

# ANNUAL COMPREHENSIVE FINANCIAL REPORT



DANIEL HARRIGAN, MAYOR

## CITY OF AKRON, OHIO



FOR THE FISCAL YEAR ENDED DECEMBER 31, 2021





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City Council  
City of Akron  
166 S. High St Rm 502  
Akron, OH 44308

We have reviewed the *Independent Auditor's Report* of the City of Akron, Summit County, prepared by Plante & Moran, PLLC, for the audit period January 1, 2021 through December 31, 2021. Based upon this review, we have accepted these reports in lieu of the audit required by Section 117.11, Revised Code. The Auditor of State did not audit the accompanying financial statements and, accordingly, we are unable to express, and do not express an opinion on them.

Our review was made in reference to the applicable sections of legislative criteria, as reflected by the Ohio Constitution, and the Revised Code, policies, procedures and guidelines of the Auditor of State, regulations and grant requirements. The City of Akron is responsible for compliance with these laws and regulations.

Keith Faber  
Auditor of State  
Columbus, Ohio

January 18, 2023

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City of Akron, Ohio  
Daniel Horrigan, Mayor  
ANNUAL COMPREHENSIVE  
FINANCIAL REPRT



For the Fiscal Year Ended December 31, 2021

Issued by the Department of Finance

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## **ELECTED AND APPOINTED OFFICIALS**

As of August 2022

**Daniel Horrigan, Mayor**

### **COUNCIL MEMBERS**

Nancy L. Holland	1st Ward
Phil Lombardo	2nd Ward
Margo M. Sommerville, Council President	3rd Ward
Russel C. Neal, Jr.	4th Ward
Tara Mosley	5th Ward
Brad McKittrick	6th Ward
Donnie J. Kammer	7th Ward
Shammas Malik	8th Ward
Michael N. Freeman	9th Ward
Sharon L. Connor	10th Ward
Jeff Fusco	Councilman-at-Large
Linda F. R. Omobien	Councilwoman-at-Large
Ginger Baylor	Councilwoman-at-Large

### **CABINET OF THE MAYOR**

Stephen F. Fricker	Director of Finance
Christopher D. Ludle	Director of Public Service
Eve. V. Belfance	Director of Law
Jason Segedy	Director of Planning and Urban Development
Yamini Adkins	Director of Human Resources
Gertrude Wilms	Chief of Staff and Deputy Mayor for Administration
Sean Vollman	Director of Integrated Development
Marco S. Sommerville	Deputy Mayor for Intergovernmental Affairs and Senior Advisor
Samuel D. DeShazor	Director of Business Retention and Expansion
Charles A. Brown	Deputy Mayor for Public Safety
Frank Williams	Deputy Mayor for Labor Relations
Catherine Breck	Director of Strategic Development
Eufrancia Lash	Deputy Director of Public Service and Neighborhood Assistance
John C. Reece	Deputy Director of Law
Randy D. Briggs	Assistant to the Mayor for Labor
James Aitken	Deputy Director of Public Service -Operations

## 2022



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**CITY OF AKRON, OHIO  
ANNUAL COMPREHENSIVE FINANCIAL REPORT  
TABLE OF CONTENTS**

	<u>Exhibit</u>	<u>Page</u>
<b>INTRODUCTORY SECTION:</b>		
List of Officials		1
Organization Chart		2
Table of Contents		3
Finance Director's Letter of Transmittal		7
Certificate of Achievement for Excellence in Financial Reporting		15
<b>FINANCIAL SECTION:</b>		
Independent Auditor's Report		17
Management's Discussion and Analysis		21
Basic Financial Statements		
Government-wide Financial Statements:		
Statement of Net Position	1	40
Statement of Activities	2	41
Fund Financial Statements:		
Balance Sheet - Governmental Funds	3	42
Reconciliation of the Balance Sheet to the Statement of Net Position - Governmental Funds	3a	43
Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds	4	44
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances to the Statement of Activities - Governmental Funds	4a	45
Statement of Net Position - Proprietary Funds	5	46
Statement of Revenues, Expenses and Changes in Net Position - Proprietary Funds	6	47
Statement of Cash Flows - Proprietary Funds	7	48
Statement of Fiduciary Net Position - Fiduciary Funds- Custodial	8	49
Statement of Changes in Fiduciary Net Position - Custodial Funds	9	50
Notes to the Financial Statements:		
1. Summary of Significant Accounting Policies		51
2. Pooled Cash and Investments		62
3. Receivables		66
4. Due From/To Other Governments		67
5. Due From/To Other Funds		68
6. Deposits		69
7. Capital Assets		70
8. Accrued Vacation and Leave		73
9. Pension and Other Post-Retirement Benefit Plans		75
10. Notes Payable		93
11. Bonds and Loans Payable and Defeased Debt		95
12. Obligations Under Capitalized Leases and Certificates of Participation (COPs)		109

**CITY OF AKRON, OHIO**  
**ANNUAL COMPREHENSIVE FINANCIAL REPORT**  
**TABLE OF CONTENTS**  
**(Continued)**

	<u>Exhibit</u>	<u>Page</u>
Notes to the Financial Statements (Continued):		
13. Self-Insurance Funds		112
14. Long-Term Liabilities		114
15. Compliance and Accountability		115
16. Income Taxes		116
17. Property Taxes		116
18. JEDD Revenues		117
19. Pledged Revenues		118
20. Pollution Remediation		123
21. Deferred Inflows/Outflows of Resources		124
22. Transfers and Advances		125
23. Contingencies		126
24. Closure and Post-Closure Care Costs		126
25. Jointly Governed Organizations		127
26. Joint Ventures		127
27. Related Organization		129
28. Fund Balance		130
29. Tax Abatements		131
30. Future Leasing Rights, Assigned Agreements and Collateralized Borrowing		131
31. Subsequent Events		132
Required Supplementary Information		135
Schedules of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual - Non-GAAP Budget Basis		
• General Fund	A-1	136
• Community Learning Centers Fund	A-2	138
• Income Tax Capital Improvement Fund	A-3	139
• Special Assessment Fund	A-4	140
• Various Purpose Funding Fund	A-5	141
Schedule of Net Pension Liability and Related Ratios Under OPERS		142
Schedule of Contributions Under OPERS to State Pension and OPEB		143
Schedule of Net Pension Liability and Related Ratios Under OP&F		144
Schedule of Contributions Under OP&F to State Pension and OPEB		145
Schedule of Net OPEB Liability and Related Ratios		146
Schedule of Contributions Under the City of Akron's OPEB Plan		147
Notes to the Required Supplementary Information		
• Budgetary Data		148
• Schedule of City's Proportionate Share of Net Pension Liability		149
• Schedule of the City Contributions to State Pension Funds and OPEB		149
• Schedule of the Net OPEB Liability and Related Ratios		149
Supplementary Information		151
Non-Major Governmental Funds:		152
Combining Balance Sheet - Non-Major Governmental Funds	B-1	154
Combining Statement of Revenues, Expenditures and Changes in Fund Balances - Non-Major Governmental Funds	B-2	161

**CITY OF AKRON, OHIO**  
**ANNUAL COMPREHENSIVE FINANCIAL REPORT**  
**TABLE OF CONTENTS**  
**(Continued)**

	<u>Exhibit</u>	<u>Page</u>
Schedules of Revenues, Expenditures and Changes in		
Fund Balances - Budget and Actual - Non-GAAP Budget Basis		
• Income Tax Collection Fund	B-3	168
• Emergency Medical Service Fund	B-4	169
• Police Pension Employer's Liability Fund	B-5	170
• Fire Pension Employer's Liability Fund	B-6	171
• Street and Highway Maintenance Fund	B-7	172
• Community Development Fund	B-8	173
• Community Environment Grants Fund	B-9	174
• Akron Metropolitan Area Transportation Study Fund	B-10	175
• H.O.M.E. Program Fund	B-11	176
• Tax Equivalency Fund	B-12	177
• Special Revenue Loans Fund	B-13	178
• Joint Economic Development Districts Fund	B-14	179
• Akron Municipal Court Information System Fund	B-15	180
• Police Grants Fund	B-16	181
• Safety Programs Fund	B-17	182
• City Facilities Operating Fund	B-18	183
• Deposits Fund	B-19	184
• Police, Fire, and Road Activity Fund	B-20	185
• General Grants Fund	B-21	186
• General Bond Payment Fund	B-22	187
• Streets Fund	B-23	188
• Information Technology and Improvements Fund	B-24	189
• Parks and Recreation Fund	B-25	190
• Public Facilities and Improvements Fund	B-26	191
• Public Parking Fund	B-27	192
• Economic Development Fund	B-28	193
Non-Major Enterprise Funds:		195
Combining Statement of Net Position - Non-Major Enterprise Funds	C-1	196
Combining Statement of Revenues, Expenses and Changes in Fund Net Position - Non-Major Enterprise Funds	C-2	197
Combining Statement of Cash Flows - Non-Major Enterprise Funds	C-3	198
Internal Service Funds:		201
Combining Statement of Net Position - Internal Service Funds	D-1	202
Combining Statement of Revenues, Expenses and Changes in Fund Net Position - Internal Service Funds	D-2	204
Combining Statement of Cash Flows - Internal Service Funds	D-3	206
Fiduciary Funds:		211
Combining Statement of Fiduciary Net Position - Custodial Funds	E-1	212
Combining Statement of Changes in Fiduciary Net Position - Custodial Funds	E-2	214

**CITY OF AKRON, OHIO**  
**ANNUAL COMPREHENSIVE FINANCIAL REPORT**  
**TABLE OF CONTENTS**  
**(Continued)**

<b><u>STATISTICAL SECTION:</u></b>	<b><u>Schedule</u></b>	<b><u>Page</u></b>
Statistical Section:		217
Net Position by Component, Last Ten Fiscal Years	1	219
Changes in Net Position, Last Ten Fiscal Years	2	220
Fund Balances, Governmental Funds, Last Ten Fiscal Years	3	222
Changes in Fund Balances, Governmental Funds, Last Ten Fiscal Years	4	224
Assessed Value and Estimated Actual Value of Taxable Property, Last Ten Fiscal Years	5	226
Direct and Overlapping Property Tax Rates, Last Ten Fiscal Years	6	227
Principal Property Tax Payers 12/31/2021 and 12/31/2012	7	228
Property Tax Levies and Collections, Last Ten Years	8	229
Income Tax Collections by Annual Collection Amount (Withholding and Direct Accounts), Fiscal Years 2020 and 2021	9	230
Ratios of Outstanding Debt and Capital Leases by Type, Last Ten Fiscal Years	10	231
Legal Debt Margin Information Unvoted Debt Limit (5 1/2%), Last Ten Fiscal Years	11	233
Legal Debt Margin Information Total Debt Limit (10 1/2%), Last Ten Fiscal Years	12	234
Computation of Direct and Overlapping Debt as of December 31, 2021	13	235
Ratios of General Bonded Debt Outstanding, Last Ten Fiscal Years	14	236
Pledged-Revenue Coverage, Last Ten Fiscal Years	15	237
Demographic and Economic Statistics, Last Ten Fiscal Years	16	239
Principal Employers 12/31/2021 and 12/31/2012	17	240
Full-Time Equivalent City Government Employees by Function/Program, Last Ten Fiscal Years	18	241
Operating Indicators by Function/Program, Last Ten Fiscal Years	19	243
Capital Asset Statistics by Function/Program, Last Ten Fiscal Years	20	244

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**DANIEL HARRIGAN, MAYOR**

**DEPARTMENT OF FINANCE**

205 Municipal Building / 166 South High Street / Akron, Ohio 44308  
PH: (330) 375-2316

December 16, 2022

The Honorable Daniel Horrigan  
and Members of City Council  
The City of Akron, Ohio

Dear Mayor Horrigan and Council Members:

I am pleased to submit the Annual Comprehensive Financial Report (ACFR) of the City of Akron for the year ended December 31, 2021. This report presents financial and operating information about the City's activities during 2021 that should be useful to citizens and taxpayers. The report, prepared by the Department of Finance, contains a comprehensive analysis of the City's financial position and activities for the year.

Responsibility for both the accuracy of the presented data and the completeness and fairness of the presentation, including all disclosures, rests with the City of Akron. To the best of our knowledge and belief, the enclosed data is accurate in all material respects; it is presented in a manner designed to fairly set forth the financial position and results of operations of the City as measured by the financial activity of our various funds; and all disclosures necessary to enable the reader to gain the maximum understanding of the City's financial activities have been included.

Management assumes full responsibility for the completeness and reliability of the information contained in this report, based upon a comprehensive framework of internal control that has been established for this purpose. The cost of internal control should not exceed anticipated benefits; therefore, the objective is to provide reasonable, rather than absolute, assurance that the financial statements are free of any material misstatements. The Audit and Budget Division prepared all of the financial statements and assisted the external independent auditors in their performance of the annual audit. The Treasury Division assisted in drafting the statistical section.

Generally accepted accounting principles (GAAP) require that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to

complement the MD&A and should be read in conjunction with it. The City of Akron's MD&A can be found immediately following the Independent Auditor's Report.

As background for the reader of this report, the City of Akron is a charter city. The City is the fifth largest Ohio municipality in terms of population based on the 2020 Census population of 190,469. The City's land area is approximately 62.03 square miles and is located in the northeastern region of the state in the County of Summit.

The City is directed by a mayor and council form of government. Legislative authority is vested in a 13-member Council, three members of which are elected at-large and ten by wards. The Council determines the compensation of City officials and employees and enacts members' ordinances and resolutions relating to City services, tax levies, appropriation and borrowing of money, licensing and regulating businesses and trades, and other municipal purposes.

The Mayor is elected for a four-year term and has the responsibility as the City's chief executive and administrative officer. The Mayor may veto any legislation passed by Council. A veto may be overridden by a two-thirds vote of all members of Council. The Director of Finance is appointed by the Mayor and serves as the City's chief financial officer and chief accounting officer. The Director of Finance has comprehensive responsibility for the City's fiscal activities, including budget preparation and control, payroll and general accounting, investment and debt management, purchasing, local income tax administration, utility revenue collection and financial reporting.

The City provides the full range of municipal services mandated by statute or charter, including police and fire protection, health, parks, recreation, street maintenance, planning, zoning and other general government services. The City has management control of the following enterprise activities: water, sewer, oil and gas development, golf course, airport and off-street parking.

### Economic Conditions and Outlook

The COVID-19 pandemic has upended the world and has dramatically impacted the United States. From unprecedented and tragic loss of life to historic job loss, this worldwide crisis continues to significantly impact the way people work, play and engage with one another. The City of Akron has been affected due to the impact on our residents, businesses and the increased need for municipal services (including, but not limited to, first responder and other critical services).

Major revenue sources for the City continue to be the City's income tax, property taxes, local fees, charges for services, and state-shared local government revenue. The City's cash income tax collections increased by approximately 10.17% in 2021. On a cash basis for 2021, property taxes in the general fund increased by 11.79% and the state's local government revenue to the City increased by approximately 13.15%. Despite the pandemic, the City of Akron remains in a stable financial position due to assistance from the federal government. In May 2021, the City received \$72,688,813 in federal funds from the American Rescue Plan Act (ARPA) and an additional \$72,688,813 in June of 2022. These funds will be utilized in part as revenue replacement as well as to continue to respond to the COVID-19 emergency and to bring equitable economic recovery to Akron.

## Long-term Financial Policies

Unassigned fund balance in the general fund is 17.33% of the general fund expenditures. The general fund of the City does not have a specified unassigned fund balance target. The recommended level of unassigned fund balance will be determined as needed and as recommended by officials and approved by Council when necessary.

The City completes a five-year capital budget that is updated annually. In this document, the City attempts to forecast its capital requirements for the next five years.

## Relevant Financial Policies

The City has a charter requirement that the 2% income tax (the City's largest revenue source) used specifically for City services, be allocated so that 73% of net revenue is used for operations and the balance is used for capital needs. The passage of Issue 4 that went into effect January 2018 increased the Akron income tax rate by 0.25%. This tax increase will fund police, fire, emergency medical services and roads.

## Major Initiatives

The major initiatives for the City of Akron can be summarized as follows: complete major construction projects, expand economic opportunity and entrepreneurship, redevelop neighborhoods, empower Akron families financially and build a more equitable Akron. The \$145 million in federal support from the American Rescue Plan Act (ARPA) funds that Akron received will impact Akron's recovery economically now and in the future. ARPA funds will be spent on six areas of critical need of investment for the City of Akron. They are housing, public utility support, local economic recovery, youth violence prevention, parks and public facilities and City Information Technology (IT).

2021 was another challenging year due to the COVID-19 pandemic. The City's administration re-affirmed its commitment to investing in infrastructure through City and capital improvements. With the help of the Safety and Streets Income Tax, the City of Akron completed paving another 47 miles of streets in 2021. This is an addition to the more than 183 miles of Akron roadway that were repaved over the past five years. Since its passage in November 2017, the .25% Safety and Streets income tax ("Issue 4"), has brought in over \$66 million in new funding to support Akron police, fire, and roads. These additional funds have supported the construction of two new fire stations, purchased new body cameras, vehicles and safety equipment, and re-opened the Akron Police Academy.

The City of Akron broke ground in October 2020 on Phase II of the Main Street Project. Phase II improvements will include new roadway with one lane in each direction, plus turn lanes at Market Street and SR 59, a lane on each side of the street for parallel parking, short term deliveries, or buses, a continuation of the cycle track connecting to the nearby towpath trail, new sidewalks, pedestrian and roadway LED lighting, utility upgrades, and aesthetics and amenities, including room for sidewalk cafes. One mid-block pedestrian crossing near the library will be provided. Once it is finished, the improvements will create a unified, accessible, and beautiful corridor all the way from Cedar Street to Martin Luther King Blvd. (State Route 59).

In 2020, the City of Akron announced a new program to assist businesses and entrepreneurs with financial aid, technical assistance, and vacant retail properties in the Great Streets Akron districts. The program has been designed to achieve two goals at once: boost Akron's neighborhood retail zones and remove barriers for new and expanding businesses to thrive locally. As of December 2021, 65 new businesses have been created or relocated into the Great Streets districts. These neighborhood districts include Aster Avenue, East Copley, Ellet, Goodyear Heights, Kenmore Blvd., Maple Valley, Middlebuy, North Hill, Wallhaven, West Hill, Merriman Valley, Sherbondy Hill and South Arlington. Since December 2021, approximately \$2.6 million dollars have been awarded with the Great Streets Akron program to approximately 125 Akron businesses.

Small businesses in Akron are still challenged by COVID. Even as hundreds of billions of dollars in federal loans were made available, only 27% of those dollars went to low or moderate income neighborhoods nationwide. The Akron Resiliency Fund in partnership with the Development Finance Authority was launched in the fall of 2020. The initial investment of two million dollars from the relief fund established more than 16 loans with 63% going to black-owned businesses and 100% going to low or moderate income Akron businesses. Downtown Akron continues to rebuild and renovate even during these times. Residential construction in downtown Akron has not slowed, as evidenced by the market demand for new units as soon as they become available. Lock 3, Canal Park, and the Akron Civic Theatre are welcoming crowds this summer. \$3.5 million dollars of the ARPA funds will go towards the renovation of Lock 3 this fall.

Redeveloping our neighborhoods is a high priority for Akron. In a continued attempt to further promote homeownership in Akron a new property acquisition program was implemented and named "Welcome Home Akron." Welcome Home Akron is a data driven government software company that focuses on housing and economic development strategies. The online tool, found at [akronliving.org](http://akronliving.org), makes it simple for residents, builders and developers to easily view City properties for sale and allows anyone to download and complete necessary applications online. The goal of the program is to increase new home construction opportunities while also combatting blight and increasing the vitality and safety of Akron neighborhoods. All participants that take advantage of the program will be eligible for citywide tax abatement for 15 years. Akron also launched a new program to help residential housing repairs in our neighborhoods. The Akron Home Repair Program is for residential homes and has just begun accepting applications. This program is intended to address the housing, health, and safety needs of income eligible households. The program provides up to \$25,000 in home repairs to qualified homeowners in Akron. The program will utilize ARPA funding for repairs that include accessibility modifications, carpentry repairs, siding, drywall and painting, flooring, foundations, gutters and downspouts, plumbing, roofing, windows and doors along with heating and electrical work. This program will benefit our neighborhoods directly now and increase value for residential homes receiving the needed repairs.

Akron is committed to empowering Akron families financially and building a more equitable Akron. ARPA funds will help provide direct water/sewer bill relief to Akron households through the ongoing Akron Cares program. ARPA funds will also help tackle youth and community violence in Akron. \$10 million dollars will be spent to support youth employment programs and training, improving recreational assets across Akron neighborhoods, and gun violence interventions for those most at risk of being caught up in the violence either as a perpetrator or a victim. Akron's new police chief, Steve Mylett, was hired through a transparent process that included a public town hall meeting which focused on the issues facing modern police departments. His main objective is to reduce and prevent crime and build new strategies that will break the cycle of violence to keep



Akron safe. Reconstruction and renovations are planned for Patterson Park Community Center in North Hill, Reservoir Park Pool, Perkins Park Pool and Summit Lake. The Racial Equity and Social Justice Taskforce led by Bishop Joey Johnson was formed to bring about growth and progress towards equal access and treatment for all. This taskforce will make recommendations to help create a safe, equitable Akron to gather, play, work, imagine and thrive. ARPA funds will help make a positive future impact on Akron's economy with growth and progress toward equality and empowerment.

### Reporting Standards

The City's accounts are organized as funds. Each fund is a separate accounting entity with its own self-balancing set of accounts, assets and deferred outflows of resources, liabilities and deferred inflows of resources, and fund balance/equity. Following are the titles of these fund types with a brief description.

#### Governmental funds:

General Fund – The General Fund is the general operating fund of the City and is appropriated. It is used to account for all financial resources traditionally associated with government that are not required to be accounted for in another fund.

Special Revenue Funds – The Special Revenue Funds are used to account for revenues derived from specific taxes, grants, or other restricted revenue sources. City ordinances or federal or state statutes specify the uses and limitations of each Special Revenue Fund. During 2021, the City had 23 Special Revenue Funds.

Debt Service Funds – The Debt Service Funds are used to account for the accumulation of resources for, and the payment of, general long-term debt principal, interest, and related costs. During 2021, the City had eight Debt Service Funds.

Capital Projects Funds – The Capital Projects Funds are used to account for financial resources used for the acquisition or construction of major capital facilities other than those financed by proprietary funds. During 2021, the City had six Capital Projects Funds.

Permanent Funds – The Permanent Funds are used for the purpose of accounting for resources that are legally restricted to the extent that earnings, and not principal, may be used for purposes that support the reporting governments. The City does not have any Permanent Funds.

#### Proprietary funds:

Enterprise Funds – The Enterprise Funds are used to account for operations that are financed and operated in a manner similar to private business enterprises, in that the intent of the governing body is that the costs of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges. The City has six Enterprise Funds.

Internal Service Funds – The Internal Service Funds are used to account for the financing of goods or services provided by one division or agency to other divisions or agencies of the government, generally on a cost-reimbursement basis. The City has seven Internal Service Funds.

## Fiduciary funds:

Custodial Funds – The Custodial Funds are used to account for assets held by the City for individuals, private organizations, or other governments. During 2021, the City had seven Custodial Funds.

Other Fiduciary Funds – The Other Fiduciary Funds include pension trust funds and investment trust funds. The City does not utilize any such Other Fiduciary Funds.

## Basis of Accounting:

Except for budgetary purposes, the basis of accounting used by the City conforms to accounting principles generally accepted in the United States of America (GAAP) as applicable to governmental units and is consistent with Governmental Accounting Standards Board (GASB) Cod. Sec. 1600, “Basis of Accounting.” All governmental funds are accounted for using a current financial resources-current assets and current liabilities measurement focus. The modified accrual basis of accounting is utilized for governmental funds. Revenues are recognized when they are susceptible to accrual (both measurable and available). Expenditures are recognized when the related liability is incurred, except for interest on long-term debt which is recorded when due.

The measurement focus on the City’s proprietary and fiduciary funds is on the flow of total economic resources (all assets and liabilities). The accrual basis of accounting (revenues are recognized when earned and expenses when incurred) is utilized by the City in its proprietary funds.

The City’s basis of accounting for budgetary purposes differs from GAAP in that revenues are recognized when received rather than when susceptible to accrual (measurable and available), and encumbrances are included as expenditures rather than as an allocation of fund balances.

Accounting policies are further explained in Note 1 to the basic financial statements.

## Cash Management

Effective cash management is recognized as essential to good fiscal management. The primary objectives of the City’s investment activities are the preservation of capital and the protection of investment principal. The Treasurer’s Office within the Department of Finance invests all cash, following the City’s own investment ordinance, in various securities which consist of fixed-rate City bonds and notes, certificates of deposit, fully collateralized repurchase agreements, and U.S. government obligations. The City’s investment ordinance was modified in late 1986 to take advantage of State of Ohio investment opportunities. However, the local investment policy continues to be conservative with the highest priority given to safeguarding assets. For 2021, investment interest income averaged a yield of .25% compared to a yield of .45% in 2020. The interest earnings are maximized by investing to projected payment dates on a competitive bid basis and by investing bank balances daily.

## Risk Management

The City has been self-insured for liability coverage for non-auto-related incidents since 1985. This program was established in response to the dramatic rise in premiums in the mid-1980's and the increases in exclusions written into standard insurance policies. Additionally, the City is primarily self-insured for employee medical benefits, including major medical, dental, and vision care. This has proven to be the most cost-effective program for this type of coverage. The City also has in place reserve funds for workers' compensation and medical benefits. For other types of coverage, such as property insurance, airport liability, employee life, auto liability, and boiler and machinery coverage, the City has secured traditional insurance. The City is assisted in its insurance program by an independent consulting firm that does not underwrite insurance but has expertise in the insurance industry. The City relies on the advice offered by the consultant in securing any insurance.

## Pension

The City contributes to two state-administered retirement plans covering various groups of City employees. Uniform police and fire employees participate in the statewide Ohio Police and Fire Pension Fund. Substantially, all other City employees participate in the statewide Ohio Public Employees Retirement System (OPERS). The City's total contributions to these plans were equal to 100% of the required employer contributions for the year. In accordance with GASB Statement No. 68 and GASB Statement No. 75, the City's statements prepared on an accrual basis of accounting include an annual pension expense for their proportionate share of each plan's *change* in net pension liability and net OPEB liability not accounted for as deferred inflows/outflows.

## Independent Annual Audit

This report is subject to review and acceptance by the Auditor of State's office, and the requirements of Ohio Revised Code § 117.25 are not met until the Auditor of State certifies this report. This process will be completed by the Auditor of State in a reasonable timeframe and reports are subject to change if the Auditor of State determines that modification of a report is necessary to comply with required accounting or auditing standards or Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards.

In 2017, Plante Moran PLLC was contracted to perform the audit of the City of Akron for a period of five years. We appreciate the cooperation of State Auditor Keith Faber and Plante Moran PLLC in completing the City's audit in a timely and highly professional manner.

## Certificate of Achievement for Excellence in Financial Reporting

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 Akron, Ohio, for its Annual Comprehensive Financial Report for the fiscal year ended December 31, 2020. 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. Such an ACFR 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 Akron, Ohio, has received Certificates of Achievement for the last 37 consecutive years (1984 through 2020). We believe our current report continues to conform to the Certificate of Achievement program requirements, and we are submitting it to GFOA.

#### Acknowledgments

The 2021 Annual Comprehensive Financial Report could not have been accomplished without the dedication of the professionals in the Audit and Budget Division of the Department of Finance. Special acknowledgment must go to the Audit and Budget staff for the many hours of quality service they have provided to the City in the formulation of this report. I further wish to thank you, Mayor, for continuing to provide to the department the necessary support and leadership required to enhance the City's overall fiscal position and its financial reporting practices. We trust that this timely, complete, and fully readable Annual Comprehensive Financial Report satisfies your needs and those of City Council for responsible financial planning and reporting.

Respectfully,



Stephen F. Fricker  
Director of Finance



Government Finance Officers Association

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

Presented to

**City of Akron  
Ohio**

For its Annual Comprehensive  
Financial Report  
For the Fiscal Year Ended

December 31, 2020

*Christopher P. Morrell*

Executive Director/CEO

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## **Independent Auditor's Report**

To the Honorable Daniel Horrigan, Mayor, and  
Stephen F. Fricker, Director of Finance  
City of Akron, Ohio

### **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 Akron, Ohio (the "City") as of and for the year ended December 31, 2021 and the related notes to the financial statements, which collectively comprise the City basic financial statements, as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City as of December 31, 2021 and the respective changes in its financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

#### ***Basis for Opinions***

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

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

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the City's ability to continue as a going concern for 12 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.

To the Honorable Daniel Horrigan, Mayor, and  
Stephen F. Fricker, Director of Finance  
City of Akron, Ohio

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 Supplemental Information***

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and other required supplemental information, as identified in the table of contents, be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, which 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 supplemental 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.

#### ***Supplemental 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 other supplemental information, as identified in the table of contents, is presented for the purpose of additional analysis and is 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 other supplemental information, as identified in the table of contents is fairly stated in all material respects in relation to the basic financial statements as a whole.

#### ***Other Information***

Management is responsible for the other information included in the annual comprehensive 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.



To the Honorable Daniel Horrigan, Mayor, and  
Stephen F. Fricker, Director of Finance  
City of Akron, Ohio

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 whether 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 December 16, 2022 on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, 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.

*Plante & Moreau, PLLC*

December 16, 2022

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## **CITY OF AKRON, OHIO MANAGEMENT'S DISCUSSION AND ANALYSIS**

Management's discussion and analysis of the City of Akron, Ohio financial performance provides an overview of Akron's financial activities for the fiscal year ended December 31, 2021. Please read it in conjunction with the transmittal letter on page 7 and the City's financial statements, which begin on page 40.

### **FINANCIAL OVERVIEW**

- The assets and deferred outflows of the City of Akron, Ohio exceeded its liabilities and deferred inflows at December 31, 2021 by \$751,505,248 (net position). Of this amount, \$6,860,873 is restricted for debt service, \$22,829,607 is restricted for community learning centers, \$21,501,606 is restricted for capital projects and \$34,454,747 is restricted for program purpose.
- The unrestricted net position is primarily the result of the City's implementation of Governmental Accounting Standards Board Statement No. 68, *Accounting and Financial Reporting for Pensions - an Amendment of GASB Statement 27* (GASB 68) in 2015 and in 2018. 75 (GASB 75), *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions* in 2018. For the year ended December 31, 2021, the City reports a net pension liability of \$229,946,430 and \$14,925,843 for governmental and business-type, respectively. Additionally, a net OPEB liability of \$108,002,309 and \$12,641,663 are reported for the governmental and business-type, respectively.
- The City's total net position increased by \$76,387,126 during the current year. Governmental activities total net position increased by \$58,010,247 and the business-type activities, total net position increased by \$18,376,879. This reflects an improvement in the overall financial position of the City.
- As of the close of the current fiscal year, the City of Akron's governmental funds reported combined ending fund balances of \$99,014,881, an increase from the prior year which is attributed to the increase in grants and subsidies and shared revenues. A portion of these revenues are being used to fund the payment of expenditures as reflected in public service and community environment expenditures for project specific costs.
- At the end of the current fiscal year, unassigned fund balance for the General Fund was \$28,598,763 or 17.33% of total General Fund expenditures.
- The City of Akron's total debt outstanding increased by \$36,479,874 (3.03%) during the current year. During 2021, the City issued \$1,025,049 in Special Assessment - Direct Placements for resurfacing improvements. Additionally, there were OWDA loans issued for the cost of improving the Waterworks System totaling \$19,728,638 and the Sanitary Sewer System totaling \$85,702,851.

### **OVERVIEW OF THE FINANCIAL STATEMENTS**

This discussion and analysis is intended to serve as an introduction to the City of Akron's basic financial statements. The City of Akron's basic financial statements are comprised of the following: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to

the financial statements. This report also contains required and other supplementary information in addition to the basic financial statements themselves.

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

The statement of net position presents information on all of the City of Akron's assets and deferred outflows and liabilities and deferred inflows, with the difference reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of the financial position of the City of Akron.

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

Both of the government-wide financial statements distinguish functions of the City of Akron that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The governmental activities of the City of Akron include general government, public service, public safety, community environment, public health, and recreation and parks. The business-type activities of the City of Akron include water, sewer, oil and gas, golf course, airport, and off-street parking operations.

The government-wide financial statements can be found on pages 40–41 of this report.

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

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

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

statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The City of Akron maintains 38 individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the General Fund, the Community Learning Centers (CLC) Fund, the Income Tax Capital Improvement Fund, the Special Assessment Fund, and the Various Purpose Funding Fund, all of which are considered to be major funds. Data from the other governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of combining statements elsewhere in this report.

The City of Akron adopts an annual appropriated budget for its General Fund, special revenue funds, some debt service, enterprise and internal service funds. The General Fund, Community Learning Centers Fund, Income Tax Capital Improvement Fund, and Special Assessment Fund, and the Various Purpose Funding Fund budgetary schedules (non-GAAP budgetary basis) have been provided as Required Supplementary Information (RSI) to demonstrate compliance with this budget.

The basic governmental fund financial statements can be found on pages 42-45 of this report.

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

The focus of the City's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the City's financing requirements. In particular, unassigned fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year. The City implemented GASB 63 – *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position* and also GASB 65 *Items Previously Reported as Assets and Liabilities*. The standard establishes a basis to reclassify certain items that were previously reported as assets and liabilities and instead classify them as Deferred Inflows of Resources, Deferred Outflows of Resources, or as outflows of resources.

Fund balances are the differences between assets and deferred outflows and liabilities and deferred inflows in governmental funds. 1) Nonspendable fund balance includes amounts that are not in spendable form, or amounts that are required to be maintained intact. 2) Restricted fund balance includes amounts that can be spent only for the specific purposes stipulated by external providers, such as grantors or bondholders, as well as amounts that are restricted through enabling legislation. 3) Committed fund balance includes amounts that can be used only for the specific purposes that are determined by a formal action of the City's highest level of decision making authority. 4) Assigned fund balance applies to amounts that are intended for specific purposes as expressed by the governing body or authorized official and applies to remaining resources in any governmental funds other than the General Fund. 5) Unassigned fund balances include all amounts not contained in other classifications for the General Fund and deficit fund balances in any other governmental funds.

As of the end of the current fiscal year, the City's total governmental funds reported an ending fund balance of \$99,014,881, a decrease of \$9,957,653 in comparison with the prior year. As a measure of the General Fund's liquidity, it may be useful to compare both unassigned fund balance and total fund balance to total fund expenditures. Unassigned fund balance represents 17.33% of total General Fund expenditures, while total fund balance represents 19.13% of that same amount.

**Proprietary Funds.** The City of Akron maintains two different types of proprietary funds: enterprise and internal service funds. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The City of Akron uses enterprise funds to account for its water, sewer, oil and gas, golf, airport, and off-street parking operations. Internal service funds are an accounting device used to accumulate and allocate costs internally among the City of Akron's various functions. The City of Akron uses internal service funds to account for its motor equipment, medical self-insurance, workers' compensation self-insurance, other self-insurance costs, information technology (responsible for all data processing and computer operations of the City), telephone system (with outside cable plant consisting of underground and aerial wires and telephone cables), and engineering bureau (responsible for design and construction for City streets, sidewalks, sewer and water utilities, bridges, and City facilities). Because most of the internal services predominantly benefit governmental rather than business-type functions, they have been included within the governmental activities in the government-wide financial statements.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for the Water, Sewer, and Off-Street Parking funds, which are considered to be major funds of the City of Akron. Conversely, the internal service funds are combined into a single aggregated presentation in the proprietary fund financial statements. Individual fund data for the nonmajor enterprise and the internal service funds is provided in the form of combining statements elsewhere in this report.

The basic proprietary fund financial statements can be found on pages 46–48 of this report.

**Fiduciary Funds.** Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the City of Akron's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds.

The basic fiduciary fund financial statements can be found on pages 49–50 of this report.

**Notes to the Financial Statements.** The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 51-132 of this report.

**Other Information.** In addition to the basic financial statements and accompanying notes, this report also presents certain Required Supplementary Information (RSI) concerning the City of Akron's General Fund, Community Learning Centers Fund, Income Tax Capital Improvement

Fund, Special Assessment Fund, and Various Purpose Funding Fund budgetary comparison. Also included are three required schedules related to the City's participation in two state pension and OPEB funds. The Schedule of City's Proportionate Share of Net Pension Liability includes a history of the City's proportionate share of the collective net pension liability for each state pension fund. The Schedule of City Contributions to State Pension and OPEB Funds includes a history of contractually required contributions compared to contributions made. The Schedule of the City's Proportionate Share of Net OPEB Liability includes a history of the City's proportionate share of the collective net OPEB liability for each state pension fund. Additionally, the Schedule of Contributions to the City of Akron's OPEB Plan includes a history of contributions made. Required Supplementary Information (RSI) can be found on pages 133-147 of this report.

The combining statements referred to earlier in connection with nonmajor governmental funds, enterprise funds and internal service funds are presented immediately following the RSI and can be found on pages 152-213 of this report.

## **GOVERNMENT-WIDE FINANCIAL ANALYSIS**

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the City of Akron, assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$751,505,248 at the close of the most recent fiscal year.

By far the largest portion of the City of Akron's net position reflects its net investment in capital assets (e.g., land, buildings, machinery, and equipment); less any related debt used to acquire those assets that is still outstanding. The City of Akron uses these capital assets to provide services to the citizens; consequently, these assets are not available for future spending. Although the City of Akron's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other resources, since the capital assets themselves cannot be used to liquidate these liabilities.

The City's overall net position increased by \$76,387,126 during the current year; the net position of the governmental activities increased by \$58,010,247 and the business-type activities, total net position increased by \$18,376,879. In addition, 1% of the City of Akron's net position is restricted for the payment of debt service, 3.04% is restricted for community learning center activity and 7.45% is restricted for other purposes.



Summary Statement of Net Position  
as of December 31, 2020 and 2021  
(in thousands)

	Governmental Activities		Business-type Activities		Total	
	2020	2021	2020	2021	2020	2021
Assets:						
Current and other assets	\$ 311,577	\$ 369,508	\$ 132,885	\$ 132,483	\$ 444,462	\$ 501,991
Capital assets	1,124,372	1,118,878	1,174,517	1,246,009	2,298,889	2,364,887
Total assets	\$ 1,435,949	\$ 1,488,386	\$ 1,307,402	\$ 1,378,492	\$ 2,743,351	\$ 2,866,879
Deferred outflows	68,805	64,641	6,309	3,911	75,114	68,552
Total assets and deferred outflows	\$ 1,504,754	\$ 1,553,026	\$ 1,313,711	\$ 1,382,403	\$ 2,818,465	\$ 2,935,430
Liabilities:						
Long-term liabilities	1,052,234	909,638	758,546	776,321	1,810,780	1,685,959
Other liabilities	68,334	186,462	37,486	64,969	105,820	251,431
Total liabilities	\$ 1,120,568	\$ 1,096,100	\$ 796,032	\$ 841,290	\$ 1,916,600	\$ 1,937,390
Deferred inflows	214,906	229,638	11,841	16,897	226,747	246,535
Total liabilities and deferred inflows	\$ 1,335,474	\$ 1,325,738	\$ 807,873	\$ 858,187	\$ 2,143,347	\$ 2,183,925
Net position:						
Net investment in capital assets	525,092	581,070	465,595	473,064	990,687	1,054,134
Restricted	83,645	82,475	3,536	3,172	87,181	85,647
Unrestricted (deficit)	(439,457)	(436,256)	36,707	47,980	(402,750)	(388,276)
Total net position	\$ 169,280	\$ 227,289	\$ 505,838	\$ 524,216	\$ 675,118	\$ 751,505

For fiscal year 2018, the City adopted 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.

Governmental Accounting Standards Board (GASB) 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 employee's 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 against 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. 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, investments returns, and other changes are insufficient to keep up with the required 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.

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 plans change in net pension liability and net OPEB liability, respectively, not accounted for as deferred inflows/outflows.

**Governmental Activities.** Changes in net position before transfers was an increase in the amount of \$60,996 (in thousands).

For the governmental activities, the unrestricted deficit results from having insufficient assets set aside for long-term obligations such as pension liability, compensated absences, and OPEB liability. The City finances such obligations on a year-to-year basis as they come due and also has ongoing capital projects that are debt-financed.

The following table (in thousands) shows total revenues for 2021 were \$401,534 which reflects a decrease from the prior year. Charges for services reflect a decrease of \$9,961 which stems from the continued effects of the COVID-19 pandemic as activities continued to be cancelled. Due to

the COVID-19 pandemic, the City received a significant amount of COVID grants as reflected by the increase in operating grants and contributions. Although, as COVID-19 restrictions were relaxed this attributed to the \$24,418 increase in income taxes. Unrestricted shared revenues decreased by \$10,051 which is directly attributed to the Community Learning Centers (CLC) activity. Miscellaneous revenues decreased by \$17,018 due to an unusually large amount of rebates and dividends received as one time payments in 2020.

Expenses for 2021 were lower than 2020 by approximately \$37,632. The most significant decrease relates to the reduction of the Ohio Public Employees Retirement System (OPERS) Net Other Post-Employment Benefit (OPEB) Liability. The biggest impact from this is the reduction of expense recognized in the governmental statements and notably in Public Service for \$8,740. General government reflected a decrease of \$7,692 due to the impact of the change in net OPEB Liability as previously mentioned. The expenses for community environment decreased by \$9,083 which is directly attributed to the activity for Community Learning Centers (CLC) projects.

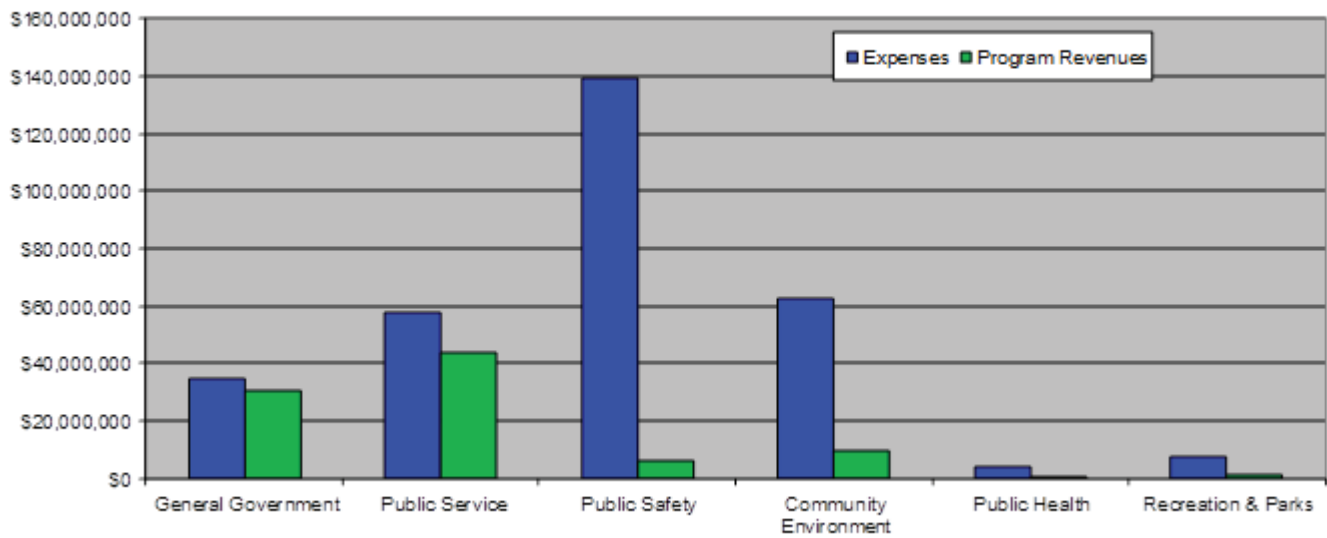
Key events contributing to the changes are as follows:

- Charges for service activities including cancellation of recreation and Lock 3 activities, school resource officers were not needed during remote learning, and the automated mobile speed enforcement schedule was altered during remote learning.
- The City received operating grant funding for COVID in excess of \$30 million, of which the full amount had been earned by December 31, 2021.
- The City received the first tranche of the American Rescue Plan Act funding in excess of \$72 million, of which had not been earned by December 31, 2021. Additionally, the City is expecting to receive a second tranche in May of 2022.
- Community Learning Centers (CLC) fund accounts for both the decrease in unrestricted shared revenues and community environment expense relating to the spending on CLC construction related activities.
- The decrease in miscellaneous revenue relates to the Ohio Bureau of Workers' Compensation rebates and dividends and a one-time vendor payment that were received in 2020.
- General government expenses decreased due to the reduction of program activities related to the COVID-19 pandemic including recreation programs and activities at Lock 3.
- Public service expenses, as previously mentioned, decreased significantly due to OPERS OPEB that is recorded as current year decrease in expense.
- The City has focused efforts on maintaining transfers to Enterprise funds. During 2021, the transfers of the Off-Street Parking and Airport funds were increased due to the lasting effects of COVID-19.

Changes in Net Position  
For Fiscal Year Ended December 31, 2020 and 2021  
(in thousands)

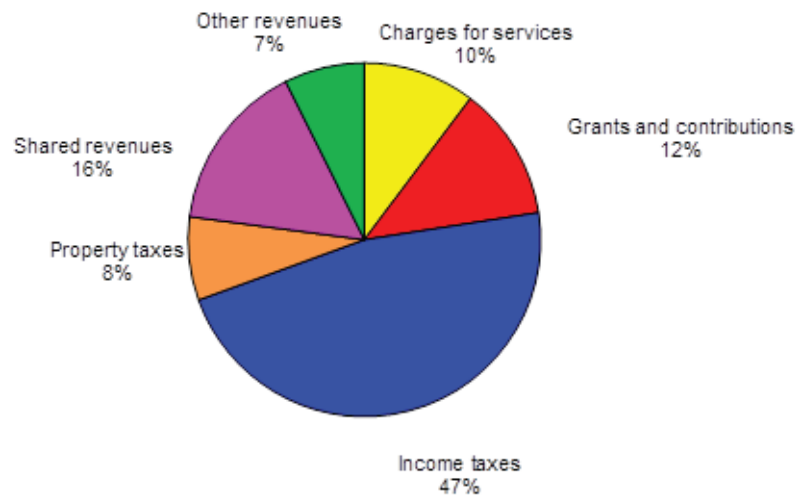
	Governmental Activities		Business-type Activities		Total	
	2020	2021	2020	2021	2020	2021
Revenues:						
Program revenues:						
Charges for services	\$ 51,550	\$ 41,589	\$ 123,148	\$ 125,584	\$ 174,698	\$ 167,173
Operating grants and contributions	34,625	19,069	636	45	35,261	19,114
Capital grants and contributions	33,943	30,555	8,107	30,858	42,050	61,413
General revenues:						
Income taxes	165,377	189,795	-	-	165,377	189,795
Property taxes	26,030	30,876	-	-	26,030	30,876
JEDD revenues	15,786	18,712	-	-	15,786	18,712
Investment earnings	2,392	969	8	4	2,400	973
Unrestricted shared revenues	72,693	56,869	-	-	72,693	56,869
Miscellaneous	30,078	13,060	832	6,560	30,910	19,620
Gain on sale of capital assets	25	40	-	-	25	40
Total revenues	<u>\$ 432,499</u>	<u>\$ 401,534</u>	<u>\$ 132,731</u>	<u>\$ 163,051</u>	<u>\$ 565,230</u>	<u>\$ 564,585</u>
Expenses:						
General government	\$ 48,221	\$ 34,597	\$ -	\$ -	\$ 48,221	\$ 34,597
Public service	66,127	57,386	-	-	66,127	57,386
Public safety	138,263	139,429	-	-	138,263	139,429
Community environment	71,412	62,392	-	-	71,412	62,392
Public health	5,812	3,869	-	-	5,812	3,869
Recreation and parks	5,140	7,349	-	-	5,140	7,349
Interest on debt	19,814	16,917	-	-	19,814	16,917
Unallocated depreciation	17,528	18,599	-	-	17,528	18,599
Water	-	-	29,520	35,104	29,520	35,104
Sewer	-	-	86,926	102,089	86,926	102,089
Oil & gas	-	-	137	19	137	19
Golf course	-	-	1,323	1,294	1,323	1,294
Airport	-	-	1,004	1,590	1,004	1,590
Off-street parking	-	-	6,941	7,565	6,941	7,565
Total expenses	<u>\$ 372,317</u>	<u>\$ 340,538</u>	<u>\$ 125,851</u>	<u>\$ 147,661</u>	<u>\$ 498,168</u>	<u>\$ 488,199</u>
Changes in net position before transfers	60,182	60,996	6,880	15,390	67,062	76,386
Transfers	<u>(1,700)</u>	<u>(2,988)</u>	<u>1,700</u>	<u>2,988</u>	<u>-</u>	<u>-</u>
Changes in net position	\$ 58,482	\$ 58,008	\$ 8,580	\$ 18,378	\$ 67,062	\$ 76,386
Net position - beginning	<u>110,798</u>	<u>169,280</u>	<u>497,258</u>	<u>505,838</u>	<u>608,056</u>	<u>675,118</u>
Net position - ending	<u>\$ 169,280</u>	<u>\$ 227,288</u>	<u>\$ 505,838</u>	<u>\$ 524,216</u>	<u>\$ 675,118</u>	<u>\$ 751,504</u>

**Expenses and Program Revenues - Governmental Activities**



The above chart shows the revenue generated by the various programs of the City of Akron and the expenses relating to each program. As shown below, the primary source of revenue that funds these programs is reported in the financial statements as income taxes.

**Revenues By Sources Governmental Activities**



## FINANCIAL ANALYSIS OF THE GOVERNMENTAL FUNDS

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

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

As of the end of the current fiscal year, the City of Akron's governmental funds reported a combined ending fund balance of \$99,014,881, an increase in comparison to the prior year. The unassigned fund balance at the end of the current year is \$1,277,661. The remainder of fund balance is distributed to indicate that it is not available for new spending because it has already been dedicated. The City's major governmental funds are the General Fund, the Community Learning Centers (CLC) Fund, the Income Tax Capital Improvement Fund, the Special Assessment Fund, and the Various Purpose Funding Fund.

The General Fund is the chief operating fund of the City of Akron. At the end of the current fiscal year, unassigned fund balance of the General Fund was \$28,598,763, while the total fund balance is \$31,562,477. As a measure of the General Fund's liquidity, it may be useful to compare both unassigned fund balance and total fund balance to total fund expenditures. Unassigned fund balance represents 17.3% of total General Fund expenditures, while total fund balance represents 19.1% of that same amount.

The fund balance of the City of Akron's General Fund decreased by \$4,825 during the current fiscal year. Key factors in this change are as follows:

- The City's commitment to monitor revenues and approve expenditures in conformity with available resources.
- General government expenditures decreased by \$1.5 million because of the continuing COVID-19 pandemic.
- Public safety expenditures during 2021 show a significant increase of approximately \$17.6 million. The main factor that contributed to the increase was that safety forces wages and benefits were not allocated as extensively from the General Fund to the Various Purpose Funding Fund as an allowable expense for the COVID-19 grants.
- Income Taxes collected in 2021 increased by \$9.1 million.
- In addition to the subsidy for EMS and the local match for grants, the practice of transferring monies from the General Fund, to subsidize various operations is a method used annually by the City to provide resources to these funds.

The Community Learning Centers Fund has a total fund balance of \$22,829,607. The net decrease in fund balance the Community Learning Centers Fund from the prior year of \$13,473,053 is attributed to the spending of previously issued Income Tax Revenue Bonds. The proceeds are being used to fund the payment of expenditures as reflected in the community environment expenditures for project specific costs.

The Income Tax Capital Improvement Fund has a total fund balance of \$6,133,705. Expenditures exceeded revenues by \$291,674 in 2021 due to delayed capital projects resuming from 2020. Coupled with the issuance of bonds and refunding bonds yields a decrease in the fund balance of \$129,674. The Fund is responsible for debt service payments and relies heavily on the collection of income taxes.

The Special Assessment Fund has a total fund balance deficit of \$8,070,222. The Fund is utilized for the accumulation of resources for, and the payment of, special assessment note issued for street lighting and street cleaning along with related assessment costs.

The Various Purpose Funding Fund has a total fund balance of \$14,224,664. The Fund is used to account for the accumulation of resources for, and payment of various projects and funds with a finite life span. Included in this fund is where CARES and ARPA funding are recorded.

Other Governmental Funds have a combined fund balance of \$32,334,650. The decrease in the combined fund balance was \$493,755. The majority of the change is attributed to the stabilization and reduction of the fund balance deficit in the Streets Fund and the increase in payables in the Income Tax Collection Fund.

## **GENERAL FUND BUDGETARY OVERVIEW**

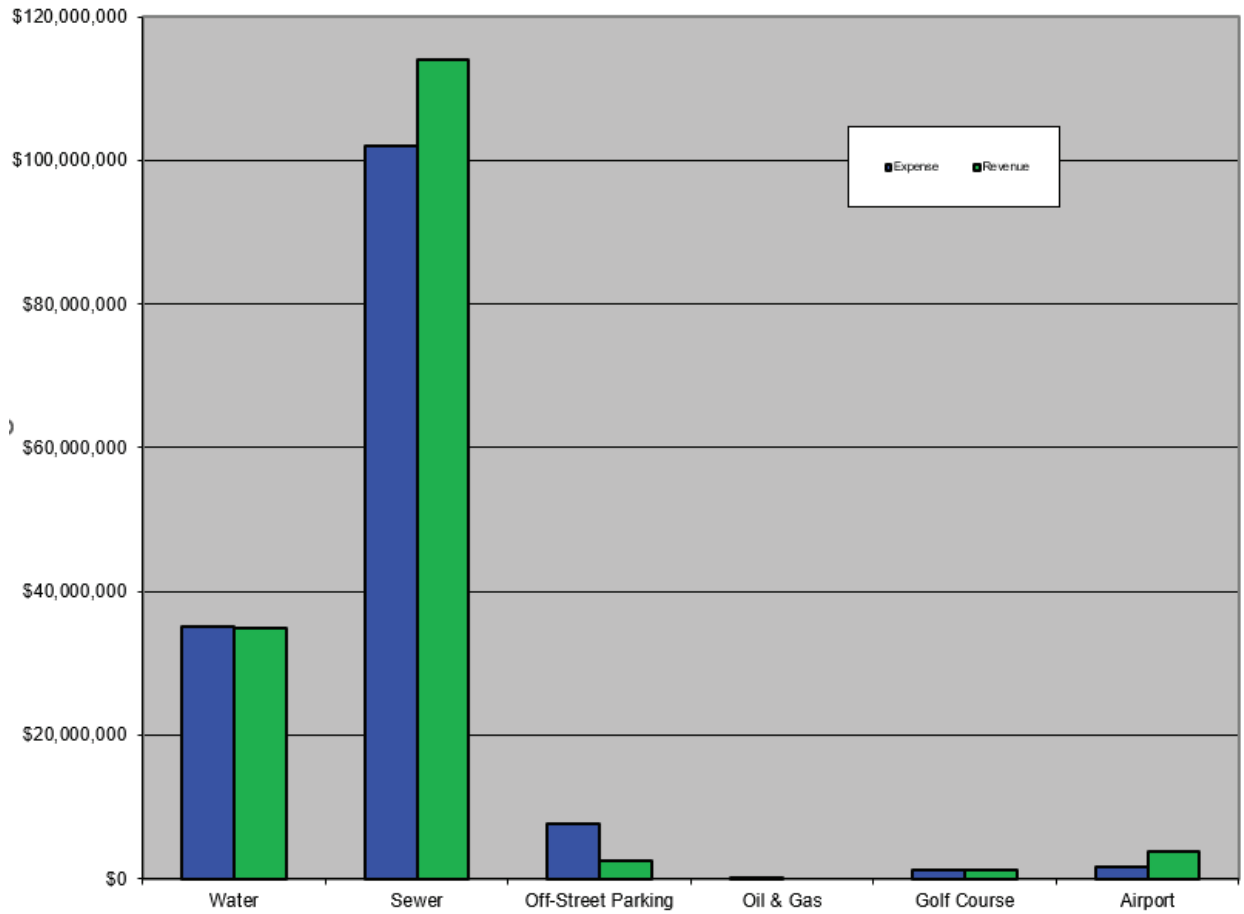
During the year, actual revenues and other sources were greater than original budgetary estimates by \$13,260,588 (7.9%). Taxes, Assessments and JEDD revenue, the major revenue sources, were less than the budgeted amount by \$11,013,204 and miscellaneous revenues higher by \$10,324,509. Increases in revenues during 2021 included intergovernmental revenues by \$2,182,519, license and fees by \$2,816,106, and miscellaneous revenues by \$633,224. Charges for services decreased by \$17,037,634.

As a result of revenue monitoring, restraint on spending was prioritized and the General Fund balance reported an increase of \$466,187. The actual expenditures were under the final budget by \$6,883,761.

Key events contributing to the changes in the General Fund budget amounts are as follows:

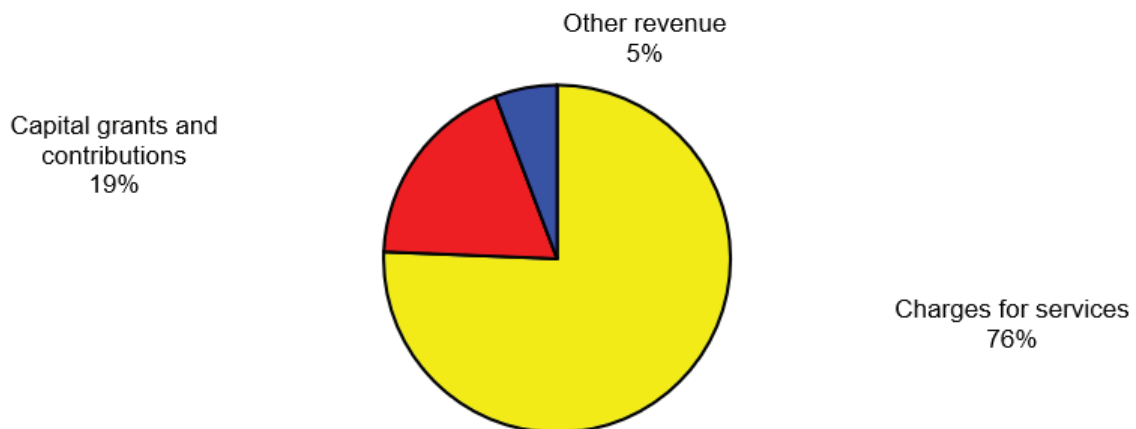
- The Public Service Department's budget was increased by \$7,078,808 and the Finance Department's budget was increased by \$2,551,259 to allow for year-end encumbrances along with transfers and advances.
- The Department of Public Safety's actual expenditures were under the final budgeted amount by \$148,427, Fire Department's by \$1,188,947, and the Police Department by \$443,846 and is attributed to the utilization of the COVID-19 grants.

### Expenses and Program Revenues - Business-type Activities



The above chart shows the revenue generated by the various business-type activities of the City of Akron and the expenses relating to each activity. As shown below, the majority of the revenue that funds these activities is reported in the financial statements as charges for services.

### Revenues By Sources Business-type Activities



## FINANCIAL ANALYSIS OF THE PROPRIETARY FUNDS

**Business-Type Activities.** Business-type activities increased the City of Akron's net position by \$18,376,879 compared to an increase of \$8,580,539 in the prior year. Total program revenues increased by \$24,595,826 combined with an increase in expenses of \$21,810,141 contributed to the overall increase in net position.

**Proprietary Funds.** The City of Akron's proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail. The City's major enterprise funds are the Water Fund, Sewer Fund, and Off-Street Parking Fund.

Unrestricted net deficit of the Water Fund at the end of the year was \$26,250,167 , for the Sewer Fund unrestricted net position was \$77,047,980 , and for the Off-Street Parking Fund was a deficit of \$652,579 . The increases reported in net position for the Water and the Sewer Funds were \$4,400,649 and \$11,771,587 , respectively. The decrease reported in net position for Off-Street Parking was \$3,201,335.

The expenses in the Sewer Fund increased significantly, as there was an increase in costs associated with chemical and construction supplies for the use within the Sewer Fund. Additionally, depreciation increased by \$7,915,462 year over year as more assets are placed into service.

The Water Bureau services the City and 13 surrounding communities which account for 83,500 customer accounts and 1,182 miles of water lines. All bonds of the Water Fund are paid from water enterprise revenues. A ten-year comparison of certain water enterprise data is shown in Schedule 15 of the Statistical Section. Water rates remained stable and results of operations yielded an increase in net position due to cost containment. The Sewer Bureau services the City and 12 surrounding communities which account for 75,600 customer accounts and 1,346 miles of sewer lines. All bonds of the Sewer Fund are paid from sewer enterprise revenues. A ten-year comparison of certain sewer enterprise data is shown in Schedule 15 of the Statistical Section. Sewer rates remained virtually unchanged with only slight increases to a small population of non-resident customers and results of operations yielded an increase in net position due again to cost containment.

The Off-Street Parking Fund experienced an increase in both the operating revenues and operating expenses. The decrease in net position directly relates to expenses exceeding operating revenues.



## CAPITAL ASSETS AND DEBT ADMINISTRATION

**Capital Assets.** The City of Akron's investment in capital assets for its governmental and business-type activities as of December 31, 2021, amounts to \$2,364,887,027 (net of accumulated depreciation). This investment in capital assets includes land, construction in progress, buildings, improvements (other than buildings), equipment, and infrastructure. The total increase in the City of Akron's investment in capital assets for the current fiscal year was \$65,999,366 (a 0.5% decrease for governmental activities and a 6.1% increase for business-type activities).

