

CITY OF WADSWORTH

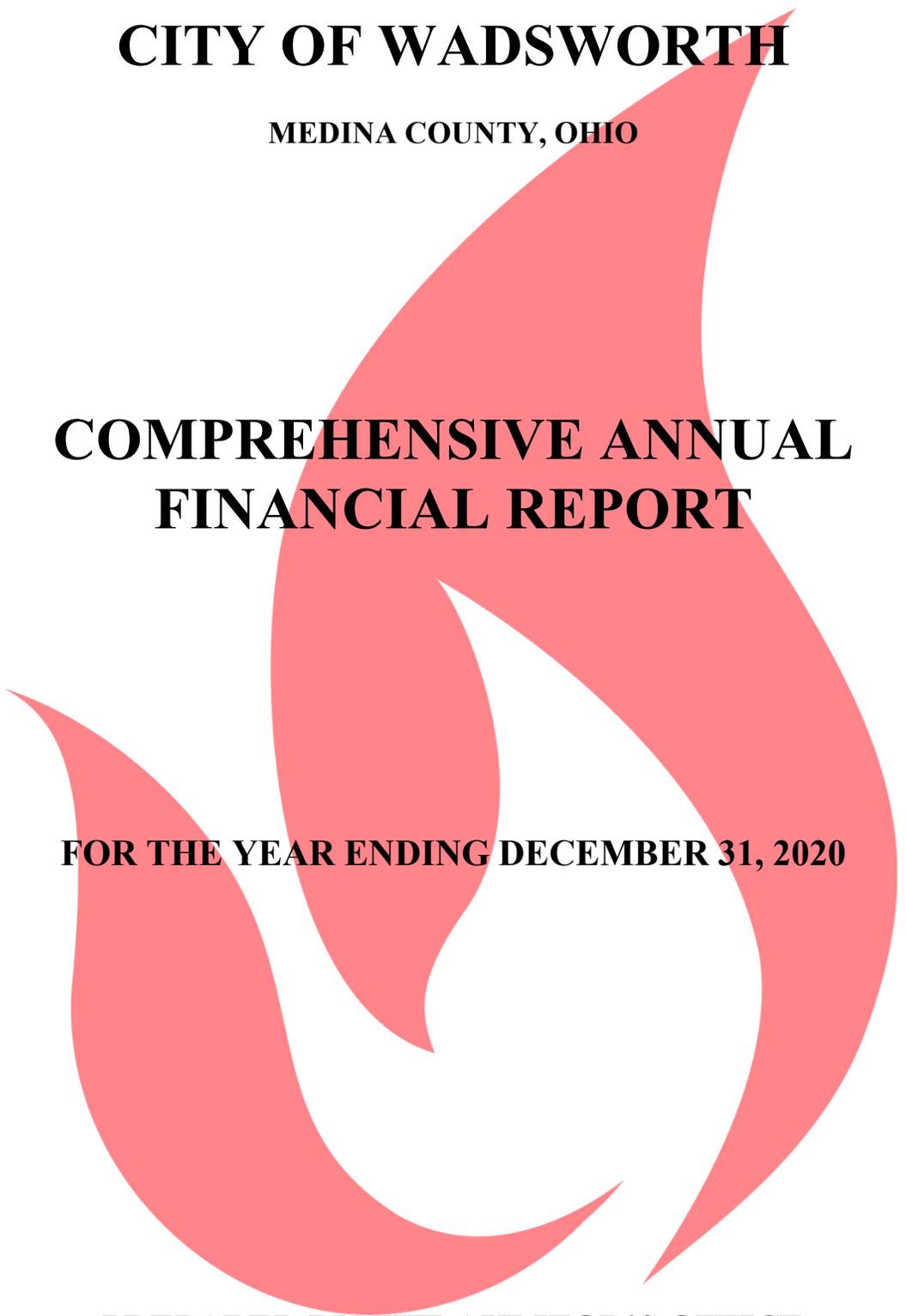
MEDINA COUNTY, OHIO

COMPREHENSIVE ANNUAL FINANCIAL REPORT FOR THE YEAR ENDING DECEMBER 31, 2020

Prepared by the Auditor's Office
Catherine Fix, Auditor

COURTESY OF PISTOL PETE PHOTOGRAPHY





CITY OF WADSWORTH

MEDINA COUNTY, OHIO

**COMPREHENSIVE ANNUAL
FINANCIAL REPORT**

FOR THE YEAR ENDING DECEMBER 31, 2020

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



INTRODUCTORY SECTION



CITY OF WADSWORTH, OHIO
COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE YEAR ENDED DECEMBER 31, 2020

TABLE OF CONTENTS

INTRODUCTORY SECTION:

	<u>Page</u>
Table of Contents	i
Letter of Transmittal	v
List of Principal Officials	x
Organizational Chart	xi
Certificate of Achievement	xii

FINANCIAL SECTION:

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

Basic Financial Statements:

Government-wide Financial Statements:

Statement of Net Position	18
Statement of Activities	20

Fund Financial Statements:

Balance Sheet – Governmental Funds	22
Reconciliation of Total Governmental Fund Balances to Net Position of Governmental Activities	23
Statement of Revenues, Expenditures and Changes in Fund Balances – Governmental Funds	24
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities	26
Statement of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual (Non-GAAP Budgetary Basis) – General Fund	28
Statement of Net Position – Proprietary Funds	32
Statement of Revenues, Expenses and Changes in Net Position – Proprietary Funds	36
Statement of Cash Flows – Proprietary Funds	38
Statement of Fiduciary Net Position – Fiduciary Funds	42
Statement of Changes in Fiduciary Net Position – Fiduciary Funds	43

Notes to the Basic Financial Statements	44
---	----

Required Supplementary Information:

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

Ohio Public Employees Retirement System (OPERS)	108
Ohio Police and Fire (OP&F) Pension Fund	110

CITY OF WADSWORTH, OHIO
COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE YEAR ENDED DECEMBER 31, 2020

TABLE OF CONTENTS
(Continued)

	<u>Page</u>
Schedule of City Pension Contributions:	
Ohio Public Employees Retirement System (OPERS)	112
Ohio Police and Fire (OP&F) Pension Fund	114
Schedule of the City’s Proportionate Share of the Net OPEB Liability:	
Ohio Public Employees Retirement System (OPERS)	116
Ohio Police and Fire (OP&F) Pension Fund	117
Schedule of City OPEB Contributions:	
Ohio Public Employees Retirement System (OPERS)	118
Ohio Police and Fire (OP&F) Pension Fund	120
Notes to the Required Supplementary Information	122
<u>Supplementary Information:</u>	
Combining Statements and Individual Fund Schedules	
Nonmajor Governmental Funds:	
Fund Descriptions – Nonmajor Governmental Funds	125
Combining Balance Sheet – Nonmajor Governmental Funds	128
Combining Statement of Revenues, Expenditures and Changes in Fund Balances – Nonmajor Governmental Funds	129
Combining Balance Sheet – Individual Nonmajor Governmental Funds	130
Combining Statement of Revenues, Expenditures and Changes in Fund Balances – Nonmajor Governmental Funds	138
Schedules of Revenues, Expenditures and Changes in Fund Balances – Budget (Non-GAAP Basis) and Actual	
Major Funds:	
Fund Descriptions – funds being reported as part of the general fund	145
Parking Fund	146
WCTV Fund	147
Fire Dept. HazMat Clean Up Fund	148
Street/Utility Maintenance Guarantees Fund	149
Nonmajor Funds:	
Recreation Fund	150
Street Maintenance Fund	151
Emergency Medical Services Fund	152
Municipal Court Special Programs Fund	153
Municipal Court Improvements Fund	154
Developers Shade Tree Fund	155

CITY OF WADSWORTH, OHIO
COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE YEAR ENDED DECEMBER 31, 2020

TABLE OF CONTENTS
(Continued)

	<u>Page</u>
Drug Law Enforcement Fund	156
Law Enforcement and Education Fund	157
Indigent Drivers Alcohol Treatment Fund	158
Law Enforcement Trust Fund	159
Permissive Motor Vehicle License Fund	160
State Highway Fund	161
Abatement of Public Nuisance Fund	162
Chippewa Creek Well Reserve Fund	163
Community Reinvestment Fund	164
Safe Routes to School Grant Fund	165
Coronavirus Relief Fund	166
Roundabout at SR 57 & Seville Rd. Fund	167
Recreation Tax Fund	168
Fire Department Education Grant Fund	169
Police Continuing Professional Training Fund	170
CHIP Revolving Loan Fund	171
Economic Development Fund	172
Tax Increment Financing Fund	173
Revolving Loan Fund	174
Special Assessment Bond Retirement Fund	175
Airport Improvements Fund	176
General Capital Improvements Fund	177
EMS Reserve Fund	178
Fire Levy Fund	179
Park Land Acquisition Fund	180
Street Improvement Fund	181
Special Assessments Fund	182
Proprietary Funds:	
Fund Descriptions – Proprietary Funds	183
Combining Statement of Fund Net Position – Internal Service Funds	184
Combining Statement of Revenues, Expenses and Changes in Net Position –	
Internal Service Funds	186
Combining Statement of Cash Flows – Internal Service Funds	188
Fiduciary Funds:	
Fund Descriptions – Fiduciary Funds	191
Combining Statement of Fiduciary Net Position – Custodial Funds	192
Combining Statement of Changes in Fiduciary Net Position – Custodial Funds	193

CITY OF WADSWORTH, OHIO

**COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE YEAR ENDED DECEMBER 31, 2020**

TABLE OF CONTENTS
(Continued)

STATISTICAL SECTION:

	<u>Page</u>
Net Position by Component – Last Ten Years	S-2
Changes in Net Position – Last Ten Years	S-4
Fund Balances, Governmental Funds – Last Ten Years	S-10
Changes in Fund Balances, Governmental Funds – Last Ten Years	S-12
Assessed Valuation and Estimated Actual Values of Taxable Property – Last Ten Years	S-14
Income Tax Rate, Revenue Base, and Collections – Last Ten Years	S-15
Principal Employers – 2020 vs 2011	S-16
Principal Property Taxpayers – 2020 vs 2011	S-17
Property Tax Levies and Collections – Last Ten Years	S-18
Ratio of Outstanding Debt by Type – Last Ten Years	S-20
Computation of Direct and Overlapping Debt Attributable To Governmental Activities	S-22
Ratios of General Obligation Bonded Debt to Estimated True Value of Taxable Property and Bonded Debt Per Capita – Last Ten Years	S-23
Legal Debt Margin Information – Last Ten Years	S-24
Pledged Revenue Coverage Income Tax Revenue Bonds – Last Ten Years	S-26
Pledged Revenue Coverage Ohio Water Development Authority Loan – Last Ten Years	S-27
Demographic and Economic Statistics – Last Ten Years	S-28
Full-Time Equivalent City Government Employees by Function/Program– Last Ten Years	S-29
Capital Asset Statistics by Function/Program– Last Ten Years	S-30
Operating Indicators by Function/Program– Last Ten Years	S-32



CITY OF WADSWORTH

SINCE 1814

A COMMUNITY UNMATCHED

June 28, 2021

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. This annual report represents the official report of the City's operations and financial position for the year ended December 31, 2020. It details the status of City finances to residents, elected officials, investment bankers, underwriters, rating agencies and all other interested parties. This report enables the City to comply with Ohio Administrative Code Section 117-2-03(B) which requires reporting on a Generally Accepted Accounting Principles (GAAP) basis and Ohio Revised Code (ORC) Section 117.38 which require cities reporting on a GAAP basis to file an unaudited annual report with the Auditor of State within 150 days of year end.

Management assumes full responsibility for the completeness and reliability of the information contained in this report, based upon a comprehensive framework of internal control that it has established for this purpose. Because the cost of internal controls should not exceed anticipated benefits, the objective is to provide reasonable, rather than absolute, assurance that the financial statements are free from any material misstatements.

Charles E. Harris & Associates, Inc. has issued an unmodified ("clean") opinion on the City of Wadsworth's financial statements for the year ended December 31, 2020. Charles E. Harris & Associates, Inc.'s report is located at the front of the financial section of this report.

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

Background

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

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

120 MAPLE STREET • WADSWORTH, OHIO 44281 • 330-335-1521

WWW.WADSWORHTHCITY.COM

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

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

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

Local Economy

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

Wadsworth has long been considered a "bedroom community" to both Akron and Cleveland. The City is recognized as one of the fastest growing communities in northeast Ohio. Wadsworth has experienced an 11.5% increase in its population since the 2010 census (2019 U.S. Census Bureau, Population Estimates Program). The estimated population for Wadsworth in 2020 is over 25,000 residents.

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

It was in this district that Wal-Mart and Home Depot developed at the I-76 and S.R. 94 interchange. Two years later, the 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 decade. Wadsworth's northern commercial area grew with the addition of Home Depot, Marie's Italian Restaurant, Wal-Mart, and several residential developments. In 2020, the planning began for the construction of a 30,000 square foot office complex slated for north Wadsworth as well.

National retail organizations, such as Kohl's, Lowe's, Office Max and Target opened in the City's newest retail development, Wadsworth Crossings, located east of town. Giant Eagle opened one of their higher volume locations across the highway from Wadsworth Crossings. In 2020, a portion of Wadsworth Crossings was sold to an investment firm in Michigan, spurring additional development in the area including the opening of a Pulp Juice and Nutrition Bar and the announcement of Jiffy Lube and Five Below franchises in the shopping area.

Along the High Street corridor we've had extensive redevelopment in commercial locations including: Panera Bread, Starbucks, Kentucky Fried Chicken, Dunkin Donuts, Chipotle, Wendy's, GetGo Cafe & Market, Trillium Creek Dermatology, Summa Weight Management Facility and the Auto Oasis car wash. From 2016 through 2019 the City had the most industrial, commercial and residential development in Medina County with major construction projects taking place to outpace residential growth of other communities in the county.

In 2020, eleven new businesses opened or expanded (mostly small businesses). Many of the industrial expansion projects begun in 2020 are continuing in 2021. Rohrer Corporation, for example, invested nearly \$15 million in its Wadsworth facility and chose this location for its first "Manufacturing Center of Excellence." Construction of the project began in 2020 and additional investment continues in 2021.

Public improvements including roads extending E. Smokerise and Park Centre Drive, new LaVern Drive, sidewalks, water mains, electric, communication, street lighting, sanitary sewer and storm sewer were constructed in 2016. The cost of public improvements, after developer contribution, were financed by the issuance of bonds with debt service paid by the levy of special assessments against the four commercial sub lots of Phase I. The City is also conducting studies to identify additional developable property for future development opportunities.

Redevelopment of the former Ohio Injector facility on Main Street (S.R. 94) is complete. This project is an example of adaptive re-use for our community and provides start-up and growth opportunities for small businesses. The City has approximately 800 acres of industrial zoned property available for development. In 2014, the City completed an annexation of 280 acres of land that is ready for development. 216 acres is zoned industrial and 64 acres is zoned R-2 residential. In 2019, the City compiled extensive presentation materials for a site consultant firm and gained approval for a development grant through the state of Ohio.

The Village of St. Edward, a senior living facility, began operations in 2018. Built on 12 acres, this facility is more than 110,000 sq.ft. and \$22,000,000 of investment. Future expansion of this facility is planned.

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

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

Major Incentives

We look forward to continued business growth in the future. The City created a Department of Economic Development within the Administration to help facilitate increased economic growth. The City has many incentives to help companies be successful in Wadsworth. The most commonly used is the Community Reinvestment Area agreement (CRA). All industrial zoned property in the City is within a CRA. This incentive gives companies an opportunity to save on their real property taxes on new investments for a term of up to twelve years.

In 2020, eight industries continued to receive this incentive by meeting or exceeding their payroll and capital investment projections. In 2018 the City established a Downtown CRA to encourage and incentivize reinvestment in residential and commercial property. Two enterprises who may not have invested in downtown took advantage of this incentive and opened for business in 2020-2021.

Despite the COVID-19 Pandemic, during 2020, capital investment in the City saw thirty new or expanding projects for an estimated capital investment of approximately, \$20,000,000. Ten downtown businesses received a Downtown Improvement grant, with Main Street Wadsworth administering the grant made possible by Heritage Ohio and funds matched by the City of Wadsworth. Property and business owners matched those funds for a total of \$80,000 investment. Another incentive program is being developed to continue to spur additional revitalization.

The City launched several initiatives in 2020. The COVID-19 Updates webpage was used to help share important updates and, resources for businesses and individuals. Two marketing initiatives were launched by the City, Wadsworth Eats, and Wadsworth Shops. Wadsworth Eats, includes a list of Wadsworth food establishments to share their hours, carryout, takeout, delivery options as well as patio and indoor dining availability. As retail businesses were preparing for a safe reopening, the City created the Wadsworth Shops webpage that includes a list of Wadsworth retail businesses including hours, and what can be found at their location.

Additionally, the City's Economic Development Department worked with County officials in establishing a grant program to help offset COVID-19 related expenses. Small businesses and nonprofits in Wadsworth received grants in excess of \$600,000.

In addition to these County, State and Federal incentives, the City has a local Job Creation Grant Program, which provides a grant to a company based on new payroll and new capital investment. This incentive was created to attract large employers and to set Wadsworth apart from other communities. Often, the Job Creation Grant program is offered in conjunction with the Community Reinvestment Area program, as capital investment and payroll would make those businesses, primarily industrial, eligible for both incentive programs.

The City's income tax rate and property tax rates are very competitive when compared to other communities. The City of Wadsworth has been able to maintain its level of services with low tax rates due to growth in the community. The City and its many benefits are marketed in trade journals and through our website.

Long-Term Financial Planning & Financial Policies

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

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

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

Awards

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Wadsworth, Ohio, for its comprehensive annual financial report for the year ended December 31, 2019. This was the eleventh consecutive year that the City has achieved this prestigious award. In order to be awarded a Certificate of Achievement, a government unit must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year. We believe that our current comprehensive annual financial report continues to meet the Certificate of Achievement program's requirements and we are submitting it to the GFOA to determine its eligibility for another certificate.

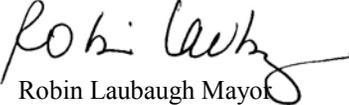
The City also recently received the Auditor of State Award with Distinction for five consecutive years for filing a timely Comprehensive Annual Financial Report, having a "clean" audit, that did not contain findings for recovery, material weaknesses, significant deficiencies, Single Audit findings or any questioned costs.

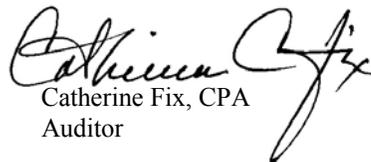
The City's Electric and Communications department has earned the Reliable Public Power Provider (RP3) designation from American Public Power Association. Of the more than 2,000 public power communities only 5% achieved this prestigious award. For the past thirty-two years, Wadsworth has retained the 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

Acknowledgments

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

Respectfully submitted,

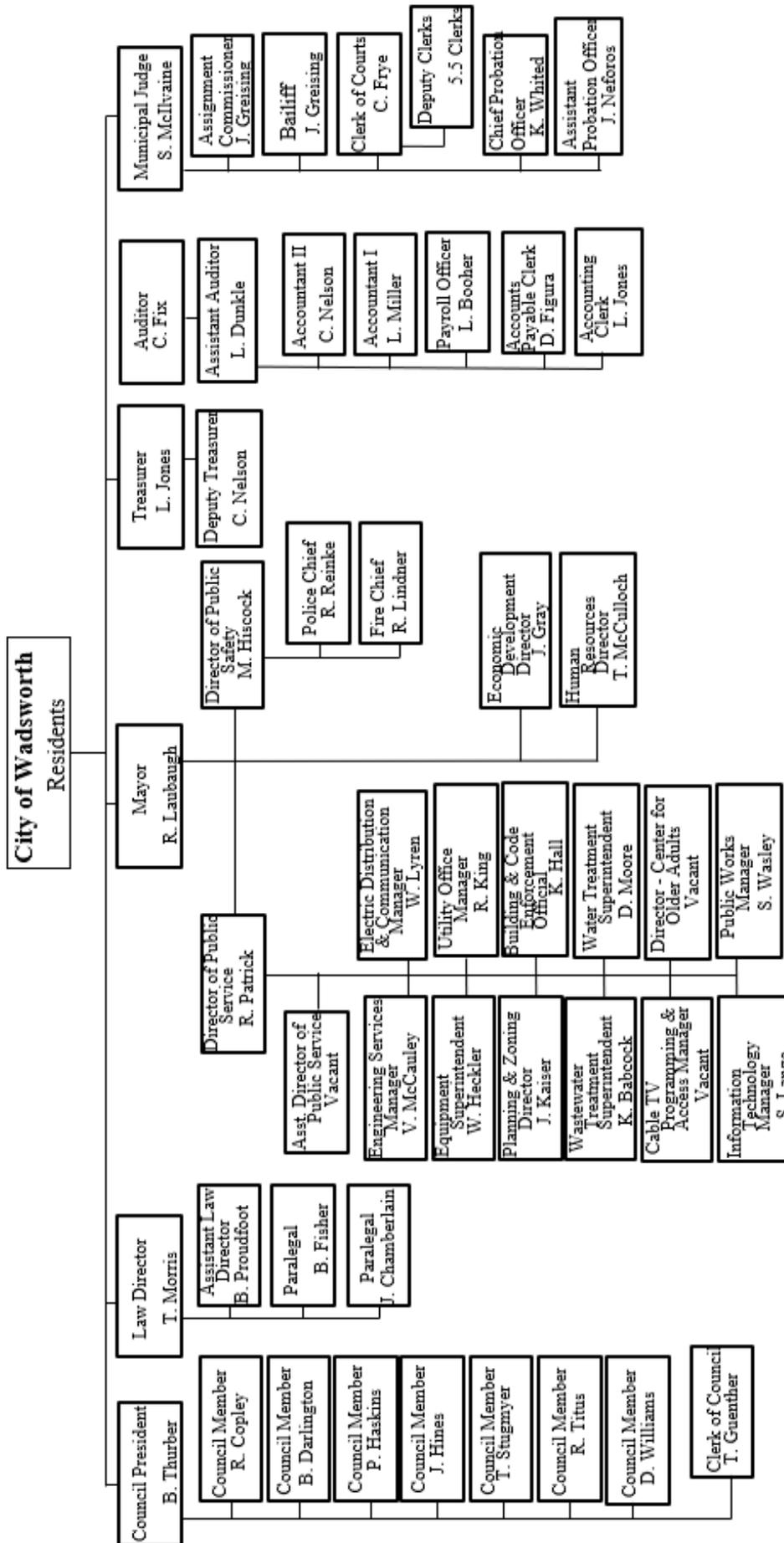

Robin Laubaugh Mayork


Catherine Fix, CPA
Auditor

City of Wadsworth, Ohio
Principal Officials
December 31, 2020

Mayor	Robin Laubaugh
President of Council	Robert Thurber
Councilman – Ward I	Ralph Copley
Councilman – Ward II	Jon Yurchiak
Councilman – Ward III	Jeanne Hines
Councilman – Ward IV	Bruce Darlington
Council-at-Large	Patty Haskins
Council-at-Large	Tom Stugmyer
Council-at-Large	Dave Williams
Clerk of Council	Tammy Guenther
Law Director	Tom Morris
Auditor	Catherine Fix
Assistant Auditor	Lee-Ann Dunkle
Treasurer	Lisa Jones
Safety Director	Matthew Hiscock
Service Director	Robert Patrick
Assistant Service Director	Vacant
Economic Development Director	James Gray
Human Resources Manager	Tara McCulloch

CITY OF WADSWORTH, OHIO ORGANIZATIONAL CHART





Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**City of Wadsworth
Ohio**

For its Comprehensive Annual
Financial Report
For the Fiscal Year Ended

December 31, 2019

Christopher P. Morrill

Executive Director/CEO

FINANCIAL SECTION



INDEPENDENT AUDITOR'S REPORT

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

To the Members of Council:

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Wadsworth, Medina County, Ohio (the City), as of and for the year ended December 31, 2020, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Wadsworth, Medina County, Ohio, as of December 31, 2020, and the respective changes in financial position and, where applicable, cash flows thereof and the budgetary comparison for the General Fund thereof for the year then ended in accordance with the accounting principles generally accepted in the United States of America.

Emphasis of Matter

As discussed in Note 22 to the financial statements, the financial impact of COVID-19 and ensuing emergency measures will impact subsequent periods of the City. We did not modify our opinion regarding this matter.

As discussed in Note 3 to the financial statements, the City implemented Governmental Accounting Standards Board's (GASB) Statement No. 84, *Fiduciary Activities*. We did not modify our opinion regarding this matter.

Other Matters

Required Supplementary Information

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

Supplementary and Other Information

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

The combining and individual nonmajor fund financial statements are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual nonmajor fund financial statements are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated June 28, 2021, on our consideration of the City's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City's internal control or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control and compliance.



Charles E. Harris & Associates, Inc.
June 28, 2021



CITY OF WADSWORTH, OHIO

MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE YEAR ENDED DECEMBER 31, 2020 (UNAUDITED)

The management's discussion and analysis of the City of Wadsworth's (the "City") financial performance provides an overall review of the City's financial activities for the year ended December 31, 2020. The intent of this discussion and analysis is to look at the City's financial performance as a whole; readers should also review the basic financial statements and the notes to the basic financial statements to enhance their understanding of the City's financial performance.

Financial Highlights

Key financial highlights for 2020 are as follows:

- The total net position of the City increased \$5,196,485 in 2020 from a balance of \$137,654,182 in 2019 to the ending net position of \$142,850,667. Net position of governmental activities increased \$3,375,076 or 6.54% from 2019's net position and net position of business-type activities increased \$1,821,409 or 2.12% from 2019's net position.
- General revenues accounted for \$14,663,920 or 61.46% of total governmental activities revenue. Program specific revenues accounted for \$9,195,261 or 38.54% of total governmental activities revenue.
- The City had \$20,037,842 in expenses related to governmental activities; \$9,195,261 of these expenses were offset by program specific charges for services, grants or contributions. The remaining expenses of the governmental activities of \$10,842,581 were offset by general revenues (primarily incomes taxes, property and other local taxes and unrestricted grants and entitlements) of \$14,663,920.
- The City's major governmental fund is the general fund. The general fund had revenues and other financing sources of \$12,477,211 in 2020. The general fund had expenditures and other financing uses of \$11,154,226 in 2020. The net increase in fund balance for the general fund was \$1,322,985 or 12.89%. This increase was mainly a result of increased income taxes, property taxes and intergovernmental revenues and a slight decrease in expenditures for 2020.
- Net position for the business-type activities, which is made up of the storm water, telecom, sewer, water, electric, and sanitation major enterprise funds, increased in 2020 by \$1,821,409. This increase in net position was due primarily to adequate charges for services to cover operating expenses.
- In the general fund, the actual revenues and other financing sources were \$543,661 less than they were in the final budget due to lower than expected investment income, income taxes and fines and forfeitures. Actual expenditures and other financing uses were \$1,914,847 less than the amount in the final budget. The reduction from budget to actual expenditures was a result of conservative spending in general government and security of persons and property. Budgeted revenues increased \$187,701 from original to the final budget and budgeted expenditures increased \$71,839 from original to the final budget.
- During 2020, there was a significant change in the deferred inflows - pension for Ohio Police & Fire. This resulted in a significant increase in security of persons and property on the statement of activities as compared to 2019, which showed a significant decrease in security of persons and property due to a decrease in the OPEB liability. These changes were the result of structural changes made in the Ohio Police and Fire Pension Fund.

Using this Annual Financial Report

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

The statement of net position and statement of activities provide information about the activities of the City as a whole, presenting both an aggregate view of the City's finances and a longer-term view of those finances. Fund financial statements provide the next level of detail. For governmental funds, these statements tell how services were financed in the short-term as well as what remains for future spending.

CITY OF WADSWORTH, OHIO

MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE YEAR ENDED DECEMBER 31, 2020 (UNAUDITED)

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

Reporting the City as a Whole

Statement of Net Position and the Statement of Activities

While this document contains a large number of funds used by the City to provide programs and activities, the view of the City as a whole looks at all financial transactions and asks the question, "How did we do financially during 2020?" The statement of net position and the statement of activities answer this question. These statements include all (non-fiduciary) assets, deferred outflows, liabilities, deferred inflows, revenues and expenses using the accrual basis of accounting similar to the accounting used by most private-sector companies. This basis of accounting will take into account all of the current year's revenues and expenses regardless of when cash is received or paid.

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

In the statement of net position and the statement of activities, the City is divided into two distinct kinds of activities:

Governmental activities - Most of the City's programs and services reported here include: public safety, street maintenance, capital improvements and general administration. These services are funded primarily by income taxes, property and other local taxes and intergovernmental revenues including federal and state grants and other shared revenues.

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

Reporting the City's Most Significant Funds

Fund Financial Statements

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The City, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the City can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

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

Governmental Funds

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

CITY OF WADSWORTH, OHIO

MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE YEAR ENDED DECEMBER 31, 2020 (UNAUDITED)

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

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

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

Proprietary Funds

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

Fiduciary Funds

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

Notes to the Basic Financial Statements

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

Required Supplementary Information

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

Government-Wide Financial Analysis

The statement of net position provides the perspective of the City as a whole. The table on the following page provides a summary of the City's net position for 2020 compared to 2019.

CITY OF WADSWORTH, OHIO

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2020
(UNAUDITED)**

	Net Position					
	2020 Governmental Activities	2019 Governmental Activities	2020 Business-type Activities	2019 Business-type Activities	2020 Total	2019 Total
<u>Assets</u>						
Current and other assets	\$ 41,502,857	\$ 36,242,711	\$ 39,456,285	\$ 37,268,578	\$ 80,959,142	\$ 73,511,289
Capital assets, net	61,748,779	60,741,010	87,737,091	88,774,447	149,485,870	149,515,457
Total assets	103,251,636	96,983,721	127,193,376	126,043,025	230,445,012	223,026,746
Deferred outflows	5,663,705	8,742,340	2,488,374	3,771,216	8,152,079	12,513,556
<u>Liabilities</u>						
Other liabilities	3,634,585	1,355,379	4,021,401	2,774,852	7,655,986	4,130,231
Long-term liabilities	43,746,249	48,690,955	35,410,588	40,543,610	79,156,837	89,234,565
Total liabilities	47,380,834	50,046,334	39,431,989	43,318,462	86,812,823	93,364,796
Deferred inflows	6,533,189	4,053,485	2,400,412	467,839	8,933,601	4,521,324
<u>Net Position</u>						
Net investment in capital assets	45,766,692	44,105,660	68,572,076	67,774,899	114,338,768	111,880,559
Restricted	9,369,552	9,382,380	-	-	9,369,552	9,382,380
Unrestricted	(134,926)	(1,861,798)	19,277,273	18,253,041	19,142,347	16,391,243
Total net position	\$ 55,001,318	\$ 51,626,242	\$ 87,849,349	\$ 86,027,940	\$ 142,850,667	\$ 137,654,182

Over time, net position can serve as a useful indicator of a government's financial position. At December 31, 2020, the City's assets and deferred outflows exceeded liabilities and deferred inflows by \$142,850,667. At year-end, net position was \$55,001,318 and \$87,849,349 for the governmental activities and the business-type activities, respectively.

As of December 31, 2020, the City's governmental activities unrestricted net position was \$(134,926). A portion of the City's net position, \$9,369,552 represents resources that are subject to external restriction on how they may be used.

Capital assets reported on the government-wide statements represent the largest portion of the City's net position. At year-end, capital assets net represented 64.87% of total assets. Capital assets include land, land improvements, buildings, building improvements, equipment, vehicles, intangible assets, construction in progress and infrastructure. The net investment in capital assets at December 31, 2020, was \$45,766,692 and \$68,572,076 in the governmental activities and business-type activities, respectively. These capital assets are used to provide services to citizens and are not available for future spending. Although the City's investment in capital assets is reported net of related debt, it should be noted that the resources to repay the debt must be provided from other sources, since capital assets may not be used to liquidate these liabilities.

CITY OF WADSWORTH, OHIO

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2020
(UNAUDITED)**

The table below shows the changes in net position for years 2020 and 2019.

	Change in Net Position					
	2020 Governmental Activities	2019 Governmental Activities	2020 Business-type Activities	2019 Business-type Activities	2020 Total	2019 Total
Revenues						
Program revenues:						
Charges for services and sales	\$ 4,637,056	\$ 4,046,009	\$ 49,337,444	\$ 49,644,224	\$ 53,974,500	\$ 53,690,233
Operating grants and contributions	3,554,759	1,897,477	-	-	3,554,759	1,897,477
Capital grants and contributions	1,003,446	733,348	617,274	571,218	1,620,720	1,304,566
Total program revenues	<u>9,195,261</u>	<u>6,676,834</u>	<u>49,954,718</u>	<u>50,215,442</u>	<u>59,149,979</u>	<u>56,892,276</u>
General revenues:						
Taxes	12,757,353	14,205,065	-	-	12,757,353	14,205,065
Unrestricted grants and entitlements	907,285	955,974	-	-	907,285	955,974
Investment earnings	436,558	1,049,106	587	-	437,145	1,049,106
Miscellaneous	562,724	155,875	245,124	404,425	807,848	560,300
Total general revenues	<u>14,663,920</u>	<u>16,366,020</u>	<u>245,711</u>	<u>404,425</u>	<u>14,909,631</u>	<u>16,770,445</u>
Total revenues	<u>23,859,181</u>	<u>23,042,854</u>	<u>50,200,429</u>	<u>50,619,867</u>	<u>74,059,610</u>	<u>73,662,721</u>
Expenses						
General government	6,354,085	3,131,390	-	-	6,354,085	3,131,390
Security of persons and property	7,400,618	2,794,514	-	-	7,400,618	2,794,514
Public health	133,867	126,524	-	-	133,867	126,524
Transportation	3,298,322	4,712,460	-	-	3,298,322	4,712,460
Community and economic development	568,482	937,301	-	-	568,482	937,301
Leisure time services	1,637,543	2,028,491	-	-	1,637,543	2,028,491
Interest and fiscal charges	644,925	674,126	-	-	644,925	674,126
Telecom	-	-	5,799,124	5,421,416	5,799,124	5,421,416
Sewer	-	-	3,893,997	4,130,016	3,893,997	4,130,016
Water	-	-	3,467,139	3,569,061	3,467,139	3,569,061
Electric	-	-	32,270,549	33,757,226	32,270,549	33,757,226
Sanitation	-	-	2,537,112	2,321,866	2,537,112	2,321,866
Storm water	-	-	857,362	864,302	857,362	864,302
Total expenses	<u>20,037,842</u>	<u>14,404,806</u>	<u>48,825,283</u>	<u>50,063,887</u>	<u>68,863,125</u>	<u>64,468,693</u>
Increase in net position before transfers	3,821,339	8,638,048	1,375,146	555,980	5,196,485	9,194,028
Transfers	<u>(446,263)</u>	<u>(389,802)</u>	<u>446,263</u>	<u>389,802</u>	<u>-</u>	<u>-</u>
Change in net position	3,375,076	8,248,246	1,821,409	945,782	5,196,485	9,194,028
Net position at beginning of year	<u>51,626,242</u>	<u>43,377,996</u>	<u>86,027,940</u>	<u>85,082,158</u>	<u>137,654,182</u>	<u>128,460,154</u>
Net position at end of year	<u>\$ 55,001,318</u>	<u>\$ 51,626,242</u>	<u>\$ 87,849,349</u>	<u>\$ 86,027,940</u>	<u>\$ 142,850,667</u>	<u>\$ 137,654,182</u>

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

CITY OF WADSWORTH, OHIO

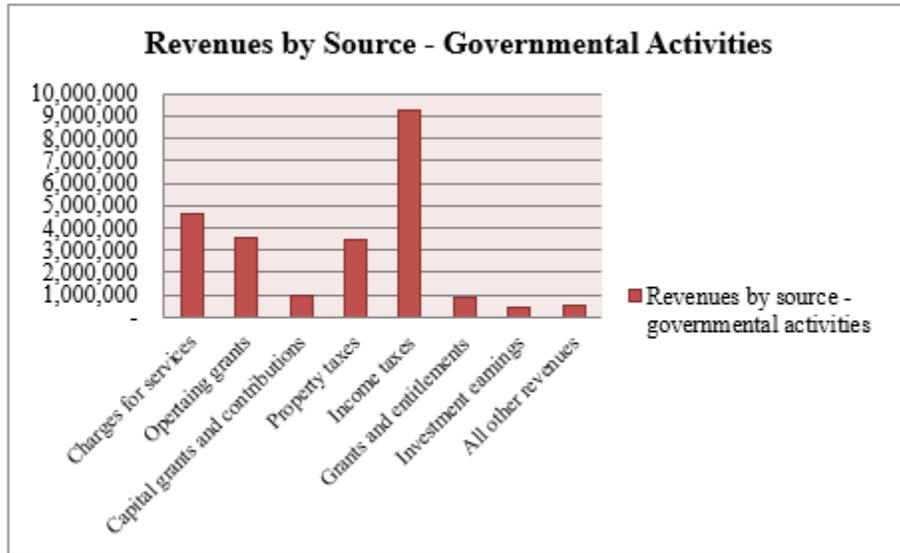
**MANAGEMENT’S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2020
(UNAUDITED)**

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

Governmental Activities

Governmental activities net position increased \$3,375,076 in 2020.

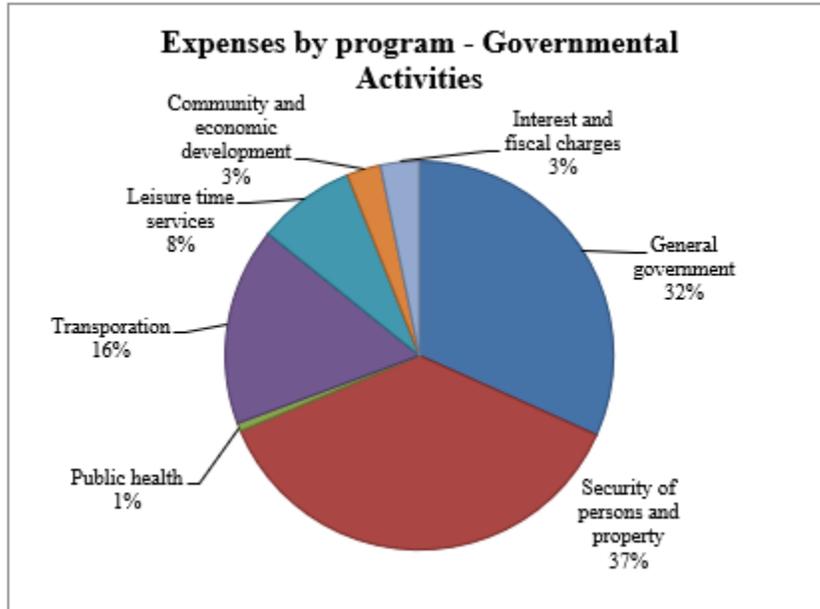
General revenues totaled \$14,663,920 and amounted to 61.46% of total governmental revenues. These revenues primarily consist of income taxes, and property and other local tax revenue of \$12,757,353 which is 10.19% lower than 2019. The \$1,447,712 change in taxes on the government-wide statements is mainly due to adjustments for accruals from year to year. Although this decrease is being reported on the government-wide statements, the general fund is reporting an increase in taxes in the amount of \$527,708 (see table below). In spite of the Coronavirus Disease (COVID-19) pandemic, the City has shown steady growth and continues to show improvement. The other primary source of general revenues is grants and entitlements not restricted to specific programs, including local government funds, making up \$907,285. The City received \$3,554,759 in operating grants and contributions, primarily from the State and Federal government.



Charges for services of \$4,637,056 represents 19.4% of total revenues. Revenues provided by other sources other than City residents in the form of operating and capital grants comprise another \$4,558,205, or 19.1%, and unrestricted grants and entitlements accounted for \$907,285, which is another 3.8%. The remaining revenues are primarily generated locally though property taxes \$3,507,599 or 14.7% and income taxes, \$9,249,754 at 38.7%. The City is dependent on property and income taxes as well as unrestricted grants and entitlements to furnish the quality of life to businesses and citizens to which they have always been committed. The City has a strong general fund cash reserve policy which provides stability during periods of fluctuation in revenue.

CITY OF WADSWORTH, OHIO

MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2020
(UNAUDITED)



As indicated by the chart above, citizen safety and well being is emphasized as well as maintaining the City's streets and infrastructure. Security of persons and property, which primarily supports the operations of the police, fire, and EMS departments, accounted for \$7,400,618 or 36.93% of the total governmental expenses. These expenses were partially funded by \$1,305,443 in direct charges to users of the services and \$78,341 in operating grants and contributions. Transportation expenses totaled \$3,298,322 or 16.46% of total governmental expenses. These expenses were partially funded by \$95,160 in direct charges to users of the services, \$1,486,706 in operating grants and contributions, and \$693,422 in capital grants and contributions.

Significant increases in general government is due to expenses related to the COVID-19 pandemic while the net cost of services remained consistent for the general government. Security of persons and property expenses significantly increased when compared to the prior year, as the result of, a significant decrease in the OPEB liability in 2019 and an increase in deferred inflows in 2020 as mentioned above.

	Governmental Activities			
	Total cost of services 2020	Total cost of services 2019	Net cost of services 2020	Net cost of services 2019
Program expenses:				
General government	\$ 6,354,085	\$ 3,131,390	\$ 2,283,999	\$ 2,332,957
Security of persons and property	7,400,618	2,794,514	6,016,834	1,133,990
Public health and welfare	133,867	126,524	123,533	126,524
Transportation	3,298,322	4,712,460	1,023,034	2,110,898
Leisure time services	1,637,543	2,028,491	606,962	888,538
Community and economic development	568,482	937,301	143,294	460,939
Interest and fiscal charges	644,925	674,126	644,925	674,126
Total expenses	\$ 20,037,842	\$ 14,404,806	\$ 10,842,581	\$ 7,727,972

CITY OF WADSWORTH, OHIO

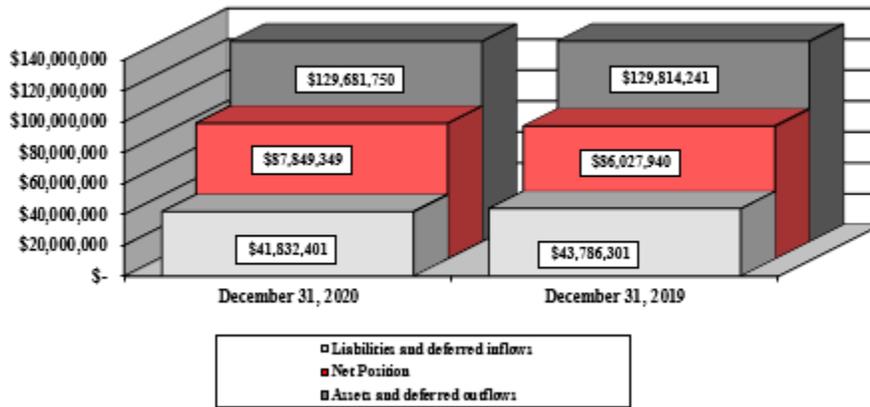
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2020
(UNAUDITED)

The dependence upon general revenues for governmental activities is apparent, with 54.11% of expenses supported through taxes and other general revenues.

Business-type Activities

Business-type activities include the storm water, telecom, sewer, water, electric and sanitation enterprise funds. These programs had program revenues of \$49,954,718 and expenses of \$48,825,283 for 2020. The graph below shows the business-type activities assets, liabilities and net position at year-end 2020 and 2019.

Net Position in Business-type Activities



Financial Analysis of the Government's Funds

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

Governmental Funds

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

The City's governmental funds (as presented on the balance sheet on page 22) reported a combined fund balance of \$27,557,633 which is \$2,612,850 more than last year's total of \$24,944,783. The schedule below indicates the fund balances and the total change in fund balances as of December 31, 2020 for all major and nonmajor governmental funds.

	Fund balances 12/31/20	Fund balances 12/31/19	Increase
General	\$ 11,587,648	\$ 10,264,663	\$ 1,322,985
Other nonmajor governmental funds	15,969,985	14,680,120	1,289,865
Total	\$ 27,557,633	\$ 24,944,783	\$ 2,612,850

CITY OF WADSWORTH, OHIO

MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2020
(UNAUDITED)

General fund

The City's general fund balance increased \$1,322,985. The table that follows assists in illustrating the revenues of the general fund.

Revenues	2020	2019	Percentage change
Taxes	\$ 9,618,193	\$ 9,090,485	5.81%
Charges for services	227,875	280,322	(18.71)%
Licenses and permits	499,099	435,811	14.52%
Fines and forfeitures	303,521	445,981	(31.94)%
Intergovernmental	883,984	790,997	11.76%
Investment income	436,558	1,049,106	(58.39)%
Other	489,576	208,735	134.54%
Total	\$ 12,458,806	\$ 12,301,437	1.28%

Tax revenue represents 77.20% of all general fund revenue. There was an overall decrease of \$157,369 in revenues in the general fund for 2020. As noted above, there was a decrease of \$612,548 in investment income due to lower interest rates and an increase of \$527,708 in taxes. Overall, revenues increased \$157,369 for 2020.

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

Expenditures	2020	2019	Percentage change
General government	\$ 3,469,960	\$ 3,270,549	6.10%
Security of persons and property	5,210,627	5,499,530	(5.25)%
Public health	133,088	124,871	6.58%
Transportation	112	152	(26.32)%
Leisure time services	1,380,799	1,467,499	(5.91)%
Community and economic development	289,421	284,704	1.66%
Capital outlay	14,066	-	-%
Debt service	6,239	6,239	-%
Total	\$ 10,504,312	\$ 10,653,544	(1.40)%

Total expenditures decreased 1.40% from 2019. This decrease is due to decreases in the area of security of persons and property within the general fund due to expenses being reallocated for the COVID-19 pandemic and the close monitoring of expenses.

Budgeting Highlights

The City's budget is prepared according to Ohio law and is based on accounting for certain transactions on a basis of cash receipts, disbursements, and encumbrances. The most significant budgeted fund is the general fund. From time to time during the year, the fund's budget may be amended as needs of conditions change.

CITY OF WADSWORTH, OHIO

MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE YEAR ENDED DECEMBER 31, 2020 (UNAUDITED)

The City made several revisions to the original appropriations approved by City Council. Overall, these changes resulted in an increase of \$71,839 from the original budgeted expenditures and other financing uses to the final budgeted expenditures and other financing uses. The City's general fund actual expenditures were \$2,084,338, less than the final appropriations, excluding advances out, which are not legally required to be budgeted. Furthermore, the City's budgeting philosophy is conservative, as we budget expenditures higher than expected. Expenditures were also restricted to essential or critical needs in 2020 due to the ongoing COVID-19 pandemic.

The City's actual revenues, excluding other financing sources, were only \$923,748 or 7.28% less than budgeted revenues. As mentioned above the City received \$344,870 less than expected in income taxes due to accruals and possibly due to the COVID-19 pandemic and \$315,789 in investment income due to lower than expected interest rates.

Proprietary Funds

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

The storm water fund had operating revenues of \$892,859 and operating expenses of \$820,896 in 2020. The storm water fund also had non-operating expense of \$36,466, gain on the sale of capital assets of \$1,391, transfers in of \$5,327 and capital contributions of \$344,199. The net increase in net position for the storm water fund was \$386,414 or 2.58%. This increase is due to operating revenues exceeding operating expenses for 2020 plus current year capital contributions.

The telecom fund had operating revenues of \$6,456,560 and operating expenses of \$5,839,882 in 2020. The telecom fund also had non-operating expenses of \$4,023, gain on the sale of capital assets \$8,175 of and transfers in of \$28,202. The net increase in net position for the telecom fund was \$649,032 or 19.93%. This increase is due to current year operating revenues exceeding current year operating expenses.

The sewer fund had operating revenues of \$4,349,988 and operating expenses of \$3,566,743 in 2020. The sewer fund also had non-operating revenues of \$6,576, non-operating expenses of \$361,224, transfers in of \$45,289, and transfers out of \$1,000. The net increase in net position for the sewer fund was \$472,886 or 3.18%. This increase is due to an increase in charges for services over the prior year and a decrease in expenses.

The water fund had operating revenues of \$3,674,784 and operating expenses of \$3,247,851 in 2020. The water fund also had non-operating expenses of \$305,432, transfers in of \$69,241, and capital contributions of \$273,075. The net increase in net position for the water fund was \$463,817 or 2.60%. The water fund also experienced an increase in charges for services along with a slight decrease in expenses for 2020.

The electric fund had operating revenues of \$31,470,388 and operating expenses of \$32,170,528 in 2020. The electric fund non-operating expenses of \$367,901. The electric fund reported transfers in of \$282,993 and transfers out of \$7,529. The net decrease in net position for the electric fund was \$792,577 or 2.55%. The electric fund had a decrease in charges for services and a slight decrease in expenses from the prior year. Operating expenses exceeded operating revenues for 2020.

The sanitation fund had operating revenues of \$2,852,542 and operating expenses of \$2,574,827 in 2020. The sanitation fund had non-operating revenues of \$587. The net increase in net position for the sanitation fund was \$302,401 or 8.97%. For 2020, the sanitation fund had an increase in charges for services and an increase in expenses but the increase in charges for services was enough to cover the increase in expenses in the current year.

