



ANNUAL COMPREHENSIVE FINANCIAL REPORT

City of Loveland, Ohio

For the Year Ending
December 31, 2024

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CITY OF LOVELAND, OHIO

ANNUAL COMPREHENSIVE FINANCIAL REPORT

**FOR THE YEAR ENDED
December 31, 2024**

Prepared by:
Department of Finance

Mark Medlar
Director of Finance



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CITY OF LOVELAND

HAMILTON, CLERMONT AND WARREN COUNTIES, OHIO

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INTRODUCTORY SECTION





City of Loveland

CITY OF LOVELAND

120 West Loveland Avenue • Loveland, Ohio 45140

Mark Medlar, Director of Finance

phone (513) 683-0150

fax (513) 583-3040

June 25, 2025

To The Members of City Council and
All Citizens of the City of Loveland, Ohio

We are pleased to present the Annual Comprehensive Financial Report for the City of Loveland for the fiscal year ending December 31, 2024. This report has been prepared in conformity with generally accepted accounting principles (GAAP) and guidelines recommended by the Government Finance Officers Association of the United States and Canada (GFOA).

This report represents the City's commitment to conform to nationally recognized standards of excellence in financial reporting. Responsibility for both the accuracy of the presented data and the completeness and fairness of the presentation, including all disclosures, rests with the management of the City. We believe the data, as presented, is accurate in all material respects; that it is presented in a manner designated to fairly set forth the financial position and results of operations of the City; and that all disclosures necessary to enable the reader to gain an understanding of the City's financial activity have been presented.

This letter should be read in conjunction with the Management Discussion and Analysis (MD&A) that can be found immediately following the Independent Auditors' Report.

THE CITY OF LOVELAND

The City of Loveland is an energetic southwestern Ohio community uniquely situated within three counties: Clermont, Hamilton, and Warren. The City covers approximately 5.2 square miles and serves a population of 13,485 residents. Both the nationally recognized Little Miami Scenic Bike Trail and the Little Miami State and National Scenic River run through its downtown.

The population of Loveland was estimated at 1,000 by 1876 and its incorporation as a village was accomplished in the same year. City status (population more than 5,000) was achieved in 1960 and adoption of a Home Rule Charter followed in 1961. The City of Loveland is a home rule municipality that operates under a Council-Manager form of government, which combines the political leadership of elected officials with managerial experience of an appointed local government manager. The City's responsibilities and structure are outlined in the revised City Charter, which was approved by the voters in 1991, and last amended in 2019.

Letter of Transmittal

For the Year Ended December 31, 2024

City Council is comprised of seven members elected from the City at large on a nonpartisan basis to serve overlapping four-year terms. The Mayor is selected from among the Council members to serve a two-year term as presiding officer at City Council meetings and as the official head of the City for legislative and ceremonial purposes. The City Council hires an appointed City Manager to be the City's full-time chief executive officer and they also appoint the Clerk of Council, City Solicitor, and the Director of Finance. The latest amended charter changed the reporting relationship of the Director of Finance to the City Manager. Council retains the power to confirm approval or dismissal of the Director of Finance upon recommendation by the City Manager.

General legislative power lies with City Council as the elected representatives of the citizens. Acting as a whole, the Council is responsible for establishing City goals, adopting an annual budget, and passing other ordinances and resolutions necessary for governing citizens, as well as setting the strategic management direction of City policy. The City Manager is responsible for the overall administration of the City; implementing Council's objectives; preparing the annual budget and administering it upon adoption by Council; executing and overseeing all contracts for services and the purchase of materials, supplies and equipment; and keeping City Council advised on the needs and state of the City.

The City provides a wide range of municipal services, including police, planning and zoning, code enforcement, public works, parks and recreation, and general administration. Fire protection and emergency medical services are provided by the Loveland-Symmes Fire Department, which is a private fire company that contracts with the City of Loveland and nearby Symmes Township.

The City operates a waterworks system and storm water utility. The City contracts, currently with Rumpke, for the provision of curbside waste and recycling services for residents. Sewer service is provided by the Metropolitan Sewer District.

The City Council has established various boards and commissions to help in its many efforts to enhance the City. All of these boards and commissions are staffed by volunteers. The following is a list of City Charter established boards and commissions in Loveland. Council may create other advisory boards, Commissions and Committees as may be deemed necessary.

- Civil Service Commission
- Planning and Zoning Commission
- Board of Zoning Appeals
- Recreation Board
- Finance Commission

ECONOMIC CONDITIONS AND OUTLOOK

The City of Loveland is ideally located about 15 miles northeast of the Cincinnati city limits with access along Interstate Highway 275 and State Route 48. The City's economy is diverse with a mix of residential, office, and retail uses. Primary employers include the Loveland City School District, McCluskey Automotive, Oasis Lawn Care, Kroger, and Mike's Car Wash Headquarters. The City is also home to many recreational retail outlets that take advantage of the Little Miami State and National Scenic River and Little Miami Scenic Bike Trail.

Letter of Transmittal

For the Year Ended December 31, 2024

City administration and City Council remain focused on improving the financial stability of Loveland and developing two-year goals to address economic vitality and infrastructure objectives for the future. Management is optimistic about the future of the local economy based on annual income tax revenue growth, through compliance efforts and the relocation or expansion of current businesses, along with economic development efforts throughout the city, particularly in the downtown business district, and industrial park. The city is also focusing on a complete overhaul of its Loveland Madeira Road Business Corridor. A main focus of the city's 2022 Comprehensive Master Plan, the corridor improvements have been broken into three phases with two fully funded. Scheduled to begin in 2026, the revitalization of this important corridor will create new jobs and spur private investments resulting in additional property and income taxes for the city.

MAJOR INITIATIVES

As the city continues to invest in its downtown business district and has completed construction of a new 147 space parking lot, it has invested in the completion of key planning documents. Within a three-year span, the city completed four master plans, Downtown Streetscape, Strategic Downtown, Nisbet Park and a Comprehensive Master Plan. Each of these plans are active documents with elements of all four plans either in the development or construction phase. Over four million dollars has been secured for a revitalization of the Loveland Madeira Road Business Corridor. Within the corridor, the city owns a key piece of property, Chestnut Street. The 6.8-acre land was remediated thanks to a \$3.1 million Ohio Department of Development Brownfield Remediation grant and access to Loveland Madeira Road was secured when the city purchases an adjacent parcel. This property is being marketed by a professional broker and its redevelopment will benefit by the city's revitalization efforts.

Following completion of four master plans, the city has actively begun implementation of each in the following manner:

- Comprehensive Master Plan:
 - Purchased key properties along the Loveland Madeira Road Business Corridor
 - Completed multiple sidewalks projects and completed a Clermont County Pedestrian Connectivity Plan
 - Funded two of the four phases of the Loveland Madeira Road Business Corridor Revitalization Plan
- Nisbet Park Master Plan:
 - Funded Multiple strategies from the plan including seatings areas, walking trail and gazebo
 - Received grant funding for a new amphitheater
 - Received grant funding for the installation of adult swings along the Little Miami River
- Downtown Master Plan
 - Completed new 147 space parking lot
 - Completed downtown pedestrian pathways
 - Reconstructed City Hall Parking Lot
- Downtown Streetscape Plan
 - Upgraded sidewalks on State Route 48 and West Loveland Avenue per plan
 - Submitted grant request for phase I of the plan

***Letter of Transmittal
For the Year Ended December 31, 2024***

During 2024, the City of Loveland was recognized for achievements in a variety of areas and by a diverse group of organizations which included:

- **Certificate of Achievement for Excellence in Financial Reporting:** The City of Loveland was recognized by the Government Finance Officers Association for its 2023 Annual Comprehensive Financial Report. The Certificate of Achievement is the highest form of recognition in the area of government accounting and financial reporting and its attainment represents a significant accomplishment by a government and its management. This was the twelfth year the City received this distinction.
- **GFOA Distinguished Budget Award:** The City compiles its annual budget in document form. The budget presents anticipated revenues and expenditures by fund and department by category with additional supporting documentation that explains the budgetary process and individual departmental goals. The City's 2025 budget was submitted to the Government Finance Officers Association (GFOA) and received the Distinguished Budget Presentation Award. This was the twelfth year the City received this award.

INTERNAL CONTROLS

Accounting Controls

The City's budgetary accounting system was designed to provide reasonable assurance that:

1. The City's assets are protected against loss and unauthorized use or disposition; and
2. Reliable financial reports for preparing financial statements and providing accountability for assets are maintained.

The concept of reasonable assurance states that internal controls should be evaluated using the following criteria:

1. The expense associated with providing the internal controls should not exceed the benefits likely to be derived from their implementation; and
2. The evaluation of the offsetting costs and benefits involves estimates and judgment by the City Administration and members of the Finance Department.

All internal control evaluations occur within this framework. It is the belief of the administrative and financial management personnel that the City's financial controls adequately safeguard existing assets and provide reasonable assurance of the proper recording of financial transactions.

***Letter of Transmittal
For the Year Ended December 31, 2024***

Budgetary Control

Budgetary control is maintained within the personnel services and non-personnel categories within each department through the encumbering of estimated purchase amounts prior to the release of formal purchase orders to vendors. Purchase orders which result in an overrun above appropriated balances are not released until additional appropriations are made available via amendments to the annual appropriations ordinance.

RELEVANT FINANCIAL POLICIES

It is a goal of the City to develop, maintain, and implement financial accounting policies and procedures and protect and optimize the financial resources of the City. The City makes every reasonable effort to provide a sound accounting system for safeguarding the City's assets through the recording and reporting of financial transactions according to mandated laws and guidelines of the Federal law, Ohio Revised Codes, Generally Accepted Accounting Principles (GAAP), and the Codified Ordinances of the City of Loveland.

The City has a long-range capital improvement plan, five-year pro forma reports for major funds, and policies creating emergency reserves for the General Fund and other major funds in accordance with Government Finance Officers Association guidelines. The City also has policies regarding investments and debt limitations.

INDEPENDENT AUDIT

The basic financial statements of the City of Loveland were audited by the Ohio Auditor of State. The independent auditors' unmodified opinion has been included in this report.

***Letter of Transmittal
For the Year Ended December 31, 2024***

CERTIFICATE OF ACHIEVEMENT

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Loveland for its Annual Comprehensive Financial Report for the fiscal year ended December 31, 2023. The Certificate of Achievement is a prestigious national award recognizing conformance with the highest standards for preparation of state and local government financial reports.

In order to be awarded a Certificate of Achievement, a government unit must publish an easily readable and efficiently organized Annual Comprehensive Financial Report, whose contents conform to program standards. The report must satisfy both generally accepted accounting principles and applicable legal requirements.

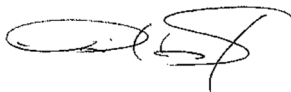
A Certificate of Achievement is valid for a period of one year only. The City of Loveland has received a Certificate of Achievement for the last twelve consecutive years (fiscal years ended 2012-2023). We believe our current report continues to conform to the Certificate of Achievement program requirements, and it will be submitted to the GFOA for consideration.

ACKNOWLEDGMENTS

This report could not have been completed without the assistance of the entire administrative staff of the various departments of the City. We would also like to acknowledge our financial consultants Donald J. Schonhardt & Associates, Inc. for their help in formulating this report.

Our sincere gratitude is also extended to the Loveland City Council and its Finance Commission for their continued interest and support in the financial operations of the City in a responsible and progressive manner.

Respectfully submitted,



David Kennedy
City Manager



Mark Medlar
Director of Finance



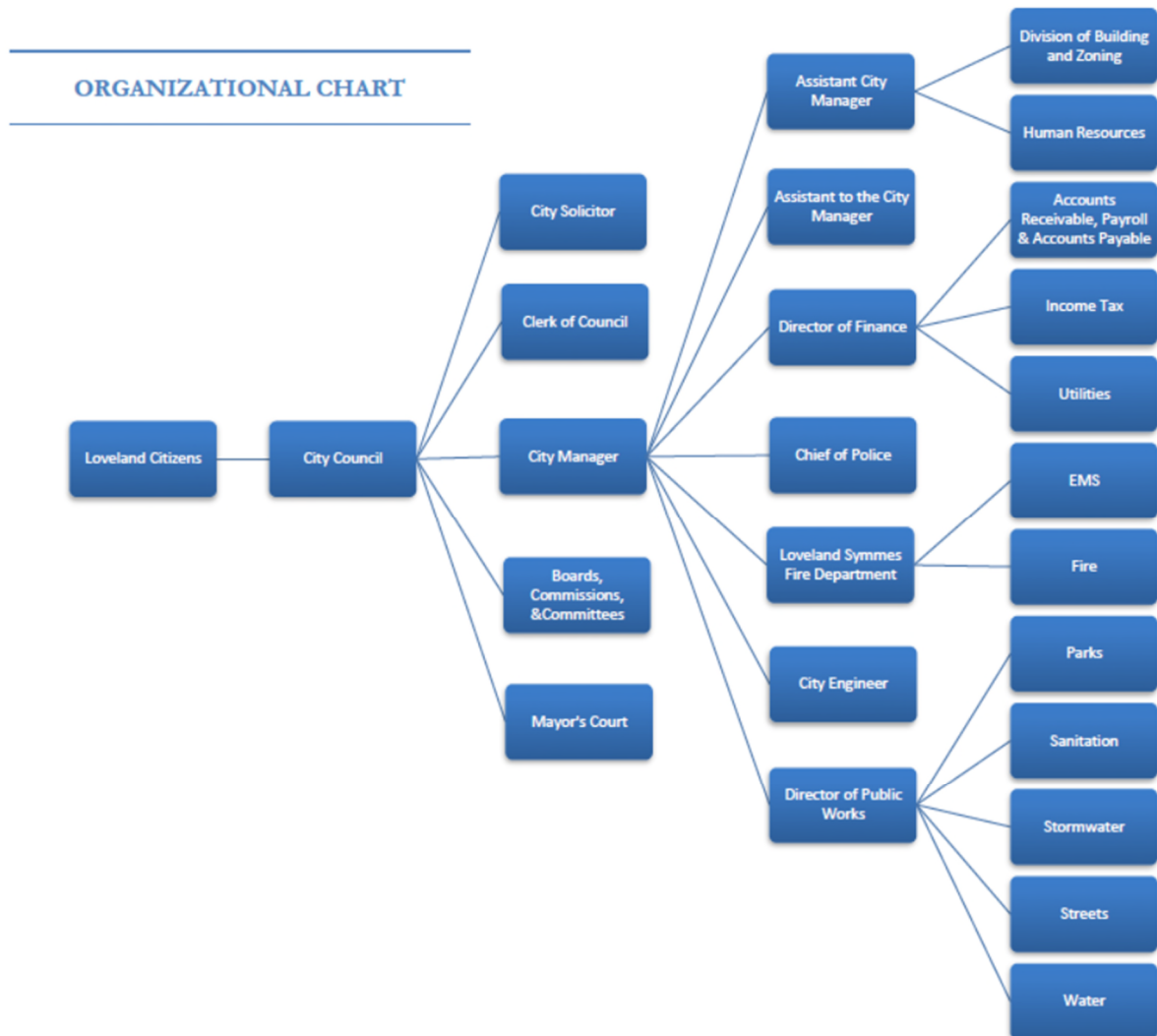
CITY OF LOVELAND, OHIO

List of Principal Officials For the Year Ended December 31, 2024

<i>Council</i>	<i>Title</i>	<i>Years of Service *</i>	<i>Term expires</i>
Kathy Bailey	Mayor	9 years, 1 month	December 2027
Ted Phelps	Vice Mayor	11 years, 1 month	December 2025
Andy Bateman	Council Member	5 years, 1 month	December 2027
Brian Goodyear	Council Member	1 year, 1 month	December 2027
John Hart	Council Member	3 years, 1 month	December 2025
Neal Oury	Council Member	6 years, 7 months	December 2025
Kip Ping	Council Member	3 years, 1 month	December 2025
<i>Appointed Officials</i>		<i>Title</i>	
David Kennedy	City Manager		
Misty Clark	Clerk of Council		
Joseph Braun	City Solicitor		
Mark Medlar	Director of Finance		

* Denotes length of service on City Council, not necessarily solely in the capacity which they now hold.

***City Organizational Chart
For the Year Ended December 31, 2024***



***Government Finance Officers Association of the United States and Canada
Certificate of Achievement for Excellence in Financial Reporting***



Government Finance Officers Association

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

Presented to

**City of Loveland
Ohio**

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

December 31, 2023

Christopher P. Morill

Executive Director/CEO

FINANCIAL SECTION



OHIO AUDITOR OF STATE KEITH FABER



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

INDEPENDENT AUDITOR'S REPORT

City of Loveland
Hamilton County
120 West Loveland Ave.
Loveland, Ohio 45140

To the 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, each major fund, and the aggregate remaining fund information of the City of Loveland, Hamilton County, Ohio (City), as of and for the year ended December 31, 2024, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Loveland, Hamilton County, Ohio as of December 31, 2024, and the respective changes in financial position and, where applicable, cash flows thereof and the respective budgetary comparisons for the General, Paramedic, Fire and EMS, and Community Improvement Corporation 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 Matters

As discussed in Note 18 to the financial statements, during 2024, the City adopted new accounting guidance in Governmental Accounting Standards Board (GASB) Statement No. 100, *Accounting Changes and Error Corrections* and No. 101, *Compensated Absences*. Our opinion is not modified with respect to these matters.

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

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

Required Supplementary Information

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

Supplementary information

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

Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual nonmajor fund financial statements and schedules 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 June 25, 2025, 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.

A handwritten signature in black ink, reading "Keith Faber". The signature is written in a cursive, flowing style.

Keith Faber
Auditor of State
Columbus, Ohio

June 25, 2025

***Management's Discussion and Analysis
For the Year Ended December 31, 2024***

Unaudited

The discussion and analysis of the City of Loveland's financial performance provides an overall review of the City's financial activities for the year ended December 31, 2024. The intent of this discussion and analysis is to look at the City's financial performance as a whole; readers should also review the transmittal letter, notes to the basic financial statements and financial statements to enhance their understanding of the City's financial performance.

FINANCIAL HIGHLIGHTS

Key financial highlights for 2024 are as follows:

- ❑ In total, net position increased \$6,970,617. Net position of governmental activities increased \$4,925,338, which represents a 16% increase from 2023. Net position of business-type activities increased \$2,045,279, or 17% from 2023.
- ❑ General revenues accounted for \$14,116,759 in revenue or 48% of all revenues. Program specific revenues in the form of charges for services and grants and contributions accounted for \$15,422,624 or 52% of total revenues of \$29,539,383.
- ❑ The City had \$14,844,085 in expenses related to governmental activities; only \$6,077,411 of these expenses were offset by program specific charges for services, grants or contributions. General revenues (primarily taxes) of \$14,106,057 were adequate to provide for these programs.
- ❑ Among major funds, the general fund had \$10,649,591 in revenues and \$10,485,728 in expenditures. The general fund's fund balance decreased from \$9,563,708 to \$9,281,716.

OVERVIEW OF THE FINANCIAL STATEMENTS

This annual report consists of four parts – *management's discussion and analysis*, the *basic financial statements*, *required supplemental information*, and an optional section that presents *combining and individual statements* for nonmajor governmental funds. The basic financial statements include two kinds of statements that present different views of the City:

These statements are as follows:

1. *The Government-Wide Financial Statements* – These statements provide both long-term and short-term information about the City's overall financial status.
2. *The Fund Financial Statements* – These statements focus on individual parts of the City, reporting the City's operations in more detail than the government-wide statements.

The financial statements also include notes that explain some of the information in the financial statements and provide more detailed data.

***Management's Discussion and Analysis
For the Year Ended December 31, 2024***

Unaudited

Government-wide Statements

The government-wide statements report information about the City as a whole using accounting methods similar to those used by private-sector companies. The statement of net position includes all of the government's assets, liabilities, and deferred outflows/inflows of resources, with the difference being reported as net position. All of the current year's revenues and expenses are accounted for in the statement of activities regardless of when cash is received or paid.

The two government-wide statements report the City's net position and how it has changed. Net position is one way to measure the City's financial health.

- Over time, increases or decreases in the City's net position is an indicator of whether its financial health is improving or deteriorating, respectively.
- To assess the overall health of the City you need to consider additional nonfinancial factors such as the City's tax base and the condition of the City's capital assets.

The government-wide financial statements of the City are divided into two categories:

- *Governmental Activities* – Most of the City's programs and services are reported here including police protection, parks and recreation, planning, zoning, street maintenance and other governmental services.
- *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's water, sewer, storm water and sanitation services are reported as business-type activities.

Fund Financial Statements

The fund financial statements provide more detailed information about the City's most significant funds, not the City as a whole. Funds are accounting devices that the City uses to keep track of specific sources of funding and spending for particular purposes.

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

Proprietary Funds – Proprietary funds use the same basis of accounting as business-type activities; therefore, these statements will essentially match.

**Management's Discussion and Analysis
For the Year Ended December 31, 2024**

Unaudited

Fiduciary Funds – Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are *not* reflected in the government-wide financial statements because the resources of those funds are *not* available to support the City's own programs. All of the City's fiduciary activities are reported in a separate Statement of Fiduciary Net Position and Statement of Changes in Fiduciary Net Position.

FINANCIAL ANALYSIS OF THE CITY AS A WHOLE

The following table provides a comparison of the City's net position at December 31, 2024 and 2023:

	Governmental Activities		Business-type Activities		Total	
	2024	2023	2024	2023	2024	2023
Current and Other Assets	\$24,453,848	\$18,765,022	\$4,352,236	\$3,321,795	\$28,806,084	\$22,086,817
Net OPEB Asset	88,261	0	39,088	0	127,349	0
Capital Assets, Net	35,974,861	31,457,549	17,851,382	17,400,226	53,826,243	48,857,775
Total Assets	60,516,970	50,222,571	22,242,706	20,722,021	82,759,676	70,944,592
Deferred Outflows of Resources	3,256,574	4,114,986	399,825	502,256	3,656,399	4,617,242
Net Pension Liability	8,532,648	8,907,436	1,029,312	1,033,953	9,561,960	9,941,389
Net OPEB Liability	469,169	545,364	0	24,740	469,169	570,104
Other Long-term Liabilities	12,507,432	6,090,959	6,750,607	7,364,972	19,258,039	13,455,931
Other Liabilities	704,388	2,000,122	471,147	414,150	1,175,535	2,414,272
Total Liabilities	22,213,637	17,543,881	8,251,066	8,837,815	30,464,703	26,381,696
Deferred Inflows of Resources	5,971,796	5,756,753	70,690	110,966	6,042,486	5,867,719
Net Position						
Net Investment in Capital Assets	30,731,014	25,818,644	11,878,977	10,868,820	42,609,991	36,687,464
Restricted	4,248,285	3,303,080	39,088	0	4,287,373	3,303,080
Unrestricted	608,812	1,915,199	2,402,710	1,406,676	3,011,522	3,321,875
Total Net Position	\$35,588,111	\$31,036,923	\$14,320,775	\$12,275,496	\$49,908,886	\$43,312,419

A 30% increase in current assets was mostly the result of an increase in cash, due to the issuance of bonds for the construction of a new fire station. Various infrastructure improvements contributed to a 10% increase in capital assets. The fire station bond issuance resulted in a 39% increase in long term liabilities. This was partially offset by a decrease in unearned revenue, resulting in an overall increase in liabilities of 15%. Fluctuations in deferred outflows and deferred inflows of resources can be attributed to changes in the net pension and net OPEB liabilities/asset.

The net pension liability (NPL) is reported by the City pursuant to GASB Statement 68, "Accounting and Financial Reporting for Pensions—an Amendment of GASB Statement 27." The net OPEB liability (NOL) is reported by the City pursuant to GASB Statement 75, "Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions," which significantly revises accounting for costs and liabilities related to other postemployment benefits (OPEB). 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.

***Management's Discussion and Analysis
For the Year Ended December 31, 2024***

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* 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 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 are satisfied, these liabilities are separately identified within the long-term liability section of the statement of net position.

CITY OF LOVELAND, OHIO

Management's Discussion and Analysis For the Year Ended December 31, 2024

Unaudited

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 and net OPEB liability, respectively, not accounted for as deferred inflows/outflows.

Changes in Net Position – The following table shows the changes in net position for 2024 and 2023:

	Governmental Activities		Business-type Activities		Total	
	2024	2023	2024	2023	2024	2023
Revenues						
Program Revenues:						
Charges for Services and Sales	\$1,287,604	\$1,038,937	\$8,938,914	\$8,371,345	\$10,226,518	\$9,410,282
Operating Grants and Contributions	2,870,791	4,576,928	36,159	63,615	2,906,950	4,640,543
Capital Grants and Contributions	1,919,016	545,805	370,140	0	2,289,156	545,805
Total Program Revenues	6,077,411	6,161,670	9,345,213	8,434,960	15,422,624	14,596,630
General Revenues:						
Property Taxes	5,445,987	4,819,258	0	0	5,445,987	4,819,258
Municipal Income Taxes	6,873,641	6,819,660	0	0	6,873,641	6,819,660
Other Local Taxes	124,726	135,803	0	0	124,726	135,803
Intergovernmental, Unrestricted	752,138	662,390	0	0	752,138	662,390
Investment Earnings	541,248	484,445	10,702	12,851	551,950	497,296
Miscellaneous	368,317	319,523	0	0	368,317	319,523
Total General Revenues	14,106,057	13,241,079	10,702	12,851	14,116,759	13,253,930
Total Revenues	20,183,468	19,402,749	9,355,915	8,447,811	29,539,383	27,850,560
Program Expenses						
Security of Persons and Property	8,716,059	8,688,947	0	0	8,716,059	8,688,947
Leisure Time Activities	926,295	917,783	0	0	926,295	917,783
Community Environment	309,952	330,630	0	0	309,952	330,630
Transportation	1,542,351	1,379,059	0	0	1,542,351	1,379,059
General Government	3,175,579	6,994,579	0	0	3,175,579	6,994,579
Interest on Long Term Debt	173,849	174,393	0	0	173,849	174,393
Water	0	0	2,144,148	2,112,907	2,144,148	2,112,907
Sewer	0	0	3,815,567	4,009,677	3,815,567	4,009,677
Stormwater	0	0	447,734	414,417	447,734	414,417
Sanitation	0	0	1,317,232	1,358,847	1,317,232	1,358,847
Total Expenses	14,844,085	18,485,391	7,724,681	7,895,848	22,568,766	26,381,239
Change in Net Position before Transfers	5,339,383	917,358	1,631,234	551,963	6,970,617	1,469,321
Transfers	(414,045)	(151,121)	414,045	151,121	0	0
Total Change in Net Position	4,925,338	766,237	2,045,279	703,084	6,970,617	1,469,321
Beginning Net Position - Restated	30,662,773	30,270,686	12,275,496	11,572,412	42,938,269	41,843,098
Ending Net Position	\$35,588,111	\$31,036,923	\$14,320,775	\$12,275,496	\$49,908,886	\$43,312,419

Governmental Activities

Net position of governmental activities increased \$4,925,338, or 16%. An increase in property taxes can be attributed to an increase in the assessed value of property. Capital grants included amounts received for parking lot improvements as well as an amphitheater project.

CITY OF LOVELAND, OHIO

Management's Discussion and Analysis For the Year Ended December 31, 2024

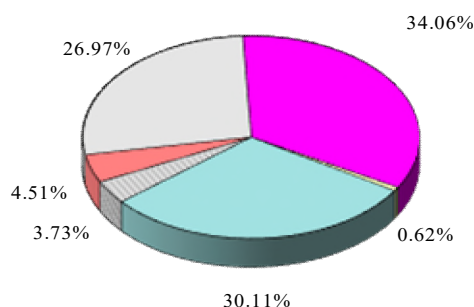
Unaudited

In the prior year the City was awarded a \$3.3 million grant as part of the State of Ohio Brownfield Remediation Program for environmental remediation and cleanup at the City-owned Chestnut Street property. This resulted in an increase in both operating grants and general government expense in 2023 and a subsequent decrease in 2024.

The City receives an income tax, which is based on 1.00% of all salaries, wages, commissions and other compensation and on net profits earned from businesses and residents living within the City.

Property taxes and income taxes made up 27% and 34% respectively, of revenues for governmental activities in 2024. The City's reliance upon tax revenues is demonstrated by the following graph indicating 62% of total revenues from general tax revenues:

Revenue Sources	2024	Percent of Total
Property Taxes	\$5,445,987	26.97%
Municipal Income Taxes	6,873,641	34.06%
Other Local Taxes	124,726	0.62%
Program Revenues	6,077,411	30.11%
Intergovernmental, Unrestricted	752,138	3.73%
General Other	909,565	4.51%
Total Revenue	<u>\$20,183,468</u>	<u>100.00%</u>



Business-Type Activities

Net position of the business-type activities increased \$2,045,279, or 17%. An increase in charges for services can be attributed to the addition of a water main replacement fee. Capital grants included Ohio Public Works Commission funding for storm water improvements at East Loveland Avenue. Expenses were consistent with the prior year.

FINANCIAL ANALYSIS OF THE CITY'S FUNDS

The City's governmental funds reported a combined fund balance of \$17,244,720, which is an increase from last year's balance of \$10,263,763. The schedule below indicates the fund balance and the total change in fund balance as of December 31, 2024 and 2023:

	Fund Balance December 31, 2024	Fund Balance December 31, 2023	Increase (Decrease)
General	\$9,281,716	\$9,563,708	(\$281,992)
Paramedic	798,448	543,919	254,529
Fire and EMS	7,175,361	645,328	6,530,033
Community Improvement Corporation	104,916	111,165	(6,249)
Historic Loveland TIF	(1,764,458)	(1,849,001)	84,543
Special Projects	488,701	670,662	(181,961)
Nonmajor Governmental	1,160,036	577,982	582,054
Total	<u>\$17,244,720</u>	<u>\$10,263,763</u>	<u>\$6,980,957</u>

General Fund – The City's General Fund balance change is due to many factors. The tables that follow assist in illustrating the financial activities and balance of the General Fund:

CITY OF LOVELAND, OHIO**Management's Discussion and Analysis
For the Year Ended December 31, 2024****Unaudited**

	2024 Revenues	2023 Revenues	Increase (Decrease)
Property Taxes	\$1,456,105	\$1,121,745	\$334,360
Municipal Income Tax	7,056,677	6,781,673	275,004
Intergovernmental Revenue	1,100,646	3,954,954	(2,854,308)
Charges for Services	374,642	349,580	25,062
Licenses and Permits	223,602	239,250	(15,648)
Investment Earnings	4,766	6,756	(1,990)
Special Assessments	3,931	1,525	2,406
Fines and Forfeitures	77,094	55,198	21,896
All Other Revenue	352,128	287,240	64,888
Total	<u>\$10,649,591</u>	<u>\$12,797,921</u>	<u>(\$2,148,330)</u>

General Fund revenues decreased approximately 17% when compared with the previous year. A \$3.3 million grant received in the prior year as part of the State of Ohio Brownfield Remediation Program resulted in a subsequent decrease in intergovernmental revenue in 2024.

