Finance Committee of Council Agenda
June 27, 2023 - 5:30 PM
233 South Main Street, Monroe, Ohio

1. April 2023 Financial Reports
2. May 2023 Financial Reports
3. 2022 Popular Annual Financial Report (PAFR)
4. 2022 Annual Financial Audit Update
5. Discussion, questions, and requests for future meetings.
6. Adjournment

CITY OF MONROE

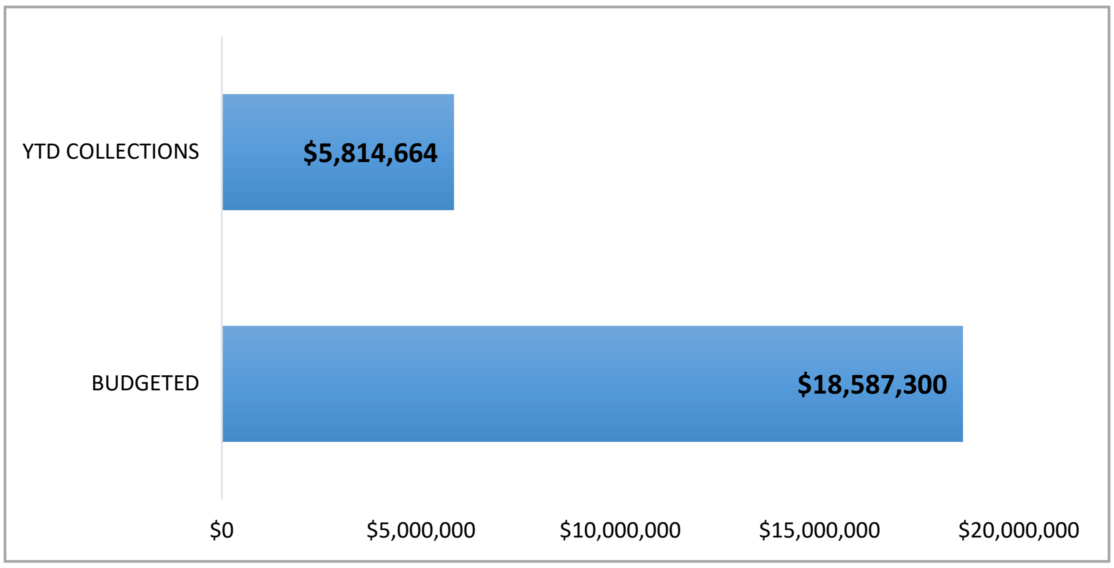
FINANCIAL REPORTS

FOR THE PERIOD ENDING

April 30, 2023

MUNICIPAL INCOME TAX
MONTHLY REPORT APRIL 2023

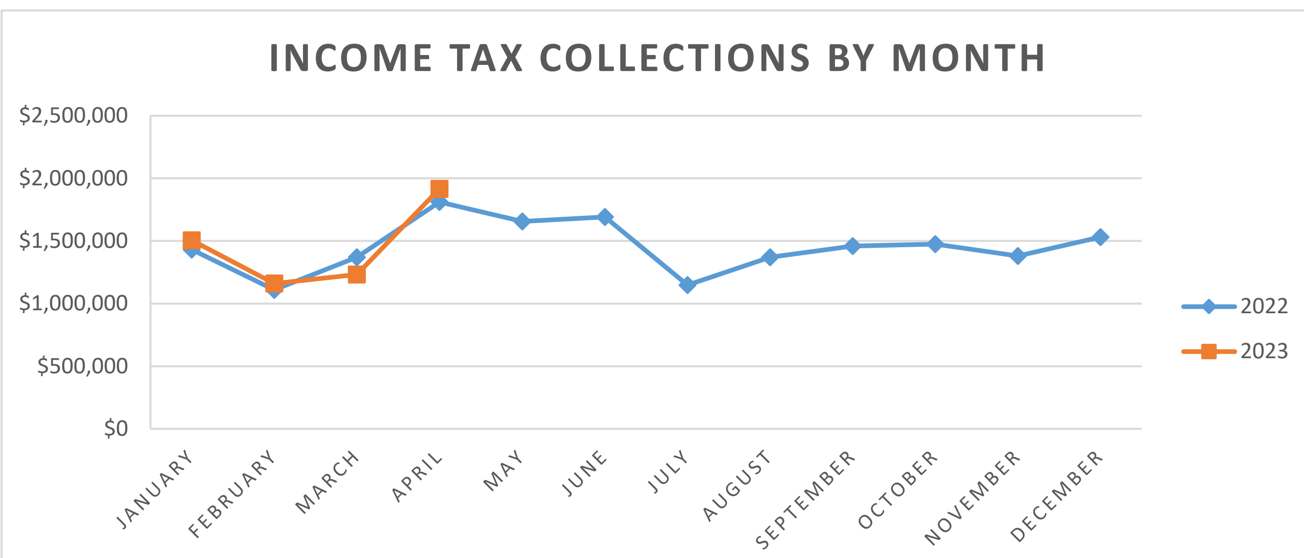
As of the end of April, we have collected (YTD) $5,814,664 in income tax dollars.
This equals to approximately 31% of the budget estimate.



Collected
31%

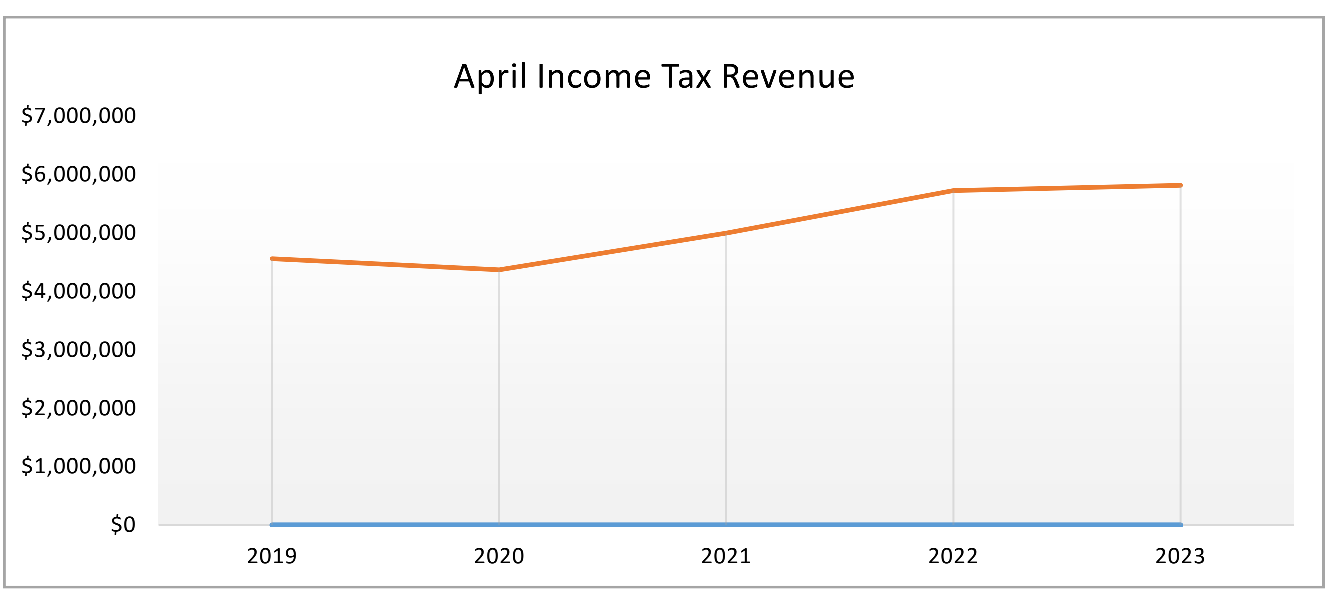
Target % Collected
04/12 = 33%

April income tax collections were **5% higher** in 2023 than at the same time last year. Overall, the City has collected a **difference of $92,394** in 2023 than at the same time last year.



HISTORICAL COLLECTION OF TAX REVENUE OVER 5 YEARS

Over the last five years, income tax revenue in April has steadily increased.



