COMPREHENSIVE ANNUAL FINANCIAL REPORT

CITY OF WADSWORTH

SINCE 1814

MEDINA COUNTY, OHIO

FOR THE YEAR ENDED DECEMBER 31. 2011

Introductory Section

CITY OF WADSWORTH

MEDINA COUNTY, OHIO

COMPREHENSIVE ANNUAL FINANCIAL REPORT

FOR THE YEAR ENDING DECEMBER 31, 2011

PREPARED BY THE AUDITOR'S OFFICE
JOHN P. MOSS, AUDITOR

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CITY OF WADSWORTH, OHIO

COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE YEAR ENDED DECEMBER 31, 2011

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June 22, 2012

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, 2011. 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.

James G. Zupka, CPA, Inc. has issued an unqualified ("clean") opinion on the City of Wadsworth's financial statements for the year ended December 31, 2011. The Independent Auditor'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 Independent Auditor'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." 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 2011, we continued to experience development and redevelopment during these economic conditions. A new assisted living, Inn at Coal Ridge, is providing redevelopment in an area that was once a failed condominium complex. Sacred Heart Church completed an addition to their facility and ground breaking for a new world headquarters for the Restored Church of God occurred with an anticipated completion date in 2013. Along the High Street Corridor, we have had new businesses moving into the community throughout 2011. New development has also occurred on the eastern portion of the community including a new Academy of Young Minds building and a new doctor's office, both completed in 2011.

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 looking at an annexation of another 400 acres of industrial zoned land ready for development. The City is currently working with the Township to make this annexation occur.

The Wadsworth School District is currently in the process of building 4 new school facilities within our community. The $85 million high school campus has begun construction and is slated to open August 2012. This campus will contain the high school and a brand new community center. The community center will feature exercise facilities, a senior center, pools, a Summa Healthcare facility and a satellite office for the Wadsworth Public Library. The School District had their ground breaking for three new elementary schools in 2011 with the completion date slated for August 2012. These projects are providing a large number of construction jobs which in turn is bringing 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 the new investment for a term up to 12 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. Income Tax dollars are transferred annually to the General Fund, Recreation, Streets, and capital project funds. 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. The City has a vehicle replacement program where annual amounts are reserved for future purchases based on estimated replacement costs and expected replacement date. This program was put into place to smooth annual capital expenditures.

A cash reserve policy was passed by Council in 2009 for the City's General Fund & 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 to be helpful when making informed decisions. The City intends to implement cash reserve policies and five-year forecasting on all of its major operating funds.

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, 2010. This was the third consecutive year that the government 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 29 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. Wadsworth will host the 2013 Statewide Tree City USA conference.

Acknowledgements
This report was a collaborative effort by the City's Administration, department heads, Varney Fink & Associates, and the employees in 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.

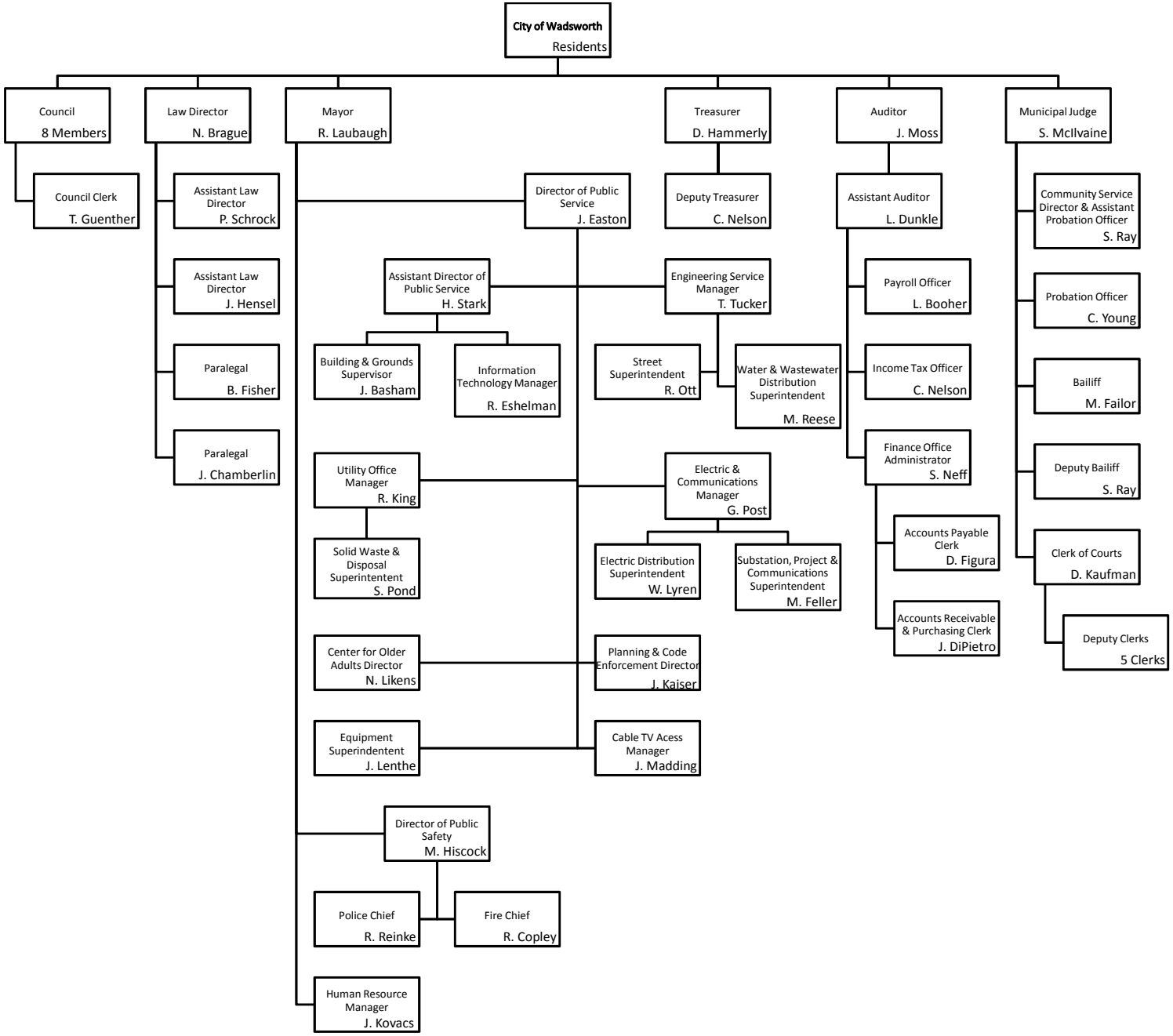
Respectfully submitted,

Robin Laubaugh
Mayor

John P. Moss
Auditor

City of Wadsworth, Ohio
Principal Officials
December 31, 2011

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	**James Riley**
Council-at-Large	**Susan Hanlon**
Council-at-Large	**Beth Workman**
Clerk of Council	**Tammy Guenther**
Law Director	**Norman Brague**
Auditor	**John Moss**
Assistant Auditor	**Lee-Ann Dunkle**
Treasurer	**David Hammerly**
Safety Director	**Matthew Hiscock**
Service Director	**John Christopher Easton**
Assistant Service Director	**Harry Stark**
Human Resources Manager	**James Kovacs**


City of Wadsworth
Residents
Council
8 Members
Council Clerk
T. Guenther
Law Director
N. Brague
Assistant Law Director
P. Schrock
Assistant Law Director
J. Hensel
Paralegal
B. Fisher
Paralegal
J. Chamberlin
Mayor
R. Laubaugh
Director of Public Service
J. Easton
Assistant Director of Public Service
H. Stark
Building & Grounds Supervisor
J. Basham
Information Technology Manager
R. Eshelman
Utility Office Manager
R. King
Solid Waste & Disposal Superintentent
S. Pond
Center for Older Adults Director
N. Likens
Equipment Superindentent
J. Lenthe
Director of Public Safety
M. Hiscock
Police Chief
R. Reinke
Fire Chief
R. Copley
Human Resource Manager
J. Kovacs
Treasurer
D. Hammerly
Deputy Treasurer
C. Nelson
Engineering Service Manager
T. Tucker
Street Superintendent
R. Ott
Water & Wastewater Distribution Superintendent
M. Reese
Electric & Communications Manager
G. Post
Electric Distribution Superintendent
W. Lyren
Substation, Project & Communications Superintendent
M. Feller
Planning & Code Enforcement Director
J. Kaiser
Cable TV Acess Manager
J. Madding
Auditor
J. Moss
Assistant Auditor
L. Dunkle
Payroll Officer
L. Booher
Income Tax Officer
C. Nelson
Finance Office Administrator
S. Neff
Accounts Payable Clerk
D. Figura
Accounts Receivable & Purchasing Clerk
J. DiPietro
Municipal Judge
S. McIlvaine
Community Service Director & Assistant Probation Officer
S. Ray
Probation Officer
C. Young
Bailiff
M. Failor
Deputy Bailiff
S. Ray
Clerk of Courts
D. Kaufman
Deputy Clerks
5 Clerks

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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, 2010

A Certificate of Achievement for Excellence in Financial Reporting is presented by the Government Finance Officers Association of the United States and Canada to government units and public employee retirement systems whose comprehensive annual financial reports (CAFRs) achieve the highest standards in government accounting and financial reporting.

President

Executive Director

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Financial Section

JAMES G. ZUPKA, C.P.A., INC.
Certified Public Accountants
5240 East 98th Street
Garfield Hts., Ohio 44125

Member American Institute of Certified Public Accountants (216) 475 - 6136 Ohio Society of Certified Public Accountants

INDEPENDENT AUDITOR'S REPORT

Members of City Council
City of Wadsworth, Ohio

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 as of and for the year ended December 31, 2011, which collectively comprise the City's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the City of Wadsworth, Ohio's management. Our responsibility is to express opinions on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and the significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

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, Ohio, as of December 31, 2011, and the respective changes in financial position, and where applicable, cash flows, thereof, and the respective budgetary comparisons for the General Fund and Income Tax Fund for the year then ended in conformity with accounting principles generally accepted in the United States of America.

As described in Note 3, the City implemented Governmental Accounting Standards Board Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*, and restated the December 31, 2010 net assets of the governmental activities, business-type activities, and the Storm Water Fund along with the fund balances of the governmental funds.

In accordance with *Government Auditing Standards*, we have also issued our report dated June 22, 2012, on our consideration of the City of Wadsworth, Ohio's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis on pages 3 through 12 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

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

James G. Zupka, CPA, Inc.

James G. Zupka, CPA, Inc.
Certified Public Accountants

June 22, 2012

City of Wadsworth, Ohio
Management's Discussion and Analysis
For the Year Ended December 31, 2011
Unaudited

The discussion and analysis of the City of Wadsworth financial performance provides an overall review of the City's financial activities for the year ended December 31, 2011. The intent of this discussion and analysis is to look at the City's financial performance as a whole; along with the review of the basic financial statements for the reader to enhance their understanding of the City's financial performance.

The City's key financial highlights for 2011 are as follows:

- The assets of the City exceeded its liabilities at the close of the year ended December 31, 2011, by $116.4 million (net assets). Unrestricted net assets in the amount of $24.4 million are available to meet the City's ongoing obligations to citizens and creditors. The City's net assets related to governmental activities amounted to $45.9 million, while net assets related to business-type activities amounted to $70.4 million.

- Total net assets for the year increased by $5.8 million or 5.2%. Net assets for governmental activities increased $1.1 million or 2.5% primarily due to operating grants and contributions. Net assets for business-type activities increased $4.6 million or 7.0% primarily due to receiving capital grant funds and growth in charges for services.

- The City's total revenues, excluding transfers, amounted to $65.2 million in 2011, of which $17.9 million related to governmental activities and $47.3 million to business-type activities. Program specific revenues in the form of charges for services, grants and contributions accounted for $51.9 million or 79.6% of total revenues. In addition, general revenues used for government activities decreased by $1.6 million or 11.6%. This was partly due to funding cuts imposed by the state and a slow economy. Program revenues used for governmental activities remained flat. While program revenues for business-type activities increased $3.2 million or 7.3% primarily due to capital grant funding in the Electric fund and overall growth in the services provided.

- The City had $59.4 million in expenses, excluding transfers, in 2011. This was a 1.6% increase from 2010. Governmental activities expenses remain relatively flat at $16.7 million while business-type activities were $42.7 million or 2.2% over 2010.

- Among major funds, the General Fund had $5.0 million in revenues, excluding transfers-in, and $8.7 million in expenditures, excluding transfers-out, in 2011. The Income Tax Fund has $6.9 million in revenues and $528 thousand in expenditures, excluding transfers-out, in 2011.

- The General Fund's balance increased to $6.1 million, an increase of $702,592, which is $191,919 less than the 2010 change in fund balance. This is primarily due to an increase in general government expenditures. Total General Fund revenue, excluding other financing sources increased 11.3% primarily due to increase charges for services and licenses and permits revenues. Total General Fund expenditures, excluding other financing uses increased 8.2% as a result of an increase in general government expenditures. The General Fund balance, including transfers, was 120.3% of total General Fund revenues, excluding transfers-in.

- During 2011, the City's total long-term obligations decreased from $59.4 million to $57.3 million. This decrease of $2.1 million was mostly due to the paying down of debt.

Using this Annual Financial Report

This annual report consists of a series of financial statements and notes to those statements. These statements are organized so the reader can understand the City of Wadsworth as a financial whole.

The Statement of Net Assets and Statement of Activities (referred collectively as the government-wide statements) provide information about the activities of the entire City and present a longer-term view of the City's finances. Major

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 dollars remain 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. The Proprietary Funds' statements are prepared on the same basis as the government-wide statements. The remaining statements provide financial information about activities for which the City acts solely as a trustee or agent for the benefit of those outside of the government.

Reporting the City of Wadsworth as a Whole

Statement of Net Assets and Statement of Activities

These government-wide statements answer the question, "How did the City as a whole do financially during 2011"? They are prepared on the accrual basis of accounting, including all assets and liabilities, much the same way as for a private enterprise. This basis of accounting takes into account all of the current year's revenues and expenses regardless of when the cash is received or paid.

These two statements report the City's net assets and the changes in those assets. This is important, as it tells the reader whether, for the City as a whole, the financial position of the City has improved or diminished. However, in evaluating the overall position of the City, nonfinancial information such as changes in the tax base and the condition of the City's needs will also need to be evaluated.

- *The Statement of Net Assets*. This Statement (page 13) reports all assets and liabilities of the City as of December 31, 2011. The difference between total assets and total liabilities is reported as net assets. Increases in net assets generally indicate an improvement in financial position while decreases may indicate a deterioration of financial position.

- *The Statement of Activities*. This Statement (page 14) serves the purpose of the traditional income statement. It provides consolidated reporting of the results of all activities of the City for the year ended December 31, 2011. Changes in net assets are recorded in the period in which the underlying event takes place, which may differ from the period in which cash is received or disbursed. The Statement of Activities displays the expense of the City's various programs net of related revenues, as well as the separate presentation of revenues available for general purposes.

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

Governmental Activities – The reporting of services including public safety, administration and all departments, with the exception of the Sewer Fund, Water Fund, Electric Fund, Sanitation Fund, Storm Water, and Telecommunications, which are reported as Business-Type Activities.

Business-Type Activities – The City reports the activity of services (Sewer, Water, Electric, Telecommunications, Storm Water and Sanitation) where the City charges the user fees to recover the cost of providing the service as well as all capital expenses associated with the facilities.

Reporting the City of Wadsworth's Most Significant Funds

Fund Financial Statements

These statements provide financial position and results of the City's major funds. A fund is an accounting entity created to account for a specific activity or purpose. The creation of some funds is mandated by law and others are created by management to demonstrate financial compliance with budgetary or legal requirements. Funds are classified into three broad categories: governmental funds, proprietary funds and fiduciary funds.

- ***Governmental Funds***. Governmental funds are used to account for "Government-Type" activities. Unlike the government-wide financial statements, governmental fund statements use a "flow of current

financial resources" measurement focus and a "modified accrual" basis of accounting. The governmental fund statements provide a detailed short-term view of the City's general government operations and the basic services it provides. Increases in spendable resources are reported in the operating statement as "revenues" or "other financing sources". Decreases in spendable resources are reported as "expenditures" or "other financing uses." Income taxes, property taxes, charges for services and state and federal grants finance most of those activities. The basic governmental fund financial statements can be found on pages 15 through 22 of this report.

- ***Proprietary Funds***. There are two types of Proprietary Funds: Enterprise Funds and Internal Service Funds. Proprietary fund statements use a "flow of economic resources" measurement focus and a "full accrual" basis of accounting.

  Enterprise Funds - These funds are used to account for operations that are financed and operated in a manner similar to private business for which either 1) the intent is that the costs (expenses, including depreciation) be recovered primarily through user charges, or 2) determination of net income is appropriate for management control, accountability or other purposes.

  The City of Wadsworth's Sewer Fund, Telecom Fund, Water Fund, Electric Fund, Sanitation Fund and Storm Water, are all considered to be major funds and are displayed separately in the proprietary fund statements on pages 23 through 26.

  Internal Service Funds - Often, governments wish to allocate the cost of providing certain centralized services (e.g., vehicle maintenance, health insurance, etc.) to the other departments of the government entity that use the services. An Internal Service Fund is the appropriate accounting mechanism when it is the intent of the government to recover the full cost of providing the service through user charges to other departments.

  The Equipment Maintenance Fund, Information Technology, Health-Insurance Retention Fund, Liability Insurance Retention Fund, and Workers Compensation Retention Fund are the City of Wadsworth's Internal Service Funds.

- ***Fiduciary Funds***. Fiduciary Funds are used to account for resources held for the benefit of parties outside the City government. Fiduciary Funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the City's own programs. Fiduciary fund statements use a "flow of economic resources" measurement focus and a "full accrual" basis of accounting. The City does not have any trust funds. The City's agency funds consist of Escrow Accounts, Medina County Law Library, Memorial Park, Unclaimed Funds, Utility Assistance, Clearing, Water Assessment, Sewer Assessment, Customer Deposits, Municipal Court, and Clearing-Utility Assessment.

  A Fiduciary Fund statement is on page 27 of this report.

Other Information

Notes to the Basic Financial Statements:

The notes provide additional and explanatory data. They are an integral part of the basic financial statements. Notes to the Basic Financial Statements can be found on pages 29 through 71 of this report.

The City of Wadsworth as a Whole

As noted earlier, net assets may serve over time as a useful indicator of the City's financial position. In the case of the City of Wadsworth, assets exceed liabilities by $45,940,018 in governmental activities and $70,429,332 in business-type activities as of December 31, 2011. The largest portion of the City's net assets reflects its investment in capital assets (i.e.; land, construction in progress, infrastructure work in progress, buildings, land improvements, vehicles, equipment and infrastructure); less any related debt used to acquire those assets still outstanding. The City uses these capital assets to provide services to its citizens. Consequently, these assets are not available for future spending. Although the City's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources. Since the capital assets themselves are needed to provide services, they cannot be sold to pay liabilities. Net assets are presented in the following table:

Table 1
City of Wadsworth
Net Assets

	Governmental Activities		Business-Type Activities		Total	Total
	2011	Restated 2010	2011	Restated 2010	2011	Restated 2010
Assets						
Current and Other Assets	$28,550,858	$27,695,748	$25,591,086	$35,151,399	$54,141,944	$62,847,147
Capital Assets, Net	42,568,818	42,954,467	88,233,634	81,602,348	130,802,452	124,556,815
Total Assets	71,119,676	70,650,215	113,824,720	116,753,747	184,944,396	187,403,962
Liabilities						
Current and Other Liabilities	3,174,571	3,665,239	3,175,989	8,666,935	6,350,560	12,332,174
Long-Term Liabilities, Due Within One Year	1,132,204	686,952	2,269,876	2,213,809	3,402,080	2,900,761
Long-Term Liabilities, Due in More Than One Year	20,872,883	21,490,620	37,949,523	40,078,156	58,822,406	61,568,776
Total Liabilities	25,179,658	25,842,811	43,395,388	50,958,900	68,575,046	76,801,711
Net Assets						
Invested in Capital Assets, Net of Debt	24,968,078	25,896,145	51,914,458	49,376,222	76,882,536	75,272,367
Restricted	15,067,789	15,528,872	0	0	15,067,789	15,528,872
Unrestricted	5,904,151	3,382,387	18,514,874	16,418,625	24,419,025	19,801,012
Total Net Assets	$45,940,018	$44,807,404	$70,429,332	$65,794,847	$116,369,350	$110,602,251

During 2011, the City's overall financial position increased by $5,767,099 as Governmental Activities Net Assets increased by $1,132,614 and those for Business-Type Activities increased by $4,634,485.

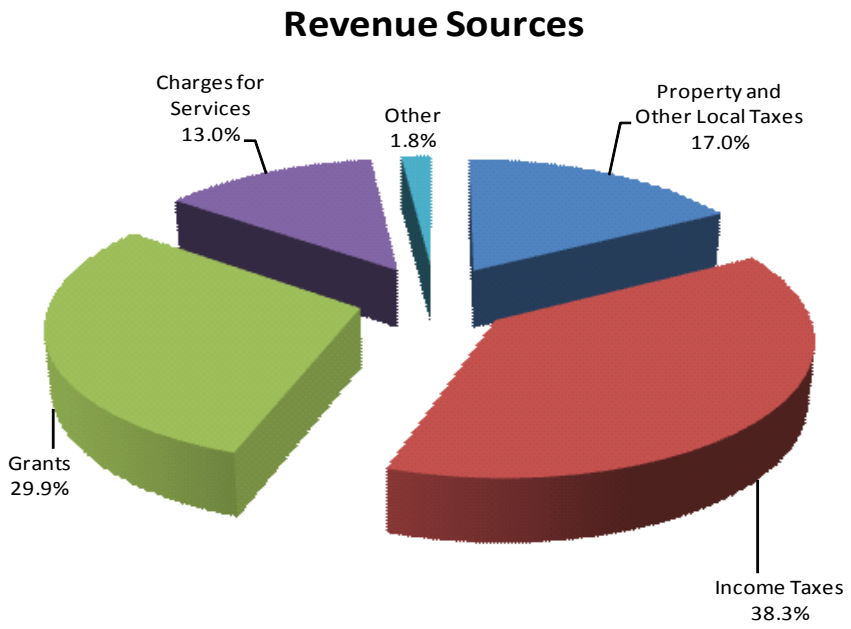
The table below indicates the changes in net assets for the years ending December 31, 2011 and December 31, 2010, for both the Governmental and Business-Type Activities.

Table 2
City of Wadsworth
Changes in Net Assets

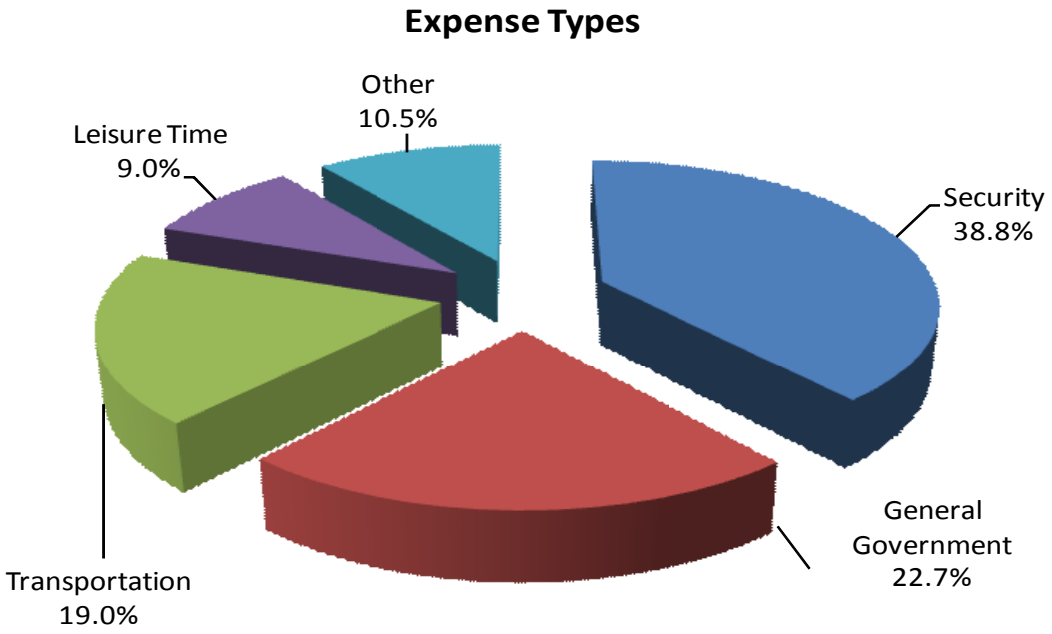
	Governmental Activities		Business-Type Activities		Total	Total
	2011	Restated 2010	2011	Restated 2010	2011	Restated 2010
Revenues						
Program Revenues:						
Charges for Services	$2,321,462	$1,982,534	$44,298,498	$43,406,762	$46,619,960	$45,389,296
Operating Grants and Contributions	2,394,237	108,825	0	740,554	2,394,237	849,379
Capital Grants and Contributions	430,963	1,472,111	2,464,407	454,817	2,895,370	1,926,928
General Revenues:						
Taxes	9,893,070	9,521,780	0	0	9,893,070	9,521,780
Payment in Lieu of Taxes	105,000	99,000	0	0	105,000	99,000
Grants and Entitlements Not Restricted to Specific Programs	2,527,284	4,495,881	0	0	2,527,284	4,495,881
Investment Income	150,965	109,972	40,295	23,885	191,260	133,857
Other Income	76,641	201,433	507,652	451,296	584,293	652,729
Total Revenues	17,899,622	17,991,536	47,310,852	45,077,314	65,210,474	63,068,850
Expenses						
Program Expenses:						
General Government	3,809,401	3,338,296	0	0	3,809,401	3,338,296
Security of Persons and Property	6,512,974	6,601,561	0	0	6,512,974	6,601,561
Public Health	105,261	103,060	0	0	105,261	103,060
Leisure Time Services	1,510,485	2,351,287	0	0	1,510,485	2,351,287
Community and Economic Development	660,516	522,242	0	0	660,516	522,242
Public Works	200,224	21,511	0	0	200,224	21,511
Transportation	3,186,302	2,928,545	0	0	3,186,302	2,928,545
Intergovernmental	0	7,499	0	0	0	7,499
Interest and Fiscal Charges	781,845	111,555	0	0	781,845	111,555
Electric	0	0	28,946,483	28,572,879	28,946,483	28,572,879
Sanitation	0	0	2,082,729	2,075,807	2,082,729	2,075,807
Sewer	0	0	3,573,261	3,310,275	3,573,261	3,310,275
Storm Water	0	0	986,089	730,836	986,089	730,836
Telecom	0	0	3,631,490	3,416,318	3,631,490	3,416,318
Water	0	0	3,456,315	4,397,523	3,456,315	4,397,523
Total Expenses	16,767,008	15,985,556	42,676,367	42,503,638	59,443,375	58,489,194
Increase in Net Assets	1,132,614	2,005,980	4,634,485	2,573,676	5,767,099	4,579,656
Net Assets - Beginning Restated	44,807,404	42,801,424	65,794,847	63,221,171	110,602,251	106,022,595
Net Assets - Ending	$45,940,018	$44,807,404	$70,429,332	$65,794,847	$116,369,350	$110,602,251

Governmental Activities

Income Taxes and Grants were the largest contributors of revenue sources in governmental activities, accounting for 38.3% and 29.9%, respectively of total revenues, for a combined total of 68.2%. Property and other local taxes generate 17.0%. The City's direct charges to users of governmental services represent 13.0% of total revenue. These charges are from fees for recreational activities, fines and forfeitures related to judicial activity and licenses and permits.



General government accounts for 22.7% of governmental expenses, Security of Persons and Property accounts for 38.8% of governmental expenses while transportation costs and leisure time activities represent 19.0% and 9.0% of governmental expenses respectively.



Business-Type Activities

The City's business-type activities include: the provision of cable television and internet services; sanitary sewer services; water treatment facility; the purchase and distribution of electricity to residential, commercial, and industrial customers; automated curbside trash pick-up for residential customers; seasonal yard waste pick-up; trash collection for commercial and industrial customers; the operation of a transfer station; and storm water sewer services.

Charges for services generated 93.6% of all revenues in the business-type activities.

Individual Funds Summary and Analysis

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

Governmental Funds – The focus of the City's Governmental Funds is to provide information on near term outflows, inflows 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 the end of the year.

As of the end of the current fiscal year, the City's Governmental Funds reported combined ending fund balances of $21,576,944, a 4.2% increase of $873,777 in comparison with the prior year. Approximately 4.9% of the ending fund balances is available for spending at the government's discretion. The remainder of fund balances are nonspendable, restricted, committed, or assigned to indicate that they are not readily available for new spending since they have already been constrained as previously described to liquidate contracts and purchase commitments, debt service or other purposes.

The General Fund is the primary operating fund of the City of Wadsworth. As of December 31, 2011, the General Fund's unassigned balance was $1,406,960, while the total fund balance was $6,064,690. In addition, $3,191,006 of the total fund balance includes amounts that cannot be spent because they are not in spendable form. These amounts are for prepaid items, materials and supplies inventory, and interfund receivable. As a measure of the General Fund's liquidity, it may be useful to compare both unassigned fund balance and total fund balance to total fund expenditures. Unassigned fund balance represents 16.2% of total General Fund expenditures, while total fund balance represents 70.0% of that same amount. The General Fund balance increased by $702,592 or 13.1% over the prior year. The increase was partially due to reclassifying several funds to General Funds. Another reason for the increase was the Income Tax transfer in was more than adequate to offset the deficiency of revenues under expenditures.

The Income Tax Fund receives all income tax revenue, expenses the dollars necessary to administer the income tax activities and then distributes dollars as needed for operation of the General, Recreation, Street and General Capital Improvements Funds. In addition, $46,284 was paid during 2011 to the Wadsworth City School District. These payments were for various tax sharing agreements. The revenues were under the administrative expenses and distribution amounts by $206,565. This was mainly due to an increase in expenditures and an increase in the transfers of income tax to other funds.

Proprietary Funds – The City's Proprietary Funds provide the same type of information found in the government-wide business-type activity financial statements, but in more detail. The Net Assets in the Sewer Fund decreased by $205,361 or 1.6%, due mainly from the an increase in contractual services expense. The Net Assets in the Telecom Fund increased by $6,372 or .3%, due to an increase in charges for services revenue. The Net Assets in the Water Fund increased by $364,279 or 2.6%. An increase in construction in progress was the main reason. The Net Assets in the Electric Fund increased by $4,509,177 or 19.7%. This was also due to an increase in construction in progress. The Net Assets in the Storm Water Fund decreased by $67,033 or .5%. The main cause was from the Storm Water Fund being reclassified as an Enterprise Fund, therefore, depreciation expense is now charged directly to the Fund. The Net

Assets in the Sanitation Fund increased by $115,332 or 10.7%. An increase in charges for services revenue was the main reason for the increase.

Budgetary Highlights

As required by State statute, City Council adopts an annual budget. There was a .6% increase of the original budget to the final budget. This increase was primarily due to an increase in contractual services.

There was a 2.8% decrease in revenue from the original budget to the final budget in the general fund. The decrease was primarily due to other revenue's actual receipts of $6 or $128,508 under the original budget.

Original estimated resources do not include the amended certificate in place prior to the passage of the original annual appropriations.

Actual revenue collected in the City's Income Tax Fund was $108,790 or 1.6% more than the final budget. Actual administrative expenses were $19,000 or 3.5% under the final budget.

Capital Assets and Debt Administration

Capital Assets- Investment in capital assets includes: Land, Land Improvements; Buildings and Improvements; Equipment; Infrastructure; Vehicles; Construction in Progress; and Infrastructure Work in Progress. The City's investment in capital assets, net of accumulated depreciation, for its governmental and business-type activities as of December 31, 2011, amounts to $130,802,452 or 70.7% of total assets. This is a $6,245,637 or 5.0% increase from the prior year. Governmental activities had a $385,649 or 0.9% decrease while business-type had an increase of $6,631,286 or 8.1%. (See Note 12).

Table 3
Capital Assets
(Net of Depreciation)

	Governmental Activities		Business-Type Activities		Total	Total
	2011	Restated 2010	2011	Restated 2010	2011	Restated 2010
Land	$5,698,196	$5,819,092	$940,528	$888,761	$6,638,724	$6,707,853
Contruction in Progress	15,805,898	15,865,245	10,166,903	2,261,314	25,972,801	18,126,559
Infrastructure Work In Progress	0	0	2,537,892	1,329,571	2,537,892	1,329,571
Land Improvements	817,288	867,545	3,629	3,991	820,917	871,536
Buildings and Improvements	4,226,551	4,363,987	15,650,880	16,064,244	19,877,431	20,428,231
Vehicles	2,106,075	2,172,109	1,128,034	1,207,642	3,234,109	3,379,751
Equipment	797,727	803,235	7,934,233	8,274,045	8,731,960	9,077,280
Infrastructure	13,117,083	13,063,254	49,871,535	51,572,780	62,988,618	64,636,034
Total Capital Assets, Net of Depreciation	$42,568,818	$42,954,467	$88,233,634	$81,602,348	$130,802,452	$124,556,815

Debt

At December 31, 2011, the City had a total debt of $57,289,526 in long-term bonds, loans and other outstanding obligations, excluding compensated absences, unamortized discount on bonds, unamortized premium, and unamortized bond issue costs. Details of individual obligations can be found starting on page 55. Over half of this debt, 66.8%, is related to business-type activities and is to be repaid from charges for services. The rest of the debt is to be primarily paid for by income tax revenues.

The general obligation indebtedness of the City is subject to two statutory debt limitations referred to as the net indebtedness of the City. According to Section 133.05 of the Ohio Revised Code, the City shall not incur net indebtedness that exceeds $48,941,587, which is 10.5% of the City's assessed value, or incur without a vote of the electors net indebtedness that exceeds $25,636,069, which is 5.5% of the City's assessed value. Certain debt with a repayment source other than general tax revenue is excluded from this limitation. As of December 31, 2011, the City's unvoted debt that is subject to this limitation totaled $1,383,448, which leaves an available unvoted debt limit of $24,252,622. Under the definition, the City does not exceed the debt limitations.

Additional information regarding the City's long-term obligations can be found in Note 16 of this report.

Table 4

Long Term Debt

(As of end of each year)

	Governmental Activities		Business-Type Activities		Total	Total
		Restated		Restated		Restated
	2011	2010	2011	2010	2011	2010
General Obligation Bonds	$625,000	$820,000	$11,640,000	$12,110,000	$12,265,000	$12,930,000
Revenue Bonds	18,290,000	18,290,000	7,137,916	7,669,583	25,427,916	25,959,583
Police and Fire Past Service Costs	92,050	94,304	0	0	92,050	94,304
OWDA Loan	0	0	19,504,560	20,429,684	19,504,560	20,429,684
Total Long Term Debt	$19,007,050	$19,204,304	$38,282,476	$40,209,267	$57,289,526	$59,413,571

Economic Factors

The City's annual budget utilizes conservative revenue estimates combined with limited spending increases. Residential citizens and Businesses of Wadsworth enjoy a wide range of utility services at competitive and sometimes below market costs. In tough economic times, the City strives to maintain services with minimal fee increases. The level of services remained consistent in 2011.