	2024 Expenditures	2023 Expenditures	Increase (Decrease)
Current:			
Security of Persons and Property	\$4,229,498	\$4,255,264	(\$25,766)
Leisure Time Activities	825,019	826,046	(1,027)
Community Environment	302,986	325,857	(22,871)
General Government	5,030,922	8,150,554	(3,119,632)
Debt Service:			
Principal Retirement	87,240	88,060	(820)
Interest and Fiscal Charges	10,063	5,999	4,064
Total	<u>\$10,485,728</u>	<u>\$13,651,780</u>	<u>(\$3,166,052)</u>

General Fund expenditures decreased \$3,166,052, or 23% from the prior year. Costs incurred in the prior year for environmental remediation and cleanup at the City-owned Chestnut Street property resulted in a subsequent decrease in general government expenditures in 2024.

Paramedic Fund – The Paramedic Fund reported an increase in fund balance of \$254,529, or 47%. An increase in the number of EMS runs resulted in an increase in revenues. Expenditures decreased due to a portion of contractual costs being funded from the Fire and EMS Fund.

Fire and EMS Fund – The Fire and EMS Fund balance increased substantially in 2024 due to the issuance of \$6.4 million of general obligation bonds for the construction of a new fire station. Revenues were consistent with the prior year. Expenditures increased due to contractual costs reallocated from the Paramedic Fund.

Community Improvement Corporation Fund – The Community Improvement Corporation Fund balance decreased from \$111,165 to \$104,916. Revenues and expenditures were minimal.

Historic Loveland TIF Fund – The Historic Loveland TIF Fund balance increased \$84,543. An interfund loan payable reported on the balance sheet is the primary factor causing a negative year end fund balance of \$1,764,458. Revenues and expenditures were consistent with the prior year.

**Management's Discussion and Analysis
For the Year Ended December 31, 2024****Unaudited**

Special Projects Fund – The Special Projects Fund balance decreased 27%. Expenditures included outlays for parking lot improvements and an amphitheater project, which were funded by various grants.

The City's budget is prepared according to Ohio law and is based on accounting for certain transactions on a basis of cash receipts, disbursements and encumbrances. The most significant budgeted fund is the General Fund. During the course of 2024 the City amended its General Fund budget several times.

For the General Fund, original estimated, final estimated, and actual budget basis revenues and expenditures were not materially different. The General Fund had an adequate fund balance to cover expenditures.

CAPITAL ASSETS AND DEBT ADMINISTRATION***Capital Assets***

At the end of 2024 the City had \$53,826,243 net of accumulated depreciation invested in land, buildings, improvements, infrastructure, equipment and vehicles. Of this total, \$35,974,861 was related to governmental activities and \$17,851,382 to the business-type activities. The following tables show 2024 and 2023 balances:

	Governmental Activities		Increase (Decrease)
	2024	2023	
Land	\$6,759,582	\$6,759,582	\$0
Construction In Progress	394,529	886,726	(492,197)
Buildings	12,487,392	11,682,481	804,911
Improvements Other than Buildings	2,129,156	1,917,426	211,730
Machinery and Equipment	7,005,021	6,414,989	590,032
Infrastructure	29,685,473	25,613,252	4,072,221
Leased Equipment	282,350	282,350	0
SBITA	159,701	71,710	87,991
Less: Accumulated Depreciation	(22,928,343)	(22,170,967)	(757,376)
Totals	<u>\$35,974,861</u>	<u>\$31,457,549</u>	<u>\$4,517,312</u>

	Business-Type Activities		Increase (Decrease)
	2024	2023	
Land	\$920,027	\$920,027	\$0
Construction in Progress	795,803	212,258	583,545
Buildings and Improvements	5,527,952	5,527,952	0
Utility Structures in Service	25,599,683	25,138,591	461,092
Machinery and Equipment	1,052,483	934,225	118,258
Less: Accumulated Depreciation	(16,044,566)	(15,332,827)	(711,739)
Totals	<u>\$17,851,382</u>	<u>\$17,400,226</u>	<u>\$451,156</u>

**Management's Discussion and Analysis
For the Year Ended December 31, 2024****Unaudited**

In governmental activities capital assets, additions to machinery and equipment included vehicle and equipment purchases for the police, fire, and street departments. Infrastructure additions included improvements to Harrison Avenue, parking lot improvements, and routine street improvements. Building additions included the purchase of a former mirror factory, which the City plans to demolish for redevelopment. Construction in progress included construction of a new downtown fire station.

Business-type capital asset activity included a Cherokee Drive water main replacement project and storm water improvements at Harrison Avenue. Construction in progress consisted of storm water improvements at East Loveland Avenue. For additional information on the City's capital assets see Note 7.

Debt and Other Long-Term Obligations

The following table summarizes the City's debt and other long-term obligations as of December 31, 2024 and 2023:

	2024	2023
Governmental Activities:		
General Obligation Bonds	\$9,984,380	\$3,851,443
Special Obligation TIF Bonds	550,000	550,000
Installment Loans	899,732	1,048,235
Leases Payable	79,921	139,623
SBITA	106,565	53,272
Compensated Absences	886,834	448,386
Total Governmental Activities	<u>\$12,507,432</u>	<u>\$6,090,959</u>
Business-Type Activities:		
General Obligation Bonds	\$3,422,837	\$3,702,449
Ohio Public Works Commission Loans	3,261,743	3,611,926
Compensated Absences	66,027	50,597
Total Business-Type Activities	<u>6,750,607</u>	<u>7,364,972</u>
Totals	<u>\$19,258,039</u>	<u>\$13,455,931</u>

Under current state statutes, the City's general obligation bonded debt issues are subject to a legal limitation based on 10.5% of the total assessed value of real and personal property. At December 31, 2024, the City's outstanding debt was below the legal limit. Additional information on the City's long-term debt can be found in Note 11.

ECONOMIC FACTORS

The City of Loveland continues its efforts to encourage economic development throughout the city with a focus on the Commerce Park, the Downtown District and the Loveland Madeira Road Corridor. In the Commerce Park, the city, through the assistance of tax incentives, was able to secure the headquarters of the Kenwood Dealer Group. The company will join a park with nearly a 0% vacancy rate, and includes the McCluskey Dealer Group, Mike's Car Wash headquarters and many other businesses which support the city through real estate and income tax revenues. Additionally, in 2024 the Grunder Landscaping Group, headquartered out of Miamisburg, Ohio established a new office in the Commerce Park. The city is preparing for construction in 2026 on a full revitalization of the Loveland Madeira Road Business corridor, including multiple infrastructure improvements, including sidewalks, center medians, trees, a roundabout and road construction. The downtown district continues to flourish, with a new 147 space parking lot completed in the fall of 2024. The city also continues to invest in Nisbet Park, located in the downtown district, which benefits our residents and the downtown businesses.

REQUESTS FOR INFORMATION

This financial report is designed to provide citizens, taxpayers, investors, creditors and any other stakeholders with a general overview of the City's finances and to show the City's fiscal accountability for revenues received. If you have questions about this report or would like additional financial information please contact the Department of Finance, City of Loveland, 120 West Loveland Ave., Loveland, Ohio 45140.



CITY OF LOVELAND, OHIO**Statement of Net Position
December 31, 2024**

	Governmental Activities	Business-Type Activities	Total
Assets:			
Pooled Cash and Investments	\$ 9,653,978	\$ 2,952,298	\$ 12,606,276
Cash and Cash Equivalents with Fiscal Agent	6,374,000	0	6,374,000
Receivables:			
Taxes	6,831,552	0	6,831,552
Payment in Lieu of Taxes	295,000	0	295,000
Accounts	93,835	1,351,363	1,445,198
Intergovernmental	993,326	25,364	1,018,690
Interest	1,083	408	1,491
Special Assessments	731	0	731
Settlement	85,904	0	85,904
Leases	16,439	16,439	32,878
Inventory of Supplies at Cost	75,160	0	75,160
Prepays	32,840	6,364	39,204
Net OPEB Asset	88,261	39,088	127,349
Capital Assets:			
Capital Assets Not Being Depreciated	7,154,111	1,715,830	8,869,941
Capital Assets Being Depreciated, Net	28,820,750	16,135,552	44,956,302
Total Assets	60,516,970	22,242,706	82,759,676
Deferred Outflows of Resources:			
Deferred Charge on Debt Refunding	2,751	0	2,751
Pension	2,908,273	366,290	3,274,563
OPEB	345,550	33,535	379,085
Total Deferred Outflows of Resources	3,256,574	399,825	3,656,399
Liabilities:			
Accounts Payable	104,192	107,755	211,947
Accrued Wages and Benefits	101,770	16,818	118,588
Intergovernmental Payable	22,879	291,676	314,555
Unearned Revenue	457,536	46,337	503,873
Accrued Interest Payable	18,011	8,561	26,572
Long Term Liabilities:			
Due Within One Year	923,398	602,405	1,525,803
Due in More Than One Year:			
Net Pension Liability	8,532,648	1,029,312	9,561,960
Net OPEB Liability	469,169	0	469,169
Other Amounts Due in More Than One Year	11,584,034	6,148,202	17,732,236
Total Liabilities	22,213,637	8,251,066	30,464,703

(Continued)

	Governmental Activities	Business-Type Activities	Total
Deferred Inflows of Resources:			
Property Tax Levy for Next Fiscal Year	5,041,284	0	5,041,284
Leases	15,960	15,960	31,920
Deferred Gain on Debt Refunding	0	32,365	32,365
Pension	432,607	0	432,607
OPEB	481,945	22,365	504,310
Total Deferred Inflows of Resources	5,971,796	70,690	6,042,486
Net Position:			
Net Investment in Capital Assets	30,731,014	11,878,977	42,609,991
Restricted For:			
OPEB	88,261	39,088	127,349
Debt Service	500,418	0	500,418
Streets and Highways	1,038,630	0	1,038,630
Public Safety	2,516,060	0	2,516,060
Community Development	104,916	0	104,916
Unrestricted	608,812	2,402,710	3,011,522
Total Net Position	\$ 35,588,111	\$ 14,320,775	\$ 49,908,886

See accompanying notes to the basic financial statements

CITY OF LOVELAND, OHIO

Statement of Activities For the Year Ended December 31, 2024

		Program Revenues		
	Expenses	Charges for Services and Sales	Operating Grants and Contributions	Capital Grants and Contributions
Governmental Activities:				
Security of Persons and Property	\$ 8,716,059	\$ 959,561	\$ 90,481	\$ 24,757
Leisure Time Activities	926,295	30,400	0	0
Community Environment	309,952	108,329	0	0
Transportation	1,542,351	6,625	973,429	1,394,259
General Government	3,175,579	182,689	1,806,881	500,000
Interest on Long Term Debt	173,849	0	0	0
Total Governmental Activities	14,844,085	1,287,604	2,870,791	1,919,016
Business-Type Activities:				
Water	2,144,148	2,972,716	9,608	40,000
Sewer	3,815,567	4,211,798	0	0
Stormwater	447,734	462,685	0	330,140
Sanitation	1,317,232	1,291,715	26,551	0
Total Business-Type Activities	7,724,681	8,938,914	36,159	370,140
Totals	\$ 22,568,766	\$ 10,226,518	\$ 2,906,950	\$ 2,289,156

General Revenues and Transfers

Property Taxes
Municipal Income Taxes
Other Local Taxes
Intergovernmental, Unrestricted
Investment Earnings
Miscellaneous
Transfers
Total General Revenues and Transfers
Change in Net Position
Net Position as Previously Reported
Change in Accounting Principle (GASB Statement 101)
Net Position Beginning of Year as Restated
Net Position End of Year

See accompanying notes to the basic financial statements

CITY OF LOVELAND, OHIO

Net (Expense) Revenue
and Changes in Net Position

Governmental Activities	Business-Type Activities	Total
\$ (7,641,260)	\$ 0	\$ (7,641,260)
(895,895)	0	(895,895)
(201,623)	0	(201,623)
831,962	0	831,962
(686,009)	0	(686,009)
(173,849)	0	(173,849)
<u>(8,766,674)</u>	<u>0</u>	<u>(8,766,674)</u>
0	878,176	878,176
0	396,231	396,231
0	345,091	345,091
0	1,034	1,034
<u>0</u>	<u>1,620,532</u>	<u>1,620,532</u>
\$ (8,766,674)	\$ 1,620,532	\$ (7,146,142)
5,445,987	0	5,445,987
6,873,641	0	6,873,641
124,726	0	124,726
752,138	0	752,138
541,248	10,702	551,950
368,317	0	368,317
(414,045)	414,045	0
<u>13,692,012</u>	<u>424,747</u>	<u>14,116,759</u>
4,925,338	2,045,279	6,970,617
31,036,923	12,275,496	43,312,419
(374,150)	0	(374,150)
<u>30,662,773</u>	<u>12,275,496</u>	<u>42,938,269</u>
<u>\$ 35,588,111</u>	<u>\$ 14,320,775</u>	<u>\$ 49,908,886</u>

CITY OF LOVELAND, OHIO

Balance Sheet Governmental Funds December 31, 2024

	General Fund	Paramedic Fund	Fire and EMS Fund	Community Improvement Corporation Fund
Assets:				
Pooled Cash and Investments	\$ 5,272,924	\$ 755,343	\$ 814,898	\$ 104,916
Cash and Cash Equivalents with Fiscal Agent	0	0	6,374,000	0
Receivables:				
Taxes	3,437,504	926,861	1,839,313	0
Payment in Lieu of Taxes	0	0	0	0
Accounts	40,520	53,290	0	0
Intergovernmental	287,175	54,166	37,437	0
Interest	0	0	0	0
Special Assessments	731	0	0	0
Settlement	0	0	0	0
Leases	16,439	0	0	0
Interfund Loans Receivable	2,664,640	0	0	0
Inventory of Supplies, at Cost	0	0	0	0
Prepaid Items	30,191	0	0	0
Total Assets	\$ 11,750,124	\$ 1,789,660	\$ 9,065,648	\$ 104,916
Liabilities:				
Accounts Payable	\$ 56,201	\$ 10,185	\$ 4,989	\$ 0
Accrued Wages and Benefits Payable	96,044	0	0	0
Intergovernmental Payable	14,331	0	8,548	0
Interfund Loans Payable	0	0	0	0
Unearned Revenue	0	0	0	0
Total Liabilities	166,576	10,185	13,537	0
Deferred Inflows of Resources:				
Unavailable Amounts	810,670	87,404	104,649	0
Property Tax Levy for Next Fiscal Year	1,475,202	893,623	1,772,101	0
Leases	15,960	0	0	0
Total Deferred Inflows of Resources	2,301,832	981,027	1,876,750	0
Fund Balances:				
Nonspendable	2,694,831	0	0	0
Restricted	0	798,448	7,175,361	104,916
Assigned	209,422	0	0	0
Unassigned	6,377,463	0	0	0
Total Fund Balances	9,281,716	798,448	7,175,361	104,916
Total Liabilities, Deferred Inflows of Resources and Fund Balances	\$ 11,750,124	\$ 1,789,660	\$ 9,065,648	\$ 104,916

See accompanying notes to the basic financial statements

CITY OF LOVELAND, OHIO

Historic Loveland TIF Fund	Formerly Minor	Nonmajor Governmental Funds	Total Governmental Funds
	Special Projects Fund		
\$ 287,509	\$ 645,722	\$ 1,772,666	\$ 9,653,978
0	0	0	6,374,000
0	0	627,874	6,831,552
295,000	0	0	295,000
0	0	25	93,835
0	101,686	512,862	993,326
0	1,083	0	1,083
0	0	0	731
0	0	85,904	85,904
0	0	0	16,439
0	210,967	0	2,875,607
0	0	75,160	75,160
0	0	2,649	32,840
<u>\$ 582,509</u>	<u>\$ 959,458</u>	<u>\$ 3,077,140</u>	<u>\$ 27,329,455</u>
\$ 0	\$ 23,921	\$ 8,896	\$ 104,192
0	0	5,726	101,770
0	0	0	22,879
2,051,967	0	823,640	2,875,607
0	446,836	10,700	457,536
<u>2,051,967</u>	<u>470,757</u>	<u>848,962</u>	<u>3,561,984</u>
0	0	462,784	1,465,507
295,000	0	605,358	5,041,284
0	0	0	15,960
<u>295,000</u>	<u>0</u>	<u>1,068,142</u>	<u>6,522,751</u>
0	0	77,809	2,772,640
0	0	1,756,505	9,835,230
0	488,701	0	698,123
(1,764,458)	0	(674,278)	3,938,727
<u>(1,764,458)</u>	<u>488,701</u>	<u>1,160,036</u>	<u>17,244,720</u>
<u>\$ 582,509</u>	<u>\$ 959,458</u>	<u>\$ 3,077,140</u>	<u>\$ 27,329,455</u>

***Reconciliation of Total Governmental Fund Balances
to Net Position of Governmental Activities
December 31, 2024***

Total Governmental Fund Balances \$ 17,244,720

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

Capital Assets used in governmental activities are not
resources and therefore are not reported in the funds. 35,974,861

Other long-term assets are not available to pay for current-
period expenditures and therefore are deferred in the funds. 1,465,507

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

Deferred Outflows - Pension	2,908,273	
Deferred Inflows - Pension	(432,607)	
Net Pension Liability	(8,532,648)	
Deferred Outflows - OPEB	345,550	
Deferred Inflows - OPEB	(481,945)	
Net OPEB Asset	88,261	
Net OPEB Liability	<u>(469,169)</u>	(6,574,285)

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

General Obligation Bonds Payable	(9,984,380)	
Special Obligation TIF Bonds Payable	(550,000)	
Deferred Loss on Debt Refunding	2,751	
Installment Loans	(899,732)	
Leases	(79,921)	
SBITA	(106,565)	
Compensated Absences Payable	(886,834)	
Accrued Interest Payable	<u>(18,011)</u>	<u>(12,522,692)</u>

Net Position of Governmental Activities **\$ 35,588,111**

See accompanying notes to the basic financial statements



CITY OF LOVELAND, OHIO

Statement of Revenues, Expenditures and Changes in Fund Balances Governmental Funds For the Year Ended December 31, 2024

	General Fund	Paramedic Fund	Fire and EMS Fund	Community Improvement Corporation Fund
Revenues:				
Property Taxes	\$ 1,456,105	\$ 927,583	\$ 1,864,828	\$ 0
Municipal Income Tax	7,056,677	0	0	0
Intergovernmental Revenue	1,100,646	103,312	78,880	0
Charges for Services	374,642	602,332	0	0
Licenses and Permits	223,602	0	0	0
Investment Earnings	4,766	0	0	0
Special Assessments	3,931	0	0	0
Fines and Forfeitures	77,094	0	0	0
All Other Revenue	352,128	3,694	0	1,850
Total Revenues	10,649,591	1,636,921	1,943,708	1,850
Expenditures:				
Current:				
Security of Persons and Property	4,229,498	1,381,185	1,576,572	0
Leisure Time Activities	825,019	0	0	0
Community Environment	302,986	0	0	0
Transportation	0	0	0	0
General Government	5,030,922	0	0	6,892
Capital Outlay	0	0	0	0
Debt Service:				
Principal Retirement	87,240	999	151,667	999
Interest & Fiscal Charges	10,063	208	36,554	208
Total Expenditures	10,485,728	1,382,392	1,764,793	8,099
Excess (Deficiency) of Revenues Over (Under) Expenditures	163,863	254,529	178,915	(6,249)
Other Financing Sources (Uses):				
Sale of Capital Assets	3,252	0	0	0
Bond Issuance	0	0	6,424,000	0
SBITA Issuance	87,991	0	0	0
Transfers In	150,000	0	0	0
Transfers Out	(687,098)	0	(72,882)	0
Total Other Financing Sources (Uses)	(445,855)	0	6,351,118	0
Net Change in Fund Balances	(281,992)	254,529	6,530,033	(6,249)
Fund Balance as Previously Reported	9,563,708	543,919	645,328	111,165
Change in Financial Reporting Entity (Major/Minor Funds)	0	0	0	0
Fund Balances at Beginning of Year - Restated	9,563,708	543,919	645,328	111,165
Decrease in Inventory	0	0	0	0
Fund Balances End of Year	\$ 9,281,716	\$ 798,448	\$ 7,175,361	\$ 104,916

See accompanying notes to the basic financial statements

CITY OF LOVELAND, OHIO

Historic Loveland TIF Fund	Formerly Minor	Nonmajor Governmental Funds	Total Governmental Funds
	Special Projects Fund		
\$ 309,839	\$ 0	\$ 865,032	\$ 5,423,387
0	0	0	7,056,677
4,095	2,122,798	2,467,590	5,877,321
0	0	1,125	978,099
0	0	5,500	229,102
0	536,482	0	541,248
0	0	10,522	14,453
0	0	8,107	85,201
0	0	47,161	404,833
313,934	2,659,280	3,405,037	20,610,321
0	0	661,269	7,848,524
0	0	0	825,019
0	0	0	302,986
0	0	1,011,696	1,011,696
0	0	1,387,748	6,425,562
63,657	3,244,987	0	3,308,644
0	0	270,339	511,244
0	0	142,446	189,479
63,657	3,244,987	3,473,498	20,423,154
250,277	(585,707)	(68,461)	187,167
0	0	243,089	246,341
0	0	0	6,424,000
0	0	0	87,991
0	553,746	490,614	1,194,360
(165,734)	(150,000)	(67,028)	(1,142,742)
(165,734)	403,746	666,675	6,809,950
84,543	(181,961)	598,214	6,997,117
(1,849,001)	0	1,248,644	10,263,763
0	670,662	(670,662)	0
(1,849,001)	670,662	577,982	10,263,763
0	0	(16,160)	(16,160)
\$ (1,764,458)	\$ 488,701	\$ 1,160,036	\$ 17,244,720

***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, 2024***

Net Change in Fund Balances - Total Governmental Funds **\$ 6,997,117**

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

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

Capital Outlay	6,235,790	
Depreciation Expense	(1,404,779)	4,831,011

The statement of activities reports losses arising from the disposal of capital assets. Conversely, the governmental funds do not report any loss on the disposal of capital assets. (313,699)

Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds. (96,713)

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

Pension	656,596	
OPEB	11,411	668,007

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

Pension	(1,067,027)	
OPEB	(27,783)	(1,094,810)

The issuance of long-term debt provides current financial resources to governmental funds, but has no effect on net position.

General Obligation Bond Issuance	(6,424,000)	
SBITA Issuance	(87,991)	(6,511,991)

(Continued)

Repayment of bond and loan principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position.

General Obligation Bond Principal Payment	268,341	
Amortization of Deferred Loss on Bond Refunding	(917)	
Installment Loan Principal Payment	148,503	
Lease Payment	59,702	
SBITA Payment	34,698	
Premium Amortization	22,722	533,049

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

(6,175)

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

Compensated Absences	(64,298)	
Change in Inventory	(16,160)	(80,458)

Change in Net Position of Governmental Activities

\$ 4,925,338

See accompanying notes to the basic financial statements

CITY OF LOVELAND, 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, 2024**

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Property Taxes	\$ 1,393,510	\$ 1,472,104	\$ 1,461,459	\$ (10,645)
Municipal Income Tax	7,250,000	6,500,000	6,762,218	262,218
Intergovernmental Revenue	834,783	1,241,212	1,320,043	78,831
Charges for Services	957,049	654,074	462,787	(191,287)
Licenses and Permits	270,000	232,571	225,397	(7,174)
Special Assessments	2,100	3,931	3,931	0
Fines and Forfeitures	50,000	50,000	72,798	22,798
All Other Revenues	210,000	246,616	344,828	98,212
Total Revenues	10,967,442	10,400,508	10,653,461	252,953
Expenditures:				
Current:				
Security of Persons and Property	4,679,913	4,709,913	4,358,221	351,692
Leisure Time Activities	1,009,024	1,104,024	845,957	258,067
Community Environment	344,326	358,826	309,444	49,382
General Government	4,760,344	5,513,344	5,260,517	252,827
Total Expenditures	10,793,607	11,686,107	10,774,139	911,968
Excess (Deficiency) of Revenues Over (Under) Expenditures	173,835	(1,285,599)	(120,678)	1,164,921
Other Financing Sources (Uses):				
Sale of Capital Assets	100	3,252	3,252	0
Transfers In	0	0	189,682	189,682
Transfers Out	(686,498)	(686,498)	(687,098)	(600)
Advances In	15,000	15,000	50,000	35,000
Total Other Financing Sources (Uses):	(671,398)	(668,246)	(444,164)	224,082
Net Change in Fund Balance	(497,563)	(1,953,845)	(564,842)	1,389,003
Fund Balance at Beginning of Year	3,545,169	3,545,169	3,545,169	0
Prior Year Encumbrances	527,322	527,322	527,322	0
Fund Balance at End of Year	\$ 3,574,928	\$ 2,118,646	\$ 3,507,649	\$ 1,389,003

See accompanying notes to the basic financial statements

CITY OF LOVELAND, OHIO**Statement of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Special Revenue Fund – Paramedic Fund
For the Year Ended December 31, 2024**

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Property Taxes	\$ 873,699	\$ 873,699	\$ 952,617	\$ 78,918
Intergovernmental Revenue	111,084	111,084	103,312	(7,772)
Charges for Services	400,000	400,000	589,559	189,559
All Other Revenues	0	0	3,694	3,694
Total Revenues	1,384,783	1,384,783	1,649,182	264,399
Expenditures:				
Current:				
Security of Persons and Property	1,398,354	1,448,354	1,396,484	51,870
Total Expenditures	1,398,354	1,448,354	1,396,484	51,870
Net Change in Fund Balance	(13,571)	(63,571)	252,698	316,269
Fund Balance at Beginning of Year	458,143	458,143	458,143	0
Prior Year Encumbrances	20,820	20,820	20,820	0
Fund Balance at End of Year	\$ 465,392	\$ 415,392	\$ 731,661	\$ 316,269

See accompanying notes to the basic financial statements

CITY OF LOVELAND, OHIO**Statement of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Special Revenue Fund – Fire and EMS Fund
For the Year Ended December 31, 2024**

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Property Taxes	\$ 1,734,254	\$ 1,799,547	\$ 1,801,713	\$ 2,166
Intergovernmental Revenue	82,516	79,877	78,880	(997)
Total Revenues	1,816,770	1,879,424	1,880,593	1,169
Expenditures:				
Current:				
Security of Persons and Property	7,476,803	2,199,759	1,992,667	207,092
Total Expenditures	7,476,803	2,199,759	1,992,667	207,092
Excess (Deficiency) of Revenues Over (Under) Expenditures	(5,660,033)	(320,335)	(112,074)	208,261
Other Financing Sources (Uses):				
Bond Issuance	5,649,083	50,000	50,000	0
Transfers Out	(72,882)	(72,882)	(72,882)	0
Total Other Financing Sources (Uses):	5,576,201	(22,882)	(22,882)	0
Net Change in Fund Balance	(83,832)	(343,217)	(134,956)	208,261
Fund Balance at Beginning of Year	625,713	625,713	625,713	0
Prior Year Encumbrances	93,148	93,148	93,148	0
Fund Balance at End of Year	\$ 635,029	\$ 375,644	\$ 583,905	\$ 208,261

See accompanying notes to the basic financial statements

CITY OF LOVELAND, OHIO

***Statement of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Special Revenue Fund – Community Improvement Corporation Fund
For the Year Ended December 31, 2024***

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
All Other Revenues	\$ 0	\$ 0	\$ 1,850	\$ 1,850
Total Revenues	0	0	1,850	1,850
Expenditures:				
Current:				
General Government	106,375	106,375	8,099	98,276
Total Expenditures	106,375	106,375	8,099	98,276
Net Change in Fund Balance	(106,375)	(106,375)	(6,249)	100,126
Fund Balance at Beginning of Year	109,790	109,790	109,790	0
Prior Year Encumbrances	1,375	1,375	1,375	0
Fund Balance at End of Year	\$ 4,790	\$ 4,790	\$ 104,916	\$ 100,126
See accompanying notes to the basic financial statements				

CITY OF LOVELAND, OHIO

**Statement of Net Position
Proprietary Funds
December 31, 2024**

	Business-Type Activities			
	Enterprise Funds			
	Water	Sewer	Stormwater	Sanitation
Assets:				
<i>Current Assets:</i>				
Pooled Cash and Investments	\$ 1,925,409	\$ 702,879	\$ 287,265	\$ 36,745
Receivables:				
Accounts	397,260	669,939	79,189	204,975
Intergovernmental	0	0	0	25,364
Interest	133	194	21	60
Leases	12,268	0	0	0
Prepaid Items	4,097	675	647	945
<i>Total Current Assets</i>	<u>2,339,167</u>	<u>1,373,687</u>	<u>367,122</u>	<u>268,089</u>
<i>Non Current Assets:</i>				
Leases Receivable	4,171	0	0	0
Net OPEB Asset	25,870	4,084	3,496	5,638
Capital Assets:				
Capital Assets Not Being Depreciated	860,537	59,490	795,803	0
Capital Assets Being Depreciated, Net	11,046,623	1,152,046	3,916,050	20,833
<i>Total Non Current Assets</i>	<u>11,937,201</u>	<u>1,215,620</u>	<u>4,715,349</u>	<u>26,471</u>
Total Assets	<u>14,276,368</u>	<u>2,589,307</u>	<u>5,082,471</u>	<u>294,560</u>
Deferred Outflows of Resources:				
Pension	242,411	38,268	32,781	52,830
OPEB	22,193	3,504	3,001	4,837
Total Deferred Outflows of Resources	<u>264,604</u>	<u>41,772</u>	<u>35,782</u>	<u>57,667</u>
Liabilities:				
<i>Current Liabilities:</i>				
Accounts Payable	13,490	2,023	3,422	88,820
Accrued Wages and Benefits	10,380	1,363	5,075	0
Intergovernmental Payable	2,263	289,413	0	0
Compensated Absences Payable - Current	27,289	0	6,604	0
Accrued Interest Payable	8,427	0	134	0
General Obligation Bonds Payable - Current	215,000	0	20,000	0
OPWC Loans Payable - Current	253,925	0	79,587	0
Unearned Revenue	46,337	0	0	0
<i>Total Current Liabilities</i>	<u>577,111</u>	<u>292,799</u>	<u>114,822</u>	<u>88,820</u>

CITY OF LOVELAND, OHIO

Total

\$ 2,952,298

1,351,363

25,364

408

12,268

6,364

4,348,065

4,171

39,088

1,715,830

16,135,552

17,894,641

22,242,706

366,290

33,535

399,825

107,755

16,818

291,676

33,893

8,561

235,000

333,512

46,337

1,073,552

(Continued)

