

***CITY OF WADSWORTH***

**MEDINA COUNTY, OHIO**

**REGULAR AUDIT**

**For the Year Ended December 31, 2019**







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Council Members  
City of Wadsworth  
120 Maple Street  
Wadsworth, Ohio 44281

We have reviewed the *Independent Auditor's Report* of the City of Wadsworth, Medina County, prepared by Charles E. Harris & Associates, Inc., for the audit period January 1, 2019 through December 31, 2019. 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 Wadsworth is responsible for compliance with these laws and regulations.

A handwritten signature in black ink that reads "Keith Faber".

Keith Faber  
Auditor of State  
Columbus, Ohio

September 18, 2020

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**CITY OF WADSWORTH**  
**MEDINA COUNTY, OHIO**  
**Regular Audit**  
**For the Year Ended December 31, 2019**

**TABLE OF CONTENTS**

<b><u>TITLE</u></b>	<b><u>PAGE</u></b>
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 <i>Government Auditing Standards</i>	1-2

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

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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 Wadsworth  
Medina County  
120 Maple Street  
Wadsworth, Ohio 44281

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 Wadsworth, Medina County, Ohio (the City) as of and for the year ended December 31, 2019, and the related notes to the financial statements, which collectively comprise the City's basic financial statements and have issued our report thereon dated July 24, 2020. wherein we noted the financial impact of COVID-19 and the ensuing emergency measures will impact subsequent periods of the City.

***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 opinion 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*.

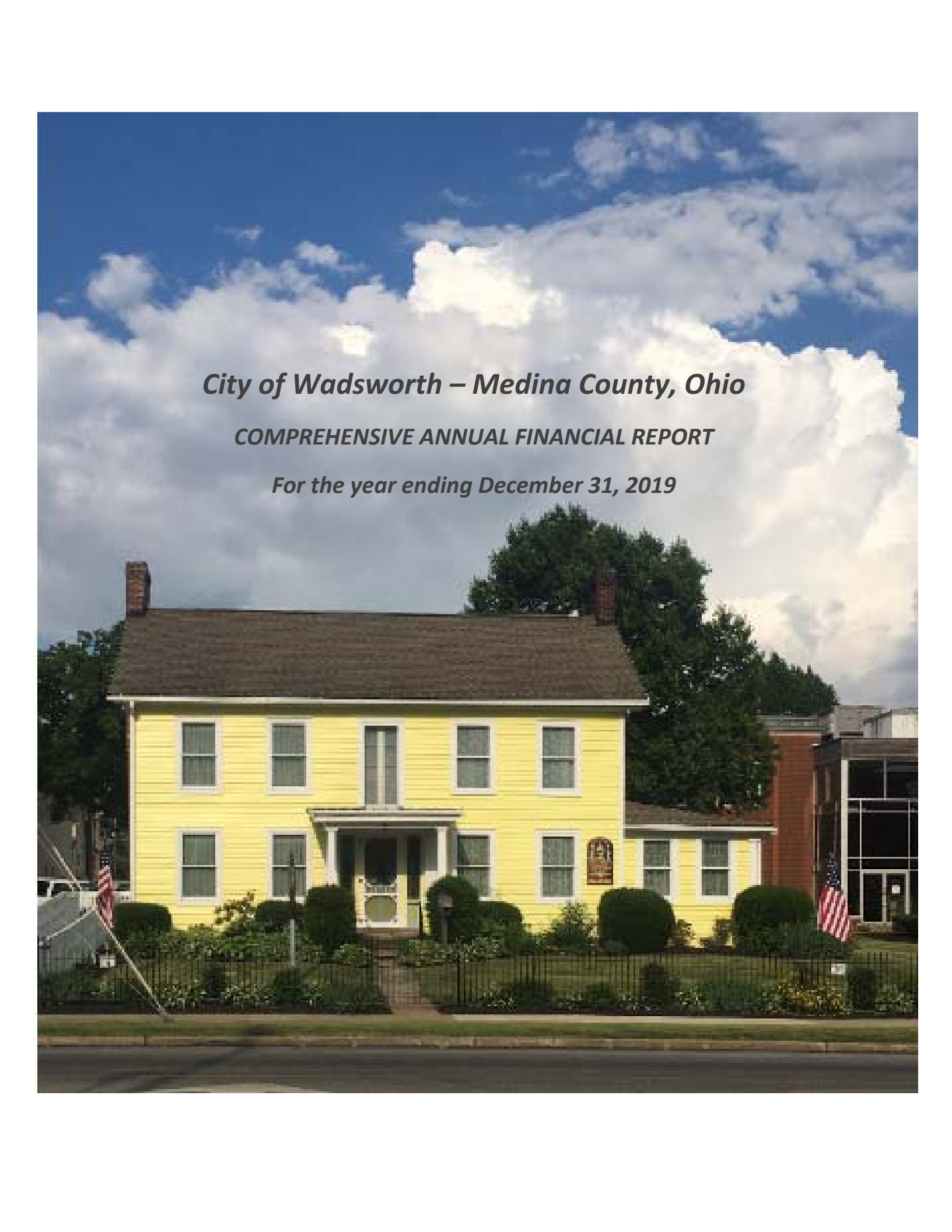
***Purpose of this Report***

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.***  
July 24, 2020





*City of Wadsworth – Medina County, Ohio*

*COMPREHENSIVE ANNUAL FINANCIAL REPORT*

*For the year ending December 31, 2019*



# **CITY OF WADSWORTH**

**MEDINA COUNTY, OHIO**

## **COMPREHENSIVE ANNUAL FINANCIAL REPORT**

**FOR THE YEAR ENDING DECEMBER 31, 2019**

**PREPARED BY THE AUDITOR'S OFFICE  
CATHERINE FIX, AUDITOR**



## INTRODUCTORY SECTION

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CITY OF WADSWORTH, OHIO

COMPREHENSIVE ANNUAL FINANCIAL REPORT  
FOR THE YEAR ENDED DECEMBER 31, 2019

TABLE OF CONTENTS

**INTRODUCTORY SECTION:**

**Page**

Table of Contents ..... i  
Letter of Transmittal ..... v  
List of Principal Officials..... ix  
Organizational Chart..... x  
Certificate of Achievement ..... xi

**FINANCIAL SECTION:**

Independent Auditor’s Report..... 1  
Management’s Discussion and Analysis..... 5

Basic Financial Statements:

Government-wide Financial Statements:

Statement of Net Position ..... 19  
Statement of Activities..... 20

Fund Financial Statements:

Balance Sheet – Governmental Funds ..... 22  
Reconciliation of Total Governmental Fund Balances to  
Net Position of Governmental Activities..... 23  
Statement of Revenues, Expenditures and Changes in  
Fund Balances – Governmental Funds ..... 24  
Reconciliation of the Statement of Revenues, Expenditures and  
Changes in Fund Balances of Governmental Funds to the  
Statement of Activities..... 25  
Statement of Revenues, Expenditures and Changes in  
Fund Balances – Budget and Actual (Non-GAAP Budgetary Basis) –  
General Fund ..... 26  
Statement of Net Position – Proprietary Funds..... 30  
Statement of Revenues, Expenses and Changes in  
Net Position – Proprietary Funds..... 32  
Statement of Cash Flows – Proprietary Funds ..... 34  
Statement of Fiduciary Assets and Liabilities – Fiduciary Funds..... 38

Notes to the Basic Financial Statements ..... 39

Required Supplementary Information:

Schedule of the City’s Proportionate Share of the Net Pension Liability/Net Pension Asset:

Ohio Public Employees Retirement System (OPERS) ..... 114  
Ohio Police and Fire (OP&F) Pension Fund ..... 116

Schedule of City Pension Contributions:	
Ohio Public Employees Retirement System (OPERS) .....	118
Ohio Police and Fire (OP&F) Pension Fund.....	120
Schedule of the City’s Proportionate Share of the Net OPEB Liability:	
Ohio Public Employees Retirement System (OPERS) .....	122
Ohio Police and Fire (OP&F) Pension Fund .....	123
Schedule of City OPEB Contributions:	
Ohio Public Employees Retirement System (OPERS) .....	124
Ohio Police and Fire (OP&F) Pension Fund.....	126
Notes to the Required Supplementary Information .....	128
<u>Supplementary Information:</u>	
Combining Statements and Individual Fund Schedules	
Nonmajor Governmental Funds:	
Fund Descriptions – Nonmajor Governmental Funds .....	130
Combining Balance Sheet – Nonmajor Governmental Funds .....	134
Combining Statement of Revenues, Expenditures and Changes in	
Fund Balances – Nonmajor Governmental Funds.....	135
Combining Balance Sheet – Individual Nonmajor Governmental Funds.....	136
Combining Statement of Revenues, Expenditures and Changes in	
Fund Balances – Nonmajor Governmental Funds.....	144
Schedules of Revenues, Expenditures and Changes in	
Fund Balances – Budget (Non-GAAP Basis) and Actual	
Major Funds:	
Fund Descriptions – Funds being reported as part of the General Fund.....	152
Street/Utility Maintenance Guarantees Fund.....	153
Parking Fund.....	154
WCTV Fund .....	155
Fire Dept. HazMat Clean Up Fund.....	156
Nonmajor Funds:	
Airport Improvements Fund .....	157
General Capital Improvements Fund.....	158
EMS Reserve Fund .....	159
Fire Levy Fund .....	160
Park Land Acquisition Fund .....	161
Street Improvement Fund .....	162
West Street Improvements Fund.....	163
OPWC Grant – Tackas Drive Improvement Fund.....	164
Special Assessments Fund.....	165
Special Assessment Bond Retirement Fund .....	166
Recreation Fund.....	167
Street Maintenance Fund .....	168
Emergency Medical Services Fund .....	169
Municipal Court Special Programs Fund.....	170
Municipal Court Improvements Fund.....	171
Developers Shade Tree Fund.....	172
Drug Law Enforcement Fund .....	173
Law Enforcement and Education Fund.....	174



Indigent Drivers Alcohol Treatment Fund.....	175
Law Enforcement Trust Fund.....	176
Permissive Motor Vehicle License Fund.....	177
State Highway Fund.....	178
Abatement of Public Nuisance Fund.....	179
Chippewa Creek Well Reserve Fund.....	180
Community Reinvestment Fund.....	181
Fire Department Education Grant Fund.....	182
Police Continuing Professional Training Fund.....	183
Community Development Block Grant (CDBG) Fund.....	184
CHIP Revolving Loan Fund.....	185
Economic Development Fund.....	186
Recreation Tax Fund.....	187
Revolving Loan Fund.....	188
Tax Increment Financing Fund.....	189
Safe Routes to School Grant Fund.....	190
Roundabout at SR 57 & Seville Rd. Fund.....	191
Proprietary Funds:	
Fund Descriptions – Proprietary Funds.....	193
Combining Statement of Fund Net Position – Internal Service Funds.....	194
Combining Statement of Revenues, Expenses and Changes in Net Position – Internal Service Funds.....	196
Combining Statement of Cash Flows – Internal Service Funds.....	198
Fiduciary Funds:	
Fund Descriptions – Fiduciary Funds.....	201
Combining Statement of Fiduciary Assets and Liabilities – Agency Funds.....	202
Combining Statement of Changes in Assets and Liabilities – Agency Funds.....	206

**STATISTICAL SECTION:**

Net Position by Component – Last Ten Years.....	S-1
Changes in Net Position – Last Ten Years.....	S-3
Fund Balances, Governmental Funds – Last Ten Years.....	S-9
Changes in Fund Balances, Governmental Funds – Last Ten Years.....	S-11
Assessed Valuation and Estimated Actual Values of Taxable Property – Last Ten Years.....	S-13
Income Tax Rate, Revenue Base, and Collections – Last Ten Years.....	S-15
Principal Employers – 2019 vs 2010.....	S-16
Principal Property Taxpayers – 2019 vs 2010.....	S-17
Property Tax Levies and Collections – Last Ten Years.....	S-18
Ratio of Outstanding Debt by Type – Last Ten Years.....	S-19
Computation of Direct and Overlapping Debt Attributable To Governmental Activities.....	S-20
Ratios of General Obligation Bonded Debt to Estimated True Value of Taxable Property and Bonded Debt Per Capita – Last Ten Years.....	S-21
Legal Debt Margin Information – Last Ten Years.....	S-23
Pledged Revenue Coverage Income Tax Revenue Bonds – Last Ten Years.....	S-25
Pledged Revenue Coverage Ohio Water Development Authority Loan – Last Ten Years.....	S-26
Demographic and Economic Statistics – Last Ten Years.....	S-27
Full-Time Equivalent City Government Employees by Function/Program– Last Ten Years.....	S-28
Capital Asset Statistics by Function/Program– Last Ten Years.....	S-29
Operating Indicators by Function/Program– Last Ten Years.....	S-33

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July 24, 2020

To Members of City Council and the  
Residents of the City of Wadsworth, Ohio

It is our privilege to present to you the City of Wadsworth (the City) Comprehensive Annual Financial Report (CAFR). This CAFR represents the official report of the City's operations and financial position for the year ended December 31, 2019. It details the status of City finances to residents, elected officials, investment bankers, underwriters, rating agencies and all other interested parties. This report enables the City to comply with Ohio Administrative Code Section 117-2-03(B) which requires reporting on a Generally Accepted Accounting Principles (GAAP) basis and Ohio Revised Code (ORC) Section 117.38 which require cities reporting on a GAAP basis to file an unaudited annual report with the Auditor of State within 150 days of year end.

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 controls should not exceed anticipated benefits, the objective is to provide reasonable, rather than absolute, assurance that the financial statements are free from any material misstatements.

Charles E. Harris & Associates, Inc. has issued an unmodified ("clean") opinion on the City of Wadsworth's financial statements for the year ended December 31, 2019. Charles E. Harris & Associates, Inc.'s report is located at the front of the financial section of this report.

GAAP requires that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of the Management's Discussions and Analysis (MD&A). This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it. The City's MD&A can be found immediately following Charles E. Harris & Associates, Inc., CPA's report.

### **Background**

Settlement in Wadsworth Township began in 1814 on land that included the land sold to early settlers by General Elijah Wadsworth of Canfield, Ohio. Wadsworth Township population increased significantly after the completion of the railroad in 1863, that lead to the development of coal mines. The Village of Wadsworth was incorporated in 1866. In the 1890's, coal mining declined and the local economy came to be dominated by the Ohio Injector Company and the Ohio Match Company until World War II. The classification of the municipal corporation then changed from village to city as a result of the census of 1930, which reported a population of more than 5,000 residents.

The City of Wadsworth has not adopted a city charter, and is governed in accordance with the general statutory form of government, of Ohio cities. The citizens of the City of Wadsworth elect a mayor, president of council, judge, auditor, director of law, treasurer and seven members of council. Appointed directors of public service and of public safety are responsible for the administration of various departments. The City has considered all departments for financial reporting purposes and the compilation of this CAFR.

The City reports financial activity based on a calendar year. The preparation of the annual budget is started by passing a Tax Budget in July of the preceding year. The Tax Budget generates the estimated resources for the next year and is certified by the Budget Commission of Medina County. These certified estimated resources are available for appropriations by City Council. The annual appropriations are passed in December of the preceding year through an ordinance and are in accordance with ORC 5705.38(C) which establishes the minimum level of budgetary control to "...each office, department, and division, and, within each, the amount appropriated for personal services and other." Appropriations are either supplemented or reduced during the period according to resource availability and/or timing of projects.

The City provides many services to residents and businesses. These services include: police; fire; EMS services; street maintenance; storm water management; water treatment and distribution; waste water collection and treatment; electric transmission and distribution; cable television (with community access); high speed internet access; VOIP telephone service; sanitation collection and disposal; recreational facilities; municipal court; and a center for older adults.

The Wadsworth City School District is a completely separate form of government and produces its own set of financial statements. The school district is highly rated in academics, athletics, and arts. Many residents are drawn to our community due in part to the excellent school system.

### **Local Economy**

Our location offers ease of access without traffic congestion experienced by other communities. We have three interchanges on I-76 which are assets for business development. We are located within ten miles of I-77 and I-71 which makes highway travel convenient. The City owns and operates an airport, which is primarily used for recreation at this time. Wadsworth is a short commute to Cleveland Hopkins International and Akron-Canton Regional Airports. Travel and shipping to and from our City is smooth and simple.

Wadsworth has long been considered a “bedroom community” to both Akron and Cleveland. The City is growing a rate of 1.48% annually, and is recognized as being one of the fastest growing in northeast Ohio. Wadsworth has experienced a 13.58% increase in the population since the 2010 census (2020 census estimates). The estimated population for Wadsworth in 2020 is nearly 25,000 residents.

Knowledgeable administrations and responsible council members have allowed the City to preserve the small town charm without jeopardizing services to residents and businesses. Planning for the future and maximizing the level of services to our citizens has always been the philosophy of the public administrators. In 2004, City Council approved the first Tax Increment Financing (TIF) district in Medina County.

It was in this district that Wal-Mart and Home Depot developed at the I-76 and S.R. 94 interchange. Two years later, City Council approved the second TIF district for the development of Kohl’s, Target, and Home Depot located at the I-76 and S.R. 261 interchange. Our third interchange at I-76 and S.R. 57 has yet to be developed.

Significant business growth has occurred in the retail sector over the past years. Wadsworth’s northern commercial area grew with the addition of Home Depot, Marie’s Italian Restaurant, Wal-Mart, and several residential developments. National retail organizations, such as Kohl’s, Lowe’s, Office Max and Target opened in the City’s newest retail development, Wadsworth Crossings, located east of town. Giant Eagle opened one of their higher volume locations across the street from Wadsworth Crossings. During 2018, the City continued to experience continued development, redevelopment and long range plans for future development. Along the High Street corridor we’ve had extensive redevelopment in commercial locations including: Panera Bread, Starbucks, Kentucky Fried Chicken, Dunkin Donuts, Chipotle, Wendy’s, Aldi’s, GetGo Cafe & Market and the Auto Oasis car wash. In 2016, the City had the most industrial, commercial and residential development in Medina County with major construction projects taking place throughout those years. In 2016, 2017 and 2018 we’ve also had several manufacturers build or expand their facilities, providing additional job growth while discussions continue for future growth. Wadsworth continues to outpace residential growth of other communities in the county.

Public improvements including roads extending E. Smokerise and Park Centre Drive, new LaVern Drive, sidewalks, water mains, electric, communication, street lighting, sanitary sewer and storm sewer were constructed in 2016. The cost of public improvements, after developer contribution, were financed by the issuance of bonds with debt service paid by the levy of specials assessments against the four commercial sub lots of Phase I.

Redevelopment of the former Ohio Injector facility on Main Street (S.R. 94) is complete. This project is an example of adaptive re-use for our community and provides start-up and growth opportunities for small businesses. The City has approximately 800 acres of industrial zoned property available for development. In 2014, the City completed an annexation of 280 acres of land that is ready for development. 216 acres is zoned industrial and 64 acres is zoned R-2 residential. The Village of St. Edward, a senior living facility began operations in 2018. Built on 12 acres, this facility is more than 110,000 sq.ft. and \$22,000,000 of investment. Future expansion of this facility is planned.

The Wadsworth School District completed the construction of four new school facilities in 2012. The highlight of their projects was the completion of the \$97 million high school campus. This campus contains the high school and a new community center. The community center features an exercise facility (operated by the YMCA), a senior center, indoor pools, a Summa Healthcare facility and a satellite office for the Wadsworth Public Library. The City of Wadsworth completed construction of the new outdoor pool facility that is located at the Community Campus complex. This \$3 million project features two outdoor pools and a pool house.

Additionally, the City made capital improvements to the Wadsworth Municipal Airport. It completed construction of diesel generators to supply necessary power during peak power demand and to improve the electric system's already low instances of power outages. Furthering its low cost and environmentally sound energy mix, the City and its energy partners began construction on two solar farms, aware of the need for low-cost power for resident, commercial and industrial customers in an ever competitive environment.

### **Major Incentives**

We look forward to continued business growth in the future. The City created a Department of Economic Development within the Administration to help facilitate increased economic growth. The City has many incentives to help companies be successful in Wadsworth. The most commonly used is the Community Reinvestment Area agreement (CRA). All industrial zoned property in the City is within a CRA. This incentive gives companies an opportunity to save on their real property taxes on new investments for a term of up to twelve years. In 2018, the City established a Downtown CRA to encourage and incentivize reinvestment in residential, commercial and industrial property. Wadsworth Corporate Park was certified as a Foreign Trade Zone (FTZ) in 2006.

During 2019, capital investment in the City was approximately \$39 million from twenty three companies. Five new downtown businesses opened in 2019, with more expected to open in 2020. A total of four new CRA's were approved by the City Council, two for downtown businesses and two for industrial projects. Industrial expansion projects announced in 2019 are continuing in 2020.

In addition to these State and Federal incentives, the City has created a local Job Creation Grant Program, which provides a grant to a company based on new payroll and the new investment. This incentive was created to attract large employers and to set Wadsworth apart from other communities. The City's income tax rate and property tax rates are very competitive when compared to other communities. The City of Wadsworth has been able to maintain its level of services with low tax rates due to growth in the community. The City and its many benefits are marketed in trade journals and through the website.

### **Long-Term Financial Planning & Financial Policies**

It is the policy of the City to maintain operating budgetary fund balances at approximately 12% of annual operating expenses. This policy has allowed the City to maintain rate structures and services during economic downturns. City Council believes in the passage of a "balanced budget". This is defined as annual operating revenues exceeding annual operating expenditures. Budgetary appropriations may not exceed estimated resources and are monitored during the year to ensure compliance. Encumbered appropriations carry over to the next year and must be substantiated with a confirmed obligation of the City.

The City recognizes that one-time revenues are to be used for one-time expenses such as capital. These revenues are never used to pay for ongoing operational costs. All transfers of cash between funds require the approval of City Council. Some capital expenditures and small to medium capital projects are financed internally using inter fund loans supported by one-year bond anticipation notes authorized by Council.

A cash reserve policy was passed by Council in 2009 for the City's General Fund. This policy requires that 20% of operating expenditures and 100% of the next years debt service is maintained in the fund's cash balance. In addition, a cash reserve policy was passed in 2009 for the City's Electric fund. This policy requires that 25% of operating expenditures, 10% of purchase power, and 100% of next year's debt service is maintained in the fund's cash balance. Included with these cash reserve policies are five-year financial projections. All known factors and historical experience is taken into consideration when making our projections. Council and the administration have found this type of financial planning necessary to making informed decisions.

### **Awards**

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 Wadsworth, Ohio, for its comprehensive annual financial report for the year ended December 31, 2018. This was the tenth consecutive year that the City has achieved this prestigious award. In order to be awarded a Certificate of Achievement, a government unit 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. We believe that our current comprehensive annual financial report continues to meet the Certificate of Achievement program's requirements and we are submitting it to the GFOA to determine its eligibility for another certificate.

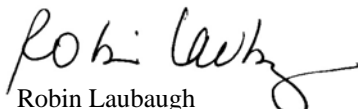
The City also recently received the Auditor of State Award with Distinction for filing a timely 2015, 2016, 2017 and 2018 CAFR, having a "clean" audit, that did not contain findings for recovery, material weaknesses, significant deficiencies, Single Audit findings or any questioned costs.


The City's Electric and Communications department has earned the Reliable Public Power Provider (RP3) designation from American Public Power Association. Of the more than 2,000 public power communities only 5% achieved this prestigious award. For the past thirty-three years, Wadsworth has retained the recognition of Tree City USA from the Arbor Day Foundation. This recognition promotes the City's public image and citizen pride which in turn benefits the community's economic growth and financial stability.

### **Acknowledgements**

This report was a collaborative effort of the City's administration, department heads, Julian & Grube, Inc., and the employees of the Finance Department. We sincerely appreciate their dedication and loyalty. We also would like to thank City Council for their support in this effort and their continued attention to fiscal responsibility for the benefit of the residents and businesses of the City of Wadsworth.

Respectfully submitted,

  
Robin Laubaugh  
Mayor

  
Catherine Fix, CPA  
Auditor

**City of Wadsworth, Ohio**  
**Principal Officials**  
**December 31, 2019**

**Mayor ..... Robin Laubaugh**

**President of Council.....Robert Thurber**

**Councilman – Ward I..... Ralph Copley**

**Councilman – Ward II .....Robert Titus**

**Councilman – Ward III.....Lee Potts**

**Councilman – Ward IV .....Bruce Darlington**

**Council-at-Large.....Patty Haskins**

**Council-at-Large..... Tom Stugmyer**

**Council-at-Large .....Dave Williams**

**Clerk of Council .....Tammy Guenther**

**Law Director.....Norman Brague**

**Auditor ..... Catherine Fix**

**Assistant Auditor ..... Lee-Ann Dunkle**

**Treasurer .....Lisa Jones**

**Safety Director .....Matthew Hiscock**

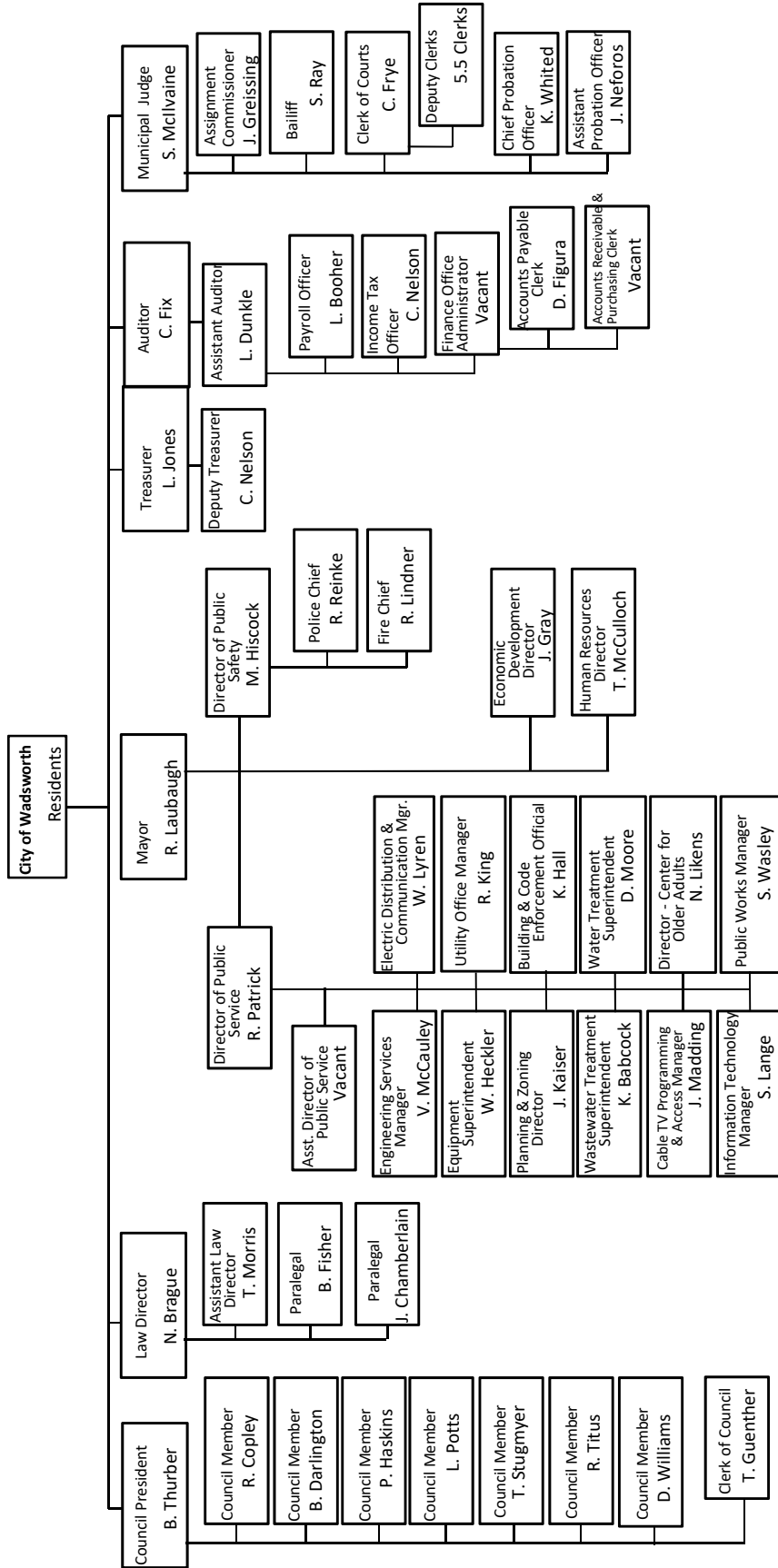
**Service Director.....Robert Patrick**

**Assistant Service Director ..... Vacant**

**Economic Development Director.....James Gray**

**Human Resources Manager..... Tara McCulloch**

# CITY OF WADSWORTH, OHIO ORGANIZATIONAL CHART







Government Finance Officers Association

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

Presented to

**City of Wadsworth  
Ohio**

For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended

**December 31, 2018**

*Christopher P. Morill*

Executive Director/CEO

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## FINANCIAL SECTION

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

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## **INDEPENDENT AUDITOR'S REPORT**

City of Wadsworth  
Medina County  
120 Maple Street  
Wadsworth, Ohio 44281

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 Wadsworth, Medina County, Ohio (the City), as of and for the year ended December 31, 2019, 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 an opinion 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 opinion.

### **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 Wadsworth, Medina County, Ohio, as of December 31, 2019, and the respective changes in financial position and, where applicable, cash flows thereof and the budgetary comparison for the General Fund thereof for the year then ended in accordance with the accounting principles generally accepted in the United States of America.

### **Emphasis of Matter**

As discussed in Note 25 to the financial statements, the financial impact of COVID-19 and ensuing emergency measures will impact subsequent periods of the City. We did not modify our opinion regarding this matter.

### **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 and OPEB liabilities and pension and OPEB 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 an opinion on the financial statements that collectively comprise the City of Wadsworth, 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 July 24, 2020, 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.***  
July 24, 2020

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## CITY OF WADSWORTH, OHIO

### MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE YEAR ENDED DECEMBER 31, 2019 (UNAUDITED)

The management's discussion and analysis of the City of Wadsworth's (the "City") financial performance provides an overall review of the City's financial activities for the year ended December 31, 2019. The intent of this discussion and analysis is to look at the City's financial performance as a whole; readers should also review the basic financial statements and the notes to the basic financial statements to enhance their understanding of the City's financial performance.

#### **Financial Highlights**

Key financial highlights for 2019 are as follows:

- The total net position of the City increased \$9,194,028 in 2019 from a balance of \$128,460,154 in 2018 to the ending net position of \$137,654,182. Net position of governmental activities increased \$8,248,246 or 19.01% from 2018's net position and net position of business-type activities increased \$945,782 or 1.11% from 2018's net position.
- General revenues accounted for \$16,366,020 or 71.02% of total governmental activities revenue. Program specific revenues accounted for \$6,676,834 or 28.98% of total governmental activities revenue.
- The City had \$14,404,806 in expenses related to governmental activities; \$6,676,834 of these expenses were offset by program specific charges for services, grants or contributions. The remaining expenses of the governmental activities of \$7,727,972 were offset by general revenues (primarily incomes taxes, property and other local taxes and unrestricted grants and entitlements) of \$16,366,020.
- The City's major governmental fund is the general fund. The general fund had revenues and other financing sources of \$12,309,244 in 2019. The general fund had expenditures and other financing uses of \$11,049,176 in 2019. The net increase in fund balance for the general fund was \$1,260,068 or 13.99%. This increase was mainly a result of increased investment income and a decrease in expenditures for 2019.
- Net position for the business-type activities, which is made up of the storm water, telecom, sewer, water, electric, and sanitation major enterprise funds, increased in 2019 by \$945,782. This increase in net position was due primarily to adequate charges for services revenue to cover operating expenses.
- In the general fund, the actual revenues and other financing sources were \$35,108 more than they were in the final budget due to higher investment income, economic growth, and advances not being budgeted. Actual expenditures and other financing uses were \$686,677 less than the amount in the final budget. The reduction from budget to actual expenditures was a result of conservative spending in general government and security of persons and property. Budgeted revenues increased \$18,250 from original to the final budget and budgeted expenditures increased \$138,434 from original to the final budget.
- During 2019, there was a significant change in the Net OPEB liability for Ohio Police & Fire. This resulted in a significant decrease in security of persons and property on the statement of activities.

#### **Using this Annual Financial Report**

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

The statement of net position and statement of activities provide information about the activities of the City as a whole, 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.

## CITY OF WADSWORTH, OHIO

### MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE YEAR ENDED DECEMBER 31, 2019 (UNAUDITED)

The fund financial statements also look at the City's most significant funds with all other nonmajor funds presented in total in one column.

#### **Reporting the City as a Whole**

##### *Statement of Net Position and the Statement of Activities*

While this document contains a large number of funds used by the City to provide programs and activities, the view of the City as a whole looks at all financial transactions and asks the question, "How did we do financially during 2019?" The statement of net position and the statement of activities answer this question. These statements include all (non-fiduciary) assets, deferred outflows, liabilities, deferred inflows, revenues and expenses using the accrual basis of accounting similar to the accounting used by most private-sector companies. This basis of accounting will take 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 that 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 tax base, current tax laws in Ohio restricting revenue growth, facility conditions, required community programs 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 reported here include: public safety, street maintenance, capital improvements and general administration. These services are funded primarily by income taxes, property and other local taxes and intergovernmental revenues including federal and state grants and other shared revenues.

Business-type activities - These services are provided on a charge for services basis to recover all or a significant portion of the expenses of the services provided. The City's storm water, telecom, sewer, water, electric, and sanitation operations are reported here.

#### **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 segregated for specific activities or objectives. The City, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the City can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

Fund financial reports provide detailed information about the City's major funds. The City uses many funds to account for a multitude of financial transactions. However, these fund financial statements focus on the City's most significant funds.

##### *Governmental Funds*

Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year.

**CITY OF WADSWORTH, OHIO**

**MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED DECEMBER 31, 2019  
(UNAUDITED)**

Such information may be useful in evaluating a government's near-term financing requirements.

Because the focus of the governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, the readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The City maintains a multitude of individual governmental funds. The City has segregated these funds into major funds and nonmajor funds. The City's major governmental fund is the general fund. Information for major funds is presented separately in the governmental fund balance sheet and in the governmental statement of revenues, expenditures, and changes in fund balances. Data from the other governmental funds are combined into a single, aggregated presentation.

***Proprietary Funds***

The City maintains two different types of proprietary funds, enterprise and internal service. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The City uses enterprise funds to account for its storm water, telecommunications, sewer, water, electric, and sanitation functions. The City's enterprise funds are considered major funds. Internal service funds are an accounting device used to accumulate and allocate costs internally among the City's various functions. The City uses internal service funds to account for its fleet maintenance, information technology, health & workers compensation self-insurance, and benefit reserves.

***Fiduciary Funds***

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

***Notes to the Basic Financial Statements***

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

***Required Supplementary Information***

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the City's net pension asset/liability and net OPEB liability, along with contributions to the pension systems.

**Government-Wide Financial Analysis**

The statement of net position provides the perspective of the City as a whole. The table on the following page provides a summary of the City's net position for 2019 compared to 2018.

**CITY OF WADSWORTH, OHIO**

MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED DECEMBER 31, 2019  
(UNAUDITED)

	<b>Net Position</b>					
	2019	2018	2019	2018	2019	2018
	<u>Governmental</u>	<u>Governmental</u>	<u>Business-type</u>	<u>Business-type</u>	<u>2019</u>	<u>2018</u>
	<u>Activities</u>	<u>Activities</u>	<u>Activities</u>	<u>Activities</u>	<u>Total</u>	<u>Total</u>
<u>Assets</u>						
Current and other assets	\$ 36,242,711	\$ 31,894,920	\$ 37,268,578	\$ 34,910,901	\$ 73,511,289	\$ 66,805,821
Capital assets, net	<u>60,741,010</u>	<u>60,662,494</u>	<u>88,774,447</u>	<u>91,488,330</u>	<u>149,515,457</u>	<u>152,150,824</u>
Total assets	<u>96,983,721</u>	<u>92,557,414</u>	<u>126,043,025</u>	<u>126,399,231</u>	<u>223,026,746</u>	<u>218,956,645</u>
Deferred outflows	<u>8,742,340</u>	<u>5,863,633</u>	<u>3,771,216</u>	<u>1,728,343</u>	<u>12,513,556</u>	<u>7,591,976</u>
<u>Liabilities</u>						
Long-term liabilities	48,690,955	48,338,921	40,543,610	2,682,864	89,234,565	51,021,785
Other liabilities	<u>1,355,379</u>	<u>1,091,014</u>	<u>2,774,852</u>	<u>38,457,182</u>	<u>4,130,231</u>	<u>39,548,196</u>
Total liabilities	<u>50,046,334</u>	<u>49,429,935</u>	<u>43,318,462</u>	<u>41,140,046</u>	<u>93,364,796</u>	<u>90,569,981</u>
Deferred inflows	<u>4,053,485</u>	<u>5,613,116</u>	<u>467,839</u>	<u>1,905,370</u>	<u>4,521,324</u>	<u>7,518,486</u>
<u>Net Position</u>						
Net investment						
in capital assets	44,105,660	42,064,162	67,774,899	68,618,524	111,880,559	110,682,686
Restricted	9,382,380	7,939,948	-	-	9,382,380	7,939,948
Unrestricted	<u>(1,861,798)</u>	<u>(6,626,114)</u>	<u>18,253,041</u>	<u>16,463,634</u>	<u>16,391,243</u>	<u>9,837,520</u>
Total net position	<u>\$ 51,626,242</u>	<u>\$ 43,377,996</u>	<u>\$ 86,027,940</u>	<u>\$ 85,082,158</u>	<u>\$ 137,654,182</u>	<u>\$ 128,460,154</u>

Over time, net position can serve as a useful indicator of a government's financial position. At December 31, 2019, the City's assets and deferred outflows exceeded liabilities and deferred inflows by \$137,654,182. At year-end, net position was \$51,626,242 and \$86,027,940 for the governmental activities and the business-type activities, respectively.

As of December 31, 2019, the City's governmental activities unrestricted net position was (\$1,861,798). A portion of the City's net position, \$9,382,380 represents resources that are subject to external restriction on how they may be used.

Capital assets reported on the government-wide statements represent the largest portion of the City's net position. At year-end, capital assets net represented 67.04% of total assets. Capital assets include land, land improvements, buildings, building improvements, equipment, vehicles, intangible assets, construction in progress and infrastructure. The net investment in capital assets at December 31, 2019, was \$44,105,660 and \$67,774,899 in the governmental activities and business-type activities, respectively. 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.

**CITY OF WADSWORTH, OHIO**

**MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED DECEMBER 31, 2019  
(UNAUDITED)**

The table below shows the changes in net position for years 2019 and 2018.

**Change in Net Position**

	2019 Governmental Activities	2018 Governmental Activities	2019 Business-Type Activities	2018 Business-Type Activities	2019 Total	2018 Total
<b>Revenues</b>						
Program revenues:						
Charges for services and sales	\$ 4,046,009	\$ 4,014,268	\$ 49,644,224	\$ 52,207,505	\$ 53,690,233	\$ 56,221,773
Operating grants and contributions	1,897,477	1,211,163	-	-	1,897,477	1,211,163
Capital grants and contributions	<u>733,348</u>	<u>1,251,637</u>	<u>571,218</u>	<u>1,186,468</u>	<u>1,304,566</u>	<u>2,438,105</u>
Total program revenues	<u>6,676,834</u>	<u>6,477,068</u>	<u>50,215,442</u>	<u>53,393,973</u>	<u>56,892,276</u>	<u>59,871,041</u>
General revenues:						
Taxes	14,205,065	14,388,345	-	-	14,205,065	14,388,345
Unrestricted grants and entitlements	955,974	791,624	-	-	955,974	791,624
Investment earnings	1,049,106	748,380	-	423	1,049,106	748,803
Miscellaneous	<u>155,875</u>	<u>238,037</u>	<u>404,425</u>	<u>230,128</u>	<u>560,300</u>	<u>468,165</u>
Total general revenues	<u>16,366,020</u>	<u>16,166,386</u>	<u>404,425</u>	<u>230,551</u>	<u>16,770,445</u>	<u>16,396,937</u>
Total revenues	<u>23,042,854</u>	<u>22,643,454</u>	<u>50,619,867</u>	<u>53,624,524</u>	<u>73,662,721</u>	<u>76,267,978</u>
Expenses:						
General government	3,131,390	3,970,706	-	-	3,131,390	3,970,706
Security of persons and property	2,794,514	8,592,269	-	-	2,794,514	8,592,269
Public health	126,524	126,351	-	-	126,524	126,351
Transportation	4,712,460	3,568,642	-	-	4,712,460	3,568,642
Community and economic development	937,301	487,254	-	-	937,301	487,254
Leisure time services	2,028,491	1,747,771	-	-	2,028,491	1,747,771
Interest and fiscal charges	674,126	687,349	-	-	674,126	687,349
Telecom	-	-	5,421,416	5,172,951	5,421,416	5,172,951
Sewer	-	-	4,130,016	3,682,447	4,130,016	3,682,447
Water	-	-	3,569,061	3,796,867	3,569,061	3,796,867
Electric	-	-	33,757,226	34,759,321	33,757,226	34,759,321
Sanitation	-	-	2,321,866	2,032,266	2,321,866	2,032,266
Storm water	-	-	864,302	728,796	864,302	728,796
Total expenses	<u>14,404,806</u>	<u>19,180,342</u>	<u>50,063,887</u>	<u>50,172,648</u>	<u>64,468,693</u>	<u>69,352,990</u>
Increase in net position before transfers	8,638,048	3,463,112	555,980	3,451,876	9,194,028	6,914,988
Transfers	<u>(389,802)</u>	<u>(91,757)</u>	<u>389,802</u>	<u>91,757</u>	-	-
Change in net position	8,248,246	3,371,355	945,782	3,543,633	9,194,028	6,914,988
Net position at						
beginning of year	<u>43,377,996</u>	<u>40,006,641</u>	<u>85,082,158</u>	<u>81,538,525</u>	<u>128,460,154</u>	<u>121,545,166</u>
Net position at end of year	<u>\$ 51,626,242</u>	<u>\$ 43,377,996</u>	<u>\$ 86,027,940</u>	<u>\$ 85,082,158</u>	<u>\$ 137,654,182</u>	<u>\$ 128,460,154</u>

**CITY OF WADSWORTH, OHIO**

MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED DECEMBER 31, 2019  
(UNAUDITED)

The City's statement of activities prepared on an accrual basis of accounting includes an annual pension expense and an annual OPEB expense equal to its proportionate share of the each plan's change in the net pension liability and net OPEB liability or asset, not accounted for as deferred inflows/outflows.

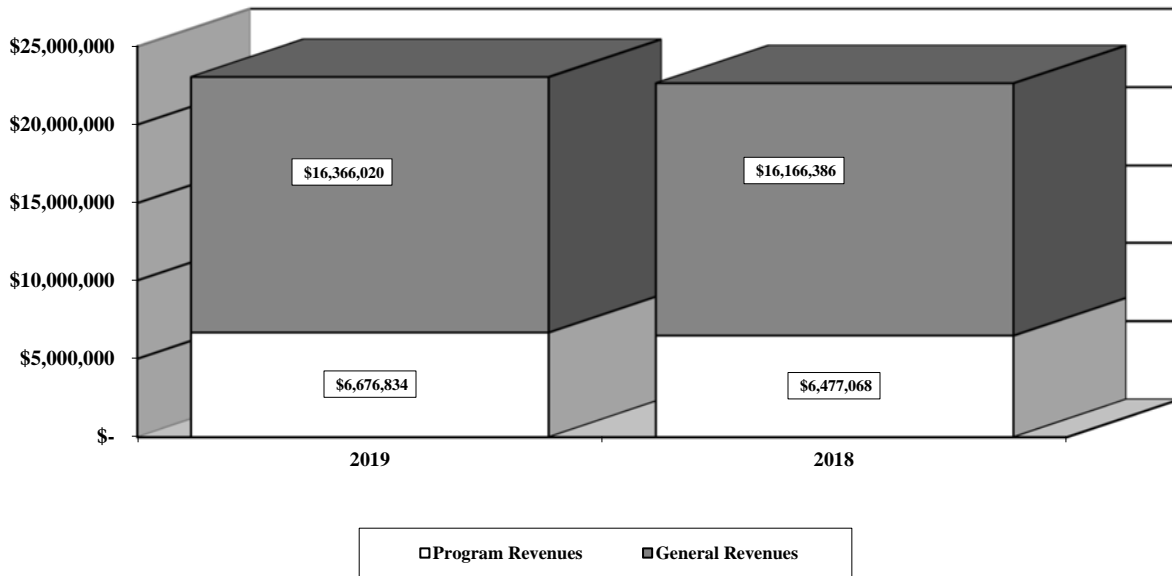
Users of this financial statement will gain a clearer understanding of the City's actual financial condition by adding deferred inflows related to pension and OPEB, the net pension liability, and the net OPEB liability to the reported net position and subtracting deferred outflows related to pension and OPEB and the net pension asset.

**Governmental Activities**

Governmental activities net position increased \$8,248,246 in 2019.

General revenues totaled \$16,366,020 and amounted to 71.02% of total governmental revenues. These revenues primarily consist of income taxes, and property and other local tax revenue of \$14,205,065 which is 1.27% lower than 2018. The change \$183,280 change in taxes from the prior year is mainly due to adjustments for accruals from year to year. The other primary source of general revenues is grants and entitlements not restricted to specific programs, including local government funds, making up \$955,974. The City received \$1,897,477 in operating grants and contributions, primarily from the State and Federal government.

**Governmental Activities - General and Program Revenues**



The dependence upon general revenues for governmental activities is apparent, with 53.65% of expenses supported through taxes and other general revenues.

Security of persons and property, which primarily supports the operations of the police, fire, and EMS departments, accounted for \$2,794,514 or 19.40% of the total governmental expenses. These expenses were partially funded by \$1,656,823 in direct charges to users of the services and \$3,701 in operating grants and contributions. Transportation expenses totaled \$4,712,460 or 32.71% of total governmental expenses. These expenses were partially funded by \$215,167 in direct charges to users of the services, \$1,748,847 in operating grants and contributions, and \$637,548 in capital grants and contributions.

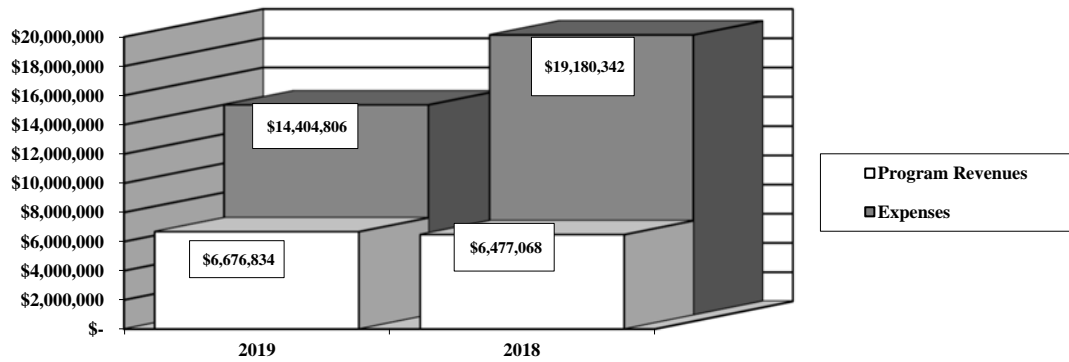
**CITY OF WADSWORTH, OHIO**

**MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED DECEMBER 31, 2019  
(UNAUDITED)**

As stated above, the significant decrease in security of persons and property expenses was the result of structural changes made in the Ohio Police and Fire Pension Fund which decreased the OPEB liability.

The statement of activities shows the cost of program services and the charges for services and grants offsetting those services. The following table shows, for governmental activities, the total cost of services and the program revenues for those services. That is, it identifies the cost of these services supported by tax revenue and unrestricted state grants and entitlements. As can be seen in the graph below, the City is highly dependent upon property and income taxes as well as unrestricted grants and entitlements to support its governmental activities.

**Governmental Activities - Program Revenues vs. Total Expenses**



**Governmental Activities**

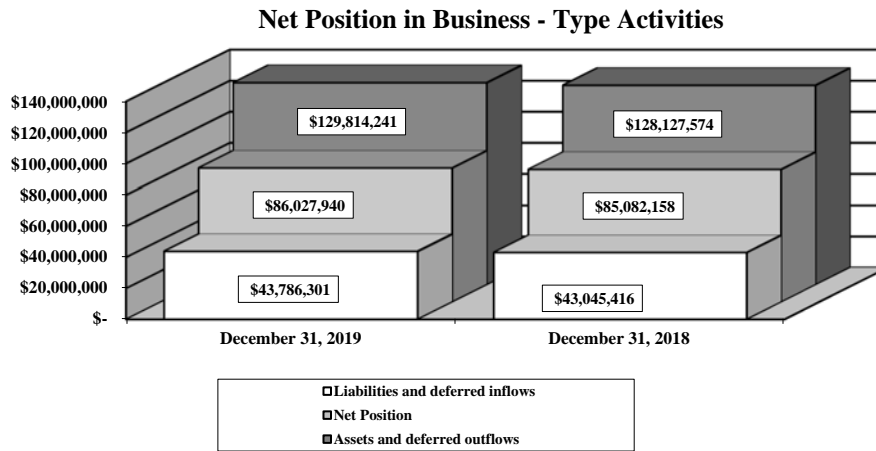
	Total Cost of Services <u>2019</u>	Total Cost of Services <u>2018</u>	Net Cost of Services <u>2019</u>	Net Cost of Services <u>2018</u>
Program Expenses:				
General government	\$ 3,131,390	\$ 3,970,706	\$ 2,332,957	\$ 3,185,313
Security of persons and property	2,794,514	8,592,269	1,133,990	7,187,246
Public health and welfare	126,524	126,351	126,524	126,351
Transportation	4,712,460	3,568,642	2,110,898	863,860
Leisure time services	2,028,491	1,747,771	888,538	462,762
Community and economic development	937,301	487,254	460,939	190,393
Interest and fiscal charges	<u>674,126</u>	<u>687,349</u>	<u>674,126</u>	<u>687,349</u>
<b>Total Expenses</b>	<b><u>\$ 14,404,806</u></b>	<b><u>\$ 19,180,342</u></b>	<b><u>\$ 7,727,972</u></b>	<b><u>\$ 12,703,274</u></b>

**CITY OF WADSWORTH, OHIO**

MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED DECEMBER 31, 2019  
(UNAUDITED)

**Business-Type Activities**

Business-type activities include the storm water, telecom, sewer, water, electric and sanitation enterprise funds. These programs had program revenues of \$50,215,442 and expenses of \$50,063,887 for 2019. The graph below shows the business-type activities assets, liabilities and net position at year-end 2019 and 2018.



**Financial Analysis of the Government's Funds**

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

**Governmental Funds**

The focus of the City's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the City's financing requirements. In particular, unassigned fund balance may serve as a useful measure of the City's net resources available for spending at year-end.

The City's governmental funds (as presented on the balance sheet on page 22) reported a combined fund balance of \$24,944,783 which is \$2,474,847 more than last year's total of \$22,469,936. The schedule below indicates the fund balances and the total change in fund balances as of December 31, 2019 for all major and nonmajor governmental funds.

	Fund Balances 12/31/19	Fund Balances 12/31/18	Increase
General	\$ 10,264,663	\$ 9,004,595	\$ 1,260,068
Other nonmajor governmental funds	14,680,120	13,465,341	1,214,779
<b>Total</b>	<b>\$ 24,944,783</b>	<b>\$ 22,469,936</b>	<b>\$ 2,474,847</b>



**CITY OF WADSWORTH, OHIO**

MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED DECEMBER 31, 2019  
(UNAUDITED)

**General Fund**

The City's general fund balance increased \$1,260,068. The table that follows assists in illustrating the revenues of the general fund.

	<u>2019</u> <u>Amount</u>	<u>2018</u> <u>Amount</u>	<u>Percentage</u> <u>Change</u>
<b><u>Revenues</u></b>			
Taxes	\$ 9,090,485	\$ 9,450,321	(3.81) %
Charges for services	280,322	529,846	(47.09) %
Licenses and permits	435,811	452,867	(3.77) %
Fines and forfeitures	445,981	437,341	1.98 %
Investment income	1,049,106	748,380	40.18 %
Intergovernmental	790,997	650,340	21.63 %
Other	<u>208,735</u>	<u>263,577</u>	(20.81) %
Total	<u>\$ 12,301,437</u>	<u>\$ 12,532,672</u>	(1.85) %

Tax revenue represents 73.90% of all general fund revenue. There was an overall decrease of \$231,235 in revenues in the general fund for 2019. As noted above, there was an increase of \$300,726 in investment income due to higher interest rates and a decrease of \$359,836 in taxes.

The table that follows assists in illustrating the expenditures of the general fund.

	<u>2019</u> <u>Amount</u>	<u>2018</u> <u>Amount</u>	<u>Percentage</u> <u>Change</u>
<b><u>Expenditures</u></b>			
General government	\$ 3,270,549	\$ 3,027,478	8.03 %
Security of persons and property	5,499,530	5,229,731	5.16 %
Public health	124,871	124,453	0.34 %
Community and economic development	284,704	296,943	(4.12) %
Leisure time services	1,467,499	1,268,253	15.71 %
Transportation	152	135	12.59 %
Debt service	<u>6,239</u>	<u>6,238</u>	0.02 %
Total	<u>\$ 10,653,544</u>	<u>\$ 9,953,231</u>	7.04 %

Total expenditures increased 7.04% from 2018. This increase is due to increases in the area of general government and leisure time services.

**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. From time to time during the year, the fund's budget may be amended as needs of conditions change.

## CITY OF WADSWORTH, OHIO

### MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE YEAR ENDED DECEMBER 31, 2019 (UNAUDITED)

The City made several revisions to the original appropriations approved by City Council. Overall, these changes resulted in an increase of \$138,434 from the original budgeted expenditures and other financing uses to the final budgeted expenditures and other financing uses. The City's general fund actual expenditures were \$1,055,389, less than the final appropriations, excluding advances out, which are not legally required to be budgeted. Furthermore, the City's budgeting philosophy is conservative, as we budget expenditures higher than expected.

The City's actual revenues, excluding other financing sources, were only \$191 or .002% less than budgeted revenues.

#### ***Proprietary Funds***

The City's proprietary funds provide the same type of information found in the government-wide financial statements for business-type activities, except in more detail. The only difference between the amounts reported as business-type activities and the amounts reported in the proprietary fund statements are interfund eliminations between proprietary funds and internal balances due from governmental activities for internal service activities.

The storm water fund had operating revenues of \$897,617 and operating expenses of \$855,244 in 2019. The storm water fund also had non-operating expense of \$9,058, transfers in of \$3,821 and capital contributions of \$411,555. The net increase in net position for the storm water fund was \$448,691 or 3.08%.

The telecom fund had operating revenues of \$6,151,938 and operating expenses of \$5,408,823 in 2019. The telecom fund also had non-operating expenses of \$6,005 and transfers in of \$18,023. The net increase in net position for the telecom fund was \$755,133 or 30.18%.

The sewer fund had operating revenues of \$4,005,137 and operating expenses of \$3,694,348 in 2019. The sewer fund also had non-operating revenues of \$1,300, non-operating expenses of \$398,216 and transfers in of \$27,380. The net decrease in net position for the sewer fund was \$58,747 or 0.39%.

The water fund had operating revenues of \$3,359,702 and operating expenses of \$3,262,959 in 2019. The water fund also had non-operating revenues of \$880, non-operating expenses of \$340,051, transfers in of \$51,041, and capital contributions of \$225,873. The net increase in net position for the water fund was \$34,486 or 0.19%.

The electric fund had operating revenues of \$32,807,569 and operating expenses of \$33,446,474 in 2019. The electric fund also had non-operating revenues of \$2,273 and non-operating expenses of \$316,157. The electric fund also transfers in of 155,610 and capital contributions of \$54,921. The net decrease in net position for the electric fund was \$742,258 or 2.34%.

The sanitation fund had operating revenues of \$2,813,733 and operating expenses of \$2,428,311 in 2019. The sanitation fund also had transfers in of \$12,796 and non-operating revenues of \$8,500. The net increase in net position for the sanitation fund was \$406,718 or 13.73%.

