



City OF Stow

Tradition Centered. Future Focused.

Department of Finance

Annual Comprehensive Financial Report
for fiscal year ended December 31, 2021

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

PREPARED BY:

THE DEPARTMENT OF FINANCE
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STOW, OHIO 44224*

INTRODUCTORY SECTION

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

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August 26, 2022

The Honorable Mayor John Pribonic,
Members of City Council
and Citizens of the City of Stow, Ohio

Ladies and Gentlemen:

The Annual Comprehensive Financial Report for the City of Stow (the “City”) for the fiscal year ended December 31, 2021, is hereby respectfully submitted. It includes information pertaining to all of the City’s funds and financial transactions and selected financial and other information for the most recently completed fiscal year (2021). Responsibility for both the accuracy of the data and the completeness and fairness of the presentation rests with the City. To the best of our knowledge, the data in this report is accurate in all material respects and it presents fairly the financial position and results of operations of the City. All disclosures necessary to provide the reader with a better 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 judgments by management.

The City is required by state law to have an annual audit performed by the Auditor of State’s Office. The City continues to receive an unqualified opinion. The Independent Auditor’s Report of the Auditor of State on the City’s financial statements is included in the Financial Section of this report.

As part of the City’s independent audit, considerations are made to assess the internal control structure, in relation to the financial statements, as well as to determine that the City has complied with applicable laws and regulations. The results of the City’s independent audit for the year ended December 31, 2021, provided no instances of material weaknesses in the internal control structure or significant violations of 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 require that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements. The City’s MD&A, which focuses on the government-wide statements and major funds, can be found immediately following the Independent Auditor’s Report.

COMMUNITY PROFILE

The City of Stow was incorporated in 1957 as a village and became a City in 1960. The City is located in Summit County approximately 30 miles southeast of Cleveland, Ohio and 8 miles northeast of Akron, Ohio. With a population of 34,483 according to the 2020 Census, Stow is the third largest City in Summit County. The City operates under, and is governed by, its Charter, which was first adopted by the voters in 1958. The Charter is subject to amendment from time-to-time by the voters.

Under the Ohio Constitution, the City has the right to exercise all powers of local self-government. The Charter provides for a Mayor-Council form of government, and also for independently elected Finance and Law Directors. Legislative authority is vested in a seven-member City Council. Three Council members are elected at-large and four members are elected from wards. All members serve two-year terms. The presiding officer of City Council is the President, who is elected from among its members for a one-year term.

The City's chief executive and administrative officer is the Mayor, who is elected to serve a four-year term. The Mayor also serves as Public Safety Director. The Mayor may veto any legislation passed by the Council. A veto may be overridden by five or more members of Council. All elected City officials are limited by the Charter to eight consecutive years in office and/or to eight years of consecutive elected terms in the same office, either two year or four year terms, whichever applies.

The City of Stow provides a full range of services to its citizens. The City's major general government services include police and fire protection, emergency medical service, street maintenance and snow removal, parks and recreation, building and zoning inspection and enforcement, urban forestry and various administrative and operational services. The City also operates and maintains the Stow Water System which provides water distribution service to all Stow residents and businesses and a Storm Water Management Utility. Three cemeteries and numerous community and neighborhood parks, playgrounds and other recreation facilities, including an 18-hole municipal golf course, are also owned and managed by the City for the benefit of its citizens. Stow is also the host City for the Stow Municipal Court which is included as a component of the City's operating budget.

The basic financial statements, schedules and statistical tables presented herein include all funds that are controlled by or are dependent upon the City of Stow. These funds are determined on the basis of budgetary overview, obligations to fund deficits or control of the use of surplus funds, the taxing authority and fiscal management responsibilities. The Stow-Munroe Falls City School District, the Stow-Munroe Falls Public Library and the Stow Historical Society conduct all or a portion of their activities within the boundaries of the City. However, these organizations are not considered part of the reporting entity because the City does not exercise significant influence over their daily operations, approve their budgets, or maintain their accounting records. In addition, the City is not responsible for the organizations' debt or for funding any operating deficits.

The City's budgetary process is prescribed by state law. An annual budget for each calendar year must be approved by City Council by April 1st of the current year. The budget (annual appropriations) is limited by the amount of estimated resources as certified to the City by the County Budget Commission prior to the budget's passage. The budget may be amended from time-to-time, as needed, by City Council during the year. A deficit budget is not permitted by law, either per individual fund or on an overall basis.

ECONOMIC CONDITION, CURRENT INITIATIVES AND FUTURE OUTLOOK

Local Economy

The City of Stow was originally founded as a township, eventually became a village and was incorporated as a city in 1960 with a population of 12,194. By 2000 the population reached 32,139. Stow's population level of 34,837 in 2010 represented an 8.4 percent increase from the level of 2000. Per the Census Bureau, Stow's population in 2020 was 34,483. To accommodate the City's population growth, over 10,000 dwelling units have been constructed in Stow since 1970, bringing the total number of units to more than 15,000 according to the Census Bureau. It has been recently estimated that there is available land for an additional 2,000 dwelling units to be constructed in Stow in the future. Recent projections estimate the fully developed population of the City of Stow to be up to 40,000 residents. This estimated range could be reached within the next 30 years, although the most recent (2020) Census count shows Stow's population levelling off.

Stow is an expanding, predominately residential community which has a balanced commercial and industrial tax base to help absorb the tax burden associated with providing services to its residents. Because Stow is in a strategic growth corridor between the Cleveland and Akron metropolitan areas, it is likely that these positive development trends will continue. The City, through the application of its Comprehensive Land Use Plan, attempts to influence and guide development in a manner which results in a pleasant suburban environment where residences are the predominant land use but with sufficient commercial and industrial enterprises to pay for a significant portion of the local government's cost to provide high quality municipal services.

Substantial commercial, office and industrial growth has occurred in Stow in recent years. As part of the effort to update the City's Comprehensive Land Use Plan, City officials, with the assistance of a professional development consultant, prepared a market study to analyze existing and potential nonresidential development in the City and the future local market for office and retail expansion. It was determined that the City of Stow has a substantial supply of competitive retail space – approximately 2.7 million square feet. Stow's retail vacancy rates have fluctuated in recent years. But, the Stow vacancy rate for retail has typically been lower than the rate for the region. The latest retail vacancy rate for Stow is approximately 8.0 percent which is very favorable compared to other areas within the northeast Ohio region. It is anticipated that the City will take the necessary policy steps to ensure that the local retail sector continues to remain strong. Demand for additional retail space in Stow is expected to be high over the next ten years.

City officials have placed a particular emphasis on the development of the office and industrial market in Stow, recognizing the positive revenue implications resulting from this type of development. As of April 2021, there was over 878,000 square feet of office space in Stow.

The office vacancy rate was 9.4 percent in Stow in 2021, which is lower than the average vacancy rate for suburban communities in the Akron Metropolitan Area. In addition, there was over 5,200,000 square feet of industrial space in Stow, and the latest vacancy rate was 3.0 percent. In recent development initiatives, a large formerly vacant industrial complex, totaling over 600,000 square feet, is now re-occupied in Stow. It will provide employment for approximately 500 persons when fully operational. In addition, a large biomedical firm will be creating 400 new jobs and over \$34 million in payroll in Stow within five years, and a large new industrial park expansion will result in 1.3 million square feet in available new space and potentially 860 added jobs.

Through the use of development incentive programs and an aggressive construction schedule for public infrastructure, City officials are encouraging the construction of additional office capacity, medical space, flex space and light industrial space. The area surrounding the Seasons Road/State Route 8 Interchange has experienced significant development recently. An industrial park has been established and four buildings totaling 573,000 square feet have been constructed in which 190-230 employees now work or will soon be employed. The current development of the Steels Corners Road Interchange area accommodates some 200,000 square feet of office space, including medical facilities. Supporting commercial, service and related businesses are already constructed or being planned in the vicinity of the interchange, including five medium-sized hotels.

The City of Stow offers an excellent opportunity for business growth due to a broad network of state and interstate highways which provide the area with access to regional and national markets. Stow is fortunate to have a diversified tax base comprised of many small-to-medium sized industries. The City's largest private companies have employment totals that range from 104 to 275 workers. Additional industrial development is expected to be spurred with the provision of necessary infrastructure. The City's participation in the Foreign Trade Zone, which is located in the northwest area of Stow, was created for the purpose of promoting local industrial development and to foster business growth.

The tax base of the City of Stow, as with virtually all public employers, was negatively impacted by the COVID-19 coronavirus crisis that began in 2020. But, the City's income tax collections rebounded significantly in 2021 as local employment levels and employee compensation grew throughout 2021. The City's income tax receipt growth in 2021 totaled 18.6 percent. The overall amount of fees and charges collected by the City generally increased as Stow government activity in such areas as parks and recreation programs, facilities rentals, building and engineering permits and Stow Municipal Court cases were all at higher levels than in 2020 as the local economy expanded in 2021.

The City was the recipient of \$1.8 million in American Rescue Plan Act (ARPA) funds in 2021. The funds, which were held for expenditure in 2022, will be used to offset revenue losses. They will be expended to support several crucial safety/service areas and for high priority projects that meet the requirements of the ARPA program

Major Initiatives and Long-Term Financial Planning

Current Year – In 2021, the City of Stow completed its thirteenth consecutive year of operating with a significantly reduced workforce in order to balance its budget and ensure that the level of staffing remained within its financial means. The City ended the 2021 operating year with a total of 36 full-time employee positions eliminated or left unfilled out of 276 authorized full-time positions at the beginning of 2009. This represented a workforce reduction of 13 percent in thirteen years. The City also eliminated numerous part-time and seasonal positions over this period.

The workforce reduction was accomplished through an ongoing hiring freeze and the implementation of a one-time voluntary separation program for eligible employees in 2010. The hiring freeze, as supplemented by other expenditure reduction and containment measures, continues as a formal City policy. The City will maintain its effort to strictly control the size of the workforce in 2022 and beyond, although some previously vacant high-priority positions will be filled over the next two years.

In the past several years, also due to budgetary limitations, the City has implemented a policy of workforce and facilities consolidation. This policy has been designed to increase the efficiency of our smaller workforce by combining functions in a number of critical areas and reducing the number of City buildings in use. A concurrent goal is to maintain all essential City services to the extent possible and feasible.

As part of its consolidation program, the City sold its Parks Maintenance and Urban Forestry facility effective in 2013 to a growing local environmental services firm through a long-term lease/purchase arrangement. The sale enabled the City government to reduce its operating cost and space while retaining an important local firm with an expanding payroll. The consolidation of the maintenance components of the Parks and Urban Forestry operation into the existing Service Maintenance Center and the relocation of the separate clerical staff sections to City Hall has resulted in increased operating efficiency and greater workload coverage during normal working hours for the affected offices.

In 2000, Stow's voters approved a program to expand the City's Emergency Medical Services (EMS) and fire response capabilities, which over the long-term has proven to be very successful for the community. The expansion program was funded through an increase of 2.3 mills in the City's Charter property tax rate and included two new fire stations and fifteen additional paramedics as well as new fire trucks and equipment.

One of the new fire stations is an additional station to increase emergency coverage on the City's east side, while the other is a relocated replacement facility to improve response times on the City's west side. The fifteen additional paramedics have enabled the City's Fire Department to operate a full EMS transport system throughout the entire community and to fully staff the two new fire stations. The City's centrally located Safety Building continues to serve the community as its main fire station. Three new fire trucks were acquired and two new EMS response vehicles were purchased to further upgrade and enhance the City's ability to provide high quality emergency service to its residents. Three additional major fire/EMS vehicles have been purchased since 2014 with the use of tax levy and capital funds.

Recent construction of the City's new Service Maintenance Center complex provided almost 70,000 square feet of added space for the City's combined maintenance operations, including Water System Maintenance. With the Parks Maintenance and Urban Forestry operations now relocated to the central Service complex, virtually all service and parks vehicles are stored indoors. The new structure cost approximately \$7.4 million. It replaced several existing undersized and outdated buildings which were used by Stow for many years. Previous new buildings constructed include the Stow City Hall, which was opened in 1986, and the Safety Building (Police, Fire, EMS and Communications) which was completed in 1995.

Maintenance and repair of roads throughout the community to accommodate the growing population and expanding commercial and industrial base continues to be a high priority for the City government. In 2012-14, the annual road resurfacing program was restored to the previous ongoing average level of \$1.2 million. The 2015 and 2016 road resurfacing amounts were the highest on record with nearly \$1.6 million being spent city-wide each year. The 2017 amount allocated was set at \$1.7 million. The all-time high was exceeded again in each of 2018 and 2019 when the road resurfacing program reached \$2.1 million and \$2.8 million in those respective years. Due to the recession resulting from the pandemic, the City minimized its resurfacing road program in 2020 to essential roads only. However, in 2021 the program was restored to the immediate pre-pandemic level of \$2.1-\$2.8 million.

The City of Stow has obtained millions of dollars in state and federal highway and related funds in recent years for the improvement and upgrade of our local transportation/roads system. Year-after-year, we have ensured that our local funding share to provide the required match for the outside grants has been available through our City capital budget in order to obtain the funds. The City has been able to accomplish this on a pay-as-you-go (cash) basis with no long-term debt being incurred.

In order to accommodate expected continued population and business growth in Stow, the City government will continue to invest in its public facilities, its transportation system, the Stow Water System and the community infrastructure in the years ahead. City officials are guided in the development of the community in the future by the City's Comprehensive Land Use Plan which is currently being updated. Approval of the new Plan is expected in 2022-23. Before it receives final approval, the Plan will be subject to many public hearings and community meetings held by Stow City officials.

In November 2001, the City of Stow regained ownership of the Stow Water System from the Summit County government and immediately became fully responsible for its daily operation. The City completed twenty very successful full operating years for the System in 2021. The City provides water to its citizens based on a 99-year water service agreement between Stow and the City of Akron whereby Akron supplies water directly to Stow on a wholesale basis. The detailed terms of the Stow water supply agreement with Akron were finalized and a formal contract executed in December of 2006.

A long-term comprehensive Operating Budget for the Stow Water System was developed when the System was acquired by the City in 2001 to guide the City in managing the operation and maintenance of the System. The Budget is updated each year with current financial information and is used to assist the administration and City Council in determining and meeting the operating needs of the Water Utility and assessing the adequacy and level of future water rates. As a result of detailed budget planning, the Water System is financially very sound. As of the end of 2021, it had more than adequate reserves to address virtually any unanticipated major system expense, either operating or capital.

With the assistance of the City's consulting engineering firm, the City of Stow completed a long-term Water System Capital Improvements Plan. The Plan identifies some \$11.3 million in necessary current improvements for the Water System to be undertaken over the next five-ten years or longer, and nearly \$3.1 million in future improvements that will be considered for completion in at least ten years. As part of the long-term Capital Plan, the City's consultant developed a comprehensive computerized model for the Water Distribution System. The model has proven useful in identifying and resolving Water Utility problems, undertaking hydraulic analysis when necessary and forecasting future water usage. It enables the City to make Water System capital investment decisions that are designed to efficiently meet present and future water demands in Stow.

In 2021, the City continued with the long-term improvements program outlined in its comprehensive Capital Plan for the Water System, including numerous waterline replacement projects and related upgrades. The City previously enacted an ongoing, monthly Water System capital improvements fee for all water customers to generate the revenue necessary to undertake and complete the improvements identified in the long-term Plan over the next ten-twenty years and also to implement an automatic, radio-based meter reading system for more efficient and timely reading of the meters of Stow's water customers.

Operation of the automatic meter reading system in Stow continues to be monitored for accuracy and reliability. The new meter reading system cost approximately \$2.3 million and is updated each year.

The City established a Storm Water Management Utility in 2004 to address flooding issues and problems throughout the Stow community. An ongoing, monthly storm water improvement fee was enacted in late 2004 by City Council to pay all future operating and capital costs associated with maintaining and upgrading the City's existing storm water management system over the next ten to twenty years. The fee is graduated and is based on an engineering evaluation of the size of the impervious surfaces of individual residential and non-residential properties in Stow. Numerous storm water projects have been completed over the past seventeen years with funding provided by the enactment of the fee.

This past year, the City continued its assessment of the engineering studies completed for every neighborhood within the City to identify storm water problems that need to be corrected as part of a long-term storm water management plan. In late 2016, City Council, with the recommendation of the administration, increased the basic storm water improvement fee significantly to enable the City to accomplish more storm water projects throughout the City of Stow.

In 2021, the City of Stow continued many of its ongoing programs which are designed to improve the community as a whole and its individual neighborhoods. The provision of such programs as the Stow Senior Center, adopt-a-spot beautification, the neighborhood playground upgrades, residential storm sewer and water line improvements, bike trail expansion, sidewalk repair, litter and recycling support, neighborhood beautification and tree planting programs were important accomplishments of the City again this past year.

A comprehensive ten-year Capital Improvements Financial Plan was prepared by the City in 2002 to guide City officials in undertaking and completing the City's major capital projects over the original period, 2002-2011. The basic Plan, as now updated each year, was used in 2021 and will continue to be revised in future years to identify available capital improvement funding sources and potential general capital projects to improve the City's infrastructure, buildings, facilities and major equipment over the next ten-year period.

The City has continued its emphasis on accelerating debt retirement. Over the period, 2008-2021, Stow's outstanding general obligation debt, excluding internal debt, has been reduced from \$33.6 million to \$14.1 million. In order to facilitate debt retirement, the City has increased its reliance on pay-as-you-go (cash) financing to fund its capital improvements and has incurred only \$2,000,000 in new outside general obligation project debt since 2011. (In 2015, the City was the recipient of a \$1.23 million Ohio Public Works Commission water project loan with a thirty-year term and a zero percent rate of interest.)

In May of 2006, the City Council adopted a long-term master plan for the development of the City Center Site which encompasses the centrally located municipal government offices and considerable surrounding acreage. The development of the site could eventually include public gathering facilities for entertainment, a large amphitheater, cultural and arts centers, walking trails and some mixed use buildings. The master plan for the maintenance, development and future management of the City's arboretum/sancturetum, which is located near Stow City Hall, continued to be updated in 2021. It is included as a major component of the City's overall City Center Site long-term plan. Preservation of this unique and extensive outdoor natural resource is a long-standing commitment of the City.

In February of 2006, the Stow City government completed the acquisition of an 18-hole municipal golf course located on 140 acres of land within a highly developed residential area of the City. The golf course has been successfully operated with its own resources over the period 2006-2021, not including acquisition debt payments. The City's municipal golf course fared very well in 2021. The City's ongoing commitment to the operation of the golf course ensures its retention and preservation as a highly-valued recreational asset in the Stow community. Several significant improvements to the golf course layout were completed during the period, 2017-2021. A major land acquisition for the golf course in 2021 substantially increased the overall size of the facility and will enable it to expand operationally in the future.

A unique, special needs playground was completed in one of Stow's major parks in 2008. It cost approximately \$278,000 and was funded through a combination of private donations, a state grant and City funding. It is designed for the inclusion and accessibility of all children regardless of disability. In 2021, it was available for use by individuals and groups in the community.

After assessing the feasibility of converting its Safety/Service communications system to 800 MHz capability, in 2006, the City executed a long-term agreement to participate with other communities in the Summit County/Akron radio system. The County-wide system increases compatibility, interoperability and mutual communications capabilities with surrounding communities. The City continued its effort to enhance the new radio system for its safety forces in 2021 through the use of local funding and grants. The City's radio and related communications equipment and facilities are continuously being evaluated for possible upgrade.

As of January 1, 2009, the City of Stow became the new home of the Stow Municipal Court (formerly the Cuyahoga Falls Municipal Court). Construction of the new \$9.2 million courthouse commenced in 2007 in northwest Stow near a major interchange and was completed at year-end 2008. The new Court serves over 180,000 people in 16 local communities and is operationally successful. The new Court facility is a recognized landmark and an important community asset in Stow.

In 2008, the City contracted with two other area communities to create a regional dispatch communications center in the Stow Safety Building. The center, which was established on August 1, 2008, is being operated by the Stow police department. It has eliminated duplicative dispatching facilities and reduced long-term capital and operating costs for each of the participating governments.

In May 2009, the City completed renovation of a City-owned building to replace the former Senior Center which had previously been in rented quarters. The new Senior Center, which is near the Stow City Hall, is more centrally located than the former Center and provides improved accessibility for seniors throughout Stow. By 2019, the Center had become a high-use facility which generated more senior citizen activity and programs in Stow than ever as the City's support for seniors' activities continued to grow. While senior activity slowed considerably in 2020 and 2021 due to the coronavirus crisis, Stow continues to evaluate its senior citizen facilities for possible upgrade.

Future – As with virtually every other governmental unit in Ohio, Stow is coping with the continuing adverse impact of the severe national economic crisis on its finances. The City's financial status rebounded in 2021 due to economic growth and the receipt of significant federal dollars as part of the American Rescue Plan Act. But, to ensure our continued stability, we have adopted a much more conservative and restrictive stance regarding our operating and capital budgets. We have reduced our operating expenditures, continued a hiring freeze except for essential positions, and delayed and/or reduced many capital improvements. Within our more limited long-term financial capability, we continue with various major initiatives designed to improve and accommodate the continued growth and development of the Stow community in 2022 and beyond.

As referenced earlier, the City will continue to implement its workforce and facilities consolidation plan in 2022 by reviewing the utilization of all buildings. Departmental building assignments and locations will be assessed and evaluated for more efficient layouts and usage. The main Parks Maintenance building has been converted to private use and similar City departments will be consolidated to more effective common locations for joint usage of major equipment and employee training.

An important long-term goal of the City administration is the promotion of shared government services and participation in regional collaboration efforts. In recent years, the City of Stow has cooperatively developed shared cost programs with neighboring cities in such areas as human resources, building inspection, dispatching services, urban forestry and equipment purchases/usage. Similar initiatives are being evaluated for future implementation with the Stow-Munroe Falls School System.

A new regional dispatch center in Summit County, which will include Cuyahoga Falls, Stow, Tallmadge and Fairlawn and possibly other communities as well as the Summit County Sheriff's Office, has been approved in 2022 for future implementation. When established, the new center, by serving a large population base, will eventually generate considerable operational cost savings as well as lower capital investment for each participating community or governmental unit through economies of scale. As a preliminary related step toward a regional communications center, multiple communities in Summit County had previously joined together to establish a centralized regional computer aided dispatch (CAD) system in 2018-2021. This new joint software system will become part of a new Council of Governments (COG) regional dispatch operations center when it is launched.

The City's elected officials, in cooperation with the Judges and Clerk of Courts, have continued to stabilize the finances of the Stow Municipal Court for the future, including implementing effective management and retirement of the debt incurred to construct the new Courthouse. Many essential services are provided by the Court within the sixteen jurisdictions served. An important component of the City's plan is to ensure that Mayor's Courts, either existing or new, do not negatively impact the long-term finances or budget of the Court.

The new Route 8 Interchange, located at State Route 8 and Seasons Road in both Stow and Hudson, has been completed and serves as an important component of the Stow and Hudson transportation systems. The main access road to the interchange was improved and widened in 2010.

Another access road for the interchange was improved in 2013 as a joint undertaking of the State of Ohio, the City of Stow and the City of Hudson. New traffic signals to improve traffic control and safety for incoming and exiting traffic at the interchange were installed and became operational in early 2019 with federal funding assistance. Along with the recently-completed Seasons/Norton Road connection and the Seasons Road improvement projects, the new interchange is necessary to facilitate expansion of the industrial and commercial growth areas of Stow to ensure future enhancement of our tax base.

Through the City's recently increased annual concrete and asphalt road paving program and such projects as the Seasons Road improvement, the Route 8 Interchange construction, the Steels Corners Interchange upgrade, the Hudson Drive widening, the Graham Road upgrade, the Norton Road improvement, the combined Norton Road and Fishcreek intersection upgrades at Darrow Road and various other planned road, intersection, traffic light and bridge improvements, the City of Stow will continue to upgrade the community transportation system significantly over the next decade. All of these projects have received, or will receive, state and/or federal funding assistance to ensure their completion.

In 2022 and 2023, the City will be continuing its ongoing traffic signal upgrade program at major intersections throughout the community. Local funds will be combined with grant funds to finance the installation of new signals at high traffic volume locations to improve traffic flow and control to meet safety concerns. The upgrades at the Norton and Fishcreek intersections of Rt. 91 were completed in 2017. A similar upgrade at the Graham Road and Rt. 91 intersection was completed in 2018. Construction of a new boulevard to provide public access through the large City Hall site has been finished. The new roadway received final paving in 2014. It is compatible with any planned community facilities to be located on the City Center campus.

A preliminary consensus has developed in the Stow community that the best potential future use of the entire City Center site may be to further develop it as a central Stow activity area. This concept is being formally advanced by leadership in Stow. The developed site would include both public and private uses to be determined. Progress on the concept is already underway with the commissioning of a new development and use guide that was prepared by professional outside consultants in 2017-2018. Various resident and community leadership meetings to gather input on the City Center concept were completed in 2019-2021. Development proposals were sought and received in 2021. A major component of the development will be a new, replacement playground complex. It will be built with donated funds commencing in 2022.

Among the City's priorities for 2022-2023 in the safety area is the programmed replacement of the major fire/EMS response vehicles used on a daily basis by the Fire Department. In anticipation of the replacement of these vehicles, the City has been accumulating funds through its Capital Budget so that the acquisitions can be accomplished on a cash basis without incurring debt.

The City administration will continue to emphasize economic development in Stow in 2022 and beyond as a means to enhance our tax base for the future and strengthen the City's financial standing in the aftermath of the coronavirus/economic crisis.

OTHER INFORMATION

Awards - The City prepared and submitted an Annual Comprehensive Financial Report for the first time for 2000 to the Government Finance Officers Association of the United States and Canada (GFOA). A Certificate of Achievement for Excellence in Financial Reporting was awarded to the City of Stow for its Annual Report for the last twenty-one consecutive years (2000-2020), inclusive. In order to be awarded a Certificate of Achievement, a governmental unit must publish an easily readable and efficiently organized Annual Report, whose contents conform to program standards. Such reports must satisfy both Generally Accepted Accounting Principles and applicable legal requirements. We believe our current report for 2021 conforms to the Certificate of Achievement for Excellence in Financial Reporting program requirements, and we are submitting it to the GFOA to determine its eligibility for a 2021 award.

Acknowledgment - I would like to express my sincere appreciation and thanks to those individuals who assisted in the preparation of the 2021 Annual Comprehensive Financial Report. Successful preparation of a report of this scope required the dedicated services of the entire staff of the Finance Department. I also extend my appreciation to the Mayor, City Council and all Department Heads for their support and assistance in completing this Annual Report.

Respectfully submitted,

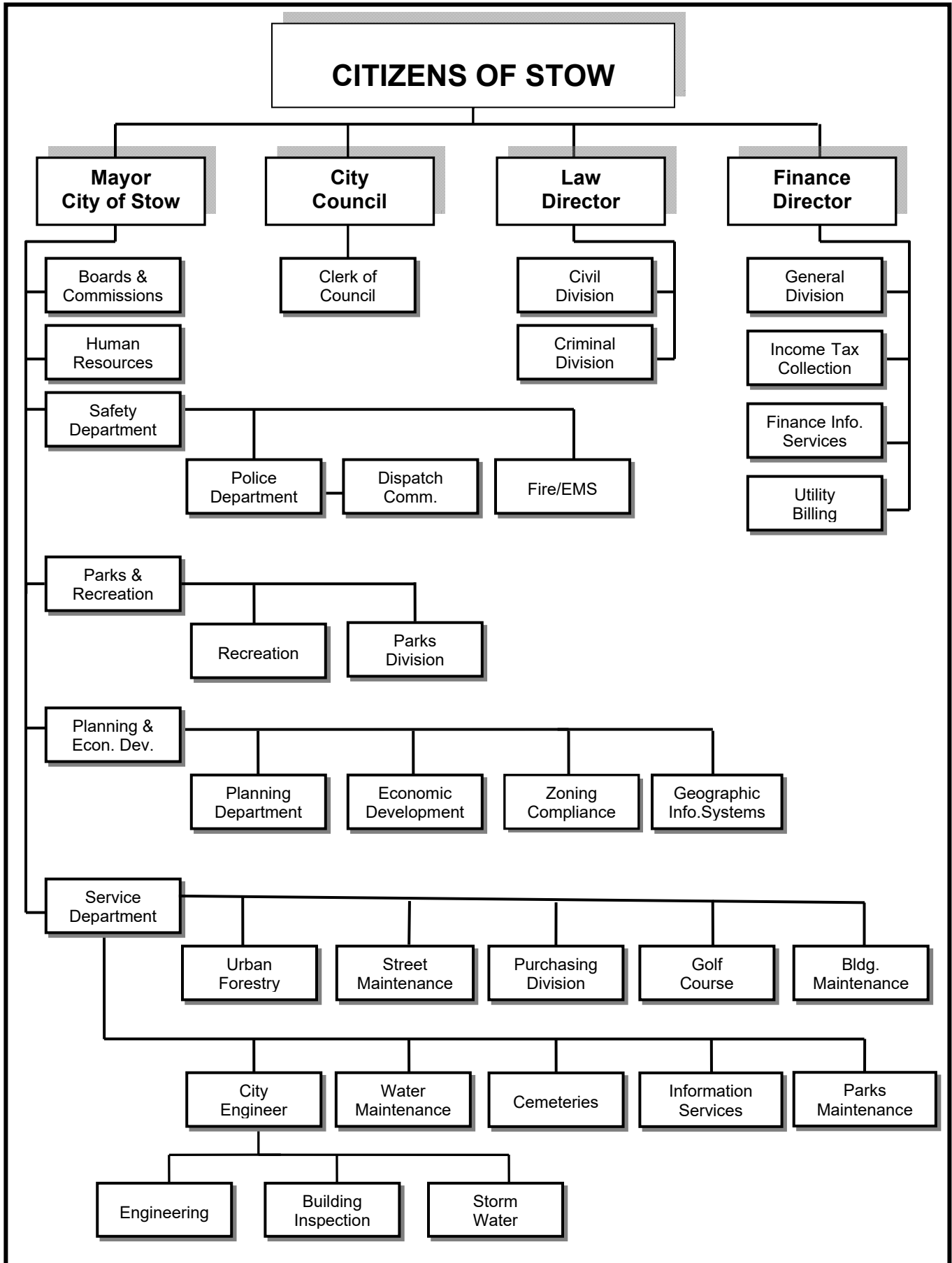


James M. Costello
Director of Finance

City of Stow, Ohio

General Organization Chart

2021



CITY OF STOW, OHIO
PRINCIPAL CITY OFFICIALS
AS OF DECEMBER 31, 2021

Elected Officials

Mayor	John Pribonic
Finance Director	James Costello
Law Director	Jaime Syx
President of Council	Sindi Harrison (Ward II)
Vice President	Jeremy McIntire (At-Large)
President Pro Tem	Vacant (Ward I)
Council Member	Steve Hailer (Ward III)
Council Member	Mario Fiocca (Ward IV)
Council Member	Christina Shaw (At-Large)
Council Member	Cyle Feldman (At-Large)

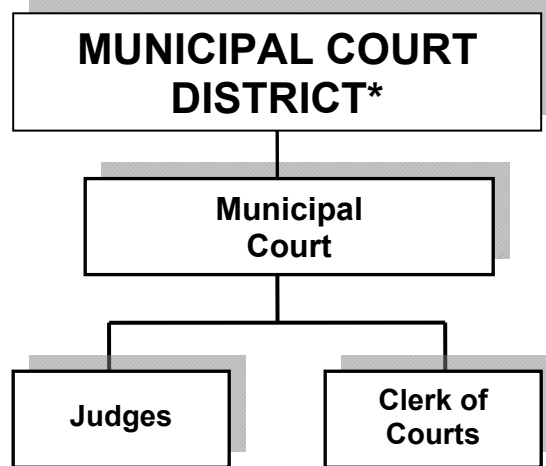
Department Officials

Chief of Staff/Service Director	Nick Wren
Planning & Development Director	Nate Leppo
City Engineer	James McCleary
Fire Chief	Mark Stone
Assistant Fire Chief	Michael Lang
Police Chief	Jeff Film
Police Captain	Bryan Snavelly
Deputy Service Director	Don Brooker, Marc Anderson
Director of Budget & Management	John Earle
Manager of Information Services	Lisa Paxton
Deputy Finance Director/Tax Administrator	Sami Wagner
Building Department Plans Examiner	Richard Hickman
Deputy City Engineer	Mike Jones
Assistant/Deputy Planning Director	(Vacant)
Deputy Law Director	Callie Channell
Assistant Prosecutor	Hope Konovsky
Assistant Law Director	Regina Frank
Economic Development Coordinator	(Vacant)
Project Engineer	Gerald Dolson
Parks and Recreation Director	Linda Nahrstedt
Human Resources Director	(Vacant)
Manager – Public Service/Water	Jeff Shaver
Chief Building Inspector	Tony Catalona
Parks Manager	(Vacant)
Road Superintendent	(Vacant)
GIS Coordinator	Steve Gibbons
Project Manager – Information Systems	(Vacant)
Network and Security Admin. - Service	Elcain Chase
Clerk of Council/Deputy Clerk of Council	Lorree Villers/Sonya Mottram
Chief Inspector	Tony Avolio
Youth Services Coordinator	Kathy Christ
Communications Supervisor	(Vacant)
Recreation Supervisor	Anne Baranek, Kathy Lewis
Golf Course General Manager	Joe Vojtko
Golf Course Superintendent	Gregg Bobbs
Landscape Arborist	Sue Mottl

City of Stow, Ohio

Stow Municipal Court Organization Chart

2021



Stow is the host City for the Stow Municipal Court

*The following jurisdictions make up the Stow Municipal Court District:

CITIES

Stow
Cuyahoga Falls
Hudson
Twinsburg
Tallmadge
Macedonia
Munroe Falls

VILLAGES

Reminderville*
Boston Heights
Peninsula
Northfield
Silver Lake

(*Reminderville
became a City in
2022)

TOWNSHIPS

Boston
Northfield Center
Sagamore Hills
Twinsburg

STOW MUNICIPAL COURT PRINCIPAL OFFICIALS AS OF DECEMBER 31, 2021

Elected Officials

Judge Kim R. Hoover
Judge Lisa L. Coates
Clerk of Courts Amber Zibritosky

Appointed Officials

Magistrate John W. Clark
Court Administrator Rick Klinger
Chief Deputy Clerk of Courts Angela Hoff



Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**City of Stow
Ohio**

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

December 31, 2020

Christopher P. Morill

Executive Director/CEO

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FINANCIAL SECTION

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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 Stow
Summit County
3760 Darrow Road
Stow, Ohio 44224

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 Stow, Summit County, Ohio (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 Stow, Summit County, Ohio as of December 31, 2021, and the respective changes in financial position and, where applicable, cash flows thereof and the respective budgetary comparisons for the General, EMS/Fire Tax Levy, and ARPA 2021 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 25 to the financial statements, the financial impact of COVID-19 and the continuing 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 statements and individual fund 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 statements and individual fund schedules are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

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

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated August 26, 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

August 26, 2022

CITY OF STOW, OHIO

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

The management's discussion and analysis for the City of Stow's (the "City") financial statements provides an overview of the City's financial activities for the year ended December 31, 2021. The intent of this discussion and analysis is to provide a narrative that describes the City's performance as a whole. To obtain a more detailed understanding, one should also review the transmittal letter, the notes to the basic financial statements and the basic financial statements.

Financial Highlights

The City's key financial highlights for 2021 are as follows:

- The assets and deferred outflows of resources of the City exceeded its liabilities and deferred inflows of resources at the close of the year ended December 31, 2021 by \$86,404,702 (net position). Of this amount, \$3,916,478 is considered restricted for various purposes such as capital projects, debt service and other restrictions, and \$89,146,829 is invested in capital assets. These combined amounts are higher than the City's total net position at year end, resulting in a deficit balance of (\$6,658,605) in unrestricted net position.
- Total net position increased \$14,140,986 or 19.57%. Net position for business-type activities increased \$2,361,990 or 5.67% from 2020's net position, while the net position related to governmental activities increased \$11,778,996, or 38.52% from 2020's net position.
- The City's total revenues amounted to \$51,790,308 in 2021, of which \$42,225,073 related to governmental activities and \$9,565,235 to business-type activities. Program specific revenues in the form of charges for services, grants and contributions accounted for \$18,324,377 or 35.38% of total revenues.
- The City had \$37,649,322 in expenses in 2021, \$30,446,077 of which were for governmental activities and \$7,203,245 for business-type activities.
- Among the major funds, the general fund had \$26,225,807 in revenues and other financing sources and \$24,915,460 in expenditures and other financing uses in 2021. The amount of \$606,931 was transferred to the general fund in 2021 and \$904,732 was transferred to other funds.
- The general fund's balance increased to \$12,977,315, an increase of \$1,310,347 from the beginning of 2021. The general fund balance was 50.66% of total general fund revenues, which is a slight increase from the percentage in 2020 of 47.57%.
- The City's 2021 total governmental activities long-term obligations decreased from \$60,011,424 in 2020 to \$48,297,538 in 2021. This decrease of \$11,713,886 was due, in part, to the City paying down its note and bond obligations but, primarily due to a significant decrease in net pension and net OPEB liabilities.

Using this Basic Financial Statements (BFS)

The City's annual report consists of a series of financial statements and notes to those statements. The statements are organized so the reader can understand the City of Stow as a total financial and operating entity. These individual statements provide a detailed look at specific financial activities.

The City's basic financial statements are comprised of three components: 1) City-wide financial statements; 2) fund financial statements; and 3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

The statement of net position and the statement of activities provide information about the activities of the City as a whole and present a long-term view of the City's finances. Fund financial statements provide the next level of detail. For governmental funds, these statements tell the reader how services were financed in the short-term, as well as the amount of funds remaining for future spending. The fund financial statements also look at the City's major funds with all other non-major funds presented in total in one column.

CITY OF STOW, OHIO

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

Reporting the City as a Whole

Statement of Net Position and Statement of Activities

The analysis of the City as a whole begins on page 7. One of the most important questions asked about the City's finances is, "How did the City perform financially during 2021?" The statement of net position and the statement of activities provide information concerning the City as a whole and its financial activities that will assist the reader in answering this question. These statements include all assets, deferred outflows of resources, liabilities, deferred inflows of resources, revenues and expenses using the accrual method of accounting similar to the accounting used by most private-sector businesses. This method of accounting will take into account all of the current year's revenues and expenses regardless of when cash is received or paid.

These two statements report the City's net position and changes in net position. The change in net position is important because it allows the reader to judge in many respects whether or not the City's financial position has improved or diminished over the past year. The causes of any change in financial position for the City may be related to, or the result of, many factors, some of which may be directly financial, and others which may be only indirectly related to the City's finances. Indirect financial factors include changes in the City's tax or revenue base, changes in general tax law in Ohio or the City, variations in economic conditions, the condition of the City's capital assets and other related factors which may impact revenues or expenses.

In the statement of net position and the statement of activities, the City's operation is divided into two distinct types of activities as follows:

- **Governmental Activities** - Most of the City's programs and services are considered to be governmental activities, including general government, security of persons and property, leisure time activities, community and economic development and transportation. These services are funded primarily by 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 of the expenses of the goods or services provided.

The City-wide financial statements can be found on pages 17 through 19 of this report.

Fund Financial Statements

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The City, like the state and other 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, not on the City as a whole. The City's major governmental funds are: the general fund, the EMS/fire tax levy fund, the ARPA 2021 fund and the general capital improvements fund. The City's major proprietary funds are the water, golf and storm water utility funds.

Governmental Funds

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

CITY OF STOW, OHIO

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

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

The City maintains numerous individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental statement of revenues, expenditures, and changes in fund balances for the major funds, which were identified earlier. Data from the other governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of combining statements elsewhere in this report. The basic governmental fund financial statements can be found on pages 20 through 26 of this report.

The City adopts an annual appropriation budget for its general fund and other funds. Budgetary statements and schedules have been provided for all annually budgeted funds to demonstrate compliance.

Proprietary Funds

The City maintains two different types of proprietary funds. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The City uses enterprise funds to account for its water system, golf and storm water utility operations. Internal service funds are an accounting device used to accumulate and allocate costs internally among the City's various functions. The City uses internal service funds to account for its self-insurance programs for medical-related employee benefits. The basic proprietary fund statements can be found on pages 28 through 33 of this report.

Fiduciary Funds

Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected on the government-wide financial statements because the resources from those funds are not available to support the City's programs. The accounting method used for fiduciary funds is much like that used for the proprietary funds. The basic fiduciary fund financial statements can be found on pages 34 and 35 of this report.

Notes to the Basic Financial Statements

The financial statement notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. Notes to the basic financial statements can be found on pages 37 through 89 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 and net OPEB liabilities/assets and pension and OPEB contributions. The required supplementary information can be found on pages 92 through 107 of this report with the notes to the required supplementary information on pages 108 through 109.

Government-Wide Financial Analysis

As noted earlier, the trend in net position serves as an indicator of a government's changing financial position. At the close of 2021 the City's total assets and deferred outflows of resources, as shown in Table 1, exceeded liabilities and deferred inflows of resources by \$86,404,702. \$42,357,702 of net position was in governmental activities while \$44,047,000 was in business-type activities. The table below provides a summary of the City's net position for 2021 compared to 2020.

CITY OF STOW, OHIO

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

Table 1 - Net Position

	Governmental Activities	Governmental Activities	Business-Type Activities	Business-Type Activities	2021	2020
	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>	<u>Total</u>	<u>Total</u>
Assets						
Current and other assets	\$47,043,364	\$ 40,977,812	\$10,474,666	\$ 9,893,690	\$ 57,518,030	\$ 50,871,502
Capital assets, net	<u>60,982,281</u>	<u>61,026,114</u>	<u>44,313,451</u>	<u>41,956,017</u>	<u>105,295,732</u>	<u>102,982,131</u>
Total assets	<u>108,025,645</u>	<u>102,003,926</u>	<u>54,788,117</u>	<u>51,849,707</u>	<u>162,813,762</u>	<u>153,853,633</u>
Deferred outflows of resources						
Pension	4,741,898	5,484,519	326,643	393,447	5,068,541	5,877,966
OPEB	2,860,897	3,708,741	149,948	262,226	3,010,845	3,970,967
Unamortized deferred charges on debt refunding	<u>222,477</u>	<u>240,125</u>	<u>89,967</u>	<u>98,669</u>	<u>312,444</u>	<u>338,794</u>
Total deferred outflows	<u>7,825,272</u>	<u>9,433,385</u>	<u>566,558</u>	<u>754,342</u>	<u>8,391,830</u>	<u>10,187,727</u>
Liabilities						
Current and other liabilities	4,783,082	2,744,542	932,728	530,199	5,715,810	3,274,741
Long term liabilities:						
Due within one year	1,956,403	2,161,108	440,603	436,951	2,397,006	2,598,059
Net pension liability	31,015,739	33,996,235	1,647,072	2,083,652	32,662,811	36,079,887
Net OPEB liability	3,493,567	11,199,927	-	1,395,578	3,493,567	12,595,505
Other long-term liabilities	<u>11,831,829</u>	<u>12,654,154</u>	<u>6,929,124</u>	<u>5,661,880</u>	<u>18,760,953</u>	<u>18,316,034</u>
Total liabilities	<u>53,080,620</u>	<u>62,755,966</u>	<u>9,949,527</u>	<u>10,108,260</u>	<u>63,030,147</u>	<u>72,864,226</u>
Deferred inflows of resources						
Pension	7,084,047	6,615,984	754,238	552,071	7,838,285	7,168,055
OPEB	4,909,248	2,947,867	603,910	258,708	5,513,158	3,206,575
Property taxes levied for the next fiscal year	<u>8,419,300</u>	<u>8,538,788</u>	<u>-</u>	<u>-</u>	<u>8,419,300</u>	<u>8,538,788</u>
Total deferred inflows	<u>20,412,595</u>	<u>18,102,639</u>	<u>1,358,148</u>	<u>810,779</u>	<u>21,770,743</u>	<u>18,913,418</u>
Net Position						
Net investment						
in capital assets	52,233,046	51,422,369	36,913,783	36,177,980	89,146,829	87,600,349
Restricted	3,916,478	2,609,030	-	-	3,916,478	2,609,030
Unrestricted (deficit)	<u>(13,791,822)</u>	<u>(23,452,693)</u>	<u>7,133,217</u>	<u>5,507,030</u>	<u>(6,658,605)</u>	<u>(17,945,663)</u>
Total net position	<u>\$ 42,357,702</u>	<u>\$ 30,578,706</u>	<u>\$ 44,047,000</u>	<u>\$ 41,685,010</u>	<u>\$ 86,404,702</u>	<u>\$ 72,263,716</u>

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 STOW, OHIO

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

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.

