

VILLAGE OF EAST PALESTINE, OHIO
ANNUAL FINANCIAL INFORMATION REPORT
For the Fiscal Year Ended December 31, 2021



This Annual Financial Information Report (“Annual Report”) pertains to the operations of the Village of East Palestine, Ohio (the “Village”) for the fiscal year ended December 31, 2021. This Annual Report is being filed to satisfy the Village’s obligations to provide annual financial information and operating data in compliance with the continuing disclosure requirements of Rule 15c2-12 (the “Rule”) promulgated under the Securities Exchange Act of 1934. Specifically, the information in this Annual Report is provided in accordance with the continuing disclosure undertakings entered into by the Village pursuant to the Rule in connection with the following outstanding obligations of the Village:

\$1,905,000 Sewerage System Refunding Revenue Bonds, Series 2011, dated December 22, 2011. Final maturity is January 1, 2031.

The Village’s applicable base CUSIP number is 274248.

Questions regarding information contained in this Annual Report should be directed to: Traci Spratt, Finance Director, Village of East Palestine, 85 North Market Street, East Palestine, Ohio 44413; telephone: (330) 426-4367 x19.

This Annual Report is dated August 25, 2022.

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REGARDING THIS ANNUAL FINANCIAL INFORMATION REPORT

This Annual Financial Information Report (“Annual Report”) does not constitute an offering of any security of the Village of East Palestine, Ohio (the “Village”).

The information herein is subject to change without notice. The delivery of this Annual Report shall not create any implication that there has been no change in the affairs of the Village since the date hereof.

While the Village or its representatives have reviewed this Annual Report for accuracy, no other federal, state, municipal, or other governmental entity, agency, or instrumentality (including, but not limited to, the Securities and Exchange Commission (“SEC”) and the Municipal Securities Rulemaking Board (“MSRB”)) has passed, or been asked to pass, upon the accuracy or adequacy of this Annual Report and the information contained herein.

This Annual Report, which includes all appendices and exhibits hereto, has been prepared by the Village pursuant to the continuing disclosure undertakings entered into by the Village in compliance with Rule 15c2-12 (the “Rule”), promulgated under the Securities Exchange Act of 1934, for certain outstanding obligations of the Village. Certain information contained herein may not be required to be supplied under the Rule, and the Village is under no obligation to continue to provide any such additional information in the future.

This Annual Report is not sufficient to base an investment decision on but should be read in conjunction with the original offering document and all subsequent updates. Other relevant information may exist for the fiscal year to which this Annual Report pertains, and matters may have occurred or become known during or since that period that an investor would consider to be important when making an investment decision. The inclusion of certain information, if any, that may pertain to events that have occurred subsequent to the fiscal year to which this Annual Report pertains is provided solely for convenience, and any such information is not intended to suggest that other such information not so included is any less material or important to an investor.

All financial and other information presented in this Annual Report has been provided by the Village from its records, except for information expressly attributed to other sources. The presentation of information, including tables of receipts from taxes and other sources, is intended to show recent historic information, and is not intended to indicate future or continuing trends in the financial position or other affairs of the Village. No representation is made that past experience, as is shown by financial and other information, will necessarily continue or be repeated in the future, and no representation is made as to the materiality or completeness of that information.

Insofar as the statements contained in this Annual Report involve matters of opinion, projections, or estimates, even if not expressly stated as such, such statements are made as such and not as representations of fact or certainty, no representation is made that any of such statements have been or will be realized, and such statements should be regarded as suggesting independent investigation or consultation of other sources prior to the making of investment decisions. Certain information may not be current; however, attempts were made to date and document sources of information.

Certain information in this Annual Report may be attributed to the Ohio Municipal Advisory Council (“OMAC”). OMAC compiles information from official and other sources. OMAC believes the information that it compiles is accurate and reliable, but OMAC does not independently confirm or verify the information and does not guarantee its accuracy. OMAC has not reviewed this Annual Report to confirm that any such information attributed to it is information provided by OMAC or for any other purpose.

Any CUSIP numbers contained herein have been provided by CUSIP Global Services, which is managed on behalf of the American Bankers Association (“ABA”) by FactSet Research Systems Inc. CUSIP is a registered trademark of the ABA. Any such CUSIP numbers are provided solely for convenience. The Village is not responsible for the selection or use of any such CUSIP numbers and does not undertake any responsibility for their accuracy now or at any time in the future. CUSIP numbers are subject to being changed as a result of subsequent actions and events.

