City of Wadsworth
Medina County, Ohio

Comprehensive Annual Financial Report

For the Year Ended December 31, 2013

CITY OF WADSWORTH

MEDINA COUNTY, OHIO

COMPREHENSIVE ANNUAL FINANCIAL REPORT

FOR THE YEAR ENDING DECEMBER 31, 2013

PREPARED BY THE AUDITOR'S OFFICE
CATHERINE C. FIX, AUDITOR

CITY OF WADSWORTH, OHIO

COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE YEAR ENDED DECEMBER 31, 2013

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September 15, 2014

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, 2013. 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.

The Auditor of State of Ohio has issued an unmodified ("clean") opinion on the City of Wadsworth's financial statements for the year ended December 31, 2013. The Auditor of State of Ohio'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 the Auditor of State of Ohio's Report.

Background

Wadsworth, Ohio was founded in 1814 on land owned by the Connecticut Western Reserve and was named after General Elijah Wadsworth, primarily due to the amount of land he owned. In the early 1890's, a group of men founded the Ohio Injector Company and the Ohio Match Company. These world-wide companies were sold near the middle of the 20th Century and the valves and matches made by these companies are no longer produced locally. However, the City continued to grow with small manufacturing, farming, and committed residents.

Wadsworth became a statutory city on January 22, 1866. The statutory form of government allows for home rule but requires the municipality to abide by the laws which govern municipalities enacted by the State Legislature. The City operates under the Mayor/Council form of government. The citizens of Wadsworth elect a mayor, auditor, law director, treasurer and eight members of council, including the president, three at-large council members and four ward council members. An appointed safety director and an appointed service director are responsible for various city departments. The City has considered all these 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; 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; 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 documents. The school district is considered to be AAA 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. Residential growth has been constant in our community. 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 two residential developments. National retail organizations, such as Bed Bath & Beyond, Kohl's, Lowe's, Office Max and Target opened in the City's newest retail development, Wadsworth Crossings, located East of town. During 2013, the City continued to experience some development, redevelopment and long range plans for future development. The continued expansion of the new World Headquarters of the Restored Church of God's is moving forward with two new buildings in 2013 with plans for another four buildings in the next several years. Along the High Street Corridor, we had new businesses moving into the community throughout 2013 including the redevelopment of a vacant K Mart building, with Tractor Supply moving in during 2013 and the remaining portions being fully occupied in 2014. The redevelopment of a vacant building was completed with three medical offices. We had a manufacturer receive a CRA for a major expansion and job growth. This expansion and job growth will occur over the next several years, with a total investment of $5.5 million and increased payroll of $3.5 million.

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 500 acres of industrial zoned property available for development. The City is also completing an annexation of another 300 acres of industrial zoned land that is ready for development.

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 brand new community center. The community center features exercise facilities, a senior center, pools, a Summa Healthcare facility and a satellite office for the Wadsworth Public Library. Currently, the City of Wadsworth has completed a new outdoor pool facility that is located at the Community Campus complex. This $3 million project features two outdoor pools and a pool house that was completed in the spring of 2014. The planning for this project was started in late 2011 and lasted throughout 2012. These projects all provided a large number of construction jobs which in turn brought in additional money into the community through the local income tax.

Major Incentives

We look forward to continued business growth in the future. 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 February 2005, a City-wide Enterprise Zone (EZ) was certified. This incentive is available to commercial and industrial projects and involves potential abatement of a portion of real and personal property taxes. Wadsworth Corporate Park was certified as a Foreign Trade Zone (FTZ) in 2006. In addition to these State and Federal incentives, the City has created the 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. Through growth comes stability and the City of Wadsworth has been able to maintain its level of services with low tax rates due to this growth. The City and its benefits are marketed in trade journals and through our 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 interfund 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 and Income Tax fund. This policy requires that 20% of operating expenditures and 100% of the next years debt service is maintained in the fund's combined cash balances. 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, 2012. This was the fifth 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 only. 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.

For the past thirty 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 by 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 financial responsibility for the benefit of the residents and businesses of the City of Wadsworth.

Respectfully submitted,

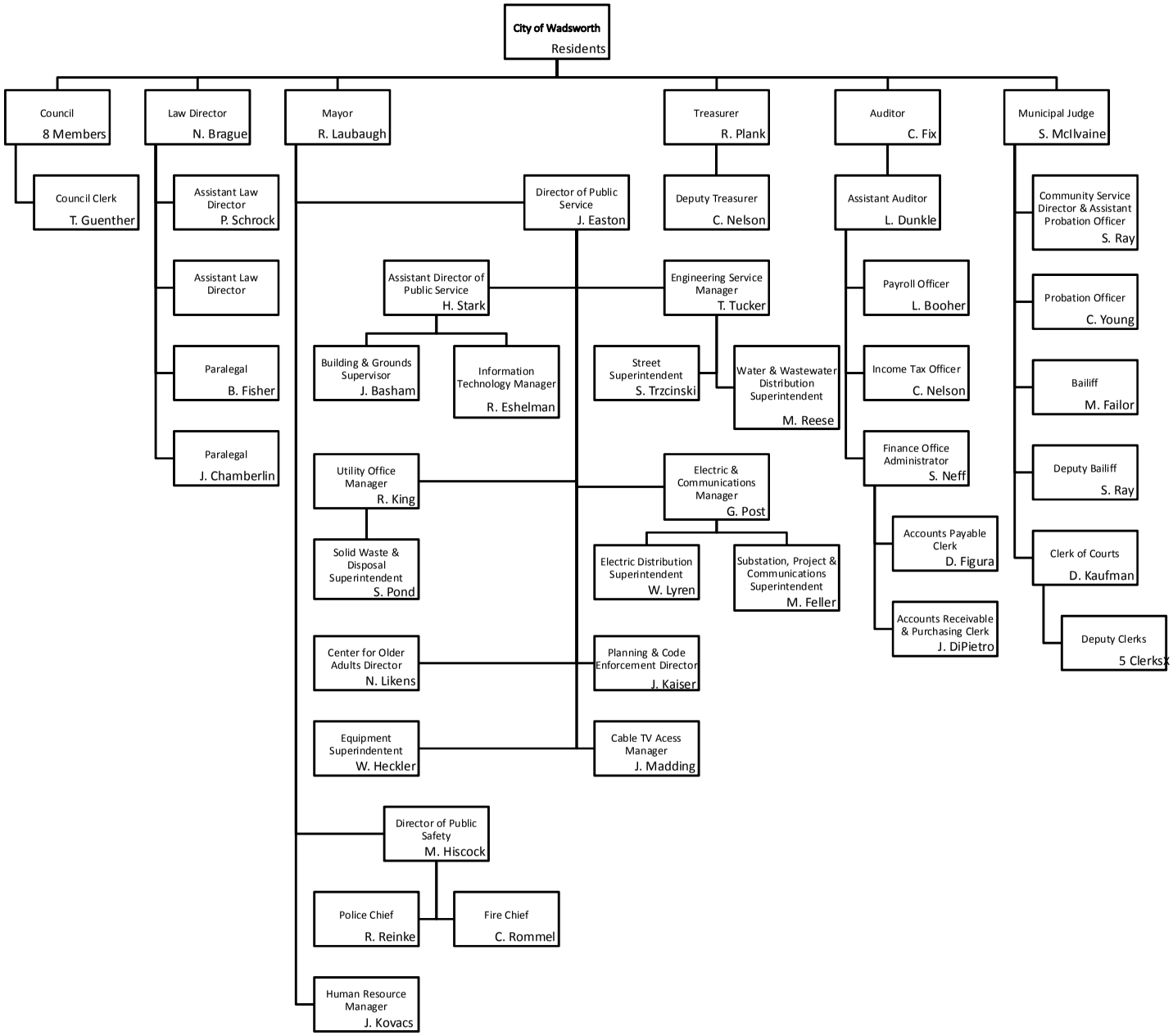
Robin Laubaugh
Mayor

Catherine C. Fix
Auditor

City of Wadsworth, Ohio
Principal Officials
December 31, 2013

Mayor	**Robin Laubaugh**
President of Council	**Thomas Palecek**
Councilman – Ward I	**Timothy Eberling**
Councilman – Ward II	**Dennis Shultz**
Councilman – Ward III	**John Sharkey**
Councilman – Ward IV	**Bruce Darlington**
Council-at-Large	**Patty Haskins**
Council-at-Large	**Susan Hanlon**
Council-at-Large	**Beth Workman**
Clerk of Council	**Tammy Guenther**
Law Director	**Norman Brague**
Auditor	**Catherine C. Fix**
Assistant Auditor	**Lee-Ann S. Dunkle**
Treasurer	**Robert Plank**
Safety Director	**Matthew Hiscock**
Service Director	**John Christopher Easton**
Assistant Service Director	**Harry Stark**
Human Resources Manager	**James Kovacs**

CITY OF WADSWORTH
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, 2012

Executive Director/CEO

Dave Yost • Auditor of State

INDEPENDENT AUDITOR'S REPORT

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

To the City 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, 2013, 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 preparing and fairly presenting these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes designing, implementing, and maintaining internal control relevant to preparing and fairly presenting financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to opine on these financial statements based on our audit. We audited in accordance with auditing standards generally accepted in the United States of America and the financial audit standards in the Comptroller General of the United States' *Government Auditing Standards*. Those standards require us to plan and perform the audit to reasonably assure the financial statements are free from material misstatement.

An audit requires obtaining evidence about financial statement amounts and disclosures. The procedures selected depend on our judgment, including assessing the risks of material financial statement misstatement, whether due to fraud or error. In assessing those risks, we consider 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 to the extent needed to opine on the effectiveness of the City's internal control. Accordingly, we express no opinion. An audit also includes evaluating the appropriateness of management's accounting policies and the reasonableness of their significant accounting estimates, as well as our evaluation of the overall financial statement presentation.

We believe the audit evidence we obtained is sufficient and appropriate to support our audit opinions.

Lausche Building, 615 Superior Ave., NW, Twelfth Floor, Cleveland, Ohio 44113-1801
Phone: 216-787-3665 or 800-626-2297 Fax: 216-787-3361
www.ohioauditor.gov

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, 2013, and the respective changes in financial position and, where applicable, cash flows thereof and the budgetary comparisons for the General Fund and Recreation 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 3 to the basic financial statements, during the year ended December 31, 2013, the City adopted the provisions of Governmental Accounting Standard No. 65, *Items Previously Reported as Assets and Liabilities*. 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 this presentation to include *Management's discussion and analysis*, listed in the table of contents, to supplement the basic financial statements. Although this information is not part of the basic financial statements, the Governmental Accounting Standards Board considers it essential for placing the basic financial statements in an appropriate operational, economic, or historical context. We applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, consisting of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, to the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not opine or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to opine or provide any other assurance.

Supplementary and Other Information

Our audit was conducted to opine on the City's basic financial statements taken as a whole.

The introductory section, the financial section's combining statements, individual fund statements and schedules and the statistical section information present additional analysis and are not a required part of the basic financial statements.

The statements and schedules are management's responsibility, and derive from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. We subjected these statements and schedules to the auditing procedures we applied to the basic financial statements. We also applied certain additional procedures, including comparing and reconciling statements and schedules directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves in accordance with auditing standards generally accepted in the United States of America. In our opinion, these statements and schedules are fairly stated in all material respects in relation to the basic financial statements taken as a whole.

We did not subject the introductory section and statistical section information to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we express no opinion or any other assurance on them.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated September 15, 2014, 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. That report describes the scope of our internal control testing over financial reporting and compliance, and the results of that testing, and does not opine on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.

Dave Yost
Auditor of State
Columbus, Ohio

September 15, 2014

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CITY OF WADSWORTH, OHIO

MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2013
(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, 2013. 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 2013 are as follows:

- The total net position of the City increased $9,391,507 from the restated net position at 2012 as described in Note 3.A. Net position of governmental activities increased $2,558,037 or 5.33% from 2012 and net position of business-type activities increased $6,833,470 or 9.85% from 2012.

- General revenues accounted for $13,721,101 or 72.30% of total governmental activities revenue. Program specific revenues accounted for $5,257,522 or 27.70% of total governmental activities revenue.

- The City had $16,357,990 in expenses related to governmental activities; $5,257,522 of these expenses was offset by program specific charges for services, grants or contributions. The remaining expenses of the governmental activities of $11,100,468 were offset by general revenues (primarily incomes taxes, property and other local taxes and unrestricted grants and entitlements) of $13,721,101.

- The City's major governmental funds are the general fund and the recreation fund. The general fund had revenues and other financing sources of $8,030,179 in 2013. The general fund had expenditures and other financing uses of $10,254,597 in 2013. The net decrease in fund balance for the general fund was $2,224,418 or 22.65%.

- The recreation fund had revenues of $3,056,123 in 2013. The recreation fund had expenditures of $4,109,648 in 2013. The net decrease in fund balance for the recreation fund was $1,053,525, primarily due to capital outlay expenditures related to the outdoor pool.

- Net position for the business-type activities, which are made up of the water, sewer, storm water, telecom, sanitation and electric major enterprise funds, increased in 2013 by $6,833,470. This increase in net position included the increase in net position in the electric fund of $5,085,038. A portion of this increase was due to a special item received by the electric fund related to the AMP-Ohio American Municipal Power Generating Station. Additional detail is included in Note 2.R.

- In the general fund, the actual revenues and other financing sources were $275,222 more than they were in the final budget and actual expenditures and other financing uses were $624,990 less than the amount in the final budget. Budgeted revenues decreased $7,618 from original to the final budget and budgeted expenditures increased $58,641 from original to the final budget.

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. 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 2013?" 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 property tax base, current property 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 are reported here including 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 goods or services basis to recover all or a significant portion of the expenses of the goods or services provided. The City's water, sewer, storm water, electric, telecom, and sanitation operations are reported here.

The City's statement of net position and statement of activities can be found on pages 19-21 of this report.

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. The analysis of the City's major governmental and proprietary funds begins on page 13.

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. 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 funds are the general fund and the recreation 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. The basic governmental fund financial statements can be found on pages 22-29 of this report.

Proprietary Funds

The City maintains two different types of proprietary funds. 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 water, sewer, electric, railroad, and garbage functions. The City's water, sewer, storm water, electric, telecom, and sanitation 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 basic proprietary fund financial statements can be found on pages 30-37 of this report.

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. The basic fiduciary fund financial statement can be found on page 38 of this report.

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. These notes to the basic financial statements can be found on pages 39-90 of this report.

Government-Wide Financial Analysis

The statement of net position provides the perspective of the City as a whole. The table below provides a summary of the City's net position for 2013 compared to restated 2012:

Net Position

	2013 Governmental Activities	Restated 2012 Governmental Activities	2013 Business-type Activities	Restated 2012 Business-type Activities	2013 Total	Restated 2012 Total
Assets						
Current and other assets	$ 25,431,315	$ 26,854,219	$ 27,232,089	$ 25,561,210	$ 52,663,404	$ 52,415,429
Capital assets, net	48,679,268	45,849,951	91,916,146	92,325,037	140,595,414	138,174,988
Total assets	74,110,583	72,704,170	119,148,235	117,886,247	193,258,818	190,590,417
Liabilities						
Long-term liabilities	19,835,389	21,336,485	40,077,291	37,194,171	59,912,680	58,530,656
Other liabilities	1,025,007	1,497,717	2,834,001	11,288,603	3,859,008	12,786,320
Total liabilities	20,860,396	22,834,202	42,911,292	48,482,774	63,771,688	71,316,976
Deferred inflows	2,718,137	1,895,955	-	-	2,718,137	1,895,955
Net Position						
Net investment in capital assets	30,975,468	27,652,789	63,409,337	57,015,769	94,384,805	84,668,558
Restricted	12,544,168	12,444,429	-	-	12,544,168	12,444,429
Unrestricted	7,012,414	7,876,795	12,827,606	12,387,704	19,840,020	20,264,499
Total net position	$ 50,532,050	$ 47,974,013	$ 76,236,943	$ 69,403,473	$126,768,993	$117,377,486

Over time, net position can serve as a useful indicator of a government's financial position. At December 31, 2013, the City's assets exceeded liabilities and deferred inflows by $126,768,993. At year-end, net position was $50,532,050 and $76,236,943 for the governmental activities and the business-type activities, respectively.

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 72.75% of total assets. Capital assets include land, construction in progress, right to use the community center, land improvements, buildings, equipment, vehicles, and infrastructure. The net investment in capital assets at December 31, 2013, was $30,975,468 and $63,409,337 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.

As of December 31, 2013, the City is able to report positive balances in all three categories of net position, both for the government as a whole, as well as for its separate governmental and business-type activities.

A portion of the City's net position, $12,544,168 represents resources that are subject to external restriction on how they may be used. In the governmental activities, the remaining balance of unrestricted net position of $7,012,414 may be used to meet the City's ongoing obligations to citizens and creditors.

The table below shows the changes in net position for years 2013 and 2012.

Change in Net Position

	2013 Governmental Activities	Restated 2012 Governmental Activities	2013 Business-Type Activities	Restated 2012 Business-Type Activities	2013 Total	Restated 2012 Total
Revenues						
Program revenues:						
Charges for services	$ 3,374,650	$ 2,584,420	$ 45,701,318	$ 42,875,471	$ 49,075,968	$ 45,459,891
Operating grants and contributions	1,539,678	680,199	-	208,316	1,539,678	888,515
Capital grants and contributions	343,194	172,933	1,247,675	1,428,578	1,590,869	1,601,511
Total program revenues	5,257,522	3,437,552	46,948,993	44,512,365	52,206,515	47,949,917
General revenues:						
Taxes	11,097,398	10,697,406	-	-	11,097,398	10,697,406
Payment in lieu of taxes	612,180	115,400			612,180	115,400
Unrestricted grants and entitlements	1,692,722	3,194,245	-	-	1,692,722	3,194,245
Investment earnings	174,447	145,550	2	56,115	174,449	201,665
Miscellaneous	144,354	25,268	274,674	131,222	419,028	156,490
Total general revenues	13,721,101	14,177,869	274,676	187,337	13,995,777	14,365,206
Total revenues	18,978,623	17,615,421	47,223,669	44,699,702	66,202,292	62,315,123
Expenses:						
General government	3,985,055	3,769,536	-	-	3,985,055	3,769,536
Security of persons and property	5,946,408	6,221,933	-	-	5,946,408	6,221,933
Public health	125,186	109,054	-	-	125,186	109,054
Transportation	2,893,421	2,920,887	-	-	2,893,421	2,920,887
Community and economic development	1,023,032	929,492			1,023,032	929,492
Leisure time services	1,609,321	1,604,855	-	-	1,609,321	1,604,855
Interest and fiscal charges	775,567	793,123	-	-	775,567	793,123
Public works	-	121,471			-	121,471
Telecom	-	-	4,574,954	4,010,252	4,574,954	4,010,252
Sewer	-	-	3,245,256	3,629,162	3,245,256	3,629,162
Water	-	-	3,227,991	3,462,781	3,227,991	3,462,781
Electric			27,789,052	26,625,458	27,789,052	26,625,458
Sanitation			2,221,316	2,232,922	2,221,316	2,232,922
Storm water	-	-	904,253	871,099	904,253	871,099
Total expenses	16,357,990	16,470,351	41,962,822	40,831,674	58,320,812	57,302,025
Special item - AMP-Ohio stranded cost	-	-	1,510,027	(4,584,933)	1,510,027	(4,584,933)
Transfers	(62,596)	-	62,596	-	-	-
Change in net position	2,558,037	1,145,070	6,833,470	(716,905)	9,391,507	428,165
Net position at beginning of year (restated)	47,974,013	46,828,943	69,403,473	70,120,378	117,377,486	116,949,321
Net position at end of year	$ 50,532,050	$ 47,974,013	$ 76,236,943	$ 69,403,473	$ 126,768,993	$ 117,377,486

Governmental Activities

Governmental activities net position increased $2,558,037 in 2013.

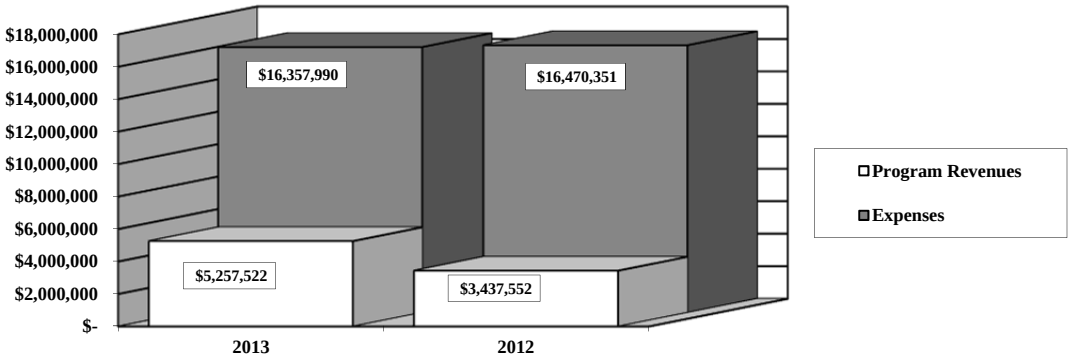
Security of persons and property, which primarily supports the operations of the police department accounted for $5,946,408 of the total expenses of the City. These expenses were partially funded by $1,310,679 in direct charges to users of the services and $3,069 in operating grants and contributions. Transportation expenses totaled $2,893,421. Transportation expenses were funded by $322,749 in direct charges to users of the services and $777,475 in operating grants and contributions.

The City received $1,539,678 in operating grants and contributions, primarily from the State and Federal government.

General revenues totaled $13,721,101, and amounted to 72.30% of total governmental revenues. These revenues primarily consist of income, property and other local tax revenue of $11,097,398. The other primary source of general revenues is grants and entitlements not restricted to specific programs, including local government funds, making up $1,692,722.

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 net cost of 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

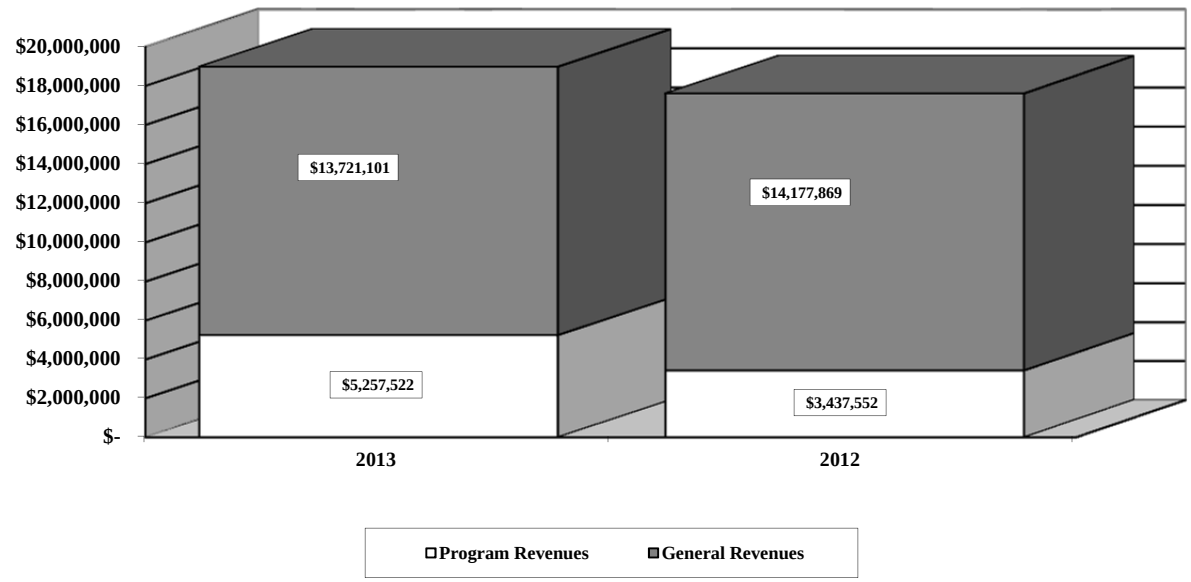


Governmental Activities

	Total Cost of Services 2013	Total Cost of Services 2012	Net Cost of Services 2013	Net Cost of Services 2012
Program Expenses:				
General government	$ 3,985,055	$ 3,769,536	$ 3,137,120	$ 3,079,193
Security of persons and property	5,946,408	6,221,933	4,632,660	4,760,734
Public health and welfare	125,186	109,054	81,589	96,899
Transportation	2,893,421	2,920,887	1,793,197	2,854,707
Leisure time services	1,609,321	1,604,855	358,676	980,608
Community and economic development	1,023,032	929,492	321,659	350,842
Public works	-	121,471	-	116,693
Interest and fiscal charges	775,567	793,123	775,567	793,123
Total Expenses	$ 16,357,990	$ 16,470,351	$ 11,100,468	$ 13,032,799

The dependence upon general revenues for governmental activities is apparent, with 67.86% of expenses supported through taxes and other general revenues.

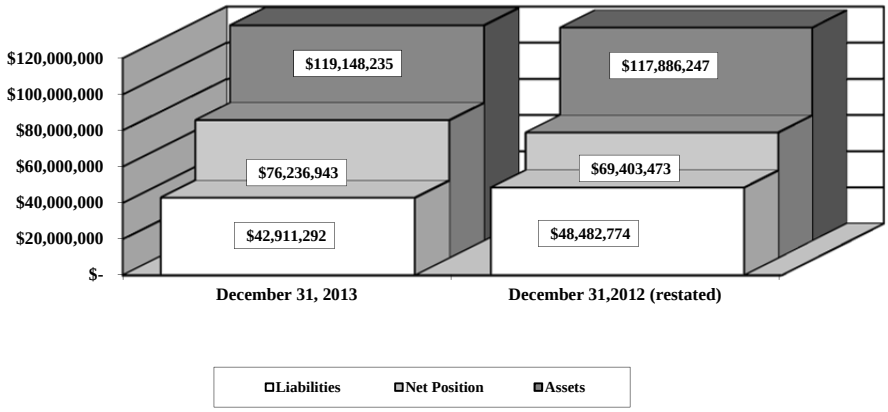
Governmental Activities - General and Program Revenues



Business-type Activities

Business-type activities include the storm water, telecom, sewer, water, electric and sanitation enterprise funds. These programs had program revenues of $46,948,993, general revenues of $274,676, a special item of $1,510,027, transfers of $62,596 and expenses of $41,962,822 for 2013. The graph below shows the business-type activities assets, liabilities and net position at year-end 2013 and restated 2012.

Net Position in Business - Type Activities



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 $18,547,807 which is $2,249,239 below last year's total of $20,797,046. The schedule below indicates the fund balances and the total change in fund balances as of December 31, 2013 for all major and nonmajor governmental funds.

	Fund Balances (deficit) 12/31/13	Fund Balances (deficit) 12/31/12	Increase (Decrease)
General	$ 7,594,900	$ 9,819,318	$ (2,224,418)
Recreation	(1,095,892)	(42,367)	(1,053,525)
Other nonmajor governmental funds	12,048,799	11,020,095	1,028,704
Total	$ 18,547,807	$ 20,797,046	$ (2,249,239)

General Fund

The City's general fund balance decreased $2,224,418. The table that follows assists in illustrating the revenues of the general fund.

	2013 Amount	2012 Amount	Percentage Change
Revenues			
Taxes	$ 4,718,649	$ 6,377,196	(26.01) %
Charges for services	323,177	319,394	1.18 %
Licenses and permits	403,105	401,863	0.31 %
Fines and forfeitures	463,567	504,036	(8.03) %
Investment income	174,447	145,352	20.02 %
Intergovernmental	1,758,356	2,399,986	(26.73) %
Other	178,168	24,754	619.75 %
Total	$ 8,019,469	$ 10,172,581	(21.17) %

Tax revenue represents 58.84% of all general fund revenue. Tax revenue in the general fund decreased by 26.01% from prior year due to 9.84% reduction in property tax revenue and a 94.39% increase in the amount of income tax revenue posted to other funds. This was a one-time increase for the construction of an outdoor pool. The decrease in intergovernmental revenue is due to the elimination of the estate tax and reduced support from the State via local government funds.

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

	2013 Amount	2012 Amount	Percentage Change
Expenditures			
General government	$ 3,694,101	$ 3,199,959	15.44 %
Security of persons and property	4,789,786	4,465,529	7.26 %
Public health	121,604	105,571	15.19 %
Community and economic development	254,106	444,249	(42.80) %
Leisure time services	1,189,455	1,098,706	8.26 %
Transportation	-	219	(100.00)
Capital outlay	6,990	194,227	(96.40) %
Debt service	6,679	6,238	7.07 %
Total	$ 10,062,721	$ 9,514,698	5.76 %

General government's increase is primarily due to health insurance and information technology costs. Public health's rise is due to a 14% increase in the city's support of the Woodlawn Cemetery. Community and economic development's decrease is due to re-classification to general government. Total expenditures increased 5.76% from 2012.

Recreation Fund

The recreation fund had revenues of $3,056,123 in 2013. The recreation fund had expenditures of $4,109,648 in 2013. The net decrease in fund balance for the recreation fund was $1,053,525, primarily due to capital outlay expenditures related to the outdoor pool. The recreation fund has a $1,459,294 liability for interfund loans payable. This liabilities is for internal notes issued for the outdoor pool and YMCA equipment.

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.

The City made several revisions to the original appropriations approved by City Council. Overall, these changes resulted in an increase of $58,641 from the original budgeted expenditures to the final budgeted expenditures. The City's general fund actual expenditures were $624,990 less than the final appropriations.

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 $851,109 and operating expenses of $877,913 in 2013. The storm water fund also had non-operating expense of $31,576 and capital contributions of $124,949. The net increase in net position for the storm water fund was $66,569 or 0.52%.

The telecom fund had operating revenues of $4,267,447 and operating expenses of $4,629,006 in 2013. The telecom fund also had net non-operating expenses of $2,948 and transfers in of $1,987. The net decrease in net position for the telecom fund was $362,520 or 18.99%.

The sewer fund had operating revenues of $3,811,550 and operating expenses of $2,702,963 in 2013. The sewer fund also had non-operating expenses of $589,098, transfers in of $7,949 and capital contributions of $245,002. The net increase in net position for the sewer fund was $772,440 or 6.35%.

The water fund had operating revenues of $3,958,689 and operating expenses of $2,829,202 in 2013. The water fund also had non-operating expenses of $477,594 and transfers of $7,949. The net increase in net position for the water fund was $659,842 or 4.50%.

The electric fund had operating revenues of $30,709,482 and operating expenses of $27,730,441 in 2013. The electric fund also had non-operating expenses of $321,497. The electric fund also recognized a special item for stranded cost credits of $1,510,027, transfers in of $39,743 and capital contributions of $877,724. The net increase in net position for the electric fund was $5,085,038 or 19.27%.

The sanitation fund had operating revenues of $2,369,194 and operating expenses of $2,264,045 in 2013. The sanitation fund also had non-operating revenues of $8,523, transfers in of $4,968 and non-operating expenses of $1,695. The net increase in net position for the sanitation fund was $116,945 or 9.97%.

Capital Assets and Debt Administration

Capital Assets

At the end of 2013, the City had $140,595,414 (net of accumulated depreciation) invested in land, construction in progress, right to use the community center, land improvements, buildings, equipment, vehicles, and infrastructure. Of this total, $48,679,268 was reported in governmental activities and $91,916,146 was reported in business-type activities.

The following table shows 2013 capital asset balances compared to 2012:

Capital Assets at December 31
(Net of Depreciation)

	Governmental Activities		Business-Type Activities		Total	
	2013	2012	2013	2012	2013	2012
Land	$ 5,872,840	$ 5,872,840	$ 985,797	$ 950,447	$ 6,858,637	$ 6,823,287
Construction in progress	4,093,815	488,139	3,439,307	8,553,290	7,533,122	9,041,429
Right to use CC	17,558,400	18,290,000	-	-	17,558,400	18,290,000
Land improvements	727,111	755,310	9,340	3,266	736,451	758,576
Buildings	3,975,811	4,144,548	14,823,902	15,237,509	18,799,713	19,382,057
Equipment	992,204	900,229	8,559,160	8,988,337	9,551,364	9,888,566
Vehicles	1,881,477	2,074,984	1,917,167	1,475,854	3,798,644	3,550,838
Infrastructure	13,577,610	13,323,901	62,181,473	57,116,334	75,759,083	70,440,235
Totals	$ 48,679,268	$ 45,849,951	$ 91,916,146	$ 92,325,037	$ 140,595,414	$ 138,174,988

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 53.88% of the City's total capital assets. See Note 11 to the basic financial statements for additional capital asset detail.

Debt Administration

The City had the following long-term obligations outstanding at December 31, 2013 and 2012:

	Governmental Activities	
	2013	2012
General obligation bonds	$ 215,000	$ 425,000
Revenue bonds	17,435,000	17,865,000
Police and fire past service costs	87,244	89,699
Total long-term obligations	$ 17,737,244	$ 18,379,699

	Business-type Activities	
	2013	2012
General obligation bonds	$ 10,590,000	$ 11,120,000
OWDA loans	17,565,266	18,550,064
AMP stranded costs	5,604,614	5,791,839
AMP Loan	4,961,992	5,585,992
Total long-term obligations	$ 38,721,872	$ 41,047,895

See Note 15 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 2013.

In 2013, the City continued to control costs as in previous years. Department requests were reduced from original submission; certain requested capital projects and capital acquisitions were eliminated or reduced; and only those items that management and City Council determined necessary were appropriated. City Council continues to pursue new revenue sources, while reviewing the possibility of increasing existing sources, in addition to a continued review of reducing expenditures. City Council seeks out ways to attract new business to Wadsworth and are currently expanding a successful industrial park and enhancing utility services. 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.

Contacting the City's Financial Management

This financial report is designed to provide our citizens, taxpayers and investors and creditors with a general overview of the city's finances and to show the city's accountability for the money it receives. Additional information about the City is available on our website www.wadsworthcity.org. If you have questions about this report or need additional financial information, please contact the Finance Office of Catherine C. Fix, City of Wadsworth, 120 Maple Street, Wadsworth, OH 44281, (330) 335-2746, cityauditor@wadsworthcity.org.