During 2021, the City's overall financial position increased by \$14,140,986 as governmental activities net position increased by \$11,778,996 and business-type activities increased by \$2,361,990.

CITY OF STOW, OHIO

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

The majority of the City's net position reflect its investment in capital assets (e.g. land, intangible assets, construction in progress, buildings and building improvements, vehicles, infrastructure, and equipment, furniture and fixtures), less any related debt used to acquire those assets. These capital assets are utilized by the City to provide services to its citizens. They are not available for future spending. Although the City's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since capital assets themselves cannot be used to liquidate these liabilities.

Statement of Activities

The table below shows the changes in net position for years ended 2021 and 2020.

Table 2 - Change in Net Position

	Governmental Activities <u>2021</u>	Governmental Activities <u>2020</u>	Business-Type Activities <u>2021</u>	Business-Type Activities <u>2020</u>	2021 <u>Total</u>	2020 <u>Total</u>
Revenues						
Program revenues:						
Charges for services and sales	\$ 6,039,783	\$ 5,319,090	\$ 8,507,959	\$ 7,961,935	\$ 14,547,742	\$ 13,281,025
Operating grants and contributions	2,777,052	6,369,648	-	-	2,777,052	6,369,648
Capital grants and contributions	<u>643,161</u>	<u>270,546</u>	<u>356,422</u>	<u>713,000</u>	<u>999,583</u>	<u>983,546</u>
Total program revenues	<u>9,459,996</u>	<u>11,959,284</u>	<u>8,864,381</u>	<u>8,674,935</u>	<u>18,324,377</u>	<u>20,634,219</u>
General revenues:						
Taxes	29,645,145	25,732,731	310,467	336,565	29,955,612	26,069,296
Grants and entitlements	2,980,560	2,601,207	-	-	2,980,560	2,601,207
Investment income	113,179	171,331	2,750	12,000	115,929	183,331
Change in fair value of investments	(199,282)	200,670	-	-	(199,282)	200,670
Miscellaneous	<u>225,475</u>	<u>2,093,910</u>	<u>387,637</u>	<u>230,351</u>	<u>613,112</u>	<u>2,324,261</u>
Total general revenues	<u>32,765,077</u>	<u>30,799,849</u>	<u>700,854</u>	<u>578,916</u>	<u>33,465,931</u>	<u>31,378,765</u>
Total revenues	<u>42,225,073</u>	<u>42,759,133</u>	<u>9,565,235</u>	<u>9,253,851</u>	<u>51,790,308</u>	<u>52,012,984</u>

-- Continued

CITY OF STOW, OHIO

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

Table 2 - Change in Net Position (continued)

	Governmental Activities <u>2021</u>	Governmental Activities <u>2020</u>	Business-Type Activities <u>2021</u>	Business-Type Activities <u>2020</u>	2021 <u>Total</u>	2020 <u>Total</u>
Expenses:						
General government	\$ 5,808,167	\$ 10,942,307	\$ -	\$ -	\$ 5,808,167	\$ 10,942,307
Security of persons and property	16,198,858	17,301,536	-	-	16,198,858	17,301,536
Public health	427,486	544,120	-	-	427,486	544,120
Leisure time activities	1,405,641	1,634,816	-	-	1,405,641	1,634,816
Community and economic development	766,832	1,205,275	-	-	766,832	1,205,275
Transportation	5,621,778	6,393,998	-	-	5,621,778	6,393,998
Interest and fiscal charges	217,315	275,701	-	-	217,315	275,701
Water	-	-	4,859,058	5,501,489	4,859,058	5,501,489
Golf	-	-	1,264,430	1,330,209	1,264,430	1,330,209
Storm water utility	-	-	1,079,757	881,926	1,079,757	881,926
Total expenses	<u>30,446,077</u>	<u>38,297,753</u>	<u>7,203,245</u>	<u>7,713,624</u>	<u>37,649,322</u>	<u>46,011,377</u>
Change in net position	11,778,996	4,461,380	2,361,990	1,540,227	14,140,986	6,001,607
Net position at beginning of year	<u>30,578,706</u>	<u>26,117,326</u>	<u>41,685,010</u>	<u>40,144,783</u>	<u>72,263,716</u>	<u>66,262,109</u>
Net position at end of year	<u>\$ 42,357,702</u>	<u>\$ 30,578,706</u>	<u>\$ 44,047,000</u>	<u>\$ 41,685,010</u>	<u>\$ 86,404,702</u>	<u>\$ 72,263,716</u>

Governmental Activities

The information in Table 2 indicates that expenses of the governmental activities decreased \$7,851,676 or 20.50%. This decrease is primarily the result of the decrease in OPEB expense for the Ohio Public Employees Retirement System (OPERS). On an accrual basis, the City had OPEB expense of (\$6,151,521) in 2021 compared to \$882,784 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.

Security of persons and property expenses accounted for \$16,198,858, or 53.21%, general government expenses accounted for \$5,808,167 or 19.08%, and transportation expenses accounted for \$5,621,778 or 18.46% in the governmental activities category.

Some \$29,645,145 in tax revenues was generated for the City in 2021 to support governmental activities. This amount represented 70.21% of total revenues for governmental activities which reached \$42,225,073 in 2021. Other major revenues received by the City included \$2,980,560 in unrestricted grants and entitlements.

Miscellaneous general revenues decreased in 2021 due to the large increases in BWC dividends received by the City during 2020. Operating grants and contributions also decreased in 2021 due to the additional funding received from the CARES Act during 2020. Both of these decreases were a result of the COVID-19 pandemic and additional funding received in 2020.

CITY OF STOW, OHIO

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

Program revenues to support governmental activities amounted to \$9,459,996 in 2021, which included \$6,039,783 in charges for services, \$2,777,052 in operating grants and contributions and \$643,161 in capital grants and contributions.

The statement of activities shows the cost of program services and the charges for services and grants and contributions offsetting those services. 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 unrestricted State grants and entitlements.

	Total Cost of Services <u>2021</u>	Net Cost of Services <u>2021</u>	Total Cost of Services <u>2020</u>	Net Cost of Services <u>2020</u>
Program Expenses:				
General government	\$ 5,808,167	\$ 1,397,238	\$ 10,942,307	\$ 6,691,848
Security of persons and property	16,198,858	14,937,091	17,301,536	13,056,652
Public health	427,486	298,207	544,120	406,261
Leisure time activities	1,405,641	906,388	1,634,816	1,311,713
Community and economic development	766,832	457,866	1,205,275	915,036
Transportation	5,621,778	2,771,976	6,393,998	3,681,258
Interest and fiscal charges	<u>217,315</u>	<u>217,315</u>	<u>275,701</u>	<u>275,701</u>
Total Expenses	<u>\$ 30,446,077</u>	<u>\$ 20,986,081</u>	<u>\$ 38,297,753</u>	<u>\$ 26,338,469</u>

The dependence upon general revenues for governmental activities is apparent, with 68.93% of expenses supported through taxes and other general revenues in 2021 and 68.77% in 2020.

Business-Type Activities

Water system expenses were \$4,859,058 for the year, which were offset by the \$5,599,418 in charges for services generated by the water system through the operation of the City's water distribution system, \$330,873 in capital grants and contributions, \$1,412 in other operating revenues and \$2,750 in investment earnings in 2021.

Golf expenses were \$1,264,430 for the year, which were primarily offset by \$1,352,166 in charges for services generated by the Fox Den Golf Course through user fees, \$204,819 in other operating revenues and \$310,467 in municipal income taxes in 2021.

Storm water utility expenses were \$1,079,757 for the year, which were offset by \$1,556,375 in charges for services generated by the storm water system, \$25,549 in capital grants and contributions and \$181,406 in other operating revenues in 2021.

The City experienced an increase in net position of \$2,361,990 in the area of business-type activities during 2021.

Financial Analysis of the City's Funds

As discussed previously, the City maintains a fund accounting system 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 and its ability to meet them. In particular, unassigned fund balance serves as a useful measure of a City's net resources available for spending at the end of the year.

CITY OF STOW, OHIO

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

As of the end of the current year, the City's governmental funds reported combined ending balances of \$28,872,242, an increase of \$3,690,423 as compared with the prior year fund balances. Approximately 22.49% of this total year end amount or \$6,492,459 represents unassigned fund balance, which is available at the City's discretion within certain legal constraints and purpose restrictions. The remainder of the fund balance is reserved to indicate that it is not available for new spending because it has already been 1) committed (\$10,322,299); 2) nonspendable (\$1,093,889); 3) restricted (\$5,181,402); and 4) assigned (\$5,782,193).

The general fund is the City's chief operating fund. The general fund's year-end balance increased by \$1,310,347 during the current year to reach an ending total of \$12,977,315. The unassigned fund balance of the general fund was \$6,610,448. As a measure of the general fund's liquidity, it is useful to compare both unassigned fund balance and total fund balance to total fund expenditures. The unassigned fund balance represents 27.53% of total general fund expenditures, while total fund balance represents 54.05% of such expenditures.

Other revenues for the general fund decreased \$1,857,460 or 89.18% during 2021. This decrease was due to the large increases in BWC dividends received by the City in response to the COVID-19 pandemic during 2020. Fines and forfeitures, licenses and permits and charges for services increased \$164,096 or 7.77%, \$151,143 or 16.75%, and \$154,641 or 66.03%, respectively, during 2021. These increased during 2021 due to closures stemming from the COVID-19 pandemic and fewer services provided during 2020. Income tax revenues increased \$1,849,094 or 16.48% during 2021. This increase was the result of larger businesses expanding in the area.

The City's three other major governmental funds are the EMS/fire tax levy fund, the ARPA 2021 fund and the general capital improvements fund. The fund balance of the EMS/fire tax levy fund increased \$194,793 during 2021. The fund balance of the general capital improvements fund increased \$1,494,758 in 2021 compared to an increase of \$2,438,987 during 2020. This change was primarily the result of the City having \$4,485,621 in capital outlay related expenditures in 2021 compared to only \$1,613,761 in 2020. The ARPA 2021 fund had no revenues or expenditures in 2021. The fund was established during 2021 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.

Transfers from the general fund included \$904,732 to other governmental funds, which occurred principally to supplement the payment of the Ohio Police and Fire Pension obligations.

Proprietary Funds

The City's proprietary funds provide the same type of information found in the government-wide financial statements for business-type activities, but in more detail. Unrestricted net position for the City's water, golf and storm water utility funds at the end of the year amounted to \$7,133,217. Total assets were \$54,788,117 at year-end. The water fund, golf fund, and the storm water utility fund net position increased 3.73%, 31.59% and 7.77%, respectively, during 2021.

Budgeting Highlights

The City's budgeting process is prescribed by the Ohio Revised Code. The authority for the City to expend money is derived from its appropriations ordinance which must be approved by City Council each year. The appropriations are limited and restricted by the amounts of anticipated revenues as estimated, in part, by the City and certified by the County Budget Commission in accordance with the Ohio Revised Code. Within the restrictions itemized above, the City has the ability to revise or amend its budget during the course of the year due to actual activity related to either revenue or expenditures.

CITY OF STOW, OHIO

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

Regarding revenues and other financing sources, the general fund original and final budget were \$33,689,173 and \$33,866,206, respectively. Actual total revenues and other financing sources of \$26,054,395 were \$7,634,778 and \$7,811,811 less than original and final budgeted revenues, respectively. Negative variances in charges for services, and fines and forfeitures, and licenses and permits were due to the COVID-19 pandemic and fewer services actually provided than what were budgeted. The negative variance in income taxes was due to the City anticipating to receive a larger increase in income tax receipts as a result of large businesses expanding in the area than what was actually received.

The City's original and final budget estimates for expenditures and other financing uses were \$31,575,129 and \$31,636,129, respectively. Actual expenditures and other financing uses for 2021 of \$25,953,457 were less than the original and final budgeted amounts by \$5,621,672 and \$5,682,672. This positive variance was primarily due to general government actual expenditures being less than budgeted amounts. This was due to additional budgeting for miscellaneous general government expenditures (damages, retirement pay holdings, consulting contributions, public improvement, additional miscellaneous expenses, etc.).

Capital Assets and Debt Administration

Capital Assets

The City's total net capital assets, for both its governmental and business-type activities amounted to \$105,295,732 (net of accumulated depreciation) at year end 2021. Capital assets, which include land, intangible assets, buildings and building improvements, vehicles, equipment, furniture and fixtures, infrastructure, and construction in progress, decreased by \$2,313,601 during 2021.

**Table 3 - Capital Assets at December 31
(Net of Depreciation)**

	<u>Governmental Activities</u>		<u>Business-Type Activities</u>		<u>Total</u>	
	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>
Land	\$ 11,202,207	\$ 11,202,207	\$ 7,445,617	\$ 5,350,376	\$ 18,647,824	\$ 16,552,583
Intangible assets	15,512	15,512	-	-	15,512	15,512
Construction in progress	1,277,271	737,193	433,889	482,286	1,711,160	1,219,479
Buildings and improvements	18,175,793	18,830,653	2,064,075	2,132,684	20,239,868	20,963,337
Vehicles	3,266,107	3,376,991	608,260	681,161	3,874,367	4,058,152
Equipment, furniture and fixtures	2,486,131	2,504,381	458,885	407,218	2,945,016	2,911,599
Infrastructure	<u>24,559,260</u>	<u>24,359,177</u>	<u>33,302,725</u>	<u>32,902,292</u>	<u>57,861,985</u>	<u>57,261,469</u>
Totals	<u>\$ 60,982,281</u>	<u>\$ 61,026,114</u>	<u>\$ 44,313,451</u>	<u>\$ 41,956,017</u>	<u>\$ 105,295,732</u>	<u>\$ 102,982,131</u>

Additional detailed information relating to the City's capital assets is contained in Note 10 of the notes to the basic financial statements.

Debt

At the end of the current fiscal year, the City's total outstanding general obligation bonded debt for governmental activities amounted to \$7,817,418 (including unamortized premiums and private placement bonds). The amount of \$500,000 was issued in 2021 to pay for the refinancing of the Municipal Courthouse debt originally issued in 2007. The City had governmental activity general obligation notes outstanding (long-term and short-term) at year-end in the amount of \$900,000. The City also has governmental activities lease purchase agreement outstanding at year-end in the amount of \$145,171. As can be seen from Table 4, the total debt (long-term and short-term) for governmental activities decreased \$981,281 or 9.97% during the year.

CITY OF STOW, OHIO

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

Debt related to business-type activity for the City amounted to \$7,489,635 at year-end, which consisted of \$344,088 in general obligation bonds (including unamortized premiums), \$3,175,000 in private placement general obligation refunding bonds, \$145,171 in lease purchase agreements, \$1,825,376 in OPWC loans, \$400,000 in short-term notes payable and \$1,600,000 in long-term notes payable. The City issued \$2,000,000 in golf course notes payable during 2021. Total business-type activity debt for the City increased \$1,612,929 or 27.45% of the total business-type activity outstanding debt at the commencement of the year.

At December 31, 2021, the City's outstanding general obligation bonds were rated "Aa2" by Moody's Investors Service. State statute limits the total amount of debt a governmental entity may issue. The City's debt limitation at year-end, per the limits described by state statute, was substantially higher than the City's existing outstanding debt. In addition to bonded debt, note and loan debt as itemized in Table 4, the City's other long-term obligations include compensated absences, the net pension and net OPEB liabilities.

Additional information regarding the City's long-term obligations can be found in Note 14 of this report. Note 12 provides information relating to lease purchase agreements and Note 13 provides information on short-term note obligations.

Table 4 - Debt Obligations

	Governmental Activities		Business-type Activities		Total	
	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>
General obligation bonds	\$ 5,087,418	\$ 5,439,110	\$ 344,088	\$ 367,963	\$ 5,431,506	\$ 5,807,073
Private placement						
general obligation bonds	2,730,000	2,925,000	3,175,000	3,440,000	5,905,000	6,365,000
Short-term notes payable	400,000	400,000	400,000	-	800,000	400,000
Long-term notes payable	500,000	900,000	1,600,000	-	2,100,000	900,000
Lease purchase agreement	145,171	179,760	145,171	179,760	290,342	359,520
OPWC loans	-	-	1,825,376	1,888,983	1,825,376	1,888,983
Total long-term obligations	<u>\$ 8,862,589</u>	<u>\$ 9,843,870</u>	<u>\$ 7,489,635</u>	<u>\$ 5,876,706</u>	<u>\$ 16,352,224</u>	<u>\$ 15,720,576</u>

Economic Factors and Next Year's Budget

The City is a growing community with a stable and diversified economy. The City's population is estimated to be 34,483. Trends in the local economy compare favorably with those of the state and nation. The City's unemployment rate in 2021 decreased to 3.5% as a result of the status of the COVID-19 pandemic improving. The county, state and national unemployment rates were 3.7, 4.5, and 3.9, respectively as of December 2021.

The City's budgets were forecast conservatively for 2021 and 2022 based on local, state and national economic conditions and trends. The service needs of the citizens of Stow were taken into account as were the ongoing financial condition of the City and any applicable budgetary constraints.

Requests for Information

This financial report is designed to provide a general overview of the City's finances for City officials, members of the public and others who may have an interest in the City's financial standing. It also is designed to demonstrate the City's accountability for the money it receives from all sources, particularly the taxpayers of Stow. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to Mr. James M. Costello, Director of Finance, Stow City Hall, 3760 Darrow Road, Stow, Ohio 44224.

BASIC
FINANCIAL STATEMENTS

CITY OF STOW, OHIO
STATEMENT OF NET POSITION
DECEMBER 31, 2021

	Primary Government			Component Unit
	Governmental Activities	Business-type Activities	Total	
Assets:				
Equity in pooled cash and cash equivalents . . .	\$ 30,035,790	\$ 8,647,899	\$ 38,683,689	\$ 25,512
Cash in segregated accounts.	229,539	-	229,539	-
Receivables:				
Property taxes	8,724,945	-	8,724,945	-
Income taxes.	3,626,060	55,974	3,682,034	-
Accounts.	272,135	977,115	1,249,250	-
Intergovernmental	2,043,313	-	2,043,313	-
Accrued interest	26,984	-	26,984	-
Internal balance.	60,776	(60,776)	-	-
Materials and supplies inventory	681,126	630,596	1,311,722	-
Prepayments	250,699	13,189	263,888	-
Net pension asset	106,746	20,594	127,340	-
Net OPEB asset.	985,251	190,075	1,175,326	-
Capital assets:				
Nondepreciable capital assets	12,494,990	7,879,506	20,374,496	-
Depreciable capital assets, net.	48,487,291	36,433,945	84,921,236	-
Total capital assets, net.	<u>60,982,281</u>	<u>44,313,451</u>	<u>105,295,732</u>	<u>-</u>
Total assets	<u>108,025,645</u>	<u>54,788,117</u>	<u>162,813,762</u>	<u>25,512</u>
Deferred outflows of resources:				
Unamortized deferred charges on debt refunding.	222,477	89,967	312,444	-
Pension	4,741,898	326,643	5,068,541	-
OPEB	2,860,897	149,948	3,010,845	-
Total deferred outflows of resources	<u>7,825,272</u>	<u>566,558</u>	<u>8,391,830</u>	<u>-</u>
Liabilities:				
Accounts payable.	716,089	129,571	845,660	-
Contracts payable.	109,123	-	109,123	-
Accrued wages and benefits payable	361,588	39,880	401,468	-
Intergovernmental payable	481,685	347,366	829,051	-
Accrued interest payable	25,076	15,911	40,987	-
Claims payable	729,603	-	729,603	-
Notes payable.	400,000	400,000	800,000	-
Deposits payable	138,035	-	138,035	-
Unearned revenue	1,821,883	-	1,821,883	-
Long-term liabilities:				
Due within one year	1,956,403	440,603	2,397,006	-
Due in more than one year:				
Net pension liability.	31,015,739	1,647,072	32,662,811	-
Net OPEB liability	3,493,567	-	3,493,567	-
Other long-term liabilities.	11,831,829	6,929,124	18,760,953	-
Total liabilities	<u>53,080,620</u>	<u>9,949,527</u>	<u>63,030,147</u>	<u>-</u>
Deferred inflows of resources:				
Property taxes levied for the next fiscal year . . .	8,419,300	-	8,419,300	-
Pension	7,084,047	754,238	7,838,285	-
OPEB.	4,909,248	603,910	5,513,158	-
Total deferred inflows of resources	<u>20,412,595</u>	<u>1,358,148</u>	<u>21,770,743</u>	<u>-</u>
Net position:				
Net investment in capital assets.	52,233,046	36,913,783	89,146,829	-
Restricted for:				
Capital projects	75,468	-	75,468	-
Transportation projects	3,031,181	-	3,031,181	-
Public health programs.	14,368	-	14,368	-
Leisure time activities	14,198	-	14,198	-
Special assessments	13,464	-	13,464	-
Municipal court	498,576	-	498,576	-
Security programs	237,783	-	237,783	-
Other purposes.	31,440	-	31,440	-
Unrestricted (deficit)	<u>(13,791,822)</u>	<u>7,133,217</u>	<u>(6,658,605)</u>	<u>25,512</u>
Total net position	<u>\$ 42,357,702</u>	<u>\$ 44,047,000</u>	<u>\$ 86,404,702</u>	<u>\$ 25,512</u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

CITY OF STOW, OHIO

*STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2021*

	Program Revenues			
	Expenses	Charges for Services and Sales	Operating Grants and Contributions	Capital Grants and Contributions
Governmental activities:				
General government	\$ 5,808,167	\$ 4,336,897	\$ 70,776	\$ 3,256
Security of persons and property	16,198,858	883,108	271,408	107,251
Public health	427,486	96,970	32,309	-
Leisure time activities	1,405,641	303,124	103,004	93,125
Community and economic development	766,832	300,684	3,979	4,303
Transportation	5,621,778	119,000	2,295,576	435,226
Interest and fiscal charges	217,315	-	-	-
Total governmental activities	<u>30,446,077</u>	<u>6,039,783</u>	<u>2,777,052</u>	<u>643,161</u>
Business-type activities:				
Water	4,859,058	5,599,418	-	330,873
Golf	1,264,430	1,352,166	-	-
Storm Water Utility	1,079,757	1,556,375	-	25,549
Total business-type activities	<u>7,203,245</u>	<u>8,507,959</u>	<u>-</u>	<u>356,422</u>
Total primary government	<u>\$ 37,649,322</u>	<u>\$ 14,547,742</u>	<u>\$ 2,777,052</u>	<u>\$ 999,583</u>
Component Unit:				
Stow Community Improvement Corporation	<u>\$ 50</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

General revenues:

- Property taxes levied for:
 - General purposes
 - Special revenue
- Municipal income taxes
- Grants and entitlements not restricted to specific programs
- Investment earnings
- Change in fair value of investments
- Miscellaneous

Total general revenues

Change in net position

Net position at beginning of year.

Net position at end of year.

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

Primary Government

Net (Expense) Revenue and Changes in Net Position

Governmental Activities	Business-type Activities	Total	Component Unit
\$ (1,397,238)	\$ -	\$ (1,397,238)	\$ -
(14,937,091)	-	(14,937,091)	-
(298,207)	-	(298,207)	-
(906,388)	-	(906,388)	-
(457,866)	-	(457,866)	-
(2,771,976)	-	(2,771,976)	-
(217,315)	-	(217,315)	-
<u>(20,986,081)</u>	<u>-</u>	<u>(20,986,081)</u>	<u>-</u>
-	1,071,233	1,071,233	-
-	87,736	87,736	-
-	502,167	502,167	-
<u>-</u>	<u>1,661,136</u>	<u>1,661,136</u>	<u>-</u>
<u>(20,986,081)</u>	<u>1,661,136</u>	<u>(19,324,945)</u>	<u>-</u>
-	-	-	(50)
5,860,951	-	5,860,951	-
3,036,088	-	3,036,088	-
20,748,106	310,467	21,058,573	-
2,980,560	-	2,980,560	-
113,179	2,750	115,929	-
(199,282)	-	(199,282)	-
225,475	387,637	613,112	-
<u>32,765,077</u>	<u>700,854</u>	<u>33,465,931</u>	<u>-</u>
11,778,996	2,361,990	14,140,986	(50)
<u>30,578,706</u>	<u>41,685,010</u>	<u>72,263,716</u>	<u>25,562</u>
<u>\$ 42,357,702</u>	<u>\$ 44,047,000</u>	<u>\$ 86,404,702</u>	<u>\$ 25,512</u>

CITY OF STOW, OHIO

BALANCE SHEET
GOVERNMENTAL FUNDS
DECEMBER 31, 2021

	General	EMS/Fire Tax Levy	ARPA 2021	General Capital Improvements	Other Governmental Funds	Total Governmental Funds
Assets:						
Equity in pooled cash and cash equivalents . . .	\$ 11,925,558	\$ 868,797	\$ 1,821,883	\$ 8,223,718	\$ 5,735,782	\$ 28,575,738
Cash in segregated accounts	162,171	-	-	-	67,368	229,539
Receivables:						
Property taxes	6,003,868	2,092,257	-	-	628,820	8,724,945
Income taxes	2,306,141	-	-	1,025,513	294,406	3,626,060
Accounts	130,435	-	-	1,480	139,622	271,537
Intergovernmental	879,557	128,000	-	-	1,035,756	2,043,313
Accrued interest	26,965	-	-	-	19	26,984
Materials and supplies inventory	144,342	43,069	-	-	493,715	681,126
Prepayments	231,085	4,586	-	-	15,028	250,699
Total assets	\$ 21,810,122	\$ 3,136,709	\$ 1,821,883	\$ 9,250,711	\$ 8,410,516	\$ 44,429,941
Liabilities:						
Accounts payable	\$ 483,919	\$ 7,402	\$ -	\$ 65,966	\$ 158,802	\$ 716,089
Contracts payable	6,000	-	-	69,648	33,475	109,123
Accrued wages and benefits payable	328,843	27,728	-	-	5,017	361,588
Compensated absences payable	3,368	-	-	-	-	3,368
Intergovernmental payable	319,176	38,688	-	-	123,821	481,685
Accrued interest payable	-	-	-	3,369	-	3,369
Unearned revenue	-	-	1,821,883	-	-	1,821,883
Notes payable	-	-	-	400,000	-	400,000
Deposits payable	138,035	-	-	-	-	138,035
Total liabilities	1,279,341	73,818	1,821,883	538,983	321,115	4,035,140
Deferred inflows of resources:						
Property taxes levied for the next fiscal year . . .	5,849,197	2,038,357	-	-	531,746	8,419,300
Delinquent property tax revenue not available . .	154,671	53,900	-	-	14,060	222,631
Accrued interest not available	20,692	-	-	-	-	20,692
Income tax revenue not available	902,174	-	-	401,186	115,173	1,418,533
Intergovernmental nonexchange transactions . .	626,732	128,000	-	-	686,671	1,441,403
Total deferred inflows of resources	7,553,466	2,220,257	-	401,186	1,347,650	11,522,559
Fund balances:						
Nonspendable	537,491	47,655	-	-	508,743	1,093,889
Restricted	-	794,979	-	75,468	4,310,955	5,181,402
Committed	47,183	-	-	8,235,074	2,040,042	10,322,299
Assigned	5,782,193	-	-	-	-	5,782,193
Unassigned (deficit)	6,610,448	-	-	-	(117,989)	6,492,459
Total fund balances	12,977,315	842,634	-	8,310,542	6,741,751	28,872,242
Total liabilities, deferred inflows of resources and fund balances	\$ 21,810,122	\$ 3,136,709	\$ 1,821,883	\$ 9,250,711	\$ 8,410,516	\$ 44,429,941

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

CITY OF STOW, OHIO

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

Total governmental fund balances		\$ 28,872,242
<i>Amounts reported for governmental activities on the statement of net position are different because:</i>		
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.		60,982,281
Other long-term assets are not available to pay for current-period expenditures and therefore are deferred inflows in the funds.		
Income taxes receivable	\$ 1,418,533	
Real and other taxes receivable	222,631	
Intergovernmental receivable	1,441,403	
Accrued interest receivable	20,692	
Total	3,103,259	3,103,259
Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the funds.		
Compensated absences	(5,322,275)	
General obligation bonds payable	(7,817,418)	
Lease purchase agreement	(145,171)	
Construction notes payable	(500,000)	
Total	(13,784,864)	(13,784,864)
Accrued interest payable is not due and payable in the current period and therefore is not reported in the funds.		(21,707)
Unamortized deferred amounts on refundings are not recognized in the governmental funds.		222,477
The net pension asset and net pension liability 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	106,746	
Deferred outflows of resources	4,741,898	
Net pension liability	(31,015,739)	
Deferred inflows of resources	(7,084,047)	
Total	(33,251,142)	(33,251,142)
The net OPEB liability 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	985,251	
Deferred outflows of resources	2,860,897	
Net OPEB liability	(3,493,567)	
Deferred inflows of resources	(4,909,248)	
Total	(4,556,667)	(4,556,667)
Internal service funds are used by management to charge the costs of insurance to individual funds. The assets and liabilities of the internal service funds are included in governmental activities in the statement of net position.		731,047
An internal balance is recorded in governmental activities to reflect underpayments to the internal service funds by the business-type activities.		60,776
Net position of governmental activities		\$ 42,357,702

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

CITY OF STOW, OHIO

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

	General	EMS/Fire Tax Levy	General Capital Improvements	Other Governmental Funds	Total Governmental Funds
Revenues:					
Property and other local taxes	\$ 5,849,009	\$ 2,038,291	\$ -	\$ 992,552	\$ 8,879,852
Income taxes	13,070,386	-	5,874,971	1,644,218	20,589,575
Special assessments	4,268	-	-	38,602	42,870
Charges for services	388,835	-	-	842,129	1,230,964
Licenses and permits	1,053,330	-	-	4,050	1,057,380
Fines and forfeitures	2,276,597	-	-	1,006,713	3,283,310
Intergovernmental	2,618,613	432,372	435,226	2,386,060	5,872,271
Investment income	109,947	-	-	34,794	144,741
Rent	221,698	-	119,000	84,561	425,259
Contributions and donations	-	-	93,125	14,637	107,762
Change in fair value of investments	(199,282)	-	-	-	(199,282)
Other	225,475	-	114,810	180,631	520,916
Total revenues	25,618,876	2,470,663	6,637,132	7,228,947	41,955,618
Expenditures:					
Current:					
General government	8,656,784	-	-	356,022	9,012,806
Security of persons and property	11,905,144	2,081,252	-	2,354,505	16,340,901
Public health	416,335	-	-	64,494	480,829
Leisure time activities	1,696,330	-	-	231,742	1,928,072
Community and economic development	1,305,008	-	-	67,690	1,372,698
Transportation	31,127	-	-	2,692,168	2,723,295
Capital outlay	-	194,618	4,485,621	537,721	5,217,960
Debt service:					
Principal retirement	-	-	1,095,000	376,379	1,471,379
Interest and fiscal charges	-	-	61,753	155,502	217,255
Total expenditures	24,010,728	2,275,870	5,642,374	6,836,223	38,765,195
Excess of revenues over expenditures	1,608,148	194,793	994,758	392,724	3,190,423
Other financing sources (uses):					
Sale of notes	-	-	500,000	-	500,000
Transfers in	606,931	-	-	1,142,347	1,749,278
Transfers (out)	(904,732)	-	-	(844,546)	(1,749,278)
Total other financing sources (uses)	(297,801)	-	500,000	297,801	500,000
Net change in fund balances	1,310,347	194,793	1,494,758	690,525	3,690,423
Fund balances at beginning of year	11,666,968	647,841	6,815,784	6,051,226	25,181,819
Fund balances at end of year	\$ 12,977,315	\$ 842,634	\$ 8,310,542	\$ 6,741,751	\$ 28,872,242

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

CITY OF STOW, 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		\$ 3,690,423
<i>Amounts reported for governmental activities in the statement of activities are different because:</i>		
Government funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which depreciation expense exceeds capital outlay in the current period.		
Capital asset additions	\$ 4,038,432	
Current year depreciation	<u>(3,765,656)</u>	
Total		272,776
The net effect of various miscellaneous transactions involving capital assets (i.e., sales, disposals, trade-ins, and donations) is to decrease net position.		
		(316,609)
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.		
Delinquent property taxes	17,187	
Intergovernmental	90,505	
Municipal income taxes	158,531	
Interest	<u>3,232</u>	
Total		269,455
Repayment of long-term debt is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position.		
		1,471,379
In the statement of activities, interest is accrued on outstanding bonds and notes, whereas in governmental funds, interest is expensed when due.		
Accrued interest	7,686	
Unamortized charges	<u>(17,648)</u>	
Bond and note premium	<u>9,902</u>	
Total		(60)
The sale of notes, refunding bonds issued and lease purchase agreements are recorded as revenue in the funds, however, in the statement of activities, notes and refunding bonds are not reported other financing sources, as they increase liabilities on the statement of net position.		
		(500,000)
Some expenses, such as compensated absences, reported in the statement of activities do not require the use of financial resources and therefore are not reported as expenditures in governmental funds.		
		(202,120)
Contractually required pension contributions are reported as expenditures in governmental funds; however, the statement of net position reports these amounts as deferred outflows.		
		2,966,747
Except for amounts reported as deferred inflows/outflows, changes in the net pension asset/liability are reported as pension expense in the statement of activities.		
		(1,163,281)
Contractually required OPEB contributions are reported as expenditures in governmental funds; however, the statement of net position reports these amounts as deferred outflows.		
		46,164
Except for amounts reported as deferred inflows/outflows, changes in the net OPEB liability are reported as pension expense in the statement of activities.		
		5,836,222
Internal service funds used by management to charge the cost of insurance, to individual funds are not reported in the expenditures and related internal service fund revenues are eliminated. The net revenue (expense) of the internal service funds is allocated among the governmental activities.		
		<u>(592,100)</u>
Change in net position of governmental activities		<u>\$ 11,778,996</u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

CITY OF STOW, 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*

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Property and other taxes	\$ 5,846,023	\$ 5,833,053	\$ 5,849,009	\$ 15,956
Income taxes	14,314,870	14,314,870	12,831,438	(1,483,432)
Special assessments	4,207	4,207	4,268	61
Charges for services	687,387	687,387	388,970	(298,417)
Licenses and permits	2,118,219	2,118,219	976,485	(1,141,734)
Fines and forfeitures	4,500,730	4,500,730	2,240,896	(2,259,834)
Intergovernmental	3,159,391	3,349,394	2,595,971	(753,423)
Investment income	277,251	277,251	108,813	(168,438)
Rent	508,085	508,085	246,625	(261,460)
Contributions and donations	30,817	30,817	10,975	(19,842)
Other	663,878	663,878	194,014	(469,864)
Total revenues	<u>32,110,858</u>	<u>32,287,891</u>	<u>25,447,464</u>	<u>(6,840,427)</u>
Expenditures:				
Current:				
General government	14,101,424	14,101,424	9,140,286	4,961,138
Security of persons and property	12,708,523	12,769,523	12,303,989	465,534
Public health	419,188	419,188	418,292	896
Leisure time activities	1,871,844	1,871,844	1,778,783	93,061
Community and economic environment	1,415,569	1,415,569	1,366,789	48,780
Transportation	46,048	46,048	40,586	5,462
Total expenditures	<u>30,562,596</u>	<u>30,623,596</u>	<u>25,048,725</u>	<u>5,574,871</u>
Excess of revenues over expenditures	<u>1,548,262</u>	<u>1,664,295</u>	<u>398,739</u>	<u>(1,265,556)</u>
Other financing sources (uses):				
Transfers in	1,578,315	1,578,315	606,931	(971,384)
Transfers (out)	(1,012,533)	(1,012,533)	(904,732)	107,801
Total other financing sources (uses)	<u>565,782</u>	<u>565,782</u>	<u>(297,801)</u>	<u>(863,583)</u>
Net change in fund balance	2,114,044	2,230,077	100,938	(2,129,139)
Unencumbered fund balance at beginning of year	<u>9,507,590</u>	<u>9,507,590</u>	<u>9,507,590</u>	<u>-</u>
Prior year encumbrances appropriated	<u>1,015,372</u>	<u>1,015,372</u>	<u>1,015,372</u>	<u>-</u>
Unencumbered fund balance at end of year	<u>\$ 12,637,006</u>	<u>\$ 12,753,039</u>	<u>\$ 10,623,900</u>	<u>\$ (2,129,139)</u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

CITY OF STOW, OHIO

*STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
EMS/FIRE TAX LEVY FUND
FOR THE YEAR ENDED DECEMBER 31, 2021*

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Property and other local taxes	\$ 2,293,385	\$ 2,288,297	\$ 2,038,291	\$ (250,006)
Intergovernmental	505,522	505,522	432,372	(73,150)
Other	<u>668,915</u>	<u>668,915</u>	-	<u>(668,915)</u>
Total revenues	<u>3,467,822</u>	<u>3,462,734</u>	<u>2,470,663</u>	<u>(992,071)</u>
Expenditures:				
Current:				
Security of persons and property	2,498,923	2,537,923	2,071,793	466,130
Capital outlay	<u>427,932</u>	<u>427,932</u>	<u>293,722</u>	<u>134,210</u>
Total expenditures	<u>2,926,855</u>	<u>2,965,855</u>	<u>2,365,515</u>	<u>600,340</u>
Net change in fund balance	540,967	496,879	105,148	(391,731)
Unencumbered fund balance at beginning of year . .	649,594	649,594	649,594	-
Prior year encumbrances appropriated	<u>8,806</u>	<u>8,806</u>	<u>8,806</u>	<u>-</u>
Unencumbered fund balance at end of year	<u>\$ 1,199,367</u>	<u>\$ 1,155,279</u>	<u>\$ 763,548</u>	<u>\$ (391,731)</u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

CITY OF STOW, OHIO

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

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Intergovernmental	\$ -	\$ 1,900,000	\$ 1,821,883	\$ (78,117)
Total revenues	<u>-</u>	<u>1,900,000</u>	<u>1,821,883</u>	<u>(78,117)</u>
Net change in fund balances	-	1,900,000	1,821,883	(78,117)
Unencumbered fund balance at beginning of year.	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Unencumbered fund balance at end of year . . .	<u>\$ -</u>	<u>\$ 1,900,000</u>	<u>\$ 1,821,883</u>	<u>\$ (78,117)</u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

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CITY OF STOW, OHIO

*STATEMENT OF NET POSITION
PROPRIETARY FUNDS
DECEMBER 31, 2021*

	Business-type Activities - Enterprise Funds				Governmental Activities - Internal Service Funds
	Water	Golf	Storm Water Utility	Total	
Assets:					
Current assets:					
Equity in pooled cash and cash equivalents	\$ 6,007,698	\$ 710,634	\$ 1,929,567	\$ 8,647,899	\$ 1,460,052
Receivables:					
Income taxes.	-	55,974	-	55,974	-
Accounts.	753,531	-	223,584	977,115	598
Interfund loans.	450,000	-	-	450,000	-
Materials and supplies inventory.	596,165	34,431	-	630,596	-
Prepayments	7,319	5,640	230	13,189	-
Total current assets	<u>7,814,713</u>	<u>806,679</u>	<u>2,153,381</u>	<u>10,774,773</u>	<u>1,460,650</u>
Noncurrent assets:					
Net pension asset	12,072	6,014	2,508	20,594	-
Net OPEB asset.	111,421	55,507	23,147	190,075	-
Capital assets:					
Nondepreciable capital assets.	235,011	7,112,300	532,195	7,879,506	-
Depreciable capital assets, net.	28,110,420	465,845	7,857,680	36,433,945	-
Total capital assets, net.	<u>28,345,431</u>	<u>7,578,145</u>	<u>8,389,875</u>	<u>44,313,451</u>	<u>-</u>
Total noncurrent assets	<u>28,468,924</u>	<u>7,639,666</u>	<u>8,415,530</u>	<u>44,524,120</u>	<u>-</u>
Total assets	<u>36,283,637</u>	<u>8,446,345</u>	<u>10,568,911</u>	<u>55,298,893</u>	<u>1,460,650</u>
Deferred outflows of resources:					
Unamortized deferred charges on debt refunding	10,526	79,441	-	89,967	-
Pension	165,364	130,229	31,050	326,643	-
OPEB	72,273	64,501	13,174	149,948	-
Total deferred outflows of resources	<u>248,163</u>	<u>274,171</u>	<u>44,224</u>	<u>566,558</u>	<u>-</u>
Liabilities:					
Current liabilities:					
Accounts payable.	73,611	38,305	17,655	129,571	-
Accrued wages and benefits payable	29,754	3,755	6,371	39,880	-
Intergovernmental payable	337,353	5,482	4,531	347,366	-
Interfund loans payable.	-	-	450,000	450,000	-
Accrued interest payable	2,777	12,465	669	15,911	-
Claims payable	-	-	-	-	729,603
Note payable	-	400,000	-	400,000	-
Current portion of compensated absences.	51,096	-	13,432	64,528	-
Current portion of general obligation bonds	23,632	275,000	-	298,632	-
Current portion of OPWC loan	42,405	-	-	42,405	-
Current portion of lease purchase agreement.	35,038	-	-	35,038	-
Total current liabilities	<u>595,666</u>	<u>735,007</u>	<u>492,658</u>	<u>1,823,331</u>	<u>729,603</u>
Long-term liabilities:					
Compensated absences.	155,132	-	60,432	215,564	-
General obligation bonds.	320,456	2,900,000	-	3,220,456	-
OPWC loan	1,782,971	-	-	1,782,971	-
Note payable	-	1,600,000	-	1,600,000	-
Lease purchase agreement	110,133	-	-	110,133	-
Net pension liability	965,511	480,986	200,575	1,647,072	-
Total long-term liabilities.	<u>3,334,203</u>	<u>4,980,986</u>	<u>261,007</u>	<u>8,576,196</u>	<u>-</u>
Total liabilities.	<u>3,929,869</u>	<u>5,715,993</u>	<u>753,665</u>	<u>10,399,527</u>	<u>729,603</u>

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CITY OF STOW, OHIO

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

	Business-type Activities - Enterprise Funds				Governmental Activities - Internal Service Funds
	Water	Golf	Storm Water Utility	Total	
Deferred inflows of resources:					
Pension	\$ 455,578	\$ 209,590	\$ 89,070	\$ 754,238	\$ -
OPEB	362,303	169,595	72,012	603,910	-
Total deferred inflows of resources	<u>817,881</u>	<u>379,185</u>	<u>161,082</u>	<u>1,358,148</u>	<u>-</u>
Net position:					
Net investment in capital assets	26,041,322	2,482,586	8,389,875	36,913,783	-
Unrestricted.	5,742,728	142,752	1,308,513	7,193,993	731,047
Total net position	<u>\$ 31,784,050</u>	<u>\$ 2,625,338</u>	<u>\$ 9,698,388</u>	<u>44,107,776</u>	<u>\$ 731,047</u>
Adjustment to reflect the consolidation of the internal service funds activities related to enterprise funds.				<u>(60,776)</u>	
Net position of business-type activities:				<u>\$ 44,047,000</u>	