	Capital Assets (net of accumulated depreciation) (in thousands)					
	Governmental Activities		Business-type Activities		Total	
	2020	2021	2020	2021	2020	2021
Land	\$ 153,958	\$ 154,663	\$ 38,403	\$ 38,403	\$ 192,361	\$ 193,066
Construction in progress	145,471	152,408	495,679	464,879	641,150	617,287
Buildings	344,775	341,695	100,322	96,193	445,097	437,888
Improvements	106,930	102,015	137,704	122,344	244,634	224,359
Equipment	32,084	31,655	39,806	38,711	71,890	70,366
Infrastructure	341,153	336,441	362,603	485,479	703,756	821,920
	<u>\$ 1,124,371</u>	<u>\$ 1,118,877</u>	<u>\$ 1,174,517</u>	<u>\$ 1,246,009</u>	<u>\$ 2,298,888</u>	<u>\$ 2,364,886</u>

The City of Akron displays additional information relating to the capital assets of the City that can be found in Note 1. G. and Note 7.

Major capital assets placed into service during the current fiscal year included the following:

- WRF Biocept - \$22,608,896
- Ohio Interceptor Tunnel - \$17,682,147
- Hazel Storage Basin CSO Rack 10 & 11 - \$2,909,874
- Main Street Corridor and State Street Bridge - \$3,354,882
- Main Street Corridor Phase 2 - \$6,886,701
- WRF Headworks Improvements - \$18,561,125

**Long-Term Debt.** At the end of the current fiscal year, the City of Akron had total debt outstanding of \$1,240,723,648. All general obligation bonds are backed by the full faith and credit of the City. Special assessment bonds and notes are covered by special assessment collections and are backed by the full faith and credit of the City. The remainder of the City of Akron's debt represents bonds secured solely by specified revenue sources.

City of Akron Outstanding Debt (in thousands)						
	Governmental Activities		Business-type Activities		Total	
	2020	2021	2020	2021	2020	2021
General Obligation Bonds	\$ 105,085	\$ 86,610	\$ -	\$ -	\$ 105,085	\$ 86,610
General Obligation Notes	17,400	32,900	-	-	17,400	32,900
OPWC Loan	5,843	5,238	290	207	6,133	5,445
Ohio Development Services Agency	3,635	3,305	-	-	3,635	3,305
Non-Tax Revenue Bonds	27,305	24,115	-	-	27,305	24,115
Income Tax Revenue Income Tax Revenue Bonds and Notes	344,100	323,575	-	-	344,100	323,575
Special Revenue Bonds	3,680	1,870	-	-	3,680	1,870
Special Assessment Bonds and Notes	20,598	19,978	-	-	20,598	19,978
Mortgage Revenue Bonds	-	-	12,490	4,395	12,490	4,395
OWDA Loan	-	-	663,818	738,531	663,818	738,531
	<u>\$ 527,646</u>	<u>\$ 497,591</u>	<u>\$ 676,598</u>	<u>\$ 743,133</u>	<u>\$ 1,204,244</u>	<u>\$ 1,240,724</u>

The City of Akron's total debt outstanding increased by \$36,479,874 (3.0%) during the current fiscal year.

During 2021, the City issued \$1,025,049 in Special Assessment - Direct Placement Bonds for resurfacing. Additionally, there were OWDA loans issued for the cost of improving the Waterworks System totaling \$85,702,851 and the Sanitary Sewer System totaling \$19,728,638.

The Ohio Revised Code provides that the outstanding general obligation bonds less self-supporting debt (e.g., income tax-backed projects) of the municipal corporation, whether or not approved by the electors, shall not exceed 10.5% of the assessed value of all property in the municipal corporation as listed and assessed for taxation. In addition, the unvoted net debt of municipal corporations cannot exceed 5.5% of total assessed value of property. The City of Akron's total debt limit (10.5%) is \$313,569,524 and the total unvoted net debt limit (5.5%) is \$164,460,227.

The City's general obligation bonds are rated "A+" by Standard & Poor's Ratings Services, "A+" by Fitch Ratings.

Additional information on the City of Akron's long-term debt can be found in Notes 10-12.

### **Economic Factors and Next Year's Budgets and Rates**

- The United States, the State of Ohio and the City all declared a state of emergency in March 2020 due to the global Coronavirus Disease 2019 (COVID-19) pandemic. The financial impact of COVID-19 will impact subsequent periods of the City. The impact on the City's future operating costs, revenues, and any recovery from emergency funding, either federal or state, cannot be estimated.
- The City of Akron will receive the 2nd tranche of the American Rescue Plan Act funds.
- The City of Akron budgeted income tax collections to increase by 3.0%, Local Government to remain stable, and Property Taxes to remain stable.
- No increase in Water or Sewer service rates for 2022.

In the 2022 budget, the General Fund unencumbered fund balance is projecting an increase of \$1,045,537.

### **Request for Information**

This financial report is designed to provide a general overview of the City of Akron's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or request for additional information should be addressed to the Director of Finance, Municipal Building, 166 South High Street, Room 205, Akron, Ohio 44308.

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# **BASIC FINANCIAL STATEMENTS**

City of Akron, Ohio  
Statement of Net Position  
December 31, 2021

	Governmental Activities	Business-Type Activities	Total
<b>Assets</b>			
Current assets:			
Pooled cash and investments	\$ 138,413,540	\$ 109,970,707	\$ 248,384,247
Receivables, net	138,540,041	17,106,239	155,646,280
Loans receivable	2,772,362	-	2,772,362
Due from other governments	27,392	731,683	759,075
Due from others	240,729	-	240,729
Internal balances	3,294,024	(3,294,024)	-
Inventories, at cost	638,692	2,798,184	3,436,876
Total current assets	283,926,780	127,312,789	411,239,569
Noncurrent assets:			
Receivables, net	54,768,234	-	54,768,234
Restricted cash and investments	2,680,373	3,171,586	5,851,959
Loans receivable	9,155,169	-	9,155,169
Deposits	4,616,018	-	4,616,018
Assets held for resale	7,919,423	-	7,919,423
Net pension asset	796,335	246,765	1,043,100
Net OPEB asset	5,645,774	1,751,702	7,397,476
Capital assets:			
Land and construction in progress	307,071,931	503,282,103	810,354,034
Other capital assets, net	811,806,568	742,726,425	1,554,532,993
Total noncurrent assets	1,204,459,825	1,251,178,581	2,455,638,406
Total assets	1,488,386,605	1,378,491,370	2,866,877,975
<b>Deferred Outflows of Resources</b>			
	64,641,689	3,911,551	68,553,240
Total assets and deferred outflows of resources	1,553,028,294	1,382,402,921	2,935,431,215
<b>Liabilities</b>			
Current liabilities:			
Accounts payable and other accrued liabilities	109,609,565	12,318,733	121,928,298
Deposits	673,522	751,797	1,425,319
Due to other governments	2,367,969	10,645,143	13,013,112
Accrued interest payable	1,668,465	6,957,371	8,625,836
Accrued wages	4,679,547	689,692	5,369,239
Accrued vacation and leave	12,597,099	1,671,626	14,268,725
COPs and obligations under capital lease	3,305,415	2,050,444	5,355,859
Liability for unpaid claims	5,296,790	-	5,296,790
Bonds, notes and loans payable	46,263,992	29,884,014	76,148,006
Total current liabilities	186,462,364	64,968,820	251,431,184
Noncurrent liabilities:			
COPs and obligations under lease	55,087,435	27,875,085	82,962,520
Liabilities due in more than one year	84,441,915	7,629,902	92,071,817
Bonds, notes and loans payable	432,159,748	713,248,862	1,145,408,610
Net pension liability	229,946,430	14,925,843	244,872,273
Net OPEB liability	108,002,309	12,641,663	120,643,972
Total noncurrent liabilities	909,637,837	776,321,355	1,685,959,192
Total liabilities	1,096,100,201	841,290,175	1,937,390,376
<b>Deferred Inflows of Resources</b>			
	229,638,203	16,897,388	246,535,591
Total liabilities and deferred inflows of resources	1,325,738,404	858,187,563	2,183,925,967
<b>Net position</b>			
Net investment in capital assets	581,070,389	473,064,230	1,054,134,619
Restricted for debt service	3,689,288	3,171,585	6,860,873
Restricted for community learning centers	22,829,607	-	22,829,607
Restricted for capital projects	21,501,606	-	21,501,606
Restricted for program purpose	34,454,747	-	34,454,747
Unrestricted (deficit)	(436,255,747)	47,979,543	(388,276,204)
Total net position	\$ 227,289,890	\$ 524,215,358	\$ 751,505,248

The notes to the financial statements are an integral part of this statement.

City of Akron, Ohio  
Statement of Activities  
For the Year Ended December 31, 2021

Functions/Programs	Program Revenues				Net (Expense) Revenue and Changes in Net Position		
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-type Activities	Total
Governmental Activities:							
General government	\$ 34,596,136	\$ 17,793,124	\$ 7,570,924	\$ 4,715,327	\$ (4,516,761)	\$ -	\$ (4,516,761)
Public service	57,385,904	18,069,414	-	25,829,812	(13,486,678)	-	(13,486,678)
Public safety	139,428,813	3,913,251	2,162,557	1,171	(133,351,834)	-	(133,351,834)
Community environment	62,392,356	565,085	9,060,451	8,494	(52,758,326)	-	(52,758,326)
Public health	3,868,615	436,549	-	-	(3,432,066)	-	(3,432,066)
Recreation and parks	7,348,914	811,210	274,690	-	(6,263,014)	-	(6,263,014)
Interest	16,916,709	-	-	-	(16,916,709)	-	(16,916,709)
Unallocated depreciation*	18,598,761	-	-	-	(18,598,761)	-	(18,598,761)
Total governmental activities	340,536,208	41,588,633	19,068,622	30,554,804	(249,324,149)	-	(249,324,149)
Business-type Activities:							
Water	35,104,122	34,963,360	22,044	-	-	(118,718)	(118,718)
Sewer	102,089,333	86,778,048	-	27,162,128	-	11,850,843	11,850,843
Oil and gas	18,505	-	-	-	-	(18,505)	(18,505)
Golf course	1,293,622	1,183,016	-	-	-	(110,606)	(110,606)
Airport	1,589,723	150,836	23,000	3,695,515	-	2,279,628	2,279,628
Parking facilities	7,565,409	2,508,596	-	-	-	(5,056,813)	(5,056,813)
Total business-type activities	147,660,714	125,583,856	45,044	30,857,643	-	8,825,829	8,825,829
Total Government	\$ 488,196,922	\$ 167,172,489	\$ 19,113,666	\$ 61,412,447	\$ (249,324,149)	\$ 8,825,829	\$ (240,498,320)
General revenues:							
Taxes:							
Income taxes					\$ 189,794,686	\$ -	\$ 189,794,686
Property taxes					30,876,448	-	30,876,448
JEDD Revenues					18,712,404	-	18,712,404
Investment earnings					969,340	3,553	972,893
Unrestricted shared revenues					56,869,246	-	56,869,246
Miscellaneous					13,060,214	6,559,740	19,619,954
Gain on sale of capital assets					39,815	-	39,815
Transfers					(2,987,757)	2,987,757	-
Total general revenues and transfers					307,334,396	9,551,050	316,885,446
Change in net position					58,010,247	18,376,879	76,387,126
Net position - beginning					169,279,643	505,838,479	675,118,122
Net position - ending					\$ 227,289,890	\$ 524,215,358	\$ 751,505,248

\*Excludes depreciation included in program expenses.

The notes to the financial statements are an integral part of this statement.

City of Akron, Ohio  
Balance Sheet - Governmental Funds  
December 31, 2021

	General	Community Learning Centers	Income Tax Capital Improvement	Special Assessment Fund	Various Purpose Funding	Other Governmental Funds	Total Governmental Funds
<b>Assets</b>							
Pooled cash and investments	\$ 24,369,599	\$ 15,673,243	\$ 920,452	\$ 6,422,285	\$ 86,756,475	\$ 49,821,511	\$ 183,963,565
Restricted cash and investments	-	95	-	-	-	2,680,278	2,680,373
Receivables, net of allowances for uncollectibles	56,865,714	38,495,037	8,056,412	40,828,140	-	44,865,038	189,110,341
Loans receivable	-	-	-	-	-	11,927,531	11,927,531
Due from other governments	-	-	-	-	49,213	5,869,124	5,918,337
Due from other funds	7,074,411	1,384,315	986,945	-	45,699	2,806,008	12,297,378
Due from others	-	-	-	-	-	240,729	240,729
Deposits	-	4,616,018	-	-	-	-	4,616,018
Advances to other funds	1,270,000	-	-	-	-	-	1,270,000
Assets held for resale	-	-	-	-	-	7,919,423	7,919,423
Total assets	\$ 89,579,724	\$ 60,168,708	\$ 9,963,809	\$ 47,250,425	\$ 86,851,387	\$ 126,129,642	\$ 419,943,695
<b>Liabilities</b>							
Accounts payable	\$ 4,732,756	\$ 49,500	\$ 211,962	\$ 1,153,808	\$ 79,466	\$ 17,394,815	\$ 23,622,307
Deposits	2,464	-	-	-	-	671,058	673,522
Advances from other funds	-	-	-	-	60,000	795,000	855,000
Due to other governments	751,807	-	1,857	-	-	5,879,305	6,632,969
Due to other funds	541,846	178,879	12	124,579	-	10,516,275	11,361,591
Due to others	694,029	-	-	-	-	6,660,898	7,354,927
Accrued liabilities	1,985,548	-	5,612	61,985	-	524,092	2,577,237
Accrued wages	3,383,196	-	20,161	152,135	-	936,556	4,492,048
Accrued vacation and leave	36,238	-	-	-	-	48,976	85,214
Unearned revenue	6,510,649	-	-	-	72,487,257	-	78,997,906
Special assessment notes	-	-	-	13,000,000	-	-	13,000,000
Total liabilities	18,638,533	228,379	239,604	14,492,507	72,626,723	43,426,975	149,652,721
<b>Deferred Inflows of Resources</b>	39,378,714	37,110,722	3,590,500	40,828,140	-	50,368,017	171,276,093
<b>Fund balances</b>							
Restricted	-	22,829,607	6,133,705	-	13,803,936	33,420,643	76,187,891
Committed	521,033	-	-	-	420,728	18,164,887	19,106,648
Assigned	2,442,681	-	-	-	-	-	2,442,681
Unassigned	28,598,763	-	-	(8,070,222)	-	(19,250,880)	1,277,661
Total fund balances (deficit)	31,562,477	22,829,607	6,133,705	(8,070,222)	14,224,664	32,334,650	99,014,881
Total liabilities, deferred inflows and fund balances	\$ 89,579,724	\$ 60,168,708	\$ 9,963,809	\$ 47,250,425	\$ 86,851,387	\$ 126,129,642	\$ 419,943,695

The notes to the financial statements are an integral part of this statement.



City of Akron, Ohio  
Reconciliation of the Balance Sheet to the Statement of Net Position - Governmental Funds  
December 31, 2021

Total fund balances for governmental funds (Exhibit 3)	\$ 99,014,881
Total net position reported for governmental activities in the statement of net position is different because:	
Capital assets used in governmental activities (excluding internal service fund capital assets) are not financial resources and therefore are not reported in the funds.	1,117,164,009
The net pension asset (excluding internal service fund net pension asset) is not an available resource and, therefore, is not reported in the funds.	714,140
Other long-term assets are not available to pay for current period expenditures and, therefore, are deferred inflows in the funds.	
Income taxes	15,510,950
Property taxes	10,503,609
Special assessments	16,639,175
Shared revenues	10,955,762
	<u>53,609,496</u>
Long-term accounts receivables are not available to pay for current period expenditures.	864,544
The assets and liabilities of the internal service funds are included in the governmental activities in the statement of net position.	(11,651,604)
Long-term liabilities (excluding internal service fund liabilities) including bonds payable and accrued interest payable are not due and payable in the current period and therefore are not reported in the funds.	
Accounts payable and other accrued liabilities	(10,886,440)
Accrued interest payable	(1,668,465)
Accrued vacation and leave	(74,610,750)
Bonds, notes and loans payable	(484,590,772)
Net OPEB deferred inflows/outflows	(22,021,617)
Net OPEB liabilities	(104,034,476)
Net Pension deferred inflows/outflows	(2,618,310)
Net Pension liabilities	(219,861,589)
Obligations under capital lease and COPs	(58,392,850)
Unamortized bond premium, discount, deferred loss, gain	(53,740,307)
	<u>(1,032,425,576)</u>
Total net position of governmental activities (Exhibit 1)	<u><u>\$ 227,289,890</u></u>

The notes to the financial statements are an integral part of this statement.

City of Akron, Ohio  
Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds  
For the Year Ended December 31, 2021

	General	Community Learning Centers	Income Tax Capital Improvement	Special Assessment Fund	Various Purpose Funding	Other Governmental Funds	Total Governmental Funds
<b>Revenues</b>							
Income taxes	\$ 104,975,599	\$ 17,975,385	\$ 38,826,451	\$ -	\$ -	\$ 23,830,730	\$ 185,608,165
Property taxes	18,817,965	-	-	415,047	-	9,183,092	28,416,104
JEDD revenues	6,850,000	-	4,450,000	-	-	7,412,404	18,712,404
Special assessments	94,996	-	-	19,556,874	-	-	19,651,870
Grants and subsidies	-	382,733	81,044	269,315	7,586,137	23,881,963	32,201,192
Investment earnings	567,715	109,681	33,790	-	13,851	271,228	996,265
Shared revenues	13,784,128	9,708,985	80,626	-	-	29,908,413	53,482,152
Licenses, fees and fines	12,965,067	-	-	26,902	1,302,456	6,487,666	20,782,091
Charges for services	16,820,907	-	-	4,539	-	3,340,110	20,165,556
Miscellaneous	3,913,408	1,500	2,102,878	44,674	143,296	9,017,022	15,222,778
	178,789,785	28,178,284	45,574,789	20,317,351	9,045,740	113,332,628	395,238,577
<b>Expenditures</b>							
Current:							
General government	25,160,396	273,785	146	1,245,819	7,466,317	24,816,016	58,962,479
Public service	27,819,971	-	1,082,977	14,241,614	210	42,857,313	86,002,085
Public safety	99,638,680	-	1,453,530	-	1	33,076,449	134,168,660
Community environment	2,532,287	18,033,808	1,768,523	-	88,812	28,378,673	50,802,103
Public health	4,122,895	-	-	-	-	-	4,122,895
Recreation and parks	4,602,882	-	198	-	3	5,965,855	10,568,938
Debt service:							
Principal retirement	873,821	12,995,000	30,516,559	1,645,283	-	21,984,310	68,014,973
Interest	232,257	10,348,744	11,044,530	192,288	-	923,570	22,741,389
	164,983,189	41,651,337	45,866,463	17,325,004	7,555,343	158,002,186	435,383,522
Excess (deficiency) of revenues over (under) expenditures	13,806,596	(13,473,053)	(291,674)	2,992,347	1,490,397	(44,669,558)	(40,144,945)
<b>Other financing sources (uses)</b>							
Issuance of bonds	-	-	162,000	-	-	33,763,049	33,925,049
Transfers-in	70,333	-	-	-	-	12,912,754	12,983,087
Transfers-out	(13,881,754)	-	-	-	(339,090)	(2,500,000)	(16,720,844)
	(13,811,421)	-	162,000	-	(339,090)	44,175,803	30,187,292
Net change in fund balance	(4,825)	(13,473,053)	(129,674)	2,992,347	1,151,307	(493,755)	(9,957,653)
Fund balances (deficit), January 1, 2021	31,567,302	36,302,660	6,263,379	(11,062,569)	13,073,357	32,828,405	108,972,534
Fund balances (deficit), December 31, 2021	\$ 31,562,477	\$ 22,829,607	\$ 6,133,705	\$ (8,070,222)	\$ 14,224,664	\$ 32,334,650	\$ 99,014,881

The notes to the financial statements are an integral part of this statement.

City of Akron, Ohio  
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances  
to the Statement of Activities - Governmental Funds  
For the Year Ended December 31, 2021

Net changes in fund balances - total governmental funds (Exhibit 4) \$ (9,957,653)

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, which meet capitalization requirements, is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlays (\$36,094,924) exceeded depreciation (\$41,135,334) in the current period. (5,040,410)

The net effect of selling capital assets increased net position. 39,815

Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds. The amount is the net effect of the reversal of prior year items against current year accruals. (50,388,185)

The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of premiums and deferred amount on refundings when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. The amount is the net effect of these differences in the treatment of long-term debt and related items.

Issuance of debt	(33,925,049)	
Payment of debt	<u>68,014,973</u>	
		34,089,924

Some of the expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds. 87,720,636

The change in net position of the internal service funds are included in the governmental activities in the statement of activities. 1,546,120

Change in net position of governmental activities (Exhibit 2)	<u>\$ 58,010,247</u>	
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The notes to financial statements are an integral part of this statement.

City of Akron, Ohio  
Statement of Net Position - Proprietary Funds  
December 31, 2021

	Water	Sewer	Off-Street Parking	Other Enterprise Funds	Total	Governmental Activities- Internal Service Funds
<b>Assets</b>						
Current assets:						
Pooled cash and investments	\$ 12,373,795	\$ 97,137,392	\$ 5,605	\$ 453,915	\$ 109,970,707	\$ 9,234,024
Receivables, net of allowance for uncollectibles	2,772,372	14,228,983	37,063	67,821	17,106,239	112,079
Due from other governments	16,202	-	-	715,481	731,683	-
Due from other funds	876,148	209,860	-	67,218	1,153,226	3,421,243
Inventories, at cost	1,827,150	882,005	-	89,029	2,798,184	638,692
Total current assets	17,865,667	112,458,240	42,668	1,393,464	131,760,039	13,406,038
Noncurrent assets:						
Restricted cash and investments	793,139	2,378,447	-	-	3,171,586	-
Net pension asset	145,838	92,074	-	8,853	246,765	82,195
Net OPEB asset	1,035,393	653,137	-	63,172	1,751,702	574,577
Property, plant and equipment, net of accumulated depreciation	171,361,791	1,001,905,947	60,644,078	12,096,712	1,246,008,528	1,714,490
Total noncurrent assets	173,336,161	1,005,029,605	60,644,078	12,168,737	1,251,178,581	2,371,262
Total assets	191,201,828	1,117,487,845	60,686,746	13,562,201	1,382,938,620	15,777,300
<b>Deferred Outflows of Resources</b>	2,317,980	1,482,035	-	111,536	3,911,551	1,311,934
Total assets and deferred outflows	193,519,808	1,118,969,880	60,686,746	13,673,737	1,386,850,171	17,089,234
<b>Liabilities</b>						
Current liabilities:						
Accounts payable	3,919,881	4,854,675	452,536	1,302,237	10,529,329	2,357,818
Deposits	751,797	-	-	-	751,797	-
Due to other governments	10,161,258	307,765	176,111	9	10,645,143	-
Advances from other funds	-	-	-	365,000	365,000	50,000
Due to other funds	533,479	3,064,452	54,267	1,243	3,653,441	1,856,815
Accrued interest payable	368,378	6,588,993	-	-	6,957,371	-
Accrued liabilities	32,131	1,552,182	-	205,091	1,789,404	1,658,300
Accrued wages	375,663	305,899	-	8,130	689,692	187,499
Accrued vacation and leave	1,074,679	565,414	-	31,533	1,671,626	593,920
Obligations under capital lease	-	2,023,832	-	26,612	2,050,444	-
Liability for unpaid claims	-	-	-	-	-	4,709,290
Debt:						
Mortgage revenue bonds	830,000	-	-	-	830,000	-
OWDA loans	1,994,005	27,006,126	-	-	29,000,131	-
OPWC loans	44,750	9,133	-	-	53,883	-
Total current liabilities	20,086,021	46,278,471	682,914	1,939,855	68,987,261	11,413,642
Noncurrent liabilities:						
Obligations under capital lease	-	27,787,590	-	87,495	27,875,085	-
Due in more than one year	4,602,115	2,649,212	-	378,575	7,629,902	3,627,860
Bonds, notes, and loans payable	47,095,591	666,153,271	-	-	713,248,862	-
Net pension liability	8,827,761	5,562,099	-	535,983	14,925,843	5,013,644
Net OPEB liability	7,532,543	5,068,745	-	40,375	12,641,663	3,967,833
Total noncurrent liabilities	68,058,010	707,220,917	-	1,042,428	776,321,355	12,609,337
Total liabilities	88,144,031	753,499,388	682,914	2,982,283	845,308,616	24,022,979
<b>Deferred Inflows of Resources</b>	9,435,361	7,118,070	12,333	331,624	16,897,388	5,146,668
<b>Net Position</b>						
Net investment in capital assets	121,397,445	278,925,995	60,644,078	12,096,712	473,064,230	1,714,490
Restricted for debt service	793,138	2,378,447	-	-	3,171,585	-
Unrestricted (deficit)	(26,250,167)	77,047,980	(652,579)	(1,736,882)	48,408,352	(13,794,903)
Total net position	95,940,416	358,352,422	59,991,499	10,359,830	524,644,167	(12,080,413)
Total liabilities, deferred inflows and net position	\$ 193,519,808	\$ 1,118,969,880	\$ 60,686,746	\$ 13,673,737		\$ 17,089,234
Adjustment to reflect the consolidation of internal service fund activities related to enterprise funds:					(428,809)	
Net position of business-type activities					\$ 524,215,358	

City of Akron, Ohio  
Statement of Revenues, Expenses and Changes in Fund Net Position - Proprietary Funds  
For the Year Ended December 31, 2021

	Water	Sewer	Off-Street Parking	Other Enterprise Funds	Total	Governmental Activities- Internal Service Funds
<b>Operating revenues</b>						
Charges for services	\$ 34,951,006	\$ 86,870,936	\$ 2,504,044	\$ 1,333,851	\$ 125,659,837	\$ 50,378,635
Other	4,287,423	1,072,805	167,590	1,108,475	6,636,293	9,653,076
	<u>39,238,429</u>	<u>87,943,741</u>	<u>2,671,634</u>	<u>2,442,326</u>	<u>132,296,130</u>	<u>60,031,711</u>
<b>Operating expenses</b>						
Personal services	8,403,091	5,178,717	-	231,777	13,813,585	3,458,665
Direct expenses	15,439,453	57,948,950	3,476,507	2,091,195	78,956,105	17,554,967
Claims	428	46,576	-	6,000	53,004	36,045,224
Rentals and lease	161,320	25,077	623,476	64,786	874,659	505,561
Utilities	1,054,522	3,797,169	281,263	34,589	5,167,543	183,017
Insurance	208,317	501,850	109,591	115,794	935,552	29,878
Depreciation, depletion and amortization	8,858,284	21,642,086	2,915,313	327,832	33,743,515	325,352
Other	131,953	574,901	156,753	26,562	890,169	7,818
	<u>34,257,368</u>	<u>89,715,326</u>	<u>7,562,903</u>	<u>2,898,535</u>	<u>134,434,132</u>	<u>58,110,482</u>
Operating income (loss)	<u>4,981,061</u>	<u>(1,771,585)</u>	<u>(4,891,269)</u>	<u>(456,209)</u>	<u>(2,138,002)</u>	<u>1,921,229</u>
<b>Nonoperating revenues (expenses)</b>						
Interest income	3,264	289	-	-	3,553	23
Interest expense	(675,701)	(13,818,021)	(10,066)	(460)	(14,504,248)	-
Other revenues (expenses)	22,044	-	-	23,000	45,044	-
	<u>(650,393)</u>	<u>(13,817,732)</u>	<u>(10,066)</u>	<u>22,540</u>	<u>(14,455,651)</u>	<u>23</u>
Gain (loss) before transfers and contributions	<u>4,330,668</u>	<u>(15,589,317)</u>	<u>(4,901,335)</u>	<u>(433,669)</u>	<u>(16,593,653)</u>	<u>1,921,252</u>
Transfers-in	69,981	198,776	1,700,000	1,019,000	2,987,757	750,000
Capital contributions	-	27,162,128	-	3,695,515	30,857,643	-
	<u>69,981</u>	<u>27,360,904</u>	<u>1,700,000</u>	<u>4,714,515</u>	<u>33,845,400</u>	<u>750,000</u>
Changes in net position	<u>4,400,649</u>	<u>11,771,587</u>	<u>(3,201,335)</u>	<u>4,280,846</u>	<u>17,251,747</u>	<u>2,671,252</u>
Net position, January 1, 2021	<u>91,539,767</u>	<u>346,580,835</u>	<u>63,192,834</u>	<u>6,078,984</u>		<u>(14,751,665)</u>
Net position, December 31, 2021	<u>\$ 95,940,416</u>	<u>\$ 358,352,422</u>	<u>\$ 59,991,499</u>	<u>\$ 10,359,830</u>		<u>\$ (12,080,413)</u>
Adjustment to reflect the consolidation of internal service fund activities related to enterprise funds.					1,125,132	
Change in net position of business-type activities					<u>\$ 18,376,879</u>	

The notes to the financial statements are an integral part of this statement.

City of Akron, Ohio  
Statement of Cash Flows - Proprietary Funds  
For the Year Ended December 31, 2021

	Water	Sewer	Off-Street Parking	Other Enterprise Funds	Total	Governmental Activities Internal Service Funds
<b>Operating activities</b>						
Cash received from customers	34,960,030	84,236,111	2,524,960	1,294,887	123,015,988	48,427,771
Cash payments to suppliers for goods and services	(4,052,151)	(68,430,807)	(4,491,431)	(1,764,971)	(78,739,360)	(17,552,933)
Cash paid for salaries and employee benefits	(14,690,610)	(9,178,812)	-	(804,164)	(24,673,586)	(47,182,932)
Other revenues	4,287,423	1,072,805	167,590	1,108,475	6,636,293	9,653,076
Other expenses	(131,953)	(574,901)	(156,753)	(26,562)	(890,169)	(7,818)
Net cash provided by (used for) operating activities	20,372,739	7,124,396	(1,955,634)	(192,335)	25,349,166	(6,662,836)
<b>Non-capital financing activities</b>						
Transfers from other funds	69,981	198,776	1,700,000	1,019,000	2,987,757	750,000
Transfers/advances in for negative cash balances	-	-	-	(895,000)	(895,000)	1,786,632
Principal paid on bonds, loans and notes	-	-	-	-	-	-
Interest paid on bonds, loans and notes	-	-	-	-	-	-
Net cash provided by (used for) non-capital financing activities	69,981	198,776	1,700,000	124,000	2,092,757	2,536,632
<b>Capital and related financing activities</b>						
Proceeds from the sale of bonds	19,728,638	85,702,851	-	-	105,431,489	-
Principal paid on bonds and loans	(10,686,575)	(28,210,116)	-	-	(38,896,691)	-
Interest paid on bonds and loans	(1,205,948)	(13,547,953)	(10,066)	(460)	(14,764,427)	-
Acquisition and construction of capital assets	(24,078,928)	(88,943,721)	-	(3,410,141)	(116,432,790)	90
Capital contributions	-	27,162,128	-	3,695,515	30,857,643	-
Net cash provided by (used for) capital and related financing activities	(16,242,813)	(17,836,811)	(10,066)	284,914	(33,804,776)	90
<b>Investing activities</b>						
Purchase of investment securities	(8,606,275)	(2,185,236)	-	-	(10,791,511)	-
Proceeds from sales and maturities of investment securities	8,606,275	2,185,236	-	-	10,791,511	-
Interest on investments	3,264	289	-	-	3,553	23
Net cash provided by investing activities	3,264	289	-	-	3,553	23
Net increase (decrease) in cash and cash equivalents	4,203,171	(10,513,350)	(265,700)	216,579	(6,359,300)	(4,126,091)
Cash and cash equivalents, January 1, 2021	8,963,763	110,029,189	271,305	237,336	119,501,593	13,360,115
Cash and cash equivalents, December 31, 2021	13,166,934	99,515,839	5,605	453,915	113,142,293	9,234,024
Operating income (loss)	4,981,061	(1,771,585)	(4,891,269)	(456,209)	(2,138,002)	1,921,229
Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities:						
Depreciation, depletion and amortization	8,858,284	21,642,086	2,915,313	327,832	33,743,515	325,352
(Increase) decrease in operating assets:						
Receivables	(105,172)	(2,787,613)	11,615	28,254	(2,852,916)	661,239
Due from other funds	87,603	(209,860)	-	(67,218)	(189,475)	(2,612,103)
Inventories	35,563	69,025	-	(6,815)	97,773	159,091
Increase (decrease) in operating liabilities:						
Accounts payable	2,592,757	9,443,852	(128,931)	573,971	12,481,649	(1,297,392)
Due to other funds	65,063	695,279	(16,551)	(25,772)	718,019	15,825
Due to other governments	10,118,078	(16,365,917)	144,888	9	(6,102,942)	(140,258)
Accrued liabilities	(7,434,353)	(3,897,375)	9,301	(561,173)	(11,883,600)	(5,734,859)
Accrued wages	(114,478)	(812)	-	(8,012)	(123,302)	(139,361)
Accrued vacation and leave	1,288,333	307,316	-	2,798	1,598,447	362,719
Estimated liability for unpaid claims	-	-	-	-	-	(184,318)
Net cash provided by (used for) operating activities	20,372,739	7,124,396	(1,955,634)	(192,335)	25,349,166	(6,662,836)

The notes to the financial statements are an integral part of this statement.

City of Akron, Ohio  
Statement of Fiduciary Net Position  
Fiduciary Funds - Custodial  
December 31, 2021

	<b>Custodial Funds</b>
<b>Assets</b>	
Cash	\$ 1,797,221
Receivables	4,091,905
Total assets	<u>5,889,126</u>
<b>Liabilities</b>	
Due to other governments	2,239,732
Due to others	41,557
Total liabilities	<u>2,281,289</u>
<b>Deferred Inflows of Resources</b>	1,929,747
Restricted for individuals, organizations, and governments	<u>1,678,090</u>
<b>Net Position</b>	<u><u>\$ 1,678,090</u></u>

The notes to the financial statements are an integral part of this statement.

City of Akron, Ohio  
Statement of Changes in Fiduciary Net Position - Custodial Funds  
For the Year Ended December 31, 2021

Exhibit 9

	<b>Custodial Funds</b>
<b>Additions</b>	
Contributions	\$ 100
Confiscated evidence	641,449
JEDD income tax	5,364,986
Miscellaneous	6,856
	<u>6,013,391</u>
<b>Deductions</b>	
Distribution to participatns	452,295
Education and awareness	4,200
JEDD district expenses	6,388,711
Refunds	236,913
	<u>7,082,119</u>
<b>Net Decrease in Fiduciary Net Position</b>	<u>(1,068,728)</u>
Net position, January 1, 2021	<u>2,746,818</u>
Net position, December 31, 2021	<u><u>\$ 1,678,090</u></u>

The notes to the financial statements are an integral part of this statement.



**City of Akron, Ohio**  
**Notes to the Financial Statements**  
**Year Ended December 31, 2021**

**1. Summary of Significant Accounting Policies**

The City of Akron (the City) was incorporated in 1836 and is a home rule municipal corporation under the laws of the State of Ohio. The City operates under a Council-Mayor form of government and provides the following services as authorized by its Charter: public safety, public service, public health, recreation and development. The accompanying financial statements comply with the provisions of the Governmental Accounting Standards Board (GASB) Statement No. 14, *The Financial Reporting Entity*, Statement No. 39, *Determining Whether Certain Organizations Are Component Units*, and Statement No. 61, *The Financial Reporting Entity: Omnibus*, Statement No. 80, *Blending Requirements for Certain Component Units*, and Statement No. 90, *Majority Equity Interests*, in that the financial statements include those activities and functions for which the City is accountable. The City has no component units as defined by GASB 14, 39, 61, 80, and 90. The City is associated with certain organizations which are defined as jointly governed organizations, joint ventures and related organizations. These organizations are presented in Notes 25, 26 and 27 to the basic financial statements. These organizations are the Akron/Summit Convention and Visitors' Bureau, the Copley-Akron Joint Economic Development District ("JEDD"), the Coventry-Akron JEDD, the Springfield-Akron JEDD, the Bath-Akron-Fairlawn JEDD, and the Summit Medina Business Alliance (SMBAA). The accounting policies and financial reporting practices of the City conform to accounting principles generally accepted in the United States of America (GAAP) as applicable to governmental units.

The following is a summary of the more significant policies followed during the preparation of the accompanying financial statements.

**A. Government-wide and fund financial statements**

GASB Statement No. 34, *Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments* establishes requirements and a reporting model for the annual financial reports of state and local governments. The Statement was developed to make annual reports easier to understand and more useful to the people who use governmental financial information to make decisions. Financial information of the City is presented in the following format:

**Basic Financial Statements:**

1. *Government-wide financial statements* consist of a statement of net position and a statement of activities.

These statements report all of the assets and deferred outflows of resources, liabilities and deferred inflows of resources, revenues, expenses, and gains and losses of the City. Governmental activities are reported separately from business-type activities. Governmental activities are normally supported by taxes and intergovernmental revenues, whereas business-type activities are normally supported by fees and charges for services and are usually intended by management to be financially self-sustaining. Fiduciary funds of the City are not included in these government-wide financial statements.

Interfund receivables and payables, and bonds and notes issued by the City and held by the City as investments, within governmental and business-type activities have been eliminated in the government-wide statement of net position. Related

## 1. Summary of Significant Accounting Policies (Continued)

interest amounts are eliminated in the government-wide statement of activities. These eliminations minimize the duplicating effect on assets and liabilities within the governmental and business-type activities total column. Interfund services provided and used are not eliminated in the process of consolidation.

Internal service net position, whether positive or negative, have been eliminated against the expenses and program revenues shown in the governmental activities statement of activities.

The statement of activities presents a comparison between direct expenses and program revenues for the different business-type activities of the City and for each function of the City's governmental activities.

Direct expenses are those that are specifically associated with a program or function and, therefore, are clearly identifiable to a particular function. Program revenue includes (a) charges paid by the recipients of goods or services offered by the programs and (b) grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not classified as program revenues, including all taxes, are presented as general revenues.

2. *Fund financial statements* consist of a series of statements focusing on information about the City's major governmental and enterprise funds. Separate statements are presented for the governmental, proprietary, and fiduciary funds.

The City's major governmental funds are the General Fund, the Community Learning Centers (CLC) Fund, Income Tax Capital Improvement Fund, Special Assessment Fund, and the Various Purpose Funding Fund. Water, Sewer, and Off-Street Parking Funds are considered major funds of the City's business-type activities.

The General Fund is the primary operating fund of the City. It is used to account for all financial resources except those required to be accounted for in other funds. Its revenues consist primarily of income and property taxes, JEDD revenues, shared revenues, charges for services, and licenses, fees, and fines.

General Fund expenditures represent costs of general government, public service (including sanitation and recycling collection), public safety (including police and fire), community environment, public health, and recreation and parks. General Fund resources are also transferred annually to support other services which are accounted for in other separate funds.

The Community Learning Centers (CLC) Fund is used to account for the daily activity relating to the CLC project. The cooperative agreement with the Board of Education of the Akron Public Schools District (District) provides a mechanism to fund the renovation and/or rebuilding of all CLC's in Akron. This major rebuilding program is funded primarily through City income tax, shared revenue and bond proceeds.

The Income Tax Capital Improvement Fund, a special revenue fund, is used to account for the accumulation of income tax revenue and the payments of costs for items specifically designated as project costs and payment of debt service. The primary revenue source is income tax revenue and some debt proceeds.

## 1. Summary of Significant Accounting Policies (Continued)

The Special Assessment Fund is used to account for the accumulation of resources for, and the payment of, assessment related activities including Street Lighting, Street Cleaning, and related costs. Revenues consist primarily of special assessment collections.

The Various Purpose Funding Fund is used to account for the accumulation of resources for, and payment of grant specific costs. Revenue consists primarily of grants and subsidies related to COVID funding and the American Rescue Plan Award (ARPA).

The Water Enterprise Fund accounts for financial activity related to operating the City's water supply, treatment and distribution system. The Water Enterprise Fund serves six other municipalities and parts of six adjacent townships. Revenues consist primarily of charges for services.

The Sewer Enterprise Fund accounts for the financial activity related to operating the City's wastewater collection and treatment system that serves the City and twelve other subdivisions. Revenues consist primarily of charges for services.

The Off-Street Parking Fund accounts for the financial activity related to operating the City's parking facilities located throughout the downtown area. Revenues consist almost exclusively of charges for services.

While not considered major funds, the City maintains Internal Service Funds used to account for the financing of goods or services provided by one department or division to another department or division of the City, generally on a cost-reimbursement basis. The three largest of these funds account for the motor equipment, engineering, and information technology services. In addition, the City also maintains Internal Service Funds to account for the financial activity relating to self-insurance. The financial activity relating to the self insurance funds are for workers' compensation, medical, and judgment and claims.

3. Notes to the financial statements provide information that is essential to a user's understanding of the basic financial statements.

### **Required Supplementary Information:**

Required supplementary information such as Management's Discussion and Analysis and budgetary comparison schedules are also required by GASB Statement No. 34. GASB Statement No. 68 requires the Schedule of City's Proportionate Share of Net Pension Liability and the Schedule of the City Contributions to State Pension Funds. GASB Statement No. 75 requires the Schedule of Net OPEB Liability and the Schedule of Contributions for the OPEB Plan.

## **B. *Financial reporting presentation***

The accounts of the City are organized on the basis of funds, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, deferred outflows/inflows of resources, fund balance (equity), revenues, and expenditures (expenses). The fund types and classifications that the City reports are as follows:

## 1. Summary of Significant Accounting Policies (Continued)

### GOVERNMENTAL FUNDS

1. **General Fund** – The General Fund is the general operating fund of the City and is appropriated. It is used to account for all financial resources except those required to be accounted for in another fund.
2. **Special Revenue Funds** – Special Revenue Funds are used to account for revenues derived from specific taxes, grants, or other restricted revenue sources. The uses and limitations of each Special Revenue Fund are specified by City ordinances or federal or state statutes.
3. **Debt Service Funds** – Debt Service Funds are used to account for the accumulation of resources for, and the payment of, general long-term debt principal, interest, and related costs.
4. **Capital Projects Funds** - The Capital Projects Funds are used to account for financial resources used for the acquisition or construction of major capital projects (other than those financed by proprietary funds).
5. **Permanent Funds** – Permanent Funds are for the purpose of accounting for resources that are legally restricted to the extent that earnings, and not principal, may be used for purposes that support the reporting government's programs. The City, however, does not utilize Permanent Funds at this time.

### PROPRIETARY FUNDS

1. **Enterprise Funds** - The Enterprise Funds are used to account for the operations that are financed and operated in a manner similar to private business enterprises, where the intent of the governing body is that costs of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges.
2. **Internal Service Funds** - The Internal Service Funds are used to account for the financing of goods or services provided by one department to other departments or to other governments on a cost-reimbursement basis.

### FIDUCIARY FUNDS

1. **Custodial Funds** – Custodial Funds are used to account for assets held by the City for individuals, private organizations, or other governments. The City reports on eight Custodial Funds, the first one is the Claire Merrixx which is to fund tennis related activities. Followed by the Police/Fire Beneficiary Fund which provides scholarships for dependents of those serving in the Police and Fire Departments. The Police Property Monetary Evidence Fund and is used to account for funds held by the Police Department that will be returned to other agencies. The remaining funds relate to specific Joint Economic Development Districts (JEDD) and include: Copley-Akron JEDD, Coventry-Akron JEDD, Springfield-Akron JEDD, and Bath-Akron-Fairlawn JEDD. The JEDD funds are used to account for the specific JEDD District activities and disbursements.

## 1. Summary of Significant Accounting Policies (Continued)

### C. *Measurement focus and basis of accounting*

Except for budgetary purposes, the basis of accounting used by the City conforms to accounting principles generally accepted in the United States of America (GAAP) as applicable to governmental units. The accounting and financial reporting treatment applied to a fund is determined by its measurement focus.

The government-wide, proprietary, and fiduciary fund financial statements are reported using the economic resources measurement focus and the full accrual basis of accounting, except Agency Funds because they are custodial in nature. Revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of when the related cash flows take place. Nonexchange transactions, in which the City gives (or receives) value without directly receiving (or giving) equal value in exchange, include income taxes, property taxes, shared revenue, grants, and donations. On a full accrual basis, revenue from income taxes is recognized in the period in which the taxpayer's liability occurs and revenue from property taxes is recognized in the fiscal year for which the taxes are levied. On a full accrual basis, revenue in the form of shared revenue is recognized when the provider government recognizes its liability to the City. Revenue from grants and donations are recognized in the fiscal year in which all eligibility requirements have been satisfied.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this method, revenues are recognized when both measurable and available. Revenues are considered to be available when they are collected within the current period or soon enough thereafter to pay liabilities of the current period. The City generally considers all revenues reported in the governmental funds to be available if the revenues are collected within sixty days after year-end. Expenditures are generally recorded when the related fund liability is incurred, except for principal and interest on general long-term debt, claims and judgments, and compensated absences, which are recognized as expenditures only when payment is due. General capital asset acquisitions are reported as expenditures in governmental funds. Proceeds of general long-term debt are reported as other financing sources.

In applying the susceptible-to-accrual concept under the modified accrual basis, the following revenue sources are deemed both measurable and available (i.e., collectible within the current year or within sixty days after year-end and available to pay obligations of the current period). These include income taxes, JEDD revenues, investment earnings, shared revenues, and a portion of special assessments. Entitlements are recorded as revenues when all eligibility requirements are met, including any time requirements, and the amount is received during the period or within the availability period for this revenue source (within 60 days of year end). Expenditure-driven grants are recognized as revenue when the qualifying expenditures have been incurred and all other eligibility requirements have been met, and the amount is received during the period or within the availability period for this revenue source (within 60 days of year end). Property taxes and the balance of special assessments receivables, though measurable, are not available soon enough in the subsequent year to finance current period obligations.

## 1. Summary of Significant Accounting Policies (Continued)

Therefore, property tax and the balance of special assessment receivables are recorded as deferred inflows until they become available. Other revenues, including licenses, fees and fines, and charges for services are recorded as revenue when received in cash because they are generally not measurable until actually received. The City applies restricted resources first when an expenditure is incurred for purposes for which both restricted and unrestricted net position are available.

Proprietary Fund operating revenues, such as charges for services, result from exchange transactions associated with the principal activity of the fund. Exchange transactions are those in which each party receives and gives up essentially equal values. Non-operating revenues, such as rental revenue and connection fees, result from ancillary activities. Operating expenses are necessary costs incurred to provide the good or service that is the primary activity of the fund.

### D. *Budgetary Procedures*

The City Council follows these procedures in establishing the budgetary data.

- (1) The Mayor submits to the City Council a proposed operating budget for the fiscal year commencing January 1. The operating budget includes proposed expenditures and the means of financing them.
- (2) Public hearings are conducted to obtain taxpayer comments.
- (3) According to state law, the budget must be enacted through passage of an ordinance by April 1.
- (4) The City Finance Director is authorized by City Council to transfer funds already appropriated within departments within any fund or category of expenditures; however, any revisions that alter the total appropriation of said department must be individually approved by the City Council. During 2021, supplemental appropriations were passed by City Council.
- (5) Encumbrance accounting is employed in governmental funds. Encumbrances (e.g., purchase orders, contracts) outstanding at year-end are recorded as the equivalent of expenditures. Unencumbered appropriations lapse at year-end.
- (6) The majority of all funds have a legally adopted annual budget. Those funds include:

General Fund  
Income Tax Collection  
Emergency Medical Service  
Special Assessment  
Income Tax Capital Improvement  
Street and Highway Maintenance  
Community Development  
Community Environment Grants  
Akron Metro. Area Transportation Study  
H.O.M.E. Program  
Tax Equivalency  
E.D.A. Revolving Loans  
Joint Economic Development Districts  
Akron Muni. Court Information System  
Police Grants  
Safety Programs

City Facilities Operating  
Various Purpose Funding  
Deposits  
Community Learning Centers  
Police, Fire, and Road Activity  
General Grants  
General Bond Payment Fund  
Streets  
Information Technology and Improvements  
Parks and Recreation  
Public Facilities and Improvements  
Public Parking  
Economic Development  
Water  
Sewer  
Oil and Gas

Golf Course  
Airport  
Off-Street Parking  
Motor Equipment  
Medical Self-Insurance  
Workers' Compensation Reserve  
Self-Insurance Settlement  
Telephone System  
Engineering Bureau  
Information Technology  
Claire Merrixx  
Police/Fire Beneficiary  
Police Property Monetary Evidence



## 1. Summary of Significant Accounting Policies (Continued)

- (7) The City appropriates an annual budget for the Police Pension Employer's Liability Fund and the Fire Pension Employer's Liability Fund, which are required due to their funding source. On a GAAP basis, the two funds are combined with the General Fund.
- (8) The City appropriates an annual budget for the Unclaimed Monies Fund which on a GAAP basis, is combined with the General Fund.

### E. *Cash, Cash Equivalents, and Investments*

Cash balances of the individual funds are combined to form a pool of cash held by the City Treasurer and invested in authorized investments (see Note 2). Earnings from these investments are credited to the General Fund in accordance with the City Charter except where the terms of a grant or regulation specify otherwise. Certain cash balances are held on behalf of the City by outside agents (see Note 2). Earnings from these investments are credited to the General Fund and certain other funds pursuant to the City Charter and federal and state requirements.

Investments are stated at fair value. Changes in fair value are recorded as a component of investment earnings.

For purposes of the Statement of Cash Flows, equity in pooled cash and investments, as well as segregated investments with original maturities of three months or less at the time they are purchased by the City, are considered to be cash equivalents. Investments with maturities of more than three months are not considered to be cash equivalents.

### F. *Inventories* – Inventories are valued at cost (first-in, first-out) and adjusted to annual physical counts which are then maintained on a perpetual basis until the end of the year.

### G. *Capital Assets* – Capital assets, which include property, plant, equipment, and infrastructure assets (e.g., roads, bridges, sidewalks, and similar items), are reported in the applicable governmental or business-type activities columns in the government-wide financial statements to the extent the City's capitalization threshold is met. The City defines capital assets as assets with an estimated useful life in excess of three years and an individual cost of more than \$5,000 for land; \$10,000 for equipment and vehicles; \$50,000 for intangibles – easements; \$500,000 for intangibles – computer software; \$25,000 for land improvements, buildings, and improvements other than buildings; and \$100,000 for infrastructure. Assets are recorded at historical cost or estimated historical cost if historical cost is not available. Contributed capital assets are recorded at their acquisition value at the date contributed. Donated capital assets, donated works of art and similar items, and capital assets received in a service concession arrangement are recorded at acquisition value. Acquisition value is the price that would be paid to acquire an asset with equivalent service potential in an orderly market transaction at the acquisition date. Infrastructure acquired prior to December 31, 1980, is also reported as a component of the above-mentioned capital assets.

Capital assets in the proprietary funds are capitalized in the fund in which they are utilized. The valuation basis for proprietary fund capital assets are the same as those used for the governmental capital assets. Interest accrued during the construction of capital assets utilized by the proprietary funds has been capitalized through December 31, 2017. As a result of the 2018 implementation of GASB statement No. 89, *Accounting for Interest Cost Incurred before the end of a construction period*, interest accrued during construction is no longer capitalized in Proprietary funds.

## 1. Summary of Significant Accounting Policies (Continued)

Costs for maintenance and repairs are expensed when incurred. However, costs for repairs and upgrading that materially add to the value or life of an asset and meet the above criteria are capitalized.

The City depreciates capital assets on a straight-line basis half-year convention, using the following estimated useful lives:

<u>Asset</u>	<u>Years</u>
Buildings, bridges, and storm sewers	50
Improvements, skywalks, and paving	40
Sewer and water mains	40
Sidewalks, curbs, electrical, and lighting	30
Traffic control system and bridge repairs	25
Land improvements	20
Equipment and Intangibles	3-20
CLC Building Equity Interest	70
CLC improvements other than buildings	40

- H. ***Compensated Absences*** – Vacation, paid leave, and compensatory time benefits are accrued for as liabilities as the benefits are earned if the employees’ rights to receive compensation are attributable to services already rendered and it is probable that the City will compensate the employees for the benefits through paid time off or some other means. The City records a liability for accumulated unused vacation, paid leave, and compensatory time when earned for all employees.

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

- I. ***Fund Balances*** – Fund balance is divided into five classifications based primarily on the extent to which the City is bound to observe constraints imposed upon the use of the resources in the governmental funds.

The classifications are as follows:

(1) **Nonspendable** – Amounts that cannot be spent because they are not in spendable form, or legally or contractually required to be maintained intact. The “not in spendable form” criterion includes items that are not expected to be converted to cash. It also includes the long-term amount of interfund loans.

(2) **Restricted** – Amounts constrained to specific purposes by their providers (such as grantors, bondholders, and higher levels of government), through constitutional provisions, or by enabling legislation.

(3) **Committed** – Amounts constrained to specific purposes imposed by a formal action (ordinance) of City Council, its highest level of decision making authority; to be reported as committed, amounts cannot be used for any other purposes unless the same highest level of action is taken to remove or change the constraint.



## 1. Summary of Significant Accounting Policies (Continued)

(4) **Assigned** – Amounts the City intends to use for a specified purpose; intent can be expressed by the governing body or by the Director of Finance which has been designated this authority. The City's intent is typically expressed through a directive issued by the Director of Finance.

(5) **Unassigned** – Amounts that are available for any new purpose: positive amounts are reported only in the general fund. In other governmental funds, the unassigned classification is used only to report a deficit fund balance.

Council establishes fund balance commitments by passage of an ordinance. Assigned fund balance is established by City administration including the Director of Finance through the issuance of requisitions, purchase orders, contracts, and directives.

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

Governmental funds of the City do not have specified fund balance targets. Recommended levels of committed and/or assigned fund balance will be determined on a case by case basis, based on the needs of each fund and as recommended by officials and approved by Council where necessary.

Encumbrance accounting, under which purchase orders, contracts, and other commitments for the expenditure of monies are recorded in order to restrict that portion of the appropriation, is employed as an extension of formal budgetary integration in the governmental funds. Significant encumbrances as of December 31, 2021, total \$2,442,681 in the General fund, \$731,610 in the Income Tax Capital Improvement fund, \$1,573,841 in the Special Assessment fund, \$124,557 in the Various Purpose fund, and \$9,545,668 in all other Governmental funds.

J. ***Interfund Transactions*** – During the course of normal operations, the City records numerous transactions between funds including expenditures and transfers of resources to provide services, subsidize operations, and service debt. The City has the following types of transactions among funds:

- (1) Reciprocal interfund services provided and used – Purchases and sales of goods and services between funds for a price approximating their external exchange value.
- (2) Nonreciprocal interfund transfers – Flows of assets between funds without equivalent flows of assets in return and without a requirement for repayment. This includes transfers to subsidize various funds.
- (3) Nonreciprocal interfund reimbursements – Repayments from the funds responsible for particular expenditures or expenses to the funds that initially paid for them.

The City's interfund receivables and payables at December 31, 2021 are presented in Note 5. These are eliminated entity-wide and shown as Internal Balances on the Statement of Net Position. Interfund transfers are presented in Note 22.

## 1. Summary of Significant Accounting Policies (Continued)

- K. ***Pension and Other Post-Retirement Benefits*** – For purposes of measuring the net pension liability, OPEB liability, deferred inflows of resources related to pensions and OPEB, deferred outflows of resources related to pensions and OPEB, and pension and OPEB expense, information about the fiduciary net position of the pension and 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 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 systems report investments at fair value.

In addition to the post-retirement benefits provided by the Ohio Police and Fire Pension Fund and the Ohio Public Employees Retirement System of Ohio, the City provides post-retirement health care and life insurance benefits, in accordance with union agreements and City Council ordinances, for retired employees (see note 9).

- L. ***Debt Issuance Costs, Premiums, Discounts, and Losses on Refundings*** – Debt issuance costs, except prepaid insurance costs, are reported as expenses in the period incurred. Bond premiums and discounts, as well as prepaid insurance costs, are deferred and amortized over the life of the bonds. Losses on advance refundings are deferred and amortized over the life of the new debt, or the life of the advance refunded debt, whichever is shorter.

- M. ***Employment Related Liabilities*** – The City records a liability for employment related liabilities relating to former employees of the Health Department (see note 14).

In the best interest of the public health, safety and welfare and to improve governmental efficiency and economy, effective January 1, 2011, the City's Health Department consolidated with the Summit County Health District.

The former Health Department employees while employed by Summit County must retire under Ohio Public Employees Retirement System to be entitled to receive payment of the accumulated sick leave at the hourly rate the employee was receiving at the time of resignation from the City, along with the retirement differential. The City has recorded a long-term liability of \$736,624. Additionally, the former Health Department employees are entitled to staggered payouts for their accumulated vacation, paid leave, and compensatory time at the hourly rate the employee was receiving at the time of resignation from the City. The liability is the actual amount due to employees.

- N. ***Net Position*** – Net Position is the residual amount when comparing assets and deferred outflows of resources to liabilities and deferred inflows of resources. The net investment in capital assets component of net position consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowing used for the acquisition, construction or improvement of those assets. The restricted component of net position is reported when there are limitations imposed by creditors, grantors, or laws or regulations of other governments. Net position restricted for Capital Projects are mainly attributed to economic development, public parking, and street projects. The City applies restricted resources first when an expense is incurred for purposes for which both restricted and unrestricted net assets are available.

## 1. Summary of Significant Accounting Policies (Continued)

- O. **Accounting Standards** – The City applies all applicable and effective pronouncements issued by the Governmental Accounting Standards Board (GASB).

In June 2017, GASB issued statement No. 87, *Leases*. The object of this Statement is to improve accounting and financial reporting for leases by governments. For the City, this statement is effective for periods beginning after June 15, 2021.

In June 2018, the GASB issued statement No. 89, *Accounting for Interest Cost Incurred before the End of a Construction Period*. The objective of this Statement is to enhance the relevance and comparability of information about capital assets and the cost of borrowing for a reporting period and to simplify accounting for interest cost incurred before the end of a construction period. For the City, this statement is effective for reporting periods beginning after December 15, 2019. The City's financial statements have been prepared in conformance with this Statement.

In May 2019, the GASB issued statement No. 91, *Conduit Debt Obligations*. The objective of this Statement is to provide a single method of reporting conduit debt obligations by issuers and eliminate diversity in practice. For the City, this statement is effective for reporting periods beginning after December 15, 2021. The City's financial statements have been prepared in conformance with this Statement.

In January 2020, the GASB issued statement No. 92, *Omnibus 2020*. The objective of this Statement is to enhance comparability in accounting and financial reporting and to improve the consistency of authoritative literature. For the City, this statement is effective for reporting periods beginning after June 15, 2021.

In March 2020, the GASB issued statement No 93, *Placement of Interbank Offered Rates*. The objective of this Statement requires governments to terminate hedge accounting when it renegotiates or amends a critical term of hedging derivative instrument. For the City, this statement is effective for reporting periods beginning after June 15, 2021, except paragraph 11b effective for reporting periods ending after December 31, 2022.

In March 2020, the GASB issued statement No. 94, *Public-Private and Public-Public Partnerships and Availability Payment Arrangements*. The objective of this Statement is to improve financial reporting by addressing issues related to public-private and public-public partnership arrangements (PPPs). For the City, this statement is effective for reporting periods beginning after June 15, 2022.

In May 2020, the GASB issued statement No. 95, *Postponement of the Effective Dates of Certain Authoritative Guidance*. The objective of this Statement is to provide temporary relief to governments and other stakeholders in light of the COVID-19 pandemic by postponing the effective dates of certain provisions in Statements and Implementation Guides. The City's financial statements have been prepared in conformance with this statement.

## 1. Summary of Significant Accounting Policies (Continued)

In May 2020, the GASB issued statement No. 96, *Subscription-Based Information Technology Arrangements*. The objective of this Statement is to better meet the information needs of financial statement users by (a) establishing uniform accounting and financial statements reporting requirements for Subscription-Based Information Technology Agreements (SBITA); (b) improving the comparability of financial statements among governments that have entered into SBITAs; and (c) enhancing the understandability, reliability, relevance, and consistency of information about SBITAs. For the City, this statement is effective for reporting periods beginning after June 15, 2022.

In June 2020, the GASB issued statement No. 97, *Certain Component Unit Criteria, and Accounting and Financial Reporting for IRS Section 457 Deferred Compensation Plans (an amendment of GASB Statement No. 14 and No. 84, and a supersession of GASB Statement No. 32)*. The primary objectives of this Statement are to (1) increase consistency and comparability related to the reporting of fiduciary component units in circumstances in which a potential component unit does not have a governing board and the primary government performs the duties that a governing board typically would perform; (2) mitigate costs associated with the reporting of certain defined contribution pension plans, defined contribution other postemployment benefit (OPEB) plans, and employee benefit plans other than pension plans or OPEB plans (other employee benefit plans) as fiduciary component units in fiduciary fund financial statements; and (3) enhance the relevance, consistency, and comparability of the accounting and financial reporting for Internal Revenue Code (IRC) Section 457 deferred compensation plans (Section 457 plans) that meet the definition of a pension plan and for benefits provided through those plans.

In October 2021, the GASB issued statement No. 98, *The Annual Comprehensive Financial Report*. The primary objectives of this Statement establishes the term annual comprehensive financial report and its acronym ACFR. The new term and acronym replace instances of annual comprehensive financial report and its acronym in generally accepted accounting principles for state and local governments. For the City, this statement is effective for reporting period ending after December 15, 2021. The City's financial statements have been prepared in conformance with this Statement.

## 2. Pooled Cash and Investments

City ordinances require that all cash, with the exception of certain debt service cash and cash held by fiscal agents, be deposited with the City Treasurer. Each fund's portion of these funds is displayed on the statements of net position or balance sheets as "pooled cash and investments." Earnings on these investments are allocated to the various funds based on City and state statutes, grant agreements, and various bond agreement requirements. Investments are also held separately by the Special Revenue, Debt Service, Enterprise, and Internal Service Funds. City ordinances further authorize and direct the permitted types of deposits and investments.

### *Deposits:*

City ordinances require that all deposits be secured by collateral securities pledged at market value in an amount equal to at least 100% of the deposit, less any amount covered by federal deposit insurance. Custodial credit risk is the risk that, in the event of a bank failure, the City will not be able to recover deposits or collateral securities that are in the possession of an outside party. All deposits are collateralized with eligible securities in amounts equal to at least 105% of the carrying value of the deposits. Such collateral, as permitted by Ohio Revised Code, is held in collateral pools at Federal Reserve Banks, or at member banks of the Federal Reserve System, in the name of the depository bank and pledged as a pool of collateral against all public deposits held by the depository.