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CITY OF WADSWORTH
MEDINA COUNTY, OHIO

STATEMENT OF NET POSITION
DECEMBER 31, 2013

	Governmental Activities	Business-type Activities	Total
Assets:			
Equity in pooled cash and cash equivalents	$ 14,056,539	$ 15,724,801	$ 29,781,340
Cash with fiscal and escrow agents	128	1,344	1,472
Cash in segregated accounts	6,572	-	6,572
Receivables:			
Income taxes	2,385,218	-	2,385,218
Real and other taxes	2,162,698	-	2,162,698
Accounts	487,471	6,333,949	6,821,420
Payments in lieu of taxes	613,346	-	613,346
Special assessments	118,601	11,684	130,285
Accrued interest	1,372	-	1,372
Due from other governments	814,429	990,779	1,805,208
Materials and supplies inventory	665,526	3,041,849	3,707,375
Prepayments	103,249	45,025	148,274
AMPGS plant held for future use credit	-	1,567,041	1,567,041
AFEC development costs receivable		1,327,291	1,327,291
Investment in joint venture		2,204,492	2,204,492
Internal balance	4,016,166	(4,016,166)	-
Capital assets:			
Land and construction in progress	9,966,655	4,425,104	14,391,759
Depreciable capital assets, net	38,712,613	87,491,042	126,203,655
Total capital assets, net	48,679,268	91,916,146	140,595,414
Total assets	74,110,583	119,148,235	193,258,818
Liabilities:			
Accounts payable	255,048	2,178,490	2,433,538
Contracts payable	91,221	257,684	348,905
Retainage payable	55,020	44,742	99,762
Accrued wages and benefits payable	237,986	133,550	371,536
Due to other governments	173,308	180,879	354,187
Accrued interest payable	59,426	37,312	96,738
Matured interest payable	128	1,344	1,472
Claims payable	152,870	-	152,870
Long-term liabilities:			
Due within one year	1,120,156	2,715,189	3,835,345
Due in more than one year	18,715,233	37,362,102	56,077,335
Total liabilities	20,860,396	42,911,292	63,771,688
Deferred inflows of resources:			
Property taxes levied for the next fiscal year	2,104,791	-	2,104,791
Payments in lieu of taxes levied for the next fiscal year	613,346	-	613,346
Total deferred inflows of resources	2,718,137	-	2,718,137
Net position:			
Net investment in capital assets	30,975,468	63,409,337	94,384,805
Restricted for:			
Debt service	5,316	-	5,316
Capital projects	7,389,364	-	7,389,364
Transportation projects	1,441,165	-	1,441,165
Community improvements	420,577	-	420,577
Emergency medical services	2,069,454	-	2,069,454
Fire	19,968	-	19,968
Police	307,371	-	307,371
Municipal court	890,830	-	890,830
Other purposes	123	-	123
Unrestricted	7,012,414	12,827,606	19,840,020
Total net position	$ 50,532,050	$ 76,236,943	$ 126,768,993

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

CITY OF WADSWORTH
MEDINA COUNTY, OHIO

STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2013

		Program Revenues		
	Expenses	**Charges for Services and Sales**	**Operating Grants and Contributions**	**Capital Grants and Contributions**
Governmental activities:				
General government	$ 3,985,055	$ 660,499	$ 50,711	$ 136,725
Security of persons and property	5,946,408	1,310,679	3,069	-
Public health	125,186	43,597	-	-
Transportation	2,893,421	322,749	777,475	-
Leisure time services	1,609,321	1,020,645	230,000	-
Community and economic development	1,023,032	16,481	478,423	206,469
Interest and fiscal charges	775,567	-	-	-
Total governmental activities	16,357,990	3,374,650	1,539,678	343,194
Business-type activities:				
Telecom	4,574,954	4,267,447	-	-
Sewer	3,245,256	3,804,179	-	245,002
Water	3,227,991	3,755,438	-	-
Electric	27,789,052	30,664,529	-	877,724
Sanitation	2,221,316	2,362,918	-	-
Storm Water	904,253	846,807	-	124,949
Total business-type activities	41,962,822	45,701,318	-	1,247,675
Total primary government	$ 58,320,812	$ 49,075,968	$ 1,539,678	$ 1,590,869

General revenues:
Property taxes levied for:
General purposes
Capital projects
Emergency medical services
Income taxes
Payments in lieu of taxes
Grants and entitlements not restricted to specific programs
Investment earnings
Miscellaneous

Total general revenues

Special item - stranded costs credit
Transfers

Total general revenues, transfers and special item

Change in net position

Net position at beginning of year (restated)

Net position at end of year

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

Net (Expense) Revenue and Changes in Net Position		
Governmental Activities	Business-type Activities	Total
$ (3,137,120)	$ -	$ (3,137,120)
(4,632,660)	-	(4,632,660)
(81,589)	-	(81,589)
(1,793,197)	-	(1,793,197)
(358,676)	-	(358,676)
(321,659)	-	(321,659)
(775,567)	-	(775,567)
(11,100,468)	-	(11,100,468)
-	(307,507)	(307,507)
-	803,925	803,925
-	527,447	527,447
-	3,753,201	3,753,201
-	141,602	141,602
-	67,503	67,503
-	4,986,171	4,986,171
(11,100,468)	4,986,171	(6,114,297)
1,160,532	-	1,160,532
738,827	-	738,827
665,179	-	665,179
8,532,860		8,532,860
612,180	-	612,180
1,692,722	-	1,692,722
174,447	2	174,449
144,354	274,674	419,028
13,721,101	274,676	13,995,777
-	1,510,027	1,510,027
(62,596)	62,596	-
13,658,505	1,847,299	15,505,804
2,558,037	6,833,470	9,391,507
47,974,013	69,403,473	117,377,486
$ 50,532,050	$ 76,236,943	$ 126,768,993

CITY OF WADSWORTH
MEDINA COUNTY, OHIO

BALANCE SHEET
GOVERNMENTAL FUNDS
DECEMBER 31, 2013

	General	Recreation	Other Governmental Funds	Total Governmental Funds
Assets:				
Equity in pooled cash and cash equivalents	$ 1,315,176	$ 432,789	$ 10,692,491	$ 12,440,456
Cash with fiscal and escrow agents	-	-	128	128
Cash in segregated accounts	6,572	-	-	6,572
Receivables:				
Income taxes	2,385,218	-	-	2,385,218
Real and other taxes	925,581	-	1,237,117	2,162,698
Accounts	97,837	42,463	345,860	486,160
Payments in lieu of taxes	-	-	613,346	613,346
Special assessments	-	-	118,601	118,601
Interfund loans	5,047,474	-	3,133,646	8,181,120
Accrued interest	1,372	-	-	1,372
Due from other funds	6,293	-	-	6,293
Due from other governments	286,697	-	527,732	814,429
Materials and supplies inventory	150,081	-	298,076	448,157
Prepayments	45,536	379	10,109	56,024
Total assets	$ 10,267,837	$ 475,631	$ 16,977,106	$ 27,720,574
Liabilities:				
Accounts payable	$ 76,190	$ 16,232	$ 123,084	$ 215,506
Contracts payable	-	39,127	52,094	91,221
Retainage payable	-	55,020	-	55,020
Accrued wages and benefits payable	144,205	-	75,768	219,973
Compensated absences payable	47,543	-	23,269	70,812
Interfund loans payable	32,040	1,459,294	1,996,511	3,487,845
Due to other funds	-	-	6,293	6,293
Due to other governments	113,548	1,850	38,654	154,052
Matured interest payable	-	-	128	128
Total liabilities	413,526	1,571,523	2,315,801	4,300,850
Deferred inflows of resources:				
Property taxes levied for the next fiscal year	900,848	-	1,203,943	2,104,791
Delinquent property tax revenue not available	24,733	-	33,174	57,907
Special assessments revenue not available	-	-	118,601	118,601
Miscellaneous revenue not available	52,474	-	269,189	321,663
Income tax revenue not available	1,049,753	-	-	1,049,753
Intergovernmental revenue not available	231,603	-	374,253	605,856
Payments in lieu of taxes levied for the next fiscal year	-	-	613,346	613,346
Total deferred inflows of resources	2,259,411	-	2,612,506	4,871,917
Fund balances:				
Nonspendable	5,243,091	379	308,185	5,551,655
Restricted	-	-	11,805,616	11,805,616
Committed	170,028	-	169,956	339,984
Assigned	1,849,862	-	-	1,849,862
Unassigned (deficit)	331,919	(1,096,271)	(234,958)	(999,310)
Total fund balances (deficit)	7,594,900	(1,095,892)	12,048,799	18,547,807
Total liabilities, deferred inflows of resources and fund balances	$ 10,267,837	$ 475,631	$ 16,977,106	$ 27,720,574

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, 2013

Total governmental fund balances			$	18,547,807
Amounts reported for governmental activities on the statement of net position are different because:				
Capital assets used in governmental activities (excluding internal service funds capital assets) are not financial resources and therefore are not reported in the funds.				48,391,411
Other long-term assets are not available to pay for current-period expenditures and therefore are deferred inflows in the funds.				
Income taxes receivable	$	1,049,753		
Real and other taxes receivable		57,907		
Accounts receivable		321,663		
Intergovernmental receivable		605,856		
Special assessments receivable		118,601		
Total				2,153,780
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.				1,122,271
Accrued interest payable is not due and payable in the current period and therefore is not reported in the funds.				(59,426)
Unamortized premiums (discounts) on bond issuances are not recognized in the funds.				92,441
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		(1,978,990)		
Police past service costs		(87,244)		
General obligation bonds payable		(215,000)		
Revenue bonds payable		(17,435,000)		
Total				(19,716,234)
Net position of governmental activities			$	50,532,050

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, 2013

	General	Recreation	Other Governmental Funds	Total Governmental Funds
Revenues:				
Income taxes	$ 3,728,379	$ 2,159,124	$ 2,374,999	$ 8,262,502
Real and other taxes	990,270	-	1,590,892	2,581,162
Charges for services	323,177	568,753	1,149,971	2,041,901
Licenses and permits	403,105	-	12,500	415,605
Fines and forfeitures	463,567	-	178,253	641,820
Intergovernmental	1,758,356	-	1,428,030	3,186,386
Special assessments	3,982	-	113,878	117,860
Investment income	174,447	-	326	174,773
Rental income	29,832	42,463	-	72,295
Contributions and donations	251	230,000	3,000	233,251
Payments in lieu of taxes	-	-	612,180	612,180
Other	144,103	55,783	510,623	710,509
Total revenues	8,019,469	3,056,123	7,974,652	19,050,244
Expenditures:				
Current:				
General government	3,694,101	-	227,892	3,921,993
Security of persons and property	4,789,786	-	1,629,906	6,419,692
Public health	121,604	-	3,604	125,208
Transportation	-	-	2,406,833	2,406,833
Leisure time services	1,189,455	471,563	7,941	1,668,959
Community and economic development	254,106	-	799,300	1,053,406
Capital outlay	6,990	2,487,433	1,761,365	4,255,788
Debt service:				
Principal retirement	2,455	430,000	210,000	642,455
Interest and fiscal charges	4,224	720,652	31,702	756,578
Total expenditures	10,062,721	4,109,648	7,078,543	21,250,912
Excess (deficiency) of revenues over (under) expenditures	(2,043,252)	(1,053,525)	896,109	(2,200,668)
Other financing sources (uses):				
Sale of capital assets	10,710	-	3,315	14,025
Transfers in	-	-	215,252	215,252
Transfers (out)	(191,876)	-	(85,972)	(277,848)
Total other financing sources (uses)	(181,166)	-	132,595	(48,571)
Net change in fund balances	(2,224,418)	(1,053,525)	1,028,704	(2,249,239)
Fund balances (deficit) at beginning of year.	9,819,318	(42,367)	11,020,095	20,797,046
Fund balances (deficit) at end of year	$ 7,594,900	$ (1,095,892)	$ 12,048,799	$ 18,547,807

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, 2013

Net change in fund balances - total governmental funds			$	(2,249,239)
Amounts reported for governmental activities in the statement of activities are different because:				
Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which capital outlays exceeds depreciation expense in the current period.				
Capital asset additions	$	4,603,741		
Current year depreciation		(1,672,224)		
Total				2,931,517
The net effect of various miscellaneous transactions involving capital assets (i.e., sales, disposals, trade-ins, and donations) is to decrease net position.				(233,909)
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.				
Income taxes		270,358		
Real and other taxes		(16,624)		
Intergovernmental revenues		(351,369)		
Special assessments		(81,427)		
Charges for services		107,441		
Total				(71,621)
Repayment of bond principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities on the statement of net position.				642,455
In the statement of activities, interest is accrued on outstanding bonds and loans, whereas in governmental funds, an interest expenditure is reported when due.				
Increase in accrued interest payable		(18,592)		
Amortization of bond premiums and discounts		(397)		
Total				(18,989)
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.				872,142
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.				685,681
Change in net position of governmental activities			$	2,558,037

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, 2013

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
Revenues:				
Income taxes	$ 4,532,171	$ 4,528,851	$ 4,600,000	$ 71,149
Real and other taxes	975,668	974,953	990,270	15,317
Charges for services	288,749	287,174	320,957	33,783
Licenses and permits	104,921	104,844	106,491	1,647
Fines and forfeitures	475,897	475,549	483,020	7,471
Intergovernmental	1,801,940	1,800,622	1,828,909	28,287
Special assessments	3,923	3,920	3,982	62
Investment income	195,872	195,729	198,804	3,075
Rental income	28,633	28,612	29,062	450
Contributions and donations	247	247	251	4
Refunds and Reimbursements	117,148	117,062	118,901	1,839
Other	3,954	3,951	4,013	62
Total Revenues	8,529,123	8,521,514	8,684,660	163,146
Expenditures:				
Current:				
General Government				
Council				
Personal services	74,532	76,532	72,322	4,210
Other	51,885	52,685	2,816	49,869
Total - council	126,417	129,217	75,138	54,079
Mayor				
Personal services	222,503	222,519	213,863	8,656
Other	178,252	213,252	76,458	136,794
Total - mayor	400,755	435,771	290,321	145,450
Auditor				
Personal services	227,614	242,614	232,503	10,111
Other	835,051	835,051	907,138	(72,087)
Total - auditor	1,062,665	1,077,665	1,139,641	(61,976)
Treasurer				
Personal services	21,996	21,996	20,744	1,252
Other	11,838	11,838	10,961	877
Total - treasurer	33,834	33,834	31,705	2,129
Law Director				
Personal services	170,920	170,920	160,998	9,922
Other	2,605	2,605	15,619	(13,014)
Total - law director	173,525	173,525	176,617	(3,092)
Service Director				
Personal services	415,312	415,312	664,633	(249,321)
Other	81,860	81,860	109,590	(27,730)
Total - service director	497,172	497,172	774,223	(277,051)

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, 2013

	Budgeted Amounts			Variance with Final Budget Positive
	Original	Final	Actual	(Negative)
Municipal Court				
Personal services	807,933	807,933	796,392	11,541
Other	96,389	102,214	62,515	39,699
Total - municipal court	904,322	910,147	858,907	51,240
Total General Government	3,198,690	3,257,331	3,346,552	(89,221)
Security of Persons & Property				
Security of Persons & Property				
Personal services	4,703,422	4,703,422	4,317,037	386,385
Other	796,857	796,857	570,142	226,715
Total - security of persons & property	5,500,279	5,500,279	4,887,179	613,100
Total Security of Persons & Property	5,500,279	5,500,279	4,887,179	613,100
Public Health				
Service Director				
Other	183,169	183,169	122,442	60,727
Total - public health & welfare	183,169	183,169	122,442	60,727
Total Public Health	183,169	183,169	122,442	60,727
Leisure Time Services				
Service Director				
Personal services	978,501	978,501	712,224	266,277
Other	274,085	274,085	183,217	90,868
Total - service director	1,252,586	1,252,586	895,441	357,145
Total Leisure Time Services	1,252,586	1,252,586	895,441	357,145
Community and Economic Development				
Service Director				
Personal services	307,677	307,677	223,950	83,727
Other	108,110	108,110	72,268	35,842
Total - service director	415,787	415,787	296,218	119,569
Total Community and Economic Development	415,787	415,787	296,218	119,569

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, 2013

	Budgeted Amounts			Variance with Final Budget Positive
	Original	**Final**	**Actual**	**(Negative)**
Debt Service				
Principal retirement	-	-	9,038	(9,038)
Interest and fiscal charges	-	-	4,135	(4,135)
Total - debt service	-	-	13,173	(13,173)
Total Expenditures	10,550,511	10,609,152	9,561,005	1,048,147
Excess (deficiency) of revenues over (under) expenditures	(2,021,388)	(2,087,638)	(876,345)	1,211,293
Other financing sources (uses):				
Transfers out	-	-	(185,041)	(185,041)
Advances in	-	-	114,173	114,173
Advances out	-	-	(238,116)	(238,116)
Sale of assets	12,816	12,807	10,710	(2,097)
Total Other Financing Sources (Uses)	12,816	12,807	(298,274)	(311,081)
Net change in fund balances	(2,008,572)	(2,074,831)	(1,174,619)	900,212
Fund Balances at Beginning of Year	5,548,015	5,548,015	5,548,015	-
Prior year encumbrances appropriated	452,561	452,561	452,561	-
Fund balance at end of year	$ 3,992,004	$ 3,925,745	$ 4,825,957	$ 900,212

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)
RECREATION FUND
FOR THE YEAR ENDED DECEMBER 31, 2013

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
Revenues:				
Income taxes	$ 1,878,262	$ 2,136,253	$ 2,159,124	$ 22,871
Charges for services	507,503	577,213	583,393	6,180
Contributions and donations	200,082	227,564	230,000	2,436
Other	48,527	55,192	55,783	591
Total revenues	2,634,374	2,996,222	3,028,300	32,078
Expenditures:				
Leisure time activities				
Other	488,489	537,545	522,486	15,059
Capital outlay	2,477,569	2,726,379	2,650,000	76,379
Total - leisure time activities	2,966,058	3,263,924	3,172,486	91,438
Debt Service				
Principal retirement	742,203	816,739	793,858	22,881
Interest and fiscal charges	673,129	740,727	719,976	20,751
Total - debt service	1,415,332	1,557,466	1,513,834	43,632
Total expenditures	4,381,390	4,821,390	4,686,320	135,070
Excess (deficiency) of revenues over (under) expenditures	(1,747,016)	(1,825,168)	(1,658,020)	167,148
Other financing sources:				
Internal note issuance	1,267,881	1,442,033	1,457,472	15,439
Total other financing sources	1,267,881	1,442,033	1,457,472	15,439
Net change in fund balances	(479,135)	(383,135)	(200,548)	182,587
Fund balances at beginning of year	88,962	88,962	88,962	-
Prior year encumbrances appropriated	303,129	303,129	303,129	-
Fund balance (deficit) at end of year	$ (87,044)	$ 8,956	$ 191,543	$ 182,587

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

CITY OF WADSWORTH
MEDINA COUNTY, OHIO

STATEMENT OF NET POSITION
PROPRIETARY FUNDS
DECEMBER 31, 2013

	Business-type Activities - Enterprise Funds			
	Storm Water	**Telecom**	**Sewer**	**Water**
Assets:				
Current assets:				
Equity in pooled cash and cash equivalents	$ 265,632	$ 996,856	$ 2,753,694	$ 4,493,250
Cash with fiscal and escrow agents	-	-	-	1,344
Receivables:				
Accounts	132,453	765,713	545,841	446,965
Special assessments	-	-	10,120	1,564
Interfund loans	-	-	-	-
Due from other governments	124,949	-	-	-
Materials and supplies inventory	-	-	63,877	170,687
Prepayments	5	2,353	14,726	7,047
Total current assets	523,039	1,764,922	3,388,258	5,120,857
Noncurrent assets:				
AMPGS plant held for future use credit	-	-	-	-
AFEC development costs receivable	-	-	-	-
Investment in joint venture	-	-	-	-
Capital assets:				
Land and construction in progress	199,515	-	752,821	1,235,441
Depreciable capital assets, net	13,679,277	634,354	27,470,515	22,202,466
Total capital assets, net	13,878,792	634,354	28,223,336	23,437,907
Total noncurrent assets	13,878,792	634,354	28,223,336	23,437,907
Total assets	14,401,831	2,399,276	31,611,594	28,558,764
Liabilities:				
Current liabilities:				
Accounts payable	5,840	243,263	26,812	67,343
Contracts payable	4,095	-	197,283	-
Retainage payable	-	-	25,142	19,600
Accrued wages and benefits payable	-	17,483	16,178	25,857
Due to other governments	3,278	13,179	10,183	14,037
Interfund loans payable	615,185	286,358	702,377	3,179,410
Accrued interest payable	2,258	-	-	34,784
Compensated absences payable - current	1,719	93,878	27,178	51,465
Matured interest payable	-	-	-	1,344
General obligation bonds payable	61,069	-	-	437,476
OWDA loans payable	-	-	1,016,064	-
AMP loan payable - current	-	-	-	-
Claims payable	-	-	-	-
Stranded costs payable - current	-	-	-	-
Total current liabilities	693,444	654,161	2,021,217	3,831,316
Long-term liabilities:				
Compensated absences payable	6,593	198,463	104,243	197,400
General obligation bonds payable	725,690	-	-	9,196,576
OWDA loans payable	-	-	16,549,202	-
AMP loan payable	-	-	-	-
Stranded costs payable	-	-	-	-
Total long-term liabilities	732,283	198,463	16,653,445	9,393,976
Total liabilities	1,425,727	852,624	18,674,662	13,225,292
Net position:				
Net investment in capital assets	13,087,938	634,354	10,435,645	13,784,255
Unrestricted (deficit)	(111,834)	912,298	2,501,287	1,549,217
Total net position	$ 12,976,104	$ 1,546,652	$ 12,936,932	$ 15,333,472
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	
$ 6,617,115	$ 598,254	$ 15,724,801	$ 1,616,083
-	-	1,344	-
4,086,280	356,697	6,333,949	1,311
-	-	11,684	-
5,107,858	-	5,107,858	-
865,830	-	990,779	-
2,807,285	-	3,041,849	217,369
16,767	4,127	45,025	47,225
19,501,135	959,078	31,257,289	1,881,988
1,567,041	-	1,567,041	-
1,327,291	-	1,327,291	-
2,204,492	-	2,204,492	-
2,236,523	804	4,425,104	-
22,662,932	841,498	87,491,042	287,857
24,899,455	842,302	91,916,146	287,857
29,998,279	842,302	97,014,970	287,857
49,499,414	1,801,380	128,272,259	2,169,845
1,823,342	11,890	2,178,490	39,542
56,306	-	257,684	-
-	-	44,742	-
62,884	11,148	133,550	18,013
57,006	83,196	180,879	19,256
4,686,890	330,913	9,801,133	-
270	-	37,312	-
116,848	15,381	306,469	29,114
-	-	1,344	-
35,551	-	534,096	-
-	-	1,016,064	-
624,000	-	624,000	-
-	-	-	152,870
234,560	-	234,560	-
7,697,657	452,528	15,350,323	258,795
434,141	58,993	999,833	111,670
182,755	-	10,105,021	-
-	-	16,549,202	-
4,337,992	-	4,337,992	-
5,370,054	-	5,370,054	-
10,324,942	58,993	37,362,102	111,670
18,022,599	511,521	52,712,425	370,465
24,624,843	842,302	63,409,337	287,857
6,851,972	447,557	12,150,497	1,511,523
$ 31,476,815	$ 1,289,859	75,559,834	$ 1,799,380
		677,109	
		$ 76,236,943	

CITY OF WADSWORTH
MEDINA COUNTY, OHIO

STATEMENT OF REVENUES, EXPENSES AND
CHANGES IN NET POSITION
PROPRIETARY FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2013

	Business-type Activities - Enterprise Funds			
	Storm Water	**Telecom**	**Sewer**	**Water**
Operating revenues:				
Charges for services	$ 846,807	$ 4,267,447	$ 3,804,179	$ 3,755,438
Other operating revenues	4,302	-	7,371	203,251
Total operating revenues	851,109	4,267,447	3,811,550	3,958,689
Operating expenses:				
Personal services	80,970	920,596	751,443	1,171,751
Contract services	516,004	2,910,004	805,212	829,982
Materials and supplies	36,275	203,338	186,362	228,118
Purchased power	-	-	-	-
Claims expense	-	-	-	-
Depreciation	233,466	227,655	924,492	557,719
Other	11,198	367,413	35,454	41,632
Total operating expenses	877,913	4,629,006	2,702,963	2,829,202
Operating income (loss)	(26,804)	(361,559)	1,108,587	1,129,487
Nonoperating revenues (expenses):				
Interest and fiscal charges	(30,969)	(2,948)	(582,716)	(470,627)
Gain (loss) on sale of capital assets	(607)	-	(6,382)	(6,967)
Interest income	-	-	-	-
Investment in joint venture	-	-	-	-
Total nonoperating revenues (expenses)	(31,576)	(2,948)	(589,098)	(477,594)
Income (loss) before contributions, special item and transfers	(58,380)	(364,507)	519,489	651,893
Special item - stranded costs credit	-	-	-	-
Transfer in	-	1,987	7,949	7,949
Capital contributions	124,949	-	245,002	-
Change in net position	66,569	(362,520)	772,440	659,842
Net position at beginning of year (restated)	12,909,535	1,909,172	12,164,492	14,673,630
Net position at end of year	$ 12,976,104	$ 1,546,652	$ 12,936,932	$ 15,333,472

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

Business-type Activities - Enterprise Funds			Governmental Activities - Internal Service Funds
Electric	Sanitation	Total	
$ 30,664,529	$ 2,362,918	$ 45,701,318	$ 5,719,140
44,953	6,276	266,153	208,032
30,709,482	2,369,194	45,967,471	5,927,172
3,190,987	570,241	6,685,988	847,528
1,844,559	1,301,689	8,207,450	641,026
490,971	204,736	1,349,800	354,809
18,870,804	-	18,870,804	-
-	-	-	2,857,426
1,814,907	126,383	3,884,622	19,314
1,518,213	60,996	2,034,906	24,156
27,730,441	2,264,045	41,033,570	4,744,259
2,979,041	105,149	4,933,901	1,182,913
(105,280)	(1,695)	(1,194,235)	-
(6,194)	8,521	(11,629)	(2,076)
-	2	2	-
(210,023)	-	(210,023)	-
(321,497)	6,828	(1,415,885)	(2,076)
2,657,544	111,977	3,518,016	1,180,837
1,510,027	-	1,510,027	-
39,743	4,968	62,596	-
877,724	-	1,247,675	-
5,085,038	116,945	6,338,314	1,180,837
26,391,777	1,172,914		618,543
$ 31,476,815	$ 1,289,859		$ 1,799,380
		495,156	
		$ 6,833,470	

CITY OF WADSWORTH
MEDINA COUNTY, OHIO

STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2013

	Business-type Activities - Enterprise Funds		
	Storm Water	**Telecom**	**Sewer**
Cash flows from operating activities:			
Cash received from customers	$ 851,663	$ 4,116,678	$ 3,714,598
Cash received from other operations	4,302	-	7,371
Cash payments to employees for services	(87,624)	(896,121)	(800,698)
Cash payments for goods and services	(548,650)	(3,036,241)	(1,007,164)
Cash payments for claims	-	-	-
Cash payments for other expenses	(8,896)	(363,728)	(35,454)
Net cash provided by (used in) operating activities	210,795	(179,412)	1,878,653
Cash flows from noncapital financing activities:			
Cash received from transfers in	-	1,987	7,949
Cash used in repayment of interfund loans	-	-	-
Net cash provided by (used in) noncapital financing activities	-	1,987	7,949
Cash flows from capital and related financing activities:			
Gain on sale of capital assets	-	-	-
Acquisition of capital assets	(478,296)	(49,413)	(1,253,845)
Proceeds from sale of notes	614,417	286,000	701,500
Principal payments	(605,333)	(380,000)	(1,734,798)
Interest and fiscal charges	(33,838)	(3,800)	(584,214)
Cash received from capital grants	-	-	245,002
Net cash used in capital and related financing activities	(503,050)	(147,213)	(2,626,355)
Cash flows from investing activities:			
Interest received	-	-	-
Net cash provided by investing activities	-	-	-
Net increase (decrease) in cash and cash equivalents	(292,255)	(324,638)	(739,753)
Cash and cash equivalents at beginning of year	557,887	1,321,494	3,493,447
Cash and cash equivalents at end of year	$ 265,632	$ 996,856	$ 2,753,694

	Business-type Activities - Enterprise Funds				Governmental Activities - Internal Service Funds
	Water	Electric	Sanitation	Total	
	$ 3,712,658	$ 29,925,562	$ 2,335,106	$ 44,656,265	$ 5,975,891
	203,251	128,201	6,276	349,401	206,721
	(1,298,207)	(3,550,018)	(601,915)	(7,234,583)	(885,539)
	(1,030,965)	(20,901,297)	(1,545,526)	(28,069,843)	(1,069,890)
	-	-	-	-	(2,930,643)
	(41,090)	(1,476,291)	(57,407)	(1,982,866)	(18,752)
	1,545,647	4,126,157	136,534	7,718,374	1,277,788
	7,949	39,743	4,968	62,596	-
	-	(1,889,263)	-	(1,889,263)	-
	7,949	(1,849,520)	4,968	(1,826,667)	-
	-	1,759	8,521	10,280	-
	(1,250,878)	(3,605,746)	(176,920)	(6,815,098)	(153,099)
	3,175,441	4,681,039	330,500	9,788,897	-
	(2,802,212)	(5,911,215)	(189,000)	(11,622,558)	-
	(471,180)	(116,806)	(1,890)	(1,211,728)	-
	-	726,030	-	971,032	-
	(1,348,829)	(4,224,939)	(28,789)	(8,879,175)	(153,099)
	-	-	8	8	-
	-	-	8	8	-
	204,767	(1,948,302)	112,721	(2,987,460)	1,124,689
	4,288,483	8,565,417	485,533	18,712,261	491,394
	$ 4,493,250	$ 6,617,115	$ 598,254	$ 15,724,801	$ 1,616,083

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CITY OF WADSWORTH
MEDINA COUNTY, OHIO

STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS (CONTINUED)
FOR THE YEAR ENDED DECEMBER 31, 2013

	Business-type Activities - Enterprise Funds		
	Storm Water	**Telecom**	**Sewer**
Reconciliation of operating income (loss) to net cash provided by (used in) operating activities:			
Operating income (loss)	$ (26,804)	$ (361,559)	$ 1,108,587
Adjustments:			
Depreciation	233,466	227,655	924,492
Changes in assets and liabilities:			
Decrease (increase) in materials and supplies inventory	-	-	(9,526)
Decrease (increase) in accounts receivable	4,856	(150,769)	(79,461)
Increase in special assessments receivable	-	-	(10,120)
Decrease (increase) in prepayments	(5)	(2,323)	(1,257)
Increase (decrease) in accounts payable	(461)	79,424	(45,295)
Increase in contracts payable	4,095	-	15,346
Increase (decrease) in accrued wages and benefits	(880)	3,249	2,121
Increase (decrease) in intergovernmental payable	2,239	5,583	1,773
Increase (decrease) in compensated absences payable	(5,711)	19,328	(53,149)
Increase in retainage payable	-	-	25,142
Decrease in claims payable	-	-	-
Net cash provided by (used in) operating activities	$ 210,795	$ (179,412)	$ 1,878,653

Non-cash transactions:

The Storm Water fund purchased $1,220 and $19,172 in capital assets on account in 2013 and 2012, respectively.

The Sewer fund purchased $222,425 and $40,488 in capital assets on account in 2013 and 2012, respectively.

The Water fund purchased $48,600 and $324,305 in capital assets on account in 2013 and 2012, respectively.

The Electric fund purchased $67,067 and $944,396 in capital assets on account in 2013 and 2012, respectively.

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

	Business-type Activities - Enterprise Funds			Governmental Activities - Internal Service Funds
Water	Electric	Sanitation	Total	
$ 1,129,487	$ 2,979,041	$ 105,149	$ 4,933,901	$ 1,182,913
557,719	1,814,907	126,383	3,884,622	19,314
(7,199)	94,820	-	78,095	(18,947)
(41,216)	(655,719)	(27,812)	(950,121)	255,440
(1,564)	-	-	(11,684)	-
4,053	3,070	893	4,431	(47,225)
10,759	233,560	(113,789)	164,198	(585)
-	56,306	-	75,747	
4,409	8,622	75	17,596	5,477
3,756	(36,086)	78,183	55,448	12,326
(134,157)	(372,364)	(32,548)	(578,601)	(57,708)
19,600	-	-	44,742	-
-	-	-	-	(73,217)
$ 1,545,647	$ 4,126,157	$ 136,534	$ 7,718,374	$ 1,277,788

CITY OF WADSWORTH
MEDINA COUNTY, OHIO

STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES
FIDUCIARY FUNDS
DECEMBER 31, 2013

		Agency
Assets:		
Current assets:		
Equity in pooled cash and investments	$	1,360,940
Cash in segregated accounts		386,367
Restricted assets:		
Equity in pooled cash and investments		779,504
Total assets	$	2,526,811
Liabilities:		
Accounts payable	$	11,580
Retainage payable		357,089
Due to other governments		12,926
Deposits held and due to others		1,365,712
Refundable deposits		779,504
Total liabilities	$	2,526,811

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

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 18 and 19.

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.

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 liabilities is reported as fund balance.

The following are the City's major governmental funds:

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.

Recreation Fund - The recreation fund accounts for membership fees, program fees, sales and income tax revenue to be used in the operation of the recreation department.

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:

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.

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

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.

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

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 used to account for assets held by the City under a trust agreement for individuals, private organizations, or other governments and are therefore not available to support the City's own programs. The City does not have trust funds. 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.

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 all liabilities 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 current liabilities 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 all liabilities 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 revenue and in the presentation of expenses versus expenditures.

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

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 Inflows of Resources and Deferred Outflows of Resources - A deferred inflow of resources is an acquisition of net position by the City that is applicable to a future reporting period. A deferred outflow of resources is a consumption of net position by the City that is applicable to a future reporting period.

Property taxes for which there is an enforceable legal claim as of December 31, 2013, but which were levied to finance year 2014 operations, and other revenues received in advance of the year for which they were intended to finance, have been recorded as deferred inflows. Income taxes and special assessments not received within the available period, grants and entitlements received before the eligibility requirements are met, and delinquent property taxes due at December 31, 2013, are recorded as deferred inflows in governmental funds.

On governmental fund financial statements, receivables that will not be collected within the available period have been reported as a deferred inflow.

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

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

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

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 agency 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 statement reflect the amount in the final amended official Certificate of Estimated Resources issued during 2013.

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.

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.

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

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). STAR 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 does operate in a manner consistent with Rule 2a7 of the Investment Compay Act of 1940. Investments in STAR Ohio are valued at STAR Ohio's shares price, which is the price the investment could be sold for on December 31, 2013.

Following Ohio statutes, the City has, by ordinance, specified the funds to receive an allocation of interest earnings. During the year 2013, interest revenue credited to the General Fund amount to $174,447 which includes $155,753 assigned from other City funds.

The City utilizes a fiscal agent to hold bonds and coupons for retainage on construction contracts. The balance in this account is presented on the balance sheet as "Cash and Cash Equivalent with Fiscal Agent" and represents deposits.

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.

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

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, 2013, 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.

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 fair market values as of the date received. The City maintains a capitalization threshold for all items having a cost of five thousand dollars or more. 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

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

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 funds, the current portion of unpaid compensated absences is the amount expected to be paid using expendable available resources. These amounts are recorded in the account "compensated absences payable" in the fund from which the employees who have accumulated unpaid leave are paid. The non-current portion of the liability is not reported.

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.

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.

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

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.