CITY OF WADSWORTH, OHIO

MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2020
(UNAUDITED)

Capital Assets and Debt Administration

Capital Assets

At the end of 2020, the City had \$149,485,870 (net of accumulated depreciation) invested in land, construction in progress, land improvements, buildings, equipment, vehicles, intangible assets and infrastructure. Of this total, \$61,748,779 was reported in governmental activities and \$87,737,091 was reported in business-type activities. The following table shows 2020 capital asset balances compared to 2019 balances:

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

	Governmental activities		Business-type activities		Total	
	2020	2019	2020	2019	2020	2019
Land	\$ 5,688,911	\$ 5,175,239	\$ 709,335	\$ 709,335	\$ 6,398,246	\$ 5,884,574
Construction in progress	5,920,528	4,939,230	862,641	302,059	6,783,169	5,241,289
Intangible assets	20,064,710	20,147,983	633,902	708,456	20,698,612	20,856,439
Land improvements	2,388,310	2,421,118	159,551	168,489	2,547,861	2,589,607
Buildings	5,414,029	5,633,829	12,114,377	12,557,505	17,528,406	18,191,334
Equipment	954,722	977,146	7,701,809	8,112,262	8,656,531	9,089,408
Vehicles	2,272,744	2,401,058	3,511,165	2,998,988	5,783,909	5,400,046
Infrastructure	19,044,825	19,045,407	62,044,311	63,217,353	81,089,136	82,262,760
Totals	\$ 61,748,779	\$ 60,741,010	\$ 87,737,091	\$ 88,774,447	\$ 149,485,870	\$ 149,515,457

The City's largest capital asset category is infrastructure which includes roads, water lines, electric lines and sewer lines. These items are immovable and of value only to the City, however, the annual cost of purchasing these items is quite significant. The net book value of the City's infrastructure (cost less accumulated depreciation) represents approximately 54.25% of the City's total capital assets. See Note 10 to the basic financial statements for additional capital asset detail.

Debt Administration

The City had the following long-term obligations outstanding at December 31, 2020 and 2019:

	Governmental activities	
	2020	2019
Revenue bonds	\$ 16,303,508	\$ 16,960,215
Special assessment bonds	1,215,504	1,268,489
General obligation bonds	839,565	876,608
OPWC loan	552,776	608,054
Police and fire past service costs	66,909	70,154
Total long-term obligations	\$ 18,978,262	\$ 19,783,520

CITY OF WADSWORTH, OHIO

MANAGEMENT’S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2020
(UNAUDITED)

	Business-type activities	
	2020	2019
General obligation bonds	\$ 9,633,985	\$ 10,336,429
OWDA loans	9,739,903	10,965,404
OPWC loans	65,614	61,626
AMP stranded costs	1,750,373	2,198,709
AMP loan	598,689	1,222,689
Total long-term obligations	\$ 21,788,564	\$ 24,784,857

See Note 14 to the basic financial statements for detail on the City’s long-term obligations.

Economic Factors

The City’s annual budget utilizes conservative revenue estimates combined with limited spending increases. Residential citizens and businesses enjoy a wide range of utility services at competitive and sometimes below market prices. In tough economic times, the City strives to maintain services with minimal fee increases. The level of services remained consistent in 2020.

In 2016, the City changed third party administrator’s for the collection of income tax resulting in lower contractual services cost. Income tax revenues continue to increase from compliance and economic growth within the community, both residential and industrial. The City has seen steady growth in the last three years from property values increasing as well as an increase in new construction. This growth resulted in an increase in assessed valuation of \$160,001,870 or 35.11% from 2016.

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

The United States, the State of Ohio and the City all declared a state of emergency in March 2020 due to the global COVID-19 pandemic. The City continues to budget conservatively with the anticipation of steady growth continuing into 2021. The overall impact on the City’s future revenues cannot be estimated at this time.

Contacting the City’s Financial Management

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

BASIC
FINANCIAL STATEMENTS

**CITY OF WADSWORTH
MEDINA COUNTY, OHIO**

STATEMENT OF NET POSITION
DECEMBER 31, 2020

	Primary Government		
	Governmental Activities	Business-type Activities	Total
Assets:			
Equity in pooled cash and cash equivalents	\$ 27,968,063	\$ 28,952,141	\$ 56,920,204
Cash with fiscal and escrow agents	-	1,472	1,472
Cash in segregated accounts	617,544	975,077	1,592,621
Receivables:			
Income taxes	3,702,278	-	3,702,278
Real and other taxes	2,487,501	-	2,487,501
Accounts	1,205,908	7,489,906	8,695,814
Special assessments	1,486,719	-	1,486,719
Due from other governments	1,134,759	89,260	1,224,019
Materials and supplies inventory	1,001,490	2,181,017	3,182,507
Prepayments	278,711	173,941	452,652
AMPGS plant held for future use credit	-	348,229	348,229
AFEC development costs receivable	-	339,952	339,952
Net pension asset	107,356	103,956	211,312
Investment in joint venture	-	313,862	313,862
Internal balance	1,512,528	(1,512,528)	-
Capital assets:			
Land and construction in progress	15,813,650	1,912,242	17,725,892
Depreciable capital assets, net	45,935,129	85,824,849	131,759,978
Total capital assets, net	<u>61,748,779</u>	<u>87,737,091</u>	<u>149,485,870</u>
Total assets	<u>103,251,636</u>	<u>127,193,376</u>	<u>230,445,012</u>
Deferred outflows of resources:			
Unamortized deferred charges on debt refunding	1,200,689	274,487	1,475,176
Pension	2,832,938	1,330,991	4,163,929
OPEB	1,630,078	882,896	2,512,974
Total deferred outflows of resources	<u>5,663,705</u>	<u>2,488,374</u>	<u>8,152,079</u>
Total assets and deferred outflows of resources	<u>108,915,341</u>	<u>129,681,750</u>	<u>238,597,091</u>
Liabilities:			
Account payable	135,436	2,305,594	2,441,030
Retainage payable	246,183	-	246,183
Contracts payable	205,533	416,655	622,188
Accrued wages and benefits payable	162,505	85,395	247,900
Matured compensated absences payable	17,598	64,553	82,151
Due to other governments	222,089	218,495	440,584
Accrued interest payable	45,941	16,138	62,079
Undistributed monies	122,253	43,399	165,652
Refundable deposits	100	838,854	838,954
Deposits held and due to others	1,985,857	30,846	2,016,703
Matured interest payable	128	1,472	1,600
Claims payable	490,962	-	490,962
Long-term liabilities:			
Due within one year	1,566,185	3,795,389	5,361,574
Due in more than one year:			
Net pension liability	16,201,917	7,214,670	23,416,587
Net OPEB liability	6,444,935	4,998,247	11,443,182
Other amounts due in more than one year	19,533,212	19,402,282	38,935,494
Total liabilities	<u>47,380,834</u>	<u>39,431,989</u>	<u>86,812,823</u>

**CITY OF WADSWORTH
MEDINA COUNTY, OHIO**

STATEMENT OF NET POSITION
DECEMBER 31, 2020

	Primary Government		
	Governmental Activities	Business-type Activities	Total
Deferred inflows of resources:			
Property taxes levied for the next fiscal year	2,371,150	-	2,371,150
Pension	2,763,015	1,639,786	4,402,801
OPEB	1,399,024	760,626	2,159,650
Total deferred inflows of resources	6,533,189	2,400,412	8,933,601
Total liabilities and deferred inflows of resources	53,914,023	41,832,401	95,746,424
Net position:			
Net investment in capital assets	45,766,692	68,572,076	114,338,768
Restricted for:			
Debt service	1,342,889	-	1,342,889
Capital projects	3,731,033	-	3,731,033
Transportation projects	857,177	-	857,177
Community improvements	410,615	-	410,615
Emergency medical services	1,754,321	-	1,754,321
Fire	6,919	-	6,919
Police	289,793	-	289,793
Municipal court	976,805	-	976,805
Unrestricted (deficit)	(134,926)	19,277,273	19,142,347
Total net position	\$ 55,001,318	\$ 87,849,349	\$ 142,850,667

See accompanying notes to the basic financial statements

**CITY OF WADSWORTH
MEDINA COUNTY, OHIO**

STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2020

	Program Revenues			
	Expenses	Charges for Services and Sales	Operating Grants and Contributions	Capital Grants and Contributions
Governmental activities:				
Current:				
General government	\$ 6,354,085	\$ 2,000,719	\$ 1,759,343	\$ 310,024
Security of persons and property	7,400,618	1,305,443	78,341	-
Public health	133,867	10,334	-	-
Transportation	3,298,322	95,160	1,486,706	693,422
Leisure time services	1,637,543	1,030,212	369	-
Community and economic development	568,482	195,188	230,000	-
Interest and fiscal charges	644,925	-	-	-
Total governmental activities	<u>20,037,842</u>	<u>4,637,056</u>	<u>3,554,759</u>	<u>1,003,446</u>
Business-type activities:				
Storm Water	857,362	892,859	-	344,199
Telecom	5,799,124	6,383,760	-	-
Sewer	3,893,997	4,323,160	-	-
Water	3,467,139	3,605,024	-	273,075
Electric	32,270,549	31,303,539	-	-
Sanitation	2,537,112	2,829,102	-	-
Total business-type activities	<u>48,825,283</u>	<u>49,337,444</u>	<u>-</u>	<u>617,274</u>
Total primary government	<u>\$ 68,863,125</u>	<u>\$ 53,974,500</u>	<u>\$ 3,554,759</u>	<u>\$ 1,620,720</u>

General revenues:

Property and other local taxes levied for:

General purposes
Capital projects
Emergency medical services
Other

Income taxes for:

General purposes
Capital projects
Debt service
Special revenue funds

Grants and entitlements not restricted to specific

Investment earnings

Miscellaneous

Total general revenues

Transfers

Total general revenues and transfers

Changes in net position

Net position at beginning of year

Net position at end of year

See accompanying notes to the basic financial statements

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

Governmental Activities	Business-type Activities	Total
\$ (2,283,999)	\$ -	\$ (2,283,999)
(6,016,834)	-	(6,016,834)
(123,533)	-	(123,533)
(1,023,034)	-	(1,023,034)
(606,962)	-	(606,962)
(143,294)	-	(143,294)
(644,925)	-	(644,925)
<u>(10,842,581)</u>	<u>-</u>	<u>(10,842,581)</u>
-	379,696	379,696
-	584,636	584,636
-	429,163	429,163
-	410,960	410,960
-	(967,010)	(967,010)
-	291,990	291,990
<u>-</u>	<u>1,129,435</u>	<u>1,129,435</u>
<u>(10,842,581)</u>	<u>1,129,435</u>	<u>(9,713,146)</u>
2,251,544	-	2,251,544
51,891	-	51,891
1,131,264	-	1,131,264
72,900	-	72,900
6,458,671	-	6,458,671
1,114,497	-	1,114,497
705,953	-	705,953
970,633	-	970,633
907,285	-	907,285
436,558	587	437,145
562,724	245,124	807,848
<u>14,663,920</u>	<u>245,711</u>	<u>14,909,631</u>
<u>(446,263)</u>	<u>446,263</u>	<u>-</u>
<u>14,217,657</u>	<u>691,974</u>	<u>14,909,631</u>
3,375,076	1,821,409	5,196,485
<u>51,626,242</u>	<u>86,027,940</u>	<u>137,654,182</u>
<u>\$ 55,001,318</u>	<u>\$ 87,849,349</u>	<u>\$ 142,850,667</u>

**CITY OF WADSWORTH
MEDINA COUNTY, OHIO**

BALANCE SHEET
GOVERNMENTAL FUNDS
DECEMBER 31, 2020

	General	Other Governmental Funds	Total Governmental Funds
Assets:			
Equity in pooled cash and cash equivalents	\$ 10,877,467	\$ 14,203,183	\$ 25,080,650
Cash in segregated accounts	448,320	149,827	598,147
Receivables:			
Income taxes	2,667,359	1,034,919	3,702,278
Real and other taxes	1,322,997	1,164,504	2,487,501
Accounts	70,718	1,047,122	1,117,840
Special assessments	-	1,486,719	1,486,719
Interfund loans receivable	1,357,310	1,848,091	3,205,401
Due from other funds	74,260	-	74,260
Due from other governments	329,869	804,890	1,134,759
Materials and supplies inventory	193,689	413,437	607,126
Prepayments	90,525	40,442	130,967
Total assets	\$ 17,432,514	\$ 22,193,134	\$ 39,625,648
Liabilities:			
Accounts payable	\$ 56,703	\$ 66,448	\$ 123,151
Retainage payable	246,183	-	246,183
Contracts payable	9,091	196,442	205,533
Accrued wages and benefits payable	98,097	50,551	148,648
Matured Compensated absences payable	17,598	-	17,598
Interfund loans payable	-	1,168,947	1,168,947
Due to other governments	159,179	46,667	205,846
Matured interest payable	-	128	128
Undistributed monies	99,621	16,123	115,744
Refundable deposits	100	-	100
Deposits held and due to others	1,985,857	-	1,985,857
Total liabilities	2,672,429	1,545,306	4,217,735
Deferred inflows of resources:			
Property taxes levied for the next fiscal year	1,276,090	1,095,060	2,371,150
Delinquent property tax revenue not available	33,857	28,755	62,612
Income tax revenue not available	1,558,344	610,709	2,169,053
Unavailable revenue - other	304,146	2,943,319	3,247,465
Total deferred inflows of resources	3,172,437	4,677,843	7,850,280
Fund balances:			
Nonspendable	1,641,524	453,879	2,095,403
Restricted	-	12,219,190	12,219,190
Committed	-	3,590,830	3,590,830
Assigned	1,010,781	-	1,010,781
Unassigned (deficit)	8,935,343	(293,914)	8,641,429
Total fund balances	11,587,648	15,969,985	27,557,633
Total liabilities, deferred inflows of resources and fund balances	\$ 17,432,514	\$ 22,193,134	\$ 39,625,648

See accompanying notes to the basic financial statements

**CITY OF WADSWORTH
MEDINA COUNTY, OHIO**

RECONCILIATION OF TOTAL GOVERNMENTAL FUND BALANCES TO
NET POSITION OF GOVERNMENTAL ACTIVITIES
DECEMBER 31, 2020

Total governmental fund balances		\$ 27,557,633
<i>Amounts reported for governmental activities on the statement of net position are different because:</i>		
Capital assets used in governmental activities (excluding internal service funds capital assets) are not financial resources and therefore are not reported in the funds.		61,439,403
Other long-term assets are not available to pay for current- period expenditure and therefore are deferred inflows in the funds.		
Income taxes receivable	\$ 2,169,053	
Real and other taxes receivable	70,219	
Accounts receivable	964,091	
Intergovernmental receivable	789,048	
Special assessments receivable	1,486,719	
Total	5,479,130	5,479,130
An internal service fund is used by management to charge the costs of insurance to individual funds. The assets and liabilities of the internal service fund are included in governmental activities on the statement of net position.		621,796
Accrued interest payable is not due and payable in the current period and therefore is not reported in the funds.		(45,941)
Unamortized premiums on bond issuances are not recognized in the governmental funds.		(563,577)
Unamortized deferred amounts on refundings are not recognized in the governmental funds.		1,200,689
The net pension asset is not available to pay for current period expenditures; therefore, the asset is not reported in the governmental funds.		91,322
The net pension liability is not due and payable in the current period; therefore, liability and related deferred inflows and deferred outflows are not reported in governmental funds.		(14,982,745)
The net OPEB liability is not available to pay for current period expenditures and are not due and payable in the current period, respectively; therefore, the liability and related deferred inflows/outflows are not reported in governmental funds.		(5,468,900)
Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the funds.		
Compensated absences	(1,912,807)	
Police past service costs	(66,909)	
Special assessment bonds payable	(1,165,000)	
General obligation bonds payable	(805,000)	
Revenue bonds payable	(15,825,000)	
OPWC loan payable	(552,776)	
Total	(20,327,492)	(20,327,492)
Net position of governmental activities		\$ 55,001,318

See accompanying notes to the basic financial statements

**CITY OF WADSWORTH
MEDINA COUNTY, OHIO**

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2020

	General	Other Governmental Funds	Total Governmental Funds
Revenues:			
Income taxes	\$ 7,364,986	\$ 3,316,387	\$ 10,681,373
Real and other taxes	2,253,207	1,249,364	3,502,571
Charges for services	227,875	1,065,701	1,293,576
Licenses and permits	499,099	31,354	530,453
Fines and forfeitures	303,521	100,645	404,166
Intergovernmental	883,984	3,751,118	4,635,102
Special assessments	883	101,554	102,437
Investment income	436,558	710	437,268
Rental income	30,058	596,280	626,338
Contributions and donations	1,484	281,185	282,669
Other	457,151	243,785	700,936
Total revenues	12,458,806	10,738,083	23,196,889
Expenditures:			
Current:			
General government	3,469,960	1,974,139	5,444,099
Security of persons and property	5,210,627	1,093,588	6,304,215
Public health	133,088	937	134,025
Transportation	112	2,076,089	2,076,201
Leisure time services	1,380,799	96,062	1,476,861
Community and economic development	289,421	266,185	555,606
Capital outlay	14,066	2,775,917	2,789,983
Debt service:			
Principal retirement	3,245	770,278	773,523
Interest and fiscal charges	2,994	606,905	609,899
Total expenditures	10,504,312	9,660,100	20,164,412
Excess (deficiency) of revenues over (under) expenditures	1,954,494	1,077,983	3,032,477
Other financing sources (uses):			
Sale of capital assets	18,405	25,166	43,571
Transfers in	-	189,256	189,256
Transfers (out)	(649,914)	(2,540)	(652,454)
Total other financing sources (uses)	(631,509)	211,882	(419,627)
Net change in fund balances	1,322,985	1,289,865	2,612,850
Fund balances at beginning of year	10,264,663	14,680,120	24,944,783
Fund balances at end of year	\$ 11,587,648	\$ 15,969,985	\$ 27,557,633

See accompanying notes to the basic financial statements



**CITY OF WADSWORTH
MEDINA COUNTY, OHIO**

RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2020

Net change in fund balances - total governmental funds \$ 2,612,850

Amounts reported for governmental activities in the statement of activities are different because:

Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which capital outlays exceeds depreciation expense in the current period.

Capital asset additions	\$ 2,789,983	
Capital contributions	624,266	
Assets transferred in during the year	359	
Current year depreciation	<u>(2,102,116)</u>	
Total		1,312,492

The net effect of various miscellaneous transactions involving capital assets (i.e., sales, disposals, trade-ins, and donations) is to decrease net position. (322,764)

Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.

Income taxes	(1,431,619)	
Real and other taxes	5,413	
Intergovernmental revenues	(69,351)	
Special assessments	1,374,443	
Licenses and permits	(1,367)	
Fines and forfeitures	(870)	
Charges for services	169,349	
Miscellaneous	<u>(1,032)</u>	
Total		44,966

Repayment of bond principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities on the statement of net position. 773,523

In the statement of activities, interest is accrued on outstanding bonds and loans, whereas in governmental funds, an interest expenditure is reported when due.

Decrease in accrued interest payable	2,383	
Amortization of deferred amounts on refunding	(67,015)	
Amortization of bond premiums and discounts	<u>31,735</u>	
Total		(32,897)

Some expenses reported in the statement of activities, such as compensated absences, do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds. (158,340)

Contractually required pension/OPEB contributions are reported as expenditures in governmental funds; however, the statement of net position reports these amounts as deferred outflows.

Pension		1,375,098
OPEB		20,952

Except for amounts reported as deferred inflows/outflows, changes in the net pension asset/liability and net OPEB liability are reported as pension/OPEB expense in the statement of activities.

Pension		(2,197,394)
OPEB		(492,887)

**CITY OF WADSWORTH
MEDINA COUNTY, OHIO**

RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2020

The internal service fund used by management to charge the costs of insurance to individual funds is not reported in the government-wide statement of activities. Governmental fund expenditures and the related internal service fund revenues are eliminated. The net revenue (expense) of the internal service fund is allocated among the governmental activities.

439,477

Change in net position of governmental activities

\$ 3,375,076

See accompanying notes to the basic financial statements

**CITY OF WADSWORTH
MEDINA COUNTY, OHIO**

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
GENERAL FUND
FOR THE YEAR ENDED DECEMBER 31, 2020

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues:				
Income taxes	\$ 7,424,254	\$ 7,424,254	\$ 7,079,384	\$ (344,870)
Real and other taxes	2,156,558	2,242,702	2,242,094	(608)
Charges for services	338,866	338,866	253,228	(85,638)
Licenses and permits	145,630	145,630	111,218	(34,412)
Fines and forfeitures	487,500	487,500	306,617	(180,883)
Intergovernmental	671,862	773,419	899,628	126,209
Special assessments	1,500	1,500	883	(617)
Investment income	739,181	739,181	423,392	(315,789)
Rental income	79,616	79,616	27,609	(52,007)
Contributions and donations	200	200	1,115	915
Other	457,324	457,324	421,276	(36,048)
Total Revenues	<u>12,502,491</u>	<u>12,690,192</u>	<u>11,766,444</u>	<u>(923,748)</u>
Expenditures:				
<i>Current:</i>				
General Government				
Council				
Personal services	37,201	40,726	40,706	20
Other	19,534	19,534	2,974	16,560
Total - council	<u>56,735</u>	<u>60,260</u>	<u>43,680</u>	<u>16,580</u>
Mayor				
Personal services	136,677	136,677	108,304	28,373
Other	202,585	202,586	82,923	119,663
Total - mayor	<u>339,262</u>	<u>339,263</u>	<u>191,227</u>	<u>148,036</u>
Auditor				
Personal services	217,632	217,632	150,358	67,274
Other	1,913,989	1,936,190	1,430,517	505,673
Total - auditor	<u>2,131,621</u>	<u>2,153,822</u>	<u>1,580,875</u>	<u>572,947</u>
Treasurer				
Personal services	11,012	11,012	10,926	86
Other	21,531	21,531	10,138	11,393
Total - treasurer	<u>32,543</u>	<u>32,543</u>	<u>21,064</u>	<u>11,479</u>
Law Director				
Personal services	373,908	375,409	375,409	-
Other	17,542	17,542	8,752	8,790
Total - law director	<u>391,450</u>	<u>392,951</u>	<u>384,161</u>	<u>8,790</u>
Service Director				
Personal services	370,195	337,695	206,672	131,023
Other	322,304	323,985	207,125	116,860
Total - service director	<u>692,499</u>	<u>661,680</u>	<u>413,797</u>	<u>247,883</u>

See accompanying notes to the basic financial statements

(Continued)

**CITY OF WADSWORTH
MEDINA COUNTY, OHIO**

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
GENERAL FUND (CONTINUED)
FOR THE YEAR ENDED DECEMBER 31, 2020

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>		
Municipal Court				
Personal services	896,215	896,215	869,630	26,585
Other	89,704	89,704	58,261	31,443
Total - municipal court	<u>985,919</u>	<u>985,919</u>	<u>927,891</u>	<u>58,028</u>
Records Commission				
Personal services	2,460	2,460	2,100	360
Other	1,100	1,100	-	1,100
Total - council clerk	<u>3,560</u>	<u>3,560</u>	<u>2,100</u>	<u>1,460</u>
Total General Government	<u>4,633,589</u>	<u>4,629,998</u>	<u>3,564,795</u>	<u>1,065,203</u>
Security of Persons & Property				
Security of Persons & Property				
Personal services	5,507,062	5,516,124	5,021,110	495,014
Other	549,040	569,266	378,931	190,335
Total Security of Persons & Property	<u>6,056,102</u>	<u>6,085,390</u>	<u>5,400,041</u>	<u>685,349</u>
Public Health				
Service Director				
Other	134,372	135,643	133,605	2,038
Total Public Health	<u>134,372</u>	<u>135,643</u>	<u>133,605</u>	<u>2,038</u>
Leisure Time Services				
Service Director				
Personal services	950,859	983,359	789,424	193,935
Other	240,699	247,160	192,319	54,841
Total Leisure Time Services	<u>1,191,558</u>	<u>1,230,519</u>	<u>981,743</u>	<u>248,776</u>
Community and Economic Development				
Service Director				
Personal services	328,058	328,058	276,121	51,937
Other	49,943	50,745	19,711	31,034
Total Community and Economic Development	<u>378,001</u>	<u>378,803</u>	<u>295,832</u>	<u>82,971</u>

See accompanying notes to the basic financial statements

(Continued)

**CITY OF WADSWORTH
MEDINA COUNTY, OHIO**

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
GENERAL FUND (CONTINUED)
FOR THE YEAR ENDED DECEMBER 31, 2020

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Debt Service				
Principal retirement	3,169	3,246	3,245	1
Interest and fiscal charges	3,071	2,994	2,994	-
Total - debt service	<u>6,240</u>	<u>6,240</u>	<u>6,239</u>	<u>1</u>
Total Expenditures	<u>12,399,862</u>	<u>12,466,593</u>	<u>10,382,255</u>	<u>2,084,338</u>
Excess (deficiency) of revenues over (under) expenditures	<u>102,629</u>	<u>223,599</u>	<u>1,384,189</u>	<u>1,160,590</u>
Other financing sources (uses):				
Sale of assets	-	-	11,375	11,375
Advances in	-	-	368,712	368,712
Advances out	-	-	(169,491)	(169,491)
Transfers out	(648,221)	(653,329)	(653,329)	-
Total other financing sources (uses)	<u>(648,221)</u>	<u>(653,329)</u>	<u>(442,733)</u>	<u>210,596</u>
Net change in fund balances	(545,592)	(429,730)	941,456	1,371,186
Fund balances at beginning of year	11,045,425	11,045,425	11,045,425	-
Prior year encumbrances appropriated	19,580	19,580	19,580	-
Fund balance at end of year	<u>\$ 10,519,413</u>	<u>\$ 10,635,275</u>	<u>\$ 12,006,461</u>	<u>\$ 1,371,186</u>

See accompanying notes to the basic financial statements



**CITY OF WADSWORTH
MEDINA COUNTY, OHIO**

STATEMENT OF NET POSITION
PROPRIETARY FUNDS
DECEMBER 31, 2020

Business-type Activities - Enterprise Funds

	Storm Water	Telecom	Sewer	Water
Assets:				
Current assets:				
Equity in pooled cash and cash equivalents	\$ 540,691	\$ 3,114,046	\$ 2,287,181	\$ 3,483,261
Cash in segregated accounts	15,184	130,051	87,090	87,488
Cash with fiscal and escrow agents	-	-	-	1,472
Receivables:				
Accounts	143,210	1,432,439	656,557	511,672
Interfund loans	68,316	420,276	288,825	322,437
Due from other governments	77,638	-	-	-
Materials and supplies inventory	-	70,900	64,878	173,803
Prepayments	31	45,897	20,141	29,540
Total current assets	<u>845,070</u>	<u>5,213,609</u>	<u>3,404,672</u>	<u>4,609,673</u>
Noncurrent assets:				
AMPGS plant held for future use credit	-	-	-	-
AFEC development costs receivable	-	-	-	-
Investment in joint venture	-	-	-	-
Net pension asset	-	14,086	12,196	17,582
Capital assets:				
Land and construction in progress	256,659	-	161,053	1,187,700
Depreciable capital assets, net	15,481,379	1,159,762	24,754,768	24,694,352
Total capital assets, net	<u>15,738,038</u>	<u>1,159,762</u>	<u>24,915,821</u>	<u>25,882,052</u>
Total noncurrent assets	<u>15,738,038</u>	<u>1,173,848</u>	<u>24,928,017</u>	<u>25,899,634</u>
Total assets	<u>16,583,108</u>	<u>6,387,457</u>	<u>28,332,689</u>	<u>30,509,307</u>
Deferred outflows of resources:				
Unamortized deferred charges on debt refunding	11,684	-	-	262,803
Pension	-	205,946	147,276	239,307
OPEB	-	133,713	97,969	156,713
Total deferred outflows of resources	<u>11,684</u>	<u>339,659</u>	<u>245,245</u>	<u>658,823</u>
Total assets and deferred outflows of resources	<u>16,594,792</u>	<u>6,727,116</u>	<u>28,577,934</u>	<u>31,168,130</u>
Liabilities:				
Current liabilities:				
Accounts payable	718	250,964	22,449	16,545
Contracts payable	98,041	-	43,335	275,279
Accrued wages and benefits payable	-	11,476	9,520	14,427
Matured compensated absences payable	-	64,553	-	-
Due to other funds	-	-	-	-
Due to other governments	2,990	23,061	13,068	23,003
Interfund loans payable	391,678	-	362,000	1,905,750
Accrued interest payable	1,224	357	2,788	11,769
Compensated absences payable - current	-	107,374	36,169	92,884
Claims payable	-	-	-	-
Undistributed monies	-	6,285	5,089	7,349
Deposits held and due to others	-	-	10,638	20,208
Refundable deposits	15,184	107,206	72,561	64,591
Matured interest payable	-	-	-	1,472

Business-type Activities - Enterprise Funds			Governmental Activities - Internal Service Funds
Electric	Sanitation	Total	
\$ 17,396,326	\$ 2,130,636	\$ 28,952,141	\$ 2,887,413
597,094	58,170	975,077	19,397
-	-	1,472	-
4,272,092	473,936	7,489,906	88,068
1,174,208	283,939	2,558,001	389,704
11,622	-	89,260	-
1,871,436	-	2,181,017	394,364
75,017	3,315	173,941	147,744
<u>25,397,795</u>	<u>2,949,996</u>	<u>42,420,815</u>	<u>3,926,690</u>
348,229	-	348,229	-
339,952	-	339,952	-
313,862	-	313,862	-
52,116	7,976	103,956	16,034
306,026	804	1,912,242	-
17,817,192	1,917,396	85,824,849	309,376
<u>18,123,218</u>	<u>1,918,200</u>	<u>87,737,091</u>	<u>309,376</u>
<u>19,177,377</u>	<u>1,926,176</u>	<u>88,843,090</u>	<u>325,410</u>
<u>44,575,172</u>	<u>4,876,172</u>	<u>131,263,905</u>	<u>4,252,100</u>
-	-	274,487	-
640,232	98,230	1,330,991	212,628
428,155	66,346	882,896	140,585
<u>1,068,387</u>	<u>164,576</u>	<u>2,488,374</u>	<u>353,213</u>
<u>45,643,559</u>	<u>5,040,748</u>	<u>133,752,279</u>	<u>4,605,313</u>
2,011,302	3,616	2,305,594	12,285
-	-	416,655	-
42,776	7,196	85,395	13,857
-	-	64,553	-
74,260	-	74,260	-
69,347	87,026	218,495	16,243
2,324,731	-	4,984,159	-
-	-	16,138	-
215,809	18,242	470,478	103,427
-	-	-	490,962
21,361	3,315	43,399	6,509
-	-	30,846	-
531,582	47,730	838,854	-
-	-	1,472	-

**CITY OF WADSWORTH
MEDINA COUNTY, OHIO**

STATEMENT OF NET POSITION
PROPRIETARY FUNDS
DECEMBER 31, 2020

Business-type Activities - Enterprise Funds

	Storm Water	Telecom	Sewer	Water
General obligation bonds payable - current	92,041	10,000	50,000	657,959
OWDA loans payable - current	-	-	1,264,409	-
OPWC loans payable - current	5,602	-	-	-
AMP loan payable - current	-	-	-	-
Stranded costs payable - current	-	-	-	-
Total current liabilities	<u>607,478</u>	<u>581,276</u>	<u>1,892,026</u>	<u>3,091,236</u>
Long-term liabilities:				
Compensated absences payable	-	134,333	61,187	192,277
General obligation bonds payable	544,539	128,186	1,081,610	7,069,650
OWDA loans payable	-	-	8,475,494	-
OPWC loans payable	50,422	-	-	9,590
Stranded costs payable	-	-	-	-
Net pension liability	-	977,610	846,400	1,220,217
Net OPEB liability	-	677,278	586,377	845,354
Total long-term liabilities	<u>594,961</u>	<u>1,917,407</u>	<u>11,051,068</u>	<u>9,337,088</u>
Total liabilities	<u>1,202,439</u>	<u>2,498,683</u>	<u>12,943,094</u>	<u>12,428,324</u>
Deferred inflows of resources:				
Pension	-	220,525	198,633	297,869
OPEB	440	101,600	93,254	142,750
Total deferred inflows of resources	<u>440</u>	<u>322,125</u>	<u>291,887</u>	<u>440,619</u>
Total liabilities and deferred inflows of resources	<u>1,202,879</u>	<u>2,820,808</u>	<u>13,234,981</u>	<u>12,868,943</u>
Net position:				
Net investment in capital assets	15,057,118	1,021,576	14,044,308	18,407,656
Unrestricted	334,795	2,884,732	1,298,645	(108,469)
Total net position	<u>\$ 15,391,913</u>	<u>\$ 3,906,308</u>	<u>\$ 15,342,953</u>	<u>\$ 18,299,187</u>

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

Net position of business-type activities

See accompanying notes to the basic financial statements

Business-type Activities - Enterprise Funds			Governmental Activities - Internal Service Funds
Electric	Sanitation	Total	
-	-	810,000	-
-	-	1,264,409	-
-	-	5,602	-
598,689	-	598,689	-
646,211	-	646,211	-
<u>6,536,068</u>	<u>167,125</u>	<u>12,875,209</u>	<u>643,283</u>
487,308	63,524	938,629	104,901
-	-	8,823,985	-
-	-	8,475,494	-
-	-	60,012	-
1,104,162	-	1,104,162	-
3,616,892	553,551	7,214,670	1,112,778
2,505,744	383,494	4,998,247	770,920
<u>7,714,106</u>	<u>1,000,569</u>	<u>31,615,199</u>	<u>1,988,599</u>
<u>14,250,174</u>	<u>1,167,694</u>	<u>44,490,408</u>	<u>2,631,882</u>
786,196	136,563	1,639,786	249,099
<u>358,352</u>	<u>64,230</u>	<u>760,626</u>	<u>114,646</u>
<u>1,144,548</u>	<u>200,793</u>	<u>2,400,412</u>	<u>363,745</u>
<u>15,394,722</u>	<u>1,368,487</u>	<u>46,890,820</u>	<u>2,995,627</u>
18,123,218	1,918,200	68,572,076	309,376
<u>12,125,619</u>	<u>1,754,061</u>	<u>18,289,383</u>	<u>1,300,310</u>
<u>\$ 30,248,837</u>	<u>\$ 3,672,261</u>	<u>86,861,459</u>	<u>\$ 1,609,686</u>
		987,890	
		<u>\$ 87,849,349</u>	

**CITY OF WADSWORTH
MEDINA COUNTY, OHIO**

STATEMENT OF REVENUES, EXPENSES AND
CHANGES IN NET POSITION
PROPRIETARY FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2020

Business-type Activities - Enterprise Funds

	Storm Water	Telecom	Sewer	Water
Operating revenues:				
Charges for services	\$ 892,859	\$ 6,383,760	\$ 4,323,160	\$ 3,605,024
Other operating revenues	-	72,800	26,828	69,760
Total operating revenues	<u>892,859</u>	<u>6,456,560</u>	<u>4,349,988</u>	<u>3,674,784</u>
Operating expenses:				
Personal services	279,770	1,626,533	1,438,305	1,616,907
Contract services	142,697	3,344,137	933,410	580,942
Materials and supplies	62,527	357,281	160,266	266,472
Purchased power	-	-	-	-
Claims expense	-	-	-	-
Depreciation	326,944	244,567	1,017,503	714,019
Other	8,958	267,364	17,259	69,511
Total operating expenses	<u>820,896</u>	<u>5,839,882</u>	<u>3,566,743</u>	<u>3,247,851</u>
Operating income (loss)	<u>71,963</u>	<u>616,678</u>	<u>783,245</u>	<u>426,933</u>
Nonoperating revenues (expenses):				
Interest and fiscal charges	(36,466)	(4,023)	(361,224)	(275,234)
Gain (loss) on sale of capital assets	1,391	8,175	6,576	(30,198)
Interest income	-	-	-	-
Investment in joint venture	-	-	-	-
Total nonoperating revenues (expenses)	<u>(35,075)</u>	<u>4,152</u>	<u>(354,648)</u>	<u>(305,432)</u>
Income (loss) before contributions and transfers	<u>36,888</u>	<u>620,830</u>	<u>428,597</u>	<u>121,501</u>
Transfer in	5,327	28,202	45,289	69,241
Transfer out	-	-	(1,000)	-
Capital contributions	<u>344,199</u>	<u>-</u>	<u>-</u>	<u>273,075</u>
Change in net position	386,414	649,032	472,886	463,817
Net position at beginning of year	<u>15,005,499</u>	<u>3,257,276</u>	<u>14,870,067</u>	<u>17,835,370</u>
Net position at end of year	<u>\$ 15,391,913</u>	<u>\$ 3,906,308</u>	<u>\$ 15,342,953</u>	<u>\$ 18,299,187</u>

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

Change in net position of business-type activities

See accompanying notes to the basic financial statements

<u>Business-type Activities - Enterprise Funds</u>			<u>Governmental Activities - Internal Service Funds</u>
<u>Electric</u>	<u>Sanitation</u>	<u>Total</u>	
\$ 31,303,539	\$ 2,829,102	\$ 49,337,444	\$ 7,512,817
166,849	23,440	359,677	129,643
<u>31,470,388</u>	<u>2,852,542</u>	<u>49,697,121</u>	<u>7,642,460</u>
4,762,093	860,750	10,584,358	1,584,891
1,175,690	1,317,703	7,494,579	1,356,864
377,867	149,421	1,373,834	431,644
22,954,332	-	22,954,332	-
-	-	-	2,776,519
1,486,043	217,320	4,006,396	76,748
1,414,503	29,633	1,807,228	644,389
<u>32,170,528</u>	<u>2,574,827</u>	<u>48,220,727</u>	<u>6,871,055</u>
<u>(700,140)</u>	<u>277,715</u>	<u>1,476,394</u>	<u>771,405</u>
(68,786)	-	(745,733)	(2,129)
(100,856)	-	(114,912)	(6,939)
-	587	587	-
<u>(198,259)</u>	<u>-</u>	<u>(198,259)</u>	<u>-</u>
<u>(367,901)</u>	<u>587</u>	<u>(1,058,317)</u>	<u>(9,068)</u>
<u>(1,068,041)</u>	<u>278,302</u>	<u>418,077</u>	<u>762,337</u>
282,993	24,099	455,151	40,919
(7,529)	-	(8,529)	(24,343)
-	-	617,274	-
(792,577)	302,401	1,481,973	778,913
<u>31,041,414</u>	<u>3,369,860</u>		<u>830,773</u>
<u>\$ 30,248,837</u>	<u>\$ 3,672,261</u>		<u>\$ 1,609,686</u>
		<u>339,436</u>	
		<u>\$ 1,821,409</u>	

**CITY OF WADSWORTH
MEDINA COUNTY, OHIO**

STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2020

	Business-type Activities - Enterprise Funds			
	Storm Water	Telecom	Sewer	Water
Cash flows from operating activities:				
Cash received from customers	\$ 891,287	\$ 6,303,821	\$ 4,262,141	\$ 3,546,567
Cash received from other operations	-	72,800	27,769	69,760
Cash received from customer deposits	15,184	107,205	83,199	84,799
Cash payments to employees for services	(293,471)	(1,446,189)	(1,350,227)	(1,519,548)
Cash payments for goods and services	(206,462)	(3,686,839)	(1,139,099)	(830,359)
Cash payments for claims	-	-	-	-
Cash payments for other expenses	(8,962)	(265,735)	(17,259)	(83,030)
Net cash provided by operating activities	<u>397,576</u>	<u>1,085,063</u>	<u>1,866,524</u>	<u>1,268,189</u>
Cash flows from noncapital financing activities:				
Cash received from payroll deductions	-	22,845	14,529	22,896
Cash received from transfers in	5,327	28,202	45,289	69,241
Cash received from internal notes	455,092	403,969	715,231	2,321,376
Cash used for internal notes	(513,645)	(420,276)	(699,325)	(2,435,337)
Net cash provided by (used in) noncapital financing activities	<u>(53,226)</u>	<u>34,740</u>	<u>75,724</u>	<u>(21,824)</u>
Cash flows from capital and related financing activities:				
Sale or transfer of capital assets	1,750	425	7,076	2,708
Acquisition of capital assets	(85,705)	(200,101)	(113,456)	(369,375)
Proceeds from loans	-	-	-	9,590
Principal payments	(92,513)	(10,000)	(1,270,501)	(553,089)
Interest and fiscal charges	(26,281)	(4,690)	(364,129)	(201,810)
Cash received from capital grants	23,056	-	-	-
Net cash used in capital and related financing activities	<u>(179,693)</u>	<u>(214,366)</u>	<u>(1,741,010)</u>	<u>(1,111,976)</u>
Cash flows from investing activities:				
Investment income	-	-	-	-
Net cash provided by investing activities	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net increase in cash and cash equivalents	164,657	905,437	201,238	134,389
Cash and cash equivalents at beginning of year	<u>391,218</u>	<u>2,338,660</u>	<u>2,173,033</u>	<u>3,437,832</u>
Cash and cash equivalents at end of year	<u>\$ 555,875</u>	<u>\$ 3,244,097</u>	<u>\$ 2,374,271</u>	<u>\$ 3,572,221</u>

<u>Business-type Activities - Enterprise Funds</u>			<u>Governmental Activities - Internal Service Funds</u>
<u>Electric</u>	<u>Sanitation</u>	<u>Total</u>	
\$ 31,651,641	\$ 2,806,986	\$ 49,462,443	\$ 7,512,817
197,852	23,440	391,621	41,575
531,582	47,730	869,699	-
(4,334,465)	(850,581)	(9,794,481)	(1,361,341)
(24,707,628)	(1,458,527)	(32,028,914)	(2,483,437)
-	-	-	(2,790,198)
<u>(1,422,074)</u>	<u>(29,161)</u>	<u>(1,826,221)</u>	<u>(20,083)</u>
<u>1,916,908</u>	<u>539,887</u>	<u>7,074,147</u>	<u>899,333</u>
65,512	10,439	136,221	6,509
282,993	24,099	455,151	33,390
3,815,741	351,380	8,062,789	379,147
<u>(3,835,554)</u>	<u>(283,939)</u>	<u>(8,188,076)</u>	<u>(486,462)</u>
<u>328,692</u>	<u>101,979</u>	<u>466,085</u>	<u>(67,416)</u>
27,796	-	39,755	(22,741)
(954,656)	(487,859)	(2,211,152)	(95,801)
-	-	9,590	-
(908,930)	-	(2,835,033)	-
(68,786)	-	(665,696)	(2,129)
<u>-</u>	<u>-</u>	<u>23,056</u>	<u>-</u>
<u>(1,904,576)</u>	<u>(487,859)</u>	<u>(5,639,480)</u>	<u>(120,671)</u>
<u>-</u>	<u>587</u>	<u>587</u>	<u>-</u>
<u>-</u>	<u>587</u>	<u>587</u>	<u>-</u>
341,024	154,594	1,901,339	711,246
<u>17,652,396</u>	<u>2,034,212</u>	<u>28,027,351</u>	<u>2,195,564</u>
<u>\$ 17,993,420</u>	<u>\$ 2,188,806</u>	<u>\$ 29,928,690</u>	<u>\$ 2,906,810</u>

(Continued)

**CITY OF WADSWORTH
MEDINA COUNTY, OHIO**

STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS (CONTINUED)
FOR THE YEAR ENDED DECEMBER 31, 2020

	Business-type Activities - Enterprise Funds			
	Storm Water	Telecom	Sewer	Water
Reconciliation of operating income (loss) to net cash provided by operating activities:				
Operating income (loss)	\$ 71,963	\$ 616,678	\$ 783,245	\$ 426,933
Adjustments:				
Depreciation	326,944	244,567	1,017,503	714,019
Changes in assets, deferred inflows, liabilities and deferred outflows:				
Accounts receivable	(1,572)	(79,939)	(61,019)	(58,457)
Due from other governments	-	-	-	-
Materials and supplies inventory	-	(18,049)	(3,132)	(7,416)
Deferred outflows - pension	-	176,269	202,883	248,949
Deferred outflows - OPEB	-	(86,558)	(54,708)	(96,463)
Net pension asset	-	(7,361)	(6,026)	(8,989)
Assets held for resale	-	-	-	-
Prepayments	1,350	(14,132)	(559)	2,258
Refundable deposits	15,184	107,206	83,199	84,799
Accounts payable	(2,588)	48,001	4,695	3,646
Contracts payable	-	-	(45,486)	-
Accrued wages and benefits	-	(24,367)	(21,533)	(30,113)
Due to other governments	(4)	(3,680)	(3,568)	16
Stranded costs payable	-	-	-	-
Compensated absences payable	-	57,841	24,993	16,823
Net pension liability	-	(281,476)	(308,682)	(388,516)
Net OPEB liability	-	83,234	41,403	86,345
Deferred inflows - pension	(8,898)	179,306	143,689	186,721
Deferred inflows - OPEB	(4,803)	87,523	69,627	87,634
Due to other funds	-	-	-	-
Claims payable	-	-	-	-
Net cash provided by operating activities	<u>\$ 397,576</u>	<u>\$ 1,085,063</u>	<u>\$ 1,866,524</u>	<u>\$ 1,268,189</u>

Non-cash transactions:

The Storm Water fund received \$243,505 in capital contributions in 2020.

The Water fund received \$273,075 in capital contributions in 2020.

See accompanying notes to the basic financial statements

<u>Business-type Activities - Enterprise Funds</u>			Governmental Activities - Internal Service Funds
<u>Electric</u>	<u>Sanitation</u>	<u>Total</u>	
\$ (700,140)	\$ 277,715	\$ 1,476,394	\$ 771,405
1,486,043	217,320	4,006,396	76,748
109,210	(22,116)	(113,893)	(88,068)
21,041	-	21,041	-
(258,975)	-	(287,572)	(34,027)
889,384	160,065	1,677,550	244,690
(220,464)	(25,939)	(484,132)	(77,910)
(25,712)	(3,698)	(51,786)	(8,129)
248,854	-	248,854	-
(8,546)	(1,402)	(21,031)	(22,185)
531,582	47,730	869,700	-
50,624	(5,103)	99,275	(9,473)
(101,485)	-	(146,971)	(6,000)
(88,570)	(17,224)	(181,807)	(27,105)
(14,597)	12,700	(9,133)	9,446
113,187	-	113,187	-
29,706	(39,221)	90,142	68,840
(1,326,379)	(247,352)	(2,552,405)	(367,138)
173,481	5,624	390,087	72,687
678,007	119,936	1,298,761	207,809
332,979	60,852	633,812	101,422
(2,322)	-	(2,322)	-
-	-	-	(13,679)
<u>\$ 1,916,908</u>	<u>\$ 539,887</u>	<u>\$ 7,074,147</u>	<u>\$ 899,333</u>

**CITY OF WADSWORTH
MEDINA COUNTY, OHIO**

STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUNDS
DECEMBER 31, 2020

	<u>Custodial</u>
Assets:	
Current assets:	
Equity in pooled cash and cash equivalents	\$ 27,415
Cash in segregated accounts	<u>31,960</u>
Total assets	<u>\$ 59,375</u>
Liabilities:	
Due to other governments	<u>41,226</u>
Total liabilities	<u>41,226</u>
Net Position:	
Restricted for individuals, organizations, and other governments	<u>\$ 18,149</u>

See accompanying notes to the basic financial statements

**CITY OF WADSWORTH
MEDINA COUNTY, OHIO**

STATEMENT OF CHANGES IN
FIDUCIARY NET POSITION
FIDUCIARY FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2020

	Custodial
Additions:	
Fines and forfeiture collections for other governments	\$ 654,094
Total additions	654,094
Deductions:	
Distributions from municipal courts to other governments	654,094
Police property disbursed	170
Total deductions	654,264
Change in net position	(170)
Net position at beginning of year, restated	18,319
Net position at end of year	\$ 18,149

See accompanying notes to the basic financial statements

CITY OF WADSWORTH, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2020

NOTE 1 - DESCRIPTION OF THE CITY

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

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

For the City of Wadsworth this includes police and fire-fighting forces, emergency medical services, sewage and water treatment plants, an electric utility, a cable utility, an internet utility, a street maintenance department, a parks and recreation system, a community access television program, a trash collection service, an airport, planning and zoning, and a staff to provide the necessary support for these services. The City also includes a municipal court with a jurisdiction extending beyond the boundaries of the City. These service departments and the Wadsworth Municipal Court are included as part of the primary reporting entity.

Component units are legally separate organizations for which the City is financially accountable. The City is financially accountable for an organization if the City appoints a voting majority of the organization’s Governing Board and (1) the City is able to significantly influence the programs or services performed or provided by the organization; or (2) the City is legally entitled to or can otherwise access the organization’s resources; the City is legally obligated or has otherwise assumed the responsibility to finance deficits of, or provide financial support to, the organization; or the City is obligated for the debt of the organization. Component units may also include organizations for which the City approves the budget, the issuance of debt, or the levying of taxes. Certain organizations are also included as component units if the nature and significance of the relationship between the primary government and the organization is such that exclusion by the primary government would render the financial statements incomplete or misleading. The City has no component units.

The City is associated with the Ohio Municipal Electric Generation Agency Joint Venture 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 17 and 18.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

A. Basis of Presentation

The City’s basic financial statements consist of government-wide statements, including a Statement of Net Position and a Statement of Activities, and fund financial statements which provide a more detailed level of financial information.

Government-wide Financial Statements - The Statement of Net Position and the Statement of activities display information about the City as a whole. These statements include the financial activities of the primary government, except for fiduciary funds. The activity of the internal service fund is eliminated to avoid “doubling up” revenues and expenses. The statements distinguish between those activities of the City that are governmental and those that are considered business-type activities.