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

CITY OF STOW, OHIO

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

	Business-type Activities - Enterprise Funds				Governmental
	Water	Golf	Storm Water Utility	Total	Activities - Internal Service Funds
Operating revenues:					
Charges for services	\$ 5,462,200	\$ 1,352,166	\$ 1,556,375	\$ 8,370,741	\$ 4,314,989
Tap-in fees.	137,218	-	-	137,218	-
Other operating revenues	1,412	204,819	181,406	387,637	122,279
Total operating revenues.	<u>5,600,830</u>	<u>1,556,985</u>	<u>1,737,781</u>	<u>8,895,596</u>	<u>4,437,268</u>
Operating expenses:					
Personal services	732,517	291,805	104,498	1,128,820	-
Contract services.	2,650,775	218,716	403,940	3,273,431	428,268
Materials and supplies.	394,334	633,583	169,163	1,197,080	-
Claims expense	-	-	-	-	4,711,620
Depreciation.	999,160	30,068	384,394	1,413,622	-
Total operating expenses.	<u>4,776,786</u>	<u>1,174,172</u>	<u>1,061,995</u>	<u>7,012,953</u>	<u>5,139,888</u>
Operating income (loss)	<u>824,044</u>	<u>382,813</u>	<u>675,786</u>	<u>1,882,643</u>	<u>(702,620)</u>
Nonoperating revenues (expenses):					
Income taxes.	-	310,467	-	310,467	-
Interest income.	2,750	-	-	2,750	-
Interest and fiscal charges	(14,279)	(62,975)	(2,518)	(79,772)	-
Total nonoperating revenues (expenses)	<u>(11,529)</u>	<u>247,492</u>	<u>(2,518)</u>	<u>233,445</u>	<u>-</u>
Income (loss) before capital contributions	812,515	630,305	673,268	2,116,088	(702,620)
Capital contributions.	330,873	-	25,549	356,422	-
Change in net position	1,143,388	630,305	698,817	2,472,510	(702,620)
Net position at beginning of year.	<u>30,640,662</u>	<u>1,995,033</u>	<u>8,999,571</u>		<u>1,433,667</u>
Net position at end of year	<u>\$ 31,784,050</u>	<u>\$ 2,625,338</u>	<u>\$ 9,698,388</u>		<u>\$ 731,047</u>
Adjustment to reflect the consolidation of internal service funds activities related to enterprise funds.				(110,520)	
Change in net position of business-type activities				<u>\$ 2,361,990</u>	

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

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CITY OF STOW, OHIO

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

	Business-type Activities - Enterprise Funds				Governmental Activities - Internal Service Funds
	Water	Golf	Storm Water Utility	Total	
Cash flows from operating activities:					
Cash received from customers	\$ 5,159,058	\$ 1,352,166	\$ 1,480,090	\$ 7,991,314	\$ 4,317,498
Cash received from tap-in fees	137,218	-	-	137,218	-
Cash received from other operations	1,422	204,819	181,406	387,647	263,618
Cash payments for personal services	(1,491,011)	(600,926)	(284,081)	(2,376,018)	-
Cash payments for contract services	(2,704,623)	(215,953)	(388,645)	(3,309,221)	(428,268)
Cash payments for materials and supplies	(777,179)	(601,466)	(169,363)	(1,548,008)	-
Cash payments for claims	-	-	-	-	(4,610,409)
Net cash provided by (used in) operating activities	<u>324,885</u>	<u>138,640</u>	<u>819,407</u>	<u>1,282,932</u>	<u>(457,561)</u>
Cash flows from noncapital financing activities:					
Income taxes	-	311,440	-	311,440	-
Cash received from interfund loans	550,000	-	450,000	1,000,000	-
Cash used in interfund loans	(450,000)	-	-	(450,000)	-
Cash used in repayment of interfund loans	-	-	(550,000)	(550,000)	-
Net cash provided by (used in) noncapital financing activities	<u>100,000</u>	<u>311,440</u>	<u>(100,000)</u>	<u>311,440</u>	<u>-</u>
Cash flows from capital and related financing activities:					
Acquisition of capital assets	(994,842)	(2,095,204)	(350,137)	(3,440,183)	-
Intergovernmental	-	-	25,549	25,549	-
Principal retirement	(121,406)	(265,000)	-	(386,406)	-
Interest and fiscal charges	(14,120)	(46,440)	(2,750)	(63,310)	-
Note issuance	-	2,000,000	-	2,000,000	-
Net cash (used in) capital and related financing activities	<u>(1,130,368)</u>	<u>(406,644)</u>	<u>(327,338)</u>	<u>(1,864,350)</u>	<u>-</u>
Cash flows from investing activities:					
Interest received	<u>2,750</u>	<u>-</u>	<u>-</u>	<u>2,750</u>	<u>-</u>
Net cash provided by investing activities	<u>2,750</u>	<u>-</u>	<u>-</u>	<u>2,750</u>	<u>-</u>
Net increase (decrease) in cash and cash equivalents . .	(702,733)	43,436	392,069	(267,228)	(457,561)
Cash and cash equivalents at beginning of year . . .	<u>6,710,431</u>	<u>667,198</u>	<u>1,537,498</u>	<u>8,915,127</u>	<u>1,917,613</u>
Cash and cash equivalents at end of year	<u>\$ 6,007,698</u>	<u>\$ 710,634</u>	<u>\$ 1,929,567</u>	<u>\$ 8,647,899</u>	<u>\$ 1,460,052</u>

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CITY OF STOW, OHIO

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

	<u>Business-type Activities - Enterprise Funds</u>				<u>Governmental Activities - Internal Service Funds</u>
	<u>Water</u>	<u>Golf</u>	<u>Storm Water Utility</u>	<u>Total</u>	
Reconciliation of operating income (loss) to net cash provided by (used in) operating activities:					
Operating income (loss)	\$ 824,044	\$ 382,813	\$ 675,786	\$ 1,882,643	\$ (702,620)
Adjustments:					
Depreciation	999,160	30,068	384,394	1,413,622	-
Changes in assets and liabilities:					
Decrease (increase) in materials and supplies inventory .	(395,732)	15,049	-	(380,683)	-
(Increase) in prepayments	(1,069)	(449)	(230)	(1,748)	-
Decrease in accounts receivable	(303,132)	-	(76,285)	(379,417)	143,848
(Increase) in net pension asset	(4,394)	(2,535)	(845)	(7,774)	-
(Increase) in net OPEB asset	(111,421)	(55,507)	(23,147)	(190,075)	-
Decrease (increase) in deferred outflows - pension . .	57,642	(8,963)	18,125	66,804	-
Decrease in deferred outflows - OPEB	78,012	14,554	19,712	112,278	-
Increase (decrease) in accounts payable	(51,619)	19,747	4,627	(27,245)	-
Increase (decrease) in accrued wages and benefits . .	5,885	1,977	(1,385)	6,477	-
Increase in intergovernmental payable.	13,292	1,242	338	14,872	-
Increase in compensated absences payable	52,847	-	5,120	57,967	-
Increase in claims payable.	-	-	-	-	101,211
(Decrease) in net pension liability.	(282,426)	(84,419)	(69,735)	(436,580)	-
(Decrease) in net OPEB liability	(835,837)	(378,694)	(181,047)	(1,395,578)	-
Increase in deferred inflows - pension.	90,469	88,389	23,309	202,167	-
Increase in deferred inflows - OPEB	189,164	115,368	40,670	345,202	-
Net cash provided by (used in) operating activities	<u>\$ 324,885</u>	<u>\$ 138,640</u>	<u>\$ 819,407</u>	<u>\$ 1,282,932</u>	<u>\$ (457,561)</u>

Non-Cash Transactions:

During 2021, the water fund received capital contributions from outside sources in the amount of \$330,873.

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

CITY OF STOW, OHIO

*STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUNDS
DECEMBER 31, 2021*

	<u>Custodial</u>
Assets:	
Equity in pooled cash and cash equivalents	\$ 282,942
Cash in segregated accounts	<u>160,750</u>
Total assets	<u>443,692</u>
Liabilities:	
Accounts payable	29,260
Intergovernmental payable	<u>160,750</u>
Total liabilities	<u>190,010</u>
Net position:	
Restricted for individuals, organizations and other governments .	<u>253,682</u>
Total net position	<u>\$ 253,682</u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

CITY OF STOW, OHIO

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

	<u>Custodial</u>
Additions:	
From local sources:	
Amounts received as fiscal agent	\$ 126,610
Licenses, permits and fees for other governments	7,570
Fines and forfeitures for other governments	3,069,755
Compensation payments collected for other governments.	<u>412,629</u>
Total additions	<u>3,616,564</u>
Deductions:	
Distributions as fiscal agent	94,761
Licenses, permits and fees distributions to other governments	7,678
Fines and forfeitures distributions to other governments	3,069,755
Compensation payments distributions to other governments	<u>412,629</u>
Total deductions	<u>3,584,823</u>
Net change in fiduciary net position	31,741
Net position beginning of year.	<u>221,941</u>
Net position end of year	<u><u>\$ 253,682</u></u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

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CITY OF STOW, OHIO

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

NOTE 1 - DESCRIPTION OF THE CITY

The City of Stow, Ohio, (the “City”) is a home rule municipal corporation which was established under the laws of the State of Ohio and operates under its own charter. The current charter, which provides for a Mayor/Council form of government, was adopted in 1958 and became effective January 2, 1960. Amendments to the charter have been approved by the electorate in 1965, 1968, 1970, 1972, 1975, 1980, 1985, 1990, 1991, 1997, 1998, 2000, 2002, 2005, 2010, 2015 and 2018.

The City provides various services and consists of many different activities and smaller accounting entities which include police, fire-fighting and EMS forces, street and highway maintenance, building and zoning inspection, comprehensive community planning, various general government services and a water distribution system. The City offers numerous parks and recreation programs and operates a park system, a golf course, three municipal cemeteries and a group of rental lodges available for public or private events.

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 comprised of the primary government, component units and other organizations that are included to ensure that the financial statements are not misleading. The primary government of the City consists of all funds, departments, boards, agencies and commissions that are not legally separate from the City.

Component units are legally separate organizations for which the City is financially accountable. The City is financially accountable for an organization if the City appoints a voting majority of the organization’s Governing Board and (1) the City is able to significantly influence the programs or services performed or provided by the organization; or (2) the City is legally entitled to or can otherwise access the organization’s resources; (3) the City is legally obligated or has otherwise assumed the responsibility to finance deficits of, or provide financial support to, the organization; (4) or the City is obligated for the debt of the organization. Component units may also include organizations for which the City approves the budget, the issuance of debt, or the levying of taxes. Certain organizations are also included as component units if the nature and significance of the relationship between the primary government and the organization is such that exclusion by the primary government would render the primary governments financial statements incomplete or misleading. The City has one discretely presented component unit.

Stow Community Improvement Corporation (CIC) - The Stow Community Improvement Corporation was formed pursuant to Ohio Revised Code Section 1724. The Articles of Incorporation were approved on November 8, 1985. The CIC was designated as a not-for-profit agency of the City for advancing, encouraging and promoting the industrial, economic, commercial, and civic development of Stow and the territory surrounding Stow.

The Board of Trustees consists of nineteen members, which include the Mayor, Director of Planning and Development, Director of Finance, Law Director, City Council President, City Council Finance Committee Chairperson, Stow-Munroe Falls School District Treasurer or Designee, and City Council Chairperson. Trustees also include at least one representative of each of the following categories: private citizens, small business, commerce, industry, civic organizations, and financial institution.

CITY OF STOW, OHIO

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

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

The CIC operates independently, but City Council approves the CIC's annual budget. The CIC has the authority to expend its funds as it determines within the approved budget. The City is the primary source of funding for the CIC (in most years, the City provides the CIC's entire funding allocation). If the CIC developed its own funding sources, its independence would increase. No debt would be issued by the CIC without the concurrence of the City. The CIC has no taxing authority. The City does not appoint a majority of the Board of Trustees and the CIC does not provide services entirely or almost entirely to the City. The CIC is a discretely presented component unit of the City.

Financial statements can be obtained from the Director of Finance, Stow Community Improvement Corporation, 3760 Darrow Road, Stow, Ohio 44224. Information relative to the discretely presented component unit is presented in Note 24.

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 are eliminated to avoid "doubling up" revenues and expenses. Interfund services provided and used are not eliminated in the process of consolidation. The statements distinguish between those activities of the City that are governmental and those that are considered business-type 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 function is self-financing or draws from the general revenues of the City.

Fund Financial Statements - During the year, the City segregates transactions related to certain City functions or activities in separate funds in order to aid financial management and to demonstrate legal compliance. Fund financial statements are designed to present financial information of the City at this more detailed level. The focus of governmental and enterprise fund financial statements is on major funds. Each major fund is presented in a separate column. 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 water, golf course and storm water operations and operating expenses for the internal service funds include claims and administrative expenses. All revenues and expenses not meeting these definitions are reported as nonoperating revenues and expenses.

CITY OF STOW, OHIO

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

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

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. The following categories are used by the City:

Governmental Funds - Governmental funds are those through which most governmental functions typically are financed. Governmental fund reporting focuses on the sources, uses and balances of current financial resources. Expendable assets are assigned to the various governmental funds according to the purposes for which they may or must be used. Current liabilities are assigned to the fund from which they will be paid. The difference between governmental fund assets and liabilities is reported as fund balance. 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 to the City for any purpose provided it is expended or transferred according to the charter of the City of Stow and/or the general laws of Ohio.

EMS/fire tax levy fund - The EMS/fire tax levy fund is a special revenue fund that accounts for proceeds of levy money that is legally restricted to expenditures to provide EMS and fire protection services.

ARPA 2021 fund - The ARPA 2021 fund is a special revenue fund that accounts for monies received from the federal government as part of the American Rescue Plan Act (ARPA) of 2021. This Act provides additional relief to address the continued impact of the COVID-19 pandemic.

General capital improvements fund - The general capital improvements fund accounts for the portion of municipal income tax designated by Council for the purpose of improving, constructing, maintaining, and purchasing the capital items necessary to enhance the operation of the City.

Other governmental funds of the City are used to account for (a) specific revenue sources that are restricted or committed to expenditures for specified purposes other than debt service or capital projects and (b) financial resources that are restricted, committed, or assigned 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:

Water fund - This fund accounts for revenues generated from the charges for the treatment and provisions of water to the residents and commercial users of the City.

Golf fund - The golf fund accounts for revenues generated and expenses for the Fox Den golf course.

Storm water utility fund - The storm water utility fund accounts for the provision of storm drainage runoff service to the residents and commercial users located within the City.

Internal service funds - 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 are the Administrative Insurance fund and the Self-Insurance fund which report on the administrative costs and the payments of premiums and claims for healthcare.

CITY OF STOW, OHIO

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

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

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. The City's custodial funds account for funds collected and distributed on behalf of the Metro SWAT, compensation payments collected on behalf of other governments, funds held for the Stow seniors commission, funds collected and distributed on behalf of the Summit Metro Crash Response Team, Stow Municipal Court fines and forfeitures collected and distributed to other governments, and building and related permits collected and remitted to the State of Ohio. The City does not have pension trust funds, private-purpose trust fund or investment trust funds.

D. Measurement Focus

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

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

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

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

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

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 fiduciary funds also use the accrual basis of accounting. Differences in the accrual and modified accrual basis of accounting arise in the recognition of revenue, the recording of deferred inflows of resources and deferred outflows of resources, and in the presentation of expenses versus expenditures.

CITY OF STOW, OHIO

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

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

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

Nonexchange transactions, in which the City receives value without directly giving equal value in return, include income taxes, property taxes, grants, entitlements and donations. On an accrual basis, revenue from income taxes is recognized in the period in which the income is earned (See Note 8). Revenue from property taxes is recognized in the year for which the taxes are levied (See Note 7). Revenue from grants, entitlements and donations is recognized in the year in which all eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the year when the resources are required to be used or the year when use is first permitted, matching requirements, in which the City must provide local resources to be used for a specified purpose, and expenditure requirements, in which the resources are provided to the City on a reimbursement basis. On a modified accrual basis, revenue from nonexchange transactions must also be available before it can be recognized.

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

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 position that applies to a future period and will not be recognized as an outflow of resources (expense/expenditure) until then. For the City, see Notes 16 and 17 for deferred outflows of resources related the City's net pension liability/asset and net OPEB liability/asset, respectively. In addition, deferred outflows of resources include a deferred charge on debt refunding. A deferred charge on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt.

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 position that applies to a future period and will not be recognized as an inflow of resources (revenue) until that time. For the City, deferred inflows of resources include property taxes 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 16 and 17 for deferred inflows of resources related to the City's net pension liability/asset and net OPEB liability/asset, 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.

CITY OF STOW, OHIO

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

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

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 Process

The budgetary process is prescribed by provisions of the Ohio Revised Code and entails the preparation of budgetary documents within an established timetable. The major documents prepared are the Tax Budget (or the Alternative Tax Budget as permitted by law), the certificate of estimated resources and the annual appropriation ordinance, all of which are prepared on the budgetary basis of accounting. The certificate of estimated resources and the annual appropriation ordinance are subject to amendment throughout the year with the legal restriction that appropriations cannot exceed estimated resources, as certified. All funds, other than custodial funds, are legally required to be budgeted and appropriated. The legal level of budgetary control has been established by Council at the personal services and other object level within each department of each fund. For both the personal services and object levels the Finance Director has been authorized to allocate appropriations within any object level which he maintains on his books.

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. Prior to December 31, the City must revise its budget so that the total contemplated expenditures from any fund during the ensuing year will not exceed the amount available as stated in the certificate of estimated resources. The revised budget then serves as the basis for the annual appropriation ordinance. On or about January 1, the certificate of estimated resources is amended to include unencumbered fund balances at December 31 of the preceding year. The certificate of estimated resources may be further amended during the year if the Finance Director determines and the Budget Commission agrees that an estimate needs to be either increased or decreased. The amounts reported on the budgetary statements reflect the amounts in the original and final amended official certificate of estimated resources issued during 2021.

Appropriations - For management, a temporary appropriation ordinance to control expenditures may be passed on or about January 1 of each year for the period January 1 to March 31. The Annual Appropriation Ordinance must be passed by April 1 of each year for the period January 1 to December 31. Appropriations by fund must be within the estimated resources as certified by the County Budget Commission and the total of expenditures and encumbrances may not exceed the appropriations at any level of control.

Any revisions that alter the appropriations at the legal level of budgetary control within a fund must first be approved by City Council. Council may pass supplemental fund appropriations so long as the total appropriations by fund do not exceed the amounts set forth in the most recent certificate of estimated resources.

Formal budgetary integration is employed as a management control device during the year for all funds consistent with statutory provisions. Appropriation amounts are as originally adopted, or as amended by City Council throughout the year by supplemental appropriations which either reallocate or increase the original appropriation amounts. During the year, supplemental appropriation measures were legally enacted; however, none of these amendments were significant. The budgetary figures which appear in the statements of budgetary comparisons represent the original and final appropriation amounts, including all amendments and modifications.

Encumbrances - As part of formal budgetary control, purchase orders, contracts and other commitments for the expenditure of monies are recorded as the equivalent of expenditures on the non-GAAP budgetary basis in order to reserve that portion of the applicable appropriation and to determine and maintain legal compliance. The Ohio Revised Code prohibits expenditures plus encumbrances from exceeding appropriations at the legal level of budgetary control. On the GAAP basis, encumbrances outstanding at year end are reported as assigned, committed, or restricted fund balances for subsequent-year expenditures for governmental funds.

CITY OF STOW, OHIO

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

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

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. The encumbered appropriation balance is carried forward to the succeeding year and is not reappropriated.

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 the State Treasury Asset Reserve of Ohio (STAR Ohio), negotiable certificates of deposit (CDs), federal agency securities (FNMA, FHLB, FHLMC, and FFCB), U.S. Treasury notes, and U.S. governmental money market mutual funds.

Except for nonparticipating investment contracts, investments are reported at fair value which is based on quoted market prices. Nonparticipating investment contracts such as non-negotiable certificates of deposit are reported at cost.

During 2021, the City invested in STAR Ohio. 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 a 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.

Following Ohio statutes, the City has, by resolution, specified the funds to receive an allocation of interest earnings. Interest revenue credited to the general fund during 2021 amounted to \$109,947 of which \$63,713 was assigned from other City funds.

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. Interfund Balances

On fund financial statements, short-term interfund loans are classified as "interfund loans receivable/payable". These amounts are eliminated in the governmental and business-type activities columns of the statement of net position, except for any net residual amounts due between governmental and business-type activities, which are presented as internal balances.

CITY OF STOW, OHIO

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

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

I. Inventory

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

J. 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.

On the fund financial statements, reported prepayments are equally offset by a nonspendable fund balance in the governmental funds.

K. 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. The City was able to estimate the historical cost for the initial reporting of infrastructure by back trending (i.e. estimating the current replacement cost of the infrastructure to be capitalized and using an appropriate price-level index to deflate the cost of the acquisition year or estimated acquisition 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 bridges, culverts, curbs, storm sewers, streets, irrigation systems, water and sewer lines and infrastructure acquired December 31, 1980 and later. Improvements are capitalized; the costs of normal maintenance and repairs that do not add to the value of the asset or materially extend an asset's life are not. Interest incurred during the construction of capital assets is also capitalized for business-type activities.

All reported capital assets are depreciated except for land, intangible assets 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:

Description	Governmental Activities Estimated Lives	Business-Type Activities Estimated Lives
Buildings and improvements	50 years	50 years
Infrastructure	20 to 75 years	20 to 75 years
Equipment, furniture and fixtures	3 to 15 years	3 to 15 years
Vehicles	15 years	15 years

L. Compensated Absences

Vacation benefits are accrued as a liability as the benefits are earned if the employee's rights to receive compensation are attributable to services already rendered and it is probable that the City will compensate the employees for the benefits through paid time off or some other means. The City records a liability for accumulated unused vacation time when earned for all employees with more than one year of service.

CITY OF STOW, OHIO

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

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

Sick leave benefits are accrued as a liability using the termination method. An accrual for sick leave is made to the extent that it is probable that benefits will result in termination payments. The liability is an estimate based on the City's past experience of making termination payments. In proprietary funds, the entire amount of compensated absences is reported as a fund liability. The entire compensated absence liability is reported on the government-wide financial statements.

For governmental funds, the current portion of unpaid compensated absences is the amount expected to be paid using expendable available resources based 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 unpaid leave are paid.

M. Accrued Liabilities and Long-Term Obligations

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

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

N. Fund Balance

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

Nonspendable - The nonspendable fund balance 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). 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.

CITY OF STOW, OHIO

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

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

Assigned - Amounts in the assigned fund balance classification are intended to be used by the City for specific purposes, but do not meet the criteria to be classified as restricted or committed. In governmental funds other than the general fund, assigned fund balance represents the remaining amount that is not restricted or committed. These amounts are assigned by City Council. In the general fund, assigned amounts represent intended uses established by City Council or ordinance or by State statute. State statute authorizes the Director of Finance to assign fund balance for purchases on order provided such amounts have been lawfully appropriated.

Unassigned - Unassigned fund balance is the residual classification for the general fund and includes all spendable amounts not contained in the other classifications. In other governmental funds, the unassigned classification is 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.

O. Budget Stabilization Reserve

The City has established a budget stabilization reserve in accordance with authority established by State law. Additions to the budget stabilization reserve can only be made by formal ordinance of Council. Expenditures out of the budget stabilization reserve can be made to offset future budget deficits or expenditures as approved by Council. At December 31, 2021, the balance in the budget stabilization reserve was \$1,000,000. This amount is included in unassigned fund balance of the general fund and in unrestricted net position on the statement of net position.

P. Net Position

Net position represents the difference between assets plus deferred outflows of resources less liabilities plus deferred inflows of resources. Net investment in capital assets consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowing used for the acquisition, construction or improvement of those assets. Net position is reported as restricted when there are limitations imposed on 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 is available.

Q. Unamortized Premiums/Accounting Gain or Loss

Bond and note premiums are amortized over the term of the bonds and notes using the straight-line method. Premiums are presented as an addition to the face amount of the bonds and notes.

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, issuance costs, premiums, discounts, and deferred charges from refunding are recognized in the current period.

CITY OF STOW, OHIO

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

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

R. Operating Revenues and Expenses

Operating revenues are those revenues that are generated directly from the primary activity of the proprietary funds. For the City, these revenues are for water, golf course, storm water utility and self-insurance programs. Operating expenses are necessary costs incurred to provide the goods or services that are the primary activity of the funds. All revenues and expenses not meeting these definitions are reported as non-operating.

S. Contributions of Capital

Contributions of capital in proprietary fund financial statements arise from outside contributions of capital assets or from grants or outside contributions of resources restricted to capital acquisition and construction and from contributions from governmental funds. During 2021, the water fund and the storm water fund received capital contributions in the amount of \$330,873 and \$25,549, respectively, from outside sources.

T. 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 Basic Financial Statements ("BFS").

U. Extraordinary and Special Items

Extraordinary items are transactions or events that are both unusual in nature and infrequent in occurrence. Special items are transactions or events that are within the control of the City Administration and that are either unusual in nature or infrequent in occurrence. Neither item occurred during 2021.

V. 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.

W. 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 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.

X. 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.

CITY OF STOW, OHIO

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

NOTE 3 - ACCOUNTABILITY AND COMPLIANCE

A. 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*

B. Deficit Fund Balances

Fund balances at December 31, 2021 included the following individual fund deficits:

<u>Nonmajor funds</u>	<u>Deficit</u>
Police Pension	\$ 57,269
Fire Pension	60,255
ODNR Litter Prevention Grant	457

The general fund is liable for any deficit in these funds and provides transfers when cash is required, not when accruals occur. The deficit fund balances resulted from adjustments for accrued liabilities.

CITY OF STOW, OHIO

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

NOTE 4 - DEPOSITS AND INVESTMENTS

State statutes classify monies held by the City into three categories:

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

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

Interim deposits are deposits in interim monies. Interim monies are those monies which are not needed for immediate use, but which will be needed before the end of the current period of designation of depositories. Interim deposits must be evidenced by time certificates of deposit maturing not more than one year from the date of deposit or by savings or deposit accounts including passbook accounts. Interim monies 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;
2. 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, the State Treasury Asset Reserve of Ohio (STAR Ohio);
8. Certain banker's acceptance and commercial paper notes for a period not to exceed one hundred eighty days and two hundred seventy days, respectively, from the purchase date in an amount not to exceed forty percent of the City's interim monies available for investment at any one time; and,
9. Under limited circumstances, corporate notes rated in either the two highest classifications by at least two national recognized rating agencies.

CITY OF STOW, OHIO

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

NOTE 4 - DEPOSITS AND INVESTMENTS - (Continued)

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;
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 qualified trustee or, if the securities are not represented by a certificate, upon receipt of confirmation of transfer from the custodian.

A. Cash in Segregated Accounts

Cash in Segregated Accounts: At year end, the City had \$390,289 deposited with a financial institution for monies related to the Stow Municipal Court. As of December 31, 2021, the bank balance held in segregated accounts was \$431,018, of which \$274,982 was covered by the FDIC and \$156,036 was exposed to custodial risk. These amounts are not 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 \$19,368,544. The bank balance of all City deposits was \$19,854,565. Of the bank balance, \$2,750,127 was covered by the FDIC and \$17,104,438 was covered by the Ohio Pooled Collateral System (OPCS).

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 approved for a reduced collateral rate of 60 percent through the OPCS. 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 STOW, 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:

Measurement/ <u>Investment Type</u>	<u>Investment Maturities</u>					
	<u>Measurement Amount</u>	<u>6 months or less</u>	<u>7 to 12 months</u>	<u>13 to 18 months</u>	<u>19 to 24 months</u>	<u>Greater than 24 months</u>
<i>Fair value:</i>						
FNMA	\$ 254,501	\$ -	\$ -	\$ -	\$ -	\$ 254,501
FHLB	1,800,527	-	-	248,925	287,198	1,264,404
FHLMC	734,728	-	-	-	-	734,728
FFCB	5,763,445	-	2,995,640	127,967	957,530	1,682,308
U.S. Treasury notes	2,801,463	-	747,656	696,750	233,127	1,123,930
Negotiable CDs	3,672,195	744,129	433,777	697,505	252,760	1,544,024
U.S. government money market mutual funds	594	594	-	-	-	-
<i>Amortized cost:</i>						
STAR Ohio	<u>4,570,634</u>	<u>4,570,634</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total	<u>\$ 19,598,087</u>	<u>\$ 5,315,357</u>	<u>\$ 4,177,073</u>	<u>\$ 1,771,147</u>	<u>\$ 1,730,615</u>	<u>\$ 6,603,895</u>

The weighted average maturity of investments is 1.59 years.

The City's investments in U.S. government money market mutual funds are valued using quoted market prices in active markets (Level 1 inputs). The City's investments in federal agency securities (FNMA, FHLB, FHLMC, and FFCB), U.S. Treasury notes and negotiable CDs 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: The Ohio Revised Code generally limits security purchases to those that mature within five years of the settlement date. Interest rate risk arises because potential purchasers of debt securities will not agree to pay face value for those securities if interest rates subsequently increase. The City's investment policy addresses interest rate risk by requiring the consideration of market conditions and cash flow requirements in determining the term of an investment.

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 investment or collateral securities that are in the possession of an outside party. The City has no investment policy dealing with investment custodial risk beyond the requirement in Ohio law that prohibits payments for investments prior to the delivery of the securities representing such investments to the treasurer or qualified trustee.

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 federal agency securities (FNMA, FHLB, FHLMC, and FFCB) and U.S. Treasury notes were rated AA+ and Aaa by Standard & Poor's and Moody's Investor Services, respectively. Negotiable certificates of deposit and U.S. government money market mutual funds are not rated. The City's investment policy does not specifically address credit risk beyond requiring the City to only invest in securities authorized by State statute.

CITY OF STOW, 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 issue or specific class of securities.

The following table includes the percentage of each investment type held by the City at December 31, 2021:

<u>Measurement/ Investment Type</u>	<u>Measurement Amount</u>	<u>% of Total</u>
<i>Fair value:</i>		
FNMA	\$ 254,501	1.30
FHLB	1,800,527	9.19
FHLMC	734,728	3.75
FFCB	5,763,445	29.41
U.S. Treasury notes	2,801,463	14.29
Negotiable CDs	3,672,195	18.74
U.S. government money market mutual funds	594	-
<i>Amortized cost:</i>		
STAR Ohio	4,570,634	23.32
Total	<u>\$ 19,598,087</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:

<u>Cash and investments per note</u>	
Carrying amount of deposits	\$ 19,368,544
Cash in segregated accounts	390,289
Investments	<u>19,598,087</u>
Total	<u>\$ 39,356,920</u>

Equity in pooled cash, investments, and cash in segregated accounts per statement of net position

Governmental activities	\$ 30,265,329
Business type activities	8,647,899
Custodial funds	<u>443,692</u>
Total	<u>\$ 39,356,920</u>

NOTE 5 - INTERFUND TRANSACTIONS

A. Short-term loans to/from other funds at December 31, 2021, consist of the following interfund loan receivable/payable:

	<u>Receivable Fund</u>
<u>Payable fund</u>	<u>Water</u>
Storm water utility	<u>\$ 450,000</u>

CITY OF STOW, OHIO

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

NOTE 5 - INTERFUND TRANSACTIONS - (Continued)

The interfund loan is a City of Stow Storm Water Improvement Note, Series 2021, which represents an amount borrowed from another City fund. The note was issued on September 3, 2021 and matured September 2, 2022, at an interest rate of 0.45%. The note was issued in order to finance storm water system improvements. Interfund balances between business-type activities are eliminated on the government-wide financial statements.

B. Interfund transfers for the year ended December 31, 2021, consisted of the following:

	Transfers From		
Transfers To	General	Nonmajor Governmental	Total Transfers In
General	\$ -	\$ 606,931	\$ 606,931
Nonmajor governmental	904,732	237,615	1,142,347
Total Transfers Out	\$ 904,732	\$ 844,546	\$ 1,749,278

Transfers are used to move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them; to move unrestricted revenues collected in the general fund to finance various programs accounted for in other funds in accordance with budgetary authorizations; to segregate money for anticipated capital projects; to provide additional resources for current operations or debt service; and to return money to the fund from which it was originally provided once a project is completed.

NOTE 6 - RECEIVABLES

Receivables at December 31, 2021, consisted primarily of taxes, accounts (billings for user charged services, rents and royalties), accrued interest and intergovernmental receivables arising from grants, entitlements and shared revenues. All receivables are deemed collectible in full. All receivables, other than loans, are expected to be collected within the subsequent year.

NOTE 7 - PROPERTY TAXES

Property taxes include amounts levied against all real and public utility property located in the City. Taxes collected from real property taxes (other than public utility) in one calendar year are levied in the preceding calendar year on the assessed value as of January 1 of that preceding year, the lien date. Assessed values are established by the County Auditor at 35 percent of appraised market value. All property is required to be revaluated every six years. Real property taxes are payable annually or semi-annually. If paid annually, payment is due December 31; if paid semi-annually, the first payment is due December 31, with the remainder payable by June 20. Under certain circumstances, State statute permits later payment dates to be established.

Public utility 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.

CITY OF STOW, OHIO

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

NOTE 7 - PROPERTY TAXES - (Continued)

The Summit County Fiscal Officer collects property taxes on behalf of all taxing districts in the County, including the City of Stow. The Summit County Fiscal Officer 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 unearned revenue since the current taxes were not levied to finance 2021 operations and the collection of delinquent taxes has been offset by a deferred inflow 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 a receivable and revenue while on a modified accrual basis the revenue is reported as a deferred inflow of resources.

The full tax rate for all City operations for the year ended December 31, 2021 was \$9.50 per \$1,000 of assessed value. The assessed values of real and tangible personal property upon which 2021 property tax receipts were based are as follows:

<u>Real Property</u>	
Residential/Agricultural	\$ 766,403,680
Commercial/Industrial/Mineral	217,847,860
<u>Public Utility</u>	
Real	19,720
Personal	<u>14,026,950</u>
Total Assessed Value	<u>\$ 998,298,210</u>

NOTE 8 - INCOME TAX

The City levies and collects a municipal income tax of two percent on all income earned within the City as well as on income of residents earned outside of the City. In the latter case, the City allows a credit of 100 percent on the income earned outside of the City and paid to another municipality. Employers within the City are required to withhold income tax on employee earnings and remit the tax to the City at least quarterly. Corporations and other individual taxpayers are required to pay their estimated tax at least quarterly and file a final return annually.

Income tax revenues are distributed among the general fund (60 percent) and the general capital improvement fund and further distribution to other funds, including the street construction fund to be used for existing and future capital projects and/or expansion or for debt service for existing and future capital improvements (40 percent). In accordance with the City's codified ordinances, all income tax revenues are first recorded in the general fund. Subsequently, 40 percent of those revenues, net of collection expenditures, are distributed to the capital improvement fund and other funds mentioned above, unless a lesser amount than 40 percent is approved by City Council. The Finance Director, in order to assure that the general fund operating deficit was minimized for 2021, and no greater than an amount to be determined by Council for future years, shall reduce the amount allocated to the general capital improvements fund from the general fund income tax receipts (40 percent) per City of Stow Section 195.02, allocation of funds by no more than \$1,500,000 in each calendar year.

NOTE 9 - TAX ABATEMENTS

Community Reinvestment Area

The City provides tax abatements through the Stow Community Reinvestment Area (CRA). This program relates to the abatement of property taxes.

CITY OF STOW, OHIO

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

NOTE 9 - TAX ABATEMENTS - (Continued)

Under the authority of Ohio Revised Code (ORC) Section 3735.67 and City of Stow Ordinances No. 1996-215 and 2002-32, 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 desired. 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 agreements to abate property taxes through this CRA program. The agreements include a "clawback provision" for recapturing abated taxes. During 2021, the City's property tax revenues were reduced by \$187,783 as a result of these agreements.

NOTE 10 - CAPITAL ASSETS

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

	Balance			Balance
	<u>12/31/20</u>	<u>Additions</u>	<u>Deductions</u>	<u>12/31/21</u>
<u>Governmental activities:</u>				
<i>Capital assets, not being depreciated:</i>				
Land	\$ 11,202,207	\$ -	\$ -	\$ 11,202,207
Intangible assets	15,512	-	-	15,512
Construction in progress	<u>737,193</u>	<u>540,078</u>	-	<u>1,277,271</u>
Total capital assets, not being depreciated	<u>11,954,912</u>	<u>540,078</u>	-	<u>12,494,990</u>
<i>Capital assets, being depreciated:</i>				
Buildings and building improvements	33,180,596	86,420	-	33,267,016
Vehicles	9,072,083	393,877	(242,052)	9,223,908
Equipment, furniture and fixtures	8,723,760	305,316	-	9,029,076
Infrastructure	<u>47,243,999</u>	<u>2,712,741</u>	<u>(1,306,140)</u>	<u>48,650,600</u>
Total capital assets, being depreciated	<u>98,220,438</u>	<u>3,498,354</u>	<u>(1,548,192)</u>	<u>100,170,600</u>
<i>Less: accumulated depreciation:</i>				
Buildings and building improvements	(14,349,943)	(741,280)	-	(15,091,223)
Vehicles	(5,695,092)	(457,291)	194,582	(5,957,801)
Equipment, furniture and fixtures	(6,219,379)	(323,566)	-	(6,542,945)
Infrastructure	<u>(22,884,822)</u>	<u>(2,243,519)</u>	<u>1,037,001</u>	<u>(24,091,340)</u>
Total accumulated depreciation	<u>(49,149,236)</u>	<u>(3,765,656)</u>	<u>1,231,583</u>	<u>(51,683,309)</u>
Total capital assets, being depreciated, net	<u>49,071,202</u>	<u>(267,302)</u>	<u>(316,609)</u>	<u>48,487,291</u>
Governmental activities capital assets, net	<u>\$ 61,026,114</u>	<u>\$ 272,776</u>	<u>\$ (316,609)</u>	<u>\$ 60,982,281</u>

CITY OF STOW, OHIO

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

NOTE 10 - CAPITAL ASSETS - (Continued)

Depreciation expense was charged to governmental activities as follows:

General government	\$ 403,426
Security of persons and property	786,130
Public health	11,843
Leisure time activities	131,236
Community and economic development	55,159
Transportation	<u>2,377,862</u>
Total depreciation expense	<u>\$ 3,765,656</u>

Capital assets of the business-type activities are as follows:

<u>Business-type activities:</u>	<u>Balance</u>			<u>Balance</u>
	<u>12/31/20</u>	<u>Additions</u>	<u>Deductions</u>	<u>12/31/21</u>
<i>Capital assets, not being depreciated:</i>				
Land	\$ 5,350,376	\$ 2,095,241	\$ -	\$ 7,445,617
Construction in progress	<u>482,286</u>	<u>103,582</u>	<u>(151,979)</u>	<u>433,889</u>
Total capital assets, not being depreciated	<u>5,832,662</u>	<u>2,198,823</u>	<u>(151,979)</u>	<u>7,879,506</u>
<i>Capital assets, being depreciated:</i>				
Buildings and building improvements	3,331,049	-	-	3,331,049
Vehicles	1,247,993	-	(24,493)	1,223,500
Equipment, furniture and fixtures	862,382	98,269	-	960,651
Infrastructure	<u>44,711,678</u>	<u>1,625,943</u>	<u>-</u>	<u>46,337,621</u>
Total capital assets, being depreciated	<u>50,153,102</u>	<u>1,724,212</u>	<u>(24,493)</u>	<u>51,852,821</u>
<i>Less: accumulated depreciation:</i>				
Buildings and building improvements	(1,198,365)	(68,609)	-	(1,266,974)
Vehicles	(566,832)	(72,901)	24,493	(615,240)
Equipment, furniture and fixtures	(455,164)	(46,602)	-	(501,766)
Infrastructure	<u>(11,809,386)</u>	<u>(1,225,510)</u>	<u>-</u>	<u>(13,034,896)</u>
Total accumulated depreciation	<u>(14,029,747)</u>	<u>(1,413,622)</u>	<u>24,493</u>	<u>(15,418,876)</u>
Total capital assets, being depreciated, net	<u>36,123,355</u>	<u>310,590</u>	<u>-</u>	<u>36,433,945</u>
Business-type activities capital assets, net	<u>\$ 41,956,017</u>	<u>\$ 2,509,413</u>	<u>\$ (151,979)</u>	<u>\$ 44,313,451</u>

Depreciation expense was charged to business - type activities as follows:

Water	\$ 999,160
Golf	30,068
Storm water utility	<u>384,394</u>
Total depreciation expense	<u>\$ 1,413,622</u>

CITY OF STOW, OHIO

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

NOTE 11 - LEASES

A. Operating Leases - Lessee Disclosure

In February 2006, the City acquired a golf course and the City assumed an existing operating lease agreement with George and Patricia Hanson to use their premises to operate a driving range. The City renewed the operating lease for a period commencing April 1, 2018 through April 1, 2021. During 2021, the City purchased the property from George and Patricia Hanson for the purpose of owning and operating the golf course driving range.

The City entered into an operating lease agreement on December 6, 2013, with South East Golf Car Company to lease sixty-two golf cars for use on the Fox Den golf course. The lease is for a period of seven years, commencing on or about March 1, 2014, and ending on March 1, 2021. The lease was renewed during 2021 for an additional four years to lease seventy-two golf cars for the use on the Fox Den golf course. The lease payments are \$840 per car per year, or \$60,480 per year.

The City entered into an operating lease agreement on July 1, 2020, with SMMS, LLC to lease four FINN cycles and scooters for the use on the Fox Den golf course. The lease payments are based on a revenue shared agreement where the City will pay SMMS, LLC fifty percent on revenue received from renting the equipment.

B. Operating Leases - Lessor Disclosure

The City entered into a lease agreement on January 2, 2013, with Enviroscience, Inc. ("lessee"), to lease its Parks and Urban Forestry facility. The lessee shall paid the City \$54,000 annually from the effective date through December 31, 2017, and \$68,000 annually from January 1, 2018, through December 31, 2020. During 2020, the lease was extended through December 31, 2021. The lease included a purchase option at the expiration of the lease term that may be exercised with written notice to the City no earlier than January 1, 2021, and no later than September 30, 2021. Subsequent to year-end, the purchase option was exercised and Enviroscience, Inc. purchased the property through a promissory note of \$2,046,000 to the City. See Note 26 for details.

NOTE 12 - LEASE PURCHASE AGREEMENT

On July 2, 2020, the City entered into a \$359,520 lease purchase agreement with Huntington Public Capital Corporation to finance the purchase of equipment. The lease purchase agreement is to be paid in five annual payments and bears an interest rate of 2.35%. Principal and interest payments will be paid from the water fund and the street construction fund (a nonmajor governmental fund). Capital assets of \$359,520 were acquired during 2021. Accumulated depreciation of \$37,949 has been booked as of December 31, 2021, leaving a book value of \$321,571.

The lease purchase agreement is considered a direct borrowing. Direct borrowings have terms negotiated directly between the City and the lender and are not offered for public sale. The agreement states that the City shall appropriate funds for the lease payments, as defined in the lease, due in each succeeding fiscal year. Failure to appropriate within the allotted time frame is a default under the lease and cause the lease to terminate.