City of Monroe
Statement of Cash Position
As of 4/2023

Fund	Fund Description	Beg Balance	YTD Receipts	YTD Expenses	Unexpended Balance
1110	GENERAL FUND	6,724,180.11	5,527,594.33	6,178,446.47	6,073,327.97
2101	INCOME TAX - PUBLIC SAFETY	757,961.88	1,015,865.49	0.00	1,773,827.37
2210	STREET FUND	1,676,779.93	430,852.96	925,991.66	1,181,641.23
2220	STATE HIGHWAY FUND	230,563.10	31,657.94	63,118.83	199,102.21
2230	MOTOR VEHICLE LICENSE TAX FUND	170,636.28	0.00	80,250.08	90,386.20
2310	FIRE - 1989 LEVY FUND	892,073.73	2,136,111.98	2,287,622.62	740,563.09
2320	FIRE - 2005 LEVY FUND	1,010.27	0.00	0.00	1,010.27
2330	FEMA FUND	8,615.41	0.00	0.00	8,615.41
2340	DEPT OF PUBLIC SAFETY GRANT	0.00	766.38	0.00	766.38
2360	AMERICAN RESCUE PLAN ACT FUND	1,473,947.04	0.00	17,200.88	1,456,746.16
2370	ONEOHIO OPIOID SETTLEMENT FUND	10,357.03	25,570.61	0.00	35,927.64
2410	POLICE LAW ENFORCEMENT FUND	444,105.53	2,010,988.86	2,085,949.58	369,144.81
2420	DARE GRANT FUND	7,554.15	1,490.19	0.00	9,044.34
2430	ENFORCEMENT AND EDUCATION FUND	4,973.34	125.00	0.00	5,098.34
2440	FEDERAL ASSET FORFEITURE FUND	13,735.42	0.00	0.00	13,735.42
2450	OHIO PEACE OFFICER TRAINING	38,628.96	0.00	0.00	38,628.96
2510	COURT TECHNOLOGY IMPROVEMENT	3,724.52	3,920.00	3,997.59	3,646.93
2621	MONROE CROSSINGS (C1)	731.44	1,273.93	861.01	1,144.36
2622	PARK 63/SUMMIT (C2)	186,677.09	112,876.54	76,289.85	223,263.78
2623	MONROE COMMERCE CENTER (C3)	885,704.99	572,702.16	387,072.13	1,071,335.02
2626	MIAMI VALLEY INDUSTRIAL (C6)	156,428.99	121,857.25	103,476.37	174,809.87
2627	YANKEE ROAD (C7)	7,395.58	12,881.18	8,706.00	11,570.76
2628	BERNS/DOUGLAS (C8)	18,053.75	10,795.92	7,293.10	21,556.57
2629	FRICK GREENTREE (C9)	159.15	281.81	190.37	250.59
2630	OSBOURNE (C10)	65.57	107.82	72.84	100.55
2631	SATELLITE FARMS (C11)	76,937.14	65,026.27	43,928.00	98,035.41
2632	CORRIDOR 75/MILLEN (C12)	0.00	54.50	36.84	17.66
2633	CORRIDOR 75 #1 (C13)	644,287.20	511,226.25	5 11,226.25	644,287.20
2634	CORRIDOR 75 #2 (C14)	1,307.00	63,241.28	62,225.60	2,322.68
2721	ARBOR ACRES (R1)	0.00	51,206.15	36,648.68	14,557.47
2722	HERITAGE GREEN (R2)	92,945.73	162,171.33	116,158.92	138,958.14
2723	WYANDOT WOODS (R3)	823,606.16	481,021.07	418,861.76	885,765.47
2724	GILMAR MEADOWS (R4)	31,698.67	67,100.35	48,042.73	50,756.29
2725	MT PLEASANT (R5)	30,805.43	60,524.22	43,317.70	48,011.95
2726	BRITTONY WOODS (R6)	278,184.48	309,338.48	221,605.01	365,917.95
2727	TODD'S GLEN RESERVE (R7)	38,875.73	80,501.10	57,615.33	61,761.50
2728	MAJESTIC OAKS (R8)	529.70	1,066.25	763.13	832.82
2729	TRIMBLE FARM (R9)	22,967.83	47,264.89	33,827.89	36,404.83
2732	MONROE CROSSINGS #1 (R12)	576,905.90	428,701.76	306,825.51	698,782.15
2733	MONROE CROSSINGS #2 (R13)	423,920.58	264,557.50	192,259.00	496,219.08

Fund	Fund Description	Beg Balance	YTD Receipts	YTD Expenses	Unexpended Balance
2734	MONROE CROSSINGS #3 (R14)	417,221.68	235,416.74	165,659.25	486,979.17
2735	RESERVES OF MONROE XINGS (R15)	206,734.69	202,765.00	145,120.64	264,379.05
3101	INCOME TAX - CAPITAL PROJECTS	1,912,831.78	435,370.92	5,142.20	2,343,060.50
3110	PARK IMPROVEMENT FUND	727,442.93	6,467.90	285,355.24	448,555.59
3120	CAPITAL IMPROVEMENT FUND	3,216,943.34	50,677.96	254,124.19	3,013,497.11
3620	CPO TIF - CAPITAL FUND	24,880.23	0.00	0.00	24,880.23
4110	G.O. BOND RETIREMENT FUND	354,506.30	0.00	0.00	354,506.30
4210	WATER BOND RETIREMENT FUND	240,658.69	0.00	0.00	240,658.69
4310	S.A. BOND RETIREMENT FUND	614.68	667,143.37	667,143.37	614.68
4410	INCOME TAX BOND RETIREMENT FUN	339,606.68	0.00	0.00	339,606.68
4610	CORRIDOR 75 PARK LTD TIF FUND	126,651.27	0.00	0.00	126,651.27
5110	S.A. STREET LIGHTING FUND	6,177.00	2.75	3,468.58	2,711.17
6110	WATER FUND	1,130,835.00	1,132,088.06	722,006.99	1,540,916.07
6115	WATER GUARANTEE DEPOSIT	46,775.00	1,100.00	0.00	47,875.00
6120	WATER CAPITAL IMPROVEMENTS	639,755.76	6,620.84	267,945.76	378,430.84
6125	WATER METER& READ SYSTEM REPL	444,963.00	72,480.38	10,136.83	507,306.55
6210	SEWER FUND	37,985.94	402,430.54	421,953.07	18,463.41
6310	STORM WATER FUND	678,414.70	122,918.83	496,186.25	305,147.28
6315	STORMWATER DEPOSIT FUND	553,925.75	0.00	0.00	553,925.75
6410	GARBAGE FUND	206,296.61	394,802.32	364,083.17	237,015.76
6510	CEMETERY FUND	136,445.88	17,853.40	9,255.70	145,043.58
6610	STREET LIGHTING UTILITY	77,812.87	26,297.12	18,609.97	85,500.02
7100	CEMETERY MAINTENANCE TRUST	67,623.09	1,011.90	0.00	68,634.99
7110	MOUND CEMETERY TRUST FUND	70,637.27	933.71	0.00	71,570.98
7120	LONG STREET TRUST FUND	2,546.78	761.56	0.00	3,308.34
7310	FIRE HISTORIC PRESERVATION FUN	1,470.54	0.00	0.00	1,470.54
7320	FIRE LOSS SECURITY FUND	21,371.33	0.00	0.00	21,371.33
7410	DRUG LAW ENFORCEMENT TRUST	87,308.74	3,867.66	5,160.76	86,015.64
		28,535,472.34	**18,391,732.71**	**18,161,233.70**	**28,765,971.35**

YTD BUDGET REPORT - REVENUE APRIL 2023

FUND	ACCOUNT DESCRIPTION	ORIGINAL ESTIM REV	REVISED ESTIM REV	ACTUAL YTD REVENUE	REMAINING REVENUE
1110	**1110 GENERAL FUND**	17,558,041	17,558,041	5,527,594.33	12,030,447
2101	**2101 INCOME TAX - PUBLIC SAFET**	3,180,000	3,180,000	1,015,865.49	2,164,135
2210	**2210 STREET FUND**	2,282,750	2,282,750	430,852.96	1,851,897
2310	**2310 FIRE - 1989 LEVY FUND**	4,803,169	4,803,169	2,136,111.98	2,667,057
2370	**2370 ONEOHIO OPIOID SETTLEMENT**	10,564	10,564	25,570.61	-15,007
2410	**2410 POLICE LAW ENFORCEMENT FU**	3,652,872	3,652,872	2,010,988.86	1,641,883
2600	**2600 TIF FUNDS**	3,593,065	3,593,065	1,472,325	2,120,740
2700	**2700 RID FUNDS**	4,187,576	4,187,576	2,340,429	1,847,147
6110	**6110 WATER FUND**	2,795,514	2,795,514	1,132,288.06	1,663,226
6120	**6120 WATER CAPITAL IMPROVEMENT**	711,576	711,576	6,620.84	704,955
6210	**6210 SEWER FUND**	1,085,930	1,085,930	402,430.54	683,499
6310	**6310 STORM WATER FUND**	1,044,027	1,044,027	122,918.83	921,108
6410	**6410 GARBAGE FUND**	1,174,065	1,174,065	394,802.32	779,263
	TOTALS	**46,079,149**	**46,079,149**	**17,018,798**	**29,060,351**