CITY OF WADSWORTH, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2020

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

The Statement of Net Position presents the financial condition of the governmental and business-type activities of the City at year-end. The Statement of Activities presents a comparison between direct expenses and program revenues for each program or function of the City's governmental activities and for the business-type activities of the City. Direct expenses are those that are specifically associated with a service, program or department and therefore clearly identifiable to a particular function. Program revenues include charges paid by the recipient of the goods or services offered by the program, grants and contributions that are restricted to meeting the operational or capital requirements of a particular program and interest earned on grants that is required to be used to support a particular program. Revenues which are not classified as program revenues are presented as general revenues of the City, with certain limited exceptions. The comparison of direct expenses with program revenues identifies the extent to which each business segment or governmental function is self-financing or draws from the general revenues of the City.

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

B. Fund Accounting

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

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

The following is the City's major governmental fund:

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

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

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

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

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

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

CITY OF WADSWORTH, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2020

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

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

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

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

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

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

Fiduciary Funds - Fiduciary fund reporting focuses on net position and changes in net position. The Fiduciary fund category is split into four classifications: pension trust funds, investment trust funds, private-purpose trust funds and custodial funds. Trust funds are distinguished from agency funds by the existence of a trust agreement or equivalent arrangements that have certain characteristics. Custodial funds are used to report fiduciary activities that are not required to be reported in a trust fund. The City does not have trust funds. The City's custodial funds account for municipal court collections that are distributed to various local governments excluding the City's portion, maintaining the law library, and police property.

C. Fund Accounting

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

Fund Financial Statements - All governmental fund types are accounted for using a flow of current financial resources measurement focus. With this measurement focus, only current assets and deferred outflows and current liabilities and deferred inflows are generally included on the balance sheet.

The Statement of Revenues, Expenditures and Changes in Fund Balances reports on the sources (i.e., revenues and other financing sources) and uses (i.e., expenditures and other financing uses) of current financial resources. This approach differs from the manner in which the governmental activities of the government-wide financial statements are prepared. Governmental fund financial statements therefore include reconciliation with brief explanations to better identify the relationship between the government-wide statements and the statements for governmental funds.

Like the government-wide statements, all proprietary funds and fiduciary are accounted for on a flow of economic resources measurement focus. All assets and deferred outflows and all liabilities and deferred inflows associated with the operation of these funds are included on the Statement of Fund Net Position. The Statement of Revenues, Expenses and Changes in Fund Net Position presents increases (i.e., revenues) and decreases (i.e., expenses) in total net position. The Statement of Cash Flows provides information about how the City finances and meets the cash flow needs of its proprietary activities.

CITY OF WADSWORTH, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2020

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

D. Basis of Accounting

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

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

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

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

Deferred Outflows of Resources and Deferred Inflows of Resources - In addition to assets, the government-wide statement of net position will report a separate section for deferred outflows of resources. Deferred outflows of resources, represents a consumption of net position that applies to a future period and will not be recognized as an outflow of resources (expense/expenditure) until then. For the City, See Notes 11 and 12 for deferred outflows of resources related the City's net pension liability and net OPEB liability, respectively. In addition, deferred outflows of resources include a deferred charge on debt refunding. A deferred charge on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt.

In addition to liabilities, both the government-wide statement of net position and the governmental fund financial statements report a separate section for deferred inflows of resources. Deferred inflows of resources represent an acquisition of net position that applies to a future period and will not be recognized as an inflow of resources (revenue) until that time. For the City, deferred inflows of resources include property taxes and unavailable revenue. Property taxes and payments in lieu of taxes represent amounts for which there is an enforceable legal claim as of December 31, 2020, but which were levied to finance 2021 operations. These amounts have been recorded as a deferred inflow of resources on both the government-wide statement of net position and the governmental fund financial statements. Unavailable revenue is reported only on the governmental funds balance sheet, and represents receivables which will not be collected within the available period. For the City, unavailable revenue includes, but is not limited to, income taxes, delinquent property taxes and intergovernmental grants. These amounts are deferred and recognized as an inflow of resources in the period the amounts become available.

For the City, See Notes 11 and 12 for deferred inflows of resources related to the City's net pension asset/liability and net OPEB liability, respectively. This deferred inflow of resources is only reported on the government-wide statement of net position.

CITY OF WADSWORTH, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2020

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

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. Budgetary Data

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

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

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

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

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

CITY OF WADSWORTH, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2020

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

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

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

F. Cash, Cash Equivalents and Investments

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

For purposes of the Statement of Cash Flows and for presentation on the Statement of Net Position/Balance Sheet, investments with original maturities of three months or less at the time they are purchased by the City and investments of the cash management pool are considered to be cash equivalents. Investments with a maturity of more than three months are reported as investments. Nonparticipating investment contracts such as overnight repurchase agreements and nonnegotiable certificates of deposit are reported at cost. Investments other than nonparticipating investment contracts, are reported at fair value which is based on quoted market prices. The City has invested funds in the State Treasury Asset Reserve of Ohio (STAR Ohio) and US Government Money Market Mutual Funds. STAR Ohio (the State Treasury Asset Reserve of Ohio), is an investment pool managed by the State Treasurer's Office which allows governments within the State to pool their funds for investment purposes. STAR Ohio is not registered with the SEC as an investment company, but has adopted Governmental Accounting Standards Board (GASB), Statement No. 79, "Certain External Investment Pools and Pool Participants." The City measures its investment in STAR Ohio at the net asset value (NAV) per share provided by STAR Ohio. The NAV per share is calculated on an amortized cost basis that provides an NAV per share that approximates fair value.

For , there were no limitations or restrictions on any participant withdrawals due to redemption notice periods, liquidity fees, or redemption gates. However, notice must be given 24 hours in advance of all deposits and withdrawals exceeding \$100 million. STAR Ohio reserves the right to limit the transaction to \$250 million, requiring the excess amount to be transacted the following business day(s), but only to the \$250 million limit. All accounts of the participant will be combined for these purposes.

Following Ohio statutes, the City has, by ordinance, specified the funds to receive an allocation of interest earnings. During the year, interest revenue credited to the general fund amount to \$436,558 which includes \$363,222 assigned from other City funds.

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

G. Interfund Balances

On fund financial statements, interfund loans are classified as "Interfund Receivable/Payable" on the balance sheet, and are either restricted or committed fund balance. These amounts are eliminated in the governmental and business-type activities columns of the statement of net position, except for any net residual amounts due between governmental and business-type activities, which are presented as internal balances.

CITY OF WADSWORTH, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2020

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

H. Inventory

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

I. Prepaid Items

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

J. Capital Assets

General capital assets are those capital assets which are associated with and generally arise from governmental activities. These assets generally result from expenditures in the governmental funds. These assets are reported in the governmental activities column of the government-wide Statement of Net Position, but are not reported in the fund financial statements. Capital assets utilized by the Proprietary funds are reported both in the business-type activities column of the government-wide Statement of Net Position and in the respective funds.

All capital assets are capitalized at cost (or estimated historical cost) and updated for additions and retirements during the year. Donated capital assets are recorded at their acquisition values as of the date received. The City maintains a capitalization threshold of \$25,000 for infrastructure, \$10,000 for land improvements and building improvements, \$5,000 for equipment, vehicles, and intangible assets and capitalizes all land and buildings. Exceptions exist for items such as an interest in land, which is always capitalized. The City’s infrastructure consists of bridges, culverts, curbs, sidewalks, storm sewers, streets, cable, irrigation systems and water and sewer lines. Improvements are capitalized; the costs of normal maintenance and repairs that do not add to the value of the asset or materially extend an asset’s life are not. Interest incurred during the construction of capital assets is also capitalized.

All reported capital assets are depreciated except for land and construction in progress. Improvements are depreciated over the remaining useful lives of the related capital assets. Useful lives for infrastructure were estimated based on the City’s historical records of necessary improvements and replacement. Depreciation is computed using the straight-line method over the following useful lives:

Description	Governmental activities estimated lives	Business-type activities estimated lives
Land Improvements	20 to 75 Years	20 to 75 Years
Buildings	25 to 100 Years	25 to 100 Years
Equipment	3 to 50 Years	3 to 50 Years
Vehicles	8 to 30 Years	8 to 30 Years
Infrastructure	3 to 110 Years	3 to 110 Years
Intangibles	50 Years	50 Years

CITY OF WADSWORTH, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2020

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

K. Compensated Absences

The City reports compensated absences in accordance with the provisions of GASB Statement No. 16, "Accounting for Compensated Absences." Vacation benefits and compensatory time 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 and all compensatory time.

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

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

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

L. Accrued and Long-Term Obligations

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

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

M. Fund Balance

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

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

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

CITY OF WADSWORTH, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2020

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

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

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

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

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

N. Net Position

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

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

O. Operating Revenues and Expenses

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

P. Contributions of Capital

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

CITY OF WADSWORTH, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2020

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

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. The City had neither type of transaction during.

S. Estimates

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

T. Bond Premium and Discount/Accounting Gain or Loss

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

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

On the governmental fund financial statements, bond premiums and discounts are recognized in the current period. The reconciliation between the bonds face value and the amount reported on the statement of net position is presented in Note 14.

U. Pensions/Other Postemployment Benefits (OPEB)

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

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

CITY OF WADSWORTH, OHIO

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2020**

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

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

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

V. Fair Value Measurements

The City categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs.

NOTE 3 - ACCOUNTABILITY AND COMPLIANCE

A. Change in Accounting Principle

For 2020, the City implemented the Governmental Accounting Standards Board (GASB) Statement No. 84, Fiduciary Activities.” GASB 84 establishes criteria for identifying fiduciary activities of all state and local governments. The focus of the criteria generally is on (1) whether a government is controlling the assets of the fiduciary activity and (2) the beneficiaries with whom a fiduciary relationship exists.

Due to the implementation of GASB Statement No. 84, the City will no longer be reporting agency funds. The City reviewed its agency funds and certain funds will be reported in the new fiduciary fund classification of custodial funds, while other funds have been reclassified as governmental funds and proprietary funds. These fund reclassifications were incorporated in the City’s fiscal year 2020 financial statements; however, there was no effect on fund balance. Net position was restated in the Police property room custodial fund.

B. Deficit Fund Balances/Net Position

Fund balances/net position at December 31, 2020 included the following individual fund deficits:

Nonmajor governmental funds	<u>Deficit</u>
Recreation	\$ 278,276
Safe routes to school grant	1,819
Airport improvements	10,686
Internal service fund	
Information Technology	1,037,739

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

CITY OF WADSWORTH, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2020

NOTE 4 - BUDGETARY BASIS OF ACCOUNTING

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

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

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

The following table summarizes the adjustments necessary to reconcile the budget basis statements to the GAAP basis statements for the general fund.

Net Changes in Fund Balance

	<u>General</u>
Budgetary basis	\$ 941,456
Net adjustment for revenue accruals	218,731
Net adjustment for expenditure accruals	287,419
Funds with separate legally adopted budgets	48,664
Net adjustment for other sources/uses	(192,191)
Encumbrances	18,906
GAAP Basis	<u>\$ 1,322,985</u>

CITY OF WADSWORTH, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2020

NOTE 5 - FUND BALANCE

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

Fund balance	General	Nonmajor governmental funds	Total governmental funds
Nonspendable:			
Materials and supplies inventory	\$ 193,689	\$ 413,437	\$ 607,126
Prepayments	90,525	40,442	130,967
Interfund loan receivable	1,357,310	-	1,357,310
Total nonspendable	<u>1,641,524</u>	<u>453,879</u>	<u>2,095,403</u>
Restricted:			
Capital projects	-	3,845,811	3,845,811
Street maintenance	-	2,540,676	2,540,676
Emergency medical services	-	4,123,691	4,123,691
Municipal court	-	953,344	953,344
Law enforcement	-	289,793	289,793
Community improvements	-	336,056	336,056
Community developments	-	96,687	96,687
Fire protection	-	6,919	6,919
Debt service	-	26,213	26,213
Total restricted	<u>-</u>	<u>12,219,190</u>	<u>12,219,190</u>
Committed:			
Capital projects	-	2,955,593	2,955,593
Recreation	-	227,456	227,456
Other	-	407,781	407,781
Total committed	<u>-</u>	<u>3,590,830</u>	<u>3,590,830</u>
Assigned:			
General government	34,802	-	34,802
Security of persons and property	19,434	-	19,434
Leisure time activities	1,032	-	1,032
Subsequent year's appropriations	955,513	-	955,513
Total assigned	<u>1,010,781</u>	<u>-</u>	<u>1,010,781</u>
Unassigned (deficit)	<u>8,935,343</u>	<u>(293,914)</u>	<u>8,641,429</u>
Total fund balances	<u>\$ 11,587,648</u>	<u>\$ 15,969,985</u>	<u>\$ 27,557,633</u>

CITY OF WADSWORTH, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2020

NOTE 6 - DEPOSITS AND INVESTMENTS

State statutes classify monies held by the City into three categories.

Active deposits are public deposits necessary to meet current demands on the treasury. Such monies must be maintained either as cash in the City treasury, in commercial accounts payable or withdrawable on demand, including negotiable order of withdrawal (NOW) accounts, or in money market deposit accounts.

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

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

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

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

CITY OF WADSWORTH, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2020

NOTE 6 - DEPOSITS AND INVESTMENTS – (Continued)

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

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

A. Deposits with Financial Institutions

At December 31, 2020, the carrying amount of all City deposits was \$39,521,851. As of December 31, 2020, \$5,307,729 of the City’s bank balance of \$40,780,620 was exposed to custodial risk as discussed below, while \$35,472,891 was covered by the FDIC.

Custodial credit risk is the risk that, in the event of bank failure, the City will not be able to recover deposits or collateral securities that are in the possession of an outside party. The City has no deposit policy for custodial credit risk beyond the requirements of State statute. Ohio law requires that deposits either be insured or protected by (1) eligible securities pledged to the City’s and deposited with a qualified trustee by the financial institution as security for repayment whose market value at all times shall be at least 105 percent of the deposits being secured, or (2) participation in the OPCS, a collateral pool of eligible securities deposited with a qualified trustee and pledged to the Treasurer of State to secure the repayment of all public monies deposited in the financial institution. OPCS requires the total market value of the securities pledged to be 102 percent of the deposits being secured or a rate set by the Treasurer of State. For 2020, the City’s financial institutions were approved for a reduced collateral rate of 50 percent through the OPCS. Although all statutory requirements for the deposit of money had been followed, noncompliance with Federal requirements could potentially subject the City to a successful claim by the FDIC.

B. Investments

As of December 31, 2020, the City had the following investments and maturities:

Measurement/investment type	Measurement amount	Percentage of investments	Investment maturities 6 months or less
Amortized cost:			
STAR Ohio	\$ 19,025,431	99.86%	\$ 19,025,431
Fair value:			
US government mutual fund	26,390	0.14%	26,390
Total	<u>\$ 19,051,821</u>	<u>100%</u>	<u>\$ 19,051,821</u>

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

CITY OF WADSWORTH, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2020

NOTE 6 - DEPOSITS AND INVESTMENTS – (Continued)

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

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

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

NOTE 7 - RECEIVABLES

Receivables at December 31, 2020, consisted of taxes, accounts (billings for user charged services, rents and royalties), income taxes, interfund, accrued interest, special assessments, and intergovernmental receivables arising from grants, entitlements and shared revenues. Accounts, taxes, interfund, accrued interest, special assessments and intergovernmental receivables are deemed collectible in full.

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

Property Taxes

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

Public utility real and tangible personal property taxes collected in one calendar year are levied in the preceding calendar year on assessed values determined as of December 31 of the second year preceding the tax collection year, the lien date. Public utility tangible personal property is assessed at varying percentages of true value; public utility real property is assessed at 35 percent of true value. 2020 public utility property taxes became a lien December 31, 2019, are levied after October 1, 2020, and are collected in 2021 with real property taxes. Public utility property taxes are payable on the same dates as real property taxes described previously.

The County Auditor collects property taxes on behalf of all taxing districts in the County, including the City of Wadsworth. The County Auditor periodically remits to the City its portion of the taxes collected. Property taxes represent real property taxes, public utility taxes, tangible personal property taxes and outstanding delinquencies which are measurable as of December 31, 2020 and for which there is an enforceable legal claim.

CITY OF WADSWORTH, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2020

NOTE 7 - RECEIVABLES - (Continued)

The full tax rate for all City operations for the year ended December 31, 2020 was \$4.90 per \$1,000 of assessed value. The assessed values of real and tangible personal property for 2019 property tax were as follows:

<u>Real Property</u>	<u>Assessed value</u>
Residential/agricultural	\$ 460,323,900
Commercial/industrial/mineral	154,139,030
Public utility personal property	1,196,350
Total assessed value	<u>\$ 615,659,280</u>

Income Taxes

The City levies and collects an income tax on taxable income earned within the City as well as taxable incomes earned outside the City. The taxable income rate is 1.4%. For residents working outside the City, the City allows for a credit of income taxes paid to another municipality of up to 1.0%. Employers within the City are required to withhold income tax on employee earnings and remit the tax to the City at least quarterly. Income tax collections for 2020 and prior years received 60 days after year-end have been recognized as revenue in 2020. Corporations and individual taxpayers are also billed for their estimated taxes quarterly. They must pay at least 90% by January 31st and must file an annual return by April 15th.

Income tax revenues are distributed, as needed, to the various funds of the City pursuant to Council ordinance. In 2020, income tax revenues were distributed to the following funds: the general fund, the recreation and street maintenance special revenue funds, the special assessment bond retirement debt service funds and the general capital improvements, street improvement, and special assessments capital projects funds.

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

Due from other governments

A summary of due from other governments follows:

Governmental activities	<u>Amounts</u>
Local government and local government	
revenue assistance	\$ 214,833
Homestead and rollback	144,375
Gasoline and excise Tax	531,445
Motor vehicle license fees	72,812
Permissive motor vehicle license tax	19,556
Grants	116,862
Other	34,876
Total	<u>\$ 1,134,759</u>

CITY OF WADSWORTH, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2020

NOTE 7 - RECEIVABLES - (Continued)

Special assessments

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

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

Special assessments receivable at December 31, 2020 was \$1,486,719.

NOTE 8 - TAX ABATEMENTS

As of December 31, 2020, the City provides tax abatements through Community Reinvestment Area (CRA). This program relates to the abatement of property taxes.

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

The City has entered into eight agreements to abate property taxes through this program. During 2020, the City’s property tax revenues were reduced as a result of these agreements as follows:

Purpose	Percentage of taxes abated during the fiscal year	Amount of taxes abated during the fiscal year	Term
Expansion for warehousing and office space	40%	\$ 781	6 years
Expansion for warehouse space	50%	\$ 3,157	9 years
Expansion for R&D and office space	70%	\$ 2,857	10 years
Expansion for manufacturing	50%	\$ 4,480	12 years
Expansion for warehousing, distribution, and office space	50%	\$ 2,088	10 years
Expansion for manufacturing and warehousing	60%	\$ 2,904	12 years
Senior living facility	90%	\$ 13,360	11 years

CITY OF WADSWORTH, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2020

NOTE 9 - 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 \$75,148,080 limit on buildings and property in the open and business personal property.
2. Vehicle liability insurance with physical damage, comprehensive and collision subject to a \$1,000,000 limit per accident or loss. A comprehensive deductible of \$500 for vehicles and a comprehensive deductible of \$2,000 apply to fire trucks.
3. Law enforcement liability coverage with a \$1,000,000 limit for each person/wrongful act/annual aggregate and a \$10,000 deductible for each Law Enforcement Wrongful Act.
4. Public officials' liability coverage with a \$1,000,000 for each claim/each aggregate and a \$10,000 deductible per 'claim'.
5. Umbrella liability coverage of \$10,000,000 per occurrence/aggregate.

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

B. Workers' Compensation

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

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

The City's third party administrator (TPA) is Sedgwick Inc. The claims liability reported in the workers' comp internal service fund at December 31, 2020 of \$31,124, is based on the requirements of GASB statement No. 30 which requires that a liability for unpaid claims costs, including estimates of costs relating to incurred but not reported claims, be reported. The estimate was not affected by incremental claim adjustment expenses and does not include other allocated or unallocated claim adjustment expenses. A summary of the fund's claims liability during the past two years is as follows:

		Balance at beginning of year		Current year claims		Claims payments		Balance at end of year
2020	\$	75,974	\$	27,663	\$	(72,513)	\$	31,124
2019		70,334		45,661		(40,021)		75,974

CITY OF WADSWORTH, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2020

NOTE 9 - RISK MANAGEMENT - (Continued)

C. Health Insurance

The City has elected to provide employee medical, prescription, dental, and vision benefits through a self-insurance program with a Stop Loss Policy to insure against specific and aggregate losses. The City maintains a Self-Insurance Fund, to account for and finance its risk of loss. The specific stop loss amount is \$100,000 with a maximum claims aggregate of \$3,825,648. The aggregate amount is generally calculated on 120.0% of the expected claims.

The Fund is financed by assessing City departments the amount necessary to pay all costs and maintain a reasonable carryover balance. As of December 31, 2020, the Departments were assessed per each employee per month at the rate of \$1,105.00 per individual coverage and \$1,840.00 per family coverage. Following the health insurance renewal on September 1, 2020, non-bargaining employee contributions per bi-weekly pay period were \$40.00 for single coverage and \$80.00 for family. Some bargaining unit employees pay a contribution rate at \$56.33 for single coverage and \$122.90 for family coverage. Other bargaining unit employees contribute \$61.02 for single coverage and \$133.14 for family coverage. Health coverage (i.e., medical and prescription) was administered by Medical Mutual. Dental coverage was provided through Delta Dental.

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

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

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

The claims liability of \$459,838 reported in the self-insurance fund at December 31, 2020 is based on the requirements of GASB Statement No. 10 “Accounting and Financial Reporting for Risk Financing and Related Insurance Services” which requires that a liability for unpaid claim costs, including estimates of costs relating to incurred, but not reported claims, be reported. The claims liability is based on an estimate supplied by the City’s third party administrator. This estimate was not affected by incremental claim adjustment expenses and does not include other allocated or unallocated claim adjustment expenses. A summary of the fund’s claims liability during the past two years is as follows:

		Balance at <u>beginning of year</u>		Current year <u>claims</u>		Claims <u>payments</u>		Balance at <u>end of year</u>
2020	\$	428,667	\$	2,748,856	\$	(2,717,685)	\$	459,838
2019		445,812		2,904,398		(2,921,543)		428,667

CITY OF WADSWORTH, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2020

NOTE 10 - CAPITAL ASSETS

Governmental activities capital asset activity for the year ended December 31, 2020, was as follows.

	Balance 1/1/2020	Additions	Reductions	Balance 1/31/2020
Governmental activities:				
Capital assets, not being depreciated				
Land	\$ 5,175,239	\$ 513,672	\$ -	\$ 5,688,911
Intangible asset, not depreciated	3,887,932	316,279	-	4,204,211
Construction in progress	4,939,230	1,199,837	(218,539)	5,920,528
Total capital assets, not being depreciated	<u>14,002,401</u>	<u>2,029,788</u>	<u>(218,539)</u>	<u>15,813,650</u>
Capital assets, being depreciated				
Intangible assets	19,420,928	-	-	19,420,928
Land improvements	3,829,410	78,687	-	3,908,097
Buildings and improvements	10,298,735	38,521	(35,405)	10,301,851
Equipment	3,510,938	164,030	(594,835)	3,080,133
Vehicles	6,693,670	245,079	(371,160)	6,567,589
Infrastructure	28,010,933	1,045,963	(406,717)	28,650,179
Total capital assets, being depreciated	<u>71,764,614</u>	<u>1,572,280</u>	<u>(1,408,117)</u>	<u>71,928,777</u>
Accumulated depreciation:				
Intangible assets	(3,160,877)	(399,552)	-	(3,560,429)
Land improvements	(1,408,292)	(111,495)	-	(1,519,787)
Buildings and improvements	(4,664,906)	(247,297)	24,381	(4,887,822)
Equipment	(2,533,792)	(139,893)	548,274	(2,125,411)
Vehicles	(4,292,612)	(368,393)	366,160	(4,294,845)
Infrastructure	(8,965,526)	(918,090)	278,262	(9,605,354)
Total accumulated depreciation	<u>(25,026,005)</u>	<u>(2,184,720)</u>	<u>1,217,077</u>	<u>(25,993,648)</u>
Total capital assets, being depreciated, net	<u>46,738,609</u>	<u>(612,440)</u>	<u>(191,040)</u>	<u>45,935,129</u>
Governmental capital assets, net	<u>\$ 60,741,010</u>	<u>\$ 1,417,348</u>	<u>\$ (409,579)</u>	<u>\$ 61,748,779</u>

Depreciation expense was charged to governmental activities as follows:

Governmental activities:	
General government	\$ 667,934
Security of persons and property	271,971
Transportation	970,371
Leisure time services	191,840
Internal service funds	82,604
Total depreciation expense	<u>\$ 2,184,720</u>

CITY OF WADSWORTH, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2020

NOTE 10 - CAPITAL ASSETS - (Continued)

Business-type activities capital asset activity for the year ended December 31, 2020, was as follows:

	Balance 1/1/2020	Additions	Reductions	Balance 1/31/2020
Business-type activities:				
Capital assets, not being depreciated				
Land	\$ 709,335	\$ -	\$ -	\$ 709,335
Intangible asset, not depreciated	340,266	-	-	340,266
Construction in progress	302,059	629,941	(69,359)	862,641
Total capital assets, not being depreciated	<u>1,351,660</u>	<u>629,941</u>	<u>(69,359)</u>	<u>1,912,242</u>
Capital assets, being depreciated				
Intangible assets	745,538	-	-	745,538
Land improvements	195,269	-	-	195,269
Buildings	19,673,285	-	(110,963)	19,562,322
Equipment	15,401,827	287,576	(168,387)	15,521,016
Vehicles	6,931,758	988,737	(180,987)	7,739,508
Infrastructure	114,291,537	1,406,676	(900,359)	114,797,854
Total capital assets, being depreciated	<u>157,239,214</u>	<u>2,682,989</u>	<u>(1,360,696)</u>	<u>158,561,507</u>
Accumulated depreciation:				
Intangible assets	(377,348)	(74,554)	-	(451,902)
Land improvements	(26,780)	(8,938)	-	(35,718)
Buildings	(7,115,780)	(406,020)	73,855	(7,447,945)
Equipment	(7,289,565)	(694,847)	165,205	(7,819,207)
Vehicles	(3,932,770)	(473,060)	177,487	(4,228,343)
Infrastructure	(51,074,184)	(2,348,977)	669,618	(52,753,543)
Total accumulated depreciation	<u>(69,816,427)</u>	<u>(4,006,396)</u>	<u>1,086,165</u>	<u>(72,736,658)</u>
Total capital assets, being depreciated, net	<u>87,422,787</u>	<u>(1,323,407)</u>	<u>(274,531)</u>	<u>85,824,849</u>
Business-type activities capital assets, net	<u>\$ 88,774,447</u>	<u>\$ (693,466)</u>	<u>\$ (343,890)</u>	<u>\$ 87,737,091</u>

Certain amounts have been reclassified between buildings and infrastructure. There was no impact on total capital assets.

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

Business-type activities:	
Storm Water	\$ 326,944
Telecom	244,567
Sewer	1,017,503
Water	714,019
Electric	1,486,043
Sanitation	217,320
Total depreciation expense	<u>\$ 4,006,396</u>

CITY OF WADSWORTH, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2020

NOTE 10 - CAPITAL ASSETS - (Continued)

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

The remaining amortization schedule is as follows:

Year Ending December 31	Governmental activities
2021	\$ 365,800
2022	365,800
2023	365,800
2024	365,800
2025	365,800
2026-2030	1,829,000
2031-2035	1,829,000
2036-2040	1,829,000
2041-2045	1,829,000
2046-2050	1,829,000
2051-2055	1,829,000
2056-2060	1,829,000
2061	365,800
Total	\$ 14,997,800

NOTE 11 - DEFINED BENEFIT PENSION PLANS

Net pension liability/asset

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

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

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

CITY OF WADSWORTH, OHIO

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2020**

NOTE 11 - DEFINED BENEFIT PENSION PLANS - (Continued)

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

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

Plan Description – Ohio Public Employees Retirement System (OPERS)

Plan Description - City employees, other than full-time police and firefighters, participate in the Ohio Public Employees Retirement System (OPERS). OPERS administers three separate pension plans. The Traditional Pension Plan is a cost-sharing, multiple-employer defined benefit pension plan. The Member-Directed Plan is a defined contribution plan and the Combined Plan is a cost-sharing, multiple-employer defined benefit pension plan with defined contribution features. While members (e.g. City employees) may elect the Member-Directed Plan and the Combined Plan, substantially all employee members are in OPERS' Traditional Pension Plan.

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

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

CITY OF WADSWORTH, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2020

NOTE 11 - DEFINED BENEFIT PENSION PLANS (Continued)

Group A Eligible to retire prior to January 7, 2013 or five years after January 7, 2013	Group B 20 years of service credit prior to January 7, 2013 or eligible to retire ten years after January 7, 2013	Group C Members not in other Groups and members hired on or after 1/7/2013
State and Local	State and Local	State and Local
Age and service requirements: Age 60 with 60 months of service credit or Age 55 with 25 years of service credit	Age and service requirements: Age 60 with 60 months of service credit or Age 55 with 25 years of service credit	Age and service requirements: Age 57 with 25 years of service credit or Age 62 with 5 years of service credit
Traditional plan formula: 2.2% of FAS multiplied by years of service for the first 30 years and 2.5% for service years in excess of 30	Traditional plan formula: 2.2% of FAS multiplied by years of service for the first 30 years and 2.5% for service years in excess of 30	Traditional plan formula: 2.2% of FAS multiplied by years of service for the first 35 years and 2.5% for service years in excess of 35
Combined plan formula: 1% of FAS multiplied by years of service for the first 30 years and 1.25% for service years in excess of 30	Combined plan formula: 1% of FAS multiplied by years of service for the first 30 years and 1.25% for service years in excess of 30	Combined plan formula: 1% of FAS multiplied by years of service for the first 35 years and 1.25% for service years in excess of 35

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

Members who retire before meeting the age and years of service credit requirement for unreduced benefits receive a percentage reduction in the benefit amount. The initial amount of a member's pension benefit is vested upon receipt of the initial benefit payment for calculation of an annual cost-of-living adjustment.

When a traditional plan benefit recipient has received benefits for 12 months, current law provides for an annual cost of living adjustment (COLA). This COLA is calculated on the base retirement benefit at the date of retirement and is not compounded. Members retiring under the combined plan receive a cost-of-living adjustment on the defined benefit portion of their pension benefit. For those who retired prior to January 7, 2013, the cost of living adjustment is 3 percent. For those retiring subsequent to January 7, 2013, beginning in calendar year 2019, current law provides that the COLA will be based on the average percentage increase in the Consumer Price Index, capped at 3.00%.

Defined contribution plan benefits are established in the plan documents, which may be amended by the Board. Member-directed plan and combined plan members who have met the retirement eligibility requirements may apply for retirement benefits. The amount available for defined contribution benefits in the combined plan consists of the member's contributions plus or minus the investment gains or losses resulting from the member's investment selections. Combined plan members wishing to receive benefits must meet the requirements for both the defined benefit and defined contribution plans. Member-directed participants must have attained the age of 55, have money on deposit in the defined contribution plan and have terminated public service to apply for retirement benefits. The amount available for defined contribution benefits in the member-directed plan consists of the members' contributions, vested employer contributions and investment gains or losses resulting from the members' investment selections. Employer contributions and associated investment earnings vest over a five-year period, at a rate of 20 percent each year. At retirement, members may select one of several distribution options for payment of the vested balance in their individual OPERS accounts.

CITY OF WADSWORTH, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2020

NOTE 11 - DEFINED BENEFIT PENSION PLANS - (Continued)

Options include the annuitization of the benefit (which includes joint and survivor options), partial lump-sum payments (subject to limitations), a rollover of the vested account balance to another financial institution, receipt of entire account balance, net of taxes withheld, or a combination of these options.

Beginning in 2022, the Combined Plan will be consolidated under the Traditional Pension Plan (defined benefit plan) and the Combined Plan option will no longer be available for new hires beginning in 2022.

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

	State and Local
2020 Statutory maximum contribution rates	
Employer	14.0%
Employee	10.0%
 2020 Actual contribution rates	
Employer:	
Pension	14.0%
Post-employment health care benefits	0.00%
Total Employer	14.0%

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

The City’s contractually required contribution for the Traditional Pension Plan, the Combined Plan and Member-Directed Plan was \$1,598,227 for 2020. Of this amount, \$24,627 is reported as due to other governments.

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

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

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

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

CITY OF WADSWORTH, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2020

NOTE 11 - DEFINED BENEFIT PENSION PLANS - (Continued)

The annual pension benefit for normal service retirement is equal to a percentage of the allowable average annual salary. The percentage equals 2.5 percent for each of the first 20 years of service credit, 2.00% for each of the next five years of service credit and 1.50% for each year of service credit in excess of 25 years. The maximum pension of 72.00% of the allowable average annual salary is paid after 33 years of service credit (see OP&F Comprehensive Annual Financial Report referenced above for additional information, including requirements for Deferred Retirement Option Plan provisions and reduced and unreduced benefits).

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

Members retiring under normal service retirement, with less than 15 years of service credit on July 1, 2013, will receive a COLA equal to either 3.00% or the percent increase, if any, in the consumer price index over the 12 month period ending on September 30th of the immediately preceding year, whichever is less. The COLA amount for members with at least 15 years of service credit as of July 1, 2013, is equal to 3.00% of their base pension or disability benefit.

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

	<u>Police</u>	<u>Firefighters</u>
2020 Statutory maximum contribution rates		
Employer	19.50%	24.00%
Employee	12.25%	12.25%
2020 Actual contribution rates		
Employer:		
Pension	19.00%	23.50%
Post-employment health care benefits	<u>0.50%</u>	<u>0.50%</u>
Total Employer	<u>19.50%</u>	<u>24.00%</u>
Employee	12.25%	12.25%

Employer contribution rates are expressed as a percentage of covered payroll. The City's contractually required contribution to OP&F was \$684,395 for 2020. Of this amount, \$10,701 is reported as due to other governments.

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

The net pension liability and net pension asset for the OPERS Traditional Pension Plan, Combined Plan and Member-Directed Plan, respectively, were measured as of December 31, 2019, and the total pension liability or asset used to calculate the net pension liability or asset was determined by an actuarial valuation as of that date. OP&F's total pension liability was measured as of December 31, 2019, and was determined by rolling forward the total pension liability as of January 1, 2019, to December 31, 2019. The City's proportion of the net pension liability or asset was based on the City's share of contributions to the pension plan relative to the contributions of all participating entities.

CITY OF WADSWORTH, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2020

NOTE 11 - DEFINED BENEFIT PENSION PLANS - (Continued)

Following is information related to the proportionate share and pension expense:

	OPERS - Traditional	OPERS - Combined	OPERS - Member - Directed	OP&F	Total
Proportion of the net pension liability/asset prior to measurement date	0.0729300%	0.0945920%	0.0401030%	0.1315510%	
Proportion of the net pension liability/asset current measurement date	<u>0.0741960%</u>	<u>0.1006500%</u>	<u>0.0379220%</u>	<u>0.1299072%</u>	
Change in proportionate share	<u>0.0012660%</u>	<u>0.0060580%</u>	<u>(0.0021810)%</u>	<u>(0.0016438)%</u>	
Proportionate share of the net pension liability	\$ 14,665,344	\$ -	\$ -	\$ 8,751,243	\$ 23,416,587
Proportionate share of the net pension asset	-	(209,879)	(1,433)	-	(211,312)
Pension expense	2,201,488	24,045	(845)	1,329,582	3,554,270

At December 31, 2020, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	OPERS - Traditional	OPERS - Combined	OPERS - Member - Directed	OP&F	Total
Deferred outflows of resources					
Differences between expected and actual experience	\$ -	\$ -	\$ 4,790	\$ 331,262	\$ 336,052
Changes of assumptions	783,300	21,642	232	214,819	1,019,993
Changes in employer's proportionate percentage/difference between employer contributions	201,882	-	-	323,380	525,262
Contributions subsequent to the measurement date	<u>1,508,374</u>	<u>66,730</u>	<u>23,123</u>	<u>684,395</u>	<u>2,282,622</u>
Total deferred outflows of resources	<u>\$ 2,493,556</u>	<u>\$ 88,372</u>	<u>\$ 28,145</u>	<u>\$ 1,553,856</u>	<u>\$ 4,163,929</u>

CITY OF WADSWORTH, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2020

NOTE 11 - DEFINED BENEFIT PENSION PLANS - (Continued)

	OPERS - Traditional	OPERS - Combined	OPERS - Member - Directed	OP&F	Total
Deferred inflows of resources					
Differences between expected and actual experience	\$ 185,421	\$ 49,277	\$ -	\$ 451,339	\$ 686,037
Differences between projected and actual earnings on pension plan investments	2,925,405	27,220	451	422,755	3,375,831
Changes in employer's proportionate percentage/difference between employer contributions	156,250	-	-	184,683	340,933
Total deferred outflows of resources	<u>\$ 3,267,076</u>	<u>\$ 76,497</u>	<u>\$ 451</u>	<u>\$ 1,058,777</u>	<u>\$ 4,402,801</u>

\$2,282,622 reported as deferred outflows of resources related to pension resulting from City contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability/asset in the year ending December 31, 2020.

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

	OPERS - Traditional	OPERS - Combined	OPERS - Member - Directed	OP&F	Total
Year Ending December 31:					
2021	\$ (355,195)	\$ (13,374)	\$ 565	\$ 115,388	\$ (252,616)
2022	(886,260)	(12,863)	573	3,381	(895,169)
2023	121,138	(5,273)	685	127,618	244,168
2024	(1,161,577)	(15,242)	511	(408,334)	(1,584,642)
2025	-	(2,844)	617	(27,369)	(29,596)
Thereafter	-	(5,259)	1,620	-	(3,639)
Total	<u>\$ (2,281,894)</u>	<u>\$ (54,855)</u>	<u>\$ 4,571</u>	<u>\$ (189,316)</u>	<u>\$ (2,521,494)</u>

Actuarial Assumptions - OPERS

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

CITY OF WADSWORTH, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2020

NOTE 11 - DEFINED BENEFIT PENSION PLANS - (Continued)

Projections of benefits for financial-reporting purposes are based on the substantive plan (the plan as understood by the employers and plan members) and include the types of benefits provided at the time of each valuation. The total pension liability was determined by an actuarial valuation as of December 31, 2019, using the following actuarial assumptions applied to all periods included in the measurement in accordance with the requirements of GASB 67. Key methods and assumptions used in the latest actuarial valuation, reflecting experience study results, prepared as of December 31, 2019, are presented below.

Wage inflation	3.25%
Future salary increases, including inflation	3.25% to 10.75% including wage inflation
COLA or ad hoc COLA	Pre 1/7/2013 retirees: 3.00%, simple Post 1/7/2013 retirees: 1.40%, simple through 2020, then 2.15% simple
Investment rate of return	
Current measurement date	7.20%
Prior measurement date	7.20%
Actuarial cost method	Individual entry age

In October 2019, the OPERS Board adopted a change in COLA for Post-January 7, 2013 retirees, changing it from 3.00% simple through 2018 then 2.15% simple to 1.40% simple through 2020 the 2.15% simple.

Pre-retirement mortality rates are based on the RP-2014 Employees mortality table for males and females, adjusted for mortality improvement back to the observation period base year of 2006. The base year for males and females was then established to be 2015 and 2010, respectively. Post-retirement mortality rates are based on the RP-2014 Healthy Annuitant mortality table for males and females, adjusted for mortality improvement back to the observation period base year of 2006. The base year for males and females was then established to be 2015 and 2010, respectively. Post-retirement mortality rates for disabled retirees are based on the RP-2014 Disabled mortality table for males and females, adjusted for mortality improvement back to the observation period base year of 2006. The base year for males and females was then established to be 2015 and 2010, respectively. Mortality rates for a particular calendar year are determined by applying the MP-2015 mortality improvement scale to all of the above described tables.

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

During 2019, OPERS managed investments in three investment portfolios: the Defined Benefit portfolio, the Health Care portfolio, and the Defined Contribution portfolio. The Defined Benefit portfolio contains the investment assets for the Traditional Pension Plan, the defined benefit component of the Combined Plan and the annuitized accounts of the Member-Directed Plan. Within the Defined Benefit portfolio, contributions into the plans are all recorded at the same time, and benefit payments all occur on the first of the month. Accordingly, the money-weighted rate of return is considered to be the same for all plans within the portfolio. The annual money-weighted rate of return expressing investment performance, net of investment expenses and adjusted for the changing amounts actually invested, for the Defined Benefit portfolio was 17.20% for 2019.

CITY OF WADSWORTH, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2020

NOTE 11 - DEFINED BENEFIT PENSION PLANS - (Continued)

The allocation of investment assets with the Defined Benefit portfolio is approved by the Board of Trustees as outlined in the annual investment plan. Plan assets are managed on a total return basis with a long-term objective of achieving and maintaining a fully funded status for the benefits provided through the defined benefit pension plans. The long-term expected rate of return on defined benefit investment assets was determined using a building-block method in which best-estimate ranges of expected future real rates of return are developed for each major asset class. These ranges are combined to produce the long-term expected real rate of return by weighting the expected future real rates of return by the target asset allocation percentage, adjusted for inflation. Best estimates of arithmetic real rates of return were provided by the Board's investment consultant. For each major asset class that is included in the Defined Benefit portfolio's target asset allocation as of December 31, 2019, these best estimates are summarized in the following table:

Asset class	Target allocation	Weighted average long-term expected real rate of return (arithmetic)
Fixed income	25.00%	1.83%
Domestic equities	19.00	5.75
Real estate	10.00	5.20
Private equity	12.00	10.70
International equities	21.00	7.66
Other investments	13.00	4.98
Total	<u>100.00%</u>	<u>5.61%</u>

Discount Rate - The discount rate used to measure the total pension liability/asset was 7.20%, post-experience study results, for the Traditional Pension Plan, the Combined Plan and Member-Directed Plan. The discount rate used to measure total pension liability prior to December 31, 2019 was 7.20%. The projection of cash flows used to determine the discount rate assumed that contributions from plan members and those of the contributing employers are made at the contractually required rates, as actuarially determined. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefits payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments for the Traditional Pension Plan, Combined Plan and Member-Directed Plan was applied to all periods of projected benefit payments to determine the total pension liability.

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

	1% decrease	Current discount rate	1% increase
City's proportionate share of the net pension liability (asset):			
Traditional Pension Plan	\$ 24,187,896	\$ 14,665,343	\$ 6,104,847
Combined Plan	(126,819)	(209,879)	(269,742)
Member-Directed Plan	(758)	(1,433)	(1,896)

CITY OF WADSWORTH, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2020

NOTE 11 - DEFINED BENEFIT PENSION PLANS - (Continued)

Actuarial Assumptions – OP&F

OP&F’s total pension liability as of December 31, 2019, is based on the results of an actuarial valuation date of January 1, 2019, and rolled-forward using generally accepted actuarial procedures. The total pension liability is determined by OP&F’s actuaries in accordance with GASB Statement No. 67, as part of their annual valuation. Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about probability of occurrence of events far into the future. Examples include assumptions about future employment mortality, salary increases, disabilities, retirements and employment terminations. Actuarially determined amounts are subject to continual review and potential modifications, as actual results are compared with past expectations and new estimates are made about the future. Assumptions considered were: withdrawal rates, disability retirement, service retirement, DROP elections, mortality, percent married and forms of the payment, DROP interest rate, CPI-based COLA, investment returns, salary increases and payroll growth.

Key methods and assumptions used in calculating the total pension liability in the latest actuarial valuation, prepared as of January 1, 2019 are presented below.

Valuation date	1/1/19 with actuarial liabilities rolled forward to 12/31/19
Actuarial cost method	Entry age normal
Investment rate or return	8.00%
Projected salary increases	3.75% - 10.50%
Payroll increases	3.25% per annum, compounded annually, consisting of inflation rate of 2.75%, plus productivity increase rate of 0.50%
Cost of living adjustments	3.00% simple; 2.20% simple for increases based on the lesser of the increase in CPI and 3.00%

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

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

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

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

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

CITY OF WADSWORTH, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2020

NOTE 11 - DEFINED BENEFIT PENSION PLANS - (Continued)

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

Best estimates of the long-term expected geometric real rates of return for each major asset class included in OP&F's target asset allocation as of December 31, 2019 are summarized below:

Asset class	Target allocation	Long term expected real rate of return **
Cash and cash equivalents	0.00%	1.00%
Domestic equity	16.00	5.40
Non-U.S. equity	16.00	5.80
Private markets	8.00	8.00
Core fixed income *	23.00	2.70
High yield fixed income	7.00	4.70
Private credit	5.00	5.50
U.S. inflation linked bonds*	17.00	2.50
Master limited partnerships	8.00	6.60
Real assets	8.00	7.40
Private real estate	12.00	6.40
Total	<u>120.00%</u>	

Note: assumptions are geometric.

* levered 2x

** numbers include inflation

OP&F's Board of Trustees has incorporated the risk parity concept into OP&F's asset liability valuation with the goal of reducing equity risk exposure, which reduces overall Total Portfolio risk without sacrificing return and creating a more risk-balanced portfolio based on the relationship between asset classes and economic environments. From the notional portfolio perspective above, the Total Portfolio may be levered up to 1.20 times due to the application of leverage in certain fixed income asset classes.

Discount Rate - The total pension liability was calculated using the discount rate of 8.00%. The projection of cash flows used to determine the discount rate assumed the contributions from employers and from the members would be computed based on contribution requirements as stipulated by State statute. Projected inflows from investment earning were calculated using the longer-term assumed investment rate of return 8.00%. Based on those assumptions, the plan's fiduciary net position was projected to be available to make all future benefit payments of current plan members. Therefore, a long-term expected rate of return on pension plan investments was applied to all periods of projected benefits to determine the total pension liability.

CITY OF WADSWORTH, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2020

NOTE 11 - DEFINED BENEFIT PENSION PLANS - (Continued)

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

	1% decrease	Current discount rate	1% increase
City's proportionate share of the net pension liability	\$ 12,198,918	\$ 8,751,243	\$ 5,926,152

NOTE 12 - DEFINED BENEFIT OPEB PLANS

Net OPEB liability

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

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

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

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

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

Plan Description – Ohio Public Employees Retirement System (OPERS)

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

CITY OF WADSWORTH, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2020

NOTE 12 - DEFINED BENEFIT OPEB PLANS - (Continued)

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

In order to qualify for postemployment health care coverage, age and service retirees under the traditional pension and combined plans must have twenty or more years of qualifying Ohio service credit. Health care coverage for disability benefit recipients and qualified survivor benefit recipients is available. The health care coverage provided by OPERS meets the definition of an Other Post Employment Benefit (OPEB) as described in GASB Statement 75. See OPERS' Annual Financial Report referenced below for additional information.

The Ohio Revised Code permits, but does not require OPERS to provide health care to its eligible benefit recipients. Authority to establish and amend health care coverage is provided to the Board in Chapter 145 of the Ohio Revised Code.

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

Funding Policy - The Ohio Revised Code provides the statutory authority allowing public employers to fund postemployment health care through their contributions to OPERS. When funding is approved by OPERS' Board of Trustees, a portion of each employer's contribution to OPERS is set aside to fund OPERS health care plans. Beginning in 2018, OPERS no longer allocated a portion of its employer contributions to health care for the traditional plan and the combined plan.

Employer contribution rates are expressed as a percentage of the earnable salary of active members. In 2020, state and local employers contributed at a rate of 14.00% of earnable salary and public safety and law enforcement employers contributed at 18.10%. These are the maximum employer contribution rates permitted by the Ohio Revised Code. Active member contributions do not fund health care.

Each year, the OPERS Board determines the portion of the employer contribution rate that will be set aside to fund health care plans. As recommended by OPERS' actuary, the portion of employer contributions allocated to health care was 0.00% for the Traditional and Combined plans. The OPERS Board is also authorized to establish rules for the retiree or their surviving beneficiaries to pay a portion of the health care provided. Payment amounts vary depending on the number of covered dependents and the coverage selected. The employer contribution as a percentage of covered payroll deposited into the RMA for participants in the Member-Directed Plan for 2020 was 4.00%.

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

The City's contractually required contribution was \$9,250 for 2020. Of this amount, \$143 is reported as due to other governments.

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

Plan Description – The City contributes to the Ohio Police and Fire Pension Fund (OP&F) sponsored healthcare program, a cost-sharing, multiple-employer defined post-employment health care plan administered by a third-party provider. This program is not guaranteed and is subject to change at any time upon action of the Board of Trustees. On January 1, 2019, OP&F implemented a new model for health care. Under this new model, OP&F provides eligible retirees with a fixed stipend earmarked to pay for health care and Medicare Part B reimbursements.

CITY OF WADSWORTH, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2020

NOTE 12 - DEFINED BENEFIT OPEB PLANS - (Continued)

A retiree is eligible for the OP&F health care stipend unless they have access to any other group coverage including employer and retirement coverage. The eligibility of spouses and dependent children could increase the stipend amount. If the spouse or dependents have access to any other group coverage including employer or retirement coverage, they are not eligible for stipend support from OP&F. Even if an OP&F member or their dependents are not eligible for a stipend, they can use the services of the third-party administrator to select and enroll in a plan. The stipend provided by OP&F meets the definition of an Other Post Employment Benefit (OPEB) as described in Governmental Accounting Standards Board (GASB) Statement No. 75.