CITY OF STOW, OHIO

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

NOTE 12 - LEASE PURCHASE AGREEMENT - (Continued)

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

<u>Year Ended</u> <u>December 31,</u>	<u>Total</u>
2022	\$ 76,900
2023	76,900
2024	76,898
2025	<u>76,900</u>
Total minimum lease payments	307,598
Less: amount representing interest	<u>(17,256)</u>
Present value of minimum lease payments	<u>\$ 290,342</u>

NOTE 13 - SHORT-TERM NOTES PAYABLE

Changes in the City's short-term note activity for the year ended December 31, 2021, was as follows:

	<u>Balance</u>	<u>Issued</u>	<u>Retired</u>	<u>Balance</u>
	<u>12/31/2020</u>			<u>12/31/2021</u>
<u>Governmental fund notes</u>				
Municipal courthouse construction - 1.83%	\$ 400,000	\$ -	\$ (400,000)	\$ -
Municipal courthouse construction - 1.26%	<u>-</u>	<u>400,000</u>	<u>-</u>	<u>400,000</u>
Total governmental fund notes	<u>\$ -</u>	<u>\$ 400,000</u>	<u>\$ -</u>	<u>\$ 400,000</u>
<u>Business-type activities fund notes</u>				
Golf course - 0.96%	<u>\$ -</u>	<u>\$ 400,000</u>	<u>\$ -</u>	<u>\$ 400,000</u>

The governmental fund short-term notes outstanding at December 31, 2021 were issued on May 1, 2021 and represent the portion of the 2021 note issue that will be retired when the notes are refinanced on April 22, 2022 (see Note 26 for detail).

The business-type activities short-term notes outstanding at December 31, 2021 were issued on July 14, 2021 and represent the portion of the 2021 note issue that will be retired when the notes are refinanced on April 22, 2022 (see Note 26 for detail).

All short-term notes were backed by the full faith and credit of the City and mature within one year. The short-term note liability is reflected in the fund which received the proceeds. The short-term notes were issued in anticipation of long-term bond financing and will be refinanced until such funds are issued.

CITY OF STOW, OHIO

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

NOTE 14 - LONG-TERM OBLIGATIONS

The original issue date, interest rate, original issue amount and date of maturity of each of the City's debt issues follows:

<u>Debt Issue</u>	<u>Interest Rate</u>	<u>Original Issue Amount</u>	<u>Date of Maturity</u>
Business-type activities:			
Golf course general obligation refunding bonds, 2020	1.35%	\$ 3,695,000	12/1/2032
Service center general obligation refunding bonds, 2015	2.00%-3.50%	447,320	12/1/2033
Governmental activities:			
Courthouse general obligation refunding bonds, 2020	1.35%	3,105,000	12/1/2034
Fire station general obligation refunding bonds, 2015	2.00%-3.50%	1,760,000	12/1/2033
Service center general obligation refunding bonds, 2015	2.00%-3.50%	4,852,680	12/1/2033

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

	<u>Balance</u>			<u>Balance</u>	<u>Amounts</u>
	<u>12/31/2020</u>	<u>Increase</u>	<u>Decrease</u>	<u>12/31/2021</u>	<u>Due in</u>
					<u>One Year</u>
Governmental activities:					
<u>General obligation bonds:</u>					
Fire station construction refunding, 2015	\$ 1,410,000	\$ -	\$ (90,000)	\$ 1,320,000	\$ 95,000
Add: unamortized premium	36,436	-	(2,618)	33,818	-
Service center construction refunding, 2015	3,891,300	-	(251,790)	3,639,510	256,368
Add: unamortized premium	101,374	-	(7,284)	94,090	-
Total general obligation bonds	<u>5,439,110</u>	<u>-</u>	<u>(351,692)</u>	<u>5,087,418</u>	<u>351,368</u>
<u>Private placement general obligation bonds:</u>					
Municipal court refunding, 2020	2,925,000	-	(195,000)	2,730,000	200,000
<u>Long-term notes:</u>					
2020 Municipal court construction	900,000	-	(900,000)	-	-
2021 Municipal court construction	-	500,000	-	500,000	-
Total long-term notes	<u>900,000</u>	<u>500,000</u>	<u>(900,000)</u>	<u>500,000</u>	<u>-</u>
<u>Other debt:</u>					
Lease purchase agreement (direct borrowing)	179,760	-	(34,589)	145,171	35,038
Net pension liability	33,996,235	362,112	(3,342,608)	31,015,739	-
Net OPEB liability	11,199,927	250,710	(7,957,070)	3,493,567	-
Compensated absences	5,371,392	1,275,828	(1,321,577)	5,325,643	1,369,997
Total other debt	<u>50,747,314</u>	<u>1,888,650</u>	<u>(12,655,844)</u>	<u>39,980,120</u>	<u>1,405,035</u>
Total governmental activities	<u>\$ 60,011,424</u>	<u>\$ 2,388,650</u>	<u>\$ (14,102,536)</u>	<u>\$ 48,297,538</u>	<u>\$ 1,956,403</u>

CITY OF STOW, OHIO

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

NOTE 14 - LONG-TERM OBLIGATIONS - (Continued)

	<u>Balance</u>		<u>Decrease</u>	<u>Balance</u>	<u>Amounts</u>
	<u>12/31/2020</u>	<u>Increase</u>		<u>12/31/2021</u>	<u>Due in</u>
Business-type activities:					<u>One Year</u>
<u>General obligation bonds:</u>					
Service center refunding, 2015	\$ 358,700	\$ -	\$ (23,210)	\$ 335,490	\$ 23,632
Add: unamortized premium	<u>9,263</u>	<u>-</u>	<u>(665)</u>	<u>8,598</u>	<u>-</u>
Total general obligation bonds	<u>367,963</u>	<u>-</u>	<u>(23,875)</u>	<u>344,088</u>	<u>23,632</u>
<u>Long-term notes:</u>					
2021 Golf course	-	1,600,000	-	1,600,000	-
<u>Private placement general obligation bonds:</u>					
Golf course refunding, 2020	3,440,000	-	(265,000)	3,175,000	275,000
<u>Other debt:</u>					
OPWC loans (direct borrowing)	1,888,983	-	(63,607)	1,825,376	42,405
Net pension liability	2,083,652	-	(436,580)	1,647,072	-
Net OPEB liability	1,395,578	-	(1,395,578)	-	-
Lease purchase agreement (direct borrowing)	179,760	-	(34,589)	145,171	35,038
Compensated absences	<u>222,125</u>	<u>100,467</u>	<u>(42,500)</u>	<u>280,092</u>	<u>64,528</u>
Total other debt	<u>5,770,098</u>	<u>100,467</u>	<u>(1,972,854)</u>	<u>3,897,711</u>	<u>141,971</u>
Total business-type activities	<u>\$ 9,578,061</u>	<u>\$ 1,700,467</u>	<u>\$ (2,261,729)</u>	<u>\$ 9,016,799</u>	<u>\$ 440,603</u>

General Obligation Bonds

The government issues general obligation bonds to provide funds for the acquisition and construction of major capital facilities. General obligation bonds have been issued for governmental activities and business-type activities.

On July 16, 2015, the City issued general obligation refunding bonds in the amount of \$9,115,000 to advance refund the outstanding safety center construction general obligation bonds, series 2004 (\$2,035,000), the service center general obligation bonds, series 2008 (\$4,614,624 for the governmental activities portion; \$425,376 for the 8.44 percent water portion) and the fire station general obligation bonds, series 2008 (\$1,675,000). The reacquisition price exceeded the net carrying amount of the governmental activities and water debt by \$371,861 and \$15,791, respectively. This difference, reported in the accompanying financial statements as a deferred outflow of resources, is being charged to interest expense through maturity on December 31, 2033 for all other refunding bonds, with the exception of the Safety Center refunding bonds which were fully charged to interest expense in previous accounting periods, using the straight-line method. The refunding had a net present value benefit of \$488,681 and gross present value debt service savings of \$382,665. The unamortized deferred charges on the refunding has been included in the net investment in capital assets calculation. The balance of the refunded service center general obligation bonds at December 31, 2021 for governmental activities and the water fund are \$3,560,768 and \$328,232, respectively. The balance of the refunded fire station general obligation bonds at December 31, 2021, is \$1,291,000.

On October 8, 2020, the City issued general obligation refunding bonds through a private placement in the amount of \$3,105,000 and \$3,695,000 to refund the outstanding municipal courthouse general obligation refunding bonds (\$3,035,000) and golf course general obligation refunding bonds (\$3,615,000) that were issued in 2014. The reacquisition price exceeded the net carrying amount of the old municipal courthouse and golf course debt by \$81,268 and \$88,541, respectively. 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, 2034, and December 1, 2032, for the municipal courthouse and golf course refunding bonds, respectively, using the straight-line method. The refunding had a cost savings of \$1,079,359. The unamortized deferred charges on the refunding have been included in the net investment in capital assets calculation.

CITY OF STOW, OHIO

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

NOTE 14 - LONG-TERM OBLIGATIONS - (Continued)

The municipal court and golf course refunding bonds, series 2020 were issued through JP Morgan Chase Bank are 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.

General obligation bonds are direct obligations and pledge the full faith and credit of the government. The general obligation bonds and refunding bonds will be repaid from income tax monies allocated into the debt service fund from the capital projects funds. The golf course general obligation refunding bonds will be paid from income tax monies allocated to the golf course fund and the water department portion of the service center general obligation bonds and refunding bonds will be paid with revenues from the water fund.

OPWC Loans Payable

During 2015, the City was approved for an Ohio Public Works Commission (OPWC) loan. The Adaline Water Trunk Line Replacement loan agreement was fully disbursed and finalized in 2017 in the amount of \$1,272,147. The OPWC loan has an outstanding balance of \$1,102,527 at December 31, 2021 and will be repaid with operating revenue from the water fund.

During 2019, the City was approved for an OPWC loan, KSU Airport Water Truck Line, for \$1,260,260. As of December 31, 2021, only \$722,849 has been disbursed and no debt payments have been made. This projects amortization schedule has not been completed at December 31, 2021 and is not included in the amortization schedule shown below. The OPWC loan will be repaid with operating revenue from 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 ORC 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.

Long-Term Notes Payable

The City retired long-term notes in the amount of \$900,000 for municipal courthouse construction bore an interest rate of 1.83% and matured on May 1, 2021. The City reissued \$500,000 in municipal courthouse construction long-term notes on May 1, 2021 that bear an interest rate of 1.26% and mature on April 22, 2022.

The City issued \$1,600,000 in golf course long-term notes on July 14, 2021 that bear an interest rate of 0.96% and mature on April 22, 2022.

Notes that were refinanced prior to the issuance of the financial statements and have a new maturity beyond the end of the year in which the report is issued have been reported on the statement of net position as a long-term liability. The portion of the 2021 note issue that will be retired on April 22, 2022 (see Note 26 for detail) have been reported as short-term notes payable in Note 13. The notes are backed by the full faith and credit of the City.

Net Pension Liability and Net OPEB Liability:

See Notes 16 and 17 for details on the net pension liability and net OPEB liability, respectively. The net pension and OPEB liabilities will be paid from the general, EMS/fire tax levy, water, golf and storm water utility funds.

Compensated Absences

Compensated absences will be paid from the funds from which the employees' salaries are paid. For the City, compensated absences will be paid from the general, EMS/fire tax levy, water, and storm water utility funds.

CITY OF STOW, OHIO

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

NOTE 14 - LONG-TERM OBLIGATIONS - (Continued)

Lease Purchase Agreement

Lease purchase agreements will be paid from the water fund and the street construction fund (a nonmajor governmental fund). See Note 12 for detail.

Legal Debt Margin

As of December 31, 2021, the City's overall legal debt margin (the ability to issue additional amounts of general obligation debt) was \$95,936,039 and the unvoted legal debt margin was \$45,981,402.

The annual requirements to amortize all long-term debt outstanding as of December 31, 2021 are as follows:

Year Ended	Governmental Activities			Business-Type Activities		
	General Obligation		Bonds Payable	General Obligation		Bonds Payable
	Principal	Interest	Total	Principal	Interest	Total
2022	\$ 351,368	\$ 141,387	\$ 492,755	\$ 23,632	\$ 9,563	\$ 33,195
2023	360,524	130,846	491,370	24,476	8,854	33,330
2024	374,680	123,636	498,316	25,320	8,364	33,684
2025	379,258	115,206	494,464	25,742	7,794	33,536
2026	393,414	106,672	500,086	26,586	7,215	33,801
2027 - 2031	2,149,410	365,917	2,515,327	145,590	24,757	170,347
2032 - 2033	950,856	50,169	1,001,025	64,144	3,382	67,526
Total	<u>\$ 4,959,510</u>	<u>\$ 1,033,833</u>	<u>\$ 5,993,343</u>	<u>\$ 335,490</u>	<u>\$ 69,929</u>	<u>\$ 405,419</u>

Year Ended	Governmental Activities			Business-Type Activities		
	General Obligation		Bonds Private Placement	General Obligation		Bonds Private Placement
	Principal	Interest	Total	Principal	Interest	Total
2022	\$ 200,000	\$ 36,854	\$ 236,854	\$ 275,000	\$ 42,862	\$ 317,862
2023	210,000	34,155	244,155	275,000	39,150	314,150
2024	205,000	31,320	236,320	275,000	35,437	310,437
2025	210,000	28,553	238,553	275,000	31,725	306,725
2026	220,000	25,717	245,717	285,000	28,013	313,013
2027 - 2031	1,115,000	83,633	1,198,633	1,475,000	81,877	1,556,877
2032 - 2034	570,000	15,525	585,525	315,000	4,253	319,253
Total	<u>\$ 2,730,000</u>	<u>\$ 255,757</u>	<u>\$ 2,985,757</u>	<u>\$ 3,175,000</u>	<u>\$ 263,317</u>	<u>\$ 3,438,317</u>

CITY OF STOW, OHIO

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

NOTE 14 - LONG-TERM OBLIGATIONS - (Continued)

Year Ended	Business-Type Activities OPWC Loan Payable		
	Principal	Interest	Total
2022	\$ 42,405	\$ -	\$ 42,405
2023	42,405	-	42,405
2024	42,405	-	42,405
2025	42,405	-	42,405
2026	42,404	-	42,404
2027 - 2031	212,025	-	212,025
2032 - 2036	212,024	-	212,024
2037 - 2041	212,025	-	212,025
2042 - 2046	212,024	-	212,024
2047	42,405	-	42,405
Total	<u>\$ 1,102,527</u>	<u>\$ -</u>	<u>\$ 1,102,527</u>

NOTE 15 - RISK MANAGEMENT

A. Liability Insurance

The City is exposed to various risks of loss related to torts, theft, damage to or destruction of assets, errors and omissions, employee injuries, and natural disasters. The City has a comprehensive property and casualty policy with a deductible of \$2,500 per incident. The City’s vehicle liability insurance policy limit is \$1,000,000 with a \$1,000 collision deductible; vehicles with a cost of over \$100,000 have a \$1,000 deductible. All Council members, administrators and employees are covered under a City professional liability policy. The limits of this coverage are \$1,000,000 per occurrence and \$1,000,000 in aggregate. The general liability aggregate is \$2,000,000 with a \$2,000,000 cyber liability coverage. The City also carries a \$10,000,000 umbrella liability extending coverage of the general, automobile and employers/public official’s liability. Settled claims have not exceeded this commercial coverage in any of the past three years. There has not been a reduction of coverage from the prior year.

B. Fidelity Bond

The Finance Director, Assistant Finance Director/Director of Budget and Management and Tax Administrator each have a \$100,000 position bond. All City employees are covered by a \$1,000,000 public employee crime coverage policy, which includes employee dishonesty and faithful performance of duty coverage.

C. Workers’ Compensation

The City pays the State Workers’ Compensation System, an insurance purchasing pool, a premium based on a rate per \$100 of salaries. This rate is calculated based on accident history and administrative costs. The City participates in a group retrospective rating plan to help control workers’ compensation premium costs.

CITY OF STOW, OHIO

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

NOTE 15 - RISK MANAGEMENT - (Continued)

D. Employee Health Insurance

The City has elected to provide employee medical, prescription and dental benefits through a self-insurance program. The City maintains a self-insurance internal service fund to account for and finance its uninsured risk of loss in this program. This 2021 plan provides a medical plan with an \$900.00 family and \$450.00 single deductible and a dental plan with a \$150.00 family and \$50.00 single deductible. A third party administrator, a subsidiary of Medical Mutual of Ohio (MMO), reviews all medical and dental claims which are then paid by the City. The City has purchased stop-loss coverage of \$200,000 per covered person and for claims in excess of \$5,018,865 in the aggregate from Medical Mutual of Ohio. The City pays into the self-insurance internal service fund \$1,442.01 per month for each employee with family medical coverage and \$461.78 per month for each employee with individual medical coverage. Premiums for dental coverage are \$147.91 monthly for each employee with family coverage and \$47.36 monthly for each employee with individual coverage. All premiums are paid by the fund that pays the salary for the employee.

The claims liability of \$729,603 reported in the self-insurance 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 Services", which requires that a liability for unpaid claim costs, including estimates of costs relating to incurred but not reported claims, be reported. The claims liability is based on an estimate supplied by the City's third party administrator. The claims liability is expected to be paid within one year.

A summary of the fund's claims liability during the past two years is as follows:

	<u>Balance at Beginning of Year</u>	<u>Current Claims</u>	<u>Claims Payment</u>	<u>Balance at End of Year</u>
2021	\$ 628,392	\$ 4,711,620	\$ (4,610,409)	\$ 729,603
2020	595,937	3,749,009	(3,716,554)	628,392

NOTE 16 - 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.

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.

CITY OF STOW, OHIO

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

NOTE 16 - DEFINED BENEFIT PENSION PLANS - (Continued)

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 intergovernmental payable on both the accrual and modified accrual bases of accounting.

The remainder of this note includes the pension disclosures. See Note 17 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 STOW, OHIO

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

NOTE 16 - DEFINED BENEFIT PENSION PLANS - (Continued)

Group A Eligible to retire prior to January 7, 2013 or five years after January 7, 2013	Group B 20 years of service credit prior to January 7, 2013 or eligible to retire ten years after January 7, 2013	Group C Members not in other Groups and members hired on or after January 7, 2013
State and Local	State and Local	State and Local
Age and Service Requirements: Age 60 with 60 months of service credit or Age 55 with 25 years of service credit	Age and Service Requirements: Age 60 with 60 months of service credit or Age 55 with 25 years of service credit	Age and Service Requirements: Age 57 with 25 years of service credit or Age 62 with 5 years of service credit
Traditional Plan Formula: 2.2% of FAS multiplied by years of service for the first 30 years and 2.5% for service years in excess of 30	Traditional Plan Formula: 2.2% of FAS multiplied by years of service for the first 30 years and 2.5% for service years in excess of 30	Traditional Plan Formula: 2.2% of FAS multiplied by years of service for the first 35 years and 2.5% for service years in excess of 35
Combined Plan Formula: 1% of FAS multiplied by years of service for the first 30 years and 1.25% for service years in excess of 30	Combined Plan Formula: 1% of FAS multiplied by years of service for the first 30 years and 1.25% for service years in excess of 30	Combined Plan Formula: 1% of FAS multiplied by years of service for the first 35 years and 1.25% for service years in excess of 35

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

Members who retire before meeting the age and years of service credit requirement for unreduced benefits receive a percentage reduction in the benefit amount. The 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. 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.

CITY OF STOW, OHIO

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

NOTE 16 - DEFINED BENEFIT PENSION PLANS - (Continued)

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.

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

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

* 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, the Combined Plan and Member-Directed Plan was \$1,433,768 for 2021. Of this amount, \$153,665 is reported as intergovernmental 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 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.

CITY OF STOW, OHIO

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

NOTE 16 - DEFINED BENEFIT PENSION PLANS - (Continued)

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).

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
2021 Statutory Maximum Contribution Rates		
Employer	19.50 %	24.00 %
Employee	12.25 %	12.25 %
2021 Actual Contribution Rates		
Employer:		
Pension	19.00 %	23.50 %
Post-employment Health Care Benefits	0.50 %	0.50 %
Total Employer	19.50 %	24.00 %
Employee	12.25 %	12.25 %

Employer contribution rates are expressed as a percentage of covered payroll. The City's contractually required contribution to OP&F was \$1,764,849 for 2021. Of this amount, \$160,581 is reported as intergovernmental payable

CITY OF STOW, OHIO

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

NOTE 16 - DEFINED BENEFIT PENSION PLANS - (Continued)

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.

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

	OPERS - Traditional	OPERS - Combined	OPERS - Member- Directed	OP&F	Total
Proportion of the net pension liability/asset prior measurement date	0.070647%	0.040871%	0.018133%	0.328300%	
Proportion of the net pension liability/asset current measurement date	<u>0.068779%</u>	<u>0.043060%</u>	<u>0.016675%</u>	<u>0.329732%</u>	
Change in proportionate share	<u>-0.001868%</u>	<u>0.002189%</u>	<u>-0.001458%</u>	<u>0.001432%</u>	
Proportionate share of the net pension liability	\$ 10,184,671	\$ -	\$ -	\$ 22,478,140	\$ 32,662,811
Proportionate share of the net pension asset	-	(124,300)	(3,040)	-	(127,340)
Pension expense	(61,186)	2,930	(2,180)	1,280,205	1,219,769

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

	OPERS - Traditional	OPERS - Combined	OPERS - Member- Directed	OP&F	Total
Deferred outflows of resources					
Differences between expected and actual experience	\$ -	\$ -	\$ 2,091	\$ 939,666	\$ 941,757
Changes of assumptions	-	7,767	88	376,970	384,825
Changes in employer's proportionate percentage/difference between employer contributions	108,331	-	-	435,011	543,342
Contributions subsequent to the measurement date	1,390,075	28,259	15,434	1,764,849	3,198,617
Total deferred outflows of resources	<u>\$ 1,498,406</u>	<u>\$ 36,026</u>	<u>\$ 17,613</u>	<u>\$ 3,516,496</u>	<u>\$ 5,068,541</u>

CITY OF STOW, OHIO

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

NOTE 16 - DEFINED BENEFIT PENSION PLANS - (Continued)

	OPERS - Traditional	OPERS - Combined	OPERS - Member- Directed	OP&F	Total
Deferred inflows of resources					
Differences between expected and actual experience	\$ 426,034	\$ 23,447	\$ -	\$ 875,683	\$ 1,325,164
Net difference between projected and actual earnings on pension plan investments	3,969,688	18,487	333	1,090,339	5,078,847
Changes in employer's proportionate percentage/ difference between employer contributions	370,594	-	-	1,063,680	1,434,274
Total deferred inflows of resources	<u>\$ 4,766,316</u>	<u>\$ 41,934</u>	<u>\$ 333</u>	<u>\$ 3,029,702</u>	<u>\$ 7,838,285</u>

\$3,198,617 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 - Traditional	OPERS - Combined	OPERS - Member- Directed	OP&F	Total
Year Ending December 31:					
2022	\$ (1,852,525)	\$ (8,901)	\$ 232	\$ (558,392)	\$ (2,419,586)
2023	(645,875)	(5,656)	279	351,501	(299,751)
2024	(1,618,179)	(9,915)	210	(1,010,604)	(2,638,488)
2025	(541,406)	(4,615)	254	(111,242)	(657,009)
2026	-	(1,976)	259	50,682	48,965
Thereafter	-	(3,104)	612	-	(2,492)
Total	<u>\$ (4,657,985)</u>	<u>\$ (34,167)</u>	<u>\$ 1,846</u>	<u>\$ (1,278,055)</u>	<u>\$ (5,968,361)</u>

Actuarial Assumptions - OPERS

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

CITY OF STOW, OHIO

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

NOTE 16 - DEFINED BENEFIT PENSION PLANS - (Continued)

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.

Wage inflation	3.25%
Future salary increases, including inflation	3.25% to 10.75% including wage inflation
COLA or ad hoc COLA	Pre 1/7/2013 retirees: 3.00%, simple Post 1/7/2013 retirees: 0.50%, simple 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 STOW, OHIO

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

NOTE 16 - 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:

<u>Asset Class</u>	Target Allocation	Weighted Average Long-Term Expected Real Rate of Return (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
Total	<u>100.00 %</u>	<u>5.43 %</u>

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 Discount Rate	1% Increase
City's proportionate share of the net pension liability (asset):			
Traditional Pension Plan	\$ 19,427,316	\$ 10,184,671	\$ 2,499,429
Combined Plan	(86,551)	(124,300)	(152,432)
Member-Directed Plan	(2,668)	(3,040)	(3,335)

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.

CITY OF STOW, OHIO

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

NOTE 16 - DEFINED BENEFIT PENSION PLANS - (Continued)

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

Valuation date	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.

CITY OF STOW, OHIO

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

NOTE 16 - DEFINED BENEFIT PENSION 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:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long Term Expected 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		
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
Total	<u>125.00 %</u>	

Note: assumptions are geometric.

* levered 2x

OP&F's Board of Trustees has incorporated the risk parity concept into OP&F's asset liability valuation with the goal of reducing equity risk exposure, which reduces overall Total Portfolio risk without sacrificing return and creating a more risk-balanced portfolio based on the relationship between asset classes and economic environments. From the notional portfolio perspective above, the Total Portfolio may be levered up to 1.25 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>Discount Rate</u>	<u>1% Increase</u>
City's proportionate share of the net pension liability	\$ 31,292,450	\$ 22,478,140	\$ 15,101,452

CITY OF STOW, OHIO

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

NOTE 17 - DEFINED BENEFIT OPEB PLANS

Net OPEB Liability/Asset

See Note 16 for a description of the net OPEB liability/asset.

Plan Description - Ohio Public Employees Retirement System (OPERS)

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

OPERS maintains a cost-sharing, multiple-employer defined benefit post-employment health care trust, which funds multiple health care plans including medical coverage, prescription drug coverage and deposits to a Health Reimbursement Arrangement 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 STOW, OHIO

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

NOTE 17 - 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 \$6,174 for 2021. Of this amount, \$662 is reported as intergovernmental payable.

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.

CITY OF STOW, OHIO

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

NOTE 17 - DEFINED BENEFIT OPEB PLANS - (Continued)

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

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

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

Funding Policy – The Ohio Revised Code provides for contribution requirements of the participating employers and of plan members to the OP&F defined benefit pension plan. Participating employers are required to contribute to the pension plan at rates expressed as percentages of the payroll of active pension plan members, currently 19.50% 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 \$40,989 for 2021. Of this amount, \$3,730 is reported as intergovernmental 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 STOW, OHIO

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

NOTE 17 - DEFINED BENEFIT OPEB PLANS - (Continued)

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

	<u>OPERS</u>	<u>OP&F</u>	<u>Total</u>
Proportion of the net OPEB liability prior measurement date	0.067711%	0.328300%	
Proportion of the net OPEB liability/asset current measurement date	<u>0.065971%</u>	<u>0.329732%</u>	
Change in proportionate share	<u>-0.001740%</u>	<u>0.001432%</u>	
Proportionate share of the net OPEB liability	\$ -	\$ 3,493,567	\$ 3,493,567
Proportionate share of the net OPEB asset	(1,175,326)	-	(1,175,326)
OPEB expense	(7,278,695)	315,299	(6,963,396)

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&F</u>	<u>Total</u>
Deferred outflows of resources			
Changes of assumptions	\$ 577,804	\$ 1,930,005	\$ 2,507,809
Changes in employer's proportionate percentage/ difference between employer contributions	65,887	389,986	455,873
Contributions subsequent to the measurement date	6,174	40,989	47,163
Total deferred outflows of resources	<u>\$ 649,865</u>	<u>\$ 2,360,980</u>	<u>\$ 3,010,845</u>

	<u>OPERS</u>	<u>OP&F</u>	<u>Total</u>
Deferred inflows of resources			
Differences between expected and actual experience	\$ 1,060,726	\$ 576,250	\$ 1,636,976
Net difference between projected and actual earnings on OPEB plan investments	625,996	129,826	755,822
Changes of assumptions	1,904,381	556,941	2,461,322
Changes in employer's proportionate percentage/ difference between employer contributions	226,493	432,545	659,038
Total deferred inflows of resources	<u>\$ 3,817,596</u>	<u>\$ 1,695,562</u>	<u>\$ 5,513,158</u>

CITY OF STOW, OHIO

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

NOTE 17 - DEFINED BENEFIT OPEB PLANS - (Continued)

\$47,163 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	\$ (1,673,962)	\$ 131,018	\$ (1,542,944)
2023	(1,154,150)	161,759	(992,391)
2024	(272,032)	113,292	(158,740)
2025	(73,761)	115,444	41,683
2026	-	48,035	48,035
Thereafter	-	54,881	54,881
Total	\$ (3,173,905)	\$ 624,429	\$ (2,549,476)

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. 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, including inflation	3.25 to 10.75% 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, 3.50% ultimate in 2035
Prior Measurement date	10.50%, initial 3.50%, ultimate in 2030
Actuarial Cost Method	Individual Entry Age Normal

CITY OF STOW, OHIO

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

NOTE 17 - DEFINED BENEFIT OPEB PLANS - (Continued)

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 Health Care portfolio includes the assets for health care expenses for the Traditional Pension Plan, Combined Plan and Member-Directed Plan eligible members. Within the Health Care portfolio, if any contributions are made into the plans, the contributions are assumed to be received continuously throughout the year based on the actual payroll payable at the time contributions are made. Health care-related payments are assumed to occur mid-year. Accordingly, the money-weighted rate of return is considered to be the same for all plans within the portfolio. The annual money-weighted rate of return expressing investment performance, net of investment expenses and adjusted for the changing amounts actually invested, for the Health Care portfolio was 10.50% for 2020.

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 Allocation	Weighted Average Long-Term Expected Real Rate of Return (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	100.00 %	4.43 %

CITY OF STOW, OHIO

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

NOTE 17 - DEFINED BENEFIT OPEB PLANS - (Continued)

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.

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	Discount Rate	1% Increase
City's proportionate share of the net OPEB asset	\$ 292,252	\$ 1,175,326	\$ 1,901,284

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 Care Trend Rate Assumption	1% Increase
City's proportionate share of the net OPEB asset	\$ 1,203,971	\$ 1,175,326	\$ 1,143,277

CITY OF STOW, OHIO

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

NOTE 17 - DEFINED BENEFIT OPEB PLANS - (Continued)

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.

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 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 Buck Modified 2016 Improvement Scale. Rates for surviving beneficiaries are adjusted by 120%.

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

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

CITY OF STOW, OHIO

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

NOTE 17 - DEFINED BENEFIT OPEB PLANS - (Continued)

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

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

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

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

Asset Class	Target Allocation	Long Term Expected 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
Total	125.00 %	

Note: assumptions are geometric.

* levered 2.5x

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

CITY OF STOW, OHIO

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

NOTE 17 - DEFINED BENEFIT OPEB PLANS - (Continued)

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.

	1% Decrease	Current Discount Rate	1% Increase
City's proportionate share of the net OPEB liability	\$ 4,356,278	\$ 3,493,567	\$ 2,781,931

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 18 - COMPENSATED ABSENCES

Full-time City employees earn and accumulate paid vacation leave for each work hour or paid service hour completed for the City. The maximum base used for accumulation of vacation pay is eighty hours per pay period. Based upon length of service, employees can earn vacation at rates varying from two weeks to six weeks per year. Part-time employees may earn partial vacation credits while seasonal employees are ineligible for vacation benefits. Upon termination from the City, an employee is entitled to compensation at his or her current base rate of pay for all earned, but unused vacation leave to his or her credit at the time of termination, subject to the maximum amount which can be accumulated at any time, provided the 50th week of employment had been reached. In the case of death, unused vacation leave is paid in the name of the employee to his or her spouse.

Full-time City employees and certain part-time employees earn sick leave at the rate of .05769 hours for every paid service hour completed for the City. The maximum base used for accumulation of sick pay is 80 hours per pay period. Sick leave to be paid for time away from work due to illness may be accumulated without limit. For employees hired prior to July 1, 1996, an employee or his/her estate is paid upon retirement or death 100 percent of the unused amount accumulated equivalent up to 1,000 hours and 50 percent of unused sick leave up to a maximum hours of an additional 1,000 hours at the current base rate, but only to the extent such benefits have been earned as employees of the City. In the case of retirement or death of an employee hired on or after July 1, 1996, the employee or his/her estate is paid 100 percent of the unused amount accumulated to a maximum of 1,000 hours and is not eligible to receive cash payment of 50 percent of unused sick leave up to a maximum of an additional 1,000 hours. The entitlement award for firefighters is prorated according to their respective work year.

CITY OF STOW, OHIO

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

NOTE 18 - COMPENSATED ABSENCES - (Continued)

Full-time police officers, communication specialists and firefighters are permitted to accumulate holiday time. Police department employees must use their accumulated holiday time prior to April 1 of the following year and the employees of the fire department by July 1 of the following year.

As of December 31, 2021, the liability for compensated absences was \$5,605,735 for the entire City.

NOTE 19 - JOINT ECONOMIC DEVELOPMENT ZONE AGREEMENT

The City of Stow and the City of Akron entered into a Joint Economic Development Zone Agreement (JEDZ Agreement). The revenue sharing agreement was established to facilitate economic development, to create or preserve jobs and employment opportunities, and to improve the economic welfare in the region. The agreement became effective November 6, 2001 and will continue for a period of ninety-nine years, unless modified, supplemented, rescinded, or canceled by mutual agreement.

The JEDZ Agreement establishes three joint economic development zones and details how income tax revenues will be collected and shared within each zone between the City of Stow and the City of Akron. The City made payments of \$419,028, which includes \$126,722 in accounts payable, during 2021 to the City of Akron as a result of this agreement.

NOTE 20 - BUDGETARY BASIS OF ACCOUNTING

While 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 and disbursements.

The statement of revenue, expenditures and changes in fund balance - budget and actual (non-GAAP budgetary basis) presented for the general fund, the EMS/fire tax levy fund, and the ARPA 2021 fund are presented on the budgetary basis to provide a meaningful comparison of actual results with the budget. The major differences between the budget basis and the GAAP basis are that:

- (a) Revenues and other financing sources are recorded when received in cash (budget basis) as opposed to when susceptible to accrual (GAAP basis);
- (b) Expenditures and other financing uses are recorded when paid in cash (budget basis) as opposed to when the liability is incurred (GAAP basis);
- (c) 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, committed, or restricted fund balance for that portion of outstanding encumbrances not already recognized as an account payable (GAAP basis);
- (d) Advances-in and advances-out are operating transactions (budget basis) as opposed to balance sheet transactions (GAAP basis);
- (e) Investments are reported at fair value (GAAP basis) rather than cost (budget basis); and,
- (f) 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:

CITY OF STOW, OHIO

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

NOTE 20 - BUDGETARY BASIS OF ACCOUNTING - (Continued)

Net Change in Fund Balance

	<u>General</u>	<u>EMS/Fire Tax Levy</u>	<u>ARPA 2021</u>
Budget basis	\$ 100,938	\$ 105,148	\$ 1,821,883
Net adjustment for revenue accruals	146,642	-	(1,821,883)
Net adjustment for expenditure accruals	113,814	(15,604)	-
Funds budgeted elsewhere	9,922	-	-
Adjustment for encumbrances	<u>939,031</u>	<u>105,249</u>	<u>-</u>
GAAP basis	<u>\$ 1,310,347</u>	<u>\$ 194,793</u>	<u>\$ -</u>

NOTE 21 - 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 reporting units included herein or on the overall financial position of the City at December 31, 2021.

B. Litigation

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

NOTE 22 - OTHER COMMITMENTS

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 Encumbrances</u>
General fund	\$ 760,521
Fire/EMS levy fund	100,380
General capital improvements fund	1,509,643
Other governmental	<u>1,530,332</u>
Total	<u>\$ 3,900,876</u>

CITY OF STOW, OHIO

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

NOTE 23 - 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 below:

Fund balance	General	Fire/EMS Tax Levy	General Capital Improvements	Nonmajor Governmental Funds	Total Governmental Funds
Nonspendable:					
Materials and supplies inventory	\$ 144,342	\$ 43,069	\$ -	\$ 493,715	\$ 681,126
Prepays	231,085	4,586	-	15,028	250,699
Unclaimed monies	<u>162,064</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>162,064</u>
Total nonspendable	<u>537,491</u>	<u>47,655</u>	<u>-</u>	<u>508,743</u>	<u>1,093,889</u>
Restricted:					
Police and fire	-	794,979	-	227,186	1,022,165
Street repair and maintenance	-	-	-	3,418,450	3,418,450
Public health	-	-	-	14,368	14,368
Leisure time activities	-	-	-	14,198	14,198
Special assessments	-	-	-	13,464	13,464
Municipal court	-	-	-	591,849	591,849
General government	-	-	-	31,440	31,440
Capital outlay	<u>-</u>	<u>-</u>	<u>75,468</u>	<u>-</u>	<u>75,468</u>
Total restricted	<u>-</u>	<u>794,979</u>	<u>75,468</u>	<u>4,310,955</u>	<u>5,181,402</u>
Committed:					
General government	47,183	-	-	1,056,679	1,103,862
Police and fire	-	-	-	654,750	654,750
Leisure time activities	-	-	-	151,626	151,626
Community & economic development	-	-	-	137,260	137,260
Debt service	-	-	-	39,727	39,727
Capital outlay	<u>-</u>	<u>-</u>	<u>8,235,074</u>	<u>-</u>	<u>8,235,074</u>
Total committed	<u>47,183</u>	<u>-</u>	<u>8,235,074</u>	<u>2,040,042</u>	<u>10,322,299</u>
Assigned:					
Subsequent year appropriations	5,034,172				5,034,172
General government	294,995	-	-	-	294,995
Police and fire	302,104	-	-	-	302,104
Street repair and maintenance	6,832	-	-	-	6,832
Leisure time activities	81,501	-	-	-	81,501
Public health and welfare	100	-	-	-	100
Community & economic development	<u>62,489</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>62,489</u>
Total assigned	<u>5,782,193</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>5,782,193</u>
Unassigned (deficit)	<u>6,610,448</u>	<u>-</u>	<u>-</u>	<u>(117,989)</u>	<u>6,492,459</u>
Total fund balances	<u>\$ 12,977,315</u>	<u>\$ 842,634</u>	<u>\$ 8,310,542</u>	<u>\$ 6,741,751</u>	<u>\$ 28,872,242</u>

CITY OF STOW, OHIO

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

NOTE 24 - STOW COMMUNITY IMPROVEMENT CORPORATION

The Stow Community Improvement Corporation (“CIC”) was formed pursuant to Ohio Revised Code Section 1724. The Articles of Incorporation were approved on November 8, 1985. The CIC was designated as a not-for-profit agency of the City for advancing, encouraging and promoting the industrial, economic, commercial, and civic development of Stow and the territory surrounding Stow.

The CIC operates independently, but City Council approves the CIC’s annual budget. The CIC has the authority to expend its funds as it determines within the approved budget. The City is the primary source of funding for the CIC (in most years, the City provides the CIC’s entire funding allocation). If the CIC developed its own funding sources, its independence would increase. No debt would be issued by the CIC without the concurrence of the City. The CIC has no taxing authority. The City does not appoint a majority of the Board of Trustees and the CIC does not provide services entirely or almost entirely to the City. The CIC is presented as a discrete component unit of the City. The CIC does not include any other units in its presentation.

Summary of Significant Accounting Policies

The basic financial statements (BFS) of the CIC have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles.

The CIC’s significant accounting policies are described below.

A. Basis of Accounting

The financial statements of the CIC are prepared using the accrual basis of accounting.

B. Federal Income Tax

The Stow Community Improvement Corporation is exempt from federal income tax under Section 501 (c) (3) of the Internal Revenue Code.

C. Cash

All monies received by the CIC are deposited in a demand deposit account.

D. Net position

Net position represents the difference between assets and liabilities.

E. Estimates

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

Related Party Transactions and Economic Dependence

The CIC did not receive any contributions from the City of Stow to support operations of the CIC for fiscal year 2021.

CITY OF STOW, OHIO

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

NOTE 24 - STOW COMMUNITY IMPROVEMENT CORPORATION - (Continued)

COVID-19

The United States and the State of Ohio declared a state of emergency in March of 2020 due to the COVID-19 pandemic. The financial impact of COVID-19 and the continuing emergency measures will impact subsequent periods of the CIC. The CIC's investment portfolio and the pension and other employee benefits plan in which the CIC participate 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. In addition, the impact on the CIC's future operating costs, revenues, and additional recovery from emergency funding, either federal or state, cannot be estimated.

NOTE 25 - COVID-19

The United States and the State of Ohio declared a state of emergency in March of 2020 due to the COVID-19 pandemic. Ohio's state of emergency ended in June, 2021 while the national state of emergency continues. During 2021, the City received COVID-19 funding from the American Rescue Plan Act. 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.

NOTE 26 - SIGNIFICANT SUBSEQUENT EVENTS

The \$900,000 municipal courthouse construction note and the \$2,000,000 golf course real estate acquisition notes issued during 2021 were retired. Additionally, \$500,000 of the municipal courthouse notes and \$1,600,000 of the golf course real estate acquisition notes were refinanced via \$2,100,000 in various purpose notes issued on April 22, 2022 at an interest rate of 1.60%. The 2022 note issuance will mature on April 22, 2023.

On March 24, 2022, Envirosience Inc. entered into a promissory note with the City for \$2,046,000 to purchase the Parks and Urban Forestry facility the company was previously leasing from the City. The promissory note bears no interest and has a final maturity of December 31, 2043.

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REQUIRED SUPPLEMENTARY INFORMATION

CITY OF STOW, 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	0.068779%	0.070647%	0.070831%	0.072159%
City's proportionate share of the net pension liability	\$ 10,184,671	\$ 13,963,859	\$ 19,399,175	\$ 11,320,349
City's covered payroll	\$ 9,771,786	\$ 9,974,121	\$ 9,595,021	\$ 9,547,523
City's proportionate share of the net pension liability as a percentage of its covered payroll	104.23%	140.00%	202.18%	118.57%
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	0.043060%	0.040871%	0.041745%	0.048334%
City's proportionate share of the net pension asset	\$ 124,300	\$ 85,227	\$ 46,680	\$ 65,797
City's covered payroll	\$ 189,764	\$ 181,943	\$ 178,543	\$ 197,954
City's proportionate share of the net pension asset as a percentage of its covered payroll	65.50%	46.84%	26.14%	33.24%
Plan fiduciary net position as a percentage of the total pension asset	157.67%	145.28%	126.64%	137.28%
<i>Member Directed Plan:</i>				
City's proportion of the net pension asset	0.016675%	0.018133%	0.014167%	0.021824%
City's proportionate share of the net pension asset	\$ 3,040	\$ 685	\$ 323	\$ 762
City's covered payroll	\$ 100,150	\$ 107,790	\$ 80,990	\$ 117,920
City's proportionate share of the net pension asset as a percentage of its covered payroll	3.04%	0.64%	0.40%	0.65%
Plan fiduciary net position as a percentage of the total pension asset	188.21%	118.84%	113.42%	124.46%

Note: Information prior to 2014 was not available for the Traditional and Combined Plan and information prior to 2016 was not available for the Member Directed Plan. The schedule is intended to show information for 10 years. Additional years will be displayed as they become available.

