

CITY OF RITTMAN

WAYNE COUNTY, OHIO

AUDIT REPORT

For the Year Ended December 31, 2017





Dave Yost • Auditor of State

City Council
City of Rittman
30 North Main Street
Rittman, Ohio 44270

We have reviewed the *Independent Auditor's Report* of the City of Rittman, Wayne County, prepared by Charles E. Harris & Associates, Inc., for the audit period January 1, 2017 through December 31, 2017. Based upon this review, we have accepted these reports in lieu of the audit required by Section 117.11, Revised Code. The Auditor of State did not audit the accompanying financial statements and, accordingly, we are unable to express, and do not express an opinion on them.

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

A handwritten signature in black ink that reads "Dave Yost".

Dave Yost
Auditor of State

September 12, 2018

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CITY OF RITTMAN
WAYNE COUNTY, OHIO
Audit Report
For the Year Ended December 31, 2017

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Charles E. Harris & Associates, Inc.
Certified Public Accountants

INDEPENDENT AUDITOR'S 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

City of Rittman
Wayne County
30 North Main Street
Rittman, Oh 44270

To the Members of Council:

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Rittman, Wayne County, Ohio (the City) as of and for the year ended December 31, 2017, 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 11, 2018.

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) to determine the 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.

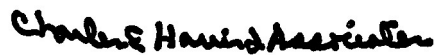
Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or, significant deficiencies. Given these limitations, during our audit we did not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

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 determination of financial statement amounts. 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.



Charles E. Harris & Associates, Inc.
June 11, 2018

City of Rittman, Ohio



**Comprehensive Annual Financial Report
For the Year Ended
December 31, 2017**

**City of Rittman
Wayne County, Ohio**

**Comprehensive Annual Financial Report
For the Year Ended December 31, 2017**

Issued by: Finance Department
Pamela Keener, Finance Director

INTRODUCTORY SECTION

City of Rittman
Wayne County, Ohio
Comprehensive Annual Financial Report
For the Year Ended December 31, 2017

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Wayne County, Ohio
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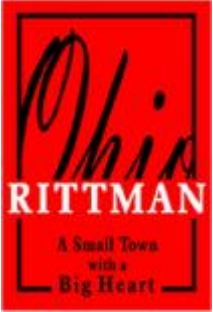
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The City of Rittman Offices

30 North Main Street
Rittman, Ohio 44270
330-925-2064
www.rittman.com

Pamela Keener
Finance Director
pkeener@rittman.com

June 11, 2018

Members of Rittman City Council and
Citizens of Rittman, Ohio

The Comprehensive Annual Financial Report (CAFR) of the City of Rittman (the “City”) for the fiscal year ending December 31, 2017 is hereby submitted. Responsibility for both the accuracy of the data and the completeness and fairness of the presentation, including all disclosures, rests with the City's management. To the best of our knowledge and belief, the enclosed data is accurate in all material respects and is reported in a manner designed to present fairly the financial position and results of operations of the City. All disclosures necessary to enable the reader to gain an understanding of the City's financial activities have been included.

Management's discussion and analysis (MD&A) immediately follows the Independent Auditor's Report. The MD&A provides a narrative introduction, overview and analysis of the basic financial statements and complements this letter of transmittal and should be read in conjunction with it.

The City's Finance Department is responsible for management's representations concerning the finances of the City. Consequently, management assumes full responsibility for the completeness and reliability of the information contained in this report, based upon a comprehensive framework of internal control that it has established for this purpose. Because the cost of internal control should not exceed its anticipated benefits, the objective is to provide reasonable, rather than absolute, assurance that the financial statements are free of any material misstatements.

In developing and revising the City's accounting and reporting control systems, consideration is given to the adequacy of internal controls to provide reasonable, but not absolute assurance regarding the safeguarding of assets from loss, theft, or misuse and reliability of financial records for preparing the City's financial statements in conformity with GAAP and maintaining accountability for assets. The concept of reasonable assurance recognizes that the cost of a control should not exceed the benefits likely to be derived, and the evaluation of costs and benefits requires estimates and judgments by management.

As management, we believe the data presented is accurate in all material aspects and that all disclosures necessary to enable the reader to acquire the maximum understanding of the City's financial activity have been included.

The City of Rittman

The City of Rittman is located in the north central part of the State of Ohio, within the boundaries of Wayne and Medina Counties. The City of Rittman is a home rule municipal corporation under the laws of the State of Ohio and, as such, operates under its own charter. The current charter was adopted in 1960 and has undergone three amendments since that time. The government consists of a Mayor and 6-member council.

The Mayor and all members of City Council are elected to 4-year terms. All of these officials are elected on an at-large basis.

The City provides the full range of municipal services addressed in its charter. These services include police, fire, public health, recreation and parks, street and sidewalks, water, sewer, and solid waste programs, planning and zoning, and general administrative services.

For financial reporting purposes, the City includes in this report all funds, agencies, boards, and commissions that are controlled by, or dependent on, the City's legislative branch. "Controlled by" or "dependent on" the City is determined on the basis of budget adoption, taxing authority, outstanding debts secured by revenues or general taxing authority of the City, and/or the City's obligation to fund any deficits that may occur.

The annual budget serves as the foundation for the City's financial planning and control. The City complies with the requirements of the Ohio Revised Code in the adoption of the Budget. Appropriations for the operation of various City departments are established through the passage of an ordinance by City Council. Budgetary control is facilitated through the maintenance of an encumbrance system for purchase orders, and through the use of the City's automated financial system.

The appropriated budget is prepared by fund, (e.g., General Fund), department (e.g., Police) and line item (e.g., Personal Services). The City Council may pass supplemental appropriations at any time by ordinance. Budget-to-actual comparisons are provided in this report for each individual fund for which an appropriated annual budget has been adopted. The General Fund is presented in the basic financial statements, beginning on page 22. For other funds, this comparison is presented in the governmental fund subsection of this report, which starts on page 73.

2017 Initiatives

The City's infrastructure was improved in 2017 with the resurfacing of Metzger, North State, Beech, Thonen and Gish streets. The City was able to obtain 49% Ohio Public Works Commission (OPWC) grant for the resurfacing of Metzger and North State streets and a 62% grant from Wayne County (CDBG) for the resurfacing of Beech, Thonen, and Gish streets. Additional infrastructure improvements were made to the City's sidewalks and street light fixtures.

Several vehicles in the City's aging fleet were replaced in 2017. The City purchased three Ford Interceptor (SUV) for the police department and a new dump truck and loader for the utility department.

Additional capital improvements included the roof installation at the recreation center, ballfield fencing at Fritz Park, the purchase of MARCS pagers for the City's safety service personnel.

Development Activities

As reported previously, the 300 acre site that was once Rittman's largest employer was purchased by Hull and Associates under the company name of Urban Renewables II (URII). The City entered into a development agreement with URII to assist them in water treatment to help speed up the cleanup process. This agreement allows the City to have some control with the future of how the land is developed. The buildings of the old paper plant were demolished and cleared in 2014. The project was somewhat delayed in 2015 and 2016 due to issues with the Ohio EPA. Eventually, URII was able to negotiate with the Ohio EPA to get what is called a Voluntary Action Program agreement, this allowed them to address EPA requirements in a financially feasible manner. The City continues to work with Wayne Economic Development Council (WEDC) and Jobs Ohio to market this land as a new Industrial Park for the City. WEDC and URII are excited about this property as it is the only site available at this time in Wayne County with two separate rail spurs and with close proximity to the interstate system, to service new manufacturing facilities. Unfortunately, in 2017 there was no new progress made on the land development.

Long-term Financial Planning

In an effort to be proactive instead of reactive, the City continually evaluates its revenues and expenditures and programs and services provided, especially those under its control. With the change in the income tax credit granted to residents who work outside the City and pay taxes to other municipalities and reallocation of the income tax revenue, the City is able to ensure ongoing sustainability and infrastructure replacement.

In 2010, the Administration adopted a five-year capital improvement program to assess the City's ability to meet the needs of the community in future years. One component of the plan is long-term financial projections, which is intended to indicate the need for continued cost containment or revenue enhancement efforts. The five-year capital plan was updated and adopted in 2017.

Economic Condition and Outlook

The City's total net position decreased \$53,082, which represents a decrease of over .3 percent from 2016. Net position of governmental activities decreased \$222,128 and business-type activities increased \$169,046. All governmental funds had revenues of \$4,254,436 and expenditures of \$4,311,513. The general fund's net change in fund balance was an increase of \$119,229. Revenues and expenditures remained fairly consistent with the prior year. The fund balance of the emergency medical service fund decreased \$52,083 and fire department levy fund increased by \$7,901.

The City's governing body, administration, and employees are committed to working together to provide quality services to the residents. The future impact of the initiatives undertaken in 2017, combined with the imminent redevelopment of the large vacant industrial site, should allow the City to gain some financial strength in 2018 and subsequent years. However, the City will remain vigilant in evaluating their financial position and be proactive wherever possible by implementing revenue enhancing or cost cutting measures.

Administration will continue to look for other ways to expand the City's tax base, focusing on small businesses looking to relocate or revitalization of vacant property. Looking forward, the City is optimistic that the financial position of the City will improve.

Independent Audit

The City is not legally required to obtain an independent annual audit. The minimum requirement is for the State of Ohio to perform an audit, directly or indirectly, through an independent auditing firm at least every two years. The City, consistent with the professional manner in which it has conducted its financial affairs, has chosen to fund annual audits. The City has engaged Charles E. Harris & Associates, to audit the City's financial records. The auditor's unmodified opinion is included herein.

Certification of Achievement

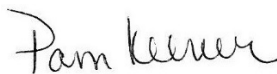
The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Rittman, Ohio for its Comprehensive Annual Financial Report for the fiscal year ended December 31, 2016. The City has received this award since 1996, the first year that the City prepared and submitted a CAFR. The Certificate of Achievement is a prestigious national award, recognizing conformance to the highest standards for preparation of state and local government financial reports.

In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements. A Certificate of Achievement is valid for a period of one year only. We believe that our current Comprehensive Annual Financial Report conforms to Certificate of Achievement Program's requirements, and we are submitting it to the GFOA to determine its eligibility for another certificate.

Acknowledgments

The preparation of this report could not have been accomplished without the dedicated services of the administrative staff. We wish to express our appreciation to members of other City departments who assisted and contributed to the preparation of this report. In addition, gratitude is extended to the independent accounting firm of Rea & Associates, Certified Public Accountants, Incorporated, for their advice and guidance. City Council also deserves a special acknowledgment for their support and commitment to responsible fiscal reporting.

Respectfully Submitted,



Pamela Keener
Finance Director



Derek Feuerstein
City Manager

City of Rittman, Ohio

For the year ended December 31, 2017

CITY OFFICIALS

Mayor

William Robertson

Council Members

Brian Smith
Darrell Carey
Rick Hanlon

Steve Johnson/Hannah Decker
Ken Park, President
David Williams

City Manager

Larry Boggs/Derek Feuerstein

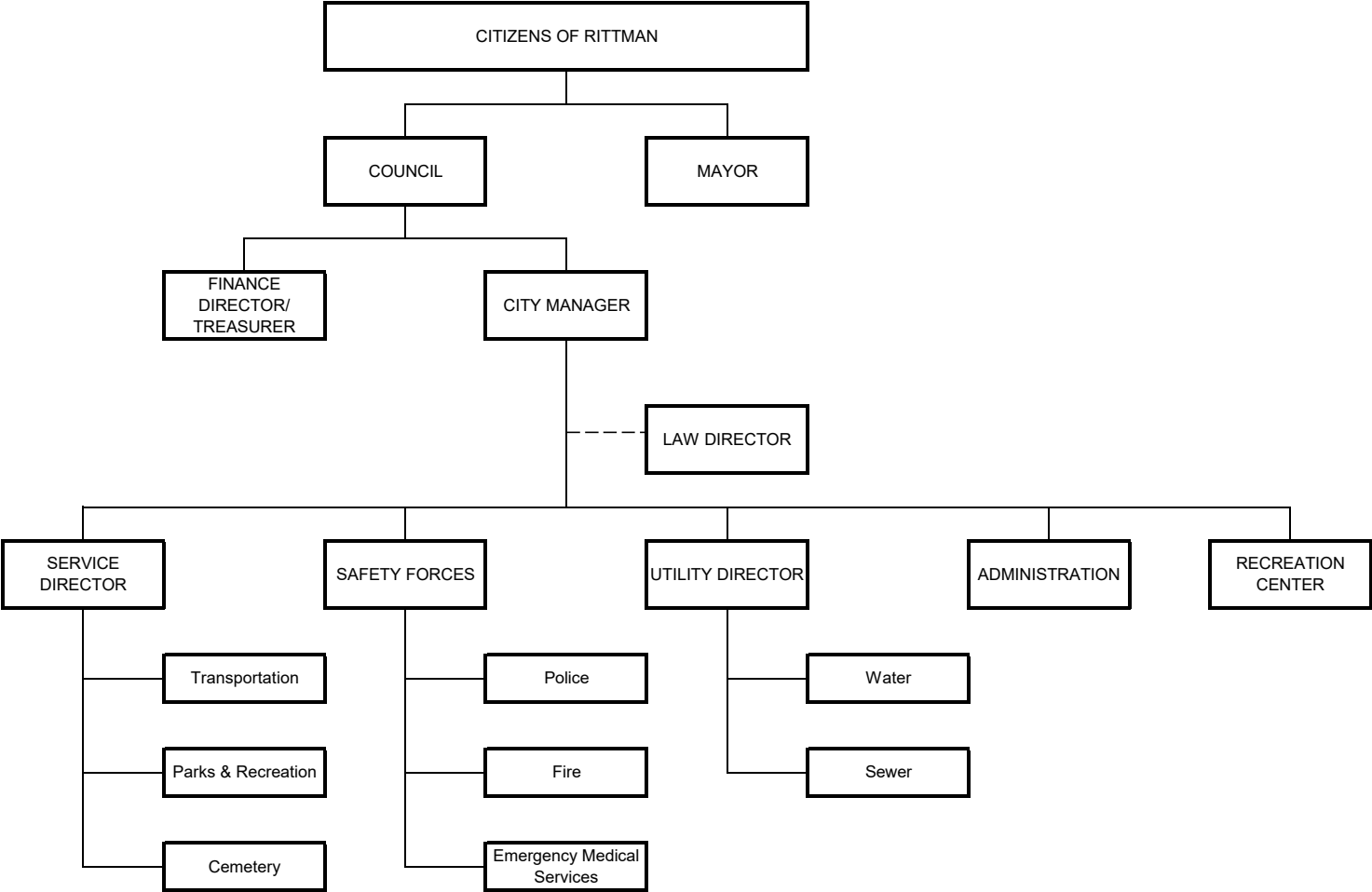
Finance Director/Treasurer

Pamela Keener

Director of Law

G. Kevin Bower

City of Rittman, Ohio
Organizational Chart
December 31, 2017





Government Finance Officers Association

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

Presented to

**City of Rittman
Ohio**

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

December 31, 2016

Christopher P. Morrell

Executive Director/CEO



FINANCIAL SECTION

INDEPENDENT AUDITOR'S REPORT

City of Rittman
Wayne County
30 North Main Street
Rittman, Oh 44270

To the Members of Council:

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Rittman, Wayne County, Ohio (the City), as of and for the year ended December 31, 2017, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes 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.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. 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. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the City's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinion

In our opinion, the 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 Rittman, Wayne County, Ohio, as of December 31, 2017, and the respective changes in financial position and, where applicable, cash flows thereof and the respective budgetary comparisons for the General Fund, the Emergency Medical Service Fund and the Fire Department Levy Fund thereof for the year then ended in accordance with the accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, and schedules of net pension liabilities and pension contributions listed in the table of contents, be presented to supplement the basic financial statements. Such information, 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 and Other Information

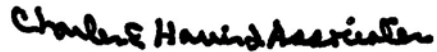
Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of Rittman, Ohio's basic financial statements. The introductory section, combining and individual nonmajor fund financial statements, and statistical section are presented for purposes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

The combining and individual nonmajor fund financial statements are the responsibility of management, and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such 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 are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated June 11, 2018, on our consideration of the City's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control 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. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control and compliance.



Charles E. Harris & Associates, Inc.
June 11, 2018



City of Rittman
Wayne County, Ohio
Management's Discussion and Analysis
For the Year Ended December 31, 2017

The discussion and analysis of the City of Rittman's (the City) financial performance provides an overall review of the City's financial activities for the year ended December 31, 2017. 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 2017 are as follows:

- In total, net position decreased \$53,082, which represents a decrease of less than 1 percent from 2016. Net position of governmental activities decreased \$222,128. Net position of business-type activities increased \$169,046.
- Total capital assets decreased \$307,025 during 2017. Capital assets of governmental activities decreased \$32,524 and capital assets of business-type activities decreased \$274,501.
- Outstanding debt decreased from \$2,343,498 to \$2,093,998 due to principal payments made during the year.
- The City restated 2016's net position to properly classify capital assets. The restatement decreased governmental activities net position from \$6,549,219 to \$6,200,681, and increased the business-type activities net position from \$11,985,643 to \$12,334,181.

Using this Annual Financial Report

This report is designed to allow the reader to look at the financial activities of the City of Rittman as a whole and is intended to allow the reader to obtain a summary view or a more detailed view of the City's operations, as they prefer.

The Statement of Net Position and the Statement of Activities provide information from a summary perspective showing the effects of the operations for the year 2017 and how they affected the operations of the City as a whole.

Reporting the City as a Whole

Statement of Net Position and the Statement of Activities

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. In the case of the City of Rittman, the general fund is by far the most significant fund. Business-type funds consist of the water, sewer, solid waste and storm sewer funds.

City of Rittman
Wayne County, Ohio
Management's Discussion and Analysis
For the Year Ended December 31, 2017

A question typically asked about the City's finances is "How did we do financially during 2017?" The Statement of Net Position and the Statement of Activities answer this question. These statements include *all assets and deferred outflows and liabilities and deferred inflows* using the *accrual basis of accounting* similar to the accounting method used by most private-sector companies. This basis of accounting takes into account all of the current year's revenues and expenses regardless of when cash is received or paid.

These two statements report the City's *net position* and *changes in net position*. This change in net position is important because it tells the reader that, for the City as a whole, the *financial position* of the City has improved or diminished. The causes of this change may be the result of many factors, some financial, some not. Non-financial factors include the City's property tax base, current property tax laws in Ohio which restrict revenue growth, facility conditions, and other factors.

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

- **Governmental Activities** - Most of the City's programs and services are reported here, including general government, security of persons and property, public health, leisure time activities and transportation.
- **Business-Type Activities** - These services are provided on a charge for goods or services basis to recover all of the expenses of the goods or services provided. The City's water, sewer, solid waste and storm sewer funds are reported as business activities.

Reporting the City's Most Significant Funds

Fund Financial Statements

A fund is a grouping of related accounts that is used to maintain control over resources that have been safeguarded for specific activities or objectives. The City uses many funds to account for financial transactions. However, these fund financial statements focus on the City's most significant funds. The City's major governmental funds are the general fund, emergency medical service fund, fire department levy fund and capital improvements fund.

Governmental Funds Most of the City's activities are reported in 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 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 to finance future services. The relationship (or differences) between governmental activities (reported in the Statement of Net Position and the Statement of Activities) and governmental funds is reconciled in the financial statements.

Proprietary Funds Proprietary funds use the same basis of accounting as business-type activities; therefore, these statements will essentially match.

City of Rittman
Wayne County, Ohio
Management's Discussion and Analysis
For the Year Ended December 31, 2017

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

The City as a Whole

Recall that 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 2017 compared to 2016:

Table 1
Net Position

	Governmental Activities		Business-Type Activities		Total	
	2017	Restated 2016	2017	Restated 2016	2017	Restated 2016
Assets						
Current and Other Assets	\$ 4,136,125	\$ 3,942,107	\$ 2,670,040	\$ 2,289,475	\$ 6,806,165	\$ 6,231,582
Capital Assets	6,000,360	6,032,884	12,239,883	12,514,384	18,240,243	18,547,268
<i>Total Assets</i>	<u>10,136,485</u>	<u>9,974,991</u>	<u>14,909,923</u>	<u>14,803,859</u>	<u>25,046,408</u>	<u>24,778,850</u>
Deferred Outflows of Resources						
Pension	1,081,491	963,979	354,167	280,480	1,435,658	1,244,459
Liabilities						
Current and Other Liabilities	240,732	174,637	206,791	330,487	447,523	505,124
Long-Term Liabilities:						
Due Within One Year	343,674	329,806	291,775	272,025	635,449	601,831
Due in More Than One Year:						
Net Pension Liability	3,434,154	3,014,584	904,166	727,285	4,338,320	3,741,869
Other Amounts	506,445	601,823	1,334,352	1,406,308	1,840,797	2,008,131
<i>Total Liabilities</i>	<u>4,525,005</u>	<u>4,120,850</u>	<u>2,737,084</u>	<u>2,736,105</u>	<u>7,262,089</u>	<u>6,856,955</u>
Deferred Inflows of Resources						
Property Taxes	613,040	538,712	0	0	613,040	538,712
Pension	101,378	78,727	23,779	14,053	125,157	92,780
<i>Total Deferred Inflows of Resource.</i>	<u>714,418</u>	<u>617,439</u>	<u>23,779</u>	<u>14,053</u>	<u>738,197</u>	<u>631,492</u>
Net Position						
Net Investment in Capital Assets	5,355,336	5,272,092	10,698,344	10,931,678	16,053,680	16,203,770
Restricted	1,765,456	1,815,305	0	0	1,765,456	1,815,305
Unrestricted	(1,142,239)	(886,716)	1,804,883	1,402,503	662,644	515,787
<i>Total Net Position</i>	<u>\$ 5,978,553</u>	<u>\$ 6,200,681</u>	<u>\$ 12,503,227</u>	<u>\$ 12,334,181</u>	<u>\$ 18,481,780</u>	<u>\$ 18,534,862</u>

Under the standards required by GASB 68, the net pension liability equals the City's proportionate share of each plan's collective:

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

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GASB notes that pension 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. GASB noted that the unfunded portion of this pension 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 this liability. 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 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 pension system. In Ohio, there is no legal means to enforce the unfunded liability of the pension system *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 pension system is responsible for the administration of the plan.

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. As explained above, changes in pension benefits, contribution rates, and return on investments affect the balance of the net pension liability, 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 pension 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 is satisfied, this liability is separately identified within the long-term liability section of the statement of net position.

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

As a result of implementing GASB 68, the City is reporting a net pension liability and deferred inflows/outflows of resources related to pension on the accrual basis of accounting.

At year end, capital assets represented 73 percent of total assets. Capital assets include, land, land improvements, buildings, equipment, infrastructure and construction in progress. Net investment in capital assets was \$16,053,680 at December 31, 2017, with \$5,355,336 in governmental activities and \$10,698,344 in business-type 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, \$1,765,456 represents resources that are subject to external restrictions on how they may be used. The balance of unrestricted net position of \$662,644 may be used to meet the government’s ongoing obligations to citizens and creditors.

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Current and other assets for business-type activities increased by \$380,565 in 2017. The majority of this increase is in equity of pooled cash and cash equivalents in the sewer fund as a result of revenues outpacing expenditures.

Table 2 shows the changes in net position for fiscal year 2017 and 2016.

Table 2
Changes in Net Position

	Governmental Activities		Business-Type Activities		Total	
	2017	2016	2017	2016	2017	2016
Revenues						
<i>Program Revenues:</i>						
Charges for Services	\$ 537,272	\$ 618,214	\$ 2,576,668	\$ 2,429,869	\$ 3,113,940	\$ 3,048,083
Operating Grants	479,160	520,011	26,453	37,080	505,613	557,091
Capital Grants	204,686	578,130	0	0	204,686	578,130
<i>General Revenues:</i>						
Property Taxes	583,036	639,766	0	0	583,036	639,766
Income Taxes	2,021,712	1,849,639	0	0	2,021,712	1,849,639
Grants and Entitlements	340,872	284,716	0	0	340,872	284,716
Investment Earnings	36,125	24,361	0	0	36,125	24,361
Miscellaneous	36,039	7,600	15,892	27,301	51,931	34,901
<i>Total Revenues</i>	<u>4,238,902</u>	<u>4,522,437</u>	<u>2,619,013</u>	<u>2,494,250</u>	<u>6,857,915</u>	<u>7,016,687</u>
Program Expenses						
General Government	655,058	905,001	0	0	655,058	905,001
Security of Persons and Property	2,228,096	1,805,445	0	0	2,228,096	1,805,445
Public Health	109,310	77,963	0	0	109,310	77,963
Leisure Time Services	648,961	616,302	0	0	648,961	616,302
Transportation	791,066	678,713	0	0	791,066	678,713
Interest and Fiscal Charges	28,539	17,769	0	0	28,539	17,769
<i>Enterprise Operations:</i>						
Water	0	0	887,492	856,343	887,492	856,343
Sewer	0	0	1,142,530	1,056,869	1,142,530	1,056,869
Solid Waste	0	0	345,472	381,894	345,472	381,894
Storm Sewer	0	0	74,473	1,588	74,473	1,588
<i>Total Program Expenses</i>	<u>4,461,030</u>	<u>4,101,193</u>	<u>2,449,967</u>	<u>2,296,694</u>	<u>6,910,997</u>	<u>6,397,887</u>
<i>Change in Net Position</i>	<u>\$ (222,128)</u>	<u>\$ 421,244</u>	<u>\$ 169,046</u>	<u>\$ 197,556</u>	<u>\$ (53,082)</u>	<u>\$ 618,800</u>

Governmental Activities

The funding for the governmental activities comes from several different sources, the most significant being the municipal income tax. Other prominent sources are property taxes, grants and entitlements, charges for services and investment interest.

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The City's income tax is at a rate of 1.5 percent. Both residents of the City and non-residents who work inside the City are subject to the income tax. However if residents work in a locality that has a municipal income tax, the City provides 1.0 percent credit for those who pay income tax to another city. City Council could by ordinance, choose to vary that income tax credit and create additional revenues for the City.

General revenues include grants and entitlements, such as local government funds. Governmental activities are primarily funded by property tax, income tax and intergovernmental revenue. The City monitors its sources of revenues very closely for fluctuations.

Capital grants in governmental activities decreased \$373,444 from 2016, primarily due to the City receiving a state grant for radios and equipment in 2016.

Security of persons and property, consisting of police, fire and EMS, represent the largest expense of the governmental activities. This expense of \$2,228,096 represents 50 percent of the total governmental activities expenses. The police department operates out of the general fund, the fire department operates out of the fire levy fund and EMS operates out of the emergency medical service fund.

Transportation expense of \$791,066 accounts for 18 percent of total governmental activities expense. These expenses primarily consist of repairs and maintenance of the City's roads.

General government expenses total \$655,058 or 15 percent of total governmental expenses. General government expenses include legislative, executive and financial management departments of the City.

Business-Type Activities

Business-type activities include water, sewer, solid waste and storm sewer operations. The revenues are generated primarily from charges for services. In 2017, charges for services of \$2,576,668 accounted for 98 percent of the business-type revenues. The total expenses for the utilities were \$2,449,967, thus leaving an increase in net position of \$169,046 for business-type activities.

The City's Funds

Governmental Funds

Information about the City's governmental funds begins on page 18. These funds are accounted for using the modified accrual method of accounting. All governmental funds had revenues of \$4,254,436 and expenditures of \$4,311,513. The funds are monitored consistently with adjustments made throughout the year in budgets to accommodate yearly revenues.

The general fund's net change in fund balance for 2017 was an increase of \$119,229. Property and other local tax revenue increased by \$77,953 in 2017 due to fewer delinquencies. Expenditures remained fairly consistent with the prior year.

The fund balance of the emergency medical service fund decreased by \$52,083, from costs to operate the EMS exceeding revenues.