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

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

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

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

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 2020, the portion of employer contributions allocated to health care was 0.50% of covered payroll. The amount of employer contributions allocated to the health care plan each year is subject to the Trustees' primary responsibility to ensure that pension benefits are adequately funded and is limited by the provisions of Sections 115 and 401(h).

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

The City's contractually required contribution to OP&F was \$16,955 for 2020. Of this amount, \$265 is reported as pension and postemployment benefits payable.

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

The net OPEB liability and total OPEB liability for OPERS were determined by an actuarial valuation as of December 31, 2018, rolled forward to the measurement date of December 31, 2019, by incorporating the expected value of health care cost accruals, the actual health care payment, and interest accruals during the year. OP&F's total OPEB liability was measured as of December 31, 2019, and was determined by rolling forward the total OPEB liability as of January 1, 2019, to December 31, 2019. The City's proportion of the net OPEB liability was based on the City's share of contributions to the retirement plan relative to the contributions of all participating entities.

CITY OF WADSWORTH, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2020

NOTE 12 - DEFINED BENEFIT OPEB PLANS - (Continued)

Following is information related to the proportionate share and OPEB expense:

	<u>OPERS</u>	<u>OP&F</u>	<u>Total</u>
Proportion of the net OPEB liability prior measurement date	0.07228200%	0.13155100%	
Proportion of the net OPEB liability current measurement date	<u>0.07355600%</u>	<u>0.12990720%</u>	
Change in proportionate share	<u>0.00127400%</u>	<u>-0.00164380%</u>	
Proportionate share of the net OPEB liability	\$ 10,159,994	\$ 1,283,188	\$ 11,443,182
OPEB expense	\$ 1,029,060	\$ 105,046	\$ 1,134,106

At December 31, 2020, the City reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	<u>OPERS</u>	<u>OP&F</u>	<u>Total</u>
Deferred outflows of resources			
Differences between expected and actual experience	\$ 272	\$ -	\$ 272
Changes of assumptions	1,608,220	750,202	2,358,422
Changes in employer's proportionate percentage/ difference between employer contributions	118,179	9,896	128,075
Contributions subsequent to the measurement date	<u>9,250</u>	<u>16,955</u>	<u>26,205</u>
Total deferred outflows of resources	<u>\$ 1,735,921</u>	<u>\$ 777,053</u>	<u>\$ 2,512,974</u>

	<u>OPERS</u>	<u>OP&F</u>	<u>Total</u>
Deferred inflows of resources			
Differences between expected and actual experience	\$ 929,177	\$ 137,995	\$ 1,067,172
Net difference between projected and actual earnings on OPEB plan investments	517,345	59,049	576,394
Changes of assumptions	-	273,466	273,466
Changes in employer's proportionate percentage/ difference between employer contributions	<u>109,507</u>	<u>133,111</u>	<u>242,618</u>
Total deferred inflows of resources	<u>\$ 1,556,029</u>	<u>\$ 603,621</u>	<u>\$ 2,159,650</u>

CITY OF WADSWORTH, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2020

NOTE 12 - DEFINED BENEFIT OPEB PLANS - (Continued)

\$26,205 reported as deferred outflows of resources related to OPEB resulting from City contributions subsequent to the measurement date will be recognized as a reduction of the net OPEB liability in the year ending December 31, 2021.

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

	OPERS	OP&F	Total
Year Ending December 31:			
2021	\$ 234,362	\$ 24,351	\$ 258,713
2022	156,935	24,351	181,286
2023	410	36,460	36,870
2024	(221,065)	17,369	(203,696)
2025	-	28,557	28,557
Thereafter	-	25,389	25,389
Total	\$ 170,642	\$ 156,477	\$ 327,119

Actuarial Assumptions - OPERS

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

Projections of health care costs for financial reporting purposes are based on the substantive plan and include the types of coverage provided at the time of each valuation and the historical pattern of sharing of costs between OPERS and plan members. The total OPEB liability was determined by an actuarial valuation as of December 31, 2018, rolled forward to the measurement date of December 31, 2019. The actuarial valuation used the following actuarial assumptions applied to all prior periods included in the measurement in accordance with the requirements of GASB 74:

Wage inflation	3.25%
Projected salary increases, including inflation	3.25 to 10.75% including wage inflation
Single discount rate:	
Current measurement date	3.16%
Prior measurement date	3.96%
Investment rate of return	
Current measurement date	6.00%
Prior measurement date	6.00%
Municipal bond rate	
Current measurement date	2.75%
Prior measurement date	3.71%
Health care cost trend rate	
Current measurement date	10.50% initial, 3.50% ultimate in 2030
Prior measurement date	10.00% initial, 3.25%, ultimate in 2029
Actuarial cost method	Individual entry age

CITY OF WADSWORTH, OHIO

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2020**

NOTE 12 - DEFINED BENEFIT OPEB PLANS - (Continued)

Pre-retirement mortality rates are based on the RP-2014 Employees mortality table for males and females, adjusted for mortality improvement back to the observation period base year of 2006. The base year for males and females was then established to be 2015 and 2010, respectively. Post-retirement mortality rates are based on the RP-2014 Healthy Annuitant mortality table for males and females, adjusted for mortality improvement back to the observation period base year of 2006. The base year for males and females was then established to be 2015 and 2010, respectively. Post-retirement mortality rates for disabled retirees are based on the RP-2014 Disabled mortality table for males and females, adjusted for mortality improvement back to the observation period base year of 2006. The base year for males and females was then established to be 2015 and 2010, respectively. Mortality rates for a particular calendar year are determined by applying the MP-2015 mortality improvement scale to all of the above described tables.

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

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

During 2019, OPERS managed investments in three investment portfolios: the Defined Benefit portfolio, the Health Care portfolio and the Defined Contribution portfolio. The Health Care portfolio includes the assets for health care expenses for the Traditional Pension Plan, Combined Plan and Member-Directed Plan eligible members. Within the Health Care portfolio, contributions into the plans are assumed to be received continuously throughout the year based on the actual payroll payable at the time contributions are made, and health care-related payments are assumed to occur mid-year. Accordingly, the money-weighted rate of return is considered to be the same for all plans within the portfolio. The annual money-weighted rate of return expressing investment performance, net of investment expenses and adjusted for the changing amounts actually invested, for the Health Care portfolio is 19.70% for 2019.

The allocation of investment assets within the Health Care portfolio is approved by the Board of Trustees as outlined in the annual investment plan. Assets are managed on a total return basis with a long-term objective of continuing to offer a sustainable health care program for current and future retirees. OPERS' primary goal is to achieve and maintain a fully funded status for the benefits provided through the defined pension plans. Health care is a discretionary benefit. The long-term expected rate of return on health care investment assets was determined using a building-block method in which best-estimate ranges of expected future real rates of return are developed for each major asset class. These ranges are combined to produce the long-term expected real rate of return by weighting the expected future real rates of return by the target asset allocation percentage, adjusted for inflation.

For each major asset class that is included in the Health Care's portfolio's target asset allocation as of December 31, 2019, these best estimates are summarized in the following table:

CITY OF WADSWORTH, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2020

NOTE 12 - DEFINED BENEFIT OPEB PLANS - (Continued)

Asset class	Target allocation	Weighted average long-term expected real rate of return (arithmetic)
Fixed income	36.00%	1.53%
Domestic equities	21.00	5.75
Real estate investment trust	6.00	5.69
International equities	23.00	7.66
Other investments	14.00	4.90
Total	100.00%	4.55%

Discount Rate - A single discount rate of 3.16% was used to measure the OPEB liability on the measurement date of December 31, 2019. A single discount rate of 3.96% was used to measure the OPEB liability on the measurement date of December 31, 2018. Projected benefit payments are required to be discounted to their actuarial present value using a single discount rate that reflects (1) a long-term expected rate of return on OPEB plan investments (to the extent that the health care fiduciary net position is projected to be sufficient to pay benefits), and (2) tax-exempt municipal bond rate based on an index of 20-year general obligation bonds with an average AA credit rating as of the measurement date (to the extent that the contributions for use with the long-term expected rate are not met). This single discount rate was based on an expected rate of return on the health care investment portfolio of 6.00% and a municipal bond rate of 2.75%. The projection of cash flows used to determine this single discount rate assumed that employer contributions will be made at rates equal to the actuarially determined contribution rate. Based on these assumptions, the health care fiduciary net position and future contributions were sufficient to finance health care costs through 2034. As a result, the long-term expected rate of return on health care investments was applied to projected costs through the year 2034, and the municipal bond rate was applied to all health care costs after that date.

Sensitivity of the City's Proportionate Share of the Net OPEB Liability to Changes in the Discount Rate - The following table presents the proportionate share of the net OPEB liability calculated using the single discount rate of 3.16%, as well as what the proportionate share of the net OPEB liability would be if it were calculated using a discount rate that is one-percentage-point lower (2.16%) or one-percentage-point higher (4.16%) than the current rate:

	1% decrease	Current discount rate	1% increase
City's proportionate share of the net OPEB liability	\$ 13,295,983	\$ 10,159,994	\$ 7,649,088

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

CITY OF WADSWORTH, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2020

NOTE 12 - DEFINED BENEFIT OPEB PLANS - (Continued)

Retiree health care valuations use a health care cost-trend assumption that changes over several years built into the assumption. The near-term rates reflect increases in the current cost of health care; the trend starting in 2020 is 10.50%. If this trend continues for future years, the projection indicates that years from now virtually all expenditures will be for health care. A more reasonable alternative is that in the not-too-distant future, the health plan cost trend will decrease to a level at, or near, wage inflation. On this basis, the actuaries project premium rate increases will continue to exceed wage inflation for approximately the next decade, but by less each year, until leveling off at an ultimate rate, assumed to be 3.50% in the most recent valuation.

	1% decrease	Current health care trend rate assumption	1% increase
City's proportionate share of the net OPEB liability	\$ 9,860,182	\$ 10,159,994	\$ 10,455,985

Changes between Measurement Date and Reporting Date

On January 15, 2020, the Board approved several changes to the health care plan offered to Medicare and pre-Medicare retirees in efforts to decrease costs and increase the solvency of the health care plan. These changes are effective January 1, 2022, and include changes to base allowances and eligibility for Medicare retirees, as well as replacing OPERS-sponsored medical plans for pre-Medicare retirees with monthly allowances, similar to the program for Medicare retirees. These changes are not reflected in the current year financial statements but are expected to decrease the associated OPEB liability.

Actuarial Assumptions – OP&F

OP&F's total OPEB liability as of December 31, 2019, is based on the results of an actuarial valuation date of January 1, 2019, and rolled-forward using generally accepted actuarial procedures. The total OPEB liability is determined by OP&F's actuaries in accordance with GASB Statement No. 74, as part of their annual valuation. Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, salary increases, disabilities, retirements and employment terminations. Actuarially determined amounts are subject to continual review and potential modifications, as actual results are compared with past expectations and new estimates are made about the future.

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

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

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

CITY OF WADSWORTH, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2020

NOTE 12 - DEFINED BENEFIT OPEB PLANS - (Continued)

Valuation date	January 1, 2019, with actuarial liabilities rolled forward to December 31, 2019
Actuarial cost method	Entry age normal
Investment rate of return	8.00%
Projected salary increases	3.75% to 10.50%
Payroll growth	3.25%
Single discount rate:	
Current measurement date	3.56%
Prior measurement date	4.66%
Cost of living adjustments	3.00% simple; 2.20% simple for increases based on the lesser of the increase in CPI and 3.00%

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

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

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

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

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

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

CITY OF WADSWORTH, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2020

NOTE 12 - DEFINED BENEFIT OPEB PLANS - (Continued)

Best estimates of the long-term expected geometric real rates of return for each major asset class included in OP&F's target asset allocation as of December 31, 2019, are summarized below:

Asset class	Target Allocation	Long-term expected real rate of return**
Cash and cash equivalents	0.00%	1.00%
Domestic equity	16.00	5.40
Non-U.S. equity	16.00	5.80
Private markets	8.00	8.00
Core fixed income *	23.00	2.70
High yield fixed income	7.00	4.70
Private credit	5.00	5.50
U.S. inflation linked bonds*	17.00	2.50
Master limited partnerships	8.00	6.60
Real assets	8.00	7.40
Private real estate	12.00	6.40
Total	<u>120.00%</u>	

Note: assumptions are geometric.

* levered 2x

** numbers include inflation

OP&F's Board of Trustees has incorporated the risk parity concept into OP&F's asset liability valuation with the goal of reducing equity risk exposure, which reduces overall Total Portfolio risk without sacrificing return, and creating a more risk-balanced portfolio based on their relationship between asset classes and economic environments. From the notional portfolio perspective above, the Total Portfolio may be levered up to 1.20 times due to the application of leverage in certain fixed income asset classes.

Discount Rate - For 2019, the total OPEB liability was calculated using the discount rate of 3.56%. For 2018, the total OPEB liability was calculated using the discount rate of 4.66%. The projection of cash flows used to determine the discount rate assumed the contribution from employers and from members would be computed based on contribution requirements as stipulated by State statute. Projected inflows from investment earnings were calculated using the longer-term assumed investment rate of return of 8.00%. Based on those assumptions, OP&F's fiduciary net position was projected to not be able to make all future benefit payments of current plan members. Therefore, a municipal bond rate of 2.75% at December 31, 2019 and 4.13% at December 31, 2018, was blended with the long-term rate of 8.00%, which resulted in a blended discount rate of 3.56% for 2019 and 4.66% for 2018. The municipal bond rate was determined using the Bond Buyers General Obligation 20-year Municipal Bond Index Rate. The OPEB plan's fiduciary net position was projected to be available to make all projected OPEB payments until 2034. The long-term expected rate of return on health care investments was applied to projected costs through 2034, and the municipal bond rate was applied to all health care costs after that date.

CITY OF WADSWORTH, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2020

NOTE 12 - DEFINED BENEFIT OPEB PLANS - (Continued)

Sensitivity of the City's Proportionate Share of the Net OPEB Liability to Changes in the Discount Rate - Net OPEB liability is sensitive to changes in the discount rate, and to illustrate the potential impact the following table presents the net OPEB liability calculated using the discount rate of 3.56%, as well as what the net OPEB liability would be if it were calculated using a discount rate that is one percentage point lower (2.56%), or one percentage point higher (4.56%) than the current rate.

	<u>1% decrease</u>	<u>Current discount rate</u>	<u>1% increase</u>
City's proportionate share of the net OPEB liability	\$ 1,591,071	\$ 1,283,188	\$ 1,027,360

Sensitivity of the City's Proportionate Share of the Net OPEB Liability to Changes in the Health Care Cost Trend Rate - The total OPEB liability is based on a medical benefit that is a flat dollar amount; therefore, it is unaffected by a health care cost trend rate. An increase or decrease in the trend rate would have no effect on the total OPEB liability.

NOTE 13 - COMPENSATED ABSENCES

City employees earn vacation, compensatory time 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. All accumulated, unused compensatory time is paid regardless of years of service. Accumulated, unused sick leave is paid to a retiring employee up to a maximum of 160 days. As of December 31, 2020, the City's liability for compensated absences was \$2,138,733 for governmental activities and \$1,473,660 for business-type activities.

NOTE 14 - LONG-TERM OBLIGATIONS

	<u>Rate</u>	<u>Issue amount</u>	<u>Maturity</u>
Governmental activities:			
1968 Liability for police past service cost	2.36%	\$ 124,769	May 15, 2038
2016 Income tax revenue bonds	2.00 - 4.00%	17,630,000	December 1, 2038
2017 Special assessment bonds	3.50%	1,310,000	December 1, 2037
2017 General obligation bonds	3.48%	910,000	December 1, 2037
OPWC loan - SR 94 corridor safety improvements	0.00%	663,332	December 12, 2029
Business-type activities:			
2000 American Municipal Power-Ohio	1.65 - 5.25%	11,645,000	February 15, 2022
2009 General obligation bonds	4.00%	1,860,000	December 1, 2024
2010 General obligation bonds	3.41%	9,420,000	December 1, 2032
2017 Storm water bonds	3.44%	345,000	December 1, 2037
2017 Telecommunications bonds	2.93%	150,000	December 1, 2033
2017 Wastewater treatment bonds	3.49%	1,220,000	December 1, 2037
2017 Water distribution bonds	3.49%	1,080,000	December 1, 2037
2019 Various purpose refunding bonds	1.66%	7,460,000	December 1, 2032
OPWC loan - College street improvements	0.00%	84,034	January 1, 2031
OWDA loan - Valley View/Baker street waterline replacement	3.15%	23,037,730	January 1, 2028
American Municipal Power Loan	Various	7,100,000	February 15, 2022

CITY OF WADSWORTH, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2020

NOTE 14 - LONG-TERM OBLIGATIONS - (Continued)

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

	Beginning balance	Additions	Deletions	Ending balance	Amount due in one year
Governmental activities:					
1968 Liability for police past service cost	\$ 70,154	\$ -	\$ (3,245)	\$ 66,909	\$ 3,334
2016 Income tax revenue bonds	16,455,000	-	(630,000)	15,825,000	660,000
Unamortized bond premium	505,215	-	(26,707)	478,508	-
2017 Special assessment bonds	1,215,000	-	(50,000)	1,165,000	50,000
Unamortized bond premium	53,489	-	(2,985)	50,504	-
2017 General obligation bonds	840,000	-	(35,000)	805,000	35,000
Unamortized bond premium	36,608	-	(2,043)	34,565	-
Direct borrowing:					
OPWC loan	608,054	-	(55,278)	552,776	55,278
Total long-term debt	<u>19,783,520</u>	<u>-</u>	<u>(805,258)</u>	<u>18,978,262</u>	<u>803,612</u>
Net pension liability	20,945,010	-	(4,743,093)	16,201,917	-
Net OPEB liability	6,013,681	431,254	-	6,444,935	-
Compensated absences	1,948,744	912,810	(740,419)	2,121,135	762,573
Governmental activities - long-term liabilities	<u>\$ 48,690,955</u>	<u>\$ 1,344,064</u>	<u>\$ (6,288,770)</u>	<u>\$ 43,746,249</u>	<u>\$ 1,566,185</u>

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

On June 29, 2016, the City issued \$17,630,000 in income tax revenue bonds. The proceeds of these bonds were used to advance refund the \$16,535,000 in outstanding 2010 Community Center revenue bonds. This refunded debt is considered defeased (in-substance) and accordingly, has been removed from the statement of net position. The balance of the refunded 2010 Community Center revenue bonds at December 31, 2020, is \$14,080,000.

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

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

General obligation bonds are direct obligations of the City for which its full faith, credit and resources are pledged. The 2009 bonds were used to retire \$3.188 million in inter-fund loans, and to fund new street improvements (\$550,000) and 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.

CITY OF WADSWORTH, OHIO

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2020**

NOTE 14 - LONG-TERM OBLIGATIONS - (Continued)

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

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

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



CITY OF WADSWORTH, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2020

NOTE 14 - LONG-TERM OBLIGATIONS - (Continued)

	Beginning balance	Additions	Deletions	Ending balance	Amount due in one year
Business-type activities:					
2010 Water system improvements					
general obligation bonds	\$ 395,000	\$ -	\$ (395,000)	\$ -	\$ -
Unamortized premium on bonds	852	-	(852)	-	-
2017 Storm Water improvements					
general obligation bonds	320,000	-	(15,000)	305,000	15,000
Unamortized premium on bonds	14,030	-	(784)	13,246	-
2017 Telecomm					
general obligation bonds	140,000	-	(10,000)	130,000	10,000
Unamortized premium on bonds	8,819	-	(633)	8,186	-
2017 Sewer system improvements					
general obligation bonds	1,130,000	-	(45,000)	1,085,000	50,000
Unamortized premium on bonds	49,365	-	(2,755)	46,610	-
2017 Water system improvemnets					
general obligation bonds	1,000,000	-	(40,000)	960,000	40,000
Unamortized premium on bonds	43,362	-	(2,420)	40,942	-
2019 Storm Water refunding					
general obligation bonds	390,245	-	(71,911)	318,334	77,041
2019 Water refunding					
general obligation bonds	594,756	-	(118,089)	476,667	117,959
2019 Water system improvements refunding					
general obligation bonds	6,250,000	-	-	6,250,000	500,000
Total general obligation bonds	<u>10,336,429</u>	<u>-</u>	<u>(702,444)</u>	<u>9,633,985</u>	<u>810,000</u>
Direct borrowings:					
OWDA loan	10,965,404	-	(1,225,501)	9,739,903	1,264,409
OPWC loan - College street improvements	61,626	-	(5,602)	56,024	5,602
OPWC loan - Valley View/Baker street waterline replacement	-	9,590	-	9,590	-
AMP loan	1,222,689	-	(624,000)	598,689	598,689
AMP stranded costs	2,198,709	16,640	(464,976)	1,750,373	646,211
Net pension liability	9,767,075	-	(2,552,405)	7,214,670	-
Net OPEB liability	4,608,160	390,087	-	4,998,247	-
Compensated absences	<u>1,383,518</u>	<u>565,553</u>	<u>(539,964)</u>	<u>1,409,107</u>	<u>470,478</u>
Business-type activities - long term liabilities	<u>\$ 40,543,610</u>	<u>\$ 981,870</u>	<u>\$ (6,114,892)</u>	<u>\$ 35,410,588</u>	<u>\$ 3,795,389</u>

CITY OF WADSWORTH, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2020

NOTE 14 - LONG-TERM OBLIGATIONS - (Continued)

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

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

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

On January 27, 2005, the City obtained an OWDA loan for improvements to the sewer treatment plant. This is a direct borrowing. In the event of default, the OWDA may declare the full amount of the then unpaid original loan amount to be immediately due and payable and/or require the City to pay any fines, penalties, interest and/or late charges associated with the default. The loan will not have an accurate repayment schedule until the loan is finalized, and therefore, is not included in the schedule of future annual debt service requirements. The City has pledged future revenues net of expenditures to repay the OWDA loans. The loans are payable solely from revenues generated by the ownership and operation of the sewer utility system. Revenues include all revenues received by the sewer utility less all operating expenses other than depreciation expense. All debt is payable solely from net revenues and is payable through 2027. Annual principal and interest payments on the OWDA loans are expected to require 85.09% of net revenues and 37.87% of total revenues. The total principal and interest remaining to be paid on the debt is \$10,929,352. Principal and interest paid for the current year were \$1,225,501 and \$335,835, respectively. Total net customer revenues were \$1,800,748 and total operating revenues were \$4,349,988.

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

On September 25, 2019, the City issued \$7,460,000 in various purpose bonds (Series 2019 various purpose refunding bonds). This issuance was used to advance refund a portion of the Series 2009 various purpose bonds and series 2010 various purpose bonds. This refunded debt is considered defeased (in-substance) and accordingly, has been removed from the statement of net position. The balance of the refunded Series 2009 various purpose bonds and 2010 various purpose bonds at December 31, 2020, is \$965,000 and \$5,840,000, respectively.

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

During 2015, the City obtained an OPWC loan, a direct borrowing, in the amount of \$84,034 for storm water improvements. The loan has a zero percent interest rate, with semiannual payments and a final maturity of July 2031. During 2017, the City obtained an OPWC loan in the amount of \$663,332 for widening of High street. The loan has a zero percent interest rate, with semiannual payments and a final maturity of July 2031. In 2020, the City obtained an OPWC loan for the Valley View/Baker street waterline replacement. This loan has not yet been finalized.

CITY OF WADSWORTH, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2020

NOTE 14 - LONG-TERM OBLIGATIONS - (Continued)

In the event of default, the OPWC may (1) charge an 8% default interest rate from the date of the default to the date of the payment and charge the City for all costs incurred by the OPWC in curing the default, (2) in accordance with Ohio Revised Code 164.05, direct the county treasurer of the county in which the City is located to pay the amount of the default from funds that would otherwise be appropriated to the City from such county's undivided local government fund pursuant to ORC 5747.51-5747.53 or (3) at its discretion, declare the entire principal amount of loan then remaining unpaid, together with all accrued interest and other charges become immediately due and payable.

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

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

Principal and interest requirements to retire the City's long-term obligations outstanding at December 30, 2020 are as follows:

December 31 year ending	Governmental activities			
	Police past service costs		Income tax revenue bonds	
	Principal	Interest	Principal	Interest
2021	\$ 3,334	\$ 2,905	\$ 660,000	\$ 490,556
2022	3,423	2,816	685,000	464,156
2023	3,512	2,727	700,000	436,756
2024	3,601	2,638	740,000	408,756
2025	3,690	2,549	770,000	379,156
2026-2030	19,785	11,410	4,205,000	1,506,098
2031-2035	22,010	9,185	4,820,000	925,388
2036-2038	7,554	1,698	3,245,000	196,800
Total	<u>\$ 66,909</u>	<u>\$ 35,928</u>	<u>\$ 15,825,000</u>	<u>\$ 4,807,666</u>

December 31 year ending	Governmental activities				
	General obligation bonds		Special assessment bonds		OPWC
	Principal	Interest	Principal	Interest	Principal
2021	\$ 35,000	\$ 24,790	\$ 50,000	\$ 35,940	\$ 55,278
2022	35,000	23,390	55,000	33,940	55,278
2023	40,000	21,990	55,000	31,740	55,278
2024	40,000	20,390	60,000	29,540	55,278
2025	40,000	18,790	60,000	27,140	55,278
2026-2030	235,000	71,325	335,000	102,635	276,386
2031-2035	265,000	37,395	380,000	54,405	-
2036-2038	115,000	4,725	170,000	6,885	-
Total	<u>\$ 805,000</u>	<u>\$ 222,795</u>	<u>\$ 1,165,000</u>	<u>\$ 322,225</u>	<u>\$ 552,776</u>

CITY OF WADSWORTH, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2020

NOTE 14 - LONG-TERM OBLIGATIONS - (Continued)

December 31 Year Ending	Business-Type Activities					
	General obligation bonds		OWDA		OPWC	
	Principal	Interest	Principal	Interest	Principal	
2021	\$ 810,000	\$ 193,656	\$ 1,264,409	\$ 282,788	\$ 5,602	
2022	825,001	177,519	1,304,551	244,554	5,603	
2023	805,001	161,017	1,345,968	205,113	5,602	
2024	834,999	144,846	1,388,700	164,415	5,602	
2025	630,000	127,943	1,432,789	122,426	5,602	
2026-2030	3,360,000	441,324	3,003,486	113,510	28,013	
2031-2035	1,925,000	138,401	-	-	-	
2036-2037	335,000	13,635	-	-	-	
Total	<u>\$ 9,525,001</u>	<u>\$ 1,398,341</u>	<u>\$ 9,739,903</u>	<u>\$ 1,132,806</u>	<u>\$ 56,024</u>	

The amortization schedules for the AMP loan and stranded costs payable are not available.

Stranded Costs Payable

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

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

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

CITY OF WADSWORTH, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2020

NOTE 14 - LONG-TERM OBLIGATIONS - (Continued)

Since March 31, 2014 the City has made payments of \$1,868,105 to AMP toward its net impaired cost estimate. Also since March 31, 2014, the City's allocation of additional costs incurred by the project is \$73,174 and interest expense incurred on AMP's line-of-credit of \$207,255, resulting in a net impaired cost estimate at December 31, 2020 of \$1,062,192. The City does have a potential PHFU Liability of \$1,764,098 resulting in a net total potential liability of \$2,826,290, assuming the assets making up the PHFU (principally the land comprising the Meigs County site) have no value and also assuming the City's credit balance would earn zero interest. Stranded costs as well as PHFU costs are subject to change, including future borrowing costs on the AMP line of credit. Activities include items such negative items as property taxes as well as positive items revenue from leases or sale of all or a portion of the Meigs County site property.

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

NOTE 15 - 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 2020:

	<u>Balance 1/1/20</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance 12/31/20</u>
Governmental activities:				
Nonmajor governmental funds				
Recreation Improvements				
2012 YMCA Equipment				
Issue 11/20, maturity 11/21, rate 0.5%	\$ 109,159	\$ 72,774	\$ (109,159)	\$ 72,774
2012 ERP System Improvements				
Issue 11/20, maturity 11/21, rate 0.5%	253,292	168,864	(253,292)	168,864
2012 High Street Improvements				
Issue 11/20, maturity 11/21, rate 0.5%	113,900	92,150	(113,900)	92,150
2012 Airport Land Acquisition				
Issue 11/20, maturity 11/21, rate 0.5%	72,000	63,000	(72,000)	63,000
2013 Outdoor Pool				
Issue 11/20, maturity 11/21, rate 0.5%	<u>678,001</u>	<u>602,668</u>	<u>(678,001)</u>	<u>602,668</u>
Total nonmajor governmental funds	<u>\$ 1,226,352</u>	<u>\$ 999,456</u>	<u>\$ (1,226,352)</u>	<u>\$ 999,456</u>
	<u>Balance 1/1/20</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance 12/31/20</u>
Governmental activities:				
Internal service fund				
2015 Information Technology Equipment				
Issue 11/19, maturity 11/20, rate 2.2%	<u>\$ 96,758</u>	<u>\$ -</u>	<u>\$ (96,758)</u>	<u>\$ -</u>

CITY OF WADSWORTH, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2020

NOTE 15 - INTERFUND TRANSACTIONS - (Continued)

	<u>Balance</u> <u>1/1/2020</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>12/31/2020</u>
Business-type activities:				
Storm Water fund				
2006 Stormwater Improvements				
Issue 11/20, maturity 11/21, rate 0.5%	\$ 18,668	\$ 9,335	\$ (18,668)	\$ 9,335
2010 Stormwater Improvements				
Issue 11/20, maturity 11/21, rate 0.5%	50,001	41,668	(50,001)	41,668
2011 Stormwater Improvements				
Issue 11/20, maturity 11/21, rate 0.5%	84,000	77,000	(84,000)	77,000
2012 Stormwater Improvements				
Issue 11/20, maturity 11/21, rate 0.5%	146,250	135,000	(146,250)	135,000
2013 Stormwater Improvements				
Issue 11/20, maturity 11/21, rate 0.5%	70,000	65,000	(70,000)	65,000
2015 Stormwater Improvements				
Issue 11/20, maturity 11/21, rate 0.5%	<u>76,410</u>	<u>63,675</u>	<u>(76,410)</u>	<u>63,675</u>
Total storm water fund	<u>\$ 445,329</u>	<u>\$ 391,678</u>	<u>\$ (445,329)</u>	<u>\$ 391,678</u>
	<u>Balance</u> <u>1/1/2020</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>12/31/2020</u>
Business-type activities:				
Sewer fund				
2011 WWTP Phosphorus Improvements				
Issue 11/20, maturity 11/21, rate 0.5%	\$ 40,000	\$ 20,000	\$ (40,000)	\$ 20,000
2012 Brookwood Gravity Sewer				
Issue 11/20, maturity 11/21, rate 0.5%	<u>370,500</u>	<u>342,000</u>	<u>(370,500)</u>	<u>342,000</u>
Total sewer fund	<u>\$ 410,500</u>	<u>\$ 362,000</u>	<u>\$ (410,500)</u>	<u>\$ 362,000</u>

CITY OF WADSWORTH, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2020

NOTE 15 - INTERFUND TRANSACTIONS - (Continued)

	<u>Balance 1/1/2020</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance 12/31/2020</u>
Business-type activities:				
Water fund				
2004 Rogues Hollow Well				
Issue 11/20, maturity 11/21, rate 0.5%	\$ 619,025	\$ 562,750	\$ (619,025)	\$ 562,750
2009 Water System Improvement				
Issue 11/20, maturity 11/21, rate 0.5%	175,000	157,500	(175,000)	157,500
2011 Water Distribution Improvements				
Issue 11/20, maturity 11/21, rate 0.5%	159,000	145,750	(159,000)	145,750
2012 Water Distribution Improvements				
Issue 11/20, maturity 11/21, rate 0.5%	208,000	192,000	(208,000)	192,000
2012 Water Plan Generator				
Issue 11/20, maturity 11/21, rate 0.5%	243,750	225,000	(243,750)	225,000
2013 Water Tank Maintenance				
Issue 11/20, maturity 11/21, rate 0.5%	200,000	150,000	(200,000)	150,000
2013 Water Distribution Improvements				
Issue 11/20, maturity 11/21, rate 0.5%	245,000	227,500	(245,000)	227,500
2013 Water Plant Improvements				
Issue 11/20, maturity 11/21, rate 0.5%	70,000	65,000	(70,000)	65,000
2014 Water Distribution Improvements				
Issue 11/20, maturity 11/21, rate 0.5%	<u>193,125</u>	<u>180,250</u>	<u>(193,125)</u>	<u>180,250</u>
Total water fund	<u>\$ 2,112,900</u>	<u>\$ 1,905,750</u>	<u>\$ (2,112,900)</u>	<u>\$ 1,905,750</u>

CITY OF WADSWORTH, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2020

NOTE 15 - INTERFUND TRANSACTIONS - (Continued)

	<u>Balance</u> 1/1/2020	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> 12/31/2020
Business-type activities:				
Electric fund				
2006 Valleyview Sub Improvements				
Issue 11/20, maturity 11/21, rate 0.5%	\$ 107,000	\$ 93,625	\$ (107,000)	\$ 93,625
2007 Subs/Dist/Meters				
Issue 11/20, maturity 11/21, rate 0.5%	308,594	270,020	(308,594)	270,020
2008 Electric Capital Improvements				
Issue 11/20, maturity 11/21, rate 0.5%	353,250	314,000	(353,250)	314,000
2009 Electric Capital Improvements				
Issue 11/20, maturity 11/21, rate 0.5%	295,000	265,500	(295,000)	265,500
2010 Electric Capital Improvements				
Issue 11/20, maturity 11/21, rate 0.5%	556,002	463,336	(556,002)	463,336
2011 Electric Capital Improvements				
Issue 11/20, maturity 11/21, rate 0.5%	729,000	668,250	(729,000)	668,250
2012 Electric Capital Improvements				
Issue 11/20, maturity 11/21, rate 0.5%	<u>312,500</u>	<u>250,000</u>	<u>(312,500)</u>	<u>250,000</u>
Total electric fund	<u>\$ 2,661,346</u>	<u>\$ 2,324,731</u>	<u>\$ (2,661,346)</u>	<u>\$ 2,324,731</u>
	<u>Balance</u> 1/1/2020	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> 12/31/2020
Governmental activities:				
2012 Brookwood Gravity Sewer				
Issue 11/15, maturity 11/20, rate 1.50%	<u>2,501</u>	<u>-</u>	<u>(2,501)</u>	<u>-</u>
Total governmental fund	<u>\$ 2,501</u>	<u>\$ -</u>	<u>\$ (2,501)</u>	<u>\$ -</u>

The following is a detail of advances in/out included in interfund receivable/payable during 2020:

<u>Payable fund</u>	<u>Receivable fund</u>	<u>Amount</u>
Nonmajor governmental funds	General fund	\$ 169,491

CITY OF WADSWORTH, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2020

NOTE 15 - INTERFUND TRANSACTIONS - (Continued)

The following is a summary of interfund receivable/payable, outstanding at December 31, 2020:

	Total interfund payable activity
<hr/>	
Interfund payable funds:	
Governmental funds:	
Nonmajor governmental funds	\$ 1,168,947
Total governmental funds	<u>1,168,947</u>
Proprietary funds:	
Storm Water	391,678
Sewer	362,000
Water	1,905,750
Electric	<u>2,324,731</u>
Total proprietary funds	<u>4,984,159</u>
Total interfund payable	<u><u>\$ 6,153,106</u></u>
	Total interfund receivable activity
<hr/>	
Interfund receivable funds:	
Governmental funds:	
General fund	\$ 1,357,310
Nonmajor governmental funds	<u>1,848,091</u>
Total governmental funds	<u>3,205,401</u>
Proprietary funds:	
Storm Water	68,316
Telecom	420,276
Sewer	288,825
Water	322,437
Electric	1,174,208
Sanitation	<u>283,939</u>
Total proprietary funds	<u>2,558,001</u>
Internal service funds	<u>389,704</u>
Total interfund payable	<u><u>\$ 6,153,106</u></u>

CITY OF WADSWORTH, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2020

NOTE 15 - INTERFUND TRANSACTIONS - (Continued)

Interfund transfers for the year ended December 31, 2020 consisted of the following:

	Transfers in								Total
	Nonmajor governmental funds	Storm Water fund	Telecom fund	Sewer fund	Water fund	Electric fund	Sanitation fund	Internal service funds	
<u>Transfers out</u>									
General fund	\$ 186,716	\$ 5,327	\$ 28,202	\$ 45,289	\$ 68,241	\$ 258,650	\$ 24,099	\$ 33,390	\$ 649,914
Nonmajor governmental funds	2,540	-	-	-	-	-	-	-	2,540
Sewer fund	-	-	-	-	1,000	-	-	-	1,000
Electric fund	-	-	-	-	-	-	-	7,529	7,529
Internal service funds	-	-	-	-	-	24,343	-	-	24,343
Total transfers in	<u>\$ 189,256</u>	<u>\$ 5,327</u>	<u>\$ 28,202</u>	<u>\$ 45,289</u>	<u>\$ 69,241</u>	<u>\$ 282,993</u>	<u>\$ 24,099</u>	<u>\$ 40,919</u>	<u>\$ 685,326</u>

Transfers are used to move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them and unrestricted revenues collected in the general fund to finance various programs accounted for in other funds in accordance with budgetary authorizations; to segregate money for anticipated capital projects; to provide additional resources for current operations or debt service; and to return money to the fund from which it was originally provided once a project is completed. The City transferred \$2,540 between nonmajor governmental funds for debt payments. In addition, the City had various transfers between funds related to capital assets.

NOTE 16 - RELATED ORGANIZATIONS

On July 21, 2017, the City granted a franchise to Flight Services of Wadsworth LLC for a period to end January 31, 2021, for the operation and maintenance of the Wadsworth Municipal Airport. The City of Wadsworth pays four thousand nine hundred forty one (\$4,941.00) dollars per month to Flight Services of Wadsworth LLC and pays for liability insurance not to exceed eight thousand (\$8,000.00) dollars per year. Flight Services of Wadsworth LLC agrees to pay the City of Wadsworth twelve (\$0.12) cents per gallon of aviation fuel sold and participate in capital improvements at the airport.

NOTE 17 - JOINT VENTURES

OMEGA JV2

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

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

CITY OF WADSWORTH, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2020

NOTE 17 - JOINT VENTURES - (Continued)

Pursuant to the Agreement each participant has an obligation to pay its share of debt service on the Distributive Generation Bonds (Bonds) from the revenues of its electric system, subject only to the prior payment of Operating & Maintenance Expenses (O&M) of each participant's System, and shall be on a parity with any outstanding and future senior electric system revenue bonds, notes or other indebtedness payable from any revenues of the System. Under the terms of the Agreement each Financing Participant is to fix, charge and collect rates, fees and charges at least sufficient in order to maintain a debt coverage ratio equal to 110% of the sum of OMEGA JV2 debt service and any other outstanding senior lien electric system revenue obligations. As of December 31, 2020 the City of Wadsworth has met their debt coverage obligation.

OMEGA JV2 was created to provide additional sources of reliable, reasonably priced electric power and energy when prices are high or during times of generation shortages or transmission constraints, and to improve the reliability and economic status of the participants' respective municipal electric utility system. The Project consists of 138.65 MW of distributed generation of which 134.081MW is the participants' entitlement and 4.569MW are held in reserve. On dissolution of OMEGA JV2, the net assets will be shared by the participants on a percentage of ownership basis. OMEGA JV2 is managed by AMP, which acts as the joint venture's agent. During 2001, AMP issued \$50,260,000 of 20 year fixed rate bonds on behalf of the Financing Participants of OMEGA JV2. The net proceeds of the bond issue of \$45,904,712 were contributed to OMEGA JV2. On January 3, 2011, AMP redeemed all of the \$31,110,000 OMEGA JV2 Project Distributive Generation Bonds then outstanding by borrowing on AMP's revolving credit facility. As such, the remaining outstanding bond principal of the OMEGA JV2 indebtedness was reduced to zero. As of December 31, 2020, 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 (\$1,852) at December 31, 2020. Complete financial statements for OMEGA JV2 may be obtained from AMP or from the State Auditor's website at www.ohioauditor.gov

The thirty-six participating subdivisions and their respective ownership shares at December 31, 2020 are:

<u>Municipality</u>	<u>Percent ownership</u>	<u>Kw entitlement</u>	<u>Municipality</u>	<u>Percent ownership</u>	<u>Kw entitlement</u>
Hamilton	23.87%	32,000	Grafton	0.79%	1,056
Bowling Green	14.32%	19,198	Brewster	0.755	1,000
Niles	11.495	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
Ederton	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	Areanum	0.03%	44
Seville	0.79%	1,066	Custar	0.00%	4
Subtotal	95.20	127,640	Subtotal	4.80	6,441
			Grand Total	100.00%	134,081

CITY OF WADSWORTH, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2020

NOTE 17 - JOINT VENTURES - (Continued)

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

	OMEGA JV 2
Total assets	\$ 11,493,487
Deferred outflows	254,022
Total liabilities	4,390,469
Deferred inflows	7,388,918
Net position	(31,878)
Total revenues	8,210,659
Total expenses	11,444,103
Change in net position	(3,233,444)

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 sell electricity from its operations to OMEGA JV5 Participants.

Also pursuant to the Agreement, each participant has an obligation to pay its share of debt service on the Beneficial Interest Certificates (Certificates) from the revenues of its electric system, subject only to the prior payment of Operating & Maintenance Expenses (O&M) of each participant's System, and shall be on a parity with any outstanding and future senior electric system revenue bonds, notes or other indebtedness payable from any revenues of the System. On dissolution of OMEGA JV5, the net assets will be shared by the financing participants on a percentage of ownership basis. Under the terms of the Agreement each participant is to fix, charge and collect rates, fees and charges at least sufficient in order to maintain a debt coverage ratio equal to 110% of the sum of OMEGA JV5 debt service and any other outstanding senior lien electric system revenue obligations. As of December 31, 2020, Wadsworth has met its debt coverage obligation.

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

CITY OF WADSWORTH, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2020

NOTE 17 - JOINT VENTURES - (Continued)

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

The City’s net investment and its share of operating results of OMEGA JV5 are reported in the City’s electric fund (an enterprise fund). The City’s net investment to date in OMEGA JV5 was \$167,919 at December 31, 2020. Complete financial statements for OMEGA JV5 may be obtained from AMP or from the State Auditor’s website at www.ohioauditor.gov.

The following is a summary of audited financial information of OMEGAJV5 for the year ended December 31, 2020:

	OMEGA JV 5
Total assets	\$ 103,024,310
Total liabilities	55,487,319
Deferred inflows	44,549,104
Net position	2,987,887
Total revenues	21,698,668
Total expenses	21,698,668
Change in net position	-

OMEGA JV 6

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

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

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

CITY OF WADSWORTH, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2020

NOTE 17 - JOINT VENTURES - (Continued)

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, 2020 Wadsworth has met its debt coverage obligation.

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

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

The City's net investment and its share of operating results of OMEGA JV6 are reported in the City's electric fund (an enterprise fund). The City's net investment to date in OMEGA JV6 was \$147,795 at December 31, 2020. Complete financial statements for OMEGA JV6 may be obtained from AMP or from the State Auditor's website at www.ohioauditor.gov.

The ten participating subdivisions and their respective ownership shares at December 31, 2020 are:

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

CITY OF WADSWORTH, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2020

NOTE 17 - JOINT VENTURES - (Continued)

The following is a summary of audited financial information of OMEGA JV 6 for the year ended December 31, 2020

	OMEGA JV 6
Total assets	\$ 7,096,485
Total deferred outflows	170,749
Total liabilities	2,221,219
Total deferred inflows	786,806
Net position	4,259,209
Total revenues	456,144
Total expenses	755,853
Change in net position	(299,709)

Woodlawn Union Cemetery

The City is a participant along with Wadsworth Township in a joint venture to establish and manage the Woodlawn Union Cemetery. This establishment is allowable under Ohio Revised Code Section 759.27. This joint venture is considered a separate reporting entity by the City and has not been included in these basic financial statements. Complete financial statements for the Woodlawn Cemetery can be obtained from the Secretary-Treasurer of the Cemetery. Financial information for the year ended December 31, 2020 was as follows:

Total receipts	\$ 305,460
Total disbursements	<u>(249,345)</u>
Change in net income	<u>\$ 56,115</u>

The Cemetery has no outstanding debt.

NOTE 18 - 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 19 - CONTINGENCIES

A. Grants

The City received financial assistance from federal and State agencies in the form of grants. The disbursement of funds received under these programs generally requires compliance with terms and conditions specified in the grant agreements and are subject to audit by the grantor agencies. Any disallowed claims resulting from such audits could become a liability of the general fund or other applicable funds. However, in the opinion of management, any such disallowed claims will not have a material adverse effect on the overall financial position of the City at December 31, 2020.

CITY OF WADSWORTH, OHIO

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2020**

NOTE 19 - CONTINGENCIES - (Continued)

B. Litigation

The City is not currently a party to any legal proceedings that would have a materially adverse effect on the financial statements at December 31, 2020.

C. Community Center

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

NOTE 20 - OTHER COMMITMENTS

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

<u>Fund</u>	<u>Year end encumbrances</u>
General fund	\$ 29,792
Nonmajor governmental funds	<u>792,046</u>
Total	<u>\$ 821,838</u>

CITY OF WADSWORTH, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2020

NOTE 21 - CONTRACTUAL COMMITMENTS

As of December 31, 2020, the City had the following contractual commitments outstanding related to various City projects and purchases:

<u>Vendor</u>	<u>Amount of contract</u>	<u>Amount paid as of 12/31/2020</u>	<u>Remaining commitment 12/31/2020</u>
Advanced Control Systems Inc	\$ 61,987	\$ 48,687	\$ 13,300
Apex Tree & Property	150,000	64,950	85,050
Altec Industries Inc	126,550	-	126,550
C&K Industrial Services Inc	50,000	31,431	18,569
Crawford Murphy	349,885	248,755	101,130
Environmental Design Group LLC	97,500	83,626	13,874
GPD Group	279,493	247,155	32,338
Matt Winters Excavating	295,987	134,583	161,404
Medina County Engineers	86,806	-	86,806
Michael Baker International Inc	68,280	36,132	32,148
OHM Advisors	92,030	80,920	11,110
OToole McLaughlin Dooley & Pecora Co LPA	75,244	68,048	7,196
Perram Electric Inc	104,140	73,271	30,869
Perrin Asphalt Company	897,918	849,644	48,274
Redzone Robotics	145,486	100,000	45,486
Stantec Consulting Services Inc	562,319	356,257	206,062
Trimor Corporation	793,125	285,025	508,100
Walker and Associates Inc	173,191	-	173,191
Total	<u>\$ 4,409,941</u>	<u>\$ 2,708,484</u>	<u>\$ 1,701,457</u>

NOTE 22 – SUBSEQUENT EVENT

The United States and the State of Ohio declared a state of emergency in March of 2020 due to the COVID-19 pandemic. The financial impact of COVID-19 and the continuing emergency measures will impact subsequent periods of the City. The City's investment portfolio fluctuates with market conditions, and due to market volatility, the amount of gains or losses that will be realized in subsequent periods, if any, cannot be determined. In addition, the impact on the City's future operating costs, revenues, and additional recovery from emergency funding, either federal or state, cannot be estimated.

REQUIRED SUPPLEMENTARY INFORMATION

CITY OF WADSWORTH, OHIO

SCHEDULES OF THE REQUIRED SUPPLEMENTARY INFORMATION

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

LAST SEVEN YEARS

	<u>2020</u>	<u>2019</u>	<u>2018</u>
<u>Traditional Plan</u>			
City's proportion of the net pension liability	0.074196%	0.072930%	0.075270%
City's proportionate share of the net pension liability	\$ 14,665,344	\$ 19,974,047	\$ 11,808,403
City's covered payroll	\$ 10,482,657	\$ 9,906,379	\$ 9,973,654
City's proportionate share of the net pension liability as a percentage of its covered payroll	139.90%	201.63%	118.40%
Plan fiduciary net position as a percentage of the total pension liability	82.17%	74.70%	84.66%
<u>Combined Plan</u>			
City's proportion of the net pension asset	0.100650%	0.094592%	0.082516%
City's proportionate share of the net pension asset	\$ 209,879	\$ 105,776	\$ 112,331
City's covered payroll	\$ 448,050	\$ 404,564	\$ 330,554
City's proportionate share of the net pension asset as a percentage of its covered payroll	46.84%	26.15%	33.98%
Plan fiduciary net position as a percentage of the total pension asset	145.28%	126.64%	137.28%
<u>Member Directed Plan</u>			
City's proportion of the net pension asset	0.037922%	0.040103%	0.039616%
City's proportionate share of the net pension asset	\$ 1,433	\$ 914	\$ 1,383
City's covered payroll	\$ 225,420	\$ 229,240	\$ 217,130
City's proportionate share of the net pension asset as a percentage of its covered payroll	0.64%	0.40%	0.64%
Plan fiduciary net position as a percentage of the total pension asset	118.84%	113.42%	124.46%

Note: Information prior to 2014 was unavailable. Schedule is intended to show information for 10 years. Additional years will be displayed as they become available. Amounts presented for each fiscal year were determined as of the City's measurement date which is the prior year-end. See accompanying notes to the required supplementary information.

