



Comprehensive Annual Financial Report

For Year ended December 31, 2015

City of Wadsworth

Medina County, Ohio

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# **CITY OF WADSWORTH**

**MEDINA COUNTY, OHIO**

## **COMPREHENSIVE ANNUAL FINANCIAL REPORT**

**FOR THE YEAR ENDING DECEMBER 31, 2015**

**PREPARED BY  
AUDITOR CATHERINE FIX, CPA**

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**CITY OF WADSWORTH, OHIO**  
**COMPREHENSIVE ANNUAL FINANCIAL REPORT**  
**FOR THE YEAR ENDED DECEMBER 31, 2015**

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June 24, 2016

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

It is our privilege to present to you the City of Wadsworth (the City) Comprehensive Annual Financial Report (CAFR). This CAFR represents the official report of the City's operations and financial position for the year ended December 31, 2015. 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, 2015. 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' report.

### **Background**

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

Wadsworth became a statutory city on January 22, 1866. The statutory form of government allows for home rule but requires the municipality to abide by the laws which govern municipalities enacted by the State Legislature.

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WWW.WADSWORTHCITY.COM

The City operates under the Mayor/Council form of government. The citizens of Wadsworth elect a mayor, auditor, law director, treasurer and eight members of council, including the president, three at-large council members and four ward council members. An appointed safety director and an appointed service director are responsible for various city departments. The City has considered all these departments for financial reporting purposes and the compilation of this CAFR.

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

The City provides many services to residents and businesses. These services include: police; fire; EMS; street maintenance; storm water management; water treatment and distribution; waste water collection and treatment; electric transmission and distribution; cable television (with community access); high speed internet access; 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 documents. The school district is considered to be AAA rated in academics, athletics, and arts. Many residents are drawn to our community due in part to the excellent school system.

### **Local Economy**

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

Wadsworth has long been considered a "bedroom community" to both Akron and Cleveland. Residential growth has been constant in our community. Knowledgeable administrations and responsible council members have allowed the City to preserve the small town charm without jeopardizing services to residents and businesses. Planning for the future and maximizing the level of services to our citizens has always been the philosophy of the public administrators. In 2004, City Council approved the first Tax Increment Financing (TIF) district in Medina County.

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

Significant business growth has occurred in the retail sector over the past years. Wadsworth's northern commercial area grew with the addition of Home Depot, Marie's Italian Restaurant, Wal-Mart, and two residential developments. National retail organizations, such as Bed Bath & Beyond, Kohl's, Lowe's, Office Max and Target opened in the City's newest retail development, Wadsworth Crossings, located East of town. Giant Eagle opened one of their higher volume locations across the street from Wadsworth Crossings. During 2015, the City continued to experience continued development, redevelopment and long range plans for future development. Along the High Street Corridor we've had extensive redevelopment in commercial locations including: Panera Bread, Starbucks, Kentucky Fried Chicken, Dunkin Donuts, Chipotle and Aldi's. In 2015 we've had a several manufacturers build or expand their facilities, providing additional job growth. Several others will continue expansions and add jobs in 2016.

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 280.2 acres of land that is ready for development. 216.4 acres is zoned industrial and 12.3 acres of this is currently being developed. 63.8 acres is zoned R-2 residential.

The Wadsworth School District completed the construction of four new school facilities in 2012. The highlight of their projects was the completion of the \$97 million high school campus. This campus contains the high school and a brand new community center. The community center features exercise facilities, a senior center, pools, a Summa Healthcare facility and a satellite office for the Wadsworth Public Library. 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.

### **Major Incentives**

We look forward to continued business growth in the future. The City has many incentives to help companies be successful in Wadsworth. The most commonly used is the Community Reinvestment Area agreement (CRA). All industrial zoned property in the City is within a CRA. This incentive gives companies an opportunity to save on their real property taxes on new investments for a term of up to twelve years. In February 2005, a City-wide Enterprise Zone (EZ) was certified. This incentive is available to commercial and industrial projects and involves potential abatement of a portion of real and personal property taxes. Wadsworth Corporate Park was certified as a Foreign Trade Zone (FTZ) in 2006.

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

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

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

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

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

### **Awards**

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Wadsworth, Ohio, for its comprehensive annual financial report for the year ended December 31, 2014. This was the seventh consecutive year that the City has achieved this prestigious award. In order to be awarded a Certificate of Achievement, a government unit must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

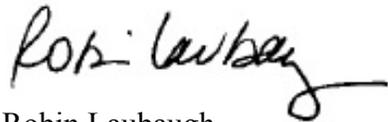
A Certificate of Achievement is valid for a period of one year only. We believe that our current comprehensive annual financial report continues to meet the Certificate of Achievement program's requirements and we are submitting it to the GFOA to determine its eligibility for another certificate.

For the past thirty-one years, Wadsworth has retained the recognition of Tree City USA from the Arbor Day Foundation. This recognition promotes the City's public image and citizen pride which in turn benefits the community's economic growth and financial stability.

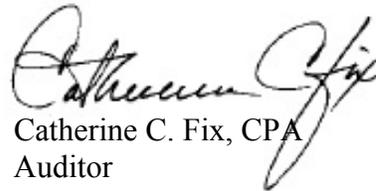
**Acknowledgements**

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

Respectfully submitted,



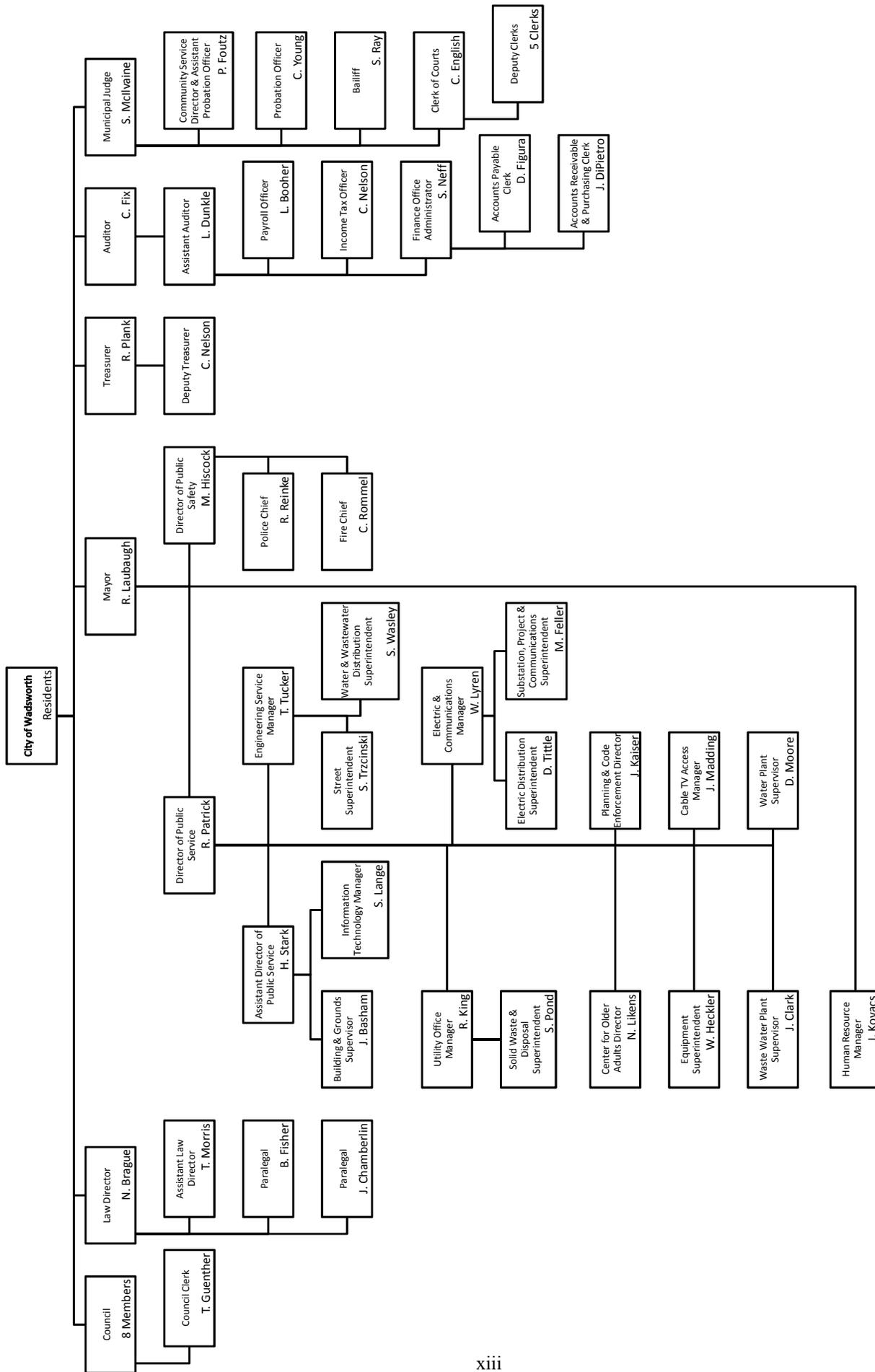
Robin Laubaugh  
Mayor



Catherine C. Fix, CPA  
Auditor

**City of Wadsworth, Ohio**  
**Principal Officials**  
**December 31, 2015**

<b>Mayor .....</b>	<b>Robin Laubaugh</b>
<b>President of Council.....</b>	<b>Thomas Palecek</b>
<b>Councilman – Ward I.....</b>	<b>Ralph Copley</b>
<b>Councilman – Ward II.....</b>	<b>Robert Titus</b>
<b>Councilman – Ward III.....</b>	<b>John Sharkey</b>
<b>Councilman – Ward IV .....</b>	<b>Bruce Darlington</b>
<b>Council-at-Large.....</b>	<b>Patty Haskins</b>
<b>Council-at-Large.....</b>	<b>Robert Thurber</b>
<b>Council-at-Large .....</b>	<b>Dave Williams</b>
<b>Clerk of Council .....</b>	<b>Tammy Guenther</b>
<b>Law Director.....</b>	<b>Norman Brague</b>
<b>Auditor .....</b>	<b>Catherine C. Fix</b>
<b>Assistant Auditor .....</b>	<b>Lee-Ann S. Dunkle</b>
<b>Treasurer .....</b>	<b>Robert Plank</b>
<b>Safety Director .....</b>	<b>Matthew Hiscock</b>
<b>Service Director.....</b>	<b>Robert Patrick</b>
<b>Assistant Service Director .....</b>	<b>Harry Stark</b>
<b>Human Resources Manager.....</b>	<b>James Kovacs</b>