CITY OF LOVELAND, OHIO

**Statement of Net Position
Proprietary Funds
December 31, 2024**

	Business-Type Activities Enterprise Funds			
	Water	Sewer	Stormwater	Sanitation
<i>Long Term Liabilities:</i>				
Compensated Absences Payable	30,736	0	1,398	0
General Obligation Bonds Payable	3,147,837	0	40,000	0
OPWC Loans Payable	1,925,032	0	1,003,199	0
Net Pension Liability	681,202	107,536	92,116	148,458
<i>Total Long Term Liabilities</i>	<u>5,784,807</u>	<u>107,536</u>	<u>1,136,713</u>	<u>148,458</u>
Total Liabilities	<u>6,361,918</u>	<u>400,335</u>	<u>1,251,535</u>	<u>237,278</u>
Deferred Inflows of Resources:				
Leases	15,960	0	0	0
Deferred Gain on Debt Refunding	32,365	0	0	0
OPEB	14,802	2,337	2,000	3,226
Total Deferred Inflows of Resources	<u>63,127</u>	<u>2,337</u>	<u>2,000</u>	<u>3,226</u>
Net Position:				
Net Investment in Capital Assets	7,077,541	1,211,536	3,569,067	20,833
Restricted For:				
OPEB	25,870	4,084	3,496	5,638
Unrestricted	1,012,516	1,012,787	292,155	85,252
Total Net Position	<u>\$ 8,115,927</u>	<u>\$ 2,228,407</u>	<u>\$ 3,864,718</u>	<u>\$ 111,723</u>

See accompanying notes to the basic financial statements

CITY OF LOVELAND, OHIO

Total

32,134
3,187,837
2,928,231
1,029,312
<hr/>
7,177,514
<hr/>
8,251,066
<hr/>

15,960
32,365
22,365
<hr/>
70,690
<hr/>

11,878,977

39,088
2,402,710
<hr/>
\$ 14,320,775
<hr/>

CITY OF LOVELAND, OHIO

Statement of Revenues, Expenses and Changes in Fund Net Position
Proprietary Funds
For the Year Ended December 31, 2024

	Business-Type Activities			
	Enterprise Funds			
	Water	Sewer	Stormwater	Sanitation
Operating Revenues:				
Charges for Services	\$ 2,692,923	\$ 4,209,405	\$ 455,999	\$ 1,288,305
Total Operating Revenues	<u>2,692,923</u>	<u>4,209,405</u>	<u>455,999</u>	<u>1,288,305</u>
Operating Expenses:				
Personal Services	857,345	132,128	117,040	173,827
Contractual Services	534,557	3,626,446	132,522	1,118,554
Materials and Supplies	159,239	0	31,523	21,495
Depreciation	514,103	56,993	164,054	3,356
Total Operating Expenses	<u>2,065,244</u>	<u>3,815,567</u>	<u>445,139</u>	<u>1,317,232</u>
Operating Income (Loss)	627,679	393,838	10,860	(28,927)
Nonoperating Revenues (Expenses):				
Intergovernmental Grants	9,608	0	0	26,551
Investment Earnings	6,597	2,902	314	889
Interest Expense	(78,904)	0	(2,595)	0
Other Nonoperating Revenue	279,793	2,393	6,686	3,410
Total Nonoperating Revenues (Expenses)	<u>217,094</u>	<u>5,295</u>	<u>4,405</u>	<u>30,850</u>
Income Before Transfers and Contributions	844,773	399,133	15,265	1,923
Transfers and Contributions:				
Transfers Out	(17,206)	(8,603)	(17,206)	(8,603)
Capital Contributions	40,000	0	795,803	0
Total Transfers and Contributions	<u>22,794</u>	<u>(8,603)</u>	<u>778,597</u>	<u>(8,603)</u>
Change in Net Position	867,567	390,530	793,862	(6,680)
Net Position Beginning of Year	7,248,360	1,837,877	3,070,856	118,403
Net Position End of Year	<u>\$ 8,115,927</u>	<u>\$ 2,228,407</u>	<u>\$ 3,864,718</u>	<u>\$ 111,723</u>

See accompanying notes to the basic financial statements

CITY OF LOVELAND, OHIO

Total

\$ 8,646,632

8,646,632

1,280,340

5,412,079

212,257

738,506

7,643,182

1,003,450

36,159

10,702

(81,499)

292,282

257,644

1,261,094

(51,618)

835,803

784,185

2,045,279

12,275,496

\$ 14,320,775

CITY OF LOVELAND, OHIO

Statement of Cash Flows
Proprietary Funds
For the Year Ended December 31, 2024

	Business-Type Activities		
	Enterprise Funds		
	Water	Sewer	Stormwater
<u>Cash Flows from Operating Activities:</u>			
Cash Received from Customers	\$2,968,799	\$4,199,361	\$454,648
Cash Payments for Goods and Services	(689,199)	(3,630,594)	(161,691)
Cash Payments to Employees	(801,173)	(125,592)	(112,912)
Net Cash Provided (Used) by Operating Activities	1,478,427	443,175	180,045
<u>Cash Flows from Noncapital Financing Activities:</u>			
Intergovernmental Grants	55,945	0	0
Transfers Out to Other Funds	(17,206)	(8,603)	(17,206)
Net Cash Provided (Used) by Noncapital Financing Activities	38,739	(8,603)	(17,206)
<u>Cash Flows from Capital and Related Financing Activities:</u>			
Acquisition and Construction of Assets	(355,049)	0	(36,300)
Capital Contributions	40,000	0	0
OPWC Loan Retirement	(253,928)	0	(96,255)
Principal Paid on General Obligation Bonds	(214,000)	0	(40,000)
Interest Paid on All Debt	(107,540)	0	(2,685)
Net Cash Used for Capital and Related Financing Activities	(890,517)	0	(175,240)
<u>Cash Flows from Investing Activities:</u>			
Receipts of Interest	1,902	3,058	332
Net Cash Provided by Investing Activities	1,902	3,058	332
Net Increase (Decrease) in Cash and Cash Equivalents	628,551	437,630	(12,069)
Cash and Cash Equivalents at Beginning of Year	1,296,858	265,249	299,334
Cash and Cash Equivalents at End of Year	\$1,925,409	\$702,879	\$287,265

CITY OF LOVELAND, OHIO

Sanitation	Total
\$1,286,992	\$8,909,800
(1,139,413)	(5,620,897)
(170,912)	(1,210,589)
(23,333)	2,078,314
27,302	83,247
(8,603)	(51,618)
18,699	31,629
0	(391,349)
0	40,000
0	(350,183)
0	(254,000)
0	(110,225)
0	(1,065,757)
941	6,233
941	6,233
(3,693)	1,050,419
40,438	1,901,879
\$36,745	\$2,952,298

(Continued)

CITY OF LOVELAND, OHIO

Statement of Cash Flows
Proprietary Funds
For the Year Ended December 31, 2024

	Business-Type Activities Enterprise Funds		
	Water	Sewer	Stormwater
<u>Reconciliation of Operating Income (Loss) to</u>			
<u>Net Cash Provided (Used) by Operating Activities:</u>			
Operating Income (Loss)	\$627,679	\$393,838	\$10,860
Adjustments to Reconcile Operating Income (Loss) to			
Net Cash Provided (Used) by Operating Activities:			
Depreciation Expense	514,103	56,993	164,054
Nonoperating Revenue	281,136	2,393	6,686
Changes in Assets, Liabilities, and Deferred Outflows/Inflows:			
Increase in Accounts Receivable	(9,558)	(12,437)	(8,037)
Decrease in Lease Receivable	56,290	0	0
Decrease in Prepaid Items	527	86	83
Increase in Net OPEB Asset	(25,870)	(4,084)	(3,496)
Decrease in Deferred Outflows of Resources	59,933	10,656	13,365
Increase in Accounts Payable	3,996	461	2,354
Increase in Accrued Wages and Benefits	2,629	1,363	1,331
Increase (Decrease) in Intergovernmental Payable	601	(4,605)	0
Increase in Compensated Absences	12,309	0	3,121
Increase (Decrease) in Net Pension Liability	13,101	(392)	(9,056)
Decrease in Net OPEB Liability	(15,985)	(2,582)	(2,423)
Increase (Decrease) in Deferred Inflows of Resources	(42,464)	1,485	1,203
Total Adjustments	850,748	49,337	169,185
Net Cash Provided (Used) by Operating Activities	<u>\$1,478,427</u>	<u>\$443,175</u>	<u>\$180,045</u>

Schedule of Noncash Investing, Capital and Financing Activities:

During 2024, the Stormwater Fund received \$465,663 of capital contributions from Governmental Activities.

See accompanying notes to the basic financial statements

CITY OF LOVELAND, OHIO

<u>Sanitation</u>	<u>Total</u>
(\$28,927)	\$1,003,450
3,356	738,506
3,410	293,625
(4,723)	(34,755)
0	56,290
122	818
(5,638)	(39,088)
18,477	102,431
645	7,456
0	5,323
0	(4,004)
0	15,430
(8,294)	(4,641)
(3,750)	(24,740)
1,989	(37,787)
<u>5,594</u>	<u>1,074,864</u>
<u>(\$23,333)</u>	<u>\$2,078,314</u>

***Statement of Net Position
Fiduciary Fund
December 31, 2024***

	<u>Custodial Fund</u>
Assets:	
Restricted Assets:	
Cash and Cash Equivalents with Fiscal Agent	<u>\$ 3,021</u>
Total Assets	<u> 3,021</u>
 Net Position:	
Restricted For:	
Court Bonds	<u> 3,021</u>
Total Net Position	<u><u>\$ 3,021</u></u>

See accompanying notes to the basic financial statements

***Statement of Changes in Net Position
Fiduciary Fund
For the Year Ended December 31, 2024***

	<u>Custodial Fund</u>
Additions:	
Fines and Forfeiture Collections for other Governments	<u>\$ 27,601</u>
Total Additions	<u>27,601</u>
Deductions:	
Distribution of Fines and Forfeitures to other Governments	<u>26,343</u>
Total Deductions	<u>26,343</u>
Change in Net Position	1,258
Net Position at Beginning of Year	<u>1,763</u>
Net Position End of Year	<u><u>\$ 3,021</u></u>

See accompanying notes to the basic financial statements

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2024***

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Reporting Entity

The City of Loveland, Ohio (the "City") is a home-rule municipal corporation created under the laws of the State of Ohio. The City operates under its own Charter. The current Charter, which provides for a Council-Manager form of government, was adopted on July 25, 1961.

The accompanying basic financial statements comply with the provisions of Governmental Accounting Standards Board (the "GASB") Statement No. 14, *"The Financial Reporting Entity,"* as amended by GASB Statement No. 39, *"Determining Whether Certain Organizations Are Component Units"* and GASB Statement No. 61, *"The Financial Reporting Entity; Omnibus"* in that the financial statements include all organizations, activities, functions and component units for which the City (the primary government) is financially accountable. Financial accountability is defined as the appointment of a voting majority of a legally separate organization's governing body and either (1) the City's ability to impose its will over the organization, or (2) the potential that the organization will provide a financial benefit to or impose a financial burden on the City.

Based on the foregoing, the City's financial reporting entity includes all funds, agencies, boards and commissions that are part of the primary government, which include the following services: police protection, parks and recreation, planning, zoning, street maintenance, and other governmental services. The City also provides refuse collection services (on a contractual basis) and owns and operates a water treatment and distribution system, a wastewater treatment and collection system and a storm water collection system, each of which is reported as an enterprise fund. In addition, the City has included the Community Improvement Corporation of Loveland (CIC) as a blended component unit.

The Community Improvement Corporation of Loveland (CIC), a non-profit organization, is a five-member board comprised of two elected or appointed officials of the City to be appointed by the Mayor and confirmed by Council, and three residents, business owners, or property owners of the City to be appointed by the Mayor and confirmed by Council. Although it is legally separate from the City, the CIC is reported as if it were part of the primary government due to the City being the primary source of debt retirement funding for the CIC. The CIC is responsible for research and development of the City, including the assurance that mortgage payments will be made to foster such development, the acquisition, construction, equipment and improvement of buildings, structures and other properties, the acquisition of sites for such development, the lease, sale and subdivision of such sites and incurring of debt in order to carry out such development, and to make loans to any individual or business entity in order to carry out such development purpose for the City. Funding to finance the CIC comes from the sale of properties owned by the CIC and contributions from the City and private sources.

B. Basis of Presentation - Fund Accounting

The City uses funds to report on its financial position and the results of its operations. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain City functions or activities.

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2024***

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

B. Basis of Presentation - Fund Accounting (Continued)

A fund is defined as a fiscal and accounting entity with a self-balancing set of accounts recording cash and other financial resources, together with all related liabilities and residual equities or balances, and changes therein, which are segregated for the purpose of carrying on specific activities or attaining certain objectives in accordance with special regulations, restrictions or limitations. The following fund types are used by the City:

Governmental Funds - are those funds through which most governmental functions of the City are financed. The acquisition, use and balances of the City's expendable financial resources and the related liabilities (except those accounted for in the proprietary funds) are accounted for through governmental funds. The measurement focus is upon determination of "financial flow" (sources, uses and balances of financial resources). The following are the City's major governmental funds:

General - This fund is the general operating fund of the City. It is used to account for all financial resources except those required to be accounted for in another fund. Principal sources of revenue are municipal income taxes and shared tax revenues. Primary expenditures are for police protection, community environment and general government.

Paramedic - This fund is used to account for the City's paramedic services, which are funded by property taxes and fees.

Fire and EMS - This fund is used to account for costs primarily related to facility maintenance, insurance, utilities, dispatching and debt service for Fire and EMS services, which are funded by property taxes.

Community Improvement Corporation - This fund is used to account for the activities of the Loveland Community Improvement Corporation (CIC). The CIC of Loveland serves an economic development agency by advancing, encouraging, and promoting the industrial, economic, commercial, and civic development of the City. Funding comes from the sale of properties owned by the CIC and contributions from the City and private sources.

Historic Loveland TIF - This fund is used to account for the TIF monies being collected for the redevelopment of the Historic Loveland area.

Special Projects - To account for the accumulation of resources for the City's various capital projects.

Proprietary Funds - The proprietary funds are accounted for on an "economic resources" measurement focus. This measurement focus provides that all assets, liabilities, and deferred outflows/inflows of resources associated with the operation of the proprietary funds are included on the balance sheet. The proprietary fund operating statements present increases (i.e., revenues) and decreases (i.e., expenses) in net position.

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2024***

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

B. Basis of Presentation - Fund Accounting (Continued)

Enterprise Funds - These funds are used to account for operations that are financed and operated in a manner similar to private business enterprises, in which the intent of the governing body is that the costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges. The following are the City's major enterprise funds:

Water - This fund is used to account for the operation of the City's water treatment and distribution systems.

Sewer - This fund is used to account for the operation of the City's sewage treatment and collection systems.

Stormwater - This fund is used to account for the operation of the City's stormwater system.

Sanitation - This fund is used to account for the operation of the City's refuse collection system.

Fiduciary Funds

Fiduciary fund reporting focuses on net position and changes in net position. The fiduciary category is split into four classifications: pension trust funds, investment trust funds, private-purpose trust funds and custodial funds. Fiduciary funds are used to account for assets the City holds in a trustee capacity or as an agent for individuals, private organizations, other governments, and other funds. The City's fiduciary fund is a custodial fund which accounts for the activity of the mayor's court.

C. Basis of Presentation - Financial Statements

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

Interfund receivables and payables between governmental and business-type activities have been eliminated in the government-wide statement of net position. Interfund services provided and used are not eliminated through the process of consolidation.

The government-wide statements are prepared using the economic resources measurement focus. This is the same approach used in the preparation of the proprietary fund financial statements but differs from the manner in which governmental fund financial statements are prepared. Governmental fund financial statements therefore include a reconciliation with brief explanations to better identify the relationship between the government-wide statements and the statements for governmental funds.

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2024***

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

C. Basis of Presentation – Financial Statements (Continued)

The government-wide statement of activities presents a comparison between direct expenses and program revenues for each segment of the business-type activities of the City and for each function or program of the City's governmental activities. 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 and grants and contributions that are restricted to meeting the operational or capital requirements of 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 – Fund financial statements report detailed information about the City. The focus of governmental fund financial statements is on major funds rather than reporting funds by type. Each major fund is presented in a separate column. Nonmajor funds are aggregated and presented in a single column. Fiduciary funds are reported by fund type.

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. All governmental fund types are accounted for using a flow of current financial resources measurement focus. The financial statements for governmental funds are a balance sheet, which generally includes only current assets, current liabilities, deferred outflows/inflows of resources and a statement of revenues, expenditures and changes in fund balances, which reports on the sources (i.e., revenues and other financing sources) and uses (i.e., expenditures and other financing uses) of current financial resources.

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

D. Basis of Accounting

Basis of accounting represents the methodology utilized in the recognition of revenues and expenditures or expenses reported in the financial statements. The accounting and reporting treatment applied to a fund is determined by its measurement focus.

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2024***

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

D. Basis of Accounting (Continued)

The modified accrual basis of accounting is followed by the governmental funds. Under the modified accrual basis of accounting, revenues are recorded when susceptible to accrual, i.e., both measurable and available. The term "available" means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period, which for the City is 60 days after year end. Expenditures are recognized in the accounting period in which the fund liability is incurred, if measurable, except for unmatured interest on general long-term debt which is recognized when due.

Non-exchange transactions, in which the City receives value without directly giving equal value in return, include income taxes, grants, entitlements and donations. Revenue from income taxes is recognized in the period in which the income is earned and is available. Revenue from grants, entitlements and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied and the revenue is available. 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 specific purpose, and expenditure requirements, in which the resources are provided to the City on a reimbursement basis.

Revenue considered susceptible to accrual at year end includes income taxes, interest on investments, and state levied locally shared taxes (including motor vehicle license fees, gasoline tax, and local government assistance). Other revenue, including licenses, permits, certain charges for services, and miscellaneous revenues are recorded as revenue when received in cash because generally these revenues are not measurable until received.

Special assessments receivable which are measurable but not available are recorded as deferred inflows of resources. Property taxes which are measurable at December 31, 2024 but which are not intended to finance 2024 operations and delinquent property taxes, whose availability is indeterminate, are recorded as deferred inflows of resources. Property taxes are further described in Note 4.

The accrual basis of accounting is utilized for reporting purposes by the government-wide statements, proprietary funds, and the custodial fund. Revenues are recognized when they are earned and expenses recognized when incurred.

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2024***

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

E. 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, the certificate of estimated resources and the appropriation ordinance, all of which are prepared on the budgetary basis of accounting. The certificate of estimated resources and the appropriation ordinance are subject to amendment throughout the year.

All funds other than custodial funds are legally required to be budgeted and appropriated; however only governmental funds are required to be reported. The primary level of budgetary control is at the personal services and non-personal services object level within each fund. Budgetary modifications may only be made by ordinance of the City Council.

1. Tax Budget

By July 15, the Manager submits an annual tax budget for the following fiscal year to City Council for consideration and passage. The adopted budget is submitted to the County Auditor, as Secretary of the County Budget Commission, by July 20 of each year for the period January 1 to December 31 of the following year.

2. Estimated Resources

The County Budget Commission reviews estimated revenue and determines if the budget substantiates a need to levy all or part of previously authorized taxes. The Budget Commission then certifies its actions to the City by September 1 of each year. As part of the certification process, the City receives an official certificate of estimated resources stating the projected receipts by fund. Prior to December 31, the City must revise its budget so that the total contemplated expenditures from any fund during the ensuing fiscal year do not exceed the amount available as stated in the certificate of estimated resources. The revised budget then serves as the basis for the annual appropriations measure. On or about January 1, the certificate of estimated resources is amended to include any unencumbered fund balances from the preceding year. The certificate may be further amended during the year if a new source of revenue is identified or actual receipts exceed current estimates. The amounts reported on the budgetary statements reflect the amounts in the final amended official certificate of estimated resources issued during 2024.

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2024***

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

E. Budgetary Process (Continued)

3. Appropriations

A temporary appropriation ordinance to control expenditures may be passed on or about January 1 of each year for the period January 1 through March 31. An annual appropriation ordinance must be passed by April 1 of each year for the period January 1 through December 31. The appropriation ordinance establishes spending controls at the personal services and non-personal services object level within each fund. The appropriation ordinance may be amended during the year as additional information becomes available, provided that total fund appropriations do not exceed the current estimated resources as certified. The allocation of appropriations among departments and objects within a fund may be modified during the year by an ordinance of City Council. The budgetary figures which appear in the "Statement of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual for the General Fund and Major Special Revenue Funds" are provided on the budgetary basis to provide a comparison of actual results to the final budget, including all amendments and modifications.

4. Encumbrances

As part of formal budgetary control, purchase orders, contracts and other commitments for expenditures are encumbered and recorded as the equivalent of expenditures in order to reserve that portion of the applicable appropriation and to determine and maintain legal compliance. Encumbrances outstanding at year end, however, are not reported as expenditures in the accompanying basic financial statements.

5. Lapsing of Appropriations

At the close of each fiscal 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 subsequent fiscal year and need not be reappropriated.

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**Notes to the Basic Financial Statements
For the Year Ended December 31, 2024**

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

E. Budgetary Process (Continued)

6. Budgetary Basis of Accounting

The City's budgetary process accounts for certain transactions on a basis other than generally accepted accounting principles (GAAP). The major differences between the budgetary basis and the GAAP basis lie in the manner in which revenues and expenditures are recorded. Under the budgetary basis, revenues and expenditures are recognized on a cash basis. Utilizing the cash basis, revenues are recorded when received in cash and expenditures when paid. Under the GAAP basis, revenues and expenditures are recorded on the modified accrual basis of accounting. Encumbrances are recorded as the equivalent of expenditures on the budgetary basis.

The following table summarizes the adjustments necessary to reconcile the GAAP basis statements to the "Statement of Revenues, Expenditures, and Changes in Fund Balance-Budget and Actual" for the General Fund and the Major Special Revenue Funds:

	Net Change in Fund Balance			
	General Fund	Paramedic Fund	Fire and EMS Fund	Community Improvement Corporation Fund
GAAP Basis (as reported)	(\$281,992)	\$254,529	\$6,530,033	(\$6,249)
Increase (Decrease):				
Accrued Revenues at December 31, 2024 received during 2025	(1,503,320)	(53,290)	0	0
Accrued Revenues at December 31, 2023 received during 2024	1,460,525	44,390	8,003	0
Accrued Expenditures at December 31, 2024 paid during 2025	182,536	10,185	13,537	0
Accrued Expenditures at December 31, 2023 paid during 2024	(236,207)	(595)	(10,418)	0
2024 Prepaids for 2025	(30,191)	0	0	0
2023 Prepaids for 2024	34,077	0	0	0
Change in Interfund Balances	50,000	0	0	0
Change in Cash with Fiscal Agent	0	0	(6,374,000)	0
Outstanding Encumbrances	(279,952)	(23,682)	(230,993)	0
Perspective Difference:				
Activity of Funds Reclassified for GAAP Reporting Purposes	39,682	21,161	(71,118)	0
Budget Basis	(\$564,842)	\$252,698	(\$134,956)	(\$6,249)

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2024***

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

F. Cash and Cash Equivalents

Cash and cash equivalents include amounts in demand deposits and the State Treasurer's Asset Reserve (STAR Ohio). STAR Ohio is considered a cash equivalent because it is a highly liquid investment with an original maturity date of three months or less.

The City pools its cash for investment and resource management purposes. Each fund's equity in pooled cash and investments represents the balance on hand as if each fund maintains its own cash and investment account. For purposes of the statement of cash flows, the proprietary funds' share of equity in pooled deposits and investments are considered to be cash equivalents. See Note 3 "Cash, Cash Equivalents, and Investments."

G. Investments

Investment procedures and interest allocations are restricted by provisions of the Ohio Constitution and the Ohio Revised Code. The City allocates interest among certain funds based upon the fund's cash balance at the date of investment. In accordance with GASB Statement No. 31, "*Accounting and Financial Reporting for Certain Investments and for External Investment Pools*" and GASB Statement No. 72, "*Fair Value Measurement and Application*," the City records all its investments at fair value except for nonparticipating investment contracts which are reported at cost, which approximates fair value. All investment income, including changes in the fair value of investments, is recognized as revenue in the operating statements.

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. See Note 3 "Cash, Cash Equivalents, and Investments".

The City's investment in the State Treasury Asset Reserve of Ohio (STAR Ohio) is an investment pool managed by the State Treasurer's Office which allows governments within the State to pool their funds for investment purposes. STAR Ohio is not registered with the SEC as an investment company and is recognized as an external investment pool by the City. The City measures their investment in STAR Ohio 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 2024, 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.

H. Inventory

On the government-wide financial statements inventories are presented at cost on a first-in, first-out basis and are expensed when used. Inventories of governmental funds are stated at cost. The cost of inventory items is recorded as an expenditure in the governmental funds when purchased.

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2024***

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

I. Capital Assets and Depreciation

Capital assets are defined by the City as assets with an initial, individual cost of more than \$5,000 and an estimated useful life threshold of three or more years.

1. Property, Plant and Equipment - Governmental Activities

Governmental activities capital assets are those not directly related to the business type funds. These generally are acquired or constructed for governmental activities and are recorded as expenditures in the governmental funds and are capitalized at cost (or estimated historical cost for assets not purchased in recent years). These assets are reported in the Governmental Activities column of the Government-wide Statement of Net Position, but they are not reported in the Fund Financial Statements. Contributed capital assets are recorded at their acquisition value as of the date received. Capital assets include land, improvements to land, buildings, building improvements, machinery, equipment and infrastructure. Infrastructure is defined as long-lived capital assets that normally are stationary in nature and normally can be preserved for a significant number of years. Examples of infrastructure include roads, bridges, curbs and gutters, streets and sidewalks, drainage systems and lighting systems. Estimated historical costs for governmental activities capital asset values were initially determined at December 31, 1987 by identifying historical costs when such information was available. In cases where information supporting original cost was not obtainable, estimated historical costs were developed. For certain capital assets, the estimates were arrived at by indexing estimated current costs back to the estimated year of acquisition. Lease and SBITA assets are measured at the present value of payments expected to be made during the lease/SBITA term.

2. Property, Plant and Equipment – Business-Type Activities

Property, plant and equipment acquired by the proprietary funds are stated at cost (or estimated historical cost), including interest capitalized during construction and architectural and engineering fees where applicable. Contributed capital assets are recorded at their acquisition value as of the date received. These assets are reported in both the Business-Type Activities column of the Government-wide Statement of Net Position and in the respective funds. Lease and SBITA assets are measured at the present value of payments expected to be made during the lease/SBITA term.

3. Depreciation

All capital assets are depreciated, excluding land and construction in progress. Depreciation has been provided using the straight-line method over the following estimated useful lives:

<u>Description</u>	<u>Estimated Lives (Years)</u>
Land Improvements	20
Buildings	25 – 50
Building Improvements	20 – 30
Infrastructure	10 – 20
Machinery and Equipment	3 – 30
Lease/SBITA Assets	5

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2024***

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

J. Long-Term Obligations

Long-term liabilities are being repaid from the following funds:

<u>Obligation</u>	<u>Fund</u>
General/Special Obligation Bonds	General Bond Retirement Fund Water Fund, Stormwater Fund
Ohio Public Works Commission Loans	Water Fund, Stormwater Fund
Leases/Installment Loans	General Fund, Fire and EMS Fund
Net Pension Liability/Net OPEB Liability	General Fund, Street Maintenance Fund Water Fund, Sewer Fund, Sanitation Fund Stormwater Fund
SBITA	General Fund, Street Maintenance Fund Fire and EMS Fund, Paramedic Fund Fire Protection Fund Community Improvement Corporation Fund

K. Compensated Absences

GASB Statement No. 101, “*Compensated Absences*”, requires that liabilities for compensated absences be recognized for (1) leave that has not been used and (2) leave that has been used but not yet paid in cash or settled through noncash means. A liability should be recognized for leave that has not been used if (a) the leave is attributable to services already rendered, (b) the leave accumulates, and (c) the leave is more likely than not to be used for time off or otherwise paid in cash or settled through noncash means. GASB Statement No. 101 establishes guidance for measuring a liability for leave that has not been used, generally using an employee’s pay rate as of the date of the financial statements. In addition, certain salary related payments that are directly and incrementally associated with the payments for leave should be included in the measurement of the liability. Accrued vacation and sick leave are accumulated to City employees at varying amounts and are attributable to services already rendered. At the time of the employee’s termination, such accruals are paid to the employee at varying rates from the fund to which the employee’s payroll is charged.

For governmental funds, compensated absences are recognized as liabilities and expenditures to the extent payments come due each period upon the occurrence of employee resignations and retirements. For governmental funds, the portion of unpaid compensated absences expected to be paid using expendable, available resources is reported as an expenditure in the fund from which the individual earning the leave is paid, and a corresponding liability is reflected in the account “Compensated Absences Payable.” In the government wide statement of net position, “Compensated Absences Payable” is recorded within the “Due within one year” account and the long-term portion of the liability is recorded within the “Due in more than one year” account.

Compensated absences are expensed in the water and stormwater enterprise funds when earned. The related liability is reported within the fund.

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2024***

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

L. Intergovernmental Revenues

In governmental funds, grants awarded on a non-reimbursement basis, entitlements and shared revenues are recorded as intergovernmental receivables and revenues when measurable and available. Reimbursable grants are recorded as intergovernmental receivables and revenues when the related expenditures are made.

Grants received for proprietary fund operations are recognized as revenues when measurable and earned. Such resources restricted for the construction of capital assets are recorded as contributed capital.

M. Pension/OPEB

The provision for pension/OPEB cost is recorded when the related payroll is accrued and the obligation is incurred. For purposes of measuring the net pension and OPEB liability/asset, deferred outflows of resources and deferred inflows of resources related to pensions/OPEB, and pension/OPEB expense, information about the fiduciary net position of the pension/OPEB plans and additions to/deductions from their fiduciary net position have been determined on the same basis as they are reported by the pension/OPEB systems. 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 systems report investments at fair value.

N. Interfund Activity

Exchange transactions between funds are reported as revenues in the seller funds and as expenditures 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. Repayments from funds responsible for particular expenditures to the funds that initially paid for them are not presented in the financial statements.

O. Prepaid Items

Payments made to vendors for services that will benefit periods beyond December 31, 2024 are recorded as prepaid items using the consumption method. A current asset for the prepaid amount is recorded at the time of the purchase and an expenditure/expense is reported in the year in which services are consumed.

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2024***

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

P. Fund Balances

In the fund financial statements, fund balance for governmental funds is reported in classifications that comprise a hierarchy based primarily on the extent to which the City is bound to honor constraints on the specific purpose for which amounts in the funds can be spent. Fund balance is reported in five components – nonspendable, restricted, committed, assigned and unassigned.

Nonspendable – Nonspendable fund balance includes amounts that cannot be spent because they are either not in spendable form or legally contractually required to be maintained intact.