YTD BUDGET REPORT - EXPENSE APRIL 2023

FUND	ACCOUNT DESCRIPTION	ORIGINAL APPROP	REVISED BUDGET	YTD EXPENDED	ENCUMBRANCES	AVAILABLE BUDGET
1110	**1110 GENERAL FUND**	18,986,643	18,999,861	5,692,172.68	978,008.83	12,329,679
2101	**2101 INCOME TAX - PUBLIC SAFET**	2,748,700	2,748,700	0.00	0.00	2,748,700
2210	**2210 STREET FUND**	3,109,492	3,115,790	773,398.57	94,078.35	2,248,313
2310	**2310 FIRE - 1989 LEVY FUND**	6,098,551	6,150,551	2,199,424.47	234,564.67	3,716,562
2360	**2360 AMERICAN RESCUE PLAN ACT**	855,000	855,000	17,200.88	5,733.62	832,066
2410	**2410 POLICE LAW ENFORCEMENT FU**	4,513,517	4,513,517	2,032,337.09	241,835.26	2,239,345
2600	**2600 TIF FUNDS**	3,364,860	3,364,860	1,180,523	0	2,184,337
2700	**2700 RID FUNDS**	5,405,032	5,405,032	1,712,145	0	3,692,887
6110	**6110 WATER FUND**	3,541,118	3,541,118	687,977.02	85,644.19	2,767,497
6120	**6120 WATER CAPITAL IMPROVEMENT**	1,392,538	1,392,538	49,615.70	998,296.80	344,626
6210	**6210 SEWER FUND**	1,306,181	1,306,181	427,405.76	15,880.49	862,895
6310	**6310 STORM WATER FUND**	1,337,732	1,337,732	73,433.61	24,435.42	1,239,863
6410	**6410 GARBAGE FUND**	1,203,457	1,203,457	368,209.30	11,116.34	824,131
	TOTALS	**53,862,821**	**53,934,337**	**15,213,843**	**2,689,594**	**36,030,900**

Checks over $15,000 April 2023

NAME	INVOICE NET	INVOICE DESCRIPTION
BUTLER COUNTY WATER & SEWER DEPT	91,025.81	ACCT # 3048687-2055515
BUTLER COUNTY WATER & SEWER DEPT	100,365.72	MARCH 2023 WASTE WATER
HENDEL'S AFFORDABLE TREE SERVICE	73,276.86	GREAT MIAMI TRAIL CLEARING & GRUBBING PROJECT
HUNTINGTON NATIONAL BANK	607,790.02	1ST HALF PAYMENT VHMON
HUNTINGTON NATIONAL BANK	281,144.39	1ST HALF PAYMENT - MALL
HUNTINGTON NATIONAL BANK	112,681.47	1ST HALF PAYMENT - AC EAST
KENDALL ELECTRIC INC.	20,380.79	SOUTH MAIN STREET LIGHTING
KENDIG KEAST COLLABORATIVE	21,911.23	PLANNING AND ZONING CODE UPDATE
MONROE LOCAL SCHOOL DISTRICT	2,513,442.02	SCHOOL REIMBURSEMENT
MOTOROLA SOLUTIONS, INC.	53,190.60	PORTABLE RADIOS
RUMPKE OF OHIO, INC	88,156.96	CUSTOMER # 6300108176
LARRY SMITH INC	154,684.50	EAST AVENUE WATER MAIN REPLACEMENT
SOUTHEASTERN EQUIPMENT CO, INC	47,385.00	TRAILER MOUNTED ASPHALT HOTBOX
STRYKER SALES CORP- MEDICAL DIVISION	29,474.05	LIFEPAK CR2 DEFIBRILLATORS (AED'S)
TURTLECREEK TOWNSHIP TRUSTEES	37,328.40	JEDD REVENUE SPLIT - 2023 QTR 1
WEX INC	22,250.56	FUEL FOR MARCH 2023

CITY OF MONROE

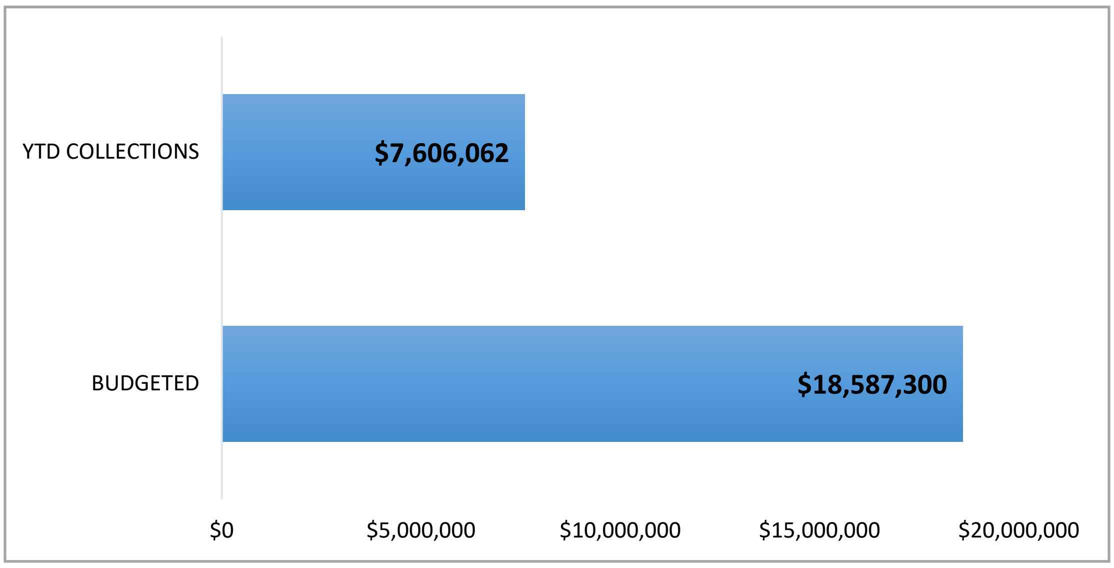
FINANCIAL REPORTS

FOR THE PERIOD ENDING

May 31, 2023

MUNICIPAL INCOME TAX
MONTHLY REPORT MAY 2023

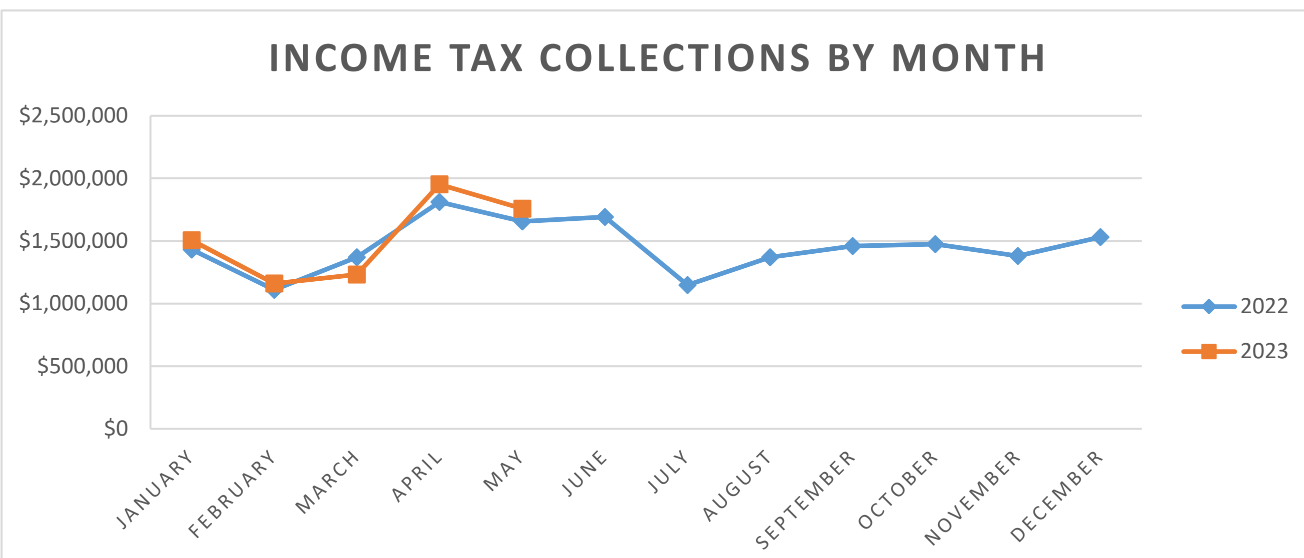
As of the end of May, we have collected (YTD) $7,606,062 in income tax dollars.
This equals to approximately 41% of the budget estimate.



Collected
41%

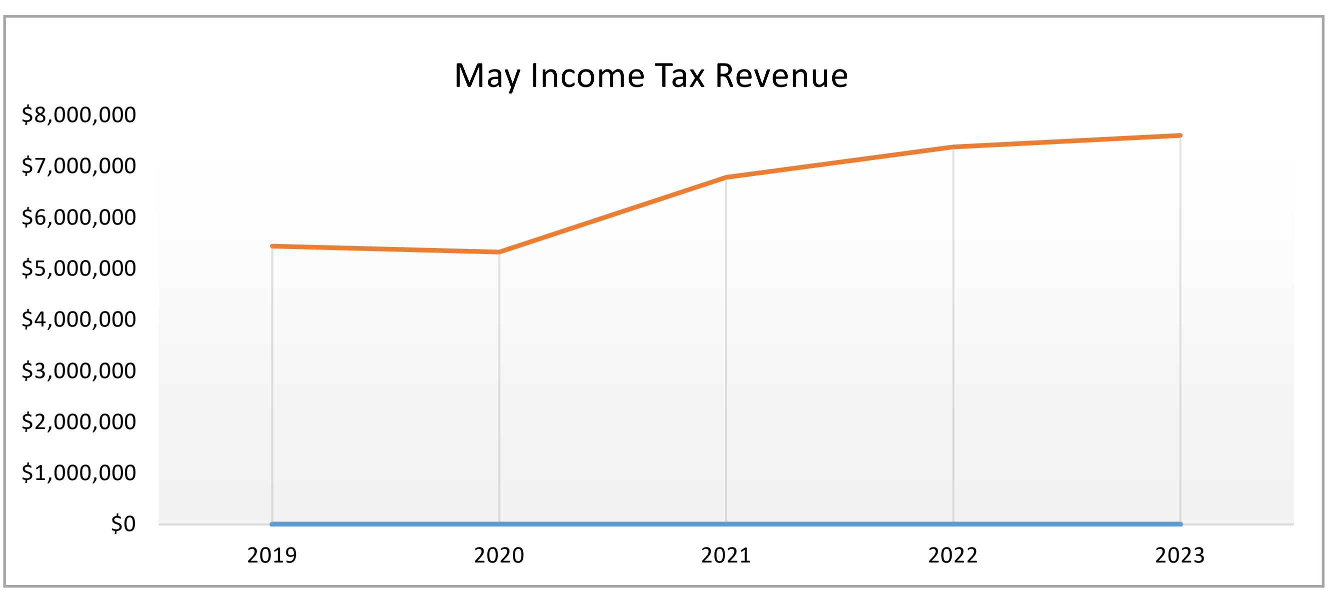
Target % Collected
05/12 = 41%

May income tax collections were **6% higher** in 2023 than at the same time last year. Overall, the City has collected a **difference of $227,608** in 2023 than at the same time last year.