#### **Capital Assets and Debt Administration**

##### ***Capital Assets***

At the end of 2019, the City had \$149,515,457 (net of accumulated depreciation) invested in land, construction in progress, land improvements, buildings, equipment, vehicles, intangible assets and infrastructure. Of this total, \$60,741,010 was reported in governmental activities and \$88,774,447 was reported in business-type activities. The following table shows 2019 capital asset balances compared to 2018 balances:

**CITY OF WADSWORTH, OHIO**

MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED DECEMBER 31, 2019  
(UNAUDITED)

**Capital Assets at December 31  
(Net of Depreciation)**

	Governmental Activities		Business-Type Activities		Total	
	2019	2018	2019	2018	2019	2018
Land	\$ 5,175,239	\$ 5,175,239	\$ 709,335	\$ 709,335	\$ 5,884,574	\$ 5,884,574
Construction in progress	4,939,230	4,678,218	302,059	235,031	5,241,289	4,913,249
Intangible assets	20,147,983	20,333,218	708,456	750,033	20,856,439	21,083,251
Land improvements	2,421,118	2,447,476	168,489	135,624	2,589,607	2,583,100
Buildings	5,633,829	5,871,340	12,647,328	13,007,354	18,281,157	18,878,694
Equipment	977,146	1,014,167	8,112,262	8,678,525	9,089,408	9,692,692
Vehicles	2,401,058	2,378,827	2,998,988	2,858,265	5,400,046	5,237,092
Infrastructure	19,045,407	18,764,009	63,127,530	65,114,163	82,172,937	83,878,172
Totals	<u>\$ 60,741,010</u>	<u>\$ 60,662,494</u>	<u>\$ 88,774,447</u>	<u>\$ 91,488,330</u>	<u>\$ 149,515,457</u>	<u>\$ 152,150,824</u>

The City's largest capital asset category is infrastructure which includes roads, water lines, electric lines and sewer lines. These items are immovable and of value only to the City, however, the annual cost of purchasing these items is quite significant. The net book value of the City's infrastructure (cost less accumulated depreciation) represents approximately 54.96% of the City's total capital assets. See Note 12 to the basic financial statements for additional capital asset detail.

**Debt Administration**

The City had the following long-term obligations outstanding at December 31, 2019 and 2018:

	Governmental Activities	
	2019	2018
Revenue bonds	\$ 16,960,215	\$ 17,591,922
Special assessment bonds	1,268,489	1,321,474
General obligation bonds	876,608	913,651
OPWC loan	608,054	663,332
Police and fire past service costs	70,154	73,361
Total long-term obligations	<u>\$ 19,783,520</u>	<u>\$ 20,563,740</u>
	Business-type Activities	
	2019	2018
General obligation bonds	\$ 10,336,429	\$ 10,645,801
OWDA loans	10,965,404	12,153,195
OPWC loans	61,626	67,228
AMP stranded costs	2,198,709	2,767,503
AMP Loan	1,222,689	1,846,689
Total long-term obligations	<u>\$ 24,784,857</u>	<u>\$ 27,480,416</u>

## CITY OF WADSWORTH, OHIO

### MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE YEAR ENDED DECEMBER 31, 2019 (UNAUDITED)

See Note 16 to the basic financial statements for detail on the City's long-term obligations.

#### **Economic Factors**

The City's annual budget utilizes conservative revenue estimates combined with limited spending increases. Residential citizens and businesses enjoy a wide range of utility services at competitive and sometimes below market prices. In tough economic times, the City strives to maintain services with minimal fee increases. The level of services remained consistent in 2019.

In 2016, the City changed third party administrator's for the collection of income tax resulting in lower contractual services cost. Income tax revenues continue to increase from compliance and economic growth within the community, both residential and industrial. The City has seen steady growth in the last three years from property values increasing as well as an increase in new construction. This growth resulted in an increase in assessed valuation of \$77,632,680 or 17.04% from 2016.

City council and administration continues to pursue new revenue sources, while reviewing the possibility of increasing existing revenue sources, in addition to a continued review of reducing expenditures. City council and administration seeks out ways to attract new businesses to Wadsworth through continued enhancements to utility services and economic development incentives. A close watch of current economic conditions is ongoing to determine if increased revenues, or further reductions in expenditures, are necessary in order to maintain fiscal stability.

The United States, the State of Ohio and the City all declared a state of emergency in March 2020 due to the global Coronavirus Disease (COVID-19) pandemic. The financial impact of COVID-19 on the City's 2020 revenues is being monitored closely and spending is being restricted to essential or critical needs. The overall impact on the City's future revenues cannot be estimated at this time.

#### **Contacting the City's Financial Management**

This financial report is designed to provide our citizens, taxpayers, investors and creditors with a general overview of the city's finances and to show the city's accountability for the money it receives. Additional information about the City is available on our website [www.wadsworthcity.org](http://www.wadsworthcity.org). If you have questions about this report or need additional financial information, please contact the Finance Office of Catherine Fix, CPA, City of Wadsworth, 120 Maple Street, Wadsworth, Ohio 44281, (330) 335-2742, [cityauditor@wadsworthcity.org](mailto:cityauditor@wadsworthcity.org).

**BASIC  
FINANCIAL STATEMENTS**

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**CITY OF WADSWORTH  
MEDINA COUNTY, OHIO**

STATEMENT OF NET POSITION  
DECEMBER 31, 2019

	Primary Government		
	Governmental Activities	Business-type Activities	Total
<b>Assets:</b>			
Equity in pooled cash and cash equivalents.....	\$ 22,778,146	\$ 28,025,879	\$ 50,804,025
Cash with fiscal and escrow agents.....	-	1,472	1,472
Cash in segregated accounts	296,312	-	296,312
Receivables:			
Income taxes.....	4,797,551	-	4,797,551
Real and other taxes.....	2,815,168	-	2,815,168
Accounts.....	1,030,263	7,363,863	8,394,126
Special assessments.....	124,725	-	124,725
Accrued interest.....	4,537	-	4,537
Due from other governments.....	1,170,724	32,663	1,203,387
Assets held for resale.....	-	248,854	248,854
Materials and supplies inventory.....	957,217	1,893,445	2,850,662
Prepayments.....	233,975	152,910	386,885
AMPGS plant held for future use credit.....	-	522,345	522,345
Net pension asset.....	54,520	52,170	106,690
AFEC development costs receivable.....	-	442,429	442,429
Investment in joint venture.....	-	512,121	512,121
Internal balance.....	1,979,573	(1,979,573)	-
Capital assets:			
Land and construction in progress.....	14,002,401	1,351,660	15,354,061
Depreciable capital assets, net.....	46,738,609	87,422,787	134,161,396
Total capital assets, net.....	60,741,010	88,774,447	149,515,457
Total assets.....	96,983,721	126,043,025	223,026,746
<b>Deferred outflows of resources:</b>			
Unamortized deferred charges on debt refunding.....	1,267,704	363,911	1,631,615
Pension.....	6,395,524	3,008,541	9,404,065
OPEB.....	1,079,112	398,764	1,477,876
Total deferred outflows of resources.....	8,742,340	3,771,216	12,513,556
Total assets and deferred outflows of resources.....	105,726,061	129,814,241	235,540,302
<b>Liabilities:</b>			
Accounts payable.....	71,593	2,206,319	2,277,912
Contracts payable.....	209,799	146,971	356,770
Accrued wages and benefits payable.....	432,344	267,202	699,546
Due to other governments.....	88,550	134,806	223,356
Accrued interest payable.....	48,324	18,082	66,406
Matured interest payable.....	128	1,472	1,600
Claims payable.....	504,641	-	504,641
Long-term liabilities:			
Due within one year.....	1,239,406	3,399,583	4,638,989
Net OPEB liability.....	6,013,681	4,608,160	10,621,841
Net pension liability.....	20,945,010	9,767,075	30,712,085
Other amounts due in more than one year.....	20,492,858	22,768,792	43,261,650
Total liabilities.....	50,046,334	43,318,462	93,364,796
<b>Deferred inflows of resources:</b>			
Property taxes levied for the next fiscal year.....	2,712,162	-	2,712,162
OPEB.....	711,179	126,814	837,993
Pension.....	630,144	341,025	971,169
Total deferred inflows of resources.....	4,053,485	467,839	4,521,324
Total liabilities and deferred inflows of resources.....	54,099,819	43,786,301	97,886,120
<b>Net position:</b>			
Net investment in capital assets.....	44,105,660	67,774,899	111,880,559
Restricted for:			
Debt service.....	303,483	-	303,483
Capital projects.....	4,914,887	-	4,914,887
Transportation projects.....	1,054,208	-	1,054,208
Community improvements.....	485,852	-	485,852
Emergency medical services.....	1,363,692	-	1,363,692
Fire.....	8,819	-	8,819
Police.....	294,492	-	294,492
Municipal court.....	956,947	-	956,947
Unrestricted (deficit).....	(1,861,798)	18,253,041	16,391,243
Total net position.....	\$ 51,626,242	\$ 86,027,940	\$ 137,654,182

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**CITY OF WADSWORTH  
MEDINA COUNTY, OHIO**

STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED DECEMBER 31, 2019

	<u>Expenses</u>	<u>Program Revenues</u>		
		<u>Charges for Services and Sales</u>	<u>Operating Grants and Contributions</u>	<u>Capital Grants and Contributions</u>
<b>Governmental activities:</b>				
Current:				
General government.....	\$ 3,131,390	\$ 688,537	\$ 14,096	\$ 95,800
Security of persons and property.....	2,794,514	1,656,823	3,701	-
Public health.....	126,524	-	-	-
Transportation.....	4,712,460	215,167	1,748,847	637,548
Leisure time services.....	2,028,491	1,139,953	-	-
Community and economic development.....	937,301	345,529	130,833	-
Interest and fiscal charges.....	674,126	-	-	-
Total governmental activities.....	<u>14,404,806</u>	<u>4,046,009</u>	<u>1,897,477</u>	<u>733,348</u>
<b>Business-type activities:</b>				
Telecom.....	5,421,416	6,091,589	-	-
Sewer.....	4,130,016	4,003,504	-	-
Water.....	3,569,061	3,224,409	-	218,000
Electric.....	33,757,226	32,621,773	-	53,484
Sanitation.....	2,321,866	2,805,332	-	-
Storm Water.....	864,302	897,617	-	299,734
Total business-type activities.....	<u>50,063,887</u>	<u>49,644,224</u>	<u>-</u>	<u>571,218</u>
Total primary government.....	<u>\$ 64,468,693</u>	<u>\$ 53,690,233</u>	<u>\$ 1,897,477</u>	<u>\$ 1,304,566</u>

**General revenues:**

Property and other local taxes levied for:

General purposes.....  
Capital projects.....  
Emergency medical services.....  
Other.....

Income taxes for:

General purposes.....  
Capital projects.....  
Debt service.....  
Special revenue funds.....

Grants and entitlements not restricted  
to specific programs.....

Investment earnings.....  
Miscellaneous.....

Total general revenues.....

Transfers.....

Total general revenues and transfers.....

Change in net position.....

**Net position at beginning of year.....**

**Net position at end of year.....**

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS



**Net (Expense) Revenue  
and Changes in Net Position**

<u>Governmental Activities</u>	<u>Business-type Activities</u>	<u>Total</u>
\$ (2,332,957)	\$ -	\$ (2,332,957)
(1,133,990)	-	(1,133,990)
(126,524)	-	(126,524)
(2,110,898)	-	(2,110,898)
(888,538)	-	(888,538)
(460,939)	-	(460,939)
(674,126)	-	(674,126)
<u>(7,727,972)</u>	<u>-</u>	<u>(7,727,972)</u>
-	670,173	670,173
-	(126,512)	(126,512)
-	(126,652)	(126,652)
-	(1,081,969)	(1,081,969)
-	483,466	483,466
-	333,049	333,049
<u>-</u>	<u>151,555</u>	<u>151,555</u>
<u>(7,727,972)</u>	<u>151,555</u>	<u>(7,576,417)</u>
2,142,431	-	2,142,431
131,353	-	131,353
1,096,908	-	1,096,908
59,500	-	59,500
7,101,000	-	7,101,000
1,724,857	-	1,724,857
708,305	-	708,305
1,240,711	-	1,240,711
955,974	-	955,974
1,049,106	-	1,049,106
155,875	404,425	560,300
<u>16,366,020</u>	<u>404,425</u>	<u>16,770,445</u>
<u>(389,802)</u>	<u>389,802</u>	<u>-</u>
<u>15,976,218</u>	<u>794,227</u>	<u>16,770,445</u>
8,248,246	945,782	9,194,028
43,377,996	85,082,158	128,460,154
<u>\$ 51,626,242</u>	<u>\$ 86,027,940</u>	<u>\$ 137,654,182</u>

**CITY OF WADSWORTH  
MEDINA COUNTY, OHIO**

BALANCE SHEET  
GOVERNMENTAL FUNDS  
DECEMBER 31, 2019

	General	Other Governmental Funds	Total Governmental Funds
<b>Assets:</b>			
Equity in pooled cash and cash equivalents.....	\$ 7,709,994	\$ 12,872,588	\$ 20,582,582
Cash in segregated accounts.....	6,275	290,037	296,312
Receivables:			
Income taxes.....	3,288,072	1,509,479	4,797,551
Real and other taxes.....	1,504,602	1,310,566	2,815,168
Accounts.....	100,913	929,350	1,030,263
Special assessments.....	2,200	122,525	124,725
Interfund loans.....	1,698,742	2,167,879	3,866,621
Accrued interest.....	4,537	-	4,537
Due from other funds.....	76,582	-	76,582
Due from other governments.....	331,541	839,183	1,170,724
Materials and supplies inventory.....	187,945	408,935	596,880
Prepayments.....	78,137	30,279	108,416
Total assets.....	\$ 14,989,540	\$ 20,480,821	\$ 35,470,361
<b>Liabilities:</b>			
Accounts payable.....	\$ 28,684	\$ 21,151	\$ 49,835
Contracts payable.....	10,139	193,660	203,799
Accrued wages and benefits payable .....	289,417	101,965	391,382
Compensated absences payable.....	51,434	3,355	54,789
Interfund loans payable.....	-	1,597,565	1,597,565
Due to other governments.....	61,904	19,849	81,753
Matured interest payable.....	-	128	128
Total liabilities.....	441,578	1,937,673	2,379,251
<b>Deferred inflows of resources:</b>			
Property taxes levied for the next fiscal year.....	1,469,467	1,242,695	2,712,162
Delinquent property tax revenue not available.....	35,135	29,671	64,806
Special assessments revenue not available.....	2,200	122,525	124,725
Miscellaneous revenue not available.....	50,069	735,494	785,563
Income tax revenue not available.....	2,464,659	1,136,013	3,600,672
Intergovernmental revenue not available.....	261,769	596,630	858,399
Total deferred inflows of resources.....	4,283,299	3,863,028	8,146,327
<b>Fund balances:</b>			
Nonspendable.....	1,964,824	439,214	2,404,038
Restricted.....	-	11,173,737	11,173,737
Committed.....	-	3,452,219	3,452,219
Assigned.....	423,275	-	423,275
Unassigned (deficit).....	7,876,564	(385,050)	7,491,514
Total fund balances.....	10,264,663	14,680,120	24,944,783
Total liabilities, deferred inflows of resources and fund balances.....	\$ 14,989,540	\$ 20,480,821	\$ 35,470,361

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**CITY OF WADSWORTH  
MEDINA COUNTY, OHIO**

RECONCILIATION OF TOTAL GOVERNMENTAL FUND BALANCES TO  
NET POSITION OF GOVERNMENTAL ACTIVITIES  
DECEMBER 31, 2019

<b>Total governmental fund balances</b>		\$	24,944,783
<i>Amounts reported for governmental activities on the statement of net position are different because:</i>			
Capital assets used in governmental activities (excluding internal service funds capital assets) are not financial resources and therefore are not reported in the funds.			60,449,675
Other long-term assets are not available to pay for current-period expenditures and therefore are deferred inflows in the funds.			
Income taxes receivable	\$	3,600,672	
Real and other taxes receivable		64,806	
Accounts receivable		815,844	
Intergovernmental receivable		828,118	
Special assessments receivable		124,725	
Total		5,434,165	
An internal service fund is used by management to charge the costs of insurance to individual funds. The assets and liabilities of the internal service fund are included in governmental activities on the statement of net position.			182,319
Accrued interest payable is not due and payable in the current period and therefore is not reported in the funds.			(48,324)
Unamortized premiums on bond issuances are not recognized in the governmental funds.			(595,312)
Unamortized deferred amounts on refundings are not recognized in the governmental funds.			1,267,704
The net pension asset is not available to pay for current period expenditures; therefore, the asset is not reported in the governmental funds.			46,615
The net pension liability is not due and payable in the current period; therefore, liability and related deferred inflows and deferred outflows are not reported in governmental funds.			(14,115,742)
The net OPEB liability is not available to pay for current period expenditures and are not due and payable in the current period, respectively; therefore, the liability and related deferred inflows/outflows are not reported in governmental funds.			(4,996,966)
Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the funds.			
Compensated absences		(1,754,467)	
Police past service costs		(70,154)	
Special assessment bonds payable		(1,215,000)	
General obligation bonds payable		(840,000)	
Revenue bonds payable		(16,455,000)	
OPWC loan payable		(608,054)	
Total		(20,942,675)	
<b>Net position of governmental activities</b>		\$	51,626,242

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**CITY OF WADSWORTH  
MEDINA COUNTY, OHIO**

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
GOVERNMENTAL FUNDS  
FOR THE YEAR ENDED DECEMBER 31, 2019

	<u>General</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
<b>Revenues:</b>			
Income taxes.....	\$ 6,949,153	\$ 3,507,028	\$ 10,456,181
Real and other taxes.....	2,141,332	1,290,919	3,432,251
Charges for services.....	280,322	2,119,333	2,399,655
Licenses and permits.....	435,811	800	436,611
Fines and forfeitures.....	445,981	138,767	584,748
Intergovernmental.....	790,997	2,012,752	2,803,749
Special assessments.....	539	111,151	111,690
Investment income.....	1,049,106	2,160	1,051,266
Rental income.....	27,149	64,245	91,394
Contributions and donations.....	2,100	2,120	4,220
Refunds and reimbursements.....	952	40,379	41,331
Other.....	177,995	140,420	318,415
Total revenues.....	<u>12,301,437</u>	<u>9,430,074</u>	<u>21,731,511</u>
<b>Expenditures:</b>			
Current:			
General government.....	3,270,549	362,880	3,633,429
Security of persons and property.....	5,499,530	1,950,073	7,449,603
Public health.....	124,871	1,639	126,510
Transportation.....	152	3,627,495	3,627,647
Leisure time services.....	1,467,499	260,164	1,727,663
Community and economic development.....	284,704	644,046	928,750
Capital outlay.....	-	109,090	109,090
Debt service:			
Principal retirement.....	3,207	745,278	748,485
Interest and fiscal charges.....	3,032	634,366	637,398
Total expenditures.....	<u>10,653,544</u>	<u>8,335,031</u>	<u>18,988,575</u>
Excess of revenues over expenditures.....	<u>1,647,893</u>	<u>1,095,043</u>	<u>2,742,936</u>
<b>Other financing sources (uses):</b>			
Sale of capital assets.....	7,807	11,060	18,867
Transfers in.....	-	114,180	114,180
Transfers (out).....	(395,632)	(5,504)	(401,136)
Total other financing sources (uses).....	<u>(387,825)</u>	<u>119,736</u>	<u>(268,089)</u>
Net change in fund balances.....	1,260,068	1,214,779	2,474,847
<b>Fund balances at beginning of year.....</b>	<u>9,004,595</u>	<u>13,465,341</u>	<u>22,469,936</u>
<b>Fund balances at end of year.....</b>	<u>\$ 10,264,663</u>	<u>\$ 14,680,120</u>	<u>\$ 24,944,783</u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**CITY OF WADSWORTH  
MEDINA 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, 2019

<b>Net change in fund balances - total governmental funds</b>	\$	2,474,847
<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. This is the amount by which depreciation expense exceeds capital outlay in the current period.		
Capital asset additions	\$ 1,701,328	
Current year depreciation	<u>(2,016,608)</u>	
Total		(315,280)
The net effect of various miscellaneous transactions involving capital assets (i.e., sales, disposals, trade-ins, and donations) is to decrease net position.		
		473,032
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.		
Income taxes	318,692	
Real and other taxes	(2,059)	
Intergovernmental revenues	220,922	
Special assessments	1,844	
Charges for services	<u>239,267</u>	
Total		778,666
Repayment of bond principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities on the statement of net position.		
		748,485
In the statement of activities, interest is accrued on outstanding bonds and loans, whereas in governmental funds, an interest expenditure is reported when due.		
Decrease in accrued interest payable	2,229	
Amortization of deferred amounts on refunding	(67,015)	
Amortization of bond premiums and discounts	<u>31,735</u>	
Total		(33,051)
Some expenses reported in the statement of activities, such as compensated absences, do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds.		
		81,766
Contractually required pension/OPEB contributions are reported as expenditures in governmental funds; however, the statement of net position reports these amounts as deferred outflows.		
Pension		1,332,578
OPEB		20,151
Except for amounts reported as deferred inflows/outflows, changes in the net pension asset/liability and net OPEB liability are reported as pension/OPEB expense in the statement of activities.		
Pension		(3,339,288)
OPEB		5,779,126
The internal service fund used by management to charge the costs of insurance to individual funds is not reported in the government-wide statement of activities. Governmental fund expenditures and the related internal service fund revenues are eliminated. The net revenue (expense) of the internal service fund is allocated among the governmental activities.		
		<u>247,214</u>
<b>Change in net position of governmental activities</b>	<b>\$</b>	<b><u>8,248,246</u></b>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**CITY OF WADSWORTH  
MEDINA COUNTY, OHIO**

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
**GENERAL FUND**  
FOR THE YEAR ENDED DECEMBER 31, 2019

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues:</b>				
Income taxes	\$ 6,987,230	\$ 6,987,230	\$ 6,754,990	\$ (232,240)
Real and other taxes	2,152,916	2,156,558	2,064,750	(91,808)
Charges for services	403,836	403,836	282,281	(121,555)
Licenses and permits	170,700	170,700	110,546	(60,154)
Fines and forfeitures	549,500	549,500	408,646	(140,854)
Intergovernmental	606,976	621,584	773,125	151,541
Special assessments	1,500	1,500	539	(961)
Investment income	590,649	590,649	1,044,569	453,920
Rental income	23,686	23,686	27,149	3,463
Contributions and donations	200	200	2,100	1,900
Other	203,775	203,775	240,332	36,557
Total Revenues	<u>11,690,968</u>	<u>11,709,218</u>	<u>11,709,027</u>	<u>(191)</u>
<b>Expenditures:</b>				
<i>Current:</i>				
General Government				
Council				
Personal services	71,351	72,801	72,716	85
Other	18,119	18,119	10,184	7,935
Total - council	<u>89,470</u>	<u>90,920</u>	<u>82,900</u>	<u>8,020</u>
Mayor				
Personal services	202,118	202,118	182,826	19,292
Other	84,806	137,806	72,512	65,294
Total - mayor	<u>286,924</u>	<u>339,924</u>	<u>255,338</u>	<u>84,586</u>
Auditor				
Personal services	384,413	384,413	308,824	75,589
Other	669,320	727,319	669,044	58,275
Total - auditor	<u>1,053,733</u>	<u>1,111,732</u>	<u>977,868</u>	<u>133,864</u>
Treasurer				
Personal services	19,890	19,890	19,688	202
Other	28,401	28,401	21,411	6,990
Total - treasurer	<u>48,291</u>	<u>48,291</u>	<u>41,099</u>	<u>7,192</u>
Law Director				
Personal services	359,710	359,710	359,699	11
Other	6,783	6,783	5,275	1,508
Total - law director	<u>366,493</u>	<u>366,493</u>	<u>364,974</u>	<u>1,519</u>
Service Director				
Personal services	726,795	726,795	485,944	240,851
Other	183,416	188,166	124,752	63,414
Total - service director	<u>910,211</u>	<u>914,961</u>	<u>610,696</u>	<u>304,265</u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

Continued

**CITY OF WADSWORTH  
MEDINA COUNTY, OHIO**

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
**GENERAL FUND (CONTINUED)**  
FOR THE YEAR ENDED DECEMBER 31, 2019

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Municipal Court				
Personal services	897,810	897,810	856,273	41,537
Other	70,443	70,443	45,343	25,100
Total - municipal court	<u>968,253</u>	<u>968,253</u>	<u>901,616</u>	<u>66,637</u>
Records Commission				
Personal services	2,109	2,109	2,100	9
Other	1,100	1,100	-	1,100
Total - council clerk	<u>3,209</u>	<u>3,209</u>	<u>2,100</u>	<u>1,109</u>
Total General Government	<u>3,726,584</u>	<u>3,843,783</u>	<u>3,236,591</u>	<u>607,192</u>
Security of Persons & Property				
Security of Persons & Property				
Personal services	5,276,162	5,276,161	5,105,805	170,356
Other	469,723	486,535	355,964	130,571
Total Security of Persons & Property	<u>5,745,885</u>	<u>5,762,696</u>	<u>5,461,769</u>	<u>300,927</u>
Public Health				
Service Director				
Other	132,054	129,725	124,121	5,604
Total Public Health	<u>132,054</u>	<u>129,725</u>	<u>124,121</u>	<u>5,604</u>
Leisure Time Services				
Service Director				
Personal services	916,205	914,221	859,618	54,603
Other	211,711	215,256	173,241	42,015
Total Leisure Time Services	<u>1,127,916</u>	<u>1,129,477</u>	<u>1,032,859</u>	<u>96,618</u>
Community and Economic Development				
Service Director				
Personal services	286,095	286,095	267,387	18,708
Other	42,210	41,915	15,576	26,339
Total Community and Economic Development	<u>328,305</u>	<u>328,010</u>	<u>282,963</u>	<u>45,047</u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

Continued

**CITY OF WADSWORTH  
MEDINA COUNTY, OHIO**

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
**GENERAL FUND (CONTINUED)**  
FOR THE YEAR ENDED DECEMBER 31, 2019

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Debt Service				
Principal retirement	3,080	3,080	3,156	(76)
Interest and fiscal charges	3,160	3,160	3,083	77
Total - debt service	<u>6,240</u>	<u>6,240</u>	<u>6,239</u>	<u>1</u>
Total Expenditures	<u>11,066,984</u>	<u>11,199,931</u>	<u>10,144,542</u>	<u>1,055,389</u>
Excess of revenues over expenditures	<u>623,984</u>	<u>509,287</u>	<u>1,564,485</u>	<u>1,055,198</u>
<b>Other financing sources (uses):</b>				
Transfers out	(392,120)	(397,607)	(397,607)	-
Advances in	-	-	27,492	27,492
Advances out	-	-	(368,712)	(368,712)
Sale of assets	-	-	7,807	7,807
Total other financing sources (uses)	<u>(392,120)</u>	<u>(397,607)</u>	<u>(731,020)</u>	<u>(333,413)</u>
Net change in fund balances	231,864	111,680	833,465	721,785
<b>Fund balances at beginning of year</b>	7,861,448	7,861,448	7,861,448	-
<b>Prior year encumbrances appropriated</b>	29,116	29,116	29,116	-
<b>Fund balance at end of year</b>	<u>\$ 8,122,428</u>	<u>\$ 8,002,244</u>	<u>\$ 8,724,029</u>	<u>\$ 721,785</u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS



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**CITY OF WADSWORTH  
MEDINA COUNTY, OHIO**

STATEMENT OF NET POSITION  
PROPRIETARY FUNDS  
DECEMBER 31, 2019

**Business-type Activities - Enterprise Funds**

	<b>Storm Water</b>	<b>Telecom</b>	<b>Sewer</b>	<b>Water</b>
<b>Assets:</b>				
Current assets:				
Equity in pooled cash and cash equivalents.....	\$ 391,218	\$ 2,338,660	\$ 2,173,033	\$ 3,436,360
Cash with fiscal and escrow agents.....	-	-	-	1,472
Receivables:				
Accounts.....	141,638	1,344,750	595,538	448,815
Interfund loans.....	63,414	403,969	353,231	415,626
Due from other governments.....	-	-	-	-
Assets held for resale.....	-	-	-	-
Materials and supplies inventory.....	-	52,851	61,746	166,387
Prepayments.....	1,381	31,765	19,582	31,798
<b>Total current assets.....</b>	<b>597,651</b>	<b>4,171,995</b>	<b>3,203,130</b>	<b>4,500,458</b>
Noncurrent assets:				
AMPGS plant held for future use credit.....	-	-	-	-
AFEC development costs receivable.....	-	-	-	-
Investment in joint venture.....	-	-	-	-
Net pension asset.....	-	6,725	6,170	8,593
Capital assets:				
Land and construction in progress.....	114,986	-	113,795	838,485
Depreciable capital assets, net.....	15,523,104	1,204,228	25,664,238	24,877,164
<b>Total capital assets, net.....</b>	<b>15,638,090</b>	<b>1,204,228</b>	<b>25,778,033</b>	<b>25,715,649</b>
<b>Total noncurrent assets.....</b>	<b>15,638,090</b>	<b>1,210,953</b>	<b>25,784,203</b>	<b>25,724,242</b>
<b>Total assets.....</b>	<b>16,235,741</b>	<b>5,382,948</b>	<b>28,987,333</b>	<b>30,224,700</b>
<b>Deferred outflows of resources:</b>				
Unamortized deferred charges on debt refunding....	22,803	-	-	341,108
Pension.....	-	382,215	350,159	488,256
OPEB.....	-	47,155	43,261	60,250
<b>Total deferred outflows of resources.....</b>	<b>22,803</b>	<b>429,370</b>	<b>393,420</b>	<b>889,614</b>
<b>Total assets and deferred outflows of resources.....</b>	<b>16,258,544</b>	<b>5,812,318</b>	<b>29,380,753</b>	<b>31,114,314</b>
<b>Liabilities:</b>				
Current liabilities:				
Accounts payable.....	3,306	202,963	17,754	12,899
Contracts payable.....	-	-	45,486	-
Accrued wages and benefits payable.....	-	35,843	31,053	44,540
Due to other funds.....	-	-	-	-
Due to other governments.....	2,994	10,181	7,196	7,440
Interfund loans payable.....	445,329	-	410,500	2,112,900
Accrued interest payable.....	1,374	391	2,938	13,379
Compensated absences payable - current.....	-	49,758	14,494	53,748
Matured interest payable.....	-	-	-	1,472
General obligation bonds payable.....	87,695	10,633	47,755	556,361
OWDA loans payable.....	-	-	1,225,501	-
OPWC loans payable.....	5,603	-	-	-
AMP loan payable - current.....	-	-	-	-
Claims payable.....	-	-	-	-
Stranded costs payable - current.....	-	-	-	-
<b>Total current liabilities.....</b>	<b>546,301</b>	<b>309,769</b>	<b>1,802,677</b>	<b>2,802,739</b>
Long-term liabilities:				
Compensated absences payable.....	-	198,661	57,869	214,590
General obligation bonds payable.....	636,580	138,186	1,131,610	7,727,609
OWDA loans payable.....	-	-	9,739,903	-
OPWC loans payable.....	56,023	-	-	-
AMP loan payable.....	-	-	-	-
Stranded costs payable.....	-	-	-	-
Net OPEB liability.....	-	594,044	544,974	759,009
Net pension liability.....	-	1,259,086	1,155,082	1,608,733
<b>Total long-term liabilities.....</b>	<b>692,603</b>	<b>2,189,977</b>	<b>12,629,438</b>	<b>10,309,941</b>
<b>Total liabilities.....</b>	<b>1,238,904</b>	<b>2,499,746</b>	<b>14,432,115</b>	<b>13,112,680</b>
<b>Deferred inflows of resources:</b>				
OPEB.....	5,243	14,077	23,627	55,116
Pension.....	8,898	41,219	54,944	111,148
<b>Total deferred inflows of resources.....</b>	<b>14,141</b>	<b>55,296</b>	<b>78,571</b>	<b>166,264</b>
<b>Total liabilities and deferred inflows of resources.....</b>	<b>1,253,045</b>	<b>2,555,042</b>	<b>14,510,686</b>	<b>13,278,944</b>
<b>Net position:</b>				
Net investment in capital assets.....	14,874,992	1,055,409	13,633,264	17,772,787
Unrestricted.....	130,507	2,201,867	1,236,803	62,583
<b>Total net position.....</b>	<b>\$ 15,005,499</b>	<b>\$ 3,257,276</b>	<b>\$ 14,870,067</b>	<b>\$ 17,835,370</b>

Adjustment to reflect the consolidation of the internal service funds activities related to enterprise funds.

Net position of business-type activities

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

Business-type Activities - Enterprise Funds			Governmental Activities - Internal Service Funds
Electric	Sanitation	Total	
\$ 17,652,396	\$ 2,034,212	\$ 28,025,879	\$ 2,195,564
-	-	1,472	-
4,381,302	451,820	7,363,863	-
1,491,010	351,380	3,078,630	379,147
32,663	-	32,663	-
248,854	-	248,854	-
1,612,461	-	1,893,445	360,337
66,471	1,913	152,910	125,559
<u>25,485,157</u>	<u>2,839,325</u>	<u>40,797,716</u>	<u>3,060,607</u>
522,345	-	522,345	-
442,429	-	442,429	-
512,121	-	512,121	-
26,404	4,278	52,170	7,905
283,590	804	1,351,660	-
18,507,196	1,646,857	87,422,787	291,335
18,790,786	1,647,661	88,774,447	291,335
20,294,085	1,651,939	90,303,512	299,240
45,779,242	4,491,264	131,101,228	3,359,847
-	-	363,911	-
1,529,616	258,295	3,008,541	457,318
207,691	40,407	398,764	62,675
1,737,307	298,702	3,771,216	519,993
<u>47,516,549</u>	<u>4,789,966</u>	<u>134,872,444</u>	<u>3,879,840</u>
1,960,678	8,719	2,206,319	21,758
101,485	-	146,971	6,000
131,346	24,420	267,202	40,962
76,582	-	76,582	-
39,793	67,202	134,806	6,797
2,661,346	-	5,630,075	96,758
-	-	18,082	-
134,884	24,234	277,118	27,940
-	-	1,472	-
-	-	702,444	-
-	-	1,225,501	-
-	-	5,603	-
624,000	-	624,000	-
-	-	-	504,641
564,917	-	564,917	-
<u>6,295,031</u>	<u>124,575</u>	<u>11,881,092</u>	<u>704,856</u>
538,527	96,753	1,106,400	111,548
-	-	9,633,985	-
-	-	9,739,903	-
-	-	56,023	-
598,689	-	598,689	-
1,633,792	-	1,633,792	-
2,332,263	377,870	4,608,160	698,233
4,943,271	800,903	9,767,075	1,479,916
10,046,542	1,275,526	37,144,027	2,289,697
16,341,573	1,400,101	49,025,119	2,994,553
25,373	3,378	126,814	13,224
108,189	16,627	341,025	41,290
133,562	20,005	467,839	54,514
<u>16,475,135</u>	<u>1,420,106</u>	<u>49,492,958</u>	<u>3,049,067</u>
18,790,786	1,647,661	67,774,899	291,335
12,250,628	1,722,199	17,604,587	539,438
<u>\$ 31,041,414</u>	<u>\$ 3,369,860</u>	<u>85,379,486</u>	<u>\$ 830,773</u>
		648,454	
		<u>\$ 86,027,940</u>	

**CITY OF WADSWORTH  
MEDINA COUNTY, OHIO**

STATEMENT OF REVENUES, EXPENSES AND  
CHANGES IN NET POSITION  
PROPRIETARY FUNDS  
FOR THE YEAR ENDED DECEMBER 31, 2019

**Business-type Activities - Enterprise Funds**

	<b>Storm Water</b>	<b>Telecom</b>	<b>Sewer</b>	<b>Water</b>
<b>Operating revenues:</b>				
Charges for services.....	\$ 897,617	\$ 6,091,589	\$ 4,003,504	\$ 3,224,409
Other operating revenues.....	-	60,349	1,633	135,293
Total operating revenues.....	<u>897,617</u>	<u>6,151,938</u>	<u>4,005,137</u>	<u>3,359,702</u>
<b>Operating expenses:</b>				
Personal services.....	250,292	1,477,455	1,609,619	1,668,845
Contract services.....	199,664	3,159,019	830,245	648,386
Materials and supplies.....	72,582	239,436	214,602	232,247
Purchased power.....	-	-	-	-
Claims expense.....	-	-	-	-
Depreciation.....	322,981	238,330	1,009,817	701,088
Other.....	9,725	294,583	30,065	12,393
Total operating expenses.....	<u>855,244</u>	<u>5,408,823</u>	<u>3,694,348</u>	<u>3,262,959</u>
Operating income (loss).....	<u>42,373</u>	<u>743,115</u>	<u>310,789</u>	<u>96,743</u>
<b>Nonoperating revenues (expenses):</b>				
Interest and fiscal charges.....	(5,380)	(6,005)	(398,216)	(280,555)
Gain (loss) on sale of capital assets.....	-	-	1,300	880
Bond issuance costs.....	(3,678)	-	-	(59,496)
Investment in joint venture.....	-	-	-	-
Total nonoperating revenues (expenses).....	<u>(9,058)</u>	<u>(6,005)</u>	<u>(396,916)</u>	<u>(339,171)</u>
Income (loss) before contributions and transfers.....	<u>33,315</u>	<u>737,110</u>	<u>(86,127)</u>	<u>(242,428)</u>
Transfer in.....	3,821	18,023	27,380	51,041
Capital contributions.....	411,555	-	-	225,873
Change in net position.....	448,691	755,133	(58,747)	34,486
<b>Net position at beginning of year.....</b>	<u>14,556,808</u>	<u>2,502,143</u>	<u>14,928,814</u>	<u>17,800,884</u>
<b>Net position at end of year.....</b>	<u>\$ 15,005,499</u>	<u>\$ 3,257,276</u>	<u>\$ 14,870,067</u>	<u>\$ 17,835,370</u>

Adjustment to reflect the consolidation of internal service funds activities related to enterprise funds.

Change in net position of business-type activities

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

<u>Business-type Activities - Enterprise Funds</u>			<u>Governmental Activities - Internal Service Funds</u>
<u>Electric</u>	<u>Sanitation</u>	<u>Total</u>	
\$ 32,621,773	\$ 2,805,332	\$ 49,644,224	\$ 6,819,910
185,796	8,401	391,472	35,374
<u>32,807,569</u>	<u>2,813,733</u>	<u>50,035,696</u>	<u>6,855,284</u>
5,316,945	904,060	11,227,216	1,560,748
2,655,722	1,072,041	8,565,077	1,431,705
706,633	170,070	1,635,570	452,309
21,466,355	-	21,466,355	-
-	-	-	2,950,059
1,776,198	179,494	4,227,908	96,526
1,524,621	102,646	1,974,033	24,127
<u>33,446,474</u>	<u>2,428,311</u>	<u>49,096,159</u>	<u>6,515,474</u>
(638,905)	385,422	939,537	339,810
(106,270)	-	(796,426)	(3,677)
2,273	8,500	12,953	(5,445)
-	-	(63,174)	-
<u>(209,887)</u>	<u>-</u>	<u>(209,887)</u>	<u>-</u>
<u>(313,884)</u>	<u>8,500</u>	<u>(1,056,534)</u>	<u>(9,122)</u>
(952,789)	393,922	(116,997)	330,688
155,610	12,796	268,671	18,285
54,921	-	692,349	-
(742,258)	406,718	844,023	348,973
31,783,672	2,963,142		481,800
<u>\$ 31,041,414</u>	<u>\$ 3,369,860</u>		<u>\$ 830,773</u>
		101,759	
		<u>\$ 945,782</u>	

**CITY OF WADSWORTH  
MEDINA COUNTY, OHIO**

STATEMENT OF CASH FLOWS  
PROPRIETARY FUNDS  
FOR THE YEAR ENDED DECEMBER 31, 2019

**Business-type Activities - Enterprise Funds**

	<b>Storm Water</b>	<b>Telecom</b>	<b>Sewer</b>	<b>Water</b>
<b>Cash flows from operating activities:</b>				
Cash received from customers.....	\$ 896,666	\$ 6,022,008	\$ 3,998,272	\$ 3,208,909
Cash received from other operations .....	-	60,349	1,633	135,293
Cash payments to employees for services.....	(277,534)	(1,237,370)	(1,488,566)	(1,412,809)
Cash payments for goods and services.....	(270,321)	(3,380,736)	(1,015,131)	(913,193)
Cash payments for claims.....	-	-	-	-
Cash payments for other expenses.....	(10,203)	(294,648)	(24,865)	(12,393)
Net cash provided by operating activities.....	<u>338,608</u>	<u>1,169,603</u>	<u>1,471,343</u>	<u>1,005,807</u>
<b>Cash flows from noncapital financing activities:</b>				
Cash received from transfers in.....	3,821	18,023	27,380	51,041
Cash received from internal notes.....	478,788	345,488	896,594	2,663,301
Cash used for internal notes.....	(562,394)	(499,235)	(812,231)	(2,750,714)
Net cash provided by (used in) noncapital financing activities.....	<u>(79,785)</u>	<u>(135,724)</u>	<u>111,743</u>	<u>(36,372)</u>
<b>Cash flows from capital and related financing activities:</b>				
Sale or transfer of capital assets.....	-	-	1,300	880
Acquisition of capital assets.....	(1,454)	(206,554)	(27,696)	(101,746)
Proceeds from sale of notes and bonds.....	462,156	-	-	6,956,944
Principal payments.....	(542,513)	(5,000)	(1,232,791)	(7,067,188)
Interest and fiscal charges.....	(40,015)	(6,650)	(401,083)	(724,870)
Cash received from capital grants.....	100,000	-	-	-
Net cash used in capital and related financing activities.....	<u>(21,826)</u>	<u>(218,204)</u>	<u>(1,660,270)</u>	<u>(935,980)</u>
Net increase (decrease) in cash and cash equivalents.....	236,997	815,675	(77,184)	33,455
<b>Cash and cash equivalents at beginning of year.....</b>	<u>154,221</u>	<u>1,522,985</u>	<u>2,250,217</u>	<u>3,404,377</u>
<b>Cash and cash equivalents at end of year.....</b>	<u>\$ 391,218</u>	<u>\$ 2,338,660</u>	<u>\$ 2,173,033</u>	<u>\$ 3,437,832</u>

<b>Business-type Activities - Enterprise Funds</b>			<b>Governmental Activities - Internal Service Funds</b>
<b>Electric</b>	<b>Sanitation</b>	<b>Total</b>	
\$ 32,457,720	\$ 2,790,748	\$ 49,374,323	\$ 6,819,910
185,796	8,401	391,472	35,374
(4,407,070)	(749,701)	(9,573,050)	(1,281,628)
(24,898,312)	(1,290,529)	(31,768,222)	(1,906,022)
-	-	-	(2,961,564)
(1,751,402)	(39,118)	(2,132,629)	(24,127)
<u>1,586,732</u>	<u>719,801</u>	<u>6,291,894</u>	<u>681,943</u>
155,610	12,796	268,671	18,285
4,525,031	353,542	9,262,744	467,963
(4,488,971)	(351,380)	(9,464,925)	(572,661)
<u>191,670</u>	<u>14,958</u>	<u>66,490</u>	<u>(86,413)</u>
479,984	9,000	491,164	600
(713,448)	(248,989)	(1,299,887)	(23,335)
40,900	-	7,460,000	-
(704,900)	-	(9,552,392)	-
(106,931)	-	(1,279,549)	(3,677)
-	-	100,000	-
<u>(1,004,395)</u>	<u>(239,989)</u>	<u>(4,080,664)</u>	<u>(26,412)</u>
774,007	494,770	2,277,720	569,118
16,878,389	1,539,442	25,749,631	1,626,446
<u>\$ 17,652,396</u>	<u>\$ 2,034,212</u>	<u>\$ 28,027,351</u>	<u>\$ 2,195,564</u>

Continued

**CITY OF WADSWORTH  
MEDINA COUNTY, OHIO**

STATEMENT OF CASH FLOWS  
PROPRIETARY FUNDS (CONTINUED)  
FOR THE YEAR ENDED DECEMBER 31, 2019

**Business-type Activities - Enterprise Funds**

	<u>Storm Water</u>	<u>Telecom</u>	<u>Sewer</u>	<u>Water</u>
<b>Reconciliation of operating income (loss) to net cash provided by operating activities:</b>				
Operating income (loss).....	\$ 42,373	\$ 743,115	\$ 310,789	\$ 96,743
Adjustments:				
Depreciation.....	322,981	238,330	1,009,817	701,088
Changes in assets, deferred inflows, liabilities and deferred outflows:				
Materials and supplies inventory.....	-	17,136	(4,355)	(2,960)
Accounts receivable.....	(951)	(69,581)	(5,232)	(15,500)
Deferred outflows - pension.....	-	(191,650)	(176,212)	(229,966)
Deferred outflows - OPEB.....	-	(9,132)	(7,293)	(8,335)
Net pension asset.....	-	459	625	1,215
Assets held for resale.....	-	-	-	-
Prepayments.....	(1,381)	(1,737)	(2,818)	(17,006)
Accounts payable.....	3,306	2,065	(3,397)	(10,803)
Contracts payable.....	-	-	45,486	(1,791)
Accrued wages and benefits.....	-	8,419	2,331	5,147
Intergovernmental payable.....	(478)	1,596	408	859
Stranded costs payable.....	-	-	-	-
Compensated absences payable.....	-	8,740	(66,335)	18,001
Net pension liability.....	-	513,098	449,426	590,200
Net OPEB liability.....	-	85,218	63,658	64,285
Deferred inflows - pension.....	(22,438)	(147,430)	(126,675)	(168,229)
Deferred inflows - OPEB.....	(4,804)	(29,043)	(18,880)	(17,141)
Due to other funds.....	-	-	-	-
Claims payable.....	-	-	-	-
Net cash provided by operating activities.....	<u>\$ 338,608</u>	<u>\$ 1,169,603</u>	<u>\$ 1,471,343</u>	<u>\$ 1,005,807</u>

**Non-cash transactions:**

The Storm Water fund received \$411,555 in capital contributions in 2019.

The Water fund received \$225,873 in capital contributions in 2019.

The Electric fund received \$54,921 in capital contributions in 2019.

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS



<b>Business-type Activities - Enterprise Funds</b>			<b>Governmental</b>
<b>Electric</b>	<b>Sanitation</b>	<b>Total</b>	<b>Activities -</b>
			<b>Internal</b>
			<b>Service Funds</b>
\$ (638,905)	\$ 385,422	\$ 939,537	\$ 339,810
1,776,198	179,494	4,227,908	96,526
43,759	-	53,580	(28,163)
(164,053)	(14,584)	(269,901)	-
(822,533)	(150,587)	(1,570,948)	(223,487)
(65,183)	(18,071)	(108,014)	(7,011)
520	(58)	2,761	465
(248,854)	-	(248,854)	-
63,884	(47)	40,895	(15,216)
(90,511)	(45,977)	(145,317)	15,371
99,694	4,731	148,120	6,000
24,242	-	40,139	5,857
6,403	61,923	70,711	975
(247,201)	-	(247,201)	-
43,321	(1,906)	1,821	(5,116)
2,147,386	362,688	4,062,798	610,700
425,236	78,971	717,368	105,355
(627,512)	(98,802)	(1,191,086)	(173,771)
(153,181)	(23,396)	(246,445)	(34,847)
14,022	-	14,022	-
-	-	-	(11,505)
<u>\$ 1,586,732</u>	<u>\$ 719,801</u>	<u>\$ 6,291,894</u>	<u>\$ 681,943</u>

**CITY OF WADSWORTH  
MEDINA COUNTY, OHIO**

STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES  
FIDUCIARY FUNDS  
DECEMBER 31, 2019

	<b>Agency</b>
<b>Assets:</b>	
Current assets:	
Equity in pooled cash and investments.....	\$ 2,135,699
Cash in segregated accounts.....	509,268
Restricted assets:	
Equity in pooled cash and investments.....	877,368
Deposits held and due to others.....	10,157
Total assets.....	\$ 3,532,492
<b>Liabilities:</b>	
Retainage payable.....	\$ 297,916
Due to other governments.....	2,166
Deposits held and due to others.....	2,355,042
Refundable deposits.....	877,368
Total liabilities.....	\$ 3,532,492

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

## **CITY OF WADSWORTH, OHIO**

### **NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2019**

#### **NOTE 1 - DESCRIPTION OF THE CITY**

The City of Wadsworth, Ohio, (the “City”) was incorporated in 1866 under the laws of the State of Ohio. The City operates under the Mayor-Council form of government.

A reporting entity is comprised of the primary government, component units and other organizations that are included to ensure that the financial statements are not misleading. The primary government of the City consists of all funds, departments, boards and agencies that are not legally separate from the City.

For the City of Wadsworth this includes police and fire-fighting forces, emergency medical services, sewage and water treatment plants, an electric utility, a cable utility, an internet utility, a street maintenance department, a parks and recreation system, a community access television program, a trash collection service, an airport, planning and zoning, and a staff to provide the necessary support for these services. The City also includes a municipal court with a jurisdiction extending beyond the boundaries of the City. These service departments and the Wadsworth Municipal Court are included as part of the primary 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; the City is legally obligated or has otherwise assumed the responsibility to finance deficits of, or provide financial support to, the organization; or 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. Certain organizations are also included as component units if the nature and significance of the relationship between the primary government and the organization is such that exclusion by the primary government would render the financial statements incomplete or misleading. The City has no component units.

The City is associated with the Ohio Municipal Electric Generation Agency Joint Venture 1, 2, 5 and 6 and the Woodlawn Union Cemetery, all of which are joint ventures. The City is also associated with the Municipal Energy Services Agency, which is defined as a jointly governed organization. These organizations are presented in Notes 19 and 20.

#### **NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

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

##### **A. 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.

## CITY OF WADSWORTH, OHIO

### NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2019

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

**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 activity of the internal service fund is eliminated to avoid “doubling up” revenues and expenses. The statements distinguish between those activities of the City that are governmental and those that are considered business-type activities.

The Statement of Net Position presents the financial condition of the governmental and business-type activities of the City at year-end. The Statement of Activities presents a comparison between direct expenses and program revenues for each program or function of the City’s governmental activities and for the business-type activities of the City. Direct expenses are those that are specifically associated with a service, program or department and therefore clearly identifiable to a particular function. Program revenues include charges paid by the recipient of the goods or services offered by the program, grants and contributions that are restricted to meeting the operational or capital requirements of a particular program and interest earned on grants that is required to be used to support a particular program. Revenues which are not classified as program revenues are presented as general revenues of the City, with certain limited exceptions. The comparison of direct expenses with program revenues identifies the extent to which each business segment or governmental 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 proprietary fund financial statements is on major funds. Each major fund is presented in a separate column. Nonmajor funds are aggregated and presented in a single column. The internal service funds are presented in a single column on the face of the proprietary fund statements. Fiduciary funds are reported by type.

#### **B. 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. The following categories and fund types are used by the City:

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

The following is the City’s major governmental fund:

**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.

## CITY OF WADSWORTH, OHIO

### NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2019

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

Other governmental funds of the City are used to account for grants and other resources whose use is restricted, committed, or assigned to a particular purpose.

***Proprietary Funds*** - Proprietary fund reporting focuses on changes in net position, financial position and cash flows. Proprietary funds are classified as either enterprise or internal service.

***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:

***Storm Water Fund*** - The Storm Water Fund accounts for the regulation of the discharge, distribution and treatment of storm water within the City.

***Telecom Fund*** - The Telecom Fund accounts for the provision of cable television and high-speed internet service to the residents and commercial users located within the City.

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

***Water Fund*** - The Water Fund accounts for the provision of water treatment and distribution to its residential and commercial users located within the City.

***Electric Fund*** - The Electric Fund accounts for the cost of operating the municipally-owned electric utility and the related revenue from charges for services.

***Sanitation Fund*** - The Sanitation Fund accounts for the provision of trash collection and disposal services for residents and commercial users located within the City and surrounding areas.

***Internal Service Funds*** - Internal service funds account for the financing of services provided by one department or agency to other departments or agencies of the City on a cost-reimbursement basis. The City's internal service funds report on an equipment maintenance garage for city owned vehicles and equipment, an information technology support services department for city owned computers and networks, a self-insurance program for employee medical benefits, an insurance retention for employee liability, and a self-insurance workers' compensation.

***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 distinguished from agency funds by the existence of a trust agreement or equivalent arrangements that have certain characteristics. Custodial funds are used to report fiduciary activities that are not required to be reported in a trust fund. The City does not have trust funds. In addition to the other agency funds, three of the agency funds account for municipal court collections that are distributed to various local governments, maintaining the law library, and assisting in payment of individuals' utilities. The City's agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations.

## CITY OF WADSWORTH, OHIO

### NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2019

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

##### C. Fund Accounting

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

**Fund Financial Statements** - All governmental fund types are accounted for using a flow of current financial resources measurement focus. With this measurement focus, only current assets and deferred outflows and current liabilities and deferred inflows are generally 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 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 and all liabilities and deferred inflows associated with the operation of these funds are included on the Statement of Fund Net Position. The Statement of Revenues, Expenses and Changes in Fund Net Position presents increases (i.e., revenues) and decreases (i.e., expenses) in total net position. The Statement of Cash Flows provides information about how the City finances and meets the cash flow needs of its proprietary activities.

##### D. Basis of Accounting

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

**Revenues - Exchange and Nonexchange 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.

## CITY OF WADSWORTH, OHIO

### NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2019

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

Nonexchange transactions, in which the City receives value without directly giving equal value in return, include income taxes, property taxes, grants, entitlements and donations. On an accrual basis, revenue from income taxes is recognized in the period in which the income is earned. Revenue from property taxes is recognized in the year for which the taxes are levied (See Note 7). Revenue from grants, entitlements and donations is recognized in the year in which all eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the year when the resources are required to be used or the year when use is first permitted, matching requirements, in which the City must provide local resources to be used for a specified purpose, and expenditure requirements, in which the resources are provided to the City on a reimbursement basis. On a modified accrual basis, revenue from nonexchange transactions must also be available before it can be recognized.

Under the modified accrual basis, the following revenue sources are considered to be both measurable and available at year-end: income tax, intergovernmental, fines and forfeitures, interest, grants, fees and rentals.

***Deferred Outflows of Resources and Deferred Inflows of Resources*** - In addition to assets, the government-wide statement of net position will report a separate section for deferred outflows of resources. Deferred outflows of resources, represents 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, See Notes 13 and 14 for deferred outflows of resources related the City's net pension liability and net OPEB liability, respectively. In addition, deferred outflows of resources include a deferred charge on debt refunding. A deferred charge on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt.

In addition to liabilities, both the government-wide statement of net position and the governmental fund financial statements report a separate section for deferred inflows of resources. Deferred inflows of resources represent an acquisition of net position that applies to a future period and will not be recognized as an inflow of resources (revenue) until that time. For the City, deferred inflows of resources include property taxes and unavailable revenue. Property taxes and payments in lieu of taxes represent amounts for which there is an enforceable legal claim as of December 31, 2019, but which were levied to finance 2020 operations. These amounts have been recorded as a deferred inflow of resources on both the government-wide statement of net position and the governmental fund financial statements. Unavailable revenue is reported only on the governmental funds balance sheet, and represents receivables which will not be collected within the available period. For the City, unavailable revenue includes, but is not limited to, income taxes, delinquent property taxes and intergovernmental grants. These amounts are deferred and recognized as an inflow of resources in the period the amounts become available.

For the City, See Notes 13 and 14 for deferred inflows of resources related to the City's net pension asset/liability and net OPEB liability, respectively. This deferred inflow of resources is only reported on the government-wide statement of net position.

***Expenses/Expenditures*** - On the accrual basis of accounting, expenses are recognized at the time they are incurred.

## CITY OF WADSWORTH, OHIO

### NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2019

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

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.

#### **E. Budgetary Data**

The budgetary process is prescribed by provisions of the Ohio Revised Code and entails the preparation of budgetary documents within an established timetable. The major documents prepared are the Tax Budget, the Certificate of Estimated Resources, and the Annual Appropriation Ordinance, all of which are prepared on the budgetary basis of accounting. The Certificate of Estimated Resources and the Annual Appropriation Ordinance are subject to amendment throughout the year with the legal restriction that appropriations cannot exceed estimated resources, as certified. Except for custodial funds, all funds are legally required to be budgeted and appropriated. The legal level of budgetary control is at the fund, department and object level (personal and other). Any budgetary modifications at this level may only be made by an ordinance of the City Council.

**Tax Budget** - In July, the City Administration presents the annual Tax Budget for the following year to City Council for consideration and passage. The adopted budget is submitted to the County Auditor, as Secretary of the County Budget Commission, by July 20 of each year, for the period January 1 to December 31 of the following year.

**Estimated Resources** - The County Budget Commission determines if the budget substantiates a need to levy all or part of previously authorized taxes and reviews estimated revenue. The Commission certifies its actions to the City by September 1. As part of this certification, the City receives the official Certificate of Estimated Resources, which states the projected revenue of each fund. Prior to December 31, the City must revise its budget so that the total contemplated expenditures from any fund during the ensuing year will not exceed the amount available as stated in the Certificate of Estimated Resources. The revised budget then serves as the basis for the Annual Appropriation Ordinance. On or about January 1, the Certificate of Estimated Resources is amended to include unencumbered fund balances at December 31 of the preceding year. The Certificate may be further amended during the year if the Auditor determines, and the Budget Commission agrees, that an estimate needs to be either increased or decreased. The amounts reported on the budgetary statements reflect the amount in the final amended official Certificate of Estimated Resources issued during 2019.

**Appropriations** - For management, a temporary appropriation ordinance to control expenditures may be passed on or about January 1 of each year for the period January 1 to March 31. The Annual Appropriation Ordinance must be passed by April 1 of each year for the period January 1 to December 31. Appropriations by fund must be within the estimated resources as certified by the County Budget Commission and the total of expenditures and encumbrances may not exceed the appropriations at any level of control. Any revisions that alter the appropriations of a fund must first be approved by City Council. Council may pass supplemental fund appropriations so long as the total appropriations by fund do not exceed the amounts set forth in the most recent Certificate of Estimated Resources.



