



ANNUAL COMPREHENSIVE FINANCIAL REPORT 2023



CITY OF **MASON** OHIO
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CITY OF MASON, OHIO

ANNUAL COMPREHENSIVE FINANCIAL REPORT FOR THE YEAR ENDED DECEMBER 31, 2023

Prepared by:
Finance Department
Joseph Reigelsperger
Finance Director

Produced by the City of Mason
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INTRODUCTORY SECTION

July 26, 2024

Honorable Mayor, Members of Council, and Citizens of Mason:

We are pleased to present the City of Mason's Annual Comprehensive Financial Report for the fiscal year ending December 31, 2023. While there are no legal requirements for the preparation of this report, it represents a commitment by the City of Mason to conform to nationally recognized standards of excellence in financial reporting.

State law requires that each public office file an annual financial report with the Auditor of State. The financial report must also be in conformity with generally accepted accounting principles (GAAP). The City's charter requires the City Manager and Finance Director to submit a complete report on the finances of the municipality at the end of each fiscal year to City Council as well as make the report available to the public. The management of the City of Mason, particularly the Finance Director's Office, assumes full responsibility for both the completeness and reliability of the information contained in this report. The accuracy of the presented data and the completeness and fairness of its presentation is assured through a comprehensive framework of internal control that is established for this purpose. Since the cost of internal control should not exceed anticipated benefits, the objective is to provide reasonable, rather than absolute, assurance that the financial statements are free of any material misstatements.

The Auditor of State has issued an unmodified ("clean") opinion on the City of Mason's financial statements for the year ending December 31, 2023. Their report is located at the front of the financial section of this report. Management's Discussion and Analysis (MD&A) immediately follows the auditor's

report and provides a narrative introduction, overview, and analysis of the basic financial statements. MD&A complements this letter of transmittal and should be read in conjunction with it.

PROFILE OF THE CITY

Mason is considered one of the most desirable places in the Cincinnati region and has earned a reputation as a progressive, innovative community. Centrally located in southwest Ohio, the City is a destination for corporations seeking a thriving business environment and for families desiring attractive neighborhoods and nationally ranked schools.



Rendering depictions of Cincinnati Open Professional Tennis Tournament in Mason, Ohio after the announced expansion project of \$260 million and year-round activation of the 110-acre campus.

Located in the southwest quadrant of Warren County, Mason has a population of 35,520, with opportunity for continued growth. More than 36 miles of interstate highways provide businesses and residents easy access to the metropolitan centers of both Cincinnati and Dayton which fuel the area's



residential growth as well as business expansion. Mason is located between the Cincinnati region's two most vital commerce corridors, Interstates 71 and 75, just north of the I-275 beltway. The City is served by four direct interchanges - two on I-71 and two on I-75.

Several organizations recognize Mason as a great place to live, work, and play. Over the past several years, Mason's ranking continues to grow. In 2022, Fortune ranked Mason 4th Best Place to Live for Families in the United States. WalletHub ranked Mason 4th Best Places to Raise a Family in Ohio and 98th percentile for Best Small Cities to Live in America. Warren County prides itself as "Ohio's Largest Playground" and Mason is the anchor. Mason is home to some of the region's largest attractions including Kings Island amusement park, Great Wolf Lodge, and the annual Western & Southern Open; one of the "super nine" tennis tournaments in the world.

HISTORY AND ORGANIZATION

Originally settled as the village of Palmyra in 1815 by Revolutionary War veteran Major William Mason, the village was renamed in his honor 20 years later. With its population exceeding 5,000 in 1971, Mason became a city, and a charter was created to establish guidelines for its operations. Mason is a home-rule city with a council/manager form of government.

The legislative body of Mason consists of a mayor and six council members who are responsible for the legislative affairs of the City. Council also makes appointments to various statutory and advisory boards and appoints the City Manager, Law Director, and Clerk of Council.

As Chief Executive Officer, the City Manager is responsible for enforcement of all laws and ordinances established by City Council and the efficient delivery of all City services. The City provides many services normally associated with a municipality, including emergency services; street construction and maintenance; full engineering, building, and planning services; recreation space and activities; and business recruitment and retention.

Sanitary sewer, stormwater, solid waste collection and disposal services are provided under an enterprise fund concept, with user charges established by City Council to ensure adequate coverage of operating expenses and payments on outstanding debt. The City also operates a community center and golf course through enterprise funds.

The annual budget for the City of Mason serves as the foundation for the City's financial planning and control. As required by the charter, the City Manager prepares and submits the annual budget and capital program to City Council. After a review and final recommendation from Council's Finance Committee, the budget is legally enacted through passage of the annual appropriation ordinance. Department Heads, with approval from the Finance Director, may transfer resources within each department for the General Fund and within other funds up to the level approved by Council. Only Council, using a supplemental appropriation or re-appropriation ordinance, may approve any increase in appropriation or transfers between legal levels identified in the annual appropriation ordinance before the end of the fiscal year.

LOCAL ECONOMY

Mason's reputation as a competitive business environment is confirmed by a track record of corporate decisions to locate and grow business in the City, through new sites, expansions and consolidations with the transfer of jobs and investment to the City. Mason is also known as a top innovation center across the State of Ohio and the announced projects in the City reflect that position.

Mason continues to attract quality companies that are relocating or expanding. In choosing the City, companies cite prime location along the interstates, availability of land for development within established business parks, rising property values, the established core of high-tech businesses, available talent and workforce, and an exceptional level of support and services with a favorable business environment widely promoted in the region. Tax incentives targeting companies in the bio-health, high-tech, and research and

development sectors in Mason continue to be a focus, as well as companies in advanced manufacturing, aerospace, logistics, and automotive sectors.

Mason developed an economic emphasis on tourism with Warren County's top industry, and business development. Approximately seventy percent of the County's tourism activity originates in Mason. 2022 marked a significant year for tourism with Kings Island celebrating its 50th anniversary and associated economic impact hitting a record high of \$1.45 billion. 2023 exponentially added to the strength of Mason's tourism with the October announcement of a \$260 million investment with the retention and expansion of the newly named Cincinnati Open (formerly Western & Southern Open) international combined men's and women's annual tennis tournament. In addition, the announcement expands the 110-acre development to year-round activation that will demonstrate best in class tennis and golf facilities as well as an opportunity to elevate other sports and business-related activity at the site. This monumental public private partnership structured with the City of Mason, Warren County and the State of Ohio contributed 150 million towards the development. The resulting business model is expected to leverage current and future significant private investment, strengthen development along the I-71 corridor as well as deliver an incredible regional recreation amenity.



The year-round campus features pickleball, indoor tennis facilities, golf pro-shop and operations, restaurant and meeting space.

Additionally, the City's economic strategy has a strong focus on the growth of early and mid-stage

entrepreneurial companies within the target sectors of bio-health, bio-health IT, and digital IT. A collaborative environment between all of these provides added strength to Mason's business environment and sets it apart within the Region and Midwest.



The City's 27 business parks and corporate campuses are home to approximately 120 companies in industry sectors of advanced manufacturing, aerospace, IT, biotech, medical devices, and corporate headquarters.

Mason business daytime employment is roughly equivalent to the City's nighttime population. Five of the top ten largest employers in Warren County provide work for more than 11,000 people and generated more than \$19.4 million in income tax revenue in 2023. Overall, it is estimated that there are more than 800 businesses that operate within Mason's nineteen square miles.

Procter & Gamble Beauty Innovation Center is home to Global Beauty and Global Health. The 253-acre campus is Mason and Warren County's largest employer. It houses the largest population of science and technical workforce across the company. This P&G facility is over two million square feet and makes the R&D laboratories in Mason the largest of the global P&G portfolio. The company's combined employment in Mason is over 3,200.

In the last two decades, Mason has grown its global business base, became home to many domestic and foreign companies, and has one of the region's largest complements of international businesses. As of 2018, the Metropolitan Area ranked twelfth in total exports among U.S. cities. The City of Mason contributes to the Cincinnati region's worldwide impact, being home to a healthy number of the region's approximately 1,000 firms engaged in international trade. Over 450 companies from Japan, Western Europe, and Canada have established facilities within the region.

The diversified tax base in Mason provides for steady investment across industry sectors from automotive to science and research headquarters. New investment in 2023 is reflective of the diversity including new construction, build-to-suit campuses, corporate reinvestment with expansions of existing Mason businesses as well as mergers and acquisitions.

Top investment highlights from the years 2019 through 2023 are a combined \$817 million with 1,300 jobs that demonstrate strength in bio-health and bio related supply chain. These statistics continue to be the value proposition that is fueling new corporate and innovation sector announcements and generating interest from advanced manufacturing to R&D.

Planning for future high-profile technology and advanced manufacturing is robustly underway both facilitating expansions of existing businesses and attracting new in parks like the Innovation Way Business Park and in Mason Research and Development Park. Park development opportunities are represented in the adjacent areas surrounding the Vega campus above.

In 2021, the City acquired additional acres expanding the Park's footprint along the east side adjacent to US 42. This target development area consists of both City and privately-owned land in the northeast of the City totaling over 1,000 acres, now 500-owned directly by the City. This area has been set aside over the past decade with a lens of preserving growth space for Mason's key employers.

The R&D Park is routinely a go-to asset for the Cincinnati Region and State of Ohio when submitting competitive proposals to site consultants to win top projects. It has been through the SiteOhio Site readiness process, meaning it is enhanced by the rigorous standards put in place via a multi-year process by staff and City expenditures to demonstrate readiness.

The diversity of the economic base provided shelter during the pandemic as manufacturing remained an essential operation within a large majority of the portfolio. This same diversity also allowed the City to thrive, reporting continued investment and the announcement of additional projects in early 2021, such as the Western Row Land Development (WRLD) mixed-use development located on the former Western Row Golf Course. Construction began in 2022 on this development now known as Mosaic.

The anchor of Mosaic is Dorothy Lane Market (DLM) will serve as a catalyst business partner to commercial, 103 single family residential units and future 27-acres of City-owned office park.



Anchor Dorothy Lane Market – curated international grocery market complements the international business portfolio, is set to open mid-2025.

The \$156 million development helps the City serve the community. The broad business base, including the international clientele, will leverage a regionally distinct centerpiece in DLM that is anticipated to drive interest in the future office park that can accommodate up to 200,000 square feet of office and 800 jobs.

Efforts continue to focus on growth sectors and emerging markets that bring high rates of return to the City and are the targets of the City's economic

strategy. Mason continues to see a surge in the interest of land sales and new construction in the industrial, manufacturing, and specialty healthcare sectors. Recognizing that the regional market outlook is seeing continued signs of recovering activity into the next several years, Mason has positioned itself to be at the forefront of positive commercial activity. Mason has put significant effort into partnerships and creativity in economic development resulting in successful attention within the business community and the creation of investment and jobs. In addition, the combination of Mason's physical location, municipal facilities, developable terrain, services and utilities, and the progressive attitude and actions of City Council, administration, and citizens are strong assets and support company decisions to build and grow in the City.



German-based VEGA more than doubled its production in 2023 within two-years of its grand opening adding over 120K sf at its Mason North American Headquarters Campus.

LONG-TERM FINANCIAL PLANNING

As part of the annual budgeting process, City administration prepares a capital improvement plan for the next five years. City Council then reviews and prioritizes projects. In addition to the capital improvement plan, the City of Mason uses a financial forecast of both operating and capital expenditures. Using these tools, Council makes policy decisions and allocates financial resources for long-term financial planning.

RELEVANT FINANCIAL POLICIES

In 2012, Mason voters approved a unique funding mechanism for the City's emergency services. Beginning in 2013, fire and EMS services are

supported by a combination of property and income taxes. Rates for each can be adjusted annually as the need rises and falls but cannot exceed the approved maximum amount of five mills for the property tax and .15% for the income tax. The new method of funding replaced an expiring property tax levy and distributes the cost of the services to both the property owners and business employees served by Mason's emergency responders.

The City of Mason continues its policy of using only reliable financial resources when budgeting for operating costs. One-time resources and resources at risk of being eliminated are used for one-time expenditures, capital improvements, or debt reduction. In consideration, the City of Mason continues to decrease its reliance upon decreasing revenue sources for operating expenses. This has minimized the operational impact of the state's further reduction of support to local governments including the elimination of the estate tax.

MAJOR INITIATIVES

Mason's citizens are the City's greatest asset. Therefore, in preparing each year's budget, our residents' needs for services and the safeguarding of their environment in conformity with applicable federal and state standards are the government's greatest priority. Mason's success has been its ability to equitably balance the needs of residents and businesses.

Major projects that occurred in 2023 that position the City for future economic growth and improvement include:

State Route 741 Road Improvement

State Route 741 is a major corridor for the City of Mason that includes interchange access to I-71, access to Kings Island Drive leading to Kings Island Amusement Park, the entrance to the Linder Family Tennis Center and connects to I-75 north of the City via State Route 63.

The northeast portion of the City along State Route 741 includes the Mason Research & Development

Park This multi-phased multi-year improvement project continues to be on-track with completion of the critical intersection at US 42 and Route 741. Over \$17 million of improvements were substantially completed and placed in service. 2024 will see improvements on S.R. 741 between US 42 and Cox-Smith Road along with streetscape improvements on the Kings Mill Road portion of Route 741.

State Route 42 Roundabouts

In 2023, two roundabouts were completed. The \$5.7 million dollar project construction a roundabout at US 42 and Bethany Road and at US 42 and Mason-Morrow-Millgrove Road. The roundabouts improved the traffic flow while making the area safer. As part of the project, a bike path was constructed along Bethany Road from SR 741 to the Mason Sports Park.

Veteran's Memorial Improvements

The Veteran's Memorial was originally dedicated November 2003. The 2023 Mason Veterans Memorial Rededication included the Memorial's newest enhancements and improvements in honor of the Memorial's 20th anniversary. Improvements to the Memorial include new landscaping, lighting, concrete and the replacement of all existing commemorative bricks. Additionally, a Space Force monument stone, a Golf Star Families Memorial, a Purple Heart Memorial and a Never Forget Garden stone were unveiled to the public for the first time as part of the rededication.



In honor of the Mason Veterans Memorial 20th anniversary, the Memorial was rededicated on Veterans Day, Saturday, November 11, 2023.

Sewer Improvements

In conjunction with the Roundabout project, one million dollars of sewer improvements was completed along US 42 and Mason-Morrow-Millgrove Road. Special assessment sewer lines improvements were completed for the Mosaic development for about one million dollars. Other improvements were made to the water reclamation plant and the Willow Brooke Lift Station.

Looking Ahead to the Future

The City continues to see stable income tax revenue with increases impacted by economic development activity along with minor fluctuations from economic conditions. The City of Mason seeks the opportunity to maintain its level of services while cautiously evaluating where additional service is needed. A core principle of the City's financial policies is reinvesting into capital assets while maintaining balances to stabilize future economic downturns. This policy continues even as the economic impact is realized through supply chain issues and rising inflation. The City of Mason is prepared for potential national economic uncertainty and changes in state policy that may place pressure on the City budget in 2024 and subsequent years. Investment in long-term economic development activity will continue to be a priority.

Accomplishments to look forward to in 2024 include:

- Securing the Cincinnati Open tennis tournament long-term at its current location in Mason.
- Completion of the \$29 million State Route 741 multiphase improvements.
- Park improvements including Adaptive Ballfields at Makino Park.
- Golf course long-term planning/reinvestment.

AWARDS AND ACKNOWLEDGEMENTS

The Government Finance Officers Association (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Mason for its annual comprehensive financial report for the fiscal year ended December 31, 2022. Mason has been awarded the Certificate of Achievement each year beginning in 1997. To be awarded a Certificate of Achievement, the City had to publish an easily readable and efficiently organized report that

satisfies both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe our current report conforms to the Certificate of Achievement Program requirements. It is being submitted to GFOA to determine its eligibility for an award for another certificate.

Sincerely,

A handwritten signature in blue ink, appearing to read "Eric Hansen".

Eric Hansen
City Manager

Our most sincere appreciation is extended to all members of the staff whose efforts have made this report possible, to Assistant Finance Director Mary Mueller, and to the staff of Plattenburg & Associates, Inc., for their dedicated service in the preparation of this annual comprehensive financial report.

A handwritten signature in blue ink, appearing to read "Joseph J. Reigelsperger".

Joseph J. Reigelsperger
Finance Director

THE CITY OF MASON, OHIO

LIST OF PRINCIPAL OFFICIALS

December 31, 2023

COUNCIL MEMBERS

Mayor	Diana K. Nelson
Vice Mayor	Ashley Chance
Council Member	Mark Haake
Council Member	Barbara Spaeth
Council Member	Josh Styrcula
Council Member	Joy Bennett
Council Member	Scott Gibson

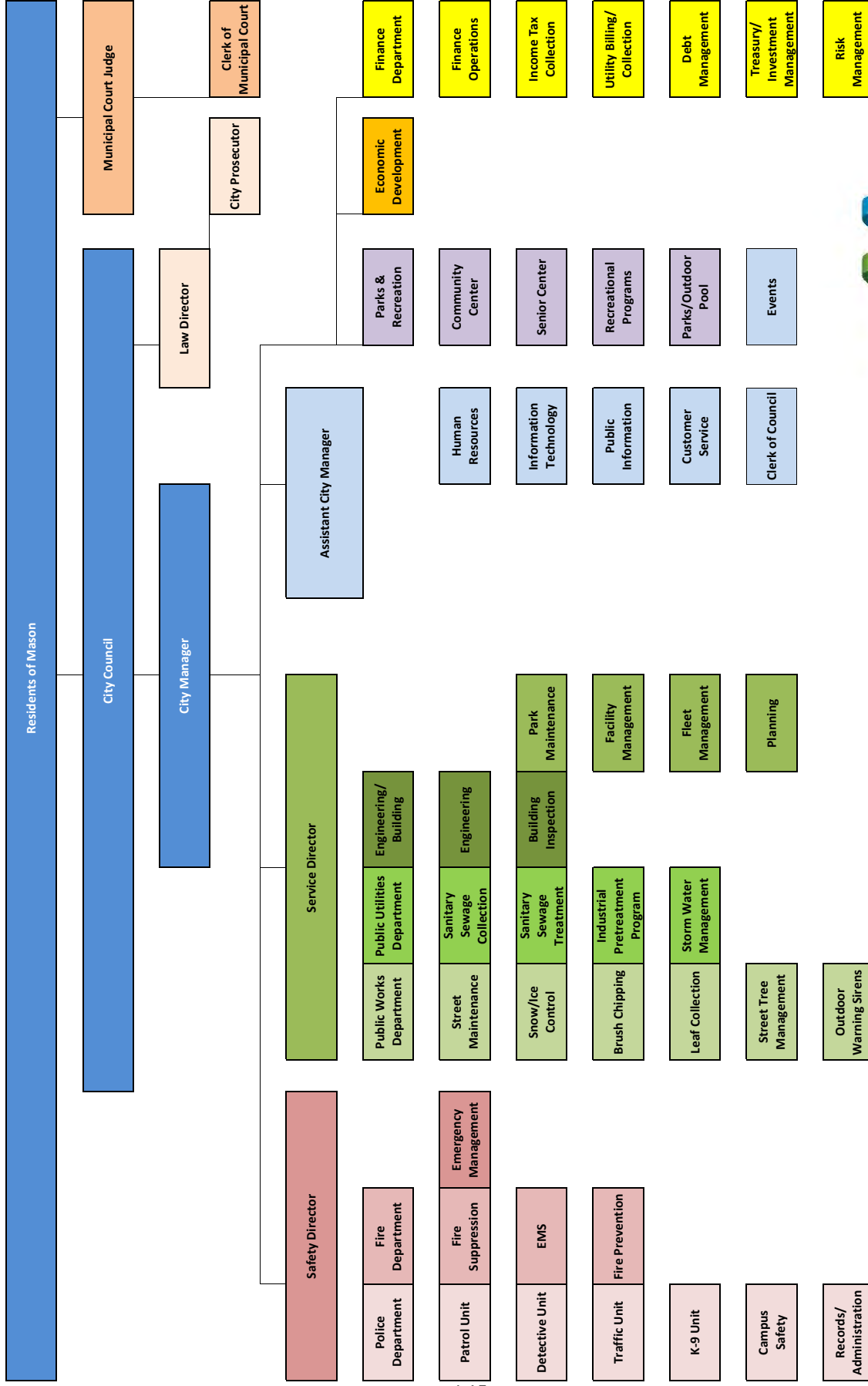
COUNCIL APPOINTED OFFICIALS

City Manager	Eric Hansen
Law Director	Jeff Forbes
Clerk of Council	Lisa Ahr

DEPARTMENT HEADS

Parks & Recreation Director	Chrissy Avery
Economic Development Director	Michele Blair
Fire Chief	Bryan Brumagen
Chief of Police	J. Levi Wells
Assistant City Manager	Jennifer Heft
Public Utilities Director	D. Shawn Hollan
Finance Director	Joe Reigelsperger
City Engineer	Kurt Seiler
Public Works Director	Ryan Tyree

City of Mason Organizational Chart





Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**City of Mason
Ohio**

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

December 31, 2022

Christopher P. Morill

Executive Director/CEO

FINANCIAL SECTION

OHIO AUDITOR OF STATE KEITH FABER



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

INDEPENDENT AUDITOR'S REPORT

City of Mason
Warren County
6000 Mason-Montgomery Road
Mason, Ohio 45040

To the City Council:

Report on the Audit of the Financial Statements

Opinions

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

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

Basis for Opinions

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

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

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

Required Supplementary Information

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

Supplementary information

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

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

Other Information

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

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated July 26, 2024, on our consideration of the City's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.



Keith Faber
Auditor of State
Columbus, Ohio
July 26, 2024

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

As management of the City of Mason, we offer readers of the City of Mason's financial statement this narrative overview and analysis of the financial activities of the City of Mason for the fiscal year ended December 31, 2023. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal, which can be found in the introductory section of this report.

Financial Highlights

The assets and deferred outflows of the City of Mason exceeded its liabilities and deferred inflows at the close of 2023 by \$514,318,981 (net position). Of this amount, \$125,260,201 is considered unrestricted and may be used to meet the government's ongoing obligations to citizens and creditors. The unrestricted balance is 151 percent of the 2023 expenses of \$82,957,918.

- The city's total net position increased by \$35,646,883.
- Net position of the governmental activities (defined below) increased \$28,448,436. Net position of the business-type activities (also defined below) increased \$7,198,447.
- Net depreciable capital assets increased by \$24,082,745 due to the completion of two major road projects.
- Net pension liability was \$53,704,915 for 2023 which is an increase of \$25,699,170 from 2022.
- The total cost of the City's programs increased \$12,744,282, which is a 18.2 percent increase from 2022. The cost of governmental activities increased \$11,161,772 or 22.1 percent, while the cost of business-type activities increased \$1,582,510 or 8.0 percent.
- The charges for services also increased \$2,281,897 or 8.0 percent. This was mainly due to an increase in Community Center revenue and a return of pre-pandemic activities.
- As of the close of the 2023 fiscal year, the city's governmental funds reported combined ending fund balances of \$171,409,434, an increase of \$17,343,332 in comparison with the prior year.

Overview of the Financial Statements

This discussion and analysis are intended to serve as an introduction to the city's basic financial statements, which are comprised of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

1) Government-wide financial statements.

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

The *statement of net position* presents information on all of the city's assets, and deferred outflows and liabilities, and deferred inflows with the difference between the two reported as *net position*. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the city is improving or deteriorating.

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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 the cash flows. Thus, revenue and expenses reported in this statement for some items may 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 governmental activities from business-type activities. **Governmental activities** are principally supported by taxes and intergovernmental revenues. These include general government, public safety, leisure time activities, community development, and transportation/street repair. **Business-type activities** are intended to recover all or a significant portion of their costs through user fees or charges. The city includes five enterprise activities under business-type activities: a sanitary sewer system, a storm water system, waste collection system, golf course, and the community center activities.

2) Fund financial statements.

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

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 the *near-term inflows and outflows of spendable resources*, as well as on *balances of spendable resources* available at the end of the fiscal year.

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 maintains 28 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 three major funds: the general fund, street construction maintenance and repair fund, and the safety fund. Data for the other 25 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.

Proprietary funds. The city maintains only one type of proprietary fund. *Enterprise funds* are used to report the same functions presented as *business-type activities* in the government-wide

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financial statements. The city uses enterprise funds to account for its sanitary sewer, stormwater, waste collection, golf course, and community center operations.

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 sanitary sewer, waste collection, stormwater, community center, and golf course funds. Statements for these major and non-major funds are provided elsewhere in this document.

Fiduciary funds. Fiduciary funds are used to account for resources held for the benefit of parties outside the government, such as fines collected by Mason Municipal Court. Fiduciary funds are *not* reflected in the government-wide financial statement because the resources of those funds are *not* available to support the city's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds.

3) 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.

Other information. In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the city's general fund budget, street construction maintenance and repair fund budget, and the safety fund budget. The city adopts an annual appropriation budget for each fund. A budgetary comparison statement has been provided for each fund to demonstrate compliance with this budget.

The combining statements referred to earlier in connection with non-major governmental funds are presented immediately following the required supplemental information

Government-Wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. The city's assets and deferred outflows exceeded liabilities and deferred inflows by \$514,318,981 at the close of the most recent fiscal year.

The largest portion of the city's net position (65.4 percent) reflects its investment in capital assets (e.g., land, buildings, improvements other than buildings, machinery and equipment, and infrastructure) less any related outstanding debt used to acquire those assets. The city used these capital assets to provide services to citizens; therefore, these assets are not available for future spending. Although the city's investment in capital assets is reported net of related debt, it should be noted that the resources needed to repay debt must be provided from other sources, since capital assets themselves cannot be used to liquidate these liabilities.

An additional portion of the city's net position (10.2 percent) represents resources that are subject to restrictions as to how they may be used. The remaining balance of unrestricted net position (\$125,260,201) may be used to meet the city's on-going obligations to citizens and creditors. It is

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important to note that the unrestricted net position of the city's business-type activities (\$36,405,123) may not be used to fund governmental activities.

At the end of the current fiscal year, the city was able to report positive balances in all three categories of net position: for the government as a whole and for its separate governmental and business-type activities.

Overall net position of the city increased \$35,646,883 in 2023. Net position for governmental activities increased \$28,448,436 (see page 10 for information regarding these changes), while net position for business-type activities increased \$7,198,447 (see page 11 for information regarding these changes). The increase in net position for 2023 was \$1,132,365 (3.08 percent) less than the increase in net position for 2022 (\$36,779,248).

City of Mason
Net Position
(amounts expressed in thousands)

	Governmental Activities		Business-type Activities		Total	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Assets						
Current and other assets	\$192,517	\$174,687	\$58,444	\$53,887	\$250,961	\$228,574
Capital assets	<u>267,497</u>	<u>256,107</u>	<u>123,961</u>	<u>124,262</u>	<u>391,458</u>	<u>380,369</u>
Total assets	<u>460,014</u>	<u>430,794</u>	<u>182,405</u>	<u>178,149</u>	<u>642,419</u>	<u>608,943</u>
Total deferred outflows of resources	<u>20,194</u>	<u>12,368</u>	<u>2,838</u>	<u>834</u>	<u>23,032</u>	<u>13,202</u>
Liabilities						
Long-term liabilities outstanding	46,591	50,191	8,366	9,721	54,957	59,912
Net Pension liability	48,053	26,538	5,653	1,468	53,706	28,006
Net OPEB liability	2,887	3,981	124	0	3,011	3,981
Other liabilities	<u>7,268</u>	<u>6,622</u>	<u>940</u>	<u>1,606</u>	<u>8,208</u>	<u>8,228</u>
Total liabilities	<u>104,799</u>	<u>87,332</u>	<u>15,083</u>	<u>12,795</u>	<u>119,882</u>	<u>100,127</u>
Total deferred inflows of resources	<u>13,355</u>	<u>22,225</u>	<u>17,895</u>	<u>21,121</u>	<u>31,250</u>	<u>43,346</u>
Net Position						
Net investment in capital assets	220,618	213,289	115,860	114,750	336,478	328,039
Restricted	52,581	47,950	0	540	52,581	48,490
Unrestricted	<u>88,855</u>	<u>72,366</u>	<u>36,405</u>	<u>29,777</u>	<u>125,260</u>	<u>102,143</u>
Total Net Position	<u>\$362,054</u>	<u>\$333,605</u>	<u>\$152,265</u>	<u>\$145,067</u>	<u>\$514,319</u>	<u>\$478,672</u>

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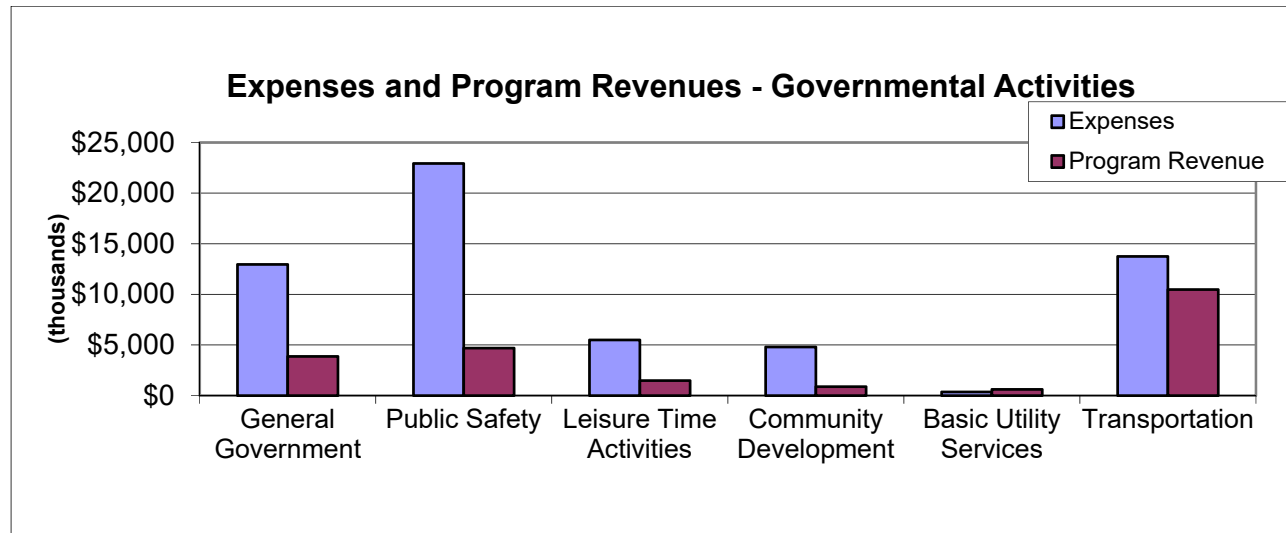
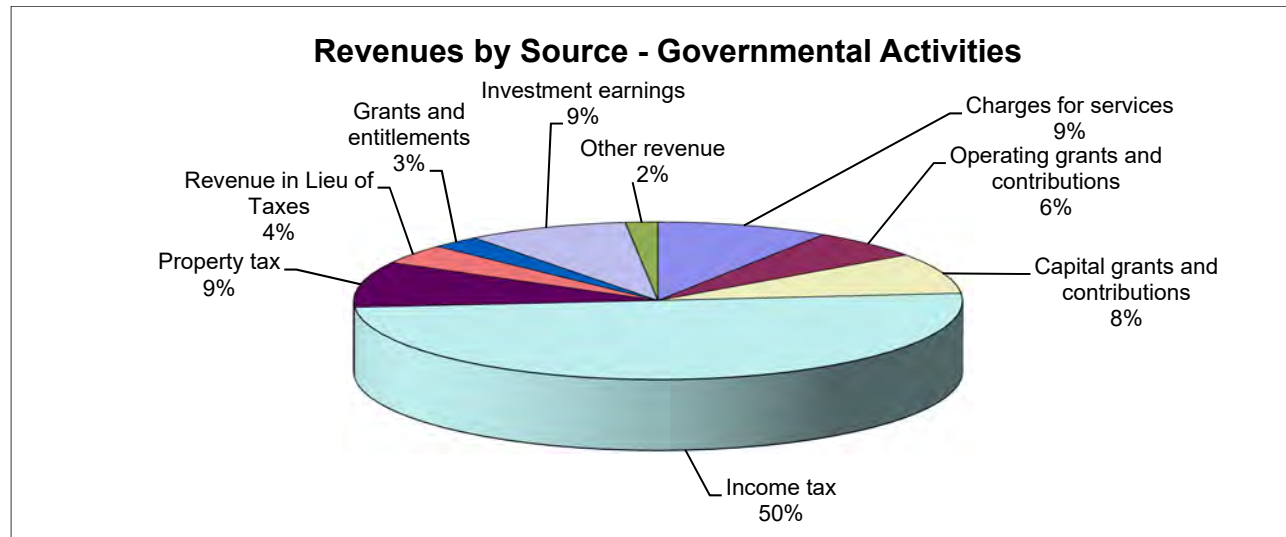
City of Mason
Changes in Net Position
(amounts expressed in thousands)