Government Finance Officers Association

**Certificate of  
Achievement  
for Excellence  
in Financial  
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Presented to

**City of Wadsworth  
Ohio**

For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended

**December 31, 2014**

Executive Director/CEO

Rockefeller Building  
614 W Superior Ave Ste 1242  
Cleveland OH 44113-1306  
Office phone - (216) 575-1630  
Fax - (216) 436-2411

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

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## **INDEPENDENT AUDITOR'S REPORT**

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

To the Members of Council:

### ***Report on the Financial Statements***

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Wadsworth, Medina County, Ohio (the City), as of and for the year ended December 31, 2015, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

### ***Management's Responsibility for the Financial Statements***

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

### ***Auditor's Responsibility***

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

An audit requires obtaining evidence about financial statement amounts and disclosures. The procedures selected depend on our judgment, including assessing the risks of material financial statement misstatement, whether due to fraud or error. In assessing those risks, we consider internal control relevant to the City's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not to the extent needed to opine on the effectiveness of the City's internal control. Accordingly, we express no opinion. An audit also includes evaluating the appropriateness of management's accounting policies and the reasonableness of their significant accounting estimates, as well as our evaluation of the overall financial statement presentation.

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

### **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, 2015, 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 2 to the financial statements, during the year ended December 31, 2015, the City adopted Governmental Accounting Standards Board (GASB) Statement No. 68, *Accounting and Financial Reporting for Pensions – an Amendment of GASB Statement No. 27* and also GASB Statement No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date – an Amendment of GASB Statement No. 68*. We did not modify our opinion regarding these matters.

### **Other Matters**

#### *Required Supplementary Information*

Accounting principles generally accepted in the United States of America require this presentation to include *Management's discussion and analysis*, and schedules of net pension liabilities and pension contributions listed in the table of contents, to supplement the basic financial statements. Although this information is not part of the basic financial statements, the Governmental Accounting Standards Board considers it essential for placing the basic financial statements in an appropriate operational, economic, or historical context. We applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, consisting of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, to the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not opine or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to opine or provide any other assurance.

#### *Supplementary and Other Information*

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

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

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

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

***Other Reporting Required by Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated June 24, 2016 on our consideration of the City's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. That report describes the scope of our internal control testing over financial reporting and compliance, and the results of that testing, and does not opine on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.



***Charles E. Harris & Associates, Inc.***  
June 24, 2016

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## CITY OF WADSWORTH, OHIO

### MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE YEAR ENDED DECEMBER 31, 2015 (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, 2015. 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 2015 are as follows:

- The total net position of the City increased \$5,156,327 in 2015 from the restated net position of \$121,376,327 in 2014 to the ending net position of \$126,532,654. Net position of governmental activities increased \$2,475,759 or 5.45% from 2014 and net position of business-type activities increased \$2,680,568 or 3.53% from 2014.
- General revenues accounted for \$13,868,494 or 67.38% of total governmental activities revenue. Program specific revenues accounted for \$6,712,912 or 32.62% of total governmental activities revenue.
- The City had \$17,361,418 in expenses related to governmental activities; \$6,712,912 of these expenses was offset by program specific charges for services, grants or contributions. The remaining expenses of the governmental activities of \$10,648,506 were offset by general revenues (primarily incomes taxes, property and other local taxes and unrestricted grants and entitlements) of \$13,868,494.
- The City's major governmental fund is the general fund. The general fund had revenues and other financing sources of \$9,037,777 in 2015. The general fund had expenditures and other financing uses of \$9,980,611 in 2015. The net decrease in fund balance for the general fund was \$942,834 or 13.05%.
- 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 2015 by \$2,680,568. This increase in net position was due primarily to adequate charges for services revenue to cover operating expenses.
- In the general fund, the actual revenues and other financing sources were \$179,303 less than they were in the final budget and actual expenditures and other financing uses were \$361,805 less than the amount in the final budget. Budgeted revenues increased \$45,104 from original to the final budget and budgeted expenditures increased \$189,271 from original to the final budget.

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

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

The statement of net position and statement of activities provide information about the activities of the City as a whole, presenting both an aggregate view of the City's finances and a longer-term view of those finances. Fund financial statements provide the next level of detail. For governmental funds, these statements tell how services were financed in the short-term as well as what remains for future spending. The fund financial statements also look at the City's most significant funds with all other nonmajor funds presented in total in one column.

## **CITY OF WADSWORTH, OHIO**

### **MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE YEAR ENDED DECEMBER 31, 2015 (UNAUDITED)**

#### **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 2015?" The statement of net position and the statement of activities answer this question. These statements include all (non-fiduciary) assets, deferred outflows, liabilities, deferred inflows, revenues and expenses using the accrual basis of accounting similar to the accounting used by most private-sector companies. This basis of accounting will take into account all of the current year's revenues and expenses regardless of when cash is received or paid.

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

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

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

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

The City's statement of net position and statement of activities can be found on pages 21-23 of this report.

#### **Reporting the City's Most Significant Funds**

##### ***Fund Financial Statements***

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

Fund financial reports provide detailed information about the City's major funds. The City uses many funds to account for a multitude of financial transactions. However, these fund financial statements focus on the City's most significant funds. The analysis of the City's major governmental and proprietary funds begins on page 15.

##### ***Governmental Funds***

Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

## **CITY OF WADSWORTH, OHIO**

### **MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE YEAR ENDED DECEMBER 31, 2015 (UNAUDITED)**

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. The basic governmental fund financial statements can be found on pages 24-27 of this report.

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

The City maintains two different types of proprietary funds. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The City uses enterprise funds to account for its water, sewer, electric, telecommunications, and garbage functions. The City's water, sewer, storm water, electric, telecom, and sanitation funds are considered major funds. Internal service funds are an accounting device used to accumulate and allocate costs internally among the City's various functions. The basic proprietary fund financial statements can be found on pages 32-39 of this report.

#### ***Fiduciary Funds***

Fiduciary funds are used to account for resources held for the benefit of parties outside the City. Fiduciary funds are not reflected in the government-wide financial statement because the resources of those funds are not available to support the City's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds. Agency funds are the City's only fiduciary fund type. The basic fiduciary fund financial statement can be found on page 40 of this report.

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

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. These notes to the basic financial statements can be found on pages 41 -103 of this report.

**CITY OF WADSWORTH, OHIO**

MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED DECEMBER 31, 2015  
(UNAUDITED)

**Government-Wide Financial Analysis**

The statement of net position provides the perspective of the City as a whole. The 2014 net position was restated for the implementation of GASB Statements 68 and 71 as described in Note 3. The table below provides a summary of the City's net position for 2015 compared to 2014:

	<b>Net Position</b>					
	2015 Governmental Activities	Restated 2014 Governmental Activities	2015 Business-type Activities	Restated 2014 Business-type Activities	2015 Total	Restated 2014 Total
<u>Assets</u>						
Current and other assets	\$ 25,670,306	\$ 25,967,832	\$ 31,436,672	\$ 31,882,780	\$ 57,106,978	\$ 57,850,612
Capital assets, net	<u>55,166,800</u>	<u>52,071,743</u>	<u>91,910,750</u>	<u>91,719,330</u>	<u>147,077,550</u>	<u>143,791,073</u>
Total assets	<u>80,837,106</u>	<u>78,039,575</u>	<u>123,347,422</u>	<u>123,602,110</u>	<u>204,184,528</u>	<u>201,641,685</u>
Deferred outflows	<u>1,943,241</u>	<u>1,314,669</u>	<u>812,607</u>	<u>570,087</u>	<u>2,755,848</u>	<u>1,884,756</u>
<u>Liabilities</u>						
Long-term liabilities	30,278,800	29,053,523	39,143,121	10,929,552	69,421,921	39,983,075
Other liabilities	<u>2,213,029</u>	<u>2,122,519</u>	<u>6,307,683</u>	<u>37,298,337</u>	<u>8,520,712</u>	<u>39,420,856</u>
Total liabilities	<u>32,491,829</u>	<u>31,176,042</u>	<u>45,450,804</u>	<u>48,227,889</u>	<u>77,942,633</u>	<u>79,403,931</u>
Deferred inflows	<u>2,380,740</u>	<u>2,746,183</u>	<u>84,349</u>	<u>-</u>	<u>2,465,089</u>	<u>2,746,183</u>
<u>Net Position</u>						
Net investment						
in capital assets	37,607,541	34,082,257	63,019,576	60,936,466	100,627,117	95,018,723
Restricted	10,496,479	11,787,405	-	-	10,496,479	11,787,405
Unrestricted (deficit)	<u>(196,242)</u>	<u>(437,643)</u>	<u>15,605,300</u>	<u>15,007,842</u>	<u>15,409,058</u>	<u>14,570,199</u>
Total net position	<u>\$ 47,907,778</u>	<u>\$ 45,432,019</u>	<u>\$ 78,624,876</u>	<u>\$ 75,944,308</u>	<u>\$ 126,532,654</u>	<u>\$ 121,376,327</u>

During 2015, the City adopted Governmental Accounting Standards Board (GASB) Statement 68, "Accounting and Financial Reporting for Pensions—an Amendment of GASB Statement 27" and GASB Statement 71, "Pension Transition for Contributions Made Subsequent to the Measurement Date - An Amendment of GASB Statement No. 68" which significantly revises accounting for pension costs and liabilities. For reasons discussed below, many end 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 the net pension liability/asset to the reported net position and subtracting deferred outflows related to pension.