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The fire department levy fund's net change in fund balance in 2017 was an increase of \$7,901.

The fund balance of the capital improvement fund increased by \$64,213, due to the timing of projects and funding received.

Proprietary Funds

The City's proprietary funds provide the same type of information found in the government-wide financial statements for the business-type activities, but in more detail.

A negative unrestricted net position of the water fund at the end of the year amounted to \$95,147, the unrestricted net position of the sewer fund was \$1,295,246, the unrestricted net position of the solid waste fund was \$422,743, and the unrestricted net position of the storm sewer fund was \$182,041. The water fund net position decreased \$38,634 while the sewer, solid waste, and storm sewer funds saw growth in 2017 of \$115,242, \$70,291, and \$22,147, respectively.

Charges for services in the water fund increased by \$155,127 from 2016, but the increase in revenues did not cover the expenses of the water fund.

Equity in pooled cash and investments in the sewer, solid waste, and storm sewer funds all increased by \$245,839, \$43,758, and \$94,464, respectively. The increase in equity in pooled cash and investments was the result of charges for services in these funds continuing to outpace expenses.

Net pension liability increased in the water, sewer, and solid waste funds in 2017 by \$76,527, \$95,657, \$4,697, respectively. None of the City's net pension liability is reported in the storm sewer fund.

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.

During the course of 2017, the City amended its general fund budget. All recommendations for appropriation changes come to Council from the City Finance Director. The Council members review them and make their recommendation to the Council as a whole.

For the general fund, the actual budget basis revenue was \$2,520,316, representing \$223,026 over the final budget estimate of \$2,297,290. Income tax revenue was conservatively estimated.

Final expenditure appropriations of \$2,408,959 were \$72,477 higher than the actual expenditures of \$2,336,482, as cost savings were recognized throughout the year.

Original budgeted revenues were increased by \$34,035 over the course of the year, and original expenditure appropriations of \$2,247,502 were increased by \$161,457 to account for expected increased costs primarily in the general government and security of persons and property.

There were no significant variances to discuss within other financing sources and uses.

City of Rittman
Wayne County, Ohio
Management's Discussion and Analysis
For the Year Ended December 31, 2017

Capital Assets and Debt Administration

Capital Assets

At the end of year 2017, the City had \$18.2 million invested in capital assets. A total of \$6.0 million of this was for governmental activities and \$12.2 million being attributable to business-type activities. Table 3 shows fiscal year 2017 balances compared with 2016.

Table 3
Capital Assets at December 31
(Net of Depreciation)

	Governmental Activities		Business-Type Activities		Total	
		Restated		Restated		Restated
	2017	2016	2017	2016	2017	2016
Land	\$ 243,838	\$ 243,838	\$ 63,936	\$ 63,936	\$ 307,774	\$ 307,774
Construction in Progress	82,265	82,265	0	0	82,265	82,265
Land Improvements	15,200	0	11,981	14,976	27,181	14,976
Buildings	3,014,808	3,135,733	4,109,479	4,332,718	7,124,287	7,468,451
Infrastructure	1,484,244	1,335,072	7,398,855	7,458,809	8,883,099	8,793,881
Equipment	1,160,005	1,235,976	655,632	643,945	1,815,637	1,879,921
<i>Total</i>	<u>\$ 6,000,360</u>	<u>\$ 6,032,884</u>	<u>\$ 12,239,883</u>	<u>\$ 12,514,384</u>	<u>\$ 18,240,243</u>	<u>\$ 18,547,268</u>

The \$32,524 decrease in capital assets of governmental activities was attributable to current year depreciation exceeding additions. The \$274,501 decrease in capital assets of business-type activities is due to depreciation exceeding additions. See Note 9 for additional information about the capital assets of the City.

Debt

The outstanding debt for the City as of December 31, 2017 was \$2,165,713. See Note 13 for additional details. Table 4 summarizes outstanding debt.

Table 4
Outstanding Debt, at December 31

	Governmental Activities		Business-Type Activities		Total	
	2017	2016	2017	2016	2017	2016
General Obligation Bonds	\$ 402,000	\$ 517,000	\$ 999,270	\$ 1,188,556	\$ 1,401,270	\$ 1,705,556
Loans Payable	152,333	180,439	521,419	394,150	673,752	574,589
Notes Payable	18,976	63,353	0	0	18,976	63,353
Capital Lease	71,715	0	0	0	71,715	0
<i>Total</i>	<u>\$ 645,024</u>	<u>\$ 760,792</u>	<u>\$ 1,520,689</u>	<u>\$ 1,582,706</u>	<u>\$ 2,165,713</u>	<u>\$ 2,343,498</u>

City of Rittman
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Current Issues Affecting Financial Condition

During the volatile economic times spanning the last several years, efficient use of the City's workforce and cost containment measures have resulted in no layoffs of City employees which continued throughout 2017.

The five-year capital improvement program plan was updated in 2017. The plan will be used to assess the City's ability to meet the needs of the community in future years. One component of the plan is long-term financial projections, which are intended to indicate the need for continued cost containment or revenue enhancement efforts.

The City's infrastructure was improved in 2017 with the resurfacing of Metzger, North State, Beech, Thonen and Gish streets. The City was able to obtain 49% Ohio Public Works Commission (OPWC) grant for the resurfacing of Metzger and North State streets and a 62% grant from Wayne County (CDBG) for the resurfacing of Beech, Thonen, and Gish streets. Additional infrastructure improvements were made to the City's sidewalks and street light fixtures.

Several vehicles in the City's aging fleet were replaced in 2017. The City purchased three Ford Interceptors (SUV) for the police department and a new dump truck and loader for the utility department.

Additional capital improvements included the roof installation at the recreation center, ballfield fencing at Fritz Park, and the purchase of MARCS pagers for the City's safety service personnel.

The City continues to work with the Wayne Economic Development Council (WEDC) and Jobs Ohio to market the new industrial park for the City. In 2017, unfortunately there was no progress with the industrial park; however, the City is hopeful with additional grant funding, the proximity to rail spurs and the interstate system, and tax abatements, that we will see the start of the development of the industrial park in the new future.

Finally, the City continues to promote itself to business owners and possible investors in order to increase retail and industrial growth. With prime areas for development and redevelopment available, the City will focus on facilitating those types of developments.

Contacting the City's Finance Department

This financial report is designed to provide our citizens, taxpayers, customers, and investors and creditors with a general overview of the City's finances and to show the City's accountability for the money it receives. If you have questions about this report or need additional financial information, contact the Director of Finance, 30 N. Main Street, Rittman, Ohio, 44270.

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City of Rittman
Wayne County, Ohio
Statement of Net Position
December 31, 2017

	Governmental Activities	Business-Type Activities	Total
Assets			
Equity in Pooled Cash and Investments	\$ 2,120,987	\$ 2,196,534	\$ 4,317,521
Cash and Investments in Segregated Accounts	2,841	13,913	16,754
Accounts Receivable	37,155	412,675	449,830
Intergovernmental Receivable	409,964	2,418	412,382
Property and Other Local Taxes Receivable	644,944	0	644,944
Income Taxes Receivable	730,353	0	730,353
Special Assessments Receivable	182,781	0	182,781
Assets Held for Resale	7,100	0	7,100
Restricted Cash and Cash Equivalents	0	44,500	44,500
Non-Depreciable Capital Assets	326,103	63,936	390,039
Depreciable Capital Assets, Net	5,674,257	12,175,947	17,850,204
<i>Total Assets</i>	<u>10,136,485</u>	<u>14,909,923</u>	<u>25,046,408</u>
Deferred Outflow of Resources			
Pension	1,081,491	354,167	1,435,658
Liabilities			
Accounts Payable	77,831	73,442	151,273
Accrued Wages	75,612	22,072	97,684
Contracts Payable	0	20,850	20,850
Intergovernmental Payable	63,785	32,014	95,799
Matured Interest Payable	841	3,713	4,554
Matured Bonds Payable	2,000	10,200	12,200
Income Tax Refunds Payable	20,663	0	20,663
Customer Deposits Payable	0	44,500	44,500
Long-Term Liabilities:			
Due Within One Year	343,674	291,775	635,449
Due In More Than One Year:			
Net Pension Liability	3,434,154	904,166	4,338,320
Other Amounts Due in More Than One Year	506,445	1,334,352	1,840,797
<i>Total Liabilities</i>	<u>4,525,005</u>	<u>2,737,084</u>	<u>7,262,089</u>
Deferred Inflows of Resources			
Property Taxes Levied for the Next Year	613,040	0	613,040
Pension	101,378	23,779	125,157
<i>Total Deferred Inflows of Resources</i>	<u>714,418</u>	<u>23,779</u>	<u>738,197</u>
Net Position			
Net Investment in Capital Assets	5,355,336	10,698,344	16,053,680
Restricted For:			
Debt Service	10,435	0	10,435
Capital Outlay	1,029,945	0	1,029,945
Safety Services	288,004	0	288,004
Streets and Highways	424,142	0	424,142
Other Purposes	12,930	0	12,930
Unrestricted	(1,142,239)	1,804,883	662,644
<i>Total Net Position</i>	<u>\$ 5,978,553</u>	<u>\$ 12,503,227</u>	<u>\$ 18,481,780</u>

See accompanying notes to the basic financial statements.

City of Rittman
Wayne County, Ohio
Statement of Activities
For the Year Ended December 31, 2017

	Expenses	Program Revenues		
		Charges for Services and Sales	Operating Grants, Contributions and Interest	Capital Grants, Contributions and Interest
Governmental Activities				
General Government	\$ 655,058	\$ 91,722	\$ 1,338	\$ 0
Security of Persons and Property	2,228,096	341,706	104,657	0
Public Health	109,310	14,122	230	0
Leisure Time Services	648,961	70,035	1,140	0
Transportation	791,066	19,687	371,795	204,686
Interest and Fiscal Charges	28,539	0	0	0
<i>Total Governmental Activities</i>	<u>4,461,030</u>	<u>537,272</u>	<u>479,160</u>	<u>204,686</u>
Business-Type Activities				
Water	887,492	825,145	16,950	0
Sewer	1,142,530	1,248,643	0	0
Solid Waste	345,472	406,260	9,503	0
Storm Sewer	74,473	96,620	0	0
<i>Total Business-Type Activities</i>	<u>2,449,967</u>	<u>2,576,668</u>	<u>26,453</u>	<u>0</u>
<i>Total Primary Government</i>	<u>\$ 6,910,997</u>	<u>\$ 3,113,940</u>	<u>\$ 505,613</u>	<u>\$ 204,686</u>

General Revenues:

Property Taxes Levied for:
General Purposes
Police, Fire and Emergency Services
Income Taxes Levied for:
General Purposes
Capital Outlay
Grants and Entitlements not Restricted
to Specific Programs
Investment Earnings
Miscellaneous

Total General Revenues

Change in Net Position

Net Position Beginning of Year (Restated)

Net Position 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
\$ (561,998)	\$ 0	\$ (561,998)
(1,781,733)	0	(1,781,733)
(94,958)	0	(94,958)
(577,786)	0	(577,786)
(194,898)	0	(194,898)
(28,539)	0	(28,539)
<u>(3,239,912)</u>	<u>0</u>	<u>(3,239,912)</u>
0	(45,397)	(45,397)
0	106,113	106,113
0	70,291	70,291
0	22,147	22,147
<u>0</u>	<u>153,154</u>	<u>153,154</u>
<u>(3,239,912)</u>	<u>153,154</u>	<u>(3,086,758)</u>
273,387	0	273,387
309,649	0	309,649
1,516,284	0	1,516,284
505,428	0	505,428
340,872	0	340,872
36,125	0	36,125
36,039	15,892	51,931
<u>3,017,784</u>	<u>15,892</u>	<u>3,033,676</u>
(222,128)	169,046	(53,082)
<u>6,200,681</u>	<u>12,334,181</u>	<u>18,534,862</u>
<u>\$ 5,978,553</u>	<u>\$ 12,503,227</u>	<u>\$ 18,481,780</u>

See accompanying notes to the basic financial statements.

City of Rittman
Wayne County, Ohio
Balance Sheet
Governmental Funds
December 31, 2017

	General Fund	Emergency Medical Service Fund	Fire Department Levy Fund	Capital Improvements Fund	Nonmajor Governmental Funds	Total Governmental Funds
Assets						
Equity in Pooled Cash and Investments	\$ 909,671	\$ 195,900	\$ 36,828	\$ 636,374	\$ 342,214	\$ 2,120,987
Cash and Investments in Segregated Accounts	0	0	0	0	2,841	2,841
Accounts Receivable	13,137	24,018	0	0	0	37,155
Intergovernmental Receivable	140,135	7,517	6,539	0	255,773	409,964
Property and Other Local Taxes Receivable	337,576	203,902	79,555	0	23,911	644,944
Income Taxes Receivable	547,765	0	0	182,588	0	730,353
Special Assessments Receivable	5,426	0	0	177,355	0	182,781
Inventory Held for Resale	0	0	0	7,100	0	7,100
<i>Total Assets</i>	<u>\$ 1,953,710</u>	<u>\$ 431,337</u>	<u>\$ 122,922</u>	<u>\$ 1,003,417</u>	<u>\$ 624,739</u>	<u>\$ 4,136,125</u>
Liabilities						
Accounts Payable	\$ 32,654	\$ 6,025	\$ 17,235	\$ 18,958	\$ 2,959	\$ 77,831
Accrued Wages	56,216	9,213	3,391	0	6,792	75,612
Intergovernmental Payable	47,786	6,296	3,494	0	6,209	63,785
Matured Interest Payable	0	0	0	0	841	841
Matured Bonds Payable	0	0	0	0	2,000	2,000
Income Tax Refunds Payable	15,497	0	0	5,166	0	20,663
<i>Total Liabilities</i>	<u>152,153</u>	<u>21,534</u>	<u>24,120</u>	<u>24,124</u>	<u>18,801</u>	<u>240,732</u>
Deferred Inflows of Resources						
Property Taxes Levied for the Next Year	322,620	192,660	75,168	0	22,592	613,040
Delinquent Property Taxes	14,956	11,242	4,387	0	1,319	31,904
Unavailable Revenue - Income Tax	370,409	0	0	123,470	0	493,879
Unavailable Revenue - Other	113,638	8,806	6,539	151,411	201,180	481,574
<i>Total Deferred Inflows of Resources</i>	<u>821,623</u>	<u>212,708</u>	<u>86,094</u>	<u>274,881</u>	<u>225,091</u>	<u>1,620,397</u>
Fund Balances						
Nonspendable	1,598	0	0	0	0	1,598
Restricted	0	197,095	12,708	704,412	380,847	1,295,062
Committed	6,873	0	0	0	0	6,873
Assigned	203,610	0	0	0	0	203,610
Unassigned	767,853	0	0	0	0	767,853
<i>Total Fund Balances</i>	<u>979,934</u>	<u>197,095</u>	<u>12,708</u>	<u>704,412</u>	<u>380,847</u>	<u>2,274,996</u>
<i>Total Liabilities, Deferred Inflows of of Resources and Fund Balances</i>	<u>\$ 1,953,710</u>	<u>\$ 431,337</u>	<u>\$ 122,922</u>	<u>\$ 1,003,417</u>	<u>\$ 624,739</u>	<u>\$ 4,136,125</u>

See accompanying notes to the basic financial statements.

City of Rittman
Wayne County, Ohio
Reconciliation of Total Governmental Fund Balances to
Net Position of Governmental Activities
December 31, 2017

Total Governmental Fund Balances		\$ 2,274,996
 <i>Amounts reported for governmental activities in the statement of net position are different because:</i>		
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.		6,000,360
Other long-term assets are not available to pay for current-period expenditures and therefore are deferred in the funds:		
Delinquent Property Taxes	\$ 31,904	
Income Taxes	493,879	
Intergovernmental	307,992	
Special Assessments	156,837	
Other	16,745	1,007,357
The net pension liability is not due and payable in the current period; therefore, the liability and related deferred inflows/outflows are not reported in governmental funds.		
Deferred Outflows - Pension	1,081,491	
Deferred Inflows - Pension	(101,378)	
Net Pension Liability	(3,434,154)	(2,454,041)
Long-term liabilities are not due and payable in the current period and therefore are not reported in the funds:		
General Obligation Bonds	(402,000)	
Loans Payable	(152,333)	
Notes Payable	(18,976)	
Capital Leases	(71,715)	
Compensated Absences	(205,095)	(850,119)
 <i>Net Position of Governmental Activities</i>		 \$ 5,978,553

See accompanying notes to the basic financial statements.

City of Rittman
Wayne County, Ohio
Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
For the Year Ended December 31, 2017

	General Fund	Emergency Medical Service Fund	Fire Department Levy Fund	Capital Improvements Fund	Nonmajor Governmental Funds	Total Governmental Funds
Revenues						
Property and Other Local Taxes	\$ 345,175	\$ 205,100	\$ 80,043	\$ 0	\$ 24,071	\$ 654,389
Income Taxes	1,473,267	0	0	491,089	0	1,964,356
Special Assessments	0	0	0	146,824	0	146,824
Charges for Services	314,370	162,983	0	0	4,500	481,853
Fines, Licenses and Permits	57,507	0	0	0	559	58,066
Intergovernmental	344,870	46,938	47,082	89,429	346,127	874,446
Investment Earnings	35,655	0	0	0	470	36,125
Contributions and Donations	525	0	0	1,813	0	2,338
Other	1,165	8,815	6,284	15,843	3,932	36,039
<i>Total Revenues</i>	<u>2,572,534</u>	<u>423,836</u>	<u>133,409</u>	<u>744,998</u>	<u>379,659</u>	<u>4,254,436</u>
Expenditures						
Current:						
General Government	560,668	3,365	1,485	0	3,956	569,474
Security of Persons and Property	1,141,360	434,213	174,444	0	37,302	1,787,319
Public Health	94,851	0	0	0	0	94,851
Leisure Time Services	460,872	0	0	0	0	460,872
Transportation	99,298	0	0	0	408,509	507,807
Capital Outlay	0	0	0	620,677	0	620,677
Debt Service:						
Principal Retirement	7,000	37,377	37,856	40,491	119,250	241,974
Interest and Fiscal Charges	13,256	964	1,723	0	12,596	28,539
<i>Total Expenditures</i>	<u>2,377,305</u>	<u>475,919</u>	<u>215,508</u>	<u>661,168</u>	<u>581,613</u>	<u>4,311,513</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>195,229</u>	<u>(52,083)</u>	<u>(82,099)</u>	<u>83,830</u>	<u>(201,954)</u>	<u>(57,077)</u>
Other Financing Sources (Uses)						
Inception of Capital Lease	0	0	0	112,206	0	112,206
Proceeds from Loans	14,000	0	0	0	0	14,000
Transfers In	0	0	90,000	0	131,823	221,823
Transfers Out	(90,000)	0	0	(131,823)	0	(221,823)
<i>Total Other Financing Sources (Uses)</i>	<u>(76,000)</u>	<u>0</u>	<u>90,000</u>	<u>(19,617)</u>	<u>131,823</u>	<u>126,206</u>
<i>Net Change in Fund Balance</i>	119,229	(52,083)	7,901	64,213	(70,131)	69,129
<i>Fund Balance Beginning of Year</i>	860,705	249,178	4,807	640,199	450,978	2,205,867
<i>Fund Balance End of Year</i>	<u>\$ 979,934</u>	<u>\$ 197,095</u>	<u>\$ 12,708</u>	<u>\$ 704,412</u>	<u>\$ 380,847</u>	<u>\$ 2,274,996</u>

See accompanying notes to the basic financial statements.

City of Rittman
Wayne 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, 2017

Net Change in Fund Balances - Total Governmental Funds	\$	69,129
 <i>Amounts reported for governmental activities in the statement of activities are different because:</i>		
 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.		
Capital Asset Additions	\$ 525,899	
Current Year Depreciation	<u>(558,423)</u>	(32,524)
 Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.		
Delinquent Property Taxes	(71,353)	
Income Taxes	57,356	
Special Assessments	(27,954)	
Intergovernmental	29,064	
Other	<u>(2,647)</u>	(15,534)
 Repayment of principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position.		
General Obligation Bonds	115,000	
Loans Payable	42,106	
Capital Lease	40,491	
Notes Payable	<u>44,377</u>	241,974
 Loan proceeds issued in the governmental funds that increase long-term liabilities in the statement of net position are not reported as revenues.		
		(14,000)
 Inception of capital lease in the governmental funds that increase long-term liabilities in the statement of net assets are not reported as revenues.		
		(112,206)
 Contractually required pension contributions are reported as expenditures in governmental funds; however, the statement of net position reports these amounts as deferred outflows.		
		272,660
 Except for amount reported as deferred inflows/outflows, changes in the net pension liability are reported as pension expense in the statement of activities.		
		(597,369)
 Some expenses reported in the statement of activities, do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds.		
Compensated Absences		<u>(34,258)</u>
 <i>Change in Net Position of Governmental Activities</i>	 \$	 <u>(222,128)</u>

See accompanying notes to the basic financial statements.

City of Rittman
Wayne County, Ohio
Statement of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
General Fund
For the Year Ended December 31, 2017

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Revenues				
Property and Other Local Taxes	\$ 323,840	\$ 344,145	\$ 345,175	\$ 1,030
Income Taxes	1,198,850	1,198,850	1,415,205	216,355
Charges for Services	316,260	316,260	312,900	(3,360)
Fines, Licenses and Permits	39,960	39,960	57,506	17,546
Intergovernmental	339,880	360,610	343,857	(16,753)
Investment Earnings	32,015	32,015	42,709	10,694
Contributions and Donations	500	500	525	25
Other	11,950	4,950	2,439	(2,511)
<i>Total Revenues</i>	<u>2,263,255</u>	<u>2,297,290</u>	<u>2,520,316</u>	<u>223,026</u>
Expenditures				
Current:				
General Government	420,649	531,861	527,751	4,110
Security of Persons and Property	1,127,948	1,150,077	1,130,152	19,925
Public Health	101,441	102,725	94,363	8,362
Leisure Time Services	488,363	512,558	479,352	33,206
Transportation	102,101	104,738	97,864	6,874
Debt Service:				
Principal Retirement	7,000	7,000	7,000	0
<i>Total Expenditures</i>	<u>2,247,502</u>	<u>2,408,959</u>	<u>2,336,482</u>	<u>72,477</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>15,753</u>	<u>(111,669)</u>	<u>183,834</u>	<u>295,503</u>
Other Financing Sources (Uses)				
Proceeds from Loans	0	14,000	14,000	0
Transfers Out	(78,000)	(90,000)	(90,000)	0
<i>Total Other Financing Sources (Uses)</i>	<u>(78,000)</u>	<u>(76,000)</u>	<u>(76,000)</u>	<u>0</u>
<i>Net Change in Fund Balance</i>	(62,247)	(187,669)	107,834	295,503
<i>Fund Balance Beginning of Year</i>	761,272	761,272	761,272	0
Prior Year Encumbrances Appropriated	29,533	29,533	29,533	0
<i>Fund Balance End of Year</i>	<u>\$ 728,558</u>	<u>\$ 603,136</u>	<u>\$ 898,639</u>	<u>\$ 295,503</u>

See accompanying notes to the basic financial statements.

City of Rittman
Wayne County, Ohio
Statement of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Emergency Medical Service Fund
For the Year Ended December 31, 2017

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Revenues				
Property and Other Local Taxes	\$ 191,095	\$ 205,095	\$ 205,100	\$ 5
Charges for Services	182,450	182,450	161,895	(20,555)
Intergovernmental	20,560	52,063	48,330	(3,733)
Other	4,000	4,000	4,444	444
<i>Total Revenues</i>	<u>398,105</u>	<u>443,608</u>	<u>419,769</u>	<u>(23,839)</u>
Expenditures				
Current:				
General Government	3,263	3,368	3,365	3
Security of Persons and Property	409,951	441,450	432,328	9,122
Debt Service:				
Principal Retirement	37,377	37,377	37,377	0
Interest and Fiscal Charges	964	964	964	0
<i>Total Expenditures</i>	<u>451,555</u>	<u>483,159</u>	<u>474,034</u>	<u>9,125</u>
<i>Net Change in Fund Balance</i>	(53,450)	(39,551)	(54,265)	(14,714)
<i>Fund Balance Beginning of Year</i>	237,556	237,556	237,556	0
Prior Year Encumbrances Appropriated	10,713	10,713	10,713	0
<i>Fund Balance End of Year</i>	<u>\$ 194,819</u>	<u>\$ 208,718</u>	<u>\$ 194,004</u>	<u>\$ (14,714)</u>

See accompanying notes to the basic financial statements.

City of Rittman
Wayne County, Ohio
Statement of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Fire Department Levy Fund
For the Year Ended December 31, 2017

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Revenues				
Property and Other Local Taxes	\$ 73,980	\$ 80,040	\$ 80,043	\$ 3
Intergovernmental	16,620	42,900	53,366	10,466
<i>Total Revenues</i>	<u>90,600</u>	<u>122,940</u>	<u>133,409</u>	<u>10,469</u>
Expenditures				
Current:				
General Government	1,600	1,485	1,485	0
Security of Persons and Property	134,533	183,751	171,614	12,137
Debt Service:				
Principal Retirement	37,856	37,856	37,856	0
Interest and Fiscal Charges	1,723	1,723	1,723	0
<i>Total Expenditures</i>	<u>175,712</u>	<u>224,815</u>	<u>212,678</u>	<u>12,137</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>(85,112)</u>	<u>(101,875)</u>	<u>(79,269)</u>	<u>22,606</u>
Other Financing Sources (Uses)				
Transfers In	78,000	90,000	90,000	0
<i>Net Change in Fund Balance</i>	(7,112)	(11,875)	10,731	22,606
<i>Fund Balance Beginning of Year</i>	12,008	12,008	12,008	0
Prior Year Encumbrances Appropriated	1,508	1,508	1,508	0
<i>Fund Balance End of Year</i>	<u>\$ 6,404</u>	<u>\$ 1,641</u>	<u>\$ 24,247</u>	<u>\$ 22,606</u>

See accompanying notes to the basic financial statements.

City of Rittman
Wayne County, Ohio
Statement of Fund Net Position
Proprietary Funds
December 31, 2017

	Enterprise Funds				Total
	Water Fund	Sewer Fund	Solid Waste Fund	Storm Sewer Fund	
Assets					
<i>Current Assets:</i>					
Equity in Pooled Cash and Investments	\$ 135,932	\$ 1,487,762	\$ 399,857	\$ 172,983	\$ 2,196,534
Cash and Investments in Segregated Accounts	13,913	0	0	0	13,913
Accounts Receivable	138,131	185,305	72,675	16,564	412,675
Intergovernmental Receivable	0	0	2,418	0	2,418
<i>Total Current Assets</i>	<u>287,976</u>	<u>1,673,067</u>	<u>474,950</u>	<u>189,547</u>	<u>2,625,540</u>
<i>Non-Current Assets:</i>					
Restricted Assets - Customer Deposits	44,500	0	0	0	44,500
Non-Depreciable Capital Assets	31,686	32,250	0	0	63,936
Depreciable Capital Assets, Net	5,414,063	6,429,289	4,096	328,499	12,175,947
<i>Total Non-Current Assets</i>	<u>5,490,249</u>	<u>6,461,539</u>	<u>4,096</u>	<u>328,499</u>	<u>12,284,383</u>
<i>Total Assets</i>	<u>5,778,225</u>	<u>8,134,606</u>	<u>479,046</u>	<u>518,046</u>	<u>14,909,923</u>
Deferred Outflow of Resources					
Pension	158,771	183,179	12,217	0	354,167
Liabilities					
<i>Current Liabilities:</i>					
Accounts Payable	8,164	28,121	30,300	6,857	73,442
Accrued Wages	10,146	11,198	728	0	22,072
Contracts Payable	0	0	0	20,850	20,850
Intergovernmental Payable	13,736	16,955	674	649	32,014
Matured Interest Payable	3,713	0	0	0	3,713
Matured Bonds Payable	10,200	0	0	0	10,200
Customer Deposits Payable	44,500	0	0	0	44,500
Compensated Absences Payable	43,375	11,830	0	0	55,205
OPWC Loans Payable	31,222	0	0	0	31,222
General Obligation Bonds Payable	100,000	105,348	0	0	205,348
<i>Total Current Liabilities</i>	<u>265,056</u>	<u>173,452</u>	<u>31,702</u>	<u>28,356</u>	<u>498,566</u>
<i>Long-Term Liabilities:</i>					
Net Pension Liability	405,316	467,672	31,178	0	904,166
Compensated Absences Payable - Net of Current Portion	35,259	14,974	0	0	50,233
OPWC Loans Payable - Net of Current Portion	490,197	0	0	0	490,197
General Obligation Bonds Payable - Net of Current Portion	580,000	213,922	0	0	793,922
<i>Total Long-Term Liabilities</i>	<u>1,510,772</u>	<u>696,568</u>	<u>31,178</u>	<u>0</u>	<u>2,238,518</u>
<i>Total Liabilities</i>	<u>1,775,828</u>	<u>870,020</u>	<u>62,880</u>	<u>28,356</u>	<u>2,737,084</u>
Deferred Inflows of Resources					
Pension	11,985	10,250	1,544	0	23,779
Net Position					
Net Investment in Capital Assets	4,244,330	6,142,269	4,096	307,649	10,698,344
Unrestricted	(95,147)	1,295,246	422,743	182,041	1,804,883
<i>Total Net Position</i>	<u>\$ 4,149,183</u>	<u>\$ 7,437,515</u>	<u>\$ 426,839</u>	<u>\$ 489,690</u>	<u>\$ 12,503,227</u>

See accompanying notes to the basic financial statements.