On a cash basis, the City's total actual revenues were 1.4% greater than the City's tax budget for 2011. The main reasons for this increase are due to higher tax revenues than originally expected and lower charges for services than originally expected.

On a fund level, the General Fund's net change in fund balance was $702,592 or a 13.1% increase from last year. Income Tax is a major fund that supports governmental activities. Income tax revenue increased by $167,764 or 2.6%. New construction projects in the private sector and the new construction of three schools and a community center have begun during 2011, allowing income tax revenues to increase slightly.

In 2011, 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 Finance Department

This financial report is designed to provide our citizens, taxpayers, creditors and investors with an 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 any questions about this report or need additional financial information, contact the Finance Office of John P. Moss, Auditor, City of Wadsworth, 120 Maple Street, Wadsworth, OH 44281, (330) 335-2746, finance@wadsworthcity.org.

City of Wadsworth, Ohio
Statement of Net Assets
December 31, 2011

	Governmental Activities	Business-Type Activities	Total
Assets			
Equity in Pooled Cash and Cash Equivalents	$17,959,643	$16,461,350	$34,420,993
Cash and Cash Equivalents in Segregated Accounts	4,967	0	4,967
Cash and Cash Equivalents with Fiscal Agents	128	947,221	947,349
Investments	2,061	0	2,061
Receivables:			
Taxes	1,960,053	0	1,960,053
Income Taxes	1,863,510	0	1,863,510
Accounts	372,835	6,561,721	6,934,556
Accrued Interest	2,645	0	2,645
Intergovernmental	1,845,455	730,659	2,576,114
Notes	190,095	0	190,095
Special Assessments	300,535	0	300,535
Internal Balances	2,901,530	(2,901,530)	0
Materials and Supplies Inventory	708,772	768,073	1,476,845
Prepaid Items	58,941	47,367	106,308
Unamortized Bond Issue Costs	379,688	332,471	712,159
Investment in Joint Venture	0	2,643,754	2,643,754
Non-Depreciable Capital Assets	21,504,094	13,645,323	35,149,417
Depreciable Capital Assets, Net	21,064,724	74,588,311	95,653,035
Total Assets	71,119,676	113,824,720	184,944,396
Liabilities			
Accounts Payable	363,876	2,787,170	3,151,046
Accrued Wages and Benefits	176,226	93,185	269,411
Intergovernmental Payable	248,857	247,827	496,684
Matured Interest Payable	128	1,344	1,472
Accrued Interest Payable	41,573	46,463	88,036
Claims Payable	435,670	0	435,670
Unearned Revenue	1,908,241	0	1,908,241
Noncurrent Liabilities:			
Due Within One Year	1,132,204	2,269,876	3,402,080
Due In More Than One Year	20,872,883	37,949,523	58,822,406
Total Liabilities	25,179,658	43,395,388	68,575,046
Net Assets			
Invested in Capital Assets, Net of Related Debt	24,968,078	51,914,458	76,882,536
Restricted for:			
Debt Service	1,089,861	0	1,089,861
Capital Projects	8,509,165	0	8,509,165
Other Purposes	1,285,469	0	1,285,469
Transportation	549,059	0	549,059
Emergency Medical Services	1,721,386	0	1,721,386
Community Television Local Programming	88,279	0	88,279
Police	294,983	0	294,983
Community Improvements	470,942	0	470,942
Infrastructure	1,030,186	0	1,030,186
Fire	28,459	0	28,459
Unrestricted	5,904,151	18,514,874	24,419,025
Total Net Assets	$45,940,018	$70,429,332	$116,369,350

The notes to the financial statements are an integral part of this statement.

City of Wadsworth, Ohio
Statement of Activities
For the Year Ended December 31, 2011

		Program Revenues			Net (Expense) Revenue and Changes in Net Assets		
Functions/Programs	Expenses	Charges for Services and Sales	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-Type Activities	Total
Governmental Activities:							
General Government	$3,809,401	$616,010	$46,244	$0	($3,147,147)	$0	($3,147,147)
Security of Persons and Property	6,512,974	1,388,280	226,398	74,447	(4,823,849)	0	(4,823,849)
Public Health	105,261	16,799	741	0	(87,721)	0	(87,721)
Leisure Time Services	1,510,485	226,537	8,986	0	(1,274,962)	0	(1,274,962)
Community and Economic Development	660,516	42,082	277,912	117,146	(223,376)	0	(223,376)
Public Works	200,224	0	93,093	0	(107,131)	0	(107,131)
Transportation	3,186,302	31,754	1,740,863	239,370	(1,174,315)	0	(1,174,315)
Interest and Fiscal Charges	781,845	0	0	0	(781,845)	0	(781,845)
Total Governmental Activities	16,767,008	2,321,462	2,394,237	430,963	(11,620,346)	0	(11,620,346)
Business-Type Activities:							
Electric	28,946,483	30,579,103	0	2,381,437	0	4,014,057	4,014,057
Sanitation	2,082,729	2,188,061	0	0	0	105,332	105,332
Sewer	3,573,261	3,342,729	0	0	0	(230,532)	(230,532)
Storm Water	986,089	833,778	0	82,970	0	(69,341)	(69,341)
Telecom	3,631,490	3,628,336	0	0	0	(3,154)	(3,154)
Water	3,456,315	3,726,491	0	0	0	270,176	270,176
Total Business-Type Activities	42,676,367	44,298,498	0	2,464,407	0	4,086,538	4,086,538
Totals	$59,443,375	$46,619,960	$2,394,237	$2,895,370	(11,620,346)	4,086,538	(7,533,808)
	General Revenues:						
	Property Taxes Levied For:						
	General Purposes				959,950	0	959,950
	Capital Projects				1,190,052	0	1,190,052
	Emergency Medical Services				891,198	0	891,198
	Income Taxes				6,851,870	0	6,851,870
	Payments in Lieu of Taxes				105,000	0	105,000
	Grants and Entitlements not Restricted to Specific Programs				2,527,284	0	2,527,284
	Investment Earnings				150,965	40,295	191,260
	Other Income				76,641	507,652	584,293
	Total General Revenues				12,752,960	547,947	13,300,907
	Change in Net Assets				1,132,614	4,634,485	5,767,099
	Net Assets Beginning of Year - Restated				44,807,404	65,794,847	110,602,251
	Net Assets End of Year				$45,940,018	$70,429,332	$116,369,350

The notes to the financial statements are an integral part of this statement.

City of Wadsworth, Ohio
Balance Sheet
Governmental Funds
December 31, 2011

	General	Income Tax	Non-Major Governmental Funds	Total Governmental Funds
Assets				
Equity in Pooled Cash and Cash Equivalents	$3,005,135	$1,991,796	$11,973,397	$16,970,328
Cash and Cash Equivalents in				
Segregated Accounts	4,967	0	0	4,967
Cash and Cash Equivalents With Fiscal Agents	0	0	128	128
Investments	2,061	0	0	2,061
Receivables:				
Taxes	875,897	0	1,084,156	1,960,053
Income Taxes	0	1,863,510	0	1,863,510
Accounts	100,743	0	269,530	370,273
Interfund	3,031,922	0	1,288,145	4,320,067
Accrued Interest	2,565	0	80	2,645
Intergovernmental	676,363	259	1,168,833	1,845,455
Special Assessments	0	0	300,535	300,535
Notes	0	0	190,095	190,095
Materials and Supplies Inventory	108,977	0	327,430	436,407
Prepaid Items	50,107	260	8,574	58,941
Total Assets	$7,858,737	$3,855,825	$16,610,903	$28,325,465
Liabilities and Fund Balances				
Liabilities				
Accounts Payable	$40,188	$22,625	$190,915	$253,728
Accrued Wages and Benefits	112,193	4,734	48,655	165,582
Intergovernmental Payable	182,391	1,098	57,122	240,611
Matured Interest Payable	0	0	128	128
Interfund Payable	0	0	1,233,782	1,233,782
Deferred Revenue	622,858	711,206	1,612,385	2,946,449
Unearned Revenue	836,417	0	1,071,824	1,908,241
Total Liabilities	1,794,047	739,663	4,214,811	6,748,521
Fund Balances				
Nonspendable:				
Prepaid Items	50,107	260	8,574	58,941
Materials and Supplies Inventory	108,977	0	327,430	436,407
Interfund Receivable	3,031,922	0	0	3,031,922
Restricted for:	.		.	
Street Maintenance	0	0	1,029,295	1,029,295
Emergency Medical Services	0	0	1,690,870	1,690,870
Law Enforcement	0	0	276,078	276,078
Community Improvements	0	0	170,857	170,857
Capital Projects	0	0	3,008,982	3,008,982
Fire Protection	0	0	2,925,099	2,925,099
Community Development	0	0	260,858	260,858
Other Purposes	0	3,115,902	6,168	3,122,070
Municipal Court	0	0	784,767	784,767
Debt Service	0	0	789,326	789,326
Committed to:				
Economic Development	0	0	44,439	44,439
Recreation	0	0	287,591	287,591
Capital Projects	0	0	997,544	997,544
Parking Fines	150,998	0	0	150,998
Other Purposes	0	0	128,664	128,664
Assigned to:				
Encumbrances	499,554	0	0	499,554
Appropriations for Subsequent Year	816,172	0	0	816,172
Unassigned	1,406,960	0	(340,450)	1,066,510
Total Fund Balances	6,064,690	3,116,162	12,396,092	21,576,944
Total Liabilities and Fund Balances	$7,858,737	$3,855,825	$16,610,903	$28,325,465

The notes to the financial statements are an integral part of this statement.

City of Wadsworth, Ohio
Reconciliation of Total Governmental Fund Balances to
Net Assets of Governmental Activities
December 31, 2011

Total Governmental Funds Balances		$21,576,944
Amounts reported for governmental activities in the statement of net assets are different because		
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds		
Land	5,698,196	
Construction in Progress	15,805,898	
Land Improvements (Net of Depreciation)	817,288	
Buildings and Improvements (Net of Depreciation)	4,105,851	
Vehicles (Net of Depreciation)	2,097,838	
Equipment (Net of Depreciation)	763,700	
Infrastructure (Net of Depreciation)	13,117,083	
Total		42,405,854
Other long-term assets are not available to pay for current-period expenditures and therefore are deferred in the funds:		
Property Taxes	90,707	
Income Taxes	711,206	
Other Taxes	1,651,191	
Grants	11,696	
Special Assessments	300,535	
Charges for Services	181,114	
Total		2,946,449
An internal service fund is used by management to charge the costs of various activities to individual funds, the assets and liabilities of the internal service funds are included in governmental activities in the statement of net assets		
Buildings (Net of Depreciation)	120,700	
Vehicles (Net of Depreciation)	8,237	
Equipment (Net of Depreciation)	34,027	
Unrestricted Net Assets	470,621	
Internal payable representing charges in excess of cost to business-type activities - prior years	(273,036)	
Internal receivable representing cost in excess of charges to business-type activities - current year	88,281	
Total		448,830
Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the funds:		
General Obligation Bonds	(625,000)	
Revenue Bonds	(18,290,000)	
Compensated Absences	(2,862,360)	
Police Past Service Costs	(92,050)	
Unamortized Bond Issue Costs	379,688	
Unamortized Bond Premium	(10,312)	
Unamortized Bond Discount	103,548	
Accrued interest	(41,573)	
Total		(21,438,059)
Net Assets of Governmental Activities		$45,940,018

The notes to the financial statements are an integral part of this statement.

City of Wadsworth, Ohio

Statement of Revenues, Expenditures and Changes in Fund Balances

Governmental Funds

For the Year Ended December 31, 2011

	General	Income Tax	Non-Major Governmental Funds	Total Governmental Funds
Revenues				
Property and Other Local Taxes	$997,836	$0	$2,123,815	$3,121,651
Income Taxes	0	6,741,133	0	6,741,133
Payments in Lieu of Taxes	105,000	0	0	105,000
Special Assessments	0	0	117,146	117,146
Charges for Services	506,814	0	621,597	1,128,411
Licenses and Permits	384,113	0	23,165	407,278
Fines and Forfeitures	511,441	0	204,211	715,652
Intergovernmental	2,384,674	118,320	2,034,345	4,537,339
Interest	150,234	0	56,651	206,885
Rent	1,400	0	0	1,400
Contributions and Donations	700	0	2,805	3,505
Other	6	0	75,235	75,241
Total Revenues	5,042,218	6,859,453	5,258,970	17,160,641
Expenditures				
Current:				
General Government	2,568,316	527,629	182,007	3,277,952
Security of Persons and Property	4,418,973	0	1,567,968	5,986,941
Public Health	103,836	0	1,566	105,402
Leisure Time Services	1,332,503	0	128,853	1,461,356
Community and Economic Development	238,690	0	416,872	655,562
Public Works	0	0	200,224	200,224
Transportation	280	0	2,698,420	2,698,700
Capital Outlay	0	0	925,826	925,826
Debt Service:				
Principal Retirement	2,254	0	195,000	197,254
Interest and Fiscal Charges	3,984	0	781,060	785,044
Total Expenditures	8,668,836	527,629	7,097,796	16,294,261
Excess (Deficiency) of Revenues Over (Under) Expenditures	(3,626,618)	6,331,824	(1,838,826)	866,380
Other Financing Sources (Uses)				
Transfers In	4,500,000	0	2,414,635	6,914,635
Proceeds from Sale of Capital Assets	1,869	0	1,941	3,810
Transfers Out	(172,659)	(6,538,389)	(200,000)	(6,911,048)
Total Other Financing Sources (Uses)	4,329,210	(6,538,389)	2,216,576	7,397
Net Change in Fund Balances	702,592	(206,565)	377,750	873,777
Fund Balance Beginning of Year - Restated	5,362,098	3,322,727	12,018,342	20,703,167
Fund Balance End of Year	$6,064,690	$3,116,162	$12,396,092	$21,576,944

The notes to the financial statements are an integral part of this statement.

City of Wadsworth, 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, 2011

Net Change in Fund Balances - Total Governmental Funds		$873,777
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 depreciation expense exceeded capital outlay in the current period.		
Capital Outlay	870,244	
Depreciation Expense	(1,029,325)	
Total		(159,081)
The net effect of various miscellaneous transactions involving capital assets (i.e. sales/disposals) is to decrease net assets.		
Loss on Disposal of Capital Assets		(235,828)
Revenues in the Statement of Activities that do not provide current financial resources are not reported as revenues in the funds.		
Property Taxes	(80,451)	
Income Taxes	110,737	
Other Taxes	641,784	
Special Assessments	(105,321)	
Grants	(3,210)	
Charges for Services	70,121	
Total		633,660
Repayment of long-term debt is reported as an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the Statement of Net Assets.		
General Obligation Bonds	195,000	
Police and Fire Past Service Costs	2,254	
Total		197,254
In the Statement of Activities, interest is accrued on outstanding bonds, whereas in governmental funds, an interest expenditure is reported when due.		3,199
Some expenses reported in the Statement of Activities, such as compensated absences which represent contractually required pension contributions, do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds.		
Compensated Absences		(12,319)
The internal service funds used by management to charge the costs of various activities to individual funds are not reported in the entity-wide Statement of Activities. Governmental fund expenditures and related internal service fund revenues are eliminated.		
Change in net assets of the internal service funds	(256,329)	
Minus: Decrease from charges to business-type activities	88,281	
Net adjustments to increase net changes in fund balances - total governmental funds to arrive at changes in net assets of governmental activities.		(168,048)
Change in Net Assets of Governmental Activities		$1,132,614

The notes to the financial statements are an integral part of this statement.

City of Wadsworth
Statement of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
General Fund
For the Year Ended December 31, 2011

	Original Budget	Final Budget	Actual	Variance with Final Budget
REVENUES:				
Property and Other Local Taxes	$982,009	$977,871	$997,836	$19,965
Payments in Lieu of Taxes	100,000	100,000	105,000	5,000
Charges for Services	536,800	536,800	526,580	(10,220)
Licenses and Permits	112,775	112,775	109,712	(3,063)
Fines and Forfeitures	428,000	428,000	462,894	34,894
Intergovernmental	2,195,337	2,196,803	2,444,537	247,734
Interest	103,652	103,652	150,445	46,793
Rent	5,500	5,500	1,400	(4,100)
Contributions and Donations	750	750	700	(50)
Refunds	102,850	102,850	129,448	26,598
Other	128,514	0	6	6
Total Revenues	4,696,187	4,565,001	4,928,558	363,557
EXPENDITURES:				
Current:				
General Government				
Council				
Personal Services	40,263	39,535	38,157	1,378
Contractual Services	38,228	33,902	7,409	26,493
Materials and Supplies	2,316	2,316	730	1,586
Other	464	464	265	199
Total - Council	81,271	76,217	46,561	29,656
Mayor				
Personal Services	153,945	150,307	143,633	6,674
Contractual Services	98,434	77,336	64,384	12,952
Materials and Supplies	9,854	12,259	9,028	3,231
Other	686	2,180	1,292	888
Total - Mayor	262,919	242,082	218,337	23,745
Auditor				
Personal Services	280,218	279,288	275,081	4,207
Contractual Services	976,681	1,167,378	1,076,587	90,791
Materials and Supplies	9,611	9,611	7,921	1,690
Other	8,897	8,897	2,640	6,257
Total - Auditor	1,275,407	1,465,174	1,362,229	102,945
Treasurer				
Personal Services	3,317	3,317	2,757	560
Contractual Services	17,746	12,608	8,607	4,001
Materials and Supplies	1,727	1,727	1,144	583
Other	150	150	0	150
Total - Treasurer	22,940	17,802	12,508	5,294
Law Director				
Personal Services	279,670	278,948	276,577	2,371
Contractual Services	13,000	24,723	23,824	899
Materials and Supplies	2,680	2,619	2,283	336
Other	500	500	200	300
Total - Law Director	295,850	306,790	302,884	3,906

(continued)

The notes to the financial statements are an integral part of this statement.

City of Wadsworth
Statement of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
General Fund
For the Year Ended December 31, 2011

	Original Budget	Final Budget	Actual	Variance with Final Budget
Service Director				
Personal Services	156,702	146,290	135,840	10,450
Contractual Services	198,981	51,334	44,139	7,195
Materials and Supplies	14,492	13,935	8,975	4,960
Refunds	5,100	40,100	0	40,100
Other	3,355	3,183	875	2,308
Total - Service Director	378,630	254,842	189,829	65,013
Safety Director				
Materials and Supplies	0	44,967	4,727	40,240
Municipal Court				
Personal Services	761,117	752,863	736,906	15,957
Contractual Services	41,329	41,039	26,843	14,196
Materials and Supplies	44,440	42,440	28,834	13,606
Other	3,040	3,040	733	2,307
Total - Municipal Court	849,926	839,382	793,316	46,066
Total - General Government	3,166,943	3,247,256	2,930,391	316,865
Security of Persons and Property				
Safety Director				
Personal Services	4,579,139	4,512,655	4,101,236	411,419
Contractual Services	599,334	465,188	355,216	109,972
Materials and Supplies	216,434	219,474	203,830	15,644
Capital Outlay	36,933	63,589	50,559	13,030
Other	66,784	57,917	42,452	15,465
Total - Security of Persons and Property	5,498,624	5,318,823	4,753,293	565,530
Public Health				
Service Director				
Contractual Services	98,989	100,264	92,767	7,497
Materials and Supplies	8,673	12,029	11,926	103
Total - Public Health	107,662	112,293	104,693	7,600
Leisure Time Services				
Mayor				
Materials and Supplies	4,350	4,350	1,299	3,051
Service Director				
Personal Services	962,017	962,017	895,889	66,128
Contractual Services	111,860	112,911	96,575	16,336
Materials and Supplies	106,624	100,195	95,214	4,981
Capital Outlay	0	9,052	9,052	0
Other	772	534	489	45
Total - Service Director	1,181,273	1,184,709	1,097,219	87,490

(continued)

The notes to the financial statements are an integral part of this statement.

City of Wadsworth
Statement of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
General Fund
For the Year Ended December 31, 2011

	Original Budget	Final Budget	Actual	Variance with Final Budget
Safety Director				
Materials and Supplies	4,500	4,500	3,833	667
Total - Leisure Time Services	1,190,123	1,193,559	1,102,351	91,208
Community and Economic Development				
Service Director				
Personal Services	228,632	228,632	211,466	17,166
Contractual Services	43,342	44,056	29,762	14,294
Materials and Supplies	18,147	7,945	3,460	4,485
Refunds	150	150	0	150
Other	1,800	3,000	2,290	710
Total - Community and Economic Development	292,071	283,783	246,978	36,805
Intergovernmental				
Service Director				
Contractual Services	10,284	8,911	1,594	7,317
Debt Service:				
Principal Retirements				
Principal Retirement	2,254	2,254	2,254	0
Interest and Fiscal Charges	3,984	3,984	3,984	0
Total - Debt Service	6,238	6,238	6,238	0
Total Expenditures	10,271,945	10,170,863	9,145,538	1,025,325
Excess(Deficiency) of Revenues Over(Under) Expenditures	(5,575,758)	(5,605,862)	(4,216,980)	1,388,882
OTHER FINANCING SOURCES AND USES:				
Transfers In	4,500,000	4,500,000	4,500,000	0
Proceeds from Sale of Capital Assets	5,000	5,000	1,869	(3,131)
Advances In	0	0	69,800	69,800
Transfers Out	(196,382)	(171,382)	(171,382)	0
Advances Out	0	0	(290,445)	(290,445)
Total Other Financing Sources and Uses	4,308,618	4,333,618	4,109,842	(223,776)
Net Change in Fund Balance	(1,267,140)	(1,272,244)	(107,138)	1,165,106
Fund Balance at Beginning of Year	4,521,457	4,521,457	4,521,457	0
Prior Year Encumbrances Appropriated	492,817	492,817	492,817	0
Fund Balance at End of Year	$3,747,134	$3,742,030	$4,907,136	$1,165,106

The notes to the financial statements are an integral part of this statement.

City of Wadsworth

Statement of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Income Tax
For the Year Ended December 31, 2011

	Original Budget	Final Budget	Actual	Variance with Final Budget
REVENUES:				
Income Taxes	$6,419,620	$6,602,662	$6,699,960	$97,298
Intergovernmental	166,500	166,500	177,983	11,483
Refunds	0	0	9	9
Total Revenues	6,586,120	6,769,162	6,877,952	108,790
EXPENDITURES:				
Current:				
General Government				
Personal Services	56,865	57,524	56,723	801
Contractual Services	371,254	369,873	365,689	4,184
Materials and Supplies	4,284	4,302	4,007	295
Refunds	135,210	126,210	113,087	13,123
Other	700	682	85	597
Total Expenditures	568,313	558,591	539,591	19,000
Excess of Revenues Over Expenditures	6,017,807	6,210,571	6,338,361	127,790
OTHER FINANCING USES:				
Transfers Out	(6,531,489)	(6,540,489)	(6,538,389)	2,100
Net Change in Fund Balance	(513,682)	(329,918)	(200,028)	129,890
Fund Balance at Beginning of Year	2,185,200	2,185,200	2,185,200	0
Prior Year Encumbrances Appropriated	3,016	3,016	3,016	0
Fund Balance at End of Year	$1,674,534	$1,858,298	$1,988,188	$129,890

The notes to the financial statements are an integral part of this statement.

City of Wadsworth, Ohio
Statement of Fund Net Assets
Proprietary Funds
December 31, 2011

	Enterprise Funds							Governmental Activities - Internal Service Funds
	Sewer	Telecom	Water	Electric	Sanitation	Storm Water	Total Enterprise Funds	
Assets								
Current Assets:								
Equity in Pooled Cash and Cash Equivalents	$1,372,621	$1,504,622	$5,489,075	$6,877,106	$695,785	$522,141	$16,461,350	$989,315
Cash and Cash Equivalents with Fiscal Agents	0	0	1,344	945,877	0	0	947,221	0
Materials and Supplies Inventory	55,406	0	168,302	544,365	0	0	768,073	272,365
Receivables:								
Accounts	521,344	637,089	477,698	4,416,235	357,799	151,556	6,561,721	2,562
Interfund	2,058,438	0	0	2,319,733	0	0	4,378,171	0
Intergovernmental	0	0	0	730,659	0	0	730,659	0
Prepaid Items	12,901	40	10,547	19,028	4,851	0	47,367	0
Total Current Assets	4,020,710	2,141,751	6,146,966	15,853,003	1,058,435	673,697	29,894,562	1,264,242
Noncurrent Assets:								
Unamortized Bond Issue Costs	0	0	174,363	135,248	0	22,860	332,471	0
Investment in Joint Venture	0	0	0	2,643,754	0	0	2,643,754	0
Non-Depreciable Capital Assets	113,795	0	6,359,995	7,170,729	804	0	13,645,323	0
Depreciable Capital Assets, Net	28,043,801	749,490	14,781,698	16,922,704	523,733	13,566,885	74,588,311	162,964
Total Noncurrent Assets	28,157,596	749,490	21,316,056	26,872,435	524,537	13,589,745	91,209,859	162,964
Total Assets	32,178,306	2,891,241	27,463,022	42,725,438	1,582,972	14,263,442	121,104,421	1,427,206
Liabilities								
Current Liabilities:								
Accounts Payable	21,641	138,198	461,978	2,163,355	0	1,998	2,787,170	110,148
Accrued Wages and Benefits	10,980	11,422	18,083	43,835	8,153	712	93,185	10,644
Intergovernmental Payable	9,427	8,606	13,716	128,346	86,654	1,078	247,827	8,246
Matured Interest Payable	0	0	1,344	0	0	0	1,344	0
Accrued Interest Payable	0	0	30,540	12,613	0	3,310	46,463	0
Interfund Payable	200,644	349,120	1,774,928	4,585,485	203,152	351,127	7,464,456	0
Claims Payable	0	0	0	0	0	0	0	435,670
Compensated Absences Payable - current	24,718	36,677	56,183	125,596	15,546	3,307	262,027	39,561
General Obligations Payable - current (inclusive of unamortized premium on bonds)	0	0	427,476	30,551	0	66,066	524,093	0
OWDA Loans Payable - current	925,124	0	0	0	0	0	925,124	0
Revenue Bonds Payable - current (inclusive of unamortized premium on bonds)	0	0	0	558,632	0	0	558,632	0
Total Current Liabilities	1,192,534	544,023	2,784,248	7,648,413	313,505	427,598	12,910,321	604,269
Noncurrent Liabilities:								
Compensated Absences Payable	153,501	218,970	316,551	799,185	78,606	10,820	1,577,633	189,352
General Obligation Bonds Payable - (inclusive of unamortized premium on bonds)	0	0	10,076,528	253,856	0	842,828	11,173,212	0
OWDA Loans Payable	18,579,435	0	0	0	0	0	18,579,435	0
Revenue Bonds Payable - (inclusive of unamortized premium on bonds)	0	0	0	6,619,243	0	0	6,619,243	0
Total Noncurrent Liabilities	18,732,936	218,970	10,393,079	7,672,284	78,606	853,648	37,949,523	189,352
Total Liabilities	19,925,470	762,993	13,177,327	15,320,697	392,111	1,281,246	50,859,844	793,621
Net Assets								
Invested in Capital Assets, Net of Related Debt	8,653,037	749,490	12,698,252	16,631,151	524,537	12,657,991	51,914,458	162,964
Unrestricted	3,599,799	1,378,758	1,587,443	10,773,590	666,324	324,205	18,330,119	470,621
Total Net Assets	$12,252,836	$2,128,248	$14,285,695	$27,404,741	$1,190,861	$12,982,196	70,244,577	$633,585
Net adjustment to reflect the consolidation of Internal Service Fund activities related to Enterprise Funds							184,755	
Net Assets of Business-Type Activities							$70,429,332	

The notes to the financial statements are an integral part of this statement.

City of Wadsworth, Ohio
Statement of Revenues, Expenses and Changes in Fund Net Assets
Proprietary Funds
For the Year Ended December 31, 2011

	Enterprise Funds							Governmental Activities - Internal Service Funds
	Sewer	Telecom	Water	Electric	Sanitation	Storm Water	Total Enterprise Funds	
Operating Revenues								
Charges for Services	$3,342,729	$3,628,336	$3,726,491	$30,579,103	$2,188,061	$833,778	$44,298,498	$4,342,210
Other	0	0	0	328,212	11,108	0	339,320	0
Total Operating Revenues	3,342,729	3,628,336	3,726,491	30,907,315	2,199,169	833,778	44,637,818	4,342,210
Operating Expenses								
Personal Services	677,877	760,961	1,278,792	3,041,392	516,803	83,409	6,359,234	711,552
Contractual Services	1,358,297	2,408,843	1,061,620	2,518,158	1,294,080	582,225	9,223,223	637,072
Purchased Power	0	0	0	19,323,016	0	0	19,323,016	0
Materials and Supplies	51,332	102,686	255,699	427,495	165,251	48,890	1,051,353	258,407
Claims	0	0	0	0	0	0	0	2,958,886
Intergovernmental	1,664	0	0	0	0	0	1,664	0
Depreciation	729,735	236,899	358,199	1,410,281	111,105	227,779	3,073,998	8,392
Other	3,197	105,595	4,737	1,171,579	6	884	1,285,998	20,643
Total Operating Expenses	2,822,102	3,614,984	2,959,047	27,891,921	2,087,245	943,187	40,318,486	4,594,952
Operating Income (Loss)	520,627	13,352	767,444	3,015,394	111,924	(109,409)	4,319,332	(252,742)
Non-Operating Revenues (Expenses)								
Interest	14,013	3,504	14,013	70,063	8,765	0	110,358	0
Investment in Joint Venture	0	0	0	(70,063)	0	0	(70,063)	0
Intergovernmental	0	0	0	2,381,437	0	82,970	2,464,407	0
Other Non-Operating Revenue	0	1,816	57,355	109,161	0	0	168,332	0
Interest and Fiscal Charges	(637,033)	(12,300)	(474,533)	(602,633)	(5,357)	(38,983)	(1,770,839)	0
Loss on Disposal of Capital Assets	(102,968)	0	0	(394,182)	0	0	(497,150)	0
Other Non-Operating Expenses	0	0	0	0	0	(1,611)	(1,611)	0
Total Non-Operating Revenues (Expenses)	(725,988)	(6,980)	(403,165)	1,493,783	3,408	42,376	403,434	0
Income (Loss) Before Transfers	(205,361)	6,372	364,279	4,509,177	115,332	(67,033)	4,722,766	(252,742)
Transfers Out	0	0	0	0	0	0	0	(3,587)
Change in Net Assets	(205,361)	6,372	364,279	4,509,177	115,332	(67,033)	4,722,766	(256,329)
Net Assets at Beginning of Year - Restated	12,458,197	2,121,876	13,921,416	22,895,564	1,075,529	13,049,229		889,914
Net Assets at End of Year	$12,252,836	$2,128,248	$14,285,695	$27,404,741	$1,190,861	$12,982,196		$633,585
Adjustment to reflect the consolidation of Internal Service Fund activities related to Enterprise Funds							(88,281)	
Change in Net Assets of Business-Type Activities							$4,634,485	

The notes to the financial statements are an integral part of this statement.

City of Wadsworth, Ohio
Statement of Cash Flows
Proprietary Funds
For the Year Ended December 31, 2011

	Enterprise Funds							Governmental
	Sewer	Telecom	Water	Electric	Sanitation	Storm Water	Total Enterprise Funds	Activities - Internal Service Funds
Cash Flows from Operating Activities								
Cash Received from Customers	$3,274,668	$3,585,274	$3,728,465	$30,296,152	$2,166,839	$828,475	$43,879,873	$4,339,648
Cash Payments to Employees for Services	(790,974)	(764,112)	(1,328,282)	(3,097,896)	(561,931)	(84,082)	(6,627,277)	(705,434)
Cash Payments for Goods and Services	(1,425,090)	(2,490,562)	(2,011,114)	(23,375,533)	(1,442,906)	(632,685)	(31,377,890)	(942,413)
Cash Payments for Claims	0	0	0	0	0	0	0	(2,831,823)
Other Operating Revenue	678	0	0	452,131	11,108	0	463,917	0
Other Operating Expenses	(3,467)	(105,595)	(3,348)	(22,620)	(6)	(884)	(135,920)	(6,643)
Net Cash Provided by (Used for) Operating Activities	1,055,815	225,005	385,721	4,252,234	173,104	110,824	6,202,703	(146,665)
Cash Flows from Noncapital Financing Activities								
Other Non-Operating Revenue	0	1,816	56,189	19,648	0	83,517	161,170	0
Interfund Receivable	(2,058,438)	0	0	(2,319,369)	0	0	(4,377,807)	0
Interfund Receivable Repaid from Other Funds	3,598,136	0	0	2,320,729	0	0	5,918,865	0
Transfers Out	0	0	0	0	0	0	0	(3,587)
Interfund Payable	200,000	348,000	1,769,233	4,570,771	202,500	350,000	7,440,504	0
Repayment of Interfund Payable	0	(513,200)	(1,593,004)	(3,598,136)	(216,000)	(227,667)	(6,148,007)	0
Other Non-Operating Expenses	0	0	0	0	0	(1,611)	(1,611)	0
Interest Payments	0	(12,830)	0	0	(5,400)	0	(18,230)	0
Net Cash Provided by (Used for) Noncapital Financing Activities	1,739,698	(176,214)	232,418	993,643	(18,900)	204,239	2,974,884	(3,587)
Cash Flows from Capital and Related Financing Activities								
Capital Grants Received	0	0	0	2,077,811	0	0	2,077,811	0
Acquisition of Capital Assets	(104,389)	(32,181)	(5,212,937)	(4,796,578)	0	(62,164)	(10,208,249)	(17,652)
Gain on Sale of Capital Assets	4,482	0	1,166	1,333	0	0	6,981	0
Principal Payments	(925,124)	0	(390,000)	(561,667)	0	(50,000)	(1,926,791)	0
Interest Payments	(636,389)	0	(468,290)	(493,877)	0	(36,327)	(1,634,883)	0
Net Cash (Used for) Capital and Related Financing Activities	(1,661,420)	(32,181)	(6,070,061)	(3,772,978)	0	(148,491)	(11,685,131)	(17,652)
Cash Flows from Investing Activities								
Interest on Investments	14,013	3,504	14,013	70,063	8,765	0	110,358	0
Net Cash Provided by Investing Activities	14,013	3,504	14,013	70,063	8,765	0	110,358	0
Net Increase (Decrease) in Cash and Cash Equivalents	1,148,106	20,114	(5,437,909)	1,542,962	162,969	166,572	(2,397,186)	(167,904)
Cash and Cash Equivalents Beginning of Year, Restated	224,515	1,484,508	10,928,328	6,280,021	532,816	355,569	19,805,757	1,157,219
Cash and Cash Equivalents End of Year	$1,372,621	$1,504,622	$5,490,419	$7,822,983	$695,785	$522,141	$17,408,571	$989,315

(continued)

The notes to the financial statements are an integral part of this statement.