Restricted – Restricted fund balance consists of amounts that have constraints placed on them either externally by third parties (creditors, grantors, contributors, or laws or regulations of other governments) or by law through constitutional provisions or enabling legislation. Enabling legislation authorizes the City to assess, levy, charge or otherwise mandate payment of resources (from external resource providers) and includes a legally enforceable requirement (compelled by external parties) that those resources be used only for the specific purposes stipulated in the legislation.

Committed – Committed fund balance consists of amounts that can only be used for specific purposes pursuant to constraints imposed by formal action of the City’s highest level of decision making authority. For the City, these constraints consist of ordinances passed by City Council. Committed amounts cannot be used for any other purpose unless the City removes or changes the specified use by taking the same type of action (ordinance) it employed previously to commit those amounts.

Assigned – Assigned fund balance consists of amounts that are constrained by the City’s intent to be used for specific purposes, but are neither restricted nor committed. The City has no formal policy authorizing a body or official to assign amounts for specific purposes.

Unassigned – Unassigned fund balance consists of amounts that have not been restricted, committed or assigned to specific purposes within the General Fund as well as negative fund balances in all other governmental funds.

When both restricted and unrestricted resources are available for use, it is the City’s policy to use restricted resources first, then unrestricted (committed, assigned and unassigned) resources as they are needed.

Q. Net Position

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

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

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2024***

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

R. Deferred Outflows/Inflows of Resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net assets that applies to a future period(s) and so will *not* be recognized as an outflow of resources (expense/expenditure) until then. The City reports deferred outflows for the deferred charge on debt refunding and for deferred pension/OPEB amounts. The deferred charge on debt refunding is reported in the government-wide statement of net position and proprietary funds statement of net position. 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. Deferred outflows of resources are reported for pension/OPEB amounts on the government-wide and proprietary funds statement of net position. See Notes 8 and 9.

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net assets that applies to a future period(s) and so will *not* be recognized as an inflow of resources (revenue) until that time. On the government-wide statement of net position and governmental funds balance sheet, property taxes that are intended to finance future fiscal periods are reported as deferred inflows. In addition, the governmental funds balance sheet reports deferred inflows which arise only under a modified accrual basis of accounting. Accordingly, the item, *unavailable amounts*, is reported only in the governmental funds balance sheet. The governmental funds report unavailable amounts for delinquent property taxes, income taxes, special assessments, and state levied shared taxes. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available. Deferred inflows of resources related to pension/OPEB are reported on the government-wide and proprietary funds statement of net position. See Notes 8 and 9.

S. Operating Revenues and Expenses

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues are those revenues that are generated directly from the primary activity of the proprietary funds. For the City, these revenues are charges for services for water treatment and distribution, wastewater collection and treatment, storm water collection and refuse collection. Operating expenses are necessary costs incurred to provide the goods or service that is the primary activity of the fund. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

T. Extraordinary and Special Items

Extraordinary items are transactions or events that are both unusual in nature and infrequent in occurrence. Special items are transactions or events that are within the control of the City and that are either unusual in nature or infrequent in occurrence. The City had no special or extraordinary items to report during 2024.

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2024***

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

U. Estimates

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

V. Leases Receivable

Lease receivables are measured at the present value of lease payments expected to be received during the lease term, reduced by any provision for estimated uncollectible amounts. Deferred inflows of resources related to lease receivables are recorded initially as equal to the amount of the initial measurement of the lease receivable and subsequently recognized as revenue in a systematic and rational manner over the term of the lease.

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CITY OF LOVELAND, OHIO

Notes to the Basic Financial Statements For the Year Ended December 31, 2024

NOTE 2 – FUND BALANCE

A. Classification

Fund balance is classified as nonspendable, restricted, committed, assigned, and unassigned 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 constraints placed on fund balance for the major governmental funds and all other governmental funds are presented below:

Fund Balances	General Fund	Paramedic Fund	Fire and EMS Fund	Community Improvement Corporation Fund	Historic Loveland TIF Fund	Special Projects Fund	Nonmajor Governmental Funds	Total Governmental Funds
Nonspendable:								
Interfund Loans	\$2,664,640	\$0	\$0	\$0	\$0	\$0	\$0	\$2,664,640
Supplies Inventory	0	0	0	0	0	0	75,160	75,160
Prepaid Items	30,191	0	0	0	0	0	2,649	32,840
Total Nonspendable	2,694,831	0	0	0	0	0	77,809	2,772,640
Restricted:								
Fire and EMS Services	0	798,448	7,175,361	0	0	0	451,225	8,425,034
Street Maintenance	0	0	0	0	0	0	677,677	677,677
Law Enforcement	0	0	0	0	0	0	16,430	16,430
Court Computer	0	0	0	0	0	0	25,994	25,994
Community Environment	0	0	0	104,916	0	0	0	104,916
Addiction Treatment	0	0	0	0	0	0	32,590	32,590
Lighting District	0	0	0	0	0	0	52,171	52,171
Debt Retirement	0	0	0	0	0	0	500,418	500,418
Total Restricted	0	798,448	7,175,361	104,916	0	0	1,756,505	9,835,230
Assigned:								
Materials and Supplies	209,422	0	0	0	0	0	0	209,422
Capital Improvements	0	0	0	0	0	488,701	0	488,701
Total Assigned	209,422	0	0	0	0	488,701	0	698,123
Unassigned (Deficits):	6,377,463	0	0	0	(1,764,458)	0	(674,278)	3,938,727
Total Fund Balances	\$9,281,716	\$798,448	\$7,175,361	\$104,916	(\$1,764,458)	\$488,701	\$1,160,036	\$17,244,720

B. Stabilization Arrangements

Resolutions have been passed by City Council establishing emergency reserves for the General Fund, Fire and EMS Funds, Stormwater Fund, and Water Funds. The General Fund emergency reserve balance shall not be less than 15% of regular General Fund operating revenues. The emergency reserve balance in the Fire and EMS Funds shall be a minimum of 5% of normal operating expenditures. The Stormwater and Water Funds emergency reserves shall be a minimum of 10% of normal operating expenses. In cases of fiscal emergency, expenditures from the reserves shall be made pursuant only to a resolution of City Council. As of December 31, 2024, emergency reserve balances for the General Fund, Fire and EMS Funds, and Stormwater Fund, and Water Funds were \$1,144,666, \$164,806, and \$44,296, and \$124,732 respectively. These reserve amounts are located in the Reserve & Escrow Fund.

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2024***

NOTE 3 - CASH, CASH EQUIVALENTS, AND INVESTMENTS

Cash resources of several individual funds are combined to form a pool of cash, cash equivalents and investments.

Statutes require the classification of funds held by the City into three categories. Category 1 consists of “active” funds - those funds required to be kept in a “cash” or “near cash” status for immediate use by the City. Such funds must be maintained either as cash in the City Treasury or in depository accounts payable or withdrawable on demand, including negotiable order of withdrawal (NOW) accounts.

Category 2 consists of “inactive” funds - those funds not required for use within the current five year period of designation of depositories. Inactive funds may be deposited or invested only as certificates of deposit maturing not later than the end of the current period of designation of depositories.

Category 3 consists of “interim” funds - those funds which are not needed for immediate use but, which will be needed before the end of the current period of designation of depositories. Interim funds may be invested or deposited in the following securities:

- United States treasury notes, bills, bonds, or any other obligation or security issued by the United States treasury or any other obligation guaranteed as to principal or interest by the United States;
- Bonds, notes, debentures, or any other obligations or securities issued by any federal government agency or instrumentality, including but not limited to, the Federal National Mortgage Association, Federal Home Loan Bank, Federal Farm Credit Bank, Federal Home Loan Mortgage Corporation, Government National Mortgage Association, and Student Loan Marketing Association. All federal agency securities shall be direct issuances of federal government agencies or instrumentalities;
- Written repurchase agreements in the securities listed above provided that the market value of the securities subject to the repurchase agreement must exceed the principal value of the agreement by at least two percent and be marked to market daily, and that the term of the agreement must not exceed thirty days;
- Interim deposits in eligible institutions applying for interim funds;
- Bonds and other obligations of the State of Ohio;
- No-load money market mutual funds consisting exclusively of obligations described in the first two bullets of this section and repurchase agreements secured by such obligations, provided that investments in securities described in this division are made only through eligible institutions, and
- The State Treasury Asset Reserve of Ohio (STAR Ohio).

**Notes to the Basic Financial Statements
For the Year Ended December 31, 2024**

NOTE 3 - CASH, CASH EQUIVALENTS, AND INVESTMENTS (Continued)**A. Deposits**

Custodial credit risk is the risk that in the event of bank failure, the City's deposits may not be returned to it. The City has no deposit policy for custodial risk beyond the requirements of State statute.

Ohio law requires that deposits be either insured or be protected by eligible securities pledged to the City and deposited with a qualified trustee by the financial institution as security for repayment whose market value at all times shall be at least 105 percent of the deposits being secured, or participation in the Ohio Pooled Collateral System (OPCS), a collateral pool of eligible securities deposited with a qualified trustee and pledged to the Treasurer of State to secure the repayment of all public monies deposited in the financial institution. OPCS requires the total market value of the securities pledged to be 102 percent of the deposits being secured or a rate set by the Treasurer of State.

At year end the carrying amount of the City's deposits was \$5,223,797 and the bank balance was \$5,347,794. Federal depository insurance covered \$3,214,185 of the bank balance and \$2,133,609 was exposed to custodial risk and was collateralized with securities held in the Ohio Pooled Collateral System.

In addition, the City's cash balance included \$6,374,000 held by fiscal agent. This cash is the unspent general obligation bond proceeds for construction of a new downtown fire station. This project is being facilitated by the United States Department of Agriculture, and the cash is being held in the United States Treasury.

B. Investments

The City's investments at December 31, 2024 were as follows:

	Fair Value	Credit Rating	Fair Value Hierarchy	Investment Maturities (in Years)		
				less than 1	1-3	3-5
STAR Ohio ³	\$4,942,842	AAA ^m ¹	NA	\$4,942,842	\$0	\$0
Money Market Fund ³	66,387	AAA ^m ¹	NA	66,387	0	0
Marketable CD's	2,376,271	AAA ²	Level 2	713,884	1,662,387	0
Total Investments	<u>\$7,385,500</u>			<u>\$5,723,113</u>	<u>\$1,662,387</u>	<u>\$0</u>

¹ Standard & Poor's

² All are fully FDIC insured and therefore have an implied AAA credit rating

³ Reported at amortized cost

Interest Rate Risk – The Ohio Revised Code generally limits security purchases to those that mature within five years of settlement date, the City has no policy beyond that of the Ohio Revised Code.

Concentration of Credit Risk – The City places no limit on the amount that may be invested in one issuer.

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2024***

NOTE 3 - CASH, CASH EQUIVALENTS, AND INVESTMENTS (Continued)

B. Investments (Continued)

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. Of the City's investment in repurchase agreements, the entire balance is collateralized by underlying securities pledged by the investment's counterparty, not in the name of the City.

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. Active markets are those in which transactions for the asset or liability occur in sufficient frequency and volume to provide pricing information on an ongoing basis. Quoted prices are available in active markets for identical assets or liabilities as of the reporting date. Level 2 inputs are significant other observable inputs. Investments classified in Level 2 of the fair value hierarchy are valued using a matrix pricing technique. Matrix pricing is used to value securities based on the securities' relationship to benchmark quoted prices. Level 3 inputs are significant unobservable inputs.

NOTE 4 - TAXES

A. Property Taxes

Property taxes include amounts levied against all real estate and public utility property located in the City. Real property taxes (other than public utility) collected during 2024 were levied after October 1, 2023 on assessed values as of January 1, 2023, the lien date. Assessed values are established by the County Auditor at 35% of appraised market value. All property is required to be revalued every six years. The last revaluation was completed for tax year 2020 for Clermont County, 2024 for Warren County, and 2023 for Hamilton County. Real property taxes are payable annually or semi-annually. The first payment is due January 20; the remainder is payable by June 20.

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. Certain public utility tangible personal property is currently assessed at 100 percent of its true value. Public utility property taxes are payable on the same dates as real property described previously.

The County Treasurers collect property taxes on behalf of all taxing districts in the counties including the City of Loveland. The County Auditors periodically remit to the City its portion of the taxes collected.

**Notes to the Basic Financial Statements
For the Year Ended December 31, 2024**

NOTE 4 – TAXES (Continued)

A. Property Taxes (Continued)

The assessed values upon which the 2024 property tax receipts were based were as follows:

	County		
	Hamilton	Clermont	Warren
Real Property:			
Residential/Agricultural	\$365,832,660	\$115,362,290	\$53,950,380
Personal Property:			
Public Utility Personal Property	9,829,070	2,146,100	527,640
Total Assessed Value	<u>\$375,661,730</u>	<u>\$117,508,390</u>	<u>\$54,478,020</u>
Tax Rate/Assessed Value	\$13.85/\$1,000	\$12.27/\$1,000	\$13.57/\$1,000

Tax Abatements

In 1989, the City of Loveland via Resolution 1989-62 and in conjunction with sections 3735.75 through 3735.70 of the Ohio Revised Code, established a Community Reinvestment Area (CRA) tax incentive program. The City's CRA program is a competitive tax incentive program which based on the adoption date the program is classified as a "pre-1994" program. "Pre-1994" programs allow for the most attractive terms. Businesses may receive 100% abatement on real property tax improvements for up to 15 years. The following determines if a project will get the full abatement value:

1. The business may receive one year of tax abatement for each \$250,000 invested in the building, up to a five year maximum.
2. The business may receive one year of tax abatement for each ten (10) new employees to be employed in the building, up to a five year maximum.
3. The business may receive one year of tax abatement for each \$200,000 of new payroll in the new building, up to a five year maximum.

If an abatement lasts four (4) or more years, the City requires that the business make a payment-in-lieu-of-taxes to the Loveland City School District equal to 15% of the value of the tax abatement. Thus, in the fourth and subsequent years, the actual value of the abatement is 85% of the real estate taxes that would have been paid on the value of the improvements.

Below is information relevant to the disclosure of these programs for the year ending December 31, 2024.

<u>Tax Abatement Program</u>	<u>Total Amount of Taxes Abated For the year 2024</u>
<i>Community Reinvestment Area (CRA)</i>	
Manufacturing/Industrial	\$55,824
	<u>\$55,824</u>

**Notes to the Basic Financial Statements
For the Year Ended December 31, 2024**

NOTE 4 – TAXES (Continued)**B. Income Tax**

The City levies a tax of 1.00% on all salaries, wages, commissions and other compensation and on net profits earned within the City as well as on incomes of residents earned outside the City. In the latter case, the City allows a credit of 100% of the tax paid to another municipality to a maximum of the total amount assessed.

Employers within the City are required to withhold income tax on employee compensation and remit the tax to the City either monthly or quarterly, as required. Corporations and other individual taxpayers are required to pay their estimated tax quarterly and file a declaration annually. For 2024, all income tax proceeds were recorded in the General Fund.

NOTE 5 - RECEIVABLES

Receivables at December 31, 2024 consisted of property and income taxes, payment in lieu of taxes, accounts receivable, special assessments, settlements, interest, leases, and intergovernmental receivables arising from shared revenues.

NOTE 6 – TRANSFERS AND INTERFUND LOANS**A. Transfers**

Following is a summary of transfers in and out for all funds for 2024:

<u>Fund</u>	<u>Transfers In</u>	<u>Transfers Out</u>
Governmental Funds:		
General Fund	\$150,000	\$687,098
Fire and EMS Fund	0	72,882
Historic Loveland TIF Fund	0	165,734
Special Projects Fund	553,746	150,000
Nonmajor Governmental Funds	490,614	67,028
Total Governmental Funds	<u>1,194,360</u>	<u>1,142,742</u>
Enterprise Funds:		
Water Fund	0	17,206
Sewer Fund	0	8,603
Stormwater Fund	0	17,206
Sanitation Fund	0	8,603
Total Enterprise Funds	<u>0</u>	<u>51,618</u>
Totals	<u>\$1,194,360</u>	<u>\$1,194,360</u>

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2024***

NOTE 6 – TRANSFERS AND INTERFUND LOANS (Continued)

A. Transfers (Continued)

Transfers are used to move revenues from the funds that statute or budget requires to collect them to the funds that statute or budget requires to expend them; 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.

The General Fund, Fire and EMS Fund, Historic Loveland TIF Fund, Nonmajor Governmental Funds, and Enterprise Funds provided transfers to the Debt Service Fund during the year for debt retirement. The General Fund provided transfers to the Street Maintenance and Special Projects Funds for capital improvements.

B. Interfund Loans

Interfund balances at December 31, 2024 consist of the following individual fund receivables and payables:

<u>Fund</u>	<u>Interfund Loans Receivable</u>	<u>Interfund Loans Payable</u>
Governmental Funds:		
General Fund	\$2,664,640	\$0
Historic Loveland TIF Fund	0	2,051,967
Special Projects Fund	210,967	0
Nonmajor Governmental Funds	<u>0</u>	<u>823,640</u>
Totals	<u>\$2,875,607</u>	<u>\$2,875,607</u>

The interfund loan receivable and payable balances result from the General Fund and Special Projects Fund advances of monies to other funds to assist with cashflow.

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**Notes to the Basic Financial Statements
For the Year Ended December 31, 2024**

NOTE 7 - CAPITAL ASSETS

A. Governmental Activities Capital Assets

Summary by category of changes in governmental activities capital assets at December 31, 2024:

Historical Cost:

Class	December 31, 2023	Additions	Deletions	December 31, 2024
Capital assets not being depreciated:				
Land	\$6,759,582	\$0	\$0	\$6,759,582
Construction in Progress	886,726	207,143	(699,340)	394,529
Subtotal	7,646,308	207,143	(699,340)	7,154,111
Capital assets being depreciated:				
Buildings	11,682,481	903,633	(98,722)	12,487,392
Improvements Other than Buildings	1,917,426	211,730	0	2,129,156
Machinery and Equipment	6,414,989	1,452,412	(862,380)	7,005,021
Infrastructure	25,613,252	4,072,221	0	29,685,473
Intangible Right-to-use Asset:				
Equipment	282,350	0	0	282,350
SBITA	71,710	87,991	0	159,701
Total Cost	\$53,628,516	\$6,935,130	(\$1,660,442)	\$58,903,204

Accumulated Depreciation:

Class	December 31, 2023	Additions	Deletions	December 31, 2024
Buildings	(\$3,674,244)	(\$254,461)	\$21,263	(\$3,907,442)
Improvements Other than Buildings	(1,022,554)	(91,378)	0	(1,113,932)
Machinery and Equipment	(3,869,207)	(447,904)	626,140	(3,690,971)
Infrastructure	(13,447,350)	(502,193)	0	(13,949,543)
Intangible Right-to-use Asset:				
Equipment	(141,178)	(68,917)	0	(210,095)
SBITA	(16,434)	(39,926)	0	(56,360)
Total Depreciation	(\$22,170,967)	(\$1,404,779) *	\$647,403	(\$22,928,343)
Net Value:	\$31,457,549			\$35,974,861

* Depreciation was charged to governmental functions as follows:

Security of Persons and Property	\$526,263
Leisure Time Activities	71,929
Transportation	567,607
General Government	238,980
Total Depreciation Expense	<u>\$1,404,779</u>

**Notes to the Basic Financial Statements
For the Year Ended December 31, 2024**

NOTE 7 - CAPITAL ASSETS (Continued)**B. Business-Type Activities Capital Assets**

Summary by category of changes in business-type activities capital assets at December 31, 2024:

Historical Cost:

Class	December 31, 2023	Additions	Deletions	December 31, 2024
<i>Capital assets not being depreciated:</i>				
Land	\$920,027	\$0	\$0	\$920,027
Construction In Progress	212,258	832,103	(248,558)	795,803
Subtotal	1,132,285	832,103	(248,558)	1,715,830
<i>Capital assets being depreciated:</i>				
Buildings and Improvements	5,527,952	0	0	5,527,952
Utility Structures in Service	25,138,591	461,092	0	25,599,683
Machinery and Equipment	934,225	145,025	(26,767)	1,052,483
Total Cost	<u>\$32,733,053</u>	<u>\$1,438,220</u>	<u>(\$275,325)</u>	<u>\$33,895,948</u>

Accumulated Depreciation:

Class	December 31, 2023	Additions	Deletions	December 31, 2024
Buildings and Improvements	(\$3,187,336)	(\$185,375)	\$0	(\$3,372,711)
Utility Structures in Service	(11,445,177)	(476,172)	0	(11,921,349)
Machinery and Equipment	(700,314)	(76,959)	26,767	(750,506)
Total Depreciation	<u>(\$15,332,827)</u>	<u>(\$738,506)</u>	<u>\$26,767</u>	<u>(\$16,044,566)</u>
<i>Net Value:</i>	<u>\$17,400,226</u>			<u>\$17,851,382</u>

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***Notes to the Basic Financial Statements
For the Year Ended December 31, 2024***

NOTE 8 – DEFINED BENEFIT PENSION PLANS

Net Pension Liability

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

The net pension liability represents the City’s proportionate share of each pension plan’s collective actuarial present value of projected benefit payments attributable to past periods of service, net of each pension plan’s fiduciary net position. The net pension liability 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 are financed; however, the City does receive the benefit of employees’ services in exchange for compensation including pension.

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

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

Plan Description – Ohio Public Employees Retirement System (OPERS)

Plan Description - City employees, other than full-time police and firefighters, participate in the Ohio Public Employees Retirement System (OPERS). OPERS is a cost-sharing, multiple employer public employee retirement system which administers three separate pension plans. The traditional pension plan is a cost-sharing, multiple-employer defined benefit pension plan. The member-directed plan is a defined contribution plan, and the combined plan is a combination cost-sharing, multiple-employer defined benefit/defined contribution pension plan. Effective January 1, 2022, new members may no longer select the Combined Plan, and current members may no longer make a plan change to this plan. In October 2023, the legislature approved House Bill (HB) 33 which allows for the consolidation of the combined plan with the traditional plan with the timing of the consolidation at the discretion of OPERS. As of December 31, 2023, the consolidation has not been executed.

**Notes to the Basic Financial Statements
For the Year Ended December 31, 2024**

NOTE 8 – DEFINED BENEFIT PENSION PLANS (Continued)

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

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

Group A 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
Formula: 2.2% of FAS multiplied by years of service for the first 30 years and 2.5% for service years in excess of 30	Formula: 2.2% of FAS multiplied by years of service for the first 30 years and 2.5% for service years in excess of 30	Formula: 2.2% of FAS multiplied by years of service for the first 35 years and 2.5% for service years in excess of 35

Traditional plan state and local members who retire before meeting the age-and-years of service credit requirement for unreduced benefits receive a percentage reduction in the benefit amount. The amount of a member's pension benefit vests at retirement. Law enforcement and public safety members who retire before meeting the age-and-years of service credit requirement for unreduced benefits receive a percentage reduction in the benefit amount. Combined plan members retiring before age 65 with less than 30 years of service credit receive a percentage reduction in benefit.

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.

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

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2024***

NOTE 8 – DEFINED BENEFIT PENSION PLANS (Continued)

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

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

	<u>State and Local</u>
2024 Statutory Maximum Contribution Rates	
Employer	14.0 %
Employee	10.0 %
2024 Actual Contribution Rates	
Employer:	
Pension	14.0 %
Post-employment Health Care Benefits	<u>0.0</u>
Total Employer	<u>14.0 %</u>
Employee	<u>10.0 %</u>

Employer contribution rates are actuarially determined and are expressed as a percentage of covered payroll. The City's contractually required contribution was \$321,709 for 2024.

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2024***

NOTE 8 – DEFINED BENEFIT PENSION PLANS (Continued)

Plan Description – Ohio Police & Fire Pension Fund (OPF)

Plan Description - City full-time police and firefighters participate in Ohio Police and Fire Pension Fund (OPF), a cost-sharing, multiple-employer defined benefit pension plan administered by OPF. OPF 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. OPF issues a publicly available financial report that includes financial information and required supplementary information and detailed information about OPF fiduciary net position. The report that may be obtained by visiting the OPF 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 OPF may retire and receive a lifetime monthly pension. OPF offers four types of service retirement: normal, service commuted, age/service commuted and actuarially reduced. Each type has different eligibility guidelines and is calculated using the member's average annual salary. The following discussion of the pension formula relates to normal service retirement.

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

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

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

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

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

**Notes to the Basic Financial Statements
For the Year Ended December 31, 2024**

NOTE 8 – DEFINED BENEFIT PENSION PLANS (Continued)

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

	<u>Police</u>	<u>Firefighters</u>
2024 Statutory Maximum Contribution Rates		
Employer	19.50 %	24.00 %
Employee	12.25 %	12.25
2024 Actual Contribution Rates		
Employer:		
Pension	19.00 %	23.50 %
Post-employment Health Care Benefits	0.50	0.50
Total Employer	<u>19.50 %</u>	<u>24.00 %</u>
Employee	12.25 %	12.25 %

Employer contribution rates are expressed as a percentage of covered payroll. The City's contractually required contribution to OPF was \$433,625 for 2024.

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

The net pension liability for OPERS was measured as of December 31, 2023, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. OPF's total pension liability was measured as of December 31, 2023, and was determined by rolling forward the total pension liability as of January 1, 2023, to December 31, 2023. The City's proportion of the net pension liability 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:

	<u>OPERS</u>	<u>OP&F</u>	<u>Total</u>
Proportionate Share of the Net Pension Liability	\$3,353,709	\$6,208,251	\$9,561,960
Proportion of the Net Pension Liability-2024	0.012810%	0.064258%	
Proportion of the Net Pension Liability-2023	0.011612%	0.068546%	
Percentage Change	<u>0.001198%</u>	<u>(0.004288%)</u>	
Pension Expense	\$483,311	\$740,475	\$1,223,786

**Notes to the Basic Financial Statements
For the Year Ended December 31, 2024**

NOTE 8 – DEFINED BENEFIT PENSION PLANS (Continued)

At December 31, 2024, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	OPERS	OP&F	Total
Deferred Outflows of Resources			
Changes in assumptions	\$0	\$392,356	\$392,356
Differences between expected and actual experience	54,814	199,304	254,118
Net difference between projected and actual earnings on pension plan investments	676,920	703,525	1,380,445
Change in proportionate share	140,004	352,306	492,310
City contributions subsequent to the measurement date	321,709	433,625	755,334
Total Deferred Outflows of Resources	<u>\$1,193,447</u>	<u>\$2,081,116</u>	<u>\$3,274,563</u>
Deferred Inflows of Resources			
Changes in assumptions	\$0	\$94,279	\$94,279
Differences between expected and actual experience	0	69,432	69,432
Change in proportionate share	0	268,896	268,896
Total Deferred Inflows of Resources	<u>\$0</u>	<u>\$432,607</u>	<u>\$432,607</u>

\$755,334 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 in the year ending December 31, 2025. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pension will be recognized in pension expense as follows:

	OPERS	OP&F	Total
Year Ending December 31:			
2025	\$266,674	\$367,108	\$633,782
2026	269,480	377,764	647,244
2027	431,975	517,374	949,349
2028	(96,391)	(21,279)	(117,670)
2029	0	(25,321)	(25,321)
2030	0	(762)	(762)
Total	<u>\$871,738</u>	<u>\$1,214,884</u>	<u>\$2,086,622</u>

Actuarial Assumptions - OPERS

Actuarial valuations of an ongoing plan involve estimates of the values of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and cost trends. Actuarially determined amounts are subject to continual review or modification as actual results are compared with past expectations and new estimates are made about the future. Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employers and plan members) and include the types of benefits provided at the time of each valuation.

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2024***

NOTE 8 – DEFINED BENEFIT PENSION PLANS (Continued)

The total pension liability in the December 31, 2023 and December 31, 2022 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

	December 31, 2023
Wage Inflation	2.75 percent
Future Salary Increases, including inflation	2.75 to 10.75 percent including wage inflation
COLA or Ad Hoc COLA:	
Pre-January 7, 2013 Retirees	3.0 percent, simple
Post-January 7, 2013 Retirees	2.3 percent, simple through 2024, then 2.05 percent, simple
Investment Rate of Return	6.9 percent
Actuarial Cost Method	Individual Entry Age
	December 31, 2022
Wage Inflation	2.75 percent
Future Salary Increases, including inflation	2.75 to 10.75 percent including wage inflation
COLA or Ad Hoc COLA (Pre 1/7/13 retirees)	3.0 percent simple
COLA or Ad Hoc COLA (Post 1/7/13 retirees)	3 percent simple through 2023. 2.05 percent simple, thereafter
Investment Rate of Return	6.9 percent
Actuarial Cost Method	Individual Entry Age

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

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

During 2023, OPERS managed investments in three investment portfolios: the Defined Benefit portfolio, the Defined Contribution portfolio and the Health Care portfolio. The Defined Benefit portfolio contains the investment assets of the Traditional Pension Plan, the defined benefit component of the Combined Plan and the annuitized accounts of the Member-Directed Plan. Within the Defined Benefit portfolio, contributions into the plans are all recorded at the same time, and benefit payments all occur on the first of the month. Accordingly, the money-weighted rate of return is considered to be the same for all plans within the portfolio. The annual money-weighted rate of return expressing investment performance, net of investment expenses and adjusted for the changing amounts actually invested, for the Defined Benefit portfolio was a gain of 11.2 percent for 2023.

**Notes to the Basic Financial Statements
For the Year Ended December 31, 2024**

NOTE 8 – DEFINED BENEFIT PENSION PLANS (Continued)

The allocation of investment assets within the Defined Benefit portfolio is approved by the Board 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 rate of return by weighting the expected future real rates of return by the target asset allocation percentage, adjusted for inflation. Best estimates of geometric real rates of return were provided by the Board's investment consultant. For each major asset class that is included in the Defined Benefit portfolio's target asset allocation as of December 31, 2023, these best estimates are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Weighted Average Long-Term Expected Real Rate of Return (Geometric)</u>
Fixed Income	24.00%	2.85%
Domestic Equities	21.00	4.27
Real Estate	13.00	4.46
Private Equity	15.00	7.52
International Equities	20.00	5.16
Risk Parity	2.00	4.38
Other investments	5.00	3.46
Total	100.00%	

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

Sensitivity of the City's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate The following table presents the City's proportionate share of the net pension liability calculated using the current period discount rate assumption of 6.9 percent, as well as what the City's proportionate share of the net pension liability would be if it were calculated using a discount rate that is one-percentage-point lower (5.9 percent) or one-percentage-point higher (7.9 percent) than the current rate:

	<u>1% Decrease (5.90%)</u>	<u>Current Discount Rate (6.90%)</u>	<u>1% Increase (7.90%)</u>
City's proportionate share of the net pension liability	\$5,279,642	\$3,353,709	\$1,751,896

**Notes to the Basic Financial Statements
For the Year Ended December 31, 2024**

NOTE 8 – DEFINED BENEFIT PENSION PLANS (Continued)**Actuarial Assumptions – OPF**

OPF's total pension liability as of December 31, 2023 is based on the results of an actuarial valuation date of January 1, 2023, and rolled-forward using generally accepted actuarial procedures. The total pension liability is determined by OPF's actuaries in accordance with GASB Statement No. 67, as part of their annual valuation. Actuarial valuations of an ongoing plan involve estimates of reported amounts and assumptions about probability of occurrence of events far into the future. Examples include assumptions about future employment mortality, salary increases, disabilities, retirements and employment terminations. Actuarially determined amounts are subject to continual review and potential modifications, as actual results are compared with past expectations and new estimates are made about the future. Assumptions considered were: withdrawal rates, disability retirement, service retirement, DROP elections, mortality, percent married and forms of the payment, DROP interest rate, CPI-based COLA, investment returns, salary increases and payroll growth.