City of Rittman
Wayne County, Ohio
Statement of Revenues, Expenses and Changes in Fund Net Position
Proprietary Funds
For the Year Ended December 31, 2017

	Enterprise Funds				Total
	Water Fund	Sewer Fund	Solid Waste Fund	Storm Sewer Fund	
Operating Revenues					
Charges for Services	\$ 825,145	\$ 1,248,643	\$ 406,260	\$ 96,620	\$ 2,576,668
Other	6,763	9,129	0	0	15,892
<i>Total Operating Revenues</i>	<u>831,908</u>	<u>1,257,772</u>	<u>406,260</u>	<u>96,620</u>	<u>2,592,560</u>
Operating Expenses					
Personal Services	446,076	450,748	22,145	0	918,969
Contractual Services	46,000	247,822	317,433	54,434	665,689
Materials and Supplies	80,757	56,824	745	0	138,326
Depreciation	237,445	288,517	5,149	20,039	551,150
Other	60,000	90,000	0	0	150,000
<i>Total Operating Expenses</i>	<u>870,278</u>	<u>1,133,911</u>	<u>345,472</u>	<u>74,473</u>	<u>2,424,134</u>
<i>Operating Income (Loss)</i>	<u>(38,370)</u>	<u>123,861</u>	<u>60,788</u>	<u>22,147</u>	<u>168,426</u>
Non-Operating Revenues (Expenses)					
Intergovernmental	16,950	0	9,503	0	26,453
Interest and Fiscal Charges	(17,214)	(8,619)	0	0	(25,833)
<i>Total Non-Operating Revenues (Expense)</i>	<u>(264)</u>	<u>(8,619)</u>	<u>9,503</u>	<u>0</u>	<u>620</u>
<i>Change in Net Position</i>	<u>(38,634)</u>	<u>115,242</u>	<u>70,291</u>	<u>22,147</u>	<u>169,046</u>
<i>Net Position Beginning of Year (Restated)</i>	<u>4,187,817</u>	<u>7,322,273</u>	<u>356,548</u>	<u>467,543</u>	<u>12,334,181</u>
<i>Net Position End of Year</i>	<u>\$ 4,149,183</u>	<u>\$ 7,437,515</u>	<u>\$ 426,839</u>	<u>\$ 489,690</u>	<u>\$ 12,503,227</u>

See accompanying notes to the basic financial statements.

City of Rittman
Wayne County, Ohio
Statement of Cash Flows
Proprietary Funds
For the Year Ended December 31, 2017

	Enterprise Funds				Totals
	Water Fund	Sewer Fund	Solid Waste Fund	Storm Sewer Fund	
Cash Flows from Operating Activities					
Cash Received from Customers	\$ 752,745	\$ 1,247,178	\$ 405,179	\$ 95,542	\$ 2,500,644
Cash Received from Other Operating Receipts	6,763	9,129	0	0	15,892
Cash Payments to Suppliers for Goods and Services	(80,842)	(57,239)	(745)	0	(138,826)
Cash Payments to Employees for Services and Benefits	(221,785)	(401,591)	(25,419)	0	(648,795)
Cash Payments for Contractual Services	(133,759)	(235,834)	(344,857)	(26,078)	(740,528)
Other Cash Payments	(60,000)	(90,000)	0	0	(150,000)
<i>Net Cash Provided by (Used for) Operating Activities</i>	<u>263,122</u>	<u>471,643</u>	<u>34,158</u>	<u>69,464</u>	<u>838,387</u>
Cash Flows from Noncapital Financing Activities					
Intergovernmental Revenue	16,950	0	9,600	25,000	51,550
Cash Flows from Capital and Related Financing Activities					
Proceeds of OPWC Loans	155,500	0	0	0	155,500
Payment for Capital Acquisitions	(313,250)	(112,899)	0	0	(426,149)
Principal Payments on Debt	(113,231)	(104,286)	0	0	(217,517)
Interest Payments on Debt	(17,214)	(8,619)	0	0	(25,833)
<i>Net Cash Provided by (Used for) Capital and Related Financing Activities</i>	<u>(288,195)</u>	<u>(225,804)</u>	<u>0</u>	<u>0</u>	<u>(513,999)</u>
<i>Net Increase (Decrease) in Cash and Cash Equivalents</i>	(8,123)	245,839	43,758	94,464	375,938
<i>Cash and Cash Equivalents Beginning of Year</i>	202,468	1,241,923	356,099	78,519	1,879,009
<i>Cash and Cash Equivalents End of Year</i>	<u>\$ 194,345</u>	<u>\$ 1,487,762</u>	<u>\$ 399,857</u>	<u>\$ 172,983</u>	<u>\$ 2,254,947</u>
Reconciliation of Operating Income (Loss) to Net Cash Provided by (Used for) Operating Activities					
Operating Income (Loss)	\$ (38,370)	\$ 123,861	\$ 60,788	\$ 22,147	\$ 168,426
Adjustments:					
Depreciation	237,445	288,517	5,149	20,039	551,150
(Increase) Decrease in Assets and Deferred Outflows:					
Accounts Receivable	(26,100)	(1,465)	(1,081)	(1,078)	(29,724)
Deferred Outflows - Pension	(31,972)	(39,710)	(2,005)	0	(73,687)
Increase (Decrease) in Liabilities and Deferred Inflows:					
Accounts Payable	1,439	6,376	(27,424)	6,857	(12,752)
Accrued Wages	1,293	1,845	(1)	0	3,137
Contracts Payable	0	0	0	20,850	20,850
Compensated Absences Payable	32,466	(15,431)	(7,224)	0	9,811
Intergovernmental Payable	6,562	8,931	227	649	16,369
Customer Deposits Payable	(1,800)	0	0	0	(1,800)
Deferred Inflows - Pension	5,632	3,062	1,032	0	9,726
Net Pension Liability	76,527	95,657	4,697	0	176,881
<i>Net Cash Provided by (Used For) Operating Activities</i>	<u>\$ 263,122</u>	<u>\$ 471,643</u>	<u>\$ 34,158</u>	<u>\$ 69,464</u>	<u>\$ 838,387</u>

See accompanying notes to the basic financial statements.

City of Rittman
Wayne County, Ohio
Statement of Fiduciary Assets and Liabilities
Agency Funds
December 31, 2017

	<u>Agency Funds</u>
Assets	
Equity in Pooled Cash and Investments	\$ 15,500
<i>Total Assets</i>	<u>\$ 15,500</u>
Liabilities	
Undistributed Monies	\$ 15,500
<i>Total Liabilities</i>	<u>\$ 15,500</u>

See accompanying notes to the basic financial statements.

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Notes to the Basic Financial Statements
For the Year Ended December 31, 2017

Note 1 – Description of the City and Reporting Entity

The City of Rittman, Ohio (the “City”) is a home rule municipal corporation established under the laws of the State of Ohio which operates under its own Charter. The current Charter, which provides for a Mayor-Council-Manager form of government, was adopted in 1960.

Reporting Entity

The reporting entity is comprised of the primary government, component units and other organizations that are included to ensure that the financial statements of the City are fairly presented and complete. The primary government consists of all funds, departments, boards, and commissions that are not legally separate from the City. The City provides municipal services such as police, fire fighting and prevention, street lighting and maintenance, emergency medical service, solid waste collection and recycling, parks and recreation, and a staff to provide the necessary support to these services. The City also operates certain enterprise operations such as a sewage treatment plant, a water treatment plant, solid waste disposal services and storm water services. The operations of all of these services are included in the reporting entity.

Component units are legally separate organizations for which the City is financially accountable. The City is financially accountable for an organization if the City appoints a voting majority of the organization's governing board and (1) the City is able to significantly influence the programs or services performed or provided by the organization; or (2) the City is legally entitled to or can otherwise access the organization's resources; (3) the City is legally obligated or has otherwise assumed the responsibility to finance the deficits of, or provide financial support to, the organization; or (4) the City is obligated for the debt of the organization. Component units may also include organizations for which the City approves the budget, the issuance of debt or the levying of taxes. The City has no blended or discretely presented component units.

Note 2 – Summary of Significant Accounting Policies

The basic financial statements of the City have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to local governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles.

The most significant of the City’s accounting policies are described below.

Basis of Presentation

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

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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. Direct expenses are those that are specifically associated with a service, program or department and therefore are 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 function is self-financing or draws from the general revenues of the City.

Fund Financial Statements

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

Fund Accounting

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

Governmental Funds

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

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

Emergency Medical Service Fund - This special revenue fund is to account for property taxes levied and other revenues for the operations of emergency medical services.

Fire Department Levy Fund – This special revenue fund is to account for property taxes levied and other revenues for fire department operations.

Capital Improvements Fund – This capital projects fund is used to account for financial resources that are used for the acquisition, construction or improvement of the City’s capital facilities.

The other governmental funds of the City account for grants and other resources to which the City is bound to observe constraints imposed upon the use of the resources.

Proprietary Funds

Proprietary fund reporting focuses on changes in net position, financial position and cash flows. Proprietary funds are classified as enterprise.

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

Water Fund - The water fund accounts for the provision of water treatment and distribution to its residential and commercial users located within the City. These resources are primarily generated through charges for water service.

Sewer Fund - The sewer fund accounts for the provision of sanitary sewer service to its residential and commercial users located within the City. These resources are primarily generated through charges for sanitation services.

Solid Waste Fund - The solid waste fund accounts for operation of the City’s solid waste (refuse, leaves and brush) pickup and disposal services. These resources are primarily generated through charges for services.

Storm Sewer Fund - The storm sewer fund accounts for operation of the City’s storm sewer services. These resources are primarily generated through charges for services.

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 agency 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 trust funds. The City’s agency fund is custodial in nature

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(assets equal liabilities) and does not involve measurement of results of operations. The City's agency fund accounts for deposits received from contractors and developers which will be refunded upon successful completion of the projects.

Measurement Focus

Government-wide Financial Statements

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

Fund Financial Statements

All governmental funds are accounted for using a flow of current financial resources measurement focus. With this measurement focus, only current assets and deferred outflows of resources and 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 statements for governmental funds.

Like the government-wide statements, all proprietary funds are accounted for on a flow of economic resources measurement focus. All assets and deferred outflows of resources and all liabilities and deferred inflows 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.

Agency funds do not report a measurement focus as they do not report operations.

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 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/outflows of resources and in the presentation of expenses versus expenditures.

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Revenues - Exchange and Non-exchange Transactions

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

Non-exchange transactions, in which the City receives value without directly giving equal value in return, include income taxes, property taxes, grants, entitlements and donations. On an accrual basis, revenue from income taxes is recognized in the period in which the income is earned. Revenue from property taxes is recognized in the year for which the taxes are levied (See Note 8). 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 non-exchange transactions must also be available before it can be recognized. Under the modified accrual basis, the following revenue sources are considered to be both measurable and available at year end: income tax, state-levied locally shared taxes (including gasoline tax), fines and forfeitures, interest, grants and fees.

Deferred Inflows of Resources and Deferred Outflows of Resources

In addition to assets, the statements of financial position will sometimes report a separate section for deferred outflows of resources. Deferred outflows of resources represent a consumption of net position that applies to a future period and will not be recognized as an outflow of resources (expense/expenditure) until then. For the City, deferred outflows of resources are reported on the government-wide statement of net position for pension. The deferred outflows of resources related to pension are explained in Note 10.

In addition to liabilities, the statements of financial position report a separate section for deferred inflows of resources. Deferred inflows of resources represent an acquisition of net position that applies to a future period and will not be recognized until that time. For the City, deferred inflows of resources include property taxes, pension, and unavailable revenue. Property taxes represent amounts for which there is an enforceable legal claim as of December 31, 2017, but which were levied to finance 2018 operations. These amounts have been recorded as a deferred inflow on both the government-wide statement of net position and 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. For the City, unavailable revenue includes delinquent property taxes, income taxes, intergovernmental and miscellaneous revenues. These amounts are deferred and recognized as an inflow of resources in the period the amounts become available. Deferred inflows of resources related to pension are reported on the government-wide statement of net position. (See Note 10)

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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.

Budgetary Data

All funds, except agency funds, are legally required to be budgeted and appropriated, however, only governmental funds are required to be reported. The major documents prepared 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 control has been established by Council at the object level (personal services and other) within each department in the general fund and at the object level (personal services and other) for all other 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 Director of Finance. 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 statements reflect the amounts on the final amended certificate of estimated resources issued during 2017.

The appropriation resolution is subject to amendment throughout the year with the restriction that appropriations cannot exceed estimated resources. The amounts reported as the original budgeted amounts reflect the first appropriation 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.

Cash and Investments

Cash received by the City is deposited in a central bank account. Monies for all funds, except cash held by a trustee or fiscal agent, are maintained in the account or temporarily used to purchase investments. Individual fund integrity is maintained through City records. Each fund's interest in the pool of cash and investments is presented as "equity in pooled cash and investments" in the basic financial statements.

Investments with original maturities of three months or less and investments of the cash management pool are presented on the financial statements as cash equivalents.

The City utilizes financial institutions to service bonded debt as principal and interest payments come due. These account balances are presented as "cash and investments in segregated accounts." The water fund also has accounts within restricted accounts during the year for customer deposits.

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During 2017, investments included STAR Ohio, money market, Federal Home Loan Bank Notes, Federal Home Loan Mortgage Notes and certificates of deposit.

Except for nonparticipating investment contracts, investments are reported at fair value, which is based on quoted market prices. Nonparticipating investment contracts such as nonnegotiable certificates of deposit are reported at cost.

During 2017, 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 their investment in STAR Ohio at the net asset value (NAV) per share provided by STAR Ohio. The NAV per share is calculated on an amortized cost basis that provides an NAV per share that approximates fair value.

For 2017, there were no limitations or restrictions on any participant withdrawals due to redemption notice periods, liquidity fees, or redemption gates. However, notice must be given 24 hours in advance of all deposits and withdrawals exceeding \$25 million. STAR Ohio reserves the right to limit the transaction to \$50 million, requiring the excess amount to be transacted the following business day(s), but only to the \$50 million limit. All accounts of the participant will be combined for these purposes.

Investment procedures are restricted by the provisions of the Ohio Revised Code. Interest revenue credited to the general fund during 2017 amounted to \$35,655, which includes \$28,285 assigned from other City funds.

Inventory

On the government-wide financial statements, inventories are presented at the lower of cost or market on a first-in, first-out basis and are expensed when used. Inventories of supplies are stated at cost, while inventories held for resale are stated at the lower of cost or market. For all funds, cost is determined on a first-in, first-out basis. The cost of inventory items is recorded as an expenditure/expense in the governmental and proprietary funds when used under the consumption method.

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.

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All capital assets are capitalized at cost (or estimated historical cost) and updated for additions and retirements during the year. Donated capital assets are recorded at their acquisition value as of the date received. The City maintains a capitalization threshold of five thousand dollars. The City's infrastructure consists of bridges, culverts, curbs, sidewalks, storm sewers, streets, irrigation systems and water and sewer lines. Improvements are capitalized; the costs of normal maintenance and repairs that do not add to the value of the asset or materially extend an asset's life are not.

All reported capital assets are required to be depreciated 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 is computed using the straight-line method over the following useful lives:

<u>Description</u>	<u>Governmental and Business-Type Activities Estimated Useful Lives</u>
Buildings	20 - 40 Years
Land Improvements	5 - 50 Years
Equipment	5 - 30 Years
Infrastructure	30 - 75 Years

Interfund Balances

On fund financial statements, interfund loans are classified as "interfund receivable/payable" on the balance sheet and if they are long-term loans an equal offset should be included in nonspendable fund balance unless the proceeds from their collection are restricted, committed, or assigned. This provision indicates that the loans do not constitute available expendable resources. 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.

Compensated Absences

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

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

The entire compensated absence liability is reported on the government-wide financial statements.

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On governmental fund financial statements, compensated absences are recognized as liabilities and expenditures to the extent payments come due each period upon the occurrence of employee resignations and retirements. These amounts are recorded in the account matured compensated absences payable in the fund from which the employees who have accumulated leave are paid. The noncurrent portion of the liability is not reported. For proprietary funds, the entire amount of compensated absences is reported as a fund liability.

Pensions

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

Accrued Liabilities and Long-Term Obligations

All payables, accrued liabilities and long-term obligations are reported in the government-wide 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, and are reported as obligations of the funds. However, claims and judgments, compensated absences and net pension liability 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 are recognized as a liability on the fund financial statements when due.

Fund Balance

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

Nonspendable – The nonspendable fund balance category includes amounts that cannot be spent because they are not in spendable form, or legally or contractually required to be maintained intact. The “not in spendable form” criterion includes items that are not expected to be converted to cash. It also includes the long-term amount of loans receivable, as well as property acquired for resale, unless the use of the proceeds from the collection of those receivables or from the sale of those properties is restricted, committed or assigned. In addition, the City’s unclaimed monies are reported as nonspendable.

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

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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. Those committed amounts cannot be used for any other purpose unless the 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 or 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 City Council. The City Council has, by resolution, authorized the Finance Director to assign fund balance. The City Council may also assign fund balance as it does when appropriating fund balance to cover a gap between estimated revenue and appropriations in the subsequent year’s appropriated budget.

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

Net Position

Net position represents the difference between assets and deferred outflows of resources and liabilities and deferred inflows of resources. Net investment in capital assets, consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowings 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 their use either through constitutional provisions or enabling legislation or through external restrictions imposed by creditors, grantors or laws or regulations of other governments. At December 31, 2017, there was no net position restricted by enabling legislation.

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

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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 water and sewer services and solid waste collection. Operating expenses are necessary costs incurred to provide the good or service that is the primary activity of the fund. All revenue and expenses not meeting these definitions are classified as nonoperating.

Capital Contributions

Contributions of capital in the government-wide and proprietary fund financial statements arise from donations by developers, grants restricted for capital construction, and special assessments. These assets are recorded at their acquisition value on the date contributed and are not subject to repayment.

Interfund Activity

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

Exchange transactions between funds are reported as revenues in the seller funds and as expenditures/expenses in the purchaser funds. Flows of cash or goods from one fund to another without a requirement for repayment are reported as interfund transfers. Interfund transfers are reported as other financing sources/uses in governmental funds and after nonoperating revenues/expenses in business-type activities. Interfund transfers are eliminated when reported in the entity wide financial statements for both the governmental and business-type activities. Transactions that constitute reimbursements to a fund for expenditures or expenses initially made from it that are properly applicable to another fund are recorded as expenditures/expenses in the reimbursing fund, and as a reduction of expenditures/expenses in the fund that is reimbursed.

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 the City Administration and that are either unusual in nature or infrequent in occurrence. Neither type of transaction occurred during 2017.

Estimates

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

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Implementation of New Accounting Principles

For the year ended December 31, 2017, the City has implemented Governmental Accounting Standards Board (GASB) Statement No. 80, *Blending Requirements for Certain Component Units - an amendment of GASB Statement No. 14*, GASB Statement No. 81, *Irrevocable Split-Interest Agreements* and GASB Statement No. 82, *Pension Issues - an amendment of GASB Statements No. 67, No. 68, and No. 73*.

GASB Statement No. 80 amends the blending requirements for the financial statement presentation of component units of all state and local governments. The additional criterion requires blending of a component unit incorporated as a not-for-profit corporation in which the primary government is the sole corporate member. The implementation of GASB Statement No. 80 did not have an effect on the financial statements of the City.

GASB Statement No. 81 requires that a government that receives resources pursuant to an irrevocable split-interest agreement recognize assets, liabilities, and deferred inflows of resources at the inception of the agreement. Furthermore, it requires that a government recognize assets representing its beneficial interests in irrevocable split-interest agreements that are administered by a third party, if the government controls the present service capacity of the beneficial interests. This Statement also requires that a government recognize revenue when the resources become applicable to the reporting period. The implementation of GASB Statement No. 81 did not have an effect on the financial statements of the City.

GASB Statement No. 82 improves consistency in the application of pension accounting. These changes were incorporated in the City's 2017 financial statements; however, there was no effect on beginning net position/fund balance.

Note 3 – Restatement of Net Position

During 2017, the City transferred storm sewer capital assets that were previously reported in governmental activities to the business-type activities storm sewer fund.

The restatement had the following effect on the net position as reported December 31, 2016:

	<u>Governmental Activities</u>	<u>Business-Type Activities</u>	<u>Storm Sewer</u>
Net Position December 31, 2016	\$ 6,549,219	\$ 11,985,643	\$ 119,005
Capital Asset Adjustment	<u>(348,538)</u>	<u>348,538</u>	<u>348,538</u>
Restated Net Position January 1, 2017	<u>\$ 6,200,681</u>	<u>\$ 12,334,181</u>	<u>\$ 467,543</u>

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Note 4 – Fund Balance

Fund balance can be classified as nonspendable, restricted, committed, assigned and/or unassigned based primarily on the extent to which the City is bound to observe constraints imposed upon the use of the resources in governmental funds.

The constraints placed on fund balance for the major governmental funds and all other governmental funds are presented as follows:

	General Fund	Emergency Medical Service Fund	Fire Department Levy Fund	Capital Improvements Fund	Nonmajor Governmental Funds	Total
Nonspendable for:						
Unclaimed Monies	\$ 1,598	\$ 0	\$ 0	\$ 0	\$ 0	\$ 1,598
Restricted for:						
Emergency Medical Services	0	197,095	0	0	0	197,095
Fire Department	0	0	12,708	0	0	12,708
Capital Improvements	0	0	0	704,412	0	704,412
Law Enforcement	0	0	0	0	59,025	59,025
Cemetery Capital Improvements	0	0	0	0	50,652	50,652
Streets and Highways	0	0	0	0	249,403	249,403
Education and Recreation	0	0	0	0	11,332	11,332
Debt Service	0	0	0	0	10,435	10,435
Total Restricted	<u>0</u>	<u>197,095</u>	<u>12,708</u>	<u>704,412</u>	<u>380,847</u>	<u>1,295,062</u>
Committed to:						
Recreation Activities	<u>6,873</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>6,873</u>
Assigned for:						
Encumbrances:						
General Government	8,805	0	0	0	0	8,805
Security of Persons and Property	2,594	0	0	0	0	2,594
Public Health	118	0	0	0	0	118
Leisure Time Services	2,264	0	0	0	0	2,264
Transportation	325	0	0	0	0	325
Subsequent Year Appropriations	189,504	0	0	0	0	189,504
Total Assigned	<u>203,610</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>203,610</u>
Unassigned	<u>767,853</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>767,853</u>
Total Fund Balance	<u>\$ 979,934</u>	<u>\$ 197,095</u>	<u>\$ 12,708</u>	<u>\$ 704,412</u>	<u>\$ 380,847</u>	<u>\$ 2,274,996</u>

City of Rittman
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Note 5 – 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 City treasury. Active 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 Council has identified as not required for use within the current 5-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.

Protection of the City's deposits is provided by the Federal Deposit Insurance Corporation (FDIC), by eligible securities pledged by the financial institution as security for repayment, by surety company bonds with the City Finance Director by the financial institution or by a single collateral pool established by the financial institution to secure the repayment of all public monies deposited with the institution.

Interim monies may be 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, Government National Mortgage Association, and Student Loan Marketing Association. All federal agency securities shall be direct issuances of federal government agencies or instrumentalities;
3. Written repurchase agreements in the securities listed above provided that the market value of the securities subject to the repurchase agreements 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 political subdivisions;

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5. No-load money market mutual funds consisting exclusively of obligations described in division (1) or (2) of this section and repurchase agreements secured by such obligations, provided that investments in securities described in this division are made only through eligible institutions; and
6. The State Treasurer's investment pool (STAR Ohio);
7. Commercial paper notes, limited to 40 percent (5 percent for a single issuer) in total of the interim monies available for investment at any one time and for a period not to exceed two hundred seventy days, and,
8. Under limited circumstances, corporate note interests rated in either of the two highest classifications by at least two nationally recognized rating agencies.

Effective September 27, 1996, investments in stripped principal or interest obligations are no longer allowed to be purchased. Reverse repurchase agreements and derivatives are also prohibited. The issuance of taxable notes for the purpose of arbitrage, the use of leverage and short selling are also prohibited. An investment must mature within five years from the date of purchase unless matched to a specific obligation or debt of the City, and must be purchased with the expectation that it will be held to maturity.

Custodial credit risk is the risk that in the event of bank failure, the government's deposits may not be returned to it. Protection of the City's cash and deposits is provided by the Federal Deposit Insurance Corporation, as well as qualified securities pledged by the institution holding the assets. By law, financial institutions must collateralize all uninsured public deposits. The face value of the pooled collateral must equal at least 105 percent of uninsured public funds deposited. Collateral is held by trustees including the Federal Reserve Bank and designated third party trustees of the financial institutions.

Deposits At fiscal year-end, the carrying amount of the City's deposits was \$2,280,958 and the bank balance was \$2,318,164. Of the bank balance, \$601,968 was covered by depository insurance. The remaining balance was not exposed to custodial credit risk and was collateralized in accordance with the Ohio Revised Code.

Investments - As of December 31, 2017, the City had the following investment:

S&P Global Ratings	Investment	Measurement Value	Investment Maturity			% Total Investments
			Less than One Year	1 - 3 Years	Over 3 Years	
AAAm	STAR Ohio	\$ 711,857	\$ 711,857	\$ 0	\$ 0	33.7%
N/A	First American Government Obligation	7,686	7,686	0	0	0.4%
AA+	Federal Home Loan Banks	205,945	0	0	205,945	9.7%
AA+	Federal Home Loan Mortgage Corporation	839,523	0	492,974	346,549	39.7%
N/A	Negotiable Certificates of Deposit	348,306	0	199,086	149,220	16.5%
		<u>\$ 2,113,317</u>	<u>\$ 719,543</u>	<u>\$ 692,060</u>	<u>\$ 701,714</u>	<u>100.0%</u>

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The City categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets. Level 2 inputs are significant other observable inputs. Level 3 inputs are significant unobservable inputs. The above table identifies the City's recurring fair value measurements as of December 31, 2017. STAR Ohio and First American Government Obligation are reported at net asset value (NAV). All other investments of the City are valued using quoted prices in inactive markets with observable inputs (Level 2 inputs).