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

SEE ACCOMPANYING NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION

2017	2016	2015	2014
0.070631%	0.069249%	0.071445%	0.071445%
\$ 16,039,100	\$ 11,994,799	\$ 8,617,065	\$ 8,422,435
\$ 8,862,917	\$ 8,852,583	\$ 8,765,517	\$ 8,455,338
180.97%	135.49%	98.31%	99.61%
77.25%	81.08%	86.45%	86.36%
0.047862%	0.065050%	0.076689%	0.076689%
\$ 26,640	\$ 31,655	\$ 29,527	\$ 8,047
\$ 186,308	\$ 266,867	\$ 280,325	\$ 317,638
14.30%	11.86%	10.53%	2.53%
116.55%	116.90%	114.83%	104.56%
0.026558%	0.025389%		
\$ 111	\$ 97		
\$ 174,147	\$ 178,611		
0.06%	0.05%		
103.40%	103.91%		

CITY OF STOW, 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	0.329732%	0.328300%	0.333438%	0.347065%
City's proportionate share of the net pension liability	\$ 22,478,140	\$ 22,116,028	\$ 27,217,351	\$ 21,300,965
City's covered payroll	\$ 7,963,336	\$ 7,712,415	\$ 7,454,308	\$ 7,467,841
City's proportionate share of the net pension liability as a percentage of its covered payroll	282.27%	286.76%	365.12%	285.24%
Plan fiduciary net position as a percentage of the total pension liability	70.65%	69.89%	63.07%	70.91%

Note: Information prior to 2014 was not unavailable. The schedule is intended to show information for 10 years. Additional years will be displayed as they become available.

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

SEE ACCOMPANYING NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION

2017	2016	2015	2014
0.330100%	0.382183%	0.381624%	0.381624%
\$ 20,908,225	\$ 24,586,105	\$ 19,769,710	\$ 18,586,281
\$ 6,770,775	\$ 7,583,119	\$ 7,136,534	\$ 6,621,189
308.80%	324.22%	277.02%	280.71%
68.36%	66.77%	72.20%	73.00%

CITY OF STOW, 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	\$ 1,390,075	\$ 1,368,050	\$ 1,396,377	\$ 1,343,303
Contributions in relation to the contractually required contribution	<u>(1,390,075)</u>	<u>(1,368,050)</u>	<u>(1,396,377)</u>	<u>(1,343,303)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
City's covered payroll	\$ 9,929,107	\$ 9,771,786	\$ 9,974,121	\$ 9,595,021
Contributions as a percentage of covered payroll	14.00%	14.00%	14.00%	14.00%
<i>Combined Plan:</i>				
Contractually required contribution	\$ 28,259	\$ 26,567	\$ 25,472	\$ 24,996
Contributions in relation to the contractually required contribution	<u>(28,259)</u>	<u>(26,567)</u>	<u>(25,472)</u>	<u>(24,996)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
City's covered payroll	\$ 201,850	\$ 189,764	\$ 181,943	\$ 178,543
Contributions as a percentage of covered payroll	14.00%	14.00%	14.00%	14.00%
<i>Member Directed Plan:</i>				
Contractually required contribution	\$ 15,434	\$ 10,015	\$ 10,779	\$ 8,099
Contributions in relation to the contractually required contribution	<u>(15,434)</u>	<u>(10,015)</u>	<u>(10,779)</u>	<u>(8,099)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
City's covered payroll	\$ 154,340	\$ 100,150	\$ 107,790	\$ 80,990
Contributions as a percentage of covered payroll	10.00%	10.00%	10.00%	10.00%

Note: Information prior to 2015 for the City's Member Directed Plan was unavailable. The schedule is intended to show information for 10 years. Additional years will be displayed as they become available.

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>
\$ 1,241,178	\$ 1,063,550	\$ 1,062,310	\$ 1,051,862	\$ 1,099,194	\$ 840,192
<u>(1,241,178)</u>	<u>(1,063,550)</u>	<u>(1,062,310)</u>	<u>(1,051,862)</u>	<u>(1,099,194)</u>	<u>(840,192)</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
\$ 9,547,523	\$ 8,862,917	\$ 8,852,583	\$ 8,765,517	\$ 8,455,338	\$ 8,401,920
13.00%	12.00%	12.00%	12.00%	13.00%	10.00%
\$ 25,734	\$ 22,357	\$ 32,024	\$ 33,639	\$ 41,293	\$ 24,226
<u>(25,734)</u>	<u>(22,357)</u>	<u>(32,024)</u>	<u>(33,639)</u>	<u>(41,293)</u>	<u>(24,226)</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
\$ 197,954	\$ 186,308	\$ 266,867	\$ 280,325	\$ 317,638	\$ 304,730
13.00%	12.00%	12.00%	12.00%	13.00%	7.95%
\$ 11,792	\$ 16,544	\$ 16,968			
<u>(11,792)</u>	<u>(16,544)</u>	<u>(16,968)</u>			
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>			
\$ 117,920	\$ 174,147	\$ 178,611			
10.00%	9.50%	9.50%			

CITY OF STOW, 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	\$ 682,469	\$ 671,646	\$ 653,581	\$ 638,448
Contributions in relation to the contractually required contribution	<u>(682,469)</u>	<u>(671,646)</u>	<u>(653,581)</u>	<u>(638,448)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
City's covered payroll	\$ 3,591,942	\$ 3,534,979	\$ 3,439,900	\$ 3,360,253
Contributions as a percentage of covered payroll	19.00%	19.00%	19.00%	19.00%
 <i>Fire:</i>				
Contractually required contribution	\$ 1,082,380	\$ 1,040,664	\$ 1,004,041	\$ 962,103
Contributions in relation to the contractually required contribution	<u>(1,082,380)</u>	<u>(1,040,664)</u>	<u>(1,004,041)</u>	<u>(962,103)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
City's covered payroll	\$ 4,605,872	\$ 4,428,357	\$ 4,272,515	\$ 4,094,055
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>
\$ 626,944	\$ 565,437	\$ 627,507	\$ 601,854	\$ 458,153	\$ 358,771
<u>(626,944)</u>	<u>(565,437)</u>	<u>(627,507)</u>	<u>(601,854)</u>	<u>(458,153)</u>	<u>(358,771)</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
\$ 3,299,705	\$ 2,975,984	\$ 3,302,668	\$ 3,167,653	\$ 2,884,489	\$ 2,813,890
19.00%	19.00%	19.00%	19.00%	15.88%	12.75%
\$ 979,512	\$ 891,776	\$ 1,005,906	\$ 932,687	\$ 761,664	\$ 643,400
<u>(979,512)</u>	<u>(891,776)</u>	<u>(1,005,906)</u>	<u>(932,687)</u>	<u>(761,664)</u>	<u>(643,400)</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
\$ 4,168,136	\$ 3,794,791	\$ 4,280,451	\$ 3,968,881	\$ 3,736,700	\$ 3,729,855
23.50%	23.50%	23.50%	23.50%	20.38%	17.25%

CITY OF STOW, 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	0.065971%	0.067711%	0.067747%	0.069560%
City's proportionate share of the net OPEB liability/(asset)	\$ (1,175,326)	\$ 9,352,648	\$ 8,832,609	\$ 7,553,704
City's covered payroll	\$ 10,061,700	\$ 10,263,854	\$ 9,854,554	\$ 9,863,397
City's proportionate share of the net OPEB liability/asset as a percentage of its covered payroll	11.68%	91.12%	89.63%	76.58%
Plan fiduciary net position as a percentage of the total OPEB liability/asset	115.57%	47.80%	46.33%	54.14%

Note: Information prior to 2017 was unavailable. The schedule is intended to show information for 10 years. Additional years will be displayed as they become available.

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

SEE ACCOMPANYING NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION

2017

0.068173%

\$ 6,885,679

\$ 9,223,372

74.65%

54.05%

CITY OF STOW, 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	0.329732%	0.328300%	0.333438%	0.347065%
City's proportionate share of the net OPEB liability	\$ 3,493,567	\$ 3,242,857	\$ 3,036,464	\$ 19,664,240
City's covered payroll	\$ 7,963,336	\$ 7,712,415	\$ 7,454,308	\$ 7,467,841
City's proportionate share of the net OPEB liability as a percentage of its covered payroll	43.87%	42.05%	40.73%	263.32%
Plan fiduciary net position as a percentage of the total OPEB liability	45.42%	47.08%	46.57%	14.13%

Note: Information prior to 2017 was unavailable. The schedule is intended to show information for 10 years. Additional years will be displayed as they become available.

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

SEE ACCOMPANYING NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION

2017

0.330100%

\$ 15,669,105

\$ 6,770,775

231.42%

15.96%

CITY OF STOW, 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	\$ 6,174	\$ 4,006	\$ 4,312	\$ 3,239
Contributions in relation to the contractually required contribution	<u>(6,174)</u>	<u>(4,006)</u>	<u>(4,312)</u>	<u>(3,239)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
City's covered payroll	\$ 10,285,297	\$ 10,061,700	\$ 10,263,854	\$ 9,854,554
Contributions as a percentage of covered payroll	0.06%	0.04%	0.04%	0.03%

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>
\$ 102,171	\$ 183,741	\$ 182,389	\$ 180,507	\$ 87,730	\$ 354,513
<u>(102,171)</u>	<u>(183,741)</u>	<u>(182,389)</u>	<u>(180,507)</u>	<u>(87,730)</u>	<u>(354,513)</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
\$ 9,863,397	\$ 9,223,372	\$ 9,298,061	\$ 9,045,842	\$ 8,772,976	\$ 8,706,650
1.04%	1.99%	1.96%	2.00%	1.00%	4.07%

CITY OF STOW, 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	\$ 17,960	\$ 17,675	\$ 17,199	\$ 16,801
Contributions in relation to the contractually required contribution	<u>(17,960)</u>	<u>(17,675)</u>	<u>(17,199)</u>	<u>(16,801)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
City's covered payroll	\$ 3,591,942	\$ 3,534,979	\$ 3,439,900	\$ 3,360,253
Contributions as a percentage of covered payroll	0.50%	0.50%	0.50%	0.50%
 <i>Fire:</i>				
Contractually required contribution	\$ 23,029	\$ 22,142	\$ 21,363	\$ 20,470
Contributions in relation to the contractually required contribution	<u>(23,029)</u>	<u>(22,142)</u>	<u>(21,363)</u>	<u>(20,470)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
City's covered payroll	\$ 4,605,872	\$ 4,428,357	\$ 4,272,515	\$ 4,094,055
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>
\$ 16,499	\$ 14,880	\$ 16,960	\$ 14,570	\$ 105,132	\$ 189,938
<u>(16,499)</u>	<u>(14,880)</u>	<u>(16,960)</u>	<u>(14,570)</u>	<u>(105,132)</u>	<u>(189,938)</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
\$ 3,299,705	\$ 2,975,984	\$ 3,302,668	\$ 3,167,653	\$ 2,884,489	\$ 2,813,890
0.50%	0.50%	0.50%	0.46%	3.64%	6.75%
\$ 20,841	\$ 18,974	\$ 21,402	\$ 18,115	\$ 136,413	\$ 251,765
<u>(20,841)</u>	<u>(18,974)</u>	<u>(21,402)</u>	<u>(18,115)</u>	<u>(136,413)</u>	<u>(251,765)</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
\$ 4,168,136	\$ 3,794,791	\$ 4,280,451	\$ 3,968,881	\$ 3,736,700	\$ 3,729,855
0.50%	0.50%	0.50%	0.46%	3.65%	6.75%

CITY OF STOW, OHIO

NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION
FOR THE YEAR ENDED DECEMBER 31, 2021

PENSION

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 STOW, OHIO

NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION (CONTINUED)
FOR THE YEAR ENDED DECEMBER 31, 2021

OTHER POSTEMPLOYMENT BENEFITS (OPEB)

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% 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% down to 3.16%, (b) the municipal bond rate was decreased from 3.71% down 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% down to 2.00% and (c) the health care cost trend rate was decreased from 10.50%, 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% down 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%.

COMBINING STATEMENTS
AND INDIVIDUAL FUND SCHEDULES

CITY OF STOW, 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.

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 or committed for specified expenditure purposes. The following are the special revenue funds which the City operates:

Major Special Revenue Fund

EMS/Fire Tax Levy Fund

This fund accounts for proceeds of levy money that is legally restricted to expenditures to provide EMS and fire protection services.

ARPA 2021 Fund

The ARPA 2021 fund is a special revenue fund that accounts for monies received from the federal government as part of the American Rescue Plan Act (ARPA) of 2021. This Act provides additional relief to address the continued impact of the COVID-19 pandemic.

Nonmajor Special Revenue Funds

Street Construction Fund

This fund accounts for the portion of state gasoline tax and motor vehicle registration fees designated for the maintenance of the streets within the City.

State Highway Improvement Fund

This fund accounts for the portion of the state gasoline tax and motor vehicle registration fees designated for maintenance of state highways within the City.

Police Pension and Disability Fund

This fund accounts for property taxes levied and other monies for the payment of the accrued liability for police disability and pension benefits.

Fire Pension and Disability Fund

This fund accounts for property taxes levied and other monies for the payment of the accrued liability for fire disability and pension benefits.

Motor Vehicle License Tax Fund

This fund accounts for the additional motor vehicle registration fees designated for maintenance and repair of streets within the City.

ODNR Litter Prevention Grant Fund

This fund accounts for grants received from the Ohio Department of Natural Resources and Summit County for the City's litter prevention program.

EMS Transport Fees Fund

This fund accounts for EMS transport fees collected and to disburse collections in accordance with City policy.

Police Enforcement and Education Fund

This fund accounts for proceeds of fines imposed by the Municipal Court for alcohol related offenses involving the operation of a motor vehicle. Fines collected are used for law enforcement and educating the public of the dangers of operating a motor vehicle while under the influence of alcohol.

CITY OF STOW, OHIO

*INDIVIDUAL FUND SCHEDULES
FUND DESCRIPTIONS - GOVERNMENTAL FUNDS*

Nonmajor Special Revenue Funds (Continued)

Special Assessment Improvements Fund

This fund accounts for the collected taxes levied by special assessment where specified improvements were levied to specific taxpayers and expenditures to pay the related applicable debt payments and the costs associated with collection and payment.

Tree Trust Fund

This fund accounts for donations or restitutions for damages for planting and relocation of trees and other greenery within the City.

Communications Tower Fund

This fund accounts for monies received from carriers using the GTE MobilNet Communication Tower. Monies are used for park improvements.

Cemetery Trust Fund

This fund accounts for sale of graves, opening and closing of same, sale of monuments, tombs or vaults, burying ashes and disinterment.

Park Improvements Fund

This fund accounts for contributions from residents, civic groups, industries or other gratuitous donors for improvements of City parks.

Other Nonmajor Special Revenue Funds

Federal Law Enforcement Forfeited Fees	Court Special Projects
Community Events	Probation Services
Safety Town	Indigent Drivers
D.A.R.E. Program	Court Technology
Fire Department Emergency Equipment	Court Clerk Technology
Police Department Emergency Equipment	IDIA Monitoring
Parks Lodge Improvements	9-11 & 1st Responder Memorial
Community Relations	Police Forfeited Cash
SS Ballfield Complex	Police Drug Forfeited Cash
City Lodging Tax	Fire Bond Insurance
Enhanced 911 Wireless	Community Development
Police Officer Training	Local Coronavirus Relief
Youth Division Teen Center	Summit County COVID-19
FEMA	

The following funds are included in the general fund (GAAP-basis), but have a separate legally adopted budget (budget basis). These funds are not included in the combining statements for the nonmajor special revenue funds since they are reported in the general fund (GAAP-basis); however, the budgetary schedule for these funds are presented in this section.

Residential Snow Removal Fund

This fund accounts for transfers from the general fund to provide for residential snow removal within the City.

Park and Recreation Deposits Fund

To account for the receipt and subsequent refund of Parks and Recreation deposit monies for rentals to cover extraordinary events or damages.

Road Construction Bonds Fund

To account for deposits from contractors, held by the City to ensure compliance with the contract.

Allotment Deposit Engineer Fund

To account for deposits from subdivision developers for engineering oversight.

CITY OF STOW, OHIO

*INDIVIDUAL FUND SCHEDULES
FUND DESCRIPTIONS - GOVERNMENTAL FUNDS*

Miscellaneous Service Deposits Fund

To account for various service department non-recurring deposits.

Other General (GAAP-basis) Funds

Payroll Rotary
Flexible Spending Plan

Unclaimed Court Bonds
Unclaimed Money

NONMAJOR DEBT SERVICE FUND

General Obligation Bond Retirement Fund

This fund accounts for the resources that are used for the payment of principal, interest, and other fiscal charges on general obligation debt.

MAJOR CAPITAL PROJECTS FUND

The capital project funds are used to account for the acquisition and construction of major capital facilities other than those financed by proprietary fund types. Following is a description of the City's capital projects fund:

General Capital Improvements Fund

This fund accounts for the portion of municipal income tax designated by Council for the purpose of improving, constructing, maintaining, and purchasing the capital items necessary to enhance the operation of the City.

CITY OF STOW, 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*

	<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>
Revenues:				
Property and other taxes	\$ 5,846,023	\$ 5,833,053	\$ 5,849,009	\$ 15,956
Income taxes	14,314,870	14,314,870	12,831,438	(1,483,432)
Special assessments	4,207	4,207	4,268	61
Charges for services	687,387	687,387	388,970	(298,417)
Licenses and permits.	2,118,219	2,118,219	976,485	(1,141,734)
Fines and forfeitures.	4,500,730	4,500,730	2,240,896	(2,259,834)
Intergovernmental	3,159,391	3,349,394	2,595,971	(753,423)
Investment income	277,251	277,251	108,813	(168,438)
Rental	508,085	508,085	246,625	(261,460)
Contributions and donations.	30,817	30,817	10,975	(19,842)
Other	663,878	663,878	194,014	(469,864)
Total revenues	<u>32,110,858</u>	<u>32,287,891</u>	<u>25,447,464</u>	<u>(6,840,427)</u>
Expenditures:				
Current:				
General government				
City Council				
Personal services	215,315	215,315	215,315	-
Other	22,255	22,255	16,718	5,537
Mayor's Office				
Personal services	255,745	255,745	255,745	-
Other	48,034	48,034	47,929	105
Finance Department				
Personal services	501,722	501,722	500,582	1,140
Other	80,395	80,395	79,351	1,044
Law Department				
Personal services	499,800	499,800	499,797	3
Other	92,980	92,980	88,365	4,615
Civil Service Commission				
Other	2,250	2,250	2,242	8
Computer Services				
Personal services	296,339	296,339	295,350	989
Other	198,258	198,258	116,390	81,868
Service-Administration				
Personal services	291,005	291,005	290,801	204
Other	14,163	14,163	11,904	2,259
Service-Engineer				
Personal services	333,673	333,673	333,656	17
Other	102,289	102,289	93,689	8,600
Service-City Hall				
Personal services	575,870	575,870	574,761	1,109
Other	428,108	428,108	352,882	75,226
Service-Office				
Personal services	200,428	200,428	200,373	55
Other	34,418	34,418	19,831	14,587
Income Tax				
Personal services	341,107	341,107	340,350	757
Other	1,013,858	1,013,858	1,007,830	6,028
Human Resources				
Personal services	31,845	31,845	31,819	26
Other	45,301	45,301	45,296	5

--Continued

CITY OF STOW, 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>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Public Defender - Subsidy				
Other	\$ 4,425	\$ 4,425	\$ 4,420	\$ 5
SC Emergency Management - Subsidy				
Other	19,200	19,200	19,160	40
Municipal Court - Judges				
Personal services	1,332,335	1,557,335	1,426,600	130,735
Other	167,554	167,554	128,936	38,618
Clerk of Courts				
Personal services	891,878	1,091,878	1,051,695	40,183
Other	215,895	215,895	168,522	47,373
County and State Fees				
Other	189,765	189,765	189,468	297
Miscellaneous				
Other	5,655,214	5,230,214	730,509	4,499,705
Total general government.	<u>14,101,424</u>	<u>14,101,424</u>	<u>9,140,286</u>	<u>4,961,138</u>
Security of persons and property				
Police				
Personal services	5,400,173	5,400,173	5,399,697	476
Other	1,054,425	1,054,425	911,192	143,233
Fire				
Personal services	4,033,319	4,094,319	4,093,677	642
Other	795,306	795,306	727,856	67,450
Police/Fire Communications				
Personal services	1,168,611	1,168,611	1,007,639	160,972
Other	135,839	135,839	47,548	88,291
Public Safety Service				
Other	120,850	120,850	116,380	4,470
Total security of persons and property.	<u>12,708,523</u>	<u>12,769,523</u>	<u>12,303,989</u>	<u>465,534</u>
Public health				
Service - Cemetery				
Personal services	106,839	106,839	106,388	451
Other	33,844	33,844	33,400	444
County Health - Subsidy				
Other	278,505	278,505	278,504	1
Total public health.	<u>419,188</u>	<u>419,188</u>	<u>418,292</u>	<u>896</u>
Leisure time activities				
Parks and Recreation - Administration				
Personal services	137,763	137,763	132,891	4,872
Other	40,123	40,123	39,989	134
Parks and Recreation - Recreation				
Personal services	506,435	506,435	496,087	10,348
Other	248,428	248,428	237,067	11,361
Parks and Recreation - Facility				
Other	10,423	10,423	8,714	1,709

--Continued

CITY OF STOW, 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>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Parks and Recreation - Service				
Personal services	\$ 480,398	\$ 480,398	\$ 480,388	\$ 10
Other	448,274	448,274	383,647	64,627
Total leisure time activities	<u>1,871,844</u>	<u>1,871,844</u>	<u>1,778,783</u>	<u>93,061</u>
Community and economic environment				
Planning and Development				
Personal services	322,655	322,655	322,395	260
Other	90,388	90,388	82,011	8,377
Service - Tree Program				
Personal services	368,799	368,799	368,581	218
Other	144,783	144,783	122,225	22,558
Service - Building Inspection				
Personal services	413,061	413,061	397,469	15,592
Other	75,883	75,883	74,108	1,775
Total community and economic development	<u>1,415,569</u>	<u>1,415,569</u>	<u>1,366,789</u>	<u>48,780</u>
Transportation				
Street Repair				
Personal services	10,497	10,497	9,840	657
Other	28,552	28,552	23,835	4,717
AMATS - Subsidy				
Other	6,999	6,999	6,911	88
Total transportation	<u>46,048</u>	<u>46,048</u>	<u>40,586</u>	<u>5,462</u>
Total expenditures	<u>30,562,596</u>	<u>30,623,596</u>	<u>25,048,725</u>	<u>5,574,871</u>
Excess of revenues over expenditures	<u>1,548,262</u>	<u>1,664,295</u>	<u>398,739</u>	<u>(1,265,556)</u>
Other financing sources (uses):				
Transfers in	1,578,315	1,578,315	606,931	(971,384)
Transfers (out)	(1,012,533)	(1,012,533)	(904,732)	107,801
Total other financing sources (uses)	<u>565,782</u>	<u>565,782</u>	<u>(297,801)</u>	<u>(863,583)</u>
Net change in fund balance	2,114,044	2,230,077	100,938	(2,129,139)
Unencumbered fund balance at beginning of year	9,507,590	9,507,590	9,507,590	-
Prior year encumbrances appropriated	<u>1,015,372</u>	<u>1,015,372</u>	<u>1,015,372</u>	<u>-</u>
Unencumbered fund balance at end of year	<u>\$ 12,637,006</u>	<u>\$ 12,753,039</u>	<u>\$ 10,623,900</u>	<u>\$ (2,129,139)</u>

CITY OF STOW, OHIO

*SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
EMS/FIRE TAX LEVY FUND
FOR THE YEAR ENDED DECEMBER 31, 2021*

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>		
Revenues:				
Property and other local taxes	\$ 2,293,385	\$ 2,288,297	\$ 2,038,291	\$ (250,006)
Intergovernmental.	505,522	505,522	432,372	(73,150)
Other	668,915	668,915	-	(668,915)
Total revenues.	<u>3,467,822</u>	<u>3,462,734</u>	<u>2,470,663</u>	<u>(992,071)</u>
Expenditures:				
Current:				
Security of persons and property				
Personal services	1,975,511	2,014,511	2,014,406	105
Other	523,412	523,412	57,387	466,025
Capital outlay				
Other	427,932	427,932	293,722	134,210
Total expenditures.	<u>2,926,855</u>	<u>2,965,855</u>	<u>2,365,515</u>	<u>600,340</u>
Net change in fund balance	540,967	496,879	105,148	(391,731)
Unencumbered fund balance at beginning of year.	649,594	649,594	649,594	-
Prior year encumbrances appropriated. . .	<u>8,806</u>	<u>8,806</u>	<u>8,806</u>	<u>-</u>
Unencumbered fund balance at end of year . . .	<u>\$ 1,199,367</u>	<u>\$ 1,155,279</u>	<u>\$ 763,548</u>	<u>\$ (391,731)</u>

CITY OF STOW, OHIO

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

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Intergovernmental	\$ -	\$ 1,900,000	\$ 1,821,883	\$ (78,117)
Total revenues.	-	1,900,000	1,821,883	(78,117)
Net change in fund balance.	-	1,900,000	1,821,883	(78,117)
Unencumbered fund balance at beginning of year.	-	-	-	-
Unencumbered fund balance at end of year.	<u>\$ -</u>	<u>\$ 1,900,000</u>	<u>\$ 1,821,883</u>	<u>\$ (78,117)</u>

CITY OF STOW, OHIO

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

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues:				
Income taxes	\$ 4,034,185	\$ 4,034,185	\$ 5,705,984	\$ 1,671,799
Intergovernmental.	14,056,250	14,056,250	435,226	(13,621,024)
Rental	-	-	119,000	119,000
Contributions and donations	300,000	300,000	93,125	(206,875)
Other	17,403,750	17,403,750	113,330	(17,290,420)
Total revenues	<u>35,794,185</u>	<u>35,794,185</u>	<u>6,466,665</u>	<u>(29,327,520)</u>
Expenditures:				
Capital outlay				
Other	12,520,317	12,520,317	6,036,208	6,484,109
Debt service:				
Principal retirement.	1,500,000	1,500,000	1,495,000	5,000
Interest and fiscal charges.	65,000	65,000	63,277	1,723
Total expenditures	<u>14,085,317</u>	<u>14,085,317</u>	<u>7,594,485</u>	<u>6,490,832</u>
Excess of expenditures over (under) revenues.	<u>21,708,868</u>	<u>21,708,868</u>	<u>(1,127,820)</u>	<u>(22,836,688)</u>
Other financing sources (uses):				
Sale of notes	1,000,000	1,000,000	900,000	(100,000)
Transfers in.	4,700,000	4,700,000	-	(4,700,000)
Total other financing sources (uses)	<u>5,700,000</u>	<u>5,700,000</u>	<u>900,000</u>	<u>(4,800,000)</u>
Net change in fund balance.	27,408,868	27,408,868	(227,820)	(27,636,688)
Unencumbered fund balance at beginning of year.	5,393,940	5,393,940	5,393,940	-
Prior year encumbrances appropriated	<u>1,438,568</u>	<u>1,438,568</u>	<u>1,438,568</u>	<u>-</u>
Unencumbered fund balance at end of year.	<u>\$ 34,241,376</u>	<u>\$ 34,241,376</u>	<u>\$ 6,604,688</u>	<u>\$ (27,636,688)</u>

CITY OF STOW, OHIO

*BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
DECEMBER 31, 2021*

	Nonmajor Special Revenue Funds	Nonmajor Debt Service Fund	Total Nonmajor Governmental Funds
	<u> </u>	<u> </u>	<u> </u>
Assets:			
Equity in pooled cash and cash equivalents	\$ 5,735,782	\$ -	\$ 5,735,782
Cash in segregated accounts	67,368	-	67,368
Receivables:			
Property taxes	628,820	-	628,820
Income taxes	229,151	65,255	294,406
Accounts	139,622	-	139,622
Intergovernmental	1,035,756	-	1,035,756
Accrued interest	19	-	19
Materials and supplies inventory	493,715	-	493,715
Prepayments	15,028	-	15,028
Total assets	<u>\$ 8,345,261</u>	<u>\$ 65,255</u>	<u>\$ 8,410,516</u>
Liabilities:			
Accounts payable	\$ 158,802	\$ -	\$ 158,802
Contracts payable	33,475	-	33,475
Accrued wages and benefits payable	5,017	-	5,017
Intergovernmental payable	123,821	-	123,821
Total liabilities	<u>321,115</u>	<u>-</u>	<u>321,115</u>
Deferred inflows of resources:			
Property taxes levied for the next fiscal year	531,746	-	531,746
Delinquent property tax revenue not available	14,060	-	14,060
Income tax revenue not available	89,645	25,528	115,173
Intergovernmental nonexchange transactions	686,671	-	686,671
Total deferred inflows of resources	<u>1,322,122</u>	<u>25,528</u>	<u>1,347,650</u>
Fund balances:			
Nonspendable	508,743	-	508,743
Restricted	4,310,955	-	4,310,955
Committed	2,000,315	39,727	2,040,042
Unassigned (deficit)	(117,989)	-	(117,989)
Total fund balances	<u>6,702,024</u>	<u>39,727</u>	<u>6,741,751</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 8,345,261</u>	<u>\$ 65,255</u>	<u>\$ 8,410,516</u>

CITY OF STOW, OHIO

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

	Nonmajor Special Revenue Funds	Nonmajor Debt Service Fund	Total Nonmajor Governmental Funds
Revenues:			
Property and other local taxes	\$ 992,552	\$ -	\$ 992,552
Income taxes	1,279,615	364,603	1,644,218
Special assessments	38,602	-	38,602
Charges for services	842,129	-	842,129
Licenses and permits	4,050	-	4,050
Fines and forfeitures	1,006,713	-	1,006,713
Intergovernmental	2,386,060	-	2,386,060
Investment income	34,794	-	34,794
Rent	84,561	-	84,561
Contributions and donations	14,637	-	14,637
Other	180,631	-	180,631
	<hr/>	<hr/>	<hr/>
Total revenues	6,864,344	364,603	7,228,947
	<hr/>	<hr/>	<hr/>
Expenditures:			
Current:			
General government	356,022	-	356,022
Security of persons and property	2,354,505	-	2,354,505
Public health	64,494	-	64,494
Leisure time activities	231,742	-	231,742
Community and economic development	67,690	-	67,690
Transportation	2,692,168	-	2,692,168
Capital outlay	537,721	-	537,721
Debt service:			
Principal retirement	124,589	251,790	376,379
Interest and fiscal charges	44,211	111,291	155,502
	<hr/>	<hr/>	<hr/>
Total expenditures	6,473,142	363,081	6,836,223
	<hr/>	<hr/>	<hr/>
Excess of revenues over expenditures	391,202	1,522	392,724
	<hr/>	<hr/>	<hr/>
Other financing sources (uses):			
Transfers in	1,142,347	-	1,142,347
Transfers (out)	(844,546)	-	(844,546)
	<hr/>	<hr/>	<hr/>
Total other financing sources (uses)	297,801	-	297,801
	<hr/>	<hr/>	<hr/>
Net change in fund balances	689,003	1,522	690,525
	<hr/>	<hr/>	<hr/>
Fund balances at beginning of year	6,013,021	38,205	6,051,226
	<hr/>	<hr/>	<hr/>
Fund balances at end of year	\$ 6,702,024	\$ 39,727	\$ 6,741,751
	<hr/>	<hr/>	<hr/>

CITY OF STOW, OHIO

*COMBINING BALANCE SHEET
NONMAJOR SPECIAL REVENUE FUNDS
DECEMBER 31, 2021*

	<u>Street Construction</u>	<u>State Highway Improvement</u>	<u>Police Pension and Disability</u>	<u>Fire Pension and Disability</u>
Assets:				
Equity in pooled cash and cash equivalents	\$ 2,306,212	\$ 199,247	\$ -	\$ -
Cash in segregated accounts	-	-	-	-
Receivables:				
Property taxes	-	-	272,903	272,903
Income taxes	229,151	-	-	-
Accounts	10,000	-	-	-
Intergovernmental	918,616	74,482	16,750	16,750
Accrued interest	-	-	-	-
Materials and supplies inventory	493,715	-	-	-
Prepayments	14,894	6	-	-
Total assets	<u>\$ 3,972,588</u>	<u>\$ 273,735</u>	<u>\$ 289,653</u>	<u>\$ 289,653</u>
Liabilities:				
Accounts payable	\$ 102,983	\$ -	\$ -	\$ -
Contracts payable	33,475	-	-	-
Accrued wages and benefits payable	-	-	-	-
Intergovernmental payable	3,208	14	57,269	60,255
Total liabilities	<u>139,666</u>	<u>14</u>	<u>57,269</u>	<u>60,255</u>
Deferred inflows of resources:				
Property taxes levied for the next fiscal year	-	-	265,873	265,873
Delinquent property tax revenue not available	-	-	7,030	7,030
Income tax revenue not available	89,645	-	-	-
Intergovernmental nonexchange transactions	604,183	48,988	16,750	16,750
Total deferred inflows of resources	<u>693,828</u>	<u>48,988</u>	<u>289,653</u>	<u>289,653</u>
Fund balances:				
Nonspendable	508,609	6	-	-
Restricted	2,630,485	224,727	-	-
Committed	-	-	-	-
Unassigned (deficit)	-	-	(57,269)	(60,255)
Total fund balances (deficit)	<u>3,139,094</u>	<u>224,733</u>	<u>(57,269)</u>	<u>(60,255)</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 3,972,588</u>	<u>\$ 273,735</u>	<u>\$ 289,653</u>	<u>\$ 289,653</u>

Motor Vehicle License Tax	ODNR Litter Prevention Grant	EMS Transport Fees	Police Enforcement and Education	Special Assessment Improvements	Tree Trust
\$ 542,733	\$ 1,424	\$ 523,683	\$ 10,485	\$ 17,144	\$ 120,005
-	-	-	85	-	-
13,657	-	-	-	-	-
-	-	-	-	-	-
-	-	129,622	-	-	-
6,829	-	-	-	-	-
19	-	-	-	-	-
-	-	-	-	-	-
-	8	-	-	-	-
<u>\$ 563,238</u>	<u>\$ 1,432</u>	<u>\$ 653,305</u>	<u>\$ 10,570</u>	<u>\$ 17,144</u>	<u>\$ 120,005</u>
\$ -	\$ -	\$ 10,668	\$ -	\$ 3,522	\$ -
-	-	-	-	-	-
-	1,545	-	-	-	-
-	344	733	-	158	-
-	1,889	11,401	-	3,680	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	8	-	-	-	-
563,238	-	-	10,570	13,464	-
-	-	641,904	-	-	120,005
-	(465)	-	-	-	-
<u>563,238</u>	<u>(457)</u>	<u>641,904</u>	<u>10,570</u>	<u>13,464</u>	<u>120,005</u>
<u>\$ 563,238</u>	<u>\$ 1,432</u>	<u>\$ 653,305</u>	<u>\$ 10,570</u>	<u>\$ 17,144</u>	<u>\$ 120,005</u>

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CITY OF STOW, OHIO

*COMBINING BALANCE SHEET
NONMAJOR SPECIAL REVENUE FUNDS (CONTINUED)
DECEMBER 31, 2021*

	<u>Communications Tower</u>	<u>Cemetary Trust</u>	<u>Park Improvements</u>	<u>Federal Law Enforcement Forfeited Fees</u>
Assets:				
Equity in pooled cash and cash equivalents	\$ 155,400	\$ 15,122	\$ 18,616	\$ 30,297
Cash in segregated accounts	-	-	-	-
Receivables:				
Property taxes	-	-	-	-
Income taxes	-	-	-	-
Accounts	-	-	-	-
Intergovernmental	-	-	-	-
Accrued interest	-	-	-	-
Materials and supplies inventory	-	-	-	-
Prepayments	-	-	-	-
Total assets	<u>\$ 155,400</u>	<u>\$ 15,122</u>	<u>\$ 18,616</u>	<u>\$ 30,297</u>
Liabilities:				
Accounts payable	\$ 29,855	\$ 695	\$ -	\$ -
Contracts payable	-	-	-	-
Accrued wages and benefits payable	-	-	-	-
Intergovernmental payable	-	59	-	-
Total liabilities	<u>29,855</u>	<u>754</u>	<u>-</u>	<u>-</u>
Deferred inflows of resources:				
Property taxes levied for the next fiscal year	-	-	-	-
Delinquent property tax revenue not available	-	-	-	-
Income tax revenue not available	-	-	-	-
Intergovernmental nonexchange transactions	-	-	-	-
Total deferred inflows of resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balances:				
Nonspendable	-	-	-	-
Restricted	-	14,368	-	30,297
Committed	125,545	-	18,616	-
Unassigned (deficit)	-	-	-	-
Total fund balances (deficit)	<u>125,545</u>	<u>14,368</u>	<u>18,616</u>	<u>30,297</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 155,400</u>	<u>\$ 15,122</u>	<u>\$ 18,616</u>	<u>\$ 30,297</u>

<u>Community Events</u>	<u>Safety Town</u>	<u>D.A.R.E. Program</u>	<u>Fire Department Emergency Equipment</u>	<u>Police Department Emergency Equipment</u>	<u>Parks Lodge Improvements</u>
\$ 15,418	\$ 1,771	\$ 1,311	\$ 11,075	\$ 27,126	\$ 9,360
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	22	-	-	-
<u>\$ 15,418</u>	<u>\$ 1,771</u>	<u>\$ 1,333</u>	<u>\$ 11,075</u>	<u>\$ 27,126</u>	<u>\$ 9,360</u>
\$ 1,220	\$ -	\$ -	\$ -	\$ 297	\$ -
-	-	-	-	-	-
-	-	-	-	-	-
-	-	51	-	-	-
<u>1,220</u>	<u>-</u>	<u>51</u>	<u>-</u>	<u>297</u>	<u>-</u>
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	22	-	-	-
14,198	-	1,260	-	26,829	-
-	1,771	-	11,075	-	9,360
-	-	-	-	-	-
<u>14,198</u>	<u>1,771</u>	<u>1,282</u>	<u>11,075</u>	<u>26,829</u>	<u>9,360</u>
<u>\$ 15,418</u>	<u>\$ 1,771</u>	<u>\$ 1,333</u>	<u>\$ 11,075</u>	<u>\$ 27,126</u>	<u>\$ 9,360</u>

-- Continued

CITY OF STOW, OHIO

COMBINING BALANCE SHEET
 NONMAJOR SPECIAL REVENUE FUNDS (CONTINUED)
 DECEMBER 31, 2021

	<u>Community Relations</u>	<u>SS Ballfield Complex</u>	<u>City Lodging Tax</u>	<u>Enhanced 911 Wireless</u>
Assets:				
Equity in pooled cash and cash equivalents.	\$ 11,715	\$ 1,145	\$ 987,322	\$ 149,986
Cash in segregated accounts	-	-	-	-
Receivables:				
Property taxes.	-	-	69,357	-
Income taxes	-	-	-	-
Accounts	-	-	-	-
Intergovernmental.	-	-	-	-
Accrued interest	-	-	-	-
Materials and supplies inventory	-	-	-	-
Prepayments	-	-	-	-
Total assets	<u>\$ 11,715</u>	<u>\$ 1,145</u>	<u>\$ 1,056,679</u>	<u>\$ 149,986</u>
Liabilities:				
Accounts payable	\$ -	\$ -	\$ -	\$ -
Contracts payable	-	-	-	-
Accrued wages and benefits payable.	-	-	-	-
Intergovernmental payable	-	-	-	-
Total liabilities.	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Deferred inflows of resources:				
Property taxes levied for the next fiscal year	-	-	-	-
Delinquent property tax revenue not available	-	-	-	-
Income tax revenue not available.	-	-	-	-
Intergovernmental nonexchange transactions	-	-	-	-
Total deferred inflows of resources.	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balances:				
Nonspendable	-	-	-	-
Restricted.	-	-	-	149,986
Committed	11,715	1,145	1,056,679	-
Unassigned (deficit)	-	-	-	-
Total fund balances (deficit)	<u>11,715</u>	<u>1,145</u>	<u>1,056,679</u>	<u>149,986</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 11,715</u>	<u>\$ 1,145</u>	<u>\$ 1,056,679</u>	<u>\$ 149,986</u>

<u>Police Officer Training</u>	<u>Court Special Projects</u>	<u>Probation Services</u>	<u>Indigent Drivers</u>	<u>Court Technology</u>	<u>Court Clerk Technology</u>
\$ 249	\$ 426,323	\$ 10,434	\$ 10,277	\$ 39,566	\$ 50,640
-	41,624	12,791	1,578	3,102	7,110
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	598	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	49	49
<u>\$ 249</u>	<u>\$ 467,947</u>	<u>\$ 23,225</u>	<u>\$ 12,453</u>	<u>\$ 42,717</u>	<u>\$ 57,799</u>
\$ -	\$ -	\$ 7,619	\$ -	\$ 486	\$ 1,457
-	-	-	-	-	-
-	-	-	-	3,472	-
-	-	-	-	1,133	597
-	-	7,619	-	5,091	2,054
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	49	49
249	467,947	15,606	12,453	37,577	55,696
-	-	-	-	-	-
-	-	-	-	-	-
<u>249</u>	<u>467,947</u>	<u>15,606</u>	<u>12,453</u>	<u>37,626</u>	<u>55,745</u>
<u>\$ 249</u>	<u>\$ 467,947</u>	<u>\$ 23,225</u>	<u>\$ 12,453</u>	<u>\$ 42,717</u>	<u>\$ 57,799</u>

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CITY OF STOW, OHIO

COMBINING BALANCE SHEET
 NONMAJOR SPECIAL REVENUE FUNDS (CONTINUED)
 DECEMBER 31, 2021

	IDIA Monitoring	9-11 & 1st Responder Memorial	Police Forfeited Cash	Police Drug Forfeited Cash
Assets:				
Equity in pooled cash and cash equivalents	\$ -	\$ 2,500	\$ 929	\$ 6,827
Cash in segregated accounts	839	-	-	239
Receivables:				
Property taxes	-	-	-	-
Income taxes	-	-	-	-
Accounts	-	-	-	-
Intergovernmental	1,731	-	-	-
Accrued interest	-	-	-	-
Materials and supplies inventory	-	-	-	-
Prepayments	-	-	-	-
Total assets	<u>\$ 2,570</u>	<u>\$ 2,500</u>	<u>\$ 929</u>	<u>\$ 7,066</u>
Liabilities:				
Accounts payable	\$ -	\$ -	\$ -	\$ -
Contracts payable	-	-	-	-
Accrued wages and benefits payable	-	-	-	-
Intergovernmental payable	-	-	-	-
Total liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Deferred inflows of resources:				
Property taxes levied for the next fiscal year	-	-	-	-
Delinquent property tax revenue not available	-	-	-	-
Income tax revenue not available	-	-	-	-
Intergovernmental nonexchange transactions	-	-	-	-
Total deferred inflows of resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balances:				
Nonspendable	-	-	-	-
Restricted	2,570	-	929	7,066
Committed	-	2,500	-	-
Unassigned (deficit)	-	-	-	-
Total fund balances (deficit)	<u>2,570</u>	<u>2,500</u>	<u>929</u>	<u>7,066</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 2,570</u>	<u>\$ 2,500</u>	<u>\$ 929</u>	<u>\$ 7,066</u>

<u>Fire Bond Insurance</u>	<u>Total Nonmajor Special Revenue Funds</u>
\$ 31,440	\$ 5,735,782
-	67,368
-	628,820
-	229,151
-	139,622
-	1,035,756
-	19
-	493,715
-	15,028
<u>\$ 31,440</u>	<u>\$ 8,345,261</u>
\$ -	\$ 158,802
-	33,475
-	5,017
-	123,821
<u>-</u>	<u>321,115</u>
-	531,746
-	14,060
-	89,645
-	686,671
<u>-</u>	<u>1,322,122</u>
-	508,743
31,440	4,310,955
-	2,000,315
-	(117,989)
<u>31,440</u>	<u>6,702,024</u>
<u>\$ 31,440</u>	<u>\$ 8,345,261</u>