<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
0.078938%	0.079541%	0.080360%	0.080360%
\$ 17,925,477	\$ 13,777,505	\$ 9,692,314	\$ 9,473,397
\$ 9,878,042	\$ 9,878,600	\$ 9,860,667	\$ 10,202,015
181.47%	139.47%	98.29%	92.86%
77.25%	81.08%	86.45%	86.36%
0.087455%	0.088980%	0.091286%	0.091286%
\$ 48,676	\$ 43,300	\$ 35,148	\$ 9,578
\$ 340,425	\$ 319,175	\$ 333,683	*
14.30%	13.57%	10.53%	*
116.55%	116.90%	114.83%	104.56%
0.035981%	0.031724%	n/a	n/a
\$ 150	\$ 121	n/a	n/a
\$ 147,875	\$ 176,675	n/a	n/a
0.10%	0.07%	n/a	n/a
103.40%	103.91%	n/a	n/a

CITY OF WADSWORTH, OHIO

SCHEDULES OF THE REQUIRED SUPPLEMENTARY INFORMATION

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

LAST SEVEN YEARS

	<u>2020</u>	<u>2019</u>	<u>2018</u>
City's proportion of the net pension liability:	0.12990720%	0.13155100%	0.13130000%
City's proportionate share of the net pension liability	\$ 8,751,243	\$ 10,738,038	\$ 8,058,476
City's covered payroll	\$ 3,242,464	\$ 3,146,270	\$ 3,006,826
City's proportionate share of the net pension liability as a percentage of its covered payroll	269.89%	341.29%	268.01%
Plan fiduciary net position as a percentage of the total pension liability	69.89%	63.07%	70.91%

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

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

See accompanying notes to the required supplementary information.

<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
0.13532300%	0.13101700%	0.10724110%	0.10724110%
\$ 8,571,192	\$ 8,428,423	\$ 6,597,877	\$ 5,222,978
\$ 2,953,904	\$ 2,778,726	\$ 3,300,129	\$ 2,526,022
290.16%	303.32%	199.93%	206.77%
68.36%	66.77%	72.20%	73.00%

CITY OF WADSWORTH, OHIO

SCHEDULES OF THE REQUIRED SUPPLEMENTARY INFORMATION

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

LAST TEN YEARS

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
<u>Traditional Plan</u>				
Contractually required contribution	\$ 1,508,374	\$ 1,467,572	\$ 1,386,893	\$ 1,296,575
Contributions in relation to the contractually required contribution	<u>(1,508,374)</u>	<u>(1,467,572)</u>	<u>(1,386,893)</u>	<u>(1,296,575)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
City's covered payroll	\$ 10,774,100	\$ 10,482,657	\$ 9,906,379	\$ 9,973,654
Contributions as a percentage of covered payroll	14.00%	14.00%	14.00%	13.00%
<u>Combined Plan</u>				
Contractually required contribution	\$ 66,730	\$ 62,727	\$ 56,639	\$ 42,972
Contributions in relation to the contractually required contribution	<u>(66,730)</u>	<u>(62,727)</u>	<u>(56,639)</u>	<u>(42,972)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
City's covered payroll	\$ 476,643	\$ 448,050	\$ 404,564	\$ 330,554
Contributions as a percentage of covered payroll	14.00%	14.00%	14.00%	13.00%
<u>Member Directed Plan</u>				
Contractually required contribution	\$ 23,123	\$ 22,542	\$ 22,924	\$ 21,713
Contributions in relation to the contractually required contribution	<u>(23,123)</u>	<u>(22,542)</u>	<u>(22,924)</u>	<u>(21,713)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
City's covered payroll	\$ 231,230	\$ 225,420	\$ 229,240	\$ 217,130
Contributions as a percentage of covered payroll	10.00%	10.00%	10.00%	10.00%

See accompanying notes to the required supplementary information.

<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>
\$ 1,185,365	\$ 1,185,432	\$ 1,183,280	\$ 1,326,262	\$ 936,483	\$ 918,519
<u>(1,185,365)</u>	<u>(1,185,432)</u>	<u>(1,183,280)</u>	<u>(1,326,262)</u>	<u>(936,483)</u>	<u>(918,519)</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
\$ 9,878,042	\$ 9,878,600	\$ 9,860,667	\$ 10,202,015	\$ 9,364,830	\$ 9,185,190
12.00%	12.00%	12.00%	13.00%	10.00%	10.00%
\$ 40,851	\$ 38,301	\$ 40,042			
<u>(40,851)</u>	<u>(38,301)</u>	<u>(40,042)</u>			
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>			
\$ 340,425	\$ 319,175	\$ 333,683			
12.00%	12.00%	12.00%			
\$ 17,745	\$ 21,201				
<u>(17,745)</u>	<u>(21,201)</u>				
<u>\$ -</u>	<u>\$ -</u>				
\$ 147,875	\$ 176,675				
12.00%	12.00%				

CITY OF WADSWORTH, OHIO

SCHEDULES OF THE REQUIRED SUPPLEMENTARY INFORMATION

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

LAST TEN YEARS

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
<u>Police</u>				
Contractually required contribution	\$ 474,991	\$ 455,443	\$ 458,071	\$ 416,861
Contributions in relation to the contractually required contribution	<u>(474,991)</u>	<u>(455,443)</u>	<u>(458,071)</u>	<u>(416,861)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
City's covered payroll	\$ 2,499,953	\$ 2,397,068	\$ 2,410,900	\$ 2,194,005
Contributions as a percentage of covered payroll	19.00%	19.00%	19.00%	19.00%
 <u>Fire</u>				
Contractually required contribution	\$ 209,404	\$ 198,668	\$ 172,812	\$ 191,013
Contributions in relation to the contractually required contribution	<u>(209,404)</u>	<u>(198,668)</u>	<u>(172,812)</u>	<u>(191,013)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
City's covered payroll	\$ 891,081	\$ 845,396	\$ 735,370	\$ 812,821
Contributions as a percentage of covered payroll	23.50%	23.50%	23.50%	23.50%

See accompanying notes to the required supplementary information.

<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>
\$ 417,026	\$ 402,612	\$ 481,740	\$ 310,231	\$ 258,958	\$ 250,581
<u>(417,026)</u>	<u>(402,612)</u>	<u>(481,740)</u>	<u>(310,231)</u>	<u>(258,958)</u>	<u>(250,581)</u>
<u>\$ -</u>					
\$ 2,194,874	\$ 2,119,011	\$ 2,535,474	\$ 1,953,596	\$ 2,031,043	\$ 1,965,341
19.00%	19.00%	19.00%	15.88%	12.75%	12.75%
\$ 178,372	\$ 155,033	\$ 179,694	\$ 116,763	\$ 91,242	\$ 94,982
<u>(178,372)</u>	<u>(155,033)</u>	<u>(179,694)</u>	<u>(116,763)</u>	<u>(91,242)</u>	<u>(94,982)</u>
<u>\$ -</u>					
\$ 759,030	\$ 659,715	\$ 764,655	\$ 572,929	\$ 528,939	\$ 550,620
23.50%	23.50%	23.50%	20.38%	17.25%	17.25%

CITY OF WADSWORTH, OHIO

SCHEDULES OF THE REQUIRED SUPPLEMENTARY INFORMATION

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

LAST FOUR YEARS

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
City's proportion of the net OPEB liability	0.073556%	0.072282%	0.074170%	0.077379%
City's proportionate share of the net OPEB liability	\$ 10,159,994	\$ 9,423,867	\$ 8,054,315	\$ 7,815,570
City's covered payroll	\$ 11,156,127	\$ 10,540,183	\$ 10,521,338	\$ 10,366,342
City's proportionate share of the net OPEB liability as a percentage of its covered payroll	91.07%	89.41%	76.55%	75.39%
Plan fiduciary net position as a percentage of the total OPEB liability	47.80%	46.33%	54.14%	54.05%

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

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

See accompanying notes to the required supplementary information.

CITY OF WADSWORTH, OHIO

SCHEDULES OF THE REQUIRED SUPPLEMENTARY INFORMATION

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

LAST FOUR YEARS

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
City's proportion of the net OPEB liability	0.12990720%	0.13155100%	0.13130000%	0.13532300%
City's proportionate share of the net OPEB liability	\$ 1,283,188	\$ 1,197,974	\$ 7,439,280	\$ 6,423,478
City's covered payroll	\$ 3,242,464	\$ 3,146,270	\$ 3,006,826	\$ 2,953,904
City's proportionate share of the net OPEB liability as a percentage of it covered payroll	39.57%	38.08%	247.41%	217.46%
Plan fiduciary net position as a percentage of the total OPEB liability	47.08%	46.57%	14.13%	15.96%

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

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

See accompanying notes to the required supplementary information.

CITY OF WADSWORTH, OHIO

SCHEDULE OF THE REQUIRED SUPPLEMENTARY INFORMATION

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

LAST TEN YEARS

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
Contractually required contribution	\$ 9,250	\$ 9,016	\$ 9,169	\$ 111,727
Contributions in relation to the contractually required contribution	<u>(9,250)</u>	<u>(9,016)</u>	<u>(9,169)</u>	<u>(111,727)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
City's covered payroll	\$ 11,481,973	\$ 11,156,127	\$ 10,540,183	\$ 10,521,338
Contributions as a percentage of covered payroll	0.08%	0.08%	0.09%	1.06%

See accompanying notes to the required supplementary information.

<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>
\$ 212,774	\$ 203,956	\$ 203,487	\$ 101,976	\$ 374,593	\$ 367,408
<u>(212,774)</u>	<u>(203,956)</u>	<u>(203,487)</u>	<u>(101,976)</u>	<u>(374,593)</u>	<u>(367,408)</u>
<u>\$ -</u>					
\$ 10,366,342	\$ 10,374,450	\$ 10,194,350	\$ 10,202,015	\$ 9,364,830	\$ 9,543,622
2.05%	1.97%	2.00%	1.00%	4.00%	3.85%

CITY OF WADSWORTH, OHIO

SCHEDULES OF THE REQUIRED SUPPLEMENTARY INFORMATION

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

LAST TEN YEARS

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
<u>Police</u>				
Contractually required contribution	\$ 12,500	\$ 11,985	\$ 12,054	\$ 10,970
Contributions in relation to the contractually required contribution	<u>(12,500)</u>	<u>(11,985)</u>	<u>(12,054)</u>	<u>(10,970)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
City's covered payroll	\$ 2,499,953	\$ 2,397,068	\$ 2,410,900	\$ 2,194,005
Contributions as a percentage of covered payroll	0.50%	0.50%	0.50%	0.50%
<u>Fire</u>				
Contractually required contribution	\$ 4,455	\$ 4,227	\$ 3,677	\$ 4,064
Contributions in relation to the contractually required contribution	<u>(4,455)</u>	<u>(4,227)</u>	<u>(3,677)</u>	<u>(4,064)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
City's covered payroll	\$ 891,081	\$ 845,396	\$ 735,370	\$ 812,821
Contributions as a percentage of covered payroll	0.50%	0.50%	0.50%	0.50%

See accompanying notes to the required supplementary information.

<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>
\$ 11,271	\$ 10,881	\$ 10,092	\$ 70,097	\$ 137,123	\$ 132,687
<u>(11,271)</u>	<u>(10,881)</u>	<u>(10,092)</u>	<u>(70,097)</u>	<u>(137,123)</u>	<u>(132,687)</u>
<u>\$ -</u>	<u>\$ -</u>				
\$ 2,194,874	\$ 2,119,011	\$ 2,535,474	\$ 1,953,186	\$ 2,031,043	\$ 1,965,341
0.50%	0.50%	0.50%	3.62%	6.75%	6.75%
\$ 3,975	\$ 3,299	\$ 3,167	\$ 20,682	\$ 35,695	\$ 37,158
<u>(3,975)</u>	<u>(3,299)</u>	<u>(3,167)</u>	<u>(20,682)</u>	<u>(35,695)</u>	<u>(37,158)</u>
<u>\$ -</u>	<u>\$ -</u>				
\$ 759,030	\$ 659,715	\$ 764,655	\$ 572,836	\$ 528,939	\$ 550,620
0.50%	0.50%	0.50%	3.62%	6.75%	6.75%

CITY OF WADSWORTH, OHIO

**NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION
FOR THE YEAR ENDED DECEMBER 31, 2020**

PENSION

OHIO PUBLIC EMPLOYEES RETIREMENT SYSTEM (OPERS)

Changes in benefit terms : There were no changes in benefit terms from the amounts reported for 2014-2020.

Changes in assumptions: There were no changes in methods and assumptions used in the calculation of actuarial determined contributions for 2014-2016. For 2017, the following were the most significant changes of assumptions that affected the total pension liability since the prior measurement date: (a) reduction in the actuarially assumed rate of return from 8.00% down to 7.50%, (b) for defined benefit investments, decreasing the wage inflation from 3.75% to 3.25% and (c) changing the future salary increases from a range of 4.25%-10.05% to 3.25%-10.75%. There were no changes in assumptions for 2018. For 2019, the following were the most significant changes of assumptions that affected the total pension liability since the prior measurement date: (a) the assumed rate of return and discount rate were reduced from 7.50% down to 7.20%. There were no changes in assumptions for 2020.

OHIO POLICE AND FIRE (OP&F) PENSION FUND

Changes in benefit terms : There were no changes in benefit terms from the amounts reported for 2014-2020.

Changes in assumptions: There were no changes in methods and assumptions used in the calculation of actuarial determined contributions for 2014-2017. For 2018, the following were the most significant changes of assumptions that affected the total pension since the prior measurement date: (a) reduction in the actuarially assumed rate of return from 8.50% down to 8.00%, (b) changing the future salary increases from a range of 4.25%-11.00% to 3.75%-10.50%, (c) reduction in payroll increases from 3.75% down to 3.25%, (d) reduction in inflation assumptions from 3.25% down to 2.75% and (e) Cost of Living Adjustments (COLA) were reduced from 2.60% and 3.00% simple to 2.20% and 3.00% simple. There were no changes in assumptions for 2019-2020.

CITY OF WADSWORTH, OHIO

**NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION
FOR THE YEAR ENDED DECEMBER 31, 2020**

OTHER POSTEMPLOYMENT BENEFITS (OPEB)

OHIO PUBLIC EMPLOYEES RETIREMENT SYSTEM (OPERS)

Changes in benefit terms : There were no changes in benefit terms from the amounts reported for 2017-2020.

Changes in assumptions: There were no changes in methods and assumptions used in the calculation of actuarial determined contributions for 2017. For 2018, the following were the most significant changes of assumptions that affected the total OPEB liability since the prior measurement date: (a) reduction in the actuarially assumed rate of return from 4.23% down to 3.85%. For 2019, the following were the most significant changes of assumptions that affect the total OPEB liability since the prior measurement date: (a) the discount rate was increased from 3.85% up to 3.96%, (b) The investment rate of return was decreased from 6.50% percent down to 6.00%, (c) the municipal bond rate was increased from 3.31% up to 3.71% and (d) the health care cost trend rate was increased from 7.50%, initial/3.25%, ultimate in 2028 up to 10.00%, initial/3.25% ultimate in 2029. For 2020, the following were the most significant changes of assumptions that affect the total OPEB liability since the prior measurement date: (a) the discount rate was decreased from 3.96% up to 3.16%, (b) the municipal bond rate was decreased from 3.71% up to 2.75% and (c) the health care cost trend rate was increased from 10.0%, initial/3.25%, ultimate in 2029 up to 10.50%, initial/3.50% ultimate in 2030.

OHIO POLICE AND FIRE (OP&F) PENSION FUND

Changes in benefit terms: There were no changes in benefit terms from the amounts reported for 2017-2018. For 2019, OP&F changed its retiree health care model from a self-insured health care plan to a stipend-based health care model. There were no changes in benefit terms for 2020.

Changes in assumptions: There were no changes in methods and assumptions used in the calculation of actuarial determined contributions for 2017. For 2018, the following were the most significant changes of assumptions that affected the total OPEB liability since the prior measurement date: (a) DROP interest rate was reduced from 4.50% to 4.00%, (b) CPI-based COLA was reduced from 2.60% to 2.20%, (c) investment rate of return was reduced from 8.25% to 8.00%, (d) salary increases were reduced from 3.75% to 3.25% and (e) payroll growth was reduced from 3.75% to 3.25%. For 2019, the following were the most significant changes of assumptions that affect the total OPEB liability since the prior measurement date: (a) the discount rate was increased from 3.24% up to 4.66%. For 2020, the following were the most significant changes of assumptions that affect the total OPEB liability since the prior measurement date: (a) the discount rate was decreased from 4.66% up to 3.56%.

COMBINING STATEMENTS
AND INDIVIDUAL FUND STATEMENTS

CITY OF WADSWORTH, OHIO

COMBINING STATEMENTS - NONMAJOR GOVERNMENTAL FUNDS

Nonmajor Special Revenue Funds

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

Recreation Fund

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

Street Maintenance Fund

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

Emergency Medical Services Fund

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

Municipal Court Special Programs Fund

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

Municipal Court Improvements Fund

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

Developers Shade Tree Fund

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

Drug Law Enforcement Fund

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

Law Enforcement and Education Fund

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

Indigent Drivers Alcohol Treatment Fund

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

Law Enforcement Trust Fund

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

Permissive Motor Vehicle License Fund

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

CITY OF WADSWORTH, OHIO

COMBINING STATEMENTS - NONMAJOR GOVERNMENTAL FUNDS

Nonmajor Special Revenue Fund - (continued)

State Highway Fund

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

Abatement of Public Nuisance Fund

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

Chippewa Creek Well Reserve Fund

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

Community Reinvestment Fund

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

Safe Routes to School Grant Fund

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

Coronavirus Relief Fund

To account for grant funding received for the necessary COVID-19 pandemic related expenses.

Roundabout at SR 57 & Seville Rd. Fund

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

Recreation Tax Fund

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

Fire Department Education Grant Fund

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

Police Continuing Professional Training Fund

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

Chip Revolving Loan Fund

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

Economic Development Fund

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

CITY OF WADSWORTH, OHIO

COMBINING STATEMENTS - NONMAJOR GOVERNMENTAL FUNDS

Nonmajor Special Revenue Fund - (continued)

Tax Increment Financing Fund

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

Revolving Loan Fund

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

Nonmajor Debt Service Funds

Special Assessment Bond Retirement Fund

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

Nonmajor Capital Projects Funds

Airport Improvements Fund

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

General Capital Improvements Fund

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

EMS Reserve Fund

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

Fire Levy Fund

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

Park Land Acquisition Fund

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

Street Improvement Fund

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

Special Assessments Fund

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

CITY OF WADSWORTH, OHIO
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
DECEMBER 31, 2020

	Nonmajor Special Revenue Funds	Nonmajor Debt Service Fund	Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
Assets:				
Equity in pooled cash and cash equivalents	\$ 8,018,552	\$ 1,518	\$ 6,183,113	\$ 14,203,183
Cash in segregated accounts	149,827	-	-	149,827
Receivables:				
Income taxes	315,278	285,372	434,269	1,034,919
Real and other taxes	1,139,235	-	25,269	1,164,504
Accounts	1,041,865	33	5,224	1,047,122
Special assessments	-	1,486,719	-	1,486,719
Interfund loans receivable	1,031,890	-	816,201	1,848,091
Due from other governments	724,248	-	80,642	804,890
Materials and supplies inventory	413,437	-	-	413,437
Prepayments	40,290	-	152	40,442
Total assets	\$ 12,874,622	\$ 1,773,642	\$ 7,544,870	\$ 22,193,134
Liabilities:				
Accounts payable	\$ 15,222	\$ -	\$ 51,226	\$ 66,448
Contracts payable	99,747	-	96,695	196,442
Accrued wages and benefits payable	50,551	-	-	50,551
Interfund loans payable	719,378	92,150	357,419	1,168,947
Due to other governments	46,667	-	-	46,667
Matured interest payable	-	128	-	128
Undistributed monies	16,123	-	-	16,123
Total liabilities	947,688	92,278	505,340	1,545,306
Deferred inflows of resources:				
Property taxes levied for the next fiscal year	1,095,060	-	-	1,095,060
Delinquent property tax revenue not available	28,755	-	-	28,755
Income tax revenue not available	186,047	168,399	256,263	610,709
Unavailable revenue - other	1,392,497	1,486,752	64,070	2,943,319
Total deferred inflows of resources	2,702,359	1,655,151	320,333	4,677,843
Fund balances:				
Nonspendable	453,727	-	152	453,879
Restricted	8,418,839	26,213	3,774,138	12,219,190
Committed	635,237	-	2,955,593	3,590,830
Unassigned (deficit)	(283,228)	-	(10,686)	(293,914)
Total fund balances	9,224,575	26,213	6,719,197	15,969,985
Total liabilities, deferred inflows of resources and fund balance	\$ 12,874,622	\$ 1,773,642	\$ 7,544,870	\$ 22,193,134

CITY OF WADSWORTH, OHIO

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2020

	Nonmajor Special Revenue Funds	Nonmajor Debt Service Fund	Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
Revenues:				
Income taxes	\$ 1,189,662	\$ 787,801	\$ 1,338,924	\$ 3,316,387
Real and other taxes	1,205,080	-	44,284	1,249,364
Charges for services	956,661	-	109,040	1,065,701
Licenses and permits	12,954	-	18,400	31,354
Fines and forfeitures	100,645	-	-	100,645
Intergovernmental	3,421,913	-	329,205	3,751,118
Special assessments	-	90,339	11,215	101,554
Investment income	710	-	-	710
Rental income	104,054	492,226	-	596,280
Contributions and donations	281,185	-	-	281,185
Other	83,818	-	159,967	243,785
Total revenues	<u>7,356,682</u>	<u>1,370,366</u>	<u>2,011,035</u>	<u>10,738,083</u>
Expenditures:				
Current:				
General government	1,777,396	-	196,743	1,974,139
Security of persons and property	1,039,722	-	53,866	1,093,588
Public health	937	-	-	937
Transportation	1,989,509	-	86,580	2,076,089
Leisure time services	95,792	-	270	96,062
Community and economic development	266,185	-	-	266,185
Capital outlay	240,647	-	2,535,270	2,775,917
Debt service:				
Principal retirement	-	770,278	-	770,278
Interest and fiscal charges	17,318	582,392	7,195	606,905
Total expenditures	<u>5,427,506</u>	<u>1,352,670</u>	<u>2,879,924</u>	<u>9,660,100</u>
Excess of revenues over (under) expenditures	<u>1,929,176</u>	<u>17,696</u>	<u>(868,889)</u>	<u>1,077,983</u>
Other financing sources (uses):				
Sale of capital assets	25,166	-	-	25,166
Transfers in	83,181	108	105,967	189,256
Transfers (out)	-	(2,540)	-	(2,540)
Total other financing sources (uses)	<u>108,347</u>	<u>(2,432)</u>	<u>105,967</u>	<u>211,882</u>
Net change in fund balances	2,037,523	15,264	(762,922)	1,289,865
Fund balances at beginning of year	<u>7,187,052</u>	<u>10,949</u>	<u>7,482,119</u>	<u>14,680,120</u>
Fund balances at end of year	<u>\$ 9,224,575</u>	<u>\$ 26,213</u>	<u>\$ 6,719,197</u>	<u>\$ 15,969,985</u>

CITY OF WADSWORTH, OHIO
COMBINING BALANCE SHEET
INDIVIDUAL NONMAJOR GOVERNMENTAL FUNDS
DECEMBER 31, 2020

Nonmajor Special Revenue

	Recreation Fund	Street Maintenance Fund	Emergency Medical Services Fund	Municipal Court Special Programs Fund
Assets:				
Equity in pooled cash and cash equivalents	\$ 338,318	\$ 1,335,029	\$ 3,551,068	\$ 170,515
Cash in segregated accounts	-	24,253	25,827	-
Receivables:				
Income taxes	36,361	278,917	-	-
Real and other taxes	-	-	1,139,235	-
Accounts	-	9,897	1,024,196	-
Special assessments	-	-	-	-
Interfund loans receivable	40,811	180,178	479,084	22,253
Due from other governments	-	560,383	62,770	-
Materials and supplies inventory	-	291,851	-	-
Prepayments	3,133	5,632	6,464	1,990
Total assets	\$ 418,623	\$ 2,686,140	\$ 6,288,644	\$ 194,758
Liabilities:				
Accounts payable	\$ -	\$ 9,694	\$ 5,528	\$ -
Contracts payable	-	-	-	-
Accrued wages and benefits payable	-	14,148	34,467	-
Matured Compensated absences payable	-	-	-	-
Interfund loans payable	675,442	-	-	-
Due to other governments	-	18,502	24,551	-
Matured interest payable	-	-	-	-
Undistributed monies	-	8,112	7,085	-
Total liabilities	675,442	50,456	71,631	-
Deferred inflows of resources:				
Property taxes levied for the next fiscal year	-	-	1,095,060	-
Delinquent property tax revenue not available	-	-	28,755	-
Income tax revenue not available	21,457	164,590	-	-
Unavailable revenue - other	-	370,017	963,043	-
Total deferred inflows of resources	21,457	534,607	2,086,858	-
Fund balances:				
Nonspendable	3,133	297,483	6,464	1,990
Restricted	-	1,803,594	4,123,691	192,768
Committed	-	-	-	-
Unassigned (deficit)	(281,409)	-	-	-
Total fund balances (deficit)	(278,276)	2,101,077	4,130,155	194,758
Total liabilities, deferred inflows of resources and fund balance	\$ 418,623	\$ 2,686,140	\$ 6,288,644	\$ 194,758

Nonmajor Special Revenue

Municipal Court Improvements Fund	Developers Shade Tree Fund	Drug Law Enforcement Fund	Law Enforcement and Education Fund	Indigent Drivers Alcohol Treatment Fund	Law Enforcement Trust Fund	Permissive Motor Vehicle License Fund
\$ 530,516	\$ 50,195	\$ 54,297	\$ 23,070	\$ 140,152	\$ 187,043	\$ 477,747
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
71,185	6,774	7,291	3,095	18,723	-	64,478
-	-	-	-	-	-	19,556
-	-	-	-	-	-	77,326
-	-	-	-	21,471	-	-
<u>\$ 601,701</u>	<u>\$ 56,969</u>	<u>\$ 61,588</u>	<u>\$ 26,165</u>	<u>\$ 180,346</u>	<u>\$ 187,043</u>	<u>\$ 639,107</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-	83,426
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	83,426
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	21,471	-	77,326
601,701	-	61,588	26,165	158,875	187,043	478,355
-	56,969	-	-	-	-	-
-	-	-	-	-	-	-
<u>601,701</u>	<u>56,969</u>	<u>61,588</u>	<u>26,165</u>	<u>180,346</u>	<u>187,043</u>	<u>555,681</u>
<u>\$ 601,701</u>	<u>\$ 56,969</u>	<u>\$ 61,588</u>	<u>\$ 26,165</u>	<u>\$ 180,346</u>	<u>\$ 187,043</u>	<u>\$ 639,107</u>

(Continued)

CITY OF WADSWORTH, OHIO

COMBINING BALANCE SHEET
INDIVIDUAL NONMAJOR GOVERNMENTAL FUNDS (CONTINUED)
DECEMBER 31, 2020

Nonmajor Special Revenue

	<u>State Highway Fund</u>	<u>Abatement of Public Nuisance Fund</u>	<u>Chippewa Creek Well Reserve Fund</u>	<u>Community Reinvestment Fund</u>
Assets:				
Equity in pooled cash and cash equivalents	\$ 214,417	\$ 86,526	\$ 88,109	\$ 38,621
Cash in segregated accounts	-	-	-	-
Receivables:				
Income taxes	-	-	-	-
Real and other taxes	-	-	-	-
Accounts	-	7,772	-	-
Special assessments	-	-	-	-
Interfund loans receivable	28,938	11,678	11,891	5,212
Due from other governments	45,319	-	-	-
Materials and supplies inventory	44,260	-	-	-
Prepayments	-	-	-	-
Total assets	<u>\$ 332,934</u>	<u>\$ 105,976</u>	<u>\$ 100,000</u>	<u>\$ 43,833</u>
Liabilities:				
Accounts payable	\$ -	\$ -	\$ -	\$ -
Contracts payable	-	-	-	-
Accrued wages and benefits payable	-	-	-	-
Matured Compensated absences payable	-	-	-	-
Interfund loans payable	-	-	-	-
Due to other governments	-	-	-	-
Matured interest payable	-	-	-	-
Undistributed monies	-	-	-	-
Total liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Deferred inflows of resources:				
Property taxes levied for the next fiscal year	-	-	-	-
Delinquent property tax revenue not available	-	-	-	-
Income tax revenue not available	-	-	-	-
Unavailable revenue - other	29,947	7,772	-	-
Total deferred inflows of resources	<u>29,947</u>	<u>7,772</u>	<u>-</u>	<u>-</u>
Fund balances:				
Nonspendable	44,260	-	-	-
Restricted	258,727	98,204	100,000	43,833
Committed	-	-	-	-
Unassigned (deficit)	-	-	-	-
Total fund balances (deficit)	<u>302,987</u>	<u>98,204</u>	<u>100,000</u>	<u>43,833</u>
Total liabilities, deferred inflows of resources and fund balance	<u>\$ 332,934</u>	<u>\$ 105,976</u>	<u>\$ 100,000</u>	<u>\$ 43,833</u>

Nonmajor Special Revenue

Safe Routes to School Grant Fund	Coronavirus Relief Fund	Roundabout at SR 57 & Seville Rd. Fund	Recreation Tax Fund	Fire Department Education Grant Fund	Police Continuing Professional Training Fund	CHIP Revolving Loan Fund
\$ -	\$ -	\$ 43,936	\$ 201,428	\$ 6,096	\$ 13,214	\$ 94,019
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	27,185	823	1,783	-
-	-	14,502	21,718	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
<u>\$ -</u>	<u>\$ -</u>	<u>\$ 58,438</u>	<u>\$ 250,331</u>	<u>\$ 6,919</u>	<u>\$ 14,997</u>	<u>\$ 94,019</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1,819	-	14,502	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	43,936	-	-	-	-
-	-	-	1,157	-	-	-
-	-	-	-	-	-	-
<u>1,819</u>	<u>-</u>	<u>58,438</u>	<u>1,157</u>	<u>-</u>	<u>-</u>	<u>-</u>
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	21,718	-	-	-
-	-	-	21,718	-	-	-
-	-	-	-	-	-	-
-	-	-	-	6,919	14,997	94,019
-	-	-	227,456	-	-	-
(1,819)	-	-	-	-	-	-
<u>(1,819)</u>	<u>-</u>	<u>-</u>	<u>227,456</u>	<u>6,919</u>	<u>14,997</u>	<u>94,019</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ 58,438</u>	<u>\$ 250,331</u>	<u>\$ 6,919</u>	<u>\$ 14,997</u>	<u>\$ 94,019</u>

(Continued)

CITY OF WADSWORTH, OHIO

COMBINING BALANCE SHEET
INDIVIDUAL NONMAJOR GOVERNMENTAL FUNDS (CONTINUED)
DECEMBER 31, 2020

	Nonmajor Special Revenue			
	Economic Development Fund	Tax Increment Financing Fund	Revolving Loan Fund	Total Special Revenue
Assets:				
Equity in pooled cash and cash equivalents	\$ 311,086	\$ 63,150	\$ -	\$ 8,018,552
Cash in segregated accounts	3,060	-	96,687	149,827
Receivables:				
Income taxes	-	-	-	315,278
Real and other taxes	-	-	-	1,139,235
Accounts	-	-	-	1,041,865
Special assessments	-	-	-	-
Interfund loans receivable	41,985	8,523	-	1,031,890
Due from other governments	-	-	-	724,248
Materials and supplies inventory	-	-	-	413,437
Prepayments	1,600	-	-	40,290
Total assets	\$ 357,731	\$ 71,673	\$ 96,687	\$ 12,874,622
Liabilities:				
Accounts payable	\$ -	\$ -	\$ -	\$ 15,222
Contracts payable	-	-	-	99,747
Accrued wages and benefits payable	1,936	-	-	50,551
Matured Compensated absences payable	-	-	-	-
Interfund loans payable	-	-	-	719,378
Due to other governments	2,457	-	-	46,667
Matured interest payable	-	-	-	-
Undistributed monies	926	-	-	16,123
Total liabilities	5,319	-	-	947,688
Deferred inflows of resources:				
Property taxes levied for the next fiscal year	-	-	-	1,095,060
Delinquent property tax revenue not available	-	-	-	28,755
Income tax revenue not available	-	-	-	186,047
Unavailable revenue - other	-	-	-	1,392,497
Total deferred inflows of resources	-	-	-	2,702,359
Fund balances:				
Nonspendable	1,600	-	-	453,727
Restricted	-	71,673	96,687	8,418,839
Committed	350,812	-	-	635,237
Unassigned (deficit)	-	-	-	(283,228)
Total fund balances (deficit)	352,412	71,673	96,687	9,224,575
Total liabilities, deferred inflows of resources and fund balance	\$ 357,731	\$ 71,673	\$ 96,687	\$ 12,874,622

Nonmajor Debt Service	Nonmajor Capital Projects					
Special Assessment Bond Retirement Fund	Airport Improvements Fund	General Capital Improvements Fund	EMS Reserve Fund	Fire Levy Fund	Park Land Acquisition Fund	Street Improvement Fund
\$ 1,518	\$ 195,088	\$ 1,108,240	\$ 1,214,044	\$ 2,726,552	\$ 384,801	\$ 498,528
-	-	-	-	-	-	-
285,372	-	93,742	-	-	-	337,989
-	-	25,269	-	-	-	-
33	-	-	-	-	-	-
1,486,719	-	-	-	-	-	-
-	26,066	145,502	163,850	367,980	51,933	60,870
-	80,642	-	-	-	-	-
-	-	-	-	-	-	-
-	-	152	-	-	-	-
<u>\$ 1,773,642</u>	<u>\$ 301,796</u>	<u>\$ 1,372,905</u>	<u>\$ 1,377,894</u>	<u>\$ 3,094,532</u>	<u>\$ 436,734</u>	<u>\$ 897,387</u>
\$ -	\$ 49,945	\$ -	\$ -	\$ 1,281	\$ -	\$ -
-	22,743	-	-	-	-	73,952
-	-	-	-	-	-	-
-	-	-	-	-	-	-
92,150	188,555	168,864	-	-	-	-
-	-	-	-	-	-	-
128	-	-	-	-	-	-
-	-	-	-	-	-	-
<u>92,278</u>	<u>261,243</u>	<u>168,864</u>	<u>-</u>	<u>1,281</u>	<u>-</u>	<u>73,952</u>
-	-	-	-	-	-	-
-	-	-	-	-	-	-
168,399	-	55,317	-	-	-	199,448
1,486,752	51,239	7,607	-	-	-	-
<u>1,655,151</u>	<u>51,239</u>	<u>62,924</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>199,448</u>
-	-	152	-	-	-	-
26,213	-	-	-	3,093,251	-	623,987
-	-	1,140,965	1,377,894	-	436,734	-
-	(10,686)	-	-	-	-	-
<u>26,213</u>	<u>(10,686)</u>	<u>1,141,117</u>	<u>1,377,894</u>	<u>3,093,251</u>	<u>436,734</u>	<u>623,987</u>
<u>\$ 1,773,642</u>	<u>\$ 301,796</u>	<u>\$ 1,372,905</u>	<u>\$ 1,377,894</u>	<u>\$ 3,094,532</u>	<u>\$ 436,734</u>	<u>\$ 897,387</u>

(Continued)

CITY OF WADSWORTH, OHIO
COMBINING BALANCE SHEET
INDIVIDUAL NONMAJOR GOVERNMENTAL FUNDS (CONTINUED)
DECEMBER 31, 2020

	Nonmajor Capital Projects		
	Special Assessments Fund	Total Capital Projects	Total
Assets:			
Equity in pooled cash and cash equivalents	\$ 55,860	\$ 6,183,113	\$ 14,203,183
Cash in segregated accounts	-	-	149,827
Receivables:			
Income taxes	2,538	434,269	1,034,919
Real and other taxes	-	25,269	1,164,504
Accounts	5,224	5,224	1,047,122
Special assessments	-	-	1,486,719
Interfund loans receivable	-	816,201	1,848,091
Due from other governments	-	80,642	804,890
Materials and supplies inventory	-	-	413,437
Prepayments	-	152	40,442
Total assets	\$ 63,622	\$ 7,544,870	\$ 22,193,134
Liabilities:			
Accounts payable	\$ -	\$ 51,226	\$ 66,448
Contracts payable	-	96,695	196,442
Accrued wages and benefits payable	-	-	50,551
Matured Compensated absences payable	-	-	-
Interfund loans payable	-	357,419	1,168,947
Due to other governments	-	-	46,667
Matured interest payable	-	-	128
Undistributed monies	-	-	16,123
Total liabilities	-	505,340	1,545,306
Deferred inflows of resources:			
Property taxes levied for the next fiscal year	-	-	1,095,060
Delinquent property tax revenue not available	-	-	28,755
Income tax revenue not available	1,498	256,263	610,709
Unavailable revenue - other	5,224	64,070	2,943,319
Total deferred inflows of resources	6,722	320,333	4,677,843
Fund balances:			
Nonspendable	-	152	453,879
Restricted	56,900	3,774,138	12,219,190
Committed	-	2,955,593	3,590,830
Unassigned (deficit)	-	(10,686)	(293,914)
Total fund balances (deficit)	56,900	6,719,197	15,969,985
Total liabilities, deferred inflows of resources and fund balance	\$ 63,622	\$ 7,544,870	\$ 22,193,134



CITY OF WADSWORTH, OHIO

COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2020

	<u>Nonmajor Special Revenue</u>			
	<u>Recreation Fund</u>	<u>Street Maintenance Fund</u>	<u>Emergency Medical Services Fund</u>	<u>Municipal Court Special Programs Fund</u>
Revenues:				
Income taxes	\$ 100,014	\$ 1,089,648	\$ -	\$ -
Real and other taxes	-	-	1,132,180	-
Charges for services	-	10,032	860,064	-
Licenses and permits	-	-	-	-
Fines and forfeitures	-	-	-	36,076
Intergovernmental	-	1,146,260	146,526	-
Special assessments	-	-	-	-
Investment income	-	-	-	-
Rental income	104,054	-	-	-
Contributions and donations	-	-	46,220	-
Other	-	37,513	36,676	-
Total revenues	<u>204,068</u>	<u>2,283,453</u>	<u>2,221,666</u>	<u>36,076</u>
Expenditures:				
Current:				
General government	-	-	-	29,004
Security of persons and property	-	-	1,018,861	-
Public health	-	-	-	-
Transportation	-	1,761,157	-	-
Leisure time services	88,094	-	-	-
Community and economic development	-	-	-	-
Capital outlay	-	-	-	-
Debt service:				
Principal retirement	-	-	-	-
Interest and fiscal charges	17,318	-	-	-
Total expenditures	<u>105,412</u>	<u>1,761,157</u>	<u>1,018,861</u>	<u>29,004</u>
Excess (deficiency) of revenues over/(under) expenditures	<u>98,656</u>	<u>522,296</u>	<u>1,202,805</u>	<u>7,072</u>
Other financing sources (uses):				
Sale of capital assets	-	20,449	-	-
Transfers in	5,150	13,461	33,441	2,383
Transfers (out)	-	-	-	-
Total other financing sources (uses)	<u>5,150</u>	<u>33,910</u>	<u>33,441</u>	<u>2,383</u>
Net change in fund balances	103,806	556,206	1,236,246	9,455
Fund balances (deficit) at beginning of year	<u>(382,082)</u>	<u>1,544,871</u>	<u>2,893,909</u>	<u>185,303</u>
Fund balances (deficit) at end of year	<u>\$ (278,276)</u>	<u>\$ 2,101,077</u>	<u>\$ 4,130,155</u>	<u>\$ 194,758</u>

Nonmajor Special Revenue

Municipal Court Improvements Fund	Developers Shade Tree Fund	Drug Law Enforcement Fund	Law Enforcement and Education Fund	Indigent Drivers Alcohol Treatment Fund	Law Enforcement Trust Fund	Permissive Motor Vehicle License Fund
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	12,954	-	-	-	-	-
39,040	-	2,641	1,833	13,923	335	-
-	-	-	-	9,035	-	258,374
-	-	-	-	-	-	-
-	-	-	-	-	272	-
-	-	-	-	-	-	-
-	-	3,465	-	-	1,500	-
-	-	-	-	-	-	-
39,040	12,954	6,106	1,833	22,958	2,107	258,374
17,523	16,990	-	472	44,532	-	-
-	-	2,870	-	-	10,679	-
-	-	-	-	-	-	-
-	-	-	-	-	-	198,107
-	-	-	-	-	-	-
-	-	-	-	-	-	139,914
-	-	-	-	-	-	-
17,523	16,990	2,870	472	44,532	10,679	338,021
21,517	(4,036)	3,236	1,361	(21,574)	(8,572)	(79,647)
-	-	-	-	-	3,525	1,192
7,736	1,286	774	389	2,724	-	5,486
-	-	-	-	-	-	-
7,736	1,286	774	389	2,724	3,525	6,678
29,253	(2,750)	4,010	1,750	(18,850)	(5,047)	(72,969)
572,448	59,719	57,578	24,415	199,196	192,090	628,650
\$ 601,701	\$ 56,969	\$ 61,588	\$ 26,165	\$ 180,346	\$ 187,043	\$ 555,681

(Continued)

CITY OF WADSWORTH, OHIO

COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS (CONTINUED)
FOR THE YEAR ENDED DECEMBER 31, 2020

Nonmajor Special Revenue

	State Highway Fund	Abatement of Public Nuisance Fund	Chippewa Creek Well Reserve Fund	Community Reinvestment Fund
Revenues:				
Income taxes	\$ -	\$ -	\$ -	\$ -
Real and other taxes	-	-	-	-
Charges for services	-	-	-	-
Licenses and permits	-	-	-	-
Fines and forfeitures	-	6,797	-	-
Intergovernmental	92,940	-	-	-
Special assessments	-	-	-	-
Investment income	-	-	-	-
Rental income	-	-	-	-
Contributions and donations	-	-	-	-
Other	-	-	-	1,500
Total revenues	92,940	6,797	-	1,500
Expenditures:				
Current:				
General government	-	-	-	-
Security of persons and property	-	-	-	-
Public health	-	937	-	-
Transportation	19,426	-	-	-
Leisure time services	-	-	-	-
Community and economic development	-	-	-	247
Capital outlay	8,684	-	-	-
Debt service:				
Principal retirement	-	-	-	-
Interest and fiscal charges	-	-	-	-
Total expenditures	28,110	937	-	247
Excess (deficiency) of revenues over/(under) expenditures	64,830	5,860	-	1,253
Other financing sources (uses):				
Sale of capital assets	-	-	-	-
Transfers in	1,953	1,196	-	549
Transfers (out)	-	-	-	-
Total other financing sources (uses)	1,953	1,196	-	549
Net change in fund balances	66,783	7,056	-	1,802
Fund balances (deficit) at beginning of year	236,204	91,148	100,000	42,031
Fund balances (deficit) at end of year	\$ 302,987	\$ 98,204	\$ 100,000	\$ 43,833

Nonmajor Special Revenue

Safe Routes to School Grant Fund	Coronavirus Relief Fund	Roundabout at SR 57 & Seville Rd. Fund	Recreation Tax Fund	Fire Department Education Grant Fund	Police Continuing Professional Training Fund	CHIP Revolving Loan Fund
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	54,900	-	-	-
-	-	-	-	-	-	3,515
-	-	-	-	-	-	-
9,000	1,668,172	91,606	-	-	-	-
-	321	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	731	-	-	-
<u>9,000</u>	<u>1,668,493</u>	<u>91,606</u>	<u>55,631</u>	<u>-</u>	<u>-</u>	<u>3,515</u>
-	1,668,493	-	-	-	-	-
-	-	-	-	1,900	5,412	-
10,819	-	-	-	-	-	-
-	-	-	7,698	-	-	-
-	-	-	-	-	-	14,926
-	-	91,606	-	-	-	-
-	-	-	-	-	-	-
<u>10,819</u>	<u>1,668,493</u>	<u>91,606</u>	<u>7,698</u>	<u>1,900</u>	<u>5,412</u>	<u>14,926</u>
<u>(1,819)</u>	<u>-</u>	<u>-</u>	<u>47,933</u>	<u>(1,900)</u>	<u>(5,412)</u>	<u>(11,411)</u>
-	-	-	-	-	-	-
-	-	-	2,832	-	-	1,327
-	-	-	-	-	-	-
<u>-</u>	<u>-</u>	<u>-</u>	<u>2,832</u>	<u>-</u>	<u>-</u>	<u>1,327</u>
(1,819)	-	-	50,765	(1,900)	(5,412)	(10,084)
-	-	-	176,691	8,819	20,409	104,103
<u>\$ (1,819)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 227,456</u>	<u>\$ 6,919</u>	<u>\$ 14,997</u>	<u>\$ 94,019</u>

(Continued)

CITY OF WADSWORTH, OHIO

COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS (CONTINUED)
FOR THE YEAR ENDED DECEMBER 31, 2020

	Nonmajor Special Revenue			
	Economic Development Fund	Tax Increment Financing Fund	Revolving Loan Fund	Total Special Revenue
Revenues:				
Income taxes	\$ -	\$ -	\$ -	\$ 1,189,662
Real and other taxes	18,000	-	-	1,205,080
Charges for services	83,050	-	-	956,661
Licenses and permits	-	-	-	12,954
Fines and forfeitures	-	-	-	100,645
Intergovernmental	-	-	-	3,421,913
Special assessments	-	-	-	-
Investment income	-	-	117	710
Rental income	-	-	-	104,054
Contributions and donations	230,000	-	-	281,185
Other	7,398	-	-	83,818
Total revenues	<u>338,448</u>	<u>-</u>	<u>117</u>	<u>7,356,682</u>
Expenditures:				
Current:				
General government	-	-	382	1,777,396
Security of persons and property	-	-	-	1,039,722
Public health	-	-	-	937
Transportation	-	-	-	1,989,509
Leisure time services	-	-	-	95,792
Community and economic development	251,012	-	-	266,185
Capital outlay	-	443	-	240,647
Debt service:				
Principal retirement	-	-	-	-
Interest and fiscal charges	-	-	-	17,318
Total expenditures	<u>251,012</u>	<u>443</u>	<u>382</u>	<u>5,427,506</u>
Excess (deficiency) of revenues over/(under) expenditures	<u>87,436</u>	<u>(443)</u>	<u>(265)</u>	<u>1,929,176</u>
Other financing sources (uses):				
Sale of capital assets	-	-	-	25,166
Transfers in	1,450	1,044	-	83,181
Transfers (out)	-	-	-	-
Total other financing sources (uses)	<u>1,450</u>	<u>1,044</u>	<u>-</u>	<u>108,347</u>
Net change in fund balances	88,886	601	(265)	2,037,523
Fund balances (deficit) at beginning of year	<u>263,526</u>	<u>71,072</u>	<u>96,952</u>	<u>7,187,052</u>
Fund balances (deficit) at end of year	<u>\$ 352,412</u>	<u>\$ 71,673</u>	<u>\$ 96,687</u>	<u>\$ 9,224,575</u>

Nonmajor Debt Service		Nonmajor Capital Projects					
Special Assessment Bond Retirement Fund	Airport Improvements Fund	General Capital Improvements Fund	EMS Reserve Fund	Fire Levy Fund	Park Land Acquisition Fund	Street Improvement Fund	
\$ 787,801	\$ -	\$ 368,855	\$ -	\$ -	\$ -	\$ 966,766	
-	-	44,284	-	-	-	-	
-	-	-	109,040	-	-	-	
-	-	-	-	-	18,400	-	
-	-	-	-	-	-	-	
-	329,205	-	-	-	-	-	
90,339	-	-	-	-	-	-	
-	-	-	-	-	-	-	
492,226	-	-	-	-	-	-	
-	-	-	-	-	-	-	
-	-	112,444	4	4	-	47,515	
<u>1,370,366</u>	<u>329,205</u>	<u>525,583</u>	<u>109,044</u>	<u>4</u>	<u>18,400</u>	<u>1,014,281</u>	
-	151,695	35,898	-	-	-	-	
-	-	-	2,047	51,819	-	-	
-	-	-	-	-	-	-	
-	-	-	-	-	-	86,580	
-	-	-	-	-	270	-	
-	-	-	-	-	-	-	
-	203,574	433,551	196,368	941,426	-	760,351	
770,278	-	-	-	-	-	-	
582,392	1,584	5,572	-	-	-	-	
<u>1,352,670</u>	<u>356,853</u>	<u>475,021</u>	<u>198,415</u>	<u>993,245</u>	<u>270</u>	<u>846,931</u>	
<u>17,696</u>	<u>(27,648)</u>	<u>50,562</u>	<u>(89,371)</u>	<u>(993,241)</u>	<u>18,130</u>	<u>167,350</u>	
-	-	-	-	-	-	-	
108	-	17,501	17,796	58,607	5,806	3,717	
(2,540)	-	-	-	-	-	-	
<u>(2,432)</u>	<u>-</u>	<u>17,501</u>	<u>17,796</u>	<u>58,607</u>	<u>5,806</u>	<u>3,717</u>	
15,264	(27,648)	68,063	(71,575)	(934,634)	23,936	171,067	
10,949	16,962	1,073,054	1,449,469	4,027,885	412,798	452,920	
<u>\$ 26,213</u>	<u>\$ (10,686)</u>	<u>\$ 1,141,117</u>	<u>\$ 1,377,894</u>	<u>\$ 3,093,251</u>	<u>\$ 436,734</u>	<u>\$ 623,987</u>	

(Continued)

CITY OF WADSWORTH, OHIO

COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS (CONTINUED)
FOR THE YEAR ENDED DECEMBER 31, 2020

	<u>Nonmajor Capital Projects</u>		
	<u>Special</u>	<u>Total Capital</u>	
	<u>Assessments</u>	<u>Projects</u>	<u>Total</u>
	<u>Fund</u>	<u>Projects</u>	<u>Total</u>
Revenues:			
Income taxes	\$ 3,303	\$ 1,338,924	\$ 3,316,387
Real and other taxes	-	44,284	1,249,364
Charges for services	-	109,040	1,065,701
Licenses and permits	-	18,400	31,354
Fines and forfeitures	-	-	100,645
Intergovernmental	-	329,205	3,751,118
Special assessments	11,215	11,215	101,554
Investment income	-	-	710
Rental income	-	-	596,280
Contributions and donations	-	-	281,185
Other	-	159,967	243,785
Total revenues	<u>14,518</u>	<u>2,011,035</u>	<u>10,738,083</u>
Expenditures:			
Current:			
General government	9,150	196,743	1,974,139
Security of persons and property	-	53,866	1,093,588
Public health	-	-	937
Transportation	-	86,580	2,076,089
Leisure time services	-	270	96,062
Community and economic development	-	-	266,185
Capital outlay	-	2,535,270	2,775,917
Debt service:			
Principal retirement	-	-	770,278
Interest and fiscal charges	39	7,195	606,905
Total expenditures	<u>9,189</u>	<u>2,879,924</u>	<u>9,660,100</u>
Excess (deficiency) of revenues over/(under) expenditures	<u>5,329</u>	<u>(868,889)</u>	<u>1,077,983</u>
Other financing sources (uses):			
Sale of capital assets	-	-	25,166
Transfers in	2,540	105,967	189,256
Transfers (out)	-	-	(2,540)
Total other financing sources (uses)	<u>2,540</u>	<u>105,967</u>	<u>211,882</u>
Net change in fund balances	7,869	(762,922)	1,289,865
Fund balances (deficit) at beginning of year	<u>49,031</u>	<u>7,482,119</u>	<u>14,680,120</u>
Fund balances (deficit) at end of year	<u>\$ 56,900</u>	<u>\$ 6,719,197</u>	<u>\$ 15,969,985</u>

CITY OF WADSWORTH, OHIO

MAJOR GENERAL FUND

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

The following funds are being reported as part of the general fund

Parking Fund

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

WCTV Fund

To account for the franchise fee paid by Spectrum Cable and Wadsworth Cable and the advertising charges for services provided by the Wadsworth Community Television (WCTV). These revenues support the daily operations of the cable studio, production of community channels, and the annual Clapper Awards public event.