Interest Rate Risk - The Ohio Revised Code generally limits security purchases to those that mature within five years of the settlement date. The City's policy indicates that the investments must mature within five years, unless matched to a specific obligation or debt of the City.

STAR Ohio is an investment pool operated by the Ohio State Treasurer. It is unclassified since it is not evidenced by securities that exist in physical or book entry form. Ohio law requires STAR Ohio maintain the highest rating provided by at least one nationally recognized standard rating service. The weighted average of maturity of the portfolio held by STAR Ohio as of December 31, 2017, is 52 days and carries a rating of AAAM by S&P Global Ratings.

Credit Risk - The credit risk of the City's investments is in the table above. Ohio law requires that STAR Ohio maintain the highest rating provided by at least one nationally recognized standard rating service.

Custodial Credit Risk - For an investment, custodial risk is that risk that, in the event of the failure of the counterparty, the City will no longer be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The City's investment in repurchase agreements is collateralized by underlying securities pledged by the investment's counterparty, not in the name of the City. Ohio law requires the market value of the securities subject to repurchase agreements must exceed the principal value of the securities subject to a repurchase agreement by 2 percent. The City has no investment policy dealing with investment custodial risk beyond the requirement in State statute that prohibits payment for investments prior to the delivery of the securities representing such investments to the Treasurer or qualified trustee.

Concentration of Credit Risk - The City places no limit on the amount the City may invest in any one issuer. The investment percentages are listed above.

Note 6 – Budgetary Basis of Accounting

While the City is reporting financial position, results of operations and changes in fund balance on the basis of generally accepted accounting principles (GAAP), the budgetary basis as provided by law is based upon accounting for certain transactions on a basis of cash receipts, disbursements and encumbrances. The Statement of Revenues, Expenditures and Changes in Fund Balances - Budget (Non-GAAP Basis) and Actual presented for the general fund, emergency medical service fund and fire department levy fund are presented on the budgetary basis to provide a meaningful comparison of actual results with the budget. The major differences between the budget basis and GAAP basis are as follows:

1. Revenues and other sources are recorded when received in cash (budget) as opposed to when susceptible to accrual (GAAP).

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2. Expenditures/expenses and other uses are recorded when paid in cash (budget) as opposed to when the liability is incurred (GAAP).
3. Encumbrances are treated as expenditures (budget) rather than as a restriction, commitment or assignment of fund balance (GAAP).
4. The recreation trust fund is included in the general fund (GAAP), but has a separate legally adopted budget (budget).

The following table summarizes the adjustments necessary to reconcile the GAAP basis statements to the budgetary basis statements for the general fund, emergency medical service fund and fire department levy fund.

	General Fund	Emergency Medical Service Fund	Fire Department Levy Fund
GAAP Basis	\$ 119,229	\$ (52,083)	\$ 7,901
Net Adjustment for Revenue Accruals	(52,218)	(4,067)	0
Net Adjustment for Expenditure Accruals	63,521	3,784	15,413
Adjustment for Encumbrances	(22,698)	(1,899)	(12,583)
Budget Basis	\$ 107,834	\$ (54,265)	\$ 10,731

Note 7 – Transfers

Transfers are used to (1) move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them, (2) move receipts restricted to debt service from the fund collecting the receipts to the debt service fund as debt service payments become due, and (3) use unrestricted revenues collected in the general fund to finance various programs accounted for in other funds in accordance with budgetary authorizations.

During 2017, the general fund transferred \$90,000 to the fire department levy fund to cover expenditures. The capital improvements fund transferred \$131,823 to the debt service fund for principal and interest payments.

Note 8 – Receivables and Revenue

Receivables at December 31, 2017, consisted of taxes, special assessments, accounts (billings for user charged services) and intergovernmental receivables.

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

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Property Taxes

Property taxes include amounts levied against all real and public utility property located in the City. Property tax revenue received during 2017 for real and public utility property taxes represents collections of the 2016 taxes.

2017 real property taxes were levied after October 1, 2017 on the assessed value as of January 1, 2017, the lien date. Assessed values are established by State law at 35 percent of appraised market value. 2017 real property taxes are collected in and intended to finance 2018.

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 tangible personal property currently is assessed at varying percentages of true value; public utility real property is assessed at 35 percent of true value. 2017 public utility property taxes which became a lien December 31, 2016, are levied after October 1, 2017, and are collected in 2018 with real property taxes.

The full tax rate for all City operations for the year ended December 31, 2017, was \$7.00 per \$1,000 of assessed valuation. The assessed values of real property and public utility tangible property upon which 2017 property tax receipts were based are as follows:

<u>Category</u>	<u>Assessed Value</u>
Real Property	\$ 88,399,500
Public Utilities - Personal	<u>3,008,490</u>
Total Assessed Value	<u>\$ 91,407,990</u>

The County Treasurer collects property taxes on behalf of all taxing districts within the County, including the City. The County Auditor periodically remits to the City its portion of the taxes collected. Property taxes receivable represents real and public utility property taxes and outstanding delinquencies which were measurable as of December 31, 2017, and for which there was an enforceable legal claim. In governmental funds, the portion of the receivable not levied to finance 2017 operations is offset to deferred inflows of resources – property taxes levied for the next year. On the accrual basis, collectible delinquent property taxes have been recorded as a receivable and revenue while on the modified accrual basis the revenue has been reported as deferred inflows of resources – unavailable revenue.

Income Taxes

The City levies a municipal income tax on all salaries, wages, commissions and other compensation, and net profits earned within the City as well as incomes of residents earned outside of the City at a rate of 1.5 percent. The City allows a credit of 1.0 percent of the tax paid to another municipality.

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Employers within the City are required to withhold income tax on work done or services performed in the City by both residents and non-residents of the City and remit at least quarterly. Corporations and other individual taxpayers are also required to pay their estimated taxes monthly and to file a return annually.

Income tax revenues are allocated based on City ordinance. Income tax collections are distributed between the general fund (75 percent) and the capital improvement fund (25 percent).

Note 9 – Capital Assets

Capital asset activity for the year ended December 31, 2017, was as follows:

	Restated Balance 12/31/2016	Additions	Reductions	Balance 12/31/2017
Governmental Activities				
<i>Capital Assets, not being depreciated:</i>				
Land	\$ 243,838	\$ 0	\$ 0	\$ 243,838
Construction in Progress	82,265	0	0	82,265
Total Capital Assets, not being depreciated	<u>326,103</u>	<u>0</u>	<u>0</u>	<u>326,103</u>
<i>Capital Assets, being depreciated:</i>				
Land Improvements	119,026	19,000	0	138,026
Buildings	5,823,816	31,400	0	5,855,216
Infrastructure	2,415,538	306,689	0	2,722,227
Equipment	4,241,843	168,810	(329,020)	4,081,633
Total Capital Assets, being depreciated	<u>12,600,223</u>	<u>525,899</u>	<u>(329,020)</u>	<u>12,797,102</u>
Less Accumulated Depreciation:				
Land Improvements	(119,026)	(3,800)	0	(122,826)
Buildings	(2,688,083)	(152,325)	0	(2,840,408)
Infrastructure	(1,080,466)	(157,517)	0	(1,237,983)
Equipment	(3,005,867)	(244,781)	329,020	(2,921,628)
Total Accumulated Depreciation	<u>(6,893,442)</u>	<u>(558,423)</u>	<u>329,020</u>	<u>(7,122,845)</u>
Total Capital Assets being depreciated, net	<u>5,706,781</u>	<u>(32,524)</u>	<u>0</u>	<u>5,674,257</u>
Governmental Activities Capital Assets, Net	<u>\$ 6,032,884</u>	<u>\$ (32,524)</u>	<u>\$ 0</u>	<u>\$ 6,000,360</u>

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	Restated Balance 12/31/2016	Additions	Reductions	Balance 12/31/2017
Business-Type Activities				
<i>Capital Assets, not being depreciated:</i>				
Land	\$ 63,936	\$ 0	\$ 0	\$ 63,936
<i>Capital Assets, being depreciated:</i>				
Land Improvements	40,922	0	0	40,922
Buildings	9,069,359	0	0	9,069,359
Infrastructure	11,830,478	163,750	0	11,994,228
Equipment	1,931,596	112,899	0	2,044,495
Total Capital Assets, being depreciated	<u>22,872,355</u>	<u>276,649</u>	<u>0</u>	<u>23,149,004</u>
Less Accumulated Depreciation:				
Land Improvements	(25,946)	(2,995)	0	(28,941)
Buildings	(4,736,641)	(223,239)	0	(4,959,880)
Infrastructure	(4,371,669)	(223,704)	0	(4,595,373)
Equipment	(1,287,651)	(101,212)	0	(1,388,863)
Total Accumulated Depreciation	<u>(10,421,907)</u>	<u>(551,150)</u>	<u>0</u>	<u>(10,973,057)</u>
Total Capital Assets being depreciated, net	<u>12,450,448</u>	<u>(274,501)</u>	<u>0</u>	<u>12,175,947</u>
Business-Type Activities Capital Assets, Net	<u>\$ 12,514,384</u>	<u>\$ (274,501)</u>	<u>\$ 0</u>	<u>\$ 12,239,883</u>

Depreciation expense was charged to programs as follows:

	<u>Depreciation</u>
<i>Governmental Activities:</i>	
General Government	\$ 14,751
Transportation	210,172
Security of Persons and Property	209,694
Leisure Time	120,315
Public Health	<u>3,491</u>
	<u>\$ 558,423</u>

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	<u>Depreciation</u>
<i>Business-Type Activities:</i>	
Water Fund	\$ 237,445
Sewer Fund	288,517
Solid Waste Fund	5,149
Storm Sewer	20,039
	\$ 551,150

Note 10 – Defined Benefit Pension Plans

Net Pension Liability

The net pension liability reported on the statement of net position represents a liability to employees for pensions. Pensions are a component of exchange transactions - between an employer and its employees - of salaries and benefits for employee services. Pensions are provided to an employee - on a deferred-payment basis - as part of the total compensation package offered by an employer for employee services each financial period. The obligation to sacrifice resources for pensions is a present obligation because it was created as a result of employment exchanges that already have occurred.

The net pension liability represents the City's proportionate share of each pension plan's collective actuarial present value of projected benefit payments attributable to past periods of service, net of each pension plan's fiduciary net position. The net pension liability calculation is dependent on critical long-term variables, including estimated average life expectancies, earnings on investments, cost of living adjustments and others. While these estimates use the best information available, unknowable future events require adjusting this estimate annually.

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

GASB 68 assumes the liability is solely the obligation of the employer, because (1) they benefit from employee services; and (2) State statute requires all funding to come from these employers. All contributions to date have come solely from these employers (which also includes costs paid in the form of withholdings from employees). State statute requires the pension plans to amortize unfunded liabilities within 30 years. If the amortization period exceeds 30 years, each pension plan's board must propose corrective action to the State legislature. Any resulting legislative change to benefits or funding could significantly affect the net pension liability. Resulting adjustments to the net pension liability would be effective when the changes are legally enforceable.

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

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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 administers three separate pension plans. The traditional pension plan is a cost-sharing, multiple-employer defined benefit pension plan. The member-directed plan is a defined contribution plan and the combined plan is a cost-sharing, multiple-employer defined benefit pension plan with defined contribution features. While members (e.g. City employees) may elect the member-directed plan and the combined plan, substantially all employee members are in OPERS' traditional plan; therefore, the following disclosure focuses on the traditional pension plan.

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

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

Group A	Group B	Group C
Eligible to retire prior to January 7, 2013 or five years after January 7, 2013	20 years of service credit prior to January 7, 2013 or eligible to retire ten years after January 7, 2013	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
Formula: 2.2% of FAS multiplied by years of service for the first 30 years and 2.5% for service years in excess of 30	Formula: 2.2% of FAS multiplied by years of service for the first 30 years and 2.5% for service years in excess of 30	Formula: 2.2% of FAS multiplied by years of service for the first 35 years and 2.5% for service years in excess of 35

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

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

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

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

	State and Local
2017 Statutory Maximum Contribution Rates	
Employer	14.00 %
Employee	10.00 %
2017 Actual Contribution Rates	
Employer:	
Pension	13.00 %
Post-Employment Health Care Benefits	1.00 %
Total Employer	14.00 %
Employee	10.00 %

Employer contribution rates are actuarially determined and are expressed as a percentage of covered payroll. The City's contractually required contribution was \$251,338 for 2017. Of this amount, \$30,525 is reported as an intergovernmental payable.

Plan Description – Ohio Police & Fire Pension Fund (OPF)

Plan Description - City full-time police and firefighters participate in Ohio Police and Fire Pension Fund (OPF), a cost-sharing, multiple-employer defined benefit pension plan administered by OPF. OPF 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. OPF issues a publicly available financial report that includes financial information and required supplementary information and detailed information about OPF fiduciary net position. The report that may be obtained by visiting the OPF 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 OPF may retire and receive a lifetime monthly pension. OPF 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.

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

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

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

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

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

	Police
2017 Statutory Maximum Contribution Rates	
Employer	19.50 %
Employee	12.25 %
 2017 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 OPF was \$94,210 for 2017. Of this amount, \$13,565 is reported as an intergovernmental payable.

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Pension Liabilities, Pension Expense, and Deferred Outflows/Inflows of Resources Related to Pensions

The net pension liability for OPERS was measured as of December 31, 2016, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. OPF's total pension liability was measured as of December 31, 2016, and was determined by rolling forward the total pension liability as of January 1, 2016, to December 31, 2016. 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	OPF	Total
Proportion of the Net Pension Liability:			
Current Measurement Period	0.01372985%	0.01926900%	
Prior Measurement Period	0.01419300%	0.01995100%	
Change in Proportion	<u>-0.00046315%</u>	<u>-0.00068200%</u>	
Proportionate Share of the Net			
Pension Liability	\$ 3,117,815	\$ 1,220,505	\$ 4,338,320
Pension Expense	\$ 648,097	\$ 135,080	\$ 783,177

Other than contributions made subsequent to the measurement date and differences between projected and actual earnings on investments; deferred inflows/outflows of resources are recognized in pension expense beginning in the current period, using a straight line method over a closed period equal to the average of the expected remaining services lives of all employees that are provided with pensions, determined as of the beginning of the measurement period. Net deferred inflows/outflows of resources pertaining to the differences between projected and actual investment earnings are similarly recognized over a closed five year period. At December 31, 2017, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	OPERS	OPF	Total
Deferred Outflows of Resources			
Net Difference between Projected and Actual			
Earnings on Pension Plan Investments	\$ 464,316	\$ 119,971	\$ 584,287
Differences between Expected and			
Actual Experience	4,226	345	4,571
Changes of Assumptions	494,523	0	494,523
Changes in Proportionate Share	6,729	0	6,729
City Contributions Subsequent			
to the Measurement Date	251,338	94,210	345,548
Total Deferred Outflows of Resources	<u>\$ 1,221,132</u>	<u>\$ 214,526</u>	<u>\$ 1,435,658</u>
Deferred Inflows of Resources			
Differences between Expected and			
Actual Experience	\$ 18,556	\$ 2,809	\$ 21,365
Changes in Proportionate Share	39,333	64,459	103,792
Total Deferred Inflows of Resources	<u>\$ 57,889</u>	<u>\$ 67,268</u>	<u>\$ 125,157</u>

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\$345,548 reported as deferred outflows of resources related to pension resulting from City contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ending December 31, 2018. 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	OPF	Total
2018	\$ 376,497	\$ 31,290	\$ 407,787
2019	385,578	31,288	416,866
2020	163,441	20,533	183,974
2021	(13,611)	(21,840)	(35,451)
2022	0	(7,624)	(7,624)
Thereafter	0	(599)	(599)
	<u>\$ 911,905</u>	<u>\$ 53,048</u>	<u>\$ 964,953</u>

Actuarial Assumptions - OPERS

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

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employers and plan members) and include the types of benefits provided at the time of each valuation. The total pension liability was determined by an actuarial valuation as of December 31, 2016, using the following actuarial assumptions applied to all prior periods included in the measurement in accordance with the requirements of GASB 67. In 2016, the Board's actuarial consultants conducted an experience study for the period 2011 through 2015, comparing assumptions to actual results. The experience study incorporates both a historical review and forward-looking projections to determine the appropriate set of assumptions to keep the plan on a path toward full funding. Information from this study led to changes in both demographic and economic assumptions, with the most notable being a reduction in the actuarially assumed rate of return from 8.0 percent down to 7.5 percent, for the defined benefit investments. Key methods and assumptions used in the latest actuarial valuation, reflecting experience study results, are presented below:

<u>Actuarial Information</u>	<u>Traditional Pension Plan</u>
Actuarial Cost Method	Individual Entry Age
Investment Rate of Return	7.50 percent
Wage Inflation	3.25 percent
Projected Salary Increases, including wage inflation	3.25 percent to 10.75 percent (includes wage inflation at 3.25 percent)
Cost-of-Living Adjustments	Pre-1/7/2013 Retirees: 3.00 percent Simple Post-1/7/2013 Retirees: 3.00 percent Simple through 2018, then 2.15 percent Simple

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

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

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

During 2016, OPERS managed investments in four investment portfolios: the Defined Benefit portfolio, the 401(h) Health Care Trust portfolio, the 115 Health Care Trust portfolio and the Defined Contribution portfolio. The 401(h) Health Care Trust portfolio was closed as of June 30, 2016 and the net position transferred to the 115 Health Care Trust portfolio on July 1, 2016. The Defined Benefit portfolio contains the investment assets of the Traditional Pension Plan, the defined benefit component of the Combined Plan and the annuitized accounts of the Member-Directed Plan. The Defined Benefit portfolio historically included the assets of the Member-Directed retiree medical accounts funded through the VEBA Trust. However, the VEBA Trust was closed as of June 30, 2016 and the net position transferred to the 115 Health Care Trust portfolio on July 1, 2016. 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 is 8.3 percent for 2016.

The allocation of investment assets within the Defined Benefit portfolio is approved by the Board of Trustees as outlined in the annual investment plan. Plan assets are managed on a total return basis with a long-term objective of achieving and maintaining a fully funded status for the benefits provided through the defined benefit pension plans. The following table displays the Board-approved asset allocation policy for 2016 and the long-term expected real rates of return:

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<u>Asset Class</u>	<u>Target Allocation</u>	<u>Weighted Average Long-Term Expected Real Rate of Return (Arithmetic)</u>
Fixed Income	23.00 %	2.75 %
Domestic Equities	20.70	6.34
Real Estate	10.00	4.75
Private Equity	10.00	8.97
International Equities	18.30	7.95
Other Investments	<u>18.00</u>	<u>4.92</u>
Total	<u>100.00 %</u>	<u>5.66 %</u>

Discount Rate The discount rate used to measure the total pension liability was 7.50 percent, post-experience study results. The projection of cash flows used to determine the discount rate assumed that contributions from plan members and those of the contributing employers are made at the contractually required rates, as actuarially determined. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefits payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments 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 City's proportionate share of the net pension liability calculated using the current period discount rate assumption of 7.50 percent, as well as what the City's proportionate share of the net pension liability would be if it were calculated using a discount rate that is one-percentage-point lower (6.50 percent) or one-percentage-point higher (8.50 percent) than the current rate:

	<u>1% Decrease (6.50%)</u>	<u>Current Discount Rate (7.50%)</u>	<u>1% Increase (8.50%)</u>
City's proportionate share of the net pension liability:	\$ 4,763,158	\$ 3,117,815	\$ 1,746,711

Actuarial Assumptions – OPF

OPF's total pension liability as of December 31, 2016 is based on the results of an actuarial valuation date of January 1, 2016, and rolled-forward using generally accepted actuarial procedures. The total pension liability is determined by OPF'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.

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Key methods and assumptions used in calculating the total pension liability in the latest actuarial valuation, prepared as of January 1, 2016, are presented below:

Actuarial Cost Method	Entry Age Normal (Level Percent of Payroll)
Investment Rate of Return	8.25 percent
Projected Salary Increases	4.25 percent to 11.00 percent
Payroll Increases	3.75 percent
Inflation Assumptions	3.25 percent plus productivity increase rate of 0.5 percent
Cost-of-Living Adjustments	3.00 percent simple; 2.60 percent simple for increases based on lesser of the increase in CPI and 3.00 percent

Rates of death are based on the RP2000 Combined Table, age-adjusted as follows. For active members, set back six years. For disability retirements, set forward five years for police and three years for firefighters. For service retirements, set back zero years for police and two years for firefighters. For beneficiaries, set back zero years. The rates are applied on a fully generational basis, with a base year of 2009, using mortality improvement Scale AA.

The most recent experience study was completed January 1, 2012.

The long-term expected rate of return on pension plan investments was determined using a building-block approach and assumes a time horizon, as defined in OPF's Statement of Investment Policy. A forecasted rate of inflation serves as the baseline for the return expectation. Various real return premiums over the baseline inflation rate have been established for each asset class. The long-term expected nominal rate of return has been determined by calculating a weighted averaged of the expected real return premiums for each asset class, adding the projected inflation rate and adding the expected return from rebalancing uncorrelated asset classes. Best estimates of the long-term expected geometric real rates of return for each major asset class included in OPF's target asset allocation as of December 31, 2016, are summarized as follows:

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<u>Asset Class</u>	<u>Target Allocation</u>	<u>10 Year Expected Real Rate of Return**</u>	<u>30 Year Expected Real Rate of Return**</u>
Domestic Equity	16.00 %	4.46 %	5.21 %
Non-US Equity	16.00	4.66	5.40
Core Fixed Income*	20.00	1.67	2.37
Global Inflation Protected Securities*	20.00	0.49	2.33
High Yield	15.00	3.33	4.48
Real Estate	12.00	4.71	5.65
Private Markets	8.00	7.31	7.99
Real Assets	5.00	6.87	6.87
Master Limited Partnerships	8.00	6.92	7.36
Total	<u>120.00 %</u>		

Note: Assumptions are geometric.

* levered 2x

** Numbers are net of expected inflation

OPF's Board of Trustees has incorporated the risk parity concept into OPF'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 1.20 times due to the application of leverage in certain fixed income asset classes.

Discount Rate The total pension liability was calculated using the discount rate of 8.25 percent. The projection of cash flows used to determine the discount rate assumed the contributions from employers and from the members would be computed based on contribution requirements as stipulated by State statute. Projected inflows from investment earnings were calculated using the longer-term assumed investment rate of return 8.25 percent. Based on those assumptions, OPF's fiduciary net position was projected to be available to make all future benefit payments of current plan members. Therefore, a long-term expected rate of return on pension plan investments was applied to all periods of projected benefits to determine the total pension liability.

Sensitivity of the City's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate Net pension liability is sensitive to changes in the discount rate, and to illustrate the potential impact the following table presents the net pension liability calculated using the discount rate of 8.25 percent, as well as what the net pension liability would be if it were calculated using a discount rate that is one percentage point lower (7.25 percent), or one percentage point higher (9.25 percent) than the current rate.

	<u>1% Decrease (7.25%)</u>	<u>Current Discount Rate (8.25%)</u>	<u>1% Increase (9.25%)</u>
City's proportionate share of the net pension liability:	\$ 1,625,534	\$ 1,220,505	\$ 877,190

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Note 11 – Post-Employment Benefits

Ohio Public Employees Retirement System

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

OPERS maintains a cost-sharing, multiple-employer defined benefit post-employment health care trust, which funds multiple health care plans including medical coverage, prescription drug coverage and deposits to a Health Reimbursement Arrangement to qualifying benefit recipients of both the Traditional Pension and the Combined plans. This trust is also used to fund health care for Member-Directed Plan participants, in the form of a Retiree Medical Account (RMA). At retirement or refund, Member-Directed Plan participants may be eligible for reimbursement of qualified medical expenses from their vested RMA balance.

In order to qualify for health care coverage, age-and-service retirees under the traditional and combined plans must have 20 or more years of qualifying Ohio service credit. Health care coverage for disability benefit recipients and qualified survivor benefit recipients is available. The health care coverage provided by OPERS meets the definition of an Other Post-Employment Benefit (OPEB) as described in GASB Statement No. 45. See OPERS CAFR referenced below for additional information.

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.

OPERS issues a stand-alone financial report. Interested parties may obtain a copy by visiting <https://www.opers.org/financial/reports.shtml#CAFR>, by writing to OPERS, 277 East Town Street, Columbus, OH 43215-4642, or by calling 614-222-5601 or 800-222-7377.

Funding Policy – The Ohio Revised Code provides the statutory authority requiring public employers to fund post-employment health care through contributions to OPERS. A portion of each employer's contribution to OPERS is set aside to fund OPERS health care plans.

Employer contribution rates are expressed as a percentage of the earnable salary of active members. In 2017, state and local employers contributed at a rate of 14.0 percent of earnable salary and public safety and law enforcement employers contributed at 18.1 percent. These are the maximum employer contribution rates permitted by the Ohio Revised Code. Active member contributions do not fund health care.

Each year the OPERS Board determines the portion of the employer contribution rate that will be set aside to fund health care plans. The portion of employer contributions allocated to health care for members in the Traditional Pension Plan and Combined Plan was 1 percent during calendar year 2017. As recommended by OPERS' actuary, the portion of employer contributions allocated to health care beginning January 1, 2018 decreased to 0 percent for both plans. The OPERS Board is also authorized to

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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 2017 was 4 percent.

Substantially all of the City's contributions allocated to fund post-employment health care benefits relates to the cost-sharing, multiple employer trusts. The corresponding contributions for the years ended December 31, 2017, 2016, and 2015 were \$19,334, \$35,497, and \$36,037 respectively. For 2017, 88 percent has been contributed with the balance being reported as an intergovernmental payable. The full amount has been contributed for 2016 and 2015.

Ohio Police and Fire Pension Fund

Plan Description – The City contributes to the Ohio Police and Fire Pension Fund (OPF) sponsored health care program, a cost-sharing multiple-employer defined post-employment health care plan administered by OPF. OPF provides healthcare benefits including coverage for medical, prescription drugs, dental, vision, Medicare Part B Premium and long term care to retirees, qualifying benefit recipients and their eligible dependents.

OPF provides access to post-retirement health care coverage for any person who receives or is eligible to receive a monthly service, disability, or statutory survivor benefit or is a spouse or eligible dependent child of such person. The health care coverage provided by OPF meets the definition of an Other Post-Employment Benefit (OPEB) as described in GASB Statement 45.

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

OPF issues a publicly available financial report that includes financial information and required supplementary information for the Plan. That report may be obtained by writing to OPF, 140 East Town Street, Columbus, Ohio 43215-5164. That report is also available on OPF's website at www.op-f.org.

Funding Policy – The Ohio Revised Code provides for contribution requirements of the participating employers and of plan members to the OPF (defined benefit pension plan). Participating employers are required to contribute to the pension plan at rates expressed as percentages of the payroll of active pension plan members, currently, 19.5 percent and 24.0 percent of covered payroll for police and fire employers, respectively. The Ohio Revised Code states that the employer contribution may not exceed 19.5 percent of covered payroll for police employer units and 24.0 percent of covered payroll for fire employer units. Active members do not make contributions to the OPEB Plan.

OPF maintains funds for health care in two separate accounts. One for health care benefits under an IRS Code Section 115 trust and one for Medicare Part B reimbursements administrated as an Internal Revenue Code 401(h) account, both of which are within the defined benefit pension plan, under the authority granted by the Ohio Revised Code to the OPF Board of Trustees.

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The Board of Trustees is authorized to allocate a portion of the total employer contributions made into the pension plan to the Section 115 trust and the Section 401(h) account as the employer contribution for retiree health care benefits. The portion of employer contributions allocated to health care was 0.5 percent of covered payroll from January 1, 2017 thru December 31, 2017. 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 and is limited by the provisions of Sections 115 and 401(h).