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 when an expense is incurred for purposes for which both restricted and unrestricted net positions are available.

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

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.

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. During 2013, AMP-Ohio determined that the city was eligible for a credit for costs incurred from the American Municipal Power Generating Station Project (the “AMPGS Project”) that were deemed to have future benefit to the City. The City reported a special item for the stranded cost credit of $1,510,027 in the electric fund. The City had no extraordinary items.

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.

NOTE 3 - ACCOUNTABILITY AND COMPLIANCE

A. Change in Accounting Principles

For fiscal year 2013, the City has implemented GASB Statement No. 61, "The Financial Reporting Entity: Omnibus an amendment of GASB Statements No. 14 and No. 34", GASB Statement No. 65, "Items Previously Reported as Assets and Liabilities" and GASB Statement No. 66, "Technical Corrections-2012".

GASB Statement No. 61 modifies certain requirements for inclusion of component units in the financial reporting entity. The Statement amends the criteria for reporting component units as if they were part of the primary government in certain circumstances. Finally, the Statement also clarifies the reporting of equity interests in legally separate organizations. The implementation of GASB Statement No. 61 did not have an effect on the financial statements of the City.

GASB Statement No. 65 establishes accounting and financial reporting standards that reclassify, as deferred outflows of resources or deferred inflows of resources, certain items that were previously reported as assets and liabilities and recognizes, as outflows of resources or inflows of resources, certain items that were previously reported as assets and liabilities. GASB Statement No. 65 also provides other financial reporting guidance related to the impact of the financial statement elements deferred outflows of resources and deferred inflows of resources, such as changes in the determination of the major fund calculations and limiting the use of the term deferred in financial statement presentations. The implementation of GASB Statement No. 65 had the following effect on the financial statements of the City:

	Governmental Activities	Business-type Activities	Enterprise Funds		
			Water	Electric	Stormwater
Net position as previously reported	$ 48,334,880	$ 69,712,427	$ 14,838,772	$ 26,514,487	$ 12,930,637
Removal of unamortized bond issuance costs	(360,867)	(308,954)	(165,142)	(122,710)	(21,102)
Net position at January 1, 2013	$ 47,974,013	$ 69,403,473	$ 14,673,630	$ 26,391,777	$ 12,909,535

GASB Statement No. 66 improves accounting and financial reporting by resolving conflicting guidance that resulted from the issuance of two pronouncements; GASB Statement No. 54, "Fund Balance Reporting and Governmental Fund Type Definitions" and GASB Statement No. 62, "Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA pronouncements". The implementation of GASB Statement No. 66 did not have an effect on the financial statements of the City.

NOTE 3 - ACCOUNTABILITY AND COMPLIANCE - (Continued)

B. Deficit Fund Balances

The following funds had a deficit in fund balance at December 31, 2013:

Fund	Deficit
Major fund:	
Recreation	$ (1,095,892)
Non-major governmental funds:	
FEMA grant	(50,493)
Community Development Block Grant	(316)
Community Housing Improvement Program Grant	(5,157)
Airport Improvements	(155,005)
Special Assessments	(23,987)

These funds complied with Ohio State law, which does not permit cash basis deficits. The general fund advances or transfers when cash is required, not when accruals occur. The deficit fund balances resulted from adjustments for accrued liabilities. These deficits will be eliminated by future intergovernmental and/or special assessment revenues not recognized under GAAP at December 31.

C. Budgetary Noncompliance

Contrary to Ohio Revised Code Section 5705.39, the Recreation Fund had original appropriations in excess of certified available resources by $87,044.

Contrary to Ohio Revised Code Section 5705.41(B), the following funds had expenditures plus encumbrances in excess of final appropriations:

	Final Appropriations	Actual Expenditures	Variance
General Fund			
Auditor			
Other	$ 835,051	$ 907,138	$ 72,087
Law Director			
Other	2,605	15,619	13,014
Debt Service			
Principal retirement	-	9,038	9,038
Interest and fiscal charges	-	4,135	4,135
Transfers out	-	185,041	185,041
Income Tax Fund			
General Government			
Other	450,888	1,277,810	826,922

NOTE 3 - ACCOUNTABILITY AND COMPLIANCE - (Continued)

	Final Appropriations	Actual Expenditures	Variance
FEMA Grant Fund			
Security of Persons and Property			
Other	$ 33,143	$ 52,803	$ 19,660
Community Development Block (CBBG) Grant Fund)			
Community and Economic Development			
Other	73,004	109,011	36,007
Community Housing Improvement Program (CHIP) Grant Fund			
Community and Economic Development			
Other	150,382	166,233	15,851
Neighborhood Stabilization Program Grant Fund			
Community and Economic Development			
Other	3,469	7,111	3,642

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 above 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 and Recreation Fund are 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;

NOTE 4 - BUDGETARY BASIS OF ACCOUNTING - (Continued)

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 and Recreation Fund.

Net Changes in Fund Balance

	General Fund	Recreation Fund
Budget Basis	$ (1,174,619)	$ (200,548)
Net Adjustment for Revenue Accruals	1,223,387	27,823
Net Adjustment for Expenditure Accruals	(5,564)	335,426
Funds with Separate Legally Adopted Budgets	(2,622,719)	-
Net Adjustment for Other Sources/Uses	117,108	(1,457,472)
Encumbrances	237,989	241,246
GAAP Basis	$ (2,224,418)	$ (1,053,525)

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;

NOTE 5 - DEPOSITS AND INVESTMENTS - (Continued)

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

3. Written repurchase agreements in the securities listed above provided that the market value of the securities subject to the repurchase 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;

5. 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;

6. The State Treasurer's investment pool State Treasury Asset Reserve of Ohio (STAR Ohio);

7. Certain banker’s acceptance and commercial paper notes for a period not to exceed one hundred eighty days from the purchase date in an amount not to exceed twenty-five percent of the interim monies available for investment at any one time; and,

8. Under limited circumstances, corporate debt interests rated in either of the two highest classifications by at least two nationally recognized rating agencies.

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

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. An investment must mature within five years from the date of purchase unless matched to a specific obligation or debt of the City, and must be purchased with the expectation that it will be held to maturity. Investments may only be made through specified dealers and institutions. Payment for investments may be made only upon delivery of the securities representing the investments to the Finance Director or, if the securities are not represented by a certificate, upon receipt of confirmation of transfer from the custodian.

A. Deposits with Financial Institutions

At December 31, 2013, the carrying amount of all City deposits was $27,055,116. As of December 31, 2013, $22,970,250 of the City’s bank balance of $33,739,089 was exposed to custodial risk as discussed below, while $10,768,839 was covered by the FDIC.

NOTE 5 - DEPOSITS AND INVESTMENTS - (Continued)

Custodial credit risk is the risk that, in the event of bank failure, the City will not be able to recover deposits or collateral securities that are in the possession of an outside party. All deposits are collateralized with eligible securities in amounts equal to at least 105% of the carrying value of the deposits. Such collateral, as permitted by Ohio Revised Code, is held in collateral pools at Federal Reserve Banks, or at member banks of the Federal Reserve System, in the name of the depository bank and pledged as a pool of collateral against all public deposits held by the depository. The City has no deposit policy for custodial credit risk beyond the requirements of State statute. Although the securities were held by the pledging institutions' trust department and 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.

B. Investments

As of December 31, 2013, the City had the following investments and maturities:

Investment type	Fair Value	Investment Maturities 6 months or less
STAR Ohio	$ 5,259,607	$ 5,259,607

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 carries 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.

Concentration of Credit Risk: The City's investment policy addresses concentration of credit risk by requiring investments to be diversified to reduce the risk of loss resulting from over concentration of assets in a specific issue or specific class of securities.

NOTE 5 - DEPOSITS AND INVESTMENTS - (Continued)

The following table includes the percentage of each investment type held by the City at December 31, 2013:

Investment type	Fair Value	% of Total
STAR Ohio	$ 5,259,607	100.00

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, 2013:

Cash and investments per note	
Carrying amount of deposits	$ 27,055,116
Investments	5,259,607
Cash with fiscal agent	1,472
Total	$ 32,316,195
Cash and investments per statement of net position	
Governmental activities	$ 14,063,239
Business type activities	15,726,145
Agency funds	2,526,811
Total	$ 32,316,195

NOTE 6 - RECEIVABLES

Receivables at December 31, 2013, consisted of taxes, accounts (billings for user charged services, rents and royalties), income taxes, interfund, accrued interest, notes, 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 revaluated every six years. Real property taxes are payable annually or semi-annually. If paid annually, payment is due December 31; if paid semi-annually, the first payment is due December 31, with the remainder payable by June 20. Under certain circumstances, State statute permits later payment dates to be established.

NOTE 7 - PROPERTY TAX - (Continued)

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 proceeding 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. 2013 public utility property taxes became a lien December 31, 2012, are levied after October 1, 2013, and are collected in 2014 with real property taxes. Public utility property taxes are payable on the same dates as real property taxes described previously.

Tangible personal property tax revenues received in calendar year 2013 (other than public utility property) represent the collection of calendar year 2013 taxes levied against local and inter-exchange telephone companies. Tangible personal property taxes received from telephone companies in calendar year 2013 were levied after October 1, 2012, on the value as of December 31, 2012. Amounts paid by multi-county taxpayers are due September 20. Single county taxpayers may pay annually or semiannually. If paid annually, payment is due April 30; if paid semiannually, the first payment is due April 30, with the remainder payable by September 20.

House Bill No. 66 was signed into law on June 30, 2005. House Bill No. 66 phases out the tax on tangible personal property of general businesses, telephone and telecommunications companies, and railroads. The tax on telephone and telecommunications property was eliminated in calendar year 2012. The tax is phased out by reducing the assessment rate on the property each year. The bill replaces the revenue lost by the City due to the phasing out of the tax. In calendar years 2011-2012, the City was fully reimbursed for the lost revenue. In calendar years 2013-2017, the reimbursements will be phased out.

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, 2013 and for which there is an enforceable legal claim.

The full tax rate for all City operations for the year ended December 31, 2013 was $5.80 per $1,000 of assessed value. The assessed values of real and tangible personal property for 2013 property tax were as follows:

Real Property	
Residential/agricultural	$ 365,802,220
Commercial/industrial/mineral	104,399,470
Public utility personal property	676,760
Total assessed value	$ 470,878,450

NOTE 8 - 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 2013 and prior years received 60 days after year-end have been recognized as revenue in 2013.

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 2013, income tax revenues were distributed to the following funds: General, Recreation, Street Maintenance, Airport Improvements, Street Improvements and General Capital Improvement.

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 9 - 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, 2013 was $130,285.

NOTE 10 - 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 $62,725,593 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 and a collision deductible of $2,000 apply to fire trucks.

3. Law enforcement liability coverage with a $1,000,000 limit for each wrongful act/each occurrence/aggregate and a $10,000 deductible.

NOTE 10 - RISK MANAGEMENT - (Continued)

4. Public officials' liability coverage with a $1,000,000 for each claim/each occurrence/aggregate and a $10,000 deductible.

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 $600,000 for electric utility workers and $500,000 for all other 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.

The City's third party administrator (TPA) is Sedgwick Inc. The claims liability reported in the workers' comp internal service fund at December 31, 2013, 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:

	Beginning of Year	Claims	Payments	End of Year
2013	$ 5,693	$ 53,774	$ (54,767)	$ 4,700
2012	-	47,397	(41,704)	5,693

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 aggregate of $2,769,944. 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, 2013, the Departments were assessed per each employee at the rate of $848.11 per individual coverage and $1,590.82 per family coverage. In 2013, employee contributions per bi-weekly pay period were $30.00 for single coverage and $60.00 for family for non-bargaining employees. Bargaining unit employees had a slightly higher contribution rate at $37.19 for single coverage and $77.42 for family coverage. Health coverage was administered by Cigna.

NOTE 10 - RISK MANAGEMENT - (Continued)

The plan provides comprehensive medical coverage with a $300 deductible per individual and $600 per family and subject to a 20% co-insurance payment for expenses out of the 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 $15.00 Tier 1 drugs, $30.00 for Tier 2 drugs and $60.00 for Tier 3 drugs at a retail pharmacy or through the mail order system.

The claims liability of $148,170 reported in the self-insurance fund at December 31, 2013 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:

	Balance at Beginning of Year	Current Year Claims	Claims Payments	Balance at End of Year
2013	$ 220,394	$ 2,803,652	$ (2,875,876)	$ 148,170
2012	435,670	2,598,343	(2,813,619)	220,394

NOTE 11 - CAPITAL ASSETS

Governmental activities capital asset activity for the year ended December 31, 2013, was as follows.

	Balance 1/1/2013	Additions	Reductions	Balance 12/31/2013
Governmental Activities:				
Non-Depreciable Capital Assets:				
Land	$ 5,872,840	$ -	$ -	$ 5,872,840
Construction in progress	488,139	3,707,565	(101,889)	4,093,815
Total Non-Depreciable Capital Assets	6,360,979	3,707,565	(101,889)	9,966,655
Depreciable Capital Assets:				
Intangible-Right to use CC	18,290,000	-	-	18,290,000
Land Improvements	1,680,590	10,370	-	1,690,960
Buildings	7,106,837	15,443	-	7,122,280
Equipment	3,060,352	234,951	(59,461)	3,235,842
Vehicles	5,453,885	253,615	(312,746)	5,394,754
Infrastructure	19,356,344	636,785	(43,860)	19,949,269
Total Depreciable Capital Assets	54,948,008	1,151,164	(416,067)	55,683,105
Accumulated Depreciation:				
Intangible-Right to use CC	-	(731,600)	-	(731,600)
Land Improvements	(925,280)	(38,569)	-	(963,849)
Buildings	(2,962,289)	(184,180)	-	(3,146,469)
Equipment	(2,160,122)	(131,476)	47,961	(2,243,637)
Vehicles	(3,378,901)	(230,827)	96,451	(3,513,277)
Infrastructure	(6,032,444)	(374,886)	35,670	(6,371,660)
Total Accumulated Depreciation	(15,459,036)	(1,691,538)	180,082	(16,970,492)
Total Depreciable Capital Assets, Net	39,488,972	(540,374)	(235,985)	38,712,613
Governmental Capital Assets, Net	$ 45,849,951	$ 3,167,191	$ (337,874)	$ 48,679,268

Depreciation expense was charged to governmental activities as follows:

Governmental Activities:	
General Government	$ 832,150
Security of Persons and Property	251,078
Transportation	492,850
Leisure Time Services	96,146
Internal Service Funds	19,314
Total Depreciation Expense	$ 1,691,538

NOTE 11 - CAPITAL ASSETS - (Continued)

Business-type activities capital asset activity for the year ended December 31, 2013, was as follows.

	Balance 1/1/2013	Additions	Reductions	Balance 12/31/2013
Business-Type Activities:				
Non-Depreciable Capital Assets:				
Land	$ 950,447	$ 35,350	$ -	$ 985,797
Construction in Progress	8,553,290	1,547,226	(6,661,209)	3,439,307
Total Non-Depreciable Capital Assets	9,503,737	1,582,576	(6,661,209)	4,425,104
Depreciable Capital Assets:				
Land Improvements	7,258	6,491	-	13,749
Buildings	19,873,796	-	-	19,873,796
Equipment	12,384,600	164,363	(36,120)	12,512,843
Vehicles	5,000,725	887,876	(331,494)	5,557,107
Infrastructure	92,203,814	7,557,886	(37,607)	99,724,093
Total Depreciable Capital Assets	129,470,193	8,616,616	(405,221)	137,681,588
Accumulated Depreciation:				
Land Improvements	(3,992)	(417)	-	(4,409)
Buildings	(4,636,286)	(413,607)	-	(5,049,893)
Equipment	(3,396,263)	(557,420)	-	(3,953,683)
Vehicles	(3,524,871)	(439,093)	324,024	(3,639,940)
Infrastructure	(35,087,481)	(2,474,085)	18,945	(37,542,621)
Total Accumulated Depreciation	(46,648,893)	(3,884,622)	342,969	(50,190,546)
Total Depreciable Capital Assets, Net	82,821,300	4,731,994	(62,252)	87,491,042
Business-Type Activities Capital Assets, Net	$ 92,325,037	$ 6,314,570	$ (6,723,461)	$ 91,916,146

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

Business-type activities:	
Water	$ 557,719
Sewer	924,492
Electric	1,814,907
Storm Water	233,466
Telecom	227,655
Sanitation	126,383
Total Depreciation Expense	$ 3,884,622

NOTE 11 - 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
2014	$ 365,800
2015	365,800
2016	365,800
2017	365,800
2018	365,800
2019 - 2023	1,829,000
2024 - 2028	1,829,000
2029 - 2033	1,829,000
2034 - 2038	1,829,000
2039 - 2043	1,829,000
2044 - 2048	1,829,000
2049 - 2053	1,829,000
2054 - 2058	1,829,000
2059 - 2062	1,097,400
Total	$ 17,558,400

NOTE 12 - PENSION PLANS

A. Ohio Public Employees Retirement System

Plan Description - The City participates 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 in which the member invests both member and employer contributions (employer contributions vest over five years at 20% per year). Under the Member-Directed Plan, members accumulate retirement assets equal to the value of the member and vested employer contributions plus any investment earnings. The Combined Plan is a cost-sharing, multiple-employer defined benefit pension plan that has elements of both a defined benefit and a defined contribution plan. Under the Combined Plan, employer contributions are invested by the retirement system to provide a formula retirement benefit similar to the Traditional Pension Plan benefit. Member contributions, whose investment is self-directed by the member, accumulate retirement assets in a manner similar to the Member-Directed Plan.

NOTE 12 - PENSION PLANS - (Continued)

OPERS provides retirement, disability, survivor and death benefits and annual cost of living adjustments to members of the Traditional Pension and the Combined Plans. Members of the Member-Directed Plan do not qualify for ancillary benefits. Authority to establish and amend benefits is provided by Chapter 145 of the Ohio Revised Code. OPERS issues a stand-alone financial report which may be obtained by visiting https://www.opers.org/investments/cafr.shtml, writing to OPERS, Attention: Finance Director, 277 E. Town St., Columbus, OH 43215-4642 or by calling (614) 222-5601 or (800) 222-7377.

Funding Policy - The Ohio Revised Code provides statutory authority for member and employer contributions. For 2013, member and contribution rates were consistent across all three plans. The 2013 member contribution rates were 10.00% for members. The City's contribution rate for 2013 was 14.00% of covered payroll.

The City's contribution rate for pension benefits for members in the Traditional Plan for 2013 was 10.00%. The City's contribution rate for pension benefits for members in the Combined Plan for 2013 was 7.95%. The City's required contributions for pension obligations to the Traditional Pension and Combined Plans for the years ended December 31, 2013, 2012, and 2011 were $1,326,262, $936,483, and $918,519, respectively; 96.45% has been contributed for 2013 and 100% has been contributed for 2012 and 2011. Contributions to the member-directed plan for 2013 were $16,370 made by the City and $11,693 made by the plan members.

B. Ohio Police and Fire Pension Fund

Plan Description - The City contributes to the Ohio Police and Fire Pension Fund (OP&F), a cost-sharing multiple-employer defined benefit pension plan. OP&F provides retirement and disability 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 statements and required supplementary information for the plan. That report may be obtained by writing to the OP&F, 140 East Town Street, Columbus, Ohio 43215-5164 or by visiting the website at www.op-f.org.

Funding Policy - Plan members are required to contribute 10.0% of their annual covered salary, while the City is required to contribute 19.50% and 24.00% for police officers and firefighters, respectively. Contribution rates are established by State statute. For 2013, the portion of the City's contributions to fund pension obligations was 12.75% for police officers and 17.25% for firefighters. The City's required contributions for pension obligations to OP&F for police officers and firefighters were $310,231 and $116,763 for the year ended December 31, 2013, $258,958 and $91,242 for the year ended December 31, 2012, and $250,581 and $94,982, for the year ended December 31, 2011. The full amount has been contributed for 2012 and 2011. 89.82% has been contributed for police and 92.37% has been contributed for firefighters for 2013.

C. Social Security

Employees who perform work as a Volunteer Firefighter contribute to Social Security, unless otherwise given an exemption to make contributions to the Ohio Public Employees Retirement System. The City's share of the contribution is 6.2% of the gross wage.

NOTE 13 - POSTRETIREMENT BENEFIT PLANS

A. Ohio Public Employees Retirement System

Plan Description - OPERS maintains a cost-sharing multiple employer defined benefit post-employment healthcare plan, which includes a medical plan, prescription drug program and Medicare Part B premium reimbursement, to qualifying members of both the Traditional Pension and the Combined Plans. Members of the Member-Directed Plan do not qualify for ancillary benefits, including post-employment health care coverage.

To qualify for post-employment health care coverage, age-and-service retirees under the Traditional Pension and Combined Plans must have ten years or more of qualifying Ohio service credit. The Ohio Revised Code permits, but does not mandate, OPERS to provide OPEB benefits to its eligible members and beneficiaries. Authority to establish and amend benefits is provided in Chapter 145 of the Ohio Revised Code.

Disclosures for the healthcare plan are presented separately in the OPERS financial report which may be obtained by visiting https://www.opers.org/investments/cafr.shtml, writing to OPERS, Attention: Finance Director, 277 E. Town St., Columbus, OH 43215-4642 or by calling (614) 222-5601 or (800) 222-7377.

Funding Policy - The post-employment healthcare plan was established under, and is administered in accordance with, Internal Revenue Code Section 401(h). State statute requires that public employers fund post-employment healthcare through contributions to OPERS. A portion of each employer's contribution to the Traditional or Combined Plans is set aside for the funding of post-employment health care.

Employer contribution rates are expressed as a percentage of the covered payroll of active employees. In 2013, local government employers contributed 14.00% of covered payroll. Each year the OPERS' Retirement Board determines the portion of the employer contribution rate that will be set aside for the funding of the postemployment health care benefits. The portion of employer contributions allocated to fund post-employment healthcare for members in the Traditional Plan for 2013 was 4.00%. The portion of employer contributions allocated to fund post-employment healthcare for members in the Combined Plan for 2013 was 1.0%.

The OPERS Retirement Board is also authorized to establish rules for the payment of a portion of the health care benefits provided, by the retiree or their surviving beneficiaries. Payment amounts vary depending on the number of covered dependents and the coverage selected. Active members do not make contributions to the post-employment healthcare plan.

The City's contributions allocated to fund post-employment health care benefits for the years ended December 31, 2013, 2012, and 2011 were $101,976, $374,593, and $367,408, respectively; 96.45% has been contributed for 2013 and 100% has been contributed for 2011 and 2010.

Changes to the health care plan were adopted by the OPERS Board of Trustees on September 19, 2012, with a transition plan commencing January 1, 2014. With the recent passage of pension legislation under State Bill 343 and the approved health care changes, OPERS expects to be able to consistently allocate 4 percent of the employer contributions toward the health care fund after the end of the transition period.

NOTE 13 - POSTRETIREMENT BENEFIT PLANS - (Continued)

B. Ohio Police and Fire Pension Fund

Plan Description - The City contributes to the OP&F Pension Fund sponsored health care program, a cost-sharing multiple-employer defined postemployment health care plan administered by OP&F. OP&F provides healthcare benefits including coverage for medical, prescription drugs, dental, vision, Medicare Part B Premium and long term care to retirees, qualifying benefit recipients and their eligible dependents.

OP&F provides access to post-employment health care coverage to any person who receives or is eligible to receive a monthly service, disability or survivor benefit check or is a spouse or eligible dependent child of such person.

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 statements and required supplementary information for the plan. That report may be obtained by writing to the OP&F, 140 East Town Street, Columbus, Ohio 43215-5164 or by visiting the website at www.op-f.org.

Funding Policy - The Ohio Revised Code provides for contribution requirements of the participating employers and of plan members to the 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 employers, 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, one account is for health care benefits under an Internal Revenue Code Section 115 trust and the other account is for Medicare Part B reimbursements administered as an Internal Revenue Code Section 401(h) account, both of which are within the defined benefit pension plan, under the authority granted by the Ohio Revised Code to the OP&F Board of Trustees.

The Board of Trustees is authorized to allocate a portion of the total employer contributions made into the pension plan into the Section 115 trust and the Section 401(h) account as the employer contribution for retiree health care benefits. For the year ended December 31, 2013, the employer contribution allocated to the health care plan was 6.75% 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 the pension benefits are adequately funded and is limited by the provisions of Sections 115 and 401(h).

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

NOTE 13 - POSTRETIREMENT BENEFIT PLANS - (Continued)

The City's contributions to OP&F which were allocated to fund post-employment healthcare benefits for police officers and firefighters were $70,097 and $20,682 for the year ended December 31, 2013, $137,123 and $35,695 for the year ended December 31, 2012, and $132,687 and $37,158, for the year ended December 31, 2011. The full amount has been contributed for 2012 and 2011. 89.82% has been contributed for police and 92.37% has been contributed for firefighters for 2013.

NOTE 14 - 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, 2013, the City's liability for compensated absences was $2,190,586 for governmental activities and $1,306,302 for business-type activities.

NOTE 15 - LONG-TERM OBLIGATIONS

	Interest Rate	Original Issue Amount	Date of Maturity
Governmental Activities:			
1968 Liability for Police Past Service Cost	2.36%	$ 124,769	May 15, 2035
2009 General Obligation Bonds	4.00%	2,015,000	December 1, 2014
2010 Revenue Bonds	2.00 - 4.50%	18,290,000	December 1, 2038
Business-Type Activities:			
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

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NOTE 15 - LONG-TERM OBLIGATIONS - (Continued)

	Beginning Balance	Additions	Deletions	Ending Balance	Amount Due In One Year
Governmental Activities:					
Recreation 2009 Series					
General Obligation Bond	$ 40,000	$ -	$ (20,000)	$ 20,000	$ 20,000
Plus Deferred Amounts:					
Unamortized Premium on Bonds	582	-	(291)	291	291
Dispatch 2009 Series					
General Obligation Bond	45,000	-	(20,000)	25,000	25,000
Plus Deferred Amounts:					
Unamortized Premium on Bonds	714	-	(357)	357	357
Streets 2009 Series					
General Obligation Bond	340,000	-	(170,000)	170,000	170,000
Plus Deferred Amounts:					
Unamortized Premium on Bonds	5,579	-	(2,790)	2,789	2,789
1968 Liability for Police Past Service Cost	89,699	-	(2,455)	87,244	2,541
2010 Community Center Revenue Bond	17,865,000	-	(430,000)	17,435,000	450,000
Minus Deferred Amounts:					
Unamortized Discount on Bonds	(99,713)	-	3,835	(95,878)	(3,835)
Total Long-Term Debt	18,286,861	-	(642,058)	17,644,803	667,143
Compensated Absences	3,049,624	-	(859,038)	2,190,586	453,013
Governmental Activities - Long Term Liabilities	$ 21,336,485	$ -	$ (1,501,096)	$ 19,835,389	$ 1,120,156

NOTE 15 - LONG-TERM OBLIGATIONS - (Continued)

The beginning balance of the business-type long term obligation was restated to include the Amp-Ohio stranded costs liability.

	Beginning Balance	Additions	Deletions	Ending Balance	Amount Due In One Year
Business-Type Activities					
Stormwater 2009 Series					
General Obligation Bonds	$ 830,000	$ -	$ (55,000)	$ 775,000	$ 60,000
Plus Deferred Amounts:					
Unamortized Premium on Bonds	12,828	-	(1,069)	11,759	1,069
Water 2009 Series					
General Obligation Bond	1,265,000	-	(90,000)	1,175,000	90,000
Plus Deferred Amounts:					
Unamortized Premium on Bonds	19,489	-	(1,625)	17,864	1,625
Electric 2009 Series					
General Obligation Bond	250,000	-	(35,000)	215,000	35,000
Plus Deferred Amounts:					
Unamortized Premium on Bonds	3,856	-	(550)	3,306	551
2010 Water System Improvements					
General Obligation Bond	8,775,000	-	(350,000)	8,425,000	345,000
Plus Deferred Amounts:					
Unamortized Premium on Bonds	17,039	-	(851)	16,188	851
OWDA Loan	18,550,064	-	(984,798)	17,565,266	1,016,064
AMP Loan	5,585,992	-	(624,000)	4,961,992	624,000
AMP Stranded Costs	5,791,839	47,335	(234,560)	5,604,614	234,560
Total Long-Term Debt	41,101,107	47,335	(2,377,453)	38,770,989	2,408,720
Compensated Absences	1,884,903	-	(578,601)	1,306,302	306,469
Business-Type Activities - Long Term Liabilities	$ 42,986,010	$ 47,335	$ (2,956,054)	$ 40,077,291	$ 2,715,189

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. These 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.

The governmental activities general obligation bonds will be paid from the debt service fund (a nonmajor governmental fund). The business-type activities general obligation bonds will be paid from the storm water, water, and electric funds.

NOTE 15 - LONG-TERM OBLIGATIONS - (Continued)

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.

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. The loan will not have an accurate repayment schedule until the loan is finalized, and therefore, is not included in the schedule of future annual debt service requirements. 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 2028. Annual principal and interest payments on the OWDA loans are expected to require 76.81% of net revenues and 40.97 % of total revenues. The total principal and interest remaining to be paid on the debt is $21,822,812. Principal and interest paid for the current year were $984,798 and $576,714, respectively. Total net revenues were $2,033,079 and total revenues were $3,811,550.

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.

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 2034. These past service costs are payable from taxes levied on all taxable property in the City.

NOTE 15 - LONG-TERM OBLIGATIONS - (Continued)

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, 2013, including interest payments in the Governmental Activities of $68,214 for police past service costs, $5,375 for general obligation bonds, $11,278,400 for revenue bonds, and $5,325,231 for the Business-Type Activities general obligation bonds are as follows:

	Governmental Activities					
	Police Past Service Costs		General Obligation Bonds		Revenue Bonds	
Year Ending	Principal	Interest	Principal	Interest	Principal	Interest
2014	$ 2,541	$ 3,697	$ 215,000	$ 5,375	$ 450,000	$ 707,738
2015	2,630	3,608	-	-	450,000	697,613
2016	2,719	3,519	-	-	460,000	686,363
2017	2,808	3,430	-	-	475,000	673,138
2018	2,897	3,341	-	-	490,000	658,888
2019 - 2023	15,821	15,372	-	-	2,715,000	3,019,725
2024 - 2028	18,046	13,147	-	-	3,295,000	2,439,815
2029 - 2033	20,271	10,922	-	-	4,050,000	1,693,570
2034 - 2038	19,511	11,178	-	-	5,050,000	701,550
Total	$ 87,244	$ 68,214	$ 215,000	$ 5,375	$ 17,435,000	$ 11,278,400

	Business-Type Activities	
	General Obligation Bonds	
Year Ending December 31	Principal	Interest
2014	$ 530,000	$ 471,613
2015	550,000	459,708
2016	560,000	445,653
2017	570,000	429,897
2018	575,000	411,853
2019 - 2023	2,995,000	1,723,790
2024 - 2028	2,580,000	1,055,559
2029 - 2032	2,230,000	327,158
Total	$ 10,590,000	$ 5,325,231

NOTE 15 - LONG-TERM OBLIGATIONS - (Continued)

Stranded Costs Payable

The City is a member of AMP and has participated in the AMPGS Project. This project intended to develop a pulverized coal power plant in Meigs County, Ohio. The City's share was 34,650 kilowatts of a total 771,281 kilowatts, giving the City a 4.49% 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. These costs were therefore deemed *impaired* and participants were obligated to pay costs already incurred. In prior years, the payment of these costs was not considered probable due to AMP's pursuit of legal action to void them. As a result of a March 31, 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 at March 31, 2014 of the impaired costs is $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 another credit of $1,567,041 related to the AMPGS costs deemed to have future benefit for the project participants, and payments of $425,037 leaving a net impaired cost estimate 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 it 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 liability. These amounts will be recorded as they become estimable. The City has made a payment arrangement with AMP with a valuable interest rate and an estimated time of completion of payments of December, 2022. Principal and interest payments are made from the electric fund.

NOTE 16 - 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.