## CITY OF WADSWORTH, OHIO

### MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE YEAR ENDED DECEMBER 31, 2015 (UNAUDITED)

Governmental Accounting Standards Board standards are national and apply to all government financial reports prepared in accordance with generally accepted accounting principles. When accounting for pension costs, GASB 27 focused on a funding approach. This approach limited pension costs to contributions annually required by law, which may or may not be sufficient to fully fund each plan's *net pension liability*. GASB 68 takes an earnings approach to pension accounting; however, the nature of Ohio's statewide pension systems and state law governing those systems requires additional explanation in order to properly understand the information presented in these statements.

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

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

GASB notes that pension obligations, whether funded or unfunded, are part of the "employment exchange" – that is, the employee is trading his or her labor in exchange for wages, benefits, and the promise of a future pension. GASB noted that the unfunded portion of this pension promise is a present obligation of the government, part of a bargained-for benefit to the employee, and should accordingly be reported by the government as a liability since they received the benefit of the exchange. However, the City is not responsible for certain key factors affecting the balance of this liability. In Ohio, the employee shares the obligation of funding pension benefits with the employer. Both employer and employee contribution rates are capped by State statute. A change in these caps requires action of both Houses of the General Assembly and approval of the Governor. Benefit provisions are also determined by State statute. The employee enters the employment exchange with the knowledge that the employer's promise is limited not by contract but by law. The employer enters the exchange also knowing that there is a specific, legal limit to its contribution to the pension system. In Ohio, there is no legal means to enforce the unfunded liability of the pension system *as against the public employer*. State law operates to mitigate/lessen the moral obligation of the public employer to the employee, because all parties enter the employment exchange with notice as to the law. The pension system is responsible for the administration of the plan.

Most long-term liabilities have set repayment schedules or, in the case of compensated absences (i.e. sick and vacation leave), are satisfied through paid time-off or termination payments. There is no repayment schedule for the net pension liability. As explained above, changes in pension benefits, contribution rates, and return on investments affect the balance of the net pension liability, but are outside the control of the local government. In the event that contributions, investment returns, and other changes are insufficient to keep up with required pension payments, State statute does not assign/identify the responsible party for the unfunded portion. Due to the unique nature of how the net pension liability is satisfied, this liability is separately identified within the long-term liability section of the statement of net position.

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

As a result of implementing GASB 68, the City is reporting a net pension liability/asset and deferred inflows/outflows of resources related to pension on the accrual basis of accounting. This implementation also had the effect of restating net position at December 31, 2014, for governmental activities from \$54,393,862 to \$45,432,019 and business-type activities from \$79,784,506 to \$75,944,308.

**CITY OF WADSWORTH, OHIO**

**MANAGEMENT'S DISCUSSION AND ANALYSIS  
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Over time, net position can serve as a useful indicator of a government's financial position. At December 31, 2015, the City's assets and deferred outflows exceeded liabilities and deferred inflows by \$126,532,654. At year-end, net position was \$47,907,778 and \$78,624,876 for the governmental activities and the business-type activities, respectively.

Capital assets reported on the government-wide statements represent the largest portion of the City's net position. At year-end, capital assets net represented 72.03% of total assets. Capital assets include land, construction in progress, right to use the community center, land improvements, buildings, equipment, vehicles, and infrastructure. The net investment in capital assets at December 31, 2015, was \$37,607,541 and \$63,019,576 in the governmental activities and business-type activities, respectively. These capital assets are used to provide services to citizens and are not available for future spending. Although the City's investment in capital assets is reported net of related debt, it should be noted that the resources to repay the debt must be provided from other sources, since capital assets may not be used to liquidate these liabilities.

As of December 31, 2015, the City's governmental activities unrestricted net position was a deficit balance of \$196,242. This deficit is due to the implementation of GASB 68. A portion of the City's net position, \$10,496,479 represents resources that are subject to external restriction on how they may be used.

**CITY OF WADSWORTH, OHIO**

MANAGEMENT'S DISCUSSION AND ANALYSIS  
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The table below shows the changes in net position for years 2015 and 2014. Certain revenue items were reclassified from 2014 to conform to the current year presentation.

	<b>Change in Net Position</b>					
	2015 Governmental Activities	2014 Governmental Activities	2015 Business-Type Activities	2014 Business-Type Activities	2015 Total	2014 Total
<b>Revenues</b>						
Program revenues:						
Charges for services and sales	\$ 3,876,595	\$ 3,334,223	\$ 46,506,751	\$ 46,661,305	\$ 50,383,346	\$ 49,995,528
Operating grants and contributions	1,716,473	3,325,211	-	-	1,716,473	3,325,211
Capital grants and contributions	1,119,844	188,574	15,387	305,331	1,135,231	493,905
Total program revenues	<u>6,712,912</u>	<u>6,848,008</u>	<u>46,522,138</u>	<u>46,966,636</u>	<u>53,235,050</u>	<u>53,814,644</u>
General revenues:						
Taxes	11,880,832	12,081,203	-	-	11,880,832	12,081,203
Payment in lieu of taxes	832,556	653,962	-	-	832,556	653,962
Unrestricted grants and entitlements	785,870	840,111	-	-	785,870	840,111
Investment earnings	179,246	212,384	2	2	179,248	212,386
Miscellaneous	189,990	131,219	350,569	352,090	540,559	483,309
Total general revenues	<u>13,868,494</u>	<u>13,918,879</u>	<u>350,571</u>	<u>352,092</u>	<u>14,219,065</u>	<u>14,270,971</u>
Total revenues	<u>20,581,406</u>	<u>20,766,887</u>	<u>46,872,709</u>	<u>47,318,728</u>	<u>67,454,115</u>	<u>68,085,615</u>
Expenses:						
General government	2,819,321	3,683,873	-	-	2,819,321	3,683,873
Security of persons and property	7,969,588	6,531,114	-	-	7,969,588	6,531,114
Public health	121,952	125,292	-	-	121,952	125,292
Transportation	3,110,416	3,192,863	-	-	3,110,416	3,192,863
Community and economic development	1,159,127	389,592	-	-	1,159,127	389,592
Leisure time services	1,431,808	1,467,632	-	-	1,431,808	1,467,632
Interest and fiscal charges	749,206	751,170	-	-	749,206	751,170
Telecom	-	-	4,639,496	4,565,953	4,639,496	4,565,953
Sewer	-	-	3,815,598	3,168,619	3,815,598	3,168,619
Water	-	-	3,648,343	3,387,965	3,648,343	3,387,965
Electric	-	-	29,730,644	30,297,757	29,730,644	30,297,757
Sanitation	-	-	2,012,855	2,293,352	2,012,855	2,293,352
Storm water	-	-	1,089,434	821,058	1,089,434	821,058
Total expenses	<u>17,361,418</u>	<u>16,141,536</u>	<u>44,936,370</u>	<u>44,534,704</u>	<u>62,297,788</u>	<u>60,676,240</u>
Transfers	<u>(744,229)</u>	<u>(763,539)</u>	<u>744,229</u>	<u>763,539</u>	<u>-</u>	<u>-</u>
Change in net position	2,475,759	3,861,812	2,680,568	3,547,563	5,156,327	7,409,375
Net position at						
beginning of year, restated	45,432,019	54,393,862	75,944,308	79,784,506	121,376,327	134,178,368
Restatement	-	(8,961,843)	-	(3,840,198)	-	(12,802,041)
Net position at end of year	<u>\$ 47,907,778</u>	<u>\$ 45,432,019</u>	<u>\$ 78,624,876</u>	<u>\$ 75,944,308</u>	<u>\$ 126,532,654</u>	<u>\$ 121,376,327</u>

**CITY OF WADSWORTH, OHIO**

MANAGEMENT'S DISCUSSION AND ANALYSIS  
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**Governmental Activities**

The information necessary to restate the 2014 beginning balances and the 2014 pension expense amounts for the effects of the initial implementation of GASB 68 is not available. Therefore, 2014 functional expenses still include pension expense of \$1,884,756 computed under GASB 27. GASB 27 required recognizing pension expense equal to the contractually required contributions to the plan. Under GASB 68, pension expense represents additional amounts earned, adjusted by deferred inflows/outflows. The contractually required contribution is no longer a component of pension expense. Under GASB 68, the 2015 statements report pension expense of \$2,659,535.

Consequently, in order to compare 2015 total program expenses to 2014, the following adjustments are needed:

	Governmental Activities	Business-Type Activities	Total
Total 2015 program expenses under GASB 68	\$ 17,361,418	\$ 44,936,370	\$ 62,297,788
Pension expense under GASB 68	(2,157,322)	(502,213)	(2,659,535)
2015 contractually required contributions	<u>1,211,100</u>	<u>570,279</u>	<u>1,781,379</u>
Adjusted 2015 program expenses	16,415,196	45,004,436	61,419,632
Total 2014 program expenses under GASB 27	<u>16,141,536</u>	<u>44,534,704</u>	<u>60,676,240</u>
Increase in program expenses not related to pension	<u>\$ 273,660</u>	<u>\$ 469,732</u>	<u>\$ 743,392</u>

Governmental activities net position increased \$2,475,759 in 2015.

Security of persons and property, which primarily supports the operations of the police department accounted for \$7,969,588 of the total expenses of the City. These expenses were partially funded by \$1,255,895 in direct charges to users of the services and \$4,866 in operating grants and contributions. Transportation expenses totaled \$3,110,416. Transportation expenses were funded by \$364,342 in direct charges to users of the services, \$1,102,091 in operating grants and contributions, and \$1,119,844 in capital grants and contributions.

The City received \$1,716,473 in operating grants and contributions, primarily from the State and Federal government.

