



OHIO AUDITOR OF STATE  
**KEITH FABER**





**CITY OF WARREN  
TRUMBULL COUNTY  
DECEMBER 31, 2021**

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# OHIO AUDITOR OF STATE KEITH FABER



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

City of Warren  
Trumbull County  
391 Mahoning Avenue NW  
Warren, Ohio 44483

To the Honorable Mayor and City 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, the financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the City of Warren, Trumbull County, (the City) as of and for the year ended December 31, 2021, and the related notes to the financial statements, which collectively comprise the City's basic financial statements and have issued our report thereon dated June 28, 2022, wherein we noted the City included a disclosure regarding the potential financial impact of COVID-19 and the ensuing emergency measures.

### ***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 opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, we do not express an opinion on the effectiveness of the City's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the 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. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. We identified a certain deficiency in internal control, described in the accompanying schedule of findings as item 2021-001 that we consider to be a significant deficiency.

***Report on Compliance and Other Matters***

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

***City's Government Response to Findings***

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

***Purpose of This Report***

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



Keith Faber  
Auditor of State  
Columbus, Ohio

June 28, 2022

# OHIO AUDITOR OF STATE KEITH FABER



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

City of Warren  
Trumbull County  
391 Mahoning Avenue NW  
Warren, Ohio 44483

To the Honorable Mayor and City Council:

### **Report on Compliance for Each Major Federal Program**

#### ***Opinion on Each Major Federal Program***

We have audited City of Warren's (the City) compliance with the types of compliance requirements identified as subject to audit in the U.S. Office of Management and Budget (OMB) *Compliance Supplement* that could have a direct and material effect on each of City of Warren's major federal programs for the year ended December 31, 2021. City of Warren's major federal programs are identified in the *Summary of Auditor's Results* section of the accompanying schedule of findings.

In our opinion, City of Warren complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended December 31, 2021.

#### ***Basis for Opinion on Each Major Federal Program***

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

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

### ***Responsibilities of Management for Compliance***

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

### ***Auditor's Responsibilities for the Audit of Compliance***

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

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

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

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

### **Report on Internal Control Over Compliance**

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



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

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

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

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

We have audited the financial statements of the governmental activities, the business-type activities, the discretely-presented component unit, each major fund and the aggregate remaining fund information of the City of Warren (the City) as of and for the year ended December 31, 2021, and the related notes to the financial statements, which collectively comprise the City's basic financial statements. We issued our unmodified report thereon dated June 28, 2022, wherein we referred to the financial impact of COVID-19 and the ensuing emergency measures that will impact subsequent periods. Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. We have not performed any procedures on the audited financial statements subsequent to June 28, 2022. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by the Uniform Guidance and is not a required part of the basic financial statements. The schedule is the responsibility of management and was derived from and relates directly to the underlying accounting and other records management used to prepare the basic financial statements. We subjected this schedule to the auditing procedures we applied to the basic financial statements. We also applied certain additional procedures, including comparing and reconciling this schedule directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards is fairly stated in all material respects in relation to the basic financial statements as a whole.



Keith Faber  
Auditor of State  
Columbus, Ohio

September 21, 2022

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**CITY OF WARREN  
TRUMBULL COUNTY**

**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE YEAR ENDED DECEMBER 31, 2021**

| FEDERAL GRANTOR<br><i>Pass Through Grantor</i><br>Program / Cluster Title                 | Federal<br>AL<br>Number | Pass Through<br>Entity Identifying<br>Number | Provided<br>Through to<br>Subrecipients | Total Federal<br>Expenditures |
|---|-------------------------|--|---|-------------------------------|
| <b>U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT</b>                                   |                         |  |   |                               |
| <i>Direct Programs:</i>   |                         |  |   |                               |
| Community Development Block Grants/Entitlement Grants                                     | 14.218                  | N/A  | 38,590                                  | \$997,336                     |
| COVID-19-Community Development Block Grants/Entitlement Grants CARES ACT - CV             | 14.218                  | N/A  |   | 190,926                       |
| Total CDBG - Entitlement Grants Cluster   |                         |  | <u>38,590</u>                           | 1,188,262                     |
| HOME Investment Partnerships Program  | 14.239                  | N/A  |   | 394,324                       |
| Section 108 Loan Guarantee Program  | 14.248                  | N/A  |   | 391,814                       |
| Total U.S. Department of Housing and Urban Development                                    |                         |  | <u><b>38,590</b></u>                    | <u><b>1,974,400</b></u>       |
| <b>U.S. DEPARTMENT OF JUSTICE</b>   |                         |  |   |                               |
| <i>Direct Programs:</i>   |                         |  |   |                               |
| Public Safety Partnership and Community Policing Grants                                   | 16.710                  | 2014UMWX0128                                 |   | 99,957                        |
| Edward Byrne Memorial Justice Assistance Grant  | 16.738                  | 2020-JG-A02-6006                             |   | 27,979                        |
| Equitable Sharing Program Grant   | 16.922                  | N/A  |   | 12,406                        |
| <i>Passed Through Ohio Attorney General's Office:</i>                                     |                         |  |   |                               |
| Crime Victim Assistance   | 16.575                  | 2021-VOCA-134143394                          |   | 46,064                        |
| Crime Victim Assistance   | 16.575                  | 2022-VOCA-134719745                          |   | 10,361                        |
| Total Crime Victim Assistance   |                         |  |   | <u>56,425</u>                 |
| Total U.S. Department of Justice  |                         |  |   | <u><b>196,767</b></u>         |
| <b>U.S. DEPARTMENT OF TRANSPORTATION</b>  |                         |  |   |                               |
| <i>Passed Through Ohio Department of Transportation:</i>                                  |                         |  |   |                               |
| Highway Planning and Construction Cluster:  |                         |  |   |                               |
| Warren Riverwalk / Mahoningside Project   | 20.205                  | 92055  |   | 7,715                         |
| Reserve Avenue Bridges Project  | 20.205                  | 104612                                       |   | 1,722                         |
| East Market Street Project  | 20.205                  | 104619                                       |   | 275,277                       |
| Warren Signals Project  | 20.205                  | 107235                                       |   | 128,512                       |
| Warren SRTS Sidewalks Project   | 20.205                  | 109153                                       |   | 400,000                       |
| Total Highway Planning and Construction Cluster:  |                         |  |   | <u>813,226</u>                |
| <i>Passed Through Ohio Department of Public Safety, Governor's Highway Safety Office:</i> |                         |  |   |                               |
| Highway Safety Cluster:   |                         |  |   |                               |
| State and Community Highway Safety  | 20.600                  | EP/STEP-2021-Warren Police Dept.-00064       |   | 3,976                         |
| State and Community Highway Safety  | 20.600                  | EP/STEP-2022-Warren Police Dept.-00078       |   | 662                           |
| Total Highway Safety Cluster  |                         |  |   | <u>4,638</u>                  |
| Minimum Penalties for Repeat Offenders for Driving While Intoxicated                      | 20.608                  | EP/STEP-2021-Warren Police Dept.-00064       |   | 3,488                         |
| Minimum Penalties for Repeat Offenders for Driving While Intoxicated                      | 20.608                  | EP/STEP-2022-Warren Police Dept.-00078       |   | 248                           |
| Total Minimum Penalties for Repeat Offenders for Driving While Intoxicated                |                         |  |   | <u>3,736</u>                  |
| Total U.S. Department of Transportation   |                         |  |   | <u><b>821,600</b></u>         |
| <b>U.S. DEPARTMENT OF TREASURY</b>  |                         |  |   |                               |
| <i>Passed Through Ohio Office of Budget and Management:</i>                               |                         |  |   |                               |
| COVID-19-CARES Act  | 21.019                  | N/A  |   | 1,325,153                     |
| COVID-19-Coronavirus State and Local Fiscal Recovery Funds                                | 21.027                  | N/A  |   | 337,613                       |
| Total U.S. Department of Treasury   |                         |  |   | <u><b>1,662,766</b></u>       |
| <b>ENVIRONMENTAL PROTECTION AGENCY</b>  |                         |  |   |                               |
| <i>Passed Through Ohio Development Services Agency:</i>                                   |                         |  |   |                               |
| Brownfields Assessment and Cleanup Grant Program  | 66.818                  | S-S-20-21C-1                                 |   | <u>34,021</u>                 |
| <b>Total Expenditures of Federal Awards</b>   |                         |  | <u><b>\$38,590</b></u>                  | <u><b>\$4,689,554</b></u>     |

The accompanying notes are an integral part of this schedule.

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**CITY OF WARREN  
TRUMBULL COUNTY**

**NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
2 CFR 200.510(b)(6)  
FOR THE YEAR ENDED DECEMBER 31, 2021**

**NOTE A – BASIS OF PRESENTATION**

The accompanying Schedule of Expenditures of Federal Awards (the Schedule) includes the federal award activity of City of Warren (the City's) under programs of the federal government for the year ended December 31, 2021. The information on this Schedule is prepared in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of the City, it is not intended to and does not present the financial position, changes in net position, or cash flows of the City.

**NOTE B – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

Expenditures reported on the Schedule are reported on the cash basis of accounting. Such expenditures are recognized following the cost principles contained in Uniform Guidance wherein certain types of expenditures may or may not be allowable or may be limited as to reimbursement.

**NOTE C – INDIRECT COST RATE**

The City has elected not to use the 10-percent de minimis indirect cost rate as allowed under the Uniform Guidance.

**NOTE D - SUBRECIPIENTS**

The City passes certain federal awards received from the U.S. Department of Housing and Urban Development to other governments or not-for-profit agencies (subrecipients). As Note B describes, the City reports expenditures of Federal awards to subrecipients when paid in cash.

As a subrecipient, the City has certain compliance responsibilities, such as monitoring its subrecipients to help assure they use these subawards as authorized by laws, regulations, and the provisions of contracts or grant agreements, and that subrecipients achieve the award's performance goals.

**NOTE E – LOAN PROGRAMS WITH CONTINUING COMPLIANCE REQUIREMENTS**

The federal loan programs listed below are administered directly by the City, and balances and transactions relating to these programs are included in the City's basic financial statements. Loans outstanding at the beginning of the year and loans made during the year are included in the federal expenditures presented in the Schedule. The balances of loans outstanding at December 31, 2021 consist of:

| <b>AL Number</b> | <b>Program/Cluster Name</b>                           | <b>Outstanding Balance at December 31, 2021</b> |
|------------------|---|---|
| 14.218           | Community Development Block Grants/Entitlement Grants | \$1,742,163                                     |
| 14.248           | Section 108 Loan Guarantee Program                    | 1,087,946                                       |
| 14.239           | HOME Investment Partnerships Program                  | 2,216,696                                       |

**CITY OF WARREN  
TRUMBULL COUNTY**

**NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
2 CFR 200.510(b)(6)  
FOR THE YEAR ENDED DECEMBER 31, 2021  
(Continued)**

**NOTE F - COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG) with REVOLVING LOAN CASH  
BALANCE**

The current cash balance on the City's local program income account as of December 31, 2021 is \$41,914.

**NOTE G - MATCHING REQUIREMENTS**

Certain Federal programs require the City to contribute non-Federal funds (matching funds) to support the Federally-funded programs. The City has met its matching requirements. The Schedule does not include the expenditure of non-Federal matching funds.

**CITY OF WARREN  
TRUMBULL COUNTY**

**SCHEDULE OF FINDINGS  
2 CFR § 200.515  
DECEMBER 31, 2021**

**1. SUMMARY OF AUDITOR'S RESULTS**

|                     |   |  |
|---------------------|---|--|
| <b>(d)(1)(i)</b>    | <b>Type of Financial Statement Opinion</b>  | Unmodified                                 |
| <b>(d)(1)(ii)</b>   | <b>Were there any material weaknesses in internal control reported at the financial statement level (GAGAS)?</b>  | No   |
| <b>(d)(1)(ii)</b>   | <b>Were there any significant deficiencies in internal control reported at the financial statement level (GAGAS)?</b>   | Yes  |
| <b>(d)(1)(iii)</b>  | <b>Was there any reported material noncompliance at the financial statement level (GAGAS)?</b>  | No   |
| <b>(d)(1)(iv)</b>   | <b>Were there any material weaknesses in internal control reported for major federal programs?</b>  | No   |
| <b>(d)(1)(iv)</b>   | <b>Were there any significant deficiencies in internal control reported for major federal programs?</b>   | No   |
| <b>(d)(1)(v)</b>    | <b>Type of Major Programs' Compliance Opinion</b>   | Unmodified                                 |
| <b>(d)(1)(vi)</b>   | <b>Are there any reportable findings under 2 CFR § 200.516(a)?</b>  | No   |
| <b>(d)(1)(vii)</b>  | <b>Major Programs (list):</b><br><b>Community Development Block Grant</b><br><b>Coronavirus State and Local Fiscal Recovery Funds</b><br><b>Coronavirus Relief Fund</b> | AL 14.218<br>AL 21.027<br>AL 21.019        |
| <b>(d)(1)(viii)</b> | <b>Dollar Threshold: Type A/B Programs</b>  | Type A: > \$ 750,000<br>Type B: all others |
| <b>(d)(1)(ix)</b>   | <b>Low Risk Auditee under 2 CFR § 200.520?</b>  | Yes  |

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

**1. Municipal Court - Cash Reconciliation and Fund Balance**

**FINDING NUMBER 2021-001**

SIGNIFICANT DEFICIENCY

The Municipal Court had the following issues and errors over their monthly cash reconciliations and fund balances adjustments:

Cash Reconciliation

Sound accounting practices require that when designing the public office's system of internal control and the specific control activities, management should ensure adequate security of assets and records, and verify the existence and valuation of assets and liabilities and periodically reconcile them to the accounting records.

The reconciliation of cash (bank) balances to accounting system records (book) to the accounting system is the most basic and primary control process performed. Lack of completing an accurate and timely reconciliation may allow for accounting errors, theft and fraud to occur without timely detection.

The Senior Accountant, with assistance from the Clerk of Courts, is responsible for reconciling the book (fund) balance to the total bank balance on a monthly basis, and the Clerk of Courts and Judge are responsible for reviewing the reconciliation and related support.

The Clerk of Court's office prepared bank versus book reconciliations each month however, these reconciliations were not complete and accurate. From the December 31, 2021 reconciliation, we concluded the adjusted bank balances exceeded the total fund balances in the amount of \$6,368. Failure to reconcile monthly increases the possibility that the Court will not be able to identify, assemble, analyze, classify, and record its transactions correctly or to document compliance with finance related legal and contractual requirements. Further, the lack of accurate monthly reconciliations increases the risk of theft/fraud over the cash cycle and could lead to inaccurate reporting in the annual financial statements.

Significant reconciling issues may result in unauditable declarations, findings for recovery, findings for adjustment, and/or opinion modifications.

Fund Balance Adjustments

The Municipal Court records receipt and disbursement transactions in their accounting system each day. A monthly "Account Balance Listing" report is printed and maintained on file which documents the month's beginning balance, receipts, disbursements, and ending cash balance. The December 31, 2020 ending cash balance was \$420,531 however the January 1, 2021 beginning cash balance was \$421,968. The Court did not provide documentation to support the variance of \$1,437.



The Senior Accountant and Clerk of Courts should record all transactions and prepare monthly bank to book cash reconciliations, which include all bank accounts and all fund balances. The reconciliation should be in a concise format clearly documenting all balances and reconciling adjustments. The reconciliation should be signed by the Senior Accountant and Clerk of Courts. Variances should be investigated, documented and corrected. In addition, the Judge should review the monthly cash reconciliation including the related support (such as reconciling items) and document the reviews. The Municipal Court should maintain a detailed listing of all transactions for account balances. Fund balance adjustments should be thoroughly documented, reviewed, and approved by the Clerk or Judge.

**Official's Response:** We have still been working with the vendor on trying to balance bank to book. We have pinpointed several areas that need to be addressed in the accounting system that is owned by Pioneer Technologies. However, we are still working through this. I know it should not take this long, but we are at the mercy of the vendor. There is nothing we'd like more than to be able to balance all these accounts and fund balances. We will continue to work toward that goal.

|  |
|--|
| <b>3. FINDINGS AND QUESTIONED COSTS FOR FEDERAL AWARDS</b> |
|--|

None

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# CITY OF WARREN, OHIO

## Finance Department

VINCENT S. FLASK  
City Auditor

NANCY E. RUGGIERI  
Deputy Auditor

City Hall  
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Warren, Ohio 44483  
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Fax: (330) 841-2676

**SUMMARY SCHEDULE OF  
PRIOR AUDIT FINDINGS  
2 CFR § 200.511(b)  
DECEMBER 31, 2021**

| <b>Finding Number</b> | <b>Finding Summary</b>          | <b>Status</b>               | <b>Additional Information</b> |
|-----------------------|---------------------------------|-----------------------------|-------------------------------|
| 2020-001              | Pledged collateral              | Corrected                   |                               |
| 2020-002              | Term repurchase agreement       | Corrected                   |                               |
| 2020-003              | Municipal Court reconciliations | Reissued - Finding 2021-001 |                               |



# CITY OF WARREN, OHIO

## Finance Department

VINCENT S. FLASK  
City Auditor

NANCY E. RUGGIERI  
Deputy Auditor

City Hall  
391 Mahoning Avenue  
Warren, Ohio 44483  
Telephone: (330) 841-2586  
Fax: (330) 841-2676

**CORRECTIVE ACTION PLAN**  
**2 CFR § 200.511(c)**  
**DECEMBER 31, 2021**

| <b>Finding Number</b> | <b>Planned Corrective Action</b>                              | <b>Anticipated Completion Date</b> | <b>Responsible Contact Person</b> |
|-----------------------|---|------------------------------------|-----------------------------------|
| 2021-001              | We hope to have all matters completed by the end of the year. | 12/31/22                           | Clerk of Courts                   |

# CITY OF WARREN, OHIO



## ANNUAL COMPREHENSIVE FINANCIAL REPORT

FOR THE YEAR ENDED  
DECEMBER 31, 2021

VINCENT S. FLASK, CITY AUDITOR



**CITY OF WARREN, OHIO**  
ANNUAL COMPREHENSIVE FINANCIAL REPORT  
FOR THE YEAR ENDED DECEMBER 31, 2021

PREPARED BY:

CITY AUDITOR'S OFFICE  
VINCENT S. FLASK, CITY AUDITOR

*391 MAHONING AVENUE, N.W.*  
*WARREN, OH 44483*





# **INTRODUCTORY SECTION**



**CITY OF WARREN, OHIO**  
**ANNUAL COMPREHENSIVE FINANCIAL REPORT**  
**FOR THE YEAR ENDED DECEMBER 31, 2021**

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# CITY OF WARREN, OHIO

## Finance Department

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June 28, 2022

The Honorable Mayor, Members of City Council, and  
The Citizens of the City of Warren, Ohio:

The Annual Comprehensive Financial Report (ACFR) of the City of Warren, Ohio (the “City”) for the year ended December 31, 2021 is hereby submitted. This report is prepared in conformance with generally accepted accounting principles (GAAP) in the United States of America as set forth by the Governmental Accounting Standards Board (GASB). Responsibility for both the accuracy of the data and the completeness and fairness of the presentation, including all disclosures rests with the City Auditor’s office. To the best of our knowledge and belief, the enclosed data is accurate in all material respects and is reported in a manner designed to present fairly the financial position and results of operations of the various funds of the City. All disclosures necessary to enable the reader to gain an understanding of the City’s financial activities have been included.

The City is responsible for establishing and maintaining an internal control structure designed to protect its assets from loss, theft or misuse. Furthermore, the accounting system must be adequate to allow for the preparation of financial statements in conformity with generally accepted accounting principles. The internal control structure is designed to provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that the cost of a control should not exceed the benefits likely to be derived and that the valuation of costs and benefits requires estimates and judgements by management.

The City is required by state law to have an annual audit performed by the Auditor of State’s Office or an independent public accounting firm, if permitted by the Auditor of State. The Auditor of State’s Office performed the audit for the year ended December 31, 2021. The City continues to receive an unmodified opinion. The Independent Auditor’s Report on the City’s financial statements is included in the Financial Section of this report.

As a part of the City’s independent audit, tests are made to determine the adequacy of the internal control structure, including that portion related to federal assistance programs, as well as to determine that the City has complied with applicable laws and regulations.

This transmittal letter is designed to provide historical information about the City, as well as complement the required Management’s Discussion and Analysis (MD&A). Generally accepted accounting principles required that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements. The City’s MD&A can be found immediately following the Independent Auditor’s Report.

### COMMUNITY PROFILE

For financial reporting purposes, the City includes all funds, agencies, boards, commissions, and departments for which the City is financially accountable. The City reports the Warren City Health District as a discretely presented component unit.

In determining what constitutes the City's reporting entity, criteria established by GASB Statement No. 14 "The Financial Reporting Entity", were used. The City is comprised of all entities not legally separate from the City. Trumbull County, Warren Township, Howland Township, the Warren City School District and the Trumbull Career and Technical Center are separate governmental jurisdictions that overlap the City's boundaries. However, these entities are not included in the City's financial reports.

The City of Warren, historic capital of the Connecticut Western Reserve and Trumbull County seat, was incorporated as a village in 1843 and attained city status in 1869. Located in northeast Ohio, the City is situated approximately fifty-two miles southeast of Cleveland and fourteen miles northwest of Youngstown, occupies a land area of 16.30 square miles, and serviced a population of approximately 40,000 residents.

Warren is easily reached by a variety of transportation systems. The City is served by a first-rate network of regional and interstate highways, providing local business and industry with access to major metropolitan markets. State Routes 5, 45, 82 and U.S. Route 422 serve the City directly, while the Ohio Turnpike (I-80) is located six miles west of the corporate limits, I-76 is nine miles south, and State Route 11 is four miles east. Commercial and air freight services are supplied by the Youngstown-Warren Regional Airport; additional air transportation services are provided by Cleveland Hopkins International Airport, Akron-Canton Regional Airport, and Pittsburgh International Airport-all within 75 miles of the City along with rail lines that service local businesses and manufacturing facilities.

The City of Warren and surrounding area offers a vast variety of entertainment, artistic, and cultural opportunities. A city entrenched with historic highlights with an infusion of modern standards. Warren is the official site for the National Packard Museum. The state-of-the-art museum features the deep history of the Packard family, the Packard Motor Car, and other enterprises that contributed to the growth of Warren. Other historical landmarks include the Kinsman House, Harriet Taylor Upton House, John Stark Edwards House and Museum, and the Sutliff Museum. The W.D. Packard Music Hall facility continues to host countless theatrical venues, musical productions, and talented performers from around the world. With a seating capacity of 2,400 and banquet facilities, the venue plays a significant role in the community and hosts visitors from surrounding areas and various age groups. The Warren Amphitheater is another magnificent and modern entertainment facility, located in the beautiful Perkins Park campus that not only adds to the beauty of the City but has grown to become a focal point for entertainment and productions. The newly renovated Robins Theatre provides for additional musical, theatrical and movie options. The Trumbull Art Gallery is a flourishing establishment that displays local and national talent. The gallery continues to be a vibrant highlight for the City and hosts many functions that showcase arts and culture. The Main Warren Trumbull Public Library is showing benefits of its expansion project on Mahoning Ave. across from City Hall. Dave Grohl Alley is another example of an innovative location in the central business district. This tribute site honors the birthplace of a famous musician and native of Warren. The Trumbull County Veteran's Memorial abutting Courthouse Square proudly serves as a magnificent memorial to all war veterans and those who served our country. Displayed are war monuments, engraved bricks, and various tributes to veterans with ties to Trumbull County. The Women's Park is a beautifully landscaped park with walkways, a stone bridge spanning a beautiful brook, and courtyard that honors past and present women who have made a difference in the local community. The First Flight Lunar Module site is a tribute to Neil Armstrong and his famous space career. Mr. Armstrong lived in Warren as a young boy and the monument is a testament to the spirit and courage of children to follow their dreams.

The City of Warren hosts over 260 acres of public parks, a River Walk, bike trails, and other amenities that add to the quality of life for its residents and visitors. The public parks play host to a vast variety of recreational opportunities such as baseball, soccer, tennis, volleyball, biking, running and walking trails, a place to enjoy pets, a skate park, and a newly constructed splash pad in Packard Park for those hot summer days. A combination of historic and newer pavilions offers beautiful spaces for family gatherings to picnic and entertain. Most parks are equipped with playground equipment and a manicured environment for a wonderful family-oriented setting. The Mosquito Lake and Meander Creek Reservoir are ancillary water attractions that offer a place to boat, swim, fish, and picnic.

Warren benefits from both a comprehensive public school and parochial school system. Warren schools can boast of modern public facilities with state-of-the-art resources and a top-notch curriculum, not to mention a variety of outstanding athletic programs. Advanced education can be pursued locally via the Kent State University Branch as well as the Trumbull Career & Technical Center. Within driving distance is Eastern Gateway Community College and Youngstown State University, Kent State University (Main Campus), Hiram College, University of Akron, and John Carroll University. All accredited colleges that offer four-year degrees plus advanced degree programs. Employment opportunities are supplemented by the State of Ohio One Stop Employment program.



## **PROFILE OF GOVERNMENT**

The City provides a wide range of general governmental services to its residents including: public safety (police and fire), public health, municipal court, highways and streets, public improvements, community development, engineering-planning-and zoning, water, sewers, sanitation, parks and recreation, and general administrative services. The City is a statutory city that operates under those powers granted by the Ohio Constitution and The Ohio Revised Code. The mayor is elected at-large to serve a four-year term and is responsible for administering the policies and ordinances adopted by the City Council, for overseeing the day-to-day operations of the City, and for appointing the superintendents of various departments. The 11 members of the City Council are elected every 2 years with one serving as the President of Council. Council members serve as the legislative and taxing authority. The Council members create and adopt the annual operating budget of the City.

Aside from the Mayor and Council, citizens elect three other at-large City administration officials, each of whom is independent within the limits of Ohio law affecting the particular office. These officials, elected to four-year terms, are the Auditor, Treasurer, and Law Director. The Auditor serves as the chief financial officer of the City. As chief financial officer, no contract or obligation involving the City can be made without the Auditor's certification that appropriations are sufficient and funds are available, or are in the process of collection, to satisfy the contract or obligation. The Auditor is the central disbursing agent for the City who distributes funds to creditors in payment of liabilities incurred by the City and its departments. In addition, the Auditor is responsible for the preparation of the City payroll and maintaining a permanent accounting system and records.

The Treasurer is the custodian of all City funds. The Treasurer is responsible for the investment of active, inactive, and interim funds as specified by Ohio law. In addition, the Treasurer serves as an internal control function for the Auditor.

The Law Director has the responsibility of the criminal and civil divisions of the City Law Department. The criminal division is responsible for prosecuting all cases arising in the two municipal courts within the City. The Law Director is also responsible for the civil division which prepares all contracts, bonds, legislation, and other instruments in writing. As designated by Ohio law, the Law Director serves as chief legal counsel for all City officials, directors, departments, and boards.

## **ECONOMIC CONDITION AND OUTLOOK**

The City benefits from its prime location as a central component of the regional Cleveland-Pittsburgh American manufacturing belt. Approximately 9,000 manufacturing plants, 9,100 wholesale distribution centers and 14 Fortune 500 corporate world headquarters are located within 100 miles of the City. Residents derive significant benefit from and have easy access to exceptional employment, educational, recreational, medical, and cultural facilities within and surrounding the greater Youngstown-Warren metropolitan area. Home to a diversified base of industrial and commercial activity, employment within the City is primarily concentrated in the manufacturing and medical fields along with associated systems, wholesale and retail distribution, as well as education, and other professional services. Increased competition has required significant changes in the regional economy; in order to regain competitive advantage, local manufacturing firms have implemented supplementary research divisions and embraced technological advances, resulting in increased investment in green technologies, economic diversification and enhanced productivity. In addition, City officials and business leaders are placing added emphasis on the attraction of diverse corporate, retail, restaurant, and industrial employers to the region including a 2.8 million square foot operation focused on the latest technology in the electric battery market. As employment in heavy manufacturing seems to be stabilizing, the local non-manufacturing sector employment has increased, allowing the area to sustain the tax base despite a transition of workforce demographics.

The City's economic development team possesses significant resources to assist the establishment, expansion, or relocation of any business. Spearheaded by the City's Community Development Department, in partnership with agencies such as Warren Redevelopment and Planning (WRAP), The Western Reserve Port Authority, Valley Economic Development Partners, the Regional Chamber, Eastgate Council of Governments, and others, support is available for site selection, business plans, and zoning compliance as well as assistance with financing, tax abatement and credits, TIFs and other associated issues. Growth taking place in Warren and the surrounding metropolitan area represents positive economic trends that are expected to continue into the future with projects such as the Tech Belt Energy Innovation Center (TBEIC) now known as B.R.I.T.E. a government funded energy incubator aimed at development and commercialization of early-stage energy technology. The energy incubator is located in the central business district downtown and accommodates innovative high-tech energy corporations.

Both the City of Warren and the Business Resource Network (BRN) continue a program of site visits to existing companies within the City that focuses on the needs and wellness of their current employers as well as giving those employers the chance to discuss any problems they may have or possible ways for the City to assist them in business growth.

In cooperation with Valley Economic Development Partners, Warren Commerce Park has been developed into a home for industry, with tenants including Charles Manufacturing, Jaro Transportation, and Main Lite Electric. Proximity to major highways and rail service provide a variety of transportation options, offering market advantages to all tenants. On the City's west side Northwest Business Park (adjacent to OH-82 with direct links to the Ohio Turnpike) was developed through the advancement of local public-private partnerships. Currently the park is home to a number of small to mid-sized firms including U.S. Safety Gear, Geauga Trumbull Solid Waste district, Fresenius Medical Center.

The Golden Triangle Coalition, made up of the City of Warren in partnership with the Trumbull County Planning Commission, the Trumbull County Engineer, and Howland Township continue the implementation of the plans for the Golden Triangle and making significant infrastructure improvements that will assist the manufacturing firms in that area. This is an extremely important business district to our communities. The manufacturing cluster located in the Golden Triangle is the second largest in the Mahoning Valley behind only Lordstown, and consists of over 35 companies employing thousands of residents. The multiplier effect shows almost 10,000 local jobs supported by these companies. In 2021 the Coalition submitted a grant proposal to the EDA for over \$3 million in infrastructure improvements in the Golden triangle Area.

The Auto Parkit facility on Dana Street is continuing its renovations and has begun the hiring process with 30 employees now working at the site.

Also in the Golden Triangle: Tecnocap, Wheatland Tube, and Liberty Steel have announced expansion plans.

The Warren Riverwalk campus includes an outdoor amphitheater, festival promenade, multi-purpose event area, Kinsman House and the Land Office. The previous interior restoration of the Kinsman House with construction of two accessible restrooms and an elevator now allows for better public use of the historic facility. The Warren Community Amphitheatre allows for outdoor concerts and other activities with attendance in excess of 4,000 people per event. And additional funds have been secured to complete upgrades at the Amphitheater including fencing and restrooms. This project, together with ancillary recreational facilities, provides first-class entertainment and cultural opportunities for residents and visitors alike.

As the effects of the COVID-19 Pandemic began to dissipate in 2021, the City of Warren began allowing all public events to reopen within state guidelines including the Rock at the Amp series, Warren Farmers Market, Relay for Life, Welcome Home Warren, Taste of Warren, Rooftop Reunion, Oktoberfest and others including Christmas in the Square that drew over 2,500 people to Downtown Warren during the holiday event.

The City of Warren, through the Community Development Department, acts as the lead agency in a partnership with Trumbull County for receiving federal funding from HUD for affordable housing programs. Through these efforts, the City and County have completed several housing projects over the years such as the \$9.5 million acquisition and rehab of 188 units at the Warren Heights Apartments on the City's north end, the \$12.5 million acquisition and rehab of 150 units at the Hampshire House Apartments on the City's southwest side, the Morgandale project consisting of 10 units of senior housing, the \$9 million senior housing project on the City's west side, and the YWCA was granted assistance to develop 12 units of permanent supportive housing in their building.

In 2021 the City received \$2.6 million through the ARPA to assist with housing for very low-income people. Three new multi-tenant projects are in the pipeline with an expected total investment of nearly \$10 million dollars. And the City continues to work with non-profit organizations to fund the rehabilitation of a number of single-family units to put back on the market for home ownership opportunities.

## **FINANCIAL POLICIES AND LONG-TERM FINANCIAL PLANNING**

With the help of its residents approving a temporary additional ½ percent to its tax base annually that began in 2017 and was renewed for an additional five years to begin January 1, 2022, the City has been able to stabilize its workforce, make significant improvements in its infrastructure, and provide a fully staffed and well-trained safety forces including its police and fire departments. The City

continues to explore options for reducing expenses and generating additional revenue. These actions are a function of the City's longstanding budget review policies set in place to ensure that the general fund expenditure levels are timely adjusted consistent with available and anticipated resources. The budget is the primary planning tool utilized to ensure that the City has sufficient resources to meet its operation and capital improvement requirements. The City's budgetary control program begins prior to the fiscal year with the preparation of a detailed specific use budget based on line-item justification by department heads. Budget performance reports are prepared and reviewed monthly by the finance department, deviations from budget are noted, and reports are submitted to department heads. Problem areas are anticipated and appropriate adjustments are made with a compromise of a budget and management considerations.

In conjunction with a vigorous budget review process to eliminate extraneous expenses, the City continues to be aggressive in applying for grants and had two full time employees dedicated to the grant writing process in 2021. The City contracts with a collection agency to assist in the collection of outstanding money owed to the City. In addition, the City has contracted with the City of Cleveland to ensure the City's taxpayers are in compliance with the City tax code which has improved income tax collections since its inception.

## **MAJOR INITIATIVES - CURRENT AND FUTURE PROJECTS**

Throughout 2021, a number of technology projects were initiated in our engineering and health departments enabling the City to operate with increased efficiency as well as promote and compete for commercial, industrial and residential development in an atmosphere conducive for job retention, growth and residential investments.

The City received the first half of the \$28.6 million in American Rescue Funds and began formulating its plan on how to best utilize those funds in reducing the spread of COVID-19 and recovering from the financial impact the pandemic and state mandated shutdown had on the City of Warren.

The City has emphasized an initial focus on creating a healthier environment within its government owned facilities that services the public, increasing the capabilities of the operations of the City and providing our safety forces with the tools needed to improve their departments.

The City also has established a business grant program to encourage additional commercial investments and help stabilize local services and employment.

## **PUBLIC SAFETY**

### ***Fire***

The Warren City Fire Department hired three new firefighters in 2021 to keep the staffing level at sixty firefighters. The Fire Department also sent two firefighters to the academy for Fire Investigation level 1 to maintain our inventory of certified Fire Investigators. Additionally, Warren City Council passed legislation to purchase a new Sutphen fire engine at a cost of \$595,000. The engine is built in Dublin, Ohio. The Fire Department responded to 1545 calls for service which was the most in nearly 30 years.

### ***Police***

The Police Department completed drawing down monies from a C.O.P.S. grant that allowed the department to hire 3 additional officers. This grant expired in September, 2021. These three additional officers have been assigned to bolster our current staffing in our Street Crimes Unit bringing the unit's staffing up to 8 officers. The department applied for and was recently awarded \$18,800 in 2021 to equip patrol officers with body armor through the Bulletproof Vest Partnership.

The department was awarded \$218,344 through the Ohio Office of Criminal Justice Services Grant which was used to purchase surveillance equipment. That equipment will be placed in the City's southwest side to assist with violent crime reduction.

Through participation in the Law Enforcement Support Organization (LESO) program, the police department has acquired, at no cost, a variety of police equipment such as 5 utility vans, 3 trucks, 1 passenger minivan, multiple shipping containers for storage, over \$4,000 of gunsmithing tools, over \$6,000 of mechanic tools, and firearm racks for the armory. All of these items are currently being purposed in some way citywide. These items combined, total an approximate value of \$175,000.

The monies collected through drug forfeitures has funded the purchase of ammunition, tasers, firearms, mobile video recorders, surveillance equipment, and other much needed equipment. A recently renewed ½ percent income tax increase has assisted in the retaining of 3 police officers in 2021 which brings total staffing in the department to 70. To assist in traffic enforcement, the department applied for and received \$4,922 for the Drugged Driving Enforcement Program and \$37,273 IDEP/STEP Enforcement Program. Through COVID Funding the department was able to purchase Plexiglass barriers, cleaning supplies and services in the amount of \$4,006.

## **PUBLIC WORKS**

Road improvement projects completed in 2021 include: The 2021 City Road Project and the 2021 OPWC/CDBG Road Project.

The 2021 City Road Project resurfaced 9.6 miles of roadway. Thirty-two streets were included in the project. Signage was completed. Manhole and inlet castings were replaced and adjusted as needed. Construction was completed in the fall and finalized at a cost of \$1,527,502. Local funds covered 100% of the project costs.

The City of Warren entered into contract for the 2021 OPWC/CDBG Project in July of 2021. Fifteen streets were included in the project. The project improved 4.6 miles of roadway. Signage, pavement markings, and concrete repairs were completed. Manhole and inlet castings were replaced and adjusted as needed. Construction was completed in the fall and finalized at a cost of \$980,949. The project utilized state, federal, and local funds.

The Electrical Maintenance Contract in the amount of \$166,000 was renewed in the spring of 2021. The contract covers the maintenance of Traffic Signals including Pedestrian Signals and the Emergency Preempt System, Caution Signals, School Flashing Beacons, Tornado Sirens, the Radio Fire Alarm, and Downtown Ornamental Street Lighting.

A street sweeping contract in the amount of \$136,000 was renewed in the spring of 2021. Streets in the Central Business District are swept four times per year. Arterial roads and residential streets with curbs are swept twice a year. Curb attached sidewalk areas in our central business district and along arterial roads are swept once a year in the spring.

The City entered into a contract to cut grass and maintain various areas in the City throughout the growing season. The authorized work included mowing along the Greenway Trail, brush hogging the City's Riverwalk Trails, mowing the Union Cemetery, maintaining the tree grates and mulch beds in the central business district, and vegetation control along arterial roads. The collective cost of the work was \$29,027.

The City completed the 2021 annual inspection report that the Ohio EPA requires for the Mahoningside site. The report monitors the condition of the retaining wall along the eastern boundary of the property. The cost of the study was \$2,800. The City completed the engineering and environmental work that was required for the Packard Park Small Boat Launch project at a cost of \$24,150.

The City renewed the contract to repair asphalt pavement at various locations throughout the City where underground utility repairs were made. The work consisted of removing 3 inches of existing cold patch or temporary aggregate fill, and then applying 3 inches of compacted hot asphalt to each utility cut. The project repaired 1,500 SY of utility cuts at a cost of \$98,625. The project was funded through the water department. Street pavement markings along the City's main thoroughfares were completed at a cost of \$36,272. Guardrail repairs valued at \$17,088 were completed. Local funds were used for the pavement markings and guardrail repairs.

The City repaired sidewalks around each of the City's four K through 8 schools using federal Safe Routes to Schools funding. The work was completed in the fall at a cost of \$397,996 with the SRTS funds covering 100% of the project cost. Engineering for the Traffic Signal Upgrade Project and the Reserve Avenue Bridges Project were completed using federal grants. The projects will be put out to bid in 2022. Federal and state funds will cover the costs of the projects.

The plans and specifications for the improvements to City Hall, the Information Technology Building, and the City Law Office were completed and put out to bid. A contract in the amount of \$1,573,740 was awarded in the spring of 2021. The City of Warren will use local funds, a federal Save America's Treasure grant (\$500,000), and NOPEC funds (\$200,000) to complete the project. The project will be completed in 2022.

## **UTILITY SERVICES**

### ***WPC Summary***

At Water Pollution Control, design and construction of many projects have been initiated in two broad categories: the Wastewater Treatment Plant & Pump Stations is the first; the Sanitary Sewer Collection System is the second. The first of three phases of projects for the Plant and Pump Stations Refurbishment were bid and awarded. Construction of this first phase will be accomplished through five different construction contracts and a construction oversight contract the total of which is \$42.7 million covered by a single loan. Construction was initiated in April 2021 and should take 24 months to complete. A new sanitary sewer along High Street was completed in 2021 by S.E.T. Negotiations with the Village of Lordstown over sewer rates resulted in a contract that will bring those rates from 75% to 100% of Warren's Inside Rate gradually over the next 10 years. Warren sewer rates were approved to increase 6% per year for 6 years to cover the remaining cost of currently needed Plant and Sanitary Sewer work. Design of Phase 2 of 3 of the Plant and Pump Station Refurbishment Phases is starting in 2022 and should take 12 months to complete. Phase 2 will include Grit Handling Replacement, Aeration Tank Improvements, Process Blower replacement, Disinfection Tank Refurbishment and Installation of a 3<sup>rd</sup> Tank, and installation of Gravity Sludge Thickeners.

### ***Water Summary***

In 2021 the City of Warren's Water Department installed a new drop box in front of the building for a convenient way for citizens to pay their bills 24 hours a day 7 days a week.

The department has had continued success with meter changeouts, as well working with a third party establishing and configuring our GIS mapping system. The GIS mapping system helps get maps in front of our workers in the field, saving time and money from going to find maps.

A new valve turning machine was purchased to keep up with OEPA regulations.

The water department will be establishing an asset management system as well as a financial model. The financial model will help project future projects and how they may affect the budget. It will also help with monitoring the budget both present and in the future. Both of these systems are vital with the increase in costs of products and services that are needed to keep quality drinking water flowing into the homes and businesses of the community.

2021 presented a total of 131 main breaks within the water system. An average of 13.1 million gallons per day of treated water was pumped into the distribution system for use.

High service pumps help deliver finished water into the distribution system. Rehabilitation and repair on one of the three high service pumps in 2021 helped maintain the reliability needed to pump treated water into the distribution system continuously.

The water department managed to provide the same quality product and customer service to the citizens of Warren and outside customers while implementing additional protocols and safety procedures addressing the potential spread of COVID-19.

## **ENVIRONMENTAL SERVICES**

The Environmental Services Department provides automated residential trash service to all residents of the City of Warren and continues to expand our outreach by pursuing additional customers by offering residential service to those outside the city limits providing they have a current water account. The department has also increased revenue growth by expanding our commercial service accounts and increased revenue growth from roll-off rentals. We have also acquired 5 new trucks to maintain efficiency and less vehicle downtime.

## **INFORMATION TECHNOLOGY**

Fiscal 2021, the pandemic continued to alter the landscape of the Information Technology (IT) Department.

- Remote Working
- Replacing Legacy Software
- Improving Productivity

As the transmission rates began to decline, the IT Department was tasked with assisting employees gradually returning to their offices after working remotely for over a year. Employees were given the tools that provided the flexibility to do their jobs no matter the location. This effort required effective technologies solutions to make the experience as efficient and easy as possible. While delivering innovative technologies, the department began to focus on implementing solutions to move the City forward, where doing business or accessing information is just a click away, 24/7.

Replacing legacy systems with new systems to improve citizen services and that include remote capabilities (eliminating or reducing the need for in-person transactions) continues to be priority. The first online permit application and payments were launched for the Engineering, Planning and Building and Health Departments. The iWorQ software application ingrates online permit applications with credit or debit card payments for contractors, code enforcements, birth and death certificates and various municipality required permits. The program provides cloud-based software that connects the business world and our constituents via the internet. The monetary payments integrate into our major applications software for financial balancing and verification.

The IT department was faced with aging equipment that was housed and maintained on-premise. Budgetary constraints demanded a consideration of all options. After extensive review, the City opted for a complete migration of our on-premise major application software platform to a software as a service (SAAS)/Cloud based platform. This package includes citywide financials, payroll, human resources, utilities (metering, billing, collection, etc.), record retention, as well as other related functions. The migration allowed us to offset the significant upfront capital expense by providing a hardened annual expense while reducing the frequent maintenance and subsequent in-house demands. The transition was executed swiftly and seamlessly. New security measures were also implemented. New Edge Appliances (Firewalls) and dedicated ASA Appliances were introduced to upscale security and threat protection. A redesigned infrastructure accompanied this project where bandwidth was increased as well as implementing diverse redundancy to the Internet.

The Information Technology Department looks forward to carrying out and completing major projects in 2022, such as improving security and safety on all of our platforms, updating and replacing software programs and enhancing communications between every City department. These and other projects will continue to benefit the community and maintain the highest quality of services to keep Warren thriving.

## **DOWNTOWN WARREN**

In the historic district just blocks from Courthouse Square the Akron Children's Hospital facility offers modern technology coupled with an architecturally pleasing structure. The Warren-Trumbull County Public Library is a city landmark that contributes significant quality of life to the local citizens and has almost completed a major expansion project that adds even more offerings to the community. City Hall is another well-known landmark with a significant history. Interior and Exterior preservation of the campus continues in order to preserve and facilitate the ongoing functionality of the buildings and grounds.

The Morgan House, a historic residence across from City Hall, was transferred to the Trumbull County Historical Society by the City. The Historical Society has developed plans and secured grant dollars for the renovation of what will become the Morgan History Center that will highlight the history of the area along with interactive displays and historic artifacts.

The iconic courthouse fountain has been fully restored and is once again operational.

Although delayed by the pandemic, plans are underway to make improvements to the Warren Amphitheater to add seating, improve handicap accessibility and construct permanent fencing and restrooms.

With the grand opening of the newly renovated historic Robins Theater and the addition of three new restaurants to complement the Amphitheater and other nightspots like the micro-brewery, the City of Warren has become a vibrant and exciting place for entertainment, dining, and other night life. With a number of buildings renovated to add condominiums and other residential opportunities along with the addition of retail stores, coffee shops, and out of town visitors to the Trumbull Art Gallery and local historic sites, daytime activity has also increased generating additional traffic and economic stability in the downtown to the benefit of the whole City.

In addition to renovations of existing sites, vacant and unsightly structures have been demolished to make way for potential new business while removing blight. Block Grant funding has been earmarked/utilized to continue demolition of abandoned and blighted commercial structures. The City received funding to begin the abatement and demolition of the former St. Joseph's Hospital, an estimated \$5 million project, and is applying through the Trumbull County Land Bank for additional grant funds for other major brownfield mitigation projects.

## **GENERAL GOVERNMENT**

During the second year of a national pandemic and year five of an additional 5-year .5 % income tax which also was extended an additional 5 years by Warren voters in 2021, collections were up approximately \$700,000 dollars in the general fund from the previous fiscal year which saw a decrease of \$1.9 million in the previous pre-pandemic budget year. Implementing budget cuts, temporary layoffs and a close watch of all nonessential spending the City managed to reduce its expenses beyond its lost revenue allowing Warren to navigate the financial turmoil created by the state wide mandatory shutdown. The City managed to add 783 new or reactivated accounts in 2021.

Because of the Ohio Department of Health Guidelines and through a Memorandum of Understanding with the facilities Management Company, operating costs at the Packard Music Hall were reduced by 40% heading into the 1st quarter of 2021 and resumed the original contract as the state pandemic restrictions were lifted.

The Social Security Administration began a 10-year rental agreement with the City of Warren maintaining their presence in Warren's Government Building. Along with other social service agencies and City departments the ten-year agreement adds stability to Warren's long term real-estate investment and debt payments through 2031. The Veterans Resource Center located directly across from Warren's Government Center building continues to provide services to the area's veteran population and the Trumbull Mobile Meals located on the same block provides nutritional services to senior citizens in and around Warren.

## **ACKNOWLEDGEMENTS**

The publication of this ACFR represents an important achievement in the ability of the City of Warren to provide significantly enhanced financial information and accountability to the citizens of the City of Warren, its elected officials, City management and investors. This report continues the aggressive program of the City Auditor's office to improve the City's overall financial accounting, management and reporting capabilities.

I would like to acknowledge the efforts of the entire staff of the City of Warren Auditor's office for their contributions to this report. Special thanks are extended to Nancy Ruggieri, Deputy Auditor, for her effort, dedication, and coordination of this project. I would also like to acknowledge the assistance provided by the staff of Julian & Grube, Inc. Their guidance and professionalism were invaluable and greatly appreciated.

I would like to acknowledge the efforts of our state auditors. Thanks to Erik Holesko and his team for completing the audit so that the report could be filed on time with GFOA.

I would also like to thank all of the elected officials, department heads and their staff for their continued assistance and cooperation with the preparation of this ACFR. I know with their continued support, this project and our efforts toward sound financial management of the City of Warren will continue.

Respectfully submitted



Vincent S. Flask

**CITY OF WARREN**  
ELECTED AND APPOINTED OFFICIALS  
DECEMBER 31, 2021

**ELECTED OFFICIALS**

***Executive Branch:***

|              |                      |
|--------------|----------------------|
| Mayor        | William D. Franklin  |
| Auditor      | Vincent S. Flask     |
| Treasurer    | Tom Letson           |
| Law Director | Enzo C. Cantalamessa |
| Judge        | Thomas Gysegem       |
| Judge        | Terry Ivanchak       |

***Legislative Branch:***

|                                       |                   |
|---------------------------------------|-------------------|
| Council Member – Council President    | James Graham      |
| Council Member – 1 <sup>st</sup> Ward | Larry Larson      |
| Council Member – 2 <sup>nd</sup> Ward | Alford Novak      |
| Council Member – 3 <sup>rd</sup> Ward | Greg Greathouse   |
| Council Member – 4 <sup>th</sup> Ward | Mark Forte        |
| Council Member – 5 <sup>th</sup> Ward | Ken MacPherson    |
| Council Member – 6 <sup>th</sup> Ward | Cheryl Saffold    |
| Council Member – 7 <sup>th</sup> Ward | Ronald White, Sr. |
| Council Member – At-Large             | Gary Stainbeck    |
| Council Member – At-Large             | Helen Rucker      |
| Council Member – At-Large             | John Brown, Jr.   |

**APPOINTED OFFICIALS**

***Department of Public Safety:***

|                           |                  |
|---------------------------|------------------|
| Director of Public Safety | Eddie L. Colbert |
| Police Chief              | Eric Merkel      |
| Fire Chief                | Kenneth Nussle   |

***Department of Public Service:***

|                                     |                  |
|-------------------------------------|------------------|
| Director of Public Service          | Eddie L. Colbert |
| Deputy Health Commissioner          | John May Jr.     |
| Director of Engineering             | Paul Makosky     |
| Director of Water Utilities         | Franco Lucarelli |
| Director of Water Pollution Control | Edward Haller    |
| Director of Environmental Services  | Leann O'Brien    |
| Director of Community Development   | Michael Keys     |



# CITY OF WARREN, OHIO

## ADMINISTRATIVE

# MAYOR

### CIVIL SERVICE COMMISSION

#### Members

Civil Service Secretary

### MUNICIPAL COURT

#### Presiding Admin. Judge

Muni. Judge

Court Admin./Magistrate  
Clerk of Muni. Ct.  
Chief Bailiff  
Deputy Bailiff  
Chief Deputy Clerk  
Probation Officer  
Administrative Assistant

### BOARD OF HEALTH

#### Health Commissioner

Deputy Health Commissioner

Registrar  
Super. of Public Health  
Sanitarian Supervisor  
Food Program Coord.  
Sanitarian III  
Envir. Health Cler. Coord.  
Vital Stats Clerk  
Code Inspector  
Public Health Clinician

### FINANCE DEPT.

#### Auditor

Deputy Auditor  
Senior Accountant  
Accountant II  
Accountant I  
Financial Secretary

### INCOME TAX

#### Treasurer

Tax Administrator  
Invest./Auditor  
Cashier/Auditor

### LAW DEPT.

#### Law Director

Deputy Law Director  
Assistant Law Dir.  
Exec. Legal Sec. II  
Legal Sec.  
Assistant Legal Sec.

### SAFETY & SERVICE DIRECTOR

Admin. Assistant  
Exec. Secretary II

### HUMAN RESOURCES

#### Director of Human Res.

Personnel Supervisor  
Executive Secretary I

### CITY COUNCIL

#### President

#### Council Members

Clerk of Council

### POLICE DEPARTMENT

#### Police Chief

(Civilian Div.)  
Office Supervisor  
Police Support Tech.  
Animal Warden

(Uniform Div.)  
Captains  
Lieutenants  
Sergeants  
Police Officers

### FIRE DEPARTMENT

(Uniform Div.)  
**Fire Chief**  
Assistant Chief  
Captains  
Lieutenants  
Firefighters

(Civilian Div.)  
Exec. Secretary  
Heavy Equip. Mech.

### DATA PROCESSING

#### Manager of Data Proc.

Data Proc. Coordinator  
Info. Technology Syst. Tech.

### COMMUNITY DEVELOPMENT

#### Executive Director

Urban Design & Grants Coord.  
Accountant  
Program Specialist  
Program Coordinator

### OPERATIONS DEPARTMENT

(Operations Streets)  
Parks & Street Supt.  
Foreman  
Section Leader  
Equipment Operator IV  
Equipment Operator II  
Equipment Operator I  
Labor II  
Secretary  
Clerk Typist

### OPERATIONS Maint.

Operations Super.  
Master Skilled Maint.  
Skilled Maint.  
Heavy Equip. Mech.  
Welder/Metal Fab.  
Automotive Mech.

### ENG., PLNG. & BLDG

#### Director of E, P & B

Office Supervisor  
Planning Coordinator  
Engineering Aide IV  
Engineering Aide III  
Engineering Aide II  
Engineering Aide I  
Building Official  
Building Inspector  
Electrical Inspector  
Plumbing Inspector

### ENVIRONMENTAL SERVICES

#### Manager

Secretary  
Foreman  
Heavy Equip. Mech.  
Auto Mechanic  
Env. Serv. Oper. II  
Env. Serv. Oper. I

### WATER DEPARTMENT

#### Director of Water Util. Oper.

(Water Service)  
Water Serv. Superv.  
Cross Conn. Tech.  
Water Serviceman  
Water Dist. Tech.  
Customer Service Rep.  
Meter Reader  
Utility Serv. Rep.  
Serv. Rep. Clerk

### (Plant)

Plant Superintendent  
Oper. Superv. / Project Manager  
Maint. Supervisor  
Laboratory Sup.  
Util. Plant Shift Leader  
Assistant Chemist  
Pumping Station Mech.  
Utility Plant Operator II  
Maint. Electrician  
Maint. Mechanic III  
Maint. Mechanic II  
Laborer II  
Secretary

### (Water Dist.)

Water Dist. Supert.  
Water Dist. Superv.  
Foreman  
Section Leader  
Heavy Equip. Mech.  
Meter Room Coord.  
Equip. Operator IV  
Equip. Operator II  
Master Cement Finish.  
Tapper Meter Repair  
Laborer II  
Laborer I  
Secretary

### (Office)

Office Manager  
Consumer Service Rep.  
Cashier  
Data Entry Operator  
General Clerks

### (Storm)

Sec. Leader  
Equip. Operator IV  
Equip. Operator I  
Laborer II

### (Sanitary)

Foreman  
Sec. Leader

### (Plant)

Chief Operator  
Ind. Pret. Coord.  
Plant Operator  
Plant Alternate

### (Lab)

Chemist  
Asst. Chemist

### (Bio Solids)

Bio Solids Manager  
Bio Solids Sales Rep.  
Bio Solids Proc. Tech.  
Equipment Oper I

### WATER POLLUTION CONTROL

#### Director of W.P.C.

W.P.C. Superintendent

# Organization Chart

February 2016

G:\Drawings\Autocad\misc\City Org February 2016.dwg



Government Finance Officers Association

Certificate of  
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Reporting

Presented to

**City of Warren  
Ohio**

For its Annual Comprehensive  
Financial Report  
For the Fiscal Year Ended

December 31, 2020

*Christopher P. Morill*

Executive Director/CEO

# **FINANCIAL SECTION**



# OHIO AUDITOR OF STATE KEITH FABER



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

## INDEPENDENT AUDITOR'S REPORT

City of Warren  
Trumbull County  
391 Mahoning Avenue NW  
Warren, Ohio 44483

To the Honorable Mayor and City Council:

### Report on the Audit of the Financial Statements

#### **Opinions**

We have audited the financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the City of Warren, Trumbull County, Ohio (the City), as of and for the year ended December 31, 2021, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the City of Warren, Trumbull County, Ohio (the City), as of and for the year ended December 31, 2021, and the respective changes in financial position and, where applicable, cash flows thereof and the respective budgetary comparisons for the General and Coronavirus Fiscal Recovery funds 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.

#### **Emphasis of Matter**

As discussed in Note 22 to the financial statements, the financial impact of COVID-19 and the emergency measures may impact subsequent periods of the City. Our opinion is not modified with respect to this matter.

***Responsibilities of Management for the Financial Statements***

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

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

***Auditor's Responsibilities for the Audit of the Financial Statements***

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

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

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

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

**Required Supplementary Information**

Accounting principles generally accepted in the United States of America require that the *management's discussion and analysis*, 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 nonmajor fund financial statements and schedules supplementary information is 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 have also issued our report dated June 28, 2022, 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

June 28, 2022



## CITY OF WARREN, OHIO

### MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE YEAR ENDED DECEMBER 31, 2021

The management's discussion and analysis of the City of Warren's (the "City") financial performance provides an overall review of the City's financial activities for the year ended December 31, 2021. 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, basic financial statements and the notes to the basic financial statements to enhance their understanding of the City's financial performance.

#### **Financial Highlights**

Key financial highlights for 2021 are as follows:

- The total net position of the City increased \$15,632,795. Net position of governmental activities increased \$8,476,263 or 18.69% from 2020's net position and net position of business-type activities increased \$7,156,532 or 24.29% from 2020's net position. This increase is primarily the result of the decrease in other postemployment benefits (OPEB) expense for the Ohio Public Employees Retirement System (OPERS).
- General revenues accounted for \$26,050,425 or 74.11% of total governmental activities revenue. Program specific revenues accounted for \$9,100,971 or 25.89% of total governmental activities revenue.
- The City had \$26,285,883 in expenses related to governmental activities; \$9,100,971 of these expenses was offset by program specific charges for services, grants or contributions. General revenues (primarily property taxes, income taxes and unrestricted grants and entitlements) of \$26,050,425 covered the remaining expenses of \$17,184,912.
- The general fund had revenues of \$28,610,324 in 2021. This represents an increase of \$1,877,165 or 7.02% from 2020 revenues. The expenditures and other financing uses of the general fund, which totaled \$27,002,210 in 2021, increased \$1,020,192 or 3.93% from 2020. The net increase in fund balance for the general fund was \$1,608,114 in 2021.
- The coronavirus fiscal recovery fund, a major governmental fund, had revenues of \$473,249 in 2021. Expenditures in 2021 totaled \$473,249 and the fund balance at the end of the year was zero.
- The general capital projects fund, a major governmental fund, had revenues and other financing sources of \$2,617,115 in 2021. Expenditures in 2021 totaled \$3,681,191 and the fund balance at the end of the year was \$376,521.

#### **Using this Annual Comprehensive Financial Report**

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

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 finances. 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 remains for future spending. The fund financial statements also look at the City's most significant funds with all other nonmajor funds presented in total in one column.

#### **Reporting the City as a Whole**

##### ***Statement of Net Position and the Statement of Activities***

While this document contains a large number of funds used by the City to provide programs and activities, the view of the City as a whole looks at all financial transactions and asks the question, "How did the City perform financially during 2021?" The statement of net position and the statement of activities answer this question. These statements include all non-fiduciary assets, deferred outflows of resources, liabilities, deferred inflows of resources, revenues and expenses using the accrual basis of accounting similar to the accounting used by most private-sector companies. This basis of accounting reflects all of the current year's revenues and expenses regardless of when cash is received or paid.

## CITY OF WARREN, OHIO

### MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE YEAR ENDED DECEMBER 31, 2021

These two statements report the City's net *position* and changes in that position. This change in net position is important because it tells the reader that, for the City as a whole, the financial position of the City has improved or diminished. The causes of this change may be the result of many factors—some financial, others not. Non-financial factors include the City's property tax base, current property tax laws in Ohio restricting revenue growth, facility conditions, required community programs and other factors.

In the statement of net position and the statement of activities, the City is divided into three distinct kinds of activities:

**Governmental activities** - Most of the City's programs and services are reported here including police, fire and rescue, street maintenance, capital improvements, and general administration. These services are funded primarily by property taxes, income taxes, and intergovernmental revenues including federal and state grants and other shared revenues.

**Business-type activities** - These services are provided on a charge for goods or services basis to recover all or a significant portion of the expenses of the goods or services provided. The City's water, sewer, sanitation, downtown parking, city redevelopment, and stormwater utility are reported here.

**Component unit** - The City's financial statements include financial data of the Warren City Health District. The component unit is described in the notes to the financial statements (see Notes 2.A and 23 for detail).

The City's statement of net position and statement of activities can be found on pages 20-23 of this report.

#### **Reporting the City's Most Significant Funds**

##### ***Fund Financial Statements***

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

Fund financial reports provide detailed information about the City's major funds. The City uses many funds to account for a multitude of financial transactions. However, these fund financial statements focus on the City's most significant funds. The analysis of the City's major governmental and proprietary funds begins on page 14.

##### ***Governmental Funds***

Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the year. Such information may be useful in evaluating a government's near-term financing requirements.

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

The City maintains several individual governmental funds. The City has segregated these funds into major funds and nonmajor funds. The City's major governmental funds are the general fund, coronavirus fiscal recovery special revenue fund, and general capital projects fund. Information for the major funds is presented separately in the governmental fund balance sheet and in the governmental statement of revenues, expenditures, and changes in fund balances. Data from the other governmental funds are combined into a single, aggregated presentation. The basic governmental fund financial statements can be found on pages 24-30 of this report.

**CITY OF WARREN, OHIO**

**MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED DECEMBER 31, 2021**

***Proprietary Funds***

The City maintains two types of proprietary funds. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The City uses enterprise funds to account for its sewer, water, sanitation, downtown parking, city redevelopment, and stormwater utility. The sewer, water and sanitation enterprise funds are considered major funds.

Internal service funds are an accounting device used to accumulate and allocate costs internally among the City's various functions. The basic proprietary fund financial statements can be found on pages 32-41 of this report.

***Fiduciary Funds***

Fiduciary funds are used to account for resources held for the benefit of parties outside the City. Fiduciary funds are not reflected in the government-wide financial statement because the resources of those funds are not available to support the City's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds. Custodial funds are the City's only fiduciary fund type. The basic financial statements for the custodial funds can be found on page 42 and 43 of this report.

***Notes to the Basic Financial Statements***

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. These notes to the basic financial statements can be found on pages 45-106 of this report.

***Required Supplementary Information***

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the City's net pension liability. The required supplementary information can be found on pages 108-125 of this report.

**Government-Wide Financial Analysis**

The statement of net position provides the perspective of the City as a whole. The table on the following page provides a summary of the City's net position for 2021 and 2020.

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**CITY OF WARREN, OHIO**

**MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED DECEMBER 31, 2021**

**Net Position**

|  | Governmental Activities |               | Business-Type Activities |               | Total         |               |
|--|-------------------------|---------------|--------------------------|---------------|---------------|---------------|
|  | 2021                    | 2020          | 2021                     | 2020          | 2021          | 2020          |
| <b><u>Assets</u></b>                         |                         |               |                          |               |               |               |
| Current and other assets                     | \$55,986,228            | \$ 40,661,693 | \$18,970,559             | \$ 19,664,237 | \$ 74,956,787 | \$ 60,325,930 |
| Capital assets, net                          | 61,816,136              | 59,042,357    | 60,475,042               | 47,026,202    | 122,291,178   | 106,068,559   |
| Total assets                                 | 117,802,364             | 99,704,050    | 79,445,601               | 66,690,439    | 197,247,965   | 166,394,489   |
| <b><u>Deferred outflows of resources</u></b> |                         |               |                          |               |               |               |
| Unamortized deferred charges                 | 50,671                  | 54,905        | -                        | -             | 50,671        | 54,905        |
| Pension                                      | 4,892,673               | 4,913,554     | 1,002,291                | 1,325,748     | 5,894,964     | 6,239,302     |
| OPEB   | 2,901,208               | 3,407,253     | 409,119                  | 932,717       | 3,310,327     | 4,339,970     |
| Total deferred outflows of resources         | 7,844,552               | 8,375,712     | 1,411,410                | 2,258,465     | 9,255,962     | 10,634,177    |
| <b><u>Liabilities</u></b>                    |                         |               |                          |               |               |               |
| Current liabilities                          | 19,040,145              | 4,091,980     | 2,289,398                | 1,986,512     | 21,329,543    | 6,078,492     |
| Long-term liabilities:                       |                         |               |                          |               |               |               |
| Due within one year                          | 2,159,509               | 2,215,141     | 3,530,699                | 3,040,964     | 5,690,208     | 5,256,105     |
| Net pension liability                        | 28,541,931              | 29,666,748    | 6,350,485                | 8,539,185     | 34,892,416    | 38,205,933    |
| Net OPEB liability                           | 3,537,041               | 8,518,486     | -                        | 5,749,786     | 3,537,041     | 14,268,272    |
| Other amounts                                | 7,925,477               | 9,118,667     | 26,503,709               | 16,582,668    | 34,429,186    | 25,701,335    |
| Total liabilities                            | 61,204,103              | 53,611,022    | 38,674,291               | 35,899,115    | 99,878,394    | 89,510,137    |
| <b><u>Deferred inflows of resources</u></b>  |                         |               |                          |               |               |               |
| Property taxes                               | 1,156,926               | 1,150,771     | -                        | -             | 1,156,926     | 1,150,771     |
| Pension                                      | 5,779,624               | 5,680,712     | 3,107,108                | 2,419,828     | 8,886,732     | 8,100,540     |
| OPEB   | 3,687,870               | 2,295,127     | 2,453,354                | 1,164,235     | 6,141,224     | 3,459,362     |
| Total deferred inflows of resources          | 10,624,420              | 9,126,610     | 5,560,462                | 3,584,063     | 16,184,882    | 12,710,673    |
| <b><u>Net position</u></b>                   |                         |               |                          |               |               |               |
| Net investment in capital assets             | 56,590,016              | 53,934,820    | 31,320,397               | 28,454,187    | 87,910,413    | 82,389,007    |
| Restricted                                   | 13,706,648              | 14,720,765    | -                        | -             | 13,706,648    | 14,720,765    |
| Unrestricted (deficit)                       | (16,478,271)            | (23,313,455)  | 5,301,861                | 1,011,539     | (11,176,410)  | (22,301,916)  |
| Total net position                           | \$ 53,818,393           | \$ 45,342,130 | \$ 36,622,258            | \$ 29,465,726 | \$ 90,440,651 | \$ 74,807,856 |

The net pension liability/asset is reported pursuant to Governmental Accounting Standards Board (GASB) Statement 68, "Accounting and Financial Reporting for Pensions - an Amendment of GASB Statement 27." The net other postemployment benefits (OPEB) liability is reported pursuant to GASB Statement 75, "Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions." For reasons discussed below, many end users of this financial statement will gain a clearer understanding of the City's actual financial condition by adding deferred inflows related to pension and OPEB, the net pension liability, and the net OPEB liability to the reported net position and subtracting deferred outflows related to pension and OPEB and the net pension asset.

## CITY OF WARREN, OHIO

### MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE YEAR ENDED DECEMBER 31, 2021

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

GASB 68 and GASB 75 require the net pension liability/asset and the net OPEB liability to equal the City's proportionate share of each plan's collective:

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

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

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

Most long-term liabilities have set repayment schedules or, in the case of compensated absences (i.e. sick and vacation leave), are satisfied through paid time-off or termination payments. There is no repayment schedule for the net pension liability or the net OPEB liability. 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/asset are satisfied, these liabilities are separately identified within the long-term liability section of the statement of net position.

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

Over time, net position can serve as a useful indicator of a government's financial position. At December 31, 2021, the City's assets and deferred outflows of resources were greater than liabilities and deferred inflows of resources by \$90,440,651, an increase of 20.90% from 2020.

**CITY OF WARREN, OHIO**

**MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED DECEMBER 31, 2021**

Current assets increased primarily from the receipt of funding from the federal government as part of the American Rescue Plan Act (ARPA) of 2021. Grants and entitlements not restricted to specific programs were down slightly in 2021. The City has experienced a loss in revenue over the past several years from cuts in the Local Government Fund intergovernmental state revenue and the elimination of Ohio's estate tax beginning in 2013. The City's income tax withholdings collections in 2021 were up from individual and business current and prior returns from 2020 collections. Current liabilities increased as a result of unearned revenue reported for the unspent portion of the ARPA funds at December 31, 2021.

Capital assets reported on the government-wide statements represent the largest portion of the City's net position. At year-end, capital assets represented 62.00% of total assets. Capital assets include land, easements, construction in progress (CIP), land improvements, buildings and improvements, computer software, furniture and equipment, vehicles and infrastructure. The City's net investment in capital assets at December 31, 2021, was \$56,590,016 and \$31,320,397 in the governmental activities and business-type activities, respectively. These capital assets are used to provide services to citizens and are not available for future spending.

A portion of the City's net position, \$13,706,648, represents resources that are subject to external restriction on how they may be used. The remaining balance of unrestricted net position is a deficit of \$11,176,410.