CITY OF STOW, OHIO

*COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
NONMAJOR SPECIAL REVENUE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2021*

	Street Construction	State Highway Improvement	Police Pension and Disability	Fire Pension and Disability
Revenues:				
Property and other local taxes	\$ -	\$ -	\$ 265,864	\$ 265,864
Income taxes	1,279,615	-	-	-
Special assessments	-	-	-	-
Charges for services	-	-	-	-
Licenses and permits	-	-	-	-
Fines and forfeitures	-	-	-	-
Intergovernmental	1,937,891	157,031	32,795	32,795
Investment income	22,626	1,633	-	-
Rent	-	-	-	-
Contributions and donations.	-	-	-	-
Other	37,678	1,462	-	-
Total revenues.	<u>3,277,810</u>	<u>160,126</u>	<u>298,659</u>	<u>298,659</u>
Expenditures:				
Current:				
General government	-	-	-	-
Security of persons and property.	-	-	706,816	759,246
Public health	-	-	-	-
Leisure time activities	-	-	-	-
Community and economic development	-	-	-	-
Transportation	2,609,271	82,897	-	-
Capital outlay.	198,679	-	-	-
Debt service:				
Principal retirement.	34,589	-	-	-
Interest and fiscal charges.	3,861	-	-	-
Total expenditures	<u>2,846,400</u>	<u>82,897</u>	<u>706,816</u>	<u>759,246</u>
Excess (deficiency) of revenues over (under) expenditures	<u>431,410</u>	<u>77,229</u>	<u>(408,157)</u>	<u>(460,587)</u>
Other financing sources (uses):				
Transfers in.	-	-	405,026	457,506
Transfers (out)	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>405,026</u>	<u>457,506</u>
Net change in fund balances.	431,410	77,229	(3,131)	(3,081)
Fund balances (deficits) at beginning of year	<u>2,707,684</u>	<u>147,504</u>	<u>(54,138)</u>	<u>(57,174)</u>
Fund balances (deficits) at end of year	<u>\$ 3,139,094</u>	<u>\$ 224,733</u>	<u>\$ (57,269)</u>	<u>\$ (60,255)</u>

Motor Vehicle License Tax	ODNR Litter Prevention Grant	EMS Transport Fees	Police Enforcement and Education	Special Assessment Improvements	Tree Trust
\$ 173,029	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
-	-	-	-	36,818	1,784
-	-	803,489	-	-	-
-	-	-	-	-	-
-	-	-	1,343	-	-
86,516	-	-	-	-	-
5,161	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	498	-	-	58,336
<u>264,706</u>	<u>-</u>	<u>803,987</u>	<u>1,343</u>	<u>36,818</u>	<u>60,120</u>
-	-	-	-	-	-
-	-	564,075	-	37,299	-
-	38,500	-	-	-	-
-	-	-	-	-	138,636
-	-	-	-	-	-
-	-	-	-	-	-
93,988	-	120,133	-	-	-
-	-	90,000	-	-	-
-	-	40,350	-	-	-
<u>93,988</u>	<u>38,500</u>	<u>814,558</u>	<u>-</u>	<u>37,299</u>	<u>138,636</u>
<u>170,718</u>	<u>(38,500)</u>	<u>(10,571)</u>	<u>1,343</u>	<u>(481)</u>	<u>(78,516)</u>
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
170,718	(38,500)	(10,571)	1,343	(481)	(78,516)
392,520	38,043	652,475	9,227	13,945	198,521
<u>\$ 563,238</u>	<u>\$ (457)</u>	<u>\$ 641,904</u>	<u>\$ 10,570</u>	<u>\$ 13,464</u>	<u>\$ 120,005</u>

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CITY OF STOW, OHIO

*COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
NONMAJOR SPECIAL REVENUE FUNDS (CONTINUED)
FOR THE YEAR ENDED DECEMBER 31, 2021*

	<u>Communications Tower</u>	<u>Cemetary Trust</u>	<u>Park Improvements</u>	<u>Federal Law Enforcement Forfeited Fees</u>
Revenues:				
Property and other local taxes	\$ -	\$ -	\$ -	\$ -
Income taxes	-	-	-	-
Special assessments	-	-	-	-
Charges for services	-	-	-	-
Licenses and permits	-	-	-	-
Fines and forfeitures	-	-	-	-
Intergovernmental	-	-	-	-
Investment income	-	-	-	-
Rent	84,561	-	-	-
Contributions and donations	3,979	-	1,000	-
Other	-	32,309	-	6,010
	<u>88,540</u>	<u>32,309</u>	<u>1,000</u>	<u>6,010</u>
Total revenues	<u>88,540</u>	<u>32,309</u>	<u>1,000</u>	<u>6,010</u>
Expenditures:				
Current:				
General government	-	-	-	-
Security of persons and property	-	-	-	-
Public health	-	25,994	-	-
Leisure time activities	-	-	-	-
Community and economic development	67,638	-	-	-
Transportation	-	-	-	-
Capital outlay	11,830	5,185	-	-
Debt service:				
Principal retirement	-	-	-	-
Interest and fiscal charges	-	-	-	-
	<u>79,468</u>	<u>31,179</u>	<u>-</u>	<u>-</u>
Total expenditures	<u>79,468</u>	<u>31,179</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of revenues over (under) expenditures	<u>9,072</u>	<u>1,130</u>	<u>1,000</u>	<u>6,010</u>
Other financing sources (uses):				
Transfers in	-	-	-	-
Transfers (out)	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	9,072	1,130	1,000	6,010
Fund balances (deficits) at end of year	<u>116,473</u>	<u>13,238</u>	<u>17,616</u>	<u>24,287</u>
Fund balances (deficits) at end of year	<u>\$ 125,545</u>	<u>\$ 14,368</u>	<u>\$ 18,616</u>	<u>\$ 30,297</u>

Community Events	Safety Town	D.A.R.E. Program	Fire Department Emergency Equipment	Police Department Emergency Equipment	Parks Lodge Improvements
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	7,200
4,050	-	-	-	-	-
-	-	-	-	-	-
-	-	10,055	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
2,750	-	-	2,675	4,233	-
38,983	-	-	-	-	-
<u>45,783</u>	<u>-</u>	<u>10,055</u>	<u>2,675</u>	<u>4,233</u>	<u>7,200</u>
-	-	-	-	-	-
-	5,186	22,326	250	297	-
-	-	-	-	-	-
68,987	-	-	-	-	20,554
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>68,987</u>	<u>5,186</u>	<u>22,326</u>	<u>250</u>	<u>297</u>	<u>20,554</u>
<u>(23,204)</u>	<u>(5,186)</u>	<u>(12,271)</u>	<u>2,425</u>	<u>3,936</u>	<u>(13,354)</u>
30,000	5,000	5,000	-	-	-
-	-	-	-	-	-
<u>30,000</u>	<u>5,000</u>	<u>5,000</u>	<u>-</u>	<u>-</u>	<u>-</u>
6,796	(186)	(7,271)	2,425	3,936	(13,354)
<u>7,402</u>	<u>1,957</u>	<u>8,553</u>	<u>8,650</u>	<u>22,893</u>	<u>22,714</u>
<u>\$ 14,198</u>	<u>\$ 1,771</u>	<u>\$ 1,282</u>	<u>\$ 11,075</u>	<u>\$ 26,829</u>	<u>\$ 9,360</u>

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CITY OF STOW, OHIO

*COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
NONMAJOR SPECIAL REVENUE FUNDS (CONTINUED)
FOR THE YEAR ENDED DECEMBER 31, 2021*

	<u>Community Relations</u>	<u>SS Ballfield Complex</u>	<u>City Lodging Tax</u>	<u>Enhanced 911 Wireless</u>
Revenues:				
Property and other local taxes	\$ -	\$ -	\$ 287,795	\$ -
Income taxes	-	-	-	-
Special assessments	-	-	-	-
Charges for services	-	-	-	-
Licenses and permits	-	-	-	-
Fines and forfeitures	-	-	-	-
Intergovernmental	-	-	-	63,906
Investment income	-	-	-	-
Rent	-	-	-	-
Contributions and donations	-	-	-	-
Other	-	1,935	331	-
Total revenues	<u>-</u>	<u>1,935</u>	<u>288,126</u>	<u>63,906</u>
Expenditures:				
Current:				
General government	-	-	-	-
Security of persons and property	-	-	-	229,730
Public health	-	-	-	-
Leisure time activities	-	3,565	-	-
Community and economic development	52	-	-	-
Transportation	-	-	-	-
Capital outlay	-	-	-	-
Debt service:				
Principal retirement	-	-	-	-
Interest and fiscal charges	-	-	-	-
Total expenditures	<u>52</u>	<u>3,565</u>	<u>-</u>	<u>229,730</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(52)</u>	<u>(1,630)</u>	<u>288,126</u>	<u>(165,824)</u>
Other financing sources (uses):				
Transfers in	2,200	-	-	-
Transfers (out)	-	-	-	-
Total other financing sources (uses)	<u>2,200</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	2,148	(1,630)	288,126	(165,824)
Fund balances (deficits) at end of year	<u>9,567</u>	<u>2,775</u>	<u>768,553</u>	<u>315,810</u>
Fund balances (deficits) at end of year	<u>\$ 11,715</u>	<u>\$ 1,145</u>	<u>\$ 1,056,679</u>	<u>\$ 149,986</u>

Police Officer Training	Court Special Projects	Probation Services	Indigent Drivers	Court Technology	Court Clerk Technology
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	654,069	177,516	21,807	43,032	93,258
-	-	-	15,074	23,478	2,500
-	5,374	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	659,443	177,516	36,881	66,510	95,758
-	-	123,786	-	117,278	114,958
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	27,749	7,461
-	-	-	-	-	-
-	-	-	-	-	-
-	-	123,786	-	145,027	122,419
-	659,443	53,730	36,881	(78,517)	(26,661)
-	166,691	-	20,924	50,000	-
-	(606,931)	(50,000)	(151,285)	-	-
-	(440,240)	(50,000)	(130,361)	50,000	-
-	219,203	3,730	(93,480)	(28,517)	(26,661)
249	248,744	11,876	105,933	66,143	82,406
\$ 249	\$ 467,947	\$ 15,606	\$ 12,453	\$ 37,626	\$ 55,745

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CITY OF STOW, OHIO

*COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
NONMAJOR SPECIAL REVENUE FUNDS (CONTINUED)
FOR THE YEAR ENDED DECEMBER 31, 2021*

	IDIA Monitoring	9-11 & 1st Responder Memorial	Police Forfeited Cash	Police Drug Forfeited Cash
Revenues:				
Property and other local taxes	\$ -	\$ -	\$ -	\$ -
Income taxes	-	-	-	-
Special assessments	-	-	-	-
Charges for services	-	-	-	-
Licenses and permits	-	-	-	-
Fines and forfeitures	11,820	-	-	3,868
Intergovernmental	24,019	-	-	-
Investment income	-	-	-	-
Rent	-	-	-	-
Contributions and donations.	-	-	-	-
Other	-	-	-	3,089
Total revenues.	<u>35,839</u>	<u>-</u>	<u>-</u>	<u>6,957</u>
Expenditures:				
Current:				
General government	-	-	-	-
Security of persons and property.	-	-	-	-
Public health	-	-	-	-
Leisure time activities	-	-	-	-
Community and economic development	-	-	-	-
Transportation	-	-	-	-
Capital outlay.	-	-	-	72,696
Debt service:				
Principal retirement.	-	-	-	-
Interest and fiscal charges.	-	-	-	-
Total expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>72,696</u>
Excess (deficiency) of revenues over (under) expenditures	<u>35,839</u>	<u>-</u>	<u>-</u>	<u>(65,739)</u>
Other financing sources (uses):				
Transfers in.	-	-	-	-
Transfers (out)	<u>(36,330)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total other financing sources (uses)	<u>(36,330)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances.	(491)	-	-	(65,739)
Fund balances (deficits) at end of year	<u>3,061</u>	<u>2,500</u>	<u>929</u>	<u>72,805</u>
Fund balances (deficits) at end of year	<u>\$ 2,570</u>	<u>\$ 2,500</u>	<u>\$ 929</u>	<u>\$ 7,066</u>

Fire Bond Insurance	Nonmajor Special Revenue Funds
\$ -	\$ 992,552
-	1,279,615
-	38,602
31,440	842,129
-	4,050
-	1,006,713
-	2,386,060
-	34,794
-	84,561
-	14,637
-	180,631
31,440	6,864,344
-	356,022
29,280	2,354,505
-	64,494
-	231,742
-	67,690
-	2,692,168
-	537,721
-	124,589
-	44,211
29,280	6,473,142
2,160	391,202
-	1,142,347
-	(844,546)
-	297,801
2,160	689,003
29,280	6,013,021
\$ 31,440	\$ 6,702,024

CITY OF STOW, OHIO

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

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>		
Revenues:				
Income taxes	\$ 2,362,500	\$ 2,362,500	\$ 1,275,000	\$ (1,087,500)
Intergovernmental.	3,054,814	3,054,814	1,919,947	(1,134,867)
Investment income	14,216	14,216	22,626	8,410
Other	65,220	65,220	27,678	(37,542)
Total revenues.	<u>5,496,750</u>	<u>5,496,750</u>	<u>3,245,251</u>	<u>(2,251,499)</u>
Expenditures:				
Current:				
Transportation				
Personal services	1,693,589	1,708,589	1,682,585	26,004
Other	2,593,663	2,593,663	1,497,973	1,095,690
Capital outlay				
Other	817,065	817,065	609,423	207,642
Debt service:				
Principal retirement.	34,589	34,589	34,589	-
Interest and fiscal charges.	3,861	3,861	3,861	-
Total expenditures	<u>5,142,767</u>	<u>5,157,767</u>	<u>3,828,431</u>	<u>1,329,336</u>
Net change in fund balance.	353,983	338,983	(583,180)	(922,163)
Unencumbered fund balance at beginning of year.	1,292,519	1,292,519	1,292,519	-
Prior year encumbrances appropriated . . .	<u>647,648</u>	<u>647,648</u>	<u>647,648</u>	<u>-</u>
Unencumbered fund balance at end of year. . . .	<u>\$ 2,294,150</u>	<u>\$ 2,279,150</u>	<u>\$ 1,356,987</u>	<u>\$ (922,163)</u>

CITY OF STOW, OHIO

*SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
STATE HIGHWAY IMPROVEMENT FUND
FOR THE YEAR ENDED DECEMBER 31, 2021*

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>		
Revenues:				
Intergovernmental	\$ 362,348	\$ 362,348	\$ 155,576	\$ (206,772)
Investment income	1,013	1,013	1,633	620
Other	4,139	4,139	1,462	(2,677)
Total revenues	<u>367,500</u>	<u>367,500</u>	<u>158,671</u>	<u>(208,829)</u>
Expenditures:				
Current:				
Transportation				
Personal services	50,950	50,950	50,150	800
Other	144,712	144,712	54,496	90,216
Capital outlay				
Other	75,000	75,000	-	75,000
Total expenditures	<u>270,662</u>	<u>270,662</u>	<u>104,646</u>	<u>166,016</u>
Net change in fund balance	96,838	96,838	54,025	(42,813)
Unencumbered fund balance at beginning of year.	102,668	102,668	102,668	-
Prior year encumbrances appropriated	<u>24,794</u>	<u>24,794</u>	<u>24,794</u>	<u>-</u>
Unencumbered fund balance at end of year	<u>\$ 224,300</u>	<u>\$ 224,300</u>	<u>\$ 181,487</u>	<u>\$ (42,813)</u>

CITY OF STOW, OHIO

*SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
POLICE PENSION AND DISABILITY FUND
FOR THE YEAR ENDED DECEMBER 31, 2021*

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Property and other local taxes.	\$ 299,137	\$ 298,473	\$ 265,864	\$ (32,609)
Intergovernmental.	48,248	48,248	32,795	(15,453)
Total revenues.	<u>347,385</u>	<u>346,721</u>	<u>298,659</u>	<u>(48,062)</u>
Expenditures:				
Current:				
Security of persons and property				
Personal services	685,953	784,953	699,871	85,082
Other	4,000	5,000	3,814	1,186
Total expenditures	<u>689,953</u>	<u>789,953</u>	<u>703,685</u>	<u>86,268</u>
Excess of expenditures over revenues	<u>(342,568)</u>	<u>(443,232)</u>	<u>(405,026)</u>	<u>38,206</u>
Other financing sources:				
Transfers in	596,102	596,102	405,026	(191,076)
Total other financing sources.	<u>596,102</u>	<u>596,102</u>	<u>405,026</u>	<u>(191,076)</u>
Net change in fund balance	253,534	152,870	-	(152,870)
Unencumbered fund balance at beginning of year.	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Unencumbered fund balance at end of year	<u>\$ 253,534</u>	<u>\$ 152,870</u>	<u>\$ -</u>	<u>\$ (152,870)</u>

CITY OF STOW, OHIO

*SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
FIRE PENSION AND DISABILITY FUND
FOR THE YEAR ENDED DECEMBER 31, 2021*

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Property and other local taxes	\$ 299,137	\$ 298,473	\$ 265,864	\$ (32,609)
Intergovernmental	48,248	48,248	32,795	(15,453)
Total revenues.	<u>347,385</u>	<u>346,721</u>	<u>298,659</u>	<u>(48,062)</u>
Expenditures:				
Current:				
Security of persons and property				
Personal services	724,211	848,711	752,351	96,360
Other	4,000	4,500	3,814	686
Total expenditures	<u>728,211</u>	<u>853,211</u>	<u>756,165</u>	<u>97,046</u>
Excess of expenditures over revenues	<u>(380,826)</u>	<u>(506,490)</u>	<u>(457,506)</u>	<u>48,984</u>
Other financing sources:				
Transfers in.	633,829	633,829	457,506	(176,323)
Total other financing sources.	<u>633,829</u>	<u>633,829</u>	<u>457,506</u>	<u>(176,323)</u>
Net change in fund balance.	253,003	127,339	-	(127,339)
Unencumbered fund balance at beginning of year.	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Unencumbered fund balance at end of year . . .	<u>\$ 253,003</u>	<u>\$ 127,339</u>	<u>\$ -</u>	<u>\$ (127,339)</u>

CITY OF STOW, OHIO

*SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
MOTOR VEHICLE LICENSE TAX FUND
FOR THE YEAR ENDED DECEMBER 31, 2021*

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues:				
Intergovernmental	\$ 613,768	\$ 613,768	\$ 257,587	\$ (356,181)
Investment income	8,095	8,095	5,092	(3,003)
Total revenues.	<u>621,863</u>	<u>621,863</u>	<u>262,679</u>	<u>(359,184)</u>
Expenditures:				
Capital outlay				
Other	<u>600,642</u>	<u>600,642</u>	<u>150,188</u>	<u>450,454</u>
Total expenditures	<u>600,642</u>	<u>600,642</u>	<u>150,188</u>	<u>450,454</u>
Net change in fund balance	21,221	21,221	112,491	91,270
Unencumbered fund balance at beginning of year.	<u>374,042</u>	<u>374,042</u>	<u>374,042</u>	<u>-</u>
Unencumbered fund balance at end of year	<u>\$ 395,263</u>	<u>\$ 395,263</u>	<u>\$ 486,533</u>	<u>\$ 91,270</u>

CITY OF STOW, OHIO

*SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
ODNR LITTER PREVENTION GRANT FUND
FOR THE YEAR ENDED DECEMBER 31, 2021*

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Intergovernmental.	\$ 145,000	\$ 145,000	\$ 34,837	\$ (110,163)
Total revenues.	<u>145,000</u>	<u>145,000</u>	<u>34,837</u>	<u>(110,163)</u>
Expenditures:				
Current:				
Public health				
Personal services	11,561	11,561	11,519	42
Other	<u>27,965</u>	<u>27,965</u>	<u>26,583</u>	<u>1,382</u>
Total expenditures.	<u>39,526</u>	<u>39,526</u>	<u>38,102</u>	<u>1,424</u>
Net change in fund balance	105,474	105,474	(3,265)	(108,739)
Unencumbered fund balance at beginning of year.	<u>4,689</u>	<u>4,689</u>	<u>4,689</u>	<u>-</u>
Unencumbered fund balance at end of year	<u>\$ 110,163</u>	<u>\$ 110,163</u>	<u>\$ 1,424</u>	<u>\$ (108,739)</u>

CITY OF STOW, OHIO

*SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
EMS TRANSPORT FEES FUND
FOR THE YEAR ENDED DECEMBER 31, 2021*

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>		
Revenues:				
Charges for services	\$ 1,348,919	\$ 1,348,919	\$ 801,807	\$ (547,112)
Other.	1,856	1,856	498	(1,358)
Total revenues	<u>1,350,775</u>	<u>1,350,775</u>	<u>802,305</u>	<u>(548,470)</u>
Expenditures:				
Current:				
Security of persons and property				
Personal services	374,180	374,180	364,178	10,002
Other.	523,163	523,163	225,153	298,010
Capital outlay				
Other.	261,010	261,010	251,469	9,541
Debt service:				
Principal retirement	90,000	90,000	90,000	-
Interest and fiscal charges	40,350	40,350	40,350	-
Total expenditures	<u>1,288,703</u>	<u>1,288,703</u>	<u>971,150</u>	<u>317,553</u>
Net change in fund balance	62,072	62,072	(168,845)	(230,917)
Unencumbered fund balance at beginning of year.	491,878	491,878	491,878	-
Prior year encumbrances appropriated.	<u>46,825</u>	<u>46,825</u>	<u>46,825</u>	<u>-</u>
Unencumbered fund balance at end of year . . .	<u>\$ 600,775</u>	<u>\$ 600,775</u>	<u>\$ 369,858</u>	<u>\$ (230,917)</u>

CITY OF STOW, OHIO

*SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
POLICE ENFORCEMENT AND EDUCATION FUND
FOR THE YEAR ENDED DECEMBER 31, 2021*

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Fines and forfeitures	\$ 7,350	\$ 7,350	\$ 1,516	\$ (5,834)
Total revenues	<u>7,350</u>	<u>7,350</u>	<u>1,516</u>	<u>(5,834)</u>
Expenditures:				
Current:				
Security of persons and property				
Other	<u>10,669</u>	<u>10,669</u>	<u>-</u>	<u>10,669</u>
Total expenditures	<u>10,669</u>	<u>10,669</u>	<u>-</u>	<u>10,669</u>
Net change in fund balance.	(3,319)	(3,319)	1,516	4,835
Unencumbered fund balance at beginning of year.	<u>8,969</u>	<u>8,969</u>	<u>8,969</u>	<u>-</u>
Unencumbered fund balance at end of year . . .	<u>\$ 5,650</u>	<u>\$ 5,650</u>	<u>\$ 10,485</u>	<u>\$ 4,835</u>

CITY OF STOW, OHIO

*SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
SPECIAL ASSESSMENT IMPROVEMENTS FUND
FOR THE YEAR ENDED DECEMBER 31, 2021*

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Special assessments.	\$ 118,965	\$ 118,965	\$ 36,818	\$ (82,147)
Total revenues.	<u>118,965</u>	<u>118,965</u>	<u>36,818</u>	<u>(82,147)</u>
Expenditures:				
Current:				
Security of persons and property				
Other	<u>52,782</u>	<u>72,782</u>	<u>37,456</u>	<u>35,326</u>
Total expenditures.	<u>52,782</u>	<u>72,782</u>	<u>37,456</u>	<u>35,326</u>
Net change in fund balance.	66,183	46,183	(638)	(46,821)
Unencumbered fund balance at beginning of year.	13,780	13,780	13,780	-
Prior year encumbrances appropriated	<u>4,002</u>	<u>4,002</u>	<u>4,002</u>	<u>-</u>
Unencumbered fund balance at end of year.	<u>\$ 83,965</u>	<u>\$ 63,965</u>	<u>\$ 17,144</u>	<u>\$ (46,821)</u>

CITY OF STOW, OHIO

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

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>		
Revenues:				
Special assessments.	\$ 1,800	\$ 1,800	\$ 1,784	\$ (16)
Other	60,000	60,000	58,352	(1,648)
Total revenues.	<u>61,800</u>	<u>61,800</u>	<u>60,136</u>	<u>(1,664)</u>
Expenditures:				
Current:				
Leisure time activities				
Other	140,224	140,224	138,636	1,588
Total expenditures	<u>140,224</u>	<u>140,224</u>	<u>138,636</u>	<u>1,588</u>
Net change in fund balance.	(78,424)	(78,424)	(78,500)	(76)
Unencumbered fund balance at beginning of year.	197,606	197,606	197,606	-
Prior year encumbrances appropriated	<u>899</u>	<u>899</u>	<u>899</u>	<u>-</u>
Unencumbered fund balance at end of year.	<u>\$ 120,081</u>	<u>\$ 120,081</u>	<u>\$ 120,005</u>	<u>\$ (76)</u>

CITY OF STOW, OHIO

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

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>		
Revenues:				
Rental	\$ 200,000	\$ 200,000	\$ 84,561	\$ (115,439)
Contributions and donations	5,000	5,000	3,979	(1,021)
Total revenues.	<u>205,000</u>	<u>205,000</u>	<u>88,540</u>	<u>(116,460)</u>
Expenditures:				
Current:				
Community and economic development				
Other	75,661	75,661	102,286	(26,625)
Capital outlay				
Other	20,000	20,000	17,380	2,620
Total expenditures.	<u>95,661</u>	<u>95,661</u>	<u>119,666</u>	<u>(24,005)</u>
Net change in fund balance.	109,339	109,339	(31,126)	(140,465)
Unencumbered fund balance at beginning of year.	106,312	106,312	106,312	-
Prior year encumbrances appropriated	<u>10,161</u>	<u>10,161</u>	<u>10,161</u>	<u>-</u>
Unencumbered fund balance at end of year. . . .	<u>\$ 225,812</u>	<u>\$ 225,812</u>	<u>\$ 85,347</u>	<u>\$ (140,465)</u>

CITY OF STOW, OHIO

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

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>		
Revenues:				
Other	\$ 50,000	\$ 50,000	\$ 32,309	\$ (17,691)
Total revenues.	<u>50,000</u>	<u>50,000</u>	<u>32,309</u>	<u>(17,691)</u>
Expenditures:				
Current:				
Public health				
Other	50,681	50,681	36,091	14,590
Capital outlay				
Other	<u>8,500</u>	<u>8,500</u>	<u>8,077</u>	<u>423</u>
Total expenditures	<u>59,181</u>	<u>59,181</u>	<u>44,168</u>	<u>15,013</u>
Net change in fund balance.	(9,181)	(9,181)	(11,859)	(2,678)
Unencumbered fund balance at beginning of year.	6,111	6,111	6,111	-
Prior year encumbrances appropriated	<u>9,221</u>	<u>9,221</u>	<u>9,221</u>	<u>-</u>
Unencumbered fund balance at end of year. . . .	<u>\$ 6,151</u>	<u>\$ 6,151</u>	<u>\$ 3,473</u>	<u>\$ (2,678)</u>

CITY OF STOW, OHIO

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

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>		
Revenues:				
Contributions and donations	\$ -	\$ -	\$ 1,000	\$ 1,000
Total revenues.	<u>-</u>	<u>-</u>	<u>1,000</u>	<u>1,000</u>
Net change in fund balance.	-	-	1,000	1,000
Unencumbered fund balance at beginning of year.	<u>17,616</u>	<u>17,616</u>	<u>17,616</u>	<u>-</u>
Unencumbered fund balance at end of year. . . .	<u>\$ 17,616</u>	<u>\$ 17,616</u>	<u>\$ 18,616</u>	<u>\$ 1,000</u>

CITY OF STOW, OHIO

*SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
FEDERAL LAW ENFORCEMENT FORFEITED FEES FUND
FOR THE YEAR ENDED DECEMBER 31, 2021*

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Other	\$ 15,000	\$ 15,000	\$ 14,678	\$ (322)
Total revenues.	<u>15,000</u>	<u>15,000</u>	<u>14,678</u>	<u>(322)</u>
Net change in fund balance.	15,000	15,000	14,678	(322)
Unencumbered fund balance at beginning of year.	<u>15,619</u>	<u>15,619</u>	<u>15,619</u>	<u>-</u>
Unencumbered fund balance at end of year.	<u>\$ 30,619</u>	<u>\$ 30,619</u>	<u>\$ 30,297</u>	<u>\$ (322)</u>

CITY OF STOW, OHIO

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

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Licenses and permits.	\$ 4,100	\$ 4,100	\$ 4,050	\$ (50)
Contributions and donations.	3,000	3,000	2,750	(250)
Other	42,500	42,500	38,983	(3,517)
Total revenues.	<u>49,600</u>	<u>49,600</u>	<u>45,783</u>	<u>(3,817)</u>
Expenditures:				
Current:				
Leisure time activities				
Other	80,402	92,402	68,667	23,735
Total expenditures	<u>80,402</u>	<u>92,402</u>	<u>68,667</u>	<u>23,735</u>
Excess of expenditures over revenues	<u>(30,802)</u>	<u>(42,802)</u>	<u>(22,884)</u>	<u>19,918</u>
Other financing sources:				
Transfers in.	35,825	35,825	30,000	(5,825)
Total other financing sources.	<u>35,825</u>	<u>35,825</u>	<u>30,000</u>	<u>(5,825)</u>
Net change in fund balance.	5,023	(6,977)	7,116	14,093
Unencumbered fund balance at beginning of year.	5,758	5,758	5,758	-
Prior year encumbrances appropriated	<u>1,644</u>	<u>1,644</u>	<u>1,644</u>	<u>-</u>
Unencumbered fund balance at end of year.	<u>\$ 12,425</u>	<u>\$ 425</u>	<u>\$ 14,518</u>	<u>\$ 14,093</u>

CITY OF STOW, OHIO

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

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Contributions and donations.	\$ 5,000	\$ 5,000	\$ -	\$ (5,000)
Total revenues.	<u>5,000</u>	<u>5,000</u>	<u>-</u>	<u>(5,000)</u>
Expenditures:				
Current:				
Security of persons and property				
Other.	<u>8,957</u>	<u>8,957</u>	<u>5,186</u>	<u>3,771</u>
Total expenditures	<u>8,957</u>	<u>8,957</u>	<u>5,186</u>	<u>3,771</u>
Excess of expenditures over revenues	<u>(3,957)</u>	<u>(3,957)</u>	<u>(5,186)</u>	<u>(1,229)</u>
Other financing sources:				
Transfers in.	<u>11,225</u>	<u>11,225</u>	<u>5,000</u>	<u>(6,225)</u>
Total other financing sources.	<u>11,225</u>	<u>11,225</u>	<u>5,000</u>	<u>(6,225)</u>
Net change in fund balance.	7,268	7,268	(186)	(7,454)
Unencumbered fund balance at beginning of year.	<u>1,957</u>	<u>1,957</u>	<u>1,957</u>	<u>-</u>
Unencumbered fund balance at end of year.	<u>\$ 9,225</u>	<u>\$ 9,225</u>	<u>\$ 1,771</u>	<u>\$ (7,454)</u>

CITY OF STOW, OHIO

*SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
D.A.R.E. PROGRAM FUND
FOR THE YEAR ENDED DECEMBER 31, 2021*

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Intergovernmental	\$ 65,000	\$ 65,000	\$ 10,055	\$ (54,945)
Total revenues.	<u>65,000</u>	<u>65,000</u>	<u>10,055</u>	<u>(54,945)</u>
Expenditures:				
Current:				
Security of persons and property				
Personal services.	18,533	18,533	15,588	2,945
Other.	6,740	6,740	6,735	5
Total expenditures	<u>25,273</u>	<u>25,273</u>	<u>22,323</u>	<u>2,950</u>
Excess (deficiency) of revenues over (under) expenditures.	<u>39,727</u>	<u>39,727</u>	<u>(12,268)</u>	<u>(51,995)</u>
Other financing sources:				
Transfers in.	10,000	10,000	5,000	(5,000)
Total other financing sources.	<u>10,000</u>	<u>10,000</u>	<u>5,000</u>	<u>(5,000)</u>
Net change in fund balance.	49,727	49,727	(7,268)	(56,995)
Unencumbered fund balance at beginning of year.	<u>8,579</u>	<u>8,579</u>	<u>8,579</u>	<u>-</u>
Unencumbered fund balance at end of year.	<u>\$ 58,306</u>	<u>\$ 58,306</u>	<u>\$ 1,311</u>	<u>\$ (56,995)</u>

CITY OF STOW, OHIO

*SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
FIRE DEPARTMENT EMERGENCY EQUIPMENT FUND
FOR THE YEAR ENDED DECEMBER 31, 2021*

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues:				
Contributions and donations	\$ -	\$ -	\$ 2,675	\$ 2,675
Total revenues	-	-	2,675	2,675
Expenditures:				
Current:				
Security of persons and property				
Other.	300	300	250	50
Total expenditures	300	300	250	50
Net change in fund balance.	(300)	(300)	2,425	2,725
Unencumbered fund balance at beginning of year.	<u>8,650</u>	<u>8,650</u>	<u>8,650</u>	<u>-</u>
Unencumbered fund balance at end of year. . . .	<u>\$ 8,350</u>	<u>\$ 8,350</u>	<u>\$ 11,075</u>	<u>\$ 2,725</u>

CITY OF STOW, OHIO

*SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
POLICE DEPARTMENT EMERGENCY EQUIPMENT FUND
FOR THE YEAR ENDED DECEMBER 31, 2021*

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues:				
Contributions and donations.	\$ 5,000	\$ 5,000	\$ 4,233	\$ (767)
Total revenues	<u>5,000</u>	<u>5,000</u>	<u>4,233</u>	<u>(767)</u>
Expenditures:				
Current:				
Security of persons and property				
Other.	640	640	630	10
Total expenditures	<u>640</u>	<u>640</u>	<u>630</u>	<u>10</u>
Net change in fund balance.	4,360	4,360	3,603	(757)
Unencumbered fund balance at beginning of year.	<u>23,523</u>	<u>23,523</u>	<u>23,523</u>	<u>-</u>
Unencumbered fund balance at end of year. . . .	<u>\$ 27,883</u>	<u>\$ 27,883</u>	<u>\$ 27,126</u>	<u>\$ (757)</u>

CITY OF STOW, OHIO

*SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
PARKS LODGE IMPROVEMENTS FUND
FOR THE YEAR ENDED DECEMBER 31, 2021*

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Charges for services	\$ 30,000	\$ 30,000	\$ 7,200	\$ (22,800)
Total revenues.	<u>30,000</u>	<u>30,000</u>	<u>7,200</u>	<u>(22,800)</u>
Expenditures:				
Current:				
Leisure time activities				
Other	30,700	30,700	29,630	1,070
Total expenditures	<u>30,700</u>	<u>30,700</u>	<u>29,630</u>	<u>1,070</u>
Net change in fund balance.	(700)	(700)	(22,430)	(21,730)
Unencumbered fund balance at beginning of year.	22,014	22,014	22,014	-
Prior year encumbrances appropriated	<u>700</u>	<u>700</u>	<u>700</u>	<u>-</u>
Unencumbered fund balance at end of year. . . .	<u>\$ 22,014</u>	<u>\$ 22,014</u>	<u>\$ 284</u>	<u>\$ (21,730)</u>

CITY OF STOW, OHIO

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

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>		
Expenditures:				
Current:				
Community and economic development				
Other	\$ 55	\$ 55	\$ 52	\$ 3
Total expenditures	<u>55</u>	<u>55</u>	<u>52</u>	<u>3</u>
Excess of expenditures over revenues	<u>(55)</u>	<u>(55)</u>	<u>(52)</u>	<u>3</u>
Other financing sources:				
Transfers in.	<u>2,500</u>	<u>2,500</u>	<u>2,200</u>	<u>(300)</u>
Total other financing sources.	<u>2,500</u>	<u>2,500</u>	<u>2,200</u>	<u>(300)</u>
Net change in fund balance.	2,445	2,445	2,148	(297)
Unencumbered fund balance at beginning of year.	<u>9,567</u>	<u>9,567</u>	<u>9,567</u>	<u>-</u>
Unencumbered fund balance at end of year. . . .	<u>\$ 12,012</u>	<u>\$ 12,012</u>	<u>\$ 11,715</u>	<u>\$ (297)</u>

CITY OF STOW, OHIO

*SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
SS BALLFIELD COMPLEX FUND
FOR THE YEAR ENDED DECEMBER 31, 2021*

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>		
Revenues:				
Other	\$ 5,000	\$ 5,000	\$ 1,935	\$ (3,065)
Total revenues	<u>5,000</u>	<u>5,000</u>	<u>1,935</u>	<u>(3,065)</u>
Expenditures:				
Current:				
Leisure time activities				
Other	5,000	5,000	3,565	1,435
Total expenditures	<u>5,000</u>	<u>5,000</u>	<u>3,565</u>	<u>1,435</u>
Net change in fund balance	-	-	(1,630)	(1,630)
Unencumbered fund balance at beginning of year.	<u>2,775</u>	<u>2,775</u>	<u>2,775</u>	<u>-</u>
Unencumbered fund balance at end of year. . . .	<u>\$ 2,775</u>	<u>\$ 2,775</u>	<u>\$ 1,145</u>	<u>\$ (1,630)</u>

CITY OF STOW, OHIO

*SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
CITY LODGING TAX FUND
FOR THE YEAR ENDED DECEMBER 31, 2021*

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>		
Revenues:				
Property and other local taxes	\$ 405,563	\$ 405,563	\$ 256,587	\$ (148,976)
Total revenues	<u>405,563</u>	<u>405,563</u>	<u>256,587</u>	<u>(148,976)</u>
Expenditures:				
Current:				
General government				
Other	569,045	569,045	-	569,045
Capital outlay				
Other	<u>311,000</u>	<u>311,000</u>	<u>310,940</u>	<u>60</u>
Total expenditures	<u>880,045</u>	<u>880,045</u>	<u>310,940</u>	<u>569,105</u>
Net change in fund balance.	(474,482)	(474,482)	(54,353)	420,129
Unencumbered fund balance at beginning of year.	690,278	690,278	690,278	-
Prior year encumbrances appropriated	<u>44,767</u>	<u>44,767</u>	<u>44,767</u>	<u>-</u>
Unencumbered fund balance at end of year. . . .	<u>\$ 260,563</u>	<u>\$ 260,563</u>	<u>\$ 680,692</u>	<u>\$ 420,129</u>

CITY OF STOW, OHIO

*SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
ENHANCED 911 WIRELESS FUND
FOR THE YEAR ENDED DECEMBER 31, 2021*

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>		
Revenues:				
Intergovernmental	\$ 70,000	\$ 70,000	\$ 67,027	\$ (2,973)
License and Permits.	1,036,040	1,036,040	-	(1,036,040)
Total revenues.	<u>1,106,040</u>	<u>1,106,040</u>	<u>67,027</u>	<u>(1,039,013)</u>
Expenditures:				
Current:				
Security of persons and property				
Personal services.	66,000	66,000	65,988	12
Other	<u>205,475</u>	<u>205,475</u>	<u>205,415</u>	<u>60</u>
Total expenditures	<u>271,475</u>	<u>271,475</u>	<u>271,403</u>	<u>72</u>
Net change in fund balance.	834,565	834,565	(204,376)	(1,038,941)
Unencumbered fund balance at beginning of year.	<u>312,689</u>	<u>312,689</u>	<u>312,689</u>	<u>-</u>
Unencumbered fund balance at end of year. . . .	<u>\$ 1,147,254</u>	<u>\$ 1,147,254</u>	<u>\$ 108,313</u>	<u>\$ (1,038,941)</u>

CITY OF STOW, OHIO

*SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
POLICE OFFICER TRAINING FUND
FOR THE YEAR ENDED DECEMBER 31, 2021*

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Unencumbered fund balance at beginning of year.	\$ 249	\$ 249	\$ 249	\$ -
Unencumbered fund balance at end of year. . . .	<u>\$ 249</u>	<u>\$ 249</u>	<u>\$ 249</u>	<u>\$ -</u>

CITY OF STOW, OHIO

*SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
YOUTH DIVISION TEEN CENTER FUND
FOR THE YEAR ENDED DECEMBER 31, 2021*

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Other	\$ 4,200	\$ 4,200	\$ -	\$ (4,200)
Total revenues.	<u>4,200</u>	<u>4,200</u>	<u>-</u>	<u>(4,200)</u>
Net change in fund balance.	4,200	4,200	-	(4,200)
Unencumbered fund balance at beginning of year.	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Unencumbered fund balance at end of year. . . .	<u>\$ 4,200</u>	<u>\$ 4,200</u>	<u>\$ -</u>	<u>\$ (4,200)</u>

CITY OF STOW, OHIO

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

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Intergovernmental	\$ 21,525	\$ 21,525	\$ -	\$ (21,525)
Total revenues.	<u>21,525</u>	<u>21,525</u>	<u>-</u>	<u>(21,525)</u>
Expenditures:				
Current:				
Public health				
Other	10,000	10,000	-	10,000
Total expenditures	<u>10,000</u>	<u>10,000</u>	<u>-</u>	<u>10,000</u>
Net change in fund balance.	11,525	11,525	-	(11,525)
Unencumbered fund balance at beginning of year.	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Unencumbered fund balance at end of year. . . .	<u>\$ 11,525</u>	<u>\$ 11,525</u>	<u>\$ -</u>	<u>\$ (11,525)</u>

CITY OF STOW, OHIO

*SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
COURT SPECIAL PROJECTS FUND
FOR THE YEAR ENDED DECEMBER 31, 2021*

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Fines and forfeitures	\$ 1,153,557	\$ 1,153,557	\$ 655,988	\$ (497,569)
Investment income	6,216	6,216	5,374	(842)
Total revenues.	<u>1,159,773</u>	<u>1,159,773</u>	<u>661,362</u>	<u>(498,411)</u>
Expenditures:				
Current:				
General government				
Other	205,201	205,201	-	205,201
Total expenditures	<u>205,201</u>	<u>205,201</u>	<u>-</u>	<u>205,201</u>
Excess of revenues over expenditures	<u>954,572</u>	<u>954,572</u>	<u>661,362</u>	<u>(293,210)</u>
Other financing sources (uses):				
Transfers in	300,252	300,252	166,691	(133,561)
Transfers (out)	(712,500)	(862,500)	(606,931)	255,569
Total other financing sources (uses)	<u>(412,248)</u>	<u>(562,248)</u>	<u>(440,240)</u>	<u>122,008</u>
Net change in fund balance.	542,324	392,324	221,122	(171,202)
Unencumbered fund balance at beginning of year.	<u>205,201</u>	<u>205,201</u>	<u>205,201</u>	<u>-</u>
Unencumbered fund balance at end of year. . . .	<u>\$ 747,525</u>	<u>\$ 597,525</u>	<u>\$ 426,323</u>	<u>\$ (171,202)</u>

