CITY OF ST. CLAIRSVILLE
BELMONT COUNTY, OHIO

Basic Financial Statements

For the Year Ended
December 31, 2025

Julian & Grube
Serving Ohio Local Governments

CITY OF ST. CLAIRSVILLE
BELMONT COUNTY, OHIO

BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2025

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Accountant's Compilation Report

To the Members of City Council
St. Clairsville, Ohio

Management is responsible for the accompanying basic financial statements of the City of St. Clairsville, which comprise the statements listed in the table of contents as of December 31, 2025 and for the year then ended, and the related notes to the financial statements in accordance with accounting principles generally accepted in the United States of America. We have performed a compilation engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. We did not audit or review the financial statements nor were we required to perform any procedures to verify the accuracy or completeness of the information provided by management. Accordingly, we do not express an opinion, a conclusion, nor provide any assurance on these financial statements.

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, the budgetary comparison schedules, the schedules of net pension and other post-employment benefit assets and liabilities, and pension and other post-employment contributions and the notes to the required supplementary information. Such information is presented for purposes of additional analysis 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 and for placing the basic financial statements in an appropriate operational, economic, or historical context. Such information is the responsibility of management. The required supplementary information was subject to our compilation engagement. We have not audited or reviewed the required supplementary information and do not express an opinion, a conclusion, nor provide any assurance on such information.

Julian & Grube, Inc.

Westerville, Ohio
May 27, 2026

CITY OF ST. CLAIRSVILLE
BELMONT COUNTY, OHIO

MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2025
(SEE ACCOUNTANT'S COMPILATION REPORT)

The discussion and analysis of the City of St. Clairsville's financial performance provides an overall review of the City's financial activities for the fiscal year ended December 31, 2025. The intent of this discussion and analysis is to look at the City's performance as a whole; readers should also review the notes to the basic financial statements and financial statements to enhance their understanding of the City's financial performance.

Financial Highlights

Key financial highlights for 2025 are as follows:

- In total, net position increased $1,269,191 from the 2024 total. Net position of governmental activities increased $203,023 or 1.26% from 2024's net position. Net position of business-type activities increased $1,066,168 or 3.12% from 2024's net position.

- General revenues for governmental activities accounted for $4,147,945 or 76.05% of total revenues. Program specific revenues in the form of charges for services, and operating grants, contributions and interest accounted for $1,306,544 or 23.95% of total revenues in the amount of $5,454,489.

- The City had $5,251,466 in expenses related to governmental activities; only $1,306,544 was offset by program specific charges for services, operating grants and contributions, and capital grants and contributions. General revenues in the amount of $4,147,945 were adequate to provide for these programs.

- The City's major governmental funds are the general fund, the police fund, the street fund and the permanent improvement fund. The general fund had revenues and other financing sources of $2,591,286 and expenditures and other financing uses of $2,620,064 during 2025. The net decrease in fund balance for the general fund was $28,778 or 0.69%.

- The police fund had revenues and other financing sources of $1,479,043 and expenditures of $1,591,091 during 2025. The net decrease in the fund balance for the police fund was $112,048 or 37.97%.

- The street fund had revenues and other financing sources of $1,455,290 and expenditures of $1,533,766 during 2025. The net decrease in the fund balance for the street fund was $78,476 or 11.65%.

- The permanent improvement fund had revenues of $1,181,066 and expenditures of $1,920,758 during 2025. The net decrease in the fund balance for the permanent improvement fund was $739,692 or 34.86%.

- Business-type activities include operations of the City's water, sewer, and light enterprise funds. The net position of the business-type activities totaled $35,259,896 at December 31, 2025. General revenues accounted for $407,674 or 3.57% of total business-type activities revenue, while program specific revenues accounted for $11,007,968 or 96.43% of total business-type activities revenue.

Using this Annual Financial Report

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

The *Statement of Net Position* and *Statement of Activities* provide information about the activities of the whole City, presenting both an aggregate view of the City's finances and a longer-term view of those finances. Fund financial statements provide the next level of detail. For governmental funds, these statements tell how services were financed in the short-term as well as what remains for future spending. The fund financial statements also look at the City's most significant funds with all other nonmajor funds presented in total in one column.

CITY OF ST. CLAIRSVILLE
BELMONT COUNTY, OHIO

MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2025
(SEE ACCOUNTANT'S COMPILATION REPORT)

Reporting the City of St. Clairsville as a Whole

Statement of Net Position and the Statement of Activities

While this document contains information about the funds used by the City to provide services to our citizens, the view of the City as a whole looks at all financial transactions and asks the question, "How did we do financially during 2025?" The Statement of Net Position and the Statement of Activities answer this question. These statements include all assets and liabilities using the accrual basis of accounting similar to the accounting used by private sector companies. This basis of accounting takes into account all of the current year's revenues and expenses regardless of when the cash is received or paid.

These two statements report the City's net position and the changes in net position. This change in net position is important because it tells the reader whether, for the City as a whole, the financial position of the City has improved or diminished. However, in evaluating the overall position of the City, nonfinancial information such as changes in the City's tax base and the condition of the City's capital assets will also need to be evaluated.

In the Statement of Net Position and the Statement of Activities, the City is divided into two kinds of activities:

Governmental Activities - Most of the City's services are reported here including police, administration, and all departments with the exception of the Water, Sewer, and Light Funds. Included with the governmental activities of the City is the Community Improvement Corporation, a legally separate entity, presented as a blended component unit in accordance with GASB Statement Numbers. 14, 39, and 61.

Business-Type Activities - These services are provided on a charge for goods or services basis to recover all or most of the cost of the services provided. The City's Water, Sewer, and Light systems are reported here.

Reporting the City of St. Clairsville's Most Significant Funds

Fund Financial Statements

Fund financial statements provide detailed information about the City's major funds. Based upon restrictions on the use of monies, the City has established many funds which account for the multitude of services provided to our residents. However, these fund financial statements focus on the City's most significant funds. The City of St Clairsville's major funds are the General Fund, Police, Street, and the Permanent Improvement Fund; and the Water, Sewer, and Light Proprietary Funds.

Governmental Funds

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

Proprietary Funds

When the City charges customers for the services it provides, these services are generally reported in proprietary funds. Proprietary funds use the same basis of accounting as business-type activities; therefore, these statements will essentially match.

Notes to the Basic Financial Statements

The notes to the basic financial statements provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

Required Supplementary Information

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the City's net pension and OPEB liabilities/assets, and budgetary comparison schedules.

Government-Wide Financial Analysis

The Statement of Net Position provides the perspective of the City as a whole. Table 1 provides a summary of the City's net position for 2025 compared to 2024.

Table 1
Net Position

	Governmental Activities		Business-Type Activities		Totals	
	2025	2024	2025	2024	2025	2024
Assets						
Current and Other Assets	$ 9,791,838	$ 10,681,207	$ 17,058,353	$ 17,106,498	$ 26,850,191	$ 27,787,705
Capital Assets, Net	11,095,604	9,657,597	29,203,857	27,575,064	40,299,461	37,232,661
Total Assets	20,887,442	20,338,804	46,262,210	44,681,562	67,149,652	65,020,366
Deferred Outflows of Resources						
Deferred Charge on Refunding	2,085	2,382	61,901	74,508	63,986	76,890
Pension	671,951	1,014,854	502,956	685,497	1,174,907	1,700,351
OPEB	69,433	179,680	42,216	160,235	111,649	339,915
Total Deferred Outflows of Resources	743,469	1,196,916	607,073	920,240	1,350,542	2,117,156
Liabilities						
Current Liabilities	86,992	181,707	868,740	1,259,519	955,732	1,441,226
Long-Term Liabilities						
Due within One Year	143,919	143,566	688,796	639,335	832,715	782,901
Due in More Than One Year:						
Net Pension Liability	2,777,716	3,154,795	1,849,539	2,055,679	4,627,255	5,210,474
Net OPEB Liability	117,180	156,227	-	-	117,180	156,227
Other Amounts	531,621	385,801	8,101,332	7,408,023	8,632,953	7,793,824
Total Liabilities	3,657,428	4,022,096	11,508,407	11,362,556	15,165,835	15,384,652
Deferred Inflows of Resources						
Property Taxes	1,141,282	1,092,843	-	-	1,141,282	1,092,843
Payment in Lieu of Taxes	160,000	100,000	-	-	160,000	100,000
Pension	214,094	55,792	65,885	7,216	279,979	63,008
OPEB	145,287	155,192	35,095	38,302	180,382	193,494
Total Deferred Inflows of Resources	1,660,663	1,403,827	100,980	45,518	1,761,643	1,449,345
Net Position						
Net Investment in Capital Assets	10,782,657	9,510,286	20,442,037	19,317,646	31,224,694	28,827,932
Restricted	2,880,487	3,693,494	469,209	68,337	3,349,696	3,761,831
Unrestricted	2,649,676	2,906,017	14,348,650	14,807,745	16,998,326	17,713,762
Total Net Position	$16,312,820	$16,109,797	$35,259,896	$34,193,728	$51,572,716	$50,303,525

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

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

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

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

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

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

Most long-term liabilities have set repayment schedules or, in the case of compensated absences (i.e. sick and vacation leave), are satisfied through paid time-off or termination payments. There is no repayment schedule for the net pension liability or the net OPEB liability. As explained above, changes in benefits, contribution rates, and return on investments affect the balance of these liabilities but are outside the control of the local government. In the event that contributions, investment returns, and other changes are insufficient to keep up with required payments, State statute does not assign/identify the responsible party for the unfunded portion. Due to the unique nature of how the net pension liability and the net OPEB liability are satisfied, these liabilities are separately identified within the long-term liability section of the statement of net position.

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

Over time, net position can serve as a useful indicator of a government's financial position. At December 31, 2025, the City's governmental activities assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by $16,312,820.

Capital assets reported on the government-wide statements represent the largest portion of the City's assets. At year-end, capital assets represented 53.12% of total assets for governmental activities. Capital assets include land, land improvements, buildings and improvements, machinery and equipment, infrastructure, vehicles, intangible right to use leased vehicles, and construction in progress. The City's net investment in capital assets at December 31, 2025 was $10,782,657 for governmental activities. These capital assets are used to provide services to citizens and 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 to repay the debt must be provided from other sources, since capital assets may not be used to liquidate these liabilities.

A portion of the City's net position in the governmental activities, $2,880,487, represents resources that are subject to external restriction on how they may be used. In the governmental activities, the remaining balance of unrestricted net position is $2,649,676.

In order to further understand what makes up the changes in net position for the current year, the following table gives readers further details regarding the results of activities for 2025 and 2024.

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Table 2
Changes in Net Position

	Governmental Activities		Business-Type Activities		Totals	
	2025	2024	2025	2024	2025	2024
Revenues						
Program Revenues:						
Charges for Services	$ 461,447	$475,712	$ 10,765,388	$10,495,804	$ 11,226,835	$ 10,971,516
Operating Grants, Contributions, and Interest	394,488	365,524	-	-	394,488	365,524
Capital Grants	450,609	289,233	242,580	2,008,459	693,189	2,297,692
Total Program Revenues	1,306,544	1,130,469	11,007,968	12,504,263	12,314,512	13,634,732
General Revenues:						
Property Taxes	1,117,670	1,073,476	-	-	1,117,670	1,073,476
Income Taxes	1,649,174	1,654,451	-	-	1,649,174	1,654,451
Kilowatt per Hour Taxes	192,692	173,166	-	-	192,692	173,166
Permissive motor vehicle license tax	63,577	54,178	-	-	63,577	54,178
Payments in lieu of taxes	154,450	89,100	-	-	154,450	89,100
Grants and Entitlements	328,397	278,299	-	-	328,397	278,299
Investment Earnings	535,310	524,329	-	-	535,310	524,329
Other	106,675	87,533	407,674	375,044	514,349	462,577
Total General Revenues	4,147,945	3,934,532	407,674	375,044	4,555,619	4,309,576
Total Revenues	5,454,489	5,065,001	11,415,642	12,879,307	16,870,131	17,944,308
Program Expenses						
General Government						
Legislative and Executive	620,108	709,911	-	-	620,108	709,911
Security of Persons and Property - Police	1,505,313	1,524,974	-	-	1,505,313	1,524,974
Public Health Services	16,407	135	-	-	16,407	135
Leisure Time Services	665,791	520,153	-	-	665,791	520,153
Community and Economic Development	173,796	104,827	-	-	173,796	104,827
Transportation	2,265,523	689,398	-	-	2,265,523	689,398
Interest	4,528	1,243	-	-	4,528	1,243
Water	-	-	1,841,298	1,608,960	1,841,298	1,608,960
Sewer	-	-	1,868,099	1,719,057	1,868,099	1,719,057
Light	-	-	6,640,077	5,946,006	6,640,077	5,946,006
Total Expenses	5,251,466	3,550,641	10,349,474	9,274,023	15,600,940	12,824,664
Increase Before Transfers	203,023	1,514,360	1,066,168	3,605,284	1,269,191	5,119,644
Transfers	-	(90,758)	-	90,758	-	-
Change in Net Position	203,023	1,423,602	1,066,168	3,696,042	1,269,191	5,119,644
Net position at January 1	16,109,797	14,686,195	34,193,728	30,497,686	50,303,525	45,183,881
Net Position End of Year	$ 16,312,820	$ 16,109,797	$ 35,259,896	$ 34,193,728	$ 51,572,716	$ 50,303,525

Governmental Activities

Governmental activities net position increased $203,023 in 2025. The three primary general revenue sources of governmental activities are property taxes, income taxes, and interest income.

Expenses of the governmental activities increased $1,700,824 or 47.90%. This is primarily the result of the joint project with the Ohio Department of Transportation being added to the capital assets in 2025.

Security of persons and property - police accounted for 28.66% of the governmental expenses for the City. Transportation accounted for a large share of governmental expenses for the City, approximately 43.14%.

Table 3, for governmental activities, indicates the total cost of services and the net cost of services. The Statement of Activities reflects the cost of program service and the program revenues which offset those services. The net cost of services identifies the cost of those services supported by income taxes, property taxes, unrestricted intergovernmental revenues, and other general revenues.

Table 3
Governmental Activities

	Total Cost of Services		Net Cost of Services	
	2025	2024	2025	2024
General Government				
Legislative and Executive	$ 620,108	$ 709,911	$ 350,615	$ 449,326
Security of Persons and Property				
Police	1,505,313	1,524,974	1,397,910	1,399,482
Public Health Services	16,407	135	16,407	135
Leisure Time Services	665,791	520,153	199,396	126,637
Community and				
Economic Development	173,796	104,827	162,625	89,557
Transportation	2,265,523	689,398	1,813,441	353,792
Interest	4,528	1,243	4,528	1,243
Total Expenses	$ 5,251,466	$ 3,550,641	$ 3,944,922	$ 2,420,172

The dependence upon general revenues for governmental activities is apparent, with 67.61% of expenses supported through taxes and other general revenues.

Business-Type Activities

Business-type activities include water, sewer and light operations. The major source of revenue for these funds is charges for services, accounting for $10,765,388 or approximately 94.30% of total business-type revenues. General revenues accounted for $407,674 or 3.57% of total business-type activities revenue.

Analyzing the City of St. Clairsville's Funds

The City has four major governmental funds, the General Fund, the Police fund, the Street fund and the Permanent Improvement Fund. These funds are accounted for using the modified accrual method of accounting. The General fund had revenues and other financing sources of $2,591,286 and expenditures and other financing uses of $2,620,064 during 2025. The net decrease in fund balance for the general fund was $28,778 or 0.69%.

The police fund had revenues and other financing sources of $1,479,043 and expenditures of $1,591,091 during 2025. The net decrease in the fund balance for the police fund was $112,048 or 37.97%.

The street fund had revenues and other financing sources of $1,455,290 and expenditures of $1,533,766 during 2025. The net decrease in the fund balance for the street fund was $78,476 or 11.65%.

The permanent improvement fund had revenues of $1,181,066 and expenditures of $1,920,758 during 2025. The net decrease in the fund balance for the permanent improvement fund was $739,692 or 34.86%.

The City has three major proprietary funds, the Water, Sewer, and Light funds. These funds are accounted for on an accrual basis. The Water Fund had operating revenues and capital contributions in the amount of $2,265,732 and operating expenses in the amount of $1,816,432. Overall, the Water Fund's net position increased $450,711, primarily due to increases in revenues from rate increases, the result of the increase in capital contributions from the capital projects fund, as well as an increase in Ohio builds grant revenue. The Sewer Fund had operating revenues in the amount of $2,037,561 and operating expenses in the amount of $1,810,338. The Sewer Fund's net position increased $169,462, primarily due to increases in revenues from rate increases. The Light Fund had operating revenues in the amount of $7,086,072 and operating expenses in the amount of $6,614,810. The Light Fund's net position increased $445,995 primarily due to decreases in purchased power expense.

General Fund Budgeting Highlights

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

Budgetary information is presented for the general fund and major special revenue funds. In the general fund, the original and final budgeted revenues were $2,370,631 and $2,413,035, respectively. Actual revenues of $2,589,687 were $176,652 greater than final budgeted revenues. The original and final budgeted expenditures and other financing uses were $1,878,172 and $2,894,452, respectively. Actual expenditures and other financing uses of $2,615,202 were $279,250 less than final budgeted expenditures and other financing uses.

Capital Assets and Debt Administration

Capital Assets

At the end of year 2025, the City's governmental and business-type activities had $40,299,461 in land, construction in progress, land improvements, buildings and improvements, machinery and equipment, infrastructure, vehicles, and leased vehicles, net of depreciation/amortization. Table 4 shows 2025 balances compared with 2024.

Table 4
Capital Assets Net of Depreciation

	Governmental Activities		Business Type Activities		Total	
	2025	2024	2025	2024	2025	2024
Land	$ 1,522,602	$ 1,479,802	$ 305,596	$ 305,596	$ 1,828,198	$ 1,785,398
Construction In Progress	1,106,466	1,085,227	208,965	7,867,442	1,315,431	8,952,669
Land Improvements	2,428,978	2,126,092	22,669	24,628	2,451,647	2,150,720
Buildings and Improvements	1,233,185	644,216	2,852,751	2,914,360	4,085,936	3,558,576
Machinery and Equiptment	436,151	456,475	1,571,029	1,232,577	2,007,180	1,689,052
Infrastructure	3,759,557	3,473,102	23,550,631	14,783,791	27,310,188	18,256,893
Vehicles	371,693	392,683	592,027	446,670	963,720	839,353
Leased vehicles	236,972	-	100,189	-	337,161	-
Total	$11,095,604	$9,657,597	$29,203,857	$27,575,064	$40,299,461	$37,232,661

See Note 8 for more information on capital assets

Debt

The outstanding debt for the governmental and business-type activities of the City of St. Clairsville as of December 31, 2025, was $8,929,788 with $706,109 due within one year. Table 5 summarizes outstanding debt.

Table 5
Outstanding Debt at Year End

	Governmental Activities		Business Type Activities		Total	
	2025	2024	2025	2024	2025	2024
General Obligation Bonds	$38,044	$43,478	$1,982,320	$2,385,742	$2,020,364	$2,429,220
OPWC Loans	87,331	106,215	209,855	217,294	297,186	323,509
OWDA Loans	-	-	6,352,173	5,248,087	6,352,173	5,248,087
Leases payable	189,657	-	70,408	-	260,065	-
Total	$315,032	$149,693	$8,614,756	$7,851,123	$8,929,788	$8,000,816

Additional information concerning the City's debt and other long-term obligations, including net pension liability, net OPEB liability, compensated absences, and long-term intergovernmental payables can be found in Note 11.

Current Finance Related Issues

The City implemented a 0.75 percent income tax in 2011, in an effort to recover the loss of revenue that the City has experienced due to the reduction of Local Government Funding from the State, the elimination of Estate Tax, and the elimination of Personal Property Tax.

Contacting the City's Finance Department

This financial report is designed to provide a general overview of the City'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 information should be addressed to Annette Williams, Finance Director, 100 North Market Street, St. Clairsville, Ohio 43950.