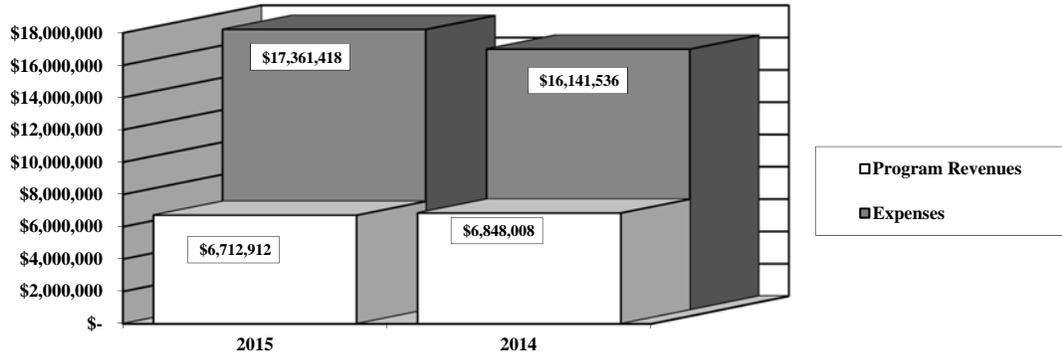
General revenues totaled \$13,868,494, and amounted to 67.38% of total governmental revenues. These revenues primarily consist of income, property and other local tax revenue of \$11,880,832. The other primary source of general revenues is grants and entitlements not restricted to specific programs, including local government funds, making up \$785,870.

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

**CITY OF WADSWORTH, OHIO**

MANAGEMENT'S DISCUSSION AND ANALYSIS  
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**Governmental Activities - Program Revenues vs. Total Expenses**



**Governmental Activities**

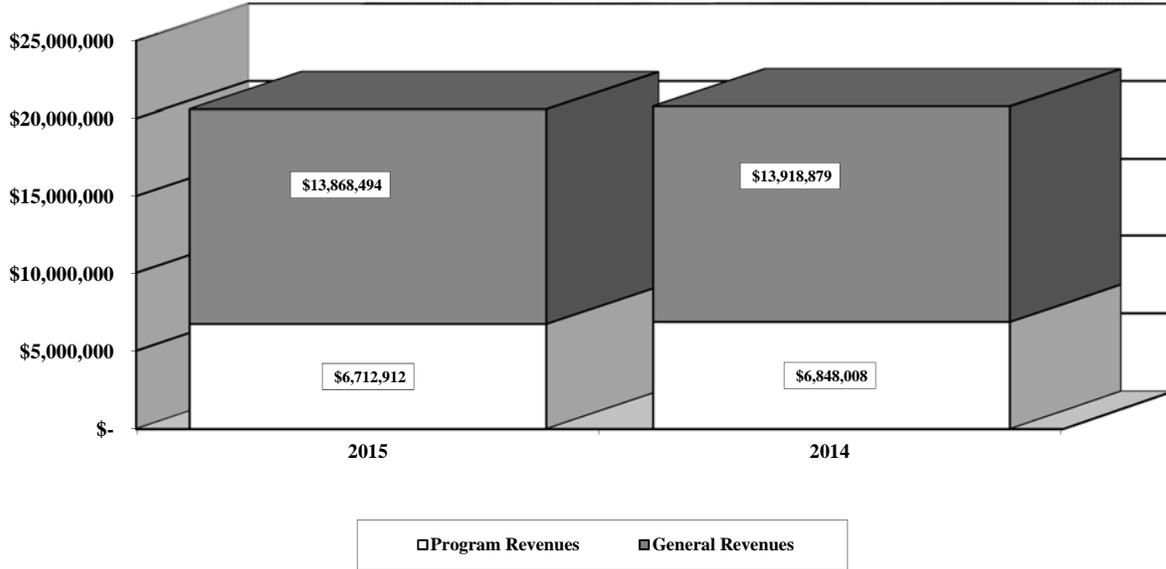
	Total Cost of Services <u>2015</u>	Total Cost of Services <u>2014</u>	Net Cost of Services <u>2015</u>	Net Cost of Services <u>2014</u>
Program Expenses:				
General government	\$ 2,819,321	\$ 3,683,873	\$ 2,102,275	\$ 2,945,239
Security of persons and property	7,969,588	6,531,114	6,708,827	5,131,286
Public health and welfare	121,952	125,292	98,044	113,456
Transportation	3,110,416	3,192,863	524,139	1,857,613
Leisure time services	1,431,808	1,467,632	258,642	369,446
Community and economic development	1,159,127	389,592	207,373	(1,874,682)
Interest and fiscal charges	<u>749,206</u>	<u>751,170</u>	<u>749,206</u>	<u>751,170</u>
<b>Total Expenses</b>	<b><u>\$ 17,361,418</u></b>	<b><u>\$ 16,141,536</u></b>	<b><u>\$ 10,648,506</u></b>	<b><u>\$ 9,293,528</u></b>

The dependence upon general revenues for governmental activities is apparent, with 61.33% of expenses supported through taxes and other general revenues.

**CITY OF WADSWORTH, OHIO**

**MANAGEMENT'S DISCUSSION AND ANALYSIS  
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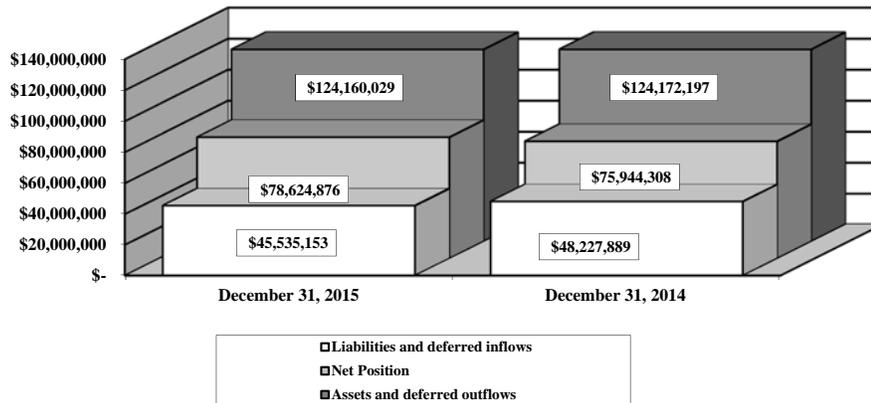
**Governmental Activities - General and Program Revenues**



**Business-type Activities**

Business-type activities include the storm water, telecom, sewer, water, electric and sanitation enterprise funds. These programs had program revenues of \$46,522,138, general revenues of \$350,571, transfers of \$744,229 and expenses of \$44,936,370 for 2015. The graph below shows the business-type activities assets, liabilities and net position at year-end 2015 and 2014.

**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.

**CITY OF WADSWORTH, OHIO**

MANAGEMENT'S DISCUSSION AND ANALYSIS  
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***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 24) reported a combined fund balance of \$17,507,092 which is \$65,815 above last year's total of \$17,441,277. The schedule below indicates the fund balances and the total change in fund balances as of December 31, 2015 for all major and nonmajor governmental funds.

	Fund Balances <u>12/31/15</u>	Fund Balances <u>12/31/14</u>	Increase <u>(Decrease)</u>
General	\$ 6,282,470	\$ 7,225,304	\$ (942,834)
Other nonmajor governmental funds	<u>11,224,622</u>	<u>10,215,973</u>	<u>1,008,649</u>
Total	<u>\$ 17,507,092</u>	<u>\$ 17,441,277</u>	<u>\$ 65,815</u>

***General Fund***

The City's general fund balance decreased \$942,834. The table that follows assists in illustrating the revenues of the general fund. Certain revenue items were reclassified from 2014 to conform to the current year presentation.

	<u>2015</u> <u>Amount</u>	<u>2014</u> <u>Amount</u>	<u>Percentage</u> <u>Change</u>
<b><u>Revenues</u></b>			
Taxes	\$ 6,845,826	\$ 7,396,698	(7.45) %
Charges for services	214,035	255,962	(16.38) %
Licenses and permits	500,437	418,013	19.72 %
Fines and forfeitures	444,316	459,073	(3.21) %
Investment income	179,246	212,384	(15.60) %
Intergovernmental	626,284	646,911	(3.19) %
Other	<u>174,978</u>	<u>165,549</u>	5.70 %
Total	<u>\$ 8,985,122</u>	<u>\$ 9,554,590</u>	(5.96) %

Tax revenue represents 76.19% of all general fund revenue. Tax revenue in the general fund decreased by 7.45% from prior year due to an increase in the amount of income tax revenue posted to other funds.

**CITY OF WADSWORTH, OHIO**

MANAGEMENT'S DISCUSSION AND ANALYSIS  
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The table that follows assists in illustrating the expenditures of the general fund.

	<u>2015</u> <u>Amount</u>	<u>2014</u> <u>Amount</u>	<u>Percentage</u> <u>Change</u>
<b><u>Expenditures</u></b>			
General government	\$ 3,234,892	\$ 3,473,452	(6.87) %
Security of persons and property	4,904,772	4,683,917	4.72 %
Public health	119,332	120,002	(0.56) %
Community and economic development	272,277	256,810	6.02 %
Leisure time services	1,191,095	1,287,407	(7.48) %
Transportation	93	229	(59.39) %
Capital outlay	14,462	48,594	(70.24) %
Debt service	<u>6,450</u>	<u>5,549</u>	16.24 %
<b>Total</b>	<b><u>\$ 9,743,373</u></b>	<b><u>\$ 9,875,960</u></b>	<b>(1.34) %</b>

Total expenditures decreased 1.34% from 2014.

***Budgeting Highlights***

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

The City made several revisions to the original appropriations approved by City Council. Overall, these changes resulted in an increase of \$189,271 from the original budgeted expenditures and other financing uses to the final budgeted expenditures and other financing uses. The increase was for other expenditures rather than personal services. More than half was for matching funds for a Clean Ohio Trail Grant, software services and maintenance agreement for the City's accounting software, and the Medina County Transit Authority. The City's general fund actual expenditures were \$1,036,546 less than the final appropriations, excluding advances out, which are not legally required to be budgeted. There were several positions included in the 2015 expense budget, but were not filled until late in the year or early 2016. Furthermore, the City's budgeting philosophy is conservative, as we budget expenditures higher than expected.