City of Wadsworth, Ohio
Statement of Cash Flows
Proprietary Funds
For the Year Ended December 31, 2011

	Enterprise Funds							Governmental
	Sewer	Telecom	Water	Electric	Sanitation	Storm Water	Total Enterprise Funds	Activities - Internal Service Funds
Reconciliation of Operating Income (Loss) to Net Cash Provided by (Used for) Operating Activities								
Operating Income (Loss)	$520,627	$13,352	$767,444	$3,015,394	$111,924	($109,409)	$4,319,332	($252,742)
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided by (Used for) Operating Activities								
Depreciation	729,735	236,899	358,199	1,410,281	111,105	227,779	3,073,998	8,392
(Increase) Decrease in Operating Assets:								
Accounts Receivable	(67,383)	(43,062)	1,974	(249,696)	(21,222)	(5,303)	(384,692)	(2,562)
Prepaid Items	506	(16)	(13)	(49)	(36)	0	392	0
Materials and Supplies Inventory	(16,314)	0	(3,192)	78,532	0	0	59,026	(91,120)
Increase (Decrease) in Operating Liabilities:								
Accounts Payable	77	20,983	(689,201)	47,204	0	(1,570)	(622,507)	58,186
Accrued Wages and Benefits	(607)	548	639	(46)	(935)	21	(380)	1,358
Compensated Absences Payable	(97,322)	11,384	(25,436)	6,243	(33,808)	893	(138,046)	15,888
Intergovernmental Payable	(13,504)	(15,083)	(24,693)	(55,629)	6,076	(1,587)	(104,420)	(11,128)
Claims Payable	0	0	0	0	0	0	0	127,063
Total Adjustments	535,188	211,653	(381,723)	1,236,840	61,180	220,233	1,883,371	106,077
Net Cash Provided by (Used for) Operating Activities	$1,055,815	$225,005	$385,721	$4,252,234	$173,104	$110,824	$6,202,703	($146,665)

The notes to the financial statements are an integral part of this statement.

City of Wadsworth, Ohio
Statement of Fiduciary Net Assets
Fiduciary Fund
December 31, 2011

	Agency
Assets	
Equity in Pooled Cash and Cash Equivalents	$98,894
Cash and Cash Equivalents in Segregated Accounts	564,287
Restricted Assets:	
Equity in Pooled Cash and Cash Equivalents	701,712
Total Assets	$1,364,893
Liabilities	
Retainage Payable	$530,485
Undistributed Monies	132,696
Payable From Restricted Assets:	
Refundable Deposits	701,712
Total Liabilities	$1,364,893

The notes to the financial statements are an integral part of this statement.

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NOTE 1 – DESCRIPTION OF THE CITY AND REPORTING ENTITY

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.

For financial reporting purposes, the City's basic financial statements include all funds, agencies, boards, commissions and departments for which the City is financially accountable. Financial accountability, as defined by the Governmental Accounting Standards Board (GASB)'s Statement No. 14, "The Financial Reporting Entity," exists if the City appoints a voting majority of an organization's governing board and is either able to impose its will on that organization or there is a potential for the organization to provide specific financial benefits to, or impose specific burdens on, the City. The City may also be financially accountable for governmental organizations with a separately elected governing board, a governing board appointed by another government, or a jointly appointed board that is fiscally dependent on the City. The City also took into consideration other organizations for which the nature and significance of their relationship with the City are such that exclusion would cause the City's basic financial statements to be misleading or incomplete.

The City provides various services and consists of many different activities and smaller accounting entities. These include 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.

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 21 and 22.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the City have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The City also applies Financial Accounting Standards Board (FASB) Statements and Interpretations issued on or before November 30, 1989, to its business-type activities and proprietary funds provided they do not conflict with or contradict GASB pronouncements. The City has elected not to apply FASB statements and interpretations issued after November 30, 1989. The more 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 Assets and a Statement of Activities, and fund financial statements which provide a more detailed level of financial information.

Government-wide Financial Statements

The Statement of Net Assets 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 Assets 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 charter of the City of Wadsworth and/or the general laws of Ohio.

Income Tax Fund – The Income Tax Fund, a special revenue fund, accounts for all revenues and expenses relative to the collection of income tax.

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 assets, 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, an enterprise fund, accounts for the provision of sanitary sewer service to the residents and commercial users located within the City and surrounding townships.

Water Fund - The Water Fund, an enterprise 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, an enterprise fund, accounts for the cost of operating the municipally-owned electric utility and the related revenue from charges for services.

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

Sanitation Fund - The Sanitation Fund, an enterprise 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, an enterprise 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 assets and changes in net assets. The Fiduciary fund category is split into four classifications: pension trust funds, investment trust funds, private-purpose trust funds and agency funds. Trust funds are used to account for assets held by the City under a trust agreement for individuals, private organizations, or other governments and are therefore not available to support the City's own programs. The City does not have trust funds. The 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.

C. Measurement Focus

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 Assets.

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 Assets. The Statement of Revenues, Expenses and Changes in Fund Net Assets presents increases (i.e., revenues) and decreases (i.e., expenses) in total net assets. 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.

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 8). Revenue from grants, entitlements and donations is recognized in the year in which all eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the year when the resources are required to be used or the year when use is first permitted, matching requirements, in which the City must provide local resources to be used for a specified purpose, and expenditure requirements, in which the resources are provided to the City on a reimbursement basis. On a modified accrual basis, revenue from 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, state-levied locally shared taxes (including gasoline tax), fines and forfeitures, interest, tuition, grants, fees and rentals.

Deferred Revenue/Unearned Revenue

Deferred revenue and unearned revenue arise when assets are recognized before revenue recognition criteria have been satisfied.

Property taxes for which there is an enforceable legal claim as of December 31, 2011, but which were levied to finance year 2012 operations, and other revenues received in advance of the fiscal year for which they are intended to finance, have been recorded as unearned revenue. 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, 2011, are recorded as deferred revenue.

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

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.

E. Budgetaries

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. All funds are legally required to be budgeted and appropriated. The legal level of budgetary control is at the fund, department and object level (personal and other). Any budgetary modifications at this level may only be made by an ordinance of the City Council.

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

Estimated Resources The County Budget Commission determines if the budget substantiates a need to levy all or part of previously authorized taxes and reviews estimated revenue. The Commission certifies its actions to the City by September 1. As part of this certification, the City receives the official Certificate of Estimated Resources, which states the projected revenue of each fund. Prior to December 31, the City must revise its budget so that the total contemplated expenditures from any fund during the ensuing year will not exceed the amount available as stated in the Certificate of Estimated Resources. The revised budget then serves as the basis for the Annual Appropriation Ordinance. On or about January 1, the Certificate of Estimated Resources is amended to include unencumbered fund balances at December 31 of the preceding year. The Certificate may be further amended during the year if the Auditor determines, and the Budget Commission agrees, that an estimate needs to be either increased or decreased. The amounts reported on the budgetary statements reflect the amounts in the final amended official Certificate of Estimated Resources issued during 2011.

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 statements of budgetary comparisons represent the final appropriation amounts, including all amendments and modifications.

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

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

F. Cash, Cash Equivalents and Investments

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

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

The City has invested funds in the State Treasury Asset Reserve of Ohio (STAR Ohio) and Government National Mortgage Association (GNMA).

Following Ohio statutes, the City has, by ordinance, specified the funds to receive an allocation of interest earnings. During the year 2011, interest revenue credited to the General, Streets, EMS, Electric, and Sanitation Funds amounted to $150,234, $12,262, $12,262, $70,063, and $8,765 which include $114,165, $6,712, $308, $11,995, and $4,531, respectively, 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 assets, except for any net residual amounts due between governmental and business-type activities, which are presented as internal balances.

H. Inventory

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

I. Prepaid Items

Payments made to vendors for services that will benefit periods beyond December 31, 2011, 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 Assets 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 Assets 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, 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

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 "Matured 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, capital leases and long-term loans 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 category includes amounts that cannot be spent because they are not in spendable form, or legally or contractually required to be maintained intact. The "not in spendable form" criterion includes items that are not expected to be converted to cash. It also includes the long-term amount of loans receivable, as well as property acquired for resale, unless the use of the proceeds from the collection of those receivables or from the sale of those properties is restricted, committed, or assigned.

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

Enabling legislation authorizes the City to assess, levy, charge, or otherwise mandate payment of resources (from external resource providers) and includes a legally enforceable requirement that those resources be used only for the specific purposes stipulated in the legislation. Legal enforceability means that the City can be compelled by an external party, such as citizens, public interest groups, or the judiciary to use resources created by enabling legislation only for the purposes specified by the legislation.

Committed The committed fund balance classification includes amounts that can be used only for the specific purposes imposed by a formal action (ordinance or resolution) of City Council. 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 or resolution) it employed to previously commit those amounts. In contrast to fund balance that is restricted by enabling legislation, committed fund balance classification may be redeployed for other purposes with appropriate due process. Constraints imposed on the use of committed amounts are imposed by City Council, separate from the authorization to raise the underlying revenue; therefore, compliance with these constraints is not considered to be legally enforceable. Committed fund balance also incorporates contractual obligations to the extent that existing resources in the fund have been specifically committed for use in satisfying those contractual requirements.

Assigned Amounts in the assigned fund balance classification are intended to be used by the City for specific purposes but do not meet the criteria to be classified as restricted or committed. In governmental funds other than the general fund, assigned fund balance represents the remaining amount that is not restricted or committed. In the general fund, assigned amounts represent intended uses established by City Council or a City official delegated that authority by City Charter or ordinance.

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

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

N. Net Assets

Net assets represent the difference between assets and liabilities. Net assets invested in capital assets, net of related debt 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. Net assets are reported as restricted when there are limitations imposed on their use either through the enabling legislation adopted by the City or through external restrictions imposed by 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 assets are available.

O. Operating Revenues and Expenses

Operating revenues are those revenues that are generated directly from the primary activity of the Proprietary funds. For the City, these revenues include charges for services for sewer, telecom, water, electric, sanitation, and storm water services. Operating expenses are necessary costs incurred to provide the good or service that are the primary activity of the fund. Revenues and expenses not meeting those definitions are reported as non-operating.

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. Neither type of transaction occurred during 2011.

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 – CHANGES IN ACCOUNTING PRINCIPLES

For fiscal year 2011, the City has implemented GASB Statement No. 54, "Fund Balance Reporting and Governmental Fund Type Definitions", and GASB Statement No. 59, "Financial Instruments Omnibus".

GASB Statement No. 54 enhances the usefulness of fund balance information by providing clearer fund balance classifications that can be more consistently applied and by clarifying the existing governmental fund type definitions. The implementation of this statement resulted in the reclassification and restatement of the City's financial statements.

GASB Statement No. 59 updates and improves existing standards regarding financial reporting and disclosure requirements of certain financial instruments and external investment pools. The implementation of GASB 59 had no material effect on the financial statements of the City.

Restatement of Fund Balance

During 2011, it was determined that the implementation of GASB Statement No. 54, along with the City's review of fund classifications, had the following effect on the fund balances of the major and nonmajor funds, and net assets as they were previously reported:

Governmental Fund Basis:

	General	Income Tax	Other Governmental Funds	Total Governmental Funds
Fund Balance at December 31, 2010	$4,955,806	$3,322,727	$12,691,679	$20,970,212
Change in Fund Structure	406,292	0	(673,337)	(267,045)
Adjusted Fund Balance at December 31, 2010	$5,362,098	$3,322,727	$12,018,342	$20,703,167

Proprietary Fund Basis:

	Enterprise Funds
Net Assets at December 31, 2010	$52,472,582
Change in Fund Structure	13,049,229
Adjusted Net Assets at December 31, 2010	$65,521,811

	Entity-Wide Basis:		
	Governmental Activities	Business-Type Activities	Total
Net Assets at December 31, 2010	$57,856,633	$52,745,618	$110,602,251
Change in Fund Structure	(13,049,229)	13,049,229	0
Adjusted Net Assets at December 31, 2010	$44,807,404	$65,794,847	$110,602,251

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

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

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 a part of restricted, committed, or assigned of fund balance (GAAP).

4. Unreported cash represents amounts received but not included as revenue on the budget basis operating statements. These amounts are included as revenue on the GAAP basis operating statement.

5. Advances-in and advances-out are operating transactions (budget) as opposed to balance sheet transactions (GAAP).

6. Some funds included in the General Fund (GAAP basis), but have separate legally adopted budgets (budget basis).

The following table summarizes the adjustments necessary to reconcile the GAAP basis statements to the budgetary basis statements for the General Fund and Income Tax Fund.

Net Changes in Fund Balance

	General Fund	Income Tax
GAAP Basis	$702,592	($206,565)
Net Adjustment for Revenue Accruals	244,275	18,499
Net Adjustment for Expenditure Accruals	(502,755)	(8,353)
Funds with Separate Legally Adopted Budgets	2,674	0
Encumbrances	(553,924)	(3,609)
Budget Basis	($107,138)	($200,028)

NOTE 5 – ACCOUNTABILITY AND COMPLIANCE

A. Deficit Fund Balances

The following funds had a deficit in fund balance at December 31, 2011:

Fund	Deficit
Special Revenue Fund:	
Neighborhood Stabilization Program Grant	($2,499)
Community Housing Improvement Program Grants	($11,697)
Capital Projects Funds:	
Airport Improvements	($156,981)
Special Assessment	($169,273)

Those 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 should be eliminated by future intergovernmental and/or special assessments revenues not recognized under GAAP at December 31.

NOTE 6 - DEPOSITS AND INVESTMENTS

Deposits and investments are restricted by provisions of the Ohio Revised Code. State statutes classify monies held by the City into three categories:

1. 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.

2. Inactive deposits are public deposits that Council has identified as not required for use within the current two-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.

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

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

Interim monies may be 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 or interest by the United States;

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

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

7. No-load money market mutual funds consisting exclusively of obligations described in division (1) or (2) of this section and repurchase agreements secured by such obligations, provided that investments in securities described in this division are made only through eligible institutions;

8. The State Treasurer's investment pool (STAR Ohio); and

7. Banker's Acceptances and Commercial Paper notes, each with a maturity not exceeding 180 days. Commercial Paper must be rated at the time of purchase in the highest classification by at least two (2) nationally recognized rating services. The combined total of Banker's Acceptances and Commercial Paper will not exceed 25% of the total portfolio at the time of purchase.

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. The City has not purchased these types of investments or issued these types of notes. 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.

Payment for investments may be made only upon delivery of the securities representing the investments to the treasurer or qualified trustee or, if the securities are not represented by a certificate, upon receipt of confirmation of transfer from the custodian.

The following information classifies deposits and investments by categories of risk as defined in GASB Statement No. 3 "Deposits with Financial Institutions, Investments (Including Repurchase Agreements) and Reverse Repurchase Agreements".

Deposits

Custodial credit risk is the risk that, in the event of bank failure, the City's deposits may not be returned. According to state law, public depositories must give security for all public funds on deposit in excess of those funds that are insured by the Federal Deposit Insurance Corporation (FDIC) or by any other agency or instrumentality of the federal government. These institutions may either specifically collateralize individual accounts in lieu of amounts insured by the FDIC, or may pledge a pool of government securities valued at least 105% of the total value of public monies on deposit at the institution.

At December 31, 2011, of the City's bank balance of $31,312,789, $15,481,972 was covered by FDIC and $15,830,817 was held in collateral pools with no specifications for whom such funds are held.

Investments

As of December 31, 2011, the City had the following investments and maturities:

		Investment Maturity in Years	
Investment Type	Fair Value	Less Than One Year	More Than One Year
STAR Ohio	$5,253,553	$5,253,553	$0
Government National Mortgage Association	2,061	0	2,061
Total	$5,255,614	$5,253,553	$2,061

Interest Rate Risk: The Ohio Revised Code generally limits security purchases to those that mature within five years of the settlement date. According to the City's policy, investments made by the Treasurer must mature within five years from the date of purchase with an average weighted maturity not to exceed two years.

Credit Risk: Credit risk is the risk that an issuer or other counter-party to an investment will not fulfill its obligations. Investments had the following ratings by Standard & Poors.

STAR Ohio	AAAm

Custodial Credit Risk: Custodial credit risk is the risk that, in the event of the failure of the counter-party, the City will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The Government National Mortgage Association is exposed to custodial credit risk in that they are uninsured, unregistered and held by the counter-party's trust department or agent but not in the City's name. The City has no investment policy dealing with investment custodial credit risk beyond the requirement in State Statute that prohibits payment for investments prior to the delivery of the securities representing such investments to the treasurer or qualified trustee.

Concentration of Credit Risk is the possibility of loss attributed to the magnitude of the City's investment in a single issuer. All of the City's investments are in STAR Ohio and Government National Mortgage Association. These investments are 99.96% and 0.04% respectively, of the City's total investments. The City's policy places no limit on the amount that may be invested in any one issuer.

STAR Ohio is an investment pool managed by the State Treasurer's Office that 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 consisted with Rule 2a7 of the Investment Company Act of 1940. Investments in STAR Ohio are valued at STAR Ohio's share price that is the price the investment could be sold for on December 31, 2011.

NOTE 7 - RECEIVABLES

Receivables at December 31, 2011, 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 8 - PROPERTY TAXES

Property taxes include amounts levied against all real, public utility, and tangible personal property located in the City. Property tax revenue received during 2011 for real and public utility property taxes represents collections of the 2010 taxes. Property tax payments received during 2011 for tangible personal property (other than public utility property) are for 2011 taxes.

2011 real property taxes are levied after October 1, 2011, on the assessed value as of January 1, 2011, the lien date. Assessed values are established by State law at 35% of appraised market value. 2011 real property taxes are collected in and intended to finance 2012 operations.

Public utility tangible personal property currently is assessed at varying percentages of true value; public utility real property is assessed at 35% of true value. 2011 public utility property taxes became a lien December 31, 2010, are levied after October 1, 2011, and are collected in 2012 with real property taxes.

Tangible personal property tax on business inventory, manufacturing machinery and equipment, and furniture and fixtures is no longer levied and collected. Tangible personal property tax collections in calendar year 2011 represent delinquent collections.

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 general business and railroad property was eliminated by calendar year 2009, and the tax on telephone and telecommunications property will be eliminated by calendar year 2011. 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 2009-2010, the City will be fully reimbursed for the lost revenue. In calendar years 2011-2017, the reimbursements will be phased out.

The full tax rate for all City operations for the year ended December 31, 2011, was $5.80 per $1,000 of assessed value. The assessed values of real and tangible personal property upon which 2011 property tax receipts were based are as follows:

	Total Assessed Value	%
Real Property Valuation:		
Residential/Agriculture	$360,319,920	77.30%
Commercial/Industrial/Mineral	105,162,410	22.56%
Public Utilities	12,550	0.01%
Tangible Personal Property Valuation:		
Public Utilities	615,470	0.13%
Total Valuation	$466,110,350	100.00%

Real property taxes are payable annually or semi-annually. If paid annually, the 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.

Tangible personal property taxes paid by multi-county taxpayers are due September 20. Single county taxpayers may pay annually or semi-annually. If paid annually, payment is due April 30; if paid semi-annually, the first payment is due April 30; with the remainder payable by September 20.

NOTE 9 - INCOME TAX

The City levies and collects an income tax of 1.3% on all income earned within the City as well as on incomes of residents earned outside the City. In the latter case, the City allows a credit for the tax paid to another municipality to offset up to 1.0% of the total rate. Residents are required to remit the remaining 0.3% to the City's tax collection agency. Employers within the City are required to withhold income tax on employee earnings and remit the tax to the City at least quarterly. Withheld income taxes and other various income tax collections for 2011 received 60 days after year-end have been recognized as revenue in 2011.

Corporations and other individual taxpayers are also billed for their estimated taxes quarterly. They must pay at least 90% by January 31st and must file a final return annually.

Income tax revenues are distributed, as needed, to the various funds of the City pursuant to Council ordinance. In 2011 income tax revenue was distributed to the following funds: General; Recreation; Street; City Hall Improvement; and General Capital Improvement.

The Voters of the City increased the income tax to 1.4%, effective January 1, 2012.

NOTE 10 - SPECIAL ASSESSMENTS

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

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

NOTE 11 - RISK MANAGEMENT

A. Liability Insurance

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

1. Blanket building and personal property insurance, with a $2,500 deductible and a $44,761,430 limit on buildings and property in the open, $13,664,437 limit on 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.

4. Public officials' liability coverage with a $1,000,000 limit and a $10,000 deductible.

5. Umbrella liability coverage of $5,000,000 per occurrence and aggregate.

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

B. Workers' Compensation

Calendar year 2011 was the last year of the City's transition from a State-funded Workers' Compensation System in which the City paid an annual premium based upon the prior year's gross payroll to a self-insured environment. In 2011, the City paid its last state-funded premium based upon the first ten (10) months of state-funded coverage in 2010. The City became self-insured on November 1, 2010. In addition to the state-fund premium, the City also paid all of the costs associated with claims originating during calendar year 2011.

In 2011, the City obtained specific stop loss coverage of $600,000 for electric utility workers and $450,000 for all other employees.

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

The City's third party administrator (TPA) is Sedgwick Inc.

	Balance at Beginning of Year	Current Year Claims	Claims Payments	Balance at End of Year
2011	$0	$63,918	($63,918)	$0

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 $85,000 with a maximum aggregate of $2,899,627. The aggregate amount is generally calculated on 112.5% 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, 2011, the Departments were assessed per each employee at the rate of $458.08 per individual coverage and $1,133.00 per family coverage. In 2011, employee contributions per bi-weekly pay period were $15.00 for single coverage and $30.00 for family. Health coverage was administered by Medical Mutual of Ohio.

The plan provides comprehensive medical coverage with a $200 deductible per individual and $400 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 $10.00 Tier 1 drugs, $20.00 for Tier 2 drugs and $50.00 for Tier 3 drugs at a retail pharmacy. When prescription medications are ordered as a 90-day supply through the mail order system the co-pays are $10, $25 and $50 respectively.

The claims liability of $435,670 reported in the self-insurance fund at December 31, 2011 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. 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
2010	$206,867	$2,392,213	($2,290,473)	$308,607
2011	$308,607	$2,894,968	($2,767,905)	$435,670

NOTE 12 – CAPITAL ASSETS

The capital asset balances of the governmental activities are as follows:

	Beginning Balance 12/31/2010	Restatements 01/01/2011	Restated Beginning Balance 01/01/2011	Additions	Deletions	Balance 12/31/2011
Governmental Activities						
Capital Assets, Not Being Depreciated:						
Land	$5,819,092	$0	$5,819,092	$15,594	($136,490)	$5,698,196
Construction in Progress	15,865,245	0	15,865,245	0	(59,347)	15,805,898
Total Capital Assets, Not Being Depreciated	21,684,337	0	21,684,337	15,594	(195,837)	21,504,094
Capital Assets, Being Depreciated:						
Land Improvements	1,696,090	0	1,696,090	0	0	1,696,090
Buildings and Improvements	6,963,503	0	6,963,503	42,240	0	7,005,743
Equipment	2,780,047	0	2,780,047	135,133	(25,604)	2,889,576
Vehicles	5,207,548	0	5,207,548	243,114	(212,783)	5,237,879
Infrastructure	35,778,192	(17,409,126)	18,369,066	511,162	(101,447)	18,778,781
Total Capital Assets, Being Depreciated	52,425,380	(17,409,126)	35,016,254	931,649	(339,834)	35,608,069
Less Accumulated Depreciation:						
Land Improvements	(828,545)	0	(828,545)	(50,257)	0	(878,802)
Buildings and Improvements	(2,599,516)	0	(2,599,516)	(179,676)	0	(2,779,192)
Equipment	(1,976,812)	0	(1,976,812)	(141,417)	26,380	(2,091,849)
Vehicles	(3,035,439)	0	(3,035,439)	(305,410)	209,045	(3,131,804)
Infrastructure	(8,982,438)	3,676,626	(5,305,812)	(360,957)	5,071	(5,661,698)
Total Accumulated Depreciation	(17,422,750)	3,676,626	(13,746,124)	(1,037,717) *	240,496	(14,543,345)
Total Capital Assets, Being Depreciated, net	35,002,630	(13,732,500)	21,270,130	(106,068)	(99,338)	21,064,724
Governmental Activities Capital Assets, net	$56,686,967	($13,732,500)	$42,954,467	($90,474)	($295,175)	$42,568,818

The capital asset balances of the business-type activities are as follows:

	Beginning Balance 12/31/2010	Restatements 01/01/2011	Restated Beginning Balance 01/01/2011	Additions	Deletions	Balance 12/31/2011
Business-Type Activities						
Capital Assets, Not Being Depreciated:						
Land	$888,761	$0	$888,761	$51,767	$0	$940,528
Construction in Progress	2,261,314	0	$2,261,314	8,002,452	(96,863)	10,166,903
Infrastructure Work in Progress	1,329,571	0	$1,329,571	1,235,397	(27,076)	2,537,892
Total Capital Assets, Not Being Depreciated	4,479,646	0	4,479,646	9,289,616	(123,939)	13,645,323
Capital Assets, Being Depreciated:						
Land Improvements	7,258	0	7,258	0	0	7,258
Buildings and Improvements	19,873,796	0	19,873,796	0	0	19,873,796
Equipment	10,584,621	0	10,584,621	151,881	(1,861)	10,734,641
Vehicles	4,581,704	0	4,581,704	173,555	(217,905)	4,537,354
Infrastructure	65,576,042	17,409,126	82,985,168	593,197	(776,882)	82,801,483
Total Capital Assets, Being Depreciated	100,623,421	17,409,126	118,032,547	918,633	(996,648)	117,954,532
Less Accumulated Depreciation:						
Land Improvements	(3,267)	0	(3,267)	(362)	0	(3,629)
Buildings and Improvements	(3,809,552)	0	(3,809,552)	(413,364)	0	(4,222,916)
Equipment	(2,310,576)	0	(2,310,576)	(492,822)	2,990	(2,800,408)
Vehicles	(3,374,062)	0	(3,374,062)	(255,903)	220,645	(3,409,320)
Infrastructure	(27,735,762)	(3,676,626)	(31,412,388)	(1,911,547)	393,987	(32,929,948)
Total Accumulated Depreciation	(37,233,219)	(3,676,626)	(40,909,845)	(3,073,998)	617,622	(43,366,221)
Total Capital Assets, Being Depreciated, net	63,390,202	13,732,500	77,122,702	(2,155,365)	(379,026)	74,588,311
Business-Type Activities Capital Assets, net	$67,869,848	$13,732,500	$81,602,348	$7,134,251	($502,965)	$88,233,634

*Depreciation expense was charged to governmental functions as follows:

General Government	$208,052
Security of Persons and Property	260,998
Transportation	461,690
Leisure Time Activities	106,977
Total Depreciation Expense	$1,037,717

NOTE 13 - DEFINED BENEFIT PENSION PLANS

A. Public Employees Retirement System

All employees of the City, with the exclusion of City police officers and firefighters, participate in the Ohio Public Employees Retirement System (OPERS), which administers three separate pension plans as described below:

1. The Traditional Pension Plan (TP) – a cost-sharing multiple-employer defined benefit pension plan.

2. The Member-Directed Plan (MD) – 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 member and (vested) employer contributions plus any investment earnings.

3. The Combined Plan (CO) – a cost-sharing multiple-employer defined benefit pension plan. Under the Combined Plan, OPERS invests employer contributions to provide a formula retirement benefit similar in nature to, but less than, the Traditional Pension Plan benefit. Member contributions, the investment of which is self-directed by the members, accumulate retirement assets in a manner similar to the Member-Directed Plan.

OPERS provides retirement, disability, survivor and death benefits and annual cost-of-living adjustments to members of the Traditional Pension and 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. The OPERS issues a stand-alone financial report. Interested parties may obtain a copy by writing to OPERS, 277 East Town Street, Columbus, Ohio 43215-4642 or by calling (614) 222-5601 or (800) 222-7377.

The Ohio Revised Code provides statutory authority for member and employer contributions. For 2011, member and employer contribution rates were consistent across all three plans. While members in the state and local division may participate in all three plans, law enforcement and public safety divisions exist only within the Traditional Pension Plan.

The 2011 member contributions rates were 10.0% for members in state and local classifications. Public safety and law enforcement members contributed 11.0 and 11.6% respectively.

The 2011 employer contribution rate for state and local employers was 14.00% of covered payroll, of which 10% was allocated to pension benefits. For both law enforcement and public safety divisions, the employer contribution rate was 18.10% of covered payroll, of which 14.1% was allocated to pension benefits.

The City's contributions for pension obligations to the OPERS for the years ending December 31, 2011, 2010, and 2009 were $918,519, $850,973, and $833,367, respectively, equal to the required contributions for 2010 and 2009. 91.48% has been contributed for 2011.

B. Ohio Police and Fire Pension Fund

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 pension benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. Benefit provisions are established by the Ohio State Legislature and are codified in Chapter 742 of the Ohio Revised Code. OP&F issues a publicly available financial report that includes financial information and required supplementary information for the plan. That report may be obtained by writing to OP&F, 140 East Town Street, Columbus, Ohio 43215-5164.

Plan members are required to contribute 10.0% of their annual covered salary, while employers are required to contribute 19.5% and 24.0%, respectively, for police officers and firefighters of which, 12.75% for police and 17.25% for fire, was used to fund pension obligations. The City's contributions to the fund for police and firefighters was $250,581 and $94,982 for the year ended December 31, 2011, $233,158 and $98,973 for the year ended December 31, 2010, and $223,249 and $92,431 for the year ended December 31, 2009. The full amount has been contributed for 2010 and 2009. 69.68% for police and 73.00% for fire has been contributed for 2011.

C. Social Security System

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 (OPERS). The City's share of the contribution is 6.2% of the gross wage.

NOTE 14 – POST EMPLOYMENT BENEFITS

A. Public Employees Retirement System

Ohio Public Employees Retirement System (OPERS) administers three separate pension plans: the Traditional Pension Plan (TP) – a cost-sharing multiple-employer defined benefit pension plan; the Member-Directed Plan (MD) – a defined contribution plan; and the Combined Plan (CO) – a cost-sharing multiple-employer defined benefit pension plan that has elements of both a defined benefit and defined contribution plan.

OPERS maintains a cost-sharing multiple employer defined benefit post-employment 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.

In order to qualify for postretirement health care coverage, age-and-service retirees under the Traditional Pension and Combined Plans must have 10 or more years of qualifying Ohio service credit. Health care coverage for disability benefit recipients and qualified survivor benefit recipients is available. The health care coverage provided by OPERS meets the definition of an Other Post-Employment Benefit (OPEB) as described in GASB Statement No. 45.

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. OPERS issues a stand-alone financial report. Interested parties may obtain a copy by writing to OPERS at 277 East Town Street, Columbus, Oh 43215-4642 or calling 614-222-5601 or 1-800-222-7377.

The Ohio Revised Code provides the statutory authority requiring public employers to fund post retirement health care through their contributions to OPERS. A portion of each employer's contribution to the OPERS is set aside for the funding of post-retirement health care benefits. Employer contribution rates are expressed as a percentage of the covered payroll of active members. In 2011, state and local employers contributed at a rate of 14.00% of covered payroll, and public safety and law enforcement employers contributed at 18.10%. These are the maximum employer contribution rates permitted by the Ohio Revised Code. Active members do not make contributions to the OPEB Plan.

OPERS' Post Employment Health Care plan was established under, and is administrated in accordance with, Internal Revenue Code 401(h). Each year, the OPERS Board of Trustees determines the portion of the employer contribution rate that will be set aside for funding post employment health care benefits. The portion of employer contributions allocated to health care was 4.0% during calendar year 2011. The portion of employer contributions allocated to health care for members in the Combined Plan was 6.05% during calendar year 2011. The portion of employer contributions allocated to health care for the calendar year beginning January 1, 2012 remained the same, but they are subject to change based on Board action. Employers will be notified if the portion allocated to health care changes during calendar year 2012. The OPERS Board of Trustees is also authorized to establish rules for the retiree, or their surviving beneficiaries, to pay a portion of covered dependents and the coverage selected.

The City's actual contributions for 2011 which were used to fund post-employment benefits were $367,408 for calendar year 2011, which were 91.48% of required contributions. City contributions for 2010 and 2009 were $486,270 and $602,589, respectively, equal to required contributions.

The Health Care Preservation Plan (HCPP) adopted by the OPERS Retirement Board on September 9, 2004, was effective January 1, 2007. Member and employer contribution rates for state and local employers increased on January 1 of each year from 2006 to 2008. Rates for law and public safety employers increased over a six year period beginning on January 1, 2006, with a final rate increase on January 1, 2011. These rate increases allowed additional funds to be allocated to the health care plan.

B. Ohio Police and Fire Pension Fund

The City contributes to the Ohio Police and Fire Pension Fund (OP&F) 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-retirement 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 health care coverage provided by OP&F meets the definition of an Other Post Employment Benefit (OPEB) as described in GASB Statement 45.

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

OP&F issues a publicly available financial report that includes financial information and required supplementary information for the Plan. That report may be obtained by writing to OP&F, 140 East Town Street, Columbus, Ohio 43215-5164.

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, 19.5% and 24.0% of covered payroll for police and fire employers, respectively. The Ohio Revised Code states that the employer contribution may not exceed 19.5% of covered payroll for police employer units and 24.0% 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 for health care benefits under an IRS Code Section 115 trust and one for Medicare Part B reimbursements administrated as an Internal Revenue Code 401(h) account, both of which are within the defined benefit pension plan, under the authority granted by the Ohio Revised Code to the 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 to 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, 2011, 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 pension benefits are adequately funded and is limited by the provision 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.

The City's contributions allocated to the OP&F healthcare plan for police and fire were $132,687 and $37,158, respectively, for the year ending December 31, 2011, $123,461 and $38,680 for the year ended December 31, 2010, and $118,215 and $36,160 for the year ended December 31, 2009. Actual contributions were 69.68% for police and 73.00% in 2011 and 100% in 2010 and 2009 of required contributions.

NOTE 15 - COMPENSATED ABSENCES

City employees earn vacation and sick leave at varying rates depending on length of service and department policy. All accumulated, unused vacation time is paid upon separation if the employee has acquired at least one year of service with the City. Accumulated, unused sick leave is paid to a retiring employee up to a maximum of 160 days. As of December 31, 2011, the City's liability for compensated absences was $3,091,273 for governmental activities and $1,839,660 for business-type activities.