CITY OF ST. CLAIRSVILLE
BELMONT COUNTY, OHIO

STATEMENT OF NET POSITION
DECEMBER 31, 2025
(SEE ACCOUNTANT'S COMPILATION REPORT)

	Primary Government		
	Governmental Activities	Business-type Activities	Total
Assets:			
Equity in pooled cash and cash equivalents	$ 6,748,960	$ 15,237,854	$ 21,986,814
Cash and cash equivalents in segregated accounts	25,573	-	25,573
Receivables:			
Property taxes	1,160,744	-	1,160,744
Income taxes	494,866	-	494,866
Payment in lieu of taxes	160,000	-	160,000
Accounts	119,130	1,098,583	1,217,713
Intergovernmental	346,634	-	346,634
Loans receivable	538,384	-	538,384
Materials and supplies inventory	50,583	516,927	567,510
Prepayments	25,724	31,896	57,620
Assets held for resale	32,955	-	32,955
Unamortized bond insurance premium	90	4,243	4,333
Net OPEB asset	88,195	168,850	257,045
Capital assets:			
Land and construction in progress	2,629,068	514,561	3,143,629
Depreciable capital assets, net	8,466,536	28,689,296	37,155,832
Total capital assets, net	11,095,604	29,203,857	40,299,461
Total assets	20,887,442	46,262,210	67,149,652
Deferred outflows of resources:			
Unamortized deferred charges on debt refunding	2,085	61,901	63,986
Pension	671,951	502,956	1,174,907
OPEB	69,433	42,216	111,649
Total deferred outflows of resources	743,469	607,073	1,350,542
Liabilities:			
Accounts payable	35,766	484,365	520,131
Contracts payable	-	208,965	208,965
Accrued wages and benefits payable	20,947	23,358	44,305
Intergovernmental payable	26,656	84,514	111,170
Accrued interest payable	167	29,989	30,156
Payroll withholdings payable	3,456	-	3,456
Refundable deposits	-	37,549	37,549
Long-term liabilities:			
Due within one year	143,919	688,796	832,715
Due greater than one year:			
Net pension liability	2,777,716	1,849,539	4,627,255
Net OPEB liability	117,180	-	117,180
Other amounts due in more than one year	531,621	8,101,332	8,632,953
Total liabilities	3,657,428	11,508,407	15,165,835
Deferred inflows of resources:			
Property taxes levied for the next year	1,141,282	-	1,141,282
Payment in lieu of taxes levied for the next year	160,000	-	160,000
Pension	214,094	65,885	279,979
OPEB	145,287	35,095	180,382
Total deferred inflows of resources	1,660,663	100,980	1,761,643
Net position:			
Net investment in capital assets	10,782,657	20,442,037	31,224,694
Restricted for:			
Debt service	-	300,359	300,359
Capital projects	1,505,782	-	1,505,782
Transportation projects	247,547	-	247,547
Community development programs	911,072	-	911,072
Court and safety programs	23,894	-	23,894
Restricted for OPEB	88,195	168,850	257,045
Other purposes	103,997	-	103,997
Unrestricted	2,649,676	14,348,650	16,998,326
Total net position	$ 16,312,820	$ 35,259,896	$ 51,572,716

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

CITY OF ST. CLAIRSVILLE
BELMONT COUNTY, OHIO

STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2025
(SEE ACCOUNTANT'S COMPILATION REPORT)

		Program Revenues		
	Expenses	Charges for Sales and Services	Operating Grants and Contributions	Capital Grants and Contributions
Governmental activities:				
Current:				
General government - legislative and executive	$ 620,108	$ 269,493	$ -	$ -
Security of persons and property - police	1,505,313	103,703	3,700	-
Public health and welfare	16,407	-	-	-
Leisure time activity	665,791	77,080	50,705	338,610
Community and economic development	173,796	11,171	-	-
Transportation	2,265,523	-	340,083	111,999
Interest	4,528	-	-	-
Total governmental activities	5,251,466	461,447	394,488	450,609
Business-type activities:				
Water	1,841,298	1,990,449	-	242,580
Sewer	1,868,099	1,752,840	-	-
Light	6,640,077	7,022,099	-	-
Total business-type activities	10,349,474	10,765,388	-	242,580
Total primary government	$ 15,600,940	$ 11,226,835	$ 394,488	$ 693,189
General revenues:				
Property taxes levied for:				
General purposes				
Police operations				
Income taxes levied for:				
General purposes				
Capital purposes				
Kilowatt per hour tax levied for general purposes				
Permissive motor vehicle license tax				
Payments in lieu of taxes				
Grants and entitlements not restricted to specific programs				
Interest income				
Miscellaneous				
Total general revenues				
Change in net position				
Net position at beginning of year				
Net position at end of year				

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

	Net (Expense) Revenue and Changes in Net Position		
	Governmental Activities	Business-type Activities	Total
	$ (350,615)	$ -	$ (350,615)
	(1,397,910)	-	(1,397,910)
	(16,407)	-	(16,407)
	(199,396)	-	(199,396)
	(162,625)	-	(162,625)
	(1,813,441)	-	(1,813,441)
	(4,528)	-	(4,528)
	(3,944,922)	-	(3,944,922)
	-	391,731	391,731
	-	(115,259)	(115,259)
	-	382,022	382,022
	-	658,494	658,494
	(3,944,922)	658,494	(3,286,428)
	576,879	-	576,879
	540,791	-	540,791
	825,665	-	825,665
	823,509	-	823,509
	192,692	-	192,692
	63,577	-	63,577
	154,450	-	154,450
	328,397	-	328,397
	535,310	-	535,310
	106,675	407,674	514,349
	4,147,945	407,674	4,555,619
	203,023	1,066,168	1,269,191
	16,109,797	34,193,728	50,303,525
	$ 16,312,820	$ 35,259,896	$ 51,572,716

CITY OF ST. CLAIRSVILLE
BELMONT COUNTY, OHIO

BALANCE SHEET
GOVERNMENTAL FUNDS
DECEMBER 31, 2025
(SEE ACCOUNTANT'S COMPILATION REPORT)

	General	Police	Street	Permanent Improvement	Other Governmental Funds	Total Governmental Funds
Assets:						
Equity in pooled cash and cash equivalents	$ 3,870,576	$ 156,910	$ 518,566	$ 1,262,129	$ 926,789	$ 6,734,970
Cash and cash equivalents in segregated accounts	-	25,573	-	-	-	25,573
Receivables:						
Property taxes	596,980	563,764	-	-	-	1,160,744
Income taxes	247,433	-	-	247,433	-	494,866
Payment in lieu of taxes	-	-	-	-	160,000	160,000
Accounts	47,801	11,836	-	-	59,493	119,130
Intergovernmental	144,283	33,205	169,146	-	-	346,634
Interfund loans	4	-	-	-	-	4
Loans to other funds	68,561	-	-	-	-	68,561
Loans receivable	-	-	-	-	538,384	538,384
Materials and supplies inventory	1,023	11,651	37,481	-	428	50,583
Prepayments	7,174	12,000	5,050	-	1,500	25,724
Assets held for resale	-	-	-	-	32,955	32,955
Restricted assets:						
Equity in pooled cash and cash equivalents	13,990	-	-	-	-	13,990
Total assets	$ 4,997,825	$ 814,939	$ 730,243	$ 1,509,562	$ 1,719,549	$ 9,772,118
Liabilities:						
Accounts payable	$ 6,373	$ 10,164	$ 11,425	$ 3,780	$ 4,024	$ 35,766
Accrued wages and benefits payable	3,767	9,535	5,916	-	1,729	20,947
Intergovernmental payable	3,254	15,203	6,580	-	1,619	26,656
Interfund loans payable	-	-	-	-	4	4
Loans from other funds	-	-	-	-	68,561	68,561
Payroll withholdings payable	3,456	-	-	-	-	3,456
Total liabilities	16,850	34,902	23,921	3,780	75,937	155,390
Deferred inflows of resources:						
Property taxes levied for the next year	586,927	554,355	-	-	-	1,141,282
Payment in lieu of taxes levied for the next year	-	-	-	-	160,000	160,000
Unavailable revenue	234,345	42,614	110,918	123,750	52,642	564,269
Total deferred inflows of resources	821,272	596,969	110,918	123,750	212,642	1,865,551
Total liabilities and deferred inflows of resources.	838,122	631,871	134,839	127,530	288,579	2,020,941
Fund balances:						
Nonspendable	90,748	23,651	42,531	-	1,928	158,858
Restricted	-	159,417	552,873	1,382,032	1,071,936	3,166,258
Committed	-	-	-	-	392,712	392,712
Assigned	54,695	-	-	-	-	54,695
Unassigned (deficit)	4,014,260	-	-	-	(35,606)	3,978,654
Total fund balances	4,159,703	183,068	595,404	1,382,032	1,430,970	7,751,177
Total liabilities, deferred inflows of resources and fund balances	$ 4,997,825	$ 814,939	$ 730,243	$ 1,509,562	$ 1,719,549	$ 9,772,118

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

CITY OF ST. CLAIRSVILLE
BELMONT COUNTY, OHIO

RECONCILIATION OF TOTAL GOVERNMENTAL FUND BALANCES TO
NET POSITION OF GOVERNMENTAL ACTIVITIES
DECEMBER 31, 2025
(SEE ACCOUNTANT'S COMPILATION REPORT)

Total governmental fund balances			$ 7,751,177
Amounts reported for governmental activities on 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.			11,095,604
Other long-term assets are not available to pay for current-period expenditures and therefore are deferred inflows in the funds.			
Income taxes receivable	$ 247,500		
Real and other taxes receivable	19,462		
Settlements receivable	52,642		
Intergovernmental receivable	244,665		
Total			564,269
Accrued interest payable is not due and payable in the current period and therefore is not reported in the funds.			(167)
Unamortized bond insurance premiums are not recognized in the governmental funds.			90
Unamortized deferred amounts on refundings are not recognized in the governmental funds.			2,085
Long-term debt is not due and payable in the current period and therefore is not reported in the funds.			
Compensated absences	(360,508)		
General obligation bonds payable	(35,000)		
Premium on general obligation bonds payable	(3,044)		
OPWC loans payable	(87,331)		
Leases payable	(189,657)		
Total			(675,540)
The net pension liability, net OPEB asset, and net OPEB liability are not due and payable in the current period; therefore the asset, the liabilities and related deferred inflows and outflows are not reported in the governmental funds.			
Net OPEB asset	88,195		
Deferred outflows-pension	671,951		
Deferred outflows-OPEB	69,433		
Net pension liabililty	(2,777,716)		
Net OPEB liability	(117,180)		
Deferred inflows - pension	(214,094)		
Deferred outflows - pension	(145,287)		
Total			(2,424,698)
Net position of governmental activities			$ 16,312,820

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

CITY OF ST. CLAIRSVILLE
BELMONT COUNTY, OHIO

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2025
(SEE ACCOUNTANT'S COMPILATION REPORT)

	General	Police	Street	Permanent Improvement	Other Governmental Funds	Total Governmental Funds
Revenues:						
Property taxes	$ 574,873	$ 540,908	$ -	$ -	$ -	$ 1,115,781
Income taxes	820,736	-	-	818,580	-	1,639,316
Kilowatt per hour taxes	192,692	-	-	-	-	192,692
Permissive motor vehicle license taxes	-	-	63,577	-	-	63,577
Payment in lieu of taxes	-	-	-	-	154,450	154,450
Charges for services	-	76,264	-	-	63,255	139,519
Licenses and permits	69,222	-	-	-	-	69,222
Fines, forfeitures and settlements	14,298	-	-	-	226	14,524
Intergovernmental	243,015	66,333	448,226	362,466	8,411	1,128,451
Interest income	531,165	-	4,125	20	-	535,310
Rent and royalties	111,254	-	-	-	99,715	210,969
Contributions and donations	-	3,700	-	-	50,705	54,405
Other	6,161	80,572	2,118	-	17,824	106,675
Total revenues	2,563,416	767,777	518,046	1,181,066	394,586	5,424,891
Expenditures:						
Current:						
General government - legislative and executive	520,000	-	-	28,619	-	548,619
Security of persons and property - police	-	1,349,846	-	-	-	1,349,846
Public health and welfare	-	-	-	-	16,407	16,407
Leisure time activity	-	-	-	-	413,722	413,722
Community and economic development	18,585	-	-	-	154,450	173,035
Transportation	-	-	1,256,318	-	-	1,256,318
Capital outlay	103,735	234,702	252,643	1,892,139	330,763	2,813,982
Debt service:						
Principal retirement	1,681	4,904	23,522	-	5,000	35,107
Interest	563	1,639	1,283	-	1,200	4,685
Total expenditures	644,564	1,591,091	1,533,766	1,920,758	921,542	6,611,721
Excess (deficiency) of revenues over (under) expenditures	1,918,852	(823,314)	(1,015,720)	(739,692)	(526,956)	(1,186,830)
Other financing sources (uses):						
Proceeds from lease obligations	27,870	81,266	91,744	-	-	200,880
Transfers in	-	630,000	845,500	-	500,000	1,975,500
Transfers (out)	(1,975,500)	-	-	-	-	(1,975,500)
Total other financing sources (uses)	(1,947,630)	711,266	937,244	-	500,000	200,880
Net change in fund balances	(28,778)	(112,048)	(78,476)	(739,692)	(26,956)	(985,950)
Fund balances at beginning of year	4,188,481	295,116	673,880	2,121,724	1,457,926	8,737,127
Fund balances at end of year	$ 4,159,703	$ 183,068	$ 595,404	$ 1,382,032	$ 1,430,970	$ 7,751,177

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

CITY OF ST. CLAIRSVILLE
BELMONT COUNTY, OHIO

RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2025
(SEE ACCOUNTANT'S COMPILATION REPORT)

Net change in fund balances - total governmental funds			$	(985,950)
Amounts reported for governmental activities in the statement of activities are different because:				
Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which capital outlays exceed depreciation expense in the current period.				
Capital asset additions	$	2,495,725		
Current year depreciation		(1,057,718)		
Total				1,438,007
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.				
Income taxes		9,858		
Real and other taxes		1,889		
Intergovernmental revenues		(951)		
Fines forfeitures and settlements		18,802		
Total				29,598
Proceeds of debt are reported as an other financing source in the governmental funds, however, in the statement of activities they are not reported as revenues as they increase the liabilities on the statement of net position.				(200,880)
Repayment of debt is an expenditure in the governmental funds, but the repayment reduces long-term liabilities on the statement of net position.				35,107
In the statement of activities, interest is accrued on outstanding bonds, whereas in governmental funds, an interest expenditure is reported when due.				
Decrease in accrued interest payable		33		
Amortization of bond insurance premium		(13)		
Amortization of deferred amounts on refunding		(297)		
Amortization of bond premiums and discounts		434		
Total				157
Some expenses reported in the statement of activities, such as compensated absences, do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds.				19,166
Contractually required pension/OPEB contributions are reported as expenditures in governmental funds; however, the Statement of Net Position reports these amounts as deferred outflows.				
Pension		231,887		
OPEB		3,247		
Total				235,134
Except for amounts reported as deferred inflows/outflows, changes in the net pension asset/liability and net OPEB liability/asset are reported as pension/OPEB expense in the statement of activities.				
Pension		(356,013)		
OPEB		(11,303)		
Total				(367,316)
Change in net position of governmental activities			$	203,023

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

CITY OF ST. CLAIRSVILLE
BELMONT COUNTY, OHIO

STATEMENT OF NET POSITION
PROPRIETARY FUNDS
DECEMBER 31, 2025
(SEE ACCOUNTANT'S COMPILATION REPORT)

	Business-type Activities - Enterprise Funds			
	Water	**Sewer**	**Light**	**Total**
Assets:				
Current assets:				
Equity in pooled cash and cash equivalents	$ 3,842,205	$ 3,104,627	$ 8,253,471	$ 15,200,303
Accounts receivable	190,336	174,707	733,540	1,098,583
Materials and supplies inventory	416	2,012	514,499	516,927
Prepayments	9,238	9,838	12,820	31,896
Total current assets	4,042,195	3,291,184	9,514,330	16,847,709
Noncurrent assets:				
Unamortized bond insurance premium	237	132	3,874	4,243
Net OPEB asset	49,282	57,108	62,460	168,850
Capital assets:				
Nondepreciable capital assets	-	179,413	335,148	514,561
Depreciable capital assets, net	16,620,492	7,499,090	4,569,714	28,689,296
Total capital assets, net	16,620,492	7,678,503	4,904,862	29,203,857
Restricted assets:				
Equity in pooled cash and cash equivalents	20,184	15,446	1,921	37,551
Total noncurrent assets	16,690,195	7,751,189	4,973,117	29,414,501
Total assets	20,732,390	11,042,373	14,487,447	46,262,210
Deferred outflows of resources:				
Unamortized deferred charges on debt refunding	4,886	3,223	53,792	61,901
Pension	134,640	188,854	179,462	502,956
OPEB	14,119	12,090	16,007	42,216
Total deferred outflows of resources	153,645	204,167	249,261	607,073
Liabilities:				
Current liabilities:				
Accounts payable	11,919	26,919	445,527	484,365
Contracts payable	-	179,413	29,552	208,965
Accrued wages and benefits payable	6,320	7,726	9,312	23,358
Intergovernmental payable	64,027	15,376	12,074	91,477
Accrued interest payable	10,525	15,418	4,046	29,989
Compensated absences payable - current	11,716	10,805	14,308	36,829
General obligation bonds payable	10,000	10,000	290,000	310,000
OPWC loans payable	1,593	4,383	-	5,976
OWDA loans payable	221,126	94,028	-	315,154
Lease obligations payable	-	7,106	6,768	13,874
Total current liabilities	337,226	371,174	811,587	1,519,987
Long-term liabilities (net of current portion):				
Refundable deposits payable from restricted assets	20,182	15,446	1,921	37,549
Compensated absences payable	44,832	40,773	31,682	117,287
General obligation bonds payable	97,441	49,667	1,525,212	1,672,320
OPWC loans payable	201,654	2,225	-	203,879
OWDA loans payable	5,096,733	940,286	-	6,037,019
Intergovernmental payable	-	14,293	-	14,293
Lease obligations payable	-	29,310	27,224	56,534
Net pension liability	539,828	625,543	684,168	1,849,539
Total long-term liabilities	6,000,670	1,717,543	2,270,207	9,988,420
Total liabilities	6,337,896	2,088,717	3,081,794	11,508,407

- (Continued)

CITY OF ST. CLAIRSVILLE
BELMONT COUNTY, OHIO

STATEMENT OF NET POSITION
PROPRIETARY FUNDS - (CONTINUED)
DECEMBER 31, 2025
(SEE ACCOUNTANT'S COMPILATION REPORT)

	Business-type Activities - Enterprise Funds			
	Water	**Sewer**	**Light**	**Total**
Deferred inflows of resources:				
Pension	$ 35,583	$ -	$ 30,302	$ 65,885
OPEB	9,510	13,532	12,053	35,095
Total deferred inflows of resources	45,093	13,532	42,355	100,980
Total liabilities and deferred inflows of resources	6,382,989	2,102,249	3,124,149	11,609,387
Net position:				
Net investment in capital assets	10,996,831	6,365,308	3,079,898	20,442,037
Restricted for debt service	2,710	-	297,649	300,359
Restricted for OPEB	49,282	57,108	62,460	168,850
Unrestricted	3,454,223	2,721,875	8,172,552	14,348,650
Total net position	$ 14,503,046	$ 9,144,291	$ 11,612,559	$ 35,259,896

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

CITY OF ST. CLAIRSVILLE
BELMONT COUNTY, OHIO

STATEMENT OF REVENUES, EXPENSES AND
CHANGES IN NET POSITION
PROPRIETARY FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2025
(SEE ACCOUNTANT'S COMPILATION REPORT)

	Business-type Activities - Enterprise Funds			
	Water	**Sewer**	**Light**	**Total**
Operating revenues:				
Charges for services	$ 1,990,449	$ 1,752,840	$ 7,022,099	$ 10,765,388
Other	32,703	284,721	63,973	381,397
Total operating revenues	2,023,152	2,037,561	7,086,072	11,146,785
Operating expenses:				
Personal services	803,824	729,789	895,770	2,429,383
Contractual services	330,935	322,208	242,360	895,503
Purchased power	-	-	4,973,221	4,973,221
Materials and supplies	203,962	375,146	187,575	766,683
Depreciation	477,711	383,195	315,884	1,176,790
Total operating expenses	1,816,432	1,810,338	6,614,810	10,241,580
Operating income	206,720	227,223	471,262	905,205
Nonoperating revenues (expenses):				
Interest expense	(24,866)	(31,484)	(25,267)	(81,617)
Other nonoperating revenues	26,277	-	-	26,277
Other nonoperating expenses	-	(26,277)	-	(26,277)
Total nonoperating revenues (expenses)	1,411	(57,761)	(25,267)	(81,617)
Income before contributions	208,131	169,462	445,995	823,588
Capital contributions	242,580	-	-	242,580
Change in net position	450,711	169,462	445,995	1,066,168
Net position at beginning of year	14,052,335	8,974,829	11,166,564	34,193,728
Net position at end of year	$ 14,503,046	$ 9,144,291	$ 11,612,559	$ 35,259,896

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

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CITY OF ST. CLAIRSVILLE
BELMONT COUNTY, OHIO

STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2025
(SEE ACCOUNTANT'S COMPILATION REPORT)