	Governmental Activities		Business-type Activities		Total	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Revenues						
Program revenues:						
Charges for services	\$8,562	\$7,122	\$22,409	\$21,567	\$30,971	\$28,689
Operating grants and contributions	5,626	6,326	0	0	5,626	6,326
Capital grants and contributions	7,819	8,633	366	2,369	8,185	11,002
General revenues:						
Income tax	46,824	45,543	0	0	46,824	45,543
Property tax	8,781	12,219	0	0	8,781	12,219
Revenue in Lieu of Taxes	3,800	2,284	0	0	3,800	2,284
Grants and entitlements	2,433	3,640	0	0	2,433	3,640
Investment earnings	8,053	(2,773)	2,324	(239)	10,377	(3,012)
Other revenue	1,603	213	5	89	1,608	302
Total Revenues	<u>93,501</u>	<u>83,207</u>	<u>25,104</u>	<u>23,786</u>	<u>118,605</u>	<u>106,993</u>
Expenses:						
General Government	12,951	12,104	0	0	12,951	12,104
Public Safety	22,933	16,127	0	0	22,933	16,127
Leisure Time Activities	5,499	3,803	0	0	5,499	3,803
Community Development	4,807	4,722	0	0	4,807	4,722
Basic Utility Services	369	293	0	0	369	293
Transportation	13,744	11,983	0	0	13,744	11,983
Interest and fiscal charges	1,290	1,399	0	0	1,290	1,399
Sewer utility	0	0	6,174	6,450	6,174	6,450
Waste Collection	0	0	2,325	2,095	2,325	2,095
Stormwater utility	0	0	1,570	1,498	1,570	1,498
Community Center	0	0	8,024	6,232	8,024	6,232
Golf Course	0	0	3,272	3,508	3,272	3,508
Total Expenses	<u>61,593</u>	<u>50,431</u>	<u>21,365</u>	<u>19,783</u>	<u>82,958</u>	<u>70,214</u>
Increase (decrease) in net position before transfers	31,908	32,776	3,739	4,003	35,647	36,779
Transfers - internal activities	(3,459)	(2,373)	3,459	2,373	0	0
Increase (decrease) in Net Position	28,449	30,403	7,198	6,376	35,647	36,779
Net Position beginning of year	<u>333,605</u>	<u>303,202</u>	<u>145,067</u>	<u>138,691</u>	<u>478,672</u>	<u>441,893</u>
Net Position end of year	<u>\$362,054</u>	<u>\$333,605</u>	<u>\$152,265</u>	<u>\$145,067</u>	<u>\$514,319</u>	<u>\$478,672</u>

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Governmental activities. Governmental activities increased the city's net position by \$28,448,436. Key elements of the changes in net position are as follows:

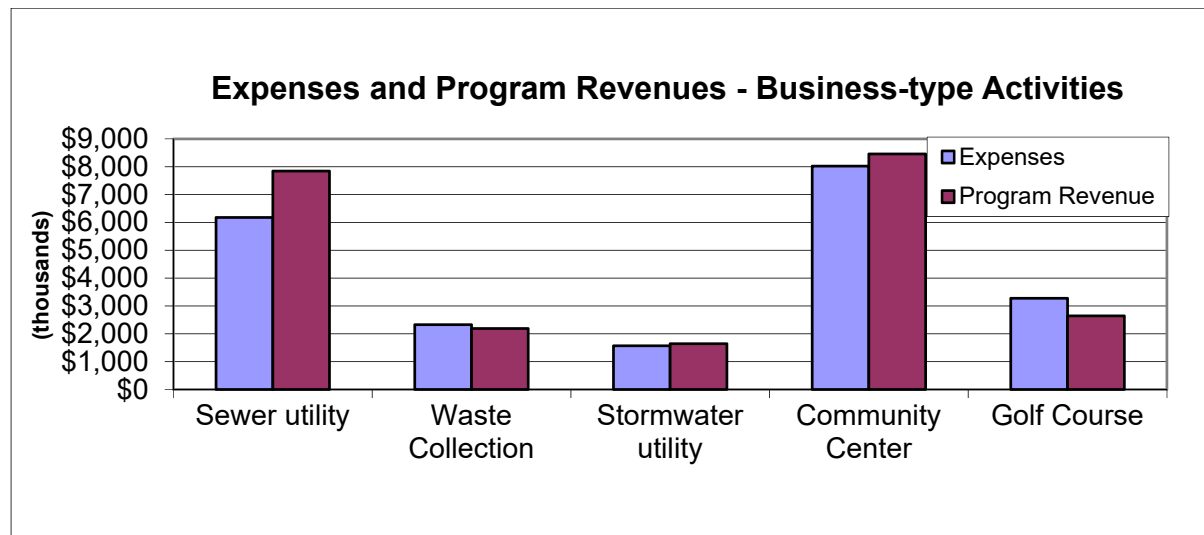
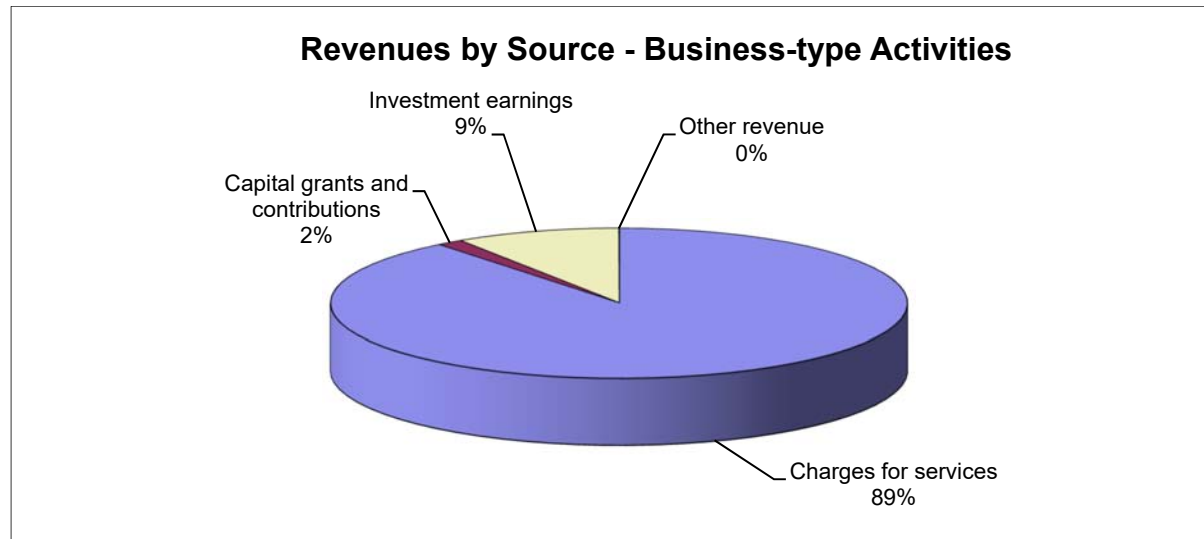
- Property tax advances were lower than last year.
- Charges for services increased \$1,440,223 (20.2 percent) due to an increase in public safety program revenue.
- Operating grants decreased \$700,217 (11.1 percent) due to the end of the American Rescue Plan Act grant.
- Income tax collection increased \$1,280,589 (2.8%) due to increased payroll taxes.
- Expenses increased by \$11,161,772 (22.1 percent). Increased expense was from a significant increase pension liability.



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Business-type activities. Business-type activities increased the city's net position by \$7,198,447. Key elements of the changes in net position are as follows:

- Charges for services increased \$841,674 (3.9 percent). Most of the increase was from an increase in Community Center revenues received.
- Expenses for overall business-type activities increased \$1,582,510 (8.0 percent). This was mainly due from the increased cost of \$1,792,469 (22.4 percent) in personnel and pension expenses in the Community Center.



Financial Analysis of the Government's Funds

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

City of Mason, Ohio
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(Unaudited)
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Governmental funds. The focus of the City of Mason'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 Mason's financing requirements. In particular, the *unassigned fund balance* may serve as a useful measure of the government's net resources that are available for spending at the end of the fiscal year. As of the end of the fiscal year, the City of Mason's governmental funds reported combined ending fund balances of \$171,409,434 an increase of \$17,343,332 in comparison with the prior year.

The general fund is the chief operating fund of the city. On December 31, 2023, the unassigned fund balance of the general fund was \$34,331,215, while the total fund balance was \$121,599,209. The city's general fund balance increased by \$15,463,034 during the current fiscal year. Revenues increased by \$7,281,376 (13.2 percent) from increases in investment earnings. Current expenditures increased \$4,952,362 (14.2 percent) due to increased capital outlay.

Street construction, maintenance and repair fund provides for improvement and significant maintenance activity on the street and transportation infrastructure. Capital outlay and related grants decreased in 2023 for roundabout construction and improvement to State Route 741.

The safety fund provides public safety services to the City of Mason using revenue from a charter amendment. In November 2012, a charter amendment was approved by the voters authorizing up to five-mill property tax levy and up to an additional 0.15% income tax to provide funding for safety, fire, and emergency medical services. Council continued the 4.4 mills for 2018 and the total income tax rate of 1.12% including 0.12% that would be transferred for safety services. The fund balance increased by \$1,746,324. Revenue decreased by \$420,463 (4.6 percent) due to property taxes. Expenditures increased \$1,115,912 (12.4% percent) due to operational cost increases. \$3,158,517 was transferred from the General Fund for the additional 0.12% income tax percent.

Proprietary funds. The proprietary fund financial statements provide the same information found in the government-wide financial statements, but in more detail.

Unrestricted net position for the sewer fund at the end of the year amounted to \$27,116,421 with a total increase in net position of \$3,145,664. Unrestricted net position for the storm water utility fund at the end of the year amounted to \$5,543,250, with a growth in net position of \$384,204. Unrestricted net position for the community center fund at the end of the year amounted to \$190,060, but with a total change in net position of \$919,154. Unrestricted net position for other enterprise funds at the end of the year amounted to \$3,555,392 with a change in net position of \$2,749,425. Other factors concerning the finances of these funds have already been addressed in the discussion of the city's business-type activities.

Budgetary Highlights

The schedule comparing the City's original and final budgets and actual results are included in the required supplementary information. The original revenue budgets are very conservative estimates and are adjusted if needed for additional appropriation near the end of the year based on actual revenue. During the year, City Council will re-appropriate funds or provide supplemental

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appropriations based on the changes that occurred since the adoption of the original budget. Significant differences between the original and final budgets are as follows:

General fund. During the year 2023, there was a \$16,450,000 increase in appropriations between the original and the final amended budget. The total original appropriations, including those for transfers out, were \$50,244,695 while the final appropriations were \$66,694,695. An additional \$16,000,000 was transferred to the General Capital Improvement Fund for future capital projects from the original budget to the final amended budget. The increase in appropriations was possible because of additional revenues collected which exceeded the conservative estimated revenues. The original estimated revenue was \$45,552,000. The actual revenue received was \$57,462,684. This increase was mainly due to increased income and motel tax collections.

Capital Asset and Debt Administration

Capital assets. The City's investment in capital assets for its governmental and business-type activities as of December 31, 2023, amounted to \$336,478,602 (net of accumulated depreciation). This investment in capital assets includes land, construction in progress, buildings, system improvements, machinery and equipment, park facilities, roads, streets, and traffic signals. The increase in the city's investment in capital assets for 2023 over 2022 was 2.6 percent.

<p style="text-align: center;">City of Mason Capital Assets (amounts expressed in thousands)</p>						
	Governmental Activities		Business-type Activities		Total	
	2023	2022	2023	2022	2023	2022
Land	\$81,301	\$78,965	\$10,752	\$10,753	\$92,053	\$89,718
Construction in Progress	9,368	20,617	114	4,193	9,482	24,810
Buildings and Improvements	82,214	81,665	58,857	55,189	141,071	136,854
Machinery and Equipment	28,523	27,406	14,938	14,134	43,461	41,540
Infrastructure	143,712	120,304	112,859	109,548	256,571	229,852
Lease Assets	755	0	0	0	755	0
Accumulated Depreciation	(78,376)	(72,850)	(73,559)	(69,556)	(151,913)	(142,406)
Total	<u>\$267,497</u>	<u>\$256,107</u>	<u>\$123,961</u>	<u>\$124,261</u>	<u>\$391,458</u>	<u>\$380,368</u>

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Major capital events during the current fiscal year included the following:

- US Route 42 Roundabout construction was completed.
- 741 Weldon to Avalon construction was completed.
- Golf course irrigation improvements were completed.

Additional information on the city's capital assets can be found in note 7 of the notes to the basic financial statements.

Long-term debt. On December 31, 2023, the city had \$49,495,000 of long-term debt outstanding (bonds and certificates of participation). Of this amount, \$44,335,000 comprises debt backed by the full faith and credit of the government. Certificates of participation outstanding (\$4,585,000) on December 31, 2023, are for the community center. Revenue bonds in the governmental activity of \$575,000 are funded through tax increment financing. All figures above and the table below do not include premiums and discounts.

The city continues to maintain the highest rating, "Aaa" from Moody's Investors Service for its general obligation bonds. This rating was reviewed in 2022 when the road improvement bonds were issued.

City of Mason's Outstanding Debt
General Obligation and Revenue Bonds Outstanding
(amounts expressed in thousands)

	Governmental Activities		Business-type Activities		Total	
	2023	2022	2023	2022	2023	2022
General obligation bonds	\$40,970	\$43,725	\$3,365	\$4,045	\$44,335	\$47,770
Certificates of Participation	0	0	4,585	5,290	4,585	5,290
Revenue Bonds	575	745	0	0	575	745
Total	<u>\$41,545</u>	<u>\$44,470</u>	<u>\$7,950</u>	<u>\$9,335</u>	<u>\$49,495</u>	<u>\$53,805</u>

The city is within all its legal debt limitations. The Ohio Revised code provides that the net debt (as defined in the Ohio Revised code) of a municipal corporation, whether or not approved by the electors, shall not exceed 10.5% of the total 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 for taxation. The statutory limitations on debt are measured by the ratio of debt to tax valuation and expressed in terms of a percentage. On December 31, 2023 the city's total net debt of 3.07% of the total assessed value of all property within the city is within the 10.5% and 5.5% debt limitation for voted and unvoted debt, respectively. The aggregate amount of the city's unvoted debt is also subject to overlapping debt restrictions with other political subdivisions of ten mills. This millage is measured against the property values in each overlapping district. As of the last December 31, 2023, the millage amount was 6.85 mills, of which 3.15 mills were restricted by the City of Mason for unvoted debt.

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Additional information regarding the city's long-term debt can be found in note 9 of the notes to the basic financial statements.

Economic Factors and Next Year's Budgets

The City of Mason is located in Warren County, which currently has an unemployment rate of 4.2 percent. As of December 31, 2023, the rate was 2.6 percent. The City's current unemployment rate is 4.2 percent. As of December 31, 2023, this rate was 2.5 percent which is lower than the current Ohio rate of 3.7 percent and lower than the national rate of 3.7 percent (not seasonally adjusted). By promoting economic growth in Mason, the city continues to attract desirable commercial enterprises. Intense competition continues to force the city to be aggressive in its economic development objectives of increasing investment, creating employment opportunities, and retaining businesses that have already been established in Mason.

The 2024 budget was prepared in a manner similar to prior years by conservatively estimating revenue while seeking opportunities for cost savings. Based on continued concerns about the loss of state support, every effort is made to reduce expenditures with minimal impact to the current level of services and maintaining capital assets. As part of the budget process, a capital improvement plan was completed and evaluated for 2024 and future years. 2024 continues to be a year where substantial effort and planning occurs for long-term capital improvements especially for roadways while parks and recreational facility improvements continue. The total appropriations budgeted for 2024 including transfers and capital outlay (\$148,436,388) is ten percent higher than the 2023 original appropriations (\$134,378,979) due to capital projects and rising inflationary cost of operations. Stable capital improvements and conservative revenue estimates were also important elements to the budget.

Request for Information

This financial report is designed to provide a general overview of the City of Mason's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to Joe Reigelsperger, Finance Director, City of Mason, 6000 Mason-Montgomery Road, Mason, Ohio 45040, or by e-mail to finance@masonoh.org.

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

	Governmental Activities	Business-Type Activities	Total
Assets:			
Equity in Pooled Cash and Investments	\$162,728,025	\$42,544,767	\$205,272,792
Receivables (Net):			
Taxes	15,607,699	0	15,607,699
Accounts	1,170,150	1,156,705	2,326,855
Interest	773,488	176,036	949,524
Intergovernmental	4,509,218	0	4,509,218
Leases	637,226	18,303,693	18,940,919
Special Assessments	1,534,332	849,549	2,383,881
Internal Balances	5,000,000	(5,000,000)	0
Inventory	556,292	207,243	763,535
Prepaid Items	0	206,045	206,045
Nondepreciable Capital Assets	90,669,139	10,866,213	101,535,352
Depreciable Capital Assets, Net	176,828,064	113,094,961	289,923,025
Total Assets	460,013,633	182,405,212	642,418,845
Deferred Outflows of Resources:			
Deferred Charge on Refunding	502,662	0	502,662
Pension	16,806,924	2,463,145	19,270,069
Other Postemployment Benefits	2,884,094	375,063	3,259,157
Total Deferred Outflows of Resources	20,193,680	2,838,208	23,031,888
Liabilities:			
Accounts Payable	611,003	293,289	904,292
Accrued Wages and Benefits	1,118,919	211,513	1,330,432
Contracts Payable	1,949,022	222,016	2,171,038
Retainage Payable	544,627	25,954	570,581
Accrued Interest Payable	107,020	15,284	122,304
Claims Payable	711,223	0	711,223
Intergovernmental Payable	792,770	0	792,770
Long-Term Liabilities:			
Due Within One Year	4,397,826	1,680,728	6,078,554
Due In More Than One Year			
Bonds	41,625,895	2,871,523	44,497,418
Lease	567,181	0	567,181
Certificate of Participation	0	3,814,500	3,814,500
Net Pension Liability	48,052,640	5,652,275	53,704,915
Net Other Postemployment Benefits Liability	2,886,607	123,796	3,010,403
Compensated Absences	1,433,868	172,613	1,606,481
Total Liabilities	104,798,601	15,083,491	119,882,092
Deferred Inflows of Resources:			
Property Taxes	6,963,070	0	6,963,070
Grants and Other Taxes	1,144,995	0	1,144,995
Leases	588,204	17,853,827	18,442,031
Pension	1,853,765	0	1,853,765
Other Postemployment Benefits	2,804,971	40,828	2,845,799
Total Deferred Inflows of Resources	13,355,005	17,894,655	31,249,660
Net Position:			
Net Investment in Capital Assets	220,618,451	115,860,151	336,478,602
Restricted for:			
Debt Service	5,507,339	0	5,507,339
Street Improvements	16,959,650	0	16,959,650
Public Safety	22,132,000	0	22,132,000
Parks and Recreation	917,503	0	917,503
Tax increment Financing Projects	6,992,070	0	6,992,070
Other Purposes	71,616	0	71,616
Unrestricted	88,855,078	36,405,123	125,260,201
Total Net Position	\$362,053,707	\$152,265,274	\$514,318,981

See accompanying notes to the basic financial statements.

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

		Program Revenues			Net (Expense) Revenue and Changes in Net Position		
		Charges for Services and Sales	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-Type Activities	Total
Governmental Activities:	Expenses						
General Government	\$12,951,096	\$2,234,471	\$1,631,344	\$0	(\$9,085,281)	\$0	(\$9,085,281)
Public Safety	22,932,572	3,934,190	756,303	0	(18,242,079)	0	(18,242,079)
Community Development	4,807,088	881,010	0	0	(3,926,078)	0	(3,926,078)
Leisure Time Activities	5,498,741	890,707	595,350	0	(4,012,684)	0	(4,012,684)
Transportation and Street Repair	13,744,206	11,850	2,642,888	7,818,620	(3,270,848)	0	(3,270,848)
Basic Utility Service	368,402	610,026	0	0	241,624	0	241,624
Interest and Other Charges	1,290,498	0	0	0	(1,290,498)	0	(1,290,498)
Total Governmental Activities	61,592,603	8,562,254	5,625,885	7,818,620	(39,585,844)	0	(39,585,844)
Business-Type Activities:							
Sewer	6,173,522	7,477,276	0	365,624	0	1,669,378	1,669,378
Waste Collection	2,325,296	2,190,041	0	0	0	(135,255)	(135,255)
Stormwater Utility	1,570,182	1,642,632	0	0	0	72,450	72,450
Community Center	8,024,351	8,459,468	0	0	0	435,117	435,117
Golf Course	3,271,964	2,639,539	0	0	0	(632,425)	(632,425)
Total Business-Type Activities	21,365,315	22,408,956	0	365,624	0	1,409,265	1,409,265
Totals	\$82,957,918	\$30,971,210	\$5,625,885	\$8,184,244	(39,585,844)	1,409,265	(38,176,579)
General Revenues:							
Income Taxes					46,823,804	0	46,823,804
Property Taxes Levied for:							
General Purposes					748,984	0	748,984
Special Revenue Purposes					5,765,908	0	5,765,908
Debt Service Purposes					2,266,360	0	2,266,360
Grants and Entitlements, Not Restricted					2,432,837	0	2,432,837
Revenue in Lieu of Taxes					3,799,550	0	3,799,550
Unrestricted Contributions					440,000	0	440,000
Investment Earnings					8,052,622	2,324,402	10,377,024
Gain on Sale of Capital Asset					18,190	0	18,190
Other Revenues					1,144,719	6,086	1,150,805
Transfers-Internal Activities					(3,458,694)	3,458,694	0
Total General Revenues and Transfers					68,034,280	5,789,182	73,823,462
Change in Net Position					28,448,436	7,198,447	35,646,883
Net Position - Beginning of Year					333,605,271	145,066,827	478,672,098
Net Position - End of Year					\$362,053,707	\$152,265,274	\$514,318,981

See accompanying notes to the basic financial statements.

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

	General	Street Construction, Maintenance and Repair	Safety	Other Governmental Funds	Total Governmental Funds
Assets:					
Equity in Pooled Cash and Investments	\$112,978,119	\$14,432,254	\$20,655,614	\$14,662,038	\$162,728,025
Receivables (Net):					
Taxes	7,025,962	0	6,161,015	2,420,722	15,607,699
Accounts	319,218	725,097	47,218	78,617	1,170,150
Interest	582,283	76,153	108,991	6,061	773,488
Intergovernmental	429,080	2,232,897	367,993	1,479,248	4,509,218
Leases	637,226	0	0	0	637,226
Special Assessments	4,189	0	0	1,530,143	1,534,332
Interfund	5,000,000	0	0	0	5,000,000
Inventory	534,860	0	21,432	0	556,292
Total Assets	127,510,937	17,466,401	27,362,263	20,176,829	192,516,430
Liabilities:					
Accounts Payable	549,343	0	60,288	1,372	611,003
Accrued Wages and Benefits	727,390	0	379,313	12,216	1,118,919
Contracts Payable	17,244	1,593,320	0	338,458	1,949,022
Retainage Payable	0	280,822	0	263,805	544,627
Claims Payable	711,223	0	0	0	711,223
Intergovernmental Payable	273,974	0	518,796	0	792,770
Total Liabilities	2,279,174	1,874,142	958,397	615,851	5,727,564
Deferred Inflows of Resources:					
Property Taxes	601,740	0	4,705,015	1,845,722	7,152,477
Income Taxes	1,685,271	0	0	0	1,685,271
Grants and Other Taxes	300,729	1,740,997	367,993	1,446,470	3,856,189
Special Assessments	4,189	0	0	1,530,143	1,534,332
Unavailable Amounts	452,421	44,025	63,009	3,504	562,959
Leases	588,204	0	0	0	588,204
Total Deferred Inflows of Resources	3,632,554	1,785,022	5,136,017	4,825,839	15,379,432
Fund Balances:					
Nonspendable	674,845	0	21,432	0	696,277
Restricted	0	13,807,237	21,246,417	14,174,460	49,228,114
Committed	0	0	0	686	686
Assigned	86,593,149	0	0	596,459	87,189,608
Unassigned	34,331,215	0	0	(36,466)	34,294,749
Total Fund Balances	121,599,209	13,807,237	21,267,849	14,735,139	171,409,434
Total Liabilities, Deferred Inflows and Fund Balances	\$127,510,937	\$17,466,401	\$27,362,263	\$20,176,829	\$192,516,430

See accompanying notes to the basic financial statements.

City of Mason, Ohio
Reconciliation of Total Governmental Fund Balance to
Net Position of Governmental Activities
December 31, 2023

Total Governmental Fund Balance	\$171,409,434
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Amounts reported for governmental activities in the statement of net position are different because:

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

Capital assets used in the operation of Governmental Funds	267,497,203
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Other long-term assets are not available to pay for current-period expenditures and, therefore, are deferred in the funds.

Income Taxes	1,685,271	
Delinquent Property Taxes	189,407	
Interest	447,163	
Intergovernmental	2,617,931	
Other Receivables	1,743,391	
		6,683,163

In the statement of net position interest payable is accrued when incurred; whereas, in the governmental funds interest is reported as a liability only when it will require the use of current financial resources.	(107,020)
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Some liabilities reported in the statement of net position do not require the use of current financial resources and, therefore, are not reported as liabilities in governmental funds.

Compensated Absences	(2,755,654)
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Deferred outflow of resources associated with long-term liabilities are not reported in the funds.	502,662
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Deferred outflows and inflows or resources related to pensions and OPEB are applicable to future periods and, therefore, are not reported in the funds.

Deferred outflows of resources related to pensions	16,806,924	
Deferred inflows of resources related to pensions	(1,853,765)	
Deferred outflows of resources related to OPEB	2,884,094	
Deferred inflows of resources related to OPEB	(2,804,971)	
		15,032,282

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

Bonds	(44,535,895)	
Leases	(733,221)	
Net Pension Liability	(48,052,640)	
Net OPEB Liability	(2,886,607)	
		(96,208,363)

Net Position of Governmental Activities	<u>\$362,053,707</u>
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See accompanying notes to the basic financial statements.

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

	General	Street Construction, Maintenance and Repair	Safety	Other Governmental Funds	Total Governmental Funds
Revenues:					
Property and Other Taxes	\$2,604,215	\$0	\$5,763,007	\$2,265,217	\$10,632,439
Income Taxes	46,235,534	0	0	0	46,235,534
Charges for Services	4,546,808	0	1,060,938	0	5,607,746
Investment Earnings	5,793,007	866,497	1,114,807	56,428	7,830,739
Intergovernmental	932,326	9,361,155	742,988	2,706,389	13,742,858
Special Assessments	0	0	0	136,248	136,248
Fines, Licenses & Permits	1,821,791	0	0	602,728	2,424,519
Revenue in Lieu of Taxes	0	0	0	3,862,765	3,862,765
Other Revenues	556,519	725,097	13,201	840,823	2,135,640
Total Revenues	62,490,200	10,952,749	8,694,941	10,470,598	92,608,488
Expenditures:					
Current:					
General Government	11,202,454	0	0	426,162	11,628,616
Public Safety	10,322,989	0	9,845,784	14,693	20,183,466
Community Development	3,244,149	0	0	1,410,806	4,654,955
Leisure Time Activities	3,570,934	0	0	0	3,570,934
Transportation and Street Repair	5,183,249	1,731,306	0	1,766,098	8,680,653
Basic Utility Service	368,402	0	0	0	368,402
Capital Outlay	5,899,859	9,700,148	262,727	3,499,747	19,362,481
Debt Service:					
Principal	22,383	0	0	2,925,000	2,947,383
Interest and Other Charges	0	0	0	1,415,413	1,415,413
Total Expenditures	39,814,419	11,431,454	10,108,511	11,457,919	72,812,303
Excess of Revenues Over (Under) Expenditures	22,675,781	(478,705)	(1,413,570)	(987,321)	19,796,185
Other Financing Sources (Uses):					
Proceeds of Leases	755,604	0	0	0	755,604
Proceeds from Sale of Capital Assets	58,472	0	0	0	58,472
Transfers In	0	0	3,158,517	1,603,414	4,761,931
Transfers (Out)	(8,217,211)	0	0	(3,414)	(8,220,625)
Total Other Financing Sources (Uses)	(7,403,135)	0	3,158,517	1,600,000	(2,644,618)
Net Change in Fund Balance	15,272,646	(478,705)	1,744,947	612,679	17,151,567
Fund Balance - Beginning of Year	106,136,175	14,285,942	19,521,525	14,122,460	154,066,102
Change in Reserve for Inventory	190,388	0	1,377	0	191,765
Fund Balance - End of Year	\$121,599,209	\$13,807,237	\$21,267,849	\$14,735,139	\$171,409,434

See accompanying notes to the basic financial statements.

City of Mason, Ohio
Reconciliation of the Statement of Revenues, Expenditures, and Changes
in Fund Balance of Governmental Funds to the Statement of Activities
For the Fiscal Year Ended December 31, 2023

Net Change in Fund Balance - Total Governmental Funds	\$17,151,567
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Amounts reported for governmental activities in the
statement of activities are different because:

Governmental funds report capital asset additions as expenditures.
However, in the statement of activities, the cost of those assets is
allocated over their estimated useful lives as depreciation
expense. This is the amount of the difference between capital
asset additions and depreciation in the current period.

Capital assets used in governmental activities	17,686,458	
Depreciation Expense	<u>(6,255,680)</u>	
		11,430,778

Governmental funds only report the disposal of assets to the
extent proceeds are received from the sale. In the statement
of activities, a gain or loss is reported for each disposal. The
amount of the proceeds must be removed and the gain or loss
on the disposal of capital assets must be recognized. This is the
amount of the difference between the proceeds and the gain or loss.

(40,282)

Governmental funds report pension and OPEB contributions as
expenditures. However in the Statement of Activities, the cost
of pension and OPEB benefits earned net of employee
contributions are reported as pension and OPEB expense.

Pension Contributions	3,186,786	
Pension Expense	(6,527,020)	
OPEB Contributions	50,212	
OPEB Expense	<u>281,190</u>	
		(3,008,832)

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

Income Taxes	588,270	
Delinquent Property Taxes	4,396	
Interest	221,883	
Intergovernmental	(17,258)	
Other	<u>(103,633)</u>	
		693,658

Repayments of principal are an expenditure in the
governmental funds, but the repayment reduces long-term
liabilities in the statement of net position.

2,947,383

In the statement of activities interest expense is accrued when incurred;
whereas, in governmental funds an interest expenditure is reported
when due.

8,555

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

Compensated Absences	(286,912)	
Amortization of Bond Premium	262,377	
Amortization of Deferred Charge on Refunding	(146,017)	
Change in Inventory	<u>191,765</u>	
		21,213

Proceeds from the issuance of long-term obligations are an other financing
source in the funds, but a long-term obligation issue increases long-term
liabilities in the statement of net position.

(755,604)

Change in Net Position of Governmental Activities	<u><u>\$28,448,436</u></u>
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See accompanying notes to the basic financial statements.

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

	Business-Type Activities Enterprise Funds				
	Sewer	Stormwater Utility	Community Center	Other Enterprise Funds	Total Business-Type Activities
Current Assets:					
Equity in Pooled Cash and Investments	\$26,899,440	\$5,556,730	\$6,690,379	\$3,398,218	\$42,544,767
Receivables (Net):					
Accounts	708,587	186,336	35,994	225,788	1,156,705
Interest	141,938	29,321	0	4,777	176,036
Leases	0	0	18,303,693	0	18,303,693
Special Assessments	849,549	0	0	0	849,549
Inventory	36,892	0	16,711	153,640	207,243
Prepaid Items	0	0	206,045	0	206,045
Total Current Assets	28,636,406	5,772,387	25,252,822	3,782,423	63,444,038
Noncurrent Assets:					
Capital Assets:					
Nondepreciable Capital Assets	4,719,586	320,230	0	5,826,397	10,866,213
Depreciable Capital Assets, Net	52,366,806	39,479,239	14,196,063	7,052,853	113,094,961
Total Noncurrent Assets	57,086,392	39,799,469	14,196,063	12,879,250	123,961,174
Total Assets	85,722,798	45,571,856	39,448,885	16,661,673	187,405,212
Deferred Outflows of Resources:					
Pension	786,676	144,318	1,519,224	12,927	2,463,145
Other Postemployment Benefits	119,787	21,975	231,333	1,968	375,063
Total Deferred Outflows of Resources	906,463	166,293	1,750,557	14,895	2,838,208
Liabilities:					
Current Liabilities:					
Accounts Payable	202,283	0	73,411	17,595	293,289
Accrued Wages and Benefits	64,332	10,929	135,166	1,086	211,513
Compensated Absences	163,910	24,771	77,047	0	265,728
Contracts Payable	0	799	35,132	186,085	222,016
Retainage Payable	25,954	0	0	0	25,954
Accrued Interest Payable	0	0	9,063	6,221	15,284
Interfund Payable	0	0	5,000,000	0	5,000,000
Long-Term Liabilities Due Within One Year	0	0	720,000	695,000	1,415,000
Total Current Liabilities	456,479	36,499	6,049,819	905,987	7,448,784
Long-Term Liabilities:					
Bonds	0	0	0	2,871,523	2,871,523
Certificate of Participation	0	0	3,814,500	0	3,814,500
Net Pension Liability	1,805,216	331,173	3,486,222	29,664	5,652,275
Net Other Postemployment Benefits Liability	39,538	7,253	76,355	650	123,796
Compensated Absences	112,175	18,113	41,914	411	172,613
Total Noncurrent Liabilities	1,956,929	356,539	7,418,991	2,902,248	12,634,707
Total Liabilities	2,413,408	393,038	13,468,810	3,808,235	20,083,491
Deferred Inflows of Resources:					
Leases	0	0	17,853,827	0	17,853,827
Other Postemployment Benefits	13,040	2,392	25,182	214	40,828
Total Deferred Inflows of Resources	13,040	2,392	17,879,009	214	17,894,655
Net Position:					
Net Investment in Capital Assets	57,086,392	39,799,469	9,661,563	9,312,727	115,860,151
Unrestricted	27,116,421	5,543,250	190,060	3,555,392	36,405,123
Total Net Position	\$84,202,813	\$45,342,719	\$9,851,623	\$12,868,119	\$152,265,274

See accompanying notes to the basic financial statements.