## 2. Pooled Cash and Investments (Continued)

The City has no deposit policy for custodial credit risk beyond the requirements of State statute. Although the securities were held by the pledging institutions' trust department and all statutory requirements for the deposit of money have been followed, noncompliance with federal requirements could potentially subject the City to a successful claim by the FDIC.

At December 31, 2021, the carrying amount of the City's deposits was \$43,354,424 and the bank balance was \$44,375,639. The difference in the carrying amount and bank balance was composed of outstanding checks and other normal reconciling items. Of the bank balance, \$2,351,245 was covered by federal depository insurance, and \$42,024,394 was uninsured but collateralized with unregistered securities held by the pledging financial institution's trust department in the City's name.

The money market funds, amounting to \$145,408 while held by bond trustees as the City's agents and in the City's name, are also considered uncollateralized and uninsured. The City holds money market funds amounting to \$2,383,782, while held by the City these funds are also considered uncollateralized and uninsured. However, their disposition and availability are governed by bond ordinances and indentures.

Investments in City of Akron notes amounting to \$54,784,049 are eliminated in the government-wide statement of net position at December 31, 2021.

### ***Investments:***

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. Investments that are measured at fair value using the net asset value per share (or its equivalent) as a practical expedient are not classified in the fair value hierarchy below.

Investments in U.S. Treasury securities of \$18,024,170 were classified in Level 1 of fair value hierarchy and valued using quoted market prices.

The City does not have any Investments in Federal Government Agency securities as of December 31, 2021 classified in Level 2 of fair value hierarchy and valued using pricing sources as provided by the investment managers. Investments in the City of Akron notes and Akron Public Schools (APS) bonds amounting to a fair value of \$62,054,049 were classified as Level 3. Securities classified as Level 3 have limited trade information, these securities are priced using the last trade price or estimated using recent trade prices. At December 31, 2021, total fair value was \$72,566 below the City's net cost for its investments.

**Interest Rate Risk.** The City does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rate risk.

**Credit Risk.** City ordinances authorize the treasurer to invest in obligations of the United States Treasury, agencies, and instrumentalities, and direct obligations of the State of Ohio, including any subdivisions of the state. As of December 31, 2021, the investments held by the bond trustees and STAROhio were rated AA+ by Standard & Poor's. All municipal bonds and notes are rated A2 or better by Moody's or A or better by Standard & Poor's.

## 2. Pooled Cash and Investments (Continued)

The City has invested funds in the State Treasury Asset Reserve of Ohio (STAR 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, but has adopted Governmental Accounting Standards Board (GASB) Statement No. 79, *Accounting and Financial Reporting for Certain External Investment Pools and Pool Participants*, which establishes accounting and financial reporting standards for qualifying external investment pools that elect to measure for financial reporting purposes all of their investments at amortized cost. Investments in STAR Ohio are valued at STAR Ohio's share price, which is the price at which the investment could be sold on December 31, 2021.

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

<u>Investment Types</u>	<u>Fair Value</u>	<u>Investment Maturities (In Years)</u>			
		<u>Less Than 1</u>	<u>1-5</u>	<u>6-10</u>	<u>More than 10</u>
U.S. Treasuries or Agencies:					
Treasury Notes	\$ 12,915,270	\$ -	\$ 12,983,555	\$ -	\$ -
FFCB Bond	5,108,900	-	5,113,181	-	-
City of Akron and Akron Public Schools (APS):					
Municipal Notes	47,806,000	45,936,000	163,000	251,000	1,456,000
Assessment Debt	6,978,048	1,505,689	4,640,334	832,025	-
School Facility Bonds	7,270,000	960,000	4,095,000	2,215,000	-
Investments held by bond trustees:					
U.S. Treasuries or Agencies	2,215,116	2,215,116	-	-	-
Cash Reserve	145,408	145,408	-	-	-
Total Investment Maturities		<u>\$ 50,762,213</u>	<u>\$ 26,995,070</u>	<u>\$ 3,298,025</u>	<u>\$ 1,456,000</u>
Total Fair Value	<u>\$ 82,438,742</u>				

Not included in the fair value totals above is STAR Ohio, an external investment pool which was recorded at amortized cost of \$191,723,980 at December 31, 2021. The investments in STAR Ohio are measured at amortized cost; therefore, they are not included in the tables above. There are no limitations or restrictions on any STAR Ohio participant withdrawals due to redemption notice periods, liquidity fees, or redemption gates. However, notice must be given to STAR Ohio 24 hours in advance of all deposits and withdrawals exceeding \$25 million. STAR Ohio reserves the right to limit the transaction to \$50 million, requiring the excess amount to be transacted the following business day(s), but only to the \$50 million limit. All accounts of the STAR Ohio investors will be combined for these purposes.



## 2. Pooled Cash and Investments (Continued)

Bond trustees and Community Learning Center trustees holding the investments are not registered with the SEC as an investment company but do operate in a manner consistent with rule 2a7 of the Investment Company Act of 1940.

Investments held by bond trustees, Community Learning Centers, and STAROhio are not exposed to custodial credit risk because their existence is not evidenced by securities that exist in physical or book entry form.

At December 31, 2021, \$5,851,959 of cash and investments was restricted for the following purposes: \$145,340 was restricted for lease costs for Canal Park Stadium; \$1,563,960 was restricted for Akron District Energy COPs; and \$4,142,564 was restricted solely for retirement of City obligations; and the balance of \$95 was held by the trustee for payment of debt service on the Community Learning Centers' Income Tax Revenue Bonds.

The following is a reconciliation of cash and investments to the Statement of Net Position as of December 31, 2021:

	Fair Value
Investments (Summarized in prior table)	\$ 82,438,742
STAR Ohio	191,723,980
Carrying amount of the City's Deposits	36,654,754
	<u>\$ 310,817,476</u>
Governmental Activities:	
Governmental Funds	
Cash and investments with treasurer	\$ 183,963,565
Restricted Cash and investments with fiscal and escrow agents and others	2,680,373
Internal Service Funds	
Cash and investments with treasurer	9,234,024
Total Cash and Investments - Governmental Activities	<u>\$ 195,877,962</u>
Business-Type Activities:	
Enterprise Funds	
Cash and investments with treasurer	\$ 109,970,707
Restricted cash and cash equivalents with treasurer and others	3,171,586
Total Cash and Investments - Business-Type Activities	<u>\$ 113,142,293</u>
Fiduciary Funds	
Cash and investments with City	\$ 1,797,221
Total	<u><u>\$ 310,817,476</u></u>

### 3. Receivables

Receivables, net of allowances for uncollectible reported in the Statement of Net Position, consist of the following at December 31, 2021:

	Taxes	Customer Charges, Special Assessments, and Others	Gross Receivables	Allowance for Uncollectibles	Net
<b>Governmental Activities</b>					
Governmental Funds:					
General Fund	\$ 48,541,248	\$ 9,228,522	\$ 57,769,770	\$ (904,056)	\$ 56,865,714
Community Learning Centers	2,495,037	36,000,000	38,495,037	-	38,495,037
Income Tax Capital Improvement	8,065,412	(9,000)	8,056,412	-	8,056,412
Special Assessment Fund	-	95,423,432	95,423,432	(54,595,292)	40,828,140
Various Purpose Funding	-	-	-	-	-
Other Governmental Funds	31,065,097	28,005,182	59,070,279	(10,119,386)	48,950,893
Total Governmental Funds	90,166,794	168,648,136	258,814,930	(65,618,734)	193,196,196
Internal Service Funds	-	112,079	112,079	-	112,079
Total Governmental Activities	90,166,794	168,760,215	258,927,009	(65,618,734)	193,308,275
<b>Business-type Activities</b>					
Enterprise Funds:					
Water	-	3,823,178	3,823,178	(1,050,806)	2,772,372
Sewer	-	19,230,748	19,230,748	(5,001,765)	14,228,983
Off-Street Parking	-	54,242	54,242	(17,179)	37,063
Other Enterprise Funds	-	67,821	67,821	-	67,821
Total Business-type Activities	-	23,175,989	23,175,989	(6,069,750)	17,106,239
<b>Total Receivables</b>	<u>\$ 90,166,794</u>	<u>\$ 191,936,204</u>	<u>\$ 282,102,998</u>	<u>\$ (71,688,484)</u>	<u>\$ 210,414,514</u>

Included in the amounts above are water and sewer unbilled charges for services of approximately \$1,063,885 and \$4,419,222 respectively.

Delinquent special assessment receivables amounted to \$54,595,292 at December 31, 2021 and were fully reserved for in the allowance for uncollectibles in the General, Special Assessment, Water, and Sewer funds.



#### 4. Due From/To Other Governments

Amounts due from other governments at December 31, 2021 consist of the following:

	Federal	State	Total
Governmental Funds:			
Various Purpose Funding	\$ 49,213	\$ -	\$ 49,213
Other Governmental Funds	5,301,284	567,840	5,869,124
<b>Total Governmental Funds</b>	<u>\$ 5,350,497</u>	<u>\$ 567,840</u>	<u>\$ 5,918,337</u>
Enterprise Funds:			
Water	\$ -	\$ 16,202	\$ 16,202
Airport	263,283	452,198	715,481
<b>Total Enterprise Funds</b>	<u>\$ 263,283</u>	<u>\$ 468,400</u>	<u>\$ 731,683</u>

Amounts due to other governments at December 31, 2021 consist of the following

	Federal	State	County/ Local	Total
Governmental Funds:				
General Fund	\$ -	\$ 100,448	\$ 651,359	\$ 751,807
Income Tax Capital Improvement	-	-	1,857	1,857
Other Governmental Funds	4,472,486	771,256	635,563	5,879,305
<b>Total Governmental Funds</b>	<u>\$ 4,472,486</u>	<u>\$ 871,704</u>	<u>\$ 1,288,779</u>	<u>\$ 6,632,969</u>

The \$6,632,969 due to other governments includes \$4,265,000 that is reported as long-term liabilities in the government-wide statement of net position as liabilities due in more than one year.

	State	County/Local	Total
Enterprise Funds:			
Off-Street Parking	\$ -	\$ 176,111	\$ 176,111
Oil & Gas	-	9	9
Water	10,120,541	40,717	10,161,258
Sewer	224,834	82,931	307,765
<b>Total Enterprise Funds</b>	<u>\$ 10,345,375</u>	<u>\$ 299,768</u>	<u>\$ 10,645,143</u>

The federal amount listed in due to other governments is comprised of three section 108 loans from the U.S. Department of Housing and Urban Development (HUD).

The state amount listed in due to other governments is comprised of accounts payable transactions for capital assets and engineering estimates for projects for work completed and rent for Ocasek building.

The county amount listed in due to other governments relates to City reimbursements to Summit County for property taxes.

The state amount recorded in Business type Activities relates to accounts payable transactions for capital assets and engineering estimates for projects for work completed.

The county amount recorded in Business-type Activities relates to City reimbursements to Summit County and Geauga County for property taxes.

## 5. Due From/To Other Funds

Interfund receivable and payable balances at December 31, 2021, due within one year, consist of the following individual fund receivables and payables:

	Receivable	Payable
<b>Governmental Funds:</b>		
General	\$ 7,074,411	\$ 541,846
Income Tax Collection	178,879	2,769,290
Emergency Medical Service	-	9,041
Special Assessment	-	124,579
Income Tax Capital Improvement	986,945	12
Street and Highway Maintenance	968,758	147,734
Community Development	-	1,728,736
Community Environment Grants	-	281,536
Akron Metro. Area Transportation Study	-	371
Joint Economic Development Districts	-	1,161
Akron Muni. Court Information System	6,527	-
Police Grants	-	28,226
Safety Programs	953	-
Various Purpose Funding	45,699	-
Deposits	-	147,832
Community Learning Centers	1,384,315	178,879
Police, Fire, and Road Activity	1,373,546	35,941
General Grants	-	60
Streets	190,408	3,067,937
Information Technology	-	1,643
Parks and Recreation	86,937	1,357,863
Public Facilities and Improvements	-	82,947
Public Parking	-	758,069
Economic Development	-	97,888
	<u>\$ 12,297,378</u>	<u>\$ 11,361,591</u>
<b>Proprietary Funds:</b>		
Enterprise:		
Water	\$ 876,148	\$ 533,479
Sewer	209,860	3,064,452
Oil and Gas	-	126
Golf Course	-	290
Airport	67,218	827
Off-Street Parking	-	54,267
	<u>\$ 1,153,226</u>	<u>\$ 3,653,441</u>
<b>Internal Service Funds:</b>		
Motor Equipment	769,839	94,403
Medical Self-Insurance	-	5,915
Workers' Compensation Reserve	-	32
Telephone System	97,654	4,986
Engineering Bureau	2,553,750	1,751,144
Information Technology	-	335
	<u>3,421,243</u>	<u>1,856,815</u>
<b>Total</b>	<u><u>\$ 16,871,847</u></u>	<u><u>\$ 16,871,847</u></u>

## **5. Due From/To Other Funds (Continued)**

Transactions between funds are reported as revenues in the receiving funds, and expenditures/expense in purchaser funds. The transactions result from numerous transactions between funds including expenditure and transfers of resources to provide services, subsidize operations, administration charges, and rental fee.

The General Fund makes advances to other funds primarily to grant funds waiting on reimbursement and the repayment is shown above. Additionally, the General Fund charges an administration fee and storeroom services to various funds. The Income Tax Collection Fund receives tax revenue during December that is posted in the subsequent month to the Community Learning Centers Fund and the Police, Fire, and Road Activity Fund. The proprietary funds provide goods and services through the end of the year causing a time lag between the dates the goods or services were provided and when the transactions are recorded. The Engineering Bureau Fund charges for services experienced an unusual delay during 2021 resulting in receivable from numerous capital projects and an associated advance from the General Fund.

## **6. Deposits**

On December 15, 2003, the City of Akron entered into a cooperative agreement for Community Learning Centers (CLC) with the Board of Education of the Akron City School District (District). The cooperative agreement is the foundation for all the activity associated with the City's .25% income tax and the ownership relating to the CLCs. As of December 31, 2021, the District had \$4,616,018 of unspent City funds that are recorded as Deposits on the City's Statement of Net Position and are recorded on the District's financial statements as "due to City of Akron".

## 7. Capital Assets

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

	Balance January 1, 2021	Additions	Deletions	Balance December 31, 2021
<b>Governmental Activities:</b>				
Capital assets, not being depreciated:				
Land	\$ 152,582,805	\$ 705,559	\$ -	\$ 153,288,364
Construction in progress	108,580,450	5,401,652	10,643,907	103,338,195
CLC Land	1,374,959	-	-	1,374,959
CLC Construction in progress	36,890,383	12,180,030	-	49,070,413
Total capital assets, not being depreciated	299,428,597	18,287,241	10,643,907	307,071,931
Capital assets, being depreciated:				
Buildings	217,862,242	6,890,569	-	224,752,811
CLC Building Equity Interest	285,443,269	-	-	285,443,269
Improvements other than buildings	204,314,211	1,590,716	-	205,904,927
CLC Improvements other than buildings	253,244	-	-	253,244
Equipment & Intangibles	151,714,490	6,293,342	940,944	157,066,888
Infrastructure	772,075,480	13,354,987	-	785,430,467
Total capital assets, being depreciated	1,631,662,936	28,129,614	940,944	1,658,851,606
Less accumulated depreciation for:				
Buildings	116,688,089	4,579,508	-	121,267,597
CLC Building Equity Interest	41,842,610	5,390,779	-	47,233,389
Improvements other than buildings	97,576,869	6,497,600	-	104,074,469
CLC Improvements other than buildings	60,586	7,671	-	68,257
Equipment & Intangibles	119,630,144	6,592,808	810,684	125,412,268
Infrastructure	430,922,090	18,066,968	-	448,989,058
Total accumulated depreciation	806,720,388	41,135,334	810,684	847,045,038
Total capital assets, being depreciated, net	824,942,548	(13,005,720)	130,260	811,806,568
Governmental activities capital assets, net	\$ 1,124,371,145	\$ 5,281,521	\$ 10,774,167	\$ 1,118,878,499

## 7. Capital Assets (Continued)

	Balance January 1, 2021	Additions	Deletions	Balance December 31, 2021
<b>Business-type Activities:</b>				
Capital assets, not being depreciated:				
Land	\$ 38,402,937	\$ -	\$ -	\$ 38,402,937
Construction in progress (Note 30)	495,678,942	122,426,391	153,226,167	464,879,166
Total capital assets, not being depreciated	534,081,879	122,426,391	153,226,167	503,282,103
Capital assets, being depreciated:				
Buildings	207,772,360	-	-	207,772,360
Improvements other than buildings	470,467,500	18,248	-	470,485,748
Equipment and Intangibles	81,532,190	584,835	464,325	81,652,700
Infrastructure	441,080,641	135,432,220	-	576,512,861
Total capital assets, being depreciated	1,200,852,691	136,035,303	464,325	1,336,423,669
Less accumulated depreciation for:				
Buildings	107,450,185	4,129,647	-	111,579,832
Improvements other than buildings	332,764,057	15,377,968	-	348,142,025
Equipment and Intangibles	41,726,016	1,679,765	464,325	42,941,456
Infrastructure	78,477,796	12,556,135	-	91,033,931
Total accumulated depreciation	560,418,054	33,743,515	464,325	593,697,244
Total capital assets, being depreciated, net	640,434,637	102,291,788	-	742,726,425
Business-type activities capital assets, net	<u>\$ 1,174,516,516</u>	<u>\$ 224,718,179</u>	<u>\$ 153,226,167</u>	<u>\$ 1,246,008,528</u>

The City adopted GASB Statement No. 83, *Certain Asset Retirement Obligations*, in fiscal year 2019. This statement requires governmental entities to record a liability and a corresponding deferred outflow at the time there is an external obligating event such as a federal or state regulation, a legally binding contract or court judgment, and when there is an internal obligating event which is at the time an asset is acquired or if constructed placed in service. In accordance with GASB 83, the City recorded a current liability of \$62,570 and long-term liability of \$312,850 associated with the retirement of inactive oil wells as there is an enforceable legal obligation. After extensive legal and procedural research, the City has determined that it is impractical that City's sewer and water treatment facilities will ever be closed, and ongoing projects preserve the overall condition of the operations of the facilities. Thus, no associated retirement liability was recorded for the sewer and water treatment facilities. While the FAA-administered financing requires reimbursement if closure of the airport occurs, the City intends to keep the facility operational as new projects are ongoing to preserve the conditions and overall operations at the facility, and therefore no retirement liability was recorded. The liabilities for Hardy Road Landfill and City-owned gas tanks fall under GASB 18 and GASB 49, respectively, and are reflected in the statements. Other assets are maintained and/or disposed of by the City in accordance with best practice standards.

## 7. Capital Assets (Continued)

Depreciation expense was charged during 2021 to functions of the government as follows:

### Governmental Activities:

General government	\$ 1,846,150
Public service	9,259,340
Public safety	3,226,958
Community environment	7,619,373
Public health	259,400
Unallocated depreciation	18,598,761
Capital assets held by the government's internal service funds are charged to the various functions based on their usage of the assets	<u>325,352</u>
Total depreciation expense charged to governmental activities	<u>\$ 41,135,334</u>

### Business-type Activities:

Water	\$ 8,858,284
Sewer	21,642,086
Off-Street Parking	2,915,313
Other Business-type activities	<u>327,832</u>
Total depreciation, depletion, and amortization expense charged to business-type activities	<u>\$ 33,743,515</u>

Construction in progress and remaining capital commitments (including capitalized interest of \$5,390,276 through December 31, 2017 before the implementation of GASB statement No. 89, *Accounting for Interest Cost Incurred before the End of a Construction Period*) are comprised of the following:

	Project Authorization	Expended to December 31, 2021	Committed
Governmental Activities:			
Governmental	\$ 100,766,212	\$ 99,030,146	\$ 1,736,066
Business-type Activities:			
Water	55,082,406	18,625,286	36,457,120
Sewer	467,612,036	430,019,684	37,592,352
Airport	3,935,706	3,362,427	573,279
	<u>\$ 627,396,360</u>	<u>\$ 551,037,543</u>	<u>\$ 76,358,817</u>

## 8. Accrued Vacation and Leave

GASB Statement No. 16, *Accounting for Compensated Absences*, requires a liability to be established for all compensated absences as earned by the employees. At the time of the employee's separation, such compensated absences are paid to the employee from the fund to which the employee's payroll is charged.

Vacation, paid leave, sick leave, and compensatory time accumulated by employees whose wages are charged to governmental fund types have been recorded as liabilities in the governmental funds only if they have matured. The balance has been recorded on the statement of net position. Vacation, paid leave, sick leave, and compensatory time accumulated by employees whose wages are charged to proprietary fund types are expensed when earned and recorded as liabilities in the government-wide statement of net position and in the proprietary fund statement of net position.

Sick leave is earned by substantially all employees. Unused sick leave is accumulated up to 960 hours for uniformed firefighters and 1,000 hours for all other eligible employees. Unused sick leave vests upon reaching certain age and service requirements. The vested portion of accumulated sick leave and amounts earned through December 31, 2021 and expected to vest in the future has been accrued for in the Government-wide Statement of Net Position for all City employees. Amounts related to the City's proprietary fund operations are also accrued for in the proprietary fund statement of net position due to the nature of these funds.

The following governmental funds have typically been used in prior years to reduce or liquidate the liability for compensated absences:

General Fund  
Income Tax Collection  
Emergency Medical Service  
Special Assessment Fund  
Income Tax Capital Improvement

Street and Highway Maintenance  
Community Development  
Police Grants  
Safety Programs

## 8. Accrued Vacation and Leave (Continued)

As of December 31, 2021, the accrued vacation, paid leave, sick leave, and compensatory time is recorded as a current liability (due within one year) in the Statement of Net Position as follows:

	Balance January 1, 2021	Additions	Deletions	Balance December 31, 2021
<b>Governmental Activities:</b>				
Governmental Funds:				
General Fund	\$ 6,456,161	\$ 10,097,098	\$ (6,456,161)	\$ 10,097,098
Income Tax Capital Improvement	77,210	68,790	(77,210)	68,790
Special Assessment Fund	264,816	912,457	(264,816)	912,457
Other Governmental Funds	1,700,352	924,834	(1,700,352)	924,834
<b>Total Governmental Funds</b>	8,498,539	12,003,179	(8,498,539)	12,003,179
Internal Service Funds	530,147	593,920	(530,147)	593,920
Total Governmental Activities	9,028,686	12,597,099	(9,028,686)	12,597,099
<b>Business-type Activities:</b>				
Enterprise Funds:				
Water	755,100	1,074,679	(755,100)	1,074,679
Sewer	476,656	565,414	(476,656)	565,414
Other Enterprise Funds	33,182	31,533	(33,182)	31,533
<b>Total Enterprise Funds/ Business-type Activities</b>	1,264,938	1,671,626	(1,264,938)	1,671,626
	<u>\$ 10,293,624</u>	<u>\$ 14,268,725</u>	<u>\$ (10,293,624)</u>	<u>\$ 14,268,725</u>

The following amounts are also included as long-term obligations in the government-wide statement of net position (Note 14):

<b>Governmental Activities:</b>				
Governmental Funds:				
General Fund	\$ 42,049,233	\$ 10,150,667	\$ (2,593,901)	\$ 49,605,999
Income Tax Capital Improvement	270,832	41,732	(42,362)	270,202
Special Assessment Fund	957,183	227,054	(83,948)	1,100,289
Other Governmental Funds	10,075,558	1,828,389	(187,652)	11,716,295
Total Governmental Funds	53,352,806	12,247,842	(2,907,863)	62,692,785
Internal Service Funds	2,890,837	642,221	(343,275)	3,189,783
<b>Total Governmental Activities</b>	56,243,643	12,890,063	(3,251,138)	65,882,568
<b>Business-type Activities:</b>				
Water	3,633,361	1,175,470	(206,716)	4,602,115
Sewer	2,430,654	500,197	(281,639)	2,649,212
Other Business-type Activities	61,278	21,336	(16,889)	65,725
<b>Total Business-type Activities</b>	6,125,293	1,697,003	(505,244)	7,317,052
	<u>\$ 62,368,936</u>	<u>\$ 14,587,066</u>	<u>\$ (3,756,382)</u>	<u>\$ 73,199,620</u>



## 9. Pension and Other Post-Retirement Benefit Plans

Police officers and firefighters participate in the statewide Ohio Police and Fire Pension Fund (Police and Fire), a cost-sharing, multi-employer defined-benefit public employee retirement system. Police and Fire offers three types of service retirement: normal, service commuted, and age/service commuted.

In a normal retirement, a member is eligible at age 48 with 25 years of service with a monthly pension equal to 60% of the average of the three highest years of allowable earnings. The maximum pension of 72% of the average allowable earnings for the three highest years is paid after 33 years of service.

Under the service commuted retirement, a member is eligible if they have at least 15 years of service, they have reached the age of 48 and 25 years has elapsed from the date of their full-time hire. Under the age/service commuted retirement, a member is eligible if they have 15 years of service and they have reached the age of 62. In the event of death, eligible survivors may qualify for a monthly benefit and a one-time \$1,000 lump sum benefit payment. Benefits are established by the Ohio Revised Code.

The City also participates in a cost-sharing multi-employer post-retirement health benefits plan, administered by Police and Fire, for these city employees. Substantially all other City employees participate in the statewide Ohio Public Employees Retirement System (OPERS). OPERS administers three separate pension plans. The traditional plan is a cost-sharing, multi-employer defined-benefit pension plan. The member-directed plan is a defined-contribution plan in which the member invests both member and employer contributions (employer contributions vest over five years at 20% per year). Under the member-directed plan, members accumulate retirement assets equal to the value of the member and vested employer contributions plus any investment earnings. The combined plan is a cost-sharing, multiple-employer defined-benefit pension plan that has elements of both a defined-benefit and a defined-contribution plan. Under the combined plan, employer contributions are invested by the retirement system to provide a formula retirement benefit similar to the traditional plan benefit. Member contributions, whose investment is self-directed by the member, accumulate retirement assets in a manner similar to the member-directed plan. The City also participates in a cost-sharing multi-employer post-retirement health benefits plan, administered by OPERS, for these City employees.

In addition to participating in the plans described above, the City provides its own post-retirement health and life insurance benefits plan which is administered as a single-employer benefit plan. Typically, the following funds have been used to liquidate the net pension obligation or net other post-retirement benefit obligation:

General Fund	General Bond Payment
Income Tax Collection	Water
Emergency Medical Service	Sewer
Special Assessment	Oil & Gas
Income Tax Capital Improvement	Golf Course
Street and Highway Maintenance	Airport
Community Development	Motor Equipment
Akron Metropolitan Area Transportation Study	Engineering
Joint Economic Development Districts	Information Technology
Safety Programs	

## **9. Pension and Other Post-Retirement Benefit Plans (Continued)**

### **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 due to other governments on both the accrual and modified accrual bases of accounting.

### **Plan Description – Ohio Public Employees Retirement System (OPERS)**

Plan Description - City employees, other than full-time police and firefighters, participate in the Ohio Public Employees Retirement System (OPERS). OPERS administers three separate pension plans. The traditional pension plan is a cost-sharing, multiple-employer defined benefit pension plan, the member-directed plan is a defined contribution plan, and the combined plan is a cost-sharing, multiple-employer defined benefit pension plan with defined contribution features. Additionally, when member-directed plan members choose to annuitize their defined contribution benefit, the annuitized portion of the benefit is reclassified to a defined benefit. While members (e.g. City employees) may elect the member-directed plan and the combined plan, the vast majority of the City's employees participate in the traditional plan. Therefore, the following plan description focus on the traditional pension plan.

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

## 9. Pension and Other Post-Retirement Benefit Plans (Continued)

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 ACFR referenced above for additional information):

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
<b>State and Local</b>	<b>State and Local</b>	<b>State and Local</b>
<b>Age and Service Requirements:</b> Age 60 with 60 months of service credit or Age 55 with 25 years of service credit	<b>Age and Service Requirements:</b> Age 60 with 60 months of service credit or Age 55 with 25 years of service credit	<b>Age and Service Requirements:</b> Age 57 with 25 years of service credit or Age 62 with 5 years of service credit
<b>Formula:</b> 2.2% of FAS multiplied by years of service for the first 30 years and 2.5% for service years in excess of 30	<b>Formula:</b> 2.2% of FAS multiplied by years of service for the first 30 years and 2.5% for service years in excess of 30	<b>Formula:</b> 2.2% of FAS multiplied by years of service for the first 35 years and 2.5% for service years in excess of 35
<b>Public Safety</b>	<b>Public Safety</b>	<b>Public Safety</b>
<b>Age and Service Requirements:</b> Age 48 with 25 years of service credit or Age 52 with 15 years of service credit	<b>Age and Service Requirements:</b> Age 48 with 25 years of service credit or Age 52 with 15 years of service credit	<b>Age and Service Requirements:</b> Age 52 with 25 years of service credit or Age 56 with 15 years of service credit
<b>Law Enforcement</b>	<b>Law Enforcement</b>	<b>Law Enforcement</b>
<b>Age and Service Requirements:</b> Age 52 with 15 years of service credit	<b>Age and Service Requirements:</b> Age 48 with 25 years of service credit or Age 52 with 15 years of service credit	<b>Age and Service Requirements:</b> Age 48 with 25 years of service credit or Age 56 with 15 years of service credit
<b>Public Safety and Law Enforcement</b>	<b>Public Safety and Law Enforcement</b>	<b>Public Safety and Law Enforcement</b>
<b>Formula:</b> 2.5% of FAS multiplied by years of service for the first 25 years and 2.1% for service years in excess of 25	<b>Formula:</b> 2.5% of FAS multiplied by years of service for the first 25 years and 2.1% for service years in excess of 25	<b>Formula:</b> 2.5% of FAS multiplied by years of service for the first 25 years and 2.1% for service years in excess of 25

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

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

When a benefit recipient has received benefits for 12 months, an annual cost of living adjustment (COLA) is provided. This COLA is calculated on the base retirement benefit at the date of retirement and is not compounded. For those retiring prior to January 7, 2013, the COLA will continue to be a 3 percent simple annual COLA. For those retiring subsequent to January 7, 2013, beginning in calendar year 2019, the COLA will be based on the average percentage increase in the Consumer Price Index, capped at 3 percent.

## 9. Pension and Other Post-Retirement Benefit Plans (Continued)

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

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

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

The City's contractually required contribution was \$9,335,046 for 2021. Of this amount, \$750,567 is reported as a due to other governments. Both amounts reflected contributions for employees participating in the OPERS traditional plan, combined plan, and member directed plan.

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

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

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

## 9. Pension and Other Post-Retirement Benefit Plans (Continued)

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

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

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

Members retiring under normal service retirement, with less than 15 years of service credit on July 1, 2013, will receive a COLA equal to either three percent or the percent increase, if any, in the consumer price index (CPI) over the 12-month period ending on September 30 of the immediately preceding year, whichever is less. The COLA amount for members with at least 15 years of service credit as of July 1, 2013 is equal to three percent of their base pension or disability benefit.

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

	Police	Firefighters
<b>2021 Statutory Maximum Contribution Rates</b>		
Employer	19.50 %	24.00 %
Employee:	12.25	12.25
<b>2021 Actual Contribution Rates</b>		
Employer:		
Pension	19.00	23.50
Post-employment Health Care Benefits	0.50	0.50
Total Employer	<u>19.50 %</u>	<u>24.00 %</u>

Employer contribution rates are expressed as a percentage of covered payroll. The City's contractually required contribution, excluding the amount related to post-retirement health care benefits, to OP&F was \$14,567,625 for 2021. Of this amount \$1,172,110 is reported as a due to other governments. Both amounts reflected contributions for police and firefighters participating in OP&F.

## 9. Pension and Other Post-Retirement Benefit Plans (Continued)

### 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, 2020, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. OP&F's total pension liability was measured as of December 31, 2020, and was determined by rolling forward the total pension liability as of January 1, 2020, to December 31, 2020. The City's proportion of the net pension liability was based on the City's share of contributions to the pension plan relative to the contributions of all participating entities. Following is information related to the proportionate share and pension expense:

	OPERS				
	Traditional Plan	Combined Plan	Member Directed	OP&F	Total
Proportionate Share of the Net Pension Liability/(Asset)	\$ 63,131,523	\$ (1,006,318)	\$ (36,782)	\$ 181,740,750	\$ 243,829,173
Proportion of the Net Pension Liability/(Asset) as of 12/31/2020	0.42634%	0.34861%	0.20177%	2.66596%	
Proportion of the Net Pension Liability/(Asset) as of 12/31/2019	0.43185%	0.34091%	0.19367%	2.58798%	
Increase (Decrease) in Proportion	(0.00551)%	0.00770%	0.00811%	0.07798%	
Pension Expense	\$ 1,161,054	\$ 23,726	\$ (26,223)	\$ 14,479,602	\$ 15,638,159

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

	OPERS			
	Traditional Plan	Combined Plan	Member Directed	OP&F
<b>Deferred Outflows of Resources</b>				
Net difference between projected and actual earnings on pension plan investments	\$ -	\$ -	\$ 2,785	\$ -
Differences between expected and actual experience	-	-	13,120	7,597,379
Changes in proportion and differences between City contributions and proportionate share of contributions	247,323	8,692	6,590	6,678,667
Changes in assumptions	-	62,845	613	3,047,883
City contributions subsequent to the measurement date	8,901,608	239,236	-	14,567,625
Total Deferred Outflows of Resources	<u>\$ 9,148,931</u>	<u>\$ 310,773</u>	<u>\$ 23,108</u>	<u>\$ 31,891,554</u>
<b>Deferred Inflows of Resources</b>				
Net Difference between projected and actual earnings on pension plan investments	\$ (24,606,825)	\$ (149,655)	\$ -	\$ (8,815,627)
Differences between expected and actual experience	(2,416,277)	(189,854)	(3,532)	(7,080,076)
Changes in proportion and differences between City contributions and proportionate share of contributions	(1,146,001)	(46,002)	(796)	(5,403,225)
Changes in assumptions	(224,567)	-	-	-
Total Deferred Inflows of Resources	<u>\$ (28,393,670)</u>	<u>\$ (385,511)</u>	<u>\$ (4,328)</u>	<u>\$ (21,298,928)</u>

## 9. Pension and Other Post-Retirement Benefit Plans (Continued)

At December 31, 2021, \$23,708,469 is 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 subsequent fiscal period rather than the current fiscal period. 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
	Traditional Plan	Combined Plan	Member Directed	
Year Ending December 31:				
2021	\$ (11,030,815)	\$ (77,720)	\$ 3,543	\$ (6,554)
2022	(3,728,948)	(51,430)	3,590	3,439,141
2023	(10,030,577)	(85,885)	4,199	(8,000,839)
2024	(3,356,007)	(42,728)	2,081	(242,977)
2025	-	(20,293)	2,189	836,230
Thereafter	-	(35,918)	3,178	-
Total	<u>\$ (28,146,347)</u>	<u>\$ (313,974)</u>	<u>\$ 18,780</u>	<u>\$ (3,974,999)</u>

### Actuarial Assumptions - OPERS

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

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employers and plan members) and include the types of benefits provided at the time of each valuation. The total pension liability in the December 31, 2020, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Measurement and Valuation Date	December 31, 2020
Experience Study	5-Year Period Ended December 31, 2015
Actuarial Cost Method	Individual Entry Age
Investment Rate of Return	7.2%
Wage Inflation	3.25%
Projected Salary Increases	3.25%-10.75 % (includes wage inflation at 3.25%)
Cost-of-living Adjustments	Pre-1/7/2013 Retirees: 3.00% Simple
	Post-1/7/2013 Retirees: 3.00% Simple
	Through 2020, then 2.15% Simple

Mortality rates are based on the RP-2014 Healthy Annuitant mortality table. For males, Healthy Annuitant Mortality tables were used, adjusted for mortality improvements back to the observation period base of 2006 and then established the base year as 2015. For females, Healthy Annuitant Mortality tables were used, adjusted for mortality improvements back to the observation period base of 2006 and then established the base year as 2010. The mortality rates used in evaluating disability allowances were based on the RP-2014 Disabled mortality tables, adjusted for mortality improvement back to the observation period base of 2006 and then established the base year as 2015 for males and 2010 for females. Mortality rates for a particular calendar year for both healthy and disabled retiree mortality tables are determined by applying the MP-2015 mortality improvement scale to the above described tables.



## 9. Pension and Other Post-Retirement Benefit Plans (Continued)

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

The long-term rate of return on defined benefit investment assets was determined using a building-block method in which best-estimate ranges of expected future real rates of return are developed for each major asset class. These ranges are combined to produce the long-term expected real rate of return by weighting the expected future real rates of return by the target asset allocation percentage, adjusted for inflation. The discount rate used to measure the total pension liability was 7.2 percent.

OPERS manages investments in three investment portfolios: the Defined Benefits portfolio, the Health Care portfolio, and the Defined Contribution portfolio. The Defined Benefit portfolio includes the investment assets of the Traditional Pension Plan, the defined benefit component of the Combined Plan, the annuitized accounts of the Member-Directed Plan and the VEBA Trust. 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 money weighted rate of return, net of investments expense, for the Defined Benefit portfolio was a 17.2%.

The allocation of investment assets with the Defined Benefit portfolio is approved by the Board of Trustees as outlined in the annual investment plan. Plan assets are managed on a total return basis with a long-term objective of achieving and maintaining a fully funded status for the benefits provided through the defined benefit pension plans. The table below displays the Board-approved asset allocation policy for 2019 and the long-term expected real rates of return:

Asset Class	Target Allocation for 2020	Long Term Expected Weighted Average Long-Term Expected Real Rate of Return (Arithmetic)
Fixed Income	25.00 %	1.32 %
Domestic Equities	21.00	5.64
Real Estate	10.00	5.39
Private Equity	12.00	10.42
International Equities	23.00	7.36
Other investments	9.00	4.75
Total	<u>100.00 %</u>	<u>5.43 %</u>

**Discount Rate** The discount rate used to measure the total pension liability was 7.2 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.



## 9. Pension and Other Post-Retirement Benefit Plans (Continued)

**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 7.2 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 (6.2 percent) or one-percentage-point higher (8.2 percent) than the current rate:

City's proportionate share of the net pension liability/(asset) (in '000s)			
	1% Decrease 6.20%	Current Discount Rate 7.20%	1% Increase 8.20%
Traditional Plan	\$ 120,424	\$ 63,132	\$ 15,493
Combined Plan	(701)	(1,006)	(1,234)
Member Directed Plan	(32)	(36)	(40)

### Actuarial Assumptions – OP&F

OP&F's total pension liability as of December 31, 2020 is based on the results of an actuarial valuation date of January 1, 2020, and rolled-forward using generally accepted actuarial procedures. The total pension liability is determined by OP&F's actuaries in accordance with GASB Statement No. 67, as part of their annual valuation. Actuarial valuations of an ongoing plan involve estimates of 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.

Key methods and assumptions used in calculating the total pension liability in the latest actuarial valuation, prepared as of January 1, 2020, are presented below:

Valuation Date	January 1, 2020, with actuarial liabilities rolled forward to December 31, 2020
Actuarial Cost Method	Entry Age Normal (Level Percent of Payroll)
Actuarial Assumption Experience Study Date	5 year period ended December 31, 2016
Investment Rate of Return	8.00%
Cost of Living Increases (COLA)	3% simple; 2.2% simple for increases based on the lesser of the increase in CPI and 3%
Salary Increases	3.75 to 10.50%
Payroll Growth	Inflation rate of 2.75% plus productivity increase rate of 0.5%

### Healthy Mortality

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

## 9. Pension and Other Post-Retirement Benefit Plans (Continued)

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

### Disabled Mortality

Mortality for disabled retirees is based on the RP-2014 Disabled Mortality Tables rolled back to 2006, adjusted to according to the rates in the following table, and projected with the Buck Modified 2016 Improvement Scale. Rates for surviving beneficiaries are adjusted by 120%.

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

The long-term expected rate of return on pension plan investments was determined using a building-block approach and assumes a time horizon, as defined in the Statement of Investment Policy. A forecasted rate of inflation serves as the baseline for the return expectation. Various real return premiums over the baseline inflation rate have been established for each asset class. The long-term expected nominal rate of return has been determined by calculating a weighted averaged of the expected real return premiums for each asset class, adding the projected inflation rate and adding the expected return from rebalancing uncorrelated asset classes. Best estimates of the long-term expected geometric real rates of return for each major asset class included in OP&F's target asset allocation as of December 31, 2019 are summarized below:

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

OP&F's Board of Trustees has incorporated the "risk parity" concept into OP&F's asset liability valuation with the goal of reducing equity risk exposure, which reduces overall Total Portfolio risk without sacrificing return, and creating a more risk-balanced portfolio based on their relationship between asset classes and economic environments. From the national portfolio perspective above, the

## 9. Pension and Other Post-Retirement Benefit Plans (Continued)

Total Portfolio may be levered up to 1.2 times due to the application of leverage in certain fixed income asset classes.

**Discount Rate** The total pension liability was calculated using the discount rate of 8.00 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 long-term assumed investment rate of return 8.00 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 8.00 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 (7.00 percent), or one percentage point higher (9.00 percent) than the current rate.

City's proportionate share of the net pension liability (in '000s)			
	1% Decrease 7.00%	Current Discount Rate 8.00%	1% Increase 9.00%
OP&F	\$ 253,006	\$ 181,741	\$ 122,099

### Other Post-retirement Benefits (OPEB)

In addition to the post-retirement benefits provided by the Ohio Police and Fire Pension Fund and the Ohio Public Employees Retirement System of Ohio, the City provides post-retirement health care and life insurance benefits, in accordance with union agreements and City Council ordinances, for retired employees. The post-retirement healthcare coverage is a single self-insured plan, administered through Medical Mutual, which provides medical, prescription drugs, dental, and vision benefits. The major medical portion of the coverage, which includes prescription drugs, ends at age 65. All other benefits continue for the lifetime of the participant. The life insurance amounts are dependent on age at retirement and the retiree's collective bargaining unit. All life insurance amounts are reduced by 50% after the first year of retirement. Dependents are not eligible for life insurance during retirement. The life insurance is fully insured. Substantially all of the City's employees may become eligible for those benefits if they reach normal retirement age while working for the City. The City pays 100% of the cost of health care and life insurance benefits. Effective January 1, 2021, monthly contributions for supplemental medical coverage are \$60 single / \$120 family for Non-Bargaining and AFSCME participants, and \$30.00 / \$60 family for all other participants. Supplemental dental, vision, and life insurance are non-contributory. These benefits are financed on a pay-as-you go basis; as such, the cost of retiree health care and life insurance benefits is recognized as expenditure/expense as claims are incurred. Eligibility for OPEB benefits is receiving a pension benefit from OPERS, Police and Fire, or disability retirement. Former employees who are term-vested for pension benefits are not eligible.

## 9. Pension and Other Post-Retirement Benefit Plans (Continued)

The net OPEB liability was measured as of December 31, 2020 and the net OPEB liability was determined by an actuarial valuation as of December 31, 2019, and rolled-forward to the measurement date. For OPERS and OP&F, the City's proportion of the net OPEB liability was based on the City's share of contributions relative to the contributions of all participating entities. The following information is related to the proportionate share and OPEB expense (in '000s):

	OPERS	OP&F
Proportion of the Net OPEB Liability as of December 31, 2020	0.4152%	2.66596%
Proportion of the Net OPEB Liability as of December 31, 2019	0.4199%	2.58798%
Increase (Decrease) in Proportion	(0.0046)%	0.0780%
Proportionate share of the Net OPEB Liability (Asset)	\$ (7,397)	\$ 28,246
OPEB Expense	44,870	3,132

The Net OPEB Liability for the City's OPEB plan was measured as of December 31, 2020 and the net OPEB liability was determined by an actuarial valuation as of December 31, 2019, and rolled-forward to the measurement date. The following information is related to the changes in the net OPEB liability for the City's plan (in '000s):

Net OPEB Liability - December 31, 2019	\$ 87,501
Total service cost	1,513
Interest cost	2,865
Experience (gains)/losses	253
Changes in assumptions	2,574
Benefit payments	(2,308)
Net OPEB Liability - December 31, 2020	\$ 92,398

At December 31, 2020 the City reported deferred (outflows) of resources and deferred inflows of resources related to OPEB from the following sources:

	City of Akron	OPERS	OP&F
<b>Deferred Outflows of Resources</b>			
Net difference between projected and actual earnings on OPEB plan investments	\$ -	\$ -	\$ 3,803,329
Differences between expected and actual experience	207,883	-	-
Changes in proportion and differences between City and proportionate share of contributions	-	-	2,060,221
Changes in assumptions	3,836,007	3,636,684	11,397,722
City's contributions subsequent to the measurement date	1,891,915	-	345,113
Total Deferred Outflows of Resources	<u>\$ 5,935,805</u>	<u>\$ 3,636,684</u>	<u>\$ 17,606,385</u>
<b>Deferred Inflows of Resources</b>			
Net difference between projected and actual earnings on OPEB plan investments	\$ (3,574,603)	\$ (3,939,998)	\$ -
Differences between expected and actual experience	-	(6,676,179)	(2,716,857)
Changes in proportion and differences between City and proportionate share of contributions	-	(652,961)	(627,153)
Changes in assumptions	(20,092,035)	(11,986,128)	(8,181,349)
Total Deferred Inflows of Resources	<u>\$ (23,666,638)</u>	<u>\$ (23,255,266)</u>	<u>\$ (11,525,359)</u>

## 9. Pension and Other Post-Retirement Benefit Plans (Continued)

At December 31, 2020, \$2,237,028 is reported as deferred outflows of resources related to OPEB resulting from City contributions subsequent to the measurement date will be recognized as a reduction of the net OPEB liability in the subsequent fiscal period. Other amounts reported as deferred (inflows) outflows of resources related to OPEB will be recognized in the OPEB expense as follows:

	City of Akron	OPERS	OP&F
Fiscal Year Ending December 31:			
2022	\$ (5,383,047)	\$(10,371,953)	\$ 1,970,965
2023	(6,556,391)	(7,070,215)	\$ 2,219,534
2024	(6,109,017)	(1,712,163)	1,827,652
2025	(1,863,668)	(464,252)	355,596
2026	289,376	-	(598,585)
Thereafter	-	-	(39,249)
Total	<u>\$ (19,622,747)</u>	<u>\$(19,618,583)</u>	<u>\$ 5,735,913</u>

### Actuarial Assumptions - City of Akron OPEB Plan

The total OPEB liability is based on the results of an actuarial measurement date and valuation date of December 31, 2020 using generally accepted actuarial procedures. The total OPEB liability was calculated by using the following assumptions:

Actuarial Cost Method	Entry age normal, level percent of projected payroll
Discount Rate	1.93%
Projected Payroll Growth Rate	2.00%
Health Care Cost Trend Rate for Medical and Prescription Drugs	6.1% in fiscal 2021, decreasing to an ultimate rate of 5.0% in fiscal year 2027 and after.
Health Care Cost Trend Rate for Dental and Vision	3.0%

Pursuant to paragraph 36 of GASB 75, since the City's plan is an unfunded plan, the discount rate should reflect a yield or index rate for 20-year, tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher. The discount rate selected by the City reflect the S&P Municipal Bond 20-High Grade as of December 31, 2020. The discount rate used to measure the total OPEB liability was 1.93 percent, which is a decrease from 3.26 percent used for the measurement date of December 31, 2019.

For OP&F active members, non-disabled retirees and beneficiaries, and disabled retirees, mortality rates are based on the RPH-2014 Mortality Table adjusted to 2006 and projected with the Buck Modified 2019 Improvement Scale. Rates are also adjusted for experience. For OPERS active members, non-disabled retirees and beneficiaries, and disabled retirees, mortality rates are based on the PubH-2010 General and Disabled Morality Tables projected with the Buck Modified 2016 Improvement Scale.

The Net OPEB Liability is sensitive to changes in the discount rate and the health care trend rate. The following table presents what the Net OPEB Liability would be if it were calculated using a discount rate that is one (1) percentage point lower (0.93%) and higher (3.93%) than the current discount rate (1.93%). Additionally shown is what the City's net OPEB liability would be based on current health care trend rates that are one (1) percentage point lower (5.10%) and higher (7.10%) than the current rate (6.1%).

## 9. Pension and Other Post-Retirement Benefit Plans (Continued)

	1% Decrease 0.93%	Current Discount Rate 1.93%	1% Increase 2.93%
Net OPEB Liability	\$ 109,087,070	\$ 92,397,710	\$ 79,227,066
	1% Decrease	Current Trend Rate	1% Increase
Net OPEB Liability	\$ 85,650,255	\$ 92,397,710	\$ 100,974,076

The below table covers the classes of plan members covered:

Retirees and surviving spouses receiving benefits:	2,316
Active plan members	1,845
Total membership	<u>4,161</u>

### Actuarial Assumptions - OPERS

The total OPEB liability is based on the results of an actuarial valuation dated December 31, 2019 and rolled-forward to December 31, 2020 using generally accepted actuarial procedures. The total OPEB liability was calculated using the following assumptions:

Actuarial Valuation Date	December 31, 2019
Rolled-Forward Measurement Date	December 31, 2020
Experience Study	5-Year Period Ended December 31, 2015
Actuarial Cost Method	Individual Entry Age Normal
Actuarial Assumptions	
Single Discount Rate	6.00%
Investment Rate of Return	6.00%
Municipal Bond Rate	2.00%
Wage Inflation	3.25%
Projected Salary Increases	3.25%-10.75%
	(Includes Wage Inflation at 3.25%)
Health Care Cost Trend Rate	8.5% Initial, 3.5% ultimate in 2035

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

## 9. Pension and Other Post-Retirement Benefit Plans (Continued)

A single discount rate of 6.00% was used to measure the OPEB liability on the measurement date of December 31, 2020, which is an increase from 3.16% used for the measurement date of December 31, 2019. Projected benefit payments are required to be discounted to their actuarial present value using a single discount rate that reflects (1) a long-term expected rate of return on OPEB plan investments (to the extent that the health care fiduciary net position is projected to be sufficient to pay benefits), and (2) tax-exempt municipal bond rate based on an index of 20-year general obligation bonds with an average AA credit rating as of the measurement date (to the extent that the contributions for use with the long-term expected rate are not met). This single discount rate was based on an expected rate of return on the health care investment portfolio of 6.00% and a municipal bond rate of 2.00%. The projection of cash flows used to determine this single discount rate assumed that employer contributions will be made at rates equal to the actuarially determined contribution rate. Based on these assumptions, the health care fiduciary net position and future contributions were sufficient to finance health care costs through 2120. As a result, the long-term expected rate of return on health care investments was applied to projected costs through the year 2120, and the municipal bond rate was applied to all health care costs after that date.

The following table presents the OPEB liability calculated using the single discount rate of 6.00%, and the expected Net OPEB Asset if it were calculated using a discount rate that is one percentage point lower (5.00%) or one percentage point higher (7.00%) than the current rate (in '000s):

	1% Decrease 5.00%	Current Discount Rate 6.00%	1% Increase 7.00%
City's proportionate share of the Net OPEB (Asset)	\$ (1,839)	\$ (7,397)	\$ (1,196)

Retiree health care valuations use a health care cost-trend assumption that changes over several years built into the assumption. The near-term rates reflect increases in the current cost of health care; the trend starting in 2021 is 8.50%. If this trend continues for future years, the projection indicates that years from now virtually all expenditures will be for health care. A more reasonable alternative is that in the not-to-distant future, the health plan cost 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 3.25% in the most recent valuation. The following table presents the OPEB liability calculated using the health care cost trend rate and the expected Net OPEB Liability if it were calculated using a rate that is one percentage point lower or one percentage point higher than the current rate (in '000s):

	1% Decrease	Current Health Care Cost Trend Rate Assumption	1% Increase
City's Proportionate Share of the Net OPEB Liability	\$ (7,577)	\$ (7,397)	\$ (7,195)

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. The System's primary goal is to achieve and maintain a fully funded status for benefits provided through the defined pension plans. Health care is a discretionary benefit. The table below displays the Board-approved asset allocation policy for 2018 and the long-term expected real rates of return.



## 9. Pension and Other Post-Retirement Benefit Plans (Continued)

Asset Class	Target Allocation	Weighted Average Long-Term Expected Real Rate of Return (Arithmetic)
Fixed Income	34.00 %	1.07 %
Domestic Equities	25.00	5.64
REITs	7.00	6.48
International Equities	25.00	7.36
Other investments	9.00	4.02
Total	100.00 %	4.43 %

### Actuarial Assumptions - OP&F

The total OPEB liability is determined by OP&F's actuaries in accordance with GASB Statement No. 74, as part for their annual valuation. Actuarial valuations of an ongoing retirement plan involve estimates of the value of reported amounts and assumptions about probability of occurrence of events far into the future. This can include assumptions about service credit, salaries and salary increases, disabilities, and retirements. Actuarially determined amounts are subject to continual review and potential 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 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 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.

The following key methods and assumptions were used in calculating the total OPEB liability as of December 31, 2020:

Valuation Date	January 1, 2020
Rolled Forward Valuation Date	December 31, 2020
Actuarial Cost Method	Entry Age Normal (Level Percent of Payroll)
Actuarial Assumption Experience	
Study Date	5-Year Period Ended December 31, 2016
Investment Rate of Return	OP&F OPEB Long Term Rate is 8.0%
Cost of Living Increases (COLA)	3% Simple; 2.2% simple for increases based on the lesser of the increases in CPI and 3%
Salary Increases	3.75% to 10.50%
Payroll Growth	Inflation rate of 2.75 percent plus productivity increase rate of 0.5 percent



## 9. Pension and Other Post-Retirement Benefit Plans (Continued)

### Mortality Rates - OP&F

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

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

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

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

The long-term expected rate of return on pension plan investments was determined using a building-block approach and assumes a time horizon, as defined in the Statement of Investment Policy. A forecasted rate of inflation serves as the baseline for the return expectation. Various real return premiums over the baseline inflation rate have been established for each asset class. The long-term expected nominal rate of return has been determined by calculating a weighted averaged of the expected real return premiums for each asset class, adding the projected inflation rate and adding the expected return from rebalancing uncorrelated asset classes. Best estimates of the long-term expected real rates of return for each major asset class included in OP&F's target asset allocation as of December 31, 2020 are summarized below:

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

## 9. Pension and Other Post-Retirement Benefit 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 their relationship between asset classes and economic environments. From the national portfolio perspective above, the Total Portfolio may be levered up to 1.25 times due to the application of leverage in certain fixed income asset classes.

**Discount Rate** The total OPEB liability was calculated using the discount rate of 2.96 percent, which is a decrease from 3.56 percent used for the measurement date of December 31, 2019. The projection of cash flows used to determine the discount rate assumed the contributions from employers and from the members would be computed based on contribution requirements as stipulated by State statute.

Projected inflows from investment earnings were calculated using the longer-term assumed investment rate of return 8.00 percent. Based on those assumptions, the plan's fiduciary net position was projected to not be available to make all future benefit payments of current plan members. Therefore, a municipal bond rate of 2.12 at December 31, 2020 and 2.75 percent at December 31, 2019 was blended with the long-term rate of 8.00 percent, which resulted in a blended discount rate of 2.96 percent.

The Net OPEB Liability is sensitive to changes in the discount rate. The following tables present the Net OPEB Liability of OP&F and what OP&F's Net OPEB Liability would be if it were calculated using a rate that is 1% point lower and 1% point higher than what the current discount cost trend rates are (in '000s).

	1% Decrease	Current Discount Rate	1% Increase
	'1.56%	'2.56%	'3.56%
City's proportionate share of the Net OPEB Liability	\$ 35,221	\$ 28,246	\$ 22,493

## 10. Notes Payable

The following is a summary of note transactions for the year ended December 31, 2021, reflected in governmental activities in the government-wide financial statements:

	<u>Governmental Activities</u> Special Assessment	<u>Governmental Activities</u> Capital Projects	<u>Governmental Activities</u> Total
Notes Payable at January 1, 2021	\$ 13,000,000	\$ 17,400,000	\$ 30,400,000
New notes issued	13,000,000	32,900,000	45,900,000
Notes retired	<u>(13,000,000)</u>	<u>(17,400,000)</u>	<u>(30,400,000)</u>
Notes Payable at December 31, 2021	<u>\$ 13,000,000</u>	<u>\$ 32,900,000</u>	<u>\$ 45,900,000</u>

The following is a summary of the City's future debt service requirements for notes payable as of December 31, 2021:

Fiscal Year Ending December 31	Governmental Activities				Total
	Special Assessment Notes		General Obligation Notes		
	Principal	Interest	Principal	Interest	
2021	\$ 13,000,000	\$ 19,550	\$ 32,900,000	\$ 56,450	\$ 45,976,000

The following notes are backed by the full faith and credit of the City and generally mature within one to five years. The notes generally are issued in anticipation of long-term bond financing and are refinanced, if necessary, until such bonds are issued.

Notes issued by the City of Akron and held by the City as investments at December 31, 2021, amounting to \$54,784,049 (Note 2) are eliminated in the government-wide statement of net position.

## 10. Notes Payable (Continued)

Special assessment notes are issued to finance the property owners' share of improvements. Upon completion of a project, owners may pay the assessments in full. Bonds are issued in the amount of any unpaid assessments and are repaid largely from levies on the property owners for principal and interest collected by the County Fiscal Officer on behalf of the City.

The weighted average interest rates on special assessment notes and general obligation notes at December 31, 2021 were 0.15% and 0.17% respectively.