The City's final budgeted revenues were \$45,104 greater than the original budgeted revenues. Actual revenues, excluding other financing sources, were \$491,831 less than budgeted revenues. This was primarily due to income tax revenues and fines and forfeitures.

***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 \$844,995 and operating expenses of \$1,056,451 in 2015. The storm water fund also had non-operating expense of \$32,770, transfers in \$1,856, and capital contributions of \$48,535. The net decrease in net position for the storm water fund was \$193,835 or 1.47%.

**CITY OF WADSWORTH, OHIO**

MANAGEMENT'S DISCUSSION AND ANALYSIS  
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The telecom fund had operating revenues of \$4,950,995 and operating expenses of \$4,679,656 in 2015. The telecom fund also had net non-operating revenues of \$442, non-operating expenses of \$6,976 and transfers in of \$5,147. The net increase in net position for the telecom fund was \$269,952 or 23.95%.

The sewer fund had operating revenues of \$4,062,756 and operating expenses of \$3,161,514 in 2015. The sewer fund also had non-operating expenses of \$661,283, transfers in of \$14,939, and capital contributions of \$52,869. The net increase in net position for the sewer fund was \$307,767 or 2.28%.

The water fund had operating revenues of \$4,178,075 and operating expenses of \$3,210,968 in 2015. The water fund also had non-operating expenses of \$467,955, transfers in of \$25,104, and capital contributions of \$532,665. The net increase in net position for the water fund was \$1,056,921 or 6.75%.

The electric fund had operating revenues of \$30,333,544 and operating expenses of \$29,490,047 in 2015. The electric fund also had non-operating revenues of \$2,664 and non-operating expenses of \$350,088. The electric fund also transfers in of \$59,507 and capital contributions of \$15,387. The net increase in net position for the electric fund was \$570,967 or 1.86%.

The sanitation fund had operating revenues of \$2,483,849 and operating expenses of \$2,012,168 in 2015. The sanitation fund also had non-operating revenues of \$2, transfers in of \$3,607 and non-operating expenses of \$7,815. The net increase in net position for the sanitation fund was \$467,475 or 43.19%.

**Capital Assets and Debt Administration**

**Capital Assets**

At the end of 2015, the City had \$147,077,550 (net of accumulated depreciation) invested in land, construction in progress, land improvements, buildings, equipment, vehicles, intangible assets and infrastructure. Of this total, \$55,166,800 was reported in governmental activities and \$91,910,750 was reported in business-type activities. The following table shows 2015 capital asset balances compared to 2014:

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

	<u>Governmental Activities</u>		<u>Business-Type Activities</u>		<u>Total</u>	
	<u>2015</u>	<u>2014</u>	<u>2015</u>	<u>2014</u>	<u>2015</u>	<u>2014</u>
Land	\$ 8,157,829	\$ 8,157,829	\$ 985,797	\$ 985,797	\$ 9,143,626	\$ 9,143,626
Construction in progress	2,731,421	1,785,001	1,702,335	272,648	4,433,756	2,057,649
Intangible assets	17,822,771	17,275,229	642,561	715,304	18,465,332	17,990,533
Land improvements	955,552	983,135	136,734	8,847	1,092,286	991,982
Buildings	6,312,937	6,565,359	14,002,409	14,416,008	20,315,346	20,981,367
Equipment	1,055,326	1,117,698	7,880,318	8,171,008	8,935,644	9,288,706
Vehicles	1,620,075	1,877,325	2,552,727	2,208,062	4,172,802	4,085,387
Infrastructure	16,510,889	14,310,167	64,007,869	64,941,656	80,518,758	79,251,823
Totals	<u>\$ 55,166,800</u>	<u>\$ 52,071,743</u>	<u>\$ 91,910,750</u>	<u>\$ 91,719,330</u>	<u>\$ 147,077,550</u>	<u>\$ 143,791,073</u>

The City's largest capital asset category is infrastructure which includes roads, water lines, electric lines and sewer lines. These items are immovable and of value only to the City, however, the annual cost of purchasing these items is quite significant. The net book value of the City's infrastructure (cost less accumulated depreciation) represents approximately 54.75% of the City's total capital assets. See Note 11 to the basic financial statements for additional capital asset detail.

**CITY OF WADSWORTH, OHIO**

MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED DECEMBER 31, 2015  
(UNAUDITED)

***Debt Administration***

The City had the following long-term obligations outstanding at December 31, 2015 and 2014:

	Governmental Activities	
	2015	2014
Revenue bonds	\$ 16,535,000	\$ 16,985,000
Police and fire past service costs	82,040	84,686
Total long-term obligations	\$ 16,617,040	\$ 17,069,686
	Business-type Activities	
	2015	2014
General obligation bonds	\$ 9,505,000	\$ 10,060,000
OWDA loans	15,501,615	16,549,937
OPWC loans	84,034	-
AMP stranded costs	4,463,785	5,036,864
AMP Loan	3,718,689	4,342,689
Total long-term obligations	\$ 33,273,123	\$ 35,989,490

See Note 15 to the basic financial statements for detail on the City's long-term obligations.

**Economic Factors**

The City's annual budget utilizes conservative revenue estimates combined with limited spending increases. Residential citizens and businesses enjoy a wide range of utility services at competitive and sometimes below market prices. In tough economic times, the City strives to maintain services with minimal fee increases. The level of services remained consistent in 2015.

In 2015, the City continued to control costs as in previous years. Department requests were reduced from original submission; certain requested capital projects and capital acquisitions were eliminated or reduced; and only those items that management and City Council determined necessary were appropriated. City Council continues to pursue new revenue sources, while reviewing the possibility of increasing existing revenue sources, in addition to a continued review of reducing expenditures. City Council seeks out ways to attract new business to Wadsworth and are currently expanding a successful industrial park and enhancing utility services. A close watch of current economic conditions is ongoing to determine if increased revenues, or further reductions in expenditures, are necessary in order to maintain fiscal stability.

**Contacting the City's Financial Management**

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

BASIC  
FINANCIAL STATEMENTS

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**CITY OF WADSWORTH  
MEDINA COUNTY, OHIO**

STATEMENT OF NET POSITION  
DECEMBER 31, 2015

	<b>Primary Government</b>		
	<b>Governmental Activities</b>	<b>Business-type Activities</b>	<b>Total</b>
<b>Assets:</b>			
Equity in pooled cash and cash equivalents . . . . .	\$ 14,844,313	\$ 21,007,414	\$ 35,851,727
Cash with fiscal and escrow agents . . . . .	-	1,472	1,472
Cash in segregated accounts . . . . .	6,411	-	6,411
Receivables:			
Income taxes . . . . .	2,263,995	-	2,263,995
Real and other taxes . . . . .	1,849,611	-	1,849,611
Accounts . . . . .	731,368	6,075,712	6,807,080
Payments in lieu of taxes . . . . .	473,580	-	473,580
Special assessments . . . . .	46,875	5,200	52,075
Due from other governments . . . . .	1,120,540	32,663	1,153,203
Materials and supplies inventory . . . . .	860,685	3,156,478	4,017,163
Prepayments . . . . .	820,548	151,495	972,043
AMPGS plant held for future use credit . . . . .	-	1,218,809	1,218,809
Net pension asset . . . . .	18,768	16,380	35,148
AFEC development costs receivable . . . . .	-	1,032,337	1,032,337
Investment in joint venture . . . . .	-	1,372,324	1,372,324
Internal balance . . . . .	2,633,612	(2,633,612)	-
Capital assets:			
Land and construction in progress . . . . .	10,889,250	2,688,132	13,577,382
Depreciable capital assets, net . . . . .	44,277,550	89,222,618	133,500,168
Total capital assets, net . . . . .	55,166,800	91,910,750	147,077,550
Total assets . . . . .	80,837,106	123,347,422	204,184,528
<b>Deferred outflows of resources:</b>			
Pension . . . . .	1,943,241	812,607	2,755,848
Total assets and deferred outflows of resources . . . . .	82,780,347	124,160,029	206,940,376
<b>Liabilities:</b>			
Accounts payable . . . . .	182,628	2,181,871	2,364,499
Contracts payable . . . . .	70,788	370,429	441,217
Retainage payable . . . . .	1,678	58,205	59,883
Accrued wages and benefits payable . . . . .	280,205	145,228	425,433
Due to other governments . . . . .	97,648	95,698	193,346
Accrued interest payable . . . . .	58,522	39,780	98,302
Matured interest payable . . . . .	128	1,472	1,600
Notes payable . . . . .	1,040,000	3,415,000	4,455,000
Claims payable . . . . .	481,432	-	481,432
Long-term liabilities:			
Due within one year . . . . .	876,544	3,163,624	4,040,168
Net pension liability . . . . .	11,773,424	4,516,767	16,290,191
Other amounts due in more than one year . . . . .	17,628,832	31,462,730	49,091,562
Total liabilities . . . . .	32,491,829	45,450,804	77,942,633
<b>Deferred inflows of resources:</b>			
Property taxes levied for the next fiscal year . . . . .	1,810,509	-	1,810,509
Payments in lieu of taxes levied for the next fiscal year . . . . .	473,580	-	473,580
Pension . . . . .	96,651	84,349	181,000
Total deferred inflows of resources . . . . .	2,380,740	84,349	2,465,089
Total liabilities and deferred inflows of resources . . . . .	34,872,569	45,535,153	80,407,722
<b>Net position:</b>			
Net investment in capital assets . . . . .	37,607,541	63,019,576	100,627,117
Restricted for:			
Capital projects . . . . .	5,600,414	-	5,600,414
Transportation projects . . . . .	1,230,042	-	1,230,042
Community improvements . . . . .	414,019	-	414,019
Emergency medical services . . . . .	2,011,264	-	2,011,264
Fire . . . . .	21,357	-	21,357
Police . . . . .	339,009	-	339,009
Municipal court . . . . .	880,374	-	880,374
Unrestricted (deficit) . . . . .	(196,242)	15,605,300	15,409,058
Total net position . . . . .	\$ 47,907,778	\$ 78,624,876	\$ 126,532,654