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

	Business-Type Activities Enterprise Funds				
	Sewer	Stormwater Utility	Community Center	Other Enterprise Funds	Total Business-Type Activities
Operating Revenues:					
Charges for Services	\$7,477,276	\$1,642,632	\$8,459,468	\$4,829,580	\$22,408,956
Other Revenues	0	0	6,086	0	6,086
Total Operating Revenues	7,477,276	1,642,632	8,465,554	4,829,580	22,415,042
Operating Expenses:					
Personal Services	1,665,713	414,108	3,674,328	28,951	5,783,100
Contractual Services	1,563,535	155,964	2,952,538	4,112,667	8,784,704
Materials and Supplies	669,234	47,084	703,673	929,787	2,349,778
Depreciation	2,275,040	953,026	489,903	349,504	4,067,473
Other Expense	0	0	70,607	122,822	193,429
Total Operating Expenses	6,173,522	1,570,182	7,891,049	5,543,731	21,178,484
Operating Income (Loss)	1,303,754	72,450	574,505	(714,151)	1,236,558
Non-Operating Revenues (Expenses):					
Interest	1,476,286	311,754	477,951	58,411	2,324,402
Interest (Expense)	0	0	(133,302)	(53,529)	(186,831)
Total Non-Operating Revenues (Expenses)	1,476,286	311,754	344,649	4,882	2,137,571
Income (Loss) Before Contributions and Transfers	2,780,040	384,204	919,154	(709,269)	3,374,129
Capital Grants and Contributions	365,624	0	0	0	365,624
Transfers In	0	0	0	3,458,694	3,458,694
Change in Net Position	3,145,664	384,204	919,154	2,749,425	7,198,447
Net Position - Beginning of Year	81,057,149	44,958,515	8,932,469	10,118,694	145,066,827
Net Position - End of Year	\$84,202,813	\$45,342,719	\$9,851,623	\$12,868,119	\$152,265,274

See accompanying notes to the basic financial statements.

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

	Business-Type Activities				
	Enterprise Funds				Total
	Sewer	Stormwater Utility	Community Center	Other Enterprise Funds	Business-Type Activities
Cash Flows from Operating Activities:					
Cash Received from Customers	\$6,900,833	\$1,618,341	\$7,633,111	\$4,811,053	\$20,963,338
Cash Received from Other Sources	0	0	22,898	0	22,898
Cash Payments to Employees	(1,667,398)	(351,001)	(3,256,660)	(30,953)	(5,306,012)
Cash Payments to Suppliers	(2,298,809)	(214,283)	(3,811,383)	(5,841,181)	(12,165,656)
Cash Payments for Other Operating Expenses	0	0	(70,607)	0	(70,607)
Net Cash Provided (Used) by Operating Activities	2,934,626	1,053,057	517,359	(1,061,081)	3,443,961
Cash Flows from Noncapital Financing Activities:					
Transfers In from Other Funds	0	0	0	3,458,694	3,458,694
Advances Out to Other Funds	0	0	(250,000)	0	(250,000)
Net Cash Provided (Used) by Noncapital Financing Activities	0	0	(250,000)	3,458,694	3,208,694
Cash Flows from Capital and Related Financing Activities:					
Payments for Capital Acquisitions	(1,779,280)	(1,041,077)	(116,186)	(831,592)	(3,768,135)
Debt Principal Payments	0	0	(705,000)	(680,000)	(1,385,000)
Debt Interest Payments	0	0	(126,279)	(88,250)	(214,529)
Capital Grants Received	365,624	0	0	0	365,624
Lease Receivable Payments Received	0	0	590,442	0	590,442
Lease Receivable Interest Received	0	0	477,951	0	477,951
Net Cash Provided (Used) by Capital and Related Financing Activities	(1,413,656)	(1,041,077)	120,928	(1,599,842)	(3,933,647)
Cash Flows from Investing Activities:					
Earnings on Investments	1,419,224	301,836	0	57,189	1,778,249
Net Cash Provided (Used) by Cash Flows from Investing Activities	1,419,224	301,836	0	57,189	1,778,249
Net Increase (Decrease) in Cash and Cash Equivalents	2,940,194	313,816	388,287	854,960	4,497,257
Cash and Cash Equivalents - Beginning of Year	23,959,246	5,242,914	6,302,092	2,543,258	38,047,510
Cash and Cash Equivalents - End of Year	26,899,440	5,556,730	6,690,379	3,398,218	42,544,767
Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities					
Operating Income (Loss)	1,303,754	72,450	574,505	(714,151)	1,236,558
Adjustments:					
Depreciation	2,275,040	953,026	489,903	349,504	4,067,473
Leasing Activity	0	0	(827,204)	0	(827,204)
Changes in Assets & Liabilities:					
(Increase) Decrease in Receivables	(690,156)	(24,291)	787	(18,424)	(732,084)
(Increase) Decrease in Inventory	8,510	0	37,085	12,439	58,034
(Increase) Decrease in Prepaid Items	0	0	(196,019)	0	(196,019)
(Increase) Decrease in Deferred Outflows of Resources	(594,129)	(127,829)	(1,273,254)	(8,933)	(2,004,145)
(Increase) Decrease in Net OPEB Asset	202,176	24,898	308,961	3,859	539,894
Increase (Decrease) in Contracts Payable	(8,481)	(4,756)	(12,603)	(469,130)	(494,970)
Increase (Decrease) in Retainage Payable	(25,146)	0	0	(219,328)	(244,474)
Increase (Decrease) in Payables	72,790	(6,479)	15,945	11	82,267
Increase (Decrease) in Accrued Liabilities	(4,164)	5,431	47,775	479	49,521
Increase (Decrease) in Deferred Inflows of Resources for Net Pension and OPEB Liability	(900,555)	(110,116)	(1,370,956)	(17,226)	(2,398,853)
Increase (Decrease) in Net Pension Liability	1,255,449	263,470	2,646,079	19,169	4,184,167
Increase (Decrease) in Net OPEB Liability	39,538	7,253	76,355	650	123,796
Net Cash Provided (Used) by Operating Activities	\$2,934,626	\$1,053,057	\$517,359	(\$1,061,081)	\$3,443,961

See accompanying notes to the basic financial statements.

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

	Custodial Funds
Assets:	
Equity in Pooled Cash and Investments	\$1,358,020
Receivables (Net):	
Accounts	10,000
Total Assets	1,368,020
Liabilities:	
Due to Other Governments	70,455
Total Liabilities	70,455
Net Position:	
Economic Development	837,547
Community Improvement	460,018
Total Net Position	\$1,297,565

See accompanying notes to the basic financial statements.

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

	Custodial Funds
Additions:	
Municipal Court Receipts	\$2,303,186
Mason Port Authority Receipts	29,038
Community Improvement Corporation Receipts	36,385
Total Additions	2,368,609
Deductions:	
Municipal Court Disbursements	2,324,969
Community Improvement Corporation Disbursements	17,564
Total Deductions	2,342,533
Change in Net Position	26,076
Net Position - Beginning of Year	1,271,489
Net Position - End of Year	\$1,297,565

See accompanying notes to the basic financial statements.

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

Note 1 – Description of the City and Reporting Entity

The City of Mason, Ohio (the “City”) was incorporated in 1815, adopted its Charter in 1969 and became a city in 1971. The City is a home-rule municipal corporation created under the laws of the State of Ohio. The City operates under a Council-Manager form of government.

Reporting Entity

A reporting entity is comprised of the primary government, component units and other organizations that are included to ensure that financial statements are not misleading. The primary government of the City consists of all funds, departments, boards and agencies that are not legally separate from the City. For the City, this includes; police and fire, parks and recreation, planning, zoning, community development, street maintenance, sewer, stormwater waste collection, community center and golf center. Council and the City Manager have direct responsibility for these activities.

Component units are legally separate organizations for which the City is financially accountable. The City is financially accountable for an organization if the City appoints a voting majority of the organization’s governing board; and (1) the City is able to significantly influence the programs or services performed or provided by the organization; or (2) the City is legally entitled to or can otherwise access the organization’s resources; the City is legally obligated or has otherwise assumed the responsibility to finance the deficits of, or provide financial support to, the organization; or the City is obligated for the debt of the organizations. Component units may also include organizations for which the City authorizes the issuance of debt or the levying of taxes, or determines the budget. There are no component units included as part of this report.

The Miami Valley Risk Management Association, Inc. (MVRMA) is a risk sharing insurance pool established for the purpose of enabling the subscribing political subdivisions to obtain liability insurance and providing a formalized, jointly administered self-insurance fund for its members. The members formed a not-for-profit corporation known as Miami Valley Risk Management Association, Inc. for the purpose of administering the pool. The subscribing members of the self-insurance pool include the Cities of Beavercreek, Bellbrook, Blue Ash, Centerville, Englewood, Fairfield, Kettering, Madeira, Mason, Miamisburg, Montgomery, Piqua, Sidney, Springdale, Tipp City, Troy, Vandalia, West Carrollton, Wilmington, and Wyoming, and the Village of Indian Hill. The City has no explicit and measurable equity interest in MVRMA and no ongoing financial responsibility for MVRMA. More information on MVRMA is presented in Note 5.

The City participates in a joint venture called the Liberty Township Joint Economic Development District (JEDD). This joint venture is presented in Note 15.

Note 2 – Summary of Significant Accounting Policies

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

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

Measurement Focus

Government-Wide Financial Statements

The government-wide financial statements are prepared using the economic resources measurement focus. All assets, deferred outflows of resources, and all liabilities and deferred inflows of resources associated with the operation of the City are included on the Statement of Net Position.

Fund Financial Statements

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

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

Fiduciary funds present a statement of changes in fiduciary net position which reports additions to and deductions from custodial funds using a flow of economic resources measurement focus.

Basis of Presentation

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

Government-Wide Financial Statements

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

The statement of net position presents the financial condition of the governmental and business-type activities of the City at year-end. The statement of activities presents a comparison between direct expenses and program revenues for each program or function of the City's governmental activities and for the business-type activities of the City. Direct expenses are those that are specifically associated with a service, program or department and therefore clearly identifiable to a particular function. Program revenues include charges paid by the recipient of the goods or services offered by the program, cash and contributions that are restricted to meeting the operational or capital

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

requirements of a particular program and interest earned on grants that is required to be used to support a particular program. Revenues which are not classified as program revenues are presented as general revenues of the City, with certain limited exceptions. The comparison of direct expenses with program revenues identifies the extent to which each business segment or governmental function is self-financing or draws from the general revenues of the City.

Fund Financial Statements

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

Fund Accounting

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

Governmental Funds

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

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

Street Construction, Maintenance and Repair Fund – This special revenue fund accounts for 92.5% of the City's share of state gasoline taxes and motor vehicle license fees. State law requires that such monies be spent on street construction and maintenance.

Safety Fund – This special revenue fund accounts for expenditures of property tax revenues and other resources authorized by section 10.05 of the City's Charter for safety, fire and emergency medical services.

Proprietary Funds

Proprietary fund reporting focuses on changes in net position, financial position and cash flows. Proprietary funds are classified as either enterprise or internal service. The City does not have an internal service fund.

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

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

Sewer Fund - The sewer fund accounts for the provision of sanitary sewer service to the residents and commercial users located within the City.

Stormwater Utility Fund - This fund accounts for provision of stormwater systems within the City.

Community Center Fund - This fund accounts for the community center services provided to the residents of the City and the expansion of the Center.

Additionally, the City reports the following fund types:

The Custodial Fiduciary Funds are used to account for the collection and disbursement of monies by the City on behalf of other individuals, organizations or other governmental entities. The following are the City's custodial fiduciary funds. The Municipal Court Fund to account for amounts held on behalf of other governments and bonds deposited with the court pending final disposition of various causes, the Mason Port Authority Fund to enhance future development opportunities in the City, to support the economic development strategies of the City and to promote participation in activities that will have a positive impact on the general economic wealth of Mason, and the Community Improvement Corporation Fund to account for custodial transactions related to community improvement.

Basis of Accounting

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

Revenues - Exchange and Non-exchange Transactions

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

For the City, available means expected to be received within sixty days of year-end.

Nonexchange transactions, in which the City receives value without directly giving equal value in return, include income taxes, property taxes, grants, entitlements and donations. On an accrual basis, revenue from income taxes is recognized in the period in which the income is earned. Revenue from property taxes is recognized in the year for which the taxes are levied. Revenue from grants, entitlements and donations is recognized in the year in which all eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the year when the resources are required to be used or the year when use is first permitted; matching requirements, in

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

which the City must provide local resources to be used for a specified purpose; and expenditure requirements, in which the resources are provided to the City on a reimbursement basis. On a modified accrual basis, revenue from nonexchange transactions must also be available before it can be recognized.

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

Deferred Outflows/Inflows of Resources

In addition to assets, the statements of financial position will sometimes report a separate section for deferred outflows of resources. Deferred outflows of resources, represent a consumption of net assets that applies to a future periods and will not be recognized as an outflow of resources (expense/expenditure) until then. For the City, deferred outflows of resources include a deferral on refunding, pension, and other postemployment benefits (OPEB) reported in the government-wide statement of net position. A deferral on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt. The deferred outflows of resources related to pension and OPEB are explained in Notes 11 and 12.

In addition to liabilities, the statements of financial position report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represent an acquisition of net assets that applies to a future periods and will not be recognized as an inflow of resources (revenue) until that time. On the government wide statement of net position and governmental funds balance sheet, leases, property taxes, and grants and other taxes that are intended to finance future fiscal periods are reported as deferred inflows. In addition, the governmental funds balance sheet reports deferred inflows which arise only under a modified accrual basis of accounting. Accordingly, the items, income taxes, unavailable amounts and special assessments, are reported only in the governmental funds balance sheet. The governmental funds report unavailable amounts for accounts receivable and investment earnings. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available. Deferred inflows of resources related to pension and OPEB are reported on the proprietary funds statement of net position and the government-wide statement of net position (see Notes 11 and 12).

Expenses/Expenditures

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

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

Equity in Pooled Cash and Investments

To improve cash management the City's cash and investments are pooled. Monies for all funds are maintained in this pool. Individual fund integrity is maintained through City records. Each fund's interest in the pool is presented as "Equity in Pooled Cash and Investments" on the balance sheet.

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

Investments are reported at fair value. For investments in open-end mutual funds, fair value is determined by the fund's share price.

For purposes of the statement of cash flows and for presentation on the statement of net position/balance sheet, investments with an original maturity of three months or less and investments of the cash management pool are considered to be cash equivalents.

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

For 2023, there were no limitations or restrictions on any participant withdrawals due to redemption notice periods, liquidity fees, or redemption gates. However, notice must be given 24 hours in advance of all deposits and withdrawals exceeding \$100 million. STAR Ohio reserves the right to limit the transaction to \$250 million, requiring the excess amount to be transacted the following business day(s), but only to the \$250 million limit. All accounts of the participant will be combined for these purposes.

Following the Ohio Revised Code and City Ordinance, the City has specified certain funds to receive an allocation of interest earnings. Interest revenues during 2023 amounted to \$5,793,007 in the General Fund, \$866,497 in the Street Construction, Maintenance and Repair Fund, \$1,114,807 in the Safety Fund and \$56,428 in Other Governmental Funds.

Inventory

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

Prepaid Items

Payments made for services that will benefit periods beyond December 31, 2023, are recorded as prepaid items using the consumption method. A current asset for the prepaid amount is recorded at the time of the purchase and an expenditure/expense is reported in the year in which services are consumed.

Lease Receivable

Lease receivable is measured at the present value of lease payments expected to be received during the lease term. Under the lease agreement, the City may receive variable lease payments that are dependent upon the lessee's revenue. The variable payments are recorded as an inflow of resources in the period the payment is received.

A deferred inflow of resources is recorded for the lease at the initiation of the lease in an amount equal to the initial recording of the lease receivable. The deferred inflow of resources is amortized on a straight-line basis over the term of the lease.

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

Lease Asset

A lease asset is a lessee's right to use an asset over the life of a lease. The asset is calculated as the initial amount of the lease liability, plus any lease payments made to the lessor before the lease commencement date, plus any initial direct costs incurred, minus any lease incentives received. The amortization period of the lease asset is from the lease commencement date to the earlier of the end of the lease term or the end of the useful life of the asset. At the termination of the lease, the lease asset and associated lease liability are removed from the books of the lessee. The difference between the two amounts is accounted for as a gain or loss at that time.

Capital Assets

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

All capital assets are capitalized at cost (or estimated historical cost) and updated for additions and retirements during the year. Donated capital assets, donated works of art and similar items, and capital assets received in a service concession arrangement should be reported at acquisition value rather than fair value. The City's infrastructure consists of bridges, culverts, curbs, sidewalks, storm sewers, streets, and water and sewer lines. Improvements are capitalized; the costs of normal maintenance and repairs that do not add to the value of the asset or materially extend an asset's life are not. The City uses a \$5,000 capitalization threshold.

All reported capital assets are depreciated except for land and construction in progress. The Land classification includes the City's right-of-way easements (intangible assets, per GASB 51). Improvements are depreciated over the remaining useful lives of the related capital assets. Useful lives for infrastructure were estimated based on the City's historical records of necessary improvements and replacement. Depreciation is computed using the straight-line method over the following useful lives:

<u>Description</u>	<u>Estimated Lives</u>
Buildings and Improvements	15-50 years
Equipment	5-20 years
Infrastructure	25-60 years

Compensated Absences

The City reports compensated absences in accordance with the provisions of GASB No. 16, "Accounting for Compensated Absences." Vacation benefits are accrued as a liability as the benefits are earned if the employees' rights to receive compensation are attributable to services already rendered and it is probable that the employer will compensate the employees for the benefits through paid time off or some other means.

Sick leave benefits are accrued as a liability using the vesting method. The entire compensated absence liability is reported on the government-wide financial statements. For governmental fund financial statements, a liability is recorded only for the portion of unpaid compensated absences that have

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

matured, for example, as a result of employee resignations and retirements. In proprietary funds, the entire amount of compensated absences is reported as a fund liability.

Accrued Liabilities and Long-Term Obligations

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

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

Pensions/Other Postemployment Benefits (OPEB)

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

Fund Balance

In accordance with Governmental Accounting Standards Board Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*, the City classifies its fund balance based on the purpose for which the resources were received and the level of constraint placed on the resources. The following categories are used:

Nonspendable – resources that are not in spendable form (inventory) or have legal or contractual requirements to maintain the balance intact.

Restricted – spendable resources that have external purpose restraints imposed on them by providers, such as creditors, grantors, or other regulators.

Committed – spendable resources that are constrained for specific purposes that are internally imposed by the government at its highest level of decision making authority, City Council. This is done by ordinance by City Council. Same level of authority (ordinance by City Council) is needed to rescind or amend a commitment.

Assigned – resources that are intended to be used for specific purposes as approved through the City's formal purchasing procedure by the City Manager and Finance Director.

Unassigned – residual fund balance within the General Fund that is not restricted, committed, or assigned. In other governmental funds, the unassigned classification is used only to report a deficit balance resulting from incurred expenses for specific purposes exceeding amounts which had been restricted, committed or assigned for said purposes.

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

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

Net Position

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

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

The City's Governmental Activities and Community Center fund have restricted net position relative to those resources necessary to comply with various covenants of bond financing agreements. Of the City's \$52,580,178 in restricted net position, none were restricted by enabling legislation.

Operating Revenues and Expenses

The City, in its proprietary funds, distinguishes operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the City's enterprise fund are charges to customers for sales and services. Operating expenses for the enterprise fund includes the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

Contributions of Capital

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

Interfund Activity

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

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

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

As a general rule, the effect of interfund (internal) activity has been eliminated from the government-wide statement of activities. The interfund services provided and used are not eliminated through the process of consolidation.

Gain/Loss on Refunding

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

Estimates

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

Note 3 – Equity in Pooled Cash and Investments

Cash resources of several individual funds are combined to form a pool of cash and investments. Each fund type's portion of this pool is displayed on the financial statements as "Equity in Pooled Cash and Investments."

State statute requires the classification of monies held by the City into three categories:

Active Monies - Those monies required to be kept in a "cash" or "near cash" status for immediate use by the City. Such monies must by law be maintained either as cash in the City treasury, in depository accounts payable or withdrawable on demand.

Inactive Monies – Those monies not required for use within the current two year period of designated depositories. Ohio law permits inactive monies to be deposited or invested as certificates of deposit maturing not later than the end of the current period of designated depositories, or as savings or deposit accounts, including, but not limited to passbook accounts.

Interim Monies – Those monies which are not needed for immediate use but which will be needed before the end of the current period of designation of depositories. The City's investment policy as approved by Council Ordinance permits interim monies to be invested or deposited in the following securities in the Ohio Revised Code:

- (1) Bonds, notes, or other obligations of or guaranteed by the United States, or those for which the faith of the United States is pledged for the payment of principal and interest.
- (2) Bonds, notes, debentures, or other obligations or securities issued by any federal governmental agency.
- (3) No-load money market mutual funds consisting exclusively of obligations described in (1) or (2) above and repurchase agreements secured by such obligations, provided that investments in securities described in this division are made only through eligible institutions.

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

- (4) Interim deposits in the eligible institutions applying for interim monies to be evidenced by time certificates of deposit maturing not more than one year from date of deposit, or by savings or deposit accounts, including, but limited to, passbook accounts.
- (5) Bonds and other obligations of the State of Ohio or subdivision in Ohio.
- (6) Bonds and other obligations of any state or subdivision in the top three highest rating classification by at least one nationally recognized rating agency.
- (7) The Ohio State Treasurer's investment pool (STAR Ohio).
- (8) Commercial paper and banker's acceptances which meet the requirements established by Ohio Revised Code, Chapter 135.
- (9) Under limited circumstances, corporate debt interests in either of the two highest rating classifications by at least two nationally recognized rating agencies.

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

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

Deposits

Custodial credit risk for deposits is the risk that in the event of bank failure, the City will not be able to recover deposits or collateral securities that are in the possession of an outside party. As of December 31, 2023, \$3,184,745 of the City's bank balance of \$3,675,162 was exposed to custodial credit risk because it was uninsured and collateralized.

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

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

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

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

Investments

The following is a summary of the fair value hierarchy of the fair value of investments of the City as of December 31, 2023:

Investment Type	Fair Value Measurements Using			Net Asset Value*	Weighted Average Maturity in Years
	Net Asset Value* / Fair Value	Quoted Prices in Active Markets for Identical Assets	Significant Other Observable Inputs		
		Level 1	Level 2		
Federal Home Loan Bank	\$45,346,384		\$45,346,384		1.43
Commercial Paper	36,189,108		36,189,108		0.44
Negotiable Certificate of Deposit	31,818,483		31,818,483		1.87
STAR Ohio*	28,919,450			\$28,919,450	0.13
Municipal Bonds	20,730,849		20,730,849		3.13
US Treasury Notes/Bonds	16,223,469	\$16,223,469			1.06
Federal Farm Credit Bank	9,726,702		9,726,702		2.43
Federal National Mortgage Association	8,564,374		8,564,374		1.45
Federal Home Loan Mortgage	7,171,616		7,171,616		2.36
Money Market Funds	12,948	12,948			0.00
	<u>\$204,703,383</u>	<u>\$16,236,417</u>	<u>\$159,547,516</u>	<u>\$28,919,450</u>	
Portfolio Weighted Average Maturity					1.32

The City categorizes its fair value measurements with 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. The valuation techniques used for Level 2 (fair value measurements) include quoted prices for similar assets or liabilities in active markets, quoted prices for identical or similar assets or liabilities in inactive markets, inputs other than quoted prices that are observable for the asset or liability, or inputs that are derived principally from or corroborated by observable market data by correlation or other means. Level 3 inputs are significant unobservable inputs. The above table identifies the City's recurring fair value measurements as of December 31, 2023. STAR Ohio is reported at its share price (Net Asset value per share).

Interest Rate Risk - In accordance with the investment policy, the City manages its exposure to declines in fair values by limiting the weighted average maturity of its investment portfolio to two years, unless matched to a specified obligation or debt of the City.

Credit Risk – It is the City's policy to limit its investments that are not obligations of the U.S. Government or obligations explicitly guaranteed by the U.S. Government to investments which have the highest credit quality rating issued by nationally recognized statistical rating organizations. The City's investments in Federal Home Loan Bank, Federal Home Loan Mortgage, Federal National Mortgage Association, and Federal Farm Credit Bank were rated AA+ by Standard and Poor's and Fitch ratings and Aaa by Moody's Investors Service. Municipal Bonds were rated Aaa, Aa1, Aa2, Aa3, and A2 by Moody's Investors service and AAA, AA+, AA- and A+ by Standard and Poor's and Fitch ratings. The City's investments in Commercial Paper were rated A-1+ and A-1 by Standard & Poor's ratings and P-1 by Moody's Investment Service. Investments in STAR Ohio were rated AAAM by Standard & Poor's. US Treasury Notes/Bonds, Negotiable Certificate of Deposit and Money Market Funds were not rated. Certificate of Deposit are limited to be fully insured by FDIC.

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

Concentration of Credit Risk – The City’s investment policy allows investments in Federal Government Securities or Instrumentalities. The City has invested 4.2% of the City’s investments in Federal National Mortgage Association, 7.9% in US Treasury Notes/Bonds, 17.7% in Commercial Paper, 3.5% in Federal Home Loan Mortgage, 14.1% in STAR Ohio, 22.2% in Federal Home Loan Bank, 4.8% in Federal Farm Credit Bank, 10.1% in Municipal Bonds, 15.5% in Negotiable Certificate of Deposit and less than 1% in Money Market Funds.

Custodial credit risk is the risk that in the event of the failure of the counterparty, the City will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. All of the City’s securities are insured and registered in the name of the City, or at least registered in the name of the City.

Note 4 – Receivables

Receivables at year end, consisted primarily of municipal income taxes, property and other taxes, intergovernmental receivables arising from entitlements, shared revenues, special assessments, accrued interest on investments, leases, interfund, and accounts receivable.

No allowances for doubtful accounts have been recorded because uncollectible amounts are expected to be insignificant.

Special assessments expected to be collected in more than one year amounts to \$4,189 in the General Fund, \$1,530,143 in Other Governmental Funds and \$849,549 in the Sewer Fund.

Property Taxes

Property taxes include amounts levied against all real estate and public utility property, and tangible personal property used in business and located in the City. Real property taxes (other than public utility) collected during 2023 were levied after October 1, 2022 on assessed values as of January 1, 2022, the lien date. Assessed values were established by the County Auditor at 35% of appraised market value. All property is required to be revalued every six years. Real property taxes are payable annually or semi annually. If paid annually, payment is due January 31; if paid semiannually, the first payment is due February and the remainder payable in July. Under certain circumstances, state statute permits later payment dates to be established.

Public utility real property taxes collected in one calendar year are levied in the preceding calendar year on assessed values determined as of December 31 of the second year preceding the tax collection year, the lien date. Certain public utility tangible personal property is currently assessed at 100% of its true value. Public utility property taxes are payable on the same dates as real property described previously.

The assessed values of real and tangible personal property upon which current year property tax receipts were based are as follows:

Real Property	\$1,641,071,520
Public Utility	35,383,800
Total Valuation	<u><u>\$1,676,455,320</u></u>

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

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

The City receives property taxes from Warren County. The County Treasurer collects property taxes on behalf of all taxing districts in the counties, including the City. The County Auditor periodically remits to the City its portion of the taxes collected. Property taxes receivable represents real, public utility taxes and outstanding delinquencies which are measurable as of December 31, 2023, and for which there is an enforceable legal claim. In the funds, a portion of the receivable has been offset by deferred inflows since the current taxes were not levied to finance 2023 operations and the collection of delinquent taxes during the available period is not subject to reasonable estimation. On an accrual basis, collectible delinquent property taxes have been recorded as revenue while the remainder of the receivable is deferred.

Income Taxes

In November 2006, Mason voters approved an amendment to the City's charter that changed the City's Tax Ordinance to allow 100% credit for residents employed in another city.

In November 2012, Mason voters approved an amendment to the City's charter to provide funding of safety services, including fire and emergency services, through a combination of income and property taxes. The amendment allows for an increase of the income tax of up to 0.15%, with an initial rate for 2013 of 0.12%, and up to 5 mills of property tax. The amendment also allows for a credit of the additional income tax for residents who pay property tax.

Employers within the City withhold income tax on employee compensation and remit at least quarterly. Corporations and other individual taxpayers pay estimated taxes quarterly based on an annual declaration and file an annual tax return.

Economic Development Agreements

Economic development efforts include occasional incentive agreements and forgivable loans that are based upon the expansion/retention of existing businesses and attracting new/relocating businesses. These agreements include agreements to provide services that further the City's economic development efforts. Repayment of these agreements may be required if a business fails to meet performance requirements or relocated to another location outside the City. Despite the possible receivable, it is generally believed nothing will be owed or repaid and nothing is recognized as a receivable.

Property Assessed Clean Energy

The City is part of the I-75 Energy Special Improvement District to finance energy improvements for private property owners through a Property Assessed Clean Energy (PACE) program. A special assessment is levied against the private property to pay for the improvements financed through the District. The City is responsible for remitting the special assessments collected to the investor who financed the improvements.

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

Note 5 - Risk Management

Joint Insurance Pool

The City is one of twenty members of a joint insurance pool, Miami Valley Risk Management Association, Inc. (MVRMA), with the cities of Englewood, Bellbrook and Centerville added in 2004. The pool has been operational since December 1, 1988, and was formed according to Section 2744.081 of the Ohio Revised Code. This joint venture covers all property, crime, liability, boiler and machinery, and public official liability up to the limits stated below. It is intended to provide broad-based coverage up to the various limits with increased emphasis on safety and loss prevention.

MVRMA is a corporation governed by a twenty member board of trustees, consisting of a representative appointed by each of the member cities. The board of trustees elects the officers of the corporation, with each trustee having a single vote. The board is responsible for its own financial matters and the corporation maintains its own book of accounts. Budget and financing of MVRMA is subject to the approval of the board.

Excess insurance coverage will cover additional claims up to the limits listed below:

Liability:

- Personal Injury Liability
- Property Damage Liability
- Public Officials Errors and Omissions
- Employment Practices Liability
- Employee Benefits Liability
- Employer Stop Gap Liability

Limits: \$12,000,000 per occurrence. \$12,000,000 annual aggregate per member for Employment Practices Liability; Public Officials Errors and Omissions and Employee Benefits Liability combined; and Products/Completed Operations.

MVRMA Self-Insured Retention: \$500,000 per occurrence and obtained reinsurance from Government Entities Mutual Inc. (GEM) for \$6.5 million excess of \$500,000, and from Genesis for \$5 million excess of \$7 million.

Property:

- \$1,000,000,000/occurrence
- MVRMA Self-Insured Retention (SIR): \$250,000/occurrence

Coverage excess of SIR provided by Alliant Property Insurance Program (APIP). List of carriers underwriting the coverage provided upon request.

Flood Damage:

- Limits: \$25 million/occurrence and annual aggregate
- Sublimit: Flood Zone A & V - \$5 million/occurrence and annual aggregate
- MVRMA Self-Insured Retention: \$250,000/occurrence – all flood zones

Earthquake Shock:

- Limits: \$25 million/occurrence and annual aggregate
- MVRMA Self-Insured Retention: \$250,000/occurrence

Boiler & Machinery:

- Limits: \$100,000,000/occurrence
- MVRMA Self-Insured Retention: \$25,000-\$500,000/occurrence

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

Cyber Liability:

Coverage provided by Lloyds of London – Beazley Syndicate. Excess limits provided by Alliant Property Insurance Program (APIP). List of carriers underwriting the coverage provided upon request.

Aggregate Limit: \$3 million, subject to \$4 million MVRMA pool-wide aggregate

First Party Loss (Limits per Occurrence):

- \$1,500,000 Business Interruption Resulting from Security Breach
- \$1,000,000 Business Interruption Resulting from System Failure
- \$1,500,000 Dependent Business Interruption Resulting from Security Breach
- \$200,000 Dependent Business Interruption Resulting from System Failure
- \$1,500,000 Cyber Extortion Loss
- \$1,500,000 Data Recovery Costs

Liability:

\$5,000,000 each for Data & Network Liability; Regulatory Defense & Penalties; Payment Card Liabilities & Costs; Media Liability

E-Crime:

\$150,000 each for Fraudulent Instructions; Funds Transfer Fraud; Telephone Fraud

Breach Response Costs:

\$1,000,000 (increased to \$2 million if designated breach response provider is used)

Pollution Liability – (claims made and reported policy):

Coverage excess of MVRMA self-insured retention provided by Ironshore Specialty Insurance Company

Limits:

- \$25,000,000 Policy Aggregate for all insureds combined
- \$2,000,000 Per Pollution Incident
- \$2,000,000 Per Named Insured
- \$2,000,000 MVRMA Pool-wide Aggregate
- Retroactive Date: Policy inception
- MVRMA Self-Insured Retention (SIR): \$250,000/pollution condition; \$250,000 Mold;
- \$500,000 Sewage Backups; \$750,000-\$1,000,000 underground storage tanks

Crime Coverage:

Coverage excess of MVRMA self-insured retention provided by National Union Fire Insurance Co. of Pittsburgh, PA.