HISTORICAL COLLECTION OF TAX REVENUE OVER 5 YEARS

Over the last five years, income tax revenue in May has steadily increased.



City of Monroe
Statement of Cash Position
As of 5/2023

Fund	Fund Description	Beg Balance	YTD Receipts	YTD Expenses	Unexpended Balance
1110	GENERAL FUND	6,724,180.11	7,130,581.59	7,133,460.45	6,721,301.25
2101	INCOME TAX - PUBLIC SAFETY	757,961.88	1,328,717.17	0.00	2,086,679.05
2210	STREET FUND	1,676,779.93	517,814.22	1,077,239.78	1,117,354.37
2220	STATE HIGHWAY FUND	230,563.10	38,735.16	91,015.41	178,282.85
2230	MOTOR VEHICLE LICENSE TAX FUND	170,636.28	0.00	122,972.87	47,663.41
2310	FIRE - 1989 LEVY FUND	892,073.73	2,226,399.49	2,823,938.47	294,534.75
2320	FIRE - 2005 LEVY FUND	1,010.27	0.00	0.00	1,010.27
2330	FEMA FUND	8,615.41	0.00	0.00	8,615.41
2340	DEPT OF PUBLIC SAFETY GRANT	0.00	766.38	0.00	766.38
2360	AMERICAN RESCUE PLAN ACT FUND	1,473,947.04	0.00	22,189.50	1,451,757.54
2370	ONEOHIO OPIOID SETTLEMENT FUND	10,357.03	25,570.61	0.00	35,927.64
2410	POLICE LAW ENFORCEMENT FUND	444,105.53	2,146,090.82	2,589,876.10	320.25
2420	DARE GRANT FUND	7,554.15	2,980.38	0.00	10,534.53
2430	ENFORCEMENT AND EDUCATION FUND	4,973.34	161.00	0.00	5,134.34
2440	FEDERAL ASSET FORFEITURE FUND	13,735.42	0.00	0.00	13,735.42
2450	OHIO PEACE OFFICER TRAINING	38,628.96	0.00	0.00	38,628.96
2510	COURT TECHNOLOGY IMPROVEMENT	3,724.52	4,876.00	4,118.79	4,481.73
2621	MONROE CROSSINGS (C1)	731.44	1,273.93	861.01	1,144.36
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2628	BERNS/DOUGLAS (C8)	18,053.75	10,795.92	7,293.10	21,556.57
2629	FRICK GREENTREE (C9)	159.15	281.81	190.37	250.59
2630	OSBOURNE (C10)	65.57	107.82	72.84	100.55
2631	SATELLITE FARMS (C11)	76,937.14	65,026.27	43,928.00	98,035.41
2632	CORRIDOR 75/MILLEN (C12)	0.00	54.50	36.84	17.66
2633	CORRIDOR 75 #1 (C13)	644,287.20	511,226.25	511,226.25	644,287.20
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2722	HERITAGE GREEN (R2)	92,945.73	162,171.33	116,158.92	138,958.14
2723	WYANDOT WOODS (R3)	823,606.16	481,021.07	431,568.48	873,058.75
2724	GILMAR MEADOWS (R4)	31,698.67	67,100.35	48,042.73	50,756.29
2725	MT PLEASANT (R5)	30,805.43	60,524.22	43,317.70	48,011.95
2726	BRITTONY WOODS (R6)	278,184.48	309,338.48	221,605.01	365,917.95
2727	TODD'S GLEN RESERVE (R7)	38,875.73	80,501.10	57,615.33	61,761.50
2728	MAJESTIC OAKS (R8)	529.70	1,066.25	763.13	832.82
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3120	CAPITAL IMPROVEMENT FUND	3,216,943.34	76,852.65	390,997.90	2,902,798.09
3620	CPO TIF - CAPITAL FUND	24,880.23	0.00	0.00	24,880.23
4110	G.O. BOND RETIREMENT FUND	354,506.30	0.00	79,018.40	275,487.90
4210	WATER BOND RETIREMENT FUND	240,658.69	0.00	21,384.00	219,274.69
4310	S.A. BOND RETIREMENT FUND	614.68	667,143.37	667,143.37	614.68
4410	INCOME TAX BOND RETIREMENT FUN	339,606.68	0.00	186,931.25	152,675.43
4610	CORRIDOR 75 PARK LTD TIF FUND	126,651.27	0.00	0.00	126,651.27
5110	S.A. STREET LIGHTING FUND	6,177.00	2.75	3,468.58	2,711.17
6110	WATER FUND	1,130,835.00	1,406,437.88	905,259.33	1,632,013.55
6115	WATER GUARANTEE DEPOSIT	46,775.00	1,025.00	0.00	47,800.00
6120	WATER CAPITAL IMPROVEMENTS	639,755.76	8,410.23	346,450.52	301,715.47
6125	WATER METER& READ SYSTEM REPL	444,963.00	92,762.15	10,899.97	526,825.18
6210	SEWER FUND	37,985.94	516,993.97	519,446.82	35,533.09
6310	STORM WATER FUND	678,414.70	150,752.32	531,148.02	298,019.00
6315	STORMWATER DEPOSIT FUND	553,925.75	0.00	0.00	553,925.75
6410	GARBAGE FUND	206,296.61	503,314.56	457,440.82	252,170.35
6510	CEMETERY FUND	136,445.88	25,617.73	34,069.95	127,993.66
6610	STREET LIGHTING UTILITY	77,812.87	36,282.37	23,203.62	90,891.62
7100	CEMETERY MAINTENANCE TRUST	67,623.09	1,431.64	0.00	69,054.73
7110	MOUND CEMETERY TRUST FUND	70,637.27	1,345.58	0.00	71,982.85
7120	LONG STREET TRUST FUND	2,546.78	1,188.56	0.00	3,735.34
7310	FIRE HISTORIC PRESERVATION FUN	1,470.54	0.00	0.00	1,470.54
7320	FIRE LOSS SECURITY FUND	21,371.33	0.00	0.00	21,371.33
7410	DRUG LAW ENFORCEMENT TRUST	87,308.74	15,936.35	6,670.76	96,574.33
		28,535,472.34	**21,369,361.36**	**21,385,163.40**	**28,519,670.30**

YTD BUDGET REPORT - REVENUE MAY 2023

FUND	ACCOUNT DESCRIPTION	ORIGINAL ESTIM REV	REVISED ESTIM REV	ACTUAL YTD REVENUE	REMAINING REVENUE
1110	**1110 GENERAL FUND**	17,558,041	17,558,041	7,130,581.59	10,427,459
2101	**2101 INCOME TAX - PUBLIC SAFETY**	3,180,000	3,180,000	1,328,717.17	1,851,283
2210	**2210 STREET FUND**	2,282,750	2,282,750	517,814.22	1,764,936
2310	**2310 FIRE - 1989 LEVY FUND**	4,803,169	4,803,169	2,226,399.49	2,576,770
2370	**2370 ONEOHIO OPIOID SETTLEMENT**	10,564	10,564	25,570.61	-15,007
2410	**2410 POLICE LAW ENFORCEMENT FUND**	3,652,872	3,652,872	2,146,090.82	1,506,781
2600	**2600 TIF FUNDS**	3,593,065	3,593,065	1,472,325	2,120,740
2700	**2700 RID FUNDS**	4,187,576	4,187,576	2,391,635	1,795,941
6110	**6110 WATER FUND**	2,795,514	2,795,514	1,406,637.88	1,388,876
6120	**6120 WATER CAPITAL IMPROVEMENT**	711,576	711,576	8,410.23	703,166
6210	**6210 SEWER FUND**	1,085,930	1,085,930	516,993.97	568,936
6310	**6310 STORM WATER FUND**	1,044,027	1,044,027	150,752.32	893,275
6410	**6410 GARBAGE FUND**	1,174,065	1,174,065	503,314.56	670,750
	TOTALS	**46,079,149**	**46,079,149**	**19,825,243**	**26,253,906**