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**CITY OF WADSWORTH  
MEDINA COUNTY, OHIO**

STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED DECEMBER 31, 2015

	<u>Expenses</u>	<u>Program Revenues</u>		
		<u>Charges for Services and Sales</u>	<u>Operating Grants and Contributions</u>	<u>Capital Grants and Contributions</u>
<b>Governmental activities:</b>				
General government. . . . .	\$ 2,819,321	\$ 692,556	\$ 24,490	\$ -
Security of persons and property . . . .	7,969,588	1,255,895	4,866	-
Public health. . . . .	121,952	23,908	-	-
Transportation. . . . .	3,110,416	364,342	1,102,091	1,119,844
Leisure time services. . . . .	1,431,808	1,173,166	-	-
Community and economic development. . . . .	1,159,127	366,728	585,026	-
Interest and fiscal charges. . . . .	749,206	-	-	-
Total governmental activities . . . . .	<u>17,361,418</u>	<u>3,876,595</u>	<u>1,716,473</u>	<u>1,119,844</u>
<b>Business-type activities:</b>				
Telecom. . . . .	4,639,496	4,950,215	-	-
Sewer. . . . .	3,815,598	4,057,291	-	-
Water. . . . .	3,648,343	4,017,560	-	-
Electric. . . . .	29,730,644	30,158,308	-	15,387
Sanitation . . . . .	2,012,855	2,478,382	-	-
Storm Water . . . . .	1,089,434	844,995	-	-
Total business-type activities . . . . .	<u>44,936,370</u>	<u>46,506,751</u>	<u>-</u>	<u>15,387</u>
Total primary government. . . . .	<u>\$ 62,297,788</u>	<u>\$ 50,383,346</u>	<u>\$ 1,716,473</u>	<u>\$ 1,135,231</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. . . . .
Special revenue funds. . . . .
Payments in lieu of taxes . . . . .
Grants and entitlements not restricted to specific programs . . . . .
Investment earnings . . . . .
Miscellaneous . . . . .
Total general revenues . . . . .
Transfers . . . . .
Total general revenues and transfers. . . . .
Change in net position . . . . .
<b>Net position at beginning of year (restated). . . . .</b>
<b>Net position at end of year. . . . .</b>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

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

<b>Governmental Activities</b>	<b>Business-type Activities</b>	<b>Total</b>
\$ (2,102,275)	\$ -	\$ (2,102,275)
(6,708,827)	-	(6,708,827)
(98,044)	-	(98,044)
(524,139)	-	(524,139)
(258,642)	-	(258,642)
(207,373)	-	(207,373)
(749,206)	-	(749,206)
<u>(10,648,506)</u>	<u>-</u>	<u>(10,648,506)</u>
-	310,719	310,719
-	241,693	241,693
-	369,217	369,217
-	443,051	443,051
-	465,527	465,527
-	(244,439)	(244,439)
-	<u>1,585,768</u>	<u>1,585,768</u>
<u>(10,648,506)</u>	<u>1,585,768</u>	<u>(9,062,738)</u>
2,267,673	-	2,267,673
460,081	-	460,081
887,573	-	887,573
100,585	-	100,585
4,279,295	-	4,279,295
1,634,223	-	1,634,223
2,251,402	-	2,251,402
832,556	-	832,556
785,870	-	785,870
179,246	2	179,248
189,990	350,569	540,559
<u>13,868,494</u>	<u>350,571</u>	<u>14,219,065</u>
<u>(744,229)</u>	<u>744,229</u>	<u>-</u>
<u>13,124,265</u>	<u>1,094,800</u>	<u>14,219,065</u>
2,475,759	2,680,568	5,156,327
45,432,019	75,944,308	121,376,327
<u>\$ 47,907,778</u>	<u>\$ 78,624,876</u>	<u>\$ 126,532,654</u>

**CITY OF WADSWORTH  
MEDINA COUNTY, OHIO**

BALANCE SHEET  
GOVERNMENTAL FUNDS  
DECEMBER 31, 2015

	<b>General</b>	<b>Other Governmental Funds</b>	<b>Total Governmental Funds</b>
<b>Assets:</b>			
Equity in pooled cash and cash equivalents . . .	\$ 2,991,745	\$ 10,073,073	\$ 13,064,818
Cash in segregated accounts . . . . .	6,411	-	6,411
Receivables:			
Income taxes . . . . .	1,504,651	759,344	2,263,995
Real and other taxes . . . . .	946,321	903,290	1,849,611
Accounts . . . . .	92,462	638,906	731,368
Payments in lieu of taxes . . . . .	-	473,580	473,580
Special assessments . . . . .	1,000	45,875	46,875
Interfund loans . . . . .	2,763,274	3,870,740	6,634,014
Due from other governments . . . . .	282,873	837,667	1,120,540
Materials and supplies inventory . . . . .	177,864	410,344	588,208
Prepayments . . . . .	62,226	662,868	725,094
Total assets . . . . .	\$ 8,828,827	\$ 18,675,687	\$ 27,504,514
<b>Liabilities:</b>			
Accounts payable . . . . .	\$ 83,542	\$ 69,014	\$ 152,556
Contracts payable . . . . .	10,675	60,113	70,788
Retainage payable . . . . .	-	1,678	1,678
Accrued wages and benefits payable . . . . .	185,451	73,542	258,993
Compensated absences payable . . . . .	135,143	-	135,143
Interfund loans payable . . . . .	16,000	3,292,240	3,308,240
Due to other governments . . . . .	76,160	17,393	93,553
Matured interest payable . . . . .	-	128	128
Accrued interest payable . . . . .	-	1,325	1,325
Bond anticipation notes payable . . . . .	-	1,040,000	1,040,000
Total liabilities . . . . .	506,971	4,555,433	5,062,404
<b>Deferred inflows of resources:</b>			
Property taxes levied for the next fiscal year . . .	926,320	884,189	1,810,509
Delinquent property tax revenue not available . .	20,001	19,101	39,102
Special assessments revenue not available . . . .	1,000	45,875	46,875
Miscellaneous revenue not available . . . . .	104,684	391,823	496,507
Income tax revenue not available . . . . .	797,383	402,411	1,199,794
Intergovernmental revenue not available . . . .	189,998	678,653	868,651
Payments in lieu of taxes levied for the next fiscal year . . . . .	-	473,580	473,580
Total deferred inflows of resources . . . . .	2,039,386	2,895,632	4,935,018
<b>Fund balances:</b>			
Nonspendable . . . . .	3,003,364	1,073,212	4,076,576
Restricted . . . . .	-	9,492,012	9,492,012
Committed . . . . .	1,400	2,589,267	2,590,667
Assigned . . . . .	906,761	-	906,761
Unassigned (deficit) . . . . .	2,370,945	(1,929,869)	441,076
Total fund balances . . . . .	6,282,470	11,224,622	17,507,092
Total liabilities, deferred inflows of resources and fund balances . . . . .	\$ 8,828,827	\$ 18,675,687	\$ 27,504,514

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, 2015

<b>Total governmental fund balances</b>		\$	17,507,092
<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.			54,727,039
Other long-term assets are not available to pay for current-period expenditures and therefore are deferred inflows in the funds.			
Income taxes receivable	\$	1,199,794	
Real and other taxes receivable		39,102	
Accounts receivable		496,507	
Intergovernmental receivable		868,651	
Special assessments receivable		46,875	
Total		2,650,929	2,650,929
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.			747,260
Accrued interest payable is not due and payable in the current period and therefore is not reported in the funds.			(57,197)
Unamortized premiums (discounts) on bond issuances are not recognized in the funds.			88,208
The net pension asset is not available to pay for current period expenditures; therefore, the asset is not reported in the governmental funds.			16,526
The net pension liability is not due and payable in the current period; therefore, liability and related deferred inflows are not reported in governmental funds.			(9,408,271)
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		(1,746,768)	
Police past service costs		(82,040)	
Revenue bonds payable		(16,535,000)	
Total		(18,363,808)	(18,363,808)
<b>Net position of governmental activities</b>		\$	47,907,778

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, 2015

	<b>General</b>	<b>Other Governmental Funds</b>	<b>Total Governmental Funds</b>
<b>Revenues:</b>			
Income taxes . . . . .	\$ 4,579,429	\$ 3,483,214	\$ 8,062,643
Real and other taxes . . . . .	2,266,397	1,454,092	3,720,489
Charges for services . . . . .	214,035	2,000,014	2,214,049
Licenses and permits . . . . .	500,437	24,000	524,437
Fines and forfeitures . . . . .	444,316	149,287	593,603
Intergovernmental . . . . .	626,284	2,355,451	2,981,735
Special assessments . . . . .	5,236	63,302	68,538
Investment income . . . . .	179,246	160	179,406
Rental income . . . . .	25,737	-	25,737
Contributions and donations . . . . .	554	2,434	2,988
Refunds and reimbursements . . . . .	111,697	-	111,697
Payments in lieu of taxes . . . . .	-	832,556	832,556
Other . . . . .	31,754	417,148	448,902
Total revenues . . . . .	8,985,122	10,781,658	19,766,780
<b>Expenditures:</b>			
Current:			
General government . . . . .	3,234,892	309,897	3,544,789
Security of persons and property . . . . .	4,904,772	1,703,369	6,608,141
Public health . . . . .	119,332	2,648	121,980
Transportation . . . . .	93	2,654,422	2,654,515
Leisure time services . . . . .	1,191,095	106,287	1,297,382
Community and economic development . . . . .	272,277	883,878	1,156,155
Capital outlay . . . . .	14,462	3,053,581	3,068,043
Debt service:			
Principal retirement . . . . .	2,646	450,000	452,646
Interest and fiscal charges . . . . .	3,804	742,504	746,308
Total expenditures . . . . .	9,743,373	9,906,586	19,649,959
Excess (deficiency) of revenues over (under) expenditures . . . . .	(758,251)	875,072	116,821
<b>Other financing sources (uses):</b>			
Sale of capital assets . . . . .	52,655	13,360	66,015
Transfers in . . . . .	-	151,467	151,467
Transfers (out) . . . . .	(237,238)	(31,250)	(268,488)
Total other financing sources (uses) . . . . .	(184,583)	133,577	(51,006)
Net change in fund balances . . . . .	(942,834)	1,008,649	65,815
<b>Fund balances at beginning of year . . . . .</b>	7,225,304	10,215,973	17,441,277
<b>Fund balances at end of year . . . . .</b>	<b>\$ 6,282,470</b>	<b>\$ 11,224,622</b>	<b>\$ 17,507,092</b>