	Business-type Activities - Enterprise Funds			
	Water	**Sewer**	**Light**	**Total**
Cash flows from operating activities:				
Cash received from customers	$ 1,968,546	$ 1,734,529	$ 6,937,516	$ 10,640,591
Cash received from other operations	29,352	281,214	56,722	367,288
Cash payments for employee services and benefits	(753,252)	(750,283)	(914,216)	(2,417,751)
Cash payments for contractual services	(329,770)	(106,984)	(245,163)	(681,917)
Cash payments for purchased power	-	-	(5,043,174)	(5,043,174)
Cash payments for materials and supplies	(202,312)	(343,554)	(203,428)	(749,294)
Net cash provided by operating activities	712,564	814,922	588,257	2,115,743
Cash flows from noncapital financing activities:				
Cash received from nonoperating revenues	26,277	-	-	26,277
Cash payments for nonoperating expenses	-	(26,277)	-	(26,277)
Net cash provided by (used in) noncapital financing activities	26,277	(26,277)	-	-
Cash flows from capital and related financing activities:				
Acquisition of capital assets	(2,267,009)	(463,198)	(291,509)	(3,021,716)
Capital grants	300,000	-	-	300,000
Proceeds of OWDA loan	1,345,608	-	-	1,345,608
Principal retirement on general obligation bonds	(10,000)	(10,000)	(350,000)	(370,000)
Principal retirement on OPWC loans	(3,142)	(4,297)	-	(7,439)
Principal retirement on OWDA loans	(147,494)	(94,028)	-	(241,522)
Principal retirement on leases	-	(2,291)	(2,182)	(4,473)
Interest and fiscal charges	(14,936)	(33,029)	(45,731)	(93,696)
Net cash used in capital and related financing activities	(796,973)	(606,843)	(689,422)	(2,093,238)
Net change in cash and cash equivalents	(58,132)	181,802	(101,165)	22,505
Cash and cash equivalents at beginning of year	3,920,521	2,938,271	8,356,557	15,215,349
Cash and cash equivalents at end of year	$ 3,862,389	$ 3,120,073	$ 8,255,392	$ 15,237,854

- (Continued)

CITY OF ST. CLAIRSVILLE
BELMONT COUNTY, OHIO

STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS (CONTINUED)
FOR THE YEAR ENDED DECEMBER 31, 2025
(SEE ACCOUNTANT'S COMPILATION REPORT)

	Business-type Activities - Enterprise Funds			
	Water	**Sewer**	**Light**	**Total**
Reconciliation of operating income to net cash provided by operating activities:				
Operating income	$ 206,720	$ 227,223	$ 471,262	$ 905,205
Adjustments:				
Depreciation	477,711	383,195	315,884	1,176,790
Changes in assets, deferred inflows of resources, liabilities and deferred outflows of resources:				
Change in materials and supplies inventory	640	690	(18,765)	(17,435)
Change in accounts receivable	(25,254)	218,753	(92,030)	101,469
Change in intergovernmental receivable	-	196	196	392
Change in prepayments	33,711	(2,699)	(384)	30,628
Change in net OPEB asset	(28,284)	(37,639)	(36,854)	(102,777)
Change in deferred outflows of resources - pension	68,625	10,197	103,719	182,541
Change in deferred outflows of resources - OPEB	37,448	35,169	45,402	118,019
Change in accounts payable	1,276	12,115	(59,737)	(46,346)
Change in contracts payable	25,521	(8,145)	-	17,376
Change in accrued wages and benefits	(23,746)	(24,555)	(39,415)	(87,716)
Change in intergovernmental payable	27,971	(1,736)	(17,097)	9,138
Change in compensated absences payable	(6,628)	(15,235)	1,000	(20,863)
Change in net pension liability	(113,464)	19,811	(112,487)	(206,140)
Change in deferred inflows of resources - pension	33,001	(4,634)	30,302	58,669
Change in deferred inflows of resources - OPEB	(2,684)	2,216	(2,739)	(3,207)
Net cash provided by operating activities	$ 712,564	$ 814,922	$ 588,257	$ 2,115,743

Non-cash transactions:

The Water fund purchased $506,324 of capital assets on account at December 31, 2024.
During 2025, the Sewer fund acquired $38,707 in capital assets through lease transactions.
The Sewer fund purchased $199,958 of capital assets on account at December 31, 2025.
The Sewer fund purchased $12,400 of capital assets on account at December 31, 2024.
During 2025, the Light fund acquired $36,174 in capital assets through lease transactions.
The Light fund purchased $29,552 of capital assets on account at December 31, 2025.
The Light fund purchased $1,800 of capital assets on account at December 31, 2024.

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

CITY OF ST. CLAIRSVILLE
BELMONT COUNTY, OHIO

STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUND
DECEMBER 31, 2025
(SEE ACCOUNTANT'S COMPILATION REPORT)

	Custodial
Assets:	
Equity in pooled cash and cash equivalents	$ 1,211
Receivables:	
Accounts	465
Total assets	1,676
Net position:	
Restricted for other governments	$ 1,676

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

CITY OF ST. CLAIRSVILLE
BELMONT COUNTY, OHIO

STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FIDUCIARY FUND
FOR THE YEAR ENDED DECEMBER 31, 2025
(SEE ACCOUNTANT'S COMPILATION REPORT)

	Custodial
Additions:	
Fines and forfeitures for other governments	$ 4,255
Deductions:	
Fines and forfeitures distributions to other governments	4,041
Change in net position	214
Net position at beginning of year	1,462
Net position at end of year	$ 1,676

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

NOTE 1 - DESCRIPTION OF THE CITY

The City of St. Clairsville, (the "City"), is a body politic, incorporated as a village in 1801, and became a city on March 20, 1977. The City merged with St. Clairsville Township on January 1, 1994. The City is a charter municipal corporation, incorporated under the laws of the State of Ohio. The City operates under a "Mayor-Council-Manager" form of government. The Council and Mayor are elected. The Council appoints a Manager who is the Chief Administrative Officer of the City. The Finance Director is also appointed by the Council.

Legislative power is vested in a seven-member Council; three are elected at large and four are elected from wards established in the City. The Ward Council and At-Large Council members are elected at the regular City elections. The terms of the members are for four years, commencing at the first regular meeting in January following their election and continuing until their successors have been elected and sworn in.

The Mayor is elected at the regular City election and every fourth year thereafter. The Mayor serves a four year term. The Mayor, when authorized by Council, serves as judge and has all the judicial powers granted generally by the laws of Ohio to mayors of municipalities of St. Clairsville's class. The President of Council presides at Council meetings but has no vote therein, unless there is a tie. In the event of a tie, the President of Council casts the tie breaking vote. The Mayor is the official and ceremonial head of the City government.

The City's Manager (Service Director) is appointed by the Mayor, subject to a majority vote of Council, to an indefinite term, not to exceed the Mayor's term. The Service Director may be removed from office by the Mayor, subject to the approval of two-thirds of the Council. The Service Director is responsible to Council for the administration of all affairs of the City and the enforcement of all laws and ordinances within the scope of the designated powers and duties of the office. The Service Director has the power to appoint, promote, transfer, reduce or remove, subject to the provisions of the Charter and enactments of Council, any officer or employee of the City, except those required by the Charter to be elected and those whose appointment or term of office may otherwise be provided for in the Charter.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

A. Reporting Entity

For financial reporting purposes, the City's financial statement includes all funds, agencies, boards, commissions, and departments for which the City is financially accountable.

The primary government of the City consists of all funds, agencies, departments and offices that are not legally separate from the City. The primary government includes the City departments and agencies that provide the following services: police, parks and recreation, cemetery, planning, zoning, street maintenance and repairs, water, sewer and electric utilities, and general administrative services. The operation of these activities is directly controlled by Council through the budgetary process. None of these services are provided by a legally separate organization; therefore, these operations are included in the primary government.

Component units are legally separate organizations for which the City is financially accountable. Financial accountability, as defined by the GASB, exists if the City appoints a voting majority of an organization's Governing Board and is either able to impose its will on that organization or there is a potential for the organization to provide specific financial benefits to, or impose specific burdens on, the City. The City may also be financially accountable for governmental organizations with a separately elected Governing Board, a Governing Board appointed by another government, or a jointly appointed Board that is fiscally dependent on the City. The City also took into consideration other organizations for which the nature and significance of their relationship with the City are such that exclusion would cause the City's financial statements to be misleading or incomplete. Based upon the application of these criteria, the City has one blended component unit.

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

Blended Component Unit - The St. Clairsville Community Improvement Corporation (the "CIC") is a legally separate organization, which is governed by the voting membership. All members of the St. Clairsville City Council are voting members of the CIC. The purpose of the CIC is to provide economic development opportunities for the City. The City can impose its will on the CIC and has a financial benefit/burden relationship with the CIC. In addition, the City provides management of the CIC. The CIC is a blended component unit of the City and is reported as a special revenue fund. Separately issued financial statements can be obtained from the St. Clairsville Community Improvement Corporation.

The following potential component units have been excluded from the City's financial statements because the City is not financially accountable for them nor are these entities for which the City approves the budget, issues debt or levies taxes:

St. Clairsville-Richland City School District
St. Clairsville Public Library
Belmont County Transportation Improvement District

The following organizations are described due to their relationship with the City:

JOINTLY GOVERNED ORGANIZATIONS

Ohio Mid-Eastern Governments Association (OMEGA): OMEGA is a ten-county regional council of governments comprised of Belmont, Carroll, Coshocton, Columbiana, Guernsey, Harrison, Holmes, Jefferson, Muskingum, and Tuscarawas Counties. OMEGA was formed to aid and assist the participating counties and political subdivisions within the counties in the application of Appalachian Regional Commission and Economic Development grant monies. OMEGA is governed by a twenty-one member executive board comprised of members appointed from each participating county and the cities within each county. City membership is voluntary. The mayor of the City of St. Clairsville serves as the City's representative on the Board. The Board exercises total control over the operations of the OMEGA including budgeting, appropriating, contracting and designating management. Each participant's degree of control is limited to its representation on the Board. Each member currently pays a per capita membership fee based upon the most recent United States census. During 2025, the City made $1,573 in contributions to OMEGA. Information can be obtained from 326 Highland Avenue, PO Box 130, Cambridge, Ohio 43725.

Bel-O-Mar Regional Council: Bel-O-Mar Regional Council is operated as a non-profit organization formed to provide planning and administrative services to all local governments in a four county region comprised of Belmont County and three counties in West Virginia. The governing board is comprised of 46 officials from the four county service area of which five are appointed by Belmont County. The Board exercises total control over the operations of the council including budgeting, appropriating, contracting and designating management. Each participant's degree of control is limited to its representation on the Council. The City made no contributions to Bel-O-Mar during 2025.

Memorial Park District of the City of St. Clairsville and Richland Township (Park District): The Park District was created by a resolution of both the City of St. Clairsville and Richland Township under the authority of Ohio Revised Code Chapter 1545. The Park District is operated by a five member board. Two members are appointed by St. Clairsville City Council, two members are appointed by Richland Township, and one member is appointed by the Belmont County probate court judge. The City cannot influence the Park District's operations. The Park District hires and fires its own staff and does not rely on the City to finance deficits. The City is not financially accountable for the Park District nor is the Park District financially dependent on the City. The Park District serves as its own budgeting, taxing and debt issuance authority.

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

Cumberland Trail Fire District (Fire District): The Fire District was created by a resolution of both the City of St. Clairsville and Richland Township under the authority of Ohio Revised Code Section 505.371. The Fire District is operated by a four member board. One member is appointed by the City, one member is appointed by Richland Township, and the remaining two members are appointed by the existing board members. The Fire District hires and fires its own staff and does not rely on the City to finance deficits. The City is not financially accountable for the Fire District nor is the Fire District financially dependent on the City. The Fire District serves as its own budgeting, taxing and debt issuance authority. The City made $2,460 in contributions to the Fire District.

Belmont County Major Crime Unit (BCMCU): The BCMCU was created by a resolution and an agreement between the Belmont County Sheriff's Office, the police departments of the City of St. Clairsville, the City of Martin's Ferry, and all the villages located in Belmont County under the authority of Ohio Revised Code Sections 311.07, 505.43, and 737.04. The Belmont County Sheriff serves as the director of the BCMCU. The BCMCU is governed by an Advisory Board consisting of the Belmont County Sheriff, the Belmont County Prosecutor, and the chief of police of each participating political subdivision. Each participant's degree of control is limited to its representation on the Board. All participating agencies agree that any mandatory fines collected shall be placed in an indemnity fund, administered by the Belmont County Sheriff's Office. The indemnity fund shall be used to subsidize the cost of BCMCS investigations. The City made no contributions to BCMCU during 2025.

Regional Income Tax Agency (RITA): RITA is a regional council of governments formed to establish a central collection facility for the purpose of administering the income tax laws of the members and for the purpose of collecting income taxes on behalf of each member. RITA currently has approximately 350 members in the council of governments. Each member has one representative to the council of governments and is entitled to one vote on items under consideration. RITA is administered by a nine-member board of trustees elected by the members of the council of governments. The board exercises total control over RITA's operating including budgeting, appropriating, contracting and designating management. Each participant's degree of control is limited to its representation on the council. For 2025, the City paid RITA $101,732 for income tax collection services.

B. Basis of Presentation - Fund Accounting

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

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

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 proprietary fund financial statements is on major funds. Each major fund is presented in a separate column. Nonmajor funds are aggregated and presented in a single column. Fiduciary funds are reported by type.

C. Fund Accounting

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

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

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

Police fund - The police fund is to account for the property taxes levied in the City for the operation of its police department.

Street fund - The street fund is to account for revenue derived from permissive motor vehicle license taxes, motor vehicle licenses, gasoline taxes, state and local highway funds, and interest income. The fund is used to finance the activities of the street department of the City.

Permanent improvement fund - The permanent improvement fund is to account for income taxes and transfers expended for the construction and repair/improvements of various City properties and facilities.

Other governmental funds of the City are used to account for:

Nonmajor 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.

Nonmajor capital projects funds - Capital projects funds are used to account for and report financial resources that are restricted, committed, or assigned to expenditures for capital outlays, including the acquisition or construction of capital facilities and other capital assets.

Proprietary Funds - Proprietary fund reporting focuses on changes in net position, financial position and cash flows. Proprietary funds are classified as either enterprise funds or internal service funds. The City has no internal service funds.

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

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

Water fund - The water fund accounts for the provision of water service to its residential and commercial users located within the City.

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

Light fund - The light fund accounts for revenues generated from charges for electric services provided to residential and commercial users of the City.

Fiduciary Funds - Fiduciary fund reporting focuses on net position and changes in net position. The fiduciary fund category is split into four classifications: pension trust funds, investment trust funds, private-purpose trust funds and custodial funds. Trust funds are used to account for assets held by the City under a trust agreement for individuals, private organizations, or other governments and are therefore not available to support the City's own programs. The City does not have any trust funds. Custodial funds are used to report fiduciary activities that are not required to be reported in a trust fund. The City's only fiduciary fund is a custodial fund, which accounts for Mayor's Court collections that are distributed to the State of Ohio.

D. Measurement Focus and Basis of Accounting

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

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

Like the government-wide statements, all proprietary funds and fiduciary funds are accounted for on a flow of economic resources measurement focus. All assets, deferred inflows of resources, liabilities and deferred outflows of resources associated with the operation of these funds are included on the statement of net position. The statement of changes in fund net position presents increases (i.e., revenues) and decreases (i.e., expenses) in total net position. The statement of cash flows provides information about how the City finances and meets the cash flow needs of its proprietary activities. In fiduciary funds, a liability to the beneficiaries of fiduciary activity is recognized when an event has occurred that compels the government to disburse fiduciary resources. Fiduciary fund liabilities other than those to beneficiaries are recognized using the economic resources measurement focus.

E. Basis of Accounting

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

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

Revenues - Exchange and Nonexchange Transactions - Revenues resulting from exchange transactions, in which each party gives and receives essentially equal value, are recorded on the accrual basis when the exchange takes place. On a modified accrual basis, revenue is recorded in the 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, payment in lieu of revenue, grants, entitlements and donations. On an accrual basis, revenue from income taxes is recognized in the period in which the income is earned (See Note 6.B). Revenue from property taxes is recognized in the year for which the taxes are levied (See Note 6.A). Revenue from grants, entitlements and donations is recognized in the year in which all eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the year when the resources are required to be used or the year when use is first permitted, matching requirements, in which the City must provide local resources to be used for a specified purpose, and expenditure requirements, in which the resources are provided to the City on a reimbursement basis. On a modified accrual basis, revenue from nonexchange transactions must also be available before it can be recognized.

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

Deferred Outflows of Resources and Deferred Inflows of Resources - In addition to assets, the government-wide statement of net position will report a separate section for deferred outflows of resources. Deferred outflows of resources represent a consumption of net assets that applies to a future period and will not be recognized as an outflow of resources (expense/expenditure) until then. A deferred charge on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt. See Notes 13 and 14 for deferred outflows of resources related to net pension liability and net OPEB liability, respectively.

In addition to liabilities, both the government-wide statement of net position and the governmental fund financial statements report a separate section for deferred inflows of resources. Deferred inflows of resources represent an acquisition of net assets that applies to a future period and will not be recognized as an inflow of resources (revenue) until that time. Deferred inflows of resources include property taxes, payments in lieu of taxes and unavailable revenue. Property taxes and payments in lieu of taxes represent amounts for which there is an enforceable legal claim as of December 31, 2025, but which were levied to finance 2026 operations. These amounts have been recorded as a deferred inflow of resources on both the government-wide statement of net position and the governmental fund financial statements. Unavailable revenue is reported only on the governmental funds balance sheet, and represents receivables which will not be collected within the available period. Unavailable revenue includes, but is not limited to, income taxes, delinquent property taxes and intergovernmental grants. These amounts are deferred and recognized as an inflow of resources in the period the amounts become available.

See Notes 13 and 14 for deferred inflows of resources related to net pension liability and net OPEB liability/asset, respectively. These deferred inflows of resources are only reported on the government-wide statement of net position.

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

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

F. Budgetary Data

All funds, except custodial funds, are legally required to be budgeted and appropriated. The major documents are the tax budget, the certificate of estimated resources, and the appropriations resolution, 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 appropriations resolution is Council's authorization to spend resources and sets annual limits on expenditures plus encumbrances at the level of control selected by Council. The legal level of budgetary control has been established by Council at the object level for all funds. Budgetary modifications may only be made by resolution of the City Council at the legal level of control.

The certificate of estimated resources may be amended during the year if projected increases or decreases in revenue are identified by the Finance Director. The amounts reported as the original budgeted amounts on the budgetary statements reflect the amounts on the certificate of estimated resources when the original appropriations were adopted. The amounts reported as the final budgeted amounts on the budgetary schedules reflect the amounts on the amended certificate of estimated resources in effect at the time the final appropriations were enacted by Council.

The appropriations 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 resolution 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 during the year.

The Community Improvement Corporation is a legally separate organization. Although the component unit is blended and is presented as a special revenue fund, the City is not required to budget resources nor appropriate funds, and therefore budgetary information will not be presented.

G. Cash and Cash Equivalents

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

During 2025, the City invested in STAR Ohio. STAR Ohio (the State Treasury Asset Reserve of Ohio), is an investment pool managed by the State Treasurer's Office which allows governments within the State to pool their funds for investment purposes. STAR Ohio is not registered with the SEC as an investment company, but has adopted Governmental Accounting Standards Board (GASB), Statement No. 79, "Certain External Investment Pools and Pool Participants." The City measures its investment in STAR Ohio at the net asset value (NAV) per share provided by STAR Ohio. The NAV per share is calculated on an amortized cost basis that provides an NAV per share that approximates fair value.

STAR Ohio reserves the right to limit participant transactions to $250 million per day. Transactions in all of a participant's accounts will be combined for this purpose. Twenty-four hours advance notice to STAR Ohio is appreciated for purchases or redemptions of $100 million or more. For 2025, there were no limitations or restrictions on any participant withdrawals due to redemption notice periods, liquidity fees, or redemption gates.

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

Investments are reported at fair value, which is based on quoted market prices. Nonparticipating investment contracts such as nonnegotiable certificates of deposit and repurchase agreements are reported at cost.

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

Under existing Ohio statutes all investment earnings are assigned to the general fund unless statutorily required to be credited to a specific fund. During 2025, interest revenue credited to the general fund amounted to $531,165, which includes $437,106 assigned from other City funds.

For purpose of the statement of cash flows and for presentation on the statement of net position, investments of the cash management pool and investments with original maturities of three months or less at the time they are purchased by the City are considered to be cash equivalents. Investments with an initial maturity of more than three months are reported as investments, to the extent that the investment was purchased from a specific fund.

The City has a segregated bank account for monies held separate from the City's central bank account. This interest-bearing depository account is presented on the financial statements as "cash and cash equivalents in segregated accounts" since it is not required to be deposited into the City treasury.

An analysis of the City's depository accounts at year-end is provided in Note 4.

H. Inventories of Materials and Supplies

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

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

Inventory consists of expendable supplies held for consumption.

I. Capital Assets

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

All capital assets are capitalized at cost (or estimated historical cost) and updated for additions and retirements during the year. The City was able to estimate the historical cost for the initial reporting of assets by back-trending (i.e., estimating the current replacement cost of the asset to be capitalized and using an appropriate price-level index to deflate the cost to the acquisition year or estimated acquisition year.) Donated capital assets are recorded at their acquisition values as of the date received. The City maintains a capitalization threshold of $10,000. 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. In addition, assets having an estimated useful life of more than one year that are below the $10,000 threshold and not considered repair or maintenance costs are collectively capitalized on the financial statements when the aggregate of those assets are considered significant.