NOTE 16 – 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, 2024
2010 Revenue Bonds	2.00%-4.50%	$18,290,000	December 1, 2038
Business-Type Activities:			
1000 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

Long-term liability activity for the year ended December 31, 2011 was as follows:

Governmental Activities:	**Restated Beginning Balance**	**Additions**	**Deletions**	**Ending Balance**	**Amount Due In One Year**
Recreation 2009 Series					
General Obligation Bond	$70,000	$0	($15,000)	$55,000	$15,000
Plus Deferred Amounts:					
Unamortized Premium on Bonds	1,163	0	(291)	872	290
Dispatch 2009 Series					
General Obligation Bond	85,000	0	(20,000)	65,000	20,000
Plus Deferred Amounts:					
Unamortized Premium on Bonds	1,428	0	(357)	1,071	357
Streets 2009 Series					
General Obligation Bond	665,000	0	(160,000)	505,000	165,000
Plus Deferred Amounts:					
Unamortized Premium on Bonds	11,159	0	(2,790)	8,369	2,790
1968 Liability for Police Past Service Cost	94,304	0	(2,254)	92,050	2,341
Community Center Revenue Bond	18,290,000	0	0	18,290,000	425,000
Minus Deferred Amounts:					
Unamortized Discount on Bonds	(103,548)	0	0	(103,548)	(3,835)
Total Long-Term Debt	19,114,506	0	(200,692)	18,913,814	626,943
Compensated Absences	3,063,063	514,472	(486,262)	3,091,273	505,261
Governmental Activities- Long Term Liabilities	$22,177,569	$514,472	($686,954)	$22,005,087	$1,132,204

Business-Type Activities:	**Restated Beginning Balance**	**Additions**	**Deletions**	**Ending Balance**	**Amount Due In One Year**
Stormwater 2009 Series					
General Obligation Bond	$945,000	$0	($50,000)	$895,000	$65,000
Plus Deferred Amounts:					
Unamortized Premium on Bonds	14,966	0	(1,070)	13,896	1,066
2000 American Municipal Power-					
Ohio Revenue Bonds	7,669,583	0	(531,667)	7,137,916	555,000
Plus Deferred Amounts:					
Unamortized Premium on Bonds	43,591	0	(3,633)	39,958	3,632
Water 2009 Series					
General Obligation Bond	1,435,000	0	(85,000)	1,350,000	85,000
Plus Deferred Amounts:					
Unamortized Premium on Bonds	22,737	0	(1,624)	21,113	1,624
Electric 2009 Series					
General Obligation Bond	310,000	0	(30,000)	280,000	30,000
Plus Deferred Amounts:					
Unamortized Premium on Bonds	4,958	0	(552)	4,406	551
2010 Water system Improvements					
General Obligation Bond	9,420,000	0	(305,000)	9,115,000	340,000
Plus Deferred Amounts:					
Unamortized Premium on Bonds	18,743	0	(853)	17,890	852
OWDA Loan	20,429,684	0	(925,124)	19,504,560	925,124
Total Long-Term Debt	40,314,262	0	(1,934,523)	38,379,739	2,007,849
Compensated Absences	1,977,706	137,912	(275,958)	1,839,660	262,027
Business-Type-					
Long Term Liabilities	$42,291,968	$137,912	($2,210,481)	$40,219,399	$2,269,876

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 storm water drainage and management facilities ($385,000). These bonds are to be paid by storm water revenues, water revenues, electric revenues, hotel/motel tax, income tax, and ad valorem property taxes.

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, which payment is secured by a pledge of the income tax revenues. The debt service on these bonds does not start until 2012.

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

2. Providing funds for additional improvements to the telecommunications system;

3. Fund a debt service reserve fund; and

4. Pay the costs of issuance of the 2003 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 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.

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.

Compensated absences will be paid from general operating revenues of the fund from which the employees' salaries are paid.

The annual requirements to amortize all long-term debt outstanding as of December 31, 2011, are as follows:

	GOVERNMENTAL ACTIVITIES					
Year Ending December 31,	Police Past Service Cost		General Obligation		Revenue Bonds	
	Principal	Interest	Principal	Interest	Principal	Interest
2012	$2,341	$3,887	$200,000	$14,100	$425,000	$724,838
2013	2,452	3,786	210,000	10,100	430,000	716,338
2014	2,557	3,681	215,000	5,375	450,000	707,738
2015	2,667	3,571	0	0	450,000	697,613
2016	2,782	3,456	0	0	460,000	686,363
2017-2021	15,807	15,383	0	0	2,540,000	3,205,351
2022-2026	19,506	11,684	0	0	3,045,000	2,688,900
2027-2031	24,072	7,118	0	0	3,710,000	2,018,705
2032-2036	19,866	1,704	0	0	4,625,000	1,127,250
2037-2041	0	0	0	0	2,155,000	146,475
Total	$92,050	$54,270	$625,000	$29,575	$18,290,000	$12,719,571

	BUSINESS-TYPE ACTIVITIES			
Year Ending December 31,	General Obligation		Revenue Bonds	
	Principal	Interest	Principal	Interest
2012	$520,000	$493,063	$555,000	$347,656
2013	530,000	482,663	585,000	317,731
2014	530,000	471,614	615,000	286,231
2015	555,000	459,709	650,000	253,025
2016	560,000	445,652	685,000	217,981
2017-2021	2,910,000	1,952,019	4,047,916	519,250
2022-2026	2,815,000	1,325,762	0	0
2027-2031	2,630,000	636,430	0	0
2032-2036	590,000	34,043	0	0
Total	$11,640,000	$6,300,955	$7,137,916	$1,941,874

NOTE 17 – CONSTRUCTION COMMITTMENTS

Chippewa Creek Water Main and Well – This project involved the construction of 38,000 lineal feet of 20" ductile iron water main and the construction of a water supply well. The project was awarded in 5 contracts in October of 2010 for a total value of $4,100,000. The contracts included the well construction, well electric, and 3 contracts for different portions of the water main. As of May 30, 2012, the water main and well construction was complete. The water transmission main is in the process of testing and the project is anticipated operational in July, 2012.

Northeast Water Tower – The construction of a one million gallon water storage tank was awarded to Chicago Bridge and Iron on July 3, 2010 for $1,812,400. The tower construction is complete as of May 30, 2012. Final painting and tower in service is anticipated in June 2012.

Automated Metering Project – This project includes the replacement of 12,500 electric meters and 8,500 water meters to enable automation in the meter reading process. The project also included the construction of a communications network to enable automated metering and the installation of appropriate hardware and software and associated professional services. A contract was awarded to Itron, Inc. on June 7, 2010 in the amount of $5,462,164 for the electric meters and professional services associated with the project. Currently, 99% of the planned water meters, 100% of the electric meters and 100% of the network components have been installed per the project plan. All functional hardware and software systems for the project are complete and operational.

Community Center Project – The City of Wadsworth signed a use management and lease agreement with Wadsworth City Schools on January 4, 2010 and provided $15,265,690 in funding for construction of a community center associated with the construction of a new high school for the district. The community center building is now under construction, estimated occupancy on December 1, 2012.

NOTE 18 - CONTINGENT LIABILITIES

On November 1, 2007, the City executed a take-or pay contract as a 4.49% member to participate in the American Municipal Power Generating Station Project (AMPGSP). The project was to be a 1,000 MW base load, clean-coal technology plant scheduled to go on-line in 2014. The estimated cost of the project was $3 billion. However, the project's estimated capital costs increased by 37% and the engineer, procure and construct contractor could not guarantee that the costs would not continue to escalate. Therefore, the project was terminated on November 24, 2009. The total stranded costs for the project amount to $121,429,424. As a member, the City is contractually obligated to pay a prorated share of any costs incurred for the project, based on its membership percentage. American Municipal Power (AMP) has provided the City with an exposure of $0 to $5,667,189 as its potential stranded cost obligations. In addition, because City is a participant in the AMP Fremont Energy Center Project it has received a $1,336,970 credit to reduce its share of AMPGS potential stranded costs.

Furthermore, recoveries are available that would reduce the liability of the members. One such recovery is any dollar amount recovered through the pending lawsuit AMP has brought against the engineer, procure and construct contractor. Second, there are significant assets of land and permits associated with the AMPGS site which AMP is holding for future use. When those assets are sold or otherwise utilized, the resulting amounts would be used to reduce any remaining obligations of the participants, pro rata. The current value of these assets has not been ascertained.

It is the opinion of management and their legal counsel that the above amount is an estimated maximum exposure, not an estimate of what management believes to be a reasonable estimate of a final amount. In addition, AMP and the City are unable to estimate the ultimate liability due to the current factors and a pending law suit. Therefore, the City has not booked a liability or expense. Booking an operating expense over $1,144,934 in 2011 would have caused the City to violate its debt covenants.

If future events require the government to pay these stranded costs, they will be paid from accumulated earnings without adjusting rates.

Several claims and lawsuits are pending against the City. It is management's opinion that the ultimate liability will be covered by insurance, and/or will not have a material effect on these basic financial statements.

Also, the City has received federal and state grants for specific purposes that are subject to review and audit by the grantor agencies or their designee. These audits could lead to a request for reimbursement to the grantor agency for expenditures disallowed under the terms of the grant. Based on prior experience, City management believes such disallowances, if any, will not be significant.

NOTE 19 – INTERFUND TRANSACTIONS

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

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

Following is a detail of Interfund Notes Receivable/Payable, by debt issue, during 2011:

	Restated Balance 1/1/2011	Additions	Deletions	Balance 12/31/2011
Governmental Activities:				
Non-major Governmental Funds				
2005 Akron Road Improvements				
Issue; 11/05, maturity 11/13, rate 2.50%	$646,400	$366,400	($646,400)	$366,400
Airport Improvements				
Issue 11/06, maturity 11/21 rate 2.50%	340,000	300,000	(340,000)	300,000
Total Governmental Activities	$986,400	$666,400	($986,400)	$666,400

	Restated Balance 1/1/2011	Additions	Deletions	Balance 12/31/2011
Business-Type Activities:				
Water Fund				
2004 Rogues Hollow Well				
Issue: 11/04, maturity 11/24, rate 2.50%	$1,125,500	$1,069,225	($1,125,500)	$1,069,225
2009 Water Tank Maintenance				
Issue: 11/09, maturity 11/19, rate 2.50%	135,004	120,008	(135,004)	120,008
2009 Water System Improvement				
Issue; 11/09, maturity 11/29, rate 2.50%	332,500	315,000	(332,500)	315,000
2011 Water Distribution Improvements				
Issue: 11/11, maturity 11/31, rate 2.50%	0	265,000	0	265,000
Total Water	$1,593,004	$1,769,233	($1,593,004)	$1,769,233

	Balance 1/1/2011	Additions	Deletions	Balance 12/31/2011
Electric Fund				
2006 Broadband Communications				
Issue: 11/06, maturity 11/11, rate 2.50%	$58,000	$29,000	($58,000)	$29,000
2006 Valleyview Sub Improvements				
Issue: 11/06, maturity 11/27, rate 2.50%	227,375	214,000	(227,375)	214,000
2007 Subs/Dist/Meters				
Issue: 11/06, maturity 11/27, rate 2.50%	655,761	617,187	(655,761)	617,187
2008 Electric Capital Improvements				
Issue: 11/08, maturity 11/28, rate 2.50%	706,500	667,250	(706,500)	667,250
2009 Electric Capital Improvements				
Issue: 11/09, maturity 11/21, rate 2.50%	560,500	531,000	(560,500)	531,000
2010 Electric Capital Improvements				
Issue: 11/10, maturity: 11/25, rate 2.50%	1,390,000	1,297,333	(1,390,000)	1,297,333
2011 Electric Capital Improvements				
Issue: 11/11, maturity: 11/31, rate 2.50%	0	1,215,000	0	1,215,000
Total Electric	$3,598,136	$4,570,770	($3,598,136)	$4,570,770
Sanitation Fund				
2006 Transfer Station Improvement				
Issue: 11/06, maturity 11/26, rate 2.50%	216,000	202,500	(216,000)	202,500
Telecom Fund				
2006 Broadband communication Digital				
Issue: 11/06, maturity 11/11, rate 2.50%	51,200	0	(51,200)	0
2007 Broadband Communication Digital				
Issue: 11/07, maturity 11/12, rate 2.50%	118,000	59,000	(118,000)	59,000
2008 Broadband Communication Digital				
Issue: 11/08, maturity 11/13, rate 2.50%	192,000	128,000	(192,000)	128,000
2009 Broadband Communication Digital				
Issue: 11/09, maturity 11/14, rate 2.50%	112,000	84,000	(112,000)	84,000
2010 Broadband Communication Digital				
Issue: 11/10, maturity 11/15, rate 2.50%	40,000	32,000	(40,000)	32,000
2011 Broadband Communication Digital				
Issue: 11/11, maturity 11/16, rate 2.50%	0	45,000	0	45,000
Total Telecom	513,200	348,000	(513,200)	348,000
Sewer Fund				
2011 WWTP Phosphorus Improvements				
Issue: 11/11, maturity 11/21, rate 2.50%	0	200,000	0	200,000

	Balance 1/1/2011	Additions	Deletions	Balance 12/31/2011
Storm Water Fund				
2011 Stormwater Improvements				
Issue 11/11, maturity 11/31, rate 2.50%	$0	$140,000	$0	$140,000
2010 Stormwater Improvements				
Issue 11/10, maturity 11/25, rate 2.50%	125,000	116,667	(125,000)	116,667
2006 Stormwater Improvements				
Issue 11/06, maturity 11/21, rate 2.50%	102,667	93,333	(102,667)	93,333
Total Storm Water	$227,667	$350,000	($227,667)	$350,000
Total Proprietary Funds	$6,148,007	$7,440,503	($6,148,007)	$7,440,503

The following is a detail of Interfund Bonds Receivable/Payable, by debt issue during 2011:

	Balance 1/1/2011	Additions	Deletions	Balance 12/31/2011
Governmental Activities:				
1993 Great Oaks Extension				
Issue: 09/94, Maturity: 09/14, Rate 8.00%	$90,946	$0	($20,484)	$70,462
1997 Rittman Road Waterline				
Issue: 07/97, Maturity 07/12, Rate 6.50%	4,982	0	(2,412)	2,570
1998 Silvercrest Waterline				
Issue: 10/98, Maturity 10/13, Rate 6.00%	17,502	0	(5,498)	12,004
1999 Silvercrest Sewer				
Issue: 08/99, Maturity 08/14, Rate 6.00%	25,601	0	(5,852)	19,749
2000 Grace Drive Sanitary Sewer				
Issue 09/00, Maturity 09/15, Rate 8.00%	2,598	0	(443)	2,155
Southeast Downtown				
Issue 08/01, Maturity: 08/11, Rate 6.00%	3,432	0	(3,432)	0
2004 Sidewalk Improvement				
Issue: 09/06, Maturity: 09/11, Rate 4.50%	1,873	0	(1,873)	0
2005 Sidewalk Improvement				
Issue: 10/07, Maturity 10/12, Rate 4.50%	3,855	0	(1,885)	1,970
2006 Sidewalk Improvement				
Issue: 11/08, Maturity: 11/13, Rate 4.50%	14,423	0	(4,667)	9,756
2007 Sidewalk Improvement				
Issue: 11/09, Maturity: 11/14, Rate 4.50%	43,027	0	(10,285)	32,742
2008 Sidewalk Improvement				
Issue: 11/09, Maturity: 11/15, Rate 4.50%	17,393	0	(4,157)	13,236
2005 Street Program				
Issue: 9/06, Maturity: 9/11, Rate 4.50%	3,363	0	(3,363)	0
2006 Street Improvements				
Issue: 12/07, Maturity: 12/12, Rate 4.50%	7,641	0	(3,736)	3,905
2009 Street & Hall Drive Assessments				
Issue: 11/10, Maturity: 11/15, Rate 2.50%	113,527	0	(21,598)	91,929
2009 Sidewalk Assessments				
Issue: 11/10, Matuirty: 11/15, Rate 2.50%	9,650	0	(1,836)	7,814
2010 Sidewalk Assessments				
Issue: 9/11, Maturity: 9/16, Rate 1.50%	0	3,453	0	3,453
Total Governmental Activities	$359,813	$3,453	($91,521)	$271,745

The following is a detail of Advances In/Out during 2011:

Payable Fund	Receivable Fund	
Non-Major Governmental Funds	General Fund	- $290,445

The following is a summary of Interfund Receivable/Payable, outstanding at December 31, 2011:

	Notes/Accrued Interest Receivable Funds				
	General Fund	Non-Major Governmental Funds	Sewer	Electric	Total Interfund Payable Activity
Notes/Accrued Interest Payable Funds:					
Governmental Funds:					
Non-Major Governmental Funds	$2,145	$666,400	$0	$0	$668,545
Proprietary Funds:					
Storm Water	$1,127	$350,000	$0	$0	$351,127
Telecom	1,120	0	0	348,000	349,120
Water	5,695	0	0	1,769,233	1,774,928
Sewer	200,644	0	0	0	200,644
Electric	2,527,047	0	2,058,438	0	4,585,485
Sanitation	652	0	0	202,500	203,152
Total Proprietary Notes Receivable	$2,736,285	$350,000	$2,058,438	$2,319,733	$7,464,456
	Bonds/Accrued Interest Receivable Funds				
Bonds/Accrued Interest Payable Funds:					
Governmental Funds:					
Non-Major Governmental Funds	$3,046	$271,745	$0	$0	$274,791

Interfund transfers for the year ended December 31, 2011 consisted of the following:

	Transfers In:		
Transfers Out:	General Fund	Non-Major Governmental Funds	Total Transfers Out
Governmental Funds:			
General Fund	$0	$172,659	$172,659
Income Tax Fund	4,500,000	2,038,389	6,538,389
Non-Major Governmental Funds	0	200,000	200,000
Internal Service Funds	0	3,587	3,587
Total Transfers In	$4,500,000	$2,414,635	$6,914,635

Fund Basis:

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 20 - RELATED ORGANIZATIONS

On June 30, 2009 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 21 - 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-Ohio 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 $52,236 for JV 1 at December 31, 2011.

The following is a summary of audited financial information of OMEGA JV 1 for the year ended December 31, 2011:

	OMEGA JV 1
Total Assets	$558,154
Total Liabilities	93,425
Participants Equity	464,729
Total Revenues	192,105
Total Expenses	207,033
(Deficiency) of Revenue (Under) Expenses	($14,928)

Additional financial information can be obtained from AMP-Ohio, 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 JV 2

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, 2011 the City of Wadsworth has met debt coverage obligation.

OMEGA JV2 was created to provide additional sources of reliable, reasonably priced electric power and energy when prices are high or during times of generation shortages or transmission constraints, and to improve the reliability and economic status of the participants' respective municipal electric utility system. The Project consists of 138.65 MW of distributed generation of which 134.081MW is the participants entitlement and 4.569MW are held in reserve. On dissolution of OMEGA JV2, the net assets will be shared by the participants on a percentage of ownership basis. OMEGA JV2 is managed by AMP, which acts as the joint venture's agent. During 2001, AMP issued $50,260,000 of 20 year fixed rate bonds on behalf of the Financing Participants of OMEGA JV2. The net proceeds of the bond issue of $45,904,712 were contributed to OMEGA JV2. On January 3, 2011, AMP redeemed all of the $31,110,000 OMEGA JV2 Project Distributive Generation Bonds then outstanding by borrowing on AMP's revolving credit

facility. As such, the remaining outstanding bond principal of the OMEGA JV2 indebtedness was reduced to zero, with the remaining principal balance now residing on the AMP credit facility. As of December 31, 2011, the outstanding debt was $23,633,931. The City's net obligation for these bonds at December 31, 2011 was $1,751,275. 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 $1,696,450 at December 31, 2011. 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, 2011 are:

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

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

Years	Principal	Interest	Total Debt Service
2012	$191,848	$104,832	$296,680
2013	201,848	94,760	296,608
2014	212,218	84,163	296,381
2015	223,329	73,022	296,351
2016-2020	922,032	189,808	1,111,840
Total Gross Liability	$1,751,275	$546,585	$2,297,861
Net Obligation	$1,751,275		

The following is a summary of audited financial information of OMEGA JV 2:

	OMEGA JV 2
Total Assets	$31,683,044
Total Liabilities	2,484,270
Participants Equity	29,198,774
Total Revenues	2,305,361
Total Expenses	5,201,771
(Deficiency) of Revenue (Under) Expenses	($2,896,410)

OMEGA JV 5

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

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

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

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, 2011, Wadsworth has met their debt coverage obligation.

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

OMEGA JV5 is managed by AMP, which acts as the joint venture's agent. During 1993 and 2001 AMP issued $153,415,000 and $13,899,981 respectively of 30 year fixed rate Beneficial Interest Certificates (Certificates) on behalf of the Financing Participants of OMEGA JV5. The 2001 Certificates accrete to a value of $56,125,000 on February 15, 2030. The net proceeds of the bond issues were used to construct the OMEGA JV5 Project. On February 17, 2004 the 1993 Certificates were refunded by issuing 2004 Beneficial Interest Refunding Certificates in the amount of $116,910,000, which resulted in a savings to the membership of $34,951,833 from the periods 2005 through 2024.

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 $596,907 at December 31, 2011. 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 OMEGA JV 5 for the year ended December 31, 2011:

	OMEGA JV 5
Total Assets	$149,555,715
Total Liabilities	138,934,600
Participants Equity	10,621,115
Total Revenues	24,453,017
Total Expenses	19,082,468
Excess of Revenue Over Expenses	$5,370,549

OMEGA JV 6

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

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

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

Pursuant to the Agreement each participant has an obligation to pay its share of debt service on the Adjustable Rate Revenue Bonds (Bonds) from the revenues of its electric system, subject only to the prior payment of Operating & Maintenance Expenses (O&M) of each participant's System, and shall be on a parity with any outstanding and future senior electric system revenue bonds, notes or other indebtedness payable from any revenues of the System. On dissolution of OMEGA JV6, any excess funds shall be refunded to the Non-Financing Participants in proportion to each Participant's Project Share and to Financing Participant's respective obligations first by credit against the Financing Participant's respective obligations. Any other excess funds shall be paid to the Participants in proportion to their respective Project Shares. Under the terms of the Agreement each financing participant is to fix, charge and collect rates, fees, charges, including other available funds, at least sufficient in order to maintain a debt coverage ratio equal to 110% of the sum of OMEGA JV6 debt service and any other outstanding senior lien electric system revenue obligations. As of December 31, 2011 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, 2011 was $124,464 (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 $298,161 at December 31, 2011. Complete financial statements for OMEGA JV6 may be obtained from AMP or from the State Auditor's website at www.auditor.state.oh.us.

The ten participating subdivisions and their respective ownership shares at December 31, 2011 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
2012	$31,230	$3,970	$35,200
2013	31,155	4,045	35,200
2014	32,414	2,786	35,200
2015	33,723	1,477	35,200
2016	11,548	231	11,779
Total Gross Liability	$140,070	$12,509	$152,579
Less: Amounts Held in Reserve	(15,606)		
Net Obligation	$124,464		

The following is a summary of audited financial information of OMEGA JV 6 for the year ended December 31, 2011:

	OMEGA JV 6
Total Assets	$9,703,815
Total Liabilities	1,111,266
Participants Equity	8,592,549
Total Revenues	746,730
Total Expenses	695,150
Excess of Revenue Over Expenses	$51,580

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. Audited financial information for the Cemetery for the year ended December 31, 2011 was as follows:

Total Receipts	$188,381
Total Disbursements	($216,944)
(Deficiency) of Receipts (Under) Disbursements	($28,563)

The Cemetery has no outstanding debt.

NOTE 22 - 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 23 – SUBSEQUENT EVENTS

On April 2, 2012, the City refunded it's American Municipal Power, Ohio revenue bonds, in the amount of $6,070,816, with an interest rate of 1.2%.

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Nonmajor Capital Projects Funds

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

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

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

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

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

Park Land Acquisition 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/Utility Maintenance Guarantees To account for the collection of money from subdivision developers as a performance guarantee on dedicated streets and utilities.

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

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

Great Oaks Trail Improvement To account for the construction costs related to improvements made to Great Oaks Trail primarily paid for with a grant from the State of Ohio.

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

Durling Drive Improvements To account for the construction costs related to the widening of Durling Drive primarily paid for with a grant from the State of Ohio.

Nonmajor Debt Service Funds

Special Assessment Bond Retirement 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

To account for revenues from specific sources which legally, or otherwise, are restricted to expenditures for specific purposes.

Recreation To account for membership fees, program fees, sales and income tax fund transfer used in the operations of the Recreation Department.

Street Maintenance To account for the income tax fund transfer, 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.

Parking To account for parking fines as defined in City ordinances used to improve and maintain City owned parking lots.

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

WCTV 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.

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

Enforcement & Education 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.

Fire Dept HazMat Clean Up To account for the collection of dollars received by third parties for the containment and disposal of hazardous conditions.

Indigent Drivers Alcohol Treatment 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.

Law Enforcement Trust To account for seized property by Federal, State, and County governments used to enhance law enforcement and to account for the Medina County Drug Abuse Commission grant which supports the MedWay Drug Enforcement project.

Permissive Motor Vehicle License 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 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 To account for costs associated with the reduction of public nuisances supported by General Fund revenues.

Chippewa Creek Well Reserve 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 To account for the annual fee paid by local businesses associated with the Community Reinvestment Agreement for the administration of the tax incentive program.

Tax Increment Financing 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 To account for federal grant dollars used to rehabilitate areas of the community based on the criteria established by the Ohio Department of Development.

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

Police Continuing Professional Training 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 To account for the collection of FEMA grant dollars for the reimbursement of labor and material costs associated with natural disasters.

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

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

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

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

City of Wadsworth, Ohio
Combining Balance Sheet
Nonmajor Governmental Funds
December 31, 2011

	Capital Projects	Debt Service	Special Revenue	Total
ASSETS:				
Equity in Pooled Cash and Cash Equivalents	$6,134,248	$517,544	$5,321,605	$11,973,397
Cash and Cash Equivalents with Fiscal Agents	0	128	0	128
Materials and Supplies Inventory	0	0	327,430	327,430
Accrued Interest Receivable	0	37	43	80
Accounts Receivable	3,627	0	265,903	269,530
Interfund Receivable	1,016,400	271,745	0	1,288,145
Intergovernmental Receivable	25,218	0	1,143,615	1,168,833
Prepaid Items	0	0	8,574	8,574
Taxes Receivable	314,655	0	769,501	1,084,156
Special Assessments Receivable	0	300,535	0	300,535
Notes Receivable	0	0	190,095	190,095
Total Assets	$7,494,148	$1,089,989	$8,026,766	$16,610,903
LIABILITIES:				
Accounts Payable	$64,491	$0	$126,424	$190,915
Accrued Wages and Benefits	0	0	48,655	48,655
Intergovernmental Payable	0	0	57,122	57,122
Matured Interest Payable	0	128	0	128
Interfund Payable	575,757	0	658,025	1,233,782
Deferred Revenue	62,631	300,535	1,249,219	1,612,385
Unearned Revenue	277,242	0	794,582	1,071,824
Total Liabilities	980,121	300,663	2,934,027	4,214,811
FUND BALANCES:				
Nonspendable:				
Prepaid Items	0	0	8,574	8,574
Materials and Supplies Inventory	0	0	327,430	327,430
Restricted for:				
Street Maintenance	0	0	1,029,295	1,029,295
Emergency Medical Services	0	0	1,690,870	1,690,870
Law Enforcement	0	0	276,078	276,078
Community Improvements	0	0	170,857	170,857
Capital Projects	2,710,486	0	298,496	3,008,982
Fire Protection	2,896,640	0	28,459	2,925,099
Community Development	0	0	260,858	260,858
Other Purposes	0	0	6,168	6,168
Municipal Court	0	0	784,767	784,767
Debt Service	0	789,326	0	789,326
Committed to:				
Economic Development	0	0	44,439	44,439
Recreation	235,611	0	51,980	287,591
Capital Projects	997,544	0	0	997,544
Other Purposes	0	0	128,664	128,664
Unassigned	(326,254)	0	(14,196)	(340,450)
Total Fund Balances	6,514,027	789,326	5,092,739	12,396,092
Total Liabilities and Fund Balances	$7,494,148	$1,089,989	$8,026,766	$16,610,903

City of Wadsworth, Ohio

Combining Statement of Revenues, Expenditures and Changes in Fund Balances

Nonmajor Governmental Funds

For the Year Ended December 31, 2011

	Capital Projects	Debt Service	Special Revenue	Total
REVENUES:				
Property and Other Local Taxes	$416,671	$0	$1,707,144	$2,123,815
Special Assessments	117,146	0	0	117,146
Charges for Services	280	0	621,317	621,597
Licenses and Permits	400	0	22,765	23,165
Fines and Forfeitures	0	0	204,211	204,211
Intergovernmental	295,531	0	1,738,814	2,034,345
Interest	17,516	731	38,404	56,651
Contributions and Donations	0	0	2,805	2,805
Other	45,850	0	29,385	75,235
Total Revenues	893,394	731	4,364,845	5,258,970
EXPENDITURES:				
Current:				
General Government	13,520	3,007	165,480	182,007
Security of Persons and Property	56,261	0	1,511,707	1,567,968
Public Health	0	0	1,566	1,566
Leisure Time Services	17,617	0	111,236	128,853
Community and Economic Development	0	0	416,872	416,872
Public Works	0	0	200,224	200,224
Transportation	51,232	0	2,647,188	2,698,420
Capital Outlay	736,140	0	189,686	925,826
Debt Service:				
Principal Retirements	195,000	0	0	195,000
Interest and Fiscal Charges	765,801	0	15,259	781,060
Total Expenditures	1,835,571	3,007	5,259,218	7,097,796
Excess(Deficiency) of Revenues Over(Under) Expenditures	(942,177)	(2,276)	(894,373)	(1,838,826)
OTHER FINANCING SOURCES AND (USES):				
Transfers In	1,181,135	0	1,233,500	2,414,635
Proceeds from Sale of Capital Assets	1,121	0	820	1,941
Transfers Out	0	0	(200,000)	(200,000)
Total Other Financing Sources and (Uses)	1,182,256	0	1,034,320	2,216,576
Net Change in Fund Balance	240,079	(2,276)	139,947	377,750
Fund Balance at Beginning of Year - Restated	6,273,948	791,602	4,952,792	12,018,342
Fund Balance at End of Year	$6,514,027	$789,326	$5,092,739	$12,396,092

City of Wadsworth, Ohio
Combining Balance Sheet
Individual Nonmajor Governmental Funds
December 31, 2011

	Nonmajor Capital Projects				
	Airport Improvements	**Community Center Project**	**General Capital Improvements**	**EMS Reserve**	**Fire Levy**
ASSETS:					
Equity in Pooled Cash and Cash Equivalents	$145,091	$1,421,027	$1,222,397	$666,553	$2,254,959
Cash and Cash Equivalents with Fiscal Agents	0	0	0	0	0
Materials and Supplies Inventory	0	0	0	0	0
Accrued Interest Receivable	0	0	0	0	0
Accounts Receivable	0	0	3,627	0	0
Interfund Receivable	0	0	0	0	1,016,400
Intergovernmental Receivable	0	0	0	0	25,218
Prepaid Items	0	0	0	0	0
Taxes Receivable	0	0	0	0	314,655
Special Assessments Receivable	0	0	0	0	0
Notes Receivable	0	0	0	0	0
Total Assets	$145,091	$1,421,027	$1,226,024	$666,553	$3,611,232
LIABILITIES:					
Accounts Payable	$1,106	$17,617	$13,033	$0	$32,735
Accrued Wages and Benefits	0	0	0	0	0
Intergovernmental Payable	0	0	0	0	0
Matured Interest Payable	0	0	0	0	0
Interfund Payable	300,966	0	0	0	0
Deferred Revenue	0	0	0	0	62,631
Unearned Revenue	0	0	0	0	277,242
Total Liabilities	302,072	17,617	13,033	0	372,608
FUND BALANCES:					
Nonspendable:					
Prepaid Items	0	0	0	0	0
Materials and Supplies Inventory	0	0	0	0	0
Restricted for:					
Street Maintenance	0	0	0	0	0
Emergency Medical Services	0	0	0	0	0
Law Enforcement	0	0	0	0	0
Community Improvements	0	0	0	0	0
Capital Projects	0	1,403,410	882,000	0	341,984
Fire Protection	0	0	0	0	2,896,640
Community Development	0	0	0	0	0
Other Purposes	0	0	0	0	0
Municipal Court	0	0	0	0	0
Debt Service	0	0	0	0	0
Committed to:					
Economic Development	0	0	0	0	0
Recreation	0	0	0	0	0
Capital Projects	0	0	330,991	666,553	0
Other Purposes	0	0	0	0	0
Unassigned	(156,981)	0	0	0	0
Total Fund Balances	(156,981)	1,403,410	1,212,991	666,553	3,238,624
Total Liabilities and Fund Balances	$145,091	$1,421,027	$1,226,024	$666,553	$3,611,232

(continued)

Nonmajor Capital Projects						
Park Land Acquisition	**Street Improvement**	**West Street Improvements**	**Great Oaks Trail Improvement**	**Special Assessments**	**Durling Drive Improvements**	**Total Capital Projects**
$235,611	$13,359	$27,879	$320	$105,518	$41,534	$6,134,248
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	0	0	3,627
0	0	0	0	0	0	1,016,400
0	0	0	0	0	0	25,218
0	0	0	0	0	0	0
0	0	0	0	0	0	314,655
0	0	0	0	0	0	0
0	0	0	0	0	0	0
$235,611	$13,359	$27,879	$320	$105,518	$41,534	$7,494,148
$0	$0	$0	$0	$0	$0	$64,491
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	274,791	0	575,757
0	0	0	0	0	0	62,631
0	0	0	0	0	0	277,242
0	0	0	0	274,791	0	980,121
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	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	13,359	27,879	320	0	41,534	2,710,486
0	0	0	0	0	0	2,896,640
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	0	0	0
0	0	0	0	0	0	0
235,611	0	0	0	0	0	235,611
0	0	0	0	0	0	997,544
0	0	0	0	0	0	0
0	0	0	0	(169,273)	0	(326,254)
235,611	13,359	27,879	320	(169,273)	41,534	6,514,027
$235,611	$13,359	$27,879	$320	$105,518	$41,534	$7,494,148

(continued)

City of Wadsworth, Ohio
Combining Balance Sheet
Individual Nonmajor Governmental Funds
December 31, 2011

	Nonmajor Debt Service	Nonmajor Special Revenue			
	Special Assessment Bond Retirement	**Recreation**	**Street Maintenance**	**Emergency Medical Services**	**Municipal Court Special Programs**
ASSETS:					
Equity in Pooled Cash and Cash Equivalents	$517,544	$14,355	$983,565	$1,708,037	$143,758
Cash and Cash Equivalents with Fiscal Agents	128	0	0	0	0
Materials and Supplies Inventory	0	0	327,430	0	0
Accrued Interest Receivable	37	0	0	0	0
Accounts Receivable	0	0	1,050	250,761	3,987
Interfund Receivable	271,745	0	0	0	0
Intergovernmental Receivable	0	0	759,636	66,585	0
Prepaid Items	0	0	7,091	1,483	0
Taxes Receivable	0	0	0	769,501	0
Special Assessments Receivable	300,535	0	0	0	0
Notes Receivable	0	0	0	0	0
Total Assets	$1,089,989	$14,355	$2,078,772	$2,796,367	$147,745
LIABILITIES:					
Accounts Payable	$0	$2,012	$71,155	$11,751	$4,650
Accrued Wages and Benefits	0	0	15,341	33,314	0
Intergovernmental Payable	0	1,155	12,993	41,749	0
Matured Interest Payable	128	0	0	0	0
Interfund Payable	0	0	0	0	0
Deferred Revenue	300,535	0	732,910	261,513	0
Unearned Revenue	0	0	0	755,687	0
Total Liabilities	300,663	3,167	832,399	1,104,014	4,650
FUND BALANCES:					
Nonspendable:					
Prepaid Items	0	0	7,091	1,483	0
Materials and Supplies Inventory	0	0	327,430	0	0
Restricted for:					
Street Maintenance	0	0	911,852	0	0
Emergency Medical Services	0	0	0	1,690,870	0
Law Enforcement	0	0	0	0	0
Community Improvements	0	0	0	0	0
Capital Projects	0	0	0	0	0
Fire Protection	0	0	0	0	0
Community Development	0	0	0	0	0
Other Purposes	0	0	0	0	0
Municipal Court	0	0	0	0	143,095
Debt Service	789,326	0	0	0	0
Committed to:					
Economic Development	0	0	0	0	0
Recreation	0	11,188	0	0	0
Capital Projects	0	0	0	0	0
Other Purposes	0	0	0	0	0
Unassigned	0	0	0	0	0
Total Fund Balances	789,326	11,188	1,246,373	1,692,353	143,095
Total Liabilities and Fund Balances	$1,089,989	$14,355	$2,078,772	$2,796,367	$147,745