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**CITY OF WARREN, OHIO**

**MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED DECEMBER 31, 2021**

The following table shows the changes in net position for 2021 and 2020.

|  | <b>Change in Net Position</b> |                      |                      |                      |                      |                      |
|--|-------------------------------|----------------------|----------------------|----------------------|----------------------|----------------------|
|  | <b>Governmental</b>           |                      | <b>Business-type</b> |                      | <b>Total</b>         |                      |
|  | <b>Activities</b>             |                      | <b>Activities</b>    |                      |                      |                      |
|  | <u>2021</u>                   | <u>2020</u>          | <u>2021</u>          | <u>2020</u>          | <u>2021</u>          | <u>2020</u>          |
| <b>Revenues</b>                                  |                               |                      |                      |                      |                      |                      |
| Program revenues:                                |                               |                      |                      |                      |                      |                      |
| Charges for services                             | \$ 2,577,943                  | \$ 2,211,480         | \$ 27,106,172        | \$ 29,855,905        | \$ 29,684,115        | \$ 32,067,385        |
| Operating grants and contributions               | 4,918,539                     | 7,240,025            | 1,338,148            | 1,763,891            | 6,256,687            | 9,003,916            |
| Capital grants and contributions                 | 1,604,489                     | 2,699,284            | -                    | 11,820               | 1,604,489            | 2,711,104            |
| Total program revenues                           | <u>9,100,971</u>              | <u>12,150,789</u>    | <u>28,444,320</u>    | <u>31,631,616</u>    | <u>37,545,291</u>    | <u>43,782,405</u>    |
| General revenues:                                |                               |                      |                      |                      |                      |                      |
| Property taxes                                   | 1,178,748                     | 1,058,763            | -                    | -                    | 1,178,748            | 1,058,763            |
| Income taxes                                     | 22,774,896                    | 20,965,891           | -                    | -                    | 22,774,896           | 20,965,891           |
| Unrestricted grants and entitlements             | 1,635,077                     | 1,703,961            | -                    | -                    | 1,635,077            | 1,703,961            |
| Investment earnings                              | 108,002                       | 232,284              | -                    | -                    | 108,002              | 232,284              |
| Increase (decrease) in fair value of investments | (66,394)                      | (13,814)             | -                    | -                    | (66,394)             | (13,814)             |
| Miscellaneous                                    | 420,096                       | 431,854              | 323,094              | 332,666              | 743,190              | 764,520              |
| Total general revenues                           | <u>26,050,425</u>             | <u>24,378,939</u>    | <u>323,094</u>       | <u>332,666</u>       | <u>26,373,519</u>    | <u>24,711,605</u>    |
| Total revenues                                   | <u>35,151,396</u>             | <u>36,529,728</u>    | <u>28,767,414</u>    | <u>31,964,282</u>    | <u>63,918,810</u>    | <u>68,494,010</u>    |
| <b>Expenses:</b>                                 |                               |                      |                      |                      |                      |                      |
| General government                               | 2,408,426                     | 7,258,980            | -                    | -                    | 2,408,426            | 7,258,980            |
| Security of persons and property                 | 14,473,367                    | 17,137,064           | -                    | -                    | 14,473,367           | 17,137,064           |
| Public health and welfare                        | 249,959                       | 80,079               | -                    | -                    | 249,959              | 80,079               |
| Transportation                                   | 3,543,295                     | 5,796,195            | -                    | -                    | 3,543,295            | 5,796,195            |
| Community environment                            | 927,513                       | 950,169              | -                    | -                    | 927,513              | 950,169              |
| Leisure time activity                            | 987,970                       | 1,021,486            | -                    | -                    | 987,970              | 1,021,486            |
| Economic development                             | 3,545,821                     | 1,603,834            | -                    | -                    | 3,545,821            | 1,603,834            |
| Interest and fiscal charges                      | 149,532                       | 189,182              | -                    | -                    | 149,532              | 189,182              |
| Sewer  | -                             | -                    | 8,208,884            | 9,674,309            | 8,208,884            | 9,674,309            |
| Water  | -                             | -                    | 9,611,145            | 10,707,832           | 9,611,145            | 10,707,832           |
| Sanitation                                       | -                             | -                    | 3,360,025            | 4,024,172            | 3,360,025            | 4,024,172            |
| City Redevelopment                               | -                             | -                    | 309,383              | 324,793              | 309,383              | 324,793              |
| Downtown Parking                                 | -                             | -                    | 145,193              | 139,415              | 145,193              | 139,415              |
| Stormwater Utility                               | -                             | -                    | 365,502              | 446,748              | 365,502              | 446,748              |
| Total expenses                                   | <u>26,285,883</u>             | <u>34,036,989</u>    | <u>22,000,132</u>    | <u>25,317,269</u>    | <u>48,286,015</u>    | <u>59,354,258</u>    |
| Change in net position before transfers          | 8,865,513                     | 2,492,739            | 6,767,282            | 6,647,013            | 15,632,795           | 9,139,752            |
| Transfers  | (389,250)                     | (62,000)             | 389,250              | 62,000               | -                    | -                    |
| Change in net position                           | 8,476,263                     | 2,430,739            | 7,156,532            | 6,709,013            | 15,632,795           | 9,139,752            |
| Net position at beginning of year                | <u>45,342,130</u>             | <u>42,911,391</u>    | <u>29,465,726</u>    | <u>22,756,713</u>    | <u>74,807,856</u>    | <u>65,668,104</u>    |
| Net position at end of year                      | <u>\$ 53,818,393</u>          | <u>\$ 45,342,130</u> | <u>\$ 36,622,258</u> | <u>\$ 29,465,726</u> | <u>\$ 90,440,651</u> | <u>\$ 74,807,856</u> |

CITY OF WARREN, OHIO

MANAGEMENT’S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED DECEMBER 31, 2021

**Governmental Activities**

Governmental activities net position increased \$8,476,263 in 2021, after increasing \$2,430,739 in 2020. Expenses decreased while program revenues and general revenues also decreased. Total revenues decreased \$1,378,332 or 3.77% and expenses decreased \$7,751,006 or 22.77%.

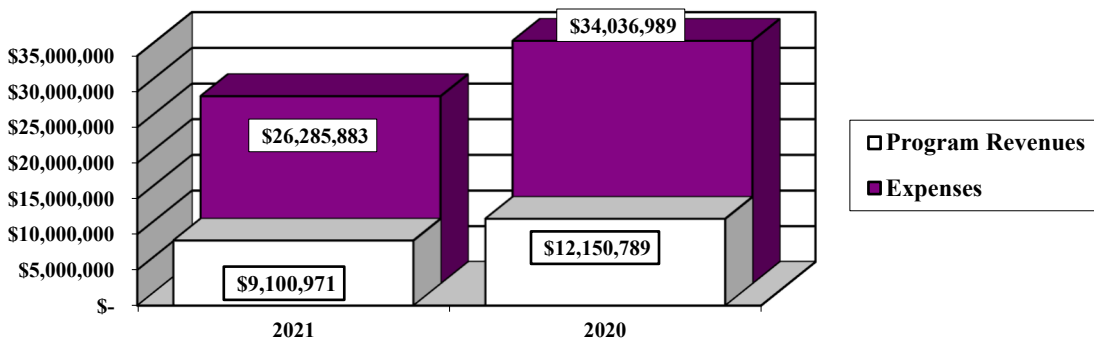
Program revenues decreased \$3,049,818 during 2021, primarily from operating and capital grants and contributions. Operating grants decreased during 2021 as a result of \$3 million received in 2020 from CARES Act funding to assist the City in responding to the COVID-19 pandemic. Capital grants and contributions consist of grant revenue from the Public Works Commission (OPWC) and Ohio Department of Transportation (ODOT) for road construction and repair projects. The City also received funding from the National Parks Service during 2021 for the Perkins Historical Property Restoration project. Charges for services increased as restrictions from COVID-19 lifted during 2021.

General revenues totaled \$26,050,425 and amounted to 74.11% of total governmental revenues during 2021. These revenues primarily consist of property and income tax revenue of \$23,953,644. The other primary source of general revenues is grants and entitlements not restricted to specific programs, which includes local government and local government revenue assistance, making up \$1,635,077. Income tax collections increased from 2020. Miscellaneous revenues consist of refunds and reimbursements, which were received from various sources in 2021 and 2020. During 2021, the City’s investment earnings and change in fair value of investments decreased from 2020, which reflects changes in the market.

In total, 2021 expenses decreased \$7,751,106 or 22.77%. This decrease is primarily the result of the decrease in OPEB expense for OPERS. On an accrual basis, the City had an OPERS OPEB expense of (\$8,776,780) in 2021 compared to \$923,012 in 2020. On January 15, 2020, OPERS 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 the December 31, 2020 measurement date health care valuation which are reported by the City at December 31, 2021. These changes along with changes in assumptions related to an increase in discount rate from 3.16% to 6.00% significantly decreased the total OPEB liability for the measurement date December 31, 2020.

The statement of activities shows the cost of program services and the charges for services and grants offsetting those services. As can be seen in the following graph, the City is highly dependent upon property and income taxes as well as unrestricted grants and entitlements to support its governmental activities.

**Governmental Activities - Program Revenues vs. Total Expenses**





**CITY OF WARREN, OHIO**

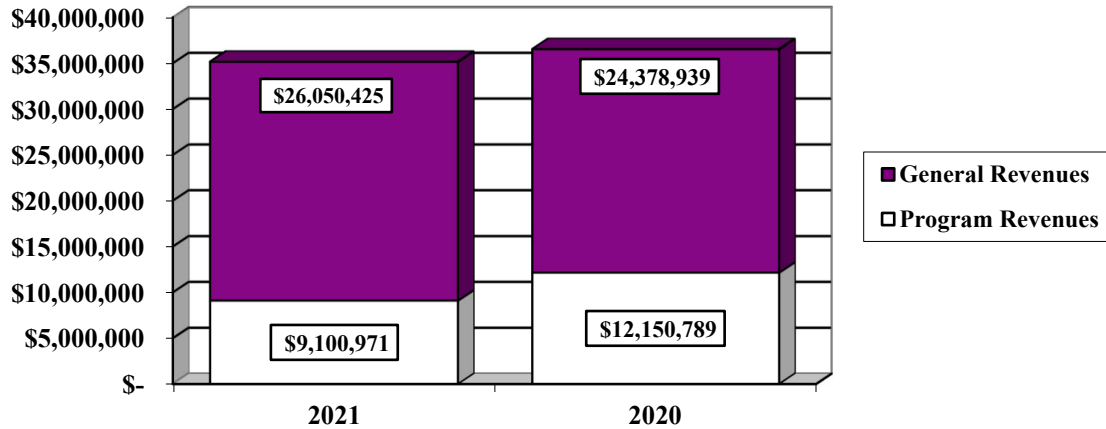
**MANAGEMENT’S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED DECEMBER 31, 2021**

The following table shows, for governmental activities, the total cost of services and the net cost of services. That is, it identifies the cost of these services supported by tax revenue and other general revenues.

|                                  | <b>Governmental Activities</b>    |                                 |                                   |                                 |
|----------------------------------|-----------------------------------|---------------------------------|-----------------------------------|---------------------------------|
|                                  | Total Cost of<br>Services<br>2021 | Net Cost of<br>Services<br>2021 | Total Cost of<br>Services<br>2020 | Net Cost of<br>Services<br>2020 |
|                                  | <u>2021</u>                       | <u>2021</u>                     | <u>2020</u>                       | <u>2020</u>                     |
| Program Expenses:                |                                   |                                 |                                   |                                 |
| General government               | \$ 2,408,426                      | \$ 1,163,988                    | \$ 7,258,980                      | \$ 4,427,400                    |
| Security of persons and property | 14,473,367                        | 13,118,461                      | 17,137,064                        | 15,138,634                      |
| Public health and welfare        | 249,959                           | 249,959                         | 80,079                            | 80,079                          |
| Transportation                   | 3,543,295                         | (747,676)                       | 5,796,195                         | 465,048                         |
| Community environment            | 927,513                           | 513,402                         | 950,169                           | 675,231                         |
| Leisure time activity            | 987,970                           | 972,441                         | 1,021,486                         | 960,782                         |
| Economic development             | 3,545,821                         | 1,764,805                       | 1,603,834                         | (50,156)                        |
| Interest and fiscal charges      | <u>149,532</u>                    | <u>149,532</u>                  | <u>189,182</u>                    | <u>189,182</u>                  |
| <b>Total</b>                     | <u>\$ 26,285,883</u>              | <u>\$ 17,184,912</u>            | <u>\$ 34,036,989</u>              | <u>\$ 21,886,200</u>            |

The dependence upon general revenues for governmental activities is apparent, with 65.38% and 64.30% of expenses supported through taxes and other general revenues in 2021 and 2020, respectively.

**Governmental Activities - General and Program Revenues**



**Business-Type Activities**

Business-type activities include the sewer, water, sanitation, downtown parking, city redevelopment, and stormwater enterprise funds. In 2021 and 2020, these programs had program revenues of \$ 28,444,320 and \$31,631,616, respectively, and general revenues of \$323,094 and \$332,666, respectively. Total revenues for 2021 were \$28,767,414, which represents a decrease from 2020 revenues of \$31,964,282.

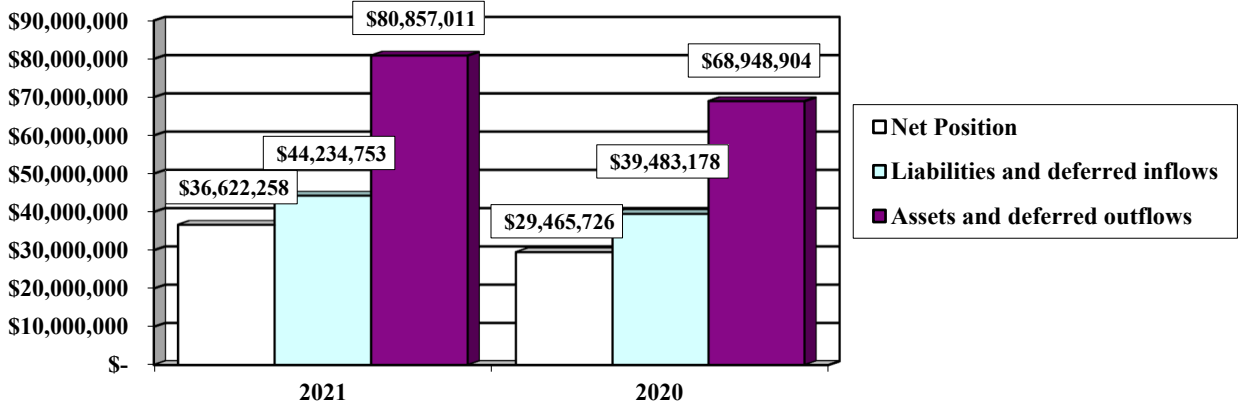
Total expenses for business-type activities were \$ 22,000,132 in 2021 compared to \$25,317,269 in 2020. This represents a decrease of 13.10% and is primarily the result of the decrease in the OPEB expense for OPERS.

**CITY OF WARREN, OHIO**

**MANAGEMENT’S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED DECEMBER 31, 2021**

Net position for business-type activities increased \$7,156,532 or 24.29% from 2020. The graph that follows shows the business-type activities assets and deferred outflows of resources, liabilities and deferred inflows of resources, and net position at year-end.

**Net Position, Business - Type Activities**



**Financial Analysis of the Government’s Funds**

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

**Governmental Funds**

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

The City’s governmental funds (as presented on the balance sheet on page 24) reported a combined fund balance of \$20,846,179 which is \$643,043 less than last year’s total of \$21,489,222. The following schedule indicates the fund balances and the total change in fund balances as of December 31, 2021 for all major and nonmajor governmental funds.

|                             | Fund Balances<br>12/31/21 | Fund Balances<br>12/31/20 | Change              |
|-----------------------------|---------------------------|---------------------------|---------------------|
| Major funds:                |                           |                           |                     |
| General                     | \$ 9,069,266              | \$ 7,461,152              | \$ 1,608,114        |
| Coronavirus fiscal recovery | -                         | -                         | -                   |
| General capital projects    | 376,521                   | 1,440,597                 | (1,064,076)         |
| Nonmajor governmental funds | <u>11,400,392</u>         | <u>12,587,473</u>         | <u>(1,187,081)</u>  |
| Total                       | <u>\$ 20,846,179</u>      | <u>\$ 21,489,222</u>      | <u>\$ (643,043)</u> |

**CITY OF WARREN, OHIO**

**MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED DECEMBER 31, 2021**

**General Fund**

The City's general fund balance increased \$1,608,114. The table that follows assists in illustrating the revenues of the general fund.

|                                     | <u>2021</u><br><u>Amount</u> | <u>2020</u><br><u>Amount</u> | <u>Percentage</u><br><u>Change</u> |
|-------------------------------------|------------------------------|------------------------------|------------------------------------|
| <b><u>Revenues</u></b>              |                              |                              |                                    |
| Income taxes                        | \$ 22,029,137                | \$ 20,585,133                | 7.01 %                             |
| Property and other taxes            | 167,521                      | 157,069                      | 6.65 %                             |
| Charges for services                | 2,489,106                    | 2,124,396                    | 17.17 %                            |
| Licenses and permits                | 1,018,686                    | 843,230                      | 20.81 %                            |
| Fines and forfeitures               | 949,285                      | 752,354                      | 26.18 %                            |
| Intergovernmental                   | 1,434,433                    | 1,552,929                    | (7.63) %                           |
| Investment income                   | 97,801                       | 232,284                      | (57.90) %                          |
| Rental income                       | 64,667                       | 47,384                       | 36.47 %                            |
| Change in fair value of investments | (66,394)                     | (13,814)                     | 380.63 %                           |
| Other                               | <u>426,082</u>               | <u>452,194</u>               | (5.77) %                           |
| <b>Total</b>                        | <b><u>\$ 28,610,324</u></b>  | <b><u>\$ 26,733,159</u></b>  | <b>7.02 %</b>                      |

The most significant changes in general fund revenues are income taxes, investment income, change in fair value of investments, intergovernmental revenue, fines and forfeitures, other revenue, rental income and licenses and permits. Income taxes increased \$1.4 million over 2020 collections. Income tax revenues were down in 2020 due to the COVID-19 pandemic. Licenses and permits, fines and forfeitures and rental income increased as closures and restrictions stemming from the COVID-19 pandemic lifted during 2021. Intergovernmental revenues decreased during 2021 due to a decrease in local government revenue (local government state funding) and miscellaneous grants. Investment income decreased over the prior year as a result of lower interest rates and fewer maturing investments. A decrease in the change in fair value of investments was reported in 2021, which reflects changes in the market, not an actual loss on investments.

The table that follows assists in illustrating the expenditures of the general fund.

|                                  | <u>2021</u><br><u>Amount</u> | <u>2020</u><br><u>Amount</u> | <u>Percentage</u><br><u>Change</u> |
|----------------------------------|------------------------------|------------------------------|------------------------------------|
| <b><u>Expenditures</u></b>       |                              |                              |                                    |
| General government               | \$ 7,869,900                 | \$ 7,808,936                 | 0.78 %                             |
| Security of persons and property | 15,358,045                   | 16,296,848                   | (5.76) %                           |
| Public health and welfare        | 249,959                      | 80,079                       | 212.14 %                           |
| Community environment            | 1,106,962                    | 980,996                      | 12.84 %                            |
| Leisure time activity            | 587,238                      | 405,946                      | 44.66 %                            |
| Debt service                     | <u>61,779</u>                | <u>123,569</u>               | (50.00) %                          |
| <b>Total</b>                     | <b><u>\$ 25,233,883</u></b>  | <b><u>\$ 25,696,374</u></b>  | <b>(1.80) %</b>                    |

Overall, general fund expenditures were comparable to prior year, decreasing 1.80% in 2021. Security of persons and property expenditures represent the largest expenditure category for the general fund. The cost of running the City's police and fire departments is reflected in security of persons and property expenditures. Security of persons and property expenditures decreased during 2021 as a result of a decrease in police and fire personal services and contract services. The City contributed more to the Warren City Health District in 2021 compared to 2020, causing an increase in public health and welfare expenditures. Leisure time activity increased as restrictions from the COVID-19 pandemic lifted.

## CITY OF WARREN, OHIO

### MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE YEAR ENDED DECEMBER 31, 2021

#### ***Coronavirus Fiscal Recovery Fund***

The coronavirus fiscal recovery fund is reported as a major fund. The City received \$14,340,072 in ARPA 2021 federal funding to provide additional relief to address the continued impact of the COVID-19 pandemic. The City used \$473,249 on capital projects during 2021. The unspent portion as of December 31, 2021, \$13,866,823, has been reported as unearned revenue. The City will receive a second round of ARPA funding in mid-2022.

#### ***General Capital Projects Fund***

The general capital projects fund is reported as a major fund, and is used to accumulate resources, primarily intergovernmental grants and proceeds from the issuance of debt, for capital related improvements throughout the City. Revenues and other financing sources were \$2,617,115 and expenditures were \$3,681,191. Fund balance at December 31, 2021 was \$376,521, all of which is restricted for capital improvements. The fund reported intergovernmental receivables of \$984,960 and contracts payable in the amount of \$885,470 at December 31, 2021, for ongoing OPWC, ODOT and National Park Service projects.

#### ***Proprietary Funds***

The City's proprietary funds provide the same type of information found on the government-wide financial statements for business-type activities, but in more detail. The City's major proprietary funds include the sewer, water and sanitation enterprise funds.

The sewer fund reported operating revenue of \$9,404,618 in 2021. Nonoperating expenses (interest and fiscal charges) totaled \$236,319. Charges for services decreased in 2021, as additional fees were received in 2020 as a result of a business dispute settlement. Personal services decreased \$2,051,861 in 2021 primarily due to the decrease in the OPERS OPEB expense, as discussed under governmental activities. The sewer fund received \$11,965,724 in OWDA loans during 2021 to finance the High Street Overflow Parking, I&I Reduction Plan, Wastewater Treatment Plant and Pump Station Refurbishment projects, Dry Weather Overflow project and Perkins Park Parallel sewer project. The sewer fund also passed through \$1,337,951 from the OWDA to another organization as part of OWDA's Water Resource Restoration Sponsorship Program. Net position for the sewer fund increased \$3,074,575 during the year.

The water fund reported an operating revenue of \$12,717,514 for 2021 as a result of increased service fees received during the year. The water fund had operating expenses of \$8,719,586. Personal services decreased \$3,339,990 in 2021 due to the decrease in OPERS OPEB expense. The total change in net position for the water fund was an increase of \$3,773,533.

The sanitation fund reported operating revenue of \$3,905,566 in 2021, which are comparable to 2020 operating revenues. The sanitation fund had operating expenses were \$3,139,766. Personal services decreased \$751,984 in 2021 due to the decrease in the OPERS OPEB expense. During 2021, the sanitation fund issued \$1,435,000 in bonds for the purchase of vehicles. The total change in net position for the sanitation fund was an increase in \$1,007,845.

#### ***Budgeting Highlights***

The City's budgeting process is prescribed by the Ohio Revised Code (ORC). Essentially the budget is the City's appropriations which are restricted by the amounts of anticipated revenues certified by the Budget Commission in accordance with the ORC. Therefore, the City's plans or desires cannot be totally reflected in the original budget. If budgeted revenues are adjusted due to actual activity, then the appropriations can be adjusted accordingly.

The City amended its general fund budget several times throughout the year. Original budgeted revenues of \$27,234,262 were increased to \$27,643,559 in the final budget. Actual revenues for the year were \$27,398,236 or \$245,323 less than the final budget. Intergovernmental revenues were expected to increase throughout the year but came in under budget. Actual income tax collections from withholdings, as well as higher than anticipated payments from individuals and businesses, came in \$1,106,901 higher than expected.

**CITY OF WARREN, OHIO**

MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED DECEMBER 31, 2021

For the general fund, original budgeted expenditures and other financing uses were \$27,968,445. The budget amendments throughout the year increased this amount to \$29,841,443 in the final budget. Actual expenditures and other financing uses were \$28,033,992 or \$1,807,451 below budget. Actual general government and security of persons and property expenditures were \$877,050 and \$696,230, respectively less than the final appropriations, due to conservative budgeting and a reduction in police and fire personal services and contract services. There were no additional significant variances between the final budget and actual expenditures.

**Capital Assets and Debt Administration**

**Capital Assets**

At the end of 2021, the City had \$122,291,178 (net of accumulated depreciation) invested in land, easements, construction in progress (CIP), land improvements, buildings and improvements, software, furniture and equipment, vehicles and infrastructure. Of this total, \$61,816,136 was reported in governmental activities and \$60,475,042 was reported in business-type activities at December 31, 2021.

The following table shows 2021 balances compared to 2020 balances:

**Capital Assets at December 31  
(Net of Depreciation)**

|                          | <u>Governmental Activities</u> |                      | <u>Business-Type Activities</u> |                      | <u>Total</u>          |                       |
|--------------------------|--------------------------------|----------------------|---------------------------------|----------------------|-----------------------|-----------------------|
|                          | 2021                           | 2020                 | 2021                            | 2020                 | 2021                  | 2020                  |
| Land                     | \$ 1,028,226                   | \$ 1,028,226         | \$ 390,160                      | \$ 390,160           | \$ 1,418,386          | \$ 1,418,386          |
| Easements                | 13,353                         | 13,353               | -                               | -                    | 13,353                | 13,353                |
| Construction in progress | 4,870,289                      | 1,456,980            | 25,082,338                      | 10,367,620           | 29,952,627            | 11,824,600            |
| Land improvements        | 4,117,202                      | 4,508,858            | -                               | -                    | 4,117,202             | 4,508,858             |
| Buildings                | 3,955,995                      | 4,189,534            | 2,050,580                       | 2,192,784            | 6,006,575             | 6,382,318             |
| Building improvements    | 7,500,428                      | 7,987,156            | 1,017,598                       | 1,880,062            | 8,518,026             | 9,867,218             |
| Computer software        | 112,954                        | 217,526              | 54,107                          | 42,952               | 167,061               | 260,478               |
| Computer equipment       | 56,179                         | 93,031               | -                               | -                    | 56,179                | 93,031                |
| Furniture and equipment  | 450,630                        | 549,281              | 2,448,871                       | 2,952,486            | 2,899,501             | 3,501,767             |
| Vehicles                 | 500,188                        | 484,728              | 2,039,580                       | 989,085              | 2,539,768             | 1,473,813             |
| Infrastructure           | <u>39,210,692</u>              | <u>38,513,684</u>    | <u>27,391,808</u>               | <u>28,211,053</u>    | <u>66,602,500</u>     | <u>66,724,737</u>     |
| Totals                   | <u>\$ 61,816,136</u>           | <u>\$ 59,042,357</u> | <u>\$ 60,475,042</u>            | <u>\$ 47,026,202</u> | <u>\$ 122,291,178</u> | <u>\$ 106,068,559</u> |

The City's largest capital asset category is infrastructure which includes roads, sidewalks, curbs, and traffic signals. These items are immovable and of value only to the City, however, the annual cost of purchasing these items is quite significant. The net book value of the City's infrastructure (cost less accumulated depreciation) represents 63.43% of the City's total governmental capital assets. Most of the capital asset acquisitions in 2021 were infrastructure improvements or construction projects related to infrastructure.

One of the largest business-type capital asset categories is infrastructure, which primarily includes water and sewer lines. These items play a vital role in the income producing ability of the business-type activities. The net book value of the City's infrastructure (cost less accumulated depreciation) represents approximately 45.29% of the City's total business-type capital assets.

See Note 10 in the notes to the basic financial statements for detail on the City's capital assets.

**CITY OF WARREN, OHIO**

MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED DECEMBER 31, 2021

***Debt Administration***

The following table summarizes the City's long-term obligations outstanding at December 31, 2021 and 2020. Additional detail can be found in Note 13 in the notes to the basic financial statements.

|   | <u>Governmental Activities</u> |                      | <u>Business-type Activities</u> |                      |
|---|--------------------------------|----------------------|---------------------------------|----------------------|
|   | <u>2021</u>                    | <u>2020</u>          | <u>2021</u>                     | <u>2020</u>          |
| General obligation bonds                  | \$ 4,627,067                   | \$ 5,377,491         | \$ 663,371                      | \$ 1,317,957         |
| General obligation direct placement bonds | -                              | -                    | 1,143,436                       | -                    |
| OWDA loans                                | -                              | -                    | 25,865,443                      | 15,879,063           |
| HUD 108 loan                              | 175,000                        | 340,000              | -                               | -                    |
| OPWC loan                                 | 76,970                         | 89,798               | 345,518                         | 366,663              |
| Claims payable                            | 926,713                        | 987,329              | -                               | -                    |
| Capital lease obligation                  | 131,329                        | 192,276              | 14,333                          | 31,173               |
| Compensated absences                      | 4,147,907                      | 4,346,914            | 2,002,307                       | 2,028,776            |
| Net pension liability                     | 28,541,931                     | 29,666,748           | 6,350,485                       | 8,539,185            |
| Net OPEB liability                        | <u>3,537,041</u>               | <u>8,518,486</u>     | <u>-</u>                        | <u>5,749,786</u>     |
| Total long-term obligations               | <u>\$ 42,163,958</u>           | <u>\$ 49,519,042</u> | <u>\$ 36,384,893</u>            | <u>\$ 33,912,603</u> |

**Economic Conditions and Next Year's General Fund Budget Outlook**

The City's Administration considers the impact of various economic factors when establishing the fiscal year 2021 budget. The continued challenges resulting from regional loss of employment, stagnant economic development, and the general national recession, have yielded significant influence on the objectives established in the 2021 budget. The primary objectives include continued improvement to constituent service delivery as well as long-term fiscal stability.

Despite the uncertainty surrounding the economy, the City continues to carefully monitor two primary sources of revenue: local income taxes and shared intergovernmental (State) revenue. In order to stabilize the impact of the fluctuations in these revenue sources, City Council continues to pursue economic development and job creation, maintain the community's reputation for high public safety standards, and adopt a budget designed to promote long-term fiscal stability. In order to meet the objectives of the 2021 budget, the City emphasized various efforts to continue to contain costs while effectively continuing to utilize sources of revenue. In November 2016, voters approved a 0.50% income tax increase, which was effective beginning January 1, 2017. The additional income tax revenue is intended to finance general fund operations, continue to provide existing core services, add approximately eight to twelve police officers and eight to twelve fire fighters and enable the City to implement its first Road Maintenance Program in more than fifteen years to address the City's infrastructure.

The City continues to monitor the budget due to concerns with long-term effects of COVID-19 and its effect on local businesses and revenue.

In order to meet these challenges, further cost containment and/or revenue enhancement actions will be essential. With the continuation of conservative budgeting practices, the City's financial position is anticipated to remain stable in future years.

**Contacting the City's Financial Management**

This financial report is designed to provide our citizens, taxpayers, and investors and creditors with a general overview of the City's finances and to show the City's accountability for the money it receives. If you have questions about this report or need additional financial information contact Vincent S. Flask, City Auditor, 391 Mahoning Avenue NW, Warren, Ohio 44483-4634.

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CITY OF WARREN, OHIO

STATEMENT OF NET POSITION  
DECEMBER 31, 2021

|   | Primary Government      |                          |               | Component Unit              |
|---|-------------------------|--------------------------|---------------|-----------------------------|
|   | Governmental Activities | Business-type Activities | Total         | Warren City Health District |
| <b>Assets:</b>  |                         |                          |               |                             |
| Equity in pooled cash, cash equivalents and investments . . . . . | \$ 38,355,757           | \$ 16,392,214            | \$ 54,747,971 | \$ -                        |
| Cash in segregated accounts . . . . .                             | -                       | -                        | -             | 287,535                     |
| Receivables:  |                         |                          |               |                             |
| Income taxes . . . . .  | 5,419,992               | -                        | 5,419,992     | -                           |
| Real and other taxes . . . . .                                    | 1,568,257               | -                        | 1,568,257     | -                           |
| Accounts . . . . .  | 247,238                 | 2,358,996                | 2,606,234     | -                           |
| Due from other governments . . . . .                              | 3,006,615               | -                        | 3,006,615     | 89,353                      |
| Accrued interest . . . . .  | 11,040                  | -                        | 11,040        | -                           |
| Special assessments . . . . .                                     | 22,337                  | 3,688                    | 26,025        | -                           |
| Loans . . . . .   | 5,540,559               | -                        | 5,540,559     | -                           |
| Due from component unit . . . . .                                 | 7,200                   | -                        | 7,200         | -                           |
| Internal balance . . . . .  | 751,880                 | (751,880)                | -             | -                           |
| Materials and supplies inventory . . . . .                        | 290,721                 | 128,034                  | 418,755       | 624                         |
| Net pension asset . . . . .                                       | 91,955                  | 100,958                  | 192,913       | 10,097                      |
| Net OPEB asset . . . . .  | 672,677                 | 738,549                  | 1,411,226     | 73,863                      |
| Capital assets:   |                         |                          |               |                             |
| Non-depreciable capital assets . . . . .                          | 5,911,868               | 25,472,498               | 31,384,366    | -                           |
| Depreciable capital assets, net . . . . .                         | 55,904,268              | 35,002,544               | 90,906,812    | 5,499                       |
| Total capital assets, net . . . . .                               | 61,816,136              | 60,475,042               | 122,291,178   | 5,499                       |
| Total assets . . . . .  | 117,802,364             | 79,445,601               | 197,247,965   | 466,971                     |
| <b>Deferred outflows of resources:</b>                            |                         |                          |               |                             |
| Unamortized deferred charges on debt refunding . . . . .          | 50,671                  | -                        | 50,671        | -                           |
| Pension . . . . .   | 4,892,673               | 1,002,291                | 5,894,964     | 102,629                     |
| OPEB . . . . .  | 2,901,208               | 409,119                  | 3,310,327     | 41,585                      |
| Total deferred outflows of resources . . . . .                    | 7,844,552               | 1,411,410                | 9,255,962     | 144,214                     |
| <b>Liabilities:</b>   |                         |                          |               |                             |
| Accounts payable . . . . .  | 314,859                 | 782,490                  | 1,097,349     | 20,367                      |
| Contracts payable . . . . .                                       | 1,541,755               | 1,136,877                | 2,678,632     | -                           |
| Accrued wages and benefits payable . . . . .                      | 242,665                 | 96,883                   | 339,548       | 8,183                       |
| Due to other governments . . . . .                                | 222,859                 | 125,396                  | 348,255       | 1,265                       |
| Due to primary government . . . . .                               | -                       | -                        | -             | 7,200                       |
| Accrued interest payable . . . . .                                | 11,544                  | 147,752                  | 159,296       | -                           |
| Claims payable . . . . .  | 1,029,400               | -                        | 1,029,400     | -                           |
| Deposits payable . . . . .  | 1,273,679               | -                        | 1,273,679     | -                           |
| Payroll withholding payable . . . . .                             | 536,561                 | -                        | 536,561       | -                           |
| Unearned revenue . . . . .  | 13,866,823              | -                        | 13,866,823    | -                           |
| Long-term liabilities:  |                         |                          |               |                             |
| Due within one year . . . . .                                     | 2,159,509               | 3,530,699                | 5,690,208     | 76,252                      |
| Due in more than one year:  |                         |                          |               |                             |
| Net pension liability . . . . .                                   | 28,541,931              | 6,350,485                | 34,892,416    | 635,118                     |
| Net OPEB liability . . . . .                                      | 3,537,041               | -                        | 3,537,041     | -                           |
| Other amounts due in more than one year . . . . .                 | 7,925,477               | 26,503,709               | 34,429,186    | 196,646                     |
| Total liabilities . . . . .                                       | 61,204,103              | 38,674,291               | 99,878,394    | 945,031                     |

- (Continued)



**CITY OF WARREN, OHIO**

STATEMENT OF NET POSITION  
DECEMBER 31, 2021

|  | <u>Primary Government</u>          |                                     |                      | <u>Component Unit</u>                  |
|--|------------------------------------|-------------------------------------|----------------------|--|
|  | <u>Governmental<br/>Activities</u> | <u>Business-type<br/>Activities</u> | <u>Total</u>         | <u>Warren City<br/>Health District</u> |
| <b>Deferred inflows of resources:</b>                |                                    |                                     |                      |  |
| Property taxes levied for the next fiscal year . . . | \$ 1,156,926                       | \$ -                                | \$ 1,156,926         | \$ -                                   |
| Pension . . . . .                                    | 5,779,624                          | 3,107,108                           | 8,886,732            | 335,997                                |
| OPEB . . . . .                                       | 3,687,870                          | 2,453,354                           | 6,141,224            | 258,409                                |
| Total deferred inflows of resources . . . . .        | <u>10,624,420</u>                  | <u>5,560,462</u>                    | <u>16,184,882</u>    | <u>594,406</u>                         |
| <b>Net position:</b>                                 |                                    |                                     |                      |  |
| Net investment in capital assets . . . . .           | 56,590,016                         | 31,320,397                          | 87,910,413           | 5,499                                  |
| Restricted for:                                      |                                    |                                     |                      |  |
| Debt service . . . . .                               | 1,905,286                          | -                                   | 1,905,286            | -                                      |
| Capital projects . . . . .                           | 1,952,424                          | -                                   | 1,952,424            | -                                      |
| Street maintenance . . . . .                         | 1,273,497                          | -                                   | 1,273,497            | -                                      |
| State highway . . . . .                              | 656,492                            | -                                   | 656,492              | -                                      |
| Law enforcement . . . . .                            | 255,636                            | -                                   | 255,636              | -                                      |
| Courts . . . . .                                     | 1,852,603                          | -                                   | 1,852,603            | -                                      |
| Community developments and improvements .            | 5,810,710                          | -                                   | 5,810,710            | -                                      |
| Warren Hills landfill. . . . .                       | -                                  | -                                   | -                    | 287,535                                |
| Unrestricted (deficit). . . . .                      | <u>(16,478,271)</u>                | <u>5,301,861</u>                    | <u>(11,176,410)</u>  | <u>(1,221,286)</u>                     |
| Total net position . . . . .                         | <u>\$ 53,818,393</u>               | <u>\$ 36,622,258</u>                | <u>\$ 90,440,651</u> | <u>\$ (928,252)</u>                    |

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**CITY OF WARREN, OHIO**

STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED DECEMBER 31, 2021

|  | <u>Expenses</u>      | <u>Program Revenues</u>               |   |   |
|--|----------------------|---------------------------------------|---|---|
|  |                      | <u>Charges for Services and Sales</u> | <u>Operating Grants and Contributions</u> | <u>Capital Grants and Contributions</u> |
| <b>Governmental activities:</b>          |                      |                                       |   |   |
| General government. . . . .              | \$ 2,408,426         | \$ 771,189                            | \$ 473,249                                | \$ -                                    |
| Security of persons and property . . .   | 14,473,367           | 1,333,149                             | 21,757                                    | -                                       |
| Public health and welfare . . . . .      | 249,959              | -                                     | -   | -                                       |
| Transportation. . . . .                  | 3,543,295            | 3,350                                 | 2,683,132                                 | 1,604,489                               |
| Community environment . . . . .          | 927,513              | 414,111                               | -   | -                                       |
| Leisure time activity. . . . .           | 987,970              | 15,529                                | -   | -                                       |
| Economic development . . . . .           | 3,545,821            | 40,615                                | 1,740,401                                 | -                                       |
| Interest and fiscal charges. . . . .     | 149,532              | -                                     | -   | -                                       |
| Total governmental activities . . . . .  | <u>26,285,883</u>    | <u>2,577,943</u>                      | <u>4,918,539</u>                          | <u>1,604,489</u>                        |
| <b>Business-type activities:</b>         |                      |                                       |   |   |
| Sewer . . . . .                          | 8,208,884            | 9,386,246                             | 1,337,951                                 | -                                       |
| Water . . . . .                          | 9,611,145            | 12,424,364                            | -   | -                                       |
| Sanitation . . . . .                     | 3,360,025            | 3,893,994                             | 197                                       | -                                       |
| City Redevelopment . . . . .             | 309,383              | 342,874                               | -   | -                                       |
| Downtown Parking . . . . .               | 145,193              | 22,177                                | -   | -                                       |
| Stormwater Utility. . . . .              | 365,502              | 1,036,517                             | -   | -                                       |
| Total business-type activities . . . . . | <u>22,000,132</u>    | <u>27,106,172</u>                     | <u>1,338,148</u>                          | <u>-</u>                                |
| Total primary government . . . . .       | <u>\$ 48,286,015</u> | <u>\$ 29,684,115</u>                  | <u>\$ 6,256,687</u>                       | <u>\$ 1,604,489</u>                     |
| <b>Component Unit:</b>                   |                      |                                       |   |   |
| Warren City Health District . . . . .    | <u>\$ 1,255,122</u>  | <u>\$ 1,046,920</u>                   | <u>\$ 680,493</u>                         | <u>\$ -</u>                             |

**General revenues:**

Property taxes levied for:  
 General purposes . . . . .  
 Debt service. . . . .  
 Income taxes levied for:  
 General purposes . . . . .  
 Grants and entitlements not restricted  
 to specific programs . . . . .  
 Investment earnings. . . . .  
 Change in fair value of investments . . . . .  
 Miscellaneous. . . . .  
 Total general revenues. . . . .

Transfers . . . . .

Total general revenues and transfers . . . . .

Change in net position . . . . .

**Net position (deficit) at beginning of year . . . . .**

**Net position (deficit) at end of year. . . . .**

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**Net (Expense) Revenue  
and Changes in Net Position**

| <b>Primary Government</b>          |                                     |                      | <b>Component Unit</b>                  |
|------------------------------------|-------------------------------------|----------------------|--|
| <b>Governmental<br/>Activities</b> | <b>Business-type<br/>Activities</b> | <b>Total</b>         | <b>Warren City<br/>Health District</b> |
| \$ (1,163,988)                     | \$ -                                | \$ (1,163,988)       | \$ -                                   |
| (13,118,461)                       | -                                   | (13,118,461)         | -                                      |
| (249,959)                          | -                                   | (249,959)            | -                                      |
| 747,676                            | -                                   | 747,676              | -                                      |
| (513,402)                          | -                                   | (513,402)            | -                                      |
| (972,441)                          | -                                   | (972,441)            | -                                      |
| (1,764,805)                        | -                                   | (1,764,805)          | -                                      |
| (149,532)                          | -                                   | (149,532)            | -                                      |
| (17,184,912)                       | -                                   | (17,184,912)         | -                                      |
| -                                  | 2,515,313                           | 2,515,313            | -                                      |
| -                                  | 2,813,219                           | 2,813,219            | -                                      |
| -                                  | 534,166                             | 534,166              | -                                      |
| -                                  | 33,491                              | 33,491               | -                                      |
| -                                  | (123,016)                           | (123,016)            | -                                      |
| -                                  | 671,015                             | 671,015              | -                                      |
| -                                  | 6,444,188                           | 6,444,188            | -                                      |
| (17,184,912)                       | 6,444,188                           | (10,740,724)         | -                                      |
| -                                  | -                                   | -                    | 472,291                                |
| 168,976                            | -                                   | 168,976              | -                                      |
| 1,009,772                          | -                                   | 1,009,772            | -                                      |
| 22,774,896                         | -                                   | 22,774,896           | -                                      |
| 1,635,077                          | -                                   | 1,635,077            | -                                      |
| 108,002                            | -                                   | 108,002              | 123                                    |
| (66,394)                           | -                                   | (66,394)             | -                                      |
| 420,096                            | 323,094                             | 743,190              | 205,098                                |
| 26,050,425                         | 323,094                             | 26,373,519           | 205,221                                |
| (389,250)                          | 389,250                             | -                    | -                                      |
| 25,661,175                         | 712,344                             | 26,373,519           | 205,221                                |
| 8,476,263                          | 7,156,532                           | 15,632,795           | 677,512                                |
| 45,342,130                         | 29,465,726                          | 74,807,856           | (1,605,764)                            |
| <u>\$ 53,818,393</u>               | <u>\$ 36,622,258</u>                | <u>\$ 90,440,651</u> | <u>\$ (928,252)</u>                    |

CITY OF WARREN, OHIO

BALANCE SHEET  
GOVERNMENTAL FUNDS  
DECEMBER 31, 2021

|   | General              | Coronavirus<br>Fiscal<br>Recovery | General<br>Capital<br>Projects | Nonmajor<br>Governmental<br>Funds | Total<br>Governmental<br>Funds |
|---|----------------------|-----------------------------------|--------------------------------|-----------------------------------|--------------------------------|
| <b>Assets:</b>  |                      |                                   |                                |                                   |                                |
| Equity in pooled cash, cash equivalents<br>and investments . . . . .                    | \$ 8,043,252         | \$ 13,870,333                     | \$ 967,464                     | \$ 5,818,254                      | \$ 28,699,303                  |
| Receivables (net of allowance<br>for uncollectibles):                                   |                      |                                   |                                |                                   |                                |
| Income taxes . . . . .  | 5,419,992            | -                                 | -                              | -                                 | 5,419,992                      |
| Real and other taxes . . . . .  | 224,393              | -                                 | -                              | 1,343,864                         | 1,568,257                      |
| Accounts . . . . .  | 211,034              | -                                 | -                              | 33,504                            | 244,538                        |
| Due from other governments . . . . .  | 653,311              | -                                 | 984,960                        | 1,365,574                         | 3,003,845                      |
| Due from other funds . . . . .  | 685,156              | -                                 | -                              | -                                 | 685,156                        |
| Loans . . . . .   | -                    | -                                 | -                              | 5,540,559                         | 5,540,559                      |
| Accrued interest . . . . .  | 11,040               | -                                 | -                              | -                                 | 11,040                         |
| Special assessments . . . . .   | 750                  | -                                 | -                              | 21,587                            | 22,337                         |
| Materials and supplies inventory . . . . .  | 3,721                | -                                 | -                              | 287,000                           | 290,721                        |
| <b>Total assets . . . . .</b>   | <b>\$ 15,252,649</b> | <b>\$ 13,870,333</b>              | <b>\$ 1,952,424</b>            | <b>\$ 14,410,342</b>              | <b>\$ 45,485,748</b>           |
| <b>Liabilities:</b>   |                      |                                   |                                |                                   |                                |
| Accounts payable . . . . .  | \$ 202,695           | \$ 3,510                          | \$ -                           | \$ 103,950                        | \$ 310,155                     |
| Contracts payable . . . . .   | -                    | -                                 | 885,470                        | 656,285                           | 1,541,755                      |
| Accrued wages and benefits payable . . . . .  | 230,594              | -                                 | -                              | 9,707                             | 240,301                        |
| Compensated absences payable . . . . .  | 24,938               | -                                 | -                              | -                                 | 24,938                         |
| Due to other funds . . . . .  | 97,200               | -                                 | -                              | 88,525                            | 185,725                        |
| Due to other governments . . . . .  | 112,197              | -                                 | -                              | 110,297                           | 222,494                        |
| Deposits payable . . . . .  | 1,273,679            | -                                 | -                              | -                                 | 1,273,679                      |
| Payroll withholding payable . . . . .   | 536,561              | -                                 | -                              | -                                 | 536,561                        |
| Unearned revenue . . . . .  | -                    | 13,866,823                        | -                              | -                                 | 13,866,823                     |
| <b>Total liabilities . . . . .</b>  | <b>2,477,864</b>     | <b>13,870,333</b>                 | <b>885,470</b>                 | <b>968,764</b>                    | <b>18,202,431</b>              |
| <b>Deferred inflows of resources:</b>   |                      |                                   |                                |                                   |                                |
| Property taxes levied for the next fiscal year . . . . .                                | 165,316              | -                                 | -                              | 991,610                           | 1,156,926                      |
| Delinquent property tax revenue not available . . . . .                                 | 58,729               | -                                 | -                              | 352,254                           | 410,983                        |
| Accrued interest not available . . . . .  | 10,201               | -                                 | -                              | -                                 | 10,201                         |
| Special assessments revenue not available . . . . .                                     | 750                  | -                                 | -                              | 21,587                            | 22,337                         |
| Licenses, permits, fines and forfeitures<br>revenue not available . . . . .             | 113,158              | -                                 | -                              | 4,853                             | 118,011                        |
| Income tax revenue not available . . . . .  | 2,947,696            | -                                 | -                              | -                                 | 2,947,696                      |
| Intergovernmental revenue not available . . . . .                                       | 409,669              | -                                 | 690,433                        | 670,882                           | 1,770,984                      |
| <b>Total deferred inflows of resources . . . . .</b>                                    | <b>3,705,519</b>     | <b>-</b>                          | <b>690,433</b>                 | <b>2,041,186</b>                  | <b>6,437,138</b>               |
| <b>Fund balances:</b>   |                      |                                   |                                |                                   |                                |
| Nonspendable . . . . .  | 3,721                | -                                 | -                              | 287,000                           | 290,721                        |
| Restricted . . . . .  | -                    | -                                 | 376,521                        | 11,113,392                        | 11,489,913                     |
| Assigned . . . . .  | 960,805              | -                                 | -                              | -                                 | 960,805                        |
| Unassigned . . . . .  | 8,104,740            | -                                 | -                              | -                                 | 8,104,740                      |
| <b>Total fund balances . . . . .</b>  | <b>9,069,266</b>     | <b>-</b>                          | <b>376,521</b>                 | <b>11,400,392</b>                 | <b>20,846,179</b>              |
| <b>Total liabilities, deferred inflows<br/>of resources and fund balances . . . . .</b> | <b>\$ 15,252,649</b> | <b>\$ 13,870,333</b>              | <b>\$ 1,952,424</b>            | <b>\$ 14,410,342</b>              | <b>\$ 45,485,748</b>           |

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**CITY OF WARREN, OHIO**

RECONCILIATION OF TOTAL GOVERNMENTAL FUND BALANCES TO  
NET POSITION OF GOVERNMENTAL ACTIVITIES  
DECEMBER 31, 2021

|  |              |                   |
|--|--------------|-------------------|
| <b>Total governmental fund balances</b>  | \$           | 20,846,179        |
| <i>Amounts reported for governmental activities on the statement of net position are different because:</i>  |              |                   |
| Capital assets used in governmental activities (exclusive of \$69,244 reported in internal service funds) are not financial resources and therefore are not reported in the funds.   |              | 61,746,912        |
| Other long-term assets are not available to pay for current-period expenditures and therefore are deferred inflows of resources in the funds.  |              |                   |
| Delinquent property taxes receivable   | \$ 410,983   |                   |
| Income taxes receivable  | 2,947,696    |                   |
| Accounts receivable  | 118,011      |                   |
| Special assessments receivable   | 22,337       |                   |
| Intergovernmental receivable   | 1,770,984    |                   |
| Accrued interest receivable  | 10,201       |                   |
| Total  | 5,280,212    | 5,280,212         |
| The net pension asset/liability (excluding amounts reported in internal service funds) are not available to pay for current period expenditures and are not due and payable in the current period, respectively; therefore, the asset, liability and related deferred inflows/outflows are not reported in governmental funds. |              |                   |
| Net pension asset  | 88,776       |                   |
| Deferred outflows of resources   | 4,859,214    |                   |
| Deferred inflows of resources  | (5,689,506)  |                   |
| Net pension liability  | (28,341,971) |                   |
| Total  | (29,083,487) | (29,083,487)      |
| The net OPEB asset/liability (excluding amounts reported in internal service funds) is not due and payable in the current period; therefore, the liability and related deferred inflows/outflows are not reported in governmental funds.   |              |                   |
| Net OPEB asset   | 649,422      |                   |
| Deferred outflows of resources   | 2,887,352    |                   |
| Deferred inflows of resources  | (3,615,806)  |                   |
| Net OPEB liability   | (3,537,041)  |                   |
| Total  | (3,616,073)  | (3,616,073)       |
| Long-term liabilities are not due and payable in the current period and therefore are not reported in the funds. The long-term liabilities (excluding \$111,630 in compensated absences reported in the internal service funds) are as follows.  |              |                   |
| General obligation bonds payable   | (4,595,000)  |                   |
| Loans payable  | (251,970)    |                   |
| Compensated absences payable   | (4,011,339)  |                   |
| Capital lease payable  | (131,329)    |                   |
| Total  | (8,989,638)  | (8,989,638)       |
| On the statement of net position interest is accrued on outstanding bonds and loans payable, whereas in governmental funds, interest expenditures are accrued when due.  |              | (11,544)          |
| Unamortized deferred charges on refundings are not recognized in the funds.  |              | 50,671            |
| Unamortized premiums on bond issuances are not recognized in the funds.  |              | (32,067)          |
| Internal service funds are used by management to charge the costs of life and hospitalization, workers' compensation, data processing and risk management to individual funds. The assets and liabilities of the internal service funds are included in governmental activities on the statement of net position.              |              | 7,515,739         |
| An internal balance is recorded in governmental activities to reflect overpayments to the internal service funds by the business-type activities.  |              | 111,489           |
| <b>Net position of governmental activities</b>   | <b>\$</b>    | <b>53,818,393</b> |

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**CITY OF WARREN, OHIO**

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
GOVERNMENTAL FUNDS  
FOR THE YEAR ENDED DECEMBER 31, 2021

|  | <u>General</u>      | <u>Coronavirus<br/>Fiscal<br/>Recovery</u> | <u>General<br/>Capital<br/>Projects</u> | <u>Nonmajor<br/>Governmental<br/>Funds</u> | <u>Total<br/>Governmental<br/>Funds</u> |
|--|---------------------|--|---|--|---|
| <b>Revenues:</b>   |                     |  |   |  |   |
| Income taxes . . . . .   | \$ 22,029,137       | \$ -                                       | \$ -                                    | \$ -                                       | \$ 22,029,137                           |
| Property and other taxes . . . . .                                     | 167,521             | -  | -                                       | 1,000,301                                  | 1,167,822                               |
| Charges for services . . . . .   | 2,489,106           | -  | -                                       | -  | 2,489,106                               |
| Licenses and permits . . . . .   | 1,018,686           | -  | -                                       | 97,642                                     | 1,116,328                               |
| Fines and forfeitures . . . . .  | 949,285             | -  | -                                       | 377,503                                    | 1,326,788                               |
| Intergovernmental . . . . .  | 1,434,433           | 473,249                                    | 954,893                                 | 4,553,073                                  | 7,415,648                               |
| Special assessments . . . . .  | -                   | -  | -                                       | 20,887                                     | 20,887                                  |
| Investment income . . . . .  | 97,801              | -  | -                                       | 25,704                                     | 123,505                                 |
| Rental income . . . . .  | 64,667              | -  | -                                       | -  | 64,667                                  |
| Change in fair value of investments . . . . .                          | (66,394)            | -  | -                                       | -  | (66,394)                                |
| Other . . . . .  | 426,082             | -  | -                                       | 77,524                                     | 503,606                                 |
| <b>Total revenues . . . . .</b>  | <b>28,610,324</b>   | <b>473,249</b>                             | <b>954,893</b>                          | <b>6,152,634</b>                           | <b>36,191,100</b>                       |
| <b>Expenditures:</b>   |                     |  |   |  |   |
| Current:   |                     |  |   |  |   |
| General government . . . . .   | 7,869,900           | -  | -                                       | 1,006,051                                  | 8,875,951                               |
| Security of persons and property . . . . .                             | 15,358,045          | -  | -                                       | 730,790                                    | 16,088,835                              |
| Public health and welfare . . . . .                                    | 249,959             | -  | -                                       | -  | 249,959                                 |
| Transportation . . . . .   | -                   | -  | -                                       | 1,418,311                                  | 1,418,311                               |
| Community environment . . . . .  | 1,106,962           | -  | -                                       | -  | 1,106,962                               |
| Leisure time activity . . . . .  | 587,238             | -  | -                                       | -  | 587,238                                 |
| Economic development . . . . .   | -                   | -  | -                                       | 1,799,779                                  | 1,799,779                               |
| Capital outlay . . . . .   | -                   | 473,249                                    | 3,681,191                               | 1,025,711                                  | 5,180,151                               |
| Debt service:  |                     |  |   |  |   |
| Principal retirement . . . . .   | 53,254              | -  | -                                       | 930,521                                    | 983,775                                 |
| Interest and fiscal charges . . . . .                                  | 8,525               | -  | -                                       | 145,407                                    | 153,932                                 |
| <b>Total expenditures . . . . .</b>                                    | <b>25,233,883</b>   | <b>473,249</b>                             | <b>3,681,191</b>                        | <b>7,056,570</b>                           | <b>36,444,893</b>                       |
| Excess (deficiency) of revenues<br>over (under) expenditures . . . . . | 3,376,441           | -  | (2,726,298)                             | (903,936)                                  | (253,793)                               |
| <b>Other financing sources (uses):</b>                                 |                     |  |   |  |   |
| Transfers in . . . . .   | -                   | -  | 1,662,222                               | 16,105                                     | 1,678,327                               |
| Transfers (out) . . . . .  | (1,768,327)         | -  | -                                       | (299,250)                                  | (2,067,577)                             |
| <b>Total other financing sources (uses) . . . . .</b>                  | <b>(1,768,327)</b>  | <b>-</b>                                   | <b>1,662,222</b>                        | <b>(283,145)</b>                           | <b>(389,250)</b>                        |
| Net change in fund balances . . . . .                                  | 1,608,114           | -  | (1,064,076)                             | (1,187,081)                                | (643,043)                               |
| <b>Fund balances at beginning of year . . . . .</b>                    | <b>7,461,152</b>    | <b>-</b>                                   | <b>1,440,597</b>                        | <b>12,587,473</b>                          | <b>21,489,222</b>                       |
| <b>Fund balances at end of year . . . . .</b>                          | <b>\$ 9,069,266</b> | <b>\$ -</b>                                | <b>\$ 376,521</b>                       | <b>\$ 11,400,392</b>                       | <b>\$ 20,846,179</b>                    |

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**CITY OF WARREN, OHIO**

RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES  
IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED DECEMBER 31, 2021

**Net change in fund balances - total governmental funds** \$ (643,043)

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

Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which depreciation expense exceeded capital outlays in the current period (excluding current year depreciation expense of \$115,230 in the internal service funds).

|                           |              |           |
|---------------------------|--------------|-----------|
| Capital asset additions   | \$ 7,258,904 |           |
| Current year depreciation | (4,369,895)  |           |
| Total                     |              | 2,889,009 |

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

|                                      |             |           |
|--------------------------------------|-------------|-----------|
| Delinquent property taxes            | 10,926      |           |
| Income taxes                         | 745,759     |           |
| Licenses and permits, other revenues | (3,161)     |           |
| Special assessments                  | (2,135,444) |           |
| Intergovernmental revenues           | 639,229     |           |
| Investment income                    | 10,201      |           |
| Total                                |             | (732,490) |

Repayment of long-term debt is an expenditure in the governmental funds, but the repayment reduces long-term liabilities on the statement of net position. 983,775

In the statement of activities, interest is accrued on outstanding bonds, whereas in governmental funds, an interest expenditure is reported when due. The following resulted in less interest expense reported in the statement of activities.

|  |         |       |
|--|---------|-------|
| Decrease in accrued interest payable         | 3,210   |       |
| Amortization of deferred charge on refunding | (4,234) |       |
| Amortization of bond premium                 | 5,424   |       |
| Total  |         | 4,400 |

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

|         |           |           |
|---------|-----------|-----------|
| Pension | 2,519,378 |           |
| OPEB    | 40,260    |           |
| Total   |           | 2,559,638 |

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

|         |             |           |
|---------|-------------|-----------|
| Pension | (1,507,043) |           |
| OPEB    | 3,577,042   |           |
| Total   |             | 2,069,999 |

*--Continued*

**CITY OF WARREN, OHIO**

RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES  
IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES - *(Continued)*  
FOR THE YEAR ENDED DECEMBER 31, 2021  
(SEE ACCOUNTANT'S COMPILATION REPORT)

|   |                            |
|---|----------------------------|
| Compensated absences that do not require the use of current financial resources are not reported as expenditures in governmental funds (excluding \$4,986 reported in the internal service funds).  | \$ 189,360                 |
| Internal service funds used by management to charge the costs of life and hospitalization insurance, workers' compensation, data processing and risk management to individual funds are not reported in the statement of activities. Governmental fund expenditures and the related internal service fund revenues are eliminated. The net revenue (expense) of the internal service funds, including \$1,406,567 in internal balance activity, is allocated among the governmental activities. | <u>1,155,615</u>           |
| <b>Change in net position of governmental activities</b>  | <u><u>\$ 8,476,263</u></u> |

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS



**CITY OF WARREN, OHIO**

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN  
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
 GENERAL FUND  
 FOR THE YEAR ENDED DECEMBER 31, 2021

|   | Budgeted Amounts    |                     | Actual              | Variance with<br>Final Budget<br>Positive<br>(Negative) |
|---|---------------------|---------------------|---------------------|---|
|   | Original            | Final               |                     |   |
| <b>Revenues:</b>                                      |                     |                     |                     |   |
| Income taxes . . . . .                                | \$ 20,380,000       | \$ 20,380,000       | \$ 21,486,901       | \$ 1,106,901  |
| Property and other taxes. . . . .                     | 150,000             | 150,000             | 167,173             | 17,173  |
| Charges for services. . . . .                         | 2,336,000           | 2,336,000           | 1,803,950           | (532,050)   |
| Licenses and permits . . . . .                        | 929,047             | 929,047             | 989,829             | 60,782  |
| Fines and forfeitures . . . . .                       | 961,187             | 961,187             | 944,368             | (16,819)  |
| Intergovernmental. . . . .                            | 1,786,483           | 2,175,450           | 1,413,085           | (762,365)   |
| Investment income. . . . .                            | 297,000             | 297,000             | 120,544             | (176,456)   |
| Rental income . . . . .                               | 73,960              | 73,960              | 67,188              | (6,772)   |
| Other . . . . .                                       | 320,585             | 340,915             | 405,198             | 64,283  |
| Total revenues . . . . .                              | <u>27,234,262</u>   | <u>27,643,559</u>   | <u>27,398,236</u>   | <u>(245,323)</u>  |
| <b>Expenditures:</b>                                  |                     |                     |                     |   |
| Current:  |                     |                     |                     |   |
| General government . . . . .                          | 8,400,455           | 8,541,363           | 7,664,313           | 877,050   |
| Security of persons and property . . . . .            | 16,541,995          | 16,949,304          | 16,253,074          | 696,230   |
| Public health and welfare. . . . .                    | 289,959             | 289,959             | 289,959             | -   |
| Community environment . . . . .                       | 1,086,751           | 1,177,012           | 1,105,955           | 71,057  |
| Leisure time activity . . . . .                       | 694,285             | 805,437             | 642,364             | 163,073   |
| Total expenditures. . . . .                           | <u>27,013,445</u>   | <u>27,763,075</u>   | <u>25,955,665</u>   | <u>1,807,410</u>  |
| Excess of revenues over expenditures . . . . .        | <u>220,817</u>      | <u>(119,516)</u>    | <u>1,442,571</u>    | <u>1,562,087</u>  |
| <b>Other financing (uses):</b>                        |                     |                     |                     |   |
| Transfers (out). . . . .                              | (955,000)           | (2,078,368)         | (2,078,327)         | 41  |
| Total other financing (uses) . . . . .                | <u>(955,000)</u>    | <u>(2,078,368)</u>  | <u>(2,078,327)</u>  | <u>41</u>   |
| Net change in fund balance . . . . .                  | (734,183)           | (2,197,884)         | (635,756)           | 1,562,128   |
| <b>Fund balance at beginning of year . . . . .</b>    | 5,322,153           | 5,322,153           | 5,322,153           | -   |
| <b>Prior year encumbrances appropriated . . . . .</b> | 287,972             | 287,972             | 287,972             | -   |
| <b>Fund balance at end of year . . . . .</b>          | <u>\$ 4,875,942</u> | <u>\$ 3,412,241</u> | <u>\$ 4,974,369</u> | <u>\$ 1,562,128</u>                                     |

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**CITY OF WARREN, OHIO**

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN  
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
 CORONAVIRUS FISCAL RECOVERY FUND  
 FOR THE YEAR ENDED DECEMBER 31, 2021

|  | <u>Budgeted Amounts</u> |                | <u>Actual</u>        | <b>Variance with<br/>Final Budget<br/>Positive<br/>(Negative)</b> |
|--|-------------------------|----------------|----------------------|---|
|  | <u>Original</u>         | <u>Final</u>   |                      |   |
| <b>Revenues:</b>                                 |                         |                |                      |   |
| Intergovernmental . . . . .                      | \$ -                    | \$ 700,000     | \$ 14,340,072        | \$ 13,640,072   |
| Total revenues . . . . .                         | <u>-</u>                | <u>700,000</u> | <u>14,340,072</u>    | <u>13,640,072</u>   |
| <b>Expenditures:</b>                             |                         |                |                      |   |
| Current:   |                         |                |                      |   |
| General government . . . . .                     | -                       | 700,000        | 535,179              | 164,821   |
| Total expenditures . . . . .                     | <u>-</u>                | <u>700,000</u> | <u>535,179</u>       | <u>164,821</u>  |
| Net change in fund balance . . . . .             | -                       | -              | 13,804,893           | 13,804,893  |
| <b>Fund balance at beginning of year . . . .</b> | <u>-</u>                | <u>-</u>       | <u>-</u>             | <u>-</u>  |
| <b>Fund balance at end of year . . . . .</b>     | <u>\$ -</u>             | <u>\$ -</u>    | <u>\$ 13,804,893</u> | <u>\$ 13,804,893</u>  |

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**CITY OF WARREN, OHIO**  
**STATEMENT OF NET POSITION**  
**PROPRIETARY FUNDS**  
**DECEMBER 31, 2021**

|  | <b>Business-type Activities - Enterprise Funds</b> |                   |                   |                           |
|--|--|-------------------|-------------------|---------------------------|
|  | <b>Sewer</b>                                       | <b>Water</b>      | <b>Sanitation</b> | <b>Nonmajor<br/>Funds</b> |
| <b>Assets:</b>   |  |                   |                   |                           |
| Current assets:  |  |                   |                   |                           |
| Equity in pooled cash, cash equivalents<br>and investments . . . . . | \$ 5,046,545                                       | \$ 6,305,133      | \$ 679,181        | \$ 4,361,355              |
| Receivables (net of allowance for uncollectibles):                   |  |                   |                   |                           |
| Accounts . . . . .   | 510,828  | 945,096           | 336,402           | 566,670                   |
| Special assessments . . . . .  | -  | 3,688             | -                 | -                         |
| Due from other funds . . . . .                                       | -  | -                 | -                 | -                         |
| Due from component unit . . . . .                                    | -  | -                 | -                 | -                         |
| Due from other governments . . . . .                                 | -  | -                 | -                 | -                         |
| Materials and supplies inventory . . . . .                           | 27,792   | 83,020            | 17,222            | -                         |
| Total current assets . . . . .                                       | <u>5,585,165</u>                                   | <u>7,336,937</u>  | <u>1,032,805</u>  | <u>4,928,025</u>          |
| Noncurrent assets:   |  |                   |                   |                           |
| Net pension asset . . . . .  | 35,772   | 50,994            | 12,100            | 2,092                     |
| Net OPEB asset . . . . .   | 261,686  | 373,039           | 88,517            | 15,307                    |
| Capital assets:  |  |                   |                   |                           |
| Non-depreciable capital assets . . . . .                             | 22,141,615   | 2,028,715         | 35,091            | 1,267,077                 |
| Depreciable capital assets, net . . . . .                            | 12,964,962   | 18,063,641        | 1,731,759         | 2,242,182                 |
| Total capital assets, net . . . . .                                  | <u>35,106,577</u>                                  | <u>20,092,356</u> | <u>1,766,850</u>  | <u>3,509,259</u>          |
| Total noncurrent assets . . . . .                                    | <u>35,404,035</u>                                  | <u>20,516,389</u> | <u>1,867,467</u>  | <u>3,526,658</u>          |
| Total assets . . . . .   | <u>40,989,200</u>                                  | <u>27,853,326</u> | <u>2,900,272</u>  | <u>8,454,683</u>          |
| <b>Deferred outflows of resources:</b>                               |  |                   |                   |                           |
| Pension . . . . .  | 396,529  | 473,090           | 113,260           | 19,412                    |
| OPEB . . . . .   | 174,249  | 183,391           | 43,861            | 7,618                     |
| Total deferred outflows of resources . . . . .                       | <u>570,778</u>                                     | <u>656,481</u>    | <u>157,121</u>    | <u>27,030</u>             |
| <b>Liabilities:</b>  |  |                   |                   |                           |
| Current liabilities:   |  |                   |                   |                           |
| Accounts payable . . . . .   | 88,781   | 535,701           | 127,022           | 30,986                    |
| Contracts payable . . . . .  | 857,665  | 248,100           | -                 | 31,112                    |
| Accrued wages and benefits payable . . . . .                         | 33,720   | 48,992            | 12,885            | 1,286                     |
| Due to other funds . . . . .   | 368,843  | 204,617           | 52,867            | 14,064                    |
| Due to other governments . . . . .                                   | 114,049  | 7,568             | 1,990             | 1,789                     |
| Claims payable . . . . .   | -  | -                 | -                 | -                         |
| Current portion of general obligation bonds . . . . .                | -  | 650,000           | 277,954           | -                         |
| Current portion of OWDA loans . . . . .                              | 869,156  | 1,233,833         | -                 | -                         |
| Current portion of OPWC loans . . . . .                              | -  | 19,348            | -                 | 1,797                     |
| Current portion of compensated absences . . . . .                    | 138,190  | 289,440           | 37,575            | 6,417                     |
| Capital lease obligations payable . . . . .                          | -  | 5,512             | 1,477             | -                         |
| Accrued interest payable . . . . .                                   | 53,740   | 92,252            | 1,760             | -                         |
| Total current liabilities . . . . .                                  | <u>2,524,144</u>                                   | <u>3,335,363</u>  | <u>513,530</u>    | <u>87,451</u>             |
| Long-term liabilities:   |  |                   |                   |                           |
| General obligation bonds payable . . . . .                           | -  | 13,371            | 865,482           | -                         |
| OWDA loans payable . . . . .   | 18,129,327   | 5,633,127         | -                 | -                         |
| OPWC loans payable . . . . .   | -  | 290,222           | -                 | 34,151                    |
| Capital lease obligations payable . . . . .                          | -  | 5,792             | 1,552             | -                         |
| Claims payable . . . . .   | -  | -                 | -                 | -                         |
| Compensated absences payable . . . . .                               | 456,006  | 906,680           | 135,234           | 32,765                    |
| Net pension liability . . . . .                                      | 2,250,135  | 3,207,612         | 761,122           | 131,616                   |
| Total long-term liabilities . . . . .                                | <u>20,835,468</u>                                  | <u>10,056,804</u> | <u>1,763,390</u>  | <u>198,532</u>            |
| Total liabilities . . . . .  | <u>23,359,612</u>                                  | <u>13,392,167</u> | <u>2,276,920</u>  | <u>285,983</u>            |

*--Continued*

| <b>Total<br/>Business-Type<br/>Activities -<br/>Enterprise Funds</b> | <b>Governmental<br/>Activities -<br/>Internal<br/>Service Funds</b> |
|--|---|
| \$ 16,392,214  | \$ 9,656,454  |
| 2,358,996  | 2,700   |
| 3,688  | -   |
| -  | 145,800   |
| -  | 7,200   |
| -  | 2,770   |
| 128,034  | -   |
| <u>18,882,932</u>  | <u>9,814,924</u>  |
| 100,958  | 3,179   |
| 738,549  | 23,255  |
| 25,472,498   | -   |
| <u>35,002,544</u>  | <u>69,224</u>   |
| <u>60,475,042</u>  | <u>69,224</u>   |
| <u>61,314,549</u>  | <u>95,658</u>   |
| <u>80,197,481</u>  | <u>9,910,582</u>  |
| 1,002,291  | 33,459  |
| 409,119  | 13,856  |
| <u>1,411,410</u>   | <u>47,315</u>   |
| 782,490  | 4,704   |
| 1,136,877  | -   |
| 96,883   | 2,364   |
| 640,391  | 4,840   |
| 125,396  | 365   |
| -  | 1,091,038   |
| 927,954  | -   |
| 2,102,989  | -   |
| 21,145   | -   |
| 471,622  | 7,716   |
| 6,989  | -   |
| 147,752  | -   |
| <u>6,460,488</u>   | <u>1,111,027</u>  |
| 878,853  | -   |
| 23,762,454   | -   |
| 324,373  | -   |
| 7,344  | -   |
| -  | 865,075   |
| 1,530,685  | 103,914   |
| 6,350,485  | 199,960   |
| <u>32,854,194</u>  | <u>1,168,949</u>  |
| <u>39,314,682</u>  | <u>2,279,976</u>  |

**CITY OF WARREN, OHIO**  
 STATEMENT OF NET POSITION  
 PROPRIETARY FUNDS - (Continued)  
 DECEMBER 31, 2021

|   | <b>Business-type Activities - Enterprise Funds</b> |               |                   |                           |
|---|--|---------------|-------------------|---------------------------|
|   | <b>Sewer</b>                                       | <b>Water</b>  | <b>Sanitation</b> | <b>Nonmajor<br/>Funds</b> |
| <b>Deferred inflows of resources:</b>         |  |               |                   |                           |
| Pension . . . . .                             | \$ 1,054,178                                       | \$ 1,604,449  | \$ 368,685        | \$ 79,796                 |
| OPEB. . . . .                                 | 845,971  | 1,257,699     | 289,522           | 60,162                    |
| Total deferred inflows of resources . . . . . | 1,900,149  | 2,862,148     | 658,207           | 139,958                   |
| <b>Net position:</b>                          |  |               |                   |                           |
| Net investment in capital assets. . . . .     | 15,250,429   | 12,004,355    | 623,414           | 3,442,199                 |
| Unrestricted (deficit) . . . . .              | 1,049,788  | 251,137       | (501,148)         | 4,613,573                 |
| Total net position . . . . .                  | \$ 16,300,217                                      | \$ 12,255,492 | \$ 122,266        | \$ 8,055,772              |

Adjustment to reflect the consolidation of the internal service funds activities related to enterprise funds.