All reported capital assets are depreciated/amortized except for land and construction in progress. Improvements are depreciated over the remaining useful lives of the related capital assets. Useful lives for infrastructure were estimated based on the City's historical records of necessary improvements and replacement. Depreciation/amortization is computed using the straight-line method over the useful lives provided on the next page.

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

Description	Governmental and Business-Type Activities Estimated Lives
Land improvements	20 Years
Buildings and building improvements	21-50 Years
Machinery and equipment	5-40 Years
Infrastructure	15-75 Years
Vehicles	8-15 Years
Intangible right to use - leased vehicles	5 Years

The City's infrastructure consists of streets, sidewalks, storm sewers, water lines, sewer lines, street lights and traffic signals. During 2004 the City reported governmental activities infrastructure for the first time. The City only reports the amounts required after 2004.

The City is reporting intangible right to use assets related to leased vehicles. The tangible assets are being amortized in a systematic and rational manner of the shorter of the lease term or the useful life of the underlying asset.

J. Compensated Absences

The City recognizes a liability for compensated absences for leave time that (1) has been earned for services previously rendered by employees, (2) accumulates and is allowed to be carried over to subsequent years, and (3) is more likely than not to be used as time off or settled (for example paid in cash to the employee or payment to an employee flex spending account) during or upon separation from employment. Based on the criteria listed, three types of leave qualify for liability recognition for compensated absences - vacation, sick leave personal time and comp time. The liability for compensated absences is reported as incurred in the government-wide and proprietary fund financial statements. A liability for compensated absences is recorded in the governmental funds only if the liability has matured because of employee resignations or retirements. The liability for compensated absences includes salary-related benefits, where applicable.

Vacation
The City's policy permits employees to accumulate earned but unused vacation benefits, which are eligible for payment at the employee's current pay rate upon separation from employment.

Sick Leave
The City's policy permits employees to accumulate earned but unused sick leave. All sick leave lapses when employees leave the employment of the City and, upon separation from service, the employee receives compensation in accordance with the severance policy. A liability for estimated value of sick leave that will be used by employees as time off and at separation is included in the liability for compensated absences.

Comp Time and Personal Time
The City's policy permits employees to accumulate earned but unused comp time and personal time, which are eligible for payment at the employee's current pay rate upon separation from employment.

K. Prepaid Items

Prepayments made to vendors for services that will benefit future periods beyond December 31, 2025 are recorded as prepaid items using the consumption method by recording a current asset for the prepaid amount and reflecting the expenditure/expense in the year in which it was consumed.

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

L. Accrued Liabilities and Long-Term Obligations

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

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, loans and capital leases are recognized as a liability on the government fund financial statements when due. Net pension/OPEB liability should be recognized in the governmental funds to the extent that benefit payments are due and payable and the pension/OPEB plan's fiduciary net position is not sufficient for payment of those benefits.

M. Fund Balance

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

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

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

Committed - The committed fund balance classification includes amounts that can be used only for the specific purposes imposed by a formal action (ordinance) of City Council (the highest level of decision making authority). Those committed amounts cannot be used for any other purpose unless City Council removes or changes the specified use by taking the same type of action (ordinance) it employed to previously commit those amounts. Committed fund balance also incorporates contractual obligations to the extent that existing resources in the fund have been specifically committed for use in satisfying those contractual requirements.

Assigned - Amounts in the assigned fund balance classification are intended to be used by the City for specific purposes but do not meet the criteria to be classified as restricted nor committed. In governmental funds other than the general fund, assigned fund balance represents the remaining amount that is not restricted or committed. In the general fund, assigned amounts represent intended uses established by Ordinance of City Council, which includes giving the Finance Director the authority to constrain monies for intended purposes.

Unassigned - Unassigned fund balance is the residual classification for the general fund and includes all spendable amounts not contained in the other classifications. In other governmental funds, the unassigned classification is only used to report a deficit fund balance resulting from overspending for specific purposes for which amounts had been restricted, committed, or assigned.

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

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

N. Extraordinary and Special Items

Extraordinary items are transactions or events that are both unusual in nature and infrequent in occurrence. Special items are transactions or events that are within the control of Council and that are either unusual in nature or infrequent in occurrence. The City had no extraordinary or special items during 2025.

O. Estimates

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

P. Interfund Activity

Transfers between governmental and business-type activities on the governmental-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 non-operating revenues/expense 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.

Q. Net Position

Net position represents the difference between assets and deferred outflows and liabilities and deferred inflows. The net position component "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. Deferred outflows of resources and deferred inflows of resources that are attributable to the acquisition, construction or improvement of those assets or related debt also should be included in this component of net position. Net position is reported as restricted when there are limitations imposed on its 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. Restricted net position for other purposes are primarily for net position of the miscellaneous court/safety special revenue fund and unclaimed monies.

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

R. Operating Revenues and Expenses

Operating revenues are those revenues that are generated directly from the primary activity of the proprietary funds. For the City, these revenues are charges for services for the water, sewer and light enterprise funds. Operating expenses are necessary costs incurred to provide the good or service that are the primary activity of the fund. All revenues and expenses not meeting these descriptions are reported as nonoperating revenues and expenses.

S. Unamortized Bond Premiums, Refunding Difference and Prepaid Bond Insurance

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

Prepaid bond insurance is amortized over the term of the bonds using the straight-line method.

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

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

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

T. Interfund Balances

On fund financial statements, receivables and payables resulting from short-term interfund loans or interfund services provided and used are classified as "interfund loans receivable/payable" and receivables and payables resulting from long-term interfund loans are classified as "loans to/from other funds". These amounts are eliminated in the governmental and business-type activities columns of the statement of net position, except for any net residual amounts due between governmental and business-type activities, which are presented as internal balances.

U. Restricted Assets

Assets are reported as restricted when limitations on their use change the nature or normal understanding of the availability of the asset. Such constraints are either externally imposed by creditors, contributors, grantors or laws of other governments, or are imposed by law through constitutional provisions or enabling legislation.

Customer deposits are classified as restricted assets on the statement of net position - proprietary funds because the deposit remains the property of the customer. The restricted asset account is balanced by a deposits held and due to other liability account. Restricted assets of the City also include unclaimed monies.

V. 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 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.

W. Contributions of Capital

Contributions of capital in proprietary fund financial statements arise from outside contributions of capital assets or from grants or outside contributions of resources restricted to capital acquisition and construction and from contributions from governmental funds.

X. Assets Held for Resale

As part of the economic development program, the Community Improvement Corporation has acquired land from the City. This property is intended to be sold to promote economic development within the City.

NOTE 3 - ACCOUNTABILITY AND COMPLIANCE

A. Change in Accounting Principles

For 2025, the City has implemented GASB Statement No. 102, "*Certain Risk Disclosures*".

GASB Statement No. 102 improves financial reporting by providing users with timely information regarding certain concentrations or constraints and related events that have occurred or have begun to occur that make a government vulnerable to a substantial impact. As a result, users will have better information with which to understand and anticipate certain risks to a government's financial condition. The implementation of GASB Statement No. 102 did not have an effect on the financial statements of the City.

B. Deficit Fund Balances

Fund balances at December 31, 2025 included the following individual fund deficit:

Nonmajor governmental fund	Deficit
Community improvement corporation	$35,606

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

NOTE 4 - DEPOSITS AND INVESTMENTS

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

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

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

Interim deposits are deposits of interim monies. Interim monies are those monies which are not needed for immediate use, but which will be needed before the end of the current period of designation of depositories.

Interim deposits must be evidenced by time certificates of deposit maturing not more than one year from the date of deposit or by savings or deposit accounts including passbook accounts.

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

1. United States Treasury Notes, Bills, Bonds, or any other obligation or security issued by the United States Treasury or any other obligation guaranteed as to principal and interest by the United States;

2. Bonds, notes, debentures, or any other obligations or securities issued by any federal government agency or instrumentality, including, but not limited to, the Federal National Mortgage Association, Federal Home Loan Bank, Federal Farm Credit Bank, Federal Home Loan Mortgage Corporation, and Government National Mortgage Association. All federal agency securities shall be direct issuances of federal government agencies or instrumentalities;

NOTE 4 - DEPOSITS AND INVESTMENTS - (Continued)

3. Written repurchase agreements in the securities listed above provided that the market value of the securities subject to the repurchase agreement must exceed the principal value of the agreement by at least two percent and be marked to market daily, and that the term of the agreement must not exceed thirty days;

4. Bonds and other obligations of the State of Ohio, and with certain limitations including a requirement for maturity within ten years from the date of settlement, bonds and other obligations of political subdivisions of the State of Ohio, if training requirements have been met;

5. Time certificates of deposit or savings or deposit accounts including, but not limited to, passbook accounts;

6. No-load money market mutual funds consisting exclusively of obligations described in items (1) or (2) above and repurchase agreements secured by such obligations, provided that investments in securities described in this division are made only through eligible institutions;

7. The State Treasurer's investment pool, the State Treasury Asset Reserve of Ohio (STAR Ohio); and,

8. Certain bankers' acceptances (for a period not to exceed one hundred eighty days) and commercial paper notes (for a period not to exceed two hundred seventy days) in an amount not to exceed 40 percent of the interim monies available for investment at any one time if training requirements have been met.

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

1. Bonds of the State of Ohio;

2. Bonds of any municipal corporation, village, county, township, or other political subdivision of this State, as to which there is no default of principal interest, or coupons; and,

3. Obligations of the City.

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

Investments in stripped principal or interest obligations, reverse repurchase agreements and derivatives are prohibited. The issuance of taxable notes for the purpose of arbitrage, the use of leverage and short selling are also prohibited. Excepted as noted above, an investment must mature within five years from the date of purchase unless matched to a specific obligation or debt of the City, and must be purchased with the expectation that it will be held to maturity.

Investments may only be made through specified dealers and institutions. Payment for investments may be made only upon delivery of the securities representing the investments to the Finance Director or, if the securities are not represented by a certificate, upon receipt of confirmation of transfer from the custodian.

A. Cash in Segregated Accounts

At year end, the City had $25,573 deposited with a financial institution for monies related to the police department. The entire balance is covered by the FDIC. The amount is included in the City's depository balance below.

B. Deposits with Financial Institutions

At December 31, 2025, the carrying amount of all City deposits was $20,895,875 and the bank balance of all City deposits was $21,456,052. Of the bank balance, $250,000 was covered by the FDIC and $21,206,052 was covered by the Ohio Pooled Collateral System (OPCS).

NOTE 4 - DEPOSITS AND INVESTMENTS - (Continued)

Custodial credit risk is the risk that, in the event of bank failure, the City will not be able to recover deposits or collateral securities that are in the possession of an outside party. The City has no deposit policy for custodial credit risk beyond the requirements of State statute. Ohio law requires that deposits either be insured or protected by (1) eligible securities pledged to the City's and deposited with a qualified trustee by the financial institution as security for repayment whose market value at all times shall be at least 105 percent of the deposits being secured, or (2) participation in the OPCS, a collateral pool of eligible securities deposited with a qualified trustee and pledged to the Treasurer of State to secure the repayment of all public monies deposited in the financial institution. OPCS requires the total market value of the securities pledged to be 102 percent of the deposits being secured or a rate set by the Treasurer of State. For 2025, the City's financial institutions were approved for a collateral rate of 102 percent through the OPCS. Although all statutory requirements for the deposit of money had been followed, noncompliance with Federal requirements could potentially subject the City to a successful claim by the FDIC.

C. Investments

The City had had the following investments and maturities;

	Investment Maturity	
Measurement/Investment type	Measurement Amount	6 months or less
Amortized Cost:		
Star Ohio	$ 1,117,723	$ 1,117,723

D. Reconciliation of Cash and Cash Equivalents to the Statement of Net Position

The following is a reconciliation of cash as reported in the note above to cash as reported on the statement of net position as of December 31, 2025:

Cash and cash equivalents per note	
Carrying amount of deposits	$ 20,895,875
Investments	1,117,723
Total	$ 22,013,598

Cash and cash equivalents per statement of net position	
Governmental activities	$ 6,774,533
Business type activities	15,237,854
Custodial funds	1,211
Total	$ 22,013,598

NOTE 5 - INTERFUND TRANSACTIONS

A. Interfund transfers for the year ended December 31, 2025, consisted of the following, as reported on the fund financial statements:

Transfers from the General fund to:	
Police	$ 630,000
Street	845,500
Nonmajor governmental	500,000
Total	$ 1,975,500

NOTE 5 - INTERFUND TRANSACTIONS - (Continued)

Transfers are used to (1) move revenues from the fund that statute or budget required to collect them to the fund that statute or budget requires to expend them, and (2) use unrestricted revenues collected in the general fund to finance various programs accounted for in other funds in accordance with budgetary authorizations. Transfers between governmental funds are eliminated on the government-wide financial statements. All transfers were in compliance with Ohio Revised Code Sections 5705.14, 5705.15 and 5705.16.

B. Interfund loans receivable/payable at December 31, 2025 consisted of the following individual short-term interfund receivable and payables:

Receivable fund	Payable fund	Amount
General fund	Nonmajor governmental fund	$ 4

The short-term interfund loan receivable balances in the general fund resulted from advances made to provide working capital for a grant program in the miscellaneous public safety nonmajor special revenue fund. The advance was authorized by resolution of the County Commissioners. Short-term interfund loans between governmental funds are eliminated for reporting on the statement of net position.

C. Loans to/from other funds at December 31, 2025 consisted of the following individual long-term interfund receivable and payables:

Receivable fund	Payable fund	Amount
General fund	Nonmajor governmental fund	$ 68,561

The amount due to the general fund from nonmajor governmental funds relates to property tax payments made by the City on behalf of the Community Improvement Corporation. Interfund balances between governmental funds are eliminated on the government-wide financial statements.

NOTE 6 - TAXES

A. Property Taxes

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

Public utility real and tangible personal property taxes collected in one calendar year are levied in the preceding calendar year on assessed values determined as of December 31 of the second year preceding the tax collection year, the lien date. Public utility tangible personal property is assessed at varying percentages of true value; public utility real property is assessed at 35 percent of true value. 2025 public utility property taxes became a lien December 31, 2024, are levied after October 1, 2025, and are collected in 2026 with real property taxes. Public utility property taxes are payable on the same dates as real property taxes described previously.

NOTE 6 - TAXES - (Continued)

The County Treasurer collects property taxes on behalf of all taxing districts in the County, including the City of St. Clairsville. The County Auditor periodically remits to the City its portion of the taxes collected. Property taxes receivable represents real property taxes, public utility taxes, delinquent tangible personal property taxes and other outstanding delinquencies which are measurable as of December 31, 2025 and for which there is an enforceable legal claim. In the governmental funds, the current portion receivable has been offset by a deferred inflow since the current taxes were not levied to finance 2025 operations and the collection of delinquent taxes has been offset by deferred inflow since the collection of the taxes during the available period is not subject to reasonable estimation. On a full accrual basis, collectible delinquent property taxes have been recorded as a receivable and revenue while on a modified accrual basis the revenue is a deferred inflow.

The full tax rate for all City operations for the year ended December 31, 2025 was $12.10 per $1,000 of assessed value. The assessed values of real and public utility property upon which 2025 property tax receipts were based are as follows:

Real property	
Residential/agricultural	$ 131,841,710
Commercial/industrial	31,682,960
Public utility	
Personal	3,781,780
Total assessed value	$ 167,306,450

B. Income Taxes

The City levies an income tax of 0.75 percent on every individual taxpayer who resides in the City of St. Clairsville, as well as all non-resident individuals who receive net profits, salaries, wages, commissions or other personal service compensation for work done, or services performed or rendered inside the City of St. Clairsville.

Residents of the City who receive net profits, salaries, wages, commissions or other personal service compensation for work done, or services performed or rendered outside the City of St. Clairsville are allowed a credit for any income taxes assessed upon them by outside municipalities. The credit is for any income taxes paid to another municipality, up to 50 percent of the income tax assessed by the City of St. Clairsville.

The general fund and the permanent improvement fund each receive 50 percent of income tax revenues.

The Regional Income Tax Agency (RITA) administers and collects income taxes for the City. Payments are remitted monthly net of collection fees of approximately 1.2 percent.

NOTE 7 - RECEIVABLES

Receivables at December 31, 2025 consisted of taxes, accounts (billings for user charged services including unbilled utility services), loans and intergovernmental receivables arising from grants, entitlements and shared revenues. All receivables are considered collectible in full. Delinquent accounts receivable may be certified and collected as a special assessment, subject to foreclosure for nonpayment. All receivables, besides loans listed below, are expected to be collected within the subsequent year with the exception of the $52,642 opioid settlement receivable which will be collected over the course of the settlement agreements and delinquent property taxes. Delinquent property taxes deemed collectible by the County Auditor are recorded as a receivable in the amount of $19,462 may not be collected within one year.

The other governmental funds reflect loans receivable of $538,384. These loans receivable are for financing the rehabilitation of downtown local businesses for community and economic development. Of the total loans receivable, $7,000 is scheduled to be collected within one year.

NOTE 7 - RECEIVABLES - (Continued)

A summary of the principal items of intergovernmental receivables is as follows:

Governmental activities:	
Local government revenue	$ 117,420
Homestead/rollback reimbursement	60,068
Motor vehicle license and gasoline tax	169,146
Total governmental activities	$ 346,634

Revenue in Lieu of Taxes Receivable

In accordance with State law, the City established a tax increment financing ordinance for parcels known as the St. Clair Commons, for which the City has granted property tax exemptions to construct certain infrastructure improvements. On April 13, 2017, the Columbus-Franklin Finance Authority (Authority) issued $2,335,000 in Series 2017 A revenue bonds, as part of the St. Clair Commons Public Infrastructure Project to finance the improvements, with interest payments beginning in 2017 (paid with the bonds' premium reserve), and the first principal payment beginning in 2019. The property owners have agreed to make payments to the City to reimburse annual debt service on the bonds, and to offset the affected school districts. The amount of those payments generally reflects all of the property taxes which the property owners would have paid if the improvements on the property had not been declared exempt. The property owners' contractual promise to make these payments in lieu of taxes will continue for the length of the agreement, which is not to exceed 30 years. For 2025, the estimated receivable for revenue in lieu of taxes in the amount of $160,000 remains deferred.

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NOTE 8 - CAPITAL ASSETS

Capital asset activity for the year ended December 31, 2025, was as follows:

Governmental activities:	Balance 12/31/24	Additions	Disposals	Balance 12/31/25
Capital assets, not being depreciated/amortized:				
Land	$ 1,479,802	$ 42,800	$ -	$ 1,522,602
Construction in progress	1,085,227	445,156	(423,917)	1,106,466
Total capital assets, not being depreciated/amortized	2,565,029	487,956	(423,917)	2,629,068
Capital assets, being depreciated/amortized:				
Land improvements	5,589,432	483,687	-	6,073,119
Buildings and improvements	1,864,845	679,344	-	2,544,189
Machinery and equipment	1,010,875	65,503	-	1,076,378
Infrastructure	19,035,279	880,646	-	19,915,925
Vehicles	1,191,367	59,204	-	1,250,571
Intangible right to use:				
Leased vehicles	-	263,302	-	263,302
Total capital assets, being depreciated/amortized	28,691,798	2,431,686	-	31,123,484
Less: accumulated depreciation/amortization:				
Land improvements	(3,463,340)	(180,801)	-	(3,644,141)
Buildings and improvements	(1,220,629)	(90,375)	-	(1,311,004)
Machinery and equipment	(554,400)	(85,827)	-	(640,227)
Infrastructure	(15,562,177)	(594,191)	-	(16,156,368)
Vehicles	(798,684)	(80,194)	-	(878,878)
Intangible right to use:				
Leased vehicles	-	(26,330)	-	(26,330)
Total accumulated depreciation/amortization	(21,599,230)	(1,057,718)	-	(22,656,948)
Total capital assets, being depreciated/amortized, net	7,092,568	1,373,968	-	8,466,536
Governmental activities capital assets, net	$ 9,657,597	$ 1,861,924	$ (423,917)	$ 11,095,604

NOTE 8 - CAPITAL ASSETS - (Continued)

Business-type activities:	Balance 12/31/24	Additions	Disposals	Balance 12/31/25
Capital assets, not being depreciated/amortized:				
Land	$ 305,596	$ -	$ -	$ 305,596
Construction in progress	7,867,442	1,541,816	(9,200,293)	208,965
Total capital assets, not being depreciated/amortized	8,173,038	1,541,816	(9,200,293)	514,561
Capital assets, being depreciated/amortized:				
Land improvements	67,975	-	-	67,975
Buildings and improvements	5,043,063	41,195	-	5,084,258
Machinery and equipment	3,543,327	498,408	-	4,041,735
Infrastructure	28,389,291	9,544,400	-	37,933,691
Vehicles	1,864,249	268,736	-	2,132,985
Intangible right to use:				
Leased vehicles	-	111,321	-	111,321
Total capital assets, being depreciated/amortized	38,907,905	10,464,060	-	49,371,965
Less: accumulated depreciation/amortization:				
Land improvements	(43,347)	(1,959)	-	(45,306)
Buildings and improvements	(2,128,703)	(102,804)	-	(2,231,507)
Machinery and equipment	(2,310,750)	(159,956)	-	(2,470,706)
Infrastructure	(13,605,500)	(777,560)	-	(14,383,060)
Vehicles	(1,417,579)	(123,379)	-	(1,540,958)
Intangible right to use:				
Leased vehicles	-	(11,132)	-	(11,132)
Total accumulated depreciation/amortization	(19,505,879)	(1,176,790)	-	(20,682,669)
Total capital assets, being depreciated/amortized, net	19,402,026	9,287,270	-	28,689,296
Business-type activities capital assets, net	$ 27,575,064	$ 10,829,086	$ (9,200,293)	$ 29,203,857

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

Governmental activities:	
General government	$ 61,819
Security of persons and property	84,453
Transportation	669,737
Leisure time activity	241,709
Total depreciation/amortization expense - governmental activities	$ 1,057,718

NOTE 8 - CAPITAL ASSETS - (Continued)

Business-type activities:	
Water	$ 477,711
Sewer	383,195
Light	315,884
Total depreciation/amortization expense - business-type activities	$ 1,176,790

NOTE 9 - OTHER EMPLOYEE BENEFITS

A. Compensated Absences

The criteria for determining vested vacation and sick leave benefits are derived from negotiated agreements and State laws. Employees earn vacation time based on the length of service. Typically, vacation cannot be carried over; however, unforeseen circumstances may come into play and the supervisor may elect to permit an employee to carryover minimal vacation time. Balances available at year end have been approved for carryover and are a component of compensated absences. Sick leave accumulates at a rate of 4.6 hours per each 80 hours worked. For employees that work less than a 40-hour work week, the sick leave accumulation is prorated based on 4.6 hours per 80 hours worked. All accumulated, unused vacation time and personal days are paid upon separation if the employee has acquired at least one year of service with the City. Upon separation, AFSCME members and non-union employees other than police, are paid for a maximum of 480 hours of accumulated sick time provided they have ten years of service with OPERS. Police are paid a maximum of 600 hours of accumulated sick time provided they have ten years of service with the City.