Limits per Occurrence:

- \$2,000,000 Employee Theft Per Loss; Forgery or Alteration
- \$100,000 Inside & Outside Premises–Theft of Money & Securities, Robbery, Safe Burglary
- \$2,000,000 Computer Fraud
- \$2,000,000 Funds Transfer Fraud
- \$5,000 Money Orders and Counterfeit Paper Currency
- MVRMA self-insured retention: up to \$50,000 per loss

Member Deductible per occurrence - \$2,500

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

The Audit of MVRMA's 2023 financial statements has not been completed yet. Data from the December 31, 2022 financial statements are as follows:

Current Assets	\$4,441,242
Non-current Assets	<u>13,091,357</u>
Total Assets	<u>17,532,599</u>
Deferred Outflows of Resources	73,146
Current Liabilities	5,917,650
Non-current Liabilities	<u>2,097,838</u>
Total Liabilities	<u>8,015,488</u>
Deferred Inflows of Resources	311,582
Net Position	<u>\$9,278,675</u>

Settled claims have not exceeded this commercial coverage in any of the past three years.

Group Health Insurance Program

The City has a group health insurance program for employees and their eligible dependents. Premiums are paid into the General Fund by all funds having compensated employees based on an analysis of historical claims experience, the desired fund balances and the number of active participating employees. The monies paid into the General Fund are available to pay claims and administrative costs. The plan is administered by a third party administrator, Custom Design Benefits, which monitors all claim payments. The claims liability of \$711,223 reported in the General Fund at year end is based on the requirements of GASB Statement No. 10, which requires 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. Changes in the claims liability amounts were as follows:

Fiscal Year	Beginning of Fiscal Year Liability	Current Claims and Changes in Estimates	Claims Payments	End of Fiscal Year Liability
2023	\$629,335	\$5,976,293	(\$5,894,405)	\$711,223
2022	581,071	4,257,014	(4,208,750)	629,335

The City estimates all claims outstanding at the end of the year will be paid off within one year.

Note 6 – Contingent Liabilities

Litigation

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

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

Federal and State Grants

The City participates in several federally assisted programs. These programs are subject to financial and compliance audits by the grantor or their representative. As of December 31, 2023, the audits of certain of these programs have not been completed. Such audits could lead to a request for reimbursement to the grantor agency for expenditures disallowed under the terms of the grant. Based on prior experience, the City believes such disallowance, if any, would be immaterial.

Note 7 – Capital Assets

Capital asset activity for the current year end was as follows:

	Beginning Balance	Additions	Deletions	Ending Balance
Governmental Activities				
<i>Capital Assets, not being depreciated:</i>				
Land	\$78,965,145	\$2,335,607	\$0	\$81,300,752
Construction in Progress	20,616,853	13,573,122	24,821,588	9,368,387
Total Capital Assets, not being depreciated	99,581,998	15,908,729	24,821,588	90,669,139
<i>Capital Assets, being depreciated:</i>				
Buildings and Improvements	81,665,498	618,762	69,995	82,214,265
Equipment	27,405,666	1,816,420	699,441	28,522,645
Infrastructure	120,303,553	23,408,531	0	143,712,084
Total Capital Assets, being depreciated	229,374,717	25,843,713	769,436	254,448,994
Totals at Historical Cost	328,956,715	41,752,442	25,591,024	345,118,133
Less Accumulated Depreciation:				
Buildings and Improvements	23,194,268	2,094,698	69,995	25,218,971
Equipment	18,761,002	1,743,689	659,159	19,845,532
Infrastructure	30,894,738	2,395,191	0	33,289,929
Total Accumulated Depreciation	72,850,008	6,233,578	729,154	78,354,432
Capital Assets, Net	256,106,707	35,518,864	24,861,870	266,763,701
Lease Assets:				
Equipment	0	755,604	0	755,604
Less Accumulated Depreciation:				
Lease Assets-Equipment	0	22,102	0	22,102
Total Lease Assets, Net	0	733,502	0	733,502
Total Governmental Activities Capital Assets, Net	\$256,106,707	\$36,252,366	\$24,861,870	\$267,497,203

Depreciation expense was charged to governmental functions as follows:

	Depreciation Expense
General Government	\$731,305
Public Safety	683,032
Leisure Time Activities	1,493,414
Transportation and Street Repair	3,347,557
Community Development	372
Total Depreciation Expense	\$6,255,680

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

	Beginning Balance	Additions	Deletions	Ending Balance
Business-Type Activities				
<i>Capital Assets, not being depreciated:</i>				
Land	\$10,752,550	\$0	\$0	\$10,752,550
Construction in Progress	4,193,221	1,759,766	5,839,324	113,663
Total Capital Assets, not being depreciated	14,945,771	1,759,766	5,839,324	10,866,213
<i>Capital Assets, being depreciated:</i>				
Buildings and Improvements	55,188,553	3,668,389	0	58,856,942
Equipment	14,133,728	868,636	64,327	14,938,037
Infrastructure	109,548,229	3,310,669	0	112,858,898
Total Capital Assets, being depreciated	178,870,510	7,847,694	64,327	186,653,877
Totals at Historical Cost	193,816,281	9,607,460	5,903,651	197,520,090
Less Accumulated Depreciation:				
Buildings and Improvements	23,773,861	1,659,864	0	25,433,725
Equipment	10,856,797	554,168	64,327	11,346,638
Infrastructure	34,925,112	1,853,441	0	36,778,553
Total Accumulated Depreciation	\$69,555,770	\$4,067,473	\$64,327	\$73,558,916
Business-Type Activities Capital Assets, Net	\$124,260,511	\$5,539,987	\$5,839,324	\$123,961,174

Note 8 – Compensated Absences

Accumulated Unpaid Vacation

City employees earn vacation leave at varying rates based upon length of service, subject to certain maximum accruals. In the event of a termination of employment, death, or retirement, employees (or their estates) are paid for unused vacation leave.

Accumulated Unpaid Sick Leave

The City of Mason does not permit advancement of moneys on sick leave accrued.

Sick Leave Conversion at Retirement

- Upon retirement, a full-time, regular employee who meets the age and length of service requirements of the Public Employees Retirement System or the Police and Fireman's Disability and Pension Fund, whichever is applicable, and who was also in the service of the City of Mason for a period of ten (10) continuous years prior to retirement from the service of the City of Mason may redeem his or her accumulated sick leave providing all other criteria are met in order to receive the benefits (i.e. age for retirement).
- Redemption shall be at a rate of three (3) accumulated sick days exchanged for (1) day of pay for the first two hundred (200) sick days. For the next twenty five sick days the redemption shall be two (2) accumulated sick days exchanged for one (1) day of pay. All remaining sick days the redemption shall be one (1) accumulated sick days exchanged for (1) day of pay. The maximum redemption is limited to two hundred eighty-seven and a half (287 1/2) sick days converted to one-hundred and forty-one and two-thirds (141 2/3) days paid.

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

- c. Redemption for union fire employees shall be at a rate of three (3) accumulated sick leave days exchanged for one (1) day of pay with a maximum redemption limited to two-hundred and ten (210) days converted to seventy (70) days paid.
- d. Redemption for teamster employees shall be at a rate of three (3) accumulated sick leave days exchanged for one (1) day of pay with a maximum redemption limited to one-hundred and twenty (120) days converted to forty (40) days paid.
- e. Payment will be based on the employee's base rate of pay at the time of retirement.
- f. The conversion of sick leave to cash will be made as a lump sum payment and will eliminate all sick leave credit accrued by the employee.

Note 9 – Long-Term Debt

A schedule of changes in bonds and other long-term obligations of the City during the current year follows:

	Beginning Balance	Additions	Deletions	Ending Balance	Due Within One Year
Governmental Activities					
<u>General Obligation Bonds</u>					
2020A Recreational Facilities Improvement Bonds	\$13,185,000	\$0	(\$595,000)	\$12,590,000	\$615,000
Premium on 2020A Bonds	1,068,517	0	(62,854)	1,005,663	0
2020C Recreational Facilities Improvement Bonds	7,425,000	0	(315,000)	7,110,000	325,000
Premium on 2020C Bonds	426,678	0	(23,704)	402,974	0
2016 Various Purpose - Refunding	5,415,000	0	(1,010,000)	4,405,000	1,040,000
2017 Special Assessment Bonds	1,610,000	0	(85,000)	1,525,000	90,000
2015 Combined Financing	6,405,000	0	(405,000)	6,000,000	420,000
Premium on Bonds	866,945	0	(128,917)	738,028	0
2021 Road Improvement Bonds	9,685,000	0	(345,000)	9,340,000	365,000
Premium on 2021 Road Improvement Bonds	891,132	0	(46,902)	844,230	0
Total General Obligation Bonds	46,978,272	0	(3,017,377)	43,960,895	2,855,000
<u>Revenue Bonds</u>					
Everybody's Farm TIF	745,000	0	(170,000)	575,000	55,000
Total Revenue Bonds	745,000	0	(170,000)	575,000	55,000
 Total Long-Term Liabilities Bonds	 47,723,272	 0	 (3,187,377)	 44,535,895	 2,910,000
Lease Liability	0	755,604	(22,383)	733,221	166,040
Net Pension Liability	26,537,637	21,515,003	0	48,052,640	0
Net OPEB Liability	3,981,448	0	(1,094,841)	2,886,607	0
Compensated Absences	2,468,742	1,382,736	(1,095,824)	2,755,654	1,321,786
Total Governmental Activities	\$80,711,099	\$23,653,343	(\$5,400,425)	\$98,964,017	\$4,397,826

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

	Beginning Balance	Additions	Deletions	Ending Balance	Due Within One Year
Business-Type Activities					
<u>General Obligation Bonds</u>					
2020 Recreational Facilities	\$4,045,000	\$0	(\$680,000)	\$3,365,000	\$695,000
Premium on Recreational Facilities	235,111	0	(33,588)	201,523	0
Total General Obligation Bonds	4,280,111	0	(713,588)	3,566,523	695,000
<u>Certificate of Participation Bonds</u>					
2019 Certificate of Participation Refunding	5,290,000	0	(705,000)	4,585,000	720,000
Discount on Certificate of Participation	(58,917)	8,417	0	(50,500)	0
Total Certificate of Participation Bonds	5,231,083	8,417	(705,000)	4,534,500	720,000
Total Long-Term Liabilities Bonds	9,511,194	8,417	(1,418,588)	8,101,023	1,415,000
Net Pension Liability	1,468,108	4,184,167	0	5,652,275	0
Net OPEB Liability	0	123,796	0	123,796	0
Compensated Absences - Enterprise	416,335	162,265	(140,259)	438,341	265,728
Total Business-Type Activities	\$11,395,637	\$4,478,645	(\$1,558,847)	\$14,315,435	\$1,680,728

Compensated Absences will be paid from the fund from which the person is paid. Historically, this is the General Fund, a Special Revenue Fund or an Enterprise Fund. Lease liability will be retired from the General Fund. General obligation bonds will be paid from the General Obligation Bond Retirement Fund, the Special Assessment Bond Retirement Fund, Mason Enterprise Parke TIF Fund, Sewer Fund, Stormwater Utility Fund, Community Center Fund and the Golf Course Fund. The Special Assessment Bonds are backed by the full faith and credit of the City and are repaid from the resources of the Special Assessment Bond Retirement Fund. The City levies an assessment against the effected property owners. There are no repayment schedules for the net pension and net other postemployment benefits (OPEB) liabilities; however, employer pension and OPEB contributions are made from the fund benefitting from their service (this is usually a the General Fund or an Enterprise Fund).

Principal and interest requirements to retire the City's long-term obligations outstanding at year end are as follows:

Year	General Obligation Bonds		Revenue Bonds		Certificate of Participation Bonds	
	Principal	Interest	Principal	Interest	Principal	Interest
2024	\$3,550,000	\$1,325,843	\$55,000	\$33,062	\$720,000	\$108,756
2025	3,655,000	1,105,163	60,000	29,900	735,000	91,678
2026	3,785,000	1,080,632	65,000	26,450	755,000	74,244
2027	3,920,000	944,893	70,000	22,712	775,000	56,335
2028	2,345,000	796,552	75,000	18,688	790,000	37,952
2029-2033	11,965,000	2,717,479	250,000	29,324	810,000	19,213
2034-2038	11,295,000	1,102,270	0	0	0	0
2039-2041	3,820,000	131,190	0	0	0	0
	<u>\$44,335,000</u>	<u>\$9,204,022</u>	<u>\$575,000</u>	<u>\$160,136</u>	<u>\$4,585,000</u>	<u>\$388,178</u>

Recreational Facilities Improvement Bonds

On March 12, 2020 the City issued \$15,000,000 in Recreational Facilities Improvement Bonds, Series 2020A, with an interest rate between 2.00% and 4.00%. The bond was issued for the purpose of constructing a municipal aquatic center. The bond will be paid from the general bond retirement fund and will mature December 1, 2039.

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

On March 12, 2020 the City issued \$6,000,000 in Recreational Facilities Improvement Bonds, Series 2020B, with an interest rate between 1.50% and 3.00%. The bond was issued for the purpose of constructing improvements to the municipal golf course. The bond will be paid from the golf course fund and will mature December 1, 2029.

On October 29, 2020 the City issued \$8,000,000 in Recreational Facilities Improvement Limited Tax General Obligation Bonds, Series 2020C, with an interest rate between 1.650% and 4.000%. The bond was issued for the purpose of paying the cost of constructing a competition pool for the municipal aquatic center and to pay certain costs related to the issuance of the bonds. The bond will be paid from the general bond retirement fund and will mature December 1, 2040.

Long Term Special Assessment Bonds

On September 7, 2017 the City issued \$2,000,000 in Special Assessment Bonds with an interest rate of 3.2%. The road and utility improvement special assessment bonds were issued for the purpose of paying the cost of the property owners' share of the construction of road and utility improvements in the Ambleside subdivision. The Bonds will be retired from the Special Assessment Bond Retirement.

Road Improvement Bonds

On October 21, 2021 the City issued \$10,000,000 in Road Improvement Bonds, with an interest rate between 2.00% and 5.00%. The bonds were issued for the purpose of making road improvements to State Route 741. The bond will be paid from the general bond retirement fund and will mature December 1, 2041.

Combined Financing Bonds

On December 1, 2015 the City issued \$9,000,000 in Combined Financing Bonds, with an interest rate between 1.00% and 4.00%. The bonds were issued for the purpose of making road improvements to Western Row Road and the acquisition and improvements of buildings within the City. The bond will be paid from the general bond retirement fund and will mature December 1, 2035.

Certificate of Participation Bonds

On December 1, 2019, the City issued \$7,300,000 in Certificate of Participation Bonds, with an interest rate of 2.372%. The bonds were issued for the purpose of an addition to the City's community center. The bonds will be paid from the community center fund and will mature December 1, 2029.

Lease Liability – Lease Assets

The City has entered into contracts that convey the control of the right to use their nonfinancial assets (the underlying assets) for flock cameras as specified in the contracts for a period of time. The basis and terms of the each contract is 5 years.

During the period, there were no outflows of resources recognized for variable payments not previously included in the measurement of the lease liability. Also, there were no outflows of resources recognized for other payments, such as residual value guarantees or termination penalties, not previously included in the measurement of the lease liability during the period. There were no commitments under leases before the commencement of the lease term. Principal and interest amounts for the next five years and thereafter are as follows:

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Year	Principal	Interest	Total
2024	\$166,040	\$4,109	\$170,149
2025	134,967	26,443	161,410
2026	143,716	20,150	163,866
2027	152,972	13,449	166,421
2028	135,526	6,319	141,845
	<u>\$733,221</u>	<u>\$70,470</u>	<u>\$803,691</u>

Note 10 – Lease – Lessor Disclosure

The City collectively (the “lessor”) entered into an agreement to lease building space and an agreement for cell tower space/land. The lease receivable is measured at the present value of the future minimum lease payments expected to be received during the lease term at various discounted rates.

Details of each lease are presented below:

The lease is as follows for:

Myriad Neuroscience/AssureRx Health (building/office space)

Lease Year	Principal*	Interest	Total
2024	\$180,764	\$14,236	\$195,000
2025	185,457	9,543	195,000
2026	190,273	4,727	195,000
2027	80,732	518	81,250
	<u>\$637,226</u>	<u>\$29,024</u>	<u>\$666,250</u>

*-lease receivable

The lease is as follows for:

TriHealth/Bethesda Hospital (building/office space)

Lease Year	Principal*	Interest	Total
2024	\$608,944	\$462,582	\$1,071,526
2025	627,989	446,732	1,074,721
2026	647,590	430,387	1,077,977
2027	667,774	413,533	1,081,307
2028	688,544	396,153	1,084,697
2029-2033	3,776,148	1,700,604	5,476,752
2034-2038	4,394,250	1,178,035	5,572,285
2039-2043	5,107,463	570,294	5,677,757
2044-2045	1,784,991	38,467	1,823,458
	<u>\$18,303,693</u>	<u>\$5,636,787</u>	<u>\$23,940,480</u>

*-lease receivable

The City recognized \$737,045 in lease revenues and \$496,348 interest revenues from lease activity for 2023.

Note 11 – Defined Benefit Pension Plans

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

Net Pension Liability/Net OPEB Liability

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

The net pension/OPEB liability represents the City’s proportionate share of each pension/OPEB plan’s collective actuarial present value of projected benefit payments attributable to past periods of service, net of each pension/OPEB plan’s fiduciary net position. The net pension/OPEB liability calculation is

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dependent on critical long-term variables, including estimated average life expectancies, earnings on investments, cost of living adjustments and others. While these estimates use the best information available, unknowable future events require adjusting this estimate annually.

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

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

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

The remainder of this note includes the pension disclosures. See Note 12 for the OPEB disclosures.

Ohio Public Employees Retirement System (OPERS)

Plan Description

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

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

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

<u>Group A</u> Eligible to retire prior to January 7, 2013 or five years after January 7, 2013	<u>Group B</u> 20 years of service credit prior to January 7, 2013 or eligible to retire ten years after January 7, 2013	<u>Group C</u> Members not in other Groups and members hired on or after January 7, 2013
<u>State and Local</u>	<u>State and Local</u>	<u>State and Local</u>
Age and Service Requirements: Age 60 with 60 months of service credit or Age 55 with 25 years of service credit	Age and Service Requirements: Age 60 with 60 months of service credit or Age 55 with 25 years of service credit	Age and Service Requirements: Age 57 with 25 years of service credit or Age 62 with 5 years of service credit
Traditional Plan Formula: 2.2% of FAS multiplied by years of service for the first 30 years and 2.5% for service years in excess of 30	Traditional Plan Formula: 2.2% of FAS multiplied by years of service for the first 30 years and 2.5% for service years in excess of 30	Traditional Plan Formula: 2.2% of FAS multiplied by years of service for the first 35 years and 2.5% for service years in excess of 35
<u>Public Safety</u>	<u>Public Safety</u>	<u>Public Safety</u>
Age and Service Requirements: Age 48 with 25 years of service credit or Age 52 with 15 years of service credit	Age and Service Requirements: Age 48 with 25 years of service credit or Age 52 with 15 years of service credit	Age and Service Requirements: Age 52 with 25 years of service credit or Age 56 with 15 years of service credit
<u>Law Enforcement</u>	<u>Law Enforcement</u>	<u>Law Enforcement</u>
Age and Service Requirements: Age 52 with 15 years of service credit	Age and Service Requirements: Age 48 with 25 years of service credit or Age 52 with 15 years of service credit	Age and Service Requirements: Age 48 with 25 years of service credit or Age 56 with 15 years of service credit
<u>Public Safety and Law Enforcement</u>	<u>Public Safety and Law Enforcement</u>	<u>Public Safety and Law Enforcement</u>
Traditional Plan Formula: 2.5% of FAS multiplied by years of service for the first 25 years and 2.1% for service years in excess of 25	Traditional Plan Formula: 2.5% of FAS multiplied by years of service for the first 25 years and 2.1% for service years in excess of 25	Traditional Plan Formula: 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. The amount of a member's pension benefit vests upon receipt of the initial benefit payment. The options for Public Safety and Law Enforcement permit early retirement under qualifying circumstances as early as age 48 with a reduced benefit.

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

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

Funding Policy

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

	State and Local	Public Safety	Law Enforcement
2023 Statutory Maximum Contribution Rates			
Employer	14.0 %	18.1 %	18.1 %
Employee *	10.0 %	**	***
2023 Actual Contribution Rates			
Employer:			
Pension ****	14.0 %	18.1 %	18.1 %
Post-employment Health Care Benefits ****	0.0	0.0	0.0
Total Employer	<u>14.0 %</u>	<u>18.1 %</u>	<u>18.1 %</u>
Employee	<u>10.0 %</u>	<u>12.0 %</u>	<u>13.0 %</u>

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

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

*** This rate is also determined by OPERS' Board, but is limited by ORC to not more than 2 percent greater than the Public Safety rate.

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

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

For 2023, the City's contractually required contribution was \$1,482,984, of this amount \$199,598 is reported in accrued wages and benefits.

Ohio Police & Fire Pension Fund (OP&F)

Plan Description

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

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

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

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

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

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

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

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

Funding Policy

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

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

Employer contribution rates are expressed as a percentage of covered payroll. The City's contractually required contribution to OP&F was \$2,141,958 for 2023, of this amount \$258,980 is reported as accrued wages and benefits.

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, 2022, 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, 2022, and was determined by rolling forward the total pension liability as of January 1, 2022, to December 31, 2022. The City's proportion of the net pension liability 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 of the City's defined benefit pension plans:

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	OPERS Traditional Plan	OPF	Total
Proportionate Share of the:			
Net Pension Liability	\$19,130,723	\$34,574,192	\$53,704,915
Proportion of the Net Pension Liability:			
Current Measurement Date	0.06476200%	0.36397600%	
Prior Measurement Date	0.06106000%	0.36324230%	
Change in Proportionate Share	0.00370200%	0.00073370%	
Pension Expense	\$3,259,755	\$4,402,641	\$7,662,397

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

	OPERS Traditional Plan	OPF	Total
<u>Deferred Outflows of Resources</u>			
Differences between expected and actual experience	\$635,442	\$518,597	\$1,154,039
Changes in assumptions	202,103	3,118,473	3,320,576
Net difference between projected and actual earnings on pension plan investments	5,452,857	5,033,577	10,486,434
Changes in employer proportionate share of net pension liability	563,394	120,684	684,078
Contributions subsequent to the measurement date	1,482,984	2,141,958	3,624,942
Total Deferred Outflows of Resources	<u>\$8,336,780</u>	<u>\$10,933,289</u>	<u>\$19,270,069</u>
<u>Deferred Inflows of Resources</u>			
Differences between expected and actual experience	\$0	\$787,702	\$787,702
Changes in assumptions	0	674,186	674,186
Changes in employer proportionate share of net pension liability	0	391,877	391,877
Total Deferred Inflows of Resources	<u>\$0</u>	<u>\$1,853,765</u>	<u>\$1,853,765</u>

\$3,624,942 reported as deferred outflows of resources related to pension resulting from contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ending December 31, 2024. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pension will be recognized in pension expense as follows:

Year Ending December 31:	OPERS Traditional Plan	OPF	Total
2024	\$1,177,503	\$718,305	\$1,895,808
2025	1,400,062	1,621,237	3,021,299
2026	1,605,041	1,829,258	3,434,299
2027	2,671,190	2,834,270	5,505,460
2028	0	(65,504)	(65,504)
Total	<u>\$6,853,796</u>	<u>\$6,937,566</u>	<u>\$13,791,362</u>

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Actuarial Assumptions – OPERS

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

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

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

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

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

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

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The allocation of investment assets with the Defined Benefit portfolio is approved by the Board of Trustees as outlined in the annual investment plan. Plan assets are managed on a total return basis with a long-term objective of achieving and maintaining a fully funded status for the benefits provided through the defined benefit pension plans. The long-term expected rate of return on defined benefit investment assets was determined using a building-block method in which best-estimate ranges of expected future real rates of return are developed for each major asset class. These ranges are combined to produce the long-term expected real rate of return by weighting the expected future real rates of return by the target asset allocation percentage, adjusted for inflation. Best estimates of geometric rates of return were provided by the Board's investment consultant. For each major class that is included in the Defined Benefit portfolio's target asset allocation as of December 31, 2022, these best estimates are summarized below:

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

Discount Rate

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

Sensitivity of the Proportionate Share of the Net Pension Liability to Changes in the Discount Rate

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

	1% Decrease (5.90%)	Current Discount Rate (6.90%)	1% Increase (7.90%)
Proportionate share of the net pension liability	\$28,657,185	\$19,130,723	\$11,206,416

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Actuarial Assumptions – OP&F

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

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

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

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

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

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

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

For 2021, mortality for non-disabled participants is based on the RP-2014 Total Employee and Healthy Annuitant Mortality Tables rolled back to 2006, adjusted according to the rates in the following table, and projected with the Buck Modified 2016 Improvement Scale. Rates for surviving beneficiaries are adjusted by 120 percent.

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

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

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

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

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

Best estimates of the long-term expected geometric real rates of return for each major asset class included in OP&F's target asset allocation as of December 31, 2022, are summarized below:

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

Note: Assumptions are geometric.

* levered 2.5x

OP&F's Board of Trustees has incorporated the risk parity concept into OP&F's asset liability valuation with the goal of reducing equity risk exposure, which reduces overall Total Portfolio risk without sacrificing

City of Mason, Ohio
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return, and creating a more risk-balanced portfolio based on their relationship between asset classes and economic environments. From the notional portfolio perspective above, the Total Portfolio may be levered up to 1.25 times due to the application of leverage in certain fixed income asset classes.

Discount Rate

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

Sensitivity of the Proportionate Share of the Net Pension Liability to Changes in the Discount Rate

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

	1% Decrease (6.50%)	Current Discount Rate (7.50%)	1% Increase (8.50%)
Proportionate share of the net pension liability	\$45,610,030	\$34,574,192	\$25,400,099

Note 12 – Postemployment Benefits

Net OPEB Liability

See Note 11 for a description of the net OPEB liability.

Ohio Public Employees Retirement System (OPERS)

Plan Description

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

OPERS reimburses retirees who are not eligible for premium-free Medicare Part A (hospitalization) for their Part A premiums as well as any applicable surcharges (late-enrollment fees). Retirees within this group must enroll in Medicare Part A and select medical coverage, and may select prescription coverage, through the OPERS Connector. OPERS also will reimburse 50 percent of the Medicare Part A premium and any applicable surcharges for eligible spouses. Proof of enrollment in Medicare Part A and confirmation

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that the retiree is not receiving reimbursement or payment from another source must be submitted. The premium reimbursement is added to the monthly pension benefit.

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

The Ohio Revised Code permits but does not require OPERS to provide health care to its eligible benefit recipients. Authority to establish and amend health care coverage is provided to the Board in Chapter 145 of the Ohio Revised Code.

Disclosures for the health care plan are presented separately in the OPERS financial report. Interested parties may obtain a copy by visiting <https://www.opers.org/financial/reports.shtml>, by writing to OPERS, 277 East Town Street, Columbus, Ohio 43215-4642, or by calling (614) 222-5601 or 800-222-7377.

Funding Policy

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

Employer contribution rates are expressed as a percentage of the earnable salary of active members. In 2023, state and local employers contributed at a rate of 14.0 percent of earnable salary and public safety and law enforcement employers contributed at 18.1 percent. These are the maximum employer contribution rates permitted by the Ohio Revised Code. Active member contributions do not fund health care.

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

Employer contribution rates are actuarially determined and are expressed as a percentage of covered payroll. The City's contractually required contribution was \$0 for 2023.

Ohio Police & Fire Pension Fund (OP&F)

Plan Description

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

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

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

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

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

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

Funding Policy

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

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

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

The City's contractually required contribution to OP&F was \$50,212 for 2023.

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Net OPEB Liability

The net OPEB liability and total OPEB liability for OPERS were determined by an actuarial valuation as of December 31, 2021, rolled forward to the measurement date of December 31, 2022, by incorporating the expected value of health care cost accruals, the actual health care payment, and interest accruals during the year. OP&F's total OPEB liability was measured as of December 31, 2022, and was determined by rolling forward the total OPEB liability as of January 1, 2022, to December 31, 2022. The City's proportion of the net OPEB liability was based on the City's share of contributions to the retirement plan relative to the contributions of all participating entities. Following is information related to the proportionate share:

	OPERS Traditional Plan	OP&F	Total
Proportionate Share of the:			
Net OPEB Liability	\$418,999	\$2,591,404	\$3,010,403
Proportion of the Net OPEB Liability:			
Current Measurement Date	0.06645300%	0.36397600%	
Prior Measurement Date	0.06237400%	0.36324230%	
Change in Proportionate Share	0.00407900%	0.00073370%	
OPEB Expense	(\$863,964)	\$330,410	(\$533,554)

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

	OPERS Traditional Plan	OP&F	Total
<u>Deferred Outflows of Resources</u>			
Differences between expected and actual experience	\$0	\$154,639	\$154,639
Changes in assumptions	409,246	1,291,413	1,700,659
Net difference between projected and actual earnings on pension plan investments	832,146	222,264	1,054,410
Changes in employer proportionate share of net OPEB liability	28,052	271,185	299,237
Contributions subsequent to the measurement date	0	50,212	50,212
Total Deferred Outflows of Resources	\$1,269,444	\$1,989,713	\$3,259,157
<u>Deferred Inflows of Resources</u>			
Differences between expected and actual experience	\$104,515	\$510,973	\$615,488
Changes in assumptions	33,673	2,119,556	2,153,229
Changes in employer proportionate share of net OPEB liability	0	77,082	77,082
Total Deferred Inflows of Resources	\$138,188	\$2,707,611	\$2,845,799

\$50,212 reported as deferred outflows of resources related to OPEB resulting from contributions subsequent to the measurement date will be recognized as a reduction of the net OPEB liability in the year ending December 31, 2024. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

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Year Ending December 31:	OPERS Traditional Plan	OP&F	Total
2024	\$164,458	\$81,441	\$245,899
2025	305,312	78,712	384,024
2026	259,490	(117,241)	142,249
2027	401,996	(66,990)	335,006
2028	0	(224,082)	(224,082)
Thereafter	0	(519,950)	(519,950)
Total	<u>\$1,131,256</u>	<u>(\$768,110)</u>	<u>\$363,146</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 health care costs for financial reporting purposes are based on the substantive plan (the plan as understood by the employers and plan members) and include the types of coverage provided at the time of each valuation and the historical pattern of sharing of costs between OPERS and plan members. The total OPEB liability was determined by an actuarial valuation as of December 31, 2021, rolled forward to the measurement date of December 31, 2022. The actuarial valuation used the following key actuarial assumptions and methods applied to all prior periods included in the measurement in accordance with the requirements of GASB 74:

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

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

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

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

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

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

Discount Rate

A single discount rate of 5.22 percent was used to measure the OPEB liability on the measurement date of December 31, 2022; however, the single discount rate used at the beginning of the year was 6 percent. Projected benefit payments are required to be discounted to their actuarial present value using a single discount rate that reflects (1) a long-term expected rate of return on OPEB plan investments (to the extent that the health care fiduciary net position is projected to be sufficient to pay benefits), and (2) tax-exempt municipal bond rate based on an index of 20-year general obligation bonds with an average AA credit rating as of the measurement date (to the extent that the contributions for use with the long-term expected rate are not met). This single discount rate was based on an expected rate of return on the health care investment portfolio of 6.00 percent and a municipal bond rate of 4.05 percent (Fidelity Index's "20-Year Municipal GO AA Index"). The projection of cash flows

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used to determine this single discount rate assumed that employer contributions will be made at rates equal to the actuarially determined contribution rate. Based on these assumptions, the health care fiduciary net position and future contributions were sufficient to finance health care costs through 2054. As a result, the actuarial assumed long-term expected rate of return on health care investments was applied to projected costs through the year 2054, and the municipal bond rate was applied to all health care costs after that date.

Sensitivity of the Proportionate Share of the Net OPEB Liability to Changes in the Discount Rate

The following table presents the City's proportionate share of the net OPEB liability calculated using the single discount rate of 5.22 percent, as well as what the City's proportionate share of the net OPEB liability would be if it were calculated using a discount rate that is one-percentage-point lower (4.22 percent) or one-percentage-point higher (6.22 percent) than the current rate:

	1% Decrease (4.22%)	Current Discount Rate (5.22%)	1% Increase (6.22%)
Proportionate share of the net OPEB Liability	\$1,426,081	\$418,999	(\$412,009)

Sensitivity of the Proportionate Share of the Net OPEB Liability to Changes in the Health Care Cost Trend Rate

Changes in the health care cost trend rate may also have a significant impact on the net OPEB liability. The following table presents the net liability or asset calculated using the assumed trend rates, and the expected net OPEB liability if it were calculated using a health care cost trend rate that is 1.0 percent lower or 1.0 percent higher than the current rate.