Fire Dept. HazMat Clean Up Fund

To account for the collection of dollars received by third parties for the containment and disposal of hazardous conditions.

Street/Utility Maintenance Guarantees Fund

To account for the collection of money from subdivision developers as a performance guarantee on dedicated streets and utilities.

CITY OF WADSWORTH, OHIO

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
PARKING FUND
 FOR THE YEAR ENDED DECEMBER 31, 2020

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Revenues:				
Fines and forfeitures	\$ 7,000	\$ 7,000	\$ 5,408	\$ (1,592)
Total revenues	<u>7,000</u>	<u>7,000</u>	<u>5,408</u>	<u>(1,592)</u>
Expenditures:				
<i>Current:</i>				
General government				
Personal services	1,035	1,035	1,035	-
Contractual services	245	245	245	-
Materials and supplies	10,000	10,000	5,000	5,000
Other	1,202	1,202	1,141	61
Capital outlay	147,808	147,808	27,808	120,000
Total expenditures	<u>160,290</u>	<u>160,290</u>	<u>35,229</u>	<u>125,061</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(153,290)</u>	<u>(153,290)</u>	<u>(29,821)</u>	<u>123,469</u>
Other financing sources (uses):				
Transfers in	2,348	2,348	2,348	-
Total other financing sources (uses)	<u>2,348</u>	<u>2,348</u>	<u>2,348</u>	<u>-</u>
Net change in fund balance	(150,942)	(150,942)	(27,473)	123,469
Fund balance at beginning of year	123,566	123,566	123,566	-
Prior year encumbrances appropriated	32,807	32,807	32,807	-
Fund balance at end of year	<u>\$ 5,431</u>	<u>\$ 5,431</u>	<u>\$ 128,900</u>	<u>\$ 123,469</u>

CITY OF WADSWORTH, OHIO

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
WCTV FUND
 FOR THE YEAR ENDED DECEMBER 31, 2020

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Revenues:				
Charges for services	\$ 51,000	\$ 51,000	\$ 14,251	\$ (36,749)
Licenses and permits	407,925	407,925	387,881	(20,044)
Other	7,477	7,477	8,421	944
Total revenues	<u>466,402</u>	<u>466,402</u>	<u>410,553</u>	<u>(55,849)</u>
Expenditures:				
<i>Current:</i>				
Leisure time activities				
Personal services	390,278	356,189	352,185	4,004
Contractual services	78,282	74,214	68,759	5,455
Materials and supplies	17,450	14,870	11,851	3,019
Other	1,321	1,310	781	529
Capital outlay	5,000	-	-	-
Total expenditures	<u>492,331</u>	<u>446,583</u>	<u>433,576</u>	<u>13,007</u>
Net change in fund balance	(25,929)	19,819	(23,023)	(42,842)
Fund balance at beginning of year	<u>37,588</u>	<u>37,588</u>	<u>37,588</u>	<u>-</u>
Fund balance at end of year	<u><u>\$ 11,659</u></u>	<u><u>\$ 57,407</u></u>	<u><u>\$ 14,565</u></u>	<u><u>\$ (42,842)</u></u>

CITY OF WADSWORTH, OHIO

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
FIRE DEPT. HAZMAT CLEAN UP FUND
 FOR THE YEAR ENDED DECEMBER 31, 2020

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Revenues:				
Other	\$ 1,500	\$ 1,500	\$ -	\$ (1,500)
Total revenues	<u>1,500</u>	<u>1,500</u>	<u>-</u>	<u>(1,500)</u>
Expenditures:				
<i>Current:</i>				
Security of persons and property				
Personal services	163	163	163	-
Contractual services	39	39	39	-
Materials and supplies	2,200	2,200	508	1,692
Total expenditures	<u>2,402</u>	<u>2,402</u>	<u>710</u>	<u>1,692</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(902)</u>	<u>(902)</u>	<u>(710)</u>	<u>192</u>
Other financing sources (uses):				
Transfers in	326	326	326	-
Total other financing sources (uses)	<u>326</u>	<u>326</u>	<u>326</u>	<u>-</u>
Net change in fund balance	(576)	(576)	(384)	192
Fund balance at beginning of year	22,441	22,441	22,441	-
Fund balance at end of year	<u>\$ 21,865</u>	<u>\$ 21,865</u>	<u>\$ 22,057</u>	<u>\$ 192</u>

CITY OF WADSWORTH, OHIO

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
STREET/UTILITY MAINTENANCE GUARANTEES FUND
 FOR THE YEAR ENDED DECEMBER 31, 2020

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
Expenditures:				
<i>Current:</i>				
Transportation				
Personal services	\$ 91	\$ 91	\$ 91	\$ -
Contractual services	21	21	21	-
Materials and supplies	<u>10,000</u>	<u>10,000</u>	<u>-</u>	<u>10,000</u>
Total expenditures	<u>10,112</u>	<u>10,112</u>	<u>112</u>	<u>10,000</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(10,112)</u>	<u>(10,112)</u>	<u>(112)</u>	<u>10,000</u>
Other financing sources (uses):				
Transfers in	<u>741</u>	<u>741</u>	<u>741</u>	<u>-</u>
Total other financing sources (uses)	<u>741</u>	<u>741</u>	<u>741</u>	<u>-</u>
Net change in fund balance	(9,371)	(9,371)	629	10,000
Fund balance at beginning of year	<u>52,868</u>	<u>52,868</u>	<u>52,868</u>	<u>-</u>
Fund balance at end of year	<u><u>\$ 43,497</u></u>	<u><u>\$ 43,497</u></u>	<u><u>\$ 53,497</u></u>	<u><u>\$ 10,000</u></u>

CITY OF WADSWORTH, OHIO

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
RECREATION FUND
 FOR THE YEAR ENDED DECEMBER 31, 2020

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Income taxes	\$ 100,000	\$ 100,000	\$ 96,000	\$ (4,000)
Rental income	109,242	109,242	107,294	(1,948)
Total revenues	<u>209,242</u>	<u>209,242</u>	<u>203,294</u>	<u>(5,948)</u>
Expenditures:				
<i>Current:</i>				
Leisure time activities				
Personal services	2,289	2,289	2,289	-
Contractual services	108,907	108,906	85,970	22,936
Capital outlay	41,000	41,000	-	41,000
Total - leisure time activities	<u>152,196</u>	<u>152,195</u>	<u>88,259</u>	<u>63,936</u>
Debt service				
Principal retirement	787,160	787,160	787,160	-
Interest and fiscal charges	17,319	17,319	17,318	1
Total - debt service	<u>804,479</u>	<u>804,479</u>	<u>804,478</u>	<u>1</u>
Total expenditures	<u>956,675</u>	<u>956,674</u>	<u>892,737</u>	<u>63,937</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(747,433)</u>	<u>(747,432)</u>	<u>(689,443)</u>	<u>57,989</u>
Other financing sources (uses):				
Internal note issuance	675,442	675,442	675,442	-
Transfers in	5,150	5,150	5,150	-
Total other financing sources (uses)	<u>680,592</u>	<u>680,592</u>	<u>680,592</u>	<u>-</u>
Net change in fund balance	<u>(66,841)</u>	<u>(66,840)</u>	<u>(8,851)</u>	<u>57,989</u>
Fund balance at beginning of year	<u>387,980</u>	<u>387,980</u>	<u>387,980</u>	<u>-</u>
Fund balance at end of year	<u><u>\$ 321,139</u></u>	<u><u>\$ 321,140</u></u>	<u><u>\$ 379,129</u></u>	<u><u>\$ 57,989</u></u>

CITY OF WADSWORTH, OHIO

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
STREET MAINTENANCE FUND
 FOR THE YEAR ENDED DECEMBER 31, 2020

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Income taxes	\$ 1,120,000	\$ 1,120,000	\$ 1,097,600	\$ (22,400)
Charges for services	15,000	15,000	8,586	(6,414)
Intergovernmental	1,055,000	1,055,000	1,158,894	103,894
Other	37,193	37,193	37,513	320
Total revenues	<u>2,227,193</u>	<u>2,227,193</u>	<u>2,302,593</u>	<u>75,400</u>
Expenditures:				
<i>Current:</i>				
Transportation				
Personal services	1,584,029	1,584,029	1,349,701	234,328
Contractual services	525,786	516,881	336,848	180,033
Materials and supplies	298,065	294,366	147,153	147,213
Other	10,701	10,201	378	9,823
Total expenditures	<u>2,418,581</u>	<u>2,405,477</u>	<u>1,834,080</u>	<u>571,397</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(191,388)</u>	<u>(178,284)</u>	<u>468,513</u>	<u>646,797</u>
Other financing sources (uses):				
Sale of assets	10,000	10,000	11,217	1,217
Transfers in	13,461	13,461	13,461	-
Total other financing sources (uses)	<u>23,461</u>	<u>23,461</u>	<u>24,678</u>	<u>1,217</u>
Net change in fund balance	(167,927)	(154,823)	493,191	648,014
Fund balance at beginning of year	974,706	974,706	974,706	-
Prior year encumbrances appropriated	<u>29,359</u>	<u>29,359</u>	<u>29,359</u>	<u>-</u>
Fund balance at end of year	<u>\$ 836,138</u>	<u>\$ 849,242</u>	<u>\$ 1,497,256</u>	<u>\$ 648,014</u>

CITY OF WADSWORTH, OHIO

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
EMERGENCY MEDICAL SERVICES FUND
 FOR THE YEAR ENDED DECEMBER 31, 2020

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Revenues:				
Property and other taxes	\$ 1,120,816	\$ 1,064,348	\$ 1,116,760	\$ 52,412
Charges for services	825,592	825,592	845,307	19,715
Intergovernmental	75,684	145,152	146,526	1,374
Contributions and donations	350	350	46,220	45,870
Other	<u>38,785</u>	<u>38,785</u>	<u>35,388</u>	<u>(3,397)</u>
Total revenues	<u>2,061,227</u>	<u>2,074,227</u>	<u>2,190,201</u>	<u>115,974</u>
Expenditures:				
<i>Current:</i>				
Security of persons and property				
Personal services	1,608,324	1,608,324	818,059	790,265
Contractual services	189,697	192,618	163,136	29,482
Materials and supplies	67,044	76,640	54,671	21,969
Other	27,943	25,026	17,502	7,524
Capital outlay	<u>9,600</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total expenditures	<u>1,902,608</u>	<u>1,902,608</u>	<u>1,053,368</u>	<u>849,240</u>
Excess (deficiency) of revenues over (under) expenditures	<u>158,619</u>	<u>171,619</u>	<u>1,136,833</u>	<u>965,214</u>
Other financing sources (uses):				
Transfers in	<u>33,441</u>	<u>33,441</u>	<u>33,441</u>	<u>-</u>
Total other financing sources (uses)	<u>33,441</u>	<u>33,441</u>	<u>33,441</u>	<u>-</u>
Net change in fund balance	192,060	205,060	1,170,274	965,214
Fund balance at beginning of year	<u>2,858,590</u>	<u>2,858,590</u>	<u>2,858,590</u>	<u>-</u>
Fund balance at end of year	<u><u>\$ 3,050,650</u></u>	<u><u>\$ 3,063,650</u></u>	<u><u>\$ 4,028,864</u></u>	<u><u>\$ 965,214</u></u>

CITY OF WADSWORTH, OHIO

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
MUNICIPAL COURT SPECIAL PROGRAMS FUND
 FOR THE YEAR ENDED DECEMBER 31, 2020

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Revenues:				
Fines and forfeitures	\$ 40,919	\$ 40,919	\$ 32,306	\$ (8,613)
Total revenues	<u>40,919</u>	<u>40,919</u>	<u>32,306</u>	<u>(8,613)</u>
Expenditures:				
<i>Current:</i>				
General government				
Personal services	636	636	636	-
Contractual services	<u>31,950</u>	<u>31,950</u>	<u>30,358</u>	<u>1,592</u>
Total expenditures	<u>32,586</u>	<u>32,586</u>	<u>30,994</u>	<u>1,592</u>
Excess (deficiency) of revenues over (under) expenditures	<u>8,333</u>	<u>8,333</u>	<u>1,312</u>	<u>(7,021)</u>
Other financing sources (uses):				
Transfers in	<u>2,383</u>	<u>2,383</u>	<u>2,383</u>	-
Total other financing sources (uses)	<u>2,383</u>	<u>2,383</u>	<u>2,383</u>	-
Net change in fund balance	10,716	10,716	3,695	(7,021)
Fund balance at beginning of year	<u>183,443</u>	<u>183,443</u>	<u>183,443</u>	-
Fund balance at end of year	<u><u>\$ 194,159</u></u>	<u><u>\$ 194,159</u></u>	<u><u>\$ 187,138</u></u>	<u><u>\$ (7,021)</u></u>

CITY OF WADSWORTH, OHIO

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
MUNICIPAL COURT IMPROVEMENTS FUND
 FOR THE YEAR ENDED DECEMBER 31, 2020

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Revenues:				
Fines and forfeitures	\$ 80,000	\$ 80,000	\$ 39,643	\$ (40,357)
Total revenues	<u>80,000</u>	<u>80,000</u>	<u>39,643</u>	<u>(40,357)</u>
Expenditures:				
<i>Current:</i>				
General government				
Personal services	1,417	1,417	1,417	-
Contractual services	14,835	14,835	12,835	2,000
Materials and supplies	140,000	140,000	1,315	138,685
Other	1,956	1,956	1,956	-
Capital outlay	90,000	90,000	17,864	72,136
Total expenditures	<u>248,208</u>	<u>248,208</u>	<u>35,387</u>	<u>212,821</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(168,208)</u>	<u>(168,208)</u>	<u>4,256</u>	<u>172,464</u>
Other financing sources (uses):				
Transfers in	7,736	7,736	7,736	-
Total other financing sources (uses)	<u>7,736</u>	<u>7,736</u>	<u>7,736</u>	<u>-</u>
Net change in fund balance	(160,472)	(160,472)	11,992	172,464
Fund balance at beginning of year	<u>568,770</u>	<u>568,770</u>	<u>568,770</u>	<u>-</u>
Fund balance at end of year	<u>\$ 408,298</u>	<u>\$ 408,298</u>	<u>\$ 580,762</u>	<u>\$ 172,464</u>

CITY OF WADSWORTH, OHIO

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
DEVELOPERS SHADE TREE FUND
 FOR THE YEAR ENDED DECEMBER 31, 2020

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Revenues:				
Licenses and permits	\$ 4,000	\$ 4,000	\$ 12,954	\$ 8,954
Total revenues	<u>4,000</u>	<u>4,000</u>	<u>12,954</u>	<u>8,954</u>
Expenditures:				
<i>Current:</i>				
General government				
Personal services	945	945	945	-
Contractual services	20,373	20,373	16,045	4,328
Materials and supplies	19,000	19,000	636	18,364
Other	415	415	-	415
Total expenditures	<u>40,733</u>	<u>40,733</u>	<u>17,626</u>	<u>23,107</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(36,733)</u>	<u>(36,733)</u>	<u>(4,672)</u>	<u>32,061</u>
Other financing sources (uses):				
Transfers in	1,286	1,286	1,286	-
Total other financing sources (uses)	<u>1,286</u>	<u>1,286</u>	<u>1,286</u>	<u>-</u>
Net change in fund balance	(35,447)	(35,447)	(3,386)	32,061
Fund balance at beginning of year	<u>60,355</u>	<u>60,355</u>	<u>60,355</u>	<u>-</u>
Fund balance at end of year	<u>\$ 24,908</u>	<u>\$ 24,908</u>	<u>\$ 56,969</u>	<u>\$ 32,061</u>

CITY OF WADSWORTH, OHIO

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
DRUG LAW ENFORCEMENT FUND
 FOR THE YEAR ENDED DECEMBER 31, 2020

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Revenues:				
Fines and forfeitures	\$ 5,000	\$ 5,000	\$ 2,520	\$ (2,480)
Contributions and donations	<u>2,500</u>	<u>2,500</u>	<u>3,465</u>	<u>965</u>
Total revenues	<u>7,500</u>	<u>7,500</u>	<u>5,985</u>	<u>(1,515)</u>
Expenditures:				
<i>Current:</i>				
Security of persons and property				
Personal services	1,163	1,163	1,163	-
Contractual services	2,175	2,175	1,028	1,147
Materials and supplies	<u>5,200</u>	<u>5,200</u>	<u>679</u>	<u>4,521</u>
Total expenditures	<u>8,538</u>	<u>8,538</u>	<u>2,870</u>	<u>5,668</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(1,038)</u>	<u>(1,038)</u>	<u>3,115</u>	<u>4,153</u>
Other financing sources (uses):				
Transfers in	<u>774</u>	<u>774</u>	<u>774</u>	<u>-</u>
Total other financing sources (uses)	<u>774</u>	<u>774</u>	<u>774</u>	<u>-</u>
Net change in fund balance	(264)	(264)	3,889	4,153
Fund balance at beginning of year	<u>57,428</u>	<u>57,428</u>	<u>57,428</u>	<u>-</u>
Fund balance at end of year	<u>\$ 57,164</u>	<u>\$ 57,164</u>	<u>\$ 61,317</u>	<u>\$ 4,153</u>

CITY OF WADSWORTH, OHIO

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
LAW ENFORCEMENT AND EDUCATION FUND
 FOR THE YEAR ENDED DECEMBER 31, 2020

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Fines and forfeitures	\$ 4,000	\$ 4,000	\$ 1,885	\$ (2,115)
Total revenues	<u>4,000</u>	<u>4,000</u>	<u>1,885</u>	<u>(2,115)</u>
Expenditures:				
<i>Current:</i>				
General government				
Personal services	382	382	382	-
Contractual services	<u>90</u>	<u>90</u>	<u>90</u>	<u>-</u>
Total general government	<u>472</u>	<u>472</u>	<u>472</u>	<u>-</u>
Security of persons and property				
Materials and supplies	<u>5,000</u>	<u>5,000</u>	<u>-</u>	<u>5,000</u>
Total security of persons and property	<u>5,000</u>	<u>5,000</u>	<u>-</u>	<u>5,000</u>
Total expenditures	<u>5,472</u>	<u>5,472</u>	<u>472</u>	<u>5,000</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(1,472)</u>	<u>(1,472)</u>	<u>1,413</u>	<u>2,885</u>
Other financing sources (uses):				
Transfers in	<u>389</u>	<u>389</u>	<u>389</u>	<u>-</u>
Total other financing sources (uses)	<u>389</u>	<u>389</u>	<u>389</u>	<u>-</u>
Net change in fund balance	(1,083)	(1,083)	1,802	2,885
Fund balance at beginning of year	<u>24,228</u>	<u>24,228</u>	<u>24,228</u>	<u>-</u>
Fund balance at end of year	<u>\$ 23,145</u>	<u>\$ 23,145</u>	<u>\$ 26,030</u>	<u>\$ 2,885</u>

CITY OF WADSWORTH, OHIO

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
INDIGENT DRIVERS ALCOHOL TREATMENT FUND
 FOR THE YEAR ENDED DECEMBER 31, 2020

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Revenues:				
Fines and forfeitures	\$ 27,000	\$ 27,000	\$ 13,441	\$ (13,559)
Intergovernmental	16,000	16,000	9,646	(6,354)
Total revenues	<u>43,000</u>	<u>43,000</u>	<u>23,087</u>	<u>(19,913)</u>
Expenditures:				
<i>Current:</i>				
General government				
Personal services	872	872	872	-
Contractual services	45,206	45,206	43,504	1,702
Total expenditures	<u>46,078</u>	<u>46,078</u>	<u>44,376</u>	<u>1,702</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(3,078)</u>	<u>(3,078)</u>	<u>(21,289)</u>	<u>(18,211)</u>
Other financing sources (uses):				
Transfers in	2,724	2,724	2,724	-
Total other financing sources (uses)	<u>2,724</u>	<u>2,724</u>	<u>2,724</u>	<u>-</u>
Net change in fund balance	(354)	(354)	(18,565)	(18,211)
Fund balance at beginning of year	<u>176,015</u>	<u>176,015</u>	<u>176,015</u>	<u>-</u>
Fund balance at end of year	<u>\$ 175,661</u>	<u>\$ 175,661</u>	<u>\$ 157,450</u>	<u>\$ (18,211)</u>

CITY OF WADSWORTH, OHIO

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)

LAW ENFORCEMENT TRUST FUND

FOR THE YEAR ENDED DECEMBER 31, 2020

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Revenues:				
Fines and forfeitures	\$ 4,000	\$ 4,000	\$ 335	\$ (3,665)
Investment income	900	900	272	(628)
Contributions and donations	-	-	1,500	1,500
Total revenues	<u>4,900</u>	<u>4,900</u>	<u>2,107</u>	<u>(2,793)</u>
Expenditures:				
<i>Current:</i>				
Security of persons and property				
Personal services	781	781	781	-
Contractual services	185	185	185	-
Materials and supplies	18,000	18,000	9,713	8,287
Total expenditures	<u>18,966</u>	<u>18,966</u>	<u>10,679</u>	<u>8,287</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(14,066)</u>	<u>(14,066)</u>	<u>(8,572)</u>	<u>5,494</u>
Other financing sources (uses):				
Sale of assets	-	-	3,525	3,525
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>3,525</u>	<u>3,525</u>
Net change in fund balance	(14,066)	(14,066)	(5,047)	9,019
Fund balance at beginning of year	<u>192,090</u>	<u>192,090</u>	<u>192,090</u>	<u>-</u>
Fund balance at end of year	<u>\$ 178,024</u>	<u>\$ 178,024</u>	<u>\$ 187,043</u>	<u>\$ 9,019</u>

CITY OF WADSWORTH, OHIO

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
PERMISSIVE MOTOR VEHICLE LICENSE FUND
 FOR THE YEAR ENDED DECEMBER 31, 2020

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Intergovernmental	\$ 250,000	\$ 250,000	\$ 260,780	\$ 10,780
Total revenues	<u>250,000</u>	<u>250,000</u>	<u>260,780</u>	<u>10,780</u>
Expenditures:				
<i>Current:</i>				
Transportation				
Personal services	1,544	1,544	1,544	-
Contractual services	9,865	9,865	1,001	8,864
Materials and supplies	178,326	178,326	168,516	9,810
Capital outlay	294,868	294,868	259,302	35,566
Total expenditures	<u>484,603</u>	<u>484,603</u>	<u>430,363</u>	<u>54,240</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(234,603)</u>	<u>(234,603)</u>	<u>(169,583)</u>	<u>65,020</u>
Other financing sources (uses):				
Sale of assets	-	-	1,192	1,192
Transfers in	5,486	5,486	5,486	-
Total other financing sources (uses)	<u>5,486</u>	<u>5,486</u>	<u>6,678</u>	<u>1,192</u>
Net change in fund balance	(229,117)	(229,117)	(162,905)	66,212
Fund balance at beginning of year	447,246	447,246	447,246	-
Prior year encumbrances appropriated	<u>61,194</u>	<u>61,194</u>	<u>61,194</u>	<u>-</u>
Fund balance at end of year	<u>\$ 279,323</u>	<u>\$ 279,323</u>	<u>\$ 345,535</u>	<u>\$ 66,212</u>

CITY OF WADSWORTH, OHIO

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
STATE HIGHWAY FUND
 FOR THE YEAR ENDED DECEMBER 31, 2020

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Intergovernmental	\$ 90,000	\$ 90,000	\$ 93,964	\$ 3,964
Total revenues	<u>90,000</u>	<u>90,000</u>	<u>93,964</u>	<u>3,964</u>
Expenditures:				
<i>Current:</i>				
Transportation				
Personal services	1,308	1,308	1,308	-
Contractual services	183,931	164,854	21,492	143,362
Materials and supplies	42,500	41,500	14,484	27,016
Capital outlay	-	7,015	7,015	-
Total expenditures	<u>227,739</u>	<u>214,677</u>	<u>44,299</u>	<u>170,378</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(137,739)</u>	<u>(124,677)</u>	<u>49,665</u>	<u>174,342</u>
Other financing sources (uses):				
Transfers in	1,953	1,953	1,953	-
Total other financing sources (uses)	<u>1,953</u>	<u>1,953</u>	<u>1,953</u>	<u>-</u>
Net change in fund balance	(135,786)	(122,724)	51,618	174,342
Fund balance at beginning of year	168,125	168,125	168,125	-
Prior year encumbrances appropriated	<u>21,121</u>	<u>21,121</u>	<u>21,121</u>	<u>-</u>
Fund balance at end of year	<u><u>\$ 53,460</u></u>	<u><u>\$ 66,522</u></u>	<u><u>\$ 240,864</u></u>	<u><u>\$ 174,342</u></u>

CITY OF WADSWORTH, OHIO

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
ABATEMENT OF PUBLIC NUISANCE FUND
 FOR THE YEAR ENDED DECEMBER 31, 2020

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Revenues:				
Fines and forfeitures	\$ 15,400	\$ 15,400	\$ 6,797	\$ (8,603)
Total revenues	<u>15,400</u>	<u>15,400</u>	<u>6,797</u>	<u>(8,603)</u>
Expenditures:				
<i>Current:</i>				
Public health				
Personal services	382	382	382	-
Contractual services	<u>24,200</u>	<u>24,200</u>	<u>555</u>	<u>23,645</u>
Total expenditures	<u>24,582</u>	<u>24,582</u>	<u>937</u>	<u>23,645</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(9,182)</u>	<u>(9,182)</u>	<u>5,860</u>	<u>15,042</u>
Other financing sources (uses):				
Transfers in	<u>1,196</u>	<u>1,196</u>	<u>1,196</u>	-
Total other financing sources (uses)	<u>1,196</u>	<u>1,196</u>	<u>1,196</u>	-
Net change in fund balance	(7,986)	(7,986)	7,056	15,042
Fund balance at beginning of year	<u>91,148</u>	<u>91,148</u>	<u>91,148</u>	-
Fund balance at end of year	<u><u>\$ 83,162</u></u>	<u><u>\$ 83,162</u></u>	<u><u>\$ 98,204</u></u>	<u><u>\$ 15,042</u></u>

CITY OF WADSWORTH, OHIO

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
CHIPPEWA CREEK WELL RESERVE FUND
 FOR THE YEAR ENDED DECEMBER 31, 2020

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
TOTAL	\$ -	\$ -	\$ -	\$ -
Net change in fund balance	-	-	-	-
Fund balance at beginning of year	<u>100,000</u>	<u>100,000</u>	<u>100,000</u>	<u>-</u>
Fund balance at end of year	<u><u>\$ 100,000</u></u>	<u><u>\$ 100,000</u></u>	<u><u>\$ 100,000</u></u>	<u><u>\$ -</u></u>

CITY OF WADSWORTH, OHIO

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
COMMUNITY REINVESTMENT FUND
 FOR THE YEAR ENDED DECEMBER 31, 2020

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Revenues:				
Other	\$ 2,500	\$ 2,500	\$ 1,500	\$ (1,000)
Total revenues	<u>2,500</u>	<u>2,500</u>	<u>1,500</u>	<u>(1,000)</u>
Expenditures:				
<i>Current:</i>				
Community and economic development				
Personal services	200	200	200	-
Contractual services	<u>2,247</u>	<u>2,247</u>	<u>47</u>	<u>2,200</u>
Total expenditures	<u>2,447</u>	<u>2,447</u>	<u>247</u>	<u>2,200</u>
Excess (deficiency) of revenues over (under) expenditures	<u>53</u>	<u>53</u>	<u>1,253</u>	<u>1,200</u>
Other financing sources (uses):				
Transfers in	<u>549</u>	<u>549</u>	<u>549</u>	<u>-</u>
Total other financing sources (uses)	<u>549</u>	<u>549</u>	<u>549</u>	<u>-</u>
Net change in fund balance	602	602	1,802	1,200
Fund balance at beginning of year	<u>42,031</u>	<u>42,031</u>	<u>42,031</u>	<u>-</u>
Fund balance at end of year	<u>\$ 42,633</u>	<u>\$ 42,633</u>	<u>\$ 43,833</u>	<u>\$ 1,200</u>

CITY OF WADSWORTH, OHIO

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
SAFE ROUTES TO SCHOOL GRANT FUND
 FOR THE YEAR ENDED DECEMBER 31, 2020

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Revenues:				
Intergovernmental	\$ -	\$ -	\$ 9,000	\$ 9,000
Total revenues	<u>-</u>	<u>-</u>	<u>9,000</u>	<u>9,000</u>
Expenditures:				
<i>Current:</i>				
Transportation				
Capital outlay	<u>9,000</u>	<u>9,000</u>	<u>9,000</u>	<u>-</u>
Total expenditures	<u>9,000</u>	<u>9,000</u>	<u>9,000</u>	<u>-</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(9,000)</u>	<u>(9,000)</u>	<u>-</u>	<u>9,000</u>
Other financing sources (uses):				
Advance out	<u>-</u>	<u>-</u>	<u>(9,000)</u>	<u>(9,000)</u>
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>(9,000)</u>	<u>(9,000)</u>
Net change in fund balance	<u>(9,000)</u>	<u>(9,000)</u>	<u>(9,000)</u>	<u>-</u>
Fund balance at beginning of year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Prior year encumbrances appropriated	<u>9,000</u>	<u>9,000</u>	<u>9,000</u>	<u>-</u>
Fund balance at end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

CITY OF WADSWORTH, OHIO

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
CORONAVIRUS RELIEF FUND
 FOR THE YEAR ENDED DECEMBER 31, 2020

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Revenues:				
Intergovernmental	\$ -	\$ 1,668,172	\$ 1,668,172	\$ -
Investment income	-	400	321	(79)
Total revenues	<u>-</u>	<u>1,668,572</u>	<u>1,668,493</u>	<u>(79)</u>
Expenditures:				
<i>Current:</i>				
General government				
Personal services	-	1,410,530	1,410,530	-
Contractual services	-	3,621	3,621	-
Materials and supplies	-	171,467	171,467	-
Other	-	82,875	82,875	-
Total expenditures	<u>-</u>	<u>1,668,493</u>	<u>1,668,493</u>	<u>-</u>
Net change in fund balance	-	79	-	(79)
Fund balance at beginning of year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance at end of year	<u>\$ -</u>	<u>\$ 79</u>	<u>\$ -</u>	<u>\$ (79)</u>

CITY OF WADSWORTH, OHIO

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
ROUNDBOUT AT SR 57 & SEVILLE RD. FUND
 FOR THE YEAR ENDED DECEMBER 31, 2020

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Intergovernmental	\$ -	\$ -	\$ 78,469	\$ 78,469
Total revenues	<u>-</u>	<u>-</u>	<u>78,469</u>	<u>78,469</u>
Expenditures:				
Transportation				
Capital outlay	122,406	122,406	122,405	1
Total expenditures	<u>122,406</u>	<u>122,406</u>	<u>122,405</u>	<u>1</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(122,406)</u>	<u>(122,406)</u>	<u>(43,936)</u>	<u>78,470</u>
Other financing sources (uses):				
Advances in	-	-	43,936	43,936
Advance out	-	-	(122,406)	(122,406)
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>(78,470)</u>	<u>(78,470)</u>
Net change in fund balance	(122,406)	(122,406)	(122,406)	-
Fund balance at beginning of year	-	-	-	-
Prior year encumbrances appropriated	<u>122,406</u>	<u>122,406</u>	<u>122,406</u>	<u>-</u>
Fund balance at end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

CITY OF WADSWORTH, OHIO

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
RECREATION TAX FUND
 FOR THE YEAR ENDED DECEMBER 31, 2020

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Revenues:				
Property and other taxes	\$ 65,000	\$ 65,000	\$ 54,900	\$ (10,100)
Other	-	-	731	731
Total revenues	<u>65,000</u>	<u>65,000</u>	<u>55,631</u>	<u>(9,369)</u>
Expenditures:				
<i>Current:</i>				
Leisure time activities				
Personal services	891	891	891	-
Contractual services	210	210	210	-
Other	365	995	995	-
Capital outlay	<u>242,500</u>	<u>233,146</u>	<u>83,776</u>	<u>149,370</u>
Total expenditures	<u>243,966</u>	<u>235,242</u>	<u>85,872</u>	<u>149,370</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(178,966)</u>	<u>(170,242)</u>	<u>(30,241)</u>	<u>140,001</u>
Other financing sources (uses):				
Transfers in	<u>2,832</u>	<u>2,832</u>	<u>2,832</u>	-
Total other financing sources (uses)	<u>2,832</u>	<u>2,832</u>	<u>2,832</u>	-
Net change in fund balance	(176,134)	(167,410)	(27,409)	140,001
Fund balance at beginning of year	163,522	163,522	163,522	-
Prior year encumbrances appropriated	<u>92,500</u>	<u>92,500</u>	<u>92,500</u>	-
Fund balance at end of year	<u>\$ 79,888</u>	<u>\$ 88,612</u>	<u>\$ 228,613</u>	<u>\$ 140,001</u>

CITY OF WADSWORTH, OHIO

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
FIRE DEPARTMENT EDUCATION GRANT FUND
 FOR THE YEAR ENDED DECEMBER 31, 2020

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Revenues:				
Intergovernmental	\$ 2,500	\$ 2,500	\$ -	\$ (2,500)
Total revenues	<u>2,500</u>	<u>2,500</u>	<u>-</u>	<u>(2,500)</u>
Expenditures:				
<i>Current:</i>				
Security of persons and property				
Other	<u>3,600</u>	<u>3,600</u>	<u>1,900</u>	<u>1,700</u>
Total expenditures	<u>3,600</u>	<u>3,600</u>	<u>1,900</u>	<u>1,700</u>
Net change in fund balance	(1,100)	(1,100)	(1,900)	(800)
Fund balance at beginning of year	<u>8,819</u>	<u>8,819</u>	<u>8,819</u>	<u>-</u>
Fund balance at end of year	<u><u>\$ 7,719</u></u>	<u><u>\$ 7,719</u></u>	<u><u>\$ 6,919</u></u>	<u><u>\$ (800)</u></u>

CITY OF WADSWORTH, OHIO

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
POLICE CONTINUING PROFESSIONAL TRAINING FUND
 FOR THE YEAR ENDED DECEMBER 31, 2020

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
Expenditures:				
<i>Current:</i>				
Security of persons and property				
Other	\$ 5,500	\$ 5,500	\$ 5,412	\$ 88
Total expenditures	<u>5,500</u>	<u>5,500</u>	<u>5,412</u>	<u>88</u>
Net change in fund balance	(5,500)	(5,500)	(5,412)	88
Fund balance at beginning of year	<u>20,409</u>	<u>20,409</u>	<u>20,409</u>	<u>-</u>
Fund balance at end of year	<u>\$ 14,909</u>	<u>\$ 14,909</u>	<u>\$ 14,997</u>	<u>\$ 88</u>

CITY OF WADSWORTH, OHIO

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
CHIP REVOLVING LOAN FUND
 FOR THE YEAR ENDED DECEMBER 31, 2020

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Revenues:				
Charges for services	\$ 14,800	\$ 14,800	\$ 3,515	\$ (11,285)
Total revenues	<u>14,800</u>	<u>14,800</u>	<u>3,515</u>	<u>(11,285)</u>
Expenditures:				
<i>Current:</i>				
Community and economic development				
Personal services	236	236	236	-
Contractual services	<u>33,056</u>	<u>33,056</u>	<u>14,690</u>	<u>18,366</u>
Total expenditures	<u>33,292</u>	<u>33,292</u>	<u>14,926</u>	<u>18,366</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(18,492)</u>	<u>(18,492)</u>	<u>(11,411)</u>	<u>7,081</u>
Other financing sources (uses):				
Transfers in	<u>1,327</u>	<u>1,327</u>	<u>1,327</u>	-
Total other financing sources (uses)	<u>1,327</u>	<u>1,327</u>	<u>1,327</u>	-
Net change in fund balance	(17,165)	(17,165)	(10,084)	7,081
Fund balance at beginning of year	<u>104,103</u>	<u>104,103</u>	<u>104,103</u>	-
Fund balance at end of year	<u>\$ 86,938</u>	<u>\$ 86,938</u>	<u>\$ 94,019</u>	<u>\$ 7,081</u>

CITY OF WADSWORTH, OHIO

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
ECONOMIC DEVELOPMENT FUND
 FOR THE YEAR ENDED DECEMBER 31, 2020

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Revenues:				
Property and other taxes	\$ 30,000	\$ 30,000	\$ 18,000	\$ (12,000)
Charges for services	83,050	83,050	83,050	-
Contributions and donations	230,000	230,000	230,000	-
Other	<u>7,554</u>	<u>7,554</u>	<u>7,398</u>	<u>(156)</u>
Total revenues	<u>350,604</u>	<u>350,604</u>	<u>338,448</u>	<u>(12,156)</u>
Expenditures:				
<i>Current:</i>				
Community and economic development				
Personal services	170,177	170,177	156,395	13,782
Contractual services	114,957	113,741	69,642	44,099
Materials and supplies	750	1,966	126	1,840
Other	<u>93,435</u>	<u>93,435</u>	<u>63,732</u>	<u>29,703</u>
Total expenditures	<u>379,319</u>	<u>379,319</u>	<u>289,895</u>	<u>89,424</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(28,715)</u>	<u>(28,715)</u>	<u>48,553</u>	<u>77,268</u>
Other financing sources (uses):				
Transfers in	<u>1,450</u>	<u>1,450</u>	<u>1,450</u>	<u>-</u>
Total other financing sources (uses)	<u>1,450</u>	<u>1,450</u>	<u>1,450</u>	<u>-</u>
Net change in fund balance	(27,265)	(27,265)	50,003	77,268
Fund balance at beginning of year	227,618	227,618	227,618	-
Prior year encumbrances appropriated	<u>41,800</u>	<u>41,800</u>	<u>41,800</u>	<u>-</u>
Fund balance at end of year	<u>\$ 242,153</u>	<u>\$ 242,153</u>	<u>\$ 319,421</u>	<u>\$ 77,268</u>

CITY OF WADSWORTH, OHIO

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
TAX INCREMENT FINANCING FUND
 FOR THE YEAR ENDED DECEMBER 31, 2020

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
Expenditures:				
<i>Current:</i>				
Transportation				
Capital outlay	\$ 17,639	\$ 17,639	\$ 17,639	\$ -
Total expenditures	<u>17,639</u>	<u>17,639</u>	<u>17,639</u>	<u>-</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(17,639)</u>	<u>(17,639)</u>	<u>(17,639)</u>	<u>-</u>
Other financing sources (uses):				
Transfers in	1,044	1,044	1,044	-
Total other financing sources (uses)	<u>1,044</u>	<u>1,044</u>	<u>1,044</u>	<u>-</u>
Net change in fund balance	(16,595)	(16,595)	(16,595)	-
Fund balance at beginning of year	53,433	53,433	53,433	-
Prior year encumbrances appropriated	<u>17,639</u>	<u>17,639</u>	<u>17,639</u>	<u>-</u>
Fund balance at end of year	<u>\$ 54,477</u>	<u>\$ 54,477</u>	<u>\$ 54,477</u>	<u>\$ -</u>

CITY OF WADSWORTH, OHIO

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
REVOLVING LOAN FUND
 FOR THE YEAR ENDED DECEMBER 31, 2020

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Revenues:				
Investment income	\$ 200	\$ 200	\$ 117	\$ (83)
Total revenues	<u>200</u>	<u>200</u>	<u>117</u>	<u>(83)</u>
Expenditures:				
<i>Current:</i>				
General government				
Personal services	309	309	309	-
Contractual services	<u>7,573</u>	<u>7,573</u>	<u>73</u>	<u>7,500</u>
Total expenditures	<u>7,882</u>	<u>7,882</u>	<u>382</u>	<u>7,500</u>
Net change in fund balance	(7,682)	(7,682)	(265)	7,417
Fund balance at beginning of year	<u>96,952</u>	<u>96,952</u>	<u>96,952</u>	<u>-</u>
Fund balance at end of year	<u><u>\$ 89,270</u></u>	<u><u>\$ 89,270</u></u>	<u><u>\$ 96,687</u></u>	<u><u>\$ 7,417</u></u>

CITY OF WADSWORTH, OHIO

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
SPECIAL ASSESSMENT BOND RETIREMENT FUND
 FOR THE YEAR ENDED DECEMBER 31, 2020

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Income taxes	\$ 753,179	\$ 753,179	\$ 753,097	\$ (82)
Special assessments	89,994	89,994	90,339	345
Rental income	533,302	533,302	533,297	(5)
Total revenues	<u>1,376,475</u>	<u>1,376,475</u>	<u>1,376,733</u>	<u>258</u>
Expenditures:				
<i>Current:</i>				
Debt service				
Principal retirement	886,680	886,680	886,680	-
Interest and fiscal charges	582,431	582,430	582,430	-
Total expenditures	<u>1,469,111</u>	<u>1,469,110</u>	<u>1,469,110</u>	<u>-</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(92,636)</u>	<u>(92,635)</u>	<u>(92,377)</u>	<u>258</u>
Other financing sources (uses):				
Internal note issuance	92,150	92,150	92,150	-
Transfers in	-	-	108	108
Total other financing sources (uses)	<u>92,150</u>	<u>92,150</u>	<u>92,258</u>	<u>108</u>
Net change in fund balance	(486)	(485)	(119)	366
Fund balance at beginning of year	<u>1,637</u>	<u>1,637</u>	<u>1,637</u>	<u>-</u>
Fund balance at end of year	<u>\$ 1,151</u>	<u>\$ 1,152</u>	<u>\$ 1,518</u>	<u>\$ 366</u>

CITY OF WADSWORTH, OHIO

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
AIRPORT IMPROVEMENTS FUND
 FOR THE YEAR ENDED DECEMBER 31, 2020

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Intergovernmental	\$ 265,421	\$ 265,421	\$ 299,802	\$ 34,381
Other	15,000	15,000	-	(15,000)
Total revenues	<u>280,421</u>	<u>280,421</u>	<u>299,802</u>	<u>19,381</u>
Expenditures:				
<i>Current:</i>				
General government				
Personal services	563	563	563	-
Contractual services	350,018	350,018	350,018	-
Capital outlay	338,280	250,911	250,911	-
Total general government	<u>688,861</u>	<u>601,492</u>	<u>601,492</u>	<u>-</u>
Debt service:				
Principal retirement	72,000	72,000	72,000	-
Interest and fiscal charges	1,584	1,584	1,584	-
Total debt service	<u>73,584</u>	<u>73,584</u>	<u>73,584</u>	<u>-</u>
Total expenditures	<u>762,445</u>	<u>675,076</u>	<u>675,076</u>	<u>-</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(482,024)</u>	<u>(394,655)</u>	<u>(375,274)</u>	<u>19,381</u>
Other financing sources (uses):				
Internal note issuance	63,000	63,000	63,000	-
Advances in	-	-	125,555	125,555
Advance out	-	-	(237,306)	(237,306)
Total other financing sources (uses)	<u>63,000</u>	<u>63,000</u>	<u>(48,751)</u>	<u>(111,751)</u>
Net change in fund balance	<u>(419,024)</u>	<u>(331,655)</u>	<u>(424,025)</u>	<u>(92,370)</u>
Fund balance at beginning of year	5,860	5,860	5,860	-
Prior year encumbrances appropriated	<u>418,165</u>	<u>418,165</u>	<u>418,165</u>	<u>-</u>
Fund balance at end of year	<u>\$ 5,001</u>	<u>\$ 92,370</u>	<u>\$ -</u>	<u>\$ (92,370)</u>

CITY OF WADSWORTH, OHIO

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
GENERAL CAPITAL IMPROVEMENT FUND
FOR THE YEAR ENDED DECEMBER 31, 2020

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Income taxes	\$ 500,000	\$ 500,000	\$ 385,000	\$ (115,000)
Property and other taxes	100,000	100,000	64,822	(35,178)
Other	112,444	112,444	112,444	-
Total revenues	<u>712,444</u>	<u>712,444</u>	<u>562,266</u>	<u>(150,178)</u>
Expenditures:				
<i>Current:</i>				
General government				
Personal services	5,359	5,359	5,359	-
Contractual services	31,418	31,417	23,734	7,683
Materials and supplies	4,500	4,500	372	4,128
Capital outlay	1,152,665	1,043,807	188,627	855,180
Total general government	<u>1,193,942</u>	<u>1,085,083</u>	<u>218,092</u>	<u>866,991</u>
Security of persons and property				
Capital outlay	123,602	96,600	96,600	-
Total security of persons and property	<u>123,602</u>	<u>96,600</u>	<u>96,600</u>	<u>-</u>
Transportation				
Capital outlay	434,000	133,722	133,722	-
Total transportation	<u>434,000</u>	<u>133,722</u>	<u>133,722</u>	<u>-</u>
Leisure time activities				
Capital outlay	130,000	111,767	51,767	60,000
Total leisure time activities	<u>130,000</u>	<u>111,767</u>	<u>51,767</u>	<u>60,000</u>
Debt service:				
Principal retirement	253,292	253,292	253,292	-
Interest and fiscal charges	5,573	5,573	5,572	1
Total debt service	<u>258,865</u>	<u>258,865</u>	<u>258,864</u>	<u>1</u>
Total expenditures	<u>2,140,409</u>	<u>1,686,037</u>	<u>759,045</u>	<u>926,992</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(1,427,965)</u>	<u>(973,593)</u>	<u>(196,779)</u>	<u>776,814</u>
Other financing sources (uses):				
Internal note issuance	740,864	740,864	168,864	(572,000)
Transfers in	17,501	17,501	17,501	-
Total other financing sources (uses)	<u>758,365</u>	<u>758,365</u>	<u>186,365</u>	<u>(572,000)</u>
Net change in fund balance	<u>(669,600)</u>	<u>(215,228)</u>	<u>(10,414)</u>	<u>204,814</u>
Fund balance at beginning of year	1,129,043	1,129,043	1,129,043	-
Prior year encumbrances appropriated	104,533	104,533	104,533	-
Fund balance at end of year	<u>\$ 563,976</u>	<u>\$ 1,018,348</u>	<u>\$ 1,223,162</u>	<u>\$ 204,814</u>

CITY OF WADSWORTH, OHIO

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
EMS RESERVE FUND
 FOR THE YEAR ENDED DECEMBER 31, 2020

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Revenues:				
Charges for services	\$ 112,796	\$ 112,796	\$ 109,040	\$ (3,756)
Other	-	-	4	4
Total revenues	<u>112,796</u>	<u>112,796</u>	<u>109,044</u>	<u>(3,752)</u>
Expenditures:				
<i>Current:</i>				
Security of persons and property				
Personal services	345	345	345	-
Contractual services	30,082	18,582	82	18,500
Capital outlay	<u>250,000</u>	<u>261,500</u>	<u>197,988</u>	<u>63,512</u>
Total expenditures	<u>280,427</u>	<u>280,427</u>	<u>198,415</u>	<u>82,012</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(167,631)</u>	<u>(167,631)</u>	<u>(89,371)</u>	<u>78,260</u>
Other financing sources (uses):				
Transfers in	<u>17,796</u>	<u>17,796</u>	<u>17,796</u>	-
Total other financing sources (uses)	<u>17,796</u>	<u>17,796</u>	<u>17,796</u>	-
Net change in fund balance	(149,835)	(149,835)	(71,575)	78,260
Fund balance at beginning of year	<u>1,449,469</u>	<u>1,449,469</u>	<u>1,449,469</u>	-
Fund balance at end of year	<u><u>\$ 1,299,634</u></u>	<u><u>\$ 1,299,634</u></u>	<u><u>\$ 1,377,894</u></u>	<u><u>\$ 78,260</u></u>

CITY OF WADSWORTH, OHIO

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
FIRE LEVY FUND
 FOR THE YEAR ENDED DECEMBER 31, 2020

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Other	\$ -	\$ -	\$ 4	\$ 4
Total revenues	<u>-</u>	<u>-</u>	<u>4</u>	<u>4</u>
Expenditures:				
<i>Current:</i>				
Security of persons and property				
Personal services	1,599	1,599	1,599	-
Contractual services	50,978	38,878	10,727	28,151
Materials and supplies	53,651	46,951	33,156	13,795
Capital outlay	1,149,500	1,168,300	945,600	222,700
Total expenditures	<u>1,255,728</u>	<u>1,255,728</u>	<u>991,082</u>	<u>264,646</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(1,255,728)</u>	<u>(1,255,728)</u>	<u>(991,078)</u>	<u>264,650</u>
Other financing sources (uses):				
Transfers in	58,607	58,607	58,607	-
Total other financing sources (uses)	<u>58,607</u>	<u>58,607</u>	<u>58,607</u>	<u>-</u>
Net change in fund balance	(1,197,121)	(1,197,121)	(932,471)	264,650
Fund balance at beginning of year	<u>4,027,003</u>	<u>4,027,003</u>	<u>4,027,003</u>	<u>-</u>
Fund balance at end of year	<u>\$ 2,829,882</u>	<u>\$ 2,829,882</u>	<u>\$ 3,094,532</u>	<u>\$ 264,650</u>

CITY OF WADSWORTH, OHIO

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
PARK LAND ACQUISITION FUND
 FOR THE YEAR ENDED DECEMBER 31, 2020

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Revenues:				
Licenses and permits	\$ 14,000	\$ 14,000	\$ 18,400	\$ 4,400
Total revenues	<u>14,000</u>	<u>14,000</u>	<u>18,400</u>	<u>4,400</u>
Expenditures:				
<i>Current:</i>				
Leisure time activities				
Personal services	218	218	218	-
Contractual services	52	52	52	-
Capital outlay	<u>300,000</u>	<u>300,000</u>	<u>-</u>	<u>300,000</u>
Total expenditures	<u>300,270</u>	<u>300,270</u>	<u>270</u>	<u>300,000</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(286,270)</u>	<u>(286,270)</u>	<u>18,130</u>	<u>304,400</u>
Other financing sources (uses):				
Transfers in	<u>5,806</u>	<u>5,806</u>	<u>5,806</u>	<u>-</u>
Total other financing sources (uses)	<u>5,806</u>	<u>5,806</u>	<u>5,806</u>	<u>-</u>
Net change in fund balance	(280,464)	(280,464)	23,936	304,400
Fund balance at beginning of year	<u>412,798</u>	<u>412,798</u>	<u>412,798</u>	<u>-</u>
Fund balance at end of year	<u>\$ 132,334</u>	<u>\$ 132,334</u>	<u>\$ 436,734</u>	<u>\$ 304,400</u>

CITY OF WADSWORTH, OHIO

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
STREET IMPROVEMENT FUND
 FOR THE YEAR ENDED DECEMBER 31, 2020

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Income taxes	\$ 945,801	\$ 945,801	\$ 931,446	\$ (14,355)
Other	-	-	40,379	40,379
Total revenues	<u>945,801</u>	<u>945,801</u>	<u>971,825</u>	<u>26,024</u>
Expenditures:				
<i>Current:</i>				
Transportation				
Personal services	1,254	1,254	1,254	-
Contractual services	1,896	1,896	658	1,238
Capital outlay	1,099,787	1,077,933	992,934	84,999
Total expenditures	<u>1,102,937</u>	<u>1,081,083</u>	<u>994,846</u>	<u>86,237</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(157,136)</u>	<u>(135,282)</u>	<u>(23,021)</u>	<u>112,261</u>
Other financing sources (uses):				
Transfers in	3,717	3,717	3,717	-
Total other financing sources (uses)	<u>3,717</u>	<u>3,717</u>	<u>3,717</u>	<u>-</u>
Net change in fund balance	<u>(153,419)</u>	<u>(131,565)</u>	<u>(19,304)</u>	<u>112,261</u>
Fund balance at beginning of year	287,466	287,466	287,466	-
Prior year encumbrances appropriated	<u>33,187</u>	<u>33,187</u>	<u>33,187</u>	<u>-</u>
Fund balance at end of year	<u><u>\$ 167,234</u></u>	<u><u>\$ 189,088</u></u>	<u><u>\$ 301,349</u></u>	<u><u>\$ 112,261</u></u>

CITY OF WADSWORTH, OHIO

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
SPECIAL ASSESSMENTS FUND
 FOR THE YEAR ENDED DECEMBER 31, 2020

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Revenues:				
Income taxes	\$ 1,700	\$ 1,700	\$ 2,500	\$ 800
Special assessments	172,300	172,300	11,215	(161,085)
Total revenues	<u>174,000</u>	<u>174,000</u>	<u>13,715</u>	<u>(160,285)</u>
Expenditures:				
<i>Current:</i>				
General government				
Contractual services	124,000	10,350	10,350	-
Capital outlay	100,000	-	-	-
Total expenditures	<u>224,000</u>	<u>10,350</u>	<u>10,350</u>	<u>-</u>
Net change in fund balance	(50,000)	163,650	3,365	(160,285)
Fund balance at beginning of year	<u>52,495</u>	<u>52,495</u>	<u>52,495</u>	<u>-</u>
Fund balance at end of year	<u>\$ 2,495</u>	<u>\$ 216,145</u>	<u>\$ 55,860</u>	<u>\$ (160,285)</u>

CITY OF WADSWORTH, OHIO

FUND DESCRIPTIONS - PROPRIETARY FUNDS

Proprietary funds are used to account for the City's ongoing organizations and activities which are similar to those found in the private sector. The measurement focus is upon determination of net income, financial position, and cash flow.