Key methods and assumptions used in the latest actuarial valuation, reflecting experience study results, prepared as of January 1, 2023, compared with January 1, 2022, are presented below.

	January 1, 2023	January 1, 2022
Actuarial Cost Method	Entry Age Normal	Entry Age Normal
Investment Rate of Return	7.5 percent	7.5 percent
Projected Salary Increases	3.75 percent to 10.5 percent	3.25 percent to 10.5 percent
Payroll Growth	Inflation rate of 2.75 percent plus productivity increase rate of 0.5	Inflation rate of 2.75 percent plus productivity increase rate of 0.5
Cost of Living Adjustments	2.2 percent simple	2.2 percent simple

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

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

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

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

**Notes to the Basic Financial Statements
For the Year Ended December 31, 2024**

NOTE 8 – DEFINED BENEFIT PENSION PLANS (Continued)

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

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

Best estimates of the long-term expected real rates of return for each major asset class included in OP&F's target asset allocation as of December 31, 2023, are summarized below:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Domestic Equity	18.60 %	4.10 %
Non-US Equity	12.40	4.90
Private Markets	10.00	7.30
Core Fixed Income *	25.00	2.40
High Yield Fixed Income	7.00	4.10
Private Credit	5.00	6.80
U.S. Inflation Linked Bonds*	15.00	2.10
Midstream Energy Infrastructure	5.00	5.80
Real Assets	8.00	6.00
Gold	5.00	3.50
Private Real Estate	12.00	5.40
Commodities	<u>2.00</u>	3.50
Total	<u>125.00 %</u>	

Note: Assumptions are geometric.

* levered 2.0x

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.

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2024***

NOTE 8 – DEFINED BENEFIT PENSION PLANS (Continued)

Discount Rate For 2023, the total pension liability was calculated using the discount rate of 7.50 percent. The discount rate used for 2022 was 7.50 percent. The projection of cash flows used to determine the discount rate assumed the contributions from employers and from the members would be computed based on contribution requirements as stipulated by State statute. Projected inflows from investment earning were calculated using the longer-term assumed investment rate of return 7.50 percent. Based on those assumptions, the plan's fiduciary net position was projected to be available to make all future benefit payments of current plan members. Therefore, a long-term expected rate of return on pension plan investments was applied to all periods of projected benefits to determine the total pension liability.

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

	1% Decrease (6.50%)	Current Discount Rate (7.50%)	1% Increase (8.50%)
City's proportionate share of the net pension liability	\$8,223,287	\$6,208,251	\$4,532,547

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***Notes to the Basic Financial Statements
For the Year Ended December 31, 2024***

NOTE 9 - DEFINED BENEFIT OPEB PLANS

Net OPEB Liability (Asset)

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

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

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 OPEB are financed; however, the City does receive the benefit of employees’ services in exchange for compensation including OPEB.

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

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

Plan Description – Ohio Public Employees Retirement System (OPERS)

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

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2024***

NOTE 9 - DEFINED BENEFIT OPEB PLANS (Continued)

OPERS maintains a cost-sharing, multiple-employer defined benefit post-employment health care trust. The 115 Health Care Trust (115 Trust or Health Care Trust) was established in 2014, under Section 115 of the Internal Revenue Code (IRC). The purpose of the 115 Trust is to fund health care for the Traditional Pension, Combined and Member-Directed plans. 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. Retirees in the Traditional Pension and Combined plans may have an allowance deposited into a health reimbursement arrangement (HRA) account to be used toward the health care program of their choice and other eligible expenses. An OPERS vendor is available to assist with the selection of a health care program

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

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

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

Age 65 or older Retirees Minimum of 20 years of qualifying service credit

Age 60 to 64 Retirees: Based on the following total service credit criteria:

Group A 30 years of total service with at least 20 years of qualified health care service credit;

Group B 31 years of total service credit with at least 20 years of qualified health care service credit; or

Group C 32 years of total service cred with at least 20 years of qualified health care service credit.

Age 59 or younger: Based on the following age-and-service criteria:

Group A 30 years of qualified health care service credit;

Group B 32 years of qualified health care service credit at any age or 31 years of qualified heath care service credit and at least age 52; or

Group C 32 years of qualified health care service credit and at least page 55.

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2024***

NOTE 9 - DEFINED BENEFIT OPEB PLANS (Continued)

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

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

Group A	Group B	Group C
Age and Service Requirements <i>December 1, 2014 or Prior</i>	Age and Service Requirements <i>December 1, 2014 or Prior</i>	Age and Service Requirements <i>December 1, 2014 or Prior</i>
Any Age with 10 years of service credit	Any Age with 10 years of service credit	Any Age with 10 years of service credit
<i>January 1, 2015 through December 31, 2021</i>	<i>January 1, 2015 through December 31, 2021</i>	<i>January 1, 2015 through December 31, 2021</i>
Age 60 with 20 years of service credit or Any Age with 30 years of service credit	Age 52 with 31 years of service credit or Age 60 with 20 years of service credit or Any Age with 32 years of service credit	Age 55 with 32 years of service credit or Age 60 with 20 years of service credit

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

The base allowance is determined by OPERS and is currently \$1,200 per month for non-Medicare retirees and \$350 per month for Medicare retirees. The retiree receives a percentage of the base allowance, calculated based on years of qualifying service credit and age when the retiree first enrolled in OPERS health care. Monthly allowances range between 51 percent and 90 percent of the base allowance for both non-Medicare and Medicare retirees.

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

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

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

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2024***

NOTE 9 - DEFINED BENEFIT OPEB PLANS (Continued)

Participants in the Member-Directed Plan have access to the Connector and have a separate health care funding mechanism. A portion of employer contributions for these participants is allocated to a retiree medical account (RMA). Members who elect the Member-Directed Plan after July 1, 2015, will vest in the RMA over 15 years at a rate of 10 percent each year starting with the sixth year of participation. Members who elected the Member-Directed Plan prior to July 1, 2015, vest in the RMA over a five-year period at a rate of 20 percent per year. Upon separation or retirement, participants may use vested RMA funds for reimbursement of qualified medical expenses.

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.

Employer contribution rates are expressed as a percentage of the earnable salary of active members. For fiscal year 2024, state and local employers contributed at a rate of 14.0 percent of earnable salary. These are the maximum employer contribution rates permitted by the Ohio Revised Code. Active member contributions do not fund health care.

Each year, the OPERS Board determines the portion of the employer contribution rate that will be set aside to fund health care plans. For 2024, OPERS did not allocate any employer contribution to health care for members in the Traditional Pension Plan. Beginning July 1, 2022, there was a two percent allocation to health care for the Combined Plan which has continued through 2024. 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 2024 was 4.0 percent. Effective July 1, 2022, a portion of the health care rate was funded with reserves which has continued through 2024.

Employer contribution rates are actuarially determined and are expressed as a percentage of covered payroll. The City's contractually required contribution was \$0 for 2024.

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2024***

NOTE 9 - DEFINED BENEFIT OPEB PLANS (Continued)

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

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

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

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

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

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

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

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

Notes to the Basic Financial Statements
For the Year Ended December 31, 2024

NOTE 9 - DEFINED BENEFIT OPEB PLANS (Continued)

The Board of Trustees is authorized to allocate a portion of the total employer contributions for retiree health care benefits. For 2024, the portion of employer contributions allocated to health care was 0.5 percent of covered payroll. The amount of employer contributions allocated to the health care plan each year is subject to the Trustees' primary responsibility to ensure that pension benefits are adequately funded.

The City's contractually required contribution to OP&F was \$11,411 for 2024.

OPEB Liabilities (Asset), OPEB Expense, and Deferred Outflows of 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, 2022, rolled forward to the measurement date of December 31, 2023, 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, 2023, and was determined by rolling forward the total OPEB liability as of January 1, 2023, to December 31, 2023. The City's proportion of the net OPEB liability (asset) was based on the City's share of contributions to the retirement plan relative to the contributions of all participating entities. Following is information related to the proportionate share:

	OPERS	OP&F	Total
Proportionate Share of the Net OPEB Liability (Asset)	(\$127,349)	\$469,169	
Proportion of the Net OPEB Liability (Asset) - 2024	0.014110%	0.064258%	
Proportion of the Net OPEB Liability (Asset) - 2023	0.013018%	0.068546%	
Percentage Change	0.001092%	(0.004288%)	
OPEB Expense	(\$29,707)	\$47,636	\$17,929

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Notes to the Basic Financial Statements
For the Year Ended December 31, 2024

NOTE 9 - DEFINED BENEFIT OPEB PLANS (Continued)

At December 31, 2024, the City reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	OPERS	OP&F	Total
Deferred Outflows of Resources			
Changes in assumptions	\$32,786	\$161,447	\$194,233
Differences between expected and actual experience	0	22,560	22,560
Net difference between projected and actual earnings on OPEB plan investments	76,478	34,643	111,121
Change in proportionate share	0	39,760	39,760
City contributions subsequent to the measurement date	0	11,411	11,411
Total Deferred Outflows of Resources	<u>\$109,264</u>	<u>\$269,821</u>	<u>\$379,085</u>
Deferred Inflows of Resources			
Changes in assumptions	\$54,743	\$302,137	\$356,880
Differences between expected and actual experience	18,126	86,217	104,343
Change in proportionate share	0	43,087	43,087
Total Deferred Inflows of Resources	<u>\$72,869</u>	<u>\$431,441</u>	<u>\$504,310</u>

\$11,411 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 2025. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Year Ending December 31:	OPERS	OP&F	Total
2025	(\$3,233)	\$20,731	\$17,498
2026	5,920	(23,523)	(17,603)
2027	59,532	(16,891)	42,641
2028	(25,824)	(44,725)	(70,549)
2029	0	(47,216)	(47,216)
2030	0	(52,716)	(52,716)
2031	0	(6,964)	(6,964)
2032	0	(1,727)	(1,727)
Total	<u>\$36,395</u>	<u>(\$173,031)</u>	<u>(\$136,636)</u>

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2024***

NOTE 9 - DEFINED BENEFIT OPEB PLANS (Continued)

Actuarial Assumptions - OPERS

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

Projections of benefits for financial reporting purposes are based on the substantive plan and include the types of coverage provided at the time of each valuation and the historical pattern of sharing of costs between OPERS and plan members. The total OPEB liability was determined by an actuarial valuation as of December 31, 2022, rolled forward to the measurement date of December 31, 2023. 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	2.75 percent
Projected Salary Increases, including inflation	2.75 to 10.75 percent including wage inflation
Single Discount Rate:	
Current measurement date	5.70 percent
Prior measurement date	5.22 percent
Investment Rate of Return:	
Current measurement date	6.00 percent
Prior measurement date	6.00 percent
Municipal Bond Rate:	
Current measurement date	3.77 percent
Prior measurement date	4.05 percent
Health Care Cost Trend Rate:	
Current measurement date	5.5 percent initial, 3.5 percent ultimate in 2038
Prior measurement date	5.5 percent initial, 3.5 percent ultimate in 2036
Actuarial Cost Method	Individual Entry Age Normal

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

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

**Notes to the Basic Financial Statements
For the Year Ended December 31, 2024**

NOTE 9 - DEFINED BENEFIT OPEB PLANS (Continued)

During 2023, OPERS managed investments in three investment portfolios: the Defined Benefit portfolio, the Defined Contribution portfolio and the Health Care portfolio. The Health Care portfolio includes the assets for health care expenses for the Traditional Pension Plan, Combined Plan and Member-Directed Plan eligible members. Within the Health Care portfolio, contributions into the plans are assumed to be received continuously throughout the year based on the actual payroll payable at the time contributions are made, and health care-related payments are assumed to occur mid-year. Accordingly, the money-weighted rate of return is considered to be the same for all plans within the portfolio. The annual money-weighted rate of return expressing investment performance, net of investment expenses and adjusted for the changing amounts actually invested, for the Health Care portfolio was a gain of 14.0 percent for 2023.

The allocation of investment assets within the Health Care portfolio is approved by the Board 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 benefits provided through the defined benefit 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 rate of return by weighting the expected future real rates of return by the target asset allocation percentage, adjusted for inflation. Best estimates of geometric real rates of return were provided by the Board's investment consultant. For each major asset class that is included in the Health Care portfolio's target asset allocation as of December 31, 2023, these best estimates are summarized in the following table:

Asset Class	Target Allocation	Weighted Average Long-Term Expected Real Rate of Return (Geometric)
Fixed Income	37.00%	2.82%
Domestic Equities	25.00	4.27
Real Estate Investment Trust	5.00	4.68
International Equities	25.00	5.16
Risk Parity	3.00	4.38
Other investments	5.00	2.43
Total	100.00%	

Discount Rate A single discount rate of 5.70 percent was used to measure the total OPEB liability on the measurement date of December 31, 2023; however, the single discount rate used at the beginning of the year was 5.22 percent. Projected benefit payments are required to be discounted to their actuarial present value using a single discount rate that reflects (1) a long-term expected rate of return on OPEB plan investments (to the extent that the health care fiduciary net position is projected to be sufficient to pay benefits), and (2) 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 percent and a municipal bond rate of 3.77 percent. (Fidelity Index's "20-Year Municipal GO AA Index")

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2024***

NOTE 9 - DEFINED BENEFIT OPEB PLANS (Continued)

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 2070. As a result, the actuarial assumed long-term expected rate of return on health care investments was applied to projected costs through the year 2070, 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 (Asset) to Changes in the Discount Rate The following table presents the City's proportionate share of the net OPEB liability (asset) calculated using the single discount rate of 5.70 percent, as well as what the City's proportionate share of the net OPEB liability (asset) would be if it were calculated using a discount rate that is one-percentage-point lower (4.70 percent) or one-percentage-point higher (6.70 percent) than the current rate:

	1% Decrease (4.70%)	Current Discount Rate (5.70%)	1% Increase (6.70%)
City's proportionate share of the net OPEB liability (asset)	\$69,986	(\$127,349)	(\$290,807)

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

Retiree health care valuations use a health care cost trend assumption with changes over several years built into that assumption. The near-term rates reflect increases in the current cost of health care; the trend starting in 2024 is 5.50 percent. If this trend continues for future years, the projection indicates that years from now virtually all expenditures will be for health care. A more reasonable alternative is the health care cost trend will decrease to a level at, or near, wage inflation. On this basis, the actuaries project premium rate increases will continue to exceed wage inflation for approximately the next decade, but by less each year, until leveling off at an ultimate rate, assumed to be 3.50 percent in the most recent valuation.

	1% Decrease	Current Health Care Cost Trend Rate Assumption	1% Increase
City's proportionate share of the net OPEB liability (asset)	(\$132,634)	(\$127,349)	(\$121,346)

**Notes to the Basic Financial Statements
For the Year Ended December 31, 2024**

NOTE 9 - DEFINED BENEFIT OPEB PLANS (Continued)**Actuarial Assumptions – OP&F**

OP&F's total OPEB liability as of December 31, 2023, is based on the results of an actuarial valuation date of January 1, 2023, and rolled-forward using generally accepted actuarial procedures. The total OPEB liability is determined by OP&F's actuaries in accordance with GASB Statement No. 74, as part of their annual valuation. Actuarial valuations of an ongoing plan involve estimates of reported amounts and assumptions about probability of occurrence of events far into the future. Examples include assumptions about future employment mortality, salary increases, disabilities, retirements and employment terminations. Actuarially determined amounts are subject to continual review and potential modifications, as actual results are compared with past expectations and new estimates are made about the future.

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

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

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

	January 1, 2023	January 1, 2022
Actuarial Cost Method	Entry Age Normal	Entry Age Normal
Investment Rate of Return	7.5 percent	7.5 percent
Projected Salary Increases	3.50 percent to 10.5 percent	3.25 percent to 10.5 percent
Payroll Growth	Inflation rate of 2.75 percent plus productivity increase rate of 0.5	Inflation rate of 2.75 percent plus productivity increase rate of 0.5
Single discount rate	4.07 percent	4.27 percent
Cost of Living Adjustments	2.2 percent simple	2.2 percent simple
Projected Depletion Year of OPEB Assets	2038	2036

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

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

**Notes to the Basic Financial Statements
For the Year Ended December 31, 2024**

NOTE 9 - DEFINED BENEFIT OPEB PLANS (Continued)

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

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

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

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 OP&F's Statement of Investment Policy. A forecasted rate of inflation serves as a baseline for the return expected. Various real return premiums over the baseline inflation rate have been established for each asset class. The long-term expected nominal rate of return has been determined by calculating a weighted average of the expected real return premiums for each asset class, adding the projected inflation rate and adding the expected return from rebalancing uncorrelated asset classes.

Best estimates of the long-term expected real rates of return for each major asset class included in OP&F's target asset allocation as of December 31, 2023, are summarized below:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Domestic Equity	18.60 %	4.10 %
Non-US Equity	12.40	4.90
Private Markets	10.00	7.30
Core Fixed Income *	25.00	2.40
High Yield Fixed Income	7.00	4.10
Private Credit	5.00	6.80
U.S. Inflation Linked Bonds*	15.00	2.10
Midstream Energy Infrastructure	5.00	5.80
Real Assets	8.00	6.00
Gold	5.00	3.50
Private Real Estate	12.00	5.40
Commodities	2.00	3.50
Total	<u>125.00 %</u>	

Note: Assumptions are geometric.

* levered 2.0x

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2024***

NOTE 9 - DEFINED BENEFIT OPEB PLANS (Continued)

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 For 2023, the total OPEB liability was calculated using the discount rate of 4.07 percent. The projection of cash flows used to determine the discount rate assumed the contributions from employers and from members would be computed based on contribution requirements as stipulated by state statute. Projected inflows from investment earnings were calculated using the longer-term assumed investment rate of return 7.5 percent. Based on those assumptions, OP&F's fiduciary net position was projected to not be able to make all future benefit payment of current plan members. Therefore, the long-term assumed rate of return on investments of 7.5 percent was applied to periods before December 31, 2037, and the Municipal Bond Index Rate of 3.38 percent was applied to periods on and after December 31, 2037, resulting in a discount rate of 4.07 percent.

Sensitivity of the City's Proportionate Share of the Net OPEB Liability to Changes in the Discount Rate The net OPEB liability is sensitive to changes in the discount rate, and to illustrate the potential impact the following table presents the net OPEB liability calculated using the discount rate of 4.07 percent, as well as what the net OPEB liability would be if it were calculated using a discount rate that is one percentage point lower (3.07 percent), or one percentage point higher (5.07 percent) than the current rate.

	1% Decrease (3.07%)	Current Discount Rate (4.07%)	1% Increase (5.07%)
City's proportionate share of the net OPEB liability	\$577,888	\$469,169	\$377,609

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.

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2024***

NOTE 10 – COMPENSATED ABSENCES

All full-time City employees earn sick leave at the rate of 10 hours per calendar month of active service, up to a limit of 1,424 hours. Upon retirement from the City any employee, with 15 years of active service, receives one hour of monetary compensation for every two hours of unused sick leave. A retiring employee's payout may not exceed 1,248 hours of unused sick leave. The monetary compensation is the hourly rate of compensation of the employee at the time of retirement.

All full-time City employees earn vacation at varying rates based upon length of service. An employee may carry forward up to one year of vacation credit, plus six days, to the next year. Upon separation from the City, the employee (or estate) is paid for his accumulated unused vacation leave balance, which is not to exceed the carryover for one year.

In the government-wide statement of net position, "Compensated Absences Payable" is recorded within the "Due within one year" account and the long-term portion of the liability is recorded within the "Due in more than one year" account. For governmental funds, the amount increased from a beginning of year balance of \$822,536 to a year-end balance of \$886,834. The balance attributable to proprietary funds increased from a beginning of year balance of \$50,597 to a year-end balance of \$66,027.

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**Notes to the Basic Financial Statements
For the Year Ended December 31, 2024**

NOTE 11 – LONG-TERM DEBT AND OTHER LONG-TERM OBLIGATIONS

Long-term debt and other long-term obligations of the City at December 31, 2024 were as follows:

		Restated Balance December 31, 2023	Issued	(Retired)	Balance December 31, 2024	Amount Due Within One Year
Governmental Activities Debt:						
General Obligation Bonds:						
2017 Land Acquisition Refunding Bonds	1-2.63%	\$185,000	\$0	(\$45,000)	\$140,000	\$45,000
2021 Various Purpose Refunding Bonds	3-4.0%	744,000	0	(\$83,000)	661,000	83,000
2021 Service Building	3-4.0%	1,209,000	0	(\$48,000)	1,161,000	52,000
2016 Training Tower	3.59%	339,081	0	(\$37,341)	301,740	38,682
2018 Safety Center	2-4%	1,090,000	0	(\$55,000)	1,035,000	60,000
2024 Fire Station	3.50%	0	6,424,000	0	6,424,000	0
		3,567,081	6,424,000	(268,341)	9,722,740	278,682
Bond Premium		284,362	0	(22,722)	261,640	0
Total General Obligation Bonds		3,851,443	6,424,000	(291,063)	9,984,380	278,682
Special Obligation TIF Bonds:						
2017 Downtown Revitalization	3.75%	550,000	0	0	550,000	0
Installment Loans:						
2014 Fire Engines	3.88%	501,135	0	(75,780)	425,355	78,721
2015 Fire Equipment	4.25%	57,944	0	(8,681)	49,263	9,050
2017 Medic Unit	3.17%	31,498	0	(31,498)	0	0
2021 Heavy Rescue Unit	2.84%	457,658	0	(32,544)	425,114	33,468
Total Installment Loans		1,048,235	0	(148,503)	899,732	121,239
Governmental Activities Other Long-Term Obligations:						
Leases		139,623	0	(59,702)	79,921	54,850
Subscription Based Information						
Technology Arrangements (SBITA)		53,272	87,991	(34,698)	106,565	33,605
Compensated Absences		822,536	64,298	0	886,834	435,022
Total Governmental Activities		\$6,465,109	\$6,576,289	(\$533,966)	\$12,507,432	\$923,398

*December 31, 2023 compensated absences balance was restated due to implementation of GASB Statement 101. See note 18.

CITY OF LOVELAND, OHIO

**Notes to the Basic Financial Statements
For the Year Ended December 31, 2024**

NOTE 11 - LONG-TERM DEBT AND OTHER LONG-TERM OBLIGATIONS (Continued)

		Balance December 31, 2023	Issued	(Retired)	Balance December 31, 2024	Amount Due Within One Year
Business-Type Activities Debt:						
General Obligation Bonds:						
2017 Stormwater Refunding Bonds	1-2.63%	\$80,000	\$0	(\$20,000)	\$60,000	\$20,000
2012 Stormwater System Refunding	1-2.75%	20,000	0	(20,000)	0	0
2021 Water Tower Refunding Bonds	3-4.0%	2,472,000	0	(144,000)	2,328,000	145,000
2018 Water Tower Maintenance Bond	2-4.00%	785,000	0	(70,000)	715,000	70,000
		3,357,000	0	(254,000)	3,103,000	235,000
Bond Premium		345,449	0	(25,612)	319,837	0
Total General Obligation Bonds		3,702,449	0	(279,612)	3,422,837	235,000
Ohio Public Works Commission Loans:*						
2003 West Loveland Avenue Storm Drainage	0.00%	16,668	0	(16,668)	0	0
2004 Elysion Extension	0.00%	47,669	0	(23,836)	23,833	23,833
2005 Walker Extension	0.00%	47,835	0	(19,132)	28,703	19,132
2007 Downtown Water Line	0.00%	109,576	0	(24,350)	85,226	24,350
2008 Broadway and Hanna	0.00%	52,914	0	(9,622)	43,292	9,622
2011 Waterline Replacement	0.00%	210,420	0	(23,380)	187,040	23,380
2011 Bellwood Storm Drainage	0.00%	131,512	0	(14,612)	116,900	14,612
2012 Wall Street Waterline	0.00%	192,246	0	(24,030)	168,216	24,030
2012 Park Center Waterline	0.00%	167,134	0	(16,714)	150,420	16,714
2012 Fallis Road Waterline	0.00%	254,681	0	(26,808)	227,873	26,808
2013 Twightwee Waterline	0.00%	128,694	0	(11,700)	116,994	11,700
2013 Stoneybrook Storm Drainage	0.00%	160,770	0	(13,980)	146,790	13,980
2015 Union-Cemetery Waterline	0.00%	367,235	0	(28,248)	338,987	28,248
2015 Fifth Street Reconstruction	0.00%	22,443	0	(1,796)	20,647	1,796
2017 Loveland Madeira Storm Sewer	0.00%	307,286	0	(20,486)	286,800	20,486
2019 SR 48 and Loveland/Miamiville Waterline	0.00%	303,396	0	(17,848)	285,548	17,848
2021 Broadway Street Stabilization	0.00%	191,428	0	(10,348)	181,080	10,348
2022 Main and Chesnut Water Line Replacement	0.00%	551,085	0	(28,260)	522,825	28,260
2022 Miami Drive Culvert Replacement	0.00%	348,934	0	(18,365)	330,569	18,365
Total Ohio Public Works Commission Loans		3,611,926	0	(350,183)	3,261,743	333,512
Business-Type Activities Other Long-Term Obligations:						
Compensated Absences		50,597	15,430	0	66,027	33,893
Total Business-Type Activities		\$7,364,972	\$15,430	(\$629,795)	\$6,750,607	\$602,405

*The Ohio Public Works Commission Loans are direct borrowings.

**Notes to the Basic Financial Statements
For the Year Ended December 31, 2024**

NOTE 11 - LONG-TERM DEBT AND OTHER LONG-TERM OBLIGATIONS (Continued)

A. Principal and Interest Requirements

A summary of the City's future long-term debt funding requirements, including principal and interest payments as of December 31, 2024, follows:

Years	Governmental Activities					
	General Obligation Bonds		Special Obligation Bonds		Installment Loans	
	Principal	Interest	Principal	Interest	Principal	Interest
2025	\$278,682	\$113,302	\$0	\$20,625	\$121,239	\$30,665
2026	415,770	328,583	550,000	20,625	125,627	26,275
2027	434,809	313,986	0	0	130,178	21,725
2028	401,099	300,757	0	0	134,897	17,007
2029	411,642	284,957	0	0	139,790	12,113
2030-2034	1,808,638	1,212,201	0	0	203,721	23,957
2035-2039	1,693,400	910,756	0	0	44,280	1,257
2040-2044	1,310,000	640,426	0	0	0	0
2045-2049	1,355,900	416,315	0	0	0	0
2050-2054	1,612,800	159,326	0	0	0	0
Totals	<u>\$9,722,740</u>	<u>\$4,680,609</u>	<u>\$550,000</u>	<u>\$41,250</u>	<u>\$899,732</u>	<u>\$132,999</u>

Years	Business-Type Activities			
	General Obligation Bonds		OPWC Loans *	
	Principal	Interest	Principal	Interest
2025	\$235,000	\$102,730	\$333,512	\$0
2026	240,000	95,758	300,118	0
2027	252,000	87,096	290,552	0
2028	237,000	79,610	278,375	0
2029	248,000	70,130	261,388	0
2030-2034	1,266,000	215,410	1,077,871	0
2035-2039	625,000	37,800	522,216	0
2040-2043	0	0	197,714	0
Totals	<u>\$3,103,000</u>	<u>\$688,534</u>	<u>\$3,261,743</u>	<u>\$0</u>

*The Ohio Public Works Commission Loans are direct borrowings.

**Notes to the Basic Financial Statements
For the Year Ended December 31, 2024**

NOTE 12 – LEASES**A. Leases Receivable**

The City leases land to various third parties for cell towers. In 2024 the City received \$53,602 in lease payments. The total lease receivable balance at December 31, 2024 is \$16,439 in the General Fund and \$16,439 in the Water Fund.

B. Leases Payable

The City leases various public safety vehicles and related equipment. The lease liability is accounted for as Governmental Activities other long-term obligations.

The following is a schedule of future lease payments as of December 31, 2024:

	Governmental Activities	
	Leases	
<u>Years</u>	<u>Principal</u>	<u>Interest</u>
2025	\$54,850	\$4,470
2026	18,607	1,433
2027	6,464	320
Totals	<u>\$79,921</u>	<u>\$6,223</u>

NOTE 13 – SUBSCRIPTION BASED INFORMATION TECHNOLOGY ARRANGEMENTS

The City has entered into multiple Subscription Based Information Technology Arrangements (SBITAs) for the right to use various software platforms. The cost of the SBITA assets is \$159,701, the accumulated depreciation is \$56,359 and the net book value is \$103,342, which is included in the Governmental Activities Capital Assets and the related liability is included in the Governmental Activities Long-Term Liabilities.

The following is a schedule of future SBITA payments as of December 31, 2024:

	Governmental Activities	
	SBITA	
<u>Years</u>	<u>Principal</u>	<u>Interest</u>
2025	\$33,605	\$6,926
2026	35,788	4,743
2027	18,001	2,416
2028	19,171	1,246
Totals	<u>\$106,565</u>	<u>\$15,331</u>

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2024***

NOTE 14 - INSURANCE AND RISK MANAGEMENT

The City is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters.

Medical coverage is offered to employees through a self-funded insurance plan as a member of the Center for Local Government Benefits Pool (CLGBP). The plan is offered to local governments state-wide through the Jefferson Health Plan (JHP) in Steubenville, Ohio and administered by United Healthcare of Ohio. The City makes payments to the Risk Management Agency based on actuarial estimates of the amounts needed to pay claims and actual amounts needed to pay fixed costs (premiums for stop-loss coverage and medical conversion and administrative fees and services). Effective August 2015, the JHP modified its bylaws, which eliminated the liability for claims-run out. In addition, withdrawing members waive all claims and rights to any reserve or surplus balance held by the benefits pool.

The City also pays unemployment claims to the State of Ohio as incurred.

The City continues to carry commercial insurance for other risks of loss through the Public Entities Pool (PEP) of Ohio. There has been no significant reduction in insurance coverages from coverages in the prior year. In addition, settled claims resulting from these risks have not exceeded commercial insurance coverages during the past three years.

Workers' Compensation claims are covered through the City's participation in the State of Ohio's program. The City pays the State Workers' Compensation System a premium based upon a rate per \$100 of payroll. The rate is determined based on accident history and administrative costs.