Net position of business-type activities

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

| <b>Total<br/>Business-Type<br/>Activities -<br/>Enterprise Funds</b> | <b>Governmental<br/>Activities -<br/>Internal<br/>Service Funds</b> |
|--|---|
| \$ 3,107,108   | \$ 90,118   |
| <u>2,453,354</u>   | <u>72,064</u>   |
| <u>5,560,462</u>   | <u>162,182</u>  |
| 31,320,397   | 69,224  |
| <u>5,413,350</u>   | <u>7,446,515</u>  |
| 36,733,747   | <u>\$ 7,515,739</u>   |
| <u>(111,489)</u>   |   |
| <u>\$ 36,622,258</u>   |   |

**CITY OF WARREN, OHIO**

STATEMENT OF REVENUES, EXPENSES AND  
CHANGES IN NET POSITION  
PROPRIETARY FUNDS  
FOR THE YEAR ENDED DECEMBER 31, 2021

|   | <b>Business-type Activities - Enterprise Funds</b> |                      |                   |                           |
|---|--|----------------------|-------------------|---------------------------|
|   | <b>Sewer</b>                                       | <b>Water</b>         | <b>Sanitation</b> | <b>Nonmajor<br/>Funds</b> |
| <b>Operating revenues:</b>  |  |                      |                   |                           |
| Charges for services . . . . .  | \$ 9,386,246                                       | \$ 12,424,364        | \$ 3,893,994      | \$ 1,401,568              |
| Other operating revenues . . . . .  | 18,372   | 293,150              | 11,572            | -                         |
| <b>Total operating revenues.</b> . . . .                                      | <u>9,404,618</u>                                   | <u>12,717,514</u>    | <u>3,905,566</u>  | <u>1,401,568</u>          |
| <b>Operating expenses:</b>  |  |                      |                   |                           |
| Personal services . . . . .   | 1,868,308  | 2,193,759            | 641,545           | 70,963                    |
| Contract services. . . . .  | 1,295,238  | 1,178,840            | 1,567,499         | 401,870                   |
| Materials and supplies. . . . .   | 523,623  | 1,912,482            | 313,496           | 37,888                    |
| Administrative costs. . . . .   | 1,111,844  | 653,631              | 232,878           | 55,116                    |
| Utilities . . . . .   | 692,271  | 654,915              | 18,060            | 118,949                   |
| Claims expense . . . . .  | -  | -                    | -                 | -                         |
| Depreciation. . . . .   | 598,702  | 1,935,074            | 362,123           | 99,243                    |
| Other. . . . .  | 3,738  | 190,885              | 4,165             | 393                       |
| <b>Total operating expenses.</b> . . . .                                      | <u>6,093,724</u>                                   | <u>8,719,586</u>     | <u>3,139,766</u>  | <u>784,422</u>            |
| <b>Operating income (loss)</b> . . . . .                                      | <u>3,310,894</u>                                   | <u>3,997,928</u>     | <u>765,800</u>    | <u>617,146</u>            |
| <b>Nonoperating revenues (expenses):</b>                                      |  |                      |                   |                           |
| Interest and fiscal charges . . . . .   | (236,319)  | (203,542)            | (9,671)           | -                         |
| Loss on sale of capital assets . . . . .                                      | -  | (20,853)             | (47,731)          | -                         |
| Intergovernmental . . . . .   | 1,337,951  | -                    | 197               | -                         |
| Pass through payments . . . . .   | (1,337,951)  | -                    | -                 | -                         |
| <b>Total nonoperating revenues (expenses)</b> . . . .                         | <u>(236,319)</u>                                   | <u>(224,395)</u>     | <u>(57,205)</u>   | <u>-</u>                  |
| <b>Income (loss) before capital contributions<br/>and transfers</b> . . . . . | <u>3,074,575</u>                                   | <u>3,773,533</u>     | <u>708,595</u>    | <u>617,146</u>            |
| <b>Transfers in</b> . . . . .   | <u>-</u>   | <u>-</u>             | <u>299,250</u>    | <u>90,000</u>             |
| <b>Change in net position</b> . . . . .                                       | <u>3,074,575</u>                                   | <u>3,773,533</u>     | <u>1,007,845</u>  | <u>707,146</u>            |
| <b>Net position (deficit) at beginning of year</b> . .                        | <u>13,225,642</u>                                  | <u>8,481,959</u>     | <u>(885,579)</u>  | <u>7,348,626</u>          |
| <b>Net position at end of year.</b> . . . . .                                 | <u>\$ 16,300,217</u>                               | <u>\$ 12,255,492</u> | <u>\$ 122,266</u> | <u>\$ 8,055,772</u>       |

Adjustment to reflect the consolidation of internal service funds activities related to enterprise funds.

Change in net position of business-type activities.

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS



| <b>Total<br/>Business-Type<br/>Activities -<br/>Enterprise Funds</b> | <b>Governmental<br/>Activities -<br/>Internal<br/>Service Funds</b> |
|--|---|
| \$ 27,106,172  | \$ 7,343,032  |
| 323,094  | 9,215   |
| 27,429,266   | 7,352,247   |
| 4,774,575  | 171,778   |
| 4,443,447  | 119,645   |
| 2,787,489  | 9,797   |
| 2,053,469  | 173,505   |
| 1,484,195  | 15,606  |
| -  | 6,997,638   |
| 2,995,142  | 115,230   |
| 199,181  | -   |
| 18,737,498   | 7,603,199   |
| 8,691,768  | (250,952)   |
| (449,532)  | -   |
| (68,584)   | -   |
| 1,338,148  | -   |
| (1,337,951)  | -   |
| (517,919)  | -   |
| 8,173,849  | (250,952)   |
| 389,250  | -   |
| 8,563,099  | (250,952)   |
| 28,170,648   | 7,766,691   |
| 36,733,747   | \$ 7,515,739  |
| (1,406,567)  |   |
| \$ 7,156,532   |   |

CITY OF WARREN, OHIO

STATEMENT OF CASH FLOWS  
 PROPRIETARY FUNDS  
 FOR THE YEAR ENDED DECEMBER 31, 2021

**Business-type Activities - Enterprise Funds**

|   | <u>Sewer</u>        | <u>Water</u>        | <u>Sanitation</u> | <u>Nonmajor<br/>Funds</u> |
|---|---------------------|---------------------|-------------------|---------------------------|
| <b>Cash flows from operating activities:</b>                        |                     |                     |                   |                           |
| Cash received from customers . . . . .                              | \$ 9,397,518        | \$ 12,943,856       | \$ 3,915,668      | \$ 1,377,839              |
| Cash received from other operations. . . . .                        | 67,240              | 293,150             | 11,572            | -                         |
| Cash payments for personal services. . . . .                        | (3,863,637)         | (5,317,058)         | (1,311,300)       | (218,854)                 |
| Cash payments for contractual services . . . . .                    | (1,409,230)         | (984,081)           | (1,596,487)       | (410,575)                 |
| Cash payments for materials and supplies . . . . .                  | (531,475)           | (1,807,974)         | (301,269)         | (37,888)                  |
| Cash payments for utilities . . . . .                               | (653,973)           | (575,778)           | (14,590)          | (112,518)                 |
| Cash payments for claims . . . . .                                  | -                   | -                   | -                 | -                         |
| Cash payments for administrative costs . . . . .                    | (750,201)           | (486,814)           | (183,611)         | (41,052)                  |
| Cash payments for other expenses . . . . .                          | (3,738)             | (190,885)           | (4,165)           | (393)                     |
|   | <u>2,252,504</u>    | <u>3,874,416</u>    | <u>515,818</u>    | <u>556,559</u>            |
| <b>Cash flows from noncapital financing activities:</b>             |                     |                     |                   |                           |
| Cash received in transfers from other funds . . . . .               | -                   | -                   | 299,250           | 90,000                    |
| Cash received from other governments . . . . .                      | 1,337,951           | -                   | 197               | -                         |
| Cash passed through to other organizations . . . . .                | (1,337,951)         | -                   | -                 | -                         |
|   | <u>-</u>            | <u>-</u>            | <u>299,447</u>    | <u>90,000</u>             |
| Net cash provided by noncapital financing activities. . . . .       | <u>-</u>            | <u>-</u>            | <u>299,447</u>    | <u>90,000</u>             |
| <b>Cash flows from capital and related financing activities:</b>    |                     |                     |                   |                           |
| Acquisition of capital assets . . . . .                             | (13,464,979)        | (1,040,094)         | (1,577,418)       | (288,749)                 |
| OWDA loan issuance . . . . .  | 11,965,724          | -                   | -                 | -                         |
| Bond issuance. . . . .  | -                   | -                   | 1,435,000         | -                         |
| Principal retirement . . . . .                                      | (787,512)           | (1,866,614)         | (292,970)         | (1,797)                   |
| Interest and fiscal charges . . . . .                               | (217,691)           | (236,197)           | (7,911)           | -                         |
|   | <u>(2,504,458)</u>  | <u>(3,142,905)</u>  | <u>(443,299)</u>  | <u>(290,546)</u>          |
| Net cash used in capital and related financing activities . . . . . | <u>(2,504,458)</u>  | <u>(3,142,905)</u>  | <u>(443,299)</u>  | <u>(290,546)</u>          |
| Net increase (decrease) in cash and cash equivalents . . . . .      | (251,954)           | 731,511             | 371,966           | 356,013                   |
| <b>Cash and cash equivalents at beginning of year. . . . .</b>      | <u>5,298,499</u>    | <u>5,573,622</u>    | <u>307,215</u>    | <u>4,005,342</u>          |
| <b>Cash and cash equivalents at end of year . . . . .</b>           | <u>\$ 5,046,545</u> | <u>\$ 6,305,133</u> | <u>\$ 679,181</u> | <u>\$ 4,361,355</u>       |

| <b>Total<br/>Business-Type<br/>Activities -<br/>Enterprise Funds</b> | <b>Governmental<br/>Activities -<br/>Internal<br/>Service Funds</b> |
|--|---|
| \$ 27,634,881  | \$ 7,190,625  |
| 371,962  | 6,445   |
| (10,710,849)   | (327,739)   |
| (4,400,373)  | (120,384)   |
| (2,678,606)  | (5,797)   |
| (1,356,859)  | (14,902)  |
| -  | (6,756,469)   |
| (1,461,678)  | (187,138)   |
| (199,181)  |   |
| <u>7,199,297</u>   | <u>(215,359)</u>  |
| 389,250  | -   |
| 1,338,148  | -   |
| <u>(1,337,951)</u>   | <u>-</u>  |
| <u>389,447</u>   | <u>-</u>  |
| (16,371,240)   | -   |
| 11,965,724   | -   |
| 1,435,000  | -   |
| (2,948,893)  | -   |
| <u>(461,799)</u>   | <u>-</u>  |
| <u>(6,381,208)</u>   | <u>-</u>  |
| 1,207,536  | (215,359)   |
| 15,184,678   | 9,871,813   |
| <u>\$ 16,392,214</u>   | <u>\$ 9,656,454</u>   |

-- Continued

**CITY OF WARREN, OHIO**

STATEMENT OF CASH FLOWS  
 PROPRIETARY FUNDS (CONTINUED)  
 FOR THE YEAR ENDED DECEMBER 31, 2021

|  | <b>Business-type Activities - Enterprise Funds</b> |                     |                   |                       |
|--|--|---------------------|-------------------|-----------------------|
|  | <b>Sewer</b>                                       | <b>Water</b>        | <b>Sanitation</b> | <b>Nonmajor Funds</b> |
| <b>Reconciliation of operating income (loss) to net cash provided by (used in) operating activities:</b> |  |                     |                   |                       |
| Operating income (loss) . . . . .  | \$ 3,310,894                                       | \$ 3,997,928        | \$ 765,800        | \$ 617,146            |
| Adjustments:   |  |                     |                   |                       |
| Depreciation . . . . .   | 598,702  | 1,935,074           | 362,123           | 99,243                |
| Changes in assets, deferred outflows of resources, liabilities and deferred inflows of resources:        |  |                     |                   |                       |
| (Increase) decrease in materials and supplies inventory . . . . .  | 8,945  | 43,134              | (5,546)           | -                     |
| (Increase) decrease in accounts receivable . . . . .   | 59,418   | 157,232             | 21,674            | (24,843)              |
| Decrease in due to from other governments . . . . .  | -  | -                   | -                 | 1,000                 |
| (Increase) in due from other funds . . . . .   | -  | -                   | -                 | -                     |
| (Increase) in due from component unit . . . . .  | -  | -                   | -                 | -                     |
| Decrease in special assessments receivable . . . . .   | 722  | 362,260             | -                 | 114                   |
| (Increase) in net pension asset . . . . .  | (12,124)   | (15,222)            | (88,517)          | (540)                 |
| (Increase) in net OPEB asset . . . . .   | (261,686)  | (373,039)           | (3,419)           | (15,307)              |
| Decrease in deferred outflows - pension . . . . .  | 59,962   | 189,535             | 59,670            | 14,290                |
| Decrease in deferred outflows - OPEB . . . . .   | 146,139  | 285,625             | 75,957            | 15,877                |
| Increase (decrease) in accounts payable . . . . .  | (77,412)   | 299,464             | (11,345)          | (2,274)               |
| Increase (decrease) in accrued wages and benefits . . . . .  | 176  | (14,831)            | (7,067)           | 139                   |
| Increase in due to other funds . . . . .   | 368,843  | 204,617             | 52,867            | 14,064                |
| Increase (decrease) in due to other governments . . . . .  | (22,252)   | (4,287)             | (1,092)           | 22                    |
| Increase (decrease) in compensated absences payable . . . . .  | (12,051)   | 1,376               | (11,963)          | (3,831)               |
| Increase in claims payable . . . . .   | -  | -                   | -                 | -                     |
| (Decrease) in net pension liability . . . . .  | (648,977)  | (1,177,855)         | (303,174)         | (58,694)              |
| (Decrease) in net OPEB liability . . . . .   | (1,952,092)  | (2,952,916)         | (716,634)         | (128,144)             |
| Increase in deferred inflows - pension . . . . .   | 231,944  | 309,467             | 139,764           | 6,105                 |
| Increase in deferred inflows - OPEB . . . . .  | 453,353  | 626,854             | 186,720           | 22,192                |
| Net cash provided by operating activities . . . . .  | <u>\$ 2,252,504</u>                                | <u>\$ 3,874,416</u> | <u>\$ 515,818</u> | <u>\$ 556,559</u>     |

**Non-cash capital transactions:**

At December 31, 2021 and December 31, 2020, the sewer fund purchased \$857,665 and \$998,144, respectively, in capital assets on account.

At December 31, 2021, the water fund purchased \$250,693 in capital assets on account.

At December 31, 2021 the City Redevelopment fund purchased \$31,112 in capital assets on account.

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

| <b>Total<br/>Business-Type<br/>Activities -<br/>Enterprise Funds</b> | <b>Governmental<br/>Activities -<br/>Internal<br/>Service Funds</b> |
|--|---|
| \$ 8,691,768   | \$ (250,952)  |
| 2,995,142  | 115,230   |
| 46,533   | -   |
| 213,481  | 593   |
| 1,000  | (2,770)   |
| -  | (145,800)   |
| -  | (7,200)   |
| 363,096  | -   |
| (116,403)  | (978)   |
| (653,451)  | (23,255)  |
| 323,457  | 18,741  |
| 523,598  | 21,007  |
| 208,433  | 3,965   |
| (21,583)   | (2,448)   |
| 640,391  | 4,840   |
| (27,609)   | (18,851)  |
| (26,469)   | 4,986   |
| -  | 241,169   |
| (2,188,700)  | (69,921)  |
| (5,749,786)  | (181,722)   |
| 687,280  | 32,069  |
| <u>1,289,119</u>   | <u>45,938</u>   |
| <u>\$ 7,199,297</u>  | <u>\$ (215,359)</u>   |

CITY OF WARREN, OHIO

STATEMENT OF FIUCIARY NET POSITION  
CUSTODIAL FUNDS  
DECEMBER 31, 2021

|   | <u>Custodial</u> |
|---|------------------|
| <b>Assets:</b>  |                  |
| Equity in pooled cash and cash equivalents . . . . .                          | \$ 1,194         |
| Cash in segregated accounts . . . . .   | 425,560          |
| Receivables (net of allowances for uncollectibles):                           |                  |
| Accounts . . . . .  | <u>1,136</u>     |
| Total assets . . . . .  | <u>427,890</u>   |
| <b>Liabilities:</b>   |                  |
| Due to other governments. . . . .   | <u>427,890</u>   |
| <b>Net position:</b>  |                  |
| Restricted for other governments, organizations,<br>and individuals . . . . . | <u>\$ -</u>      |

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**CITY OF WARREN, OHIO**

STATEMENT OF CHANGES IN FIDUCIARY NET POSITION  
CUSTODIAL FUNDS  
FOR THE YEAR ENDED DECEMBER 31, 2021

|  | <b>Custodial</b> |
|--|------------------|
| <b>Additions:</b>  |                  |
| Fines and forfeitures for other governments,<br>organizations and individuals . . . . .              | \$ 1,655,846     |
| <b>Deductions:</b>   |                  |
| Fines and forfeitures distributions to other governments,<br>organizations and individuals . . . . . | 1,655,846        |
| Net change in fiduciary net position . . . . .   | -                |
| <b>Net position beginning of year</b> . . . . .  | -                |
| <b>Net position end of year</b> . . . . .  | \$ -             |

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

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## CITY OF WARREN, OHIO

### NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2021

#### NOTE 1 - DESCRIPTION OF THE CITY

The City of Warren, Ohio (the “City”) was created in 1843. It is located in Trumbull County and is a politic and corporate body established for the purpose of exercising the rights and privileges conveyed to it by the constitution and laws of the State of Ohio. The City operates under a Council-Mayor form of government and provides the following services to its residents: public safety (police and fire), public health, municipal court, highways and streets, public improvements, community development (planning and zoning), water, sewers, sanitation, parks and recreation and general administrative services.

#### NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

##### A. Reporting Entity

A reporting entity is composed 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, boards, commissions, and departments that are not legally separate from the City. For the City of Warren, this includes police, fire, street construction, parks and recreation, sewer, water, sanitation, city redevelopment, downtown parking and stormwater utility and a City council.

Included as part of the City’s primary government in the determination of the City’s reporting entity is the Warren Municipal Court (the “Court”). The Court’s operations are not legally separate from the City. In addition, the City is responsible for budgeting and appropriating funds for the operation of the Court and is ultimately responsible for any operating deficits sustained by the Court. The City’s share of the fines and forfeitures collected by the Court along with its share of the Court’s administrative and operating costs is recorded in the City’s general fund. Fines and forfeitures collected and distributed by the Court to other governments, organizations and individuals are recorded in a custodial fund in the accompanying BFS.

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 organizations’ voting 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 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’s only component unit is the Warren City Health District.

***Discretely Presented Component Unit*** - The component unit column in the combined financial statements identifies the financial data of the City’s component unit: Warren City Health District. It is reported separately to emphasize that it is legally separate from the City.

***Warren City Health District (the “Health District”)*** - The Health District was created as a legally separate organization under Chapter 3709 of the Ohio Revised Code. The Health District’s services include communicable disease investigations, immunization clinics, tuberculosis screenings, home visits, public health nursing services and issues, health-related licenses and permits, emergency preparedness activities as well as birth certificates and death certificates. The Mayor appoints a voting majority of the Health District Board. The rates charged by the City are subject to the approval of City Council. In addition, the City provides funding to the Health District, thus the City can impose will on the Health District, and the Health District imposes a financial burden to the City. Therefore, The Health District is considered a discretely presented component unit of the City of Warren. Separately issued financial statements can be obtained from the City Auditor at the City of Warren, 391 Mahoning Avenue NW, Warren, Ohio 44483.

**CITY OF WARREN, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2021

**NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)**

Information related to the Health District is presented in Note 23.

**B. Basis of Presentation - Fund Accounting**

The City's BFS 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 activities of the internal service funds, with the exception of services provided and used during the fiscal year, are eliminated to avoid "doubling up" revenues and expenses. 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 business segment or governmental functions are self-financing or draw 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. The internal service funds are presented in a single column on the face of the proprietary fund financial statements. Fiduciary funds are reported by type.

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operation. The principal operating revenues of the City's proprietary funds are charges for services. Operating expenses for the enterprise funds include personnel and other expenses related to sewer, water, sanitation, City redevelopment, downtown parking, and stormwater operations and operating expenses for the internal service fund include claims and administrative expenses. All revenues and expenses not meeting these definitions are reported as nonoperating revenues and expenses.

**C. 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. Governmental fund assets and deferred outflows of resources less liabilities and deferred inflows of resources is reported as fund balance.

**CITY OF WARREN, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2021

**NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)**

The following are the City's major governmental funds:

General fund - The general fund is used to account for and report all financial resources not accounted for and reported in another fund. The general fund balance is available for any purpose provided it is expended or transferred according to the general laws of Ohio.

Coronavirus fiscal recovery fund - This fund is used to account for monies received from the federal government as part of the American Rescue Plan Act of 2021. This Act provides additional relief to address the continued impact of the COVID-19 pandemic.

General capital projects - This fund is used to account for the acquisition and construction of major capital improvements and facilities other than those financed by proprietary fund types.

Other governmental funds of the City are used to account for (a) specific revenue sources that are restricted or committed to an expenditure for specified purposes other than debt service or capital projects and (b) financial resources that are restricted or committed to expenditure for principal and interest.

**Proprietary Funds** - Proprietary fund reporting focuses on changes in net position, financial position and cash flows. Proprietary funds are classified as either enterprise or internal service.

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

Sewer fund - This fund accounts for the operations of providing sewage services to customers and maintaining the local sewer system of the City.

Water fund - This fund accounts for the operations of providing water services to customers and maintaining the local water system of the City.

Sanitation fund - This fund accounts for the operations of providing sanitation services to customers within the City.

The City's nonmajor enterprise funds are used to account for city redevelopment, downtown parking, and stormwater utility operations.

Internal service funds - The internal service funds account for the financing of services provided by one department or agency to other departments or agencies of the City on a cost-reimbursement basis. The City's internal service funds report on the operations of life insurance and hospitalization, workers' compensation, data processing and risk management.

**Fiduciary Funds** - Fiduciary fund reporting focuses on net position and changes in net position. The fiduciary fund category is split into four classifications: pension trust funds, investment trust funds, private-purpose trust funds and custodial funds. Trust funds are used to account for assets held by the City under a trust agreement for individuals, private organizations, or other governments and are therefore not available to support the City's own programs. Custodial funds are used to report fiduciary activities that are not required to be reported in a trust fund. The City's fiduciary funds are custodial funds which account for highway patrol fines collected and distributed to other governments and Warren Municipal Court fines and forfeitures collected and distributed to other governments, organizations, and individuals.

CITY OF WARREN, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2021

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)

**D. Measurement Focus and Basis of Accounting**

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

**Fund Financial Statements** - All governmental funds are accounted for using a flow of current financial resources measurement focus. With this measurement focus, only current assets, deferred outflows of resources, 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 financial statements for governmental funds.

Like the government-wide statements, all proprietary funds 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 net position. The statement of changes in fund net position presents increases (i.e., revenues) and decreases (i.e., expenses) in total 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.

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 and deductions from custodial funds.

**E. Basis of Accounting**

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

**Revenues - Exchange and Nonexchange Transactions** - Revenues resulting from exchange transactions, in which each party gives and receives essentially equal value, are 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.

**CITY OF WARREN, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2021

**NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)**

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 (See Note 7). Revenue from property taxes is recognized in the year for which the taxes are levied (See Note 6). Revenue from grants, entitlements and donations is recognized in the year in which all eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the year when the resources are required to be used or the year when use is first permitted, matching requirements, in which the City must provide local resources to be used for a specified purpose, and expenditure requirements, in which the resources are provided to the City on a reimbursement basis. On a modified accrual basis, revenue from nonexchange transactions must also be available before it can be recognized.

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

***Deferred Outflows of Resources and Deferred Inflows of Resources*** - In addition to assets, the government-wide statement of net position will report a separate section for deferred outflows of resources. Deferred outflows of resources, represents a consumption of net assets that applies to future periods and will not be recognized as an outflow of resources (expense/expenditure) until then. For the City, see Notes 15 and 16 for deferred outflows of resources related the City's net pension liability and net OPEB liability, respectively.

In addition to liabilities, both the government-wide statement of net position and the governmental fund financial statements report a separate section for deferred inflows of resources. Deferred inflows of resources represent an acquisition of net assets that applies to future periods and will not be recognized as an inflow of resources (revenue) until that time. For the City, deferred inflows of resources include property taxes and unavailable revenue. Property taxes represent amounts for which there is an enforceable legal claim as of December 31, 2021, but which were levied to finance 2022 operations. These amounts have been recorded as a deferred inflow of resources on both the government-wide statement of net position and the governmental fund financial statements. Unavailable revenue is reported only on the governmental funds balance sheet and represents receivables which will not be collected within the available period. For the City, unavailable revenue includes, but is not limited to, income taxes, delinquent property taxes and intergovernmental grants. These amounts are deferred and recognized as an inflow of resources in the period the amounts become available.

For the City, see Notes 15 and 16 for deferred inflows of resources related to the City's net pension liability and net OPEB liability, respectively. This deferred inflow of resources is only reported on the government-wide statement of net position.

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

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

**F. Budgetary Data**

The City follows these procedures in establishing the budgetary data reported in the financial statements:

***Tax Budget*** - A tax budget of estimated revenue and expenditures for all funds is submitted to the County Auditor, as Secretary of the County Budget Commission, by July 20 of each year, for the period January 1 to December 31 of the following year. All funds, except custodial funds, are legally required to be budgeted; however, only governmental funds are required to be reported.

**CITY OF WARREN, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2021

**NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)**

***Estimated Resources*** - The County Budget Commission determines if the budget substantiates a need to levy all or part of previously authorized taxes and reviews estimated revenue. The Commission certifies its actions to the City by September 1. As part of this certification, the City receives the official certificate of estimated resources, which states the projected revenue of each fund. On or about January 1, the certificate of estimated resources is amended to include any unencumbered fund balances at December 31. Further amendments may be made during the year if money from a new revenue source is received or if actual receipts exceed current estimates. The amounts reported on the budgetary statements reflect the amounts in the final amended official certificate of estimated resources issued during 2021.

***Appropriations*** - A temporary appropriation measure to control cash expenditures may be passed on or about January 1 of each year for the period January 1 to March 31. An annual appropriation ordinance must be passed by April 1 of each year for the period January 1 to December 31. The appropriation ordinance fixes spending authority at the major expenditure object for all funds. The appropriation ordinance may be amended during the year as new information becomes available, provided that total fund appropriations do not exceed current estimated resources, as certified. The appropriations for a fund may only be modified during the year by an ordinance of Council. The amounts on the budgetary statement reflect the final appropriation amounts, including all amendments and modifications legally enacted by Council.

***Budgeted Level of Expenditures*** - Administrative control is maintained through the establishment of detailed line-item budgets. Appropriated funds may not be expended for purposes other than those designated in the appropriation ordinance without authority of Council. Expenditures may not legally exceed appropriations at the level of appropriation adopted by Council. For all funds, Council appropriations are made by major expenditure object. This is known as the legal level of budgetary control. Any changes in appropriations outside of the legal level of budgetary control require the approval of Council by an appropriation amendment ordinance.

***Lapsing of Appropriations*** - At the close of each year, the unencumbered balance of each appropriation reverts to the respective fund from which it was appropriated and becomes subject to future appropriations. Encumbrances are carried forward and are not reappropriated as part of the subsequent year appropriations.

**G. Cash, Cash Equivalents and Investments**

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

During 2021, investments were limited to nonnegotiable certificates of deposit (CDs), Federal Farm Credit Bank (FFCB) security, U.S. Treasury note, and investments in the State Treasury Asset Reserve of Ohio (STAR Ohio). Investments are reported at fair value, except for nonnegotiable certificates of deposit, which are reported at cost. Fair value is based on quoted market prices.

The City invested in STAR Ohio during 2021. STAR Ohio (the State Treasury Asset Reserve of Ohio), is an investment pool managed by the State Treasurer's Office which allows governments within the State to pool their funds for investment purposes. STAR Ohio is not registered with the SEC as an investment company, but has adopted Governmental Accounting Standards Board (GASB), Statement No. 79, "Certain External Investment Pools and Pool Participants." The City measures its investment in STAR Ohio at the net asset value (NAV) per share provided by STAR Ohio. The NAV per share is calculated on an amortized cost basis that provides an NAV per share that approximates fair value.

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

**CITY OF WARREN, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2021

**NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)**

Following Ohio statutes, the Council has, by resolution, specified the funds to receive an allocation of interest earnings. During 2021, interest revenue in the general fund amounted to \$97,801, which includes \$82,959 assigned from other City funds.

The City has segregated bank accounts for monies held separate from the City's central bank account for Warren Municipal Court activity. The interest bearing depository account is presented on the financial statements as "cash in segregated accounts" since they are not required to be deposited into the City treasury.

For purposes of the statement of cash flows and for presentation on the statement of net position, 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 considered to be cash equivalents. Investments with maturities greater than three months at the time of purchase are reported as investments.

An analysis of the City's investment account at year end is provided in Note 4.

**H. Inventories of Materials and Supplies**

On government-wide and fund financial statements, purchased inventories are presented at the lower of cost or market. Inventories are recorded on a first-in, first-out basis and are expensed when used. Inventories are accounted for using the consumption method.

On the fund financial statements, reported materials and supplies inventory is equally offset by a nonspendable fund balance in the governmental funds which indicates that it does not constitute available spendable resources even though it is a component of net current assets.

Inventory consists of expendable supplies held for consumption.

**I. Prepaid Items**

Payments made to vendors for services that will benefit beyond December 31, 2021, are recorded as prepaid items using the consumption method by recording a current asset for the prepaid amount and reflecting the expenditures/expense in the year in which the services are consumed. The City had no prepaid items at December 31, 2021.

**J. Capital Assets**

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

All capital assets are capitalized at cost (or estimated historical cost) and updated for additions and retirements during the year. Donated capital assets are recorded at their acquisition values as of the date received. The City maintains a capitalization threshold of \$5,000. The City's infrastructure consists of traffic signals, sidewalks, storm sewers, streets, and water and sewer lines. Improvements are capitalized; the costs of normal maintenance and repairs that do not add to the value of the asset or materially extend an asset's life are not.

All reported capital assets are depreciated except for land, easements 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 WARREN, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2021

**NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)**

| <u>Description</u>                                     | <u>Governmental<br/>Activities<br/>Estimated Lives</u> | <u>Business-type<br/>Activities<br/>Estimated Lives</u> |
|--|--|---|
| Autos and trucks                                       | 5  | 5   |
| Machinery, equipment, software, furniture and fixtures | 5 - 20   | 10  |
| Land improvements                                      | 10 - 20  | N/A   |
| Building improvements                                  | 15   | 15  |
| Sewer and water treatment plants and buildings         | N/A  | 20  |
| Other buildings  | 40   | 40  |
| Infrastructure   | 15 - 30  | 20 - 70   |

**K. Compensated Absences**

Compensated absences of the City consist of vacation, sick, and comp time leave to the extent that payment to the employee for these absences is attributable to services already rendered and are not contingent on a specific event that is outside the control of the City and the employee.

In conformity with GASB Statement No. 16, "Accounting for Compensated Absences", vacation and comp time 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 City will compensate the employees for the benefits through paid time off or some other means. Sick leave benefits are accrued as a liability using the vesting method. The liability is based on the sick leave accumulated at December 31 by those employees who are currently eligible to receive termination payments and by those employees for whom it is probable they will become eligible to receive termination benefits in the future.

For purposes of establishing a liability for sick leave on employees expected to become eligible to retire in the future, all employees age fifty or greater with at least ten years of service or any employee with at least twenty years of service were considered expected to become eligible to retire in accordance with GASB Statement No. 16.

The total liability for vacation, sick and comp time leave payments has been calculated using pay rates in effect at the balance sheet date, and reduced to the maximum payment allowed by labor contract and/or statute, plus applicable additional salary related payments. City employees are granted vacation, sick and comp time leave in varying amounts. In the event of termination, an employee is reimbursed for accumulated vacation, sick, and comp time leave at various rates.

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

On governmental fund financial statements, compensated absences are recognized as liabilities and expenditures to the extent payments come due each period upon the occurrence of employee resignations and retirements. These amounts are recorded in the account "compensated absences payable" in the fund from which the employees who have accumulated leave are paid. The noncurrent portion of the liability is not reported. For proprietary funds, the entire amount of compensated absences is reported as a fund liability.

**L. 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.



**CITY OF WARREN, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2021

**NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)**

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

**M. Unamortized Bond Premiums and Accounting Gain or Loss**

Bond premiums are amortized over the term of the bonds. Bond premiums are presented as an addition to the face amount of the bonds.

For advance refunding resulting in the defeasance of debt, the difference between the reacquisition price and the net carrying amount of the old debt is deferred and amortized as a component of interest expense. This accounting gain or loss is amortized over the remaining life of the old debt or the life of the new debt, whichever is shorter, and is presented as a deferred outflow of resources.

On the governmental fund financial statements, bond premiums and deferred charges from refunding are recognized in the current period.

**N. Interfund Balances**

On fund financial statements, receivables and payables resulting from short-term interfund loans are classified as due to/from other funds. These amounts are eliminated in the governmental activities column on the statement of net position, except for any residual amounts between governmental and business-type activities, which are presented as internal balance.

**O. Interfund Activity**

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

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

**P. 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 classification includes amounts that cannot be spent because they are not in spendable form or legally required to be maintained intact. The "not in spendable form" criterion includes items that are not expected to be converted to cash.

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

*Committed* - The committed fund balance classification includes amounts that can be used only for the specific purposes imposed by a formal action (ordinance) of City Council (the highest level of decision making authority).

**CITY OF WARREN, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2021

**NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)**

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) it employed to previously commit those amounts. 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 committed. City Council has by ordinance authorized the City Auditor to assign fund balance. The Council may also assign fund balance as it does when appropriating fund balance to cover a gap between estimated revenue and appropriations in the subsequent year's appropriated budget.

*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 only used to report a deficit fund balance resulting from overspending for specific purposes for which amounts had been restricted, committed, or assigned.

The City applies restricted resources first when expenditures are incurred for purposes for which restricted and unrestricted (committed, assigned, and unassigned) fund balance is 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.

**Q. Estimates**

The preparation of the BFS in conformity with GAAP requires management to make estimates and assumptions that affect the amounts reported in the BFS and accompanying notes. Actual results may differ from those estimates.

**R. Capital Contributions**

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

**S. Net Position**

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

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

**T. Extraordinary and Special Items**

Extraordinary items are transactions or events that are both unusual in nature and infrequent in occurrence. Special items are transactions or events that are within the control of City Council and that are either unusual in nature or infrequent in occurrence. The City had no extraordinary or special items during 2021.

**CITY OF WARREN, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2021

**NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)**

**U. Pensions/Other Postemployment Benefits (OPEB)**

For purposes of measuring the net pension/OPEB liability, net pension asset, net OPEB asset, deferred outflows of resources and deferred inflows of resources related 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.

**V. Fair Value Measurements**

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.

**NOTE 3 - ACCOUNTABILITY AND COMPLIANCE**

**Change in Accounting Principles**

For 2021, the City has implemented GASB Statement No. 89, "Accounting for Interest Cost Incurred before the End of a Construction Period."

GASB Statement No. 89 establishes accounting requirements for interest cost incurred before the end of a construction period. GASB Statement No. 89 requires that interest cost incurred before the end of a construction period be recognized as an expense in the period in which the cost is incurred for financial statements prepared using the economic resources measurement focus. GASB Statement No. 89 also reiterates that financial statements prepared using the current financial resources measurement focus, interest cost incurred before the end of a construction period should be recognized as an expenditure on a basis consistent with governmental fund accounting principles. The implementation of GASB Statement No. 89 did not have an effect on the financial statements of the City.

For 2021, the City has applied GASB Statement No. 95, "Postponement of the Effective Dates of Certain Authoritative Guidance" to GASB Statement Nos. 91, 92 and 93, which were originally due to be implemented in 2021 and to GASB Statement No. 87, which was originally due to be implemented in 2020. GASB Statement No. 95 provides temporary relief to governments and other stakeholders in light of the COVID-19 pandemic. This objective is accomplished by postponing the effective dates of certain provisions in Statements and Implementation Guides that first became effective or are scheduled to become effective for periods beginning after June 15, 2018, and later.

The following pronouncements are postponed by one year and the City has elected delaying implementation until the fiscal year ended December 31, 2022:

- Statement No. 91, *Conduit Debt Obligations*
- Statement No. 92, *Omnibus 2020*
- Statement No. 93, *Replacement of Interbank Offered Rates*

The following pronouncements are postponed by eighteen months and the City has elected delaying implementation until the fiscal year ended December 31, 2022:

- Statement No. 87, *Leases*
- Implementation Guide No. 2019-3, *Leases*

**CITY OF WARREN, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2021

**NOTE 4 - DEPOSITS AND INVESTMENTS**

The City maintains a cash and investment pool used by all funds. Each fund type's portion of this pool is displayed on the financial statements as "equity in pooled cash and cash equivalents". Statutes require the classification of monies held by the City into three categories:

*Active Monies:* those monies required to be kept in a "cash" or "near-cash" status for immediate use by the City. Such monies must by law be maintained either as cash in the City treasury; in depository accounts payable or withdrawable on demand; including negotiable order of withdrawal (NOW) account; or in money market deposit accounts.

*Inactive Monies:* those monies not required for use within the current five-year period of designation of depositories. Inactive monies may be deposited or invested as certificates of deposit maturing not later than the end of the current period of designation of depositories or as savings or deposit accounts including, but not limited to, passbook accounts.

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

Interim monies may be deposited or invested in the following securities:

1. United States Treasury Notes, Bills, Bonds, or any other obligation or security issued by the United States Treasury or any other obligation guaranteed as to principal or interest by the United States;
2. Bonds, notes, debentures, or any other obligations or securities issued by any federal government agency or instrumentality, including, but not limited to, the Federal National Mortgage Association, Federal Home Loan Bank, Federal Farm Credit Bank, Federal Home Loan Mortgage Corporation, and Government National Mortgage Association. All federal agency securities shall be direct issuances of federal government agencies or instrumentalities;
3. Written repurchase agreements in the securities listed above provided that the fair 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 that the term of the agreement must not exceed thirty days;
4. 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;
5. Time certificates of deposit or savings or deposit accounts including, but not limited to, passbook accounts;
6. No-load money market mutual funds consisting exclusively of obligations described in items (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;
7. The State Treasurer's investment pool, State Treasury Asset Reserve of Ohio (STAR Ohio); and,
8. 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.

The City may also invest any monies not required to be used for a period of six months or more in the following:

1. Bonds 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;

**CITY OF WARREN, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2021

**NOTE 4 - DEPOSITS AND INVESTMENTS - (Continued)**

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.

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

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

**A. Cash in Segregated Accounts**

The City has cash in the amount of \$425,560 being held in a segregated account for use in the Warren Municipal Court. This amount is included in the City's depository balance below.

**B. Deposits with Financial Institutions**

At December 31, 2021, the carrying amount of all City deposits was \$22,906,907, which includes \$10,249,525 in nonnegotiable certificates of deposit. Of the \$23,708,144 bank balance, \$9,705,899 was covered by the FDIC, \$11,378,754 was covered by the Ohio Pooled Collateral System (OPCS) and \$2,623,491 was potentially exposed to custodial credit risk discussed below because those deposits were uninsured and could be uncollateralized.

Custodial credit risk is the risk that, in the event of bank failure, the City will not be able to recover deposits or collateral securities that are in the possession of an outside party. The City has no deposit policy for custodial credit risk beyond the requirements of State statute. Ohio law requires that deposits either be insured or protected by (1) eligible securities pledged to the City's and deposited with a qualified trustee by the financial institution as security for repayment whose fair value at all times shall be at least 105 percent of the deposits being secured, or (2) participation in the OPCS, a collateral pool of eligible securities deposited with a qualified trustee and pledged to the Treasurer of State to secure the repayment of all public monies deposited in the financial institution. OPCS requires the total fair value of the securities pledged to be 102 percent of the deposits being secured or a rate set by the Treasurer of State.

For 2021, the City's financial institutions were enrolled in OPCS and one was approved for a reduced collateral rate of 60%. Although all statutory requirements for the deposit of money had been followed, noncompliance with Federal requirements could potentially subject the City to a successful claim by the FDIC.

**CITY OF WARREN, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2021

**NOTE 4 - DEPOSITS AND INVESTMENTS - (Continued)**

**C. Investments**

As of December 31, 2021, the City had the following investments and maturities:

| <u>Measurement/Investment type</u>      | <u>Measurement<br/>Amount</u> | <u>Investment Maturity</u>  |                           |                            |                            |                                   |
|---|-------------------------------|-----------------------------|---------------------------|----------------------------|----------------------------|-----------------------------------|
|   |                               | <u>6 months or<br/>less</u> | <u>7 to 12<br/>months</u> | <u>13 to 18<br/>months</u> | <u>19 to 24<br/>months</u> | <u>Greater than<br/>24 months</u> |
| <i>Net Asset Value (NAV) per Share:</i> |                               |                             |                           |                            |                            |                                   |
| STAR Ohio                               | \$ 23,974,040                 | \$ 23,974,040               | \$ -                      | \$ -                       | \$ -                       | \$ -                              |
| <i>Fair Value (Level 2 Inputs):</i>     |                               |                             |                           |                            |                            |                                   |
| FFCB                                    | 481,645                       | -                           | -                         | -                          | 481,645                    | -                                 |
| U.S. Treasury note                      | 991,290                       | -                           | -                         | -                          | -                          | -                                 |
| Negotiable CDs                          | <u>6,820,843</u>              | <u>2,736,886</u>            | <u>368,932</u>            | <u>1,240,528</u>           | <u>744,176</u>             | <u>1,730,321</u>                  |
| Total                                   | <u>\$ 32,267,818</u>          | <u>\$ 26,710,926</u>        | <u>\$ 368,932</u>         | <u>\$ 1,240,528</u>        | <u>\$ 1,225,821</u>        | <u>\$ 1,730,321</u>               |

The weighted average maturity of investments is 0.33 years.

The District's investment in FFCB and U.S. Treasury bill are valued using quoted prices in markets that are not considered to be active, dealer quotations or alternative pricing sources for similar assets or liabilities for which all significant inputs are observable, either directly or indirectly (Level 2 inputs).

*Interest Rate Risk:* As a means of limiting its exposure to fair value losses arising from rising interest rates and according to State law, the City's investment policy limits investment portfolio maturities to five years or less.

*Credit Risk:* STAR Ohio carries a rating of AAAm by Standard & Poor's. Ohio law requires that STAR Ohio maintain the highest rating provided by at least one nationally recognized standard rating service. The City's investments in FFCB and U.S. Treasury bill were rated AA+ by Standard & Poor's and Aaa by Moody's. The negotiable CDs were not rated and are FDIC insured. The City's investment policy does not specifically address credit risk beyond requiring the City to only invest in securities authorized by State statute.

*Custodial Credit Risk:* For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the City will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The federal agency securities are exposed to custodial credit risk in that they are uninsured, unregistered and held by the counterparty's trust department or agent, but not in the City's name. The City's investment in repurchase agreements is collateralized by underlying securities that are held by the investment's counterparty, not in the name of the City. Ohio law requires the fair value of the securities subject to repurchase agreements must exceed the principal value of securities subject to a repurchase agreement by 2%. The City has no investment policy dealing with investment custodial risk beyond the requirement in State statute that prohibits payment for investments prior to the delivery of the securities representing such investments to the Treasurer or qualified trustee.

**CITY OF WARREN, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2021

**NOTE 4 - DEPOSITS AND INVESTMENTS - (Continued)**

*Concentration of Credit Risk:* The City’s investment policy addresses concentration of credit risk by requiring investments to be diversified to reduce the risk of loss resulting from over concentration of assets in a specific maturity, a specific obligor or a specific class or type of security. The following table includes the percentage of each investment type held by the City at December 31, 2021:

| <u>Investment type</u> | Measurement          |                   |
|------------------------|----------------------|-------------------|
|                        | <u>Value</u>         | <u>% to Total</u> |
| STAR Ohio              | \$ 23,974,040        | 74.30             |
| FFCB                   | 481,645              | 1.49              |
| U.S. Treasury note     | 991,290              | 3.07              |
| Negotiable CDs         | <u>6,820,843</u>     | <u>21.14</u>      |
| Total                  | <u>\$ 32,267,818</u> | <u>100.00</u>     |

**D. Reconciliation of Cash and Investments to the Statement of Net Position**

The following is a reconciliation of cash and investments as reported in the note above to cash and investments as reported on the statement of net position as of December 31, 2021:

Cash and investments per note

|                             |                      |
|-----------------------------|----------------------|
| Carrying amount of deposits | \$ 22,906,907        |
| Investments                 | <u>32,267,818</u>    |
| Total                       | <u>\$ 55,174,725</u> |

Cash and investments per statement of net position

|                          |                      |
|--------------------------|----------------------|
| Governmental activities  | \$ 38,355,757        |
| Business-type activities | 16,392,214           |
| Custodial funds          | <u>426,754</u>       |
| Total                    | <u>\$ 55,174,725</u> |

**NOTE 5 - INTERFUND TRANSACTIONS**

A. Interfund transfers for the year ended December 31, 2021, consisted of the following, as reported in the fund financial statements:

| <u>Transfers from</u> | <u>Transfers to</u>                 |                                  |                   |                                | <u>Total</u>        |
|-----------------------|-------------------------------------|----------------------------------|-------------------|--------------------------------|---------------------|
|                       | <u>General Capital<br/>Projects</u> | <u>Nonmajor<br/>Governmental</u> | <u>Sanitation</u> | <u>Nonmajor<br/>Enterprise</u> |                     |
| General               | \$ 1,662,222                        | \$ 16,105                        | \$ -              | \$ 90,000                      | \$ 1,768,327        |
| Nonmajor governmental | <u>-</u>                            | <u>-</u>                         | <u>299,250</u>    | <u>-</u>                       | <u>299,250</u>      |
| Total                 | <u>\$ 1,662,222</u>                 | <u>\$ 16,105</u>                 | <u>\$ 299,250</u> | <u>\$ 90,000</u>               | <u>\$ 2,067,577</u> |

Transfers are used to (1) move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them, (2) use unrestricted revenues collected in the general fund to finance various programs accounted for in other funds in accordance with budgetary authorizations. Transfers between governmental funds are eliminated on the government-wide financial statements.

**CITY OF WARREN, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2021

**NOTE 5 - INTERFUND TRANSACTIONS - (Continued)**

The general fund transferred \$90,000 to the downtown parking nonmajor enterprise fund and \$16,105 to the law enforcement trust nonmajor special revenue fund to subsidize projects. The general capital projects fund received \$1,662,222 in transfers from the general fund during 2021 for various capital projects. The nonmajor debt service fund transferred \$299,250 to the sanitation enterprise fund to subsidize debt service payments.

**B.** Due to/from other funds at December 31, 2021 consisted of the following:

| <u>Due from</u>   | <u>Due to</u>     |  |                   |
|---|-------------------|--|-------------------|
|   | Data              |  |                   |
|   | <u>General</u>    | <u>Processing<br/>Internal Service</u> | <u>Total</u>      |
| General fund  | \$ -              | \$ 97,200                              | \$ 97,200         |
| Street construction, maintenance and repair nonmajor special revenue fund | 88,525            | -                                      | 88,525            |
| Sewer fund  | 361,643           | 7,200                                  | 368,843           |
| Water fund  | 166,817           | 37,800                                 | 204,617           |
| Sanitation fund   | 49,267            | 3,600                                  | 52,867            |
| Stormwater nonmajor enterprise fund                                       | 14,064            | -                                      | 14,064            |
| Data processing internal service fund                                     | 4,840             | -                                      | 4,840             |
| <b>Total</b>  | <b>\$ 685,156</b> | <b>\$ 145,800</b>                      | <b>\$ 830,956</b> |

These balances resulted from the time lag between the dates that (1) interfund goods and services are provided, (2) transactions are recorded in the accounting system, and (3) payments between funds are made. All interfund balances are due within one year.

Amounts due to/from other funds between governmental funds are eliminated on the government-wide financial statements. Amounts due to/from other funds between governmental activities and business-type activities are reported as an internal balance on the statement of net position.

**NOTE 6 - PROPERTY TAXES**

Public utility real and tangible personal property taxes collected in one calendar year are levied in the preceding calendar year on assessed values determined as of December 31 of the second year preceding the tax collection year, the lien date. Public utility tangible personal property is assessed at varying percentages of true value; public utility real property is assessed at 35 percent of true value. 2021 public utility property taxes became a lien December 31, 2020, are levied after October 1, 2021, and are collected in 2022 with real property taxes. Public utility property taxes are payable on the same dates as real property taxes described previously.

The County Treasurer collects property taxes on behalf of all taxing districts in the County, including the City of Warren. The County Auditor periodically remits to the City its portion of the taxes collected. Property taxes receivable represents real property taxes, public utility taxes, tangible personal property taxes and outstanding delinquencies which are measurable as of December 31, 2021 and for which there is an enforceable legal claim. In the governmental funds, the current portion receivable has been offset by deferred inflows of resources since the current taxes were not levied to finance 2021 operations and the collection of delinquent taxes has been offset by a deferred inflows of resources since the collection of the taxes during the available period is not subject to reasonable estimation. On a full accrual basis, collectible delinquent property taxes have been recorded as revenue.



**CITY OF WARREN, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2021

**NOTE 6 - PROPERTY TAXES - (Continued)**

The assessed value upon which the 2020 levy (collected in 2021) was based was \$375,472,160. Ohio law limits unvoted property taxation, combined for all overlapping taxing authorities, to 10 mils. The City’s current share of property tax is 3.5 mils of assessed value, all of which is unvoted.

**NOTE 7 - LOCAL INCOME TAX**

The 2.5 percent City income tax is levied on substantially all income earned within the City. In addition, the residents of the City are required to pay City income tax on income they earn outside the City; however, full credit is allowed for all income taxes these residents pay to other municipalities. Employers within the City are required to withhold income tax on employee compensation and remit the tax to the City at least quarterly. Major employers are required to remit withholdings to the City monthly. Corporations and self-employed individual taxpayers are required to pay their estimated tax quarterly and file a declaration annually with the City. Voters approved a 0.5 percent income tax increase at the November 2016 election, which became effective January 1, 2017. Income tax revenue is reported to the extent that it is measurable and available to finance current operations at December 31, 2021. Income tax revenue for 2021 reported in the general fund was \$22,029,137.

**NOTE 8 - RECEIVABLES**

Receivables at December 31, 2021, consisted of taxes, accounts (billings for user charged services and other fees), accrued interest, special assessments, loans and intergovernmental receivables arising from grants, entitlements and shared revenue. Receivables have been recorded to the extent that they are measurable at December 31, 2021. The only receivables not expected to be collected within one year are special assessments, which are collected over the life of the assessment.

Special assessments receivable has been reported net of an allowance for uncollectible of \$2,555,423.

A summary of the principal items of intergovernmental receivables follows:

|                                   | <u>Amounts</u> |
|-----------------------------------|----------------|
| <i>Governmental Activities:</i>   |                |
| Miscellaneous                     | \$ 27,107      |
| Permissive tax                    | 49,940         |
| Gas and motor vehicle license tax | 964,549        |
| CDBG and IDIS draw                | 272,637        |
| Ohio Department of Transportation | 12,092         |
| Ohio Public Works Commission      | 509,413        |
| National Park Service             | 460,855        |
| Eastgate Council of Governments   | 2,600          |
| Local government                  | 622,279        |
| Homestead and rollback            | 85,143         |
| Total                             | \$ 3,006,615   |

**NOTE 9 - LOANS RECEIVABLE**

Loans receivable represent low interest loans made by the City for development projects and small businesses under the Federal Community Development Block Grant (CDBG) program, Home Investment Partnership (HIP) program, Reinvestment Corporation and the U.S. Department of Housing & Urban Development (HUD) Section 108. The loans bear interest at annual rates ranging between 0 and 9 percent and are to be repaid over a period ranging from 2 to 40 years.

**CITY OF WARREN, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2021

**NOTE 10 - CAPITAL ASSETS**

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

| <b><u>Governmental activities:</u></b>        | Balance<br>12/31/20  | Additions           | Disposals           | Balance<br>12/31/21  |
|---|----------------------|---------------------|---------------------|----------------------|
| <i>Capital assets, not being depreciated:</i> |                      |                     |                     |                      |
| Land  | \$ 1,028,226         | \$ -                | \$ -                | \$ 1,028,226         |
| Easements                                     | 13,353               | -                   | -                   | 13,353               |
| Construction in progress                      | 1,456,980            | 3,797,943           | (384,634)           | 4,870,289            |
| Total capital assets, not being depreciated   | <u>2,498,559</u>     | <u>3,797,943</u>    | <u>(384,634)</u>    | <u>5,911,868</u>     |
| <i>Capital assets, being depreciated:</i>     |                      |                     |                     |                      |
| Land improvements                             | 6,492,638            | -                   | -                   | 6,492,638            |
| Buildings                                     | 14,208,162           | -                   | -                   | 14,208,162           |
| Building improvements                         | 15,207,411           | 264,250             | -                   | 15,471,661           |
| Computer software                             | 1,307,537            | 47,442              | (6,380)             | 1,348,599            |
| Computer equipment                            | 998,633              | -                   | (13,295)            | 985,338              |
| Furniture and equipment                       | 2,670,012            | -                   | -                   | 2,670,012            |
| Vehicles                                      | 5,407,896            | 180,000             | (256,089)           | 5,331,807            |
| Infrastructure                                | 80,633,036           | 3,353,903           | -                   | 83,986,939           |
| Total capital assets, being depreciated       | <u>126,925,325</u>   | <u>3,845,595</u>    | <u>(275,764)</u>    | <u>130,495,156</u>   |
| <i>Less: accumulated depreciation:</i>        |                      |                     |                     |                      |
| Land improvements                             | (1,983,780)          | (391,656)           | -                   | (2,375,436)          |
| Buildings                                     | (10,018,628)         | (233,539)           | -                   | (10,252,167)         |
| Building improvements                         | (7,220,255)          | (750,978)           | -                   | (7,971,233)          |
| Computer software                             | (1,090,011)          | (152,014)           | 6,380               | (1,235,645)          |
| Computer equipment                            | (905,602)            | (36,852)            | 13,295              | (929,159)            |
| Furniture and equipment                       | (2,120,731)          | (98,651)            | -                   | (2,219,382)          |
| Vehicles                                      | (4,923,168)          | (164,540)           | 256,089             | (4,831,619)          |
| Infrastructure                                | (42,119,352)         | (2,656,895)         | -                   | (44,776,247)         |
| Total accumulated depreciation                | <u>(70,381,527)</u>  | <u>(4,485,125)</u>  | <u>275,764</u>      | <u>(74,590,888)</u>  |
| Total capital assets, being depreciated, net  | <u>56,543,798</u>    | <u>(639,530)</u>    | <u>-</u>            | <u>55,904,268</u>    |
| Governmental activities capital assets, net   | <u>\$ 59,042,357</u> | <u>\$ 3,158,413</u> | <u>\$ (384,634)</u> | <u>\$ 61,816,136</u> |

**CITY OF WARREN, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2021

**NOTE 10 - CAPITAL ASSETS - (Continued)**

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

| <b><u>Business-type activities:</u></b>       | Balance<br>12/31/20  | Additions            | Disposals          | Balance<br>12/31/21  |
|---|----------------------|----------------------|--------------------|----------------------|
| <i>Capital assets, not being depreciated:</i> |                      |                      |                    |                      |
| Land  | \$ 390,160           | \$ -                 | \$ -               | \$ 390,160           |
| Construction in progress                      | <u>10,367,620</u>    | <u>14,714,718</u>    | <u>-</u>           | <u>25,082,338</u>    |
| Total capital assets, not being depreciated   | <u>10,757,780</u>    | <u>14,714,718</u>    | <u>-</u>           | <u>25,472,498</u>    |
| <i>Capital assets, being depreciated:</i>     |                      |                      |                    |                      |
| Buildings                                     | 54,966,546           | -                    | -                  | 54,966,546           |
| Building improvements                         | 13,349,216           | 15,986               | -                  | 13,365,202           |
| Water and sewer lines                         | 57,347,105           | -                    | -                  | 57,347,105           |
| Computer software                             | 67,446               | 23,000               | -                  | 90,446               |
| Computer equipment                            | 39,335               | -                    | -                  | 39,335               |
| Furniture and equipment                       | 12,329,956           | 51,392               | (92,707)           | 12,288,641           |
| Vehicles                                      | <u>5,440,766</u>     | <u>1,707,470</u>     | <u>(1,422,892)</u> | <u>5,725,344</u>     |
| Total capital assets, being depreciated       | <u>143,540,370</u>   | <u>1,797,848</u>     | <u>(1,515,599)</u> | <u>143,822,619</u>   |
| <i>Less: accumulated depreciation:</i>        |                      |                      |                    |                      |
| Buildings                                     | (52,773,762)         | (142,204)            | -                  | (52,915,966)         |
| Building improvements                         | (11,469,154)         | (878,450)            | -                  | (12,347,604)         |
| Water and sewer lines                         | (29,136,052)         | (819,245)            | -                  | (29,955,297)         |
| Computer software                             | (24,494)             | (11,845)             | -                  | (36,339)             |
| Computer equipment                            | (39,335)             | -                    | -                  | (39,335)             |
| Furniture and equipment                       | (9,377,470)          | (534,154)            | 71,854             | (9,839,770)          |
| Vehicles                                      | <u>(4,451,681)</u>   | <u>(609,244)</u>     | <u>1,375,161</u>   | <u>(3,685,764)</u>   |
| Total accumulated depreciation                | <u>(107,271,948)</u> | <u>(2,995,142)</u>   | <u>1,447,015</u>   | <u>(108,820,075)</u> |
| Total capital assets, being depreciated, net  | <u>36,268,422</u>    | <u>(1,197,294)</u>   | <u>(68,584)</u>    | <u>35,002,544</u>    |
| Business-type activities capital assets, net  | <u>\$ 47,026,202</u> | <u>\$ 13,517,424</u> | <u>\$ (68,584)</u> | <u>\$ 60,475,042</u> |

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

**Governmental activities:**

|  |                     |
|--|---------------------|
| General government   | \$ 655,342          |
| Security of persons and property   | 375,764             |
| Transportation   | 2,766,988           |
| Community environment  | 2,939               |
| Leisure time activity  | 568,862             |
| Capital assets held by the government's internal service funds are charged to the various functions based on their usage of the assets | <u>115,230</u>      |
| Total depreciation expense - governmental activities   | <u>\$ 4,485,125</u> |

**CITY OF WARREN, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2021

**NOTE 10 - CAPITAL ASSETS - (Continued)**

**Business-type activities:**

|   |                     |
|---|---------------------|
| Sewer   | \$ 598,702          |
| Water   | 1,935,074           |
| Sanitation  | 362,123             |
| City redevelopment                                    | 16,145              |
| Downtown parking                                      | 48,059              |
| Stormwater utility                                    | <u>35,039</u>       |
| Total depreciation expense - business-type activities | <u>\$ 2,995,142</u> |

**NOTE 11 - COMPENSATED ABSENCES LIABILITY**

Vacation, compensation time, and sick leave accumulated by governmental fund type employees have been recorded in the balance sheet to the extent the liability was due at year end. Vacation, compensation time and sick leave earned by proprietary funds type employees is expensed when earned and has been recorded in the fund.

Upon termination of City service, a fully vested employee is entitled to a percentage of their accumulated sick leave based on their years of service. At December 31, 2021, vested benefits for compensation time, vacation leave and sick leave for governmental fund type employees totaled \$4,147,907. For proprietary fund types, vested benefits for compensation time, vacation leave and sick leave totaled \$2,002,307 at December 31, 2021. Included in the vested benefits for sick leave figures is an additional liability to accrue and record termination (severance) payments for employees expected to become eligible to retire in the future in accordance with GASB Statement No. 16.

**NOTE 12 - LEASES**

**A. Capital Leases - Lessee Disclosure**

During 2017, the City entered into capitalized leases for two water vehicles. During 2019, the City entered into capitalized leases for the purchase of radio equipment. These lease agreements meet the criteria of a capital lease as defined by GASB Statement No. 62, which defines a capital lease generally as one which transfers benefits and risks of ownership to the lessee.

Capital assets consisting of vehicles have been capitalized in the amount of \$45,480, which represents the present value of the future minimum lease payments at the time of acquisition. Radio equipment in the amount of \$338,589 was not capitalized because the leased equipment is individually below the capitalization threshold. A liability in the amount of \$131,329, \$11,304, and \$3,029 was recorded in the governmental activities, water fund, and sanitation fund, respectively, at December 31, 2021. Principal payments during 2021 amounted to \$53,254, \$7,693, \$15,434 and \$1,406 in the general fund, street maintenance nonmajor special revenue fund, water enterprise fund and sanitation fund, respectively. At December 31, 2021, accumulated depreciation on the vehicles amounted to \$22,740 leaving a book value of \$22,740.

At December 31, 2021, the entire balance of the City's governmental activities and business type activities capital lease obligation outstanding was related to radio equipment that was not capitalized, as the equipment leased was individually below the capitalization threshold.

**CITY OF WARREN, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2021

**NOTE 12 - LEASES - (Continued)**

The following is a schedule of the future long-term minimum lease payments required under the capital lease obligations and the present value of the minimum lease payments as of December 31, 2021:

| Year Ended<br><u>December 31,</u>           | <u>Governmental<br/>Activities</u> | <u>Business-Type<br/>Activities</u> |
|---|------------------------------------|-------------------------------------|
| 2022  | \$ 70,703                          | \$ 7,717                            |
| 2023  | <u>70,703</u>                      | <u>7,717</u>                        |
| Total                                       | 141,406                            | 15,434                              |
| Less: amount representing interest          | <u>(10,077)</u>                    | <u>(1,101)</u>                      |
| Present value of net minimum lease payments | <u>\$ 131,329</u>                  | <u>\$ 14,333</u>                    |

**B. Operating Lease - Lessor Disclosure**

On November 15, 1993, the City entered into a lease agreement with Avalon South Management, Inc. for the lease of the City owned golf course. The lease calls for an annual fee for the management, operation and maintenance of the golf course based upon a percentage of gross receipts as defined by the agreement.

The carrying value of the property follows:

|                                | <u>Land</u>     | <u>Building</u>  |
|--------------------------------|-----------------|------------------|
| Asset                          | \$ 9,000        | \$ 219,756       |
| Less: accumulated depreciation | <u>-</u>        | <u>(156,577)</u> |
| Total                          | <u>\$ 9,000</u> | <u>\$ 63,179</u> |

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**CITY OF WARREN, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2021

**NOTE 13 - LONG-TERM OBLIGATIONS**

**A. Governmental Activities**

Long-term obligations activity for the year ended December 31, 2021 consist of the following:

| <b>Governmental activities:</b>                        | Balance<br>12/31/20  | Additions           | Reductions            | Balance<br>12/31/21  | Amounts<br>Due in<br>One Year |
|--|----------------------|---------------------|-----------------------|----------------------|-------------------------------|
| <u>General obligation bonds</u>                        |                      |                     |                       |                      |                               |
| Various purpose, series 2012                           | \$ 295,000           | \$ -                | \$ (145,000)          | \$ 150,000           | \$150,000                     |
| Pension refunding, series 2012                         | 995,000              | -                   | (55,000)              | 940,000              | 55,000                        |
| Various purpose refunding bonds, series 2017           | <u>4,050,000</u>     | <u>-</u>            | <u>(545,000)</u>      | <u>3,505,000</u>     | <u>560,000</u>                |
| Total general obligations bonds                        | <u>5,340,000</u>     | <u>-</u>            | <u>(745,000)</u>      | <u>4,595,000</u>     | <u>765,000</u>                |
| <u>Other long-term obligations</u>                     |                      |                     |                       |                      |                               |
| HUD 108 loan (direct borrowing)                        | 340,000              | -                   | (165,000)             | 175,000              | 175,000                       |
| Capital lease obligation                               | 192,276              | -                   | (60,947)              | 131,329              | 64,040                        |
| OPWC loan (direct borrowing)                           | 89,798               | -                   | (12,828)              | 76,970               | 12,828                        |
| Claims payable   | 987,329              | 70,876              | (131,492)             | 926,713              | 61,638                        |
| Compensated absences                                   | 4,346,914            | 1,034,280           | (1,233,287)           | 4,147,907            | 1,081,003                     |
| Net pension liability                                  | 29,666,748           | 1,005,254           | (2,130,071)           | 28,541,931           | -                             |
| Net OPEB liability                                     | <u>8,518,486</u>     | <u>347,473</u>      | <u>(5,328,918)</u>    | <u>3,537,041</u>     | <u>-</u>                      |
| Total other long-term obligations                      | <u>44,141,551</u>    | <u>2,457,883</u>    | <u>(9,062,543)</u>    | <u>37,536,891</u>    | <u>1,394,509</u>              |
| Total governmental activities<br>long-term obligations | <u>49,481,551</u>    | <u>2,457,883</u>    | <u>(9,807,543)</u>    | <u>42,131,891</u>    | <u>\$ 2,159,509</u>           |
| Add: Unamortized premium on bond issues                | <u>37,491</u>        | <u>-</u>            | <u>(5,424)</u>        | <u>32,067</u>        |                               |
| Total reported on the statement of net position        | <u>\$ 49,519,042</u> | <u>\$ 2,457,883</u> | <u>\$ (9,812,967)</u> | <u>\$ 42,163,958</u> |                               |

In accordance with State of Ohio law, the City may not incur non-exempt general long-term indebtedness in excess of 10.5 percent of the total value of all property listed and assessed for taxation and 5.5 percent of such value without voter approval.

Claims Payable - See Note 14.C for additional detail.

Compensated Absences - Compensated absences will be paid from the fund which the employees' salaries are paid. The payments will be made primarily from the general fund, community development block grant fund and street maintenance nonmajor governmental fund.