NOTE 16 - INTERFUND TRANSACTIONS - (Continued)

Following is a detail of Interfund Notes Receivable/Payable, by debt issue, during 2013:

	Balance 1/1/13	Additions	Deletions	Balance 12/31/13
Governmental Activities:				
Major Governmental Funds:				
General Fund:				
General Fund - 2012 WCTV Equipment Issue 11/13, maturity 11/14, rate 1.0%	$ 40,000	$ 32,000	$ (40,000)	$ 32,000
Recreation Fund:				
2012 YMCA Equipment Issue 11/13, maturity 11/14, rate 1.0%	$ 363,858	$ 327,472	$ (363,858)	$ 327,472
2013 Outdoor Pool Issue 11/13, maturity 11/14, rate 1.0%	-	1,130,000	-	1,130,000
Total Recreation Fund	$ 363,858	$ 1,457,472	$ (363,858)	$ 1,457,472
Non-major Governmental Funds:				
2005 Akron Road Improvements Issue; 11/13, maturity 11/14, rate 1.0%	$ 86,400	$ -	$ (86,400)	$ -
Airport Improvements Issue 11/13, maturity 11/14, rate 1.0%	280,000	210,000	(280,000)	210,000
2011 ERP System Improvements Issue 11/13, maturity 11/14, rate 1.0%	844,294	759,865	(844,294)	759,865
High Street Improvements Issue 11/13, maturity 11/14, rate 1.0%	400,000	435,000	(400,000)	435,000
2012 Airport Land Acquisition Issue 11/13, maturity 11/14, rate 1.0%	135,000	126,000	(135,000)	126,000
Total nonmajor governmental funds	$ 1,745,694	$ 1,530,865	$ (1,745,694)	$ 1,530,865

NOTE 16 - INTERFUND TRANSACTIONS - (Continued)

	Balance 1/1/13	Additions	Deletions	Balance 12/31/13
Business-Type Activities:				
Water Fund:				
2004 Rogues Hollow Well Issue 11/13, maturity 11/14, rate 1.0%	$ 1,012,950	$ 956,675	$ (1,012,950)	$ 956,675
2009 Water Tank Maintenance Issue 11/13, maturity 11/14, rate 1.0%	105,012	90,016	(105,012)	90,016
2009 Water System Improvement Issue 11/13, maturity 11/14, rate 1.0%	297,500	280,000	(297,500)	280,000
2012 Water Distribution Improvements Issue 11/13, maturity 11/14, rate 1.0%	320,000	304,000	(320,000)	304,000
2011 Water Distribution Improvements Issue 11/13, maturity 11/14, rate 1.0%	251,750	238,500	(251,750)	238,500
2012 Water Plan Generator Issue 11/13, maturity 11/14, rate 1.0%	375,000	356,250	(375,000)	356,250
2013 Water Tank Maintenance Issue 11/13, maturity 11/14, rate 1.0%	-	500,000	-	500,000
2013 Water Distribution Improvements Issue 11/13, maturity 11/14, rate 1.0%	-	350,000	-	350,000
2013 Water Plant Improvements Issue 11/13, maturity 11/14, rate 1.0%	-	100,000	-	100,000
Total Water Fund	$ 2,362,212	$ 3,175,441	$ (2,362,212)	$ 3,175,441

NOTE 16 - INTERFUND TRANSACTIONS - (Continued)

	Balance 1/1/13	Additions	Deletions	Balance 12/31/13
Business-Type Activities:				
Electric Fund:				
2006 Valleyview Sub Improvements Issue 11/13, maturity 11/14, rate 1.0%	$ 200,625	$ 187,250	$ (200,625)	$ 187,250
2007 Subs/Dist/Meters Issue 11/13, maturity 11/14, rate 1.0%	578,613	540,039	(578,613)	540,039
2008 Electric Capital Improvements Issue 11/13, maturity 11/14, rate 1.0%	628,000	588,750	(628,000)	588,750
2009 Electric Capital Improvements Issue 11/13, maturity 11/14, rate 1.0%	501,500	472,000	(501,500)	472,000
2010 Electric Capital Improvements Issue 11/13, maturity 11/14, rate 1.0%	1,204,667	1,112,000	(1,204,667)	1,112,000
2011 Electric Capital Improvements Issue 11/13, maturity 11/14, rate 1.0%	1,154,250	1,093,500	(1,154,250)	1,093,500
2012 Electric Capital Improvements Issue 11/13, maturity 11/14, rate 1.0%	750,000	687,500	(750,000)	687,500
Total Electric Fund	$ 5,017,655	$ 4,681,039	$ (5,017,655)	$ 4,681,039

	Balance 1/1/13	Additions	Deletions	Balance 12/31/13
Business-Type Activities:				
Sanitation Fund:				
2006 Transfer Station Improvement Issue 11/13, maturity 11/14, rate 1.0%	$ 189,000	$ 175,500	$ (189,000)	$ 175,500
2013 Sanitation Rear Loader Issue 11/13, maturity 11/14, rate 1.0%	-	155,000	-	155,000
Total Sanitation Fund	$ 189,000	$ 330,500	$ (189,000)	$ 330,500

NOTE 16 - INTERFUND TRANSACTIONS - (Continued)

	Balance 1/1/13	Additions	Deletions	Balance 12/31/13
Business-Type Activities:				
Sewer Fund:				
2011 WWTP Phosphorus Improvements Issue 11/13, maturity 11/14, rate 1.0%	$ 180,000	$ 160,000	$ (180,000)	$ 160,000
2012 Brookwood Gravity Sewer Issue 11/13, maturity 11/14, rate 1.0%	570,000	541,500	(570,000)	541,500
Total Sewer Fund	$ 750,000	$ 701,500	$ (750,000)	$ 701,500

	Balance 1/1/13	Additions	Deletions	Balance 12/31/13
Business-Type Activities:				
Storm Water Fund:				
2012 Stormwater Improvements Issue 11/13, maturity 11/14, rate 1.0%	$ 225,000	$ 213,750	$ (225,000)	$ 213,750
2011 Stormwater Improvements Issue 11/13, maturity 11/14, rate 1.0%	133,000	126,000	(133,000)	126,000
2010 Stormwater Improvements Issue 11/13, maturity 11/14, rate 1.0%	108,333	100,000	(108,333)	100,000
2006 Stormwater Improvements Issue 11/13, maturity 11/14, rate 1.0%	84,000	74,667	(84,000)	74,667
2013 Stormwater Improvements Issue 11/13, maturity 11/14, rate 1.0%	-	100,000	-	100,000
Total Storm Water Fund	$ 550,333	$ 614,417	$ (550,333)	$ 614,417

NOTE 16 - INTERFUND TRANSACTIONS - (Continued)

	Balance 1/1/13	Additions	Deletions	Balance 12/31/13
Business-Type Activities:				
Telecomm Fund:				
2008 Broadband Communication Digital Issue 11/13, maturity 11/14, rate 1.0%	$ 64,000	$ -	$ (64,000)	$ -
2009 Broadband Communication Digital Issue 11/13, maturity 11/14, rate 1.0%	56,000	28,000	(56,000)	28,000
2010 Broadband Communication Digital Issue 11/13, maturity 11/14, rate 1.0%	24,000	16,000	(24,000)	16,000
2011 Broadband Communication Digital Issue 11/13, maturity 11/14, rate 1.0%	36,000	27,000	(36,000)	27,000
2012 Broadband Communication Digital Issue 11/13, maturity 11/14, rate 1.0%	200,000	160,000	(200,000)	160,000
2013 Broadband Communication Digital Issue 11/13, maturity 11/14, rate 1.0%	-	55,000	-	55,000
Total Telecomm Fund	$ 380,000	$ 286,000	$ (380,000)	$ 286,000
Total Proprietary Funds	$ 9,249,200	$ 9,788,897	$ (9,249,200)	$ 9,788,897

NOTE 16 - INTERFUND TRANSACTIONS - (Continued)

	Balance 1/1/13	Additions	Deletions	Balance 12/31/13
Governmental Activities:				
1993 Great Oaks Extension Issue 09/94, maturity 09/14, rate 8.00%	$ 48,544	$ -	$ (23,452)	$ 25,092
1998 Silvercrest Waterline Issue 10/98, maturity 10/13, rate 6.00%	6,177	-	(6,177)	-
1999 Silvercrest Sewer Issue 08/99, maturity 08/14, rate 6.00%	13,546	-	(6,575)	6,971
2000 Grace Drive Sanitary Sewer Issue 09/00, maturity 09/15, rate 8.00%	1,677	-	(517)	1,160
2006 Sidewalk Improvement Issue 11/08, maturity 11/13, rate 3.0%	4,950	-	(4,950)	-
2007 Sidewalk Improvement Issue 11/09, maturity 11/14, rate 3.0%	22,149	-	(10,911)	11,238
2008 Sidewalk Improvement Issue 11/09, maturity 11/14, rate 3.0%	8,954	-	(4,411)	4,543
2009 Street & Hall Drive Assessments Issue 11/10, maturity 11/15, rate 2.50%	69,791	-	(22,692)	47,099
2009 Sidewalk Assessments Issue 11/10, maturity 11/15, rate 2.50%	5,932	-	(1,929)	4,003
2010 Sidewalk Assessments Issue 09/11, maturity 09/16, rate 1.50%	2,783	-	(680)	2,103
2011 Sidewalk Assessments Issue 11/12, maturity 11/17, rate 1.50%	13,773	-	(2,673)	11,100
Total Governmental Activities	$ 198,276	$ -	$ (84,967)	$ 113,309

The following is a detail of Advances In/Out included in interfund receivable/payable during 2013:

Payable Fund	Receivable Fund	Amount
Nonmajor governmental funds	General fund	$ 241,816

The following is detail of interfund receivable/payable to cover negative cash balance:

Payable Fund	Receivable Fund	Amount
Nonmajor governmental funds	General fund	$ 107,993

NOTE 16 - INTERFUND TRANSACTIONS - (Continued)

The following is a summary of Interfund Receivable/Payable, outstanding at December 31, 2013:

	Notes/Accrued Interest Receivable Funds			
	General Fund	Nonmajor Governmental Funds	Electric Fund	Total Interfund Payable Activity
Notes/Accrued Interest Payable Funds:				
Governmental Funds:				
Recreation Fund	$ 1,822	$ 1,457,472	$ -	$ 1,459,294
General Fund	40	32,000	-	32,040
Nonmajor Governmental Funds	2,177	1,530,865	-	1,533,042
Total Governmental Receivable Funds	4,039	3,020,337	-	3,024,376
Proprietary Funds:				
Storm Water	768	-	614,417	615,185
Telecom	358	-	286,000	286,358
Water	3,969	-	3,175,441	3,179,410
Sewer	877	-	701,500	702,377
Electric	4,686,890	-	-	4,686,890
Sanitation	413	-	330,500	330,913
Total Proprietary Receivable Funds	4,693,275	-	5,107,858	9,801,133
Bonds/Accrued Interest Payable Funds:				
Governmental Funds:				
Nonmajor Governmental Funds	351	113,309	-	113,660
Total Interfund Receivable Including Advances In/Out	$ 5,047,474	$ 3,133,646	$ 5,107,858	$ 13,288,978

The following is a summary of amounts due to/due from other funds:

Receivable Fund	Payable Fund	Amount
General	Nonmajor governmental fund	$ 6,293

NOTE 16 - INTERFUND TRANSACTIONS - (Continued)

Interfund transfers for the year ended December 31, 2013 consisted of the following:

	Transfers In					
	Nonmajor Governmental Funds	Electric Fund	Telecom Fund	Water Fund	Sewer Fund	Sanitation Fund
Transfers Out						
Governmental Funds:						
General Fund	$ 129,280	$ 39,743	$ 1,987	$ 7,949	$ 7,949	$ 4,968
Nonmajor Governmental Funds	85,972	-	-	-	-	-
Total Transfers In	$ 215,252	$ 39,743	$ 1,987	$ 7,949	$ 7,949	$ 4,968

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.

NOTE 17 - RELATED ORGANIZATIONS

On June 30, 2013 the City granted and renewed a franchise to Wadsworth Airport Management Corporation for a period of three years for the operation and maintenance of the Wadsworth Municipal Airport. The City of Wadsworth pays three thousand dollars per month to the Wadsworth Airport Management Corporation and pays for liability insurance not to exceed six thousand dollars per year. Wadsworth Airport Management Corporation agrees to pay the City of Wadsworth twelve cents per gallon of aviation fuel sold.

NOTE 18 - JOINT VENTURES

OMEGA JV 1

The City's Electric enterprise fund has entered into an ongoing joint venture agreement with other Ohio municipal electric systems to form the Ohio Municipal Electric Generation Agency Joint Venture 1 (OMEGA JV 1) for the purpose of providing electric power and energy to its participants on a cooperative basis. Title to the six diesel powered generating units in OMEGA JV 1, were transferred to the municipal electrical systems from American Municipal Power, Incorporated (AMP), a membership organization comprised of communities throughout Ohio, West Virginia and Pennsylvania that own and operate electric systems. Each participant has a contract which provides for AMP to purchase the right to each participant's share of power and energy that is made available through the joint venture contract. The City's equity interest in JV 1 is reported in the City's electric enterprise fund. The City's undivided ownership of OMEGA JV 1 is 11.24%. The City's equity interest was $45,362 for JV 1 at December 31, 2013.

NOTE 18 - JOINT VENTURES - (Continued)

The following is a summary of audited financial information of OMEGAJV1 for the year ended December 31, 2013:

	OMEGA JV 1
Total Assets	$ 504,068
Total Liabilities	100,481
Participants Equity	403,587
Total Revenues	383,157
Total Expenses	402,996
(Deficiency) of Revenue (Under) Expenses	(19,839)

Additional financial information can be obtained from AMP, 2600 Airport Drive, Columbus, Ohio 43219. OMEGA JV 1 is not accumulating significant financial resources or experiencing fiscal stress which would cause additional financial benefit to or burden on the City.

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.

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, 2013 the City of Wadsworth has met debt coverage obligation.

NOTE 18 - JOINT VENTURES - (Continued)

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 134.081MWis the participants entitlement and 4.569MWare held in reserve. On dissolution of OMEGA JV2, the net position 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, with the remaining principal balance now residing on the AMP credit facility. 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 $1,323,808 at December 31, 2013. Complete financial statements for OMEGA JV2 may be obtained from AMP or from the State Auditor's website at www.auditor.state.oh.us.

The thirty-six participating subdivisions and their respective ownership shares at December 31, 2013 are:

Hamilton	23.87%	32,000	Grafton	0.79%	1,056
Bowling Green	14.32%	19,198	Brewster	0.75%	1,000
Niles	11.48%	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	0.80%	1,066	Custar	0.00%	4
			Grand Total		134,081

NOTE 18 - JOINT VENTURES - (Continued)

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

	OMEGA JV 2
Total Assets	$ 25,075,676
Total Liabilities	1,897,319
Deferred Inflows	393,347
Participants Equity	22,785,010
Total Revenues	4,335,783
Total Expenses	7,212,816
Distribution	(521,203)
(Deficiency) of Revenue (Under) Expenses	(3,398,237)

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 OMEGAJV5 Project.

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.

OMEGAJV5 was created to construct a 42 Megawatt (MW) run-of-the-river hydroelectric plant (including 40MWof 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 OMEGAJV5 Participants.

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, 2013, Wadsworth has met their debt coverage obligation.

NOTE 18 - JOINT VENTURES - (Continued)

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.

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 $549,183 at December 31, 2013. Complete financial statements for OMEGA JV5 may be obtained from AMP or from the State Auditor's website at www.auditor.state.oh.us.

The following is a summary of audited financial information of OMEGAJV5 for the year ended December 31, 2013:

	OMEGA JV 5
Total Assets	$ 139,789,010
Total Deferred Outflows	1,758,060
Total Liabilities	110,116,319
Total Deferred Inflows	21,658,788
Participants Equity	9,771,963
Total Revenues	23,000,861
Total Expenses	23,000,861
(Deficiency) of Revenue (Under) Expenses	-

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.

NOTE 18 - JOINT VENTURES - (Continued)

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 OMEGAJV6 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, 2013, Wadsworth has met their 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").

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. The City's net obligation for these bonds at December 31, 2013 was $58,440 (Including amounts withheld for Debt Service Reserve, amounts held in the Bond Fund, previous billings to members, interest payable and debt service paid and collected).

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 $286,139 at December 31, 2013. Complete financial statements for OMEGA JV6 may be obtained from AMP or from the State Auditor's website at www.auditor.state.oh.us.

NOTE 18 - JOINT VENTURES - (Continued)

The ten participating subdivisions and their respective ownership shares at December 31, 2013 are:

Participant	KW Amount	% of Financing
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	100	1.39%
Total	$ 7,200	100.00%

The City's liability for the bonds is disclosed below:

Years	Principal	Interest	Total Debt Service
2014	$ 32,414	$ 2,786	$ 35,200
2015	33,723	1,477	35,200
2016	11,548	231	11,779
Total Gross Liability	$ 77,685	$ 4,494	$ 82,179
Less: Amounts Held in Reserve	(19,245)		
Net Obligation	$ 58,440		

The following is a summary of audited financial information of OMEGA JV 6 for the year ended December 31, 2013:

	OMEGA JV 6
Total Assets	$ 9,276,300
Total Liabilities	850,749
Total Deferred Inflows	179,453
Participants Equity	8,246,098
Total Revenues	334,865
Total Expenses	633,139
Excess of Revenue Over Expenses	(289,274)

NOTE 18 - 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 Cemetery for the year ended December 31, 2013 was as follows:

Total Receipts	$ 245,087
Total Disbursements	(240,197)
Excess of Receipts Over Disbursements	$ 4,890

The Cemetery has no outstanding debt.

NOTE 19 - 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 20 - 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, 2013.

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, 2013.

NOTE 21 - OTHER COMMITMENTS

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

Fund	Year End Encumbrances
General fund	$ 128,417
Recreation fund	185,887
Nonmajor governmental funds	989,162
Total	$ 1,303,466

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NOTE 22 - FUND BALANCE

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

Fund balance	General	Recreation	Nonmajor Governmental Funds	Total Governmental Funds
Nonspendable:				
Prepayments	$ 45,536	$ 379	$ 10,109	$ 56,024
Materials and supplies inventory	150,081	-	298,076	448,157
Interfund loan receivable	5,047,474	-	-	5,047,474
Total nonspendable	5,243,091	379	308,185	5,551,655
Restricted:				
Capital projects	-	-	7,271,611	7,271,611
Street maintenance	-	-	1,180,508	1,180,508
Emergency medical services	-	-	1,746,495	1,746,495
Municipal court	-	-	890,830	890,830
Law enforcement			278,248	278,248
Other purposes	-	-	29,123	29,123
Community improvements	-	-	174,828	174,828
Community developments	-	-	208,689	208,689
Fire protection	-	-	19,968	19,968
Debt service	-	-	5,316	5,316
Total restricted	-	-	11,805,616	11,805,616
Committed:				
Recreation	-	-	67,316	67,316
Parking fines	170,028	-	-	170,028
Other	-	-	102,640	102,640
Total committed	170,028	-	169,956	339,984
Assigned:				
General government	101,642	-	-	101,642
Security of persons and property	54,632	-	-	54,632
Other purposes	12,246	-	-	12,246
Subsequent year's appropriations	1,681,342	-	-	1,681,342
Total assigned	1,849,862	-	-	1,849,862
Unassigned (deficit)	331,919	(1,096,271)	(234,958)	(999,310)
Total fund balances	$ 7,594,900	$ (1,095,892)	$ 12,048,799	$ 18,547,807

NOTE 23 - CONTRACTUAL COMMITMENTS

Brookwood Lift Station - Site work was contracted with Kent's Excavating for the onsite sanitary and storm sewer work for $74,935. $40,014 was spent in 2013 and the project was completed in July 2014. The pump station enclosure and equipment was contracted with Craun-Liebing for $216,626. The project was completed in July 2014.

Southwest Parking Lot - The project included an improvement partially funded by an OEPA grant. The City awarded the project to Mudd Construction for $224,651. A bioretention basin and pervious pavers were installed to enhance the parking area and provide storm water collection and water quality improvements. The project was completed in July 2014.

Baldwin St. Culvert - The contract was awarded to Kent's Excavating for $330,228 and will start construction in late July 2014.

2012 Sidewalk Program - Contracted with TR Snyder for $82,782. This area of improvement included Auble, Durling, Fernwood, First, Wintergreen Subdivision, Second, Third, and Springdale. All curb ramps on these streets brought up to ADA standards. The project was completed in 2013 but approximately $8,400 was held to perform additional curb ramp installation at City Hall.

N. Avon Waterline - The City contracted for professional engineering services with MS Consultants for the design of a new North Avon waterline for $55,875. $33,882 was paid in 2013. This project consists of the replacement of approximately 4,430 lineal feet of existing 4-inch through 6-inch cast iron waterline with 8-inch ductile iron waterline, including valves, hydrants and service connections. Plan is to bid the construction of the project in 2014.

Westview Water Line - This project was bid and awarded to Rudzik Excavating, Inc. for $254,909. The engineer's estimate for the construction of this project was $313,000 and the plans include constructing an 8'' water main line along the entire length of Westview Avenue.

2013 Parking Lot Repairs - This project includes improving the Maple Street Parking Lot, the State Street Parking Lot, and various other streets in the downtown area by performing partial depth repairs. The City bid the project and awarded it to Barbicas Construction Co., Inc. for the amount of $80,616. Work was started in July 2014.

College Street Improvements - This project consists of various storm improvements, storm repairs, and the repaving of College Street between Pardee Street and Trease Road within the City of Wadsworth jurisdiction. Estimated cost of the project will be approximately $500,000. This is an 80 / 20 match grant from the OPWC that was submitted in 2013. The grant award was received in July 2014 and will be bid and completed in fall 2014.

Sewer System GIS - The City of Wadsworth used the QBS process and selected RedZone Robotics to obtain a geographical information system (GIS). The total cost of the contract is $748,957 to be paid over five years. $145,485 was paid in 2013.

Capital Equipment - The Electric Department ordered a Freightliner Cab and Chassis with a Digger Derrick body for $273,125. The delivery and payment will be sometime in 2014.

NOTE 23 - CONTRACTUAL COMMITMENTS- (Continued)

Wadsworth Municipal Airport Franchise - On June 20, 2012 the City granted a franchise to Premier Flight Management, LTD for a period of three years for the operation and maintenance of the Wadsworth Municipal Airport. The City of Wadsworth pays four thousand three hundred thirty three ($4,333) dollars per month to the Premier Flight Management, LTD and pays for liability insurance not to exceed six thousand ($6,000 dollars per year. Premier Flight Management, LTD agrees to pay the City of Wadsworth seven ($0.07) cents per gallon of aviation fuel sold and participate in capital improvements at the airport.

NOTE 24 - SIGNIFICANT SUBSEQUENT EVENT

In February 2011, American Municipal Power (AMP) filed a lawsuit against Bechtel Power seeking damages of approximately $100,000,000 in response to Bechtel Power's inaccurate cost estimates that allegedly resulted in the abandonment of AMP's AMPGS Project. AMP argued that Bechtel Power acted recklessly in its production of the cost estimates and that AMP was therefore entitled to the aforementioned damages. On March 31, 2014, the federal court system responded that Bechtel Power had not acted recklessly by definition and that it would be enforcing a clause in AMP's contract with Bechtel Power that limits damage recovery to $500,000. This ruling ultimately resulted in the solidification of the stranded construction costs attributable to each entity involved with the AMPGS Project (including the City of Wadsworth) as of December 31, 2013.

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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.

Community Center Project Fund

To account for Income Tax Revenue Bond proceeds, the construction of a new community center and to receive lease payments and income tax revenues to service the bonds.

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, 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.

Special Assessments Fund

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

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.

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:

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 & 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

This fund was established 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.

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
State Highway 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.

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.

Neighborhood Stabilization Program Grant Fund
To account for federal grant dollars used to rehabilitate areas of the community based on the criteria established by the Ohio Development Services Agency.

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.

FEMA Grant Fund
To account for the collection of FEMA grant dollars for the reimbursement of labor and material costs associated with natural disasters. Also, to account for the assistance to firefighters grant used for fire department capital.

Community Development Block Grant (CDBG) Fund
To account for federal grant monies used for various capital projects within the City.

Nonmajor Special Revenue Funds - (continued)

Community Housing Improvement Program (CHIP) Fund
To account for federal grant dollars used in various programs administered by the City for the community improvements.

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.

CITY OF WADSWORTH, OHIO

COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
DECEMBER 31, 2013

	Nonmajor Capital Projects Funds	Nonmajor Debt Service Fund	Nonmajor Special Revenue Funds	Total Nonmajor Governmental Funds
Assets:				
Equity in pooled cash, cash equivalents and investments	$ 6,114,424	$ -	$ 4,578,067	$ 10,692,491
Cash with fiscal agent	-	128	-	128
Receivables (net of allowances for uncollectibles):				
Real and other tax	350,260	-	886,857	1,237,117
Accounts	-	-	345,860	345,860
Payment in lieu of taxes	-	-	613,346	613,346
Special assessments	106,191	-	12,410	118,601
Interfund loans	1,890,337	113,309	1,130,000	3,133,646
Due from other governments	26,525	-	501,207	527,732
Materials and supplies inventory	-	-	298,076	298,076
Prepayments	-	-	10,109	10,109
Total assets	$ 8,487,737	$ 113,437	$ 8,375,932	$ 16,977,106
Liabilities:				
Accounts payable	$ 33,929	$ -	$ 89,155	$ 123,084
Contracts payable	52,094	-	-	52,094
Accrued wages and benefits	-	-	75,768	75,768
Compensated absences payable	-	-	23,269	23,269
Interfund loans payable	1,238,658	107,993	649,860	1,996,511
Due to other funds	-	-	6,293	6,293
Due to other governments	-	-	38,654	38,654
Matured interest payable	-	128	-	128
Total liabilities	1,324,681	108,121	882,999	2,315,801
Deferred inflows of resources:				
Property taxes levied for the next fiscal year	340,788	-	863,155	1,203,943
Delinquent property tax revenue not available	9,472	-	23,702	33,174
Special assessments revenue not available	106,191	-	12,410	118,601
Miscellaneous revenue not available	-	-	269,189	269,189
Intergovernmental revenue not available	26,525	-	347,728	374,253
PILOTs levied for next fiscal year	-	-	613,346	613,346
Total deferred inflows of resources	482,976	-	2,129,530	2,612,506
Fund balances:				
Nonspendable	-	-	308,185	308,185
Restricted	6,859,072	5,316	4,941,228	11,805,616
Committed	-	-	169,956	169,956
Assigned	-	-	-	-
Unassigned (deficit)	(178,992)	-	(55,966)	(234,958)
Total fund balances	6,680,080	5,316	5,363,403	12,048,799
Total liabilities, deferred inflows of resources & fund balance	$ 8,487,737	$ 113,437	$ 8,375,932	$ 16,977,106

CITY OF WADSWORTH, OHIO

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2013

	Nonmajor Capital Projects Funds	Nonmajor Debt Service Fund	Nonmajor Special Revenue Funds	Total Nonmajor Governmental Funds
Revenues:				
Income taxes	$ 1,274,999	$ -	$ 1,100,000	$ 2,374,999
Real and other taxes	740,931	-	849,961	1,590,892
Charges for services	101,000	-	1,048,971	1,149,971
Licenses and permits	12,500	-	-	12,500
Fines and forfeitures	-	-	178,253	178,253
Intergovernmental	206,469	-	1,221,561	1,428,030
Special assessments	16,396	90,945	6,537	113,878
Investment income	-	-	326	326
Contributions and donations	-	-	3,000	3,000
Payment in lieu of taxes	-	-	612,180	612,180
Other	136,725	-	373,898	510,623
Total revenues	2,489,020	90,945	5,394,687	7,974,652
Expenditures:				
Current:				
General government	84,272	-	143,620	227,892
Security of persons and property	32,363	-	1,597,543	1,629,906
Public health and welfare	-	-	3,604	3,604
Transportation	-	-	2,406,833	2,406,833
Leisure time activity	-	-	7,941	7,941
Economic development	-	-	799,300	799,300
Capital outlay	1,109,970	-	651,395	1,761,365
Debt service:				
Principal retirement	210,000	-	-	210,000
Interest and fiscal charges	27,832	-	3,870	31,702
Total expenditures	1,464,437	-	5,614,106	7,078,543
Excess (deficency) of revenues over/(under) expenditures	1,024,583	90,945	(219,419)	896,109
Other financing sources (uses):				
Sale of assets	-	-	3,315	3,315
Transfers in	199,342	-	15,910	215,252
Transfers out	-	(85,972)	-	(85,972)
Total other financing sources/(uses)	199,342	(85,972)	19,225	132,595
Net change in fund balances	1,223,925	4,973	(200,194)	1,028,704
Fund balances at beginning of year	5,456,155	343	5,563,597	11,020,095
Fund balances at end of year	$ 6,680,080	$ 5,316	$ 5,363,403	$ 12,048,799

CITY OF WADSWORTH, OHIO

COMBINING BALANCE SHEET
INDIVIDUAL NONMAJOR GOVERNMENTAL FUNDS
DECEMBER 31, 2013

	Nonmajor Capital Projects			
	Airport Improvements Fund	**Community Center Project Fund**	**General Capital Improvements Fund**	**EMS Reserve Fund**
Assets:				
Equity in pooled cash, cash equivalents and investments	$ 182,953	$ 164,717	$ 1,504,850	$ 1,127,889
Cash with fiscal agent	-	-	-	-
Receivables (net of allowances for uncollectibles):				
Real and other tax	-	-	-	-
Accounts	-	-	-	-
Payment in lieu of taxes	-	-	-	-
Special assessments	-	-	-	-
Interfund loans	-	-	-	-
Due from other governments	-	-	-	-
Materials and supplies inventory	-	-	-	-
Prepayments	-	-	-	-
Total assets	$ 182,953	$ 164,717	$ 1,504,850	$ 1,127,889
Liabilities:				
Accounts payable	$ 1,275	$ -	$ 21,823	$ -
Contracts payable	-	-	24,025	-
Accrued wages and benefits	-	-	-	-
Compensated absences payable	-	-	-	-
Interfund loans payable	336,683	-	760,815	-
Due to other funds	-	-	-	-
Due to other governments	-	-	-	-
Matured interest payable	-	-	-	-
Total liabilities	337,958	-	806,663	-
Deferred inflows of resources:				
Property taxes levied for the next fiscal year	-	-	-	-
Delinquent property tax revenue not available	-	-	-	-
Special assessments revenue not available	-	-	-	-
Miscellaneous revenue not available	-	-	-	-
Intergovernmental revenue not available	-	-	-	-
PILOTs levied for next fiscal year	-	-	-	-
Total deferred inflows of resources	-	-	-	-
Fund balances:				
Nonspendable	-	-	-	-
Restricted	-	164,717	698,187	1,127,889
Committed	-	-	-	-
Unassigned (deficit)	(155,005)	-	-	-
Total fund balances	(155,005)	164,717	698,187	1,127,889
Total liabilities, deferred inflows of resources & fund balance	$ 182,953	$ 164,717	$ 1,504,850	$ 1,127,889

Nonmajor Capital Projects					Nonmajor Debt Service	Nonmajor Special Revenue
Fire Levy Fund	Park Land Acquisition Fund	Street Improvement Fund	Special Assessments Fund	Total Capital Projects	Special Assessment Bond Retirement Fund	Street Maintenance Fund
$ 2,232,379	$ 252,793	$ 530,326	$ 118,517	$ 6,114,424	$ -	$ 955,982
-	-	-	-	-	128	-
350,260	-	-	-	350,260	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	106,191	106,191	-	-
1,890,337	-	-	-	1,890,337	113,309	-
26,525	-	-	-	26,525	-	339,674
-	-	-	-	-	-	298,076
-	-	-	-	-	-	7,516
$ 4,499,501	$ 252,793	$ 530,326	$ 224,708	$ 8,487,737	$ 113,437	$ 1,601,248
$ 9,487	$ -	$ -	$ 1,344	$ 33,929	$ -	$ 38,280
-	-	28,069	-	52,094	-	-
-	-	-	-	-	-	29,641
-	-	-	-	-	-	23,269
-	-	-	141,160	1,238,658	107,993	-
-	-	-	-	-	-	-
-	-	-	-	-	-	17,364
-	-	-	-	-	128	-
9,487	-	28,069	142,504	1,324,681	108,121	108,554
340,788	-	-	-	340,788	-	-
9,472	-	-	-	9,472	-	-
-	-	-	106,191	106,191	-	-
-	-	-	-	-	-	-
26,525	-	-	-	26,525	-	214,975
-	-	-	-	-	-	-
376,785	-	-	106,191	482,976	-	214,975
-	-	-	-	-	-	305,592
4,113,229	252,793	502,257	-	6,859,072	5,316	972,127
-	-	-	-	-	-	-
-	-	-	(23,987)	(178,992)	-	-
4,113,229	252,793	502,257	(23,987)	6,680,080	5,316	1,277,719
$ 4,499,501	$ 252,793	$ 530,326	$ 224,708	$ 8,487,737	$ 113,437	$ 1,601,248

Continued

CITY OF WADSWORTH, OHIO

COMBINING BALANCE SHEET
INDIVIDUAL NONMAJOR GOVERNMENTAL FUNDS (CONTINUED)
DECEMBER 31, 2013

	Nonmajor Special Revenue			
	Emergency Medical Services Fund	**Municipal Court Special Programs Fund**	**Municipal Court Improvements Fund**	**Developers Shade Tree Fund**
Assets:				
Equity in pooled cash, cash equivalents and investments	$ 612,875	$ 167,316	$ 515,233	$ 102,640
Cash with fiscal agent	-	-	-	-
Receivables (net of allowances for uncollectibles):				
Real and other tax	886,857	-	-	-
Accounts	321,500	-	-	-
Payment in lieu of taxes	-	-	-	-
Special assessments	-	-	-	-
Interfund loans	1,130,000	-	-	-
Due from other governments	64,417	-	-	-
Materials and supplies inventory	-	-	-	-
Prepayments	2,593	-	-	-
Total assets	$ 3,018,242	$ 167,316	$ 515,233	$ 102,640
Liabilities:				
Accounts payable	$ 5,634	$ -	$ -	$ -
Contracts payable	-	-	-	-
Accrued wages and benefits	46,127	-	-	-
Compensated absences payable	-	-	-	-
Interfund loans payable	-	-	-	-
Due to other funds	-	-	-	-
Due to other governments	21,290	-	-	-
Matured interest payable	-	-	-	-
Total liabilities	73,051	-	-	-
Deferred inflows of resources:				
Property taxes levied for the next fiscal year	863,155	-	-	-
Delinquent property tax revenue not available	23,702	-	-	-
Special assessments revenue not available	-	-	-	-
Miscellaneous revenue not available	244,829	-	-	-
Intergovernmental revenue not available	64,417	-	-	-
PILOTs levied for next fiscal year	-	-	-	-
Total deferred inflows of resources	1,196,103	-	-	-
Fund balances:				
Nonspendable	2,593	-	-	-
Restricted	1,746,495	167,316	515,233	-
Committed	-	-	-	102,640
Unassigned (deficit)	-	-	-	-
Total fund balances	1,749,088	167,316	515,233	102,640
Total liabilities, deferred inflows of resources & fund balance	$ 3,018,242	$ 167,316	$ 515,233	$ 102,640

Nonmajor Special Revenue					
Drug Law Enforcement Fund	Law Enforcement and Education Fund	Indigent Drivers Alcohol Treatment Fund	Law Enforcement Trust Fund	Permissive Motor Vehicle License Fund	State Highway Fund
$ 85,151	$ 14,833	$ 208,281	$ 170,144	$ 133,187	$ 49,914
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	18,669	27,541
-	-	-	-	-	-
-	-	-	-	-	-
$ 85,151	$ 14,833	$ 208,281	$ 170,144	$ 151,856	$ 77,455
$ -	$ -	$ -	$ -	$ -	$ 3,500
-	-	-	-	-	-
-	-	-	-	-	-
-	-		-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	3,500
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	17,430
-	-	-	-	-	-
-	-	-	-	-	17,430
-	-	-	-	-	-
85,151	14,833	208,281	170,144	151,856	56,525
-	-	-	-	-	-
-	-	-	-	-	-
85,151	14,833	208,281	170,144	151,856	56,525
$ 85,151	$ 14,833	$ 208,281	$ 170,144	$ 151,856	$ 77,455

Continued

CITY OF WADSWORTH, OHIO

COMBINING BALANCE SHEET
INDIVIDUAL NONMAJOR GOVERNMENTAL FUNDS (CONTINUED)
DECEMBER 31, 2013

	Nonmajor Special Revenue			
	Abatement of Public Nuisance Fund	**Chippewa Creek Well Reserve Fund**	**Community Reinvestment Fund**	**Tax Increment Financing Fund**
Assets:				
Equity in pooled cash, cash equivalents and investments	$ 23,592	$ 100,000	$ 32,803	$ 1,040,493
Cash with fiscal agent	-	-	-	-
Receivables (net of allowances for uncollectibles):				
Real and other tax	-	-	-	-
Accounts	24,360	-	-	-
Payment in lieu of taxes	-	-	-	613,346
Special assessments	12,410	-	-	-
Interfund loans	-	-	-	-
Due from other governments	290	-	-	-
Materials and supplies inventory	-	-	-	-
Prepayments	-	-	-	-
Total assets	$ 60,652	$ 100,000	$ 32,803	$ 1,653,839
Liabilities:				
Accounts payable	$ -	$ -	$ -	$ 32,410
Contracts payable	-	-	-	-
Accrued wages and benefits	-	-	-	-
Compensated absences payable	-	-	-	-
Interfund loans payable	-	-	-	595,544
Due to other funds	-	-	-	-
Due to other governments	-	-	-	-
Matured interest payable	-	-	-	-
Total liabilities	-	-	-	627,954
Deferred inflows of resources:				
Property taxes levied for the next fiscal year	-	-	-	-
Delinquent property tax revenue not available	-	-	-	-
Special assessments revenue not available	12,410	-	-	-
Miscellaneous revenue not available	24,360	-	-	-
Intergovernmental revenue not available	290	-	-	-
PILOTs levied for next fiscal year	-	-	-	613,346
Total deferred inflows of resources	37,060	-	-	613,346
Fund balances:				
Nonspendable	-	-	-	-
Restricted	23,592	100,000	32,803	412,539
Committed	-	-	-	-
Unassigned (deficit)	-	-	-	-
Total fund balances	23,592	100,000	32,803	412,539
Total liabilities, deferred inflows of resources & fund balance	$ 60,652	$ 100,000	$ 32,803	$ 1,653,839