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

The City's contributions to OPF, which were allocated to fund post-employment health care benefits for the years ending December 31, 2017, 2016, and 2015 were \$2,479, \$2,302 and \$2,506, respectively. 86 percent has been contributed for police in 2017. The full amount has been contributed for 2016 and 2015.

Note 12 – Compensated Absences

The criteria for determining vacation and sick leave components are derived from negotiated contracts, City ordinances and State laws. Employees earn two to five weeks of vacation per year, depending upon length of service. Vacation is accrued bi-weekly and employees may accrue up to two times their annual vacation rate. Unused vacation is paid out at termination of employment, retirement or death.

Employees earn sick leave at the rate of 4.6 hours per 80 hours worked with no maximum accumulation. At retirement or death, employees (or their estate) will receive between 650 and 750 hours of sick leave.

Compensated absences will be paid from the fund from which the employee is paid. This is generally from the general, EMS, street maintenance and repair, water, sewer and solid waste funds.

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Note 13 – Long Term Obligations

Changes in Long Term Liabilities

Long term liability activity for the year ended December 31, 2017 was as follows:

	Balance 12/31/2016	Additions	Reductions	Balance 12/31/2017	Due Within One Year
Governmental Activities					
<i>General Obligation Bonds</i>					
2009 Emergency Dispatch					
Communication Bonds	\$ 47,000	\$ 0	\$ 5,000	\$ 42,000	\$ 5,000
2014 Recreation Center					
Refunding Bonds	435,000	0	105,000	330,000	110,000
2014 Pool Project Bonds	35,000	0	5,000	30,000	5,000
<i>Total General Obligation Bonds</i>	<u>517,000</u>	<u>0</u>	<u>115,000</u>	<u>402,000</u>	<u>120,000</u>
<i>Loans</i>					
2013 Wayne Savings Community					
Bank	76,564	0	37,856	38,708	38,708
2013 Rittman CIC	21,000	14,000	0	35,000	0
2015 OPWC	82,875	0	4,250	78,625	4,250
<i>Total Loans</i>	<u>180,439</u>	<u>14,000</u>	<u>42,106</u>	<u>152,333</u>	<u>42,958</u>
Promissory Note	7,000	0	7,000	0	0
Note Payable	56,353	0	37,377	18,976	18,976
<i>Total Notes Payable</i>	<u>63,353</u>	<u>0</u>	<u>44,377</u>	<u>18,976</u>	<u>18,976</u>
<i>Net Pension Liability</i>					
OPERS	1,731,122	482,527	0	2,213,649	0
OP&F	1,283,462	0	62,957	1,220,505	0
<i>Total Net Pension Liability</i>	<u>3,014,584</u>	<u>482,527</u>	<u>62,957</u>	<u>3,434,154</u>	<u>0</u>
<i>Other Long-Term Obligations</i>					
Compensated Absences	170,837	130,240	95,982	205,095	127,345
Capital Lease	0	112,206	40,491	71,715	34,395
<i>Total Other Long-Term Obligations</i>	<u>170,837</u>	<u>242,446</u>	<u>136,473</u>	<u>276,810</u>	<u>161,740</u>
Total Governmental Long Term Liabilities	<u>\$ 3,946,213</u>	<u>\$ 738,973</u>	<u>\$ 400,913</u>	<u>\$ 4,284,273</u>	<u>\$ 343,674</u>

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	Balance 12/31/2016	Additions	Reductions	Balance 12/31/2017	Due Within One Year
Business-Type Activities					
<i>General Obligation Bonds</i>					
2014 Refunding Bonds	\$ 765,000	\$ 0	\$ 85,000	\$ 680,000	\$ 100,000
2016 Sewerage System Refunding	423,556	0	104,286	319,270	105,348
<i>Total General Obligation Bonds</i>	<u>1,188,556</u>	<u>0</u>	<u>189,286</u>	<u>999,270</u>	<u>205,348</u>
<i>Loans</i>					
2005 OPWC Loan	118,750	0	12,500	106,250	12,500
2010 OPWC Loan	114,525	0	4,491	110,034	4,491
2015 OPWC Loan	160,875	0	8,250	152,625	8,250
2017 OPWC Loan	0	155,500	2,990	152,510	5,981
<i>Total Loans</i>	<u>394,150</u>	<u>155,500</u>	<u>28,231</u>	<u>521,419</u>	<u>31,222</u>
<i>Net Pension Liability - OPERS</i>					
Water	328,789	76,527	0	405,316	0
Sewer	372,015	95,657	0	467,672	0
Solid Waste	26,481	4,697	0	31,178	0
<i>Total Net Pension Liability</i>	<u>727,285</u>	<u>176,881</u>	<u>0</u>	<u>904,166</u>	<u>0</u>
Compensated Absences	95,627	59,154	49,343	105,438	55,205
Total Business-Type Activities					
Long Term Liabilities	<u>\$ 2,405,618</u>	<u>\$ 391,535</u>	<u>\$ 266,860</u>	<u>\$ 2,530,293</u>	<u>\$ 291,775</u>

General Obligation Bonds - General obligations bonds are direct obligations of the City for which its full faith and credit are pledged for repayment. The general obligation bonds will be retired from the debt service fund using general property taxes and from the water and sewer funds using resources within these funds.

2009 Emergency Dispatch Communication Bonds

In 2009, the City issued \$77,000 in bonds with an interest rate of 4.25 percent which will mature in 2024. These bonds were issued to replace and improve the City's 911 emergency dispatch communication system.

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2014 Refunding Bonds

In November 2014, the City issued \$645,000 and \$960,000 in refunded general obligation bonds with an interest rate of 2.25 percent. The proceeds of the bonds were used to refund \$625,000 of the City's outstanding recreation center refunding bonds, Series 2004 and \$920,000 of the City's outstanding water improvement bonds, Series 2004. The recreation center refunding bonds were issued for a 6 year period with final maturity at December 1, 2020. The water improvement refunding bonds were issued for a 10 year period with final maturity at December 1, 2024. At the date of the refunding, \$1,579,239 (after underwriting fees) was deposited in an irrevocable trust to provide for all future payments on the refunded bonds. As of December 31, 2017, \$1,020,000 of these bonds is considered defeased.

These refunding bonds were issued with issuance costs of \$27,250. The issuance resulted in a difference between the cash flows required to service the old debt and the cash flows required to service the new debt of \$135,857. The issuance resulted in an economic gain of \$120,915.

2014 Pool Project Bonds

In November 2014, the City issued \$40,000 in bonds with an interest rate of 2.25 percent which will mature in 2023. These bonds were issued to make improvements to the pool and community room.

2013 Loans

In 2013, the City received a loan of \$185,000 from Wayne Savings Community Bank with an interest rate of 2.25 percent. The loan was used to purchase a fire truck. The loan will be paid from the fire levy fund and matures in 2018.

In 2013, the City entered into a promissory note of \$35,000 with the Rittman Exempted Village School District. There is no annual interest rate. The note was used to purchase land. The note was paid from general fund and matured in 2017.

The City entered into a loan agreement with Rittman Community Improvement Corporation for \$35,000 to be issued in annual installments of \$7,000 beginning in 2013. There is no annual interest rate. The loan is used for loan payments on the 2013 note from Rittman Exempted Village School District, which was used to purchase land. The loan matures upon the City converting the land for the City's use or selling the land to another entity.

2015 OPWC Loan

The 2015 OPWC loan is for street improvements and was issued for \$85,000. The loan matures in 2036 and is an interest-free loan. This loan will be retired from the debt service fund.

2015 Note

On June 2, 2015 the City issued a note in the amount of \$111,000 at an interest rate of 2.05 percent to finance the cost of two rescue squads for the emergency medical service department. The note will be paid from the emergency medical service fund and matures on June 2, 2018.

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2016 Sewerage System Refunding Bonds

On May 31, 2016, the City issued \$525,900 in current refunding general obligation bonds at an average interest rate of 2 percent. The proceeds of the bonds were used to refund \$525,660 of the City's outstanding Mortgage Revenue Bonds. The bonds were issued for a four-year period with final maturity at December 30, 2020.

2005 OPWC Loan

The 2005 Ohio Public Works Commission (OPWC) loan was for a new water filtration system to be used by the City. The City received \$141,647 in proceeds in 2005, with the remaining \$108,353 received in 2006. The loan matures in 2026 and is an interest-free loan.

2010 OPWC Loan

The 2010 OPWC loan was for waterline improvements on Salt Street and Terrace Street. The City received \$134,735 in proceeds in 2011. The loan matures in 2042 and is an interest-free loan.

2015 OPWC Loan

The 2015 OPWC loan was for waterline improvements on North Main and Liberty Street. The City received \$165,000 in proceeds in 2015. The loan matures in 2036 and is an interest-free loan.

2017 OPWC Loan

The 2017 OPWC loan was for painting the City's water tower. The City received \$155,500 in proceeds in 2017. The loan matures in 2043 and is an interest-free loan.

The City has pledged future revenues to repay the OPWC loans in the water fund. The debt is payable solely from revenues and is payable through 2043. The total principal remaining to be paid on the loans is \$521,419, principal paid in the current year was \$28,231.

The City pays obligations related to employee compensation from the fund benefitting from their service, which is primarily the general, emergency medical services, water, sewer, and solid waste funds.

Annual debt service requirements to maturity for outstanding debt are as follows:

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Year Ending December 31,	Governmental Activities					
	General Obligation Bonds			Loans Payable *		
	Principal	Interest	Total	Principal	Interest	Total
2018	\$ 120,000	\$ 9,885	\$ 129,885	\$ 42,958	\$ 871	\$ 43,829
2019	121,000	7,085	128,085	4,250	0	4,250
2020	121,000	4,243	125,243	4,250	0	4,250
2021	11,000	1,400	12,400	4,250	0	4,250
2022	11,000	1,032	12,032	4,250	0	4,250
2023 - 2027	18,000	962	18,962	21,250	0	21,250
2028 - 2032	0	0	0	21,250	0	21,250
2033 - 2036	0	0	0	14,875	0	14,875
Total	\$ 402,000	\$ 24,607	\$ 426,607	\$ 117,333	\$ 871	\$ 118,204

Year Ending December 31,	Notes Payable		
	Principal	Interest	Total
2018	\$ 18,976	\$ 194	\$ 19,170

* The \$35,000 Rittman Community Improvement Corporation loan is not included since there is no maturity date at this time.

Year Ending December 31,	Business Type Activities			
	General Obligation Bonds			OPWC Loans
	Principal	Interest	Total	Principal
2018	\$ 205,348	\$ 21,797	\$ 227,145	\$ 31,222
2019	201,420	17,404	218,824	31,222
2020	207,502	13,101	220,603	31,222
2021	95,000	8,663	103,663	31,222
2022	95,000	6,525	101,525	31,222
2023-2027	195,000	6,524	201,524	137,360
2028-2032	0	0	0	93,610
2033-2037	0	0	0	81,235
2038-2042	0	0	0	50,114
2043	0	0	0	2,990
Total	\$ 999,270	\$ 74,014	\$ 1,073,284	\$ 521,419

City of Rittman
Wayne County, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2017

Note 14 – Capital Lease

In 2017, the City entered into a lease agreement for three police vehicles. Capital lease payments have been reclassified and are reflected as debt service expenditures in the basic financial statements.

The vehicles acquired by the lease have been capitalized and depreciated as follows as of December 31, 2017:

Governmental Activities:	
Equipment	\$ 112,206
Less Accumulated Depreciation	<u>(18,701)</u>
Carrying Value	<u><u>\$ 93,505</u></u>

The lease provides for minimum, annual lease payments as follows:

2018	\$ 40,491
2019	<u>40,491</u>
Total Minimum Lease Payment	80,982
Less: Amount Representing Interest	<u>(9,267)</u>
Present Value of Minimum Lease Payment	<u><u>\$ 71,715</u></u>

Note 15 – Risk Management

The City is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omission; injuries to employees and natural disasters.

These risks are covered by commercial insurance policies purchased from independent third parties. The City purchases extended coverage insurance on all buildings and contents to \$29,541,832. Coverage is purchased on City vehicles for a combined single limit liability of \$1,000,000. The City purchases general liability insurance coverage with a \$1,000,000 limit per occurrence and \$3,000,000 aggregate. Other policies held by the City include law enforcement, public officials, boiler & machinery, inland marine and commercial crime. An umbrella policy held by the City provides an additional \$5,000,000 of coverage over the policies listed above.

Workers' compensation coverage is provided by the State of Ohio and is based on a rate per \$100 of salaries. The rate is calculated based on accident history and administrative costs.

City of Rittman
Wayne County, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2017

The City contracted with Medical Mutual as the Health Care Provider to provide employee health benefits. On November 1, 2014, the City contracted with Ohio Insurance Services Agency, Inc as part of the Ohio Public Entity Consortium Healthcare Cooperative (OPEC-HC) for medical and prescription coverage. Medical Mutual remains the third-party administrator.

There were no significant reductions in insurance coverage during the year in any category of risk. Settled claims have not exceeded insurance coverage in any of the past three years.

Note 16 – Contingencies

Amounts received from grantor agencies are subject to audit and adjustment by the grantor, principally the federal government. Any disallowed costs may require refunding to the grantor. Amounts which may be disallowed, if any, are not presently determinable. However, based on prior experience, management believes such refunds, if any, would not be material.

The City was not a defendant in any lawsuits at year end.

Note 17 – 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	Amount
General Fund	\$ 14,106
Emergency Medical Service Fund	1,315
Fire Department Levy Fund	7,362
Capital Improvements Fund	4,485
Nonmajor Governmental Funds	2,464
	\$ 29,732

City of Rittman
Wayne County, Ohio
Required Supplementary Information
Schedule of the City's Proportionate Share of the Net Pension Liability
Last Four Years (1)

	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Ohio Public Employees' Retirement System (OPERS)				
City's Proportion of the Net Pension Liability	0.0137298%	0.0141930%	0.0140360%	0.0140360%
City's Proportionate Share of the Net Pension Liability	\$ 3,117,815	\$ 2,458,407	\$ 1,692,898	\$ 1,654,662
City's Covered Payroll	\$ 1,774,867	\$ 1,766,425	\$ 1,720,742	\$ 1,619,969
City's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll	175.66%	139.17%	98.38%	102.14%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	77.25%	81.08%	86.45%	86.36%
Ohio Police and Fire Pension Fund (OPF)				
City's Proportion of the Net Pension Liability	0.0192690%	0.0199510%	0.0209537%	0.0209537%
City's Proportionate Share of the Net Pension Liability	\$ 1,220,505	\$ 1,283,462	\$ 1,085,489	\$ 1,020,511
City's Covered Payroll	\$ 460,344	\$ 501,108	\$ 453,958	\$ 448,659
City's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll	265.13%	256.12%	239.12%	227.46%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	68.36%	66.77%	72.20%	73.00%

(1) Information prior to 2014 is not available.

Note: The amounts presented for each fiscal year were determined as of the measurement date, which is the prior fiscal year.

Notes:

Ohio Public Employees' Retirement System (OPERS)

Changes of Benefit Terms: None.

Changes of Assumptions: Amounts reported in 2017 reflect an adjustment of the rates of withdrawal, disability, retirement and mortality to more closely reflect actual experience. The expectation of retired life mortality was based on RP-2014 Healthy Annuitant mortality table and RP-2014 Disabled mortality table. The following reductions were also made to the actuarial assumptions:

- Discount rate from 8.00% to 7.50%
- Wage inflation rate from 3.75% to 3.25%
- Price inflation from 3.00% to 2.50%

City of Rittman
Wayne County, Ohio
Required Supplementary Information
Schedule of City Contributions
Last Ten Years

	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
<i>Ohio Public Employees' Retirement System (OPERS)</i>				
Contractually Required Contribution	\$ 251,338	\$ 212,984	\$ 211,971	\$ 206,489
Contributions in Relation to the Contractually Required Contribution	<u>(251,338)</u>	<u>(212,984)</u>	<u>(211,971)</u>	<u>(206,489)</u>
Contribution Deficiency (Excess)	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
City's Covered Payroll	\$ 1,933,371	\$ 1,774,867	\$ 1,766,425	\$ 1,720,742
Contributions as a Percentage of Covered Payroll	13.00%	12.00%	12.00%	12.00%
<i>Ohio Police and Fire Pension Fund (OPF)</i>				
Contractually Required Contribution	\$ 94,210	\$ 87,465	\$ 95,210	\$ 87,690
Contributions in Relation to the Contractually Required Contribution	<u>(94,210)</u>	<u>(87,465)</u>	<u>(95,210)</u>	<u>(87,690)</u>
Contribution Deficiency (Excess)	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
City's Covered Payroll	\$ 495,841	\$ 460,344	\$ 501,108	\$ 453,958
Contributions as a Percentage of Covered Payroll	19.00%	19.00%	19.00%	19.32%

(n/a) Information prior to 2013 is not available.

<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>
\$ 210,596	n/a	n/a	n/a	n/a	n/a
<u>(210,596)</u>	n/a	n/a	n/a	n/a	n/a
<u>\$ 0</u>	n/a	n/a	n/a	n/a	n/a
\$ 1,619,969	n/a	n/a	n/a	n/a	n/a
13.00%	n/a	n/a	n/a	n/a	n/a
\$ 70,574	\$ 55,319	\$ 60,564	\$ 55,854	\$ 57,387	\$ 51,648
<u>(70,574)</u>	<u>(55,319)</u>	<u>(60,564)</u>	<u>(55,854)</u>	<u>(57,387)</u>	<u>(51,648)</u>
<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
\$ 448,659	\$ 433,875	\$ 475,012	\$ 438,071	\$ 450,094	\$ 405,082
15.73%	12.75%	12.75%	12.75%	12.75%	12.75%



**COMBINING STATEMENTS FOR
NONMAJOR GOVERNMENTAL FUNDS
AND
INDIVIDUAL FUND SCHEDULES FOR
GOVERNMENTAL FUNDS**

Nonmajor Special Revenue Funds

The Special Revenue Funds are used to account for the proceeds of specific sources that are legally restricted or committed to expenditure for specified purposes other than debt service or capital projects. The title of each special revenue fund is descriptive of the activities accounted for therein. The special revenue funds are:

Street Maintenance and Repair

Required by the Ohio Revised Code to account for that portion of the state gasoline tax and motor vehicle registration fees restricted for maintenance of streets within the City.

State Highway

Required by the Ohio Revised Code to account for that portion of the state gasoline tax and motor vehicle registration fees restricted for maintenance of state highways within the City.

Permissive Tax

Required by the Ohio Revised Code to account for that portion of motor vehicle registration fees allocated to assist in maintaining those city streets designated as contributing to the effective and efficient flow of traffic through and within the county.

Permissive Tax II

To account for the City's share of motor vehicle registration fees levied by the City for maintaining city streets.

Police Pension

To accumulate property taxes levied for the partial payment of the current liability for police disability and pension.

Law Enforcement and Education

To account for funds from the municipal court restricted to enforce drunk driving laws and related educational programs.

Law Enforcement

To account for funds from the municipal court restricted for law enforcement programs.

Continuing Professional Training

To account for state mandated training funds.

Education and Recreation Assistance

To account for monies received and expended for the Parks and Recreation Department programs and activities.

Nonmajor Debt Service Funds

Debt Service funds are established to account for and report financial resources that are restricted, committed, or assigned to expenditure for principal and interest and to account for the accumulation of resources for, and the payment of, general long-term debt principal and interest.

Debt Retirement

To account for the resources that are used for payment of principal and interest and fiscal charges on debt.

Nonmajor Capital Projects Funds

Capital Project funds are established to account for and report financial resources that are restricted, committed, or assigned to expenditure for capital outlays, including the acquisition or construction of capital facilities and other capital assets.

Cemetery Endowment

This fund accounts for resources restricted for capital improvements for the Rittman Municipal Cemeteries.

City of Rittman
Wayne County, Ohio
Combining Balance Sheet
Nonmajor Governmental Funds
December 31, 2017

	Nonmajor Special Revenue Funds	Nonmajor Debt Service Fund	Nonmajor Capital Projects Fund	Total Nonmajor Governmental Funds
Assets				
Equity in Pooled Cash and Investments	\$ 281,127	\$ 10,435	\$ 50,652	\$ 342,214
Cash and Investments in Segregated Accounts	0	2,841	0	2,841
Intergovernmental Receivable	255,773	0	0	255,773
Property and Other Local Taxes Receivable	23,911	0	0	23,911
<i>Total Assets</i>	<u>\$ 560,811</u>	<u>\$ 13,276</u>	<u>\$ 50,652</u>	<u>\$ 624,739</u>
Liabilities				
Accounts Payable	\$ 2,959	\$ 0	\$ 0	\$ 2,959
Accrued Wages	6,792	0	0	6,792
Intergovernmental Payable	6,209	0	0	6,209
Matured Interest Payable	0	841	0	841
Matured Bonds Payable	0	2,000	0	2,000
<i>Total Liabilities</i>	<u>15,960</u>	<u>2,841</u>	<u>0</u>	<u>18,801</u>
Deferred Inflows of Resources				
Property Taxes Levied for the Next Year	22,592	0	0	22,592
Delinquent Property Taxes	1,319	0	0	1,319
Unavailable Revenue	201,180	0	0	201,180
<i>Total Deferred Inflows of Resources</i>	<u>225,091</u>	<u>0</u>	<u>0</u>	<u>225,091</u>
Fund Balances				
Restricted	319,760	10,435	50,652	380,847
<i>Total Fund Balances</i>	<u>319,760</u>	<u>10,435</u>	<u>50,652</u>	<u>380,847</u>
<i>Total Liabilities, Deferred Inflows of of Resources and Fund Balances</i>	<u>\$ 560,811</u>	<u>\$ 13,276</u>	<u>\$ 50,652</u>	<u>\$ 624,739</u>

City of Rittman
Wayne County, Ohio

*Combining Statements of Revenues, Expenditures and Changes in
Fund Balances - Nonmajor Governmental Funds
For the Year Ended December 31, 2017*

	Nonmajor Special Revenue Funds	Nonmajor Debt Service Fund	Nonmajor Capital Projects Fund	Total Nonmajor Governmental Funds
Revenues				
Property and Other Local Taxes	\$ 24,071	\$ 0	\$ 0	\$ 24,071
Charges for Services	0	0	4,500	4,500
Fines, Licenses and Permits	559	0	0	559
Intergovernmental	346,127	0	0	346,127
Investment Earnings	470	0	0	470
Other	3,373	0	559	3,932
<i>Total Revenues</i>	<u>374,600</u>	<u>0</u>	<u>5,059</u>	<u>379,659</u>
Expenditures				
Current:				
General Government	447	0	3,509	3,956
Security of Persons and Property	37,302	0	0	37,302
Transportation	408,509	0	0	408,509
Debt Service:				
Principal Retirement	0	119,250	0	119,250
Interest and Fiscal Charges	23	12,573	0	12,596
<i>Total Expenditures</i>	<u>446,281</u>	<u>131,823</u>	<u>3,509</u>	<u>581,613</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>(71,681)</u>	<u>(131,823)</u>	<u>1,550</u>	<u>(201,954)</u>
Other Financing Sources (Uses)				
Transfers In	0	131,823	0	131,823
<i>Net Change in Fund Balance</i>	(71,681)	0	1,550	(70,131)
<i>Fund Balance Beginning of Year</i>	<u>391,441</u>	<u>10,435</u>	<u>49,102</u>	<u>450,978</u>
<i>Fund Balance End of Year</i>	<u>\$ 319,760</u>	<u>\$ 10,435</u>	<u>\$ 50,652</u>	<u>\$ 380,847</u>

City of Rittman
Wayne County, Ohio
Combining Balance Sheet
Nonmajor Special Revenue Funds
December 31, 2017

	Street Maintenance and Repair Fund	State Highway Fund	Permissive Tax Fund	Permissive Tax II Fund	Police Pension Fund
Assets					
Equity in Pooled Cash and Investments	\$ 55,552	\$ 39,986	\$ 0	\$ 119,132	\$ 47,886
Intergovernmental Receivable	132,598	10,751	102,494	4,063	1,967
Property and Other Local Taxes Receivable	0	0	0	0	23,911
<i>Total Assets</i>	<u>\$ 188,150</u>	<u>\$ 50,737</u>	<u>\$ 102,494</u>	<u>\$ 123,195</u>	<u>\$ 73,764</u>
Liabilities					
Accounts Payable	\$ 2,959	\$ 0	\$ 0	\$ 0	\$ 0
Accrued Wages	6,792	0	0	0	0
Intergovernmental Payable	6,209	0	0	0	0
<i>Total Liabilities</i>	<u>15,960</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Deferred Inflows of Resources					
Property Taxes Levied for the Next Year	0	0	0	0	22,592
Delinquent Property Taxes	0	0	0	0	1,319
Unavailable Revenue	89,466	7,253	102,494	0	1,967
<i>Total Deferred Inflows of Resources</i>	<u>89,466</u>	<u>7,253</u>	<u>102,494</u>	<u>0</u>	<u>25,878</u>
Fund Balance					
Restricted	82,724	43,484	0	123,195	47,886
<i>Total Fund Balance</i>	<u>82,724</u>	<u>43,484</u>	<u>0</u>	<u>123,195</u>	<u>47,886</u>
<i>Total Liabilities, Deferred Inflows of of Resources and Fund Balances</i>	<u>\$ 188,150</u>	<u>\$ 50,737</u>	<u>\$ 102,494</u>	<u>\$ 123,195</u>	<u>\$ 73,764</u>

(continued)

City of Rittman
Wayne County, Ohio
Combining Balance Sheet
Nonmajor Special Revenue Funds
December 31, 2017

	Law Enforcement and Education Fund	Law Enforcement Fund	Continuing Professional Training Fund	Education and Recreation Assistance Fund	Totals
Assets					
Equity in Pooled Cash and Investments	\$ 2,622	\$ 8,517	\$ 1,820	\$ 5,612	\$ 281,127
Intergovernmental Receivable	0	0	3,900	0	255,773
Property and Other Local Taxes Receivable	0	0	0	0	23,911
<i>Total Assets</i>	<u>\$ 2,622</u>	<u>\$ 8,517</u>	<u>\$ 5,720</u>	<u>\$ 5,612</u>	<u>\$ 560,811</u>
Liabilities					
Accounts Payable	\$ 0	\$ 0	\$ 0	\$ 0	\$ 2,959
Accrued Wages	0	0	0	0	6,792
Intergovernmental Payable	0	0	0	0	6,209
<i>Total Liabilities</i>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>15,960</u>
Deferred Inflows of Resources					
Property Taxes Levied for the Next Year	0	0	0	0	22,592
Delinquent Property Taxes	0	0	0	0	1,319
Unavailable Revenue	0	0	0	0	201,180
<i>Total Deferred Inflows of Resources</i>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>225,091</u>
Fund Balance					
Restricted	2,622	8,517	5,720	5,612	319,760
<i>Total Fund Balance</i>	<u>2,622</u>	<u>8,517</u>	<u>5,720</u>	<u>5,612</u>	<u>319,760</u>
<i>Total Liabilities, Deferred Inflows of of Resources and Fund Balances</i>	<u>\$ 2,622</u>	<u>\$ 8,517</u>	<u>\$ 5,720</u>	<u>\$ 5,612</u>	<u>\$ 560,811</u>