CITY OF STOW, OHIO

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

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Fines and forfeitures	\$ 429,900	\$ 429,900	\$ 178,189	\$ (251,711)
Total revenues.	<u>429,900</u>	<u>429,900</u>	<u>178,189</u>	<u>(251,711)</u>
Expenditures:				
Current:				
General government				
Other	128,605	178,605	140,073	38,532
Capital outlay				
Other	<u>22,318</u>	<u>22,318</u>	<u>-</u>	<u>22,318</u>
Total expenditures	<u>150,923</u>	<u>200,923</u>	<u>140,073</u>	<u>60,850</u>
Excess of revenues over expenditures	<u>278,977</u>	<u>228,977</u>	<u>38,116</u>	<u>(190,861)</u>
Other financing (uses):				
Transfers (out)	<u>(61,395)</u>	<u>(61,395)</u>	<u>(50,000)</u>	<u>11,395</u>
Total other financing (uses)	<u>(61,395)</u>	<u>(61,395)</u>	<u>(50,000)</u>	<u>11,395</u>
Net change in fund balance.	217,582	167,582	(11,884)	(179,466)
Unencumbered fund balance at beginning of year.	18,713	18,713	18,713	-
Prior year encumbrances appropriated	<u>3,605</u>	<u>3,605</u>	<u>3,605</u>	<u>-</u>
Unencumbered fund balance at end of year.	<u>\$ 239,900</u>	<u>\$ 189,900</u>	<u>\$ 10,434</u>	<u>\$ (179,466)</u>

CITY OF STOW, OHIO

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

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>		
Revenues:				
Fines and forfeitures	\$ 50,593	\$ 50,593	\$ 21,509	\$ (29,084)
Intergovernmental	50,155	50,155	15,914	(34,241)
Total revenues.	<u>100,748</u>	<u>100,748</u>	<u>37,423</u>	<u>(63,325)</u>
Expenditures:				
Current:				
General government				
Other	7,915	7,915	-	7,915
Total expenditures.	<u>7,915</u>	<u>7,915</u>	<u>-</u>	<u>7,915</u>
Excess of revenues over expenditures	<u>92,833</u>	<u>92,833</u>	<u>37,423</u>	<u>(55,410)</u>
Other financing sources (uses):				
Transfers in	52,815	52,815	20,924	(31,891)
Transfers (out)	(151,300)	(151,300)	(151,285)	15
Total other financing sources (uses)	<u>(98,485)</u>	<u>(98,485)</u>	<u>(130,361)</u>	<u>(31,876)</u>
Net change in fund balance.	(5,652)	(5,652)	(92,938)	(87,286)
Unencumbered fund balance at beginning of year.	<u>103,215</u>	<u>103,215</u>	<u>103,215</u>	<u>-</u>
Unencumbered fund balance at end of year. . . .	<u>\$ 97,563</u>	<u>\$ 97,563</u>	<u>\$ 10,277</u>	<u>\$ (87,286)</u>

CITY OF STOW, OHIO

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

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Fines and forfeitures	\$ 65,028	\$ 65,028	\$ 42,585	\$ (22,443)
Intergovernmental	42,144	42,144	23,478	(18,666)
Other.	5	5	-	(5)
Total revenues	<u>107,177</u>	<u>107,177</u>	<u>66,063</u>	<u>(41,114)</u>
Expenditures:				
Current:				
General government				
Personal services	50,916	62,416	52,172	10,244
Other.	68,263	131,763	66,665	65,098
Capital outlay				
Other.	33,551	33,551	28,140	5,411
Total expenditures	<u>152,730</u>	<u>227,730</u>	<u>146,977</u>	<u>80,753</u>
Excess of expenditures over revenues	<u>(45,553)</u>	<u>(120,553)</u>	<u>(80,914)</u>	<u>39,639</u>
Other financing sources:				
Transfers in	65,863	65,863	50,000	(15,863)
Total other financing sources.	<u>65,863</u>	<u>65,863</u>	<u>50,000</u>	<u>(15,863)</u>
Net change in fund balance.	20,310	(54,690)	(30,914)	23,776
Unencumbered fund balance at beginning of year.	61,523	61,523	61,523	-
Prior year encumbrances appropriated	<u>8,207</u>	<u>8,207</u>	<u>8,207</u>	<u>-</u>
Unencumbered fund balance at end of year.	<u>\$ 90,040</u>	<u>\$ 15,040</u>	<u>\$ 38,816</u>	<u>\$ 23,776</u>

CITY OF STOW, OHIO

*SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
COURT CLERK TECHNOLOGY FUND
FOR THE YEAR ENDED DECEMBER 31, 2021*

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>		
Revenues:				
Fines and forfeitures	\$ 444,947	\$ 444,947	\$ 88,970	\$ (355,977)
Intergovernmental	14,693	14,693	2,500	(12,193)
Total revenues	<u>459,640</u>	<u>459,640</u>	<u>91,470</u>	<u>(368,170)</u>
Expenditures:				
Current:				
General government				
Personal services	50,916	62,416	52,172	10,244
Other	66,535	130,035	66,899	63,136
Capital outlay				
Other	<u>10,018</u>	<u>10,018</u>	<u>7,478</u>	<u>2,540</u>
Total expenditures	<u>127,469</u>	<u>202,469</u>	<u>126,549</u>	<u>75,920</u>
Net change in fund balance.	332,171	257,171	(35,079)	(292,250)
Unencumbered fund balance at beginning of year.	77,341	77,341	77,341	-
Prior year encumbrances appropriated	<u>5,128</u>	<u>5,128</u>	<u>5,128</u>	<u>-</u>
Unencumbered fund balance at end of year.	<u>\$ 414,640</u>	<u>\$ 339,640</u>	<u>\$ 47,390</u>	<u>\$ (292,250)</u>

CITY OF STOW, OHIO

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

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Fines and forfeitures	\$ 64,271	\$ 64,271	\$ 11,736	\$ (52,535)
Intergovernmental	140,493	140,493	24,594	(115,899)
Total revenues.	<u>204,764</u>	<u>204,764</u>	<u>36,330</u>	<u>(168,434)</u>
Excess of revenues over expenditures	<u>204,764</u>	<u>204,764</u>	<u>36,330</u>	<u>(168,434)</u>
Other financing (uses):				
Transfers (out)	<u>(33,000)</u>	<u>(58,000)</u>	<u>(36,330)</u>	<u>21,670</u>
Total other financing (uses)	<u>(33,000)</u>	<u>(58,000)</u>	<u>(36,330)</u>	<u>21,670</u>
Net change in fund balance.	171,764	146,764	-	(146,764)
Unencumbered fund balance at beginning of year.	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Unencumbered fund balance at end of year.	<u>\$ 171,764</u>	<u>\$ 146,764</u>	<u>\$ -</u>	<u>\$ (146,764)</u>

CITY OF STOW, OHIO

*SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
9-11 & 1st RESPONDER MEMORIAL FUND
FOR THE YEAR ENDED DECEMBER 31, 2021*

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Unencumbered fund balance at beginning of year.	\$ 2,500	\$ 2,500	\$ 2,500	\$ -
Unencumbered fund balance at end of year. . . .	<u>\$ 2,500</u>	<u>\$ 2,500</u>	<u>\$ 2,500</u>	<u>\$ -</u>

CITY OF STOW, OHIO

*SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
POLICE FORFEITED CASH FUND
FOR THE YEAR ENDED DECEMBER 31, 2021*

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Unencumbered fund balance at beginning of year.	\$ 929	\$ 929	\$ 929	\$ -
Unencumbered fund balance at end of year. . . .	<u>\$ 929</u>	<u>\$ 929</u>	<u>\$ 929</u>	<u>\$ -</u>

CITY OF STOW, OHIO

*SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
POLICE DRUG FORFEITED CASH FUND
FOR THE YEAR ENDED DECEMBER 31, 2021*

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues:				
Fines and forfeitures	\$ -	\$ -	\$ 3,629	\$ 3,629
Other	5,000	5,000	3,089	(1,911)
Total revenues	<u>5,000</u>	<u>5,000</u>	<u>6,718</u>	<u>1,718</u>
Expenditures:				
Capital outlay				
Other	72,750	72,750	72,696	54
Total expenditures	<u>72,750</u>	<u>72,750</u>	<u>72,696</u>	<u>54</u>
Net change in fund balance	(67,750)	(67,750)	(65,978)	1,772
Unencumbered fund balance at beginning of year.	<u>72,805</u>	<u>72,805</u>	<u>72,805</u>	<u>-</u>
Unencumbered fund balance at end of year.	<u>\$ 5,055</u>	<u>\$ 5,055</u>	<u>\$ 6,827</u>	<u>\$ 1,772</u>

CITY OF STOW, OHIO

*SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
FIRE BOND INSURANCE FUND
FOR THE YEAR ENDED DECEMBER 31, 2021*

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues:				
Charges for services	\$ 50,000	\$ 50,000	\$ 31,440	\$ (18,560)
Total revenues	<u>50,000</u>	<u>50,000</u>	<u>31,440</u>	<u>(18,560)</u>
Expenditures:				
Current:				
Security of persons and property				
Other	30,000	30,000	29,280	720
Total expenditures	<u>30,000</u>	<u>30,000</u>	<u>29,280</u>	<u>720</u>
Net change in fund balance	20,000	20,000	2,160	(17,840)
Unencumbered fund balance at beginning of year.	<u>29,280</u>	<u>29,280</u>	<u>29,280</u>	<u>-</u>
Unencumbered fund balance at end of year. . . .	<u>\$ 49,280</u>	<u>\$ 49,280</u>	<u>\$ 31,440</u>	<u>\$ (17,840)</u>

CITY OF STOW, OHIO

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

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Intergovernmental	\$ 243,600	\$ 243,600	\$ -	\$ (243,600)
Total revenues.	<u>243,600</u>	<u>243,600</u>	<u>-</u>	<u>(243,600)</u>
Expenditures:				
Current:				
Community and economic environment				
Other	15,000	15,000	-	15,000
Total expenditures	<u>15,000</u>	<u>15,000</u>	<u>-</u>	<u>15,000</u>
Net change in fund balance.	228,600	228,600	-	(228,600)
Unencumbered fund balance at beginning of year.	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Unencumbered fund balance at end of year. . . .	<u>\$ 228,600</u>	<u>\$ 228,600</u>	<u>\$ -</u>	<u>\$ (228,600)</u>

CITY OF STOW, OHIO

*SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
LOCAL CORONAVIRUS RELIEF FUND
FOR THE YEAR ENDED DECEMBER 31, 2021*

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Intergovernmental	\$ 1,000,000	\$ 1,000,000	\$ -	\$ (1,000,000)
Total revenues.	<u>1,000,000</u>	<u>1,000,000</u>	<u>-</u>	<u>(1,000,000)</u>
Net change in fund balance.	1,000,000	1,000,000	-	(1,000,000)
Unencumbered fund balance at beginning of year.	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Unencumbered fund balance at end of year:	<u>\$ 1,000,000</u>	<u>\$ 1,000,000</u>	<u>\$ -</u>	<u>\$ (1,000,000)</u>

CITY OF STOW, OHIO

*SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
SUMMIT COUNTY COVID-19 FUND
FOR THE YEAR ENDED DECEMBER 31, 2021*

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>		
Revenues:				
Intergovernmental	\$ 1,000,000	\$ 1,000,000	\$ -	\$ (1,000,000)
Total revenues.	<u>1,000,000</u>	<u>1,000,000</u>	<u>-</u>	<u>(1,000,000)</u>
Net change in fund balance.	1,000,000	1,000,000	-	(1,000,000)
Unencumbered fund balance at beginning of year.	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Unencumbered fund balance at end of year.	<u>\$ 1,000,000</u>	<u>\$ 1,000,000</u>	<u>\$ -</u>	<u>\$ (1,000,000)</u>

CITY OF STOW, OHIO

*SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
RESIDENTIAL SNOW REMOVAL FUND
FOR THE YEAR ENDED DECEMBER 31, 2021*

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Other	\$ 36,750	\$ 36,750	\$ -	\$ (36,750)
Total revenues	<u>36,750</u>	<u>36,750</u>	<u>-</u>	<u>(36,750)</u>
Expenditures:				
Current:				
Security of persons and property				
Other	\$ 49,925	\$ 49,925	\$ 15,242	\$ 34,683
Total expenditures	<u>49,925</u>	<u>49,925</u>	<u>15,242</u>	<u>34,683</u>
Net change in fund balance.	(13,175)	(13,175)	(15,242)	(2,067)
Unencumbered fund balance at beginning of year.	35,425	35,425	35,425	-
Prior year encumbrances appropriated	<u>14,500</u>	<u>14,500</u>	<u>14,500</u>	<u>-</u>
Unencumbered fund balance at end of year. . . .	<u>\$ 36,750</u>	<u>\$ 36,750</u>	<u>\$ 34,683</u>	<u>\$ (2,067)</u>

CITY OF STOW, OHIO

*SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
PARK AND RECREATION DEPOSITS FUND
FOR THE YEAR ENDED DECEMBER 31, 2021*

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues:				
Other	\$ 225,000	\$ 225,000	\$ 202,402	\$ (22,598)
Total revenues	<u>225,000</u>	<u>225,000</u>	<u>202,402</u>	<u>(22,598)</u>
Expenditures:				
Current:				
Leisure time activities				
Other	194,372	194,372	193,880	492
Total expenditures	<u>194,372</u>	<u>194,372</u>	<u>193,880</u>	<u>492</u>
Net change in fund balance.	30,628	30,628	8,522	(22,106)
Unencumbered fund balance at beginning of year.	<u>9,789</u>	<u>9,789</u>	<u>9,789</u>	<u>-</u>
Unencumbered fund balance at end of year.	<u>\$ 40,417</u>	<u>\$ 40,417</u>	<u>\$ 18,311</u>	<u>\$ (22,106)</u>

CITY OF STOW, OHIO

*SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
ROAD CONSTRUCTION BONDS FUND
FOR THE YEAR ENDED DECEMBER 31, 2021*

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues:				
Other	\$ -	\$ -	\$ 6,300	\$ 6,300
Total revenues	-	-	6,300	6,300
Expenditures:				
Current:				
Transportation				
Other	2,000	2,000	1,085	915
Total expenditures	2,000	2,000	1,085	915
Net change in fund balance.	(2,000)	(2,000)	5,215	7,215
Unencumbered fund balance at beginning of year.	34,480	34,480	34,480	-
Unencumbered fund balance at end of year.	<u>\$ 32,480</u>	<u>\$ 32,480</u>	<u>\$ 39,695</u>	<u>\$ 7,215</u>

CITY OF STOW, OHIO

*SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
ALLOTMENT DEPOSIT ENGINEER FUND
FOR THE YEAR ENDED DECEMBER 31, 2021*

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>		
Unencumbered fund balance at beginning of year.	\$ 64,612	\$ 64,612	\$ 64,612	\$ -
Unencumbered fund balance at end of year. . . .	<u>\$ 64,612</u>	<u>\$ 64,612</u>	<u>\$ 64,612</u>	<u>\$ -</u>

CITY OF STOW, OHIO

*SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
MISCELLANEOUS SERVICE DEPOSITS FUND
FOR THE YEAR ENDED DECEMBER 31, 2021*

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues:				
Other	\$ -	\$ -	\$ 1,000	\$ 1,000
Total revenues	-	-	1,000	1,000
Expenditures:				
Current:				
Transportation				
Other	175,000	175,000	174,979	21
Total expenditures	175,000	175,000	174,979	21
Net change in fund balance.	(175,000)	(175,000)	(173,979)	1,021
Unencumbered fund balance at beginning of year.	189,396	189,396	189,396	-
Unencumbered fund balance at end of year. . . .	<u>\$ 14,396</u>	<u>\$ 14,396</u>	<u>\$ 15,417</u>	<u>\$ 1,021</u>

CITY OF STOW, OHIO

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

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Other	\$ 100	\$ 100	\$ 21	\$ (79)
Total revenues	100	100	21	(79)
Expenditures:				
Current:				
General government				
Other	25	25	21	4
Total expenditures	25	25	21	4
Net change in fund balance.	75	75	-	(75)
Unencumbered fund balance at beginning of year.	-	-	-	-
Unencumbered fund balance at end of year.	\$ 75	\$ 75	\$ -	\$ (75)

CITY OF STOW, OHIO

*SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
FLEXIBLE SPENDING PLAN FUND
FOR THE YEAR ENDED DECEMBER 31, 2021*

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>		
Expenditures:				
Current:				
General government				
Other	\$ 4,728	\$ 4,728	\$ 4,728	\$ -
Total expenditures	<u>4,728</u>	<u>4,728</u>	<u>4,728</u>	<u>-</u>
Net change in fund balance.	(4,728)	(4,728)	(4,728)	-
Unencumbered fund balance at beginning of year.	<u>4,728</u>	<u>4,728</u>	<u>4,728</u>	<u>-</u>
Unencumbered fund balance at end of year. . . .	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

CITY OF STOW, OHIO

*SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
UNCLAIMED COURT BONDS FUND
FOR THE YEAR ENDED DECEMBER 31, 2021*

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Other	\$ 10,000	\$ 10,000	\$ 9,934	\$ (66)
Total revenues	<u>10,000</u>	<u>10,000</u>	<u>9,934</u>	<u>(66)</u>
Expenditures:				
Current:				
General government				
Other	250	250	239	11
Total expenditures	<u>250</u>	<u>250</u>	<u>239</u>	<u>11</u>
Net change in fund balance.	9,750	9,750	9,695	(55)
Unencumbered fund balance at beginning of year.	<u>72,557</u>	<u>72,557</u>	<u>72,557</u>	<u>-</u>
Unencumbered fund balance at end of year. . . .	<u>\$ 82,307</u>	<u>\$ 82,307</u>	<u>\$ 82,252</u>	<u>\$ (55)</u>

CITY OF STOW, OHIO

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

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>		
Revenues:				
Other	\$ 20,000	\$ 20,000	\$ 15,492	\$ (4,508)
Total revenues	<u>20,000</u>	<u>20,000</u>	<u>15,492</u>	<u>(4,508)</u>
Expenditures:				
Current:				
General government				
Other	7,125	7,125	7,118	7
Total expenditures	<u>7,125</u>	<u>7,125</u>	<u>7,118</u>	<u>7</u>
Net change in fund balance.	12,875	12,875	8,374	(4,501)
Unencumbered fund balance at beginning of year.	<u>62,181</u>	<u>62,181</u>	<u>62,181</u>	<u>-</u>
Unencumbered fund balance at end of year. . . .	<u>\$ 75,056</u>	<u>\$ 75,056</u>	<u>\$ 70,555</u>	<u>\$ (4,501)</u>

CITY OF STOW, OHIO

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

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>		
Revenues:				
Income taxes	\$ 1,351,875	\$ 1,351,875	\$ 363,081	\$ (988,794)
Total revenues	<u>1,351,875</u>	<u>1,351,875</u>	<u>363,081</u>	<u>(988,794)</u>
Expenditures:				
Debt service:				
Principal retirement.	251,790	301,790	251,790	50,000
Interest and fiscal charges.	<u>111,291</u>	<u>161,291</u>	<u>111,291</u>	<u>50,000</u>
Total expenditures	<u>363,081</u>	<u>463,081</u>	<u>363,081</u>	<u>100,000</u>
Net change in fund balance.	988,794	888,794	-	(888,794)
Unencumbered fund balance at beginning of year.	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Unencumbered fund balance at end of year. . . .	<u>\$ 988,794</u>	<u>\$ 888,794</u>	<u>\$ -</u>	<u>\$ (888,794)</u>

CITY OF STOW, OHIO

*INDIVIDUAL FUND SCHEDULES
FUND DESCRIPTIONS - PROPRIETARY FUNDS*

ENTERPRISE FUNDS

To account for the financing of costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis that are financed or recovered primarily through user charges.

Major Enterprise Funds

Water Fund

This fund accounts for revenues generated from the charges for the treatment and provision of water to the residents and commercial users of the City.

Golf Fund

This fund accounts for revenues generated and expenses for the Fox Den Golf Course.

Storm Water Utility Fund

This fund accounts for the provision of storm drainage runoff service to the residents and commercial users located within the City.

INTERNAL SERVICE FUNDS

To 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.

Administrative Insurance Fund

This fund accounts for the receipt and disbursement of funds to administrate the City's self-funded insurance plan for health, hospitalization and dental coverage and payment of premiums of life, accidental death and dismemberment insurance.

Self-Insurance Fund

This fund accounts for the operation of the City's self-insurance program for employee health benefits.

CITY OF STOW, OHIO

SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN
 FUND EQUITY - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
WATER FUND
 FOR THE YEAR ENDED DECEMBER 31, 2021

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Operating revenues:				
Charges for services	\$ 8,846,704	\$ 8,846,704	\$ 5,159,058	\$ (3,687,646)
Tap-in fees	255,876	255,876	137,218	(118,658)
Other.	14,220	14,220	1,422	(12,798)
Total revenues	<u>9,116,800</u>	<u>9,116,800</u>	<u>5,297,698</u>	<u>(3,819,102)</u>
Operating expenses:				
Personal services.	2,093,849	2,093,849	1,491,011	602,838
Materials and supplies	1,526,180	1,526,180	1,007,377	518,803
Contractual services	4,185,404	4,185,404	2,913,784	1,271,620
Capital outlay	3,985,946	3,985,946	2,439,779	1,546,167
Total expenses	<u>11,791,379</u>	<u>11,791,379</u>	<u>7,851,951</u>	<u>3,939,428</u>
Operating (loss).	<u>(2,674,579)</u>	<u>(2,674,579)</u>	<u>(2,554,253)</u>	<u>120,326</u>
Nonoperating revenues (expenses):				
Advances in	1,302,425	1,302,425	550,000	(752,425)
Advances out.	(475,000)	(475,000)	(450,000)	25,000
Investment earnings	9,300	9,300	2,750	(6,550)
Capital contributions	35,000	35,000	30,872	(4,128)
Debt service:				
Principal retirement	(121,406)	(121,406)	(121,406)	-
Interest and fiscal charges	(14,121)	(14,121)	(14,120)	1
Total nonoperating revenues (expenses)	<u>736,198</u>	<u>736,198</u>	<u>(1,904)</u>	<u>(738,102)</u>
Net change in fund equity	(1,938,381)	(1,938,381)	(2,556,157)	(617,776)
Unencumbered fund equity at beginning of year.	6,414,537	6,414,537	6,414,537	-
Prior year encumbrances appropriated	<u>295,894</u>	<u>295,894</u>	<u>295,894</u>	<u>-</u>
Unencumbered fund equity at end of year.	<u>\$ 4,772,050</u>	<u>\$ 4,772,050</u>	<u>\$ 4,154,274</u>	<u>\$ (617,776)</u>

CITY OF STOW, OHIO

SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN
 FUND EQUITY - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
GOLF FUND
 FOR THE YEAR ENDED DECEMBER 31, 2021

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Operating revenues:				
Charges for services	\$ 1,488,042	\$ 1,488,042	\$ 1,352,166	\$ (135,876)
Other.	255,368	255,368	204,819	(50,549)
Total revenues.	<u>1,743,410</u>	<u>1,743,410</u>	<u>1,556,985</u>	<u>(186,425)</u>
Operating expenses:				
Personal services.	658,957	658,957	600,926	58,031
Materials and supplies	677,294	677,294	668,122	9,172
Contractual services	231,348	231,348	228,807	2,541
Capital outlay	156,099	2,156,099	2,148,080	8,019
Total expenses	<u>1,723,698</u>	<u>3,723,698</u>	<u>3,645,935</u>	<u>77,763</u>
Operating income (loss)	<u>19,712</u>	<u>(1,980,288)</u>	<u>(2,088,950)</u>	<u>(108,662)</u>
Nonoperating revenues (expenses):				
Income taxes.	311,440	311,440	311,440	-
Note issuance	-	2,000,000	2,000,000	-
Debt service:				
Principal retirement	(265,000)	(265,000)	(265,000)	-
Interest and fiscal charges.	(46,440)	(46,440)	(46,440)	-
Total nonoperating revenues (expenses)	<u>-</u>	<u>2,000,000</u>	<u>2,000,000</u>	<u>-</u>
Net change in fund equity	19,712	19,712	(88,950)	(108,662)
Unencumbered fund equity at beginning of year.	660,285	660,285	660,285	-
Prior year encumbrances appropriated	<u>6,913</u>	<u>6,913</u>	<u>6,913</u>	<u>-</u>
Unencumbered fund equity at end of year.	<u>\$ 686,910</u>	<u>\$ 686,910</u>	<u>\$ 578,248</u>	<u>\$ (108,662)</u>

CITY OF STOW, OHIO

SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN
 FUND EQUITY - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
STORM WATER UTILITY FUND
 FOR THE YEAR ENDED DECEMBER 31, 2021

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Operating revenues:				
Charges for services	\$ 1,797,797	\$ 1,797,797	\$ 1,480,090	\$ (317,707)
Other.	301,353	301,353	181,406	(119,947)
Total revenues.	<u>2,099,150</u>	<u>2,099,150</u>	<u>1,661,496</u>	<u>(437,654)</u>
Operating expenses:				
Personal services.	383,282	383,282	284,081	99,201
Materials and supplies	40,305	40,305	10,809	29,496
Contractual services	153,380	153,380	124,574	28,806
Capital outlay	2,355,281	2,355,281	1,928,220	427,061
Total expenses	<u>2,932,248</u>	<u>2,932,248</u>	<u>2,347,684</u>	<u>584,564</u>
Operating (loss)	<u>(833,098)</u>	<u>(833,098)</u>	<u>(686,188)</u>	<u>146,910</u>
Nonoperating revenues (expenses):				
Advance in	500,000	500,000	450,000	(50,000)
Advance out	(550,000)	(550,000)	(550,000)	-
Capital contributions	50,000	50,000	25,549	(24,451)
Debt service:				
Interest and fiscal charges.	(2,750)	(2,750)	(2,750)	-
Total nonoperating revenues (expenses)	<u>(2,750)</u>	<u>(2,750)</u>	<u>(77,201)</u>	<u>(74,451)</u>
Net change in fund equity	(835,848)	(835,848)	(763,389)	72,459
Unencumbered fund equity at beginning of year.	1,070,935	1,070,935	1,070,935	-
Prior year encumbrances appropriated	<u>466,563</u>	<u>466,563</u>	<u>466,563</u>	<u>-</u>
Unencumbered fund equity at end of year.	<u>\$ 701,650</u>	<u>\$ 701,650</u>	<u>\$ 774,109</u>	<u>\$ 72,459</u>

CITY OF STOW, OHIO

*COMBINING STATEMENT OF NET POSITION
INTERNAL SERVICE FUNDS
DECEMBER 31, 2021*

	Administrative Insurance	Self-Insurance	Total Internal Service Funds
Assets:			
Current assets:			
Equity in pooled cash and cash equivalents . . .	\$ 2,795	\$ 1,457,257	\$ 1,460,052
Receivables:			
Accounts	-	598	598
Total assets	<u>2,795</u>	<u>1,457,855</u>	<u>1,460,650</u>
Liabilities:			
Current liabilities:			
Claims payable	-	729,603	729,603
Total liabilities	<u>-</u>	<u>729,603</u>	<u>729,603</u>
Net position:			
Unrestricted	<u>2,795</u>	<u>728,252</u>	<u>731,047</u>
Total net position	<u>\$ 2,795</u>	<u>\$ 728,252</u>	<u>\$ 731,047</u>

CITY OF STOW, OHIO

*COMBINING STATEMENT OF REVENUES, EXPENSES AND
CHANGES IN NET POSITION
INTERNAL SERVICE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2021*

	Administrative Insurance	Self-Insurance	Total Internal Service Funds
Operating revenues:			
Charges for services	\$ 424,861	\$ 3,890,128	\$ 4,314,989
Other operating revenues	86	122,193	122,279
Total operating revenues	<u>424,947</u>	<u>4,012,321</u>	<u>4,437,268</u>
Operating expenses:			
Contract services	428,268	-	428,268
Claims expense	<u>-</u>	<u>4,711,620</u>	<u>4,711,620</u>
Total operating expenses	<u>428,268</u>	<u>4,711,620</u>	<u>5,139,888</u>
Operating loss/change in net position	(3,321)	(699,299)	(702,620)
Net position at beginning of year	<u>6,116</u>	<u>1,427,551</u>	<u>1,433,667</u>
Net position at end of year	<u>\$ 2,795</u>	<u>\$ 728,252</u>	<u>\$ 731,047</u>

CITY OF STOW, OHIO

*COMBINING STATEMENT OF CASH FLOWS
INTERNAL SERVICE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2021*

	Administrative Insurance	Self-Insurance	Total Internal Service Funds
Cash flows from operating activities:			
Cash received from customers	\$ 424,861	\$ 3,892,637	\$ 4,317,498
Cash received from other operations	86	263,532	263,618
Cash payments for contract services	(428,268)	-	(428,268)
Cash payments for claims.	<u>-</u>	<u>(4,610,409)</u>	<u>(4,610,409)</u>
Net cash used in operating activities	<u>(3,321)</u>	<u>(454,240)</u>	<u>(457,561)</u>
Net decrease in cash and cash equivalents.	(3,321)	(454,240)	(457,561)
Cash and cash equivalents at beginning of year	<u>6,116</u>	<u>1,911,497</u>	<u>1,917,613</u>
Cash and cash equivalents at end of year	<u><u>\$ 2,795</u></u>	<u><u>\$ 1,457,257</u></u>	<u><u>\$ 1,460,052</u></u>
Reconciliation of operating loss to net cash used in operating activities:			
Operating loss.	\$ (3,321)	\$ (699,299)	\$ (702,620)
Changes in assets and liabilities:			
Decrease in accounts receivable	-	143,848	143,848
Increase in claims payable	<u>-</u>	<u>101,211</u>	<u>101,211</u>
Net cash used in operating activities.	<u><u>\$ (3,321)</u></u>	<u><u>\$ (454,240)</u></u>	<u><u>\$ (457,561)</u></u>

CITY OF STOW, OHIO

*SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN
FUND EQUITY - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
ADMINISTRATIVE INSURANCE FUND
FOR THE YEAR ENDED DECEMBER 31, 2021*

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Operating revenues:				
Charges for services	\$ 440,000	\$ 440,000	\$ 424,861	\$ (15,139)
Other.	-	-	86	86
Total revenues	440,000	440,000	424,947	(15,053)
Operating expenses:				
Contractual services	471,116	471,116	428,268	42,848
Total expenses	471,116	471,116	428,268	42,848
Operating (loss)	(31,116)	(31,116)	(3,321)	27,795
Nonoperating revenues:				
Transfers in	181,863	181,863	-	(181,863)
Total nonoperating revenues.	181,863	181,863	-	(181,863)
Net change in fund equity	150,747	150,747	(3,321)	(154,068)
Unencumbered fund equity at beginning of year.	6,116	6,116	6,116	-
Unencumbered fund equity at end of year. . . .	\$ 156,863	\$ 156,863	\$ 2,795	\$ (154,068)

CITY OF STOW, OHIO

*SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN
FUND EQUITY - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
SELF-INSURANCE FUND
FOR THE YEAR ENDED DECEMBER 31, 2021*

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Operating revenues:				
Charges for services	\$ 3,595,883	\$ 4,004,000	\$ 3,892,637	\$ (111,363)
Other.	243,442	235,325	263,532	28,207
Total revenues.	3,839,325	4,239,325	4,156,169	(83,156)
Operating expenses:				
Claims	5,965,497	5,965,497	4,615,586	1,349,911
Total expenses	5,965,497	5,965,497	4,615,586	1,349,911
Operating (loss).	(2,126,172)	(1,726,172)	(459,417)	1,266,755
Nonoperating (expenses):				
Transfers (out)	(50,000)	(50,000)	-	50,000
Total nonoperating (expenses)	(50,000)	(50,000)	-	50,000
Net change in fund equity	(2,176,172)	(1,776,172)	(459,417)	1,316,755
Unencumbered fund equity at beginning of year.	1,911,497	1,911,497	1,911,497	-
Unencumbered fund equity at end of year. . . .	\$ (264,675)	\$ 135,325	\$ 1,452,080	\$ 1,316,755

CITY OF STOW, OHIO

*INDIVIDUAL FUND SCHEDULES
FUND DESCRIPTIONS - FIDUCIARY FUNDS*

Fiduciary funds are used to account for assets held by the City in a trustee capacity, or as an agent for individuals, private organizations, other governments and/or funds. The following are the City's fiduciary fund types:

Custodial Funds

Custodial funds maintain assets held by the City as an agent for individuals, private organizations, other governmental units and/or funds. These funds are purely custodial (assets equal liabilities) and therefore do not involve the measurement of results. The following are the City's custodial funds.

Stow Seniors Commission Fund

To account for donations to the City for the Senior Center Commission.

Metro SWAT Fund

To account for assets held by the City for the Summit Metro Crash Response Team.

Stow Municipal Court Fund

To account for fines and fees collected by the Stow Municipal Court, which are required to be disbursed to various parties.

Summit Metro Crash Response Team Fund

To account for donations and revenues from other governmental entities to be used for expenditures of the Summit Metro Crash Response Team.

Ohio BBS 3% Surcharge Fund

To account for a three percent assessment by the State of Ohio collected on all building and related permits.

School District Compensation Fund

To account for compensation payments collected and distributed for other governments.

DEI Initiative Scholarship Fund

To account for scholarship monies collected and distributed for the Stow Schools Foundation as part of the Diversity, Equity and Inclusion (DEI) Initiative.

CITY OF STOW, OHIO

*COMBINING STATEMENT OF FIDUCIARY NET POSITION
CUSTODIAL FUNDS
DECEMBER 31, 2021*

	Stow Seniors Commission	Metro SWAT	Stow Municipal Court	Summit Metro Crash Response Team
Assets:				
Equity in pooled cash and cash equivalents	\$ 336	\$ 237,172	\$ -	\$ 30,240
Cash in segregated accounts	<u>-</u>	<u>-</u>	<u>160,750</u>	<u>-</u>
Total assets	<u>336</u>	<u>237,172</u>	<u>160,750</u>	<u>30,240</u>
Liabilities:				
Accounts payable	-	20,736	-	8,524
Intergovernmental payable	<u>-</u>	<u>-</u>	<u>160,750</u>	<u>-</u>
Total liabilities	<u>-</u>	<u>20,736</u>	<u>160,750</u>	<u>8,524</u>
Net position:				
Restricted for individuals, organizations and other governments.	<u>336</u>	<u>216,436</u>	<u>-</u>	<u>21,716</u>
Total net position	<u><u>\$ 336</u></u>	<u><u>\$ 216,436</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 21,716</u></u>

Ohio BBS 3% Surcharge	DEI Initiative Scholarship	Total
\$ 344	\$ 14,850	\$ 282,942
-	-	160,750
<u>344</u>	<u>14,850</u>	<u>443,692</u>
-	-	29,260
-	-	160,750
-	-	<u>190,010</u>
<u>344</u>	<u>14,850</u>	<u>253,682</u>
<u>\$ 344</u>	<u>\$ 14,850</u>	<u>\$ 253,682</u>

CITY OF STOW, OHIO

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

	<u>Stow Seniors Commission</u>	<u>Metro SWAT</u>	<u>Stow Municipal Court</u>	<u>Summit Metro Crash Response Team</u>
Additions:				
From local sources:				
Amounts received as fiscal agent	\$ -	\$ 88,049	\$ -	\$ 23,711
Licenses, permits and fees for other governments	-	-	-	-
Fines and forfeitures for other governments	-	-	3,069,755	-
Compensation payments collected for other governments. . .	-	-	-	-
Total additions	<u>-</u>	<u>88,049</u>	<u>3,069,755</u>	<u>23,711</u>
Deductions:				
Distributions as fiscal agent	-	77,369	-	17,392
Licenses, permits and fees distributions to other governments .	-	-	-	-
Fines and forfeitures distributions to other governments	-	-	3,069,755	-
Compensation payments distributions to other governments.	-	-	-	-
Total deductions	<u>-</u>	<u>77,369</u>	<u>3,069,755</u>	<u>17,392</u>
Net change in fiduciary net position	-	10,680	-	6,319
Net position beginning of year.	<u>336</u>	<u>205,756</u>	<u>-</u>	<u>15,397</u>
Net position end of year	<u>\$ 336</u>	<u>\$ 216,436</u>	<u>\$ -</u>	<u>\$ 21,716</u>

<u>Ohio BBS 3% Surcharge</u>	<u>School District Compensation</u>	<u>DEI Initiative Scholarship</u>	<u>Total</u>
\$ -	\$ -	\$ 14,850	\$ 126,610
7,570	-	-	7,570
-	-	-	3,069,755
-	412,629	-	412,629
<u>7,570</u>	<u>412,629</u>	<u>14,850</u>	<u>3,616,564</u>
-	-	-	94,761
7,678	-	-	7,678
-	-	-	3,069,755
-	412,629	-	412,629
<u>7,678</u>	<u>412,629</u>	<u>-</u>	<u>3,584,823</u>
(108)	-	14,850	31,741
<u>452</u>	<u>-</u>	<u>-</u>	<u>221,941</u>
<u>\$ 344</u>	<u>\$ -</u>	<u>\$ 14,850</u>	<u>\$ 253,682</u>

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STATISTICAL SECTION

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CITY OF STOW, OHIO
STATISTICAL SECTION

This part of the City of Stow's comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the City's overall financial health.

<u>Contents</u>	<u>Page</u>
Financial Trends These schedules contain trend information to help the reader understand how the City's financial performance and well-being have changed over time.	205
Revenue Capacity These schedules contain information to help the reader assess the City's most significant local revenue sources, the income tax and property tax.	217
Debt Capacity These schedules present information to help the reader assess the affordability of the City's current levels of outstanding debt and the City's ability to issue additional debt in the future.	225
Demographic and Economic Information These schedules offer demographic and economic indicators to help the reader understand the environment within which the City's financial activities take place.	231
Operating Information These schedules contain service and infrastructure data to help the reader understand how the information in the City's financial report relates to the services the City provides and the activities it performs.	235

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

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FINANCIAL TRENDS

CITY OF STOW, OHIO

*NET POSITION BY COMPONENT
LAST TEN YEARS
(ACCRUAL BASIS OF ACCOUNTING)*

	Fiscal Year			
	2021	2020	2019	2018 (3)
Governmental activities				
Net investment in capital assets	\$ 52,233,046	\$ 51,422,369	\$ 53,317,927	\$ 52,589,812
Restricted	3,916,478	2,609,030	1,982,000	2,669,304
Unrestricted (deficit)	(13,791,822)	(23,452,693)	(29,182,601)	(42,623,593)
Total governmental activities net assets	<u>\$ 42,357,702</u>	<u>\$ 30,578,706</u>	<u>\$ 26,117,326</u>	<u>\$ 12,635,523</u>
Business-type activities				
Net investment in capital assets	\$ 36,913,783	\$ 36,177,980	\$ 35,099,401	\$ 33,789,944
Unrestricted	6,422,892	5,507,030	5,045,382	7,887,481
Total business-type activities net assets	<u>\$ 43,336,675</u>	<u>\$ 41,685,010</u>	<u>\$ 40,144,783</u>	<u>\$ 41,677,425</u>
Primary government				
Net investment in capital assets	\$ 89,146,829	\$ 87,600,349	\$ 88,417,328	\$ 86,379,756
Restricted	3,916,478	2,609,030	1,982,000	2,669,304
Unrestricted (deficit)	(7,368,930)	(17,945,663)	(24,137,219)	(34,736,112)
Total primary government net position	<u>\$ 85,694,377</u>	<u>\$ 72,263,716</u>	<u>\$ 66,262,109</u>	<u>\$ 54,312,948</u>

Source: City of Stow, Financial Records

- (1) Amounts have been restated to reflect the implementation of GASB Statements No. 68 and 71, which were implemented in 2015.
- (2) Amounts have been restated to reflect the implementation of GASB Statement No. 75.
- (3) Amounts have been restated to reflect the implementation of GASB Statement No. 84.