(continued)

Nonmajor Special Revenue						
Municipal Court Improvements	**Developers Shade Tree**	**Drug Law Enforcement**	**Enforcement & Education**	**Indigent Drivers Alcohol Treatment**	**Law Enforcement Trust**	**Permissive Motor Vehicle License**
$448,813	$128,664	$77,256	$13,840	$185,155	$176,377	$46,233
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	22	0
5,313	0	0	0	2,391	100	0
0	0	0	0	0	0	0
0	0	363	0	0	0	202,778
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	0	0	0
$454,126	$128,664	$77,619	$13,840	$187,546	$176,499	$249,011
$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	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	184,709
0	0	0	0	0	0	0
0	0	0	0	0	0	184,709
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	64,302
0	0	0	0	0	0	0
0	0	77,619	13,840	0	176,499	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	0	0	0	0
0	0	0	0	0	0	0
454,126	0	0	0	187,546	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	0	0	0	0	0
0	128,664	0	0	0	0	0
0	0	0	0	0	0	0
454,126	128,664	77,619	13,840	187,546	176,499	64,302
$454,126	$128,664	$77,619	$13,840	$187,546	$176,499	$249,011

(continued)

City of Wadsworth, Ohi
Combining Balance Sheet
Individual Nonmajor Governmental Funds
December 31, 2011

	Nonmajor Special Revenue				
	State Highway	**Abatement of Public Nuisance**	**Chippewa Creek Well Reserve**	**Community Reinvestment**	**Tax Increment Financing**
ASSETS:					
Equity in Pooled Cash and Cash Equivalents	$50,975	$8,465	$100,000	$32,673	$666,058
Cash and Cash Equivalents with Fiscal Agents	0	0	0	0	0
Materials and Supplies Inventory	0	0	0	0	0
Accrued Interest Receivable	0	0	0	0	18
Accounts Receivable	0	580	0	0	0
Interfund Receivable	0	0	0	0	0
Intergovernmental Receivable	60,557	0	0	0	0
Prepaid Items	0	0	0	0	0
Taxes Receivable	0	0	0	0	0
Special Assessments Receivable	0	0	0	0	0
Notes Receivable	0	0	0	0	0
Total Assets	$111,532	$9,045	$100,000	$32,673	$666,076
LIABILITIES:					
Accounts Payable	$0	$0	$0	$0	$0
Accrued Wages and Benefits	0	0	0	0	0
Intergovernmental Payable	0	0	0	0	0
Matured Interest Payable	0	0	0	0	0
Interfund Payable	0	0	0	0	367,580
Deferred Revenue	58,391	0	0	0	0
Unearned Revenue	0	0	0	0	0
Total Liabilities	58,391	0	0	0	367,580
FUND BALANCES:					
Nonspendable:					
Prepaid Items	0	0	0	0	0
Materials and Supplies Inventory	0	0	0	0	0
Restricted for:					
Street Maintenance	53,141	0	0	0	0
Emergency Medical Services	0	0	0	0	0
Law Enforcement	0	0	0	0	0
Community Improvements	0	9,045	100,000	32,673	0
Capital Projects	0	0	0	0	298,496
Fire Protection	0	0	0	0	0
Community Development	0	0	0	0	0
Other Purposes	0	0	0	0	0
Municipal Court	0	0	0	0	0
Debt Service	0	0	0	0	0
Committed to:					
Economic Development	0	0	0	0	0
Recreation	0	0	0	0	0
Capital Projects	0	0	0	0	0
Other Purposes	0	0	0	0	0
Unassigned	0	0	0	0	0
Total Fund Balances	53,141	9,045	100,000	32,673	298,496
Total Liabilities and Fund Balances	$111,532	$9,045	$100,000	$32,673	$666,076

(continued)

Nonmajor Special Revenue						
Neighborhood Stabilization Program Grant	Fire Department Education Grant	Police Continuing Professional Training	FEMA Grant	Community Development Block Grants (CDBG)	Community Housing Improvement Program Grants (CHIP)	CHIP Revolving Loan
$38,360	$28,459	$8,120	$6,168	$45,237	$216,637	$22,797
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	0	0	0
0	0	0	0	0	0	0
0	0	0	0	42,000	11,696	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	0	0	0	0
$38,360	$28,459	$8,120	$6,168	$87,237	$228,333	$22,797
$3,014	$0	$0	$0	$0	$17,734	$0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
37,845	0	0	0	42,000	210,600	0
0	0	0	0	0	11,696	0
0	0	0	0	38,895	0	0
40,859	0	0	0	80,895	240,030	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	0	0	0	0
0	0	8,120	0	0	0	0
0	0	0	0	6,342	0	22,797
0	0	0	0	0	0	0
0	28,459	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	6,168	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	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	0	0
(2,499)	0	0	0	0	(11,697)	0
(2,499)	28,459	8,120	6,168	6,342	(11,697)	22,797
$38,360	$28,459	$8,120	$6,168	$87,237	$228,333	$22,797

(continued)

City of Wadsworth, Ohio
Combining Balance Sheet
Individual Nonmajor Governmental Funds
December 31, 2011

	Nonmajor Special Revenue				
	Economic Development	**Recreation Tax**	**Revolving Loan**	**Total Special Revenue**	**Total**
ASSETS:					
Equity in Pooled Cash and Cash Equivalents	$45,199	$57,365	$69,039	$5,321,605	$11,973,397
Cash and Cash Equivalents with Fiscal Agents	0	0	0	0	128
Materials and Supplies Inventory	0	0	0	327,430	327,430
Accrued Interest Receivable	0	0	3	43	80
Accounts Receivable	0	0	1,721	265,903	269,530
Interfund Receivable	0	0	0	0	1,288,145
Intergovernmental Receivable	0	0	0	1,143,615	1,168,833
Prepaid Items	0	0	0	8,574	8,574
Taxes Receivable	0	0	0	769,501	1,084,156
Special Assessments Receivable	0	0	0	0	300,535
Notes Receivable	0	0	190,095	190,095	190,095
Total Assets	$45,199	$57,365	$260,858	$8,026,766	$16,610,903
LIABILITIES:					
Accounts Payable	$760	$15,348	$0	$126,424	$190,915
Accrued Wages and Benefits	0	0	0	48,655	48,655
Intergovernmental Payable	0	1,225	0	57,122	57,122
Matured Interest Payable	0	0	0	0	128
Interfund Payable	0	0	0	658,025	1,233,782
Deferred Revenue	0	0	0	1,249,219	1,612,385
Unearned Revenue	0	0	0	794,582	1,071,824
Total Liabilities	760	16,573	0	2,934,027	4,214,811
FUND BALANCES:					
Nonspendable:					
Prepaid Items	0	0	0	8,574	8,574
Materials and Supplies Inventory	0	0	0	327,430	327,430
Restricted for:					
Street Maintenance	0	0	0	1,029,295	1,029,295
Emergency Medical Services	0	0	0	1,690,870	1,690,870
Law Enforcement	0	0	0	276,078	276,078
Community Improvements	0	0	0	170,857	170,857
Capital Projects	0	0	0	298,496	3,008,982
Fire Protection	0	0	0	28,459	2,925,099
Community Development	0	0	260,858	260,858	260,858
Other Purposes	0	0	0	6,168	6,168
Municipal Court	0	0	0	784,767	784,767
Debt Service	0	0	0	0	789,326
Committed to:					
Economic Development	44,439	0	0	44,439	44,439
Recreation	0	40,792	0	51,980	287,591
Capital Projects	0	0	0	0	997,544
Other Purposes	0	0	0	128,664	128,664
Unassigned	0	0	0	(14,196)	(340,450)
Total Fund Balances	44,439	40,792	260,858	5,092,739	12,396,092
Total Liabilities and Fund Balances	$45,199	$57,365	$260,858	$8,026,766	$16,610,903

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City of Wadsworth, Ohio
Combining Statement of Revenues, Expenditures and
Changes in Fund Balances-Individual Nonmajor Governmental Funds
For the Year Ended December 31, 2011

	Nonmajor Capital Projects				
	Airport Improvements	**Community Center Project**	**General Capital Improvements**	**EMS Reserve**	**Fire Levy**
REVENUES:					
Property and Other Local Taxes	$0	$0	$67,902	$0	$348,769
Special Assessments	0	0	0	0	0
Charges for Services	0	0	0	0	0
Licenses and Permits	0	0	0	0	0
Fines and Forfeitures	0	0	0	0	0
Intergovernmental	0	0	0	0	56,161
Interest	0	0	0	0	17,516
Contributions and Donations	0	0	0	0	0
Other	14,567	0	31,283	0	0
Total Revenues	14,567	0	99,185	0	422,446
EXPENDITURES:					
Current:					
General Government	1,106	0	12,414	0	0
Security of Persons and Property	0	0	0	7,600	48,661
Public Health	0	0	0	0	0
Leisure Time Services	0	17,617	0	0	0
Community and Economic Development	0	0	0	0	0
Public Works	0	0	0	0	0
Transportation	0	0	0	0	0
Capital Outlay	0	16,019	410,905	0	32,922
Debt Service:					
Principal Retirements	0	0	195,000	0	0
Interest and Fiscal Charges	8,371	724,837	18,000	0	0
Total Expenditures	9,477	758,473	636,319	7,600	81,583
Excess(Deficiency) of Revenues Over(Under) Expenditures	5,090	(758,473)	(537,134)	(7,600)	340,863
OTHER FINANCING SOURCES AND (USES):					
Transfers In	0	200,000	731,135	200,000	0
Proceeds from Sale of Capital Assets	0	0	0	0	1,121
Transfers Out	0	0	0	0	0
Total Other Financing Sources and (Uses)	0	200,000	731,135	200,000	1,121
Net Change in Fund Balance	5,090	(558,473)	194,001	192,400	341,984
Fund Balance (Deficit) at Beginning of Year - Restated	(162,071)	1,961,883	1,018,990	474,153	2,896,640
Fund Balance (Deficit) at End of Year	($156,981)	$1,403,410	$1,212,991	$666,553	$3,238,624

(continued)

Nonmajor Capital Projects						
Park Land Acquisition	**Street Improvement**	**West Street Improvements**	**Great Oaks Trail Improvement**	**Special Assessments**	**Durling Drive Improvements**	**Total Capital Projects**
$0	$0	$0	$0	$0	$0	$416,671
0	0	0	0	117,146	0	117,146
0	0	0	0	280	0	280
400	0	0	0	0	0	400
0	0	0	0	0	0	0
0	0	239,370	0	0	0	295,531
0	0	0	0	0	0	17,516
0	0	0	0	0	0	0
0	0	0	0	0	0	45,850
400	0	239,370	0	117,426	0	893,394
0	0	0	0	0	0	13,520
0	0	0	0	0	0	56,261
0	0	0	0	0	0	0
0	0	0	0	0	0	17,617
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	51,232	0	0	0	0	51,232
495	0	213,061	41,727	19,733	1,278	736,140
0	0	0	0	0	0	195,000
0	0	0	0	14,593	0	765,801
495	51,232	213,061	41,727	34,326	1,278	1,835,571
(95)	(51,232)	26,309	(41,727)	83,100	(1,278)	(942,177)
0	50,000	0	0	0	0	1,181,135
0	0	0	0	0	0	1,121
0	0	0	0	0	0	0
0	50,000	0	0	0	0	1,182,256
(95)	(1,232)	26,309	(41,727)	83,100	(1,278)	240,079
235,706	14,591	1,570	42,047	(252,373)	42,812	6,273,948
$235,611	$13,359	$27,879	$320	($169,273)	$41,534	$6,514,027

(continued)

City of Wadsworth, Ohio
Combining Statement of Revenues, Expenditures and
Changes in Fund Balances-Individual Nonmajor Governmental Funds
For the Year Ended December 31, 2011

	Nonmajor Debt Service	Nonmajor Special Revenue			
	Special Assessment Bond Retirement	**Recreation**	**Street Maintenance**	**Emergency Medical Services**	**Municipal Court Special Programs**
REVENUES:					
Property and Other Local Taxes	$0	$0	$0	$946,022	$0
Special Assessments	0	0	0	0	0
Charges for Services	0	4,211	30,958	563,213	19,935
Licenses and Permits	0	0	0	0	0
Fines and Forfeitures	0	0	0	0	58,135
Intergovernmental	0	0	712,550	145,142	0
Interest	731	0	12,262	12,262	0
Contributions and Donations	0	0	0	100	0
Other	0	0	22,762	0	0
Total Revenues	731	4,211	778,532	1,666,739	78,070
EXPENDITURES:					
Current:					
General Government	3,007	0	0	0	46,386
Security of Persons and Property	0	0	0	1,476,621	0
Public Health	0	0	0	0	0
Leisure Time Services	0	93,539	0	0	0
Community and Economic Development	0	0	0	0	0
Public Works	0	0	0	0	0
Transportation	0	0	1,898,560	0	0
Capital Outlay	0	0	48,558	0	0
Debt Service:					
Principal Retirements	0	0	0	0	0
Interest and Fiscal Charges	0	0	0	0	0
Total Expenditures	3,007	93,539	1,947,118	1,476,621	46,386
Excess(Deficiency) of Revenues Over(Under) Expenditures	(2,276)	(89,328)	(1,168,586)	190,118	31,684
OTHER FINANCING SOURCES AND (USES):					
Transfers In	0	31,000	1,200,000	0	0
Proceeds from Sale of Capital Assets	0	0	0	0	0
Transfers Out	0	0	0	(200,000)	0
Total Other Financing Sources and (Uses)	0	31,000	1,200,000	(200,000)	0
Net Change in Fund Balance	(2,276)	(58,328)	31,414	(9,882)	31,684
Fund Balance (Deficit) at Beginning of Year - Restated	791,602	69,516	1,214,959	1,702,235	111,411
Fund Balance (Deficit) at End of Year	$789,326	$11,188	$1,246,373	$1,692,353	$143,095

(continued)

Nonmajor Special Revenue						
Municipal Court Improvements	**Developers Shade Tree**	**Drug Law Enforcement**	**Enforcement and Education**	**Indigent Drivers Alcohol Treatment**	**Law Enfocement Trust**	**Permissive Motor Vehicle License**
$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	0	0	750
75,489	0	0	2,529	35,151	32,907	0
0	0	6,813	0	0	25,243	206,308
0	0	0	0	0	242	7,076
0	0	2,705	0	0	0	0
0	0	0	0	0	0	0
75,489	0	9,518	2,529	35,151	58,392	214,134
24,570	21,896	0	392	25,062	0	0
0	0	6,125	0	0	26,260	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	0	0	0	0
0	0	0	0	0	0	221,200
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
24,570	21,896	6,125	392	25,062	26,260	221,200
50,919	(21,896)	3,393	2,137	10,089	32,132	(7,066)
0	0	0	0	0	0	0
0	0	0	0	0	820	0
0	0	0	0	0	0	0
0	0	0	0	0	820	0
50,919	(21,896)	3,393	2,137	10,089	32,952	(7,066)
403,207	150,560	74,226	11,703	177,457	143,547	71,368
$454,126	$128,664	$77,619	$13,840	$187,546	$176,499	$64,302

(continued)

City of Wadsworth, Ohio
Combining Statement of Revenues, Expenditures and
Changes in Fund Balances-Individual Nonmajor Governmental Funds
For the Year Ended December 31, 2011

	Nonmajor Special Revenue				
	State Highway	**Abatement of Public Nuisance**	**Chippewa Creek Well Reserve**	**Community Reinvestment**	**Tax Increment Financing**
REVENUES:					
Property and Other Local Taxes	$0	$0	$0	$0	$741,122
Special Assessments	0	0	0	0	0
Charges for Services	0	0	0	3,000	0
Licenses and Permits	0	0	0	0	0
Fines and Forfeitures	0	0	0	0	0
Intergovernmental	56,739	0	0	0	300,000
Interest	0	0	0	0	426
Contributions and Donations	0	0	0	0	0
Other	0	6,623	0	0	0
Total Revenues	56,739	6,623	0	3,000	1,041,548
EXPENDITURES:					
Current:					
General Government	0	0	0	0	46,306
Security of Persons and Property	0	0	0	0	0
Public Health	0	1,566	0	0	0
Leisure Time Services	0	0	0	0	0
Community and Economic Development	0	0	0	2,821	0
Public Works	0	0	0	0	200,000
Transportation	126,874	0	0	0	400,554
Capital Outlay	0	0	0	0	49,181
Debt Service:					
Principal Retirements	0	0	0	0	0
Interest and Fiscal Charges	0	0	0	0	15,259
Total Expenditures	126,874	1,566	0	2,821	711,300
Excess(Deficiency) of Revenues Over(Under) Expenditures	(70,135)	5,057	0	179	330,248
OTHER FINANCING SOURCES AND (USES):					
Transfers In	0	2,500	0	0	0
Proceeds from Sale of Capital Assets	0	0	0	0	0
Transfers Out	0	0	0	0	0
Total Other Financing Sources and (Uses)	0	2,500	0	0	0
Net Change in Fund Balance	(70,135)	7,557	0	179	330,248
Fund Balance (Deficit) at Beginning of Year - Restated	123,276	1,488	100,000	32,494	(31,752)
Fund Balance (Deficit) at End of Year	$53,141	$9,045	$100,000	$32,673	$298,496

(continued)

Nonmajor Special Revenue						
Neighborhood Stabilization Program Grant	Fire Department Education Grant	Police Continuing Professional Training	FEMA	Community Development Block Grant (CDBG)	Community Housing Improvement Program Grants (CHIP)	CHIP Revolving Loan
$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	0	0	0
0	0	0	0	0	0	0
104,736	0	0	12,395	86,605	78,674	3,609
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
104,736	0	0	12,395	86,605	78,674	3,609
0	0	0	0	0	0	0
0	1,080	1,600	21	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
202,023	0	0	0	86,636	88,586	4,392
0	0	0	0	224	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	0	0	0	0	0
202,023	1,080	1,600	21	86,860	88,586	4,392
(97,287)	(1,080)	(1,600)	12,374	(255)	(9,912)	(783)
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	0	0	0
(97,287)	(1,080)	(1,600)	12,374	(255)	(9,912)	(783)
94,788	29,539	9,720	(6,206)	6,597	(1,785)	23,580
($2,499)	$28,459	$8,120	$6,168	$6,342	($11,697)	$22,797

(continued)

City of Wadsworth, Ohio
Combining Statement of Revenues, Expenditures and
Changes in Fund Balances-Individual Nonmajor Governmental Funds
For the Year Ended December 31, 2011

	Nonmajor Special Revenue				
	Economic Development	**Recreation Tax**	**Revolving Loan**	**Total Special Revenue**	**Total**
REVENUES:					
Property and Other Local Taxes	$20,000	$0	$0	$1,707,144	$2,123,815
Special Assessments	0	0	0	0	117,146
Charges for Services	0	0	0	621,317	621,597
Licenses and Permits	0	22,015	0	22,765	23,165
Fines and Forfeitures	0	0	0	204,211	204,211
Intergovernmental	0	0	0	1,738,814	2,034,345
Interest	0	0	6,136	38,404	56,651
Contributions and Donations	0	0	0	2,805	2,805
Other	0	0	0	29,385	75,235
Total Revenues	20,000	22,015	6,136	4,364,845	5,258,970
EXPENDITURES:					
Current:					
General Government	0	0	868	165,480	182,007
Security of Persons and Property	0	0	0	1,511,707	1,567,968
Public Health	0	0	0	1,566	1,566
Leisure Time Services	0	17,697	0	111,236	128,853
Community and Economic Development	32,414	0	0	416,872	416,872
Public Works	0	0	0	200,224	200,224
Transportation	0	0	0	2,647,188	2,698,420
Capital Outlay	0	91,947	0	189,686	925,826
Debt Service:					
Principal Retirements	0	0	0	0	195,000
Interest and Fiscal Charges	0	0	0	15,259	781,060
Total Expenditures	32,414	109,644	868	5,259,218	7,097,796
Excess(Deficiency) of Revenues Over(Under) Expenditures	(12,414)	(87,629)	5,268	(894,373)	(1,838,826)
OTHER FINANCING SOURCES AND (USES):					
Transfers In	0	0	0	1,233,500	2,414,635
Proceeds from Sale of Capital Assets	0	0	0	820	1,941
Transfers Out	0	0	0	(200,000)	(200,000)
Total Other Financing Sources and (Uses)	0	0	0	1,034,320	2,216,576
Net Change in Fund Balance	(12,414)	(87,629)	5,268	139,947	377,750
Fund Balance (Deficit) at Beginning of Year-Restated	56,853	128,421	255,590	4,952,792	12,018,342
Fund Balance (Deficit) at End of Year	$44,439	$40,792	$260,858	$5,092,739	$12,396,092

City of Wadsworth, Ohio
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Airport Improvements
For the Year Ended December 31, 2011

	Final Budget	Actual	Variance with Final Budget
REVENUES:			
Intergovernmental	$1,705,456	$0	($1,705,456)
Other	18,105	14,567	(3,538)
Total Revenues	1,723,561	14,567	(1,708,994)
EXPENDITURES:			
Current:			
Capital Outlay			
Capital Outlay	55,283	55,193	90
Debt Service:			
Principal Retirements	340,000	340,000	0
Interest and Fiscal Charges	8,500	8,500	0
Total Debt Service	348,500	348,500	0
Total Expenditures	403,783	403,693	90
Excess(Deficiency) of Revenues Over(Under) Expenditures	1,319,778	(389,126)	(1,708,904)
OTHER FINANCING SOURCES:			
Notes Issued	300,000	300,000	0
Total Other Financing Sources	300,000	300,000	0
Net Change in Fund Balance	1,619,778	(89,126)	(1,708,904)
Fund Balance at Beginning of Year	95,650	95,650	0
Prior Year Encumbrances Appropriated	83,375	83,375	0
Fund Balance at End of Year	$1,798,803	$89,899	($1,708,904)

City of Wadsworth, Ohio
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Community Center Project
For the Year Ended December 31, 2011

	Final Budget	Actual	Variance with Final Budget
EXPENDITURES:			
Current:			
Capital Outlay			
Capital Outlay	$38,020	$38,019	$1
Debt Service:			
Interest and Fiscal Charges	724,837	724,837	0
Total Expenditures	762,857	762,856	1
(Deficiency) of Revenues (Under) Expenditures	(762,857)	(762,856)	1
OTHER FINANCING SOURCES:			
Transfers In	200,000	200,000	0
Net Change in Fund Balance	(562,857)	(562,856)	1
Fund Balance at Beginning of Year	1,961,883	1,961,883	0
Fund Balance at End of Year	$1,399,026	$1,399,027	$1

City of Wadsworth, Ohio
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
General Capital Improvements
For the Year Ended December 31, 2011

	Final Budget	Actual	Variance with Final Budget
REVENUES:			
Property and Other Local Taxes	$50,000	$64,275	$14,275
Other	49,763	49,763	0
Total Revenues	$99,763	$114,038	$14,275
EXPENDITURES:			
Capital Outlay			
Capital Outlay	727,666	486,173	241,493
Debt Service:			
Principal Retirements	195,000	195,000	0
Interest and Fiscal Charges	18,000	18,000	0
Total Expenditures	940,666	699,173	241,493
(Deficiency) of Revenues (Under) Expenditures	(840,903)	(585,135)	255,768
OTHER FINANCING SOURCES:			
Transfers In	758,235	731,135	(27,100)
Notes Issued	760,987	0	(760,987)
Total Other Financing Sources	1,519,222	731,135	(788,087)
Net Change in Fund Balance	678,319	146,000	(532,319)
Fund Balance at Beginning of Year - Restated	982,187	982,187	
Prior Year Encumbrances Appropriated	18,942	18,942	
Fund Balance at End of Year	$1,679,448	$1,147,129	($532,319)

City of Wadsworth, Ohio
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
EMS Reserve
For the Year Ended December 31, 2011

	Final Budget	Actual	Variance with Final Budget
EXPENDITURES:			
Current:			
Security of Persons and Property			
Contractual Services	$131	$131	$0
Capital Outlay	17,469	7,469	10,000
Total Expenditures	17,600	7,600	10,000
(Deficiency) of Revenues (Under) Expenditures	(17,600)	(7,600)	10,000
OTHER FINANCING SOURCES:			
Transfers In	200,000	200,000	0
Net Change in Fund Balance	182,400	192,400	10,000
Fund Balance at Beginning of Year	474,153	474,153	0
Fund Balance at End of Year	$656,553	$666,553	$10,000

City of Wadsworth, Ohio
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Fire Levy
For the Year Ended December 31, 2011

	Final Budget	Actual	Variance with Final Budget
REVENUES:			
Property and Other Local Taxes	$325,669	$348,769	$23,100
Intergovernmental	88,179	56,161	(32,018)
Interest	13,078	17,516	4,438
Total Revenues	426,926	422,446	(4,480)
EXPENDITURES:			
Current:			
Security of Persons and Property			
Contractual Services	12,249	10,739	1,510
Materials and Supplies	42,662	29,686	12,976
Total - Security of Persons and Property	54,911	40,425	14,486
Capital Outlay			
Capital Outlay	104,299	54,275	50,024
Total Expenditures	159,210	94,700	64,510
Excess of Revenues Over Expenditures	267,716	327,746	60,030
OTHER FINANCING SOURCES:			
Proceeds from Sale of Capital Assets	0	1,121	1,121
Net Change in Fund Balance	267,716	328,867	61,151
Fund Balance at Beginning of Year - Restated	2,873,322	2,873,322	0
Prior Year Encumbrances Appropriated	35,808	35,808	0
Fund Balance at End of Year	$3,176,846	$3,237,997	$61,151

City of Wadsworth, Ohio
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Park Land Acquisition
For the Year Ended December 31, 2011

	Final Budget	Actual	Variance with Final Budget
REVENUES:			
Licenses and Permits	$5,000	$400	($4,600)
Total Revenues	5,000	400	(4,600)
EXPENDITURES:			
Capital Outlay			
Capital Outlay	495	495	0
Total Expenditures	495	495	0
Net Change in Fund Balance	4,505	(95)	(4,600)
Fund Balance at Beginning of Year	235,707	235,707	0
Fund Balance at End of Year	$240,212	$235,612	($4,600)

City of Wadsworth, Ohio
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Street/Utility Maintenance Guarantees
For the Year Ended December 31, 2011

	Final Budget	Actual	Variance with Final Budget
REVENUES:			
Interest	$131	$175	$44
Total Revenues	131	175	44
EXPENDITURES:			
Transportation			
Contractual Services	5,280	280	5,000
Total Expenditures	5,280	280	5,000
Net Change in Fund Balance	(5,149)	(105)	5,044
Fund Balance at Beginning of Year	52,532	52,532	0
Fund Balance at End of Year	$47,383	$52,427	$5,044

City of Wadsworth, Ohio
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Street Improvement
For the Year Ended December 31, 2011

	Final Budget	Actual	Variance with Final Budget
EXPENDITURES:			
Current:			
Transportation			
Capital Outlay	$54,160	$53,169	$991
Total Expenditures	54,160	53,169	991
(Deficiency) of Revenues (Under) Expenditures	(54,160)	(53,169)	991
OTHER FINANCING SOURCES:			
Transfers In	50,000	50,000	0
Net Change in Fund Balance	(4,160)	(3,169)	991
Fund Balance at Beginning of Year	16,190	16,190	0
Fund Balance at End of Year	$12,030	$13,021	$991

City of Wadsworth, Ohio
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
West Street Improvements
For the Year Ended December 31, 2011

	Final Budget	Actual	Variance with Final Budget
REVENUES:			
Intergovernmental	$255,000	$239,370	($15,630)
Total Revenues	255,000	239,370	(15,630)
EXPENDITURES:			
Capital Outlay			
Capital Outlay	213,061	213,061	0
Total Expenditures	213,061	213,061	0
Net Change in Fund Balance	41,939	26,309	(15,630)
Fund Balance at Beginning of Year	1,570	1,570	0
Fund Balance at End of Year	$43,509	$27,879	($15,630)

City of Wadsworth, Ohio
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Great Oaks Trail Improvement
For the Year Ended December 31, 2011

	Final Budget	Actual	Variance with Final Budget
REVENUES:			
Intergovernmental	$42,047	$34,649	($7,398)
Total Revenues	42,047	34,649	(7,398)
EXPENDITURES:			
Capital Outlay			
Capital Outlay	91,637	91,637	0
Total Expenditures	91,637	91,637	0
Net Change in Fund Balance	(49,590)	(56,988)	(7,398)
Fund Balance at Beginning of Year	1	1	0
Prior year Encumbrances Appropriated	57,307	57,307	0
Fund Balance at End of Year	$7,718	$320	($7,398)

City of Wadsworth, Ohio
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Special Assessments
For the Year Ended December 31, 2011

	Final Budget	Actual	Variance with Final Budget
REVENUES:			
Special Assessments	$30,600	$9,704	($20,896)
Charges for Services	200	280	80
Intergovernmental	50,241	0	(50,241)
Total Revenues	81,041	9,984	(71,057)
EXPENDITURES:			
Capital Outlay			
Capital Outlay	19,912	19,582	330
Total Expenditures	19,912	19,582	330
Excess(Deficiency) of Revenues Over(Under) Expenditures	61,129	(9,598)	(70,727)
OTHER FINANCING SOURCES AND USES:			
Bonds Issued	68,733	3,453	(65,280)
Advances Out	0	(61,000)	(61,000)
Total Other Financing Sources and Uses	68,733	(57,547)	(126,280)
Net Change in Fund Balance	129,862	(67,145)	(197,007)
Fund Balance at Beginning of Year - Restated (see page 145)	101,537	101,537	0
Prior Year Encumbrances Appropriated	71,125	71,125	0
Fund Balance at End of Year	$302,524	$105,517	($197,007)

City of Wadsworth, Ohio
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Durling Drive Improvements
For the Year Ended December 31, 2011

	Final Budget	Actual	Variance with Final Budget
EXPENDITURES:			
Capital Outlay			
Capital Outlay	$1,278	$1,278	$0
Total Expenditures	1,278	1,278	0
Net Change in Fund Balance	(1,278)	(1,278)	0
Fund Balance at Beginning of Year	39,354	39,354	0
Prior Year Encumbrances Appropriated	3,458	3,458	0
Fund Balance at End of Year	$41,534	$41,534	$0

City of Wadsworth, Ohio
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Special Assessment Bond Retirement
For the Year Ended December 31, 2011

	Final Budget	Actual	Variance with Final Budget
REVENUES:			
Special Assessments	$100,000	$107,442	$7,442
Interest	0	766	766
Total Revenues	100,000	108,208	8,208
EXPENDITURES:			
Current:			
General Government			
Contractual Services	3,161	3,161	0
Debt Service:			
Principal Retirements	94,656	91,520	3,136
Interest and Fiscal Charges	15,768	15,768	0
Total Expenditures	113,585	110,449	3,136
Net Change in Fund Balance	(13,585)	(2,241)	11,344
Fund Balance at Beginning of Year - Restated (see page 145)	791,531	791,531	0
Fund Balance at End of Year	$777,946	$789,290	$11,344

City of Wadsworth, Ohio

Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Recreation
For the Year Ended December 31, 2011

	Final Budget	Actual	Variance with Final Budget
REVENUES:			
Charges for Services	$0	$4,211	$4,211
Total Revenues	0	4,211	4,211
EXPENDITURES:			
Current:			
Leisure Time Services			
Personal Services	9,251	9,251	0
Contractual Services	97,605	97,605	0
Total Expenditures	106,856	106,856	0
(Deficiency) of Revenues (Under) Expenditures	(106,856)	(102,645)	4,211
OTHER FINANCING SOURCES:			
Transfers In	72,000	31,000	(41,000)
Net Change in Fund Balance	(34,856)	(71,645)	(36,789)
Fund Balance at Beginning of Year	70,985	70,985	0
Prior Year Encumbrances Appropriated	6,014	6,014	0
Fund Balance at End of Year	$42,143	$5,354	($36,789)

City of Wadsworth, Ohio
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Street Maintenance
For the Year Ended December 31, 2011

	Final Budget	Actual	Variance with Final Budget
REVENUES:			
Charges for Services	$1,650	$29,336	$27,686
Intergovernmental	730,000	740,958	10,958
Interest	9,155	12,262	3,107
Refunds	2,500	572	(1,928)
Other	40,000	22,762	(17,238)
Total Revenues	783,305	805,890	22,585
EXPENDITURES:			
Current:			
Transportation			
Personal Services	1,258,860	1,090,981	167,879
Contractual Services	421,677	401,141	20,536
Materials and Supplies	608,311	531,834	76,477
Capital Outlay	39,640	22,240	17,400
Other	4,425	1,040	3,385
Total - Transportation	2,332,913	2,047,236	285,677
Capital Outlay			
Capital Outlay	97,851	97,804	47
Total Expenditures	2,430,764	2,145,040	285,724
(Deficiency) of Revenues (Under) Expenditures	(1,647,459)	(1,339,150)	308,309
OTHER FINANCING SOURCES:			
Transfers In	1,200,000	1,200,000	0
Proceeds from Sale of Capital Assets	1,000	0	(1,000)
Total Other Financing Sources	1,201,000	1,200,000	(1,000)
Net Change in Fund Balance	(446,459)	(139,150)	307,309
Fund Balance at Beginning of Year - Restated (see page 145)	700,855	700,855	0
Prior Year Encumbrances Appropriated	234,900	234,900	0
Fund Balance at End of Year	$489,296	$796,605	$307,309

City of Wadsworth, Ohio

Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Parking
For the Year Ended December 31, 2011

	Final Budget	Actual	Variance with Final Budget
REVENUES:			
Fines and Forfeitures	$9,000	$13,434	$4,434
Total Revenues	9,000	13,434	4,434
EXPENDITURES:			
Current:			
General Government			
Contractual Services	616	616	0
Materials and Supplies	29,895	0	29,895
Other	105	105	0
Total Expenditures	30,616	721	29,895
Net Change in Fund Balance	(21,616)	12,713	34,329
Fund Balance at Beginning of Year	137,319	137,319	0
Fund Balance at End of Year	$115,703	$150,032	$34,329

City of Wadsworth, Ohio
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Emergency Medical Services
For the Year Ended December 31, 2011