References herein to provisions of Ohio law, whether codified in the Ohio Revised Code (the “Revised Code”) or uncodified, or to the provisions of the Ohio Constitution or the Village’s resolutions, are references to such provisions as they presently exist. Any of these provisions may from time to time be amended, repealed or supplemented.

As used in this Annual Report, “State” or “Ohio” means the State of Ohio.

Additional information concerning this Annual Report is available from Traci Spratt, Finance Director, Village of East Palestine, 85 North Market Street, East Palestine, Ohio 44413; telephone: (330) 426-4367 x 19.

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APPENDIX A

Historical Income Tax Revenues

Year	Amount	Tax Rate
2012	\$959,338.82	1%
2013	965,247.73	1
2014	963,265.75	1
2015	950,697.73	1
2016	1,019,053.75	1
2017	994,045.08	1
2018	995,878.25	1
2019	1,126,382.53	1
2020	1,330,404.12	1.5
2021	1,692,878.58	1.5

Source: Village of East Palestine

APPENDIX B

Ad Valorem Property Taxes

Collection Year	Real^(a)	Tangible Personal^(a)	Public Utility^(b)	Total Valuation
2012	\$59,245,940	0	\$2,834,870	\$62,080,810
2013	58,302,360	0	3,112,970	61,415,330
2014	58,430,080	0	3,359,610	61,789,690
2015	58,319,620	0	3,398,230	61,717,850
2016	58,324,400	0	3,710,500	62,034,900
2017	58,108,890	0	3,989,980	62,098,870
2018	58,302,860	0	4,167,860	62,470,720
2019	64,302,660	0	4,460,580	68,763,240
2020	63,777,460	0	4,820,020	68,597,480
2021	64,863,910	0	5,075,310	69,939,220

^(a) Other than public utility.

^(b) Real and tangible personal.

Source: Village of East Palestine

APPENDIX C

Local Government Fund Revenues

Year	Amount
2012	\$58,258.23
2013	50,029.25
2014	48,739.72
2015	51,347.73
2016	47,739.35
2017	46,728.69
2018	47,737.65
2019	50,130.11
2020	68,579.46
2021	78,166.99

Source: Village of East Palestine

APPENDIX D

All Funds Summaries

**VILLAGE OF EAST PALESTINE
RECEIPTS, EXPENDITURES AND FUND BALANCES
YEAR ENDED DECEMBER 31, 2021**

Fund Name	Balance Jan. 1, 2021	Receipts 2021	Expenditures 2021	Balance Dec. 31, 2021
General Fund	327,664.46	2,013,735.47	1,652,985.69	688,414.24
Street Const. Maint. Repair Fund	189,651.79	379,104.70	418,871.74	149,884.75
State Highway Fund	20,855.70	30,304.07	26,952.03	24,207.74
Playground Fund	6,997.30	1,299.50	2,660.55	5,636.25
Parks & Recreation Fund	49,864.77	241,220.67	238,028.95	53,056.49
Law Enforcement Fund	3,634.65	104.35	0.00	3,739.00
Drug/Law Enforcement Fund	100.51	6,280.88	3,823.75	2,557.64
D.A.R.E. Fund	11,538.06	3,002.01	2,504.42	12,035.65
DUI/Education Fund	100.00	0.00	0.00	100.00
Fire Department Training Fund	0.00	0.00	0.00	0.00
Police Pension Fund	7,029.53	21,127.69	19,220.06	8,937.16
Community Dev. Block Grant Fund	161,824.03	20,629.60	1,860.00	180,593.63
Compensated Absences Fund	77,279.04	40,000.00	14,594.17	102,684.87
Continuing Professional Ed	5,319.02	1,598.00	2,733.00	4,184.02
Cemetery Fund	3,175.30	35,082.26	29,791.98	8,465.58
EMS Training	1,839.64	0.00	0.00	1,839.64
Police Levy	27,257.26	130,025.90	109,817.56	47,465.60
Street Levy	126,708.13	324,559.08	385,202.77	66,064.44
Capital Improvement Fund	11,817.38	118,068.14	59,916.37	69,969.15
Capital Replacement Fund	29,093.14	88,908.31	10,074.75	107,926.70
Water Fund	239,093.71	765,832.22	774,873.40	230,052.53
Sewer Fund	669,124.31	6,352,066.61	6,207,738.55	813,452.37
Water-Capital Replacement Fund	44,983.13	10,191.92	0.00	55,175.05
Sewer-Capital Replacement Fund	37,965.10	15,239.34	0.00	53,204.44
Electric Trust Fund	216,336.42	5,152.88	60,000.00	161,489.30
Cemetery Trust Fund	35,128.90	65.73	0.00	35,194.63
Park Capital Improvement Fund	0.00	8,300.00	0.00	8,300.00
Fire Equipment Unity	12,976.67	22,500.00	18,890.59	16,586.08
Fire Loss Agency Fund	0.00	0.00	0.00	0.00
Coronavirus Relief Fund	0.00	0.00	0.00	0.00
Police Dept Fund	103,694.91	203,852.50	158,840.41	148,707.00
Fire Dept Fund	119,334.98	203,852.50	50,660.59	272,526.89
American Rescue Plan Fund	0.00	231,719.76	0.00	231,719.76
Demolition Fund	0.00	60,000.00	0.00	60,000.00
TOTAL	\$2,540,387.84	\$11,333,824.09	10,250,041.33	3,624,170.60