Nonmajor Special Revenue						
Fire Department Education Grant Fund	Police Continuing Professional Training Fund	FEMA Grant Fund	Community Development Block Grant (CDBG) Fund	Community Housing Improvement Program (CHIP) Fund	CHIP Revolving Loan Fund	Economic Development Fund
$ 19,968	$ 8,120	$ 123	$ 6,851	$ -	$ 25,433	$ 29,123
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	50,616	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
$ 19,968	$ 8,120	$ 50,739	$ 6,851	$ -	$ 25,433	$ 29,123
$ -	$ -	$ -	$ 2,015	$ 316	$ 7,000	$ -
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	50,616	3,700	-	-	-
-	-	-	6,293	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	50,616	12,008	316	7,000	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	50,616	-	-	-	-
-	-	-	-	-	-	-
-	-	50,616	-	-	-	-
-	-	-	-	-	-	-
19,968	8,120	-	-	-	18,433	29,123
-	-	-	-	-	-	-
-	-	(50,493)	(5,157)	(316)	-	-
19,968	8,120	(50,493)	(5,157)	(316)	18,433	29,123
$ 19,968	$ 8,120	$ 50,739	$ 6,851	$ -	$ 25,433	$ 29,123

Continued

CITY OF WADSWORTH, OHIO

COMBINING BALANCE SHEET
INDIVIDUAL NONMAJOR GOVERNMENTAL FUNDS (CONTINUED)
DECEMBER 31, 2013

	Nonmajor Special Revenue			
	Recreation Tax Fund	**Revolving Loan Fund**	**Total Special Revenue**	**Totals**
Assets:				
Equity in pooled cash, cash equivalents and investments	$ 67,316	$ 208,689	$ 4,578,067	$ 10,692,491
Cash with fiscal agent	-	-	-	128
Receivables (net of allowances for uncollectibles):				
Real and other tax	-	-	886,857	1,237,117
Accounts	-	-	345,860	345,860
Payment in lieu of taxes	-	-	613,346	613,346
Special assessments	-	-	12,410	118,601
Interfund loans	-	-	1,130,000	3,133,646
Due from other governments	-	-	501,207	527,732
Materials and supplies inventory	-	-	298,076	298,076
Prepayments	-	-	10,109	10,109
Total assets	$ 67,316	$ 208,689	$ 8,375,932	$ 16,977,106
Liabilities:				
Accounts payable	$ -	$ -	$ 89,155	$ 123,084
Contracts payable	-	-	-	52,094
Accrued wages and benefits	-	-	75,768	75,768
Compensated absences payable	-	-	23,269	23,269
Interfund loans payable	-	-	649,860	1,996,511
Due to other funds	-	-	6,293	6,293
Due to other governments	-	-	38,654	38,654
Matured interest payable	-	-	-	128
Total liabilities	-	-	882,999	2,315,801
Deferred inflows of resources:				
Property taxes levied for the next fiscal year	-	-	863,155	1,203,943
Delinquent property tax revenue not available	-	-	23,702	33,174
Special assessments revenue not available	-	-	12,410	118,601
Miscellaneous revenue not available	-	-	269,189	269,189
Intergovernmental revenue not available	-	-	347,728	374,253
PILOTs levied for next fiscal year	-	-	613,346	613,346
Total deferred inflows of resources	-	-	2,129,530	2,612,506
Fund balances:				
Nonspendable	-	-	308,185	308,185
Restricted	-	208,689	4,941,228	11,805,616
Committed	67,316	-	169,956	169,956
Unassigned (deficit)	-	-	(55,966)	(234,958)
Total fund balances	67,316	208,689	5,363,403	12,048,799
Total liabilities, deferred inflows of resources & fund balance	$ 67,316	$ 208,689	$ 8,375,932	$ 16,977,106

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CITY OF WADSWORTH, OHIO

COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
DECEMBER 31, 2013

	Nonmajor Capital Projects			
	Airport Improvements Fund	**Community Center Project Fund**	**General Capital Improvements Fund**	**EMS Reserve Fund**
Revenues:				
Income taxes	$ 25,000	$ -	$ 284,790	$ -
Real and other taxes	-	-	63,527	276,000
Charges for services	-	-	-	-
Licenses and permits	-	-	-	-
Fines and forfeitures	-	-	-	-
Intergovernmental	206,469	-	-	-
Special assessments	-	-	-	-
Investment income	-	-	-	-
Contributions and donations	-	-	-	-
Payment in lieu of taxes	-	-	-	-
Other	-	-	136,725	-
Total revenues	231,469	-	485,042	276,000
Expenditures:				
Current:				
General government	-	-	-	-
Security of persons and property	-	-	-	7,269
Public health and welfare	-	-	-	-
Transportation	-	-	-	-
Leisure time activity	-	-	-	-
Economic development	-	-	-	-
Capital outlay	1,309	-	537,672	-
Debt service:				
Principal retirement	-	-	210,000	-
Interest and fiscal charges	3,506	-	18,019	-
Total expenditures	4,815	-	765,691	7,269
Excess (deficiency) of revenues over (under) expenditures	226,654	-	(280,649)	268,731
Other financing sources (uses):				
Sale of assets	-	-	-	-
Transfer in	-	-	96,500	-
Transfer out	-	-	-	-
Total other financing sources/(uses)	-	-	96,500	-
Net change in fund balances	226,654	-	(184,149)	268,731
Fund balances at beginning of year	(381,659)	164,717	882,336	859,158
Fund balances at end of year	$ (155,005)	$ 164,717	$ 698,187	$ 1,127,889

Nonmajor Capital Projects					Nonmajor Debt Service	Nonmajor Special Revenue
Fire Levy Fund	Park Land Acquisition Fund	Street Improvement Fund	Special Assessments Fund	Total Capital Projects	Special Assessment Bond Retirement Fund	Street Maintenance Fund
$ -	$ -	$ 902,209	$ 63,000	$ 1,274,999		$ 1,100,000
401,404	-	-	-	740,931	-	138,014
101,000	-	-	-	101,000	-	322,749
-	12,500	-	-	12,500	-	-
-	-	-	-	-	-	-
-	-	-	-	206,469	-	681,042
-	-	-	16,396	16,396	90,945	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	136,725	-	5,118
502,404	12,500	902,209	79,396	2,489,020	90,945	2,246,923
-	-	-	84,272	84,272	-	-
25,094	-	-	-	32,363	-	-
-	-	-		-	-	-
-	-	-	-	-	-	2,181,131
-	-	-	-	-	-	-
-	-	-	-	-	-	-
32,727	80	536,838	1,344	1,109,970	-	7,594
-	-	-	-	210,000	-	-
-	-	-	6,307	27,832	-	-
57,821	80	536,838	91,923	1,464,437	-	2,188,725
444,583	12,420	365,371	(12,527)	1,024,583	90,945	58,198
-	-	-		-	-	3,315
9,936	-	-	92,906	199,342	-	6,955
-	-	-		-	(85,972)	-
9,936	-	-	92,906	199,342	(85,972)	10,270
454,519	12,420	365,371	80,379	1,223,925	4,973	68,468
3,658,710	240,373	136,886	(104,366)	5,456,155	343	1,209,251
$ 4,113,229	$ 252,793	$ 502,257	$ (23,987)	$ 6,680,080	$ 5,316	$ 1,277,719

Continued

CITY OF WADSWORTH, OHIO

COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2013

	Nonmajor Special Revenue			
	Emergency Medical Services Fund	**Municipal Court Special Programs Fund**	**Municipal Court Improvements Fund**	**Developers Shade Tree Fund**
Revenues:				
Income taxes	$ -	$ -	$ -	$ -
Real and other taxes	672,270	-	-	-
Charges for services	710,241	-	-	-
Licenses and permits	-	-	-	-
Fines and forfeitures	-	67,809	69,402	-
Intergovernmental	139,384	-	-	-
Special assessments	-	-	-	-
Investment income	-	-	-	-
Contributions and donations	-	-	-	-
Payment in lieu of taxes	-	-	-	-
Other	34	-	-	-
Total revenues	1,521,929	67,809	69,402	-
Expenditures:				
Current:				
General government	-	60,212	32,109	21,618
Security of persons and property	1,574,420	-	-	-
Public health and welfare	-	-	-	-
Transportation	-	-	-	-
Leisure time activity	-	-	-	-
Economic development	-	-	-	-
Capital outlay	-	-	-	-
Debt service:				
Principal retirement	-	-	-	-
Interest and fiscal charges	-	-	-	-
Total expenditures	1,574,420	60,212	32,109	21,618
Excess (deficiency) of revenues over (under) expenditures	(52,491)	7,597	37,293	(21,618)
Other financing sources (uses):				
Sale of assets	-	-	-	-
Transfer in	6,955	-	-	-
Transfer out	-	-	-	-
Total other financing sources/(uses)	6,955	-	-	-
Net change in fund balances	(45,536)	7,597	37,293	(21,618)
Fund balances at beginning of year	1,794,624	159,719	477,940	124,258
Fund balances at end of year	$ 1,749,088	$ 167,316	$ 515,233	$ 102,640

Nonmajor Special Revenue						
Drug Law Enforcement Fund	Law Enforcement and Education Fund	Indigent Drivers Alcohol Treatment Fund	Law Enforcement Trust Fund	Permissive Motor Vehicle License Fund	State Highway Fund	Abatement of Public Nuisance Fund
$ -	$ -			$ -	$ -	
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
4,295	2,240	33,572	935	-	-	-
-	-	-	-	222,220	66,411	-
-	-	-	-	-	-	6,537
-	-	-	69	-	-	-
3,000	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
7,295	2,240	33,572	1,004	222,220	66,411	6,537
-	1,924	27,078	-	-	-	-
4,447	-	-	13,323	-	-	-
-	-	-	-	-	-	3,604
-	-	-	-	153,803	38,296	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	6,464	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
4,447	1,924	27,078	13,323	160,267	38,296	3,604
2,848	316	6,494	(12,319)	61,953	28,115	2,933
-	-	-	-	-	-	-
-	-	-	-	-	-	2,000
-	-	-	-	-	-	-
-	-	-	-	-	-	2,000
2,848	316	6,494	(12,319)	61,953	28,115	4,933
82,303	14,517	201,787	182,463	89,903	28,410	18,659
$ 85,151	$ 14,833	$ 208,281	$ 170,144	$ 151,856	$ 56,525	$ 23,592

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, 2013

	Nonmajor Special Revenue			
	Chippewa Creek Well Reserve Fund	**Community Reinvestment Fund**	**Tax Increment Financing Fund**	**Neighborhood Stabilization Program Grant Fund**
Revenues:				
Income taxes	$ -	$ -	$ -	$ -
Real and other taxes	-	-	-	-
Charges for services	-	-	-	-
Licenses and permits	-	-	-	-
Fines and forfeitures	-	-	-	-
Intergovernmental	-	-	-	20,260
Special assessments	-	-	-	-
Investment income	-	-	162	-
Contributions and donations	-	-	-	-
Payment in lieu of taxes	-	-	612,180	-
Other	-	2,500	363,257	-
Total revenues	-	2,500	975,599	20,260
Expenditures:				
Current:				
General government	-	-	-	-
Security of persons and property	-	-	-	-
Public health and welfare	-	-	-	-
Transportation	-	-	33,603	-
Leisure time activity	-	-	-	-
Economic development	-	2,670	543,991	6,262
Capital outlay	-	-	572,526	-
Debt service:				
Principal retirement	-	-	-	-
Interest and fiscal charges	-	-	3,870	-
Total expenditures	-	2,670	1,153,990	6,262
Excess (deficiency) of revenues over (under) expenditures	-	(170)	(178,391)	13,998
Other financing sources (uses):				
Sale of assets	-	-	-	-
Transfer in	-	-	-	-
Transfer out	-	-	-	-
Total other financing sources/(uses)	-	-	-	-
Net change in fund balances	-	(170)	(178,391)	13,998
Fund balances at beginning of year	100,000	32,973	590,930	(13,998)
Fund balances at end of year	$ 100,000	$ 32,803	$ 412,539	$ -

Nonmajor Special Revenue					
Fire Department Education Grant Fund	Police Continuing Professional Training Fund	FEMA Grant Fund	Community Development Block Grant (CDBG) Fund	Community Housing Improvement Program (CHIP) Fund	CHIP Revolving Loan Fund
$ -	$ -	$ -	$ -	$ -	$ -
-	-	-	-	-	-
-	-	-	-	-	5,981
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	92,244	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	92,244	-	5,981
-	-	-	-	-	-
5,163	-	190	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	110,617	80,617	12,771
-	-	52,613	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
5,163	-	52,803	110,617	80,617	12,771
(5,163)	-	(52,803)	(18,373)	(80,617)	(6,790)
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
(5,163)	-	(52,803)	(18,373)	(80,617)	(6,790)
25,131	8,120	2,310	13,216	80,301	25,223
$ 19,968	$ 8,120	$ (50,493)	$ (5,157)	$ (316)	$ 18,433

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, 2013

	Nonmajor Special Revenue				
	Economic Development Fund	**Recreation Tax Fund**	**Revolving Loan Fund**	**Total Special Revenue**	**Total**
Revenues:					
Income taxes	$ -	$ -	$ -	$ 1,100,000	$ 2,374,999
Real and other taxes	10,000	29,677	-	849,961	1,590,892
Charges for services	10,000	-	-	1,048,971	1,149,971
Licenses and permits	-	-	-	-	12,500
Fines and forfeitures	-	-	-	178,253	178,253
Intergovernmental	-	-	-	1,221,561	1,428,030
Special assessments	-	-	-	6,537	113,878
Investment income	-	-	95	326	326
Contributions and donations	-	-	-	3,000	3,000
Payment in lieu of taxes	-	-	-	612,180	612,180
Other	500	2,489	-	373,898	510,623
Total revenues	20,500	32,166	95	5,394,687	7,974,652
Expenditures:					
Current:					
General government	-	-	679	143,620	227,892
Security of persons and property	-	-	-	1,597,543	1,629,906
Public health and welfare	-	-	-	3,604	3,604
Transportation	-	-	-	2,406,833	2,406,833
Leisure time activity	-	7,941	-	7,941	7,941
Economic development	42,372	-	-	799,300	799,300
Capital outlay	-	12,198	-	651,395	1,761,365
Debt service:					
Principal retirement	-	-	-	-	210,000
Interest and fiscal charges	-	-	-	3,870	31,702
Total expenditures	42,372	20,139	679	5,614,106	7,078,543
Excess (deficiency) of revenues over (under) expenditures	(21,872)	12,027	(584)	(219,419)	896,109
Other financing sources (uses):					
Sale of assets	-	-	-	3,315	3,315
Transfer in	-	-	-	15,910	215,252
Transfer out	-	-	-	-	(85,972)
Total other financing sources/(uses)	-	-	-	19,225	132,595
Net change in fund balances	(21,872)	12,027	(584)	(200,194)	1,028,704
Fund balances at beginning of year	50,995	55,289	209,273	5,563,597	11,020,095
Fund balances at end of year	$ 29,123	$ 67,316	$ 208,689	$ 5,363,403	$ 12,048,799

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.

Income Tax Fund
To account for the revenues and expenditures relative to the collection of income tax.

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.

In addition to the General Fund, the Recreation Fund is reported as a major governmental fund

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

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, 2013

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Expenditures:			
Transportation			
Other	$ 271	$ 271	$ -
Total expenditures	271	271	-
Excess (deficiency) of expenditures over (under) revenues	(271)	(271)	-
Other financing sources:			
Transfers in	98	99	1
Total other financing sources	98	99	1
Net change in fund balances	(173)	(172)	1
Fund balances at beginning of year	52,359	52,359	-
Fund balances at end of year	$ 52,186	$ 52,187	$ 1

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, 2013

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:			
Fines and forfeitures	$ 11,000	$ 10,294	$ (706)
Total revenues	11,000	10,294	(706)
Expenditures:			
General government			
Other	478	397	81
Capital outlay	59,920	49,718	10,202
Total expenditures	60,398	50,115	10,283
Net change in fund balances	(49,398)	(39,821)	9,577
Fund balances at beginning of year	160,234	160,234	-
Fund balances at end of year	$ 110,836	$ 120,413	$ 9,577

CITY OF WADSWORTH, OHIO

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
INCOME TAX FUND
FOR THE YEAR ENDED DECEMBER 31, 2013

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:			
Income taxes	$ 8,425,516	$ -	$ (8,425,516)
Total revenues	8,425,516	-	(8,425,516)
Expenditures:			
General government			
Personal services	65,811	63,548	2,263
Other	450,888	1,277,810	(826,922)
Total general government	516,699	1,341,358	(824,659)
Total expenditures	516,699	1,341,358	(824,659)
Net change in fund balances	7,908,817	(1,341,358)	(9,250,175)
Fund balances at beginning of year	2,100,230	2,100,230	-
Prior year encumbrances appropriated	1,400	1,400	-
Fund balances at end of year	$ 10,010,447	$ 760,272	$ (9,250,175)

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, 2013

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:			
Charges for services	$ 15,567	$ 15,045	$ (522)
Licenses and permits	305,466	295,220	(10,246)
Refunds	6	6	-
Total revenues	321,039	310,271	(10,768)
Expenditures:			
Leisure time activities			
Personal services	248,833	243,562	5,271
Other	81,485	75,364	6,121
Capital outlay	7,558	6,990	568
Debt service:			
Principal retirement	43,249	40,000	3,249
Interest and fiscal charges	432	400	32
Total expenditures	381,557	366,316	15,241
Excess (deficiency) of expenditures over (under) revenues	(60,518)	(56,045)	4,473
Other financing sources:			
Note issuance	33,111	32,000	(1,111)
Total other financing sources	33,111	32,000	(1,111)
Net change in fund balances	(27,407)	(24,045)	3,362
Fund balances at beginning of year	56,139	56,139	-
Prior year encumbrances appropriated	2,725	2,725	-
Fund balances at end of year	$ 31,457	$ 34,819	$ 3,362

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, 2013

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:			
Other	$ 500	$ 2,722	$ 2,222
Total revenues	500	2,722	2,222
Expenditures:			
Security of persons and property			
Other	4,381	1,085	3,296
Total expenditures	4,381	1,085	3,296
Net change in fund balances	(3,881)	1,637	5,518
Fund balances at beginning of year	18,585	18,585	-
Fund balances at end of year	$ 14,704	$ 20,222	$ 5,518

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, 2013

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:			
Income taxes	$ 48,545	$ 25,000	$ (23,545)
Intergovernmental	400,919	206,469	(194,450)
Total revenues	449,464	231,469	(217,995)
Expenditures:			
General government			
Other	39	34	5
Capital outlay	32,900	28,258	4,642
Total general government	32,939	28,292	4,647
Debt service:			
Principal retirement	483,171	415,000	68,171
Interest and fiscal charges	4,832	4,150	682
Total debt service	488,003	419,150	68,853
Total expenditures	520,942	447,442	73,500
Excess (deficiency) of expenditures over (under) revenues	(71,478)	(215,973)	(291,495)
Other financing sources:			
Note proceeds	652,442	336,000	(316,442)
Total other financing sources	652,442	336,000	(316,442)
Net change in fund balances	580,964	120,027	(460,937)
Fund balances at beginning of year	11,166	11,166	-
Prior year encumbrances appropriated	26,256	26,256	-
Fund balances at end of year	$ 618,386	$ 157,449	$ (460,937)

CITY OF WADSWORTH, OHIO

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
COMMUNITY CENTER PROJECT FUND
FOR THE YEAR ENDED DECEMBER 31, 2013

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Fund balances at beginning of year	$ 164,717	$ 164,717	$ -
Fund balances at end of year	$ 164,717	$ 164,717	$ -

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, 2013

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:			
Income taxes	$ 283,557	$ 284,790	$ 1,233
Property taxes	85,114	85,484	370
Other	134,953	135,539	586
Total revenues	503,624	505,813	2,189
Expenditures:			
General government			
Other	22,459	22,122	337
Capital outlay	558,894	550,513	8,381
Total general government	581,353	572,635	8,718
Security of persons and property			
Capital outlay	66,631	65,632	999
Total security of persons and property	66,631	65,632	999
Transportation			
Capital outlay	161,805	159,379	2,426
Total transportation	161,805	159,379	2,426
Leisure time activities			
Capital outlay	102,995	101,450	1,545
Total leisure time activities	102,995	101,450	1,545
Debt service:			
Principal retirement	1,071,549	1,055,480	16,069
Interest and fiscal charges	18,825	18,543	282
Total debt service	1,090,374	1,074,023	16,351
Total expenditures	2,003,158	1,973,119	30,039
Excess (deficiency) of expenditures over (under) revenues	(1,499,534)	(1,467,306)	(27,850)
Other financing sources:			
Transfers in	96,082	96,500	418
Note issuance	756,576	759,865	3,289
Total other financing sources	852,658	856,365	3,707
Net change in fund balances	(646,876)	(610,941)	35,935
Fund balances at beginning of year	1,151,225	1,151,225	-
Prior year encumbrances appropriated	578,672	578,672	-
Fund balances at end of year	$ 1,083,021	$ 1,118,956	$ 35,935

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, 2013

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:			
Property and other local taxes	$ 276,000	$ 276,000	$ -
Total revenues	276,000	276,000	-
Expenditures:			
Security of persons and property			
Other	7,302	7,269	33
Capital outlay	139,967	139,344	623
Total expenditures	147,269	146,613	656
Net change in fund balances	128,731	129,387	656
Fund balances at beginning of year	859,158	859,158	-
Fund balances at end of year	$ 987,889	$ 988,545	$ 656

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, 2013

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:			
Property and other local taxes	$ 610,799	$ 401,404	$ (209,395)
Charges for services	153,688	101,000	(52,688)
Total revenues	764,487	502,404	(262,083)
Expenditures:			
Security of persons and property			
Other	156,609	35,651	120,958
Capital outlay	262,962	59,862	203,100
Total expenditures	419,571	95,513	324,058
Excess (deficiency) of expenditures over (under) revenues	344,916	406,891	61,975
Other financing sources:			
Transfers in	15,119	9,936	(5,183)
Total other financing sources	15,119	9,936	(5,183)
Net change in fund balances	360,035	416,827	56,792
Fund balances at beginning of year	3,649,314	3,649,314	-
Prior year encumbrances appropriated	19,953	19,953	-
Fund balances at end of year	$ 4,029,302	$ 4,086,094	$ 56,792

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, 2013

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:			
Licenses and permits	$ 1,500	$ 12,500	$ 11,000
Total revenues	1,500	12,500	11,000
Expenditures:			
Leisure time activities			
Capital outlay	81	81	-
Total expenditures	81	81	-
Net change in fund balances	1,419	12,419	11,000
Fund balances at beginning of year	240,374	240,374	-
Fund balances at end of year	$ 241,793	$ 252,793	$ 11,000

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, 2013

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:			
Income taxes	$ 600,000	$ 902,209	$ 302,209
Total revenues	600,000	902,209	302,209
Expenditures:			
Transportation			
Other	1,463	1,137	326
Capital outlay	712,348	553,792	158,556
Total expenditures	713,811	554,929	158,882
Net change in fund balances	(113,811)	347,280	461,091
Fund balances at beginning of year	20,183	20,183	-
Prior year encumbrances appropriated	129,476	129,476	-
Fund balances at end of year	$ 35,848	$ 496,939	$ 461,091

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, 2013

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:			
Income tax	$ 60,115	$ 63,000	$ 2,885
Special assessments	15,645	16,396	751
Total revenues	75,760	79,396	3,636
Expenditures:			
General government			
Other	107,242	95,468	11,774
Total general government	107,242	95,468	11,774
Total expenditures	107,242	95,468	11,774
Excess (deficiency) of expenditures over (under) revenues	(31,482)	(16,072)	15,410
Other financing sources:			
Advance in	26,240	27,500	1,260
Total other financing sources	26,240	27,500	1,260
Net change in fund balances	(5,242)	11,428	16,670
Fund balances at beginning of year	95,892	95,892	-
Prior year encumbrances appropriated	1,085	1,085	-
Fund balances at end of year	$ 91,735	$ 108,405	$ 16,670

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, 2013

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:			
Special assessments	$ 92,265	$ 90,945	$ (1,320)
Total revenues	92,265	90,945	(1,320)
Expenditures:			
Debt Service			
Principal retirement	82,040	78,382	3,658
Interest and fiscal charges	7,943	7,589	354
Total expenditures	89,983	85,971	4,012
Excess (deficiency) of expenditures over (under) revenues	2,282	4,974	2,692
Other financing sources (uses):			
Advance out	(2,923)	(2,793)	130
Total other financing sources/(uses)	(2,923)	(2,793)	130
Net change in fund balances	(641)	2,181	2,822
Fund balances at beginning of year	3,135	3,135	-
Fund balances at end of year	$ 2,494	$ 5,316	$ 2,822

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, 2013

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:			
Income taxes	$ 1,080,646	$ 1,100,000	$ 19,354
Property tax	135,586	138,014	2,428
Charges for services	318,290	323,991	5,701
Intergovernmental	616,040	627,073	11,033
Other	5,028	5,118	90
Total revenues	2,155,590	2,194,196	38,606
Expenditures:			
Transportation			
Personal services	1,488,607	1,361,538	127,069
Other	1,107,285	981,814	125,471
Capital outlay	8,564	7,594	970
Total expenditures	2,604,456	2,350,946	253,510
Excess (deficiency) of expenditures over (under) revenues	(448,866)	(156,750)	292,116
Other financing sources:			
Transfers in	6,832	6,955	123
Sale of assets	3,257	3,315	58
Total other financing sources	10,089	10,270	181
Net change in fund balances	(438,777)	(146,480)	292,297
Fund balances at beginning of year	787,419	787,419	-
Prior year encumbrances appropriated	189,488	189,488	-
Fund balances at end of year	$ 538,130	$ 830,427	$ 292,297

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, 2013

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:			
Property and other local taxes	$ 739,419	$ 672,270	$ (67,149)
Charges for services	782,829	711,738	(71,091)
Intergovernmental	153,306	139,384	(13,922)
Other	37	34	(3)
Total revenues	1,675,591	1,523,426	(152,165)
Expenditures:			
Security of persons and property			
Personal services	1,409,226	1,344,543	64,683
Other	608,148	271,013	337,135
Total expenditures	2,017,374	1,615,556	401,818
Excess (deficiency) of expenditures over (under) revenues	(341,783)	(92,130)	249,653
Other financing sources:			
Transfers in	7,650	6,955	(695)
Total other financing sources	7,650	6,955	(695)
Net change in fund balances	(334,133)	(85,175)	248,958
Fund balances at beginning of year	1,728,030	1,728,030	-
Prior year encumbrances appropriated	77,776	77,776	-
Fund balances at end of year	$ 1,471,673	$ 1,720,631	$ 248,958

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, 2013

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:			
Fines and forfeitures	$ 80,500	$ 70,523	$ (9,977)
Total revenues	80,500	70,523	(9,977)
Expenditures:			
General government			
Other	63,470	60,422	3,048
Total expenditures	63,470	60,422	3,048
Net change in fund balances	17,030	10,101	(6,929)
Fund balances at beginning of year	157,005	157,005	-
Fund balances at end of year	$ 174,035	$ 167,106	$ (6,929)

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, 2013

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:			
Fines and forfeitures	$ 75,000	$ 73,890	$ (1,110)
Total revenues	75,000	73,890	(1,110)
Expenditures:			
General government			
Other	55,431	32,111	23,320
Total expenditures	55,431	32,111	23,320
Net change in fund balances	19,569	41,779	22,210
Fund balances at beginning of year	473,454	473,454	-
Fund balances at end of year	$ 493,023	$ 515,233	$ 22,210

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, 2013

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:			
Charges for services	$ 6,000	$ -	$ (6,000)
Total revenues	6,000	-	(6,000)
Expenditures:			
General government			
Other	37,705	21,701	16,004
Total expenditures	37,705	21,701	16,004
Net change in fund balances	(31,705)	(21,701)	10,004
Fund balances at beginning of year	123,446	123,446	-
Prior year encumbrances appropriated	815	815	-
Fund balances at end of year	$ 92,556	$ 102,560	$ 10,004

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, 2013

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:			
Fines and forfeitures	$ 5,402	$ 4,395	$ (1,007)
Contributions and donations	3,688	3,000	(688)
Total revenues	9,090	7,395	(1,695)
Expenditures:			
Security of persons and property			
Other	9,630	4,468	5,162
Total expenditures	9,630	4,468	5,162
Net change in fund balances	(540)	2,927	3,467
Fund balances at beginning of year	82,204	82,204	-
Fund balances at end of year	$ 81,664	$ 85,131	$ 3,467

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, 2013

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:			
Fines and forfeitures	$ 3,000	$ 2,365	$ (635)
Total revenues	3,000	2,365	(635)
Expenditures:			
General government			
Other	6,807	1,923	4,884
Total expenditures	6,807	1,923	4,884
Net change in fund balances	(3,807)	442	4,249
Fund balances at beginning of year	14,391	14,391	-
Fund balances at end of year	$ 10,584	$ 14,833	$ 4,249

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, 2013

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:			
Fines and forfeitures	$ 31,000	$ 35,625	$ 4,625
Total revenues	31,000	35,625	4,625
Expenditures:			
General government			
Other	30,687	27,077	3,610
Total expenditures	30,687	27,077	3,610
Net change in fund balances	313	8,548	8,235
Fund balances at beginning of year	199,733	199,733	-
Fund balances at end of year	$ 200,046	$ 208,281	$ 8,235

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, 2013

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:			
Fines and forfeitures	$ 10,242	$ 1,135	$ (9,107)
Investment income	1,038	115	(923)
Total revenues	11,280	1,250	(10,030)
Expenditures:			
Security of persons and property			
Other	56,423	25,823	30,600
Total expenditures	56,423	25,823	30,600
Net change in fund balances	(45,143)	(24,573)	20,570
Fund balances at beginning of year	182,217	182,217	-
Fund balances at end of year	$ 137,074	$ 157,644	$ 20,570

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, 2013

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:			
Intergovernmental	$ 220,020	$ 240,047	$ 20,027
Total revenues	220,020	240,047	20,027
Expenditures:			
Transportation			
Other	164,624	153,802	10,822
Capital outlay	55,940	52,263	3,677
Total expenditures	220,564	206,065	14,499
Net change in fund balances	(544)	33,982	34,526
Fund balances at beginning of year	52,012	52,012	-
Prior year encumbrances appropriated	1,394	1,394	-
Fund balances at end of year	$ 52,862	$ 87,388	$ 34,526

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, 2013

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:			
Intergovernmental	$ 60,750	$ 62,034	$ 1,284
Total revenues	60,750	62,034	1,284
Expenditures:			
Transportation			
Other	72,909	57,530	15,379
Total expenditures	72,909	57,530	15,379
Net change in fund balances	(12,159)	4,504	16,663
Fund balances at beginning of year	20,573	20,573	-
Prior year encumbrances appropriated	2,100	2,100	-
Fund balances at end of year	$ 10,514	$ 27,177	$ 16,663

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, 2013

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:			
Other	$ 1,704	$ 6,537	$ 4,833
Total revenues	1,704	6,537	4,833
Expenditures:			
Public health			
Other	11,315	5,566	5,749
Total expenditures	11,315	5,566	5,749
Excess (deficiency) of expenditures over (under) revenues	(9,611)	971	10,582
Other financing sources:			
Transfer in	521	2,000	1,479
Total other financing sources	521	2,000	1,479
Net change in fund balances	(9,090)	2,971	12,061
Fund balances at beginning of year	18,521	18,521	-
Prior year encumbrances appropriated	2,100	2,100	-
Fund balances at end of year	$ 11,531	$ 23,592	$ 12,061

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, 2013

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Fund balances at beginning of year	$ 100,000	$ 100,000	$ -
Fund balances at end of year	$ 100,000	$ 100,000	$ -

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, 2013

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:			
Other	$ 3,000	$ 2,500	$ (500)
Total revenues	3,000	2,500	(500)
Expenditures:			
Community and economic development			
Other	2,772	2,670	102
Total expenditures	2,772	2,670	102
Net change in fund balances	228	(170)	(398)
Fund balances at beginning of year	32,973	32,973	-
Fund balances at end of year	$ 33,201	$ 32,803	$ (398)

CITY OF WADSWORTH, OHIO

SCHEDULE 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, 2013

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:			
Payments in lieu of taxes	$ 631,891	$ 612,180	$ (19,711)
Investment income	205	198	(7)
Other	374,953	363,257	(11,696)
Total revenues	1,007,049	975,635	(31,414)
Expenditures:			
Community and economic development			
Other	649,345	645,344	4,001
Total community and economic development	649,345	645,344	4,001
Transportation			
Other	1,200	1,193	7
Capital outlay	1,409,544	1,400,860	8,684
Total transportation	1,410,744	1,402,053	8,691
Debt service:			
Principal retirement	489,415	486,400	3,015
Interest and fiscal charges	4,894	4,864	30
Total debt service	494,309	491,264	3,045
Total expenditures	2,554,398	2,538,661	15,737
Excess (deficiency) of expenditures over (under) revenues	(1,547,349)	(1,563,026)	(15,677)
Other financing sources:			
Advance in	165,152	160,000	(5,152)
Note proceeds	449,006	435,000	(14,006)
Total other financing sources	614,158	595,000	(19,158)
Net change in fund balances	(933,191)	(968,026)	(34,835)
Fund balances at beginning of year	277,096	277,096	-
Prior year encumbrances appropriated	903,090	903,090	-
Fund balances at end of year	$ 246,995	$ 212,160	$ (34,835)

CITY OF WADSWORTH, OHIO

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
NEIGHBORHOOD STABILIZATION PROGRAM GRANT FUND
FOR THE YEAR ENDED DECEMBER 31, 2013

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:			
Intergovernmental	$ 20,260	$ 20,260	$ -
Total revenues	20,260	20,260	-
Expenditures:			
Community and economic development			
Other	3,469	7,111	(3,642)
Total expenditures	3,469	7,111	(3,642)
Excess (deficiency) of expenditures over (under) revenues	16,791	13,149	3,642
Other financing sources (uses):			
Advance out	(9,882)	(20,260)	(10,378)
Total other financing sources/(uses)	(9,882)	(20,260)	(10,378)
Net change in fund balances	6,909	(7,111)	(6,736)
Fund balances at beginning of year	-	-	-
Prior year encumbrances appropriated	7,111	7,111	-
Fund balances at end of year	$ 14,020	$ -	$ (6,736)

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, 2013

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:			
Intergovernmental	$ 900	$ -	$ (900)
Total revenues	900	-	(900)
Expenditures:			
Security of persons and property			
Other	8,363	5,163	3,200
Total expenditures	8,363	5,163	3,200
Net change in fund balances	(7,463)	(5,163)	2,300
Fund balances at beginning of year	25,131	25,131	-
Fund balances at end of year	$ 17,668	$ 19,968	$ 2,300

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, 2013

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Fund balances at beginning of year	$ 8,120	$ 8,120	$ -
Fund balances at end of year	$ 8,120	$ 8,120	$ -

CITY OF WADSWORTH, OHIO

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
FEMA GRANT FUND
FOR THE YEAR ENDED DECEMBER 31, 2013

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Expenditures:			
Security of persons and property			
Other	$ 33,143	$ 52,803	$ (19,660)
Total expenditures	33,143	52,803	(19,660)
Excess (deficiency) of expenditures over (under) revenues	(33,143)	(52,803)	(19,660)
Other financing sources (uses):			
Advance in	50,616	50,616	-
Advance out	(19,659)	(31,320)	(11,661)
Total other financing sources/(uses)	30,957	19,296	(11,661)
Net change in fund balances	(2,186)	(33,507)	(31,321)
Fund balances at beginning of year	33,630	33,630	-
Fund balances at end of year	$ 31,444	$ 123	$ (31,321)

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, 2013

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:			
Intergovernmental	$ 54,000	$ 92,244	$ 38,244
Total revenues	54,000	92,244	38,244
Expenditures:			
Community and economic development			
Other	73,004	109,011	(36,007)
Total expenditures	73,004	109,011	(36,007)
Excess (deficiency) of expenditures over (under) revenues	(19,004)	(16,767)	2,237
Other financing sources (uses):			
Advance out	(40,048)	(59,800)	(19,752)
Total other financing sources/(uses)	(40,048)	(59,800)	(19,752)
Net change in fund balances	(59,052)	(76,567)	(17,515)
Fund balances at beginning of year	76,491	76,491	-
Prior year encumbrances appropriated	225	225	-
Fund balances at end of year	$ 17,664	$ 149	$ (17,515)

CITY OF WADSWORTH, OHIO

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
COMMUNITY HOUSING IMPROVEMENT PROGRAM (CHIP) GRANTS FUND
FOR THE YEAR ENDED DECEMBER 31, 2013

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:			
Intergovernmental	$ 19,285	$ 1,500	$ (17,785)
Total revenues	19,285	1,500	(17,785)
Expenditures:			
Community and economic development			
Other	150,382	166,233	(15,851)
Total expenditures	150,382	166,233	(15,851)
Net change in fund balances	(131,097)	(164,733)	(33,636)
Fund balances at beginning of year	49,638	49,638	-
Prior year encumbrances appropriated	115,095	115,095	-
Fund balances at end of year	$ 33,636	$ -	$ (33,636)

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, 2013

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:			
Charges for services	$ 3,600	$ 5,981	$ 2,381
Total revenues	3,600	5,981	2,381
Expenditures:			
Community and economic development			
Other	10,362	6,604	3,758
Total expenditures	10,362	6,604	3,758
Net change in fund balances	(6,762)	(623)	6,139
Fund balances at beginning of year	26,056	26,056	-
Fund balances at end of year	$ 19,294	$ 25,433	$ 6,139

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, 2013

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:			
Property and other local taxes	$ 10,000	$ 10,000	$ -
Charges for services	10,000	10,000	-
Other	-	500	500
Total revenues	20,000	20,500	500
Expenditures:			
Community and economic development			
Other	53,961	50,574	3,387
Total expenditures	53,961	50,574	3,387
Net change in fund balances	(33,961)	(30,074)	3,887
Fund balances at beginning of year	46,307	46,307	-
Prior year encumbrances appropriated	5,303	5,303	-
Fund balances at end of year	$ 17,649	$ 21,536	$ 3,887

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, 2013

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:			
Property tax	$ 32,292	$ 29,677	$ (2,615)
Other	2,708	2,489	(219)
Total revenues	35,000	32,166	(2,834)
Expenditures:			
Leisure time activities			
Other	14,449	13,142	1,307
Capital outlay	13,411	12,198	1,213
Total expenditures	27,860	25,340	2,520
Net change in fund balances	7,140	6,826	(314)
Fund balances at beginning of year	55,102	55,102	-
Prior year encumbrances appropriated	5,388	5,388	-
Fund balances at end of year	$ 67,630	$ 67,316	$ (314)

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, 2013

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:			
Investment income	$ 100	$ 113	$ 13
Total revenues	100	113	13
Expenditures:			
General government			
Other	116,681	11,682	104,999
Total expenditures	116,681	11,682	104,999
Net change in fund balances	(116,581)	(11,569)	105,012
Fund balances at beginning of year	209,255	209,255	-
Prior year encumbrances appropriated	11,003	11,003	-
Fund balances at end of year	$ 103,677	$ 208,689	$ 105,012

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.