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, 2015

<b>Net change in fund balances - total governmental funds</b>	\$	65,815
<i>Amounts reported for governmental activities in the statement of activities are different because:</i>		
Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which capital outlays exceeds depreciation expense in the current period.		
Capital asset additions	\$ 3,644,857	
Capital asset contributions	837,880	
Current year depreciation	<u>(1,558,828)</u>	
Total		2,923,909
The net effect of various miscellaneous transactions involving capital assets (i.e., sales, disposals, trade-ins, and donations) is to decrease net position.		
		(20,030)
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.		
Income taxes	102,277	
Real and other taxes	(4,577)	
Intergovernmental revenues	(237,074)	
Special assessments	(17,066)	
Charges for services	<u>87,201</u>	
Total		(69,239)
Repayment of bond principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities on the statement of net position.		
		452,646
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	937	
Amortization of bond premiums and discounts	<u>(3,835)</u>	
Total		(2,898)
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.		
		(105,070)
Contractually required pension contributions are reported as expenditures in governmental funds; however, the statement of activities reports these amounts as deferred outflows.		
		1,133,041
Except for amounts reported as deferred inflows/outflows, changes in the net pension liability are reported as pension expense in the statement of activities.		
		(2,088,581)
The internal service fund used by management to charge the costs of insurance to individual funds is not reported in the government-wide statement of activities. Governmental fund expenditures and the related internal service fund revenues are eliminated. The net revenue (expense) of the internal service fund is allocated among the governmental activities.		
		<u>186,166</u>
<b>Change in net position of governmental activities</b>	<b>\$</b>	<b><u>2,475,759</u></b>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**CITY OF WADSWORTH  
MEDINA COUNTY, OHIO**

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
**GENERAL FUND**  
FOR THE YEAR ENDED DECEMBER 31, 2015

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues:</b>				
Income taxes	\$ 6,019,667	\$ 6,019,667	\$ 5,320,174	\$ (699,493)
Real and other taxes	2,250,118	2,239,911	2,266,397	26,486
Charges for services	256,144	254,950	183,760	(71,190)
Licenses and permits	101,750	101,750	194,854	93,104
Fines and forfeitures	529,500	567,500	437,793	(129,707)
Intergovernmental	309,361	327,866	630,758	302,892
Special assessments	7,000	7,000	5,236	(1,764)
Investment income	237,274	237,274	196,177	(41,097)
Rental income	26,121	26,121	25,737	(384)
Contributions and donations	400	400	554	154
Refunds and Reimbursements	118,550	118,550	119,385	835
Other	2,450	2,450	30,783	28,333
<b>Total Revenues</b>	<u>9,858,335</u>	<u>9,903,439</u>	<u>9,411,608</u>	<u>(491,831)</u>
<b>Expenditures:</b>				
<i>Current:</i>				
General Government				
Council				
Personal services	91,288	93,568	91,955	1,613
Other	29,203	30,003	14,573	15,430
Total - council	<u>120,491</u>	<u>123,571</u>	<u>106,528</u>	<u>17,043</u>
Mayor				
Personal services	139,914	139,914	110,442	29,472
Other	40,850	52,670	45,625	7,045
Total - mayor	<u>180,764</u>	<u>192,584</u>	<u>156,067</u>	<u>36,517</u>
Auditor				
Personal services	377,477	377,477	374,353	3,124
Other	1,590,837	1,667,416	1,365,363	302,053
Total - auditor	<u>1,968,314</u>	<u>2,044,893</u>	<u>1,739,716</u>	<u>305,177</u>
Treasurer				
Personal services	25,343	28,427	26,005	2,422
Other	19,683	19,683	17,766	1,917
Total - treasurer	<u>45,026</u>	<u>48,110</u>	<u>43,771</u>	<u>4,339</u>
Law Director				
Personal services	294,175	294,175	293,263	912
Other	16,201	13,701	11,798	1,903
Total - law director	<u>310,376</u>	<u>307,876</u>	<u>305,061</u>	<u>2,815</u>
Service Director				
Personal services	109,206	109,206	56,085	53,121
Other	41,203	47,742	22,344	25,398
Total - service director	<u>150,409</u>	<u>156,948</u>	<u>78,429</u>	<u>78,519</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, 2015

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Municipal Court				
Personal services	799,037	799,037	764,724	34,313
Other	113,573	116,673	70,965	45,708
Total - municipal court	<u>912,610</u>	<u>915,710</u>	<u>835,689</u>	<u>80,021</u>
Total General Government	<u>3,687,990</u>	<u>3,789,692</u>	<u>3,265,261</u>	<u>524,431</u>
Security of Persons & Property				
Security of Persons & Property				
Personal services	4,517,240	4,517,240	4,255,068	262,172
Other	699,491	699,491	573,346	126,145
Total Security of Persons & Property	<u>5,216,731</u>	<u>5,216,731</u>	<u>4,828,414</u>	<u>388,317</u>
Public Health				
Service Director				
Other	129,390	131,555	120,202	11,353
Total Public Health	<u>129,390</u>	<u>131,555</u>	<u>120,202</u>	<u>11,353</u>
Leisure Time Services				
Service Director				
Personal services	702,081	702,081	654,259	47,822
Other	253,080	313,886	271,063	42,823
Total Leisure Time Services	<u>955,161</u>	<u>1,015,967</u>	<u>925,322</u>	<u>90,645</u>
Community and Economic Development				
Service Director				
Personal services	250,090	250,090	233,661	16,429
Other	60,139	68,943	63,573	5,370
Total Community and Economic Development	<u>310,229</u>	<u>319,033</u>	<u>297,234</u>	<u>21,799</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, 2015

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Debt Service				
Principal retirement	9,131	5,149	5,148	1
Interest and fiscal charges	4,109	3,571	3,571	-
Total - debt service	<u>13,240</u>	<u>8,720</u>	<u>8,719</u>	<u>1</u>
Total Expenditures	<u>10,312,741</u>	<u>10,481,698</u>	<u>9,445,152</u>	<u>1,036,546</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(454,406)</u>	<u>(578,259)</u>	<u>(33,544)</u>	<u>544,715</u>
<b>Other financing sources (uses):</b>				
Transfers in	-	-	5,873	5,873
Transfers out	(221,651)	(241,965)	(241,965)	-
Advances in	-	-	254,000	254,000
Advances out	-	-	(674,741)	(674,741)
Sale of assets	-	-	52,655	52,655
Total Other Financing Sources (Uses)	<u>(221,651)</u>	<u>(241,965)</u>	<u>(604,178)</u>	<u>(362,213)</u>
Net change in fund balances	(676,057)	(820,224)	(637,722)	182,502
<b>Fund balances at beginning of year (restated)</b>	5,020,851	5,020,851	5,020,851	-
<b>Prior year encumbrances appropriated</b>	158,667	158,667	158,667	-
<b>Fund balance at end of year</b>	<u>\$ 4,503,461</u>	<u>\$ 4,359,294</u>	<u>\$ 4,541,796</u>	<u>\$ 182,502</u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

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**CITY OF WADSWORTH  
MEDINA COUNTY, OHIO**