Internal Service Funds

Equipment Maintenance Fund

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 Fund

To account for the costs associated with the purchase, maintenance and repair of City owned networks and computer systems. All the funds that benefit from these services pay their proportionate share of direct and overhead costs based on the number of servers, network devices, and storage.

Health Insurance Retention Fund

To account for payments of City employee health insurance claims, third party administrative costs, and stop loss insurance premiums. All funds that have employees covered under the City's health insurance are charged a premium based on the number of employees and the coverage.

Liability Insurance Retention Fund

To account for monies used to pay for liabilities that are below third party insurance deductibles or not covered under certain policies.

Benefits Reserve Fund

To account for resources used to pay accrued benefits to City employees and salaries during any fiscal year when the number of pay periods exceeds the usual and customary number of pay periods.

Workers' Compensation Retention Fund

To account for payments of City employee workers' compensation claims, third party administrative costs, and stop loss insurance premiums. All funds that have employees covered under the City's self-insured workers' compensation program are charged a premium based on the amount of gross wages.

CITY OF WADSWORTH, OHIO

COMBINING STATEMENT OF FUND NET POSITION
INTERNAL SERVICE FUNDS
DECEMBER 31, 2020

	Equipment Maintenance	Information Technology	Health Insurance Retention	Liability Insurance Retention
Assets:				
Current assets:				
Equity in pooled cash and cash equivalents	180,711	110,650	1,937,706	33,164
Cash in segregated accounts	6,268	13,129	-	-
Receivables:				
Accounts	-	-	81,660	-
Interfund loans	24,389	14,933	261,530	4,476
Materials and supplies inventory	394,364	-	-	-
Prepayments	8,797	83,238	-	-
Total current assets	<u>614,529</u>	<u>221,950</u>	<u>2,280,896</u>	<u>37,640</u>
Noncurrent assets:				
Net pension asset	5,387	10,647	-	-
Depreciable capital assets, net	170,339	139,037	-	-
Total noncurrent assets	<u>175,726</u>	<u>149,684</u>	<u>-</u>	<u>-</u>
Total assets	<u>790,255</u>	<u>371,634</u>	<u>2,280,896</u>	<u>37,640</u>
Deferred outflows of resources:				
Pension	76,542	136,086	-	-
OPEB	49,805	90,780	-	-
Total deferred outflows of resources	<u>126,347</u>	<u>226,866</u>	<u>-</u>	<u>-</u>
Total assets and deferred outflows	<u>916,602</u>	<u>598,500</u>	<u>2,280,896</u>	<u>37,640</u>
Liabilities:				
Current liabilities:				
Accounts payable	11,056	1,229	-	-
Accrued wages and benefits payable	4,713	9,144	-	-
Due to other governments	4,888	10,293	1,062	-
Compensated absences payable - current	38,202	65,225	-	-
Claims payable	-	-	459,838	-
Undistributed monies	2,167	4,342	-	-
Total current liabilities	<u>61,026</u>	<u>90,233</u>	<u>460,900</u>	<u>-</u>
Long-term liabilities:				
Compensated absences payable	43,188	61,713	-	-
Net pension liability	373,880	738,898	-	-
Net OPEB liability	259,020	511,900	-	-
Total long-term liabilities	<u>676,088</u>	<u>1,312,511</u>	<u>-</u>	<u>-</u>
Total liabilities	<u>737,114</u>	<u>1,402,744</u>	<u>460,900</u>	<u>-</u>
Deferred inflows of resources:				
Pension	88,486	160,613	-	-
OPEB	41,764	72,882	-	-
Total deferred inflows of resources	<u>130,250</u>	<u>233,495</u>	<u>-</u>	<u>-</u>
Net position:				
Net investment in capital assets	170,339	139,037	-	-
Unrestricted (deficit)	(121,101)	(1,176,776)	1,819,996	37,640
Total net position (deficit)	<u>\$ 49,238</u>	<u>\$ (1,037,739)</u>	<u>\$ 1,819,996</u>	<u>\$ 37,640</u>

(Continued)

Benefits Reserve Fund	Workers' Compensation Retention	Total
20,321	604,861	2,887,413
-	-	19,397
-	6,408	88,068
2,743	81,633	389,704
-	-	394,364
-	55,709	147,744
<u>23,064</u>	<u>748,611</u>	<u>3,926,690</u>
-	-	16,034
-	-	309,376
-	-	325,410
<u>23,064</u>	<u>748,611</u>	<u>4,252,100</u>
-	-	212,628
-	-	140,585
-	-	353,213
<u>23,064</u>	<u>748,611</u>	<u>4,605,313</u>
-	-	12,285
-	-	13,857
-	-	16,243
-	-	103,427
-	31,124	490,962
-	-	6,509
-	<u>31,124</u>	<u>643,283</u>
-	-	104,901
-	-	1,112,778
-	-	770,920
-	-	1,988,599
-	<u>31,124</u>	<u>2,631,882</u>
-	-	249,099
-	-	114,646
-	-	363,745
-	-	309,376
<u>23,064</u>	<u>717,487</u>	<u>1,300,310</u>
<u>\$ 23,064</u>	<u>\$ 717,487</u>	<u>\$ 1,609,686</u>

CITY OF WADSWORTH, OHIO

COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
INTERNAL SERVICE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2020

	Equipment Maintenance	Information Technology	Health Insurance Retention	Liability Insurance Retention
Revenues:				
Charges for services	\$ 991,787	\$ 1,479,282	\$ 4,594,862	\$ -
Other	12,877	26,048	81,660	2,500
Total operating revenues	<u>1,004,664</u>	<u>1,505,330</u>	<u>4,676,522</u>	<u>2,500</u>
Operating expenses:				
Personal services	539,606	1,037,599	4,996	146
Contract services	87,276	212,444	976,681	2,534
Materials and supplies	302,779	128,865	-	-
Claims expense	-	-	2,748,856	-
Depreciation	13,530	63,218	-	-
Other	3,040	5,971	-	-
Total operating expenses	<u>946,231</u>	<u>1,448,097</u>	<u>3,730,533</u>	<u>2,680</u>
Operating income (loss)	<u>58,433</u>	<u>57,233</u>	<u>945,989</u>	<u>(180)</u>
Nonoperating (expenses):				
Interest and fiscal charges	-	(2,129)	-	-
Gain (loss) on sale of capital assets	1,402	(8,341)	-	-
Total nonoperating (expenses)	<u>1,402</u>	<u>(10,470)</u>	<u>-</u>	<u>-</u>
Income (loss) before transfers	<u>59,835</u>	<u>46,763</u>	<u>945,989</u>	<u>(180)</u>
Transfer in	663	16,686	8,090	153
Transfer out	-	(24,343)	-	-
Change in net position	60,498	39,106	954,079	(27)
Net position (deficit) at beginning of year	<u>(11,260)</u>	<u>(1,076,845)</u>	<u>865,917</u>	<u>37,667</u>
Net position (deficit) at end of year	<u>\$ 49,238</u>	<u>\$ (1,037,739)</u>	<u>\$ 1,819,996</u>	<u>\$ 37,640</u>

(Continued)

Benefits Reserve Fund	Workers' Compensation Retention	Total
\$ 248,946	\$ 197,940	\$ 7,512,817
-	6,558	129,643
<u>248,946</u>	<u>204,498</u>	<u>7,642,460</u>
-	2,544	1,584,891
-	77,929	1,356,864
-	-	431,644
-	27,663	2,776,519
-	-	76,748
<u>625,880</u>	<u>9,498</u>	<u>644,389</u>
<u>625,880</u>	<u>117,634</u>	<u>6,871,055</u>
<u>(376,934)</u>	<u>86,864</u>	<u>771,405</u>
-	-	(2,129)
-	-	(6,939)
-	-	(9,068)
<u>(376,934)</u>	<u>86,864</u>	<u>762,337</u>
6,721	8,606	40,919
-	-	(24,343)
<u>(370,213)</u>	<u>95,470</u>	<u>778,913</u>
<u>393,277</u>	<u>622,017</u>	<u>830,773</u>
<u>\$ 23,064</u>	<u>\$ 717,487</u>	<u>\$ 1,609,686</u>

CITY OF WADSWORTH, OHIO

COMBINING STATEMENT OF CASH FLOWS
INTERNAL SERVICE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2020

	<u>Equipment Maintenance</u>	<u>Information Technology</u>	<u>Health Insurance Retention</u>	<u>Liability Insurance Retention</u>
Cash flows from operating activities:				
Cash received from customers	\$ 991,787	\$ 1,479,282	\$ 4,594,862	\$ -
Cash received from other operations	12,877	26,048	-	2,500
Cash payments to employees for services	(480,026)	(873,629)	(4,996)	(146)
Cash payments for goods and services	(446,610)	(357,759)	(975,619)	(2,534)
Cash payments for claims	-	-	(2,717,685)	-
Cash payments for other expenses	(3,997)	(6,588)	-	-
Net cash provided by (used for) operating activities	<u>74,031</u>	<u>267,354</u>	<u>896,562</u>	<u>(180)</u>
Cash flows from noncapital financing activities:				
Cash received from payroll deductions	2,167	4,342	-	-
Cash received from transfers in	663	9,157	8,090	153
Cash received from internal notes	23,156	7,657	190,682	5,548
Cash used for internal notes	(24,389)	(111,691)	(261,530)	(4,476)
Net cash provided by (used for) noncapital financing activities	<u>1,597</u>	<u>(90,535)</u>	<u>(62,758)</u>	<u>1,225</u>
Cash flows from capital and related financing activities:				
Sale or transfer of capital assets	1,602	(24,343)	-	-
Acquisition of capital assets	(24,305)	(71,496)	-	-
Interest and fiscal charges	-	(2,129)	-	-
Net cash used for capital and related financing activities	<u>(22,703)</u>	<u>(97,968)</u>	<u>-</u>	<u>-</u>
Net increase (decrease) in cash and cash equivalents	52,925	78,851	833,804	1,045
Cash and cash equivalents at beginning of year	134,054	44,928	1,103,902	32,119
Cash and cash equivalents at end of year	<u>\$ 186,979</u>	<u>\$ 123,779</u>	<u>\$ 1,937,706</u>	<u>\$ 33,164</u>
Reconciliation of operating income (loss) to net cash provided by (used for) operating activities:				
Operating income (loss)	\$ 58,433	\$ 57,233	\$ 945,989	\$ (180)
Adjustments:				
Depreciation	13,530	63,218	-	-
Changes in assets, deferred inflows, liabilities and deferred outflows:				
(Increase) decrease in accounts receivable	-	-	(81,660)	-
(Increase) decrease in materials and supplied inventory	(34,027)	-	-	-
(Increase) decrease in deferred outflows - pension	71,300	173,390	-	-
(Increase) decrease in deferred outflows - OPEB	(31,585)	(46,325)	-	-
(Increase) decrease in net pension asset	(2,788)	(5,341)	-	-
(Increase) decrease in prepayments	(7,706)	(17,373)	-	-
Increase (decrease) in accounts payable	(9,779)	306	-	-
Increase (decrease) in contracts payable	(6,000)	-	-	-
Increase (decrease) in accrued wages and benefits	(9,935)	(17,170)	-	-
Increase (decrease) in due to other governments	2,442	5,942	1,062	-
Increase (decrease) in compensated absences payable	21,037	47,803	-	-
Increase (decrease) in net pension liability	(112,605)	(254,533)	-	-
Increase (decrease) in net OPEB liability	29,493	43,194	-	-
Increase (decrease) in deferred inflows - pension	62,409	145,400	-	-
Increase (decrease) in deferred inflows - OPEB	29,812	71,610	-	-
Increase (decrease) in claims payable	-	-	31,171	-
Net cash provided by (used for) operating activities	<u>\$ 74,031</u>	<u>\$ 267,354</u>	<u>\$ 896,562</u>	<u>\$ (180)</u>

(Continued)

Benefits Reserve Fund	Workers' Compensation Retention	Total
\$ 248,946	\$ 197,940	\$ 7,512,817
-	150	41,575
-	(2,544)	(1,361,341)
(625,880)	(75,035)	(2,483,437)
-	(72,513)	(2,790,198)
-	(9,498)	(20,083)
<u>(376,934)</u>	<u>38,500</u>	<u>899,333</u>
-	-	6,509
6,721	8,606	33,390
57,927	94,177	379,147
<u>(2,743)</u>	<u>(81,633)</u>	<u>(486,462)</u>
<u>61,905</u>	<u>21,150</u>	<u>(67,416)</u>
-	-	(22,741)
-	-	(95,801)
-	-	(2,129)
-	-	(120,671)
<u>(315,029)</u>	<u>59,650</u>	<u>711,246</u>
<u>335,350</u>	<u>545,211</u>	<u>2,195,564</u>
<u>\$ 20,321</u>	<u>\$ 604,861</u>	<u>\$ 2,906,810</u>

\$ (376,934)	\$ 86,864	\$ 771,405
-	-	76,748
-	(6,408)	(88,068)
-	-	(34,027)
-	-	244,690
-	-	(77,910)
-	-	(8,129)
-	2,894	(22,185)
-	-	(9,473)
-	-	(6,000)
-	-	(27,105)
-	-	9,446
-	-	68,840
-	-	(367,138)
-	-	72,687
-	-	207,809
-	-	101,422
-	(44,850)	(13,679)
<u>\$ (376,934)</u>	<u>\$ 38,500</u>	<u>\$ 899,333</u>



CITY OF WADSWORTH, OHIO

FUND DESCRIPTIONS - FIDUCIARY FUNDS

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

Custodial Funds

Muni Court Fund

To account for civil cases and traffic/criminal cases within the court's jurisdiction.

Police Property Room Fund

To account for monies held in the police property room.

CITY OF WADSWORTH, OHIO

COMBINING STATEMENT OF FIDUCIARY NET POSITION
CUSTODIAL FUNDS
DECEMBER 31, 2020

	Muni Court	Police Property Room	Total
Assets:			
Current Assets:			
Equity in pooled cash and cash equivalents	\$ 27,415	\$ -	\$ 27,415
Cash in segregated accounts	13,811	18,149	31,960
Total assets	41,226	18,149	59,375
Liabilities:			
Due to other governments	41,226	-	41,226
Total liabilities	41,226	-	41,226
Net Position:			
Restricted for individuals, organizations, and other governments	-	\$ 18,149	\$ 18,149

CITY OF WADSWORTH, OHIO

COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
CUSTODIAL FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2020

	<u>Muni Court</u>	<u>Police Room Property</u>	<u>Total</u>
Additions:			
Fines and forfeiture collections for other governments	\$ 654,094	\$ -	\$ 654,094
Total additions	<u>654,094</u>	<u>-</u>	<u>654,094</u>
Deductions:			
Distributions for municipal courts to other governments	654,094	-	654,094
Police property disbursed	-	170	170
Total deductions	<u>654,094</u>	<u>170</u>	<u>654,264</u>
Change in net position	-	(170)	(170)
Net position at beginning of year, restated	-	18,319	18,319
Net position at end of year	<u>\$ -</u>	<u>\$ 18,149</u>	<u>\$ 18,149</u>



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.

<u>Contents</u>	<u>Page</u>
Financial Trends These schedules contain trend information to help the reader understand how the City's financial performance and well-being have changed over time.	S2 - S13
Revenue Capacity These schedules contain information to help the reader assess the factors affecting the City's most significant local revenue sources: the municipal income tax and the property tax.	S14 - S18
Debt Capacity These schedules present information to help the reader assess the affordability of the City's current levels of outstanding debt and the City's ability to issue additional debt in the future.	S20 - S27
Demographic and Economic Information 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.	S28
Operating Information 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.	S29 - S37

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, OHIONet Position By Component
Last Ten Years
(Accrual Basis of Accounting)

	2020	2019	2018 (3)	Restated 2017
Governmental activities				
Net investment in capital assets	\$ 45,766,692	\$ 44,105,660	\$ 42,064,162	\$ 41,370,066
Restricted	9,369,552	9,382,380	7,939,948	8,848,050
Unrestricted (deficit)	<u>(134,926)</u>	<u>(1,861,798)</u>	<u>(6,626,114)</u>	<u>(10,211,475)</u>
Total governmental activities net position	<u>55,001,318</u>	<u>51,626,242</u>	<u>43,377,996</u>	<u>40,006,641</u>
Business-type activities				
Net investment in capital assets	68,572,076	67,774,899	68,618,524	67,445,155
Unrestricted	<u>19,277,273</u>	<u>18,253,041</u>	<u>16,463,634</u>	<u>14,093,370</u>
Total business-type activities net position	<u>87,849,349</u>	<u>86,027,940</u>	<u>85,082,158</u>	<u>81,538,525</u>
Primary government				
Net investment in capital assets	114,338,768	111,880,559	110,682,686	108,815,221
Restricted	9,369,552	9,382,380	7,939,948	8,848,050
Unrestricted	<u>19,142,347</u>	<u>16,391,243</u>	<u>9,837,520</u>	<u>3,881,895</u>
Total primary government net position	<u>\$ 142,850,667</u>	<u>\$ 137,654,182</u>	<u>\$ 128,460,154</u>	<u>\$ 121,545,166</u>

NOTES:

(1) In 2011, the City implemented GASB 54 which caused a restatement of Net Position for 2010. The storm water fund was reclassified from governmental activities to business type activities.

(2) The City implemented GASB 68 during 2015, and as a result 2014 was restated.

(3) The City implemented GASB 75 during 2018, and as a result 2017 was restated.

2016	2015	Restated 2014 (2)	2013	2012	2011 (1)
\$ 40,055,196	\$ 37,607,541	\$ 34,082,257	\$ 30,975,468	\$ 27,652,789	\$ 24,968,078
8,973,458	10,496,479	12,647,495	12,544,168	12,444,429	15,067,789
1,615,807	(196,242)	7,664,110	7,012,414	7,876,795	5,904,151
50,644,461	47,907,778	54,393,862	50,532,050	47,974,013	45,940,018
67,042,743	63,019,576	60,936,466	63,409,337	57,015,769	51,914,458
16,481,948	15,605,300	18,848,040	12,827,606	12,387,704	18,514,874
83,524,691	78,624,876	79,784,506	76,236,943	69,403,473	70,429,332
107,097,939	100,627,117	95,018,723	94,384,805	84,668,558	76,882,536
8,973,458	10,496,479	12,647,495	12,544,168	12,444,429	15,067,789
18,097,755	15,409,058	26,512,150	19,840,020	20,264,499	24,419,025
\$ 134,169,152	\$ 126,532,654	\$ 134,178,368	\$ 126,768,993	\$ 117,377,486	\$ 116,369,350

CITY OF WADSWORTH, OHIO

Changes in Net Position
Last Ten Years
(Accrual Basis of Accounting)

	2020	2019	2018	2017
Program revenues				
Governmental activities:				
Charges for services:				
General government	\$ 2,000,719	\$ 688,537	\$ 715,768	\$ 1,125,127
Security of persons and property	1,305,443	1,656,823	1,395,252	1,544,367
Public health	10,334	-	-	-
Transportation	95,160	215,167	343,096	349,398
Leisure time services	1,030,212	1,139,953	1,263,291	990,309
Community and economic development	195,188	345,529	296,861	257,916
Subtotal - charges for services	<u>4,637,056</u>	<u>4,046,009</u>	<u>4,014,268</u>	<u>4,267,117</u>
Operating grants and contributions:				
General government	1,759,343	14,096	15,167	18,957
Security of persons and property	78,341	3,701	9,771	15,262
Public health	-	-	-	-
Transportation	1,486,706	1,748,847	1,164,507	1,127,455
Leisure time services	369	-	21,718	6,942
Community and economic development	230,000	130,833	-	2,500
Public works	-	-	-	-
Subtotal - operating grants and contributions	<u>3,554,759</u>	<u>1,897,477</u>	<u>1,211,163</u>	<u>1,171,116</u>
Capital grants and contributions:				
General government	310,024	95,800	54,458	23,277
Security of persons and property	-	-	-	-
Public health	-	-	-	-
Transportation	693,422	637,548	1,197,179	246,434
Leisure time services	-	-	-	372,185
Community and economic development	-	-	-	-
	<u>1,003,446</u>	<u>733,348</u>	<u>1,251,637</u>	<u>641,896</u>
Total governmental activities program revenues	<u>9,195,261</u>	<u>6,676,834</u>	<u>6,477,068</u>	<u>6,080,129</u>

2016	2015	2014	2013	2012	2011
\$ 995,222	\$ 692,556	\$ 545,039	\$ 660,499	\$ 517,728	\$ 616,010
1,429,331	1,255,895	1,368,456	1,310,679	1,340,579	1,388,280
18,107	23,908	6,703	43,597	10,997	16,799
363,561	364,342	344,096	322,749	50,209	31,754
926,673	1,173,166	1,047,403	1,020,645	615,348	226,537
127,665	366,728	22,526	16,481	49,559	42,082
<u>3,860,559</u>	<u>3,876,595</u>	<u>3,334,223</u>	<u>3,374,650</u>	<u>2,584,420</u>	<u>2,321,462</u>
6,703	24,490	5,021	50,711	27,364	46,244
33,613	4,866	31,372	3,069	99,958	226,398
-	-	5,133	-	1,029	741
1,420,417	1,102,091	991,154	777,475	10,615	1,740,863
101,850	-	50,783	230,000	7,909	8,986
369,595	585,026	2,241,748	478,423	528,546	277,912
-	-	-	-	4,778	93,093
<u>1,932,178</u>	<u>1,716,473</u>	<u>3,325,211</u>	<u>1,539,678</u>	<u>680,199</u>	<u>2,394,237</u>
905,242	-	188,574	136,725	145,251	-
-	-	-	-	20,662	74,447
-	-	-	-	129	-
477,433	1,119,844	-	-	5,356	239,370
-	-	-	-	990	-
-	-	-	206,469	545	117,146
<u>1,382,675</u>	<u>1,119,844</u>	<u>188,574</u>	<u>343,194</u>	<u>172,933</u>	<u>430,963</u>
<u>7,175,412</u>	<u>6,712,912</u>	<u>6,848,008</u>	<u>5,257,522</u>	<u>3,437,552</u>	<u>5,146,662</u>

(Continued)

City of Wadsworth, Ohio
Changes in Net Position
Last Ten Years
(Accrual Basis of Accounting)

	2020	2019	2018	2017
Business-type activities:				
Charges for services:				
Storm Water ¹	892,859	897,617	892,003	891,881
Telecom	6,383,760	6,091,589	5,778,436	5,505,819
Sewer	4,323,160	4,003,504	4,163,397	4,114,742
Water	3,605,024	3,224,409	3,536,688	3,629,400
Electric	31,303,539	32,621,773	35,104,298	32,891,494
Sanitation	2,829,102	2,805,332	2,732,683	2,684,429
Subtotal - charges for services	<u>49,337,444</u>	<u>49,644,224</u>	<u>52,207,505</u>	<u>49,717,765</u>
Operating & capital grants and contributions				
Storm Water ¹	344,199	229,734	818,707	161,166
Sewer	-	-	146,293	52,563
Water	273,075	218,000	221,468	546,703
Electric	-	53,484	-	-
Subtotal - operating & capital grants and contributions	<u>617,274</u>	<u>501,218</u>	<u>1,186,468</u>	<u>760,432</u>
Total business-type activities program revenues	<u>49,954,718</u>	<u>50,145,442</u>	<u>53,393,973</u>	<u>50,478,197</u>
Total primary government program revenues	<u>59,149,979</u>	<u>56,822,276</u>	<u>59,871,041</u>	<u>56,558,326</u>
Expenses				
Governmental activities:				
General government	6,354,085	3,131,390	3,970,706	3,258,300
Security of persons and property	7,400,618	2,794,514	8,592,269	8,344,719
Public health	133,867	126,524	126,351	127,183
Leisure time services	1,637,543	2,028,491	1,747,771	1,626,512
Community and economic development	568,482	937,301	487,254	675,036
Public works	-	-	-	-
Transportation	3,298,322	4,712,460	3,568,642	4,507,027
Interest and fiscal charges	644,925	674,126	687,349	780,103
Total governmental activities expenses	<u>20,037,842</u>	<u>14,404,806</u>	<u>19,180,342</u>	<u>19,318,880</u>
Business-type activities:				
Storm Water ¹	857,362	864,302	728,796	1,059,202
Telecom	5,799,124	5,421,416	5,172,951	5,012,234
Sewer	3,893,997	4,130,016	3,682,447	3,819,324
Water	3,467,139	3,569,061	3,796,867	4,205,204
Electric	32,270,549	33,757,226	34,759,321	32,860,925
Sanitation	2,537,112	2,321,866	2,032,266	2,369,691
Total business-type activities expenses	<u>48,825,283</u>	<u>50,063,887</u>	<u>50,172,648</u>	<u>49,326,580</u>
Total primary government expenses	<u>68,863,125</u>	<u>64,468,693</u>	<u>69,352,990</u>	<u>68,645,460</u>

2016	2015	2014	2013	2012	2011
861,624	844,995	842,103	846,807	820,242	833,778
5,248,649	4,950,215	4,606,769	4,267,447	3,784,001	3,628,336
4,088,798	4,057,291	4,038,723	3,804,179	3,531,295	3,342,729
4,077,047	4,017,560	3,580,692	3,755,438	3,797,973	3,726,491
33,086,099	30,158,308	31,212,822	30,664,529	28,735,362	30,579,103
2,544,085	2,478,382	2,380,196	2,362,918	2,206,598	2,188,061
<u>49,906,302</u>	<u>46,506,751</u>	<u>46,661,305</u>	<u>45,701,318</u>	<u>42,875,471</u>	<u>44,298,498</u>
627,189	-	305,331	124,949	-	82,970
-	-	-	245,002	-	-
613,978	-	-	-	208,316	-
-	15,387	-	877,724	1,428,578	2,381,437
<u>1,241,167</u>	<u>15,387</u>	<u>305,331</u>	<u>1,247,675</u>	<u>1,636,894</u>	<u>2,464,407</u>
51,147,469	46,522,138	46,966,636	46,948,993	44,512,365	46,762,905
<u>58,322,881</u>	<u>53,235,050</u>	<u>53,814,644</u>	<u>52,206,515</u>	<u>47,949,917</u>	<u>51,909,567</u>
3,673,205	2,787,972	3,683,873	3,985,055	3,769,536	3,809,401
6,645,484	8,000,937	6,531,114	5,946,408	6,221,933	6,512,974
130,369	121,952	125,292	125,186	109,054	105,261
2,440,724	1,431,808	1,467,632	1,609,321	1,604,855	1,510,485
1,252,104	1,159,127	389,592	1,023,032	929,492	660,516
-	-	-	-	121,471	200,224
3,696,010	3,110,416	3,192,863	2,893,421	2,920,887	3,186,302
936,989	749,206	751,170	775,567	793,123	781,845
<u>18,774,885</u>	<u>17,361,418</u>	<u>16,141,536</u>	<u>16,357,990</u>	<u>16,470,351</u>	<u>16,767,008</u>
1,081,718	1,089,434	821,058	904,253	871,099	986,089
4,959,269	4,639,496	4,565,953	4,574,954	4,010,252	3,631,490
3,571,494	3,815,598	3,168,619	3,245,256	3,629,162	3,573,261
3,828,272	3,648,343	3,387,965	3,227,991	3,462,781	3,456,315
31,952,924	29,730,644	30,297,757	27,789,052	26,625,458	28,946,483
1,913,821	2,012,855	2,293,352	2,221,316	2,232,922	2,082,729
<u>47,307,498</u>	<u>44,936,370</u>	<u>44,534,704</u>	<u>41,962,822</u>	<u>40,831,674</u>	<u>42,676,367</u>
<u>66,082,383</u>	<u>62,297,788</u>	<u>60,676,240</u>	<u>58,320,812</u>	<u>57,302,025</u>	<u>59,443,375</u>

(Continued)

City of Wadsworth, Ohio
Changes in Net Position
Last Ten Years
(Accrual Basis of Accounting)

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
Net (expense)/revenue				
Governmental activities	(10,842,581)	(7,727,972)	(12,703,274)	(13,238,751)
Business-type activities	<u>1,129,435</u>	<u>81,555</u>	<u>3,221,325</u>	<u>1,151,617</u>
Total primary government net (expense)/revenue	<u>(9,713,146)</u>	<u>(7,646,417)</u>	<u>(9,481,949)</u>	<u>(12,087,134)</u>
General revenues				
Governmental activities				
Taxes:				
Property and other taxes levied for:				
General purposes	2,251,544	2,142,431	2,150,408	2,028,563
Capital projects	51,891	131,353	104,395	96,989
Emergency medical services	1,131,264	1,096,908	1,070,815	962,802
Other	72,900	59,500	81,800	104,600
Income taxes	9,249,754	10,774,873	10,980,927	8,626,387
Payments in lieu of taxes	-	-	-	-
Grants and entitlements not restricted to specific programs	907,285	955,974	791,624	736,152
Investment earnings	436,558	1,049,106	748,380	435,239
Miscellaneous	<u>562,724</u>	<u>155,875</u>	<u>238,037</u>	<u>186,651</u>
Total governmental activities	<u>14,663,920</u>	<u>16,366,020</u>	<u>16,166,386</u>	<u>13,177,383</u>
Business-type activities				
Investment earnings	587	-	423	6
Special item - stranded costs	-	-	-	-
Miscellaneous	<u>245,124</u>	<u>404,425</u>	<u>230,128</u>	<u>398,049</u>
Total business-type activities	<u>245,711</u>	<u>404,425</u>	<u>230,551</u>	<u>398,055</u>
Total primary government general revenues	<u>14,909,631</u>	<u>16,770,445</u>	<u>16,396,937</u>	<u>13,575,438</u>
Transfers				
Governmental activities	(446,263)	(389,802)	(91,757)	(150,453)
Business-type activities	<u>446,263</u>	<u>389,802</u>	<u>91,757</u>	<u>150,453</u>
Change in net position				
Governmental activities	3,375,076	8,248,246	3,371,355	(211,821)
Business-type activities	<u>1,821,409</u>	<u>875,782</u>	<u>3,543,633</u>	<u>1,700,125</u>
Total primary government change in net position	<u>\$ 5,196,485</u>	<u>\$ 9,124,028</u>	<u>\$ 6,914,988</u>	<u>\$ 1,488,304</u>

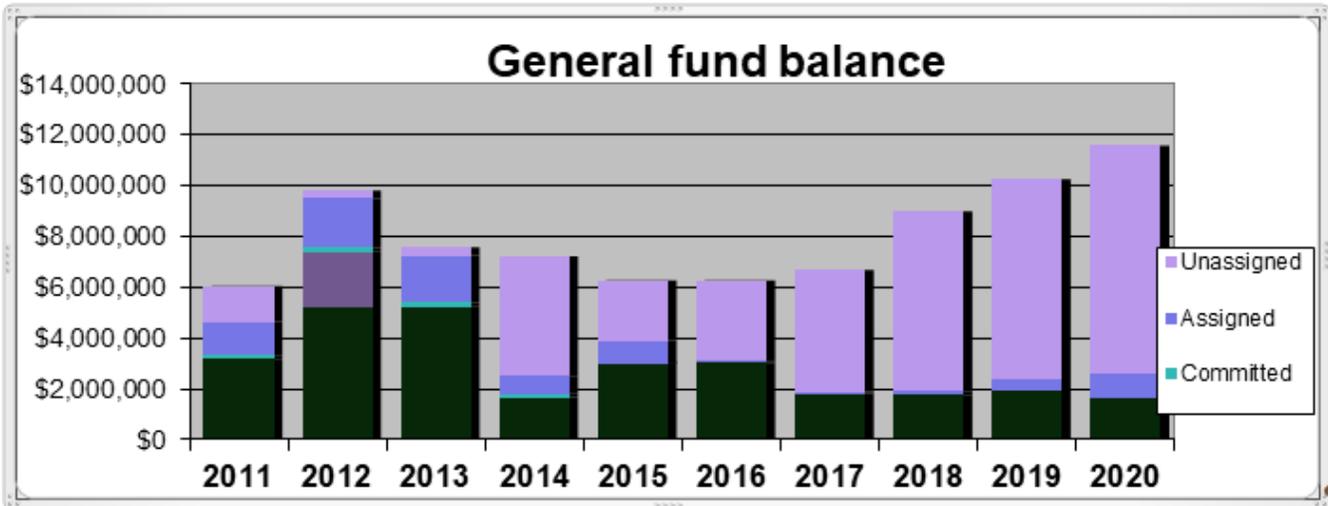
2016	2015	2014	2013	2012	2011
(11,599,473)	(10,648,506)	(9,293,528)	(11,100,468)	(13,032,799)	(11,620,346)
3,839,971	1,585,768	2,431,932	4,986,171	3,680,691	4,086,538
<u>(7,759,502)</u>	<u>(9,062,738)</u>	<u>(6,861,596)</u>	<u>(6,114,297)</u>	<u>(9,352,108)</u>	<u>(7,533,808)</u>
1,941,290	2,267,673	1,839,371	1,160,532	975,659	959,950
105,388	460,081	449,916	738,827	1,089,450	1,190,052
934,032	887,573	1,130,356	665,179	952,861	891,198
113,600	100,585	-	-	-	-
10,511,611	8,164,920	8,661,560	8,532,860	7,679,436	6,851,870
492,917	832,556	653,962	612,180	115,400	105,000
909,328	785,870	840,111	1,692,722	3,194,245	2,527,284
249,689	179,246	212,384	174,447	145,550	150,965
225,975	189,990	131,219	144,354	25,268	76,641
<u>15,483,830</u>	<u>13,868,494</u>	<u>13,918,879</u>	<u>13,721,101</u>	<u>14,177,869</u>	<u>12,752,960</u>
53	2	2	2	56,115	40,295
-	-	-	1,510,027	(4,584,933)	-
271,269	350,569	352,090	274,674	131,222	507,652
<u>271,322</u>	<u>350,571</u>	<u>352,092</u>	<u>1,784,703</u>	<u>(4,397,596)</u>	<u>547,947</u>
<u>15,755,152</u>	<u>14,219,065</u>	<u>14,270,971</u>	<u>15,505,804</u>	<u>9,780,273</u>	<u>13,300,907</u>
(1,147,674)	(744,229)	(763,539)	(62,596)	-	-
1,147,674	744,229	763,539	62,596	-	-
2,736,683	2,475,759	3,861,812	2,558,037	1,145,070	1,132,614
5,258,967	2,680,568	3,547,563	6,833,470	(716,905)	4,634,485
<u>\$ 7,995,650</u>	<u>\$ 5,156,327</u>	<u>\$ 7,409,375</u>	<u>\$ 9,391,507</u>	<u>\$ 428,165</u>	<u>\$ 5,767,099</u>

CITY OF WADSWORTH, OHIO
Fund Balances, Governmental Funds
Last Ten Years
(Modified Accrual Basis of Accounting)

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
General fund					
Nonspendable	\$ 1,641,524	\$ 1,964,824	\$ 1,785,332	\$ 1,838,054	\$ 3,041,640
Restricted (1)	-	-	-	-	-
Committed	-	-	-	-	-
Assigned	1,010,781	423,275	142,301	70,493	77,857
Unassigned	8,935,343	7,876,564	7,076,962	4,782,304	3,170,977
Total general fund	<u>11,587,648</u>	<u>10,264,663</u>	<u>9,004,595</u>	<u>6,690,851</u>	<u>6,290,474</u>
All other governmental funds					
Nonspendable	453,879	439,214	419,217	373,202	322,769
Restricted	12,219,190	11,173,737	10,557,593	9,697,141	9,485,052
Committed	3,590,830	3,452,219	2,926,177	2,840,958	2,515,396
Unassigned (deficit)	<u>(293,914)</u>	<u>(385,050)</u>	<u>(437,646)</u>	<u>(799,845)</u>	<u>(4,337,035)</u>
Total all other governmental funds	<u>15,969,985</u>	<u>14,680,120</u>	<u>13,465,341</u>	<u>12,111,456</u>	<u>7,986,182</u>
Total governmental funds	<u>\$ 27,557,633</u>	<u>\$ 24,944,783</u>	<u>\$ 22,469,936</u>	<u>\$ 18,802,307</u>	<u>\$ 14,276,656</u>

¹ In 2012, the income tax special revenue fund became part of the general fund.

NOTE: In 2011, the City implemented GASB 54 which caused a restatement of fund balances for 2010.



2015	2014	2013	2012	2011
\$ 3,003,364	\$ 1,688,467	\$ 5,243,091	\$ 5,223,616	\$ 3,191,006
-	-	-	2,181,148	-
1,400	128,232	170,028	162,176	150,998
906,761	713,106	1,849,862	1,934,414	1,315,726
<u>2,370,945</u>	<u>4,695,499</u>	<u>331,919</u>	<u>317,964</u>	<u>1,406,960</u>
<u>6,282,470</u>	<u>7,225,304</u>	<u>7,594,900</u>	<u>9,819,318</u>	<u>6,064,690</u>
1,073,212	255,470	308,564	3,798,311	336,264
9,492,012	11,769,497	11,805,616	6,258,676	14,058,202
2,589,267	211,731	169,956	1,661,064	1,458,238
<u>(1,929,869)</u>	<u>(2,020,725)</u>	<u>(1,331,229)</u>	<u>(740,323)</u>	<u>(340,450)</u>
<u>11,224,622</u>	<u>10,215,973</u>	<u>10,952,907</u>	<u>10,977,728</u>	<u>15,512,254</u>
<u>\$ 17,507,092</u>	<u>\$ 17,441,277</u>	<u>\$ 18,547,807</u>	<u>\$ 20,797,046</u>	<u>\$ 21,576,944</u>

CITY OF WADSWORTH, OHIO
Changes in Fund Balances, Governmental Funds
Last Ten Years
(Modified Accrual Basis of Accounting)

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
Revenues				
Income taxes	\$ 10,681,373	\$ 10,456,181	\$ 10,199,442	\$ 9,164,893
Real and other taxes	3,502,571	3,432,251	3,406,732	3,188,601
Payments in lieu of taxes	-	-	-	-
Charges for services	1,293,576	2,399,655	2,684,917	2,112,710
Licenses and permits	530,453	436,611	470,067	508,462
Fines and forfeitures	404,166	584,748	573,889	616,296
Intergovernmental	4,635,102	2,803,749	2,504,549	3,067,807
Special assessments	102,437	111,690	105,822	17,465
Investment income	437,268	1,051,266	750,043	435,770
Rental income	626,338	91,394	71,721	28,432
Contributions and donations	282,669	4,220	19,158	13,692
Refunds and reimbursements	-	-	-	123,358
Other	700,936	359,746	449,462	767,071
Total revenues	<u>23,196,889</u>	<u>21,731,511</u>	<u>21,235,802</u>	<u>20,044,557</u>
Expenditures				
Current:				
General government	5,444,099	3,633,429	3,288,046	3,354,738
Security of persons and property	6,304,215	7,449,603	7,018,647	6,900,401
Public health	134,025	126,510	126,342	127,183
Transportation	2,076,201	3,627,647	3,617,134	2,832,557
Leisure time services	1,476,861	1,727,663	1,414,085	1,760,184
Community and economic development	555,606	928,750	494,444	615,836
Public works	-	-	-	-
Intergovernmental	-	-	-	-
Capital outlay	2,789,983	109,090	330,028	1,869,605
Debt service:				
Principal retirement	773,523	748,485	483,026	172,871
Interest and fiscal charges	609,899	637,398	648,849	672,290
Issuance costs	-	-	-	59,917
Total expenditures	<u>20,164,412</u>	<u>18,988,575</u>	<u>17,420,601</u>	<u>18,365,582</u>
Excess of revenues over (under) expenditures	<u>3,032,477</u>	<u>2,742,936</u>	<u>3,815,201</u>	<u>1,678,975</u>
Other financing sources (uses)				
Notes issued	-	-	4,544	-
Bonds issued	-	-	-	2,220,000
Premium on debt issued	-	-	-	102,668
Loans issued	-	-	-	658,788
Sale of capital assets	43,571	18,867	11,162	28,500
Transfers in	189,256	114,180	115,785	1,973,521
Transfers out	(652,454)	(401,136)	(279,063)	(2,136,801)
Other financing uses	-	-	-	-
Total other financing sources (uses)	<u>(419,627)</u>	<u>(268,089)</u>	<u>(147,572)</u>	<u>2,846,676</u>
Net change in fund balances	<u>\$ 2,612,850</u>	<u>\$ 2,474,847</u>	<u>\$ 3,667,629</u>	<u>\$ 4,525,651</u>
Debt service as a percentage of noncapital expenditures	8.0%	7.3%	7.3%	5.7%

	2016	2015	2014	2013	2012	2011
\$	8,672,404	\$ 8,062,643	\$ 8,613,796	\$ 8,262,502	\$ 7,611,247	\$ 6,741,133
	3,071,586	3,720,489	3,433,871	2,581,162	3,034,146	3,121,651
	492,917	832,556	653,962	612,180	115,400	105,000
	1,880,994	2,214,049	2,080,205	2,041,901	1,367,216	1,128,411
	532,199	524,437	446,013	415,605	486,210	407,278
	541,708	593,603	637,310	641,820	692,486	715,652
	3,272,209	2,981,735	3,575,058	3,186,386	4,576,149	4,537,339
	165,842	68,538	86,206	117,860	128,722	117,146
	250,050	179,406	212,694	174,773	182,294	206,885
	516,312	25,737	72,519	72,295	5,400	1,400
	130,786	2,988	56,442	233,251	11,426	3,505
	148,355	111,697	123,039	-	-	-
	177,397	448,902	209,384	710,509	25,268	75,241
	19,852,759	19,766,780	20,200,499	19,050,244	18,235,964	17,160,641
	3,318,672	3,513,440	3,775,373	3,921,993	3,529,686	3,277,952
	6,533,973	6,639,490	6,383,016	6,419,692	5,999,955	5,986,941
	130,405	121,980	125,315	125,208	110,517	105,402
	3,779,405	2,654,515	2,664,891	2,406,833	2,460,481	2,698,700
	2,181,849	1,297,382	1,331,935	1,668,959	1,551,703	1,461,356
	1,237,451	1,156,155	390,100	1,053,406	941,155	655,562
	-	-	-	-	123,100	200,224
	-	-	-	-	-	-
	4,880,254	3,068,043	4,654,288	4,255,788	1,698,178	925,826
	2,782	452,646	667,558	642,455	627,351	197,254
	637,848	746,308	752,064	756,578	774,643	785,044
	196,717	-	-	-	-	-
	22,899,356	19,649,959	20,744,540	21,250,912	17,816,769	16,294,261
	(3,046,597)	116,821	(544,041)	(2,200,668)	419,195	866,380
	-	-	-	-	-	-
	17,630,000	-	-	-	-	-
	598,691	-	-	-	-	-
	-	-	-	-	-	-
	113,128	66,015	54,264	14,025	35,217	3,810
	251,299	151,467	121,096	215,252	1,594,303	6,914,635
	(739,700)	(268,488)	(737,849)	(277,848)	(1,594,303)	(6,911,048)
	(18,037,257)	-	-	-	-	-
	(183,839)	(51,006)	(562,489)	(48,571)	35,217	7,397
\$	(3,230,436)	\$ 65,815	\$ (1,106,530)	\$ (2,249,239)	\$ 454,412	\$ 873,777
	3.6%	7.2%	9.1%	8.4%	8.8%	6.4%

CITY OF WADSWORTH, OHIO
 Assessed Valuation and Estimated Actual Values of Taxable Property
 Last Ten Years

Collection year	Real property (a)		Public utility property (b)	Tax exempt real property	Total taxable assessed value	Total direct tax rate	Estimated actual taxable value (d)	Assessed value as a percentage of actual value
	Residential/agricultural	Commercial industrial/PU						
2020	\$ 460,323,900	\$ 154,139,030	\$ 1,196,350	\$ 96,772,620	\$ 615,659,280	4.90	\$ 1,756,967,860	35.04%
2019	395,273,010	137,174,990	842,090	89,917,880	533,290,090	4.90	1,522,236,920	35.03%
2018	389,480,310	128,841,150	829,030	91,909,620	519,150,490	4.90	1,481,860,537	35.03%
2017	382,457,780	126,486,420	797,960	87,481,540	509,742,160	4.70	1,455,033,058	35.03%
2016	345,155,040	109,741,200	761,170	91,083,610	455,657,410	4.70	1,300,568,509	35.04%
2015	341,109,680	108,163,140	728,220	92,156,500	450,001,040	5.80	1,284,464,151	35.03%
2014	336,977,510	104,328,790	705,290	93,134,100	442,011,590	5.80	1,261,676,609	35.03%
2013	365,802,220	104,399,470	676,760	64,359,360	470,878,450	5.80	1,344,202,445	35.03%
2012	362,232,680	105,674,510	615,470	64,973,380	468,522,660	5.80	1,337,577,083	35.03%
2011	360,319,920	105,174,960	615,470	65,910,500	466,110,350	5.80	1,330,684,769	35.03%

Source: Medina County Auditor, Median Ohio

Property in the county is reassessed annually.