YTD BUDGET REPORT - EXPENSE MAY 2023

FUND	ACCOUNT DESCRIPTION	ORIGINAL APPROP	REVISED BUDGET	YTD EXPENDED	ENCUMBRANCES	AVAILABLE BUDGET
1110	**1110 GENERAL FUND**	18,986,643	18,999,861	6,459,012.22	911,652.69	11,629,196
2101	**2101 INCOME TAX - PUBLIC SAFETY**	2,748,700	2,748,700	0.00	0.00	2,748,700
2210	**2210 STREET FUND**	3,109,492	3,115,790	901,163.85	89,443.68	2,125,182
2310	**2310 FIRE - 1989 LEVY FUND**	6,098,551	6,150,551	2,687,210.49	249,486.29	3,213,854
2360	**2360 AMERICAN RESCUE PLAN ACT**	855,000	855,000	22,189.50	745.00	832,066
2410	**2410 POLICE LAW ENFORCEMENT FUND**	4,513,517	4,513,517	2,485,722.14	214,987.03	1,812,808
2600	**2600 TIF FUNDS**	3,364,860	3,364,860	1,180,523	0	2,184,337
2700	**2700 RID FUNDS**	5,405,032	5,405,032	1,712,145	0	3,692,887
6110	**6110 WATER FUND**	3,541,118	3,541,118	873,378.29	65,359.12	2,602,381
6120	**6120 WATER CAPITAL IMPROVEMENT**	1,392,538	1,392,538	88,869.24	959,043.26	344,626
6210	**6210 SEWER FUND**	1,306,181	1,306,181	525,519.51	15,880.49	764,781
6310	**6310 STORM WATER FUND**	1,337,732	1,337,732	79,995.63	23,544.04	1,234,192
6410	**6410 GARBAGE FUND**	1,203,457	1,203,457	462,040.97	11,116.34	730,300
	TOTALS	**53,862,821**	**53,934,337**	**17,477,769**	**2,541,258**	**33,915,310**

Checks over $15,000 May 2023

NAME	INVOICE NET	INVOICE DESCRIPTION
ALL TRAFFIC, INC.	18,055.00	NEW SPEED TRAILER WITH ACCESSORIES AND PARTS
BUTLER COUNTY WATER & SEWER DEPT	90,617.06	APRIL 2023 WASTE WATER
BUTLER COUNTY WATER & SEWER DEPT	100,900.81	ACCT # 3048687-2055515
BRANDSTETTER CARROLL, INC.	18,044.40	DESIGN SERVICES PHASE 2 MBC
FORD DEVELOPMENT CORP.	173,488.26	SR63 & LAWTON AVE RECONSTRUCTION PROJECT
KENDIG KEAST COLLABORATIVE	19,599.49	PLANNING AND ZONING CODE UPDATE
MAJORS ENTERPRISE INC	19,940.90	MONROE CROSSINGS CURB INLET REPLACEMENT
NATIONAL INSPECTION CORPORATION	28,068.69	BUILDING SERVICES FOR 2022
EVERETT J. PRESCOTT, INC	38,050.00	FIRE HYDRANTS
RUMPKE OF OHIO, INC	88,049.80	CUSTOMER # 6300108176
SOUTHEASTERN EQUIPMENT CO, INC	41,487.00	ASPHALT ROLLER
VAST DATA CONCEPTS, LLC DBA WEBCEMETERIES	17,457.00	CEMETERY SOFTWARE FOR PUBLIC WORKS
WEX INC	22,462.67	FUEL FOR APRIL 2023
[redacted]	46,758.00	2022 FINAL TAX RETURN

CITY OF MONROE OHIO

POPULAR ANNUAL FINANCIAL REPORT

For the year ended December 31, 2022

CITY OF MONROE, OHIO

2022 POPULAR ANNUAL FINANCIAL REPORT

MESSAGE FROM THE FINANCE DIRECTOR

The Department of Finance is proud to present the City of Monroe's first-ever Popular Annual Financial Report (PAFR) for the fiscal year ended December 31, 2022. The PAFR summarizes the City's financial activities from a more detailed report called the Annual Comprehensive Financial Report, which contains detailed financial statements, notes, and statistical information prepared in conformance with Generally Accepted Accounting Principles (GAAP) and audited by Clark Schaefer Hackett Company, an independent auditing firm.

The 2022 Annual Comprehensive Financial Report received an unmodified (clean) opinion, and the PAFR uses that same information presented in a more reader-friendly format. Readers wishing to view the more detailed 2022 Annual Comprehensive Financial Report, can obtain copies from the Finance Department or on the City of Monroe website at the following location: (link)

The City of Monroe's PAFR is unaudited and presented on a GAAP basis unless otherwise noted. The purpose of the PAFR is to provide summarized financial data as a means of increasing our government's transparency and knowledge of the operations of the City. This report is designed to help you gain a better understanding of the City's resources and how we put your tax dollars to use. The City of Monroe adheres to the highest standards of accounting principles to ensure full financial disclosure, accountability, and legal compliance. The City has received the Certificate of Achievement for Excellence in Financial Reporting for it's Annual Comprehensive Financial Report a total of 22 times.

We are proud to serve the residents of Monroe and invite you to share any suggestions, questions, or comments you may have as you review our 2022 PAFR. You can reach us at 513-539-7374 or financemonroe@monroeohio.org.

Jake Burton
Finance Director

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Left to right:
Marc Bellapianta, Jason Frentzel, Vice-Mayor Christina McElfresh, Mayor Keith Funk, Kelly Clark, Ben Wagner, Michael Graves

Monroe City Council meets on the second and fourth Tuesday of the month in Council Chambers. The Council meetings begin at 6:30 PM and are broadcast live and posted on the City's website with the agenda for viewing.

Contact Information:
council@monroeohio.org
513-360-2215

CITY MANAGER

City Manager, William J. Brock, has served as the City Manager of Monroe since March of 2003 after serving as the Assistant City Manager and City Engineer beginning in September 1999. In his role as City Manager, he is responsible for overseeing the day-to-day operations of the five City departments. Mr. Brock reports directly and is responsible to the City Council for the development of the budget, policies, and to ensure that the needs of the residents and businesses of Monroe are met.

MONROE MESSENGER

The Monroe Messenger is a bi-monthly newsletter designed to keep residents up-to-date on events and activities of the different City departments and organizations. You can view all recent publications on the City's website:
https://www.monroeohio.org/288/Monroe-Messenger

MONROE FAST FACTS

The City of Monroe was founded in 1817 and is a thriving community located between Cincinnati and Dayton along I-75. Monroe has a land area of approximately 17 square miles and continues to experience well-rounded growth in retail, residential, and industrial enterprises.

Butler County's population grew by 6% from 2010 to 2020 according to U.S. Census data, while Warren County's population grew by 13.9%. All of Butler County's cities grew according to the 2020 Census, led by Monroe at 23.9% growth, growing from 12,442 residents in 2010 to 15,412 residents in 2020. The Advance Monroe 2040 Comprehensive Plan will accommodate a future population of 21,000 people by 2040. This population is an increase of approximately 6,000 people from the 2020 population.

MONROE PROFILE (2020 US Census)

15,412
Total Population

35.9%
Bachelor's Degree

$93,404
Median Household Income

$201,800
Median Home Value

Principal Employers

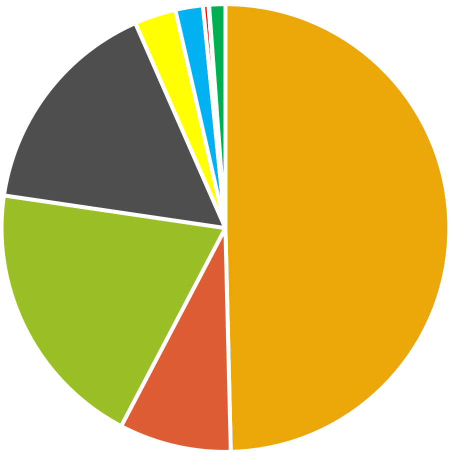
Company	Nature of Business
Amazon	Distribution
Kohl's	Distribution
Deceuninck North America	Manufacturing
Kroger	Grocery & Distribution
Home Depot	Distribution
UGN	Manufacturing
Monroe Local Schools	Education
Walmart	Distribution
Worthington Steel	Manufacturing
Ohio Living	Retirement

The top 10 principal employers within the city limits account for approximately 14,170 employees, or 46% of the estimated total city employment of 31,000.

Revenues – Governmental Activities

The funding the City receives in order to provide services to its residents and businesses comes from a variety of sources. The charts below summarize the Statement of Revenues, Expenditures and Changes in Fund Balance - Governmental Funds from the 2020-2022 Annual Comprehensive Financial Reports. The significance of income taxes is recognizable as it makes up 51% of governmental activities revenue in 2022, highlighting the importance of maintaining a strong local tax base for continued community success. In 2022, total governmental funds revenue increased by $3,449,173 or 11.1%. This increase comes after total revenue increased by $1,145,189 or 3.8% in 2021 as compared to 2020.