Notes payable as of December 31, 2021, are comprised of the following individual issues:

<u>Issued</u>	<u>Rate %</u>	<u>Issue</u>	<u>Final Maturity</u>	<u>Amount</u>
<b>Special Assessment Notes:</b>				
<u>Governmental Activities:</u>				
Street Cleaning/Lighting Note: November 29, 2021	0.15	11-29	November 29, 2022	\$ 13,000,000
<b>General Obligation Notes:</b>				
<u>Governmental Activities:</u>				
Various Purpose Improvements Note: December 15, 2021	0.15	12-15	December 14, 2022	27,900,000
Non-Tax Revenue Note: October 1, 2021	0.28	10-1	September 30, 2022	5,000,000
				<u>\$ 45,900,000</u>

## 11. Bonds and Loans Payable and Defeased Debt

The following is a summary of bonds and loans payable for the year ended December 31, 2021:

Governmental Activities					
	General Obligation	OPWC - Direct Borrowings	ODSA - Direct Borrowings	Non-Tax Revenue	
Bonds and loans payable at January 1, 2021	\$ 105,085,000	\$ 5,842,624	\$ 3,635,000	\$ 27,305,000	
New Issues:					
Resurfacing	-	-	-	-	
Sewer System	-	-	-	-	
Water System	-	-	-	-	
Retirements	(18,475,000)	(604,461)	(330,000)	(3,190,000)	
Bonds and loans payable at December 31, 2021	<u>\$ 86,610,000</u>	<u>\$ 5,238,163</u>	<u>\$ 3,305,000</u>	<u>\$ 24,115,000</u>	

Governmental Activities				
	Income Tax Revenue	Income Tax Revenue - Direct Borrowings	Special Revenue (JEDD)	Special Assessment - Direct Placements
Bonds and loans payable at January 1, 2021	\$ 335,125,000	\$ 8,974,788	\$ 3,680,000	\$ 7,598,284
New Issues:				
Resurfacing	-	-	-	1,025,049
Sewer System	-	-	-	-
Water System	-	-	-	-
Retirements	(19,800,000)	(725,228)	(1,810,000)	(1,645,284)
Bonds and loans payable at December 31, 2021	<u>\$ 315,325,000</u>	<u>\$ 8,249,560</u>	<u>\$ 1,870,000</u>	<u>\$ 6,978,049</u>

Business-type Activities					
	Mortgage Revenue	Mortgage Revenue - Direct Placements	OWDA - Direct Borrowings	OPWC - Direct Borrowings	Total
Bonds and loans payable at January 1, 2021	\$ 7,285,000	\$ 5,205,000	\$ 663,817,587	\$ 290,491	\$ 1,173,843,774
New Issues:					
Resurfacing	-	-	-	-	1,025,049
Sewer System	-	-	85,702,851	-	85,702,851
Water System	-	-	19,728,638	-	19,728,638
Retirements	(7,285,000)	(810,000)	(30,718,057)	(83,634)	(85,476,664)
Bonds and loans payable at December 31, 2021	<u>\$ -</u>	<u>\$ 4,395,000</u>	<u>\$ 738,531,019</u>	<u>\$ 206,857</u>	<u>\$ 1,194,823,648</u>

## 11. Bonds and Loans Payable and Defeased Debt (Continued)

Bonds and loans payable at December 31, 2021 is comprised of the following individual issues:

Issued	Rate %	Issue	Final Maturity	Amount
<b><u>Governmental Activities:</u></b>				
<b><u>General Obligation Bonds:</u></b>				
Various Purpose Improvement Bonds:				
November 29, 2012	2.0 to 4.0	Series 2012	December 1, 2024	\$ 5,160,000
March 20, 2014	1.25 to 4.0	Series 2014A	December 1, 2026	6,620,000
March 20, 2014	.45 to 4.125	Series 2014B	December 1, 2026	7,130,000
December 2, 2014	2.0 to 5.0	Series 2014C	December 1, 2031	14,880,000
March 10, 2015	1.50 to 5.0	Series 2015	December 1, 2028	14,695,000
May 26, 2016	1.00 to 4.00	Series 2016 Judgement	December 1, 2036	4,120,000
December 6, 2016	1.75 to 4.00	Series 2016A	December 1, 2031	6,810,000
December 6, 2016	1.45 to 3.05	Series 2016B	December 1, 2028	6,660,000
December 20, 2017	1.75 to 4.00	Series 2017A	December 1, 2031	6,910,000
December 20, 2017	1.85 to 3.70	Series 2017B	December 1, 2031	3,760,000
November 12, 2020	2.0	Series 2020	December 1, 2023	9,865,000
Total General Obligation Bonds:				<u>\$ 86,610,000</u>
<b><u>Ohio Public Works Commission Loans - Direct Borrowings:</u></b>				
July 1, 1998	-	Tallmadge Ave.	July 1, 2022	\$ 100,036
July 1, 1999	-	Lakeshore Blvd.	July 1, 2022	12,240
July 1, 1999	-	Bye Street	July 1, 2022	7,313
July 1, 1999	-	Wooster/East Ave.	July 1, 2022	29,925
July 1, 2000	-	Bishop Street	July 1, 2022	9,150
July 1, 2000	-	NW Storm Outlets	July 1, 2022	54,061
July 1, 2000	-	N. Arlington Bridge	July 1, 2022	24,864
July 1, 2001	-	Darrow Road	July 1, 2023	123,568
July 1, 2003	-	US 244 Phase II	July 1, 2025	216,675
July 1, 2005	-	Manchester Rd Ph I	July 1, 2027	21,600
July 1, 2005	-	Arlington St Signalization	July 1, 2027	263,958
July 1, 2005	-	E. Market St Widening	July 1, 2027	563,400
July 1, 2006	-	W. Market Street	July 1, 2028	419,900
July 1, 2006	-	Tallmadge Ave Singalization	July 1, 2027	59,930
July 1, 2006	-	Brown and Power St.	July 1, 2027	354,450
November 28, 2008	-	Barbara Ave.	January 1, 2040	127,192
November 28, 2008	-	Newton Street Bridge	January 1, 2040	419,464
July 1, 2008	-	Mill St. Bridge	July 1, 2039	634,576
March 13, 2009	-	Dover Ave.	January 1, 2030	256,797
August 4, 2010	-	Smith/Riverview Round	December 1, 2031	102,263
October 11, 2011	-	Carroll Street	July 1, 2041	470,134
July 1, 2020	-	Firestone Industrial Park	July 1, 2050	966,667
Total Ohio Public Works Commission Loans - Direct Borrowings:				<u>\$ 5,238,163</u>

## 11. Bonds and Loans Payable and Defeased Debt (Continued)

Issued	Rate %	Issue	Final Maturity	Amount
<b>Governmental Activities (Continued):</b>				
<u>Ohio Development Services Agency Loans - Direct Borrowings:</u>				
March 31, 2011	2.0	Goodyear 166 Loan	December 1, 2030	\$ 3,305,000
Total Ohio Development Services Agency Loans - Direct Borrowings:				<u>\$ 3,305,000</u>
 <u>Non-Tax Revenue Bonds:</u>				
November 25, 2014	.85 to 4.75	2014	December 1, 2034	\$ 16,455,000
November 12, 2015	1.40 to 3.625	2015	December 1, 2026	<u>7,660,000</u>
Total Non-tax Revenue Bonds:				<u>\$ 24,115,000</u>
 <u>Income Tax Revenue Bonds:</u>				
November 25, 2014	2.0 to 5.0	2014	December 1, 2034	\$ 23,580,000
November 12, 2015	1.0 to 5.0	2015	December 1, 2028	10,890,000
December 6, 2016	1.50 to 5.0	2016	December 1, 2028	10,545,000
December 6, 2019	4.0	2019	December 1, 2041	51,780,000
November 24, 2020	3.15	2020	December 1, 2032	<u>11,110,000</u>
Total Income Tax Revenue Bonds:				<u>\$ 107,905,000</u>
 <u>Income Tax Revenue Bonds - CLC:</u>				
July 28, 2010	5.87	2010C	December 1, 2026	\$ 12,550,000
June 27, 2012	3.5 to 5.0	2012A	December 1, 2033	113,700,000
May 7, 2014	.5 to 5.0	2014	December 1, 2033	14,105,000
December 8, 2016	3.5 to 5.0	2016	December 1, 2033	20,975,000
December 20, 2017	1.75 to 5.0	2017	December 1, 2033	35,930,000
August 4, 2019	3.0 to 5.0	2019	December 1, 2033	<u>10,160,000</u>
Total CLC Income Tax Revenue Bonds:				<u>\$ 207,420,000</u>
 <u>Income Tax Revenue Bonds - Direct Borrowings:</u>				
August 8, 2013	4.20	2013	December 1, 2028	\$ 2,355,914
June 24, 2015	2.42	2015	June 1, 2035	3,987,646
November 14, 2018	4.7	2018	December 1, 2048	<u>1,906,000</u>
Total Income Tax Revenue Bonds - Direct Borrowings:				<u>\$ 8,249,560</u>
 <u>Special Revenue (JEDD) Bonds:</u>				
December 21, 2011	2.75 to 5.0	2002	December 1, 2022	\$ 1,160,000
December 21, 2011	2.75 to 5.0	2002	December 1, 2022	<u>710,000</u>
Total Special Revenue (JEDD) Bonds:				<u>\$ 1,870,000</u>

# 11. Bonds and Loans Payable and Defeased Debt (Continued)

Issued	Rate %	Issue	Final Maturity	Amount
<b><u>Governmental Activities (Continued):</u></b>				
Special Assessment Obligations - Direct Placements:				
Street Improvement Bonds - Direct Placements:				
December 15, 2017	2.3	2017	December 1, 2027	\$ 1,972,607
December 15, 2017	1.9	2017	December 1, 2022	80,936
December 15, 2017	2.3	2017	December 1, 2027	34,101
November 11, 2018	1.95	2018	December 1, 2023	205,485
December 11, 2018	2.35	2018	December 1, 2028	43,045
December 11, 2018	2.35	2018	December 1, 2028	1,343,277
December 13, 2019	1.45	2019	December 1, 2024	943,193
December 1, 2020	0.95	2020	December 1, 2025	1,202,322
December 1, 2020	1.35	2020	December 1, 2030	128,034
October 1, 2021	0.45	2021	October 1, 2026	<u>1,025,049</u>
Total Special Assessment Obligations - Direct Placements:				<u>\$ 6,978,049</u>
 <b><u>Business-type Activities:</u></b>				
Mortgage Revenue Bonds - Direct Placements:				
Waterworks System Bonds:				
December 18, 2015	2.59	2015	March 1, 2026	<u>\$ 4,395,000</u>
Total Mortgage Revenue Bonds - Direct Placements:				<u>\$ 4,395,000</u>



## 11. Bonds and Loans Payable and Defeased Debt (Continued)

Issued	Rate %	Issue	Final Maturity	Amount
<b><u>Business-type Activities (Continued):</u></b>				
<b><u>Ohio Water Development Authority Loans - Direct Borrowings:</u></b>				
January 14, 2010	3.25	Sewer	January 1, 2030	\$ 499,001
November 19, 2009	3.25	Sewer	July 1, 2030	85,002
December 10, 2009	3.25	Sewer	January 1, 2030	43,750
March 31, 2011	4.72	Sewer	January 1, 2032	510,845
February 24, 2011	4.14	Sewer	January 1, 2032	1,368,363
February 24, 2011	4.14	Sewer	January 1, 2032	257,988
December 8, 2011	2.80	Sewer	July 1, 2032	1,700,952
December 8, 2011	2.80	Water	January 1, 2033	1,256,447
December 8, 2011	2.80	Sewer	January 1, 2033	1,256,447
December 8, 2011	2.80	Sewer	January 1, 2032	536,081
December 8, 2011	3.55	Water	July 1, 2032	298,938
October 27, 2011	2.78	Sewer	July 1, 2033	14,978,839
October 27, 2011	2.85	Sewer	January 1, 2033	799,008
October 27, 2011	2.85	Sewer	July 1, 2032	606,451
June 28, 2012	2.00	Water	July 1, 2033	703,629
March 28, 2013	3.15	Sewer	July 1, 2034	3,486,046
May 30, 2013	2.67	Sewer	July 1, 2033	1,476,307
June 27, 2013	2.00	Water	July 1, 2034	2,022,363
June 27, 2013	2.00	Water	July 1, 2034	501,575
August 29, 2013	3.05	Sewer	January 1, 2035	4,560,992
September 26, 2013	4.24	Water	July 1, 2023	52,554
December 12, 2013	3.62	Water	January 1, 2035	574,708
January 30, 2014	3.66	Sewer	July 1, 2034	1,040,410
January 30, 2014	3.66	Water	July 1, 2024	216,788
February 27, 2014	3.65	Water	January 1, 2035	1,707,042
February 27, 2014	4.15	Water	July 1, 2035	7,780,433
April 24, 2014	3.95	Sewer	January 1, 2036	2,580,571
April 24, 2014	3.45	Sewer	July 1, 2034	1,071,727
June 26, 2014	3.09	Sewer	January 1, 2036	7,584,352
June 26, 2014	3.01	Sewer	July 1, 2036	11,424,003
August 28, 2014	3.34	Sewer	July 1, 2035	4,782,331
February 26, 2015	1.89	Sewer	January 1, 2036	3,203,752
February 26, 2015	1.89	Sewer	January 1, 2038	15,073,967
May 28, 2015	2.26	Sewer	January 1, 2036	719,530
May 28, 2015	2.26	Sewer	January 1, 2036	5,042,464
September 24, 2015	2.45	Sewer	January 1, 2036	3,420,890
February 25, 2016	2.04	Sewer	January 1, 2036	852,364
May 28, 2015	1.96	Sewer	January 1, 2038	24,212,590
June 25, 2015	1.57	Water	January 1, 2037	680,741
July 30, 2015	2.29	Sewer	January 1, 2036	4,229,575
August 27, 2015	2.32	Sewer	January 1, 2037	4,753,565
September 24, 2015	1.74	Water	July 1, 2036	1,230,123
October 29, 2015	2.18	Sewer	January 1, 2037	2,343,948
October 29, 2015	2.35	Sewer	July 1, 2049	238,395,418
October 29, 2015	1.68	Water	July 1, 2037	320,110
December 10, 2015	2.14	Sewer	January 1, 2037	2,745,065
December 10, 2015	2.14	Sewer	January 1, 2037	3,400,677
December 10, 2015	2.14	Sewer	July 1, 2036	1,083,493
January 28, 2016	2.21	Sewer	January 1, 2026	445,255
February 25, 2016	2.05	Sewer	January 1, 2047	4,272,548
March 31, 2016	1.95	Sewer	January 1, 2048	18,336,635
June 30, 2016	1.75	Sewer	January 1, 2047	976,974
June 30, 2016	1.75	Sewer	July 1, 2048	19,823,218
June 30, 2016	1.66	Sewer	July 1, 2048	13,345,821
August 25, 2016	1.56	Sewer	July 1, 2037	1,548,152
August 25, 2016	1.40	Sewer	July 1, 2047	1,297,144
August 25, 2016	0.45	Sewer	July 1, 2049	39,129,120
August 25, 2016	1.40	Sewer	July 1, 2048	6,446,233
September 29, 2016	1.33	Sewer	January 1, 2048	3,875,026

## 11. Bonds and Loans Payable and Defeased Debt (Continued)

Issued	Rate %	Issue	Final Maturity	Amount
<b><u>Business-type Activities (Continued):</u></b>				
Ohio Water Development Authority Loans - Direct Borrowings (Continued):				
April 27, 2017	2.33	Sewer	July 1, 2024	\$ 5,192,963
April 27, 2017	2.33	Sewer	July 1, 2023	10,297,573
April 27, 2017	1.83	Water	July 1, 2038	551,686
May 25, 2017	0.93	Sewer	July 1, 2063	19,328,356
June 27, 2017	2.13	Sewer	January 1, 2025	1,558,951
June 29, 2017	2.13	Sewer	January 1, 2025	668,838
June 29, 2017	2.51	Sewer	January 1, 2048	2,183,042
February 22, 2018	-	Sewer	July 1, 2023	125,074
April 26, 2018	2.89	Water	January 1, 2029	401,076
June 28, 2018	1.65	Water	January 1, 2039	186,717
July 26, 2018	-	Water	January 1, 2039	239,960
September 27, 2018	1.63	Water	July 1, 2039	2,390,444
September 27, 2018	2.23	Sewer	July 1, 2065	6,218,335
December 6, 2018	2.54	Sewer	July 1, 2064	3,752,602
December 6, 2018	2.62	Sewer	July 1, 2065	1,784,744
January 31, 2019	2.40	Sewer	July 1, 2066	32,916,602
January 31, 2019	2.62	Sewer	January 1, 2066	1,387,818
January 31, 2019	2.52	Sewer	July 1, 2065	7,377,909
February 28, 2019	-	Water	January 1, 2050	289,273
March 28, 2019	-	Water	January 1, 2025	404,387
May 30, 2019	1.87	Sewer	January 1, 2037	1,385,554
May 30, 2019	-	Water	July 1, 2024	185,821
May 30, 2019	0.66	Sewer	January 1, 2067	68,580,504
June 27, 2019	-	Water	July 1, 2040	283,663
July 25, 2019	1.77	Sewer	July 1, 2066	910,949
October 31, 2019	-	Water	July 1, 2040	6,287,022
December 12, 2019	1.23	Sewer	January 1, 2051	728,387
December 12, 2019	1.30	Sewer	July 1, 2066	7,117,351
December 12, 2019	1.29	Sewer	January 1, 2067	30,011,557
December 12, 2019	1.23	Sewer	January 1, 2051	808,750
January 30, 2020	-	Water	July 1, 2041	324,974
February 27, 2020	1.39	Sewer	July 1, 2066	1,067,548
March 26, 2020	1.13	Sewer	July 1, 2051	504,860
June 25, 2020	-	Water	January 1, 2051	220,957
July 30, 2020	-	Water	July 1, 2026	6,745
August 27, 2020	0.88	Sewer	July 1, 2066	4,123,930
August 27, 2020	-	Sewer	January 1, 2027	3,880,195
October 29, 2020	1	Sewer	January 1, 2052	570,283
October 29, 2020	-	Water	January 1, 2027	215,218
October 29, 2020	-	Water	January 1, 2052	4,687
October 29, 2020	-	Water	July 1, 2026	46,497
December 10, 2020	0.52	Water	July 1, 2038	8,055,296
December 10, 2020	1.01	Sewer	July 1, 2067	546,428
January 28, 2021	-	Water	July 1, 2026	628
May 27, 2021	0.90	Water	July 1, 2047	1,003,439
May 27, 2021	0.90	Water	January 1, 2048	13,987
June 24, 2021	-	Water	January 1, 2028	2,833
July 29, 2021	0.61	Sewer	January 1, 2053	466,305
November 18, 2021	1.12	Water	January 1, 2034	6,640,080
August 26, 2021	-	Water	January 1, 2032	3,701
August 26, 2021	0.46	Water	July 1, 2042	308,179
Total Ohio Water Development Authority Loans - Direct Borrowings:				<u>\$ 738,531,019</u>
<b><u>Ohio Public Works Commission Loans - Direct Borrowings:</u></b>				
July 1, 2000	-	Water	July 1, 2024	\$ 156,625
July 1, 2005	-	Sewer	July 1, 2025	<u>50,232</u>
Total Ohio Public Works Commission Loans - Direct Borrowings:				<u>\$ 206,857</u>

# 11. Bonds and Loans Payable and Defeased Debt (Continued)

The following is a summary of the City's future debt service requirements as of December 31, 2021 (in thousands):

Fiscal Year Ending December 31	Governmental Activities					
	General Obligation		OPWC - Direct Borrowings		ODSA - Direct Borrowings	
	Principal	Interest	Principal	Interest	Principal	Interest
2022	\$ 15,370	\$ 2,818	\$ 572	\$ -	\$ 335	\$ 73
2023	14,340	2,451	511	-	340	65
2024	12,240	2,026	489	-	350	57
2025	8,500	1,585	403	-	360	49
2026	10,340	1,258	403	-	365	41
2027-2031	24,200	2,495	1,138	-	1,555	80
2032-2036	1,620	200	628	-	-	-
2037-2041	-	-	628	-	-	-
2042-2046	-	-	333	-	-	-
2047-2051	-	-	133	-	-	-
2052-2056	-	-	-	-	-	-
2057-2061	-	-	-	-	-	-
2062-2063	-	-	-	-	-	-
	<u>\$ 86,610</u>	<u>\$ 12,833</u>	<u>\$ 5,238</u>	<u>\$ -</u>	<u>\$ 3,305</u>	<u>\$ 365</u>
Fiscal Year Ending December 31	Non-Tax Revenue		Income Tax Revenue		Income Tax Revenue - Direct Borrowings	
	Principal	Interest	Principal	Interest	Principal	Interest
	Principal	Interest	Principal	Interest	Principal	Interest
2022	\$ 3,285	\$ 915	\$ 20,620	\$ 14,176	\$ 632	\$ 287
2023	3,395	808	21,455	13,169	628	265
2024	3,515	692	21,585	12,184	638	243
2025	3,635	568	22,580	11,124	649	220
2026	3,775	430	23,605	10,057	658	197
2027-2031	5,460	715	126,690	33,833	2,428	676
2032-2036	1,050	101	64,640	7,718	1,477	377
2037-2041	-	-	14,150	1,655	399	236
2042-2046	-	-	-	-	504	131
2047-2051	-	-	-	-	237	17
2052-2056	-	-	-	-	-	-
2057-2061	-	-	-	-	-	-
2062-2063	-	-	-	-	-	-
	<u>\$ 24,115</u>	<u>\$ 4,229</u>	<u>\$ 315,325</u>	<u>\$ 103,916</u>	<u>\$ 8,250</u>	<u>\$ 2,649</u>
Fiscal Year Ending December 31	Special Revenue (JEDD)		Special Assessment - Direct Placements			
	Principal	Interest	Principal	Interest		
	Principal	Interest	Principal	Interest		
2022	\$ 1,870	\$ 58	\$ 1,506	\$ 114		
2023	-	-	1,447	90		
2024	-	-	1,363	68		
2025	-	-	1,061	47		
2026	-	-	769	31		
2027-2031	-	-	832	22		
2032-2036	-	-	-	-		
2037-2041	-	-	-	-		
2042-2046	-	-	-	-		
2047-2051	-	-	-	-		
2052-2056	-	-	-	-		
2057-2061	-	-	-	-		
2062-2063	-	-	-	-		
	<u>\$ 1,870</u>	<u>\$ 58</u>	<u>\$ 6,978</u>	<u>\$ 372</u>		

# 11. Bonds and Loans Payable and Defeased Debt (Continued)

Fiscal Year Ending December 31	Business-type Activities					
	Mortgage Revenue - Direct Placements		OWDA - Direct Borrowings		OPWC - Direct Borrowings	
	Principal	Interest	Principal	Interest	Principal	Interest
2022	830	103	29,000	14,525	54	-
2023	855	81	32,847	14,773	54	-
2024	880	59	34,616	14,454	54	-
2025	905	36	31,090	13,814	32	-
2026	925	12	27,797	13,245	9	-
2027-2031	-	-	143,987	56,143	4	-
2032-2036	-	-	142,729	40,952	-	-
2037-2041	-	-	103,422	28,875	-	-
2042-2046	-	-	102,259	18,271	-	-
2047-2051	-	-	48,258	7,264	-	-
2052-2056	-	-	23,301	4,378	-	-
2057-2061	-	-	15,933	2,242	-	-
2062-2063	-	-	3,292	284	-	-
	<u>\$ 4,395</u>	<u>\$ 291</u>	<u>\$ 738,531</u>	<u>\$ 229,220</u>	<u>\$ 207</u>	<u>\$ -</u>

Fiscal Year Ending December 31	Governmental Activities Total		Business-type Activities Total		Grand Total	
	Principal	Interest	Principal	Interest	Principal	Interest
2022	\$ 44,190	\$ 18,441	\$ 29,884	\$ 14,628	\$ 74,074	\$ 33,069
2023	42,116	16,848	33,756	14,854	75,872	31,702
2024	40,180	15,270	35,550	14,513	75,730	29,783
2025	37,188	13,593	32,027	13,850	69,215	27,443
2026	39,915	12,014	28,731	13,257	68,646	25,271
2027-2031	162,303	37,821	143,991	56,143	306,294	93,964
2032-2036	69,415	8,396	142,729	40,952	212,144	49,348
2037-2041	15,177	1,891	103,422	28,875	118,599	30,766
2042-2046	837	131	102,259	18,271	103,096	18,402
2047-2051	370	17	48,258	7,264	48,628	7,281
2052-2056	-	-	23,301	4,378	23,301	4,378
2057-2061	-	-	15,933	2,242	15,933	2,242
2062-2063	-	-	3,292	284	3,292	284
	<u>\$ 451,691</u>	<u>\$ 124,422</u>	<u>\$ 743,133</u>	<u>\$ 229,511</u>	<u>\$ 1,194,824</u>	<u>\$ 353,933</u>

## **11. Bonds and Loans Payable and Defeased Debt (Continued)**

All bonds and notes are backed by the full faith and credit of the City except revenue bonds. Water Mortgage Revenue Bonds are collateralized by the capital assets of the Water System that had net carrying values of approximately \$171,361,791 at December 31, 2021. In the event of default the Series 2015 Water Mortgage Revenue Bonds are subject to a default rate of 10% at minimum. It is the City's policy to pay debt service of the Enterprise and Internal Service Funds from the receipts of those funds. Accordingly, such debt is reported in those funds. Any deficiency is paid from the City's General Fund. Revenue bonds and OWDA loans are retired entirely from the excess of operating revenues over operating expenses of the applicable enterprise activity. Therefore, the City is under no obligation to repay these long-term obligations from the City's General Fund.

The outstanding Income Tax Revenue bond agreements contain provisions that in an event of default, the trustee may accelerate the bonds to be immediately due and payable, may sue to enforce the terms of the agreement, or may enforce available remedies including marshal all money available in the funds. The Non-Tax Revenue bond agreements are secured by a pledge of non-tax revenues and under the agreement any amounts in default will bear a minimum interest rate of 10%.

The outstanding OPWC Direct Borrowing loan agreements contain provisions that in an event of default, the lender may terminate its obligations and elect to accelerate the amount outstanding to become immediately due and payable. Under the agreement terms any amounts in default will bear an interest rate of 8%.

The outstanding OWDA Direct Borrowing loan agreements contain provisions that in an event of default, the amount of such default will bear an interest rate at 3% above the agreed contract interest rate. If the City fails to perform terms of the project agreement and fails to provide a remedy, the State may increase the rate of the contract to recover remedy costs and eliminate the discount rate for the remainder of the contract period. In the event of termination, the loan principal will be made due and payable in full no later than 30 days after the termination or upon terms mutually agreed upon between the State and the City.

The Ohio Revised Code provides that the net debt of a municipal corporation, whether or not approved by the electors, shall not exceed 10.5% of the assessed value of all property in the municipal corporation as listed and assessed for taxation. In addition, the unvoted net debt of municipal corporations cannot exceed 5.5% of the total assessed value of property. At December 31, 2021, the City's total net debt amounted to 1.89% of the total assessed value of all property within the City and unvoted net debt amounted to 1.89% of the total assessed value of all property within the City.

## **11. Bonds and Loans Payable and Defeased Debt (Continued)**

On November 22, 2021, the City entered loan agreement 9480 with the Ohio Water Development Authority (OWDA), maturing in January 1, 2034 with an interest rate of 1.12% to advance refund \$6,895,000 of outstanding Series 2009 Waterworks Revenue Bonds. Proceeds of \$6,583,421 were used to provide cash for debt service payments on the Waterworks Revenue bonds.

As a result, the Series 2009 Waterworks Revenue Bonds are considered defeased and the liability for these bonds has been removed from the financial statements. The City advanced refunded these bonds to reduce its total debt service payments by \$1,745,399 and incurred an economic gain (difference between the present values of the debt service payments on the old and new debt) of \$1,648,087.

On September 1, 2021, the City entered a Forward Delivery Bond Purchase Agreement to issue \$102,535,000 in Community Learning Centers Income Tax Revenue Refunding Bonds, Series 2022 (Forward Delivery), maturing December 1, 2033 with an interest rate of 4%. to advance refund Series 2012A CLC bonds in the amount of \$102,535,000 and Series 2014 CLC bonds in the amount of \$12,435,000. Net proceeds of \$130,877,261, including a premium of \$16,742,874 and an underwriter's discount of \$490,648 will be used to provide cash for the debt service payments on the Series 2012A and 2014 CLC bonds. Until the Series 2022 bonds are issued, the Series 2012A and 2014 CLC bonds are still governed by the existing debt service agreements and are not considered defeased as of December 31, 2021. The Series 2022 Bonds were issued on March 3, 2022.

## 11. Bonds and Loans Payable and Defeased Debt (Continued)

The City has defeased certain debt issues by placing investments in U.S. Government obligations in irrevocable escrow accounts. Such accounts will be used, together with interest earned thereon, to provide for the payment of all principal and interest on the defeased bonds on their scheduled due dates. Accordingly, the escrow accounts and the defeased bonds summarized below are not included in the accompanying financial statements at December 31, 2021:

Issue	Defeasance Date	Original Amount		Outstanding at 12/31/21
		Defeased	Escrowed	
Various Purpose Improvement Bonds, Series 2001	2011	\$ 7,425,000	\$ 7,474,877	\$ 1,619,999
Various Purpose Improvement Bonds, Series 2002	2011	19,390,000	20,342,508	4,150,000
Various Purpose Improvement Bonds, Series 2003	2011	15,635,000	17,109,007	2,370,000
		<u>42,450,000</u>	<u>44,926,392</u>	<u>8,139,999</u>
Income Tax Revenue Bonds, Series 1999	2011	6,290,000	6,330,767	1,320,000
Special Revenue Bonds (JEDD), Series 2002	2011	16,400,000	17,153,385	1,845,000
CLC Income Tax Revenue Bonds, Series 2004A	2012	165,000,000	177,376,931	118,630,000
Various Purpose Improvement Bonds, Series 2003	2012	8,755,000	9,301,891	5,100,000
Various Purpose Improvement Bonds, Series 2005	2014	36,750,000	40,380,525	14,140,000
Various Purpose Improvement Bonds, Series 2010C	2014	25,930,000	26,063,093	15,350,000
		<u>62,680,000</u>	<u>66,443,618</u>	<u>29,490,000</u>
Various Purpose Improvement Bonds, Series 2006	2015	12,990,000	14,021,482	7,180,000
Various Purpose Improvement Bonds, Series 2007	2015	11,095,000	12,333,842	7,060,000
		<u>24,085,000</u>	<u>26,355,324</u>	<u>14,240,000</u>
Waterworks Revenue Bonds, Series 2006	2015	8,065,000	8,242,290	4,475,000
Various Purpose Improvement Bonds, Series 2009	2016	10,200,000	10,609,118	6,255,000
Various Purpose Improvement Bonds, Series 2010D	2016	7,275,000	7,321,742	6,640,000
Income Tax Revenue Bonds, Series 2012	2016	15,955,000	16,473,042	10,930,000
Various Purpose Improvement Bonds, Series 2010B	2017	11,950,000	12,610,415	10,515,000
CLC Income Tax Revenue Bonds, Series 2010A	2017	15,000,000	15,929,577	15,000,000
CLC Income Tax Revenue Bonds, Series 2014	2017	20,625,000	23,306,790	20,625,000
		<u>35,625,000</u>	<u>39,236,367</u>	<u>35,625,000</u>
CLC Income Tax Revenue Bonds, Series 2010B	2019	12,060,000	12,825,548	11,060,000
Various Purpose Improvement Bonds, Series 2010A	2020	1,360,000		925,000
Various Purpose Improvement Bonds, Series 2010B	2020	1,195,000		730,000
Various Purpose Improvement Bonds, Series 2011	2020	14,245,000		8,275,000
		<u>16,800,000</u>	<u>17,085,332</u>	<u>9,930,000</u>
Income Tax Revenue Bonds, Series 2011	2020	1,980,000	2,015,863	1,340,000
Income Tax Revenue Bonds, Series 2012	2020	7,550,000	7,683,162	7,550,000
		<u>9,530,000</u>	<u>9,699,025</u>	<u>\$ 8,890,000</u>
Waterworks Revenue Bonds, Series 2009	2021	6,895,000	6,991,487	\$ 6,895,000
				<u>\$ 289,979,999</u>

# 11. Bonds and Loans Payable and Defeased Debt (Continued)

As of December 31, 2021, the City's bond ratings are as follows:

	<u>Moody's Investors Service</u>	<u>Standard and Poor's</u>	<u>Fitch Ratings</u>
<u>Bond Description</u>	<u>Current Rating</u>	<u>Current Rating</u>	<u>Current Rating</u>
2010C Income Tax Revenue Bonds (CLC)	N/A	AA-	N/A
2011 JEDD Revenue Refunding Bonds	N/A	AA-	N/A
2012A Income Tax Revenue Bonds (CLC)	N/A	AA-	N/A
2012 Various Purpose Refunding Bonds	N/A	A+	N/A
2013-B Certificates of Participation	N/A	A	N/A
2014 Various Purpose Refunding Bonds, Series A	N/A	A+	N/A
2014 Various Purpose Refunding Bonds, Series B	N/A	A+	N/A
2014 Income Tax Revenue Bonds (CLC)	N/A	AA-	N/A
2014 Various Purpose Income Tax Refunding Bonds	N/A	AA-	N/A
2014 Nontax Revenue Economic Development Bonds	N/A	A+	N/A
2014 Various Purpose Refunding Bonds, Series C	N/A	A+	N/A
2015 Various Purpose Refunding Bonds	N/A	A+	N/A
2015 Income Tax Revenue Bonds	N/A	N/A	N/A
2015 Income Tax Revenue Refunding Bonds	N/A	N/A	N/A
2015 Nontax Revenue Economic Development Bonds	N/A	A+	N/A
2015 Waterworks System Mortgage Revenue Refunding Bonds	N/A	N/A	N/A
2016 General Obligation Judgement Bonds	N/A	A+	N/A
2016 Steam Utility Certificates of Participation	N/A	A	N/A
2016 Various Purpose Refunding Bonds, Series A	N/A	A+	N/A
2016 Various Purpose Refunding Bonds, Series B	N/A	A+	N/A
2016 Income Tax Revenue Refunding Bonds	N/A	AA-	N/A
2016 Income Tax Revenue Bonds (CLC)	N/A	AA-	N/A
2017 Resurfacing Special Assessment Bonds, Series A	N/A	N/A	N/A
2017 Street Improvement Special Assessment Bonds, Series A	N/A	N/A	N/A
2017 Street Improvement Special Assessment Bonds, Series B	N/A	N/A	N/A
2017 Income Tax Revenue Bonds (CLC)	N/A	AA-	N/A
2017 Various Purpose Refunding Bonds, Series A	N/A	A+	A+
2017 Various Purpose Refunding Bonds, Series B	N/A	A+	A+
2018 Steam Utility Certificates of Participation	N/A	A	N/A
2018 Resurfacing Special Assessment Bonds, Series A	N/A	N/A	N/A
2018 Income Tax Revenue Bonds	N/A	N/A	N/A
2018 Street Improvement Special Assessment Bonds, Series A	N/A	N/A	N/A
2018 Street Improvement Special Assessment Bonds, Series B	N/A	N/A	N/A
2019 Income Tax Revenue Refunding Bonds (CLC)	N/A	AA-	N/A
2019 Steam Utility Certificates of Participation	N/A	A	N/A
2019 Resurfacing Special Assessment Bonds, Series A	N/A	N/A	N/A
2019 Income Tax Revenue Refunding Bonds	N/A	AA-	N/A
2020 Various Purpose Refunding Bonds	N/A	A+	N/A
2020 Income Tax Revenue Refunding Bonds	N/A	AA-	N/A
2020 Resurfacing Special Assessment Bonds, Series A	N/A	N/A	N/A
2020 Street Improvement Special Assessment Bonds, Series A	N/A	N/A	N/A
2021 Resurfacing Special Assessment Bonds, Series A	N/A	N/A	N/A



## **11. Bonds and Loans Payable and Defeased Debt (Continued)**

During 2010, the City entered into an agreement with various parties to unconditionally guarantee the principal and interest payments on behalf of the International Soap Box Derby, Inc. for the loan issued by FirstMerit Bank. As of December 31, 2021, the principal amount outstanding was \$124,586. The City believes that the International Soap Box Derby Inc. is current on all required debt service payments and will continue to pay all debt service when due throughout the remaining term of the loan; therefore, no provision for such guarantee has been recorded in the financial statements as of December 31, 2021.

During 2012, the City entered into an amendment and restatement of cooperative agreement among various parties to unconditionally guarantee the principal and interest payments of the Development Finance Authority of Summit County Revenue Bonds (Akron Civic Theatre Project), issued by the Development Finance Authority of Summit County. As of December 31, 2021, the principal amount outstanding was \$11,415,000. The City believes that the Development Finance Authority of Summit County is current on all required debt service payments and will continue to pay all debt service when due throughout the remaining term of the bonds; therefore, no provision for such guarantee has been recorded in the financial statements as of December 31, 2021.

On May 8, 2013, the Development Finance Authority (DFA) of Summit County issued Taxable Development Revenue Bonds, Series 2013A, in the amount of \$6,645,000 for the University Edge project by developer Lawrence B. Levey & University Square Investors II, LLC. These bonds mature on November 15, 2027. The City has received approval from the State of Ohio for Tax Increment Financing (TIF) on improvements to the land to be used for the project. The TIF Service Payments will be used to pay the debt service on the bonds issued by the DFA. In the event TIF Service Payments are not sufficient in any particular year to cover the annual debt service on the bonds, the developer will be required to pay the deficiency.

On March 1, 2019, the Development Finance Authority (DFA) of Summit County issued Development Revenue Refunding Bonds, Series 2019, in the amount of \$2,750,000 to refinance previous bond obligations which the City had guaranteed on behalf of the Akron Community Service Center and Urban League to pay the costs of the Akron Urban League's community service center and operations. During 2019 the City entered into an agreement with the County of Summit and Development Finance Authority to guarantee one half of the loan payments on behalf of the Akron Community Service Center and Urban League. As of December 31, 2021, the principal outstanding on the loan is \$2,503,936. The City believes the Akron Urban League is current on all required debt service payments and will continue to pay all debt service when due throughout the remaining term of the bond; therefore, no provision for such guarantee has been recorded in the financial statements as of December 31, 2021.

During 2020, the City entered into an agreement with various parties to unconditionally guarantee \$100,000 for the Soil Stabilization Loan Payments on behalf of Q.T. Equipment Company for the loan issued by Western Reserve Community Fund, Inc.. The City has agreed to contribute a third-party payment in the amount of \$35,000 which is due from the City no later than May 1, 2022. The City has recorded a short-term liability of \$35,000 for the scheduled payment in the accompanying financial statements.

## **11. Bonds and Loans Payable and Defeased Debt (Continued)**

During 2012, the City entered into a cooperative agreement with the Development Finance Authority of Summit County (DFA), Akron Baseball, LLC, and The Bank of New York Mellon Trust Company, N.A. to facilitate financing. The Development Finance Authority of Summit Development Revenue Bonds, Series 2012 were issued for \$3.6 million. During 2020 the DFA issued Development Finance Authority of Summit County Development Revenue Refunding Bonds, Series 2020 for \$3 million to refund the Series 2012 bonds and refinance the cooperative agreement. The obligation of the City is subject to the annual appropriations made by City Council. The City has recorded a short-term liability of \$122,088 and a long-term liability of \$4,068,750 for the principal and interest payments scheduled to be paid during 2022 through 2042 in the accompanying financial statements. The principal balance outstanding as of December 31, 2021 is \$3,000,000.

The obligations of the City under this agreement, including its obligation to make payments during any fiscal year of the City in which this agreement is in effect, shall not constitute a general obligation or indebtedness of the City within the meaning of the constitution and laws of the State of Ohio. The agreement does not pledge any taxes or other moneys to the amounts payable by the City. Nothing constitutes a pledge by the City or an obligation by the City, of any taxes or other moneys to the payment of any amount payable by the City under this agreement.

## 12. Obligations Under Capitalized Leases and Certificates of Participation (COPs)

In November, 1996, \$28.9 million Series 1996 Convertible Capital Appreciation Certificates of Participation (COPS) were issued by a bank to finance the costs of the construction of a professional baseball stadium (meeting class “AA” standards) within the City. This issue was refunded by the issuance of Series 2005 COPS. The 2005 issue was refunded by the issuance of Series 2013 COPS. In connection with the issuance of these COPS, and as amended, the City entered into a capital lease agreement (as lessee) for the baseball stadium. The City will make lease payments during successive annual renewal periods through November 25, 2023, providing City Council appropriates funds each year for that purpose. If the lease is paid through November 25, 2023, the City will acquire title to the baseball stadium. The lease agreement also includes a purchase option during the years 2014 through 2023.

The trust agreement for the issuance of the 2013 COPS requires the City to deposit \$20,000 annually into a Capital Renewal Fund. The City can utilize these funds for capital improvements such as repairs, renovations, additional equipment, other facilities, or other improvements to the baseball stadium.

On October 25, 2016, the City issued \$11,965,000 Series 2016 Convertible Certificates of Participation (COPs) for the Akron Energy Systems Project (AES). During 2018, the City issued additional COPs totaling \$24,445,000 for the Akron Energy Systems Project. During 2019 the City issued additional AES COPS totaling \$9,360,000. Total future payments as of December 31, 2021 are as follows:

Year	Series 2016		Series 2018		Series 2019	
	Principal	Interest	Principal	Interest	Principal	Interest
2022	360,000	358,519	635,000	906,925	810,000	214,834
2023	365,000	349,969	670,000	875,175	830,000	195,961
2024	385,000	331,719	700,000	841,675	855,000	176,041
2025	405,000	312,469	735,000	806,675	875,000	154,666
2026	425,000	292,219	775,000	769,925	895,000	131,916
2027-2031	2,375,000	1,216,844	4,440,000	3,282,475	3,710,000	271,517
2032-2036	2,765,000	824,556	5,385,000	2,339,569	-	-
2037-2041	3,255,000	336,656	6,430,000	1,284,469	-	-
2042-2046	-	-	2,925,000	165,563	-	-
	<u>\$ 10,335,000</u>	<u>\$ 4,022,951</u>	<u>\$ 22,695,000</u>	<u>\$ 11,272,451</u>	<u>\$ 7,975,000</u>	<u>\$ 1,144,935</u>

## 12. Obligations Under Capitalized Leases and Certificates of Participation (COPs) (Continued)

The City also has seven other capital leases. The first is a 2021 five-year capital lease agreement for equipment for Good Park golf course. The cost of the equipment is \$146,026 and is included in the City's capital assets in the Statement of Net Position - Governmental Activities.

The second is a 2020 five-year capital lease agreement for three packer trucks. The cost of the equipment is \$793,785 and is included in the City's capital assets in the Statement of Net Position - Governmental Activities.

The third is a 2016 15-year capital lease agreement with Summit County to upgrade the radio system. The City's share of equipment totals \$10,635,000, consisting of City owned equipment in the amount of \$5,710,490 and the City's share of jointly owned equipment in the amount of \$4,924,510. It is included in the City's capital assets in the Statement of Net Position - Governmental Activities.

The fourth agreement is a five-year 2018 street sweepers lease at a rate of 4.18% for equipment totaling \$427,992 and is included in the City's capital assets in the Statement of Net Position - Governmental Activities.

The fifth agreement is a 2018 five-year lease at a rate of 4.19% for one Vac-Con sewer cleaning truck totaling \$386,934. It is included in the City's capital assets in the Statement of Net Position - Business-Type Activities and in the Sewer Fund.

The sixth agreement is a 20-year capital lease agreement at a rate of 4.00% for Fire Station No. 4 totaling \$9,585,000. The Development Finance Authority of Summit County (DFA) issued conduit bonds during 2018 to finance construction of Fire Station No. 4 on behalf of the City and will use the lease payments to pay the debt service on the bonds. The DFA also entered into a ground lease agreement with the City for the location of the property. The lease is included in the City's capital assets in the Statement of Net Position - Governmental Activities.

The seventh agreement is a 2017, 20-year capital lease agreement for Compost Facility Anaerobic Digestion System 2(ADS2) totaling \$39,490,889 and is included in the City's capital assets in the Statement of Net Position - Business-Type Activities. This was previously reported as construction in process and restated beginning balance at January 1, 2019 to record as a capital lease (Note 30).

The following is a summary of the capital lease transactions for the year ended December 31, 2021:

	<b>Governmental Activities</b>		
	<b>COPS</b>	<b>2020 Packer</b>	<b>2018 Street</b>
	<b>Stadium</b>	<b>Trucks</b>	<b>Sweepers</b>
Capital Lease at January 1, 2021	\$ 2,815,000	\$ 643,014	\$ 233,582
Additions	-	-	-
Retirements	(2,285,000)	(154,661)	(64,086)
Capital Lease at December 31, 2021	<u>\$ 530,000</u>	<u>\$ 488,354</u>	<u>\$ 169,496</u>

## 12. Obligations Under Capitalized Leases and Certificates of Participation (COPs) (Continued)

	Governmental Activities (continued)		Business-type Activities		
	Radio System	Fire Station No. 4	ADS2 Plant	Vac-Con Sewer Truck	Good Park Equipment
Capital Lease at January 1, 2021	\$ 8,270,000	\$ 8,920,000	\$ 31,592,711	\$ 240,563	\$ -
Additions	-	-	-	-	146,026
Retirements	(640,000)	(350,000)	(1,974,544)	(47,306)	(31,918)
Capital Lease at December 31, 2021	<u>\$ 7,630,000</u>	<u>\$ 8,570,000</u>	<u>\$ 29,618,167</u>	<u>\$ 193,257</u>	<u>\$ 114,108</u>

Future lease payments are as follows as of December 31, 2021:

	Governmental Activities		
	COPS	2020 Packer	2018 Street
Year	Stadium	Trucks	Sweepers
2022	\$ 283,200	\$ 171,263	\$ 73,849
2023	282,150	171,263	106,000
2024	-	171,263	-
2025	-	-	-
2026	-	-	-
Total lease payments	565,350	513,790	179,849
Less amount representing interest	35,350	25,436	10,353
Present value of lease payments	<u>\$ 530,000</u>	<u>\$ 488,354</u>	<u>\$ 169,496</u>
Net book value of leased assets	<u>* \$ 14,279,806</u>	<u>\$ 674,717</u>	<u>\$ 278,195</u>

	Governmental Activities (continued)		Business-type Activities		
Year	Radio System	Fire Station No. 4	ADS2 Plant	Vac-Con Sewer Truck	Good Park Equipment
2022	\$ 921,025	\$ 695,275	\$ 2,583,496	\$ 57,387	\$ 31,919
2023	921,525	695,675	2,583,496	150,000	31,920
2024	919,725	695,475	2,583,496	-	31,921
2025	921,925	694,675	2,583,496	-	31,922
2026	920,175	693,275	2,583,496	-	-
2027-2031	4,602,700	3,476,575	12,917,480	-	-
2032-2036	-	3,473,656	12,917,480	-	-
2037-2040	-	1,389,413	-	-	-
Total lease payments	9,207,075	11,814,019	38,752,440	207,387	\$ 127,682
Less amount representing interest	1,577,075	3,244,019	9,134,273	14,130	13,576
Present value of lease payments	<u>\$ 7,630,000</u>	<u>\$ 8,570,000</u>	<u>\$ 29,618,167</u>	<u>\$ 193,257</u>	<u>\$ 141,258</u>
Net book value of leased assets	<u>\$ 4,785,750</u>	<u>\$ 8,914,050</u>	<u>\$ 35,074,492</u>	<u>\$ 251,507</u>	<u>\$ 141,158</u>

\*Amount represents the entire net book value of the capital lease recorded in the statement of net position.

### 13. Self-Insurance Funds

The City is exposed to various risks of loss including employee health-care costs and accidents, torts and legal judgments, and damage or destruction of assets. The City purchases fire and extended coverage insurance on all buildings and contents up to \$300,000,000 per occurrence, with a variety of deductibles beginning at \$250,000. Coverage is purchased on 981 vehicles for total auto liability including auto liability umbrella of \$21,000,000. There has been no significant reduction in coverage from the prior year, and settled claims have not exceeded the City's insurance coverage in any of the past three years.

The City has a Medical Self-Insurance Fund. The purpose of this fund is to pay medical claims for City employees and their covered dependents and minimize the total cost of medical benefits of the City. The plan is internally managed and accounted for as an Internal Service Fund. This Internal Service Fund has been in existence since 1987.

The City has an Internal Service Fund entitled "Workers' Compensation Reserve Fund" to account for self-insured workers' compensation claims. Workers' compensation is administered by the State of Ohio under a retrospective rating plan. The City reimburses the Ohio Bureau of Workers' Compensation for injured workers' claims subject to a maximum annual claim limit of \$300,000 for each worker's compensation claim. All funds of the City participate in the program and make payments to the Internal Service Fund based on the experience premium that would normally be charged by the Ohio Bureau of Workers' Compensation. Future claims liabilities are actuarially determined.

The City has a Self-Insurance Settlement Fund. The purpose of this fund is to pay judgments and claims. Claims are accrued based upon estimates, past experience, and current claims outstanding. Actual claims experience may differ from the estimate.

The claims liabilities of \$3,905,631, \$584,113, and \$657,623 reported in the Medical, Workers' Compensation, and Self-Insurance Settlement funds, respectively, at December 31, 2021, are in accordance with the requirements of GASB Statement No. 10, *Accounting and Financial Reporting for Risk Financing and Related Insurance Issues*, and GASB Statement No. 30, *Accounting and Financial Reporting for Risk Financing and Related Insurance Issues*. These GASB statements require that a liability for claims be reported if information prior to the issuance of the financial statements indicates that it is probable that a liability has been incurred at the date of the financial statements and the amount of the loss can be reasonably estimated. The liabilities recorded include the estimated incremental expenses to be incurred to settle the claims, including legal fees. Claims liabilities are based on evaluations of individual claims and a review of experience with respect to the probable number and nature of claims arising from losses that have been incurred but have not yet been reported. The claims liabilities represent the estimated ultimate cost of settling the claims, including the effects of inflation and other societal and economic factors. Estimated future recoveries on settled and unsettled claims, such as subrogations, if any, are evaluated in terms of their estimated realizable value and deducted from the liability for unpaid claims. Any adjustments resulting from the actual settlement of the claims are reflected in the financial statements at the time the adjustments are determined.

### 13. Self-Insurance Funds (Continued)

Changes in the funds' claims liabilities (both current and long-term) amounts in fiscal 2020 and 2021 were:

	<u>Beginning of Year Liability</u>	<u>Claim Adjustments</u>	<u>Current Period Claims</u>	<u>Claim Payments</u>	<u>Balance at End of Year</u>
Medical Self- Insurance Fund					
2020	\$ 3,898,477	\$ -	\$ 33,353,424	\$ (33,097,314)	\$ 4,154,587
2021	4,154,587	-	35,796,268	(36,045,224)	3,905,631
Workers' Compensation Reserve Fund					
2020	1,498,663	(119,152)	-	(498,538)	880,973
2021	880,973	(33,335)	-	(263,525)	584,113
Self-Insurance Settlement Fund					
2020	905,619	(408,895)	106,821	-	603,545
2021	603,545	(546,122)	600,200	-	657,623

## 14. Long-term Liabilities

The City reports the following amounts, on the Statement of Net Position, relating to the government's long-term liabilities for the year ended December 31, 2021:

	January 1, 2021	Additions	Deletions	December 31, 2021
<b>Governmental Activities:</b>				
Governmental Funds:				
Accrued vacation and leave (Note 8)	\$ 53,352,806	\$ 12,247,842	\$ (2,907,863)	\$ 62,692,785
Bonds, notes and loans payable	478,415,091	45,900,000	(92,155,343)	432,159,748
COPs and obligations under capital lease (Note 12)	58,392,854	-	(3,305,419)	55,087,435
Due to other governments (Note 4)	4,465,000	-	(200,000)	4,265,000
Employment Related Liabilities (Note 1)	736,624	-	(3)	736,621
Guarantees and other obligations	7,281,276	-	(1,272,279)	6,008,997
Net pension liability (Note 9)	231,811,381	-	(6,878,595)	224,932,786
OPEB liability (Note 9)	137,247,595	11,244,679	(44,457,798)	104,034,476
Liability for Unpaid Claims	-	600,003	-	600,003
Unearned revenue	6,652,185	-	(141,536)	6,510,649
<b>Total Governmental Funds</b>	<b>978,354,812</b>	<b>69,992,524</b>	<b>(151,318,836)</b>	<b>897,028,500</b>
Internal Service Funds:				
Accrued vacation and leave (Note 8)	2,890,837	642,221	(343,275)	3,189,783
Bonds, notes and loans payable	-	-	-	-
Net pension liability (Note 9)	7,741,821	-	(2,728,177)	5,013,644
OPEB liability (Note 9)	8,747,474	-	(4,779,641)	3,967,833
Liability for unpaid claims	617,448	-	(179,371)	438,077
<b>Total Internal Service Funds</b>	<b>19,997,580</b>	<b>642,221</b>	<b>(8,030,464)</b>	<b>12,609,337</b>
<b>Total Governmental Activities</b>	<b>998,352,392</b>	<b>70,634,745</b>	<b>(159,349,300)</b>	<b>909,637,837</b>
<b>Business-type Activities:</b>				
Enterprise Funds:				
Water				
Accrued vacation and leave (Note 8)	3,633,361	1,175,470	(206,716)	4,602,115
Bonds, notes and loans payable (Notes 10,11)	38,259,357	8,836,234	-	47,095,591
Net pension liability (Note 9)	11,845,829	-	(3,018,068)	8,827,761
OPEB liability (Note 9)	15,047,761	-	(7,515,218)	7,532,543
Sewer				
Accrued vacation and leave (Note 8)	2,430,654	500,197	(281,639)	2,649,212
Bonds, notes and loans payable (Notes 10,11)	607,610,444	58,542,827	-	666,153,271
COPs and obligations under capital lease (Note 12)	29,811,424	-	(2,023,834)	27,787,590
Due to other governments (Note 4)	-	-	-	-
Net pension liability (Note 9)	7,569,366	-	(2,007,267)	5,562,099
OPEB liability (Note 9)	9,519,239	-	(4,450,494)	5,068,745
Off Street Parking				
Bonds, notes and loans payable (Notes 10,11)	-	-	-	-
Other Business-type Activities				
Accrued vacation and leave (Note 8)	61,278	21,336	(16,889)	65,725
COPs and obligations under capital lease (Note 12)	-	87,495	-	87,495
Net pension liability (Note 9)	729,712	-	(193,729)	535,983
OPEB liability (Note 9)	495,811	-	(455,436)	40,375
Guarantees and other obligations	312,850	-	-	312,850
<b>Total Business-type Activities</b>	<b>727,327,086</b>	<b>69,163,559</b>	<b>(20,169,290)</b>	<b>776,321,355</b>
<b>Total</b>	<b>\$ 1,725,679,478</b>	<b>\$ 139,798,304</b>	<b>\$ (179,518,590)</b>	<b>\$ 1,685,959,192</b>



## 15. Compliance and Accountability

The following funds have fund balance deficits or net position deficits at December 31, 2021:

### Special Revenue Funds:

Special Assessment	8,070,222
Community Development	3,632,755
Community Environment Grants	380,647
City Facilities Operating	734,400
H.O.M.E. Program	126,665
Income Tax Collection	6,739,166
Police Grants	15,731

### Capital Projects Funds:

Parks and Recreation	1,832,848
Public Parking	924,610
Streets	4,864,058

### Internal Service Funds:

Motor Equipment	2,277,580
Medical Self-Insurance	1,496,863
Self-Insurance Settlement	639,681
Engineering Bureau	6,702,963
Information Technology	2,865,647

The Special Revenue Funds that have deficit fund balances at year-end have incurred expenditures that have not yet received the revenue under federal or state grant agreements or as a reimbursement including some from other funds. The Special Assessment Fund is awaiting receipt of assessments from property owners to retire the special assessment notes issued to cover the property owners assessments including street cleaning and street lighting. Community Development, Community Environment Grants, H.O.M.E. program, and Police Grants funds incurred expenditures related to grants and have not yet been reimbursed. The City will review the charges for services in the City Facilities Operating Fund. The Income Tax Collection fund deficit is for Akron employees that worked remotely but reside outside of Akron during 2021 and are entitled to a refund of Akron income taxes.

The Capital Projects Funds that have deficit fund balances have incurred expenditures that have not yet been reimbursed. The Parks and Recreation Fund expenditures are related to grants that have not been reimbursed. The City will review Public Parking and Streets throughout the year to decrease deficits.

In 2018 GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits other than Pension* was implemented. This implementation for OPEB (other postemployment benefits) liabilities attributes to the deficits in Motor Equipment, Medical Self-Insurance, Self-Insurance Settlement, Engineering Bureau and Information Technology. Internal Service Funds that have deficit net position balances at year-end have incurred expenses above charges for services. User charges will be assessed to eliminate the deficits. The City is reviewing the charges for services in the Motor Equipment Fund and Information Technology and will adjust rates if necessary. The Medical Self-Insurance Fund debt will continue to be repaid through user charges. The City's policy is to transfer funds from the pertinent division's operating budget for actual claim settlements to reimburse the Self-Insurance Settlement Fund. The Engineering Bureau Division will continue to review applied overhead rates charged for projects to decrease deficits going forward.

## **16. Income Taxes**

The City levies a tax at the rate of 2.50% on substantially all income earned within the City. In addition, residents of the City are required to pay City income tax on income earned outside the City. However, a credit is allowed for income taxes paid to other municipalities. Employers within the City are required to withhold income tax on employee compensation and remit this tax to the City at least quarterly. Corporations and other individual taxpayers are required to file a declaration annually and pay their estimated tax quarterly.

On May 6, 2003, Akron voters increased the City's income tax rate from 2% to 2.25% which took effect January 1, 2004. However, the additional .25% increase is restricted exclusively for funding the Akron Public Schools' local share in obtaining State of Ohio grants for the construction and renovation of community learning centers in Akron. Therefore, the additional .25% will not be distributed according to City Charter into both operation and capital improvement funds, as described below.

On November 7, 2017, Akron voters increased the City's income tax rate from 2.25% to 2.50% which took effect January 1, 2018. However, the additional .25% increase is designated exclusively for funding public safety protection, including the capital and operating expenses of the Akron Police and Fire Departments, and public service improvements, including roadway improvements and related capital and operating expenses of the City of Akron. Therefore, the additional .25% will not be distributed according to the City Charter into both operation and capital improvement funds, as described below.

The proceeds of income taxes, after payment of the expenditures incurred from collection thereof, are allocated by the City Charter as follows: 27% to capital expenditures and 73% to the General Fund. The portion allocated to capital expenditures may be utilized for payment of debt service or capital expenditures of any City fund.

## **17. Property Taxes**

Property taxes include amounts levied against all real and public utility property located in the City. The Property taxes collected are allocated to the various funds based upon voter authorization.

Real property taxes are levied each October on the assessed value listed as of the prior January 1. Assessed values are established by the County Fiscal Officer at 35% of appraised market value. By law, revaluation of all property based on current individual appraisals is required to be completed no less than every six years. The last revaluation was completed in tax year 2017 for collection in 2018. The next sexennial revaluation will be completed in 2023 for collection in 2024. In addition, the County Fiscal Officer is required to adjust (but without individual appraisal of properties except in the sexennial reappraisal) taxable real property values triennially to reflect true values.

Real estate and public utility taxes attach an enforceable lien on property as of December 31 in the year levied. Payments are scheduled in two installments in mid-February and mid-July of the succeeding year and are considered delinquent if unpaid as of December 31 of that year.

The assessed value upon which the 2021 property tax collections was based aggregated \$3,168,889,560. The assessed value for 2022 (upon which the 2021 property tax collections will be based) is approximately \$3,131,183,170. Under the current allocation method, the City's share was 1.05% (10.5 mills) of assessed value in 2021 for collection in 2022. The City's Charter limits the

## **17. Property Taxes (Continued)**

maximum total tax rate that could be levied without a vote of the electors to 1.05% (10.5 mills).

The Fiscal Officer collects property taxes on behalf of all taxing districts in the County including the City of Akron and periodically remits to the City its portion of the taxes collected. Current real property tax collections for the year ended December 31, 2021, including delinquencies from prior years, were 87.46% of the current year tax levy. On a full accrual basis, collectible delinquent property taxes have been recorded as revenue, while the remainder of the tax receivable is deferred.

## **18. JEDD Revenues**

In an effort to promote regional growth and economic development, the City has entered into contracts with four surrounding townships and a bordering municipality to create Joint Economic Development Districts (JEDDs). The City entered into separate contracts with Copley, Coventry, and Springfield Townships to create JEDDs in 1994. Voters in each township approved the respective JEDD contracts in the November 1994 election, which became effective January 1, 1995. In accordance with state law, each of the Districts' Board of Trustees levied a 2% income tax effective January 1, 1995. In accordance with the City of Akron's income tax increases, as of January 1, 2005, Copley, Coventry and Springfield's income tax rate increased to 2.25% and as of January 1, 2018 increased to 2.5%. The proceeds of that tax are allocated, in accordance with the contract, primarily to the City. The City has utilized these JEDD revenues, in part, to construct water and sewer lines so that the JEDDs have access to the City's water and sewer system and to encourage and promote economic development.

In 1998 the City entered into a JEDD contract with Bath Township (Bath) and the City of Fairlawn (Fairlawn). This contract was approved by voters in November 1998 and became effective on January 1, 1999. As in the other JEDDs, a 2% income tax has been levied by the District. In accordance with the City of Akron's income tax increases, as of January 1, 2006, Bath's income tax rate increased to 2.25% and as of January 1, 2018 increased to 2.5%. As stated in the contract, the net JEDD revenues are allocated to the City and Fairlawn, with the City providing water and sewer services.

## 19. Pledged Revenues

Pursuant to GASB No. 48, *Accounting and Financial Reporting for Sales and Pledges of Receivables and Intra-Entity Transfers of Assets and Future Revenues*, the City holds different types of pledged revenue. Pledged revenues of the City are broken down into water system revenues, sewer system revenues, JEDD revenues, non-tax revenues, income tax revenues, and CLC income tax revenues.

### Water System Revenues

The City has pledged future water customer revenues, net of specified operating expenses, to repay \$121.3 million in water system revenue bonds and Ohio Water Development Authority loans issued at various dates ranging from December 8, 2011 through August 26, 2021. Proceeds from the bonds and loans provided financing for various water projects. The bonds and loans are payable solely from water customer net revenues and have varying final maturity dates ranging from July 7, 2024 through January 1, 2052. The total principal and interest remaining to be paid on the bonds and loans as of December 31, 2021 is \$56,874,232. Principal and interest paid for 2021 and total customer net revenues were \$3,493,675 and \$13,839,345 respectively.

Issued	Amount of Issue	Purpose of Issue	Final Maturity	Debt Service	Future Debt Service
12/18/15	\$ 8,300,000	Various Water Projects	03/01/26	\$ 934,320	\$ 4,685,792
06/28/12	1,092,305	Water Main Replacement	07/01/33	66,245	794,934
12/08/11	2,375,202	Water Wall	01/01/33	125,895	1,478,272
12/08/11	470,615	Stow Road Bolt Replcmnt	07/01/32	33,064	363,706
06/27/13	2,913,053	High Service Pumps Install	07/01/34	177,438	2,306,688
06/27/13	761,969	Chlorine Dioxide Feed Syst.	07/01/34	44,007	572,092
09/26/13	306,056	Spillway Improvements	07/01/23	27,655	55,369
12/12/13	783,568	Johnston St. Pump Station	01/01/35	54,194	731,615
01/30/14	699,377	Standby Generator Imprvmts	07/01/24	76,961	230,883
02/27/14	2,648,531	Water Main Reloctn & Repr	01/01/35	161,277	2,177,238
02/27/14	10,161,593	Water Distribution Yard	07/01/35	738,022	10,336,534
06/25/15	850,896	N. Generator & Substation	01/01/37	50,249	770,653
09/24/15	1,596,553	Backwash Water Supply	07/01/36	93,529	1,402,942
10/29/15	441,878	Sedimentation Basin 1 & 2	01/01/37	23,544	364,930
04/27/17	759,321	Stow Rd Emerg. Connection	07/01/38	45,675	663,448
04/26/18	573,613	Spillway Improvements	01/01/29	59,866	448,992
06/28/18	209,269	Eastwood Pump Station Impr.	01/01/39	12,328	215,734
07/26/18	288,468	Lead Service Line Replacement	01/01/39	14,423	239,960
09/27/18	2,665,509	Middleton Road Water Main	07/01/39	156,583	2,772,675
01/31/19	2,437,495	Water Main Replacement Prog.	01/01/40	43,684	423,579
02/28/19	309,895	Druid Drive Wtr Main Extension	01/01/50	10,330	289,273
03/28/19	577,695	Brittain Road Reservoir Design	01/01/25	115,539	404,387
05/30/19	309,811	Asset Management Plan	07/01/24	61,962	185,821
06/27/19	333,663	Lead Service Line Replacement	07/01/40	16,683	283,663
10/31/19	6,898,614	Enhanced Raw Wtr Pre-Trtmt Fac.	07/01/40	344,931	6,287,022
01/30/20	350,993	Lead Service Line Replacement	07/01/41	-	324,974
06/25/20	316,271	Akron PWS Regionalization	01/01/51	5,271	220,957
07/30/20	506,345	Main Steel Transmission Study	07/01/26	-	6,745
10/29/20	248,434	Risk and Resilience Assessment	01/01/27	-	215,218
10/29/20	90,000	Lead Service Line Replacement	01/01/52	-	4,687
10/29/20	252,959	Advance UV Treatment Study	07/01/26	-	46,497
12/10/20	59,574,866	Advanced Metering Infrastructure	07/01/38	-	8,909,833
01/28/21	47,128	Water Treatment Electrical Study	07/01/26	-	628
05/27/21	1,713,567	Hudson Water Main Replacement	07/01/47	-	1,178,552

## 19. Pledged Revenues (Continued)

### Water System Revenues (Continued)

Issued	Amount of Issue	Purpose of Issue	Final Maturity	Debt Service	Future Debt Service
05/27/21	1,045,880	Water Main Replacement - 2019	01/01/48	\$ -	\$ 18,694
06/24/21	212,716	Watershed Master Plan Update	01/01/28	-	2,833
11/18/21	6,640,080	Refinance 2009 Revenue Bonds	01/01/34	-	7,114,833
08/26/21	15,999	Lead Service Line Replacement	01/01/32	-	3,701
08/26/21	1,545,591	West High Pumping Station	07/01/42	-	339,878
	<u>\$ 121,325,778</u>			<u>\$ 3,493,675</u>	<u>\$ 56,874,232</u>

### Sewer System Revenues

The City has pledged future sewer customer revenues, net of specified operating expenses to repay \$888.3 million in Ohio Water Development Authority loans issued at various dates ranging from January 1, 2010 through July 29, 2021. Proceeds from the loans provided financing for various sewer projects. The loans are payable solely from sewer customer net revenues and have varying maturity dates ranging from July 1, 2023 through July 1, 2067. The total principal and interest remaining to be paid on the bonds as of December 31, 2021 is \$915,562,314. Principal and interest paid for 2021 and total customer net revenues were \$33,869,948 and \$19,870,501 respectively.