City of Rittman
Wayne County, Ohio

Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2017

	Street Maintenance and Repair Fund	State Highway Fund	Permissive Tax Fund	Permissive Tax II Fund	Police Pension Fund
Revenues					
Property and Other Local Taxes	\$ 0	\$ 0	\$ 0	\$ 0	\$ 24,071
Fines, Licenses and Permits	0	0	0	0	0
Intergovernmental	265,681	21,542	0	51,053	3,951
Investment Earnings	245	225	0	0	0
Other	3,373	0	0	0	0
<i>Total Revenues</i>	<u>269,299</u>	<u>21,767</u>	<u>0</u>	<u>51,053</u>	<u>28,022</u>
Expenditures					
Current:					
General Government	0	0	0	0	447
Security of Persons and Property	6,209	0	0	0	26,178
Transportation	281,578	20,673	0	106,258	0
Debt Service:					
Interest and Fiscal Charges	13	10	0	0	0
<i>Total Expenditures</i>	<u>287,800</u>	<u>20,683</u>	<u>0</u>	<u>106,258</u>	<u>26,625</u>
<i>Net Change in Fund Balance</i>	(18,501)	1,084	0	(55,205)	1,397
<i>Fund Balance Beginning of Year</i>	<u>101,225</u>	<u>42,400</u>	<u>0</u>	<u>178,400</u>	<u>46,489</u>
<i>Fund Balance End of Year</i>	<u>\$ 82,724</u>	<u>\$ 43,484</u>	<u>\$ 0</u>	<u>\$ 123,195</u>	<u>\$ 47,886</u>

(continued)

City of Rittman
Wayne County, Ohio

Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2017

	Law Enforcement and Education Fund	Law Enforcement Fund	Continuing Professional Training Fund	Education and Recreation Assistance Fund	Totals
Revenues					
Property and Other Local Taxes	\$ 0	\$ 0	\$ 0	\$ 0	\$ 24,071
Fines, Licenses and Permits	296	263	0	0	559
Intergovernmental	0	0	3,900	0	346,127
Investment Earnings	0	0	0	0	470
Other	0	0	0	0	3,373
<i>Total Revenues</i>	<u>296</u>	<u>263</u>	<u>3,900</u>	<u>0</u>	<u>374,600</u>
Expenditures					
Current:					
General Government	0	0	0	0	447
Security of Persons and Property	0	2,995	1,920	0	37,302
Transportation	0	0	0	0	408,509
Debt Service:					
Interest and Fiscal Charges	0	0	0	0	23
<i>Total Expenditures</i>	<u>0</u>	<u>2,995</u>	<u>1,920</u>	<u>0</u>	<u>446,281</u>
<i>Net Change in Fund Balance</i>	296	(2,732)	1,980	0	(71,681)
<i>Fund Balance Beginning of Year</i>	<u>2,326</u>	<u>11,249</u>	<u>3,740</u>	<u>5,612</u>	<u>391,441</u>
<i>Fund Balance End of Year</i>	<u>\$ 2,622</u>	<u>\$ 8,517</u>	<u>\$ 5,720</u>	<u>\$ 5,612</u>	<u>\$ 319,760</u>



**INDIVIDUAL FUND SCHEDULES OF
REVENUES, EXPENDITURES/EXPENSES
AND CHANGES IN FUND BALANCE/NET POSITION -
BUDGET (NON-GAAP BASIS) AND ACTUAL**

City of Rittman
Wayne County, Ohio

*Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
General Fund
For the Year Ended December 31, 2017*

	Final Budget	Actual	Variance with Final Budget
Revenues			
Property and Other Local Taxes	\$ 344,145	\$ 345,175	\$ 1,030
Income Taxes	1,198,850	1,415,205	216,355
Charges for Services	316,260	312,900	(3,360)
Fines, Licenses and Permits	39,960	57,506	17,546
Intergovernmental	360,610	343,857	(16,753)
Investment Earnings	32,015	42,709	10,694
Contributions and Donations	500	525	25
Other	4,950	2,439	(2,511)
<i>Total Revenues</i>	<u>2,297,290</u>	<u>2,520,316</u>	<u>223,026</u>
Expenditures			
Current:			
General Government			
Office of City Council			
Personal Services	29,141	28,991	150
Other than Personal Services	4,104	4,350	(246)
Total Office of City Council	<u>33,245</u>	<u>33,341</u>	<u>(96)</u>
Department of Mayor and Administration			
Personal Services	158,469	161,404	(2,935)
Other than Personal Services	111,933	119,213	(7,280)
Total Department of Mayor and Administration	<u>270,402</u>	<u>280,617</u>	<u>(10,215)</u>
Department of Finance and Tax			
Personal Services	132,800	140,006	(7,206)
Other than Personal Services	18,576	15,887	2,689
Total Department of Finance and Tax	<u>151,376</u>	<u>155,893</u>	<u>(4,517)</u>
Division of Land and Buildings			
Personal Services	16,845	2,651	14,194
Other than Personal Services	3,478	3,033	445
Total Division of Land and Buildings	<u>20,323</u>	<u>5,684</u>	<u>14,639</u>
Department of Law			
Personal Services	27,888	26,121	1,767
Other than Personal Services	3,993	4,605	(612)
Total Department of Law	<u>31,881</u>	<u>30,726</u>	<u>1,155</u>
Miscellaneous			
Personal Services	7,439	5,875	1,564
Other than Personal Services	17,195	15,615	1,580
Total Miscellaneous	<u>24,634</u>	<u>21,490</u>	<u>3,144</u>
<i>Total General Government</i>	<u>531,861</u>	<u>527,751</u>	<u>4,110</u>

(continued)

City of Rittman
Wayne County, Ohio

*Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
General Fund
For the Year Ended December 31, 2017*

	Final Budget	Actual	Variance with Final Budget
Security of Persons and Property			
Police Department			
Personal Services	\$ 1,016,163	\$ 997,159	\$ 19,004
Other than Personal Services	105,914	106,500	(586)
Total Police Department	<u>1,122,077</u>	<u>1,103,659</u>	<u>18,418</u>
Street Lighting			
Other than Personal Services	28,000	26,493	1,507
<i>Total Security of Persons and Property</i>	<u>1,150,077</u>	<u>1,130,152</u>	<u>19,925</u>
Public Health			
Cemetery			
Personal Services	62,310	61,177	1,133
Other than Personal Services	7,310	5,971	1,339
Total Cemetery	<u>69,620</u>	<u>67,148</u>	<u>2,472</u>
Board of Health			
Other than Personal Services	21,308	21,308	0
Pest and Animal Control			
Personal Services	1,877	970	907
Other than Personal Services	9,920	4,937	4,983
Total Animal Control	<u>11,797</u>	<u>5,907</u>	<u>5,890</u>
<i>Total Public Health</i>	<u>102,725</u>	<u>94,363</u>	<u>8,362</u>
Leisure Time Services			
Parks			
Personal Services	121,300	120,615	685
Other than Personal Services	17,250	14,602	2,648
Total Parks	<u>138,550</u>	<u>135,217</u>	<u>3,333</u>
Recreation Center			
Personal Services	216,763	194,835	21,928
Other than Personal Services	139,745	132,119	7,626
Capital Outlay	17,500	17,181	319
Total Recreation Center	<u>374,008</u>	<u>344,135</u>	<u>29,873</u>
<i>Total Leisure Time Services</i>	<u>512,558</u>	<u>479,352</u>	<u>33,206</u>
Transportation			
Street Maintenance			
Personal Services	82,883	81,061	1,822
Other than Personal Services	19,855	15,280	4,575
Total Street Maintenance	<u>102,738</u>	<u>96,341</u>	<u>6,397</u>

(continued)

City of Rittman
Wayne County, Ohio
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
General Fund
For the Year Ended December 31, 2017

	Final Budget	Actual	Variance with Final Budget
Vehicle Maintenance			
Other than Personal Services	\$ 2,000	\$ 1,523	\$ 477
<i>Total Transportation</i>	<u>104,738</u>	<u>97,864</u>	<u>6,874</u>
Debt Service:			
Principal Retirement	7,000	7,000	0
<i>Total Expenditures</i>	<u>2,408,959</u>	<u>2,336,482</u>	<u>72,477</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>(111,669)</u>	<u>183,834</u>	<u>295,503</u>
Other Financing Sources (Uses)			
Proceeds from Loans	14,000	14,000	0
Transfers Out	(90,000)	(90,000)	0
<i>Total Other Financing Sources (Uses)</i>	<u>(76,000)</u>	<u>(76,000)</u>	<u>0</u>
<i>Net Change in Fund Balance</i>	(187,669)	107,834	295,503
<i>Fund Balance (Deficit) Beginning of Year</i>	761,272	761,272	0
Prior Year Encumbrances Appropriated	29,533	29,533	0
<i>Fund Balance (Deficit) End of Year</i>	<u>\$ 603,136</u>	<u>\$ 898,639</u>	<u>\$ 295,503</u>

City of Rittman
Wayne County, Ohio
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Emergency Medical Service Fund
For the Year Ended December 31, 2017

	Final Budget	Actual	Variance with Final Budget
Revenues			
Property and Other Local Taxes	\$ 205,095	\$ 205,100	\$ 5
Charges for Services	182,450	161,895	(20,555)
Intergovernmental	52,063	48,330	(3,733)
Other	4,000	4,444	444
<i>Total Revenues</i>	<u>443,608</u>	<u>419,769</u>	<u>(23,839)</u>
Expenditures			
Current:			
General Government			
Division of Emergency Services			
Other than Personal Services	3,368	3,365	3
Security of Persons and Property			
Personal Services	318,785	317,262	1,523
Other than Personal Services	98,165	87,391	10,774
Capital Outlay	24,500	27,675	(3,175)
<i>Total Security of Persons and Property</i>	<u>441,450</u>	<u>432,328</u>	<u>9,122</u>
Debt Service:			
Principal Retirement	37,377	37,377	0
Interest and Fiscal Charges	964	964	0
Total Debt Service	<u>38,341</u>	<u>38,341</u>	<u>0</u>
<i>Total Expenditures</i>	<u>483,159</u>	<u>474,034</u>	<u>9,125</u>
<i>Net Change in Fund Balance</i>	(39,551)	(54,265)	(14,714)
<i>Fund Balance (Deficit) Beginning of Year</i>	237,556	237,556	0
Prior Year Encumbrances Appropriated	10,713	10,713	0
<i>Fund Balance (Deficit) End of Year</i>	<u>\$ 208,718</u>	<u>\$ 194,004</u>	<u>\$ (14,714)</u>

City of Rittman
Wayne County, Ohio
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Fire Department Levy Fund
For the Year Ended December 31, 2017

	Final Budget	Actual	Variance with Final Budget
Revenues			
Property and Other Local Taxes	\$ 80,040	\$ 80,043	\$ 3
Intergovernmental	42,900	53,366	10,466
<i>Total Revenues</i>	<u>122,940</u>	<u>133,409</u>	<u>10,469</u>
Expenditures			
Current:			
General Government			
Division of Emergency Services			
Other than Personal Services	1,485	1,485	0
Security of Persons and Property			
Personal Services	115,905	115,286	619
Other than Personal Services	31,745	32,224	(479)
Capital Outlay	36,101	24,104	11,997
<i>Total Security of Persons and Property</i>	<u>183,751</u>	<u>171,614</u>	<u>12,137</u>
Debt Service:			
Principal Retirement	37,856	37,856	0
Interest and Fiscal Charges	1,723	1,723	0
Total Debt Service	<u>39,579</u>	<u>39,579</u>	<u>0</u>
<i>Total Expenditures</i>	<u>224,815</u>	<u>212,678</u>	<u>12,137</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>(101,875)</u>	<u>(79,269)</u>	<u>22,606</u>
Other Financing Sources (Uses)			
Transfers In	90,000	90,000	0
<i>Net Change in Fund Balance</i>	(11,875)	10,731	22,606
<i>Fund Balance (Deficit) Beginning of Year</i>	12,008	12,008	0
Prior Year Encumbrances Appropriated	1,508	1,508	0
<i>Fund Balance (Deficit) End of Year</i>	<u>\$ 1,641</u>	<u>\$ 24,247</u>	<u>\$ 22,606</u>

City of Rittman
Wayne County, Ohio
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Capital Improvements Fund
For the Year Ended December 31, 2017

	Final Budget	Actual	Variance with Final Budget
Revenues			
Income Taxes	\$ 430,000	\$ 471,736	\$ 41,736
Special Assessments	40,135	127,491	87,356
Intergovernmental	87,429	89,429	2,000
Contributions and Donations	0	1,813	1,813
<i>Total Revenues</i>	<u>557,564</u>	<u>690,469</u>	<u>132,905</u>
Expenditures			
Capital Outlay:			
General Government	62,915	56,135	6,780
Security of Persons and Property	84,986	69,841	15,145
Leisure Time Services	60,670	79,667	(18,997)
Transportation	382,979	335,362	47,617
<i>Total Expenditures</i>	<u>591,550</u>	<u>541,005</u>	<u>50,545</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>(33,986)</u>	<u>149,464</u>	<u>183,450</u>
Other Financing Sources (Uses)			
Proceeds from Sale of Capital Assets	0	15,843	15,843
Transfers Out	(131,823)	(131,823)	0
<i>Total Other Financing Sources (Uses)</i>	<u>(131,823)</u>	<u>(115,980)</u>	<u>15,843</u>
<i>Net Change in Fund Balance</i>	(165,809)	33,484	199,293
<i>Fund Balance (Deficit) Beginning of Year</i>	566,522	566,522	0
Prior Year Encumbrances Appropriated	21,000	21,000	0
<i>Fund Balance (Deficit) End of Year</i>	<u>\$ 421,713</u>	<u>\$ 621,006</u>	<u>\$ 199,293</u>

City of Rittman
Wayne County, Ohio

*Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Street Maintenance and Repair Fund
For the Year Ended December 31, 2017*

	Final Budget	Actual	Variance with Final Budget
Revenues			
Intergovernmental	\$ 261,875	\$ 268,470	\$ 6,595
Investment Earnings	130	389	259
Other	5,500	21	(5,479)
<i>Total Revenues</i>	<u>267,505</u>	<u>268,880</u>	<u>1,375</u>
Expenditures			
Current:			
Transportation			
Division of Street Maintenance			
Personal Services	222,280	219,370	2,910
Other than Personal Services	89,200	75,253	13,947
<i>Total Expenditures</i>	<u>311,480</u>	<u>294,623</u>	<u>16,857</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>(43,975)</u>	<u>(25,743)</u>	<u>18,232</u>
Other Financing Sources (Uses)			
Proceeds from Sale of Capital Assets	0	76	76
<i>Net Change in Fund Balance</i>	(43,975)	(25,667)	18,308
<i>Fund Balance (Deficit) Beginning of Year</i>	59,806	59,806	0
Prior Year Encumbrances Appropriated	18,964	18,964	0
<i>Fund Balance (Deficit) End of Year</i>	<u>\$ 34,795</u>	<u>\$ 53,103</u>	<u>\$ 18,308</u>

City of Rittman
Wayne County, Ohio
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
State Highway Fund
For the Year Ended December 31, 2017

	Final Budget	Actual	Variance with Final Budget
Revenues			
Intergovernmental	\$ 21,075	\$ 21,502	\$ 427
Investment Earnings	40	296	256
<i>Total Revenues</i>	<u>21,115</u>	<u>21,798</u>	<u>683</u>
Expenditures			
Current:			
Transportation			
Division of Street Maintenance			
Personal Services	10,000	4,783	5,217
Other than Personal Services	3,165	3,162	3
Capital Outlay	<u>13,835</u>	<u>12,728</u>	<u>1,107</u>
<i>Total Expenditures</i>	<u>27,000</u>	<u>20,673</u>	<u>6,327</u>
<i>Net Change in Fund Balance</i>	(5,885)	1,125	7,010
<i>Fund Balance (Deficit) Beginning of Year</i>	<u>38,870</u>	<u>38,870</u>	<u>0</u>
<i>Fund Balance (Deficit) End of Year</i>	<u>\$ 32,985</u>	<u>\$ 39,995</u>	<u>\$ 7,010</u>

City of Rittman
Wayne County, Ohio
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Permissive Tax II Fund
For the Year Ended December 31, 2017

	Final Budget	Actual	Variance with Final Budget
Revenues			
Intergovernmental	\$ 52,945	\$ 51,035	\$ (1,910)
<i>Total Revenues</i>	<u>52,945</u>	<u>51,035</u>	<u>(1,910)</u>
Expenditures			
Current:			
Transportation			
Division of Street Maintenance			
Other than Personal Services	<u>121,226</u>	<u>106,258</u>	<u>14,968</u>
<i>Net Change in Fund Balance</i>	(68,281)	(55,223)	13,058
<i>Fund Balance (Deficit) Beginning of Year</i>	<u>174,355</u>	<u>174,355</u>	<u>0</u>
<i>Fund Balance (Deficit) End of Year</i>	<u><u>\$ 106,074</u></u>	<u><u>\$ 119,132</u></u>	<u><u>\$ 13,058</u></u>

City of Rittman
Wayne County, Ohio
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Police Pension Fund
For the Year Ended December 31, 2017

	Final Budget	Actual	Variance with Final Budget
Revenues			
Property and Other Local Taxes	\$ 24,070	\$ 24,071	\$ 1
Intergovernmental	3,935	3,951	16
<i>Total Revenues</i>	<u>28,005</u>	<u>28,022</u>	<u>17</u>
Expenditures			
Current:			
General Government			
Other than Personal Services	500	447	53
Security of Persons and Property			
Division of Police			
Personal Services	28,600	26,178	2,422
<i>Total Expenditures</i>	<u>29,100</u>	<u>26,625</u>	<u>2,475</u>
<i>Net Change in Fund Balance</i>	(1,095)	1,397	2,492
<i>Fund Balance (Deficit) Beginning of Year</i>	<u>46,489</u>	<u>46,489</u>	<u>0</u>
<i>Fund Balance (Deficit) End of Year</i>	<u>\$ 45,394</u>	<u>\$ 47,886</u>	<u>\$ 2,492</u>

City of Rittman
Wayne County, Ohio
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Law Enforcement and Education Fund
For the Year Ended December 31, 2017

	Final Budget	Actual	Variance with Final Budget
Revenues			
Fines, Licenses and Permits	\$ 235	\$ 296	\$ 61
<i>Total Expenditures</i>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Net Change in Fund Balance</i>	235	296	61
<i>Fund Balance (Deficit) Beginning of Year</i>	<u>2,326</u>	<u>2,326</u>	<u>0</u>
<i>Fund Balance (Deficit) End of Year</i>	<u><u>\$ 2,561</u></u>	<u><u>\$ 2,622</u></u>	<u><u>\$ 61</u></u>

City of Rittman
Wayne County, Ohio
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Law Enforcement Fund
For the Year Ended December 31, 2017

	Final Budget	Actual	Variance with Final Budget
Revenues			
Fines, Licenses and Permits	\$ 1,000	\$ 263	\$ (737)
Expenditures			
Current:			
Security of Persons and Property			
Division of Police			
Personal Services	300	0	300
Capital Outlay	3,000	2,995	5
<i>Total Expenditures</i>	3,300	2,995	305
<i>Net Change in Fund Balance</i>	(2,300)	(2,732)	(432)
<i>Fund Balance (Deficit) Beginning of Year</i>	11,249	11,249	0
<i>Fund Balance (Deficit) End of Year</i>	\$ 8,949	\$ 8,517	\$ (432)

City of Rittman
Wayne County, Ohio
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Continuing Professional Training
For the Year Ended December 31, 2017

	Final Budget	Actual	Variance with Final Budget
Revenues			
Intergovernmental	\$ 3,740	\$ 3,740	\$ 0
Expenditures			
Current:			
Security of Persons and Property			
Division of Police			
Personal Services	3,740	1,920	1,820
<i>Net Change in Fund Balance</i>	0	1,820	1,820
<i>Fund Balance (Deficit) Beginning of Year</i>	0	0	0
<i>Fund Balance (Deficit) End of Year</i>	\$ 0	\$ 1,820	\$ 1,820

City of Rittman
Wayne County, Ohio

*Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Education and Recreation Assistance Fund
For the Year Ended December 31, 2017*

	Final Budget	Actual	Variance with Final Budget
Revenues	\$ 0	\$ 0	\$ 0
Expenditures	0	0	0
<i>Net Change in Fund Balance</i>	0	0	0
<i>Fund Balance (Deficit) Beginning of Year</i>	5,612	5,612	0
<i>Fund Balance (Deficit) End of Year</i>	\$ 5,612	\$ 5,612	\$ 0

City of Rittman
Wayne County, Ohio
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Debt Retirement Fund
For the Year Ended December 31, 2017

	Final Budget	Actual	Variance with Final Budget
Revenues	\$ 0	\$ 0	\$ 0
Expenditures			
Debt Service:			
Principal Retirement	119,250	119,250	0
Interest and Fiscal Charges	12,573	12,573	0
<i>Total Expenditures</i>	131,823	131,823	0
<i>Excess of Revenues Over (Under) Expenditures</i>	(131,823)	(131,823)	0
Other Financing Sources (Uses)			
Transfers In	131,823	131,823	0
<i>Net Change in Fund Balance</i>	0	0	0
<i>Fund Balance (Deficit) Beginning of Year</i>	10,435	10,435	0
<i>Fund Balance (Deficit) End of Year</i>	<u>\$ 10,435</u>	<u>\$ 10,435</u>	<u>\$ 0</u>

City of Rittman
Wayne County, Ohio
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Cemetery Endowment Fund
For the Year Ended December 31, 2017

	Final Budget	Actual	Variance with Final Budget
Revenues			
Charges for Services	\$ 5,475	\$ 5,059	\$ (416)
Expenditures			
Current:			
General Government			
Public Health Services			
Capital Outlay	5,000	3,509	1,491
<i>Net Change in Fund Balance</i>	475	1,550	1,075
<i>Fund Balance (Deficit) Beginning of Year</i>	49,102	49,102	0
<i>Fund Balance (Deficit) End of Year</i>	<u>\$ 49,577</u>	<u>\$ 50,652</u>	<u>\$ 1,075</u>

City of Rittman
Wayne County, Ohio
Schedule of Revenues, Expenses and Changes
in Net Position - Budget (Non-GAAP Basis) and Actual
Water Fund
For the Year Ended December 31, 2017

	Final Budget	Actual	Variance with Final Budget
Revenues			
Charges for Services	\$ 727,883	\$ 758,923	\$ 31,040
Other	6,000	586	(5,414)
<i>Total Revenues</i>	<u>733,883</u>	<u>759,509</u>	<u>25,626</u>
Expenses			
Basic Utility Service			
Office of Superintendent			
Personal Services	146,806	143,660	3,146
Other than Personal Services	232,930	185,636	47,294
Total Office of Superintendent	<u>379,736</u>	<u>329,296</u>	<u>50,440</u>
Division of Water Treatment			
Personal Services	110,134	108,674	1,460
Other than Personal Services	63,705	46,976	16,729
Capital Outlay	23,180	23,177	3
Total Division of Water Treatment	<u>197,019</u>	<u>178,827</u>	<u>18,192</u>
Division of Water Distribution			
Personal Services	114,525	107,023	7,502
Other than Personal Services	53,475	50,634	2,841
Capital Outlay	151,500	152,500	(1,000)
Total Division of Water Distribution	<u>319,500</u>	<u>310,157</u>	<u>9,343</u>
Total Basic Utility Services	<u>896,255</u>	<u>818,280</u>	<u>77,975</u>
Debt Service:			
Principal Retirement	115,595	113,231	2,364
Interest and Fiscal Charges	17,214	17,214	0
Total Debt Service	<u>132,809</u>	<u>130,445</u>	<u>2,364</u>
<i>Total Expenses</i>	<u>1,029,064</u>	<u>948,725</u>	<u>80,339</u>
<i>Excess of Revenues Over (Under) Expenses</i>	<u>(295,181)</u>	<u>(189,216)</u>	<u>105,965</u>
Other Financing Sources (Uses)			
Intergovernmental	15,700	16,950	1,250
Issuance of OPWC Loan	149,500	155,500	6,000
<i>Total Other Financing Sources (Uses)</i>	<u>165,200</u>	<u>172,450</u>	<u>7,250</u>
<i>Net Change in Net Position</i>	(129,981)	(16,766)	113,215
<i>Net Position (Deficit) Beginning of Year</i>	181,643	181,643	0
Prior Year Encumbrances Appropriated	10,261	10,261	0
<i>Net Position (Deficit) End of Year</i>	<u>\$ 61,923</u>	<u>\$ 175,138</u>	<u>\$ 113,215</u>

City of Rittman
Wayne County, Ohio
Schedule of Revenues, Expenses and Changes
in Net Position - Budget (Non-GAAP Basis) and Actual
Sewer Fund
For the Year Ended December 31, 2017

	Final Budget	Actual	Variance with Final Budget
Revenues			
Charges for Services	\$ 1,331,349	\$ 1,247,356	\$ (83,993)
Other	4,685	3,060	(1,625)
<i>Total Revenues</i>	<u>1,336,034</u>	<u>1,250,416</u>	<u>(85,618)</u>
Expenses			
Basic Utility Service			
Office of Superintendent			
Personal Services	152,039	147,979	4,060
Other than Personal Services	302,860	279,413	23,447
Capital Outlay	2,000	2,000	0
Total Office of Superintendent	<u>456,899</u>	<u>429,392</u>	<u>27,507</u>
Division of Sewer Maintenance			
Personal Services	108,770	103,280	5,490
Other than Personal Services	130,700	15,225	115,475
Capital Outlay	240,000	0	240,000
Total Department of Sewer Maintenance	<u>479,470</u>	<u>118,505</u>	<u>360,965</u>
Division of Wastewater Treatment			
Personal Services	153,424	150,330	3,094
Other than Personal Services	108,225	87,973	20,252
Capital Outlay	173,000	148,677	24,323
Total Division of Wastewater Treatment	<u>434,649</u>	<u>386,980</u>	<u>47,669</u>
Total Basic Utility Services	<u>1,371,018</u>	<u>934,877</u>	<u>436,141</u>
Debt Service:			
Principal Retirement	104,287	104,286	1
Interest and Fiscal Charges	8,619	8,619	0
Total Debt Service	<u>112,906</u>	<u>112,905</u>	<u>1</u>
<i>Total Expenses</i>	<u>1,483,924</u>	<u>1,047,782</u>	<u>436,142</u>
<i>Excess of Revenues Over (Under) Expenses</i>	<u>(147,890)</u>	<u>202,634</u>	<u>350,524</u>
Other Financing Sources (Uses)			
Intergovernmental	5,890	5,893	3
<i>Net Change in Net Position</i>	(142,000)	208,527	350,527
<i>Net Position (Deficit) Beginning of Year</i>	1,226,129	1,226,129	0
Prior Year Encumbrances Appropriated	15,792	15,792	0
<i>Net Position (Deficit) End of Year</i>	<u>\$ 1,099,921</u>	<u>\$ 1,450,448</u>	<u>\$ 350,527</u>

City of Rittman
Wayne County, Ohio
Schedule of Revenues, Expenses and Changes
in Net Position - Budget (Non-GAAP Basis) and Actual
Solid Waste Fund
For the Year Ended December 31, 2017

	Final Budget	Actual	Variance with Final Budget
Revenues			
Charges for Services	\$ 431,150	\$ 405,179	\$ (25,971)
Expenses			
Basic Utility Service			
Division of Solid Waste			
Personal Services	26,847	25,419	1,428
Other than Personal Services	348,215	347,600	615
<i>Total Expenses</i>	<u>375,062</u>	<u>373,019</u>	<u>2,043</u>
<i>Excess of Revenues Over (Under) Expenses</i>	<u>56,088</u>	<u>32,160</u>	<u>(23,928)</u>
Other Financing Sources (Uses)			
Intergovernmental	6,860	9,600	2,740
<i>Net Change in Net Position</i>	62,948	41,760	(21,188)
<i>Net Position (Deficit) Beginning of Year</i>	355,100	355,100	0
Prior Year Encumbrances Appropriated	1,000	1,000	0
<i>Net Position (Deficit) End of Year</i>	<u>\$ 419,048</u>	<u>\$ 397,860</u>	<u>\$ (21,188)</u>

City of Rittman
Wayne County, Ohio
Schedule of Revenues, Expenses and Changes
in Net Position - Budget (Non-GAAP Basis) and Actual
Storm Sewer Fund
For the Year Ended December 31, 2017

	Final Budget	Actual	Variance with Final Budget
Revenues			
Charges for Services	\$ 56,200	\$ 95,542	\$ 39,342
Expenses			
Transportation			
Division of Storm Sewer			
Other than Personal Services	50,000	39,428	10,572
<i>Excess of Revenues Over (Under) Expenses</i>	6,200	56,114	49,914
Other Financing Sources (Uses)			
Intergovernmental	0	25,000	25,000
<i>Net Change in Net Position</i>	6,200	81,114	74,914
<i>Net Position (Deficit) Beginning of Year</i>	78,519	78,519	0
Prior Year Encumbrances Appropriated	0	0	0
<i>Net Position (Deficit) End of Year</i>	\$ 84,719	\$ 159,633	\$ 74,914



STATISTICAL SECTION

Statistical Section

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

Contents

Page(s)

Financial Trends

These schedules contain trend information to help the reader understand how the City's financial performance and well-being have changed over time.