	Final Budget	Actual	Variance with Final Budget
REVENUES:			
Property and Other Local Taxes	$883,241	$946,022	$62,781
Charges for Services	532,050	539,399	7,349
Intergovernmental	214,878	145,142	(69,736)
Interest	9,155	12,262	3,107
Contributions and Donations	250	100	(150)
Refunds	250	14	(236)
Total Revenues	1,639,824	1,642,939	3,115
EXPENDITURES:			
Current:			
Security of Persons and Property			
Personal Services	1,392,935	1,296,122	96,813
Contractual Services	243,609	214,679	28,930
Materials and Supplies	69,830	51,636	18,194
Capital Outlay	15,400	12,523	2,877
Refunds	9,000	7,448	1,552
Other	13,984	5,342	8,642
Total Expenditures	1,744,758	1,587,750	157,008
Excess(Deficiency) of Revenues Over(Under) Expenditures	(104,934)	55,189	160,123
OTHER FINANCING USES:			
Transfers Out	(200,000)	(200,000)	0
Net Change in Fund Balance	(304,934)	(144,811)	160,123
Fund Balance at Beginning of Year	1,653,879	1,653,879	0
Prior Year Encumbrances Appropriated	106,275	106,275	0
Fund Balance at End of Year	$1,455,220	$1,615,343	$160,123

City of Wadsworth, Ohio
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
WCTV
For the Year Ended December 31, 2011

	Final Budget	Actual	Variance with Final Budget
REVENUES:			
Charges for Services	$40,000	$26,252	($13,748)
Licenses and Permits	238,000	248,266	10,266
Refunds	0	8	8
Total Revenues	278,000	274,526	(3,474)
EXPENDITURES:			
Current:			
Leisure Time Services			
Personal Services	225,689	222,918	2,771
Contractual Services	47,693	43,772	3,921
Materials and Supplies	23,205	21,629	1,576
Other	275	128	147
Total - Leisure Time Services	296,862	288,447	8,415
(Deficiency) of Revenues (Under) Expenditures	(18,862)	(13,921)	4,941
OTHER FINANCING USES:			
Transfers Out	(1,277)	(1,277)	0
Net Change in Fund Balance	(20,139)	(15,198)	4,941
Fund Balance at Beginning of Year	48,185	48,185	0
Prior Year Encumbrances Appropriated	4,781	4,781	0
Fund Balance at End of Year	$32,827	$37,768	$4,941

City of Wadsworth, Ohio

Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Municipal Court Special Programs
For the Year Ended December 31, 2011

	Final Budget	Actual	Variance with Final Budget
REVENUES:			
Charges for Services	$18,500	$19,935	$1,435
Fines and Forfeitures	57,500	57,474	(26)
Total Revenues	76,000	77,409	1,409
EXPENDITURES:			
Current:			
General Government			
Personal Services	33,000	33,000	0
Contractual Services	24,530	22,443	2,087
Materials and Supplies	44,315	8,536	35,779
Total Expenditures	101,845	63,979	37,866
Net Change in Fund Balance	(25,845)	13,430	39,275
Fund Balance at Beginning of Year - Restated (see page 145)	124,081	124,081	0
Fund Balance at End of Year	$98,236	$137,511	$39,275

City of Wadsworth, Ohio

Schedule of Revenues, Expenditures and Changes

In Fund Balance - Budget (Non-GAAP Basis) and Actual

Municipal Court Improvements

For the Year Ended December 31, 2011

	Final Budget	Actual	Variance with Final Budget
REVENUES:			
Fines and Forfeitures	$75,000	$75,404	$404
Total Revenues	75,000	75,404	404
EXPENDITURES:			
Current:			
General Government			
Contractual Services	13,060	13,060	0
Materials and Supplies	21,929	13,818	8,111
Capital Outlay	20,000	0	20,000
Total Expenditures	54,989	26,878	28,111
Net Change in Fund Balance	20,011	48,526	28,515
Fund Balance at Beginning of Year	397,981	397,981	0
Prior Year Encumbrances Appropriated	1,929	1,929	0
Fund Balance at End of Year	$419,921	$448,436	$28,515

City of Wadsworth, Ohio
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Developers Shade Tree
For the Year Ended December 31, 2011

	Final Budget	Actual	Variance with Final Budget
REVENUES:			
Charges for Services	$13,000	$0	($13,000)
Total Revenues	13,000	0	(13,000)
EXPENDITURES:			
Current:			
General Government			
Contractual Services	36,602	26,697	9,905
Other	975	150	825
Total Expenditures	37,577	26,847	10,730
Net Change in Fund Balance	(24,577)	(26,847)	(2,270)
Fund Balance at Beginning of Year	150,528	150,528	0
Prior Year Encumbrances Appropriated	35	35	0
Fund Balance at End of Year	$125,986	$123,716	($2,270)

City of Wadsworth, Ohio
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Drug Law Enforcement
For the Year Ended December 31, 2011

	Final Budget	Actual	Variance with Final Budget
REVENUES:			
Intergovernmental	$3,500	$6,750	$3,250
Contributions and Donations	2,650	2,705	55
Total Revenues	6,150	9,455	3,305
EXPENDITURES:			
Current:			
Security of Persons and Property			
Contractual Services	5,692	4,606	1,086
Other	15,000	1,519	13,481
Total Expenditures	20,692	6,125	14,567
Net Change in Fund Balance	(14,542)	3,330	17,872
Fund Balance at Beginning of Year	73,927	73,927	0
Fund Balance at End of Year	$59,385	$77,257	$17,872

City of Wadsworth, Ohio

Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Enforcement & Education
For the Year Ended December 31, 2011

	Final Budget	Actual	Variance with Final Budget
REVENUES:			
Fines and Forfeitures	$2,000	$2,962	$962
Total Revenues	2,000	2,962	962
EXPENDITURES:			
Current:			
General Government			
Contractual Services	392	392	0
Materials and Supplies	5,500	2,112	3,388
Total Expenditures	5,892	2,504	3,388
Net Change in Fund Balance	(3,892)	458	4,350
Fund Balance at Beginning of Year	11,269	11,269	0
Fund Balance at End of Year	$7,377	$11,727	$4,350

City of Wadsworth, Ohio

Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Fire Dept HazMat Clean Up
For the Year Ended December 31, 2011

	Final Budget	Actual	Variance with Final Budget
REVENUES:			
Charges for Services	$500	$0	($500)
Total Revenues	500	0	(500)
EXPENDITURES:			
Current:			
Public Health			
Contractual Services	2,084	84	2,000
Materials and Supplies	5,300	0	5,300
Total Expenditures	7,384	84	7,300
Net Change in Fund Balance	(6,884)	(84)	6,800
Fund Balance at Beginning of Year	18,769	18,769	0
Fund Balance at End of Year	$11,885	$18,685	$6,800

City of Wadsworth, Ohio

Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Indigent Drivers Alcohol Treatment
For the Year Ended December 31, 2011

	Final Budget	Actual	Variance with Final Budget
REVENUES:			
Fines and Forfeitures	$16,000	$38,528	$22,528
Total Revenues	16,000	38,528	22,528
EXPENDITURES:			
Current:			
General Government			
Contractual Services	30,513	25,062	5,451
Total Expenditures	30,513	25,062	5,451
Net Change in Fund Balance	(14,513)	13,466	27,979
Fund Balance at Beginning of Year	171,688	171,688	0
Fund Balance at End of Year	$157,175	$185,154	$27,979

City of Wadsworth, Ohio
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Law Enforcement Trust
For the Year Ended December 31, 2011

	Final Budget	Actual	Variance with Final Budget
REVENUES:			
Fines and Forfeitures	$7,200	$32,807	$25,607
Intergovernmental	50,485	25,243	(25,242)
Interest	280	240	(40)
Contributions and Donations	100	0	(100)
Total Revenues	58,065	58,290	225
EXPENDITURES:			
Current:			
Security of Persons and Property			
Contractual Services	51,502	26,260	25,242
Materials and Supplies	12,000	0	12,000
Capital Outlay	35,000	0	35,000
Total Expenditures	98,502	26,260	72,242
Excess(Deficiency) of Revenues Over(Under) Expenditures	(40,437)	32,030	72,467
OTHER FINANCING SOURCES:			
Proceeds from Sale of Capital Assets	0	820	820
Net Change in Fund Balance	(40,437)	32,850	73,287
Fund Balance at Beginning of Year	143,535	143,535	0
Fund Balance at End of Year	$103,098	$176,385	$73,287

City of Wadsworth, Ohio
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Permissive Motor Vehicle License
For the Year Ended December 31, 2011

	Final Budget	Actual	Variance with Final Budget
REVENUES:			
Intergovernmental	$220,000	$222,959	$2,959
Interest	0	7,094	7,094
Refunds	0	750	750
Total Revenues	220,000	230,803	10,803
EXPENDITURES:			
Current:			
Transportation			
Materials and Supplies	7,222	7,222	0
Capital Outlay	230,752	215,014	15,738
Total Expenditures	237,974	222,236	15,738
Net Change in Fund Balance	(17,974)	8,567	26,541
Fund Balance at Beginning of Year	27,958	27,958	0
Prior Year Encumbrances Appropriated	9,422	9,422	0
Fund Balance at End of Year	$19,406	$45,947	$26,541

City of Wadsworth, Ohio
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
State Highway
For the Year Ended December 31, 2011

	Final Budget	Actual	Variance with Final Budget
REVENUES:			
Intergovernmental	$61,500	$59,043	($2,457)
Total Revenues	61,500	59,043	(2,457)
EXPENDITURES:			
Current:			
Transportation			
Contractual Services	129,055	127,557	1,498
Total Expenditures	129,055	127,557	1,498
Net Change in Fund Balance	(67,555)	(68,514)	(959)
Fund Balance at Beginning of Year	98,115	98,115	0
Prior Year Encumbrances Appropriated	20,688	20,688	0
Fund Balance at End of Year	$51,248	$50,289	($959)

City of Wadsworth, Ohio
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Abatement of Public Nuisance
For the Year Ended December 31, 2011

	Final Budget	Actual	Variance with Final Budget
REVENUES:			
Refunds	$300	$6,043	$5,743
Total Revenues	300	6,043	5,743
EXPENDITURES:			
Current:			
Public Health			
Contractual Services	2,271	1,871	400
Total Expenditures	2,271	1,871	(400)
Excess(Deficiency) of Revenues Over(Under) Expenditures	(1,971)	4,172	6,143
OTHER FINANCING SOURCES:			
Transfers In	2,500	2,500	0
Net Change in Fund Balance	529	6,672	6,143
Fund Balance at Beginning of Year - Restated	1,487	1,487	0
Fund Balance at End of Year	$2,016	$8,159	$6,143

City of Wadsworth, Ohio
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Chippewa Creek Well Reserve
For the Year Ended December 31, 2011

	Final Budget	Actual	Variance with Final Budget
Fund Balance at Beginning of Year	$100,000	$100,000	$0
Fund Balance at End of Year	$100,000	$100,000	$0

City of Wadsworth, Ohio
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Community Reinvestment
For the Year Ended December 31, 2011

	Final Budget	Actual	Variance with Final Budget
REVENUES:			
Charges for Services	$4,000	$3,000	($1,000)
Total Revenues	4,000	3,000	(1,000)
EXPENDITURES:			
Current:			
Community and Economic Development			
Contractual Services	2,743	2,743	0
Other	200	78	122
Total Expenditures	2,943	2,821	122
Net Change in Fund Balance	1,057	179	(878)
Fund Balance at Beginning of Year	32,494	32,494	0
Fund Balance at End of Year	$33,551	$32,673	($878)

City of Wadsworth, Ohio
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Tax Increment Financing
For the Year Ended December 31, 2011

	Final Budget	Actual	Variance with Final Budget
REVENUES:			
Property and Other Local Taxes	$691,219	$741,122	$49,903
Intergovernmental	304,000	300,000	(4,000)
Interest	500	494	(6)
Total Revenues	995,719	1,041,616	45,897
EXPENDITURES:			
Current:			
General Government			
Contractual Services	51,767	49,081	2,686
Public Works			
Capital Outlay	200,000	200,000	0
Transportation			
Contractual Services	3,533	2,666	867
Capital Outlay	550,690	550,690	0
Total - Transportation	554,223	553,356	867
Capital Outlay	360,087	269,665	90,422
Debt Service:			
Prinicpal Retirements	646,400	646,400	0
Interest and Fiscal Charges	16,160	16,160	0
Total - Debt Service	662,560	662,560	0
Total Expenditures	1,828,637	1,734,662	93,975
(Deficiency) of Revenues (Under) Expenditures	(832,918)	(693,046)	139,872
OTHER FINANCING SOURCES:			
Notes Issued	1,023,900	366,400	(657,500)
Net Change in Fund Balance	190,982	(326,646)	(517,628)
Fund Balance at Beginning of Year - Restated (see page 145)	264,100	264,100	0
Prior year Encumbrances Appropriated	505,346	505,346	0
Fund Balance at End of Year	$960,428	$442,800	($517,628)

City of Wadsworth, Ohio
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Neighborhood Stabilization Program Grant
For the Year Ended December 31, 2011

	Final Budget	Actual	Variance with Final Budget
REVENUES:			
Intergovernmental	$204,170	$104,736	($99,434)
Total Revenues	204,170	104,736	(99,434)
EXPENDITURES:			
Current:			
Community and Economic Development			
Contractual Services	251,650	238,058	13,592
Total Expenditures	251,650	238,058	13,592
(Deficiency) of Revenues (Under) Expenditures	(47,480)	(133,322)	(85,842)
OTHER FINANCING SOURCES:			
Advances In	0	37,845	37,845
Net Change in Fund Balance	(47,480)	(95,477)	(47,997)
Fund Balance at Beginning of Year	60,530	60,530	0
Prior Year Encumbrances Appropriated	48,539	48,539	0
Fund Balance at End of Year	$61,589	$13,592	($47,997)

City of Wadsworth, Ohio
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Fire Department Education Grant
For the Year Ended December 31, 2011

	Final Budget	Actual	Variance with Final Budget
REVENUES:			
Intergovernmental	$0	$900	$900
Total Revenues	0	900	900
EXPENDITURES:			
Current:			
Security of Persons and Property			
Contractual Services	93	93	0
Other	5,000	987	4,013
Total Expenditures	5,093	1,080	4,013
Net Change in Fund Balance	(5,093)	(180)	4,913
Fund Balance at Beginning of Year	28,639	28,639	0
Fund Balance at End of Year	$23,546	$28,459	$4,913

City of Wadsworth, Ohio
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Police Continuing Professional Training
For the Year Ended December 31, 2011

	Final Budget	Actual	Variance with Final Budget
REVENUES:			
Intergovernmental	$0	$580	$580
Total Revenues	0	580	580
EXPENDITURES:			
Current:			
Security of Persons and Property	1,600	1,600	0
Total Expenditures	1,600	1,600	0
Net Change in Fund Balance	(1,600)	(1,020)	580
Fund Balance at Beginning of Year	9,140	9,140	0
Fund Balance at End of Year	$7,540	$8,120	$580

City of Wadsworth, Ohio
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
FEMA Grant
For the Year Ended December 31, 2011

	Final Budget	Actual	Variance with Final Budget
REVENUES:			
Intergovernmental	$0	$12,395	$12,395
Total Revenues	0	12,395	12,395
EXPENDITURES:			
Current:			
Security of Persons and Property			
Contractual Services	21	21	0
Materials and Supplies	10,986	10,986	0
Total Expenditures	11,007	11,007	0
Excess(Deficiency) of Revenues Over(Under) Expenditures	(11,007)	1,388	12,395
OTHER FINANCING SOURCES:			
Advances Out	0	(6,300)	(6,300)
Net Change in Fund Balance	(11,007)	(4,912)	6,095
Fund Balance at Beginning of Year	26	26	0
Prior Year Encumbrances Appropriated	11,054	11,054	0
Fund Balance at End of Year	$73	$6,168	$6,095

City of Wadsworth, Ohio
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Community Development Block Grant (CDBG)
For the Year Ended December 31, 2011

	Final Budget	Actual	Variance with Final Budget
REVENUES:			
Intergovernmental	$125,500	$83,500	($42,000)
Total Revenues	125,500	83,500	(42,000)
EXPENDITURES:			
Current:			
Community and Economic Development			
Contractual Services	67,914	92,680	(24,766)
Capital Outlay	3,820	3,820	0
Total - Community and Economic Development	71,734	96,500	(24,766)
Public Works			
Contractual Services	224	224	0
Total Expenditures	71,958	96,724	(24,766)
Excess of Revenues Over Expenditures	53,542	(13,224)	(66,766)
OTHER FINANCING SOURCES:			
Advances In	0	42,000	42,000
Net Change in Fund Balance	53,542	28,776	(24,766)
Fund Balance at Beginning of Year	14,915	14,915	0
Fund Balance at End of Year	$68,457	$43,691	($24,766)

City of Wadsworth, Ohio
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Community Housing Improvement Program (CHIP)
For the Year Ended December 31, 2011

	Final Budget	Actual	Variance with Final Budget
REVENUES:			
Intergovernmental	$500,000	$78,674	($421,326)
Total Revenues	500,000	78,674	(421,326)
EXPENDITURES:			
Current:			
Community and Economic Development			
Contractual Services	254,371	137,437	116,934
Total Expenditures	254,371	137,437	116,934
Excess(Deficiency) of Revenues Over(Under) Expenditures	245,629	(58,763)	(304,392)
OTHER FINANCING SOURCES AND USES:			
Advances In	0	210,600	210,600
Advances Out	0	(2,500)	(2,500)
Total Other Financing Sources and Uses	0	208,100	208,100
Net Change in Fund Balance	245,629	149,337	(96,292)
Fund Balance at Beginning of Year	11,772	11,772	0
Prior Year Encumbrances Appropriated	2,500	2,500	0
Fund Balance at End of Year	$259,901	$163,609	($96,292)

City of Wadsworth, Ohio
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
CHIP Revolving Loan
For the Year Ended December 31, 2011

	Final Budget	Actual	Variance with Final Budget
REVENUES:			
Intergovernmental	$3,600	$3,609	$9
Total Revenues	3,600	3,609	9
EXPENDITURES:			
Current:			
Community and Economic Development			
Contractual Services	13,392	4,392	9,000
Total Expenditures	13,392	4,392	9,000
Net Change in Fund Balance	(9,792)	(783)	9,009
Fund Balance at Beginning of Year	23,580	23,580	0
Fund Balance at End of Year	$13,788	$22,797	$9,009

City of Wadsworth, Ohio
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Economic Development
For the Year Ended December 31, 2011

	Final Budget	Actual	Variance with Final Budget
REVENUES:			
Property and Other Local Taxes	$20,000	$20,000	$0
Total Revenues	20,000	20,000	0
EXPENDITURES:			
Current:			
Community and Economic Development			
Contractual Services	18,568	17,568	1,000
Materials and Supplies	43,508	38,919	4,589
Other	2,026	2,026	0
Total Expenditures	64,102	58,513	5,589
Net Change in Fund Balance	(44,102)	(38,513)	5,589
Fund Balance at Beginning of Year	52,150	52,150	0
Prior Year Encumbrances Appropriated	4,693	4,693	0
Fund Balance at End of Year	$12,741	$18,330	$5,589

City of Wadsworth, Ohio

Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Recreation Tax
For the Year Ended December 31, 2011

	Final Budget	Actual	Variance with Final Budget
REVENUES:			
Licenses and Permits	$40,000	$22,015	($17,985)
Total Revenues	40,000	22,015	(17,985)
EXPENDITURES:			
Current:			
Leisure Time Services			
Other	3,059	2,822	237
Total - Leisure Time	3,059	2,822	237
Capital Outlay			
Capital Outlay	109,467	109,333	134
Total Expenditures	112,526	112,155	371
Net Change in Fund Balance	(72,526)	(90,140)	(17,614)
Fund Balance at Beginning of Year	130,117	130,117	0
Fund Balance at End of Year	$57,591	$39,977	($17,614)

City of Wadsworth, Ohio
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Revolving Loan
For the Year Ended December 31, 2011

	Final Budget	Actual	Variance with Final Budget
REVENUES:			
Interest	$6,283	$5,963	($320)
Total Revenues	6,283	5,963	(320)
EXPENDITURES:			
Current:			
General Government			
Contractual Services	5,868	868	5,000
Total Expenditures	5,868	868	5,000
Excess of Revenues Over Expenditures	415	5,095	4,680
OTHER FINANCING SOURCES AND USES:			
Proceeds of Loans	12,280	12,653	373
Discount on Bonds Issued	(20,000)	0	20,000
Total Other Financing Sources and Uses	(7,720)	12,653	20,373
Net Change in Fund Balance	(7,305)	17,748	25,053
Fund Balance at Beginning of Year	51,291	51,291	0
Fund Balance at End of Year	$43,986	$69,039	$25,053

Fund Descriptions – Proprietary Funds

Proprietary funds are used to account for the City's ongoing organizations and activities which are similar to those founds 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 Ethernet connections.

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 their 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 Assets
Internal Service Funds
December 31, 2011

	Equipment Maintenance	Information Technology	Health Insurance Retention	Liability Insurance Retention	Workers Compensation Retention	Total
ASSETS:						
Current Assets:						
Equity in Pooled Cash and Cash Equivalents	$62,144	$211,415	$524,424	$40,608	$150,724	$989,315
Materials and Supplies Inventory	272,365	0	0	0	0	272,365
Accounts Receivable	0	0	2,562	0	0	2,562
Total Current Assets	334,509	211,415	526,986	40,608	150,724	1,264,242
Noncurrent Assets:						
Depreciable Capital Assets, Net	162,964	0	0	0	0	162,964
Total Assets	$497,473	$211,415	$526,986	$40,608	$150,724	$1,427,206
LIABILITIES:						
Current Liabilities:						
Accounts Payable	$13,622	$54,430	$33,152	$0	$8,944	110,148
Accrued Wages and Benefits	5,544	5,100	0	0	0	10,644
Intergovernmental Payable	4,241	4,005	0	0	0	8,246
Claims Payable	0	0	435,670	0	0	435,670
Compensated Absences Payable - Current	17,884	21,677	0	0	0	39,561
Total Current Liabilities	41,291	85,212	468,822	0	8,944	604,269
Noncurrent Liabilities:						
Compensated Absences Payable - Net of Current Portion	91,120	98,232	0	0	0	189,352
Total Liabilities	132,411	183,444	468,822	0	8,944	793,621
NET ASSETS:						
Invested in Capital Assets, Net of Related Debt	162,964	0	0	0	0	162,964
Unrestricted	202,098	27,971	58,164	40,608	141,780	470,621
Total Net Assets	$365,062	$27,971	$58,164	$40,608	$141,780	$633,585

City of Wadsworth, Ohio
Combining Statement of Revenues, Expenses and Changes in Fund Net Assets
Internal Service Funds
For the Year Ended December 31, 2011

	Equipment Maintenance	Information Technology	Health Insurance Retention	Liability Insurance Retention	Workers Compensation Retention	Total
OPERATING REVENUES:						
Charges for Services	$787,120	$485,501	$2,785,918	$0	$283,671	$4,342,210
Total Operating Revenues	787,120	485,501	2,785,918	0	283,671	4,342,210
OPERATING EXPENSES:						
Personal Services	383,816	327,736	0	0	0	711,552
Contractual Services	67,990	67,358	412,559	84	89,081	637,072
Materials and Supplies	229,582	28,825	0	0	0	258,407
Claims	0	0	2,894,968	0	63,918	2,958,886
Depreciation	8,392	0	0	0	0	8,392
Other	5,828	14,815	0	0	0	20,643
Total Operating Expenses	695,608	438,734	3,307,527	84	152,999	4,594,952
Operating Income (Loss)	91,512	46,767	(521,609)	(84)	130,672	(252,742)
Income (Loss) Before Contributions and Transfers	91,512	46,767	(521,609)	(84)	130,672	(252,742)
Transfers Out	(3,587)	0	0	0	0	(3,587)
Change in Net Assets	87,925	46,767	(521,609)	(84)	130,672	(256,329)
Net Assets (Deficit) at Beginning of Year	277,137	(18,796)	579,773	40,692	11,108	889,914
Net Assets at End of Year	$365,062	$27,971	$58,164	$40,608	$141,780	$633,585

City of Wadsworth, Ohio
Combining Statement of Cash Flows
All Internal Service Funds
For the Year Ended December 31, 2011

	Equipment Maintenance	Information Technology	Health Insurance Retention	Liability Insurance Retention	Workers Compensation Retention	Total
Cash Flows from Operating Activities						
Cash Received from Customers	$787,120	$485,501	$2,783,356	$0	$283,671	$4,339,648
Cash Payments to Employees for Services	(384,419)	(321,015)	0	0	0	(705,434)
Cash Payments for Goods and Services	(375,659)	(76,342)	(410,191)	(84)	(80,137)	(942,413)
Cash Payments for Claims	0	0	(2,767,905)	0	(63,918)	(2,831,823)
Other Operating Expenses	(5,828)	(815)	0	0	0	(6,643)
Net Cash Provided by (Used in) Operating Activities	21,214	87,329	(394,740)	(84)	139,616	(146,665)
Cash Flows from Noncapital Financing Activities						
Transfers Out	(3,587)	0	0	0	0	(3,587)
Net Cash Provided by (Used for) Noncapital Financing Activities	(3,587)	0	0	0	0	(3,587)
Cash Flows from Capital and Related Financing Activities						
Acquisition of Capital Assets	(17,652)	0	0	0	0	(17,652)
Net Cash Provided by (Used for) Capital and Related Financing Activities	(17,652)	0	0	0	0	(17,652)
Net Increase (Decrease) in Cash and Cash Equivalents	(25)	87,329	(394,740)	(84)	139,616	(167,904)
Cash and Cash Equivalents Beginning of Year	62,169	124,086	919,164	40,692	11,108	1,157,219
Cash and Cash Equivalents End of Year	$62,144	$211,415	$524,424	$40,608	$150,724	$989,315
Reconciliation of Operating Income (Loss) to Net Cash Provided by (Used in) Operating Activities						
Operating Income (Loss)	$91,512	$46,767	($521,609)	($84)	$130,672	($252,742)
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided by (Used in) Operating Activities						
Depreciation	8,392	0	0	0	0	8,392
(Increase) Decrease in Operating Assets:						
Accounts Receivable	0	0	(2,562)	0	0	(2,562)
Materials and Supplies Inventory	(91,120)	0	0	0	0	(91,120)
Increase (Decrease) in Operating Liabilities:						
Accounts Payable	13,033	33,841	2,368	0	8,944	58,186
Accrued Wages and Benefits	483	875	0	0	0	1,358
Compensated Absences Payable	5,319	10,569	0	0	0	15,888
Intergovernmental Payable	(6,405)	(4,723)	0	0	0	(11,128)
Claims Payable	0	0	127,063	0	0	127,063
Total Adjustments	(70,298)	40,562	126,869	0	8,944	106,077
Net Cash Provided by (Used in) Operating Activities	$21,214	$87,329	($394,740)	($84)	$139,616	($146,665)

Fiduciary funds are used to account for assets held by the City in a trustee capacity or as an agent for individuals, private organizations, other governments, and/or other funds. The following is the City's fiduciary fund type:

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 Wadsworth Municipal Court for related cases. These dollars are deposited with the City and accounted for 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 residence pay their utility bills per the instruction by various charitable organizations within Wadsworth.

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 paid to the City of Wadsworth for the portion of water line construction that is owed to the third party that originally constructed the water line.

Sewer Assessment Trust To account for money paid to the City of Wadsworth for the portion of sewer line construction that is owed to the third party that originally constructed the sewer line.

Clearing – Utility Assessment To temporarily account for water and sewer charges assessed to the property owner's tax duplicate and collected by the County. This money is then posted to the respective 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 Net Assets
Agency Funds
December 31, 2011

	Escrow Accounts	Medina County Law Library	Memorial Park Trust	Unclaimed Funds Muni Court
ASSETS:				
Equity in Pooled Cash and Cash Equivalents	$0	$0	$369	$16,690
Cash and Cash Equivalents in Segregated Accounts	530,485	0	0	0
Restricted Assets:				
Equity in Pooled Cash and Cash Equivalents	0	0	0	0
Total Assets	$530,485	$0	$369	$16,690
LIABILITIES:				
Retainage Payable	$530,485	$0	$0	$0
Undistributed Monies	0	0	369	16,690
Current Liabilities Payable from Restricted Assets:				
Refundable Deposits	0	0	0	0
Total Liabilities	$530,485	$0	$369	$16,690

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City of Wadsworth, Ohio
Combining Statement of Fiduciary Net Assets
Agency Funds
December 31, 2011

	Unclaimed Funds-City	Utility Assistance Fund	Clearing Fund	Water Assessment Trust
ASSETS:				
Equity in Pooled Cash and Cash Equivalents	$25,514	$1,107	$46,468	$8,746
Cash and Cash Equivalents in Segregated Accounts	0	0	0	0
Restricted Assets:				
Equity in Pooled Cash and Cash Equivalents	0	0	0	0
Total Assets	$25,514	$1,107	$46,468	$8,746
LIABILITIES:				
Retainage Payable	$0	$0	$0	$0
Undistributed Monies	25,514	1,107	46,468	8,746
Current Liabilities Payable from Restricted Assets:				
Refundable Deposits	0	0	0	0
Total Liabilities	$25,514	$1,107	$46,468	$8,746

(continued)

Sewer Assessment Trust	Clearing - Utility Assessment	Muni Court	Customer Deposits	Totals
$0	$0	$0	$0	$98,894
0	0	33,802	0	564,287
0	0	0	701,712	701,712
$0	$0	$33,802	$701,712	$1,364,893
$0	$0	$0	$0	$530,485
0	0	33,802	0	132,696
0	0	0	701,712	701,712
$0	$0	$33,802	$701,712	$1,364,893

City of Wadsworth, Ohio
Combining Statements of Changes in Assets and Liabilities
Agency Funds
For the Year Ended December 31, 2011

	Balance at Beginning of Year	Additions	Deductions	Balance at End of Year
Escrow Accounts				
ASSETS:				
Cash and Cash Equivalents in Segregated Accounts	$588,964	$69,759	$128,238	$530,485
Accrued Interest Receivable	69	0	69	0
Total Assets	$589,033	$69,759	$128,307	$530,485
LIABILITIES:				
Retainage Payable	$589,033	$69,759	$128,307	$530,485
Total Liabilities	$589,033	$69,759	$128,307	$530,485
Medina County Law Library				
ASSETS:				
Equity in Pooled Cash and Cash Equivalents	$0	$41,316	$41,316	$0
Total Assets	$0	$41,316	$41,316	$0
LIABILITIES:				
Undistributed Monies	$0	$41,316	$41,316	$0
Total Liabilities	$0	$41,316	$41,316	$0
Memorial Park Trust				
ASSETS:				
Equity in Pooled Cash and Cash Equivalents	$369	$0	$0	$369
Total Assets	$369	$0	$0	$369
LIABILITIES:				
Undistributed Monies	$369	$0	$0	$369
Total Liabilities	$369	$0	$0	$369
Unclaimed Funds Muni Court				
ASSETS:				
Equity in Pooled Cash and Cash Equivalents	$12,950	$5,860	$2,120	$16,690
Total Assets	$12,950	$5,860	$2,120	$16,690
LIABILITIES:				
Undistributed Monies	$12,950	$5,860	$2,120	$16,690
Total Liabilities	$12,950	$5,860	$2,120	$16,690
Unclaimed Funds-City				
ASSETS:				
Equity in Pooled Cash and Cash Equivalents	$24,290	$1,224	$0	$25,514
Total Assets	$24,290	$1,224	$0	$25,514
LIABILITIES:				
Undistributed Monies	$24,290	$1,224	$0	$25,514
Total Liabilities	$24,290	$1,224	$0	$25,514

(continued)

City of Wadsworth, Ohio
Combining Statements of Changes in Assets and Liabilities
Agency Funds
For the Year Ended December 31, 2011

	Balance at Beginning of Year	Additions	Deductions	Balance at End of Year
Utility Assistance Fund				
ASSETS:				
Equity in Pooled Cash and Cash Equivalents	$1,094	$5,130	$5,117	$1,107
Total Assets	$1,094	$5,130	$5,117	$1,107
LIABILITIES:				
Undistributed Monies	$1,094	$5,130	$5,117	$1,107
Total Liabilities	$1,094	$5,130	$5,117	$1,107
Clearing Fund				
ASSETS:				
Equity in Pooled Cash and Cash Equivalents	$28,331	$157,735	$139,598	$46,468
Total Assets	$28,331	$157,735	$139,598	$46,468
LIABILITIES:				
Undistributed Monies	$28,331	$157,735	$139,598	$46,468
Total Liabilities	$28,331	$157,735	$139,598	$46,468
Water Assessment Trust				
ASSETS:				
Equity in Pooled Cash and Cash Equivalents	$8,746	$1,734	$1,734	$8,746
Total Assets	$8,746	$1,734	$1,734	$8,746
LIABILITIES:				
Undistributed Monies	$8,746	$1,734	$1,734	$8,746
Total Liabilities	$8,746	$1,734	$1,734	$8,746
Sewer Assessment Trust				
ASSETS:				
Equity in Pooled Cash and Cash Equivalents	$8,500	$6,754	$15,254	$0
Total Assets	$8,500	$6,754	$15,254	$0
LIABILITIES:				
Undistributed Monies	$8,500	$6,754	$15,254	$0
Total Liabilities	$8,500	$6,754	$15,254	$0
Clearing - Utility Assessment				
ASSETS:				
Equity in Pooled Cash and Cash Equivalents	$1	$5,727	$5,728	$0
Total Assets	$1	$5,727	$5,728	$0
LIABILITIES:				
Undistributed Monies	$1	$5,727	$5,728	$0
Total Liabilities	$1	$5,727	$5,728	$0
Muni Court				
ASSETS:				
Cash and Cash Equivalents in Segregated Accounts	$44,636	$0	$10,834	$33,802
Total Assets	$44,636	$0	$10,834	$33,802
LIABILITIES:				
Undistributed Monies	$44,636	$0	$10,834	$33,802
Total Liabilities	$44,636	$0	$10,834	$33,802

(continued)

City of Wadsworth, Ohio
Combining Statements of Changes in Assets and Liabilities
Agency Funds
For the Year Ended December 31, 2011

	Balance at Beginning of Year	Additions	Deductions	Balance at End of Year
Customer Deposits				
ASSETS:				
Restricted Assets:				
Equity in Pooled Cash and Cash Equivalents	$661,066	$244,364	$203,718	$701,712
Total Assets	$661,066	$244,364	$203,718	$701,712
LIABILITIES:				
Current Libilities Payable from Restricted Assets:				
Refundable Deposits	$661,066	$244,364	$203,718	$701,712
Total Liabilities	$661,066	$244,364	$203,718	$701,712
TOTAL ALL AGENCY FUNDS				
ASSETS:				
Equity in Pooled Cash and Cash Equivalents	$84,281	$225,480	$210,867	$98,894
Cash and Cash Equivalents in Segregated Accounts	633,600	69,759	139,072	564,287
Accrued Interest Receivable	69	0	69	0
Restricted Assets:				
Equity in Pooled Cash and Cash Equivalents	661,066	244,364	203,718	701,712
Total Assets	$1,379,016	$539,603	$553,726	$1,364,893
LIABILITIES:				
Retainage Payable	$589,033	$69,759	$128,307	$530,485
Undistributed Monies	128,917	225,480	221,701	132,696
Current Libilities Payable from Restricted Assets:				
Refundable Deposits	661,066	244,364	203,718	701,712
Total Liabilities	$1,379,016	$539,603	$553,726	$1,364,893

NOTE 1 – RESTATEMENT OF FUND BALANCE

Budgetary fund balance restated as a result of the City's implementation of GASB 54 and review of fund classification:

	City Hall Improvements	General Capital Improvements	Fire Equipment Reserve	Satellite Fire Station	Fire Levy
Budgetary Fund Balance at December 31, 2010	$240,116	$742,071	$2,869,949	$3,373	$0
Change in Fund Structure	(240,116)	240,116	(2,869,949)	(3,373)	2,873,322
Adjusted Budgetary Fund Balance at December 31, 2010	$0	$982,187	$0	$0	$2,873,322

	General Debt Service	Special Assessment Bond	Street	Street Maintenance	Weed Abatement	Abatement of Public Nuisance
Budgetary Fund Balance at December 31, 2010	$5,887	$785,644	$564,184	$136,671	$1,265	$222
Change in Fund Structure	(5,887)	5,887	(564,184)	564,184	(1,265)	1,265
Adjusted Budgetary Fund Balance at December 31, 2010	$0	$791,531	$0	$700,855	$0	$1,487

	Court Computerization	Community Service Program	Probation Services	Municipal Court Special Programs
Budgetary Fund Balance at December 31, 2010	$122,246	$500	$1,335	$0
Change in Fund Structure	(122,246)	(500)	(1,335)	124,081
Adjusted Budgetary Fund Balance at December 31, 2010	$0	$0	$0	$124,081

	T.I.F. Heritage Development	T.I.F. Akron Road	High Street Improvement Projects	Special Assessments	Tax Increment Financing
Budgetary Fund Balance at December 31, 2010	$20,295	$143,851	$91,145	$110,346	$0
Change in Fund Structure	(20,295)	(143,851)	(91,145)	(8,809)	264,100
Adjusted Budgetary Fund Balance at December 31, 2010	$0	$0	$0	$101,537	$264,100

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Statistical Section

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 Assets By Component

Last Nine Years

(Accrual Basis of Accounting)

	2011	2010	2009
Governmental Activities			
Invested in Capital Assets, Net of Related Debt	$ 24,968,078	$ 38,668,682	$ 38,890,685
Restricted	15,067,789	15,528,872	11,157,801
Unrestricted	5,904,151	3,659,079	5,513,182
Total Governmental Activities Net Assets	45,940,018	57,856,633	55,561,668
Business Type - Activities			
Invested in Capital Assets, Net of Related Debt	51,914,458	36,603,685	35,357,502
Unrestricted	18,514,874	16,141,933	15,103,425
Total Business-Type Activities Net Assets	70,429,332	52,745,618	50,460,927
Primary Government			
Invested in Capital Assets, Net of Related Debt	76,882,536	75,272,367	74,248,187
Restricted	15,067,789	15,528,872	11,157,801
Unrestricted	24,419,025	19,801,012	20,616,607
Total Primary Government Net Assets	$116,369,350	$110,602,251	$106,022,595

NOTE: In 2011, the City implemented GASB 54 which caused a restatement of Net Assets for 2010. Periods prior to 2011 do not reflect restated amounts.

continued..