B. Insurances

The City provides medical/surgical and prescription drug insurance for all eligible employees through Anthem Blue Cross Blue Shield. The monthly premium for medical/surgical and prescription drug coverage is $2,287.05 for family plan, $1,628.42 for a spousal plan, $1,250.59 for a dependent child plan, and $740.87 for a single plan. The City pays 90% of the premiums.

The City provides dental insurance coverage for all eligible employees through Delta Dental. The monthly premium for dental coverage is $26.60 for a single plan, $51.11 for a one dependent plan and $99.66 for a two or more dependent plan. The City pays 100% of the premiums.

The City provides vision insurance coverage for all AFSCME and FOP union employees through Vision Service Plan. The monthly premium for vision coverage is $7.25 a month, the city pays 100% of the premiums. Elected officials and full-time non-union employees may purchase vision insurance at a premium of $23.68 per month.

The City provides a life insurance policy, in the amount of $25,000, for all eligible (non-police employees) through The Lincoln National Life Insurance Co. The monthly premium for life insurance policy is $6.26; the City pays 100% of the premiums. The City provides police personnel with a life insurance policy in the amount of $50,000, with a monthly premium of $12.50. The City pays 100% of the premiums.

NOTE 10 - CONTINGENCIES

A. Grants

The City receives significant financial assistance from numerous federal and State agencies in the form of grants. The disbursement of funds received under these programs generally requires compliance with terms and conditions specified in the grant agreements and are subject to audit by the grantor agencies. Any disallowed claims resulting from such audits could become a liability of the general fund or other applicable funds. However, in the opinion of management, any such disallowed claims will not have a material effect on any of the financial statements of the individual fund types included herein or on the overall financial position of the City at December 31, 2025.

B. Litigation

The City is currently party to legal proceedings. The City management is of the opinion that pending litigation will not have a material effect, if any, on the financial condition of the City.

C. Component Unit Tax-Exempt Status

On March 18, 2013, the City was notified that effective May 15, 2012, the Internal Revenue Service revoked the Community Improvement Corporation's status as a tax-exempt organization.

D. Paid Up Oil/Gas Leases

The City has entered into several "paid-up" oil and gas leases. In consideration of the lease agreements, the City has received various signing bonuses. Royalties are paid for all oil and other liquid hydrocarbons and by-products produced and saved from the land, and all gas and other hydrocarbons and by-products. For 2025, the City received royalty payments of $210,969. As of the date of the financial statements, the value of any future royalties cannot be reasonably determined.

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NOTE 11 - LONG-TERM OBLIGATIONS

A. During 2025, the following activity occurred in governmental activities long-term obligations.

	Interest Rate	Balance 12/31/24	Additions	Reductions	Balance 12/31/25	Due Within One Year
Governmental activities:						
OPWC Loans (direct borrowing):						
Bett-Mar (CR10L) - 2008	0.00%	$ 26,236	$ -	$ (5,829)	$ 20,407	$ 5,829
St. Clairsville Road Project (CR25M) - 2010	0.00%	29,510	-	(4,919)	24,591	4,919
Resufacing 22 Roads (CR03N) - 2011	0.00%	26,712	-	(3,816)	22,896	3,816
Road Resurfacing (CR02Q) - 2014	0.00%	23,757	-	(4,320)	19,437	4,320
Total OPWC loans		106,215	-	(18,884)	87,331	18,884
General obligation bonds:						
2016 refunding bonds - recreation	2%-4%	40,000	-	(5,000)	35,000	5,000
Premium		3,478	-	(434)	3,044	-
Total general obligation bonds		43,478	-	(5,434)	38,044	5,000
Other long-term liabilities:						
Leases payable		-	200,880	(11,223)	189,657	37,221
Net pension liability		3,154,795	-	(377,079)	2,777,716	-
Net OPEB liability		156,227	-	(39,047)	117,180	-
Compensated absences*		379,674	-	(19,166)	360,508	82,814
Total other long-term liabilities		3,690,696	200,880	(446,515)	3,445,061	120,035
Total governmental activities long-term liabilities		$ 3,840,389	$ 200,880	$ (470,833)	$ 3,570,436	$ 143,919

*The change in compensated absences' liability is presented as a net change.

OPWC loans - The City received loans from the Ohio Public Works Commission (OPWC) to fund various road projects. The payments on the loans are made using gasoline and motor vehicle tax money. There is no interest on these loans.

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

General obligation bonds - 2016 refunding bonds - On July 13, 2016, the City issued $4,810,000 of general obligation refunding bonds which included serial and term bonds in the amount of $3,245,000 and $1,565,000, respectively. These bonds were issued to partially refund the 2007 various purpose bonds, as well as pay the costs of issuance of these bonds. The governmental activities portion of the 2007 various purpose bonds were used to pay for the costs of improvements to the City's recreational facilities. The refunding bonds bear interest rates ranging from 2% - 4% and mature on December 1, 2032. The governmental activities portion of these bonds is retired from the recreation fund, a nonmajor governmental fund.

The refunding resulted in a difference between the net carrying amount of the debt and the acquisition price. This difference, reported in the accompanying financial statements as a deferred outflow of resources, is being charged to interest expense through maturity on December 1, 2032 using the straight-line method.

NOTE 11 - LONG-TERM OBLIGATIONS - (Continued)

Leases payable – The City has entered into lease agreements for the right to use vehicles. The City has reported intangible right to use capital assets and corresponding liability for the future scheduled payments under the leases. The lease payments will be paid out of the general fund, the police fund, and the street fund. Lease payments are reflected as debt service expenditures in the financial statements and as functional expenditures in the budgetary statements. Payments are due monthly and the leases mature in 2030.

Net pension liability and net OPEB liability - See Notes 13 and 14 for details on the City's net pension liability and net OPEB liability, respectively. The net pension and net OPEB liabilities will be paid primarily from the general fund, police fund, street fund and the following nonmajor governmental fund: recreation fund.

B. The annual requirements amortize governmental activities long-term obligations outstanding as of December 31, 2025, are as follows:

Year	G. O. Bonds - 2016 Refunding			OPWC Loans - Direct Borrowing		
Ended	Principal	Interest	Total	Principal	Interest	Total
2026	$ 5,000	$ 1,000	$ 6,000.00	$ 18,884	$ -	$ 18,884
2027	5,000	800	5,800	18,884	-	18,884
2028	5,000	700	5,700	18,884	-	18,884
2029	5,000	600	5,600	15,972	-	15,972
2030	5,000	450	5,450	10,891	-	10,891
2031 - 2032	10,000	450	10,450	3,816	-	3,816
Totals	$ 35,000	$ 4,000	$ 39,000	$ 87,331	$ -	$ 87,331

Year	Leases payable		
Ended	Principal	Interest	Total
2026	$ 37,221	$ 8,637	$ 45,858
2027	39,126	6,732	45,858
2028	41,128	4,732	45,860
2029	43,232	2,628	45,860
2030	28,950	538	29,488
Totals	$ 189,657	$ 23,267	$ 212,924

NOTE 11 - LONG-TERM OBLIGATIONS - (Continued)

C. During 2025, the following activity occurred in business-type activities long-term obligations.

	Interest Rate	Balance 12/31/24	Additions	Reductions	Balance 12/31/25	Due Within One Year
Business-type activities:						
OWDA loans - direct borrowings:						
WWTP improvements - #7233	2.71%	$ 1,128,342	$ -	$ (94,028)	$ 1,034,314	$ 94,028
New reservoir improvement - #8368	0.6-1.85%	871,158	-	(53,046)	818,112	53,660
I-70 Underpass Watermain - #9771	2.10%	729,562	-	(23,818)	705,744	33,727
East end Belmont county water connection - #9484	1.28%	157,969	-	(7,619)	150,350	7,717
Water distribution system phases 1&2 - #10066	0.00%	2,361,056	1,345,608	(63,011)	3,643,653	126,022
Total OWDA loans		5,248,087	1,345,608	(241,522)	6,352,173	315,154
OPWC loans - direct borrowings:						
Belmont Dr. pump station replace. - CR20H	2.00%	10,905	-	(4,297)	6,608	4,383
Water transmission system - CR05H	2.00%	4,735	-	(3,142)	1,593	1,593
New reservoir improvement - CR24V	0.00%	201,654	-	-	201,654	-
Total OPWC loans		217,294	-	(7,439)	209,855	5,976
General obligation bonds:						
2016 refunding bonds - water system	2%-4%	110,000	-	(10,000)	100,000	10,000
Premium		8,503	-	(1,062)	7,441	-
2016 refunding bonds - sewer system	2%-4%	65,000	-	(10,000)	55,000	10,000
Premium		5,532	-	(865)	4,667	-
2016 refunding bonds - light system	2%-4%	2,040,000	-	(350,000)	1,690,000	290,000
Premium		156,707	-	(31,495)	125,212	-
Total general obligations bonds		2,385,742	-	(403,422)	1,982,320	310,000
Other long-term liabilities:						
Compensated absences		174,979	-	(154,116)	154,116	36,829
Leases payable		-	74,881	(4,473)	70,408	13,874
Net pension liability		2,055,679	-	(206,140)	1,849,539	-
Intergovernmental payable		21,256	-	-	21,256	6,963
Total other long-term liabilities		2,251,914	74,881	(364,729)	2,095,319	57,666
Total business-type long-term obligations		$ 10,103,037	$ 1,420,489	$ (1,017,112)	$ 10,639,667	$ 688,796

*The change in compensated absences liability is presented as a net change.

OWDA loans - The City has entered into debt financing arrangements through the Ohio Water Development Authority (OWDA) to fund water and sewer projects. The amounts due to the OWDA are payable from water and sewer revenues. The loan agreements function similar to a line-of-credit agreement. The loan agreements require semi-annual payments based on the permissible borrowings rather than the actual amount loaned. Future annual debt service principal and interest requirements for the open loans (New Reservoir Improvement and Water distribution system phases 1&2), which have a total balance of $4,461,765 at December 31, 2025, are not available.

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

NOTE 11 - LONG-TERM OBLIGATIONS - (Continued)

The City has pledged future sewer revenues to repay certain OWDA loans. The loans are payable solely from sewer fund revenues and are payable through 2036 and 2043. Annual principal and interest payments on the loans are expected to require 30.63 percent of net revenues and 9.18 percent of total revenues. Principal and interest paid for the current year were $186,980, total net revenues were $610,418 and total revenues were $2,037,561.

The City has pledged future water revenues to repay certain OWDA loans. The loans are payable solely from water fund revenues. A debt service schedule will be available when the loan is closed out. Annual principal and interest payments on the loans are expected to require 17.18 percent of net revenues and 5.81 percent of total revenues. Principal and interest paid for the current year were $117,580, total net revenues were $684,431 and total revenues were $2,023,152.

OPWC loans - The City received loans from the Ohio Public Works Commission (OPWC) to fund improvements of the water and sewer systems. The loans will be paid from revenues derived from charges for services in the water and sewer funds.

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

The City has pledged future sewer revenues to repay certain OPWC loans. The loans are payable solely from sewer fund revenues and are payable through 2027. The total principal and interest remaining to be paid on the sewer OPWC loans is $6,740. Annual principal and interest payments on the loans are expected to require 0.74 percent of net revenues and 0.22 percent of total revenues. Principal and interest paid for the current year were $4,494, total net revenues were $610,418 and total revenues were $2,037,561.

The City has pledged future water revenues to repay certain OPWC loans. The loans are payable solely from water fund revenues and are payable through 2026. The total principal and interest remaining to be paid on the water OPWC loan (for which a debt service schedule was available for) is $1,609. Annual principal and interest payments on the loans are expected to require 0.47 percent of net revenues and 0.16 percent of total revenues. Principal and interest paid for the current year were $3,221, total net revenues were $684,431 and total revenues were $2,023,152.

Future annual debt service principal and interest requirements for the open loan (New Reservoir Improvement), which has a total balance of $201,654 at December 31, 2025, is not available.

General obligation bonds - 2016 refunding bonds - On July 13, 2016, the City issued $4,810,000 of general obligation refunding bonds which included serial and term bonds in the amount of $3,245,000 and $1,565,000, respectively. These bonds were issued to partially refund the 2007 various purpose bonds, as well as pay the costs of issuance of these bonds. The business-type activities portions of the 2007 various purpose bonds were used to pay for the costs of improvements to the City's water, sewer and electric systems. The refunding bonds bear interest rates ranging from 2% - 4% and mature on December 1, 2032. The business-type activities portions of these bonds are retired from the water fund, sewer fund and light fund.

The refunding resulted in a difference between the net carrying amount of the debt and the acquisition price. This difference, reported in the accompanying financial statements as a deferred outflow of resources, is being charged to interest expense through maturity on December 1, 2032 using the straight-line method.

Intergovernmental payable - In prior years, the City and Belmont County approved an agreement for the City to pay 7.33 percent of the costs of Belmont County's water works system phase I project, in return for the City to have access to an emergency water supply.

NOTE 11 - LONG-TERM OBLIGATIONS - (Continued)

Leases payable – The City has entered into lease agreements for the use for the right to use vehicles. The City has reported intangible right to use capital assets and corresponding liability for the future scheduled payments under the leases. The lease payments will be paid out of the sewer and light funds. Lease payments are reflected as debt service expenditures in the financial statements and as functional expenditures in the budgetary statements. Payments are due monthly and the leases mature in 2030.

Net pension liability - See Notes 13 for details on the City's net pension liability. The net pension liability will be paid from the water, sewer and light funds.

D. The annual requirements amortize business-type activities long-term obligations outstanding as of December 31, 2025, are as follows:

Year	OPWC Loans - Direct Borrowing			OWDA Loans - Direct Borrowing		
Ended	Principal	Interest	Total	Principal	Interest	Total
2026	$ 5,976	$ 126	$ 6,102	$ 135,472	$ 44,007	$ 179,479
2027	2,225	22	2,247	136,287	40,644	176,931
2028	-	-	-	137,118	37,265	174,383
2029	-	-	-	137,965	33,869	171,834
2030	-	-	-	138,830	30,456	169,286
2031 - 2035	-	-	-	707,748	100,461	808,209
2036 - 2040	-	-	-	356,039	30,192	386,231
2041 - 2043	-	-	-	140,949	4,195	145,144
Totals	$ 8,201	$ 148	$ 8,349	$ 1,890,408	$ 321,089	$ 2,211,497

Year	Leases Payable		
Ended	Principal	Interest	Total
2026	$ 13,874	$ 3,205	$ 17,079
2027	14,584	2,496	17,080
2028	15,330	1,750	17,080
2029	16,114	965	17,079
2030	10,506	187	10,693
Totals	$ 70,408	$ 8,603	$ 79,011

E. The Ohio Revised Code provides that the net debt of a municipal corporation, whether or not approved by the electors, shall not exceed 10.5% of the 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 taxation value of property. The assessed valuation used in determining the City's legal debt margin has been modified by House Bill 530 which became effective March 30, 2006. In accordance with House Bill 530, the assessed valuation used in calculating the City's legal debt margin calculation excludes tangible personal property used in business, telephone or telegraph property, interexchange telecommunications company property, and personal property owned or leased by a railroad company and used in railroad operations. The statutory limitations on debt are measured by a direct ratio of net debt to tax valuation and expressed in terms of a percentage. At December 31, 2025, the City's total debt margin was $17,532,177 and the unvoted debt margin was $9,166,855.

NOTE 12 - RISK MANAGEMENT

A. Property and Liability Insurance

The City is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The City contracts with the Scottsdale Insurance Company and the Charter Oak Fire Insurance Company for property and inland marine coverage, for fleet insurance, and liability insurance. The City has transferred its risk of loss to the insurance carrier to the extent of the limits shown below.

Building and contents - replacement cost ($5,000 deductible)	$	34,346,118
Flood coverage ($50,000 deductible)		5,000,000
Earthquake ($50,000 deductible)		5,000,000
Crime:		
Employee dishonesty		500,000
Automotive:		
Bodily injury, property damage, etc. (each occurrence)		1,000,000
Uninsured motorist		1,000,000
Medical payments		5,000
General liability:		
General aggregate		3,000,000
Products completed operations aggregate limit		3,000,000
Personal & advertising injury limit		1,000,000
Limit per occurrence		1,000,000
Damage to premises rented to you limit		100,000
Employee benefits ($5,000 deductible)		1,000,000
Public officials liability:		
Aggregate		3,000,000
Each occurrence ($5,000 deductible)		1,000,000
Employment practices:		
Aggregate		3,000,000
Each occurrence ($5,000 deductible)		1,000,000
Back wages limit ($5,000 deductible)		250,000
Law enforcement liability:		
Aggregate		1,000,000
Each person/occurrence ($5,000 deductible)		1,000,000
Umbrella:		
Aggregate		5,000,000
Each occurrence ($10,000 deductible)		5,000,000
Police dog ($1,000 deductible)		25,000
Computer ($1,000 deductible)		205,500
Equipment ($1,000 deductible)		1,187,466
Rented		75,000
Cyber liability		1,000,000

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

B. Workers' Compensation

Workers' compensation coverage is provided by the State of Ohio. The City pays the State Workers' Compensation System a premium based on a rate per $100 of salaries. This rate is calculated based on accident history and administrative costs.

NOTE 13 - DEFINED BENEFIT PENSION PLANS

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

Net Pension Liability and Net OPEB Liability (Asset)

The net pension liability and the net OPEB liability (asset) reported on the statement of net position represents a liability or asset to employees for pensions and OPEB, respectively.

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 (asset) 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 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 (asset). Resulting adjustments to the net pension/OPEB liability (asset) 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 (asset) on the accrual basis of accounting. Any liability for the contractually-required pension/OPEB contribution outstanding at the end of the year is included in intergovernmental payable on both the accrual and modified accrual bases of accounting.

The remainder of this note includes the pension disclosures. See Note 14 for the OPEB disclosures.

Plan Description - Ohio Public Employees Retirement System (OPERS)

Plan Description - City employees, other than full-time police, participate in the Ohio Public Employees Retirement System (OPERS). OPERS is a cost-sharing, multiple employer public employee retirement system which administers two separate pension plans. The traditional pension plan is a cost-sharing, multiple-employer defined benefit pension plan, and the member-directed plan is a defined contribution 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 both plans, law enforcement and public safety divisions exist only within the traditional plan.

NOTE 13 - DEFINED BENEFIT PENSION PLANS - (Continued)

The traditional pension plan also includes members of the legacy combined plan, a hybrid defined benefit/defined contribution plan referred to as the combined plan division of the traditional pension plan throughout this disclosure. Prior to January 1, 2024, the combined plan was a separate pension plan. Effective January 1, 2022, the combined plan was no longer available for member selection. In October 2023, the legislature approved House Bill (HB) 33 which allowed for the consolidation of the combined plan into the traditional pension plan. The combined plan was consolidated into the traditional pension plan effective January 1, 2024, and is tracked as a separate division within the traditional pension plan. No changes were made to the benefit design features of the combined plan as part of this consolidation so that members in this plan will experience no changes. Throughout this disclosure, references to the traditional pension plan are inclusive of the combined plan division, unless otherwise noted.