NOTE 15 - COMPLIANCE AND ACCOUNTABILITY

The fund deficits of \$1,764,458 in the Historic Loveland TIF Fund and \$674,278 in the Recreation Land TIF Fund (capital projects funds) arose from the recognition of interfund loans payable in the individual fund balance sheet.

NOTE 16 - CONTINGENCIES

The City is a party to various legal proceedings which seek damages or injunctive relief generally incidental to its operations and pending projects. The City's management is of the opinion that the ultimate disposition of various claims and legal proceedings will not have a material effect, if any, on the financial condition of the City.

**Notes to the Basic Financial Statements
For the Year Ended December 31, 2024**

NOTE 17 – SIGNIFICANT COMMITMENTS

At December 31, 2024 the City had encumbrance commitments in the Governmental Funds as follows:

<u>Fund</u>	<u>Encumbrances</u>
General Fund	\$279,952
Paramedic Fund	23,682
Fire and EMS Fund	230,993
Historic Loveland TIF Fund	4,371
Special Projects Fund	182,097
Other Governmental Funds	80,017
Total Governmental Funds	<u>\$801,112</u>

The City had the following contractual commitments at December 31, 2024:

<u>Project</u>	<u>Remaining Contractual Commitment</u>	<u>Expected Date of Completion</u>
New Fire Station	\$5,573,514	2025
Cherokee Drive and Main Street Water Main	210,200	2025
East Avenue Bridge Replacement	138,729	2025
	<u>\$5,922,443</u>	

NOTE 18 – CHANGE IN ACCOUNTING PRINCIPLE AND RESTATEMENT OF NET POSITION

For 2024 the City implemented Governmental Accounting Standards Board (GASB) Statement No. 100, “Accounting Changes and Error Corrections” and Statement No. 101, “Compensated Absences.”

GASB Statement No. 100 addresses accounting and financial reporting requirements for accounting changes and error corrections. GASB Statement No. 101 updates the recognition and measurement guidance for compensated absences.

The implementation of GASB Statement 101 had the following effect on net position as reported December 31, 2023:

	<u>Governmental Activities</u>
Net Position at December 31, 2023, as Reported	\$31,036,923
Adjustments:	
Increase in Compensated Absences	<u>(374,150)</u>
Net Position at December 31, 2023, as Restated	<u>\$30,662,773</u>

REQUIRED SUPPLEMENTARY INFORMATION

CITY OF LOVELAND, OHIO

***Schedule of the City's Proportionate Share of the Net Pension Liability
Last Ten Years***

Ohio Public Employees Retirement System

Year	2015	2016	2017	2018
City's proportion of the net pension liability (asset)	0.011898%	0.011766%	0.010582%	0.009995%
City's proportionate share of the net pension liability (asset)	\$1,435,031	\$2,038,055	\$2,402,977	\$1,567,941
City's covered payroll	\$1,554,658	\$1,462,883	\$1,370,233	\$1,304,031
City's proportionate share of the net pension liability (asset) as a percentage of its covered payroll	92.31%	139.32%	175.37%	120.24%
Plan fiduciary net position as a percentage of the total pension liability	86.45%	81.08%	77.25%	84.66%

Source: Finance Director's Office and the Ohio Public Employees Retirement System

Ohio Police and Fire Pension Fund

Year	2015	2016	2017	2018
City's proportion of the net pension liability (asset)	0.058369%	0.057384%	0.054576%	0.053348%
City's proportionate share of the net pension liability (asset)	\$3,023,743	\$3,691,570	\$3,456,759	\$3,274,180
City's covered payroll	\$1,281,795	\$1,295,679	\$1,303,800	\$1,294,747
City's proportionate share of the net pension liability (asset) as a percentage of its covered payroll	235.90%	284.91%	265.13%	252.88%
Plan fiduciary net position as a percentage of the total pension liability	72.20%	66.77%	68.36%	70.91%

Source: Finance Director's Office and the Ohio Police and Fire Pension Fund

The schedule is reported as of the measurement date of the Net Pension Liability, which is the prior year end.

See notes to the required supplementary information

CITY OF LOVELAND, OHIO

<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>
0.011294%	0.011360%	0.011488%	0.011828%	0.011612%	0.012810%
\$3,093,196	\$2,245,380	\$1,701,120	\$1,029,081	\$3,430,190	\$3,353,709
\$1,527,236	\$1,600,686	\$1,617,014	\$1,717,643	\$1,800,064	\$2,108,407
202.54%	140.28%	105.20%	59.91%	190.56%	159.06%
74.70%	82.17%	86.88%	92.62%	75.74%	79.01%
<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>
0.058461%	0.058668%	0.061584%	0.063021%	0.068546%	0.064258%
\$4,771,963	\$3,952,164	\$4,198,266	\$3,937,215	\$6,511,199	\$6,208,251
\$1,403,389	\$1,560,074	\$1,662,895	\$1,785,311	\$1,925,100	\$2,216,495
340.03%	253.33%	252.47%	220.53%	338.23%	280.09%
63.07%	69.89%	70.65%	75.03%	62.90%	63.63%

CITY OF LOVELAND, OHIO

***Schedule of City Pension Contributions
Last Ten Years***

Ohio Public Employees Retirement System

Year	2015	2016	2017	2018
Contractually required contribution	\$175,546	\$164,428	\$169,524	\$213,813
Contributions in relation to the contractually required contribution	175,546	164,428	169,524	213,813
Contribution deficiency (excess)	\$0	\$0	\$0	\$0
City's covered payroll	\$1,462,883	\$1,370,233	\$1,304,031	\$1,527,236
Contributions as a percentage of covered payroll	12.00%	12.00%	13.00%	14.00%

Source: Finance Director's Office and the Ohio Public Employees Retirement System

Ohio Police and Fire Pension Fund

Year	2015	2016	2017	2018
Contractually required contribution	\$246,179	\$247,722	\$246,002	\$266,644
Contributions in relation to the contractually required contribution	246,179	247,722	246,002	266,644
Contribution deficiency (excess)	\$0	\$0	\$0	\$0
City's covered payroll	\$1,295,679	\$1,303,800	\$1,294,747	\$1,403,389
Contributions as a percentage of covered payroll	19.00%	19.00%	19.00%	19.00%

Source: Finance Director's Office and the Ohio Police and Fire Pension Fund

See notes to the required supplementary information

CITY OF LOVELAND, OHIO

<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>
\$224,096	\$226,382	\$240,470	\$252,009	\$295,177	\$321,709
<u>224,096</u>	<u>226,382</u>	<u>240,470</u>	<u>252,009</u>	<u>295,177</u>	<u>321,709</u>
<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
\$1,600,686	\$1,617,014	\$1,717,643	\$1,800,064	\$2,108,407	\$2,297,921
14.00%	14.00%	14.00%	14.00%	14.00%	14.00%

<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>
\$296,414	\$315,950	\$339,209	\$365,769	\$421,134	\$433,625
<u>296,414</u>	<u>315,950</u>	<u>339,209</u>	<u>365,769</u>	<u>421,134</u>	<u>433,625</u>
<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
\$1,560,074	\$1,662,895	\$1,785,311	\$1,925,100	\$2,216,495	\$2,282,237
19.00%	19.00%	19.00%	19.00%	19.00%	19.00%

***Schedule of the City's Proportionate Share of the Net Other Postemployment Benefits (OPEB)
Liability (Asset)
Last Eight Years***

Ohio Public Employees Retirement System

Year	2017	2018	2019
City's proportion of the net OPEB liability (asset)	0.011597%	0.011004%	0.012337%
City's proportionate share of the net OPEB liability (asset)	\$1,171,312	\$1,194,926	\$1,608,452
City's covered payroll	\$1,370,233	\$1,304,031	\$1,527,236
City's proportionate share of the net OPEB liability (asset) as a percentage of its covered payroll	85.48%	91.63%	105.32%
Plan fiduciary net position as a percentage of the total OPEB liability	54.05%	54.14%	46.33%

Source: Finance Director's Office and the Ohio Public Employees Retirement System

Ohio Police and Fire Pension Fund

Year	2017	2018	2019
City's proportion of the net OPEB liability (asset)	0.054576%	0.053348%	0.058461%
City's proportionate share of the net OPEB liability (asset)	\$2,590,578	\$3,022,598	\$532,377
City's covered payroll	\$1,303,800	\$1,294,747	\$1,403,389
City's proportionate share of the net OPEB liability (asset) as a percentage of its covered payroll	198.69%	233.45%	37.94%
Plan fiduciary net position as a percentage of the total OPEB liability	15.96%	14.13%	46.57%

Source: Finance Director's Office and the Ohio Police and Fire Pension Fund

Notes: The City implemented GASB Statement 75 in 2018.

The schedule is intended to show ten years of information. Additional years will be displayed as they become available. Information prior to 2017 is not available.

The schedule is reported as of the measurement date of the Net OPEB Liability, which is the prior year end.

See notes to the required supplementary information

CITY OF LOVELAND, OHIO

<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>
0.013107%	0.013272%	0.013659%	0.013018%	0.014110%
\$1,810,415	(\$236,453)	(\$427,824)	\$82,078	(\$127,349)
\$1,600,686	\$1,617,014	\$1,717,643	\$1,800,064	\$2,108,407
113.10%	(14.62%)	(24.91%)	4.56%	(6.04%)
47.80%	115.57%	128.23%	94.79%	107.76%

<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>
0.058668%	0.061584%	0.063021%	0.068546%	0.064258%
\$579,503	\$652,497	\$690,768	\$488,026	\$469,169
\$1,560,074	\$1,662,895	\$1,785,311	\$1,925,100	\$2,216,495
37.15%	39.24%	38.69%	25.35%	21.17%
47.08%	45.42%	46.86%	52.59%	51.89%

CITY OF LOVELAND, OHIO

***Schedule of City's Other Postemployment Benefit (OPEB) Contributions
Last Ten Years***

Ohio Public Employees Retirement System

Year	2015	2016	2017	2018
Contractually required contribution	\$29,258	\$27,405	\$13,040	\$0
Contributions in relation to the contractually required contribution	29,258	27,405	13,040	0
Contribution deficiency (excess)	\$0	\$0	\$0	\$0
City's covered payroll	\$1,462,883	\$1,370,233	\$1,304,031	\$1,527,236
Contributions as a percentage of covered payroll	2.00%	2.00%	1.00%	0.00%

Source: Finance Director's Office and the Ohio Public Employees Retirement System

Ohio Police and Fire Pension Fund

Year	2015	2016	2017	2018
Contractually required contribution	\$6,478	\$6,519	\$6,474	\$7,017
Contributions in relation to the contractually required contribution	6,478	6,519	6,474	7,017
Contribution deficiency (excess)	\$0	\$0	\$0	\$0
City's covered payroll	\$1,295,679	\$1,303,800	\$1,294,747	\$1,403,389
Contributions as a percentage of covered payroll	0.50%	0.50%	0.50%	0.50%

Source: Finance Director's Office and the Ohio Police and Fire Pension Fund

Notes: The City implemented GASB Statement 75 in 2018.

See notes to the required supplementary information

CITY OF LOVELAND, OHIO

<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>
\$0	\$0	\$0	\$0	\$0	\$0
<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
\$1,600,686	\$1,617,014	\$1,717,643	\$1,800,064	\$2,108,407	\$2,297,921
0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>
\$7,800	\$8,314	\$8,927	\$9,626	\$11,082	\$11,411
<u>7,800</u>	<u>8,314</u>	<u>8,927</u>	<u>9,626</u>	<u>11,082</u>	<u>11,411</u>
<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
\$1,560,074	\$1,662,895	\$1,785,311	\$1,925,100	\$2,216,495	\$2,282,237
0.50%	0.50%	0.50%	0.50%	0.50%	0.50%

***Notes to the Required Supplementary Information
For the Year Ended December 31, 2024***

NET PENSION LIABILITY

OHIO PUBLIC EMPLOYEES RETIREMENT SYSTEM (OPERS)

Changes in benefit terms: There were no changes in benefit terms for the period 2015-2024.

Changes in assumptions:

2015-2016: There were no changes in methods and assumptions used in the calculation of actuarial determined contributions.

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

- Reduction in actuarial assumed rate of return from 8.00% to 7.50%
- Decrease in wage inflation from 3.75% to 3.25%
- Change in future salary increases from a range of 4.25%-10.02% to 3.25%-10.75%
- Amounts reported beginning in 2017 use mortality rates based on the RP-2014 Healthy Annuitant mortality table.

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

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

- Reduction in actuarial assumed rate of return from 7.50% to 7.20%

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

- Change in COLA from 3.00% to 1.4% for post 1/7/13 retirees.

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

- Change in COLA from 1.4% to 0.5% for post 1/7/13 retirees.

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

- Change in COLA from 0.5% to 3.00% for post 1/7/13 retirees.
- Reduction in actuarial assumed rate of return from 7.20% to 6.90%.
- Pre-retirement mortality rates are based on Pub-2010 General Employee/Safety Employee mortality tables.
- Post-retirement mortality rates are based on PubG-2010 Retiree mortality tables.
- Post-retirement mortality rates for disabled retirees are based on PubNS-2010 Disabled Retiree mortality tables for all divisions.

2023-2024: There were no changes in methods and assumptions used in the calculation of actuarial determined contributions.

***Notes to the Required Supplementary Information
For the Year Ended December 31, 2024***

NET PENSION LIABILITY (Continued)

OHIO POLICE AND FIRE (OP&F) PENSION FUND

Changes in benefit terms: There were no changes in benefit terms for the period 2015-2024.

Changes in assumptions:

2015-2017: There were no changes in methods and assumptions used in the calculation of actuarial determined contributions.

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

- Reduction in actuarial assumed rate of return from 8.25% to 8.00%
- Decrease salary increases from 3.75% to 3.25%
- Change in payroll growth from 3.75% to 3.25%
- Reduce DROP interest rate from 4.5% to 4.0%
- Reduce CPI-based COLA from 2.6% to 2.2%
- Inflation component reduced from 3.25% to 2.75%
- For the January 1, 2017, valuation, mortality for non-disabled participants is based on the RP-2014 Total Employee and Healthy Annuitant Mortality Tables rolled back to 2006
- For the January 1, 2017, valuation, mortality for disabled retirees is based on the RP-2014 Disabled Mortality Tables rolled back to 2006

2019-2021: There were no changes in methods and assumptions used in the calculation of actuarial determined contributions.

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

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

2023: The following were the most significant changes of assumptions that affected the total pension liability since the prior measurement date:

- Mortality for non-disabled participants is based on the Pub-2010 Below-Median Safety Amount-Weighted Healthy Retiree mortality table
- Mortality for disabled retirees is based on the Pub-2010 Safety Amount-Weighted Disabled Retiree mortality table
- Mortality for contingent annuitants is based on the Pub- 2010 Below-Median Safety Amount-Weighted Contingent Annuitant Retiree mortality table
- Mortality for active members is based on the Pub-2010 Below-Median Safety Amount-Weighted Employee mortality table

2024: There were no changes in methods and assumptions used in the calculation of actuarial determined contributions.

***Notes to the Required Supplementary Information
For the Year Ended December 31, 2024***

NET OPEB LIABILITY (ASSET)

OHIO PUBLIC EMPLOYEES RETIREMENT SYSTEM (OPERS)

Changes in benefit terms: There were no changes in benefit terms for the periods 2018-2021, and 2023-2024.

2022: Group plans for non-Medicare retirees and re-employed retirees replaced with individual medical plans. OPERS will provide a subsidy or allowance via an HRA.

Changes in assumptions:

For 2018, the single discount rate changed from 4.23% to 3.85%.

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

- The single discount rate changed from 3.85% to 3.96%.
- Reduction in actuarial assumed rate of return from 6.50% to 6.00%
- Change in health care cost trend rate from 7.5% to 10%
- The Municipal Bond Rate changed from 3.31% to 3.71%

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

- The single discount rate changed from 3.96% to 3.16%.
- Change in health care cost trend rate from 10.0% to 10.5%
- The Municipal Bond Rate changed from 3.71% to 2.75%

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

- The single discount rate changed from 3.16% to 6.00%.
- Change in health care cost trend rate from 10.5% to 8.5%
- The Municipal Bond Rate changed from 2.75% to 2.00%

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

- Change in health care cost trend rate from 8.5% to 5.5%
- The Municipal Bond Rate changed from 2.00% to 1.84%
- Pre-retirement mortality rates are based on Pub-2010 General Employee/Safety Employee mortality tables.
- Post-retirement mortality rates are based on PubG-2010 Retiree mortality tables.
- Post-retirement mortality rates for disabled retirees are based on PubNS-2010 Disabled Retiree mortality tables for all divisions.

***Notes to the Required Supplementary Information
For the Year Ended December 31, 2024***

NET OPEB LIABILITY (ASSET) (Continued)

OHIO PUBLIC EMPLOYEES RETIREMENT SYSTEM (OPERS) (Continued)

2023: The following were the most significant changes of assumptions that affected the total OPEB liability since the prior measurement date:

- The Municipal Bond Rate changed from 1.84% to 4.05%
- The single discount rate changed from 6.00% to 5.22%.

2024: The following were the most significant changes of assumptions that affected the total OPEB liability since the prior measurement date:

- The Municipal Bond Rate changed from 4.05% to 3.77%
- The single discount rate changed from 5.22% to 5.70%.

OHIO POLICE AND FIRE (OP&F) PENSION FUND

Changes in benefit terms:

2018: There were no changes in benefit terms.

2019: The retiree health care model and the current self-insured health care plan were replaced with a stipend-based health care model.

2020 - 2024: There were no changes in benefit terms.

Changes in assumptions:

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

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

- The single discount rate changed from 3.24% to 4.66%.

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

- The single discount rate changed from 4.66% to 3.56%.

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

- The single discount rate changed from 3.56% to 2.96%.
- The payroll growth rate changed from 2.75% to 3.25%.

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

- The single discount rate changed from 2.96% to 2.84%.
- The investment rate of return changed from 8.0% to 7.5%.

***Notes to the Required Supplementary Information
For the Year Ended December 31, 2024***

NET OPEB LIABILITY (ASSET) (Continued)

OHIO POLICE AND FIRE (OP&F) PENSION FUND (Continued)

2023: The following were the most significant changes of assumptions that affected the total OPEB liability since the prior measurement date:

- The single discount rate changed from 2.84% to 4.27%.
- Mortality for non-disabled participants is based on the Pub-2010 Below-Median Safety Amount-Weighted Healthy Retiree mortality table
- Mortality for disabled retirees is based on the Pub-2010 Safety Amount-Weighted Disabled Retiree mortality table
- Mortality for contingent annuitants is based on the Pub- 2010 Below-Median Safety Amount-Weighted Contingent Annuitant Retiree mortality table
- Mortality for active members is based on the Pub-2010 Below-Median Safety Amount-Weighted Employee mortality table

2024: The following were the most significant changes of assumptions that affected the total OPEB liability since the prior measurement date:

- The single discount rate changed from 4.27% to 4.07%.

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*COMBINING AND INDIVIDUAL FUND
STATEMENTS AND SCHEDULES*

*THE FOLLOWING COMBINING STATEMENTS AND SCHEDULES
INCLUDE THE MAJOR AND NONMAJOR GOVERNMENTAL FUNDS.*

Nonmajor Governmental Funds

Special Revenue Funds

Special Revenue funds are used to account for the proceeds of specific revenue sources (other than amounts relating to trusts or major capital projects) that are legally restricted or committed to expenditures for specified purposes.

Sick Leave Reserve/Escrow Fund

To account for reserve balances set aside for budget stabilization as well as for payouts to retirees for sick, vacation and compensatory time accrued through their employment with the City. (The Balance Sheet and Statement of Revenues, Expenditures and Changes in Fund Balances are not presented because this fund is reported as part of the General Fund on a GAAP basis.)

Street Maintenance Fund

To account for revenues distributed by the State from the motor vehicle registration and gasoline tax. Expenditures may only be used for City street construction, maintenance and repair.

Enforcement and Education Fund

To account for resources used to educate the public regarding laws governing the operation of motor vehicles while under the influence of alcohol.

Permissive Motor Vehicle License Tax Fund

To account for permissive auto license taxes levied for street construction, maintenance and repair.

Fire Protection Fund

To account for the activities provided by the City's fire protection service funded by property taxes.

State Highway Fund

To account for revenues distributed by the State from the motor vehicle registration and gasoline tax designated for construction, maintenance and repair of State highways located within the City.

One Ohio Opioid Settlement Fund

To account for revenues distributed by the State for opioid settlements from drug manufacturers and distributors. It is designated for resources to assist with community drug recovery, prevention and treatment.

(Continued)

Special Revenue Funds (Continued)

Mayors Court Computer Fund

To account for the assessment fee charged to each issued citation to be used only for the purchase and maintenance of computerizing the Mayor's Court operations.

Lighting District Fund

To account for assessments to be used for electric utility charges.

American Rescue Plan Act Fund

This fund is used to account for Coronavirus State and Local Fiscal Recovery funds received as part of the American Rescue Plan Act.

Debt Service Funds

The Debt Service Funds are used to account for the accumulation of resources and payment of general obligation bond principal and interest from governmental resources and special assessment levies when the government is obligated in some manner for payment.

General Bond Retirement Fund

This fund is used to account for the accumulation of resources to be used for the retirement of general obligation debt.

Debt Retirement Sinking Fund

To account for the accumulation of resources for retirement of the special obligation tax increment financing bonds.

Capital Projects Funds

The Capital Projects Funds are used to account for the financial resources to be used for the acquisition or construction of major capital facilities.

Recreation Land TIF Fund

To account for service payments (in lieu of taxes) as a result of a tax increment financing agreement. Proceeds from the Christman Land TIF bond issuance were used to purchase land in the TIF district which will be developed into a City park.

CITY OF LOVELAND, OHIO**Combining Balance Sheet
Nonmajor Governmental Funds
December 31, 2024**

	Nonmajor Special Revenue Funds	Nonmajor Debt Service Funds	Nonmajor Capital Projects Fund	Total Nonmajor Governmental Funds
Assets:				
Pooled Cash and Investments	\$ 1,122,886	\$ 500,418	\$ 149,362	\$ 1,772,666
Receivables:				
Taxes	627,874	0	0	627,874
Accounts	25	0	0	25
Intergovernmental	512,862	0	0	512,862
Settlement	85,904	0	0	85,904
Inventory of Supplies, at Cost	75,160	0	0	75,160
Prepaid Items	2,649	0	0	2,649
Total Assets	\$ 2,427,360	\$ 500,418	\$ 149,362	\$ 3,077,140
Liabilities:				
Accounts Payable	\$ 8,896	\$ 0	\$ 0	\$ 8,896
Accrued Wages and Benefits Payable	5,726	0	0	5,726
Interfund Loans Payable	0	0	823,640	823,640
Unearned Revenue	10,700	0	0	10,700
Total Liabilities	25,322	0	823,640	848,962
Deferred Inflows of Resources:				
Unavailable Amounts	462,784	0	0	462,784
Property Tax Levy for Next Fiscal Year	605,358	0	0	605,358
Total Deferred Inflows of Resources	1,068,142	0	0	1,068,142
Fund Balances:				
Nonspendable	77,809	0	0	77,809
Restricted	1,256,087	500,418	0	1,756,505
Unassigned	0	0	(674,278)	(674,278)
Total Fund Balances	1,333,896	500,418	(674,278)	1,160,036
Total Liabilities, Deferred Inflows of Resources and Fund Balances	\$ 2,427,360	\$ 500,418	\$ 149,362	\$ 3,077,140

**Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Governmental Funds
For the Year Ended December 31, 2024**

	Nonmajor Special Revenue Funds	Nonmajor Debt Service Funds	Nonmajor Capital Projects Fund	Total Nonmajor Governmental Funds
Revenues:				
Property Taxes	\$ 624,111	\$ 0	\$ 240,921	\$ 865,032
Intergovernmental Revenue	2,442,833	24,757	0	2,467,590
Charges for Services	1,125	0	0	1,125
Licenses and Permits	5,500	0	0	5,500
Special Assessments	10,522	0	0	10,522
Fines and Forfeitures	8,107	0	0	8,107
All Other Revenue	47,161	0	0	47,161
Total Revenues	3,139,359	24,757	240,921	3,405,037
Expenditures:				
Current:				
Security of Persons and Property	661,269	0	0	661,269
Transportation	1,011,696	0	0	1,011,696
General Government	1,387,748	0	0	1,387,748
Debt Service:				
Principal Retirement	1,998	268,341	0	270,339
Interest & Fiscal Charges	416	142,030	0	142,446
Total Expenditures	3,063,127	410,371	0	3,473,498
Excess (Deficiency) of Revenues Over (Under) Expenditures	76,232	(385,614)	240,921	(68,461)
Other Financing Sources (Uses):				
Sale of Capital Assets	243,089	0	0	243,089
Transfers In	50,000	440,614	0	490,614
Transfers Out	(17,206)	0	(49,822)	(67,028)
Total Other Financing Sources (Uses)	275,883	440,614	(49,822)	666,675
Net Change in Fund Balances	352,115	55,000	191,099	598,214
Fund Balances at Beginning of Year	997,941	445,418	(865,377)	577,982
Decrease in Inventory	(16,160)	0	0	(16,160)
Fund Balances End of Year	\$ 1,333,896	\$ 500,418	\$ (674,278)	\$ 1,160,036

CITY OF LOVELAND, OHIO**Combining Balance Sheet
Nonmajor Special Revenue Funds
December 31, 2024**

	Street Maintenance Fund	Enforcement and Education Fund	Permissive Motor Vehicle License Tax Fund	Fire Protection Fund
Assets:				
Pooled Cash and Investments	\$ 127,301	\$ 16,405	\$ 122,564	\$ 451,757
Receivables:				
Taxes	0	0	0	627,874
Accounts	0	25	0	0
Intergovernmental	371,340	0	74,049	37,368
Settlement	0	0	0	0
Inventory of Supplies, at Cost	75,160	0	0	0
Prepaid Items	2,649	0	0	0
Total Assets	<u>\$ 576,450</u>	<u>\$ 16,430</u>	<u>\$ 196,613</u>	<u>\$ 1,116,999</u>
Liabilities:				
Accounts Payable	\$ 1,949	\$ 0	\$ 0	\$ 532
Accrued Wages and Benefits Payable	5,726	0	0	0
Unearned Revenue	0	0	0	0
Total Liabilities	<u>7,675</u>	<u>0</u>	<u>0</u>	<u>532</u>
Deferred Inflows of Resources:				
Unavailable Amounts	247,560	0	49,366	59,884
Property Tax Levy for Next Fiscal Year	0	0	0	605,358
Total Deferred Inflows of Resources	<u>247,560</u>	<u>0</u>	<u>49,366</u>	<u>665,242</u>
Fund Balances:				
Nonspendable	77,809	0	0	0
Restricted	243,406	16,430	147,247	451,225
Total Fund Balances	<u>321,215</u>	<u>16,430</u>	<u>147,247</u>	<u>451,225</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u>\$ 576,450</u>	<u>\$ 16,430</u>	<u>\$ 196,613</u>	<u>\$ 1,116,999</u>

CITY OF LOVELAND, OHIO

State Highway Fund	One Ohio Opioid Settlement Fund	Mayors Court Computer Fund	Lighting District Fund	ARPA Fund	Total Nonmajor Special Revenue Funds
\$ 276,989	\$ 32,590	\$ 25,994	\$ 52,171	\$ 17,115	\$ 1,122,886
0	0	0	0	0	627,874
0	0	0	0	0	25
30,105	0	0	0	0	512,862
0	85,904	0	0	0	85,904
0	0	0	0	0	75,160
0	0	0	0	0	2,649
<u>\$ 307,094</u>	<u>\$ 118,494</u>	<u>\$ 25,994</u>	<u>\$ 52,171</u>	<u>\$ 17,115</u>	<u>\$ 2,427,360</u>
\$ 0	\$ 0	\$ 0	\$ 0	\$ 6,415	\$ 8,896
0	0	0	0	0	5,726
0	0	0	0	10,700	10,700
<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>17,115</u>	<u>25,322</u>
20,070	85,904	0	0	0	462,784
0	0	0	0	0	605,358
<u>20,070</u>	<u>85,904</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>1,068,142</u>
0	0	0	0	0	77,809
287,024	32,590	25,994	52,171	0	1,256,087
<u>287,024</u>	<u>32,590</u>	<u>25,994</u>	<u>52,171</u>	<u>0</u>	<u>1,333,896</u>
<u>\$ 307,094</u>	<u>\$ 118,494</u>	<u>\$ 25,994</u>	<u>\$ 52,171</u>	<u>\$ 17,115</u>	<u>\$ 2,427,360</u>

***Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2024***

	Street Maintenance Fund	Enforcement and Education Fund	Permissive Motor Vehicle License Tax Fund	Fire Protection Fund
Revenues:				
Property Taxes	\$ 0	\$ 0	\$ 0	\$ 624,111
Intergovernmental Revenue	772,844	0	162,537	74,040
Charges for Services	1,125	0	0	0
Licenses and Permits	0	0	5,500	0
Special Assessments	0	0	0	0
Fines and Forfeitures	0	390	0	0
All Other Revenue	10,645	0	0	0
Total Revenues	784,614	390	168,037	698,151
Expenditures:				
Current:				
Security of Persons and Property	0	1,606	0	654,617
Transportation	824,860	0	178,750	0
General Government	0	0	0	0
Debt Service:				
Principal Retirement	999	0	0	999
Interest & Fiscal Charges	208	0	0	208
Total Expenditures	826,067	1,606	178,750	655,824
Excess (Deficiency) of Revenues Over (Under) Expenditures	(41,453)	(1,216)	(10,713)	42,327
Other Financing Sources (Uses):				
Sale of Capital Assets	23,989	0	0	219,100
Transfers In	50,000	0	0	0
Transfers Out	(17,206)	0	0	0
Total Other Financing Sources (Uses)	56,783	0	0	219,100
Net Change in Fund Balances	15,330	(1,216)	(10,713)	261,427
Fund Balances at Beginning of Year	322,045	17,646	157,960	189,798
Increase (Decrease) in Inventory	(16,160)	0	0	0
Fund Balances End of Year	\$ 321,215	\$ 16,430	\$ 147,247	\$ 451,225