Retiree health care valuations use a health care cost-trend assumption that changes over several years built into the assumption. The near-term rates reflect increases in the current cost of health care; the trend starting in 2023 is 5.50 percent. If this trend continues for future years, the projection indicates that years from now virtually all expenditures will be for health care. A more reasonable alternative is the health plan cost trend will decrease to a level at, or near, wage inflation. On this basis, the actuaries project premium rate increases will continue to exceed wage inflation for approximately the next decade, but by less each year, until leveling off at an ultimate rate, assumed to be 3.50 percent in the most recent valuation.

	1% Decrease	Current Health Care Cost Trend Rate Assumption	1% Increase
Proportionate share of the net OPEB liability	\$392,737	\$418,999	\$448,558

Actuarial Assumptions – OP&F

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

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employment terminations. Actuarially determined amounts are subject to continual review and potential modifications, as actual results are compared with past expectations and new estimates are made about the future.

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

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

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

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

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

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

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

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

For 2021, mortality for non-disabled participants is based on the RP-2014 Total Employee and Healthy Annuitant Mortality Tables rolled back to 2006, adjusted according to the rates in the following table, and

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projected with the Buck Modified 2016 Improvement Scale. Rates for surviving beneficiaries are adjusted by 120 percent.

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

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

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

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

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

Best estimates of the long-term expected geometric real rates of return for each major asset class included in OP&F's target asset allocation as of December 31, 2022, are summarized below:

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

Note: Assumptions are geometric.

* levered 2.5x

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OP&F's Board of Trustees has incorporated the risk parity concept into OP&F's asset liability valuation with the goal of reducing equity risk exposure, which reduces overall Total Portfolio risk without sacrificing return, and creating a more risk-balanced portfolio based on the relationship between asset classes and economic environments. From the notional portfolio perspective above, the Total Portfolio may be levered up to 1.2 times due to the application of leverage in certain fixed income asset classes.

Discount Rate

For 2022, the total OPEB liability was calculated using the discount rate of 4.27 percent. For 2021, the total OPEB liability was calculated using the discount rate of 2.84 percent. The projection of cash flows used to determine the discount rate assumed the contribution from employers and from members would be computed based on contribution requirements as stipulated by State statute. Projected inflows from investment earnings were calculated using the longer-term assumed investment rate of return of 7.5 percent. Based on those assumptions, OP&F's fiduciary net position was projected to not be able to make all future benefit payments of current plan members. Therefore, for 2022, the long-term assumed rate of return on investments of 7.50 percent was applied to periods before December 31, 2035, and the Municipal Bond Index Rate of 3.65 percent was applied to periods on and after December 31, 2035, resulting in a discount rate of 4.27 percent. For 2021, a municipal bond rate of 2.05 percent at December 31, 2021, was blended with the long-term rate of 7.5 which resulted in a blended discount rate of 2.84. The municipal bond rate was determined using the Bond Buyers General Obligation 20-year Municipal Bond Index Rate.

Sensitivity of the Proportionate Share of the Net OPEB Liability to Changes in the Discount Rate

Net OPEB liability is sensitive to changes in the discount rate, and to illustrate the potential impact the following table presents the net OPEB liability calculated using the discount rate of 4.27 percent, as well as what the net OPEB liability would be if it were calculated using a discount rate that is one percentage point lower (3.27 percent), or one percentage point higher (5.27 percent) than the current rate.

	1% Decrease (3.27%)	Current Discount Rate (4.27%)	1% Increase (5.27%)
Proportionate share of the net OPEB liability	\$3,191,070	\$2,591,404	\$2,085,131

Sensitivity of the Proportionate Share of the Net OPEB Liability to Changes in the Health Care Cost Trend Rate

The total OPEB liability is based on a medical benefit that is a flat dollar amount; therefore, it is unaffected by a health care cost trend rate. An increase or decrease in the trend rate would have no effect on the total OPEB liability.

Note 13 – Interfund Transactions

Interfund transactions at year end, consisted of the following individual interfund receivables, interfund payables, transfers in and transfers out:

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Fund	Interfund		Transfers	
	Receivable	Payable	In	Out
General Fund	\$5,000,000	\$0	\$0	\$8,217,211
Safety Fund	0	0	3,158,517	0
Other Governmental Funds	0	0	1,603,414	3,414
Community Center Fund	0	5,000,000	0	0
Golf Course Fund	0	0	3,458,694	0
Total All Funds	<u>\$5,000,000</u>	<u>\$5,000,000</u>	<u>\$8,220,625</u>	<u>\$8,220,625</u>

Interfund balance/transfers are used to move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them and unrestricted revenues collected in the General Fund to finance various programs accounted for in other funds in accordance with budgetary authorizations; to segregate and to return money to the fund from which it was originally provided once a project is completed.

\$5 million was previously advanced to the Community Center Fund from the General Fund. The agreement between the City and the Mason City Schools requires the Community Center to be self-sufficient.

The transfer out of the Municipal Court Indigent Driver IDAM Fund (Other Governmental Funds) to the Indigent Driver Fund (Other Governmental Funds) of \$3,414 was for indigent driver programs.

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

Note 14 – Construction and Other Commitments

The City had the following outstanding commitments at year end:

Construction

Projects	Amount
SR 741 Widening Cox-Smith to Spyglass Hill	\$2,817,274
Aerial Platform Ladder Truck	1,777,407
Golf Course Improvements (Holes 4-7)	1,665,250
Makino Park Ballfields	1,405,348
WRLD TIF Road Improvement	1,200,141
SR 741 Improvement Spyglass Hill to Welden	807,124
David Lane Drainage	587,126
Ambulance	387,800
Street Maintenance Program	380,177
Central Park Blvd Extension	274,165
Veterans Memorial Improvements	126,052
I-71/Western Row Rd interchange Enhancement	114,832
Snider Rd Imp WRR to US42	114,350
Finance Software Upgrade	102,184
US 42 Roundabouts	87,606
R&D Connector Road (MM to US 42)	79,331
MMC Repair/Replacement	77,261
SR 741 Improvement Welden to Avalon	53,887
Service Center Annex (Fire)	21,227
Mini Golf Cart Ambulance	20,359
Backup Server System & Disaster Recovery	16,315
Mason-Morrow-Millgrove Bridge & Bike path	13,931
Heritage Oak Park Improvement Phase 2	12,595
Mason-Montgomery Rd Sidewalk (Con Crossing/Ent)	12,462
Golf Course Improvements	10,523
Automated Voice Dispatch Program	9,075
US 42 Sewer Exp & Lift	8,381
St Rt 741 Streetscape	7,109
Salt Barn	5,000
Kings Island Bike Path	2,102
Cart Path Tunnell Drainage Improvements	1,590
Sidewalk Program	286
	<u>\$12,198,270</u>

Encumbrances

Encumbrance accounting, under which purchase orders, contracts, and other commitments for the expenditure of monies are recorded in order to reserve that portion of the applicable appropriation, is employed in all funds. On the GAAP basis of accounting, encumbrances do not constitute expenditures or liabilities. Outstanding encumbrances as of December 31, 2023 were as follows:

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

<u>Fund</u>	<u>Amount</u>
General	\$32,253,231
Street Construction, Maintenance and Repair	9,609,932
Safety	3,054,106
Sewer	1,246,287
Stormwater Utility	805,246
Community Center	777,981
Nonmajor Funds	<u>6,025,373</u>
Total	<u>\$53,772,156</u>

Note 15 – Joint Venture

Liberty Township, the City of Mason, and the City of Middletown contracted to create the Liberty Township Joint Economic Development District (JEDD) for the purpose of facilitating economic development to create jobs and employment opportunities and to improve the economic welfare of the people in the State of Ohio and in the area of the contracting parties through facilitating economic development along the corridor of Interstate 75, Cincinnati Dayton Road and State Route 129. For more information and a copy of the financial statements, contact the City of Middletown.

A 1.5% income tax was enacted for the JEDD. Imposition of tax began on October 1, 2006 and terminates December 31, 2045, with two ten year extensions.

Mason's use of funds provide for the improvement of the transportation network within the City, including the improvements of Bethany and Mason Roads.

Distribution of Gross Tax:

5% Service Fee for Middletown to collect the income
1% Escrow payment for refunds
94% Net distribution

Net Distribution:

83% Liberty Township
2% Middletown
15% Mason

Note 16 – Fund Balances

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

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

Fund Balances	General	Street Construction, Maintenance and Repair	Safety	Other Governmental Funds	Total
Nonspendable:					
Inventory	\$534,860	\$0	\$21,432	\$0	\$556,292
Unclaimed Monies	139,985	0	0	0	139,985
Total Nonspendable	674,845	0	21,432	0	696,277
Restricted for:					
Street Construction Maintenance and Repair	0	13,807,237	0	0	13,807,237
Fire and Emergency Medical Service Safety	0	0	21,246,417	0	21,246,417
State Highway Improvement	0	0	0	171,981	171,981
General Obligation Bond Retirement	0	0	0	3,868,160	3,868,160
Street Subdivision	0	0	0	1,132,298	1,132,298
Parks and Recreation	0	0	0	914,423	914,423
Law Enforcement and Education	0	0	0	8,090	8,090
Indigent Drive	0	0	0	20,514	20,514
Municipal Court Computer Costs	0	0	0	191,478	191,478
Municipal Court Education	0	0	0	333,375	333,375
Municipal Court Improvement	0	0	0	248,550	248,550
Vehicle Immobilization Fee	0	0	0	17,398	17,398
Municipal Court Probation Services	0	0	0	275,895	275,895
Municipal Court Indigent Driver IDAM	0	0	0	589	589
Central Parke TIF	0	0	0	133,636	133,636
Mason Enterprise Parke TIF	0	0	0	163,326	163,326
Tylersville Road TIF	0	0	0	651,196	651,196
I-71 Corridor TIF	0	0	0	4,296,876	4,296,876
Everybody's Farm TIF	0	0	0	456,387	456,387
Oak Park West TIF-WRLD	0	0	0	1,200,141	1,200,141
OneOhio Opioid	0	0	0	71,616	71,616
Special Assessment Bond Retirement	0	0	0	18,531	18,531
Total Restricted	0	13,807,237	21,246,417	14,174,460	49,228,114
Committed to:					
Police Crime Prevention	0	0	0	686	686
Total Committed	0	0	0	686	686
Assigned to:					
General Capital Improvement	79,868,854	0	0	0	79,868,854
Annexation Agreement	273,974	0	0	0	273,974
Subdivision Inspection	0	0	0	596,459	596,459
Protection and Enforcement	299,585	0	0	0	299,585
Recreation Services	166,209	0	0	0	166,209
Transportation Services	242,225	0	0	0	242,225
General Governance	532,800	0	0	0	532,800
Community Development	2,707,954	0	0	0	2,707,954
Asset Development and Management	1,853,127	0	0	0	1,853,127
Medical and Health WellNess	516,945	0	0	0	516,945
Other Services Provided	131,476	0	0	0	131,476
Total Assigned	86,593,149	0	0	596,459	87,189,608
Unassigned (Deficit)	34,331,215	0	0	(36,466)	34,294,749
Total Fund Balance	\$121,599,209	\$13,807,237	\$21,267,849	\$14,735,139	\$171,409,434

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

Note 17 – Tax Abatements

As of December 31, 2023, the City provides tax abatements through the Community Reinvestment Area (CRA) program. The Ohio Community Reinvestment Area program is an economic development tool administered by the City that provides real property tax exemptions for property owners who renovate existing or construct new buildings. Under Ohio Revised Code section 3765 to 3735.70, city, village or county can petition the Ohio Department of Development to confirm that investment in a particular geographical area. Once the Department has confirmed the investment in the area, the community may offer real estate tax exemptions to taxpayers who are willing to invest in the area. Up to 12 years may be exempt for commercial and industrial remodeling and up to 15 years may be exempt for new construction. State law requires reimbursement agreements with school districts for tax revenue losses for CRA in place after 1994. It is the City's policy to have reimbursement agreements with school districts for any CRA prior to 1994. Payments in lieu of taxes paid by the property owner directly to the school districts as required by the agreement are not reduced from the total amount of taxes abated.

<u>City of Mason Tax Abatement Program</u>	<u>Total Amount of Taxes Abated (in thousands)</u>	<u>City of Mason Share of Taxes Abated (in thousands)</u>
Community Reinvestment Area	\$4,129	\$423

Note 18 – Asset Retirement Obligations (ARO)

Ohio Revised Code Section 6111.44 requires the City to submit any changes to their sewage system to the Ohio EPA for approval. Through this review process, the City would be responsible to address any public safety issues associated with their wastewater treatment facilities. At this time, due to limitations associated with the existing plant's age and building materials within the plant, the engineer consulted would not have a reasonable estimate to calculate a liability for this year.

Note 19 – Implementations of new Accounting Principles

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

GASB Statement No. 94 sets out to improve financial reporting by addressing issues related to public-private and public-public partnership arrangements (PPPs). As used in this Statement, a PPP is an arrangement in which a government (the transferor) contracts with an operator (a governmental or nongovernmental entity) to provide public services by conveying control of the right to operate or use a nonfinancial asset, such as infrastructure or other capital asset (the underlying PPP asset), for a period of time in an exchange or exchange-like transaction. Some PPPs meet the definition of a service concession arrangement (SCA), which the Board defines in this Statement as a PPP in which (1) the operator collects and is compensated by fees from third parties; (2) the transferor determines or has the ability to modify or approve which services the operator is required to provide, to whom the operator is required to provide the services, and the prices or rates that can be charged for the services; and (3) the transferor is entitled to significant residual interest in the service utility of the underlying PPP asset at the end of the arrangement. The implementation of GASB Statement No. 94 did not have an effect on the financial statements of the City.

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

GASB Statement No. 96 provides guidance on the accounting and financial reporting for subscription-based information technology arrangements (SBITAs) for government end users (governments). This Statement (1) defines a SBITA; (2) establishes that a SBITA results in a right-to-use subscription asset—an intangible asset—and a corresponding subscription liability; (3) provides the capitalization criteria for outlays other than subscription payments, including implementation costs of a SBITA; and (4) requires note disclosures regarding a SBITA. To the extent relevant, the standards for SBITAs are based on the standards established in Statement No. 87, *Leases*, as amended. The implementation of GASB Statement No. 96 did not have an effect on the financial statements of the City.

Note 20 – Subsequent Event

In October 2022, Beemok Capital acquired the rights to the Western and Southern Open from the United States Tennis Association. Shortly after, the company began evaluating opportunities for keeping the tournament at its current home in Mason or relocating it to Charlotte North Carolina. The City, along with Warren County, Regional and State advocates launched a successful campaign to retain the tournament rebranded as the Cincinnati Open to be held in Mason for at least another 25 years. Project investment is estimated to be approximately \$260 million to build out the year-round Mason sports campus utilizing both public and private funding. In March 2023, the City entered into a grant agreement with Ohio Department of Development for \$22.5 million towards the improvements for the tennis stadium. In June 2024, Ohio House Bill 2 authorized an additional \$27.5 million towards the tennis stadium from funding for One Time Strategic Community Investments.

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REQUIRED SUPPLEMENTARY INFORMATION

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

	2023	2022	2021	2020	2019
City's Proportion of the Net Pension Liability	0.06476200%	0.06106000%	0.05620000%	0.06080300%	0.06179400%
City's Proportionate Share of the Net Pension Liability	\$19,130,723	\$5,312,467	\$8,321,997	\$12,018,126	\$16,924,124
City's Covered Payroll	\$10,054,807	\$8,862,121	\$7,915,464	\$8,554,929	\$8,346,364
City's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll	190.26%	59.95%	105.14%	140.48%	202.77%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	75.74%	92.62%	86.88%	82.70%	74.70%

Note:

Amounts presented as of the City's measurement date which is the prior fiscal year end.
See accompanying notes to the required supplementary information.

2018	2017	2016	2015	2014
0.06043500%	0.06167100%	0.06357900%	0.06477700%	0.06477700%
\$9,481,080	\$14,004,435	\$11,012,684	\$7,812,829	\$7,636,364
\$7,987,231	\$7,972,958	\$9,235,283	\$7,967,975	\$8,325,577
118.70%	175.65%	119.25%	98.05%	91.72%
84.66%	77.25%	81.08%	86.45%	86.36%

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

	2023	2022	2021	2020	2019
City's Proportion of the Net Pension Liability	0.36397600%	0.36324230%	0.36590670%	0.37436140%	0.37274600%
City's Proportionate Share of the Net Pension Liability	\$34,574,192	\$22,693,278	\$24,944,188	\$25,218,984	\$30,425,923
City's Covered Payroll	\$9,445,198	\$9,219,081	\$9,999,589	\$8,838,273	\$9,371,353
City's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll	366.05%	246.16%	249.45%	285.34%	324.67%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	62.90%	75.03%	70.65%	69.89%	63.07%

Note:

Amounts presented as of the City's measurement date which is the prior fiscal year end.
See accompanying notes to the required supplementary information.

2018	2017	2016	2015	2014
0.37405900%	0.35072000%	0.33845900%	0.33722890%	0.33722890%
\$22,957,690	\$22,214,253	\$21,773,305	\$17,469,862	\$16,424,105
\$9,067,805	\$8,431,353	\$7,354,405	\$6,931,636	\$5,687,506
253.18%	263.47%	296.06%	252.03%	288.78%
70.91%	68.36%	66.77%	72.20%	73.00%

City of Mason, Ohio
Required Supplementary Information
Schedule of City's Contributions
for Net Pension Liability
Ohio Public Employees Retirement System- Traditional Plan
Last Ten Fiscal Years

	2023	2022	2021	2020	2019
Contractually Required Contribution	\$1,482,984	\$1,407,673	\$1,240,697	\$1,108,165	\$1,197,690
Contributions in Relation to the Contractually Required Contribution	(1,482,984)	(1,407,673)	(1,240,697)	(1,108,165)	(1,197,690)
Contribution Deficiency (Excess)	\$0	\$0	\$0	\$0	\$0
City's Covered Payroll	\$10,592,743	\$10,054,807	\$8,862,121	\$7,915,464	\$8,554,929
Contributions as a Percentage of Covered Payroll	14.00%	14.00%	14.00%	14.00%	14.00%

Note:

See accompanying notes to the required supplementary information.

2018	2017	2016	2015	2014
\$1,168,491	\$1,038,340	\$956,755	\$1,108,234	\$956,157
(1,168,491)	(1,038,340)	(956,755)	(1,108,234)	(956,157)
<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
\$8,346,364	\$7,987,231	\$7,972,958	\$9,235,283	\$7,967,975
14.00%	13.00%	12.00%	12.00%	12.00%

City of Mason, Ohio
Required Supplementary Information
Schedule of City's Contributions
for Net Pension Liability
Ohio Police and Fire Pension Fund
Last Ten Fiscal Years

	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>
Contractually Required Contribution	\$2,141,958	\$2,010,956	\$1,955,367	\$1,899,922	\$1,867,527
Contributions in Relation to the Contractually Required Contribution	<u>(2,141,958)</u>	<u>(2,010,956)</u>	<u>(1,955,367)</u>	<u>(1,899,922)</u>	<u>(1,867,527)</u>
Contribution Deficiency (Excess)	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
City's Covered Payroll	\$10,042,280	\$9,445,198	\$9,219,081	\$9,999,589	\$8,838,273
Contributions as a Percentage of Covered Payroll	21.33%	21.29%	21.21%	19.00%	21.13%

Note:

See accompanying notes to the required supplementary information.

2018	2017	2016	2015	2014
\$1,780,557	\$1,722,883	\$1,601,957	\$1,477,500	\$1,411,281
(1,780,557)	(1,722,883)	(1,601,957)	(1,477,500)	(1,411,281)
<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
\$9,371,353	\$9,067,805	\$8,431,353	\$7,354,405	\$6,931,636
19.00%	19.00%	19.00%	20.09%	20.36%

City of Mason, Ohio
Required Supplementary Information
Schedule of the City's Proportionate Share
of the Net Postemployment Benefits Other Than Pension (OPEB) Liability (Asset)
Ohio Public Employees Retirement System - Traditional Plan
Last Seven Fiscal Years (1)

	2023	2022	2021	2020	2019
City's Proportion of the Net OPEB Liability (Asset)	0.06645300%	0.06237400%	0.05798000%	0.06289100%	0.06390900%
City's Proportionate Share of the Net OPEB Liability (Asset)	\$418,999	(\$1,953,649)	(\$1,032,960)	\$8,686,880	\$8,332,224
City's Covered Payroll	\$10,054,807	\$8,862,121	\$7,915,464	\$8,554,929	\$8,346,364
City's Proportionate Share of the Net OPEB Liability (Asset) as a Percentage of its Covered Payroll	4.17%	-22.04%	-13.05%	101.54%	99.83%
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability (Asset)	94.79%	128.23%	115.57%	47.80%	46.33%

(1) The schedule is intended to show information for the past 10 years and the additional years' information will be displayed as it becomes available.
Information prior to 2017 is not available.

Note:

Amounts presented as of the City's measurement date which is the prior fiscal year end.

See accompanying notes to the required supplementary information.

2018	2017
0.06261000%	0.06372551%
\$6,798,985	\$6,436,492
\$7,987,231	\$7,972,958
85.12%	80.73%
54.14%	54.04%

City of Mason, Ohio
Required Supplementary Information
Schedule of the City's Proportionate Share
of the Net Postemployment Benefits Other Than Pension (OPEB) Liability
Ohio Police and Fire Pension Fund
Last Seven Fiscal Years (1)

	2023	2022	2021	2020	2019
City's Proportion of the Net OPEB Liability	0.36397600%	0.36324230%	0.36590670%	0.37436140%	0.37274600%
City's Proportionate Share of the Net OPEB Liability	\$2,591,404	\$3,981,448	\$3,876,841	\$3,697,841	\$3,394,424
City's Covered Payroll	\$9,445,198	\$9,219,081	\$9,999,589	\$8,838,273	\$9,371,353
City's Proportionate Share of the Net OPEB Liability as a Percentage of its Covered Payroll	27.44%	43.19%	38.77%	41.84%	36.22%
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	52.60%	46.90%	45.42%	47.10%	46.57%

(1) The schedule is intended to show information for the past 10 years and the additional years' information will be displayed as it becomes available.
Information prior to 2017 is not available.

Note:

Amounts presented as of the City's measurement date which is the prior fiscal year end.

See accompanying notes to the required supplementary information.

2018	2017
0.37405900%	0.35072000%
\$21,193,659	\$16,647,890
\$9,067,805	\$8,431,353
233.72%	197.45%
14.13%	15.96%

City of Mason, Ohio
Required Supplementary Information
Schedule of City's Contributions for
Postemployment Benefits Other Than Pension (OPEB)
Ohio Public Employees Retirement System - Traditional Plan
Last Eight Fiscal Years (1)

	2023	2022	2021	2020	2019
Contractually Required Contribution to OPEB	\$0	\$0	\$0	\$0	\$0
Contributions to OPEB in Relation to the Contractually Required Contribution	0	0	0	0	0
Contribution Deficiency (Excess)	\$0	\$0	\$0	\$0	\$0
City's Covered Payroll	\$10,592,743	\$10,054,807	\$8,862,121	\$7,915,464	\$8,554,929
Contributions to OPEB as a Percentage of Covered Payroll	0.00%	0.00%	0.00%	0.00%	0.00%

(1) The schedule is intended to show information for the past 10 years and the additional years' information will be displayed as it becomes available. Information prior to 2016 is not available.

Note:

See accompanying notes to the required supplementary information.

2018	2017	2016
\$0	\$0	\$0
0	0	0
\$0	\$0	\$0
\$8,346,364	\$7,987,231	\$7,972,958
0.00%	0.00%	0.00%

City of Mason, Ohio
Required Supplementary Information
Schedule of City's Contributions for
Postemployment Benefits Other Than Pension (OPEB)
Ohio Police and Fire Pension Fund
Last Eight Fiscal Years (1)

	2023	2022	2021	2020	2019
Contractually Required Contribution to OPEB	\$50,212	\$47,226	\$46,008	\$44,710	\$43,816
Contributions to OPEB in Relation to the Contractually Required Contribution	<u>(50,212)</u>	<u>(47,226)</u>	<u>(46,008)</u>	<u>(44,710)</u>	<u>(43,816)</u>
Contribution Deficiency (Excess)	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
City's Covered Payroll	\$10,042,280	\$9,445,198	\$9,219,081	\$9,999,589	\$8,838,273
Contributions to OPEB as a Percentage of Covered Payroll	0.50%	0.50%	0.50%	0.45%	0.50%

(1) The schedule is intended to show information for the past 10 years and the additional years' information will be displayed as it becomes available. Information prior to 2016 is not available.

Note:

See accompanying notes to the required supplementary information.

2018	2017	2016
\$41,701	\$104,088	\$185,509
(41,701)	(104,088)	(185,509)
\$0	\$0	\$0
\$9,371,353	\$9,067,805	\$8,431,353
0.44%	1.15%	2.20%

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

	General Fund			
	Original Budget	Final Budget	Actual	Variance from Final Budget
Revenues:				
Taxes	\$42,050,000	\$42,050,000	\$48,484,028	\$6,434,028
Fines, Licenses and Permits	1,468,000	1,468,000	1,810,959	342,959
Intergovernmental	3,500	3,500	940,091	936,591
Charges for Services	1,455,000	1,455,000	1,722,363	267,363
Investment Earnings	200,000	200,000	3,826,237	3,626,237
Other Revenues	375,500	375,500	679,006	303,506
Total Revenues	45,552,000	45,552,000	57,462,684	11,910,684
Expenditures:				
Current:				
General Government				
City Manager	470,307	470,307	406,879	63,428
Assistant City Manager	1,192,707	1,192,707	1,137,659	55,048
Finance	689,145	689,145	636,732	52,413
Earnings Tax	1,167,523	1,017,523	938,139	79,384
Refunds and Reimbursements	2,500,000	2,650,000	2,617,837	32,163
Law Director	443,372	493,372	448,030	45,342
Council	392,511	442,511	399,879	42,632
Municipal Court	1,717,403	1,717,403	1,512,398	205,005
Land, Buildings and Grounds	1,285,462	1,285,462	1,022,019	263,443
Information Technology	1,105,983	1,105,983	1,001,024	104,959
Auditor's Deductions	817,707	867,707	812,882	54,825
Contingency	250,000	250,000	0	250,000
Total General Government	12,032,120	12,182,120	10,933,478	1,248,642
Public Safety				
Police Department	8,122,544	8,047,544	7,614,804	432,740
Street Lighting	525,856	600,856	542,617	58,239
Campus Security	68,555	68,555	24,890	43,665
Disaster Services	1,699,672	1,699,672	1,474,048	225,624
Total Public Safety	10,416,627	10,416,627	9,656,359	760,268
Leisure Time Activities				
Recreation Programs	679,923	629,923	587,412	42,511
Parks	2,054,256	1,904,256	1,779,809	124,447
Swimming Pool	717,692	1,167,692	999,864	167,828
Senior Center	114,802	114,802	84,621	30,181
Total Leisure Time Activities	3,566,673	3,816,673	3,451,706	364,967
Community Development				
Community Planning-Zoning	332,927	332,927	306,636	26,291
Building Inspections	1,025,467	1,025,467	897,883	127,584
Economic Development	799,598	799,598	700,257	99,341
Community Development	4,233,798	4,383,798	4,230,994	152,804
Total Community Development	6,391,790	6,541,790	6,135,770	406,020
Transportation & Street Repair				
Traffic Signals	287,191	287,191	217,539	69,652
Street Maintenance & Repair	4,489,639	4,489,639	4,030,639	459,000
Garage	597,941	497,941	357,954	139,987
Engineering	1,112,714	1,112,714	1,050,951	61,763
Total Transportation & Street Repair	6,487,485	6,387,485	5,657,083	730,402

(Continued)

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

	General Fund			
	Original Budget	Final Budget	Actual	Variance from Final Budget
Capital Outlay	1,700,000	1,700,000	1,700,000	0
Total Expenditures	40,594,695	41,044,695	37,534,396	3,510,299
Excess of Revenues Over (Under) Expenditures	4,957,305	4,507,305	19,928,288	15,420,983
Other Financing Sources (Uses):				
Transfers (Out)	(9,650,000)	(25,650,000)	(25,408,517)	241,483
Total Other Financing Sources (Uses)	(9,650,000)	(25,650,000)	(25,408,517)	241,483
Net Change in Fund Balance	(4,692,695)	(21,142,695)	(5,480,229)	15,662,466
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	21,834,719	21,834,719	21,834,719	0
Fund Balance End of Year	\$17,142,024	\$692,024	\$16,354,490	\$15,662,466

See accompanying notes to the required supplementary information.

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

	Street Construction, Maintenance and Repair Fund			
	Original Budget	Final Budget	Actual	Variance from Final Budget
Revenues:				
Intergovernmental	\$9,554,000	\$9,554,000	\$9,274,408	(\$279,592)
Investment Earnings	0	0	532,349	532,349
Other Revenues	0	0	249,904	249,904
Total Revenues	9,554,000	9,554,000	10,056,661	502,661
Expenditures:				
Current:				
Transportation and Street Repair	713,313	713,313	678,672	34,641
Capital Outlay	23,689,185	20,689,185	19,837,490	851,695
Total Expenditures	24,402,498	21,402,498	20,516,162	886,336
Excess of Revenues Over (Under) Expenditures	(14,848,498)	(11,848,498)	(10,459,501)	1,388,997
Other Financing Sources (Uses):				
Transfers In	2,000,000	0	0	0
Total Other Financing Sources (Uses)	2,000,000	0	0	0
Net Change in Fund Balance	(12,848,498)	(11,848,498)	(10,459,501)	1,388,997
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	15,460,449	17,259,357	15,460,449	(1,798,908)
Fund Balance End of Year	\$2,611,951	\$5,410,859	\$5,000,948	(\$409,911)

See accompanying notes to the required supplementary information.

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

	Safety Fund			
	Original Budget	Final Budget	Actual	Variance from Final Budget
Revenues:				
Taxes	\$5,879,000	\$5,879,000	\$6,455,007	\$576,007
Intergovernmental	751,000	751,000	742,988	(8,012)
Charges for Services	750,000	750,000	1,013,720	263,720
Investment Earnings	200,000	200,000	746,315	546,315
Other Revenues	0	0	50,484	50,484
Total Revenues	7,580,000	7,580,000	9,008,514	1,428,514
Expenditures:				
Current:				
Public Safety	10,946,317	11,029,317	10,430,454	598,863
Capital Outlay	2,695,245	2,695,245	2,523,389	171,856
Total Expenditures	13,641,562	13,724,562	12,953,843	770,719
Excess of Revenues Over (Under) Expenditures	(6,061,562)	(6,144,562)	(3,945,329)	2,199,233
Other Financing Sources (Uses):				
Transfers In	2,800,000	2,800,000	3,158,517	358,517
Total Other Financing Sources (Uses)	2,800,000	2,800,000	3,158,517	358,517
Net Change in Fund Balance	(3,261,562)	(3,344,562)	(786,812)	2,557,750
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	18,643,976	18,727,648	18,643,976	(83,672)
Fund Balance End of Year	\$15,382,414	\$15,383,086	\$17,857,164	\$2,474,078

See accompanying notes to the required supplementary information.

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

Note 1 – Budgetary Process

All funds, except custodial funds, are legally required to be budgeted and appropriated. The major documents prepared are the tax budget, the certificate of estimated resources, and the appropriation ordinance, all of which are prepared on the budgetary basis of accounting.

The tax budget demonstrates a need for existing or increased tax rates. The certificate of estimated resources establishes a limit on the amount Council may appropriate. The certificate of estimated resources may be amended during the year if projected decreases in revenue are identified by the Finance Director. To maintain the original estimate where possible to maintain conservative estimates, amendments for increases occur only if additional an appropriation is needed by Council action. The amounts reported as the budgeted amounts for revenue on the budgetary statement reflect the amounts on the certificate of estimated resources when the original appropriations were adopted. The amounts reported as the final budgeted revenue on the budgetary statements reflects the amounts on the final amended certificate of estimated resources issued during the year.

In Ohio, municipal corporations have certain powers granted to them in Article XVIII of the Ohio Constitution that exist outside authority found in the Ohio Revised Code. Because these powers originate in the Constitution, law passed by the General Assembly that interfere with them may be invalid as applied to municipal corporation unless those laws are sanctioned by other provisions of the Constitution. These powers, granted by the Constitution and known as “home rule” powers, include the power of local self-government, the exercise of certain police powers, and the ownership and operation of public utilities.

The appropriations ordinance is Council’s authorization to spend resources and set annual limits on expenditures plus encumbrances at the level of control selected by Council. As a power of local self-government, the legal level of control has been established by Council so that appropriation measures shall be classified so as to set forth separately the amounts appropriated for each department within the General Fund. All other funds are maintained at the fund level. The appropriation resolution is subject to amendment throughout the year with the restriction that appropriations cannot exceed estimated resources. The amounts reported as the original budgeted amounts reflect the first appropriation ordinance for that fund that covered the entire year, including amounts automatically carried forward from prior years. The amounts reported as the final budgeted amounts represent the final appropriation amounts passed by Council after any supplemental or re-appropriation during the year.