S-2 - S-11

Revenue Capacity

These schedules contain information to help the reader assess the City's most significant local revenue source, the property tax, and the municipal income tax.

S-12 - S-15

Debt Capacity

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

S-16 - S-22

Economic and Demographic Information

These schedules offer economic and demographic indicators to help the reader understand how the information in the City's financial report relates to the services the City provides and the activities it performs.

S-23 - S-24

Operating Information

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

S-25 - S-30

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

NOTE:

With the implementation of GASB No. 54 for 2010, there have been minor reclassifications of funds (example special revenue funds consolidated with the general fund for GAAP purposes). Prior year amounts have not been adjusted to reflect this change.

In 2013, the City established the solid waste fund in the business-type activities. The activity was previously recorded in governmental activities and prior year amounts have not been adjusted to reflect the change.

With the implementation of GASB 68 in 2015, the calculation of pension expense has changed; however, government-wide expenses for 2014 and prior years were not restated to reflect this change.

City of Rittman
Wayne County, Ohio
Net Position By Component (\$000 omitted)
Last Ten Years
(Accrual Basis of Accounting)

	2017	2016	Restated 2015	2014
Governmental Activities				
Net Investment in Capital Assets	\$ 5,355	\$ 5,621	\$ 5,276	\$ 5,068
Restricted	1,766	1,815	1,739	1,806
Unrestricted	(1,142)	(887)	(887)	(1,253)
<i>Total Governmental Activities Net Position</i>	<u>\$ 5,979</u>	<u>\$ 6,549</u>	<u>\$ 6,128</u>	<u>\$ 5,621</u>
Business Type - Activities				
Net Investment in Capital Assets	\$ 10,698	\$ 10,583	\$ 10,328	\$ 10,084
Unrestricted	1,805	1,403	1,460	1,590
<i>Total Business-Type Activities Net Position</i>	<u>\$ 12,503</u>	<u>\$ 11,986</u>	<u>\$ 11,788</u>	<u>\$ 11,674</u>
Primary Government				
Net Investment in Capital Assets	\$ 16,053	\$ 16,204	\$ 15,604	\$ 15,152
Restricted	1,766	1,815	1,739	1,806
Unrestricted	663	516	573	337
<i>Total Primary Government Net Position</i>	<u>\$ 18,482</u>	<u>\$ 18,535</u>	<u>\$ 17,916</u>	<u>\$ 17,295</u>

2013	2012	2011	2010	2009	2008
\$ 5,062	\$ 5,054	\$ 4,631	\$ 4,861	\$ 5,059	\$ 5,216
1,699	1,575	1,670	1,265	1,140	968
894	1,059	973	1,192	1,195	1,045
<u>\$ 7,655</u>	<u>\$ 7,688</u>	<u>\$ 7,274</u>	<u>\$ 7,318</u>	<u>\$ 7,394</u>	<u>\$ 7,229</u>
\$ 9,963	\$ 9,838	\$ 9,020	\$ 8,910	\$ 8,841	\$ 8,575
1,851	1,691	1,990	1,754	1,808	1,664
<u>\$ 11,814</u>	<u>\$ 11,529</u>	<u>\$ 11,010</u>	<u>\$ 10,664</u>	<u>\$ 10,649</u>	<u>\$ 10,239</u>
\$ 15,025	\$ 14,892	\$ 13,651	\$ 13,771	\$ 13,900	\$ 13,791
1,699	1,575	1,670	1,265	1,140	968
2,745	2,750	2,963	2,946	3,003	2,709
<u>\$ 19,469</u>	<u>\$ 19,217</u>	<u>\$ 18,284</u>	<u>\$ 17,982</u>	<u>\$ 18,043</u>	<u>\$ 17,468</u>

City of Rittman
Wayne County, Ohio
Changes in Net Position (\$000 Omitted)
Last Ten Years
(Accrual Basis of Accounting)

	2017	2016	2015	2014
Program Revenues				
Governmental Activities:				
Charges for Services:				
General Government	\$ 92	\$ 147	\$ 317	\$ 360
Security of Persons and Property	342	255	262	237
Public Health	14	49	36	35
Leisure Time Services	70	167	159	159
Basic Utility Service	0	0	0	0
Transportation	20	0	0	0
Charges for Services	<u>538</u>	<u>618</u>	<u>774</u>	<u>791</u>
Operating Grants and Contributions	479	520	407	427
Capital Grants and Contributions	<u>205</u>	<u>578</u>	<u>155</u>	<u>246</u>
<i>Total Governmental Activities Program Revenues</i>	<u>1,222</u>	<u>1,716</u>	<u>1,336</u>	<u>1,464</u>
Business-Type Activities:				
Charges for Services:				
Water	825	670	541	519
Sewer	1,249	1,257	1,312	1,260
Solid Waste	406	407	470	439
Storm Sewer	97	96	0	0
Charges for Services	<u>2,577</u>	<u>2,430</u>	<u>2,323</u>	<u>2,218</u>
Operating Grants and Contributions	26	37	25	13
Capital Grants and Contributions	<u>0</u>	<u>0</u>	<u>165</u>	<u>126</u>
<i>Total Business-Type Activities Program Revenues</i>	<u>2,603</u>	<u>2,467</u>	<u>2,513</u>	<u>2,357</u>
<i>Total Primary Government Program Revenues</i>	<u>3,825</u>	<u>4,183</u>	<u>3,849</u>	<u>3,821</u>
Expenses				
Governmental Activities:				
General Government	655	905	627	679
Security of Persons and Property	2,228	1,805	1,692	1,725
Public Health	109	78	97	82
Leisure Time Services	649	616	582	591
Basic Utility Service	0	0	0	0
Transportation	791	679	649	714
Interest and Fiscal Charges	29	18	22	39
Bond Issuance Costs	<u>0</u>	<u>0</u>	<u>0</u>	<u>8</u>
<i>Total Governmental Activities Expenses</i>	<u>4,461</u>	<u>4,101</u>	<u>3,669</u>	<u>3,838</u>
Business-Type Activities				
Water	888	856	891	1,004
Sewer	1,143	1,057	1,105	1,083
Solid Waste	345	382	422	359
Storm Sewer	<u>74</u>	<u>2</u>	<u>0</u>	<u>0</u>
<i>Total Business-Type Activities Expenses</i>	<u>2,450</u>	<u>2,297</u>	<u>2,418</u>	<u>2,446</u>
<i>Total Primary Government Program Expenses</i>	<u>6,911</u>	<u>6,398</u>	<u>6,087</u>	<u>6,284</u>

2013	2012	2011	2010	2009	2008
\$ 362	\$ 370	\$ 310	\$ 287	\$ 290	\$ 258
245	187	236	220	240	272
36	37	41	33	14	35
181	208	235	228	263	262
0	183	460	439	456	382
0	0	0	8	2	5
824	985	1,282	1,215	1,265	1,214
461	421	419	504	662	572
28	432	41	104	206	74
1,313	1,838	1,742	1,823	2,133	1,860
538	561	514	362	401	441
1,252	1,336	1,292	1,279	1,294	1,220
454	271	0	0	0	0
0	0	0	0	0	0
2,244	2,168	1,806	1,641	1,695	1,661
28	102	159	18	110	0
0	0	0	0	0	0
2,272	2,270	1,965	1,659	1,805	1,661
3,585	4,108	3,707	3,482	3,938	3,521
608	597	662	664	747	665
1,728	1,613	1,692	1,666	1,639	1,812
113	104	97	116	134	97
524	495	497	511	608	650
1	143	412	459	385	384
481	658	609	783	878	823
36	41	48	52	50	69
0	0	0	0	0	0
3,491	3,651	4,017	4,251	4,441	4,500
948	873	791	967	797	905
1,043	1,100	1,063	1,046	1,023	995
378	235	0	0	0	0
0	0	0	0	0	0
2,369	2,208	1,854	2,013	1,820	1,900
5,860	5,859	5,871	6,264	6,261	6,400

(continued)

City of Rittman
Wayne County, Ohio
Changes in Net Position (\$000 Omitted)
Last Ten Years
(Accrual Basis of Accounting)

	2017	2016	2015	2014
Net (Expense)/Revenue				
Governmental Activities	\$ (3,239)	\$ (2,385)	\$ (2,333)	\$ (2,374)
Business-Type Activities	153	170	95	(89)
<i>Total Primary Government Net Expense</i>	<u>(3,086)</u>	<u>(2,215)</u>	<u>(2,238)</u>	<u>(2,463)</u>
General Revenues and Other Changes in Net Position				
Governmental Activities				
Taxes:				
Property and Other Local Taxes Levied For:				
General Purposes	273	338	347	285
Police, Fire and Emergency Services	310	302	273	207
Income Taxes Levied for:				
General Purposes	1,516	1,379	1,357	873
Capital Outlay	505	470	454	403
Grants and Entitlements not Restricted to				
Specific Programs	341	285	337	321
Investment Income	36	24	37	29
Gain (Loss) on Sale of Capital Assets	0	0	0	0
Miscellaneous	36	8	35	56
Transfers	0	0	0	0
<i>Total Governmental Activities</i>	<u>3,017</u>	<u>2,806</u>	<u>2,840</u>	<u>2,174</u>
Business-Type Activities				
Income Taxes levied for:				
Water Utility Services	0	0	6	401
Miscellaneous	16	27	12	11
<i>Total Business-Type Activities</i>	<u>16</u>	<u>27</u>	<u>18</u>	<u>412</u>
<i>Total Primary Government General Revenues and Other Changes in Net Position</i>	<u>3,033</u>	<u>2,833</u>	<u>2,858</u>	<u>2,586</u>
Change in Net Position				
Governmental Activities	(222)	421	507	(200)
Business-Type Activities	169	197	113	323
<i>Total Primary Government Change in Net Position</i>	<u>\$ (53)</u>	<u>\$ 618</u>	<u>\$ 620</u>	<u>\$ 123</u>

2013	2012	2011	2010	2009	2008
\$ (2,178)	\$ (1,813)	\$ (2,275)	\$ (2,428)	\$ (2,308)	\$ (2,640)
(97)	62	111	(354)	(15)	(239)
<u>(2,275)</u>	<u>(1,751)</u>	<u>(2,164)</u>	<u>(2,782)</u>	<u>(2,323)</u>	<u>(2,879)</u>
380	369	366	345	380	324
297	272	266	238	267	319
801	810	664	723	783	601
401	405	332	361	392	299
353	374	525	609	567	479
14	29	31	46	57	121
0	5	0	0	0	0
19	11	47	31	26	704
0	(35)	0	0	0	0
<u>2,265</u>	<u>2,240</u>	<u>2,231</u>	<u>2,353</u>	<u>2,472</u>	<u>2,847</u>
401	332	332	361	392	302
11	20	20	9	24	0
<u>412</u>	<u>352</u>	<u>352</u>	<u>370</u>	<u>416</u>	<u>302</u>
<u>2,677</u>	<u>2,592</u>	<u>2,583</u>	<u>2,723</u>	<u>2,888</u>	<u>3,149</u>
87	427	(44)	(75)	164	207
315	414	463	16	401	63
<u>\$ 402</u>	<u>\$ 841</u>	<u>\$ 419</u>	<u>\$ (59)</u>	<u>\$ 565</u>	<u>\$ 270</u>

City of Rittman
Wayne County, Ohio
Fund Balances of Governmental Funds (\$000 omitted)
Last Ten Years
(Modified Accrual Basis of Accounting)

	2017	2016	2015	Restated 2014
General Fund				
Nonspendable	\$ 1	\$ 2	\$ 2	\$ 16
Committed	7	19	14	9
Assigned	204	96	21	245
Unassigned	768	744	646	197
Reserved	0	0	0	0
Unreserved, Designated	0	0	0	0
Unreserved	0	0	0	0
Total General Fund	980	861	683	467
All Other Governmental Funds				
Nonspendable	0	0	0	10
Restricted	1,295	1,345	1,267	1,259
Unassigned	0	0	0	0
Reserved	0	0	0	0
Unreserved,				
Undesignated (Deficit), Reported in:	0	0	0	0
Special Revenue funds	0	0	0	0
Debt Service funds	0	0	0	0
Capital Projects funds	0	0	0	0
Total All Other Governmental Funds	1,295	1,345	1,267	1,269
Total Governmental Funds	\$ 2,275	\$ 2,206	\$ 1,950	\$ 1,736

Note: The City implemented GASB 54 in 2010 that changed the classification of fund balance.
Prior year amounts were not updated to reflect this change.

2013	2012	2011	2010	2009	2008
\$ 17	\$ 21	\$ 22	\$ 23	\$ 0	\$ 0
1	6	6	27	0	0
292	259	219	276	0	0
442	517	535	502	0	0
0	0	0	0	44	9
0	0	0	0	152	230
0	0	0	0	765	655
752	803	782	828	961	894
10	9	15	9	0	0
1,234	1,027	1,295	1,112	0	0
0	(8)	0	0	0	0
0	0	0	0	74	0
0	0	0	0	667	514
0	0	0	0	49	88
0	0	0	0	56	90
1,244	1,028	1,310	1,121	846	692
\$ 1,996	\$ 1,831	\$ 2,092	\$ 1,949	\$ 1,807	\$ 1,586

City of Rittman
Wayne County, Ohio
Changes in Fund Balances of Governmental Funds (\$000 omitted)
Last Ten Years
(Modified Accrual Basis of Accounting)

	2017	2016	2015	2014
Revenues				
Taxes	\$ 2,619	\$ 2,528	\$ 2,306	\$ 1,764
Charges for Services	482	535	725	710
Fines, Licenses and Permits	58	41	44	42
Intergovernmental	874	1,263	960	916
Special Assessments	147	69	50	75
Investment Income	36	25	37	29
Contributions and Donations	2	59	0	0
Other	36	12	35	55
<i>Total Revenues</i>	<u>4,254</u>	<u>4,532</u>	<u>4,157</u>	<u>3,591</u>
Expenditures				
Current:				
General Government	569	445	611	618
Security of Persons and Property	1,787	1,735	1,918	1,659
Public Health	95	95	94	87
Leisure Time Activities	461	472	458	474
Basic Utility Services	0	0	0	0
Transportation	508	394	517	443
Capital Outlay	621	931	380	451
Debt Service:				
Principal Retirement	242	193	166	146
Interest and Fiscal Charges	28	20	22	26
Bond Issuance Costs	0	0	0	8
<i>Total Expenditures</i>	<u>4,311</u>	<u>4,285</u>	<u>4,166</u>	<u>3,912</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>(57)</u>	<u>247</u>	<u>(9)</u>	<u>(321)</u>
Other Financing Sources (Uses)				
Bonds Issued	0	0	0	40
Issuance of Loans	14	7	85	7
Issuance of Notes	0	0	111	0
Inception of Capital Lease	112	0	0	0
Issuance of Refunding Bonds	0	0	0	645
Proceeds from Sale of Capital Assets	0	1	27	22
Payment to Refunded Bond Escrow Agent	0	0	0	(638)
Transfers In	222	189	182	154
Transfers Out	(222)	(189)	(182)	(154)
<i>Total Other Financing Sources (Uses)</i>	<u>126</u>	<u>8</u>	<u>223</u>	<u>76</u>
<i>Net Change in Fund Balances</i>	<u>\$ 69</u>	<u>\$ 255</u>	<u>\$ 214</u>	<u>(245)</u>
Debt Service as a Percentage of Noncapital Expenditures	7.1%	5.9%	5.5%	4.9%

	2013	2012	2011	2010	2009	2008
\$	1,857	\$ 1,716	\$ 1,612	\$ 1,686	\$ 1,679	\$ 1,669
	753	989	1,225	1,159	1,171	1,094
	48	36	33	29	31	90
	820	1,099	955	1,075	1,255	1,091
	122	14	18	83	23	18
	14	29	34	46	57	123
	19	4	5	30	200	5
	17	16	45	16	46	655
	<u>3,650</u>	<u>3,903</u>	<u>3,927</u>	<u>4,124</u>	<u>4,462</u>	<u>4,745</u>
	660	549	648	641	728	657
	1,922	1,593	1,504	1,465	1,464	1,619
	121	125	96	112	132	95
	461	439	423	460	484	531
	1	143	412	460	385	384
	379	1,186	557	588	791	724
	25	0	6	113	212	312
	107	99	94	94	84	212
	37	41	45	49	47	65
	0	0	0	0	0	0
	<u>3,713</u>	<u>4,175</u>	<u>3,785</u>	<u>3,982</u>	<u>4,327</u>	<u>4,599</u>
	<u>(63)</u>	<u>(272)</u>	<u>142</u>	<u>142</u>	<u>135</u>	<u>146</u>
	0	0	0	0	77	0
	227	0	0	0	0	0
	0	0	0	0	0	0
	0	0	0	0	0	56
	0	0	0	0	0	0
	1	11	0	0	0	0
	0	0	0	0	0	0
	164	135	198	165	202	305
	<u>(164)</u>	<u>(135)</u>	<u>(198)</u>	<u>(165)</u>	<u>(202)</u>	<u>(305)</u>
	<u>228</u>	<u>11</u>	<u>0</u>	<u>0</u>	<u>77</u>	<u>56</u>
	<u>165</u>	<u>(261)</u>	<u>142</u>	<u>142</u>	<u>212</u>	<u>202</u>
	4.6%	4.1%	3.7%	3.7%	3.2%	6.5%

City of Rittman
Wayne County, Ohio
Assessed Valuation and Estimated Actual Values of Taxable Property
Last Ten Years

Collection Year	Real Property			Tangible Personal Property	
	Assessed Value		Estimated Actual Value	Public Utility	
	Residential/ Agricultural	Commercial Industrial/PU		Assessed Value	Estimated Actual Value
2017	\$ 76,382,510	\$ 12,016,990	\$ 252,570,000	\$ 3,008,490	\$ 3,418,739
2016	75,756,340	12,416,860	251,923,429	2,583,900	2,936,250
2015	75,688,930	12,370,770	251,599,143	2,501,350	2,842,443
2014	76,848,840	15,099,800	262,710,400	2,386,220	2,711,614
2013	76,880,660	14,895,610	262,217,914	2,188,940	2,487,432
2012	76,732,240	15,069,240	262,289,943	1,901,800	2,161,136
2011	82,363,310	12,266,040	270,369,571	1,794,390	2,039,080
2010	82,547,380	12,138,700	270,531,657	1,788,410	2,032,284
2009	83,553,170	13,670,050	277,780,629	1,544,980	2,305,940
2008	79,896,630	12,806,990	264,867,486	1,617,040	2,413,493

Real property is reappraised every six years with a State mandated update of the current market value in the third year following each reappraisal.

The assessed value of real property (including public utility real property) is 35 percent of estimated true value. The assessed value of public utility personal property ranges from 25 percent of true value for railroad property to 88 percent for electric transmission and distribution property. General business tangible personal property was assessed in previous years at 25 percent for machinery and equipment and 23 percent for inventories. General business tangible personal property tax is being phased out beginning in 2006. For collection year 2009 and beyond both types of general business tangible personal property were assessed at zero percent.

The tangible personal property values associated with each year are the values that, when multiplied by the applicable rates, generated the property tax revenue billed in that year. For real property, the amounts generated by multiplying the assessed values by the applicable rates would be reduced by the 10%, 2 1/2% and homestead exemptions before being billed. Beginning in the 2006 collection year, the 10% rollback for commercial/industrial property has been eliminated.

Note: The County does not identify delinquent collections by the year for which the tax was levied.

Sources: Wayne and Medina County Auditors, Ohio Department of Taxation

<u>Tangible Personal Property</u>					
<u>General Business</u>			<u>Total</u>		
<u>Assessed Value</u>	<u>Estimated Actual Value</u>	<u>Assessed Value</u>	<u>Estimated Actual Value</u>	<u>Weighted Average Tax Rate</u>	
\$ 0	\$ 0	\$ 91,407,990	\$ 255,988,739	35.71%	
0	0	90,757,100	254,859,679	35.61%	
0	0	90,561,050	254,441,586	35.59%	
0	0	94,334,860	265,422,014	35.54%	
0	0	93,965,210	264,705,346	35.50%	
72,830	1,456,600	93,776,110	265,907,679	35.43%	
72,830	1,165,280	96,496,570	273,573,931	35.27%	
104,498	1,671,968	96,578,988	274,235,909	35.22%	
238,177	3,810,832	99,006,377	283,897,401	34.87%	
6,552,905	52,423,240	100,873,565	319,704,219	26.84%	

City of Rittman
Wayne County, Ohio
Property Tax Rates - Direct and Overlapping Governments
(Per \$1,000 of Assessed Valuation)
Last Ten Years

Collection Year	City of Rittman Direct Rates					Overlapping Rates				
	General Fund	Fire	Ambulance & E.M.S.	Police Pension Fund	Total City	Wayne County	Milton Township	Rittman Exempted Village School District	Special District	Total Direct & Overlapping Rates
2017	\$ 3.40	\$ 1.00	\$ 2.30	\$ 0.30	\$ 7.00	\$ 10.25	\$ 0.00	\$63.20	\$ 6.80	\$ 87.25
2016	3.40	1.00	2.30	0.30	7.00	10.25	0.00	63.50	7.05	87.80
2015	3.40	1.00	2.30	0.30	7.00	9.25	0.50	63.70	4.85	85.30
2014	3.40	1.00	2.30	0.30	7.00	9.25	0.50	63.35	4.85	84.95
2013	3.40	1.00	2.30	0.30	7.00	9.25	0.50	63.35	4.85	84.95
2012	3.50	1.00	2.30	0.30	7.10	9.25	0.50	63.35	7.10	87.30
2011	3.50	1.00	2.30	0.30	7.10	9.25	0.50	63.35	7.10	87.30
2010	3.50	1.00	2.30	0.30	7.10	9.65	0.50	63.20	7.10	87.55
2009	3.50	1.00	2.30	0.30	7.10	9.65	0.50	63.35	7.10	87.70
2008	3.50	1.00	2.30	0.30	7.10	9.65	0.50	63.05	6.35	86.65

Source: Wayne County, Ohio; County Auditor

City of Rittman
Wayne County, Ohio
Income Tax Revenue Base and Collections (Cash Basis)
Last Ten Years

<u>Tax Year</u>	<u>Tax Rate</u>	<u>Total Tax Collected</u>	<u>Taxes from Withholding</u>	<u>Percentage of Taxes from Withholding</u>	<u>Taxes From Net Profits</u>	<u>Percentage of Taxes from Net Profits</u>	<u>Taxes From Individuals</u>	<u>Percentage of Taxes from Individuals</u>
2017	1.5%	\$ 1,886,993	\$ 1,114,300	59.05%	\$ 175,126	9.28%	\$ 597,567	31.67%
2016	1.5%	2,004,023	1,072,113	53.50%	222,396	11.10%	709,515	35.50%
2015	1.5%	1,709,817	1,016,827	59.47%	161,332	9.44%	531,658	31.09%
2014	1.5%	1,617,106	943,777	58.36%	134,922	8.34%	538,407	33.29%
2013	1.5%	1,596,239	940,392	58.91%	125,714	7.88%	530,133	33.21%
2012	1.5%	1,463,098	934,132	63.85%	155,728	10.64%	373,238	25.51%
2011	1.5%	1,309,294	899,890	68.73%	65,964	5.04%	343,440	26.23%
2010	1.5%	1,468,579	853,353	58.11%	282,912	19.26%	332,314	22.63%
2009	1.5%	1,379,284	861,707	62.47%	153,419	11.12%	364,158	26.40%
2008	1.5%	1,372,190	879,694	64.11%	111,710	8.14%	380,786	27.75%

Source: City of Rittman; Department of Budget and Finance; Income Tax Division

Note: The City is prohibited by statute from presenting information regarding individual taxpayers.

City of Rittman
Wayne County, Ohio
Ratio of Outstanding Debt By Type
Last Ten Years

Year	Governmental Activities					
	General Obligation Bonds	Special Assessment Bonds	OPWC Loans	Loans	Notes Payable	Capital Leases
2017	\$ 402,000	\$ 0	\$ 78,625	\$ 73,708	\$ 18,976	\$ 71,715
2016	517,000	0	82,875	97,564	63,353	0
2015	627,000	0	85,000	127,587	106,970	0
2014	732,000	0	0	163,796	21,000	0
2013	776,000	0	0	220,000	0	0
2012	865,000	0	0	0	0	11,133
2011	954,000	0	0	0	0	21,722
2010	1,038,000	0	0	0	0	31,793
2009	1,122,000	0	0	0	0	41,370
2008	1,120,000	43,208	0	0	0	50,479

(1) Details regarding the City's outstanding debt can be found in Note 13 in the basic financial statements

(2) Includes internal bonds

(3) See Demographic and Economic Statistics for population and personal income data.

Source: City Records

Business-Type Activities						
Revenue Bonds	General Obligation Bonds	OPWC Loans	OWDA Loans	Total Debt	Percentage of Personal Income	Per Capita
\$ 0	\$ 999,270	\$ 521,419	\$ 0	\$ 2,165,713	1.73%	334
0	1,188,556	394,150	0	2,343,498	1.87%	361
801,900	868,000	415,266	0	3,031,723	2.42%	467
831,400	965,500	267,257	0	2,980,953	2.38%	459
859,400	1,027,500	284,248	0	3,167,148	2.53%	488
886,100	1,109,000	301,239	133,002	3,305,474	2.64%	509
931,500	1,130,000	309,735	389,249	3,736,206	2.98%	576
1,015,600	1,195,000	187,500	633,148	4,101,041	3.27%	632
1,038,500	1,260,000	200,000	865,295	4,527,165	4.47%	717
1,060,300	1,320,000	212,500	1,086,256	4,892,743	4.83%	775

City of Rittman
Wayne County, Ohio
Ratio of Outstanding Debt to
Assessed Value and Net Bonded Debt Per Capita
Last Ten Years

Year	General Obligation Bonds (1)	Resources Available for Repayment	Net General Bonded Debt	Percentage of Actual Taxable Value of Property	Per Capita
2017	\$ 1,401,270	\$ 10,435	\$ 1,390,835	0.54%	214.27
2016	1,705,556	10,435	1,695,121	0.67%	261.15
2015	1,495,000	12,560	1,482,440	0.58%	228.38
2014	1,697,500	12,263	1,685,237	0.63%	259.63
2013	1,803,500	1,300	1,802,200	0.68%	277.65
2012	1,974,000	0	1,974,000	0.75%	304.11
2011	2,084,000	(2,061,041)	4,145,041	0.75%	638.58
2010	2,233,000	(2,210,225)	4,443,225	0.81%	703.71
2009	2,382,000	(2,332,936)	4,714,936	0.85%	746.74
2008	2,440,000	(2,351,607)	4,791,607	0.74%	758.89

Source: The City of Rittman, Wayne and Medina County Auditor

(1) Details regarding the City's outstanding debt can be found in Note 13 in the basic financial statements

City of Rittman
Wayne County, Ohio
Computation of Direct and Overlapping Governmental Activities Debt
December 31, 2017

<u>Jurisdiction</u>	<u>Governmental Activities Debt Outstanding</u>	<u>Percentage Applicable to City (1)</u>	<u>Amount Applicable to City</u>
Direct:			
City of Rittman	\$ 573,309	100.00%	\$ 573,309
<i>Total Direct Debt</i>	<u>573,309</u>		<u>573,309</u>
Overlapping:			
Chippewa Local School District	15,945,000	1.12%	178,584
Cloverleaf Local School District	745,000	0.23%	1,714
Norwayne Local School District	8,171,179	0.15%	12,257
Rittman Exempted Village School District	6,486,171	85.59%	5,551,514
Wayne County, Ohio	7,490,000	3.71%	277,879
Wayne Public Library	4,220,089	3.19%	134,621
Medina County, Ohio	8,244,918	0.08%	6,596
Medina County Public Library	<u>15,894,993</u>	0.03%	<u>4,768</u>
<i>Total Overlapping Debt</i>	<u>67,197,350</u>		<u>6,167,933</u>
Total	<u><u>\$ 67,770,659</u></u>		<u><u>\$ 6,741,242</u></u>

Source: Ohio Municipal Advisory Council

(1) Percentages were determined by dividing the assessed valuation of the portion of the political subdivision located within the City by the total assessed value of the subdivision.