Source: Village of East Palestine

**VILLAGE OF EAST PALESTINE
RECEIPTS, EXPENDITURES AND FUND BALANCES
YEAR ENDED DECEMBER 31, 2020**

Fund Name	Balance Jan. 1, 2020	Receipts 2020	Expenditures 2020	Balance Dec. 31, 2020
General Fund	284,021.52	1,936,708.63	1,893,065.69	327,664.46
Street Const. Maint. Repair Fund	117,599.87	460,635.10	388,583.18	189,651.79
State Highway Fund	17,207.78	28,875.14	25,227.22	20,855.70
Playground Fund	6,997.30	0.00	0.00	6,997.30
Parks & Recreation Fund	19,051.92	165,679.10	134,866.25	49,864.77
Law Enforcement Fund	3,484.65	150.00	0.00	3,634.65
Drug/Law Enforcement Fund	100.51	0.00	0.00	100.51
D.A.R.E. Fund	9,740.72	2,967.67	1,170.33	11,538.06
DUI/Education Fund	100.00	0.00	0.00	100.00
Fire Department Training Fund	0.00	0.00	0.00	0.00
Police Pension Fund	4,378.66	20,023.13	17,372.26	7,029.53
Community Dev. Block Grant Fund	145,520.03	16,304.00	0.00	161,824.03
Compensated Absences Fund	47,301.12	45,000.00	15,022.08	77,279.04
Continuing Professional Ed	5,319.02	0.00	0.00	5,319.02
Cemetery Fund	3,581.83	30,927.17	31,333.70	3,175.30
EMS Training	1,839.64	0.00	0.00	1,839.64
Police Levy	55,091.65	129,923.84	157,758.23	27,257.26
Street Levy	84,110.41	308,026.30	265,428.58	126,708.13
Capital Improvement Fund	76,454.62	102,483.13	167,120.37	11,817.38
Capital Replacement Fund	31,152.54	83,916.34	85,975.74	29,093.14
Water Fund	264,727.21	791,204.63	816,838.13	239,093.71
Sewer Fund	432,959.13	5,254,411.78	5,018,246.60	669,124.31
Water-Capital Replacement Fund	33,779.65	11,203.48	0.00	44,983.13
Sewer-Capital Replacement Fund	23,349.49	14,615.61	0.00	37,965.10
Electric Trust Fund	169,496.46	46,839.96	0.00	216,336.42
Cemetery Trust Fund	34,259.73	869.17	0.00	35,128.90
Park Capital Improvement Fund	0.00	0.00	0.00	0.00
Fire Equipment Unity	15,476.67	12,500.00	15,000.00	12,976.67
Fire Loss Agency Fund	0.00	9,912.40	9,912.40	0.00
Coronavirus Relief Fund	0.00	326,310.65	326,310.65	0.00
Police Dept Fund	0.00	123,138.00	19,443.09	103,694.91
Fire Dept Fund	0.00	123,138.00	3,803.02	119,334.98
TOTAL	\$1,887,102.13	\$10,045,763.23	\$9,392,477.52	\$2,540,387.84

Source: Village of East Palestine

APPENDIX E

Audited Financial Statements for the Fiscal Year Ended December 31, 2021

The Village's audited financial statements for the fiscal year ended December 31, 2021 were not available at the time that this Annual Report was filed. Those audited financial statements will be filed after they have been released by the Ohio Auditor of State.