While the City is reporting financial position, results of operations and changes in fund balance on the basis of generally accepted accounting principles (GAAP), the budgetary basis as provided by law is based upon accounting for certain transactions on a basis of cash receipts, disbursements and encumbrances. The Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual (Non-GAAP Budgetary Basis) presented for the general fund, street construction, maintenance and repair fund, and the safety fund are presented on the budgetary basis to provide a meaningful comparison of actual results with the budget.

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

1. Revenues are recorded when received in cash (budget) as opposed to when susceptible to accrual (GAAP).
2. Expenditures are recorded when paid in cash (budget) as opposed to when the liability is incurred (GAAP).

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

3. Encumbrances are treated as expenditures (budget) rather than as an assignment of fund balance (GAAP).
4. Unreported cash represents amounts received but not included as revenue on the budget basis operating statements. These amounts are included as revenue on the GAAP basis operating statement.
5. Some funds are reported as part of the general fund (GAAP basis as opposed to the general fund being reported alone (budget basis)).

The following table summarizes the adjustments necessary to reconcile the GAAP basis statements to the budgetary basis statements for the general fund, the street construction, maintenance and repair fund and the safety fund.

Net Change in Fund Balance

	General	Street Construction, Maintenance and Repair	Safety
GAAP Basis	\$15,272,646	(\$478,705)	\$1,744,947
Revenue Accruals	(5,027,516)	(896,088)	313,573
Expenditure Accruals	8,774,235	525,224	208,774
Issuance of Debt	(755,604)	0	0
Proceeds of Capital Assets	(58,472)	0	0
Transfers (Out)	(17,191,306)	0	0
Encumbrances	(6,494,212)	(9,609,932)	(3,054,106)
Budget Basis	(\$5,480,229)	(\$10,459,501)	(\$786,812)

Note 2 – Net Pension Liability

OHIO PUBLIC EMPLOYEES RETIREMENT SYSTEM CHANGES IN BENEFIT TERMS AND ASSUMPTIONS

Changes in assumptions:

2023: There were no changes in methods and assumptions used in the calculation of actuarial determined contributions for this period.

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

- Reduction in actuarial assumed rate of return from 7.20% to 6.90%
- Decrease in wage inflation from 3.25% to 2.75%
- Change in future salary increases from a range of 3.25%-10.75% to 2.75%-10.75%

2021-2020: There were no changes in methods and assumptions used in the calculation of actuarial determined contributions for this period.

2019: OPERS Board adopted a change in the investment return assumption, reducing it from 7.50% to 7.20%.

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

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

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

- Reduction in actuarial assumed rate of return from 8.00% to 7.50%
- Decrease in wage inflation from 3.75% to 3.25%
- Change in future salary increases from a range of 4.25%-10.02% to 3.25%-10.75%

2016-2014: There were no changes in methods and assumptions used in the calculation of actuarial determined contributions.

Changes in benefit terms:

2023-2014: There were no changes in benefit terms for this period.

OHIO POLICE AND FIRE PENSION FUND CHANGES IN BENEFIT TERMS AND ASSUMPTIONS

Changes in assumptions:

2023: Mortality for service retirees is based on the Pub-2010 Below-Median Safety Amount-Weighted Healthy Retiree mortality table with rates adjusted by 96.2 percent for males and 98.7 percent for females. All rates are projected using the MP-2021 Improvement Scale. Mortality for disabled retirees is based on the Pub-2010 Safety Amount-Weighted Disabled Retiree mortality table with rates adjusted by 135 percent for males and 97.9 percent for females. All rates are projected using the MP-2021 Improvement Scale. Mortality for contingent annuitants is based on the Pub-2010 Below-Median Safety Amount-Weighted Contingent Annuitant Retiree mortality table with rates adjusted by 108.9 percent for males and 131 percent for females. All rates are projected using the MP-2021 Improvement Scale. Mortality for active members is based on the Pub-2010 Below-Median Safety Amount-Weighted Employee mortality table. All rates are projected using the MP- 2021 Improvement Scale.

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

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

2021-2019: There have been no OP&F pension plan amendments adopted or changes in assumptions used in the calculation of actuarial determined contributions.

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

- Reduction in actuarial assumed rate of return from 8.25% to 8.00%
- Decrease salary increases from 3.75% to 3.25%
- Change in payroll growth from 3.75% to 3.25%
- Reduce DROP interest rate from 4.5% to 4.0%
- Reduce CPI-based COLA from 2.6% to 2.2%
- Inflation component reduced from 3.25% to 2.75%

2017-2014: There were no changes in methods and assumptions used in the calculation of actuarial determined contributions.

Changes in benefit terms:

2023-2014: There were no changes in benefit terms for the period.

Note 3 - Net OPEB Liability (Asset)

OHIO PUBLIC EMPLOYEES RETIREMENT SYSTEM CHANGES IN BENEFIT TERMS AND ASSUMPTIONS

Changes in assumptions:

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

- The single discount rate decreased from 6.00% to 5.22%.
- The municipal bond rate increased from 1.84% to 4.05%.

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

- The municipal bond rate decreased from 2.00% to 1.84%.
- The initial health care cost trend rate decreased from 8.50% to 5.50%.
- Decrease in wage inflation from 3.25% to 2.75%.
- Change in future salary increases from a range of 3.25%-10.75% to 2.75%-10.75%.

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

- The single discount rate increased from 3.16% to 6.00%.
- The municipal bond rate decreased from 2.75% to 2.00%.
- The initial health care cost trend rate decreased from 10.50% to 8.50%.

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

- The single discount rate decreased from 3.96% to 3.16%.
- The municipal bond rate decreased from 3.71% to 2.75%.
- The initial health care cost trend rate increased from 10.00% to 10.50%.

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

- The single discount rate increased from 3.85% to 3.96%.
- The investment rate of return decreased from 6.50% to 6.00%.
- The municipal bond rate increased from 3.31% to 3.71%.
- The initial health care cost trend rate increased from 7.50% to 10.00%.

2018: The single discount rate changed from 4.23% to 3.85%.

Changes in Benefit Terms:

2023: There were no changes in benefit terms for the period.

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

2021: There were no changes in benefit terms for the period.

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

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

2019-2018: There were no changes in benefit terms for the period.

OHIO POLICE AND FIRE PENSION FUND CHANGES IN BENEFIT TERMS AND ASSUMPTIONS

Changes in assumptions:

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

- The single discount rate changed from 2.84% to 4.27%
- The depletion year of OPEB assets is projected in year 2036
- Mortality for service retirees is based on the Pub-2010 Below-Median Safety Amount-Weighted Healthy Retiree mortality table with rates adjusted by 96.2 percent for males and 98.7 percent for females. All rates are projected using the MP-2021 Improvement Scale. Mortality for disabled retirees is based on the Pub-2010 Safety Amount-Weighted Disabled Retiree mortality table with rates adjusted by 135 percent for males and 97.9 percent for females. All rates are projected using the MP-2021 Improvement Scale. Mortality for contingent annuitants is based on the Pub-2010 Below-Median Safety Amount-Weighted Contingent Annuitant Retiree mortality table with rates adjusted by 108.9 percent for males and 131 percent for females. All rates are projected using the MP-2021 Improvement Scale. Mortality for active members is based on the Pub-2010 Below-Median Safety Amount-Weighted Employee mortality table. All rates are projected using the MP- 2021 Improvement Scale.

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

- Reduction in actuarial assumed rate of return from 8.00% to 7.50%
- The single discount rate changed from 2.96% to 2.84%

2021: There were no changes in methods and assumptions used in the calculation of actuarial determined contributions. The single discount rate changed from 3.56% to 2.96%.

2020: There were no changes in methods and assumptions used in the calculation of actuarial determined contributions. The single discount rate changed from 4.66% to 3.56%.

2019: Beginning January 1, 2019 OP&F changed its retiree health care model and the current self-insured health care plan is no longer offered. In its place will be a stipend-based health care model. OP&F has contracted with a vendor who will assist eligible retirees in choosing health care plans from their marketplace (both Medicare-eligible and pre-Medicare populations). A stipend funded by OP&F will be placed in individual Health Reimbursement Accounts that retirees will use to be reimbursed for health care expenses. As a result of changing from the current health care model to the stipend based health care model, management expects that it will be able to provide stipends to eligible participants for the next 15 years. Beginning in 2020 the Board approved a change to the Deferred Retirement Option Plan. The minimum interest rate accruing will be 2.5%. The single discount rate increased from 3.24% to 4.66% and the municipal bond rate from 3.16% to 4.13%.

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

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

Changes in benefit terms:

2023-2020: There were no changes in benefit terms for the period.

2019: See above regarding change to stipend-based model.

2018: There were no changes in benefit terms for the period.

COMBINING STATEMENTS AND INDIVIDUAL FUND SCHEDULES

Nonmajor Governmental Funds

Special Revenue Funds

Special Revenue funds are used to account for and report the proceeds of specific revenue sources that are restricted or committed to expenditures for specified purposes other than debt service or capital projects. The term *proceeds of specific revenue sources* establishes that one or more specific restricted or committed revenues should be the foundation for a special revenue fund.

Debt Service Funds

The debt service fund is used to account for and report financial resources that are restricted, committed, or assigned to expenditure for principal and interest. Debt service funds should be used to report resources if legally mandated (i.e. debt payable from property taxes). Financial resources that are being accumulated for principal and interest maturing in future years also should be reported in debt service funds.

Capital Projects Funds

The Capital Projects Funds are used to account for and report financial resources that are restricted, committed, or assigned to expenditure for capital outlays, including the acquisition or construction of capital facilities and other capital assets. Capital projects funds exclude those types of capital-related outflows financed by proprietary funds or for assets that will be held in trust for individuals, private organizations, or other governments.

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

	Nonmajor Special Revenue Funds	Nonmajor Debt Service Funds	Total Nonmajor Governmental Funds
Assets:			
Equity in Pooled Cash and Investments	\$11,350,347	\$3,311,691	\$14,662,038
Receivables (Net):			
Taxes	0	2,420,722	2,420,722
Accounts	78,617	0	78,617
Interest	6,061	0	6,061
Intergovernmental	1,333,724	145,524	1,479,248
Special Assessments	0	1,530,143	1,530,143
Total Assets	<u>12,768,749</u>	<u>7,408,080</u>	<u>20,176,829</u>
Liabilities:			
Accounts Payable	1,372	0	1,372
Accrued Wages and Benefits	12,216	0	12,216
Contracts Payable	338,458	0	338,458
Retainage Payable	263,805	0	263,805
Total Liabilities	<u>615,851</u>	<u>0</u>	<u>615,851</u>
Deferred Inflows of Resources:			
Property Taxes	0	1,845,722	1,845,722
Grants and Other Taxes	1,300,946	145,524	1,446,470
Special Assessments	0	1,530,143	1,530,143
Unavailable Amounts	3,504	0	3,504
Total Deferred Inflows of Resources	<u>1,304,450</u>	<u>3,521,389</u>	<u>4,825,839</u>
Fund Balances:			
Restricted	10,287,769	3,886,691	14,174,460
Committed	686	0	686
Assigned	596,459	0	596,459
Unassigned	(36,466)	0	(36,466)
Total Fund Balances	<u>10,848,448</u>	<u>3,886,691</u>	<u>14,735,139</u>
Total Liabilities, Deferred Inflows and Fund Balances	<u>\$12,768,749</u>	<u>\$7,408,080</u>	<u>\$20,176,829</u>

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

	Nonmajor Special Revenue Funds	Nonmajor Debt Service Funds	Total Nonmajor Governmental Funds
Revenues:			
Property and Other Taxes	\$0	\$2,265,217	\$2,265,217
Investment Earnings	56,428	0	56,428
Intergovernmental	2,419,630	286,759	2,706,389
Special Assessments	0	136,248	136,248
Fines, Licenses & Permits	602,728	0	602,728
Revenue in Lieu of Taxes	3,862,765	0	3,862,765
Other Revenues	420,823	420,000	840,823
Total Revenues	7,362,374	3,108,224	10,470,598
Expenditures:			
Current:			
General Government	426,162	0	426,162
Public Safety	14,693	0	14,693
Community Development	1,410,806	0	1,410,806
Transportation and Street Repair	1,766,098	0	1,766,098
Capital Outlay	3,499,747	0	3,499,747
Debt Service:			
Principal	170,000	2,755,000	2,925,000
Interest and Other Charges	42,838	1,372,575	1,415,413
Total Expenditures	7,330,344	4,127,575	11,457,919
Excess of Revenues Over (Under) Expenditures	32,030	(1,019,351)	(987,321)
Other Financing Sources (Uses):			
Transfers In	3,414	1,600,000	1,603,414
Transfers (Out)	(3,414)	0	(3,414)
Total Other Financing Sources (Uses)	0	1,600,000	1,600,000
Net Change in Fund Balance	32,030	580,649	612,679
Fund Balance - Beginning of Year	10,816,418	3,306,042	14,122,460
Fund Balance - End of Year	\$10,848,448	\$3,886,691	\$14,735,139

Nonmajor Special Revenue Funds

Fund Descriptions

State Highway Improvement – This special revenue fund accounts for the remaining 7.5% of the City's share of state gasoline taxes and motor vehicle license fees. State law requires that such monies be spent on state highways construction and improvements.

Street Subdivision - To track fees paid by developers that may only be used for subdivision street improvements.

American Rescue Plan Act - This fund accounts for grants received through the Coronavirus State and Local Fiscal Recovery Funds (SLFRF), a part of the American Rescue Plan. Grants are restricted for various purposes designated by the Department of the Treasury.

Parks and Recreation - This fund accounts for monies received from residential building permits and other sources collected for the purpose of providing funds for recreational capital improvements.

Police Crime Prevention - This fund is used to account for donations received for the prevention of crime within the City.

Drug Law Enforcement - To account for monies designated to be used for drug law enforcement.

Law Enforcement and Education - To account for monies received from court fines imposed for drivers convicted of driving under the influence of drugs and alcohol. Monies generated under this fund shall be used for enforcement and education of the public of such dangers.

Indigent Driver - This fund is used to account for fees collected in conjunction with DUI offenses. Revenues received are used, by the court, for treatment and education of drug and alcohol offenders.

Municipal Court Computer Costs - To account for monies received from court fines. Monies generated under this fund shall be used for computer related expenses of the Court.

Municipal Court Computer Education - This fund is used to account for a \$2.00 fee assessed in conjunction with court costs. Revenues collected are used for computer education and training within the Municipal Court.

Municipal Court Improvement - This fund is used to account for a \$5.00 fee assessed in conjunction with court costs. Revenues collected are used for improvements to the Municipal Court facilities.

Vehicle Immobilization Fee - This fund is used to account for reimbursements received from the State of Ohio for costs incurred with the Court ordered immobilization of a vehicle.

Nonmajor Special Revenue Funds

Fund Descriptions (Continued)

Municipal Court Probation Services - To account for monies received from court fines. Monies generated under this fund shall be used for probation services provided by the Court.

Municipal Court Indigent Driver IDAM - To account for fees collected in conjunction with DUI offenses. Revenues received are used, by the court, for treatment and education of drug and alcohol offenders.

Central Parke TIF - This fund is used to account for the financial resources and expenditures related to the development of the Central Park business park.

Mason Enterprise Parke TIF - This fund is used to account for the financial resources and expenditures related to the development of the Mason Enterprise business park.

Tylersville Road TIF - This fund is used to account for the financial resources and expenditures related to the development of the Tylersville Crossing business park.

I-71 Corridor TIF - This fund is used to account for the financial resources and expenditures related to the development and improvements to the I-71 Corridor.

Everybody's Farm TIF - This fund is used to account for the financial resources and expenditures related to the development and improvements to Everybody's Farm.

Subdivision Inspection - This fund is used to account for the revenues received and expenses incurred for inspection services rendered in the City of Mason.

Oak Park West TIF - This fund is used to account for the financial resources and expenditures related to the development and improvements to Oak Park West business park.

One Ohio Opioid - To account for revenues and expenditures related to settlement dollars to be used to prevent, treat and support recovery from addiction including opioids and/or any other co-occurring substance use and/or mental health conditions which are all long-lasting (chronic) diseases that can cause major health, social, and economic problems at the individual, family and/or community level.

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

	State Highway Improvement	Street Subdivision	American Rescue Plan Act	Parks and Recreation	Police Crime Prevention
Assets:					
Equity in Pooled Cash and Investments	\$138,894	\$1,133,670	\$0	\$1,009,807	\$686
Receivables (Net):					
Accounts	0	0	0	50,000	0
Interest	733	0	0	5,328	0
Intergovernmental	95,466	0	0	0	0
Total Assets	235,093	1,133,670	0	1,065,135	686
Liabilities:					
Accounts Payable	0	1,372	0	0	0
Accrued Wages and Benefits	0	0	0	0	0
Contracts Payable	0	0	0	147,632	0
Retainage Payable	0	0	0	0	0
Total Liabilities	0	1,372	0	147,632	0
Deferred Inflows of Resources:					
Grants and Other Taxes	62,688	0	0	0	0
Unavailable Amounts	424	0	0	3,080	0
Total Deferred Inflows of Resources	63,112	0	0	3,080	0
Fund Balances:					
Restricted	171,981	1,132,298	0	914,423	0
Committed	0	0	0	0	686
Assigned	0	0	0	0	0
Unassigned	0	0	0	0	0
Total Fund Balances	171,981	1,132,298	0	914,423	686
Total Liabilities, Deferred Inflows and Fund Balances	\$235,093	\$1,133,670	\$0	\$1,065,135	\$686

Drug Law Enforcement	Law Enforcement and Education	Indigent Driver	Municipal Court Computer Costs	Municipal Court Computer Education	Municipal Court Improvement	Vehicle Immobilization Fee
\$34,937	\$8,065	\$20,439	\$187,559	\$331,997	\$243,256	\$17,398
75	25	75	3,919	1,378	8,711	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
35,012	8,090	20,514	191,478	333,375	251,967	17,398
0	0	0	0	0	0	0
0	0	0	0	0	3,417	0
0	0	0	0	0	0	0
71,478	0	0	0	0	0	0
71,478	0	0	0	0	3,417	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	8,090	20,514	191,478	333,375	248,550	17,398
0	0	0	0	0	0	0
0	0	0	0	0	0	0
(36,466)	0	0	0	0	0	0
(36,466)	8,090	20,514	191,478	333,375	248,550	17,398
\$35,012	\$8,090	\$20,514	\$191,478	\$333,375	\$251,967	\$17,398

Continued

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

	Municipal Court Probation Services	Municipal Court Indigent Driver IDAM	Central Parke TIF	Mason Enterprise Parke TIF	Tylersville Road TIF
Assets:					
Equity in Pooled Cash and Investments	\$265,439	\$246	\$226,840	\$163,326	\$651,196
Receivables (Net):					
Accounts	14,091	343	0	0	0
Interest	0	0	0	0	0
Intergovernmental	0	0	0	61,443	209,677
Total Assets	279,530	589	226,840	224,769	860,873
Liabilities:					
Accounts Payable	0	0	0	0	0
Accrued Wages and Benefits	3,635	0	0	0	0
Contracts Payable	0	0	50,484	0	0
Retainage Payable	0	0	42,720	0	0
Total Liabilities	3,635	0	93,204	0	0
Deferred Inflows of Resources:					
Grants and Other Taxes	0	0	0	61,443	209,677
Unavailable Amounts	0	0	0	0	0
Total Deferred Inflows of Resources	0	0	0	61,443	209,677
Fund Balances:					
Restricted	275,895	589	133,636	163,326	651,196
Committed	0	0	0	0	0
Assigned	0	0	0	0	0
Unassigned	0	0	0	0	0
Total Fund Balances	275,895	589	133,636	163,326	651,196
Total Liabilities, Deferred Inflows and Fund Balances	\$279,530	\$589	\$226,840	\$224,769	\$860,873

I-71 Corridor TIF	Everybody's Farm TIF	Subdivision Inspection	Oak Park West TIF	One Ohio Opioid	Total Nonmajor Special Revenue Funds
\$4,296,876	\$456,387	\$601,623	\$1,490,090	\$71,616	\$11,350,347
0	0	0	0	0	78,617
0	0	0	0	0	6,061
634,302	317,011	0	15,825	0	1,333,724
4,931,178	773,398	601,623	1,505,915	71,616	12,768,749
0	0	0	0	0	1,372
0	0	5,164	0	0	12,216
0	0	0	140,342	0	338,458
0	0	0	149,607	0	263,805
0	0	5,164	289,949	0	615,851
634,302	317,011	0	15,825	0	1,300,946
0	0	0	0	0	3,504
634,302	317,011	0	15,825	0	1,304,450
4,296,876	456,387	0	1,200,141	71,616	10,287,769
0	0	0	0	0	686
0	0	596,459	0	0	596,459
0	0	0	0	0	(36,466)
4,296,876	456,387	596,459	1,200,141	71,616	10,848,448
\$4,931,178	\$773,398	\$601,623	\$1,505,915	\$71,616	\$12,768,749

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

	State Highway Improvement	Street Subdivision	American Rescue Plan Act	Parks and Recreation	Police Crime Prevention
Revenues:					
Investment Earnings	\$6,666	\$0	\$0	\$49,762	\$0
Intergovernmental	192,183	0	1,572,783	595,350	0
Fines, Licenses & Permits	0	11,850	0	21,360	0
Revenue in Lieu of Taxes	0	0	0	0	0
Other Revenues	0	0	0	420,136	0
Total Revenues	198,849	11,850	1,572,783	1,086,608	0
Expenditures:					
Current:					
General Government	0	0	0	0	0
Public Safety	0	0	0	0	0
Community Development	0	0	0	0	0
Transportation and Street Repair	0	105,892	1,572,783	0	0
Capital Outlay	0	0	0	981,005	0
Debt Service:					
Principal	0	0	0	0	0
Interest and Other Charges	0	0	0	0	0
Total Expenditures	0	105,892	1,572,783	981,005	0
Excess of Revenues Over (Under) Expenditures	198,849	(94,042)	0	105,603	0
Other Financing Sources (Uses):					
Transfers In	0	0	0	0	0
Transfers (Out)	0	0	0	0	0
Total Other Financing Sources (Uses)	0	0	0	0	0
Net Change in Fund Balance	198,849	(94,042)	0	105,603	0
Fund Balance - Beginning of Year	(26,868)	1,226,340	0	808,820	686
Fund Balance - End of Year	\$171,981	\$1,132,298	\$0	\$914,423	\$686

Drug Law Enforcement	Law Enforcement and Education	Indigent Driver	Municipal Court Computer Costs	Municipal Court Computer Education	Municipal Court Improvement	Vehicle Immobilization Fee
\$0	\$0	\$0	\$0	\$0	\$0	\$0
753	0	0	0	0	0	0
3,746	750	5,841	64,116	22,700	127,458	0
0	0	0	0	0	0	0
0	0	0	0	0	279	0
4,499	750	5,841	64,116	22,700	127,737	0
0	0	4,384	101,187	1,020	199,569	0
14,693	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
71,478	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
86,171	0	4,384	101,187	1,020	199,569	0
(81,672)	750	1,457	(37,071)	21,680	(71,832)	0
0	0	3,414	0	0	0	0
0	0	0	0	0	0	0
0	0	3,414	0	0	0	0
(81,672)	750	4,871	(37,071)	21,680	(71,832)	0
45,206	7,340	15,643	228,549	311,695	320,382	17,398
(\$36,466)	\$8,090	\$20,514	\$191,478	\$333,375	\$248,550	\$17,398

Continued

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

	Municipal Court Probation Services	Municipal Court Indigent Driver IDAM	Central Parke TIF	Mason Enterprise Parke TIF	Tylersville Road TIF
Revenues:					
Investment Earnings	\$0	\$0	\$0	\$0	\$0
Intergovernmental	0	0	0	0	0
Fines, Licenses & Permits	271,182	3,536	0	0	0
Revenue in Lieu of Taxes	0	0	0	98,685	288,109
Other Revenues	251	0	0	0	0
Total Revenues	271,433	3,536	0	98,685	288,109
Expenditures:					
Current:					
General Government	120,002	0	0	0	0
Public Safety	0	0	0	0	0
Community Development	0	0	0	39,124	93,281
Transportation and Street Repair	0	0	0	0	87,423
Capital Outlay	0	0	647,405	0	0
Debt Service:					
Principal	0	0	0	0	0
Interest and Other Charges	0	0	0	0	0
Total Expenditures	120,002	0	647,405	39,124	180,704
Excess of Revenues Over (Under) Expenditures	151,431	3,536	(647,405)	59,561	107,405
Other Financing Sources (Uses):					
Transfers In	0	0	0	0	0
Transfers (Out)	0	(3,414)	0	0	0
Total Other Financing Sources (Uses)	0	(3,414)	0	0	0
Net Change in Fund Balance	151,431	122	(647,405)	59,561	107,405
Fund Balance - Beginning of Year	124,464	467	781,041	103,765	543,791
Fund Balance - End of Year	\$275,895	\$589	\$133,636	\$163,326	\$651,196

I-71 Corridor TIF	Everybody's Farm TIF	Subdivision Inspection	Oak Park West TIF	One Ohio Opioid	Total Nonmajor Special Revenue Funds
\$0	\$0	\$0	\$0	\$0	\$56,428
0	0	0	0	58,561	2,419,630
0	0	70,189	0	0	602,728
1,059,698	916,273	0	1,500,000	0	3,862,765
0	0	157	0	0	420,823
1,059,698	916,273	70,346	1,500,000	58,561	7,362,374
0	0	0	0	0	426,162
0	0	0	0	0	14,693
495,162	653,590	129,649	0	0	1,410,806
0	0	0	0	0	1,766,098
0	0	0	1,799,859	0	3,499,747
0	170,000	0	0	0	170,000
0	42,838	0	0	0	42,838
495,162	866,428	129,649	1,799,859	0	7,330,344
564,536	49,845	(59,303)	(299,859)	58,561	32,030
0	0	0	0	0	3,414
0	0	0	0	0	(3,414)
0	0	0	0	0	0
564,536	49,845	(59,303)	(299,859)	58,561	32,030
3,732,340	406,542	655,762	1,500,000	13,055	10,816,418
\$4,296,876	\$456,387	\$596,459	\$1,200,141	\$71,616	\$10,848,448

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

	State Highway Improvement Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Intergovernmental	\$170,000	\$189,372	\$19,372
Investment Earnings	0	5,729	5,729
Total Revenues	170,000	195,101	25,101
Expenditures:			
Current:			
General Government	0	0	0
Total Expenditures	0	0	0
Excess of Revenues Over (Under) Expenditures	170,000	195,101	25,101
Other Financing Sources (Uses):			
Transfers (Out)	(150,000)	(130,000)	20,000
Total Other Financing Sources (Uses)	(150,000)	(130,000)	20,000
Net Change in Fund Balance	20,000	65,101	45,101
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	75,515	75,515	0
Fund Balance End of Year	\$95,515	\$140,616	\$45,101

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

	Street Subdivision Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Fines, Licenses and Permits	\$0	\$11,850	\$11,850
Total Revenues	0	11,850	11,850
Expenditures:			
Current:			
Transportation and Street Repair	115,000	106,020	8,980
Total Expenditures	115,000	106,020	8,980
Excess of Revenues Over (Under) Expenditures	(115,000)	(94,170)	20,830
Other Financing Sources (Uses):			
Transfers (Out)	(385,000)	0	385,000
Total Other Financing Sources (Uses)	(385,000)	0	385,000
Net Change in Fund Balance	(500,000)	(94,170)	405,830
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	1,226,341	1,226,341	0
Fund Balance End of Year	\$726,341	\$1,132,171	\$405,830

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

	American Rescue Plan Act Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Intergovernmental	\$0	\$0	\$0
Total Revenues	0	0	0
Expenditures:			
Current:			
Transportation and Street Repair	1,748,466	1,748,466	0
Total Expenditures	1,748,466	1,748,466	0
Net Change in Fund Balance	(1,748,466)	(1,748,466)	0
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	1,748,466	1,748,466	0
Fund Balance End of Year	\$0	\$0	\$0

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

	Parks and Recreation Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Fines, Licenses and Permits	\$0	\$21,360	\$21,360
Intergovernmental	575,000	595,350	20,350
Investment Earnings	0	32,557	32,557
Other Revenues	425,000	370,136	(54,864)
Total Revenues	1,000,000	1,019,403	19,403
Expenditures:			
Capital Outlay	2,300,000	2,299,954	46
Total Expenditures	2,300,000	2,299,954	46
Net Change in Fund Balance	(1,300,000)	(1,280,551)	19,449
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	836,275	836,275	0
Fund Balance End of Year	(\$463,725)	(\$444,276)	\$19,449

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

	Police Crime Prevention Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Fines, Licenses and Permits	\$0	\$0	\$0
Total Revenues	0	0	0
Expenditures:			
Public Safety	500	0	500
Total Expenditures	500	0	500
Net Change in Fund Balance	(500)	0	500
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	686	686	0
Fund Balance End of Year	\$186	\$686	\$500

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

	Drug Law Enforcement Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Fines, Licenses and Permits	\$1,000	\$3,671	\$2,671
Intergovernmental	0	753	753
Total Revenues	1,000	4,424	3,424
Expenditures:			
Current:			
Public Safety	30,000	14,693	15,307
Total Expenditures	30,000	14,693	15,307
Net Change in Fund Balance	(29,000)	(10,269)	18,731
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	45,205	45,205	0
Fund Balance End of Year	\$16,205	\$34,936	\$18,731

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

	Law Enforcement and Education Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Fines, Licenses and Permits	\$500	\$775	\$275
Total Revenues	500	775	275
Expenditures:			
Current:			
Public Safety	4,000	0	4,000
Total Expenditures	4,000	0	4,000
Net Change in Fund Balance	(3,500)	775	4,275
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	7,290	7,290	0
Fund Balance End of Year	\$3,790	\$8,065	\$4,275

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

	Indigent Driver Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Fines, Licenses and Permits	\$6,000	\$5,906	(\$94)
Total Revenues	6,000	5,906	(94)
Expenditures:			
Current:			
General Government	17,429	11,739	5,690
Total Expenditures	17,429	11,739	5,690
Excess of Revenues Over (Under) Expenditures	(11,429)	(5,833)	5,596
Other Financing Sources (Uses):			
Transfers In	2,000	3,414	1,414
Total Other Financing Sources (Uses)	2,000	3,414	1,414
Net Change in Fund Balance	(9,429)	(2,419)	7,010
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	15,857	15,857	0
Fund Balance End of Year	\$6,428	\$13,438	\$7,010

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

	Municipal Court Computer Costs Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Fines, Licenses and Permits	\$60,000	\$66,061	\$6,061
Total Revenues	60,000	66,061	6,061
Expenditures:			
Current:			
General Government	127,575	109,932	17,643
Capital Outlay	144,071	120,000	24,071
Total Expenditures	271,646	229,932	41,714
Net Change in Fund Balance	(211,646)	(163,871)	47,775
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	222,684	222,684	0
Fund Balance End of Year	\$11,038	\$58,813	\$47,775

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

	Municipal Court Computer Education Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Fines, Licenses and Permits	\$22,000	\$23,413	\$1,413
Total Revenues	22,000	23,413	1,413
Expenditures:			
Current:			
General Government	143,301	126,020	17,281
Total Expenditures	143,301	126,020	17,281
Net Change in Fund Balance	(121,301)	(102,607)	18,694
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	309,604	309,604	0
Fund Balance End of Year	\$188,303	\$206,997	\$18,694

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

	Municipal Court Improvement Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Fines, Licenses and Permits	\$125,000	\$130,102	\$5,102
Other Revenues	0	279	279
Total Revenues	125,000	130,381	5,381
Expenditures:			
Current:			
General Government	379,167	224,570	154,597
Total Expenditures	379,167	224,570	154,597
Net Change in Fund Balance	(254,167)	(94,189)	159,978
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	316,212	316,212	0
Fund Balance End of Year	\$62,045	\$222,023	\$159,978

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

	Vehicle Immobilization Fee Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Fines, Licenses and Permits	\$0	\$0	\$0
Total Revenues	0	0	0
Expenditures:			
Current:			
General Government	0	0	0
Total Expenditures	0	0	0
Net Change in Fund Balance	0	0	0
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	17,398	17,398	0
Fund Balance End of Year	<u>\$17,398</u>	<u>\$17,398</u>	<u>\$0</u>

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

	Municipal Court Probation Services Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Fines, Licenses and Permits	\$160,000	\$267,792	\$107,792
Other Revenues	0	251	251
Total Revenues	160,000	268,043	108,043
Expenditures:			
Current:			
General Government	142,691	128,251	14,440
Capital Outlay	2,000	0	2,000
Total Expenditures	144,691	128,251	16,440
Net Change in Fund Balance	15,309	139,792	124,483
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	117,425	117,425	0
Fund Balance End of Year	\$132,734	\$257,217	\$124,483

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

	Municipal Court Indigent Driver IDAM Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Fines, Licenses and Permits	\$3,206	\$3,451	\$245
Total Revenues	3,206	3,451	245
Expenditures:			
Current:			
General Government	0	0	0
Total Expenditures	0	0	0
Excess of Revenues Over (Under) Expenditures	3,206	3,451	245
Other Financing Sources (Uses):			
Transfers (Out)	(3,414)	(3,414)	0
Total Other Financing Sources (Uses)	(3,414)	(3,414)	0
Net Change in Fund Balance	(208)	37	245
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	208	208	0
Fund Balance End of Year	\$0	\$245	\$245

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

	Central Parke TIF Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Revenue in Lieu of Taxes	\$0	\$0	\$0
Total Revenues	0	0	0
Expenditures:			
Current:			
Capital Outlay	781,043	781,043	0
Total Expenditures	781,043	781,043	0
Net Change in Fund Balance	(781,043)	(781,043)	0
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	781,043	781,043	0
Fund Balance End of Year	\$0	\$0	\$0

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

	Mason Enterprise Parke TIF Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Revenue in Lieu of Taxes	\$98,000	\$98,685	\$685
Total Revenues	98,000	98,685	685
Expenditures:			
Current:			
Community Development	43,000	39,124	3,876
Total Expenditures	43,000	39,124	3,876
Excess of Revenues Over (Under) Expenditures	55,000	59,561	4,561
Other Financing Sources (Uses):			
Transfers (Out)	(90,000)	0	90,000
Total Other Financing Sources (Uses)	(90,000)	0	90,000
Net Change in Fund Balance	(35,000)	59,561	94,561
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	103,767	103,767	0
Fund Balance End of Year	\$68,767	\$163,328	\$94,561

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

	Tylersville Road TIF Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Revenue in Lieu of Taxes	\$150,000	\$288,109	\$138,109
Total Revenues	150,000	288,109	138,109
Expenditures:			
Current:			
Community Development	130,000	97,229	32,771
Transportation and Street Repair	152,465	123,948	28,517
Total Expenditures	282,465	221,177	61,288
Net Change in Fund Balance	(132,465)	66,932	199,397
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	547,741	547,741	0
Fund Balance End of Year	\$415,276	\$614,673	\$199,397

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

	I-71 Corridor TIF Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Revenue in Lieu of Taxes	\$850,000	\$1,059,698	\$209,698
Total Revenues	850,000	1,059,698	209,698
Expenditures:			
Current:			
Community Development	620,000	495,162	124,838
Total Expenditures	620,000	495,162	124,838
Net Change in Fund Balance	230,000	564,536	334,536
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	3,732,341	3,732,341	0
Fund Balance End of Year	\$3,962,341	\$4,296,877	\$334,536

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

	Everybody's Farm TIF Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Revenue in Lieu of Taxes	\$900,000	\$916,273	\$16,273
Total Revenues	900,000	916,273	16,273
Expenditures:			
Current:			
Community Development	720,000	653,590	66,410
Debt Service:			
Principal Retirement	170,000	170,000	0
Interest and Fiscal Charges	45,000	42,838	2,162
Total Expenditures	935,000	866,428	68,572
Net Change in Fund Balance	(35,000)	49,845	84,845
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	406,545	406,545	0
Fund Balance End of Year	\$371,545	\$456,390	\$84,845

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

	Subdivision Inspection Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Fines, Licenses and Permits	\$50,000	\$70,189	\$20,189
Other Revenues	0	157	157
Total Revenues	50,000	70,346	20,346
Expenditures:			
Current:			
Community Development	140,444	134,157	6,287
Total Expenditures	140,444	134,157	6,287
Net Change in Fund Balance	(90,444)	(63,811)	26,633
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	660,703	660,703	0
Fund Balance End of Year	\$570,259	\$596,892	\$26,633

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

	Oak Park West TIF Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Revenue in Lieu of Taxes	\$1,500,000	\$1,500,000	\$0
Total Revenues	1,500,000	1,500,000	0
Expenditures:			
Current:			
Capital Outlay	3,000,000	3,000,000	0
Total Expenditures	3,000,000	3,000,000	0
Net Change in Fund Balance	(1,500,000)	(1,500,000)	0
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	1,500,000	1,500,000	0
Fund Balance End of Year	\$0	\$0	\$0

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

	One Ohio Opioid Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Intergovernmental	\$0	\$58,561	\$58,561
Total Revenues	0	58,561	58,561
Expenditures:			
Current:			
General Government	0	0	0
Total Expenditures	0	0	0
Net Change in Fund Balance	0	58,561	58,561
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	13,055	13,055	0
Fund Balance End of Year	\$13,055	\$71,616	\$58,561

Nonmajor Debt Service Funds

Fund Description

General Obligation Bond Retirement Fund – To accumulate monies for the payment of long-term and short-term debt issued without a vote of the people.