CITY OF LOVELAND, OHIO

State Highway Fund	One Ohio Opioid Settlement Fund	Mayors Court Computer Fund	Lighting District Fund	ARPA Fund	Total Nonmajor Special Revenue Funds
\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 624,111
61,662	0	0	0	1,371,750	2,442,833
0	0	0	0	0	1,125
0	0	0	0	0	5,500
0	0	0	10,522	0	10,522
0	0	7,717	0	0	8,107
0	36,516	0	0	0	47,161
<u>61,662</u>	<u>36,516</u>	<u>7,717</u>	<u>10,522</u>	<u>1,371,750</u>	<u>3,139,359</u>
0	5,046	0	0	0	661,269
8,086	0	0	0	0	1,011,696
0	0	4,860	11,138	1,371,750	1,387,748
0	0	0	0	0	1,998
0	0	0	0	0	416
<u>8,086</u>	<u>5,046</u>	<u>4,860</u>	<u>11,138</u>	<u>1,371,750</u>	<u>3,063,127</u>
53,576	31,470	2,857	(616)	0	76,232
0	0	0	0	0	243,089
0	0	0	0	0	50,000
0	0	0	0	0	(17,206)
<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>275,883</u>
53,576	31,470	2,857	(616)	0	352,115
233,448	1,120	23,137	52,787	0	997,941
0	0	0	0	0	(16,160)
<u>\$ 287,024</u>	<u>\$ 32,590</u>	<u>\$ 25,994</u>	<u>\$ 52,171</u>	<u>\$ 0</u>	<u>\$ 1,333,896</u>

***Combining Balance Sheet
Nonmajor Debt Service Funds
December 31, 2024***

	General Bond Retirement Fund	Debt Retirement Sinking Fund	Total Nonmajor Debt Service Funds
Assets:			
Pooled Cash and Investments	\$ 60,418	\$ 440,000	\$ 500,418
Total Assets	<u>\$ 60,418</u>	<u>\$ 440,000</u>	<u>\$ 500,418</u>
Liabilities:	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
Fund Balances:			
Restricted	60,418	440,000	500,418
Total Fund Balances	<u>60,418</u>	<u>440,000</u>	<u>500,418</u>
Total Liabilities and Fund Balance	<u>\$ 60,418</u>	<u>\$ 440,000</u>	<u>\$ 500,418</u>

***Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Debt Service Funds
For the Year Ended December 31, 2024***

	General Bond Retirement Fund	Debt Retirement Sinking Fund	Total Nonmajor Debt Service Funds
Revenues:			
Intergovernmental Revenue	\$ 24,757	\$ 0	\$ 24,757
Total Revenues	<u>24,757</u>	<u>0</u>	<u>24,757</u>
Expenditures:			
Debt Service:			
Principal Retirement	268,341	0	268,341
Interest & Fiscal Charges	142,030	0	142,030
Total Expenditures	<u>410,371</u>	<u>0</u>	<u>410,371</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(385,614)	0	(385,614)
Other Financing Sources (Uses):			
Transfers In	385,614	55,000	440,614
Total Other Financing Sources (Uses)	<u>385,614</u>	<u>55,000</u>	<u>440,614</u>
Net Change in Fund Balances	0	55,000	55,000
Fund Balances at Beginning of Year	60,418	385,000	445,418
Fund Balances End of Year	<u>\$ 60,418</u>	<u>\$ 440,000</u>	<u>\$ 500,418</u>

CITY OF LOVELAND, OHIO***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Major Funds – General Fund
For the Year Ended December 31, 2024***

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Property Taxes	\$ 1,393,510	\$ 1,472,104	\$ 1,461,459	\$ (10,645)
Municipal Income Tax	7,250,000	6,500,000	6,762,218	262,218
Intergovernmental Revenue	834,783	1,241,212	1,320,043	78,831
Charges for Services	957,049	654,074	462,787	(191,287)
Licenses and Permits	270,000	232,571	225,397	(7,174)
Special Assessments	2,100	3,931	3,931	0
Fines and Forfeitures	50,000	50,000	72,798	22,798
All Other Revenue	210,000	246,616	344,828	98,212
Total Revenues	10,967,442	10,400,508	10,653,461	252,953
Expenditures:				
Security of Persons and Property:				
Police:				
Personal Services	3,712,377	3,712,377	3,587,399	124,978
Other Expenditures	967,536	997,536	770,822	226,714
Total Security of Persons and Property	4,679,913	4,709,913	4,358,221	351,692
Leisure Time Activities:				
Parks and Recreation:				
Personal Services	706,093	706,093	463,390	242,703
Other Expenditures	302,931	397,931	382,567	15,364
Total Leisure Time Activities	1,009,024	1,104,024	845,957	258,067
Community Environment:				
Building and Zoning:				
Personal Services	213,390	227,890	221,560	6,330
Other Expenditures	130,936	130,936	87,884	43,052
Total Community Environment	344,326	358,826	309,444	49,382
General Government:				
City Council:				
Personal Services	68,801	69,801	69,771	30
Other Expenditures	8,250	13,250	12,045	1,205
Total City Council	77,051	83,051	81,816	1,235

(Continued)

CITY OF LOVELAND, OHIO***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Major Funds – General Fund
For the Year Ended December 31, 2024***

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
City Manager:				
Personal Services	646,238	654,238	636,233	18,005
Other Expenditures	2,000	2,000	1,649	351
Total City Manager	648,238	656,238	637,882	18,356
Mayor's Court:				
Personal Services	104,264	114,264	108,550	5,714
Other Expenditures	21,950	21,950	17,934	4,016
Total Mayor's Court	126,214	136,214	126,484	9,730
Administration:				
Other Expenditures	91,021	91,021	35,881	55,140
Total Administration	91,021	91,021	35,881	55,140
Finance and Income Tax:				
Personal Services	384,737	412,737	389,254	23,483
Other Expenditures	29,038	79,038	76,216	2,822
Total Finance and Income Tax	413,775	491,775	465,470	26,305
Solicitor:				
Other Expenditures	75,000	75,000	50,000	25,000
Total Solicitor	75,000	75,000	50,000	25,000
General Operations:				
Other Expenditures	3,296,361	3,946,361	3,842,321	104,040
Total General Operations	3,296,361	3,946,361	3,842,321	104,040
Engineer:				
Personal Services	28,684	28,684	16,225	12,459
Other Expenditures	4,000	5,000	4,438	562
Total Engineer	32,684	33,684	20,663	13,021
Total General Government	4,760,344	5,513,344	5,260,517	252,827
Total Expenditures	10,793,607	11,686,107	10,774,139	911,968
Excess (Deficiency) of Revenues				
Over (Under) Expenditures	173,835	(1,285,599)	(120,678)	1,164,921

(Continued)

CITY OF LOVELAND, OHIO

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Major Funds – General Fund
For the Year Ended December 31, 2024***

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Other Financing Sources (Uses):				
Sale of Capital Assets	100	3,252	3,252	0
Transfers In	0	0	189,682	189,682
Transfers Out	(686,498)	(686,498)	(687,098)	(600)
Advances In	15,000	15,000	50,000	35,000
Total Other Financing Sources (Uses)	(671,398)	(668,246)	(444,164)	224,082
Net Change in Fund Balance	(497,563)	(1,953,845)	(564,842)	1,389,003
Fund Balance at Beginning of Year	3,545,169	3,545,169	3,545,169	0
Prior Year Encumbrances	527,322	527,322	527,322	0
Fund Balance at End of Year	<u>\$ 3,574,928</u>	<u>\$ 2,118,646</u>	<u>\$ 3,507,649</u>	<u>\$ 1,389,003</u>

CITY OF LOVELAND, OHIO***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Major Funds – Special Revenue Fund – Paramedic Fund
For the Year Ended December 31, 2024***

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Property Taxes	\$ 873,699	\$ 873,699	\$ 952,617	\$ 78,918
Intergovernmental Revenue	111,084	111,084	103,312	(7,772)
Charges for Services	400,000	400,000	589,559	189,559
All Other Revenues	0	0	3,694	3,694
Total Revenues	1,384,783	1,384,783	1,649,182	264,399
Expenditures:				
Security of Persons and Property:				
Other Expenditures	1,398,354	1,448,354	1,396,484	51,870
Total Expenditures	1,398,354	1,448,354	1,396,484	51,870
Net Change in Fund Balance	(13,571)	(63,571)	252,698	316,269
Fund Balance at Beginning of Year	458,143	458,143	458,143	0
Prior Year Encumbrances	20,820	20,820	20,820	0
Fund Balance at End of Year	\$ 465,392	\$ 415,392	\$ 731,661	\$ 316,269

CITY OF LOVELAND, OHIO***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Major Funds – Special Revenue Fund – Fire and EMS Fund
For the Year Ended December 31, 2024***

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Property Taxes	\$ 1,734,254	\$ 1,799,547	\$ 1,801,713	\$ 2,166
Intergovernmental Revenue	82,516	79,877	78,880	(997)
Total Revenues	1,816,770	1,879,424	1,880,593	1,169
Expenditures:				
Security of Persons and Property:				
Other Expenditures	7,476,803	2,199,759	1,992,667	207,092
Total Expenditures	7,476,803	2,199,759	1,992,667	207,092
Excess (Deficiency) of Revenues Over (Under) Expenditures	(5,660,033)	(320,335)	(112,074)	208,261
Other Financing Sources (Uses):				
Bond Issuance	5,649,083	50,000	50,000	0
Transfers Out	(72,882)	(72,882)	(72,882)	0
Total Other Financing Sources (Uses)	5,576,201	(22,882)	(22,882)	0
Net Change in Fund Balance	(83,832)	(343,217)	(134,956)	208,261
Fund Balance at Beginning of Year	625,713	625,713	625,713	0
Prior Year Encumbrances	93,148	93,148	93,148	0
Fund Balance at End of Year	\$ 635,029	\$ 375,644	\$ 583,905	\$ 208,261

CITY OF LOVELAND, OHIO

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Major Funds – Special Revenue Fund –Community Improvement Corporation Fund
For the Year Ended December 31, 2024***

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
All Other Revenues	\$ 0	\$ 0	\$ 1,850	\$ 1,850
Total Revenues	0	0	1,850	1,850
Expenditures:				
General Government:				
Other Expenditures	106,375	106,375	8,099	98,276
Total Expenditures	106,375	106,375	8,099	98,276
 Net Change in Fund Balance	(106,375)	(106,375)	(6,249)	100,126
 Fund Balance at Beginning of Year	109,790	109,790	109,790	0
Prior Year Encumbrances	1,375	1,375	1,375	0
Fund Balance at End of Year	\$ 4,790	\$ 4,790	\$ 104,916	\$ 100,126

CITY OF LOVELAND, OHIO

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Major Funds – Capital Projects Fund – Historic Loveland TIF Fund
For the Year Ended December 31, 2024***

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:			
Property Taxes	\$ 289,477	\$ 309,839	\$ 20,362
Intergovernmental Revenue	1,432,400	4,095	(1,428,305)
Total Revenues	1,721,877	313,934	(1,407,943)
Expenditures:			
Capital Outlay:			
Other Expenditures	240,026	54,506	185,520
Total Expenditures	240,026	54,506	185,520
Excess (Deficiency) of Revenues Over (Under) Expenditures	1,481,851	259,428	(1,222,423)
Other Financing Sources (Uses):			
Transfers Out	(165,733)	(179,256)	(13,523)
Total Other Financing Sources (Uses)	(165,733)	(179,256)	(13,523)
Net Change in Fund Balance	1,316,118	80,172	(1,235,946)
Fund Balance at Beginning of Year	197,207	197,207	0
Prior Year Encumbrances	5,759	5,759	0
Fund Balance at End of Year	\$ 1,519,084	\$ 283,138	\$ (1,235,946)

CITY OF LOVELAND, OHIO

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Major Funds – Capital Projects Fund – Special Projects Fund
For the Year Ended December 31, 2024***

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:			
Intergovernmental Revenue	\$ 1,315,258	\$ 1,315,258	\$ 0
Investment Earnings	400,000	520,702	120,702
All Other Revenue	0	196,836	196,836
Total Revenues	1,715,258	2,032,796	317,538
Expenditures:			
Capital Outlay:			
Other Expenditures	3,009,916	2,830,814	179,102
Total Expenditures	3,009,916	2,830,814	179,102
Excess (Deficiency) of Revenues Over (Under) Expenditures	(1,294,658)	(798,018)	496,640
Other Financing Sources (Uses):			
Transfers In	553,746	553,746	0
Transfers Out	0	(150,000)	(150,000)
Total Other Financing Sources (Uses)	553,746	403,746	(150,000)
Net Change in Fund Balance	(740,912)	(394,272)	346,640
Fund Balance at Beginning of Year	24,970	24,970	0
Prior Year Encumbrances	836,770	836,770	0
Fund Balance at End of Year	\$ 120,828	\$ 467,468	\$ 346,640

CITY OF LOVELAND, OHIO

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2024***

SICK LEAVE RESERVE/ESCROW FUND			
	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:			
Total Revenues	\$ 0	\$ 0	\$ 0
Expenditures:			
General Government:			
Other Expenditures	124,732	0	124,732
Total Expenditures	124,732	0	124,732
Excess (Deficiency) of Revenues Over (Under) Expenditures	(124,732)	0	124,732
Other Financing Sources (Uses):			
Transfers Out	(39,682)	(39,682)	0
Total Other Financing Sources (Uses)	(39,682)	(39,682)	0
Net Change in Fund Balance	(164,414)	(39,682)	124,732
Fund Balance at Beginning of Year	1,518,182	1,518,182	0
Fund Balance at End of Year	\$ 1,353,768	\$ 1,478,500	\$ 124,732

CITY OF LOVELAND, OHIO***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2024***

STREET MAINTENANCE FUND			
	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:			
Intergovernmental Revenue	\$ 720,000	\$ 778,085	\$ 58,085
Charges for Services	0	1,125	1,125
All Other Revenues	9,668	10,645	977
Total Revenues	729,668	789,855	60,187
Expenditures:			
Transportation:			
Personal Services	523,033	522,784	249
Other Expenditures	348,774	323,906	24,868
Total Expenditures	871,807	846,690	25,117
Excess (Deficiency) of Revenues Over (Under) Expenditures	(142,139)	(56,835)	85,304
Other Financing Sources (Uses):			
Proceeds from the Sale of Fixed Assets	0	23,989	23,989
Transfers In	50,000	50,000	0
Transfers Out	(17,206)	(17,206)	0
Total Other Financing Sources (Uses)	32,794	56,783	23,989
Net Change in Fund Balance	(109,345)	(52)	109,293
Fund Balance at Beginning of Year	92,875	92,875	0
Prior Year Encumbrances	22,643	22,643	0
Fund Balance at End of Year	\$ 6,173	\$ 115,466	\$ 109,293

CITY OF LOVELAND, OHIO

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2024***

ENFORCEMENT AND EDUCATION FUND			
	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:			
Fines and Forfeitures	\$ 500	\$ 365	\$ (135)
Total Revenues	500	365	(135)
Expenditures:			
Security of Persons and Property:			
Other Expenditures	16,592	1,606	14,986
Total Expenditures	16,592	1,606	14,986
 Net Change in Fund Balance	 (16,092)	 (1,241)	 14,851
Fund Balance at Beginning of Year	4,554	4,554	0
Prior Year Encumbrances	13,092	13,092	0
Fund Balance at End of Year	<u>\$ 1,554</u>	<u>\$ 16,405</u>	<u>\$ 14,851</u>

CITY OF LOVELAND, OHIO

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2024***

PERMISSIVE MOTOR VEHICLE LICENSE TAX FUND

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:			
Intergovernmental Revenue	\$ 159,500	\$ 168,677	\$ 9,177
Licenses and Permits	5,000	5,500	500
Total Revenues	164,500	174,177	9,677
Expenditures:			
Transportation:			
Other Expenditures	181,750	178,750	3,000
Total Expenditures	181,750	178,750	3,000
Net Change in Fund Balance	(17,250)	(4,573)	12,677
Fund Balance at Beginning of Year	127,137	127,137	0
Fund Balance at End of Year	\$ 109,887	\$ 122,564	\$ 12,677

CITY OF LOVELAND, OHIO***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2024***

FIRE PROTECTION FUND			
	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:			
Property Taxes	\$ 591,861	\$ 676,287	\$ 84,426
Intergovernmental Revenue	75,250	74,040	(1,210)
Total Revenues	667,111	750,327	83,216
Expenditures:			
Security of Persons and Property:			
Other Expenditures	739,865	662,272	77,593
Total Expenditures	739,865	662,272	77,593
Excess (Deficiency) of Revenues Over (Under) Expenditures	(72,754)	88,055	160,809
Other Financing Sources (Uses):			
Sale of Capital Assets	0	219,100	219,100
Total Other Financing Sources (Uses)	0	219,100	219,100
Net Change in Fund Balance	(72,754)	307,155	379,909
Fund Balance at Beginning of Year	108,596	108,596	0
Prior Year Encumbrances	30,339	30,339	0
Fund Balance at End of Year	\$ 66,181	\$ 446,090	\$ 379,909

CITY OF LOVELAND, OHIO

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2024***

STATE HIGHWAY FUND			
	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:			
Intergovernmental Revenue	\$ 59,000	\$ 62,088	\$ 3,088
Total Revenues	59,000	62,088	3,088
Expenditures:			
Transportation:			
Other Expenditures	59,000	50,002	8,998
Total Expenditures	59,000	50,002	8,998
Net Change in Fund Balance	0	12,086	12,086
Fund Balance at Beginning of Year	222,987	222,987	0
Fund Balance at End of Year	\$ 222,987	\$ 235,073	\$ 12,086

CITY OF LOVELAND, OHIO

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2024***

ONE OHIO OPIOID SETTLEMENT FUND			
	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:			
All Other Revenues	\$ 36,516	\$ 36,516	\$ 0
Total Revenues	36,516	36,516	0
Expenditures:			
Security of Persons and Property:			
Other Expenditures	14,115	7,021	7,094
Total Expenditures	14,115	7,021	7,094
Net Change in Fund Balance	22,401	29,495	7,094
Fund Balance at Beginning of Year	1,120	1,120	0
Fund Balance at End of Year	\$ 23,521	\$ 30,615	\$ 7,094

CITY OF LOVELAND, OHIO

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2024***

MAYORS COURT COMPUTER FUND			
	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:			
Fines and Forfeitures	\$ 5,000	\$ 7,315	\$ 2,315
Total Revenues	5,000	7,315	2,315
Expenditures:			
General Government:			
Other Expenditures	24,583	6,072	18,511
Total Expenditures	24,583	6,072	18,511
 Net Change in Fund Balance	 (19,583)	 1,243	 20,826
Fund Balance at Beginning of Year	19,218	19,218	0
Prior Year Encumbrances	3,660	3,660	0
Fund Balance at End of Year	<u>\$ 3,295</u>	<u>\$ 24,121</u>	<u>\$ 20,826</u>

CITY OF LOVELAND, OHIO

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2024***

LIGHTING DISTRICT FUND			
	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:			
Special Assessments	\$ 10,626	\$ 10,522	\$ (104)
Total Revenues	10,626	10,522	(104)
Expenditures:			
General Government:			
Other Expenditures	16,277	11,437	4,840
Total Expenditures	16,277	11,437	4,840
Net Change in Fund Balance	(5,651)	(915)	4,736
Fund Balance at Beginning of Year	52,458	52,458	0
Prior Year Encumbrances	329	329	0
Fund Balance at End of Year	\$ 47,136	\$ 51,872	\$ 4,736

CITY OF LOVELAND, OHIO

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2024***

AMERICAN RESCUE PLAN ACT (ARPA) FUND			
	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:			
Total Revenues	\$ 0	\$ 0	\$ 0
Expenditures:			
General Government:			
Other Expenditures	1,382,450	1,382,450	0
Total Expenditures	1,382,450	1,382,450	0
Net Change in Fund Balance	(1,382,450)	(1,382,450)	0
Fund Balance at Beginning of Year	1,382,450	1,382,450	0
Fund Balance at End of Year	\$ 0	\$ 0	\$ 0

CITY OF LOVELAND, OHIO

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Debt Service Funds
For the Year Ended December 31, 2024***

GENERAL BOND RETIREMENT FUND			
	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:			
Total Revenues	\$ 0	\$ 0	\$ 0
Expenditures:			
Debt Service:			
Principal Retirement	239,541	239,541	0
Interest and Fiscal Charges	119,212	119,212	0
Total Expenditures	358,753	358,753	0
Excess (Deficiency) of Revenues Over (Under) Expenditures	(358,753)	(358,753)	0
Other Financing Sources (Uses):			
Transfers In	358,753	358,753	0
Total Other Financing Sources (Uses)	358,753	358,753	0
Net Change in Fund Balance	0	0	0
Fund Balance at Beginning of Year	60,418	60,418	0
Fund Balance at End of Year	\$ 60,418	\$ 60,418	\$ 0

CITY OF LOVELAND, OHIO

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Debt Service Funds
For the Year Ended December 31, 2024***

	DEBT RETIREMENT SINKING FUND		
	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:			
Total Revenues	\$ 0	\$ 0	\$ 0
Expenditures:			
Total Expenditures	0	0	0
Excess (Deficiency) of Revenues Over (Under) Expenditures	0	0	0
Other Financing Sources (Uses):			
Transfers In	55,000	55,000	0
Total Other Financing Sources (Uses)	55,000	55,000	0
Net Change in Fund Balance	55,000	55,000	0
Fund Balance at Beginning of Year	385,000	385,000	0
Fund Balance at End of Year	\$ 440,000	\$ 440,000	\$ 0

CITY OF LOVELAND, OHIO***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Capital Projects Funds
For the Year Ended December 31, 2024***

RECREATION LAND TIF FUND			
	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:			
Property Taxes	\$ 120,000	\$ 240,921	\$ 120,921
Total Revenues	120,000	240,921	120,921
Expenditures:			
General Government:			
Other Expenditures	50,207	0	50,207
Total Expenditures	50,207	0	50,207
Excess (Deficiency) of Revenues Over (Under) Expenditures	69,793	240,921	171,128
Other Financing Sources (Uses):			
Transfers Out	(49,822)	(49,822)	0
Advances Out	0	(50,000)	(50,000)
Total Other Financing Sources (Uses)	(49,822)	(99,822)	(50,000)
Net Change in Fund Balance	19,971	141,099	121,128
Fund Balance at Beginning of Year	8,263	8,263	0
Fund Balance at End of Year	\$ 28,234	\$ 149,362	\$ 121,128

STATISTICAL SECTION



STATISTICAL TABLES

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

Contents

Financial Trends	S 2 – S 13
These schedules contain trend information to help the reader understand how the City's financial position has changed over time.	
Revenue Capacity	S 14 – S 16
These schedules contain information to help the reader understand and assess the factors affecting the City's ability to generate its most significant local revenue source, the income tax.	
Debt Capacity	S 18 – S 25
These schedules present information to help the reader assess the affordability of the City's current levels of outstanding debt and the City's ability to issue additional debt in the future.	
Economic and Demographic Information	S 26 – S 29
These schedules offer economic and demographic indicators to help the reader understand the environment within which the City's financial activities take place and to provide information that facilitates comparisons of financial information over time and among governments.	
Operating Information	S 30 – S 35
These schedules contain service and infrastructure data to help the reader understand how the information in the City's financial report relates to the services the City provides and the activities it performs.	
Sources Note:	
Unless otherwise noted, the information in these schedules is derived from the annual comprehensive financial reports for the relevant year.	

City of Loveland, Ohio

*Net Position by Component
Last Ten Years
(accrual basis of accounting)*

	*			
	2015	2016	2017	2018
Governmental Activities:				
Net Investment in Capital Assets	\$18,469,680	\$19,372,310	\$19,515,289	\$19,470,195
Restricted	1,662,026	1,741,174	2,582,085	3,082,182
Unrestricted	918,195	1,242,738	(1,546,806)	(987,439)
Total Governmental Activities Net Position	<u>\$21,049,901</u>	<u>\$22,356,222</u>	<u>\$20,550,568</u>	<u>\$21,564,938</u>
Business-type Activities:				
Net Investment in Capital Assets	\$9,452,972	\$9,402,549	\$9,384,084	\$9,450,023
Restricted	0	0	0	0
Unrestricted	1,808,310	2,013,249	1,415,095	379,312
Total Business-type Activities Net Position	<u>\$11,261,282</u>	<u>\$11,415,798</u>	<u>\$10,799,179</u>	<u>\$9,829,335</u>
Primary Government:				
Net Investment in Capital Assets	\$27,922,652	\$28,774,859	\$28,899,373	\$28,920,218
Restricted	1,662,026	1,741,174	2,582,085	3,082,182
Unrestricted	2,726,505	3,255,987	(131,711)	(608,127)
Total Primary Government Net Position	<u>\$32,311,183</u>	<u>\$33,772,020</u>	<u>\$31,349,747</u>	<u>\$31,394,273</u>

*Restated

Source: Finance Director's Office

City of Loveland, Ohio

2019	2020	2021	2022	2023	2024
\$21,354,268	\$21,320,995	\$21,188,747	\$22,659,376	\$25,818,644	\$30,731,014
2,738,327	3,267,704	4,381,209	2,752,109	3,303,080	4,248,285
964,079	1,297,454	2,113,332	4,859,201	1,915,199	608,812
<u>\$25,056,674</u>	<u>\$25,886,153</u>	<u>\$27,683,288</u>	<u>\$30,270,686</u>	<u>\$31,036,923</u>	<u>\$35,588,111</u>
\$9,558,726	\$9,558,275	\$10,862,533	\$10,690,759	\$10,868,820	\$11,878,977
0	0	0	0	0	39,088
238,980	357,191	522,199	881,653	1,406,676	2,402,710
<u>\$9,797,706</u>	<u>\$9,915,466</u>	<u>\$11,384,732</u>	<u>\$11,572,412</u>	<u>\$12,275,496</u>	<u>\$14,320,775</u>
\$30,912,994	\$30,879,270	\$32,051,280	\$33,350,135	\$36,687,464	\$42,609,991
2,738,327	3,267,704	4,381,209	2,752,109	3,303,080	4,287,373
1,203,059	1,654,645	2,635,531	5,740,854	3,321,875	3,011,522
<u>\$34,854,380</u>	<u>\$35,801,619</u>	<u>\$39,068,020</u>	<u>\$41,843,098</u>	<u>\$43,312,419</u>	<u>\$49,908,886</u>

City of Loveland, Ohio

*Changes in Net Position
Last Ten Years
(accrual basis of accounting)*

	2015	2016	2017
Expenses			
Governmental Activities:			
Security of Persons and Property	\$5,453,273	\$5,618,023	\$5,633,283
Leisure Time Activities	499,115	547,141	571,890
Community Environment	230,338	225,430	231,565
Transportation	1,152,321	875,995	890,979
General Government	2,329,335	1,769,444	1,670,528
Interest and Fiscal Charges	227,739	214,338	237,372
<i>Total Governmental Activities Expenses</i>	<u>9,892,121</u>	<u>9,250,371</u>	<u>9,235,617</u>
Business-type Activities:			
Water	2,076,354	1,629,209	1,635,665
Sewer	3,839,457	3,931,317	3,969,609
Stormwater	354,508	316,694	341,908
Sanitation	1,064,171	1,160,450	1,166,271
<i>Total Business-type Activities Expenses</i>	<u>7,334,490</u>	<u>7,037,670</u>	<u>7,113,453</u>
<i>Total Primary Government Expenses</i>	<u><u>\$17,226,611</u></u>	<u><u>\$16,288,041</u></u>	<u><u>\$16,349,070</u></u>
Program Revenues			
Governmental Activities:			
Charges for Services			
Security of Persons and Property	\$485,461	\$509,839	\$489,297
Leisure Time Activities	30,270	26,000	77,000
Community Environment	137,929	139,613	150,818
Transportation	30,270	26,000	77,000
General Government	110,989	95,394	6,461
Operating Grants and Contributions	827,199	765,072	717,431
Capital Grants and Contributions	446,948	281,482	260,860
<i>Total Governmental Activities Program Revenues</i>	<u>2,069,066</u>	<u>1,843,400</u>	<u>1,778,867</u>

City of Loveland, Ohio

2018	2019	2020	2021	2022	2023	2024
\$6,127,457	\$3,994,878	\$7,072,582	\$6,739,242	\$7,369,537	\$8,688,947	\$8,716,059
606,679	732,085	647,383	463,498	657,357	917,783	926,295
205,287	263,089	267,964	170,852	232,689	330,630	309,952
1,000,071	1,237,520	1,016,545	926,477	1,011,156	1,379,059	1,542,351
1,572,391	1,907,524	2,684,061	2,283,416	2,382,933	6,994,579	3,175,579
208,954	192,818	185,010	246,196	192,851	174,393	173,849
9,720,839	8,327,914	11,873,545	10,829,681	11,846,523	18,485,391	14,844,085
2,687,529	1,887,236	1,844,571	1,700,423	1,860,081	2,112,907	2,144,148
4,228,739	3,900,701	4,046,434	3,984,545	3,928,097	4,009,677	3,815,567
356,470	403,698	353,833	339,246	459,846	414,417	447,734
1,190,149	1,228,695	1,227,910	1,200,876	1,291,952	1,358,847	1,317,232
8,462,887	7,420,330	7,472,748	7,225,090	7,539,976	7,895,848	7,724,681
\$18,183,726	\$15,748,244	\$19,346,293	\$18,054,771	\$19,386,499	\$26,381,239	\$22,568,766
\$465,256	\$569,468	\$464,282	\$532,061	\$721,344	\$814,349	\$959,561
4,550	16,600	4,075	34,650	38,850	35,375	30,400
134,286	104,907	144,424	100,892	121,958	104,070	108,329
4,550	16,600	2,500	8,925	13,250	14,875	6,625
26,267	25,384	35,406	73,648	84,545	70,268	182,689
739,541	933,613	1,735,383	1,152,392	987,096	4,576,928	2,870,791
73,004	295,162	93,403	91,725	55,344	545,805	1,919,016
1,447,454	1,961,734	2,479,473	1,994,293	2,022,387	6,161,670	6,077,411

(continued)

City of Loveland, Ohio

Changes in Net Position Last Ten Years (accrual basis of accounting)

	2015	2016	2017
Business-type Activities:			
Charges for Services			
Water	1,679,873	1,669,782	1,675,413
Sewer	3,990,202	3,983,094	3,932,224
Stormwater	437,155	431,533	443,771
Sanitation	1,138,687	1,124,066	1,141,690
Operating Grants and Contributions	32,489	34,026	32,272
Capital Grants and Contributions	1,299	0	0
<i>Total Business-type Activities Program Revenues</i>	<u>7,279,705</u>	<u>7,242,501</u>	<u>7,225,370</u>
<i>Total Primary Government Program Revenues</i>	<u>9,348,771</u>	<u>9,085,901</u>	<u>9,004,237</u>
Net (Expense)/Revenue			
Governmental Activities	(7,823,055)	(7,406,971)	(7,456,750)
Business-type Activities	(54,785)	204,831	111,917
<i>Total Primary Government Net (Expense)/Revenue</i>	<u><u>(\$7,877,840)</u></u>	<u><u>(\$7,202,140)</u></u>	<u><u>(\$7,344,833)</u></u>
General Revenues and Other Changes in Net Position			
Governmental Activities:			
Property Taxes	\$3,224,922	\$3,273,696	\$3,463,847
Municipal Income Taxes	4,067,529	4,381,413	4,385,652
Other Local Taxes	151,224	155,423	151,433
Intergovernmental, Unrestricted	603,570	561,963	564,817
Investment Earnings	31,671	35,133	68,775
Miscellaneous	143,964	254,762	335,047
Transfers	51,941	50,902	43,412
<i>Total Governmental Activities</i>	<u>8,274,821</u>	<u>8,713,292</u>	<u>9,012,983</u>
Business-type Activities:			
Investment Earnings	0	587	3,127
Transfers	(51,941)	(50,902)	(43,412)
<i>Total Business-type Activities</i>	<u>(51,941)</u>	<u>(50,315)</u>	<u>(40,285)</u>
<i>Total Primary Government</i>	<u><u>\$8,222,880</u></u>	<u><u>\$8,662,977</u></u>	<u><u>\$8,972,698</u></u>
Change in Net Position			
Governmental Activities	\$451,766	\$1,306,321	\$1,556,233
Business-type Activities	(106,726)	154,516	71,632
<i>Total Primary Government Change in Net Position</i>	<u><u>\$345,040</u></u>	<u><u>\$1,460,837</u></u>	<u><u>\$1,627,865</u></u>