Issued	Amount of Issue	Purpose of Issue	Final Maturity	Debt Service	Future Debt Service
01/14/10	\$ 989,338	Sand Run Sewer Recon	01/01/30	66,524	\$ 575,112
11/19/09	160,393	Mill Street Sewer Repair	07/01/30	10,777	98,723
12/10/09	86,741	WWTP Roof Replcmnt	01/01/30	5,833	50,423
03/31/11	846,270	Lake Woods Pump Station	01/01/32	62,127	653,731
02/24/11	2,189,031	Massillon Road Sewer	01/01/32	161,943	1,701,153
02/24/11	414,210	2nd Street Pump Station	01/01/32	30,532	320,731
12/08/11	2,987,144	CSO Rack 8 Sewer Sep	07/01/32	177,139	1,988,111
12/08/11	2,375,202	Water Wall	01/01/33	125,895	1,478,272
12/08/11	903,132	Sanitary Sewer Recon 2011	01/01/32	58,144	622,458
10/27/11	23,943,236	WPC Step Feed Ph1	07/01/33	1,445,054	17,718,880
10/27/11	1,243,132	CSO Rack 25 Separation	01/01/33	80,290	942,715
10/27/11	979,845	Northside Interceptor Rehab	07/01/32	63,331	710,747
03/28/13	4,861,683	Little Cuyahoga Int Rplcmnt	07/01/34	328,877	4,275,397
05/30/13	2,593,857	Main Outfall Sewer Rehab	07/01/33	141,490	1,735,169
08/29/13	6,174,836	Mud Run Trunk Swr Lining	01/01/35	405,106	5,598,451
01/30/14	1,881,680	Main Outfall Sewer	07/01/34	101,292	1,316,794
04/24/14	3,419,313	Retention Tank #2 Rehab.	01/01/36	251,069	3,467,239
04/24/14	1,500,016	Kingswood-Rocky Hollow Swr	07/01/34	103,003	1,339,032
06/26/14	11,029,390	Rack 15 Storage Basin	01/01/36	636,954	9,467,372
06/26/14	17,900,171	Mud Run Pump Station Impr.	07/01/36	928,275	14,280,703
08/28/14	6,827,976	OCIT Lining Protection of LCI	07/01/35	430,455	6,026,372
02/26/15	5,070,277	Mud Run Dist. Cap. Impr.	01/01/36	246,947	3,677,792
02/26/15	18,319,051	Rack 14 CSO Storage Basin	01/01/38	866,231	17,616,882
05/28/15	1,155,041	OCIT Otto St Pump Station	01/01/36	58,474	847,874
05/28/15	6,564,391	Sanitary Sewer Reconstruction	01/01/36	409,786	5,941,901
09/24/15	4,433,515	Sanitary Sewer Reconstruction	01/01/36	281,732	4,085,120
02/25/16	1,431,749	Sanitary Sewer Reconstruction	01/01/36	68,203	988,943
05/28/15	31,617,614	Rack 12 CSO Storage Basin	01/01/38	1,896,445	28,962,282

## 19. Pledged Revenues (Continued)

### Sewer System Revenues (Continued)

Issued	Amount of Issue	Purpose of Issue	Final Maturity	Debt Service	Future Debt Service
07/30/15	5,502,246	Sanitary Sewer Rec 2014 Ph 2	01/01/36	\$ 335,625	\$ 4,994,530
08/27/15	5,844,021	Sanitary Sewer Rec 2014 Ph 1-A	01/01/37	366,877	5,686,596
10/29/15	3,273,284	Dan Sewer Separation	01/01/37	174,145	2,774,849
10/29/15	254,744,002	Ohio Canal Interceptor Tunnel	07/01/49	11,783,686	331,249,550
12/10/15	5,653,479	Mud Run District I-I Rehab	01/01/37	65,470	3,239,984
12/10/15	4,500,378	Mud Run District Repairs	01/01/37	251,878	4,013,799
12/10/15	1,374,691	Shullo & Weathervane Pump	07/01/36	82,593	1,272,471
01/28/16	1,299,344	Seiberling Street Sewer	01/01/26	-	470,398
02/25/16	4,823,288	Sewer Maintenance Relocation	01/01/47	207,246	5,507,511
03/31/16	26,047,415	Main Outfall Relief Sewer	01/01/48	851,894	23,567,892
06/30/16	1,238,790	White Pond Dr Pump Station	01/01/47	45,660	1,215,319
06/30/16	22,158,491	Middlebury Separation	07/01/48	911,792	24,759,320
06/30/16	14,692,039	Merriman Separation - Rack 36	07/01/48	604,361	16,704,351
08/25/16	2,147,990	Carpenter Sewer Separation	07/01/37	62,721	1,755,411
08/25/16	1,458,160	Tallmadge Ave Sanitary Sewer	07/01/47	57,036	1,552,000
08/25/16	47,518,521	WRF Step Feed Phase 2	07/01/49	1,613,279	42,021,798
08/25/16	7,409,403	Old Main Sewer Separation	07/01/48	290,257	7,836,632
09/29/16	5,147,458	Sanitary Sewer Recon 2016	01/01/48	208,645	4,738,166
05/30/19	5,791,638	Sanitary Sewer Recon 2016	01/01/48	267,243	6,790,499
04/27/17	18,071,206	CSO Program Management	07/01/24	3,898,486	10,763,346
05/25/17	21,922,129	Howard Storage Basin	07/01/63	517,749	23,392,641
06/27/17	2,203,764	Gorge Sewer Separation CSO Rack	01/01/25	463,205	1,626,411
06/29/17	1,343,546	Northside Interceptor Conveyance	01/01/25	282,397	708,466
06/29/17	2,919,239	Aqueduct St Green Impr.	01/01/48	139,081	3,165,087
02/22/18	312,685	Hawkins, Hackberry, Grand Park Study	07/01/23	62,537	125,074
09/27/18	4,173,574	Sanitary Sewer Recon. 2017	07/01/65	140,447	9,328,382
12/06/18	5,253,792	Sevilla Trunk Sewer Reconstruction	07/01/64	186,233	6,957,843
12/06/18	2,378,678	Kelly Conveyance Rack 3	07/01/65	85,571	3,364,617
01/31/19	36,235,266	Hazel Storage Basin CSO	07/01/66	-	56,559,304
01/31/19	1,537,468	Chittenden Green Project	01/01/66	28,197	2,472,567
01/31/19	9,460,635	Uhler Conveyance	07/01/65	334,839	13,405,320
05/30/19	2,000,000	Sanitary Sewer Rec 2014 Ph 1-B	01/01/37	72,237	1,602,464
05/30/19	86,851,394	WRF BioCEPT	01/01/67	-	81,822,119
07/25/19	1,150,527	Hampton Ridge Sanitary Sewer	07/01/66	-	1,427,927
12/12/19	961,581	Sourek Road Pump Station	01/01/51	19,213	906,097
12/12/19	8,596,490	Duane Green (CSO Rack 3)	07/01/66	-	9,851,272
12/12/19	73,305,117	WRF Headworks Improvements	01/01/67	-	47,036,376
12/12/19	917,745	Mayfield Ave Sewer Impr. Study	01/01/51	17,420	983,940
02/27/20	1,680,494	Sanitary Sewer Recon. 2018 Small	07/01/66	-	1,597,379
03/26/20	2,584,389	Cuyahoga St. Storage Facility Impr.	07/01/51	-	690,283
08/27/20	5,468,825	Sanitary Sewer Recon. 2018 Large	07/01/66	-	5,237,307
08/27/20	10,683,059	Sewer Separation and Conveyance	01/01/27	-	3,880,196
10/29/20	1,156,019	Quaker Ridge Pump Station	01/01/52	-	666,161
12/10/20	1,538,408	Sanitary Sewer Recon. 2019 Small	07/01/67	-	790,516
07/29/21	3,082,106	Sanitary Sewer Recon. 2019 Large	01/01/53	-	561,764
<u>\$ 888,311,010</u>				<u>\$ 33,869,948</u>	<u>\$ 915,562,314</u>



## 19. Pledged Revenues (Continued)

### JEDD Revenues

The City has pledged future JEDD revenues to repay JEDD revenue refunding bonds originally issued in 2011 for \$27.2 million. Proceeds from the original bonds issued provided financing for various water and sewer projects. The bonds are payable solely from JEDD revenues and have a final maturity date of December 1, 2022. The total principal and interest remaining to be paid on the bonds as of December 31, 2021 is \$1,928,437. Principal and interest paid for 2021 and total JEDD revenues were \$1,927,263 and \$18,712,404 respectively.

Issued	Amount of Issue	Purpose of Issue	Final Maturity	Debt Service	Future Debt Service
12/21/11	\$ 27,165,000	Various Water/Sewer Projects	12/01/22	\$ 1,927,263	\$ 1,928,437

### Non-Tax Revenues

The City has pledged future non-tax revenues, to repay \$46.5 million in non-tax revenue bonds issued November 25, 2014 through October 1, 2021. The series 2014 bonds refunded the issue from 2008. The 2015 issue refunded the issue from 2006. Proceeds from the bonds provided financing for various economic development and renovation projects. The bonds are payable from non-tax revenue including shared revenue, charges for services, licenses, fees, and fines, and miscellaneous revenue. The maturity dates range from September 30, 2022 through December 1, 2034. The total principal and interest remaining to be paid on the bonds as of December 31, 2021 is \$33,357,863. Principal and interest paid for 2021 and total non-tax revenues were \$4,202,657 and \$109,652,577 respectively.

Issued	Amount of Issue	Purpose of Issue	Final Maturity	Debt Service	Future Debt Service
11/25/14	\$ 28,230,000	Various Econ Dev. Proj.	12/01/34	\$ 2,508,168	\$ 19,874,550
11/12/15	13,250,000	Various Econ. Dev. Proj.	12/01/26	1,694,489	8,469,601
07/01/20	<u>5,000,000</u>	Various Econ. Dev. Proj.	07/01/21	<u>-</u>	<u>5,013,712</u>
	<u>\$ 46,480,000</u>			<u>\$ 4,202,657</u>	<u>\$ 33,357,863</u>

## 19. Pledged Revenues (Continued)

### Income Tax Revenues

The City has pledged future income tax revenues to repay \$146 million in income tax revenue bonds and bond anticipation notes issued at various dates ranging from August 8, 2013 through November 24, 2020. The 2016 issue partially refunded the 2012 issue. The 2020 issue refunded issues from 2011 and 2012. Proceeds from the bonds provided financing for various liabilities, equipment, facilities, and improvements. The bonds are payable solely from income tax revenues and have varying maturity dates ranging from December 1, 2028 through December 1, 2048. The total principal and interest remaining to be paid on the bonds as of December 31, 2021 is \$155,170,860. Principal and interest paid for 2021 and total income tax revenues were \$12,156,193 and \$167,632,780 respectively.

Issued	Amount of Issue	Purpose of Issue	Final Maturity	Debt Service	Future Debt Service
08/08/13	2,355,914	OAQDA Series B	12/01/28	\$ 98,948	2,752,225
11/25/14	32,340,000	Var Purp IT Rev Bonds	12/01/34	2,422,250	31,461,750
06/24/15	5,500,000	Var Purp IT Rev Bonds	06/01/35	350,739	4,718,296
11/12/15	25,370,000	Var Purp IT Rev Bonds	12/01/28	3,985,000	12,778,250
12/06/16	14,655,000	Var Purp IT Rev Bonds	12/01/28	1,797,350	12,598,500
11/14/18	2,000,000	Var Purp IT Rev Bonds	12/01/48	126,538	3,428,489
12/09/19	51,780,000	Var Purp IT Rev Bonds	12/01/41	2,042,850	73,784,100
11/24/20	12,030,000	Var Purp IT Rev Bonds*	12/01/32	1,332,518	13,649,250
	<u>\$ 146,030,914</u>			<u>\$ 12,156,193</u>	<u>\$ 155,170,860</u>

### CLC Income Tax Revenues

The City's income tax rate includes .25% Community Learning Center (CLC) income tax revenue. This is designated exclusively for funding the Akron Public Schools' local share in obtaining State of Ohio grants for the construction and renovation of community learning centers (CLC) in Akron. The City has issued bonds totaling \$295 million with final maturities in 2026 and 2033. The Akron Public Schools' annual contribution towards this debt is \$3,000,000. The City has committed each year, from the supplemental income tax revenue, amounts sufficient to cover the City's portion of the principal and interest requirements. Total principal and interest remaining on bonds are \$274,968,755. For 2021 total principal and interest paid by the City was \$23,343,743 and total income tax revenues were \$17,975,385.

Issued	Amount of Issue	Purpose of Issue	Final Maturity	Debt Service*	Future Debt Service
07/28/10	\$ 15,060,000	Community Learning Centers	12/01/26	\$ 3,394,624	\$ 14,761,561
06/27/12	155,360,000	Community Learning Centers	12/01/33	12,841,500	153,985,750
05/07/14	50,000,000	Community Learning Centers	12/01/33	2,747,519	16,926,194
12/08/16	27,000,000	Community Learning Centers	12/01/33	2,301,450	27,630,500
12/20/17	36,615,000	Community Learning Centers	12/01/33	1,630,450	47,538,950
08/04/19	11,045,000	Community Learning Centers	12/01/33	428,200	14,125,800
	<u>\$ 295,080,000</u>			<u>\$ 23,343,743</u>	<u>\$ 274,968,755</u>

\*Net of \$3,000,000 annual contribution from Akron City School District.



## 20. Pollution Remediation

GASB Statement No. 49, *Accounting and Financial Reporting for Pollution Remediation Cost* addresses reporting standards for pollution remediation obligations. The City is aware of four sites that meet the requirements for disclosure. The first site is a vacant, undeveloped piece of land known as the Middlebury Property, which includes Middlebury East. The City of Akron legally obligated itself by voluntarily commencing cleanup activities and obtained a \$750,000 grant to assist in the remediation clean-up. The projected cost to remediate Middlebury East was estimated at approximately \$1,200,000. A No Further Action (NFA) letter was submitted to the Ohio Environmental Protection Agency (OEPA) in 2014. Ohio EPA issued a Covenant Not To Sue on July 14, 2015. However, the cost of the abandonment of all the wells, piping, and vaults associated with the remediation will be completed in 2023, with an estimated cost of \$350,000. There are no expenses expected for 2022. This amount is included in the Statement of Net Position as of December 31, 2021.

The second site is known as the Cuyahoga Street Landfill - Rule 13 project where the City of Akron is performing a stream and bank restoration project on the Little Cuyahoga River. This site is in the vicinity of the Cuyahoga Street Storage Basin. In order to implement this project, the City will be conducting construction activities within and through a solid waste landfill. Ohio Administrative Code ("O.A.C.") 3745-27-13 requires authorization from Ohio EPA before engaging in filling, grading, excavating, building, drilling, or mining on land where a solid waste facility operated. This rule is referred to as Rule 13. The amount estimated for requirements on the management of solid waste that will be excavated for this project in 2022 is \$200,000 with no further expenses in 2023 and beyond. These amounts are recorded as a liability in the Proprietary Net Position, Sewer Fund, as of December 31, 2021.

The third site for remediation work is known as the former Bridgestone property located at the southeast corner of Firestone Parkway and South Main Street. The City took ownership of the property in 2013 and with it transferred an Environmental Agreement regarding obligations for past completed remediation work. The City is obligated to operate and maintain the engineering control that is located in the basement floor in Plant N. 1. The Ohio EPA issued a Covenant Not to Sue on June 12, 2020. The City will continue to maintain financial assurance in the amount of \$10,000 for operation and maintenance activities in 2022 and \$10,000 are expected in 2023 and beyond. This amount is included in the Statement of Net Position as of December 31, 2021.

The fourth site is known as the Rack 27/29 Combined Sewer Overflows (CSO) and Rack 28 Project -Rule 13. A federal Consent Decree between the City, the United States, and Ohio requires the City to implement specific control measures addressing CSO's. One set of measures includes upsizing the underflow drains to the interceptor sewer at CSO Rack 27 and CSO Rack 29 locations. In order to implement this project, the City needed to perform construction activities within and through a former solid waste landfill. Per Ohio's Rule 13, the City needed authorization from the Ohio EPA. Rule 13 authorization was issued by the Ohio EPA on October, 18, 2018. This authorization imposed obligations on the City with regard to the construction activities within the former landfill area. The amount estimated to complete Rule 13 pollution remediation for these projects for 2022 is \$50,000. There are no expected costs for 2023 and beyond. This amount is included as a liability in the Proprietary Net Position, Sewer Fund, as of December 31, 2021.

## 21. Deferred Inflows/Outflows of Resources

In addition to assets, the Statement of Net 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 position that applies to a future period(s) and so will *not* be recognized as an outflow of resources (expense/expenditure) until then. The City has deferred charges on the issuance of bonds reported in the Government-wide and Proprietary Fund Statements of Net Position. A deferred charge results from the difference in the carrying value of the debt and its par amount. This amount is deferred and amortized over the life of the debt. Deferred outflows related to pensions and OPEB result from changes in net pension liability and the net OPEB liability not recognized as a component of current year pension and OPEB expense. This amount is deferred and amortized over various periods as instructed by the pension plan administrators.

In addition to liabilities, the Statement of Net 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 position that applies to future period(s) and so will *not* be recognized as an inflow of resources (revenue) until that time. The City has nonexchange revenue transactions and loans where a receivable has been recorded (such as when property taxes were levied), but the resources cannot be used until a future period. When the City refinances certain debt obligations, the portion of the gain that is not recognized in the current period has been deferred. These items have been reported as deferred inflows on the Government-wide Statement of Net Position. In addition, deferred inflows related to pensions and OPEB are reported in the Government-wide and Proprietary Fund Statements of Net Position. Deferred inflows related to pensions and OPEB result from changes in net pension liability and net OPEB liability not recognized as a component of current year pension and OPEB expense. This amount is deferred and amortized over various periods as instructed by the pension plan administrators.

On the Statement of Net Position Proprietary Funds, the City has recorded certain deferred items that will not be expensed in the current period. Internal service fund deferred outflows from pension and OPEB expense at December 31, 2021 were \$1,311,934 are included in governmental activities:

	Governmental Activities	Business Type Activities			
		Water	Sewer	Other Enterprise Funds	Total Enterprise Funds
OPEB Expense	\$ 25,509,143	\$ 991,956	\$ 646,770	\$ 31,005	\$ 1,669,731
Pension Expense	39,132,546	1,326,024	835,265	80,531	2,241,820
	<u>\$ 64,641,689</u>	<u>\$ 2,317,980</u>	<u>\$ 1,482,035</u>	<u>\$ 111,536</u>	<u>\$ 3,911,551</u>

A summary of the deferred inflows of resources reported in the Government-wide and Proprietary Fund Statement of Position follows. Internal service fund deferred inflows related to pensions and OPEB at December 31, 2021 were \$5,146,668 and are included in governmental activities.

	Governmental Activities	Business Type Activities				
		Water	Sewer	Off Street Parking	Other Enterprise Funds	Total Enterprise Funds
Deferred Gain	\$ 18,123,290	\$ -	\$ -	\$ -	\$ -	\$ -
Nonexchange revenues	105,950,324	263,099	1,208,606	12,333	-	1,484,038
OPEB	49,839,138	5,149,782	3,370,700	-	87,643	8,608,125
Pension	43,277,212	4,022,480	2,538,764	-	243,981	6,805,225
Pollution	3,401,600	-	-	-	-	-
Loans	9,046,639	-	-	-	-	-
	<u>\$ 229,638,203</u>	<u>\$ 9,435,361</u>	<u>\$ 7,118,070</u>	<u>\$ 12,333</u>	<u>\$ 331,624</u>	<u>\$ 16,897,388</u>

## 21. Deferred Inflows/Outflows of Resources (Continued)

On the modified accrual basis of accounting, the City has recorded certain receivables where the related revenue is unavailable. Unavailable revenues have been reported as deferred inflows of resources on the Governmental Fund Balance Sheet for the following:

	Governmental Funds						
	General Fund	Community Learning Centers	Income Tax Capital Improvement	Special Assessment Fund	Various Purpose Funding	Other Governmental Funds	Total Governmental Funds
Grants	\$ -	\$ -	\$ -	\$ 1,634,780	\$ -	\$ 3,566,564	\$ 5,201,344
Income Taxes	9,707,647	1,110,722	3,590,500	-	-	1,102,081	15,510,950
Loans	-	-	-	-	-	-	-
Property Taxes	26,734,765	-	-	39,193,360	-	28,737,027	94,665,152
Shared Revenue	2,936,302	36,000,000	-	-	-	16,962,345	55,898,647
	<u>\$ 39,378,714</u>	<u>\$ 37,110,722</u>	<u>\$ 3,590,500</u>	<u>\$ 40,828,140</u>	<u>\$ -</u>	<u>\$ 50,368,017</u>	<u>\$ 171,276,093</u>

Deferred inflows described in the table above also include shared revenues of \$36,000,000 and property taxes of \$57,263,784 where the resources cannot be used until a future period.

## 22. Transfers and Advances

For the year ended December 31, 2022 transfers and advances presented in conformity with generally accepted accounting principles (GAAP) are listed in the following tables. Resources are transferred annually to support other services which are accounted for in other funds, or to fulfill grant match requirements.

	Transfers In				
	Transfers Out	General	Other Governmental Funds	Water	Sewer
<b>Governmental Funds:</b>					
General Fund	\$ 13,881,754	\$ -	\$ 10,412,754	\$ -	\$ -
Various Purpose Funding	339,090	70,333	-	69,981	198,776
Other Governmental Funds	2,500,000	-	2,500,000	-	-
	<u>\$ 16,720,844</u>	<u>\$ 70,333</u>	<u>\$ 12,912,754</u>	<u>\$ 69,981</u>	<u>\$ 198,776</u>

	Transfers In (Continued)			
	Off- Street Parking	Other Enterprise Funds	Internal Service Funds	Total
<b>Governmental Funds:</b>				
General Fund	\$ 1,700,000	\$ 1,019,000	\$ 750,000	\$ 13,881,754
Various Purpose Funding	-	-	-	339,090
Other Governmental Funds	-	-	-	2,500,000
	<u>\$ 1,700,000</u>	<u>\$ 1,019,000</u>	<u>\$ 750,000</u>	<u>\$ 16,720,844</u>

The table below presents the amounts the City has advanced to various funds during 2021.

	Advanced To					
	Advanced From	Various Purpose Funding	Other Governmental Funds	Other Enterprise Funds	Internal Service Funds	Total
<b>Governmental Funds:</b>						
General Fund	\$ 1,270,000	\$ 60,000	\$ 795,000	\$ 365,000	\$ 50,000	\$ 1,270,000
	<u>\$ 1,270,000</u>	<u>\$ 60,000</u>	<u>\$ 795,000</u>	<u>\$ 365,000</u>	<u>\$ 50,000</u>	<u>\$ 1,270,000</u>

## **23. Contingencies**

### **(1) Litigation**

The City is a defendant in a number of lawsuits pertaining to matters that are incidental to performing routine governmental functions. During 2019, an agreement was reached in an ongoing case, the plaintiff and City agreed to a settlement in the amount of \$1,150,000 to be paid over a three year period. As of December 31, 2021 the City has paid \$575,000 in 2019, \$287,500 in 2020, and recorded the remaining balance of \$287,500 as an accrued liability. The City's management is of the opinion that ultimate settlement of all outstanding litigation and claims will not result in a material adverse effect on the City's financial position.

Additionally, the City is a party to a labor arbitration proceeding with the Civil Service Personnel Association (CSPA), Inc., a labor union representing a group of employees regarding grievances over the City's implementation of Temporary Emergency Leave during the COVID-19 pandemic. The parties are awaiting the decision of the arbitrator. The likelihood of an unfavorable outcome cannot be determined at this time.

### **(2) Federal and State Grants**

The City has received federal and state grants for specific purposes that are subject to review and audit by the grantor agencies or their designees. Such audits could lead to a request for reimbursement to the grantor agencies for expenditures disallowed under the terms of the grants. The City believes that such disallowances, if any, would not have a material adverse effect on the City's financial position.

### **(3) Water Agreement**

The City of Akron acquired a water system, located in Hudson, from the County of Summit in December of 2006 for \$6,454,845. In exchange for the water system, the County received the benefit of a future credit to be applied towards the purchase of Akron owned sewer infrastructure. As of December 31, 2021, the County has not purchased any sewer infrastructure and the full balance of the credit is remaining.

## **24. Closure and Post-Closure Care Costs**

On November 9, 1998, the City entered into an agreement to transfer control and operating responsibility of its Hardy Road Landfill (Landfill) to Akron Regional Landfill, Inc. (ARLI), a subsidiary of Waste Management of Ohio, Inc. Under the twenty-five year agreement, ARLI assumed the full responsibility for all future costs for operation, permitting, groundwater monitoring, closure, and post-closure costs of the Landfill, which are currently expected to approximate \$6,400,000 through 2034. There are estimated costs after agreement with ARLI terminates; therefore, the City has recorded a liability for \$3,013,212 for future estimated post-closure care costs.

Pursuant to a ruling by the Ohio EPA, the Landfill officially closed on June 30, 2002. The City has begun diverting its waste to Waste Management's American Landfill located in Stark County. As part of a 1998 agreement, the City agreed to use landfill facilities controlled by Akron Regional Landfill, Inc., (a subsidiary of Waste Management) for disposal of ninety percent of the refuse collected by the City's sanitation division.

On October 4, 2004, the City entered into an Agreement with the Summit/Akron Solid Waste Management Authority (Authority) implementing a \$1.20 per ton increase in the waste management generation fee by the Authority to help fund the closure and post-closure operations of the Landfill.

## 25. Jointly Governed Organizations

The Akron/Summit Convention and Visitors' Bureau (Convention Center) was constructed by the City of Akron along with the County of Summit and the University of Akron, with the City paying approximately 26% of the construction costs. The Convention Center contains meeting rooms, an exhibit hall, and a large ballroom-banquet facility to accommodate a wide range of seminars, trade shows, and major community events.

## 26. Joint Ventures

The Copley-Akron Joint Economic Development District ("Copley-Akron JEDD") was created by contract between the City and Copley Township under the provisions of Ohio Revised Code sections 715.70 and 715.71. The Copley-Akron JEDD is governed by a six member Board of Directors of which three members are from the City (Mayor and two members of Council appointed by the Mayor and approved by Council) and three members are from the Copley Township (all three Copley Township Trustees). The Copley-Akron JEDD Boards, pursuant to the contract, levies an income tax at the same rate as the City of Akron's income tax. The proceeds of that tax are allocated, in accordance with the contract, primarily to the City. Because it is legally separate from the City the Copley-Akron JEDD is not reported as part of the primary government. A summary of the financial information is as follows:

### Statement of Receipts, Disbursements and Change in Fund Balance (Cash Basis)

Income Tax Receipts	\$ 7,214,993
Contractual Disbursements	(540,660)
	<hr/> 6,674,333
Disbursements to Akron	(6,674,333)
Change in Fund Cash Balance	<hr/> -
Fund Cash Balance, January 1, 2021	-
Fund Cash Balance, December 31, 2021	<hr/> <hr/> \$ -

## 26. Joint Ventures (Continued)

The Coventry-Akron Joint Economic Development District (“Coventry-Akron JEDD”) was created by contract between the City and Coventry Township under the provisions of Ohio Revised Code sections 715.70 and 715.71. The Coventry-Akron JEDD is governed by a six member Board of Directors of which three members are from the City (Mayor and two members of Council appointed by the Mayor and approved by Council) and three members are from the Coventry Township (all three Coventry Township Trustees). The Coventry-Akron JEDD Board, pursuant to the contract, levies an income tax at the same rate as the City of Akron’s income tax. The proceeds of that tax are allocated, in accordance with the contract, primarily to the City. Because it is legally separate from the City the Coventry-Akron JEDD is not reported as part of the primary government. A summary of the financial information is as follows:

### Statement of Receipts, Disbursements and Change in Fund Balance (Cash Basis)

Income Tax Receipts	\$ 3,736,651
Contractual Disbursements	<u>(317,486)</u>
	3,419,165
Disbursements to Akron	<u>(3,419,165)</u>
Change in Fund Cash Balance	-
Fund Cash Balance, January 1, 2021	-
Fund Cash Balance, December 31, 2021	<u><u>\$ -</u></u>

The Springfield-Akron Joint Economic Development District (“Springfield-Akron JEDD”) was created by contract between the City and Springfield Township under the provisions of Ohio Revised Code sections 715.70 and 715.71. The Springfield-Akron JEDD is governed by a six member Board of Directors of which three members are from the City (Mayor and two members of Council appointed by the Mayor and approved by Council) and three members are from the Springfield Township (all three Springfield Township Trustees). The Springfield-Akron JEDD Board, pursuant to the contract, levies an income tax at the same rate as the City of Akron’s income tax. The proceeds of that tax are allocated, in accordance with the contract, primarily to the City. Because it is legally separate from the City the Springfield-Akron JEDD is not reported as part of the primary government. A summary of the financial information is as follows:

### Statement of Receipts, Disbursements and Change in Fund Balance (Cash Basis)

Income Tax Receipts	\$ 4,215,190
Contractual Disbursements	<u>(330,944)</u>
	3,884,246
Disbursements to Akron	<u>(3,884,246)</u>
Change in Fund Cash Balance	-
Fund Cash Balance, January 1, 2021	-
Fund Cash Balance, December 31, 2021	<u><u>\$ -</u></u>

## 26. Joint Ventures (Continued)

The Bath-Akron-Fairlawn Joint Economic Development District (“Bath-Akron-Fairlawn JEDD”) was created by contract between the City of Akron (City), City of Fairlawn and Bath Township under the provisions of Ohio Revised Code sections 715.70 and 715.71. The Bath-Akron-Fairlawn JEDD is governed by a nine member Board of Directors of which three members are from the City (Mayor and two members of Council appointed by the Mayor and approved by Council), three members are from the City of Fairlawn (Mayor and approved by Council) and three members are from the Bath Township (all three Bath Township Trustees). The Bath-Akron-Fairlawn JEDD Boards, pursuant to the contract, levies an income tax at the same rate as the City of Akron’s income tax. The proceeds of that tax are allocated, in accordance with the contract, primarily to the City. Because it is legally separate from the City the Bath-Akron-Fairlawn JEDD is not reported as part of the primary government. A summary of the financial information is as follows:

### Statement of Receipts, Disbursements and Change in Fund Balance (Cash Basis)

Income Tax Receipts	\$ 8,906,054
Contractual Disbursements	<u>(4,171,389)</u>
	4,734,665
Disbursements to Akron	<u>(4,734,665)</u>
Change in Fund Cash Balance	-
 Fund Cash Balance, January 1, 2021	 -
 Fund Cash Balance, December 31, 2021	 <u>\$ -</u>

## 27. Related Organization

The City of Akron, in conjunction with Summit County, University of Akron, Medina County, and Greater Akron Chamber of Commerce, agreed to form the Summit Medina Business Alliance (SMBA). SMBA is a not-for-profit corporation which supports economic development of the region. The organization entered into an agreement with the Kent Regional Business Alliance to carry out activities in cooperation with the Ohio Development Services Agency and the Small Business Administration. The Mayor of the City of Akron appoints three of the five voting members of the board of trustees of the Summit Medina Business Alliance. The SMBA does not pose a financial burden on the City of Akron since it receives revenues from the City and other governments in the area. During 2021, the City paid SMBA \$12,500 for operating expenses.

## 28. Fund Balance

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

	General Fund	Community Learning Centers	Income Tax Capital Improvement	Special Assessment Fund	Various Purpose Fund	Other Governmental Funds	Total Governmental Funds
Fund balances:							
Restricted:							
Building, housing and economic incentive	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 4,130,226	\$ 4,130,226
Construction and renovation of CLCs	-	22,829,607	-	-	-	-	22,829,607
Community betterment and outreach	-	-	5,987,031	-	13,803,936	4,335,716	24,126,683
Debt service reserves	-	-	-	-	-	753,499	753,499
General governance	-	-	418	-	-	-	418
Information technology	-	-	-	-	-	615,956	615,956
Life enrichment	-	-	29,926	-	-	-	29,926
Other Purposes	-	-	-	-	-	145,343	145,343
Police and fire equipment	-	-	116,330	-	-	-	116,330
Protection and enforcement	-	-	-	-	-	19,012,199	19,012,199
Transportation/mobility	-	-	-	-	-	4,427,704	4,427,704
Total restricted	-	22,829,607	6,133,705	-	13,803,936	33,420,643	76,187,891
Committed:							
Building, housing and economic incentive	-	-	-	-	-	6,543,768	6,543,768
Community betterment and outreach	-	-	-	-	420,728	5,561,476	5,982,204
Information technology	-	-	-	-	-	86,380	86,380
Life enrichment	-	-	-	-	-	-	-
Non-financial assets held for resale	-	-	-	-	-	5,973,263	5,973,263
Protection and enforcement	521,033	-	-	-	-	-	521,033
Transportation/mobility	-	-	-	-	-	-	-
Total committed	521,033	-	-	-	420,728	18,164,887	19,106,648
Assigned:							
Asset management	215,924	-	-	-	-	-	215,924
Building, housing and economic incentive	215,061	-	-	-	-	-	215,061
Community betterment and outreach	16,321	-	-	-	-	-	16,321
General governance	285,334	-	-	-	-	-	285,334
Life enrichment	263,542	-	-	-	-	-	263,542
Municipal justice	101,979	-	-	-	-	-	101,979
Protection and enforcement	737,417	-	-	-	-	-	737,417
Transportation/mobility	-	-	-	-	-	-	-
Waste management	579,111	-	-	-	-	-	579,111
Wellness and prevention	27,992	-	-	-	-	-	27,992
Total assigned	2,442,681	-	-	-	-	-	2,442,681
Unassigned	28,598,763	-	-	(8,070,222)	-	(19,250,880)	1,277,661
Total fund balances	\$ 31,562,477	\$ 22,829,607	\$ 6,133,705	\$ (8,070,222)	\$ 14,224,664	\$ 32,334,650	\$ 99,014,881



## 29. Tax Abatements

Community Reinvestment Areas (CRAs) were established under Ohio Revised Code Section 3735.66 and administered through ORC Sections 3735.66 to 3735.70. The ORC Sections prescribe that in return for building or remodeling properties within the CRA boundaries, applicants can apply for an exemption of real property taxes at 100% of the increased market value of the property.

The City established a CRA in 2010 relating to Envision Apartments. During 2021, the City established a CRA relating to the Development Finance Authority of Summit County. For the fiscal year ended December 31, 2021, the City had only 2 active CRAs for which it abated property taxes totaling \$66,741.

During 2017, the City of Akron launched the residential tax abatement program, which designates the entire City as a CRA. Through the program residential applicants can apply for an exemption of real property taxes at 100% of the added property value on any new construction or improvements for a period of 15 years. For the fiscal year ended December 31, 2021, there were 64 active residential agreements with residential taxes abated of \$193,798.

## 30. Future Leasing Rights, Assigned Agreements and Collateralized Borrowing

During 2017, the City entered into an agreement with EIP Communications I, LLC (EIP), under which the City relinquishes to EIP its future interest in the Assigned Agreements to EIP for the next 50 years. The City received from EIP a lump-sum payment of \$11,104,987. The estimated present value of the cell tower rent payments sold assuming a 2.2% interest rate and 4% rent escalation at the time of sale was \$4,028,194.

The City reports \$6,510,649 on the Balance Sheet – Governmental Funds as unearned revenue that will be recognized over 50 years. The City also reports \$2,130,566 on the Statement of Net Position as liabilities due in more than one year as of December 31, 2021. The following is a summary of the City's future debt service requirements as of December 31, 2021:

<b>Fiscal Year Ending</b>	
<b><u>December 31</u></b>	<b><u>Principal</u></b>
2022	\$ 474,407
2023	474,407
2024	474,407
2025	474,407
2026	232,938
	<u>\$ 2,130,566</u>

### **31. Subsequent Events**

On March 11, 2021, the American Rescue Plan Act of 2021 (ARPA) was signed into law. The City has received \$145,337,626 in funding from the ARPA funds that were distributed in two rounds. The City received the first round of \$72,668,813 on May 19, 2021. The second round of \$72,668,813 was received on June 6, 2022. The City has started distributing these funds based on formal guidelines from the U.S. Treasury and with the assistance of a consulting firm to help with oversight and compliance.

The impact of remote work remains a threat to the City's future tax collections. The State passed legislation in June of 2021 to allow for refunds of 2021 municipal income tax paid on behalf of remote workers to the municipality where the business was located rather than where the employee was physically working. These refunds will be requested in 2022 with the filing of the 2021 tax returns. As of January 1, 2022, the rules for taxing remote work returns back to withholding taxes where an employee is physically doing the work. The City is anticipating large impacts to income tax collections in the next fiscal year(s) given the quantity and frequency of remote work. Predicting and tracking the long-term effect of remote work and withholdings will be difficult. Not all employers have the functionality in place to track remote work and withhold correctly. The City anticipates substantial revenue losses due to remote work in 2022 and beyond.

On April 11, 2022, City Council passed ordinance 89-2022 authorizing the City to enter into agreements with the Water Pollution Control Loan Fund (WPCLF) with the Ohio Environmental Protection Agency and the Ohio Water Development Authority for construction of the Northside Interceptor Tunnel totaling \$12,352,377.

On May 16, 2022, City Council passed ordinance 120-2022 authorizing the City to enter into agreements with the Water Pollution Control Loan Fund (WPCLF) with the Ohio Environmental Protection Agency and the Ohio Water Development Authority for construction of the Memorial Conveyance (CSO Rack 26) Project totaling \$2,536,000.

On June 27, 2022, City Council passed ordinance 165-2022 authorizing the City to enter into agreements with the Water Supply Revolving Loan Account with the Ohio Environmental Protection Agency and the Ohio Water Development Authority for construction of various Water Supply Capital Improvement Projects totaling \$8,049,594.

On July 18, 2022, City Council passed ordinance 201-2022 authorizing the City to enter into agreements with the Water Supply Revolving Loan Account with the Ohio Environmental Protection Agency and the Ohio Water Development Authority for construction of the Lower Northside Lining Project totaling \$5,065,742.

On July 18, 2022, City Council passed ordinance 203-2022 authorizing the City to enter into agreements with the Water Supply Revolving Loan Account with the Ohio Environmental Protection Agency and the Ohio Water Development Authority for construction of the Sanitary Sewer Reconstruction 2021 Small Diameter Lining Project totaling \$11,831,430.

On September 19, 2022, City Council passed ordinance 244-2022 authorizing the issuance of notes in the maximum principal amount of \$5,013,712 to retire the City's \$5,000,000 Taxable Economic Delevelopment Revenue Note, Series 2021 (AES System Improvement Projects) relating to the costs of various energy efficiency and other capital improvements to the steam, hot water and chilled water production units and a steam power plant.

On September 19, 2022, City Council passed ordinance 245-2022 authorizing the issuance of bonds in the maximum principal amount of \$8,500,000 relating to the Water Pollution Control Loan Fund to finance costs of the Lower Northside Interceptor Lining project.

### **31. Subsequent Events (Continued)**

On September 19, 2022, City Council passed ordinance 246-2022 authorizing the issuance of bonds in the maximum principal amount of \$3,000,000 relating to the Water Pollution Control Loan Fund to finance costs of the Memorial Conveyance (CSO Rack 26) project.

On September 19, 2022, City Council passed ordinance 245-2022 authorizing the issuance of bonds in the maximum principal amount of \$12,000,000 relating to the Water Pollution Control Loan Fund to finance costs of the Sanitary Sewer Reconstruction 2021 Small Diameter Lining project.

On September 26, 2022, City Council passed ordinance 267-2022 authorizing the issuance of bonds in the maximum principal amount of \$2,442,123.34 relating to the costs of special assessments levied for improving certain streets in the City.

On September 26, 2022, City Council passed ordinance 268-2022 authorizing the issuance of bonds in the maximum principal amount of \$731,124.01 relating to the costs of special assessments levied for improving certain streets in the City.

On December 5, 2022, City Council passed ordinance 232-2022 authorizing the issuance of bonds in the maximum principal amount of \$27,945,000 to retire notes issued for the purpose of providing funds and to pay the costs of various improvements in the City.

On December 5, 2022, City Council passed ordinance 233-2022 authorizing the issuance of bonds in the maximum principal amount of \$1,200,000 to pay the costs of acquiring and equipping motor vehicles for certain Divisions in the City.

On December 5, 2022, City Council passed ordinance 234-2022 authorizing the issuance of bonds in the maximum principal amount of \$6,000,000 to pay the costs of improving the City's municipal parks and recreational system by constructing, improving, and equipping parks and recreational facilities.

On December 5, 2022, City Council passed ordinance 235-2022 authorizing the issuance of bonds in the maximum principal amount of \$11,000,000 to pay the costs of constructing, reconstructing, and improving certain streets in the City.

On December 5, 2022, City Council passed ordinance 236-2022 authorizing the issuance of bonds in the maximum principal amount of \$1,500,000 to pay the costs of constructing, reconstructing, and improving off-street parking facilities in the City.

On December 5, 2022, City Council passed ordinance 237-2022 authorizing the issuance of bonds in the maximum principal amount of \$1,000,000 to pay the costs of the acquisition, construction, equipping and installation of capital improvements to the City's district energy system.

On December 5, 2022, City Council passed ordinance 234-2022 authorizing the issuance of bonds in the maximum principal amount of \$1,600,000 to pay the costs of the acquisition of certain real property in Coventry Township.

On December 12, 2022, City Council passed ordinance 349-2022 authorizing the execution of a development agreement with White Pond Reserve, LLC, providing for the sale and development of property within the White Pond- Frank Blvd. and Urban Renewal Plan.

On December 12, 2022, City Council passed ordinance 350-2022 amending ordinance 81-2022, passed March 28, 2022, and ordinance 315-2022, passed November 21, 2022, which established the annual appropriation for the current expenses, other expenditures and the capital outlays for the fiscal year ending December 31, 2022, for the City of Akron.

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City of Akron, Ohio

Required Supplementary Information  
Schedule of Revenues, Expenditures and  
Changes in Fund Balance - Budget and Actual -  
General Fund, Non-GAAP Budget Basis

For the Year Ended December 31, 2021

	<b>Budgeted Amounts (Unaudited)</b>		
	<b>Original</b>	<b>Final</b>	<b>Actual Amounts</b>
<b>Revenues and other sources</b>			
Revenues:			
Taxes, Assessments and JEDD	\$ 118,960,034	\$ 118,834,789	\$ 129,973,238
Intergovernmental Revenues	9,064,285	10,645,506	12,678,129
Charges for Services	31,437,585	31,437,585	16,774,575
License and Fees	2,721,320	2,721,320	5,635,361
Miscellaneous Revenues	5,925,290	5,925,290	16,307,799
	<u>168,108,514</u>	<u>169,564,490</u>	<u>181,369,102</u>
Other sources:	-	-	-
Previous year's encumbrances	2,841,738	2,841,738	2,841,738
	<u>2,841,738</u>	<u>2,841,738</u>	<u>2,841,738</u>
Total revenues and other sources	170,950,252	172,406,228	184,210,840
<b>Expenditures and other uses</b>			
Expenditures:			
Civil Service:			
Wages/benefits	1,059,360	1,079,360	1,075,245
Other	199,860	252,519	246,484
	<u>1,259,220</u>	<u>1,331,879</u>	<u>1,321,729</u>
Finance:			
Wages/benefits	2,533,670	2,608,670	2,566,609
Other	3,652,000	6,128,259	6,088,183
	<u>6,185,670</u>	<u>8,736,929</u>	<u>8,654,792</u>
Law:			
Wages/benefits	3,349,910	3,349,910	3,158,985
Other	1,592,260	1,925,950	1,590,678
	<u>4,942,170</u>	<u>5,275,860</u>	<u>4,749,663</u>
Legislative:			
Wages/benefits	1,193,050	1,273,930	1,256,197
Other	249,690	288,272	101,367
	<u>1,442,740</u>	<u>1,562,202</u>	<u>1,357,564</u>
Municipal Court - Clerk:			
Wages/benefits	3,783,610	3,803,610	3,714,217
Other	405,210	429,520	355,221
	<u>4,188,820</u>	<u>4,233,130</u>	<u>4,069,438</u>

## City of Akron, Ohio

Required Supplementary Information  
Schedule of Revenues, Expenditures and  
Changes in Fund Balance - Budget and Actual -  
General Fund, Non-GAAP Budget Basis

For the Year Ended December 31, 2021  
(continued)

	<u>Budgeted Amounts (Unaudited)</u>			
	Original	Final	Actual Amounts	
Municipal Court - Judges:				
Wages/benefits	\$ 4,891,560	\$ 4,996,560	\$ 4,977,679	
Other	289,800	604,457	511,693	
	5,181,360	5,601,017	5,489,372	
Office of the Mayor:				
Wages/benefits	1,589,050	1,614,050	1,612,549	
Other	254,910	318,552	242,377	
	1,843,960	1,932,602	1,854,926	
Planning:				
Wages/benefits	40,420	40,420	39,627	
Other	1,200	1,200	778	
	41,620	41,620	40,405	
Public Health:				
Wages/benefits	21,430	21,430	370	
Other	4,151,950	4,206,985	4,167,416	
	4,173,380	4,228,415	4,167,786	
Public Safety:				
Wages/benefits	6,869,270	6,909,270	6,906,874	
Other	7,279,350	7,363,991	7,217,960	
	14,148,620	14,273,261	14,124,834	
Public Service:				
Wages/benefits	11,142,430	11,592,430	11,318,591	
Other	11,952,780	18,581,588	15,789,335	
	23,095,210	30,174,018	27,107,926	
Fire:				
Wages/benefits	26,012,340	28,722,340	27,956,949	
Other	12,540,550	13,457,736	13,034,180	
	38,552,890	42,180,076	40,991,129	
Police:				
Wages/benefits	53,405,840	54,390,840	54,112,204	
Other	4,241,280	5,482,795	5,317,585	
	57,647,120	59,873,635	59,429,789	

## City of Akron, Ohio

Required Supplementary Information  
Schedule of Revenues, Expenditures and  
Changes in Fund Balance - Budget and Actual -  
General Fund, Non-GAAP Budget Basis

For the Year Ended December 31, 2021  
(continued)

	<b>Budgeted Amount (Unaudited)</b>		
	<b>Original</b>	<b>Final</b>	<b>Actual Amounts</b>
Neighborhood Assistance:			
Wages/benefits	\$ 2,658,310	\$ 3,001,310	\$ 2,757,514
Other	575,100	624,231	623,335
	<u>3,233,410</u>	<u>3,625,541</u>	<u>3,380,849</u>
Integrated Development			
Wages	5,597,590	5,870,590	5,472,433
Other	1,078,270	1,687,644	1,532,020
	<u>6,675,860</u>	<u>7,558,234</u>	<u>7,004,453</u>
Total expenditures	<u>172,612,050</u>	<u>190,628,417</u>	<u>183,744,656</u>
Excess (deficiency) of revenues and other sources over expenditures	(1,661,798)	(18,222,190)	466,187
Fund balance, January 1, 2021	<u>25,147,731</u>	<u>25,147,731</u>	<u>25,147,731</u>
Fund balance, December 31, 2021	<u>\$ 23,485,933</u>	<u>\$ 6,925,541</u>	<u>\$ 25,613,918</u>

Note:

Included in Other expenditures above are transfers out and advances of the following:

Finance	\$ 844,500
Fire	\$ 10,589,524
Police	\$ 578,730
Public Service	\$ 3,139,000

City of Akron, Ohio  
Required Supplementary Information  
Schedule of Revenues, Expenditures and  
Changes in Fund Balance - Budget and Actual -  
Community Learning Centers Fund, Non-GAAP Budget Basis  
For the Year Ended December 31, 2021

	<b>Budgeted Amounts (Unaudited)</b>		
	<b>Original</b>	<b>Final</b>	<b>Actual Amounts</b>
<b>Revenues</b>			
Revenues:			
Taxes, Assessments and JEDD	\$ 22,711,445	\$ 22,711,445	\$ 17,800,447
Intergovernmental Revenues	-	-	765,466
Intra Fund Transfers	4,807,780	4,807,780	3,185,151
Miscellaneous Revenues	1,138,950	1,138,950	78,962
Total revenues	28,658,175	28,658,175	21,830,026
<b>Expenditures</b>			
Department Wide:			
Other	24,076,000	24,076,000	23,606,031
Total expenditures	24,076,000	24,076,000	23,606,031
Excess (deficiency) of revenues over expenditures	4,582,175	4,582,175	(1,776,005)
Fund balance, January 1, 2021	17,449,246	17,449,246	17,449,246
Fund balance, December 31, 2021	\$ 22,031,421	\$ 22,031,421	\$ 15,673,241



City of Akron, Ohio

Required Supplementary Information  
Schedule of Revenues, Expenditures and  
Changes in Fund Balance - Budget and Actual -  
Income Tax Capital Improvement Fund, Non-GAAP Budget Basis

For the Year Ended December 31, 2021

	<u>Budgeted Amounts (Unaudited)</u>		
	<u>Original</u>	<u>Final</u>	<u>Actual Amounts</u>
<b>Revenues and other sources</b>			
Revenues:			
Taxes, Assessments and JEDD	\$ 45,429,015	\$ 46,793,185	\$ 42,718,574
Miscellaneous revenues	1,490,680	1,535,450	1,276,188
	<u>46,919,695</u>	<u>48,328,635</u>	<u>43,994,762</u>
Other sources:			
Note/bond proceeds	3,032,480	3,123,540	-
Previous year's encumbrances	675,816	675,816	675,816
	<u>3,708,296</u>	<u>3,799,356</u>	<u>675,816</u>
Total revenues and other sources	50,627,991	52,127,991	44,670,578
<b>Expenditures</b>			
Department Wide:			
Wages/benefits	590,180	665,180	574,605
Other	43,655,640	51,476,606	44,258,733
	<u>44,245,820</u>	<u>52,141,786</u>	<u>44,833,338</u>
Total expenditures	44,245,820	52,141,786	44,833,338
Excess of revenues and other sources over expenditures	6,382,171	(13,795)	(162,760)
Fund deficit, January 1, 2021	<u>347,600</u>	<u>347,600</u>	<u>347,600</u>
Fund balance, December 31, 2021	<u>\$ 6,729,771</u>	<u>\$ 333,805</u>	<u>\$ 184,840</u>

City of Akron, Ohio  
 Required Supplementary Information  
 Schedule of Revenues, Expenditures and  
 Changes in Fund Balance - Budget and Actual -  
 Special Assessment Fund, Non-GAAP Budget Basis

For the Year Ended December 31, 2021

	<b>Budgeted Amounts (Unaudited)</b>		
	<b>Original</b>	<b>Final</b>	<b>Actual Amounts</b>
<b>Revenues and other sources</b>			
Revenues:			
Special assessments	\$ 19,312,370	\$ 19,312,370	\$ 18,904,443
Service revenues	69,360	69,360	39,555
Miscellaneous revenues	348,940	348,940	325,191
	<u>19,730,670</u>	<u>19,730,670</u>	<u>19,269,189</u>
Other sources:			
Note/Bond proceeds	15,088,530	15,088,530	13,000,000
Previous year's encumbrances	1,648,222	1,648,222	1,648,222
	<u>16,736,752</u>	<u>16,736,752</u>	<u>14,648,222</u>
Total revenues and other sources	36,467,422	36,467,422	33,917,411
<b>Expenditures</b>			
Finance:			
Wages/benefits	188,140	208,140	196,259
Other	3,274,110	3,274,153	3,235,412
	<u>3,462,250</u>	<u>3,482,293</u>	<u>3,431,671</u>
Public Service:			
Wages/benefits	4,997,540	4,997,540	4,682,134
Other	22,300,050	24,017,468	20,886,434
	<u>27,297,590</u>	<u>29,015,008</u>	<u>25,568,568</u>
Neighborhood Assistance:			
Wages/benefits	286,810	346,810	330,057
Other	983,730	1,984,491	1,529,214
	<u>1,270,540</u>	<u>2,331,301</u>	<u>1,859,271</u>
Total expenditures	32,030,380	34,828,602	30,859,510
Excess (deficiency) of revenues and other sources over expenditures	4,437,042	1,638,820	3,057,901
Fund balance, January 1, 2021	<u>1,739,734</u>	<u>1,739,734</u>	<u>1,739,734</u>
Fund balance, December 31, 2021	<u>\$ 6,176,776</u>	<u>\$ 3,378,554</u>	<u>\$ 4,797,635</u>

City of Akron, Ohio  
 Required Supplementary Information  
 Schedule of Revenues, Expenditures and  
 Changes in Fund Balance - Budget and Actual -  
 Various Purpose Funding Fund, Non-GAAP Budget Basis

For the Year Ended December 31, 2021

	<u>Budgeted Amounts (Unaudited)</u>		
	<u>Original</u>	<u>Final</u>	<u>Actual Amounts</u>
<b>Revenues and other sources</b>			
Revenues:			
Intergovernmental Revenues	\$ 249,950	\$ 9,716,720	\$ 72,668,813
Service Revenues	1,450,860	56,400,950	1,470,376
Miscellaneous revenues	226,620	8,809,760	217,147
	<u>1,927,430</u>	<u>74,927,430</u>	<u>74,356,336</u>
Other sources:			
Previous year's encumbrances	87,042	87,042	87,042
	<u>87,042</u>	<u>87,042</u>	<u>87,042</u>
Total revenues and other sources	2,014,472	75,014,472	74,443,378
<b>Expenditures</b>			
Department Wide:			
Wages/benefits	4,030,000	4,230,000	4,006,000
Other	5,770,960	11,958,002	3,970,878
	<u>9,800,960</u>	<u>16,188,002</u>	<u>7,976,878</u>
Total expenditures	9,800,960	16,188,002	7,976,878
Excess (deficiency) of revenues and other sources over expenditures	(7,786,488)	58,826,470	66,466,500
Fund balance, January 1, 2021	<u>20,165,411</u>	<u>20,165,411</u>	<u>20,165,411</u>
Fund balance (deficit), December 31, 2021	<u>\$ 12,378,923</u>	<u>\$ 78,991,881</u>	<u>\$ 86,631,911</u>

City of Akron, Ohio

Required Supplementary Information  
Schedule of Net Pension Liability and Related Ratios under OPERS

For the Year Ended December 31, 2021

**Traditional Plan**

Measurement Date	Proportion of Collective Net Pension Liability/(Asset)	Proportionate Share of Collective Net Pension Liability/(Asset)	Covered Payroll**	Net Pension Liability/(Asset) as a Percentage of Covered Payroll	Fiduciary Net Position as a Percentage of Total Pension Liability
12/31/2020	0.42634	% \$ 63,131,523	\$ 62,792,506	100.5 %	86.9 %
12/31/2019	0.43836	85,358,175	60,759,457	140.5	82.2
12/31/2018	0.43836	120,056,821	59,205,414	202.8	74.7
12/31/2017	0.43977	68,990,774	58,131,654	118.7	84.7
12/31/2016	0.44509	101,073,278	57,520,375	175.7	77.3
12/31/2015	0.43764	75,805,111	54,382,817	139.4	81.1
12/31/2014	0.44358	53,500,585	52,357,017	102.2	86.5
12/31/2013	0.44358	52,292,185	53,972,510	96.9	86.4

**OPERS Combined Plan**

Measurement Date	Proportion of Collective Net Pension Liability/(Asset)	Proportionate Share of Collective Net Pension Liability/(Asset)	Covered Payroll**	Net Pension Liability/(Asset) as a Percentage of Covered Payroll	Fiduciary Net Position as a Percentage of Total Pension Liability
12/31/2020	0.34861	% \$ (1,006,318)	\$ 1,536,636	65.5 %	157.7 %
12/31/2019	0.43185	(710,799)	1,517,579	46.8	145.3
12/31/2018	0.31576	(353,085)	1,349,550	26.2	126.6
12/31/2017	0.32691	(444,922)	1,329,738	33.5	137.3
12/31/2016	0.33706	(187,599)	1,312,142	14.3	116.6
12/31/2015	0.31566	(153,607)	1,117,900	13.7	116.9
12/31/2014	0.30583	(117,750)	1,123,475	10.5	114.8
12/31/2013	0.30586	(32,090)	1,123,400	2.9	114.8

**OPERS Member Directed Plan**

Measurement Date	Proportion of Collective Net Pension Liability/(Asset)	Proportionate Share of Collective Net Pension Liability/(Asset)	Covered Payroll**	Net Pension Liability/(Asset) as a Percentage of Covered Payroll	Fiduciary Net Position as a Percentage of Total Pension Liability
12/31/2020	0.20177	% \$ (36,782)	\$ 1,222,221	3.01 %	188.2 %
12/31/2019	0.19367	(7,359)	1,151,207	0.64	118.1
12/31/2018	0.19508	(4,445)	1,349,550	0.33	113.4
12/31/2017	0.19522	(11,441)	1,066,892	1.07	124.5
12/31/2016	0.16885	(703)	890,550	0.08	103.4
12/31/2015	0.18979	(725)	905,960	0.08	103.9

\*\* Covered Payroll has been estimated by the City of Akron.

City of Akron, Ohio

Required Supplementary Information  
Schedule of Contributions Under OPERS to State Pension and OPEB

For the Year Ended December 31, 2021

**Traditional Plan**

Fiscal Year Ending	Measurement Year Ending	Statutorily Required Employer Contribution	Actual Employer Contributions	Contribution Excess (Deficiency)	Covered Payroll*	Contractually Required Contribution Rates:		
						Pension	OPEB	Total
12/31/2021	12/31/2020	\$ 8,901,608	\$ 8,901,608	\$ -	\$ 63,582,913	14.00 %	0.00 %	14.00 %
12/31/2020	12/31/2019	8,790,951	8,790,951	-	\$ 62,792,506	14.00	0.00	14.00
12/31/2019	12/31/2018	8,506,324	8,506,324	-	60,759,457	14.00	0.00	14.00
12/31/2018	12/31/2017	8,288,758	8,288,758	-	59,205,414	14.00	0.00	14.00
12/31/2017	12/31/2016	8,138,432	8,138,432	-	58,131,654	13.00	1.00	14.00
12/31/2016	12/31/2015	8,052,852	8,052,852	-	57,520,375	12.00	2.00	14.00
12/31/2015	12/31/2014	6,525,938	6,525,938	-	54,382,817	12.00	0.00	12.00
12/31/2014	12/31/2013	7,329,982	7,329,982	-	52,357,017	12.00	2.00	14.00
12/31/2013	N/A	7,556,151	7,556,151	-	53,972,510	10.00	4.00	14.00
12/31/2012	N/A	7,346,888	7,346,888	-	52,477,770	10.00	4.00	14.00
12/31/2011	N/A	7,556,151	7,556,151	-	53,972,510	10.00	4.00	14.00

**Combined Plan**

Fiscal Year Ending	Measurement Year Ending	Statutorily Required Employer Contribution	Actual Employer Contributions	Contribution Excess (Deficiency)	Covered Payroll*	Contractually Required Contribution Rates:		
						Pension	OPEB	Total
12/31/2021	12/31/2020	\$ 239,326	\$ 239,326	-	\$ 1,709,471	14.00 %	0.00 %	14.00 %
12/31/2020	12/31/2019	215,087	215,087	-	1,536,336	14.00	0.00	14.00
12/31/2019	12/31/2018	212,461	212,461	-	1,517,579	14.00	0.00	14.00
12/31/2018	12/31/2017	188,937	188,937	-	1,349,550	14.00	0.00	14.00
12/31/2017	12/31/2016	186,163	186,163	-	1,329,738	13.00	1.00	14.00
12/31/2016	12/31/2015	183,700	183,700	-	1,312,142	12.00	2.00	14.00
12/31/2015	12/31/2014	156,506	156,506	-	1,117,900	12.00	2.00	14.00
12/31/2014	12/31/2013	157,285	157,285	-	1,123,475	12.00	2.00	14.00

**Member Directed Plan**

Fiscal Year Ending	Measurement Year Ending	Statutorily Required Employer Contribution	Actual Employer Contributions	Contribution Excess (Deficiency)	Covered Payroll*	Contractually Required Contribution Rates:		
						Pension	OPEB	Total
12/31/2021	12/31/2020	\$ 193,851	\$ 193,851	-	\$ 1,384,650	14.00 %	0.00 %	14.00 %
12/31/2020	12/31/2019	171,111	171,111	-	1,222,221	14.00	0.00	14.00
12/31/2019	12/31/2018	169,169	169,169	-	1,151,207	14.00	0.00	14.00
12/31/2018	12/31/2017	188,937	188,937	-	1,349,550	14.00	0.00	14.00
12/31/2017	12/31/2016	149,365	149,365	-	1,066,892	13.00	1.00	14.00
12/31/2016	12/31/2015	124,677	124,677	-	890,550	12.00	2.00	14.00

\*Covered payroll has been estimated by the City of Akron.