City of Rittman
Wayne County, Ohio
Legal Debt Margin
Last Ten Years

	2017	2016	2015	2014
Total Assessed Property Value	\$ 91,407,990	\$ 90,757,100	\$ 90,561,050	\$ 94,334,860
Overall Legal Debt Limit (10 ½ % of Assessed Valuation)	\$ 9,597,839	\$ 9,529,496	\$ 9,508,910	\$ 9,905,160
Debt Outstanding:				
General Obligation Bonds	1,401,270	1,705,556	1,495,000	1,697,500
Revenue Bonds	0	0	801,900	831,400
Special Assessment Bonds	0	0	0	0
OPWC Loans	600,044	477,025	500,266	267,257
OWDA Loans	0	0	0	0
Loans	73,708	97,564	127,587	163,796
Notes	18,976	63,353	106,970	21,000
Total Gross Indebtedness	2,093,998	2,343,498	3,031,723	2,980,953
Less:				
Revenue Bonds	0	0	(801,900)	(831,400)
Special Assessment Bonds	0	0	0	0
OPWC Loans	(600,044)	(477,025)	(500,266)	(267,257)
OWDA Loans	0	0	0	0
Loans	(73,708)	(97,564)	(127,587)	(163,796)
Notes	(18,976)	(63,353)	(106,970)	(21,000)
Amount Available in Bond Retirement Fund	(10,435)	(10,435)	(12,560)	(12,263)
Total Net Debt Applicable to Debt Limit	1,390,835	1,695,121	1,482,440	1,685,237
Legal Debt Margin Within 10 ½ % Limitations	\$ 8,207,004	\$ 7,834,375	\$ 8,026,470	\$ 8,219,923
Legal Debt Margin as a Percentage of the Debt Limit	85.51%	82.21%	84.41%	82.99%
Unvoted Debt Limitation (5 ½ % of Assessed Valuation)	\$ 5,027,439	\$ 4,991,641	\$ 4,980,858	\$ 5,188,417
Total Gross Indebtedness	2,093,998	2,343,498	3,031,723	2,980,953
Less:				
Revenue Bonds	0	0	(801,900)	(831,400)
Special Assessment Bonds	0	0	0	0
OPWC Loans	(600,044)	(477,025)	(500,266)	(267,257)
OWDA Loans	0	0	0	0
Loans	(73,708)	(97,564)	(127,587)	(163,796)
Notes	(18,976)	(63,353)	(106,970)	(21,000)
Amount Available in Bond Retirement Fund	(10,435)	(10,435)	(12,560)	(12,263)
Net Debt Within 5 ½ % Limitations	1,390,835	1,695,121	1,482,440	1,685,237
Unvoted Legal Debt Margin Within 5 ½ % Limitations	\$ 3,636,604	\$ 3,296,520	\$ 3,498,418	\$ 3,503,180
Unvoted legal Debt Margin as a Percentage of the Unvoted Debt Limitation	72.34%	66.04%	70.24%	67.52%

Source: City Financial Records

2013	2012	2011	2010	2009	2008
<u>\$ 93,965,210</u>	<u>\$ 93,703,280</u>	<u>\$ 96,496,570</u>	<u>\$ 96,578,988</u>	<u>\$ 99,006,377</u>	<u>\$ 100,873,565</u>
<u>\$ 9,866,347</u>	<u>\$ 9,838,844</u>	<u>\$ 10,132,140</u>	<u>\$ 10,140,794</u>	<u>\$ 10,395,670</u>	<u>\$ 10,591,724</u>
1,803,500	1,974,000	2,084,000	2,233,000	2,382,000	2,440,000
859,400	886,100	931,500	1,015,600	1,038,500	1,060,300
0	0	0	0	42,758	43,208
284,248	301,239	309,735	187,500	200,000	212,500
0	133,002	389,249	633,148	865,295	1,086,256
220,000	0	0	0	0	0
0	0	0	0	0	0
<u>3,167,148</u>	<u>3,294,341</u>	<u>3,714,484</u>	<u>4,069,248</u>	<u>4,528,553</u>	<u>4,842,264</u>
(859,400)	(886,100)	(931,500)	(1,015,600)	(1,038,500)	(1,060,300)
0	0	0	0	(42,758)	(43,208)
(284,248)	(301,239)	(309,735)	(187,500)	(200,000)	(212,500)
0	(133,002)	(389,249)	(633,148)	(865,295)	(1,086,256)
(220,000)	0	0	0	0	0
0	0	0	0	0	0
<u>(1,300)</u>	<u>0</u>	<u>(22,959)</u>	<u>(22,775)</u>	<u>(49,064)</u>	<u>(88,393)</u>
<u>1,802,200</u>	<u>1,974,000</u>	<u>2,061,041</u>	<u>2,210,225</u>	<u>2,332,936</u>	<u>2,351,607</u>
<u>\$ 8,064,147</u>	<u>\$ 7,864,844</u>	<u>\$ 8,071,099</u>	<u>\$ 7,930,569</u>	<u>\$ 8,062,734</u>	<u>\$ 8,240,117</u>
81.73%	79.94%	79.66%	78.20%	77.56%	77.80%
<u>\$ 5,168,087</u>	<u>\$ 5,153,680</u>	<u>\$ 5,307,311</u>	<u>\$ 5,311,844</u>	<u>\$ 5,445,351</u>	<u>\$ 5,548,046</u>
3,167,148	3,294,341	3,714,484	4,069,248	4,528,553	4,842,264
(859,400)	(886,100)	(931,500)	(1,015,600)	(1,038,500)	(1,060,300)
0	0	0	0	(42,758)	(43,208)
(284,248)	(301,239)	(309,735)	(187,500)	(200,000)	(212,500)
0	(133,002)	(389,249)	(633,148)	(865,295)	(1,086,256)
(220,000)	0	0	0	0	0
0	0	0	0	0	0
<u>(1,300)</u>	<u>0</u>	<u>(22,959)</u>	<u>(22,775)</u>	<u>(49,064)</u>	<u>(88,393)</u>
<u>1,802,200</u>	<u>1,974,000</u>	<u>2,061,041</u>	<u>2,210,225</u>	<u>2,332,936</u>	<u>2,351,607</u>
<u>\$ 3,365,887</u>	<u>\$ 3,179,680</u>	<u>\$ 3,246,270</u>	<u>\$ 3,101,619</u>	<u>\$ 3,112,415</u>	<u>\$ 3,196,439</u>
65.13%	61.70%	61.17%	58.39%	57.16%	57.61%

City of Rittman
Wayne County, Ohio

*Schedules of Ratio of Annual Debt Service Expenditures for General Bonded Debt to
Total General Governmental Expenditures and Revenue Bond Coverage (\$000 omitted)
Last Ten Years*

	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>
<u>General Bonded Debt</u>										
Debt Service	\$ 200	\$ 200	\$ 166	\$ 146	\$ 107	\$ 100	\$ 94	\$ 94	\$ 84	\$ 207
General Governmental Expenditures	4,312	4,285	4,166	3,912	3,713	4,175	3,785	3,982	4,327	4,599
Ratio of Debt Service to General Governmental Expenditures	4.64	4.67	3.98	3.73	2.88	2.40	2.48	2.36	1.94	4.50
<u>Revenue Bond Coverage</u>										
Sewer										
Direct Revenue	1,249	1,257	1,311	1,268	1,252	1,335	1,292	1,279	1,294	1,221
Operating expense (1)	845	760	792	851	701	775	738	735	699	660
Net available	404	497	519	417	551	560	554	544	595	561
Principal	0	802	30	28	27	45	84	23	22	21
Interest	0	25	43	44	45	48	52	53	54	55
Total Debt Service	0	827	73	72	72	93	136	76	76	76
Coverage	0.00	0.60	7.11	5.79	7.65	6.02	4.07	7.16	7.83	7.38

Source: City Financial Records
(1) Excludes depreciation

City of Rittman
Wayne County, Ohio
Principal Employers
2017 and 2008

Employer	Industry	2017		2008		Rank	Percentage of Total City W-2's processed
		Number of W-2's processed	Rank	Number of W-2's processed	Rank		
Morton International, Inc.	Salt Mines	290	1	5.99%	298	1	9.90%
Rittman Board of Education	Education	250	2	5.16%	197	2	6.54%
City of Rittman	Municipal Government	204	3	4.21%	183	3	6.08%
Embassy Autumnwood	Nursing Home	133	4	2.75%	0	0	0.00%
Laria Chevrolet Buick	Automobile Dealership	81	5	1.67%	55	8	1.83%
Unilock Ohio, Inc.	Excavation	58	6	1.20%	44	10	1.46%
J O Plastics, Inc.	Plastics	50	7	1.03%	0	0	0.00%
Mull Iron	Metal Fabricating	57	8	1.18%	61	6	2.03%
Summa Health System	Health Care	37	9	0.76%	0	0	0.00%
Imperial Plastics, Inc.	Plastics	27	10	0.56%	95	5	3.16%
Northern Health Facilities	Health Care	0	0	0.00%	130	4	4.32%
Premier Pontiac	Automobile Dealership	0	0	0.00%	56	9	1.86%
Swiss Woodcraft, Inc.	Cabinet manufacturer	0	0	0.00%	44	7	1.46%
Total		<u>1,187</u>		<u>24.51%</u>	<u>1,163</u>		<u>38.64%</u>
Total W-2's Processed		<u>4,843</u>			<u>3,011</u>		

Source: City of Rittman

City of Rittman
Wayne County, Ohio
Demographic and Economic Statistics
Last Ten Years

Year	Population (1)	Total Personal Income (1) (000 omitted)	Personal Income Per Capita (1)	Median Family Income (1)	School Enrollment (2)	Unemployment Rate (3)			City Square Miles (4)
						Wayne County	Medina County	State of Ohio	
2017	6,491	\$ 125,413	\$ 149,321	\$ 43,837	1,088	3.8%	4.0%	4.5%	6.43
2016	6,491	125,413	19,321	43,837	1,098	3.9%	4.3%	4.8%	6.43
2015	6,491	125,413	19,321	43,837	1,123	3.8%	3.2%	4.7%	6.43
2014	6,491	125,413	19,321	43,837	1,145	3.8%	4.3%	4.7%	6.4
2013	6,491	125,413	19,321	43,837	1,111	5.8%	4.3%	6.6%	6.4
2012	6,491	125,413	19,321	43,837	1,155	5.6%	5.9%	7.0%	6.4
2011	6,491	125,413	19,321	43,837	1,140	7.7%	6.7%	8.6%	6.4
2010	6,491	125,413	19,321	43,837	1,135	9.4%	7.8%	10.0%	6.4
2009	6,314	101,333	16,049	41,643	1,155	9.9%	8.3%	10.1%	6.2
2008	6,314	101,333	16,049	41,643	1,097	5.6%	5.8%	6.5%	6.2

Sources:

- (1) U.S. Census 2000
U.S. Census 2010
- (2) Rittman Exempted Village School District Records
- (3) Ohio Bureau of Employment Services; Department of Labor, Bureau of Labor Statistics
Unemployment rate is not available for the City of Rittman.
- (4) City Records

City of Rittman
Wayne County, Ohio
City Government Employees by Function/Program
Last Ten Years

Function/Program	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008
General Government										
City Council	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00
Mayor	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50
City Manager	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	2.00
Law	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Finance	2.00	2.00	2.00	2.00	2.00	2.00	1.50	1.50	1.50	1.00
Tax	1.00	1.00	1.00	0.50	0.50	0.50	1.00	1.00	1.00	1.00
Administration	1.00	1.00	1.00	0.50	0.50	0.50	1.00	1.00	1.00	2.50
Security of Persons and Property										
Police	13.50	12.50	16.50	12.00	12.00	12.00	12.00	12.00	11.50	11.00
Police - School Guards	2.00	2.00	1.00	1.00	1.00	1.00	1.50	1.50	1.50	5.00
Police - Dispatchers	7.50	5.50	6.50	4.50	4.50	4.50	4.50	4.50	5.50	5.00
Police - Animal Wardens	1.00	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50	1.00
Fire	14.00	15.50	14.50	11.50	11.50	11.50	12.00	14.50	14.50	14.50
Public Health Services										
Emergency Medical Services	22.00	15.50	18.00	14.50	14.50	14.50	15.00	15.00	15.00	15.50
Cemetery	1.00	1.00	1.00	1.50	1.50	1.50	1.50	1.50	1.50	1.00
Leisure Time Activities										
Recreation	22.00	16.50	17.50	13.00	13.00	13.00	10.50	12.50	12.50	12.00
Parks	2.00	2.00	2.00	1.50	1.50	1.50	1.50	1.50	1.50	1.00
Transportation										
Service	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.50
Street M&R	5.50	3.00	3.00	3.00	3.00	3.00	4.50	5.50	5.50	7.00
Basic Utility Services										
Solid Waste	0.00	0.00	0.00	1.00	1.00	1.00	0.00	0.00	0.00	0.00
Water	3.50	3.50	3.50	5.50	5.50	5.50	4.50	4.75	4.75	5.00
Waste Water	7.00	7.00	7.00	6.00	6.00	6.00	5.50	5.75	5.75	4.00
Totals:	112.50	96.00	102.50	86.00	86.00	86.00	84.50	90.50	91.00	95.50

Source: City Payroll Department Attendance Cards at Year End

Method: Using 1.00 for each full-time employee and 0.50 for each part-time

and seasonal employee at year end. Some employees are split between multiple functions/programs

City of Rittman
Wayne County, Ohio
Operating Indicators by Function/Program
Last Ten Years

Function/Program	2017	2016	2015	2014
General Government				
Council and Clerk				
Number of Ordinances Passed	32	43	33	35
Number of Resolutions Passed	13	3	19	27
Number of Planning Commission docket items	0	1	0	1
Zoning Board of Appeals docket items	2	7	3	5
Finance Department				
Number of checks/vouchers issued	1,757	1,829	1,948	1,934
Amount of checks written	\$ 6,579,811	\$ 7,469,596	\$ 7,052,567	\$ 6,241,435
Number of payroll checks issued	3,186	3,828	3,714	3,441
Interest earning for fiscal year (cash basis)	\$ 43,394	\$ 33,803	\$ 32,085	\$ 23,328
Number of receipts issued	2,678	2,090	2,217	2,283
General fund receipts (cash basis)	\$ 2,729,162	\$ 2,804,179	\$ 2,483,530	\$ 2,177,530
General fund expenditures (cash basis)	\$ 2,586,603	\$ 2,563,397	\$ 2,376,894	\$ 2,358,006
General fund cash balances	\$ 891,793	\$ 742,399	\$ 494,733	\$ 372,272
Income Tax Department				
Number of individual returns	3,976	3,825	3,582	3,607
Number of business returns	562	481	444	442
Number of business withholding accounts	566	506	514	531
Amount of penalties and interest collected	\$ 60,523	\$ 47,837	\$ 37,334	\$ 36,753
Civil Services				
Number of police entry tests administered	n/a	19	n/a	n/a
Number of dispatcher entry tests administered	n/a	n/a	n/a	n/a
Number of hires of Police Officers from certified lists	n/a	1	n/a	n/a
Number of hires of Dispatchers from certified lists	n/a	n/a	n/a	n/a
Building Department Indicators				
Number of zoning permits issued	101	94	64	50
Number of new housing permits issued	1	4	7	3
Estimated Value of Construction	\$ 322,000	\$ 600,000	\$ 2,157,344	\$ 1,332,618
Amount of Revenue generated from permits	\$ 2,289	\$ 2,556	\$ 3,425	\$ 2,082
Security of Persons and Property				
Police				
Total Calls for Services	8,965	8,711	7,880	8,786
Number of traffic citations issued	737	417	304	390
Number of parking citations issued	171	206	262	206
Number of criminal arrests	469	338	475	381
Number of accident reports completed	201	84	96	105
Injury accidents	12	10	7	10
Stolen vehicles	10	14	5	6
Incident reports	644	740	415	537
DUI arrests	35	17	11	10
Burglary	41	34	19	64
Thefts	193	105	191	335
Robberies	2	2	2	2
Homicides	n/a	n/a	n/a	n/a
Gasoline costs of fleet	\$ -	\$ 15,854	\$ 18,368	\$ 32,171
Total calls handled through communication center	18,682	17,379	14,558	15,124

	2013	2012	2011	2010	2009	2008
	26	37	31	29	31	37
	23	25	23	11	21	19
	1	0	0	1	0	2
	1	3	5	1	4	4
	1,923	1,724	1,847	1,961	2,165	2,424
\$	6,056,147	\$ 7,205,354	\$ 5,889,329	\$ 5,973,160	\$ 6,252,415	\$ 6,698,892
	3,052	3,158	3,309	3,305	3,386	3,415
\$	27,968	\$ 32,385	\$ 43,921	\$ 40,458	\$ 81,002	\$ 127,981
	2,435	2,374	2,447	2,328	2,039	1,990
\$	2,222,883	\$ 2,457,148	\$ 2,707,878	\$ 2,766,788	\$ 2,905,901	\$ 2,908,884
\$	2,311,190	\$ 2,431,428	\$ 2,763,070	\$ 2,719,082	\$ 2,894,932	\$ 2,909,987
\$	547,405	\$ 635,711	\$ 569,260	\$ 624,452	\$ 552,889	\$ 554,138
	3,468	3,451	3,532	3,452	3,441	3,523
	418	437	409	360	357	426
	484	493	495	446	384	243
\$	29,635	\$ 35,036	\$ 31,264	\$ 31,997	\$ 25,596	\$ 22,498
	n/a	n/a	n/a	n/a	n/a	n/a
	n/a	n/a	n/a	n/a	n/a	n/a
	n/a	n/a	n/a	n/a	n/a	n/a
	n/a	n/a	n/a	n/a	n/a	n/a
	49	65	60	64	46	46
	6	8	9	4	4	6
\$	1,663,818	\$ 2,477,301	\$ 1,727,841	\$ 698,107	\$ 15,491,375	\$ 910,574
\$	5,646	\$ 2,743	\$ 3,040	\$ 1,834	\$ 13,324	\$ 2,190
	9,759	8,902	10,189	12,954	7,996	9,932
	288	228	264	663	213	414
	233	210	342	387	280	294
	317	464	423	463	520	543
	107	115	122	107	121	122
	10	12	9	8	8	8
	8	5	3	1	6	9
	560	546	597	595	482	599
	14	26	20	15	14	25
	87	46	63	66	55	52
	142	285	255	345	180	221
	3	1	4	5	6	6
	n/a	n/a	n/a	n/a	n/a	n/a
\$	29,535	\$ 31,450	\$ 29,876	\$ 21,721	\$ 16,852	\$ 30,536
	14,670	13,836	13,652	14,584	11,173	13,582

(continued)

City of Rittman
Wayne County, Ohio
Operating Indicators by Function/Program
Last Ten Years

Function/Program	2017	2016	2015	2014
Fire/EMS				
EMS total runs	1,058	1,024	1,025	882
EMS transports	589	680	671	610
Ambulance billing collections (net)	\$ 161,895	\$ 196,554	\$ 188,943	\$ 175,521
Fire calls	157	174	196	165
Fires with loss	7	8	8	5
Fires with losses exceeding \$10K	1	3	0	0
Fire Losses	\$ 40,800	\$ 118,725	\$ 37,435	\$ 8,200
Fire safety inspections	20	10	20	11
Number of times mutual aid received for fire and EMS	23	39	20	22
Public Health and Welfare				
Cemetery Burials	40	39	31	37
Cemetery cremations	7	14	12	9
Cemetery sale of lots	16	37	36	34
Cemetery receipts	\$ 41,788	\$ 49,102	\$ 36,312	\$ 35,078
Leisure Time Activities				
Recreation				
Recreation Center membership receipts	\$ 126,626	\$ 123,609	\$ 111,647	\$ 121,412
Recreation Center Silver Sneaker receipts	34,470	35,025	32,618	30,863
Recreation Center rental receipts	11,173	14,936	13,846	14,241
Recreation Center program receipts	16,759	21,918	25,470	17,244
Recreation Center miscellaneous receipts	1,124	2,669	3,705	946
Total Recreation Department receipts	\$ 190,152	\$ 198,157	\$ 187,286	\$ 184,706
Transportation				
Crackseal Coating Program - Annual Cost	\$ 15,025	\$ 0	\$ 0	\$ 15,457
Paint Striping - Annual Cost	\$ 11,525	\$ 13,312	\$ 11,274	\$ 14,163
Leaf collection - disposal costs	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000
Cost of salt purchased	\$ 29,893	\$ 24,622	\$ 28,282	\$ 24,864
Water Department				
Water rates per 1st 300 Cu ft of water used	\$ 14.30	\$ 13.00	\$ 10.00	\$ 10.00
Annual total of utility accounts billed	30,753	30,708	30,377	30,047
Annual total Water Collections Billed	\$ 715,691	\$ 626,304	\$ 497,809	\$ 497,743
Avg. water billed monthly (Gallons)	14,244	13,637	13,406	13,233
Total water collections annually (Including P&I)	\$ 750,779	\$ 64,453	\$ 526,738	\$ 524,260
Waste Water Department				
Waste water rates per 1st 300 Cu ft of water used	\$ 26.04	\$ 27.13	\$ 27.00	\$ 27.00
Annual total sewer collections billed	\$ 1,066,444	\$ 1,123,587	\$ 1,196,523	\$ 1,196,500
Total sewer collections annually	\$ 1,103,742	\$ 1,274,560	\$ 1,292,919	\$ 1,264,988

Source: City of Rittman

	2013	2012	2011	2010	2009	2008
	913	910	961	852	878	817
	598	571	646	530	618	557
\$	201,529	\$ 181,390	\$ 190,899	\$ 173,138	\$ 186,981	\$ 168,748
	137	165	160	159	196	194
	2	6	5	3	4	8
	2	2	3	1	1	n/a
\$	96,000	\$ 50,000	\$ 206,000	\$ 45,000	\$ 84,500	\$ 13,000
	31	21	15	31	58	28
	22	28	31	36	22	35
	37	42	45	39	44	32
	5	11	6	14	13	8
	37	29	56	29	38	34
\$	38,509	\$ 3,162	\$ 47,180	\$ 30,479	\$ 37,183	\$ 35,314
\$	135,960	\$ 157,405	\$ 165,794	\$ 161,523	\$ 150,607	\$ 171,172
	28,533	24,280	0	0	0	0
	17,409	16,747	18,398	16,167	16,776	15,160
	16,788	34,414	45,424	49,758	52,578	60,110
	11,259	4,700	10,254	37,381	17,428	27,153
\$	209,949	\$ 237,546	\$ 239,870	\$ 264,829	\$ 237,389	\$ 273,595
\$	2,156	\$ 7,695	\$ 11,333	\$ 29,347	\$ 0	\$ 11,456
\$	0	\$ 11,766	\$ 11,766	\$ 11,874	\$ 9,918	\$ 12,545
\$	1,000	\$ 0	\$ 1,000	\$ 1,000	\$ 1,000	\$ 4,701
\$	28,089	\$ 17,321	\$ 18,312	\$ 28,112	\$ 16,206	\$ 23,206
\$	10.00	\$ 10.00	\$ 10.00	\$ 7.40	\$ 7.40	\$ 7.40
	30,182	30,017	30,017	29,964	30,048	33,780
\$	514,778	\$ 519,310	\$ 485,910	\$ 364,715	\$ 355,291	\$ 349,999
	14,733	15,252	13,546	12,454	12,712	12,181
	538,343	\$ 542,819	\$ 488,740	\$ 404,617	\$ 396,095	\$ 361,428
\$	27.00	\$ 23.00	\$ 23.00	\$ 31.00	\$ 31.00	\$ 25.78
\$	1,193,740	\$ 1,273,560	\$ 1,256,262	\$ 1,208,474	\$ 1,165,163	\$ 1,048,802
\$	1,268,189	\$ 1,314,473	\$ 1,310,780	\$ 1,263,609	\$ 2,053,066	\$ 1,149,011

City of Rittman
Wayne County, Ohio
Capital Assets Statistics by Function/Program
Last Ten Years

Function/Program	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008
General Government										
Number of Buildings	1	1	1	1	1	1	1	1	1	1
Administrative Vehicles	1	1	1	1	1	1	1	1	1	1
Safety - Police/Fire										
Stations	1	1	1	1	1	1	1	1	1	1
Vehicles - Police	10	10	10	10	10	10	10	9	9	9
Vehicles - Fire	8	8	8	8	8	7	7	8	8	7
Emergency Medical Services										
Stations	1	1	1	1	1	1	1	1	1	1
Vehicles	4	4	4	4	4	4	4	4	4	4
Recreation										
Number of Buildings	1	1	1	1	1	1	1	1	1	1
Number of Shelters/Pavilions	3	3	3	3	3	3	3	3	3	3
Number of Parks	12	12	12	12	12	12	12	12	12	11
Number of Pools	1	1	1	1	1	1	1	1	1	1
Number of Baseball Diamonds	8	8	8	8	8	8	8	8	8	8
Number of Skateboarding Areas	0	0	0	0	0	0	0	0	0	0
Number of Tot Lots	9	9	9	9	9	9	9	9	9	9
Vehicles	0	0	0	0	0	0	1	2	1	1
Transportation										
Number of Buildings	2	2	2	2	2	2	2	2	2	2
Salt Building	1	1	1	1	1	1	1	1	1	1
Streets (Center Lane Miles)	41	41	41	41	41	41	41	41	41	41
Storm Sewers (Miles)	19	19	19	19	19	19	19	19	19	19
Service Vehicles	11	11	11	11	11	11	11	11	12	12
Public Health and Welfare										
Number of Buildings	1	1	1	1	1	1	1	1	1	1
Service Vehicles	1	1	1	1	1	1	1	1	1	1
Water										
Treatment Plant	1	1	1	1	1	1	1	1	1	1
Pole Building	1	1	1	1	1	1	1	1	1	1
Water Lines (Miles)	44	44	44	44	44	44	44	44	44	44
Vehicles	5	5	5	5	5	4	3	6	6	6
Waste Water										
Treatment Plant	1	1	1	1	1	1	1	1	1	1
Sanitary Sewers (Miles)	39	39	39	39	39	39	39	39	39	39
Vehicles	5	5	5	5	5	5	5	7	7	7

Source: City of Rittman's capital asset records



Dave Yost • Auditor of State

CITY OF RITTMAN

WAYNE COUNTY

CLERK'S CERTIFICATION

This is a true and correct copy of the report which is required to be filed in the Office of the Auditor of State pursuant to Section 117.26, Revised Code, and which is filed in Columbus, Ohio.

Susan Babbitt

CLERK OF THE BUREAU

CERTIFIED
SEPTEMBER, 25 2018