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.

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, 2013

	Equipment Maintenance	Information Technology	Health Insurance Retention	Liability Insurance Retention	Workers' Compensation Retention	Total
Assets:						
Current Assets:						
Equity in pooled cash, cash equivalents and investments	$ 82,481	$ 100,040	$ 1,091,464	$ 22,416	$ 319,682	$ 1,616,083
Receivables (net of allowances for uncollectibles):						
Accounts	1,311	-	-	-	-	1,311
Materials and supplies inventory	217,369	-	-	-	-	217,369
Prepayments	-	-	-	-	47,225	47,225
Noncurrent Assets:						
Depreciable Capital Assets, Net	145,681	142,176	-	-	-	287,857
Total assets	$ 446,842	$ 242,216	$ 1,091,464	$ 22,416	$ 366,907	$ 2,169,845
Liabilities:						
Current Liabilities:						
Accounts payable	$ 11,321	$ 24,452	$ 1,000	$ -	$ 2,769	$ 39,542
Accrued wages and benefits	7,041	10,972	-	-	-	18,013
Intergovernmental payable	7,995	5,857	-	-	5,404	19,256
Claims payable	-	-	148,170	-	4,700	152,870
Compensated absences payable - current	9,070	20,044	-	-	-	29,114
Noncurrent Liabilities:						
Compensated absences payable - net of current portion	34,788	76,882	-	-	-	111,670
Total liabilities	70,215	138,207	149,170	-	12,873	370,465
Net Position:						
Net investment in capital assets	145,681	142,176	-	-	-	287,857
Unrestricted	230,946	(38,167)	942,294	22,416	354,034	1,511,523
Total Net Position	376,627	104,009	942,294	22,416	354,034	1,799,380
Total net position	$ 446,842	$ 242,216	$ 1,091,464	$ 22,416	$ 366,907	$ 2,169,845

CITY OF WADSWORTH, OHIO

COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
INTERNAL SERVICE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2013

	Equipment Maintenance	Information Technology	Health Insurance Retention	Liability Insurance Retention	Workers' Compensation Retention	Total
Revenues:						
Charges for services	$ 772,187	$ 831,966	$ 3,882,950	$ -	$ 232,037	$ 5,719,140
Other	3,320	-	204,712	-	-	208,032
Total operating revenues	775,507	831,966	4,087,662	-	232,037	5,927,172
Operating expenses:						
Personal services	365,250	482,278	-	-	-	847,528
Contractual services	65,558	92,931	459,255	55	23,227	641,026
Materials and supplies	319,687	35,122	-	-	-	354,809
Claims	-	-	2,803,652	-	53,774	2,857,426
Depreciation	8,391	10,923	-	-	-	19,314
Other	3,587	8,710	-	-	11,859	24,156
Total operating expenditures	762,473	629,964	3,262,907	55	88,860	4,744,259
Operating income (loss)	13,034	202,002	824,755	(55)	143,177	1,182,913
Other financing uses:						
Loss on sale of assets	(2,076)	-	-	-	-	(2,076)
Total Other Financing Uses	$ (2,076)	$ -	$ -	$ -	$ -	$ (2,076)
Change in Net Position	10,958	202,002	824,755	(55)	143,177	1,180,837
Net Position at Beginning of Year	365,669	(97,993)	117,539	22,471	210,857	618,543
Net Position at End of Year	$ 376,627	$ 104,009	$ 942,294	$ 22,416	$ 354,034	$ 1,799,380

CITY OF WADSWORTH, OHIO

COMBINING STATEMENT OF CASH FLOWS
INTERNAL SERVICE FUNDS
DECEMBER 31, 2013

	Equipment Maintenance	Information Technology	Health Insurance Retention	Liability Insurance Retention	Workers' Compensation Retention	Total
Cash flows from operating activities:						
Cash received from customers	$ 826,075	$ 831,966	$ 4,085,813	$ -	$ 232,037	$ 5,975,891
Cash received from other operations	2,009	-	204,712	-	-	206,721
Cash payments to employees for services	(373,485)	(512,054)	-	-	-	(885,539)
Cash payments for goods and services	(412,570)	(119,180)	(458,255)	(55)	(79,830)	(1,069,890)
Cash payments for claims	-	-	(2,875,876)	-	(54,767)	(2,930,643)
Cash payments for other expenses	(3,587)	(8,710)	-	-	(6,455)	(18,752)
Net cash provided by (used in) operating activities	38,442	192,022	956,394	(55)	90,985	1,277,788
Cash flows from capital and related financing activities:						
Acquisition of capital assets	-	(153,099)	-	-	-	(153,099)
Net cash (used in) capital and related financing activities	-	(153,099)	-	-	-	(153,099)
Net increase (decrease) in cash and cash equivalents. . .	38,442	38,923	956,394	(55)	90,985	1,124,689
Cash and cash equivalents at beginning of year	44,039	61,117	135,070	22,471	228,697	491,394
Cash and cash equivalents at end of year	$ 82,481	$ 100,040	$ 1,091,464	$ 22,416	$ 319,682	$ 1,616,083
Reconciliation of operating income (loss) to net cash provided by operating activities:						
Operating income (loss)	$ 13,034	$ 202,002	$ 824,755	$ (55)	$ 143,177	$ 1,182,913
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:						
Depreciation	8,391	10,923	-	-	-	19,314
Changes in assets and liabilities						
Decrease in accounts receivable	52,577	-	202,863	-	-	255,440
(Increase) in materials and supplies inventory	(18,947)	-	-	-	-	(18,947)
(Increase) in prepayments	-	-	-	-	(47,225)	(47,225)
(Increase) decrease in accounts payable	(1,080)	8,873	1,000	-	(9,378)	(585)
Decrease in accrued wages and benefits	1,128	4,349	-	-	-	5,477
Decrease in compensated absences payable	(21,401)	(36,307)	-	-	-	(57,708)
Increase in intergovernmental payable	4,740	2,182	-	-	5,404	12,326
Decrease in claims payable	-	-	(72,224)	-	(993)	(73,217)
Net cash provided by (used in) operating activities	$ 38,442	$ 192,022	$ 956,394	$ (55)	$ 90,985	$ 1,277,788

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:

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.

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.

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.

CITY OF WADSWORTH, OHIO

COMBINING STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES
AGENCY FUNDS
DECEMBER 31, 2013

	Escrow Accounts	Medina County Law Library	Memorial Park Trust	Unclaimed Funds Muni Court
Assets:				
Current Assets:				
Equity in pooled cash, cash equivalents and investments	$ -	$ 13,807	$ 369	$ 20,066
Cash in segregated accounts	357,089	-	-	-
Restricted Assets:				
Equity in pooled cash, cash equivalents and investments	-	-	-	-
Total assets	$ 357,089	$ 13,807	$ 369	$ 20,066
Liabilities:				
Accounts payable	$ -	$ -	$ -	$ -
Retainage payable	357,089	-	-	-
Due to other governments	-	12,926	-	-
Deposits held and due to others	-	881	369	20,066
Refundable deposits	-	-	-	-
Total liabilities	$ 357,089	$ 13,807	$ 369	$ 20,066

Unclaimed Funds-City	Utility Assistance Fund	Community Center Project	Clearing Fund	Water Assessment Trust
$ 30,364	$ 1,454	$ 1,234,310	$ 47,480	$ 9,595
-	-	-	-	-
-	-	-	-	-
$ 30,364	$ 1,454	$ 1,234,310	$ 47,480	$ 9,595
$ -	$ -	$ -	$ 11,580	$ -
-	-	-	-	-
-	-	-	-	-
30,364	1,454	1,234,310	35,900	9,595
-	-	-	-	-
$ 30,364	$ 1,454	$ 1,234,310	$ 47,480	$ 9,595

CITY OF WADSWORTH, OHIO

COMBINING STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES
AGENCY FUNDS
DECEMBER 31, 2013

	Clearing - Utility Assessment	Muni Court	Customer Deposits	Total
Assets:				
Current Assets:				
Equity in pooled cash, cash equivalents and investments	$ 3,495	$ -	$ -	$ 1,360,940
Cash in segregated accounts	-	29,278	-	386,367
Restricted Assets:				
Equity in pooled cash, cash equivalents and investments	-	-	779,504	779,504
Total assets	$ 3,495	$ 29,278	$ 779,504	$ 2,526,811
Liabilities:				
Accounts payable	$ -	$ -	$ -	$ 11,580
Retainage payable	-	-	-	357,089
Due to other governments	-	-	-	12,926
Deposits held and due to others	3,495	29,278	-	1,365,712
Refundable deposits	-	-	779,504	779,504
Total liabilities	$ 3,495	$ 29,278	$ 779,504	$ 2,526,811

CITY OF WADSWORTH, OHIO

COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
AGENCY FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2013

Escrow Accounts	Balance 1/1/2013	Additions	Reductions	Balance 12/31/2013
Assets:				
Cash segregated accounts	$ 496,796	$ -	$ 139,707	$ 357,089
Total assets	$ 496,796	$ -	$ 139,707	$ 357,089
Liabilities:				
Retainage Payable	$ 496,796	$ -	$ 139,707	$ 357,089
Total liabilities	$ 496,796	$ -	$ 139,707	$ 357,089
Medina County Law Library				
Assets:				
Equity in pooled cash, cash equivalents and investments	$ 3,964	$ 40,978	$ 31,135	$ 13,807
Total assets	$ 3,964	$ 40,978	$ 31,135	$ 13,807
Liabilities:				
Deposits held and due to others	$ 3,964	$ 28,052	$ 31,135	$ 881
Due to other governments	-	12,926	-	12,926
Total liabilities	$ 3,964	$ 40,978	$ 31,135	$ 13,807
Memorial Park Trust				
Assets:				
Equity in pooled cash, cash equivalents and investments	$ 369	$ -	$ -	$ 369
Total assets	$ 369	$ -	$ -	$ 369
Liabilities:				
Deposits held and due to others	$ 369	$ -	$ -	$ 369
Total liabilities	$ 369	$ -	$ -	$ 369
Unclaimed Funds Muni Court				
Assets:				
Equity in pooled cash, cash equivalents and investments	$ 18,923	$ 1,143	$ -	$ 20,066
Total assets	$ 18,923	$ 1,143	$ -	$ 20,066
Liabilities:				
Due to other governments	$ -	$ -	$ -	$ -
Deposits held and due to others	18,923	1,143	-	20,066
Total liabilities	$ 18,923	$ 1,143	$ -	$ 20,066
Unclaimed Funds-City				
Assets:				
Equity in pooled cash, cash equivalents and investments	$ 32,438	$ 2,304	$ 4,378	$ 30,364
Total assets	$ 32,438	$ 2,304	$ 4,378	$ 30,364
Liabilities:				
Deposits held and due to others	$ 32,438	$ 2,304	$ 4,378	$ 30,364
Total liabilities	$ 32,438	$ 2,304	$ 4,378	$ 30,364

- - continued

CITY OF WADSWORTH, OHIO

COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
AGENCY FUNDS (CONTINUED)
Equity in pooled cash, cash equivalents

Utility Assistance Fund	Balance 1/1/2013	Additions	Reductions	Balance 12/31/2013
Assets:				
Equity in pooled cash, cash equivalents and investments	$ 1,281	$ 3,864	$ 3,691	$ 1,454
Total assets	$ 1,281	$ 3,864	$ 3,691	$ 1,454
Liabilities:				
Deposits held and due to others	$ 1,281	$ 3,864	$ 3,691	$ 1,454
Total liabilities	$ 1,281	$ 3,864	$ 3,691	$ 1,454
Community Center Project				
Assets:				
Equity in pooled cash, cash equivalents and investments	$ 1,234,310	$ -	$ -	$ 1,234,310
Total assets	$ 1,234,310	$ -	$ -	$ 1,234,310
Liabilities:				
Deposits held and due to others	$ 1,234,310	$ -	$ -	$ 1,234,310
Total liabilities	$ 1,234,310	$ -	$ -	$ 1,234,310
Clearing Fund				
Assets:				
Equity in pooled cash, cash equivalents and investments	$ 63,884	$ 161,443	$ 177,847	$ 47,480
Receivables (net of allowance for uncollectibles):				
Accounts	21	-	21	-
Total assets	$ 63,905	$ 161,443	$ 177,868	$ 47,480
Liabilities:				
Accounts payable	$ -	$ 11,580	$ -	$ 11,580
Deposits held and due to others	$ 63,905	$ 149,863	$ 177,868	$ 35,900
Total liabilities	$ 63,905	$ 161,443	$ 177,868	$ 47,480
Water Assessment Trust				
Assets:				
Equity in pooled cash, cash equivalents and investments	$ 9,132	$ 463	$ -	$ 9,595
Total assets	$ 9,132	$ 463	$ -	$ 9,595
Liabilities:				
Deposits held and due to others	$ 9,132	$ 463	$ -	$ 9,595
Total liabilities	$ 9,132	$ 463	$ -	$ 9,595

CITY OF WADSWORTH, OHIO

COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
AGENCY FUNDS (CONTINUED)
FOR THE YEAR ENDED DECEMBER 31, 2013

Clearing - Utility Assessment	Balance 1/1/2013	Additions	Reductions	Balance 12/31/2013
Assets:				
Equity in pooled cash, cash equivalents and investments	$ -	$ 3,495	$ -	$ 3,495
Total assets	$ -	$ 3,495	$ -	$ 3,495
Liabilities:				
Deposits held and due to others	$ -	$ 3,495	$ -	$ 3,495
Total liabilities	$ -	$ 3,495	$ -	$ 3,495
Muni Court				
Assets:				
Cash in segregated accounts	$ 32,489	$ 1,815,679	$ 1,818,890	$ 29,278
Total assets	$ 32,489	$ 1,815,679	$ 1,818,890	$ 29,278
Liabilities:				
Deposits held and due to others	$ 32,489	$ 1,815,679	$ 1,818,890	$ 29,278
Total liabilities	$ 32,489	$ 1,815,679	$ 1,818,890	$ 29,278
Customer Deposits				
Assets:				
Restricted Assets:				
Equity in pooled cash, cash equivalents and investments	$ 756,807	$ 77,279	$ 54,582	$ 779,504
Total assets	$ 756,807	$ 77,279	$ 54,582	$ 779,504
Liabilities:				
Current Liabilities Payable from Restricted Assets:				
Refundable Deposits	$ 756,807	$ 77,279	$ 54,582	$ 779,504
Total liabilities	$ 756,807	$ 77,279	$ 54,582	$ 779,504
TOTAL AGENCY FUNDS				
Assets:				
Equity in pooled cash, cash equivalents and investments	$ 1,364,301	$ 213,690	$ 217,051	$ 1,360,940
Cash in segregated accounts	529,285	1,815,679	1,958,597	386,367
Receivables (net of allowance for uncollectibles):				
Accounts	21	-	21	-
Restricted Assets:				
Equity in pooled cash, cash equivalents and investments	756,807	77,279	54,582	779,504
Total assets	$ 2,650,414	$ 2,106,648	$ 2,230,251	$ 2,526,811
Liabilities:				
Accounts payable	$ -	$ 11,580	$ -	$ 11,580
Retainage payable	496,796	-	139,707	357,089
Due to other governments	-	12,926	-	12,926
Deposits held and due to others	1,396,811	2,004,863	2,035,962	1,365,712
Current liabilities payable from restricted assets:				
Refundable Deposits	756,807	77,279	54,582	779,504
Total liabilities	$ 2,650,414	$ 2,106,648	$ 2,230,251	$ 2,526,811

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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.

Contents | Page

Financial Trends S1 - S12

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

Revenue Capacity S13 - S19

These schedules contain information to help the reader assess the factors affecting the City's most significant local revenue sources: the property tax and the municipal income tax.

Debt Capacity S20 - S26

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.

Demographic and Economic Information S27 - S28

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.

Operating Information S29 - S39

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.

Sources: 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)

	2013	2012	2011	2010
Governmental Activities				
Net Investment in Capital Assets	$ 30,975,468	$ 27,652,789	$ 24,968,078	$ 38,668,682
Restricted	12,544,168	12,444,429	15,067,789	15,528,872
Unrestricted	7,012,414	7,876,795	5,904,151	3,659,079
Total Governmental Activities Net Position	50,532,050	47,974,013	45,940,018	57,856,633
Business Type - Activities				
Net Investment in Capital Assets	63,409,337	57,015,769	51,914,458	36,603,685
Unrestricted	12,827,606	12,387,704	18,514,874	16,141,933
Total Business-Type Activities Net Position	76,236,943	69,403,473	70,429,332	52,745,618
Primary Government				
Net Investment in Capital Assets	94,384,805	84,668,558	76,882,536	75,272,367
Restricted	12,544,168	11,774,608	15,067,789	15,528,872
Unrestricted	19,840,020	20,934,320	24,419,025	19,801,012
Total Primary Government Net Position	$126,768,993	$117,377,486	$116,369,350	$110,602,251

NOTES:

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.

(continued)

2009	2008	2007	2006	2005	2004
$ 38,890,685	$ 38,787,056	$ 36,230,196	$ 32,486,753	$ 28,473,947	$ 28,849,545
11,157,801	13,788,640	12,235,180	11,944,464	10,482,259	9,266,613
5,513,182	(195,832)	784,999	2,509,221	1,634,099	2,660,251
55,561,668	52,379,864	49,250,375	46,940,438	40,590,305	40,776,409
35,357,502	37,100,988	34,557,074	32,024,597	28,471,548	29,136,899
15,103,425	11,412,229	10,619,030	11,029,092	9,206,780	9,409,527
50,460,927	48,513,217	45,176,104	43,053,689	37,678,328	38,546,426
74,248,187	75,888,044	70,787,270	64,511,350	56,945,495	57,986,444
11,157,801	13,788,640	12,235,180	11,944,464	10,482,259	9,266,613
20,616,607	11,216,397	11,404,029	13,538,313	10,840,879	12,069,778
$106,022,595	$100,893,081	$ 94,426,479	$ 89,994,127	$ 78,268,633	$ 79,322,835

City of Wadsworth, Ohio

Changes in Net Position

Last Ten Years

(Accrual Basis of Accounting)

	2013	2012	2011	2010
Program Revenues				
Governmental Activities:				
Charges for Services:				
General Government	$ 660,499	$ 517,728	$ 616,010	$ 415,956
Security of Persons and Property	1,310,679	1,340,579	1,388,280	1,053,063
Public Health	43,597	10,997	16,799	14,508
Leisure Time Services	1,020,645	615,348	226,537	460,552
Community and Economic Development	16,481	49,559	42,082	40,288
Public Works[1]	0	0	0	828,752
Transportation	322,749	50,209	31,754	1,037
Intergovernmental	0	0	0	828
Subtotal - Charges for Services	3,374,650	2,584,420	2,321,462	2,814,984
Operating Grants and Contributions:				
General Government	50,711	27,364	46,244	14,222
Security of Persons and Property	3,069	99,958	226,398	84,341
Public Health	0	1,029	741	701
Leisure Time Services	230,000	7,909	8,986	7,244
Community and Economic Development	478,423	528,546	277,912	2,265
Public Works	0	4,778	93,093	0
Transportation	777,475	10,615	1,740,863	0
Intergovernmental	0	0	0	52
Interest and Fiscal Charges	0	0	0	0
Subtotal - Operating Grants and Contributions	1,539,678	680,199	2,394,237	108,825
Capital Grants and Contributions:				
General Government	136,725	145,251	0	566,630
Security of Persons and Property	0	20,662	74,447	0
Public Health	0	129	0	0
Leisure Time Services	0	990	0	258,347
Community and Economic Development	206,469	545	117,146	209,486
Public Works	0	0	0	785
Transportation	0	5,356	239,370	624,234
Intergovernmental	0	0	0	0
	343,194	172,933	430,963	1,659,482
Total Governmental Activities Program Revenues	5,257,522	3,437,552	5,146,662	4,583,291

(continued)

2009	2008	2007	2006	2005	2004
$ 1,804,234	$ 1,637,283	$ 1,630,640	$ 1,514,655	$ 1,047,393	$ 906,987
1,019,968	951,404	838,539	1,003,254	1,095,457	634,961
12,637	9,906	12,413	7,545	6,757	9,599
759,662	719,242	744,047	730,533	736,484	688,927
48,260	31,738	59,565	92,125	56,874	27,191
0	1,403	24,461	58,593	14,318	1,029,930
20,452	75,132	77,862	40,092	62,040	7,720
0	21,562	968	193	249	163
3,665,213	3,447,670	3,388,495	3,446,990	3,019,572	3,305,478
188,200	17,768	11,077	205,253	10,041	34,254
75,909	424,018	84,813	74,658	97,715	157,530
336	404	296	189	0	1,430
2,643	3,407	130,026	5,507	161	263,286
16,637	360,036	35,628	756	54,369	1,998
0	0	0	0	852	0
0	305,707	0	94,522	0	1,100
0	24	6	16,325	7,700	10,868
0	0	0	0	154,912	0
283,725	1,111,364	261,846	397,210	325,750	470,466
859,483	1,007,719	613,643	60,399	34,581	44,534
311,907	339,133	614,587	49,725	0	0
6,828	8,071	17,195	0	0	0
82,761	69,265	130,511	0	0	46,996
414,934	19,725	509,967	194,687	0	240,044
0	0	0	27,878	489,243	0
136,363	352,655	0	0	0	0
0	3,021	379	24,243	0	0
1,812,276	1,799,589	1,886,282	356,932	523,824	331,574
5,761,214	6,358,623	5,536,623	4,201,132	3,869,146	4,107,518

City of Wadsworth, Ohio

Changes in Net Position

Last Ten Years

(Accrual Basis of Accounting)

	2013	2012	2011	2010
Business-Type Activities:				
Charges for Services:				
Electric	30,664,529	28,735,362	30,579,103	30,330,442
Sanitation	2,362,918	2,206,598	2,188,061	2,071,234
Sewer	3,804,179	3,531,295	3,342,729	3,145,489
Storm Water[1]	846,807	820,242	833,778	0
Telecom	4,267,447	3,784,001	3,628,336	3,342,778
Water	3,755,438	3,797,973	3,726,491	3,684,369
Subtotal - Charges for Services	45,701,318	42,875,471	44,298,498	42,574,312
Operating & Capital Grants and Contributions				
Electric	877,724	1,428,578	2,381,437	740,554
Sewer	245,002	0	0	267,446
Storm Water[1]	124,949	0	82,970	0
Water	0	208,316	0	0
Subtotal - Operating & Capital Grants and Contributions	1,247,675	1,636,894	2,464,407	1,008,000
Total Business-Type Activities Program Revenues	46,948,993	44,512,365	46,762,905	43,582,312
Total Primary Government Program Revenues	52,206,515	47,949,917	51,909,567	48,165,603
Expenses				
Governmental Activities:				
General Government	3,985,055	3,769,536	3,809,401	3,341,356
Security of Persons and Property	5,946,408	6,221,933	6,512,974	6,601,561
Public Health	125,186	109,054	105,261	103,060
Leisure Time Services	1,609,321	1,604,855	1,510,485	2,351,287
Community and Economic Development	1,023,032	929,492	660,516	522,242
Public Works	0	121,471	200,224	711,713
Transportation	2,893,421	2,920,887	3,186,302	2,928,565
Intergovernmental	0	0	0	7,499
Interest and Fiscal Charges	775,567	793,123	781,845	149,109
Total Governmental Activities Expenses	16,357,990	16,470,351	16,767,008	16,716,392
Business-Type Activities:				
Electric	27,789,052	26,625,458	28,946,483	28,572,879
Sanitation	2,221,316	2,232,922	2,082,729	2,075,807
Sewer	3,245,256	3,629,162	3,573,261	3,310,275
Storm Water[1]	904,253	871,099	986,089	0
Telecom	4,574,954	4,010,252	3,631,490	3,416,318
Water	3,227,991	3,462,781	3,456,315	4,397,523
Total Business-Type Activities Expenses	41,962,822	40,831,674	42,676,367	41,772,802
Total Primary Government Expenses	58,320,812	57,302,025	59,443,375	58,489,194

(continued)

2009	2008	2007	2006	2005	2004
29,851,125	27,762,640	25,014,078	26,047,966	25,484,936	21,950,840
1,984,672	1,902,235	1,842,501	1,640,433	1,610,792	1,585,439
3,319,499	3,226,918	3,609,670	3,865,870	3,553,416	3,152,300
0	0	0	0	0	n/a
2,993,393	2,774,399	2,656,861	2,025,017	1,872,815	0
3,395,906	2,944,488	2,838,418	2,611,536	2,742,246	2,061,048
41,544,595	38,610,680	35,961,528	36,190,822	35,264,205	28,749,627
0	0	0	0	50,000	0
428,629	1,729,137	84,225	705,186	0	0
0	0	0	0	0	n/a
297,069	1,176,966	581,215	319,496	0	0
725,698	2,906,103	665,440	1,024,682	50,000	0
42,270,293	41,516,783	36,626,968	37,215,504	35,314,205	28,749,627
48,031,507	47,875,406	42,163,591	41,416,636	39,183,351	32,857,145
5,561,354	6,055,239	5,176,695	3,585,390	3,960,462	3,422,001
5,804,358	5,685,852	5,524,710	5,022,596	6,496,050	5,864,968
128,140	145,433	149,833	105,621	75,271	145,778
1,946,859	2,080,885	2,152,345	1,818,429	2,204,047	2,023,707
616,764	737,503	617,243	455,994	811,973	478,550
0	9,700	21,990	191,103	50,280	30,140
2,803,257	2,941,263	2,693,526	2,528,287	2,435,891	2,512,197
0	11,057	204,548	5,960	156,610	16,529
135,705	151,362	165,075	103,748	147,354	146,971
16,996,437	17,818,294	16,705,965	13,817,128	16,337,938	14,640,841
28,338,305	25,823,545	25,899,005	26,038,534	28,056,110	23,589,034
1,951,471	1,935,094	1,773,366	1,608,357	1,838,563	1,284,315
3,727,726	4,534,794	2,432,224	2,501,651	2,239,016	2,497,533
0	0	0	0	0	n/a
3,258,997	3,015,641	2,215,775	1,220,462	1,733,253	10,344
3,091,449	3,085,289	3,323,572	2,783,980	2,638,269	2,401,418
40,367,948	38,394,363	35,643,942	34,152,984	36,505,211	29,782,644
57,364,385	56,212,657	52,349,907	47,970,112	52,843,149	44,423,485

City of Wadsworth, Ohio

Changes in Net Position

Last Ten Years

(Accrual Basis of Accounting)

	2013	2012	2011	2010
Net (Expense)/Revenue				
Governmental Activities	(11,100,468)	(13,032,799)	(11,620,346)	(12,133,101)
Business-Type Activities	4,986,171	3,680,691	4,086,538	1,809,510
Total Primary Government Net (Expense)/Revenue	(6,114,297)	(9,352,108)	(7,533,808)	(10,323,591)
General Revenues				
Governmental Activities				
Taxes:				
Property Taxes Levied For:				
General Purposes	1,160,532	975,659	959,950	1,064,928
Capital Projects	738,827	1,089,450	1,190,052	362,949
Emergency Medical Services	665,179	952,861	891,198	1,613,748
Income Taxes	8,532,860	7,679,436	6,851,870	6,480,155
Payments in Lieu of Taxes	612,180	115,400	105,000	99,000
Grants and Entitlements not Restricted to Specific Programs	1,692,722	3,194,245	2,527,284	4,495,881
Investment Earnings	174,447	145,550	150,965	109,972
Other Income	144,354	25,268	76,641	201,433
Total Governmental Activities	13,721,101	14,177,869	12,752,960	14,428,066
Business-Type Activities				
Investment Earnings	2	56,115	40,295	23,885
Special Item - Stranded Costs	1,510,027	(4,584,933)	0	0
Other Income	274,674	131,222	507,652	451,296
Total Business-Type Activities	1,784,703	(4,397,596)	547,947	475,181
Total Primary Government General Revenues	15,505,804	9,780,273	13,300,907	14,903,247
Transfers				
Governmental Activities	(62,596)	0	0	0
Business-Type Activities	62,596	0	0	0
Change in Net Position				
Governmental Activities	2,558,037	1,145,070	1,132,614	2,294,965
Business-Type Activities	6,833,470	(716,905)	4,634,485	2,284,691
Total Primary Government Change in Net Position	$ 9,391,507	$ 428,165	$ 5,767,099	$ 4,579,656

(continued)

[1]Storm Water moved from Public Works in Governmental Activities to Business-Type Activities in 2011.