City of Akron, Ohio

Required Supplementary Information  
Schedule of Net Pension Liability and Related Ratios under OP&F

For the Year Ended December 31, 2021

**Fire**

Measurement Date	Proportion of Collective Net Pension Liability/(Asset)		Proportionate Share of Collective Net Pension Liability/(Asset)	Covered Payroll**	Net Pension Liability/(Asset) as a Percentage of Covered Payroll	Fiduciary Net Position as a Percentage of Total Pension Liability
12/31/2020	1.3730553	%	\$ 93,602,412	\$ 30,337,250	308.5 %	70.7 %
12/31/2019	1.3122261		88,398,559	\$ 28,140,217	314.1	69.9
12/31/2018	1.3535830		110,488,140	27,458,083	402.4	63.1
12/31/2017	1.3615340		80,801,637	25,926,353	311.7	70.9
12/31/2016	1.3274720		84,080,723	25,713,251	327.0	68.4
12/31/2015	1.3199200		84,911,384	23,457,047	362.0	66.8
12/31/2014	1.3172024		68,236,576	20,458,336	333.5	72.2
12/31/2013	1.3172024		64,151,888	18,706,713	342.9	72.2

**Police**

Measurement Date	Proportion of Collective Net Pension Liability/(Asset)		Proportionate Share of Collective Net Pension Liability/(Asset)	Covered Payroll**	Net Pension Liability/(Asset) as a Percentage of Covered Payroll	Fiduciary Net Position as a Percentage of Total Pension Liability
12/31/2020	1.2929027	%	\$ 88,138,339	\$ 35,177,569	250.6 %	70.7 %
12/31/2019	1.2757506		85,941,375	33,447,297	256.9	69.9
12/31/2018	1.3062930		106,628,025	32,520,558	327.9	63.1
12/31/2017	1.3006560		79,827,131	31,566,974	252.9	70.9
12/31/2016	1.3613200		86,224,625	32,224,089	267.6	68.4
12/31/2015	1.3057420		83,998,130	29,950,321	280.5	66.8
12/31/2014	1.3597730		70,441,912	34,172,517	206.1	72.2
12/31/2013	1.3597730		66,225,111	35,596,596	186.0	72.2

\*\* Covered Payroll has been estimated by the City of Akron.

City of Akron, Ohio

Required Supplementary Information  
Schedule of Contributions Under OP&F to State Pension and OPEB

For the Year Ended December 31, 2021

**Fire**

Fiscal Year Ending	Measurement Year Ending	Statutorily Required Employer Contributions	Actual Employer Contributions	Contribution Excess (Deficiency)	Covered Payroll**	Contractually Required Contribution Rates:			
						Pension	OPEB	Total	%
12/31/2021	12/31/2020	\$ 7,151,198	\$ 7,151,198	\$ -	\$ 29,796,658	23.50 %	0.50 %	24.00	%
12/31/2020	12/31/2019	7,280,940	7,280,940	-	30,337,250	23.50	0.50	24.00	
12/31/2019	12/31/2018	6,753,652	6,753,652	-	28,140,217	23.50	0.50	24.00	
12/31/2018	12/31/2017	6,589,940	6,589,940	-	25,926,353	23.50	0.50	24.00	
12/31/2017	12/31/2016	6,092,693	6,092,693	-	25,926,353	23.50	0.50	24.00	
12/31/2016	12/31/2015	6,042,614	6,042,614	-	25,713,251	23.50	0.50	24.00	
12/31/2015	12/31/2014	5,512,406	5,512,406	-	23,457,047	23.50	0.50	24.00	
12/31/2014	12/31/2013	4,807,709	4,807,709	-	20,458,336	23.50	0.50	24.00	
12/31/2013	N/A	3,784,368	3,784,368	-	18,706,713	20.38	3.62	24.00	
12/31/2012	N/A	3,784,368	3,784,368	-	21,938,365	17.25	6.75	24.00	
12/31/2011	N/A	3,667,167	3,667,167	-	21,258,939	17.25	6.75	24.00	

**Police**

Fiscal Year Ending	Measurement Year Ending	Statutorily Required Employer Contributions	Actual Employer Contributions	Contribution Excess (Deficiency)	Covered Payroll**	Contractually Required Contribution Rates:			
						Pension	OPEB	Total	%
12/31/2021	12/31/2020	\$ 7,161,540	\$ 7,161,540	\$ -	\$ 36,725,846	19.00 %	0.50 %	19.50	%
12/31/2020	12/31/2019	6,859,626	6,859,626	-	35,177,569	19.00	0.50	19.50	
12/31/2019	12/31/2018	6,522,223	6,522,223	-	33,447,297	19.00	0.50	19.50	
12/31/2018	12/31/2017	6,341,509	6,341,509	-	32,520,558	19.00	0.50	19.50	
12/31/2017	12/31/2016	6,155,560	6,155,560	-	31,566,974	19.00	0.50	19.50	
12/31/2016	12/31/2015	6,283,697	6,283,697	-	32,224,089	19.00	0.50	19.50	
12/31/2015	12/31/2014	5,840,313	5,840,313	-	29,950,321	19.00	0.50	19.50	
12/31/2014	12/31/2013	6,663,641	6,663,641	-	34,172,517	15.73	3.77	19.50	
12/31/2013	N/A	6,941,336	6,941,336	-	35,596,596	12.75	6.75	19.50	
12/31/2012	N/A	5,320,063	5,320,063	-	27,282,376	12.75	6.75	19.50	
12/31/2011	N/A	5,170,880	5,170,880	-	26,517,333	12.75	6.75	19.50	

\*\*Covered Payroll has been estimated by the City of Akron.

City of Akron, Ohio

Required Supplementary Information  
Schedule of Net OPEB Liability and Related Ratios  
For City's OPEB and State OPEB Plans

For the Year Ended December 31, 2021

**City of Akron OPEB Plan**

Measurement Date	Net OPEB Liability / (Asset)	Covered Payroll	Net OPEB Liability as a Percentage of Covered Payroll	Fiduciary Net Position as a Percentage of Total OPEB Liability
12/31/2020	\$ 92,397,710	\$ 128,309,627	72.01 %	0.00 %
12/31/2019	87,500,861	125,015,757	69.99	0.00
12/31/2018	101,158,647	119,397,841	85.05	0.00
12/31/2017	124,741,033	118,465,624	105.30	0.00
12/31/2016	115,704,251	113,130,435	102.28	0.00

**OPERS OPEB Plan**

Measurement Date	City's Proportion of Collective Net OPEB Liability / (Asset)	City's Proportionate Share of Collective Net OPEB Liability / (Asset)	City's Covered Employee Payroll	City's Net OPEB Liability as a Percentage of Covered Payroll	Fiduciary Net Position as a Percentage of Total OPEB Liability
12/31/2020	0.42 %	\$ (7,397,476)	\$ 65,551,363	0.00 %	115.60 %
12/31/2019	0.42	57,992,341	63,428,243	91.43	47.80
12/31/2018	0.43	55,435,783	61,904,514	89.55	46.30
12/31/2017	0.43	46,401,790	60,528,284	76.66	54.10
12/31/2016	0.43	43,158,581	59,723,067	72.26	62.10

**OP&F OPEB Plan**

Measurement Date	City's Proportion of Collective Net OPEB Liability / (Asset)	City's Proportionate Share of Collective Net OPEB Liability / (Asset)	City's Covered Employee Payroll	City's Net OPEB Liability as a Percentage of Covered Payroll	Fiduciary Net Position as a Percentage of Total OPEB Liability
12/31/2020	2.665958 %	\$ 28,246,262	\$ 65,514,819	43.11 %	45.40 %
12/31/2018	2.587977	25,564,678	61,587,514	41.51	47.10
12/31/2018	2.659876	24,222,250	59,978,641	40.38	46.60
12/31/2017	2.61719	148,286,319	57,937,340	255.94	14.10
12/31/2016	2.61719	124,232,123	53,407,368	232.61	16.00

\*\* City's Covered Employee Payroll has been estimated by the City of Akron.



City of Akron, Ohio

Required Supplementary Information  
Schedule of Contributions under the City of Akron's OPEB Plan

For the Year Ended December 31, 2021

Fiscal Year Ending	Measurement Year Ending	Actual Employer Contributions	Covered Payroll *
12/31/2021	12/31/2020	\$ 2,308,214	\$ 135,701,400
12/31/2020	12/31/2019	2,856,926	128,309,627
12/31/2019	12/31/2018	2,591,971	125,015,757
12/31/2018	12/31/2017	3,015,640	119,397,841
12/31/2017	N/A	4,462,299	118,465,624
12/31/2016	N/A	4,867,000	113,130,435
12/31/2015	N/A	5,048,000	108,908,085
12/31/2014	N/A	4,908,000	107,105,770
12/31/2013	N/A	4,725,000	108,275,819
12/31/2012	N/A	4,772,000	83,935,000
12/31/2011	N/A	4,335,000	88,115,000
12/31/2010	N/A	9,825,000	114,340,000

\* Covered Payroll has been estimated by the City of Akron

**City of Akron, Ohio**

**Notes to the Required Supplementary Information**

**For the Year Ended December 31, 2021**

**Budgetary Data**

The City's budgetary process is based upon accounting for certain transactions on a basis other than on generally accepted accounting principles (GAAP). The actual results of operations are presented in the Budgetary Comparison Schedule in accordance with the City's budgetary process (budget basis) to provide a meaningful comparison of actual results with the budget. The legal level of budgetary control is by category for each department within each fund. The categories are wages/benefits, other, and capital outlay.

The major differences between budget basis and GAAP basis in the General Fund, the Community Learning Centers Fund, the Income Tax Capital Improvement Fund, the Special Assessment Fund and Various Purpose Funding Fund are:

1. Revenues are recorded when received in cash (budget) as opposed to susceptible to accrual (GAAP).
2. Expenditures are recorded when paid in cash (budget) as opposed to when the liability is incurred (GAAP).
3. Encumbrances are recorded as the equivalent of expenditures (budget) as opposed to restricted, committed or assigned fund balance (GAAP).

Recognition of certain revenues may be reclassified between funds to facilitate matching with the related expenditures.

	<u>General</u>	<u>Community Learning Centers</u>	<u>Income Tax Capital Improvement</u>	<u>Special Assessment</u>	<u>Various Purpose</u>
Excess (Deficiency) of revenues and other financing sources over expenditures and other financing uses (budgetary basis)	\$ 466,187	\$ (1,776,005)	\$ (163,760)	\$ 3,057,901	\$ 66,466,500
Adjustments:					
To adjust revenues for accruals	(5,350,722)	6,348,258	1,066,211	(13,600,060)	(65,397,638)
To adjust expenditures for accruals	2,437,032	(18,045,306)	(1,763,735)	11,960,665	(42,112)
To adjust for encumbrances	<u>2,442,678</u>	<u>-</u>	<u>731,610</u>	<u>1,573,841</u>	<u>124,557</u>
Net change in fund balance (GAAP basis)	<u>\$ (4,825)</u>	<u>\$ (13,473,053)</u>	<u>\$ (129,674)</u>	<u>\$ 2,992,347</u>	<u>\$ 1,151,307</u>

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## **City of Akron, Ohio**

### **Notes to the Required Supplementary Information**

#### **For the Year Ended December 31, 2021**

##### **Schedule of City's Proportionate Share of Net Pension Liability**

Information regarding the City's proportionate share of the net pension liability (asset) for fiscal years ending 2014 to 2021 has been provided by the Ohio Public Employees Retirement System (OPERS) and the Ohio Police and Fire Pension Fund (OP&F). The net pension liability (asset) presented in the City's financial statement as of December 31, 2021 is based on the measurement date of December 31, 2020. Information presented in this exhibit is not available for years prior to 2013.

##### **Schedule of the City Contributions to State Pension Funds and OPEB**

The Board of Trustees for both OPERS and OP&F determine the allocation between pension and OPEB plans annually and this allocation may change for year to year. The city pays all contractually required employer rates for OPERS and OP&F employees.

OPERS maintains three separate pension plans. The employer contribution rate is the same for all three plans. The City does not know which plan each of its employees participates in and; therefore; the information presented in the contribution schedule combines all plans from fiscal year ending December 31, 2007 through fiscal year ending December 31, 2013.

##### **Schedule of the Net OPEB Liability and Related Ratios**

Information regarding the City's proportionate share of the net OPEB liability for the fiscal year ending 2021 has been provided by OPERS and OP&F. The net OPEB liability presented in the City's financial statement as of December 31, 2021 is based on the measurement date of December 31, 2020. Information presented in this exhibit is not available prior to 2016.

The City also maintains its own plan that is funded on a "Pay-as-you-go" basis. The net OPEB liability for presented in the City's financial statements as of December 31, 2021 is based on the measurement date of December 31, 2020.

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# Supplementary Information

## NON-MAJOR GOVERNMENTAL FUNDS

**Special Revenue Funds** - are used to account for types of resources for which specific uses are mandated by City ordinances or federal and state statutes. The title of the fund is descriptive of the activities accounted for therein. The non-major Special Revenue Funds are:

### To Account for Special Purposes:

Income Tax Collection	Canal Park Stadium COPs
Emergency Medical Service	Downtown District Heating COPs
Street and Highway Maintenance	Safety Programs
Tax Equivalency	City Facilities Operating
E.D.A. Revolving Loans	Deposits
Joint Economic Development Districts	Police, Fire, and Road Activity
Akron Muni. Court Information System	

### Federal and/or State Statutes to Account for Grants and Subsidies:

Community Development	H.O.M.E. Program
Community Environment Grants	Police Grants
Akron Metro. Area Transportation Study	General Grants

## NON-MAJOR GOVERNMENTAL FUNDS (Continued)

**Debt Service Funds** - are used to account for the accumulation of financial resources for, and the payment of, general long-term debt principal, interest and related costs. The non-major Debt Service Funds are as follows:

General Bond Payment	Pension Obligation Refunding
Debt Service Bond Payment	JEDD Bond Payment
Special Assessment Bond Payment	Income Tax Bond Payment
Non-Tax Revenue Bond Payment	Taxable Revenue Bond Payment

**Capital Project Funds** – are used to account for financial resources to be used for the acquisition or construction of major capital facilities (other than those financed by Proprietary Funds). The non-major Capital Projects Funds are as follows:

### To Account for Grant Revenue and Other Funding Sources:

Information Technology and Improvements	Public Parking
Parks and Recreation	Economic Development
Public Facilities and Improvements	Streets

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City of Akron, Ohio  
Combining Balance Sheet - Non-Major Governmental Funds  
December 31, 2021

B-1

**Special Revenue Funds**

	<b>Income Tax Collection</b>	<b>Emergency Medical Service</b>	<b>Street and Highway Maintenance</b>	<b>Community Development</b>	<b>Community Environment Grants</b>
<b>Assets</b>					
Pooled cash and investments	\$ 5,921,220	\$ 333,200	\$ 1,743,044	\$ 95,263	\$ 24,259
Restricted cash and investments	-	-	-	-	-
Receivables, net of allowances for uncollectibles	-	11,714,907	9,514,229	35,319	-
Loans receivable	-	-	-	3,455,149	241,876
Due from other governments	-	-	-	1,850,769	195,461
Due from other funds	178,879	-	968,758	-	-
Due from others	240,729	-	-	-	-
Assets held for resale	-	-	-	-	-
Total assets	\$ 6,340,828	\$ 12,048,107	\$ 12,226,031	\$ 5,436,500	\$ 461,596
<b>Liabilities</b>					
Accounts payable	\$ 10,262,449	\$ 29,503	\$ 2,619,067	\$ 579,225	\$ 214,091
Deposits	-	-	-	-	-
Advances from other funds	-	-	-	-	-
Due to other governments	-	-	485,919	1,860,008	-
Due to other funds	2,769,290	9,041	147,734	1,728,736	281,536
Due to others	-	-	-	-	-
Accrued liabilities	10,553	299,186	49,643	12,218	552
Accrued wages	37,702	519,076	182,236	47,093	603
Accrued vacation and leave	-	-	48,976	-	-
Total liabilities	13,079,994	856,806	3,533,575	4,227,280	496,782
<b>Deferred Inflows of Resources</b>	-	10,573,071	6,543,357	4,841,975	345,461
<b>Fund balances</b>					
Restricted	-	618,230	2,149,099	-	-
Committed	-	-	-	-	-
Unassigned	(6,739,166)	-	-	(3,632,755)	(380,647)
Total fund balances (deficits)	(6,739,166)	618,230	2,149,099	(3,632,755)	(380,647)
Total liabilities, deferred inflows and fund balances	\$ 6,340,828	\$ 12,048,107	\$ 12,226,031	\$ 5,436,500	\$ 461,596



**Special Revenue Funds**

	<b>Akron Metro. Area Transportation Study</b>	<b>H.O.M.E. Program</b>	<b>Tax Equivalency</b>	<b>E.D.A. Revolving Loans</b>	<b>Joint Economic Development Districts</b>
<b>Assets</b>					
Pooled cash and investments	\$ 194,007	\$ 543,619	\$ 8,455,020	\$ 11,955	\$ 3,093,875
Restricted cash and investments	-	-	-	-	-
Receivables, net of allowances for uncollectibles	-	-	15,655,665	-	113,087
Loans receivable	-	3,282,933	-	-	2,000,000
Due from other governments	251,323	1,154,793	-	-	-
Due from other funds	-	-	-	-	-
Due from others	-	-	-	-	-
Assets held for resale	-	-	-	-	-
<b>Total assets</b>	<b>\$ 445,330</b>	<b>\$ 4,981,345</b>	<b>\$ 24,110,685</b>	<b>\$ 11,955</b>	<b>\$ 5,206,962</b>
<b>Liabilities</b>					
Accounts payable	\$ 27,113	\$ 982,370	\$ 83,632	\$ -	\$ 268,795
Deposits	-	-	-	-	-
Advances from other funds	-	-	-	-	-
Due to other governments	-	-	-	-	16,982
Due to other funds	371	-	-	-	1,161
Due to others	-	-	1,870,408	-	2,738,330
Accrued liabilities	9,843	112	-	-	8,503
Accrued wages	35,155	302	-	-	27,855
Accrued vacation and leave	-	-	-	-	-
<b>Total liabilities</b>	<b>72,482</b>	<b>982,784</b>	<b>1,954,040</b>	<b>-</b>	<b>3,061,626</b>
<b>Deferred Inflows of Resources</b>	<b>-</b>	<b>4,125,226</b>	<b>15,612,877</b>	<b>-</b>	<b>500,000</b>
<b>Fund balances</b>					
Restricted	372,848	-	-	11,955	1,645,336
Committed	-	-	6,543,768	-	-
Unassigned	-	(126,665)	-	-	-
<b>Total fund balances (deficits)</b>	<b>372,848</b>	<b>(126,665)</b>	<b>6,543,768</b>	<b>11,955</b>	<b>1,645,336</b>
<b>Total liabilities, deferred inflows and fund balances</b>	<b>\$ 445,330</b>	<b>\$ 4,981,345</b>	<b>\$ 24,110,685</b>	<b>\$ 11,955</b>	<b>\$ 5,206,962</b>

City of Akron, Ohio  
Combining Balance Sheet - Non-Major Governmental Funds  
December 31, 2021

B-1

<b>Special Revenue Funds</b>					
	<b>Akron Muni. Court Information System</b>	<b>Canal Park Stadium COPs</b>	<b>Downtown District Heating COPs</b>	<b>Police Grants</b>	<b>Safety Programs</b>
<b>Assets</b>					
Pooled cash and investments	\$ 860,235	\$ 3	\$ 5	\$ 10,557	\$ 3,982,368
Restricted cash and investments	-	145,340	1,563,960	-	-
Receivables, net of allowances for uncollectibles	5,446	-	-	-	146,911
Loans receivable	-	-	-	-	-
Due from other governments	-	-	-	603,375	595,185
Due from other funds	6,527	-	-	-	953
Due from others	-	-	-	-	-
Assets held for resale	-	-	-	-	-
Total assets	<u>\$ 872,208</u>	<u>\$ 145,343</u>	<u>\$ 1,563,965</u>	<u>\$ 613,932</u>	<u>\$ 4,725,417</u>
<b>Liabilities</b>					
Accounts payable	\$ 251,361	\$ -	\$ -	\$ 89,452	\$ 47,458
Deposits	-	-	-	-	-
Advances from other funds	-	-	-	300,000	495,000
Due to other governments	-	-	-	-	-
Due to other funds	-	-	-	28,226	-
Due to others	-	-	-	-	-
Accrued liabilities	1,071	-	-	15,285	4,166
Accrued wages	3,820	-	-	36,912	6,479
Accrued vacation and leave	-	-	-	-	-
Total liabilities	256,252	-	-	469,875	553,103
<b>Deferred Inflows of Resources</b>	-	-	-	159,788	868,231
<b>Fund balances</b>					
Restricted	615,956	145,343	1,563,965	-	3,304,083
Committed	-	-	-	-	-
Unassigned	-	-	-	(15,731)	-
Total fund balances (deficits)	<u>615,956</u>	<u>145,343</u>	<u>1,563,965</u>	<u>(15,731)</u>	<u>3,304,083</u>
Total liabilities, deferred inflows and fund balances	<u>\$ 872,208</u>	<u>\$ 145,343</u>	<u>\$ 1,563,965</u>	<u>\$ 613,932</u>	<u>\$ 4,725,417</u>

City of Akron, Ohio  
Combining Balance Sheet - Non-Major Governmental Funds  
December 31, 2021

B-1

	<b>Special Revenue Funds</b>			
	<b>City Facilities Operating</b>	<b>Deposits</b>	<b>Police, Fire, and Road Activity</b>	<b>General Grants</b>
<b>Assets</b>				
Pooled cash and investments	\$ 275	\$ 1,384,742	\$ 16,569,046	\$ 87,127
Restricted cash and investments	-	-	-	-
Receivables, net of allowances for uncollectibles	-	2,169,271	2,475,627	-
Loans receivable	-	-	-	-
Due from other governments	-	-	-	-
Due from other funds	-	-	1,373,546	-
Due from others	-	-	-	-
Assets held for resale	-	-	-	-
Total assets	\$ 275	\$ 3,554,013	\$ 20,418,219	\$ 87,127
<b>Liabilities</b>				
Accounts payable	\$ 4,191	\$ 3	\$ 135,455	\$ 582
Deposits	-	671,058	-	-
Advances from other funds	-	-	-	-
Due to other governments	595,287	-	-	-
Due to other funds	-	147,832	35,941	-
Due to others	135,197	1,630,721	-	-
Accrued liabilities	-	(1,461,862)	-	1,131
Accrued wages	-	-	-	4,038
Accrued vacation and leave	-	-	-	-
Total liabilities	734,675	987,752	171,396	5,751
<b>Deferred Inflows of Resources</b>	-	-	1,102,081	-
<b>Fund balances</b>				
Restricted	-	2,566,261	19,144,742	81,376
Committed	-	-	-	-
Unassigned	(734,400)	-	-	-
Total fund balances (deficits)	(734,400)	2,566,261	19,144,742	81,376
Total liabilities, deferred inflows and fund balances	\$ 275	\$ 3,554,013	\$ 20,418,219	\$ 87,127

City of Akron, Ohio  
Combining Balance Sheet - Non-Major Governmental Funds  
December 31, 2021

B-1

	<b>Debt Service Funds</b>		
	<b>General Bond Payment</b>	<b>Debt Service Bond Payment</b>	<b>Special Assessment Bond Payment</b>
<b>Assets</b>			
Pooled cash and investments	\$ 251,334	\$ -	\$ -
Restricted cash and investments	-	447,950	39,084
Receivables, net of allowances for uncollectibles	2,551,079	-	-
Loans receivable	-	-	-
Due from other governments	-	-	-
Due from other funds	-	-	-
Due from others	-	-	-
Assets held for resale	-	-	-
Total assets	<u>\$ 2,802,413</u>	<u>\$ 447,950</u>	<u>\$ 39,084</u>
<b>Liabilities</b>			
Accounts payable	\$ 4,094	\$ -	\$ -
Deposits	-	-	-
Advances from other funds	-	-	-
Due to other governments	-	-	-
Due to other funds	60	-	-
Due to others	-	-	2,000
Accrued liabilities	3,219	-	-
Accrued wages	11,490	-	-
Accrued vacation and leave	-	-	-
Total liabilities	18,863	-	2,000
<b>Deferred Inflows of Resources</b>	2,551,079	-	-
<b>Fund balances</b>			
Restricted	232,471	447,950	37,084
Committed	-	-	-
Unassigned	-	-	-
Total fund balances (deficits)	<u>232,471</u>	<u>447,950</u>	<u>37,084</u>
Total liabilities, deferred inflows and fund balances	<u>\$ 2,802,413</u>	<u>\$ 447,950</u>	<u>\$ 39,084</u>

City of Akron, Ohio  
Combining Balance Sheet - Non-Major Governmental Funds  
December 31, 2021

B-1

	<b>Debt Service Funds</b>					<b>Capital Project Funds</b>	
	<b>Non-Tax Revenue Bond Payment</b>	<b>Pension Obligation Refunding</b>	<b>JEDD Bond Payment</b>	<b>Income Tax Bond Payment</b>	<b>Taxable Revenue Bond Payment</b>	<b>Streets</b>	
<b>Assets</b>							
Pooled cash and investments	\$ -	\$ -	\$ -	\$ -	\$ -	\$	7,704
Restricted cash and investments	274,088	-	5,863	203,840	153		-
Receivables, net of allowances for uncollectibles	-	-	-	-	-		483,497
Loans receivable	-	-	-	-	-		-
Due from other governments	-	-	-	-	-		55,601
Due from other funds	-	-	-	-	-		190,408
Due from others	-	-	-	-	-		-
Assets held for resale	-	-	-	-	-		-
<b>Total assets</b>	<b>\$ 274,088</b>	<b>\$ -</b>	<b>\$ 5,863</b>	<b>\$ 203,840</b>	<b>\$ 153</b>	<b>\$</b>	<b>737,210</b>
<b>Liabilities</b>							
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ -	\$	653,511
Deposits	-	-	-	-	-		-
Advances from other funds	-	-	-	-	-		-
Due to other governments	-	-	-	-	-		291,715
Due to other funds	-	-	-	-	-		3,067,937
Due to others	-	-	-	-	-		-
Accrued liabilities	-	-	-	-	-		1,526,818
Accrued wages	-	-	-	-	-		21,533
Accrued vacation and leave	-	-	-	-	-		-
<b>Total liabilities</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>		<b>5,561,514</b>
<b>Deferred Inflows of Resources</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>		<b>39,754</b>
<b>Fund balances</b>							
Restricted	274,088	-	5,863	203,840	153		-
Committed	-	-	-	-	-		-
Unassigned	-	-	-	-	-		(4,864,058)
<b>Total fund balances (deficits)</b>	<b>274,088</b>	<b>-</b>	<b>5,863</b>	<b>203,840</b>	<b>153</b>		<b>(4,864,058)</b>
<b>Total liabilities, deferred inflows and fund balances</b>	<b>\$ 274,088</b>	<b>\$ -</b>	<b>\$ 5,863</b>	<b>\$ 203,840</b>	<b>\$ 153</b>	<b>\$</b>	<b>737,210</b>

City of Akron, Ohio  
Combining Balance Sheet - Non-Major Governmental Funds  
December 31, 2021

B-1

<b>Capital Project Funds</b>						
	<b>Information Technology and Improvements</b>	<b>Parks and Recreation</b>	<b>Public Facilities and Improvements</b>	<b>Public Parking</b>	<b>Economic Development</b>	<b>Total</b>
<b>Assets</b>						
Pooled cash and investments	\$ 155,892	\$ 274	\$ 5,540,804	\$ 88	\$ 555,595	\$ 49,821,511
Restricted cash and investments	-	-	-	-	-	2,680,278
Receivables, net of allowances for uncollectibles	-	-	-	-	-	44,865,038
Loans receivable	-	-	-	-	2,947,573	11,927,531
Due from other governments	-	468,951	693,666	-	-	5,869,124
Due from other funds	-	86,937	-	-	-	2,806,008
Due from others	-	-	-	-	-	240,729
Assets held for resale	-	-	-	-	7,919,423	7,919,423
<b>Total assets</b>	<b>\$ 155,892</b>	<b>\$ 556,162</b>	<b>\$ 6,234,470</b>	<b>\$ 88</b>	<b>\$ 11,422,591</b>	<b>\$ 126,129,642</b>
<b>Liabilities</b>						
Accounts payable	\$ 67,869	\$ 560,982	\$ 343,738	\$ 166,495	\$ 3,379	\$ 17,394,815
Deposits	-	-	-	-	-	671,058
Advances from other funds	-	-	-	-	-	795,000
Due to other governments	-	575	-	-	2,628,819	5,879,305
Due to other funds	1,643	1,357,863	82,947	758,069	97,888	10,516,275
Due to others	-	-	-	-	284,242	6,660,898
Accrued liabilities	-	302	43,258	94	-	524,092
Accrued wages	-	337	1,885	40	-	936,556
Accrued vacation and leave	-	-	-	-	-	48,976
<b>Total liabilities</b>	<b>69,512</b>	<b>1,920,059</b>	<b>471,828</b>	<b>924,698</b>	<b>3,014,328</b>	<b>43,426,975</b>
<b>Deferred Inflows of Resources</b>	<b>-</b>	<b>468,951</b>	<b>201,166</b>	<b>-</b>	<b>2,435,000</b>	<b>50,368,017</b>
<b>Fund balances</b>						
Restricted	-	-	-	-	-	33,420,643
Committed	86,380	-	5,561,476	-	5,973,263	18,164,887
Unassigned	-	(1,832,848)	-	(924,610)	-	(19,250,880)
<b>Total fund balances (deficits)</b>	<b>86,380</b>	<b>(1,832,848)</b>	<b>5,561,476</b>	<b>(924,610)</b>	<b>5,973,263</b>	<b>32,334,650</b>
<b>Total liabilities, deferred inflows and fund balances</b>	<b>\$ 155,892</b>	<b>\$ 556,162</b>	<b>\$ 6,234,470</b>	<b>\$ 88</b>	<b>\$ 11,422,591</b>	<b>\$ 126,129,642</b>

City of Akron, Ohio  
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances - Non-Major Governmental Funds  
For the Year Ended December 31, 2021

B-2

<b>Special Revenue Funds</b>					
	<b>Income Tax Collection</b>	<b>Emergency Medical Service</b>	<b>Street and Highway Maintenance</b>	<b>Community Development</b>	<b>Community Environment Grants</b>
<b>Revenues</b>					
Income taxes	\$ 5,949,305	\$ -	\$ -	\$ -	\$ -
Property taxes	-	7,442,130	-	-	-
JEDD revenues	-	-	-	-	-
Grants and subsidies	-	-	-	5,507,542	1,203,573
Investment earnings	913	597	8,349	74,016	368
Shared revenues	2	875,064	11,870,241	-	-
Licenses, fees and fines	401,446	100	81,935	3,550	187
Charges for services	18,162	1,761,423	35,100	-	-
Miscellaneous	16,058	120,922	1,291,345	809,030	360
	<u>6,385,886</u>	<u>10,200,236</u>	<u>13,286,970</u>	<u>6,394,138</u>	<u>1,204,488</u>
<b>Expenditures</b>					
Current:					
General government	15,056,618	-	-	1,680	-
Public service	-	-	13,506,918	6,434	-
Public safety	-	21,287,279	-	-	38,198
Community environment	-	-	-	8,822,355	1,789,371
Recreation and parks	-	-	-	-	-
Debt service:					
Principal retirement	-	1,413	-	-	-
Interest	-	72	-	7,486	-
	<u>15,056,618</u>	<u>21,288,764</u>	<u>13,506,918</u>	<u>8,837,955</u>	<u>1,827,569</u>
Excess (deficiency) of revenues over (under) expenditures	(8,670,732)	(11,088,528)	(219,948)	(2,443,817)	(623,081)
<b>Other financing sources (uses)</b>					
Issuance of bonds	-	-	-	-	-
Transfers-in	-	10,353,210	-	-	-
Transfers-out	-	-	-	-	-
	<u>-</u>	<u>10,353,210</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	(8,670,732)	(735,318)	(219,948)	(2,443,817)	(623,081)
Fund balances (deficit), January 1, 2021	1,931,566	1,353,548	2,369,047	(1,188,938)	242,434
Fund balances (deficit), December 31, 2021	<u>\$ (6,739,166)</u>	<u>\$ 618,230</u>	<u>\$ 2,149,099</u>	<u>\$ (3,632,755)</u>	<u>\$ (380,647)</u>

City of Akron, Ohio  
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances - Non-Major Governmental Funds  
For the Year Ended December 31, 2021

B-2

<b>Special Revenue Funds</b>					
	<b>Akron Metro. Area Transportation Study</b>	<b>H.O.M.E. Program</b>	<b>Tax Equivalency</b>	<b>E.D.A. Revolving Loans</b>	<b>Joint Economic Development Districts</b>
<b>Revenues</b>					
Income taxes	\$ -	\$ -	\$ -	\$ -	\$ -
Property taxes	-	-	49,844	-	-
JEDD revenues	-	-	-	-	7,412,404
Grants and subsidies	1,502,497	616,070	-	-	274,690
Investment earnings	-	2,858	-	48	29,133
Shared revenues	-	-	16,595,859	-	-
Licenses, fees and fines	-	-	-	-	25
Charges for services	-	-	-	-	956,568
Miscellaneous	127,645	52,990	20,721	-	926,484
	<u>1,630,142</u>	<u>671,918</u>	<u>16,666,424</u>	<u>48</u>	<u>9,599,304</u>
<b>Expenditures</b>					
Current:					
General government	-	-	549,871	3	2,877,218
Public service	-	-	-	-	-
Public safety	-	-	-	-	-
Community environment	1,721,414	1,699,095	11,534,061	-	1,052,220
Recreation and parks	-	-	-	-	2,453,461
Debt service:					
Principal retirement	-	-	4,389,399	-	4,130,583
Interest	-	-	62,184	-	199,594
	<u>1,721,414</u>	<u>1,699,095</u>	<u>16,535,515</u>	<u>3</u>	<u>10,713,076</u>
Excess (deficiency) of revenues over (under) expenditures	(91,272)	(1,027,177)	130,909	45	(1,113,772)
<b>Other financing sources (uses)</b>					
Issuance of bonds	-	-	-	-	-
Transfers-in	39,500	-	-	-	-
Transfers-out	-	-	-	-	-
	<u>39,500</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	(51,772)	(1,027,177)	130,909	45	(1,113,772)
Fund balances (deficit), January 1, 2021	424,620	900,512	6,412,859	11,910	2,759,108
Fund balances (deficit), December 31, 2021	<u>\$ 372,848</u>	<u>\$ (126,665)</u>	<u>\$ 6,543,768</u>	<u>\$ 11,955</u>	<u>\$ 1,645,336</u>



City of Akron, Ohio  
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances - Non-Major Governmental Funds  
For the Year Ended December 31, 2021

B-2

<b>Special Revenue Funds</b>					
	<b>Akron Muni. Court Information System</b>	<b>Canal Park Stadium COPs</b>	<b>Downtown District Heating COPs</b>	<b>Police Grants</b>	<b>Safety Programs</b>
<b>Revenues</b>					
Income taxes	\$ -	\$ -	\$ -	\$ -	\$ -
Property taxes	-	-	-	-	-
JEDD revenues	-	-	-	-	-
Grants and subsidies	-	-	-	1,617,376	545,181
Investment earnings	-	553	265	-	9,329
Shared revenues	-	-	-	-	416,812
Licenses, fees and fines	171,143	-	-	-	15,319
Charges for services	-	-	-	-	567,458
Miscellaneous	-	20,001	5	347,007	228,873
	<u>171,143</u>	<u>20,554</u>	<u>270</u>	<u>1,964,383</u>	<u>1,782,972</u>
<b>Expenditures</b>					
Current:					
General government	733,193	-	-	-	-
Public service	-	-	-	-	-
Public safety	-	-	-	2,062,987	1,999,350
Community environment	-	-	827,590	-	-
Recreation and parks	-	-	-	-	-
Debt service:					
Principal retirement	-	-	-	-	-
Interest	-	2,605	29	-	-
	<u>733,193</u>	<u>2,605</u>	<u>827,619</u>	<u>2,062,987</u>	<u>1,999,350</u>
Excess (deficiency) of revenues over (under) expenditures	(562,050)	17,949	(827,349)	(98,604)	(216,378)
<b>Other financing sources (uses)</b>					
Issuance of bonds	-	-	-	-	-
Transfers-in	-	-	-	8,730	2,511,314
Transfers-out	-	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>8,730</u>	<u>2,511,314</u>
Net change in fund balances	(562,050)	17,949	(827,349)	(89,874)	2,294,936
Fund balances (deficit), January 1, 2021	<u>1,178,006</u>	<u>127,394</u>	<u>2,391,314</u>	<u>74,143</u>	<u>1,009,147</u>
Fund balances (deficit), December 31, 2021	<u>\$ 615,956</u>	<u>\$ 145,343</u>	<u>\$ 1,563,965</u>	<u>\$ (15,731)</u>	<u>\$ 3,304,083</u>

City of Akron, Ohio  
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances - Non-Major Governmental Funds  
For the Year Ended December 31, 2021

B-2

<b>Special Revenue Funds</b>				
	<b>City Facilities Operating</b>	<b>Deposits</b>	<b>Police, Fire, and Road Activity</b>	<b>General Grants</b>
<b>Revenues</b>				
Income taxes	\$ -	\$ -	\$ 17,881,425	\$ -
Property taxes	-	-	-	-
JEDD revenues	-	-	-	-
Grants and subsidies	-	-	-	215,556
Investment earnings	218	116,719	-	284
Shared revenues	-	-	-	-
Licenses, fees and fines	585,523	5,208,714	-	-
Charges for services	-	-	-	-
Miscellaneous	323,481	462,062	-	28,116
	<u>909,222</u>	<u>5,787,495</u>	<u>17,881,425</u>	<u>243,956</u>
<b>Expenditures</b>				
Current:				
General government	-	4,145,975	-	130,985
Public service	488,892	-	2,738,744	-
Public safety	8	-	7,688,321	-
Community environment	814,382	-	-	80,693
Recreation and parks	-	-	-	-
Debt service:				
Principal retirement	112,500	-	-	-
Interest	42,634	-	168,888	-
	<u>1,458,416</u>	<u>4,145,975</u>	<u>10,595,953</u>	<u>211,678</u>
Excess (deficiency) of revenues over (under) expenditures	(549,194)	1,641,520	7,285,472	32,278
<b>Other financing sources (uses)</b>				
Issuance of bonds	-	-	1,200,000	-
Transfers-in	-	-	-	-
Transfers-out	-	-	(2,500,000)	-
	<u>-</u>	<u>-</u>	<u>(1,300,000)</u>	<u>-</u>
Net change in fund balances	(549,194)	1,641,520	5,985,472	32,278
Fund balances (deficit), January 1, 2021	(185,206)	924,741	13,159,270	49,098
Fund balances (deficit), December 31, 2021	<u><u>\$ (734,400)</u></u>	<u><u>\$ 2,566,261</u></u>	<u><u>\$ 19,144,742</u></u>	<u><u>\$ 81,376</u></u>

City of Akron, Ohio  
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances - Non-Major Governmental Funds  
For the Year Ended December 31, 2021

B-2

	<b>Debt Service Funds</b>		
	<b>General Bond Payment</b>	<b>Debt Service Bond Payment</b>	<b>Special Assessment Bond Payment</b>
<b>Revenues</b>			
Income taxes	\$ -	\$ -	\$ -
Property taxes	1,691,118	-	-
JEDD revenues	-	-	-
Grants and subsidies	-	-	-
Investment earnings	-	-	4
Shared revenues	150,435	-	-
Licenses, fees and fines	-	-	-
Charges for services	1,399	-	-
Miscellaneous	-	62,402	-
	<u>1,842,952</u>	<u>62,402</u>	<u>4</u>
<b>Expenditures</b>			
Current:			
General government	483,000	6,959	-
Public service	-	-	-
Public safety	-	-	-
Community environment	-	-	-
Recreation and parks	-	-	-
Debt service:			
Principal retirement	950,415	-	-
Interest	218,505	-	-
	<u>1,651,920</u>	<u>6,959</u>	<u>-</u>
Excess (deficiency) of revenues over (under) expenditures	191,032	55,443	4
<b>Other financing sources (uses)</b>			
Issuance of bonds	-	-	-
Transfers-in	-	-	-
Transfers-out	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	191,032	55,443	4
Fund balances (deficit), January 1, 2021	<u>41,439</u>	<u>392,507</u>	<u>37,080</u>
Fund balances (deficit), December 31, 2021	<u>\$ 232,471</u>	<u>\$ 447,950</u>	<u>\$ 37,084</u>

City of Akron, Ohio  
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances - Non-Major Governmental Funds  
For the Year Ended December 31, 2021

B-2

	<b>Debt Service Funds</b>					<b>Capital Projects Funds</b>
	<b>Non-Tax Revenue Bond Payment</b>	<b>Pension Obligation Refunding</b>	<b>JEDD Bond Payment</b>	<b>Income Tax Bond Payment</b>	<b>Taxable Revenue Bond Payment</b>	<b>Streets</b>
<b>Revenues</b>						
Income taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Property taxes	-	-	-	-	-	-
JEDD revenues	-	-	-	-	-	-
Grants and subsidies	-	-	-	-	-	12,366,979
Investment earnings	-	7	5	-	154	41
Shared revenues	-	-	-	-	-	-
Licenses, fees and fines	-	-	-	-	-	19,724
Charges for services	-	-	-	-	-	-
Miscellaneous	-	-	-	3,369	-	3,195,943
	-	7	5	3,369	154	15,582,687
<b>Expenditures</b>						
Current:						
General government	-	13	-	-	-	-
Public service	5,998	-	1	-	-	23,931,761
Public safety	-	-	-	-	-	241
Community environment	-	-	-	-	1	136
Recreation and parks	-	-	-	-	-	-
Debt service:						
Principal retirement	-	-	-	12,400,000	-	-
Interest	-	-	10	37,097	229	-
	5,998	13	11	12,437,097	230	23,932,138
Excess (deficiency) of revenues over (under) expenditures	(5,998)	(6)	(6)	(12,433,728)	(76)	(8,349,451)
<b>Other financing sources (uses)</b>						
Issuance of bonds	-	-	-	12,400,000	-	12,073,049
Transfers-in	-	-	-	-	-	-
Transfers-out	-	-	-	-	-	-
	-	-	-	12,400,000	-	12,073,049
Net change in fund balances	(5,998)	(6)	(6)	(33,728)	(76)	3,723,598
Fund balances (deficit), January 1, 2021	280,086	6	5,869	237,568	229	(8,587,656)
Fund balances (deficit), December 31, 2021	\$ 274,088	\$ -	\$ 5,863	\$ 203,840	\$ 153	\$ (4,864,058)

City of Akron, Ohio  
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances - Non-Major Governmental Funds  
For the Year Ended December 31, 2021

B-2

<b>Capital Projects Funds</b>						
	<b>Information Technology and Improvements</b>	<b>Parks and Recreation</b>	<b>Public Facilities and Improvements</b>	<b>Public Parking</b>	<b>Economic Development</b>	<b>Total</b>
<b>Revenues</b>						
Income taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 23,830,730
Property taxes	-	-	-	-	-	9,183,092
JEDD revenues	-	-	-	-	-	7,412,404
Grants and subsidies	-	-	-	-	32,499	23,881,963
Investment earnings	-	-	-	-	27,367	271,228
Shared revenues	-	-	-	-	-	29,908,413
Licenses, fees and fines	-	-	-	-	-	6,487,666
Charges for services	-	-	-	-	-	3,340,110
Miscellaneous	-	87,298	77,023	-	815,887	9,017,022
	-	87,298	77,023	-	875,753	113,332,628
<b>Expenditures</b>						
Current:						
General government	830,285	-	216	-	-	24,816,016
Public service	1,584	-	597,704	1,579,277	-	42,857,313
Public safety	-	-	65	-	-	33,076,449
Community environment	-	248	-	-	37,107	28,378,673
Recreation and parks	-	3,354,277	158,117	-	-	5,965,855
Debt service:						
Principal retirement	-	-	-	-	-	21,984,310
Interest	-	-	-	-	184,237	923,570
	831,869	3,354,525	756,102	1,579,277	221,344	158,002,186
Excess (deficiency) of revenues over (under) expenditures	(831,869)	(3,267,227)	(679,079)	(1,579,277)	654,409	(44,669,558)
<b>Other financing sources (uses)</b>						
Issuance of bonds	750,000	1,200,000	5,750,000	100,000	290,000	33,763,049
Transfers-in	-	-	-	-	-	12,912,754
Transfers-out	-	-	-	-	-	(2,500,000)
	750,000	1,200,000	5,750,000	100,000	290,000	44,175,803
Net change in fund balances	(81,869)	(2,067,227)	5,070,921	(1,479,277)	944,409	(493,755)
Fund balances (deficit), January 1, 2021	168,249	234,379	490,555	554,667	5,028,854	32,828,405
Fund balances (deficit), December 31, 2021	\$ 86,380	\$ (1,832,848)	\$ 5,561,476	\$ (924,610)	\$ 5,973,263	\$ 32,334,650

## City of Akron, Ohio

Schedule of Revenues, Expenditures and  
Changes in Fund Balance - Budget and Actual -  
Income Tax Collection Fund, Non-GAAP Budget Basis

For the Year Ended December 31, 2021

	<b>Budgeted Amounts (Unaudited)</b>		
	<b>Original</b>	<b>Final</b>	<b>Actual Amounts</b>
<b>Revenues and other sources</b>			
Revenues:			
Income taxes	\$ 8,436,085	\$ 8,436,085	\$ 6,112,516
Miscellaneous revenues	476,390	476,390	393,582
	8,912,475	8,912,475	6,506,098
Other sources:			
Previous year's encumbrances	82,160	82,160	82,160
Total revenues and other sources	8,994,635	8,994,635	6,588,258
<b>Expenditures</b>			
Finance:			
Wages/benefits	1,759,230	1,883,730	1,742,383
Other	4,619,850	4,702,010	3,213,610
Total expenditures	6,379,080	6,585,740	4,955,993
Excess (deficiency) of revenues and other sources over expenditures	2,615,555	2,408,895	1,632,265
Fund balance, January 1, 2021	4,194,966	4,194,966	4,194,966
Fund balance, December 31, 2021	\$ 6,810,521	\$ 6,603,861	\$ 5,827,231

## City of Akron, Ohio

Schedule of Revenues, Expenditures and  
Changes in Fund Balance - Budget and Actual -  
Emergency Medical Services Fund, Non-GAAP Budget Basis

For the Year Ended December 31, 2021

	<u>Budgeted Amounts (Unaudited)</u>		
	<u>Original</u>	<u>Final</u>	<u>Actual Amounts</u>
<b>Revenues and other sources</b>			
Revenues:			
Property taxes	\$ 8,372,520	\$ 8,318,401	\$ 8,329,580
Transport billing	2,155,793	3,067,863	1,924,221
Other revenue	562,380	800,310	75,790
	<u>11,090,693</u>	<u>12,186,574</u>	<u>10,329,591</u>
Other sources:			
General fund subsidy	9,945,000	9,945,000	10,353,210
Previous year's encumbrances	72,186	72,186	72,186
	<u>10,017,186</u>	<u>10,017,186</u>	<u>10,425,396</u>
Total revenues and other sources	21,107,879	22,203,760	20,754,987
<b>Expenditures</b>			
Fire:			
Wages/benefits	20,118,900	21,718,900	20,374,764
Other	1,313,520	1,455,706	1,365,809
	<u>21,432,420</u>	<u>23,174,606</u>	<u>21,740,573</u>
Total expenditures	21,432,420	23,174,606	21,740,573
Excess (deficiency) of revenues and other sources over expenditures	(324,541)	(970,846)	(985,586)
Fund balance, January 1, 2021	<u>1,018,875</u>	<u>1,018,875</u>	<u>1,018,875</u>
Fund balance, December 31, 2021	<u>\$ 694,334</u>	<u>\$ 48,029</u>	<u>\$ 33,289</u>

Note: Included in in General fund subsidy above is transfers in of \$10,353,210.

## City of Akron, Ohio

Schedule of Revenues, Expenditures and  
Changes in Fund Balance - Budget and Actual -  
Police Pension Employer's Liability Fund, Non-GAAP Budget Basis

For the Year Ended December 31, 2021

	<b>Budgeted Amounts (Unaudited)</b>		
	<b>Original</b>	<b>Final</b>	<b>Actual Amounts</b>
<b>Revenues</b>			
Property taxes	\$ 897,055	\$ 891,257	\$ 891,340
Total revenues	897,055	891,257	891,340
<b>Expenditures</b>			
Police:			
Wages/benefits	998,470	994,470	990,000
Other	375,830	375,830	360,309
Total expenditures	1,374,300	1,370,300	1,350,309
Excess (deficiency) of revenues over expenditures	(477,245)	(479,043)	(458,969)
Fund balance, January 1, 2021	479,083	479,083	479,083
Fund balance, December 31, 2021	\$ 1,838	\$ 40	\$ 20,114



## City of Akron, Ohio

Schedule of Revenues, Expenditures and  
Changes in Fund Balance - Budget and Actual -  
Fire Pension Employer's Liability Fund, Non-GAAP Budget Basis

For the Year Ended December 31, 2021

	<u>Budgeted Amounts (Unaudited)</u>		
	<u>Original</u>	<u>Final</u>	<u>Actual Amounts</u>
<b>Revenues</b>			
Property taxes	\$ 897,055	\$ 891,257	\$ 891,340
Total revenues	897,055	891,257	891,340
<b>Expenditures</b>			
Fire:			
Wages/benefits	998,470	994,470	990,000
Other	375,830	375,830	360,309
Total expenditures	1,374,300	1,370,300	1,350,309
Excess (deficiency) of revenues over expenditures	(477,245)	(479,043)	(458,969)
Fund balance, January 1, 2021	479,083	479,083	479,083
Fund balance, December 31, 2021	<u>\$ 1,838</u>	<u>\$ 40</u>	<u>\$ 20,114</u>

## City of Akron, Ohio

Schedule of Revenues, Expenditures and  
Changes in Fund Balance - Budget and Actual -  
Street and Highway Maintenance Fund, Non-GAAP Budget Basis

For the Year Ended December 31, 2021

	<b>Budgeted Amounts (Unaudited)</b>		
	<b>Original</b>	<b>Final</b>	<b>Actual Amounts</b>
<b>Revenues and other sources</b>			
Revenues:			
Gasoline tax	\$ 10,901,950	\$ 10,901,950	\$ 6,642,347
Motor vehicle license tax	3,311,830	3,311,830	3,887,764
Service revenues	2,229,670	2,229,670	47,919
Miscellaneous revenues	839,400	839,400	590,113
	<u>17,282,850</u>	<u>17,282,850</u>	<u>11,168,143</u>
Other sources:			
Previous year's encumbrances	375,128	375,128	375,128
Total revenues and other sources	17,657,978	17,657,978	11,543,271
<b>Expenditures</b>			
Public Service:			
Wages/benefits	7,806,740	7,806,740	7,357,905
Other	5,909,080	7,329,208	4,890,095
Total expenditures	<u>13,715,820</u>	<u>15,135,948</u>	<u>12,248,000</u>
Excess of revenues and other sources over expenditures	3,942,158	2,522,030	(704,729)
Fund balance, January 1, 2021	<u>2,167,338</u>	<u>2,167,338</u>	<u>2,167,338</u>
Fund balance, December 31, 2021	<u>\$ 6,109,496</u>	<u>\$ 4,689,368</u>	<u>\$ 1,462,609</u>

## City of Akron, Ohio

Schedule of Revenues, Expenditures and  
Changes in Fund Balance - Budget and Actual -  
Community Development Fund, Non-GAAP Budget Basis

For the Year Ended December 31, 2021

	<b>Budgeted Amounts (Unaudited)</b>		
	<b>Original</b>	<b>Final</b>	<b>Actual Amounts</b>
<b>Revenues and other sources</b>			
Revenues:			
Governmental revenues	\$ 13,588,515	\$ 15,329,175	\$ 5,540,925
Service revenues	28,990	32,700	-
Miscellaneous revenues	434,230	489,860	1,188,386
	14,051,735	15,851,735	6,729,311
Other sources:			
Previous year's encumbrances	350,505	350,505	350,505
Total revenues and other sources	14,402,240	16,202,240	7,079,816
<b>Expenditures</b>			
Department Wide:			
Wages/benefits	2,195,870	2,195,870	1,967,350
Other	9,673,980	13,524,485	8,129,521
Total expenditures	11,869,850	15,720,355	10,096,871
Excess (deficiency) of revenues and other sources over expenditures	2,532,390	481,885	(3,017,055)
Fund balance, January 1, 2021	996,536	996,536	996,536
Fund balance, December 31, 2021	\$ 3,528,926	\$ 1,478,421	\$ (2,020,519)

Note: Included in Miscellaneous revenues above is advances of \$60,000.

City of Akron, Ohio  
Schedule of Revenues, Expenditures and  
Changes in Fund Balance - Budget and Actual -  
Community Environment Grants Fund, Non-GAAP Budget Basis  
For the Year Ended December 31, 2021

	<b>Budgeted Amounts (Unaudited)</b>		
	<b>Original</b>	<b>Final</b>	<b>Actual Amounts</b>
<b>Revenues and other sources</b>			
Governmental revenues	\$ 4,260,070	\$ 4,260,070	\$ 1,203,573
Miscellaneous revenues	22,230	22,230	915
	<u>4,282,300</u>	<u>4,282,300</u>	<u>1,204,488</u>
Other Sources:			
Previous year's encumbrances	<u>53,455</u>	<u>53,455</u>	<u>53,455</u>
Total revenues and other sources	4,335,755	4,335,755	1,257,943
<b>Expenditures</b>			
Department Wide:			
Wages/benefits	17,100	27,100	23,897
Other	<u>4,130,000</u>	<u>4,183,455</u>	<u>2,138,572</u>
Total expenditures	4,147,100	4,210,555	2,162,469
Excess (deficiency) of revenues and other sources over expenditures	188,655	125,200	(904,526)
Fund balance, January 1, 2021	<u>231,820</u>	<u>231,820</u>	<u>231,820</u>
Fund balance, December 31, 2021	<u>\$ 420,475</u>	<u>\$ 357,020</u>	<u>\$ (672,706)</u>

City of Akron, Ohio  
Schedule of Revenues, Expenditures and  
Changes in Fund Balance - Budget and Actual -  
Akron Metropolitan Area Transportation Study Fund, Non-GAAP Budget Basis  
For the Year Ended December 31, 2021

	<b>Budgeted Amounts (Unaudited)</b>		
	<b>Original</b>	<b>Final</b>	<b>Actual Amounts</b>
<b>Revenues and other sources</b>			
Revenues:			
Federal/State grants	\$ 1,961,965	\$ 1,961,965	\$ 1,598,898
Service revenues	540	540	
Miscellaneous revenues	17,720	17,720	39,500
	<u>1,980,225</u>	<u>1,980,225</u>	<u>1,638,398</u>
Other sources:			
Previous year's encumbrances	<u>3,757</u>	<u>3,757</u>	<u>3,757</u>
Total revenues and other sources	1,983,982	1,983,982	1,642,155
<b>Expenditures</b>			
Planning:			
Wages/benefits	1,451,890	1,451,890	1,370,997
Other	<u>499,560</u>	<u>503,317</u>	<u>412,568</u>
Total expenditures	1,951,450	1,955,207	1,783,565
Excess (deficiency) of revenues and other sources over expenditures	32,532	28,775	(141,410)
Fund balance, January 1, 2021	<u>323,148</u>	<u>323,148</u>	<u>323,148</u>
Fund balance, December 31, 2021	<u>\$ 355,680</u>	<u>\$ 351,923</u>	<u>\$ 181,738</u>

Note: Included in Miscellaneous revenues above is transfer in of \$39,500.

City of Akron, Ohio  
 Schedule of Revenues, Expenditures and  
 Changes in Fund Balance - Budget and Actual -  
 H.O.M.E. Program Fund, Non-GAAP Budget Basis

For the Year Ended December 31, 2021

	<b>Budgeted Amounts (Unaudited)</b>		
	<b>Original</b>	<b>Final</b>	<b>Actual Amounts</b>
<b>Revenues and other sources</b>			
Governmental revenues	\$ 1,919,725	\$ 1,919,725	\$ 616,069
Miscellaneous revenues	109,250	109,250	55,848
	<u>2,028,975</u>	<u>2,028,975</u>	<u>671,917</u>
Other sources:			
Previous year's encumbrances	<u>258,081</u>	<u>258,081</u>	<u>258,081</u>
Total revenues and other sources	2,287,056	2,287,056	929,998
<b>Expenditures</b>			
Department Wide:			
Wages/Benefits	7,920	17,920	10,565
Other	<u>1,500,000</u>	<u>1,758,081</u>	<u>1,291,882</u>
Total expenditures	1,507,920	1,776,001	1,302,447
Excess (deficiency) of revenues and other sources over expenditures	779,136	511,055	(372,449)
Fund balance, January 1, 2021	<u>732,741</u>	<u>732,741</u>	<u>732,741</u>
Fund balance, December 31, 2021	<u>\$ 1,511,877</u>	<u>\$ 1,243,796</u>	<u>\$ 360,292</u>

City of Akron, Ohio

Schedule of Revenues, Expenditures and  
Changes in Fund Balance - Budget and Actual -  
Tax Equivalency Fund, Non-GAAP Budget Basis

For the Year Ended December 31, 2021

	<b>Budgeted Amounts (Unaudited)</b>		
	<b>Original</b>	<b>Final</b>	<b>Actual Amounts</b>
<b>Revenues and other sources</b>			
Revenues:			
Taxes and assessments	\$ 17,397,715	\$ 17,397,715	\$ 16,652,762
Miscellaneous revenues	18,710	18,710	20,725
	<u>17,416,425</u>	<u>17,416,425</u>	<u>16,673,487</u>
Other sources:			
Previous year's encumbrances	-	-	-
Total revenues and other sources	17,416,425	17,416,425	16,673,487
<b>Expenditures</b>			
Department Wide:			
Other	<u>18,731,570</u>	<u>18,731,570</u>	<u>15,788,073</u>
Total expenditures	18,731,570	18,731,570	15,788,073
Excess (deficiency) of revenues and other sources over expenditures	(1,315,145)	(1,315,145)	885,414
Fund balance, January 1, 2021	<u>7,569,605</u>	<u>7,569,605</u>	<u>7,569,605</u>
Fund balance, December 31, 2021	<u>\$ 6,254,460</u>	<u>\$ 6,254,460</u>	<u>\$ 8,455,019</u>

City of Akron, Ohio  
 Schedule of Revenues, Expenditures and  
 Changes in Fund Balance - Budget and Actual -  
 Special Revenue Loans Fund, Non-GAAP Budget Basis

For the Year Ended December 31, 2021

	<b>Budgeted Amounts (Unaudited)</b>		
	<b>Original</b>	<b>Final</b>	<b>Actual Amounts</b>
<b>Revenues</b>			
Miscellaneous revenues	\$ 52,650	\$ 52,650	\$ 45
Total revenues	52,650	52,650	45
<b>Expenditures</b>			
Office of the Mayor:			
Other	10,000	10,000	-
Total expenditures	10,000	10,000	-
Excess of revenues over expenditures	42,650	42,650	45
Fund balance, January 1, 2021	11,911	11,911	11,911
Fund balance, December 31, 2021	\$ 54,561	\$ 54,561	\$ 11,956



City of Akron, Ohio  
Schedule of Revenues, Expenditures and  
Changes in Fund Balance - Budget and Actual -  
Joint Economic Development Districts Fund, Non-GAAP Budget Basis

For the Year Ended December 31, 2021

	<b>Budgeted Amounts (Unaudited)</b>		
	<b>Original</b>	<b>Final</b>	<b>Actual Amounts</b>
<b>Revenues and other sources</b>			
Revenues:			
JEDD revenues	\$ 20,851,270	\$ 20,851,270	\$ 13,047,577
Service revenues	235,020	235,020	1,039,957
Miscellaneous revenues	1,395,250	1,395,250	800,221
	22,481,540	22,481,540	14,887,755
Other sources:			
Previous year's encumbrances	412,294	412,294	412,294
Total revenues and other sources	22,893,834	22,893,834	15,300,049
<b>Expenditures</b>			
Department Wide:			
Wages/benefits	709,650	819,650	691,764
Other	18,522,210	19,969,504	15,892,181
Total expenditures	19,231,860	20,789,154	16,583,945
Excess of revenues and other sources over expenditures	3,661,974	2,104,680	(1,283,896)
Fund balance, January 1, 2021	3,640,289	3,640,289	3,640,289
Fund balance, December 31, 2021	\$ 7,302,263	\$ 5,744,969	\$ 2,356,393

City of Akron, Ohio

Schedule of Revenues, Expenditures and  
Changes in Fund Balance - Budget and Actual -  
Akron Municipal Court Information System Fund, Non-GAAP Budget Basis

For the Year Ended December 31, 2021

	<b>Budgeted Amounts (Unaudited)</b>		
	<b>Original</b>	<b>Final</b>	<b>Actual Amounts</b>
<b>Revenues and other sources</b>			
Revenues:			
Service revenues	\$ 376,350	\$ 1,076,350	\$ 166,027
Other sources:			
Previous year's encumbrances	271,250	271,250	271,250
Total revenues and other sources	647,600	1,347,600	437,277
<b>Expenditures</b>			
Court Clerk:			
Wages and Benefits	68,270	68,270	58,207
Other	357,000	912,553	299,723
	425,270	980,823	357,930
Judges:			
Wages and Benefits	68,270	68,270	58,206
Other	390,000	736,197	374,864
	458,270	804,467	433,070
Total expenditures	883,540	1,785,290	791,000
Deficiency of revenues and other sources over expenditures	(235,940)	(437,690)	(353,723)
Fund balance, January 1, 2021	905,439	905,439	905,439
Fund balance, December 31, 2021	\$ 669,499	\$ 467,749	\$ 551,716

## City of Akron, Ohio

Schedule of Revenues, Expenditures and  
Changes in Fund Balance - Budget and Actual -  
Police Grants Fund, Non-GAAP Budget Basis

For the Year Ended December 31, 2021

	<b>Budgeted Amounts (Unaudited)</b>		
	<b>Original</b>	<b>Final</b>	<b>Actual Amounts</b>
<b>Revenues and other sources</b>			
Revenues:			
Governmental revenues	\$ 4,415,980	\$ 4,725,210	\$ 1,603,476
Miscellaneous revenues	11,020	11,790	336,218
	4,427,000	4,737,000	1,939,694
Other sources:			
Previous year's encumbrances	45,160	45,160	45,160
Total revenues and other sources	4,472,160	4,782,160	1,984,854
<b>Expenditures</b>			
Police:			
Wages/benefits	1,557,600	1,582,600	973,899
Other	1,545,290	1,705,450	1,548,063
Total expenditures	3,102,890	3,288,050	2,521,962
Excess (deficiency) of revenues and other sources over expenditures	1,369,270	1,494,110	(537,108)
Fund balance, January 1, 2021	174,947	174,947	174,947
Fund balance, December 31, 2021	\$ 1,544,217	\$ 1,669,057	\$ (362,161)

Note: Included in Miscellaneous revenues above is advances of \$300,000 and transfers in of \$8,730.