Special Assessment Bond Retirement - To account for payment of bonds issued for improvements deemed to benefit specific properties against which assessments are levied.

City of Mason, Ohio
Combining Balance Sheet
Nonmajor Debt Service Funds
December 31, 2023

	General Obligation Bond Retirement	Special Assessment Bond Retirement	Total Nonmajor Debt Service Funds
Assets:			
Equity in Pooled Cash and Investments	\$3,293,160	\$18,531	\$3,311,691
Receivables (Net):			
Taxes	2,420,722	0	2,420,722
Intergovernmental	145,524	0	145,524
Special Assessments	0	1,530,143	1,530,143
Total Assets	5,859,406	1,548,674	7,408,080
Deferred Inflows of Resources:			
Property Taxes	1,845,722	0	1,845,722
Grants and Other Taxes	145,524	0	145,524
Special Assessments	0	1,530,143	1,530,143
Total Deferred Inflows of Resources	1,991,246	1,530,143	3,521,389
Fund Balances:			
Restricted	3,868,160	18,531	3,886,691
Total Fund Balances	3,868,160	18,531	3,886,691
Total Liabilities, Deferred Inflows and Fund Balances	\$5,859,406	\$1,548,674	\$7,408,080

City of Mason, Ohio
Combining Statement of Revenues, Expenditures and Changes in Fund Balance
Nonmajor Debt Service Funds
For the Fiscal Year Ended December 31, 2023

	General Obligation Bond Retirement	Special Assessment Bond Retirement	Total Nonmajor Debt Service Funds
Revenues:			
Property and Other Taxes	\$2,265,217	\$0	\$2,265,217
Intergovernmental	286,759	0	286,759
Special Assessments	0	\$136,248	136,248
Other Revenues	420,000	0	420,000
Total Revenues	2,971,976	136,248	3,108,224
Expenditures:			
Debt Service:			
Principal	2,670,000	85,000	2,755,000
Interest and Other Charges	1,321,055	51,520	1,372,575
Total Expenditures	3,991,055	136,520	4,127,575
Excess of Revenues Over (Under) Expenditures	(1,019,079)	(272)	(1,019,351)
Other Financing Sources (Uses):			
Transfers In	1,600,000	0	1,600,000
Total Other Financing Sources (Uses)	1,600,000	0	1,600,000
Net Change in Fund Balance	580,921	(272)	580,649
Fund Balance - Beginning of Year	3,287,239	18,803	3,306,042
Fund Balance - End of Year	\$3,868,160	\$18,531	\$3,886,691

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

	General Obligation Bond Retirement Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Taxes	\$2,324,000	\$2,539,217	\$215,217
Intergovernmental	266,000	286,759	20,759
Other Revenues	0	420,000	420,000
Total Revenues	2,590,000	3,245,976	655,976
Expenditures:			
Current:			
Debt Service:			
Principal Retirement	2,670,000	2,670,000	0
Interest and Fiscal Charges	1,295,000	1,321,865	(26,865)
Total Expenditures	3,965,000	3,991,865	(26,865)
Excess of Revenues Over (Under) Expenditures	(1,375,000)	(745,889)	629,111
Other Financing Sources (Uses):			
Transfers In	1,600,000	1,600,000	0
Total Other Financing Sources (Uses)	1,600,000	1,600,000	0
Net Change in Fund Balance	225,000	854,111	629,111
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	2,438,239	2,438,239	0
Fund Balance End of Year	\$2,663,239	\$3,292,350	\$629,111

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

	Special Assessment Bond Retirement Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Special Assessments	\$130,000	\$136,248	\$6,248
Total Revenues	130,000	136,248	6,248
Expenditures:			
Debt Service:			
Principal Retirement	85,000	85,000	0
Interest and Fiscal Charges	55,000	51,520	3,480
Total Expenditures	140,000	136,520	3,480
Net Change in Fund Balance	(10,000)	(272)	9,728
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	18,806	18,806	0
Fund Balance End of Year	\$8,806	\$18,534	\$9,728

Other General Funds

With the implementation of GASB Statement No. 54, certain funds that the City prepares legally adopted budgets for no longer meet the definition to be reported as Special Revenue funds and have been included with the General Fund in the governmental fund financial statements. The City has only presented the budget schedules for these funds.

Fund Descriptions

General Capital Improvement – To account as a separate division of the General Fund to reserve resources for capital improvements identified through the City’s capital improvement plan and to reserve funds for payment of short-term debt.

General Economic Sustainability – To account for funds for budget stabilization and leveling out future budget/economic cycles by maintaining healthy fund balances during an economic downturn without disruption of public services.

Employee Medical Insurance – To account for resources and expenditures for employee health, life, and disability benefits.

Unclaimed Monies – To account for funds not claimed by the owner of the funds. Most unclaimed funds is the result of outstanding checks issued by the City of Mason.

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

	General Capital Improvement Fund (1)		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Other Revenues	\$0	\$719,629	\$719,629
Total Revenues	0	719,629	719,629
Expenditures:			
Current:			
Capital Outlay	35,493,031	31,525,577	3,967,454
Total Expenditures	35,493,031	31,525,577	3,967,454
Excess of Revenues Over (Under) Expenditures	(35,493,031)	(30,805,948)	4,687,083
Other Financing Sources (Uses):			
Transfers In	150,000	18,380,000	18,230,000
Transfers (Out)	(7,045,000)	(2,808,694)	4,236,306
Total Other Financing Sources (Uses)	(6,895,000)	15,571,306	22,466,306
Net Change in Fund Balance	(42,388,031)	(15,234,642)	27,153,389
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	69,867,172	69,867,172	0
Fund Balance End of Year	\$27,479,141	\$54,632,530	\$27,153,389

(1) This fund is combined with the General fund in GAAP Statements.

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

	General Economic Sustainability Fund (1)		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Other Revenues	\$0	\$0	\$0
Total Revenues	0	0	0
Expenditures:			
Current:			
General Government	0	0	0
Total Expenditures	0	0	0
Excess of Revenues Over (Under) Expenditures	0	0	0
Transfers In	0	2,000,000	2,000,000
Total Other Financing Sources (Uses)	0	2,000,000	2,000,000
Net Change in Fund Balance	0	2,000,000	2,000,000
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	7,000,000	7,000,000	0
Fund Balance End of Year	<u>\$7,000,000</u>	<u>\$9,000,000</u>	<u>\$2,000,000</u>

(1) This fund is combined with the General fund in GAAP Statements.

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

	Employee Medical Insurance Fund (1)		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Charges for Services	\$5,400,000	\$5,875,351	\$475,351
Other Revenues	0	724,582	724,582
Total Revenues	5,400,000	6,599,933	1,199,933
Expenditures:			
Current:			
General Government	7,062,888	6,943,482	119,406
Total Expenditures	7,062,888	6,943,482	119,406
Net Change in Fund Balance	(1,662,888)	(343,549)	1,319,339
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	2,237,413	2,237,413	0
Fund Balance End of Year	\$574,525	\$1,893,864	\$1,319,339

(1) This fund is combined with the General fund in GAAP Statements.

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

	Unclaimed Monies Fund (1)		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Other Revenues	\$0	\$13,431	\$13,431
Total Revenues	0	13,431	13,431
Expenditures:			
Current:			
General Government	40,000	0	40,000
Total Expenditures	40,000	0	40,000
Net Change in Fund Balance	(40,000)	13,431	53,431
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	126,554	126,554	0
Fund Balance End of Year	\$86,554	\$139,985	\$53,431

(1) This fund is combined with the General fund in GAAP Statements.

Custodial Funds

Used to account for assets held by the City for individuals, private organizations, other governmental units.

Fund Descriptions

Municipal Court - To account for amounts held on behalf of other governments and bonds deposited with the court pending final disposition of various causes.

Mason Port Authority - To enhance future development opportunities in the City, to support the economic development strategies of the City and to promote participation in activities that will have a positive impact on the general economic wealth of Mason.

Community Improvement Corporation - To account for custodial transactions related to community improvement.

City of Mason, Ohio
Combining Statement of Net Position
Custodial Funds
December 31, 2023

	Municipal Court	Mason Port Authority	Community Improvement Corporation	Total
Assets:				
Equity in Pooled Cash and Investments	\$70,455	\$837,547	\$450,018	\$1,358,020
Receivables (Net):				
Accounts	0	0	10,000	10,000
Total Assets	70,455	837,547	460,018	1,368,020
Liabilities:				
Due to Other Governments	70,455	0	0	70,455
Total Liabilities	70,455	0	0	70,455
Net Position:				
Economic Development	0	837,547	0	837,547
Community Improvement	0	0	460,018	460,018
Total Net Position	\$0	\$837,547	\$460,018	\$1,297,565

City of Mason, Ohio
Combining Statement of Changes in Net Position
Custodial Funds
For the Fiscal Year Ended December 31, 2023

	Municipal Court	Mason Port Authority	Community Improvement Corporation	Total
Additions:				
Municipal Court Receipts	\$2,303,186	\$0	\$0	\$2,303,186
Mason Port Authority Receipts	0	29,038	0	29,038
Community Improvement Corporation Receipts	0	0	36,385	36,385
Total Additions	2,303,186	29,038	36,385	2,368,609
Deductions:				
Municipal Court Disbursements	2,324,969	0	0	2,324,969
Community Improvement Corporation Disbursements	0	0	17,564	17,564
Total Deductions	2,324,969	0	17,564	2,342,533
Change in Net Position	(21,783)	29,038	18,821	26,076
Net Position - Beginning of Year	21,783	808,509	441,197	1,271,489
Net Position - End of Year	\$0	\$837,547	\$460,018	\$1,297,565

STATISTICAL SECTION

Statistical Section

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

Contents

Financial Trends - These schedules contain trend information to help the reader understand how the City's financial position has changed over time.

Revenue Capacity - These schedules contain information to help the reader understand and assess the City's most significant local revenue sources, income tax and property tax.

Debt Capacity - These schedules present information to help the reader assess the affordability of the City's current levels of outstanding debt and the City's ability to issue additional debt in the future.

Economic and Demographic Information - These schedules offer economic and demographic indicators to help the reader understand the environment within which the City's financial activities take place and to provide information that facilitates comparisons of financial information over time and among governments.

Operating Information - These schedules contain service and infrastructure data to help the reader understand how the information in the City's financial report relates to the services the City provides and the activities it performs.

Sources

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

City of Mason, Ohio
Net Position by Component
Last Ten Fiscal Years
(accrual basis of accounting)
Table 1

	<u>2014 (1)</u>	<u>2015</u>	<u>2016</u>	<u>2017(2)</u>	<u>2018</u>
Governmental Activities					
Net Investment in Capital Assets	\$137,675,713	\$148,517,620	\$160,013,762	\$163,696,502	\$171,236,501
Restricted	15,932,379	21,930,408	16,650,729	24,171,568	26,736,081
Unrestricted	31,071,105	33,540,033	34,960,857	36,551,337	19,548,152
Total Governmental Activities Net Position	<u>\$184,679,197</u>	<u>\$197,791,295</u>	<u>\$211,625,348</u>	<u>\$224,419,407</u>	<u>\$217,520,734</u>
Business-Type Activities					
Net Investment in Capital Assets	\$89,504,980	\$91,666,228	\$93,282,553	\$94,272,576	\$96,937,382
Restricted	788,035	791,199	796,196	792,282	800,603
Unrestricted	12,709,974	16,471,007	19,878,612	23,262,822	24,990,782
Total Business-Type Activities Net Position	<u>\$103,002,989</u>	<u>\$108,928,434</u>	<u>\$113,957,361</u>	<u>\$118,327,680</u>	<u>\$122,728,767</u>
Primary Government					
Net Investment in Capital Assets	\$227,180,693	\$240,183,848	\$253,296,315	\$257,969,078	\$268,173,883
Restricted	16,720,414	22,721,607	17,446,925	24,963,850	27,536,684
Unrestricted	43,781,079	50,011,040	54,839,469	59,814,159	44,538,934
Total Governmental Activities Net Position	<u>\$287,682,186</u>	<u>\$306,719,729</u>	<u>\$325,582,709</u>	<u>\$342,747,087</u>	<u>\$340,249,501</u>

Source: City of Mason, Ohio, Department of Finance

(1)-Restated for GASB Statement No. 68 Implementation

(2)-Restated for GASB Statement No. 75 Implementation

<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>
\$182,420,146	\$181,436,817	\$205,582,972	\$213,288,764	\$220,618,451
32,001,705	36,782,975	36,589,794	47,950,111	52,580,178
35,580,308	57,256,566	61,029,217	72,366,396	88,855,078
<u>\$250,002,159</u>	<u>\$275,476,358</u>	<u>\$303,201,983</u>	<u>\$333,605,271</u>	<u>\$362,053,707</u>
\$99,198,148	\$97,717,147	\$109,956,987	\$114,750,148	\$115,860,151
10,694	0	0	539,894	0
29,170,440	34,428,908	28,733,880	29,776,785	36,405,123
<u>\$128,379,282</u>	<u>\$132,146,055</u>	<u>\$138,690,867</u>	<u>\$145,066,827</u>	<u>\$152,265,274</u>
\$281,618,294	\$279,153,964	\$315,539,959	\$328,038,912	\$336,478,602
32,012,399	36,782,975	36,589,794	48,490,005	52,580,178
64,750,748	91,685,474	89,763,097	102,143,181	125,260,201
<u>\$378,381,441</u>	<u>\$407,622,413</u>	<u>\$441,892,850</u>	<u>\$478,672,098</u>	<u>\$514,318,981</u>

City of Mason, Ohio
Changes in Net Position
Last Ten Fiscal Years
(accrual basis of accounting)
Table 2

	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>
Expenses					
Governmental Activities:					
General Government	\$8,253,186	\$7,767,758	\$8,200,480	\$9,447,447	\$8,826,290
Public Safety	13,513,159	13,790,633	16,338,179	18,252,746	19,439,968
Community Development	2,425,668	3,466,084	5,797,741	4,215,313	4,760,635
Leisure Time Activities	2,882,829	2,638,497	2,923,260	3,346,183	3,006,718
Transportation and Street Repair	7,324,935	7,084,253	8,245,318	8,852,082	8,818,489
Basic Utility Service	283,225	283,772	281,369	301,912	266,693
Interest, Fiscal Charges and Bond Issuance Cost	1,581,121	2,017,459	1,403,597	1,332,168	1,211,475
Total Governmental Activities Expenses	36,264,123	37,048,456	43,189,944	45,747,851	46,330,268
Business-type activities					
Sewer	5,743,995	6,090,047	6,360,304	6,893,298	6,151,996
Waste Collection	1,413,025	1,447,712	1,493,448	1,635,745	1,735,451
Stormwater Utility	1,117,558	1,289,342	1,248,280	1,388,963	1,534,845
Community Center	6,483,630	6,507,143	6,461,430	7,070,645	6,698,402
Golf Course	2,811,835	2,695,618	2,633,090	2,707,395	2,722,980
Total business-type activities expenses	17,570,043	18,029,862	18,196,552	19,696,046	18,843,674
Total primary government expenses	\$53,834,166	\$55,078,318	\$61,386,496	\$65,443,897	\$65,173,942
Program Revenues					
Governmental Activities:					
Charges for Services:					
General Government	\$2,793,861	\$2,097,958	\$2,311,007	\$2,467,450	\$2,055,585
Public Safety	1,410,863	1,368,530	1,856,418	1,934,390	2,322,252
Community Development	589,526	950,199	960,420	1,087,732	903,229
Leisure Time Activities	1,047,156	461,836	645,031	674,459	668,815
Transportation and Street Repair	73,791	129,475	180,820	386,068	253,338
Basic Utility Service	316,009	299,193	336,955	341,426	402,405
Operating Grants and Contributions	2,368,802	2,280,027	2,693,774	2,258,052	1,975,582
Capital Grants and Contributions	2,501,501	3,500,408	6,353,942	5,818,898	4,349,426
Total Governmental Activities Program Revenues	11,101,509	11,087,626	15,338,367	14,968,475	12,930,632
Business-Type Activities					
Charges for Services:					
Sewer	6,511,953	6,871,548	7,268,796	7,253,272	7,838,400
Waste Collection	1,595,826	1,637,354	1,619,811	1,674,251	1,758,321
Stormwater Utility	1,472,169	1,307,652	1,436,238	1,315,890	1,635,985
Community Center	6,653,029	7,033,126	6,993,632	6,767,137	6,556,750
Golf Course	1,936,890	1,987,022	1,910,162	1,735,919	1,643,063
Capital Grants and Contributions	2,786,840	2,818,892	2,323,669	2,501,470	3,568,694
Total Business-Type Activities Program Revenues	21,357,830	22,035,299	21,591,224	21,917,137	23,267,776
Total Primary Government Program Revenues	\$32,445,456	\$37,373,666	\$36,559,699	\$34,847,769	\$37,165,497

<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>
\$7,056,183	\$10,243,055	\$10,018,970	\$12,104,549	\$12,951,096
10,195,645	21,385,248	14,286,543	16,126,741	22,932,572
4,300,396	4,139,870	3,818,410	4,721,502	4,807,088
1,451,038	4,056,090	2,844,816	3,803,416	5,498,741
8,776,592	10,829,743	11,706,887	11,983,207	13,744,206
276,330	250,649	291,674	292,888	368,402
1,101,931	1,455,184	1,450,526	1,398,528	1,290,498
33,158,115	52,359,839	44,417,826	50,430,831	61,592,603
6,537,076	7,552,934	5,405,378	6,449,937	6,173,522
1,795,781	1,905,539	1,936,182	2,094,816	2,325,296
1,380,178	1,509,497	1,327,447	1,497,845	1,570,182
6,447,857	3,562,325	6,835,350	6,231,882	8,024,351
2,808,522	2,724,636	3,110,931	3,508,325	3,271,964
18,969,414	17,254,931	18,615,288	19,782,805	21,365,315
\$52,127,529	\$69,614,770	\$63,033,114	\$70,213,636	\$82,957,918
\$4,326,571	\$2,056,064	\$1,547,546	\$2,000,133	\$2,234,471
2,575,777	2,332,992	3,065,674	2,875,429	3,934,190
661,452	564,363	928,019	892,913	881,010
637,164	525,925	811,744	820,553	890,707
248,976	86,021	188,219	68,006	11,850
391,111	394,571	410,462	464,997	610,026
2,927,576	6,619,387	3,256,978	6,326,102	5,625,885
2,129,094	7,532,503	7,331,659	8,633,174	7,818,620
13,897,721	20,111,826	17,540,301	22,081,307	22,006,759
8,047,061	7,270,462	8,434,109	8,511,358	7,477,276
1,816,223	1,860,401	1,964,916	2,020,588	2,190,041
1,535,164	1,469,888	1,640,468	1,587,057	1,642,632
7,107,884	4,055,897	6,101,698	7,163,855	8,459,468
1,792,821	1,772,443	2,254,934	2,284,424	2,639,539
1,610,184	1,969,943	2,131,801	2,368,624	365,624
21,909,337	18,399,034	22,527,926	23,935,906	22,774,580
\$35,807,058	\$38,510,860	\$40,068,227	\$46,017,213	\$44,781,339

City of Mason, Ohio
Changes in Net Position
Last Ten Fiscal Years
(accrual basis of accounting)
Table 2 (Continued)

	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>
Net (Expense)/Revenue					
Governmental Activities	(\$25,960,830)	(\$27,851,577)	(\$30,779,376)	(\$33,399,636)	(\$19,260,394)
Business-Type Activities	3,327,968	3,838,747	1,895,178	3,073,463	4,298,362
Total Primary Government Net Expense	<u>(\$22,632,862)</u>	<u>(\$24,012,830)</u>	<u>(\$28,884,198)</u>	<u>(\$30,326,173)</u>	<u>(\$14,962,032)</u>
General Revenues and Other Changes in Net Position					
Governmental Activities:					
Income Taxes	\$25,867,801	\$30,159,378	\$30,932,502	\$31,924,252	\$37,542,739
Property Taxes Levied for:					
General Purposes	423,801	301,725	545,186	964,574	256,782
Special Revenue Purposes	3,886,757	3,927,783	4,143,329	5,494,947	3,381,854
Debt Service Purposes	1,541,012	1,580,755	1,636,134	2,157,903	1,475,246
Unrestricted Grants and Entitlements	1,337,037	1,905,927	1,808,925	1,856,392	1,957,353
Payment in Lieu of Taxes	1,192,962	1,194,327	2,972,508	2,249,384	2,236,927
Investment Earnings	318,366	410,879	495,491	564,352	1,302,099
Gain on Sale of Capital Asset	0	0	0	0	0
Other Revenues	455,638	1,156,154	604,055	883,407	906,821
Transfers-Internal Activities	<u>(1,046,000)</u>	<u>(1,564,000)</u>	<u>(1,452,500)</u>	<u>(2,521,776)</u>	<u>(1,547,000)</u>
Total Governmental Activities	33,977,374	39,072,928	41,685,630	43,573,435	47,512,821
Business-Type Activities					
Investment Earnings	83,495	91,509	183,385	204,091	515,977
Other Revenues	61,133	35,020	37,286	92,559	109,481
Transfers-Internal Activities	1,046,000	1,564,000	1,452,500	2,521,776	1,547,000
Extraordinary Item	0	609,184	0	0	0
Total Business-Type Activities	<u>1,190,628</u>	<u>2,299,713</u>	<u>1,673,171</u>	<u>2,818,426</u>	<u>2,172,458</u>
Total Primary Government	<u>\$35,168,002</u>	<u>\$41,372,641</u>	<u>\$43,358,801</u>	<u>\$46,391,861</u>	<u>\$49,685,279</u>
Changes in Net Position					
Governmental Activities	\$11,221,351	\$10,906,254	\$10,173,799	\$28,252,427	\$32,481,425
Business-Type Activities	<u>6,138,460</u>	<u>3,568,349</u>	<u>5,891,889</u>	<u>6,470,820</u>	<u>5,650,515</u>
Total Primary Government	<u>\$17,359,811</u>	<u>\$14,474,603</u>	<u>\$16,065,688</u>	<u>\$34,723,247</u>	<u>\$38,131,940</u>

Source: City of Mason, Ohio, Department of Finance

<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>
(\$19,260,394)	(\$32,248,013)	(\$26,877,525)	(\$28,349,524)	(\$39,585,844)
2,939,923	1,144,103	3,912,638	4,153,101	1,409,265
(\$16,320,471)	(\$31,103,910)	(\$22,964,887)	(\$24,196,423)	(\$38,176,579)
\$36,291,906	\$39,221,456	\$45,434,993	\$45,543,215	\$46,823,804
677,876	751,185	694,693	1,049,844	748,984
5,125,291	6,309,286	4,695,485	7,913,919	5,765,908
2,151,515	2,624,161	1,972,812	3,255,341	2,266,360
2,226,651	1,644,621	2,632,482	3,640,233	2,432,837
2,278,530	1,964,577	2,175,219	2,283,907	3,799,550
3,078,024	2,821,919	(441,458)	(2,773,121)	8,052,622
0	2,049,159	0	0	18,190
1,398,026	1,773,848	223,924	212,474	1,584,719
(1,486,000)	(1,438,000)	(2,785,000)	(2,373,000)	(3,458,694)
51,741,819	57,722,212	54,603,150	58,752,812	68,034,280
1,126,581	894,753	(187,148)	(238,795)	2,324,402
98,011	289,917	34,322	88,654	6,086
1,486,000	1,438,000	2,785,000	2,373,000	3,458,694
0	0	0	0	0
2,710,592	2,622,670	2,632,174	2,222,859	5,789,182
\$54,452,411	\$60,344,882	\$57,235,324	\$60,975,671	\$73,823,462
\$32,481,425	\$25,474,199	\$27,725,625	\$30,403,288	\$28,448,436
5,650,515	3,766,773	6,544,812	6,375,960	7,198,447
\$38,131,940	\$29,240,972	\$34,270,437	\$36,779,248	\$35,646,883

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City of Mason, Ohio
Governmental Activities Tax Revenues by Source
Last Ten Fiscal Years
(accrual basis of accounting)
Table 3

<u>Fiscal Year</u>	<u>Income Tax</u>	<u>Property tax revenue for:</u>				<u>Total</u>
		<u>General</u>	<u>Special Revenue</u>	<u>Debt Service</u>	<u>Total Property Taxes</u>	
2014	\$25,867,801	\$423,801	\$3,886,757	\$1,541,012	\$5,851,570	\$31,719,371
2015	30,159,378	301,725	3,927,783	1,580,755	5,810,263	35,969,641
2016	30,932,502	545,186	4,143,329	1,636,134	6,324,649	37,257,151
2017 (1)	31,924,452	964,574	5,494,947	2,157,903	8,617,424	40,541,876
2018	37,542,739	256,782	3,381,854	1,475,246	5,113,882	42,656,621
2019	36,291,906	677,876	5,125,291	2,151,515	7,954,682	44,246,588
2020	39,221,456	751,185	6,309,286	2,624,161	9,684,632	48,906,088
2021	45,434,993	694,693	4,695,485	1,972,812	7,362,990	52,797,983
2022	45,543,215	1,049,844	7,913,919	3,255,341	12,219,104	57,762,319
2023	46,823,804	748,984	5,765,908	2,266,360	8,781,252	55,605,056

Source: City of Mason, Ohio, Department of Finance

(1) 2017 property tax revenue includes the advance for tax year 2017 that was available rather than deferred

City of Mason, Ohio
Fund Balances of Governmental Funds
Last Ten Fiscal Years
(modified accrual basis of accounting)
Table 4

	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>
General Fund					
Nonspendable	\$344,898	\$560,194	\$501,274	\$360,487	\$430,197
Assigned	20,543,640	27,104,971	31,104,283	34,597,957	40,615,675
Unassigned	17,623,466	19,384,655	22,191,660	20,126,322	22,447,959
Total General Fund	<u>\$38,512,004</u>	<u>\$47,049,820</u>	<u>\$53,797,217</u>	<u>\$55,084,766</u>	<u>\$63,493,831</u>
All Other Governmental Funds					
Nonspendable	18,997	27,595	27,424	19,157	15,657
Restricted	14,283,876	14,430,667	15,901,389	21,399,662	23,790,083
Committed	686	686	10,146	686	686
Assigned	2,120,201	2,279,076	2,496,191	3,039,830	3,763,802
Unassigned	(172,219)	(128,747)	(1,812,193)	(26,894)	0
Total All Other Governmental Funds	<u>\$16,251,541</u>	<u>\$16,609,277</u>	<u>\$16,622,957</u>	<u>\$24,432,441</u>	<u>\$27,570,228</u>

Source: City of Mason, Ohio, Department of Finance

<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>
\$554,010	\$511,886	\$541,463	\$471,026	\$674,845
43,669,072	77,151,958	62,592,069	74,103,223	86,593,149
23,743,959	18,676,543	31,898,977	31,561,926	34,331,215
<u>\$67,967,041</u>	<u>\$96,340,387</u>	<u>\$95,032,509</u>	<u>\$106,136,175</u>	<u>\$121,599,209</u>
16,074	49,486	26,653	20,055	21,432
29,198,225	32,688,575	43,073,882	47,280,292	49,228,114
686	686	686	686	686
3,358,550	503,681	579,607	655,762	596,459
0	0	(204,067)	(26,868)	(36,466)
<u>\$32,573,535</u>	<u>\$33,242,428</u>	<u>\$43,476,761</u>	<u>\$47,929,927</u>	<u>\$49,810,225</u>

City of Mason, Ohio
Changes in Fund Balances of Governmental Funds
Last Ten Fiscal Years
(modified accrual basis of accounting)
Table 5

	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>
Revenues					
Taxes	\$33,711,798	\$36,510,341	\$38,152,129	\$41,077,499	\$44,424,065
Charges for Services	2,135,411	2,085,989	2,820,263	2,840,435	3,336,546
Investment Earning	307,704	399,249	481,325	534,372	1,296,309
Intergovernmental	4,612,903	5,347,271	8,801,391	4,892,782	4,672,327
Fines, Licenses & Permits	3,003,599	2,748,158	3,037,544	3,484,489	2,958,595
Special Assessments	6,477	0	0	0	136,948
Revenue in Lieu of Taxes	1,193,794	1,164,715	2,952,032	2,280,491	2,195,903
Other Revenue	2,193,185	1,631,646	1,137,776	1,425,838	1,406,476
Total Revenues	47,164,871	49,887,369	57,382,460	56,535,906	60,427,169
Expenditures					
General Government	7,598,473	7,190,949	7,199,194	8,022,692	7,620,161
Public Safety	13,017,332	12,897,974	14,159,846	15,369,761	16,008,398
Community Development	2,904,994	3,463,967	5,680,876	4,053,604	4,531,433
Leisure Time Activities	1,959,721	2,254,479	2,304,088	2,397,596	2,302,929
Transportation and Street Repair	4,998,074	5,423,862	5,158,461	5,370,369	6,392,333
Basic Utility Service	283,225	283,772	281,369	301,912	266,693
Capital Outlay	8,248,954	12,136,133	10,022,629	8,226,151	4,964,472
Debt Service					
Principal Retirement	2,371,250	4,951,250	3,066,250	2,900,000	4,020,000
Interest and Fiscal Charges	1,578,415	1,870,079	1,336,941	1,374,429	1,273,058
Bond Issuance Cost	0	139,223	128,486	0	0
Total Expenditures	42,960,438	50,611,688	49,338,140	48,016,514	47,379,477
Excess of Revenues					
Over (Under) Expenditures	4,204,433	(724,319)	8,044,320	8,519,392	13,047,692
Other Financing Sources (Uses)					
Sale of Capital Assets	0	1,430,890	116,833	31,945	0
Issuance of Long-Term Capital-Related Debt	0	9,000,000	8,575,000	2,000,000	0
Payments to Refunded Bond Escrow Agent	0	0	(9,600,367)	0	0
Premium on Debt Issuance	0	534,150	1,156,623	0	0
Proceeds of Leases	0	0	0	0	0
Transfer In	4,114,144	6,970,254	4,376,957	8,048,887	10,202,456
Transfer Out	(5,160,144)	(8,534,254)	(5,829,457)	(9,353,887)	(11,749,456)
Total Other Financing Sources (Uses)	(1,046,000)	9,401,040	(1,204,411)	726,945	(1,547,000)
Net Change in Fund Balances	\$3,158,433	\$8,676,721	\$6,839,909	\$9,246,337	\$11,500,692
Debt Service as a Percentage of					
Noncapital Expenditures	11.3%	18.7%	11.5%	10.4%	13.4%