2008	2007	2006	2005	2004	2003
$ 38,787,056	$ 36,230,196	$ 32,486,753	$ 28,473,947	$ 28,849,545	$ 28,724,668
13,788,640	12,235,180	11,944,464	10,482,259	9,266,613	8,877,008
(195,832)	784,999	2,509,221	1,634,099	2,660,251	2,628,185
52,379,864	49,250,375	46,940,438	40,590,305	40,776,409	40,229,861
37,100,988	34,557,074	32,024,597	28,471,548	29,136,899	30,003,685
11,412,229	10,619,030	11,029,092	9,206,780	9,409,527	9,047,287
48,513,217	45,176,104	43,053,689	37,678,328	38,546,426	39,050,972
75,888,044	70,787,270	64,511,350	56,945,495	57,986,444	58,728,353
13,788,640	12,235,180	11,944,464	10,482,259	9,266,613	8,877,008
11,216,397	11,404,029	13,538,313	10,840,879	12,069,778	11,675,472
$100,893,081	$ 94,426,479	$ 89,994,127	$ 78,268,633	$ 79,322,835	$ 79,280,833

City of Wadsworth, Ohio

Changes in Net Assets

Last Nine Years

(Accrual Basis of Accounting)

	2011	2010	2009	2008
Program Revenues				
Governmental Activities:				
Charges for Services:				
General Government	$ 616,010	$ 415,956	$ 1,804,234	$ 1,637,283
Security of Persons and Property	1,388,280	1,053,063	1,019,968	951,404
Public Health	16,799	14,508	12,637	9,906
Leisure Time Servies	226,537	460,552	759,662	719,242
Community and Economic Development	42,082	40,288	48,260	31,738
Public Works[1]	0	828,752	0	1,403
Transportation	31,754	1,037	20,452	75,132
Intergovernmental	0	828	0	21,562
Subtotal - Charges for Services	2,321,462	2,814,984	3,665,213	3,447,670
Operating Grants and Contributions:				
General Government	46,244	14,222	188,200	17,768
Security of Persons and Property	226,398	84,341	75,909	424,018
Public Health	741	701	336	404
Leisure Time Activities	8,986	7,244	2,643	3,407
Community and Economic Development	277,912	2,265	16,637	360,036
Public Works	93,093	0	0	0
Transportation	1,740,863	0	0	305,707
Intergovernmental	0	52	0	24
Interest and Fiscal Charges	0	0	0	0
Subtotal - Operating Grants and Contributions	2,394,237	108,825	283,725	1,111,364
Capital Grants and Contributions:				
General Government	0	566,630	859,483	1,007,719
Security of Persons and Property	74,447	0	311,907	339,133
Public Health	0	0	6,828	8,071
Leisure Time Activities	0	258,347	82,761	69,265
Community and Economic Development	117,146	209,486	414,934	19,725
Public Works	0	785	0	0
Transportation	239,370	624,234	136,363	352,655
Intergovernmental	0	0	0	3,021
	430,963	1,659,482	1,812,276	1,799,589
Total Governmental Activities Program Revenues	5,146,662	4,583,291	5,761,214	6,358,623

(continued)

2007	2006	2005	2004	2003
$ 1,630,640	$ 1,514,655	$ 1,047,393	$ 906,987	$ 479,589
838,539	1,003,254	1,095,457	634,961	636,624
12,413	7,545	6,757	9,599	15,206
744,047	730,533	736,484	688,927	460,768
59,565	92,125	56,874	27,191	86,462
24,461	58,593	14,318	1,029,930	56,286
77,862	40,092	62,040	7,720	6,136
968	193	249	163	0
3,388,495	3,446,990	3,019,572	3,305,478	1,741,071
11,077	205,253	10,041	34,254	107,681
84,813	74,658	97,715	157,530	177,627
296	189	0	1,430	6,463
130,026	5,507	161	263,286	144,609
35,628	756	54,369	1,998	9,284
0	0	852	0	0
0	94,522	0	1,100	0
6	16,325	7,700	10,868	0
0	0	154,912	0	0
261,846	397,210	325,750	470,466	445,664
613,643	60,399	34,581	44,534	26,410
614,587	49,725	0	0	0
17,195	0	0	0	0
130,511	0	0	46,996	0
509,967	194,687	0	240,044	442,490
0	27,878	489,243	0	11,552
0	0	0	0	0
379	24,243	0	0	0
1,886,282	356,932	523,824	331,574	480,452
5,536,623	4,201,132	3,869,146	4,107,518	2,667,187

(continued)

City of Wadsworth, Ohio

Changes in Net Assets

Last Nine Years

(Accrual Basis of Accounting)

	2011	2010	2009	2008
Business-Type Activities:				
Charges for Services:				
Electric	30,579,103	30,330,442	29,851,125	27,762,640
Sanitation	2,188,061	2,071,234	1,984,672	1,902,235
Sewer	3,342,729	3,145,489	3,319,499	3,226,918
Storm Water[1]	833,778	0	0	0
Telecom	3,628,336	3,342,778	2,993,393	2,774,399
Water	3,726,491	3,684,369	3,395,906	2,944,488
Subtotal - Charges for Services	44,298,498	42,574,312	41,544,595	38,610,680
Capital Grants and Contributions				
Electric	2,381,437	740,554	0	0
Sewer	0	267,446	428,629	1,729,137
Storm Water[1]	82,970	0	0	0
Water	0	0	297,069	1,176,966
Subtotal - Capital Grants and Contributions	2,464,407	1,008,000	725,698	2,906,103
Total Business-Type Activities Program Revenues	46,762,905	43,582,312	42,270,293	41,516,783
Total Primary Government Program Revenues	51,909,567	48,165,603	48,031,507	47,875,406
Expenses				
Governmental Activities:				
General Government	3,809,401	3,341,356	5,561,354	6,055,239
Security of Persons and Property	6,512,974	6,601,561	5,804,358	5,685,852
Public Health	105,261	103,060	128,140	145,433
Leisure Time Activities	1,510,485	2,351,287	1,946,859	2,080,885
Community and Economic Development	660,516	522,242	616,764	737,503
Public Works	200,224	711,713	0	9,700
Transportation	3,186,302	2,928,565	2,803,257	2,941,263
Intergovernmental	0	7,499	0	11,057
Interest and Fiscal Charges	781,845	149,109	135,705	151,362
Total Governmental Activities Expenses	16,767,008	16,716,392	16,996,437	17,818,294
Business-Type Activities:				
Electric	28,946,483	28,572,879	28,338,305	25,823,545
Sanitation	2,082,729	2,075,807	1,951,471	1,935,094
Sewer	3,573,261	3,310,275	3,727,726	4,534,794
Storm Water[1]	986,089	0	0	0
Telecom	3,631,490	3,416,318	3,258,997	3,015,641
Water	3,456,315	4,397,523	3,091,449	3,085,289
Total Business-Type Activities Expenses	42,676,367	41,772,802	40,367,948	38,394,363

(continued)

2007	2006	2005	2004	2003
25,014,078	26,047,966	25,484,936	21,950,840	20,015,839
1,842,501	1,640,433	1,610,792	1,585,439	1,527,144
3,609,670	3,865,870	3,553,416	3,152,300	2,483,517
0	0	0	n/a	n/a
2,656,861	2,025,017	1,872,815	0	n/a
2,838,418	2,611,536	2,742,246	2,061,048	2,052,954
35,961,528	36,190,822	35,264,205	28,749,627	26,079,454
0	0	50,000	0	0
84,225	705,186	0	0	0
0	0	0	n/a	n/a
581,215	319,496	0	0	0
665,440	1,024,682	50,000	0	0
36,626,968	37,215,504	35,314,205	28,749,627	26,079,454
42,163,591	41,416,636	39,183,351	32,857,145	28,746,641
5,176,695	3,585,390	3,960,462	3,422,001	3,437,464
5,524,710	5,022,596	6,496,050	5,864,968	4,914,431
149,833	105,621	75,271	145,778	210,789
2,152,345	1,818,429	2,204,047	2,023,707	1,931,413
617,243	455,994	811,973	478,550	666,141
21,990	191,103	50,280	30,140	41,613
2,693,526	2,528,287	2,435,891	2,512,197	2,183,987
204,548	5,960	156,610	16,529	0
165,075	103,748	147,354	146,971	172,803
16,705,965	13,817,128	16,337,938	14,640,841	13,558,641
25,899,005	26,038,534	28,056,110	23,589,034	18,960,567
1,773,366	1,608,357	1,838,563	1,284,315	1,450,513
2,432,224	2,501,651	2,239,016	2,497,533	2,266,394
0	0	0	n/a	n/a
2,215,775	1,220,462	1,733,253	10,344	n/a
3,323,572	2,783,980	2,638,269	2,401,418	1,637,700
35,643,942	34,152,984	36,505,211	29,782,644	24,315,174

(continued)

City of Wadsworth, Ohio

Changes in Net Assets

Last Nine Years

(Accrual Basis of Accounting)

	2011	2010	2009	2008
Total Primary Government Expenses	59,443,375	58,489,194	57,364,385	56,212,657
Net (Expense)/Revenue				
Governmental Activities	(11,620,346)	(12,133,101)	(11,235,223)	(11,459,671)
Business-Type Activities	4,086,538	1,809,510	1,902,345	3,122,420
Total Primary Government Net (Expense)/Revenue	(7,533,808)	(10,323,591)	(9,332,878)	(8,337,251)
General Revenues				
Governmental Activities				
Taxes:				
Property Taxes Levied For:				
General Purposes	959,950	1,064,928	1,052,918	1,110,503
Capital Projects	1,190,052	362,949	416,378	453,955
Emergency Medical Services	891,198	1,613,748	1,717,949	1,731,358
Income Taxes	6,851,870	6,480,155	6,477,735	7,332,441
Payments in Lieu of Taxes	105,000	99,000	0	0
Grants and Entitlements not Restricted to Specific Programs	2,527,284	4,495,881	4,398,252	3,381,413
Investment Earnings	150,965	109,972	195,647	542,854
Other Income	76,641	201,433	88,582	36,636
Total Governmental Activities	12,752,960	14,428,066	14,347,461	14,589,160
Business-Type Activities				
Investment Earnings	40,295	23,885	108,016	134,715
Other Income	507,652	451,296	6,915	79,978
Total Business-Type Activities	547,947	475,181	114,931	214,693
Total Primary Government General Revenues	13,300,907	14,903,247	14,462,392	14,803,853
Transfers				
Governmental Activities	0	0	69,566	0
Business-Type Activities	0	0	(69,566)	0
Change in Net Assets				
Governmental Activities	1,132,614	2,294,965	3,181,804	3,129,489
Business-Type Activities	4,634,485	2,284,691	1,947,710	3,337,113
Total Primary Government Change in Net Assets	$ 5,767,099	$ 4,579,656	$ 5,129,514	$ 6,466,602

(continued)

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

2007	2006	2005	2004	2003
52,349,907	47,970,112	52,843,149	44,423,485	37,873,815
(11,169,342)	(9,615,996)	(12,468,792)	(10,533,323)	(10,891,454)
983,026	3,062,520	(1,191,006)	(1,033,017)	1,764,280
(10,186,316)	(6,553,476)	(13,659,798)	(11,566,340)	(9,127,174)
1,056,203	977,911	903,156	947,379	740,979
475,452	456,586	441,050	449,355	300,886
1,319,207	746,445	839,652	726,939	511,826
5,720,788	6,542,143	6,312,773	5,422,294	5,601,761
0	0	0	0	0
4,266,292	3,028,791	3,430,318	3,447,008	3,055,744
891,744	750,706	340,280	76,320	76,023
66,997	20,024	55,164	8,251	431,895
13,796,683	12,522,606	12,322,393	11,077,546	10,719,114
55,910	191,679	283,203	530,796	114,031
20	1,936	0	0	34,075
55,930	193,615	283,203	530,796	148,106
13,852,613	12,716,221	12,605,596	11,608,342	10,867,220
(750,000)	0	(39,705)	2,325	0
750,000	0	39,705	(2,325)	0
1,877,341	2,906,610	(186,104)	546,548	(172,340)
1,788,956	3,256,135	(868,098)	(504,546)	1,912,386
$ 3,666,297	$ 6,162,745	$ (1,054,202)	$ 42,002	$ 1,740,046

City of Wadsworth, Ohio

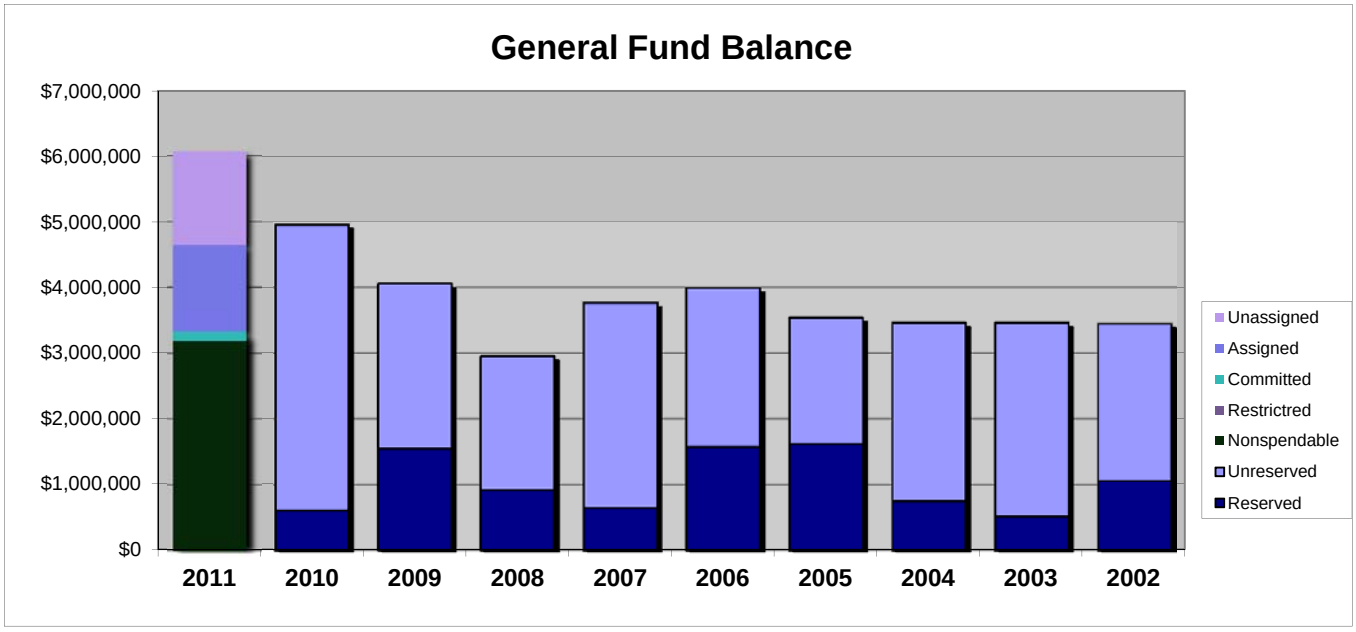
Fund Balances, Governmental Funds

Last Ten Years

(Modified Accrual Basis of Accounting)

	2011	2010	2009	2008	2007
General Fund					
Nonspendable	$ 3,191,006	0	0	0	0
Committed	150,998	0	0	0	0
Assigned	1,315,726	0	0	0	0
Unassigned	1,406,960	0	0	0	0
Reserved	0	$ 611,466	$ 1,557,563	$ 924,595	$ 650,932
Unreserved	0	4,344,340	2,503,732	2,028,877	3,119,368
Total General Fund	6,064,690	4,955,806	4,061,295	2,953,472	3,770,300
All Other Governmental Funds					
Nonspendable	$ 336,264	0	0	0	0
Restricted	14,058,202	0	0	0	0
Committed	1,458,238	0	0	0	0
Unassigned	(340,450)	0	0	0	0
Reserved	0	3,264,480	3,473,817	5,473,400	5,215,585
Unreserved, Undesignated (Deficit), Reported in:					
Special Revenue Funds	0	8,075,725	8,404,961	5,501,520	4,139,390
Capital Projects Funds	0	4,674,201	490,946	(690,805)	970,349
Total All Other Governmental Funds	15,512,254	16,014,406	12,369,724	10,284,115	10,325,324
Total Governmental Funds	$ 21,576,944	$ 20,970,212	$ 16,431,019	$ 13,237,587	$ 14,095,624

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)

2006	2005	2004	2003	2002
0	0	0	0	0
0	0	0	0	0
0	0	0	0	0
0	0	0	0	0
$ 1,571,123	$ 1,618,922	$ 755,873	$ 513,863	$ 1,065,540
2,424,464	1,922,698	2,710,107	2,947,703	2,382,150
3,995,587	3,541,620	3,465,980	3,461,566	3,447,690
0	0	0	0	0
0	0	0	0	0
0	0	0	0	0
0	0	0	0	0
3,110,379	1,814,085	1,682,875	1,428,340	1,680,664
5,613,334	5,103,459	4,528,402	4,412,747	5,455,916
1,531,181	2,180,177	2,228,281	1,853,128	1,540,144
10,254,894	9,097,721	8,439,558	7,694,215	8,676,724
$ 14,250,481	$ 12,639,341	$ 11,905,538	$ 11,155,781	$ 12,124,414

City of Wadsworth, Ohio

Changes in Fund Balances, Governmental Funds

Last Ten Years

(Modified Accrual Basis of Accounting)

	2011	2010	2009	2008
Revenues				
Property and Other Local Taxes	$ 3,121,651	$ 2,996,532	$ 3,167,698	$ 3,258,568
Income Taxes	6,741,133	6,573,369	6,591,226	6,525,267
Payments in Lieu of Taxes	105,000	99,000	0	0
Special Assessments	117,146	184,287	84,377	28,630
Charges for Services	1,128,411	1,857,582	2,210,771	1,887,220
Licenses and Permits	407,278	390,012	938,955	826,768
Fines and Forfeitures	715,652	653,093	261,333	298,730
Intergovernmental	4,537,339	6,145,906	5,475,695	5,606,904
Interest	206,885	109,972	195,647	542,854
Rent	1,400	9,400	236,945	246,065
Contributions and Donations	3,505	9,631	57,908	17,768
Other	75,241	201,433	88,582	36,636
Total Revenues	17,160,641	19,230,217	19,309,137	19,275,410
Expenditures				
Current:				
General Government	3,277,952	2,891,212	5,215,166	6,118,002
Security of Persons and Property	5,986,941	6,034,330	5,418,631	5,643,693
Public Health	105,402	100,441	83,021	95,258
Leisure Time Services	1,461,356	2,099,175	1,855,581	2,103,211
Community and Economic Development	655,562	516,310	606,807	739,088
Public Works	200,224	690,694	4,636	7,928
Transportation	2,698,700	2,054,047	2,000,080	2,314,431
Intergovernmental	0	7,499	0	11,057
Capital Outlay	925,826	17,813,141	2,417,711	2,591,116
Debt Service:				
Principal Retirement	197,254	252,161	372,072	356,987
Interest and Fiscal Charges	785,044	100,713	137,073	152,676
Issuance Costs	0	360,988	53,149	0
Total Expenditures	16,294,261	32,920,711	18,163,927	20,133,447
Excess of Revenues Over (Under) Expenditures	866,380	(13,690,494)	1,145,210	(858,037)
Other Financing Sources (Uses)				
Notes Issued	0	0	0	0
Bonds Issued	0	18,290,000	2,015,000	0
Premium on Debt Issued	0	0	33,222	0
Proceeds of Loans	0	0	0	0
Proceeds from Sale of Capital Assets	3,810	39,648	0	0
Transfers In	6,914,635	6,845,800	7,339,800	5,611,000
Transfers Out	(6,911,048)	(6,842,213)	(7,339,800)	(5,611,000)
Other Financing Uses	0	(103,548)	0	0
Total Other Financing Sources (Uses)	7,397	18,229,687	2,048,222	0
Net Change in Fund Balances	$ 873,777	$ 4,539,193	$ 3,193,432	$ (858,037)
Debt Service as a Percentage of Noncapital Expenditures	6.4%	2.3%	3.4%	3.1%

NOTE: In 2011, the City implemented GASB 54 which caused a restatement of Net Assets for 2010. Periods prior to 2011 do not reflect restated amounts.

(continued)

2007	2006	2005	2004	2003	2002
$ 2,838,180	$ 2,245,255	$ 2,233,103	$ 2,050,342	$ 1,711,271	$ 1,609,241
6,672,229	6,354,130	5,980,973	5,408,970	5,183,457	4,996,671
0	0	0	0	0	0
56,267	88,314	120,168	142,583	148,562	208,241
2,215,944	2,225,296	1,817,989	1,903,580	979,752	632,742
758,027	861,657	824,820	814,104	576,793	335,306
205,859	153,247	178,098	228,079	183,126	555,605
5,273,528	3,211,890	4,149,202	4,018,144	4,341,614	4,035,388
891,744	750,706	340,280	76,320	76,023	174,408
208,665	206,790	198,665	359,715	1,400	0
30,253	46,935	117,949	49,801	5,344	0
66,997	20,024	51,227	8,251	430,934	165,987
19,217,693	16,164,244	16,012,474	15,059,889	13,638,276	12,713,589
5,523,566	3,468,937	3,314,963	3,037,939	3,281,323	2,313,036
5,274,973	5,250,880	5,912,136	5,310,215	5,142,104	4,507,625
110,122	55,788	73,074	83,544	164,532	60,313
2,087,317	1,913,057	1,964,116	1,868,559	1,822,750	1,824,360
625,538	450,938	760,920	524,604	653,817	385,026
19,281	187,155	48,500	29,419	41,613	0
2,023,168	2,040,176	1,772,467	1,946,326	2,116,587	1,547,949
204,548	5,960	156,610	16,529	0	0
2,949,313	346,555	715,089	1,005,873	778,664	1,945,865
336,905	321,827	396,336	387,989	382,980	375,636
169,363	131,553	129,935	138,336	164,084	176,856
0	0	0	0	0	0
19,324,094	14,172,826	15,244,146	14,349,333	14,548,454	13,136,666
(106,401)	1,991,418	768,328	710,556	(910,178)	(423,077)
0	0	1,243	10,941	0	0
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	12,651	6,622	14,257
0	0	3,937	13,284	4,661	727
5,451,000	5,345,629	5,270,696	5,059,525	5,828,625	6,514,333
(5,451,000)	(5,345,629)	(5,310,401)	(5,057,200)	(5,828,625)	(7,239,587)
0	0	0	0	0	0
0	0	(34,525)	39,201	11,283	(710,270)
$ (106,401)	$ 1,991,418	$ 733,803	$ 749,757	$ (898,895)	$ (1,133,347)
3.3%	3.5%	3.5%	3.9%	4.5%	4.9%

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)
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
2003	274,210,171	71,060,961	2,941,160	44,102,411	n/a
2002	274,993,180	71,060,960	3,045,700	44,130,661	n/a

Source: Medina County Auditor, Medina Ohio
Information prior to 2002 is not available.
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 is assessed at 25% of true value for capital assets and 23% of true value for inventory.
For 2006, tangible personal property tax is assessed at 18.75% of property value, including inventory.
For 2007, tangible personal property tax is assessed at 12.50% of property value, including inventory.
For 2008, tangible personal property tax is 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 is assessed at 10% of property value.
For 2010, tangible personal property tax will be assessed at 5% of property value.
For 2011, 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
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%
392,314,703	$ 5.80	1,166,240,820	33.64%
393,230,501	$ 5.80	1,168,709,781	33.65%

City of Wadsworth, Ohio

Direct and Overlapping Property Tax Rates

Last Eight Collection Years

	2011	2010	2009	2008
Unvoted Millage				
Operating	2.1000	2.1000	2.1000	2.1000
Police Pension	0.3000	0.3000	0.3000	0.3000
Total Unvoted Millage	2.4000	2.4000	2.4000	2.4000
Voted Millage				
Fire Levy	1.1000	1.1000	1.1000	1.1000
EMS Levy	2.3000	2.3000	2.3000	2.3000
Total Voted Millage	3.4000	3.4000	3.4000	3.4000
Total Millage	5.8000	5.8000	5.8000	5.8000
Overlapping Rates by Taxing District				
Wadsworth City School District				
Residential/Agricultural Real	36.1295	31.5638	31.6916	28.8014
Commercial/Industrial and Public Utility Real	38.2956	35.7988	36.1101	33.1027
General Business and Public Utility Personal	72.6000	70.2000	70.4000	67.5000
Medina County				
Residential/Agricultural Real	6.5082	5.9807	5.9167	5.9261
Commercial/Industrial and Public Utility Real	6.4369	6.0632	5.9891	5.9752
General Business and Public Utility Personal	8.0400	8.0400	8.0700	8.0700
Wadsworth Public Library				
Residential/Agricultural Real	1.6032	1.4441	1.4388	1.4396
Commercial/Industrial and Public Utility Real	1.5295	1.5234	1.5034	1.5236
General Business and Public Utility Personal	1.7500	1.7500	1.7500	1.7500
Medina County Park District				
Residential/Agricultural Real	0.7366	0.6775	0.6758	0.6777
Commercial/Industrial and Public Utility Real	0.7052	0.6969	0.6951	0.6922
General Business and Public Utility Personal	0.7500	0.7500	0.7500	0.7500
Highland Local School District				
Residential/Agricultural Real	29.7286	28.4983	29.1516	29.2728
Commercial/Industrial and Public Utility Real	25.0217	24.9227	25.5162	25.0795
General Business and Public Utility Personal	69.9000	69.9000	70.5500	70.5500
Medina County Library District				
Residential/Agricultural Real	2.0319	1.9378	2.1352	2.1388
Commercial/Industrial and Public Utility Real	1.9854	1.9696	2.1651	2.6050
General Business and Public Utility Personal	2.0500	2.0500	2.2500	2.2500
Vocational Education				
Residential/Agricultural Real	2.0582	2.0048	2.0000	2.0000
Commercial/Industrial and Public Utility Real	1.9420	2.0158	2.0081	1.9999
General Business and Public Utility Personal	2.9000	3.0500	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)

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

City of Wadsworth, Ohio

Principal Property Taxpayers

2011 vs. 2008

	2011	
Taxpayer	Property Assessed Valuation	Percentage of Total Assessed Valuation
Stratford Crossings LTD	$4,452,910	1.11%
Echo Wadsworth Assoc	$3,131,500	0.78%
DJB No 23 LP	$2,894,460	0.72%
Ebner Furnaces Inc	$2,576,380	0.64%
Day Family Enterprises LLC	$2,441,390	0.61%
Rolling Hills Care Center	$2,247,000	0.56%
Rohrer Properties	$2,029,620	0.51%
Big Sky Apartments	$1,907,480	0.48%
Priority II LLC C/O Priority II LLC	$1,840,790	0.46%
Wal Mart Real Estate	$1,719,380	0.43%
TOTAL	$25,240,910	6.31%
Total Assessed Property Valuation	$400,199,850	

	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 (2)	Total Tax Collections (1)	Percent of Total Tax Collections to Tax Levy	Accumulated Outstanding Delinquent Taxes	Percentage of Delinquent Taxes to Total Tax Levy
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%
2003	2,009,400	1,830,073	91.08%	50,458	1,880,531	93.59%	n/a	n/a
2002	1,674,200	1,783,859	106.55%	46,093	1,829,953	109.30%	n/a	n/a

Source: Medina County, Ohio; County Auditor

(1) State reimbursement of rollback and homestead exemptions are included.
(2) The County does not identify delinquent collections by the year for which the tax was levied.

Note: Tangible Personal Property tax expired at the end of 2010. The County no longer levies current tax or has current collections. Deliquent TPP taxes are included.

City of Wadsworth, Ohio

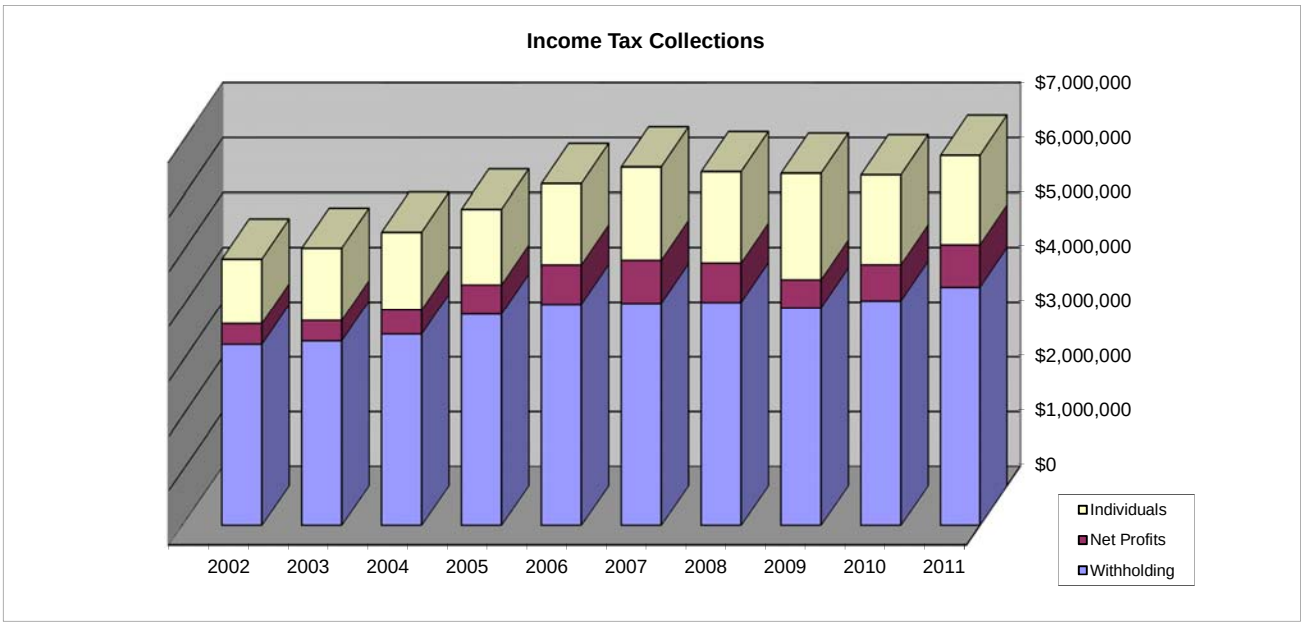
Income Tax Rate, Revenue Base, and Collections

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
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%
2003	1.3%	5,211,251	133,516	2.56%	3,385,492	64.97%	376,007	7.22%	1,316,236	25.26%
2002	1.3%	5,058,965	179,627	3.55%	3,321,271	65.65%	381,129	7.53%	1,176,938	23.26%

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 (5)	Notes Payable (6)	Stormwater G.O. Bonds	Water G.O. Bonds	OWDA Loan	Electric Revenue Bonds	Electric G.O. Bonds	Notes Payable	Total Primary Government	Percentage of Personal Income (1)	Per Capita (1)
2011		625,000	18,290,000	271,745	758,448	895,000	10,465,000	19,504,560	7,137,917	280,000	7,440,504	65,668,173	11.91%	$3,045
2010	(8)	820,000	18,290,000	359,813	1,308,369	945,000	10,855,000	20,429,684	7,669,583	310,000	5,920,341	66,907,790	11.42%	$3,102
2009	(7)	1,015,000	0	301,609	1,759,864	1,000,000	1,520,000	21,326,340	8,181,250	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	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	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	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	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	1,204,495	13,966,395	3.11%	$711
2003		1,980,000	0	536,339	136,181	0	0	303,419	10,899,167	0	1,219,486	15,074,592	3.39%	$776
2002	(4)	2,260,000	0	631,086	146,545	0	170,000	587,855	11,312,000	0	1,293,880	16,401,366	3.74%	$855

(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) The City issued electric revenues bonds for the construction of two new substations. It was with these bond proceeds that some of the notes were paid-off.
(5) These bonds are internally held.
(6) Notes payable includes internally held notes and liability for Police Past Service Cost.
(7) 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.
(8) 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.