Net Pension Liability and Net OPEB Liability - See Notes 15 and 16 for additional detail. The payments will be made primarily from the general fund, the water fund, sewer fund, sanitation fund and nonmajor enterprise stormwater utility fund.

General Obligation Bonds

On December 4, 2012, the City issued various purpose general obligation bonds in the amount of \$1,370,000 to finance the acquisition of a fire truck and computer system improvements. The issue is comprised of serial bonds with annual interest rates ranging from 2.00% - 2.25% and a final maturity date of December 1, 2022.

Also, on December 4, 2012, the City issued the pension refunding bonds to retire, together with money available in the police and fire pension nonmajor governmental funds, the City's police and fire pension liability. The issue is comprised of \$185,000 serial bonds and \$1,195,000 term bonds. The serial bonds had an annual interest rate of 1.50% and matured December 1, 2016, and the term bonds bear an annual interest rate ranging from 2.00% - 3.50% and mature December 1, 2035.

**CITY OF WARREN, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2021

**NOTE 13 - LONG-TERM OBLIGATIONS - (Continued)**

On August 10, 2017, the City issued various purpose refunding bonds, series 2017, in the amount of \$5,095,000 to advance refund \$5,920,000 of various purpose general obligation bonds, series 2013. The City made a cash contribution of \$1,050,000 from the general bond payment debt service fund as part of the refunding transaction. The reacquisition price exceeded the net carrying amount of the governmental activities by \$69,334. This difference, reported in the accompanying financial statements as a deferred outflow of resources, is being charged to interest expense through maturity on December 1, 2033 using the straight-line method. The refunding had a net present value benefit of 6.7% and gross present value debt service savings of \$639,479. The unamortized deferred charges on the refunding has been included in the net investment in capital assets calculation.

The general obligation bonds are paid from the nonmajor general bond payment debt service fund.

The following is a summary of the City’s future annual debt service requirements for the general obligation bonds:

| Year        | General Obligation Bonds |            |              |
|-------------|--------------------------|------------|--------------|
|             | Principal                | Interest   | Total        |
| 2022        | \$ 765,000               | \$ 117,859 | \$ 882,859   |
| 2023        | 625,000                  | 99,449     | 724,449      |
| 2024        | 405,000                  | 84,176     | 489,176      |
| 2025        | 415,000                  | 74,130     | 489,130      |
| 2026        | 420,000                  | 63,695     | 483,695      |
| 2027 - 2031 | 1,420,000                | 173,587    | 1,593,587    |
| 2032-2035   | 545,000                  | 35,772     | 580,772      |
| Total       | \$ 4,595,000             | \$ 648,668 | \$ 5,243,668 |

HUD 108 Loan - On September 14, 2006, the City received a \$1,700,000 HUD Section 108 loan. The City disbursed the loan proceeds for economic development and housing rehabilitation projects throughout the City. These projects have not been capitalized and reported in the City’s capital assets; therefore, the balance of the loan is not included in the net investment in capital assets component of net position. Interest payments (at approximately 5.28 percent) on the loan began in 2007 and principal payments began August 1, 2008. The loan matures August 1, 2022. On January 23, 2019, the debt service schedule was revised to reduce the amount of the interest payments on the remainder of the loan beginning August 1, 2019. Principal and interest payments are made out of the guaranteed loan nonmajor governmental fund using future grant receipts and principal and interest payments received on amounts the City loans for economic development and housing rehabilitation.

HUD loans are direct borrowings that have terms negotiated directly between the City and HUD and are not offered for public sale. In the event of default, HUD may (1) continue to make payments due on the notes, (2) make a prepayment under Section I.D of the note or make an acceleration payment with respect to the principal amount subject to optional redemption, (3) purchase Government obligations in accordance with the contract, (4) pay interest due for late payment as provided in the note, contract, or fiscal agent/trust agreements, (5) pay any other obligation of the City under this under this contract or the fiscal agent/trust agreements, and (6) pay any reasonable expenses incurred by HUD or the fiscal agent/trustee as a result of the City’s default. HUD may also withhold the guarantee of any or all obligations not yet guaranteed or the disbursement of any or all grants not yet disbursed in full under outstanding guarantee commitments or grant approvals for the City under Sections 108 and/or 106.

**CITY OF WARREN, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2021

**NOTE 13 - LONG-TERM OBLIGATIONS - (Continued)**

The following is a summary of the City’s future annual debt service principal and interest requirements for the general obligation loan payable:

| <u>Year</u> | Loan Payable      |                 |                   |
|-------------|-------------------|-----------------|-------------------|
|             | <u>Principal</u>  | <u>Interest</u> | <u>Total</u>      |
| 2022        | <u>\$ 175,000</u> | <u>\$ 4,458</u> | <u>\$ 179,458</u> |

*OPWC Loan* - During 2008, the City entered into an agreement with Trumbull County to pay a portion of the County’s loan from the Ohio Public Works Commission (OPWC). The City’s share of the interest-free loan is \$256,564 and is payable over 20 years, with a final payment date of December 1, 2027. The proceeds were used to fund the North Road Reconstruction Project. The principal and interest payments are made out of the debt service fund.

OPWC loans are direct borrowings that have terms negotiated directly between the City and the OPWC and are not offered for public sale. In the event of default, the OPWC may (1) charge an 8% default interest rate from the date of the default to the date of the payment and charge the City for all costs incurred by the OPWC in curing the default, (2) in accordance with Ohio Revised Code 164.05, direct the county treasurer of the county in which the City is located to pay the amount of the default from funds that would otherwise be appropriated to the City from such county’s undivided local government fund pursuant to ORC 5747.51-5747.53, or (3) at its discretion, declare the entire principal amount of loan then remaining unpaid, together with all accrued interest and other charges, become immediately due and payable.

The following is a summary of the City’s future annual debt service principal and interest requirements for the OPWC loan payable:

| <u>Year</u> | OPWC Loan Payable |                 |                  |
|-------------|-------------------|-----------------|------------------|
|             | <u>Principal</u>  | <u>Interest</u> | <u>Total</u>     |
| 2022        | \$ 12,828         | \$ -            | \$ 12,828        |
| 2023        | 12,828            | -               | 12,828           |
| 2024        | 12,828            | -               | 12,828           |
| 2025        | 12,829            | -               | 12,829           |
| 2026        | 12,828            | -               | 12,828           |
| 2027        | <u>12,829</u>     | <u>-</u>        | <u>12,829</u>    |
| Total       | <u>\$ 76,970</u>  | <u>\$ -</u>     | <u>\$ 76,970</u> |



**CITY OF WARREN, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2021

**NOTE 13 - LONG-TERM OBLIGATIONS - (Continued)**

**B. Business-Type Activities**

Long-term obligations activity for the year ended December 31, 2021 consist of the following:

|   | Balance              |                      |                        | Balance              | Amounts          |
|---|----------------------|----------------------|------------------------|----------------------|------------------|
|   | 12/31/20             | Additions            | Reductions             | 12/31/21             | Due in           |
|   |                      |                      |                        |                      | One Year         |
| <u>General obligation bonds</u>                                       |                      |                      |                        |                      |                  |
| Various purpose waterworks refunding, series 2012                     | \$ 1,290,000         | \$ -                 | \$ (640,000)           | \$ 650,000           | \$ 650,000       |
| Sanitation vehicle acquisition bonds, series 2021 (private placement) | -                    | 1,435,000            | (291,564)              | 1,143,436            | 277,954          |
| Total general obligation bonds  | <u>1,290,000</u>     | <u>1,435,000</u>     | <u>(931,564)</u>       | <u>1,793,436</u>     | <u>927,954</u>   |
| <u>OWDA Loans (direct borrowings)</u>                                 |                      |                      |                        |                      |                  |
| Downtown combined sewer   | 1,781,884            | -                    | (250,431)              | 1,531,453            | 258,636          |
| Sewer inceptor rehabilitation   | 332,757              | -                    | (28,659)               | 304,098              | 29,598           |
| High street overflow parking  | 815,853              | -                    | (322,552)              | 493,301              | 327,596          |
| Wastewater treatment plant and pump station refurbishment - phase I   | 2,192,035            | 9,454,855            | -                      | 11,646,890           | -                |
| I & I reduction plan  | 334,587              | 262,986              | (119,514)              | 478,059              | 119,514          |
| WPCC PST clarifier early action                                       | 1,927,043            | 755,828              | (66,356)               | 2,616,515            | 133,812          |
| Dry weather overflow increase   | 138,033              | 433,391              | -                      | 571,424              | -                |
| Perkins park parallel sewer   | 298,079              | 1,058,664            | -                      | 1,356,743            | -                |
| Water system improvements   | 2,189,897            | -                    | (701,607)              | 1,488,290            | 729,593          |
| Water meter replacements  | 2,452,909            | -                    | (272,265)              | 2,180,644            | 281,434          |
| Water treatment plant switch gear replacement                         | 1,675,687            | -                    | (109,706)              | 1,565,981            | 111,845          |
| Waterline replacement   | 1,215,436            | -                    | (79,317)               | 1,136,119            | 80,903           |
| Bulk water dispensing station   | 524,863              | -                    | (28,937)               | 495,926              | 30,058           |
| Total OWDA loans  | <u>15,879,063</u>    | <u>11,965,724</u>    | <u>(1,979,344)</u>     | <u>25,865,443</u>    | <u>2,102,989</u> |
| <u>Other long-term obligations</u>                                    |                      |                      |                        |                      |                  |
| OPWC loans (direct borrowing)   | 366,663              | -                    | (21,145)               | 345,518              | 21,145           |
| Capital lease obligation  | 31,173               | -                    | (16,840)               | 14,333               | 6,989            |
| Compensated absences  | 2,028,776            | 528,667              | (555,136)              | 2,002,307            | 471,622          |
| Net pension liability   | 8,539,185            | -                    | (2,188,700)            | 6,350,485            | -                |
| Net OPEB liability  | 5,749,786            | -                    | (5,749,786)            | -                    | -                |
| Total other long-term obligations                                     | <u>16,715,583</u>    | <u>528,667</u>       | <u>(8,531,607)</u>     | <u>8,712,643</u>     | <u>499,756</u>   |
| Total business-type activities  | 33,884,646           | 13,929,391           | (11,442,515)           | 36,371,522           | \$ 3,530,699     |
| Add: Unamortized premium on bond issue                                | 27,957               | -                    | (14,586)               | 13,371               |                  |
| Total reported on the statement of net position                       | <u>\$ 33,912,603</u> | <u>\$ 13,929,391</u> | <u>\$ (11,457,101)</u> | <u>\$ 36,384,893</u> |                  |

General Obligation Bonds - General obligation bonds are expected to be retired with revenues of the enterprise funds. General obligation bonds are secured by the City's ability to levy a voted or unvoted property tax within limitations of Ohio law.

**CITY OF WARREN, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2021

**NOTE 13 - LONG-TERM OBLIGATIONS - (Continued)**

On December 4, 2012, the City issued \$5,975,000 various purpose refunding bonds to advance refund a portion of the waterworks system revenue bonds stated to mature on November 1, 2015 and currently refund all of the waterworks system revenue bonds stated to mature on November 1, 2022. The portion of the proceeds issued for the advance refunding were used to purchase SLGS that were placed in an irrevocable trust for the purpose of generating resources for all future debt service payments of the refunded debt.

The 2012 various purpose refunding issue is comprised of serial bonds with an annual interest rate ranging from 2.00% - 2.25%. The reacquisition price exceeded the net carrying amount of the old debt by \$182,459. This difference, reported in the accompanying financial statements as a deferred outflow of resources, is being charged to interest expense through maturity on December 1, 2022 using the straight-line method.

On August 18, 2021, the City issued \$1,435,000 in sanitation vehicle acquisition bonds. The bonds bear an interest rate of 1.873% and mature on December 1, 2025. Principal and interest payments are due annually beginning December 1, 2022 and will be paid from the sanitation enterprise fund. The bond issue is considered a private placement. Private placements occur when the City issues a debt security directly to an investor. Private placements have terms negotiated directly with the investor and are not offered for public sale.

OPWC Loans - The City received loans in the amount of \$53,921 and \$386,962 from the OPWC in 2011 and 2017, respectively, to help fund capital improvements for the City's storm sewer and waterline infrastructure. The interest free loans are payable in semi-annual installments over thirty-year periods, with the final payment due January 1, 2041. Payments on the loan are made from the stormwater utility nonmajor enterprise fund and the water fund.

OPWC loans are direct borrowings that have terms negotiated directly between the City and the OPWC and are not offered for public sale. In the event of default, the OPWC may (1) charge an 8% default interest rate from the date of the default to the date of the payment and charge the City for all costs incurred by the OPWC in curing the default, (2) in accordance with Ohio Revised Code 164.05, direct the county treasurer of the county in which the City is located to pay the amount of the default from funds that would otherwise be appropriated to the City from such county's undivided local government fund pursuant to ORC 5747.51-5747.53, or (3) at its discretion, declare the entire principal amount of loan then remaining unpaid, together with all accrued interest and other charges, become immediately due and payable.

OWDA Loans - The City has entered into debt financing arrangements through the OWDA to fund construction projects. The amounts due to the OWDA are payable solely from sewer and water revenues. The loan agreements function similar to a line-of-credit agreement. At December 31, 2021, the City has outstanding borrowings of \$25,865,443. The loan agreements require semi-annual payments based on the permissible borrowings rather than the actual amount loaned. These payments are reflected in the future maturities of principal and interest table and are subject to revision if the total amount is not drawn down. The Wastewater Treatment Plant Pump Station Refurbishment-Phase I (\$11,646,890), I & I Reduction Plan (\$478,059), WPCP PST Clarifier Early Action (\$2,616,515), Dry Weather Overflow Increase (\$571,424) and Perkins Parallel Sewer (\$1,356,743) OWDA loans outstanding at December 31, 2021, are still being disbursed; therefore, a debt service schedule is not available for these loans.

OWDA loans are direct borrowings that have terms negotiated directly between the City and the OWDA and are not offered for public sale. In the event of default, the OWDA may declare the full amount of the then unpaid original loan amount to be immediately due and payable and/or require the City to pay any fines, penalties, interest, or late charges associated with the default.

The City has pledged future water and sewer customer revenues to repay the loans. The loans are payable solely from water and sewer fund revenues and are payable through 2034. Annual principal and interest payments on the loans are expected to require 23.59% of available net revenues for the water fund and 22.67% of available net revenues for the sewer fund. The total principal and interest remaining to be paid on the loans is \$7,673,982 for the water fund and approximately \$19,192,993 for the sewer fund. Principal and interest payments in 2021 totaled \$1,399,534 and \$886,277 in the water fund and sewer fund, respectively.

**CITY OF WARREN, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2021

**NOTE 13 - LONG-TERM OBLIGATIONS - (Continued)**

The City of Warren entered into a Water Resource Restoration Sponsorship Program agreement with the OWDA in conjunction with the Wastewater Treatment Plant and Pump Stations Refurbishment-Phase I OWDA loan. The City has agreed to sponsor the Arc of Appalachia, Cleveland Museum of Natural History, the Trust for Public Land, and the Nature Conservancy in their respective projects. The City has administrative involvement in the disbursement of grants to the organizations from the OWDA. During 2021, \$38,617 was disbursed for the Tremper Mound Scioto River Protection project, \$264,012 for the Morgan Swamp project, \$365,322 for the Mentor Marsh East Basin Restoration Phase 2 project, and \$670,000 for the Springfield Bog Expansion project. This amount is recorded as non-operating intergovernmental revenue and a non-operating expense on the statement of revenues, expenses and changes in net position in the sewer fund.

The following is a summary of the City's future annual debt service principal and interest requirements for enterprise fund obligations:

| Year  | G.O. Bonds Payable<br>Series 2012 Waterworks Refunding |                  |                   | G.O. Bonds Payable (Private Placement)<br>Series 2021 Sanitation Vehicle Acquisition |                  |                     |
|-------|--|------------------|-------------------|--|------------------|---------------------|
|       | Principal  | Interest         | Total             | Principal  | Interest         | Total               |
| 2022  | \$ 650,000   | \$ 14,625        | \$ 664,625        | \$ 277,954   | \$ 21,411        | \$ 299,365          |
| 2023  | -  | -                | -                 | 283,159  | 16,206           | 299,365             |
| 2024  | -  | -                | -                 | 288,461  | 10,904           | 299,365             |
| 2025  | -  | -                | -                 | 293,862  | 5,502            | 299,364             |
| Total | <u>\$ 650,000</u>                                      | <u>\$ 14,625</u> | <u>\$ 664,625</u> | <u>\$ 1,143,436</u>  | <u>\$ 54,023</u> | <u>\$ 1,197,459</u> |

| Year        | OWDA Loans Payable  |                     |                      | OPWC Loans Payable |             |                   |
|-------------|---------------------|---------------------|----------------------|--------------------|-------------|-------------------|
|             | Principal           | Interest            | Total                | Principal          | Interest    | Total             |
| 2022        | \$ 1,849,663        | \$ 232,668          | \$ 2,082,331         | \$ 21,145          | \$ -        | \$ 21,145         |
| 2023        | 1,740,763           | 183,270             | 1,924,033            | 21,146             | -           | 21,146            |
| 2024        | 840,996             | 141,973             | 982,969              | 21,145             | -           | 21,145            |
| 2025        | 866,403             | 118,371             | 984,774              | 21,146             | -           | 21,146            |
| 2026        | 892,608             | 94,033              | 986,641              | 21,145             | -           | 21,145            |
| 2027 - 2031 | 2,273,895           | 204,259             | 2,478,154            | 105,727            | -           | 105,727           |
| 2032 - 2036 | 731,484             | 26,958              | 758,442              | 105,727            | -           | 105,727           |
| 2037 - 2041 | -                   | -                   | -                    | 28,337             | -           | 28,337            |
| Total       | <u>\$ 9,195,812</u> | <u>\$ 1,001,532</u> | <u>\$ 10,197,344</u> | <u>\$ 345,518</u>  | <u>\$ -</u> | <u>\$ 345,518</u> |

**NOTE 14 - RISK MANAGEMENT**

The City is exposed to various risks of loss during the normal course of its operations including, but not limited to, loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; and injuries to employees. The City utilizes three funds relating to its risk management program. All of the funds have been classified as internal service funds.

The City purchases insurance policies in varying amounts for general liability, property damage, and employee and public officials' liability, including errors and omissions of the City's safety forces. There were no significant reductions in insurance coverage from the prior year in any category of risk. Settled claims have not exceeded the City's insurance coverage in any of the past three years.

**CITY OF WARREN, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2021

**NOTE 14 - RISK MANAGEMENT - (Continued)**

**A. Hospitalization**

The City maintains a hospitalization self-insurance fund which has been classified as an internal service fund in the accompanying BFS. The purpose of this fund is to pay the cost of medical benefits provided to City employees and their covered dependents for which the City is self-insured. The City is self-insured for the first \$75,000 per participant; annual claims above such amount are paid for by stop-loss insurance which the City maintains.

Settled claims have not exceeded the self-insurance amount in any of the past three years. The liability for unpaid claims of \$1,029,400 reported in the internal service fund at December 31, 2021, is based on the requirements of GASB Statement No. 10, “Accounting and Financial Reporting for Risk Financing and Related Insurance Issues”, as amended by GASB Statement No. 30 “Risk Financing Omnibus”, which requires that a liability for unpaid claims costs, including estimates of costs relating to incurred but not reported claims, be accrued at the estimated ultimate cost of settling the claims.

Changes in the fund’s liability for the current and previous year are as follows:

| <u>Fund</u>                       | <u>Year</u> | <u>Beginning<br/>of Year<br/>Liability</u> | <u>Current Year<br/>Claims and<br/>Changes in<br/>Estimates</u> | <u>Claims<br/>Payments</u> | <u>End<br/>of Year<br/>Liability</u> |
|-----------------------------------|-------------|--|---|----------------------------|--------------------------------------|
| Hospitalization<br>self-insurance | 2021        | \$ 727,615                                 | \$ 6,793,056  | \$ (6,491,271)             | \$ 1,029,400                         |
|                                   | 2020        | 742,734                                    | 5,196,231   | (5,211,350)                | 727,615                              |

**B. Risk Management**

The City maintains a risk management fund which has also been classified as an internal service fund in the accompanying BFS. The purpose of this fund is to pay any general liability claims the City may have levied against it, except for police liability, which remains insured through a private insurance carrier.

Changes in the fund’s liability for the current and previous year are as follows:

| <u>Fund</u>     | <u>Year</u> | <u>Beginning<br/>of Year<br/>Liability</u> | <u>Current Year<br/>Claims and<br/>Changes in<br/>Estimates</u> | <u>Claims<br/>Payments</u> | <u>End<br/>of Year<br/>Liability</u> |
|-----------------|-------------|--|---|----------------------------|--------------------------------------|
| Risk management | 2021        | \$ -                                       | \$ 133,706  | \$ (133,706)               | \$ -                                 |
|                 | 2020        | -  | 125,206   | (125,206)                  | -                                    |

**C. Workers’ Compensation**

The City has elected to take advantage of the workers' compensation plan being offered by the State of Ohio. This plan, called retrospective rating, allows the City to pay a fraction of the premium it would pay as an experience-rated risk.

In 2021, the City paid premiums to the State Fund for Workers’ Compensation for calendar year 2021 in the amount of \$131,492. The City reimbursed the Bureau of Workers Compensation for actual medical costs and compensation paid to injured workers in the amount of \$167,930 under the Retrospective Rating Plan.

**CITY OF WARREN, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2021

**NOTE 14 - RISK MANAGEMENT - (Continued)**

Retrospective rating constitutes a step closer to self-insurance. In the retrospective rating plan, the City agrees to assume a portion of the risk in return for a possible reduction in premiums. The greater the percentage of the risk the City assumes, the greater the potential reduction in the premium. If the City's loss experience is better than predicted by the experience-rating system, its premium obligation will be less than what it would have paid under experience rating. If its experience is worse than predicted, its premium obligation will be more than it would have been assessed under experience rating, limited to a maximum premium. The City has assumed the risk for individual claims up to a maximum of \$300,000.

The City has agreed to pay all claims up to a maximum of 200% of what the City would have paid had the City remained an experience-rated risk. Claims exceeding these limits will be paid by the State. Each year, the City pays the State a "minimum premium" for retaining the risk of having to pay claims which exceeds the City's maximum claim limits. Ten years after each year the City elected the retrospective plan for workers' compensation, the City settles up for the reserve on any claims that are still open. The City has established a workers' compensation internal service fund to account for and finance its uninsured risks of loss in this program.

The claims liability of \$926,713 reported at December 31, 2021, as estimated by the third party administrator, is based on the requirements of GASB Statement No. 10, "Accounting and Financial Reporting for Risk Financing and Related Insurance Issues", as amended by GASB Statement No. 30, "Risk Financing Omnibus", which requires that a liability for unpaid claims costs, including estimates of costs relating to incurred, but not reported claims, be accrued at the estimated ultimate cost of settling the claims. Of the total claims liability, \$61,638 is due within one year and is reported as a current liability on the statements of net position. The remaining portion is a noncurrent liability of \$865,075. The estimate was not affected by non-incremental claim adjustment expenses and does not include other allocated or unallocated claim adjustment expenses.

Changes in the fund's liability for the current and previous year are as follows:

| <u>Fund</u>  | <u>Year</u> | <u>Beginning<br/>of Year<br/>Liability</u> | <u>Current Year<br/>Claims and<br/>Changes in<br/>Estimates</u> | <u>Claims<br/>Payments</u> | <u>End<br/>of Year<br/>Liability</u> |
|--------------|-------------|--|---|----------------------------|--------------------------------------|
| Workers'     | 2021        | \$ 987,329                                 | \$ 70,876   | \$ (131,492)               | \$ 926,713                           |
| compensation | 2020        | 1,090,269                                  | 92,339  | (195,279)                  | 987,329                              |

**NOTE 15 - DEFINED BENEFIT PENSION PLANS**

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

***Net Pension Liability/Asset and Net OPEB Liability/Asset***

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

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

**CITY OF WARREN, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2021

**NOTE 15 - DEFINED BENEFIT PENSION PLANS - (Continued)**

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

GASB 68/75 assumes the liability/asset 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. Resulting adjustments to the net pension/OPEB liability 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 long-term net pension/OPEB liability/asset on the accrual basis of accounting. Any liability for the contractually required pension/OPEB contribution outstanding at the end of the year is included in due to other governments and payroll withholding payable on both the accrual and modified accrual bases of accounting.

The remainder of this note includes the pension disclosures. See Note 16 for the OPEB disclosures.

***Plan Description - Ohio Public Employees Retirement System (OPERS)***

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

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 Report referenced above for additional information, including requirements for reduced and unreduced benefits):

**CITY OF WARREN, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2021

**NOTE 15 - DEFINED BENEFIT PENSION PLANS - (Continued)**

| <b>Group A</b><br>Eligible to retire prior to<br>January 7, 2013 or five years<br>after January 7, 2013  | <b>Group B</b><br>20 years of service credit prior to<br>January 7, 2013 or eligible to retire<br>ten years after January 7, 2013                      | <b>Group C</b><br>Members not in other Groups<br>and members hired on or after<br>January 7, 2013  |
|--|--|--|
| <b>State and Local</b>   | <b>State and Local</b>   | <b>State and Local</b>   |
| <b>Age and Service Requirements:</b><br>Age 60 with 60 months of service credit<br>or Age 55 with 25 years of service credit                           | <b>Age and Service Requirements:</b><br>Age 60 with 60 months of service credit<br>or Age 55 with 25 years of service credit                           | <b>Age and Service Requirements:</b><br>Age 57 with 25 years of service credit<br>or Age 62 with 5 years of service credit                             |
| <b>Traditional Plan Formula:</b><br>2.2% of FAS multiplied by years of<br>service for the first 30 years and 2.5%<br>for service years in excess of 30 | <b>Traditional Plan Formula:</b><br>2.2% of FAS multiplied by years of<br>service for the first 30 years and 2.5%<br>for service years in excess of 30 | <b>Traditional Plan Formula:</b><br>2.2% of FAS multiplied by years of<br>service for the first 35 years and 2.5%<br>for service years in excess of 35 |
| <b>Combined Plan Formula:</b><br>1% of FAS multiplied by years of<br>service for the first 30 years and 1.25%<br>for service years in excess of 30     | <b>Combined Plan Formula:</b><br>1% of FAS multiplied by years of<br>service for the first 30 years and 1.25%<br>for service years in excess of 30     | <b>Combined Plan Formula:</b><br>1% of FAS multiplied by years of<br>service for the first 35 years and 1.25%<br>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 initial amount of a member’s pension benefit is vested upon receipt of the initial benefit payment for calculation of an annual cost-of-living adjustment.

When a traditional plan benefit recipient has received benefits for 12 months, current law provides 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 subsequent to January 7, 2013, beginning in calendar year 2019, current law provides that the COLA will be based on the average percentage increase in the Consumer Price Index, capped at 3.00%.

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. 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), 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.

Beginning in 2022, the Combined Plan will be consolidated under the Traditional Pension Plan (defined benefit plan) and the Combined Plan option will no longer be available for new hires beginning in 2022.

**CITY OF WARREN, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2021

**NOTE 15 - DEFINED BENEFIT PENSION PLANS - (Continued)**

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

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

\* This rate is determined by OPERS' Board and has no maximum rate established by ORC.

\*\* This employer health care rate is for the traditional and combined plans. The employer contribution for the member-directed plan is 4.00%.

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

The City's contractually required contribution for the Traditional Pension Plan and the Combined Plan was \$1,777,673 for 2021. Of this amount, \$181,070 is reported as due to other governments and payroll withholding payable.

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

Plan Description - City full-time police and firefighters participate in Ohio Police and Fire Pension Fund (OP&F), a cost-sharing, multiple-employer defined benefit pension plan administered by OP&F. OP&F provides retirement and disability pension benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. Benefit provisions are established by the Ohio State Legislature and are codified in Chapter 742 of the Ohio Revised Code. OP&F issues a publicly available financial report that includes financial information and required supplementary information and detailed information about OP&F fiduciary net position. The report that may be obtained by visiting the OP&F website at [www.op-f.org](http://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, 2.00% for each of the next five years of service credit and 1.50% for each year of service credit in excess of 25 years. The maximum pension of 72.00% of the allowable average annual salary is paid after 33 years of service credit (see OP&F Annual Comprehensive Financial Report referenced above for additional information, including requirements for Deferred Retirement Option Plan provisions and reduced and unreduced benefits).



**CITY OF WARREN, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2021

**NOTE 15 - DEFINED BENEFIT PENSION PLANS - (Continued)**

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

The COLA amount for members who have 15 or more years of service credit as of July 1, 2013, and members who are receiving a pension benefit that became effective before July 1, 2013, will be equal to 3.00% 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 3.00% 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.

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 |
|--|---------|--------------|
| <b>2021 Statutory Maximum Contribution Rates</b> |         |              |
| Employer   | 19.50 % | 24.00 %      |
| Employee   | 12.25 % | 12.25 %      |
| <b>2021 Actual Contribution Rates</b>            |         |              |
| 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 \$1,701,324 for 2021. Of this amount, \$197,442 is reported as due to other governments and payroll withholding payable.

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

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

**CITY OF WARREN, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2021

**NOTE 15 - DEFINED BENEFIT PENSION PLANS - (Continued)**

Following is information related to the proportionate share and pension expense:

|  | OPERS -<br>Traditional | OPERS -<br>Combined | OP&F             | Total         |
|--|------------------------|---------------------|------------------|---------------|
| Proportion of the net pension liability/asset prior measurement date   | 0.083242%              | 0.063994%           | 0.322905%        |               |
| Proportion of the net pension liability/asset current measurement date | <u>0.081947%</u>       | <u>0.066830%</u>    | <u>0.333835%</u> |               |
| Change in proportionate share  | <u>-0.001295%</u>      | <u>0.002836%</u>    | <u>0.010930%</u> |               |
| Proportionate share of the net pension liability                       | \$ 12,134,557          | \$ -                | \$ 22,757,859    | \$ 34,892,416 |
| Proportionate share of the net pension asset                           | -                      | (192,913)           | -                | (192,913)     |
| Pension expense  | (206,574)              | 4,548               | 1,439,332        | 1,237,306     |

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

|  | OPERS -<br>Traditional | OPERS -<br>Combined | OP&F                | Total               |
|--|------------------------|---------------------|---------------------|---------------------|
| <b>Deferred outflows of resources:</b>   |                        |                     |                     |                     |
| Differences between expected and actual experience                                       | \$ -                   | \$ -                | \$ 951,354          | \$ 951,354          |
| Changes of assumptions   | -                      | 12,048              | 381,661             | 393,709             |
| Changes in employer's proportionate percentage/difference between employer contributions | 108,962                | -                   | 961,942             | 1,070,904           |
| Contributions subsequent to the measurement date   | <u>1,740,719</u>       | <u>36,954</u>       | <u>1,701,324</u>    | <u>3,478,997</u>    |
| Total deferred outflows of resources   | <u>\$ 1,849,681</u>    | <u>\$ 49,002</u>    | <u>\$ 3,996,281</u> | <u>\$ 5,894,964</u> |

**CITY OF WARREN, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2021

**NOTE 15 - DEFINED BENEFIT PENSION PLANS - (Continued)**

|  | OPERS -<br>Traditional | OPERS -<br>Combined | OP&F                | Total               |
|--|------------------------|---------------------|---------------------|---------------------|
| <b>Deferred inflows<br/>of resources:</b>  |                        |                     |                     |                     |
| Differences between<br>expected and<br>actual experience   | \$ 507,599             | \$ 36,398           | \$ 886,579          | \$ 1,430,576        |
| Net difference between<br>projected and actual earnings<br>on pension plan investments             | 4,729,694              | 28,690              | 1,103,906           | 5,862,290           |
| Changes in employer's<br>proportionate percentage/<br>difference between<br>employer contributions | 486,020                | -                   | 1,107,846           | 1,593,866           |
| Total deferred<br>inflows of resources   | <u>\$ 5,723,313</u>    | <u>\$ 65,088</u>    | <u>\$ 3,098,331</u> | <u>\$ 8,886,732</u> |

\$3,478,997 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/asset in the year ending December 31, 2022.

Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pension will be recognized in pension expense as follows:

|                          | OPERS -<br>Traditional | OPERS -<br>Combined | OP&F                | Total                 |
|--------------------------|------------------------|---------------------|---------------------|-----------------------|
| Year Ending December 31: |                        |                     |                     |                       |
| 2022                     | \$ (2,299,985)         | \$ (13,812)         | \$ (271,646)        | \$ (2,585,443)        |
| 2023                     | (741,328)              | (8,774)             | 471,156             | (278,946)             |
| 2024                     | (1,927,983)            | (15,387)            | (1,050,053)         | (2,993,423)           |
| 2025                     | (645,055)              | (7,163)             | (57,891)            | (710,109)             |
| 2026                     | -                      | (3,067)             | 105,060             | 101,993               |
| Thereafter               | -                      | (4,837)             | -                   | (4,837)               |
| Total                    | <u>\$ (5,614,351)</u>  | <u>\$ (53,040)</u>  | <u>\$ (803,374)</u> | <u>\$ (6,470,765)</u> |

**Actuarial Assumptions - OPERS**

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

Projections of benefits for financial-reporting purposes are based on the substantive plan (the plan as understood by the employers and plan members) and include the types of benefits provided at the time of each valuation. The total pension liability was determined by an actuarial valuation as of December 31, 2020, using the following actuarial assumptions applied to all periods included in the measurement in accordance with the requirements of GASB 67. Key methods and assumptions used in the latest actuarial valuation, reflecting experience study results, prepared as of December 31, 2020, are presented below.

**CITY OF WARREN, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2021

**NOTE 15 - DEFINED BENEFIT PENSION PLANS - (Continued)**

|   |  |
|---|--|
| Wage inflation  | 3.25%  |
| Future salary increases, including inflation<br>COLA or ad hoc COLA | 3.25% to 10.75% including wage inflation<br>Pre 1/7/2013 retirees: 3.00%, simple<br>Post 1/7/2013 retirees: 0.50%, simple<br>through 2021, then 2.15% simple |
| Investment rate of return   |  |
| Current measurement date  | 7.20%  |
| Prior measurement date  | 7.20%  |
| Actuarial cost method   | Individual entry age   |

In October 2020, the OPERS Board adopted a change in COLA for Post-January 7, 2013 retirees, changing it from 1.40% simple through 2020 then 2.15% simple to 0.50% simple through 2021 then 2.15% simple.

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

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

During 2020, 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 11.70% for 2020.

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 arithmetic real rates of return were provided by the Board's investment consultant.

**CITY OF WARREN, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2021

**NOTE 15 - DEFINED BENEFIT PENSION PLANS - (Continued)**

For each major asset class that is included in the Defined Benefit portfolio’s target asset allocation as of December 31, 2020, these best estimates are summarized in the following table:

| Asset Class            | Target<br>Allocation | Weighted Average<br>Long-Term Expected<br>Real Rate of Return<br>(Arithmetic) |
|------------------------|----------------------|---|
| Fixed income           | 25.00 %              | 1.32 %  |
| Domestic equities      | 21.00                | 5.64  |
| Real estate            | 10.00                | 5.39  |
| Private equity         | 12.00                | 10.42   |
| International equities | 23.00                | 7.36  |
| Other investments      | 9.00                 | 4.75  |
| <b>Total</b>           | <b>100.00 %</b>      | <b>5.43 %</b>   |

**Discount Rate** - The discount rate used to measure the total pension liability/asset was 7.20%, post-experience study results, for the Traditional Pension Plan, the Combined Plan and Member-Directed Plan. The discount rate used to measure total pension liability prior to December 31, 2020 was 7.20%. 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 proportionate share of the net pension liability/asset calculated using the current period discount rate assumption of 7.20%, as well as what the proportionate share of the net pension liability/asset would be if it were calculated using a discount rate that is one-percentage-point lower (6.20%) or one-percentage-point higher (8.20%) than the current rate:

|   | 1% Decrease   | Current<br>Discount Rate | 1% Increase  |
|---|---------------|--------------------------|--------------|
| City's proportionate share<br>of the net pension liability (asset): |               |                          |              |
| Traditional Pension Plan  | \$ 23,146,730 | \$ 12,134,557            | \$ 2,977,951 |
| Combined Plan   | (134,329)     | (192,913)                | (236,579)    |

**Actuarial Assumptions - OP&F**

OP&F’s total pension liability as of December 31, 2020, is based on the results of an actuarial valuation date of January 1, 2020, and rolled-forward using generally accepted actuarial procedures. The total pension liability is determined by OP&F’s actuaries in accordance with GASB Statement No. 67, as part of their annual valuation. Actuarial valuations of an ongoing plan involve estimates of 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 were: withdrawal rates, disability retirement, service retirement, DROP elections, mortality, percent married and forms of the payment, DROP interest rate, CPI-based COLA, investment returns, salary increases and payroll growth.

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

**CITY OF WARREN, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2021

**NOTE 15 - DEFINED BENEFIT PENSION PLANS - (Continued)**

|                            |  |
|----------------------------|--|
| Valuation date             | 1/1/20 with actuarial liabilities rolled forward to 12/31/20     |
| Actuarial cost method      | Entry age normal (level percent of payroll)                      |
| Investment rate of return  | 8.00%  |
| Projected salary increases | 3.75% - 10.50%   |
| Payroll increases          | 3.25% per annum, compounded annually, consisting of              |
|                            | inflation rate of 2.75% plus productivity increase rate of 0.50% |
| Cost of living adjustments | 2.20% per year simple  |

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

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

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

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

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

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

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

**CITY OF WARREN, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2021

**NOTE 15 - DEFINED BENEFIT PENSION PLANS - (Continued)**

| <u>Asset Class</u>               | <u>Target<br/>Allocation</u> | <u>Long Term Expected<br/>Real Rate of Return **</u> |
|----------------------------------|------------------------------|--|
| Cash and Cash Equivalents        | - %                          | 0.00 %   |
| Domestic Equity                  | 21.00                        | 4.10   |
| Non-US Equity                    | 14.00                        | 4.80   |
| Private Markets                  | 8.00                         | 6.40   |
| Core Fixed Income *              | 23.00                        | 0.90   |
| High Yield Fixed Income          | 7.00                         | 3.00   |
| Private Credit                   | 5.00                         | 4.50   |
| U.S. Inflation<br>Linked Bonds * | 17.00                        | 0.70   |
| Midstream Energy Infrastructure  | 5.00                         | 5.60   |
| Real Assets                      | 8.00                         | 5.80   |
| Gold                             | 5.00                         | 1.90   |
| Private Real Estate              | 12.00                        | 5.30   |
| <b>Total</b>                     | <b><u>125.00 %</u></b>       |  |

Note: assumptions are geometric.

\* levered 2x

\*\* numbers include inflation

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

**Discount Rate** - The total pension liability was calculated using the discount rate of 8.00%. 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 8.00%. 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 8.00%, as well as what the net pension liability would be if it were calculated using a discount rate that is one percentage point lower (7.00%), or one percentage point higher (9.00%) than the current rate.

|  | <u>1% Decrease</u> | <u>Current<br/>Discount Rate</u> | <u>1% Increase</u> |
|--|--------------------|----------------------------------|--------------------|
| City's proportionate share<br>of the net pension liability | \$ 31,681,855      | \$ 22,757,859                    | \$ 15,289,375      |

**CITY OF WARREN, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2021

**NOTE 16 - DEFINED BENEFIT OPEB PLANS**

*Net OPEB Liability/Asset*

See Note 15 for a description of the net OPEB liability.

*Plan Description - Ohio Public Employees Retirement System (OPERS)*

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

OPERS maintains a cost-sharing, multiple-employer defined benefit post-employment health care trust, which funds multiple health care plans including medical coverage, prescription drug coverage and deposits to a Health Reimbursement Arrangement to qualifying benefit recipients of both the traditional pension and the combined plans. Currently, Medicare-eligible retirees are able to select medical and prescription drug plans from a range of options and may elect optional vision and dental plans. Retirees and eligible dependents enrolled in Medicare Parts A and B have the option to enroll in a Medicare supplemental plan with the assistance of the OPERS Medicare Connector. The OPERS Medicare Connector is a relationship with a vendor selected by OPERS to assist retirees, spouses and dependents with selecting a medical and pharmacy plan. Monthly allowances, based on years of service and the age at which the retiree first enrolled in OPERS coverage, are deposited into an HRA. For non-Medicare retirees and eligible dependents, OPERS sponsors medical and prescription coverage through a professionally managed self-insured plan. An allowance to offset a portion of the monthly premium is offered to retirees and eligible dependents. The allowance is based on the retiree's years of service and age when they first enrolled in OPERS coverage.

Medicare-eligible retirees who choose to become re-employed or survivors who become employed in an OPERS-covered position are prohibited from participating in an HRA. For this group of retirees, OPERS sponsors secondary coverage through a professionally managed self-insured program. Retirees who enroll in this plan are provided with a monthly allowance to offset a portion of the monthly premium. Medicare-eligible spouses and dependents can also enroll in this plan as long as the retiree is enrolled.

OPERS provides a monthly allowance for health care coverage for eligible retirees and their eligible dependents. The base allowance is determined by OPERS.

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

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

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



**CITY OF WARREN, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2021

**NOTE 16 - DEFINED BENEFIT OPEB PLANS - (Continued)**

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 and the combined plan.

Employer contribution rates are expressed as a percentage of the earnable salary of active members. In 2021, state and local employers contributed at a rate of 14.00% of earnable salary and public safety and law enforcement employers contributed at 18.10%. 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 2021, OPERS did not allocate any employer contribution to health care for members in the Traditional Pension Plan and Combined Plan. The OPERS Board is also authorized to establish rules for the retiree or their surviving beneficiaries to pay a portion of the health care provided. Payment amounts vary depending on the number of covered dependents and the coverage selected. The employer contribution as a percentage of covered payroll deposited into the RMA for participants in the Member-Directed Plan for 2021 was 4.00%.

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

The City's contractually required contribution was \$-0- for 2021.

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

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

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

A retiree is eligible for the OP&F health care stipend unless they have access to any other group coverage including employer and retirement coverage. The eligibility of spouses and dependent children could increase the stipend amount. If the spouse or dependents have access to any other group coverage including employer or retirement coverage, they are not eligible for stipend support from OP&F. Even if an OP&F member or their dependents are not eligible for a stipend, they can use the services of the third-party administrator to select and enroll in a plan. 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.

**CITY OF WARREN, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2021

**NOTE 16 - DEFINED BENEFIT OPEB PLANS - (Continued)**

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](http://www.op-f.org) or by writing to the Ohio Police and Fire Pension Fund, 140 East Town Street, Columbus, Ohio 43215-5164.

Funding Policy - The Ohio Revised Code provides for contribution requirements of the participating employers and of plan members to the OP&F defined benefit pension plan. Participating employers are required to contribute to the pension plan at rates expressed as percentages of the payroll of active pension plan members, currently 19.50% and 24.00% of covered payroll for police and fire employer units, respectively. The Ohio Revised Code states that the employer contribution may not exceed 19.50% of covered payroll for police employer units and 24.00% 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 2021, the portion of employer contributions allocated to health care was 0.50% 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 \$40,260 for 2021. Of this amount, \$4,672 is reported as due to other governments and payroll withholding payable.

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

The net OPEB liability/asset and total OPEB liability for OPERS were determined by an actuarial valuation as of December 31, 2019, rolled forward to the measurement date of December 31, 2020, by incorporating the expected value of health care cost accruals, the actual health care payment, and interest accruals during the year. OP&F's total OPEB liability was measured as of December 31, 2020, and was determined by rolling forward the total OPEB liability as of January 1, 2020, to December 31, 2020. 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.

**CITY OF WARREN, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2021

**NOTE 16 - DEFINED BENEFIT OPEB PLANS - (Continued)**

Following is information related to the proportionate share and OPEB expense:

|   | <u>OPERS</u>      | <u>OP&amp;F</u>  | <u>Total</u> |
|---|-------------------|------------------|--------------|
| Proportion of the net OPEB liability prior measurement date         | 0.080207%         | 0.322905%        |              |
| Proportion of the net OPEB liability/asset current measurement date | <u>0.079212%</u>  | <u>0.333835%</u> |              |
| Change in proportionate share                                       | <u>-0.000995%</u> | <u>0.010930%</u> |              |
| Proportionate share of the net OPEB liability                       | \$ -              | \$ 3,537,041     | \$ 3,537,041 |
| Proportionate share of the net OPEB asset                           | (1,411,226)       | -                | (1,411,226)  |
| OPEB expense  | (8,776,780)       | 386,088          | (8,390,692)  |

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

|  | <u>OPERS</u>      | <u>OP&amp;F</u>     | <u>Total</u>        |
|--|-------------------|---------------------|---------------------|
| <b>Deferred outflows of resources:</b>   |                   |                     |                     |
| Changes of assumptions   | \$ 693,776        | \$ 1,954,023        | \$ 2,647,799        |
| Changes in employer's proportionate percentage/difference between employer contributions | 70,035            | 552,233             | 622,268             |
| Contributions subsequent to the measurement date   | <u>-</u>          | <u>40,260</u>       | <u>40,260</u>       |
| Total deferred outflows of resources   | <u>\$ 763,811</u> | <u>\$ 2,546,516</u> | <u>\$ 3,310,327</u> |

**CITY OF WARREN, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2021

**NOTE 16 - DEFINED BENEFIT OPEB PLANS - (Continued)**

|  | OPERS               | OP&F                | Total               |
|--|---------------------|---------------------|---------------------|
| <b>Deferred inflows of resources:</b>  |                     |                     |                     |
| Differences between expected and actual experience                                       | \$ 1,273,624        | \$ 583,422          | \$ 1,857,046        |
| Net difference between projected and actual earnings on OPEB plan investments            | 751,636             | 131,444             | 883,080             |
| Changes of assumptions   | 2,286,610           | 563,871             | 2,850,481           |
| Changes in employer's proportionate percentage/difference between employer contributions | 270,602             | 280,015             | 550,617             |
| <b>Total deferred inflows of resources</b>   | <b>\$ 4,582,472</b> | <b>\$ 1,558,752</b> | <b>\$ 6,141,224</b> |

\$40,260 reported as deferred outflows of resources related to OPEB resulting from City contributions subsequent to the measurement date will be recognized as a reduction of the net OPEB liability in the year ending December 31, 2022.

Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

|                          | OPERS                 | OP&F              | Total                 |
|--------------------------|-----------------------|-------------------|-----------------------|
| Year Ending December 31: |                       |                   |                       |
| 2022                     | \$ (2,053,706)        | \$ 199,514        | \$ (1,854,192)        |
| 2023                     | (1,349,759)           | 230,639           | (1,119,120)           |
| 2024                     | (326,629)             | 181,568           | (145,061)             |
| 2025                     | (88,567)              | 208,016           | 119,449               |
| 2026                     | -                     | 60,847            | 60,847                |
| Thereafter               | -                     | 66,920            | 66,920                |
| <b>Total</b>             | <b>\$ (3,818,661)</b> | <b>\$ 947,504</b> | <b>\$ (2,871,157)</b> |

**Actuarial Assumptions - OPERS**

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

Projections of health care costs for financial reporting purposes are based on the substantive plan (the plan as understood by the employers and plan members) and include the types of coverage provided at the time of each valuation and the historical pattern of sharing of costs between OPERS and plan members. The total OPEB liability was determined by an actuarial valuation as of December 31, 2019, rolled forward to the measurement date of December 31, 2020.

**CITY OF WARREN, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2021

**NOTE 16 - DEFINED BENEFIT OPEB PLANS - (Continued)**

The actuarial valuation used the following actuarial assumptions applied to all prior periods included in the measurement in accordance with the requirements of GASB 74:

|  |  |
|--|--|
| Wage Inflation                                     | 3.25%                                      |
| Projected Salary Increases,<br>including inflation | 3.25 to 10.75%<br>including wage inflation |
| Single Discount Rate:                              |  |
| Current measurement date                           | 6.00%                                      |
| Prior Measurement date                             | 3.16%                                      |
| Investment Rate of Return                          |  |
| Current measurement date                           | 6.00%                                      |
| Prior Measurement date                             | 6.00%                                      |
| Municipal Bond Rate                                |  |
| Current measurement date                           | 2.00%                                      |
| Prior Measurement date                             | 2.75%                                      |
| Health Care Cost Trend Rate                        |  |
| Current measurement date                           | 8.50% initial,<br>3.50% ultimate in 2035   |
| Prior Measurement date                             | 10.50%, initial<br>3.50%, ultimate in 2030 |
| Actuarial Cost Method                              | Individual Entry Age Normal                |

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

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

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

During 2020, 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 contribution 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 10.50% for 2020.

**CITY OF WARREN, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2021

**NOTE 16 - DEFINED BENEFIT OPEB PLANS - (Continued)**

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 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.

For each major asset class that is included in the Health Care's portfolio's target asset allocation as of December 31, 2020, these best estimates are summarized in the following table:

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

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

**Change in Benefit Terms** - 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 the December 31, 2020 measurement date health care valuation which are reported by the City at December 31, 2021. These changes significantly decreased the total OPEB liability for the measurement date December 31, 2020.

**CITY OF WARREN, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2021

**NOTE 16 - DEFINED BENEFIT OPEB PLANS - (Continued)**

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

|   | 1% Decrease | Current<br>Discount Rate | 1% Increase  |
|---|-------------|--------------------------|--------------|
| City's proportionate share<br>of the net OPEB asset | \$ 350,909  | \$ 1,411,226             | \$ 2,282,892 |

***Sensitivity of the City’s Proportionate Share of the Net OPEB Asset to Changes in the Health Care Cost Trend Rate*** - Changes in the health care cost trend rate may also have a significant impact on the net OPEB asset. The following table presents the net OPEB asset calculated using the assumed trend rates, and the expected net OPEB asset if it were calculated using a health care cost trend rate that is 1.00% lower or 1.00% higher than the current rate.

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

|   | 1% Decrease  | Current Health<br>Care Trend Rate<br>Assumption | 1% Increase  |
|---|--------------|---|--------------|
| City's proportionate share<br>of the net OPEB asset | \$ 1,445,620 | \$ 1,411,226                                    | \$ 1,372,745 |

***Actuarial Assumptions - OP&F***

OP&F’s total OPEB liability as of December 31, 2020, is based on the results of an actuarial valuation date of January 1, 2020, and rolled-forward using generally accepted actuarial procedures. The total OPEB liability is determined by OP&F’s actuaries in accordance with GASB Statement No. 74, as part of their annual valuation. Actuarial valuations of an ongoing 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.

**CITY OF WARREN, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2021

**NOTE 16 - DEFINED BENEFIT OPEB PLANS - (Continued)**

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

|                            |  |
|----------------------------|--|
| Valuation Date             | January 1, 2020, with actuarial liabilities<br>rolled forward to December 31, 2020 |
| Actuarial Cost Method      | Entry Age Normal (Level Percent of Payroll)  |
| Investment Rate of Return  | 8.00%  |
| Projected Salary Increases | 3.75% to 10.50%  |
| Payroll Growth             | 3.25%  |
| Single discount rate:      |  |
| Current measurement date   | 2.96%  |
| Prior measurement date     | 3.56%  |
| Cost of Living Adjustments | 2.20% simple per year  |

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

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

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

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

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

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



**CITY OF WARREN, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2021

**NOTE 16 - DEFINED BENEFIT OPEB PLANS - (Continued)**

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, 2020, are summarized below:

| Asset Class                     | Target<br>Allocation | Long Term Expected<br>Real Rate of Return ** |
|---------------------------------|----------------------|--|
| Cash and Cash Equivalents       | - %                  | 0.00 %                                       |
| Domestic Equity                 | 21.00                | 4.10   |
| Non-US Equity                   | 14.00                | 4.80   |
| Private Markets                 | 8.00                 | 6.40   |
| Core Fixed Income *             | 23.00                | 0.90   |
| High Yield Fixed Income         | 7.00                 | 3.00   |
| Private Credit                  | 5.00                 | 4.50   |
| U.S. Inflation                  |                      |  |
| Linked Bonds *                  | 17.00                | 0.70   |
| Midstream Energy Infrastructure | 5.00                 | 5.60   |
| Real Assets                     | 8.00                 | 5.80   |
| Gold                            | 5.00                 | 1.90   |
| Private Real Estate             | 12.00                | 5.30   |
| <b>Total</b>                    | <b>125.00 %</b>      |  |

Note: assumptions are geometric.

\* levered 2.5x

\*\* numbers include inflation

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

**Discount Rate** - For 2020, the total OPEB liability was calculated using the discount rate of 2.96%. For 2019, the total OPEB liability was calculated using the discount rate of 3.56%. 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 8.00%. Based on those assumptions, OP&F's fiduciary net position was projected to not be able to make all future benefit payments of current plan members. Therefore, a municipal bond rate of 2.12% at December 31, 2020 and 2.75% at December 31, 2019, was blended with the long-term rate of 8.00%, which resulted in a blended discount rate of 2.96% for 2020 and 3.56% for 2019. The municipal bond rate was determined using the Bond Buyers General Obligation 20-year Municipal Bond Index Rate. The OPEB plan's fiduciary net position was projected to be available to make all projected OPEB payments until 2034. The long-term expected rate of return on health care investments was applied to projected costs through 2034, and the municipal bond rate was applied to all health care costs after that date.

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

**CITY OF WARREN, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2021

**NOTE 16 - DEFINED BENEFIT OPEB PLANS - (Continued)**

|   | <u>1% Decrease</u> | <u>Current<br/>Discount Rate</u> | <u>1% Increase</u> |
|---|--------------------|----------------------------------|--------------------|
| City's proportionate share<br>of the net OPEB liability | \$ 4,410,487       | \$ 3,537,041                     | \$ 2,816,549       |

***Sensitivity of the City's Proportionate Share of the Net OPEB Liability to Changes in the Health Care Cost Trend Rate -***  
The total OPEB liability is based on a medical benefit that is a flat dollar amount; therefore, it is unaffected by a health care cost trend rate. An increase or decrease in the trend rate would have no effect on the total OPEB liability.

**NOTE 17 - BUDGETARY BASIS OF ACCOUNTING**

While the City is reporting financial position, results of operations and changes in fund balance on the basis of generally accepted accounting principles (GAAP), the budgetary basis as provided by law is based upon accounting for certain transactions on a basis of cash receipts, disbursements and encumbrances. The statement of revenues, expenditures and changes in fund balances - budget and actual (non-GAAP budgetary basis) presented for the general fund and coronavirus fiscal recovery major special revenue fund are presented on the budgetary basis to provide a meaningful comparison of actual results with the budget. The major differences between the budget basis and GAAP basis are as follows:

1. Revenues are recorded when received in cash (budget) as opposed to when susceptible to accrual (GAAP);
2. Expenditures/expenses are recorded when paid in cash (budget) as opposed to when the liability is incurred (GAAP);
3. In order to determine compliance with Ohio law, and to reserve that portion of the applicable appropriation, total outstanding encumbrances (budget basis) are recorded as the equivalent of an expenditure, as opposed to assigned or committed fund balance for that portion of outstanding encumbrances not already recognized as an account payable (GAAP basis); are treated as expenditures (budget) rather than as a reservation of fund balance (GAAP);
4. Investments are reported at fair value (GAAP) rather than cost (budget); and,
5. Some funds are included in the general fund (GAAP basis), but have separate legally adopted budgets (budget basis).

The following table summarizes the adjustments necessary to reconcile the GAAP basis statements (as reported in the fund financial statements) to the budgetary basis statements for all governmental funds for which a budgetary basis statement is presented.

**Net Change in Fund Balance**

|   | <u>General</u>      | <u>Coronavirus<br/>Fiscal Recovery</u> |
|---|---------------------|--|
| Budget basis                                    | \$ (635,756)        | \$ 13,804,893                          |
| Net adjustment for revenue accruals             | 1,158,216           | (13,866,823)                           |
| Net adjustment for expenditure accruals         | (385,708)           | (3,510)                                |
| Net adjustment for other financing sources/uses | 310,000             | -                                      |
| Fund budgeted elsewhere                         | 75,277              | -                                      |
| Adjustment for encumbrances                     | <u>1,086,085</u>    | <u>65,440</u>                          |
| GAAP basis                                      | <u>\$ 1,608,114</u> | <u>\$ -</u>                            |

The Packard Music Hall fund is legally budgeted in a separate fund but is considered part of the general fund on GAAP basis.

**CITY OF WARREN, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2021

**NOTE 18 - FUND BALANCE**

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

| Fund balance                             | General             | General<br>Capital<br>Projects | Nonmajor<br>Governmental<br>Funds | Total<br>Governmental<br>Funds |
|--|---------------------|--------------------------------|-----------------------------------|--------------------------------|
| Nonspendable:                            |                     |                                |                                   |                                |
| Materials and supplies inventory         | \$ 3,721            | \$ -                           | \$ 287,000                        | \$ 290,721                     |
| Total nonspendable                       | <u>3,721</u>        | <u>-</u>                       | <u>287,000</u>                    | <u>290,721</u>                 |
| Restricted:                              |                     |                                |                                   |                                |
| Debt service                             | -                   | -                              | 1,487,889                         | 1,487,889                      |
| Capital projects                         | -                   | 376,521                        | -                                 | 376,521                        |
| Street maintenance                       | -                   | -                              | 1,223,507                         | 1,223,507                      |
| State highway                            | -                   | -                              | 439,109                           | 439,109                        |
| Law enforcement                          | -                   | -                              | 250,783                           | 250,783                        |
| Courts                                   | -                   | -                              | 1,729,006                         | 1,729,006                      |
| Community development<br>and improvement | <u>-</u>            | <u>-</u>                       | <u>5,983,098</u>                  | <u>5,983,098</u>               |
| Total restricted                         | <u>-</u>            | <u>376,521</u>                 | <u>11,113,392</u>                 | <u>11,489,913</u>              |
| Assigned:                                |                     |                                |                                   |                                |
| General government                       | 67,607              | -                              | -                                 | 67,607                         |
| Public safety programs                   | 835,646             | -                              | -                                 | 835,646                        |
| Community development<br>and improvement | 3,561               | -                              | -                                 | 3,561                          |
| Parks and recreation                     | <u>53,991</u>       | <u>-</u>                       | <u>-</u>                          | <u>53,991</u>                  |
| Total assigned                           | <u>960,805</u>      | <u>-</u>                       | <u>-</u>                          | <u>960,805</u>                 |
| Unassigned                               | <u>8,104,740</u>    | <u>-</u>                       | <u>-</u>                          | <u>8,104,740</u>               |
| Total fund balances                      | <u>\$ 9,069,266</u> | <u>\$ 376,521</u>              | <u>\$ 11,400,392</u>              | <u>\$ 20,846,179</u>           |

**NOTE 19 - CONTINGENCIES**

**A. Grants**

The City receives significant financial assistance from numerous federal and State agencies in the form of grants. The disbursement of funds received under these programs generally requires 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 effect on any of the financial statements of the individual fund types included herein or on the overall financial position of the City at December 31, 2021.

CITY OF WARREN, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2021

NOTE 19 - CONTINGENCIES - (Continued)

B. Litigation

Several claims and lawsuits are pending against the City. In the opinion of the City Law Director, any potential liability would not have a material effect on the BFS.

C. Debt

On August 28, 2001, the City and Austin Village Plaza entered into a \$350,000 promissory note with Second National Bank. In the event of default by Austin Village Plaza, the City may be called upon to repay the outstanding debt obligation which is \$350,000 at December 31, 2021. At this time, it is not determinable whether the City will sustain a liability related to this matter, therefore a liability has not been reported in the financial statements.

NOTE 20 - OTHER COMMITMENTS

A. The City utilizes encumbrance accounting as part of its budgetary controls. Encumbrances outstanding at year end may be reported as part of restricted, committed, or assigned classifications of fund balance. At year end, the City's commitments for encumbrances in the governmental funds were as follows:

| <u>Fund</u>                 | <u>Year-End<br/>Encumbrances</u> |
|-----------------------------|----------------------------------|
| General                     | \$ 960,805                       |
| General capital projects    | 985,712                          |
| Coronavirus fiscal recovery | 65,440                           |
| Nonmajor governmental       | <u>1,099,730</u>                 |
| Total                       | <u>\$ 3,111,687</u>              |

B. The City has entered into a \$44,914,643 loan agreement with the OWDA for the Wastewater and Pump Station Refurbishment - Phase I project. \$11,646,890 of this loan was disbursed prior to December 31, 2021, for planning services, and \$33,267,753 is expected to be disbursed by the OWDA in future years. The City encumbered approximately \$30 million in the sewer enterprise fund at December 31, 2021 for contracts related to this project.

NOTE 21 - TAX ABATEMENTS

Ezone - Under the authority of ORC Sections 5709.62 and 5709.63, the Ezone program is an economic development tool administered by municipal and county governments that provides real and personal property tax exemptions to businesses making investments in Ohio. An Ezone is a designated area of land in which businesses can receive tax incentives in the form of tax exemptions on qualifying new investment. An Ezone's geographic area is identified by the local government involved in the creation of the zone. Once the zone is defined, the local legislative authority participating in the creation must petition the OSDA. The OSDA must then certify the area for it to become an active Enterprise Zone. The local legislative authority negotiates the terms of the Enterprise Zone Agreement (the "Agreement") with the business, which may include tax sharing with the Board of Education. Legislation must then be passed to approve the Agreement. All Agreements must be finalized before the project begins and may contain provisions for the recoupment of taxes should the individual or entity fail to perform. The amount of the abatement is deducted from the business's property tax bill.

The City has entered into Ezone Agreements with local businesses within the City. During 2021, the City's property tax revenues were reduced by \$4,689 as a result of these agreements.

## CITY OF WARREN, OHIO

### NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2021

#### **NOTE 21 - TAX ABATEMENTS - (Continued)**

CRA - Under the authority of Ohio Revised Code (ORC) Section 3735.67, the CRA program is an economic development tool administered by municipal and county governments that provides real property tax exemptions for property owners who renovate existing or construct new buildings. CRA's are areas of land in which property owners can receive tax incentives for investing in real property improvements. Under the CRA program, local governments petition to the Ohio Development Services Agency (ODSA) for confirmation of a geographical area in which investment in housing is discouraged. Once an area is confirmed by the ODSA, local governments may offer real property tax exemptions to taxpayers that invest in that area. Property owners in the CRA can receive temporary tax abatements for renovation of existing structures and new construction in these areas. Property owners apply to the local legislative authority for approval to renovate or construct in the CRA. Upon approval and certification of completion, the amount of the abatement is deducted from the individual or entity's property tax bill.

The City has entered into CRAs with local businesses within the City. During 2021, the City's property tax revenues were reduced by \$918 as a result of these agreements.

#### **NOTE 22 - 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 continues. During 2021, the City received COVID-19 funding. The financial impact of COVID-19 and the continuing emergency measures will impact subsequent periods of the City. The impact on the City's future operating costs, revenues, and additional recovery from emergency funding, either federal or state, cannot be estimated.

The City's investment portfolio fluctuates with market conditions, and due to market volatility, the amount of gains or losses that will be realized in subsequent periods, if any, cannot be determined.

#### **NOTE 23 - WARREN CITY HEALTH DISTRICT**

The constitution and laws of the State of Ohio establish the rights and privileges of the Warren City Health District (the "Health District") as a body corporate and politic. A five-member Board and a Health Commissioner govern the Health District. Consistent with the provisions of the Ohio Revised Code Section 3709.36, the Health District is a legally separate organization. The Health District's services include communicable disease investigations, immunization clinics, tuberculosis screenings, home visits, public health nursing services and issues, health-related licenses and permits, emergency preparedness activities as well as birth certificates and death certificates. The Mayor appoints a voting majority of the Health District Board. The rates charged by the City are subject to the approval of City Council. In addition, the City provides funding to the Health District, thus the City can impose will on the Health District, and the Health District imposes a financial burden to the City. Therefore, The Health District is considered a discretely presented component unit of the City of Warren.

The Health District's management believes these financial statements present all activities for which the Health District is financially accountable. The Health District has no component units.

#### **Summary of Significant Accounting Policies**

The financial statements of the Health District have been prepared in conformity with GAAP as applied to governmental units. GASB is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant of the Health District's accounting policies are described as follows.

***Basis of Presentation - Government-Wide Financial Statements*** - The statement of net position and the statement of activities display information about the Health District as a whole. These statements include the financial activities of the primary government, except for fiduciary funds. The Health District has no fiduciary funds. The statements distinguish between those activities of the Health District that are governmental and those that are considered business-type activities. The Health District has no business-type activities.

CITY OF WARREN, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2021

**NOTE 23 - WARREN CITY HEALTH DISTRICT - (Continued)**

The statement of net position presents the financial condition of the governmental activities and business-type activities for the Health District at year end. The statement of activities presents a comparison between direct expenses and program revenues for each program or function of the Health District's activities. Direct expenses are those that are specifically associated with a service, program or department and therefore are 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 operation of a particular program. Revenues which are not classified as program revenues are presented as general revenues of the Health District, with certain limited exceptions. The comparison of direct expenses with program revenues identifies the extent to which each governmental program is self-financing or draws from the general revenues of the Health District.

**Measurement Focus - Government-Wide Financial Statements** - The government-wide financial statements are prepared using the economic resources measurement focus. All assets, deferred outflows of resources, liabilities and deferred inflows of resources associated with the operation of the Health District 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.

**Basis of Accounting** - Basis of accounting determines when transactions are recorded in the financial records and reported on the financial statements. Government-wide financial statements are prepared using the accrual basis of accounting.

**Revenues-Exchange and Nonexchange Transactions** - Revenues resulting from exchange transactions, in which each party gives and receives essentially equal value, are recorded on the accrual basis when the exchange takes place. Nonexchange transactions, in which the Health District receives value without directly giving equal value in return, include intergovernmental contractual allocations from participating local governments, grants, entitlements, and donations. Revenue from intergovernmental contractual allocations, grants, entitlements and donations is recognized in the fiscal 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 Health District must provide local resources to be used for a specified purpose, and expenditure requirements, in which the resources are provided to the Health District on a reimbursement basis.

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

**Deferred Outflows of Resources/Deferred Inflows of Resources** - In addition to assets, the statement of net position will report a separate section for deferred outflows of resources. Deferred outflows of resources, represents a consumption of net position that applies to a future period and will not be recognized as an outflow of resources (expense/expenditure) until then. For the Health District, deferred outflows of resources are reported on the government-wide statement of net position for pension and OPEB.

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 position that applies to a future period and will not be recognized as an inflow of resources (revenue) until that time. For the Health District, deferred inflows of resources are reported on the government-wide statement of net position for pension and OPEB.

**Estimates** - The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the amounts reported on the financial statements and accompanying notes. Actual results may differ from those estimates.

**Inventories of Materials and Supplies** - On government-wide financial statements, purchased inventories are presented at the lower of cost or market. Inventories are recorded on a first-in, first-out basis and are expensed when used. Inventories are accounted for using the consumption method. Inventory consists of expendable supplies held for consumption.

**Capital Assets** - Capital assets are reported in the government-wide financial statements. In accordance with the City's policy, all capital assets are capitalized at cost (or estimated historical cost) and updated for additions and retirements during the year. Donated capital assets are recorded at their acquisition values as of the date received. The Health District maintains a capitalization threshold of \$5,000, in accordance with the City's policy.

CITY OF WARREN, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2021

**NOTE 23 - WARREN CITY HEALTH DISTRICT - (Continued)**

All reported capital assets are depreciated over the remaining useful lives of the related capital assets. Depreciation is computed using the straight-line method over the following useful lives:

| <u>Description</u>                                     | <u>Estimated Lives</u> |
|--|------------------------|
| Autos and trucks                                       | 5 years                |
| Machinery, equipment, software, furniture and fixtures | 5 - 20 years           |

**Compensated Absences** - Compensated absences of the Health District consist of vacation, sick, and comp time leave to the extent that payment to the employee for these absences is attributable to services already rendered and are not contingent on a specific event that is outside the control of the Health District and the employee.

In conformity with GASB Statement No. 16, “Accounting for Compensated Absences”, vacation and comp time 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 Health District will compensate the employees for the benefits through paid time off or some other means. Sick leave benefits are accrued as a liability using the vesting method, which follows the City’s policy. The liability is based on the sick leave accumulated at December 31 by those employees who are currently eligible to receive termination payments and by those employees for whom it is probable they will become eligible to receive termination benefits in the future.

For purposes of establishing a liability for sick leave on employees expected to become eligible to retire in the future, all employees age fifty or greater with at least ten years of service or any employee with at least twenty years of service were considered expected to become eligible to retire in accordance with GASB Statement No. 16, which follows the City’s policy.

The total liability for vacation, sick and comp time leave payments has been calculated using pay rates in effect at the balance sheet date, and reduced to the maximum payment allowed by labor contract and/or statute, plus applicable additional salary related payments. Health District employees are granted vacation, sick and comp time leave in varying amounts. In the event of termination, an employee is reimbursed for accumulated vacation, sick, and comp time leave at various rates.

**Pensions/Other Postemployment Benefits (OPEB)** - For purposes of measuring the net pension/OPEB 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.

**Net Position** - Net position represents the difference between all other elements on the statement of net position. 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. The Health District’s policy is to first apply restricted resources when an expense is incurred for purposes for which both restricted and unrestricted resources are available.

**Cash with Fiscal Agent**

The City of Warren Treasurer is custodian for the Health District’s deposits. The City’s deposit and investment pool holds the Board of Health’s assets, valued at the Treasurer’s reported carrying amount. At December 31, 2021, the Board of Health had no deposits or investments held with the City.

**CITY OF WARREN, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2021

**NOTE 23 - WARREN CITY HEALTH DISTRICT - (Continued)**

**Cash in Segregated Accounts**

At December 31, 2021, the Health District had cash in with a carrying amount of \$287,535 in a segregated cash account for the Warren Hills landfill. Of the \$287,535 bank balance, \$198,344 was covered by the FDIC, \$53,514 was covered by the OPCS and \$35,677 was potentially exposed to custodial credit risk discussed below because those deposits were uninsured and could be uncollateralized.