## CITY OF WADSWORTH, OHIO

### NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2019

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

Formal budgetary integration is employed as a management control device during the year for all funds consistent with statutory provisions. Appropriation amounts are as originally adopted, or as amended by City Council throughout the year by supplemental appropriations which either reallocate or increase the original appropriation amounts. During the year, supplemental appropriation measures were legally enacted; however, none of these amendments were significant. The budgetary figures which appear in the statement of budgetary comparisons represent the final appropriation amounts, including all amendments and modifications.

*Encumbrances* - As part of formal budgetary control, purchase orders, contracts and other commitments for the expenditure of monies are recorded as the equivalent of expenditures on the non-GAAP budgetary basis in order to reserve that portion of the applicable appropriation and to determine and maintain legal compliance. The Ohio Revised Code prohibits expenditures plus encumbrances from exceeding appropriations at the legal level of budgetary control. On the GAAP basis, encumbered amounts will be included in the restricted, committed, and assigned fund balance classifications.

*Lapsing of Appropriations* - At the close of each year, the unencumbered balance of each appropriation reverts to the respective fund from which it was appropriated and becomes subject to future appropriations. The encumbered appropriation balance is carried forward to the succeeding year and is not re-appropriated.

#### **F. Cash, Cash Equivalents and Investments**

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

For purposes of the Statement of Cash Flows and for presentation on the Statement of Net Position/Balance Sheet, investments with original maturities of three months or less at the time they are purchased by the City and investments of the cash management pool are considered to be cash equivalents. Investments with a maturity of more than three months are reported as investments. Nonparticipating investment contracts such as overnight repurchase agreements and nonnegotiable certificates of deposit are reported at cost. Investments other than nonparticipating investment contracts, are reported at fair value which is based on quoted market prices.

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

## CITY OF WADSWORTH, OHIO

### NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2019

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

For 2019, 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 \$100 million, requiring the excess amount to be transacted the following business day(s), but only to the \$100 million limit. All accounts of the participant will be combined for these purposes.

Following Ohio statutes, the City has, by ordinance, specified the funds to receive an allocation of interest earnings. During the year 2019, interest revenue credited to the General Fund amount to \$1,049,106 which includes \$893,098 assigned from other City funds.

The City utilizes a fiscal agent to hold matured bonds and coupons. The balance in this account is presented on the balance sheet as "Cash with Fiscal and Escrow Agents". Bank accounts held outside the general cash pool are presented on the balance sheet as "Cash in Segregated Account".

#### **G. Interfund Balances**

On fund financial statements, interfund loans are classified as "Interfund Receivable/Payable" on the balance sheet, and are either restricted or committed fund balance. 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.

#### **H. Inventory**

On government-wide and fund financial statements, inventories are presented at cost on a first-in, first-out basis and are expensed when used. Inventory in governmental funds consists of expendable supplies held for consumption. The cost of inventory items is recorded as an expenditure in the governmental fund types and proprietary funds when used.

#### **I. Prepaid Items**

Payments made to vendors for services that will benefit periods beyond December 31, 2019 are recorded as prepaid items using the consumption method by recording a current asset for the prepaid amount and reflecting the expenditure/expense in the year in which it was consumed.

#### **J. Capital Assets**

General capital assets are those capital assets which are associated with and generally arise from governmental activities. 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.

**CITY OF WADSWORTH, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2019

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

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 values as of the date received. The City maintains a capitalization threshold of \$25,000 for infrastructure, \$10,000 for land improvements and building improvements, \$5,000 for equipment, vehicles, and intangible assets and capitalizes all land and buildings. Exceptions exist for items such as an interest in land, which is always capitalized. The City’s infrastructure consists of bridges, culverts, curbs, sidewalks, storm sewers, streets, cable, 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. Interest incurred during the construction of capital assets is also capitalized.

All reported capital assets are 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:

Description	Governmental Activities Estimated Lives	Business-Type Activities Estimated Lives
Land Improvements	20 to 75 Years	20 to 75 Years
Buildings	25 to 100 Years	25 to 100 Years
Equipment	3 to 50 Years	3 to 50 Years
Vehicles	8 to 30 Years	8 to 30 Years
Infrastructure	3 to 110 Years	3 to 110 Years
Intangibles	50 Years	50 Years

**K. Compensated Absences**

The City reports compensated absences in accordance with the provisions of GASB Statement 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 attributed to services already rendered and it is probable that the City will compensate the employees for the benefits through paid time off or some other means. The City records a liability for accumulated unused vacation time when earned for all eligible employees with more than one year of service.

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. In proprietary funds, the entire amount of compensated absences is reported as a fund liability.

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

For governmental fund financial statements, compensated absences are recognized as liabilities and expenditures as payments come due each period upon the occurrence of employee resignations and retirements. In proprietary funds, the entire amount of compensated absences is reported as a fund liability.

## CITY OF WADSWORTH, OHIO

### NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2019

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

##### **L. Accrued and Long-Term Obligations**

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

In general, governmental fund payables and accrued liabilities that, once incurred, are paid in a timely manner and in full from current financial resources are reported as obligations of the funds. However, claims and judgments, and compensated absences that will be paid from governmental funds are reported as a liability in the fund financial statements only to the extent that they are due for payment during the current year. Bonds and police past service costs are recognized as a liability on the fund financial statements when due. Net pension/OPEB liability should be recognized in the governmental funds to the extent that benefit payments are due and payable and the pension/OPEB plan's fiduciary net position is not sufficient for payment of those benefits.

##### **M. Fund Balance**

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

Nonspendable - The nonspendable fund balance classification includes amounts that cannot be spent because they are not in spendable form or legally required to be maintained intact. The "not in spendable form" criterion includes items that are not expected to be converted to cash. It also includes the long-term amount of loans receivable.

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

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

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

## CITY OF WADSWORTH, OHIO

### NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2019

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

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

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

#### **N. Net Position**

Net position represents assets, plus deferred outflows of resources, less liabilities, less deferred inflows of resources. Net investment in capital assets component of net position consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowing used for the acquisition, construction or improvement of those assets. Deferred outflows of resources and deferred inflows of resources that are attributable to the acquisition, construction, or improvement of those assets or related debt are also included. Net position is reported as restricted when there are limitations imposed on its use either through the enabling legislation adopted by the City or through external restrictions imposed by the creditors, grantors or laws or regulations of other governments.

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

#### **O. 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 include charges for services for sewer, telecom, water, electric, sanitation, and storm water services. Operating expenses are necessary costs incurred to provide the good or service that are the primary activity of the fund. Revenues and expenses not meeting those definitions are reported as nonoperating.

#### **P. Contributions of Capital**

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

#### **Q. Interfund Activity**

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

**CITY OF WADSWORTH, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2019**

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

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

**R. 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. The City had neither type of transaction during 2019.

**S. 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.

**T. Bond Premium and Discount/Accounting Gain or Loss**

Bond premiums and discounts are deferred and amortized over the term of the bonds using the straight line method, which approximates the effective interest method. Bond premiums are presented as an addition to the face amount of the bonds. Bond discounts are presented as a reduction to the face amount of the bonds.

For advance refundings resulting in the defeasance of debt reported in the government-wide financial statements and in the proprietary funds, the difference between the reacquisition price and the net carrying amount of the old debt is deferred and amortized as a component of interest expense. This accounting gain or loss is amortized over the remaining life of the old debt or the life of the new debt, whichever is shorter, and is presented as a deferred inflow or deferred outflow of resources

On the governmental fund financial statements, bond premiums and discounts are recognized in the current period. The reconciliation between the bonds face value and the amount reported on the statement of net position is presented in Note 16.

**U. Pensions/Other Postemployment Benefits (OPEB)**

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

## CITY OF WADSWORTH, OHIO

### NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2019

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

The current accounting standard requires Cities to report their proportionate share of the net pension/OPEB liability using the earning approach to pension and OPEB accounting instead of the funding approach as previously used. The funding approach limited pension and postemployment costs to contributions annually required by law, which may or may not be sufficient to fully fund each plan's net pension/OPEB liability. Under the new standards, the net pension/OPEB liability equals the City's proportionate share of each plan's collective present value of estimated future pension/OPEB benefits attributable to active and inactive employees' past service minus plan assets available to pay these benefits.

Pension and OPEB obligations, whether funded or unfunded, are part of the employment exchange. The employee is trading his or her labor in exchange for wages, benefits, and the promise of a future pension and other postemployment benefits. The unfunded portion of this benefit of exchange is a liability of the City. However, the City is not responsible for key factors affecting the balance of this liability. In Ohio, the employee shares the obligation of funding pension/OPEB benefits with the employer. Benefit provisions and both employer and employee contribution rates are determined by State statute. The employee and employer enter the employment exchange with the knowledge that the exchange is limited by law. The pension system is responsible for the administration of the pension and OPEB plans.

There is no repayment schedule for the net pension/OPEB liability. The City has no control over the changes in the benefits, contributions rates, and return on investments affecting the balance of the liabilities. In the event that contributions, investment returns, and other changes are insufficient to keep up with required payments, State statute does not identify the responsible party for the unfunded portion. Due to the unique nature of how the pension/OPEB liability is satisfied, these liabilities are separately identified within the long-term liability section of the statement of net position.

#### V. Fair Value Measurements

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.

#### NOTE 3 - ACCOUNTABILITY AND COMPLIANCE

##### A. Change in Accounting Principles

For 2019, the City has implemented GASB Statement No. 83, "*Certain Asset Retirement Obligations*", GASB Statement No. 88, "*Certain Disclosures Related to Debt, Including Direct Borrowings and Direct Placements*" and GASB Statement No. 90, "*Majority Equity Interests - an amendment to GASB Statements No. 14 and No. 61*".

GASB Statement No. 83 addresses accounting and financial reporting for certain asset retirement obligations (AROs). An ARO is a legally enforceable liability associated with the retirement of a tangible capital asset. A government that has legal obligations to perform future asset retirement activities related to its tangible capital assets should recognize a liability. The implementation of GASB Statement No. 83 did not have an effect on the financial statements of the City.

**CITY OF WADSWORTH, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2019

**NOTE 3 - ACCOUNTABILITY AND COMPLIANCE – (Continued)**

GASB Statement No. 88 improves the information that is disclosed in notes to the basic financial statements related to debt, including direct borrowings and direct placements. It also clarifies which liabilities governments should include when disclosing information related to debt. The implementation of GASB Statement No. 88 did not have an effect on the financial statements of the City.

GASB Statement No. 90 improves the consistency and comparability of reporting a government's majority equity interest in a legally separate organization and improve the relevance of financial statement information for certain component units. It defines a majority equity interest and specifies that a majority equity interest in a legally separate organization should be reported as an investment if a government's holding of the equity interest meets the definition of an investment. The implementation of GASB Statement No. 90 did not have an effect on the financial statements of the City.

For 2019, the City has implemented GASB Statement No. 95, "Postponement of the Effective Dates of Certain Authoritative Guidance." GASB Statement No. 95 provides temporary relief to governments and other stakeholders in light of the COVID-19 pandemic. This objective is accomplished by postponing the effective dates of certain provisions in Statements and Implementation Guides that first became effective or are scheduled to become effective for periods beginning after June 15, 2018, and later.

Certain provisions contained in the following pronouncements were scheduled to be implemented for the fiscal year ended December 31, 2019. Due to the implementation of GASB Statement No. 95, the effective dates of certain provisions contained in these pronouncements are postponed by one year.

The City has elected to postpone implementing the following pronouncements until the fiscal year ended December 31, 2020:

- Statement No. 84, *Fiduciary Activities*
- Implementation Guide No. 2019-2, *Fiduciary Activities*

**B. Deficit Fund Balances/Net Position**

Fund balances/net position at December 31, 2019 included the following individual fund deficits:

<u>Nonmajor governmental fund</u>	<u>Deficit</u>
Recreation	\$ 382,082
<u>Internal service funds</u>	
Equipment Maintenance	11,260
Information Technology	1,076,845

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



**CITY OF WADSWORTH, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2019

**NOTE 4 - BUDGETARY BASIS OF ACCOUNTING**

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

The Statements of Revenues, Expenditures and Changes in Fund Balances - Budget (Non-GAAP Basis) and Actual presented for the General Fund is presented on the budgetary basis to provide a meaningful comparison of actual results with the budget and to demonstrate compliance with State statute. The major differences between the budget basis and the GAAP basis are:

1. Revenues are recorded when received in cash (budget) as opposed to when susceptible to accrual;
2. Expenditures are recorded when paid in cash (budget) as opposed to when the liability is incurred (GAAP);
3. Outstanding year-end encumbrances are treated as expenditures (budget) rather than as part of restricted, committed, or assigned fund balance (GAAP);
4. Unreported cash represents amounts received, but not included as revenue on the budget basis operating statements. These amounts are included as revenue on the GAAP basis operating statement;
5. Advances-in and advances-out are operating transactions (budget) as opposed to balance sheet transactions (GAAP); and,
6. Some funds included in the General Fund (GAAP basis) have separate legally adopted budgets (budget basis).

The following table summarizes the adjustments necessary to reconcile the budget basis statements to the GAAP basis statements for the General Fund.

**Net Changes in Fund Balance**

	<u>General Fund</u>
Budget Basis	\$ 833,465
Net Adjustment for Revenue Accruals	182,732
Net Adjustment for Expenditure Accruals	(24,727)
Funds with Separate Legally Adopted Budgets	(94,177)
Net Adjustment for Other Sources/Uses	343,195
Encumbrances	<u>19,580</u>
GAAP Basis	<u>\$ 1,260,068</u>

## CITY OF WADSWORTH, OHIO

### NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2019

#### 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 treasury. Such monies must be maintained either as cash in the City treasury, in commercial accounts payable or withdrawable on demand, including negotiable order of withdrawal (NOW) accounts, or in money market deposit accounts.

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

Interim deposits are deposits of interim monies. Interim monies are those monies which are not needed for immediate use, but which will be needed before the end of the current period of designation of depositories. Interim deposits must be evidenced by time certificates of deposit maturing not more than one-year from the date of deposit or by savings or deposit accounts including passbook accounts.

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

1. United States Treasury Notes, Bills, Bonds, or any other obligation or security issued by the United States Treasury or any other obligation guaranteed as to principal and interest by the United States;
2. Bonds, notes, debentures, or any other obligations or securities issued by any federal government agency or instrumentality, including, but not limited to, the Federal National Mortgage Association, Federal Home Loan Bank, Federal Farm Credit Bank, Federal Home Loan Mortgage Corporation, and Government National Mortgage Association. All federal agency securities shall be direct issuances of federal government agencies or instrumentalities;
3. Written repurchase agreements in the securities listed above provided that the market value of the securities subject to the repurchase agreement must exceed the principal value of the agreement by at least two percent and be marked to market daily, and that the term of the agreement must not exceed thirty days;
4. Bonds and other obligations of the State of Ohio, and with certain limitations including a requirement for maturity within ten years from the date of settlement, bonds and other obligations of political subdivisions of the State of Ohio, if training requirements have been met;
5. Time certificates of deposit or savings or deposit accounts including, but not limited to, passbook accounts;
6. No-load money market mutual funds consisting exclusively of obligations described in items (1) or (2) above and repurchase agreements secured by such obligations, provided that investments in securities described in this division are made only through eligible institutions;
7. The State Treasurer's investment pool, the State Treasury Asset Reserve of Ohio (STAR Ohio); and,
8. Certain bankers' acceptances (for a period not to exceed one hundred eighty days) and commercial paper notes (for a period not to exceed two hundred seventy days) in an amount not to exceed 40 percent of the interim monies available for investment at any one time if training requirements have been met.

## CITY OF WADSWORTH, OHIO

### NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2019

#### NOTE 5 - DEPOSITS AND INVESTMENTS – (Continued)

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

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

#### A. Deposits with Financial Institutions

At December 31, 2019, the carrying amount of all City deposits was \$33,221,589. As of December 31, 2019, \$33,689,528 of the City's bank balance of \$34,229,807 was exposed to custodial risk as discussed below, while \$540,279 was covered by the FDIC.

Custodial credit risk is the risk that, in the event of bank failure, the City will not be able to recover deposits or collateral securities that are in the possession of an outside party. The City has no deposit policy for custodial credit risk beyond the requirements of State statute. Ohio law requires that deposits either be insured or protected by (1) eligible securities pledged to the City's and deposited with a qualified trustee by the financial institution as security for repayment whose market value at all times shall be at least 105 percent of the deposits being secured, or (2) participation in the OPCS, a collateral pool of eligible securities deposited with a qualified trustee and pledged to the Treasurer of State to secure the repayment of all public monies deposited in the financial institution. OPCS requires the total market value of the securities pledged to be 102 percent of the deposits being secured or a rate set by the Treasurer of State. For 2019, the City's financial institutions were approved for a reduced collateral rate of 50 percent through the OPCS. Although all statutory requirements for the deposit of money had been followed, noncompliance with Federal requirements could potentially subject the City to a successful claim by the FDIC.

**CITY OF WADSWORTH, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2019

**NOTE 5 - DEPOSITS AND INVESTMENTS - (Continued)**

**B. Investments**

As of December 31, 2019, the City had the following investments and maturities:

Measurement/ <u>Investment type</u>	Measurement <u>Amount</u>	Investment Maturities 6 months or <u>less</u>
<i>Amortized cost:</i>		
STAR Ohio	\$ 21,372,912	\$ 21,372,912
<i>Fair Value:</i>		
US Government Mutual Fund	<u>26,292</u>	<u>26,292</u>
Total	<u>\$ 21,399,204</u>	<u>\$ 21,399,204</u>

The City's investments in US Government Money Market Mutual Funds are valued using quoted market prices (Level 1 inputs).

*Interest Rate Risk:* The Ohio Revised Code generally limits security purchases to those that mature within five years of the settlement date. Interest rate risk arises because potential purchasers of debt securities will not agree to pay face value for those securities if interest rates subsequently increase. The City's investment policy addresses interest rate risk by requiring the consideration of market conditions and cash flow requirements in determining the term of an investment.

*Credit Risk:* STAR Ohio and the US Government Money Market Mutual fund carry a rating of AAAM by Standard & Poor's. Ohio law requires that STAR Ohio maintain the highest rating provided by at least one nationally recognized standard rating service. The City's investment policy does not specifically address credit risk beyond requiring the City to only invest in securities authorized by State statute.

*Custodial Credit Risk:* For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the City will not be able to recover the value of its investment or collateral securities that are in the possession of an outside party. The City has no investment policy dealing with investment custodial risk beyond the requirement in Ohio law that prohibits payments for investments prior to the delivery of the securities representing such investments to the treasurer or qualified trustee.

The following table includes the percentage of each investment type held by the City at December 31, 2019:

Measurement/ <u>Investment type</u>	Measurement <u>Amount</u>	<u>% of Total</u>
<i>Amortized cost:</i>		
STAR Ohio	\$ 21,372,912	99.88%
<i>Fair value:</i>		
US Governmnet Mutual Fund	<u>26,292</u>	<u>0.12%</u>
Total	<u>\$ 21,399,204</u>	<u>100.00%</u>

**CITY OF WADSWORTH, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2019

**NOTE 5 - DEPOSITS AND INVESTMENTS - (Continued)**

**C. Reconciliation of Cash and Investments to the Statement of Net Position**

The following is a reconciliation of cash and investments as reported in the note above to cash and investments as reported on the statement of net position as of December 31, 2019:

<u>Cash and investments per note</u>	
Carrying amount of deposits	\$ 33,221,589
Investments	21,399,204
Cash with fiscal agent	1,472
Cash on hand	<u>1,879</u>
Total	<u>\$ 54,624,144</u>
 <u>Cash and investments per statement of net position</u>	
Governmental activities	\$ 23,074,458
Business-type activities	28,027,351
Agency funds	<u>3,522,335</u>
Total	<u>\$ 54,624,144</u>

**NOTE 6 - RECEIVABLES**

Receivables at December 31, 2019, consisted of taxes, accounts (billings for user charged services, rents and royalties), income taxes, interfund, accrued interest, special assessments, and intergovernmental receivables arising from grants, entitlements and shared revenues. Accounts, taxes, interfund, accrued interest, special assessments and intergovernmental receivables are deemed collectible in full.

No allowance for doubtful accounts has been recorded because uncollectable amounts are expected to be insignificant.

**NOTE 7 - PROPERTY TAXES**

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

Public utility real and tangible personal property taxes collected in one calendar year are levied in the preceding calendar year on assessed values determined as of December 31 of the second year preceding the tax collection year, the lien date. Public utility tangible personal property is assessed at varying percentages of true value; public utility real property is assessed at 35 percent of true value. 2019 public utility property taxes became a lien December 31, 2018, are levied after October 1, 2019, and are collected in 2020 with real property taxes. Public utility property taxes are payable on the same dates as real property taxes described previously.

**CITY OF WADSWORTH, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2019**

**NOTE 7 - PROPERTY TAXES – (Continued)**

The County Auditor collects property taxes on behalf of all taxing districts in the County, including the City of Wadsworth. The County Auditor periodically remits to the City its portion of the taxes collected. Property taxes represent real property taxes, public utility taxes, tangible personal property taxes and outstanding delinquencies which are measurable as of December 31, 2019 and for which there is an enforceable legal claim.

The full tax rate for all City operations for the year ended December 31, 2019 was \$4.90 per \$1,000 of assessed value. The assessed values of real and tangible personal property for 2018 property tax were as follows:

<u>Real Property</u>	
Residential/agricultural	\$ 395,273,010
Commercial/industrial/mineral	137,174,990
Public utility personal property	<u>842,090</u>
Total assessed value	<u>\$ 533,290,090</u>

**NOTE 8 - TAX ABATEMENTS**

As of December 31, 2019, the City provides tax abatements through Community Reinvestment Area (CRA). This program relates to the abatement of property taxes.

CRA - Under the authority of Ohio Revised Code (ORC) Section 3735.67, the CRA program is an economic development tool administered by municipal and county governments that provides real property tax exemptions for property owners who renovate existing or construct new buildings. CRA's are areas of land in which property owners can receive tax incentives for investing in real property improvements. Under the CRA program, local governments petition to the Ohio Development Services Agency (ODSA) for confirmation of a geographical area in which investment is desired. Once an area is confirmed by the ODSA, local governments may offer real property tax exemptions to taxpayers that invest in that area. Property owners in the CRA can receive temporary tax abatements for renovation of existing structures and new construction in these areas. Property owners apply to the local legislative authority for approval to renovate or construct in the CRA. The local legislative authority negotiates the terms of the CRA with the business, which may include job creation and/or tax sharing with the Board of Education. The local legislative authority must pass legislation to approve the Agreement. All agreements must be finalized before the project begins and may contain provisions for the recoupment of taxes should the individual or entity fail to perform. The amount of the abatement is deducted from the business's property tax bill.

**CITY OF WADSWORTH, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2019

**NOTE 8 - TAX ABATEMENTS – (Continued)**

The City has entered into seven agreements to abate property taxes through this program. During 2019, the City’s property tax revenues were reduced as a result of these agreements as follows:

Purpose	Percentage of Taxes Abated during the Fiscal Year	Amount of Taxes Abated during the Fiscal Year	Term
Expansion for warehousing and office space	40%	\$771	6 years
Expansion for warehouse space	50%	\$3,366	9 years
Expansion for R&D and office space	70%	\$3,283	10 years
Expansion for manufacturing	50%	\$1,429	12 years
Expansion for warehousing, distribution, and office space	50%	\$3,878	10 years
Expansion for manufacturing and warehousing	60%	\$3,247	12 years

**NOTE 9 - INCOME TAX**

The City levies and collects an income tax on taxable income earned within the City as well as taxable incomes earned outside the City. The taxable income rate is 1.4%. For residents working outside the City, the City allows for a credit of income taxes paid to another municipality of up to 1.0%. Employers within the City are required to withhold income tax on employee earnings and remit the tax to the City at least quarterly. Income tax collections for 2019 and prior years received 60 days after year-end have been recognized as revenue in 2019. Corporations and individual taxpayers are also billed for their estimated taxes quarterly. They must pay at least 90% by January 31st and must file an annual return by April 15th.

Income tax revenues are distributed, as needed, to the various funds of the City pursuant to Council ordinance. In 2019, income tax revenues were distributed to the following funds: the General Fund, the General capital improvements, Street improvement, and special assessments capital projects funds, the Special assessment bond retirement debt service fund and the Recreation, and Street maintenance special revenue funds.

In 2011, the voters of the City increased the income tax rate from 1.3% to 1.4%, effective January 1, 2012. This increase is for a ten year period and to be used for street improvements.

**NOTE 10 - SPECIAL ASSESSMENTS**

Special assessments include annually assessed service assessments. Service type special assessments are levied against all property owners who benefit from the provided service. Special assessments are payable by the time and in the manner stipulated in the assessing ordinance and are a lien from the date of the passage of the ordinance.

The City’s special assessments include the construction, repair or improvement of streets, sidewalks, waterlines and public parking lots which are billed by the County Auditor and collected by the County Treasurer. The County Auditor periodically remits these collections to the City. Special assessments collected in one calendar year are levied and certified in the preceding calendar year.

Special assessments receivable at December 31, 2019 was \$124,725.

## CITY OF WADSWORTH, OHIO

### NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2019

#### NOTE 11 - RISK MANAGEMENT

##### A. Liability Insurance

The City is exposed to various risks of loss related to torts, theft, damage to or destruction of assets, errors or omissions, and natural disasters. Insurance against loss is provided as follows:

1. Blanket building and personal property insurance, with a \$2,500 deductible and a \$73,225,513 limit on buildings and property in the open and business personal property.
2. Vehicle liability insurance with physical damage, comprehensive and collision subject to a \$1,000,000 limit per accident or loss. A comprehensive deductible of \$500 for vehicles and a comprehensive deductible of \$2,000 apply to fire trucks.
3. Law enforcement liability coverage with a \$1,000,000 limit for each person/wrongful act/annual aggregate and a \$10,000 deductible for each Law Enforcement Wrongful Act.
4. Public officials' liability coverage with a \$1,000,000 for each claim/each aggregate and a \$10,000 deductible per 'claim'.
5. Umbrella liability coverage of \$10,000,000 per occurrence/aggregate.

There were no reductions in insurance coverage from the previous year, nor have settlements exceeded insurance coverage in any of the prior three years.

##### B. Workers' Compensation

The City became self-insured on November 1, 2010. The City has specific stop loss coverage of \$500,000 for all employees.

The City maintains an Internal Service Fund named Workers' Compensation Retention. The fund is financed by assessing the City departments the amount necessary to cover all costs and maintain a reasonable fund balance. The City continues to build a cash reserve for future claims and other expenses related to self-insurance.



**CITY OF WADSWORTH, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2019

**NOTE 11 - RISK MANAGEMENT - (Continued)**

The City’s third party administrator (TPA) is Sedgwick Inc. The claims liability reported in the workers’ comp internal service fund at December 31, 2019 of \$75,974, is based on the requirements of GASB statement No. 30 which requires that a liability for unpaid claims costs, including estimates of costs relating to incurred but not reported claims, be reported. The estimate was not affected by incremental claim adjustment expenses and does not include other allocated or unallocated claim adjustment expenses. A summary of the fund’s claims liability during the past two years is as follows:

		<u>Balance at</u> <u>Beginning of Year</u>	<u>Current Year</u> <u>Claims</u>	<u>Claims</u> <u>Payments</u>	<u>Balance at</u> <u>End of Year</u>
2019	\$	70,334	\$ 45,661	\$ (40,021)	\$ 75,974
2018		34,531	163,085	(127,282)	70,334

**C. Health Insurance**

The City has elected to provide employee medical, prescription, dental, and vision benefits through a self-insurance program with a Stop Loss Policy to insure against specific and aggregate losses. The City maintains a Self-Insurance Fund, to account for and finance its risk of loss. The specific stop loss amount is \$100,000 with a maximum claims aggregate of \$4,598,260. The aggregate amount is generally calculated on 120.0% of the expected claims.

The Fund is financed by assessing City departments the amount necessary to pay all costs and maintain a reasonable carryover balance. As of December 31, 2019, the Departments were assessed per each employee per month at the rate of \$1,105.00 per individual coverage and \$1,840.00 per family coverage. Following the health insurance renewal on September 1, 2019, non-bargaining employee contributions per bi-weekly pay period were \$40.00 for single coverage and \$80.00 for family. Some bargaining unit employees pay a contribution rate at \$61.20 for single coverage and \$126.45 for family coverage. Other bargaining unit employees contribute \$66.30 for single coverage and \$136.99 for family coverage. Health coverage (i.e., medical and prescription) was administered by Medical Mutual. Dental coverage was provided through Delta Dental.

The plan provides comprehensive medical coverage with a \$500 deductible per individual and \$1,000 per family and subject to a 10% co-insurance payment for expenses in-network and 20% out-of-network.

The Dental Plan is subject to a \$25.00 deductible and no co-payment, with a maximum coverage of \$1,000 annually.

The City also provides prescription drug insurance to its employees through the self-insurance program. The plan pays the cost of prescriptions with a required co-payment of \$30.00 Tier 1 drugs, \$60.00 for Tier 2 drugs and \$120.00 for Tier 3 drugs at a retail pharmacy or through the mail order system.

**CITY OF WADSWORTH, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2019

**NOTE 11 - RISK MANAGEMENT - (Continued)**

The claims liability of \$428,667 reported in the self-insurance fund at December 31, 2019 is based on the requirements of GASB Statement No. 10 “Accounting and Financial Reporting for Risk Financing and Related Insurance Services” which requires that a liability for unpaid claim costs, including estimates of costs relating to incurred, but not reported claims, be reported. The claims liability is based on an estimate supplied by the City’s third party administrator. This estimate was not affected by incremental claim adjustment expenses and does not include other allocated or unallocated claim adjustment expenses. A summary of the fund’s claims liability during the past two years is as follows:

		<u>Balance at Beginning of Year</u>	<u>Current Year Claims</u>	<u>Claims Payments</u>	<u>Balance at End of Year</u>
2019	\$	445,812	\$2,904,398	\$(2,921,543)	\$ 428,667
2018		445,377	3,206,077	(3,205,642)	445,812

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**CITY OF WADSWORTH, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2019

**NOTE 12 - CAPITAL ASSETS**

Governmental activities capital asset activity for the year ended December 31, 2019, was as follows.

	Balance 1/1/2019	Additions	Reductions	Balance 12/31/2019
<b><u>Governmental Activities:</u></b>				
Capital assets, not being depreciated				
Land	\$ 5,175,239	\$ -	\$ -	\$ 5,175,239
Intangible asset, not depreciated	3,673,615	214,317	-	3,887,932
Construction in progress	4,678,218	261,012	-	4,939,230
Total capital assets, not being depreciated	<u>13,527,072</u>	<u>475,329</u>	<u>-</u>	<u>14,002,401</u>
Capital assets, being depreciated				
Intangible assets	19,420,928	-	-	19,420,928
Land Improvements	3,750,530	78,880	-	3,829,410
Buildings	10,284,759	13,976	-	10,298,735
Equipment	3,435,353	105,326	(29,741)	3,510,938
Vehicles	6,431,860	367,243	(105,433)	6,693,670
Infrastructure	27,087,769	1,241,757	(318,593)	28,010,933
Total capital assets, being depreciated	<u>70,411,199</u>	<u>1,807,182</u>	<u>(453,767)</u>	<u>71,764,614</u>
Accumulated depreciation:				
Intangible assets	(2,761,325)	(399,552)	-	(3,160,877)
Land Improvements	(1,303,054)	(105,238)	-	(1,408,292)
Buildings	(4,413,419)	(251,487)	-	(4,664,906)
Equipment	(2,421,185)	(142,148)	29,541	(2,533,792)
Vehicles	(4,053,033)	(338,647)	99,068	(4,292,612)
Infrastructure	(8,323,761)	(876,062)	234,297	(8,965,526)
Total accumulated depreciation	<u>(23,275,777)</u>	<u>(2,113,134)</u>	<u>362,906</u>	<u>(25,026,005)</u>
Total capital assets, being depreciated, net	<u>47,135,422</u>	<u>(305,952)</u>	<u>(90,861)</u>	<u>46,738,609</u>
Governmental capital assets, net	<u>\$ 60,662,494</u>	<u>\$ 169,377</u>	<u>\$ (90,861)</u>	<u>\$ 60,741,010</u>

Depreciation expense was charged to governmental activities as follows:

<b><u>Governmental Activities:</u></b>	
General Government	\$ 640,852
Security of Persons and Property	288,314
Transportation	908,176
Leisure Time Services	179,266
Internal Service Funds	96,526
Total Depreciation Expense	<u>\$ 2,113,134</u>

**CITY OF WADSWORTH, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2019

**NOTE 12 - CAPITAL ASSETS - (Continued)**

Certain amounts have been reclassified between land and intangible assets, net depreciated. There was no impact on total capital assets. Business-type activities capital asset activity for the year ended December 31, 2019, was as follows:

	<u>Balance 1/1/2019</u>	<u>Additions</u>	<u>Reductions</u>	<u>Balance 12/31/2019</u>
<b><u>Business-Type Activities:</u></b>				
Capital assets, not being depreciated				
Land	\$ 709,335	\$ -	\$ -	\$ 709,335
Intangible Asset, not depreciated	325,701	14,565	-	340,266
Construction in Progress	<u>235,031</u>	<u>128,215</u>	<u>(61,187)</u>	<u>302,059</u>
Total capital assets, not being depreciated	<u>1,270,067</u>	<u>142,780</u>	<u>(61,187)</u>	<u>1,351,660</u>
Capital assets, being depreciated				
Intangible Assets	727,428	18,110	-	745,538
Land Improvements	156,486	38,783	-	195,269
Buildings	19,840,560	51,673	-	19,892,233
Equipment	15,282,421	119,406	-	15,401,827
Vehicles	6,597,998	589,199	(255,439)	6,931,758
Infrastructure	<u>114,058,822</u>	<u>1,093,472</u>	<u>(1,079,705)</u>	<u>114,072,589</u>
Total capital assets, being depreciated	<u>156,663,715</u>	<u>1,910,643</u>	<u>(1,335,144)</u>	<u>157,239,214</u>
Accumulated depreciation:				
Intangible Assets	(303,096)	(74,252)	-	(377,348)
Land Improvements	(20,862)	(5,918)	-	(26,780)
Buildings	(6,833,205)	(411,699)	-	(7,244,904)
Equipment	(6,603,896)	(685,669)	-	(7,289,565)
Vehicles	(3,739,733)	(447,976)	254,939	(3,932,770)
Infrastructure	<u>(48,944,660)</u>	<u>(2,602,394)</u>	<u>601,994</u>	<u>(50,945,060)</u>
Total accumulated depreciation	<u>(66,445,452)</u>	<u>(4,227,908)</u>	<u>856,933</u>	<u>(69,816,427)</u>
Total capital assets, being depreciated, net	<u>90,218,263</u>	<u>(2,317,265)</u>	<u>(478,211)</u>	<u>87,422,787</u>
Business-type activities capital assets, net	<u>\$ 91,488,330</u>	<u>\$ (2,174,485)</u>	<u>\$ (539,398)</u>	<u>\$ 88,774,447</u>

Depreciation expense was charged to the business-type activities as follows:

<b><u>Business-type activities:</u></b>	
Water	\$ 701,088
Sewer	1,009,817
Electric	1,776,198
Storm Water	322,981
Telecom	238,330
Sanitation	<u>179,494</u>
Total Depreciation Expense	<u>\$ 4,227,908</u>

**CITY OF WADSWORTH, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2019

**NOTE 12 - CAPITAL ASSETS - (Continued)**

During 2010, the City acquired an intangible asset due to the agreement with the Wadsworth City School District. Per the agreement, the City has the right to occupy and use the Community Center (“CC”), subject to the terms and conditions of the agreement. The entire asset value was capitalized as of December 31, 2011. The construction of the Community Center was substantially complete by the end of the 2012.

The remaining amortization schedule is as follows:

Year Ending December 31	Governmental Activities
2020	\$ 365,800
2021	365,800
2022	365,800
2023	365,800
2024	365,800
2025 - 2029	1,829,000
2030 - 2034	1,829,000
2035 - 2039	1,829,000
2040 - 2044	1,829,000
2045 - 2049	1,829,000
2050 - 2054	1,829,000
2055 - 2059	1,829,000
2060 - 2061	731,600
Total	\$ 15,363,600

**NOTE 13 - DEFINED BENEFIT PENSION PLANS**

***Net Pension Liability/Asset***

The net pension liability/asset reported on the statement of net position represents a liability or asset 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/asset 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/asset 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.

The 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.

## CITY OF WADSWORTH, OHIO

### NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2019

#### **NOTE 13 - DEFINED BENEFIT PENSION PLANS - (Continued)**

GASB 68 assumes any net pension liability/asset 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/asset on the accrual basis of accounting. Any liability for the contractually-required pension contribution outstanding at the end of the year is included in pension and postemployment benefits payable on both the accrual and modified accrual basis of accounting.

#### ***Plan Description – Ohio Public Employees Retirement System (OPERS)***

Plan Description - City employees, other than full-time police and firefighters, participate in the Ohio Public Employees Retirement System (OPERS). OPERS 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 Pension Plan.

OPERS provides retirement, disability, survivor and death benefits, and annual cost of living adjustments to members of the Traditional Pension 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.

**CITY OF WADSWORTH, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2019

**NOTE 13 - DEFINED BENEFIT PENSION PLANS - (Continued)**

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 Pension Plan as per the reduced benefits adopted by SB 343 (see OPERS CAFR referenced above for additional information):

<b>Group A</b>	<b>Group B</b>	<b>Group C</b>
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
<b>State and Local</b>	<b>State and Local</b>	<b>State and Local</b>
<b>Age and Service Requirements:</b> Age 60 with 60 months of service credit or Age 55 with 25 years of service credit	<b>Age and Service Requirements:</b> Age 60 with 60 months of service credit or Age 55 with 25 years of service credit	<b>Age and Service Requirements:</b> Age 57 with 25 years of service credit or Age 62 with 5 years of service credit
<b>Traditional Plan Formula:</b> 2.2% of FAS multiplied by years of service for the first 30 years and 2.5% for service years in excess of 30	<b>Traditional Plan Formula:</b> 2.2% of FAS multiplied by years of service for the first 30 years and 2.5% for service years in excess of 30	<b>Traditional Plan Formula:</b> 2.2% of FAS multiplied by years of service for the first 35 years and 2.5% for service years in excess of 35
<b>Combined Plan Formula:</b> 1% of FAS multiplied by years of service for the first 30 years and 1.25% for service years in excess of 30	<b>Combined Plan Formula:</b> 1% of FAS multiplied by years of service for the first 30 years and 1.25% for service years in excess of 30	<b>Combined Plan Formula:</b> 1% of FAS multiplied by years of service for the first 35 years and 1.25% 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.

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 retiring prior to January 7, 2013, the COLA will continue to be a 3.00% 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, capped at 3.00%.

Benefits in the Combined Plan consist of both an age-and-service formula benefit (defined benefit) and a defined contribution element. The defined benefit element is calculated on the basis of age, FAS, and years of service. Eligibility regarding age and years of service in the Combined Plan is the same as the Traditional Pension Plan. The benefit formula for the defined benefit component of the plan for State and Local members in transition Groups A and B applies a factor of 1.00% to the member's FAS for the first 30 years of service.

**CITY OF WADSWORTH, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2019

**NOTE 13 - DEFINED BENEFIT PENSION PLANS - (Continued)**

A factor of 1.25% is applied to years of service in excess of 30. The benefit formula for transition Group C applies a factor of 1.00% to the member's FAS and the first 35 years of service and a factor of 1.25% is applied to years in excess of 35. Persons retiring before age 65 with less than 30 years of service credit receive a percentage reduction in benefit. The defined contribution portion of the benefit is based on accumulated member contributions plus or minus any investment gains or losses on those contributions. Members retiring under the Combined Plan receive a 3.00% COLA adjustment on the defined benefit portion of their benefit.

Defined contribution plan benefits are established in the plan documents, which may be amended by the OPERS's Board of Trustees. Member-Directed Plan and Combined Plan members who have met the retirement eligibility requirements may apply for retirement benefits. The amount available for defined contribution benefits in the Combined Plan consists of the member's contributions plus or minus the investment gains or losses resulting from the member's investment selections. The amount available for defined contribution benefits in the Member-Directed Plan consists of the members' contributions, vested employer contributions and investment gains or losses resulting from the members' investment selections. Employer contributions and associated investment earnings vest over a five-year period, at a rate of 20% each year. For additional information, see the Plan Statement in the OPERS CAFR.

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

	State and Local
<b>2019 Statutory Maximum Contribution Rates</b>	
Employer	14.0 %
Employee	10.0 %
<b>2019 Actual Contribution Rates</b>	
Employer:	
Pension	14.0 %
Post-employment Health Care Benefits	0.0 %
Total Employer	14.0 %

Employer contribution rates are actuarially determined and are expressed as a percentage of covered payroll.

The City's contractually required contribution for the Traditional Pension Plan, the Combined Plan and Member-Directed Plan was \$1,552,841 for 2019. Of this amount, \$73,408 is reported as due to other governments.



## CITY OF WADSWORTH, OHIO

### NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2019

#### NOTE 13 - DEFINED BENEFIT PENSION PLANS - (Continued)

##### *Plan Description – Ohio Police & Fire Pension Fund (OP&F)*

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

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

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

The annual pension benefit for normal service retirement is equal to a percentage of the allowable average annual salary. The percentage equals 2.50% for each of the first 20 years of service credit, 2.00% for each of the next five years of service credit and 1.50% for each year of service credit in excess of 25 years. The maximum pension of 72.00% of the allowable average annual salary is paid after 33 years of service credit.

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

Members retiring under normal service retirement, with less than 15 years of service credit on July 1, 2013, will receive a COLA equal to either 3.00% or the percent increase, if any, in the consumer price index (CPI) 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 3.00% of their base pension or disability benefit.

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

**CITY OF WADSWORTH, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2019

**NOTE 13 - DEFINED BENEFIT PENSION PLANS - (Continued)**

	<u>Police</u>	<u>Firefighters</u>
<b>2019 Statutory Maximum Contribution Rates</b>		
Employer	19.50 %	24.00 %
Employee	12.25 %	12.25 %
<b>2019 Actual Contribution Rates</b>		
Employer:		
Pension	19.00 %	23.50 %
Post-employment Health Care Benefits	<u>0.50 %</u>	<u>0.50 %</u>
Total Employer	<u>19.50 %</u>	<u>24.00 %</u>
Employee	12.25 %	12.25 %

Employer contribution rates are expressed as a percentage of covered payroll. The City's contractually required contribution to OP&F was \$654,111 for 2019. Of this amount, \$31,915 is reported as due to other governments.

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

The net pension liability and net pension asset for the OPERS Traditional Pension Plan, Combined Plan and Member-Directed Plan, respectively, were measured as of December 31, 2018, and the total pension liability or asset used to calculate the net pension liability or asset was determined by an actuarial valuation as of that date. OP&F's total pension liability was measured as of December 31, 2018, and was determined by rolling forward the total pension liability as of January 1, 2018, to December 31, 2018. The City's proportion of the net pension liability or asset 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:

	<u>OPERS - Traditional</u>	<u>OPERS - Combined</u>	<u>OPERS - Member- Directed</u>	<u>OP&amp;F</u>	<u>Total</u>
Proportion of the net pension liability/asset prior measurement date	0.07527000%	0.08251600%	0.03961600%	0.13130000%	
Proportion of the net pension liability/asset current measurement date	<u>0.07293000%</u>	<u>0.09459200%</u>	<u>0.04010300%</u>	<u>0.13155100%</u>	
Change in proportionate share	<u>-0.00234000%</u>	<u>0.01207600%</u>	<u>0.00048700%</u>	<u>0.00025100%</u>	
Proportionate share of the net pension liability	\$ 19,974,047	\$ -	\$ -	\$ 10,738,038	\$ 30,712,085
Proportionate share of the net pension asset	-	(105,776)	(914)	-	(106,690)
Pension expense	4,037,029	29,352	(237)	1,664,951	5,731,095

**CITY OF WADSWORTH, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2019

**NOTE 13 - DEFINED BENEFIT PENSION PLANS - (Continued)**

At December 31, 2019, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	OPERS - Traditional	OPERS - Combined	Member- Directed	OP&F	Total
<b>Deferred outflows of resources</b>					
Differences between expected and actual experience	\$ 921	\$ -	\$ 3,806	\$ 441,185	\$ 445,912
Net difference between projected and actual earnings on pension plan investments	2,711,044	22,784	301	1,322,917	4,057,046
Changes of assumptions	1,738,789	23,624	283	284,679	2,047,375
Changes in employer's proportionate percentage/difference between employer contributions	56,749	-	-	590,031	646,780
Contributions subsequent to the measurement date	1,467,572	62,727	22,542	654,111	2,206,952
Total deferred outflows of resources	<u>\$ 5,975,075</u>	<u>\$ 109,135</u>	<u>\$ 26,932</u>	<u>\$ 3,292,923</u>	<u>\$ 9,404,065</u>
	OPERS - Traditional	OPERS - Combined	OPERS - Member- Directed	OP&F	Total
<b>Deferred inflows of resources</b>					
Differences between expected and actual experience	\$ 262,271	\$ 43,198	\$ -	\$ 10,026	\$ 315,495
Changes in employer's proportionate percentage/difference between employer contributions	499,838	-	-	155,836	655,674
Total deferred inflows of resources	<u>\$ 762,109</u>	<u>\$ 43,198</u>	<u>\$ -</u>	<u>\$ 165,862</u>	<u>\$ 971,169</u>

**CITY OF WADSWORTH, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2019

**NOTE 13 - DEFINED BENEFIT PENSION PLANS - (Continued)**

\$2,206,952 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/asset in the year ending December 31, 2020.

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

	OPERS - Traditional	OPERS - Combined	OPERS - Member- Directed	OP&F	Total
Year Ending December 31:					
2020	\$ 1,476,863	\$ 3,571	\$ 632	\$ 871,701	\$ 2,352,767
2021	756,194	(980)	578	556,906	1,312,698
2022	251,504	(500)	585	445,590	697,179
2023	1,260,833	6,634	706	572,253	1,840,426
2024	-	(2,730)	526	26,500	24,296
Thereafter	-	(2,785)	1,363	-	(1,422)
<b>Total</b>	<b>\$ 3,745,394</b>	<b>\$ 3,210</b>	<b>\$ 4,390</b>	<b>\$ 2,472,950</b>	<b>\$ 6,225,944</b>

**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, 2018, using the following actuarial assumptions applied to all prior periods included in the measurement in accordance with the requirements of GASB 67.

Wage inflation	3.25%
Future salary increases, including inflation COLA or ad hoc COLA	3.25% to 10.75% including wage inflation Pre 1/7/2013 retirees: 3.00%, simple Post 1/7/2013 retirees: 3.00%, simple through 2018, then 2.15% simple
Investment rate of return	
Current measurement date	7.20%
Prior measurement date	7.50%
Actuarial cost method	Individual entry age

**CITY OF WADSWORTH, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2019

**NOTE 13 - DEFINED BENEFIT PENSION PLANS - (Continued)**

Pre-retirement mortality rates are based on the RP-2014 Employees mortality table for males and females, adjusted for mortality improvement back to the observation period base year of 2006. The base year for males and females was then established to be 2015 and 2010, respectively. Post-retirement mortality rates are based on the RP-2014 Healthy Annuitant mortality table for males and females, adjusted for mortality improvement back to the observation period base year of 2006. The base year for males and females was then established to be 2015 and 2010, respectively. Post-retirement mortality rates for disabled retirees are based on the RP-2014 Disabled mortality table for males and females, adjusted for mortality improvement back to the observation period base year of 2006. The base year for males and females was then established to be 2015 and 2010, respectively. 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 2018, OPERS managed investments in three investment portfolios: the Defined Benefit portfolio, the Health Care portfolio, and the Defined Contribution portfolio. The Defined Benefit portfolio contains the investment assets for the Traditional Pension Plan, the defined benefit component of the Combined Plan and the annuitized accounts of the Member-Directed Plan. Within the Defined Benefit portfolio, contributions into the plans are all recorded at the same time, and benefit payments all occur on the first of the month. Accordingly, the money-weighted rate of return is considered to be the same for all plans within the portfolio. The annual money-weighted rate of return expressing investment performance, net of investment expenses and adjusted for the changing amounts actually invested, for the Defined Benefit portfolio was 2.94% for 2018.

The allocation of investment assets with the Defined Benefit portfolio is approved by the OPERS 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 table below displays the Board-approved asset allocation policy for 2018 and the long-term expected real rates of return:

Asset Class	Target Allocation	Weighted Average Long-Term Expected Real Rate of Return (Arithmetic)
Fixed income	23.00 %	2.79 %
Domestic equities	19.00	6.21
Real estate	10.00	4.90
Private equity	10.00	10.81
International equities	20.00	7.83
Other investments	18.00	5.50
Total	100.00 %	5.95 %

**CITY OF WADSWORTH, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2019

**NOTE 13 - DEFINED BENEFIT PENSION PLANS - (Continued)**

**Discount Rate** - The discount rate used to measure the total pension liability/asset was 7.20%, post-experience study results, for the Traditional Pension Plan, the Combined Plan and Member-Directed Plan. The discount rate used to measure total pension liability prior to December 31, 2018 was 7.50%. The projection of cash flows used to determine the discount rate assumed that contributions from plan members and those of the contributing employers are made at the contractually required rates, as actuarially determined. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefits payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments for the Traditional Pension Plan, Combined Plan and Member-Directed Plan was applied to all periods of projected benefit payments to determine the total pension liability.

**Sensitivity of the City's Proportionate Share of the Net Pension Liability/Asset to Changes in the Discount Rate** - The following table presents the City's proportionate share of the net pension liability/asset calculated using the current period discount rate assumption of 7.20%, as well as what the City's proportionate share of the net pension liability/asset would be if it were calculated using a discount rate that is one-percentage-point lower (6.20%) or one-percentage-point higher (8.20%) than the current rate:

	1% Decrease	Current Discount Rate	1% Increase
City's proportionate share of the net pension liability (asset):			
Traditional Pension Plan	\$ 29,507,478	\$ 19,974,047	\$ 12,051,683
Combined Plan	(34,999)	(105,776)	(157,023)
Member-Directed Plan	(401)	(914)	(1,604)

**Actuarial Assumptions – OP&F**

OP&F's total pension liability as of December 31, 2018 is based on the results of an actuarial valuation date of January 1, 2018, and rolled-forward using generally accepted actuarial procedures. The total pension liability is determined by OP&F's actuaries in accordance with GASB Statement No. 67, as part of their annual valuation. Actuarial valuations of an ongoing plan involve estimates of 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.

**CITY OF WADSWORTH, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2019

**NOTE 13 - DEFINED BENEFIT PENSION PLANS - (Continued)**

Key methods and assumptions used in calculating the total pension liability in the latest actuarial valuation, prepared as of January 1, 2018, are presented below.

Valuation date	1/1/18 with actuarial liabilities rolled forward to 12/31/18
Actuarial cost method	Entry age normal
Investment rate of return	8.00%
Projected salary increases	3.75% - 10.50%
Payroll increases	3.25%
Inflation assumptions	2.75%, plus productivity increase rate of 0.50%
Cost of living adjustments	3.00% simple; 2.20% simple for increases based on the lesser of the increase in CPI and 3.00%

Mortality for non-disabled participants is based on the RP-2014 Total Employee and Healthy Annuitant Mortality Tables rolled back to 2006, adjusted and projected with the Buck Modified 2016 Improvement Scale. Rates for surviving beneficiaries are adjusted by 120%.

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

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

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

The most recent experience study was completed for the five-year period ended December 31, 2016. The recommended assumption changes based on this experience study were adopted by OP&F's Board and were effective beginning with the January 1, 2018 actuarial valuation.

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 the Statement of Investment Policy and Guidelines. A forecasted rate of inflation serves as the baseline for the return expected. Various real return premiums over the baseline inflation rate have been established for each asset class. The long-term expected nominal rate of return has been determined by calculating a weighted average of the expected real return premiums for each asset class, adding the projected inflation rate and adding the expected return from rebalancing uncorrelated asset classes.

**CITY OF WADSWORTH, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2019

**NOTE 13 - DEFINED BENEFIT PENSION PLANS - (Continued)**

Best estimates of the long-term expected geometric real rates of return for each major asset class included in OP&F's target asset allocation as of December 31, 2018 are summarized below:

Asset Class	Target Allocation	10 Year Expected Real Rate of Return **	30 Year Expected Real Rate of Return **
Cash and Cash Equivalents	- %	1.00 %	0.80 %
Domestic Equity	16.00	5.30	5.50
Non-US Equity	16.00	6.10	5.90
Private Markets	8.00	8.40	8.40
Core Fixed Income *	23.00	2.20	2.60
High Yield Fixed Income	7.00	4.20	4.80
Private Credit	5.00	8.30	7.50
U.S. Inflation			
Linked Bonds *	17.00	1.30	2.30
Master Limited Partnerships	8.00	6.70	6.40
Real Assets	8.00	7.00	7.00
Private Real Estate	12.00	5.70	6.10
Total	<u>120.00 %</u>		

Note: assumptions are geometric.

\* levered 2x

\*\* numbers include inflation

OP&F's Board of Trustees has incorporated the risk parity concept into OP&F's asset liability valuation with the goal of reducing equity risk exposure, which reduces overall Total Portfolio risk without sacrificing return and creating a more risk-balanced portfolio based on the relationship between asset classes and economic environments. From the notional portfolio perspective above, the Total Portfolio may be levered up to 1.20 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 8.00%. The projection of cash flows used to determine the discount rate assumed the contributions from employers and from the members would be computed based on contribution requirements as stipulated by State statute. Projected inflows from investment earning were calculated using the longer-term assumed investment rate of return 8.00%. Based on those assumptions, the plan's fiduciary net position was projected to be available to make all future benefit payments of current plan members. Therefore, a long-term expected rate of return on pension plan investments was applied to all periods of projected benefits to determine the total pension liability.



**CITY OF WADSWORTH, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2019

**NOTE 13 - DEFINED BENEFIT PENSION PLANS - (Continued)**

*Sensitivity of the City's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate* - Net pension liability is sensitive to changes in the discount rate, and to illustrate the potential impact the following table presents the net pension liability calculated using the discount rate of 8.00%, as well as what the net pension liability would be if it were calculated using a discount rate that is one percentage point lower (7.00%), or one percentage point higher (9.00%) than the current rate.

	1% Decrease	Current Discount Rate	1% Increase
City's proportionate share of the net pension liability	\$14,114,411	\$ 10,738,038	\$ 7,916,591

**NOTE 14 - DEFINED BENEFIT OPEB PLANS**

*Net OPEB Liability*

The net OPEB liability reported on the statement of net position represents a liability to employees for OPEB. OPEB is a component of exchange transactions—between an employer and its employees—of salaries and benefits for employee services. OPEB 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 OPEB is a present obligation because it was created as a result of employment exchanges that already have occurred.

The net OPEB liability represents the City's proportionate share of each OPEB plan's collective actuarial present value of projected benefit payments attributable to past periods of service, net of each OPEB plan's fiduciary net position. The net OPEB liability calculation is dependent on critical long-term variables, including estimated average life expectancies, earnings on investments, cost of living adjustments and others. While these estimates use the best information available, unknowable future events require adjusting these estimates 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 OPEB are financed; however, the City does receive the benefit of employees' services in exchange for compensation including OPEB.

GASB 75 assumes the liability is solely the obligation of the employer, because they benefit from employee services. OPEB contributions come from these employers and health care plan enrollees which pay a portion of the health care costs in the form of a monthly premium. The Ohio revised Code permits, but does not require, the retirement systems to provide healthcare to eligible benefit recipients. Any change to benefits or funding could significantly affect the net OPEB liability. Resulting adjustments to the net OPEB liability would be effective when the changes are legally enforceable. The retirement systems may allocate a portion of the employer contributions to provide for these OPEB benefits.

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

## CITY OF WADSWORTH, OHIO

### NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2019

#### NOTE 14 - DEFINED BENEFIT OPEB PLANS - (Continued)

##### *Plan Description – Ohio Public Employees Retirement System (OPERS)*

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

OPERS maintains a cost-sharing, multiple-employer defined benefit post-employment health care trust, 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 postemployment health care coverage, age and service retirees under the traditional pension and combined plans must have twenty 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 75. 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.

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

Funding Policy - The Ohio Revised Code provides the statutory authority requiring public employers to fund postemployment health care through their contributions to OPERS. When funding is approved by OPERS' Board of Trustees, a portion of each employer's contribution to OPERS is set aside to fund OPERS health care plans. Health care is not being funded.

Employer contribution rates are expressed as a percentage of the earnable salary of active members. In 2019, state and local employers contributed at a rate of 14.00% of earnable salary and public safety and law enforcement employers contributed at 18.10%. 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. As recommended by OPERS' actuary, the portion of employer contributions allocated to health care was 0.00% for the Traditional and Combined plans. The OPERS Board is also authorized to establish rules for the retiree or their surviving beneficiaries to pay a portion of the health care provided. Payment amounts vary depending on the number of covered dependents and the coverage selected. The employer contribution as a percentage of covered payroll deposited into the RMA for participants in the Member-Directed Plan for 2019 was 4.00%.

## CITY OF WADSWORTH, OHIO

### NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2019

#### NOTE 14 - DEFINED BENEFIT OPEB PLANS - (Continued)

Employer contribution rates are actuarially determined and are expressed as a percentage of covered payroll.