2009	2008	2007	2006	2005	2004
(11,235,223)	(11,459,671)	(11,169,342)	(9,615,996)	(12,468,792)	(10,533,323)
1,902,345	3,122,420	983,026	3,062,520	(1,191,006)	(1,033,017)
(9,332,878)	(8,337,251)	(10,186,316)	(6,553,476)	(13,659,798)	(11,566,340)
1,052,918	1,110,503	1,056,203	977,911	903,156	947,379
416,378	453,955	475,452	456,586	441,050	449,355
1,717,949	1,731,358	1,319,207	746,445	839,652	726,939
6,477,735	7,332,441	5,720,788	6,542,143	6,312,773	5,422,294
0	0	0	0	0	0
4,398,252	3,381,413	4,266,292	3,028,791	3,430,318	3,447,008
195,647	542,854	891,744	750,706	340,280	76,320
88,582	36,636	66,997	20,024	55,164	8,251
14,347,461	14,589,160	13,796,683	12,522,606	12,322,393	11,077,546
108,016	134,715	55,910	191,679	283,203	530,796
0	0	0	0	0	0
6,915	79,978	20	1,936	0	0
114,931	214,693	55,930	193,615	283,203	530,796
14,462,392	14,803,853	13,852,613	12,716,221	12,605,596	11,608,342
69,566	0	(750,000)	0	(39,705)	2,325
(69,566)	0	750,000	0	39,705	(2,325)
3,181,804	3,129,489	1,877,341	2,906,610	(186,104)	546,548
1,947,710	3,337,113	1,788,956	3,256,135	(868,098)	(504,546)
$ 5,129,514	$ 6,466,602	$ 3,666,297	$ 6,162,745	$ (1,054,202)	$ 42,002

City of Wadsworth, Ohio

Fund Balances, Governmental Funds

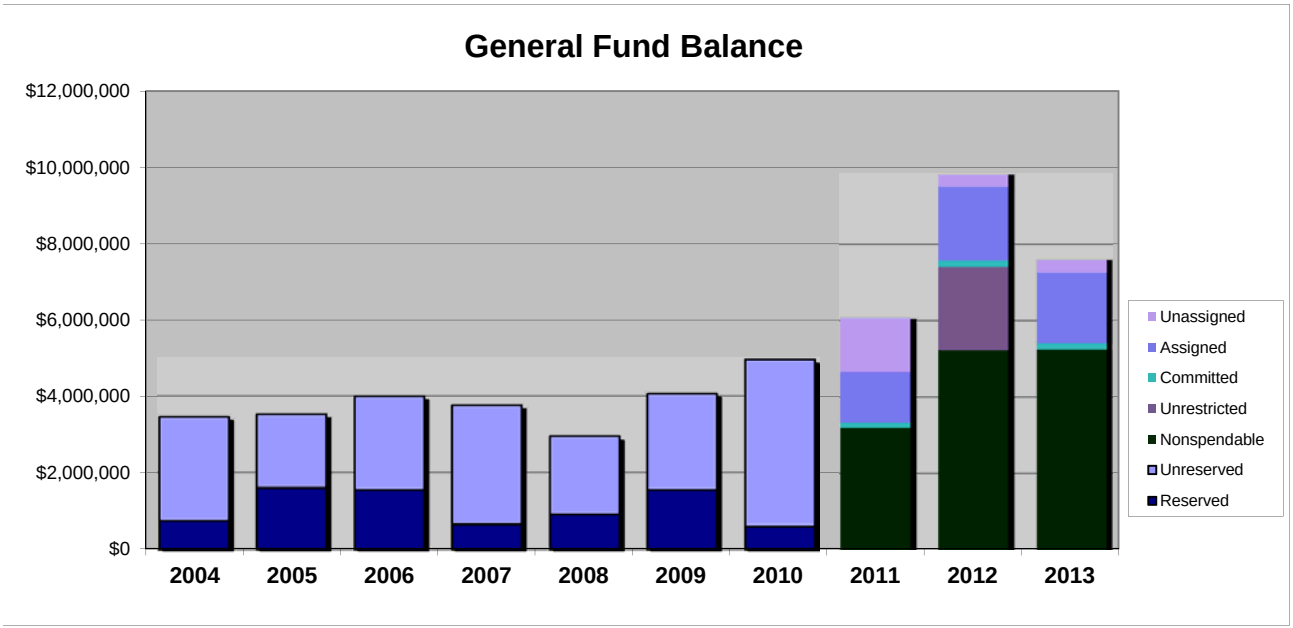
Last Ten Years

(Modified Accrual Basis of Accounting)

	2013	2012 [1]	2011	2010	2009
General Fund					
Nonspendable	$ 5,243,091	$ 5,223,616	$ 3,191,006	0	0
Restricted[1]	0	2,181,148	0	0	0
Committed	170,028	162,176	150,998	0	0
Assigned	1,849,862	1,934,414	1,315,726	0	0
Unassigned	331,919	317,964	1,406,960	0	0
Reserved	0	0	0	$ 611,466	$ 1,557,563
Unreserved	0	0	0	4,344,340	2,503,732
Total General Fund	7,594,900	9,819,318	6,064,690	4,955,806	4,061,295
All Other Governmental Funds					
Nonspendable	308,564	3,798,311	336,264	0	0
Restricted	11,805,616	6,258,676	14,058,202	0	0
Committed	169,956	1,661,064	1,458,238	0	0
Unassigned	(1,331,229)	(740,323)	(340,450)	0	0
Reserved	0	0	0	3,264,480	3,473,817
Unreserved, Undesignated (Deficit), Reported in:					
Special Revenue Funds	0	0	0	8,075,725	8,404,961
Capital Projects Funds	0	0	0	4,674,201	490,946
Total All Other Governmental Funds	10,952,907	10,977,728	15,512,254	16,014,406	12,369,724
Total Governmental Funds	$ 18,547,807	$ 20,797,046	$ 21,576,944	$ 20,970,212	$ 16,431,019

[1] 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.



(continued)

2008	2007	2006	2005	2004
0	0	0	0	0
0	0	0	0	0
0	0	0	0	0
0	0	0	0	0
0	0	0	0	0
$ 924,595	$ 650,932	$ 1,571,123	$ 1,618,922	$ 755,873
2,028,877	3,119,368	2,424,464	1,922,698	2,710,107
2,953,472	3,770,300	3,995,587	3,541,620	3,465,980
0	0	0	0	0
0	0	0	0	0
0	0	0	0	0
0	0	0	0	0
5,473,400	5,215,585	3,110,379	1,814,085	1,682,875
5,501,520	4,139,390	5,613,334	5,103,459	4,528,402
(690,805)	970,349	1,531,181	2,180,177	2,228,281
10,284,115	10,325,324	10,254,894	9,097,721	8,439,558
$ 13,237,587	$ 14,095,624	$ 14,250,481	$ 12,639,341	$ 11,905,538

City of Wadsworth, Ohio

Changes in Fund Balances, Governmental Funds

Last Ten Years

(Modified Accrual Basis of Accounting)

	2013	2012	2011	2010
Revenues				
Real and Other Taxes	$ 2,581,162	$ 3,034,146	$ 3,121,651	$ 2,996,532
Income Taxes	8,262,502	7,611,247	6,741,133	6,573,369
Payments in Lieu of Taxes	612,180	115,400	105,000	99,000
Special Assessments	117,860	128,722	117,146	184,287
Charges for Services	2,041,901	1,367,216	1,128,411	1,857,582
Licenses and Permits	415,605	486,210	407,278	390,012
Fines and Forfeitures	641,820	692,486	715,652	653,093
Intergovernmental	3,186,386	4,576,149	4,537,339	6,145,906
Investment income	174,773	182,294	206,885	109,972
Rental income	72,295	5,400	1,400	9,400
Contributions and Donations	233,251	11,426	3,505	9,631
Other	710,509	25,268	75,241	201,433
Total Revenues	19,050,244	18,235,964	17,160,641	19,230,217
Expenditures				
Current:				
General Government	3,921,993	3,529,686	3,277,952	2,891,212
Security of Persons and Property	6,419,692	5,999,955	5,986,941	6,034,330
Public Health	125,208	110,517	105,402	100,441
Leisure Time Services	1,668,959	1,551,703	1,461,356	2,099,175
Community and Economic Development	1,053,406	941,155	655,562	516,310
Public Works	0	123,100	200,224	690,694
Transportation	2,406,833	2,460,481	2,698,700	2,054,047
Intergovernmental	0	0	0	7,499
Capital Outlay	4,255,788	1,698,178	925,826	17,813,141
Debt Service:				
Principal Retirement	642,455	627,351	197,254	252,161
Interest and Fiscal Charges	756,578	774,643	785,044	100,713
Issuance Costs	0	0	0	360,988
Total Expenditures	21,250,912	17,816,769	16,294,261	32,920,711
Excess of Revenues Over (Under) Expenditures	(2,200,668)	419,195	866,380	(13,690,494)
Other Financing Sources (Uses)				
Notes Issued	0	0	0	0
Bonds Issued	0	0	0	18,290,000
Premium on Debt Issued	0	0	0	0
Proceeds of Loans	0	0	0	0
Proceeds from Sale of Capital Assets	14,025	35,217	3,810	39,648
Transfers In	215,252	1,594,303	6,914,635	6,845,800
Transfers Out	(277,848)	(1,594,303)	(6,911,048)	(6,842,213)
Other Financing Uses	0	0	0	(103,548)
Total Other Financing Sources (Uses)	(48,571)	35,217	7,397	18,229,687
Net Change in Fund Balances	$ (2,249,239)	$ 454,412	$ 873,777	$ 4,539,193
Debt Service as a Percentage of Noncapital Expenditures	8.4%	8.8%	6.4%	2.3%

(continued)

2009	2008	2007	2006	2005	2004
$ 3,167,698	$ 3,258,568	$ 2,838,180	$ 2,245,255	$ 2,233,103	$ 2,050,342
6,591,226	6,525,267	6,672,229	6,354,130	5,980,973	5,408,970
0	0	0	0	0	0
84,377	28,630	56,267	88,314	120,168	142,583
2,210,771	1,887,220	2,215,944	2,225,296	1,817,989	1,903,580
938,955	826,768	758,027	861,657	824,820	814,104
261,333	298,730	205,859	153,247	178,098	228,079
5,475,695	5,606,904	5,273,528	3,211,890	4,149,202	4,018,144
195,647	542,854	891,744	750,706	340,280	76,320
236,945	246,065	208,665	206,790	198,665	359,715
57,908	17,768	30,253	46,935	117,949	49,801
88,582	36,636	66,997	20,024	51,227	8,251
19,309,137	19,275,410	19,217,693	16,164,244	16,012,474	15,059,889
5,215,166	6,118,002	5,523,566	3,468,937	3,314,963	3,037,939
5,418,631	5,643,693	5,274,973	5,250,880	5,912,136	5,310,215
83,021	95,258	110,122	55,788	73,074	83,544
1,855,581	2,103,211	2,087,317	1,913,057	1,964,116	1,868,559
606,807	739,088	625,538	450,938	760,920	524,604
4,636	7,928	19,281	187,155	48,500	29,419
2,000,080	2,314,431	2,023,168	2,040,176	1,772,467	1,946,326
0	11,057	204,548	5,960	156,610	16,529
2,417,711	2,591,116	2,949,313	346,555	715,089	1,005,873
372,072	356,987	336,905	321,827	396,336	387,989
137,073	152,676	169,363	131,553	129,935	138,336
53,149	0	0	0	0	0
18,163,927	20,133,447	19,324,094	14,172,826	15,244,146	14,349,333
1,145,210	(858,037)	(106,401)	1,991,418	768,328	710,556
0	0	0	0	1,243	10,941
2,015,000	0	0	0	0	0
33,222	0	0	0	0	0
0	0	0	0	0	12,651
0	0	0	0	3,937	13,284
7,339,800	5,611,000	5,451,000	5,345,629	5,270,696	5,059,525
(7,339,800)	(5,611,000)	(5,451,000)	(5,345,629)	(5,310,401)	(5,057,200)
0	0	0	0	0	0
2,048,222	0	0	0	(34,525)	39,201
$ 3,193,432	$ (858,037)	$ (106,401)	$ 1,991,418	$ 733,803	$ 749,757
3.4%	3.1%	3.3%	3.5%	3.5%	3.9%

City of Wadsworth, Ohio

Assessed Valuation and Estimated Actual Values of Taxable Property

Last Ten Years

Collection Year	Real Property (a) Residential/ Agricultural	Real Property (a) Commercial Industrial/PU	Public Utility Property (b)	Tangible Personal Property (c)	Less: Tax Exempt Real Property (d)
2013	$365,802,220	$ 104,399,470	$ 676,760	0	$ 64,359,360
2012	364,800,570	103,106,620	615,470	0	64,973,380
2011	360,319,920	105,174,960	615,470	0	65,910,500
2010	398,307,240	102,405,800	596,720	$ 272,055	65,973,740
2009	397,144,370	99,296,020	584,720	585,540	n/a
2008	392,307,660	99,886,380	592,490	11,754,010	n/a
2007	346,652,230	94,214,570	2,366,120	17,948,870	n/a
2006	336,788,630	89,334,110	2,580,740	26,923,305	n/a
2005	325,052,920	81,585,330	2,866,640	38,840,675	n/a
2004	297,485,510	76,336,070	2,942,570	37,504,132	n/a

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 2005 and prior, tangible personal property was assessed at 25% of true value for capital assets and 23% of true value for inventory.
For 2006, tangible personal property tax was assessed at 18.75% of property value, including inventory.
For 2007, tangible personal property tax was assessed at 12.50% of property value, including inventory.
For 2008, tangible personal property tax was assessed at 6.25% of property value, including inventory.
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) Tax exempt information was not available prior to tax year 2009.

(e) Does not include tax-exempt property.

(continued)

Total Taxable Assessed Value	Total Direct Tax Rate	Estimated Actual Taxable Value (e)	Assessed Value as a Percentage of Actual Value
$ 406,519,090	5.80	$ 1,160,318,560	35.04%
403,549,280	5.80	1,151,938,855	35.03%
400,199,850	5.80	1,142,369,055	35.03%
435,608,075	5.80	1,248,231,477	34.90%
497,610,650	5.80	1,424,920,969	34.92%
504,540,540	5.80	1,425,748,386	35.39%
461,181,790	5.80	1,405,899,161	32.80%
455,626,785	5.80	1,364,017,162	33.40%
448,345,565	5.80	1,320,443,817	33.95%
414,268,282	5.80	1,221,422,015	33.92%

City of Wadsworth, Ohio

Direct and Overlapping Property Tax Rates

Last Ten Collection Years

	2013	2012	2011	2010	2009
Unvoted Millage					
Operating	2.1000	2.1000	2.1000	2.1000	2.1000
Police Pension	0.3000	0.3000	0.3000	0.3000	0.3000
Total Unvoted Millage	2.4000	2.4000	2.4000	2.4000	2.4000
Voted Millage					
Fire Levy	1.1000	1.1000	1.1000	1.1000	1.1000
EMS Levy	2.3000	2.3000	2.3000	2.3000	2.3000
Total Voted Millage	3.4000	3.4000	3.4000	3.4000	3.4000
Total Millage	5.8000	5.8000	5.8000	5.8000	5.8000
Overlapping Rates by Taxing District					
Wadsworth City School District					
Residential/Agricultural Real	42.0488	42.0488	36.1295	31.5638	31.6916
Commercial/Industrial and Public Utility Real	45.7549	45.7549	38.2956	35.7988	36.1101
General Business and Public Utility Personal	78.6000	78.6000	72.6000	70.2000	70.4000
Medina County					
Residential/Agricultural Real	7.4599	7.4699	6.5082	5.9807	5.9167
Commercial/Industrial and Public Utility Real	7.4575	7.4675	6.4369	6.0632	5.9891
General Business and Public Utility Personal	8.0400	8.0400	8.0400	8.0400	8.0700
Wadsworth Public Library					
Residential/Agricultural Real	2.6046	2.6046	1.6032	1.4441	1.4388
Commercial/Industrial and Public Utility Real	2.6289	2.6289	1.5295	1.5234	1.5034
General Business and Public Utility Personal	2.7500	2.7500	1.7500	1.7500	1.7500
Medina County Park District					
Residential/Agricultural Real	0.7366	0.7366	0.7366	0.6775	0.6758
Commercial/Industrial and Public Utility Real	0.7435	0.7435	0.7052	0.6969	0.6951
General Business and Public Utility Personal	0.7500	0.7500	0.7500	0.7500	0.7500
Highland Local School District					
Residential/Agricultural Real	36.5880	36.6880	29.7286	28.4983	29.1516
Commercial/Industrial and Public Utility Real	33.6398	33.6398	25.0217	24.9227	25.5162
General Business and Public Utility Personal	76.8000	76.8000	69.9000	69.9000	70.5500
Medina County Library District					
Residential/Agricultural Real	2.0315	2.0315	2.0319	1.9378	2.1352
Commercial/Industrial and Public Utility Real	2.0464	2.0464	1.9854	1.9696	2.1651
General Business and Public Utility Personal	2.0500	2.0500	2.0500	2.0500	2.2500
Vocational Education					
Residential/Agricultural Real	2.1694	2.1694	2.0582	2.0048	2.0000
Commercial/Industrial and Public Utility Real	2.1483	2.1483	1.9420	2.0158	2.0081
General Business and Public Utility Personal	3.0500	3.0500	2.9000	3.0500	3.0500

Source: Medina County Auditor

Information prior to 2004 is not available

Note: The rates presented for a particular calendar year are the rates that, when applied to the assessed values presented in the Assessed Value Table, generated the property tax revenue billed in that year. The City's basic property tax rate may be increased only by a majority vote of the City's residents. Real property tax rates for voted levies are reduced so that inflationary increases in values do not generate additional revenue. Overlapping rates are those of local and county governments that apply to property owners within the City.

(continued)

2008	2007	2006	2005	2004
2.1000	2.1000	2.1000	2.1000	2.1000
0.3000	0.3000	0.3000	0.3000	0.3000
2.4000	2.4000	2.4000	2.4000	2.4000
1.1000	1.1000	1.1000	1.1000	1.1000
2.3000	2.3000	2.3000	2.3000	2.3000
3.4000	3.4000	3.4000	3.4000	3.4000
5.8000	5.8000	5.8000	5.8000	5.8000
28.8014	31.7282	31.8697	32.7510	34.3567
33.1027	35.1643	36.5675	37.5831	38.5909
67.5000	71.5000	71.5000	72.2500	72.2500
5.9261	6.2510	6.3360	6.3559	6.6503
5.9752	6.2039	6.6281	6.2564	6.4669
8.0700	8.0700	8.2100	8.2200	8.2300
1.4396	1.6044	1.6145	1.6239	1.7383
1.5236	1.5865	1.6722	1.6884	1.7500
1.7500	1.7500	1.7500	1.7500	1.7500
0.6777	0.7446	0.3790	0.3801	0.4088
0.6922	0.7424	0.3654	0.3626	0.3826
0.7500	0.7500	0.5000	0.5000	0.5000
29.2728	31.4184	31.6671	32.4065	34.4395
25.0795	26.3436	28.4673	28.0410	30.1494
70.5500	70.5500	70.5550	71.3200	71.3200
2.1388	1.6348	1.6373	1.6411	1.6902
2.6050	1.6660	1.6677	1.6585	1.6974
2.2500	2.2500	2.2500	2.2500	2.2500
2.0000	2.0000	2.0000	2.0000	2.0000
1.9999	2.0214	2.0274	2.0000	2.0281
3.0500	3.0500	3.0500	3.0500	3.0500

City of Wadsworth, Ohio

Principal Property Taxpayers

2013 vs. 2008

	2013	
Taxpayer	Property Assessed Valuation	Percentage of Total Assessed Valuation
Stratford Crossings LTD	$6,012,820	1.28%
Bre Throne Wadsworth Crossing LLC	$3,975,510	0.84%
Walmart Real Estate	$3,290,010	0.70%
Echo Wadsworth Assoc	$3,131,500	0.67%
HD Development of Maryland Inc	$2,911,080	0.62%
Ebner Furnaces	$2,576,380	0.55%
L A Wadsworth	$2,450,000	0.52%
Liberty Residence Holdings	$2,243,720	0.48%
Lowe's Home Centers Inc	$2,174,820	0.46%
Rohrer Investment Properties	$2,029,620	0.43%
TOTAL	$30,795,460	6.54%
Total Assessed Property Valuation	$470,878,450	

	2008(1)	
Taxpayer	Property Assessed Valuation	Percentage of Total Assessed Valuation
Ebner Furnaces Inc	$3,571,220	0.71%
DJB No 23 LP	$3,328,440	0.66%
Big Sky Inc	$3,279,400	0.65%
Day Family Enterprises	$2,441,390	0.48%
Rohrer Properties	$1,861,020	0.37%
Priority II LLC	$1,840,790	0.36%
Wal-Mart Real Estate	$1,716,540	0.34%
Buehler Food Market	$1,612,690	0.32%
Soprema USA Inc	$1,519,710	0.30%
Careamerica Corp	$1,435,050	0.28%
TOTAL	$22,606,250	4.48%
Total Assessed Property Valuation	$504,540,540	

Source: Medina County Auditor, Medina Ohio
(1) Information prior to 2008 is not available

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
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%
2009	2,745,743	2,491,596	90.74%	84,079	2,575,675	93.81%	74,096	2.70%
2008	2,731,362	2,468,134	90.36%	84,742	2,552,876	93.47%	69,108	2.53%
2007	2,347,638	2,136,651	91.01%	64,735	2,201,386	93.77%	69,270	2.95%
2006	2,299,161	2,064,988	89.81%	72,405	2,137,393	92.96%	56,588	2.46%
2005	2,223,500	2,015,267	90.63%	47,396	2,062,662	92.77%	120,901	5.44%
2004	2,016,500	1,913,461	94.89%	53,245	1,966,706	97.53%	171,260	8.49%

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

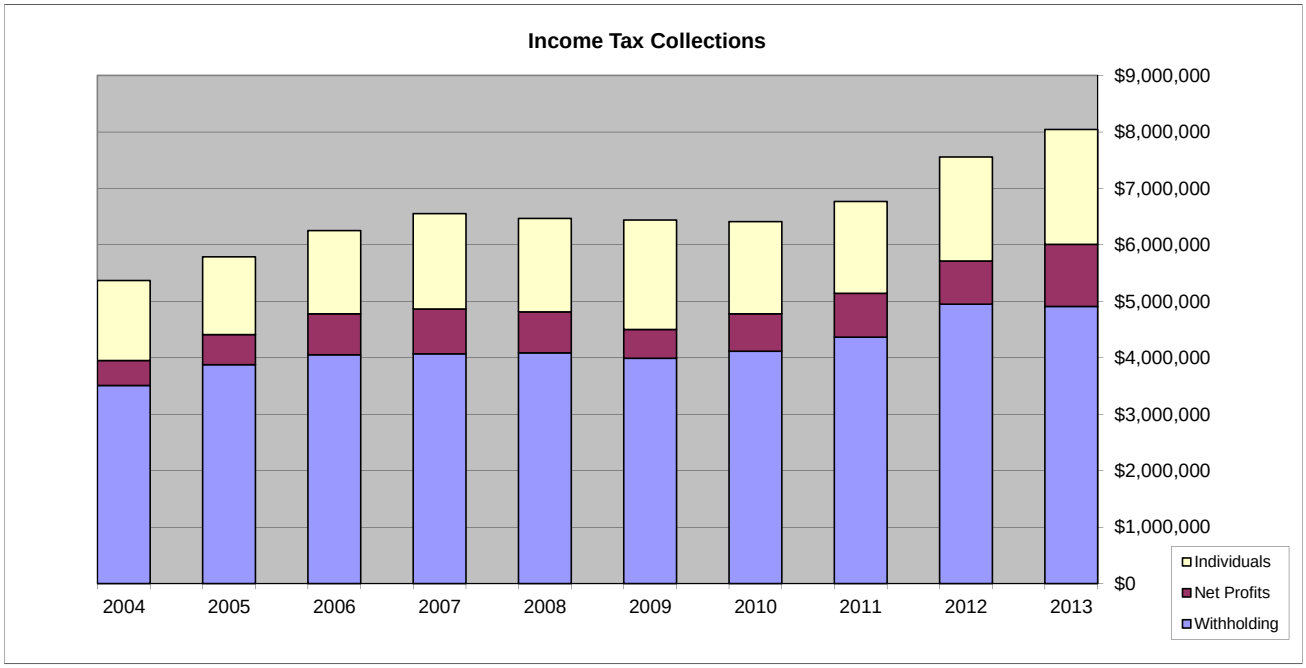
Income Tax Rate, Revenue Base, and Collections

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
2013	1.4%	$8,358,492	$315,061	3.77%	$4,909,876	58.74%	$1,099,494	13.15%	$2,034,061	24.34%
2012	1.4%	7,685,425	129,648	1.69%	4,949,755	64.40%	765,089	9.96%	1,840,933	23.95%
2011	1.3%	6,897,700	130,626	1.89%	4,366,494	63.30%	776,882	11.26%	1,623,698	23.54%
2010	1.3%	6,603,817	193,064	2.92%	4,115,667	62.32%	664,215	10.06%	1,630,871	24.70%
2009	1.3%	6,511,354	71,581	1.10%	3,989,176	61.26%	513,740	7.89%	1,936,857	29.75%
2008	1.3%	6,643,871	174,580	2.63%	4,087,541	61.52%	723,309	10.89%	1,658,441	24.96%
2007	1.3%	6,534,276	(20,485)	-0.31%	4,071,630	62.31%	790,906	12.10%	1,692,225	25.90%
2006	1.3%	6,296,305	43,511	0.69%	4,053,641	64.38%	724,635	11.51%	1,474,518	23.42%
2005	1.3%	5,896,724	109,011	1.85%	3,877,177	65.75%	532,563	9.03%	1,377,973	23.37%
2004	1.3%	5,377,066	8,528	0.16%	3,509,428	65.27%	443,793	8.25%	1,415,317	26.32%

Source: Central Collection Agency - Cleveland, OH

(1) Gross Collections - Cash Basis of Accounting



City of Wadsworth, Ohio

Ratios of Outstanding Debt by Type

Last Ten Years

	Governmental Activities				Business-type Activities										
Fiscal Year	General Obligation Bonds	Income Tax Revenue Bonds	Special Assessment Bonds (4)	Notes Payable (5)	Stormwater G.O. Bonds	Water G.O. Bonds	OWDA Loan	Electric Revenue Bonds	Electric AMP Loan	Electric AMP Stranded Costs	Electric G.O. Bonds	Notes Payable	Total Primary Government	Percentage of Personal Income (1)	Per Capita (1)
2013	$215,000	$17,435,000	$ 113,309	$3,107,581	$ 775,000	$ 9,600,000	$ 17,565,266	0	$4,961,992	$ 5,604,614	$ 215,000	$9,788,897	$69,381,659	11.90%	$ 3,177
2012 (8)	425,000	17,865,000	198,277	2,239,248	830,000	10,040,000	18,550,064	0	5,585,992	5,791,839	250,000	9,249,200	71,024,620	12.07%	3,276
2011	625,000	18,290,000	271,745	758,448	895,000	10,465,000	19,504,560	7,137,917	0	0	280,000	7,440,504	65,668,173	11.91%	3,045
2010 (7)	820,000	18,290,000	359,813	1,308,369	945,000	10,855,000	20,429,684	7,669,583	0	0	310,000	5,920,341	66,907,790	11.42%	3,102
2009 (6)	1,015,000	0	301,609	1,759,864	1,000,000	1,520,000	21,326,340	8,181,250	0	0	340,000	5,044,718	40,488,781	7.15%	1,956
2008	370,000	0	288,356	3,722,936	0	0	21,474,268	8,674,583	0	0	0	6,496,044	41,026,188	7.32%	2,009
2007 (2)	725,000	0	320,034	3,031,190	0	0	21,119,252	9,148,333	0	0	0	4,827,651	39,171,460	6.99%	1,919
2006 (3)	1,060,000	0	343,461	102,428	0	0	15,222,475	9,607,083	0	0	0	2,655,523	28,990,970	5.25%	1,442
2005	1,380,000	0	380,278	568,255	0	0	5,863,580	10,050,833	0	0	0	2,178,530	20,421,477	3.74%	1,027
2004	1,685,000	0	468,623	128,277	0	0	0	10,480,000	0	0	0	1,204,495	13,966,395	3.11%	711

(1) See S-27 for personal income and population data.
(2) The City issued over $1.8 million of new notes in 2007 for governmental activities paid for by TIF revenues.
(3) The City issued sewer revenue bonds for the construction of a new wastewater treatment plant.
(4) These bonds are internally held.
(5) Notes payable includes internally held notes and liability for Police Past Service Cost.
(6) The City issued $3.9 million in General Obligation Bonds to retire $3.2 million in various purpose notes and to fund new street improvement and stormwater drainage and management facilities.
(7) The City issued $18.3 million in Income Tax Revenue Bonds to construct a new community center. The City also issued $9.4 million in G.O.Bonds to make water system improvements.
(8) The City issued $1.7 million in internally held notes for the purchase of equipment, land, ERP system, and street improvements. AMP loan proceeds were used to redeem the electric revenue bonds. The City booked the AMP Stranded Liability of $5.791M with a 10 year term.

City of Wadsworth, Ohio

Computation of Direct and Overlapping
Debt Attributable to Governmental Activities
December 31, 2013

	Debt Attributable to Governmental Activities	Percentage Applicable to Wadsworth (1)	Amount of Direct and Overlapping Debt
Direct Debt:			
City of Wadsworth			
General Obligation Bonds	$215,000	100.00%	$215,000
Special Assessment Bonds	113,309	100.00%	113,309
Bond Anticipation Notes	3,020,337	100.00%	3,020,337
Police and Fire Pension Note	87,244	100.00%	87,244
Community Center Revenue Bonds	17,435,000	100.00%	17,435,000
Total Direct Debt	$20,870,890		$20,870,890
Overlapping Debt:			
Payable from Property Taxes			
Medina County Bonds (2)	$5,687,204	99.50%	$5,658,768
Wadsworth City School District Bonds (3)	100,000	77.10%	77,100
Highland School District (4)	29,148,520	1.02%	297,315
Payable from Other Sources			
Medina County Special Assessment Bonds (2)	710,026	10.27%	72,920
Medina County OWDA Loans (2)	81,946,949	10.27%	8,415,952
Medina County OPWC Loans (2)	653,517	10.27%	67,116
Wadsworth City School District Bonds (3)	81,817,286	77.10%	63,081,128
Total Overlapping Debt	$200,063,502		$77,670,298
Total	$220,934,392		$98,541,188

(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 2013 collection year (2012 tax year).
(2) Source - Medina County Auditor's Office
(3) Source - Wadsworth City Schools - reported as of June 30,2013
(4) Source - Highland Local School District CAFR - reported as of June 30, 2013

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
2013	$10,805,000	$5,316	$10,799,684	$1,160,318,560	0.93%	$494.45
2012	11,545,000	200,371	11,344,629	1,151,938,855	0.98%	523.20
2011	12,265,000	1,089,861	11,175,139	1,142,369,055	0.98%	518.16
2010	12,930,000	1,197,458	11,732,542	1,248,231,477	0.94%	544.00
2009	3,875,000	1,152,383	2,722,617	1,424,920,969	0.19%	131.55
2008	370,000	370,000	0	1,425,748,386	0.00%	0.00
2007	725,000	725,000	0	1,405,899,161	0.00%	0.00
2006	1,060,000	1,060,000	0	1,364,017,162	0.00%	0.00
2005	1,380,000	1,185,387	194,613	1,320,443,817	0.01%	9.79
2004	1,685,000	1,285,618	399,382	1,221,422,015	0.03%	20.33

City of Wadsworth, Ohio

Legal Debt Margin Information

Last Ten Years

	2013	2012	2011	2010	2009	2008
Overall Debt Limitation (10.5% of Assessed Valuation)	$49,442,237	$49,194,879	$48,941,587	$52,666,091	$52,249,118	$52,976,757
Net Debt Applicable to Debt Limit	3,322,582	2,666,855	1,383,448	2,128,369	2,774,864	4,092,937
Overall Legal Debt Margin (10.5% of Assessed Valuation)	$46,119,655	$46,528,024	$47,558,139	$50,537,722	$49,474,254	$48,883,820
Legal Debt Margin as a Percentage of Debt Limit	93.28%	94.58%	97.17%	95.96%	94.69%	92.27%
Unvoted Debt Limitation (5.5% of Assessed Valuation)	$25,898,315	$25,768,746	$25,636,069	$27,587,000	$27,368,586	$27,749,730
Net Debt Applicable to Debt Limit	3,322,582	2,666,855	1,383,448	2,128,369	2,774,864	4,092,937
Unvoted Legal Debt Margin (5.5% of Assessed Valuation)	$22,575,733	$23,101,891	$24,252,621	$25,458,631	$24,593,722	$23,656,793
Legal Debt Margin as a Percentage of Debt Limit	87.17%	89.65%	94.60%	92.28%	89.86%	85.25%

Legal Debt Margin Calculation for Fiscal Year 2013

	Unvoted Margin Within 5.5%	Overall Margin Within 10.5%
Assessed property value	$470,878,458	$470,878,458
Overall Debt Limitation (percentage of assessed valuation)	$25,898,315	$49,442,238
Gross Indebtedness	69,381,660	69,381,660
Less: Special Assessment Bonds	(113,309)	(113,309)
Stormwater G.O. Bonds	(775,000)	(775,000)
Income Tax Revenue Bonds	(17,435,000)	(17,435,000)
Water Revenue Bonds	(9,600,000)	(9,600,000)
OWDA Loan	(17,565,266)	(17,565,266)
Electric G.O. Bonds	(215,000)	(215,000)
Electric AMP Loan	(4,961,992)	(4,961,992)
Electric AMP Stranded Costs	(5,604,614)	(5,604,614)
Bond Anticipation Notes - Enterprise Funds	(9,788,897)	(9,788,897)
Net Debt Applicable to Debt Limit	3,322,582	3,322,582
Legal Debt Margin Within Limitations	$22,575,733	$46,119,656

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.

(continued)

2007	2006	2005	2004
$48,424,088	$47,840,812	$47,076,284	$43,498,170
3,756,190	1,162,428	1,948,255	1,825,277
$44,667,898	$46,678,384	$45,128,029	$41,672,893
92.24%	97.57%	95.86%	95.80%
$25,364,998	$25,059,473	$24,659,006	$22,784,756
3,756,190	1,162,428	1,948,255	1,825,277
$21,608,808	$23,897,045	$22,710,751	$20,959,479
85.19%	95.36%	92.10%	91.99%

City of Wadsworth, Ohio

Pledged Revenue Coverage
Income Tax Revenue Bonds
Last Four Years

Fiscal Year	Income Taxes	Direct Operating Expenses (1)	Net Available Revenues	Debt Service (2) Principal	Debt Service (2) Interest	Coverage
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	0	724,838	857.2%
2010	6,573,369	566,969	6,006,400	0	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 Six Years

Fiscal Year	Sewer Service Charges and Interest	Direct Operating Expenses (1)	Net Available Revenues	Debt Service (2) Principal	Debt Service (2) Interest	Coverage
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%
2009	3,361,223	2,321,467	1,039,756	869,066	692,447	66.6%
2008	3,242,762	2,137,669	1,105,093	842,324	673,526	72.9%

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 2008.