Members of the combined plan division earn a formula benefit similar to, but at a factor less than, the traditional pension plan benefit. This defined benefit is funded by employer contributions and associated investment earnings. Additionally, combined plan division member contributions are deposited into a defined contribution account in which the member self-directs the investment. Upon retirement or termination, the member may choose a defined contribution retirement distribution that is equal in amount to the member's contributions to the plan and investment gains or losses on those contributions. Members in this division may also elect to annuitize their defined contribution account balances.

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

Senate Bill (SB) 343 was enacted into law with an effective date of January 7, 2013. In the legislation, members in the traditional and combined plans were categorized into three groups with varying provisions of the law applicable to each group.

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NOTE 13 - DEFINED BENEFIT PENSION PLANS - (Continued)

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):

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

Traditional pension plan state and local members (excluding the combined plan division) who retire before meeting the age-and-years of service credit requirement for unreduced benefits receive a percentage reduction in the benefit amount. The amount of a member's pension benefit vests at retirement.

Combined plan division members retiring before age 65 with less than 30 years of service credit receive a percentage reduction in benefit.

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

When a traditional plan benefit recipient has received benefits for 12 months, the member is eligible for an annual cost of living adjustment (COLA). This COLA is calculated on the member's original base retirement benefit at the date of retirement and is not compounded. Members retiring under the combined plan division 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 3.00%. 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 3.00%.

NOTE 13 - DEFINED BENEFIT PENSION PLANS - (Continued)

Defined contribution plan benefits are established in the plan documents, which may be amended by the Board. Member-directed plan and combined plan division members who have met the retirement eligibility requirements may apply for retirement benefits. The amount available for defined contribution benefits in the combined plan division consists of the member's contributions plus or minus the investment gains or losses resulting from the member's investment selections. Combined plan division 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:

	Traditional Pension Plan State and Local Divisions	
	Excluding Combined Plan Division	Combined Plan Division
2025 Statutory Maximum Contribution Rates		
Employer	14.0 %	14.0 %
Employee *	10.0 %	10.0 %
2025 Actual Contributions Rates		
Employer:		
Pension **	14.0 %	12.0 %
Post-employment Health Care Benefits **	0.0	2.0
Total Employer	14.0 %	14.0 %
Employee	10.0 %	10.0 %

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

** These pension and employer health care rates are for the traditional plan. 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.

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

For 2025, the City's contractually required contribution was $316,216 for the Traditional Pension Plan (excluding Combined Plan Division) and the Combined Plan Division and none for the member-directed plan. Of this amount, $28,971 is reported as intergovernmental payable.

NOTE 13 - DEFINED BENEFIT PENSION PLANS - (Continued)

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

Plan Description - City full-time police 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 2.50% for each of the first 20 years of service credit, 2.00% for each of the next five years of service credit and 1.50% for each year of service credit in excess of 25 years. The maximum pension of 72.00% of the allowable average annual salary is paid after 33 years of service credit (see OP&F Annual Comprehensive Financial Report referenced above for additional information, including requirements for Deferred Retirement Option Plan provisions and reduced and unreduced benefits).

Under normal service retirement, retired members who are at least 55 years old and have been receiving OP&F benefits for at least one year are 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 3.00% of the member's base pension benefit.

The COLA amount for members who have less than 15 years of service credit as of July 1, 2013, and members whose pension benefit became effective on or after July 1, 2013, will be equal to a percentage of the member's base pension benefit where the percentage is the lesser of 3.00% or the percentage increase in the consumer price index, if any, over the twelve-month period that ends on the thirtieth day of September of the immediately preceding year, rounded to the nearest one-tenth of one percent.

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

NOTE 13 - DEFINED BENEFIT PENSION PLANS - (Continued)

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

	Police
2025 Statutory Maximum Contribution Rates	
Employer	19.50 %
Employee	12.25 %
2025 Actual Contribution Rates	
Employer:	
Pension	19.00 %
Post-employment Health Care Benefits	0.50 %
Total Employer	19.50 %
Employee	12.25 %

Employer contribution rates are expressed as a percentage of covered payroll. The City's contractually required contribution to OP&F was $123,389 for 2025. Of this amount, $12,662 is reported as intergovernmental payable.

Net 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, 2024, 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, 2024, and was determined by rolling forward the total pension liability as of January 1, 2024, to December 31, 2024. The City's proportion of the net pension liability was based on the City's share of contributions to the pension plan relative to the contributions of all participating entities.

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

	OPERS - Traditional	OP&F	Total
Proportion of the net pension liability/asset prior measurement date	0.01200600%	0.02139710%	
Proportion of the net pension liability current measurement date	0.01148500%	0.01897460%	
Change in proportionate share	-0.00052100%	-0.00242250%	
Proportionate share of the net pension liability	$ 2,815,611	$ 1,811,644	$ 4,627,255
Pension expense	380,635	218,167	598,802

NOTE 13 - DEFINED BENEFIT PENSION PLANS - (Continued)

At December 31, 2025, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	OPERS - Traditional	OP&F	Total
Deferred outflows of resources			
Differences between expected and actual experience	$ 53,872	$ 76,858	$ 130,730
Net difference between projected and actual earnings on pension plan investments	332,158	87,756	419,914
Changes of assumptions	-	71,465	71,465
Changes in employer's proportionate percentage/ difference between employer contributions	54,156	59,037	113,193
Contributions subsequent to the measurement date	316,216	123,389	439,605
Total deferred outflows of resources	$ 756,402	$ 418,505	$ 1,174,907

	OPERS - Traditional	OP&F	Total
Deferred inflows of resources			
Differences between expected and actual experience	$ -	$ 9,161	$ 9,161
Changes of assumptions	-	20,532	20,532
Changes in employer's proportionate percentage/ difference between employer contributions	91,227	159,059	250,286
Total deferred inflows of resources	$ 91,227	$ 188,752	$ 279,979

$439,605 reported as deferred outflows of resources related to pension resulting from City contributions subsequent to the measurement date will be recognized as a reduction of/increase to the net pension liability/asset in the year ending December 31, 2026.

NOTE 13 - DEFINED BENEFIT PENSION PLANS - (Continued)

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	OP&F	Total
2026	$ 177,530	$ 75,292	$ 252,822
2027	341,315	122,321	463,636
2028	(128,154)	(34,599)	(162,753)
2029	(41,732)	(28,857)	(70,589)
2030	-	(28,835)	(28,835)
Thereafter	-	1,042	1,042
Total	$ 348,959	$ 106,364	$ 455,323

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, 2024, using the following key actuarial assumptions and methods applied to prior periods included in the measurement in accordance with the requirements of GASB 67.

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NOTE 13 - DEFINED BENEFIT PENSION PLANS - (Continued)

Key methods and assumptions used in the latest actuarial valuation, reflecting experience study results, prepared as of December 31, 2024, compared to the December 31, 2023 actuarial valuation, are presented below.

Wage inflation	
Current measurement date	2.75%
Prior measurement date	2.75%
Future salary increases, including inflation	
Current measurement date	2.75% to 10.75% including wage inflation
Prior measurement date	2.75% to 10.75% including wage inflation
COLA or ad hoc COLA	
Current measurement date	Pre 1/7/2013 retirees: 3.00%, simple Post 1/7/2013 retirees: 2.90%, simple through 2025, then 2.05% simple
Prior measurement date	Pre 1/7/2013 retirees: 3.00%, simple Post 1/7/2013 retirees: 2.30%, simple through 2024, then 2.05% simple
Investment rate of return	
Current measurement date	6.90%
Prior measurement date	6.90%
Actuarial cost method	Individual entry age

Pre-retirement mortality rates are based on 130% of the Pub-2010 General Employee Mortality tables (males and females) for State and Local Government divisions and 170% 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% 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 2024, OPERS managed investments in three investment portfolios: the Defined Benefit portfolio, the Defined Contribution portfolio and the Health Care portfolio. The Defined Benefit portfolio contains the investment assets of the Traditional Pension Plan, including the defined benefit component of the Combined Plan division, and the annuitized accounts of the Member-Directed Plan. Within the Defined Benefit portfolio, contributions into the plans are all recorded at the same time, and benefit payments all occur on the first of the month. Accordingly, the money-weighted rate of return is considered to be the same for all plans within the portfolio. The annual money-weighted rate of return expressing investment performance, net of investment expenses and adjusted for the changing amounts actually invested, for the Defined Benefit portfolio was a gain of 8.8% for 2024.

NOTE 13 - DEFINED BENEFIT PENSION PLANS - (Continued)

The allocation of investment assets within the Defined Benefit portfolio is approved by the Board as outlined in the annual investment plan. Plan assets are managed on a total return basis with a long-term objective of achieving and maintaining a fully funded status for the benefits provided through the defined benefit pension plans. The long-term expected rate of return on defined benefit investment assets was determined using a building-block method in which best-estimate ranges of expected future real rates of return over a 20-year period are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage, adjusted for inflation. Best estimates of geometric real rates of return were provided by the Board's investment consultant. For each major asset class that is included in the Defined Benefit portfolio's target asset allocation as of December 31, 2024, these best estimates are summarized in the following table. A simple weighted sum of asset class returns will not yield the results shown on the table given the process followed to adjust for inflation, the compounding to a given time period, and the impact of volatility and correlations to the portfolio.

For each major asset class that is included in the Defined Benefit portfolio's target asset allocation as of December 31, 2024, 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	24.00 %	2.42 %
Domestic equities	21.00	5.70
Real estate	13.00	4.17
Private equity	15.00	8.40
International equities	20.00	6.10
Risk Parity	2.00	4.40
Other investments	5.00	2.54
Total	100.00 %	

Discount Rate - The discount rate used to measure the total pension liability was 6.9% for the Traditional Pension Plan and Member-Directed 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 benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments for the Traditional Pension Plan and Member-Directed Plan was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of the City's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate - The following table presents the proportionate share of the net pension liability calculated using the current period discount rate assumption of 6.90%, as well as what the proportionate share of the net pension liability would be if it were calculated using a discount rate that is one-percentage-point lower (5.90%) or one-percentage-point higher (7.90%) than the current rate:

	1% Decrease	Discount Rate	1% Increase
City's proportionate share of the net pension liability:			
Traditional Pension Plan	$ 4,606,174	$ 2,815,611	$ 1,327,666

NOTE 13 - DEFINED BENEFIT PENSION PLANS - (Continued)

Actuarial Assumptions - OP&F

OP&F's 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 retirement 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. A comprehensive experience study was performed during 2022 by OP&F's actuary and completed as of December 31, 2021. Changes in demographic and economic actuarial assumptions were made. Assumptions considered were: withdrawal rates, disability retirement, service retirement, DROP elections, mortality, percent married and forms of payment, DROP interest rate, CPI-based COLA, investment returns, salary increases and payroll growth. The changes in assumptions are being amortized over the estimated remaining useful life of the participants which was 6.16 years at December 31, 2024.

Key methods and assumptions used in calculating the total pension liability in the latest actuarial valuation, prepared as of December 31, 2024, compared to December 31, 2023, are presented below.

Valuation date	1/1/24 with actuarial liabilities rolled forward to 12/31/24
Actuarial cost method	Entry age normal (level percent of payroll)
Investment rate of return	
Current measurement date	7.50%
Prior measurement date	7.50%
Projected salary increases	3.75% - 10.50%
Payroll increases	3.25% per annum, compounded annually, consisting of inflation rate of 2.75% plus productivity increase rate of 0.50%
Cost of living adjustments	2.20% per year

Healthy Mortality

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% for males and 98.7% for females. All rates are projected using the MP-2021 Improvement Scale.

Disabled Mortality

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

Contingent Annuitant Mortality

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% for males and 131% for females. All rates are projected using the MP-2021 Improvement Scale.

Pre-Retirement Mortality

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

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

NOTE 13 - DEFINED BENEFIT PENSION PLANS - (Continued)

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, 2024 are summarized below:

Asset Class	Target Allocation	Long Term Expected Real Rate of Return
Domestic equity	18.60 %	3.80 %
Non-US equity	12.40	4.60
Private markets	10.00	5.60
Core fixed income *	25.00	2.60
High yield fixed income	7.00	4.30
Private credit	5.00	6.70
U.S. inflation linked bonds *	15.00	2.40
Midstream energy infrastructure	5.00	5.20
Real assets	8.00	6.10
Gold	5.00	3.20
Private real estate	12.00	5.30
Commodities	2.00	2.50
Total	125.00 %	

Note: assumptions are geometric, net of expected inflation
* levered 2x

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

Discount Rate - Total pension liability was calculated using the discount rate of 7.50%. The projection of cash flows used to determine the discount rate assumed the contributions from employers and from members would be computed based on contribution requirements as stipulated by state statute. Projected inflows from investment earnings were calculated using the longer-term assumed investment rate of return 7.50%. Based on those assumptions, OP&F's fiduciary net position was projected to be available to make all future benefit payment 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.

NOTE 13 - DEFINED BENEFIT PENSION PLANS - (Continued)

Sensitivity of the City's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate - Net pension liability is sensitive to changes in the discount rate, and to illustrate the potential impact the following table presents the net pension liability calculated using the discount rate of 7.50%, 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%), or one percentage point higher (8.50%) than the current rate.

	1% Decrease	Discount Rate	1% Increase
City's proportionate share of the net pension liability	$ 2,425,961	$ 1,811,644	$ 1,300,739

NOTE 14 - POSTEMPLOYMENT BENEFITS

Net OPEB Liability (Asset)

See Note 13 for a description of the net OPEB liability (asset).

Plan Description - Ohio Public Employees Retirement System (OPERS)

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

OPERS maintains a cost-sharing, multiple-employer defined benefit post-employment health care trust, the 115 Health Care Trust (115 Trust), which was established in 2014 to fund health care for the Traditional Pension and Member-Directed plans. The Ohio Revised Code permits, but does not require, OPERS to provide health care to its eligible benefit recipients. Authority to establish and amend health care coverage is provided to the Board in Chapter 145 of the Ohio Revised Code.

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

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

NOTE 14 - POSTEMPLOYMENT BENEFITS - (Continued)

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

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

Age 60 to 64 Retirees Based on the following age-and-service criteria:

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

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

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

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

Group A 30 years of qualified health care service credit;

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

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

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

Members with a retirement date on or prior to December 1, 2014, with at least 10 years of qualifying health care service credit will continue to be eligible for the OPERS health care program. Members with a retirement date after December 1, 2014, but prior to January 1, 2022, who were eligible to participate in the OPERS health care program will continue to be eligible after January 1, 2022, as summarized in the following table:

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

See the Age and Service Retirement section of the OPERS ACFR for a description of Groups A, B and C.

Beginning January 1, 2014, qualifying contributing service credit for health care will be accumulated only if the member's eligible salary is at least $1,000 per month. Partial health care credit will not be granted for months in which eligible salary is less than $1,000. Credit earned prior to January 2014 will not be affected by this requirement.

NOTE 14 - POSTEMPLOYMENT BENEFITS - (Continued)

Recipients of disability benefits prior to January 1, 2014, have continued access to the health care program while the disability benefit continues and will not be subject to the five-year rule described below. The allowance will be determined in the same manner as an age-and-service retiree. If the recipient does not meet minimum age-and-service requirements, the minimum allowance will be used. Recipients with an initial disability effective date on or after January 1, 2014, will have coverage during the first five years of disability benefits. After five years, the recipient must meet minimum age-and-service health care eligibility requirements or be enrolled in Medicare (due to disability status) to remain enrolled in the OPERS health care program. If enrolled, the allowance will be determined in the same way as an age-and-service retiree.

Eligible retirees may receive a monthly HRA allowance for reimbursement of health care coverage premiums and other qualified medical expenses. Monthly allowances are determined using a percentage based on years of service and the age when the individual is first eligible for the HRA, multiplied by the base allowance as determined by the Board.

The base allowance was $1,200 per month for non-Medicare retirees and $350 per month for Medicare retirees throughout 2024. The base allowance for Medicare retirees increased to $400 per month in January 2025. Monthly allowances range between 51.00% and 90.00% of the base allowance for both non-Medicare and Medicare retirees.

Retirees will have access to the OPERS Connector, which is a relationship with a vendor selected by OPERS to assist retirees participating in the health care program. The OPERS Connector may assist retirees in selecting and enrolling in the appropriate health care plan. While Medicare eligible retirees must use the Connector to select a vendor to be eligible to receive an HRA, non-Medicare eligible retirees may use the Connector or another vendor and still be eligible to receive an HRA.

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

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

Participants in the Member-Directed Plan have a portion of the employer contribution credited to an individual retiree medical account. Interest accrues based on the investment performance of the stable value fund, not to exceed 4.00%. Members with an account prior to July 1, 2015, become vested in the account at a rate of 20.00% for each year of participation until the member is fully vested at the end of five years. Members establishing accounts on or after July 1, 2015, vest over 15 years at a rate of 10.00% each year starting with the sixth year of participation.

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.

NOTE 14 - POSTEMPLOYMENT BENEFITS - (Continued)

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 (except for the combined division).

Employer contribution rates are expressed as a percentage of the earnable salary of active members. For 2025, state and local employers contributed at a rate of 14.00% of earnable salary. These are the maximum employer contribution rates permitted by the Ohio Revised Code. Active member contributions do not fund health care.

Each year, the OPERS Board determines the portion of the employer contribution rate that will be set aside to fund health care plans. For 2025, OPERS did not allocate any employer contribution to health care for members in the Traditional Pension Plan. Beginning July 1, 2022, there was a 2.00% allocation to health care for the Combined Plan Division which has continued through 2025. 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 2025 was 4.00%. Effective July 1, 2022, a portion of the health care rate was funded with reserves which has continued through 2025.

Employer contribution rates are actuarially determined and are expressed as a percentage of covered payroll. The City's contractually required contribution was $0 for 2025.

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

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

A stipend funded by OP&F via the Health Care Stabilization Fund (HCSF) is available to eligible members through a Health Reimbursement Arrangement and can be used to reimburse retirees for qualified health care expenses. This stipend model allows eligible members the option of choosing an appropriate health care plan on the insurance exchange. Implementation of the stipend model has helped OP&F meet the funding goal of a 15-year future solvency projection in the HCSF.

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.

NOTE 14 - POSTEMPLOYMENT BENEFITS - (Continued)

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

Funding Policy - The Ohio Revised Code provides for contribution requirements of the participating employers and of plan members to the OP&F defined benefit pension plan. Participating employers are required to contribute to the pension plan at rates expressed as percentages of the payroll of active pension plan members, currently 19.50% and 24.00% of covered payroll for police and fire employer units, respectively. The Ohio Revised Code states that the employer contribution may not exceed 19.50% of covered payroll for police employer units and 24.00% of covered payroll for fire employer units. Active members do not make contributions to the OPEB Plan.

The Board of Trustees is authorized to allocate a portion of the total employer contributions for retiree health care benefits. For 2025, the portion of employer contributions allocated to health care was 0.50% of covered payroll. The amount of employer contributions allocated to the health care plan each year is subject to the Trustees' primary responsibility to ensure that pension benefits are adequately funded.

The City's contractually required contribution to OP&F was $3,247 for 2025. Of this amount, $333 is reported as intergovernmental payable.

Net OPEB Liabilities (Assets), OPEB Expense, and Deferred Outflows or Resources and Deferred Inflows of Resources Related to OPEB

The net OPEB liability (asset) and total OPEB liability for OPERS were determined by an actuarial valuation as of December 31, 2023, rolled forward to the measurement date of December 31, 2024, 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, 2024, and was determined by rolling forward the total OPEB liability as of January 1, 2024, to December 31, 2024. 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 and OPEB expense:

	OPERS	OP&F	Total
Proportion of the net OPEB liability/asset prior measurement date	0.01119400%	0.02139710%	
Proportion of the net OPEB liability/asset current measurement date	0.01096500%	0.01897460%	
Change in proportionate share	-0.00022900%	-0.00242250%	
Proportionate share of the net OPEB liability	$ -	$ 117,180	$ 117,180
Proportionate share of the net OPEB asset	(257,045)	-	(257,045)
OPEB expense	18,344	4,994	23,338

NOTE 14 - POSTEMPLOYMENT BENEFITS - (Continued)

At December 31, 2025, the City reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	OPERS	OP&F	Total
Deferred outflows of resources			
Differences between expected and actual experience	$ -	$ 5,261	$ 5,261
Net difference between projected and actual earnings on OPEB plan investments	5,293	4,770	10,063
Changes of assumptions	-	24,700	24,700
Changes in employer's proportionate percentage/ difference between employer contributions	57,944	10,434	68,378
Contributions subsequent to the measurement date	-	3,247	3,247
Total deferred outflows of resources	$ 63,237	$ 48,412	$ 111,649

	OPERS	OP&F	Total
Deferred inflows of resources			
Differences between expected and actual experience	$ 12,510	$ 23,913	$ 36,423
Changes of assumptions	37,090	82,926	120,016
Changes in employer's proportionate percentage/ difference between employer contributions	2,562	21,381	23,943
Total deferred inflows of resources	$ 52,162	$ 128,220	$ 180,382

$3,247 reported as deferred outflows of resources related to OPEB resulting from City contributions subsequent to the measurement date will be recognized as a reduction of/increase to the net OPEB liability in the year ending December 31, 2026.