## City of Akron, Ohio

Schedule of Revenues, Expenditures and  
Changes in Fund Balance - Budget and Actual -  
Safety Programs Fund, Non-GAAP Budget Basis

For the Year Ended December 31, 2021

	<b>Budgeted Amounts (Unaudited)</b>		
	<b>Original</b>	<b>Final</b>	<b>Actual Amounts</b>
<b>Revenues and other sources</b>			
Revenues:			
Governmental revenues	\$ 1,986,165	\$ 1,986,165	\$ 1,505,950
Income Taxes	5,092,950	5,092,950	-
Intrafund Transfers			2,465,992
Service revenues	1,711,240	1,711,240	417,842
Miscellaneous revenues	213,170	213,170	256,688
	<u>9,003,525</u>	<u>9,003,525</u>	<u>4,646,472</u>
Other sources:			
Previous year's encumbrances	198,100	198,100	198,100
	<u>198,100</u>	<u>198,100</u>	<u>198,100</u>
Total revenues and other sources	9,201,625	9,201,625	4,844,572
<b>Expenditures</b>			
Public Safety:			
Wages/benefits	538,570	538,570	502,235
Other	259,480	259,480	2,247
	<u>798,050</u>	<u>798,050</u>	<u>504,482</u>
Fire:			
Other	1,169,180	1,449,447	1,078,147
	<u>1,169,180</u>	<u>1,449,447</u>	<u>1,078,147</u>
Police:			
Wages/benefits	1,016,290	1,016,290	715,173
Other	1,435,900	1,528,732	194,003
	<u>2,452,190</u>	<u>2,545,022</u>	<u>909,176</u>
Total expenditures	3,250,240	3,343,072	1,413,658
Excess (deficiency) of revenues and other sources over expenditures	5,951,385	5,858,553	3,430,914
Fund balance, January 1, 2021	<u>1,382,040</u>	<u>1,382,040</u>	<u>1,382,040</u>
Fund balance, December 31, 2021	<u>\$ 7,333,425</u>	<u>\$ 7,240,593</u>	<u>\$ 4,812,954</u>

Note: Included in Intrafund Transfers above is advances of \$270,000

City of Akron, Ohio  
Schedule of Revenues, Expenditures and  
Changes in Fund Balance - Budget and Actual -  
City Facilities Operating Fund, Non-GAAP Budget Basis  
For the Year Ended December 31, 2021

	<b>Budgeted Amounts (Unaudited)</b>		
	<b>Original</b>	<b>Final</b>	<b>Actual Amounts</b>
<b>Revenues and other sources</b>			
Revenues:			
Service revenues	\$ 823,975	\$ 823,975	\$ 595,452
Miscellaneous revenues	3,765,350	3,765,350	314,121
Total revenues and other sources	4,589,325	4,589,325	909,573
<b>Expenditures</b>			
Department Wide:			
Other	1,210,000	1,210,000	1,041,142
Total expenditures	1,210,000	1,210,000	1,041,142
Excess (deficiency) of revenues and other sources over expenditures	3,379,325	3,379,325	(131,569)
Fund balance, January 1, 2021	104,589	104,589	104,589
Fund balance, December 31, 2021	\$ 3,483,914	\$ 3,483,914	\$ (26,980)

## City of Akron, Ohio

Schedule of Revenues, Expenditures and  
Changes in Fund Balance - Budget and Actual -  
Deposits Fund, Non-GAAP Budget Basis

For the Year Ended December 31, 2021

	<b>Budgeted Amounts (Unaudited)</b>		
	<b>Original</b>	<b>Final</b>	<b>Actual Amounts</b>
<b>Revenues</b>			
Miscellaneous revenues	\$ 1,273,600	\$ 3,273,600	\$ 676,230
Total revenues	1,273,600	3,273,600	676,230
<b>Expenditures</b>			
Finance:			
Other	1,500,000	5,434,550	1,368,459
Total expenditures	1,500,000	5,434,550	1,368,459
Excess (deficiency) of revenues over expenditures	(226,400)	(2,160,950)	(692,229)
Fund balance, January 1, 2021	2,994,009	2,994,009	2,994,009
Fund balance, December 31, 2021	\$ 2,767,609	\$ 833,059	\$ 2,301,780

City of Akron, Ohio  
Schedule of Revenues, Expenditures and  
Changes in Fund Balance - Budget and Actual -  
Police, Fire, and Road Activity Fund, Non-GAAP Budget Basis  
For the Year Ended December 31, 2021

	<b>Budgeted Amounts (Unaudited)</b>		
	<b>Original</b>	<b>Final</b>	<b>Actual Amounts</b>
<b>Revenues and other sources</b>			
Revenues:			
Income Taxes	\$ 17,259,450	\$ 17,259,450	\$ 17,732,371
Other	-	-	1,200,000
Total revenues	17,259,450	17,259,450	18,932,371
Other Sources			
Previous year's encumbrances	1,055,051	1,055,051	1,055,051
Total revenues and other sources	18,314,501	18,314,501	19,987,422
<b>Expenditures</b>			
Department Wide:			
Wages/benefits	-	200,000	-
Other	24,555,170	25,410,221	15,934,442
	24,555,170	25,610,221	15,934,442
Total expenditures	24,555,170	25,610,221	15,934,442
Excess of revenues and other sources over expenditures	(6,240,669)	(7,295,720)	4,052,980
Fund balance, January 1, 2021	9,532,011	9,532,011	9,532,011
Fund balance December 31, 2021	\$ 3,291,342	\$ 2,236,291	\$ 13,584,991

## City of Akron, Ohio

Schedule of Revenues, Expenditures and  
Changes in Fund Balance - Budget and Actual -  
General Grants Fund, Non-GAAP Budget Basis

For the Year Ended December 31, 2021

	<b>Budgeted Amounts (Unaudited)</b>		
	<b>Original</b>	<b>Final</b>	<b>Actual Amounts</b>
<b>Revenues and other sources</b>			
Revenues:			
Other	\$ 1,300,000	\$ 1,600,000	\$ 244,491
Total revenues	1,300,000	1,600,000	244,491
<b>Expenditures</b>			
Department Wide:			
Wages	167,530	167,530	76,908
Other	1,126,830	1,276,830	151,759
	1,294,360	1,444,360	228,667
Total expenditures	1,294,360	1,444,360	228,667
Excess of revenues over expenditures	5,640	155,640	15,824
Fund balance, January 1, 2021	49,277	49,277	49,277
Fund balance December 31, 2021	\$ 54,917	\$ 204,917	\$ 65,101



## City of Akron, Ohio

Schedule of Revenues, Expenditures and  
Changes in Fund Balance - Budget and Actual -  
General Bond Payment Fund, Non-GAAP Budget Basis

For the Year Ended December 31, 2021

	<b>Budgeted Amounts (Unaudited)</b>		
	<b>Original</b>	<b>Final</b>	<b>Actual Amounts</b>
<b>Revenues and other sources</b>			
Revenues:			
Property taxes	\$ 1,853,916	\$ 1,839,083	\$ 1,842,950
Other sources:			
Previous year's encumbrances	5,463	5,463	5,463
Total revenues and other sources	1,859,379	1,844,546	1,848,413
<b>Expenditures</b>			
Finance:			
Wages/benefits	422,630	422,630	422,531
Other	1,227,480	1,232,943	1,232,823
Total expenditures	1,650,110	1,655,573	1,655,354
Excess (deficiency) of revenues and other sources over expenditures	209,269	188,973	193,059
Fund balance, January 1, 2021	53,751	53,751	53,751
Fund balance, December 31, 2021	\$ 263,020	\$ 242,724	\$ 246,810

## City of Akron, Ohio

Schedule of Revenues, Expenditures and  
Changes in Fund Balance - Budget and Actual -  
Streets Fund, Non-GAAP Budget Basis

For the Year Ended December 31, 2021

	<b>Budgeted Amounts (Unaudited)</b>		
	<b>Original</b>	<b>Final</b>	<b>Actual Amounts</b>
<b>Revenues and other sources</b>			
Revenues:			
Taxes, Assesments and JEDD	\$ 1,779,195	\$ 2,308,385	\$ -
Intergovernmental revenues	7,387,570	9,584,850	237,557
Service revenues	-	-	19,724
Miscellaneous revenues	4,764,640	6,181,780	2,643,035
	13,931,405	18,075,015	2,900,316
Other sources:			
Note/Bond proceeds	6,241,470	8,097,860	12,042,099
Previous year's encumbrances	3,378,735	3,378,735	3,378,735
	9,620,205	11,476,595	15,420,834
Total revenues and other sources	23,551,610	29,551,610	18,321,150
<b>Expenditures</b>			
Department Wide:			
Wages/benefits	1,046,200	1,046,200	819,505
Other	18,231,560	23,610,295	17,426,440
Total expenditures	19,277,760	24,656,495	18,245,945
Excess (deficiency) of revenues and other sources over expenditures	4,273,850	4,895,115	75,205
Fund balance, January 1, 2021	(3,343,879)	(3,343,879)	(3,343,879)
Fund balance, December 31, 2021	\$ 929,971	\$ 1,551,236	\$ (3,268,674)

City of Akron, Ohio  
 Schedule of Revenues, Expenditures and  
 Changes in Fund Balance - Budget and Actual -  
 Information Technology and Improvements Fund, Non-GAAP Budget Basis

For the Year Ended December 31, 2021

	<b>Budgeted Amounts (Unaudited)</b>		
	<b>Original</b>	<b>Final</b>	<b>Actual Amounts</b>
<b>Revenues</b>			
Other	\$ -	\$ -	\$ 750,000
Other Sources:			
Note Bond Proceeds	973,300	1,973,300	-
Previous year's encumbrances	53,381	53,381	53,381
Total other sources	1,026,681	2,026,681	53,381
Total revenues and other sources	1,026,681	2,026,681	803,381
<b>Expenditures</b>			
Department Wide:			
Other	1,206,000	1,959,381	1,107,934
Total expenditures	1,206,000	1,959,381	1,107,934
Excess (deficiency) of revenues and other sources over expenditures	(179,319)	67,300	(304,553)
Fund balance, January 1, 2021	402,922	402,922	402,922
Fund balance (deficit), December 31, 2021	\$ 223,603	\$ 470,222	\$ 98,369

Note: Included in Other revenues above is transfers in of \$750,000.

## City of Akron, Ohio

Schedule of Revenues, Expenditures and  
Changes in Fund Balance - Budget and Actual -  
Parks and Recreation Fund, Non-GAAP Budget Basis

For the Year Ended December 31, 2021

	<b>Budgeted Amounts (Unaudited)</b>		
	<b>Original</b>	<b>Final</b>	<b>Actual Amounts</b>
<b>Revenues and other sources</b>			
Revenues:			
Miscellaneous revenues	\$ 2,756,860	\$ 2,756,860	\$ 1,204,114
Total revenues	2,756,860	2,756,860	1,204,114
Other sources:			
Note/Bond proceeds	2,250,490	2,250,490	-
Previous years encumbrances	148,046	148,046	148,046
Total other sources	2,398,536	2,398,536	148,046
Total revenues and other sources	5,155,396	5,155,396	1,352,160
<b>Expenditures</b>			
Department Wide:			
Other	20,000	40,000	26,261
Capital outlay	5,135,000	5,338,046	2,061,013
Total expenditures	5,155,000	5,378,046	2,087,274
Excess (deficiency) of revenues and other sources over expenditures	396	(222,650)	(735,114)
Fund balance, January 1, 2021	447,794	447,794	447,794
Fund balance, December 31, 2021	\$ 448,190	\$ 225,144	\$ (287,320)

City of Akron, Ohio  
Schedule of Revenues, Expenditures and  
Changes in Fund Balance - Budget and Actual -  
Public Facilities and Improvements Fund, Non-GAAP Budget Basis  
For the Year Ended December 31, 2021

	<b>Budgeted Amounts (Unaudited)</b>		
	<b>Original</b>	<b>Final</b>	<b>Actual Amounts</b>
<b>Revenues and other sources</b>			
Revenues:			
Miscellaneous revenues	\$ 5,991,625	\$ 5,991,625	\$ 5,827,023
Other sources:			
Previous year's encumbrances	143,633	143,633	143,633
Total revenues and other sources	6,135,258	6,135,258	5,970,656
<b>Expenditures</b>			
Department Wide:			
Wages	-	50,000	31,600
Other	5,728,000	5,821,633	625,270
Total expenditures	5,728,000	5,871,633	656,870
Excess (deficiency) of revenues and other sources over expenditures	407,258	263,625	5,313,786
Fund deficit, January 1, 2021	(35,837)	(35,837)	(35,837)
Fund balance (deficit), December 31, 2021	\$ 371,421	\$ 227,788	\$ 5,277,949

## City of Akron, Ohio

Schedule of Revenues, Expenditures and  
Changes in Fund Balance - Budget and Actual -  
Public Parking Fund, Non-GAAP Budget Basis

For the Year Ended December 31, 2021

	<b>Budgeted Amounts (Unaudited)</b>		
	<b>Original</b>	<b>Final</b>	<b>Actual Amounts</b>
<b>Revenues and other sources</b>			
Revenues:			
Miscellaneous revenues	\$ 2,041,125	\$ 2,041,125	\$ 100,000
Other sources:			
Previous year's encumbrances	291,500	291,500	291,500
Total revenues and other sources	2,332,625	2,332,625	391,500
<b>Expenditures</b>			
Department Wide:			
Other	2,235,000	2,526,500	1,469,411
Total expenditures	2,235,000	2,526,500	1,469,411
Deficiency of revenues and other sources over expenditures	97,625	(193,875)	(1,077,911)
Fund balance, January 1, 2021	267,322	267,322	267,322
Fund balance (deficit), December 31, 2021	\$ 364,947	\$ 73,447	\$ (810,589)

City of Akron, Ohio  
Schedule of Revenues, Expenditures and  
Changes in Fund Balance - Budget and Actual -  
Economic Development Fund, Non-GAAP Budget Basis  
For the Year Ended December 31, 2021

	<b>Budgeted Amounts (Unaudited)</b>		
	<b>Original</b>	<b>Final</b>	<b>Actual Amounts</b>
<b>Revenues and other sources</b>			
Revenues:			
Intergovernmental Revenues	\$ 919,145	\$ 919,145	\$ 715,518
Miscellaneous revenues	100,220	100,220	567,736
	<u>1,019,365</u>	<u>1,019,365</u>	<u>1,283,254</u>
Other sources:			
Note/Bond proceeds	1,497,110	1,497,110	-
Previous year's encumbrances	32,591	32,591	32,591
	<u>1,529,701</u>	<u>1,529,701</u>	<u>32,591</u>
Total revenues and other sources	2,549,066	2,549,066	1,315,845
<b>Expenditures</b>			
Department Wide:			
Other	1,588,410	1,621,001	1,200,871
Total expenditures	1,588,410	1,621,001	1,200,871
Deficiency of revenues and other sources over expenditures	960,656	928,065	114,974
Fund balance, January 1, 2021	142,993	142,993	142,993
Fund balance, December 31, 2021	<u>\$ 1,103,649</u>	<u>\$ 1,071,058</u>	<u>\$ 257,967</u>

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### **NON-MAJOR ENTERPRISE FUNDS**

**Enterprise Funds** – are used to account for operations that are financed and operated in a manner similar to private business enterprises, where the intent of the governing body is that the costs of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges. The non-major Enterprise Funds are as follows:

- Oil and Gas
- Golf Course
- Airport

City of Akron, Ohio  
Combining Statement of Net Position - Non-Major Enterprise Funds  
December 31, 2021

C-1

	Oil and Gas	Golf Course	Airport	Total
<b>Assets</b>				
Current assets:				
Pooled cash and investments	\$ 279,094	\$ 103,857	\$ 70,964	\$ 453,915
Receivables, net of allowances for uncollectibles	860	-	66,961	67,821
Due from other governments	-	-	715,481	715,481
Due from other funds	-	-	67,218	67,218
Inventories, at cost	-	89,029	-	89,029
Total current assets	279,954	192,886	920,624	1,393,464
Noncurrent assets:				
Net pension asset	-	8,853	-	8,853
Net OPEB asset	-	63,172	-	63,172
Total noncurrent assets	-	72,025	-	72,025
Property, plant and equipment, net of accumulated depreciation	395,487	1,152,384	10,548,841	12,096,712
Total assets	675,441	1,417,295	11,469,465	13,562,201
<b>Deferred Outflows of Resources</b>	-	111,536	-	111,536
Total assets and deferred outflows	675,441	1,528,831	11,469,465	13,673,737
<b>Liabilities</b>				
Current liabilities:				
Accounts payable	-	85,814	1,216,423	1,302,237
Due to other governments	9	-	-	9
Advances from other funds	-	-	365,000	365,000
Due to other funds	126	290	827	1,243
Accrued liabilities	62,570	3,248	139,273	205,091
Accrued wages	-	8,130	-	8,130
Accrued vacation and leave	-	31,533	-	31,533
Obligations under capital lease	-	26,612	-	26,612
Total current liabilities	62,705	155,627	1,721,523	1,939,855
Noncurrent liabilities:				
Obligations under capital lease	-	87,495	-	87,495
Due in more than one year	312,850	65,725	-	378,575
Net pension liability	-	535,983	-	535,983
Net OPEB liability	-	40,375	-	40,375
Total noncurrent liabilities	312,850	729,578	-	1,042,428
Total liabilities	375,555	885,205	1,721,523	2,982,283
<b>Deferred Inflows of Resources</b>	-	331,624	-	331,624
Total liabilities and deferred inflows	375,555	1,216,829	1,721,523	3,313,907
<b>Net Position</b>				
Net investment in capital assets	395,487	1,152,384	10,548,841	12,096,712
Unrestricted (deficit)	(95,601)	(840,382)	(800,899)	(1,736,882)
Total net position	\$ 299,886	\$ 312,002	\$ 9,747,942	\$ 10,359,830

City of Akron, Ohio  
Combining Statement of Revenues, Expenses and Changes in Fund Net Position - Nonmajor Enterprise Funds  
For the Year Ended December 31, 2021

C-2

	<b>Oil and Gas</b>	<b>Golf Course</b>	<b>Airport</b>	<b>Total</b>
<b>Operating revenues</b>				
Charges for services	\$ -	\$ 1,183,016	\$ 150,835	\$ 1,333,851
Other	86,786	259,608	762,081	1,108,475
	<u>86,786</u>	<u>1,442,624</u>	<u>912,916</u>	<u>2,442,326</u>
<b>Operating expenses</b>				
Personal services	-	231,431	346	231,777
Direct expenses	1,957	776,979	1,312,259	2,091,195
Claims	-	-	6,000	6,000
Rentals and lease	-	64,786	-	64,786
Utilities	118	31,909	2,562	34,589
Insurance	16,686	90,936	8,172	115,794
Depreciation, depletion and amortization	-	65,684	262,148	327,832
Other	-	26,562	-	26,562
	<u>18,761</u>	<u>1,288,287</u>	<u>1,591,487</u>	<u>2,898,535</u>
Operating income (loss)	<u>68,025</u>	<u>154,337</u>	<u>(678,571)</u>	<u>(456,209)</u>
Interest expense	-	(460)	-	(460)
Other revenues (expenses)	-	-	23,000	23,000
	<u>-</u>	<u>(460)</u>	<u>23,000</u>	<u>22,540</u>
Income (loss) before transfers	68,025	153,877	(655,571)	(433,669)
Transfers-in	-	654,000	365,000	1,019,000
Capital contributions	-	-	3,695,515	3,695,515
	<u>-</u>	<u>654,000</u>	<u>4,060,515</u>	<u>4,714,515</u>
Change in net position	68,025	807,877	3,404,944	4,280,846
Net position, January 1, 2021	231,861	(495,875)	6,342,998	6,078,984
Net position, December 31, 2021	<u>\$ 299,886</u>	<u>\$ 312,002</u>	<u>\$ 9,747,942</u>	<u>\$ 10,359,830</u>

City of Akron, Ohio  
Combining Statement of Cash Flows - Non-Major Enterprise Funds  
For the Year Ended December 31, 2021

	Oil and Gas	Golf	Airport	Total Non-Major Enterprise Funds
<b>Operating activities</b>				
Cash received from customers	7,128	1,183,016	104,743	1,294,887
Cash payments to suppliers for goods and services	(19,273)	(927,390)	(818,308)	(1,764,971)
Cash paid for salaries and employee benefits	-	(774,318)	(29,846)	(804,164)
Other revenues	86,786	259,608	762,081	1,108,475
Other expenses	-	(26,562)	-	(26,562)
Net cash provided by (used for) operating activities	74,641	(285,646)	18,670	(192,335)
<b>Non-capital financing activities</b>				
Transfers from other funds	-	654,000	365,000	1,019,000
Transfers/advances in for negative cash balances	-	(260,000)	(635,000)	(895,000)
Net cash provided by non-capital financing activities	-	394,000	(270,000)	124,000
<b>Capital and related financing activities</b>				
Interest paid on bonds and loans	-	(460)	-	(460)
Acquisition and construction of capital assets	-	(31,919)	(3,378,222)	(3,410,141)
Capital Contributions	-	-	3,695,515	3,695,515
Net cash provided by (used for) capital and related financing activities	-	(32,379)	317,293	284,914
Net increase (decrease) in cash and cash equivalents	74,641	75,975	65,963	216,579
Cash and cash equivalents, January 1, 2021	204,453	27,882	5,001	237,336
Cash and cash equivalents, December 31, 2021	279,094	103,857	70,964	453,915

	<b>Oil and Gas</b>	<b>Golf</b>	<b>Airport</b>	<b>Total Non-Major Enterprise Funds</b>
Operating income (loss)	68,025	154,337	(678,571)	(456,209)
Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities:				
Depreciation, depletion and amortization	-	65,684	262,148	327,832
(Increase) decrease in operating assets:				
Receivables	7,128	-	21,126	28,254
Due from other funds	-	-	(67,218)	(67,218)
Inventories	-	(6,815)	-	(6,815)
Increase (decrease) in operating liabilities:				
Accounts payable	(619)	70,732	503,858	573,971
Due to other funds	98	(26,697)	827	(25,772)
Due to other governments	9	-	-	9
Accrued liabilities	-	(537,673)	(23,500)	(561,173)
Accrued wages	-	(8,012)	-	(8,012)
Accrued vacation and leave	-	2,798	-	2,798
Net cash provided by (used for) operating activities	74,641	(285,646)	18,670	(192,335)

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## **INTERNAL SERVICE FUNDS**

**Internal Service Funds** – are used to account for the financing of goods or services provided by one department or agency to other departments or agencies of the City, or to other governmental units, on a cost-reimbursement basis. The title of the funds indicate the type of service provided. The Internal Service Funds are:

- Motor Equipment
- Medical Self-Insurance
- Workers' Compensation Reserve
- Self-Insurance Settlement
- Telephone System
- Engineering Bureau
- Information Technology

City of Akron, Ohio  
Combining Statement of Net Position - Internal Service Funds  
December 31, 2021

D-1

	Motor Equipment	Medical Self- Insurance	Workers' Compensation Reserve
<b>Assets</b>			
Current assets:			
Pooled cash and investments	\$ 16,182	\$ 4,487,074	\$ 3,770,004
Receivables, net of allowances from uncollectibles	72,947	39,132	-
Due from other funds	769,839	-	-
Inventories, at cost	638,692	-	-
Total current assets	1,497,660	4,526,206	3,770,004
Noncurrent assets:			
Net pension asset	26,414	6,606	-
Net OPEB asset	186,501	46,522	-
Property, plant and equipment, net of accumulated depreciation	1,297,205	-	-
Total noncurrent assets	1,510,120	53,128	-
Total assets	3,007,780	4,579,334	3,770,004
<b>Deferred Outflows of Resources</b>	404,375	86,396	-
Total assets and deferred outflows	3,412,155	4,665,730	3,770,004
<b>Liabilities</b>			
Current liabilities:			
Accounts payable	403,290	1,417,026	310,058
Advances from other funds	50,000	-	-
Due to other funds	94,403	5,915	32
Accrued liabilities	19,059	2,171	1,608,886
Accrued wages	65,563	7,698	-
Accrued vacation and leave	141,905	55,871	-
Liability for unpaid claims	-	3,905,631	146,036
Debt:			
Total current liabilities	774,220	5,394,312	2,065,012
Noncurrent liabilities:			
Due in more than one year	621,553	3,819	438,077
Net pension liability	1,599,559	401,240	-
Net OPEB liability	1,124,910	27,722	-
Total noncurrent liabilities	3,346,022	432,781	438,077
Total liabilities	4,120,242	5,827,093	2,503,089
<b>Deferred Inflows of Resources</b>	1,569,493	335,500	-
Total liabilities and deferred inflows	5,689,735	6,162,593	2,503,089
<b>Net Position</b>			
Net investment in capital assets	1,297,205	-	-
Unrestricted (deficit)	(3,574,785)	(1,496,863)	1,266,915
Total net position	\$ (2,277,580)	\$ (1,496,863)	\$ 1,266,915



<b>Self- Insurance Settlement</b>	<b>Telephone System</b>	<b>Engineering Bureau</b>	<b>Information Technology</b>	<b>Total Internal Service Funds</b>
\$ 17,942	\$ 416,254	\$ 14,242	\$ 512,326	\$ 9,234,024
-	-	-	-	112,079
-	97,654	2,553,750	-	3,421,243
-	-	-	-	638,692
17,942	513,908	2,567,992	512,326	13,406,038
-	-	32,859	16,316	82,195
-	-	222,328	119,226	574,577
-	153,578	73,854	189,853	1,714,490
-	153,578	329,041	325,395	2,371,262
17,942	667,486	2,897,033	837,721	15,777,300
-	-	562,511	258,652	1,311,934
17,942	667,486	3,459,544	1,096,373	17,089,234
-	26,209	31,651	169,584	2,357,818
-	-	-	-	50,000
-	4,986	1,751,144	335	1,856,815
-	205	16,339	11,640	1,658,300
-	680	73,672	39,886	187,499
-	-	307,102	89,042	593,920
657,623	-	-	-	4,709,290
657,623	32,080	2,179,908	310,487	11,413,642
-	-	1,914,400	650,011	3,627,860
-	-	2,038,992	973,853	5,013,644
-	-	1,867,250	947,951	3,967,833
-	-	5,820,642	2,571,815	12,609,337
657,623	32,080	8,000,550	2,882,302	24,022,979
-	-	2,161,957	1,079,718	5,146,668
657,623	32,080	10,162,507	3,962,020	29,169,647
-	153,578	73,854	189,853	1,714,490
(639,681)	481,828	(6,776,817)	(3,055,500)	(13,794,903)
\$ (639,681)	\$ 635,406	\$ (6,702,963)	\$ (2,865,647)	\$ (12,080,413)

Combining Statement of Revenues, Expenses and Changes in Fund Net Position - Internal Service Funds  
For the Year Ended December 31, 2021

	<b>Motor Equipment</b>	<b>Medical Self- Insurance</b>	<b>Workers' Compensation Reserve</b>
<b>Operating revenues</b>			
Charges for services	\$ 8,092,070	\$ 37,348,817	\$ -
Other	15,209	5,349,794	67,345
	<u>8,107,279</u>	<u>42,698,611</u>	<u>67,345</u>
<b>Operating expenses</b>			
Personal services	1,640,891	62,253	-
Direct expenses	5,549,607	5,148,431	2,433,274
Claims	-	36,045,224	-
Rentals and lease	94	30,477	-
Utilities	53,898	2,357	-
Insurance	14,251	-	-
Depreciation, depletion and amortization	52,711	-	-
Other	6,236	16	-
	<u>7,317,688</u>	<u>41,288,758</u>	<u>2,433,274</u>
Operating income (loss)	<u>789,591</u>	<u>1,409,853</u>	<u>(2,365,929)</u>
<b>Nonoperating revenues (expenses)</b>			
Interest income	-	-	23
	<u>-</u>	<u>-</u>	<u>23</u>
Gain (loss) before transfers	<u>789,591</u>	<u>1,409,853</u>	<u>(2,365,906)</u>
Transfers-in	-	-	-
Changes in net position	<u>789,591</u>	<u>1,409,853</u>	<u>(2,365,906)</u>
Net position (deficit), January 1, 2021	<u>(3,067,171)</u>	<u>(2,906,716)</u>	<u>3,632,821</u>
Net position (deficit), December 31, 2021	<u><u>\$ (2,277,580)</u></u>	<u><u>\$ (1,496,863)</u></u>	<u><u>\$ 1,266,915</u></u>

Self- Insurance Settlement	Telephone System	Engineering Bureau	Information Technology	Total Internal Service Funds
\$ -	\$ 858,000	\$ 3,947,213	\$ 132,535	\$ 50,378,635
121,802	16,405	10,949	4,071,572	9,653,076
121,802	874,405	3,958,162	4,204,107	60,031,711
-	115,201	4,155	1,636,165	3,458,665
48,242	403,074	388,310	3,584,029	17,554,967
-	-	-	-	36,045,224
-	-	245,460	229,530	505,561
-	105,955	17,651	3,156	183,017
-	-	14,325	1,302	29,878
-	17,883	4,964	249,794	325,352
-	1,566	-	-	7,818
48,242	643,679	674,865	5,703,976	58,110,482
73,560	230,726	3,283,297	(1,499,869)	1,921,229
-	-	-	-	23
-	-	-	-	23
73,560	230,726	3,283,297	(1,499,869)	1,921,252
-	-	-	750,000	750,000
73,560	230,726	3,283,297	(749,869)	2,671,252
(713,241)	404,680	(9,986,260)	(2,115,778)	(14,751,665)
\$ (639,681)	\$ 635,406	\$ (6,702,963)	\$ (2,865,647)	\$ (12,080,413)

City of Akron, Ohio  
Combining Statement of Cash Flows - Internal Service Funds  
For the Year Ended December 31, 2021

	Motor Equipment	Medical Self - Insurance	Workers' Compensation	Self - Insurance Settlement
<b>Operating activities</b>				
Cash received from customers	7,894,505	38,028,012	-	
Cash payments to suppliers for goods and services	(5,210,632)	(7,068,887)	(216,892)	
Cash paid for salaries and employee benefits	(2,776,307)	(36,749,808)	(2,045,740)	(121,802)
Other revenues	15,209	5,349,794	67,345	121,802
Other expense	(6,236)	(16)	-	
Net cash provided by (used for) operating activities	(83,461)	(440,905)	(2,195,287)	-
<b>Non-capital financing activities</b>				
Transfers from other funds	-	-	-	-
Transfers/advances in for negative cash balances	50,000	-	-	-
Principal paid on bonds, loans and notes	-	-	-	-
Interest paid on bonds, loans and notes	-	-	-	-
Net cash provided by (used for) non-capital financing activities	50,000	-	-	-
<b>Capital and related financing activities</b>				
Interest paid on bonds and loans	-	-	-	-
Acquisition and construction of capital assets	90	-	-	-
Net cash used for capital financing activities	90	-	-	-
<b>Investing activities</b>				
Interest on investments	-	-	23	-
Net cash provided by investing activities	-	-	23	-
Net increase (decrease) in cash and cash equivalents	(33,371)	(440,905)	(2,195,264)	-
Cash and cash equivalents, January 1, 2021	49,553	4,927,979	5,965,268	17,942
Cash and cash equivalents, December 31, 2021	<u>16,182</u>	<u>4,487,074</u>	<u>3,770,004</u>	<u>17,942</u>

Telephone System	Engineering Bureau	Information Technology	Total
812,542	1,514,000	178,712	48,427,771
(503,017)	(721,081)	(3,832,424)	(17,552,933)
(124,137)	(3,645,992)	(1,719,146)	(47,182,932)
16,405	10,949	4,071,572	9,653,076
(1,566)	-		(7,818)
200,227	(2,842,124)	(1,301,286)	(6,662,836)
-	-	750,000	750,000
-	1,736,632	-	1,786,632
-	-	-	-
-	-	-	-
-	1,736,632	750,000	2,536,632
-	-	-	90
-	-	-	-
-	-	-	90
			23
			23
200,227	(1,105,492)	(551,286)	(4,126,091)
216,027	1,119,734	1,063,612	13,360,115
416,254	14,242	512,326	9,234,024

City of Akron, Ohio  
Combining Statement of Cash Flows - Internal Service Funds  
For the Year Ended December 31, 2021  
(continued)

	<b>Motor Equipment</b>	<b>Medical Self - Insurance</b>	<b>Workers' Compensation</b>	<b>Self - Insurance Settlement</b>
Operating income (loss)	789,591	1,409,853	(2,365,929)	73,560
Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities:				
Depreciation, depletion and amortization	52,711	-	-	-
(Increase) decrease in operating assets:				
Receivables	(17,956)	679,195	-	-
Due from other funds	(179,609)	-	-	-
Inventories	159,091	-	-	-
Increase (decrease) in operating liabilities:				
Accounts payable	157,858	(1,637,841)	300,308	(127,638)
Due to other funds	90,269	(825)	32	-
Due to other governments	-	-	(140,258)	-
Accrued liabilities	(1,204,136)	(584,063)	-	-
Accrued wages	(33,367)	(18,153)	-	-
Accrued vacation and leave	102,087	(40,115)	-	-
Estimated liability for unpaid claims	-	(248,956)	10,560	54,078
Net cash provided by (used for) operating activities	(83,461)	(440,905)	(2,195,287)	-

Telephone System	Engineering Bureau	Information Technology	Total
230,726	3,283,297	(1,499,869)	1,921,229
17,883	4,964	249,794	325,352
-	-	-	661,239
(45,458)	(2,433,213)	46,177	(2,612,103)
-	-	-	159,091
1,026	22,154	(13,259)	(1,297,392)
4,986	(77,489)	(1,148)	15,825
-	-	-	(140,258)
6	(3,760,431)	(186,235)	(5,734,859)
(317)	(74,839)	(12,685)	(139,361)
(8,625)	193,433	115,939	362,719
-	-	-	(184,318)
200,227	(2,842,124)	(1,301,286)	(6,662,836)

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## **FIDUCIARY FUNDS**

**Custodial Funds** – are used to account for assets held by the City for individuals, private organizations, or other governments. The City reports on the following eight custodial funds:

**Claire Merrix Fund** – is used to account for assets held by the City for tennis related expenditures to individuals, private organizations, and other governments.

**Police/Fire Beneficiary Fund** - is used to account for assets held by the City to provide scholarships to beneficiaries of deceased Police and Fire uniformed staff.

**Police Property Monetary Evidence Fund** – is used to account for funds held by the Police Department that will be returned to the other agencies.

**Copley-Akron JEDD Fund** – is used to account for JEDD income taxes levied by the JEDD Board and disbursements pursuant to the contract.

**Coventry-Akron JEDD Fund** – is used to account for JEDD income taxes levied by the JEDD Board and disbursements pursuant to the contract.

**Springfield-Akron JEDD Fund** – is used to account for JEDD income taxes levied by the JEDD Board and disbursements pursuant to the contract.

**Bath-Akron-Fairlawn JEDD Fund** – is used to account for JEDD income taxes levied by the JEDD Board and disbursements pursuant to the contract.

City of Akron, Ohio  
Combining Statement of Fiduciary Net Position - Custodial Funds  
December 31, 2021

	<b>Claire Merrix</b>	<b>Police/Fire Beneficiary</b>	<b>Police Property Monetary Evidence</b>
<b>Assets</b>			
Cash	\$ 1,060	\$ 8,165	\$ 1,787,996
Receivables	-	-	84,923
Total assets	1,060	8,165	1,872,919
<b>Liabilities</b>			
Due to other governments	-	-	-
Due to others	-	-	41,557
Total liabilities	-	-	41,557
<b>Deferred Inflows of Resources</b>	-	-	-
Restricted for individuals, organizations, and governments	1,060	8,165	1,831,362
<b>Net Position</b>	\$ 1,060	\$ 8,165	\$ 1,831,362

<b>Copley - Akron JEDD</b>	<b>Coventry - Akron JEDD</b>	<b>Springfield - Akron JEDD</b>	<b>Bath - Akron - Fairlawn JEDD</b>	<b>Total</b>
\$ -	\$ -	\$ -	\$ -	1,797,221
1,392,561	1,110,797	840,205	663,419	4,091,905
1,392,561	1,110,797	840,205	663,419	5,889,126
315,549	146,480	203,771	1,573,932	2,239,732
-	-	-	-	41,557
315,549	146,480	203,771	1,573,932	2,281,289
691,838	446,333	471,839	319,737	1,929,747
385,174	517,984	164,595	( 1,230,250)	1,678,090
\$ 385,174	\$ 517,984	\$ 164,595	\$ ( 1,230,250)	\$ 1,678,090

City of Akron, Ohio  
Combining Statement of Changes in Fiduciary Net Position - Custodial Funds  
For the Year Ended December 31, 2021

	<b>Claire Merrix</b>	<b>Police/Fire Beneficiary</b>	<b>Police Property Monetary Evidence</b>
<b>Additions</b>			
Contributions	\$ -	\$ 100	\$ -
Confiscated evidence	-	-	641,449
JEDD income tax	-	-	-
Miscellaneous	-	-	6,856
	-	100	648,305
<b>Deductions</b>			
Distribution to participatns	-	-	452,295
Education and awareness	-	-	4,200
JEDD district expenses	-	-	-
Refunds	-	-	-
	-	-	456,495
<b>Net Increase (Decrease) in Fiduciary Net Position</b>	-	100	191,810
Net position, January 1, 2021	1,060	8,065	1,639,552
Net position, December 31, 2021	\$ 1,060	\$ 8,165	\$ 1,831,362

Copley - Akron JEDD	Coventry - Akron JEDD	Springfield - Akron JEDD	Bath - Akron - Fairlawn JEDD	Total
\$ -	\$ -	\$ -	\$ -	100
-	-	-	-	641,449
534,091	493,023	293,121	4,044,751	5,364,986
-	-	-	-	6,856
534,091	493,023	293,121	4,044,751	6,013,391
-	-	-	-	452,295
-	-	-	-	4,200
634,065	351,415	353,279	5,049,952	6,388,711
30,322	24,587	78,419	103,585	236,913
664,387	376,002	431,698	5,153,537	7,082,119
(130,296)	117,021	(138,577)	(1,108,786)	(1,068,728)
515,470	400,963	303,172	(121,464)	2,746,818
\$ 385,174	\$ 517,984	\$ 164,595	\$ (1,230,250)	\$ 1,678,090

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# Statistical Section

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

<b><u>Contents</u></b>	<b><u>Page</u></b>
<b>Financial Trends</b> These schedules contain trend information to help the reader understand how the City's financial performance and well-being have changed over time.	<b>219</b>
<b>Revenue Capacity</b> These schedules contain information to help the reader assess the City's most significant local revenue sources which are income tax and property tax.	<b>226</b>
<b>Debt Capacity</b> These schedules present information to help the reader assess the affordability of the City's current levels of outstanding debt and the City's ability to issue additional debt in the future.	<b>231</b>
<b>Demographic and Economic Information</b> These schedules offer demographic and economic indicators to help the reader understand the environment within the City.	<b>239</b>
<b>Operating Information</b> These schedules contain service and infrastructure data to help the reader understand how the information in the City's financial report relates to the services the City provides and the activities it performs.	<b>241</b>

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

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City of Akron, Ohio  
Net Position by Component  
Last Ten Fiscal Years  
(*accrual basis of accounting*)

	Schedule 1				
	2012	2013	2014	2015 *	2016 *
<b>Governmental Activities</b>					
Net Investment in Capital Assets	\$ 342,181,729	\$ 353,686,041	\$ 352,411,914	\$ 373,605,736	\$ 361,614,290
Restricted	45,769,529	46,822,028	43,314,132	36,462,300	26,685,480
Unrestricted	(39,096,078)	(39,096,078)	(39,096,078)	(184,719,280)	(169,438,185)
Total Governmental Activities Net Position	348,855,180	361,411,991	356,629,968	225,348,756	218,861,585
<b>Business-Type Activities</b>					
Net Investment in Capital Assets	381,737,149	385,492,533	400,523,178	396,984,561	389,215,183
Restricted	9,726,690	9,789,966	9,854,895	9,498,992	9,389,310
Unrestricted	8,473,245	19,221,970	16,815,329	29,988,650	47,446,909
Total Business-Type Activities Net Position	399,937,084	414,504,469	427,193,402	436,472,203	446,051,402
<b>Primary Government</b>					
Net Investment in Capital Assets	723,918,878	739,178,574	752,935,092	770,590,297	750,829,473
Restricted	55,496,219	56,611,994	53,169,027	45,961,292	36,074,790
Unrestricted	(30,622,833)	(19,874,108)	(22,280,749)	(154,730,630)	(121,991,276)
Total Primary Government Net Position	\$ 748,792,264	\$ 775,916,460	\$ 783,823,370	\$ 661,820,959	\$ 664,912,987
<b>Governmental Activities</b>					
Net Investment in Capital Assets	\$ 371,386,210	\$ 380,255,982	\$ 402,657,024	\$ 1,050,184,244	\$ 581,070,389
Restricted	128,290,211	141,116,295	96,912,454	167,289,538	82,475,248
Unrestricted	(316,858,123)	(525,895,655)	(388,771,009)	(848,988,859)	(436,255,747)
Total Governmental Activities Net Position	182,818,298	(4,523,378)	110,798,469	368,484,923	227,289,890
<b>Business-Type Activities</b>					
Net Investment in Capital Assets	374,890,468	390,472,592	368,625,151	931,190,360	473,064,230
Restricted	5,849,447	3,488,611	3,518,634	7,072,010	3,171,585
Unrestricted	81,463,305	56,572,126	53,082,959	104,817,819	47,979,543
Total Business-Type Activities Net Position	462,203,220	450,533,329	425,226,744	1,043,080,189	524,215,358
<b>Primary Government</b>					
Net Investment in Capital Assets	746,276,678	770,728,574	771,282,175	1,981,374,604	1,054,134,619
Restricted	134,139,658	144,604,906	100,431,088	174,361,548	85,646,833
Unrestricted	(235,394,818)	(469,323,529)	(335,688,050)	(744,171,040)	(388,276,204)
Total Primary Government Net Position	\$ 645,021,518	\$ 446,009,951	\$ 536,025,213	\$ 1,411,565,112	\$ 751,505,248

Source: City of Akron, Ohio Finance Department

\* Schedule 1 has been prepared in conformity of GASB Statement #68, *Accounting and Financial Reporting for Pensions* beginning with 2015.

City of Akron, Ohio  
Changes in Net Position  
Last Ten Fiscal Years  
(*accrual basis of accounting*)

Schedule 2

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
<b>Program Revenues</b>										
Governmental Activities										
Charges for Services:										
General Government	\$ 10,218,969	\$ 14,473,321	\$ 9,553,457	\$ 7,505,352	\$ 15,271,721	\$ 21,698,159	\$ 20,571,001	\$ 27,549,825	\$ 14,949,935	\$ 17,793,124
Public Service	14,404,457	16,524,746	18,489,527	19,949,672	18,353,558	18,382,609	16,188,076	18,393,670	19,329,986	18,069,414
Public Safety	508,391	862,405	4,717,778	4,349,617	4,176,521	4,181,992	4,103,197	3,898,022	2,794,954	3,913,251
Community Environment	422,186	164,000	2,230,381	228,261	3,467,416	5,371,735	4,225,621	10,125,087	1,162,149	565,085
Public Health	3,512	2,257	-	-	-	-	-	-	-	436,549
Recreation and Parks	183,754	230,420	730,079	721,422	1,053,610	701,426	631,324	642,457	320,905	811,210
Operating Grants and Contributions	19,658,258	20,409,809	19,326,836	12,724,856	13,345,362	10,412,337	12,012,934	15,542,987	34,624,705	19,068,622
Capital Grants and Contributions	35,507,412	46,774,660	41,095,526	44,349,143	46,353,664	34,742,428	37,671,943	40,581,958	33,942,817	30,554,804
Total Governmental Activities Program Revenues	80,906,939	99,441,618	96,143,584	89,828,323	102,021,852	95,490,686	95,404,096	116,734,006	107,125,451	91,212,059
<b>Business-Type Activities</b>										
Charges for Services:										
Water	32,215,076	34,969,933	33,986,195	35,391,626	34,910,383	33,677,422	31,044,651	32,787,975	36,041,511	34,963,360
Sewer	56,208,333	63,097,046	70,951,430	89,170,077	89,740,016	93,781,115	85,405,280	88,194,394	82,903,797	86,778,048
Oil & Gas	226,172	300,119	241,905	130,030	61	112,969	96,571	-	7,988	-
Parking Facilities	4,577,496	4,773,882	4,570,975	4,275,513	4,507,555	2,268,832	3,347,593	4,170,306	2,227,090	2,508,596
Golf Course	938,725	893,815	826,503	917,712	931,126	912,616	860,100	952,419	1,028,762	1,183,016
Airport	197,878	154,692	156,983	182,663	169,577	163,568	472,756	150,826	172,607	150,836
Operating Grants and Contributions	-	-	-	-	-	-	-	191,814	636,436	45,044
Capital Grants and Contributions	7,786,418	4,045,528	4,871,914	4,916,124	5,481,149	4,741,494	1,502,429	7,531,338	8,107,380	30,857,643
Total Business-Type Activities Program Revenues	102,150,098	108,235,015	115,605,905	134,983,745	135,739,867	135,658,016	122,729,380	133,979,072	131,125,571	156,486,543
Total Primary Government Program Revenues	\$ 183,057,037	\$ 207,676,633	\$ 211,749,489	\$ 224,812,068	\$ 237,761,719	\$ 231,148,702	\$ 218,133,476	\$ 250,713,078	\$ 238,251,022	\$ 247,698,602
<b>Expenses</b>										
Governmental Activities										
General Government	\$ 44,074,083	\$ 35,134,302	\$ 38,547,406	\$ 31,954,663	\$ 42,940,494	\$ 40,785,375	\$ 36,394,068	\$ 55,913,497	\$ 75,185,888	\$ 34,596,136
Public Service	52,045,512	65,740,981	67,516,145	74,133,731	71,811,167	72,033,027	74,255,760	69,325,498	54,341,168	57,385,904
Public Safety	113,141,469	112,374,172	120,176,274	124,943,875	140,165,348	129,124,366	115,754,910	49,458,260	114,497,815	139,428,813
Community Environment	66,174,345	88,673,453	42,970,628	44,393,603	98,362,358	60,901,084	25,299,743	47,822,419	79,810,910	62,392,356
Public Health	3,982,604	3,921,672	4,832,375	4,452,937	4,354,820	4,424,817	4,491,876	4,450,531	3,807,771	3,868,615
Recreation and Parks	6,906,906	7,690,836	6,811,470	5,567,353	5,717,798	4,449,281	4,129,340	5,720,103	5,331,824	7,348,914
Interest	35,466,855	26,324,712	27,940,204	30,189,381	23,923,218	24,834,592	21,389,588	23,887,099	19,813,627	16,916,709
Unallocated Depreciation	15,559,132	15,468,193	16,091,850	17,065,802	18,830,770	17,913,455	18,312,112	18,000,420	17,527,935	18,598,761
Total Governmental Activities Expenses	337,350,906	355,328,321	324,886,352	332,701,345	406,105,973	354,465,997	300,027,397	274,577,827	372,316,938	340,536,208
<b>Business-Type Activities</b>										
Water	28,050,701	31,075,633	32,522,741	37,964,538	34,913,805	33,952,382	38,510,047	46,575,277	29,519,413	35,104,122
Sewer	58,124,815	54,959,359	71,709,972	70,908,326	83,933,150	83,743,770	63,822,180	103,946,790	86,925,639	102,089,333
Oil & Gas	279,689	202,341	350,060	321,767	49,571	39,589	42,528	371,965	137,109	18,505
Parking Facilities	7,780,158	6,929,930	7,189,194	7,063,162	7,269,596	5,375,745	6,502,595	7,277,980	6,940,659	7,565,409
Golf Course	1,176,344	1,243,395	1,106,275	1,275,762	1,408,269	1,283,427	1,689,944	2,057,143	1,323,277	1,293,622
Airport	653,852	683,251	720,934	920,765	741,052	760,807	1,353,358	1,449,933	1,004,480	1,589,723
Total Business-Type Activities Expenses	96,065,559	95,093,909	113,599,176	118,454,320	128,315,443	125,155,720	111,920,652	161,679,088	125,850,577	147,660,714
Total Primary Government Expenses	\$ 433,416,465	\$ 450,422,230	\$ 438,485,528	\$ 451,155,665	\$ 534,421,416	\$ 479,621,717	\$ 411,948,049	\$ 436,256,915	\$ 498,167,515	\$ 488,196,922

City of Akron, Ohio  
Changes in Net Position  
Last Ten Fiscal Years  
(*accrual basis of accounting*)  
(continued)

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	Schedule 2
Net (Expense)/Revenue											
Governmental Activities	\$ (256,443,967)	\$ (255,886,703)	\$ (228,742,768)	\$ (242,873,022)	\$ (304,084,121)	\$ (258,975,311)	\$ (204,623,301)	\$ (157,843,821)	\$ (265,191,487)	\$ (249,324,149)	
Business-Type Activities	608,4539	13,141,106	2,006,729	165,294,25	7,424,425	9,274,126	10,808,728	(27,700,016)	5,274,994	8,825,829	
Total Primary Government Net Expense	\$ (250,359,428)	\$ (242,745,597)	\$ (226,736,039)	\$ (226,343,597)	\$ (296,659,696)	\$ (249,701,185)	\$ (193,814,573)	\$ (185,543,837)	\$ (259,916,493)	\$ (240,498,320)	
General Revenue and											
Other Changes in Net Position											
Governmental Activities:											
Taxes:											
Income Taxes	\$ 131,601,798	\$ 141,289,710	\$ 141,389,904	\$ 143,231,380	\$ 152,856,443	\$ 139,183,876	\$ 171,426,317	\$ 170,036,813	\$ 165,377,490	\$ 189,794,686	
Property Taxes	24,003,912	19,627,342	23,342,160	23,681,267	23,341,356	24,831,344	26,166,396	24,048,160	29,148,725	30,876,448	
JEDD Revenues	20,706,211	18,485,942	17,758,520	19,271,731	12,341,811	14,800,350	14,905,073	16,083,393	15,785,527	18,712,404	
Investment Earnings	439,005	553,699	300,784	848,901	1,170,199	1,221,577	3,409,213	5,909,657	2,392,019	969,340	
Unrestricted Shared Revenues	69,710,284	92,823,194	46,752,194	46,387,254	98,487,030	42,726,783	40,613,726	45,058,850	74,663,063	56,869,246	
Miscellaneous	8,337,078	10,657,380	10,155,196	7,853,357	11,211,091	10,221,319	14,364,534	11,591,233	37,981,073	13,060,214	
Gain (loss) on Sale of Capital Assets	60,045	31,307	14,239	2,738	33,590	101,878	53,360	12,423	24,764	39,815	
Transfers	(308,000)	(338,360)	(466,000)	(887,300)	(611,000)	(941,000)	(791,000)	(730,000)	(1,700,000)	(2,987,757)	
Total Governmental Activities	\$ 254,550,333	\$ 283,130,214	\$ 239,246,997	\$ 240,389,328	\$ 298,830,520	\$ 232,146,127	\$ 270,147,619	\$ 272,010,529	\$ 323,672,661	\$ 307,334,396	
Business-Type Activities:											
Investment Earnings	\$ 785	\$ 854	\$ 727	\$ 107,676	\$ 107,655	\$ 137,758	\$ 31,820	\$ 35,927	\$ 8,671	\$ 3,553	
Miscellaneous	2,438,212	1,087,065	3,760,632	2,166,460	1,355,459	4,570,764	1,298,135	2,661,110	1,596,874	6,559,740	
Unrestricted shared revenues	-	-	-	-	-	-	-	321	-	-	
Transfers	308,000	338,360	466,000	887,300	611,000	941,000	791,000	730,000	1,700,000	2,987,757	
Total Business-Type Activities	\$ 2,746,997	\$ 1,426,279	\$ 4,227,359	\$ 3,161,436	\$ 2,074,114	\$ 5,649,522	\$ 2,120,955	\$ 3,427,358	\$ 3,305,545	\$ 9,551,050	
Total Primary Government	\$ 257,297,330	\$ 284,556,493	\$ 243,474,356	\$ 243,550,764	\$ 300,904,634	\$ 237,795,649	\$ 272,268,574	\$ 275,437,887	\$ 326,978,206	\$ 316,885,446	
Change in Net Position											
Governmental Activities	\$ (1,893,634)	\$ 27,243,511	\$ 10,504,229	\$ (2,483,694)	\$ (5,253,601)	\$ (26,829,184)	\$ 65,524,318	\$ 114,166,708	\$ 58,481,174	\$ 58,010,247	
Business-Type Activities	8,831,536	14,567,385	6,234,088	19,690,861	9,498,539	16,151,818	12,929,683	(24,272,658)	8,580,539	18,376,879	
Total Primary Government Change in Net Position	\$ 6,937,902	\$ 41,810,896	\$ 16,738,317	\$ 17,207,167	\$ 4,244,938	\$ (10,677,366)	\$ 78,454,001	\$ 89,894,050	\$ 67,061,713	\$ 76,387,126	

Source: City of Akron, Ohio Finance Department

City of Akron, Ohio  
Fund Balances, Governmental Funds  
Last Ten Fiscal Years  
(modified accrual basis of accounting)

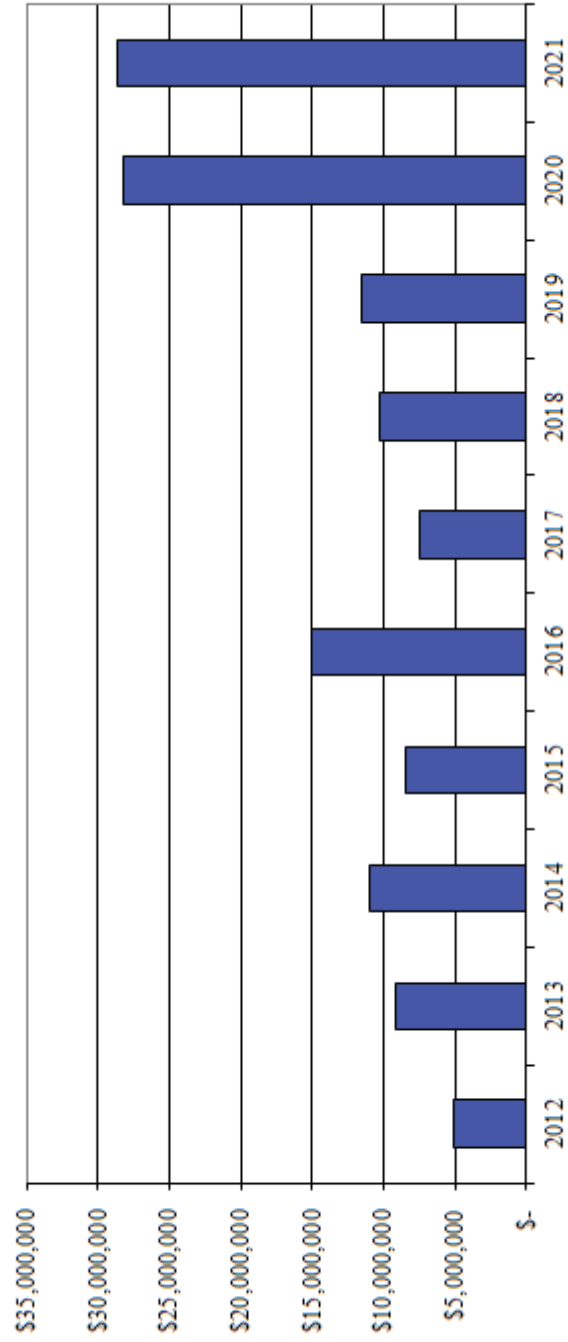
	2012	2013	2014	2015	2015	2015	2017	2018	2019	2020	2021
General Fund											
Committed	\$ 266,687	\$ 290,658	\$ 329,961	\$ 377,840	\$ 397,517	\$ 443,599	\$ 471,456	\$ 486,244	\$ 507,535	\$ 521,033	
Assigned	1,236,966	1,809,776	1,593,954	4,174,015	1,904,060	1,576,347	1,579,205	1,469,146	2,839,740	2,442,681	
Unassigned	5,102,134	9,132,562	10,911,360	8,382,029	15,022,169	7,485,924	10,299,737	11,525,081	28,220,027	28,598,763	
Total General Fund	6,605,787	11,232,996	12,835,275	12,933,884	17,323,746	9,505,870	12,350,398	13,480,471	31,567,302	31,562,477	
All Other Governmental Funds											
Nonspendable	3,085,645	3,325,815	4,786,232	4,786,232	-	-	-	-	-	-	-
Restricted	117,789,306	109,458,792	144,630,245	117,100,123	138,007,616	112,431,220	111,823,898	87,737,364	85,464,213	76,187,891	
Committed	13,502,981	7,490,896	13,829,487	10,510,914	14,811,603	8,988,056	8,544,024	9,461,573	12,965,388	18,585,615	
Assigned	375,380	-	-	-	-	-	-	-	-	-	-
Unassigned	(27,448,292)	(25,968,790)	(9,415,521)	(12,285,255)	(12,182,727)	(14,682,443)	(17,911,698)	(14,947,576)	(21,024,369)	(27,321,102)	
Total All Other Governmental Funds	107,305,020	94,306,713	153,830,443	120,112,014	140,636,492	106,736,833	102,456,224	82,251,361	77,405,232	67,452,404	
Total Governmental Funds	\$ 113,910,807	\$ 105,539,709	\$ 166,665,718	\$ 133,045,898	\$ 157,960,238	\$ 116,242,703	\$ 114,806,622	\$ 95,731,832	\$ 108,972,534	\$ 99,014,881	

Source: City of Akron, Ohio Finance Department

\*Schedule 3 has been prepared in conformity of GASB Statement #54, Fund Balance Reporting and Governmental Fund Type Definitions beginning with 2011.