Source: City of Mason, Ohio, Department of Finance

<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>
\$45,115,793	\$49,473,963	\$53,975,742	\$61,226,222	\$56,867,973
3,546,217	3,217,386	4,220,109	4,246,825	5,607,746
3,022,069	2,876,580	(433,364)	(2,890,461)	7,830,739
5,108,504	9,795,217	11,602,455	15,112,208	13,742,858
2,675,661	2,005,919	2,563,334	2,336,429	2,424,519
136,415	136,410	136,654	137,778	136,248
2,186,013	2,057,098	1,982,675	2,468,081	3,862,765
3,856,946	2,311,943	719,220	768,711	2,135,640
65,647,618	71,874,516	74,766,825	83,405,793	92,608,488
7,638,961	8,868,661	9,913,333	11,738,722	11,628,616
16,547,378	18,105,298	16,809,164	17,338,251	20,183,466
4,750,244	3,963,766	4,000,572	4,811,061	4,654,955
2,216,199	3,278,495	2,701,370	3,003,730	3,570,934
6,769,310	7,580,673	9,335,749	7,489,687	8,680,653
276,330	250,649	291,674	292,888	368,402
13,504,828	16,989,685	25,369,911	16,344,075	19,362,481
1,970,000	9,335,000	4,170,000	2,860,000	2,947,383
1,135,277	1,369,224	1,310,270	1,530,281	1,415,413
0	418,117	203,044	0	0
54,808,527	70,159,568	74,105,087	65,408,695	72,812,303
10,839,091	1,714,948	661,738	17,997,098	19,796,185
0	4,053,824	100,920	11,501	58,472
0	23,000,000	10,000,000	0	0
0	0	0	0	0
0	1,731,165	938,034	0	0
0	0	0	0	755,604
8,532,230	9,254,979	8,197,171	6,886,369	4,761,931
(10,018,230)	(10,692,979)	(10,982,171)	(9,259,369)	(8,220,625)
(1,486,000)	27,346,989	8,253,954	(2,361,499)	(2,644,618)
\$9,353,091	\$29,061,937	\$8,915,692	\$15,635,599	\$17,151,567
7.6%	21.7%	11.4%	8.8%	7.9%

City of Mason, Ohio
Income Tax Revenue by Payer Type
Last Ten Fiscal Years
(budget (cash) basis of accounting)
Table 6

<u>Fiscal Year</u>	<u>Withholding</u>	<u>Business</u>	<u>Individual</u>	<u>Total</u>	<u>Percentage of Total</u>			
					<u>Withholding</u>	<u>Business</u>	<u>Individual</u>	<u>Total</u>
2014	\$18,462,999	\$3,823,889	\$4,266,319	\$26,553,207	69.5%	14.4%	16.1%	100.0%
2015	19,305,702	5,652,877	4,437,307	29,395,886	65.7%	19.2%	15.1%	100.0%
2016	21,313,476	5,112,306	4,992,424	31,418,206	67.8%	16.3%	15.9%	100.0%
2017	22,145,087	4,629,661	4,868,771	31,643,519	70.0%	14.6%	15.4%	100.0%
2018	23,961,340	9,455,422	4,137,634	37,554,396	63.8%	25.2%	11.0%	100.0%
2019	26,375,737	4,576,337	4,922,166	35,874,240	73.5%	12.8%	13.7%	100.0%
2020	26,962,882	6,559,837	5,101,020	38,623,739	69.8%	17.0%	13.2%	100.0%
2021	28,325,734	10,199,526	6,189,829	44,715,089	63.3%	22.8%	13.8%	100.0%
2022	29,113,859	12,196,391	6,393,169	47,703,419	61.0%	25.6%	13.4%	100.0%
2023	29,794,959	9,351,396	6,567,680	45,714,035	65.2%	20.5%	14.3%	100.0%

General Governmental Income Tax Revenue by Tax Year
Last Ten Fiscal Years
(budget (cash) basis of accounting)

<u>Fiscal Year</u>	<u>Delinquent</u>	<u>Penalties</u>	<u>Prior Year</u>	<u>Current Year</u>	<u>Total</u>
2014	\$253,419	\$195,400	\$4,976,987	\$21,127,401	\$26,553,207
2015	249,055	173,592	6,139,305	22,833,934	29,395,886
2016	427,351	198,735	6,319,233	24,472,887	31,418,206
2017	(34,581)	317,363	6,000,839	25,359,898	31,643,519
2018	(103,332)	255,568	7,881,573	29,520,588	37,554,397
2019	(928,727)	342,976	6,771,199	29,688,792	35,874,240
2020	768,456	262,856	9,451,939	28,140,489	38,623,739
2021	910,967	332,384	9,420,233	34,051,505	44,715,089
2022	1,179,402	313,017	6,403,661	39,807,338	47,703,419
2023	2,130,900	357,841	5,932,221	37,293,073	45,714,035

Source: City of Mason, Ohio, Department of Finance

City of Mason, Ohio
Assessed and Estimated Actual Value of Taxable Property (2)
Last Ten Fiscal Years
Table 7

Tax Year	Real Property		Public Utility (1)		Total		Total Direct Tax Rate	Assessed Value as a Percentage of Total Estimated Actual Value
	Assessed Value	Estimated Actual Value	Assessed Value	Estimated Actual Value	Assessed Value	Estimated Actual Value		
2014	\$980,478,870	\$2,801,371,057	\$19,495,730	\$22,154,238	\$999,974,600	\$2,823,525,295	6.72	35.42%
2015	1,067,993,410	3,051,409,743	20,299,970	23,882,318	1,088,293,380	3,075,292,061	6.72	35.39%
2016	1,090,772,940	3,116,494,114	20,553,230	24,180,271	1,111,326,170	3,140,674,385	6.72	35.38%
2017	1,122,760,390	3,207,886,829	22,147,560	26,055,953	1,144,907,950	3,233,942,782	6.72	35.40%
2018	1,271,359,680	3,632,456,229	23,678,020	67,651,485	1,295,037,700	3,700,107,714	6.72	35.00%
2019	1,315,894,450	3,759,698,429	24,976,370	71,361,057	1,340,870,820	3,831,059,486	6.72	35.00%
2020	1,360,824,030	3,888,068,657	27,735,470	79,244,200	1,388,559,500	3,967,312,857	6.72	35.00%
2021	1,512,664,690	4,321,899,114	29,928,880	85,511,086	1,542,593,570	4,407,410,200	6.72	35.00%
2022	1,602,850,670	4,579,573,343	31,165,070	89,043,057	1,634,015,740	4,668,616,400	6.72	35.00%
2023	1,641,071,520	4,688,775,771	35,383,800	101,096,571	1,676,455,320	4,789,872,342	6.72	35.00%

Source: Warren County Auditor's Office

(1) Estimate based upon 85% assessed value

(2) Tangible Personal Property Tax was phased out

City of Mason, Ohio
Property Tax Rates -
Direct and Overlapping Governments
Last Ten Fiscal Years
Table 8

<u>Tax Year</u>	<u>City of Mason</u>				<u>Overlapping Rates</u>				
	<u>General Fund</u>	<u>Fire Operating</u>	<u>Debt Service</u>	<u>Total</u>	<u>Mason City School District</u>	<u>Warren County</u>	<u>Joint Voc. School</u>	<u>Special District</u>	<u>Total</u>
2014	0.58%	4.40%	1.74%	6.72%	83.97%	7.78%	2.70%	2.25%	103.42%
2015	0.58%	4.40%	1.74%	6.72%	83.11%	7.78%	2.70%	2.25%	102.56%
2016	0.58%	4.40%	1.74%	6.72%	83.11%	7.78%	2.70%	2.25%	102.56%
2017	0.58%	4.40%	1.74%	6.72%	83.11%	6.28%	2.70%	2.00%	100.81%
2018	0.58%	4.40%	1.74%	6.72%	82.79%	6.28%	2.70%	2.00%	100.49%
2019	0.58%	4.40%	1.74%	6.72%	82.79%	6.28%	2.70%	2.00%	100.49%
2020	0.58%	4.40%	1.74%	6.72%	87.10%	6.28%	2.70%	2.00%	104.80%
2021	0.58%	4.40%	1.74%	6.72%	86.35%	2.50%	2.70%	2.00%	100.27%
2022	0.58%	4.40%	1.74%	6.72%	85.91%	6.28%	2.70%	2.00%	103.61%
2023	0.58%	4.40%	1.74%	6.72%	85.91%	7.78%	2.70%	2.00%	105.11%

Source: Warren County Auditor's Office

(1) Rates equivalent to \$1 in tax per \$1,000 of assessed valuation.

City of Mason, Ohio
Principal Property Taxpayers
December 31, 2023
Table 9

<u>Taxpayer</u>	Fiscal Year 2023			Fiscal Year 2013		
	<u>Assessed Valuation</u>	<u>Rank</u>	<u>Percentage Of Total Assessed Valuation</u>	<u>Assessed Valuation</u>	<u>Rank</u>	<u>Percentage Of Total Assessed Valuation</u>
Procter & Gamble Company	\$55,584,720	1	3.32%			
Duke Energy Ohio Inc.	35,352,160	2	2.11%	\$17,752,950	2	1.80%
Kings Island Company	21,826,040	3	1.30%	20,471,470	1	2.07%
Mason Family Resorts	18,000,690	4	1.07%	2,588,740	10	0.26%
Lenscrafters, Inc	9,905,000	5	0.59%			
Cedar Village Health	8,283,700	6	0.49%			
Twin Fountains of Mason	8,044,720	7	0.48%	8,044,720	3	0.81%
Mason Christian Village	7,645,140	8	0.46%	4,934,630	6	0.50%
Cintas Sales Corporation	5,991,210	9	0.36%	5,564,970	5	0.56%
Scion Real Estate Investments	4,852,670	10	0.29%			
Mitsubishi Electric Auto				4,214,370	8	0.43%
Makino				4,724,780	7	0.48%
Tennis for Charity				5,932,840	4	0.60%
HJ Heinz Co LLP				2,772,390	9	0.28%
All Others	1,500,969,270		89.53%	910,389,910		92.21%
Total Assessed Valuation	1,676,455,320		100.00%	\$987,391,770		100.00%

Source: Warren County Auditor's Office

City of Mason, Ohio
Property Tax Levies and Collections -
Real, Public Utility and Tangible Personal Property
Table 10

Tax Year:	2013/2014	2014/2015	2015/2016	2016/2017	2017/2018
Fiscal Year:	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>
Current Tax Levy	\$6,623,235	\$6,711,730	\$7,274,791	\$7,500,402	\$7,738,662
Current Tax Collections	6,530,015	6,543,116	7,163,604	7,389,214	7,634,616
Percent of Levy Collected	98.59%	97.49%	98.47%	98.52%	98.66%
Delinquent Tax Collections (1)	128,004	105,306	185,931	122,090	162,859
Total Tax Collections	6,658,019	6,648,421	7,349,535	7,511,304	7,797,475
Ratio of Total Tax Collections to Current Taxes Levied	100.53%	99.06%	101.03%	100.15%	100.76%

Source: Warren County Auditor's Office

(1) Delinquent Tax Collections by levy year are not available. Only Delinquent Tax Collections by collection year are available and presented. The County does not identify delinquent collections by the year for which the tax was levied.

2018/2019 <u>2019</u>	2019/2020 <u>2020</u>	2020/2021 <u>2021</u>	2021/2022 <u>2022</u>	2022/2023 <u>2023</u>
\$8,677,773	\$8,929,969	\$9,282,368	\$10,276,642	\$10,946,299
8,579,145	8,048,674	9,059,440	10,094,391	10,760,014
98.86%	90.13%	97.60%	98.23%	98.30%
123,644	113,556	218,719	185,010	189,407
8,702,788	8,162,230	9,278,158	10,279,401	10,949,421
100.29%	91.40%	99.95%	100.03%	100.03%

City of Mason, Ohio
Special Assessment Billings and Collections
Last Ten Fiscal Years
Table 11

Tax Year	Current Assessments Billings	Current Assessments Collected	Ratio of Collection To Amount Billed
2013	\$7,544	\$6,160	81.65%
2014	3,298	3,207	97.24%
2015	3,152	2,811	89.18%
2016	2,662	1,613	60.59%
2017	139,644	138,401	99.11%
2018	138,853	138,434	99.70%
2019	141,233	140,580	99.54%
2020	138,871	137,317	98.88%
2021	140,732	139,840	99.37%
2022	142,006	139,219	98.04%

Source: Warren County Auditor's Office

Note: Tax Year 2022 is billed and due in 2023

City of Mason, Ohio
Ratios of Outstanding Debt by Type
Last Ten Fiscal Years
Table 12

Fiscal Year	Governmental Activities								
	General Obligation Bonds	Bond Anticipation Notes	Tax Increment Financing	Certificates of Participation	Special Assessments Bonds	Total Governmental Activities			
2014	\$17,080,479	\$8,500,000	\$2,345,000	\$15,265,338	\$0	\$43,190,817			
2015	25,373,539	2,000,000	2,105,000	11,729,893	0	41,208,432			
2016	24,340,980	0	1,855,000	10,664,448	0	36,860,428			
2017	22,496,798	0	1,695,000	9,574,003	2,000,000	35,765,801			
2018	19,657,613	0	1,530,000	8,438,558	1,925,000	31,551,171			
2019	18,948,696	0	1,350,000	7,258,113	1,850,000	29,406,809			
2020	41,353,090	0	1,165,000	0	1,775,000	44,293,090			
2021	48,190,649	0	960,000	0	1,695,000	50,845,649			
2022	45,368,272	0	745,000	0	1,610,000	47,723,272			
2023	42,435,895	0	575,000	0	1,525,000	44,535,895			

Fiscal Year	Business-Type Activities						Total Primary Government	Percentage of Personal Income(1)	Per Capita(1)
	General Obligation Bonds	Mortgage Revenue Bonds	Bond Anticipation Notes	Certificates of Participation	Special Assessments Bonds	Total Business-Type Activities			
2014	\$30,133,364	\$0	\$0	\$9,724,266	\$0	\$39,857,630	\$83,048,447	5.98%	\$2,627
2015	28,362,563	0	0	9,405,053	0	37,767,616	78,976,048	4.83%	2,498
2016	20,695,358	0	5,500,000	9,075,840	0	35,271,198	72,131,626	4.19%	2,208
2017	19,195,626	0	5,000,000	8,736,627	0	32,932,253	68,698,054	3.88%	2,079
2018	17,640,894	0	4,500,000	8,382,414	0	30,523,308	62,074,479	3.41%	1,868
2019	16,066,162	0	4,000,000	7,215,832	0	27,281,994	56,688,803	2.98%	1,674
2020	20,123,717	0	0	6,569,249	0	26,692,966	70,986,056	3.70%	2,075
2021	4,978,699	0	0	5,907,666	0	10,886,365	61,732,014	2.98%	1,774
2022	4,280,111	0	0	5,231,083	0	9,511,194	57,234,466	2.55%	1,611
2023	3,566,523	0	0	4,534,500	0	8,101,023	52,636,918	2.26%	1,476

Source: City of Mason, Ohio, Department of Finance

Note: Premiums and discounts on issuances are not included. Details regarding the city's outstanding debt can be found in the notes to the financial statements.

(1) See the Schedule of Demographic and Economic Statistics on Table 17 for personal income and population data.

City of Mason, Ohio
Ratios of Net General Bonded Debt Outstanding
To Assessed Value and Net Bonded Debt Per Capita
Table 13

<u>Fiscal Year</u>	<u>Population (1)</u>	<u>Assessed Value (2)</u>	<u>General Bonded Debt (3)</u>	<u>Less Debt Service Fund (4)</u>	<u>Net General Bonded Debt</u>	<u>Ratio of Net Bonded Debt to Assessed Value</u>	<u>Net Bonded Debt Per Capita</u>
2014	31,613	\$999,974,600	\$47,213,843	\$830,279	\$46,383,564	4.64%	\$1,467
2015	31,613	1,088,293,380	53,736,102	896,336	52,839,766	4.86%	1,671
2016	32,662	1,111,326,170	45,036,338	495,343	44,540,995	4.01%	1,364
2017	33,037	1,144,907,950	41,692,424	567,796	41,124,628	3.59%	1,245
2018	33,235	1,295,037,700	37,298,507	727,058	36,571,449	2.82%	1,100
2019	33,870	1,340,870,820	35,014,858	2,009,513	33,005,345	2.46%	974
2020	34,209	1,388,559,500	61,476,807	1,498,731	59,978,076	4.32%	1,753
2021	34,792	1,542,593,570	53,169,348	2,104,478	51,064,870	3.31%	1,468
2022	35,520	1,634,015,740	49,648,383	3,287,239	46,361,144	2.84%	1,305
2023	35,660	1,676,455,320	46,002,418	3,868,160	42,134,258	2.51%	1,182

Source: City of Mason, Ohio, Department of Finance

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

(1) U.S. Census Bureau

(2) Assessed Value from Warren County Auditor's Office

(3) Does not include Bond Anticipation Notes, Tax Increment Financing, Certificates of Participation or Special Assessment debt with governmental commitment.

(4) Does not include debt service fund balances for Special Assessment debt with governmental commitment.

City of Mason, Ohio
Ratio of Annual Debt Service Expenditures
For General Obligation Bonded Debt (1)
To Total General Government Expenditures
Table 14

<u>Fiscal Year</u>	<u>Principal</u>	<u>Interest (2)</u>	<u>Total Debt Service</u>	<u>Total General Government Expenditures</u>	<u>Ratio of Debt Service To General Government Expenditures</u>
2014	\$1,175,000	\$724,108	\$1,899,108	\$7,598,473	24.99%
2015	1,215,000	686,983	1,901,983	7,190,949	26.45%
2016	1,790,000	643,558	2,433,558	7,199,194	33.80%
2017	1,695,000	813,986	2,508,986	8,022,692	31.27%
2018	2,690,000	713,534	3,403,534	7,620,161	44.66%
2019	580,000	631,727	1,211,727	7,638,961	15.86%
2020	2,135,000	896,848	3,031,848	8,868,661	34.19%
2021	4,090,000	1,310,270	5,400,270	9,313,333	57.98%
2022	2,775,000	1,292,543	4,067,543	11,738,722	34.65%
2023	2,840,000	1,202,393	4,042,393	11,628,616	34.76%

Source: City of Mason, Ohio, Department of Finance

(1) General obligation bonds reported in the enterprise funds and special assessment debt with governmental commitment have been excluded.

(2) Excludes bond issuance and other costs.

City of Mason, Ohio
Direct and Overlapping Governmental General Obligation Debt
As of December 31, 2023
Table 15

	Net General Obligations Bonded Debt Outstanding (1)	Percentage Applicable (2) to City	Amount Applicable to City
Lebanon City School District	\$29,430,000	0.20%	\$58,860
Mason City School District	15,600,000	55.94%	8,726,640
Kings Local School District	28,490,000	13.61%	3,877,489
Warren County Career Center Jt. Voc. School	520,000	2.54%	13,208
Subtotal Overlapping Debt	74,040,000		12,676,197
City of Mason - Direct Debt	\$44,535,895	100.00%	\$44,535,895
Total Direct and Overlapping Debt	\$118,575,895		\$57,212,092

Source: Ohio Municipal Advisory Council

(1) - Includes Special Assessment and Self-Supporting Debt

(2) - Percentages were determined by dividing the assessed valuation of the overlapping government located within the boundaries of the City by the total assessed valuation of the government.

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City of Mason, Ohio
Legal Debt Margin Information
Last Ten Fiscal Years
Table 16

	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>
Total Debt Limit (1)					
Total Debt Limit (10.5%)	\$104,997,333	\$114,270,805	\$116,689,248	\$120,215,335	\$135,978,959
Total Net Debt Applicable to Limits	24,584,721	25,800,620	22,164,657	21,947,204	19,472,942
Legal Debt Limit Margin	\$80,412,612	\$88,470,185	\$94,524,591	\$98,268,131	\$116,506,017
Total Net Debt Applicable to the Limit as a Percentage of Total Debt Limit	23.41%	22.58%	18.99%	18.26%	14.32%
Total Unvoted Debt Limit (1)					
Total Unvoted Debt Limit (5.5%)	\$54,998,603	\$59,856,136	\$61,122,939	\$62,969,937	\$71,227,074
Total Net Debt Applicable to Limits	24,584,721	25,800,620	22,164,657	21,947,204	19,472,942
Legal Unvoted Debt Limit Margin	\$30,413,882	\$34,055,516	\$38,958,282	\$41,022,733	\$51,754,132
Total Net Debt Applicable to the Limit as a Percentage of Total Unvoted Debt Limit	44.70%	43.10%	36.26%	34.85%	27.34%

Legal Debt Margin Calculation for Fiscal Year 2023

	Total Debt Limit	Total Unvoted Debt Limit
Net assessed valuation	\$1,676,455,320	\$1,676,455,320
Statutory legal debt limitation (1)	10.5%	5.5%
Total debt limitation	\$176,027,809	\$92,205,043
Debt applicable to limit:		
Debt applicable to limit (2)	42,810,000	42,810,000
Less: applicable debt service fund amounts (3)	(3,868,160)	(3,868,160)
Total net debt applicable to limit	38,941,840	38,941,840
Legal debt margin	\$137,085,969	\$53,263,203

Source: City of Mason, Ohio, Department of Finance

- (1) Direct debt limitation based upon Section 133, the Uniform Bond Act of the Ohio Revised Code. Total debt limit should not exceed 10.5% of net assessed property value. Total unvoted debt limit should not exceed 5.5% of net assessed property value.
- (2) Amount is outstanding principal due and what is required by the City when reporting the legal debt margin as required by ORC 133. Amount does not include any premium and/or discount (principal only).
- (3) Does not include debt service fund balances for Special Assessment debt with governmental commitment.

<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>
\$140,791,436	\$145,798,748	\$161,972,325	\$171,571,653	\$176,027,809
21,554,513	40,316,270	48,741,171	44,436,033	38,941,840
\$119,236,923	\$105,482,478	\$113,231,154	\$127,135,620	\$137,085,969
15.31%	27.65%	30.09%	25.90%	22.12%
\$73,747,895	\$76,370,773	\$84,842,646	\$89,870,866	\$92,205,043
21,554,513	40,316,270	48,741,171	44,436,033	38,941,840
\$52,193,382	\$36,054,503	\$36,101,475	\$45,434,833	\$53,263,203
29.23%	52.79%	57.45%	49.44%	42.23%

City of Mason, Ohio
Demographic and Economic Statistics
December 31, 2023
Table 17

<u>Year</u>	<u>Area</u> <u>(Square Miles)</u>	<u>Population (1)</u>	<u>Estimated</u>	<u>Per Capita</u>	<u>Median</u> <u>Age (4)</u>	<u>School</u> <u>Enrollment (5)</u>	<u>Unemployment Rates (6)</u>		
			<u>Personal</u> <u>Income (2)</u>	<u>Personal</u> <u>Income (3)</u>			<u>Warren</u> <u>County</u>	<u>Ohio</u>	<u>United</u> <u>States</u>
2014	18.6	31,613	\$1,388,537,799	\$43,923	38.9	10,773	3.7%	5.2%	5.4%
2015	18.6	31,613	1,636,541,784	51,768	38.9	10,715	4.4%	5.4%	5.1%
2016	19.2	32,662	1,719,621,638	52,649	40.4	10,713	4.7%	6.0%	5.1%
2017	19.2	33,037	1,771,080,533	53,609	41.9	10,728	3.8%	4.5%	3.9%
2018	19.2	33,235	1,818,353,320	54,712	42.3	10,664	3.9%	4.8%	3.7%
2019	19.2	33,870	1,899,937,650	56,095	37.9	10,420	3.1%	3.8%	3.4%
2020	19.2	34,209	1,918,953,855	56,095	42.4	10,283	4.0%	5.2%	6.5%
2021	19.2	34,792	2,073,846,744	59,607	42.9	10,295	2.6%	3.4%	3.7%
2022	19.2	35,520	2,241,880,320	63,116	42.1	10,210	2.9%	3.6%	3.3%
2023	19.2	35,660	2,326,921,980	65,253	41.7	10,380	2.6%	3.1%	3.7%

Sources:

- (1) U.S. Census Bureau 2020 Census
- (2) Population estimate times per capita person income
- (3) U.S. Department of Commerce, Bureau of Economic Analysis for the Cincinnati Metropolitan Statistical Area. 2020 information not available.
- (4) U.S. Census Bureau 2020 Census
- (5) Mason City Schools
- (6) Ohio Department of Job & Family Services, Office of Workforce Development, Bureau of Labor Market Information, seasonally adjusted. Information only available for Warren County

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City of Mason, Ohio
Principal Employers
Current Year and Ten Years Ago
Table 18

Fiscal Year 2023		
<u>Employer</u>	<u>Business Activity</u>	<u>Full-time Employees (1)</u>
Procter & Gamble Company	Healthcare research	3,252
Cintas Corporation	Professional uniforms	1,510
Kings Island	Amusement park	1,250
Mason City Schools	Local school district	1,168
EssilorLuxottica	Eyewear and lens	900
L3Harris Technologies Inc	Aerospace and defense industry electronics	830
Honeywell-Intelligrated	Material handling solutions	795
Empire Packing LP	Packaged meat	689
Makino Inc	Machine tool manufacturer	600
Mitsubishi Electric Automotive	Automotive electrical components	563
<u>Employer</u>	<u>Business Activity</u>	<u>Income Tax Withholding Ranking (2)</u>
Procter & Gamble Company	Healthcare research	1
Cintas Corporation	Professional uniforms	2
EssilorLuxottica	Eyewear and lens	3
Honeywell-Intelligrated	Material handling solutions	4
Mason City Schools	Local school district	5
L3Harris Technologies Inc	Aerospace and defense industry electronics	6
Kings Island	Amusement park	7
AtriCure Inc.	Medical device provider	8
Mitsubishi Electric Automotive	Automotive electrical components	9
Makino Inc	Machine tool manufacturer	10

Source: Full-time employees from City of Mason Economic Development

Note: Income tax withholding ranking from City of Mason Income Tax

(1) The employer's percentage of total employment for each principal employer was not available.

(2) State law and city income tax ordinance prohibits the release of income tax information.

The withholding amount could not be provided.

Fiscal Year 2013

<u>Employer</u>	<u>Business Activity</u>	<u>Full-time Employees (2)</u>
Procter & Gamble Company	Healthcare research	1,920
Luxottica (Lenscrafters)	Eyewear and lens	1,600
Cintas Corporation	Professional uniforms	1,226
Mason City Schools	Local school district	1,188
L3 Cincinnati Electronics	Aerospace and defense industry electronics	653
Intelligrated Systems LLC	Material handling solutions	468
H.J. Heinz/Portion Pac	Portion-controlled condiments	410
Mitsubishi Electric	Automotive electrical components	389
Lindner Center of Hope	Mental health treatment center	253
Cedar Village	Not for profit retirement community	222

<u>Employer</u>	<u>Business Activity</u>	<u>Income Tax Withholding Ranking (3)</u>
Procter & Gamble Company	Healthcare research	1
Luxottica (Lenscrafters)	Eyewear and lens	2
Cintas Corporation	Professional uniforms	3
Mason City Schools	Local school district	4
L3 Cincinnati Electronics	Aerospace and defense industry electronics	5
Intelligrated Systems LLC	Material handling solutions	6
Kings Island	Amusement park	7
Makino	Maching manufacturer	8
Mitsubishi Electric	Automotive electrical components	9
Rhinestahl Corporation	Tooling equipment	10

City of Mason, Ohio
Full-time City of Mason Employee by Function
Last Ten Fiscal Years
Table 19

Full-time position at December 31	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>
General Government										
City Administration	10	10	11	11	11	11	11	11	11	11
Council	1	1	1	1	1	1	1	1	1	1
Facility	3	3	4	4	4	4	4	4	4	4
Finance	10	10	10	10	10	10	10	10	10	10
Municipal Court	20	20	20	20	20	20	20	20	20	20
Public Safety										
Police										
Officers	43	43	46	47	52	52	52	52	52	52
Non-sworn	7	7	7	7	7	7	7	7	7	7
Fire	42	42	46	46	52	52	52	52	52	52
Leisure Time Activities										
Recreation/Community Center	15	15	14	14	15	15	15	15	15	15
Park Maintenance	6	6	6	6	6	6	6	6	6	6
Community Development										
Planning	2	2	2	2	2	2	2	2	2	2
Building Inspection	7	7	7	7	7	7	7	7	7	7
Economic Development	3	3	3	3	3	3	3	3	3	3
Basic Utility Service										
Sanitary Sewer	16	16	16	16	16	16	16	16	15	15
Billing	1	1	1	1	1	1	1	1	1	1
Stormwater	2	2	2	2	2	2	2	2	2	2
Transportation and Street Repair										
Engineering	8	8	7	7	7	7	7	7	7	7
Public Works/Street Maintenance	19	19	19	19	19	19	19	19	20	20
Total Full-Time Positions	215	215	222	223	235	235	235	235	235	235
Total Part-Time Positions	208	210	206	186	185	185	185	185	180	185

Source: City of Mason Annual Budget for full-time positions and City of Mason payroll for part-time positions

City of Mason, Ohio
Operating Indicators and Capital Position Statistics
Last Ten Fiscal Years
Table 20

	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>
Police Protection:										
Number of Marked Patrol Vehicles	19	19	19	19	19	22	24	24	24	24
Calls for Service	41,193	41,267	46,412	55,331	61,373	62,996	51,236	46,620	39,754	27,785
Moving Violation Citations	2,226	2,579	2,977	3,451	2,900	2,411	1,540	1,282	1,570	1,485
Arrests	908	961	980	991	1,076	991	880	567	479	634
Fire & Emergency Medical:										
Fire Responses	1,229	974	968	992	1,181	1,209	1,059	1,005	1,165	1,398
Emergency Medical Responses	2,767	2,823	3,086	2,852	2,963	3,316	2,866	3,457	3,732	3,447
Number of Stations	2	2	2	2	2	2	2	2	2	2
Number of Emergency Vehicles	19	20	20	21	21	20	20	20	20	21
Leisure Time Activities										
Parks	7	7	7	7	7	7	7	8	8	8
Park acreage (developed)	296	296	296	296	296	296	296	301	335	335
Community Center Membership										
Premier	2,257	2,432	2,685	2,648	2,766	2,927	1,751	2,857	3,450	2,697
Basic	1,304	1,208	1,135	1,203	1,178	1,156	743	813	795	698
Golf Center Rounds Played										
Grizzly Course	39,676	40,211	39,243	38,474	37,056	39,146	43,775	45,668	42,360	49,006
Bruin Course (9 hole Oct. 2010, closed)	5,858	5,905	4,069	0	0	0	0	0	0	0
Community Development										
Building Permits Issued	192	153	155	171	153	153	138	168	85	61
Utility Services										
Number of Sewer Customers	10,410	10,580	10,628	10,873	10,961	11,075	11,165	11,290	11,381	11,438
Number of Refuse Customers	9,064	9,113	9,181	9,377	9,565	9,691	9,763	9,890	9,969	9,992
Number of Stormwater Customers	10,609	10,763	10,809	10,911	11,198	11,330	11,407	11,536	11,623	11,666
Storm sewers (miles)	96	98	99	99	101	102	103	104	105	105
Sanitary sewers (miles)	138	141	142	142	145	146	147	148	149	149
Sewage Treatment capacity per day (million gallons)	8.67	8.67	8.67	8.67	8.67	8.67	8.67	8.67	8.67	8.67
Transportation & Street Repair										
Number of Streets (dedicated)	454	459	466	466	477	477	478	481	482	482
Lane Miles	359	360	362	362	364	367	372	375	376	376
Traffic Signals	40	40	42	42	42	42	42	42	42	42
Bike Paths (miles)	19	20	20	20	20	21	21	21	21	21

Source: City of Mason, Ohio, Department of Finance