(a) Real property is assessed at 35% of actual value. Real property taxes collected in a calendar year are levied as of January 1 of that year based on assessed values of January 1 of the preceding year.

(b) Public utility is assessed at 88% of actual value. Public utility real and tangible property taxes collected in a calendar year are levied in the preceding calendar year based on assessed values determined as of December 31 of the second preceding year.

(c) For 2009, tangible personal property tax was eliminated, except for telephone companies and inter-exchange telecommunications companies. Tax was assessed at 10% of property value.

For 2011 and future years, tangible personal property tax will be assessed at zero.

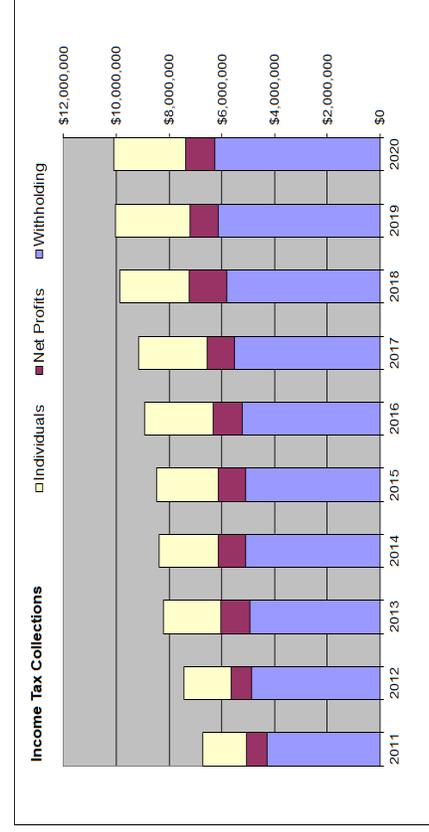
(d) Does not include tax-exempt property.

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
2020	1.4%	\$ 10,322,717	\$ 215,896	2.09%	\$ 6,268,100	60.72%	\$ 1,108,780	10.74%	\$ 2,729,942	26.45%
2019	1.4%	10,208,997	189,002	1.85%	6,121,116	59.96%	1,098,989	10.76%	2,799,890	27.43%
2018	1.4%	9,979,235	109,567	1.10%	5,795,765	58.08%	1,447,273	14.50%	2,626,631	26.32%
2017	1.4%	9,221,134	57,472	0.62%	5,523,435	59.90%	1,032,256	11.19%	2,607,971	28.28%
2016	1.4%	8,921,694	(9,756)	-0.11%	5,210,661	58.40%	1,113,807	12.48%	2,606,982	29.22%
2015	1.4%	8,592,975	105,320	1.23%	5,082,661	59.15%	1,055,262	12.28%	2,349,732	27.34%
2014	1.4%	8,648,629	259,672	3.00%	5,090,287	58.86%	1,055,632	12.21%	2,243,038	25.94%
2013	1.4%	8,358,492	143,662	1.72%	4,937,985	59.08%	1,095,886	13.11%	2,180,959	26.09%
2012	1.4%	7,580,998	164,172	2.17%	4,871,985	64.27%	772,196	10.19%	1,772,645	23.38%
2011	1.3%	6,897,196	188,226	2.73%	4,297,884	62.31%	775,851	11.25%	1,635,235	23.71%

Source: Central Collection Agency - Cleveland, OH & Regional Income Tax Agency - Brecksville, OH

(1) Gross Collections - Cash Basis of Accounting



City of Wadsworth, Ohio
Principal Employers
 2020 vs. 2011

Employer	2020		2011	
	Rank	Percent of total withholding taxes paid	Rank	Percent of total withholding taxes paid
Wadsworth City School District	1	7.70%	1	7.60%
ECS Tuning LLC	2	3.90%		0.00%
Rohrer Corporation	3	3.21%	5	2.46%
City of Wadsworth	4	3.17%	3	4.01%
WalMart Assoc Inc	5	2.58%	6	2.32%
Clampco Products	6	2.34%	10	1.46%
Soprema Inc	7	2.15%		0.00%
Summa Health System	8	1.69%	2	5.98%
Distribution Services LLC	9	1.64%		0.00%
Parker Hannifin Corp	10	1.61%	4	2.72%
Omnicare ESC LLC		0.00%	7	1.75%
Remington Products		0.00%	8	1.66%
Louis Perry & Associates Inc.		0.00%	10	1.61%
Total of top ten *		<u>29.99%</u>		<u>31.57%</u>

* Percentage presented is only for the to 10 employers in each respective year.

Source: Central Collection Agency (CCA) records for 2011; Regional Income Tax Agency (RITA) records for 2020.

City of Wadsworth, Ohio*Principal Property Taxpayers*

2020 vs. 2011

Taxpayer	2020	
	Property assessed valuation	Percentage of total assessed valuation
FC Stratford Crossings LLC	\$ 10,962,120	1.78%
Wadsworth One LLC	5,407,800	0.88%
T Wadsworth Crossings OH LLC	5,304,990	0.86%
Walmart Real Estate	3,863,980	0.63%
Liberty Residence Holding	3,554,640	0.58%
Inn at Coalridge Limited	3,343,790	0.54%
RC Wadsworth Funding Company	3,284,400	0.53%
Soprema USA Inc	2,483,090	0.40%
Lowe's Home Centers Inc	2,474,420	0.40%
HD Development of Maryland Inc	2,359,890	0.38%
Total	<u>\$ 43,039,120</u>	6.98%
Total assessed property valuation	<u>\$ 615,659,280</u>	

Taxpayer	2011	
	Property assessed valuation	Percentage of total assessed valuation
Stratford Crossings LTD	\$ 4,452,910	0.96%
Echo Wadsworth Assoc	3,131,500	0.67%
DJB No 23 LP	2,894,460	0.62%
Ebner Furnaces Inc	2,576,380	0.55%
Day Family Enterprises LLC	2,441,390	0.52%
Rolling Hills Care Center	2,247,000	0.48%
Rohrer Properties	2,029,620	0.44%
Big Sky Apartments	1,907,480	0.41%
Priority II LLC	1,840,790	0.39%
Wal-Mart Real Estate	1,719,380	0.37%
Total	<u>\$ 25,240,910</u>	5.41%
Total assessed property valuation	<u>\$ 466,110,350</u>	

Source: Medina County Auditor, Medina Ohio

City of Wadsworth, Ohio
Property Tax Levies And Collections
Last Ten Years

Fiscal year	Total tax levy	Current tax collections	Percent of current collections to tax levy	Delinquent tax collections	Total tax collections (1)	Percent of total tax collections to tax levy	Accumulated outstanding delinquent taxes	Percentage of delinquent taxes to total tax levy
2020	\$ 2,776,969	\$ 2,667,011	96.04%	\$ 45,144	\$ 2,712,155	97.67%	\$ 29,145	1.05%
2019	2,571,669	2,464,202	95.82%	41,244	2,505,446	97.42%	31,766	1.24%
2018	2,504,941	2,401,375	95.87%	45,093	2,446,468	97.67%	31,449	1.26%
2017	2,359,935	2,279,087	96.57%	38,822	2,317,909	98.22%	29,245	1.24%
2016	2,188,167	2,097,774	95.87%	57,322	2,155,096	98.49%	8,648	0.40%
2015	2,577,229	2,422,194	93.98%	57,571	2,479,765	96.22%	9,429	0.37%
2014	2,587,604	2,411,866	93.21%	77,930	2,489,796	96.22%	55,938	2.16%
2013	2,745,491	2,535,165	92.34%	81,128	2,616,293	95.29%	67,120	2.44%
2012	2,728,428	2,504,698	91.80%	82,110	2,586,808	94.81%	82,720	3.03%
2011	2,574,610	2,487,748	96.63%	127,257	2,615,005	101.57%	108,640	4.22%

Source: Medina County, Ohio; County Auditor

(1) State reimbursement of rollback and homestead exemptions are included.

Note: Delinquent tax records are maintained by an external agency, Medina County. The agency does not identify delinquent collections by the year for which the tax was levied.



City of Wadsworth, Ohio
Ratios of Outstanding Debt by Type
Last Ten Years

Fiscal Year	Governmental activities				Stormwater G.O. bonds	Sewer G.O. bonds	Water G.O. bonds	Electric G.O. bonds
	General obligation bonds	General Obligation BANs	OPWC loan	Income tax revenue bonds				
2020	\$ 2,055,069	\$ -	\$ 552,776	\$ 16,303,508	\$ 636,580	\$ 1,131,610	\$ 7,727,609	\$ -
2019	2,145,097	-	608,054	16,960,215	724,275	1,179,365	8,283,970	-
2018	2,235,125	-	663,662	17,591,922	806,228	1,227,120	8,417,450	40,551
2017 (5 - 6)	2,320,153	-	658,788	18,018,630	883,081	1,274,875	8,937,347	76,102
2016	-	2,425,250	-	18,215,337	583,552	111,653	8,286,624	-
2015	-	1,040,000	-	16,446,792	654,621	147,204	8,744,100	-
2014 (4)	-	1,095,000	-	16,892,957	725,690	182,755	9,196,576	-
2013 (3)	218,437	-	-	17,339,122	786,759	218,306	9,634,052	-
2012 (2)	431,875	-	-	17,765,287	842,828	253,856	10,076,528	-
2011	635,312	-	-	18,186,452	908,896	284,406	10,504,003	-

(1) See S-27 for personal income and population data.

(2) AMP loan proceeds were used to redeem the electric revenue bonds.

(3) The City booked the AMP Stranded Liability of \$5.791M with a 10 year term.

(4) The City issued \$4.75 million in General Obligation Notes for various capital improvements.

(5) The City issued \$5.015 million in Various Prupose Bonds to pay off Street Improvement Notes, Series 2016 and Various Purpose Notes, Series 2016.

(6) The City received \$658,788 in OPWC Loan proceeds for safety improvements.

Business-type activities										
General obligation BANs	Telecomm G.O. bonds	OPWC loan	OWDA loan	Electric revenue bonds	Electric AMP loan	Electric AMP stranded costs	Total primary government	Percentage of personal income (1)	Per capita (1)	
\$ -	\$ 138,186	\$ 65,614	\$ 9,739,903	\$ -	\$ 598,689	\$ 1,750,373	\$ 40,699,917	4.92%	\$ 1,693	
-	148,819	61,626	10,965,404	-	1,222,689	2,198,709	44,498,223	5.11%	1,871	
-	154,452	67,228	12,153,195	-	1,846,689	2,767,503	47,971,125	5.75%	2,043	
-	160,085	72,830	13,304,436	-	2,470,689	3,326,977	51,503,993	7.67%	2,226	
3,034,750	-	78,432	14,420,133	-	3,094,689	3,894,944	54,145,364	8.77%	2,477	
3,415,000	-	84,034	15,501,615	-	3,718,689	4,463,785	54,215,840	8.94%	2,482	
3,655,000	-	-	16,549,937	-	4,342,689	5,036,864	57,677,468	9.78%	2,641	
-	-	-	17,565,266	-	4,961,992	5,604,614	56,328,548	9.66%	2,579	
-	-	-	18,550,064	-	5,585,992	-	53,506,430	9.09%	2,468	
-	-	-	19,504,560	7,177,875	-	-	57,201,504	11.91%	3,045	

City of Wadsworth, Ohio
*Computation of Direct and Overlapping
Debt Attributable to Governmental Activities
December 31, 2020*

	Debt attributable to governmental activities	Percentage applicable to Wadsworth (1)	Amount of direct and overlapping debt
Direct debt:			
City of Wadsworth	\$ 18,911,353	100.00%	\$ 18,911,353
Total direct debt	\$ 18,911,353		\$ 18,911,353
Overlapping debt:			
Payable from property taxes			
Medina County Bonds (2)	\$ 7,208,760	9.91%	\$ 714,298
Highland School District (3)	92,310,358	3.41%	3,145,036
Payable from other sources			
Medina County special assessment bonds (2)	60,000	9.91%	5,945
Medina County OPWC loans (2)	64,128	9.91%	6,354
Wadsworth City School District bonds (4)	63,041,127	67.46%	42,528,060
Total overlapping debt	\$ 162,684,373		\$ 46,399,694
Total	\$ 181,595,726		\$ 65,311,047

(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 2020 collection year (2019 tax year).

(2) Source - Medina County Auditor's Office

(3) Source - Highland Local School District's Comprehensive Annual Financial Report - reported as of June 30, 2020

(4) Source - Wadsworth City Schools - reported as of December 31, 2020

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
2020	\$ 11,689,054	\$ 26,213	\$ 11,662,841	\$ 1,756,967,860	0.66%	\$ 485.02
2019	12,481,526	10,949	12,470,577	1,522,236,920	0.82%	524.39
2018	12,880,926	2,020	12,878,906	1,481,860,537	0.87%	556.66
2017	13,651,643	26,113	13,625,530	1,455,033,058	0.94%	623.31
2016	12,016,579	17,958	11,998,621	1,300,568,509	0.92%	549.34
2015	12,960,925	744	12,960,181	1,284,464,151	1.01%	593.36
2014	13,760,021	1,052	13,758,969	1,261,676,609	1.09%	629.93
2013	10,857,554	5,316	10,852,238	1,344,202,445	0.81%	500.50
2012	11,605,087	200,371	11,404,716	1,337,577,083	0.85%	528.80
2011	12,332,617	1,089,861	11,242,756	1,330,684,769	0.84%	521.29

City of Wadsworth, Ohio
Legal Debt Margin Information
Last Ten Years

	2020	2019	2018	2017	2016
Overall debt limitation (10.5% of assessed valuation)	\$ 64,644,224	\$ 55,995,459	\$ 54,510,801	\$ 53,522,927	\$ 47,844,028
Net debt applicable to debt limit	2,055,069	2,145,097	2,235,125	2,320,153	1,440,000
Overall legal debt margin (10.5% of assessed valuation)	<u>\$ 62,589,155</u>	<u>\$ 53,850,362</u>	<u>\$ 52,275,676</u>	<u>\$ 51,202,774</u>	<u>\$ 46,404,028</u>
Legal debt margin as a percentage of debt limit	96.82%	96.17%	95.90%	95.67%	96.99%
<hr/>					
Unvoted debt limitation (5.5% of assessed valuation)	\$ 33,861,260	\$ 29,330,955	\$ 28,035,819	\$ 28,035,819	\$ 25,061,158
Net debt applicable to debt limit	2,055,069	2,145,097	2,320,153	2,320,153	1,440,000
Overall legal debt margin (5.5% of assessed valuation)	<u>\$ 31,806,191</u>	<u>\$ 27,185,858</u>	<u>\$ 25,715,666</u>	<u>\$ 25,715,666</u>	<u>\$ 23,621,158</u>
Legal debt margin as a percentage of debt limit	93.93%	92.69%	91.72%	91.72%	94.25%

Legal debt margin calculation for 2020

	Unvoted margin within 5.5%	Overall margin within 10.5%
Assessed property value	<u>\$ 615,659,280</u>	<u>\$ 615,659,280</u>
Overall debt limitation (percentage of assessed valuation)	\$ 33,861,260	\$ 64,644,224
Gross indebtedness	40,699,917	40,699,917
Less: Stormwater G.O. bonds	(636,580)	(636,580)
OWPC loan	(618,390)	(618,390)
Income tax revenue bonds	(16,303,508)	(16,303,508)
Water revenue bonds	(7,727,609)	(7,727,609)
OWDA loan	(9,739,903)	(9,739,903)
Sewer G.O. bonds	(1,131,610)	(1,131,610)
Telecom G.O. bonds	(138,186)	(138,186)
Electric AMP loan	(598,689)	(598,689)
Electric AMP stranded costs	<u>(1,750,373)</u>	<u>(1,750,373)</u>
Net debt applicable to debt limit	<u>2,055,069</u>	<u>2,055,069</u>
Legal debt margin within limitations	<u>31,806,191</u>	<u>\$ 62,589,155</u>

Note: Under State of Ohio finance law, the City of Wadsworth's outstanding general obligation debt that is upported 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 dabt subject to the limitation is offset by amounts set aside for repaying general obligation bonds.

<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>
\$ 47,250,109	\$ 36,632,136	\$ 49,442,237	\$ 49,194,879	\$ 48,941,587
<u>1,040,000</u>	<u>7,550,125</u>	<u>3,322,582</u>	<u>2,666,855</u>	<u>1,383,448</u>
<u>\$ 46,210,109</u>	<u>\$ 29,082,011</u>	<u>\$ 46,119,655</u>	<u>\$ 46,528,024</u>	<u>\$ 47,558,139</u>
97.80%	79.39%	93.28%	94.58%	97.17%
\$ 24,750,057	\$ 19,188,262	\$ 25,898,315	\$ 25,768,746	\$ 25,636,069
<u>1,040,000</u>	<u>7,550,125</u>	<u>3,322,582</u>	<u>2,666,855</u>	<u>1,383,448</u>
<u>\$ 23,710,057</u>	<u>\$ 11,638,137</u>	<u>\$ 22,575,733</u>	<u>\$ 23,101,891</u>	<u>\$ 24,252,621</u>
95.80%	60.65%	87.17%	89.65%	94.60%

City of Wadsworth, Ohio
Pledged Revenue Coverage
Income Tax Revenue Bonds
Last Ten Years

Fiscal year	Income taxes	Direct operating expenses (1)	Net available revenues	Debt service (2)		Coverage
				Principal	Interest	
2020	\$ 10,681,373	\$ 331,453	\$ 10,349,920	\$ 630,000	\$ 515,756	903.3%
2019	10,456,181	334,040	10,122,141	605,000	539,956	884.1%
2018	10,199,442	321,884	9,877,558	400,000	551,956	1037.6%
2017	9,164,893	339,626	8,825,267	475,000	673,138	768.7%
2016	8,672,404	347,549	8,324,855	460,000	686,363	726.2%
2015	8,062,643	493,218	7,569,425	450,000	697,613	659.6%
2014	8,613,796	389,254	8,224,542	450,000	707,738	710.4%
2013	8,262,502	447,833	7,814,669	430,000	716,338	681.7%
2012	7,611,247	413,509	7,197,738	425,000	724,838	626.0%
2011	6,741,133	527,629	6,213,504	-	724,838	857.2%

Note: For each type of non-general obligation debt backed by pledged revenues, the City should present gross revenues (and, if applicable, specific expenses, to produce net available revenues) principal and interest requirements, and a coverage ratio.

(1) Direct operating expenses do not include depreciation expense.

(2) Debt service payments started in 2010.

City of Wadsworth, Ohio
Pledged Revenue Coverage
Ohio Water Development Authority Loan
Last Ten Years

Fiscal year	Sewer service charges and interest	Direct operating expenses (1)	Net available revenues	Debt service		Coverage
				Principal	Interest	
2020	\$ 4,349,988	\$ 2,549,240	\$ 1,800,748	\$ 1,225,501	\$ 335,835	115.3%
2019	4,005,137	2,684,531	1,320,606	1,187,791	355,757	85.6%
2018	4,163,429	2,112,592	2,050,837	1,151,241	390,566	133.0%
2017	4,122,930	2,288,025	1,834,905	1,115,697	445,570	117.5%
2016	4,088,798	2,142,160	1,946,638	1,081,604	479,909	124.7%
2015	4,062,756	2,172,628	1,890,128	1,048,322	513,191	121.0%
2014	4,039,018	1,891,709	2,147,309	1,015,329	546,184	137.5%
2013	3,804,179	1,778,471	2,025,708	984,798	576,714	129.7%
2012	3,543,391	2,261,390	1,282,001	954,495	612,018	81.8%
2011	3,356,742	2,092,367	1,264,375	925,124	636,389	81.0%

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

<u>Year</u>	<u>Population (1a)</u>	<u>Total personal income (5)</u>	<u>Personal income per capita (1a)</u>	<u>Median household income (1a)</u>	<u>Unemployment rate (2)</u>		<u>City square miles (3)</u>	<u>Average sales price residential property (4)</u>	<u>Median age (1b)</u>
					<u>Medina County</u>	<u>State of Ohio</u>			
2020	24,046	\$ 827,783,550	\$ 34,425	\$ 71,478	4.6%	5.6%	11.350	\$ 200,693	38.9
2019	23,781	870,931,563	36,623	73,609	3.4%	4.1%	11.350	183,882	39.4
2018	23,476	833,844,044	35,519	70,232	4.1%	4.6%	11.294	158,879	39.6
2017	23,136	671,753,760	29,035	67,137	4.7%	5.0%	11.294	158,880	39.3
2016	21,860	617,370,120	28,242	64,806	4.3%	4.9%	11.294	148,701	39.7
2015	21,842	606,508,656	27,768	58,007	4.3%	4.7%	11.200	139,447	40.4
2014	21,842	589,712,158	26,999	57,539	5.2%	5.7%	11.070	146,127	37.6
2013	21,842	583,094,032	26,696	57,150	6.5%	6.4%	10.633	131,113	38.7
2012	21,683	588,433,254	27,138	58,868	6.0%	7.2%	10.633	137,441	40.2
2011	21,567	551,360,355	25,565	59,178	6.7%	8.6%	10.633	127,282	37.8

(1) Source: (a) U.S. Census Bureau: U.S. Census Quick Facts

(b) U.S. Census Bureau: American Community Survey

(2) Source: Ohio Labor Market Information, U.S. Bureau of Labor Statistics

(3) Source: City of Wadsworth Planning Department and Engineering Department

(4) Source: Medina County Auditor's Office Monthly Property Transfers

(5) Computation of per capita personal income multiplied by population

City of Wadsworth, Ohio
Full-Time Equivalent City Government Employees by Function/Program
Last Ten Years

Function/program	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
Governmental-type activities:										
General government										
Auditor	6.0	6.0	7.0	6.5	6.5	7.0	6.5	6.0	6.0	6.0
Council	5.0	5.0	5.0	5.0	5.0	5.0	5.0	5.0	5.0	5.0
Engineering	7.5	7.5	6.0	7.0	9.0	9.5	9.0	9.5	10.5	9.5
Human resources	1.5	1.5	1.5	1.5	1.5	2.0	2.0	3.5	3.5	3.5
Income tax	1.0	1.0	1.0	1.0	1.5	1.5	1.5	1.5	1.5	1.5
Law director	4.0	4.0	4.0	4.0	4.0	4.0	4.0	3.5	3.5	3.5
Mayor	3.0	3.0	3.0	2.5	3.0	3.5	3.5	3.0	3.0	3.0
Municipal court	12.5	13.0	12.5	10.0	13.0	13.0	13.5	12.5	12.0	11.5
Service director	3.0	2.0	2.5	3.5	3.0	3.0	3.0	3.0	3.0	3.0
Treasurer	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5
Security of persons and property										
Emergency medical services	14.0	14.5	13.0	16	18.5	18.5	19.5	18.5	17.5	19.0
Fire	18.5	19.5	18.5	19	19.0	19.0	18.5	19.0	18.0	16.0
Police	41.5	41.5	40.5	41	41.5	39.5	39.0	40.0	39.5	41.5
Safety director	1.5	1.5	1.5	1	1.0	1.0	1.0	1.0	1.0	1.0
Public health										
Animal control	0.5	0.5	1.0	2	1.0	1.0	1.0	1.0	1.0	1.0
Leisure time services										
Parks	8.50	8.75	11.0	9	10.0	9.5	8.0	10.0	10.0	14.0
Recreation	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Senior center	2.5	2.5	2.5	2.5	2.5	2.5	2.5	2.5	3.0	3.0
Wadsworth cable television	4.5	4.5	4.5	4.0	4.0	4.5	4.0	5.0	5.0	5.0
Community and economic development										
Building & planning	2.5	2.5	2.5	2.5	2.5	3.0	3.0	2.5	2.5	2.5
Economic development	1.5	1.5	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Transportation services										
Streets	16.50	19.25	17.0	17.5	17.5	17.5	16.5	17.5	18.0	18.5
Business-type activities:										
Electric	45.0	45.0	41.0	38.0	40.5	40.0	38.0	42.5	42.5	43.5
Information technology	7.5	7.5	7.5	6.5	7.5	6.5	6.5	8.0	4.5	4.0
Sanitation	8.00	8.75	8.5	7.5	8.0	9.5	8.5	8.5	9.0	10.0
Sewer	9.0	9.0	9.0	9.0	9.0	9.0	8.0	9.0	9.0	10.0
Stormwater	0.0	0.0	2.0	2.0	4.5	3.0	4.0	3.5	3.5	4.5
Telecommunications	12.0	13.5	14.0	11.5	12.0	13.5	13.0	13.0	12.5	12.5
Vehicle maintenance	5.5	5.5	6.5	5.5	5.5	5.5	5.0	4.0	5.0	5.0
Water	14.50	15.75	16.0	14.5	16.0	17.0	17.0	16.0	17.0	18.5
Totals:	257.5	265.0	259.5	249.0	267.5	269.0	261.5	269.5	267.0	276.5

Note: All part-time employees, Council Members, Treasurer, and Auditor were counted as 0.5 FTE's for the purpose of this table.

Source: City Payroll Records

City of Wadsworth, Ohio
Capital Asset Statistics by Function/Program
Last Ten Years

Function/program	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
General government										
Streets (miles)	99	99	98	95	95	94	94	94	94	94
Salt domes	2	2	2	2	2	2	2	2	1	1
Airports	1	1	1	1	1	1	1	1	1	1
Fueling system	3	2	2	2	2	1	1	1	1	1
Vehicles	10	13	10	10	10	10	10	10	10	10
Security of persons and property										
<i>Service director</i>										
Early warning sirens	9	9	9	9	9	9	9	8	8	8
Vehicles	1	1	1	1	1	1	1	1	1	1
<i>Police</i>										
Stations	1	1	1	1	1	1	1	1	1	1
Shooting ranges	1	1	1	1	1	1	1	1	1	1
Vehicles	24	24	24	24	23	22	22	21	21	21
<i>Fire & EMS</i>										
Stations	2	2	2	2	2	2	2	2	2	2
Fire apparatus	7	7	7	7	7	7	8	8	8	8
Rescue squads	4	4	4	4	4	4	5	5	5	5
Other vehicles	5	5	5	6	7	6	5	5	5	5
Leisure time activities										
<i>Parks & recreation</i>										
Public swimming pools	1	1	1	1	1	1	1	0	0	0
Parks	19	19	21	19	19	18	16	16	16	16
Playgrounds	13	13	13	13	13	13	13	13	14	14
Baseball diamonds	10	10	17	13	13	13	13	13	13	13
Tennis courts	6	6	6	6	6	6	9	9	9	9
Full sized soccer fields	10	10	10	10	10	10	10	10	10	10
Vehicles	18	18	18	15	15	15	11	11	11	11
<i>Cable T.V. access</i>										
Cameras	14	14	13	10	11	11	11	11	11	11
Vehicles	1	1	1	1	1	1	1	1	1	1
Community and economic development										
<i>Building and zoning</i>										
Vehicles	1	1	1	1	1	1	1	1	1	1

City of Wadsworth, Ohio
Capital Asset Statistics by Function/Program
Last Ten Years

Function/Program	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
Storm Water										
Storm sewers (miles)	106	105	104	103	103	102	98	98	98	98
Telecom										
Vehicles	18	16	14	15	15	15	14	14	14	14
Sewer										
Lines (miles)	104	104	104	104	104	104	102	102	102	102
Lift stations	4	4	4	3	3	3	3	3	4	4
Treatment plants	1	1	1	1	1	1	1	1	1	1
Vehicles	4	4	4	4	4	4	5	5	5	5
Water										
Wells	12	12	12	12	12	12	12	12	12	12
Towers	5	5	5	5	6	6	6	6	5	5
Lines (miles)	133	133	132	131	129	127	121	121	121	121
Treatment plants	1	1	1	1	1	1	1	1	1	1
SCADA	1	1	1	1	1	1	1	1	1	1
Vehicles	14	11	11	11	11	14	13	13	13	13
Electric										
Substations	6	6	6	6	6	6	6	6	6	6
Aerial lines (miles)	150	152	151	150	150	150	230	230	230	230
Transmission lines (miles)	20	20	20	20	20	19	19	19	19	19
Underground lines (miles)	86	86	85	83	80	76	69	69	69	69
SCADA	1	1	1	1	1	1	1	1	1	1
Meters	13,54	13,47	13,41	13,30	13,08	13,00	12,31	12,31	12,51	12,72
Vehicles	2	9	0	0	7	1	7	7	0	6
Vehicles	29	28	28	28	28	28	28	28	28	28
Sanitation										
Transfer stations	1	1	1	1	1	1	1	1	1	1
Packer trucks	3	3	3	4	4	4	4	4	4	4
Automated trucks	5	4	4	4	4	5	4	4	4	4
Vehicles	7	6	6	6	5	4	4	4	4	4

City of Wadsworth, Ohio
Operating Indicators by Function/Program
Last Ten Years

Function/program	2020	2019	2018	2017
General government				
<i>Council and clerk</i>				
Number of ordinances passed	122	154	113	148
Number of resolutions passed	29	16	13	11
<i>Finance department</i>				
Number of checks/ vouchers issued (payroll not included)	2,836	3,297	4,520	4,240
Amount of checks written (cash basis)	\$ 48,593,870	\$ 47,822,413	\$ 51,243,315	\$ 53,501,689
Interest earnings for fiscal year (cash basis)	\$ 423,392	\$ 1,046,730	\$ 750,043	\$ 550,458
Number of receipts issued (1)	167,545	166,788	163,570	161,765
General fund receipts (cash basis)	\$ 13,963,347	\$ 13,774,736	\$ 18,002,911	\$ 12,752,234
General fund expenditures (cash basis)	\$ 13,351,113	\$ 12,925,065	\$ 12,066,231	\$ 11,819,518
<i>Income tax department</i>				
Number of business net profit forms processed	2,327	3,699	2,496	3,301
Number of individual forms processed	17,679	19,812	19,048	19,387
Number of business withholding accounts	2,133	2,027	2,027	1,922
Amount of penalties and interest collected	\$ 432,315	\$ 400,615	\$ 335,385	\$ 305,535
<i>Civil service</i>				
Number of police entry tests administered	0	1	1	1
Number of fire entry tests administered	0	0	1	0
Number of police promotional tests administered	0	0	1	0
Number of fire promotional tests administered	0	0	0	0
Number of hires of police officers from certified lists	2	3	1	1
Number of hires of fire/medics from certified lists	0	1	4	0
Number of promotions from police certified lists	0	1	1	0
Number of promotions from fire certified lists	0	0	0	0
<i>Engineering</i>				
Number of new subdivision	1	2	2	2
Number of new lots	42	18	51	44
Number of plat/surveys completed	13	10	7	2
Streets constructed (linear feet)	1,661	2,118	1,556	690
Streets resurfaced (linear feet)	20,114	25,867	27,130	13,675
Storm sewer lines constructed (linear feet)	3,076	3,166	7,450	2,684
Number of new catch basins	22	20	100	22
Number of new storm manholes	7	22	42	7
Water lines constructed (linear feet)	2,157	2,180	9,229	7,861
Raw water lines constructed (linear feet)	0	0	0	0
Number of new hydrants	6	7	26	23
Number of new valves	10	6	60	32
Sanitary sewer lines constructed (linear feet)	0	0	1,627	824
Force mains constructed (linear feet)	0	0	0	0
Number of new sanitary manholes	0	0	6	4
Culverts constructed (linear feet), not including drive culverts	0	0	102	0

2016	2015	2014	2013	2012	2011
178	169	193	145	160	133
10	17	62	9	13	16
4,396	4,565	4,942	5,240	5,117	5,209
\$ 56,099,787	\$ 52,993,480	\$ 57,468,760	\$ 61,302,919	\$ 74,451,412	\$ 79,755,372
\$ 250,051	\$ 196,339	\$ 213,763	\$ 199,239	\$ 266,414	\$ 303,011
157,323	154,500	149,835	78,427	31,135	28,981
\$ 11,761,676	\$ 11,136,680	\$ 10,273,504	\$ 10,672,770	\$ 12,144,942	\$ 11,397,872
\$ 14,012,398	\$ 11,868,557	\$ 11,369,042	\$ 11,615,621	\$ 11,597,390	\$ 10,966,566
2,076	1,764	2,051	1,416	1,594	1,783
18,503	17,832	20,852	18,184	17,483	16,111
1,947	1,802	1,601	1,583	1,643	1,625
\$ 139,899	\$ 127,338	\$ 217,412	\$ 136,674	\$ 163,382	\$ 161,501
1	2	1	0	1	0
0	1	0	1	0	0
1	0	0	0	0	0
0	0	0	0	0	0
1	1	1	0	0	0
0	1	0	0	0	0
2	0	0	0	0	0
0	0	0	0	0	0
3	0	3	0	1	0
79	0	86	0	48	2
7	20	11	7	6	3
5,768	0	3,651	0	2,383	0
20,266	83,504	12,725	10,288	6,432	4,477
10,029	1,540	7,556	1,262	7,251	2,502
83	26	77	7	55	17
48	6	30	3	21	0
9,458	9,287	8,005	795	12,356	3,827
0	0	0	0	0	0
41	33	31	10	36	9
45	31	48	7	51	13
1,101	1,000	3,278	1,354	679	2,106
0	0	0	3,613	0	0
4	4	31	30	0	11
0	15	48	40	0	0

City of Wadsworth, Ohio
Operating Indicators by Function/Program
Last Ten Years

Function/Program	2020	2019	2018	2017
<i>Municipal court</i>				
Number of civil cases	752	1,019	843	963
Number of criminal cases	3,739	5,061	5,838	6,410
Security of persons and property				
<i>Police</i>				
Total calls for services	12,319	14,105	13,275	14,053
Class 1 crimes	483	556	536	514
Adult arrests	683	925	1,020	786
Juvenile arrests	59	76	29	30
Criminal summons	311	268	358	300
Traffic citations	650	916	1,037	1,161
Warning citations	0	0	0	0
Parking tickets	1,123	1,538	0	1,661
Vehicle accidents- property damage	258	393	1,146	363
Vehicle accidents-injury	59	72	406	81
Total miles driven	201,692	130,873	71	240,286
Total gasoline cost	\$ 40,710	\$ 19,389	\$ 203,681	\$ 40,089
<i>Fire and EMS</i>				
EMS calls	2,494	2,489	2,224	2,341
Ambulance billing collections (net)	\$ 626,849	\$ 680,307	\$ 639,015	\$ 606,028
Fire calls	268	278	254	208
Fires with loss	11	8	22	13
Fires with losses exceeding \$10K	2	3	3	6
Fire losses	\$ 180,765	\$ 98,000	\$ 355,350	\$ 181,560
Fire safety inspections	230	392	372	549
No. of times mutual aid received from other fire and EMS	35	33	21	35
No. of times mutual aid given by Fire and EMS	28	39	30	53
Training hours	1,866	2,981	2,449	2,991
Leisure Time Activities				
<i>Parks</i>				
Parks Expenditures (cash basis)	\$ 814,913	\$ 801,631	\$ 741,421	\$ 728,292
Hours maintaining parks and City buildings	5,335	3,732	1,965	2,922
Hours preparing fields/ball diamonds	1,510	1,071	1,422	1,938
Hours of snow removal	336	625	783	583
Average cost per resident	\$ 33.89	\$ 33.71	\$ 31.58	\$ 31.48

2015	2014	2013	2012	2011
641	811	866	966	924
6,790	6,827	7,567	7,807	7,300
12,252	14,469	14,182	13,177	12,695
642	635	678	612	0
767	817	715	600	719
57	56	44	20	28
332	360	421	335	341
1,083	1,143	1,415	1,440	2,047
508	201	556	1,129	1,375
913	1,115	1,190	1,518	1,916
364	333	451	409	663
78	62	22	19	56
220,340	241,949	246,071	279,380	260,993
\$ 43,136	\$ 72,088	\$ 72,359	\$ 86,414	\$ 75,118
2,058	1,987	1,854	1,858	1,751
\$ 530,654	\$ 512,483	\$ 500,719	\$ 498,351	\$ 443,741
241	240	239	249	221
33	20	21	35	25
8	4	8	9	4
\$ 991,795	\$ 164,400	\$ 516,770	\$ 905,741	\$ 2,253,160
481	778	830	995	1,120
25	14	17	12	19
54	49	33	32	16
3,890	3,570	3,086	2,902	3,345
\$ 653,621	\$ 756,740	\$ 672,449	\$ 643,928	\$ 856,753
1,474	1,568	8,341	8,558	15,191
1,965	1,488	1,373	1,413	1,840
1,010	968	709	434	1,214
\$ 29.92	\$ 34.65	\$ 30.79	\$ 29.70	\$ 39.73

City of Wadsworth, Ohio
Operating Indicators by Function/Program
Last Ten Years

Function/Program	2020	2019	2018	2017
Community and economic development				
<i>Building and zoning</i>				
Estimated value of construction	\$ 27,587,767	\$ 32,002,787	\$ 18,411,952	\$ 45,069,484
Residential/commercial/zoning permits issued	456	434	426	510
Electric permits	139	138	129	196
Heating permits	192	182	170	245
Total permits issued	787	754	725	951
Permit revenue	\$ 88,893	\$ 95,955	\$ 86,986	\$ 167,456
Number of contractor licenses	107	113	123	124
Code enforcement notices	220	209	214	263
Zoning board of appeals hearings	12	18	14	20
Number of planning commission docket items	18	41	33	68
 Transportation				
Crack seal coating program (miles)	0	0	0	24
Street repair (curbs, aprons, berms, asphalt) (hours)	3,171	2,117	1,951	3,700
Cold & dura patch (hours)	478	722	942	1,273
Tons of asphalt	0	118	80	559
Tons of limestone	127	108	139	136
Paint striping (gallons of paint)	0	0	0	0
Leaf collection (hours)	2,500	2,951	3,466	2,293
Tons of salt	870	938	2,191	1,904

2015	2014	2013	2012	2011
\$ 43,574,974	\$ 20,675,040	\$ 19,233,420	\$ 19,871,902	\$ 46,993,066
447	331	346	388	386
187	145	246	125	132
217	146	167	128	127
851	622	759	641	645
\$ 178,366	\$ 100,558	\$ 94,655	\$ 77,430	\$ 93,022
131	129	143	132	127
216	347	426	270	267
10	20	16	13	13
74	38	42	35	50
17	21	24	18	10
4,754	2,966	4,585	5,680	5,276
2,254	2,347	825	910	531
383	106	266	175	350
410	434	200	75	1,000
610	600	600	600	600
2,319	2,307	2,281	3,216	2,261
2,582	2,104	2,330	1,760	4,833



COMPLIANCE SECTION



CITY OF WADSWORTH

MEDINA COUNTY, OHIO

SINGLE AUDIT

For the Year Ended December 31, 2020



OHIO AUDITOR OF STATE
KEITH FABER



68 East Broad Street
Columbus, Ohio 43215
IPAReport@ohioauditor.gov
(800) 282-0370

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

We have reviewed the *Independent Auditor's Report* of the City of Wadsworth, Medina County, prepared by Charles E. Harris & Associates, Inc., for the audit period January 1, 2020 through December 31, 2020. Based upon this review, we have accepted these reports in lieu of the audit required by Section 117.11, Revised Code. The Auditor of State did not audit the accompanying financial statements and, accordingly, we are unable to express, and do not express an opinion on them.

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

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

Keith Faber
Auditor of State
Columbus, Ohio

July 20, 2021

This page intentionally left blank.

CITY OF WADSWORTH
MEDINA COUNTY, OHIO
Single Audit
For the Year Ended December 31, 2020

TABLE OF CONTENTS

<u>Title</u>	<u>Page</u>
Schedule of Expenditures of Federal Awards (Prepared by Management)	1
Notes to the Schedule of Expenditures of Federal Awards (Prepared by Management)	2
Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with <i>Government Auditing Standards</i>	3
Independent Auditor's Report on Compliance for the Major Program and on Internal Control Over Compliance Required by the Uniform Guidance	5
Schedule of Findings	8

This page intentionally left blank.

**CITY OF WADSWORTH
MEDINA COUNTY**

**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2020
(Prepared by Management)**

FEDERAL GRANTOR <i>Pass Through Grantor</i> Program / Cluster Title	Federal CFDA Number	Pass Through Entity Identifying Number	Total Federal Expenditures
<u>U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES</u>			
<i>Passed Through Ohio Department of Aging</i>			
National Family Caregiver Support, Title III, Part E	93.052	Not Available	<u>\$5,928</u>
Total U.S. Department of Health and Human Services			5,928
<u>U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT</u>			
<i>Passed through the Ohio Development Services Agency</i>			
Revolving Loan Program	14.228	Not Available	\$382
Home Investment Partnerships Program	14.239	Not Available	<u>\$14,926</u>
Total U.S. Department of Housing and Urban Development			15,308
<u>U.S. DEPARTMENT OF JUSTICE BUREAU OF JUSTICE ASSISTANCE</u>			
<i>Direct Program</i>			
Bulletproof Vest Partnership Program	16.607	Not Available	\$2,517
<i>Passed through the Ohio Department of Public Safety</i>			
Coronavirus Emergency Supplemental Funding	16.034	2020-CE-LEF-2116	<u>\$3,328</u>
Total U. S. Department of Justice Bureau of Justice Assistance			5,845
<u>U.S. DEPARTMENT OF TRANSPORTATION</u>			
<i>Direct Program</i>			
Airport Improvement Program (3-39-0083-019-2019)	20.106	Not Available	\$178,929
<i>Passed Through Ohio Department of Transportation</i>			
Highway Planning and Construction - SRTS	20.205	101938	\$9,000
Highway Planning and Construction - SR57	20.205	107578	<u>\$113,333</u>
Total Highway Planning and Construction			<u>\$122,333</u>
Total U.S. Department of Transportation			301,263
<u>U.S. DEPARTMENT OF TREASURY</u>			
<i>Passed through the Ohio Office of Budget and Management</i>			
Coronavirus Aid, Relief, and Economic Security Act			
Local Government Assistance Program	21.019	Not Available	\$1,628,494
Adult Day Service and Senior Center Provider Relief Program	21.019	Not Available	<u>\$40,000</u>
Total Coronavirus Aid, Relief, and Economic Security Act			<u>1,668,494</u>
Total U.S. Department of Treasury			<u>1,668,494</u>
Total Expenditures of Federal Awards			<u><u>\$1,996,837</u></u>

The accompanying notes are an integral part of this schedule.

**CITY OF WADSWORTH
MEDINA COUNTY**

**NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
2 CFR 200.510(b)(6)
FOR THE YEAR ENDED DECEMBER 31, 2020
(Prepared by Management)**

NOTE A - BASIS OF PRESENTATION

The accompanying Schedule of Expenditures of Federal Awards (the Schedule) includes the federal award activity of the City of Wadsworth (the City) under programs of the federal government for the year ended December 31, 2020. The information on this Schedule is prepared in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of the City, it is not intended to and does not present the financial position, changes in net position, or cash flows of the City.

NOTE B - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Expenditures reported on the Schedule are reported on the cash basis of accounting. Such expenditures are recognized following either the cost principles contained in the cost principles contained in Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, wherein certain types of expenditures may or may not be allowable or may be limited as to reimbursement. The City has elected to use the 10-percent de minimis indirect cost rate as allowed under the Uniform Guidance.

NOTE C - COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG) and HOME INVESTMENT PARTNERSHIPS PROGRAM (HOME) GRANT PROGRAMS with REVOLVING LOAN CASH BALANCE

The current cash balance on the City's local program income account as of December 31, 2020 is \$96,687.

NOTE D - MATCHING REQUIREMENT

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

5510 Pearl Road Ste 102
Parma OH 44129-2527
Phone - (216) 575-1630
Fax - (216) 436-2411

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

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

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

To the Members of Council:

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Wadsworth, Medina County, Ohio (the City) as of and for the year ended December 31, 2020, and the related notes to the financial statements, which collectively comprise the City's basic financial statements and have issued our report thereon dated June 28, 2021, wherein we noted the financial impact of COVID-19 and the ensuing emergency measures will impact subsequent periods of the City. We also noted the City implemented Governmental Accounting Standards Board Statement Number 84, *Fiduciary Activities*.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the City's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, we do not express an opinion on the effectiveness of the City's internal control.

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

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

Compliance and Other Matters

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

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



Charles E. Harris & Associates, Inc.
June 28, 2021

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

5510 Pearl Road Ste 102
Parma, OH 44129-2527
Phone - (216) 575-1630
Fax - (216) 436-2411

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH REQUIREMENTS
APPLICABLE TO THE MAJOR FEDERAL PROGRAM AND ON INTERNAL CONTROL OVER
COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE

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

To the City Council:

Report on Compliance for the Major Federal Program

We have audited the City of Wadsworth, Medina County, Ohio's (the City) compliance with the applicable requirements described in the U.S. Office of Management and Budget (OMB) *Compliance Supplement* that could directly and materially affect the City's major federal program for the year ended December 31, 2020. The *Summary of Auditor's Results* in the accompanying Schedule of Findings identifies the City's major federal program.

Management's Responsibility

The City's management is responsible for complying with federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to opine on the City's compliance for the City's major federal program based on our audit of the applicable compliance requirements referred to above. Our compliance audit followed auditing standards generally accepted in the United States of America; the standards for financial audits included in the Comptroller General of the United States' *Government Auditing Standards*; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). These standards and the Uniform Guidance require us to plan and perform the audit to reasonably assure about whether noncompliance with the applicable compliance requirements referred to above that could directly and materially affect a major federal program occurred. An audit includes examining, on a test basis, evidence about the City's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

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

Opinion on the Major Federal Program

In our opinion, the City of Wadsworth, Medina County, Ohio complied, in all material respects, with the compliance requirements referred to above that could directly and materially affect its major federal program for the year ended December 31, 2020.

Report on Internal Control Over Compliance

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

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

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

This report only describes the scope of our internal control over compliance tests and the results of this testing based on Uniform Guidance requirements. Accordingly, this report is not suitable for any other purpose.

Report on Schedule of Expenditures of Federal Awards Required by the Uniform Guidance

We have audited the financial statements of the governmental activities, the business-type activities, the 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, 2020, and the related notes to the financial statements, which collectively comprise the City's basic financial statements. We issued our report thereon dated June 28, 2021, which contained an unmodified opinion on those financial statements. Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise the basic financial statements. The accompanying Schedule of Expenditures of Federal Awards (Schedule) is presented for purposes of additional analysis as required by the Uniform Guidance and is not a required part of the basic 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 basic 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 basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the Schedule is fairly stated in all material respects in relation to the basic financial statements as a whole.

Charles E. Harris & Associates

Charles E. Harris & Associates, Inc.
June 28, 2021

**CITY OF WADSWORTH
MEDINA COUNTY**

**SCHEDULE OF FINDINGS
2 CFR § 200.515
December 31, 2020**

1. SUMMARY OF AUDITOR'S RESULTS

<i>(d)(1)(i)</i>	Type of Financial Statement Opinion	Unmodified
<i>(d)(1)(ii)</i>	Were there any material weaknesses in internal control reported at the financial statement level (GAGAS)?	No
<i>(d)(1)(ii)</i>	Were there any significant deficiencies in internal control reported at the financial statement level (GAGAS)?	No
<i>(d)(1)(iii)</i>	Was there any reported material noncompliance at the financial statement level (GAGAS)?	No
<i>(d)(1)(iv)</i>	Were there any material weaknesses in internal control reported for major federal programs?	No
<i>(d)(1)(iv)</i>	Were there any significant deficiencies in internal control reported for major federal programs?	No
<i>(d)(1)(v)</i>	Type of Major Programs' Compliance Opinion	Unmodified
<i>(d)(1)(vi)</i>	Are there any reportable findings under 2 CFR § 200.516(a)?	No
<i>(d)(1)(vii)</i>	Major Programs (list):	Coronavirus Relief Fund – CFDA # 21.019
<i>(d)(1)(viii)</i>	Dollar Threshold: Type A/B Programs	Type A: > \$ 750,000 Type B: all others
<i>(d)(1)(ix)</i>	Low Risk Auditee under 2 CFR §200.520?	No

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

None

3. FINDINGS FOR FEDERAL AWARDS

None

OHIO AUDITOR OF STATE KEITH FABER



CITY OF WADSWORTH

MEDINA COUNTY

AUDITOR OF STATE OF OHIO CERTIFICATION

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



Certified for Release 8/3/2021

88 East Broad Street, Columbus, Ohio 43215
Phone: 614-466-4514 or 800-282-0370

This report is a matter of public record and is available online at
www.ohioauditor.gov