<u>2017 (2)</u>	<u>2016</u>	<u>2015</u>	<u>2014 (1)</u>	<u>2013</u>	<u>2012</u>
\$ 51,399,664	\$ 52,816,080	\$ 48,357,523	\$ 47,970,497	\$ 45,313,451	\$ 42,370,606
3,760,314	4,166,978	5,623,410	6,245,011	5,905,788	6,323,180
<u>(39,822,521)</u>	<u>(16,563,916)</u>	<u>(15,725,119)</u>	<u>(17,122,776)</u>	<u>6,905,379</u>	<u>5,733,071</u>
<u>\$ 15,337,457</u>	<u>\$ 40,419,142</u>	<u>\$ 38,255,814</u>	<u>\$ 37,092,732</u>	<u>\$ 58,124,618</u>	<u>\$ 54,426,857</u>
\$ 32,987,291	\$ 32,415,187	\$ 31,259,046	\$ 30,187,216	\$ 29,369,155	\$ 29,113,459
7,995,574	7,805,817	6,953,910	7,124,618	7,514,211	6,372,417
<u>\$ 40,982,865</u>	<u>\$ 40,221,004</u>	<u>\$ 38,212,956</u>	<u>\$ 37,311,834</u>	<u>\$ 36,883,366</u>	<u>\$ 35,485,876</u>
\$ 84,386,955	\$ 85,231,267	\$ 79,616,569	\$ 78,157,713	\$ 74,682,606	\$ 71,484,065
3,760,314	4,166,978	5,623,410	6,245,011	5,905,788	6,323,180
<u>(31,826,947)</u>	<u>(8,758,099)</u>	<u>(8,771,209)</u>	<u>(9,998,158)</u>	<u>14,419,590</u>	<u>12,105,488</u>
<u>\$ 56,320,322</u>	<u>\$ 80,640,146</u>	<u>\$ 76,468,770</u>	<u>\$ 74,404,566</u>	<u>\$ 95,007,984</u>	<u>\$ 89,912,733</u>

CITY OF STOW, OHIO

*CHANGES IN NET POSITION
LAST TEN YEARS
(ACCRUAL BASIS OF ACCOUNTING)*

	Fiscal Year			
	2021	2020	2019	2018 (1)
Expenses				
Governmental activities:				
General government	\$ 5,808,167	\$ 10,942,307	\$ 11,094,415	\$ 10,074,403
Security of persons and property	16,198,858	17,301,536	3,108,929	18,591,040
Public health	427,486	544,120	513,249	493,283
Leisure time activities	1,405,641	1,634,816	2,021,557	1,844,816
Community and economic development	766,832	1,205,275	1,400,181	1,324,816
Transportation	5,621,778	6,393,998	7,302,368	6,433,094
Interest and fiscal charges	217,315	275,701	305,346	366,907
Bond and note issuance costs	-	-	-	-
Total governmental activities expenses	<u>30,446,077</u>	<u>38,297,753</u>	<u>25,746,045</u>	<u>39,128,359</u>
Business-type activities:				
Water	5,112,126	5,501,489	5,596,608	5,385,576
Golf	1,264,430	1,330,209	1,239,295	1,245,960
Storm Water Utility	1,079,757	881,926	2,260,488	926,308
Total business-type activities expenses	<u>7,456,313</u>	<u>7,713,624</u>	<u>9,096,391</u>	<u>7,557,844</u>
Total primary government expenses	<u>\$ 37,902,390</u>	<u>\$ 46,011,377</u>	<u>\$ 34,842,436</u>	<u>\$ 46,686,203</u>
Program Revenues				
Governmental activities:				
Charges for services:				
General government	\$ 4,336,897	\$ 3,981,221	\$ 4,586,516	\$ 4,510,532
Security of persons and property	883,108	817,421	838,465	937,059
Public health	96,970	78,316	67,040	49,300
Leisure time activities	303,124	162,878	381,634	337,951
Community and economic development	300,684	210,956	347,795	341,992
Transportation	119,000	68,298	68,511	68,242
Operating grants and contributions				
General government	70,776	269,238	73,056	59,835
Security of persons and property	271,408	3,427,463	116,087	108,692
Public health	32,309	59,543	56,991	51,108
Leisure time activities	103,004	160,225	135,048	80,997
Community and economic development	3,979	79,283	18,949	3,641
Transportation	2,295,576	2,373,896	2,744,322	1,765,387
Capital grants and contributions				
General government	3,256	-	-	-
Security of persons and property	107,251	-	20,000	-
Leisure time activities	93,125	-	-	-
Community and economic development	4,303	-	-	-
Transportation	435,226	270,546	867,599	963,905
Total governmental program revenues	<u>9,459,996</u>	<u>11,959,284</u>	<u>10,322,013</u>	<u>9,278,641</u>
Business-type activities:				
Charges for services:				
Water	5,234,085	5,408,037	5,161,691	5,304,611
Golf	1,352,166	1,109,730	948,034	908,085
Storm Water Utility	1,464,451	1,444,168	1,433,616	1,439,877
Capital grants and contributions	356,422	713,000	108,650	8,863
Total business-type activities program revenues	<u>8,407,124</u>	<u>8,674,935</u>	<u>7,651,991</u>	<u>7,661,436</u>
Total primary government program revenue	<u>\$ 17,867,120</u>	<u>\$ 20,634,219</u>	<u>\$ 17,974,004</u>	<u>\$ 16,940,077</u>

	2017	2016	2015	2014	2013	2012
\$	9,599,480	\$ 9,163,530	\$ 9,697,067	\$ 8,518,703	\$ 8,351,841	\$ 8,752,518
	15,824,027	16,618,710	15,209,594	14,823,706	14,576,858	14,882,885
	485,650	478,066	638,916	456,152	483,060	460,036
	1,654,196	1,595,972	1,586,402	1,458,229	1,373,291	1,522,538
	1,170,091	1,226,751	1,107,688	1,188,870	1,165,860	1,252,957
	9,728,248	4,868,751	5,200,034	4,251,589	4,722,114	4,186,489
	387,188	411,713	416,865	662,439	770,369	745,063
	-	-	-	82,659	-	-
	<u>38,848,880</u>	<u>34,363,493</u>	<u>33,856,566</u>	<u>31,442,347</u>	<u>31,443,393</u>	<u>31,802,486</u>
	4,776,746	4,627,806	4,911,480	3,937,944	4,350,339	4,027,924
	1,250,516	1,163,712	1,109,867	1,247,335	1,155,959	1,005,084
	1,079,591	1,332,939	856,262	771,375	767,610	844,828
	<u>7,106,853</u>	<u>7,124,457</u>	<u>6,877,609</u>	<u>5,956,654</u>	<u>6,273,908</u>	<u>5,877,836</u>
\$	<u>45,955,733</u>	<u>41,487,950</u>	<u>40,734,175</u>	<u>37,399,001</u>	<u>37,717,301</u>	<u>37,680,322</u>
\$	4,398,031	\$ 4,464,848	\$ 4,737,376	\$ 4,026,473	\$ 4,380,103	\$ 4,191,996
	808,659	733,242	781,214	864,313	831,052	722,327
	68,071	61,127	64,795	48,820	58,433	71,036
	345,348	350,441	351,179	355,879	320,879	363,581
	311,535	313,803	258,697	247,686	207,271	195,990
	66,056	55,993	59,877	61,938	12,255	18,025
	83,037	63,036	131,108	364,652	81,027	\$77,024
	104,998	147,057	195,437	171,794	272,427	155,042
	55,841	47,128	74,101	46,795	20,382	47,633
	94,728	98,836	143,511	109,894	184,830	116,496
	2,551	1,583	101,315	101,851	2,395	89,508
	1,623,047	1,895,979	1,937,569	1,871,783	2,431,705	1,856,024
	-	-	-	-	-	-
	-	-	-	-	-	-
	-	-	-	-	-	-
	-	-	-	-	-	-
	2,686,442	3,596,297	1,816,262	3,904,877	1,639,994	2,112,844
	<u>10,648,344</u>	<u>11,829,370</u>	<u>10,652,441</u>	<u>12,176,755</u>	<u>10,442,753</u>	<u>10,017,526</u>
	5,264,755	5,329,501	5,306,036	5,132,114	5,194,737	5,249,886
	973,398	964,926	910,919	892,237	920,428	806,780
	1,410,719	966,739	837,428	826,125	828,123	820,731
	71,802	1,288,799	22,428	-	147,668	328,040
	<u>7,720,674</u>	<u>8,549,965</u>	<u>7,076,811</u>	<u>6,850,476</u>	<u>7,090,956</u>	<u>7,205,437</u>
\$	<u>18,369,018</u>	<u>20,379,335</u>	<u>17,729,252</u>	<u>19,027,231</u>	<u>17,533,709</u>	<u>17,222,963</u>

CITY OF STOW, OHIO

*CHANGES IN NET POSITION (CONTINUED)
LAST TEN YEARS
(ACCRUAL BASIS OF ACCOUNTING)*

	Fiscal Year			
	2021	2020	2019	2018 (1)
Net (Expense)/Revenue				
Governmental activities	\$ (20,986,081)	\$ (26,338,469)	\$ (15,424,032)	\$ (29,849,718)
Business-type activities	950,811	961,311	(1,444,400)	103,592
Total primary government net expense	<u>\$ (20,035,270)</u>	<u>\$ (25,377,158)</u>	<u>\$ (16,868,432)</u>	<u>\$ (29,746,126)</u>
General Revenues, Special Items, and Transfers				
Governmental activities:				
Taxes				
Property taxes	\$ 8,897,039	\$ 7,475,003	\$ 7,630,750	\$ 7,507,770
Income taxes	20,748,106	18,257,728	16,803,867	15,830,768
Grants and entitlements not restricted to specific programs	2,980,560	2,601,207	2,602,264	2,563,481
Investment earnings & change in fair value of investments	(86,103)	372,001	487,670	190,528
Miscellaneous	225,475	2,093,910	732,096	914,972
Transfers	-	-	649,188	(14,500)
Total governmental activities	<u>32,765,077</u>	<u>30,799,849</u>	<u>28,905,835</u>	<u>26,993,019</u>
Business-type activities:				
Municipal income taxes	310,467	336,565	327,895	358,760
Investment earnings	2,750	12,000	13,000	7,000
Miscellaneous	387,637	230,351	220,051	210,708
Transfers	-	-	(649,188)	14,500
Total business-type activities	<u>700,854</u>	<u>578,916</u>	<u>(88,242)</u>	<u>590,968</u>
Total primary government	<u>\$ 33,465,931</u>	<u>\$ 31,378,765</u>	<u>\$ 28,817,593</u>	<u>\$ 27,583,987</u>
Change in Net Position				
Governmental activities	\$ 11,778,996	\$ 4,461,380	\$ 13,481,803	\$ (2,856,699)
Business-type activities	1,651,665	1,540,227	(1,532,642)	694,560
Total primary government	<u>\$ 13,430,661</u>	<u>\$ 6,001,607</u>	<u>\$ 11,949,161</u>	<u>\$ (2,162,139)</u>

Source: City of Stow, Financial Records

(1) Amounts have been restated to reflect the implementation of GASB Statement No. 84.

<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>
\$ (28,200,536)	\$ (22,534,123)	\$ (23,204,125)	\$ (19,265,592)	\$ (21,000,640)	\$ (21,784,960)
613,821	1,425,508	199,202	893,822	817,048	1,327,601
<u>\$ (27,586,715)</u>	<u>\$ (21,108,615)</u>	<u>\$ (23,004,923)</u>	<u>\$ (18,371,770)</u>	<u>\$ (20,183,592)</u>	<u>\$ (20,457,359)</u>
\$ 6,914,392	\$ 6,877,774	\$ 6,822,960	\$ 6,933,760	\$ 6,916,433	\$ 6,749,766
15,246,923	14,987,212	14,777,475	14,164,765	13,944,273	13,440,529
2,264,359	2,294,742	2,241,649	2,497,688	3,434,601	3,146,808
110,385	118,136	96,332	60,235	58,986	25,117
578,722	432,587	428,791	340,716	382,470	244,661
(608,180)	(13,000)	-	(65,500)	(38,362)	(353,651)
<u>24,506,601</u>	<u>24,697,451</u>	<u>24,367,207</u>	<u>23,931,664</u>	<u>24,698,401</u>	<u>23,253,230</u>
348,785	346,806	349,841	341,086	361,561	369,843
-	-	-	-	-	-
218,598	222,734	352,079	261,533	180,519	240,160
608,180	13,000	-	65,500	38,362	353,651
<u>1,175,563</u>	<u>582,540</u>	<u>701,920</u>	<u>668,119</u>	<u>580,442</u>	<u>963,654</u>
<u>\$ 25,682,164</u>	<u>\$ 25,279,991</u>	<u>\$ 25,069,127</u>	<u>\$ 24,599,783</u>	<u>\$ 25,278,843</u>	<u>\$ 24,216,884</u>
\$ (3,693,935)	\$ 2,163,328	\$ 1,163,082	\$ 4,666,072	\$ 3,697,761	\$ 1,468,270
1,789,384	2,008,048	901,122	1,561,941	1,397,490	2,291,255
<u>\$ (1,904,551)</u>	<u>\$ 4,171,376</u>	<u>\$ 2,064,204</u>	<u>\$ 6,228,013</u>	<u>\$ 5,095,251</u>	<u>\$ 3,759,525</u>

CITY OF STOW, OHIO

*FUND BALANCES, GOVERNMENTAL FUNDS
LAST TEN YEARS
(MODIFIED ACCRUAL BASIS OF ACCOUNTING)*

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018 (1)</u>
General Fund				
Nonspendable	\$ 537,491	\$ 511,028	\$ 447,431	\$ 255,035
Committed	47,183	54,653	67,577	46,370
Assigned	5,782,193	821,470	323,348	337,214
Unassigned	6,610,448	10,279,817	7,058,831	6,545,950
Total general fund	<u>\$ 12,977,315</u>	<u>\$ 11,666,968</u>	<u>\$ 7,897,187</u>	<u>\$ 7,184,569</u>
All Other Governmental Funds				
Nonspendable	\$ 556,398	\$ 495,537	\$ 504,725	\$ 750,441
Restricted	5,181,402	4,654,251	3,477,217	3,524,124
Committed	10,275,116	8,476,375	5,945,820	4,637,785
Unassigned (deficit)	(117,989)	(111,312)	(154,978)	(165,424)
Total all other governmental funds	<u>\$ 15,894,927</u>	<u>\$ 13,514,851</u>	<u>\$ 9,772,784</u>	<u>\$ 8,746,926</u>

Source: City of Stow, Financial Records

(1) Amounts have been restated to reflect the implementation of GASB Statement No. 84.

<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>
\$ 156,787	\$ 153,016	\$ 108,652	\$ 269,002	\$ 289,387	\$ 286,318
37,485	30,804	22,723	21,788	20,793	17,955
404,754	417,810	1,577,695	1,125,419	3,933,706	3,471,773
6,299,018	6,063,255	4,241,169	4,413,302	1,628,614	1,222,906
<u>\$ 6,898,044</u>	<u>\$ 6,664,885</u>	<u>\$ 5,950,239</u>	<u>\$ 5,829,511</u>	<u>\$ 5,872,500</u>	<u>\$ 4,998,952</u>
\$ 521,546	\$ 493,613	\$ 579,507	\$ 385,910	\$ 444,569	\$ 455,496
3,828,740	4,009,797	5,221,174	5,287,655	4,921,578	5,258,523
4,128,248	4,131,358	2,816,933	2,332,839	2,249,927	1,946,548
(155,376)	(93,283)	(164,337)	(506,428)	(545,855)	(457,853)
<u>\$ 8,323,158</u>	<u>\$ 8,541,485</u>	<u>\$ 8,453,277</u>	<u>\$ 7,499,976</u>	<u>\$ 7,070,219</u>	<u>\$ 7,202,714</u>

CITY OF STOW, 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 (1)</u>
Revenues				
Property and other local taxes	\$ 8,879,852	\$ 7,496,219	\$ 7,581,802	\$ 7,595,416
Income taxes	20,589,575	17,275,857	16,970,903	15,822,349
Special assessments	42,870	38,856	40,730	41,775
Charges for services	1,230,964	1,009,198	1,226,584	1,275,409
Licenses and permits	1,057,380	903,837	1,040,967	1,126,043
Fines and forfeitures	3,283,310	3,046,457	3,589,473	3,428,020
Intergovernmental	5,872,271	8,918,078	6,101,275	5,322,707
Investment income & change in fair value of investments	(54,541)	400,214	516,478	201,841
Rent	425,259	320,742	392,207	373,829
Contributions and donations	107,762	37,242	37,224	218,931
Other	520,916	2,395,878	984,067	890,379
Total revenues	<u>41,955,618</u>	<u>41,842,578</u>	<u>38,481,710</u>	<u>36,296,699</u>
Expenditures				
Current:				
General government	9,012,806	9,790,259	9,214,009	8,631,960
Security of persons and property	16,340,901	15,557,904	15,370,427	14,759,648
Public health	480,829	476,752	473,195	463,468
Leisure time activities	1,928,072	1,447,897	1,688,121	1,532,698
Community and economic development	1,372,698	1,152,532	1,069,419	1,118,543
Transportation	2,723,295	2,906,737	2,951,884	2,533,954
Capital outlay	5,217,960	2,011,479	4,765,507	4,848,154
Debt service:				
Principal retirement	1,471,379	1,807,634	2,173,478	3,202,250
Interest and fiscal charges	217,255	258,359	331,092	355,505
Bond and note issuance costs	-	27,794	-	-
Total expenditures	<u>38,765,195</u>	<u>35,437,347</u>	<u>38,037,132</u>	<u>37,446,180</u>
Excess of revenues over (under) expenditures	3,190,423	6,405,231	444,578	(1,149,481)
Other Financing Sources (Uses)				
Sale of notes	500,000	900,000	1,300,000	1,700,000
Premium on notes	-	-	8,398	19,509
Refunding bonds issued	-	3,105,000	-	-
Premium on bonds	-	-	-	-
Refunding of notes	-	-	-	-
Payment to refunded bond escrow agent	-	(3,078,143)	-	-
Lease purchase agreement	-	179,760	-	-
Transfers in	1,749,278	1,803,502	2,196,575	1,972,178
Transfers (out)	(1,749,278)	(1,803,502)	(2,211,075)	(1,986,678)
Total other financing sources (uses)	<u>500,000</u>	<u>1,106,617</u>	<u>1,293,898</u>	<u>1,705,009</u>
Net change in fund balances	<u>\$ 3,690,423</u>	<u>\$ 7,511,848</u>	<u>\$ 1,738,476</u>	<u>\$ 555,528</u>
Capital expenditures	4,038,432	1,017,717	3,943,521	3,565,781
Debt service as a percentage of noncapital expenditures	4.86%	6.00%	7.35%	10.50%

Source: City of Stow, Financial Records

(1) Amounts have been restated to reflect the implementation of GASB Statement No. 84.

	2017	2016	2015	2014	2013	2012
\$	6,927,627	\$ 6,890,772	\$ 6,881,230	\$ 6,869,238	\$ 6,971,158	\$ 6,812,959
	15,194,104	15,224,612	14,710,235	14,151,477	14,027,261	13,268,271
	41,470	49,215	64,482	70,989	70,040	79,414
	1,184,172	1,099,248	1,132,110	1,211,598	1,152,015	1,105,199
	1,021,209	995,610	1,197,634	949,862	997,249	832,976
	3,477,457	3,543,266	3,564,249	3,345,709	3,354,995	3,278,358
	6,744,475	7,703,578	6,114,614	8,340,406	7,664,557	7,415,284
	131,539	133,900	114,347	68,642	66,515	78,030
	272,451	292,115	294,663	316,572	232,750	263,789
	31,268	70,867	33,520	74,081	43,329	94,783
	735,555	754,464	895,591	846,910	698,672	405,427
	<u>35,761,327</u>	<u>36,757,647</u>	<u>35,002,675</u>	<u>36,245,484</u>	<u>35,278,541</u>	<u>33,634,490</u>
	8,235,918	8,211,340	8,308,468	7,957,517	7,740,624	7,924,144
	14,127,975	13,596,998	13,600,998	13,790,021	13,633,665	13,269,335
	445,150	455,255	609,555	440,029	467,530	428,843
	1,356,268	1,383,692	1,417,013	1,292,695	1,221,752	1,335,813
	974,126	1,082,900	1,025,771	1,103,909	1,118,340	1,091,775
	2,534,423	2,657,825	2,640,860	2,539,841	2,673,702	2,408,432
	6,205,552	6,720,189	4,624,188	6,240,117	4,513,273	4,192,551
	3,578,756	3,954,929	4,283,548	5,145,674	6,548,067	935,877
	385,352	407,288	447,822	681,765	783,668	827,730
	-	-	148,496	82,659	-	-
	<u>37,843,520</u>	<u>38,470,416</u>	<u>37,106,719</u>	<u>39,274,227</u>	<u>38,700,621</u>	<u>32,414,500</u>
	(2,082,193)	(1,712,769)	(2,104,044)	(3,028,743)	(3,422,080)	1,219,990
	2,100,000	2,500,000	2,900,000	3,300,000	4,125,000	5,575,000
	11,525	28,623	22,308	32,852	38,133	72,077
	-	-	8,667,680	3,790,000	-	-
	-	-	264,994	47,764	-	-
	-	-	-	-	-	(7,025,000)
	-	-	(8,676,909)	(3,755,105)	-	-
	-	-	-	-	-	-
	1,674,868	1,900,885	1,697,092	1,888,151	2,150,397	3,048,524
	<u>(1,689,368)</u>	<u>(1,913,885)</u>	<u>(1,697,092)</u>	<u>(1,888,151)</u>	<u>(2,150,397)</u>	<u>(3,048,524)</u>
	<u>2,097,025</u>	<u>2,515,623</u>	<u>3,178,073</u>	<u>3,415,511</u>	<u>4,163,133</u>	<u>(1,377,923)</u>
\$	<u>14,832</u>	<u>\$ 802,854</u>	<u>\$ 1,074,029</u>	<u>\$ 386,768</u>	<u>\$ 741,053</u>	<u>\$ (157,933)</u>
	1,000,923	6,248,388	3,428,112	5,906,210	4,110,452	2,648,076
	10.76%	13.54%	14.05%	17.46%	21.20%	5.92%

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REVENUE CAPACITY

CITY OF STOW, OHIO

*ASSESSED VALUE AND ACTUAL VALUE OF TAXABLE PROPERTY
LAST TEN YEARS
(RATE PER \$1,000 OF ASSESSED VALUE)*

Collection Year	Real Property (1)		Public Utility Property (2)		Total	
	Assessed Value	Estimated Actual Value	Assessed Value	Estimated Actual Value	Assessed Value	Estimated Actual Value
2021	\$ 984,251,540	\$ 2,812,147,257	\$ 14,046,670	\$ 56,186,680	\$ 998,298,210	\$ 2,868,333,937
2020	855,143,420	2,443,266,914	12,951,130	51,804,520	868,094,550	2,495,071,434
2019	852,582,810	2,435,950,886	12,087,930	48,351,720	864,670,740	2,484,302,606
2018	842,292,600	2,406,550,286	11,732,740	46,930,960	854,025,340	2,453,481,246
2017	787,352,220	2,249,577,771	11,319,090	45,276,360	798,671,310	2,294,854,131
2016	778,836,400	2,225,246,857	10,486,030	41,944,120	789,322,430	2,267,190,977
2015	776,329,550	2,218,084,429	10,329,360	41,317,440	786,658,910	2,259,401,869
2014	783,377,280	2,238,220,800	9,871,680	39,486,720	793,248,960	2,277,707,520
2013	780,992,660	2,231,407,600	8,924,610	35,698,440	789,917,270	2,267,106,040
2012	786,224,690	2,246,356,257	8,225,020	32,900,080	794,449,710	2,279,256,337

Source: Summit County Fiscal Officer

(1) Real property is assessed at 35% of actual value. Real property taxes collected in a calendar year are levied as of January 1 of that year based on assessed values as of January 1 of the preceding year.

(2) Public utility is assessed at 25% of actual value. Public utility real and tangible property taxes collected in a calendar year are levied in the preceding calendar year based on assessed values determined as of December 31 of the second preceding year.

<u>Total Direct Rate</u>	<u>Ratio</u>
9.50	34.80%
9.50	34.79%
9.50	34.81%
9.50	34.81%
9.50	34.80%
9.50	34.81%
9.50	34.82%
9.50	34.83%
9.50	34.84%
9.50	34.86%

CITY OF STOW, 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 Operating	Police Pension	Fire Pension	EMS	Total Direct	Stow-Munroe Falls City School District	Summit County	Stow-Munroe Falls Public Library
2021	6.60	0.30	0.30	2.30	9.50	51.47	13.70	2.00
2020	6.60	0.30	0.30	2.30	9.50	53.84	13.70	2.00
2019	6.60	0.30	0.30	2.30	9.50	53.87	12.70	2.00
2018	6.60	0.30	0.30	2.30	9.50	53.87	12.70	2.00
2017	6.60	0.30	0.30	2.30	9.50	55.34	14.16	2.00
2016	6.60	0.30	0.30	2.30	9.50	53.58	14.16	2.00
2015	6.60	0.30	0.30	2.30	9.50	53.66	14.16	2.00
2014	6.60	0.30	0.30	2.30	9.50	53.47	14.16	2.00
2013	6.60	0.30	0.30	2.30	9.50	53.55	14.16	2.00
2012	6.60	0.30	0.30	2.30	9.50	53.24	14.16	2.00

Source: Summit County Fiscal Officer

CITY OF STOW, OHIO

*PROPERTY TAX LEVIES AND COLLECTIONS
LAST TEN YEARS*

<u>Year (1)</u>	<u>Current Tax Levy</u>	<u>Current Tax Collections</u>	<u>Percent of Current Tax Collections to Current Tax Levy</u>	<u>Delinquent Tax Collections (1)</u>	<u>Total Tax Collections</u>	<u>Percent of Total Tax Collections to Current Tax Levy</u>
2021	\$ 9,483,834	\$ 9,066,062	95.59%	\$ 417,772	\$ 9,483,834	100.00%
2020	8,246,776	8,113,361	98.38%	133,415	8,246,776	100.00%
2019	8,214,388	8,043,451	97.92%	170,937	8,214,388	100.00%
2018	8,113,773	7,981,420	98.37%	132,353	8,113,773	100.00%
2017	7,588,911	7,405,455	97.58%	183,455	7,588,910	100.00%
2016	7,498,898	7,344,065	97.94%	154,834	7,498,899	100.00%
2015	7,473,391	7,320,850	97.96%	152,540	7,473,390	100.00%
2014	7,535,886	7,336,995	97.36%	198,891	7,535,886	100.00%
2013	7,504,237	7,326,910	97.64%	177,327	7,504,237	100.00%
2012	7,547,293	7,242,454	95.96%	304,839	7,547,293	100.00%

Source: Summit County Fiscal Officer

(1) The Summit County Fiscal Officer does not identify delinquent tax collections by tax year.

CITY OF STOW, OHIO

*PRINCIPAL PROPERTY TAXPAYERS
CURRENT YEAR AND NINE YEARS AGO*

December 31, 2021			
Taxpayer	Taxable Assessed Value	Rank	Percentage of Total City Taxable Assessed Value
DDR Ohio Opportunity II, LLC	\$ 9,652,380	1	0.97%
Omni Allen Road, LLC	9,027,570	2	0.90%
Wyndham Ridge, LTD	8,812,370	3	0.88%
Ohio Edison Company/ First Energy	8,721,640	4	0.87%
Heron Springs Associates, LLC	6,547,480	5	0.66%
MJ Hidden Lake Apartments, LLC	4,394,140	6	0.44%
Stow Glen Properties, LLC	4,294,460	7	0.43%
American Transmission Systems Inc.	3,757,270	8	0.38%
Albrecht Incorporated	3,590,810	9	0.36%
Schroer Properties of Stow, Inc.	3,462,440	10	0.35%
Total	\$ 62,260,560		6.24%
Total Assessed Value of Property	\$ 998,298,210		

December 31, 2012			
Taxpayer	Taxable Assessed Value	Rank	Percentage of Total City Taxable Assessed Value
DDR Ohio Opportunity II, LLC	\$ 7,999,690	1	1.01%
Wyndham Ridge, LTD	7,819,040	2	0.98%
Ohio Edison	7,270,380	3	0.92%
Heron Springs Associates, LLC	6,962,660	4	0.88%
JVM Hidden Lake Apartments, LLC	4,634,850	5	0.58%
Stow Glen Properties, LLC	4,348,390	6	0.55%
Morgan Adhesive Co.	4,145,900	7	0.52%
SFC Enterprises, LTD	3,976,300	8	0.50%
Steels Corners Apartment Co., LTD	3,473,390	9	0.44%
Stow Associates	3,392,300	10	0.43%
Total	\$ 54,022,900		6.81%
Total Assessed Value of Property	\$ 794,449,710		

Source: Summit County Fiscal Officer

CITY OF STOW, OHIO

*INCOME TAX REVENUE BASE AND COLLECTIONS
LAST TEN YEARS*

<u>Year</u>	<u>Tax Rate</u>	<u>Total Tax Collected (1)</u>	<u>Taxes from Withholding</u>	<u>Percentage of Taxes from Withholding</u>	<u>Taxes From Net Profits</u>	<u>Percentage of Taxes from Net Profits</u>	<u>Taxes from Individuals</u>	<u>Percentage of Taxes from Individuals</u>
2021	2.00%	\$ 20,486,199	\$ 13,501,833	65.91%	\$ 4,298,907 (2)	20.98%	\$ 2,685,460	13.11%
2020	2.00%	17,267,417	12,284,300	71.14%	2,399,474 (2)	13.90%	2,583,643	14.96%
2019	2.00%	17,751,169	12,070,086	68.00%	3,004,150 (2)	16.92%	2,676,933	15.08%
2018	2.00%	15,767,289	11,201,964	71.05%	2,151,293 (2)	13.64%	2,414,033	15.31%
2017	2.00%	15,665,060	11,079,908	70.73%	1,965,813 (2)	12.55%	2,619,339	16.72%
2016	2.00%	15,498,799	10,695,075	69.01%	2,056,247 (2)	13.27%	2,747,477	17.73%
2015	2.00%	15,076,795	10,212,537	67.74%	2,305,163 (2)	15.29%	2,559,095	16.97%
2014	2.00%	14,415,996	9,926,987	68.86%	1,953,337 (2)	13.55%	2,535,672	17.59%
2013	2.00%	14,402,090	9,764,242	67.80%	2,121,313 (2)	14.73%	2,516,535	17.47%
2012	2.00%	13,564,116	9,585,454	70.67%	1,578,203 (2)	11.64%	2,400,459	17.70%

Source: City of Stow, Income Tax Department

(1) These amounts are the actual cash basis income tax collections by the City.

(2) Payments made by electric and telephone companies as mandated by ORC 5745 are included in these amounts.

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DEBT CAPACITY

CITY OF STOW, OHIO

*RATIOS OF OUTSTANDING DEBT BY TYPE
LAST TEN YEARS*

Fiscal Year	Governmental Activities			Business-Type Activities			
	General Obligation Bonds (2)	Notes	Capital Lease/Lease Purchase Agreement	OPWC Loans	General Obligation Bonds (2)	Notes	Capital Lease/Lease Purchase Agreement
2021	\$ 7,817,418	\$ 500,000	\$ 145,171	\$ 1,825,376	\$ 3,519,088	\$ 1,600,000	\$ 145,171
2020	8,364,110	900,000	179,760	1,888,983	3,807,963	-	179,760
2019	8,847,144	1,302,784	-	1,187,337	4,045,730	-	-
2018	9,332,754	1,706,359	-	1,229,742	4,305,993	-	-
2017	10,358,648	2,103,757	108,350	1,272,147	4,565,834	-	34,793
2016	11,367,193	2,509,409	212,362	1,229,717	4,819,831	-	68,192
2015	12,362,713	2,907,333	312,210	1,092,885	5,073,898	-	100,254
2014	12,777,921	3,310,799	408,060	-	5,292,001	-	131,032
2013	13,422,824	4,137,787	609,854	139,015	5,273,097	-	180,607
2012	14,211,028	5,575,000	803,451	156,392	5,457,452	-	228,137

Source: City of Stow, Financial Records

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

- (1) Population and personal income data is presented on page 233.
- (2) Includes premium on bonds and private placement general obligation bonds.

Total Primary Government	Percentage of Personal Income (1)	Per Capita (1)
\$ 15,552,224	1.25%	451
15,320,576	1.16%	440
15,382,995	1.19%	442
16,574,848	1.33%	476
18,443,529	1.59%	530
20,206,704	1.77%	581
21,849,293	1.96%	628
21,919,813	2.02%	630
23,763,184	2.19%	761
26,431,460	2.26%	782

CITY OF STOW, OHIO

*RATIOS OF GENERAL BONDED DEBT OUTSTANDING
LAST TEN YEARS*

Fiscal Year	General Bonded Debt Outstanding		Percentage of Estimated Actual Taxable Value of Property	Per Capita
	General Obligation Bonds	Total		
2021	\$ 11,336,506	\$ 11,336,506	0.40%	329
2020	12,172,073	12,172,073	0.49%	350
2019	12,892,874	12,892,874	0.52%	371
2018	13,638,747	13,638,747	0.56%	391
2017	14,924,482	14,924,482	0.65%	429
2016	16,187,024	16,187,024	0.71%	465
2015	17,436,611	17,436,611	0.77%	501
2014	18,069,922	18,069,922	0.79%	521
2013	18,695,921	18,695,921	0.82%	539
2012	19,668,480	19,668,480	0.86%	567

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

Source: City of Stow, Financial Records

CITY OF STOW, OHIO

*DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT
AS OF DECEMBER 31, 2021*

<u>Governmental Unit</u>	<u>Governmental Activities Debt Outstanding</u>	<u>Estimated Percentage Applicable</u>	<u>Estimated Share of Overlapping Debt</u>
Direct:			
City of Stow	\$ 8,462,589	100.00%	\$ 8,462,589
Overlapping Debt:			
Summit County	27,905,000	6.88%	1,919,864
Stow-Munroe Falls City School District	2,290,000	87.12%	<u>1,995,048</u>
Subtotal, overlapping debt			<u>3,914,912</u>
Total direct and overlapping debt			<u><u>\$ 12,377,501</u></u>

Source: Ohio Municipal Advisory Council

Note: Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the City. This schedule estimates the portion of the outstanding debt of those overlapping governments that is borne by the residents and businesses of the City. This process recognizes that, when considering the City's ability to issue and repay long-term debt, the entire debt burden borne by the residents and businesses should be taken into account. However, this does not imply that every taxpayer is a resident, and therefore responsible for repaying the debt, of each overlapping government.

Note: The percentage of debt outstanding applicable to the City was determined by dividing each jurisdiction's assessed valuation within the City by the jurisdiction's total assessed valuation.

CITY OF STOW, OHIO

*LEGAL DEBT MARGIN INFORMATION
LAST TEN YEARS*

Fiscal Year	Debt Limit - Voted	Debt Limit - Unvoted	Net Debt Applicable to Limit	Legal Debt Margin - Voted	Legal Debt Margin - Unvoted	Total Net Debt Applicable to Limit as a Percentage of Voted Debt Limit
2021	\$ 104,821,312	\$ 54,906,402	\$ 8,925,000	\$ 95,936,039	\$ 45,981,402	8.51%
2020	91,149,928	47,745,200	9,885,000	81,303,133	37,860,200	10.84%
2019	90,790,428	47,556,891	10,745,000	80,077,589	36,811,891	11.83%
2018	89,672,661	35,331,394	11,640,000	78,151,568	35,331,394	12.98%
2017	83,860,488	30,871,922	13,055,000	70,900,420	30,871,922	15.57%
2016	82,878,855	28,962,734	14,450,000	68,535,179	28,962,734	17.44%
2015	82,599,186	27,441,240	15,825,000	66,882,917	27,441,240	19.16%
2014	83,291,141	26,438,693	17,190,000	66,209,872	26,438,693	20.64%
2013	82,941,313	24,150,450	19,295,000	63,750,211	24,150,450	23.26%
2012	83,417,220	22,154,734	21,540,000	61,984,631	22,154,734	25.82%

Source: City of Stow, Financial Records

Note: Ohio Bond Law sets a limit of 10.5% for voted debt and 5.5% for unvoted debt.

DEMOGRAPHIC AND ECONOMIC INFORMATION

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CITY OF STOW, OHIO

*DEMOGRAPHIC AND ECONOMIC STATISTICS
LAST TEN YEARS*

<u>Year</u>	<u>Population (1)</u>	<u>Personal Income (2)</u>	<u>Per Capita Personal Income (1)</u>	<u>School Enrollment</u>	<u>Summit County Unemployment Rate (3)</u>
2021	34,483	\$ 1,246,408,010	\$ 36,146	5,045	3.5%
2020	34,785	1,325,517,210	38,106	5,305	5.5%
2019	34,785	1,289,793,015	37,079	5,181	4.0%
2018	34,857	1,243,000,620	35,660	5,286	4.0%
2017	34,797	1,162,045,315	33,395	5,137	4.4%
2016	34,797	1,139,253,780	32,740	5,092	4.3%
2015	34,797	1,116,914,106	32,098	5,140	4.3%
2014	34,768	1,087,091,056	31,267	5,139	4.6%
2013	34,768	1,086,187,088	31,241	5,336	6.0%
2012	34,674	1,171,606,685	33,789	6,019	5.7%

Sources:

- (1) U.S. Census Estimates
- (2) Bureau of Economic Analysis (BEA)
- (3) Ohio Department of Job and Family Services, Ohio Labor Market Information

CITY OF STOW, OHIO

*PRINCIPAL EMPLOYERS
CURRENT YEAR AND NINE YEARS AGO*

Employer (a)	2021		
	Employees (1)	Rank	Percentage of Total City Employment
Stow-Munroe Falls City Schools	663	1	4.34%
NMG Aerospace	275	2	1.80%
City of Stow	255	3	1.67%
RMG	235	4	1.54%
DHL	180	5	1.18%
Matco Tools Corporation	175	6	1.14%
Cleveland Clinic (Akron General) Wellness	175	7	1.14%
MACTac - Morgan Adhesives	175	8	1.14%
Audio Technica U.S. Corporation	109	9	0.71%
Enviroscience	104	10	0.68%
Total	2,346		15.34%
Total City Employment (2)	15,291		

Employer (a)	2012 (b)	
	Employees (1)	Rank
Stow-Munroe Falls City Schools	620	1
MACTac - Morgan Adhesives	290	2
Akron General Health & Wellness Center	250	3
City of Stow	231	4
National Machine Company	208	5
Matco Tools Corporation	190	6
Wrayco Industries, Inc.	153	7
J.D. Clunk & Associates	147	8
Anderson International	120	9
Audio Technica U.S. Corporation	105	10
Total	2,314	

Sources:

- (1) City of Stow, Department of Planning & Development
- (2) U.S. Bureau of Labor Statistics

(a) Includes only non-retail employers.

(b) Information for total City employment for 9 years ago was not available. Additional data will be disclosed in future years as the information becomes available.

OPERATING INFORMATION

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CITY OF STOW, OHIO

*FULL TIME EQUIVALENT CITY GOVERNMENT
EMPLOYEES BY FUNCTION/PROGRAM
LAST TEN YEARS*

Full-time Equivalent Employees as of December 31

Function/Program	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
General government										
Management service	18	24	22	20	20	20	19	20	21	23
Finance	7	8	8	9	9	9	9	9	8	8
Planning	3	3	4	4	4	4	4	5	5	4
Building	4	3	4	4	4	4	4	4	4	4
Other - Public Utilities	16	14	16	16	13	14	13	13	12	11
Municipal court personnel (a)	32	34	37	37	37	37	32	29	32	35
Security of persons and property										
Officers	42	42	41	42	40	38	40	39	37	39
Civilians	81	82	78	78	78	76	80	79	79	78
Public health and welfare	1	1	1	1	1	1	1	1	1	1
Transportation	15	16	15	16	15	15	16	15	15	13
Community environment	3	3	3	3	3	3	3	3	3	3
Leisure time activity	14	9	10	7	8	10	11	10	10	12
Total	236	239	239	237	232	231	232	227	227	231

Source: City of Stow Finance Office

CITY OF STOW, OHIO

*OPERATING INDICATORS BY FUNCTION/PROGRAM
LAST TEN YEARS*

Function/Program	2021	2020	2019	2018
General Government				
Council				
Number of Ordinances & resolutions	185	190	175	165
Court				
Number of court cases	15,982	14,916	20,682	20,291
Number of tickets	9,093	8,589	12,538	12,257
Number of court appearances - criminal	3,578	3,204	3,894	4,146
Finance				
Checks issued	5,117	4,946	5,202	5,299
Purchase orders issued	2,476	2,232	2,351	2,224
Number of W-2 forms issued	444	421	472	466
City W-2 Wages	\$ 18,313,908	\$ 17,694,707	\$ 17,192,123	\$ 17,199,849
Security of persons and property				
Police				
Physical arrests	381	283	508	521
Parking violations	24	57	107	111
Traffic citations	2,343	2,196	3,200	2,813
Traffic accidents	754	611	879	849
Marked patrol units	18	18	18	18
Unmarked patrol units	9	9	9	9
Calls for service answered	12,179	12,179	13,719	13,332
Fire				
Fire engines	4	4	4	4
Calls answered	4,920	4,629	4,691	4,386
Number of inspections by Fire Prevention Bureau	2,358	2,501	3,428	3,181
Transportation				
Number of bridges	13	13	13	13
Number of street lights	1,259	1,259	1,247	1,247
Number of signalized intersections	48	48	48	48
Community Environment				
Building				
Building permits issued	618	633	551	555
Inspections performed	1,837	1,776	2,755	2,211
Estimated value of construction	\$ 52,792,461	\$ 56,864,850	\$ 58,182,742	\$ 58,361,368
Number of plans examined	139	101	119	117
Public Health and Welfare				
Cemetery (plots sold)	91	64	73	48
Water				
Miles of water mains	165	165	165	165
Number of water tanks	1	1	1	1
Maximum holding capacity of water tank in gallons	2,500,000	2,500,000	2,500,000	2,500,000
Number of service connections	12,400	12,300	12,300	12,300
Number of fire hydrants	2,500	2,500	2,500	2,500
Daily average consumption in gallons	3,000,000	3,000,000	3,000,000	3,000,000

Source: City of Stow, various departments

2017	2016	2015	2014	2013	2012
144	144	181	167	192	199
19,777	20,029	18,955	18,011	18,696	19,011
12,121	12,543	11,322	10,687	11,392	10,937
4,129	4,335	4,211	3,936	3,911	4,134
5,145	5,159	5,157	5,201	5,425	5,380
2,151	2,257	2,277	2,405	2,549	2,461
481	465	477	472	468	475
\$ 17,045,741	\$ 17,021,048	\$ 16,671,461	\$ 16,249,048	\$ 15,945,791	\$ 15,742,029
685	668	718	696	670	785
144	129	195	203	231	387
3,121	2,864	2,484	2,027	2,225	2,411
827	841	783	653	683	733
18	24	20	20	24	18
9	8	10	10	7	8
13,865	12,755	11,985	11,452	11,386	11,990
4	4	4	4	4	4
4,089	4,049	3,887	3,772	3,618	3,582
3,359	3,431	3,036	1,382	3,330	1,830
13	13	13	13	13	13
1,247	1,247	1,247	1,247	1,247	1,247
47	47	47	47	47	47
605	551	509	626	635	641
2,271	2,520	2,256	2,221	2,055	1,802
\$ 42,325,731	\$ 33,590,714	\$ 38,243,672	\$ 30,696,120	\$ 34,272,193	\$ 15,406,124
87	106	68	75	87	109
70	68	72	45	54	85
165	165	165	165	165	165
1	1	1	1	1	1
2,500,000	2,500,000	2,500,000	2,500,000	2,500,000	2,500,000
12,300	12,300	12,000	12,000	12,000	12,000
2,500	2,500	2,500	2,500	2,500	2,500
3,000,000	3,000,000	3,000,000	3,000,000	3,000,000	3,000,000

CITY OF STOW, OHIO

*CAPITAL ASSET INDICATORS
LAST TEN YEARS*

Function/Program	2021	2020	2019	2018
Public Safety				
Police:				
Stations	1.00	1.00	1.00	1.00
Fire:				
Stations	3.00	3.00	3.00	3.00
Leisure Time Activities				
City Parks	4.00	4.00	4.00	4.00
Neighborhood Parks	6.00	6.00	6.00	6.00
Park Acreage	407.75	407.75	407.75	407.75
Lodges	2.00	2.00	2.00	2.00
Ballfields	15.00	15.00	15.00	15.00
Tennis Courts	4.00	4.00	4.00	4.00
Camp Sites	27.00	27.00	27.00	27.00
Golf Course	1.00	1.00	1.00	1.00
Transportation				
City Lanes (Paved Miles)	293.00	293.00	293.00	293.00
State Highways (Paved Miles)	48.00	48.00	48.00	48.00

Source: City of Stow, various departments

2017	2016	2015	2014	2013	2012
1.00	1.00	1.00	1.00	1.00	1.00
3.00	3.00	3.00	3.00	3.00	3.00
4.00	4.00	4.00	4.00	4.00	4.00
6.00	6.00	6.00	6.00	6.00	6.00
407.75	407.75	407.75	407.75	407.75	407.75
2.00	2.00	3.00	3.00	3.00	3.00
15.00	15.00	15.00	15.00	15.00	15.00
4.00	4.00	4.00	4.00	4.00	4.00
27.00	27.00	27.00	27.00	27.00	27.00
1.00	1.00	1.00	1.00	1.00	1.00
293.00	293.00	293.00	293.00	293.00	293.00
48.00	48.00	48.00	48.00	48.00	48.00

CITY OF STOW, OHIO

*CAPITAL ASSET STATISTICS BY FUNCTION/PROGRAM - GOVERNMENTAL ACTIVITIES
LAST TEN YEARS*

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
Land	\$ 11,202,207	\$ 11,202,207	\$ 11,202,207	\$ 11,202,207
Intangible assets	15,512	15,512	15,512	15,512
Construction in progress	1,277,271	737,193	460,250	855,249
Buildings and building improvements	18,175,793	18,830,653	19,559,792	20,097,302
Vehicles	3,266,107	3,376,991	3,412,373	3,260,542
Equipment, furniture and fixtures	2,486,131	2,504,381	2,741,898	2,535,631
Infrastructure	24,559,260	24,359,177	26,378,651	25,801,395
Total Capital Assets, Net	<u>\$ 60,982,281</u>	<u>\$ 61,026,114</u>	<u>\$ 63,770,683</u>	<u>\$ 63,767,838</u>

Source: City of Stow, Financial Records

2017	2016	2015	2014	2013	2012
\$ 11,202,207	\$ 11,202,207	\$ 11,202,207	\$ 11,202,207	\$ 11,202,207	\$ 11,202,207
15,512	15,512	15,512	15,512	-	-
918,474	4,571,484	1,226,023	3,459,378	2,077,928	1,300,837
20,715,816	21,194,375	21,953,817	22,719,198	23,437,074	24,303,362
3,340,121	3,178,969	3,190,624	3,136,673	2,975,727	3,124,833
2,089,539	2,038,371	1,936,345	2,191,092	2,311,581	2,389,853
25,771,003	24,726,030	24,815,251	22,339,662	22,751,861	21,891,292
<u>\$ 64,052,672</u>	<u>\$ 66,926,948</u>	<u>\$ 64,339,779</u>	<u>\$ 65,063,722</u>	<u>\$ 64,756,378</u>	<u>\$ 64,212,384</u>

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