The City's contractually required contribution was \$9,016 for 2019. Of this amount, \$426 is reported as due to other governments.

#### **Plan Description – Ohio Police & Fire Pension Fund (OP&F)**

Plan Description – The City contributes to the Ohio Police and Fire Pension Fund (OP&F) sponsored healthcare program, a cost-sharing, multiple-employer defined post-employment healthcare plan administered by a third-party provider. This program is not guaranteed and is subject to change at any time upon action of the Board of Trustees. OP&F provides health care benefits including coverage for medical, prescription drug, dental, vision, and Medicare Part B Premium to retirees, qualifying benefit recipients and their eligible dependents.

OP&F provides access to postretirement 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 OP&F meets the definition of an Other Post Employment Benefit (OPEB) as described in Government Accounting Standards Board (GASB) Statement No. 75.

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

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

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

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

**CITY OF WADSWORTH, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2019

**NOTE 14 - DEFINED BENEFIT OPEB PLANS - (Continued)**

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. For 2019, the portion of employer contributions allocated to health care was 0.50% of covered payroll. The amount of employer contributions allocated to the health care plan each year is subject to the Trustees' primary responsibility to ensure that pension benefits are adequately funded and is limited by the provisions of Sections 115 and 401(h).

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

Beginning January 1, 2019, OP&F changed its retiree health care model and the current self-insured health care plan will no longer be offered. In its place is a stipend-based health care model. A stipend funded by OP&F will be placed in individual Health Reimbursement Accounts that retirees will use to be reimbursed for health care expenses.

The City's contractually required contribution to OP&F was \$16,212 for 2019. Of this amount, \$791 is reported as pension and postemployment benefits payable.

***Net OPEB Liabilities, OPEB Expense, and Deferred Outflows or Resources and Deferred Inflows of Resources Related to OPEB***

The net OPEB liability and total OPEB liability for OPERS were determined by an actuarial valuation as of December 31, 2017, rolled forward to the measurement date of December 31, 2018, by incorporating the expected value of health care cost accruals, the actual health care payment, and interest accruals during the year. OP&F's total OPEB liability was measured as of December 31, 2018, and was determined by rolling forward the total OPEB liability as of January 1, 2018, to December 31, 2018. The City's proportion of the net OPEB liability was based on the City's share of contributions to the retirement plan relative to the contributions of all participating entities. Following is information related to the proportionate share and OPEB expense:

	<u>OPERS</u>	<u>OP&amp;F</u>	<u>Total</u>
Proportion of the net OPEB liability prior measurement date	0.07417000%	0.13130000%	
Proportion of the net OPEB liability current measurement date	<u>0.07228200%</u>	<u>0.13155100%</u>	
Change in proportionate share	<u>-0.00188800%</u>	<u>0.00025100%</u>	
Proportionate share of the net OPEB liability	\$ 9,423,867	\$ 1,197,974	\$ 10,621,841
OPEB expense	\$ 694,179	\$ (6,041,823)	\$ (5,347,644)

**CITY OF WADSWORTH, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2019

**NOTE 14 - DEFINED BENEFIT OPEB PLANS - (Continued)**

At December 31, 2019, the City reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	<u>OPERS</u>	<u>OP&amp;F</u>	<u>Total</u>
<b>Deferred outflows of resources</b>			
Differences between expected and actual experience	\$ 3,192	\$ -	\$ 3,192
Net difference between projected and actual earnings on OPEB plan investments	432,027	40,554	472,581
Changes of assumptions	303,838	620,971	924,809
Changes in employer's proportionate percentage/ difference between employer contributions	40,214	11,852	52,066
Contributions subsequent to the measurement date	9,016	16,212	25,228
Total deferred outflows of resources	<u>\$ 788,287</u>	<u>\$ 689,589</u>	<u>\$ 1,477,876</u>
	<u>OPERS</u>	<u>OP&amp;F</u>	<u>Total</u>
<b>Deferred inflows of resources</b>			
Differences between expected and actual experience	\$ 25,570	\$ 32,096	\$ 57,666
Changes of assumptions	-	331,655	331,655
Changes in employer's proportionate percentage/ difference between employer contributions	299,143	149,529	448,672
Total deferred inflows of resources	<u>\$ 324,713</u>	<u>\$ 513,280</u>	<u>\$ 837,993</u>

\$25,228 reported as deferred outflows of resources related to OPEB resulting from City contributions subsequent to the measurement date will be recognized as a reduction of the net OPEB liability in the year ending December 31, 2020.

**CITY OF WADSWORTH, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2019

**NOTE 14 - DEFINED BENEFIT OPEB PLANS - (Continued)**

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

Year Ending December 31:	OPERS	OP&F	Total
2020	\$ 161,022	\$ 29,529	\$ 190,551
2021	6,875	29,529	36,404
2022	69,020	29,531	98,551
2023	217,641	41,795	259,436
2024	-	22,459	22,459
Thereafter	-	7,254	7,254
Total	\$ 454,558	\$ 160,097	\$ 614,655

***Actuarial Assumptions - OPERS***

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

Projections of health care costs for financial reporting purposes are based on the substantive plan and include the types of coverage provided at the time of each valuation and the historical pattern of sharing of costs between OPERS and plan members. The total OPEB liability was determined by an actuarial valuation as of December 31, 2017, rolled forward to the measurement date of December 31, 2018. The actuarial valuation used the following actuarial assumptions applied to all prior periods included in the measurement in accordance with the requirements of GASB 74:

Wage Inflation	3.25%
Projected Salary Increases, including inflation	3.25 to 10.75% including wage inflation
Single Discount Rate:	
Current measurement date	3.96%
Prior Measurement date	3.85%
Investment Rate of Return	
Current measurement date	6.00%
Prior Measurement date	6.50%
Municipal Bond Rate	
Current measurement date	3.71%
Prior Measurement date	3.31%
Health Care Cost Trend Rate	
Current measurement date	10.00% initial, 3.25% ultimate in 2029
Prior Measurement date	7.50%, initial 3.25%, ultimate in 2028
Actuarial Cost Method	Individual Entry Age

## CITY OF WADSWORTH, OHIO

### NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2019

#### NOTE 14 - DEFINED BENEFIT OPEB PLANS - (Continued)

Pre-retirement mortality rates are based on the RP-2014 Employees mortality table for males and females, adjusted for mortality improvement back to the observation period base year of 2006. The base year for males and females was then established to be 2015 and 2010, respectively. Post-retirement mortality rates are based on the RP-2014 Healthy Annuitant mortality table for males and females, adjusted for mortality improvement back to the observation period base year of 2006. The base year for males and females was then established to be 2015 and 2010, respectively. Post-retirement mortality rates for disabled retirees are based on the RP-2014 Disabled mortality table for males and females, adjusted for mortality improvement back to the observation period base year of 2006. The base year for males and females was then established to be 2015 and 2010, respectively. Mortality rates for a particular calendar year are determined by applying the MP-2015 mortality improvement scale to all of 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 health care 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 2018, OPERS managed investments in three investment portfolios: the Defined Benefit portfolio, the Health Care portfolio and the Defined Contribution portfolio. The Health Care portfolio includes the assets for health care expenses for the Traditional Pension Plan, Combined Plan and Member-Directed Plan eligible members. Within the Health Care portfolio, contributions into the plans are assumed to be received continuously throughout the year based on the actual payroll payable at the time contributions are made, and health care-related payments are assumed to occur mid-year. Accordingly, the money-weighted rate of return is considered to be the same for all plans within the portfolio. The annual money-weighted rate of return expressing investment performance, net of investment expenses and adjusted for the changing amounts actually invested, for the Health Care portfolio is 5.60% for 2018.

The allocation of investment assets with the Health Care portfolio is approved by the Board of Trustees as outlined in the annual investment plan. Assets are managed on a total return basis with a long-term objective of continuing to offer a sustainable health care program for current and future retirees. OPERS' primary goal is to achieve and maintain a fully funded status for the benefits provided through the defined pension plans. Health care is a discretionary benefit. The table below displays the Board-approved asset allocation policy for 2018 and the long-term expected real rates of return:

**CITY OF WADSWORTH, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2019

**NOTE 14 - DEFINED BENEFIT OPEB PLANS - (Continued)**

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Weighted Average Long-Term Expected Real Rate of Return (Arithmetic)</u>
Fixed Income	34.00 %	2.42 %
Domestic Equities	21.00	6.21
Real Estate Investment Trust	6.00	5.98
International Equities	22.00	7.83
Other investments	17.00	5.57
Total	<u>100.00 %</u>	<u>5.16 %</u>

**Discount Rate** - A single discount rate of 3.96% was used to measure the OPEB liability on the measurement date of December 31, 2018. A single discount rate of 3.85% was used to measure the OPEB liability on the measurement date of December 31, 2017. Projected benefit payments are required to be discounted to their actuarial present value using a single discount rate that reflects (1) a long-term expected rate of return on OPEB plan investments (to the extent that the health care fiduciary net position is projected to be sufficient to pay benefits), and (2) tax-exempt municipal bond rate based on an index of 20-year general obligation bonds with an average AA credit rating as of the measurement date (to the extent that the contributions for use with the long-term expected rate are not met). This single discount rate was based on an expected rate of return on the health care investment portfolio of 6.00% and a municipal bond rate of 3.71%. The projection of cash flows used to determine this single discount rate assumed that employer contributions will be made at rates equal to the actuarially determined contribution rate. Based on these assumptions, the health care fiduciary net position and future contributions were sufficient to finance health care costs through 2031. As a result, the long-term expected rate of return on health care investments was applied to projected costs through the year 2031, and the municipal bond rate was applied to all health care costs after that date.

**Sensitivity of the City's Proportionate Share of the Net OPEB Liability to Changes in the Discount Rate** - The following table presents the City's proportionate share of the net OPEB liability calculated using the single discount rate of 3.96%, as well as what the City's proportionate share of the net OPEB liability would be if it were calculated using a discount rate that is one-percentage-point lower (2.96%) or one-percentage-point higher (4.96%) than the current rate:

	<u>1% Decrease</u>	<u>Current Discount Rate</u>	<u>1% Increase</u>
City's proportionate share of the net OPEB liability	\$12,056,638	\$ 9,423,867	\$ 7,330,118

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



**CITY OF WADSWORTH, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2019

**NOTE 14 - DEFINED BENEFIT OPEB PLANS - (Continued)**

Retiree health care valuations use a health care cost-trend assumption that changes over several years built into the assumption. The near-term rates reflect increases in the current cost of health care; the trend starting in 2019 is 10.00%. If this trend continues for future years, the projection indicates that years from now virtually all expenditures will be for health care. A more reasonable alternative is that in the not-too-distant future, the health plan cost trend will decrease to a level at, or near, wage inflation. On this basis, the actuaries project premium rate increases will continue to exceed wage inflation for approximately the next decade, but by less each year, until leveling off at an ultimate rate, assumed to be 3.25% in the most recent valuation.

	1% Decrease	Current Health Care Trend Rate Assumption	1% Increase
City's proportionate share of the net OPEB liability	\$ 9,058,380	\$ 9,423,867	\$ 9,844,808

***Actuarial Assumptions – OP&F***

OP&F's total OPEB liability as of December 31, 2018, is based on the results of an actuarial valuation date of January 1, 2018, and rolled-forward using generally accepted actuarial procedures. The total OPEB liability is determined by OP&F's actuaries in accordance with GASB Statement No. 74, as part of their annual valuation. Actuarial valuations of an ongoing plan involve estimates of reported amounts and assumptions about probability of occurrence of events far into the future. Examples include assumptions about future employment mortality, salary increases, disabilities, retirements and employment terminations. Actuarially determined amounts are subject to continual review and potential modifications, as actual results are compared with past expectations and new estimates are made about the future.

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

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

**CITY OF WADSWORTH, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2019

**NOTE 14 - DEFINED BENEFIT OPEB PLANS - (Continued)**

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

Valuation Date	January 1, 2018, with actuarial liabilities rolled forward to December 31, 2018
Actuarial Cost Method	Entry Age Normal (Level Percent of Payroll)
Investment Rate of Return	8.00%
Projected Salary Increases	3.75% to 10.50%
Payroll Growth	Inflation rate of 2.75% plus productivity increase rate of 0.50%
Single discount rate:	
Current measurement date	4.66%
Prior measurement date	3.24%
Cost of Living Adjustments	3.00% simple; 2.20% simple for increases based on the lesser of the increase in CPI and 3.00%

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

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

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

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

The most recent experience study was completed for the five-year period ended December 31, 2016.

**CITY OF WADSWORTH, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2019

**NOTE 14 - DEFINED BENEFIT OPEB PLANS - (Continued)**

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

Best estimates of the long-term expected geometric real rates of return for each major asset class included in OP&F's target asset allocation as of December 31, 2018, are summarized below:

Asset Class	Target Allocation	10 Year Expected Real Rate of Return **	30 Year Expected Real Rate of Return **
Cash and Cash Equivalents	- %	1.00 %	0.80 %
Domestic Equity	16.00	5.30	5.50
Non-US Equity	16.00	6.10	5.90
Private Markets	8.00	8.40	8.40
Core Fixed Income *	23.00	2.20	2.60
High Yield Fixed Income	7.00	4.20	4.80
Private Credit	5.00	8.30	7.50
U.S. Inflation			
Linked Bonds *	17.00	1.30	2.30
Master Limited Partnerships	8.00	6.70	6.40
Real Assets	8.00	7.00	7.00
Private Real Estate	12.00	5.70	6.10
Total	<u>120.00 %</u>		

Note: assumptions are geometric.

\* levered 2x

\*\* numbers include inflation

OP&F's Board of Trustees has incorporated the risk parity concept into OP&F's asset liability valuation with the goal of reducing equity risk exposure, which reduces overall Total Portfolio risk without sacrificing return, and creating a more risk-balanced portfolio based on their 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 OPEB liability was calculated using the discount rate of 4.66%. A discount rate of 3.24% was used to measure the total OPEB liability at December 31, 2017. The projection of cash flows used to determine the discount rate assumed the contribution from employers and from members would be computed based on contribution requirements as stipulated by state statute. Projected inflows from investment earnings were calculated using the longer-term assumed investment rate of return 8.00%. Based on those assumptions, OP&F's fiduciary net position was projected to not be able to make all future benefit payments of current plan members. Therefore, a municipal bond rate of 4.13% at December 31, 2018 and 3.16% at December 31, 2017, was blended with the long-term rate of 8.00%, which resulted in a blended discount rate of 4.66%.

**CITY OF WADSWORTH, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2019

**NOTE 14 - DEFINED BENEFIT OPEB PLANS - (Continued)**

*Sensitivity of the City's Proportionate Share of the Net OPEB Liability to Changes in the Discount Rate -* Net OPEB liability is sensitive to changes in the discount rate, and to illustrate the potential impact the following table presents the net OPEB liability calculated using the discount rate of 4.66%, as well as what the net OPEB liability would be if it were calculated using a discount rate that is one percentage point lower (3.66%), or one percentage point higher (5.66%) than the current rate.

	<u>1% Decrease</u>	<u>Current Discount Rate</u>	<u>1% Increase</u>
City's proportionate share of the net OPEB liability	\$ 1,459,459	\$ 1,197,974	\$ 978,479

*Sensitivity of the City's Proportionate Share of the Net OPEB Liability to Changes in the Health Care Cost Trend Rate -* Due to the change from a self-funded plan to the stipend plan, disclosure of the healthcare cost trend rate for OP&F is no longer available.

*Changes Between Measurement Date and Report Date -* Beginning January 1, 2019 OP&F is changing its retiree health care model and the current self-insured health care plan will no longer be offered. In its place will be a stipend-based health care model. OP&F has contracted with a vendor who will assist eligible retirees in choosing health care plans from their marketplace (both Medicare-eligible and pre-Medicare populations). A stipend funded by OP&F will be placed in individual Health Reimbursement Accounts that retirees will use to be reimbursed for health care expenses. As a result of changing from the current healthcare model to the stipend based healthcare model, management expects that it will be able to provide stipends to eligible participants for the next 15 years. Although the exact amount of these changes is not known, the overall decrease to the City's net OPEB liability is expected to be significant.

**NOTE 15 - COMPENSATED ABSENCES**

City employees earn vacation and sick leave at varying rates depending on length of service and department policy. All accumulated, unused vacation time is paid upon separation if the employee has acquired at least one year of service with the City. Accumulated, unused sick leave is paid to a retiring employee up to a maximum of 160 days. As of December 31, 2019, the City's liability for compensated absences was \$1,948,744 for governmental activities and \$1,383,518 for business-type activities.

**CITY OF WADSWORTH, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2019

**NOTE 16 - LONG-TERM OBLIGATIONS**

	Rate	Issue Amount	Maturity
<b>Governmental Activities:</b>			
1968 Liability for Police Past Service Cost	2.36%	\$ 124,769	May 15, 2038
2016 Income Tax Revenue Bonds	2.00 - 4.00 %	17,630,000	December 1, 2038
2017 Special Assessment Bonds	3.50%	1,310,000	December 1, 2037
2017 General Obligation Bonds	3.48%	910,000	December 1, 2037
OPWC Loan	0.00%	658,788	December 12, 2029
<b>Business-Type Activities:</b>			
2000 American Municipal Power-Ohio	1.65 - 5.25%	11,645,000	February 15, 2022
OWDA Loan	3.15%	23,040,336	January 1, 2028
2009 General Obligation Bonds	4.00%	1,860,000	December 1, 2024
2010 General Obligation Bonds	3.41%	9,420,000	December 1, 2032
American Municipal Power Loan	Various	7,100,000	February 15, 2022
OPWC Loan	0.00%	84,034	January 1, 2031
2019 Various Purpose Refunding Bonds	1.66%	7,460,000	December 1, 2032
2017 Storm Water Bonds	3.44%	345,000	December 1, 2037
2017 Telecommunications Bonds	2.93%	150,000	December 1, 2033
2017 Wastewater Treatment Bonds	3.49%	1,220,000	December 1, 2037
2017 Water Distribution Bonds	3.49%	1,080,000	December 1, 2037

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**CITY OF WADSWORTH, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2019

**NOTE 16 - LONG-TERM OBLIGATIONS - (Continued)**

The changes in the City's long-term obligations during the year consist of the following:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Deletions</u>	<u>Ending Balance</u>	<u>Amount Due In One Year</u>
<b>Governmental Activities:</b>					
1968 Liability for Police Past Service Cost	\$ 73,361	\$ -	\$ (3,207)	\$ 70,154	\$ 3,245
2016 Income Tax Revenue Bonds	17,060,000	-	(605,000)	16,455,000	630,000
Unamortized Bond Premium	531,922	-	(26,707)	505,215	26,707
2017 Special Assessment Bonds	1,265,000	-	(50,000)	1,215,000	50,000
Unamortized Bond Premium	56,474	-	(2,985)	53,489	2,985
2017 General Obligation Bonds	875,000	-	(35,000)	840,000	35,000
Unamortized Bond Premium	38,651	-	(2,043)	36,608	2,043
Direct Borrowing:					
OPWC Loan	<u>663,332</u>	<u>-</u>	<u>(55,278)</u>	<u>608,054</u>	<u>55,278</u>
Total Long-Term Debt	<u>20,563,740</u>	<u>-</u>	<u>(780,220)</u>	<u>19,783,520</u>	<u>805,258</u>
Net Pension Liability	14,162,602	6,782,408	-	20,945,010	-
Net OPEB Liability	11,602,803	652,184	(6,241,306)	6,013,681	-
Compensated Absences	<u>2,009,776</u>	<u>719,517</u>	<u>(780,549)</u>	<u>1,948,744</u>	<u>434,148</u>
Governmental Activities - Long Term Liabilities	<u>\$ 48,338,921</u>	<u>\$ 8,154,109</u>	<u>\$ (7,802,075)</u>	<u>\$ 48,690,955</u>	<u>\$ 1,239,406</u>

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**CITY OF WADSWORTH, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2019

**NOTE 16 - LONG-TERM OBLIGATIONS - (Continued)**

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Deletions</u>	<u>Ending Balance</u>	<u>Amount Due In One Year</u>
<b>Business-Type Activities</b>					
Storm Water 2009 Series					
General Obligation Bonds	\$ 450,000	\$ -	\$ (450,000)	\$ -	\$ -
Unamortized Premium on Bonds	6,414	-	(6,414)	-	-
Storm Water 2019 Refunding					
General Obligation Bonds	-	462,156	(71,911)	390,245	71,911
Storm Water Improvements 2017 Series					
General Obligation Bonds	335,000	-	(15,000)	320,000	15,000
Unamortized Bond Premium	14,814	-	(784)	14,030	784
Telecomm 2017 Series					
General Obligation Bonds	145,000	-	(5,000)	140,000	10,000
Unamortized Bond Premium	9,452	-	(633)	8,819	633
Water 2009 Series					
General Obligation Bond	690,000	-	(690,000)	-	-
Unamortized Premium on Bonds	9,739	-	(9,739)	-	-
Water 2019 Refunding					
General Obligation Bonds	-	706,944	(112,188)	594,756	118,089
Waste Water System Improvements 2017					
General Obligation Bond	1,175,000	-	(45,000)	1,130,000	45,000
Unamortized Premium on Bonds	52,120	-	(2,755)	49,365	2,755
Electric 2009 Series					
General Obligation Bond	40,000	-	(40,000)	-	-
Unamortized Premium on Bonds	551	-	(551)	-	-
Electric 2019 Refunding					
General Obligation Bond	-	40,900	(40,900)	-	-
2017 Water System Improvements					
General Obligation Bond	1,040,000	-	(40,000)	1,000,000	40,000
Unamortized Premium on Bonds	45,782	-	(2,420)	43,362	2,420
2010 Water System Improvements					
General Obligation Bond	6,620,000	-	(6,225,000)	395,000	395,000
Unamortized Premium on Bonds	11,929	-	(11,077)	852	852
Water System Improvements 2019 Refunding					
General Obligation Bond	-	6,250,000	-	6,250,000	-

(Continued)

**CITY OF WADSWORTH, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2019

**NOTE 16 - LONG-TERM OBLIGATIONS - (Continued)**

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Deletions</u>	<u>Ending Balance</u>	<u>Amount Due In One Year</u>
<b>Direct Borrowings:</b>					
OWDA Loan	12,153,195	-	(1,187,791)	10,965,404	1,225,501
OPWC Loan	67,228	-	(5,602)	61,626	5,603
AMP Loan	1,846,689	-	(624,000)	1,222,689	624,000
AMP Stranded Costs	2,768,503	-	(568,794)	2,199,709	564,917
Net Pension Liability	5,704,277	4,062,798	-	9,767,075	-
Net OPEB Liability	3,890,792	717,368	-	4,608,160	-
Compensated Absences	<u>1,381,697</u>	<u>446,279</u>	<u>(444,458)</u>	<u>1,383,518</u>	<u>277,118</u>
<b>Business-Type Activities -</b>					
Long Term Liabilities	<u>38,457,182</u>	<u>12,686,445</u>	<u>(10,600,017)</u>	<u>40,543,610</u>	<u>3,399,583</u>

On September 30, 2009, the City issued \$3.875 million in general obligation bonds for capital improvements.

General obligation bonds are direct obligations of the City for which its full faith, credit and resources are pledged. The 2009 bonds were used to retire \$3.188 million in inter-fund loans, and to fund new street improvements (\$550,000) and stormwater drainage and management facilities (\$385,000). These bonds are to be paid by stormwater revenues, water revenues, electric revenues, hotel/motel tax, income tax, and ad valorem property taxes.

On June 21, 2017, the City issued \$3,705,000 in general obligation bonds. These bonds were used to pay off the bond anticipation notes outstanding as of December 31, 2016. Of the \$3,705,000, \$910,000 was for State Route 94 improvements, \$345,000 for storm water, \$150,000 for telecommunications, \$1,220,000 for waste water treatment, and \$1,080,000 for water distribution.

The business-type activities general obligation bonds will be paid from the storm water, water, telecommunications, and sewer funds.

On February 4, 2010, the City issued \$18,290,000 in revenue bonds for the purpose of funding a portion of the costs of designing, constructing, furnishing and equipping a new community center, with related site improvements, and acquiring land. The bonds are payable solely from the income tax revenues in the recreation fund, which payment is secured by a pledge of the income tax revenues. These bonds were refunded during 2016.

On June 29, 2016, the City issued \$17,630,000 in income tax revenue bonds. The proceeds of these bonds were used to advance refund the \$16,535,000 in outstanding 2010 Community Center revenue bonds. This refunded debt is considered defeased (in-substance) and accordingly, has been removed from the statement of net position. The balance of the refunded 2010 Community Center revenue bonds at December 31, 2019, is \$14,605,000.

The reacquisition price exceeded the net carrying amount of the old debt by \$101,310. This amount is being netted against the new debt and amortized over the remaining life of the refunded debt, which is equal to the life of the new debt issued.



## CITY OF WADSWORTH, OHIO

### NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2019

#### NOTE 16 - LONG-TERM OBLIGATIONS - (Continued)

On March 1, 2003, the City and American Municipal Power, Inc. (AMP) amended and restated a loan agreement. In accordance with the agreement, AMP issued \$11,645,000 of bonds and loaned the proceeds received from the bonds to the City. The loan proceeds were issued to:

1. Refinance notes originally issued to pay the cost of financing the construction and installation of various capital improvements for the municipal electric utility and the telecommunications system to the City;
2. Providing funds for additional improvements to the telecommunications system;
3. Fund a debt service reserve; and,
4. Pay the costs of issuance of the 2003 bonds.

On April 1, 2012, the City and American Municipal Power, Inc. (AMP) amended and restated a loan agreement. In accordance with the agreement, AMP took out a loan under its credit agreement and loaned the proceeds received to the City. The loan proceeds were used to pay the redemption price of the 2002 bonds.

On January 27, 2005, the City obtained an OWDA loan for improvements to the waste water treatment plant. This is a direct borrowing. In the event of default, the OWDA may declare the full amount of the then unpaid original loan amount to be immediately due and payable and/or require the City to pay any fines, penalties, interest and/or late charges associated with the default. The City has pledged future revenues net of expenditures to repay the OWDA loans. The loans are payable solely from revenues generated by the ownership and operation of the sewer utility system. Revenues include all revenues received by the sewer utility less all operating expenses other than depreciation expense. All debt is payable solely from net revenues and is payable through 2027. The total principal and interest remaining to be paid on the debt is \$12,455,103. Principal and interest paid for the current year were \$1,187,791 and \$373,587, respectively. Total net customer revenues were \$1,320,606 and total operating revenues were \$4,005,137.

On October 14, 2010, the City issued \$9,420,000 in general obligation bonds for the purpose of constructing and installing various waterworks system improvements in the City, including, but not limited to a water tower, approximately six miles of water line and an automated meter reading system. The bonds are payable from a limited ad valorem tax on all real and personal property in the City subject to taxation by the City or the revenues generated by the ownership and operation of the water utility system. Revenues include all revenues received by the water utility less all operating expenses other than depreciation expense.

On September 25, 2019, the City issued \$7,460,000 in various purpose bonds (Series 2019 various purpose refunding bonds). This issuance was used to advance refund a portion of the Series 2009 various purpose bonds and series 2010 various purpose bonds. This refunded debt is considered defeased (in-substance) and accordingly, has been removed from the statement of net position. The balance of the refunded Series 2009 various purpose bonds and 2010 various purpose bonds at December 31, 2019, is \$965,000 and \$5,840,000, respectively.

## CITY OF WADSWORTH, OHIO

### NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2019

#### NOTE 16 - LONG-TERM OBLIGATIONS - (Continued)

The reacquisition price exceeded the net carrying amount of the old debt by \$371,672. This amount is being netted against the new debt and amortized over the remaining life of the refunded debt, which is equal to the life of the new debt issued. This advance refunding was undertaken to reduce the combined total debt service payments over the next 13 years by \$667,014 and resulted in an economic gain of \$607,636.

During 2015, the City obtained an OPWC loan, a direct borrowing, in the amount of \$84,034 for storm water improvements. The loan has a zero percent interest rate, with semiannual payments and a final maturity of January 2031. During 2017, the City obtained an OPWC loan in the amount of \$658,788 for widening of High Street. The loan has a zero percent interest rate, with semiannual payments and a final maturity of December 2029. In the event of default, the OPWC may (1) charge an 8% default interest rate from the date of the default to the date of the payment and charge the City for all costs incurred by the OPWC in curing the default, (2) in accordance with Ohio Revised Code 164.05, direct the county treasurer of the county in which the City is located to pay the amount of the default from funds that would otherwise be appropriated to the City from such county's undivided local government fund pursuant to ORC 5747.51-5747.53 or (3) at its discretion, declare the entire principal amount of loan then remaining unpaid, together with all accrued interest and other charges become immediately due and payable.

See Notes 13 and 14 for detail on the net pension liability and net OPEB liability, respectively.

The liability for police past service costs relates to the City's liability to certain employees incurred prior to the establishment of the statewide Ohio Police and Fire Pension Fund. The City is required to make payments of approximately \$6,200 annually, which includes interest, through the year 2038. These past service costs are payable from taxes levied on all taxable property in the City.

Compensated absences will be paid from general operating revenues of the fund from which the employees' salaries are paid. The most significant of these funds are the general fund, street fund (a nonmajor governmental fund), EMS fund (a nonmajor governmental fund), water fund, sewer fund, electric fund, telecom fund, and storm water fund.

The amortization schedules for the AMP loan and stranded costs payable are not available. The annual requirement to amortize the remaining debt outstanding as of December 31, 2019, including interest payments in the Governmental Activities of \$109,076 for police past service costs, \$21,778,422 for revenue bonds, \$1,088,985 in general obligation bonds, \$1,575,165 for the special assessment bonds, \$608,054 for the governmental activities OPWC loans, \$11,835,315 for the Business-Type Activities general obligation bonds, \$61,626 for the OPWC loan and \$12,418,053 for the OWDA loan are as follows:

**CITY OF WADSWORTH, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2019

**NOTE 16 - LONG-TERM OBLIGATIONS - (Continued)**

<u>Governmental Activities</u>					
December 31 Year Ending	<u>Police Past Service Costs</u>		<u>Revenue Bonds</u>		
	Principal	Interest	Principal	Interest	
2020	\$ 3,245	\$ 2,994	\$ 630,000	\$ 515,756	
2021	3,334	2,905	660,000	490,556	
2022	3,423	2,816	685,000	464,156	
2023	3,512	2,727	700,000	436,756	
2024	3,601	2,638	740,000	408,756	
2025 - 2029	19,340	11,855	4,090,000	1,624,591	
2030 - 2034	21,565	9,630	4,685,000	1,058,101	
2035 - 2038	12,134	3,357	4,265,000	324,750	
Total	<u>\$ 70,154</u>	<u>\$ 38,922</u>	<u>\$ 16,455,000</u>	<u>\$ 5,323,422</u>	

<u>Governmental Activities</u>					
December 31 Year Ending	<u>General Obligation Bonds</u>		<u>Special Assessment Bonds</u>		<u>OPWC</u>
	Principal	Interest	Principal	Interest	Principal
2020	\$ 35,000	\$ 26,190	\$ 50,000	\$ 37,940	\$ 55,278
2021	35,000	24,790	50,000	35,940	55,278
2022	35,000	23,390	55,000	33,940	55,277
2023	40,000	21,990	55,000	31,740	55,278
2024	40,000	20,390	60,000	29,540	55,278
2025-2029	225,000	78,505	325,000	113,035	276,388
2030-2034	205,000	38,340	370,000	64,395	55,277
2035-2038	225,000	15,390	250,000	13,635	-
Total	<u>\$ 840,000</u>	<u>\$ 248,985</u>	<u>\$ 1,215,000</u>	<u>\$ 360,165</u>	<u>\$ 608,054</u>

<u>Business-Type Activities</u>					
December 31 Year Ending	<u>General Obligation Bonds</u>		<u>OWDA</u>		<u>OPWC</u>
	Principal	Interest	Principal	Interest	Principal
2020	\$ 695,000	\$ 216,971	\$ 1,225,501	\$ 319,843	\$ 5,603
2021	810,000	193,657	1,264,409	282,788	5,602
2022	825,001	177,520	1,304,551	244,554	5,603
2023	805,000	161,017	1,345,968	205,113	5,602
2024	835,000	144,846	1,388,700	164,415	5,603
2025 - 2029	3,290,000	506,663	4,436,275	235,936	28,011
2030 - 2034	2,465,000	187,640	-	-	5,602
2035 - 2037	495,000	27,000	-	-	-
Total	<u>\$ 10,220,001</u>	<u>\$ 1,615,314</u>	<u>\$ 10,965,404</u>	<u>\$ 1,452,649</u>	<u>\$ 61,626</u>

## CITY OF WADSWORTH, OHIO

### NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2019

#### NOTE 16 - LONG-TERM OBLIGATIONS - (Continued)

##### Stranded Costs Payable

The City is a member of American Municipal Power (AMP) and has participated in the AMP Generating Station (AMPGS) Project. This project was intended to develop a pulverized coal power plant in Meigs County, Ohio. The City's project share was 34,650 kilowatts (kW) of a total 771,281 kW, giving the City a 4.49 percent project share. The AMPGS Project required participants to sign "take or pay" contracts with AMP. As such, the participants are obligated to pay any costs incurred for the project. In November 2009, the participants voted to terminate the AMPGS Project due to projected escalating costs. All project costs incurred prior to the cancellation and related to the cancellation were therefore deemed impaired and participants were obligated to pay those incurred costs. As a result of a March 2014 legal ruling, the AMP Board of Trustees on April 15, 2014 and the AMPGS participants on April 16, 2014 approved the collection of the impaired costs and provided the participants with an estimate of their liability.

The City's estimated share of the impaired costs at March 31, 2014 was \$6,014,238. The City received a credit of \$1,372,291 related to their participation in the AMP Fremont Energy Center (AFEC) Project and a credit of \$1,567,041 related to the AMPGS costs deemed to have future benefit for the project participants, classified as Plant Held for Future Use (PHFU). The City also made payments totaling \$425,037 leaving an estimated net impaired costs balance of \$2,649,869. Because payment is now probable and reasonably estimable, the City is reporting a payable to AMP in its business-type activities and in its electric enterprise fund for these impaired costs. AMP financed these costs on its revolving line of credit. Any additional costs (including line-of-credit interest and legal fees) or amounts received related to the project will impact the City's net impaired cost balance either positively or negatively. These amounts will be recorded as they become estimable.

In late 2016, AMP reached a Settlement in the Bechtel Corporation litigation. On December 8, 2016, at the AMPGS Participants meeting, options for the allocation of the Settlement funds were approved. The AMPGS Participants and the AMP Board of Trustees voted to allocate the Settlement among the participants and the AMP General Fund based on each participant's original project share in kW including the AMP General Fund's project share.

Since March 31, 2014 the City has made payments of \$1,583,716 to AMP toward its net impaired cost estimate. Also since March 31, 2014, the City's allocation of additional costs incurred by the project is \$72,745 and interest expense incurred on AMP's line-of-credit of \$191,044, resulting in a net impaired cost estimate at December 31, 2019 of \$1,330,482. The City does have a potential PHFU Liability of \$1,740,093 resulting in a net total potential liability of \$3,070,575, assuming the assets making up the PHFU (principally the land comprising the Meigs County site) have no value and also assuming the City's credit balance would earn zero interest. Stranded costs as well as PHFU costs are subject to change, including future borrowing costs on the AMP line of credit. Activities include items such negative items as property taxes as well as positive items revenue from leases or sale of all or a portion of the Meigs County site property.

The City has made a payment arrangement with AMP with a variable interest rate and an estimated time of completion of payment of December, 2022. Principal and interest payment are made from the electric fund.

**CITY OF WADSWORTH, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2019

**NOTE 17 - INTERFUND TRANSACTIONS**

Internal borrowings consist of internal notes and bonds issued by various funds to finance projects internally rather than through outside parties. Each internal note or bond is identified as to which fund is liable for repayment. However, the actual borrowing comes from a pool of funds rather than specific funds. The borrowings pay interest to specified funds based on the percentage of fund balances.

For reporting purposes, these interfund transactions were reflected as an interfund receivable and an interfund payable in the respective funds.

Following is a detail of Interfund Notes Receivable/Payable, by debt issue, during 2019:

	<u>Balance</u> <u>1/1/19</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>12/31/19</u>
<b>Governmental Activities:</b>				
<b>Non-major Governmental Funds:</b>				
Recreation Improvements				
2012 YMCA Equipment				
Issue 11/19, maturity 11/20, rate 1.0%	\$ 145,544	\$ 109,159	\$ (145,544)	\$ 109,159
2012 ERP System Improvements				
Issue 11/19, maturity 11/20, rate 1.0%	337,720	253,292	(337,720)	253,292
2013 Outdoor Pool				
Issue 11/19, maturity 11/20, rate 1.0%	753,334	678,001	(753,334)	678,001
High Street Improvements				
Issue 11/19, maturity 11/20, rate 1.0%	135,650	113,900	(135,650)	113,900
2012 Airport Land Acquisition				
Issue 11/19, maturity 11/20, rate 1.0%	<u>81,000</u>	<u>72,000</u>	<u>(81,000)</u>	<u>72,000</u>
Total nonmajor governmental funds	<u>\$ 1,453,248</u>	<u>\$ 1,226,352</u>	<u>\$ (1,453,248)</u>	<u>\$ 1,226,352</u>
	<u>Balance</u> <u>1/1/19</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>12/31/19</u>
<b>Governmental Activities:</b>				
<b>Internal Service Fund</b>				
2015 Information Technology Equipment				
Issue 11/19, maturity 11/20, rate 1.0%	<u>\$ 193,514</u>	<u>\$ 96,758</u>	<u>\$ (193,514)</u>	<u>\$ 96,758</u>

**CITY OF WADSWORTH, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2019

**NOTE 17 - INTERFUND TRANSACTIONS - (Continued)**

	<u>Balance</u> <u>1/1/2019</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>12/31/2019</u>
<b>Business-Type Activities:</b>				
<b>Water Fund:</b>				
2004 Rogues Hollow Well				
Issue 11/19, maturity 11/20, rate 1.0%	\$ 675,300	\$ 619,025	\$ (675,300)	\$ 619,025
2009 Water Tank Maintenance				
Issue 11/19, maturity 11/20, rate 1.0%	15,038	-	(15,038)	-
2009 Water System Improvement				
Issue 11/19, maturity 11/20, rate 1.0%	192,500	175,000	(192,500)	175,000
2012 Water Distribution Improvements				
Issue 11/19, maturity 11/20, rate 1.0%	224,000	208,000	(224,000)	208,000
2011 Water Distribution Improvements				
Issue 11/19, maturity 11/20, rate 1.0%	172,250	159,000	(172,250)	159,000
2012 Water Plan Generator				
Issue 11/19, maturity 11/20, rate 1.0%	262,500	243,750	(262,500)	243,750
2013 Water Tank Maintenance				
Issue 11/19, maturity 11/20, rate 1.0%	250,000	200,000	(250,000)	200,000
2013 Water Distribution Improvements				
Issue 11/19, maturity 11/20, rate 1.0%	262,500	245,000	(262,500)	245,000
2013 Water Plant Improvements				
Issue 11/19, maturity 11/20, rate 1.0%	75,000	70,000	(75,000)	70,000
2014 Water Distribution Improvements				
Issue 11/19, maturity 11/20, rate 1.0%	<u>206,000</u>	<u>193,125</u>	<u>(206,000)</u>	<u>193,125</u>
 Total Water Fund	 <u>\$ 2,335,088</u>	 <u>\$ 2,112,900</u>	 <u>\$ (2,335,088)</u>	 <u>\$ 2,112,900</u>

**CITY OF WADSWORTH, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2019

**NOTE 17 - INTERFUND TRANSACTIONS - (Continued)**

	<u>Balance</u> <u>1/1/19</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>12/31/19</u>
<b>Business-Type Activities:</b>				
<b>Electric Fund:</b>				
2006 Valleyview Sub Improvements				
Issue 11/19, maturity 11/20, rate 1.0%	\$ 120,375	\$ 107,000	\$ (120,375)	\$ 107,000
2007 Subs/Dist/Meters				
Issue 11/19, maturity 11/20, rate 1.0%	347,168	308,594	(347,168)	308,594
2008 Electric Capital Improvements				
Issue 11/19, maturity 11/20, rate 1.0%	392,500	353,250	(392,500)	353,250
2009 Electric Capital Improvements				
Issue 11/19, maturity 11/20, rate 1.0%	324,500	295,000	(324,500)	295,000
2010 Electric Capital Improvements				
Issue 11/19, maturity 11/20, rate 1.0%	648,668	556,002	(648,668)	556,002
2011 Electric Capital Improvements				
Issue 11/19, maturity 11/20, rate 1.0%	789,750	729,000	(789,750)	729,000
2012 Electric Capital Improvements				
Issue 11/19, maturity 11/20, rate 1.0%	<u>375,000</u>	<u>312,500</u>	<u>(375,000)</u>	<u>312,500</u>
 Total Electric Fund	 <u>\$ 2,997,961</u>	 <u>\$ 2,661,346</u>	 <u>\$ (2,997,961)</u>	 <u>\$ 2,661,346</u>
	<u>Balance</u> <u>1/1/19</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>12/31/19</u>
<b>Business-Type Activities:</b>				
<b>Sewer Fund:</b>				
2011 WWTP Phosphorus Improvements				
Issue 11/19, maturity 11/20, rate 1.0%	\$ 60,000	\$ 40,000	\$ (60,000)	\$ 40,000
2012 Brookwood Gravity Sewer				
Issue 11/19, maturity 11/20, rate 1.0%	<u>399,000</u>	<u>370,500</u>	<u>(399,000)</u>	<u>370,500</u>
 Total Sewer Fund	 <u>\$ 459,000</u>	 <u>\$ 410,500</u>	 <u>\$ (459,000)</u>	 <u>\$ 410,500</u>

**CITY OF WADSWORTH, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2019

**NOTE 17 - INTERFUND TRANSACTIONS - (Continued)**

	<u>Balance</u> <u>1/1/19</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>12/31/19</u>
<b>Business-Type Activities:</b>				
<b>Storm Water Fund:</b>				
2012 Stormwater Improvements				
Issue 11/19, maturity 11/20, rate 1.0%	\$ 157,500	\$ 146,250	\$ (157,500)	\$ 146,250
2011 Stormwater Improvements				
Issue 11/19, maturity 11/20, rate 1.0%	91,000	84,000	(91,000)	84,000
2010 Stormwater Improvements				
Issue 11/19, maturity 11/20, rate 1.0%	58,334	50,001	(58,334)	50,001
2006 Stormwater Improvements				
Issue 11/19, maturity 11/20, rate 1.0%	28,001	18,668	(28,001)	18,668
2013 Stormwater Improvements				
Issue 11/19, maturity 11/20, rate 1.0%	75,000	70,000	(75,000)	70,000
2015 Stormwater Improvements				
Issue 11/19, maturity 11/20, rate 1.0%	<u>89,145</u>	<u>76,410</u>	<u>(89,145)</u>	<u>76,410</u>
 Total Storm Water Fund	 <u>\$ 498,980</u>	 <u>\$ 445,329</u>	 <u>\$ (498,980)</u>	 <u>\$ 445,329</u>
	<u>Balance</u> <u>1/1/19</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>12/31/19</u>
<b>Business-Type Activities:</b>				
<b>Telecom Fund:</b>				
2016 Broadband Communication Digital				
Issue 11/19, maturity 11/20, rate 1.0%	\$ 776,532	\$ -	\$ (776,532)	\$ -
2014 Broadband Communication Digital				
Issue 11/19, maturity 11/20, rate 1.0%	<u>23,000</u>	<u>-</u>	<u>(23,000)</u>	<u>-</u>
 Total Telecom Fund	 <u>\$ 799,532</u>	 <u>\$ -</u>	 <u>\$ (799,532)</u>	 <u>\$ -</u>
 Total Proprietary Funds	 <u>\$ 7,090,561</u>	 <u>\$ 5,630,075</u>	 <u>\$ (7,090,561)</u>	 <u>\$ 5,630,075</u>



**CITY OF WADSWORTH, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2019

**NOTE 17 - INTERFUND TRANSACTIONS - (Continued)**

	<u>Balance</u> <u>1/1/19</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>12/31/19</u>
<b>Governmental Activities:</b>				
2014 Sidewalk Assessments				
Issue 11/14, maturity 11/19, rate 1.50%	\$ 2,921	\$ -	\$ (2,921)	\$ -
2015 Sidewalk Assessments				
Issue 11/15, maturity 11/20, rate 1.50%	<u>4,966</u>	<u>-</u>	<u>(2,465)</u>	<u>2,501</u>
Total Governmental Activities	<u>\$ 7,887</u>	<u>\$ -</u>	<u>\$ (5,386)</u>	<u>\$ 2,501</u>

The following is a detail of Advances In/Out included in interfund receivable/payable during 2019:

<u>Payable Fund</u>	<u>Receivable Fund</u>	<u>Amount</u>
Nonmajor governmental funds	General fund	\$ 368,712

The following is a summary of Interfund Receivable/Payable, outstanding at December 31, 2019:

	<u>Total Interfund</u> <u>Payable</u> <u>Activity</u>
<b><u>Interfund Payable Funds:</u></b>	
<b>Governmental Funds:</b>	
Nonmajor Governmental Funds	<u>\$ 1,597,565</u>
Total Governmental Funds	<u>1,597,565</u>
<b>Proprietary Funds:</b>	
Storm Water	445,329
Sewer	410,500
Water	2,112,900
Electric	<u>2,661,346</u>
Total Proprietary Funds	<u>5,630,075</u>
<b>Internal Service Funds</b>	<u>96,758</u>
Total Interfund Payable	<u>\$ 7,324,398</u>

**CITY OF WADSWORTH, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2019

**NOTE 17 - INTERFUND TRANSACTIONS - (Continued)**

	Total Interfund Receivable Activity
<b><u>Interfund Receivable Funds:</u></b>	
<b>Governmental Funds:</b>	
General Fund	\$ 1,698,742
Nonmajor Governmental Funds	<u>2,167,879</u>
Total Governmental Funds	<u>3,866,621</u>
<b>Proprietary Funds:</b>	
Storm Water	63,414
Telecom	403,969
Sewer	353,231
Water	415,626
Electric	1,491,010
Sanitation	<u>351,380</u>
Total Proprietary Funds	<u>3,078,630</u>
<b>Internal Service Funds</b>	<u>379,147</u>

Interfund transfers for the year ended December 31, 2019 consisted of the following:

	Transfers In	
	Internal Service Funds	Nonmajor Governmental Funds
<b><u>Transfers Out</u></b>		
General Fund	\$ 18,285	\$ 108,676
Nonmajor Governmental Funds	<u>-</u>	<u>5,504</u>
Total Transfers In	<u>\$ 18,285</u>	<u>\$ 114,180</u>

(Continued)

**CITY OF WADSWORTH, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2019

**NOTE 17 - INTERFUND TRANSACTIONS - (Continued)**

Transfers In - Continued							
	Storm Water Fund	Telecom Fund	Sewer Fund	Water Fund	Electric Fund	Sanitation Fund	Total
<u>Transfers Out</u>							
General Fund	\$ 3,821	\$ 18,023	\$ 27,380	\$ 51,041	\$ 155,610	\$ 12,796	\$ 395,632
Nonmajor Governmental Funds	-	-	-	-	-	-	5,504
Total Transfers In	\$ 3,821	\$ 18,023	\$ 27,380	\$ 51,041	\$ 155,610	\$ 12,796	\$ 401,136

Transfers are used to move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them and unrestricted revenues collected in the General Fund to finance various programs accounted for in other funds in accordance with budgetary authorizations; to segregate money for anticipated capital projects; to provide additional resources for current operations or debt service; and to return money to the fund from which it was originally provided once a project is completed. The City transferred \$5,504 between nonmajor governmental funds for debt payments. In addition, the City had various transfers between funds related to capital assets.

**NOTE 18 - RELATED ORGANIZATIONS**

On July 21, 2017, the City granted a franchise to Flight Services of Wadsworth LLC for a period to end June 30, 2020, for the operation and maintenance of the Wadsworth Municipal Airport. The City of Wadsworth pays four thousand four hundred forty one (\$4,441.00) dollars per month to Flight Services of Wadsworth LLC and pays for liability insurance not to exceed eight thousand (\$8,000.00) dollars per year. Flight Services of Wadsworth LLC agrees to pay the City of Wadsworth twelve (\$0.12) cents per gallon of aviation fuel sold and participate in capital improvements at the airport.

**NOTE 19 - JOINT VENTURES**

OMEGA JV2

The City of Wadsworth is a Financing Participant and an Owner Participant with percentages of liability and ownership of 7.41% and 5.81% respectively and shares participation with thirty-five other subdivisions within the State of Ohio in the Ohio Municipal Electric Generation Agency (OMEGA JV2). Owner Participants own undivided interests, as tenants in common, in the OMEGA JV2 Project in the amount of their respective Project Shares. Purchaser Participants agree to purchase the output associated with their respective Project shares, ownership of which is held in trust for such Purchaser Participants.

Pursuant to the OMEGA JV2 Agreement (Agreement), the participants jointly undertook as either Financing Participants or Non-Financing Participants and as either Owner Participants or Purchaser Participants, the acquisition, construction, and equipping of OMEGA JV2, including such portions of OMEGA JV2 as have been acquired, constructed or equipped by AMP and to pay or incur the costs of the same in accordance with the Agreement.

## CITY OF WADSWORTH, OHIO

### NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2019

#### **NOTE 19 - JOINT VENTURES - (Continued)**

Pursuant to the Agreement each participant has an obligation to pay its share of debt service on the Distributive Generation Bonds (Bonds) from the revenues of its electric system, subject only to the prior payment of Operating & Maintenance Expenses (O&M) of each participant's System, and shall be on a parity with any outstanding and future senior electric system revenue bonds, notes or other indebtedness payable from any revenues of the System. Under the terms of the Agreement each Financing Participant is to fix, charge and collect rates, fees and charges at least sufficient in order to maintain a debt coverage ratio equal to 110% of the sum of OMEGA JV2 debt service and any other outstanding senior lien electric system revenue obligations. As of December 31, 2019 the City of Wadsworth has met their debt coverage obligation.

OMEGA JV2 was created to provide additional sources of reliable, reasonably priced electric power and energy when prices are high or during times of generation shortages or transmission constraints, and to improve the reliability and economic status of the participants' respective municipal electric utility system. The Project consists of 138.65 MW of distributed generation of which 134.081MW is the participants' entitlement and 4.569MW are held in reserve. On dissolution of OMEGA JV2, the net assets will be shared by the participants on a percentage of ownership basis. OMEGA JV2 is managed by AMP, which acts as the joint venture's agent. During 2001, AMP issued \$50,260,000 of 20 year fixed rate bonds on behalf of the Financing Participants of OMEGA JV2. The net proceeds of the bond issue of \$45,904,712 were contributed to OMEGA JV2. On January 3, 2011, AMP redeemed all of the \$31,110,000 OMEGA JV2 Project Distributive Generation Bonds then outstanding by borrowing on AMP's revolving credit facility. As such, the remaining outstanding bond principal of the OMEGA JV2 indebtedness was reduced to zero. As of December 31, 2019, the City's net investment and its share of operating results of OMEGA JV2 are reported in the City's electric fund (an enterprise fund). The City's net investment in OMEGA JV2 was \$186,010 at December 31, 2019. Complete financial statements for OMEGA JV2 may be obtained from AMP or from the State Auditor's website at [www.ohioauditor.gov](http://www.ohioauditor.gov)

**CITY OF WADSWORTH, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2019

**NOTE 19 - JOINT VENTURES - (Continued)**

The thirty-six participating subdivisions and their respective ownership shares at December 31, 2019 are:

<b>Municipality</b>	<b>Percent Ownership</b>	<b>Kw Entitlement</b>	<b>Municipality</b>	<b>Percent Ownership</b>	<b>Kw Entitlement</b>
Hamilton	23.87%	32,000	Grafton	0.79%	1,056
Bowling Green	14.32%	19,198	Brewster	0.75%	1,000
Niles	11.49%	15,400	Monroeville	0.57%	764
Cuyahoga Falls	7.46%	10,000	Milan	0.55%	737
Wadsworth	5.81%	7,784	Oak Harbor	0.55%	737
Painesville	5.22%	7,000	Elmore	0.27%	364
Dover	5.22%	7,000	Jackson Center	0.22%	300
Galion	4.29%	5,753	Napoleon	0.20%	264
Amherst	3.73%	5,000	Lodi	0.16%	218
St. Mary's	2.98%	4,000	Genoa	0.15%	199
Montpelier	2.98%	4,000	Pemberville	0.15%	197
Shelby	1.89%	2,536	Lucas	0.12%	161
Versailles	1.24%	1,660	South Vienna	0.09%	123
Edgerton	1.09%	1,460	Bradner	0.09%	119
Yellow Springs	1.05%	1,408	Woodville	0.06%	81
Oberlin	0.91%	1,217	Haskins	0.05%	73
Pioneer	0.86%	1,158	Arcanum	0.03%	44
Seville	0.79%	1,066	Custar	0.00%	4
<b>Subtotal</b>	<b>95.20</b>	<b>127,640</b>	<b>Subtotal</b>	<b>4.80</b>	<b>6,441</b>
			<b>Grand Total</b>	<b>100.00%</b>	<b>134,081</b>

The following is a summary of audited financial information of OMEGA JV2:

	<u>OMEGA JV 2</u>
Total Assets	\$ 13,412,614
Deferred Outflows	263,172
Total Liabilities	4,309,610
Deferred Inflows	6,164,610
Net Position	3,201,566
Total Revenues	9,978,297
Total Expenses	13,411,808
Change in Net Position	(3,433,511)

OMEGA JV 5

The City of Wadsworth is a Financing Participant with an ownership percentage of 5.62%, and shares participation with forty-one other subdivisions within the State of Ohio in the Ohio Municipal Electric Generation Agency Joint Venture 5 (OMEGA JV5). Financing Participants own undivided interests, as tenants in common, without right of partition in the OMEGA JV5 Project.

## CITY OF WADSWORTH, OHIO

### NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2019

#### NOTE 19 - JOINT VENTURES - (Continued)

Pursuant to the OMEGA Joint Venture JV5 Agreement (Agreement), the participants jointly undertook as Financing Participants, the acquisition, construction, and equipping of OMEGA JV5, including such portions of OMEGA JV5 as have been acquired, constructed or equipped by AMP.

OMEGA JV5 was created to construct a 42 Megawatt (MW) run-of-the-river hydroelectric plant (including 40MW of backup generation) and associated transmission facilities (on the Ohio River near the Bellville, West Virginia Locks and Dam) and sells electricity from its operations to OMEGA JV5 Participants.

Also pursuant to the Agreement, each participant has an obligation to pay its share of debt service on the Beneficial Interest Certificates (Certificates) from the revenues of its electric system, subject only to the prior payment of Operating & Maintenance Expenses (O&M) of each participant's System, and shall be on a parity with any outstanding and future senior electric system revenue bonds, notes or other indebtedness payable from any revenues of the System. On dissolution of OMEGA JV5, the net assets will be shared by the financing participants on a percentage of ownership basis. Under the terms of the Agreement each participant is to fix, charge and collect rates, fees and charges at least sufficient in order to maintain a debt coverage ratio equal to 110% of the sum of OMEGA JV5 debt service and any other outstanding senior lien electric system revenue obligations. As of December 31, 2019, Wadsworth has met its debt coverage obligation.

The Agreement provides that the failure of any JV5 participant to make any payment due by the due date thereof constitutes a default. In the event of a default, OMEGA JV5 may take certain actions including the termination of a defaulting JV5 Participant's entitlement to Project Power. Each Participant may purchase a pro rata share of the defaulting JV5 Participant's entitlement to Project Power, which together with the share of the other non-defaulting JV5 Participants, is equal to the defaulting JV5 Participant's ownership share of the Project, in kilowatts ("Step Up Power") provided that the sum of any such increases shall not exceed, without consent of the non-defaulting JV5 Participant, an accumulated maximum kilowatts equal to 25% of such non-defaulting JV5 Participant's ownership share of the project prior to any such increases.

OMEGA JV5 is managed by AMP, which acts as the joint venture's agent. During 1993 and 2001 AMP issued \$153,415,000 and \$13,899,981 respectively of 30 year fixed rate Beneficial Interest Certificates (Certificates) on behalf of the Financing Participants of OMEGA JV5. The 2001 Certificates accrete to a value of \$56,125,000 on February 15, 2030. The net proceeds of the bond issues were used to construct the OMEGA JV5 Project. On February 17, 2004 the 1993 Certificates were refunded by issuing 2004 Beneficial Interest Refunding Certificates in the amount of \$116,910,000, which resulted in a savings to the membership of \$34,951,833 from the periods 2005 through 2024. On February 15, 2014, all of the 2004 BIRCs were redeemed from funds held under the trust agreement securing the 2004 BIRCs and the proceeds of a promissory note issued to AMP by OMEGA JV5. This was accomplished with a draw on AMP's revolving credit facility. The resulting balance was \$65,891,509 at February 28, 2014. On January 29, 2016, OMEGA JV5 issued the 2016 Beneficial Interest Certificates ("2016 Certificates") in the amount of \$49,745,000 for the purpose of refunding the promissory note to AMP in full. The outstanding amount on the promissory note had been reduced to \$49,243,377 at the time of refunding as compared to its value at December 31, 2015 of \$49,803,187. The promissory note represented the February 2014 redemption of the 2004 Certificates from funds held under the trust agreement securing the 2004 BIRCs.