Source: Finance Director's Office

City of Loveland, Ohio

2018	2019	2020	2021	2022	2023	2024
1,733,174	1,811,604	1,947,584	2,041,506	2,165,913	2,592,432	2,972,716
4,041,076	3,935,132	3,986,116	4,004,428	3,941,485	4,063,784	4,211,798
447,207	449,995	453,680	448,442	448,482	465,072	462,685
1,163,059	1,162,874	1,173,684	1,243,935	1,241,808	1,250,057	1,291,715
49,057	26,429	25,162	30,822	22,360	63,615	36,159
60,883	0	0	763,609	75,000	0	370,140
7,494,456	7,386,034	7,586,226	8,532,742	7,895,048	8,434,960	9,345,213
8,941,910	9,347,768	10,065,699	10,527,035	9,917,435	14,596,630	15,422,624
(8,273,385)	(6,366,180)	(9,394,072)	(8,835,388)	(9,824,136)	(12,323,721)	(8,766,674)
(968,431)	(34,296)	113,478	1,307,652	355,072	539,112	1,620,532
(\$9,241,816)	(\$6,400,476)	(\$9,280,594)	(\$7,527,736)	(\$9,469,064)	(\$11,784,609)	(\$7,146,142)
\$3,714,377	\$3,750,809	\$3,835,943	\$4,006,978	\$4,042,748	\$4,819,258	\$5,445,987
4,495,030	4,773,872	5,090,110	5,716,851	7,001,717	6,819,660	6,873,641
165,372	159,253	154,846	148,475	145,429	135,803	124,726
572,734	641,921	852,651	662,542	689,214	662,390	752,138
108,661	241,238	121,497	7,648	84,206	484,445	541,248
222,703	282,033	168,504	247,949	271,944	319,523	368,317
8,878	8,790	0	(157,920)	176,276	(151,121)	(414,045)
9,287,755	9,857,916	10,223,551	10,632,523	12,411,534	13,089,958	13,692,012
7,465	11,457	4,282	3,694	8,884	12,851	10,702
(8,878)	(8,790)	0	157,920	(176,276)	151,121	414,045
(1,413)	2,667	4,282	161,614	(167,392)	163,972	424,747
\$9,286,342	\$9,860,583	\$10,227,833	\$10,794,137	\$12,244,142	\$13,253,930	\$14,116,759
\$1,014,370	\$3,491,736	\$829,479	\$1,797,135	\$2,587,398	\$766,237	\$4,925,338
(969,844)	(31,629)	117,760	1,469,266	187,680	703,084	2,045,279
\$44,526	\$3,460,107	\$947,239	\$3,266,401	\$2,775,078	\$1,469,321	\$6,970,617

City of Loveland, Ohio

Fund Balances, Governmental Funds Last Ten Years (modified accrual basis of accounting)

	2015	2016	2017	2018
General Fund				
Nonspendable	\$0	\$0	\$0	\$39,319
Assigned	937,705	6,627	86,329	13,866
Unassigned	4,544,994	6,894,401	7,827,774	8,826,304
<i>Total General Fund</i>	<u>5,482,699</u>	<u>6,901,028</u>	<u>7,914,103</u>	<u>8,879,489</u>
 All Other Governmental Funds				
Nonspendable	\$19,787	\$84,453	\$66,204	\$60,075
Restricted	1,255,059	1,351,823	2,107,784	3,764,360
Assigned	0	0	0	0
Unassigned	(2,459,974)	(3,322,056)	(2,677,476)	(2,691,731)
Total All Other Governmental Funds	<u>(1,185,128)</u>	<u>(1,885,780)</u>	<u>(503,488)</u>	<u>1,132,704</u>
<i>Total Governmental Funds</i>	<u>\$4,297,571</u>	<u>\$5,015,248</u>	<u>\$7,410,615</u>	<u>\$10,012,193</u>

Source: Finance Director's Office

City of Loveland, Ohio

2019	2020	2021	2022	2023	2024
\$2,470,339	\$2,502,951	\$2,524,390	\$2,643,952	\$2,748,717	\$2,694,831
43,268	229,189	394,189	3,303,623	450,618	209,422
6,036,923	6,876,519	7,639,349	5,930,293	6,364,373	6,377,463
<u>8,550,530</u>	<u>9,608,659</u>	<u>10,557,928</u>	<u>11,877,868</u>	<u>9,563,708</u>	<u>9,281,716</u>
\$62,913	\$67,077	\$49,714	\$77,686	\$94,310	\$77,809
2,187,101	2,711,253	3,805,350	2,265,558	2,649,461	9,835,230
649,540	521,621	441,512	405,488	670,662	488,701
<u>(2,682,876)</u>	<u>(2,652,963)</u>	<u>(2,166,630)</u>	<u>(2,615,973)</u>	<u>(2,714,378)</u>	<u>(2,438,736)</u>
<u>216,678</u>	<u>646,988</u>	<u>2,129,946</u>	<u>132,759</u>	<u>700,055</u>	<u>7,963,004</u>
<u>\$8,767,208</u>	<u>\$10,255,647</u>	<u>\$12,687,874</u>	<u>\$12,010,627</u>	<u>\$10,263,763</u>	<u>\$17,244,720</u>

City of Loveland, Ohio

Changes in Fund Balances, Governmental Funds Last Ten Years (modified accrual basis of accounting)

	2015	2016	2017	2018
Revenues:				
Property Taxes	\$3,209,671	\$3,288,628	\$3,428,837	\$3,718,153
Municipal Income Tax	3,956,067	4,418,607	4,446,776	4,496,060
Intergovernmental Revenue	1,875,764	1,432,747	1,505,028	1,371,840
Charges for Services	387,922	429,928	413,289	419,501
Licenses and Permits	331,424	331,804	437,249	279,848
Investment Earnings	31,671	35,133	68,775	108,661
Special Assessments	109,950	50,995	48,997	40,610
Fines and Forfeitures	115,692	97,714	95,542	67,241
All Other Revenue	143,964	254,762	335,047	222,703
Total Revenues	10,162,125	10,340,318	10,779,540	10,724,617
Expenditures:				
Current:				
Security of Persons and Property	5,110,692	5,138,967	5,452,714	5,497,421
Leisure Time Activities	396,848	448,081	541,706	481,425
Community Environment	230,762	221,275	213,703	199,538
Transportation	695,119	657,364	714,686	670,877
General Government	1,418,460	1,319,812	1,556,810	1,615,625
Capital Outlay	1,040,598	1,722,184	281,266	515,863
Debt Service:				
Principal Retirement	651,817	622,121	1,167,976	361,263
Interest and Fiscal Charges	223,455	208,405	232,132	204,608
Total Expenditures	9,767,751	10,338,209	10,160,993	9,546,620
Excess (Deficiency) of Revenues Over (Under) Expenditures	394,374	2,109	618,547	1,177,997

City of Loveland, Ohio

2019	2020	2021	2022	2023	2024
\$3,773,117	\$3,821,112	\$3,973,770	\$4,055,579	\$4,792,554	\$5,423,387
4,811,133	5,054,386	5,975,674	6,811,640	6,781,673	7,056,677
1,756,248	2,691,971	1,893,938	1,738,068	5,756,006	5,877,321
516,571	462,195	570,904	746,396	842,679	978,099
283,014	245,382	255,015	275,093	250,750	229,102
241,238	121,497	7,648	84,206	484,445	541,248
14,495	58,905	12,202	18,794	12,123	14,453
78,362	37,438	61,994	76,563	60,773	85,201
282,033	168,504	247,949	271,944	319,523	404,833
11,756,211	12,661,390	12,999,094	14,078,283	19,300,526	20,610,321
6,068,700	6,663,860	7,042,977	7,107,464	7,847,981	7,848,524
588,387	489,150	563,962	631,126	826,046	825,019
228,504	243,260	256,567	276,662	325,857	302,986
825,808	825,938	1,119,169	1,162,385	1,087,620	1,011,696
2,828,052	2,295,740	2,918,294	3,183,077	8,243,044	6,425,562
1,952,691	465,305	365,333	1,942,204	2,176,711	3,308,644
402,947	393,571	468,508	540,414	506,626	511,244
195,536	187,701	260,964	215,432	196,862	189,479
13,090,625	11,564,525	12,995,774	15,058,764	21,210,747	20,423,154
(1,334,414)	1,096,865	3,320	(980,481)	(1,910,221)	187,167

(continued)

City of Loveland, Ohio

Changes in Fund Balances, Governmental Funds Last Ten Years (modified accrual basis of accounting)

	2015	2016	2017	2018
Other Financing Sources (Uses):				
Sale of Capital Assets	63,000	0	572,681	14,153
Other Financing Sources - Leases	125,000	0	204,027	0
SBITA Issuance	0	0	0	0
Issuance of General Obligation Bonds	0	600,000	550,000	1,350,000
Refunding General Obligation Bonds Issued	0	0	410,000	0
Premium on General Obligation Bonds	0	0	0	60,418
Payment to Refunded Bond Escrow Agent	0	0	0	0
Transfers In	741,647	779,387	964,061	754,680
Transfers Out	(689,706)	(728,485)	(905,700)	(745,802)
Total Other Financing Sources (Uses)	<u>239,941</u>	<u>650,902</u>	<u>1,795,069</u>	<u>1,433,449</u>
Net Change in Fund Balance	<u><u>\$634,315</u></u>	<u><u>\$653,011</u></u>	<u><u>\$2,413,616</u></u>	<u><u>\$2,611,446</u></u>
 Debt Service as a Percentage of Noncapital Expenditures	 9.65%	 9.47%	 15.44%	 6.48%

Source: Finance Director's Office

City of Loveland, Ohio

2019	2020	2021	2022	2023	2024
7,374	275,195	368,626	32,890	21,208	246,341
69,065	112,055	659,626	68,565	0	0
0	0	0	0	71,710	87,991
0	0	1,305,000	0	0	6,424,000
0	0	981,000	0	0	0
0	0	298,152	0	0	0
0	0	(1,085,336)	0	0	0
923,652	707,127	546,048	909,466	1,871,451	1,194,360
(914,862)	(707,127)	(629,063)	(733,190)	(1,817,115)	(1,142,742)
85,229	387,250	2,444,053	277,731	147,254	6,809,950
(\$1,249,185)	\$1,484,115	\$2,447,373	(\$702,750)	(\$1,762,967)	\$6,997,117
6.24%	5.52%	6.83%	6.55%	4.07%	4.94%

City of Loveland, Ohio

Income Tax Revenues by Source, Governmental Funds Last Ten Years

Tax year	2015	2016	2017	2018
Income Tax Rate	1.00%	1.00%	1.00%	1.00%
Estimated Personal Income	\$376,604,700	\$408,809,222	\$418,071,710	\$430,636,734
Total Tax Collected (net of refunds)	\$3,766,047	\$4,088,092	\$4,180,717	\$4,306,367
Income Tax Receipts				
Withholding	2,124,522	2,348,990	2,353,645	2,598,637
Percentage	57%	57%	56%	60%
Corporate	427,054	470,445	457,553	320,046
Percentage	11%	12%	11%	8%
Individuals	1,214,471	1,268,657	1,369,519	1,387,684
Percentage	32%	31%	33%	32%

Source: City Income Tax Department

City of Loveland, Ohio

2019	2020	2021	2022	2023	2024
1.00%	1.00%	1.00%	1.00%	1.00%	1.00%
\$450,627,638	\$466,161,300	\$550,566,000	\$677,027,700	\$683,253,800	\$676,221,900
\$4,506,276	\$4,661,613	\$5,505,660	\$6,770,277	\$6,832,538	\$6,762,219
2,697,480	2,901,269	3,460,927	3,869,885	4,007,672	4,293,098
60%	62%	63%	57%	58%	63%
425,472	294,774	526,477	1,081,788	941,558	664,978
9%	6%	9%	16%	14%	10%
1,383,324	1,465,570	1,518,256	1,818,604	1,883,308	1,804,143
31%	32%	28%	27%	28%	27%

City of Loveland, Ohio

Income Tax Statistics Current Year and Nine Years Ago

Tax Year 2023 (filed in 2024)				
	Number of Filers	Percent of Total	Local Taxable Income	Percent of Income
\$0 - \$24,999	1,022	24.39%	\$10,091,772	2.32%
25,000 - 49,999	696	16.61%	26,230,785	6.03%
50,000 - 74,999	587	14.01%	36,405,766	8.36%
75,000 - 99,999	449	10.71%	39,088,043	8.98%
Over 100,000	1,437	34.28%	323,401,449	74.31%
Total	4,191	100.00%	\$435,217,815	100.00%

Tax Year 2014 (filed in 2015)				
Income Level	Number of Filers	Percent of Total	Local Taxable Income	Percent of Income
\$0 - \$24,999	1,297	30.50%	\$13,869,676	3.97%
25,000 - 49,999	811	19.07%	29,892,756	8.56%
50,000 - 74,999	521	12.25%	32,079,143	9.18%
75,000 - 99,999	451	10.60%	39,198,322	11.22%
Over 100,000	1,173	27.58%	234,248,590	67.07%
Total	4,253	100.00%	\$349,288,487	100.00%

Source: City Income Tax Department



City of Loveland, Ohio

Ratios of Outstanding Debt By Type Last Ten Years

	2015	2016	2017	2018
Governmental Activities ⁽¹⁾				
General Obligation Bonds Payable	\$3,055,000	\$3,186,641	\$2,737,469	\$3,882,668
Special Obligation TIF Bonds	0	0	550,000	550,000
Installment Loans	1,455,502	1,301,740	1,207,050	1,111,006
Leases	0	0	0	0
SBITA	0	0	0	0
Business-type Activities ⁽¹⁾				
General Obligation Bonds Payable	\$4,862,098	\$4,622,027	\$4,381,956	\$5,276,121
Ohio Public Works Commission Loans	4,136,015	3,788,661	3,849,052	3,542,975
Total Primary Government	<u>\$13,508,615</u>	<u>\$12,899,069</u>	<u>\$12,725,527</u>	<u>\$14,362,770</u>
Population ⁽²⁾				
City of Loveland	12,160	12,160	12,160	12,160
Outstanding Debt Per Capita	\$1,111	\$1,061	\$1,047	\$1,181
Income ⁽³⁾				
Personal	\$376,604,700	\$408,809,222	\$418,071,710	\$430,636,734
Percentage of Personal Income	3.59%	3.16%	3.04%	3.34%

Sources:

- (1) Finance Director's Office
- (2) US Bureau of Census of Population
- (3) City Income Tax Department

City of Loveland, Ohio

2019	2020	2021	2022	2023	2024
\$3,573,343	\$3,297,894	\$4,500,732	\$4,141,212	\$3,851,443	\$9,984,380
550,000	550,000	550,000	550,000	550,000	550,000
1,014,363	914,135	1,330,265	1,191,688	1,048,235	899,732
69,065	160,205	213,785	217,311	139,623	79,921
0	0	0	0	53,272	106,565
\$4,974,582	\$4,668,043	\$4,370,673	\$4,037,061	\$3,702,449	\$3,422,837
3,582,798	3,437,616	3,336,354	3,955,482	3,611,926	3,261,743
<u>\$13,764,151</u>	<u>\$13,027,893</u>	<u>\$14,301,809</u>	<u>\$14,092,754</u>	<u>\$12,956,948</u>	<u>\$18,305,178</u>
12,160	13,485	13,485	13,485	13,485	13,485
\$1,132	\$966	\$1,061	\$1,045	\$961	\$1,357
\$450,627,638	\$466,161,300	\$550,566,000	\$677,027,700	\$683,253,800	\$676,221,900
3.05%	2.79%	2.60%	2.08%	1.90%	2.71%

City of Loveland, Ohio

Ratios of General Bonded Debt Outstanding Last Ten Years

Year	2015	2016	2017	2018
Population ⁽¹⁾	12,160	12,160	12,160	12,160
Estimated Actual Value ⁽²⁾	\$888,604,349	\$910,246,336	\$984,511,119	\$1,005,437,394
General Bonded Debt ⁽³⁾				
General Obligation Bonds	\$7,917,098	\$7,808,668	\$7,669,425	\$9,708,789
Resources Available to Pay Principal ⁽⁴⁾	\$0	\$0	\$0	\$170,418
Net General Bonded Debt	\$7,917,098	\$7,808,668	\$7,669,425	\$9,538,371
Ratio of Net Bonded Debt to Estimated Actual Value	0.89%	0.86%	0.78%	0.95%
Net Bonded Debt per Capita	\$651.08	\$642.16	\$630.71	\$784.41

Source:

- (1) U.S. Bureau of Census of Population
- (2) County Auditor
- (3) Includes all general obligation bonded debt
- (4) Includes only Debt Service funds available for general obligation bonded debt

City of Loveland, Ohio

2019	2020	2021	2022	2023	2024
12,160	13,485	13,485	13,485	13,485	13,485
\$1,017,313,686	\$1,148,705,916	\$1,170,014,593	\$1,180,669,261	\$1,459,672,741	\$1,579,347,547
\$9,097,925	\$8,515,937	\$9,421,405	\$8,728,273	\$8,103,892	\$13,957,217
\$225,418	\$280,418	\$335,418	\$390,418	\$445,418	\$500,418
\$8,872,507	\$8,235,519	\$9,085,987	\$8,337,855	\$7,658,474	\$13,456,799
0.87%	0.72%	0.78%	0.71%	0.52%	0.85%
\$729.65	\$610.72	\$673.78	\$618.31	\$567.93	\$997.91



City of Loveland, Ohio

*Computation of Direct and Overlapping
Debt Attributable to Governmental Activities
December 31, 2024*

<u>Jurisdiction</u>	<u>Gross Debt Outstanding</u>	<u>Percentage Applicable to the City of Loveland (1)</u>	<u>Amount Applicable to the City of Loveland</u>
Direct:			
City of Loveland	\$11,620,598	100.00%	\$11,620,598
Overlapping:			
Hamilton County	158,130,252	1.30%	2,055,693
Sycamore Community School District	120,349,260	1.11%	1,335,877
Little Miami School District	94,160,810	2.92%	2,749,496
		Subtotal	<u>6,141,066</u>
		Total	<u><u>\$17,761,664</u></u>

Source: Hamilton County Auditor, Warren County Auditor, Clermont County Auditor

(1) Percentages determined by dividing each overlapping subdivisions' assessed valuation within the City by the subdivisions' total assessed valuation.

City of Loveland, Ohio

Debt Limitations Last Ten Years

	2015	2016	2017	2018
Total Debt				
Net Assessed Valuation	\$315,281,720	\$322,994,330	\$349,283,750	\$356,980,000
Legal Debt Limitation (%) (1)	10.50%	10.50%	10.50%	10.50%
Legal Debt Limitation (\$) (1)	33,104,581	33,914,405	36,674,794	37,482,900
City Debt Outstanding (2)	3,055,000	3,186,641	2,737,469	3,822,250
Less: Applicable Debt Service Fund Amounts	0	0	0	(170,418)
Net Indebtedness Subject to Limitation	3,055,000	3,186,641	2,737,469	3,651,832
Overall Legal Debt Margin	\$30,049,581	\$30,727,764	\$33,937,325	\$33,831,068
Debt Margin as a Percentage of Debt Limit				
	90.77%	90.60%	92.54%	90.26%
Unvoted Debt				
Net Assessed Valuation	\$315,281,720	\$322,994,330	\$349,283,750	\$356,980,000
Legal Debt Limitation (%) (1)	5.50%	5.50%	5.50%	5.50%
Legal Debt Limitation (\$) (1)	17,340,495	17,764,688	19,210,606	19,633,900
City Debt Outstanding (2)	3,055,000	3,186,641	2,737,469	3,822,250
Less: Applicable Debt Service Fund Amounts	0	0	0	(170,418)
Net Indebtedness Subject to Limitation	3,055,000	3,186,641	2,737,469	3,651,832
Overall Legal Debt Margin	\$14,285,495	\$14,578,047	\$16,473,137	\$15,982,068

(1) Direct Debt Limitation based upon Section 133, The Uniform Bond Act of the Ohio Revised Code.

(2) City Debt Outstanding includes Non Self-Supporting General Obligation Bonds and Notes only.
Enterprise Debt is not considered in the computation of the Legal Debt Margin.

Source: Finance Director's Office

City of Loveland, Ohio

2019	2020	2021	2022	2023	2024
\$361,415,410	\$407,997,790	\$415,793,160	\$419,747,610	\$518,084,600	\$560,793,860
10.50%	10.50%	10.50%	10.50%	10.50%	10.50%
37,948,618	42,839,768	43,658,282	44,073,499	54,398,883	58,883,355
3,515,946	3,243,518	4,170,926	3,834,128	3,567,081	9,722,740
(225,418)	(280,418)	(335,418)	(390,418)	(445,418)	(500,418)
3,290,528	2,963,100	3,835,508	3,443,710	3,121,663	9,222,322
\$34,658,090	\$39,876,668	\$39,822,774	\$40,629,789	\$51,277,220	\$49,661,033
91.33%	93.08%	91.21%	92.19%	94.26%	84.34%
\$361,415,410	\$407,997,790	\$415,793,160	\$419,747,610	\$518,084,600	\$560,793,860
5.50%	5.50%	5.50%	5.50%	5.50%	5.50%
19,877,848	22,439,878	22,868,624	23,086,119	28,494,653	30,843,662
3,515,946	3,243,518	4,170,926	3,834,128	3,567,081	9,722,740
(225,418)	(280,418)	(335,418)	(390,418)	(445,418)	(500,418)
3,290,528	2,963,100	3,835,508	3,443,710	3,121,663	9,222,322
\$16,587,320	\$19,476,778	\$19,033,116	\$19,642,409	\$25,372,990	\$21,621,340

City of Loveland, Ohio

Demographic and Economic Statistics Last Ten Years

Calendar Year	2015	2016	2017	2018
Population (1)				
City of Loveland	12,160	12,160	12,160	12,160
Hamilton County	802,374	802,374	802,374	802,374
Income (2)				
Total Personal	\$376,604,700	\$408,809,222	\$418,071,710	\$430,636,734
Per Capita	30,971	33,619	34,381	35,414
Unemployment Rate (3)				
Federal	4.9%	4.7%	4.1%	3.9%
State	4.9%	4.9%	4.7%	4.6%
Hamilton County	4.4%	4.0%	4.0%	4.2%
Civilian Work Force Estimates (3)				
State	5,719,500	5,751,600	5,664,800	5,788,200
Hamilton County	404,100	408,900	402,900	414,700

Sources:

- (1) U.S. Bureau of Census of Population
- (2) City Income Tax Department
- (3) State Department of Labor Statistics

City of Loveland, Ohio

2019	2020	2021	2022	2023	2024
12,160	13,485	13,485	13,485	13,485	13,485
802,374	817,473	817,473	817,473	817,473	817,473
\$450,627,638	\$466,161,300	\$550,566,000	\$677,027,700	\$683,253,800	\$676,221,900
37,058	34,569	40,828	50,206	50,668	50,146
3.5%	6.7%	3.9%	3.5%	3.7%	4.0%
4.2%	5.5%	4.5%	4.1%	3.6%	4.3%
4.4%	4.9%	3.0%	3.0%	2.8%	4.1%
5,779,300	5,763,300	5,731,474	5,720,223	5,739,180	5,898,823
415,000	410,248	415,496	416,040	423,789	432,858



City of Loveland, Ohio

Principal Employers Current Year and Nine Years Ago

Employer	Nature of Business	2024	
		Employees	Rank
Loveland Schools	Education	731	1
Caring Place healthcare Group LLC	Healthcare	411	2
Group Management Services, Inc.	Business Management	365	3
Onesource Employee Management	Business Management	348	4
Robert McCabe Company Inc.	Home Improvement	180	5
Federal Express Corporation	Shipping	137	6
Kroger Limited Partnership	Retail	125	7
Oasis Turf Tree Inc.	Service	116	8
Mike's Car Wash Inc.	Service	100	9
Eads Fence Company Inc.	Retail	96	10
Total		2,609	
Total Employment within the City (1)		N/A	

Employer	Nature of Business	2015	
		(2) Employees	Rank (1)
Loveland Schools	Education		1
Onesource Employee Management	Business Management		2
London Computer Systems	Computer Software		3
Robert McCabe Company Inc.	Home Improvement		4
McCormick Equipment Company	Warehouse Equipment		5
Kroger Limited Partnership	Retail		6
Washing Systems LLC	Research and Development		7
City of Loveland	Government		8
Federal Express Corporation	Shipping		9
St. Columban	Education		10

(1) - Total employment within the City is not available.

(2) - Amounts not available for this year.

City of Loveland, Ohio

Full Time Equivalent Employees by Function Last Ten Years

	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>
Governmental Activities				
General Government				
Finance	5.00	5.00	5.00	5.00
Mayor's Court	1.00	1.00	1.00	1.00
City Manager's Office	1.50	1.50	1.50	3.00
Council/Clerk of Council	0.50	0.50	0.50	0.50
Security of Persons and Property				
Police	19.00	19.00	19.00	19.50
Community Environment				
Engineering	1.00	1.00	1.00	1.00
Building and Zoning	1.50	1.50	1.50	1.50
Business-Type Activities				
Utilities, Streets, Storm, Sanitation and Parks (Public Works Department)				
	<u>12.75</u>	<u>12.75</u>	<u>12.75</u>	<u>13.75</u>
<i>Total Employees</i>	<u><u>42.25</u></u>	<u><u>42.25</u></u>	<u><u>42.25</u></u>	<u><u>45.25</u></u>

Method: 1.00 for each full-time, 0.50 for each part-time and 0.25 for each seasonal employee

Source: Finance Director's Office

City of Loveland, Ohio

2019	2020	2021	2022	2023	2024
5.00	5.00	5.00	5.00	5.00	5.00
1.00	1.00	1.00	1.00	1.00	1.00
3.00	3.50	3.50	3.50	4.00	4.00
0.50	0.50	0.50	0.50	0.50	0.50
19.50	22.50	22.50	24.50	26.00	28.00
1.00	1.00	1.25	1.25	1.25	1.25
2.00	2.00	2.00	2.00	2.00	2.00
14.75	14.50	14.75	14.75	15.75	15.75
46.75	50.00	50.50	52.50	55.50	57.50

City of Loveland, Ohio

Operating Indicators by Function Last Ten Years

	2015	2016	2017	2018
Governmental Activities				
General Government				
Court				
Number of Criminal Cases	135	98	77	68
Number of Traffic Cases	920	814	656	591
Licenses and Permits				
Number of Residential Building Permits	181	169	200	140
Number of Commercial Building Permits	134	93	144	103
Number of Residential Building Inspections	476	434	349	266
Number of Commercial Building Inspections	153	123	149	254
Security of Persons and Property				
Police				
Number of Calls for Service	14,160	12,360	10,661	10,457
Number of Criminal Arrests	502	389	337	380
Number of DUI Arrests	44	46	66	34
Number of Traffic Accidents	181	186	205	205
Transportation				
Street				
Number of Streets Resurfaced	3	6	8	16
Business-Type Activities				
Water				
Number of Service Connections	4,996	5,037	5,060	5,080
Daily Average Consumption (MGD)	1.240M	1.201M	1.156M	1.153M
Peak Daily Consumption (MGD)	2.06M	2.32M	2.21M	2.07M

Source: Finance Director's Office

City of Loveland, Ohio

2019	2020	2021	2022	2023	2024
47	16	26	31	23	16
588	237	503	765	599	764
149	144	143	196	201	298
105	69	65	79	76	72
413	357	346	229	582	4,096
462	239	164	83	228	1,024
9,644	8,653	7,813	10,424	11,432	18,958
343	227	215	246	290	285
20	24	7	17	17	6
210	140	136	158	127	105
20	11	10	25	22	12
5,094	5,099	5,099	5,103	5,099	5,096
1.046M	1.130M	1.160M	1.15M	1.17M	1.17M
2.15M	2.47M	2.20M	2.02M	2.01M	2.24M

City of Loveland, Ohio

Capital Asset Statistics by Function Last Ten Years

	2015	2016	2017	2018
Governmental Activities				
Security of Persons and Property				
Police				
Stations	1	1	1	1
Vehicles	14	13	14	15
Fire/EMS				
Vehicles	16	17	17	19
Transportation				
Street				
Number of Paved Streets	201	201	209	209
Total Paved Miles	109	109	109	109
Signal Controlled Intersections	13	13	13	13
Licensed Vehicles	24	25	25	25
Leisure Time Activities				
Parks and Recreation				
Land (acres)	99	99	99	99
Buildings	5	5	5	5
Parks	10	10	10	10
Playgrounds	7	7	7	7
Tennis Courts	7	7	7	7
Skate Board Park	1	1	1	1
Baseball/Softball Diamonds	10	9	9	9
Basketball Courts	3	4	4	4
Soccer Fields	8	8	8	8
Business-Type Activities				
Utilities				
Water				
Water Towers	4	4	4	4
Waterlines (Miles)	78	78	79	79
Water Treatment Plants	1	1	1	1
Buildings	8	8	8	8
Licensed Vehicles	11	11	11	11
Pump Stations	3	3	3	3
Storage Capacity (thousands of gallons)	5,000	5,000	5,555	5,555

Source: Finance Director's Office

City of Loveland, Ohio

2019	2020	2021	2022	2023	2024
1	1	1	1	1	1
17	17	17	17	18	17
19	21	21	23	23	23
209	209	209	209	209	209
109	109	109	109	109	109
13	13	13	13	13	13
25	25	21	21	22	20
99	99	99	158	158	158
5	5	5	8	8	8
10	10	10	10	10	10
7	7	7	7	7	7
7	7	4	4	4	4
1	1	1	1	1	1
9	9	9	9	9	9
4	4	4	4	4	4
8	8	8	8	8	8
4	4	4	4	4	4
79	79	79	79	79	79
1	1	1	1	1	1
8	8	8	8	8	8
11	11	9	9	9	8
3	3	3	3	3	3
5,555	5,555	5,000	5,000	5,000	5,000