Custodial credit risk is the risk that, in the event of bank failure, the Health District will not be able to recover deposits or collateral securities that are in the possession of an outside party. The Health District has no deposit policy for custodial credit risk beyond the requirements of State statute. Ohio law requires that deposits either be insured or protected by (1) eligible securities pledged to the Health District's and deposited with a qualified trustee by the financial institution as security for repayment whose fair value at all times shall be at least 105 percent of the deposits being secured, or (2) participation in the OPCS, a collateral pool of eligible securities deposited with a qualified trustee and pledged to the Treasurer of State to secure the repayment of all public monies deposited in the financial institution. OPCS requires the total fair value of the securities pledged to be 102 percent of the deposits being secured or a rate set by the Treasurer of State.

For 2021, the Health District's financial institution was enrolled in OPCS and was approved for a reduced collateral rate of 60%. Although all statutory requirements for the deposit of money had been followed, noncompliance with Federal requirements could potentially subject the Health District to a successful claim by the FDIC.

**Receivables**

Receivables at December 31, 2021 consisted of intergovernmental receivables arising from grants (federal funding and reimbursements from Trumbull County and the State of Ohio Department of Health). Receivables have been recorded to the extent that they are measurable at December 31, 2021. All receivables are expected to be collected in the subsequent year.

**Capital Assets**

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

|   | <u>Balance</u>  |                  |                  | <u>Balance</u>   |
|---|-----------------|------------------|------------------|------------------|
|   | <u>1/1/2021</u> | <u>Additions</u> | <u>Disposals</u> | <u>12/31/21</u>  |
| <i>Capital assets, being depreciated:</i>   |                 |                  |                  |                  |
| Furniture and equipment                     | \$ -            | \$ 5,788         | \$ -             | \$ 5,788         |
| Vehicles                                    | <u>88,921</u>   | <u>41,161</u>    | <u>-</u>         | <u>130,082</u>   |
| Total capital assets, being depreciated     | <u>88,921</u>   | <u>46,949</u>    | <u>-</u>         | <u>135,870</u>   |
| <i>Less: accumulated depreciation:</i>      |                 |                  |                  |                  |
| Furniture and equipment                     | -               | (289)            | -                | (289)            |
| Vehicles                                    | <u>(88,921)</u> | <u>(41,161)</u>  | <u>-</u>         | <u>(130,082)</u> |
| Total accumulated depreciation              | <u>(88,921)</u> | <u>(41,450)</u>  | <u>-</u>         | <u>(130,371)</u> |
| Total capital assets being depreciated, net | <u>-</u>        | <u>5,499</u>     | <u>-</u>         | <u>5,499</u>     |
| Capital assets, net                         | <u>\$ -</u>     | <u>\$ 5,499</u>  | <u>\$ -</u>      | <u>\$ 5,499</u>  |



**CITY OF WARREN, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2021

**NOTE 23 - WARREN CITY HEALTH DISTRICT - (Continued)**

**Long-Term Obligations**

Changes in the Health District's long-term obligations during the year consisted of the following.

|                             | Balance             |                  |                       | Balance           | Due Within       |
|-----------------------------|---------------------|------------------|-----------------------|-------------------|------------------|
|                             | <u>1/1/2021</u>     | <u>Additions</u> | <u>Reductions</u>     | <u>12/31/21</u>   | <u>One Year</u>  |
| Compensated absences        | \$ 336,917          | \$ 69,115        | \$ (133,134)          | \$ 272,898        | \$ 76,252        |
| Net pension liability       | 929,007             | -                | (293,889)             | 635,118           | -                |
| Net OPEB liability          | <u>625,539</u>      | <u>-</u>         | <u>(625,539)</u>      | <u>-</u>          | <u>-</u>         |
| Total long-term obligations | <u>\$ 1,891,463</u> | <u>\$ 69,115</u> | <u>\$ (1,052,562)</u> | <u>\$ 908,016</u> | <u>\$ 76,252</u> |

**Risk Management**

The Health District is exposed to various risks of loss during the normal course of its operations including, but not limited to, loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; and injuries to employees. The Health District is included under the City's self-insured programs for hospitalization, risk management, and workers compensation, see Note 14 for detail.

**Defined Benefit Pension Plans**

Plan descriptions and actuarial information for the Health District's defined benefit pension plans are the same as the City's (see Note 15 for detail).

The Health District's contractually required contribution for the Traditional Pension Plan and Combined Plan was \$93,043 for 2021.

The net pension liability and net pension asset for OPERS was measured as of December 31, 2020, and the total pension liability or asset used to calculate the net pension liability or asset was determined by an actuarial valuation as of that date. The Health District's proportion of the net pension liability or asset was based on the Health District's share of contributions to the pension plan relative to the contributions of all participating entities.

**CITY OF WARREN, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2021

**NOTE 23 - WARREN CITY HEALTH DISTRICT - (Continued)**

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

Following is information related to the proportionate share and pension expense:

|  | <u>OPERS -<br/>Traditional</u> | <u>OPERS -<br/>Combined</u> | <u>Total</u> |
|--|--------------------------------|-----------------------------|--------------|
| Proportion of the net pension liability/asset prior measurement date   | 0.004700%                      | 0.003613%                   |              |
| Proportion of the net pension liability/asset current measurement date | <u>0.004289%</u>               | <u>0.003498%</u>            |              |
| Change in proportionate share  | <u>-0.000411%</u>              | <u>-0.000115%</u>           |              |
| Proportionate share of the net pension liability                       | \$ 635,118                     | \$ -                        | \$ 635,118   |
| Proportionate share of the net pension asset                           | -                              | (10,097)                    | (10,097)     |
| Pension expense  | (3,310)                        | 238                         | (3,072)      |

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

|  | <u>OPERS -<br/>Traditional</u> | <u>OPERS -<br/>Combined</u> | <u>Total</u>      |
|--|--------------------------------|-----------------------------|-------------------|
| <b>Deferred outflows of resources:</b>   |                                |                             |                   |
| Changes of assumptions   | \$ -                           | \$ 631                      | \$ 631            |
| Changes in employer's proportionate percentage/difference between employer contributions | 8,955                          | -                           | 8,955             |
| Contributions subsequent to the measurement date   | <u>91,109</u>                  | <u>1,934</u>                | <u>93,043</u>     |
| Total deferred outflows of resources   | <u>\$ 100,064</u>              | <u>\$ 2,565</u>             | <u>\$ 102,629</u> |

**CITY OF WARREN, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2021

**NOTE 23 - WARREN CITY HEALTH DISTRICT - (Continued)**

|  | OPERS -<br>Traditional | OPERS -<br>Combined | Total             |
|--|------------------------|---------------------|-------------------|
| <b>Deferred inflows of resources:</b>  |                        |                     |                   |
| Differences between expected and actual experience                                       | \$ 26,568              | \$ 1,905            | \$ 28,473         |
| Net difference between projected and actual earnings on pension plan investments         | 247,550                | 1,502               | 249,052           |
| Changes in employer's proportionate percentage/difference between employer contributions | 58,472                 | -                   | 58,472            |
| Total deferred inflows of resources  | <u>\$ 332,590</u>      | <u>\$ 3,407</u>     | <u>\$ 335,997</u> |

\$93,043 reported as deferred outflows of resources related to pension resulting from Health District contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability/asset in the year ending December 31, 2022.

Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pension will be recognized in pension expense as follows:

|                          | OPERS -<br>Traditional | OPERS -<br>Combined | Total               |
|--------------------------|------------------------|---------------------|---------------------|
| Year Ending December 31: |                        |                     |                     |
| 2022                     | \$ (132,581)           | \$ (723)            | \$ (133,304)        |
| 2023                     | (42,733)               | (459)               | (43,192)            |
| 2024                     | (111,137)              | (805)               | (111,942)           |
| 2025                     | (37,184)               | (375)               | (37,559)            |
| 2026                     | -                      | (161)               | (161)               |
| Thereafter               | -                      | (253)               | (253)               |
| Total                    | <u>\$ (323,635)</u>    | <u>\$ (2,776)</u>   | <u>\$ (326,411)</u> |

**Sensitivity of the Health District's Proportionate Share of the Net Pension Liability/Asset to Changes in the Discount Rate** - The following table presents the proportionate share of the net pension liability/asset calculated using the current period discount rate assumption of 7.20%, as well as what the proportionate share of the net pension liability/asset would be if it were calculated using a discount rate that is one-percentage-point lower (6.20%) or one-percentage-point higher (8.20%) than the current rate:

|   | 1% Decrease  | Current<br>Discount Rate | 1% Increase |
|---|--------------|--------------------------|-------------|
| Health District's proportionate share of the net pension liability (asset): |              |                          |             |
| Traditional Pension Plan  | \$ 1,211,491 | \$ 635,118               | \$ 155,865  |
| Combined Plan   | (7,031)      | (10,097)                 | (12,382)    |

**CITY OF WARREN, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2021

**NOTE 23 - WARREN CITY HEALTH DISTRICT - (Continued)**

**Defined Benefit OPEB Plan**

Plan descriptions and actuarial information for the Health District’s defined benefit OPEB plan are the same as the City’s (see Note 16 for detail).

Employer contribution rates are actuarially determined and are expressed as a percentage of covered payroll. The Health District’s contractually required contribution was \$-0- for 2021.

The net OPEB liability and total OPEB liability for OPERS were determined by an actuarial valuation as of December 31, 2018, rolled forward to the measurement date of December 31, 2019, by incorporating the expected value of health care cost accruals, the actual health care payment, and interest accruals during the year. The Health District’s proportion of the net OPEB liability was based on the Health District’s share of contributions to the retirement plan relative to the contributions of all participating entities.

**Net OPEB Asset, OPEB Expense, and Deferred Outflows or Resources and Deferred Inflows of Resources Related to OPEB**

The net OPEB asset for OPERS were determined by an actuarial valuation as of December 31, 2019, rolled forward to the measurement date of December 31, 2020, by incorporating the expected value of health care cost accruals, the actual health care payment, and interest accruals during the year. The Health District’s proportion of the net OPEB asset was based on the Health District’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:

|  | OPERS       |
|--|-------------|
| Proportion of the net OPEB liability       |             |
| prior measurement date                     | 0.004529%   |
| Proportion of the net OPEB liability/asset |             |
| current measurement date                   | 0.004146%   |
| Change in proportionate share              | -0.000383%  |
| <br>                                       |             |
| Proportionate share of the net OPEB asset  | \$ (73,863) |
| OPEB expense                               | (459,694)   |

At December 31, 2021, the Health District reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

|   | OPERS     |
|---|-----------|
| <b>Deferred outflows of resources:</b>  |           |
| Changes of assumptions  | \$ 36,312 |
| Changes in employer's proportionate percentage/ difference between employer contributions | 5,273     |
| Total deferred outflows of resources  | \$ 41,585 |

**CITY OF WARREN, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2021

**NOTE 23 - WARREN CITY HEALTH DISTRICT - (Continued)**

|  | OPERS      |
|--|------------|
| <b>Deferred inflows of resources:</b>  |            |
| Differences between expected and actual experience                                       | \$ 66,661  |
| Net difference between projected and actual earnings on OPEB plan investments            | 39,340     |
| Changes of assumptions   | 119,680    |
| Changes in employer's proportionate percentage/difference between employer contributions | 32,728     |
| Total deferred inflows of resources  | \$ 258,409 |

Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

|                          | OPERS        |
|--------------------------|--------------|
| Year Ending December 31: |              |
| 2022                     | \$ (116,610) |
| 2023                     | (76,639)     |
| 2024                     | (18,546)     |
| 2025                     | (5,029)      |
| Total                    | \$ (216,824) |

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

|   | 1% Decrease | Current Discount Rate | 1% Increase |
|---|-------------|-----------------------|-------------|
| Health District's proportionate share of the net OPEB asset | \$ 18,366   | \$ 73,863             | \$ 119,486  |

***Sensitivity of the Health District's Proportionate Share of the Net OPEB Asset to Changes in the Health Care Cost Trend Rate*** - Changes in the health care cost trend rate may also have a significant impact on the net OPEB asset. The following table presents the net OPEB asset calculated using the assumed trend rates, and the expected net OPEB asset if it were calculated using a health care cost trend rate that is 1.00% lower or 1.00% higher than the current rate.

**CITY OF WARREN, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2021

**NOTE 23 - WARREN CITY HEALTH DISTRICT - (Continued)**

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

|  | 1% Decrease | Current Health<br>Care Trend Rate<br>Assumption | 1% Increase |
|--|-------------|---|-------------|
| Health District's proportionate share<br>of the net OPEB asset | \$ 75,663   | \$ 73,863                                       | \$ 71,849   |

**Contingencies**

**Grants** - The Health District received financial assistance from federal and state agencies in the form of grants. The expenditure of funds received under these programs generally requires 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, if any, on the financial condition of the Health District.

**Litigation** - The Health District is not party to any legal proceedings that, in the opinion of management, will have a material adverse effect on the financial condition of the Health District.

**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 continues. During 2021, the Health District received COVID-19 funding. The financial impact of COVID-19 and the continuing emergency measures will impact subsequent periods of the Health District. The impact on the Health District's future operating costs, revenues, and additional recovery from emergency funding, either federal or state, cannot be estimated.

**NOTE 24 - SIGNIFICANT SUBSEQUENT EVENTS**

The City has been awarded \$28,680,143 in American Rescue Plan State and Local Recovery Funds. The first half was received during 2021 and the second half is expected at the end of June 2022 or thereafter.

REQUIRED SUPPLEMENTARY INFORMATION

**CITY OF WARREN, OHIO**

SCHEDULES OF THE REQUIRED SUPPLEMENTARY INFORMATION

SCHEDULE OF THE CITY'S PROPORTIONATE SHARE OF  
THE NET PENSION LIABILITY/NET PENSION ASSET  
OHIO PUBLIC EMPLOYEES RETIREMENT SYSTEM (OPERS)

LAST EIGHT YEARS

|  | <u>2021</u>   | <u>2020</u>   | <u>2019</u>   | <u>2018</u>   |
|--|---------------|---------------|---------------|---------------|
| <i>Traditional Plan:</i>   |               |               |               |               |
| City's proportion of the net pension liability   | 0.081947%     | 0.083242%     | 0.086610%     | 0.091079%     |
| City's proportionate share of the net pension liability  | \$ 12,134,557 | \$ 16,453,327 | \$ 23,720,764 | \$ 14,288,530 |
| City's covered payroll   | \$ 10,967,343 | \$ 11,739,843 | \$ 12,414,643 | \$ 12,173,938 |
| City's proportionate share of the net pension liability as a percentage of its covered payroll | 110.64%       | 140.15%       | 191.07%       | 117.37%       |
| Plan fiduciary net position as a percentage of the total pension liability                     | 86.88%        | 82.17%        | 74.70%        | 84.66%        |
| <i>Combined Plan:</i>  |               |               |               |               |
| City's proportion of the net pension asset   | 0.066830%     | 0.063994%     | 0.069106%     | 0.073197%     |
| City's proportionate share of the net pension asset  | \$ 192,913    | \$ 133,440    | \$ 77,301     | \$ 99,646     |
| City's covered payroll   | \$ 293,371    | \$ 295,564    | \$ 310,950    | \$ 299,777    |
| City's proportionate share of the net pension asset as a percentage of its covered payroll     | 65.76%        | 45.15%        | 24.86%        | 33.24%        |
| Plan fiduciary net position as a percentage of the total pension asset                         | 157.67%       | 145.28%       | 126.64%       | 137.28%       |

Notes:

Information prior to 2014 was unavailable. Schedule is intended to show information for 10 years.

Additional years will be displayed as they become available.

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

SEE ACCOMPANYING NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION



|    | <u>2017</u> | <u>2016</u>   | <u>2015</u>   | <u>2014</u>   |
|----|-------------|---------------|---------------|---------------|
|    | 0.096746%   | 0.099691%     | 0.104124%     | 0.104124%     |
| \$ | 21,969,371  | \$ 17,267,738 | \$ 12,558,519 | \$ 12,274,864 |
| \$ | 11,104,425  | \$ 13,388,225 | \$ 12,794,050 | \$ 13,672,708 |
|    | 197.84%     | 128.98%       | 98.16%        | 89.78%        |
|    | 77.25%      | 81.08%        | 86.45%        | 86.36%        |
|    | 0.075776%   | 0.063360%     | 0.067311%     | 0.067311%     |
| \$ | 42,175      | \$ 30,832     | \$ 25,915     | \$ 7,063      |
| \$ | 294,967     | \$ 235,000    | \$ 246,050    | \$ 244,900    |
|    | 14.30%      | 13.12%        | 10.53%        | 2.88%         |
|    | 116.55%     | 116.90%       | 114.83%       | 104.56%       |

**CITY OF WARREN, OHIO**

SCHEDULES OF THE REQUIRED SUPPLEMENTARY INFORMATION

SCHEDULE OF THE CITY'S PROPORTIONATE SHARE OF  
THE NET PENSION LIABILITY  
OHIO POLICE AND FIRE (OP&F) PENSION FUND

LAST EIGHT YEARS

|  | <u>2021</u>   | <u>2020</u>   | <u>2019</u>   | <u>2018</u>   |
|--|---------------|---------------|---------------|---------------|
| City's proportion of the net pension liability   | 0.333835%     | 0.322905%     | 0.339550%     | 0.323433%     |
| City's proportionate share of the net pension liability  | \$ 22,757,859 | \$ 21,752,606 | \$ 27,716,252 | \$ 19,850,539 |
| City's covered payroll   | \$ 7,831,772  | \$ 7,919,788  | \$ 7,649,031  | \$ 7,249,257  |
| City's proportionate share of the net pension liability as a percentage of its covered payroll | 290.58%       | 274.66%       | 362.35%       | 273.83%       |
| Plan fiduciary net position as a percentage of the total pension liability                     | 70.65%        | 69.89%        | 63.07%        | 70.91%        |

Notes:

Information prior to 2014 was unavailable. Schedule is intended to show information for 10 years.

Additional years will be displayed as they become available.

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

SEE ACCOMPANYING NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION

|    | <b>2017</b> | <b>2016</b>   | <b>2015</b>   | <b>2014</b>   |
|----|-------------|---------------|---------------|---------------|
|    | 0.331383%   | 0.356109%     | 0.381035%     | 0.381035%     |
| \$ | 20,989,491  | \$ 22,908,737 | \$ 19,739,218 | \$ 18,557,615 |
| \$ | 6,646,483   | \$ 7,813,926  | \$ 7,552,274  | \$ 7,830,751  |
|    | 315.80%     | 293.18%       | 261.37%       | 236.98%       |
|    | 68.36%      | 66.77%        | 72.20%        | 73.00%        |

**CITY OF WARREN, OHIO**

SCHEDULES OF THE REQUIRED SUPPLEMENTARY INFORMATION

SCHEDULE OF CITY PENSION CONTRIBUTIONS  
OHIO PUBLIC EMPLOYEES RETIREMENT SYSTEM (OPERS)

LAST TEN YEARS

|  | <u>2021</u>        | <u>2020</u>        | <u>2019</u>        | <u>2018</u>        |
|--|--------------------|--------------------|--------------------|--------------------|
| <i>Traditional Plan:</i>   |                    |                    |                    |                    |
| Contractually required contribution                                  | \$ 1,740,719       | \$ 1,535,428       | \$ 1,643,578       | \$ 1,738,050       |
| Contributions in relation to the contractually required contribution | <u>(1,740,719)</u> | <u>(1,535,428)</u> | <u>(1,643,578)</u> | <u>(1,738,050)</u> |
| Contribution deficiency (excess)                                     | <u>\$ -</u>        | <u>\$ -</u>        | <u>\$ -</u>        | <u>\$ -</u>        |
| City's covered payroll   | \$ 12,433,707      | \$ 10,967,343      | \$ 11,739,843      | \$ 12,414,643      |
| Contributions as a percentage of covered payroll                     | 14.00%             | 14.00%             | 14.00%             | 14.00%             |
| <br><i>Combined Plan:</i>  |                    |                    |                    |                    |
| Contractually required contribution                                  | \$ 36,954          | \$ 41,072          | \$ 41,379          | \$ 43,533          |
| Contributions in relation to the contractually required contribution | <u>(36,954)</u>    | <u>(41,072)</u>    | <u>(41,379)</u>    | <u>(43,533)</u>    |
| Contribution deficiency (excess)                                     | <u>\$ -</u>        | <u>\$ -</u>        | <u>\$ -</u>        | <u>\$ -</u>        |
| City's covered payroll   | \$ 263,957         | \$ 293,371         | \$ 295,564         | \$ 310,950         |
| Contributions as a percentage of covered payroll                     | 14.00%             | 14.00%             | 14.00%             | 14.00%             |

SEE ACCOMPANYING NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION

| <u>2017</u>        | <u>2016</u>        | <u>2015</u>        | <u>2014</u>        | <u>2013</u>        | <u>2012</u>        |
|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|
| \$ 1,582,612       | \$ 1,332,531       | \$ 1,606,587       | \$ 1,535,286       | \$ 1,777,452       | \$ 1,305,122       |
| <u>(1,582,612)</u> | <u>(1,332,531)</u> | <u>(1,606,587)</u> | <u>(1,535,286)</u> | <u>(1,777,452)</u> | <u>(1,305,122)</u> |
| <u>\$ -</u>        | <u>\$ -</u>        | <u>\$ -</u>        | <u>\$ -</u>        | <u>\$ -</u>        | <u>\$ -</u>        |
| \$ 12,173,938      | \$ 11,104,425      | \$ 13,388,225      | \$ 12,794,050      | \$ 13,672,708      | \$ 13,051,220      |
| 13.00%             | 12.00%             | 12.00%             | 12.00%             | 13.00%             | 10.00%             |
| <br>               |                    |                    |                    |                    |                    |
| \$ 38,971          | \$ 35,396          | \$ 28,200          | \$ 29,526          | \$ 31,837          | \$ 18,634          |
| <u>(38,971)</u>    | <u>(35,396)</u>    | <u>(28,200)</u>    | <u>(29,526)</u>    | <u>(31,837)</u>    | <u>(18,634)</u>    |
| <u>\$ -</u>        | <u>\$ -</u>        | <u>\$ -</u>        | <u>\$ -</u>        | <u>\$ -</u>        | <u>\$ -</u>        |
| \$ 299,777         | \$ 294,967         | \$ 235,000         | \$ 246,050         | \$ 244,900         | \$ 234,390         |
| 13.00%             | 12.00%             | 12.00%             | 12.00%             | 13.00%             | 7.95%              |

**CITY OF WARREN, OHIO**

SCHEDULES OF THE REQUIRED SUPPLEMENTARY INFORMATION

SCHEDULE OF CITY PENSION CONTRIBUTIONS  
OHIO POLICE AND FIRE (OP&F) PENSION FUND

LAST TEN YEARS

|  | <u>2021</u>      | <u>2020</u>      | <u>2019</u>      | <u>2018</u>      |
|--|------------------|------------------|------------------|------------------|
| <i>Police:</i>   |                  |                  |                  |                  |
| Contractually required contribution                                  | \$ 805,940       | \$ 796,879       | \$ 806,348       | \$ 767,969       |
| Contributions in relation to the contractually required contribution | <u>(805,940)</u> | <u>(796,879)</u> | <u>(806,348)</u> | <u>(767,969)</u> |
| Contribution deficiency (excess)                                     | <u>\$ -</u>      | <u>\$ -</u>      | <u>\$ -</u>      | <u>\$ -</u>      |
| City's covered payroll   | \$ 4,241,789     | \$ 4,194,100     | \$ 4,243,937     | \$ 4,041,942     |
| Contributions as a percentage of covered payroll                     | 19.00%           | 19.00%           | 19.00%           | 19.00%           |
| <br><i>Fire:</i>   |                  |                  |                  |                  |
| Contractually required contribution                                  | \$ 895,384       | \$ 854,853       | \$ 863,825       | \$ 847,666       |
| Contributions in relation to the contractually required contribution | <u>(895,384)</u> | <u>(854,853)</u> | <u>(863,825)</u> | <u>(847,666)</u> |
| Contribution deficiency (excess)                                     | <u>\$ -</u>      | <u>\$ -</u>      | <u>\$ -</u>      | <u>\$ -</u>      |
| City's covered payroll   | \$ 3,810,145     | \$ 3,637,672     | \$ 3,675,851     | \$ 3,607,089     |
| Contributions as a percentage of covered payroll                     | 23.50%           | 23.50%           | 23.50%           | 23.50%           |

SEE ACCOMPANYING NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION

| <u>2017</u>      | <u>2016</u>      | <u>2015</u>      | <u>2014</u>      | <u>2013</u>      | <u>2012</u>      |
|------------------|------------------|------------------|------------------|------------------|------------------|
| \$ 737,987       | \$ 677,614       | \$ 790,943       | \$ 770,359       | \$ 642,290       | \$ 529,665       |
| <u>(737,987)</u> | <u>(677,614)</u> | <u>(790,943)</u> | <u>(770,359)</u> | <u>(642,290)</u> | <u>(529,665)</u> |
| <u>\$ -</u>      | <u>\$ -</u>      | <u>\$ -</u>      | <u>\$ -</u>      | <u>\$ -</u>      | <u>\$ -</u>      |
| \$ 3,884,142     | \$ 3,566,389     | \$ 4,162,858     | \$ 4,054,521     | \$ 4,043,799     | \$ 4,154,235     |
| 19.00%           | 19.00%           | 19.00%           | 19.00%           | 15.88%           | 12.75%           |
| \$ 790,802       | \$ 723,822       | \$ 858,001       | \$ 821,972       | \$ 771,907       | \$ 676,223       |
| <u>(790,802)</u> | <u>(723,822)</u> | <u>(858,001)</u> | <u>(821,972)</u> | <u>(771,907)</u> | <u>(676,223)</u> |
| <u>\$ -</u>      | <u>\$ -</u>      | <u>\$ -</u>      | <u>\$ -</u>      | <u>\$ -</u>      | <u>\$ -</u>      |
| \$ 3,365,115     | \$ 3,080,094     | \$ 3,651,068     | \$ 3,497,753     | \$ 3,786,952     | \$ 3,920,133     |
| 23.50%           | 23.50%           | 23.50%           | 23.50%           | 20.38%           | 17.25%           |

**CITY OF WARREN, OHIO**

SCHEDULES OF THE REQUIRED SUPPLEMENTARY INFORMATION

SCHEDULE OF THE CITY'S PROPORTIONATE SHARE OF  
THE NET OPEB LIABILITY/NET OPEB ASSET  
OHIO PUBLIC EMPLOYEES RETIREMENT SYSTEM (OPERS)

LAST FIVE YEARS

|   | <u>2021</u>    | <u>2020</u>   | <u>2019</u>   | <u>2018</u>   |
|---|----------------|---------------|---------------|---------------|
| City's proportion of the net OPEB liability/asset   | 0.079212%      | 0.080207%     | 0.083587%     | 0.088000%     |
| City's proportionate share of the net OPEB liability/(asset)                                      | \$ (1,411,226) | \$ 11,078,704 | \$ 10,897,712 | \$ 9,556,152  |
| City's covered payroll  | \$ 11,260,714  | \$ 12,035,407 | \$ 12,725,593 | \$ 12,473,715 |
| City's proportionate share of the net OPEB liability/asset as a percentage of its covered payroll | 12.53%         | 92.05%        | 85.64%        | 76.61%        |
| Plan fiduciary net position as a percentage of the total OPEB liability/asset                     | 115.57%        | 47.80%        | 46.33%        | 54.14%        |

Notes:

Information prior to 2017 was unavailable. Schedule is intended to show information for 10 years.

Additional years will be displayed as they become available.

Covered payroll for 2020 and prior have been restated to exclude Member Directed Plan contributions.

Amounts presented for each fiscal year were determined as of the City's measurement date.

SEE ACCOMPANYING NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION



2017

0.093257%

\$ 9,419,273

\$ 11,399,392

82.63%

54.05%

**CITY OF WARREN, OHIO**

SCHEDULES OF THE REQUIRED SUPPLEMENTARY INFORMATION

SCHEDULE OF THE CITY'S PROPORTIONATE SHARE OF  
THE NET OPEB LIABILITY  
OHIO POLICE AND FIRE (OP&F) PENSION FUND

LAST FIVE YEARS

|   | <u>2021</u>  | <u>2020</u>  | <u>2019</u>  | <u>2018</u>   |
|---|--------------|--------------|--------------|---------------|
| City's proportion of the net OPEB liability   | 0.333835%    | 0.322905%    | 0.339550%    | 0.323433%     |
| City's proportionate share of the net OPEB liability  | \$ 3,537,041 | \$ 3,189,568 | \$ 3,092,124 | \$ 18,325,260 |
| City's covered payroll  | \$ 7,831,772 | \$ 7,919,788 | \$ 7,649,031 | \$ 7,249,257  |
| City's proportionate share of the net OPEB liability as a percentage of its covered payroll | 45.16%       | 40.27%       | 40.43%       | 252.79%       |
| Plan fiduciary net position as a percentage of the total OPEB liability                     | 45.42%       | 47.08%       | 46.57%       | 14.13%        |

Notes:

Information prior to 2017 was unavailable. Schedule is intended to show information for 10 years.

Additional years will be displayed as they become available.

Amounts presented for each fiscal year were determined as of the City's measurement date.

SEE ACCOMPANYING NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION

**2017**

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0.331383%

\$ 15,730,006

\$ 6,646,483

236.67%

15.96%

**CITY OF WARREN, OHIO**

SCHEDULES OF THE REQUIRED SUPPLEMENTARY INFORMATION

SCHEDULE OF CITY OPEB CONTRIBUTIONS  
OHIO PUBLIC EMPLOYEES RETIREMENT SYSTEM (OPERS)

LAST TEN YEARS

|  | <u>2021</u>   | <u>2020</u>   | <u>2019</u>   | <u>2018</u>   |
|--|---------------|---------------|---------------|---------------|
| Contractually required contribution                                  | \$ -          | \$ 5,712      | \$ 5,216      | \$ 5,489      |
| Contributions in relation to the contractually required contribution | -             | (5,712)       | (5,216)       | (5,489)       |
| Contribution deficiency (excess)                                     | <u>\$ -</u>   | <u>\$ -</u>   | <u>\$ -</u>   | <u>\$ -</u>   |
| City's covered payroll   | \$ 12,697,664 | \$ 11,260,714 | \$ 12,035,407 | \$ 12,725,593 |
| Contributions as a percentage of covered payroll                     | 0.00%         | 0.05%         | 0.04%         | 0.04%         |

Note: Covered payroll for 2020 and prior have been restated to exclude Member Directed Plan contributions.

SEE ACCOMPANYING NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION

| <u>2017</u>      | <u>2016</u>      | <u>2015</u>      | <u>2014</u>      | <u>2013</u>      | <u>2012</u>      |
|------------------|------------------|------------------|------------------|------------------|------------------|
| \$ 129,938       | \$ 230,633       | \$ 272,465       | \$ 259,042       | \$ 139,176       | \$ 536,229       |
| <u>(129,938)</u> | <u>(230,633)</u> | <u>(272,465)</u> | <u>(259,042)</u> | <u>(139,176)</u> | <u>(536,229)</u> |
| <u>\$ -</u>      | <u>\$ -</u>      | <u>\$ -</u>      | <u>\$ -</u>      | <u>\$ -</u>      | <u>\$ -</u>      |
| \$ 12,473,715    | \$ 11,399,392    | \$ 13,623,225    | \$ 13,040,100    | \$ 13,917,608    | \$ 13,285,610    |
| 1.04%            | 2.02%            | 2.00%            | 1.99%            | 1.00%            | 4.04%            |

**CITY OF WARREN, OHIO**

SCHEDULES OF THE REQUIRED SUPPLEMENTARY INFORMATION

SCHEDULE OF CITY OPEB CONTRIBUTIONS  
OHIO POLICE AND FIRE (OP&F) PENSION FUND

LAST TEN YEARS

|  | <u>2021</u>     | <u>2020</u>     | <u>2019</u>     | <u>2018</u>     |
|--|-----------------|-----------------|-----------------|-----------------|
| <i>Police:</i>   |                 |                 |                 |                 |
| Contractually required contribution                                  | \$ 21,209       | \$ 20,971       | \$ 21,220       | \$ 20,210       |
| Contributions in relation to the contractually required contribution | <u>(21,209)</u> | <u>(20,971)</u> | <u>(21,220)</u> | <u>(20,210)</u> |
| Contribution deficiency (excess)                                     | <u>\$ -</u>     | <u>\$ -</u>     | <u>\$ -</u>     | <u>\$ -</u>     |
| City's covered payroll   | \$ 4,241,789    | \$ 4,194,100    | \$ 4,243,937    | \$ 4,041,942    |
| Contributions as a percentage of covered payroll                     | 0.50%           | 0.50%           | 0.50%           | 0.50%           |
| <br><i>Fire:</i>   |                 |                 |                 |                 |
| Contractually required contribution                                  | \$ 19,051       | \$ 18,188       | \$ 18,379       | \$ 18,035       |
| Contributions in relation to the contractually required contribution | <u>(19,051)</u> | <u>(18,188)</u> | <u>(18,379)</u> | <u>(18,035)</u> |
| Contribution deficiency (excess)                                     | <u>\$ -</u>     | <u>\$ -</u>     | <u>\$ -</u>     | <u>\$ -</u>     |
| City's covered payroll   | \$ 3,810,145    | \$ 3,637,672    | \$ 3,675,851    | \$ 3,607,089    |
| Contributions as a percentage of covered payroll                     | 0.50%           | 0.50%           | 0.50%           | 0.50%           |

SEE ACCOMPANYING NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION

| <u>2017</u>     | <u>2016</u>     | <u>2015</u>     | <u>2014</u>     | <u>2013</u>      | <u>2012</u>      |
|-----------------|-----------------|-----------------|-----------------|------------------|------------------|
| \$ 19,421       | \$ 17,832       | \$ 21,377       | \$ 18,585       | \$ 146,625       | \$ 280,411       |
| <u>(19,421)</u> | <u>(17,832)</u> | <u>(21,377)</u> | <u>(18,585)</u> | <u>(146,625)</u> | <u>(280,411)</u> |
| <u>\$ -</u>     | <u>\$ -</u>     | <u>\$ -</u>     | <u>\$ -</u>     | <u>\$ -</u>      | <u>\$ -</u>      |
| \$ 3,884,142    | \$ 3,566,389    | \$ 4,162,858    | \$ 4,054,521    | \$ 4,043,799     | \$ 4,154,235     |
| 0.50%           | 0.50%           | 0.50%           | 0.50%           | 3.62%            | 6.75%            |
| <br>            |                 |                 |                 |                  |                  |
| \$ 16,826       | \$ 15,400       | \$ 18,255       | \$ 16,034       | \$ 137,513       | \$ 264,609       |
| <u>(16,826)</u> | <u>(15,400)</u> | <u>(18,255)</u> | <u>(16,034)</u> | <u>(137,513)</u> | <u>(264,609)</u> |
| <u>\$ -</u>     | <u>\$ -</u>     | <u>\$ -</u>     | <u>\$ -</u>     | <u>\$ -</u>      | <u>\$ -</u>      |
| \$ 3,365,115    | \$ 3,080,094    | \$ 3,651,068    | \$ 3,497,753    | \$ 3,786,952     | \$ 3,920,133     |
| 0.50%           | 0.50%           | 0.50%           | 0.50%           | 3.62%            | 6.75%            |

CITY OF WARREN, OHIO

NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION  
FOR THE YEAR ENDED DECEMBER 31, 2021

PENSION

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OHIO PUBLIC EMPLOYEES RETIREMENT SYSTEM (OPERS)

*Changes in benefit terms :*

- There were no changes in benefit terms from the amounts reported for 2014-2021.

*Changes in assumptions :*

- There were no changes in methods and assumptions used in the calculation of actuarial determined contributions for 2014-2016.
- For 2017, the following were the most significant changes of assumptions that affected the total pension liability since the prior measurement date: (a) reduction in the actuarially assumed rate of return from 8.00% down to 7.50%, (b) for defined benefit investments, decreasing the wage inflation from 3.75% to 3.25% and (c) changing the future salary increases from a range of 4.25%-10.05% to 3.25%-10.75%.
- There were no changes in assumptions for 2018.
- For 2019, the following were the most significant changes of assumptions that affected the total pension liability since the prior measurement date: (a) the assumed rate of return and discount rate were reduced from 7.50% down to 7.20%.
- There were no changes in assumptions for 2020.
- There were no changes in assumptions for 2021.

OHIO POLICE AND FIRE (OP&F) PENSION FUND

*Changes in benefit terms :*

- There were no changes in benefit terms from the amounts reported for 2014-2021.

*Changes in assumptions :*

- There were no changes in methods and assumptions used in the calculation of actuarial determined contributions for 2014-2017.
- For 2018, the following were the most significant changes of assumptions that affected the total pension since the prior measurement date: (a) reduction in the actuarially assumed rate of return from 8.50% down to 8.00%, (b) changing the future salary increases from a range of 4.25%-11.00% to 3.75%-10.50%, (c) reduction in payroll increases from 3.75% down to 3.25%, (d) reduction in inflation assumptions from 3.25% down to 2.75% and (e) Cost of Living Adjustments (COLA) were reduced from 2.60% and 3.00% simple to 2.20% and 3.00% simple.
- There were no changes in assumptions for 2019.
- There were no changes in assumptions for 2020.
- There were no changes in assumptions for 2021.

(Continued)



CITY OF WARREN, OHIO

NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION (CONTINUED)  
FOR THE YEAR ENDED DECEMBER 31, 2021

OTHER POSTEMPLOYMENT BENEFITS (OPEB)

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OHIO PUBLIC EMPLOYEES RETIREMENT SYSTEM (OPERS)

*Changes in benefit terms :*

- There were no changes in benefit terms from the amounts reported for 2017-2020.
- 

For 2021, the following were the most significant changes in benefit terms since the prior measurement date: 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 the December 31, 2020 measurement date health care valuation. These changes significantly decreased the total OPEB liability for the measurement date December 31, 2020.

*Changes in assumptions :*

- There were no changes in methods and assumptions used in the calculation of actuarial determined contributions for 2017.
- For 2018, the following were the most significant changes of assumptions that affected the total OPEB liability since the prior measurement date: (a) reduction in the actuarially assumed rate of return from 4.23% down to 3.85%.
- For 2019, the following were the most significant changes of assumptions that affect the total OPEB liability since the prior measurement date: (a) the discount rate was increased from 3.85% up to 3.96%, (b) The investment rate of return was decreased from 6.50% percent down to 6.00%, (c) the municipal bond rate was increased from 3.31% up to 3.71% and (d) the health care cost trend rate was increased from 7.50%, initial/3.25%, ultimate in 2028 up to 10.00%, initial/3.25% ultimate in 2029.
- For 2020, the following were the most significant changes of assumptions that affect the total OPEB liability since the prior measurement date: (a) the discount rate was decreased from 3.96% up to 3.16%, (b) the municipal bond rate was decreased from 3.71% up to 2.75% and (c) the health care cost trend rate was increased from 10.50%, initial/3.25%, ultimate in 2029 up to 10.50%, initial/3.50% ultimate in 2030.
- For 2021, the following were the most significant changes of assumptions that affect the total OPEB liability since the prior measurement date: (a) the discount rate was increased from 3.16% up to 6.00%, (b) the municipal bond rate was decreased from 2.75% up to 2.00% and (c) the health care cost trend rate was decreased from 10.00%, initial/3.50%, ultimate in 2030 down to 8.50%, initial/3.50% ultimate in 2035.

OHIO POLICE AND FIRE (OP&F) PENSION FUND

*Changes in benefit terms :*

- There were no changes in benefit terms from the amounts reported for 2017-2018.
- For 2019, OP&F changed its retiree health care model from a self-insured health care plan to a stipend-based health care model.
- There were no changes in benefit terms from the amounts reported for 2020.
- There were no changes in benefit terms from the amounts reported for 2021.

*Changes in assumptions :*

- There were no changes in methods and assumptions used in the calculation of actuarial determined contributions for 2017.
- For 2018, the following were the most significant changes of assumptions that affected the total OPEB liability since the prior measurement date: (a) DROP interest rate was reduced from 4.50% to 4.00%, (b) CPI-based COLA was reduced from 2.60% to 2.20%, (c) investment rate of return was reduced from 8.25% to 8.00%, (d) salary increases were reduced from 3.75% to 3.25% and (e) payroll growth was reduced from 3.75% to 3.25%.
- For 2019, the following were the most significant changes of assumptions that affect the total OPEB liability since the prior measurement date: (a) the discount rate was increased from 3.24% up to 4.66%. For 2020, the following were the most significant changes of assumptions that affect the total OPEB liability since the prior measurement date: (a) the discount rate was decreased from 4.66% up to 3.56%.
- For 2020, the following were the most significant changes of assumptions that affect the total OPEB liability since the prior measurement date: (a) the discount rate was decreased from 4.66% up to 3.56%.
- For 2021, the following were the most significant changes of assumptions that affect the total OPEB liability since the prior measurement date: (a) the discount rate was decreased from 3.56% down to 2.96%.

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COMBINING STATEMENTS  
AND INDIVIDUAL  
FUND SCHEDULES

**CITY OF WARREN, OHIO**

**INDIVIDUAL FUND SCHEDULES  
FUND DESCRIPTIONS - GOVERNMENTAL FUNDS**

**General Fund**

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

Some funds are included in the general fund (GAAP basis), but have separate legally adopted budgets (budget basis):

***Packard Music Hall***

To account for the operations of the Packard Music Hall.

**Special Revenue Funds**

The special revenue funds are used to account for all specific financial resources (other than major capital projects) that are legally restricted for specified expenditure purposes. The following are the special revenue funds which the City operates:

**Major Special Revenue Fund**

***Coronavirus Fiscal Recovery***

To account for grants monies received from the federal government as part of the American Rescue Plan Act of 2021. This Act provides additional relief to address the continued impact of the COVID-19 pandemic.

**Nonmajor Special Revenue Funds**

***Court Computerization***

To account for revenues collected by the courts to be used for computer maintenance of the courts.

***Street Maintenance***

To account for that portion of the State gasoline tax and motor vehicle registration fees designated for maintenance and repair of dedicated streets within the City.

***Police Grants***

To account for all grants specific to the Police Department.

***Drivers Alcohol Treatment***

To account for fines collected to be used for expenditures related to drunk driving enforcement and treatment.

***Drug Law Enforcement***

To account for fines of the Municipal Court designated to subsidize each agency's law enforcement efforts that pertain to drug offenses.

***Law Enforcement Trust***

To account for monies received from the Federal Law Enforcement agencies designated for law enforcement purposes.

***Enforcement and Education***

To account for grant monies received from DUI arrests to be used for enforcement and education and for DUI housing reimbursements pursuant to Ohio Revised Code Section 4511.191.

***Federal Forfeitures***

To account for revenues received from Federal forfeitures to be used for expenditures related to drug enforcement and education.

***Probation - Municipal Court***

To account for revenues received from municipal probation.

***Special Projects - Courts***

To account for revenues collected by the courts to be used on various projects in the courts.

**CITY OF WARREN, OHIO**

INDIVIDUAL FUND SCHEDULES  
FUND DESCRIPTIONS - GOVERNMENTAL FUNDS

**Special Revenue Funds - (Continued)**

***Legal Research - Courts***

To account for revenues collected by the courts to be used for legal research.

***Community Development Block Grant (CDBG)***

To account for State and federal monies received under the Community Development Block Grant program for providing decent housing and a suitable living environment and expanded economic opportunities principally for persons of low and moderate income and the allowable administrative costs associated with those projects.

***Guarantee Loan***

To account for monies related to a loan received from the Reinvestment Partnership Corporation through the Federal 108 Loan Guarantee Program.

***Highway Construction***

To account for revenues generated from license and gasoline taxes to be used on State highways located within the City.

***Motor Vehicle Levy***

To account for resources received as a result of the County's levied motor vehicle license tax to assist in maintaining those City streets.

***Home Investment***

To account for monies received through the Home Investment Partnership Program.

***Coronavirus Relief Fund***

To account for grants provided by the Coronavirus Aid, Relief and Economic Security Act (CARES) Act to support the City's response to the COVID-19 pandemic.

**Nonmajor Debt Service Fund**

***General Bond Payment***

The General Bond Payment debt service fund is established to account for the accumulation of resources for, and the payment of, principal and interest on long-term debt and related costs.

**Major Capital Projects Fund**

***General Capital Projects***

The General Capital Projects capital projects fund is used to account for the acquisition and construction of major capital facilities other than those financed by proprietary fund types.

**CITY OF WARREN, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
**GENERAL FUND**  
 FOR THE YEAR ENDED DECEMBER 31, 2021

|   | Budgeted Amounts  |                   | Actual            | Variance with<br>Final Budget<br>Positive<br>(Negative) |
|---|-------------------|-------------------|-------------------|---|
|   | Original          | Final             |                   |   |
| <b>Revenues:</b>                        |                   |                   |                   |   |
| Income taxes . . . . .                  | \$ 20,380,000     | \$ 20,380,000     | \$ 21,486,901     | \$ 1,106,901  |
| Property and other taxes . . . . .      | 150,000           | 150,000           | 167,173           | 17,173  |
| Charges for services . . . . .          | 2,336,000         | 2,336,000         | 1,803,950         | (532,050)   |
| Licenses and permits . . . . .          | 929,047           | 929,047           | 989,829           | 60,782  |
| Fines and forfeitures . . . . .         | 961,187           | 961,187           | 944,368           | (16,819)  |
| Intergovernmental . . . . .             | 1,786,483         | 2,175,450         | 1,413,085         | (762,365)   |
| Investment income . . . . .             | 297,000           | 297,000           | 120,544           | (176,456)   |
| Rental income . . . . .                 | 73,960            | 73,960            | 67,188            | (6,772)   |
| Other . . . . .                         | 320,585           | 340,915           | 405,198           | 64,283  |
| Total revenues . . . . .                | <u>27,234,262</u> | <u>27,643,559</u> | <u>27,398,236</u> | <u>(245,323)</u>  |
| <b>Expenditures:</b>                    |                   |                   |                   |   |
| Current:                                |                   |                   |                   |   |
| General government                      |                   |                   |                   |   |
| City council                            |                   |                   |                   |   |
| Personal services . . . . .             | 311,271           | 288,961           | 229,846           | 59,115  |
| Contract services . . . . .             | 27,765            | 33,075            | 25,462            | 7,613   |
| Materials and supplies. . . . .         | 5,202             | 5,202             | 1,949             | 3,253   |
| Total city council . . . . .            | <u>344,238</u>    | <u>327,238</u>    | <u>257,257</u>    | <u>69,981</u>   |
| Municipal court                         |                   |                   |                   |   |
| Personal services . . . . .             | 2,112,324         | 2,088,219         | 1,959,870         | 128,349   |
| Contract services . . . . .             | 91,137            | 91,137            | 59,192            | 31,945  |
| Materials and supplies. . . . .         | -                 | -                 | -                 | -   |
| Total municipal court. . . . .          | <u>2,203,461</u>  | <u>2,179,356</u>  | <u>2,019,062</u>  | <u>160,294</u>  |
| Victims of crimes                       |                   |                   |                   |   |
| Personal services . . . . .             | 104,845           | 128,950           | 121,913           | 7,037   |
| Contract services . . . . .             | -                 | 300               | 200               | 100   |
| Materials and supplies. . . . .         | -                 | 2,700             | 2,663             | 37  |
| Total victims of crimes . . . . .       | <u>104,845</u>    | <u>131,950</u>    | <u>124,776</u>    | <u>7,174</u>  |
| Operations - general                    |                   |                   |                   |   |
| Personal services . . . . .             | 115,901           | 95,901            | 76,762            | 19,139  |
| Contract services . . . . .             | 22,000            | 22,000            | 16,200            | 5,800   |
| Materials and supplies. . . . .         | -                 | 9                 | 4                 | 5   |
| Total operations - general . . . . .    | <u>137,901</u>    | <u>117,910</u>    | <u>92,966</u>     | <u>24,944</u>   |
| Operations - maintenance                |                   |                   |                   |   |
| Personal services . . . . .             | 732,337           | 739,337           | 706,518           | 32,819  |
| Contract services . . . . .             | 186,039           | 216,193           | 199,040           | 17,153  |
| Materials and supplies. . . . .         | 59,751            | 64,641            | 38,424            | 26,217  |
| Capital outlay . . . . .                | -                 | 30,000            | 27,500            | 2,500   |
| Total operations - maintenance. . . . . | <u>978,127</u>    | <u>1,050,171</u>  | <u>971,482</u>    | <u>78,689</u>   |
| Mayor                                   |                   |                   |                   |   |
| Personal services . . . . .             | 400,493           | 380,493           | 347,615           | 32,878  |
| Contract services . . . . .             | 38,274            | 38,274            | 30,174            | 8,100   |
| Materials and supplies. . . . .         | 8,980             | 8,980             | 3,642             | 5,338   |
| Total mayor. . . . .                    | <u>447,747</u>    | <u>427,747</u>    | <u>381,431</u>    | <u>46,316</u>   |

- Continued

**CITY OF WARREN, OHIO**

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
GENERAL FUND (CONTINUED)  
FOR THE YEAR ENDED DECEMBER 31, 2021**

|  | <u>Budgeted Amounts</u> |                   | <u>Actual</u>    | <u>Variance with<br/>Final Budget<br/>Positive<br/>(Negative)</u> |
|--|-------------------------|-------------------|------------------|---|
|  | <u>Original</u>         | <u>Final</u>      |                  |   |
| Purchasing                             |                         |                   |                  |   |
| Personal services . . . . .            | \$ 86,082               | \$ 86,082         | \$ 53,147        | \$ 32,935   |
| Contract services . . . . .            | 13,850                  | 13,850            | 8,630            | 5,220   |
| Materials and supplies. . . . .        | 1,500                   | 1,500             | 1,264            | 236   |
| Total purchasing . . . . .             | <u>101,432</u>          | <u>101,432</u>    | <u>63,041</u>    | <u>38,391</u>   |
| Finance                                |                         |                   |                  |   |
| Personal services . . . . .            | 609,818                 | 584,268           | 534,393          | 49,875  |
| Contract services . . . . .            | 62,200                  | 62,200            | 41,797           | 20,403  |
| Materials and supplies. . . . .        | 7,912                   | 7,912             | 5,232            | 2,680   |
| Total finance . . . . .                | <u>679,930</u>          | <u>654,380</u>    | <u>581,422</u>   | <u>72,958</u>   |
| Human resources                        |                         |                   |                  |   |
| Personal services . . . . .            | 360,620                 | 370,620           | 368,203          | 2,417   |
| Contract services . . . . .            | 35,900                  | 45,900            | 38,889           | 7,011   |
| Materials and supplies. . . . .        | 2,000                   | 2,000             | 1,000            | 1,000   |
| Total human resources . . . . .        | <u>398,520</u>          | <u>418,520</u>    | <u>408,092</u>   | <u>10,428</u>   |
| Law department                         |                         |                   |                  |   |
| Personal services . . . . .            | 918,996                 | 918,996           | 840,363          | 78,633  |
| Contract services . . . . .            | 43,192                  | 108,192           | 53,068           | 55,124  |
| Materials and supplies. . . . .        | 5,000                   | 8,000             | 6,106            | 1,894   |
| Total law department. . . . .          | <u>967,188</u>          | <u>1,035,188</u>  | <u>899,537</u>   | <u>135,651</u>  |
| Civil service                          |                         |                   |                  |   |
| Personal services . . . . .            | 12,025                  | 12,025            | 12,008           | 17  |
| Contract services . . . . .            | 9,550                   | 55,550            | 27,226           | 28,324  |
| Materials and supplies. . . . .        | 1,000                   | 1,000             | 138              | 862   |
| Total civil service. . . . .           | <u>22,575</u>           | <u>68,575</u>     | <u>39,372</u>    | <u>29,203</u>   |
| Administrative support                 |                         |                   |                  |   |
| Contract services . . . . .            | 1,322,419               | 1,332,419         | 1,191,076        | 141,343   |
| Materials and supplies. . . . .        | 6,600                   | 8,151             | 8,032            | 119   |
| Capital outlay . . . . .               | -                       | 14,000            | 13,951           | 49  |
| Other . . . . .                        | 47,103                  | 35,957            | 35,957           | -   |
| Total administrative support . . . . . | <u>1,376,122</u>        | <u>1,390,527</u>  | <u>1,249,016</u> | <u>141,511</u>  |
| Income tax                             |                         |                   |                  |   |
| Personal services . . . . .            | 525,676                 | 525,676           | 484,494          | 41,182  |
| Contract services . . . . .            | 95,794                  | 95,794            | 76,277           | 19,517  |
| Materials and supplies. . . . .        | 16,899                  | 16,899            | 16,088           | 811   |
| Total income tax . . . . .             | <u>638,369</u>          | <u>638,369</u>    | <u>576,859</u>   | <u>61,510</u>   |
| Total general government . . . . .     | <u>8,400,455</u>        | <u>8,541,363</u>  | <u>7,664,313</u> | <u>877,050</u>  |
| Security of persons and property       |                         |                   |                  |   |
| Police                                 |                         |                   |                  |   |
| Personal services . . . . .            | 7,741,931               | 7,104,931         | 6,853,288        | 251,643   |
| Contract services . . . . .            | 1,717,507               | 1,717,887         | 1,569,098        | 148,789   |
| Materials and supplies. . . . .        | 587,653                 | 587,653           | 563,659          | 23,994  |
| Capital outlay . . . . .               | -                       | 679,130           | 674,471          | 4,659   |
| Total police. . . . .                  | <u>10,047,091</u>       | <u>10,089,601</u> | <u>9,660,516</u> | <u>429,085</u>  |

- Continued

**CITY OF WARREN, OHIO**

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
GENERAL FUND (CONTINUED)  
FOR THE YEAR ENDED DECEMBER 31, 2021**

|   | <u>Budgeted Amounts</u> |                   | <u>Actual</u>     | <u>Variance with<br/>Final Budget<br/>Positive<br/>(Negative)</u> |
|---|-------------------------|-------------------|-------------------|---|
|   | <u>Original</u>         | <u>Final</u>      |                   |   |
| Fire  |                         |                   |                   |   |
| Personal services . . . . .                                 | \$ 5,909,505            | \$ 6,269,505      | \$ 6,068,072      | \$ 201,433  |
| Contract services . . . . .                                 | 363,523                 | 347,623           | 304,412           | 43,211  |
| Materials and supplies. . . . .                             | 221,876                 | 213,475           | 191,234           | 22,241  |
| Capital outlay . . . . .                                    | -                       | 29,100            | 28,840            | 260   |
| Total fire . . . . .  | <u>6,494,904</u>        | <u>6,859,703</u>  | <u>6,592,558</u>  | <u>267,145</u>  |
| Total security of persons and property . . . . .            | <u>16,541,995</u>       | <u>16,949,304</u> | <u>16,253,074</u> | <u>696,230</u>  |
| Public health and welfare                                   |                         |                   |                   |   |
| Health  |                         |                   |                   |   |
| Contract services . . . . .                                 | <u>289,959</u>          | <u>289,959</u>    | <u>289,959</u>    | <u>-</u>  |
| Total health . . . . .                                      | <u>289,959</u>          | <u>289,959</u>    | <u>289,959</u>    | <u>-</u>  |
| Total public health and welfare . . . . .                   | <u>289,959</u>          | <u>289,959</u>    | <u>289,959</u>    | <u>-</u>  |
| Community environment                                       |                         |                   |                   |   |
| Engineering building and<br>plant department                |                         |                   |                   |   |
| Personal services . . . . .                                 | 675,958                 | 766,218           | 749,025           | 17,193  |
| Contract services . . . . .                                 | 325,209                 | 325,209           | 292,705           | 32,504  |
| Materials and supplies. . . . .                             | 57,584                  | 57,585            | 39,477            | 18,108  |
| Capital outlay . . . . .                                    | 20,000                  | 20,000            | 20,000            | -   |
| Other . . . . .   | 8,000                   | 8,000             | 4,748             | 3,252   |
| Total engineering building and<br>plant department. . . . . | <u>1,086,751</u>        | <u>1,177,012</u>  | <u>1,105,955</u>  | <u>71,057</u>   |
| Total community environment. . . . .                        | <u>1,086,751</u>        | <u>1,177,012</u>  | <u>1,105,955</u>  | <u>71,057</u>   |
| Leisure time activity                                       |                         |                   |                   |   |
| Operations - Packard Park                                   |                         |                   |                   |   |
| Personal services . . . . .                                 | 174,931                 | 122,431           | 99,285            | 23,146  |
| Contract services . . . . .                                 | 74,050                  | 116,161           | 95,778            | 20,383  |
| Materials and supplies. . . . .                             | 36,200                  | 42,196            | 15,307            | 26,889  |
| Capital outlay . . . . .                                    | -                       | 20,330            | 20,330            | -   |
| Other. . . . .  | 8,000                   | 8,000             | 6,248             | 1,752   |
| Total operations - packard park. . . . .                    | <u>293,181</u>          | <u>309,118</u>    | <u>236,948</u>    | <u>72,170</u>   |
| Operations - parks  |                         |                   |                   |   |
| Personal services . . . . .                                 | 214,505                 | 150,505           | 140,781           | 9,724   |
| Contract services . . . . .                                 | 135,808                 | 278,918           | 217,473           | 61,445  |
| Materials and supplies. . . . .                             | 50,591                  | 51,696            | 32,315            | 19,381  |
| Capital outlay . . . . .                                    | -                       | 15,000            | 14,647            | 353   |
| Other. . . . .  | 200                     | 200               | 200               | -   |
| Total operations - parks. . . . .                           | <u>401,104</u>          | <u>496,319</u>    | <u>405,416</u>    | <u>90,903</u>   |
| Total leisure time activity . . . . .                       | <u>694,285</u>          | <u>805,437</u>    | <u>642,364</u>    | <u>163,073</u>  |
| Total expenditures. . . . .                                 | <u>27,013,445</u>       | <u>27,763,075</u> | <u>25,955,665</u> | <u>1,807,410</u>  |
| Excess of revenues over expenditures . . . . .              | <u>220,817</u>          | <u>(119,516)</u>  | <u>1,442,571</u>  | <u>1,562,087</u>  |

- Continued



**CITY OF WARREN, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
**GENERAL FUND (CONTINUED)**  
 FOR THE YEAR ENDED DECEMBER 31, 2021

|   | <u>Budgeted Amounts</u> |                     | <u>Actual</u>       | <b>Variance with<br/>Final Budget<br/>Positive<br/>(Negative)</b> |
|---|-------------------------|---------------------|---------------------|---|
|   | <u>Original</u>         | <u>Final</u>        |                     |   |
| <b>Other financing (uses):</b>                        |                         |                     |                     |   |
| Transfers (out). . . . .                              | \$ (955,000)            | \$ (2,078,368)      | \$ (2,078,327)      | \$ 41   |
| Total other financing (uses). . . . .                 | <u>(955,000)</u>        | <u>(2,078,368)</u>  | <u>(2,078,327)</u>  | <u>41</u>   |
| Net change in fund balance. . . . .                   | (734,183)               | (2,197,884)         | (635,756)           | 1,562,128   |
| <b>Fund balance at beginning of year</b>              |                         |                     |                     |   |
| <b>Fund balance at beginning of year . . . . .</b>    | 5,322,153               | 5,322,153           | 5,322,153           | -   |
| <b>Prior year encumbrances appropriated . . . . .</b> | <u>287,972</u>          | <u>287,972</u>      | <u>287,972</u>      | <u>-</u>  |
| <b>Fund balance at end of year . . . . .</b>          | <u>\$ 4,875,942</u>     | <u>\$ 3,412,241</u> | <u>\$ 4,974,369</u> | <u>\$ 1,562,128</u>   |

**CITY OF WARREN, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
**PACKARD MUSIC HALL**  
 FOR THE YEAR ENDED DECEMBER 31, 2021

|   | <u>Budgeted Amounts</u> |                   | <u>Actual</u>     | <u>Variance with<br/>Final Budget<br/>Positive<br/>(Negative)</u> |
|---|-------------------------|-------------------|-------------------|---|
|   | <u>Original</u>         | <u>Final</u>      |                   |   |
| <b>Revenues:</b>                                  |                         |                   |                   |   |
| Other . . . . .                                   | \$ 60,000               | \$ 60,000         | \$ 46,525         | \$ (13,475)   |
| Total revenues. . . . .                           | <u>60,000</u>           | <u>60,000</u>     | <u>46,525</u>     | <u>(13,475)</u>   |
| <b>Expenditures:</b>                              |                         |                   |                   |   |
| Current:  |                         |                   |                   |   |
| General government                                |                         |                   |                   |   |
| Contract services . . . . .                       | 370,000                 | 370,000           | 283,335           | 86,665  |
| Total expenditures. . . . .                       | <u>370,000</u>          | <u>370,000</u>    | <u>283,335</u>    | <u>86,665</u>   |
| Excess of expenditures over revenues . . .        | <u>(310,000)</u>        | <u>(310,000)</u>  | <u>(236,810)</u>  | <u>73,190</u>   |
| <b>Other financing sources:</b>                   |                         |                   |                   |   |
| Transfers in . . . . .                            | 310,000                 | 310,000           | 310,000           | -   |
| Total other financing sources . . . . .           | <u>310,000</u>          | <u>310,000</u>    | <u>310,000</u>    | <u>-</u>  |
| Net change in fund balance . . . . .              | -                       | -                 | 73,190            | 73,190  |
| <b>Fund balance at beginning of year. . . . .</b> | <u>122,285</u>          | <u>122,285</u>    | <u>122,285</u>    | <u>-</u>  |
| <b>Fund balance at end of year . . . . .</b>      | <u>\$ 122,285</u>       | <u>\$ 122,285</u> | <u>\$ 195,475</u> | <u>\$ 73,190</u>  |

**CITY OF WARREN, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
**CORONAVIRUS FISCAL RECOVERY**  
 FOR THE YEAR ENDED DECEMBER 31, 2021

|  | <u>Budgeted Amounts</u> |                | <u>Actual</u>        | <u>Variance with<br/>Final Budget<br/>Positive<br/>(Negative)</u> |
|--|-------------------------|----------------|----------------------|---|
|  | <u>Original</u>         | <u>Final</u>   |                      |   |
| <b>Revenues:</b>                                 |                         |                |                      |   |
| Intergovernmental . . . . .                      | \$ -                    | \$ 700,000     | \$ 14,340,072        | \$ 13,640,072   |
| Total revenues . . . . .                         | <u>-</u>                | <u>700,000</u> | <u>14,340,072</u>    | <u>13,640,072</u>   |
| <b>Expenditures:</b>                             |                         |                |                      |   |
| Current:   |                         |                |                      |   |
| General government                               |                         |                |                      |   |
| Contract services . . . . .                      | -                       | 50,000         | 7,800                | 42,200  |
| Materials and supplies. . . . .                  | -                       | 50,000         | 600                  | 49,400  |
| Capital outlay . . . . .                         | -                       | 600,000        | 526,779              | 73,221  |
| Total general government . . . . .               | <u>-</u>                | <u>700,000</u> | <u>535,179</u>       | <u>164,821</u>  |
| Total expenditures . . . . .                     | <u>-</u>                | <u>700,000</u> | <u>535,179</u>       | <u>164,821</u>  |
| Net change in fund balance . . . . .             | -                       | -              | 13,804,893           | 13,804,893  |
| <b>Fund balance at beginning of year . . . .</b> | <u>-</u>                | <u>-</u>       | <u>-</u>             | <u>-</u>  |
| <b>Fund balance at end of year. . . . .</b>      | <u>\$ -</u>             | <u>\$ -</u>    | <u>\$ 13,804,893</u> | <u>\$ 13,804,893</u>  |

**CITY OF WARREN, OHIO**

COMBINING BALANCE SHEET  
NONMAJOR GOVERNMENTAL FUNDS  
DECEMBER 31, 2021

|   | <b>Nonmajor<br/>Special Revenue<br/>Funds</b> | <b>Nonmajor<br/>Debt Service<br/>Fund</b> | <b>Total Nonmajor<br/>Governmental<br/>Funds</b> |
|---|---|---|--|
|   | <u>                    </u>                   | <u>                    </u>               | <u>                    </u>                      |
| <b>Assets:</b>  |   |   |  |
| Equity in pooled cash, cash equivalents<br>and investments . . . . .            | \$ 4,330,365                                  | \$ 1,487,889                              | \$ 5,818,254                                     |
| Receivables (net of allowance of uncollectibles):                               |   |   |  |
| Real and other taxes . . . . .  | -   | 1,343,864                                 | 1,343,864  |
| Accounts . . . . .  | 33,504  | -   | 33,504   |
| Intergovernmental . . . . .   | 1,292,602                                     | 72,972                                    | 1,365,574  |
| Loans . . . . .   | 5,540,559                                     | -   | 5,540,559  |
| Special assessments . . . . .   | 19,728  | 1,859                                     | 21,587   |
| Materials and supplies inventory . . . . .                                      | 287,000                                       | -   | 287,000  |
| Total assets . . . . .  | <u>\$ 11,503,758</u>                          | <u>\$ 2,906,584</u>                       | <u>\$ 14,410,342</u>                             |
| <b>Liabilities:</b>   |   |   |  |
| Accounts payable . . . . .  | \$ 103,950                                    | \$ -                                      | \$ 103,950                                       |
| Contracts payable . . . . .   | 656,285                                       | -   | 656,285  |
| Accrued wages and benefits payable . . . . .                                    | 9,707   | -   | 9,707  |
| Due to other funds . . . . .  | 88,525  | -   | 88,525   |
| Due to other governments . . . . .  | 110,297                                       | -   | 110,297  |
| Total liabilities . . . . .   | <u>968,764</u>                                | <u>-</u>                                  | <u>968,764</u>                                   |
| <b>Deferred inflows of resources:</b>   |   |   |  |
| Property taxes levied for the next fiscal year . . . . .                        | -   | 991,610                                   | 991,610  |
| Delinquent property tax revenue not available . . . . .                         | -   | 352,254                                   | 352,254  |
| Special assessments revenue not available . . . . .                             | 19,728  | 1,859                                     | 21,587   |
| Licenses, permits, fines and forfeitures<br>revenue not available . . . . .     | 4,853   | -   | 4,853  |
| Intergovernmental revenue not available . . . . .                               | 597,910                                       | 72,972                                    | 670,882  |
| Total deferred inflows of resources . . . . .                                   | <u>622,491</u>                                | <u>1,418,695</u>                          | <u>2,041,186</u>                                 |
| <b>Fund balances:</b>   |   |   |  |
| Nonspendable . . . . .  | 287,000                                       | -   | 287,000  |
| Restricted . . . . .  | 9,625,503                                     | 1,487,889                                 | 11,113,392                                       |
| Total fund balances . . . . .   | <u>9,912,503</u>                              | <u>1,487,889</u>                          | <u>11,400,392</u>                                |
| Total liabilities, deferred inflows of resources<br>and fund balances . . . . . | <u>\$ 11,503,758</u>                          | <u>\$ 2,906,584</u>                       | <u>\$ 14,410,342</u>                             |

**CITY OF WARREN, OHIO**

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
NONMAJOR GOVERNMENTAL FUNDS  
FOR THE YEAR ENDED DECEMBER 31, 2021

|   | <u>Nonmajor<br/>Special Revenue<br/>Funds</u> | <u>Nonmajor<br/>Debt Service<br/>Fund</u> | <u>Total Nonmajor<br/>Governmental<br/>Funds</u> |
|---|---|---|--|
| <b>Revenues:</b>                                    |   |   |  |
| Property and other taxes . . . . .                  | \$ -  | \$ 1,000,301                              | \$ 1,000,301                                     |
| Licenses and permits . . . . .                      | 97,642  | -   | 97,642   |
| Fines and forfeitures. . . . .                      | 377,503                                       | -   | 377,503  |
| Intergovernmental . . . . .                         | 4,407,130                                     | 145,943                                   | 4,553,073  |
| Special assessments . . . . .                       | 20,887  | -   | 20,887   |
| Investment income. . . . .                          | 25,704  | -   | 25,704   |
| Other. . . . .                                      | 77,524  | -   | 77,524   |
|   | <hr/>   | <hr/>                                     | <hr/>  |
| Total revenues . . . . .                            | 5,006,390                                     | 1,146,244                                 | 6,152,634  |
|   | <hr/>   | <hr/>                                     | <hr/>  |
| <b>Expenditures:</b>                                |   |   |  |
| Current:  |   |   |  |
| General government . . . . .                        | 968,082                                       | 37,969                                    | 1,006,051  |
| Security of persons and property . . . . .          | 730,790                                       | -   | 730,790  |
| Transportation . . . . .                            | 1,418,311                                     | -   | 1,418,311  |
| Economic development. . . . .                       | 1,799,779                                     | -   | 1,799,779  |
| Capital outlay . . . . .                            | 1,025,711                                     | -   | 1,025,711  |
| Debt service:                                       |   |   |  |
| Principal retirement . . . . .                      | 172,693                                       | 757,828                                   | 930,521  |
| Interest and fiscal charges. . . . .                | 9,972   | 135,435                                   | 145,407  |
|   | <hr/>   | <hr/>                                     | <hr/>  |
| Total expenditures. . . . .                         | 6,125,338                                     | 931,232                                   | 7,056,570  |
|   | <hr/>   | <hr/>                                     | <hr/>  |
| Excess of revenues over expenditures . . . . .      | (1,118,948)                                   | 215,012                                   | (903,936)  |
|   | <hr/>   | <hr/>                                     | <hr/>  |
| <b>Other financing sources:</b>                     |   |   |  |
| Transfers in . . . . .                              | 16,105  | -   | 16,105   |
| Transfers (out) . . . . .                           | -   | (299,250)                                 | (299,250)  |
|   | <hr/>   | <hr/>                                     | <hr/>  |
| Total other financing sources . . . . .             | 16,105  | (299,250)                                 | (283,145)  |
|   | <hr/>   | <hr/>                                     | <hr/>  |
| Net change in fund balance . . . . .                | (1,102,843)                                   | (84,238)                                  | (1,187,081)                                      |
|   | <hr/>   | <hr/>                                     | <hr/>  |
| <b>Fund balances at beginning of year . . . . .</b> | 11,015,346                                    | 1,572,127                                 | 12,587,473                                       |
|   | <hr/>   | <hr/>                                     | <hr/>  |
| <b>Fund balances at end of year . . . . .</b>       | \$ 9,912,503                                  | \$ 1,487,889                              | \$ 11,400,392                                    |
|   | <hr/>   | <hr/>                                     | <hr/>  |