The City's net investment and its share of operating results of OMEGA JV5 are reported in the City's electric fund (an enterprise fund). The City's net investment to date in OMEGA JV5 was \$167,918 at December 31, 2019. Complete financial statements for OMEGA JV5 may be obtained from AMP or from the State Auditor's website at [www.ohioauditor.gov](http://www.ohioauditor.gov).

## CITY OF WADSWORTH, OHIO

### NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2019

#### NOTE 19 - JOINT VENTURES - (Continued)

The following is a summary of audited financial information of OMEGAJV5 for the year ended December 31, 2019:

	OMEGA JV 5
Total Assets	\$ 105,713,178
Total Liabilities	60,855,792
Deferred Inflows	41,869,499
Net Position	2,987,887
Total Revenues	23,243,140
Total Expenses	23,243,140
Change in Net Position	-

#### OMEGA JV 6

The City of Wadsworth is a Financing Participant with an ownership percentage of 3.47%, and shares participation with nine other subdivisions within the State of Ohio in the Ohio Municipal Electric Generation Agency Joint Venture 6 (OMEGA JV6). Financing Participants, after consideration of the potential risks and benefits can choose to be Owner Participants or Purchaser Participants. Owner Participants own undivided interests, as tenants in common in the Project in the amount of its Project Share. Purchaser Participants purchase the Project Power associated with its Project Share.

Pursuant to the OMEGA Joint Venture JV6 Agreement (Agreement), the participants agree jointly to plan, acquire, construct, operate and maintain the Project, and hereby agree, to pay jointly for the electric power, energy and other services associated with the Project.

OMEGA JV6 was created to construct four (4) wind turbines near Bowling Green Ohio. Each turbine has a nominal capacity of 1.8 MW and sells electricity from its operations to OMEGA JV6 Participants.

Pursuant to the Agreement each participant has an obligation to pay its share of debt service on the Adjustable Rate Revenue Bonds (Bonds) from the revenues of its electric system, subject only to the prior payment of Operating & Maintenance Expenses (O&M) of each participant's System, and shall be on a parity with any outstanding and future senior electric system revenue bonds, notes or other indebtedness payable from any revenues of the System. On dissolution of OMEGA JV6, any excess funds shall be refunded to the Non-Financing Participants in proportion to each Participant's Project Share and to Financing Participant's respective obligations first by credit against the Financing Participant's respective obligations. Any other excess funds shall be paid to the Participants in proportion to their respective Project Shares. Under the terms of the Agreement each financing participant is to fix, charge and collect rates, fees, charges, including other available funds, at least sufficient in order to maintain a debt coverage ratio equal to 110% of the sum of OMEGA JV6 debt service and any other outstanding senior lien electric system revenue obligations. As of December 31, 2019 Wadsworth has met its debt coverage obligation.

The Agreement provides that the failure of any JV6 participant to make any payment due by the due date constitutes a default. In the event of a default and one in which the defaulting Participant failed to cure its default as provided for in the Agreement, the remaining participants would acquire the defaulting Participant's interest in the project and assume responsibility for the associated payments on a pro rata basis up to a maximum amount equal to 25% of such non-defaulting Participant's Project share ("Step Up Power").

**CITY OF WADSWORTH, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2019

**NOTE 19 - JOINT VENTURES - (Continued)**

OMEGA JV6 is managed by American Municipal Power, Inc., which acts as the joint venture's agent. On July 30, 2004 AMP issued \$9,861,000 adjustable rate bonds that mature on August 15, 2019. The interest rate on the bonds will be set every six months until maturity. No fixed amortization schedule exists. The net proceeds of the bond issues were used to construct the OMEGA JV6 Project. On August 15, 2015 the remaining balance was paid on the OMEGA JV6 Bonds.

The City's net investment and its share of operating results of OMEGA JV6 are reported in the City's electric fund (an enterprise fund). The City's net investment to date in OMEGA JV6 was \$158,193 at December 31, 2019. Complete financial statements for OMEGA JV6 may be obtained from AMP or from the State Auditor's website at [www.ohioauditor.gov](http://www.ohioauditor.gov).

The ten participating subdivisions and their respective ownership shares at December 31, 2019 are:

<u>Participant</u>	<u>KW Amount</u>	<u>% of Financing</u>
Bowling Green	4,100	56.94%
Cuyahoga Falls	1,800	25.00%
Napoleon	300	4.17%
Oberlin	250	3.47%
Wadsworth	250	3.47%
Edgeton	100	1.39%
Elmore	100	1.39%
Montpelier	100	1.39%
Pioneer	100	1.39%
Monroeville	<u>100</u>	<u>1.39%</u>
 Total	 <u><u>7,200</u></u>	 <u><u>100.00%</u></u>

The following is a summary of audited financial information of OMEGA JV 6 for the year ended December 31, 2019:

	<u>OMEGA JV 6</u>
Total Assets	\$ 6,361,419
Total Deferred Outflows	181,436
Total Liabilities	982,186
Total Deferred Inflows	1,001,751
Net Position	4,558,918
Total Revenues	385,166
Total Expenses	684,875
Change in Net Position	(299,709)



**CITY OF WADSWORTH, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2019**

**NOTE 19 - JOINT VENTURES - (Continued)**

Woodlawn Union Cemetery

The City is a participant along with Wadsworth Township in a joint venture to establish and manage the Woodlawn Union Cemetery. This establishment is allowable under Ohio Revised Code Section 759.27. This joint venture is considered a separate reporting entity by the City and has not been included in these basic financial statements. Complete financial statements for the Woodlawn Cemetery can be obtained from the Secretary-Treasurer of the Cemetery. Financial information for the year ended December 31, 2019 was as follows:

Total Receipts	\$ 294,129
Total Disbursements	<u>(309,167)</u>
Change in Net Income	<u>\$ (15,038)</u>

The Cemetery has no outstanding debt.

**NOTE 20 - JOINTLY GOVERNED ORGANIZATION**

Municipal Energy Services Agency (MESA)

The Municipal Energy Services Agency (MESA) is a jointly governed organization among the City and 30 other municipal electric systems. MESA was formed to provide access to a pool of personnel experienced in the planning, management, engineering, construction, safety training and other technical aspects of the operation and maintenance of municipal electric and other utility systems. The continued existence of MESA is not dependent on the City's continued participation and the City does not have an equity interest in or financial responsibility for MESA. MESA has no outstanding debt.

**NOTE 21 - CONTINGENCIES**

**A. Grants**

The City received financial assistance from federal and State agencies in the form of grants. The disbursement of funds received under these programs generally requires compliance with terms and conditions specified in the grant agreements and are subject to audit by the grantor agencies. Any disallowed claims resulting from such audits could become a liability of the general fund or other applicable funds. However, in the opinion of management, any such disallowed claims will not have a material adverse effect on the overall financial position of the City at December 31, 2019.

**B. Litigation**

The City is not currently a party to any legal proceedings that would have a materially adverse effect on the financial statements at December 31, 2019.

**C. Community Center**

The City is currently in negotiations with the School District regarding the final payment and close-out of the Community Center project. The City has funds set aside for this final payment; however, there may be a need for other resources. The final amount has not be determined nor can it be reasonably estimated.

**CITY OF WADSWORTH, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2019**

**NOTE 22 - OTHER COMMITMENTS**

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

<u>Fund</u>	<u>Year End Encumbrances</u>
General fund	\$ 40,822
Nonmajor governmental funds	<u>943,199</u>
Total	<u>\$ 984,021</u>

**NOTE 23 - FUND BALANCE**

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

**CITY OF WADSWORTH, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2019

**NOTE 23 - FUND BALANCE – (Continued)**

<u>Fund balance</u>	<u>General</u>	<u>Nonmajor Governmental Funds</u>	<u>Total Governmental Funds</u>
Nonspendable:			
Materials and supplies inventory	\$ 187,945	\$ 408,935	\$ 596,880
Prepayments	78,137	30,279	108,416
Interfund loan receivable	<u>1,698,742</u>	<u>-</u>	<u>1,698,742</u>
Total nonspendable	<u>1,964,824</u>	<u>439,214</u>	<u>2,404,038</u>
Restricted:			
Capital projects	-	4,600,026	4,600,026
Street maintenance	-	1,997,761	1,997,761
Emergency medical services	-	2,892,136	2,892,136
Municipal court	-	935,320	935,320
Law enforcement	-	294,492	294,492
Community improvements	-	337,282	337,282
Community developments	-	96,952	96,952
Fire protection	-	8,819	8,819
Debt service	-	<u>10,949</u>	<u>10,949</u>
Total restricted	<u>-</u>	<u>11,173,737</u>	<u>11,173,737</u>
Committed:			
Capital projects	-	2,952,283	2,952,283
Recreation	-	176,691	176,691
Other	-	<u>323,245</u>	<u>323,245</u>
Total committed	<u>-</u>	<u>3,452,219</u>	<u>3,452,219</u>
Assigned:			
General government	57,826	-	57,826
Security of persons and property	26,940	-	26,940
Leisure time activities	196	-	196
Subsequent year's appropriations	<u>338,313</u>	<u>-</u>	<u>338,313</u>
Total assigned	<u>423,275</u>	<u>-</u>	<u>423,275</u>
Unassigned (deficit)	<u>7,876,564</u>	<u>(385,050)</u>	<u>7,491,514</u>
Total fund balances	<u>\$ 10,264,663</u>	<u>\$ 14,680,120</u>	<u>\$ 24,944,783</u>

**CITY OF WADSWORTH, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2019

**NOTE 24 - CONTRACTUAL COMMITMENTS**

As of December 31, 2019, the City had the following contractual commitments outstanding related to various City projects and purchases:

<u>Vendor</u>	<u>Amount of Contract</u>	<u>Amount Paid as of 12/31/2019</u>	<u>Remaining Commitment 12/31/2019</u>
Chagrin Valley Paving Inc	\$ 128,500	\$ 114,936	\$ 13,564
C&K Industrial Services Inc	82,725	23,968	58,757
Crawford Murphy	349,885	-	349,885
DL Smith Concrete LLC	243,047	234,047	9,000
Environmental Design Group LLC	114,419	86,611	27,808
GPD Group	331,198	144,206	186,992
Kents Excavating Services Inc	663,696	641,842	21,854
Michael Baker International Inc	68,280	-	68,280
Ohio Drilling Company Inc	60,285	-	60,285
OHM Advisors	92,030	-	92,030
OToole McLaughlin Dooley & Pecora Co LPA	75,244	67,605	7,639
Pepco	360,000	-	360,000
Redzone Robotics	148,016	100,000	48,016
Spano Brothers Construction Co Inc	88,738	-	88,738
Stantec Consulting Services Inc	92,318	28,369	63,949
Wesco Distribution Inc	99,544	22,663	76,881
Total	<u>\$ 2,997,925</u>	<u>\$ 1,464,247</u>	<u>\$ 1,533,678</u>

**NOTE 25 – SUBSEQUENT EVENT**

The United States and the State of Ohio declared a state of emergency in March 2020 due to the COVID-19 pandemic. The financial impact of COVID-19 and the ensuing emergency measures will impact subsequent periods of the City. The City's investment portfolio and the investments of the pension and other employee benefit plan in which the City participates have incurred a significant decline in fair value, consistent with the general decline in financial markets. However, because the values of individual investments fluctuate with market conditions, and due to market volatility, the amount of losses that will be recognized in subsequent periods, if any, cannot be determined. In addition, the impact on the City's future operating costs, revenues, and any recovery from emergency funding, either federal or state, cannot be estimated.

REQUIRED SUPPLEMENTARY INFORMATION

**CITY OF WADSWORTH, OHIO**

SCHEDULES OF THE REQUIRED SUPPLEMENTARY INFORMATION

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

LAST SIX YEARS

	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
<i>Traditional Plan:</i>				
City's proportion of the net pension liability	0.072930%	0.075270%	0.078938%	0.079541%
City's proportionate share of the net pension liability	\$ 19,974,047	\$ 11,808,403	\$ 17,925,477	\$ 13,777,505
City's covered payroll	\$ 9,906,379	\$ 9,973,654	\$ 9,878,042	\$ 9,878,600
City's proportionate share of the net pension liability as a percentage of its covered payroll	201.63%	118.40%	181.47%	139.47%
Plan fiduciary net position as a percentage of the total pension liability	74.70%	84.66%	77.25%	81.08%
<i>Combined Plan:</i>				
City's proportion of the net pension asset	0.094592%	0.082516%	0.087455%	0.088980%
City's proportionate share of the net pension asset	\$ 105,776	\$ 112,331	\$ 48,676	\$ 43,300
City's covered payroll	\$ 404,564	\$ 330,554	\$ 340,425	\$ 319,175
City's proportionate share of the net pension asset as a percentage of its covered payroll	26.15%	33.98%	14.30%	13.57%
Plan fiduciary net position as a percentage of the total pension asset	126.64%	137.28%	116.55%	116.90%
<i>Member Directed Plan:</i>				
City's proportion of the net pension asset	0.040103%	0.039616%	0.035981%	0.031724%
City's proportionate share of the net pension asset	\$ 914	\$ 1,383	\$ 150	\$ 121
City's covered payroll	\$ 229,240	\$ 217,130	\$ 147,875	\$ 176,675
City's proportionate share of the net pension asset as a percentage of its covered payroll	0.40%	0.64%	0.10%	0.07%
Plan fiduciary net position as a percentage of the total pension asset	113.42%	124.46%	103.40%	103.91%

Note: Information prior to 2014 was unavailable. Schedule is intended to show information for 10 years. Additional years will be displayed as they become available.

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

SEE ACCOMPANYING NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION

<u>2015</u>	<u>2014</u>
0.080360%	0.080360%
\$ 9,692,314	\$ 9,473,397
\$ 9,860,667	\$ 10,202,015
98.29%	92.86%
86.45%	86.36%
0.091286%	0.091286%
\$ 35,148	\$ 9,578
\$ 333,683	*
10.53%	*
114.83%	104.56%
n/a	n/a
n/a	n/a
n/a	n/a
n/a	n/a
n/a	n/a

**CITY OF WADSWORTH, OHIO**

SCHEDULES OF THE REQUIRED SUPPLEMENTARY INFORMATION

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

	LAST SIX YEARS			
	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
City's proportion of the net pension liability	0.13155100%	0.13130000%	0.13532300%	0.13101700%
City's proportionate share of the net pension liability	\$ 10,738,038	\$ 8,058,476	\$ 8,571,192	\$ 8,428,423
City's covered payroll	\$ 3,146,270	\$ 3,006,826	\$ 2,953,904	\$ 2,778,726
City's proportionate share of the net pension liability as a percentage of its covered payroll	341.29%	268.01%	290.16%	303.32%
Plan fiduciary net position as a percentage of the total pension liability	63.07%	70.91%	68.36%	66.77%

Note: Information prior to 2014 was unavailable. Schedule is intended to show information for 10 years. Additional years will be displayed as they become available.

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

SEE ACCOMPANYING NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION



<u>2015</u>	<u>2014</u>
0.10724110%	0.10724110%
\$ 6,597,877	\$ 5,222,978
\$ 3,300,129	\$ 2,526,022
199.93%	206.77%
72.20%	73.00%

**CITY OF WADSWORTH, OHIO**

SCHEDULES OF THE REQUIRED SUPPLEMENTARY INFORMATION

SCHEDULE OF CITY PENSION CONTRIBUTIONS  
OHIO PUBLIC EMPLOYEES RETIREMENT SYSTEM (OPERS)

LAST TEN YEARS

	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
<i>Traditional Plan:</i>				
Contractually required contribution	\$ 1,467,572	\$ 1,386,893	\$ 1,296,575	\$ 1,185,365
Contributions in relation to the contractually required contribution	<u>(1,467,572)</u>	<u>(1,386,893)</u>	<u>(1,296,575)</u>	<u>(1,185,365)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
City's covered payroll	\$ 10,482,657	\$ 9,906,379	\$ 9,973,654	\$ 9,878,042
Contributions as a percentage of covered payroll	14.00%	14.00%	13.00%	12.00%
<i>Combined Plan:</i>				
Contractually required contribution	\$ 62,727	\$ 56,639	\$ 42,972	\$ 40,851
Contributions in relation to the contractually required contribution	<u>(62,727)</u>	<u>(56,639)</u>	<u>(42,972)</u>	<u>(40,851)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
City's covered payroll	\$ 448,050	\$ 404,564	\$ 330,554	\$ 340,425
Contributions as a percentage of covered payroll	14.00%	14.00%	13.00%	12.00%
<i>Member Directed Plan:</i>				
Contractually required contribution	\$ 22,542	\$ 22,924	\$ 21,713	\$ 17,745
Contributions in relation to the contractually required contribution	<u>(22,542)</u>	<u>(22,924)</u>	<u>(21,713)</u>	<u>(17,745)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
City's covered payroll	\$ 225,420	\$ 229,240	\$ 217,130	\$ 147,875
Contributions as a percentage of covered payroll	10.00%	10.00%	10.00%	12.00%

SEE ACCOMPANYING NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION

<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>
\$ 1,185,432	\$ 1,183,280	\$ 1,326,262	\$ 936,483	\$ 918,519	\$ 850,973
<u>(1,185,432)</u>	<u>(1,183,280)</u>	<u>(1,326,262)</u>	<u>(936,483)</u>	<u>(918,519)</u>	<u>(850,973)</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
\$ 9,878,600	\$ 9,860,667	\$ 10,202,015	\$ 9,364,830	\$ 9,185,190	\$ 9,543,622
12.00%	12.00%	13.00%	10.00%	10.00%	8.92%
\$ 38,301	\$ 40,042				
<u>(38,301)</u>	<u>(40,042)</u>				
<u>\$ -</u>	<u>\$ -</u>				
\$ 319,175	\$ 333,683				
12.00%	12.00%				
\$ 21,201					
<u>(21,201)</u>					
<u>\$ -</u>					
\$ 176,675					
12.00%					

**CITY OF WADSWORTH, OHIO**

SCHEDULES OF THE REQUIRED SUPPLEMENTARY INFORMATION

SCHEDULE OF CITY PENSION CONTRIBUTIONS  
OHIO POLICE AND FIRE (OP&F) PENSION FUND

LAST TEN YEARS

	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
<i>Police:</i>				
Contractually required contribution	\$ 455,443	\$ 458,071	\$ 416,861	\$ 417,026
Contributions in relation to the contractually required contribution	<u>(455,443)</u>	<u>(458,071)</u>	<u>(416,861)</u>	<u>(417,026)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
City's covered payroll	\$ 2,397,068	\$ 2,410,900	\$ 2,194,005	\$ 2,194,874
Contributions as a percentage of covered payroll	19.00%	19.00%	19.00%	19.00%
<i>Fire:</i>				
Contractually required contribution	\$ 198,668	\$ 172,812	\$ 191,013	\$ 178,372
Contributions in relation to the contractually required contribution	<u>(198,668)</u>	<u>(172,812)</u>	<u>(191,013)</u>	<u>(178,372)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
City's covered payroll	\$ 845,396	\$ 735,370	\$ 812,821	\$ 759,030
Contributions as a percentage of covered payroll	23.50%	23.50%	23.50%	23.50%

SEE ACCOMPANYING NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION

<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>
\$ 402,612	\$ 481,740	\$ 310,231	\$ 258,958	\$ 250,581	\$ 240,768
<u>(402,612)</u>	<u>(481,740)</u>	<u>(310,231)</u>	<u>(258,958)</u>	<u>(250,581)</u>	<u>(240,768)</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
\$ 2,119,011	\$ 2,535,474	\$ 1,953,186	\$ 2,031,043	\$ 1,965,341	\$ 1,888,376
19.00%	19.00%	15.88%	12.75%	12.75%	12.75%
\$ 155,033	\$ 179,694	\$ 116,763	\$ 91,242	\$ 94,982	\$ 91,263
<u>(155,033)</u>	<u>(179,694)</u>	<u>(116,763)</u>	<u>(91,242)</u>	<u>(94,982)</u>	<u>(91,263)</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
\$ 659,715	\$ 764,655	\$ 572,836	\$ 528,939	\$ 550,620	\$ 529,061
23.50%	23.50%	20.38%	17.25%	17.25%	17.25%

**CITY OF WADSWORTH, OHIO**

SCHEDULES OF THE REQUIRED SUPPLEMENTARY INFORMATION

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

LAST THREE YEARS

	<u>2019</u>	<u>2018</u>	<u>2017</u>
City's proportion of the net OPEB liability	0.072282%	0.074170%	0.077379%
City's proportionate share of the net OPEB liability	\$ 9,423,867	\$ 8,054,315	\$ 7,815,570
City's covered payroll	\$ 10,540,183	\$ 10,521,338	\$ 10,366,342
City's proportionate share of the net OPEB liability as a percentage of its covered payroll	89.41%	76.55%	75.39%
Plan fiduciary net position as a percentage of the total OPEB liability	46.33%	54.14%	54.05%

Note: Information prior to 2017 was unavailable. Schedule is intended to show information for 10 years. Additional years will be displayed as they become available.

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

SEE ACCOMPANYING NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION

**CITY OF WADSWORTH, OHIO**

SCHEDULES OF THE REQUIRED SUPPLEMENTARY INFORMATION

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

LAST THREE YEARS

	<u>2019</u>	<u>2018</u>	<u>2017</u>
City's proportion of the net OPEB liability	0.13155100%	0.13130000%	0.13532300%
City's proportionate share of the net OPEB liability	\$ 1,197,974	\$ 7,439,280	\$ 6,423,478
City's covered payroll	\$ 3,146,270	\$ 3,006,826	\$ 2,953,904
City's proportionate share of the net OPEB liability as a percentage of its covered payroll	38.08%	247.41%	217.46%
Plan fiduciary net position as a percentage of the total OPEB liability	46.57%	14.13%	15.96%

Note: Information prior to 2017 was unavailable. Schedule is intended to show information for 10 years. Additional years will be displayed as they become available.

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

SEE ACCOMPANYING NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION

**CITY OF WADSWORTH, OHIO**

SCHEDULES OF THE REQUIRED SUPPLEMENTARY INFORMATION

SCHEDULE OF CITY OPEB CONTRIBUTIONS  
OHIO PUBLIC EMPLOYEES RETIREMENT SYSTEM (OPERS)

LAST TEN YEARS

	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
Contractually required contribution	\$ 9,016	\$ 9,169	\$ 111,727	\$ 212,774
Contributions in relation to the contractually required contribution	<u>(9,016)</u>	<u>(9,169)</u>	<u>(111,727)</u>	<u>(212,774)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
City's covered payroll	\$ 11,156,127	\$ 10,540,183	\$ 10,521,338	\$ 10,366,342
Contributions as a percentage of covered payroll	0.08%	0.09%	1.06%	2.05%

SEE ACCOMPANYING NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION



<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>
\$ 203,956	\$ 203,487	\$ 101,976	\$ 374,593	\$ 367,408	\$ 486,270
<u>(203,956)</u>	<u>(203,487)</u>	<u>(101,976)</u>	<u>(374,593)</u>	<u>(367,408)</u>	<u>(486,270)</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
\$ 10,374,450	\$ 10,194,350	\$ 10,202,015	\$ 9,364,830	\$ 9,185,190	\$ 9,543,622
1.97%	2.00%	1.00%	4.00%	4.00%	5.10%

**CITY OF WADSWORTH, OHIO**

SCHEDULES OF THE REQUIRED SUPPLEMENTARY INFORMATION

SCHEDULE OF CITY OPEB CONTRIBUTIONS  
OHIO POLICE AND FIRE (OP&F) PENSION FUND

LAST TEN YEARS

	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
<i>Police:</i>				
Contractually required contribution	\$ 11,985	\$ 12,054	\$ 10,970	\$ 11,271
Contributions in relation to the contractually required contribution	<u>(11,985)</u>	<u>(12,054)</u>	<u>(10,970)</u>	<u>(11,271)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
City's covered payroll	\$ 2,397,068	\$ 2,410,900	\$ 2,194,005	\$ 2,194,874
Contributions as a percentage of covered payroll	0.50%	0.50%	0.50%	0.50%
<i>Fire:</i>				
Contractually required contribution	\$ 4,227	\$ 3,677	\$ 4,064	\$ 3,975
Contributions in relation to the contractually required contribution	<u>(4,227)</u>	<u>(3,677)</u>	<u>(4,064)</u>	<u>(3,975)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
City's covered payroll	\$ 845,396	\$ 735,370	\$ 812,821	\$ 759,030
Contributions as a percentage of covered payroll	0.50%	0.50%	0.50%	0.50%

SEE ACCOMPANYING NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION

<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>
\$ 10,881	\$ 10,092	\$ 70,097	\$ 137,123	\$ 132,687	\$ 127,465
<u>(10,881)</u>	<u>(10,092)</u>	<u>(70,097)</u>	<u>(137,123)</u>	<u>(132,687)</u>	<u>(127,465)</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
\$ 2,119,011	\$ 2,535,474	\$ 1,953,186	\$ 2,031,043	\$ 1,965,341	\$ 1,888,376
0.50%	0.50%	3.62%	6.75%	6.75%	6.75%
\$ 3,299	\$ 3,167	\$ 20,682	\$ 35,695	\$ 37,158	\$ 35,712
<u>(3,299)</u>	<u>(3,167)</u>	<u>(20,682)</u>	<u>(35,695)</u>	<u>(37,158)</u>	<u>(35,712)</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
\$ 659,715	\$ 764,655	\$ 572,836	\$ 528,939	\$ 550,620	\$ 529,061
0.50%	0.50%	3.62%	6.75%	6.75%	6.75%

CITY OF WADSWORTH, OHIO

NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION  
FOR THE YEAR ENDED DECEMBER 31, 2019

PENSION

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*OHIO PUBLIC EMPLOYEES RETIREMENT SYSTEM (OPERS)*

*Changes in benefit terms* : There were no changes in benefit terms from the amounts reported for 2014-2019.

*Changes in assumptions* : There were no changes in methods and assumptions used in the calculation of actuarial determined contributions for 2014-2016. For 2017, the following were the most significant changes of assumptions that affected the total pension liability since the prior measurement date: (a) reduction in the actuarially assumed rate of return from 8.00% down to 7.50%, (b) for defined benefit investments, decreasing the wage inflation from 3.75% to 3.25% and (c) changing the future salary increases from a range of 4.25%-10.05% to 3.25%-10.75%. There were no changes in assumptions for 2018. For 2019 the following were the most significant changes of assumptions that affected the total pension liability since the prior measurement date: (a) the assumed rate of return and discount rate were reduced from 7.50% down to 7.20%.

OHIO POLICE AND FIRE (OP&F) PENSION FUND

*Changes in benefit terms* : There were no changes in benefit terms from the amounts reported for 2014-2019.

*Changes in assumptions* : There were no changes in methods and assumptions used in the calculation of actuarial determined contributions for 2014-2017. For 2018, the following were the most significant changes of assumptions that affected the total pension since the prior measurement date: (a) reduction in the actuarially assumed rate of return from 8.50% down to 8.00%, (b) changing the future salary increases from a range of 4.25%-11.00% to 3.75%-10.50%, (c) reduction in payroll increases from 3.75% down to 3.25%, (d) reduction in inflation assumptions from 3.25% down to 2.75% and (e) Cost of Living Adjustments (COLA) were reduced from 2.60% and 3.00% simple to 2.20% and 3.00% simple. There were no changes in assumptions for 2019.

OTHER POSTEMPLOYMENT BENEFITS (OPEB)

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*OHIO PUBLIC EMPLOYEES RETIREMENT SYSTEM (OPERS)*

*Changes in benefit terms* : There were no changes in benefit terms from the amounts reported for 2017-2019.

*Changes in assumptions* : There were no changes in methods and assumptions used in the calculation of actuarial determined contributions for 2017. For 2018, the following were the most significant changes of assumptions that affected the total OPEB liability since the prior measurement date: (a) reduction in the actuarially assumed rate of return from 4.23% down to 3.85%. For 2019, the following were the most significant changes of assumptions that affect the total OPEB liability since the prior measurement date: (a) the discount rate was increased from 3.85% up to 3.96%, (b) The investment rate of return was decreased from 6.50% percent down to 6.00%, (c) the municipal bond rate was increased from 3.31% up to 3.71% and (d) the health care cost trend rate was increased from 7.50%, initial/3.25%, ultimate in 2028 up to 10.00%, initial/3.25%, ultimate in 2029.

OHIO POLICE AND FIRE (OP&F) PENSION FUND

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

*Changes in assumptions* : There were no changes in methods and assumptions used in the calculation of actuarial determined contributions for 2017. For 2018, the following were the most significant changes of assumptions that affected the total OPEB liability since the prior measurement date: (a) DROP interest rate was reduced from 4.50% to 4.00%, (b) CPI-based COLA was reduced from 2.60% to 2.20%, (c) investment rate of return was reduced from 8.25% to 8.00%, (d) salary increases were reduced from 3.75% to 3.25% and (e) payroll growth was reduced from 3.75% to 3.25%. For 2019, the following were the most significant changes of assumptions that affect the total OPEB liability since the prior measurement date: (a) the discount rate was increased from 3.24% up to 4.66%.

**COMBINING STATEMENTS  
AND INDIVIDUAL FUND SCHEDULES**

**CITY OF WADSWORTH, OHIO**

COMBINING STATEMENTS - NONMAJOR GOVERNMENTAL FUNDS

**Nonmajor Capital Projects Funds**

***Airport Improvements Fund***

To account for the federal grant dollars and local matches used for the capital improvements of the Wadsworth Municipal Airport.

***General Capital Improvements Fund***

To account for income tax dollars used for various capital improvements and to account for dollars reserved for vehicle replacements.

***EMS Reserve Fund***

To account for EMS levy dollars set aside for EMS capital improvements.

***Fire Levy Fund***

To account for the Fire Levy dollars for the purpose of providing and maintaining fire apparatus, appliances, buildings, or sites.

***Park Land Acquisition Fund***

To account for fees paid in lieu of residential subdivision land dedication for public use by the developers and exclusively used for park land acquisition as determined by City Council.

***Street Improvement Fund***

To account for the costs associated with the street improvements made using income tax dollars.

***West Street Improvements Fund***

To account for the construction costs related to improvements made to West Street primarily paid for with a grant from the State of Ohio.

***OPWC Grant - Tackas Drive Improvement Fund***

To account for the construction costs related to improvements made to Tackas Drive primarily paid for with a grant from the State of Ohio.

***Special Assessments Fund***

To account for transfers and cash payments by property owners related to sidewalk improvements that are assessed to the property owner.

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**Nonmajor Debt Service Funds**

***Special Assessment Bond Retirement Fund***

To account for the money collected by the County Auditor for the payment of the bonds issued for the assessed projects.

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CITY OF WADSWORTH, OHIO

COMBINING STATEMENTS - NONMAJOR GOVERNMENTAL FUNDS

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**Nonmajor Special Revenue Funds**

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

***Recreation Fund***

To account for income tax revenue, lease payments, contributions & donations related to the construction, operations, and debt service of the Community Center.

***Street Maintenance Fund***

To account for the income tax revenue, a portion of the gasoline excise tax, a portion of the motor vehicles license tax, and miscellaneous street related sales used in the operations of the Street Department.

***Emergency Medical Services Fund***

To account for the EMS levy collections, charges for services, interest and donations used to support the operations of EMS.

***Municipal Court Special Programs Fund***

To account for a portion of the fines collected from civil and criminal court orders used to maintain and purchase computer software and equipment for the municipal court. Accounts for the fees paid by individuals that have been court ordered to do community service. These fees are used to pay for a portion of the personal services of the Director of the Community Service Program. Also, accounts for municipal court fines collected on criminal cases and used to support the activities of the Probation Officer.

***Municipal Court Improvements Fund***

To account for a portion of the fines collected from civil and criminal court orders used to provide the municipal court with furniture, equipment and building maintenance.

***Developers Shade Tree Fund***

To account for the collection of fees for street trees in lieu of planting such street trees. This fee is generally paid for by developers when the City's Engineering department does a platt of a new development. These fees are used to pay for new plantings and maintenance of existing trees.

***Drug Law Enforcement Fund***

To account for drug fines and donations used to support the annual safety forces camp and drug prevention programs.

***Law Enforcement and Education Fund***

To account for the collection of DUI Fines received by the Municipal Court and used to purchase items that will assist the Police Department in enforcing the law.

***Indigent Drivers Alcohol Treatment Fund***

To account for fines received through the criminal cases and for monies received from the State of Ohio for the purpose of treating indigent drivers for alcohol abuse.

**CITY OF WADSWORTH, OHIO**

COMBINING STATEMENTS - NONMAJOR GOVERNMENTAL FUNDS

**Nonmajor Special Revenue Funds - (continued)**

***Law Enforcement Trust Fund***

To account for seized property by Federal, State, and local governments used to enhance law enforcement.

***Permissive Motor Vehicle License Fund***

To account for the collection of the local motor vehicle license tax used to plan, construct, maintain, and repair public roads, highways and streets.

***State Highway Fund***

The State Highway is required by the Ohio Revised Code to account for State gasoline tax and motor vehicle registration fees designated for maintenance of State highways within the City.

***Abatement of Public Nuisance Fund***

To account for costs associated with the reduction of public nuisances supported by General Fund transfers and special assessments.

***Chippewa Creek Well Reserve Fund***

To account for funds set aside per the settlement agreement between the City and the County of Wayne to be used for the purpose of water well restoration for property owners in Wayne County whose wells have been dewatered as a result of the development and use of groundwater resources in the Chippewa Creek buried valley aquifer by the City.

***Community Reinvestment Fund***

To account for the annual fee paid by local businesses associated with their community reinvestment agreement and for the administration of the tax incentive program.

***Fire Department Education Grant Fund***

To account for State of Ohio grant dollars and donations received for the education of fire department employees.

***Police Continuing Professional Training Fund***

To account for the activity associated with a grant provided by the State of Ohio Attorney General's Office. These dollars are to be used for paying the cost of continuing professional training programs per ORC 109.802.

***Community Development Block Grant (CDBG) Fund***

To account for federal grant monies used for various capital projects within the City.



**CITY OF WADSWORTH, OHIO**

COMBINING STATEMENTS - NONMAJOR GOVERNMENTAL FUNDS

**Nonmajor Special Revenue Funds - (continued)**

***CHIP Revolving Loan Fund***

To account for the portion of CHIP loans required to be paid back to the City and reused for other home improvement loans in the future per State of Ohio requirements.

***Economic Development Fund***

To account for a portion of motel taxes and other contributions made by various funds used for costs related to economic development.

***Recreation Tax Fund***

To account for taxes collected related to residential building permits and used for the development of city owned recreation sites and facilities within the city.

***Revolving Loan Fund***

To account for transfers and money received from the State of Ohio Development Services Agency to assist eligible businesses within the City limits.

***Tax Increment Financing Fund***

To account for the collection of Tax Increment Financing dollars related to the Heritage Development (Wal-Mart & Home Depot) and Wadsworth Crossings Development (Lowe's, Target, & Kohl's) used to pay for the construction of city owned infrastructure.

***Safe Routes to School Grant Fund***

To account for grant funding to make improvements on routes used for students to travel to school.

***Roundabout at SR 57 & Seville Rd. Fund***

To account for grant funding to improve the SR 57 and Seville Rd. intersection.

**CITY OF WADSWORTH, OHIO**  
**COMBINING BALANCE SHEET**  
**NONMAJOR GOVERNMENTAL FUNDS**  
**DECEMBER 31, 2019**

	<b>Nonmajor Capital Projects Funds</b>	<b>Nonmajor Debt Service Fund</b>	<b>Nonmajor Special Revenue Funds</b>	<b>Total Nonmajor Governmental Funds</b>
<b>Assets:</b>				
Equity in pooled cash and cash equivalents	\$ 6,759,792	\$ 642	\$ 6,112,154	\$ 12,872,588
Cash in segregated accounts	-	995	289,042	290,037
Receivables:				
Income taxes	638,718	332,516	538,245	1,509,479
Real and other taxes	38,200	-	1,272,366	1,310,566
Accounts	40,379	41,071	847,900	929,350
Special assessments	6,249	90,611	25,665	122,525
Interfund loans	1,160,227	-	1,007,652	2,167,879
Due from other governments	92,870	-	746,313	839,183
Materials and supplies inventory	882	-	408,053	408,935
Prepayments	-	-	30,279	30,279
Total assets	<u>\$ 8,737,317</u>	<u>\$ 465,835</u>	<u>\$ 11,277,669</u>	<u>\$ 20,480,821</u>
<b>Liabilities:</b>				
Accounts payable	\$ 1,200	\$ -	\$ 19,951	\$ 21,151
Contracts payable	109,090	-	84,570	193,660
Accrued wages and benefits payable	-	-	101,965	101,965
Compensated absences payable	-	-	3,355	3,355
Interfund loans payable	565,099	113,900	918,566	1,597,565
Due to other governments	-	-	19,849	19,849
Matured interest payable	-	128	-	128
Total liabilities	<u>675,389</u>	<u>114,028</u>	<u>1,148,256</u>	<u>1,937,673</u>
<b>Deferred inflows of resources:</b>				
Property taxes levied for the next fiscal year	-	-	1,242,695	1,242,695
Delinquent property tax revenue not available	-	-	29,671	29,671
Special assessments revenue not available	6,249	90,611	25,665	122,525
Miscellaneous revenue not available	-	-	735,494	735,494
Income tax revenue not available	480,690	250,247	405,076	1,136,013
Intergovernmental revenue not available	92,870	-	503,760	596,630
Total deferred inflows of resources	<u>579,809</u>	<u>340,858</u>	<u>2,942,361</u>	<u>3,863,028</u>
<b>Fund balances:</b>				
Nonspendable	882	-	438,332	439,214
Restricted	4,528,954	10,949	6,633,834	11,173,737
Committed	2,952,283	-	499,936	3,452,219
Unassigned (deficit)	-	-	(385,050)	(385,050)
Total fund balances	<u>7,482,119</u>	<u>10,949</u>	<u>7,187,052</u>	<u>14,680,120</u>
Total liabilities, deferred inflows of resources and fund balance	<u>\$ 8,737,317</u>	<u>\$ 465,835</u>	<u>\$ 11,277,669</u>	<u>\$ 20,480,821</u>

**CITY OF WADSWORTH, OHIO**

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
NONMAJOR GOVERNMENTAL FUNDS  
FOR THE YEAR ENDED DECEMBER 31, 2019

	<b>Nonmajor Capital Projects Funds</b>	<b>Nonmajor Debt Service Fund</b>	<b>Nonmajor Special Revenue Funds</b>	<b>Total Nonmajor Governmental Funds</b>
<b>Revenues:</b>				
Income taxes	\$ 1,567,441	\$ 702,566	\$ 1,237,021	\$ 3,507,028
Real and other taxes	131,353	-	1,159,566	1,290,919
Charges for services	112,796	573,400	1,433,137	2,119,333
Licenses and permits	800	-	-	800
Fines and forfeitures	-	-	138,767	138,767
Intergovernmental	105,357	-	1,907,395	2,012,752
Special assessments	18,321	92,830	-	111,151
Investment income	-	-	2,160	2,160
Rental income	-	-	64,245	64,245
Contributions and donations	-	-	2,120	2,120
Refunds and reimbursements	40,379	-	-	40,379
Other	112,444	-	27,976	140,420
Total revenues	<u>2,088,891</u>	<u>1,368,796</u>	<u>5,972,387</u>	<u>9,430,074</u>
<b>Expenditures:</b>				
<i>Current:</i>				
General government	209,885	-	152,995	362,880
Security of persons and property	197,072	-	1,753,001	1,950,073
Public health	-	-	1,639	1,639
Transportation	1,169,755	-	2,457,740	3,627,495
Leisure time services	28,733	-	231,431	260,164
Community and economic development	-	-	644,046	644,046
Capital outlay	109,090	-	-	109,090
Debt service:				
Principal retirement	-	745,278	-	745,278
Interest and fiscal charges	8,074	609,213	17,079	634,366
Total expenditures	<u>1,722,609</u>	<u>1,354,491</u>	<u>5,257,931</u>	<u>8,335,031</u>
Excess of revenues over expenditures	<u>366,282</u>	<u>14,305</u>	<u>714,456</u>	<u>1,095,043</u>
<b>Other financing sources (uses):</b>				
Sale of capital assets	-	-	11,060	11,060
Transfers in	63,626	128	50,426	114,180
Transfers (out)	-	(5,504)	-	(5,504)
Total other financing sources (uses)	<u>63,626</u>	<u>(5,376)</u>	<u>61,486</u>	<u>119,736</u>
Net change in fund balances	429,908	8,929	775,942	1,214,779
<b>Fund balances at beginning of year</b>	<u>7,052,211</u>	<u>2,020</u>	<u>6,411,110</u>	<u>13,465,341</u>
<b>Fund balances at end of year</b>	<u>\$ 7,482,119</u>	<u>\$ 10,949</u>	<u>\$ 7,187,052</u>	<u>\$ 14,680,120</u>

**CITY OF WADSWORTH, OHIO**  
**COMBINING BALANCE SHEET**  
**INDIVIDUAL NONMAJOR GOVERNMENTAL FUNDS**  
**DECEMBER 31, 2019**

	<b>Nonmajor Capital Projects</b>			
	<b>Airport Improvements Fund</b>	<b>General Capital Improvements Fund</b>	<b>EMS Reserve Fund</b>	<b>Fire Levy Fund</b>
<b>Assets:</b>				
Equity in pooled cash and cash equivalents	\$ 362,104	\$ 1,057,434	\$ 1,235,973	\$ 3,433,856
Cash in segregated accounts	-	-	-	-
Receivables:				
Income taxes	-	220,561	-	-
Real and other taxes	-	38,200	-	-
Accounts	-	-	-	-
Special assessments	-	-	-	-
Interfund loans	61,921	176,142	213,496	593,147
Due from other governments	92,870	-	-	-
Materials and supplies inventory	-	-	-	882
Prepayments	-	-	-	-
<b>Total assets</b>	<b>\$ 516,895</b>	<b>\$ 1,492,337</b>	<b>\$ 1,449,469</b>	<b>\$ 4,027,885</b>
<b>Liabilities:</b>				
Accounts payable	\$ -	\$ -	\$ -	\$ -
Contracts payable	97,757	-	-	-
Accrued wages and benefits payable	-	-	-	-
Compensated absences payable	-	-	-	-
Interfund loans payable	309,306	253,292	-	-
Due to other governments	-	-	-	-
Matured interest payable	-	-	-	-
<b>Total liabilities</b>	<b>407,063</b>	<b>253,292</b>	<b>-</b>	<b>-</b>
<b>Deferred inflows of resources:</b>				
Property taxes levied for the next fiscal year	-	-	-	-
Delinquent property tax revenue not available	-	-	-	-
Special assessments revenue not available	-	-	-	-
Miscellaneous revenue not available	-	-	-	-
Income tax revenue not available	-	165,991	-	-
Intergovernmental revenue not available	92,870	-	-	-
<b>Total deferred inflows of resources</b>	<b>92,870</b>	<b>165,991</b>	<b>-</b>	<b>-</b>
<b>Fund balances:</b>				
Nonspendable	-	-	-	882
Restricted	-	-	-	4,027,003
Committed	16,962	1,073,054	1,449,469	-
Unassigned (deficit)	-	-	-	-
<b>Total fund balances (deficit)</b>	<b>16,962</b>	<b>1,073,054</b>	<b>1,449,469</b>	<b>4,027,885</b>
<b>Total liabilities, deferred inflows of resources and fund balance</b>	<b>\$ 516,895</b>	<b>\$ 1,492,337</b>	<b>\$ 1,449,469</b>	<b>\$ 4,027,885</b>

Nonmajor Capital Projects						Nonmajor Debt Service
Park Land Acquisition Fund	Street Improvement Fund	West Street Improvement Fund	OPWC Grant-Tackas Drive Imp	Special Assessments Fund	Total Capital Projects	Special Assessment Bond Retirement Fund
\$ 351,996	\$ 273,423	\$ -	\$ -	\$ 45,006	\$ 6,759,792	\$ 642
-	-	-	-	-	-	995
-	417,200	-	-	957	638,718	332,516
-	-	-	-	-	38,200	-
-	40,379	-	-	-	40,379	41,071
-	-	-	-	6,249	6,249	90,611
60,802	47,230	-	-	7,489	1,160,227	-
-	-	-	-	-	92,870	-
-	-	-	-	-	882	-
-	-	-	-	-	-	-
<u>\$ 412,798</u>	<u>\$ 778,232</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 59,701</u>	<u>\$ 8,737,317</u>	<u>\$ 465,835</u>
\$ -	\$ -	\$ -	\$ -	\$ 1,200	\$ 1,200	\$ -
-	11,333	-	-	-	109,090	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	2,501	565,099	113,900
-	-	-	-	-	-	-
-	-	-	-	-	-	128
-	11,333	-	-	3,701	675,389	114,028
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	6,249	6,249	90,611
-	-	-	-	-	-	-
-	313,979	-	-	720	480,690	250,247
-	-	-	-	-	92,870	-
-	313,979	-	-	6,969	579,809	340,858
-	-	-	-	-	-	-
-	-	-	-	-	882	-
-	452,920	-	-	49,031	4,528,954	10,949
412,798	-	-	-	-	2,952,283	-
-	-	-	-	-	-	-
<u>412,798</u>	<u>452,920</u>	<u>-</u>	<u>-</u>	<u>49,031</u>	<u>7,482,119</u>	<u>10,949</u>
<u>\$ 412,798</u>	<u>\$ 778,232</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 59,701</u>	<u>\$ 8,737,317</u>	<u>\$ 465,835</u>

Continued

**CITY OF WADSWORTH, OHIO**  
**COMBINING BALANCE SHEET**  
**INDIVIDUAL NONMAJOR GOVERNMENTAL FUNDS (CONTINUED)**  
**DECEMBER 31, 2019**

	<b>Nonmajor Special Revenue</b>			
	<b>Recreation Fund</b>	<b>Street Maintenance Fund</b>	<b>Emergency Medical Services Fund</b>	<b>Municipal Court Special Programs Fund</b>
<b>Assets:</b>				
Equity in pooled cash and cash equivalents	\$ 336,182	\$ 856,174	\$ 2,437,541	\$ 158,283
Cash in segregated accounts	-	-	-	-
Receivables:				
Income taxes	44,016	494,229	-	-
Real and other taxes	-	-	1,272,366	-
Accounts	3,240	334	840,091	-
Special assessments	-	-	-	-
Interfund loans	51,798	147,891	421,049	27,020
Due from other governments	-	589,948	62,875	-
Materials and supplies inventory	-	269,562	-	-
Prepayments	2,968	3,911	1,773	-
<b>Total assets</b>	<b>\$ 438,204</b>	<b>\$ 2,362,049</b>	<b>\$ 5,035,695</b>	<b>\$ 185,303</b>
<b>Liabilities:</b>				
Accounts payable	-	4,548	8,960	-
Contracts payable	-	-	-	-
Accrued wages and benefits payable	-	41,894	55,023	-
Compensated absences payable	-	3,355	-	-
Interfund loans payable	787,160	-	-	-
Due to other governments	-	7,368	11,637	-
Matured interest payable	-	-	-	-
<b>Total liabilities</b>	<b>787,160</b>	<b>57,165</b>	<b>75,620</b>	<b>-</b>
<b>Deferred inflows of resources:</b>				
Property taxes levied for the next fiscal year	-	-	1,242,695	-
Delinquent property tax revenue not available	-	-	29,671	-
Special assessments revenue not available	-	-	-	-
Miscellaneous revenue not available	-	334	730,925	-
Income tax revenue not available	33,126	371,950	-	-
Intergovernmental revenue not available	-	387,729	62,875	-
<b>Total deferred inflows of resources</b>	<b>33,126</b>	<b>760,013</b>	<b>2,066,166</b>	<b>-</b>
<b>Fund balances:</b>				
Nonspendable	2,968	273,473	1,773	-
Restricted	-	1,271,398	2,892,136	185,303
Committed	-	-	-	-
Unassigned (deficit)	(385,050)	-	-	-
<b>Total fund balances (deficit)</b>	<b>(382,082)</b>	<b>1,544,871</b>	<b>2,893,909</b>	<b>185,303</b>
Total liabilities, deferred inflows of resources and fund balance	<b>\$ 438,204</b>	<b>\$ 2,362,049</b>	<b>\$ 5,035,695</b>	<b>\$ 185,303</b>

Continued

**Nonmajor Special Revenue**

<b>Municipal Court Improvements Fund</b>	<b>Developers Shade Tree Fund</b>	<b>Drug Law Enforcement Fund</b>	<b>Law Enforcement and Education Fund</b>	<b>Indigent Drivers Alcohol Treatment Fund</b>	<b>Law Enforcement Trust Fund</b>	<b>Permissive Motor Vehicle License Fund</b>
\$ 488,673	\$ 51,465	\$ 49,119	\$ 20,846	\$ 151,032	\$ -	\$ 433,551
-	-	-	-	-	192,090	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
83,775	8,890	8,459	3,569	25,926	-	74,889
-	-	-	-	611	-	21,962
-	-	-	-	-	-	104,969
-	-	-	-	21,627	-	-
<u>\$ 572,448</u>	<u>\$ 60,355</u>	<u>\$ 57,578</u>	<u>\$ 24,415</u>	<u>\$ 199,196</u>	<u>\$ 192,090</u>	<u>\$ 635,371</u>
\$ -	\$ 636	\$ -	\$ -	\$ -	\$ -	\$ 2,847
-	-	-	-	-	-	3,874
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	636	-	-	-	-	6,721
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	21,627	-	104,969
572,448	-	57,578	24,415	177,569	192,090	523,681
-	59,719	-	-	-	-	-
-	-	-	-	-	-	-
<u>572,448</u>	<u>59,719</u>	<u>57,578</u>	<u>24,415</u>	<u>199,196</u>	<u>192,090</u>	<u>628,650</u>
<u>\$ 572,448</u>	<u>\$ 60,355</u>	<u>\$ 57,578</u>	<u>\$ 24,415</u>	<u>\$ 199,196</u>	<u>\$ 192,090</u>	<u>\$ 635,371</u>

Continued

**CITY OF WADSWORTH, OHIO**  
**COMBINING BALANCE SHEET**  
**INDIVIDUAL NONMAJOR GOVERNMENTAL FUNDS (CONTINUED)**  
**DECEMBER 31, 2019**

	<b>Nonmajor Special Revenue</b>			
	<b>State Highway Fund</b>	<b>Abatement of Public Nuisance Fund</b>	<b>Chippewa Creek Well Reserve Fund</b>	<b>Community Reinvestment Fund</b>
<b>Assets:</b>				
Equity in pooled cash and cash equivalents	\$ 161,371	\$ 77,723	\$ 85,271	\$ 35,840
Cash in segregated accounts	-	-	-	-
Receivables:				
Income taxes	-	-	-	-
Real and other taxes	-	-	-	-
Accounts	-	4,235	-	-
Special assessments	-	25,665	-	-
Interfund loans	27,875	13,425	14,729	6,191
Due from other governments	47,834	-	-	-
Materials and supplies inventory	33,522	-	-	-
Prepayments	-	-	-	-
<b>Total assets</b>	<b>\$ 270,602</b>	<b>\$ 121,048</b>	<b>\$ 100,000</b>	<b>\$ 42,031</b>
<b>Liabilities:</b>				
Accounts payable	\$ 2,960	\$ -	\$ -	\$ -
Contracts payable	-	-	-	-
Accrued wages and benefits payable	-	-	-	-
Compensated absences payable	-	-	-	-
Interfund loans payable	-	-	-	-
Due to other governments	-	-	-	-
Matured interest payable	-	-	-	-
<b>Total liabilities</b>	<b>2,960</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Deferred inflows of resources:</b>				
Property taxes levied for the next fiscal year	-	-	-	-
Delinquent property tax revenue not available	-	-	-	-
Special assessments revenue not available	-	25,665	-	-
Miscellaneous revenue not available	-	4,235	-	-
Income tax revenue not available	-	-	-	-
Intergovernmental revenue not available	31,438	-	-	-
<b>Total deferred inflows of resources</b>	<b>31,438</b>	<b>29,900</b>	<b>-</b>	<b>-</b>
<b>Fund balances:</b>				
Nonspendable	33,522	-	-	-
Restricted	202,682	91,148	100,000	42,031
Committed	-	-	-	-
Unassigned (deficit)	-	-	-	-
<b>Total fund balances (deficit)</b>	<b>236,204</b>	<b>91,148</b>	<b>100,000</b>	<b>42,031</b>
<b>Total liabilities, deferred inflows of resources and fund balance</b>	<b>\$ 270,602</b>	<b>\$ 121,048</b>	<b>\$ 100,000</b>	<b>\$ 42,031</b>

Continued



**Nonmajor Special Revenue**

Fire Department Education Grant Fund	Police Continuing Professional Training Fund	Community Development Block Grant (CDBG) Fund	CHIP Revolving Loan Fund	Economic Development Fund	Recreation Tax Fund	Revolving Loan Fund
\$ 7,520	\$ 17,403	\$ -	\$ 104,103	\$ 229,735	\$ 218,312	\$ -
-	-	-	-	-	-	96,952
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
1,299	3,006	-	-	39,683	37,710	-
-	-	-	-	-	21,718	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
<u>\$ 8,819</u>	<u>\$ 20,409</u>	<u>\$ -</u>	<u>\$ 104,103</u>	<u>\$ 269,418</u>	<u>\$ 277,740</u>	<u>\$ 96,952</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	79,331	-
-	-	-	-	5,048	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	844	-	-
-	-	-	-	-	-	-
-	-	-	-	5,892	79,331	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	21,718	-
-	-	-	-	-	21,718	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
8,819	20,409	-	104,103	-	-	96,952
-	-	-	-	263,526	176,691	-
-	-	-	-	-	-	-
<u>8,819</u>	<u>20,409</u>	<u>-</u>	<u>104,103</u>	<u>263,526</u>	<u>176,691</u>	<u>96,952</u>
<u>\$ 8,819</u>	<u>\$ 20,409</u>	<u>\$ -</u>	<u>\$ 104,103</u>	<u>\$ 269,418</u>	<u>\$ 277,740</u>	<u>\$ 96,952</u>

Continued

**CITY OF WADSWORTH, OHIO**  
**COMBINING BALANCE SHEET**  
**INDIVIDUAL NONMAJOR GOVERNMENTAL FUNDS (CONTINUED)**  
**DECEMBER 31, 2019**

	<b>Nonmajor Special Revenue</b>			
	<b>Tax Increment Financing Fund</b>	<b>Safe Routes to School Grant Fund</b>	<b>Roundabout at SR 57 &amp; Seville Rd. Fund</b>	<b>Total Special Revenue</b>
<b>Assets:</b>				
Equity in pooled cash and cash equivalents	\$ 60,604	\$ 9,000	\$ 122,406	\$ 6,112,154
Cash in segregated accounts	-	-	-	289,042
Receivables:				
Income taxes	-	-	-	538,245
Real and other taxes	-	-	-	1,272,366
Accounts	-	-	-	847,900
Special assessments	-	-	-	25,665
Interfund loans	10,468	-	-	1,007,652
Due from other governments	-	-	1,365	746,313
Materials and supplies inventory	-	-	-	408,053
Prepayments	-	-	-	30,279
<b>Total assets</b>	<b>\$ 71,072</b>	<b>\$ 9,000</b>	<b>\$ 123,771</b>	<b>\$ 11,277,669</b>
<b>Liabilities:</b>				
Accounts payable	\$ -	\$ -	\$ -	\$ 19,951
Contracts payable	-	-	1,365	84,570
Accrued wages and benefits payable	-	-	-	101,965
Compensated absences payable	-	-	-	3,355
Interfund loans payable	-	9,000	122,406	918,566
Due to other governments	-	-	-	19,849
Matured interest payable	-	-	-	-
<b>Total liabilities</b>	<b>-</b>	<b>9,000</b>	<b>123,771</b>	<b>1,148,256</b>
<b>Deferred inflows of resources:</b>				
Property taxes levied for the next fiscal year	-	-	-	1,242,695
Delinquent property tax revenue not available	-	-	-	29,671
Special assessments revenue not available	-	-	-	25,665
Miscellaneous revenue not available	-	-	-	735,494
Income tax revenue not available	-	-	-	405,076
Intergovernmental revenue not available	-	-	-	503,760
<b>Total deferred inflows of resources</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2,942,361</b>
<b>Fund balances:</b>				
Nonspendable	-	-	-	438,332
Restricted	71,072	-	-	6,633,834
Committed	-	-	-	499,936
Unassigned (deficit)	-	-	-	(385,050)
<b>Total fund balances (deficit)</b>	<b>71,072</b>	<b>-</b>	<b>-</b>	<b>7,187,052</b>
<b>Total liabilities, deferred inflows of resources and fund balance</b>	<b>\$ 71,072</b>	<b>\$ 9,000</b>	<b>\$ 123,771</b>	<b>\$ 11,277,669</b>

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<u>Totals</u>	
\$	12,872,588
	290,037
	1,509,479
	1,310,566
	929,350
	122,525
	2,167,879
	839,183
	408,935
	30,279
	<u>20,480,821</u>