2022

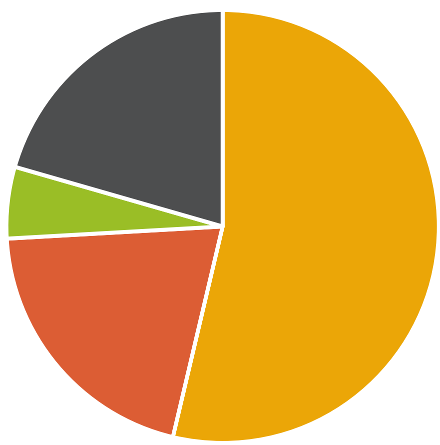


	2020	2021	2022
Income Taxes	$14,073,875	$16,713,791	$17,666,174
Property and Other Taxes	$2,664,185	$3,125,540	$2,880,815
Payment in Lieu of Taxes	$6,667,179	$6,868,364	$6,985,391
Intergovernmental	$4,170,026	$2,690,381	$5,726,662
Charges for Services	$881,221	$993,941	$1,067,491
Licenses and Permits	$632,172	$441,044	$707,112
Investment Earnings	$374,395	($207,754)	($1,084,302)
Fines and Forfeitures	$121,402	$168,953	$140,253
Special Assessments	$55,250	$15,841	$15,508
Miscellaneous	$286,430	$261,223	$415,393
	$29,926,135	**$31,071,324**	**$34,520,497**

Revenues – Proprietary Funds

Proprietary Fund revenue represents revenues that arise from charges to customers who directly benefit from the goods or services provided in the City of Monroe. The charts below summarize the Statement of Revenues, Expenses and Changes in Fund Net Position – Proprietary Funds from the Annual Comprehensive Financial Report. Examples of Proprietary Fund charges for service are charges for water, sewer, stormwater, and trash services. In 2022, there was an increase of $142,783 or 2.3%. There was an increase of $384,031 or 6.7% increase in 2021, primarily due to a trash rate increase of $4.98 per month. If you would like to view the City's Utility Rates, please visit our website at: http://www.monroeohio.org/306/Rates

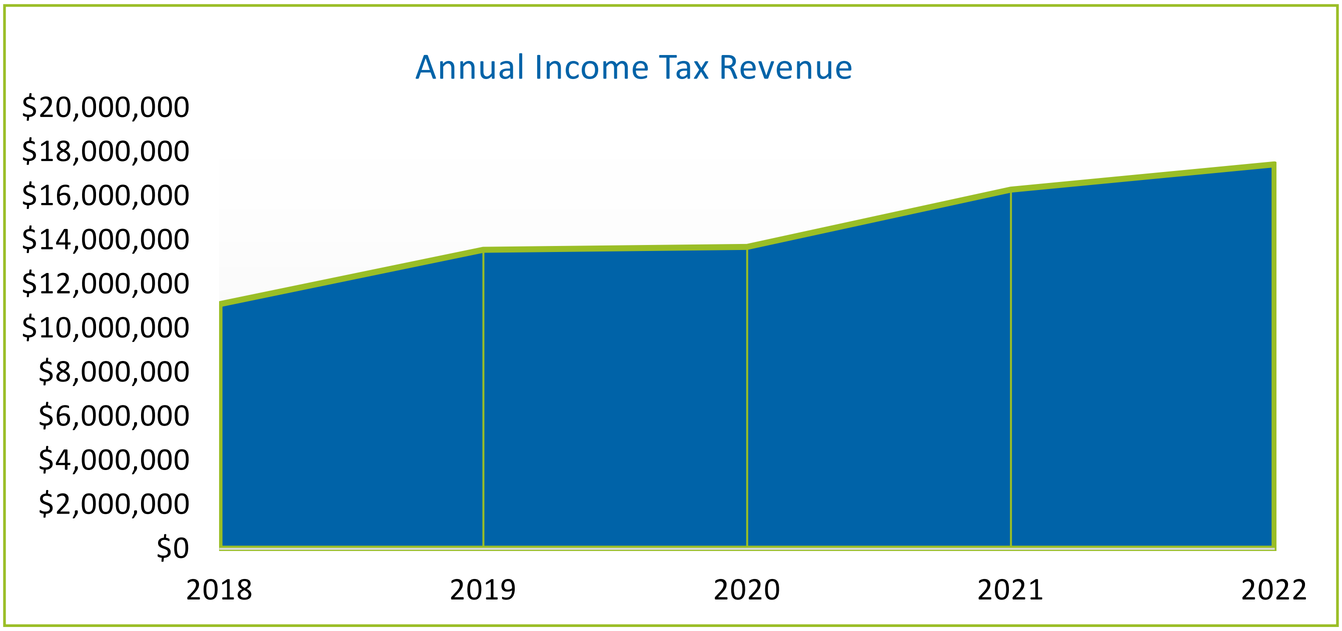
2022



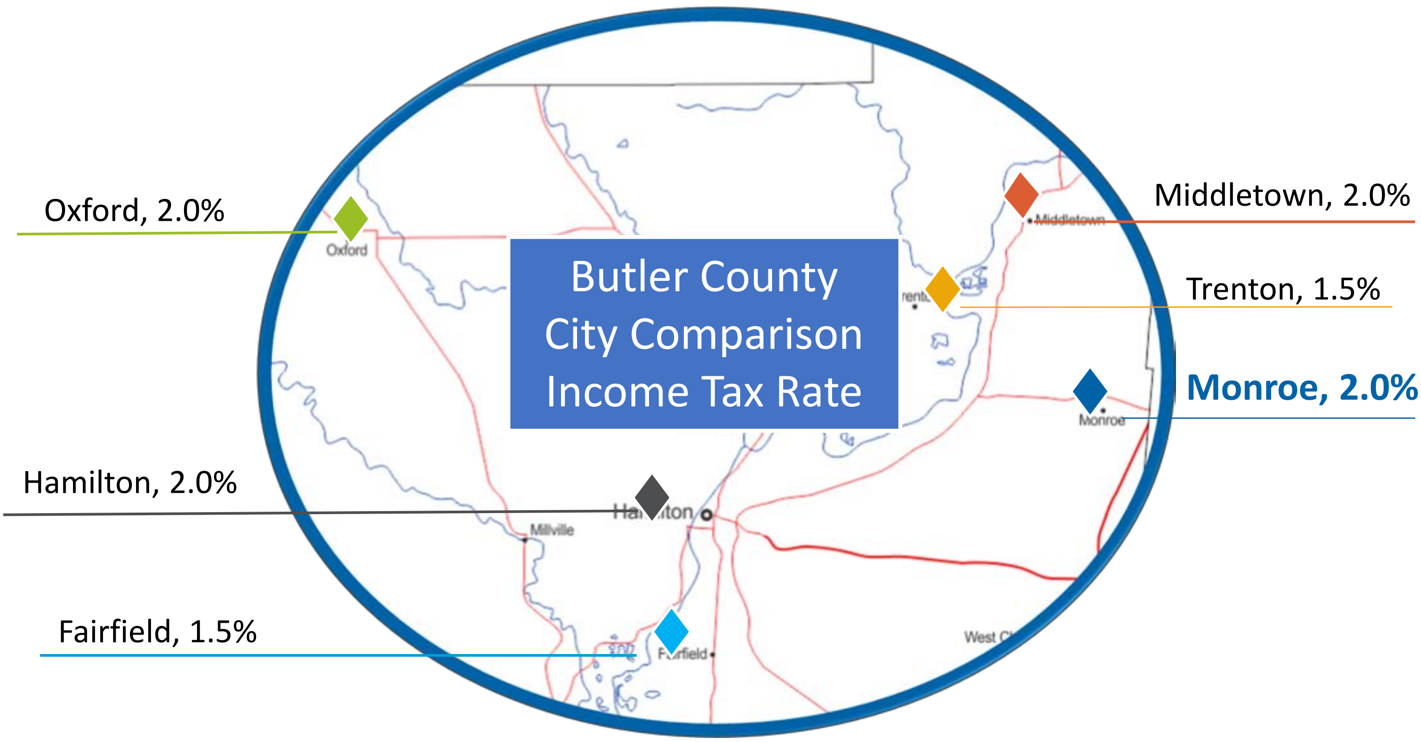
	2020	2021	2022
Water	$3,201,353	$3,290,019	$3,390,060
Sewer	$1,207,456	$1,250,320	$1,213,989
Storm Water Management	$0	$327,335	$326,039
Nonmajor Enterprise	$1,334,245	$1,259,411	$1,339,780
	$5,743,054	**$6,127,085**	**$6,269,868**

INCOME TAXES

Income taxes represent the largest source of revenue for the City. Income tax collections are comprised of three sources: taxes withheld from employees working in the City, taxes from individual residents, and taxes on net profits of businesses operating in the City. Revenue from withholding represents 70% of the City's total income tax revenue. The importance of this withholding revenue outlines the financial impact of nonresidential development in the City. Income tax revenue has steadily increased over the last 5 years and increased by $1,207,875 or 7.3% in 2022 continuing that trend.