CITY OF WARREN, OHIO

COMBINING BALANCE SHEET  
 NONMAJOR SPECIAL REVENUE FUNDS  
 DECEMBER 31, 2021

|   | <u>Court<br/>Computerization</u> | <u>Street<br/>Maintenance</u> | <u>Police<br/>Grants</u> |
|---|----------------------------------|-------------------------------|--------------------------|
| <b>Assets:</b>  |                                  |                               |                          |
| Equity in pooled cash, cash equivalents<br>and investments . . . . .            | \$ 363,498                       | \$ 808,837                    | \$ 20,758                |
| Receivables (net of allowance for uncollectibles):                              |                                  |                               |                          |
| Accounts . . . . .  | 4,028                            | -                             | -                        |
| Intergovernmental . . . . .   | -                                | 892,208                       | -                        |
| Loans . . . . .   | -                                | -                             | -                        |
| Special assessments . . . . .   | -                                | -                             | -                        |
| Materials and supplies inventory . . . . .                                      | -                                | 287,000                       | -                        |
| Total assets . . . . .  | <u>\$ 367,526</u>                | <u>\$ 1,988,045</u>           | <u>\$ 20,758</u>         |
| <b>Liabilities:</b>   |                                  |                               |                          |
| Accounts payable . . . . .  |                                  | \$ 7,269                      | \$ -                     |
| Contracts payable . . . . .   | -                                | 172,540                       | -                        |
| Accrued wages and benefits payable . . . . .                                    | -                                | 5,916                         | -                        |
| Due to other funds . . . . .  | -                                | 88,525                        | -                        |
| Due to other governments . . . . .  | -                                | 914                           | -                        |
| Total liabilities . . . . .   | <u>-</u>                         | <u>275,164</u>                | <u>-</u>                 |
| <b>Deferred inflows of resources:</b>   |                                  |                               |                          |
| Special assessments revenue not available . . . . .                             | -                                | -                             | -                        |
| Licenses, permits, fines and forfeitures<br>revenue not available . . . . .     | -                                | -                             | -                        |
| Intergovernmental revenue not available . . . . .                               | -                                | 553,067                       | -                        |
| Total deferred inflows of resources . . . . .                                   | <u>-</u>                         | <u>553,067</u>                | <u>-</u>                 |
| <b>Fund balances:</b>   |                                  |                               |                          |
| Nonspendable . . . . .  | -                                | 287,000                       | -                        |
| Restricted . . . . .  | 367,526                          | 872,814                       | 20,758                   |
| Total fund balances . . . . .   | <u>367,526</u>                   | <u>1,159,814</u>              | <u>20,758</u>            |
| Total liabilities, deferred inflows of resources<br>and fund balances . . . . . | <u>\$ 367,526</u>                | <u>\$ 1,988,045</u>           | <u>\$ 20,758</u>         |

| <u>Drivers Alcohol Treatment</u> | <u>Drug Law Enforcement</u> | <u>Law Enforcement Trust</u> | <u>Enforcement and Education</u> | <u>Federal Forfeitures</u> | <u>Probation - Municipal Court</u> |
|----------------------------------|-----------------------------|------------------------------|----------------------------------|----------------------------|------------------------------------|
| \$ 16,694                        | \$ 46,071                   | \$ 2,098                     | \$ 60,626                        | \$ 102,515                 | \$ 480,966                         |
|                                  | 2,873                       | -                            | -                                | -                          | 6,151                              |
| 4,853                            |                             | -                            | 623                              | -                          | -                                  |
| -                                | -                           | -                            | -                                | -                          | -                                  |
| -                                | -                           | -                            | -                                | -                          | -                                  |
| -                                | -                           | -                            | -                                | -                          | -                                  |
| <u>\$ 21,547</u>                 | <u>\$ 48,944</u>            | <u>\$ 2,098</u>              | <u>\$ 61,249</u>                 | <u>\$ 102,515</u>          | <u>\$ 487,117</u>                  |
| \$ -                             | \$ 1,475                    | \$ -                         | \$ -                             | \$ -                       | -                                  |
| -                                | -                           | -                            | -                                | -                          | -                                  |
| -                                | -                           | -                            | -                                | -                          | -                                  |
| -                                | -                           | -                            | -                                | -                          | -                                  |
| -                                | 1,475                       | -                            | -                                | -                          | -                                  |
| -                                | -                           | -                            | -                                | -                          | -                                  |
| 4,853                            | -                           | -                            | -                                | -                          | -                                  |
| -                                | -                           | -                            | -                                | -                          | -                                  |
| <u>4,853</u>                     | <u>-</u>                    | <u>-</u>                     | <u>-</u>                         | <u>-</u>                   | <u>-</u>                           |
| -                                | -                           | -                            | -                                | -                          | -                                  |
| 16,694                           | 47,469                      | 2,098                        | 61,249                           | 102,515                    | 487,117                            |
| 16,694                           | 47,469                      | 2,098                        | 61,249                           | 102,515                    | 487,117                            |
| <u>\$ 21,547</u>                 | <u>\$ 48,944</u>            | <u>\$ 2,098</u>              | <u>\$ 61,249</u>                 | <u>\$ 102,515</u>          | <u>\$ 487,117</u>                  |

- Continued

CITY OF WARREN, OHIO

COMBINING BALANCE SHEET  
 NONMAJOR SPECIAL REVENUE FUNDS (CONTINUED)  
 DECEMBER 31, 2021

|   | <u>Special Projects -<br/>Courts</u> | <u>Legal Research -<br/>Courts</u> | <u>CDBG</u>         |
|---|--------------------------------------|------------------------------------|---------------------|
| <b>Assets:</b>  |                                      |                                    |                     |
| Equity in pooled cash, cash equivalents<br>and investments . . . . .            | \$ 853,301                           | \$ 195,625                         | \$ 256,298          |
| Receivables (net of allowance for uncollectibles):                              |                                      |                                    |                     |
| Accounts . . . . .  | 12,256                               | 1,208                              | -                   |
| Intergovernmental . . . . .   | -                                    | -                                  | 272,637             |
| Loans . . . . .   | -                                    | -                                  | 1,267,522           |
| Special assessments . . . . .   | -                                    | -                                  | 19,728              |
| Materials and supplies inventory . . . . .                                      | -                                    | -                                  | -                   |
| Total assets . . . . .  | <u>\$ 865,557</u>                    | <u>\$ 196,833</u>                  | <u>\$ 1,816,185</u> |
| <b>Liabilities:</b>   |                                      |                                    |                     |
| Accounts payable . . . . .  | \$ 49,817                            | \$ -                               | \$ 45,389           |
| Contracts payable . . . . .   | 138,210                              | -                                  | 261,404             |
| Accrued wages and benefits payable . . . . .                                    | -                                    | -                                  | 3,791               |
| Due to other funds . . . . .  | -                                    | -                                  | -                   |
| Due to other governments . . . . .  | -                                    | -                                  | 586                 |
| Total liabilities . . . . .   | <u>188,027</u>                       | <u>-</u>                           | <u>311,170</u>      |
| <b>Deferred inflows of resources:</b>   |                                      |                                    |                     |
| Special assessments revenue not available . . . . .                             | -                                    | -                                  | 19,728              |
| Licenses, permits, fines and forfeitures<br>revenue not available . . . . .     | -                                    | -                                  | -                   |
| Intergovernmental revenue not available . . . . .                               | -                                    | -                                  | -                   |
| Total deferred inflows of resources . . . . .                                   | <u>-</u>                             | <u>-</u>                           | <u>19,728</u>       |
| <b>Fund balances:</b>   |                                      |                                    |                     |
| Nonspendable . . . . .  | -                                    | -                                  | -                   |
| Restricted . . . . .  | 677,530                              | 196,833                            | 1,485,287           |
| Total fund balances . . . . .   | <u>677,530</u>                       | <u>196,833</u>                     | <u>1,485,287</u>    |
| Total liabilities, deferred inflows of resources<br>and fund balances . . . . . | <u>\$ 865,557</u>                    | <u>\$ 196,833</u>                  | <u>\$ 1,816,185</u> |



| <u>Guarantee<br/>Loan</u> | <u>Highway<br/>Construction</u> | <u>Motor Vehicle<br/>Levy</u> | <u>Home<br/>Investment</u> | <u>Total</u>         |
|---------------------------|---------------------------------|-------------------------------|----------------------------|----------------------|
| \$ 102,931                | \$ 404,623                      | \$ 384,884                    | \$ 230,640                 | \$ 4,330,365         |
| -                         | 6,988                           | -                             | -                          | 33,504               |
| -                         | 72,341                          | 49,940                        | -                          | 1,292,602            |
| 394,302                   | -                               | -                             | 3,878,735                  | 5,540,559            |
| -                         | -                               | -                             | -                          | 19,728               |
| -                         | -                               | -                             | -                          | 287,000              |
| <u>\$ 497,233</u>         | <u>\$ 483,952</u>               | <u>\$ 434,824</u>             | <u>\$ 4,109,375</u>        | <u>\$ 11,503,758</u> |
| \$ -                      | \$ -                            | \$ -                          | \$ -                       | \$ 103,950           |
| -                         | -                               | 84,131                        | -                          | 656,285              |
| -                         | -                               | -                             | -                          | 9,707                |
| -                         | -                               | -                             | -                          | 88,525               |
| -                         | -                               | -                             | 108,797                    | 110,297              |
| -                         | -                               | 84,131                        | 108,797                    | 968,764              |
| -                         | -                               | -                             | -                          | 19,728               |
| -                         | -                               | -                             | -                          | 4,853                |
| -                         | 44,843                          | -                             | -                          | 597,910              |
| -                         | 44,843                          | -                             | -                          | 622,491              |
| -                         | -                               | -                             | -                          | 287,000              |
| 497,233                   | 439,109                         | 350,693                       | 4,000,578                  | 9,625,503            |
| 497,233                   | 439,109                         | 350,693                       | 4,000,578                  | 9,912,503            |
| <u>\$ 497,233</u>         | <u>\$ 483,952</u>               | <u>\$ 434,824</u>             | <u>\$ 4,109,375</u>        | <u>\$ 11,503,758</u> |

**CITY OF WARREN, OHIO**

COMBINING STATEMENT OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCES  
**NONMAJOR SPECIAL REVENUE FUNDS**  
FOR THE YEAR ENDED DECEMBER 31, 2021

|  | <b>Court<br/>Computerization</b> | <b>Street<br/>Maintenance</b> | <b>Police<br/>Grants</b> |
|--|----------------------------------|-------------------------------|--------------------------|
| <b>Revenues:</b>   |                                  |                               |                          |
| Licenses and permits . . . . .   | \$ -                             | \$ 3,350                      | \$ -                     |
| Fines and forfeitures . . . . .  | 66,841                           | -                             | -                        |
| Intergovernmental . . . . .  | -                                | 1,897,837                     | -                        |
| Special assessment . . . . .   | -                                | -                             | -                        |
| Investment income . . . . .  | -                                | -                             | -                        |
| Other . . . . .  | -                                | 15,957                        | -                        |
| <b>Total revenues . . . . .</b>  | <b>66,841</b>                    | <b>1,917,144</b>              | <b>-</b>                 |
| <b>Expenditures:</b>   |                                  |                               |                          |
| Current operations:  |                                  |                               |                          |
| General government . . . . .   | 56,665                           | -                             | -                        |
| Security of persons and property . . . . .                             | -                                | -                             | -                        |
| Transportation . . . . .   | -                                | 1,370,492                     | -                        |
| Economic development . . . . .   | -                                | -                             | -                        |
| Capital outlay . . . . .   | -                                | -                             | -                        |
| Debt service:  |                                  |                               |                          |
| Principal retirement . . . . .   | -                                | 7,693                         | -                        |
| Interest and fiscal charges . . . . .                                  | -                                | 1,232                         | -                        |
| <b>Total expenditures . . . . .</b>                                    | <b>56,665</b>                    | <b>1,379,417</b>              | <b>-</b>                 |
| Excess (deficiency) of revenues<br>over (under) expenditures . . . . . | 10,176                           | 537,727                       | -                        |
| <b>Other financing sources:</b>  |                                  |                               |                          |
| Transfers in . . . . .   | -                                | -                             | -                        |
| Net change in fund balance . . . . .                                   | 10,176                           | 537,727                       | -                        |
| <b>Fund balances at beginning of year . . . . .</b>                    | <b>357,350</b>                   | <b>622,087</b>                | <b>20,758</b>            |
| <b>Fund balances at end of year . . . . .</b>                          | <b>\$ 367,526</b>                | <b>\$ 1,159,814</b>           | <b>\$ 20,758</b>         |

| <b>Drivers Alcohol Treatment</b> | <b>Drug Law Enforcement</b> | <b>Law Enforcement Trust</b> | <b>Enforcement and Education</b> | <b>Federal Forfeitures</b> | <b>Probation - Municipal Court</b> |
|----------------------------------|-----------------------------|------------------------------|----------------------------------|----------------------------|------------------------------------|
| \$ -                             | \$ -                        | \$ -                         | \$ -                             | \$ -                       | \$ 94,292                          |
| 10,039                           | 45,835                      | 3,142                        | 11,830                           | 19,956                     | -                                  |
| -                                | -                           | 776                          | -                                | -                          | -                                  |
| -                                | -                           | -                            | -                                | -                          | -                                  |
| -                                | -                           | -                            | -                                | 263                        | -                                  |
| -                                | -                           | 4,308                        | -                                | -                          | 16,410                             |
| 10,039                           | 45,835                      | 8,226                        | 11,830                           | 20,219                     | 110,702                            |
| -                                | -                           | -                            | -                                | -                          | -                                  |
| -                                | 54,629                      | 37,902                       | -                                | 12,404                     | 46,320                             |
| -                                | -                           | -                            | -                                | -                          | -                                  |
| -                                | -                           | -                            | -                                | -                          | -                                  |
| -                                | -                           | -                            | -                                | -                          | -                                  |
| -                                | 54,629                      | 37,902                       | -                                | 12,404                     | 46,320                             |
| 10,039                           | (8,794)                     | (29,676)                     | 11,830                           | 7,815                      | 64,382                             |
| -                                | -                           | 16,105                       | -                                | -                          | -                                  |
| 10,039                           | (8,794)                     | (13,571)                     | 11,830                           | 7,815                      | 64,382                             |
| 6,655                            | 56,263                      | 15,669                       | 49,419                           | 94,700                     | 422,735                            |
| \$ 16,694                        | \$ 47,469                   | \$ 2,098                     | \$ 61,249                        | \$ 102,515                 | \$ 487,117                         |

- Continued

**CITY OF WARREN, OHIO**

COMBINING STATEMENT OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCES  
**NONMAJOR SPECIAL REVENUE FUNDS (CONTINUED)**  
FOR THE YEAR ENDED DECEMBER 31, 2021

|  | <b>Special Projects -<br/>Courts</b> | <b>Legal Research -<br/>Courts</b> | <b>CDBG</b>         |
|--|--------------------------------------|------------------------------------|---------------------|
| <b>Revenues:</b>   |                                      |                                    |                     |
| Licenses and permits . . . . .   | \$ -                                 | \$ -                               | \$ -                |
| Fines and forfeitures . . . . .  | 199,966                              | 19,894                             | -                   |
| Intergovernmental . . . . .  | -                                    | -                                  | 1,294,621           |
| Special assessment . . . . .   | -                                    | -                                  | 20,887              |
| Investment income . . . . .  | -                                    | -                                  | 9,406               |
| Other . . . . .  | -                                    | -                                  | 13,795              |
| <b>Total revenues . . . . .</b>  | <b>199,966</b>                       | <b>19,894</b>                      | <b>1,338,709</b>    |
| <b>Expenditures:</b>   |                                      |                                    |                     |
| Current operations:  |                                      |                                    |                     |
| General government . . . . .   | -                                    | -                                  | -                   |
| Security of persons and property . . . . .                             | 285,700                              | 10,463                             | -                   |
| Transportation . . . . .   | -                                    | -                                  | -                   |
| Economic development . . . . .   | -                                    | -                                  | 1,381,017           |
| Capital outlay . . . . .   | -                                    | -                                  | -                   |
| Debt service:  |                                      |                                    |                     |
| Principal retirement . . . . .   | -                                    | -                                  | -                   |
| Interest and fiscal charges . . . . .                                  | -                                    | -                                  | -                   |
| <b>Total expenditures . . . . .</b>                                    | <b>285,700</b>                       | <b>10,463</b>                      | <b>1,381,017</b>    |
| Excess (deficiency) of revenues<br>over (under) expenditures . . . . . | (85,734)                             | 9,431                              | (42,308)            |
| <b>Other financing sources:</b>  |                                      |                                    |                     |
| Transfers in . . . . .   | -                                    | -                                  | -                   |
| Net change in fund balance . . . . .                                   | (85,734)                             | 9,431                              | (42,308)            |
| <b>Fund balances at beginning of year . . . . .</b>                    | <b>763,264</b>                       | <b>187,402</b>                     | <b>1,527,595</b>    |
| <b>Fund balances at end of year . . . . .</b>                          | <b>\$ 677,530</b>                    | <b>\$ 196,833</b>                  | <b>\$ 1,485,287</b> |

| <b>Guarantee<br/>Loan</b> | <b>Highway<br/>Construction</b> | <b>Motor Vehicle<br/>Levy</b> | <b>Home<br/>Investment</b> | <b>Coronavirus<br/>Relief</b> | <b>Total</b>        |
|---------------------------|---------------------------------|-------------------------------|----------------------------|-------------------------------|---------------------|
| \$ -                      | \$ -                            | \$ -                          | \$ -                       | \$ -                          | \$ 97,642           |
| -                         | -                               | -                             | -                          | -                             | 377,503             |
| -                         | 153,879                         | 671,065                       | 388,952                    | -                             | 4,407,130           |
| -                         | -                               | -                             | -                          | -                             | 20,887              |
| 7,210                     | 953                             | 1,416                         | 6,456                      | -                             | 25,704              |
| -                         | 7,093                           | -                             | 19,961                     | -                             | 77,524              |
| <u>7,210</u>              | <u>161,925</u>                  | <u>672,481</u>                | <u>415,369</u>             | <u>-</u>                      | <u>5,006,390</u>    |
| -                         | -                               | -                             | -                          | 911,417                       | 968,082             |
| -                         | -                               | -                             | -                          | 283,372                       | 730,790             |
| -                         | -                               | -                             | -                          | 47,819                        | 1,418,311           |
| -                         | -                               | -                             | 418,762                    | -                             | 1,799,779           |
| -                         | 82,725                          | 942,986                       | -                          | -                             | 1,025,711           |
| 165,000                   | -                               | -                             | -                          | -                             | 172,693             |
| 8,740                     | -                               | -                             | -                          | -                             | 9,972               |
| <u>173,740</u>            | <u>82,725</u>                   | <u>942,986</u>                | <u>418,762</u>             | <u>1,242,608</u>              | <u>6,125,338</u>    |
| <u>(166,530)</u>          | <u>79,200</u>                   | <u>(270,505)</u>              | <u>(3,393)</u>             | <u>(1,242,608)</u>            | <u>(1,118,948)</u>  |
| -                         | -                               | -                             | -                          | -                             | 16,105              |
| <u>(166,530)</u>          | <u>79,200</u>                   | <u>(270,505)</u>              | <u>(3,393)</u>             | <u>(1,242,608)</u>            | <u>(1,102,843)</u>  |
| <u>663,763</u>            | <u>359,909</u>                  | <u>621,198</u>                | <u>4,003,971</u>           | <u>1,242,608</u>              | <u>11,015,346</u>   |
| <u>\$ 497,233</u>         | <u>\$ 439,109</u>               | <u>\$ 350,693</u>             | <u>\$ 4,000,578</u>        | <u>\$ -</u>                   | <u>\$ 9,912,503</u> |

**CITY OF WARREN, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
**COURT COMPUTERIZATION**  
 FOR THE YEAR ENDED DECEMBER 31, 2021

|  | <u>Budgeted Amounts</u> |                   | <u>Actual</u>     | <u>Variance with<br/>Final Budget<br/>Positive<br/>(Negative)</u> |
|--|-------------------------|-------------------|-------------------|---|
|  | <u>Original</u>         | <u>Final</u>      |                   |   |
| <b>Revenues:</b>                                 |                         |                   |                   |   |
| Fines and forfeitures . . . . .                  | \$ 65,000               | \$ 65,000         | \$ 67,089         | \$ 2,089  |
| Total revenues . . . . .                         | <u>65,000</u>           | <u>65,000</u>     | <u>67,089</u>     | <u>2,089</u>  |
| <b>Expenditures:</b>                             |                         |                   |                   |   |
| Current:   |                         |                   |                   |   |
| General government                               |                         |                   |                   |   |
| Contract services . . . . .                      | 31,949                  | 31,949            | 25,022            | 6,927   |
| Materials and supplies. . . . .                  | 20,000                  | 20,000            | 16,670            | 3,330   |
| Capital outlay . . . . .                         | 23,648                  | 23,648            | 23,639            | 9   |
| Total general government . . . . .               | <u>75,597</u>           | <u>75,597</u>     | <u>65,331</u>     | <u>10,266</u>   |
| Total expenditures . . . . .                     | <u>75,597</u>           | <u>75,597</u>     | <u>65,331</u>     | <u>10,266</u>   |
| Net change in fund balance. . . . .              | (10,597)                | (10,597)          | 1,758             | 12,355  |
| <b>Fund balance at beginning of year . . . .</b> | 341,310                 | 341,310           | 341,310           | -   |
| <b>Prior year encumbrances appropriated .</b>    | <u>12,097</u>           | <u>12,097</u>     | <u>12,097</u>     | <u>-</u>  |
| <b>Fund balance at end of year . . . . .</b>     | <u>\$ 342,810</u>       | <u>\$ 342,810</u> | <u>\$ 355,165</u> | <u>\$ 12,355</u>  |

**CITY OF WARREN, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
**STREET MAINTENANCE**  
 FOR THE YEAR ENDED DECEMBER 31, 2021

|  | <u>Budgeted Amounts</u> |                   | <u>Actual</u>     | <b>Variance with<br/>Final Budget<br/>Positive<br/>(Negative)</b> |
|--|-------------------------|-------------------|-------------------|---|
|  | <u>Original</u>         | <u>Final</u>      |                   |   |
| <b>Revenues:</b>                                 |                         |                   |                   |   |
| Licenses and permits. . . . .                    | \$ 2,800                | \$ 2,800          | \$ 3,350          | \$ 550  |
| Intergovernmental . . . . .                      | 1,970,000               | 1,970,000         | 1,848,639         | (121,361)   |
| Other . . . . .                                  | 2,000                   | 2,000             | 15,957            | 13,957  |
| Total revenues . . . . .                         | <u>1,974,800</u>        | <u>1,974,800</u>  | <u>1,867,946</u>  | <u>(106,854)</u>  |
| <b>Expenditures:</b>                             |                         |                   |                   |   |
| Current:   |                         |                   |                   |   |
| Transportation                                   |                         |                   |                   |   |
| Personal services . . . . .                      | 1,065,552               | 1,065,552         | 838,014           | 227,538   |
| Contract services . . . . .                      | 461,294                 | 461,293           | 398,264           | 63,029  |
| Materials and supplies. . . . .                  | 114,295                 | 139,295           | 122,314           | 16,981  |
| Capital outlay . . . . .                         | 482,699                 | 537,279           | 401,710           | 135,569   |
| Total transportation . . . . .                   | <u>2,123,840</u>        | <u>2,203,419</u>  | <u>1,760,302</u>  | <u>443,117</u>  |
| Total expenditures . . . . .                     | <u>2,123,840</u>        | <u>2,203,419</u>  | <u>1,760,302</u>  | <u>443,117</u>  |
| Net change in fund balance. . . . .              | (149,040)               | (228,619)         | 107,644           | 336,263   |
| <b>Fund balance at beginning of year . . . .</b> | 314,417                 | 314,417           | 314,417           | -   |
| <b>Prior year encumbrances appropriated .</b>    | <u>149,040</u>          | <u>149,040</u>    | <u>149,040</u>    | <u>-</u>  |
| <b>Fund balance at end of year. . . . .</b>      | <u>\$ 314,417</u>       | <u>\$ 234,838</u> | <u>\$ 571,101</u> | <u>\$ 336,263</u>   |

**CITY OF WARREN, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
**POLICE GRANTS**  
 FOR THE YEAR ENDED DECEMBER 31, 2021

|  | <u>Budgeted Amounts</u> |                  | <u>Actual</u>    | <u>Variance with<br/>Final Budget<br/>Positive<br/>(Negative)</u> |
|--|-------------------------|------------------|------------------|---|
|  | <u>Original</u>         | <u>Final</u>     |                  |   |
| <b>Fund balance at beginning of year . . . .</b> | \$ 20,758               | \$ 20,758        | \$ 20,758        | \$ -  |
| <b>Fund balance at end of year. . . . .</b>      | <u>\$ 20,758</u>        | <u>\$ 20,758</u> | <u>\$ 20,758</u> | <u>\$ -</u>   |



**CITY OF WARREN, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
**DRIVERS ALCOHOL TREATMENT**  
 FOR THE YEAR ENDED DECEMBER 31, 2021

|   | <u>Budgeted Amounts</u> |                  | <u>Actual</u>    | <u>Variance with<br/>Final Budget<br/>Positive<br/>(Negative)</u> |
|---|-------------------------|------------------|------------------|---|
|   | <u>Original</u>         | <u>Final</u>     |                  |   |
| <b>Revenues:</b>                                  |                         |                  |                  |   |
| Fines and forfeitures . . . . .                   | \$ 10,000               | \$ 16,634        | \$ 10,060        | \$ (6,574)  |
| Total revenues . . . . .                          | <u>10,000</u>           | <u>16,634</u>    | <u>10,060</u>    | <u>(6,574)</u>  |
| <b>Expenditures:</b>                              |                         |                  |                  |   |
| Current:  |                         |                  |                  |   |
| Security of persons and property                  |                         |                  |                  |   |
| Contract services. . . . .                        | 10,000                  | 10,000           | -                | 10,000  |
| Total security of persons and property .          | <u>10,000</u>           | <u>10,000</u>    | <u>-</u>         | <u>10,000</u>   |
| Total expenditures . . . . .                      | <u>10,000</u>           | <u>10,000</u>    | <u>-</u>         | <u>10,000</u>   |
| Net change in fund balance . . . . .              | -                       | 6,634            | 10,060           | 3,426   |
| <b>Fund balance at beginning of year. . . . .</b> | <u>6,634</u>            | <u>6,634</u>     | <u>6,634</u>     | <u>-</u>  |
| <b>Fund balance at end of year . . . . .</b>      | <u>\$ 6,634</u>         | <u>\$ 13,268</u> | <u>\$ 16,694</u> | <u>\$ 3,426</u>   |

**CITY OF WARREN, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
**DRUG LAW ENFORCEMENT**  
 FOR THE YEAR ENDED DECEMBER 31, 2021

|   | <u>Budgeted Amounts</u> |                  | <u>Actual</u>    | <u>Variance with<br/>Final Budget<br/>Positive<br/>(Negative)</u> |
|---|-------------------------|------------------|------------------|---|
|   | <u>Original</u>         | <u>Final</u>     |                  |   |
| <b>Revenues:</b>                                  |                         |                  |                  |   |
| Fines and forfeitures . . . . .                   | \$ 45,000               | \$ 45,000        | \$ 47,054        | \$ 2,054  |
| Total revenues. . . . .                           | <u>45,000</u>           | <u>45,000</u>    | <u>47,054</u>    | <u>2,054</u>  |
| <b>Expenditures:</b>                              |                         |                  |                  |   |
| Current:  |                         |                  |                  |   |
| Security of persons and property                  |                         |                  |                  |   |
| Contractual services . . . . .                    | 6,000                   | 6,000            | 3,310            | 2,690   |
| Materials and supplies. . . . .                   | 39,000                  | 50,000           | 48,795           | 1,205   |
| Capital outlay . . . . .                          | <u>2,524</u>            | <u>2,524</u>     | <u>2,524</u>     | <u>-</u>  |
| Total security of persons and property .          | <u>47,524</u>           | <u>58,524</u>    | <u>54,629</u>    | <u>3,895</u>  |
| Total expenditures . . . . .                      | <u>47,524</u>           | <u>58,524</u>    | <u>54,629</u>    | <u>3,895</u>  |
| Net change in fund balance . . . . .              | (2,524)                 | (13,524)         | (7,575)          | 5,949   |
| <b>Fund balance at beginning of year. . . . .</b> | 49,647                  | 49,647           | 49,647           | -   |
| <b>Prior year encumbrances appropriated .</b>     | <u>2,524</u>            | <u>2,524</u>     | <u>2,524</u>     | <u>-</u>  |
| <b>Fund balance at end of year . . . . .</b>      | <u>\$ 49,647</u>        | <u>\$ 38,647</u> | <u>\$ 44,596</u> | <u>\$ 5,949</u>   |

**CITY OF WARREN, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
**LAW ENFORCEMENT TRUST**  
 FOR THE YEAR ENDED DECEMBER 31, 2021

|   | <u>Budgeted Amounts</u> |                  | <u>Actual</u>   | <u>Variance with<br/>Final Budget<br/>Positive<br/>(Negative)</u> |
|---|-------------------------|------------------|-----------------|---|
|   | <u>Original</u>         | <u>Final</u>     |                 |   |
| <b>Revenues:</b>                                  |                         |                  |                 |   |
| Fines and forfeitures . . . . .                   | \$ -                    | \$ -             | \$ 3,142        | \$ 3,142  |
| Intergovernmental. . . . .                        | 39,058                  | 50,413           | 776             | (49,637)  |
| Other . . . . .                                   | -                       | -                | 4,308           | 4,308   |
| Total revenues. . . . .                           | <u>39,058</u>           | <u>50,413</u>    | <u>8,226</u>    | <u>(42,187)</u>   |
| <b>Expenditures:</b>                              |                         |                  |                 |   |
| Current:  |                         |                  |                 |   |
| Security of persons and property                  |                         |                  |                 |   |
| Contract services. . . . .                        | 6,000                   | 17,355           | 16,252          | 1,103   |
| Materials and supplies . . . . .                  | 33,058                  | 33,058           | 23,258          | 9,800   |
| Total security of persons and property .          | <u>39,058</u>           | <u>50,413</u>    | <u>39,510</u>   | <u>10,903</u>   |
| Total expenditures . . . . .                      | <u>39,058</u>           | <u>50,413</u>    | <u>39,510</u>   | <u>10,903</u>   |
| Excess of revenues<br>over expenditures . . . . . | <u>-</u>                | <u>-</u>         | <u>(31,284)</u> | <u>(31,284)</u>   |
| <b>Other financing uses:</b>                      |                         |                  |                 |   |
| Transfers in . . . . .                            | -                       | -                | 16,105          | 16,105  |
| Total other financing uses. . . . .               | <u>-</u>                | <u>-</u>         | <u>16,105</u>   | <u>16,105</u>   |
| Net change in fund balance. . . . .               | -                       | -                | (15,179)        | (15,179)  |
| <b>Fund balance at beginning of year . . . .</b>  | <u>15,669</u>           | <u>15,669</u>    | <u>15,669</u>   | <u>-</u>  |
| <b>Fund balance at end of year. . . . .</b>       | <u>\$ 15,669</u>        | <u>\$ 15,669</u> | <u>\$ 490</u>   | <u>\$ (15,179)</u>  |

**CITY OF WARREN, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
**ENFORCEMENT AND EDUCATION**  
 FOR THE YEAR ENDED DECEMBER 31, 2021

|  | <u>Budgeted Amounts</u> |                  | <u>Actual</u>    | <u>Variance with<br/>Final Budget<br/>Positive<br/>(Negative)</u> |
|--|-------------------------|------------------|------------------|---|
|  | <u>Original</u>         | <u>Final</u>     |                  |   |
| <b>Revenues:</b>                                   |                         |                  |                  |   |
| Fines and forfeitures . . . . .                    | \$ 10,000               | \$ 10,000        | \$ 11,787        | \$ 1,787  |
| Total revenues . . . . .                           | <u>10,000</u>           | <u>10,000</u>    | <u>11,787</u>    | <u>1,787</u>  |
| <b>Expenditures:</b>                               |                         |                  |                  |   |
| Current:   |                         |                  |                  |   |
| Security of persons and property                   |                         |                  |                  |   |
| Contractual services. . . . .                      | 6,000                   | 6,000            | -                | 6,000   |
| Materials and supplies. . . . .                    | 4,000                   | 4,000            | -                | 4,000   |
| Total security of persons and property .           | <u>10,000</u>           | <u>10,000</u>    | <u>-</u>         | <u>10,000</u>   |
| Total expenditures . . . . .                       | <u>10,000</u>           | <u>10,000</u>    | <u>-</u>         | <u>10,000</u>   |
| Net change in fund balance . . . . .               | -                       | -                | 11,787           | 11,787  |
| <b>Fund balance at beginning of year . . . . .</b> | <u>48,839</u>           | <u>48,839</u>    | <u>48,839</u>    | <u>-</u>  |
| <b>Fund balance at end of year. . . . .</b>        | <u>\$ 48,839</u>        | <u>\$ 48,839</u> | <u>\$ 60,626</u> | <u>\$ 11,787</u>  |

**CITY OF WARREN, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
**FEDERAL FORFEITURES**  
 FOR THE YEAR ENDED DECEMBER 31, 2021

|  | <u>Budgeted Amounts</u> |                  | <u>Actual</u>     | <u>Variance with<br/>Final Budget<br/>Positive<br/>(Negative)</u> |
|--|-------------------------|------------------|-------------------|---|
|  | <u>Original</u>         | <u>Final</u>     |                   |   |
| <b>Revenues:</b>                                 |                         |                  |                   |   |
| Fines and forfeitures . . . . .                  | \$ 14,500               | \$ 14,500        | \$ 19,956         | \$ 5,456  |
| Investment income . . . . .                      | 500                     | 500              | 263               | (237)   |
| Total revenues . . . . .                         | <u>15,000</u>           | <u>15,000</u>    | <u>20,219</u>     | <u>5,219</u>  |
| <b>Expenditures:</b>                             |                         |                  |                   |   |
| Current:   |                         |                  |                   |   |
| Security of persons and property                 |                         |                  |                   |   |
| Contract services . . . . .                      | 10,000                  | 10,000           | 7,404             | 2,596   |
| Materials and supplies. . . . .                  | 5,000                   | 5,000            | 5,000             | -   |
| Total security of persons and property .         | <u>15,000</u>           | <u>15,000</u>    | <u>12,404</u>     | <u>2,596</u>  |
| Total expenditures . . . . .                     | <u>15,000</u>           | <u>15,000</u>    | <u>12,404</u>     | <u>2,596</u>  |
| Net change in fund balance. . . . .              | -                       | -                | 7,815             | 7,815   |
| <b>Fund balance at beginning of year . . . .</b> | <u>94,700</u>           | <u>94,700</u>    | <u>94,700</u>     | <u>-</u>  |
| <b>Fund balance at end of year . . . . .</b>     | <u>\$ 94,700</u>        | <u>\$ 94,700</u> | <u>\$ 102,515</u> | <u>\$ 7,815</u>   |

**CITY OF WARREN, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
**PROBATION - MUNICIPAL COURT**  
 FOR THE YEAR ENDED DECEMBER 31, 2021

|   | <u>Budgeted Amounts</u> |                   | <u>Actual</u>     | <b>Variance with<br/>Final Budget<br/>Positive<br/>(Negative)</b> |
|---|-------------------------|-------------------|-------------------|---|
|   | <u>Original</u>         | <u>Final</u>      |                   |   |
| <b>Revenues:</b>                                      |                         |                   |                   |   |
| Licenses and permits . . . . .                        | \$ 94,000               | \$ 94,000         | \$ 92,895         | \$ (1,105)  |
| Other . . . . .                                       | -                       | -                 | 16,410            | 16,410  |
| Total revenues . . . . .                              | <u>94,000</u>           | <u>94,000</u>     | <u>109,305</u>    | <u>15,305</u>   |
| <b>Expenditures:</b>                                  |                         |                   |                   |   |
| Current:  |                         |                   |                   |   |
| Security of persons and property                      |                         |                   |                   |   |
| Personal services . . . . .                           | 29,089                  | 29,089            | 12,413            | 16,676  |
| Contract services . . . . .                           | 35,200                  | 35,200            | 31,018            | 4,182   |
| Materials and supplies. . . . .                       | 8,628                   | 8,628             | 3,303             | 5,325   |
| Capital outlay . . . . .                              | -                       | 20,000            | 20,000            | -   |
| Total security of persons and property.               | <u>72,917</u>           | <u>92,917</u>     | <u>66,734</u>     | <u>26,183</u>   |
| Total expenditures . . . . .                          | <u>72,917</u>           | <u>92,917</u>     | <u>66,734</u>     | <u>26,183</u>   |
| Net change in fund balance . . . . .                  | 21,083                  | 1,083             | 42,571            | 41,488  |
| <b>Fund balance at beginning of year . . . . .</b>    | 417,981                 | 417,981           | 417,981           | -   |
| <b>Prior year encumbrances appropriated . . . . .</b> | <u>128</u>              | <u>128</u>        | <u>128</u>        | <u>-</u>  |
| <b>Fund balance at end of year. . . . .</b>           | <u>\$ 439,192</u>       | <u>\$ 419,192</u> | <u>\$ 460,680</u> | <u>\$ 41,488</u>  |

**CITY OF WARREN, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
**SPECIAL PROJECTS - COURTS**  
 FOR THE YEAR ENDED DECEMBER 31, 2021

|  | <u>Budgeted Amounts</u> |                   | <u>Actual</u>     | <b>Variance with<br/>Final Budget<br/>Positive<br/>(Negative)</b> |
|--|-------------------------|-------------------|-------------------|---|
|  | <u>Original</u>         | <u>Final</u>      |                   |   |
| <b>Revenues:</b>                                   |                         |                   |                   |   |
| Fines and forfeitures . . . . .                    | \$ 200,000              | \$ 200,000        | \$ 200,072        | \$ 72   |
| Total revenues . . . . .                           | <u>200,000</u>          | <u>200,000</u>    | <u>200,072</u>    | <u>72</u>   |
| <b>Expenditures:</b>                               |                         |                   |                   |   |
| Current:   |                         |                   |                   |   |
| Security of persons and property                   |                         |                   |                   |   |
| Contract services . . . . .                        | 142,100                 | 142,100           | 92,650            | 49,450  |
| Materials and supplies. . . . .                    | 53,192                  | 53,192            | 19,136            | 34,056  |
| Capital outlay . . . . .                           | -                       | 184,280           | 184,280           | -   |
| Total security of persons and property .           | <u>195,292</u>          | <u>379,572</u>    | <u>296,066</u>    | <u>83,506</u>   |
| Total expenditures . . . . .                       | <u>195,292</u>          | <u>379,572</u>    | <u>296,066</u>    | <u>83,506</u>   |
| Net change in fund balance . . . . .               | 4,708                   | (179,572)         | (95,994)          | 83,578  |
| <b>Fund balance at beginning of year . . . . .</b> | 742,375                 | 742,375           | 742,375           | -   |
| <b>Prior year encumbrances appropriated. .</b>     | <u>13,792</u>           | <u>13,792</u>     | <u>13,792</u>     | <u>-</u>  |
| <b>Fund balance at end of year . . . . .</b>       | <u>\$ 760,875</u>       | <u>\$ 576,595</u> | <u>\$ 660,173</u> | <u>\$ 83,578</u>  |

**CITY OF WARREN, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
**LEGAL RESEARCH - COURTS**  
 FOR THE YEAR ENDED DECEMBER 31, 2021

|  | <u>Budgeted Amounts</u> |                   | <u>Actual</u>     | <u>Variance with<br/>Final Budget<br/>Positive<br/>(Negative)</u> |
|--|-------------------------|-------------------|-------------------|---|
|  | <u>Original</u>         | <u>Final</u>      |                   |   |
| <b>Revenues:</b>                                   |                         |                   |                   |   |
| Fines and forfeitures . . . . .                    | \$ 18,000               | \$ 18,000         | \$ 20,023         | \$ 2,023  |
| Total revenues . . . . .                           | <u>18,000</u>           | <u>18,000</u>     | <u>20,023</u>     | <u>2,023</u>  |
| <b>Expenditures:</b>                               |                         |                   |                   |   |
| Current:   |                         |                   |                   |   |
| Security of persons and property                   |                         |                   |                   |   |
| Contract services . . . . .                        | 16,500                  | 16,500            | 10,463            | 6,037   |
| Total security of persons and property.            | <u>16,500</u>           | <u>16,500</u>     | <u>10,463</u>     | <u>6,037</u>  |
| Total expenditures . . . . .                       | <u>16,500</u>           | <u>16,500</u>     | <u>10,463</u>     | <u>6,037</u>  |
| Net change in fund balance. . . . .                | 1,500                   | 1,500             | 9,560             | 8,060   |
| <b>Fund balance at beginning of year . . . . .</b> | <u>186,065</u>          | <u>186,065</u>    | <u>186,065</u>    | <u>-</u>  |
| <b>Fund balance at end of year. . . . .</b>        | <u>\$ 187,565</u>       | <u>\$ 187,565</u> | <u>\$ 195,625</u> | <u>\$ 8,060</u>   |



**CITY OF WARREN, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
**COMMUNITY DEVELOPMENT BLOCK GRANT**  
 FOR THE YEAR ENDED DECEMBER 31, 2021

|   | <u>Budgeted Amounts</u> |                    | <u>Actual</u>       | <u>Variance with<br/>Final Budget<br/>Positive<br/>(Negative)</u> |
|---|-------------------------|--------------------|---------------------|---|
|   | <u>Original</u>         | <u>Final</u>       |                     |   |
| <b>Revenues:</b>  |                         |                    |                     |   |
| Charges for services . . . . .                                  | \$ 128,000              | \$ 128,000         | \$ -                | \$ (128,000)  |
| Intergovernmental . . . . .                                     | 1,587,310               | 1,587,310          | 1,171,482           | (415,828)   |
| Special assessments . . . . .                                   | 25,000                  | 25,000             | 20,887              | (4,113)   |
| Investment income . . . . .                                     | 2,000                   | 2,000              | 536                 | (1,464)   |
| Other . . . . .   | 86,830                  | 86,830             | 89,851              | 3,021   |
| Total revenues . . . . .  | <u>1,829,140</u>        | <u>1,829,140</u>   | <u>1,282,756</u>    | <u>(546,384)</u>  |
| <b>Expenditures:</b>  |                         |                    |                     |   |
| Current:  |                         |                    |                     |   |
| Economic development  |                         |                    |                     |   |
| Personal services . . . . .                                     | 383,080                 | 381,080            | 337,687             | 43,393  |
| Contract services . . . . .                                     | 751,399                 | 751,399            | 523,270             | 228,129   |
| Materials and supplies. . . . .                                 | 2,300                   | 2,300              | 1,685               | 615   |
| Capital outlay . . . . .  | 425,289                 | 440,252            | 425,429             | 14,823  |
| Other . . . . .   | 626,447                 | 613,484            | 548,005             | 65,479  |
| Total economic development . . . . .                            | <u>2,188,515</u>        | <u>2,188,515</u>   | <u>1,836,076</u>    | <u>352,439</u>  |
| Total expenditures . . . . .                                    | <u>2,188,515</u>        | <u>2,188,515</u>   | <u>1,836,076</u>    | <u>352,439</u>  |
| Net change in fund balance. . . . .                             | (359,375)               | (359,375)          | (553,320)           | (193,945)   |
| <b>Fund balance (deficit) at beginning<br/>of year. . . . .</b> | (63,266)                | (63,266)           | (63,266)            | -   |
| <b>Prior year encumbrances appropriated .</b>                   | <u>359,375</u>          | <u>359,375</u>     | <u>359,375</u>      | <u>-</u>  |
| <b>Fund balance (deficit) at end of year. . .</b>               | <u>\$ (63,266)</u>      | <u>\$ (63,266)</u> | <u>\$ (257,211)</u> | <u>\$ (193,945)</u>   |

**CITY OF WARREN, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
**GUARANTEE LOAN**  
 FOR THE YEAR ENDED DECEMBER 31, 2021

|  | Budgeted Amounts        |                         | Actual                   | Variance with<br>Final Budget<br>Positive<br>(Negative) |
|--|-------------------------|-------------------------|--------------------------|---|
|  | Original                | Final                   |                          |   |
| <b>Revenues:</b>                                   |                         |                         |                          |   |
| Investment income . . . . .                        | \$ -                    | \$ -                    | \$ 34                    | \$ 34   |
| Other . . . . .                                    | 173,800                 | 173,800                 | 176,640                  | 2,840   |
| Total revenues . . . . .                           | <u>173,800</u>          | <u>173,800</u>          | <u>176,674</u>           | <u>2,874</u>  |
| <b>Expenditures:</b>                               |                         |                         |                          |   |
| Debt service:                                      |                         |                         |                          |   |
| Principal retirement. . . . .                      | 165,000                 | 165,000                 | 165,000                  | -   |
| Interest and fiscal charges . . . . .              | 8,800                   | 8,800                   | 8,740                    | 60  |
| Total debt service . . . . .                       | <u>173,800</u>          | <u>173,800</u>          | <u>173,740</u>           | <u>60</u>   |
| Total expenditures . . . . .                       | <u>173,800</u>          | <u>173,800</u>          | <u>173,740</u>           | <u>60</u>   |
| Net change in fund balance. . . . .                | -                       | -                       | 2,934                    | 2,934   |
| <b>Fund balance at beginning of year . . . . .</b> | <u>99,997</u>           | <u>99,997</u>           | <u>99,997</u>            | <u>-</u>  |
| <b>Fund balance at end of year . . . . .</b>       | <u><u>\$ 99,997</u></u> | <u><u>\$ 99,997</u></u> | <u><u>\$ 102,931</u></u> | <u><u>\$ 2,934</u></u>                                  |

**CITY OF WARREN, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
**HIGHWAY CONSTRUCTION**  
 FOR THE YEAR ENDED DECEMBER 31, 2021

|  | <u>Budgeted Amounts</u> |                   |                   | <b>Variance with<br/>Final Budget<br/>Positive<br/>(Negative)</b> |
|--|-------------------------|-------------------|-------------------|---|
|  | <u>Original</u>         | <u>Final</u>      | <u>Actual</u>     |   |
| <b>Revenues:</b>                                 |                         |                   |                   |   |
| Intergovernmental . . . . .                      | \$ 125,000              | \$ 125,000        | \$ 149,890        | \$ 24,890   |
| Investment income . . . . .                      | 1,500                   | 1,500             | 953               | (547)   |
| Other . . . . .                                  | -                       | -                 | 105               | 105   |
| Total revenues . . . . .                         | <u>126,500</u>          | <u>126,500</u>    | <u>150,948</u>    | <u>24,448</u>   |
| <b>Expenditures:</b>                             |                         |                   |                   |   |
| Capital outlay                                   |                         |                   |                   |   |
| Contract services . . . . .                      | 29,900                  | 39,900            | 30,890            | 9,010   |
| Materials and supplies . . . . .                 | 117,731                 | 117,730           | 56,961            | 60,769  |
| Total capital outlay . . . . .                   | <u>147,631</u>          | <u>157,630</u>    | <u>87,851</u>     | <u>69,779</u>   |
| Total expenditures . . . . .                     | <u>147,631</u>          | <u>157,630</u>    | <u>87,851</u>     | <u>69,779</u>   |
| Net change in fund balance . . . . .             | (21,131)                | (31,130)          | 63,097            | 94,227  |
| <b>Fund balance at beginning of year . . . .</b> | 316,179                 | 316,179           | 316,179           | -   |
| <b>Prior year encumbrances appropriated .</b>    | <u>21,130</u>           | <u>21,130</u>     | <u>21,130</u>     | <u>-</u>  |
| <b>Fund balance at end of year . . . . .</b>     | <u>\$ 316,178</u>       | <u>\$ 306,179</u> | <u>\$ 400,406</u> | <u>\$ 94,227</u>  |

**CITY OF WARREN, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
**MOTOR VEHICLE LEVY**  
 FOR THE YEAR ENDED DECEMBER 31, 2021

|  | <u>Budgeted Amounts</u> |                  | <u>Actual</u>     | <u>Variance with<br/>Final Budget<br/>Positive<br/>(Negative)</u> |
|--|-------------------------|------------------|-------------------|---|
|  | <u>Original</u>         | <u>Final</u>     |                   |   |
| <b>Revenues:</b>                                 |                         |                  |                   |   |
| Intergovernmental . . . . .                      | \$ 620,000              | \$ 620,000       | \$ 666,468        | 46,468  |
| Investment income . . . . .                      | 1,000                   | 1,000            | 1,416             | 416   |
| Total revenues . . . . .                         | <u>621,000</u>          | <u>621,000</u>   | <u>667,884</u>    | <u>46,884</u>   |
| <b>Expenditures:</b>                             |                         |                  |                   |   |
| Capital outlay                                   |                         |                  |                   |   |
| Contract services . . . . .                      | 233,092                 | 234,092          | 169,513           | 64,579  |
| Materials and supplies. . . . .                  | 244,363                 | 619,362          | 586,959           | 32,403  |
| Capital outlay . . . . .                         | <u>335,000</u>          | <u>335,000</u>   | <u>257,072</u>    | <u>77,928</u>   |
| Total capital outlay . . . . .                   | <u>812,455</u>          | <u>1,188,454</u> | <u>1,013,544</u>  | <u>174,910</u>  |
| Total expenditures . . . . .                     | <u>812,455</u>          | <u>1,188,454</u> | <u>1,013,544</u>  | <u>174,910</u>  |
| Net change in fund balance. . . . .              | (191,455)               | (567,454)        | (345,660)         | 221,794   |
| <b>Fund balance at beginning of year . . . .</b> | 405,738                 | 405,738          | 405,738           | -   |
| <b>Prior year encumbrances appropriated .</b>    | <u>191,455</u>          | <u>191,455</u>   | <u>191,455</u>    | <u>-</u>  |
| <b>Fund balance at end of year. . . . .</b>      | <u>\$ 405,738</u>       | <u>\$ 29,739</u> | <u>\$ 251,533</u> | <u>\$ 221,794</u>   |

**CITY OF WARREN, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
**HOME INVESTMENT**  
 FOR THE YEAR ENDED DECEMBER 31, 2021

|   | <u>Budgeted Amounts</u> |                     | <u>Actual</u>       | <u>Variance with<br/>Final Budget<br/>Positive<br/>(Negative)</u> |
|---|-------------------------|---------------------|---------------------|---|
|   | <u>Original</u>         | <u>Final</u>        |                     |   |
| <b>Revenues:</b>  |                         |                     |                     |   |
| Intergovernmental . . . . .                                     | \$ 545,900              | \$ 1,145,900        | \$ 389,902          | \$ (755,998)  |
| Investment income . . . . .                                     | 1,000                   | 1,000               | 513                 | (487)   |
| Other . . . . .   | 11,400                  | 11,400              | 25,904              | 14,504  |
| Total revenues . . . . .  | <u>558,300</u>          | <u>1,158,300</u>    | <u>416,319</u>      | <u>(741,981)</u>  |
| <b>Expenditures:</b>  |                         |                     |                     |   |
| Current:  |                         |                     |                     |   |
| Economic development  |                         |                     |                     |   |
| Personal services . . . . .                                     | 58,300                  | 58,300              | 54,972              | 3,328   |
| Other . . . . .   | 901,782                 | 1,501,782           | 1,197,170           | 304,612   |
| Total economic development . . . . .                            | <u>960,082</u>          | <u>1,560,082</u>    | <u>1,252,142</u>    | <u>307,940</u>  |
| Total expenditures . . . . .                                    | <u>960,082</u>          | <u>1,560,082</u>    | <u>1,252,142</u>    | <u>307,940</u>  |
| Net change in fund balance. . . . .                             | (401,782)               | (401,782)           | (835,823)           | (434,041)   |
| <b>Fund balance (deficit) at beginning<br/>of year. . . . .</b> | (187,804)               | (187,804)           | (187,804)           | -   |
| <b>Prior year encumbrances appropriated .</b>                   | <u>401,782</u>          | <u>401,782</u>      | <u>401,782</u>      | <u>-</u>  |
| <b>Fund balance (deficit) at end of year . . .</b>              | <u>\$ (187,804)</u>     | <u>\$ (187,804)</u> | <u>\$ (621,845)</u> | <u>\$ (434,041)</u>   |

**CITY OF WARREN, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
**CORONAVIRUS RELIEF**  
 FOR THE FISCAL YEAR ENDED DECEMBER 31, 2021

|  | <u>Budgeted Amounts</u> |                  | <u>Actual</u>    | <u>Variance with<br/>Final Budget<br/>Positive<br/>(Negative)</u> |
|--|-------------------------|------------------|------------------|---|
|  | <u>Original</u>         | <u>Final</u>     |                  |   |
| <b>Expenditures:</b>                             |                         |                  |                  |   |
| Current:   |                         |                  |                  |   |
| General government                               |                         |                  |                  |   |
| Personal services . . . . .                      | \$ -                    | \$ 1,227,825     | \$ 1,227,825     | \$ -  |
| Contract services . . . . .                      | -                       | 3,050            | 3,050            | -   |
| Materials and supplies. . . . .                  | 87,837                  | 94,278           | 94,278           | -   |
| Total general government . . . . .               | <u>87,837</u>           | <u>1,325,153</u> | <u>1,325,153</u> | <u>-</u>  |
| Total expenditures . . . . .                     | <u>87,837</u>           | <u>1,325,153</u> | <u>1,325,153</u> | <u>-</u>  |
| Net change in fund balance . . . . .             | (87,837)                | (1,325,153)      | (1,325,153)      | -   |
| <b>Fund balance at beginning of year . . . .</b> | 1,237,316               | 1,237,316        | 1,237,316        | -   |
| <b>Prior year encumbrances appropriated .</b>    | <u>87,837</u>           | <u>87,837</u>    | <u>87,837</u>    | <u>-</u>  |
| <b>Fund balance at end of year. . . . .</b>      | <u>\$ 1,237,316</u>     | <u>\$ -</u>      | <u>\$ -</u>      | <u>\$ -</u>   |

**CITY OF WARREN, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
**GENERAL BOND PAYMENT**  
 FOR THE YEAR ENDED DECEMBER 31, 2021

|  | Budgeted Amounts    |                     | Actual              | Variance with<br>Final Budget<br>Positive<br>(Negative) |
|--|---------------------|---------------------|---------------------|---|
|  | Original            | Final               |                     |   |
| <b>Revenues:</b>                                   |                     |                     |                     |   |
| Property and other taxes . . . . .                 | \$ 903,000          | \$ 903,000          | \$ 1,000,291        | \$ 97,291   |
| Intergovernmental . . . . .                        | 138,000             | 138,000             | 145,953             | 7,953   |
| Total revenues . . . . .                           | <u>1,041,000</u>    | <u>1,041,000</u>    | <u>1,146,244</u>    | <u>105,244</u>  |
| <b>Expenditures:</b>                               |                     |                     |                     |   |
| Current:   |                     |                     |                     |   |
| General government                                 |                     |                     |                     |   |
| Contract services . . . . .                        | 42,000              | 52,082              | 43,969              | 8,113   |
| Total general government . . . . .                 | <u>42,000</u>       | <u>52,082</u>       | <u>43,969</u>       | <u>8,113</u>  |
| Debt service:                                      |                     |                     |                     |   |
| Principal retirement. . . . .                      | 757,829             | 1,049,829           | 1,049,392           | 437   |
| Interest and fiscal charges . . . . .              | 135,433             | 143,433             | 143,121             | 312   |
| Total debt service . . . . .                       | <u>893,262</u>      | <u>1,193,262</u>    | <u>1,192,513</u>    | <u>749</u>  |
| Total expenditures . . . . .                       | <u>935,262</u>      | <u>1,245,344</u>    | <u>1,236,482</u>    | <u>8,862</u>  |
| <b>Other financing sources (uses):</b>             |                     |                     |                     |   |
| Transfers in . . . . .                             | -                   | 310,082             | -                   | (310,082)   |
| Total other financing sources (uses) . . . . .     | <u>-</u>            | <u>310,082</u>      | <u>-</u>            | <u>(310,082)</u>  |
| Net change in fund balance . . . . .               | 105,738             | 105,738             | (90,238)            | (195,976)   |
| <b>Fund balance at beginning of year . . . . .</b> | <u>1,572,127</u>    | <u>1,572,127</u>    | <u>1,572,127</u>    | <u>-</u>  |
| <b>Fund balance at end of year . . . . .</b>       | <u>\$ 1,677,865</u> | <u>\$ 1,677,865</u> | <u>\$ 1,481,889</u> | <u>\$ (195,976)</u>                                     |

**CITY OF WARREN, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
**GENERAL CAPITAL PROJECTS**  
 FOR THE YEAR ENDED DECEMBER 31, 2021

|  | Budgeted Amounts |              | Actual       | Variance with<br>Final Budget<br>Positive<br>(Negative) |
|--|------------------|--------------|--------------|---|
|  | Original         | Final        |              |   |
| <b>Revenues:</b>                                   |                  |              |              |   |
| Intergovernmental . . . . .                        | \$ 6,593,438     | \$ 9,093,438 | \$ 1,218,233 | \$ (7,875,205)  |
| Total revenues . . . . .                           | 6,593,438        | 9,093,438    | 1,218,233    | (7,875,205)   |
| <b>Expenditures:</b>                               |                  |              |              |   |
| Capital outlay                                     |                  |              |              |   |
| Contract services . . . . .                        | 57,542           | 2,557,542    | 132,862      | 2,424,680   |
| Capital outlay . . . . .                           | 9,156,303        | 10,268,525   | 5,132,745    | 5,135,780   |
| Total capital outlay . . . . .                     | 9,213,845        | 12,826,067   | 5,265,607    | 7,560,460   |
| Total expenditures . . . . .                       | 9,213,845        | 12,826,067   | 5,265,607    | 7,560,460   |
| Excess of expenditures over revenues . .           | (2,620,407)      | (3,732,629)  | (4,047,374)  | (314,745)   |
| <b>Other financing sources:</b>                    |                  |              |              |   |
| Proceeds from sale of bonds . . . . .              | 1,100,000        | 1,100,000    | -            | (1,100,000)   |
| Transfers in . . . . .                             | 555,000          | 1,667,222    | 1,662,222    | (5,000)   |
| Total other financing sources . . . . .            | 1,655,000        | 2,767,222    | 1,662,222    | (1,105,000)   |
| Net change in fund balance . . . . .               | (965,407)        | (965,407)    | (2,385,152)  | (1,419,745)   |
| <b>Fund balance at beginning of year . . . .</b>   | 516,027          | 516,027      | 516,027      | -   |
| <b>Prior year encumbrances appropriated .</b>      | 965,407          | 965,407      | 965,407      | -   |
| <b>Fund balance (deficit) at end of year . . .</b> | \$ 516,027       | \$ 516,027   | \$ (903,718) | \$ (1,419,745)  |



**CITY OF WARREN, OHIO**  
INDIVIDUAL FUND SCHEDULES  
FUND DESCRIPTIONS - ENTERPRISE FUNDS

**Enterprise Funds**

The enterprise funds are used to account for the City's sewer, water and sanitation operations. These operations are financed and operated in a manner similar to that of a private business enterprise. The intent of the City is that the costs (expenses including depreciation) of providing goods and services on a continuing basis be recovered primarily through user charges. Following is a description of the City's enterprise funds:

**Major Enterprise Funds**

***Sewer***

To account for the operations of providing sewage services to customers and to maintain the local sewer system of the City.

***Water***

To account for the operations of providing water services to customers and to maintain the local water system of the City.

***Sanitation***

To account for the operations of providing sanitation services to customers within the City.

**Nonmajor Enterprise Funds**

***City Redevelopment***

To account for the purchase, leasing and eventual sale of land and buildings by the City.

***Downtown Parking***

To account for user fees and related operations of various city-owned downtown parking facilities.

***Stormwater Utility***

To account for the storm drainage runoff service provided to the residential and commercial users of the City and to some residents of the County.

**CITY OF WARREN, OHIO**

COMBINING STATEMENT OF NET POSITION  
**NONMAJOR ENTERPRISE FUNDS**  
 DECEMBER 31, 2021

|  | <u>City<br/>Redevelopment</u> | <u>Downtown<br/>Parking</u> | <u>Stormwater<br/>Utility</u> | <u>Totals</u>       |
|--|-------------------------------|-----------------------------|-------------------------------|---------------------|
| <b>Assets:</b>   |                               |                             |                               |                     |
| Current assets:  |                               |                             |                               |                     |
| Equity in pooled cash, cash equivalents<br>and investments . . . . . | \$ 345,987                    | \$ 19,210                   | \$ 3,996,158                  | \$ 4,361,355        |
| Receivables (net of allowance for uncollectibles):                   |                               |                             |                               |                     |
| Accounts . . . . .   | 4,991                         | 2,069                       | 559,610                       | 566,670             |
| Total current assets . . . . .                                       | <u>350,978</u>                | <u>21,279</u>               | <u>4,555,768</u>              | <u>4,928,025</u>    |
| Noncurrent assets:   |                               |                             |                               |                     |
| Net pension asset . . . . .  | -                             | -                           | 2,092                         | 2,092               |
| Net OPEB asset . . . . .   | -                             | -                           | 15,307                        | 15,307              |
| Capital assets:  |                               |                             |                               |                     |
| Non-depreciable capital assets . . . . .                             | 450,191                       | 155,761                     | 661,125                       | 1,267,077           |
| Depreciable capital assets, net . . . . .                            | 123,502                       | 600,734                     | 1,517,946                     | 2,242,182           |
| Total capital assets, net . . . . .                                  | <u>573,693</u>                | <u>756,495</u>              | <u>2,179,071</u>              | <u>3,509,259</u>    |
| Total noncurrent assets . . . . .                                    | <u>573,693</u>                | <u>756,495</u>              | <u>2,196,470</u>              | <u>3,526,658</u>    |
| Total assets . . . . .   | <u>924,671</u>                | <u>777,774</u>              | <u>6,752,238</u>              | <u>8,454,683</u>    |
| <b>Deferred outflows of resources:</b>                               |                               |                             |                               |                     |
| Pension . . . . .  | -                             | -                           | 19,412                        | 19,412              |
| OPEB . . . . .   | -                             | -                           | 7,618                         | 7,618               |
| Total deferred outflows of resources . . . . .                       | <u>-</u>                      | <u>-</u>                    | <u>27,030</u>                 | <u>27,030</u>       |
| <b>Liabilities:</b>  |                               |                             |                               |                     |
| Current liabilities:   |                               |                             |                               |                     |
| Accounts payable . . . . .   | 22,941                        | 6,724                       | 1,321                         | 30,986              |
| Contracts payable . . . . .  | 31,112                        | -                           | -                             | 31,112              |
| Accrued wages and benefits payable . . . . .                         | -                             | -                           | 1,286                         | 1,286               |
| Due to other funds . . . . .   | -                             | -                           | 14,064                        | 14,064              |
| Due to other governments . . . . .                                   | -                             | -                           | 1,789                         | 1,789               |
| Current portion of OPWC loans . . . . .                              | -                             | -                           | 1,797                         | 1,797               |
| Current portion of compensated absences . . . . .                    | -                             | -                           | 6,417                         | 6,417               |
| Total current liabilities . . . . .                                  | <u>54,053</u>                 | <u>6,724</u>                | <u>26,674</u>                 | <u>87,451</u>       |
| Long-term liabilities:   |                               |                             |                               |                     |
| OPWC loans payable . . . . .   | -                             | -                           | 34,151                        | 34,151              |
| Compensated absences payable . . . . .                               | -                             | -                           | 32,765                        | 32,765              |
| Net pension liability . . . . .                                      | -                             | -                           | 131,616                       | 131,616             |
| Total long-term liabilities . . . . .                                | <u>-</u>                      | <u>-</u>                    | <u>198,532</u>                | <u>198,532</u>      |
| Total liabilities . . . . .  | <u>54,053</u>                 | <u>6,724</u>                | <u>225,206</u>                | <u>285,983</u>      |
| <b>Deferred inflows of resources:</b>                                |                               |                             |                               |                     |
| Pension . . . . .  | -                             | -                           | 79,796                        | 79,796              |
| OPEB . . . . .   | -                             | -                           | 60,162                        | 60,162              |
| Total deferred inflows of resources . . . . .                        | <u>-</u>                      | <u>-</u>                    | <u>139,958</u>                | <u>139,958</u>      |
| <b>Net position:</b>   |                               |                             |                               |                     |
| Net investment in capital assets . . . . .                           | 542,581                       | 756,495                     | 2,143,123                     | 3,442,199           |
| Unrestricted . . . . .   | 328,037                       | 14,555                      | 4,270,981                     | 4,613,573           |
| Total net position . . . . .   | <u>\$ 870,618</u>             | <u>\$ 771,050</u>           | <u>\$ 6,414,104</u>           | <u>\$ 8,055,772</u> |

**CITY OF WARREN, OHIO**

COMBINING STATEMENT OF REVENUES, EXPENSES  
AND CHANGES IN NET POSITION  
**NONMAJOR ENTERPRISE FUNDS**  
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2021

|  | <b>City<br/>Redevelopment</b> | <b>Downtown<br/>Parking</b> | <b>Stormwater<br/>Utility</b> | <b>Totals</b>              |
|--|-------------------------------|-----------------------------|-------------------------------|----------------------------|
| <b>Operating revenues:</b>   |                               |                             |                               |                            |
| Charges for services . . . . .                                       | \$ 342,874                    | \$ 22,177                   | \$ 1,036,517                  | \$ 1,401,568               |
| Total operating revenues . . . . .                                   | <u>342,874</u>                | <u>22,177</u>               | <u>1,036,517</u>              | <u>1,401,568</u>           |
| <b>Operating expenses:</b>   |                               |                             |                               |                            |
| Personal services . . . . .  | -                             | -                           | 70,963                        | 70,963                     |
| Contract services. . . . .   | 166,095                       | 89,662                      | 146,113                       | 401,870                    |
| Materials and supplies. . . . .                                      | 13,347                        | 138                         | 24,403                        | 37,888                     |
| Administrative costs. . . . .  | -                             | -                           | 55,116                        | 55,116                     |
| Utilities . . . . .  | 112,616                       | 6,333                       | -                             | 118,949                    |
| Depreciation. . . . .  | 16,145                        | 48,059                      | 35,039                        | 99,243                     |
| Other. . . . .   | -                             | -                           | 393                           | 393                        |
| Total operating expenses . . . . .                                   | <u>308,203</u>                | <u>144,192</u>              | <u>332,027</u>                | <u>784,422</u>             |
| Income (loss) before capital contributions<br>and transfers. . . . . | 34,671                        | (122,015)                   | 704,490                       | 617,146                    |
| Transfers in. . . . .  | <u>-</u>                      | <u>90,000</u>               | <u>-</u>                      | <u>90,000</u>              |
| Changes in net position . . . . .                                    | 34,671                        | (32,015)                    | 704,490                       | 707,146                    |
| <b>Net position at beginning of year . . . . .</b>                   | <u>835,947</u>                | <u>803,065</u>              | <u>5,709,614</u>              | <u>7,348,626</u>           |
| <b>Net position at end of year . . . . .</b>                         | <u><u>\$ 870,618</u></u>      | <u><u>\$ 771,050</u></u>    | <u><u>\$ 6,414,104</u></u>    | <u><u>\$ 8,055,772</u></u> |

**CITY OF WARREN, OHIO**

**COMBINING STATEMENT OF CASH FLOWS  
NONMAJOR ENTERPRISE FUNDS  
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2021**

|  | <u>City<br/>Redevelopment</u> | <u>Downtown<br/>Parking</u> | <u>Stormwater<br/>Utility</u> | <u>Totals</u>       |
|--|-------------------------------|-----------------------------|-------------------------------|---------------------|
| <b>Cash flows from operating activities:</b>   |                               |                             |                               |                     |
| Cash received from customers . . . . .   | \$ 348,404                    | \$ 20,903                   | \$ 1,008,532                  | \$ 1,377,839        |
| Cash payments for personal services . . . . .  |                               | -                           | (218,854)                     | (218,854)           |
| Cash payments for contractual services . . . . .   | (172,659)                     | (92,985)                    | (144,931)                     | (410,575)           |
| Cash payments for materials and supplies . . . . .   | (13,347)                      | (138)                       | (24,403)                      | (37,888)            |
| Cash payments for utilities . . . . .  | (106,517)                     | (6,001)                     | -                             | (112,518)           |
| Cash payments for administrative costs. . . . .  | -                             | -                           | (41,052)                      | (41,052)            |
| Cash payments for other expenses . . . . .   | -                             | -                           | (393)                         | (393)               |
| Net cash provided by (used in)<br>operating activities . . . . .   | <u>55,881</u>                 | <u>(78,221)</u>             | <u>578,899</u>                | <u>556,559</u>      |
| <b>Cash flows from noncapital financing activities:</b>  |                               |                             |                               |                     |
| Cash received in transfers in from other funds . . . . .   | -                             | 90,000                      | -                             | 90,000              |
| Net cash provided by noncapital<br>financing activities . . . . .  | <u>-</u>                      | <u>90,000</u>               | <u>-</u>                      | <u>90,000</u>       |
| <b>Cash flows from capital and related financing activities:</b>   |                               |                             |                               |                     |
| Aquisition of capital assets . . . . .   | (285,799)                     | -                           | (2,950)                       | (288,749)           |
| Principal retirement. . . . .  | -                             | -                           | (1,797)                       | (1,797)             |
| Net cash used in capital<br>and related financing activities. . . . .                                    | <u>(285,799)</u>              | <u>-</u>                    | <u>(4,747)</u>                | <u>(290,546)</u>    |
| Net increase (decrease) in cash and cash equivalents . . . . .   | (229,918)                     | 11,779                      | 574,152                       | 356,013             |
| <b>Cash and cash equivalents at beginning of year. . . . .</b>   | <u>575,905</u>                | <u>7,431</u>                | <u>3,422,006</u>              | <u>4,005,342</u>    |
| <b>Cash and cash equivalents at end of year . . . . .</b>  | <u>\$ 345,987</u>             | <u>\$ 19,210</u>            | <u>\$ 3,996,158</u>           | <u>\$ 4,361,355</u> |
| <b>Reconciliation of operating income (loss) to net cash provided by (used in) operating activities:</b> |                               |                             |                               |                     |
| Operating income (loss) . . . . .  | \$ 34,671                     | \$ (122,015)                | \$ 704,490                    | \$ 617,146          |
| Adjustments to reconcile operating income (loss) to net cash provided by operating activities:           |                               |                             |                               |                     |
| Depreciation . . . . .   | 16,145                        | 48,059                      | 35,039                        | 99,243              |
| Changes in assets, deferred outflows of resources, liabilities and deferred inflows of resources:        |                               |                             |                               |                     |
| (Increase) decrease in accounts receivable. . . . .  | 5,530                         | (1,274)                     | (29,099)                      | (24,843)            |
| Decrease in due from other governments . . . . .   | -                             | -                           | 1,000                         | 1,000               |
| Decrease in special assessments. . . . .   | -                             | -                           | 114                           | 114                 |
| (Increase) in net pension asset . . . . .  | -                             | -                           | (540)                         | (540)               |
| (Increase) in net OPEB asset . . . . .   | -                             | -                           | (15,307)                      | (15,307)            |
| Decrease in deferred outflows - pension . . . . .  | -                             | -                           | 14,290                        | 14,290              |
| Decrease in deferred outflows - OPEB . . . . .   | -                             | -                           | 15,877                        | 15,877              |
| Increase (decrease) in accounts payable. . . . .   | (465)                         | (2,991)                     | 1,182                         | (2,274)             |
| Increase in accrued wages and benefits. . . . .  | -                             | -                           | 139                           | 139                 |
| Increase in due to other funds. . . . .  | -                             | -                           | 14,064                        | 14,064              |
| Increase in due to other governments . . . . .   | -                             | -                           | 22                            | 22                  |
| (Decrease) in compensated absences payable . . . . .   | -                             | -                           | (3,831)                       | (3,831)             |
| (Decrease) in net pension liability. . . . .   | -                             | -                           | (58,694)                      | (58,694)            |
| (Decrease) in net OPEB liability . . . . .   | -                             | -                           | (128,144)                     | (128,144)           |
| Increase in deferred inflows - pension. . . . .  | -                             | -                           | 6,105                         | 6,105               |
| Increase in deferred inflows - OPEB . . . . .  | -                             | -                           | 22,192                        | 22,192              |
| Net cash provided by (used in)<br>operating activities . . . . .   | <u>\$ 55,881</u>              | <u>\$ (78,221)</u>          | <u>\$ 578,899</u>             | <u>\$ 556,559</u>   |

**Non-cash capital transactions:**

At December 31, 2021 the City Redevelopment fund purchased \$31,112 in capital assets on account.