\$	21,151
	193,660
	101,965
	3,355
	1,597,565
	19,849
	128
	<u>1,937,673</u>

	1,242,695
	29,671
	122,525
	735,494
	1,136,013
	596,630
	<u>3,863,028</u>

	439,214
	11,173,737
	3,452,219
	(385,050)
	<u>14,680,120</u>
\$	<u>20,480,821</u>

**CITY OF WADSWORTH, OHIO**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES**  
**AND CHANGES IN FUND BALANCES**  
**NONMAJOR GOVERNMENTAL FUNDS**  
**FOR THE YEAR ENDED DECEMBER 31, 2019**

	<b>Nonmajor Capital Projects</b>			
	<b>Airport Improvements Fund</b>	<b>General Capital Improvements Fund</b>	<b>EMS Reserve Fund</b>	<b>Fire Levy Fund</b>
<b>Revenues:</b>				
Income taxes	\$ -	\$ 554,570	\$ -	\$ -
Real and other taxes	-	131,353	-	-
Charges for services	-	-	112,796	-
Licenses and permits	-	-	-	-
Fines and forfeitures	-	-	-	-
Intergovernmental	-	2,930	-	-
Special assessments	-	-	-	-
Investment income	-	-	-	-
Rental income	-	-	-	-
Contributions and donations	-	-	-	-
Refunds and reimbursements	-	-	-	-
Other	-	112,444	-	-
<b>Total revenues</b>	<b>-</b>	<b>801,297</b>	<b>112,796</b>	<b>-</b>
<b>Expenditures:</b>				
<i>Current:</i>				
General government	1,094	188,685	-	-
Security of persons and property	-	87,860	512	108,700
Public health	-	-	-	-
Transportation	-	174,924	-	-
Leisure time services	-	19,335	-	-
Community and economic development	-	-	-	-
Capital outlay	97,757	-	-	-
<i>Debt service:</i>				
Principal retirement	-	-	-	-
Interest and fiscal charges	1,539	6,417	-	-
<b>Total expenditures</b>	<b>100,390</b>	<b>477,221</b>	<b>512</b>	<b>108,700</b>
Excess (deficiency) of revenues over/(under) expenditures	(100,390)	324,076	112,284	(108,700)
<b>Other financing sources (uses):</b>				
Sale of capital assets	-	-	-	-
Transfer in	-	9,822	10,188	26,310
Transfers (out)	-	-	-	-
<b>Total other financing sources (uses)</b>	<b>-</b>	<b>9,822</b>	<b>10,188</b>	<b>26,310</b>
Net change in fund balances	(100,390)	333,898	122,472	(82,390)
<b>Fund balances (deficit) at beginning of year</b>	<b>117,352</b>	<b>739,156</b>	<b>1,326,997</b>	<b>4,110,275</b>
<b>Fund balances (deficit) at end of year</b>	<b>\$ 16,962</b>	<b>\$ 1,073,054</b>	<b>\$ 1,449,469</b>	<b>\$ 4,027,885</b>

Nonmajor Capital Projects						Nonmajor Debt Service
Park Land Acquisition Fund	Street Improvement Fund	West Street Improvement Fund	OPWC Grant-Tackas Drive Imp	Special Assessments Fund	Total Capital Projects	Special Assessment Bond Retirement Fund
\$ -	\$ 971,538	\$ -	\$ -	\$ 41,333	\$ 1,567,441	\$ 702,566
-	-	-	-	-	131,353	-
-	-	-	-	-	112,796	573,400
800	-	-	-	-	800	-
-	-	-	-	-	-	-
-	-	22,668	79,759	-	105,357	-
-	-	-	-	18,321	18,321	92,830
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	40,379	-	-	-	40,379	-
-	-	-	-	-	112,444	-
800	1,011,917	22,668	79,759	59,654	2,088,891	1,368,796
-	-	-	-	20,106	209,885	-
-	-	-	-	-	197,072	-
-	-	-	-	-	-	-
-	915,072	-	79,759	-	1,169,755	-
9,398	-	-	-	-	28,733	-
-	-	-	-	-	-	-
-	11,333	-	-	-	109,090	-
-	-	-	-	-	-	745,278
-	-	-	-	118	8,074	609,213
9,398	926,405	-	79,759	20,224	1,722,609	1,354,491
(8,598)	85,512	22,668	-	39,430	366,282	14,305
-	-	-	-	-	-	-
3,046	3,397	59	-	10,804	63,626	128
-	-	-	-	-	-	(5,504)
3,046	3,397	59	-	10,804	63,626	(5,376)
(5,552)	88,909	22,727	-	50,234	429,908	8,929
418,350	364,011	(22,727)	-	(1,203)	7,052,211	2,020
\$ 412,798	\$ 452,920	\$ -	\$ -	\$ 49,031	\$ 7,482,119	\$ 10,949

Continued

**CITY OF WADSWORTH, OHIO**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES**  
**AND CHANGES IN FUND BALANCES**  
**NONMAJOR GOVERNMENTAL FUNDS**  
**FOR THE YEAR ENDED DECEMBER 31, 2019**

	<b>Nonmajor Special Revenue</b>			
	<b>Recreation Fund</b>	<b>Street Maintenance Fund</b>	<b>Emergency Medical Services Fund</b>	<b>Municipal Court Special Programs Fund</b>
<b>Revenues:</b>				
Income taxes	\$ 101,393	\$ 1,135,628	\$ -	\$ -
Real and other taxes	-	-	1,100,066	-
Charges for services	-	172,432	919,176	-
Licenses and permits	-	-	-	-
Fines and forfeitures	-	-	-	29,896
Intergovernmental	-	1,048,520	132,078	-
Special assessments	-	-	-	-
Investment income	-	-	-	-
Rental income	64,245	-	-	-
Contributions and donations	-	-	500	-
Refunds and reimbursements	-	-	-	-
Other	20,552	2,109	267	-
<b>Total revenues</b>	<b>186,190</b>	<b>2,358,689</b>	<b>2,152,087</b>	<b>29,896</b>
<b>Expenditures:</b>				
<i>Current:</i>				
General government	-	-	-	27,286
Security of persons and property	-	-	1,716,379	-
Public health	-	-	-	-
Transportation	-	2,255,403	-	-
Leisure time services	143,077	-	-	-
Community and economic development	-	-	-	-
Capital outlay	-	-	-	-
Debt service:				
Principal retirement	-	-	-	-
Interest and fiscal charges	17,079	-	-	-
<b>Total expenditures</b>	<b>160,156</b>	<b>2,255,403</b>	<b>1,716,379</b>	<b>27,286</b>
Excess (deficiency) of revenues over/(under) expenditures	26,034	103,286	435,708	2,610
<b>Other financing sources (uses):</b>				
Sale of capital assets	-	5,210	-	-
Transfer in	2,573	8,603	20,315	1,475
Transfers (out)	-	-	-	-
<b>Total other financing sources (uses)</b>	<b>2,573</b>	<b>13,813</b>	<b>20,315</b>	<b>1,475</b>
Net change in fund balances	28,607	117,099	456,023	4,085
<b>Fund balances (deficit) at beginning of year</b>	<b>(410,689)</b>	<b>1,427,772</b>	<b>2,437,886</b>	<b>181,218</b>
<b>Fund balances (deficit) at end of year</b>	<b>\$ (382,082)</b>	<b>\$ 1,544,871</b>	<b>\$ 2,893,909</b>	<b>\$ 185,303</b>

Continued

**Nonmajor Special Revenue**

<b>Municipal Court Improvements Fund</b>	<b>Developers Shade Tree Fund</b>	<b>Drug Law Enforcement Fund</b>	<b>Law Enforcement and Education Fund</b>	<b>Indigent Drivers Alcohol Treatment Fund</b>	<b>Law Enforcement Trust Fund</b>	<b>Permissive Motor Vehicle License Fund</b>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-	-
-	-	-	-	-	-	-
58,799	-	7,039	2,377	15,765	21,506	-
-	-	-	-	13,517	-	264,810
-	-	-	-	-	1,581	-
-	-	1,520	-	-	100	-
-	-	-	-	-	-	-
-	-	-	-	-	1,048	-
<u>58,799</u>	<u>-</u>	<u>8,559</u>	<u>2,377</u>	<u>29,282</u>	<u>24,235</u>	<u>264,810</u>
44,548	33,119	-	6,369	41,256	-	-
-	-	7,077	-	-	19,290	-
-	-	-	-	-	-	153,433
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
<u>44,548</u>	<u>33,119</u>	<u>7,077</u>	<u>6,369</u>	<u>41,256</u>	<u>19,290</u>	<u>153,433</u>
14,251	(33,119)	1,482	(3,992)	(11,974)	4,945	111,377
-	-	-	-	-	5,850	-
4,590	950	438	238	1,725	-	3,002
-	-	-	-	-	-	-
<u>4,590</u>	<u>950</u>	<u>438</u>	<u>238</u>	<u>1,725</u>	<u>5,850</u>	<u>3,002</u>
18,841	(32,169)	1,920	(3,754)	(10,249)	10,795	114,379
<u>553,607</u>	<u>91,888</u>	<u>55,658</u>	<u>28,169</u>	<u>209,445</u>	<u>181,295</u>	<u>514,271</u>
<u>\$ 572,448</u>	<u>\$ 59,719</u>	<u>\$ 57,578</u>	<u>\$ 24,415</u>	<u>\$ 199,196</u>	<u>\$ 192,090</u>	<u>\$ 628,650</u>

Continued

**CITY OF WADSWORTH, OHIO**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES**  
**AND CHANGES IN FUND BALANCES**  
**NONMAJOR GOVERNMENTAL FUNDS (CONTINUED)**  
**FOR THE YEAR ENDED DECEMBER 31, 2019**

	<b>Nonmajor Special Revenue</b>			
	<b>State Highway Fund</b>	<b>Abatement of Public Nuisance Fund</b>	<b>Chippewa Creek Well Reserve Fund</b>	<b>Community Reinvestment Fund</b>
<b>Revenues:</b>				
Income taxes	\$ -	\$ -	\$ -	\$ -
Real and other taxes	-	-	-	-
Charges for services	-	-	-	-
Licenses and permits	-	-	-	-
Fines and forfeitures	-	3,385	-	-
Intergovernmental	83,590	-	-	-
Special assessments	-	-	-	-
Investment income	-	-	-	-
Rental income	-	-	-	-
Contributions and donations	-	-	-	-
Refunds and reimbursements	-	-	-	-
Other	-	-	-	2,500
<b>Total revenues</b>	<b>83,590</b>	<b>3,385</b>	<b>-</b>	<b>2,500</b>
<b>Expenditures:</b>				
<i>Current:</i>				
General government	-	-	-	-
Security of persons and property	-	-	-	-
Public health	-	1,639	-	-
Transportation	47,022	-	-	-
Leisure time services	-	-	-	-
Community and economic development	-	-	-	209
Capital outlay	-	-	-	-
Debt service:				
Principal retirement	-	-	-	-
Interest and fiscal charges	-	-	-	-
<b>Total expenditures</b>	<b>47,022</b>	<b>1,639</b>	<b>-</b>	<b>209</b>
Excess (deficiency) of revenues over/(under) expenditures	36,568	1,746	-	2,291
<b>Other financing sources (uses):</b>				
Sale of capital assets	-	-	-	-
Transfer in	941	664	-	324
Transfers (out)	-	-	-	-
<b>Total other financing sources (uses)</b>	<b>941</b>	<b>664</b>	<b>-</b>	<b>324</b>
Net change in fund balances	37,509	2,410	-	2,615
<b>Fund balances (deficit) at beginning of year</b>	<b>198,695</b>	<b>88,738</b>	<b>100,000</b>	<b>39,416</b>
<b>Fund balances (deficit) at end of year</b>	<b>\$ 236,204</b>	<b>\$ 91,148</b>	<b>\$ 100,000</b>	<b>\$ 42,031</b>

Continued



**Nonmajor Special Revenue**

Fire Department Education Grant Fund	Police Continuing Professional Training Fund	Community Development Block Grant (CDBG) Fund	CHIP Revolving Loan Fund	Economic Development Fund	Recreation Tax Fund	Revolving Loan Fund
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	30,000	29,500	-
-	-	-	31,600	309,929	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	579
-	-	-	-	-	-	-
-	-	-	-	1,500	-	-
-	-	-	31,600	341,429	29,500	579
-	-	-	-	-	-	417
5,000	5,255	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	86,989	-
-	-	4,667	31,649	244,006	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
5,000	5,255	4,667	31,649	244,006	86,989	417
(5,000)	(5,255)	(4,667)	(49)	97,423	(57,489)	162
-	-	-	-	-	-	-
169	122	-	538	622	1,746	-
-	-	-	-	-	-	-
169	122	-	538	622	1,746	-
(4,831)	(5,133)	(4,667)	489	98,045	(55,743)	162
13,650	25,542	4,667	103,614	165,481	232,434	96,790
<u>\$ 8,819</u>	<u>\$ 20,409</u>	<u>\$ -</u>	<u>\$ 104,103</u>	<u>\$ 263,526</u>	<u>\$ 176,691</u>	<u>\$ 96,952</u>

Continued

**CITY OF WADSWORTH, OHIO**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES**  
**AND CHANGES IN FUND BALANCES**  
**NONMAJOR GOVERNMENTAL FUNDS (CONTINUED)**  
**FOR THE YEAR ENDED DECEMBER 31, 2019**

	<b>Nonmajor Special Revenue</b>			
	<b>Tax Increment Financing Fund</b>	<b>Safe Routes to School Grant Fund</b>	<b>Roundabout at SR 57 &amp; Seville Rd. Fund</b>	<b>Total Special Revenue</b>
<b>Revenues:</b>				
Income taxes	\$ -	\$ -	\$ -	\$ 1,237,021
Real and other taxes	-	-	-	1,159,566
Charges for services	-	-	-	1,433,137
Licenses and permits	-	-	-	-
Fines and forfeitures	-	-	-	138,767
Intergovernmental	-	234,047	130,833	1,907,395
Special assessments	-	-	-	-
Investment income	-	-	-	2,160
Rental income	-	-	-	64,245
Contributions and donations	-	-	-	2,120
Refunds and reimbursements	-	-	-	-
Other	-	-	-	27,976
Total revenues	<u>-</u>	<u>\$ 234,047</u>	<u>\$ 130,833</u>	<u>5,972,387</u>
<b>Expenditures:</b>				
<i>Current:</i>				
General government	-	\$ -	\$ -	152,995
Security of persons and property	-	-	-	1,753,001
Public health	-	-	-	1,639
Transportation	1,882	-	-	2,457,740
Leisure time services	-	-	1,365	231,431
Community and economic development	-	234,047	129,468	644,046
Capital outlay	-	-	-	-
Debt service:				
Principal retirement	-	-	-	-
Interest and fiscal charges	-	-	-	17,079
Total expenditures	<u>1,882</u>	<u>\$ 234,047</u>	<u>\$ 130,833</u>	<u>5,257,931</u>
Excess (deficiency) of revenues over/(under) expenditures	<u>(1,882)</u>	<u>-</u>	<u>-</u>	<u>714,456</u>
<b>Other financing sources (uses):</b>				
Sale of capital assets	-	\$ -	\$ -	11,060
Transfer in	1,391	-	-	50,426
Transfers (out)	-	-	-	-
Total other financing sources (uses)	<u>1,391</u>	<u>-</u>	<u>-</u>	<u>61,486</u>
Net change in fund balances	(491)	\$ -	\$ -	775,942
<b>Fund balances (deficit) at beginning of year</b>	<u>71,563</u>	<u>-</u>	<u>-</u>	<u>6,411,110</u>
<b>Fund balances (deficit) at end of year</b>	<u>\$ 71,072</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 7,187,052</u>

Continued

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<b>Total</b>	
\$	3,507,028
	1,290,919
	2,119,333
	800
	138,767
	2,012,752
	111,151
	2,160
	64,245
	2,120
	40,379
	<u>140,420</u>
	<u>9,430,074</u>
	362,880
	1,950,073
	1,639
	3,627,495
	260,164
	644,046
	109,090
	745,278
	<u>634,366</u>
	<u>8,335,031</u>
	<u>1,095,043</u>
	11,060
	114,180
	<u>(5,504)</u>
	<u>119,736</u>
	1,214,779
	<u>13,465,341</u>
\$	<u><u>14,680,120</u></u>

CITY OF WADSWORTH, OHIO

MAJOR FUNDS

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*The following funds are being reported as part of the General Fund*

***Street/Utility Maintenance Guarantees Fund***

To account for the collection of money from subdivision developers as a performance guarantee on dedicated streets and utilities.

***Parking Fund***

To account for parking fines as defined in City ordinances used to improve and maintain City owned parking lots.

***WCTV Fund***

To account for the franchise fee paid by Time Warner Cable and Wadsworth Cable and the advertising charges for services provided by the Wadsworth Community Television (WCTV). These revenues support the daily operations of the cable studio, production of community channels, and the annual Clapper Awards public event.

***Fire Dept. HazMat Clean Up Fund***

To account for the collection of dollars received by third parties for the containment and disposal of hazardous conditions.

**CITY OF WADSWORTH, OHIO**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN**  
**FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)**  
**STREET/UTILITY MAINTENANCE GUARANTEES FUND**  
**FOR THE YEAR ENDED DECEMBER 31, 2019**

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
<b>Expenditures:</b>			
<i>Current:</i>			
Transportation			
Personal services	\$ 55	\$ 55	\$ -
Contractual services	97	97	-
Materials and supplies	10,000	-	10,000
Total expenditures	<u>10,097</u>	<u>97</u>	<u>10,000</u>
Excess of expenditures over revenues	<u>(10,097)</u>	<u>(97)</u>	<u>10,000</u>
<b>Other financing sources:</b>			
Transfers in	463	463	-
Total other financing sources	<u>463</u>	<u>463</u>	<u>-</u>
Net change in fund balance	(9,634)	366	10,000
<b>Fund balance at beginning of year</b>	<u>52,557</u>	<u>52,557</u>	<u>-</u>
<b>Fund balance at end of year</b>	<u><u>\$ 42,923</u></u>	<u><u>\$ 52,923</u></u>	<u><u>\$ 10,000</u></u>

**CITY OF WADSWORTH, OHIO**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN**  
**FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)**  
**PARKING FUND**  
**FOR THE YEAR ENDED DECEMBER 31, 2019**

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
<b>Revenues:</b>			
Income tax	\$ 40,000	\$ 40,000	\$ -
Fines and forfeitures	7,000	9,256	2,256
Total revenues	<u>47,000</u>	<u>49,256</u>	<u>2,256</u>
<b>Expenditures:</b>			
<i>Current:</i>			
General government			
Personal services	560	560	-
Contractual services	995	995	-
Materials and supplies	5,000	5,000	-
Other	1,203	1,092	111
Capital outlay	181,000	87,919	93,081
Total expenditures	<u>188,198</u>	<u>95,006</u>	<u>93,192</u>
Excess of expenditures over revenues	<u>(141,198)</u>	<u>(45,750)</u>	<u>95,448</u>
<b>Other financing sources:</b>			
Transfers in	1,306	1,306	-
Total other financing sources	<u>1,306</u>	<u>1,306</u>	<u>-</u>
Net change in fund balance	(139,892)	(44,444)	95,448
<b>Fund balance at beginning of year</b>	97,570	97,570	-
<b>Prior year encumbrances appropriated</b>	71,000	71,000	-
<b>Fund balance at end of year</b>	<u>\$ 28,678</u>	<u>\$ 124,126</u>	<u>\$ 95,448</u>

**CITY OF WADSWORTH, OHIO**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN**  
**FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)**  
**WCTV FUND**  
**FOR THE YEAR ENDED DECEMBER 31, 2019**

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
<b>Revenues:</b>			
Charges for services	\$ 39,000	\$ 35,936	\$ (3,064)
Licenses and permits	327,985	325,265	(2,720)
Other	-	107	107
Total revenues	<u>366,985</u>	<u>361,308</u>	<u>(5,677)</u>
<b>Expenditures:</b>			
<i>Current:</i>			
Leisure time activities			
Personal services	309,099	308,407	692
Contractual services	52,878	49,559	3,319
Materials and supplies	20,498	19,584	914
Other	215	205	10
Capital outlay	17,495	17,495	-
Total expenditures	<u>400,185</u>	<u>395,250</u>	<u>4,935</u>
Net change in fund balance	(33,200)	(33,942)	(742)
<b>Fund balance at beginning of year</b>	<u>71,530</u>	<u>71,530</u>	<u>-</u>
<b>Fund balance at end of year</b>	<u>\$ 38,330</u>	<u>\$ 37,588</u>	<u>\$ (742)</u>

**CITY OF WADSWORTH, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)

**FIRE DEPT. HAZMAT CLEAN UP FUND**  
FOR THE YEAR ENDED DECEMBER 31, 2019

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
<b>Revenues:</b>			
Other	\$ 1,500	\$ 116	\$ (1,384)
Total revenues	<u>1,500</u>	<u>116</u>	<u>(1,384)</u>
<b>Expenditures:</b>			
<i>Current:</i>			
Security of persons and property			
Personal services	116	116	-
Contractual services	206	206	-
Materials and supplies	2,200	460	1,740
Total expenditures	<u>2,406</u>	<u>666</u>	<u>1,740</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(906)</u>	<u>(550)</u>	<u>356</u>
<b>Other financing sources:</b>			
Transfers in	206	206	-
Total other financing sources	<u>206</u>	<u>206</u>	<u>-</u>
Net change in fund balance	(700)	(344)	356
<b>Fund balance at beginning of year</b>	<u>22,901</u>	<u>22,901</u>	<u>-</u>
<b>Fund balance at end of year</b>	<u>\$ 22,201</u>	<u>\$ 22,557</u>	<u>\$ 356</u>



**CITY OF WADSWORTH, OHIO**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN**  
**FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)**  
**AIRPORT IMPROVEMENTS FUND**  
**FOR THE YEAR ENDED DECEMBER 31, 2019**

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
<b>Revenues:</b>			
Income taxes	\$ 8,500	\$ -	\$ (8,500)
Intergovernmental	555,000	125,466	(429,534)
Other	15,000	-	(15,000)
Total revenues	<u>578,500</u>	<u>125,466</u>	<u>(453,034)</u>
<b>Expenditures:</b>			
<i>Current:</i>			
General government			
Personal services	300	300	-
Contractual services	350,419	350,419	-
Capital outlay	73,540	68,540	5,000
Total general government	<u>424,259</u>	<u>419,259</u>	<u>5,000</u>
Debt service:			
Principal retirement	81,000	81,000	-
Interest and fiscal charges	1,539	1,539	-
Total debt service	<u>82,539</u>	<u>82,539</u>	<u>-</u>
Total expenditures	<u>506,798</u>	<u>501,798</u>	<u>5,000</u>
Excess (deficiency) of revenues over (under) expenditures	<u>71,702</u>	<u>(376,332)</u>	<u>(448,034)</u>
<b>Other financing sources:</b>			
Advance in	-	237,306	237,306
Internal note issuance	72,000	72,000	-
Total other financing sources	<u>72,000</u>	<u>309,306</u>	<u>237,306</u>
Net change in fund balance	143,702	(67,026)	(210,728)
<b>Fund balance at beginning of year</b>	<u>72,886</u>	<u>72,886</u>	<u>-</u>
<b>Fund balance at end of year</b>	<u>\$ 216,588</u>	<u>\$ 5,860</u>	<u>\$ (210,728)</u>

**CITY OF WADSWORTH, OHIO**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN**  
**FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)**  
**GENERAL CAPITAL IMPROVEMENTS FUND**  
**FOR THE YEAR ENDED DECEMBER 31, 2019**

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
<b>Revenues:</b>			
Income taxes	\$ -	\$ 500,000	\$ 500,000
Property taxes	100,000	93,153	(6,847)
Intergovernmental	-	2,930	2,930
Other	112,444	112,444	-
Total revenues	<u>212,444</u>	<u>708,527</u>	<u>496,083</u>
<b>Expenditures:</b>			
<i>Current:</i>			
General government			
Personal services	2,792	2,792	-
Contractual services	35,618	22,282	13,336
Materials and Supplies	1,947	1,947	-
Capital outlay	565,778	253,362	312,416
Total general government	<u>606,135</u>	<u>280,383</u>	<u>325,752</u>
Security of persons and property			
Capital outlay	90,462	90,948	(486)
Total security of persons and property	<u>90,462</u>	<u>90,948</u>	<u>(486)</u>
Transportation			
Capital outlay	175,000	174,924	76
Total transportation	<u>175,000</u>	<u>174,924</u>	<u>76</u>
Leisure time activities			
Capital outlay	77,320	30,882	46,438
Total leisure time activities	<u>77,320</u>	<u>30,882</u>	<u>46,438</u>
Debt service:			
Principal retirement	337,720	337,720	-
Interest and fiscal charges	6,417	6,417	-
Total debt service	<u>344,137</u>	<u>344,137</u>	<u>-</u>
Total expenditures	<u>1,293,054</u>	<u>921,274</u>	<u>371,780</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(1,080,610)</u>	<u>(212,747)</u>	<u>867,863</u>
<b>Other financing sources:</b>			
Transfers in	9,822	9,822	-
Internal note issuance	253,292	253,292	-
Total other financing sources	<u>263,114</u>	<u>263,114</u>	<u>-</u>
Net change in fund balance	(817,496)	50,367	867,863
Fund balance at beginning of year	1,065,016	1,065,016	-
Prior year encumbrances appropriated	13,660	13,660	-
Fund balance at end of year	<u>\$ 261,180</u>	<u>\$ 1,129,043</u>	<u>\$ 867,863</u>

**CITY OF WADSWORTH, OHIO**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN**  
**FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)**  
**EMS RESERVE FUND**  
**FOR THE YEAR ENDED DECEMBER 31, 2019**

	<u>Final Budget</u>	<u>Actual</u>	<b>Variance with Final Budget Positive (Negative)</b>
<b>Revenues:</b>			
Charges for services	\$ 112,796	\$ 112,796	\$ -
Total revenues	<u>112,796</u>	<u>112,796</u>	<u>-</u>
<b>Expenditures:</b>			
<i>Current:</i>			
Security of persons and property			
Personal services	184	184	-
Contractual services	328	328	-
Capital outlay	<u>250,000</u>	<u>-</u>	<u>250,000</u>
Total expenditures	<u>250,512</u>	<u>512</u>	<u>250,000</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(137,716)</u>	<u>112,284</u>	<u>250,000</u>
<b>Other financing sources:</b>			
Transfers in	<u>10,188</u>	<u>10,188</u>	<u>-</u>
Total other financing sources	<u>10,188</u>	<u>10,188</u>	<u>-</u>
Net change in fund balance	(127,528)	122,472	250,000
<b>Fund balance at beginning of year</b>	<u>1,326,997</u>	<u>1,326,997</u>	<u>-</u>
<b>Fund balance at end of year</b>	<u>\$ 1,199,469</u>	<u>\$ 1,449,469</u>	<u>\$ 250,000</u>

**CITY OF WADSWORTH, OHIO**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN**  
**FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)**  
**FIRE LEVY FUND**  
**FOR THE YEAR ENDED DECEMBER 31, 2019**

	<u>Final Budget</u>	<u>Actual</u>	<b>Variance with Final Budget Positive (Negative)</b>
<b>Expenditures:</b>			
<i>Current:</i>			
Security of persons and property			
Personal services	\$ 874	\$ 874	\$ -
Contractual services	22,227	15,748	6,479
Materials and supplies	51,351	36,948	14,403
Capital outlay	319,635	55,130	264,505
Total expenditures	<u>394,087</u>	<u>108,700</u>	<u>285,387</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(394,087)</u>	<u>(108,700)</u>	<u>285,387</u>
<b>Other financing sources:</b>			
Transfers in	26,310	26,310	-
Total other financing sources	<u>26,310</u>	<u>26,310</u>	<u>-</u>
Net change in fund balance	(367,777)	(82,390)	285,387
<b>Fund balance at beginning of year</b>	4,103,058	4,103,058	-
<b>Prior year encumbrances appropriated</b>	<u>6,335</u>	<u>6,335</u>	<u>-</u>
<b>Fund balance at end of year</b>	<u>\$ 3,741,616</u>	<u>\$ 4,027,003</u>	<u>\$ 285,387</u>

**CITY OF WADSWORTH, OHIO**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN**  
**FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)**  
**PARK LAND ACQUISITION FUND**  
**FOR THE YEAR ENDED DECEMBER 31, 2019**

	<u>Final Budget</u>	<u>Actual</u>	<b>Variance with Final Budget Positive (Negative)</b>
<b>Revenues:</b>			
Licenses and permits	\$ 14,000	\$ 800	\$ (13,200)
Total revenues	<u>14,000</u>	<u>800</u>	<u>(13,200)</u>
<b>Expenditures:</b>			
<i>Current:</i>			
Leisure time activities			
Personal services	143	143	-
Contractual services	255	255	-
Capital outlay	300,000	9,000	291,000
Total expenditures	<u>300,398</u>	<u>9,398</u>	<u>291,000</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(286,398)</u>	<u>(8,598)</u>	<u>277,800</u>
<b>Other financing sources:</b>			
Transfers in	3,046	3,046	-
Total other financing sources	<u>3,046</u>	<u>3,046</u>	<u>-</u>
Net change in fund balance	(283,352)	(5,552)	277,800
<b>Fund balance at beginning of year</b>	<u>418,350</u>	<u>418,350</u>	<u>-</u>
<b>Fund balance at end of year</b>	<u>\$ 134,998</u>	<u>\$ 412,798</u>	<u>\$ 277,800</u>

**CITY OF WADSWORTH, OHIO**  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
**STREET IMPROVEMENT FUND**  
FOR THE YEAR ENDED DECEMBER 31, 2019

	<u>Final Budget</u>	<u>Actual</u>	<b>Variance with Final Budget Positive (Negative)</b>
<b>Revenues:</b>			
Income taxes	\$ 936,678	\$ 957,493	\$ 20,815
Total revenues	<u>936,678</u>	<u>957,493</u>	<u>20,815</u>
<b>Expenditures:</b>			
<i>Current:</i>			
Transportation			
Personal services	648	648	-
Contractual services	2,369	1,949	420
Capital outlay	<u>1,059,904</u>	<u>945,662</u>	<u>114,242</u>
Total expenditures	<u>1,062,921</u>	<u>948,259</u>	<u>114,662</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(126,243)</u>	<u>9,234</u>	<u>135,477</u>
<b>Other financing sources:</b>			
Transfers in	<u>3,397</u>	<u>3,397</u>	-
Total other financing sources	<u>3,397</u>	<u>3,397</u>	-
Net change in fund balance	(122,846)	12,631	135,477
<b>Fund balance at beginning of year</b>	85,796	85,796	-
<b>Prior year encumbrances appropriated</b>	<u>189,039</u>	<u>189,039</u>	-
<b>Fund balance at end of year</b>	<u>\$ 151,989</u>	<u>\$ 287,466</u>	<u>\$ 135,477</u>

**CITY OF WADSWORTH, OHIO**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN**  
**FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)**  
**WEST STREET IMPROVEMENTS FUND**  
**FOR THE YEAR ENDED DECEMBER 31, 2019**

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
<b>Revenues:</b>			
Intergovernmental	\$ -	\$ 22,668	\$ 22,668
Excess (deficiency) of revenues over (under) expenditures	-	22,668	22,668
<b>Other financing sources (uses):</b>			
Transfers in	-	59	59
Advance out	-	(22,727)	(22,727)
Total other financing sources/(uses)	-	(22,668)	(22,668)
Net change in fund balance	-	-	-
<b>Fund balance at beginning of year</b>	-	-	-
<b>Fund balance at end of year</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**CITY OF WADSWORTH, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
**OPWC GRANT - TACKAS DRIVE IMPROVEMENT FUND**  
 FOR THE YEAR ENDED DECEMBER 31, 2019

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
<b>Revenues:</b>			
Intergovernmental	\$ 101,000	\$ 79,759	\$ (21,241)
Total revenues	<u>101,000</u>	<u>79,759</u>	<u>(21,241)</u>
<b>Expenditures:</b>			
Transportation			
Capital outlay	<u>79,759</u>	<u>79,759</u>	<u>-</u>
Total expenditures	<u>79,759</u>	<u>79,759</u>	<u>-</u>
Net change in fund balances	21,241	-	(21,241)
<b>Fund balances at beginning of year</b>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Fund balances at end of year</b>	<u>\$ 21,241</u>	<u>\$ -</u>	<u>\$ (21,241)</u>



**CITY OF WADSWORTH, OHIO**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN**  
**FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)**  
**SPECIAL ASSESSMENTS FUND**  
**FOR THE YEAR ENDED DECEMBER 31, 2019**

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
<b>Revenues:</b>			
Income tax	\$ 45,465	\$ 45,465	\$ -
Special assessments	168,800	18,321	(150,479)
Total revenues	<u>214,265</u>	<u>63,786</u>	<u>(150,479)</u>
<b>Expenditures:</b>			
<i>Current:</i>			
General government			
Contractual services	15,735	18,906	(3,171)
Total expenditures	<u>15,735</u>	<u>18,906</u>	<u>(3,171)</u>
Excess (deficiency) of revenues over (under) expenditures	<u>198,530</u>	<u>44,880</u>	<u>(153,650)</u>
<b>Other financing sources (uses):</b>			
Transfers in	-	5,300	5,300
Advance (out)	(4,765)	(4,765)	-
Total other financing sources (uses)	<u>(4,765)</u>	<u>535</u>	<u>5,300</u>
Net change in fund balance	193,765	45,415	(148,350)
<b>Fund balance at beginning of year</b>	<u>7,080</u>	<u>7,080</u>	<u>-</u>
<b>Fund balance at end of year</b>	<u>\$ 200,845</u>	<u>\$ 52,495</u>	<u>\$ (148,350)</u>

**CITY OF WADSWORTH, OHIO**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN**  
**FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)**  
**SPECIAL ASSESSMENT BOND RETIREMENT FUND**  
**FOR THE YEAR ENDED DECEMBER 31, 2019**

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
<b>Revenues:</b>			
Income tax	\$ 743,327	\$ 691,049	\$ (52,278)
Charges for services	532,330	532,329	(1)
Special assessments	92,959	92,830	(129)
Total revenues	<u>1,368,616</u>	<u>1,316,208</u>	<u>(52,408)</u>
<b>Expenditures:</b>			
<i>Current:</i>			
Debt Service			
Principal retirement	886,314	886,314	-
Interest and fiscal charges	609,334	609,331	3
Total expenditures	<u>1,495,648</u>	<u>1,495,645</u>	<u>3</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(127,032)</u>	<u>(179,437)</u>	<u>(52,405)</u>
<b>Other financing sources:</b>			
Transfer in	-	128	(128)
Internal note issuance	113,900	113,900	-
Total other financing sources	<u>113,900</u>	<u>114,028</u>	<u>(128)</u>
Net change in fund balance	(13,132)	(65,409)	(52,277)
<b>Fund balance at beginning of year</b>	<u>67,046</u>	<u>67,046</u>	<u>-</u>
<b>Fund balance at end of year</b>	<u>\$ 53,914</u>	<u>\$ 1,637</u>	<u>\$ (52,277)</u>

**CITY OF WADSWORTH, OHIO**

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN  
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
**RECREATION FUND**  
 FOR THE YEAR ENDED DECEMBER 31, 2019

	<u>Final Budget</u>	<u>Actual</u>	<b>Variance with Final Budget Positive (Negative)</b>
<b>Revenues:</b>			
Income taxes	\$ 100,000	\$ 100,000	\$ -
Charges for services	109,244	105,937	(3,307)
Other	-	20,552	20,552
Total revenues	<u>209,244</u>	<u>226,489</u>	<u>17,245</u>
<b>Expenditures:</b>			
<i>Current:</i>			
Leisure time activities			
Personal services	867	867	-
Contractual services	116,921	112,291	4,630
Capital outlay	29,860	29,860	-
Total - leisure time activities	<u>147,648</u>	<u>143,018</u>	<u>4,630</u>
Debt Service			
Principal retirement	898,878	898,878	-
Interest and fiscal charges	17,079	17,079	-
Total - debt service	<u>915,957</u>	<u>915,957</u>	<u>-</u>
Total expenditures	<u>1,063,605</u>	<u>1,058,975</u>	<u>4,630</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(854,361)</u>	<u>(832,486)</u>	<u>21,875</u>
<b>Other financing sources:</b>			
Internal note issuance	787,160	787,160	-
Transfers in	2,573	2,573	-
Total other financing sources	<u>789,733</u>	<u>789,733</u>	<u>-</u>
Net change in fund balance	(64,628)	(42,753)	21,875
<b>Fund balance at beginning of year</b>	<u>430,733</u>	<u>430,733</u>	<u>-</u>
<b>Fund balance at end of year</b>	<u>\$ 366,105</u>	<u>\$ 387,980</u>	<u>\$ 21,875</u>

**CITY OF WADSWORTH, OHIO**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN**  
**FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)**  
**STREET MAINTENANCE FUND**  
**FOR THE YEAR ENDED DECEMBER 31, 2019**

	<b>Final Budget</b>	<b>Actual</b>	<b>Variance with Final Budget Positive (Negative)</b>
<b>Revenues:</b>			
Income taxes	\$ 1,120,000	\$ 1,120,000	\$ -
Charges for services	340,400	337,832	(2,568)
Intergovernmental	780,000	977,923	197,923
Other	-	2,214	2,214
<b>Total revenues</b>	<u>2,240,400</u>	<u>2,437,969</u>	<u>197,569</u>
<b>Expenditures:</b>			
<i>Current:</i>			
Transportation			
Personal services	1,595,081	1,539,201	55,880
Contractual services	531,639	417,378	114,261
Materials and supplies	379,214	325,283	53,931
Other	5,378	4,481	897
<b>Total expenditures</b>	<u>2,511,312</u>	<u>2,286,343</u>	<u>224,969</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(270,912)</u>	<u>151,626</u>	<u>422,538</u>
<b>Other financing sources:</b>			
Transfers in	8,603	8,603	-
Sale of assets	2,500	5,210	2,710
<b>Total other financing sources</b>	<u>11,103</u>	<u>13,813</u>	<u>2,710</u>
Net change in fund balance	(259,809)	165,439	425,248
<b>Fund balance at beginning of year</b>	740,052	740,052	-
<b>Prior year encumbrances appropriated</b>	<u>234,615</u>	<u>234,615</u>	<u>-</u>
<b>Fund balance at end of year</b>	<u>\$ 714,858</u>	<u>\$ 1,140,106</u>	<u>\$ 425,248</u>

**CITY OF WADSWORTH, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
**EMERGENCY MEDICAL SERVICES FUND**  
 FOR THE YEAR ENDED DECEMBER 31, 2019

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
<b>Revenues:</b>			
Property and other local taxes	\$ 1,120,816	\$ 1,100,066	\$ (20,750)
Charges for services	800,592	905,859	105,267
Intergovernmental	75,684	132,078	56,394
Contributions and donations	350	500	150
Other	950	267	(683)
Total revenues	<u>1,998,392</u>	<u>2,138,770</u>	<u>140,378</u>
<b>Expenditures:</b>			
<i>Current:</i>			
Security of persons and property			
Personal services	1,601,139	1,435,486	165,653
Contractual services	178,175	148,859	29,316
Materials and supplies	58,249	51,252	6,997
Other	19,640	17,281	2,359
Capital outlay	59,300	55,862	3,438
Total expenditures	<u>1,916,503</u>	<u>1,708,740</u>	<u>207,763</u>
Excess (deficiency) of revenues over (under) expenditures	<u>81,889</u>	<u>430,030</u>	<u>348,141</u>
<b>Other financing sources:</b>			
Transfers in	20,315	20,315	-
Total other financing sources	<u>20,315</u>	<u>20,315</u>	<u>-</u>
Net change in fund balance	102,204	450,345	348,141
<b>Fund balance at beginning of year</b>	<u>2,408,245</u>	<u>2,408,245</u>	<u>-</u>
<b>Fund balance at end of year</b>	<u>\$ 2,510,449</u>	<u>\$ 2,858,590</u>	<u>\$ 348,141</u>

**CITY OF WADSWORTH, OHIO**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN**  
**FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)**  
**MUNICIPAL COURT SPECIAL PROGRAMS FUND**  
**FOR THE YEAR ENDED DECEMBER 31, 2019**

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
<b>Revenues:</b>			
Fines and forfeitures	\$ 40,919	\$ 28,036	\$ (12,883)
Total revenues	<u>40,919</u>	<u>28,036</u>	<u>(12,883)</u>
<b>Expenditures:</b>			
<i>Current:</i>			
General government			
Personal services	280	280	-
Contractual services	<u>33,747</u>	<u>27,006</u>	<u>6,741</u>
Total expenditures	<u>33,747</u>	<u>27,006</u>	<u>6,741</u>
Excess (deficiency) of revenues over (under) expenditures	<u>7,172</u>	<u>1,030</u>	<u>(6,142)</u>
<b>Other financing sources:</b>			
Transfers in	<u>1,475</u>	<u>1,475</u>	<u>-</u>
Total other financing sources	<u>1,475</u>	<u>1,475</u>	<u>-</u>
Net change in fund balance	8,647	2,505	(6,142)
<b>Fund balance at beginning of year</b>	<u>181,218</u>	<u>181,218</u>	<u>-</u>
<b>Fund balance at end of year</b>	<u>\$ 189,865</u>	<u>\$ 183,723</u>	<u>\$ (6,142)</u>

**CITY OF WADSWORTH, OHIO**  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
**MUNICIPAL COURT IMPROVEMENTS FUND**  
FOR THE YEAR ENDED DECEMBER 31, 2019

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
<b>Revenues:</b>			
Fines and forfeitures	\$ 80,000	\$ 55,121	\$ (24,879)
Total revenues	<u>80,000</u>	<u>55,121</u>	<u>(24,879)</u>
<b>Expenditures:</b>			
<i>Current:</i>			
General government			
Personal services	6,670	601	6,069
Contractual services	65,845	15,585	50,260
Materials and supplies	91,679	17,424	74,255
Capital outlay	90,000	10,938	79,062
Total expenditures	<u>254,194</u>	<u>44,548</u>	<u>209,646</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(174,194)</u>	<u>10,573</u>	<u>184,767</u>
<b>Other financing sources:</b>			
Transfers in	4,590	4,590	-
Total other financing sources	<u>4,590</u>	<u>4,590</u>	<u>-</u>
Net change in fund balance	(169,604)	15,163	184,767
<b>Fund balance at beginning of year</b>	<u>553,607</u>	<u>553,607</u>	<u>-</u>
<b>Fund balance at end of year</b>	<u>\$ 384,003</u>	<u>\$ 568,770</u>	<u>\$ 184,767</u>

**CITY OF WADSWORTH, OHIO**  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
**DEVELOPERS SHADE TREE FUND**  
FOR THE YEAR ENDED DECEMBER 31, 2019

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
<b>Revenues:</b>			
Charges for services	\$ 4,000	\$ -	\$ (4,000)
Total revenues	<u>4,000</u>	<u>-</u>	<u>(4,000)</u>
<b>Expenditures:</b>			
<i>Current:</i>			
General government			
Personal services	382	382	-
Contractual services	19,537	14,935	4,602
Materials and supplies	<u>22,708</u>	<u>17,166</u>	<u>5,542</u>
Total expenditures	<u>42,245</u>	<u>32,101</u>	<u>10,144</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(38,245)</u>	<u>(32,101)</u>	<u>6,144</u>
<b>Other financing sources:</b>			
Transfers in	<u>950</u>	<u>950</u>	<u>-</u>
Total other financing sources	<u>950</u>	<u>950</u>	<u>-</u>
Net change in fund balance	(37,295)	(31,151)	6,144
<b>Fund balance at beginning of year</b>	90,568	90,568	-
<b>Prior year encumbrances appropriated</b>	<u>1,320</u>	<u>1,320</u>	<u>-</u>
<b>Fund balance at end of year</b>	<u>\$ 54,593</u>	<u>\$ 60,737</u>	<u>\$ 6,144</u>



**CITY OF WADSWORTH, OHIO**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN**  
**FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)**  
**DRUG LAW ENFORCEMENT FUND**  
**FOR THE YEAR ENDED DECEMBER 31, 2019**

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
<b>Revenues:</b>			
Fines and forfeitures	\$ 5,000	\$ 6,889	\$ 1,889
Contributions and donations	2,500	1,520	(980)
Total revenues	<u>7,500</u>	<u>8,409</u>	<u>909</u>
<b>Expenditures:</b>			
<i>Current:</i>			
Security of persons and property			
Personal services	444	444	-
Contractual services	2,811	2,454	357
Materials and supplies	5,079	4,179	900
Total expenditures	<u>8,334</u>	<u>7,077</u>	<u>1,257</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(834)</u>	<u>1,332</u>	<u>2,166</u>
<b>Other financing sources:</b>			
Transfers in	438	438	-
Total other financing sources	<u>438</u>	<u>438</u>	<u>-</u>
Net change in fund balance	(396)	1,770	2,166
<b>Fund balance at beginning of year</b>	<u>55,658</u>	<u>55,658</u>	<u>-</u>
<b>Fund balance at end of year</b>	<u>\$ 55,262</u>	<u>\$ 57,428</u>	<u>\$ 2,166</u>

**CITY OF WADSWORTH, OHIO**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN**  
**FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)**  
**LAW ENFORCEMENT AND EDUCATION FUND**  
**FOR THE YEAR ENDED DECEMBER 31, 2019**

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
<b>Revenues:</b>			
Fines and forfeitures	\$ 4,000	\$ 2,190	\$ (1,810)
Total revenues	<u>4,000</u>	<u>2,190</u>	<u>(1,810)</u>
<b>Expenditures:</b>			
<i>Current:</i>			
General government			
Personal services	136	136	-
Contractual services	<u>20,243</u>	<u>6,233</u>	<u>14,010</u>
Total expenditures	<u>20,243</u>	<u>6,233</u>	<u>14,010</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(16,243)</u>	<u>(4,043)</u>	<u>12,200</u>
<b>Other financing sources:</b>			
Transfers in	<u>238</u>	<u>238</u>	<u>-</u>
Total other financing sources	<u>238</u>	<u>238</u>	<u>-</u>
Net change in fund balance	(16,005)	(3,805)	12,200
<b>Fund balance at beginning of year</b>	<u>28,169</u>	<u>28,169</u>	<u>-</u>
<b>Fund balance at end of year</b>	<u><u>\$ 12,164</u></u>	<u><u>\$ 24,364</u></u>	<u><u>\$ 12,200</u></u>

**CITY OF WADSWORTH, OHIO**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN**  
**FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)**  
**INDIGENT DRIVERS ALCOHOL TREATMENT FUND**  
**FOR THE YEAR ENDED DECEMBER 31, 2019**

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
<b>Revenues:</b>			
Fines and forfeitures	\$ 15,000	\$ 14,822	\$ (178)
Intergovernmental	16,000	12,906	(3,094)
Total revenues	<u>31,000</u>	<u>27,728</u>	<u>(3,272)</u>
<b>Expenditures:</b>			
<i>Current:</i>			
General government			
Personal services	348	348	-
Contractual services	45,619	44,111	1,508
Total expenditures	<u>45,619</u>	<u>44,111</u>	<u>1,508</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(14,619)</u>	<u>(16,383)</u>	<u>(1,764)</u>
<b>Other financing sources:</b>			
Transfers in	1,725	1,725	-
Total other financing sources	<u>1,725</u>	<u>1,725</u>	<u>-</u>
Net change in fund balance	(12,894)	(14,658)	(1,764)
<b>Fund balance at beginning of year</b>	<u>191,021</u>	<u>191,021</u>	<u>-</u>
<b>Fund balance at end of year</b>	<u>\$ 178,127</u>	<u>\$ 176,363</u>	<u>\$ (1,764)</u>

**CITY OF WADSWORTH, OHIO**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN**  
**FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)**  
**LAW ENFORCEMENT TRUST FUND**  
**FOR THE YEAR ENDED DECEMBER 31, 2019**

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
<b>Revenues:</b>			
Fines and forfeitures	\$ 4,000	\$ 21,506	\$ 17,506
Investment income	900	1,581	681
Contributions and donations	-	100	100
Other	-	1,048	1,048
Total revenues	<u>4,900</u>	<u>24,235</u>	<u>19,335</u>
<b>Expenditures:</b>			
<i>Current:</i>			
Security of persons and property			
Personal services	253	253	-
Contractual services	1,693	829	864
Materials and supplies	32,756	18,208	14,548
Total expenditures	<u>34,702</u>	<u>19,290</u>	<u>15,412</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(29,802)</u>	<u>4,945</u>	<u>34,747</u>
<b>Other financing sources:</b>			
Sale of assets	-	5,850	5,850
Total other financing sources	<u>-</u>	<u>5,850</u>	<u>5,850</u>
Net change in fund balance	(29,802)	10,795	40,597
<b>Fund balance at beginning of year</b>	<u>181,295</u>	<u>181,295</u>	<u>-</u>
<b>Fund balance at end of year</b>	<u>\$ 151,493</u>	<u>\$ 192,090</u>	<u>\$ 40,597</u>

**CITY OF WADSWORTH, OHIO**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN**  
**FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)**  
**PERMISSIVE MOTOR VEHICLE LICENSE FUND**  
**FOR THE YEAR ENDED DECEMBER 31, 2019**

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
<b>Revenues:</b>			
Intergovernmental	\$ 250,000	\$ 263,561	\$ 13,561
Total revenues	<u>250,000</u>	<u>263,561</u>	<u>13,561</u>
<b>Expenditures:</b>			
<i>Current:</i>			
Transportation			
Personal services	942	942	-
Contractual services	173,645	151,704	21,941
Materials and supplies	6,530	8,035	(1,505)
Capital outlay	125,000	72,928	52,072
Total expenditures	<u>306,117</u>	<u>233,609</u>	<u>72,508</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(56,117)</u>	<u>29,952</u>	<u>86,069</u>
<b>Other financing sources:</b>			
Transfers in	3,002	3,002	-
Total other financing sources	<u>3,002</u>	<u>3,002</u>	<u>-</u>
Net change in fund balance	(53,115)	32,954	86,069
<b>Fund balance at beginning of year</b>	411,029	411,029	-
<b>Prior year encumbrances appropriated</b>	<u>3,263</u>	<u>3,263</u>	<u>-</u>
<b>Fund balance at end of year</b>	<u>\$ 361,177</u>	<u>\$ 447,246</u>	<u>\$ 86,069</u>

**CITY OF WADSWORTH, OHIO**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN**  
**FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)**  
**STATE HIGHWAY FUND**  
**FOR THE YEAR ENDED DECEMBER 31, 2019**

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
<b>Revenues:</b>			
Intergovernmental	\$ 60,000	\$ 77,866	\$ 17,866
Total revenues	<u>60,000</u>	<u>77,866</u>	<u>17,866</u>
<b>Expenditures:</b>			
<i>Current:</i>			
Transportation			
Personal services	648	648	-
Contractual services	70,599	65,599	5,000
Materials and supplies	43,462	4,900	38,562
Total expenditures	<u>114,709</u>	<u>71,147</u>	<u>43,562</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(54,709)</u>	<u>6,719</u>	<u>61,428</u>
<b>Other financing sources:</b>			
Transfers in	941	941	-
Total other financing sources	<u>941</u>	<u>941</u>	<u>-</u>
Net change in fund balance	(53,768)	7,660	61,428
<b>Fund balance at beginning of year</b>	135,465	135,465	-
<b>Prior year encumbrances appropriated</b>	<u>25,000</u>	<u>25,000</u>	<u>-</u>
<b>Fund balance at end of year</b>	<u>\$ 106,697</u>	<u>\$ 168,125</u>	<u>\$ 61,428</u>

**CITY OF WADSWORTH, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
**ABATEMENT OF PUBLIC NUISANCE FUND**  
 FOR THE YEAR ENDED DECEMBER 31, 2019

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
<b>Revenues:</b>			
Fines and forfeitures	\$ 10,850	\$ 3,385	\$ (7,465)
Total revenues	<u>10,850</u>	<u>3,385</u>	<u>(7,465)</u>
<b>Expenditures:</b>			
<i>Current:</i>			
Public health			
Personal services	171	171	-
Contractual services	<u>23,903</u>	<u>1,468</u>	<u>22,435</u>
Total expenditures	<u>24,074</u>	<u>1,639</u>	<u>22,435</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(13,224)</u>	<u>1,746</u>	<u>14,970</u>
<b>Other financing sources:</b>			
Transfer in	<u>664</u>	<u>664</u>	-
Total other financing sources	<u>664</u>	<u>664</u>	-
Net change in fund balance	(12,560)	2,410	14,970
<b>Fund balance at beginning of year</b>	<u>88,738</u>	<u>88,738</u>	-
<b>Fund balance at end of year</b>	<u>\$ 76,178</u>	<u>\$ 91,148</u>	<u>\$ 14,970</u>

**CITY OF WADSWORTH, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
**CHIPPEWA CREEK WELL RESERVE FUND**  
FOR THE YEAR ENDED DECEMBER 31, 2019

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
<b>Fund balance at beginning of year</b>	\$ 100,000	\$ 100,000	\$ -
<b>Fund balance at end of year</b>	<u>\$ 100,000</u>	<u>\$ 100,000</u>	<u>\$ -</u>



**CITY OF WADSWORTH, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
**COMMUNITY REINVESTMENT FUND**  
 FOR THE YEAR ENDED DECEMBER 31, 2019

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
<b>Revenues:</b>			
Other	\$ 2,500	\$ 2,500	\$ -
Total revenues	<u>2,500</u>	<u>2,500</u>	<u>-</u>
<b>Expenditures:</b>			
<i>Current:</i>			
Community and economic development			
Personal services	75	75	-
Contractual services	<u>2,334</u>	<u>134</u>	<u>2,200</u>
Total expenditures	<u>2,334</u>	<u>134</u>	<u>2,200</u>
 Excess (deficiency) of revenues over (under) expenditures	 <u>166</u>	 <u>2,366</u>	 <u>2,200</u>
<b>Other financing sources:</b>			
Transfers in	<u>324</u>	<u>324</u>	<u>-</u>
Total other financing sources	<u>324</u>	<u>324</u>	<u>-</u>
 Net change in fund balance	 490	 2,690	 2,200
<b>Fund balance at beginning of year</b>	<u>39,416</u>	<u>39,416</u>	<u>-</u>
<b>Fund balance at end of year</b>	<u>\$ 39,906</u>	<u>\$ 42,106</u>	<u>\$ 2,200</u>

**CITY OF WADSWORTH, OHIO**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN**  
**FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)**  
**FIRE DEPARTMENT EDUCATION GRANT FUND**  
**FOR THE YEAR ENDED DECEMBER 31, 2019**

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
<b>Expenditures:</b>			
<i>Current:</i>			
Security of persons and property			
Contractual services	\$ 5,000	\$ 5,000	\$ -
Total expenditures	<u>5,000</u>	<u>5,000</u>	<u>-</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(5,000)</u>	<u>(5,000)</u>	<u>-</u>
<b>Other financing sources:</b>			
Transfers in	<u>169</u>	<u>169</u>	<u>-</u>
Total other financing sources	<u>169</u>	<u>169</u>	<u>-</u>
Net change in fund balance	(4,831)	(4,831)	-
<b>Fund balance at beginning of year</b>	<u>13,650</u>	<u>13,650</u>	<u>-</u>
<b>Fund balance at end of year</b>	<u>\$ 8,819</u>	<u>\$ 8,819</u>	<u>\$ -</u>

**CITY OF WADSWORTH, OHIO**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN**  
**FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)**  
**POLICE CONTINUING PROFESSIONAL TRAINING FUND**  
**FOR THE YEAR ENDED DECEMBER 31, 2019**

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
<b>Expenditures:</b>			
<i>Current:</i>			
Security of persons and property			
Other	\$ 5,300	\$ 5,255	\$ 45
Total expenditures	<u>5,300</u>	<u>5,255</u>	<u>45</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(5,300)</u>	<u>(5,255)</u>	<u>45</u>
<b>Other financing sources:</b>			
Transfer in	122	122	-
Total other financing sources	<u>122</u>	<u>122</u>	<u>-</u>
Net change in fund balance	(5,178)	(5,133)	45
<b>Fund balance at beginning of year</b>	<u>25,542</u>	<u>25,542</u>	<u>-</u>
<b>Fund balance at end of year</b>	<u>\$ 20,364</u>	<u>\$ 20,409</u>	<u>\$ 45</u>

**CITY OF WADSWORTH, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
**COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG) FUND**  
 FOR THE YEAR ENDED DECEMBER 31, 2019

	<u>Final Budget</u>	<u>Actual</u>	<b>Variance with Final Budget Positive (Negative)</b>
<b>Revenues:</b>			
Other	\$ 92,000	\$ -	\$ (92,000)
Total revenues	<u>92,000</u>	<u>-</u>	<u>(92,000)</u>
<b>Expenditures:</b>			
<i>Current:</i>			
Community and economic development			
Contractual services	<u>4,667</u>	<u>4,667</u>	<u>-</u>
Total expenditures	<u>4,667</u>	<u>4,667</u>	<u>-</u>
Net change in fund balance	87,333	(4,667)	(92,000)
<b>Fund balance at beginning of year</b>	<u>4,667</u>	<u>4,667</u>	<u>-</u>
<b>Fund balance at end of year</b>	<u><u>\$ 92,000</u></u>	<u><u>\$ -</u></u>	<u><u>\$ (92,000)</u></u>

**CITY OF WADSWORTH, OHIO**  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
**CHIP REVOLVING LOAN FUND**  
FOR THE YEAR ENDED DECEMBER 31, 2019

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
<b>Revenues:</b>			
Charges for services	\$ 5,600	\$ 31,600	\$ 26,000
Total revenues	<u>5,600</u>	<u>31,600</u>	<u>26,000</u>
<b>Expenditures:</b>			
<i>Current:</i>			
Community and economic development			
Personal services	136	136	-
Contractual services	34,743	31,513	3,230
Total expenditures	<u>34,743</u>	<u>31,513</u>	<u>3,230</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(29,143)</u>	<u>87</u>	<u>29,230</u>
<b>Other financing sources:</b>			
Transfers in	538	538	-
Total other financing sources	<u>538</u>	<u>538</u>	<u>-</u>
Net change in fund balance	(28,605)	625	29,230
<b>Fund balance at beginning of year</b>	<u>103,614</u>	<u>103,614</u>	<u>-</u>
<b>Fund balance at end of year</b>	<u>\$ 75,009</u>	<u>\$ 104,239</u>	<u>\$ 29,230</u>

**CITY OF WADSWORTH, OHIO**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN**  
**FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)**  
**ECONOMIC DEVELOPMENT FUND**  
**FOR THE YEAR ENDED DECEMBER 31, 2019**

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
<b>Revenues:</b>			
Property and other local taxes	\$ 30,000	\$ 30,000	\$ -
Charges for services	230,000	309,929	79,929
Other	2,500	1,500	(1,000)
Total revenues	<u>262,500</u>	<u>341,429</u>	<u>78,929</u>
<b>Expenditures:</b>			
<i>Current:</i>			
Community and economic development			
Personal services	120,578	98,233	22,345
Contractual services	201,793	115,008	86,785
Materials and supplies	11,052	5,890	5,162
Other	54,459	62,074	(7,615)
Total expenditures	<u>387,882</u>	<u>281,205</u>	<u>106,677</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(125,382)</u>	<u>60,224</u>	<u>185,606</u>
<b>Other financing sources:</b>			
Transfers in	622	622	-
Total other financing sources	<u>622</u>	<u>622</u>	<u>-</u>
Net change in fund balance	(124,760)	60,846	185,606
<b>Fund balance at beginning of year</b>	136,455	136,455	-
<b>Prior year encumbrances appropriated</b>	<u>30,317</u>	<u>30,317</u>	<u>-</u>
<b>Fund balance at end of year</b>	<u>\$ 42,012</u>	<u>\$ 227,618</u>	<u>\$ 185,606</u>

**CITY OF WADSWORTH, OHIO**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN**  
**FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)**  
**RECREATION TAX FUND**  
**FOR THE YEAR ENDED DECEMBER 31, 2019**

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
<b>Revenues:</b>			
Property tax	\$ 65,000	\$ 29,500	\$ (35,500)
Total revenues	<u>65,000</u>	<u>29,500</u>	<u>(35,500)</u>
<b>Expenditures:</b>			
<i>Current:</i>			
Leisure time activities			
Personal services	1,201	1,201	-
Contractual services	4,124	2,136	1,988
Other	528	331	197
Capital outlay	172,500	96,490	76,010
Total expenditures	<u>178,353</u>	<u>100,158</u>	<u>78,195</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(113,353)</u>	<u>(70,658)</u>	<u>42,695</u>
<b>Other financing sources:</b>			
Transfer in	1,746	1,746	-
Total other financing sources	<u>1,746</u>	<u>1,746</u>	<u>-</u>
Net change in fund balance	(111,607)	(68,912)	42,695
<b>Fund balance at beginning of year</b>	<u>232,434</u>	<u>232,434</u>	<u>-</u>
<b>Fund balance at end of year</b>	<u>\$ 120,827</u>	<u>\$ 163,522</u>	<u>\$ 42,695</u>

**CITY OF WADSWORTH, OHIO**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN**  
**FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)**  
**REVOLVING LOAN FUND**  
**FOR THE YEAR ENDED DECEMBER 31, 2019**

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
<b>Revenues:</b>			
Investment income	\$ 200	\$ 579	\$ 379
Total revenues	<u>200</u>	<u>579</u>	<u>379</u>
<b>Expenditures:</b>			
<i>Current:</i>			
General government			
Personal services	150	150	-
Contractual services	<u>7,767</u>	<u>267</u>	<u>7,500</u>
Total expenditures	<u>7,917</u>	<u>417</u>	<u>7,500</u>
Net change in fund balance	(7,717)	162	7,879
<b>Fund balance at beginning of year</b>	<u>96,790</u>	<u>96,790</u>	<u>-</u>
<b>Fund balance at end of year</b>	<u>\$ 89,073</u>	<u>\$ 96,952</u>	<u>\$ 7,879</u>



**CITY OF WADSWORTH, OHIO**

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN  
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
**TAX INCREMENT FINANCING FUND**  
 FOR THE YEAR ENDED DECEMBER 31, 2019

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
<b>Expenditures:</b>			
<i>Current:</i>			
Transportation			
Capital outlay	\$ 19,521	\$ 19,521	\$ -
Total transportation	<u>19,521</u>	<u>19,521</u>	<u>-</u>
Total expenditures	<u>19,521</u>	<u>19,521</u>	<u>-</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(19,521)</u>	<u>(19,521)</u>	<u>-</u>
<b>Other financing sources:</b>			
Transfers in	1,391	1,391	-
Total other financing sources	<u>1,391</u>	<u>1,391</u>	<u>-</u>
Net change in fund balance	(18,130)	(18,130)	-
<b>Fund balance at beginning of year</b>	52,042	52,042	-
<b>Prior year encumbrances appropriated</b>	<u>19,521</u>	<u>19,521</u>	<u>-</u>
<b>Fund balance at end of year</b>	<u>\$ 53,433</u>	<u>\$ 53,433</u>	<u>\$ -</u>

**CITY OF WADSWORTH, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
**SAFE ROUTES TO SCHOOL GRANT FUND**  
 FOR THE YEAR ENDED DECEMBER 31, 2019

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
<b>Revenues:</b>			
Intergovernmental	\$ 250,000	\$ 234,047	\$ (15,953)
Total revenues	<u>250,000</u>	<u>234,047</u>	<u>(15,953)</u>
<b>Expenditures:</b>			
Community and economic development			
Capital outlay . . . . .	243,047	243,047	-
Total expenditures	<u>243,047</u>	<u>243,047</u>	<u>-</u>
Excess (deficiency) of expenditures over (under) revenues	<u>6,953</u>	<u>(9,000)</u>	<u>(15,953)</u>
<b>Other financing sources:</b>			
Advance in	-	9,000	9,000
Total other financing sources	<u>-</u>	<u>9,000</u>	<u>9,000</u>
Net change in fund balances	6,953	-	(6,953)
<b>Fund balances at beginning of year</b>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Fund balances at end of year</b>	<u><u>\$ 6,953</u></u>	<u><u>\$ -</u></u>	<u><u>\$ (6,953)</u></u>

**CITY OF WADSWORTH, OHIO**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN**  
**FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)**  
**ROUNDBOUT AT SR 57 & SEVILLE RD. FUND**  
**FOR THE YEAR ENDED DECEMBER 31, 2019**

	<b>Final Budget</b>	<b>Actual</b>	<b>Variance with Final Budget Positive (Negative)</b>
<b>Revenues:</b>			
Intergovernmental	\$ 251,874	\$ 129,468	\$ (122,406)
Total revenues	251,874	129,468	(122,406)
<b>Expenditures:</b>			
Community and economic development			
Capital outlay . . . . .	251,874	251,874	-
Total expenditures	251,874	251,874	-
Excess (deficiency) of revenues over (under) expenditures	-	(122,406)	(122,406)
<b>Other financing sources:</b>			
Advance in	-	122,406	122,406
Total other financing sources	-	122,406	122,406
Net change in fund balances	-	-	-
<b>Fund balances at beginning of year</b>	-	-	-
<b>Fund balances at end of year</b>	\$ -	\$ -	\$ -

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**CITY OF WADSWORTH, OHIO**

***Fund Descriptions – Proprietary Funds***

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Proprietary funds are used to account for the City's ongoing organizations and activities which are similar to those found in the private sector. The measurement focus is upon determination of net income, financial position, and cash flow.