NOTE 14 - POSTEMPLOYMENT BENEFITS - (Continued)

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

	OPERS	OP&F	Total
Year Ending December 31:			
2026	$ 29,215	$ (10,833)	$ 18,382
2027	23,752	(7,867)	15,885
2028	(30,981)	(16,034)	(47,015)
2029	(10,911)	(16,858)	(27,769)
2030	-	(17,889)	(17,889)
Thereafter	-	(13,574)	(13,574)
Total	$ 11,075	$ (83,055)	$ (71,980)

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 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, 2023, rolled forward to the measurement date of December 31, 2024.

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NOTE 14 - POSTEMPLOYMENT BENEFITS - (Continued)

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	
Current measurement date	2.75%
Prior Measurement date	2.75%
Projected Salary Increases, including inflation	
Current measurement date	2.75 to 10.75% including wage inflation
Prior Measurement date	2.75 to 10.75% including wage inflation
Single Discount Rate:	
Current measurement date	6.00%
Prior Measurement date	5.70%
Investment Rate of Return	
Current measurement date	6.00%
Prior Measurement date	6.00%
Municipal Bond Rate	
Current measurement date	4.08%
Prior Measurement date	3.77%
Health Care Cost Trend Rate	
Current measurement date	5.50% initial, 3.50% ultimate in 2039
Prior Measurement date	5.50% initial, 3.50% ultimate in 2038
Actuarial Cost Method	Individual Entry Age

Pre-retirement mortality rates are based on 130% of the Pub-2010 General Employee Mortality tables (males and females) for State and Local Government divisions and 170% 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% 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 2024, OPERS managed investments in three investment portfolios: the Defined Benefit portfolio, the Defined Contribution portfolio and the Health Care portfolio. The Health Care portfolio includes the assets for health care expenses for the Traditional Pension Plan, Combined Plan division and Member-Directed Plan eligible members. Within the Health Care portfolio, contributions into the plans are assumed to be received continuously throughout the year based on the actual payroll payable at the time contributions are made, and health care-related payments are assumed to occur mid-year. Accordingly, the money-weighted rate of return is considered to be the same for all plans within the portfolio. The annual money-weighted rate of return expressing investment performance, net of investment expenses and adjusted for the changing amounts actually invested, for the Health Care portfolio was a gain of 10.00% for 2024.

NOTE 14 - POSTEMPLOYMENT BENEFITS - (Continued)

The allocation of investment assets within the Health Care portfolio is approved by the Board as outlined in the annual investment plan. Assets are managed on a total return basis with a long-term objective of continuing to offer a sustainable health care program for current and future retirees. OPERS' primary goal is to achieve and maintain a fully funded status for benefits provided through the defined benefit pension plans. Health care is a discretionary benefit. The long-term expected rate of return on health care investment assets was determined using a building-block method in which best-estimate ranges of expected future real rates of return over a 20-year period are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage, adjusted for inflation.

Best estimates of geometric real rates of return were provided by the Board's investment consultant. For each major asset class that is included in the Health Care portfolio's target asset allocation as of December 31, 2024, these best estimates are summarized. A simple weighted sum of asset class returns will not yield the results shown on the table given the process followed to adjust for inflation, the compounding to a given time period, and the impact of volatility and correlations to the portfolio.

Asset Class	Target Allocation	Weighted Average Long-Term Expected Real Rate of Return (Geometric)
Fixed Income	37.00 %	2.37 %
Domestic equities	26.00	5.70
Real Estate Investment Trusts (REITs)	5.00	5.00
International equities	26.00	6.10
Risk parity	3.00	4.40
Other investments	3.00	2.50
Total	100.00 %	

Discount Rate - A single discount rate of 6.00% was used to measure the total OPEB liability on the measurement date of December 31, 2024; however, the single discount rate used at the beginning of the year was 5.70%. Projected benefit payments are required to be discounted to their actuarial present value using a single discount rate that reflects (1) a long-term expected rate of return on OPEB plan investments (to the extent that the health care fiduciary net position is projected to be sufficient to pay benefits), and (2) a tax-exempt municipal bond rate based on an index of 20-year general obligation bonds with an average AA credit rating as of the measurement date (to the extent that the contributions for use with the long-term expected rate are not met). The single discount rate was based on the actuarial assumed rate of return of 6.00%. The projection of cash flows used to determine this single discount rate assumed that employer contributions will be made at rates equal to the actuarially determined contribution rate. Based on these assumptions, the health care fiduciary net position and future contributions were sufficient to finance health care costs through the year 2124. As a result, the single discount rate was set as the actuarial assumed long-term expected rate of return on health care investments and was applied to projected costs through the year 2124, the duration of the projection period through which projected health care payments are fully funded. The tax-exempt municipal bond rate was not needed in the determination of the single discount rate.

NOTE 14 - POSTEMPLOYMENT BENEFITS - (Continued)

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

	1% Decrease	Current Discount Rate	1% Increase
City's proportionate share of the net OPEB asset	$ 127,633	$ 257,045	$ 365,025

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

Retiree health care valuations use a health care cost trend assumption with changes over several years built into that assumption. The near-term rates reflect increases in the current cost of health care; the trend starting in 2025 is 5.50%. If this trend continues for future years, the projection indicates that years from now virtually all expenditures will be for health care. A more reasonable alternative is the health care cost trend will decrease to a level at, or near, wage inflation. On this basis, the actuaries project premium rate increases will continue to exceed wage inflation for approximately the next decade, but by less each year, until leveling off at an ultimate rate, assumed to be 3.50% in the most recent valuation.

	1% Decrease	Current Health Care Trend Rate Assumption	1% Increase
City's proportionate share of the net OPEB asset	$ 260,967	$ 257,045	$ 252,634

Actuarial Assumptions - OP&F

OP&F's total OPEB liability as of December 31, 2023, is based on the results of an actuarial valuation date of January 1, 2024, 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 retirement plan involve estimates of the value of reported amounts and assumptions about probability of occurrence of events far into the future. Examples include assumptions about future employment mortality, salary increases, disabilities, retirements, and employment terminations. Actuarially determined amounts are subject to continual review and potential modifications, as actual results are compared with past expectations and new estimates are made about the future.

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

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

NOTE 14 - POSTEMPLOYMENT BENEFITS - (Continued)

Key methods and assumptions used in the December 31, 2024, compared to the December 31, 2023 actuarial valuation, reflecting experience study results, are presented below.

Valuation Date	January 1, 2024, with actuarial liabilities rolled forward to December 31, 2024
Actuarial Cost Method	Entry Age Normal (Level Percent of Payroll)
Investment Rate of Return	
Current measurement date	7.50%
Prior measurement date	7.50%
Projected Salary Increases	
Current measurement date	3.50% to 10.50%
Prior measurement date	3.50% to 10.50%
Payroll Growth	3.25%
Single discount rate:	
Current measurement date	4.69%
Prior measurement date	4.07%
Cost of Living Adjustments	2.20% simple per year

Health Mortality

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% for males and 98.7% for females. All rates are projected using the MP-2021 Improvement Scale.

Disabled Mortality

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

Contingent Annuitant Mortality

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% for males and 131% for females. All rates are projected using the MP-2021 Improvement Scale.

Pre-Retirement Mortality

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

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

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

NOTE 14 - POSTEMPLOYMENT BENEFITS - (Continued)

Best estimates of the long-term expected geometric real rates of return for each major asset class included in OP&F's target asset allocation as of December 31, 2024, are summarized below:

Asset Class	Target Allocation	Long Term Expected Real Rate of Return**
Domestic equity	18.60 %	3.80 %
Non-US equity	12.40	4.60
Private markets	10.00	5.60
Core fixed income *	25.00	2.60
High yield fixed income	7.00	4.30
Private credit	5.00	6.70
U.S. inflation linked bonds *	15.00	2.40
Midstream energy infrastructure	5.00	5.20
Real assets	8.00	6.10
Gold	5.00	3.20
Private real estate	12.00	5.30
Commodities	2.00	2.50
Total	125.00 %	

**Geometric mean, net of expected inflation
* levered 2x

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

Discount Rate - Total OPEB liability was calculated using the discount rate of 4.69%. The projection of cash flows used to determine the discount rate assumed the contributions from employers and from members would be computed based on contribution requirements as stipulated by state statute. Projected inflows from investment earnings were calculated using the longer-term assumed investment rate of return 7.50%. Based on those assumptions, OP&F's fiduciary net position was projected to not be able to make all future benefit payment of current plan members. Therefore, the long-term assumed rate of return on investments of 7.50% was applied to periods before December 31, 2038, and the Municipal Bond Index Rate of 4.04% was applied to periods on and after December 31, 2038, resulting in a discount rate of 4.69%.

Sensitivity of the City's Proportionate Share of the Net OPEB Liability to Changes in the Discount Rate - Net OPEB liability is sensitive to changes in the discount rate, and to illustrate the potential impact the following table presents the net OPEB liability calculated using the discount rate of 4.69%, as well as what the net OPEB liability would be if it were calculated using a discount rate that is one percentage point lower (3.69%), or one percentage point higher (5.69%) than the current rate.

	1% Decrease	Current Discount Rate	1% Increase
City's proportionate share of the net OPEB liability	$ 145,498	$ 117,180	$ 93,190

NOTE 15 - OTHER COMMITMENTS

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

Fund	Year-End Encumbrances
General fund	$ 1,295
Police	11,053
Street	17,006
Nonmajor governmental funds	2,076
Total	$ 31,430

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NOTE 16 - FUND BALANCE

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

Fund Balance	General	Police	Street	Permanent Improvement	Other Governmental Funds	Total Governmental Funds
Nonspendable:						
Prepayments	$ 7,174	$ 12,000	$ 5,050	$ -	$ 1,500	$ 25,724
Materials and supplies inventory	1,023	11,651	37,481	-	428	50,583
Loans	68,561	-	-	-	-	68,561
Unclaimed monies	13,990	-	-	-	-	13,990
Total nonspendable	90,748	23,651	42,531	-	1,928	158,858
Restricted:						
Capital projects	-	-	-	1,382,032	-	1,382,032
Police services	-	159,417	-	-	-	159,417
Court/safety programs	-	-	-	-	75,249	75,249
Transportation projects	-	-	552,873	-	-	552,873
Recreation	-	-	-	-	85,615	85,615
Community and economic development	-	-	-	-	911,072	911,072
Total restricted	-	159,417	552,873	1,382,032	1,071,936	3,166,258
Committed:						
Capital projects	-	-	-	-	392,712	392,712
Total committed	-	-	-	-	392,712	392,712
Assigned:						
General government	1,159	-	-	-	-	1,159
Community and economic development	136	-	-	-	-	136
Subsequent year appropriations	53,400	-	-	-	-	53,400
Total assigned	54,695	-	-	-	-	54,695
Unassigned (deficit)	4,014,260	-	-	-	(35,606)	3,978,654
Total fund balances	$ 4,159,703	$ 183,068	$ 595,404	$ 1,382,032	$ 1,430,970	$ 7,751,177

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REQUIRED SUPPLEMENTARY INFORMATION

CITY OF ST. CLAIRSVILLE
BELMONT COUNTY, OHIO

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
GENERAL FUND
FOR THE YEAR ENDED DECEMBER 31, 2025
(SEE ACCOUNTANT'S COMPILATION REPORT)

	Budgeted Amounts		Actual Amonts Budgetary Basis	Variance with Final Budget - Over (Under) Actual Amounts
	Original	Final		
Budgetary revenues:				
Property taxes	$ 526,246	$ 544,000	$ 574,873	$ 30,873
Income taxes	776,687	815,000	848,456	33,456
Kilowatt per hour taxes	161,854	170,000	176,810	6,810
Licenses and permits	86,322	132,000	94,299	(37,701)
Fines and forfeitures	13,089	22,800	14,298	(8,502)
Intergovernmental	210,920	169,235	230,410	61,175
Interest income	486,235	475,000	531,165	56,165
Rent and royalties	107,537	73,000	117,474	44,474
Other	1,741	12,000	1,902	(10,098)
Total budgetary revenues	2,370,631	2,413,035	2,589,687	176,652
Budgetary expenditures:				
Current:				
General government	507,690	873,699	619,768	253,931
Community and economic development	20,482	20,753	19,934	819
Total budgetary expenditures	528,172	894,452	639,702	254,750
Budgetary excess of revenues over expenditures	1,842,459	1,518,583	1,949,985	431,402
Budgetary other financing sources (uses):				
Transfers (out)	(1,350,000)	(2,000,000)	(1,975,500)	24,500
Total budgetary other financing sources (uses)	(1,350,000)	(2,000,000)	(1,975,500)	24,500
Net change in fund balance	492,459	(481,417)	(25,515)	455,902
Budgetary fund balance at beginning of year	3,901,834	3,901,834	3,901,834	-
Prior year encumbrances appropriated	6,952	6,952	6,952	-
Budgetary fund balance at end of year	$ 4,401,245	$ 3,427,369	$ 3,883,271	$ 455,902

SEE ACCOMPANYING NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION

CITY OF ST. CLAIRSVILLE
BELMONT COUNTY, OHIO

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
POLICE FUND
FOR THE YEAR ENDED DECEMBER 31, 2025
(SEE ACCOUNTANT'S COMPILATION REPORT)

	Budgeted Amounts		Actual Amounts Budgetary Basis	Variance with Final Budget - Over (Under) Actual Amounts
	Original	Final		
Budgetary revenues:				
Property taxes	$ 284,305	$ 521,000	$ 540,908	$ 19,908
Charges for services	42,199	66,000	80,286	14,286
Intergovernmental	34,865	72,000	66,333	(5,667)
Contributions and donations	1,945	2,000	3,700	1,700
Other	39,750	62,000	75,626	13,626
Total budgetary revenues	403,063	723,000	766,853	43,853
Budgetary expenditures:				
Current:				
Security of persons and property - police	1,563,729	1,677,029	1,585,659	91,370
Total budgetary expenditures	1,563,729	1,677,029	1,585,659	91,370
Budgetary excess of expenditures over revenues	(1,160,666)	(954,029)	(818,806)	135,223
Budgetary other financing sources (uses):				
Transfers in	331,133	630,000	630,000	-
Total budgetary other financing sources (uses)	331,133	630,000	630,000	-
Net change in fund balance	(829,533)	(324,029)	(188,806)	135,223
Budgetary fund balance at beginning of year	317,884	317,884	317,884	-
Prior year encumbrances appropriated	7,529	7,529	7,529	-
Budgetary fund balance (deficit) at end of year	$ (504,120)	$ 1,384	$ 136,607	$ 135,223

SEE ACCOMPANYING NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION

CITY OF ST. CLAIRSVILLE
BELMONT COUNTY, OHIO

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
STREET FUND
FOR THE YEAR ENDED DECEMBER 31, 2025
(SEE ACCOUNTANT'S COMPILATION REPORT)

	Budgeted Amounts		Actual Amounts Budgetary Basis	Variance with Final Budget - Over (Under) Actual Amounts
	Original	Final		
Budgetary revenues:				
Permissive motor vehicle license tax	$ 47,407	$ 6,000	$ 63,296	$ 57,296
Intergovernmental	251,280	381,000	335,501	(45,499)
Investment income	3,089	-	4,125	4,125
Other	85,470	1,000	114,117	113,117
Total budgetary revenues	387,246	388,000	517,039	129,039
Budgetary expenditures:				
Current:				
Transportation	792,305	1,822,510	1,484,994	337,516
Debt service:				
Principal retirement	18,885	19,000	18,884	116
Total budgetary expenditures	811,190	1,841,510	1,503,878	337,632
Budgetary excess of expenditures over revenues	(423,944)	(1,453,510)	(986,839)	466,671
Budgetary other financing sources (uses):				
Transfers in	633,254	845,500	845,500	-
Total budgetary other financing sources (uses)	633,254	845,500	845,500	-
Net change in fund balance	209,310	(608,010)	(141,339)	466,671
Budgetary fund balance at beginning of year	579,364	579,364	579,364	-
Prior year encumbrances appropriated	52,910	52,910	52,910	-
Budgetary fund balance at end of year	$ 841,584	$ 24,264	$ 490,935	$ 466,671

SEE ACCOMPANYING NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION

CITY OF ST. CLAIRSVILLE
BELMONT COUNTY, OHIO

SCHEDULES OF THE REQUIRED SUPPLEMENTARY INFORMATION

SCHEDULE OF THE CITY'S PROPORTIONATE SHARE OF
THE NET PENSION LIABILITY AND
CITY PENSION CONTRIBUTIONS
OHIO PUBLIC EMPLOYEES RETIREMENT SYSTEM (OPERS) - TRADITIONAL PLAN

LAST TEN CALENDAR YEARS
(SEE ACCOUNTANT'S COMPILATION REPORT)

Calendar Year (1)	City's Proportion of the Net Pension Liability	City's Proportionate Share of the Net Pension Liability	City's Covered Payroll	City's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability
2025	0.011485000%	$ 2,815,611	$ 2,086,971	134.91%	80.99%
2024	0.012006000%	3,143,219	1,923,757	163.39%	79.01%
2023	0.011277000%	3,331,231	1,769,343	188.28%	75.74%
2022	0.011332000%	985,929	1,659,221	59.42%	92.62%
2021	0.010088000%	1,493,813	1,488,271	100.37%	86.88%
2020	0.010177000%	2,011,553	1,436,614	140.02%	82.17%
2019	0.011646000%	3,189,603	1,572,964	202.78%	74.70%
2018	0.013040000%	2,045,725	1,600,908	127.79%	84.66%
2017	0.013508000%	3,067,440	1,737,008	176.59%	77.25%
2016	0.013883000%	2,404,711	1,759,371	136.68%	81.08%

Calendar Year	Contractually Required Contributions	Contributions in Relation to the Contractually Required Contributions	Contribution Deficiency (Excess)	City's Covered Payroll	Contributions as a Percentage of Covered Payroll
2025	$ 316,216	$ (316,216)	$ -	$ 2,258,686	14.00%
2024	292,176	(292,176)	-	2,086,971	14.00%
2023	269,326	(269,326)	-	1,923,757	14.00%
2022	247,708	(247,708)	-	1,769,343	14.00%
2021	232,291	(232,291)	-	1,659,221	14.00%
2020	208,358	(208,358)	-	1,488,271	14.00%
2019	201,126	(201,126)	-	1,436,614	14.00%
2018	220,215	(220,215)	-	1,572,964	14.00%
2017	208,118	(208,118)	-	1,600,908	13.00%
2016	208,441	(208,441)	-	1,737,008	12.00%

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

Beginning in 2025, the combined plan was no longer a separate plan and is grouped with the traditional plan.

SEE ACCOMPANYING NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION

CITY OF ST. CLAIRSVILLE
BELMONT COUNTY, OHIO

SCHEDULES OF THE REQUIRED SUPPLEMENTARY INFORMATION

SCHEDULE OF THE CITY'S PROPORTIONATE SHARE OF
THE NET PENSION ASSET AND
CITY PENSION CONTRIBUTIONS
OHIO PUBLIC EMPLOYEES RETIREMENT SYSTEM (OPERS) - MEMBER DIRECTED PLAN

LAST SIX CALENDAR YEARS
(SEE ACCOUNTANT'S COMPILATION REPORT)

Calendar Year (1)	City's Proportion of the Net Pension Asset	City's Proportionate Share of the Net Pension Asset	City's Covered Payroll	City's Proportionate Share of the Net Pension Asset as a Percentage of its Covered Payroll	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability
2025	0.000000000%	$ -	$ -	N/A	140.23%
2024	0.000000000%	-	-	0.00%	134.44%
2023	0.000000000%	-	-	0.00%	126.74%
2022	0.000766000%	139	4,800	2.90%	171.84%
2021	0.001332000%	244	8,010	3.05%	188.21%
2020	0.000807000%	32	N/A	0.00%	118.84%

Calendar Year	Contractually Required Contributions	Contributions in Relation to the Contractually Required Contributions	Contribution Deficiency (Excess)	City's Covered Payroll	Contributions as a Percentage of Covered Payroll
2025	$ -	$ -	$ -	$ -	N/A
2024	-	-	-	-	10.00%
2023	-	-	-	-	10.00%
2022	-	-	-	-	10.00%
2021	480	(480)	-	4,800	10.00%
2020	801	(801)	-	8,010	10.00%

(1) Amounts presented for each calendar year were determined as of the City's measurement date which is the prior year-end.
N/A - information not available.

Beginning in 2025, the City has chosen to not report the member-directed plan due to being a defined contribution plan.