City of Wadsworth, Ohio

Computation of Direct and Overlapping
Debt Attributable to Governmental Activities
December 31, 2011

	Debt Attributable to Governmental Activities	Percentage Applicable to Wadsworth (1)	Amount of Direct and Overlapping Debt
Direct Debt:			
City of Wadsworth			
General Obligation Bonds	$625,000	100.00%	$625,000
Special Assessment Bonds	271,745	100.00%	271,745
Bond Anticipation Notes	666,400	100.00%	666,400
Police and Fire Pension Note	92,048	100.00%	92,048
Community Center Revenue Bonds	18,290,000	100.00%	18,290,000
Total Direct Debt	$19,945,193		$19,945,193
Overlapping Debt:			
Payable from Property Taxes			
Medina County Bonds (2)	$4,443,929	9.73%	$432,442
Wadsworth City School District Bonds (3)	84,980,777	73.29%	62,286,419
Highland School District (4)	29,535,000	1.03%	305,327
Payable from Other Sources			
Medina County Special Assessment Bonds (2)	885,051	9.73%	86,125
Medina County OWDA Loans (2)	542,735	9.73%	52,814
Medina County OPWC Loans (2)	96,427	9.73%	9,383
Wadsworth City School District Notes (3)	98,820,777	73.29%	72,430,408
Total Overlapping Debt	$219,304,696		$135,602,919
Total	$239,249,889		$155,548,111

(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 2011 collection year (2010 tax year).
(2) Source - Medina County Auditor's Office
(3) Source - Wadsworth City Schools - reported as of June 30,2011
(4) Source - Highland Local School District CAFR - reported as of June 30, 2011

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
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
2003	1,980,000	1,366,044	613,956	1,166,240,820	0.05%	$31.59
2002	2,430,000	n/a	2,430,000	1,168,709,781	0.21%	$126.67

City of Wadsworth, Ohio

Legal Debt Margin Information

Last Ten Years

	2011	2010	2009	2008	2007
Overall Debt Limitation (10.5% of Assessed Valuation)	$48,941,587	$52,666,091	$52,249,118	$52,976,757	$48,424,088
Net Debt Applicable to Debt Limit	1,383,448	2,128,369	2,774,864	4,092,937	3,756,190
Overall Legal Debt Margin (10.5% of Assessed Valuation)	$47,558,139	$50,537,722	$49,474,254	$48,883,820	$44,667,898
Legal Debt Margin as a Percentage of Debt Limit	97.17%	95.96%	94.69%	92.27%	92.24%
Unvoted Debt Limitation (5.5% of Assessed Valuation)	$25,636,069	$27,587,000	$27,368,586	$27,749,730	$25,364,998
Net Debt Applicable to Debt Limit	1,383,448	2,128,369	2,774,864	4,092,937	3,756,190
Unvoted Legal Debt Margin (5.5% of Assessed Valuation)	$24,252,622	$25,458,631	$24,593,722	$23,656,793	$21,608,808
Legal Debt Margin as a Percentage of Debt Limit	94.60%	92.28%	89.86%	85.25%	85.19%

Legal Debt Margin Calculation for Fiscal Year 2011

	Unvoted Margin Within 5.5%	Overall Margin Within 10.5%
Assessed property value	$466,110,350	$466,110,350
Overall Debt Limitation (percentage of assessed valuation)	$25,636,069	$48,941,587
Gross Indebtedness	65,668,173	65,668,173
Less: Special Assessment Bonds	(271,745)	(271,745)
Stormwater Revenue Bond	(895,000)	(895,000)
Income Tax Revenue Bonds	(18,290,000)	(18,290,000)
Water Revenue Bonds	(10,465,000)	(10,465,000)
OWDA Loan	(19,504,560)	(19,504,560)
Electric Revenue Bonds	(7,137,917)	(7,137,917)
Electric G.O. Bonds	(280,000)	(280,000)
Bond Anticipation Notes - Enterprise Funds	(7,440,504)	(7,440,504)
Net Debt Applicable to Debt Limit	1,383,448	1,383,448
Legal Debt Margin Within Limitations	$24,252,622	$47,558,139

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)

2006	2005	2004	2003	2002
$47,840,812	$47,076,284	$43,498,170	$41,193,044	$41,289,203
1,162,428	1,948,255	1,825,277	2,140,181	2,442,545
$46,678,384	$45,128,029	$41,672,893	$39,052,863	$38,846,658
97.57%	95.86%	95.80%	94.80%	94.08%
$25,059,473	$24,659,006	$22,784,756	$21,577,309	$21,627,678
1,162,428	1,948,255	1,825,277	2,140,181	2,442,545
$23,897,045	$22,710,751	$20,959,479	$19,437,128	$19,185,133
95.36%	92.10%	91.99%	90.08%	88.71%

City of Wadsworth, Ohio

Pledged Revenue Coverage
Ohio Water Development Authority Loan
Last Four Years

Fiscal Year	Sewer Service Charges and Interest	Direct Operating Expenses (1)	Net Available Revenues	Debt Service (2)		Coverage
				Principal	Interest	
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

Pledged Revenue Coverage
Electric System Improvements
Last Ten Years

Fiscal Year	Electric Service Charges and Interest	Direct Operating Expenses (1)	Net Available Revenues	Debt Service		Coverage
				Principal	Interest	
2011	$ 30,649,166	$ 26,481,640	$ 4,167,526	$ 531,667	$ 493,877	406.4%
2010	30,371,977	26,497,619	3,874,358	511,667	400,915	424.5%
2009	29,939,745	26,445,554	3,494,191	493,333	482,429	358.1%
2008	27,961,859	23,777,870	4,183,989	473,750	486,866	435.6%
2007	25,208,070	24,076,105	1,131,965	460,000	457,895	123.3%
2006	26,194,353	23,994,167	2,200,186	443,750	478,234	238.6%
2005	25,645,034	25,689,234	(44,200)	429,167	488,289	-4.8%
2004	22,109,997	21,443,034	666,963	419,167	492,116	73.2%
2003	20,175,204	16,573,139	3,602,065	412,833	514,266	388.5%
2002	20,566,750	18,450,323	2,116,427	333,000	431,309	276.9%

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.

City of Wadsworth, Ohio

Demographic and Economic Statistics

Last Ten Years

Year	Population (1a)	Total Personal Income (5)	Personal Income Per Capita (1b)	Median Household Income (1b)	Unemployment Rate (2)		City Square Miles(3)	Average Sales Price of Residential Property (4)	Median Age(1c)
					Medina County	State of Ohio			
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	10.2	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
2003	19,434	444,241,806	$22,859	$48,605	5.1	6.2	n/a	n/a	37.7
2002	19,183	438,504,197	$22,859	$48,605	4.6	5.7	n/a	n/a	37.7

(1) Source: (a) U.S. Census Bureau: American Fact Finder - Total Population 2010 Census
(b) 2008-2010 American Community Survey 3-Year Estimates
© 2006-2010 American Community Survey 5-year Estimates
(2) Source: Ohio Bureau of Job and Family Services; US Department of Labor
(3) Source: City of Wadsworth Planning Department
(4) Medina County Auditor's Office Monthly Property Transfers
(5) Computation of per capita personal income multiplied by population

City of Wadsworth, Ohio

Principal Employers
2010 and Eight Years Ago

2010 [1]

Employer	Industry	Employees	Percentage of Total City Employment	Percentage of Total City Withholding
Wadsworth City School District	Education	874	5.90%	7.77%
Summa Health System	Healthcare	567	3.83%	7.45%
WalMart Assoc Inc	Retail	550	3.71%	2.47%
City of Wadsworth	Government	412	2.78%	4.84%
Tamarkin Company (Giant Eagle)	Grocery	319	2.15%	2.30%
Buehler Food Markets Inc	Grocery	293	1.98%	0.93%
Parker Hannifin Corp	Manufacturing	195	1.32%	1.28%
AlterCare of Wadsworth Center for Rehab	Healthcare	174	1.17%	0.39%
Omnicare ESC LLC	Pharmaceuticals	162	1.09%	0.66%
United Parcel Service Inc.	Logistics	158	1.07%	0.69%
TOTAL		3,704	25.01%	28.78%
Total Employment Within the City		14,813		

2002 [2]

Employer	Industry	Employees	Percentage of Total City Employment	Percentage of Total City Withholding
Wadsworth City School District	Education	435	3.66%	7.50%
Buehler Food Markets	Grocery	347	2.92%	1.62%
D & R Industries Inc	Metal Polishing	280	2.36%	1.33%
City of Wadsworth	Government	242	2.04%	4.44%
Braun's Grocery Company Inc (Giant Eagle)	Grocery	203	1.71%	1.00%
Ameritemps Inc	Employment Agency	203	1.71%	0.05%
Lo-Med Prescription Services Inc	Pharmaceutical	193	1.62%	2.34%
K-Mart Corp & Subsidiaries	Retail	179	1.51%	0.55%
Tony Perry Chevrolet	Auto Sales/Service	178	1.50%	1.74%
United Parcel Service Inc	Delivery Services	172	1.45%	1.44%
TOTAL		2,432	20.47%	22.01%
Total Employment Within the City		11,880		

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

[1] 2011 data was not available at the time this report was issued

[2] Information prior to 2002 is not available

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City of Wadsworth, Ohio

Full-Time Equivalent City Government Employees by Function/Program

Last Ten Years

Function/Program	2011	2010	2009	2008	2007	2006	2005	2004	2003	2002
Governmental-Type Activities:										
General Government										
Auditor	6.0	6.0	6.0	6.0	5.0	4.5	6.0	5.0	4.0	4.5
Council	5.0	5.0	5.0	5.5	5.0	5.0	5.0	5.0	5.0	5.0
Engineering	9.5	10.0	11.0	11.0	10.5	11.5	13.5	10.5	11.0	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	1.0	1.0	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	2.5	3.0	3.0	2.0	2.5	2.5	2.5	2.5	2.5
Municipal Court	11.5	13.5	13.0	13.5	14.0	14.5	14.5	15.0	14.0	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	4.5	4.0	1.5	1.5	1.0	0.0	0.0	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	19.0	23.5	22.0	22.5	23.5	23.0	24.0	24.0	20.5	19.5
Fire	16.0	15.0	17.0	17.5	15.5	15.0	14.5	16.0	16.5	16.0
Police	41.5	39.5	44.5	44.5	42.5	50.0	49.0	51.0	49.5	48.5
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	14.0	14.0	13.0	12.5	12.5	14.0	14.5	12.5	13.5	14.0
Recreation	0.0	35.5	44.0	52.5	50.5	45.5	50.0	50.0	50.0	47.5
Senior Center	3.0	2.5	3.0	4.0	3.5	3.0	3.5	3.5	3.5	3.5
Wadsworth Cable Television	5.0	4.5	5.5	6.0	4.0	4.0	4.5	4.0	4.0	5.0
Community and Economic Development										
Building & Planning	2.5	2.5	3.0	3.5	3.5	4.0	4.0	3.0	3.0	3.5
Transportation Services										
Streets	18.5	23.5	21.5	24.5	22.5	28.0	26.0	23.5	27.5	29.0
Business-Type Activities:										
Electric	43.5	41.5	45.0	45.5	47.5	51.0	52.5	50.0	52.5	47.5
Information Technology	4.0	4.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	1.0
Sanitation	10.0	8.5	9.0	11.5	11.0	10.5	10.5	10.5	10.5	11.0
Sewer	10.0	10.0	11.0	11.0	11.0	12.0	12.0	12.0	13.0	13.5
Telecommunications	12.5	12.5	15.5	13.0	14.5	14.5	13.5	15.0	17.0	16.0
Vehicle Maintenance	5.0	5.0	5.0	5.0	5.0	5.0	5.0	5.0	5.0	6.0
Water	18.5	18.0	20.0	22.0	23.5	23.5	22.0	22.0	21.5	21.5
Totals:	276.5	315.0	334.5	352.0	343.5	356.5	362.5	355.5	359.5	354.0

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	2011	2010	2009	2008
General Government				
Streets (miles)	94	96	95	94
Salt Domes	1	1	1	1
Airports	1	1	1	1
Fueling System	1	1	1	1
Administrative Vehicles	2	2	2	2
Service Vehicles	40	40	40	41
Security of Persons and Property				
Service Director				
Early Warning Sirens	8	8	8	8
Vehicles	1	1	1	1
Police				
Stations	1	1	1	1
Shooting Ranges	1	1	1	1
Vehicles	21	21	21	23
Fire & EMS				
Stations	2	2	2	2
Fire Engines	8	8	8	8
Rescue Squads	5	5	5	4
Other Vehicles	5	5	5	5
Leisure Time Activities				
Parks & Recreation				
Recreation Center	0	0	1	1
Public Swimming Pools	0	0	2	2
Parks	16	16	16	16
Playgrounds	14	14	14	14
Baseball Diamonds	13	13	15	15
Tennis Courts	9	9	9	9
Full Sized Soccer Fields	10	10	10	10
Vehicles	11	11	12	14
Cable T.V. Access				
Cameras	11	11	11	11
Vehicles	1	1	1	1
Community and Economic Development				
Building and Zoning				
Vehicles	1	1	1	1

(continued)

2007	2006	2005	2004	2003	2002
92	90	88	85	81	75
1	1	1	1	1	1
1	1	1	1	1	1
1	1	1	1	1	1
2	1	1	0	0	0
41	37	35	37	36	35
6	6	6	5	5	5
1	1	1	1	1	1
1	1	1	1	1	1
1	1	1	1	1	1
20	22	20	18	20	23
2	2	2	2	2	2
8	8	9	8	8	8
4	4	4	4	4	4
5	6	5	5	5	6
1	1	1	1	1	1
2	2	2	2	2	2
16	16	16	15	14	14
14	14	14	13	13	13
15	15	15	15	13	13
9	9	9	9	9	9
10	10	10	10	10	10
12	12	12	12	13	11
11	11	11	11	9	9
1	0	0	0	1	1
1	1	1	1	1	1

(continued)

City of Wadsworth, Ohio

Capital Asset Statistics by Function/Program

Last Ten Years

Function/Program	2011	2010	2009	2008
Storm Water				
Storm Sewers (miles)	98	97	97	95
Telecom				
Vehicles	14	14	14	14
Sewer				
Lines (miles)	102	104	100	99
Lift Stations	4	4	4	4
Treatment Plants	1	1	1	1
Vehicles	5	5	5	5
Water				
Wells	12	12	12	12
Towers	5	5	5	5
Lines (miles)	121	122	121	120
Treatment Plants	1	1	1	1
SCADA	1	1	1	1
Vehicles	13	13	13	13
Electric				
Substations	6	6	6	6
Aerial Lines (miles)	230	230	229	237
Transmission Lines (miles)	19	19	19	19
Underground Lines (miles)	69	69	68	66
SCADA	1	1	1	1
Meters	12,726	12,726	12,192	12,378
Vehicles	28	28	28	28
Sanitation				
Transfer Stations	1	1	1	1
Packer Trucks	4	4	5	5
Automated Trucks	4	4	3	3
Vehicles	4	4	4	4

(continued)

2007	2006	2005	2004	2003	2002
93	91	89	87	83	81
14	13	12	12	12	13
96	95	94	93	91	90
3	3	3	3	3	3
1	1	1	1	1	1
5	5	5	5	5	4
12	11	11	11	11	11
5	5	5	5	5	5
116	112	111	108	105	104
1	1	1	1	1	1
1	1	1	1	1	0
13	13	13	13	12	11
8	8	8	8	8	8
238	239	239	244	244	247
19	19	19	19	19	19
66	62	60	56	52	50
1	1	1	1	1	1
12,258	11,955	11,779	11,531	11,391	11,223
26	33	27	27	26	27
1	1	1	1	1	1
5	4	4	4	4	4
3	3	3	3	2	2
4	5	4	4	4	3

City of Wadsworth, Ohio

Operating Indicators by Function/Program

Last Ten Years (1)

Function/Program	2011	2010	2009	2008
General Government				
Council and Clerk				
Number of Ordinances Passed	133	143	150	153
Number of Resolutions Passed	16	15	14	22
Finance Department				
Number of checks/ vouchers issued (payroll not included)	5,209	5,396	5,552	6,148
Amount of checks written (cash basis)	$79,755,372	$68,250,591	$55,193,439	$65,520,049
Interest earnings for fiscal year (cash basis)	$303,011	$182,657	$373,082	$904,666
Number of Receipts issued	28,981	27,664	26,895	10,458
General Fund Receipts (cash basis)	$11,397,872	$12,101,051	$11,555,924	$10,158,576
General Fund Expenditures (cash basis)	$10,966,566	$10,378,503	$11,390,512	$10,803,479
Income Tax Department				
Number of Business net profit forms processed	1,783	1,764	1,583	1,708
Number of Individual forms processed	16,111	19,386	20,223	15,628
Number of business withholding accounts	1,625	1,568	1,486	1,476
Amount of Penalties and Interest Collected	$161,501	$200,835	$163,493	$86,507
Civil Service				
Number of police entry tests administered	0	1	1	1
Number of fire entry tests administered	0	0	2	0
Number of police promotional tests administered	0	2	0	0
Number of fire promotional tests administered	0	0	0	0
Number of hires of Police Officers from certified lists	0	2	3	1
Number of hires of Fire/Medics from certified lists	0	0	6	0
Number of promotions from police certified lists	0	2	0	0
Number of promotions from fire certified lists	0	0	0	0
Engineering				
Number of New Subdivision	0	0	0	1
Number of New Lots	2	0	0	42
Number of Plat/Surveys Completed	3	5	3	7
Streets Constructed (linear feet)	0	0	2,169	3,422
Streets Resurfaced (linear feet)	4,477	8,160	21,819	8,913
Storm Sewer Lines Constructed (linear feet)	2,502	1,302	7,315	8,945
Number of New Catch Basins	17	15	82	78
Number of New Storm Manholes	0	0	30	31
Water Lines Constructed (linear feet)	3,827	4,586	44,033	25,038
Raw Water Lines Constructed (linear feet)	0	0	0	0
Number of New Hydrants	9	11	17	88
Number of New Valves	13	19	19	115
Sanitary Sewer Lines Constructed (linear feet)	2,106	9,069	5,382	19,187
Force Mains Constructed (linear feet)	0	0	0	2,776
Number of New Sanitary Manholes	11	14	37	94
Culverts Constructed (linear feet), not including drive culverts	0	198	0	0

(continued)

2007	2006	2005	2004	2003	2002
194	146	170	145	142	140
46	18	20	93	14	16
7,536	6,873	5,687	6,212	6,208	6,064
$58,413,247	$52,511,195	$50,223,871	$42,579,497	$41,586,325	$43,325,926
$1,188,433	$984,231	$484,044	$276,596	$312,944	$431,555
11,757	11,011	11,334	11,238	9,978	10,024
$10,258,939	$10,243,495	$9,621,319	$8,019,039	$7,722,137	$7,765,116
$10,501,749	$9,710,465	$9,437,989	$7,926,441	$7,798,794	$7,644,211
1,679	1,763	1,415	1,537	1,468	n/a
17,043	15,015	14,289	14,070	13,713	n/a
1,513	1,497	1,471	1,412	1,375	n/a
$103,845	$88,766	$55,892	$66,953	$74,789	n/a
0	1	0	1	0	1
0	0	0	0	1	0
0	0	0	0	0	2
0	0	0	0	0	1
0	0	0	2	0	3
0	0	0	0	3	0
0	0	0	0	0	3
0	0	0	0	0	1
5	0	4	5	4	2
209	0	136	178	179	100
10	7	17	18	14	14
6,665	5,122	3,737	13,719	3,567	5,452
3,886	4,726	12,751	7,507	26,521	25,069
15,218	8,529	8,162	24,280	12,436	3,718
108	73	74	181	84	20
64	39	35	116	34	2
20,332	5,908	12,270	17,041	6,460	9,875
0	232	0	0	0	0
66	23	35	57	22	27
93	24	50	57	32	30
1,990	7,174	5,033	11,602	5,832	521
0	0	0	0	0	0
13	35	28	71	33	9
101	0	0	0	39	0

(continued)

City of Wadsworth, Ohio

Operating Indicators by Function/Program

Last Ten Years (1)

Function/Program	2011	2010	2009	2008
Municipal Court				
Number of Civil Cases	924	1,067	1,108	1,226
Number of Criminal Cases	7,300	7,330	9,514	8,809
Security of Persons and Property				
Police				
Total Calls for Services	12,695	13,027	12,150	10,667
Class 1 crimes	0	569	508	489
Adult arrests	719	624	541	662
Juvenile arrests	28	19	17	37
Criminal summons	341	337	289	321
Traffic citations	2,047	2,040	2,259	2,098
Warning citations	1,375	1,506	1,363	1,184
Parking Tickets	1,916	1,404	1,354	1,444
Vehicle accidents- property damage	663	713	651	743
Vehicle accidents-injury	56	88	71	106
Total miles driven	260,993	266,330	260,471	279,747
Total gasoline cost	$75,118	$62,369	$50,173	$72,032
Fire and EMS				
EMS Calls	1,751	1,754	1,610	1,780
Ambulance Billing Collections (net)	$443,741	$460,717	$458,357	$335,427
Fire Calls	221	250	283	276
Fires with Loss	25	31	24	22
Fires with Losses exceeding $10K	4	5	8	5
Fire Losses	$2,253,160	$219,820	$757,170	$289,910
Fire Safety Inspections	1,120	902	985	847
No. of times Mutual Aid received from other Fire and EMS	19	25	23	15
No. of times Mutual Aid given by Fire and EMS	16	14	10	31
Training hours	3,345	3,832	4,695	4,400
Leisure Time Activities				
Recreation				
Recreation Center membership receipts (cash basis)	$0	$10,724	$121,141	$156,785
Recreation Center rental receipts (cash basis)	$0	$29,704	$47,441	$48,449
Recreation Center program receipts (cash basis)	$0	$24,887	$152,492	$158,928
Recreation Center miscellaneous receipts (cash basis)	$0	$1,612	$7,186	$8,747
Total Recreation Department receipts (cash basis)	$0	$66,927	$328,260	$372,908
Recreation Center Expenditures (cash basis)	$0	$413,339	$937,342	$1,003,533
Parks				
Parks Expenditures (cash basis)	$856,753	$756,915	$752,320	$775,589
Hours maintaining parks and City Buildings	15,191	15,910	12,479	15,874
Hours preparing Fields/Ball Diamonds	1,840	1,628	2,402	2,209
Hours of Snow removal	1,214	1,791	1,302	1,964
Average Cost per Resident	$39.73	$39.16	$46.49	$38.69

(continued)

2007	2006	2005	2004	2003	2002
1,182	866	848	923	808	701
7,322	5,724	6,645	7,219	8,802	9,635
10,151	9,641	8,803	8,800	8,582	7,288
485	454	473	490	400	471
736	876	755	655	457	334
58	51	37	33	24	17
238	239	325	338	219	89
1,863	2,925	2,888	3,030	2,815	2,473
1,030	1,077	1,294	1,282	1,306	1,572
1,295	1,136	1,323	984	1,310	1,909
762	703	723	697	637	581
98	83	83	79	78	77
287,540	262,311	296,423	295,771	276,057	271,606
$68,132	$63,303	$46,352	$36,122	$28,293	$23,573
1,714	1,638	1,728	1,699	1,607	1,600
$477,244	$403,214	$511,239	$205,187	$227,254	$208,126
291	267	273	276	286	270
36	12	22	17	19	24
13	4	9	4	11	12
$583,275	$234,950	$418,700	$155,110	$469,130	$830,600
650	825	687	789	933	293
21	7	10	2	9	8
20	10	27	14	16	26
5,689	6,223	3,531	3,449	5,675	4,579
$168,872	$171,494	$161,488	$150,845	$115,013	$107,668
$52,196	$49,597	$59,176	$57,909	$51,513	$58,661
$155,820	$142,787	$152,851	$134,570	$124,466	$149,602
$10,008	$13,626	$59,902	$8,903	$10,571	$16,350
$386,896	$377,504	$433,417	$352,227	$301,563	$332,281
$1,006,926	$996,100	$874,409	$844,163	$803,974	$746,928
$770,200	$663,201	$639,600	$621,833	$659,348	$660,346
15,666	16,143	17,159	16,274	17,061	17,589
2,351	2,381	2,440	2,246	2,633	1,953
1,544	516	1,187	1,403	1,722	826
$39.38	$34.83	$30.77	$31.21	$30.79	$32.42

(continued)

City of Wadsworth, Ohio

Operating Indicators by Function/Program

Last Ten Years (1)

Function/Program	2011	2010	2009	2008
Community and Economic Development				
Building and Zoning				
Estimated Value of Construction	$46,993,066	$101,699,650	$20,226,917	$21,403,499
Residential/Commercial/Zoning Permits Issued	386	339	366	324
Electric Permits	132	149	149	155
Heating Permits	127	150	151	124
Total Permits Issued	645	638	666	603
Permit Revenue	$93,022	$103,544	$112,439	$101,963
Number of Contractor Licenses	127	133	138	153
Code Enforcement Notices	267	236	286	302
Zoning Board of Appeals Hearings	13	15	12	90
Number of Planning Commission Docket Items	50	76	21	34
Transportation				
Crack Seal Coating Program (Miles)	10	13	13	16
Street Repair (Curbs, aprons, berms, asphalt) (hours)	5,276	3,636	2,456	3,204
Cold & Dura Patch (hours)	531	1,624	887	1,600
Tons of Asphalt	350	388	327	677
Tons of Limestone	1,000	300	1,250	1,750
Paint Striping (gallons of paint)	600	812	720	600
Leaf Collection (hours)	2,261	3,388	2,833	2,370
Tons of Salt	4,833	5,481	4,210	4,259

(continued)

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

2007	2006	2005	2004	2003	2002
$20,964,278	$38,826,319	$47,631,881	$42,302,437	$22,796,454	$36,582,353
362	452	536	568	491	566
177	223	290	304	292	323
141	156	239	247	172	216
680	831	1,065	1,119	955	1,105
$106,133	$159,972	$188,035	$99,047	$41,946	$56,023
166	180	182	n/a	n/a	n/a
128	217	213	108	n/a	n/a
121	92	135	115	139	110
44	40	70	n/a	n/a	n/a
16	23	27	33	35	27
2,951	3,587	3,247	3,101	2,479	3,155
2,472	621	583	487	490	1,620
821	1,040	1,100	775	650	772
1,872	1,510	1,250	1,000	800	620
550	650	600	525	400	400
2,182	3,885	3,689	3,648	4,289	3,797
3,171	3,267	4,048	3,272	3,400	3,600

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COMPLIANCE SECTION

CITY OF WADSWORTH, OHIO

AUDIT REPORT

FOR THE YEAR ENDED
DECEMBER 31, 2011

James G. Zupka, CPA, Inc.
Certified Public Accountants

CITY OF WADSWORTH, OHIO
AUDIT REPORT
FOR THE YEAR ENDED DECEMBER 31, 2011

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JAMES G. ZUPKA, C.P.A., INC.
Certified Public Accountants
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Garfield Hts., Ohio 44125

Member American Institute of Certified Public Accountants (216) 475 - 6136 Ohio Society of Certified Public Accountants

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

Members of City Council
City of Wadsworth, Ohio

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Wadsworth, Medina County, Ohio, as of and for the year ended December 31, 2011, which collectively comprise the City of Wadsworth, Ohio's basic financial statements and have issued our report thereon dated June 22, 2012, wherein, we noted the City of Wadsworth, Ohio implemented the provisions of GASB Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions,* and restated the December 31, 2010 net assets of the governmental activities, business-type activities, and the Storm Water Fund along with the fund balances of the governmental funds. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

Management of the City of Wadsworth, Ohio, is responsible for establishing and maintaining effective internal control over financial reporting. In planning and performing our audit, we considered the City of Wadsworth, Ohio's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City of Wadsworth, Ohio's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the City of Wadsworth, Ohio's internal control over financial reporting.

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

Our consideration of the internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be deficiencies, significant deficiencies, or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.

Compliance and Other Matters

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

We noted certain matters that we reported to the management of the City of Wadsworth, Ohio, in a separate letter dated June 22, 2012.

This report is intended solely for the information and use of management, members of City Council, others within the entity, federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

James G. Zupka, CPA, Inc.

James G. Zupka, CPA, Inc.
Certified Public Accountants

June 22, 2012

JAMES G. ZUPKA, C.P.A., INC.
Certified Public Accountants
5240 East 98th Street
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REPORT ON COMPLIANCE WITH REQUIREMENTS THAT COULD HAVE A DIRECT AND MATERIAL EFFECT ON EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133

Members of City Council
City of Wadsworth, Ohio

Compliance

We have audited the City of Wadsworth, Medina County, Ohio's compliance with the types of compliance requirements described in the *OMB Circular A-133 Compliance Supplement* that could have a direct and material effect on each of the City of Wadsworth, Ohio's major federal programs for the year ended December 31, 2011. The City of Wadsworth, Ohio's major federal program is identified in the summary of auditor's results section of the accompanying Schedule of Findings. Compliance with the requirements of laws, regulations, contracts, and grants applicable to its major federal program is the responsibility of the City of Wadsworth, Ohio's management. Our responsibility is to express an opinion on the City of Wadsworth, Ohio's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the City of Wadsworth, Ohio's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination of the City of Wadsworth, Ohio's compliance with those requirements.

In our opinion, the City of Wadsworth, Ohio, complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on its major federal program for the year ended December 31, 2011.

Internal Control Over Compliance

The management of the City of Wadsworth, Ohio, is responsible for establishing and maintaining effective internal control over compliance with the requirements of laws, regulations, contracts, and grants applicable to federal programs. In planning and performing our audit, we considered the City of Wadsworth, Ohio's internal control over compliance with the requirements that could have a direct and material effect on a major federal program to determine the auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the City of Wadsworth, Ohio'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, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. 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 type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be deficiencies, significant deficiencies, or material weaknesses. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above.

Schedule of Expenditures of Federal Awards

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Wadsworth, Ohio, as of and for the year ended December 31, 2011, and have issued our report thereon dated June 22, 2012, which contained unqualified opinions on those financial statements, wherein, we noted the City of Wadsworth, Ohio implemented the provisions of GASB Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*, and restated the December 31, 2010 net assets of the governmental activities, business-type activities, and the Storm Water Fund along with the fund balances of the governmental funds. Our audit was performed for the purpose of forming opinions on the financial statements as a whole. The accompanying Schedule of Expenditures of Federal Awards is presented for the purposes of additional analysis as required by 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 financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the Schedule of Expenditures of Federal Awards is fairly stated in all material respects in relation to the financial statements as a whole.

This report is intended solely for the information and use of management, members of City Council, others within the entity, federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

James G. Zupka, CPA, Inc.

James G. Zupka, CPA, Inc.
Certified Public Accountants

June 22, 2012

CITY OF WADSWORTH, OHIO
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2011

Federal Grantor/ Pass Through Grantor/ Program Title	Grant Number	Federal CFDA Number	Receipts Recognized	Federal Expenditures
United States Department of Health and Human Services				
Passed through the Department of Aging/WRAAA				
National Family Caregiver Support, Title III, Part E	Not Available	93.052	$ 6,400	$ 2,477
Total United States Department of Health and Human Services			6,400	2,477
United States Department of Justice				
Direct Program				
Partnership and Community Policing Bulletproof Vest Partnership Program	OMB# 1121-0235	16.607	7,480	9,444
Passed through the Ohio Office of Criminal Justice Services				
ARRA - Edward Byrne Justice Assistance Grant Formula Program	2009-RA-E01-2218	16.803	31,747	24,471
Edward Byrne Justice Assistance Grant Formula Program	2010-JG-E01-6869	16.738	12,158	18,673
Total Passed through the Ohio Office of Criminal Justice Services			43,905	43,144
Total United States Department of Justice			51,385	52,588
United States Department of Energy				
Passed through the Office of Electricity Delivery and Energy Reliability				
ARRA - City of Wadsworth Connected Grid	DE-OE0000280	81.122	2,077,811	2,381,436
Total United States Department of Energy			2,077,811	2,381,436
United States Department of Housing and Urban Development				
Passed through Ohio Department of Development				
CDBG	A-F-07-193-1	14.228	0	3,463
CDBG	A-F-09-2EH-1	14.228	57,500	62,217
CDBG	A-F-10-2EH-1	14.228	26,000	29,105
CHIP (CDBG)	A-C-07-193-1	14.228	0	11,771
CHIP (CDBG)	A-C-10-2EH-1	14.228	57,574	51,066
Total CFDA # 14.228			141,074	157,622
CHIP (HOME)	A-C-10-2EH-1	14.239	21,100	21,571
Total United States Department of Housing and Urban Development			162,174	179,193
TOTAL EXPENDITURES OF FEDERAL AWARDS			$ 2,297,770	$ 2,615,694

See accompanying notes to the Schedule of Expenditures of Federal Awards.

NOTE 1: SIGNIFICANT ACCOUNTING POLICIES

The accompanying Schedule of Expenditures of Federal Awards (the Schedule) summarizes activity of the City's federal award programs. The Schedule has been prepared on the cash basis of accounting.

NOTE 2: MATCHING REQUIREMENTS

Certain Federal programs require that the City contribute non-Federal funds (matching funds) to support the Federally-funded programs. The City has complied with the matching requirements. The expenditure of non-Federal matching funds is not included on the Schedule.

CITY OF WADSWORTH, OHIO
SCHEDULE OF FINDINGS
OMB CIRCULAR A-133 & .505
DECEMBER 31, 2011

1. **SUMMARY OF AUDITOR'S RESULTS**

2011(i)	Type of Financial Statement Opinion	Unqualified
2011(ii)	Were there any material control weaknesses reported at the financial statement level (GAGAS)?	No
2011(ii)	Were there any other significant deficiencies in internal control reported at the financial statement level (GAGAS)?	No
2011(iii)	Was there any reported material noncompliance at the financial statement level (GAGAS)?	No
2011(iv)	Were there any material internal control weaknesses reported for major federal programs?	No
2011(iv)	Were there any other significant deficiencies in internal control reported for major federal programs?	No
2011(v)	Type of Major Programs' Compliance Opinions	Unqualified
2011(vi)	Are there any reportable findings under .510?	No
2011(vii)	Major Programs (list):	
	ARRA - City of Wadsworth Connected Grid - CFDA # 81.122	
2011(viii)	Dollar Threshold: A/B Programs	Type A: $300,000 Type B: All Others
2011(ix)	Low Risk Auditee?	No

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

None

3. **FINDINGS AND QUESTIONED COSTS FOR FEDERAL AWARDS**

None.

CITY OF WADSWORTH, OHIO
STATUS OF PRIOR CITATIONS AND RECOMMENDATIONS
FOR THE YEAR ENDED DECEMBER 31, 2011

Finding Number	Finding Summary	Fully Corrected?	Not Corrected, Partially Corrected; Significantly Different Corrective Action Taken; or Finding No Longer Valid: **Explain:**
2010-1	Filing of Basic Report	Yes	Corrected in 2011