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*Internal Service Funds*

***Equipment Maintenance***

To account for the costs associated with the maintenance and repair of City owned vehicles and equipment. All the funds that benefit from these services pay their direct costs and their proportionate share of overhead costs.

***Information Technology***

To account for the costs associated with the purchase, maintenance and repair of City owned networks and computer systems. All the funds that benefit from these services pay their proportionate share of direct and overhead costs based on the number of servers, network devices, and storage.

***Health Insurance Retention***

To account for payments of City employee health insurance claims, third party administrative costs, and stop loss insurance premiums. All funds that have employees covered under the City's health insurance are charged a premium based on the number of employees and the coverage.

***Liability Insurance Retention***

To account for monies used to pay for liabilities that are below third party insurance deductibles or not covered under certain policies.

***Benefits Reserve Fund***

To account for resources used to pay accrued benefits to City employees and salaries during any fiscal year when the number of pay periods exceeds the usual and customary number of pay periods.

***Workers' Compensation Retention***

To account for payments of City employee workers' compensation claims, third party administrative costs, and stop loss insurance premiums. All funds that have employees covered under the City's self-insured workers' compensation program are charged a premium based on the amount of gross wages.

CITY OF WADSWORTH, OHIO

COMBINING STATEMENT OF FUND NET POSITION  
INTERNAL SERVICE FUNDS  
DECEMBER 31, 2019

	Equipment Maintenance	Information Technology	Health Insurance Retention	Liability Insurance Retention
<b>Assets:</b>				
Current assets:				
Equity in pooled cash and cash equivalents	\$ 134,054	\$ 44,928	\$ 1,103,902	\$ 32,119
Receivables:				
Interfund loans	23,156	7,657	190,682	5,548
Materials and supplies inventory	360,337	-	-	-
Prepayments	1,091	65,865	-	-
Total current assets	<u>518,638</u>	<u>118,450</u>	<u>1,294,584</u>	<u>37,667</u>
Noncurrent assets:				
Net pension asset	2,599	5,306	-	-
Depreciable capital assets, net	159,764	131,571	-	-
Total noncurrent assets	<u>162,363</u>	<u>136,877</u>	<u>-</u>	<u>-</u>
Total assets	<u>681,001</u>	<u>255,327</u>	<u>1,294,584</u>	<u>37,667</u>
<b>Deferred outflows of resources:</b>				
Pension	147,842	309,476	-	-
OPEB	18,220	44,455	-	-
Total deferred outflows of resources	<u>166,062</u>	<u>353,931</u>	<u>-</u>	<u>-</u>
Total asset and deferred outflows	<u>847,063</u>	<u>609,258</u>	<u>1,294,584</u>	<u>37,667</u>
<b>Liabilities:</b>				
Current liabilities:				
Accounts payable	20,835	923	-	-
Contracts payable	6,000	-	-	-
Accrued wages and benefits payable	14,648	26,314	-	-
Due to other governments	2,446	4,351	-	-
Interfund loans payable	-	96,758	-	-
Compensated absences payable - current	12,089	15,851	-	-
Claims payable	-	-	428,667	-
Total current liabilities	<u>56,018</u>	<u>144,197</u>	<u>428,667</u>	<u>-</u>
Long-term liabilities:				
Compensated absences payable	48,264	63,284	-	-
Net OPEB liability	229,527	468,706	-	-
Net pension liability	486,485	993,431	-	-
Total long-term liabilities	<u>764,276</u>	<u>1,525,421</u>	<u>-</u>	<u>-</u>
Total liabilities	<u>820,294</u>	<u>1,669,618</u>	<u>428,667</u>	<u>-</u>
<b>Deferred inflows of resources:</b>				
OPEB	11,952	1,272	-	-
Pension	26,077	15,213	-	-
Total Deferred Inflows of Resources	<u>38,029</u>	<u>16,485</u>	<u>-</u>	<u>-</u>
<b>Net position:</b>				
Net investment in capital assets	159,764	131,571	-	-
Unrestricted (deficit)	(171,024)	(1,208,416)	865,917	37,667
Total net position (deficit)	<u>\$ (11,260)</u>	<u>\$ (1,076,845)</u>	<u>\$ 865,917</u>	<u>\$ 37,667</u>

Continued

<b>Benefits Reserve Fund</b>	<b>Workers' Compensation Retention</b>	<b>Total</b>
\$ 335,350	\$ 545,211	\$ 2,195,564
57,927	94,177	379,147
-	-	360,337
-	58,603	125,559
<u>393,277</u>	<u>697,991</u>	<u>3,060,607</u>
-	-	7,905
-	-	291,335
-	-	299,240
<u>393,277</u>	<u>697,991</u>	<u>3,359,847</u>
-	-	457,318
-	-	62,675
-	-	519,993
<u>393,277</u>	<u>697,991</u>	<u>3,879,840</u>
-	-	21,758
-	-	6,000
-	-	40,962
-	-	6,797
-	-	96,758
-	-	27,940
-	75,974	504,641
-	<u>75,974</u>	<u>704,856</u>
-	-	111,548
-	-	698,233
-	-	1,479,916
-	-	2,289,697
-	75,974	2,994,553
-	-	13,224
-	-	41,290
-	-	54,514
-	-	291,335
393,277	622,017	539,438
<u>\$ 393,277</u>	<u>\$ 622,017</u>	<u>\$ 830,773</u>

**CITY OF WADSWORTH, OHIO**

COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION  
INTERNAL SERVICE FUNDS  
FOR THE YEAR ENDED DECEMBER 31, 2019

	<b>Equipment Maintenance</b>	<b>Information Technology</b>	<b>Health Insurance Retention</b>	<b>Liability Insurance Retention</b>
<b>Revenues:</b>				
Charges for services	\$ 891,210	\$ 914,484	\$ 4,558,640	\$ -
Other	277	2,753	-	32,344
Total operating revenues	<u>891,487</u>	<u>917,237</u>	<u>4,558,640</u>	<u>32,344</u>
<b>Operating expenses:</b>				
Personal services	536,635	1,021,013	2,069	55
Contract services	89,513	276,645	995,586	2,597
Materials and supplies	291,506	160,803	-	-
Claims expense	-	-	2,904,398	-
Depreciation	36,123	60,403	-	-
Other	3,039	16,896	-	-
Total operating expenses	<u>956,816</u>	<u>1,535,760</u>	<u>3,902,053</u>	<u>2,652</u>
Operating income (loss)	<u>(65,329)</u>	<u>(618,523)</u>	<u>656,587</u>	<u>29,692</u>
<b>Nonoperating (expenses):</b>				
Interest and fiscal charges	-	(3,677)	-	-
Loss on sale of capital assets	(5,445)	-	-	-
Total nonoperating (expenses)	<u>(5,445)</u>	<u>(3,677)</u>	<u>-</u>	<u>-</u>
Income (loss) before transfers	<u>(70,774)</u>	<u>(622,200)</u>	<u>656,587</u>	<u>29,692</u>
Transfers in	-	6,683	5,751	110
Change in net position	(70,774)	(615,517)	662,338	29,802
<b>Net position (deficit) at beginning of year</b>	<u>59,514</u>	<u>(461,328)</u>	<u>203,579</u>	<u>7,865</u>
<b>Net position (deficit) at end of year</b>	<u>\$ (11,260)</u>	<u>\$ (1,076,845)</u>	<u>\$ 865,917</u>	<u>\$ 37,667</u>

Continued



<b>Benefits Reserve Fund</b>	<b>Workers' Compensation Retention</b>	<b>Total</b>
\$ 271,133	\$ 184,443	\$ 6,819,910
-	-	35,374
271,133	184,443	6,855,284
-	976	1,560,748
265	67,099	1,431,705
-	-	452,309
-	45,661	2,950,059
-	-	96,526
-	4,192	24,127
265	117,928	6,515,474
270,868	66,515	339,810
-	-	(3,677)
-	-	(5,445)
-	-	(9,122)
270,868	66,515	330,688
626	5,115	18,285
271,494	71,630	348,973
121,783	550,387	481,800
<u>\$ 393,277</u>	<u>\$ 622,017</u>	<u>\$ 830,773</u>

**CITY OF WADSWORTH, OHIO**

COMBINING STATEMENT OF CASH FLOWS  
INTERNAL SERVICE FUNDS  
FOR THE YEAR ENDED DECEMBER 31, 2019

	<b>Equipment Maintenance</b>	<b>Information Technology</b>	<b>Health Insurance Retention</b>	<b>Liability Insurance Retention</b>
<b>Cash flows from operating activities:</b>				
Cash received from customers	\$ 891,210	\$ 914,484	\$ 4,558,640	\$ -
Cash received from other operations	277	2,753	-	32,344
Cash payments to employees for services	(453,988)	(824,540)	(2,069)	(55)
Cash payments for goods and services	(383,404)	(441,707)	(995,586)	(2,597)
Cash payments for claims	-	-	(2,921,543)	-
Cash payments for other expenses	(3,039)	(16,896)	-	-
Net cash provided by (used in) operating activities	<u>51,056</u>	<u>(365,906)</u>	<u>639,442</u>	<u>29,692</u>
<b>Cash flows from noncapital financing activities</b>				
Cash received from transfers in	-	6,683	5,751	110
Cash received from internal notes	24,072	190,541	121,283	1,469
Cash used for internal notes	(23,156)	(201,171)	(190,682)	(5,548)
Net cash provided by (used in) noncapital financing activities	<u>916</u>	<u>(3,947)</u>	<u>(63,648)</u>	<u>(3,969)</u>
<b>Cash flows from capital and related financing activities:</b>				
Sale or transfer of capital assets	600	-	-	-
Acquisition of capital assets	(23,335)	-	-	-
Interest and fiscal charges	-	(3,677)	-	-
Net cash used in capital and related financing activities	<u>(22,735)</u>	<u>(3,677)</u>	<u>-</u>	<u>-</u>
Net increase (decrease) in cash and cash equivalents	29,237	(373,530)	575,794	25,723
<b>Cash and cash equivalents at beginning of year</b>	<u>104,817</u>	<u>418,458</u>	<u>528,108</u>	<u>6,396</u>
<b>Cash and cash equivalents at end of year</b>	<u>\$ 134,054</u>	<u>\$ 44,928</u>	<u>\$ 1,103,902</u>	<u>\$ 32,119</u>
<b>Reconciliation of operating income (loss) to net cash provided by (used in) operating activities:</b>				
Operating income (loss)	\$ (65,329)	\$ (618,523)	\$ 656,587	\$ 29,692
<b>Adjustments:</b>				
Depreciation	36,123	60,403	-	-
<b>Changes in assets, deferred inflows, liabilities and deferred outflows:</b>				
(Increase) decrease in materials and supplies inventory	(28,163)	-	-	-
(Increase) in deferred outflows - pension	(69,182)	(154,305)	-	-
(Increase) in deferred outflows - OPEB	(2,912)	(4,099)	-	-
Decrease in net pension asset	293	172	-	-
(Increase) decrease in prepayments	1,930	(4,066)	-	-
(Increase) decrease in accounts payable	17,848	(193)	-	-
Increase in contracts payable	6,000	-	-	-
Increase in accrued wages and benefits	2,586	3,271	-	-
Increase in intergovernmental payable	431	544	-	-
Increase (decrease) in compensated absences payable	421	(5,537)	-	-
Increase in net pension liability	186,167	424,533	-	-
Increase in net OPEB liability	24,685	80,670	-	-
(Decrease) in deferred inflows - pension	(52,629)	(121,142)	-	-
(Decrease) in deferred inflows - OPEB	(7,213)	(27,634)	-	-
Increase (decrease) in claims payable	-	-	(17,145)	-
Net cash provided by (used in) operating activities	<u>\$ 51,056</u>	<u>\$ (365,906)</u>	<u>\$ 639,442</u>	<u>\$ 29,692</u>

Continued

<b>Benefits Reserve Fund</b>	<b>Workers' Compensation Retention</b>	<b>Total</b>
\$ 271,133	\$ 184,443	\$ 6,819,910
-	-	35,374
-	(976)	(1,281,628)
(265)	(82,463)	(1,906,022)
-	(40,021)	(2,961,564)
-	(4,192)	(24,127)
<u>270,868</u>	<u>56,791</u>	<u>681,943</u>
626	5,115	18,285
22,745	107,853	467,963
(57,927)	(94,177)	(572,661)
<u>(34,556)</u>	<u>18,791</u>	<u>(86,413)</u>
-	-	600
-	-	(23,335)
-	-	(3,677)
-	-	(26,412)
236,312	75,582	569,118
99,038	469,629	1,626,446
<u>\$ 335,350</u>	<u>\$ 545,211</u>	<u>\$ 2,195,564</u>
\$ 270,868	\$ 66,515	\$ 339,810
-	-	96,526
-	-	(28,163)
-	-	(223,487)
-	-	(7,011)
-	-	465
-	(13,080)	(15,216)
-	(2,284)	15,371
-	-	6,000
-	-	5,857
-	-	975
-	-	(5,116)
-	-	610,700
-	-	105,355
-	-	(173,771)
-	-	(34,847)
-	5,640	(11,505)
<u>\$ 270,868</u>	<u>\$ 56,791</u>	<u>\$ 681,943</u>

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**CITY OF WADSWORTH, OHIO**

*FUND DESCRIPTIONS - FIDUCIARY FUNDS*

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Fiduciary funds are used to account for assets held by the city in a trustee capacity, or as an agency for individuals, private organizations, other governments and/or funds. The following are the city's fiduciary fund types:

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**Agency Funds**

These funds are purely custodial (assets equal liabilities) and thus do not involve the measurement of results of operations.

***Escrow Accounts***

To account for monies posted for development performance on various items. These monies are returned after final approval by the City of Wadsworth.

***Medina County Law Library***

To account for one half of the Ohio State Patrol fines collected by the Wadsworth Municipal Court in criminal related cases. These monies are forwarded to the Medina County Law Library on a monthly basis.

***Memorial Park Trust***

To account for third party monies used to purchase memorial trees, benches, and the like based on the third party's wishes.

***Unclaimed Funds Muni Court***

To account for staled dated checks issued by the City of Wadsworth for various expenses. These dollars are held in this fund until a legal claim is made.

***Unclaimed Funds-City***

To account for staled dated checks issued by the City of Wadsworth for various expenses. These dollars are held in this fund until a legal claim is made.

***Utility Assistance Fund***

To account for charitable money collected through utility bills to assist less fortunate residents pay their utility bills per the instruction by various charitable organizations within Wadsworth.

***Community Center Project***

To account for monies returned to the City by the Wadsworth City School District due to bid day savings.

***Clearing Fund***

To account for all purely custodial monies received by the City of Wadsworth that are not already accounted for in another fund.

***Payroll Fund***

To account for custodial monies related to payroll due to a third party.

***Water Assessment Trust***

To account for money collected by the City of Wadsworth for the portion of water line construction and due to a third party.

***Sewer Deferred Assessment***

To account for money paid to the City of Wadsworth for the portion of sewer line construction that is owed to the third party that originally constructed the sewer line.

***Clearing - Utility Assessment***

To temporarily account for water and sewer charges assessed to the property owner's tax duplicate and collected by the County. This money is then posted to the respective utility funds.

***Muni Court***

To account for civil cases and traffic/criminal cases within the court's jurisdiction.

***Customer Deposits***

To account for utility service deposits made by renters and/or delinquent accounts. These funds are held until the final bill is paid or the tenant becomes the owner of the property.

***Police Property Room***

To account for monies held in the police property room.

CITY OF WADSWORTH, OHIO

COMBINING STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES  
 AGENCY FUNDS  
 DECEMBER 31, 2019

	<u>Escrow Accounts</u>	<u>Medina County Law Library</u>	<u>Memorial Park Trust</u>	<u>Unclaimed Funds Muni Court</u>
<b>Assets:</b>				
Current Assets:				
Equity in pooled cash and investments	\$ -	\$ 2,166	\$ 369	\$ 24,618
Cash in segregated accounts	297,916	-	-	-
Restricted Assets:				
Equity in pooled cash and investments	-	-	-	-
Deposits held and due to others	-	-	-	-
Total assets	<u>\$ 297,916</u>	<u>\$ 2,166</u>	<u>\$ 369</u>	<u>\$ 24,618</u>
<b>Liabilities:</b>				
Retainage payable	\$ 297,916	\$ -	\$ -	\$ -
Due to other governments	-	2,166	-	-
Deposits held and due to others	-	-	369	24,618
Refundable deposits	-	-	-	-
Total liabilities	<u>\$ 297,916</u>	<u>\$ 2,166</u>	<u>\$ 369</u>	<u>\$ 24,618</u>

<u>Unclaimed Funds-City</u>	<u>Utility Assistance Fund</u>	<u>Community Center Project</u>	<u>Clearing Fund</u>	<u>Payroll Fund</u>	<u>Water Assessment Trust</u>
\$ 38,151	\$ 528	\$ 1,984,310	\$ 70,864	\$ -	\$ 8,746
-	-	-	-	167,781	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>\$ 38,151</u>	<u>\$ 528</u>	<u>\$ 1,984,310</u>	<u>\$ 70,864</u>	<u>\$ 167,781</u>	<u>\$ 8,746</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
38,151	528	1,984,310	70,864	167,781	8,746
-	-	-	-	-	-
<u>\$ 38,151</u>	<u>\$ 528</u>	<u>\$ 1,984,310</u>	<u>\$ 70,864</u>	<u>\$ 167,781</u>	<u>\$ 8,746</u>

Continued

CITY OF WADSWORTH, OHIO

COMBINING STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES  
 AGENCY FUNDS  
 DECEMBER 31, 2019

	Sewer Deferred Assessment	Clearing - Utility Assessment	Muni Court	Customer Deposits
<b>Assets:</b>				
Current Assets:				
Equity in pooled cash and investments	\$ 5,947	\$ -	\$ -	\$ -
Cash in segregated accounts	-	-	25,252	-
Restricted Assets:				
Equity in pooled cash and investments	-	-	-	877,368
Deposits held and due to others	-	10,157	-	-
Total assets	<u>\$ 5,947</u>	<u>\$ 10,157</u>	<u>\$ 25,252</u>	<u>\$ 877,368</u>
<b>Liabilities:</b>				
Retainage payable	\$ -	\$ -	\$ -	\$ -
Due to other governments	-	-	-	-
Deposits held and due to others	5,947	10,157	25,252	-
Refundable deposits	-	-	-	877,368
Total liabilities	<u>\$ 5,947</u>	<u>\$ 10,157</u>	<u>\$ 25,252</u>	<u>\$ 877,368</u>



<b>Police Property Room</b>	<b>Total</b>
\$ -	\$ 2,135,699
18,319	509,268
-	877,368
-	10,157
\$ 18,319	\$ 3,532,492
\$ -	\$ 297,916
-	2,166
18,319	2,355,042
-	877,368
\$ 18,319	\$ 3,532,492

**CITY OF WADSWORTH, OHIO**  
 COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES  
 AGENCY FUNDS  
 FOR THE YEAR ENDED DECEMBER 31, 2019

<b>Escrow Accounts</b>	<b>Balance 1/1/2019</b>	<b>Additions</b>	<b>Reductions</b>	<b>Balance 12/31/2019</b>
<b>Assets:</b>				
Cash in segregated accounts	\$ 350,133	\$ 24,427	\$ 76,644	\$ 297,916
Total assets	<u>\$ 350,133</u>	<u>\$ 24,427</u>	<u>\$ 76,644</u>	<u>\$ 297,916</u>
<b>Liabilities:</b>				
Retainage Payable	\$ 350,133	\$ 24,427	\$ 76,644	\$ 297,916
Total liabilities	<u>\$ 350,133</u>	<u>\$ 24,427</u>	<u>\$ 76,644</u>	<u>\$ 297,916</u>
<b>Medina County Law Library</b>				
<b>Assets:</b>				
Equity in pooled cash and investments	\$ -	\$ 32,137	\$ 29,971	\$ 2,166
Total assets	<u>\$ -</u>	<u>\$ 32,137</u>	<u>\$ 29,971</u>	<u>\$ 2,166</u>
<b>Liabilities:</b>				
Due to other governments	\$ -	\$ 32,137	\$ 29,971	\$ 2,166
Total liabilities	<u>\$ -</u>	<u>\$ 32,137</u>	<u>\$ 29,971</u>	<u>\$ 2,166</u>
<b>Memorial Park Trust</b>				
<b>Assets:</b>				
Equity in pooled cash and investments	\$ 369	\$ -	\$ -	\$ 369
Total assets	<u>\$ 369</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 369</u>
<b>Liabilities:</b>				
Deposits held and due to others	\$ 369	\$ -	\$ -	\$ 369
Total liabilities	<u>\$ 369</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 369</u>
<b>Unclaimed Funds Muni Court</b>				
<b>Assets:</b>				
Equity in pooled cash and investments	\$ 23,369	\$ 1,249	\$ -	\$ 24,618
Total assets	<u>\$ 23,369</u>	<u>\$ 1,249</u>	<u>\$ -</u>	<u>\$ 24,618</u>
<b>Liabilities:</b>				
Deposits held and due to others	\$ 23,369	\$ 1,249	\$ -	\$ 24,618
Total liabilities	<u>\$ 23,369</u>	<u>\$ 1,249</u>	<u>\$ -</u>	<u>\$ 24,618</u>
<b>Unclaimed Funds-City</b>				
<b>Assets:</b>				
Equity in pooled cash and investments	\$ 28,925	\$ 9,656	\$ 430	\$ 38,151
Total assets	<u>\$ 28,925</u>	<u>\$ 9,656</u>	<u>\$ 430</u>	<u>\$ 38,151</u>
<b>Liabilities:</b>				
Deposits held and due to others	\$ 28,925	\$ 9,656	\$ 430	\$ 38,151
Total liabilities	<u>\$ 28,925</u>	<u>\$ 9,656</u>	<u>\$ 430</u>	<u>\$ 38,151</u>

Continued

**CITY OF WADSWORTH, OHIO**  
**COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES**  
**AGENCY FUNDS (CONTINUED)**  
**FOR THE YEAR ENDED DECEMBER 31, 2019**

<b>Utility Assistance Fund</b>	<b>Balance 1/1/2019</b>	<b>Additions</b>	<b>Reductions</b>	<b>Balance 12/31/2019</b>
<b>Assets:</b>				
Equity in pooled cash and investments	\$ 1,043	\$ 1,135	\$ 1,650	\$ 528
Total assets	<u>\$ 1,043</u>	<u>\$ 1,135</u>	<u>\$ 1,650</u>	<u>\$ 528</u>
<b>Liabilities:</b>				
Deposits held and due to others	\$ 1,043	\$ 1,135	\$ 1,650	\$ 528
Total liabilities	<u>\$ 1,043</u>	<u>\$ 1,135</u>	<u>\$ 1,650</u>	<u>\$ 528</u>
<b>Community Center Project</b>				
<b>Assets:</b>				
Equity in pooled cash and investments	\$ 1,984,310	\$ -	\$ -	\$ 1,984,310
Total assets	<u>\$ 1,984,310</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,984,310</u>
<b>Liabilities:</b>				
Deposits held and due to others	\$ 1,984,310	\$ -	\$ -	\$ 1,984,310
Total liabilities	<u>\$ 1,984,310</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,984,310</u>
<b>Clearing Fund</b>				
<b>Assets:</b>				
Equity in pooled cash and investments	\$ 156,023	\$ 18,707	\$ 103,866	\$ 70,864
Total assets	<u>\$ 156,023</u>	<u>\$ 18,707</u>	<u>\$ 103,866</u>	<u>\$ 70,864</u>
<b>Liabilities:</b>				
Deposits held and due to others	\$ 156,023	\$ 18,707	\$ 103,866	\$ 70,864
Total liabilities	<u>\$ 156,023</u>	<u>\$ 18,707</u>	<u>\$ 103,866</u>	<u>\$ 70,864</u>
<b>Payroll Fund</b>				
<b>Assets:</b>				
Equity in pooled cash and investments	\$ 297,569	\$ -	\$ 297,569	\$ -
Cash in segregated accounts	-	21,829,819	21,662,038	167,781
Total assets	<u>\$ 297,569</u>	<u>\$ 21,829,819</u>	<u>\$ 21,959,607</u>	<u>\$ 167,781</u>
<b>Liabilities:</b>				
Deposits held and due to others	\$ 297,569	\$ 21,829,819	\$ 21,959,607	\$ 167,781
Total liabilities	<u>\$ 297,569</u>	<u>\$ 21,829,819</u>	<u>\$ 21,959,607</u>	<u>\$ 167,781</u>
<b>Water Assessment Trust</b>				
<b>Assets:</b>				
Equity in pooled cash and investments	\$ 8,746	\$ 4,000	\$ 4,000	\$ 8,746
Total assets	<u>\$ 8,746</u>	<u>\$ 4,000</u>	<u>\$ 4,000</u>	<u>\$ 8,746</u>
<b>Liabilities:</b>				
Deposits held and due to others	\$ 8,746	\$ 4,000	\$ 4,000	\$ 8,746
Total liabilities	<u>\$ 8,746</u>	<u>\$ 4,000</u>	<u>\$ 4,000</u>	<u>\$ 8,746</u>

Continued

**CITY OF WADSWORTH, OHIO**  
**COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES**  
**AGENCY FUNDS (CONTINUED)**  
**FOR THE YEAR ENDED DECEMBER 31, 2019**

<b>Sewer Deferred Assessment</b>	<b>Balance 1/1/2019</b>	<b>Additions</b>	<b>Reductions</b>	<b>Balance 12/31/2019</b>
<b>Assets:</b>				
Equity in pooled cash and investments	\$ 14,747	\$ 5,947	\$ 14,747	\$ 5,947
Total assets	<u>\$ 14,747</u>	<u>\$ 5,947</u>	<u>\$ 14,747</u>	<u>\$ 5,947</u>
<b>Liabilities:</b>				
Deposits held and due to others	\$ 14,747	\$ 5,947	\$ 14,747	\$ 5,947
Total liabilities	<u>\$ 14,747</u>	<u>\$ 5,947</u>	<u>\$ 14,747</u>	<u>\$ 5,947</u>
<b>Clearing - Utility Assessment</b>				
<b>Assets:</b>				
Equity in pooled cash and investments	\$ -	\$ 9,055	\$ 9,055	\$ -
Deposits held and due to others	12,492	10,157	12,492	10,157
Total assets	<u>\$ 12,492</u>	<u>\$ 19,212</u>	<u>\$ 21,547</u>	<u>\$ 10,157</u>
<b>Liabilities:</b>				
Deposits held and due to others	\$ 12,492	\$ 19,212	\$ 21,547	\$ 10,157
Total liabilities	<u>\$ 12,492</u>	<u>\$ 19,212</u>	<u>\$ 21,547</u>	<u>\$ 10,157</u>
<b>Muni Court</b>				
<b>Assets:</b>				
Cash in segregated accounts	\$ 126,723	\$ 25,252	\$ 126,723	\$ 25,252
Total assets	<u>\$ 126,723</u>	<u>\$ 25,252</u>	<u>\$ 126,723</u>	<u>\$ 25,252</u>
<b>Liabilities:</b>				
Deposits held and due to others	\$ 126,723	\$ 25,252	\$ 126,723	\$ 25,252
Total liabilities	<u>\$ 126,723</u>	<u>\$ 25,252</u>	<u>\$ 126,723</u>	<u>\$ 25,252</u>
<b>Customer Deposits</b>				
<b>Assets:</b>				
Restricted Assets:				
Equity in pooled cash and investments	\$ 896,408	\$ 212,992	\$ 232,032	\$ 877,368
Total assets	<u>\$ 896,408</u>	<u>\$ 212,992</u>	<u>\$ 232,032</u>	<u>\$ 877,368</u>
<b>Liabilities:</b>				
Refundable Deposits	\$ 896,408	\$ 212,992	\$ 232,032	\$ 877,368
Total liabilities	<u>\$ 896,408</u>	<u>\$ 212,992</u>	<u>\$ 232,032</u>	<u>\$ 877,368</u>
<b>Police Property Room</b>				
<b>Assets:</b>				
Cash in segregated accounts	\$ -	\$ 18,319	\$ -	\$ 18,319
Total assets	<u>\$ -</u>	<u>\$ 18,319</u>	<u>\$ -</u>	<u>\$ 18,319</u>
<b>Liabilities:</b>				
Deposits held and due to others	\$ -	\$ 18,319	\$ -	\$ 18,319
Total liabilities	<u>\$ -</u>	<u>\$ 18,319</u>	<u>\$ -</u>	<u>\$ 18,319</u>

Continued

**CITY OF WADSWORTH, OHIO**  
**COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES**  
**AGENCY FUNDS (CONTINUED)**  
**FOR THE YEAR ENDED DECEMBER 31, 2019**

<b>TOTAL AGENCY FUNDS</b>	<b>Balance 1/1/2019</b>	<b>Additions</b>	<b>Reductions</b>	<b>Balance 12/31/2019</b>
<b>Assets:</b>				
Equity in pooled cash and investments	\$ 2,515,101	\$ 81,886	\$ 461,288	\$ 2,135,699
Cash in segregated accounts	476,856	21,897,817	21,865,405	509,268
Restricted Assets:				
Equity in pooled cash and investments	896,408	212,992	232,032	877,368
Deposits held and due to others	12,492	10,157	12,492	10,157
Total assets	<u>\$ 3,900,857</u>	<u>\$ 22,202,852</u>	<u>\$ 22,571,217</u>	<u>\$ 3,532,492</u>
<b>Liabilities:</b>				
Retainage payable	\$ 350,133	\$ 24,427	\$ 76,644	\$ 297,916
Due to other governments	-	32,137	29,971	2,166
Deposits held and due to others	2,654,316	21,933,296	22,232,570	2,355,042
Refundable deposits	896,408	212,992	232,032	877,368
Total liabilities	<u>\$ 3,900,857</u>	<u>\$ 22,202,852</u>	<u>\$ 22,571,217</u>	<u>\$ 3,532,492</u>

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# STATISTICAL SECTION

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# City of Wadsworth, Ohio

## Statistical Section

This part of the City of Wadsworth's Comprehensive Annual Financial Report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplemental information says about the City's overall health.

<u>Contents</u>	<u>Page</u>
<b>Financial Trends</b> These schedules contain trend information to help the reader understand how the City's financial performance and well-being have changed over time.	S1 - S12
<b>Revenue Capacity</b> These schedules contain information to help the reader assess the factors affecting the City's most significant local revenue sources: the municipal income tax and the property tax.	S13 - S18
<b>Debt Capacity</b> 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.	S19 - S26
<b>Demographic and Economic Information</b> These schedules offer demographic and economic indicators to help the reader understand the environment within which the City's financial activities take place and to help make comparisons over time and with other governments.	S27
<b>Operating Information</b> These schedules contain services and infrastructure data to help the reader understand how the information in the City's financial report relates to the services the City provides and the activities it performs.	S28 - S38
<b>Sources:</b> Sources of the information presented in this section are provided at the bottom of each schedule. The City implemented the new reporting model prescribed by GASB Statement 34 for the year ended December 31, 2003.	

**City of Wadsworth, Ohio**

*Net Position By Component*

*Last Ten Years*

*(Accrual Basis of Accounting)*

	2019	2018 (3)	Restated 2017	2016
<b>Governmental Activities</b>				
Net Investment in Capital Assets	\$ 44,105,660	\$ 42,064,162	\$ 41,370,066	\$ 40,055,196
Restricted	9,382,380	7,939,948	8,848,050	8,973,458
Unrestricted (deficit)	<u>(1,861,798)</u>	<u>(6,626,114)</u>	<u>(10,211,475)</u>	<u>1,615,807</u>
<i>Total Governmental Activities Net Position</i>	<u>51,626,242</u>	<u>43,377,996</u>	<u>40,006,641</u>	<u>50,644,461</u>
<b>Business Type - Activities</b>				
Net Investment in Capital Assets	67,774,899	68,618,524	67,445,155	67,042,743
Unrestricted	<u>18,253,041</u>	<u>16,463,634</u>	<u>14,093,370</u>	<u>16,481,948</u>
<i>Total Business-Type Activities Net Position</i>	<u>86,027,940</u>	<u>85,082,158</u>	<u>81,538,525</u>	<u>83,524,691</u>
<b>Primary Government</b>				
Net Investment in Capital Assets	111,880,559	110,682,686	108,815,221	107,097,939
Restricted	9,382,380	7,939,948	8,848,050	8,973,458
Unrestricted	<u>16,391,243</u>	<u>9,837,520</u>	<u>3,881,895</u>	<u>18,097,755</u>
<i>Total Primary Government Net Position</i>	<u>\$ 137,654,182</u>	<u>\$ 128,460,154</u>	<u>\$ 121,545,166</u>	<u>\$ 134,169,152</u>

NOTES:

(1) In 2011, the City implemented GASB 54 which caused a restatement of Net Position for 2010. The storm water fund was reclassified from governmental activities to business type activities.

(2) The City implemented GASB 68 during 2015, and as a result 2014 was restated.

(3) The City implemented GASB 75 during 2018, and as a result 2017 was restated.

2015	Restated 2014 (2)	2013	2012	2011 (1)	2010
\$ 37,607,541	\$ 34,082,257	\$ 30,975,468	\$ 27,652,789	\$ 24,968,078	\$ 38,668,682
10,496,479	12,647,495	12,544,168	12,444,429	15,067,789	15,528,872
(196,242)	7,664,110	7,012,414	7,876,795	5,904,151	3,659,079
47,907,778	54,393,862	50,532,050	47,974,013	45,940,018	57,856,633
63,019,576	60,936,466	63,409,337	57,015,769	51,914,458	36,603,685
15,605,300	18,848,040	12,827,606	12,387,704	18,514,874	16,141,933
78,624,876	79,784,506	76,236,943	69,403,473	70,429,332	52,745,618
100,627,117	95,018,723	94,384,805	84,668,558	76,882,536	75,272,367
10,496,479	12,647,495	12,544,168	11,774,608	15,067,789	15,528,872
15,409,058	26,512,150	19,840,020	20,934,320	24,419,025	19,801,012
\$126,532,654	\$134,178,368	\$126,768,993	\$117,377,486	\$116,369,350	\$110,602,251

**City of Wadsworth, Ohio**

*Changes in Net Position*

*Last Ten Years*

*(Accrual Basis of Accounting)*

	2019	2018	2017	2016
<b>Program Revenues</b>				
Governmental Activities:				
Charges for Services:				
General Government	\$ 688,537	\$ 715,768	\$ 1,125,127	\$ 995,222
Security of Persons and Property	1,656,823	1,395,252	1,544,367	1,429,331
Public Health	-	-	-	18,107
Transportation	215,167	343,096	349,398	363,561
Leisure Time Services	1,139,953	1,263,291	990,309	926,673
Community and Economic Development	345,529	296,861	257,916	127,665
Public Works <sup>1</sup>	-	-	-	-
Intergovernmental	-	-	-	-
Subtotal - Charges for Services	<u>4,046,009</u>	<u>4,014,268</u>	<u>4,267,117</u>	<u>3,860,559</u>
Operating Grants and Contributions:				
General Government	14,096	15,167	18,957	6,703
Security of Persons and Property	3,701	9,771	15,262	33,613
Public Health	-	-	-	-
Transportation	1,748,847	1,164,507	1,127,455	1,420,417
Leisure Time Services	-	21,718	6,942	101,850
Community and Economic Development	130,833	-	2,500	369,595
Public Works	-	-	-	-
Intergovernmental	-	-	-	-
Subtotal - Operating Grants and Contributions	<u>1,897,477</u>	<u>1,211,163</u>	<u>1,171,116</u>	<u>1,932,178</u>
Capital Grants and Contributions:				
General Government	95,800	54,458	23,277	905,242
Security of Persons and Property	-	-	-	-
Public Health	-	-	-	-
Transportation	637,548	1,197,179	246,434	477,433
Leisure Time Services	-	-	372,185	-
Community and Economic Development	-	-	-	-
Public Works	-	-	-	-
	<u>733,348</u>	<u>1,251,637</u>	<u>641,896</u>	<u>1,382,675</u>
<i>Total Governmental Activities Program Revenues</i>	<u>6,676,834</u>	<u>6,477,068</u>	<u>6,080,129</u>	<u>7,175,412</u>

2015	2014	2013	2012	2011	2010
\$ 692,556	\$ 545,039	\$ 660,499	\$ 517,728	\$ 616,010	\$ 415,956
1,255,895	1,368,456	1,310,679	1,340,579	1,388,280	1,053,063
23,908	6,703	43,597	10,997	16,799	14,508
364,342	344,096	322,749	50,209	31,754	1,037
1,173,166	1,047,403	1,020,645	615,348	226,537	460,552
366,728	22,526	16,481	49,559	42,082	40,288
-	-	-	-	-	828,752
-	-	-	-	-	828
<u>3,876,595</u>	<u>3,334,223</u>	<u>3,374,650</u>	<u>2,584,420</u>	<u>2,321,462</u>	<u>2,814,984</u>
24,490	5,021	50,711	27,364	46,244	14,222
4,866	31,372	3,069	99,958	226,398	84,341
-	5,133	-	1,029	741	701
1,102,091	991,154	777,475	10,615	1,740,863	-
-	50,783	230,000	7,909	8,986	7,244
585,026	2,241,748	478,423	528,546	277,912	2,265
-	-	-	4,778	93,093	-
-	-	-	-	-	52
<u>1,716,473</u>	<u>3,325,211</u>	<u>1,539,678</u>	<u>680,199</u>	<u>2,394,237</u>	<u>108,825</u>
-	188,574	136,725	145,251	-	566,630
-	-	-	20,662	74,447	-
-	-	-	129	-	-
1,119,844	-	-	5,356	239,370	624,234
-	-	-	990	-	258,347
-	-	206,469	545	117,146	209,486
-	-	-	-	-	785
<u>1,119,844</u>	<u>188,574</u>	<u>343,194</u>	<u>172,933</u>	<u>430,963</u>	<u>1,659,482</u>
<u>6,712,912</u>	<u>6,848,008</u>	<u>5,257,522</u>	<u>3,437,552</u>	<u>5,146,662</u>	<u>4,583,291</u>

Continued

**City of Wadsworth, Ohio**

*Changes in Net Position*

*Last Ten Years*

*(Accrual Basis of Accounting)*

	2019	2018	2017	2016
<b>Business-Type Activities:</b>				
<b>Charges for Services:</b>				
Electric	32,621,773	35,104,298	32,891,494	33,086,099
Sanitation	2,805,332	2,732,683	2,684,429	2,544,085
Sewer	4,003,504	4,163,397	4,114,742	4,088,798
Storm Water <sup>1</sup>	897,617	892,003	891,881	861,624
Telecom	6,091,589	5,778,436	5,505,819	5,248,649
Water	3,224,409	3,536,688	3,629,400	4,077,047
Subtotal - Charges for Services	<u>49,644,224</u>	<u>52,207,505</u>	<u>49,717,765</u>	<u>49,906,302</u>
<b>Operating &amp; Capital Grants and Contributions</b>				
Electric	53,484	-	-	-
Sewer	-	146,293	52,563	-
Storm Water <sup>1</sup>	299,734	818,707	161,166	627,189
Water	218,000	221,468	546,703	613,978
Subtotal - Operating & Capital Grants and Contributions	<u>571,218</u>	<u>1,186,468</u>	<u>760,432</u>	<u>1,241,167</u>
 <i>Total Business-Type Activities Program Revenues</i>	 <u>50,215,442</u>	 <u>53,393,973</u>	 <u>50,478,197</u>	 <u>51,147,469</u>
 <i>Total Primary Government Program Revenues</i>	 <u>56,892,276</u>	 <u>59,871,041</u>	 <u>56,558,326</u>	 <u>58,322,881</u>
 <b>Expenses</b>				
<b>Governmental Activities:</b>				
General Government	3,131,390	3,970,706	3,258,300	3,673,205
Security of Persons and Property	2,794,514	8,592,269	8,344,719	6,645,484
Public Health	126,524	126,351	127,183	130,369
Leisure Time Services	2,028,491	1,747,771	1,626,512	2,440,724
Community and Economic Development	937,301	487,254	675,036	1,252,104
Public Works	-	-	-	-
Transportation	4,712,460	3,568,642	4,507,027	3,696,010
Intergovernmental	-	-	-	-
Interest and Fiscal Charges	674,126	687,349	780,103	936,989
Subtotal - Governmental Activities Expenses	<u>14,404,806</u>	<u>19,180,342</u>	<u>19,318,880</u>	<u>18,774,885</u>
 <i>Total Governmental Activities Expenses</i>	 <u>14,404,806</u>	 <u>19,180,342</u>	 <u>19,318,880</u>	 <u>18,774,885</u>
 <b>Business-Type Activities:</b>				
Electric	33,757,226	34,759,321	32,860,925	31,952,924
Sanitation	2,321,866	2,032,266	2,369,691	1,913,821
Sewer	4,130,016	3,682,447	3,819,324	3,571,494
Storm Water <sup>1</sup>	864,302	728,796	1,059,202	1,081,718
Telecom	5,421,416	5,172,951	5,012,234	4,959,269
Water	3,569,061	3,796,867	4,205,204	3,828,272
Subtotal - Business-Type Activities Expenses	<u>50,063,887</u>	<u>50,172,648</u>	<u>49,326,580</u>	<u>47,307,498</u>
 <i>Total Business-Type Activities Expenses</i>	 <u>50,063,887</u>	 <u>50,172,648</u>	 <u>49,326,580</u>	 <u>47,307,498</u>
 <i>Total Primary Government Expenses</i>	 <u>64,468,693</u>	 <u>69,352,990</u>	 <u>68,645,460</u>	 <u>66,082,383</u>

2015	2014	2013	2012	2011	2010
30,158,308	31,212,822	30,664,529	28,735,362	30,579,103	30,330,442
2,478,382	2,380,196	2,362,918	2,206,598	2,188,061	2,071,234
4,057,291	4,038,723	3,804,179	3,531,295	3,342,729	3,145,489
844,995	842,103	846,807	820,242	833,778	-
4,950,215	4,606,769	4,267,447	3,784,001	3,628,336	3,342,778
4,017,560	3,580,692	3,755,438	3,797,973	3,726,491	3,684,369
46,506,751	46,661,305	45,701,318	42,875,471	44,298,498	42,574,312
15,387	-	877,724	1,428,578	2,381,437	740,554
-	-	245,002	-	-	267,446
-	305,331	124,949	-	82,970	-
-	-	-	208,316	-	-
15,387	305,331	1,247,675	1,636,894	2,464,407	1,008,000
46,522,138	46,966,636	46,948,993	44,512,365	46,762,905	43,582,312
53,235,050	53,814,644	52,206,515	47,949,917	51,909,567	48,165,603
2,787,972	3,683,873	3,985,055	3,769,536	3,809,401	3,341,356
8,000,937	6,531,114	5,946,408	6,221,933	6,512,974	6,601,561
121,952	125,292	125,186	109,054	105,261	103,060
1,431,808	1,467,632	1,609,321	1,604,855	1,510,485	2,351,287
1,159,127	389,592	1,023,032	929,492	660,516	522,242
-	-	-	121,471	200,224	711,713
3,110,416	3,192,863	2,893,421	2,920,887	3,186,302	2,928,565
-	-	-	-	-	7,499
749,206	751,170	775,567	793,123	781,845	149,109
17,361,418	16,141,536	16,357,990	16,470,351	16,767,008	16,716,392
29,730,644	30,297,757	27,789,052	26,625,458	28,946,483	28,572,879
2,012,855	2,293,352	2,221,316	2,232,922	2,082,729	2,075,807
3,815,598	3,168,619	3,245,256	3,629,162	3,573,261	3,310,275
1,089,434	821,058	904,253	871,099	986,089	-
4,639,496	4,565,953	4,574,954	4,010,252	3,631,490	3,416,318
3,648,343	3,387,965	3,227,991	3,462,781	3,456,315	4,397,523
44,936,370	44,534,704	41,962,822	40,831,674	42,676,367	41,772,802
62,297,788	60,676,240	58,320,812	57,302,025	59,443,375	58,489,194

Continued

**City of Wadsworth, Ohio**

*Changes in Net Position*

*Last Ten Years*

*(Accrual Basis of Accounting)*

	2019	2018	2017	2016
<b>Net (Expense)/Revenue</b>				
Governmental Activities	(7,727,972)	(12,703,274)	(13,238,751)	(11,599,473)
Business-Type Activities	151,555	3,221,325	1,151,617	3,839,971
<i>Total Primary Government Net (Expense)/Revenue</i>	<u>(7,576,417)</u>	<u>(9,481,949)</u>	<u>(12,087,134)</u>	<u>(7,759,502)</u>
<b>General Revenues</b>				
Governmental Activities				
Taxes:				
Property and Other Taxes Levied For:				
General Purposes	2,142,431	2,150,408	2,028,563	1,941,290
Capital Projects	131,353	104,395	96,989	105,388
Emergency Medical Services	1,096,908	1,070,815	962,802	934,032
Other	59,500	81,800	104,600	113,600
Income Taxes	10,774,873	10,980,927	8,626,387	10,511,611
Payments in Lieu of Taxes	-	-	-	492,917
Grants and Entitlements not Restricted to				
Specific Programs	955,974	791,624	736,152	909,328
Investment Earnings	1,049,106	748,380	435,239	249,689
Miscellaneous	155,875	238,037	186,651	225,975
<i>Total Governmental Activities</i>	<u>16,366,020</u>	<u>16,166,386</u>	<u>13,177,383</u>	<u>15,483,830</u>
Business-Type Activities				
Investment Earnings	-	423	6	53
Special Item - Stranded Costs	-	-	-	-
Miscellaneous	404,425	230,128	398,049	271,269
<i>Total Business-Type Activities</i>	<u>404,425</u>	<u>230,551</u>	<u>398,055</u>	<u>271,322</u>
<i>Total Primary Government General Revenues</i>	<u>16,770,445</u>	<u>16,396,937</u>	<u>13,575,438</u>	<u>15,755,152</u>
<b>Transfers</b>				
Governmental Activities	(389,802)	(91,757)	(150,453)	(1,147,674)
Business-Type Activities	389,802	91,757	150,453	1,147,674
<b>Change in Net Position</b>				
Governmental Activities	8,248,246	3,371,355	(211,821)	2,736,683
Business-Type Activities	945,782	3,543,633	1,700,125	5,258,967
<i>Total Primary Government Change in Net Position</i>	<u>\$ 9,194,028</u>	<u>\$ 6,914,988</u>	<u>\$ 1,488,304</u>	<u>\$ 7,995,650</u>

<sup>1</sup>Storm Water moved from Public Works in Governmental Activities to Business-Type Activities in 2011.