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) Medina County	Unemployment Rate (2) State of Ohio	City Square Miles(3)	Average Sales Price of Residential Property (4)	Median Age(1c)
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
2009	20,696	566,159,766	27,356	57,821	8.3	10.2	10.633	130,639	36.5
2008	20,417	560,732,488	27,464	55,695	5.8	6.5	10.633	142,895	36.4
2007	20,417	560,732,488	27,464	55,695	5.2	5.6	n/a	n/a	36.4
2006	20,107	552,218,648	27,464	55,695	4.8	5.4	n/a	n/a	36.4
2005	19,881	546,011,784	27,464	55,695	4.9	5.9	n/a	n/a	36.4
2004	19,644	449,042,196	22,859	48,605	5.1	6.1	n/a	n/a	37.7

(1) Source: (a) U.S. Census Bureau: Population Division
(b) 2008-2012 American Community Survey 5-Year Estimates
(c) 2008-2012 American Community Survey 5-year Estimates
(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
(6) Source: U.S. Census Bureau - American Fact Finder

City of Wadsworth, Ohio

Principal Employers
2012 vs. 2008

2012[1]

Employer	Industry	Employees	Percentage of Total City Employment	Percentage of Total City Withholding
Wadsworth City School District	Education	825	4.75%	7.16%
Summa Health System	Healthcare	578	3.33%	5.59%
WalMart Assoc Inc	Retail	558	3.22%	2.16%
City of Wadsworth	Government	342	1.97%	3.92%
Rohrer Corp	Manufacturing	278	1.60%	2.65%
Buehler Food Markets Inc	Grocery	266	1.53%	0.79%
AlterCare of Wadsworth Center for Rehab	Healthcare	231	1.33%	0.90%
Target	Retail	231	1.33%	0.58%
United Parcel Services Inc.	Logistics	213	1.23%	1.26%
Kohl's Department Stores Inc	Retail	205	1.18%	0.38%
TOTAL		3,727	21.48%	25.39%
Total Employment Within the City		17,351		

2008

Employer	Industry	Employees	Percentage of Total City Employment	Percentage of Total City Withholding
Wadsworth City School District	Education	874	5.90%	8.31%
Summa Health System	Healthcare	567	3.83%	6.19%
WalMart Assoc Inc	Retail	550	3.71%	2.41%
City of Wadsworth	Government	412	2.78%	4.37%
Tamarkin Company (Giant Eagle)	Grocery	319	2.15%	1.43%
Buehler Food Markets Inc	Grocery	293	1.98%	1.14%
Parker Hannifin Corp	Manufacturing	195	1.32%	2.58%
AlterCare of Wadsworth Center for Rehab	Healthcare	174	1.17%	1.01%
Omnicare ESC LLC	Pharmaceuticals	162	1.09%	1.80%
United Parcel Service Inc	Logistics	158	1.07%	1.37%
TOTAL		3,704	25.01%	30.61%
Total Employment Within the City		14,813		

Source: Number of employees obtained from the W-2's from the City Tax Filings

[1] 2013 data was not available at the time this report was issued

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City of Wadsworth, Ohio

Full-Time Equivalent City Government Employees by Function/Program

Last Ten Years

Function/Program	2013	2012	2011	2010	2009	2008	2007	2006	2005	2004
Governmental-Type Activities:										
General Government										
Auditor	6.0	6.0	6.0	6.0	6.0	6.0	5.0	4.5	6.0	5.0
Council	5.0	5.0	5.0	5.0	5.0	5.5	5.0	5.0	5.0	5.0
Engineering	9.5	10.5	9.5	10.0	11.0	11.0	10.5	11.5	13.5	10.5
Human Resources	3.5	3.5	3.5	3.5	3.5	3.5	3.5	3.5	3.5	3.5
Income Tax	1.5	1.5	1.5	1.5	1.5	1.5	1.0	1.0	1.0	1.0
Law Director	3.5	3.5	3.5	3.5	3.5	3.5	3.5	3.5	3.5	3.5
Mayor	3.0	3.0	3.0	2.5	3.0	3.0	2.0	2.5	2.5	2.5
Municipal Court	12.5	12.0	11.5	13.5	13.0	13.5	14.0	14.5	14.5	15.0
Service Director	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0
Stormwater	3.5	3.5	4.5	4.0	1.5	1.5	1.0	0.0	0.0	0.0
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	18.5	17.5	19.0	23.5	22.0	22.5	23.5	23.0	24.0	24.0
Fire	19.0	18.0	16.0	15.0	17.0	17.5	15.5	15.0	14.5	16.0
Police	40.0	39.5	41.5	39.5	44.5	44.5	42.5	50.0	49.0	51.0
Safety Director	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Public Health										
Animal Control	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Leisure Time Services										
Parks	10.0	10.0	14.0	14.0	13.0	12.5	12.5	14.0	14.5	12.5
Recreation	0.0	0.0	0.0	35.5	44.0	52.5	50.5	45.5	50.0	50.0
Senior Center	2.5	3.0	3.0	2.5	3.0	4.0	3.5	3.0	3.5	3.5
Wadsworth Cable Television	5.0	5.0	5.0	4.5	5.5	6.0	4.0	4.0	4.5	4.0
Community and Economic Development										
Building & Planning	2.5	2.5	2.5	2.5	3.0	3.5	3.5	4.0	4.0	3.0
Transportation Services										
Streets	17.5	18.0	18.5	23.5	21.5	24.5	22.5	28.0	26.0	23.5
Business-Type Activities:										
Electric	42.5	42.5	43.5	41.5	45.0	45.5	47.5	51.0	52.5	50.0
Information Technology	8.0	4.5	4.0	4.0	2.0	2.0	2.0	2.0	2.0	2.0
Sanitation	8.5	9.0	10.0	8.5	9.0	11.5	11.0	10.5	10.5	10.5
Sewer	9.0	9.0	10.0	10.0	11.0	11.0	11.0	12.0	12.0	12.0
Telecommunications	13.0	12.5	12.5	12.5	15.5	13.0	14.5	14.5	13.5	15.0
Vehicle Maintenance	4.0	5.0	5.0	5.0	5.0	5.0	5.0	5.0	5.0	5.0
Water	16.0	17.0	18.5	18.0	20.0	22.0	23.5	23.5	22.0	22.0
Totals:	269.5	267.0	276.5	315.0	334.5	352.0	343.5	356.5	362.5	355.5

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	2013	2012	2011	2010	2009
General Government					
Streets (miles)	94	94	94	96	95
Salt Domes	2	1	1	1	1
Airports	1	1	1	1	1
Fueling System	1	1	1	1	1
Administrative Vehicles	2	2	2	2	2
Service Vehicles	40	40	40	40	40
Security of Persons and Property					
Service Director					
Early Warning Sirens	8	8	8	8	8
Vehicles	1	1	1	1	1
Police					
Stations	1	1	1	1	1
Shooting Ranges	1	1	1	1	1
Vehicles	21	21	21	21	21
Fire & EMS					
Stations	2	2	2	2	2
Fire Engines	8	8	8	8	8
Rescue Squads	5	5	5	5	5
Other Vehicles	5	5	5	5	5
Leisure Time Activities					
Parks & Recreation					
Recreation Center	0	0	0	0	1
Public Swimming Pools	0	0	0	0	2
Parks	16	16	16	16	16
Playgrounds	13	14	14	14	14
Baseball Diamonds	13	13	13	13	15
Tennis Courts	9	9	9	9	9
Full Sized Soccer Fields	10	10	10	10	10
Vehicles	11	11	11	11	12
Cable T.V. Access					
Cameras	11	11	11	11	11
Vehicles	1	1	1	1	1
Community and Economic Development					
Building and Zoning					
Vehicles	1	1	1	1	1

(continued)

2008	2007	2006	2005	2004
94	92	90	88	85
1	1	1	1	1
1	1	1	1	1
1	1	1	1	1
2	2	1	1	0
41	41	37	35	37
8	6	6	6	5
1	1	1	1	1
1	1	1	1	1
1	1	1	1	1
23	20	22	20	18
2	2	2	2	2
8	8	8	9	8
4	4	4	4	4
5	5	6	5	5
1	1	1	1	1
2	2	2	2	2
16	16	16	16	15
14	14	14	14	13
15	15	15	15	15
9	9	9	9	9
10	10	10	10	10
14	12	12	12	12
11	11	11	11	11
1	1	0	0	0
1	1	1	1	1

City of Wadsworth, Ohio

Capital Asset Statistics by Function/Program

Last Ten Years

Function/Program	2013	2012	2011	2010	2009
Storm Water					
Storm Sewers (miles)	98	98	98	97	97
Telecom					
Vehicles	14	14	14	14	14
Sewer					
Lines (miles)	102	102	102	104	100
Lift Stations	3	4	4	4	4
Treatment Plants	1	1	1	1	1
Vehicles	5	5	5	5	5
Water					
Wells	12	12	12	12	12
Towers	6	5	5	5	5
Lines (miles)	121	121	121	122	121
Treatment Plants	1	1	1	1	1
SCADA	1	1	1	1	1
Vehicles	13	13	13	13	13
Electric					
Substations	6	6	6	6	6
Aerial Lines (miles)	230	230	230	230	229
Transmission Lines (miles)	19	19	19	19	19
Underground Lines (miles)	69	69	69	69	68
SCADA	1	1	1	1	1
Meters	12,317	12,510	12,726	12,726	12,192
Vehicles	28	28	28	28	28
Sanitation					
Transfer Stations	1	1	1	1	1
Packer Trucks	4	4	4	4	5
Automated Trucks	4	4	4	4	3
Vehicles	4	4	4	4	4

(continued)

2008	2007	2006	2005	2004
95	93	91	89	87
14	14	13	12	12
99	96	95	94	93
4	3	3	3	3
1	1	1	1	1
5	5	5	5	5
12	12	11	11	11
5	5	5	5	5
120	116	112	111	108
1	1	1	1	1
1	1	1	1	1
13	13	13	13	13
6	8	8	8	8
237	238	239	239	244
19	19	19	19	19
66	66	62	60	56
1	1	1	1	1
12,378	12,258	11,955	11,779	11,531
28	26	33	27	27
1	1	1	1	1
5	5	4	4	4
3	3	3	3	3
4	4	5	4	4

City of Wadsworth, Ohio

Operating Indicators by Function/Program

Last Ten Years (1)

Function/Program	2013	2012	2011	2010
General Government				
Council and Clerk				
Number of Ordinances Passed	145	160	133	143
Number of Resolutions Passed	9	13	16	15
Finance Department				
Number of checks/ vouchers issued (payroll not included)	5,240	5,117	5,209	5,396
Amount of checks written (cash basis)	$61,302,919	$74,451,412	$79,755,372	$68,250,591
Interest earnings for fiscal year (cash basis)	$199,239	$266,414	$303,011	$182,657
Number of Receipts issued (2)	78,427	31,135	28,981	27,664
General Fund Receipts (cash basis)	$10,672,770	$12,144,942	$11,397,872	$12,101,051
General Fund Expenditures (cash basis)	11,615,621	$11,597,390	$10,966,566	$10,378,503
Income Tax Department				
Number of Business net profit forms processed	1,416	1,594	1,783	1,764
Number of Individual forms processed	18,184	17,483	16,111	19,386
Number of business withholding accounts	1,583	1,643	1,625	1,568
Amount of Penalties and Interest Collected	$136,674	$163,382	$161,501	$200,835
Civil Service				
Number of police entry tests administered	0	1	0	1
Number of fire entry tests administered	1	0	0	0
Number of police promotional tests administered	0	0	0	2
Number of fire promotional tests administered	0	0	0	0
Number of hires of Police Officers from certified lists	0	0	0	2
Number of hires of Fire/Medics from certified lists	0	0	0	0
Number of promotions from police certified lists	0	0	0	2
Number of promotions from fire certified lists	0	0	0	0
Engineering				
Number of New Subdivision	0	1	0	0
Number of New Lots	0	48	2	0
Number of Plat/Surveys Completed	7	6	3	5
Streets Constructed (linear feet)	0	2,383	0	0
Streets Resurfaced (linear feet)	10,288	6,432	4,477	8,160
Storm Sewer Lines Constructed (linear feet)	1,262	7,251	2,502	1,302
Number of New Catch Basins	7	55	17	15
Number of New Storm Manholes	3	21	0	0
Water Lines Constructed (linear feet)	795	12,356	3,827	4,586
Raw Water Lines Constructed (linear feet)	0	0	0	0
Number of New Hydrants	10	36	9	11
Number of New Valves	7	51	13	19
Sanitary Sewer Lines Constructed (linear feet)	1,354	679	2,106	9,069
Force Mains Constructed (linear feet)	3,613	0	0	0
Number of New Sanitary Manholes	30	0	11	14
Culverts Constructed (linear feet), not including drive culverts	40	0	0	198

(continued)

2009	2008	2007	2006	2005	2004
150	153	194	146	170	145
14	22	46	18	20	93
5,552	6,148	7,536	6,873	5,687	6,212
$55,193,439	$65,520,049	$58,413,247	$52,511,195	$50,223,871	$42,579,497
$373,082	$904,666	$1,188,433	$984,231	$484,044	$276,596
26,895	10,458	11,757	11,011	11,334	11,238
$11,555,924	$10,158,576	$10,258,939	$10,243,495	$9,621,319	$8,019,039
$11,390,512	$10,803,479	$10,501,749	$9,710,465	$9,437,989	$7,926,441
1,583	1,708	1,679	1,763	1,415	1,537
20,223	15,628	17,043	15,015	14,289	14,070
1,486	1,476	1,513	1,497	1,471	1,412
$163,493	$86,507	$103,845	$88,766	$55,892	$66,953
1	1	0	1	0	1
2	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
3	1	0	0	0	2
6	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
0	1	5	0	4	5
0	42	209	0	136	178
3	7	10	7	17	18
2,169	3,422	6,665	5,122	3,737	13,719
21,819	8,913	3,886	4,726	12,751	7,507
7,315	8,945	15,218	8,529	8,162	24,280
82	78	108	73	74	181
30	31	64	39	35	116
44,033	25,038	20,332	5,908	12,270	17,041
0	0	0	232	0	0
17	88	66	23	35	57
19	115	93	24	50	57
5,382	19,187	1,990	7,174	5,033	11,602
0	2,776	0	0	0	0
37	94	13	35	28	71
0	0	101	0	0	0

City of Wadsworth, Ohio

Operating Indicators by Function/Program

Last Ten Years (1)

Function/Program	2013	2012	2011	2010
Municipal Court				
Number of Civil Cases	866	966	924	1,067
Number of Criminal Cases	7,567	7,807	7,300	7,330
Security of Persons and Property				
Police				
Total Calls for Services	14,182	13,177	12,695	13,027
Class 1 crimes	678	612	0	569
Adult arrests	715	600	719	624
Juvenile arrests	44	20	28	19
Criminal summons	421	335	341	337
Traffic citations	1,415	1,440	2,047	2,040
Warning citations	556	1,129	1,375	1,506
Parking Tickets	1,190	1,518	1,916	1,404
Vehicle accidents- property damage	451	409	663	713
Vehicle accidents-injury	22	19	56	88
Total miles driven	246,071	279,380	260,993	266,330
Total gasoline cost	$72,359	$86,414	$75,118	$62,369
Fire and EMS				
EMS Calls	1,854	1,858	1,751	1,754
Ambulance Billing Collections (net)	$500,719	$498,351	$443,741	$460,717
Fire Calls	239	249	221	250
Fires with Loss	21	35	25	31
Fires with Losses exceeding $10K	8	9	4	5
Fire Losses	$516,770	$905,741	$2,253,160	$219,820
Fire Safety Inspections	830	995	1,120	902
No. of times Mutual Aid received from other Fire and EMS	17	12	19	25
No. of times Mutual Aid given by Fire and EMS	33	32	16	14
Training hours	3,086	2,902	3,345	3,832
Leisure Time Activities				
Recreation				
Recreation Center membership receipts (cash basis)	$0	$0	$0	$10,724
Recreation Center rental receipts (cash basis)	$0	$0	$0	$29,704
Recreation Center program receipts (cash basis)	$0	$0	$0	$24,887
Recreation Center miscellaneous receipts (cash basis)	$0	$0	$0	$1,612
Total Recreation Department receipts (cash basis)	$0	$0	$0	$66,927
Recreation Center Expenditures (cash basis)	$0	$0	$0	$413,339
Parks				
Parks Expenditures (cash basis)	$672,449	$643,928	$856,753	$756,915
Hours maintaining parks and City Buildings	8,341	8,558	15,191	15,910
Hours preparing Fields/Ball Diamonds	1,373	1,413	1,840	1,628
Hours of Snow removal	709	434	1,214	1,791
Average Cost per Resident	$30.78	$29.69	$39.73	$39.16

(continued)

2009	2008	2007	2006	2005	2004
1,108	1,226	1,182	866	848	923
9,514	8,809	7,322	5,724	6,645	7,219
12,150	10,667	10,151	9,641	8,803	8,800
508	489	485	454	473	490
541	662	736	876	755	655
17	37	58	51	37	33
289	321	238	239	325	338
2,259	2,098	1,863	2,925	2,888	3,030
1,363	1,184	1,030	1,077	1,294	1,282
1,354	1,444	1,295	1,136	1,323	984
651	743	762	703	723	697
71	106	98	83	83	79
260,471	279,747	287,540	262,311	296,423	295,771
$50,173	$72,032	$68,132	$63,303	$46,352	$36,122
1,610	1,780	1,714	1,638	1,728	1,699
$458,357	$335,427	$477,244	$403,214	$511,239	$205,187
283	276	291	267	273	276
24	22	36	12	22	17
8	5	13	4	9	4
$757,170	$289,910	$583,275	$234,950	$418,700	$155,110
985	847	650	825	687	789
23	15	21	7	10	2
10	31	20	10	27	14
4,695	4,400	5,689	6,223	3,531	3,449
$121,141	$156,785	$168,872	$171,494	$161,488	$150,845
$47,441	$48,449	$52,196	$49,597	$59,176	$57,909
$152,492	$158,928	$155,820	$142,787	$152,851	$134,570
$7,186	$8,747	$10,008	$13,626	$59,902	$8,903
$328,260	$372,908	$386,896	$377,504	$433,417	$352,227
$937,342	$1,003,533	$1,006,926	$996,100	$874,409	$844,163
$752,320	$775,589	$770,200	$663,201	$639,600	$621,833
12,479	15,874	15,666	16,143	17,159	16,274
2,402	2,209	2,351	2,381	2,440	2,246
1,302	1,964	1,544	516	1,187	1,403
$46.49	$38.69	$39.38	$34.83	$30.77	$31.21

City of Wadsworth, Ohio

Operating Indicators by Function/Program

Last Ten Years (1)

Function/Program	2013	2012	2011	2010
Community and Economic Development				
Building and Zoning				
Estimated Value of Construction	$19,233,420	$19,871,902	$46,993,066	$101,699,650
Residential/Commercial/Zoning Permits Issued	346	388	386	339
Electric Permits	246	125	132	149
Heating Permits	167	128	127	150
Total Permits Issued	759	641	645	638
Permit Revenue	$94,655	$77,430	$93,022	$103,544
Number of Contractor Licenses	143	132	127	133
Code Enforcement Notices	426	270	267	236
Zoning Board of Appeals Hearings	16	13	13	15
Number of Planning Commission Docket Items	42	35	50	76
Transportation				
Crack Seal Coating Program (Miles)	24	18	10	13
Street Repair (Curbs, aprons, berms, asphalt) (hours)	4,585	5,680	5,276	3,636
Cold & Dura Patch (hours)	825	910	531	1,624
Tons of Asphalt	266	175	350	388
Tons of Limestone	200	75	1,000	300
Paint Striping (gallons of paint)	600	600	600	812
Leaf Collection (hours)	2,281	3,216	2,261	3,388
Tons of Salt	2,330	1,760	4,833	5,481

(continued)

(1) Certain information for Income Tax and Community & Economic Development is not available for years 2002-2004.

(2) Implementation of NWS in 2013

2009	2008	2007	2006	2005	2004
$20,226,917	$21,403,499	$20,964,278	$38,826,319	$47,631,881	$42,302,437
366	324	362	452	536	568
149	155	177	223	290	304
151	124	141	156	239	247
666	603	680	831	1,065	1,119
$112,439	$101,963	$106,133	$159,972	$188,035	$99,047
138	153	166	180	182	n/a
286	302	128	217	213	108
12	90	121	92	135	115
21	34	44	40	70	n/a
13	16	16	23	27	33
2,456	3,204	2,951	3,587	3,247	3,101
887	1,600	2,472	621	583	487
327	677	821	1,040	1,100	775
1,250	1,750	1,872	1,510	1,250	1,000
720	600	550	650	600	525
2,833	2,370	2,182	3,885	3,689	3,648
4,210	4,259	3,171	3,267	4,048	3,272

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COMPLIANCE SECTION

CITY OF WADSWORTH
MEDINA COUNTY

SINGLE AUDIT

FOR THE YEAR ENDED DECEMBER 31, 2013

Dave Yost • Auditor of State

CITY OF WADSWORTH
MEDINA COUNTY

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Dave Yost • Auditor of State

INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS REQUIRED BY *GOVERNMENT AUDITING STANDARDS*

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

To the City Council:

We have audited, in accordance with auditing standards generally accepted in the United States and the Comptroller General of the United States' *Government Auditing Standards*, 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, 2013, and the related notes to the financial statements, which collectively comprise the City's basic financial statements and have issued our report thereon dated September 15, 2014, wherein we noted the City adopted the provisions of Governmental Accounting Standard No. 65.

Internal Control Over Financial Reporting

As part of our financial statement audit, we considered the City's internal control over financial reporting (internal control) to determine the audit procedures appropriate in the circumstances to the extent necessary to support our opinions on the financial statements, but not to the extent necessary to opine on the effectiveness of the City's internal control. Accordingly, we have not opined on it.

Our consideration of internal control was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Therefore, unidentified material weaknesses or significant deficiencies may exist. However, as described in the accompanying schedule of findings we identified a certain deficiency in internal control over financial reporting, that we consider a material weakness.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, when performing their assigned functions, to prevent, or detect and timely correct misstatements. A *material weakness* is a deficiency, or a combination of internal control deficiencies resulting in a reasonable possibility that internal control will not prevent or detect and timely correct a material misstatement of the City's financial statements. We consider finding 2013-001 described in the accompanying schedule of findings to be a material weakness.

A *significant deficiency* is a deficiency, or a combination of internal control deficiencies less severe than a material weakness, yet important enough to merit attention by those charged with governance. We consider finding 2013-002 described in the accompanying schedule of findings to be a significant deficiency.

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www.ohioauditor.gov

Compliance and Other Matters

As part of reasonably assuring whether the City's financial statements are free of material misstatement, we tested its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could directly and materially affect the determination of financial statement amounts. However, opining on compliance with those provisions was not an objective of our audit and accordingly, we do not express an opinion. The results of our tests disclosed an instance of noncompliance or other matter we must report under *Government Auditing Standards* which is described in the accompanying schedule of findings as item 2013-001.

City's Response to Findings

The City's responses to the findings identified in our audit are described in the accompanying schedule of findings. We did not audit the City's responses and, accordingly, we express no opinion on them.

Purpose of this Report

This report only describes the scope of our internal control and compliance testing and our testing results, and does not opine on the effectiveness of the City's internal control or on compliance. This report is an integral part of an audit performed under *Government Auditing Standards* in considering the City's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Dave Yost
Auditor of State
Columbus, Ohio

September 15, 2014

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH REQUIREMENTS APPLICABLE TO THE MAJOR FEDERAL PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY OMB CIRCULAR A-133

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

To the City Council:

Report on Compliance for* the *Major Federal Program

We have audited the City of Wadsworth's (the City) compliance with the applicable requirements described in the U.S. Office of Management and Budget (OMB) *Circular A-133, Compliance Supplement* that could directly and materially affect the City of Wadsworth's major federal program for the year ended December 31, 2013. The *Summary of Auditor's Results* in the accompanying schedule of findings identifies the City's major federal program.

Management's Responsibility

The City's Management is responsible for complying with the requirements of laws, regulations, contracts, and grants applicable to its federal program.

Auditor's Responsibility

Our responsibility is to opine on the City's compliance for the City's major federal program based on our audit of the applicable compliance requirements referred to above. Our compliance audit followed auditing standards generally accepted in the United States of America; the standards for financial audits included in the Comptroller General of the United States' *Government Auditing Standards*; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. These standards and OMB Circular A-133 require us to plan and perform the audit to reasonably assure whether noncompliance with the applicable compliance requirements referred to above that could directly and materially affect a major federal program occurred. An audit includes examining, on a test basis, evidence about the City's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe our audit provides a reasonable basis for our compliance opinion on the City's major program. However, our audit does not provide a legal determination of the City's compliance.

Opinion on the Major Federal Program

In our opinion, the City of Wadsworth, Medina County, Ohio, complied, in all material respects with the compliance requirements referred to above that could directly and materially affect its major federal program for the year ended December 31, 2013.

Report on Internal Control Over Compliance

The City's management is responsible for establishing and maintaining effective internal control over compliance with the applicable compliance requirements referred to above. In planning and performing our compliance audit, we considered the City's internal control over compliance with the applicable requirements that could directly and materially affect a major federal program, to determine our auditing procedures appropriate for opining on each major federal program's compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not to the extent needed to opine on the effectiveness of internal control over compliance. Accordingly, we have not opined on the effectiveness of the City's internal control over compliance.

A *deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, when performing their assigned functions, to prevent, or to timely detect and correct, noncompliance with a federal program's applicable compliance requirement. A *material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a federal program compliance requirement will not be prevented, or timely detected and corrected. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with federal program's applicable compliance requirement that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance**.**

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

This report only describes the scope of our internal control compliance tests and the results of this testing based on OMB Circular A-133 requirements. Accordingly, this report is not suitable for any other purpose.

Report on Federal Awards Expenditures Schedule Required by OMB Circular A-133

We have also audited the financial statements of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the City of Wadsworth, Medina County, Ohio, (the City) as of and for the year ended December 31, 2013, and the related notes to the financial statements, which collectively comprise the City's basic financial statements. We issued our unmodified report thereon dated September 15, 2014, wherein we noted the City adopted the provisions of Governmental Accounting Standard No. 65. We conducted our audit to opine on the City's basic financial statements. The accompanying federal awards expenditures schedule presents additional analysis required by the U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations* and is not a required part of the basic financial statements. The schedule is management's responsibility, and was derived from and relates directly to the underlying accounting and other records management used to prepare the basic financial statements. We subjected this schedule to the auditing procedures we applied to the basic financial statements. We also applied certain additional procedures, including comparing and reconciling this schedule directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, in accordance with auditing standards generally accepted in the United States of America. In our opinion, this schedule is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

Dave Yost
Auditor of State
Columbus, Ohio

September 15, 2014

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CITY OF WADSWORTH
MEDINA COUNTY

FEDERAL AWARDS EXPENDITURES SCHEDULE
FOR THE YEAR ENDED DECEMBER 31, 2013

Federal Grantor/ Pass Through Grantor/ Program Title	Pass Through Entity Number	Federal CFDA Number	Expenditures
U.S. Department of Health and Human Services			
Passed through the Ohio Department of Aging:			
National Family Caregiver Support, Title III, Part E	Not Available	93.052	$3,903
Total U.S. Department of Health and Human Services			**3,903**
U.S. Department of Justice			
Direct Program:			
Bulletproof Vest Partnership Program	Not Available	16.607	1,532
Passed through the Ohio Department of Public Safety:			
ARRA - Edward Byrne Memorial Justice Assistance Grant (JAG) Program/ Grants to States and Territories	2012-JG-LLE-5882	16.803	5,269
Total U.S. Department of Justice			**6,801**
U.S. Department of Homeland Security			
Direct Program:			
Assistance to Firefighters Grant	EMW-2011-FP-00192	97.044	50,616
Total U.S. Department of Homeland Security			**50,616**
U.S. Department of Energy			
Direct Program:			
ARRA - Electricity Delivery and Energy Reliability, Research, Development and Analysis	DE-OE0000280	81.122	680,427
Total U.S. Department of Energy			**680,427**
U.S. Department of Housing and Urban Development			
Passed through the Ohio Development Services Agency:			
Community Development Block Grants/State's Program and Non-Entitlement Grants in Hawaii	A-F-12-2EH-1	14.228	42,628
	A-F-11-2EH-1		53,086
	A-C-10-2EH-1		108,994
Revolving Loan Program	Not Available		11,681
Passed through Medina County:			
Community Development Block Grants/State's Program and Non-Entitlement Grants in Hawaii	Not Available	14.228	7,111
Total Community Development Block Grants/State's Program and Non-Entitlement Grants in Hawaii			223,500
Home Investment Partnerships Program	Not Available	14.239	1,945
Total U.S. Department of Housing and Urban Development			**225,445**
Total			**$967,192**

The accompanying notes to this schedule is an integral part of this schedule.

CITY OF WADSWORTH
MEDINA COUNTY

NOTES TO THE FEDERAL AWARDS EXPENDITURES SCHEDULE
FISCAL YEAR ENDED DECEMBER 31, 2013

NOTE A - SIGNIFICANT ACCOUNTING POLICIES

The accompanying Federal Awards Expenditures Schedule (the Schedule) reports the City of Wadsworth, Medina County, Ohio, (the City's) federal award programs' disbursements. The schedule has been prepared on the cash basis of accounting.

NOTE B - COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG) REVOLVING LOAN PROGRAMS

The City has a revolving loan fund (RLF) program to provide low-interest loans to businesses to create jobs for low to moderate income persons and also to lend money to eligible persons to rehabilitate homes. The federal Department of Housing and Urban Development (HUD) grants money for these loans to the City**,** passed through the Ohio Development Services Agency. The Schedule reports loans made and administrative costs as disbursements on the Schedule. Subsequent loans are subject to the same compliance requirements imposed by HUD as the initial loans.

Activity in the CDBG revolving loan fund during 2013 is as follows:

Beginning loans receivable balance as of January 1, 2013	$2,500
Loans made	-
Loan principal repaid	-
Ending loans receivable balance as of December 31, 2013	$2,500
Cash balance on hand in the revolving loan fund as of December 31, 2013	$208,689
Administrative costs expended during 2013	$678
Economic Development project payments made during 2013	11,003

The table above reports gross loans receivable. Of the loans receivable as of December 31, 2013, the City estimates all to be collectible.

NOTE C - MATCHING REQUIREMENTS

Certain Federal programs require the City to contribute non-Federal funds (matching funds) to support the Federally-funded programs. The City has met its matching requirements. The Schedule does not include the expenditure of non-Federal matching funds.

CITY OF WADSWORTH
MEDINA COUNTY

SCHEDULE OF FINDINGS
OMB CIRCULAR A -133 § .505
DECEMBER 31, 2013

1. SUMMARY OF AUDITOR'S RESULTS

(d)(1)(i)	**Type of Financial Statement Opinion**	Unmodified
(d)(1)(ii)	**Were there any material control weaknesses reported at the financial statement level (GAGAS)?**	Yes
(d)(1)(ii)	**Were there any significant deficiencies in internal control reported at the financial statement level (GAGAS)?**	Yes
(d)(1)(iii)	**Was there any reported material noncompliance at the financial statement level (GAGAS)?**	Yes
(d)(1)(iv)	**Were there any material internal control weaknesses reported for major federal programs?**	No
(d)(1)(iv)	**Were there any significant deficiencies in internal control reported for major federal programs?**	No
(d)(1)(v)	**Type of Major Programs' Compliance Opinion**	Unmodified
(d)(1)(vi)	**Are there any reportable findings under § .510(a)?**	No
(d)(1)(vii)	**Major Programs (list):**	ARRA – Electricity Delivery and Energy Reliability, Research, Development and Analysis, CFDA 81.122.
(d)(1)(viii)	**Dollar Threshold: Type A\B Programs**	Type A: > $300,000 Type B: all others
(d)(1)(ix)	**Low Risk Auditee?**	No

2. FINDINGS RELATED TO THE FINANCIAL STATEMENTS REQUIRED TO BE REPORTED IN ACCORDANCE WITH GAGAS

FINDING NUMBER 2013-001

Material Weakness/Noncompliance:

Budgetary Accounting

Ohio Admin. Code Section 117-2-02(C)(1) provides that all local public offices should integrate budgetary accounts, at the legal level of control or lower, into the financial accounting system. This includes designing an accounting system to provide ongoing and timely information on unrealized budgetary receipts and remaining uncommitted balances of appropriations.

During 2013, appropriations as approved by Council were not maintained and updated in the City's accounting system at the legal level of control. As a result, appropriations at the legal level of control as presented in City's original financial statements did not agree to the appropriations as approved by Council with variances ranging from $361 to $997,565.

Further, as of December 31, 2013, total appropriations posted to the City's computerized budgetary reports did not agree with the City's appropriation measures as follows:

Fund	Council-Approved Appropriations Plus Prior Year Encumbrances	Appropriations per System	Variance
General	$12,472,379	$12,377,327	$95,052
Income Tax	516,699	515,696	(1,003)
Storm Water	2,113,718	2,306,123	192,405
Telecom	5,128,105	5,028,880	99,225
Sewer	6,996,965	5,985,193	(1,011,772)
Water	8,157,883	11,552,760	3,394,877
Electric	40,577,243	36,052,019	4,525,224
Sanitation	2,791,863	2,618,022	173,841

Failure to accurately record Council-approved appropriations in the accounting system could lead the City to over spend their appropriation authority, and to erroneous decision making.

Officials' Response: As of December 31, 2013 the appropriations as approved by Council and appropriations posted to the City's computer budgeting software system were not maintained due to unresolved transition issues with the implementation of software. These issues are being resolved in 2014.

FINDING NUMBER 2013-002

Significant Deficiency:

Cash Reconciliation

A necessary step in the internal control over financial reporting is to reconcile the bank balance to the accounting record's cash balance each month. Bank reconciliation means accounting for the differences between the balance of the bank statement(s) and the cash and investment balances according to the City's accounting records at a specific point in time.

Due to implementation issues related to the City's new accounting software, the City was unable to reconcile its accounting records to the bank and investment balances from May to December 2013 until April 2014; and the City was unable to determine the source of net $483 book over bank balance variance. Cash receipts were reduced by this amount to reconcile.

Without complete and accurate monthly bank reconciliations, the City's internal control is significantly weakened which could hinder management's timely detection of errors or irregularities. Additionally, book over bank unreconciled variances could result in findings for recovery being issued against City officials and personnel.

The City should perform complete monthly bank reconciliations in a timely manner. Copies of the monthly bank reconciliations and listings of outstanding checks and other reconciling items should be provided to Council each month for review. All unreconciled differences should be resolved as quickly as possible so they are not carried forward month-to-month and all reconciling matters should be appropriately documented.

Officials' Response: The City is in the process of implementing procedures to reconcile cash on a daily basis in 2014, so that any unreconciled differences can be identified immediately and corrections made. We were unable to determine the source of these differences during data conversion, set-up and implementation of the software in 2013.

3. FINDINGS AND QUESTIONED COSTS FOR FEDERAL AWARDS

None

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CITY OF WADSWORTH
MEDINA COUNTY

SCHEDULE OF PRIOR AUDIT FINDINGS
DECEMBER 31, 2013

Finding Number	Finding Summary	Fully Corrected?	Not Corrected, Partially Corrected; Significantly Different Corrective Action Taken; or Finding No Longer Valid; ***Explain***
2012-001	**Significant Deficiency – Capital Assets:** The Business-type Activities' and Water Fund's construction in progress (CIP) was overstated $79,384 and related expenses were understated an equal amount. These differences were caused by the City's method for tracking CIP and were reported to management as unadjusted items.	No	Partially Corrected; The process for recording CIP was modified; however, the prior unadjusted item was not corrected and was reported in the management letter.

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