**CITY OF WARREN, OHIO**

SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN  
 FUND EQUITY - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
**SEWER**  
 FOR THE YEAR ENDED DECEMBER 31, 2021

|   | <u>Budgeted Amounts</u> |                        | <u>Actual</u>          | <u>Variance with<br/>Final Budget<br/>Positive<br/>(Negative)</u> |
|---|-------------------------|------------------------|------------------------|---|
|   | <u>Original</u>         | <u>Final</u>           |                        |   |
| <b>Operating revenues:</b>                                  |                         |                        |                        |   |
| Charges for services . . . . .                              | \$ 11,283,390           | \$ 11,283,390          | \$ 9,397,518           | \$ (1,885,872)  |
| Other . . . . .   | 2,000                   | 2,000                  | 67,240                 | 65,240  |
| Total operating revenues . . . . .                          | <u>11,285,390</u>       | <u>11,285,390</u>      | <u>9,464,758</u>       | <u>(1,820,632)</u>  |
| <b>Operating expenses:</b>                                  |                         |                        |                        |   |
| Personal services. . . . .                                  | 4,767,409               | 4,767,183              | 3,863,637              | 903,546   |
| Contract services. . . . .                                  | 2,287,917               | 2,210,928              | 1,588,172              | 622,756   |
| Materials and supplies. . . . .                             | 1,079,451               | 1,079,449              | 656,164                | 423,285   |
| Capital outlay . . . . .                                    | 44,106,352              | 44,664,025             | 43,755,113             | 908,912   |
| Administrative costs. . . . .                               | 750,000                 | 750,250                | 750,201                | 49  |
| Utilities . . . . .   | 646,445                 | 723,184                | 661,298                | 61,886  |
| Other. . . . .  | 3,647                   | 8,647                  | 3,935                  | 4,712   |
| Total operating expenses. . . . .                           | <u>53,641,221</u>       | <u>54,203,666</u>      | <u>51,278,520</u>      | <u>2,925,146</u>  |
| Operating loss . . . . .                                    | <u>(42,355,831)</u>     | <u>(42,918,276)</u>    | <u>(41,813,762)</u>    | <u>1,104,514</u>  |
| <b>Nonoperating revenues (expenses):</b>                    |                         |                        |                        |   |
| Loan issuance. . . . .                                      | -                       | 1,039,845              | 11,965,724             | 10,925,879  |
| Debt service:   |                         |                        |                        |   |
| Principal retirement . . . . .                              | (377,577)               | (800,962)              | (787,512)              | 13,450  |
| Interest and fiscal charges . . . . .                       | (44,750)                | (98,765)               | (98,765)               | -   |
| Total nonoperating revenues (expenses) . . . . .            | <u>(422,327)</u>        | <u>140,118</u>         | <u>11,079,447</u>      | <u>10,939,329</u>   |
| Net change in fund equity. . . . .                          | (42,778,158)            | (42,778,158)           | (30,734,315)           | 12,043,843  |
| <b>Fund equity (deficit) at beginning of year . . . . .</b> | (38,238,748)            | (38,238,748)           | (38,238,748)           | -   |
| <b>Prior year encumbrances appropriated . . . . .</b>       | <u>43,537,247</u>       | <u>43,537,247</u>      | <u>43,537,247</u>      | <u>-</u>  |
| <b>Fund equity (deficit) at end of year . . . . .</b>       | <u>\$ (37,479,659)</u>  | <u>\$ (37,479,659)</u> | <u>\$ (25,435,816)</u> | <u>\$ 12,043,843</u>  |

**CITY OF WARREN, OHIO**

SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN  
 FUND EQUITY - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
**WATER**  
 FOR THE YEAR ENDED DECEMBER 31, 2021

|   | Budgeted Amounts |               | Actual        | Variance with<br>Final Budget<br>Positive<br>(Negative) |
|---|------------------|---------------|---------------|---|
|   | Original         | Final         |               |   |
| <b>Operating revenues:</b>                        |                  |               |               |   |
| Charges for services . . . . .                    | \$ 12,781,650    | \$ 12,781,650 | \$ 12,943,856 | \$ 162,206  |
| Intergovernmental . . . . .                       | 1,000            | 1,000         | -             | (1,000)   |
| Other . . . . .                                   | 287,350          | 287,350       | 293,150       | 5,800   |
| Total operating revenues . . . . .                | 13,070,000       | 13,070,000    | 13,237,006    | 167,006   |
| <b>Operating expenses:</b>                        |                  |               |               |   |
| Personal services . . . . .                       | 6,564,719        | 6,564,719     | 5,317,059     | 1,247,660   |
| Contract services . . . . .                       | 1,205,361        | 1,727,619     | 1,546,164     | 181,455   |
| Materials and supplies . . . . .                  | 1,447,914        | 2,201,414     | 2,012,829     | 188,585   |
| Capital outlay . . . . .                          | 94,935           | 2,020,282     | 1,652,383     | 367,899   |
| Administrative costs . . . . .                    | 570,355          | 496,555       | 486,814       | 9,741   |
| Utilities . . . . .                               | 634,134          | 630,777       | 607,001       | 23,776  |
| Other . . . . .                                   | 270,275          | 270,275       | 190,885       | 79,390  |
| Total operating expenses . . . . .                | 10,787,693       | 13,911,641    | 11,813,135    | 2,098,506   |
| Operating income (loss) . . . . .                 | 2,282,307        | (841,641)     | 1,423,871     | 2,265,512   |
| <b>Nonoperating (expenses):</b>                   |                  |               |               |   |
| Debt service:                                     |                  |               |               |   |
| Principal retirement . . . . .                    | (1,851,180)      | (1,851,180)   | (1,851,180)   | -   |
| Interest and fiscal charges . . . . .             | (235,126)        | (235,125)     | (235,125)     | -   |
| Total nonoperating (expenses) . . . . .           | (2,086,306)      | (2,086,305)   | (2,086,305)   | -   |
| Income (loss) before transfers . . . . .          | 196,001          | (2,927,946)   | (662,434)     | 2,265,512   |
| Transfers in . . . . .                            | 527,000          | 1,054,000     | -             | (1,054,000)   |
| Transfers out . . . . .                           | (527,000)        | (527,000)     | -             | 527,000   |
| Net change in fund equity . . . . .               | 196,001          | (2,400,946)   | (662,434)     | 1,738,512   |
| <b>Fund equity at beginning of year . . . . .</b> | 5,242,623        | 5,242,623     | 5,242,623     | -   |
| <b>Prior year encumbrances appropriated . .</b>   | 330,999          | 330,999       | 330,999       | -   |
| <b>Fund equity at end of year . . . . .</b>       | \$ 5,769,623     | \$ 3,172,676  | \$ 4,911,188  | \$ 1,738,512  |

**CITY OF WARREN, OHIO**

SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN  
 FUND EQUITY - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
**SANITATION**  
 FOR THE YEAR ENDED DECEMBER 31, 2021

|   | <u>Budgeted Amounts</u> |                    | <u>Actual</u>      | <u>Variance with<br/>Final Budget<br/>Positive<br/>(Negative)</u> |
|---|-------------------------|--------------------|--------------------|---|
|   | <u>Original</u>         | <u>Final</u>       |                    |   |
| <b>Operating revenues:</b>                              |                         |                    |                    |   |
| Charges for services . . . . .                          | \$ 3,809,450            | \$ 3,839,450       | \$ 3,915,668       | \$ 76,218   |
| Other . . . . .   | 7,737                   | 7,737              | 11,572             | 3,835   |
| Total operating revenues . . . . .                      | <u>3,817,187</u>        | <u>3,847,187</u>   | <u>3,927,240</u>   | <u>80,053</u>   |
| <b>Operating expenses:</b>                              |                         |                    |                    |   |
| Personal services . . . . .                             | 1,359,721               | 1,398,721          | 1,311,300          | 87,421  |
| Contract services . . . . .                             | 2,067,499               | 1,902,460          | 1,795,825          | 106,635   |
| Materials and supplies . . . . .                        | 238,521                 | 327,921            | 305,902            | 22,019  |
| Capital outlay . . . . .                                | -                       | 1,424,918          | 1,424,918          | -   |
| Administrative costs . . . . .                          | 200,605                 | 197,429            | 183,611            | 13,818  |
| Utilities . . . . .                                     | 15,345                  | 16,110             | 14,990             | 1,120   |
| Other . . . . .   | 200                     | 314,382            | 4,165              | 310,217   |
| Total operating expenses . . . . .                      | <u>3,881,891</u>        | <u>5,581,941</u>   | <u>5,040,711</u>   | <u>541,230</u>  |
| Operating loss . . . . .                                | <u>(64,704)</u>         | <u>(1,734,754)</u> | <u>(1,113,471)</u> | <u>621,283</u>  |
| <b>Nonoperating revenues:</b>                           |                         |                    |                    |   |
| Sale of bonds . . . . .                                 | -                       | 1,435,000          | 1,435,000          | -   |
| Total nonoperating revenues . . . . .                   | <u>-</u>                | <u>1,435,000</u>   | <u>1,435,000</u>   | <u>-</u>  |
| Income (loss) before capital<br>contributions . . . . . | (64,704)                | (299,754)          | 321,529            | 621,283   |
| Capital contributions . . . . .                         | -                       | -                  | 197                | 197   |
| Net change in fund equity . . . . .                     | (64,704)                | (299,754)          | 321,726            | 621,480   |
| <b>Fund equity at beginning of year . . . . .</b>       | 242,511                 | 242,511            | 242,511            | -   |
| <b>Prior year encumbrances appropriated . .</b>         | 64,704                  | 64,704             | 64,704             | -   |
| <b>Fund equity at end of year . . . . .</b>             | <u>\$ 242,511</u>       | <u>\$ 7,461</u>    | <u>\$ 628,941</u>  | <u>\$ 621,480</u>   |

**CITY OF WARREN, OHIO**

SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN  
 FUND EQUITY - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
**CITY REDEVELOPMENT**  
 FOR THE YEAR ENDED DECEMBER 31, 2021

|   | <u>Budgeted Amounts</u> |                | <u>Actual</u>     | <b>Variance with<br/>Final Budget<br/>Positive<br/>(Negative)</b> |
|---|-------------------------|----------------|-------------------|---|
|   | <u>Original</u>         | <u>Final</u>   |                   |   |
| <b>Operating revenues:</b>                        |                         |                |                   |   |
| Charges for services . . . . .                    | \$ 322,500              | \$ 322,500     | \$ 348,404        | \$ 25,904   |
| Other . . . . .                                   | 5,000                   | 55,000         | -                 | (55,000)  |
| Total operating revenues . . . . .                | <u>327,500</u>          | <u>377,500</u> | <u>348,404</u>    | <u>(29,096)</u>   |
| <b>Operating expenses:</b>                        |                         |                |                   |   |
| Contract services . . . . .                       | 249,667                 | 249,895        | 232,879           | 17,016  |
| Materials and supplies . . . . .                  | 30,920                  | 30,920         | 13,476            | 17,444  |
| Capital outlay . . . . .                          | -                       | 554,000        | 302,698           | 251,302   |
| Utilities . . . . .                               | 115,235                 | 118,507        | 106,757           | 11,750  |
| Total operating expenses . . . . .                | <u>395,822</u>          | <u>953,322</u> | <u>655,810</u>    | <u>297,512</u>  |
| Net change in fund equity . . . . .               | (68,322)                | (575,822)      | (307,406)         | 268,416   |
| <b>Fund equity at beginning of year . . . . .</b> | 507,583                 | 507,583        | 507,583           | -   |
| <b>Prior year encumbrances appropriated . .</b>   | 68,322                  | 68,322         | 68,322            | -   |
| <b>Fund equity at end of year . . . . .</b>       | <u>\$ 507,583</u>       | <u>\$ 83</u>   | <u>\$ 268,499</u> | <u>\$ 268,416</u>   |



**CITY OF WARREN, OHIO**

SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN  
 FUND EQUITY - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
**DOWNTOWN PARKING**  
 FOR THE YEAR ENDED DECEMBER 31, 2021

|  | <u>Budgeted Amounts</u> |                | <u>Actual</u>    | <u>Variance with<br/>Final Budget<br/>Positive<br/>(Negative)</u> |
|--|-------------------------|----------------|------------------|---|
|  | <u>Original</u>         | <u>Final</u>   |                  |   |
| <b>Operating revenues:</b>                       |                         |                |                  |   |
| Charges for services . . . . .                   | \$ 22,520               | \$ 22,520      | \$ 20,903        | \$ (1,617)  |
| Total operating revenues . . . . .               | <u>22,520</u>           | <u>22,520</u>  | <u>20,903</u>    | <u>(1,617)</u>  |
| <b>Operating expenses:</b>                       |                         |                |                  |   |
| Contract services. . . . .                       | 111,801                 | 111,751        | 99,381           | 12,370  |
| Materials and supplies. . . . .                  | 1,415                   | 1,415          | 138              | 1,277   |
| Utilities . . . . .                              | 6,214                   | 6,364          | 6,001            | 363   |
| Total operating expenses . . . . .               | <u>119,430</u>          | <u>119,530</u> | <u>105,520</u>   | <u>14,010</u>   |
| Operating (loss) before transfers . . . . .      | (96,910)                | (97,010)       | (84,617)         | 12,393  |
| Transfers in . . . . .                           | <u>90,000</u>           | <u>90,000</u>  | <u>90,000</u>    | <u>-</u>  |
| Net change in fund equity . . . . .              | (6,910)                 | (7,010)        | 5,383            | 12,393  |
| <b>Fund equity at beginning of year. . . . .</b> | 521                     | 521            | 521              | -   |
| <b>Prior year encumbrances appropriated . .</b>  | <u>6,910</u>            | <u>6,910</u>   | <u>6,910</u>     | <u>-</u>  |
| <b>Fund equity at end of year . . . . .</b>      | <u>\$ 521</u>           | <u>\$ 421</u>  | <u>\$ 12,814</u> | <u>\$ 12,393</u>  |

**CITY OF WARREN, OHIO**

SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN  
 FUND EQUITY - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
**STORMWATER UTILITY**  
 FOR THE YEAR ENDED DECEMBER 31, 2021

|   | Budgeted Amounts    |                     | Actual              | Variance with<br>Final Budget<br>Positive<br>(Negative) |
|---|---------------------|---------------------|---------------------|---|
|   | Original            | Final               |                     |   |
| <b>Operating revenues:</b>                            |                     |                     |                     |   |
| Charges for services . . . . .                        | \$ 1,088,000        | \$ 1,088,000        | \$ 1,008,532        | \$ (79,468)   |
| Total operating revenues . . . . .                    | <u>1,088,000</u>    | <u>1,088,000</u>    | <u>1,008,532</u>    | <u>(79,468)</u>   |
| <b>Operating expenses:</b>                            |                     |                     |                     |   |
| Personal services. . . . .                            | 356,719             | 356,719             | 218,854             | 137,865   |
| Contract services. . . . .                            | 196,917             | 196,917             | 146,147             | 50,770  |
| Materials and supplies. . . . .                       | 36,162              | 36,162              | 31,872              | 4,290   |
| Capital outlay . . . . .                              | 3,087               | 3,087               | 3,087               | -   |
| Administrative costs. . . . .                         | 180,000             | 180,000             | 41,052              | 138,948   |
| Other. . . . .  | 2,000               | 2,000               | 393                 | 1,607   |
| Total operating expenses . . . . .                    | <u>774,885</u>      | <u>774,885</u>      | <u>441,405</u>      | <u>333,480</u>  |
| Operating income . . . . .                            | <u>313,115</u>      | <u>313,115</u>      | <u>567,127</u>      | <u>254,012</u>  |
| <b>Nonoperating (expenses):</b>                       |                     |                     |                     |   |
| Debt service:   |                     |                     |                     |   |
| Principal retirement. . . . .                         | (1,798)             | (1,798)             | (1,797)             | 1   |
| Total nonoperating (expenses) . . . . .               | <u>(1,798)</u>      | <u>(1,798)</u>      | <u>(1,797)</u>      | <u>1</u>  |
| Net change in fund equity . . . . .                   | 311,317             | 311,317             | 565,330             | 254,013   |
| <b>Fund equity at beginning of year. . . . .</b>      | 3,393,323           | 3,393,323           | 3,393,323           | -   |
| <b>Prior year encumbrances appropriated . . . . .</b> | 28,683              | 28,683              | 28,683              | -   |
| <b>Fund equity at end of year . . . . .</b>           | <u>\$ 3,733,323</u> | <u>\$ 3,733,323</u> | <u>\$ 3,987,336</u> | <u>\$ 254,013</u>                                       |

**CITY OF WARREN, OHIO**

**INDIVIDUAL FUND SCHEDULES  
FUND DESCRIPTIONS - INTERNAL SERVICE FUNDS**

**Internal Service Funds**

The internal service funds are used to account for the financing of goods or services provided by one department or agency to other departments or agencies of the City, or to other governmental units, on a cost-reimbursement basis. Following is a description of the City's internal service funds:

***Life Insurance and Hospitalization***

To account for the revenues and expenses associated with medical benefits provided to City employees and their covered dependents for which the City is self-insured.

***Workers Compensation***

To account for claims applicable to years in which the City elects to be partially self-insured under a retrospective rating plan with the State of Ohio.

***Data Processing***

To account for operations of the data processing department which provides services to various City departments on a cost-reimbursement basis.

***Risk Management***

To account for expenses related to the general liability claims the City may have levied against it, except for police liability, which remains insured through a private insurance carrier.

**CITY OF WARREN, OHIO**

COMBINING STATEMENT OF NET POSITION  
INTERNAL SERVICE FUNDS  
DECEMBER 31, 2021

|  | <b>Life<br/>Insurance and<br/>Hospitalization</b> | <b>Workers<br/>Compensation</b> | <b>Data<br/>Processing</b> | <b>Risk<br/>Management</b> | <b>Totals</b>       |
|--|---|---------------------------------|----------------------------|----------------------------|---------------------|
| <b>Assets:</b>   |   |                                 |                            |                            |                     |
| Current assets:  |   |                                 |                            |                            |                     |
| Equity in pooled cash, cash equivalents<br>and investments . . . . . | \$ 5,005,775                                      | \$ 3,386,346                    | \$ 262,038                 | \$ 1,002,295               | \$ 9,656,454        |
| Receivables (net of allowance for uncollectibles):                   |   |                                 |                            |                            |                     |
| Accounts . . . . .   | -   | -                               | 2,700                      | -                          | 2,700               |
| Due from other funds . . . . .                                       | -   | -                               | 145,800                    | -                          | 145,800             |
| Due from component unit . . . . .                                    | -   | -                               | 7,200                      | -                          | 7,200               |
| Due from other governments . . . . .                                 | -   | 2,770                           | -                          | -                          | 2,770               |
| Total current assets . . . . .                                       | <u>5,005,775</u>                                  | <u>3,389,116</u>                | <u>417,738</u>             | <u>1,002,295</u>           | <u>9,814,924</u>    |
| Noncurrent assets:   |   |                                 |                            |                            |                     |
| Net pension asset . . . . .  | -   | -                               | 3,179                      | -                          | 3,179               |
| Net OPEB asset . . . . .   | -   | -                               | 23,255                     | -                          | 23,255              |
| Capital assets:  |   |                                 |                            |                            |                     |
| Depreciable capital assets, net . . . . .                            | -   | -                               | 69,224                     | -                          | 69,224              |
| Total capital assets, net . . . . .                                  | -   | -                               | 69,224                     | -                          | 69,224              |
| Total noncurrent assets . . . . .                                    | -   | -                               | 95,658                     | -                          | 95,658              |
| Total assets . . . . .   | <u>5,005,775</u>                                  | <u>3,389,116</u>                | <u>513,396</u>             | <u>1,002,295</u>           | <u>9,910,582</u>    |
| <b>Deferred outflows of resources:</b>                               |   |                                 |                            |                            |                     |
| Pension . . . . .  | -   | -                               | 33,459                     | -                          | 33,459              |
| OPEB . . . . .   | -   | -                               | 13,856                     | -                          | 13,856              |
| Total deferred outflows of resources . . . . .                       | -   | -                               | 47,315                     | -                          | 47,315              |
| <b>Liabilities:</b>  |   |                                 |                            |                            |                     |
| Current liabilities:   |   |                                 |                            |                            |                     |
| Accounts payable . . . . .   | -   | -                               | 4,704                      | -                          | 4,704               |
| Accrued wages and benefits payable . . . . .                         | -   | -                               | 2,364                      | -                          | 2,364               |
| Due to other funds . . . . .   | -   | -                               | 4,840                      | -                          | 4,840               |
| Due to other governments . . . . .                                   | -   | -                               | 365                        | -                          | 365                 |
| Claims payable . . . . .   | 1,029,400   | 61,638                          | -                          | -                          | 1,091,038           |
| Current portion of compensated absences . . . . .                    | -   | -                               | 7,716                      | -                          | 7,716               |
| Total current liabilities . . . . .                                  | <u>1,029,400</u>                                  | <u>61,638</u>                   | <u>19,989</u>              | <u>-</u>                   | <u>1,111,027</u>    |
| Long-term liabilities:   |   |                                 |                            |                            |                     |
| Claims payable . . . . .   | -   | 865,075                         | -                          | -                          | 865,075             |
| Compensated absences payable . . . . .                               | -   | -                               | 103,914                    | -                          | 103,914             |
| Net pension liability . . . . .                                      | -   | -                               | 199,960                    | -                          | 199,960             |
| Total long-term liabilities . . . . .                                | -   | 865,075                         | 303,874                    | -                          | 1,168,949           |
| Total liabilities . . . . .  | <u>1,029,400</u>                                  | <u>926,713</u>                  | <u>323,863</u>             | <u>-</u>                   | <u>2,279,976</u>    |
| <b>Deferred inflows of resources:</b>                                |   |                                 |                            |                            |                     |
| Pension . . . . .  | -   | -                               | 90,118                     | -                          | 90,118              |
| OPEB . . . . .   | -   | -                               | 72,064                     | -                          | 72,064              |
| Total deferred inflows of resources . . . . .                        | -   | -                               | 162,182                    | -                          | 162,182             |
| <b>Net position:</b>   |   |                                 |                            |                            |                     |
| Net investment in capital assets . . . . .                           | -   | -                               | 69,224                     | -                          | 69,224              |
| Unrestricted . . . . .   | 3,976,375   | 2,462,403                       | 5,442                      | 1,002,295                  | 7,446,515           |
| Total net position . . . . .   | <u>\$ 3,976,375</u>                               | <u>\$ 2,462,403</u>             | <u>\$ 74,666</u>           | <u>\$ 1,002,295</u>        | <u>\$ 7,515,739</u> |

**CITY OF WARREN, OHIO**

COMBINING STATEMENT OF REVENUES, EXPENSES  
AND CHANGES IN NET POSITION  
**INTERNAL SERVICE FUNDS**  
FOR THE YEAR ENDED DECEMBER 31, 2021

|  | <b>Life<br/>Insurance and<br/>Hospitalization</b> | <b>Workers<br/>Compensation</b> | <b>Data<br/>Processing</b> | <b>Risk<br/>Management</b> | <b>Totals</b>       |
|--|---|---------------------------------|----------------------------|----------------------------|---------------------|
| <b>Operating revenues:</b>                                   |   |                                 |                            |                            |                     |
| Charges for services . . . . .                               | \$ 6,614,765                                      | \$ -                            | \$ 622,800                 | \$ 105,467                 | \$ 7,343,032        |
| Other operating revenues. . . . .                            | -   | 5,870                           | 52                         | 3,293                      | 9,215               |
| Total operating revenues. . . . .                            | <u>6,614,765</u>                                  | <u>5,870</u>                    | <u>622,852</u>             | <u>108,760</u>             | <u>7,352,247</u>    |
| <b>Operating expenses:</b>                                   |   |                                 |                            |                            |                     |
| Personal services . . . . .                                  | -   | -                               | 171,778                    | -                          | 171,778             |
| Contract services . . . . .                                  | -   | 2,380                           | 117,265                    | -                          | 119,645             |
| Materials and supplies . . . . .                             | -   | -                               | 9,797                      | -                          | 9,797               |
| Administrative costs . . . . .                               | -   | 149,457                         | 24,048                     | -                          | 173,505             |
| Utilities . . . . .  | -   | -                               | 15,606                     | -                          | 15,606              |
| Claims expense. . . . .                                      | 6,793,056   | 70,876                          | -                          | 133,706                    | 6,997,638           |
| Depreciation . . . . .                                       | -   | -                               | 115,230                    | -                          | 115,230             |
| Total operating expenses. . . . .                            | <u>6,793,056</u>                                  | <u>222,713</u>                  | <u>453,724</u>             | <u>133,706</u>             | <u>7,603,199</u>    |
| Changes in net position . . . . .                            | (178,291)   | (216,843)                       | 169,128                    | (24,946)                   | (250,952)           |
| <b>Net position (deficit) at beginning of year . . . . .</b> | <u>4,154,666</u>                                  | <u>2,679,246</u>                | <u>(94,462)</u>            | <u>1,027,241</u>           | <u>7,766,691</u>    |
| <b>Net position at end of year . . . . .</b>                 | <u>\$ 3,976,375</u>                               | <u>\$ 2,462,403</u>             | <u>\$ 74,666</u>           | <u>\$ 1,002,295</u>        | <u>\$ 7,515,739</u> |

CITY OF WARREN, OHIO

COMBINING STATEMENT OF CASH FLOWS  
INTERNAL SERVICE FUNDS  
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2021

|  | <b>Life<br/>Insurance and<br/>Hospitalization</b> | <b>Workers<br/>Compensation</b> | <b>Data<br/>Processing</b> | <b>Risk<br/>Management</b> | <b>Totals</b>       |
|--|---|---------------------------------|----------------------------|----------------------------|---------------------|
| <b>Cash flows from operating activities:</b>   |   |                                 |                            |                            |                     |
| Cash received from customers . . . . .   | \$ 6,614,765                                      |                                 | \$ 467,100                 | \$ 108,760                 | \$ 7,190,625        |
| Cash received from other operations . . . . .  | -   | 3,100                           | 52                         | 3,293                      | 6,445               |
| Cash payments for personal services . . . . .  | -   | -                               | (327,739)                  | -                          | (327,739)           |
| Cash payments for contractual services . . . . .   | -   | (2,380)                         | (118,004)                  | -                          | (120,384)           |
| Cash payments for materials and supplies . . . . .   | -   | -                               | (5,797)                    | -                          | (5,797)             |
| Cash payments for utilities . . . . .  | -   | -                               | (14,902)                   | -                          | (14,902)            |
| Cash payments for claims . . . . .   | (6,491,271)                                       | (131,492)                       | -                          | (133,706)                  | (6,756,469)         |
| Cash payments for administrative costs . . . . .   | -   | (167,930)                       | (19,208)                   | -                          | (187,138)           |
| Net cash provided by (used in)<br>operating activities . . . . .   | <u>123,494</u>                                    | <u>(298,702)</u>                | <u>(18,498)</u>            | <u>(21,653)</u>            | <u>(215,359)</u>    |
| Net increase (decrease) in cash and cash equivalents . . . . .   | 123,494   | (298,702)                       | (18,498)                   | (21,653)                   | (215,359)           |
| <b>Cash and cash equivalents at beginning of year . . . . .</b>  | <u>4,882,281</u>                                  | <u>3,685,048</u>                | <u>280,536</u>             | <u>1,023,948</u>           | <u>9,871,813</u>    |
| <b>Cash and cash equivalents at end of year . . . . .</b>  | <u>\$ 5,005,775</u>                               | <u>\$ 3,386,346</u>             | <u>\$ 262,038</u>          | <u>\$ 1,002,295</u>        | <u>\$ 9,656,454</u> |
| <b>Reconciliation of operating income (loss) to net<br/>cash provided by (used in) operating activities:</b> |   |                                 |                            |                            |                     |
| Operating income (loss) . . . . .  | \$ (178,291)                                      | \$ (216,843)                    | \$ 169,128                 | \$ (24,946)                | \$ (250,952)        |
| Adjustments to reconcile operating income (loss) to<br>net cash provided by (used in) operating activities:  |   |                                 |                            |                            |                     |
| Depreciation . . . . .   | -   | -                               | 115,230                    | -                          | 115,230             |
| Changes in assets, deferred outflows of resources,<br>liabilities and deferred inflows of resources:         |   |                                 |                            |                            |                     |
| (Increase) decrease in accounts receivable . . . . .   | -   |                                 | (2,700)                    | 3,293                      | 593                 |
| (Increase) in due from other governments . . . . .   | -   | (2,770)                         | -                          | -                          | (2,770)             |
| (Increase) in due from other funds . . . . .   | -   | -                               | (145,800)                  | -                          | (145,800)           |
| (Increase) in due from component unit . . . . .  | -   | -                               | (7,200)                    | -                          | (7,200)             |
| (Increase) in net pension asset . . . . .  | -   | -                               | (978)                      | -                          | (978)               |
| (Increase) in net OPEB asset . . . . .   | -   | -                               | (23,255)                   | -                          | (23,255)            |
| Decrease in deferred outflows - pension . . . . .  | -   | -                               | 18,741                     | -                          | 18,741              |
| Decrease in deferred outflows - OPEB . . . . .   | -   | -                               | 21,007                     | -                          | 21,007              |
| Increase in accounts payable . . . . .   | -   | -                               | 3,965                      | -                          | 3,965               |
| (Decrease) in accrued wages and benefits . . . . .   | -   | -                               | (2,448)                    | -                          | (2,448)             |
| Increase in due to other funds . . . . .   | -   | -                               | 4,840                      | -                          | 4,840               |
| (Decrease) in due to other governments . . . . .   | -   | (18,473)                        | (378)                      | -                          | (18,851)            |
| Increase in compensated absences payable . . . . .   | -   | -                               | 4,986                      | -                          | 4,986               |
| Increase (decrease) in claims payable . . . . .  | 301,785   | (60,616)                        | -                          | -                          | 241,169             |
| (Decrease) in net pension liability . . . . .  | -   | -                               | (69,921)                   | -                          | (69,921)            |
| (Decrease) in net OPEB liability . . . . .   | -   | -                               | (181,722)                  | -                          | (181,722)           |
| Increase in deferred inflows - pension . . . . .   | -   | -                               | 32,069                     | -                          | 32,069              |
| Increase in deferred inflows - OPEB . . . . .  | -   | -                               | 45,938                     | -                          | 45,938              |
| Net cash provided by (used in)<br>operating activities . . . . .   | <u>\$ 123,494</u>                                 | <u>\$ (298,702)</u>             | <u>\$ (18,498)</u>         | <u>\$ (21,653)</u>         | <u>\$ (215,359)</u> |

**CITY OF WARREN, OHIO**

SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN  
 FUND EQUITY - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
**LIFE INSURANCE AND HOSPITALIZATION**  
 FOR THE YEAR ENDED DECEMBER 31, 2021

|  | <u>Budgeted Amounts</u> |                     | <u>Actual</u>       | <u>Variance with<br/>Final Budget<br/>Positive<br/>(Negative)</u> |
|--|-------------------------|---------------------|---------------------|---|
|  | <u>Original</u>         | <u>Final</u>        |                     |   |
| <b>Operating revenues:</b>                       |                         |                     |                     |   |
| Charges for services . . . . .                   | \$ 6,523,500            | \$ 6,523,500        | \$ 6,614,765        | \$ 91,265   |
| Total operating revenues . . . . .               | <u>6,523,500</u>        | <u>6,523,500</u>    | <u>6,614,765</u>    | <u>91,265</u>   |
| <b>Operating expenses:</b>                       |                         |                     |                     |   |
| Claims expense . . . . .                         | 6,524,457               | 6,524,457           | 6,492,225           | 32,232  |
| Total operating expenses . . . . .               | <u>6,524,457</u>        | <u>6,524,457</u>    | <u>6,492,225</u>    | <u>32,232</u>   |
| Net change in fund equity . . . . .              | (957)                   | (957)               | 122,540             | 123,497   |
| <b>Fund equity at beginning of year. . . . .</b> | 4,881,324               | 4,881,324           | 4,881,324           | -   |
| <b>Prior year encumbrances appropriated . .</b>  | <u>957</u>              | <u>957</u>          | <u>957</u>          | <u>-</u>  |
| <b>Fund equity at end of year . . . . .</b>      | <u>\$ 4,881,324</u>     | <u>\$ 4,881,324</u> | <u>\$ 5,004,821</u> | <u>\$ 123,497</u>   |

**CITY OF WARREN, OHIO**

SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN  
 FUND EQUITY - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
**WORKERS COMPENSATION**  
 FOR THE YEAR ENDED DECEMBER 31, 2021

|   | <u>Budgeted Amounts</u> |                     | <u>Actual</u>       | <u>Variance with</u> |
|---|-------------------------|---------------------|---------------------|----------------------|
|   | <u>Original</u>         | <u>Final</u>        |                     | <u>Final Budget</u>  |
|   |                         |                     |                     | <u>Positive</u>      |
|   |                         |                     |                     | <u>(Negative)</u>    |
| <b>Operating revenues:</b>                        |                         |                     |                     |                      |
| Charges for services . . . . .                    | \$ 495,000              | \$ 495,000          | \$ -                | \$ (495,000)         |
| Other . . . . .                                   | -                       | -                   | 3,100               | 3,100                |
| Total operating revenues . . . . .                | <u>495,000</u>          | <u>495,000</u>      | <u>3,100</u>        | <u>(491,900)</u>     |
| <b>Operating expenses:</b>                        |                         |                     |                     |                      |
| Contract services . . . . .                       | 20,000                  | 20,000              | 2,380               | 17,620               |
| Claims expense . . . . .                          | 275,000                 | 275,000             | 132,496             | 142,504              |
| Administrative costs . . . . .                    | 200,000                 | 200,000             | 167,930             | 32,070               |
| Total operating expenses . . . . .                | <u>495,000</u>          | <u>495,000</u>      | <u>302,806</u>      | <u>192,194</u>       |
| Net change in fund equity . . . . .               | -                       | -                   | (299,706)           | (299,706)            |
| <b>Fund equity at beginning of year . . . . .</b> | <u>3,685,048</u>        | <u>3,685,048</u>    | <u>3,685,048</u>    | <u>-</u>             |
| <b>Fund equity at end of year . . . . .</b>       | <u>\$ 3,685,048</u>     | <u>\$ 3,685,048</u> | <u>\$ 3,385,342</u> | <u>\$ (299,706)</u>  |



**CITY OF WARREN, OHIO**

SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN  
 FUND EQUITY - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
**DATA PROCESSING**  
 FOR THE YEAR ENDED DECEMBER 31, 2021

|   | <u>Budgeted Amounts</u> |                   | <u>Actual</u>     | <b>Variance with<br/>Final Budget<br/>Positive<br/>(Negative)</b> |
|---|-------------------------|-------------------|-------------------|---|
|   | <u>Original</u>         | <u>Final</u>      |                   |   |
| <b>Operating revenues:</b>                        |                         |                   |                   |   |
| Charges for services . . . . .                    | \$ 622,800              | \$ 622,800        | \$ 467,100        | \$ (155,700)  |
| Other . . . . .                                   | -                       | -                 | 52                | 52  |
| Total operating revenues . . . . .                | <u>622,800</u>          | <u>622,800</u>    | <u>467,152</u>    | <u>(155,648)</u>  |
| <b>Operating expenses:</b>                        |                         |                   |                   |   |
| Personal services . . . . .                       | 350,094                 | 350,094           | 327,739           | 22,355  |
| Contract services . . . . .                       | 188,003                 | 188,193           | 119,593           | 68,600  |
| Materials and supplies . . . . .                  | 17,400                  | 17,400            | 9,797             | 7,603   |
| Capital outlay . . . . .                          | 19,500                  | 19,500            | -                 | 19,500  |
| Administrative costs . . . . .                    | 37,000                  | 37,000            | 19,208            | 17,792  |
| Utilities . . . . .                               | 17,100                  | 18,410            | 14,902            | 3,508   |
| Total operating expenses . . . . .                | <u>629,097</u>          | <u>630,597</u>    | <u>491,239</u>    | <u>139,358</u>  |
| Net change in fund equity . . . . .               | (6,297)                 | (7,797)           | (24,087)          | (16,290)  |
| <b>Fund equity at beginning of year . . . . .</b> | 274,239                 | 274,239           | 274,239           | -   |
| <b>Prior year encumbrances appropriated . .</b>   | <u>6,297</u>            | <u>6,297</u>      | <u>6,297</u>      | <u>-</u>  |
| <b>Fund equity at end of year . . . . .</b>       | <u>\$ 274,239</u>       | <u>\$ 272,739</u> | <u>\$ 256,449</u> | <u>\$ (16,290)</u>  |

**CITY OF WARREN, OHIO**

SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN  
 FUND EQUITY - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
**RISK MANAGEMENT**  
 FOR THE YEAR ENDED DECEMBER 31, 2021

|   | <u>Budgeted Amounts</u> |                     | <u>Actual</u>       | <u>Variance with<br/>Final Budget<br/>Positive<br/>(Negative)</u> |
|---|-------------------------|---------------------|---------------------|---|
|   | <u>Original</u>         | <u>Final</u>        |                     |   |
| <b>Operating revenues:</b>                        |                         |                     |                     |   |
| Charges for services . . . . .                    | \$ 190,000              | \$ 190,000          | \$ 108,760          | \$ (81,240)   |
| Other . . . . .                                   | -                       | -                   | 3,293               | 3,293   |
| Total operating revenues . . . . .                | <u>190,000</u>          | <u>190,000</u>      | <u>112,053</u>      | <u>(77,947)</u>   |
| <b>Operating expenses:</b>                        |                         |                     |                     |   |
| Claims expense . . . . .                          | 190,000                 | 190,000             | 133,706             | 56,294  |
| Total operating expenses . . . . .                | <u>190,000</u>          | <u>190,000</u>      | <u>133,706</u>      | <u>56,294</u>   |
| Net change in fund equity . . . . .               | -                       | -                   | (21,653)            | (21,653)  |
| <b>Fund equity at beginning of year . . . . .</b> | <u>1,023,948</u>        | <u>1,023,948</u>    | <u>1,023,948</u>    | <u>-</u>  |
| <b>Fund equity at end of year . . . . .</b>       | <u>\$ 1,023,948</u>     | <u>\$ 1,023,948</u> | <u>\$ 1,002,295</u> | <u>\$ (21,653)</u>  |

**CITY OF WARREN, OHIO**  
INDIVIDUAL FUND SCHEDULES  
FUND DESCRIPTIONS - CUSTODIAL FUNDS

**Custodial Funds**

Custodial Funds are used to account for assets held by the City for individuals, private organizations, or other governmental units. The following are the City's custodial funds.

***Highway Patrol Fines***

To account for Highway Patrol fines collected and distributed to other entities.

***Warren Municipal Court***

To account for the the collection and distribution of Warren Municipal Court fines and forfeitures to other governments, organizations and individuals.

**CITY OF WARREN, OHIO**  
**COMBINING STATEMENT OF FIDUCIARY NET POSITION**  
**CUSTODIAL FUNDS**  
**DECEMBER 31, 2021**

|  | <b>Highway<br/>Patrol Fines</b> | <b>Warren<br/>Municipal<br/>Court</b> | <b>Total<br/>Custodial</b> |
|--|---------------------------------|---------------------------------------|----------------------------|
| <b>Assets:</b>   |                                 |                                       |                            |
| Equity in pooled cash and cash equivalents . . . . .                         | \$ 1,194                        | \$ -                                  | \$ 1,194                   |
| Cash in segregated accounts . . . . .  | -                               | 425,560                               | 425,560                    |
| Receivables (net of allowance for uncollectibles):                           |                                 |                                       |                            |
| Accounts . . . . .   | 1,136                           | -                                     | 1,136                      |
| Total assets   | \$ 2,330                        | \$ 425,560                            | \$ 427,890                 |
| <b>Liabilities:</b>  |                                 |                                       |                            |
| Due to other governments . . . . .   | 2,330                           | 425,560                               | 427,890                    |
| Total liabilities . . . . .  | 2,330                           | 425,560                               | 427,890                    |
| <b>Net position:</b>   |                                 |                                       |                            |
| Restricted for other governments, organizations<br>and individuals . . . . . | -                               | -                                     | -                          |
| Total net position . . . . .   | \$ -                            | \$ -                                  | \$ -                       |

**CITY OF WARREN, OHIO**  
 COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION  
 CUSTODIAL FUNDS  
 FOR THE YEAR ENDED DECEMBER 31, 2021

|  | <b>Highway<br/>Patrol Fines</b> | <b>Warren<br/>Municipal<br/>Court</b> | <b>Total<br/>Custodial</b> |
|--|---------------------------------|---------------------------------------|----------------------------|
| <b>Additions:</b>  |                                 |                                       |                            |
| Fines and forfeitures for other governments,<br>organizations and individuals . . . . .              | \$ 21,876                       | \$ 1,633,970                          | \$ 1,655,846               |
| <b>Deductions:</b>   |                                 |                                       |                            |
| Fines and forfeitures distributions to other governments,<br>organizations and individuals . . . . . | 21,876                          | 1,633,970                             | 1,655,846                  |
| Net change in fiduciary net position . . . . .   | -                               | -                                     | -                          |
| <b>Net position at beginning of year . . . . .</b>   | -                               | -                                     | -                          |
| <b>Net position at end of year . . . . .</b>   | \$ -                            | \$ -                                  | \$ -                       |

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# **STATISTICAL SECTION**





**CITY OF WARREN, OHIO**  
**STATISTICAL SECTION**

This part of the City of Warren'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.

| <b><u>Contents</u></b>   | <b><u>Page</u></b> |
|--|--------------------|
| <b>Financial Trends</b><br>These schedules contain trend information to help the reader understand how the City's financial performance and well-being have changed over time.   | <b>188-197</b>     |
| <b>Revenue Capacity</b><br>These schedules contain information to help the reader assess the City's most significant local revenue sources, the income tax and the real and personal property tax.   | <b>198-207</b>     |
| <b>Debt Capacity</b><br>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.                            | <b>208-215</b>     |
| <b>Demographic and Economic Information</b><br>These schedules offer demographic and economic indicators to help the reader understand the environment within which the City's financial activities take place.                                    | <b>216-217</b>     |
| <b>Operating Information</b><br>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. | <b>218-223</b>     |

**Sources:** Sources are noted on the individual schedules.

**CITY OF WARREN, OHIO**

NET POSITION BY COMPONENT  
LAST TEN YEARS  
(ACCRUAL BASIS OF ACCOUNTING)

|   | <u>2021</u>          | <u>2020</u>          | <u>2019</u>          | <u>2018</u>          |
|---|----------------------|----------------------|----------------------|----------------------|
| <b>Governmental activities</b>              |                      |                      |                      |                      |
| Net investment in capital assets            | \$ 56,590,016        | \$ 53,934,820        | \$ 56,350,453        | \$ 55,619,553        |
| Restricted for:                             |                      |                      |                      |                      |
| Debt service                                | 1,905,286            | 2,149,774            | 2,000,295            | 1,855,516            |
| Capital projects                            | 1,952,424            | 2,080,138            | 1,670,629            | 899,883              |
| Street maintenance                          | 1,273,497            | 621,198              | 383,809              | 301,206              |
| State highway                               | 656,492              | 409,632              | 954,861              | 269,780              |
| Law enforcement                             | 255,636              | 243,464              | 232,309              | 213,958              |
| Courts                                      | 1,852,603            | 1,686,588            | 1,612,478            | 1,712,210            |
| Community development and improvements      | 5,810,710            | 7,454,045            | 7,488,117            | 7,539,282            |
| Police and fire pension                     | -                    | -                    | -                    | -                    |
| Warren Hills landfill                       | -                    | -                    | -                    | 419,020              |
| Coronavirus relief                          | -                    | 75,926               | -                    | -                    |
| Unrestricted (deficit)                      | <u>(16,478,271)</u>  | <u>(23,313,455)</u>  | <u>(27,781,560)</u>  | <u>(44,328,382)</u>  |
| Total governmental activities net position  | <u>\$ 53,818,393</u> | <u>\$ 45,342,130</u> | <u>\$ 42,911,391</u> | <u>\$ 24,502,026</u> |
| <b>Business-type activities</b>             |                      |                      |                      |                      |
| Net investment in capital assets            | \$ 31,320,397        | \$ 28,454,187        | \$ 26,650,705        | \$ 25,470,873        |
| Unrestricted (deficit)                      | <u>5,301,861</u>     | <u>1,011,539</u>     | <u>(3,893,992)</u>   | <u>(4,183,784)</u>   |
| Total business-type activities net position | <u>\$ 36,622,258</u> | <u>\$ 29,465,726</u> | <u>\$ 22,756,713</u> | <u>\$ 21,287,089</u> |
| <b>Total primary government</b>             |                      |                      |                      |                      |
| Net investment in capital assets            | \$ 87,910,413        | \$ 82,389,007        | \$ 83,001,158        | \$ 81,090,426        |
| Restricted for:                             |                      |                      |                      |                      |
| Debt service                                | 1,905,286            | 2,149,774            | 2,000,295            | 1,855,516            |
| Capital projects                            | 1,952,424            | 2,080,138            | 1,670,629            | 899,883              |
| Street maintenance                          | 1,273,497            | 621,198              | 383,809              | 301,206              |
| State highway                               | 656,492              | 409,632              | 954,861              | 269,780              |
| Law enforcement                             | 255,636              | 243,464              | 232,309              | 213,958              |
| Courts                                      | 1,852,603            | 1,686,588            | 1,612,478            | 1,712,210            |
| Community development and improvements      | 5,810,710            | 7,454,045            | 7,488,117            | 7,539,282            |
| Police and fire pension                     | -                    | -                    | -                    | -                    |
| Warren Hills landfill                       | -                    | -                    | -                    | 419,020              |
| Coronavirus relief                          | -                    | 75,926               | -                    | -                    |
| Unrestricted (deficit)                      | <u>(11,176,410)</u>  | <u>(22,301,916)</u>  | <u>(31,675,552)</u>  | <u>(48,512,166)</u>  |
| Total primary government net position       | <u>\$ 90,440,651</u> | <u>\$ 74,807,856</u> | <u>\$ 65,668,104</u> | <u>\$ 45,789,115</u> |

Source: City of Warren, Financial Records

(a) Amounts have been restated to reflect the implementation of GASB Statement No. 75, which was implemented in 2018.

| <b>2017 (a)</b>      | <b>2016</b>          | <b>2015</b>          | <b>2014</b>          | <b>2013</b>          | <b>2012</b>          |
|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|
| \$ 52,287,647        | \$ 49,327,471        | \$ 48,863,065        | \$ 47,726,468        | \$ 44,093,603        | \$ 42,910,889        |
| 1,843,561            | 2,220,095            | 1,869,362            | 2,145,641            | 2,723,376            | 1,996,713            |
| 576,256              | 764,564              | 1,476,319            | 899,088              | -                    | -                    |
| 174,381              | 332,590              | 162,939              | 844,586              | 828,714              | 808,811              |
| 194,694              | 176,679              | 173,276              | 178,562              | 272,923              | 345,451              |
| 177,944              | 384,759              | 363,589              | 292,581              | 399,651              | 345,503              |
| 1,650,347            | 1,484,004            | 1,291,177            | 1,588,016            | 1,369,045            | 1,315,547            |
| 7,796,740            | 7,991,263            | 8,313,048            | 8,900,592            | 9,491,103            | 10,168,030           |
| -                    | -                    | -                    | -                    | -                    | 104,782              |
| 505,366              | 513,419              | 558,717              | 611,275              | 622,922              | 665,959              |
| -                    | -                    | -                    | -                    | -                    | -                    |
| (45,830,560)         | (23,448,369)         | (21,620,364)         | (24,345,765)         | (353,410)            | (659,287)            |
| <u>\$ 19,376,376</u> | <u>\$ 39,746,475</u> | <u>\$ 41,451,128</u> | <u>\$ 38,841,044</u> | <u>\$ 59,447,927</u> | <u>\$ 58,002,398</u> |
| <br>                 |                      |                      |                      |                      |                      |
| \$ 23,698,307        | \$ 23,136,628        | \$ 21,880,703        | \$ 22,123,436        | \$ 26,353,429        | \$ 25,997,973        |
| (1,116,494)          | 4,610,430            | 5,812,598            | 3,522,316            | 7,037,170            | 7,100,100            |
| <u>\$ 22,581,813</u> | <u>\$ 27,747,058</u> | <u>\$ 27,693,301</u> | <u>\$ 25,645,752</u> | <u>\$ 33,390,599</u> | <u>\$ 33,098,073</u> |
| <br>                 |                      |                      |                      |                      |                      |
| \$ 75,985,954        | \$ 72,464,099        | \$ 70,743,768        | \$ 69,849,904        | \$ 70,447,032        | \$ 68,908,862        |
| 1,843,561            | 2,220,095            | 1,869,362            | 2,145,641            | 2,723,376            | 1,996,713            |
| 576,256              | 764,564              | 1,476,319            | 899,088              | -                    | -                    |
| 174,381              | 332,590              | 162,939              | 844,586              | 828,714              | 808,811              |
| 194,694              | 176,679              | 173,276              | 178,562              | 272,923              | 345,451              |
| 177,944              | 384,759              | 363,589              | 292,581              | 399,651              | 345,503              |
| 1,650,347            | 1,484,004            | 1,291,177            | 1,588,016            | 1,369,045            | 1,315,547            |
| 7,796,740            | 7,991,263            | 8,313,048            | 8,900,592            | 9,491,103            | 10,168,030           |
| -                    | -                    | -                    | -                    | -                    | 104,782              |
| 505,366              | 513,419              | 558,717              | 611,275              | 622,922              | 665,959              |
| -                    | -                    | -                    | -                    | -                    | -                    |
| (46,947,054)         | (18,837,939)         | (15,807,766)         | (20,823,449)         | 6,683,760            | 6,440,813            |
| <u>\$ 41,958,189</u> | <u>\$ 67,493,533</u> | <u>\$ 69,144,429</u> | <u>\$ 64,486,796</u> | <u>\$ 92,838,526</u> | <u>\$ 91,100,471</u> |

**CITY OF WARREN, OHIO**

CHANGES IN NET POSITION  
LAST TEN YEARS  
(ACCRUAL BASIS OF ACCOUNTING)

|   | <u>2021</u>          | <u>2020</u>          | <u>2019</u>          | <u>2018</u>          |
|---|----------------------|----------------------|----------------------|----------------------|
| <b>Program revenues:</b>                        |                      |                      |                      |                      |
| Governmental activities:                        |                      |                      |                      |                      |
| Charges for services:                           |                      |                      |                      |                      |
| General government                              | \$ 771,189           | \$ 736,210           | \$ 813,663           | \$ 1,259,301         |
| Security of persons and property                | 1,333,149            | 1,076,453            | 1,402,673            | 1,320,428            |
| Public health and welfare                       | -                    | -                    | -                    | 133,265              |
| Transportation                                  | 3,350                | 3,250                | 3,150                | 3,700                |
| Community environment                           | 414,111              | 274,691              | 485,541              | 786,293              |
| Leisure time activity                           | 15,529               | 20,008               | 30,210               | 44,079               |
| Economic development                            | 40,615               | 100,868              | 168,208              | 216,132              |
| Operating grants and contributions:             |                      |                      |                      |                      |
| General government                              | 473,249              | 2,095,370            | -                    | 369                  |
| Security of persons and property                | 21,757               | 921,977              | 91,988               | 74,556               |
| Transportation                                  | 2,683,132            | 2,628,613            | 2,630,879            | 2,134,069            |
| Community environment                           | -                    | 247                  | -                    | -                    |
| Leisure time activity                           | -                    | 40,696               | -                    | -                    |
| Economic development                            | 1,740,401            | 1,553,122            | 1,901,215            | 1,244,003            |
| Capital grants and contributions:               |                      |                      |                      |                      |
| General government                              | -                    | -                    | -                    | 700,000              |
| Transportation                                  | 1,604,489            | 2,699,284            | 1,831,961            | 5,306,983            |
| Total governmental activities program revenues  | <u>9,100,971</u>     | <u>12,150,789</u>    | <u>9,359,488</u>     | <u>13,223,178</u>    |
| Business-type activities:                       |                      |                      |                      |                      |
| Charges for services:                           |                      |                      |                      |                      |
| Sewer   | 9,386,246            | 11,596,322           | 9,307,279            | 7,428,822            |
| Water   | 12,424,364           | 13,061,725           | 13,192,817           | 11,877,365           |
| Sanitation                                      | 3,893,994            | 3,805,435            | 3,866,075            | 3,730,285            |
| Other business-type activities:                 |                      |                      |                      |                      |
| Packard Music Hall                              | -                    | -                    | -                    | -                    |
| City Redevelopment                              | 342,874              | 329,141              | 325,698              | 329,493              |
| Downtown parking                                | 22,177               | 18,619               | 23,467               | 23,836               |
| Stormwater Utility                              | 1,036,517            | 1,044,663            | 1,075,569            | 1,034,656            |
| Operating grants and contributions              |                      |                      |                      |                      |
| Sewer   | 1,337,951            | 1,763,891            | -                    | -                    |
| Sanitation                                      | 197                  | -                    | -                    | -                    |
| Capital grants and contributions                |                      |                      |                      |                      |
| Sewer   | -                    | -                    | 8,118                | 217,386              |
| Water   | -                    | 11,820               | -                    | 5,435                |
| Sanitation                                      | -                    | -                    | 12,500               | -                    |
| Other business-type activities:                 |                      |                      |                      |                      |
| Packard Music Hall                              | -                    | -                    | -                    | -                    |
| Stormwater Utility                              | -                    | -                    | 8,118                | 217,386              |
| Total business-type activities program revenues | <u>28,444,320</u>    | <u>31,631,616</u>    | <u>27,819,641</u>    | <u>24,864,664</u>    |
| Total primary government                        | <u>\$ 37,545,291</u> | <u>\$ 43,782,405</u> | <u>\$ 37,179,129</u> | <u>\$ 38,087,842</u> |
| <b>Expenses:</b>                                |                      |                      |                      |                      |
| Governmental activities:                        |                      |                      |                      |                      |
| General government                              | \$ 2,408,426         | \$ 7,258,980         | \$ 7,106,282         | \$ 7,128,383         |
| Security of persons and property                | 14,473,367           | 17,137,064           | 1,921,321            | 17,604,592           |
| Public health and welfare                       | 249,959              | 80,079               | 160,049              | 841,137              |
| Transportation                                  | 3,543,295            | 5,796,195            | 3,874,549            | 3,714,265            |
| Community environment                           | 927,513              | 950,169              | 1,024,850            | 1,758,730            |
| Leisure time activity                           | 987,970              | 1,021,486            | 996,445              | 966,023              |
| Economic development                            | 3,545,821            | 1,603,834            | 1,886,918            | 1,471,834            |
| Interest and fiscal charges                     | 149,532              | 189,182              | 182,246              | 209,570              |
| Bond issuance costs                             | -                    | -                    | -                    | -                    |
| Total governmental activities expenses          | <u>26,285,883</u>    | <u>34,036,989</u>    | <u>17,152,660</u>    | <u>33,694,534</u>    |

|    | 2017       | 2016          | 2015          | 2014          | 2013          | 2012          |
|----|------------|---------------|---------------|---------------|---------------|---------------|
| \$ | 1,294,087  | \$ 1,155,198  | \$ 1,142,087  | \$ 1,258,784  | \$ 1,219,533  | \$ 1,304,044  |
|    | 1,343,467  | 1,238,827     | 1,525,792     | 1,598,937     | 1,452,930     | 1,739,425     |
|    | 108,576    | 121,106       | 195,126       | 212,498       | 204,455       | 201,798       |
|    | 2,550      | 2,050         | 1,300         | 350           | 1,050         | 21,750        |
|    | 761,418    | 751,395       | 801,817       | 783,143       | 762,676       | 794,078       |
|    | 63,471     | 29,158        | 51,053        | 23,252        | 36,082        | 34,033        |
|    | 111,174    | -             | -             | -             | 371,154       | 526,844       |
|    | -          | 129           | -             | -             | -             | -             |
|    | 71,592     | 250,762       | 110,795       | 139,755       | 166,236       | 162,239       |
|    | 2,076,358  | 2,009,714     | 1,944,652     | 2,085,454     | 1,968,489     | 2,000,968     |
|    | -          | -             | -             | 515,924       | 362,596       | -             |
|    | -          | -             | -             | -             | -             | -             |
|    | 1,639,750  | 2,074,252     | 1,484,273     | 2,060,026     | 1,592,956     | 2,859,913     |
|    | -          | -             | -             | -             | -             | 309,751       |
|    | 1,831,422  | 2,293,735     | 4,718,978     | 2,573,034     | 3,971,851     | 982,257       |
|    | 9,303,865  | 9,926,326     | 11,975,873    | 11,251,157    | 12,110,008    | 10,937,100    |
|    | 8,207,341  | 7,992,246     | 8,025,072     | 8,188,147     | 8,026,141     | 8,487,821     |
|    | 11,440,010 | 10,392,869    | 11,932,352    | 10,930,207    | 10,276,785    | 11,042,614    |
|    | 3,720,156  | 3,097,256     | 3,624,806     | 3,446,470     | 3,434,612     | 3,323,515     |
|    | -          | -             | -             | 149,163       | 211,795       | 185,971       |
|    | 358,938    | 421,570       | 404,767       | 426,888       | 57,092        | 40,111        |
|    | 18,490     | 21,165        | 30,614        | 23,088        | 34,024        | 24,530        |
|    | 1,087,434  | 877,355       | 1,105,928     | 1,103,573     | 1,009,629     | 1,038,686     |
|    | -          | -             | -             | -             | -             | -             |
|    | -          | -             | -             | -             | -             | -             |
|    | -          | -             | -             | -             | -             | -             |
|    | 189,516    | 1,090,634     | 10,000        | 8,600         | -             | -             |
|    | 12,500     | 2,985         | 17,500        | -             | -             | -             |
|    | -          | -             | -             | -             | 37,028        | 59,020        |
|    | -          | -             | -             | -             | -             | 23,469        |
|    | 25,034,385 | 23,896,080    | 25,151,039    | 24,276,136    | 23,087,106    | 24,225,737    |
| \$ | 34,338,250 | \$ 33,822,406 | \$ 37,126,912 | \$ 35,527,293 | \$ 35,197,114 | \$ 35,162,837 |
| \$ | 7,193,770  | \$ 6,373,481  | \$ 6,488,811  | \$ 5,938,254  | \$ 5,490,149  | \$ 5,841,107  |
|    | 15,589,381 | 16,529,431    | 16,095,857    | 15,374,111    | 16,292,351    | 16,753,174    |
|    | 780,424    | 755,064       | 615,477       | 652,802       | 681,620       | 634,143       |
|    | 3,560,975  | 3,953,939     | 3,442,801     | 4,256,445     | 4,124,435     | 3,790,997     |
|    | 1,824,742  | 1,901,508     | 1,813,704     | 2,165,295     | 2,545,832     | 1,758,742     |
|    | 689,808    | 781,777       | 737,876       | 499,936       | 499,204       | 482,998       |
|    | 1,792,666  | 2,215,336     | 1,717,280     | 2,381,519     | 2,481,991     | 2,402,035     |
|    | 321,509    | 361,464       | 386,234       | 413,785       | 195,930       | 266,413       |
|    | -          | -             | -             | -             | 226,597       | 59,662        |
|    | 31,753,275 | 32,872,000    | 31,298,040    | 31,682,147    | 32,538,109    | 31,989,271    |

**CITY OF WARREN, OHIO**

CHANGES IN NET POSITION  
LAST TEN YEARS (CONTINUED)  
(ACCRUAL BASIS OF ACCOUNTING)

|  | <u>2021</u>            | <u>2020</u>            | <u>2019</u>           | <u>2018</u>            |
|--|------------------------|------------------------|-----------------------|------------------------|
| Business-type activities:                                  |                        |                        |                       |                        |
| Sewer  | \$ 8,208,884           | \$ 9,674,309           | \$ 8,757,648          | \$ 8,773,308           |
| Water  | 9,611,145              | 10,707,832             | 12,951,978            | 13,082,604             |
| Sanitation   | 3,360,025              | 4,024,172              | 3,973,580             | 4,020,987              |
| Other business-type activities:                            |                        |                        |                       |                        |
| Packard Music Hall   | -                      | -                      | -                     | -                      |
| City Redevelopment   | 309,383                | 324,793                | 252,315               | 277,699                |
| Downtown Parking   | 145,193                | 139,415                | 145,146               | 139,892                |
| Stormwater Utility   | 365,502                | 446,748                | 679,975               | 428,966                |
| Total business-type activities expenses                    | <u>22,000,132</u>      | <u>25,317,269</u>      | <u>26,760,642</u>     | <u>26,723,456</u>      |
| Total primary government                                   | <u>\$ 48,286,015</u>   | <u>\$ 59,354,258</u>   | <u>\$ 43,913,302</u>  | <u>\$ 60,417,990</u>   |
| <b>Net (expense) revenue:</b>                              |                        |                        |                       |                        |
| Governmental activities                                    | \$ (17,184,912)        | \$ (21,886,200)        | \$ (7,793,172)        | \$ (20,471,356)        |
| Business-type activities                                   | 6,444,188              | 6,314,347              | 1,058,999             | (1,858,792)            |
| Total primary government net expense                       | <u>\$ (10,740,724)</u> | <u>\$ (15,571,853)</u> | <u>\$ (6,734,173)</u> | <u>\$ (22,330,148)</u> |
| <b>General revenues and other changes in net position:</b> |                        |                        |                       |                        |
| Governmental activities                                    |                        |                        |                       |                        |
| Taxes:   |                        |                        |                       |                        |
| Property taxes levied for:                                 |                        |                        |                       |                        |
| General Purposes   | \$ 168,976             | \$ 152,438             | \$ 149,766            | \$ 217,738             |
| Debt service   | 1,009,772              | 906,325                | 902,413               | 835,333                |
| Fire pension   | -                      | -                      | -                     | -                      |
| Police pension   | -                      | -                      | -                     | -                      |
| Income taxes levied for:                                   |                        |                        |                       |                        |
| General Purposes   | 22,774,896             | 20,965,891             | 20,787,329            | 21,345,452             |
| Grants and entitlements                                    |                        |                        |                       |                        |
| not restricted to specific programs                        | 1,635,077              | 1,703,961              | 2,461,054             | 2,336,729              |
| Investment earnings  | 108,002                | 232,284                | 326,622               | 260,018                |
| Change in fair value of investments                        | (66,394)               | (13,814)               | 125,816               | 12,050                 |
| Miscellaneous  | 420,096                | 431,854                | 306,244               | 678,226                |
| Special item   | -                      | -                      | 1,233,293             | -                      |
| Transfers  | (389,250)              | (62,000)               | (90,000)              | (88,540)               |
| Total governmental activities                              | <u>25,661,175</u>      | <u>24,316,939</u>      | <u>26,202,537</u>     | <u>25,597,006</u>      |
| Business-type activities                                   |                        |                        |                       |                        |
| Investment earnings  | -                      | -                      | -                     | 12                     |
| Miscellaneous  | 323,094                | 332,666                | 320,625               | 475,516                |
| Special item   | -                      | -                      | -                     | -                      |
| Transfers  | 389,250                | 62,000                 | 90,000                | 88,540                 |
| Total business-type activities                             | <u>712,344</u>         | <u>394,666</u>         | <u>410,625</u>        | <u>564,068</u>         |
| Total primary government                                   | <u>\$ 26,373,519</u>   | <u>\$ 24,711,605</u>   | <u>\$ 26,613,162</u>  | <u>\$ 26,161,074</u>   |
| <b>Change in net position:</b>                             |                        |                        |                       |                        |
| Governmental activities                                    | \$ 8,476,263           | \$ 2,430,739           | \$ 18,409,365         | \$ 5,125,650           |
| Business-type activities                                   | 7,156,532              | 6,709,013              | 1,469,624             | (1,294,724)            |
| Total primary government                                   | <u>\$ 15,632,795</u>   | <u>\$ 9,139,752</u>    | <u>\$ 19,878,989</u>  | <u>\$ 3,830,926</u>    |