The City's Income Tax Rate is 2.0%, with 0.35% dedicated to Public Safety and 0.15% dedicated to Capital Improvements. Qualifying homeowners and their dependents are exempt from the 0.5% increase that went into effect in 2018 and are taxed at a 1.5% rate.



PROPERTY TAXES

Property tax is based on the amount charged per $1,000 worth of taxable property value, also know as 'millage.' Amounts collected for levies, other than general operating levies, must be used for those specific purposes. The County Treasurer's office collects the property taxes and the County Auditor's office distributes those revenues to the appropriate jurisdiction.

The assessed value of real property (including public utility real property) is 35% of estimated true value. Personal property tax is assessed on all tangible personal property used in business in Ohio. Property is assessed annually.

Inside millage is levied without a vote, and per the State of Ohio, cannot exceed 10 mills. Currently, the City of Monroe's inside millage is 2.32 and funds general city operations. Outside millage can only be levied with a vote. The City's total outside millage is 7.0, with 4.5 mills funding Fire operations and 2.5 mills funding Police Operations. The outside millage amount comes from levies of 2.5 mills passed for both Police and Fire in 1989 and an additional 2.0 mill levy passed for Fire in 2005.

The example above provides an allocation for every $100 in property taxes paid on a home in Monroe within Butler County for Tax Year 2022 (collection year 2023).

A home within the City of Monroe pays approximately $2,035.65 (before credits) per year in Butler County property taxes for every $100,000 in property valuation. You may estimate your property taxes utilizing the following calculation:

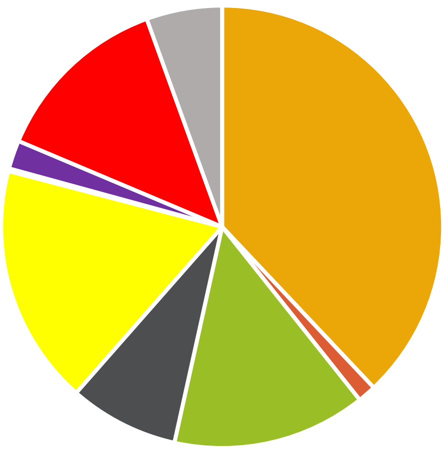
Property Valuation / 1,000 x Residential Effective Tax Rate x .35 = Estimated Property Tax

$100,000/1,000 x 58.161313 x .35 = $2,035.65
** Tax credits may be available to you reducing the amount due **

Expenditures – Governmental Activities

The City's governmental activities account for most of the basic services provided by the City's various departments. The City's expenditures are reported at the function level, which describes the primary purpose of the expenditures. Within each function, the expenditures of one or more City departments are reported.

2022



	2020	2021	2022
Security of Persons and Property	$10,607,815	$11,189,090	$12,467,335
Leisure Time Activities	$384,789	$535,915	$440,283
Payment to Schools	$4,037,225	$4,472,879	$4,653,414
Transportation	$2,131,776	$2,404,760	$2,633,124
General Government	$4,785,215	$4,918,607	$5,772,066
Miscellaneous	$72,791	$72,373	$63,582
Intergovernmental	$710,521	$672,207	$686,203
Capital Outlay	$8,970,216	$5,776,355	$4,307,187
Debt Service	$1,578,628	$1,435,318	$1,820,871
	$33,278,976	**$31,477,504**	**$32,844,065**

Expenditures – Proprietary Funds

Proprietary Fund expenditures consist of those costs associated with operating the individual enterprises. The City of Monroe has a partnership with Butler County Water and Sewer who provides these services both directly and indirectly throughout portions of the City. Residents who use the services are billed for their usage. Their bills help to recoup the cost of maintaining the utility enterprise. Additionally, the City collects for solid waste charges serviced through Rumpke and operates two cemeteries.

The Storm Water Management Fund was included in Nonmajor Enterprise funds prior to 2021, which is why it reflects $0 in 2020 on the chart below.

	2020	2021	2022
Water	$3,148,469	$2,094,091	$2,779,837
Sewer	$1,255,439	$1,189,298	$1,192,807
Storm Water Management	$0	$240,279	$338,477
Nonmajor Enterprise	$1,572,098	$1,104,059	$1,268,444
	$5,976,006	**$4,627,727**	**$5,579,565**

2022

GENERAL FUND ANALYSIS

The General Fund is the City's primary operating fund. It accounts for most of the financial activity of the City. In 2022, over 80% of the City's General Fund revenue was derived from Income Taxes.

The largest revenue increase in 2022 from a percentage standpoint was in Fees, Licenses, and Permits. This increased by more than 50% mostly due to an increase in construction permits issued in 2022 as compared to 2021. 112 more construction permits were issued in 2022 with an increase in estimated construction value of more than $28 million indicating continued growth throughout the city.

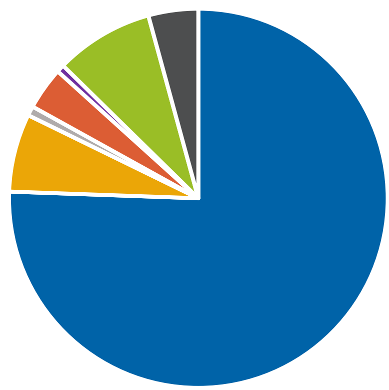
The large decrease in Interest revenue is based upon a market rate adjustment and is not reflective of actual dollars lost from city bank accounts. This revenue is largely impacted by market conditions.

The numbers for these charts are found in the City's Schedule of Revenues, Expenditures, and Changes in Fund Balance and are presented on a Non-GAAP Budgetary Basis.

General Fund Revenues by Category

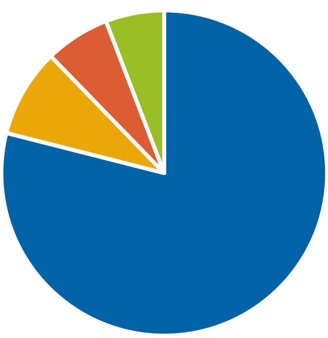
		2020	2021	2022	% Change
	Income Taxes	$10,593,225	$12,441,520	$13,302,886	6.92%
	Property and Other Taxes	$846,825	$1,196,972	$1,172,104	-2.08%
	Charges for Services	$161,794	$134,365	$143,198	6.57%
	Fees, Licenses, and Permits	$609,238	$426,940	$641,210	50.19%
	Fines and Forfeitures	$89,665	$146,203	$115,722	-20.85%
	Intergovernmental	$837,860	$851,064	$1,480,270	73.93%
	Interest	$337,616	($222,592)	($1,112,945)	-399.99%
	Other	$1,141,593	$1,240,475	$749,118	-39.61%
		$14,617,816	**$16,214,947**	**$16,491,563**	**1.71%**

2022



The General Fund pays almost all the personnel and day-to-day operating expenditures with the exception to those relating to Fire, Streets, Police, and Public Utilities. Police and Fire are funded by property tax levies, the public safety income tax, and General Fund subsidies each year. Over 79% of the 2022 expenditures in the General Fund were related to General Government activities which includes City Administration, Finance, Development, and Engineering among other activities.

2022



General Fund Expenditures by Category

		2020	2021	2022	% Change
	General Government	$5,122,745	$5,807,040	$7,011,940	20.75%
	Security of Persons and Property	$470,826	$633,892	$749,201	18.19%
	Transportation	$303,256	$468,083	$597,235	27.59%
	Leisure Time Activities	$348,850	$432,215	$440,613	1.94%
	Debt Service	$0	$0	$22,691	
		$6,245,677	**$7,341,230**	**$8,821,680**	**20.17%**

CAPITAL IMPROVEMENTS

The City, in conjunction with the Park and Recreation Board, spent much of 2022 focusing on rejuvenating the Park Board's role as it relates to the future development of City parks. The City conducted an online parks survey from November 30, 2022, through January 15, 2023, to ask broad questions to better understand if residents were aware of the City's park system, who was using the park system, and how the community would prioritize investment in the parks. The City and Park Board will continue these efforts throughout 2023 and moving forward. Highlighted below are a few examples of investments that occurred throughout 2022 in the City's park system.

New playground equipment was installed at Monroe Community Park in two phases.
Phase I included installing a new playground designed for children ages two to five years old near the front shelter. The total cost of this equipment was $77,255. The City was awarded a $40,000 grant from the Ohio Department of Natural Resources to offset the costs of this project.
Phase II replaced the playground equipment in the back of the park near the rear shelter with a new exercise performance course which consists of nine workout stations.

New playground equipment was installed in Spring 2022 in the back of Monroe Crossings Park near the new restroom building. The total cost of this equipment was $71,317.

2023 City Snow Event Costs:

1/20/2023

- Accumulation….4”-6”
- Manhour Cost…$9,233.22
- Salt Cost…………$13,300.53
- **Total Cost……….$22,533.75**

1/25/2023

- Accumulation….2”-4”
- Manhour Cost…$6,730.39
- Salt Cost…………$12,168.57
- **Total Cost……….$18,898.96**

1/31/2023

- Accumulation….1”-3” (included freezing rain)
- Manhour Cost…$2,514.76
- Salt Cost…………$13,583.52
- **Total Cost……….$16,098.28**

Pictured above is a 2023 Freightliner M2 single axle, 325 HP dump truck that is outfitted with a bed and all necessary snow plowing equipment. This was purchased for $153,605 in 2022.