SEE ACCOMPANYING NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION

CITY OF ST. CLAIRSVILLE
BELMONT COUNTY, OHIO

SCHEDULES OF THE REQUIRED SUPPLEMENTARY INFORMATION

SCHEDULE OF THE CITY'S PROPORTIONATE SHARE OF
THE NET PENSION LIABILITY AND
CITY PENSION CONTRIBUTIONS
OHIO POLICE AND FIRE (OP&F) PENSION FUND

LAST TEN CALENDAR YEARS
(SEE ACCOUNTANT'S COMPILATION REPORT)

Calendar Year (1)	City's Proportion of the Net Pension Liability	City's Proportionate Share of the Net Pension Liability	City's Covered Payroll	City's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability
2025	0.018974600%	$ 1,811,644	$ 653,826	277.08%	65.26%
2024	0.021397100%	2,067,255	657,021	314.64%	63.63%
2023	0.020904600%	1,985,734	641,221	309.68%	62.90%
2022	0.020017000%	1,250,546	592,295	211.14%	75.03%
2021	0.019724400%	1,344,630	551,489	243.82%	70.65%
2020	0.019746800%	1,330,250	551,489	241.21%	69.89%
2019	0.019880000%	1,622,731	520,784	311.59%	63.07%
2018	0.020579000%	1,263,026	489,379	258.09%	70.91%
2017	0.019091000%	1,209,204	490,021	246.77%	68.36%
2016	0.020279000%	1,304,564	455,768	286.23%	66.77%

Calendar Year	Contractually Required Contributions	Contributions in Relation to the Contractually Required Contributions	Contribution Deficiency (Excess)	City's Covered Payroll	Contributions as a Percentage of Covered Payroll
Police and Fire:					
2025	$ 123,389	$ (123,389)	$ -	$ 649,416	19.00%
2024	124,227	(124,227)	-	653,826	19.00%
2023	124,834	(124,834)	-	657,021	19.00%
2022	121,832	(121,832)	-	641,221	19.00%
2021	112,536	(112,536)	-	592,295	19.00%
2020	104,783	(104,783)	-	551,489	19.00%
2019	98,949	(98,949)	-	520,784	19.00%
2018	92,982	(92,982)	-	489,379	19.00%
2017	93,104	(93,104)	-	490,021	19.00%
2016	86,596	(86,596)	-	455,768	19.00%

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

SEE ACCOMPANYING NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION

CITY OF ST. CLAIRSVILLE
BELMONT COUNTY, OHIO

SCHEDULES OF THE REQUIRED SUPPLEMENTARY INFORMATION

SCHEDULE OF THE CITY'S PROPORTIONATE SHARE OF
THE NET OPEB LIABILITY/(ASSET) AND
CITY OPEB CONTRIBUTIONS
OHIO PUBLIC EMPLOYEES RETIREMENT SYSTEM (OPERS)

LAST NINE AND TEN CALENDAR YEARS
(SEE ACCOUNTANT'S COMPILATION REPORT)

Calendar Year (1) (2)	City's Proportion of the Net OPEB Liability/(Asset)	City's Proportionate Share of the Net OPEB Liability/(Asset)	City's Covered Payroll	City's Proportionate Share of the Net OPEB Liability/(Asset) as a Percentage of its Covered Payroll	Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability/(Asset)
2025	0.010965000%	$ (257,045)	$ 2,086,971	12.32%	121.51%
2024	0.011194000%	(101,029)	1,923,757	5.25%	107.76%
2023	0.010503000%	66,223	1,769,343	3.74%	94.79%
2022	0.010577000%	(331,287)	1,664,021	19.91%	128.23%
2021	0.009448000%	(168,324)	1,496,281	11.25%	115.57%
2020	0.009509000%	1,313,440	1,436,614	91.43%	47.80%
2019	0.010878000%	1,418,236	1,577,764	89.89%	46.33%
2018	0.012200000%	1,324,831	1,604,333	82.58%	54.14%
2017	0.013100000%	1,323,145	1,740,733	76.01%	54.05%

Calendar Year	Contractually Required Contributions	Contributions in Relation to the Contractually Required Contributions	Contribution Deficiency (Excess)	City's Covered Payroll	Contributions as a Percentage of Covered Payroll
2025	$ -	$ -	$ -	$ 2,258,686	0.00%
2024	-	-	-	2,086,971	0.00%
2023	-	-	-	1,923,757	0.00%
2022	-	-	-	1,769,343	0.00%
2021	192	(192)	-	1,664,021	0.01%
2020	320	(320)	-	1,496,281	0.02%
2019	-	-	-	1,436,614	0.00%
2018	192	(192)	-	1,572,964	0.01%
2017	16,146	(16,146)	-	1,600,908	1.01%
2016	34,877	(34,877)	-	1,737,008	2.01%

(1) Amounts presented for each calendar year were determined as of the City's measurement date which is the prior year-end.
(2) Information prior to 2017 is not available. Schedule is intended to show information for 10 years.
Additional years will be displayed as they become available.

SEE ACCOMPANYING NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION

CITY OF ST. CLAIRSVILLE
BELMONT COUNTY, OHIO

SCHEDULES OF THE REQUIRED SUPPLEMENTARY INFORMATION

SCHEDULE OF THE CITY'S PROPORTIONATE SHARE OF
THE NET OPEB LIABILITY AND
CITY OPEB CONTRIBUTIONS
OHIO POLICE AND FIRE (OP&F) PENSION FUND

LAST NINE AND TEN CALENDAR YEARS
(SEE ACCOUNTANT'S COMPILATION REPORT)

Calendar Year (1) (2)	City's Proportion of the Net OPEB Liability	City's Proportionate Share of the Net OPEB Liability	City's Covered Payroll	City's Proportionate Share of the Net OPEB Liability as a Percentage of its Covered Payroll	Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability
2025	0.018974600%	$ 117,180	$ 653,826	17.92%	56.05%
2024	0.021397100%	156,227	657,021	23.78%	51.89%
2023	0.020904600%	148,835	641,221	23.21%	52.59%
2022	0.020017000%	219,404	592,295	37.04%	46.86%
2021	0.019724400%	208,983	551,489	37.89%	45.42%
2020	0.019746800%	195,054	520,784	37.45%	47.08%
2019	0.019880000%	181,038	489,379	36.99%	46.57%
2018	0.020579000%	1,165,977	490,021	237.94%	14.13%
2017	0.019091000%	906,207	455,768	198.83%	15.96%

Calendar Year	Contractually Required Contributions	Contributions in Relation to the Contractually Required Contributions	Contribution Deficiency (Excess)	City's Covered Payroll	Contributions as a Percentage of Covered Payroll
Police and Fire:					
2025	$ 3,247	$ (3,247)	$ -	$ 649,416	0.50%
2024	3,269	(3,269)	-	653,826	0.50%
2023	3,285	(3,285)	-	657,021	0.50%
2022	3,206	(3,206)	-	641,221	0.50%
2021	2,961	(2,961)	-	592,295	0.50%
2020	2,757	(2,757)	-	551,489	0.50%
2019	2,604	(2,604)	-	520,784	0.50%
2018	2,447	(2,447)	-	489,379	0.50%
2017	2,450	(2,450)	-	490,021	0.50%
2016	2,279	(2,279)	-	455,768	0.50%

(1) Amounts presented for each calendar year were determined as of the City's measurement date which is the prior year-end.
(2) Information prior to 2017 is not available. Schedule is intended to show information for 10 years.
Additional years will be displayed as they become available.

SEE ACCOMPANYING NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION

CITY OF ST CLAIRSVILLE
BELMONT COUNTY, OHIO

NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION
FOR THE YEAR ENDED DECEMBER 31, 2025
(SEE ACCOUNTANT'S COMPILATION REPORT)

NOTE 1 - BUDGETARY PROCESS

While reporting financial position, results of operations, and changes in fund balance on the basis of generally accepted accounting principles (GAAP), the budgetary basis as provided by law is based upon accounting for certain transactions on a basis of cash receipts and disbursements.

The schedule of revenues, expenditures and changes in fund balance - budget and actual (non-GAAP budgetary basis) presented for the general fund, police fund, and street fund is presented on the budgetary basis to provide a meaningful comparison of actual results with the budget. The major differences between the budget basis and the GAAP basis are that:

(a) Revenues and other financing sources are recorded when received in cash (budget basis) as opposed to when susceptible to accrual (GAAP basis);

(b) Expenditures and other financing uses are recorded when paid in cash (budget basis) as opposed to when the liability is incurred (GAAP basis);

(c) In order to determine compliance with Ohio law, and to reserve that portion of the applicable appropriation, total outstanding encumbrances (budget basis) are recorded as the equivalent of an expenditure, as opposed to assigned or committed fund balance for that portion of outstanding encumbrances not already recognized as an account payable (GAAP basis); and

(d) Some funds are included in the general fund (GAAP basis), but have separate legally adopted budgets (budget basis).

The adjustments necessary to convert the results of operations for the year on the budget basis to the GAAP basis is as follows:

Net Change in Fund Balance

	General fund	Police fund	Street fund
Budget basis	$ (25,515)	$ (188,806)	$ (141,339)
Net adjustment for revenue accruals	(26,271)	924	1,007
Net adjustment for expenditure accruals	(6,157)	(25,735)	(57,519)
Net adjustment for other sources/uses	27,870	81,266	91,744
Adjustments for encumbrances	1,295	20,303	27,631
GAAP Basis	$ (28,778)	$ (112,048)	$ (78,476)

As part of Governmental Accounting Standards Board Statement No. 54, "Fund Balance Reporting", certain funds that are legally budgeted in separate special revenue funds are considered part of the general fund. This includes the litter fund, unclaimed money fund and employee flex fund.

NOTE 2 - PENSIONS & OTHER POSTEMPLOYMENT BENEFITS (OPEB)

PENSION

OHIO PUBLIC EMPLOYEES RETIREMENT SYSTEM (OPERS)

Change in benefit terms:

- There were no changes in benefit terms from the amounts reported for 2016.
- There were no changes in benefit terms from the amounts reported for 2017.
- There were no changes in benefit terms from the amounts reported for 2018.
- There were no changes in benefit terms from the amounts reported for 2019.
- There were no changes in benefit terms from the amounts reported for 2020.
- There were no changes in benefit terms from the amounts reported for 2021.
- There were no changes in benefit terms from the amounts reported for 2022.
- There were no changes in benefit terms from the amounts reported for 2023.
- There were no changes in benefit terms from the amounts reported for 2024.
- There were no changes in benefit terms from the amounts reported for 2025.

Change in assumptions:

- There were no changes in assumptions for 2016.
- For 2017, the following were the most significant changes of assumptions that affected the total pension liability since the prior measurement date: (a) reduction in the actuarially assumed rate of return from 8.00% down to 7.50%, (b) for defined benefit investments, decreasing the wage inflation from 3.75% to 3.25%, (c) changing the future salary increases from a range of 4.25%-10.05% to 3.25%-10.75% and (d) COLA for post 1/7/2013 retirees were changed to 3.00%, simple through 2018, then 2.15% simple.
- There were no changes in assumptions for 2018.
- For 2019, the following were the most significant changes of assumptions that affected the total pension liability since the prior measurement date: (a) the assumed rate of return and discount rate were reduced from 7.50% down to 7.20%.
- For 2020, COLA for post 1/7/2013 retirees were changed to 1.40%, simple through 2020, then 2.15% simple.
- For 2021, COLA for post 1/7/2013 retirees were changed to 0.50%, simple through 2021, then 2.15% simple.
- For 2022, the following were the most significant changes of assumptions that affected the total pension liability since the prior measurement date: (a) wage inflation was changed from 3.25% to 2.75%, (b) future salary increases, including inflation were changed from 3.25%-10.75% to 2.75%-10.75%, (c) COLA for post 1/7/2013 retirees were changed 3.00%, simple through 2022, then 2.05% simple and (d) the actuarially assumed rate of return was changed from 7.20% to 6.90%.
- For 2023, COLA for post 1/7/2013 retirees were changed to 3.00%, simple through 2023, then 2.05% simple.
- For 2024, COLA for post 1/7/2013 retirees were changed to 2.30%, simple through 2024, then 2.05% simple.
- For 2025, COLA for post 1/7/2013 retirees were changed to 2.90%, simple through 2025, then 2.05% simple.

OHIO POLICE AND FIRE (OP&F) PENSION FUND

Change in benefit terms:

- There were no changes in benefit terms from the amounts reported for 2016.
- There were no changes in benefit terms from the amounts reported for 2017.
- There were no changes in benefit terms from the amounts reported for 2018.
- There were no changes in benefit terms from the amounts reported for 2019.
- There were no changes in benefit terms from the amounts reported for 2020.

NOTE 2 - PENSIONS & OTHER POSTEMPLOYMENT BENEFITS (OPEB) - (Continued)

- There were no changes in benefit terms from the amounts reported for 2021.
- There were no changes in benefit terms from the amounts reported for 2022.
- There were no changes in benefit terms from the amounts reported for 2023.
- There were no changes in benefit terms from the amounts reported for 2024.
- There were no changes in benefit terms from the amounts reported for 2025.

Changes in assumptions:

- There were no changes in assumptions for 2016.
- There were no changes in assumptions for 2017.
- For 2018, the following were the most significant changes of assumptions that affected the total pension liability since the prior measurement date: (a) reduction in the actuarially assumed rate of return from 8.25% down to 8.00%, (b) changing the future salary increases from a range of 4.25%-11.00% to 3.75%-10.50%, (c) reduction in payroll increases from 3.75% down to 3.25%, (d) reduction in inflation assumptions from 3.25% down to 2.75% and (e) Cost of Living Adjustments (COLA) were reduced from 2.60% and 3.00% simple to 2.20% and 3.00% simple.
- There were no changes in assumptions for 2019.
- There were no changes in assumptions for 2020.
- There were no changes in assumptions for 2021.
- For 2022, the following were the most significant changes of assumptions that affected the total pension liability since the prior measurement date: (a) the actuarially assumed rate of return was changed from 8.00% to 7.50%. .
- For 2023, the following were the most significant changes of assumptions that affected the total pension liability since the prior measurement date: (a) the mortality rates were changed from the RP-2014 Total Employee and Healthy Annuitant mortality tables to various Pub-2010 mortality tables using the MP-2021 Improvement Scale.
- There were no changes in assumptions for 2024.
- There were no changes in assumptions for 2025.

OTHER POSTEMPLOYMENT BENEFITS (OPEB)

OHIO PUBLIC EMPLOYEES RETIREMENT SYSTEM (OPERS)

Change in benefit terms:

- There were no changes in benefit terms from the amounts reported for 2017.
- There were no changes in benefit terms from the amounts reported for 2018.
- There were no changes in benefit terms from the amounts reported for 2019.
- There were no changes in benefit terms from the amounts reported for 2020.
- For 2021, the following were the most significant changes in benefit terms since the prior measurement date: the Board approved several changes to the health care plan offered to Medicare and non-Medicare retirees in efforts to decrease costs and increase the solvency of the health care Plan. These changes are effective January 1, 2022 and include changes to base allowances and eligibility for Medicare retirees, as well as replacing OPERS-sponsored medical plans for non-Medicare retirees with monthly allowances, similar to the program for Medicare retirees. These changes are reflected in the December 31, 2020 measurement date health care valuation. These changes significantly decreased the total OPEB liability for the measurement date December 31, 2020.
- There were no changes in benefit terms from the amounts reported for 2022.
- There were no changes in benefit terms from the amounts reported for 2023.
- There were no changes in benefit terms from the amounts reported for 2024.
- There were no changes in benefit terms from the amounts reported for 2025.

NOTE 2 - PENSIONS & OTHER POSTEMPLOYMENT BENEFITS (OPEB) - (Continued)

Change in assumptions:

- There were no changes in methods and assumptions used in the calculation of actuarial determined contributions for 2017.
- For 2018, the following were the most significant changes of assumptions that affected the total OPEB liability since the prior measurement date: (a) reduction in the actuarially assumed rate of return from 4.23% down to 3.85%.
- For 2019, the following were the most significant changes of assumptions that affect the total OPEB liability since the prior measurement date: (a) the discount rate was increased from 3.85% up to 3.96%, (b) the investment rate of return was decreased from 6.50% percent down to 6.00%, (c) the municipal bond rate was increased from 3.31% up to 3.71% and (d) the health care cost trend rate was increased from 7.50%, initial/3.25%, ultimate in 2028 up to 10.00%, initial/3.25% ultimate in 2029.
- For 2020, the following were the most significant changes of assumptions that affect the total OPEB liability since the prior measurement date: (a) the discount rate was decreased from 3.96% up to 3.16%, (b) the municipal bond rate was decreased from 3.71% up to 2.75% and (c) the health care cost trend rate was increased from 10.50%, initial/3.25%, ultimate in 2029 up to 10.50%, initial/3.50% ultimate in 2030.
- For 2021, the following were the most significant changes of assumptions that affect the total OPEB liability since the prior measurement date: (a) the discount rate was increased from 3.16% up to 6.00%, (b) the municipal bond rate was decreased from 2.75% up to 2.00% and (c) the health care cost trend rate was decreased from 10.50%, initial/3.50%, ultimate in 2030 down to 8.50%, initial/3.50% ultimate in 2035.
- For 2022, the following were the most significant changes of assumptions that affect the total OPEB liability since the prior measurement date: (a) wage inflation changed from 3.25% to 2.75%, (b) projected salary increases, including inflation changed from 3.25%-10.75% to 2.75%-10.75%, (c) the municipal bond rate was changed from 2.00% to 1.84% and (d) the health care cost trend rate was changed from 8.50% initial, 3.50% ultimate in 2035 to 5.50% initial, 3.50% ultimate in 2034.
- For 2023, the following were the most significant changes of assumptions that affect the total OPEB liability since the prior measurement date: (a) the single discount rate changed from 6.00% to 5.22%, (b) the municipal bond rate was changed from 1.84% to 4.05% and (c) the health care cost trend rate was changed from 5.50% initial, 3.50% ultimate in 2034 to 5.50% initial, 3.50% ultimate in 2036.
- For 2024, the following were the most significant changes of assumptions that affect the total OPEB liability since the prior measurement date: (a) the single discount rate changed to 5.70%, (b) the municipal bond rate was changed to 3.77% and (c) the health care cost trend rate was changed to 5.50% initial, 3.50% ultimate in 2038.
- For 2025, the following were the most significant changes of assumptions that affect the total OPEB liability since the prior measurement date: (a) the single discount rate changed to 6.00%, (b) the municipal bond rate was changed to 4.08% and (c) the health care cost trend rate was changed to 5.50% initial, 3.50% ultimate in 2039.

OHIO POLICE AND FIRE (OP&F) PENSION FUND

Change in benefit terms:

- There were no changes in benefit terms from the amounts reported for 2017.
- There were no changes in benefit terms from the amounts reported for 2018.
- For 2019, OP&F changed its retiree health care model from a self-insured health care plan to a stipend-based health care model.
- There were no changes in benefit terms from the amounts reported for 2020.
- There were no changes in benefit terms from the amounts reported for 2021.
- There were no changes in benefit terms from the amounts reported for 2022.
- There were no changes in benefit terms from the amounts reported for 2023.
- There were no changes in benefit terms from the amounts reported for 2024.

NOTE 2 - PENSIONS & OTHER POSTEMPLOYMENT BENEFITS (OPEB) - (Continued)

- There were no changes in benefit terms from the amounts reported for 2025.

Change in assumptions:

- There were no changes in methods and assumptions used in the calculation of actuarial determined contributions for 2017.
- For 2018, the following were the most significant changes of assumptions that affected the total OPEB liability since the prior measurement date: (a) investment rate of return was reduced from 8.25% to 8.00%.
- For 2019, the following were the most significant changes of assumptions that affect the total OPEB liability since the prior measurement date: (a) the discount rate was increased from 3.24% up to 4.66% and (b) the municipal bond rate was increased from 3.16% to 4.13%.
- For 2020, the following were the most significant changes of assumptions that affect the total OPEB liability since the prior measurement date: (a) the discount rate was decreased from 4.66% up to 3.56% and (b) the municipal bond rate was decreased from 4.13% to 2.75%.
- For 2021, the following were the most significant changes of assumptions that affect the total OPEB liability since the prior measurement date: (a) the discount rate was decreased from 3.56% down to 2.96% and (b) the municipal bond rate was decreased from 2.75% to 2.12%.
- For 2022, the following were the most significant changes of assumptions that affect the total OPEB liability since the prior measurement date: (a) the investment rate of return was changed from 8.00% to 7.50%, (b) the discount rate was changed from 2.96% to 2.84% and (c) the municipal bond rate was decreased from 2.12% to 2.05%.
- For 2023, the following were the most significant changes of assumptions that affect the total OPEB liability since the prior measurement date: (a) the discount rate was changed from 2.84% to 4.27% and (b) the municipal bond rate was increased from 2.05% to 3.65%.
- For 2024, the following were the most significant changes of assumptions that affect the total OPEB liability since the prior measurement date: (a) the discount rate was changed to 4.07% and (b) and the municipal bond rate was changed to 3.38%.
- For 2025, the following were the most significant changes of assumptions that affect the total OPEB liability since the prior measurement date: (a) the discount rate was changed to 4.69% and (b) and the municipal bond rate was changed to 4.04%.