Source: City of Warren, Financial Records

| <u>2017</u>            | <u>2016</u>            | <u>2015</u>            | <u>2014</u>            | <u>2013</u>            | <u>2012</u>            |
|------------------------|------------------------|------------------------|------------------------|------------------------|------------------------|
| \$ 7,964,421           | \$ 7,839,689           | \$ 7,097,645           | \$ 7,157,384           | \$ 7,126,141           | \$ 6,684,587           |
| 12,690,692             | 11,786,057             | 12,013,437             | 11,815,365             | 11,723,619             | 12,190,368             |
| 3,733,769              | 3,570,325              | 3,326,132              | 3,631,799              | 3,214,243              | 3,331,447              |
| -                      | -                      | -                      | 525,830                | 706,478                | 657,521                |
| 314,064                | 367,444                | 215,209                | 260,920                | 76,175                 | 46,689                 |
| 162,080                | 129,999                | 136,252                | 136,077                | 149,373                | 131,147                |
| 603,721                | 715,346                | 580,172                | 634,430                | 551,745                | 715,049                |
| <u>25,468,747</u>      | <u>24,408,860</u>      | <u>23,368,847</u>      | <u>24,161,805</u>      | <u>23,547,774</u>      | <u>23,756,808</u>      |
| <u>\$ 57,222,022</u>   | <u>\$ 57,280,860</u>   | <u>\$ 54,666,887</u>   | <u>\$ 55,843,952</u>   | <u>\$ 56,085,883</u>   | <u>\$ 55,746,079</u>   |
| \$ (22,449,410)        | \$ (22,945,674)        | \$ (19,322,167)        | \$ (20,430,990)        | \$ (20,428,101)        | \$ (21,052,171)        |
| (434,362)              | (512,780)              | 1,782,192              | 114,331                | (460,668)              | 468,929                |
| <u>\$ (22,883,772)</u> | <u>\$ (23,458,454)</u> | <u>\$ (17,539,975)</u> | <u>\$ (20,316,659)</u> | <u>\$ (20,888,769)</u> | <u>\$ (20,583,242)</u> |
| \$ -                   | \$ -                   | \$ -                   | \$ -                   | \$ -                   | \$ -                   |
| 1,337,229              | 1,136,724              | 1,221,461              | 1,370,616              | 1,311,792              | 995,193                |
| -                      | -                      | -                      | -                      | -                      | 94,034                 |
| -                      | -                      | -                      | -                      | -                      | 94,034                 |
| 18,091,853             | 16,990,041             | 17,237,265             | 16,247,030             | 16,624,172             | 16,968,167             |
| 1,974,260              | 1,458,525              | 1,601,526              | 2,016,181              | 3,639,724              | 4,115,473              |
| 125,442                | 117,016                | 73,839                 | 67,940                 | 53,299                 | 67,451                 |
| 5,522                  | (78,842)               | -                      | -                      | -                      | -                      |
| 579,992                | 1,646,101              | 1,698,877              | 666,755                | 562,200                | 673,628                |
| -                      | -                      | -                      | 2,280,036              | -                      | -                      |
| 142,734                | (28,544)               | 99,283                 | (323,000)              | (317,557)              | (327,269)              |
| <u>22,257,032</u>      | <u>21,241,021</u>      | <u>21,932,251</u>      | <u>22,325,558</u>      | <u>21,873,630</u>      | <u>22,680,711</u>      |
| -                      | -                      | -                      | -                      | -                      | 143                    |
| 217,224                | 537,993                | 364,640                | 322,482                | 435,637                | 339,037                |
| -                      | -                      | -                      | (2,280,036)            | -                      | -                      |
| (142,734)              | 28,544                 | (99,283)               | 323,000                | 317,557                | 327,269                |
| <u>74,490</u>          | <u>566,537</u>         | <u>265,357</u>         | <u>(1,634,554)</u>     | <u>753,194</u>         | <u>666,449</u>         |
| <u>\$ 22,331,522</u>   | <u>\$ 21,807,558</u>   | <u>\$ 22,197,608</u>   | <u>\$ 20,691,004</u>   | <u>\$ 22,626,824</u>   | <u>\$ 23,347,160</u>   |
| \$ (192,378)           | \$ (1,704,653)         | \$ 2,610,084           | \$ 1,894,568           | \$ 1,445,529           | \$ 1,628,540           |
| (359,872)              | 53,757                 | 2,047,549              | (1,520,223)            | 292,526                | 1,135,378              |
| <u>\$ (552,250)</u>    | <u>\$ (1,650,896)</u>  | <u>\$ 4,657,633</u>    | <u>\$ 374,345</u>      | <u>\$ 1,738,055</u>    | <u>\$ 2,763,918</u>    |

**CITY OF WARREN, OHIO**

FUND BALANCES, GOVERNMENTAL FUNDS  
LAST TEN YEARS  
(MODIFIED ACCRUAL BASIS OF ACCOUNTING)

|                                      | <u>2021</u>          | <u>2020</u>          | <u>2019</u>          | <u>2018</u>          | <u>2017</u>          |
|--------------------------------------|----------------------|----------------------|----------------------|----------------------|----------------------|
| <b>General fund:</b>                 |                      |                      |                      |                      |                      |
| Nonspendable                         | \$ 3,721             | \$ 3,185             | \$ 2,993             | \$ 3,729             | \$ 3,013             |
| Restricted                           | -                    | -                    | -                    | 419,020              | 505,366              |
| Assigned                             | 960,805              | 335,877              | 525,489              | 357,577              | 311,428              |
| Unassigned                           | <u>8,104,740</u>     | <u>7,122,090</u>     | <u>6,181,529</u>     | <u>4,379,649</u>     | <u>2,141,301</u>     |
| Total general fund                   | <u>\$ 9,069,266</u>  | <u>\$ 7,461,152</u>  | <u>\$ 6,710,011</u>  | <u>\$ 5,159,975</u>  | <u>\$ 2,961,108</u>  |
| <b>All other governmental funds:</b> |                      |                      |                      |                      |                      |
| Nonspendable                         | \$ 287,000           | \$ 35,240            | \$ 55,680            | \$ -                 | \$ 12,130            |
| Restricted                           | 11,489,913           | 13,992,830           | 12,154,040           | 11,249,097           | 10,810,968           |
| Unassigned (deficit)                 | <u>-</u>             | <u>-</u>             | <u>-</u>             | <u>-</u>             | <u>-</u>             |
| Total all other governmental funds   | <u>\$ 11,776,913</u> | <u>\$ 14,028,070</u> | <u>\$ 12,209,720</u> | <u>\$ 11,249,097</u> | <u>\$ 10,823,098</u> |

Source: City of Warren, Financial Records



| <u>2016</u>          | <u>2015</u>          | <u>2014</u>          | <u>2013</u>          | <u>2012</u>          |
|----------------------|----------------------|----------------------|----------------------|----------------------|
| \$ 2,438             | \$ 3,283             | \$ 4,877             | \$ 4,426             | \$ 3,538             |
| 513,419              | 558,717              | 611,275              | 622,922              | 665,959              |
| 58,956               | 85,482               | 210,808              | 212,483              | 743,525              |
| <u>973,017</u>       | <u>1,729,249</u>     | <u>1,506,015</u>     | <u>3,230,863</u>     | <u>3,810,108</u>     |
| <u>\$ 1,547,830</u>  | <u>\$ 2,376,731</u>  | <u>\$ 2,332,975</u>  | <u>\$ 4,070,694</u>  | <u>\$ 5,223,130</u>  |
| \$ 100,125           | \$ 133,500           | \$ 315               | \$ -                 | \$ -                 |
| 11,516,013           | 11,473,582           | 14,060,602           | 17,497,378           | 12,285,612           |
| <u>-</u>             | <u>-</u>             | <u>(7,863)</u>       | <u>-</u>             | <u>(492,011)</u>     |
| <u>\$ 11,616,138</u> | <u>\$ 11,607,082</u> | <u>\$ 14,053,054</u> | <u>\$ 17,497,378</u> | <u>\$ 11,793,601</u> |

**CITY OF WARREN, OHIO**

CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS  
LAST TEN YEARS  
(MODIFIED ACCRUAL BASIS OF ACCOUNTING)

|   | <u>2021</u>         | <u>2020</u>         | <u>2019</u>         | <u>2018</u>         |
|---|---------------------|---------------------|---------------------|---------------------|
| <b>Revenues</b>   |                     |                     |                     |                     |
| Income taxes  | \$ 22,029,137       | \$ 20,585,133       | \$ 21,366,470       | \$ 20,679,002       |
| Property and other taxes                                | 1,167,822           | 1,094,959           | 1,057,186           | 1,077,304           |
| Charges for services                                    | 2,489,106           | 2,124,396           | 2,243,738           | 2,529,584           |
| Licenses and permits                                    | 1,116,328           | 939,702             | 1,147,063           | 2,097,794           |
| Fines and forfeitures                                   | 1,326,788           | 1,051,119           | 1,403,081           | 1,325,672           |
| Intergovernmental                                       | 7,415,648           | 11,553,584          | 8,615,087           | 11,153,774          |
| Special assessments                                     | 20,887              | 25,206              | 11,257              | 11,048              |
| Investment income                                       | 123,505             | 256,514             | 371,119             | 283,645             |
| Rental income   | 64,667              | 47,384              | 72,543              | 71,054              |
| Change in fair value of investments                     | (66,394)            | (13,814)            | 125,816             | 12,050              |
| Other   | 503,606             | 482,726             | 692,911             | 535,500             |
| Total revenues  | <u>36,191,100</u>   | <u>38,146,909</u>   | <u>37,106,271</u>   | <u>39,776,427</u>   |
| <b>Expenditures</b>                                     |                     |                     |                     |                     |
| Current:  |                     |                     |                     |                     |
| General government                                      | 8,875,951           | 9,116,227           | 8,186,636           | 8,339,458           |
| Security of persons and property                        | 16,088,835          | 17,146,880          | 16,231,802          | 15,404,934          |
| Public health and welfare                               | 249,959             | 80,079              | 160,049             | 812,647             |
| Transportation  | 1,418,311           | 1,788,584           | 1,496,750           | 1,533,931           |
| Community environment                                   | 1,106,962           | 981,143             | 997,224             | 1,646,638           |
| Leisure time activity                                   | 587,238             | 430,169             | 396,652             | 396,792             |
| Economic development                                    | 1,799,779           | 1,583,003           | 1,870,301           | 1,442,020           |
| Capital outlay  | 5,180,151           | 3,195,098           | 4,074,972           | 6,367,244           |
| Debt service:   |                     |                     |                     |                     |
| Principal retirement                                    | 983,775             | 1,000,850           | 867,828             | 897,828             |
| Interest and fiscal charges                             | 153,932             | 193,385             | 194,288             | 227,290             |
| Bond/refunding bond issuance costs                      | -                   | -                   | -                   | -                   |
| Total expenditures                                      | <u>36,444,893</u>   | <u>35,515,418</u>   | <u>34,476,502</u>   | <u>37,068,782</u>   |
| Excess of revenues over (under) expenditures            | <u>(253,793)</u>    | <u>2,631,491</u>    | <u>2,629,769</u>    | <u>2,707,645</u>    |
| <b>Other financing sources (uses)</b>                   |                     |                     |                     |                     |
| Sale of refunding bonds                                 | -                   | -                   | -                   | -                   |
| Sale of bonds   | -                   | -                   | -                   | -                   |
| Sale of notes   | -                   | -                   | -                   | -                   |
| Payment to refunded bond escrow agent                   | -                   | -                   | -                   | -                   |
| Premium on bonds/refunding bonds                        | -                   | -                   | -                   | -                   |
| Capital lease transaction                               | -                   | -                   | 305,298             | -                   |
| Transfers in  | 1,678,327           | 223,644             | 2,112,228           | 1,066,097           |
| Transfers (out)   | (2,067,577)         | (285,644)           | (2,202,228)         | (1,148,876)         |
| Total other financing sources (uses)                    | <u>(389,250)</u>    | <u>(62,000)</u>     | <u>215,298</u>      | <u>(82,779)</u>     |
| Special items   | -                   | -                   | (334,408)           | -                   |
| Net change in fund balances                             | <u>\$ (643,043)</u> | <u>\$ 2,569,491</u> | <u>\$ 2,510,659</u> | <u>\$ 2,624,866</u> |
| Capital expenditures                                    | 7,258,904           | 1,728,319           | 4,353,720           | 6,719,065           |
| Debt service as a percentage of noncapital expenditures | 3.90%               | 3.53%               | 3.53%               | 3.71%               |

Source: City of Warren, Financial Records

| <b>2017</b>        | <b>2016</b>         | <b>2015</b>           | <b>2014</b>           | <b>2013</b>         | <b>2012</b>           |
|--------------------|---------------------|-----------------------|-----------------------|---------------------|-----------------------|
| \$ 19,574,834      | \$ 16,115,081       | \$ 16,939,262         | \$ 16,409,208         | \$ 16,624,224       | \$ 17,080,705         |
| 1,256,067          | 1,249,316           | 1,283,266             | 1,318,438             | 1,315,316           | 1,356,637             |
| 2,315,057          | 2,252,949           | 2,172,819             | 2,118,099             | 2,146,723           | 2,068,967             |
| 1,932,851          | 1,849,308           | 2,103,295             | 2,114,415             | 2,129,625           | 2,281,768             |
| 1,361,117          | 1,236,826           | 1,543,176             | 1,668,265             | 1,465,518           | 1,751,023             |
| 7,502,554          | 7,826,195           | 9,923,751             | 8,554,302             | 11,242,468          | 10,388,955            |
| 10,104             | 10,522              | 16,123                | 20,549                | 23,663              | 35,896                |
| 164,024            | 137,484             | 101,689               | 107,227               | 163,524             | 125,471               |
| 69,529             | 72,547              | 48,899                | 47,749                | 30,606              | 26,274                |
| 5,522              | (78,842)            | -                     | -                     | -                   | -                     |
| 730,284            | 1,951,250           | 1,842,483             | 1,478,244             | 983,926             | 760,098               |
| <b>34,921,943</b>  | <b>32,622,636</b>   | <b>35,974,763</b>     | <b>33,836,496</b>     | <b>36,125,593</b>   | <b>35,875,794</b>     |
| 7,825,008          | 7,631,063           | 8,101,494             | 7,579,223             | 7,375,113           | 7,614,421             |
| 15,083,909         | 14,431,020          | 15,786,930            | 15,484,022            | 16,951,166          | 17,396,017            |
| 730,301            | 729,262             | 607,931               | 650,352               | 682,462             | 631,915               |
| 1,459,169          | 1,438,403           | 1,690,699             | 1,619,094             | 1,311,023           | 1,661,599             |
| 1,707,294          | 1,844,028           | 1,786,984             | 1,825,474             | 1,738,663           | 1,766,330             |
| 286,373            | 458,214             | 418,546               | 730,344               | 550,457             | 493,165               |
| 1,749,327          | 2,199,189           | 1,711,494             | 2,276,793             | 2,417,744           | 3,291,712             |
| 3,310,574          | 3,437,790           | 7,107,269             | 7,275,418             | 7,601,061           | 2,681,709             |
| 792,828            | 872,828             | 869,882               | 815,983               | 1,153,216           | 3,494,229             |
| 271,418            | 372,140             | 395,033               | 399,298               | 164,201             | 256,922               |
| 69,003             | -                   | -                     | -                     | 226,597             | 44,710                |
| <b>33,285,204</b>  | <b>33,413,937</b>   | <b>38,476,262</b>     | <b>38,656,001</b>     | <b>40,171,703</b>   | <b>39,332,729</b>     |
| <b>1,636,739</b>   | <b>(791,301)</b>    | <b>(2,501,499)</b>    | <b>(4,819,505)</b>    | <b>(4,046,110)</b>  | <b>(3,456,935)</b>    |
| 5,095,000          | -                   | -                     | -                     | -                   | -                     |
| -                  | -                   | -                     | -                     | 8,585,000           | 1,960,000             |
| -                  | -                   | -                     | -                     | -                   | 13,529                |
| (6,170,449)        | -                   | -                     | -                     | -                   | -                     |
| -                  | -                   | -                     | -                     | 241,824             | 62,088                |
| -                  | -                   | -                     | -                     | -                   | -                     |
| 937,283            | 336,868             | 1,237,739             | 1,428,160             | 429,120             | 960,193               |
| (878,335)          | (365,412)           | (1,138,456)           | (1,751,160)           | (658,493)           | (1,085,009)           |
| <b>(1,016,501)</b> | <b>(28,544)</b>     | <b>99,283</b>         | <b>(323,000)</b>      | <b>8,597,451</b>    | <b>1,910,801</b>      |
| -                  | -                   | -                     | (39,538)              | -                   | -                     |
| <b>\$ 620,238</b>  | <b>\$ (819,845)</b> | <b>\$ (2,402,216)</b> | <b>\$ (5,182,043)</b> | <b>\$ 4,551,341</b> | <b>\$ (1,546,134)</b> |
| 3,786,808          | 3,257,331           | 8,068,858             | 7,247,084             | 7,166,035           | 3,438,531             |
| 3.61%              | 4.13%               | 4.16%                 | 3.87%                 | 3.99%               | 10.45%                |

**CITY OF WARREN, OHIO**

**ASSESSED VALUATION AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY  
LAST TEN YEARS**

| <b>Year</b> | <b>Real Property</b>  |                                   | <b>Public Utility Property</b> |                                   | <b>Total</b>          |                               |
|-------------|-----------------------|-----------------------------------|--------------------------------|-----------------------------------|-----------------------|-------------------------------|
|             | <b>Assessed Value</b> | <b>Estimated Actual Value (a)</b> | <b>Assessed Value</b>          | <b>Estimated Actual Value (b)</b> | <b>Assessed Value</b> | <b>Estimated Actual Value</b> |
| 2021        | \$ 349,066,070        | \$ 997,331,629                    | \$ 26,406,090                  | \$ 30,006,920                     | \$ 375,472,160        | \$ 1,027,338,549              |
| 2020        | 331,486,890           | 947,105,400                       | 26,406,090                     | 30,006,920                        | 357,892,980           | 977,112,320                   |
| 2019        | 332,548,410           | 950,138,314                       | 24,539,800                     | 27,886,136                        | 357,088,210           | 978,024,451                   |
| 2018        | 337,744,240           | 964,983,543                       | 23,981,680                     | 27,251,909                        | 361,725,920           | 992,235,452                   |
| 2017        | 344,190,630           | 983,401,800                       | 22,702,200                     | 25,797,955                        | 366,892,830           | 1,009,199,755                 |
| 2016        | 347,125,760           | 991,787,886                       | 21,582,300                     | 24,525,341                        | 368,708,060           | 1,016,313,227                 |
| 2015        | 350,800,170           | 1,002,286,200                     | 20,536,880                     | 23,337,364                        | 371,337,050           | 1,025,623,564                 |
| 2014        | 373,901,310           | 1,068,289,457                     | 19,577,610                     | 22,247,284                        | 393,478,920           | 1,090,536,741                 |
| 2013        | 377,697,430           | 1,079,135,514                     | 17,925,480                     | 20,369,864                        | 395,622,910           | 1,099,505,378                 |
| 2012        | 381,924,920           | 1,091,214,057                     | 16,126,650                     | 18,325,739                        | 398,051,570           | 1,109,539,796                 |

Source: Trumbull County Auditor's Office

- (a) Real property is assessed at 35% of actual value.
- (b) Public utility is assessed at 88% percent of actual value.

| <b>Total Direct<br/>Tax Rate</b> | <b>Assessed Value<br/>as a Percentage<br/>of Actual Value</b> |
|----------------------------------|---|
| 3.50                             | 36.55%  |
| 3.50                             | 36.63%  |
| 3.50                             | 36.51%  |
| 3.50                             | 36.46%  |
| 3.50                             | 36.35%  |
| 3.50                             | 36.28%  |
| 3.50                             | 36.21%  |
| 3.50                             | 36.08%  |
| 3.50                             | 35.98%  |
| 3.50                             | 35.88%  |

**CITY OF WARREN, OHIO**

DIRECT AND OVERLAPPING PROPERTY TAX RATES  
(RATE PER \$1,000 OF ASSESSED VALUE)  
LAST TEN YEARS

| Collection Year | City Direct Rates       |                |              |            | Overlapping Rates |                             |                              |                               |  |
|-----------------|-------------------------|----------------|--------------|------------|-------------------|-----------------------------|------------------------------|-------------------------------|--|
|                 | General Obligation Debt | Police Pension | Fire Pension | Total Rate | Trumbull County   | Warren City School District | Labrae Local School District | Howland Local School District |  |
| 2021            | \$ 2.90                 | \$ 0.30        | \$ 0.30      | \$ 3.50    | \$ 12.30          | \$ 65.10                    | \$ 55.20                     | \$ 49.35                      |  |
| 2020            | 2.90                    | 0.30           | 0.30         | 3.50       | 12.30             | 66.05                       | 55.80                        | 49.70                         |  |
| 2019            | 2.90                    | 0.30           | 0.30         | 3.50       | 12.30             | 66.05                       | 55.80                        | 49.70                         |  |
| 2018            | 2.90                    | 0.30           | 0.30         | 3.50       | 12.30             | 65.20                       | 55.80                        | 43.55                         |  |
| 2017            | 2.90                    | 0.30           | 0.30         | 3.50       | 12.30             | 64.30                       | 55.80                        | 43.85                         |  |
| 2016            | 2.90                    | 0.30           | 0.30         | 3.50       | 12.30             | 63.90                       | 56.50                        | 43.95                         |  |
| 2015            | 2.90                    | 0.30           | 0.30         | 3.50       | 12.30             | 63.65                       | 56.50                        | 43.95                         |  |
| 2014            | 2.90                    | 0.30           | 0.30         | 3.50       | 12.30             | 62.20                       | 56.30                        | 43.95                         |  |
| 2013            | 2.90                    | 0.30           | 0.30         | 3.50       | 12.30             | 62.10                       | 56.05                        | 43.95                         |  |
| 2012            | 2.90                    | 0.30           | 0.30         | 3.50       | 12.30             | 62.30                       | 56.55                        | 43.45                         |  |

Source: Trumbull County Auditor's Office

**Overlapping Rates - Continued**

| <b>Lakeview<br/>Local<br/>School<br/>District</b> | <b>Vocational<br/>School</b> | <b>Library</b> | <b>Total<br/>Tax<br/>Rates</b> | <b>Total<br/>Direct and<br/>Overlapping<br/>Rates</b> |
|---|------------------------------|----------------|--------------------------------|---|
| \$ 49.25  | \$ 2.40                      | \$ 1.00        | \$ 234.60                      | \$ 238.10   |
| 50.85   | 2.40                         | 1.00           | 238.10                         | 241.60  |
| 50.85   | 2.40                         | 1.00           | 238.10                         | 241.60  |
| 50.90   | 2.40                         | 1.00           | 231.15                         | 234.65  |
| 51.40   | 2.40                         | 1.00           | 231.05                         | 234.55  |
| 51.65   | 2.40                         | 1.00           | 231.70                         | 235.20  |
| 46.60   | 2.40                         | 1.00           | 226.40                         | 229.90  |
| 48.10   | 2.40                         | 1.00           | 226.25                         | 229.75  |
| 48.00   | 2.40                         | 1.00           | 242.80                         | 246.30  |
| 47.65   | 2.40                         | 1.00           | 238.65                         | 242.15  |

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**CITY OF WARREN, OHIO**

PRINCIPAL PROPERTY TAXPAYERS  
CURRENT YEAR AND NINE YEARS AGO

| <b>December 31, 2021</b>                          |                               |             |                                     |
|---|-------------------------------|-------------|-------------------------------------|
| <b>Taxpayer</b>                                   | <b>Taxable Assessed Value</b> | <b>Rank</b> | <b>Percentage of Assessed Value</b> |
| Ohio Edison                                       | \$ 17,841,740                 | 1           | 4.75%                               |
| Medical Properties Trust of Warren-Steward LLC    | 11,777,240                    | 2           | 3.14%                               |
| American Transmission Systems Inc                 | 7,943,400                     | 3           | 2.12%                               |
| East Ohio Gas Co                                  | 3,680,960                     | 4           | 0.98%                               |
| Rydyl I LLC                                       | 2,263,420                     | 5           | 0.60%                               |
| Simon-Northbury Colony Ltd                        | 1,981,450                     | 6           | 0.53%                               |
| NRR Commerce Ltd                                  | 1,953,680                     | 7           | 0.52%                               |
| Wal-Mart Stores Inc.                              | 1,872,510                     | 8           | 0.50%                               |
| Warren Plaza Co                                   | 1,558,760                     | 9           | 0.42%                               |
| Lowes Home Center                                 | 1,545,640                     | 10          | 0.41%                               |
| <b>Total, Top Ten Property Taxpayers</b>          | <b>\$ 52,418,800</b>          |             | <b>13.97%</b>                       |
| <b>Total City Property Tax Assessed Valuation</b> | <b>\$ 375,472,160</b>         |             |                                     |

| <b>December 31, 2012</b>                          |                               |             |                                     |
|---|-------------------------------|-------------|-------------------------------------|
| <b>Taxpayer</b>                                   | <b>Taxable Assessed Value</b> | <b>Rank</b> | <b>Percentage of Assessed Value</b> |
| Ohio Edison                                       | \$ 12,750,400                 | 1           | 3.20%                               |
| Warren Ohio Hospital Company LLC                  | 9,587,700                     | 2           | 2.41%                               |
| Sam's Real Estate Business Trust                  | 2,323,200                     | 3           | 0.58%                               |
| Rydyl I LLC                                       | 2,297,670                     | 4           | 0.58%                               |
| East Ohio Gas Co                                  | 1,975,320                     | 5           | 0.50%                               |
| NRR Commerce Ltd                                  | 1,925,360                     | 6           | 0.48%                               |
| Simon-Northbury Colony Ltd                        | 1,915,620                     | 7           | 0.48%                               |
| North Mar Center                                  | 1,654,000                     | 8           | 0.42%                               |
| Warren Plaza Co                                   | 1,522,640                     | 9           | 0.38%                               |
| American Transmission                             | 1,400,930                     | 10          | 0.35%                               |
| <b>Total, Top Ten Property Taxpayers</b>          | <b>\$ 37,352,840</b>          |             | <b>9.38%</b>                        |
| <b>Total City Property Tax Assessed Valuation</b> | <b>\$ 398,051,570</b>         |             |                                     |

Source: Trumbull County Auditor's Office

**CITY OF WARREN, OHIO**

PROPERTY TAX LEVIES AND COLLECTIONS  
LAST TEN YEARS

| <u>Year</u> | <u>Current Tax Levy</u> | <u>Current Tax Collections</u> | <u>Percent of Current Collections to Tax Levy</u> | <u>Delinquent Tax Collections (a)</u> | <u>Total Tax Collections</u> | <u>Percent of Total Collections to Tax Levy</u> | <u>Outstanding Delinquent Taxes</u> | <u>Percentage of Delinquent Taxes to Tax Levy</u> |
|-------------|-------------------------|--------------------------------|---|---------------------------------------|------------------------------|---|-------------------------------------|---|
| 2021        | \$ 1,313,045            | \$ 1,240,650                   | 94.49%  | \$ 89,234                             | \$ 1,329,884                 | 101.28%   | \$ 410,983                          | 31.30%  |
| 2020        | 1,251,507               | 1,172,416                      | 93.68%  | 84,476                                | 1,256,892                    | 100.43%   | 400,057                             | 31.97%  |
| 2019        | 1,242,452               | 1,143,046                      | 92.00%  | 70,872                                | 1,213,918                    | 97.70%  | 436,253                             | 35.11%  |
| 2018        | 1,264,944               | 1,168,195                      | 92.35%  | 77,452                                | 1,245,647                    | 98.47%  | 441,260                             | 34.88%  |
| 2017        | 1,283,007               | 1,181,848                      | 92.12%  | 73,234                                | 1,255,082                    | 97.82%  | 465,494                             | 36.28%  |
| 2016        | 1,289,364               | 1,180,694                      | 91.57%  | 75,016                                | 1,255,710                    | 97.39%  | 466,318                             | 36.17%  |
| 2015        | 1,289,364               | 1,193,504                      | 92.57%  | 92,748                                | 1,286,252                    | 99.76%  | 487,497                             | 37.81%  |
| 2014        | 1,376,055               | 1,251,055                      | 90.92%  | 79,058                                | 1,330,113                    | 96.66%  | 540,846                             | 39.30%  |
| 2013        | 1,383,574               | 1,260,201                      | 91.08%  | 71,295                                | 1,331,496                    | 96.24%  | 482,854                             | 34.90%  |
| 2012        | 1,392,078               | 1,264,311                      | 90.82%  | 88,358                                | 1,352,669                    | 97.17%  | 486,316                             | 34.93%  |

Source: Trumbull County Auditor's Office

(a) Trumbull County does not identify delinquent collections by tax year; delinquent collections are therefore reported in the year collected.

**CITY OF WARREN, OHIO**

**SPECIAL ASSESSMENT TAX LEVIES AND COLLECTIONS  
LAST TEN YEARS**

| <b>Year</b> | <b>Current Tax Levy</b> | <b>Current Tax Collections</b> | <b>Percent of Current Collections to Tax Levy</b> | <b>Delinquent Tax Collections</b> | <b>Total Tax Collections</b> | <b>Percent of Total Collections to Tax Levy</b> | <b>Outstanding Delinquent Taxes</b> | <b>Percentage of Delinquent Taxes to Tax Levy</b> |
|-------------|-------------------------|--------------------------------|---|-----------------------------------|------------------------------|---|-------------------------------------|---|
| 2021        | \$ 141,202              | \$ 17,338                      | 12.28%  | \$ 13,504                         | \$ 30,842                    | 21.84%  | \$ 2,182,835                        | 1545.90%  |
| 2020        | 92,445                  | 21,656                         | 23.43%  | 15,794                            | 37,450                       | 40.51%  | 2,038,377                           | 2204.96%  |
| 2019 (a)    | 1,614,931               | 6,418                          | 0.40%   | 10,577                            | 16,995                       | 1.05%   | 2,009,279                           | 124.42%   |
| 2018        | 200,366                 | 19,785                         | 9.87%   | 114,455                           | 134,240                      | 67.00%  | 2,179,283                           | 1087.65%  |
| 2017        | 114,882                 | 14,300                         | 12.45%  | 4,928                             | 19,228                       | 16.74%  | 2,129,435                           | 1853.58%  |
| 2016        | 46,517                  | 23,630                         | 50.80%  | 23,033                            | 46,663                       | 100.31%   | 2,112,438                           | 4541.22%  |
| 2015        | 31,049                  | 12,516                         | 40.31%  | 13,282                            | 25,798                       | 83.09%  | 2,127,913                           | 6853.40%  |
| 2014        | 166,177                 | 43,500                         | 26.18%  | 11,213                            | 54,713                       | 32.92%  | 2,296,344                           | 1381.87%  |
| 2013        | 526,229                 | 69,452                         | 13.20%  | -                                 | 69,452                       | 13.20%  | 2,600,219                           | 494.12%   |
| 2012        | 541,272                 | 54,573                         | 10.08%  | 1,705                             | 56,278                       | 10.40%  | 2,143,442                           | 396.00%   |

Source: Trumbull County Auditor's Office

(a) 2019 current tax levy includes \$1,523,654 for demolitions.

**CITY OF WARREN, OHIO**

**INCOME TAX REVENUE BASE AND COLLECTIONS  
LAST TEN YEARS**

| <b>Year</b> | <b>Tax Rate</b> | <b>Total Tax Collected</b> | <b>Taxes from Withholding</b> | <b>Percentage of Taxes from Withholding</b> | <b>Taxes From Net Profits</b> | <b>Percentage of Taxes from Net Profits</b> |
|-------------|-----------------|----------------------------|-------------------------------|---|-------------------------------|---|
| 2021        | 2.50%           | \$ 21,474,761              | \$ 17,440,418                 | 81.21%                                      | \$ 2,072,714                  | 9.65%                                       |
| 2020        | 2.50%           | 20,328,431                 | 16,358,719                    | 80.47%                                      | 1,938,491                     | 9.54%                                       |
| 2019        | 2.50%           | 21,415,222                 | 16,978,487                    | 79.28%                                      | 2,133,919                     | 9.96%                                       |
| 2018        | 2.50%           | 20,868,056                 | 16,796,297                    | 80.49%                                      | 1,865,784                     | 8.94%                                       |
| 2017        | 2.50%           | 19,486,241                 | 15,839,986                    | 81.29%                                      | 1,475,457                     | 7.57%                                       |
| 2016        | 2.00%           | 17,095,349                 | 13,513,180                    | 79.05%                                      | 1,597,201                     | 9.34%                                       |
| 2015        | 2.00%           | 16,616,546                 | 12,983,653                    | 78.14%                                      | 1,495,240                     | 9.00%                                       |
| 2014        | 2.00%           | 16,547,733                 | 12,880,337                    | 77.84%                                      | 1,585,072                     | 9.58%                                       |
| 2013        | 2.00%           | 16,594,792                 | 12,852,413                    | 77.45%                                      | 1,749,744                     | 10.54%                                      |
| 2012        | 2.00%           | 17,337,806                 | 13,278,181                    | 76.59%                                      | 1,967,183                     | 11.35%                                      |

Source: The City of Warren Income Tax Department

|    | <b>Taxes<br/>from<br/>Individuals</b> | <b>Percentage<br/>of Taxes<br/>from<br/>Individuals</b> |
|----|---------------------------------------|---|
| \$ | 1,961,629                             | 9.13%   |
|    | 2,031,221                             | 9.99%   |
|    | 2,302,816                             | 10.75%  |
|    | 2,205,975                             | 10.57%  |
|    | 2,170,798                             | 11.14%  |
|    | 1,984,968                             | 11.61%  |
|    | 2,137,653                             | 12.86%  |
|    | 2,082,324                             | 12.58%  |
|    | 1,992,635                             | 12.01%  |
|    | 2,092,442                             | 12.07%  |

**CITY OF WARREN, OHIO**

**RATIOS OF OUTSTANDING DEBT BY TYPE  
LAST TEN YEARS**

| <b>Year</b> | <b>Governmental Activities</b>          |  |                         |  |                      |   | <b>Business-Type Activities</b>         |                       |
|-------------|---|--|-------------------------|--|----------------------|---|---|-----------------------|
|             | <b>General<br/>Obligation<br/>Bonds</b> | <b>Reinvestment<br/>Partnership<br/>Corporation<br/>Loan</b> | <b>HUD 108<br/>Loan</b> | <b>Ohio<br/>Department of<br/>Development<br/>Note</b> | <b>OPWC<br/>Loan</b> | <b>Capital<br/>Lease<br/>Obligation</b> | <b>General<br/>Obligation<br/>Bonds</b> | <b>OWDA<br/>Loans</b> |
| 2021        | \$ 4,627,067                            | \$ -   | \$ 175,000              | \$ -   | \$ 76,970            | \$ 131,329                              | \$ 1,806,807                            | \$ 25,865,443         |
| 2020        | 5,377,491                               | -  | 340,000                 | -  | 89,798               | 192,276                                 | 1,317,957                               | 15,879,063            |
| 2019        | 6,102,920                               | -  | 495,000                 | -  | 102,626              | 305,298                                 | 1,957,543                               | 14,294,756            |
| 2018        | 6,818,349                               | -  | 640,000                 | -  | 115,454              | -                                       | 2,587,129                               | 14,673,537            |
| 2017        | 7,585,919                               | -  | 775,000                 | -  | 128,282              | -                                       | 3,201,715                               | 15,050,735            |
| 2016        | 9,344,605                               | -  | 900,000                 | -  | 141,110              | -                                       | 3,806,301                               | 16,417,608            |
| 2015        | 10,082,176                              | 100,000  | 1,015,000               | -  | 153,938              | -                                       | 4,395,887                               | 18,307,791            |
| 2014        | 10,804,746                              | 195,000  | 1,125,000               | 22,053   | 166,767              | -                                       | 4,980,473                               | 19,569,057            |
| 2013        | 11,482,316                              | 290,000  | 1,225,000               | 45,208   | 179,595              | -                                       | 5,555,059                               | 19,808,127            |
| 2012        | 3,611,929                               | 375,000  | 1,320,000               | 67,457   | 192,423              | 61,139                                  | 6,695,533                               | 18,881,084            |

Sources:

- (a) See notes to the financial statements regarding the City's outstanding debt information.
- (b) See Schedule "Demographic and Economic Statistics - Last Ten Years" for personal income and population.

**Business-Type Activities - (Continued)**

| <b>OPWC<br/>Loans</b> | <b>Capital<br/>Leases</b> | <b>(a)<br/>Total<br/>Primary<br/>Government</b> | <b>(b)<br/>Total<br/>Personal<br/>Income</b> | <b>Percentage<br/>of Personal<br/>Income</b> | <b>(b)<br/>Population</b> | <b>Per<br/>Capita</b> |
|-----------------------|---------------------------|---|--|--|---------------------------|-----------------------|
| \$ 345,518            | \$ 14,333                 | \$ 33,042,467                                   | \$ 759,914,500                               | 4.35%  | 39,020                    | \$ 847                |
| 366,663               | 31,173                    | 23,594,421                                      | 740,201,952                                  | 3.19%  | 38,752                    | 609                   |
| 377,236               | 342,446                   | 23,977,825                                      | 697,729,760                                  | 3.44%  | 38,752                    | 619                   |
| 398,381               | 600,276                   | 25,833,126                                      | 690,837,618                                  | 3.74%  | 38,382                    | 673                   |
| 419,526               | 960,212                   | 28,121,389                                      | 699,456,160                                  | 4.02%  | 39,562                    | 711                   |
| 44,036                | 1,258,560                 | 31,912,220                                      | 691,472,238                                  | 4.62%  | 39,898                    | 800                   |
| 45,833                | 224,808                   | 34,325,433                                      | 690,418,575                                  | 4.97%  | 40,425                    | 849                   |
| 47,631                | 296,967                   | 37,207,694                                      | 690,569,152                                  | 5.39%  | 40,768                    | 913                   |
| 49,428                | -                         | 38,634,733                                      | 680,236,992                                  | 5.68%  | 40,723                    | 949                   |
| 51,225                | -                         | 31,255,790                                      | 680,008,236                                  | 4.60%  | 41,358                    | 756                   |

**CITY OF WARREN, OHIO**

RATIO OF GENERAL BONDED DEBT TO ASSESSED  
VALUE AND BONDED DEBT PER CAPITA  
LAST TEN YEARS

| <u>Year</u> | <u>Population (a)</u> | <u>Estimated Actual Value of Taxable Property (b)</u> | <u>General Obligation Bonds (c)</u> | <u>Less Amounts Restricted for Repayment</u> | <u>Net General Obligation Bonds</u> | <u>Ratio of Net Bonded Debt to Estimated Actual Value of Property</u> | <u>Net Bonded Debt Per Capita</u> |
|-------------|-----------------------|---|-------------------------------------|--|-------------------------------------|---|-----------------------------------|
| 2021        | 39,020                | \$ 1,027,338,549                                      | \$ 6,433,874                        | \$ 1,487,889                                 | \$ 4,945,985                        | 0.48%   | \$ 127                            |
| 2020        | 38,752                | 977,112,320   | 6,695,448                           | 1,572,127                                    | 5,123,321                           | 0.52%   | 132                               |
| 2019        | 38,752                | 978,024,451   | 8,060,463                           | 1,401,061                                    | 6,659,402                           | 0.68%   | 172                               |
| 2018        | 38,382                | 992,235,452   | 9,405,478                           | 1,269,247                                    | 8,136,231                           | 0.82%   | 212                               |
| 2017        | 39,562                | 1,009,199,755   | 10,787,634                          | 1,170,076                                    | 9,617,558                           | 0.95%   | 243                               |
| 2016        | 39,898                | 1,016,313,227   | 13,150,906                          | 1,649,264                                    | 11,501,642                          | 1.13%   | 288                               |
| 2015        | 40,425                | 1,025,623,564   | 14,478,063                          | 1,175,776                                    | 13,302,287                          | 1.30%   | 329                               |
| 2014        | 40,768                | 1,090,536,741   | 15,785,219                          | 1,395,410                                    | 14,389,809                          | 1.32%   | 353                               |
| 2013        | 40,723                | 1,099,505,378   | 17,037,375                          | 2,017,079                                    | 15,020,296                          | 1.37%   | 369                               |
| 2012        | 41,358                | 1,109,539,796   | 10,307,462                          | 1,398,296                                    | 8,909,166                           | 0.80%   | 215                               |

Sources:

- (a) See Schedule "Demographic and Economic Statistics - Last Ten Years" for population.
- (b) See Schedule "Assessed Valuation and Estimated Actual Value of Taxable Property - Last Ten Years".
- (c) Includes all general obligation bonded debt.

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



**CITY OF WARREN, OHIO**

DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT  
AS OF DECEMBER 31, 2021

| <u>Governmental Unit</u>          | <u>Governmental<br/>Activities Debt<br/>Outstanding</u> | <u>Estimated<br/>Percentage<br/>Applicable (a)</u> | <u>Direct and<br/>Overlapping Debt</u> |
|-----------------------------------|---|--|--|
| <b>Direct:</b>                    |   |  |  |
| City of Warren                    | \$ 5,010,366  | 100.00%  | \$ 5,010,366                           |
| Total direct debt                 |   |  | <u>5,010,366</u>                       |
| <b>Overlapping debt:</b>          |   |  |  |
| Trumbull County                   | 18,570,000  | 10.27%   | 1,907,139                              |
| Warren City School District       | 22,185,000  | 93.96%   | 20,845,026                             |
| Howland Local School District     | 287,640   | 12.74%   | 36,645                                 |
| LaBrae Local School District      | 1,775,000   | 8.43%  | 149,633                                |
| Lakeview Local School District    | 22,005,000  | 0.03%  | 6,602                                  |
| Total overlapping debt            |   |  | <u>22,945,045</u>                      |
| Total direct and overlapping debt |   |  | <u>\$ 27,955,411</u>                   |

(a) The estimated percentage applicable to the City is calculated as the assessed property value of each governmental unit within the City divided by the total assessed value of the governmental unit.

Source: Ohio Municipal Advisory Council

**CITY OF WARREN, OHIO**

**COMPUTATION OF LEGAL DEBT MARGIN  
LAST TEN YEARS**

|  | <u>2021</u>          | <u>2020</u>          | <u>2019</u>          | <u>2018</u>          |
|--|----------------------|----------------------|----------------------|----------------------|
| Assessed value                                       | \$ 375,472,160       | \$ 357,892,980       | \$ 357,088,210       | \$ 361,725,920       |
| Legal debt margin:                                   |                      |                      |                      |                      |
| Debt limitation - 10.5% of assessed value            | 39,424,577           | 37,578,763           | 37,494,262           | 37,981,222           |
| Debt applicable to limitation:                       |                      |                      |                      |                      |
| Total bonded debt                                    | 6,388,436            | 6,630,000            | 7,975,000            | 9,300,000            |
| Exemptions:  |                      |                      |                      |                      |
| Debt service fund balance                            | (1,487,889)          | (1,572,127)          | (1,401,061)          | (1,269,247)          |
| Debt supported by enterprise fund operations         | <u>(1,793,436)</u>   | <u>(1,290,000)</u>   | <u>(1,915,000)</u>   | <u>(2,530,000)</u>   |
| Total exemptions                                     | <u>(3,281,325)</u>   | <u>(2,862,127)</u>   | <u>(3,316,061)</u>   | <u>(3,799,247)</u>   |
| Total debt applicable to limitation                  | <u>3,107,111</u>     | <u>3,767,873</u>     | <u>4,658,939</u>     | <u>5,500,753</u>     |
| Total legal debt margin within 10.5% limitation      | <u>\$ 36,317,466</u> | <u>\$ 33,810,890</u> | <u>\$ 32,835,323</u> | <u>\$ 32,480,469</u> |
| Unvoted debt limitation - 5.5% of assessed valuation | \$ 20,650,969        | \$ 19,684,114        | \$ 19,639,852        | \$ 19,894,926        |
| Debt applicable to limitation:                       |                      |                      |                      |                      |
| Total bonded debt                                    | 6,388,436            | 6,630,000            | 7,975,000            | 9,300,000            |
| Exemptions:  |                      |                      |                      |                      |
| Debt supported by enterprise fund operations         | <u>(1,793,436)</u>   | <u>(1,290,000)</u>   | <u>(1,915,000)</u>   | <u>(2,530,000)</u>   |
| Total debt within 5.5% limitations                   | <u>4,595,000</u>     | <u>5,340,000</u>     | <u>6,060,000</u>     | <u>6,770,000</u>     |
| Unvoted debt margin within 5.5% limitation           | <u>\$ 16,055,969</u> | <u>\$ 14,344,114</u> | <u>\$ 13,579,852</u> | <u>\$ 13,124,926</u> |

Source: City of Warren, Financial Records

| <b>2017</b>          | <b>2016</b>          | <b>2015</b>          | <b>2014</b>          | <b>2013</b>          | <b>2012</b>          |
|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|
| \$ 366,892,830       | \$ 368,708,060       | \$ 371,337,050       | \$ 393,478,920       | \$ 395,622,910       | \$ 398,051,570       |
| 38,523,747           | 38,714,346           | 38,990,390           | 41,315,287           | 41,540,406           | 41,795,415           |
| 10,650,000           | 12,800,000           | 14,095,000           | 15,370,000           | 16,590,000           | 10,075,000           |
| (1,170,076)          | (1,649,264)          | (1,175,776)          | (1,395,410)          | (2,017,079)          | (1,398,296)          |
| <u>(3,130,000)</u>   | <u>(3,720,000)</u>   | <u>(4,295,000)</u>   | <u>(4,865,000)</u>   | <u>(5,425,000)</u>   | <u>(6,548,000)</u>   |
| <u>(4,300,076)</u>   | <u>(5,369,264)</u>   | <u>(5,470,776)</u>   | <u>(6,260,410)</u>   | <u>(7,442,079)</u>   | <u>(7,946,296)</u>   |
| 6,349,924            | 7,430,736            | 8,624,224            | 9,109,590            | 9,147,921            | 2,128,704            |
| <u>\$ 32,173,823</u> | <u>\$ 31,283,610</u> | <u>\$ 30,366,166</u> | <u>\$ 32,205,697</u> | <u>\$ 32,392,485</u> | <u>\$ 39,666,711</u> |
| \$ 20,179,106        | \$ 20,278,943        | \$ 20,423,538        | \$ 21,641,341        | \$ 21,759,260        | \$ 21,892,836        |
| 10,650,000           | 12,800,000           | 14,095,000           | 15,370,000           | 16,590,000           | 10,075,000           |
| <u>(3,130,000)</u>   | <u>(3,720,000)</u>   | <u>(4,295,000)</u>   | <u>(4,865,000)</u>   | <u>(5,425,000)</u>   | <u>(6,548,000)</u>   |
| <u>7,520,000</u>     | <u>9,080,000</u>     | <u>9,800,000</u>     | <u>10,505,000</u>    | <u>11,165,000</u>    | <u>3,527,000</u>     |
| <u>\$ 12,659,106</u> | <u>\$ 11,198,943</u> | <u>\$ 10,623,538</u> | <u>\$ 11,136,341</u> | <u>\$ 10,594,260</u> | <u>\$ 18,365,836</u> |

**CITY OF WARREN, OHIO**

PLEGGED REVENUE COVERAGE - WATER FUND  
LAST TEN YEARS

**REVENUE BONDS:**

| Year     | Operating Revenues | Operating Expenses (a) | Net Revenue Available for Debt Service | Debt Service Requirements |            |            | Coverage |
|----------|--------------------|------------------------|--|---------------------------|------------|------------|----------|
|          |                    |                        |  | Principal                 | Interest   | Total      |          |
| 2011 (b) | \$ 11,038,048      | \$ 9,126,622           | \$ 1,911,426                           | \$ 480,000                | \$ 404,000 | \$ 884,000 | 2.16     |
| 2010     | 10,185,894         | 9,044,975              | 1,140,919                              | 455,000                   | 425,840    | 880,840    | 1.30     |
| 2009     | 9,902,093          | 8,740,883              | 1,161,210                              | 435,000                   | 446,285    | 881,285    | 1.32     |

**OWDA LOANS:**

| Year | Net Revenue Available for Debt Service | Debt Service Required for Revenue Bonds | Net Revenue Available for OWDA Loans | Debt Service Requirements |            |              | Coverage |
|------|--|---|--------------------------------------|---------------------------|------------|--------------|----------|
|      |  |   |                                      | Principal                 | Interest   | Total        |          |
| 2021 | \$ 5,933,002                           | \$ -                                    | \$ 5,933,002                         | \$ 1,191,832              | \$ 207,702 | \$ 1,399,534 | 4.24     |
| 2020 | 4,511,435                              | -                                       | 4,511,435                            | 1,151,313                 | 240,841    | 1,392,154    | 3.24     |
| 2019 | 2,218,908                              | -                                       | 2,218,908                            | 1,112,229                 | 272,830    | 1,385,059    | 1.60     |
| 2018 | 1,633,601                              | -                                       | 1,633,601                            | 1,074,525                 | 303,703    | 1,378,228    | 1.19     |
| 2017 | 1,261,080                              | -                                       | 1,261,080                            | 1,038,152                 | 333,505    | 1,371,657    | 0.92     |
| 2016 | 1,418,581                              | -                                       | 1,418,581                            | 985,789                   | 362,799    | 1,348,588    | 1.05     |
| 2015 | 3,528,745                              | -                                       | 3,528,745                            | 977,614                   | 457,801    | 1,435,415    | 2.46     |
| 2014 | 2,161,670                              | -                                       | 2,161,670                            | 835,990                   | 425,025    | 1,261,015    | 1.71     |
| 2013 | 1,587,073                              | -                                       | 1,587,073                            | 721,975                   | 411,209    | 1,133,184    | 1.40     |
| 2012 | 2,084,390                              | -                                       | 2,084,390                            | 588,698                   | 440,140    | 1,028,838    | 2.03     |

Source: City of Warren, Financial Records

(a) Total operating expenses are exclusive of depreciation.

(b) The water revenue bonds were refunded in 2012 and replaced with general obligation bonds, therefore 2011 is the last year presented.

**CITY OF WARREN, OHIO**

PLEGDED REVENUE COVERAGE - SEWER FUND  
LAST TEN YEARS

**OWDA LOANS:**

| <u>Year</u> | <u>Operating Revenues</u> | <u>Operating Expenses (a)</u> | <u>Net Revenue Available for Debt Service</u> | <u>Debt Service Requirements (b)</u> |                 |              | <u>Coverage</u> |
|-------------|---------------------------|-------------------------------|---|--------------------------------------|-----------------|--------------|-----------------|
|             |                           |                               |   | <u>Principal</u>                     | <u>Interest</u> | <u>Total</u> |                 |
| 2021        | \$ 9,404,618              | \$ 5,495,022                  | \$ 3,909,596                                  | \$ 787,512                           | \$ 98,765       | \$ 886,277   | 4.41            |
| 2020        | 11,649,116                | 7,400,794                     | 4,248,322                                     | 845,150                              | 85,534          | 930,684      | 4.56            |
| 2019        | 9,309,961                 | 8,333,222                     | 976,739                                       | 602,830                              | 99,098          | 701,928      | 1.39            |
| 2018        | 7,431,588                 | 7,671,372                     | (239,784)                                     | 563,317                              | 101,878         | 665,195      | -0.36           |
| 2017        | 8,222,278                 | 7,206,870                     | 1,015,408                                     | 898,940                              | 112,529         | 1,011,469    | 1.00            |
| 2016        | 7,999,222                 | 6,993,102                     | 1,006,120                                     | 904,394                              | 139,873         | 1,044,267    | 0.96            |
| 2015        | 8,036,425                 | 6,198,887                     | 1,837,538                                     | 875,660                              | 181,900         | 1,057,560    | 1.74            |
| 2014        | 8,195,004                 | 5,994,030                     | 2,200,974                                     | 928,923                              | 212,310         | 1,141,233    | 1.93            |
| 2013        | 8,027,797                 | 5,971,569                     | 2,056,228                                     | 935,977                              | 246,772         | 1,182,749    | 1.74            |
| 2012        | 8,495,601                 | 5,578,884                     | 2,916,717                                     | 1,279,509                            | 303,062         | 1,582,571    | 1.84            |

Source: City of Warren, Financial Records

- (a) Total operating expenses are exclusive of depreciation.
- (b) Includes principal and interest of the OWDA loans only.

**CITY OF WARREN, OHIO**

DEMOGRAPHIC AND ECONOMIC STATISTICS  
LAST TEN YEARS

| <b>Year</b> | <b>Population (a)</b> | <b>Personal Income (c)</b> | <b>Per Capita Personal Income (a)</b> | <b>Annual Average Unemployment Rates (b)</b> |                        |             |                      |
|-------------|-----------------------|----------------------------|---------------------------------------|--|------------------------|-------------|----------------------|
|             |                       |                            |                                       | <b>City of Warren</b>                        | <b>Trumbull County</b> | <b>Ohio</b> | <b>United States</b> |
| 2021        | 39,020                | \$ 759,914,500             | \$ 19,475                             | 4.5%   | 4.4%                   | 3.4%        | 3.7%                 |
| 2020        | 38,752                | 740,201,952                | 19,101                                | 10.2%  | 10.4%                  | 8.1%        | 8.1%                 |
| 2019        | 38,752                | 697,729,760                | 18,005                                | 8.2%   | 5.6%                   | 4.1%        | 3.5%                 |
| 2018        | 38,382                | 690,837,618                | 17,999                                | 7.3%   | 6.2%                   | 4.6%        | 3.9%                 |
| 2017        | 39,562                | 699,456,160                | 17,680                                | 7.2%   | 6.1%                   | 4.5%        | 3.9%                 |
| 2016        | 39,898                | 691,472,238                | 17,331                                | 7.7%   | 6.7%                   | 4.9%        | 4.9%                 |
| 2015        | 40,425                | 690,418,575                | 17,079                                | 7.3%   | 6.5%                   | 4.9%        | 5.3%                 |
| 2014        | 40,768                | 690,569,152                | 16,939                                | 8.4%   | 7.0%                   | 5.7%        | 6.2%                 |
| 2013        | 40,723                | 680,236,992                | 16,704                                | 8.8%   | 8.1%                   | 7.4%        | 7.4%                 |
| 2012        | 41,358                | 680,008,236                | 16,442                                | 9.2%   | 8.1%                   | 7.2%        | 8.1%                 |

Sources:

(a) U.S. Census Bureau estimates ([www.census.gov](http://www.census.gov)).

(b) Ohio Labor Market Information ([www.ohiolmi.com](http://www.ohiolmi.com)).

(c) Population times per capita personal income.

**CITY OF WARREN**

PRINCIPAL EMPLOYERS  
CURRENT YEAR AND NINE YEARS AGO

| <b>Employer</b>                        | <b>2021</b>                   |             |   |
|--|-------------------------------|-------------|---|
|  | <b>Income Tax Withholding</b> | <b>Rank</b> | <b>Percentage of Total City Withholding</b> |
| Trumbull County Auditor                | \$ 1,464,657                  | 1           | 8.40%                                       |
| Bon Secours Mercy Health, Inc.         | 1,253,868                     | 2           | 7.19%                                       |
| Stewart Trumbull Memorial              | 1,103,094                     | 3           | 6.32%                                       |
| Warren City Schools                    | 1,042,787                     | 4           | 5.98%                                       |
| State of Ohio, Dep't of Adm. Services  | 753,430                       | 5           | 4.32%                                       |
| City of Warren                         | 551,651                       | 6           | 3.16%                                       |
| AVI Food Systems                       | 442,621                       | 7           | 2.54%                                       |
| Wal-mart Association, Inc.             | 211,177                       | 8           | 1.21%                                       |
| Children's Hospital Medical Center     | 194,430                       | 9           | 1.11%                                       |
| Cattron North America, Inc.            | 186,692                       | 10          | 1.07%                                       |
| <b>Total</b>                           | <b>\$ 7,204,407</b>           |             | <b>41.31%</b>                               |
| Total 2021 City Income Tax Withholding | <u>\$ 17,440,418</u>          |             |   |

| <b>Employer</b>                         | <b>2012</b>                   |             |   |
|---|-------------------------------|-------------|---|
|   | <b>Income Tax Withholding</b> | <b>Rank</b> | <b>Percentage of Total City Withholding</b> |
| Warren Ohio Hospital Co.                | \$ 1,033,055                  | 1           | 7.90%                                       |
| Trumbull County Auditor                 | 975,772                       | 2           | 7.47%                                       |
| St. Elizabeth Medical Center            | 785,486                       | 3           | 6.01%                                       |
| Warren City Schools                     | 742,360                       | 4           | 5.68%                                       |
| City of Warren                          | 435,404                       | 5           | 3.33%                                       |
| State of Ohio, Dept. of Admin. Services | 434,123                       | 6           | 3.32%                                       |
| GE Lighting Inc.                        | 316,081                       | 7           | 2.42%                                       |
| AVI Food Systems Inc.                   | 289,676                       | 8           | 2.22%                                       |
| General Motors                          | 159,166                       | 9           | 1.22%                                       |
| First Place Bank                        | 157,309                       | 10          | 1.20%                                       |
| <b>Total</b>                            | <b>\$ 5,328,432</b>           |             | <b>40.77%</b>                               |
| Total 2012 City Income Tax Withholding  | <u>\$ 13,069,864</u>          |             |   |

Source: The City of Warren Income Tax Department

Note: Information on the number of employees for the top ten principal employers was not available. Principal employers were ranked based on the amount of income tax withholdings per year.

**CITY OF WARREN, OHIO**

FULL-TIME-EQUIVALENT CITY EMPLOYEES BY FUNCTION/PROGRAM  
LAST TEN YEARS

| <b>Function/Program</b>                 | <b>2021</b>   | <b>2020</b>   | <b>2019</b>   | <b>2018</b>   | <b>2017</b>   | <b>2016</b>   | <b>2015</b>   |
|---|---------------|---------------|---------------|---------------|---------------|---------------|---------------|
| <b>General Government</b>               |               |               |               |               |               |               |               |
| Council                                 | 12.00         | 12.00         | 12.00         | 12.00         | 12.00         | 12.00         | 12.00         |
| Mayor                                   | 4.00          | 4.00          | 4.00          | 4.00          | 3.00          | 3.00          | 3.00          |
| Finance                                 | 7.00          | 6.00          | 6.00          | 6.00          | 6.00          | 6.00          | 6.00          |
| Income Tax                              | 7.00          | 7.00          | 7.00          | 7.00          | 7.00          | 7.00          | 7.00          |
| Law                                     | 10.00         | 9.00          | 10.00         | 10.00         | 10.00         | 10.00         | 10.00         |
| Civil Service                           | 4.00          | 4.00          | 4.00          | 4.00          | 4.00          | 4.00          | 4.00          |
| Purchasing                              | 1.00          | 1.00          | 1.00          | 1.00          | 1.00          | 1.00          | 1.00          |
| Human Resources                         | 3.00          | 3.00          | 3.00          | 3.00          | 3.00          | 3.00          | 3.00          |
| Municipal Court                         | 28.00         | 30.00         | 30.00         | 30.00         | 29.00         | 33.00         | 31.00         |
| Judges                                  | 2.00          | 2.00          | 2.00          | 2.00          | 2.00          | 2.00          | 2.00          |
| Operations                              | 24.00         | 30.00         | 28.00         | 25.00         | 27.00         | 24.00         | 26.00         |
| Engineering                             | 8.00          | 7.00          | 8.00          | 8.00          | 8.00          | 10.00         | 11.00         |
| <b>Security of Persons and Property</b> |               |               |               |               |               |               |               |
| Police                                  | 65.00         | 72.00         | 74.00         | 75.00         | 64.00         | 63.00         | 65.00         |
| Fire                                    | 62.00         | 64.00         | 68.00         | 66.00         | 68.00         | 51.00         | 53.00         |
| <b>Public Health and Welfare</b>        |               |               |               |               |               |               |               |
| Health Services                         | 11.00         | 12.00         | 12.00         | 12.00         | 12.00         | 12.00         | 12.00         |
| <b>Economic Development</b>             |               |               |               |               |               |               |               |
| Community Development                   | 4.00          | 4.00          | 4.00          | 4.00          | 4.00          | 5.00          | 5.00          |
| Packard Music Hall (a)                  | -             | -             | -             | -             | -             | -             | -             |
| Data Processing                         | 3.00          | 3.00          | 3.00          | 3.00          | 3.00          | 3.00          | 3.00          |
| <b>Utility Services</b>                 |               |               |               |               |               |               |               |
| Water                                   | 74.00         | 74.00         | 77.00         | 75.00         | 74.00         | 73.00         | 71.00         |
| Sewer/Stormwater                        | 61.00         | 50.00         | 54.00         | 56.00         | 52.00         | 45.00         | 46.00         |
| Sanitation                              | 16.00         | 16.00         | 16.00         | 16.00         | 16.00         | 16.00         | 16.00         |
| <b>Total</b>                            | <b>406.00</b> | <b>410.00</b> | <b>423.00</b> | <b>419.00</b> | <b>405.00</b> | <b>383.00</b> | <b>387.00</b> |

(a) Effective September 1, 2014 the operations of the Packard Music Hall were assumed by JAC Management Group.

Source: City of Warren records



| <u>2014</u>   | <u>2013</u>   | <u>2012</u>   |
|---------------|---------------|---------------|
| 12.00         | 11.00         | 12.00         |
| 3.00          | 3.00          | 3.00          |
| 6.00          | 6.00          | 6.00          |
| 7.00          | 7.00          | 7.00          |
| 10.00         | 11.00         | 11.00         |
| 4.00          | 4.00          | 4.00          |
| 1.00          | 2.00          | 2.00          |
| 3.00          | 3.00          | 3.00          |
| 32.00         | 31.00         | 31.00         |
| 2.00          | 2.00          | 2.00          |
| 29.00         | 29.00         | 28.00         |
| 12.00         | 11.00         | 11.00         |
| 80.00         | 82.00         | 83.00         |
| 58.00         | 70.00         | 73.00         |
| 12.00         | 12.00         | 12.00         |
| 5.00          | 5.00          | 5.00          |
| -             | 5.00          | 5.00          |
| 3.00          | 3.00          | 3.00          |
| 75.00         | 75.00         | 78.00         |
| 48.00         | 45.00         | 44.00         |
| 15.00         | 15.00         | 15.00         |
| <u>417.00</u> | <u>432.00</u> | <u>438.00</u> |

**CITY OF WARREN, OHIO**

OPERATING INDICATORS BY FUNCTION  
LAST TEN YEARS

| <b>Function</b>                                     | <b>2021</b> | <b>2020</b> | <b>2019</b> | <b>2018</b> | <b>2017</b> | <b>2016</b> | <b>2015</b> |
|---|-------------|-------------|-------------|-------------|-------------|-------------|-------------|
| <b>Security of Persons and Property</b>             |             |             |             |             |             |             |             |
| Police:   |             |             |             |             |             |             |             |
| Physical Arrests                                    | 1,897       | 1,707       | 2,197       | 2,525       | 2,060       | 2,125       | 2,211       |
| Parking Violations                                  | 1,156       | 1,421       | 1,873       | 644         | 302         | 624         | 1,369       |
| Traffic Violations                                  | 1,789       | 1,751       | 2,106       | 2,139       | 1,386       | 1,391       | 2,208       |
| Fire:   |             |             |             |             |             |             |             |
| Calls for Service                                   | 1,545       | 1,452       | 1,434       | 1,418       | 1,346       | 1,318       | 1,369       |
| Fire Safety Inspections                             | 1,142       | 365         | 1,165       | 1,204       | 1,125       | 1,042       | 1,152       |
| <b>Leisure Time Activities</b>                      |             |             |             |             |             |             |             |
| Enclosed Shelter Rentals                            | 123         | 56          | 118         | 139         | 108         | 105         | 135         |
| Log Cabin Rentals                                   | 8           | 5           | 10          | 25          | 13          | 28          | 34          |
| Pavilion Rentals                                    | 105         | 1           | 114         | 140         | 150         | 146         | 168         |
| <b>Transportation</b>                               |             |             |             |             |             |             |             |
| Street Resurfacing (Miles)                          | 14.2        | 7.8         | 14.5        | 13.0        | 9.9         | 5.6         | 6.6         |
| Potholes Repaired                                   | 1,389       | 1,500       | 1,375       | 1,550       | 1,450       | 1,282       | 1,041       |
| <b>Water</b>  |             |             |             |             |             |             |             |
| New Connections                                     | 4           | 3           | 7           | 8           | 13          | 10          | 50          |
| Water Main Breaks                                   | 130         | 85          | 116         | 117         | 95          | 125         | 123         |
| Average Daily Consumption<br>(thousands of gallons) | 13,085      | 13,100      | 13,000      | 12,235      | 10,661      | 10,614      | 11,377      |
| <b>Sewer</b>  |             |             |             |             |             |             |             |
| Average Daily Consumption<br>(thousands of gallons) | 14,560      | 15,560      | 14,950      | 12,500      | 11,373      | 10,430      | 11,430      |
| <b>Sanitation</b>                                   |             |             |             |             |             |             |             |
| Refuse Collected (tons daily)                       | 105         | 103         | 99          | 91          | 94          | 106         | 92          |

Source: City of Warren Departments.

| <u>2014</u> | <u>2013</u> | <u>2012</u> |
|-------------|-------------|-------------|
| 2,204       | 2,301       | 1,848       |
| 547         | 1,728       | 452         |
| 3,406       | 2,849       | 2,036       |
| 1,322       | 952         | 1,122       |
| 935         | 1,346       | 1,213       |
| 111         | 105         | 112         |
| 21          | 25          | 11          |
| 194         | 231         | 260         |
| 23.5        | 6.46        | 8           |
| 1,480       | 1,350       | 1,140       |
| 7           | 5           | 17          |
| 111         | 137         | 128         |
| 11,591      | 11,383      | 11,380      |
| 14,090      | 13,920      | 13,310      |
| 95          | 92          | 91          |

**CITY OF WARREN, OHIO**

**CAPITAL ASSETS STATISTICS BY FUNCTION  
LAST TEN YEARS**

| <b>Function</b>                                  | <b>2021</b> | <b>2020</b> | <b>2019</b> | <b>2018</b> | <b>2017</b> | <b>2016</b> | <b>2015</b> |
|--|-------------|-------------|-------------|-------------|-------------|-------------|-------------|
| <b>Security of Persons and Property</b>          |             |             |             |             |             |             |             |
| Police:  |             |             |             |             |             |             |             |
| Stations   | 1           | 1           | 1           | 1           | 1           | 1           | 1           |
| Patrol Units (Marked)                            | 34          | 32          | 35          | 30          | 30          | 30          | 29          |
| Fire:  |             |             |             |             |             |             |             |
| Stations   | 3           | 3           | 3           | 3           | 3           | 3           | 3           |
| Fire Pumpers                                     | 3           | 3           | 3           | 3           | 3           | 3           | 3           |
| Reserve Fire Pumpers                             | 0           | 0           | 0           | 0           | 0           | 1           | 1           |
| Ladder Trucks                                    | 2           | 2           | 2           | 2           | 2           | 2           | 2           |
| Heavy Rescue Truck                               | 1           | 1           | 1           | 1           | 1           | 1           | 1           |
| <b>Leisure Time Activities</b>                   |             |             |             |             |             |             |             |
| Park Acreage                                     | 262.92      | 262.92      | 262.92      | 262.92      | 262.92      | 262.92      | 262.92      |
| Packard Park                                     |             |             |             |             |             |             |             |
| Hardball Fields                                  | 1           | 1           | 1           | 2           | 1           | 1           | 1           |
| Softball Fields                                  | 3           | 3           | 3           | 3           | 3           | 3           | 3           |
| Tennis Courts                                    | 6           | 6           | 6           | 6           | 6           | 6           | 6           |
| Perkins Park                                     |             |             |             |             |             |             |             |
| Hardball Fields                                  | 6           | 6           | 6           | 6           | 6           | 6           | 6           |
| Softball Fields                                  | 2           | 2           | 2           | 2           | 2           | 2           | 2           |
| Burbank Park                                     |             |             |             |             |             |             |             |
| Little League Fields                             | 4           | 4           | 4           | 4           | 4           | 4           | 4           |
| Deemer Park                                      |             |             |             |             |             |             |             |
| Tennis Courts                                    | 0           | 0           | 0           | 0           | 0           | 0           | 0           |
| <b>Transportation</b>                            |             |             |             |             |             |             |             |
| Streets (Paved Miles)                            | 184.423     | 184.423     | 184.423     | 184.423     | 184.423     | 184.423     | 184.423     |
| Traffic Signals                                  | 40          | 60          | 60          | 60          | 60          | 60          | 60          |
| <b>Water</b>                                     |             |             |             |             |             |             |             |
| Water Mains (miles)                              | 300         | 300         | 300         | 300         | 300         | 300         | 300         |
| Fire Hydrants                                    | 1,905       | 1,905       | 1,905       | 1,905       | 1,905       | 1,905       | 1,905       |
| Maximum Daily Capacity<br>(thousands of gallons) | 22,800      | 22,800      | 22,800      | 22,800      | 22,800      | 22,800      | 22,800      |
| <b>Sewer</b>                                     |             |             |             |             |             |             |             |
| Sanitary Sewers (miles)                          | 198.840     | 201.390     | 201.390     | 201.390     | 201.390     | 201.390     | 201.390     |
| Storm Sewers (miles)                             | 138.760     | 123.902     | 123.902     | 123.902     | 123.902     | 123.902     | 123.902     |
| Maximum Daily Capacity<br>(thousands of gallons) | 40,000      | 40,000      | 40,000      | 40,000      | 40,000      | 40,000      | 40,000      |
| <b>Sanitation</b>                                |             |             |             |             |             |             |             |
| Collection Trucks                                | 13          | 13          | 13          | 12          | 12          | 14          | 10          |

Source: City of Warren Departments.

| <u>2014</u> | <u>2013</u> | <u>2012</u> |
|-------------|-------------|-------------|
| 1           | 1           | 1           |
| 29          | 32          | 30          |
| 3           | 3           | 3           |
| 3           | 3           | 3           |
| 1           | 1           | 1           |
| 2           | 2           | 2           |
| 1           | 2           | 1           |
| 262.92      | 262.92      | 262.92      |
| 1           | 1           | 1           |
| 3           | 3           | 3           |
| 6           | 6           | 6           |
| 6           | 6           | 6           |
| 2           | 2           | 2           |
| 4           | 4           | 4           |
| 0           | 0           | 4           |
| 184.423     | 184.423     | 184.423     |
| 60          | 60          | 63          |
| 300         | 300         | 300         |
| 1,905       | 1,905       | 1,906       |
| 22,800      | 22,800      | 22,700      |
| 201.390     | 201.390     | 199.200     |
| 123.394     | 123.394     | 125.500     |
| 40,000      | 40,000      | 40,000      |
| 9           | 9           | 9           |

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# OHIO AUDITOR OF STATE KEITH FABER



**CITY OF WARREN**

**TRUMBULL 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 9/29/2022**

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

This report is a matter of public record and is available online at  
[www.ohioauditor.gov](http://www.ohioauditor.gov)