Asphalt Resurfacing Program:

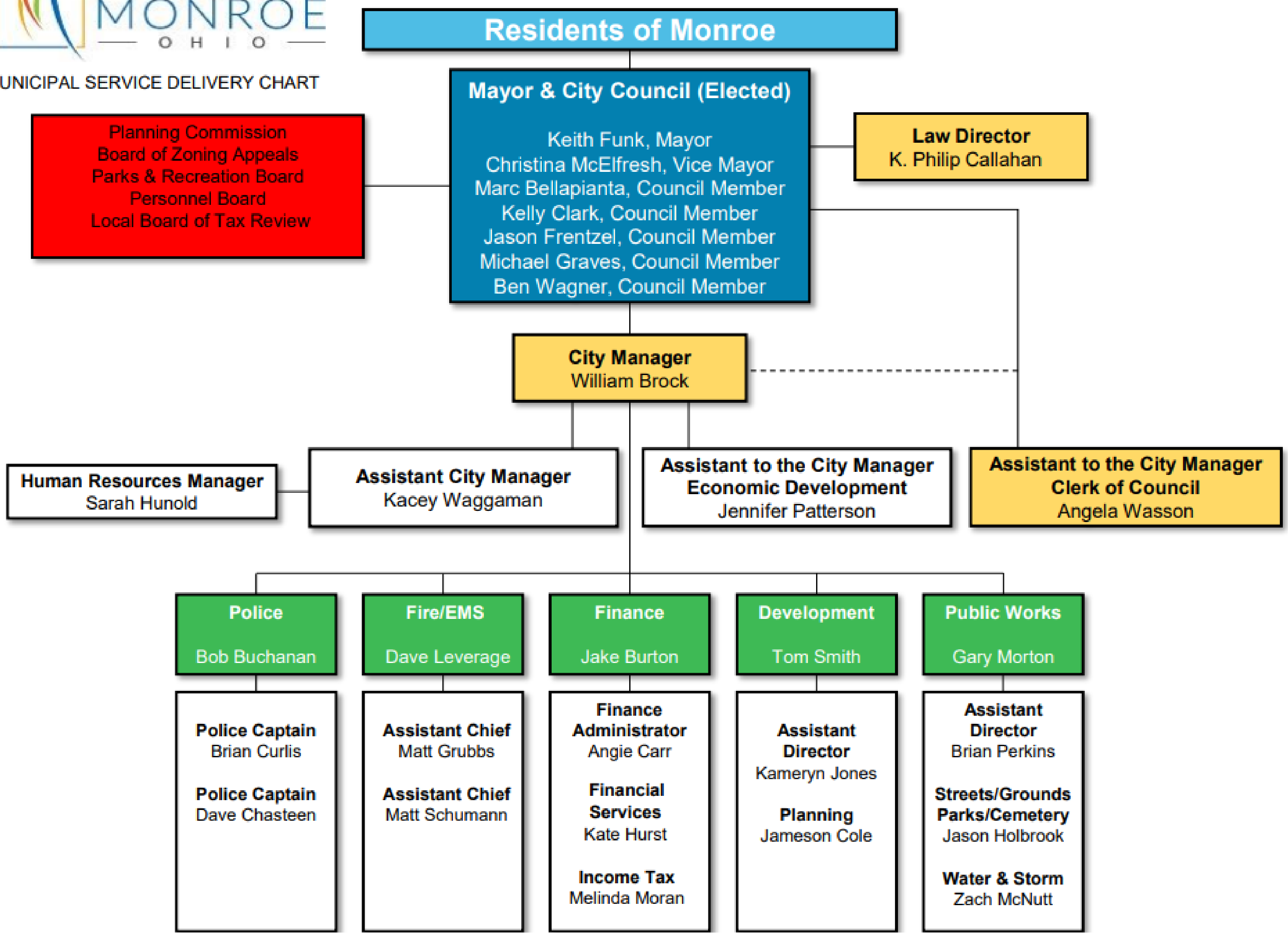
On January 24, 2023, Monroe City Council authorized an agreement with Pavement Management Group to perform a pavement condition rating to provide a guide and data the City can utilize in order to cost-effectively allocate street repair funds based on need in the 2024 budget process and future 5-year capital plans.

The 2022 asphalt resurfacing program budget totaled $800,000. The budget has been increased to $2,000,000 for the 2023 annual program based on available funding.

Pictured at left is a 2022 Bomag BW120SL-5 Asphalt Roller that was purchased by the Department of Public Works for $41,487.00 to assist with paving projects.

CITY OF MONROE OHIO

MUNICIPAL SERVICE DELIVERY CHART



CONTACT US

www.monroeohio.org

Emergency	*Dial 911*
Fire Non-Emergency	*513-539-8380*
Police Non-Emergency	*513-539-9234*
Crime Tip Line	*513-360-2211*
Mayor's Court	*513-539-6201*
Property Maint. Hotline	*513-539-4836*
Public Works	*513-727-8953*
City Manager's Office	*513-360-2200*

233 S. Main St.
P.O. Box 330
Monroe, OH 45050
513-539-7374
cityhall@monroeohio.org

CITY OF MONROE, OHIO

2022 POPULAR ANNUAL FINANCIAL REPORT

June xx, 2023

To the City Council
City of Monroe, Ohio:

In accordance with *Government Auditing Standards* applicable to financial audits, we have audited the financial statements of City of Monroe (the City) as of and for the year ended December 31, 2022 and have issued our report thereon dated June xx, 2023.

Government Auditing Standards also require that we describe the scope of our testing of internal control over financial reporting and compliance with laws and regulations, contracts and grant agreements and other matters and report any irregularities, illegal acts, other material noncompliance and significant deficiencies in the internal controls. We have issued a report dated June xx, 2023 on internal control over financial reporting and on compliance and other matters required by *Government Auditing Standards* as of and for the year ended December 31, 2022.

We are submitting for your consideration the following comments on the City's compliance with applicable laws and regulations. These comments reflect matters that, while in our opinion do not represent material instances of noncompliance, we believe represent matters for which improvement in compliance might be achieved. Due to the limited nature of our audit, we have not fully assessed the cost-benefit relationship of implementing the recommendations suggested below. However, these comments reflect our continuing desire to assist your City. If you have any questions or concerns regarding these comments, please do not hesitate to contact us.

Compliance

Certificate of Estimate Resources

Ohio Revised Code Section 5705.36(A)(4) states that upon a determination by the fiscal officer of a subdivision that the revenue to be collected by the subdivision will be less than the amount included in an official certificate and that the amount of the deficiency will reduce available resources below the level of current appropriations, the fiscal officer shall certify the amount of the deficiency to the commission, and the commission shall certify an amended certificate reflecting the deficiency. We noted the Debt Service Fund had actual revenue less than appropriations and a reduced certificate was not obtained.

Appropriations

Ohio Revised Code Section 5705.39 states that total appropriations from each fund shall not exceed the total estimated resources. We noted that total appropriations exceeded total estimated resources in the original budget in the 2004 TIF Fund, Police Law Enforcement Fund, Capital Improvement Fund, Bond Retirement Fund, Steet Fund, State Highway Fund, Motor Vehicle License Fund, Street Lighting Fund, and the Park Improvement Fund. We also noted that total appropriations exceeded total estimated resources in the final budget in the Street Lighting Fund.

This report is intended solely for the information and use of the Members of City Council, the City's management, and others within the City. Thank you for the opportunity to meet the audit needs of the City of Monroe, Ohio. We also appreciate the excellent cooperation we received from your personnel in our engagement.

Clark, Schaefer, Hackett & Co.

DRAFT

CITY OF MONROE, OHIO

BUTLER COUNTY

REGULAR AUDIT

FOR THE YEAR ENDED DECEMBER 31, 2022

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REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

INDEPENDENT AUDITORS' REPORT

To the City Council
City of Monroe, Ohio:

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Monroe, Ohio ("City"), as of and for the year ended December 31, 2022, and the related notes to the financial statements, which collectively comprise the City's basic financial statements, and have issued our report thereon dated June xx, 2023.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the City's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, we do not express an opinion on the effectiveness of the City's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the City's financial statements will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that have not been identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the City's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Clark, Schaefer, Hackett & Co.

Cincinnati, Ohio
June xx, 2023

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INDEPENDENT AUDITORS' REPORT

To the City Council
City of Monroe, Ohio:

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Monroe, Ohio (the "City") as of and for the year ended December 31, 2022, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Monroe, Ohio, as of December 31, 2022, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

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

Responsibilities of Management for the Financial Statements

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

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

Auditors' Responsibilities for the Audit of the Financial Statements

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

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

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

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

Required Supplementary Information

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

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The combining and individual nonmajor fund financial statements and schedules are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual nonmajor fund financial statements and schedules are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

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

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated June xx, 2023 on our consideration of the City of Monroe, Ohio's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City of Monroe, Ohio's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City of Monroe, Ohio's internal control over financial reporting and compliance.

Clark, Schaefer, Hackett & Co.

Cincinnati, Ohio
June xx, 2023