City of Akron, Ohio  
Fund Balances, Governmental Funds  
Last Ten Fiscal Years  
(modified accrual basis of accounting)

**Unreserved/Unassigned General Fund Balance**



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

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	Schedule 4
<b>Revenues</b>											
Income Taxes *	\$ 131,090,435	\$ 139,960,898	\$ 140,311,367	\$ 143,288,651	\$ 151,256,789	\$ 143,176,743	\$ 163,595,720	\$ 167,479,460	\$ 168,873,806	\$ 185,608,165	
Property Taxes	24,573,729	20,471,016	23,518,118	23,414,232	23,423,002	24,465,922	24,860,892	24,931,135	27,841,496	28,416,104	
JEDD Revenues	20,811,614	18,090,127	17,395,933	18,723,573	14,389,449	14,800,350	14,905,073	16,083,393	15,785,527	18,712,404	
Special Assessments	14,965,865	28,524,445	31,952,817	30,670,330	31,179,498	15,421,762	17,492,848	19,320,283	50,636,634	19,651,870	
Grants and Subsidies:											
Community Development											
Other	43,315,295	34,746,020	30,266,381	24,490,969	25,972,981	28,054,783	29,462,796	36,906,384	18,737,104	32,201,192	
Investment Earnings	517,882	584,383	338,698	850,214	1,199,289	1,211,665	3,450,900	5,944,564	2,416,775	996,265	
Shared Revenues	68,768,384	94,579,755	47,351,951	45,807,596	100,326,020	45,555,266	45,895,097	49,582,291	75,522,159	53,482,152	
Licenses, Fees and Fines	8,011,431	8,627,454	10,192,771	9,460,174	17,512,114	17,610,982	18,651,618	30,553,448	26,131,914	20,782,091	
Charges for Services	17,759,520	24,247,409	23,500,665	20,636,462	20,749,779	23,965,100	25,023,360	18,991,270	19,094,686	20,165,556	
Miscellaneous	8,662,590	10,228,894	12,805,149	9,444,997	12,629,211	16,658,409	16,415,882	14,777,822	31,126,403	15,222,778	
Total Revenues	\$ 338,476,745	\$ 380,060,401	\$ 337,633,850	\$ 326,787,198	\$ 398,638,132	\$ 330,920,982	\$ 359,754,186	\$ 384,570,050	\$ 436,166,504	\$ 395,238,577	
<b>Expenditures</b>											
Current:											
General Government	\$ 42,710,925	\$ 33,176,262	\$ 37,323,779	\$ 28,762,899	\$ 39,813,138	\$ 38,586,495	\$ 39,659,633	\$ 48,324,235	\$ 45,085,163	\$ 58,962,479	
Public Service	59,446,860	78,804,139	85,268,655	84,760,878	81,121,929	74,211,608	87,997,887	84,923,153	109,242,179	86,002,085	
Public Safety	109,643,467	109,458,512	122,016,445	118,700,986	131,547,744	128,736,104	146,412,046	141,016,489	131,293,531	134,168,660	
Community Environment	91,645,889	103,125,618	53,399,049	61,897,061	111,756,653	61,472,588	53,299,612	65,396,130	76,968,702	50,802,103	
Public Health	4,004,247	3,900,892	4,600,444	4,186,224	4,253,940	4,239,096	4,337,323	4,242,002	4,401,390	4,122,895	
Recreation and Parks	6,946,793	7,792,669	6,747,832	5,320,130	5,411,445	3,942,488	4,751,840	4,731,236	5,636,004	10,568,938	
Capital Outlay	-	-	-	-	-	-	-	-	-	-	
Debt service:											
Principal Retirement	29,088,580	43,956,837	59,819,902	39,655,124	51,066,536	66,716,806	79,131,809	87,310,632	44,703,194	68,014,973	
Interest	28,600,017	30,353,162	28,714,831	29,406,901	27,428,807	27,171,776	26,140,929	26,725,225	24,499,504	22,741,389	
Bond Issuance Expenditures	2,304,239	679,072	1,811,645	934,296	1,197,595	763,315	299,669	766,692	422,304	-	
Total Expenditures	\$ 374,391,017	\$ 411,247,163	\$ 399,702,582	\$ 373,624,499	\$ 453,597,787	\$ 405,840,276	\$ 442,030,748	\$ 463,435,794	\$ 442,253,971	\$ 435,383,522	
Excess of Revenues Under Expenditures	\$ (35,914,272)	\$ (31,186,762)	\$ (62,068,732)	\$ (46,837,301)	\$ (54,959,655)	\$ (74,919,294)	\$ (82,276,562)	\$ (78,865,744)	\$ (6,087,467)	\$ (40,144,945)	

City of Akron, Ohio  
Changes in Fund Balances, Governmental Funds  
Last Ten Fiscal Years  
(modified accrual basis of accounting)  
(continued)

Schedule 4

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
<b>Other Financing Sources (Uses)</b>										
Issuance of General Obligation Bond	\$ 26,870,000	\$ 4,849,484	\$ 88,288,000	\$ 15,500,000	\$ 52,000,000	\$ 33,575,419	\$ 45,709,593	\$ 53,325,611	\$ 19,037,194	\$ 33,925,049
Capital Contributions	-	-	-	-	2,933,930	-	-	-	-	-
Issuance of Loans	-	1,000,000	3,373,515	9,248	-	-	-	-	-	-
Issuance of COP's	-	2,365,000	-	-	11,965,000	-	24,445,000	-	-	-
Issuance of Refunding Obligations	-	14,910,000	88,085,000	63,945,000	32,545,000	48,960,000	-	20,405,000	28,835,000	-
Proceeds of Refunding Bonds Premium	24,186,215	-	-	-	-	-	-	-	-	-
Premium on G.O. Debt	1,696,315	179,540	9,761,734	4,873,665	6,159,498	4,067,813	927,200	7,525,204	1,817,190	-
Proceeds of Refund Obligations	170,925,000	-	-	-	-	-	-	-	-	-
Proceeds of collateralized borrowings	-	-	-	-	-	4,028,194	-	-	-	-
Payment for Refunding Obligations	(193,384,337)	-	-	-	-	-	-	-	-	-
Original Bond Issue Discount **	-	-	(431,029)	(148,132)	(115,961)	(153,408)	(239,461)	-	-	-
Issuance of Capital Lease	8,227,250	1,357,829	159,284	731,754	10,635,000	1,039,985	10,789,149	-	793,785	-
Payment to Refunding Agent	-	-	(62,680,000)	(70,075,000)	(34,403,902)	(51,846,782)	-	(21,890,000)	(27,605,000)	-
Lease - Financed Capital Assets	(8,227,250)	(1,357,829)	-	(731,754)	-	-	-	-	-	-
Transfers-in	7,041,704	8,100,091	2,727,000	8,090,322	3,216,961	12,894,168	11,186,061	10,720,922	7,865,755	12,983,087
Transfers-out	(7,414,704)	(8,588,451)	(3,193,000)	(8,977,622)	(3,827,961)	(13,835,168)	(11,977,061)	(11,450,922)	(11,415,755)	(16,720,844)
Total Other Financing Sources (Uses)	29,920,193	22,815,664	126,090,504	13,217,481	81,107,565	38,730,221	80,840,481	58,635,815	19,328,169	30,187,292
Net Change in Fund Balance	\$ (5,994,079)	\$ (8,371,098)	\$ 64,021,772	\$ (33,619,820)	\$ 26,147,910	\$ (36,189,073)	\$ (1,436,081)	\$ (20,229,929)	\$ 13,240,702	\$ (9,957,653)
Debt Service as a Percentage of Noncapital Expenditures	17.49%	20.56%	24.57%	20.64%	19.57%	25.77%	28.60%	28.18%	18.78%	22.73%

Source: City of Akron, Ohio Finance Department

\* Since 2018, the Income Tax rate was 2.5%.

\*\* Prior to 2014, Original Bond Issue Discount was included in Bond Issuance Expenditures.

City of Akron, Ohio  
Assessed Value and Estimated Actual Value of Taxable Property  
Last Ten Fiscal Years  
(in thousands of dollars)

Schedule 5

Tax Collection Year	Real Property		Public Utilities		Total		Total Direct Rate	Percent of Total Assessed Value to Total Estimated Actual Value
	Assessed Value	Estimated Actual Value	Assessed Value	Estimated Actual Value	Assessed Value	Estimated Actual Value		
2013	2,550,584	7,287,383	111,892	319,691	2,662,476	7,607,074	10.30	35.00
2014	2,493,126	7,123,217	126,778	362,223	2,619,904	7,485,440	10.30	35.00
2015	2,437,486	6,964,246	145,400	415,429	2,582,886	7,379,675	10.30	35.00
2016	2,409,852	6,885,291	165,213	472,037	2,575,065	7,357,328	10.30	35.00
2017	2,427,755	6,936,443	208,226	594,931	2,635,981	7,531,374	10.50	35.00
2018	2,473,755	7,067,871	222,043	634,409	2,695,798	7,702,280	10.50	35.00
2019	2,498,129	7,137,511	210,667	634,409	2,708,796	7,771,920	10.50	35.00
2020	2,627,796	7,507,989	218,864	624,201	2,846,660	8,132,190	10.50	35.00
2021	2,944,327	8,412,363	224,563	641,608	3,168,890	9,053,971	10.50	35.00
2022	2,898,181	8,280,517	224,563	665,720	3,131,183	8,946,237	10.50	35.00

Source: City of Akron, Ohio Finance Department

Note: For real property, the estimated actual value is derived by dividing the assessed value by 35%.  
The assessed value estimated actual value for public utilities is the combination of two figures.



City of Akron, Ohio  
Direct and Overlapping Property Tax Rates  
Last Ten Fiscal Years  
*(rate per \$1,000 of assessed value)*

Schedule 6

Tax Collection Year	City Direct Rates				Overlapping Rates			
	Operating	Police Pension	Fire Pension	Debt Retirement	Total Direct Rate	Akron City School District	Summit County	Akron Metro Parks
2013	9.28	0.30	0.30	0.42	10.30	79.56	14.84	1.46
2014	9.28	0.30	0.30	0.42	10.30	79.56	14.81	1.46
2015	9.28	0.30	0.30	0.42	10.30	79.56	14.80	1.46
2016	9.28	0.30	0.30	0.42	10.30	79.56	15.32	1.46
2017	9.28	0.30	0.30	0.62	10.50	79.56	15.30	1.46
2018	9.28	0.30	0.30	0.62	10.50	79.56	15.26	1.46
2019	9.28	0.30	0.30	0.62	10.50	79.56	15.26	1.46
2020	9.28	0.30	0.30	0.62	10.50	79.56	16.22	1.46
2021	9.28	0.30	0.30	0.62	10.50	79.56	15.60	1.46
2022	9.28	0.30	0.30	0.62	10.50	79.56	16.00	2.00

Source: City of Akron, Ohio Finance Department

City of Akron, Ohio  
Principal Property Tax Payers  
12/31/2021 and 12/31/2012  
(in thousands of dollars)

		12/31/2021		12/31/2012		Schedule 7
Taxpayer		Taxable Assessed Value	Percentage of Taxable Assessed Value	Taxpayer	Taxable Assessed Value	Percentage of Taxable Assessed Value
Summa Health System	\$	124,130	4.02 %	Ohio Edison	\$ 69,447	2.61 %
Ohio Edison		99,745	3.23	American Transmission	12,083	0.45
American Transmission		99,572	3.22	Albrecht Incorporated	11,508	0.43
Childrens Hospital Medical Center		42,685	1.38	East Ohio Gas	10,439	0.39
East Ohio Gas		31,045	1.01	CHM Akron LLC	10,233	0.38
Albrecht Incorporated		17,812	0.58	Ohio Edison Tower Limited Liability	8,154	0.31
Akron General Hospital		14,704	0.48	Busson, Berhard B.	7,545	0.28
Timber Top Apartment Holding		13,762	0.45	Exchange Street Associates	7,191	0.27
Chapel Hill Associate, Inc.		13,540	0.44	HCRI Akron Properties, LLC	7,116	0.27
Akron Management Corporation		7,575	0.24	Plaza Chapel Hill Ltd.	6,590	0.25
	\$	464,570	15.05 %		\$ 150,306	5.64 %

Source: City of Akron, Ohio Finance Department

City of Akron, Ohio  
Property Tax Levies and Collections  
Last Ten Fiscal Years

Schedule 8

Fiscal Year Ending 12/31	Tax Levied For The Fiscal Year	Collected within the Fiscal Year of the Levy		Delinquent Tax Collections	Total Collections to Date	
		Amount	Percentage of Levy		Amount	Percentage of Levy
2012	\$ 27,518,858	\$ 24,477,858	88.9 %	\$ 1,838,523	\$ 26,316,381	95.6 %
2013	27,419,596	25,174,172	91.8	1,828,647	27,002,819	98.5
2014	26,984,750	25,022,030	92.7	1,697,650	26,719,680	99.0
2015	26,604,375	24,737,683	93.0	1,577,892	26,315,575	98.9
2016	26,523,326	24,987,814	94.2	1,535,512	26,470,741	99.8
2017	27,619,239	25,985,068	94.1	1,634,171	28,982,301	104.9
2018	28,305,710	26,421,069	93.3	1,884,641	28,005,409	98.9
2019	28,442,279	26,368,089	92.7	2,074,190	28,035,771	98.6
2020	29,892,321	26,143,074	87.5	3,749,246	27,937,820	93.5
2021	33,273,000	29,177,042	87.7	4,095,958	31,233,070	93.9

Source: City of Akron, Ohio Finance Department

City of Akron, Ohio  
Income Tax Collections by Annual Collection Amount (Withholding and Direct Accounts)  
Fiscal Years 2020 and 2021

					Schedule 9
Fiscal Year 2020					
Collection Level	Number of Accounts	Percentage of Total	Total Income Tax Collections	Percentage of Total	
\$1,000 and under	27,189	78.07 %	\$ 5,265,900	3.16 %	
\$1,001 - \$2,500	3,553	10.20	5,626,461	3.38	
\$2,501 - \$5,000	1,585	4.55	5,583,883	3.35	
\$5,001 - \$10,000	1,022	2.94	7,216,119	4.34	
\$10,001 - \$50,000	1,113	3.20	23,865,785	14.34	
\$50,001- \$100,000	186	0.53	12,825,216	7.71	
\$100,001 - \$250,000	108	0.31	16,519,287	9.93	
\$250,001 - \$1,000,000	52	0.15	22,793,643	13.69	
Over \$1,000,001	17	0.05	66,752,170	40.10	
	34,825	100.00 %	\$ 166,448,464	100.00 %	
Fiscal Year 2021					
Collection Level	Number of Accounts	Percentage of Total	Total Income Tax Collections	Percentage of Total	
\$1,000 and under	26,822	76.51 %	\$ 5,157,143	2.81 %	
\$1,001 - \$2,500	3,809	10.86	6,019,927	3.28	
\$2,501 - \$5,000	1,699	4.85	6,003,351	3.27	
\$5,001 - \$10,000	1,071	3.03	7,546,871	4.12	
\$10,001 - \$50,000	1,264	3.61	26,700,533	14.56	
\$50,001- \$100,000	188	0.54	13,034,607	7.11	
\$100,001 - \$250,000	128	0.37	18,501,928	10.09	
\$250,001 - \$1,000,000	58	0.17	23,055,531	12.57	
Over \$1,000,001	20	0.06	77,361,283	42.19	
	35,059	100.00 %	\$ 183,381,174	100.00 %	

Source: City of Akron, Ohio Finance Department

Note: Due to confidentiality issues, the names of the ten largest revenue payers are not available. The categories presented are intended to provide alternative information regarding the sources of the City's revenue.

City of Akron, Ohio  
Ratios of Outstanding Debt and Capital Leases by Type  
Last Ten Fiscal Years

Schedule 10

Fiscal Year	Governmental Activities									
	Ohio					Income Tax				
	General Obligation	OPWC Loan	Development Services Agency Loan	Non-Tax Revenue	Income Tax Revenue	Income Tax Revenue Direct Borrowings	Special Revenue	Special Assessment	Capital Leases	SIB Loans
2012	\$ 228,843,318	\$ 9,845,763	\$ 5,582,645	\$ 50,080,000	\$ 248,230,000	\$ -	\$ 27,165,000	\$ 8,591,829	\$ 55,605,348	\$ 3,129,427
2013	215,139,753	9,241,963	5,482,636	48,475,000	244,487,135	-	27,165,000	6,220,758	75,510,213	1,742,279
2014	201,378,834	9,084,164	5,378,553	53,565,000	318,681,087	-	25,245,000	4,079,527	67,106,099	313,205
2015	186,840,707	7,640,794	5,270,229	48,035,000	339,110,565	-	22,030,000	2,860,321	30,735,417	-
2016	174,601,391	7,006,306	5,156,492	43,745,000	353,714,654	-	18,705,000	1,897,997	47,643,975	-
2017	156,929,261	6,371,819	4,610,162	39,170,000	339,080,250	-	15,220,000	5,013,087	43,441,695	-
2018	138,368,631	5,737,340	4,265,000	33,435,000	324,617,059	-	11,555,000	6,722,319	64,162,866	-
2019	121,000,958	5,140,863	3,955,000	30,410,000	348,945,000	9,684,297	7,720,000	7,271,537	59,312,753	-
2020	105,085,000	5,842,624	3,635,000	27,305,000	335,125,000	8,974,788	3,680,000	7,598,284	64,106,974	-
2021	86,610,000	5,238,163	3,305,000	24,115,000	315,325,000	8,249,560	1,870,000	6,978,049	58,506,958	-

Fiscal Year	Governmental Activities				
	Internal Service Income Tax Revenue	Special Assessment Notes Payable	Capital Projects Notes Payable	Internal Service General Health Notes Payable	
2012	\$ 2,000,000	\$ 11,796,000	\$ 10,115,000	\$ 11,000,000	
2013	1,615,000	13,000,000	24,730,000	9,000,000	
2014	1,230,000	13,000,000	-	6,500,000	
2015	830,000	13,000,000	10,000,000	4,500,000	
2016	420,000	13,000,000	20,000,000	3,500,000	
2017	-	13,000,000	30,000,000	3,500,000	
2018	-	13,000,000	41,300,000	2,500,000	
2019	-	13,000,000	-	1,500,000	
2020	-	13,000,000	17,400,000	-	
2021	-	13,000,000	32,900,000	-	

City of Akron, Ohio  
Ratios of Outstanding Debt and Capital Leases by Type  
Last Ten Fiscal Years  
(continued)

Schedule 10

Fiscal Year	Business-Type Activities										Total Government	Per Capita a	Percentage Personal Income a
	General Obligation	Mortgage Revenue	Mortgage Revenue Direct Placements		Revenue	OWDA	OPWC	Capital Leases					
2012	\$ 634,450	\$ 37,175,000	\$ -	\$ 19,515,000	\$ 51,142,305	\$ 1,744,275	\$ 387,152	\$		\$ 782,582,512	\$ 3,930	19.99 %	
2013	631,556	33,835,000	-	15,385,000	73,495,595	1,542,762	321,250			807,020,900	4,053	20.61	
2014	616,599	30,360,000	-	11,075,000	95,300,583	1,341,248	240,130			820,743,297	4,122	20.96	
2015	544,229	26,970,000	-	6,550,000	161,974,294	1,139,734	157,320			868,188,610	4,360	22.17	
2016	468,481	23,100,000	-	1,800,000	293,170,614	938,220	72,820			1,008,940,950	5,067	25.77	
2017	389,355	19,040,000	-	-	438,423,233	736,707	-			1,114,925,569	5,600	28.48	
2018	306,369	14,785,000	-	-	521,794,733	535,193	35,871,347			1,218,955,857	6,122	31.13	
2019	219,042	7,660,000	5,995,000	-	572,807,222	354,989	33,853,224			1,228,829,885	6,172	31.39	
2020	-	7,285,000	5,205,000	-	663,817,587	290,491	31,833,275			1,300,184,023	6,530	33.21	
2021	-	-	4,395,000	-	738,531,019	206,857	29,811,423			1,329,042,029	6,978	33.94	

Source: City of Akron, Ohio Finance Department

<sup>a</sup>See Schedule 16 for population and personal income data

City of Akron, Ohio  
Legal Debt Margin Information  
Unvoted Debt Limit (5 1/2%)  
Last Ten Fiscal Years

Schedule 11

	2012	2013	2014	2015	2016
Debt limit	\$ 146,436,165	\$ 144,094,717	\$ 142,058,748	\$ 141,628,588	\$ 144,978,947
Total net debt applicable to limit	125,904,916	115,903,682	137,009,121	131,654,324	118,799,745
Legal debt margin	<u>\$ 20,531,249</u>	<u>\$ 28,191,035</u>	<u>\$ 5,049,627</u>	<u>\$ 9,974,264</u>	<u>\$ 26,179,202</u>
Total net debt applicable to limit as a percentage of debt limit	85.98%	80.44%	96.45%	92.96%	81.94%
Total unvoted net debt as a percentage of total assessed value of all property	4.73%	4.42%	5.30%	5.11%	4.51%
	2017	2018	2019	2020	2021
Debt limit	\$ 144,341,287	\$ 148,268,842	\$ 141,628,588	\$ 152,641,662	\$ 164,460,227
Total net debt applicable to limit	105,721,985	93,148,655	105,721,985	81,294,060	58,350,000
Legal debt margin	<u>\$ 38,619,302</u>	<u>\$ 55,120,187</u>	<u>\$ 35,906,603</u>	<u>\$ 71,347,602</u>	<u>\$ 106,110,227</u>
Total net debt applicable to limit as a percentage of debt limit	73.24%	62.82%	74.65%	53.26%	35.48%
Total unvoted net debt as a percentage of total assessed value of all property	3.92%	3.46%	3.92%	2.57%	1.89%

Source: City of Akron, Ohio Finance Department

City of Akron, Ohio  
Legal Debt Margin Information  
Total Debt Limit (10 1/2%)  
Last Ten Fiscal Years

Schedule 12

	2012	2013	2014	2015	2016
Debt limit	\$ 279,559,951	\$ 275,089,915	\$ 271,203,065	\$ 270,381,850	\$ 276,777,990
Total net debt applicable to limit	125,904,916	115,903,682	137,009,121	131,654,324	118,799,745
Legal debt margin	\$ 153,655,035	\$ 159,186,233	\$ 134,193,944	\$ 138,727,526	\$ 157,978,245
Total net debt applicable to limit as a percentage of debt limit	45.04%	42.13%	50.52%	48.69%	42.92%
Total net debt as a percentage of total assessed value of all property	4.73%	4.42%	5.30%	5.11%	4.51%
Debt limit	\$ 275,560,639	\$ 283,058,699	\$ 270,381,850	\$ 291,406,810	\$ 313,969,524
Total net debt applicable to limit	105,721,985	93,148,655	105,721,985	81,294,060	58,350,000
Legal debt margin	\$ 169,838,654	\$ 189,910,044	\$ 164,659,865	\$ 210,112,750	\$ 255,619,524
Total net debt applicable to limit as a percentage of debt limit	38.37%	32.91%	39.10%	27.90%	18.58%
Total net debt as a percentage of total assessed value of all property	3.92%	3.46%	3.92%	2.57%	1.89%

Source: City of Akron, Ohio Finance Department



City of Akron, Ohio  
Computation of Direct and Overlapping Debt  
As of December 31, 2021

Schedule 13

Political Subdivision	Amount of Debt	Percent Applicable to City	City's Share
Direct			
City of Akron	\$ 556,097,730	100.00 %	\$ 556,097,730
Total direct debt	<u>\$ 556,097,730</u>		<u>\$ 556,097,730</u>
Overlapping			
Summit County	\$ 20,395,000	21.83 %	\$ 4,452,229
Coventry Local School District	27,119,202	9.60	2,603,443
Revere Local School District	58,510,594	2.94	1,720,211
Springfield Local School District	26,170,000	7.88	2,062,196
Woodridge Local School District	30,580,062	27.27	8,339,183
Total overlapping debt	<u>\$ 162,774,858</u>		<u>\$ 19,177,262</u>
Total direct and overlapping debt	<u>\$ 718,872,588</u>		<u>\$ 575,274,992</u>

Sources: Debt outstanding for overlapping governments, taken from Ohio Municipal Advisory Council (OMAC) as of 1/1/2022 and City of Akron, Ohio Finance Department

Note: Percentages determined by dividing the amount of assessed valuation of the political subdivision located within the boundaries of the City by the total assessed valuation of the subdivisions.

City of Akron, Ohio  
Ratios of General Bonded Debt Outstanding  
Last Ten Fiscal Years  
*(in thousands of dollars, except per capita amount)*

Schedule 14

Fiscal Year	General Obligation Bonds	Less: Amounts Available in Debt Service Fund	Total	Percentage of Estimated		Per Capita <sup>2</sup>
				Actual Taxable Value of Property <sup>1</sup>	%	
2012	\$ 238,070	\$ 2,301	\$ 235,769	3.09	%	\$ 1,184
2013	221,992	955	221,037	2.95		1,110
2014	206,075	951	205,124	2.78		1,030
2015	195,245	554	194,691	2.64		978
2016	176,968	852	176,116	2.39		885
2017	175,548	514	175,034	2.39		879
2018	145,397	526	144,871	1.86		728
2019	105,721	504	105,217	1.30		528
2020	81,294	511	80,783	0.93		406
2021	93,588	446	93,142	0.92		489

Source: City of Akron, Ohio Finance Department

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

<sup>1</sup> See Schedule 5, Assessed Value and Estimated Actual Value of Taxable Property, for property value data.

<sup>2</sup> See Schedule 16, Demographics and Economic Statistics, for population data.

City of Akron, Ohio  
Pledged-Revenue Coverage  
Last Ten Fiscal Years  
(in thousands of dollars)

Schedule 15

Fiscal Year	Sewer Revenue Bonds and OWDA Loans						JEDD Bonds			
	Sewer Gross Revenue	Less: Operating Expenses <sup>1</sup>	Net Available Revenue	Debt Service <sup>2</sup>		JEDD Gross Revenue	Debt Service		Coverage	
				Principal	Interest		Principal	Interest		
2012	\$ 57,229	\$ 47,571	\$ 9,658	\$ 8,983	\$ 2,016	\$ 20,812	\$ -	\$ 1,085	19.18 %	
2013	63,288	44,947	18,341	11,352	2,133	18,090	-	1,149	15.74	
2014	73,527	61,118	12,409	18,201	2,773	17,396	1,920	1,149	5.67	
2015	89,800	62,139	27,661	37,080	3,356	18,724	3,215	1,072	4.37	
2016	89,839	72,182	17,657	12,677	2,849	14,389	3,325	944	3.37	
2017	94,716	71,787	22,929	16,483	4,359	14,800	3,485	778	3.47	
2018	85,575	47,231	38,344	14,352	5,210	14,905	3,665	603	3.49	
2019	88,649	85,088	3,561	17,612	6,190	16,083	3,835	420	3.78	
2020	83,797	54,858	28,939	26,874	11,609	15,786	4,040	228	3.70	
2021	87,944	68,073	19,871	27,874	11,402	18,712	1,810	117	9.71	
Water Revenue Bonds and OWDA Loans										Non-Tax Revenue Bonds

Fiscal Year	Water Revenue Bonds and OWDA Loans						Non-Tax Revenue Bonds				
	Water Gross Revenue	Less: Operating Expenses <sup>1</sup>	Net Available Revenue	Debt Service <sup>3</sup>		Coverage	Non-Tax Collections	Debt Service		Coverage	
				Principal	Interest			Principal	Interest		
2012	\$ 33,448	\$ 21,681	\$ 11,767	\$ 4,126	\$ 2,050	1.91	\$ 103,202	\$ 755	\$ 2,677	30.07	%
2013	35,633	25,323	10,310	4,369	1,924	1.64	137,684	1,605	2,648	32.37	
2014	35,076	25,598	9,478	4,491	1,808	1.50	93,851	23,140	1,857	3.75	
2015	36,839	30,720	6,119	13,122	2,009	0.40	85,349	18,780	1,547	4.20	
2016	37,817	28,016	9,801	5,365	1,612	1.40	151,217	4,290	1,473	26.24	
2017	34,579	27,762	6,817	5,729	1,663	0.92	103,790	4,575	1,380	17.43	
2018	32,246	28,608	3,638	5,970	1,473	0.49	105,986	5,735	1,296	15.07	
2019	34,637	36,450	(1,813)	3,028	1,250	(0.42)	113,905	3,025	1,173	27.13	
2020	36,499	29,642	6,857	3,358	1,215	1.50	154,994	3,105	1,098	36.88	
2021	39,238	25,399	13,839	3,059	1,144	3.29	109,653	3,190	1,013	26.09	

City of Akron, Ohio  
Pledged-Revenue Coverage  
Last Ten Fiscal Years  
(in thousands of dollars)  
(continued)

Schedule 15

Fiscal Year	CLC Bonds				Income Tax Revenue Bonds			
	CLC Collections	Debt Service		Coverage	Income Tax Collections	Debt Service <sup>4</sup>		Coverage
		Principal	Interest			Principal	Interest	
2012	\$ 18,064	\$ 5,225	\$ 6,057	1.60 %	\$ 113,026	\$ -	\$ 155	729.20 %
2013	14,880	5,570	10,568	0.92	125,081	1,407	1,274	46.65
2014	12,937	7,455	11,390	0.69	127,375	1,914	1,296	39.68
2015	17,254	7,545	12,042	0.88	126,035	3,296	2,815	20.62
2016	15,935	7,870	11,797	0.81	135,322	19,591	3,999	5.74
2017	15,231	44,980	39,263	0.18	122,418	6,689	3,752	11.72
2018	16,917	10,130	12,000	0.76	146,679	6,333	3,483	14.94
2019	16,454	10,650	11,374	0.75	151,025	6,108	3,314	16.03
2020	15,977	10,940	10,831	0.73	152,897	4,815	2,686	20.38
2021	17,975	12,995	10,349	0.77	167,633	7,530	5,079	13.29

Source: City of Akron, Ohio Finance Department

<sup>1</sup> Net of Depreciation

<sup>2</sup>The 2021 amounts for debt service include the final principal payments totaling \$5,333,548 and interest payments of \$73,325 for OWDA loans that were retired during the year and not reflected on Note 19.

<sup>3</sup>The 2021 amounts for debt service include the final principal payment of \$390,000 and interest payment of \$320,243 for a bond that was refunded during the year and not reflected on Note 19.

<sup>4</sup>The 2021 amounts for debt service include the final principal payment of \$322,354 and interest payment of \$6,547 for a bond that was retired during the year and is not reflected on Note 19. The debt service amount also includes the final principal payment of \$121,900 and interest payment of \$2,476 for a bond that was retired during the year.

City of Akron, Ohio  
Demographic and Economic Statistics  
Last Ten Fiscal Years

Schedule 16

Year	Population <sup>1</sup>	Personal Income <sup>1</sup>	Per Capita Personal Income <sup>1</sup>	Median Household Income <sup>1</sup>	Median Age <sup>1</sup>	Education - Bachelor's Degree or Higher <sup>1</sup>	School Enrollment <sup>1</sup>	Unemployment Rate <sup>2</sup>	%
2021	190,469	\$ 3,915,299,040	\$ 19,664	\$ 34,359	35.5	20	56,760	6.7	%
2020	199,110	3,915,299,040	19,664	34,359	35.5	20	56,760	10.1	
2019	199,110	3,915,299,040	19,664	34,359	35.5	20	56,760	4.9	
2018	199,110	3,915,299,040	19,664	34,359	35.5	20	56,760	5.3	
2017	199,110	3,915,299,040	19,664	34,359	35.5	20	56,760	5.8	
2016	199,110	3,915,299,040	19,664	34,359	35.5	20	56,760	5.8	
2015	199,110	3,915,299,040	19,664	34,359	35.5	20	56,760	5.7	
2014	199,110	3,915,299,040	19,664	34,359	35.5	20	56,760	6.6	
2013	199,110	3,915,299,040	19,664	34,359	35.5	20	56,760	7.6	
2012	199,110	3,915,299,040	19,664	34,359	35.5	20	56,760	7.6	

Source: <sup>1</sup> U.S. Census Bureau, due to COVID and timing 2020 data still not available.

<sup>2</sup> Ohio Department of Job and Family Services

City of Akron, Ohio  
Principal Employers  
12/31/2021 and 6/1/2012

Schedule 17

12/31/2021			6/1/2012				
Employer	Employees	Rank	Percentage of Total City Employment	Employer	Full-Time Employees	Rank	Percentage of Total City Employment
Amazon Fulfillment Center	14,186	1	15.89 %	Summa Health System	10,000	1	10.20 %
Summa Health System	7,795	2	8.73	Akron General Health Sustain	4,150	2	4.23
Akron Children's Hospital	6,228	3	6.97	County of Summit	3,468	3	3.54
University of Akron	5,222	4	5.85	Akron City School District	3,094	4	3.16
Akron Public Schools	4,712	5	5.28	Goodyear Tire & Rubber Company	3,000	5	3.06
Akron General/Cleveland Clinic	4,604	6	5.16	The University of Akron	2,845	6	2.90
Summit County Government	3,358	7	3.76	FirstMerit Corporation	2,695	7	2.75
Goodyear Tire	3,136	8	3.51	Akron Children's Hospital	2,681	8	2.74
First Energy	2,274	9	2.55	First Energy Corporation	2,537	9	2.59
Group Management	2,119	10	2.37	Time Warner Cable NEO Div	2,440	10	2.49
	53,634		60.07 %		36,910		37.66 %

Source: City of Akron, Ohio Finance Department

Employment numbers include all tax filing(s) with the City of Akron.

City of Akron, Ohio  
Full-Time Equivalent City Government Employees by Function/Program  
Last Ten Fiscal Years

Function/Program	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
<b>General Government:</b>										
City Council	3	3	3	3	3	3	3	3	3	2
Courts	89	90	92	89	93	99	96	95	98	85
Elected and Appointed Officials	43	44	45	44	51	53	52	50	53	63
Economic Development	4	4	3	4	5	5	6	6	-	-
Finance Department	78	100	99	98	92	77	76	77	73	72
Information Technology	-	-	-	-	-	6	9	9	20	17
Lock 3	-	-	-	-	-	3	3	3	-	-
Civil/Criminal	8	8	7	8	8	8	7	8	7	5
Personnel Department	9	9	8	10	-	-	-	-	-	-
Human Resources Department	-	-	-	-	14	16	15	17	16	14
<b>Public Safety:</b>										
Elected and Appointed Officials	-	1	1	2	1	-	-	1	1	1
Communications	15	16	16	14	15	-	-	-	-	-
Information Tech Communications	-	-	-	-	-	15	13	13	14	-
Safety Communications	58	57	55	59	55	58	63	58	64	81
Fire Department	345	381	368	372	350	374	375	380	371	366
Police Department	454	453	493	485	489	470	473	500	483	483
Traffic Engineering	18	21	19	-	-	-	-	-	-	-

Schedule 18

City of Akron, Ohio  
Full-Time Equivalent City Government Employees by Function/Program  
Last Ten Years  
(continued)

Schedule 18										
Function/Program	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
<b>Public Service:</b>										
Elected and Appointed Officials	4	4	3	4	3	3	3	3	2	3
Public Service Administration	1	3	5	4	4	1	2	2	2	1
Customer Service	12	12	11	11	12	-	-	-	-	-
Housing	9	12	12	11	11	-	-	-	-	-
Information Technology	-	-	-	-	-	7	5	5	-	-
Plans and Permits Center	1	2	2	2	2	3	2	2	2	5
Customer Service Response	8	8	8	8	8	-	-	-	-	-
Engineering Bureau	54	55	39	44	49	47	44	44	41	37
Building Maintenance	24	26	25	24	27	27	25	27	27	27
Motor Equipment	30	28	29	29	30	31	30	28	28	30
Golf Course	3	3	4	4	4	5	5	5	5	3
Sewer Bureau	56	61	59	56	52	51	50	50	47	95
Water Bureau	148	154	167	162	156	164	163	160	169	126
Public Works Administration	8	7	7	7	5	6	7	6	7	7
Highway Maintenance	50	56	60	59	61	61	57	58	61	54
Sanitation Services	39	42	41	41	38	40	40	37	43	49
Street Cleaning	32	37	41	41	37	41	41	39	40	38
Parks Maintenance	24	33	32	32	31	32	31	31	27	35
Traffic Engineering	-	-	-	19	18	19	19	22	20	20
<b>Community Environment:</b>										
Elected and Appointed Officials	-	1	2	2	2	2	2	5	5	7
3-1-1 Call Center	-	-	-	-	-	7	8	8	8	6
Housing Compliance	-	-	-	-	-	11	12	12	11	12
Housing & Community Services	-	-	-	-	-	9	9	9	9	7
Nuisance Compliance	-	-	-	-	-	12	12	12	12	11
Planning Department	52	52	49	48	44	34	32	32	15	13
Office of Integrated Development (OID)	-	-	-	-	-	-	-	-	26	30
Recreation & Downtown Operations	-	-	-	-	-	-	-	-	22	20
Recreation Bureau	23	19	19	22	21	21	21	19	-	-
<b>Totals:</b>	1,725	1,802	1,824	1,818	1,791	1,821	1,811	1,836	1,832	1,825

Source: City of Akron, Ohio Finance Department



City of Akron, Ohio  
Operating Indicators by Function/Program  
Last Ten Fiscal Years

Schedule 19

Function/Program	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
<b>General Government</b>										
Total Number of Permits Issued	522	1,156	1,237	1,294	1,447	1,171	1,183	1,458	1,388	1,199
City Council Ordinances Passed	414	385	382	418	415	342	388	321	307	251
<b>Fire</b>										
Emergency Responses	34,294	34,059	35,789	37,806	40,013	40,387	41,597	43,549	42,298	44,214
Fire/Rescue	7,283	7,236	7,833	8,428	9,546	9,786	9,088	9,809	9,795	11,163
<b>Police</b>										
Calls for Service*	199,125	201,475	205,276	213,020	220,479	210,278	199,961	182,260	149,805	148,644
Civil Division Cases Filed	12,052	10,229	10,145	9,372	9,698	10,347	10,775	11,081	6,640	7,847
Criminal/Traffic Division Cases Filed	32,298	33,417	34,823	35,103	33,187	33,614	33,913	32,145	24,797	24,966
Parking Division Cases Filed	29,126	24,199	24,140	25,087	25,231	21,009	21,873	20,385	11,347	8,933
<b>Parks and Recreation</b>										
Good Park Golf Course Attendance	33,691	37,324	31,231	37,511	38,912	37,244	32,515	30,685	32,081	39,228
Mud Run Golf Course Attendance	13,494	12,884	10,660	15,262	14,986	13,726	14,297	18,292	18,692	19,528
<b>Business Services</b>										
Curb Service Accounts	61,270	61,039	60,931	61,099	61,498	62,024	62,267	62,294	62,543	62,841
<b>Sewer</b>										
Sewer Accounts		78,653	77,012	76,706	75,507	75,557	75,690	75,634	75,966	75,600
Sewer Amounts Billed (in thousands)	\$	\$ 53,756	\$ 55,538	\$ 75,485	\$ 92,116	\$ 75,830	\$ 75,287	\$ 73,290	\$ 70,648	\$ 70,312
<b>Water</b>										
Water Accounts		83,550	83,643	82,621	80,806	80,834	80,926	81,055	83,482	83,500
Water Amounts Billed (in thousands)	\$	\$ 33,125	\$ 31,951	\$ 31,312	\$ 29,615	\$ 30,485	\$ 30,362	\$ 29,677	\$ 29,564	\$ 29,998

\*Prior to 2020 the Police Calls for Service represents all calls less station calls, meal breaks and out of service calls. The new CAD system does not include some calls that were previously reported.

Source: City of Akron, Ohio Finance Department

City of Akron, Ohio  
Capital Asset Statistics by Function/Program  
Last Ten Fiscal Years

Schedule 20

Function/Program	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
<b>Police</b>										
Number of Uniformed Police Officers	412	412	450	445	453	435	441	468	453	452
Number of Districts	12	12	12	12	12	12	12	12	12	12
<b>Fire</b>										
Number of Firefighters and Officers	325	360	349	349	328	353	352	357	349	343
Number of Stations	13	13	13	13	13	13	13	13	13	13 *
<b>Parks and Recreation</b>										
City Park System (in acres)	2,100	2,100	2,100	2,100	2,100	2,100	2,100	2,100	2,100	2,100
City Owned/Operated Golf Courses	2	2	2	2	2	2	2	2	2	2
<b>Water</b>										
Miles of Pipe	1,225	1,226	1,226	1,228	1,230	1,231	1,237	1,230	1,239	1,182
Average Daily Pumpage										
(in millions of gallons)	35	34	34	34	34	34	34	33	31	30
Distribution-Storage Reservoirs	15	15	15	15	15	15	15	15	14	14
<b>Sewer</b>										
Sanitary Sewers (miles)	681	685	672	678	678	686	683	682	683	683
Storm Sewers (miles)	382	382	374	361	361	369	365	364	370	370
Storm and Combined Sewer Inlets (miles)	309	309	303	309	309	298	295	294	293	293
Pump Stations	33	33	33	33	33	37	37	37	36	36
<b>Other Public Works</b>										
Oil Wells	13	13	13	13	13	13	13	12	12	12
Parking Decks	10	10	10	10	10	10	10	10	10	10

Source: City of Akron, Ohio Finance Department

\*During 2018, one fire station was razed and new construction began. The count includes this station.

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

### Independent Auditor's Report

To the Honorable Daniel Horrigan, Mayor,  
and Stephen F. Fricker, Director of Finance  
City of Akron, Ohio

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 Akron, Ohio, (the "City") as of and for the year ended December 31, 2021 and the related notes to the financial statements, which collectively comprise the City's basic financial statements. We issued our report thereon dated December 16, 2022, which contained an unmodified opinion on those financial statements. Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. We have not performed any procedures with respect to the audited financial statements subsequent to December 16, 2022.

The accompanying schedule of expenditures of federal awards is presented for the purpose of additional analysis, as required by the Uniform Guidance, and is 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 schedule of expenditures of federal awards is fairly stated in all material respects in relation to the basic financial statements as a whole.

*Plante & Moran, PLLC*

December 16, 2022

Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of  
Financial Statements Performed in Accordance with *Government Auditing Standards*

**Independent Auditor's Report**

To Management and the Honorable Daniel Horrigan,  
Mayor, and Stephen F. Fricker, Director of Finance  
City of Akron, Ohio

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Akron, Ohio (the "City") as of and for the year ended December 31, 2021 and the related notes to the financial statements, which collectively comprise the City's basic financial statements, and have issued our report thereon dated December 16, 2022.

**Report on Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the City's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, we do not express an opinion on the effectiveness of the City's internal control.

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

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the City's financial statements will not be prevented, or detected and corrected, on a timely basis. We consider the deficiency described in the accompanying schedule of findings and questioned costs as Finding 2021-001 to be a material weakness.

A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance. We consider the deficiency described in the accompanying schedule of findings and questioned costs as Finding 2021-002 to be a significant deficiency.

**Report on Compliance and Other Matters**

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

To Management and the Honorable Daniel Horrigan,  
Mayor, and Stephen F. Fricker, Director of Finance  
City of Akron, Ohio

### **The City's Responses to the Findings**

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

### **Purpose of This Report**

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

*Plante & Moreau, PLLC*

December 16, 2022

Report on Compliance for Each Major Federal Program and Report on Internal Control Over Compliance  
Required by the Uniform Guidance

**Independent Auditor's Report**

To the Honorable Daniel Horrigan, Mayor,  
and Stephen F. Fricker, Director of Finance  
City of Akron, Ohio

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

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

We have audited the City of Akron, Ohio's (the "City") compliance with the types of compliance requirements identified as subject to audit in the Office of Management and Budget (OMB) Compliance Supplement that could have a direct and material effect on each of the City's major federal programs for the year ended December 31, 2021. The City's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

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

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

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

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

***Responsibilities of Management for Compliance***

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

To the Honorable Daniel Horrigan, Mayor,  
and Stephen F. Fricker, Director of Finance  
City of Akron, Ohio

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

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

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

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

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

### ***Other Matters***

The results of our auditing procedures disclosed an instance of noncompliance that is required to be reported in accordance with the Uniform Guidance and is described in the accompanying schedule of findings and questioned costs as Finding 2021-003. Our opinion on each major federal program is not modified with respect to these matters.

*Government Auditing Standards* require the auditor to perform limited procedures on the City's response to the noncompliance finding identified in our compliance audit and described in the accompanying schedule of findings and questioned costs. The City's response was not subjected to the other auditing procedures applied in the audit of compliance, and, accordingly, we express no opinion on it.

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

Our consideration of internal control over compliance was for the limited purpose described in the *Auditor's Responsibilities for the Audit of Compliance* section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance, and, therefore, material weaknesses or significant deficiencies may exist that have not been identified. However, as discussed below, we did identify a certain deficiency in internal control over compliance that we consider to be a material weakness.

To the Honorable Daniel Horrigan, Mayor,  
and Stephen F. Fricker, Director of Finance  
City of Akron, Ohio

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A material weakness in internal control over compliance is a deficiency, or a combination of deficiencies, in internal control over compliance such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A significant deficiency in internal control over compliance is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention of those charged with governance. We consider the deficiency in internal control over compliance described in the accompanying schedule of findings and questioned costs as Finding 2021-003 to be a material weakness.

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

*Government Auditing Standards* require the auditor to perform limited procedures on the City's response to the internal control over compliance finding identified in our audit described in the accompanying schedule of findings and questioned costs. The City's response was not subjected to the other auditing procedures applied in the audit of compliance, and, accordingly, we express no opinion on it.

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

*Plante & Moreau, PLLC*

December 16, 2022



# CITY OF AKRON, OHIO

## SUPPLEMENTAL SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS YEAR ENDED DECEMBER 31, 2021

Federal Grantor/Pass-Through Grantor/Program Title	Federal Assistance Listing No.	Pass Through Or Entity Identifying Number	Passed Through to Subrecipients	Total Federal Expenditures
<b>DEPARTMENT OF EDUCATION</b>				
Passed Through the Ohio Department of Education:				
Twenty-First Century Community Learning Centers	84.287	FY2020-2021-079111		178,822
Total Department of Education				178,822
<b>DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT</b>				
Direct Programs:				
CDBG - Entitlement Grants Cluster:				
Community Development Block Grants/Entitlement Grants	14.218	B-20-MC-39-0001	2,301,458	7,054,635
COVID-19: Community Development Block Grants/Entitlement Grants	14.218	B20MW3-90001	662,748	663,631
Neighborhood Stabilization Program	14.218	B-08-MN-39-0001		626
Neighborhood Stabilization Program	14.218	B-11-MN-39-0001		-
Total CDBG - Entitlement Grants Cluster			2,964,206	7,718,892
Emergency Solutions Grants Program	14.231	E-20-MC-39-0001	466,044	530,614
COVID-19: Emergency Solutions Grants Program	14.231	E-20MW3-90001	817,276	836,188
HOME Investment Partnership Program	14.239	M-20-MC-39-0206	1,115,486	1,119,211
Continuum of Care Program	14.267	OH056265E061600	119,200	145,359
Lead-Based Paint:				
Lead-Based Paint Hazard Control Program	14.900	OHLHB0735-19		1,596,237
Total Department of Housing and Urban Development			5,482,212	11,946,501
<b>DEPARTMENT OF JUSTICE</b>				
Direct Programs:				
COVID-19: Coronavirus Emergency Supplemental Funding	16.034	2020-VD-BX-1552		91,325
Violence Against Women	16.588	2020-WF-VA2-8503		36,733
Public Safety Partnership and Community Policing Grants (CHP)	16.710	2018SVWX0034		401,518
National Sexual Assault Kit Initiative	16.833	2018-AK-BX-0010	63,771	340,343
National Sexual Assault Kit Initiative	16.833	2019-AK-BX-0004	773,349	778,121
Equitable Sharing Program	16.922	OH0770100		89,400
Passed Through the Governor's Office of Criminal Justice Services:				
Project Safe Neighborhood	16.609	2018-PS-PND-433		33,301
Edward Byrne Memorial Justice Assistance - Formula Grants	16.738	2017-DJ-BX-0659	19,171	22,724
Edward Byrne Memorial Justice Assistance - Formula Grants	16.738	2018-DJ-BX-0178	4,779	52,370
Edward Byrne Memorial Justice Assistance - Formula Grants	16.738	2019-DJ-BX-0495		15,315
Edward Byrne Memorial Justice Assistance - Formula Grants	16.738	2019-JG-A02-6005		-
Total Department of Justice			861,070	1,861,150
<b>ENVIRONMENTAL PROTECTION AGENCY</b>				
Direct Programs:				
Great Lakes Program	66.469	00E02825		468,951
Passed Through the Ohio Environmental Protection Agency:				
Clean Water State Revolving Fund Cluster:				
Capitalization Grants for Clean Water State Revolving Funds	66.458	OWDA 8540, OWDA 8727		41,169,722
Total for Environmental Protection Agency			-	41,638,673
<b>DEPARTMENT OF TRANSPORTATION</b>				
Passed Through the Federal Aviation Administration:				
COVID-19: Airport Improvement Program	20.106	3-39-0002-023-2021		23,000
Airport Improvement Program	20.106	3-39-0002-022-2021		85,040
Airport Improvement Program	20.106	3-39-0002-020-2020		3,311,924
Total for Airport			-	3,419,964
Passed Through the Ohio Department of Public Safety:				
Minimum Penalties for Repeat Offenders for Driving While Intoxicated (DWI)	20.608	IDEP- 2020		5,054
Minimum Penalties for Repeat Offenders for Driving While Intoxicated (DWI)	20.608	IDEP--2021-APD-00054		22,400
			-	27,454

Passed Through the Ohio Department of Highway Safety:

Highway Safety Cluster:

State and Community Highway Safety	20.600	STEP-2020	6,848
State and Community Highway Safety	20.600	STEP-2021-APD-00054	18,861
Alcohol Traffic Safety and Drunk Driving Prevention Program	20.601	OVITF-2015-77-00-00-450	31,329
National Priority Safety Programs - Impaired Driving Enforcement Program	20.616	DDEP-2020	-
National Priority Safety Programs - Impaired Driving Enforcement Program	20.616	DDEP-2021-00037	6,838
Total Highway Safety Cluster			<u>63,876</u>

Passed Through the Ohio Department of Transportation:

Highway Planning and Construction Cluster:

ODOT - Akron Metropolitan Area Transportation Study - Rideshare	20.205	PID-97831	7,034
ODOT - Akron Metropolitan Area Transportation Study - Air Quality	20.205	PID-100692	118,039
ODOT - Akron Metropolitan Area Transportation Study - Air Quality	20.205	PID-111426	84,357
ODOT - Akron Metropolitan Area Transportation Study - Air Quality	20.205	PID-97834	10,967
ODOT - Akron Metropolitan Area Transportation Study - Rideshare	20.205	PID-100691	73,044
ODOT - Akron Metropolitan Area Transportation Study	20.205	PID-114262	230,560
ODOT - Akron Metropolitan Area Transportation Study	20.205	PID-111606	844,158
Total Akron Metropolitan Area Transportation Study			<u>1,368,159</u>
ODOT - Akron Innerbelt	20.205	PID-75436	140,614
ODOT - Brittain Road Signals	20.205	PID-93432	32,948
ODOT - Canton Road Market Street Intersection	20.205	PID-93433	22,854
ODOT - Copley Road Signals	20.205	PID-88968	109,473
ODOT - Evans Avenue	20.205	PID-80684	2,497,869
ODOT - Main Street Corridor	20.205	PID-104042	543,400
ODOT - Main Street Corridor Phase 2	20.205	PID-108164	2,193,071
ODOT - South Hawkins Avenue Resurfacing	20.205	PID-108132	602,671
ODOT - Summit Signals, SR 18 Portage Path to Summit	20.205	PID-93435	50,378
ODOT - SR 18 Signals Portage Path to Hawkins	20.205	PID-93436	36,745
ODOT - Seiberling Way Phase 1	20.205	PID-98397	32,499
ODOT - Tallmadge Avenue	20.205	PID-88556	1,832,445
ODOT - Tallmadge Avenue Signals	20.205	PID-93439	43,771
ODOT - US Massillon Road Intersection	20.205	PID-107203	193,460
ODOT - East Waterloo Road Resurfacing	20.205	PID-108133	436,992
Total Highway Planning & Construction Cluste			<u>10,137,349</u>
Total Department of Transportation			<u>13,648,643</u>

## DEPARTMENT OF THE TREASURY

Passed Through the Ohio Office of Management and Budget and Summit County:

COVID-19: Coronavirus Relief Fund	21.019	1,849,047	7,295,126
COVID-19: Coronavirus State and Local Fiscal Recovery Funds	21.027		233,101
Total Department of Treasury		<u>1,849,047</u>	<u>7,528,227</u>

## U.S. SMALL BUSINESS ADMINISTRATION

COVID-19: Shuttered Venue Operators Grant	59.075		274,690
		<u>-</u>	<u>274,690</u>

## EXECUTIVE OFFICE OF THE PRESIDENT

Office of National Drug Control Policy

Passed Through the City of Shaker Heights, Ohio:

High Intensity Drug Trafficking Area	95.001		43,052
Total Executive Office of the President		<u>-</u>	<u>43,052</u>

## DEPARTMENT OF HOMELAND SECURITY

Passed Through the Ohio Emergency Management Agency:

Hazard Mitigation Grant Program	97.039	FEMA-DR-4424-OH	172,428
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Direct Programs:

From the Federal Emergency Management Agency:

COVID-19: Assistance to Firefighters Grant	97.044	EMW-2020-FG-02820	51,227
Assistance to Firefighters Grant	97.044	EMW-2018-FO-04504	3,636
Assistance to Firefighters Grant	97.044	EMW-2019-FG-04119	516,942
Assistance to Firefighters Grant	97.044	EMW-2020-FP-000232	23,380
Total Department of Homeland Security			<u>767,613</u>

**TOTAL EXPENDITURES OF FEDERAL AWARDS**

<u>8,192,329</u>	<u>77,887,371</u>
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See notes to supplemental schedule of expenditures of federal awards.

**CITY OF AKRON, OHIO  
SUMMIT COUNTY**

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

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**1. BASIS OF PRESENTATION**

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

**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

Expenditures reported on the Schedule are reported on the cash basis of accounting. Such expenditures are recognized following the cost principles contained in Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principals, and Audit Requirements for Federal Awards*, wherein certain types of expenditures may or may not be allowable or may be limited as to reimbursement except for expenditures related to CFDA 21.019, Coronavirus Relief Fund (CRF). CRF does not apply the cost principles contained in Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principals, and Audit Requirements for Federal Awards but rather applies the U.S. Department of Treasury's guidance. The Government has elected not to use the 10-percent de minimis indirect cost rate as allowed under the Uniform Guidance. Pass through numbers are presented where available.

## Schedule of Findings and Questioned Costs

Year Ended December 31, 2021

## Section I - Summary of Auditor's Results

## Financial Statements

Type of auditor's report issued:

Unmodified

Internal control over financial reporting:

- Material weakness(es) identified?   X   Yes        No
- Significant deficiency(ies) identified that are not considered to be material weaknesses?   X   Yes        None reported
- Noncompliance material to financial statements noted?        Yes   X   None reported

## Federal Awards

Internal control over major programs:

- Material weakness(es) identified?   X   Yes        No
- Significant deficiency(ies) identified that are not considered to be material weaknesses?        Yes   X   None reported
- Any audit findings disclosed that are required to be reported in accordance with Section 2 CFR 200.516(a)?   X   Yes        No

Identification of major programs:

Assistance Listing Number	Name of Federal Program or Cluster	Opinion
66.458	Clean Water State Revolving Fund Cluster	Unmodified
20.106	Airport Improvement Program	Unmodified
21.019	COVID-19: Coronavirus Relief Fund	Unmodified
14.218	CDBG - Entitlement Grants Cluster	Unmodified

Dollar threshold used to distinguish between type A and type B programs:

\$2,336,621

Auditee qualified as low-risk auditee?

       Yes   X   No

## Schedule of Findings and Questioned Costs (Continued)

Year Ended December 31, 2021

### Section II - Financial Statement Audit Findings

Reference Number	Finding
2021-001	<p><b>Finding Type</b> - Material weakness</p> <p><b>Criteria</b> - According to Clarified Statements on Auditing Standards, management is responsible for producing financial statements that are prepared, in all material respects, in accordance with generally accepted accounting principles (GAAP) (AU-C 260.10).</p> <p><b>Condition</b> - Material adjustments were identified during the course of the audit in order to present the financial statements in accordance with GAAP.</p> <p><b>Context</b> - A material journal entry was necessary to adjust the City's share of expenditures that are funded by the State of Ohio and the accompanying revenue and cash deposits in the Community Learning Centers Fund. In addition, a material adjustment was made to correct the classification of net investment in capital assets within net position for the Water Fund.</p> <p><b>Cause</b> - The portion of the Community Learning Centers activity that is paid on behalf of the City by the State is recorded at year end through a journal entry. The City did not identify an error in the original calculation that was used to create the journal entry.</p> <p>The original net investment in capital assets in the Water Fund did not factor into the current portion of long-term debt payable.</p> <p><b>Effect</b> - The correcting journal entry in the Community Learning Centers Fund decreased revenue by \$6 million, increased expenditures by \$7.6 million, and decreased the cash deposit by \$13.6 million. The entry also reduced restricted fund balance by approximately \$13.6 million.</p> <p>The correction in the Water Fund decreased net position - net investment in capital assets by \$47 million and reduced the unrestricted deficit in the Water Fund by the same amount.</p> <p><b>Recommendation</b> - The City should implement procedures to ensure that all appropriate journal entries are made prior to the commencement of the audit.</p> <p><b>Views of Responsible Officials and Planned Corrective Actions</b> - All adjustments were identified by the City and then promptly posted and reflected in the financial report. The City will continue to implement additional review procedures to minimize adjustments.</p>

## Schedule of Findings and Questioned Costs (Continued)

Year Ended December 31, 2021

### Section II - Financial Statement Audit Findings (Continued)

Reference Number	Finding
2021-002	<p><b>Finding Type</b> - Significant deficiency</p> <p><b>Criteria</b> - Cash balances reported in the general ledger should be reconciled to the bank balance on a monthly basis. Differences should be identified and reconciled.</p> <p><b>Condition</b> - Payroll cash clearing accounts were not reconciled timely throughout the year.</p> <p><b>Context</b> - There is a large volume of activity that runs through the payroll clearing accounts throughout the year. The comprehensive reconciliations were not completed until after year end.</p> <p><b>Cause</b> - The City implemented a new accounting system during the year. It was a substantial project that required a significant investment of time, and the cash clearing account process was not fully completed after the end of the year.</p> <p><b>Effect</b> - The cash clearing accounts were not reconciled until after year end and resulted in revisions to the trial balance provided for the audit.</p> <p><b>Recommendation</b> - The City should ensure that the cash clearing account reconciliations are prepared timely on a go forward basis.</p> <p><b>Views of Responsible Officials and Planned Corrective Actions</b> - The City continues to refine the Workday system to facilitate and streamline the reconciliation process.</p>

## Schedule of Findings and Questioned Costs (Continued)

Year Ended December 31, 2021

### Section III – Federal Program Audit Findings

Reference Number	Finding
2021-003	<p><b>Assistance Listing Number, Federal Agency, and Program Name</b> - -ALN 14.218, Department of Housing and Urban Development, CDBG Entitlement Cluster Community Development Block Grants/Entitlement Grants and COVID-19 Community Development Block Grants/Entitlement Grants.</p> <p><b>Federal Award Identification Number and Year</b> -B-20-MC-39-0001, COVID-19: B20MW3-90001</p> <p><b>Pass-through Entity</b> – Not applicable - Direct funded</p> <p><b>Finding Type</b> - Material weakness and material noncompliance with laws and regulations</p> <p><b>Repeat Finding</b> – No</p> <p><b>Criteria</b> – The Federal Funding Accountability and Transparency Act (FFATA), as amended by 6202 of Public Law 110-252, requires a prime grant awardee to report its subgrants using the FFATA Subaward reporting System (FSRS) tool. The prime recipient will have until the end of the month plus one additional month after an award or sub-award is obligated to fulfill the reporting requirement.</p> <p><b>Condition</b> - The City did not file the required FFATA reports.</p> <p><b>Questioned Costs</b> – Not Applicable</p> <p><b>Identification of How Questioned Costs Were Computed</b> - Not Applicable</p> <p><b>Context</b> - The following table summarizes the FFATA transactions examined, and the noncompliance identified:</p>

Transactions Tested	Subaward Not Reported	Report Not Timely	Subaward Amount Incorrect	Subaward Missing Key Elements
45	45	45	0	0
Dollar Amount of Tested Transactions	Subaward Not Reported	Report Not Timely	Subaward Amount Incorrect	Subaward Missing Key Elements
\$4,044,773	\$4,044,773	\$4,044,773	\$0	\$0



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## Schedule of Findings and Questioned Costs (Continued)

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Year Ended December 31, 2021

### Section III – Federal Program Audit Findings (Continued)

**Cause and Effect** – The City experienced staff departures which has delayed the completion of the FFATA reports. The City did not have procedures in place to ensure reporting was completed.

**Recommendation** - The City must put procedures in place to ensure the FFATA reports are filed in a timely manner.

**Views of Responsible Officials and Corrective Action Plan** - The City is aware and is in the process of filing all required FFATA reports.

**STEPHEN F. FRICKER**  
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SFricker@akronohio.gov

**MICHAEL P. WHEELER, CPA**  
Deputy Director of Finance  
MWheeler@akronohio.gov



**TINA A. VICK**  
Executive Assistant  
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**DANIEL HORRIGAN, MAYOR**  
**DEPARTMENT OF FINANCE**

205 Municipal Building / 166 South High Street / Akron, Ohio 44308  
PH:(330) 375-2316

**City of Akron, Ohio**

**December 16, 2022**

**Summary Schedule of Prior Audit Findings**

**Prior Year Finding Number:** 2020-001

**Fiscal Year in Which the Finding Initially Occurred:** 2020

**Federal Program, Assistance Listing Number and Name:** N/A

**Original Finding Description:** The controls in place were not adequate to ensure the Schedule of Expenditure of Federal Awards was complete and accurate.

**Status/Partial Corrective Action (as applicable):** Fully corrected

**Planned Corrective Action:** N/A

**Prior Year Finding Number:** 2020-002

**Fiscal Year in Which the Finding Initially Occurred:** 2020

**Federal Program, Assistance Listing Number and Name:** N/A

**Original Finding Description:** Adjustments were required to amounts presented in the 2019 financial statements in order to correct material misstatements for capital assets and net position. Auditor-identified adjustments were also required to be posted to capital assets, accounts payable and expenses, and net position in the 2020 financial statements.

**Status/Partial Corrective Action (as applicable):** Fully corrected

**Planned Corrective Action:** N/A

**Prior Year Finding Number:** 2020-003

**Fiscal Year in Which the Finding Initially Occurred:** 2020

**Federal Program, Assistance Listing Number and Name:** N/A

**Original Finding Description:** Adjustments were required to amounts presented in the 2020 financial statements filed in the Hinkle System in order to present financial information in accordance with GAAP. In addition, the financial statements filed in the Hinkle System did not include management's discussion and analysis.

**Status/Partial Corrective Action (as applicable):** Fully corrected

**Planned Corrective Action:** N/A

**Prior Year Finding Number:** 2020-004

**Fiscal Year in Which the Finding Initially Occurred:** 2020

**Federal Program, Assistance Listing Number and Name:** N/A

**Original Finding Description:** The City does not have formal change-management procedures documented, nor does it retain a log of any master file changes.

**Status/Partial Corrective Action (as applicable):** Fully corrected

**Planned Corrective Action:** N/A

**Prior Year Finding Number:** 2020-005

**Fiscal Year in Which the Finding Initially Occurred:** 2020

**Federal Program, Assistance Listing Number and Name:** CFDA No. 14.218, Department of Housing and Urban Development, Community Development Block Grants/Entitlement Grants

**Original Finding Description:** The City used grant funds under the CDBG-CV grant for unallowable activities in accordance with the grant regulations, as they were not clearly used for activities carried out to prevent, prepare for, and respond to coronavirus.

**Status/Partial Corrective Action (as applicable):** Fully corrected

**Planned Corrective Action:** N/A

**City of Akron, Ohio**  
**December 16, 2022**  
**Corrective Action Plan**

**Finding Number:** 2021-001

**Condition:** Material adjustments were identified during the course of the audit in order to present the financial statements in accordance with GAAP.

**Planned Corrective Action:** All adjustments were identified by the City and then promptly posted and reflected in the financial report. The City will continue to implement additional review procedures to minimize adjustments.

**Contact person responsible for corrective action:** Stephen F. Fricker, Director of Finance

**Anticipated Completion Date:** December 31, 2022

**Finding Number:** 2021-002

**Condition:** Payroll cash clearing accounts were not reconciled timely throughout the year.

**Planned Corrective Action:** The City continues to refine the Workday system to facilitate and streamline the reconciliation process.

**Contact person responsible for corrective action:** Stephen F. Fricker, Director of Finance

**Anticipated Completion Date:** December 31, 2022

**Finding Number:** 2021-003

**Condition:** The City did not file the required FFATA reports.

**Planned Corrective Action:** The City is aware and is in the process of filing all required FFATA reports.

**Contact person responsible for corrective action:** Helen Tomic,

**Anticipated Completion Date:** February 28, 2023

# OHIO AUDITOR OF STATE KEITH FABER



**CITY OF AKRON**

**SUMMIT COUNTY**

## **AUDITOR OF STATE OF OHIO CERTIFICATION**

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



**Certified for Release 1/31/2023**

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

This report is a matter of public record and is available online at  
[www.ohioauditor.gov](http://www.ohioauditor.gov)