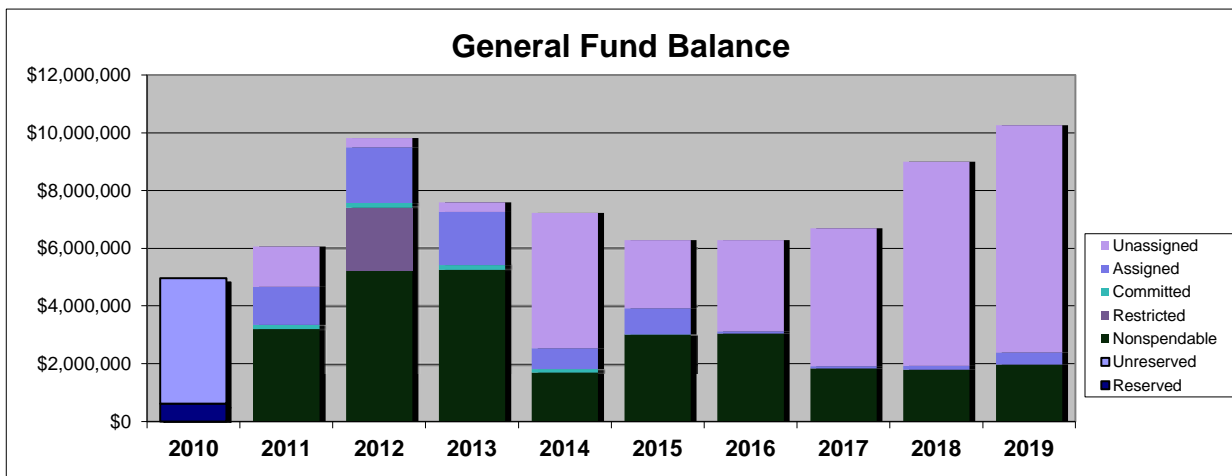
2015	2014	2013	2012	2011	2010
(10,648,506)	(9,293,528)	(11,100,468)	(13,032,799)	(11,620,346)	(12,133,101)
1,585,768	2,431,932	4,986,171	3,680,691	4,086,538	1,809,510
(9,062,738)	(6,861,596)	(6,114,297)	(9,352,108)	(7,533,808)	(10,323,591)
2,267,673	1,839,371	1,160,532	975,659	959,950	1,064,928
460,081	449,916	738,827	1,089,450	1,190,052	362,949
887,573	1,130,356	665,179	952,861	891,198	1,613,748
100,585	-	-	-	-	-
8,164,920	8,661,560	8,532,860	7,679,436	6,851,870	6,480,155
832,556	653,962	612,180	115,400	105,000	99,000
785,870	840,111	1,692,722	3,194,245	2,527,284	4,495,881
179,246	212,384	174,447	145,550	150,965	109,972
189,990	131,219	144,354	25,268	76,641	201,433
13,868,494	13,918,879	13,721,101	14,177,869	12,752,960	14,428,066
2	2	2	56,115	40,295	23,885
-	-	1,510,027	(4,584,933)	-	-
350,569	352,090	274,674	131,222	507,652	451,296
350,571	352,092	1,784,703	(4,397,596)	547,947	475,181
14,219,065	14,270,971	15,505,804	9,780,273	13,300,907	14,903,247
(744,229)	(763,539)	(62,596)	-	-	-
744,229	763,539	62,596	-	-	-
2,475,759	3,861,812	2,558,037	1,145,070	1,132,614	2,294,965
2,680,568	3,547,563	6,833,470	(716,905)	4,634,485	2,284,691
<u>\$ 5,156,327</u>	<u>\$ 7,409,375</u>	<u>\$ 9,391,507</u>	<u>\$ 428,165</u>	<u>\$ 5,767,099</u>	<u>\$ 4,579,656</u>

**City of Wadsworth, Ohio**  
*Fund Balances, Governmental Funds*  
*Last Ten Years*  
*(Modified Accrual Basis of Accounting)*

	2019	2018	2017	2016	2015
<b>General Fund</b>					
Nonspendable	\$ 1,964,824	\$ 1,785,332	\$ 1,838,054	\$ 3,041,640	\$ 3,003,364
Restricted <sup>1</sup>	-	-	-	-	-
Committed	-	-	-	-	1,400
Assigned	423,275	142,301	70,493	77,857	906,761
Unassigned	7,876,564	7,076,962	4,782,304	3,170,977	2,370,945
Reserved	-	-	-	-	-
Unreserved	-	-	-	-	-
<b>Total General Fund</b>	<b>10,264,663</b>	<b>9,004,595</b>	<b>6,690,851</b>	<b>6,290,474</b>	<b>6,282,470</b>
<b>All Other Governmental Funds</b>					
Nonspendable	439,214	419,217	373,202	322,769	1,073,212
Restricted	11,173,737	10,557,593	9,697,141	9,485,052	9,492,012
Committed	3,452,219	2,926,177	2,840,958	2,515,396	2,589,267
Unassigned (deficit)	(385,050)	(437,646)	(799,845)	(4,337,035)	(1,929,869)
Reserved	-	-	-	-	-
Unreserved, Undesignated (Deficit), Reported in:					
Special Revenue Funds	-	-	-	-	-
Capital Projects Funds	-	-	-	-	-
<b>Total All Other Governmental Funds</b>	<b>14,680,120</b>	<b>13,465,341</b>	<b>12,111,456</b>	<b>7,986,182</b>	<b>11,224,622</b>
<b>Total Governmental Funds</b>	<b>\$ 24,944,783</b>	<b>\$ 22,469,936</b>	<b>\$ 18,802,307</b>	<b>\$ 14,276,656</b>	<b>\$ 17,507,092</b>

<sup>1</sup> In 2012, the income tax special revenue fund became part of the general fund.

NOTE: In 2011, the City implemented GASB 54 which caused a restatement of Fund Balances for 2010.  
 Periods prior to 2011 do not reflect restated amounts.



2014	2013	2012 <sup>1</sup>	2011	2010
\$ 1,688,467	\$ 5,243,091	\$ 5,223,616	\$ 3,191,006	\$ -
-	-	2,181,148	-	-
128,232	170,028	162,176	150,998	-
713,106	1,849,862	1,934,414	1,315,726	-
4,695,499	331,919	317,964	1,406,960	-
-	-	-	-	611,466
-	-	-	-	4,344,340
<u>7,225,304</u>	<u>7,594,900</u>	<u>9,819,318</u>	<u>6,064,690</u>	<u>4,955,806</u>
255,470	308,564	3,798,311	336,264	-
11,769,497	11,805,616	6,258,676	14,058,202	-
211,731	169,956	1,661,064	1,458,238	-
(2,020,725)	(1,331,229)	(740,323)	(340,450)	-
-	-	-	-	3,264,480
-	-	-	-	8,075,725
-	-	-	-	4,674,201
<u>10,215,973</u>	<u>10,952,907</u>	<u>10,977,728</u>	<u>15,512,254</u>	<u>16,014,406</u>
<u>\$ 17,441,277</u>	<u>\$ 18,547,807</u>	<u>\$ 20,797,046</u>	<u>\$ 21,576,944</u>	<u>\$ 20,970,212</u>

**City of Wadsworth, Ohio**  
*Changes in Fund Balances, Governmental Funds*  
*Last Ten Years*  
*(Modified Accrual Basis of Accounting)*

	2019	2018	2017	2016
<b>Revenues</b>				
Income Taxes	\$ 10,456,181	\$ 10,199,442	\$ 9,164,893	\$ 8,672,404
Real and Other Taxes	3,432,251	3,406,732	3,188,601	3,071,586
Payments in Lieu of Taxes	-	-	-	492,917
Charges for Services	2,399,655	2,684,917	2,112,710	1,880,994
Licenses and Permits	436,611	470,067	508,462	532,199
Fines and Forfeitures	584,748	573,889	616,296	541,708
Intergovernmental	2,803,749	2,504,549	3,067,807	3,272,209
Special Assessments	111,690	105,822	17,465	165,842
Investment income	1,051,266	750,043	435,770	250,050
Rental income	91,394	71,721	28,432	516,312
Contributions and Donations	4,220	19,158	13,692	130,786
Refunds and Reimbursements	41,331	-	123,358	148,355
Other	318,415	449,462	767,071	177,397
<i>Total Revenues</i>	<u>21,731,511</u>	<u>21,235,802</u>	<u>20,044,557</u>	<u>19,852,759</u>
<b>Expenditures</b>				
Current:				
General Government	3,633,429	3,288,046	3,354,738	3,318,672
Security of Persons and Property	7,449,603	7,018,647	6,900,401	6,533,973
Public Health	126,510	126,342	127,183	130,405
Transportation	3,627,647	3,617,134	2,832,557	3,779,405
Leisure Time Services	1,727,663	1,414,085	1,760,184	2,181,849
Community and Economic Development	928,750	494,444	615,836	1,237,451
Public Works	-	-	-	-
Intergovernmental	-	-	-	-
Capital Outlay	109,090	330,028	1,869,605	4,880,254
Debt Service:				
Principal Retirement	748,485	483,026	172,871	2,782
Interest and Fiscal Charges	637,398	648,849	672,290	637,848
Issuance Costs	-	-	59,917	196,717
<i>Total Expenditures</i>	<u>18,988,575</u>	<u>17,420,601</u>	<u>18,365,582</u>	<u>22,899,356</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>2,742,936</u>	<u>3,815,201</u>	<u>1,678,975</u>	<u>(3,046,597)</u>
<b>Other Financing Sources (Uses)</b>				
Notes Issued	-	4,544	-	-
Bonds Issued	-	-	2,220,000	17,630,000
Premium on Debt Issued	-	-	102,668	598,691
Loans Issued	-	-	658,788	-
Sale of Capital Assets	18,867	11,162	28,500	113,128
Transfers In	114,180	115,785	1,973,521	251,299
Transfers Out	(401,136)	(279,063)	(2,136,801)	(739,700)
Other Financing Uses	-	-	-	(18,037,257)
<i>Total Other Financing Sources (Uses)</i>	<u>(268,089)</u>	<u>(147,572)</u>	<u>2,846,676</u>	<u>(183,839)</u>
<i>Net Change in Fund Balances</i>	<u>\$ 2,474,847</u>	<u>\$ 3,667,629</u>	<u>\$ 4,525,651</u>	<u>\$ (3,230,436)</u>
Debt Service as a Percentage of Noncapital Expenditures	7.3%	7.3%	5.7%	3.6%

	2015	2014	2013	2012	2011	2010
\$	8,062,643	\$ 8,613,796	\$ 8,262,502	\$ 7,611,247	\$ 6,741,133	\$ 6,573,369
	3,720,489	3,433,871	2,581,162	3,034,146	3,121,651	2,996,532
	832,556	653,962	612,180	115,400	105,000	99,000
	2,214,049	2,080,205	2,041,901	1,367,216	1,128,411	1,857,582
	524,437	446,013	415,605	486,210	407,278	390,012
	593,603	637,310	641,820	692,486	715,652	653,093
	2,981,735	3,575,058	3,186,386	4,576,149	4,537,339	6,145,906
	68,538	86,206	117,860	128,722	117,146	184,287
	179,406	212,694	174,773	182,294	206,885	109,972
	25,737	72,519	72,295	5,400	1,400	9,400
	2,988	56,442	233,251	11,426	3,505	9,631
	111,697	123,039	-	-	-	-
	448,902	209,384	710,509	25,268	75,241	201,433
	<u>19,766,780</u>	<u>20,200,499</u>	<u>19,050,244</u>	<u>18,235,964</u>	<u>17,160,641</u>	<u>19,230,217</u>
	3,513,440	3,775,373	3,921,993	3,529,686	3,277,952	2,891,212
	6,639,490	6,383,016	6,419,692	5,999,955	5,986,941	6,034,330
	121,980	125,315	125,208	110,517	105,402	100,441
	2,654,515	2,664,891	2,406,833	2,460,481	2,698,700	2,054,047
	1,297,382	1,331,935	1,668,959	1,551,703	1,461,356	2,099,175
	1,156,155	390,100	1,053,406	941,155	655,562	516,310
	-	-	-	123,100	200,224	690,694
	-	-	-	-	-	7,499
	3,068,043	4,654,288	4,255,788	1,698,178	925,826	17,813,141
	452,646	667,558	642,455	627,351	197,254	252,161
	746,308	752,064	756,578	774,643	785,044	100,713
	-	-	-	-	-	360,988
	<u>19,649,959</u>	<u>20,744,540</u>	<u>21,250,912</u>	<u>17,816,769</u>	<u>16,294,261</u>	<u>32,920,711</u>
	<u>116,821</u>	<u>(544,041)</u>	<u>(2,200,668)</u>	<u>419,195</u>	<u>866,380</u>	<u>(13,690,494)</u>
	-	-	-	-	-	-
	-	-	-	-	-	18,290,000
	-	-	-	-	-	-
	-	-	-	-	-	-
	66,015	54,264	14,025	35,217	3,810	39,648
	151,467	121,096	215,252	1,594,303	6,914,635	6,845,800
	(268,488)	(737,849)	(277,848)	(1,594,303)	(6,911,048)	(6,842,213)
	-	-	-	-	-	(103,548)
	<u>(51,006)</u>	<u>(562,489)</u>	<u>(48,571)</u>	<u>35,217</u>	<u>7,397</u>	<u>18,229,687</u>
\$	<u>65,815</u>	<u>\$ (1,106,530)</u>	<u>\$ (2,249,239)</u>	<u>\$ 454,412</u>	<u>\$ 873,777</u>	<u>\$ 4,539,193</u>
	7.2%	9.1%	8.4%	8.8%	6.4%	2.3%

## City of Wadsworth, Ohio

### *Assessed Valuation and Estimated Actual Values of Taxable Property*

*Last Ten Years*

Collection Year	Real Property (a)		Public Utility Property (b)	Tangible Personal Property (c )	Tax Exempt Real Property
	Residential/ Agricultural	Commercial Industrial/PU			
2019	\$395,273,010	\$ 137,174,990	\$ 842,090	\$ -	\$ 89,917,880
2018	389,480,310	128,841,150	829,030	-	91,909,620
2017	382,457,780	126,486,420	797,960	-	87,481,540
2016	345,155,040	109,741,200	761,170	-	91,083,610
2015	341,109,680	108,163,140	728,220	-	92,156,500
2014	336,977,510	104,328,790	705,290	-	93,134,100
2013	365,802,220	104,399,470	676,760	-	64,359,360
2012	362,232,680	105,674,510	615,470	-	64,973,380
2011	360,319,920	105,174,960	615,470	-	65,910,500
2010	398,307,240	102,405,800	596,720	272,055	65,973,740

Source: Medina County Auditor, Medina Ohio

Property in the county is reassessed annually.

(a) Real property is assessed at 35% of actual value. Real property taxes collected in a calendar year are levied as of January 1 of that year based on assessed values as of January 1 of the preceding year.

(b) Public utility is assessed at 88% of actual value. Public utility real and tangible property taxes collected in a calendar year are levied in the preceding calendar year based on assessed values determined as of December 31 of the second preceding year.

(c) For 2009, tangible personal property tax was eliminated, except for telephone companies and inter-exchange telecommunications companies. Tax was assessed at 10% of property value.

For 2010, tangible personal property tax was assessed at 5% of property value.

For 2011 and future years, tangible personal property tax will be assessed at zero.

(d) Does not include tax-exempt property.

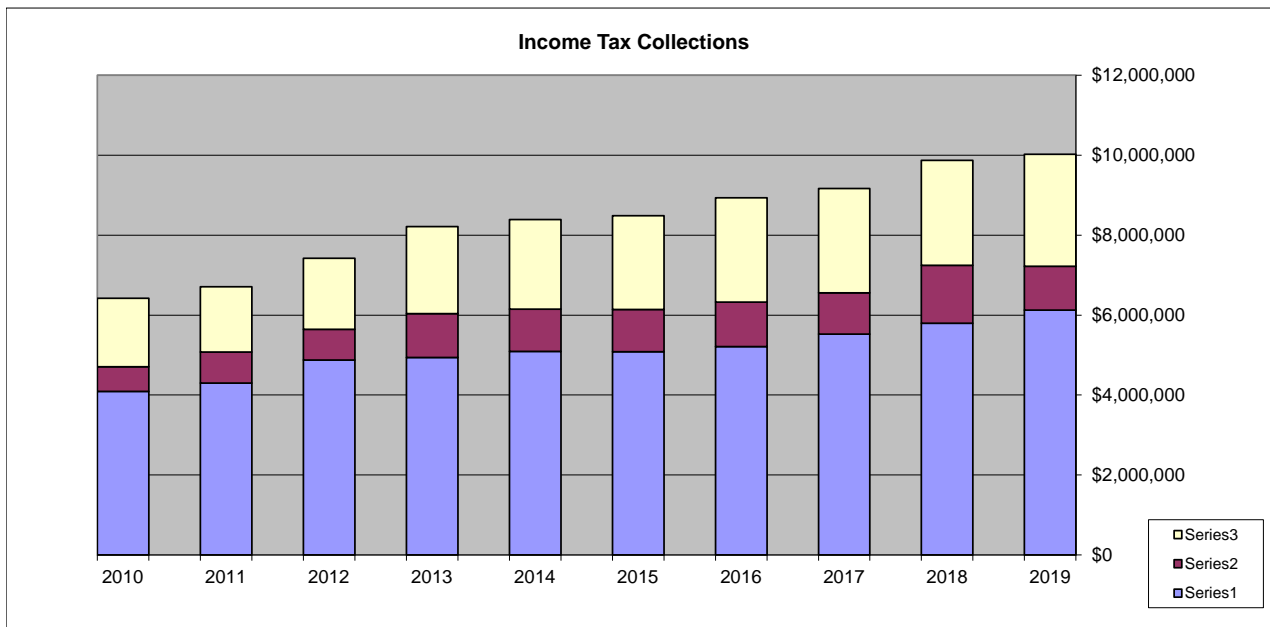
Total Taxable Assessed Value	Total Direct Tax Rate	Estimated Actual Taxable Value (d)	Assessed Value as a Percentage of Actual Value
\$ 533,290,090	4.90	\$ 1,522,236,920	35.03%
519,150,490	4.90	1,481,860,537	35.03%
509,742,160	4.70	1,455,033,058	35.03%
455,657,410	4.70	1,300,568,509	35.04%
450,001,040	5.80	1,284,464,151	35.03%
442,011,590	5.80	1,261,676,609	35.03%
470,878,450	5.80	1,344,202,445	35.03%
468,522,660	5.80	1,337,577,083	35.03%
466,110,350	5.80	1,330,684,769	35.03%
501,581,815	5.80	1,431,286,777	35.04%

**City of Wadsworth, Ohio**  
*Income Tax Rate, Revenue Base, and Collections*  
 Last Ten Years

Tax Year	Tax Rate	Total Tax Collected (1)	Adjustments	Percentage of Adjustments	Taxes From Withholding	Percentage of Taxes from Withholding	Taxes From Net Profits	Percentage of Taxes from Net Profits	Taxes from Individual Payments	Percentage of Taxes from Individual Payments
2019	1.4%	\$ 10,208,997	\$ 189,002	1.85%	\$ 6,121,116	59.96%	\$ 1,098,989	10.76%	\$ 2,799,890	27.43%
2018	1.4%	9,979,235	109,567	1.10%	5,795,765	58.08%	1,447,273	14.50%	2,626,631	26.32%
2017	1.4%	9,221,134	57,472	0.62%	5,523,435	59.90%	1,032,256	11.19%	2,607,971	28.28%
2016	1.4%	8,921,694	(9,756)	-0.11%	5,210,661	58.40%	1,113,807	12.48%	2,606,982	29.22%
2015	1.4%	8,592,975	105,320	1.23%	5,082,661	59.15%	1,055,262	12.28%	2,349,732	27.34%
2014	1.4%	8,648,629	259,672	3.00%	5,090,287	58.86%	1,055,632	12.21%	2,243,038	25.94%
2013	1.4%	8,358,492	143,662	1.72%	4,937,985	59.08%	1,095,886	13.11%	2,180,959	26.09%
2012	1.4%	7,580,998	164,172	2.17%	4,871,985	64.27%	772,196	10.19%	1,772,645	23.38%
2011	1.3%	6,897,196	188,226	2.73%	4,297,884	62.31%	775,851	11.25%	1,635,235	23.71%
2010	1.3%	6,603,817	185,280	2.81%	4,094,600	62.00%	609,982	9.24%	1,713,955	25.95%

Source: Central Collection Agency - Cleveland, OH & Regional Income Tax Agency - Brecksville, OH

(1) Gross Collections - Cash Basis of Accounting





## City of Wadsworth, Ohio

### *Principal Employers*

2019 vs. 2010

Employer	2019		2010	
	Rank	Percent of Total Withholding Taxes Paid	Rank	Percent of Total Withholding Taxes Paid
Wadsworth City School District	1	5.95%	1	8.31%
City of Wadsworth	2	3.40%	3	4.37%
Remington Products	3	2.94%	8	1.65%
Rohrer Corporation	4	2.64%	4	2.87%
Clampco Products	5	2.48%		
ECS Tuning LLC	6	2.45%		
WalMart Assoc Inc	7	2.42%	6	2.41%
Soprema Inc	8	2.03%		
Myers Industries Inc	9	1.98%		2.30%
Parker Hannifin Corp	10	1.76%	5	2.58%
Summa Health System			2	6.19%
Omnicare ESC LLC			7	1.80%
Louis Perry & Associates Inc.			9	1.63%
Tamarkin Company (Giant Eagle)			10	1.43%
Total of Top Ten *		<u>28.05%</u>		<u>35.54%</u>

\* Percentage presented is only for the top 10 employers in each respective year.

**Source:** Central Collection Agency records for 2010; Regional Income Tax Agency (RITA) records for 2019.

## City of Wadsworth, Ohio

### Principal Property Taxpayers

2019 vs. 2010

Taxpayer	2019	
	Property Assessed Valuation	Percentage of Total Assessed Valuation
FC Stratford Crossings LLC	\$6,365,820	1.19%
T Wadsworth Crossings OH LLC	5,688,320	1.07%
Wadsworth One LLC	4,868,970	0.91%
Liberty Residence Holding	3,479,190	0.65%
Walmart Real Estate	3,454,330	0.65%
Inn at Coalridge Limited	2,960,320	0.56%
RC Wadsworth Funding Company	2,249,410	0.42%
HD Development of Maryland Inc	2,247,000	0.42%
Lowe's Home Centers Inc	2,238,320	0.42%
Big Sky Park LLC	2,143,920	0.40%
TOTAL	\$35,695,600	6.69%
Total Assessed Property Valuation	\$533,290,090	
	2010	
Taxpayer	Property Assessed Valuation	Percentage of Total Assessed Valuation
Stratford Crossings LTD	\$4,452,910	0.89%
Big Sky Inc	3,264,130	0.65%
Echo Wadsworth Assoc	3,131,500	0.62%
DJB No 23 LP	2,894,460	0.58%
Ebner Furnaces Inc	2,576,380	0.51%
Day Family Enterprises LLC	2,441,390	0.49%
Rohrer Properties	2,029,620	0.40%
Magnus & Terranova Investments Limited	1,769,760	0.35%
Priority II LLC	1,745,470	0.35%
Wal-Mart Real Estate	1,739,680	0.35%
TOTAL	\$26,045,300	5.19%
Total Assessed Property Valuation	\$501,581,815	

Source: Medina County Auditor, Medina Ohio

**City of Wadsworth, Ohio**  
*Property Tax Levies And Collections*  
*Last Ten Years*

Fiscal Year	Total Tax Levy	Current Tax Collections	Percent of Current Collections to Tax Levy	Delinquent Tax Collections	Total Tax Collections (1)	Percent of Total Tax Collections to Tax Levy	Accumulated Outstanding Delinquent Taxes	Percentage of Delinquent Taxes to Total Tax Levy
2019	\$2,571,669	\$ 2,464,202	95.82%	\$ 41,244	\$ 2,505,446	97.42%	\$ 31,766	1.24%
2018	2,504,941	2,401,375	95.87%	45,093	2,446,468	97.67%	31,449	1.26%
2017	2,359,935	2,279,087	96.57%	38,822	2,317,909	98.22%	29,245	1.24%
2016	2,188,167	2,097,774	95.87%	57,322	2,155,096	98.49%	8,648	0.40%
2015	2,577,229	2,422,194	93.98%	57,571	2,479,765	96.22%	9,429	0.37%
2014	2,587,604	2,411,866	93.21%	77,930	2,489,796	96.22%	55,938	2.16%
2013	2,745,491	2,535,165	92.34%	81,128	2,616,293	95.29%	67,120	2.44%
2012	2,728,428	2,504,698	91.80%	82,110	2,586,808	94.81%	82,720	3.03%
2011	2,574,610	2,487,748	96.63%	127,257	2,615,005	101.57%	108,640	4.22%
2010	2,802,032	2,531,524	90.35%	88,332	2,619,856	93.50%	115,559	4.12%

Source: Medina County, Ohio; County Auditor

(1) State reimbursement of rollback and homestead exemptions are included.

Note: Delinquent tax records are maintained by an external agency, Medina County. The agency does not identify delinquent collections by the year for which the tax was levied.

**City of Wadsworth, Ohio**  
*Ratios of Outstanding Debt by Type*  
*Last Ten Years*

Fiscal Year	Governmental Activities							Business-type Activities							Total Primary Government	Percentage of Personal Income (1)	Per Capita (1)	
	General Obligation Bonds	General Obligation BANS	OWPC Loan	Income Tax Revenue Bonds	Stormwater G.O. Bonds	Sewer G.O. Bonds	Water G.O. Bonds	Electric G.O. Bonds	General Obligation BANS	Telecomm G.O. Bonds	OWPC Loan	OWDA Loan	Electric Revenue Bonds	Electric AMP Loan				Electric AMP Stranded Costs
2019	\$ 2,145,097	\$ -	\$ 608,054	\$ 16,960,215	\$ 724,275	\$ 1,179,365	\$ 8,283,970	\$ -	\$ -	\$ 148,819	\$ 61,626	\$ 10,965,404	\$ -	\$ 1,222,689	\$ 2,198,709	\$ 44,498,223	5.11%	\$ 1,871
2018	2,235,125	-	663,662	17,591,922	806,228	1,227,120	8,417,450	40,551	-	154,452	67,228	12,153,195	-	1,846,689	2,767,503	47,971,125	5.75%	2,043
2017 (7-8)	2,320,153	-	658,788	18,018,630	883,081	1,274,875	8,937,347	76,102	-	160,085	72,830	13,304,456	-	2,470,689	3,326,977	51,503,993	7.67%	2,226
2016	-	2,425,250	-	18,215,337	583,552	111,653	8,286,624	-	3,034,750	-	78,432	14,420,133	-	3,094,689	3,894,944	54,145,364	8.77%	2,477
2015	-	1,040,000	-	16,446,792	654,621	147,204	8,744,100	-	3,415,000	-	84,034	15,501,615	-	3,718,689	4,463,785	54,215,840	8.94%	2,482
2014 (6)	-	1,095,000	-	16,892,957	725,690	182,755	9,196,576	-	3,655,000	-	-	16,549,937	-	4,342,689	5,036,864	57,677,468	9.78%	2,641
2013 (5)	218,437	-	-	17,339,122	786,759	218,306	9,634,052	-	-	-	-	17,565,266	-	4,961,992	5,604,614	56,328,548	9.66%	2,579
2012 (4)	431,875	-	-	17,765,287	842,828	253,856	10,076,528	-	-	-	-	18,530,064	-	5,585,992	-	53,506,430	9.09%	2,468
2011	635,312	-	-	18,186,452	908,896	284,406	10,504,003	-	-	-	-	19,504,560	7,177,875	-	-	57,201,504	11.91%	3,045
2010 (3)	833,750	-	-	18,186,452	959,966	314,958	10,896,480	-	-	-	-	20,429,684	7,713,174	-	-	59,334,464	11.42%	3,102

(1) See S-27 for personal income and population data.  
(2) AMP loan proceeds were used to redeem the electric revenue bonds.  
(3) The City booked the AMP Stranded Liability of \$5,791M with a 10 year term.  
(4) The City issued \$4.75 million in General Obligation Notes for various capital improvements.  
(5) The City issued \$5.015 million in Various Purpose Bonds to pay off Street Improvement Notes, Series 2016 and Various Purpose Notes, Series 2016.  
(6) The City received \$68,788 in OPWC Loan proceeds for safety improvements.

**City of Wadsworth, Ohio**  
*Computation of Direct and Overlapping  
Debt Attributable to Governmental Activities  
December 31, 2019*

	Debt Attributable to Governmental Activities	Percentage Applicable to Wadsworth (1)	Amount of Direct and Overlapping Debt
<u>Direct Debt:</u>			
City of Wadsworth	\$19,713,366	100.00%	\$19,713,366
Total Direct Debt	\$19,713,366		\$19,713,366
<u>Overlapping Debt:</u>			
Payable from Property Taxes			
Medina County Bonds (2)	\$8,090,283	10.29%	\$832,486
Highland School District (3)	92,567,388	3.12%	2,886,836
Payable from Other Sources			
Medina County Special Assessment Bonds (2)	140,000	10.29%	14,406
Medina County OPWC Loans (2)	66,824	10.29%	6,876
Wadsworth City School District Bonds (4)	68,863,197	59.28%	40,823,178
Total Overlapping Debt	\$169,727,692		\$44,563,782
Total	\$189,441,058		\$64,277,148

- (1) Percentages were determined by dividing the assessed valuation of the overlapping government located within the boundaries of the City by the total assessed valuation of the government. The valuations were for the 2019 collection year (2018 tax year.)
- (2) Source - Medina County Auditor's Office
- (3) Source - Highland Local School District CAFR - reported as of June 30, 2019
- (4) Source - Wadsworth City Schools - reported as of June 30, 2019

**City of Wadsworth, Ohio**  
*Ratio of General Obligation Bonded Debt to Estimated True  
Value of Taxable Property and Bonded Debt Per Capita  
Last Ten Years*

Fiscal Year	Total General Obligation Bonded Debt	Resources Available for Principal Payment	Net General Obligation Bonded Debt	Estimated Actual Value of Taxable Property	Ratio of Net General Bonded Debt to Estimated Actual Value of Taxable Property	Bonded Debt per Capita
2019	\$12,481,526	\$10,949	\$12,470,577	\$1,522,236,920	0.82%	\$524.39
2018	12,880,926	2,020	12,878,906	1,481,860,537	0.87%	548.60
2017	13,651,643	26,113	13,625,530	1,455,033,058	0.94%	588.93
2016	12,016,579	17,958	11,998,621	1,300,568,509	0.92%	548.88
2015	12,960,925	744	12,960,181	1,284,464,151	1.01%	593.36
2014	13,760,021	1,052	13,758,969	1,261,676,609	1.09%	629.93
2013	10,857,554	5,316	10,852,238	1,344,202,445	0.81%	496.85
2012	11,605,087	200,371	11,404,716	1,337,577,083	0.85%	525.98
2011	12,332,617	1,089,861	11,242,756	1,330,684,769	0.84%	521.29
2010	13,005,154	1,197,458	11,807,696	1,431,286,777	0.82%	547.49

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**City of Wadsworth, Ohio**

*Legal Debt Margin Information*

*Last Ten Years*

	2019	2018	2017	2016	2015
Overall Debt Limitation (10.5% of Assessed Valuation)	\$55,995,459	\$54,510,801	\$53,522,927	\$47,844,028	\$47,250,109
Net Debt Applicable to Debt Limit	<u>2,145,097</u>	<u>2,235,125</u>	<u>2,320,153</u>	<u>1,440,000</u>	<u>1,040,000</u>
Overall Legal Debt Margin (10.5% of Assessed Valuation)	<u>\$53,850,362</u>	<u>\$52,275,676</u>	<u>\$51,202,774</u>	<u>\$46,404,028</u>	<u>\$46,210,109</u>
Legal Debt Margin as a Percentage of Debt Limit	96.17%	95.90%	95.67%	96.99%	97.80%
Unvoted Debt Limitation (5.5% of Assessed Valuation)	\$29,330,955	\$28,035,819	\$28,035,819	\$25,061,158	\$24,750,057
Net Debt Applicable to Debt Limit	<u>2,145,097</u>	<u>2,320,153</u>	<u>2,320,153</u>	<u>1,440,000</u>	<u>1,040,000</u>
Unvoted Legal Debt Margin (5.5% of Assessed Valuation)	<u>\$27,185,858</u>	<u>\$25,715,666</u>	<u>\$25,715,666</u>	<u>\$23,621,158</u>	<u>\$23,710,057</u>
Legal Debt Margin as a Percentage of Debt Limit	92.69%	91.72%	91.72%	94.25%	95.80%

**Legal Debt Margin Calculation for Fiscal Year 2019**

	Unvoted Margin Within 5.5%	Overall Margin Within 10.5%
Assessed property value	<u>\$533,290,090</u>	<u>\$533,290,090</u>
Overall Debt Limitation (percentage of assessed valuation)	\$29,330,955	\$55,995,459
Gross Indebtedness	44,498,223	44,498,223
Less: Stormwater G.O. Bonds	(724,275)	(724,275)
OWPC Loan	(669,680)	(669,680)
Income Tax Revenue Bonds	(16,960,215)	(16,960,215)
Water Revenue Bonds	(8,283,970)	(8,283,970)
OWDA Loan	(10,965,404)	(10,965,404)
Sewer G.O. Bonds	(1,179,365)	(1,179,365)
Telecom G.O. Bonds	(148,819)	(148,819)
Electric AMP Loan	(1,222,689)	(1,222,689)
Electric AMP Stranded Costs	<u>(2,198,709)</u>	<u>(2,198,709)</u>
Net Debt Applicable to Debt Limit	<u>2,145,097</u>	<u>2,145,097</u>
Legal Debt Margin Within Limitations	<u>27,185,858</u>	<u>\$53,850,362</u>

Note: Under State of Ohio finance law, the City of Wadsworth's outstanding general obligation debt that is supported through real estate value should not exceed 10.5 percent of total assessed property value. In addition, the outstanding general obligation debt net of voted debt should not exceed 5.5 percent of total assessed property value. By law, the general obligation debt subject to the limitation is offset by amounts set aside for repaying general obligation bonds.



2014	2013	2012	2011	2010
\$36,632,136	\$49,442,237	\$49,194,879	\$48,941,587	\$52,666,091
<u>7,550,125</u>	<u>3,322,582</u>	<u>2,666,855</u>	<u>1,383,448</u>	<u>2,128,369</u>
<u>\$29,082,011</u>	<u>\$46,119,655</u>	<u>\$46,528,024</u>	<u>\$47,558,139</u>	<u>\$50,537,722</u>
79.39%	93.28%	94.58%	97.17%	95.96%
\$19,188,262	\$25,898,315	\$25,768,746	\$25,636,069	\$27,587,000
<u>7,550,125</u>	<u>3,322,582</u>	<u>2,666,855</u>	<u>1,383,448</u>	<u>2,128,369</u>
<u>\$11,638,137</u>	<u>\$22,575,733</u>	<u>\$23,101,891</u>	<u>\$24,252,621</u>	<u>\$25,458,631</u>
60.65%	87.17%	89.65%	94.60%	92.28%

**City of Wadsworth, Ohio**  
*Pledged Revenue Coverage*  
*Income Tax Revenue Bonds*  
*Last Ten Years*

Fiscal Year	Income Taxes	Direct Operating Expenses (1)	Net Available Revenues	Debt Service (2)		Coverage
				Principal	Interest	
2019	\$ 10,456,181	\$ 334,040	\$ 10,122,141	\$ 605,000	\$ 539,956	884.1%
2018	10,199,442	321,884	9,877,558	400,000	551,956	1037.6%
2017	9,164,893	339,626	8,825,267	475,000	673,138	768.7%
2016	8,672,404	347,549	8,324,855	460,000	686,363	726.2%
2015	8,062,643	493,218	7,569,425	450,000	697,613	659.6%
2014	8,613,796	389,254	8,224,542	450,000	707,738	710.4%
2013	8,262,502	447,833	7,814,669	430,000	716,338	681.7%
2012	7,611,247	413,509	7,197,738	425,000	724,838	626.0%
2011	6,741,133	527,629	6,213,504	-	724,838	857.2%
2010	6,573,369	566,969	6,006,400	-	597,991	1004.4%

Note: For each type of non-general obligation debt backed by pledged revenues, the City should present gross revenues (and, if applicable, specific expenses, to produce net available revenues) principal and interest requirements, and a coverage ratio.

(1) Direct operating expenses do not include depreciation expense.

(2) Debt Service payments started in 2010.

**City of Wadsworth, Ohio**  
*Pledged Revenue Coverage*  
*Ohio Water Development Authority Loan*  
*Last Ten Years*

Fiscal Year	Sewer Service Charges and Interest	Direct Operating Expenses (1)	Net Available Revenues	Debt Service		Coverage
				Principal	Interest	
2019	\$ 4,005,137	\$ 2,684,531	\$ 1,320,606	\$ 1,187,791	\$ 355,757	85.6%
2018	4,163,429	2,112,592	2,050,837	1,151,241	390,566	133.0%
2017	4,122,930	2,288,025	1,834,905	1,115,697	445,570	117.5%
2016	4,088,798	2,142,160	1,946,638	1,081,604	479,909	124.7%
2015	4,062,756	2,172,628	1,890,128	1,048,322	513,191	121.0%
2014	4,039,018	1,891,709	2,147,309	1,015,329	546,184	137.5%
2013	3,804,179	1,778,471	2,025,708	984,798	576,714	129.7%
2012	3,543,391	2,261,390	1,282,001	954,495	612,018	81.8%
2011	3,356,742	2,092,367	1,264,375	925,124	636,389	81.0%
2010	3,153,796	1,867,981	1,285,815	896,657	664,856	82.3%

Note: For each type of non-general obligation debt backed by pledged revenues, the City should present gross revenues (and, if applicable, specific expenses, to produce net available revenues) principal and interest requirements, and a coverage ratio.

(1) Direct operating expenses do not include depreciation expense.

**City of Wadsworth, Ohio**  
*Demographic and Economic Statistics*  
*Last Ten Years*

Year	Population (1a)	Total Personal Income (5)	Personal Income Per Capita (1b)	Median Household Income (1b)	Unemployment Rate (2)		City Square Miles (3)	Average Sales Price of Residential Property (4)	Median Age (1c)
					Medina County	State of Ohio			
2019	23,781	\$ 870,931,563	\$ 36,623	\$ 73,609	3.4	4.1	11.350	\$ 183,882	39.4
2018	23,476	833,844,044	35,519	70,232	4.1	4.6	11.294	158,879	39.6
2017	23,136	671,753,760	29,035	67,137	4.7	5	11.294	158,880	39.3
2016	21,860	617,370,120	28,242	64,806	4.3	4.9	11.294	148,701	39.7
2015	21,842	606,508,656	27,768	58,007	4.3	4.7	11.200	139,447	40.4
2014	21,842	589,712,158	26,999	57,539	5.2	5.7	11.070	146,127	37.6
2013	21,842	583,094,032	26,696	57,150	6.5	6.4	10.633	131,113	38.7
2012	21,683	588,433,254	27,138	58,868	6	7.2	10.633	137,441	40.2
2011	21,567	551,360,355	25,565	59,178	6.7	8.6	10.633	127,282	37.8
2010	21,567	586,083,225	27,175	57,060	8.4	10.1	10.633	130,649	37.5

- (1) Source: (a) U.S. Census Bureau: U.S. Census Quick Facts  
(b) U.S. Census Bureau: American Fact Finder - Community Facts  
(c) U.S. Census Bureau: American Fact Finder - Community Facts  
(2) Source: Ohio Labor Market Information, U.S. Bureau of Labor Statistics  
(3) Source: City of Wadsworth Planning Department and Engineering Department  
(4) Source: Medina County Auditor's Office Monthly Property Transfers  
(5) Computation of per capita personal income multiplied by population

**City of Wadsworth, Ohio**

*Full-Time Equivalent City Government Employees by Function/Program*

*Last Ten Years*

<u>Function/Program</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>
<b><u>Governmental-Type Activities:</u></b>										
General Government										
Auditor	6.0	7.0	6.5	6.5	7.0	6.5	6.0	6.0	6.0	6.0
Council	5.0	5.0	5.0	5.0	5.0	5.0	5.0	5.0	5.0	5.0
Engineering	7.5	6.0	7.0	9.0	9.5	9.0	9.5	10.5	9.5	10.0
Human Resources	1.5	1.5	1.5	1.5	2.0	2.0	3.5	3.5	3.5	3.5
Income Tax	1.0	1.0	1.0	1.5	1.5	1.5	1.5	1.5	1.5	1.5
Law Director	4.0	4.0	4.0	4.0	4.0	4.0	3.5	3.5	3.5	3.5
Mayor	3.0	3.0	2.5	3.0	3.5	3.5	3.0	3.0	3.0	2.5
Municipal Court	13.0	12.5	10.0	13.0	13.0	13.5	12.5	12.0	11.5	13.5
Service Director	2.0	2.5	3.5	3.0	3.0	3.0	3.0	3.0	3.0	3.0
Treasurer	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5
Security of Persons and Property										
Emergency Medical Services	14.5	13.0	16.0	18.5	18.5	19.5	18.5	17.5	19.0	23.5
Fire	19.5	18.5	19.0	19.0	19.0	18.5	19.0	18.0	16.0	15.0
Police	41.5	40.5	40.5	41.5	39.5	39.0	40.0	39.5	41.5	39.5
Safety Director	1.5	1.5	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Public Health										
Animal Control	0.5	1.0	1.5	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Leisure Time Services										
Parks	8.75	11.0	8.5	10.0	9.5	8.0	10.0	10.0	14.0	14.0
Recreation	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	35.5
Senior Center	2.5	2.5	2.5	2.5	2.5	2.5	2.5	3.0	3.0	2.5
Wadsworth Cable Television	4.5	4.5	4.0	4.0	4.5	4.0	5.0	5.0	5.0	4.5
Community and Economic Development										
Building & Planning	2.5	2.5	2.5	2.5	3.0	3.0	2.5	2.5	2.5	2.5
Economic Development	1.5	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Transportation Services										
Streets	19.25	17.0	17.5	17.5	17.5	16.5	17.5	18.0	18.5	23.5
<b><u>Business-Type Activities:</u></b>										
Electric	45.0	41.0	38.0	40.5	40.0	38.0	42.5	42.5	43.5	41.5
Information Technology	7.5	7.5	6.5	7.5	6.5	6.5	8.0	4.5	4.0	4.0
Sanitation	8.75	8.5	7.5	8.0	9.5	8.5	8.5	9.0	10.0	8.5
Sewer	9.0	9.0	9.0	9.0	9.0	8.0	9.0	9.0	10.0	10.0
Stormwater	0.0	2.0	2.0	4.5	3.0	4.0	3.5	3.5	4.5	4.0
Telecommunications	13.5	14.0	11.5	12.0	13.5	13.0	13.0	12.5	12.5	12.5
Vehicle Maintenance	5.5	6.5	5.5	5.5	5.5	5.0	4.0	5.0	5.0	5.0
Water	<u>15.75</u>	<u>16.0</u>	<u>14.5</u>	<u>16.0</u>	<u>17.0</u>	<u>17.0</u>	<u>16.0</u>	<u>17.0</u>	<u>18.5</u>	<u>18.0</u>
Totals:	<u>265.0</u>	<u>259.5</u>	<u>249.0</u>	<u>267.5</u>	<u>269.0</u>	<u>261.5</u>	<u>269.5</u>	<u>267.0</u>	<u>276.5</u>	<u>315.0</u>

**Note:** All part-time employees, Council Members, Mayor, Treasurer, and Auditor were counted as 0.5 FTE's for the purposes of this table.

Source: City Payroll Records

**City of Wadsworth, Ohio**  
*Capital Asset Statistics by Function/Program*  
*Last Ten Years*

Function/Program	2019	2018	2017	2016
<b>General Government</b>				
Streets (miles)	99	98	95	95
Salt Domes	2	2	2	2
Airports	1	1	1	1
Fueling System	2	2	2	2
Vehicles	13	10	10	10
<b>Security of Persons and Property</b>				
<i>Service Director</i>				
Early Warning Sirens	9	9	9	9
Vehicles	1	1	1	1
<i>Police</i>				
Stations	1	1	1	1
Shooting Ranges	1	1	1	1
Vehicles	24	24	24	23
<i>Fire &amp; EMS</i>				
Stations	2	2	2	2
Fire Apparatus	7	7	7	7
Rescue Squads	4	4	4	4
Other Vehicles	5	5	6	7
<b>Leisure Time Activities</b>				
<i>Parks &amp; Recreation</i>				
Public Swimming Pools	1	1	1	1
Parks	19	21	19	19
Playgrounds	13	13	13	13
Baseball Diamonds	10	17	13	13
Tennis Courts	6	6	6	6
Full Sized Soccer Fields	10	10	10	10
Vehicles	18	18	15	15
<i>Cable T.V. Access</i>				
Cameras	14	13	10	11
Vehicles	1	1	1	1
<b>Community and Economic Development</b>				
<i>Building and Zoning</i>				
Vehicles	1	1	1	1

2015	2014	2013	2012	2011	2010
94	94	94	94	94	96
2	2	2	1	1	1
1	1	1	1	1	1
1	1	1	1	1	1
10	10	10	10	10	10
9	9	8	8	8	8
1	1	1	1	1	1
1	1	1	1	1	1
1	1	1	1	1	1
22	22	21	21	21	21
2	2	2	2	2	2
7	8	8	8	8	8
4	5	5	5	5	5
6	5	5	5	5	5
1	1	0	0	0	0
18	16	16	16	16	16
13	13	13	14	14	14
13	13	13	13	13	13
6	9	9	9	9	9
10	10	10	10	10	10
15	11	11	11	11	11
11	11	11	11	11	11
1	1	1	1	1	1
1	1	1	1	1	1

Continued

**City of Wadsworth, Ohio**  
*Capital Asset Statistics by Function/Program*  
*Last Ten Years*

Function/Program	2019	2018	2017	2016
<b>Storm Water</b>				
Storm Sewers (miles)	105	104	103	103
<b>Telecom</b>				
Vehicles	16	14	15	15
<b>Sewer</b>				
Lines (miles)	104	104	104	104
Lift Stations	4	4	3	3
Treatment Plants	1	1	1	1
Vehicles	4	4	4	4
<b>Water</b>				
Wells	12	12	12	12
Towers	5	5	5	6
Lines (miles)	133	132	131	129
Treatment Plants	1	1	1	1
SCADA	1	1	1	1
Vehicles	11	11	11	11
<b>Electric</b>				
Substations	6	6	6	6
Aerial Lines (miles)	152	151	150	150
Transmission Lines (miles)	20	20	20	20
Underground Lines (miles)	86	85	83	80
SCADA	1	1	1	1
Meters	13,479	13,410	13,300	13,087
Vehicles	28	28	28	28
<b>Sanitation</b>				
Transfer Stations	1	1	1	1
Packer Trucks	3	3	4	4
Automated Trucks	4	4	4	4
Vehicles	6	6	6	5



2015	2014	2013	2012	2011	2010
102	98	98	98	98	97
15	14	14	14	14	14
104	102	102	102	102	104
3	3	3	4	4	4
1	1	1	1	1	1
4	5	5	5	5	5
12	12	12	12	12	12
6	6	6	5	5	5
127	121	121	121	121	122
1	1	1	1	1	1
1	1	1	1	1	1
14	13	13	13	13	13
6	6	6	6	6	6
150	230	230	230	230	230
19	19	19	19	19	19
76	69	69	69	69	69
1	1	1	1	1	1
13,001	12,317	12,317	12,510	12,726	12,726
28	28	28	28	28	28
1	1	1	1	1	1
4	4	4	4	4	4
5	4	4	4	4	4
4	4	4	4	4	4

**City of Wadsworth, Ohio**  
*Operating Indicators by Function/Program*  
*Last Ten Years*

Function/Program	2019	2018	2017	2016
<b>General Government</b>				
<i>Council and Clerk</i>				
Number of Ordinances Passed	154	113	148	178
Number of Resolutions Passed	16	13	11	10
<i>Finance Department</i>				
Number of checks/ vouchers issued (payroll not included)	3,297	4,520	4,240	4,396
Amount of checks written (cash basis)	\$ 47,822,413	\$ 51,243,315	\$ 53,501,689	\$ 56,099,787
Interest earnings for fiscal year (cash basis)	\$ 1,046,730	\$ 750,043	\$ 550,458	\$ 250,051
Number of Receipts issued (1)	166,788	163,570	161,765	157,323
General Fund Receipts (cash basis)	\$ 13,774,736	\$ 1,800,299	\$ 12,735,483	\$ 11,762,926
General Fund Expenditures (cash basis)	\$ 12,925,065	\$ 12,066,231	\$ 10,636,556	\$ 12,587,730
<i>Income Tax Department</i>				
Number of Business net profit forms processed	3,699	2,496	3,301	2,076
Number of Individual forms processed	19,812	19,048	19,387	18,503
Number of business withholding accounts	2,027	2,027	21,422	1,947
Amount of Penalties and Interest Collected	\$ 400,615	\$ 335,385	\$ 305,535	\$ 139,899
<i>Civil Service</i>				
Number of police entry tests administered	1	1	1	1
Number of fire entry tests administered	0	1	0	0
Number of police promotional tests administered	0	1	0	1
Number of fire promotional tests administered	0	0	0	0
Number of hires of Police Officers from certified lists	3	1	1	1
Number of hires of Fire/Medics from certified lists	1	4	0	0
Number of promotions from police certified lists	1	1	0	2
Number of promotions from fire certified lists	0	0	0	0
<i>Engineering</i>				
Number of New Subdivision	2	2	2	3
Number of New Lots	18	51	44	79
Number of Plat/Surveys Completed	10	7	2	7
Streets Constructed (linear feet)	2,118	1,556	690	5,768
Streets Resurfaced (linear feet)	25,867	27,130	13,675	20,266
Storm Sewer Lines Constructed (linear feet)	3,166	7,450	2,684	10,029
Number of New Catch Basins	20	100	22	83
Number of New Storm Manholes	22	42	7	48
Water Lines Constructed (linear feet)	2,180	9,229	7,861	9,458
Raw Water Lines Constructed (linear feet)	0	0	0	0
Number of New Hydrants	7	26	23	41
Number of New Valves	6	60	32	45
Sanitary Sewer Lines Constructed (linear feet)	0	1,627	824	1,101
Force Mains Constructed (linear feet)	0	0	0	0
Number of New Sanitary Manholes	0	6	4	4
Culverts Constructed (linear feet), not including drive culverts	0	102	0	0

2015	2014	2013	2012	2011	2010
169	193	145	160	133	143
17	62	9	13	16	15
4,565	4,942	5,240	5,117	5,209	5,396
\$ 52,993,480	\$ 57,468,760	\$ 61,302,919	\$ 74,451,412	\$ 79,755,372	\$ 68,250,591
\$ 196,339	\$ 213,763	\$ 199,239	\$ 266,414	\$ 303,011	\$ 182,657
154,500	149,835	78,427	31,135	28,981	27,664
\$ 11,135,471	\$ 10,296,774	\$ 10,672,770	\$ 12,144,942	\$ 11,397,872	\$ 12,101,051
\$ 11,676,854	\$ 11,392,312	\$ 11,615,621	\$ 11,597,390	\$ 10,966,566	\$ 10,378,503
1,764	2,051	1,416	1,594	1,783	1,764
17,832	20,852	18,184	17,483	16,111	19,386
1,802	1,601	1,583	1,643	1,625	1,568
\$ 127,338	\$ 217,412	\$ 136,674	\$ 163,382	\$ 161,501	\$ 200,835
2	1	0	1	0	1
1	0	1	0	0	0
0	0	0	0	0	2
0	0	0	0	0	0
1	1	0	0	0	2
1	0	0	0	0	0
0	0	0	0	0	2
0	0	0	0	0	0
0	3	0	1	0	0
0	86	0	48	2	0
20	11	7	6	3	5
0	3,651	0	2,383	0	0
83,504	12,725	10,288	6,432	4,477	8,160
1,540	7,556	1,262	7,251	2,502	1,302
26	77	7	55	17	15
6	30	3	21	0	0
9,287	8,005	795	12,356	3,827	4,586
0	0	0	0	0	0
33	31	10	36	9	11
31	48	7	51	13	19
1,000	3,278	1,354	679	2,106	9,069
0	0	3,613	0	0	0
4	31	30	0	11	14
15	48	40	0	0	198

Continued

**City of Wadsworth, Ohio**  
*Operating Indicators by Function/Program*  
*Last Ten Years*

Function/Program	2019	2018	2017	2016
<b><i>Municipal Court</i></b>				
Number of Civil Cases	1,019	843	963	811
Number of Criminal Cases	5,061	5,838	6,410	5,465
<b>Security of Persons and Property</b>				
<b><i>Police</i></b>				
Total Calls for Services	14,105	13,275	14,053	14,578
Class 1 crimes	556	536	514	676
Adult arrests	925	1,020	786	798
Juvenile arrests	76	29	30	55
Criminal summons	268	358	300	349
Traffic citations	916	1,037	1,161	1,022
Warning citations	0	0	0	0
Parking Tickets	1,538	0	1,661	909
Vehicle accidents- property damage	393	1,146	363	384
Vehicle accidents-injury	72	406	81	55
Total miles driven	130,873	71	240,286	225,093
Total gasoline cost	\$ 19,389	\$ 203,681	\$ 40,089	\$ 41,495
		33449		
<b><i>Fire and EMS</i></b>				
EMS Calls	2,489	2,224	2,341	2,067
Ambulance Billing Collections (net)	\$ 680,307	\$ 639,015	\$ 606,028	\$ 475,181
Fire Calls	278	254	208	225
Fires with Loss	8	22	13	39
Fires with Losses exceeding \$10K	3	3	6	15
Fire Losses	\$ 98,000	\$ 355,350	\$ 181,560	\$ 1,096,500
Fire Safety Inspections	392	372	549	656
No. of times Mutual Aid received from other Fire and EMS	33	21	35	32
No. of times Mutual Aid given by Fire and EMS	39	30	53	60
Training hours	2,981	2,449	2,991	2,842
<b>Leisure Time Activities</b>				
<b><i>Recreation</i></b>				
Recreation Center membership receipts (cash basis)	\$ -	\$ -	\$ -	\$ -
Recreation Center rental receipts (cash basis)	\$ -	\$ -	\$ -	\$ -
Recreation Center program receipts (cash basis)	\$ -	\$ -	\$ -	\$ -
Recreation Center miscellaneous receipts (cash basis)	\$ -	\$ -	\$ -	\$ -
Total Recreation Department receipts (cash basis)	\$ -	\$ -	\$ -	\$ -
Recreation Center Expenditures (cash basis)	\$ -	\$ -	\$ -	\$ -
<b><i>Parks</i></b>				
Parks Expenditures (cash basis)	\$ 801,631	\$ 741,421	\$ 728,292	\$ 720,366
Hours maintaining parks and City Buildings	3,732	1,965	2,922	2,146
Hours preparing Fields/Ball Diamonds	1,071	1,422	1,938	1,874
Hours of Snow removal	625	783	583	709
Average Cost per Resident	\$ 33.71	\$ 31.58	\$ 31.48	\$ 33.40

2015	2014	2013	2012	2011	2010
641	811	866	966	924	1,067
6,790	6,827	7,567	7,807	7,300	7,330
12,252	14,469	14,182	13,177	12,695	13,027
642	635	678	612	0	569
767	817	715	600	719	624
57	56	44	20	28	19
332	360	421	335	341	337
1,083	1,143	1,415	1,440	2,047	2,040
508	201	556	1,129	1,375	1,506
913	1,115	1,190	1,518	1,916	1,404
364	333	451	409	663	713
78	62	22	19	56	88
220,340	241,949	246,071	279,380	260,993	266,330
\$ 43,136	\$ 72,088	\$ 72,359	\$ 86,414	\$ 75,118	\$ 62,369
2,058	1,987	1,854	1,858	1,751	1,754
\$ 530,654	\$ 512,483	\$ 500,719	\$ 498,351	\$ 443,741	\$ 460,717
241	240	239	249	221	250
33	20	21	35	25	31
8	4	8	9	4	5
\$ 991,795	\$ 164,400	\$ 516,770	\$ 905,741	\$ 2,253,160	\$ 219,820
481	778	830	995	1,120	902
25	14	17	12	19	25
54	49	33	32	16	14
3,890	3,570	3,086	2,902	3,345	3,832
\$ -	\$ -	\$ -	\$ -	\$ -	\$10,724
\$ -	\$ -	\$ -	\$ -	\$ -	\$29,704
\$ -	\$ -	\$ -	\$ -	\$ -	\$24,887
\$ -	\$ -	\$ -	\$ -	\$ -	\$1,612
\$ -	\$ -	\$ -	\$ -	\$ -	\$66,927
\$ -	\$ -	\$ -	\$ -	\$ -	\$413,339
\$ 653,621	\$ 756,740	\$ 672,449	\$ 643,928	\$ 856,753	\$ 756,915
1,474	1,568	8,341	8,558	15,191	15,910
1,965	1,488	1,373	1,413	1,840	1,628
1,010	968	709	434	1,214	1,791
\$ 21.82	\$ 34.64	\$ 30.78	\$ 29.69	\$ 39.73	\$ 39.16

Continued

**City of Wadsworth, Ohio**  
*Operating Indicators by Function/Program*  
*Last Ten Years*

Function/Program	2019	2018	2017	2016
<b>Community and Economic Development</b>				
<i>Building and Zoning</i>				
Estimated Value of Construction	\$ 32,002,787	\$ 18,411,952	\$ 45,069,484	\$ 31,005,053
Residential/Commercial/Zoning Permits Issued	434	426	510	502
Electric Permits	138	129	196	170
Heating Permits	182	170	245	200
Total Permits Issued	754	725	951	872
Permit Revenue	\$ 95,955	\$ 86,986	\$ 167,456	\$ 150,434
Number of Contractor Licenses	113	123	124	119
Code Enforcement Notices	209	214	263	217
Zoning Board of Appeals Hearings	18	14	20	17
Number of Planning Commission Docket Items	41	33	68	63
<b>Transportation</b>				
Crack Seal Coating Program (Miles)	0	0	24	26
Street Repair (Curbs, aprons, berms, asphalt) (hours)	2,117	1,951	3,700	6,725
Cold & Dura Patch (hours)	722	942	1,273	1,124
Tons of Asphalt	118	80	559	470
Tons of Limestone	108	139	136	397
Paint Striping (gallons of paint)	0	0	0	500
Leaf Collection (hours)	2,951	3,466	2,293	2,727
Tons of Salt	938	2,191	1,904	1,792

(1) Implementation of NW accounting software in 2013

2015	2014	2013	2012	2011	2010
\$ 43,574,974	\$ 20,675,040	\$ 19,233,420	\$ 19,871,902	\$ 46,993,066	\$ 101,699,650
447	331	346	388	386	339
187	145	246	125	132	149
217	146	167	128	127	150
851	622	759	641	645	638
\$ 178,366	\$ 100,558	\$ 94,655	\$ 77,430	\$ 93,022	\$ 103,544
131	129	143	132	127	133
216	347	426	270	267	236
10	20	16	13	13	15
74	38	42	35	50	76
17	21	24	18	10	13
4,754	2,966	4,585	5,680	5,276	3,636
2,254	2,347	825	910	531	1,624
383	106	266	175	350	388
410	434	200	75	1,000	300
610	600	600	600	600	812
2,319	2,307	2,281	3,216	2,261	3,388
2,582	2,104	2,330	1,760	4,833	5,481

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# OHIO AUDITOR OF STATE KEITH FABER



**CITY OF WADSWORTH**

**MEDINA COUNTY**

## **AUDITOR OF STATE OF OHIO CERTIFICATION**

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



**Certified for Release 10/1/2020**

88 East Broad Street, Columbus, Ohio 43215  
Phone: 614-466-4514 or 800-282-0370

This report is a matter of public record and is available online at  
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