STATEMENT OF NET POSITION  
PROPRIETARY FUNDS  
DECEMBER 31, 2015

**Business-type Activities - Enterprise Funds**

	<b>Storm Water</b>	<b>Telecom</b>	<b>Sewer</b>	<b>Water</b>
<b>Assets:</b>				
Current assets:				
Equity in pooled cash and cash equivalents . . . . .	\$ 273,938	\$ 877,133	\$ 1,842,952	\$ 4,464,774
Cash with fiscal and escrow agents . . . . .	-	-	-	1,472
Receivables:				
Accounts . . . . .	131,538	865,111	501,617	401,961
Special assessments . . . . .	-	-	4,621	579
Interfund loans . . . . .	103,137	345,642	695,822	1,239,816
Due from other governments . . . . .	-	-	-	-
Materials and supplies inventory . . . . .	-	-	58,435	169,801
Prepayments . . . . .	7	33,714	13,681	39,283
Total current assets . . . . .	<u>508,620</u>	<u>2,121,600</u>	<u>3,117,128</u>	<u>6,317,686</u>
Noncurrent assets:				
AMPGS plant held for future use credit . . . . .	-	-	-	-
AFEC development costs receivable . . . . .	-	-	-	-
Investment in joint venture . . . . .	-	-	-	-
Net pension asset . . . . .	193	1,949	1,938	3,070
Capital assets:				
Land and construction in progress . . . . .	35,350	42,747	1,569,923	843,529
Depreciable capital assets, net . . . . .	14,263,524	556,888	27,714,956	23,623,207
Total capital assets, net . . . . .	<u>14,298,874</u>	<u>599,635</u>	<u>29,284,879</u>	<u>24,466,736</u>
Total noncurrent assets . . . . .	<u>14,299,067</u>	<u>601,584</u>	<u>29,286,817</u>	<u>24,469,806</u>
Total assets . . . . .	<u>14,807,687</u>	<u>2,723,184</u>	<u>32,403,945</u>	<u>30,787,492</u>
<b>Deferred outflows of resources:</b>				
Pension . . . . .	9,556	96,687	96,152	152,296
Total deferred outflows of resources . . . . .	<u>9,556</u>	<u>96,687</u>	<u>96,152</u>	<u>152,296</u>
Total assets and deferred outflows of resources . . . . .	<u>14,817,243</u>	<u>2,819,871</u>	<u>32,500,097</u>	<u>30,939,788</u>
<b>Liabilities:</b>				
Current liabilities:				
Accounts payable . . . . .	8,598	203,675	66,913	23,416
Contracts payable . . . . .	-	-	366,346	4,083
Retainage payable . . . . .	-	-	58,205	-
Accrued wages and benefits payable . . . . .	1,373	18,250	16,904	23,605
Due to other governments . . . . .	231	34,042	8,793	10,998
Interfund loans payable . . . . .	659,933	214,000	604,500	3,001,525
Accrued interest payable . . . . .	2,470	255	1,784	34,829
Compensated absences payable - current . . . . .	1,721	43,385	27,551	100,311
Matured interest payable . . . . .	-	-	-	1,472
General obligation bonds payable . . . . .	71,069	-	-	457,476
OWDA loans payable . . . . .	-	-	1,081,604	-
OPWC loans payable . . . . .	2,801	-	-	-
AMP loan payable - current . . . . .	-	-	-	-
Notes payable . . . . .	390,000	200,000	1,400,000	1,230,000
Claims payable . . . . .	-	-	-	-
Stranded costs payable - current . . . . .	-	-	-	-
Total current liabilities . . . . .	<u>1,138,196</u>	<u>713,607</u>	<u>3,632,600</u>	<u>4,887,715</u>
Long-term liabilities:				
Compensated absences payable . . . . .	6,423	161,939	102,837	181,552
General obligation bonds payable . . . . .	583,552	-	-	8,286,624
OWDA loans payable . . . . .	-	-	14,420,011	-
OPWC loans payable . . . . .	81,233	-	-	-
AMP loan payable . . . . .	-	-	-	-
Stranded costs payable . . . . .	-	-	-	-
Net pension liability . . . . .	53,110	537,422	534,446	846,518
Total long-term liabilities . . . . .	<u>724,318</u>	<u>699,361</u>	<u>15,057,294</u>	<u>9,314,694</u>
Total liabilities . . . . .	<u>1,862,514</u>	<u>1,412,968</u>	<u>18,689,894</u>	<u>14,202,409</u>
<b>Deferred inflows of resources:</b>				
Pension . . . . .	992	10,036	9,981	15,808
Total deferred inflows of resources . . . . .	<u>992</u>	<u>10,036</u>	<u>9,981</u>	<u>15,808</u>
Total liabilities and deferred inflows of resources . . . . .	<u>1,863,506</u>	<u>1,423,004</u>	<u>18,699,875</u>	<u>14,218,217</u>
<b>Net position:</b>				
Net investment in capital assets . . . . .	13,254,253	399,635	11,958,713	14,488,553
Unrestricted . . . . .	(300,516)	997,232	1,841,509	2,233,018
Total net position . . . . .	<u>\$ 12,953,737</u>	<u>\$ 1,396,867</u>	<u>\$ 13,800,222</u>	<u>\$ 16,721,571</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

<b>Business-type Activities - Enterprise Funds</b>			<b>Governmental Activities - Internal Service Funds</b>
<b>Electric</b>	<b>Sanitation</b>	<b>Total</b>	
\$ 12,740,391	\$ 808,226	\$ 21,007,414	\$ 1,779,495
-	-	1,472	-
3,799,376	376,109	6,075,712	-
-	-	5,200	-
2,556,384	313,756	5,254,557	663,717
32,663	-	32,663	-
2,928,242	-	3,156,478	272,477
59,286	5,524	151,495	95,454
<u>22,116,342</u>	<u>1,503,615</u>	<u>35,684,991</u>	<u>2,811,143</u>
1,218,809	-	1,218,809	-
1,032,337	-	1,032,337	-
1,372,324	-	1,372,324	-
7,904	1,326	16,380	2,242
195,779	804	2,688,132	-
<u>22,079,422</u>	<u>984,621</u>	<u>89,222,618</u>	<u>439,761</u>
<u>22,275,201</u>	<u>985,425</u>	<u>91,910,750</u>	<u>439,761</u>
<u>25,906,575</u>	<u>986,751</u>	<u>95,550,600</u>	<u>442,003</u>
<u>48,022,917</u>	<u>2,490,366</u>	<u>131,235,591</u>	<u>3,253,146</u>
392,136	65,780	812,607	111,227
<u>392,136</u>	<u>65,780</u>	<u>812,607</u>	<u>111,227</u>
<u>48,415,053</u>	<u>2,556,146</u>	<u>132,048,198</u>	<u>3,364,373</u>
1,817,643	61,626	2,181,871	30,072
-	-	370,429	-
-	-	58,205	-
74,810	10,286	145,228	21,212
31,982	9,652	95,698	4,095
4,007,807	272,500	8,760,265	483,783
194	248	39,780	-
127,205	17,871	318,044	19,996
-	-	1,472	-
35,551	-	564,096	-
-	-	1,081,604	-
-	-	2,801	-
624,000	-	624,000	-
-	195,000	3,415,000	-
-	-	-	481,432
<u>573,079</u>	<u>-</u>	<u>573,079</u>	<u>-</u>
<u>7,292,271</u>	<u>567,183</u>	<u>18,231,572</u>	<u>1,040,590</u>
474,806	66,705	994,262	74,637
111,653	-	8,981,829	-
-	-	14,420,011	-
-	-	81,233	-
3,094,689	-	3,094,689	-
3,890,706	-	3,890,706	-
<u>2,179,642</u>	<u>365,629</u>	<u>4,516,767</u>	<u>618,245</u>
<u>9,751,496</u>	<u>432,334</u>	<u>35,979,497</u>	<u>692,882</u>
<u>17,043,767</u>	<u>999,517</u>	<u>54,211,069</u>	<u>1,733,472</u>
40,704	6,828	84,349	11,545
<u>40,704</u>	<u>6,828</u>	<u>84,349</u>	<u>11,545</u>
<u>17,084,471</u>	<u>1,006,345</u>	<u>54,295,418</u>	<u>1,745,017</u>
22,127,997	790,425	63,019,576	439,761
9,202,585	759,376	14,733,204	1,179,595
<u>\$ 31,330,582</u>	<u>\$ 1,549,801</u>	<u>77,752,780</u>	<u>\$ 1,619,356</u>
		872,096	
		<u>\$ 78,624,876</u>	

**CITY OF WADSWORTH  
MEDINA COUNTY, OHIO**

STATEMENT OF REVENUES, EXPENSES AND  
CHANGES IN NET POSITION  
PROPRIETARY FUNDS  
FOR THE YEAR ENDED DECEMBER 31, 2015

**Business-type Activities - Enterprise Funds**

	<b>Storm Water</b>	<b>Telecom</b>	<b>Sewer</b>	<b>Water</b>
<b>Operating revenues:</b>				
Charges for services . . . . .	\$ 844,995	\$ 4,950,215	\$ 4,057,291	\$ 4,017,560
Other operating revenues . . . . .	-	780	5,465	160,515
Total operating revenues . . . . .	<u>844,995</u>	<u>4,950,995</u>	<u>4,062,756</u>	<u>4,178,075</u>
<b>Operating expenses:</b>				
Personal services . . . . .	79,608	756,955	807,254	1,312,087
Contract services. . . . .	643,508	3,391,136	1,167,855	963,919
Materials and supplies. . . . .	46,230	107,435	144,575	267,851
Purchased power. . . . .	-	-	-	-
Claims expense . . . . .	-	-	-	-
Depreciation. . . . .	278,929	159,259	988,886	617,681
Other . . . . .	8,176	264,871	52,944	49,430
Total operating expenses. . . . .	<u>1,056,451</u>	<u>4,679,656</u>	<u>3,161,514</u>	<u>3,210,968</u>
Operating income (loss) . . . . .	<u>(211,456)</u>	<u>271,339</u>	<u>901,242</u>	<u>967,107</u>
<b>Nonoperating revenues (expenses):</b>				
Interest and fiscal charges . . . . .	(32,770)	(6,976)	(535,819)	(464,446)
Gain (loss) on sale of capital assets . . . . .	-	442	(125,464)	(3,509)
Interest income. . . . .	-	-	-	-
Investment in joint venture. . . . .	-	-	-	-
Total nonoperating revenues (expenses). . . . .	<u>(32,770)</u>	<u>(6,534)</u>	<u>(661,283)</u>	<u>(467,955)</u>
Income (loss) before contributions and transfers. . . . .	<u>(244,226)</u>	<u>264,805</u>	<u>239,959</u>	<u>499,152</u>
Transfer in . . . . .	1,856	5,147	14,939	25,104
Capital contributions. . . . .	48,535	-	52,869	532,665
Change in net position . . . . .	(193,835)	269,952	307,767	1,056,921
<b>Net position at beginning of year (restated).</b>	<u>13,147,572</u>	<u>1,126,915</u>	<u>13,492,455</u>	<u>15,664,650</u>
<b>Net position at end of year . . . . .</b>	<u>\$ 12,953,737</u>	<u>\$ 1,396,867</u>	<u>\$ 13,800,222</u>	<u>\$ 16,721,571</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>	
\$ 30,158,308	\$ 2,478,382	\$ 46,506,751	\$ 5,772,756
175,236	5,467	347,463	8,062
<u>30,333,544</u>	<u>2,483,849</u>	<u>46,854,214</u>	<u>5,780,818</u>
3,374,269	562,361	6,892,534	969,793
1,246,860	1,156,036	8,569,314	763,237
542,431	136,747	1,245,269	426,905
20,683,484	-	20,683,484	-
-	-	-	3,128,684
1,881,983	102,922	4,029,660	80,361
1,761,020	54,102	2,190,543	31,212
<u>29,490,047</u>	<u>2,012,168</u>	<u>43,610,804</u>	<u>5,400,192</u>
<u>843,497</u>	<u>471,681</u>	<u>3,243,410</u>	<u>380,626</u>
(87,669)	(7,815)	(1,135,495)	-
2,664	-	(125,867)	-
-	2	2	-
<u>(262,419)</u>	<u>-</u>	<u>(262,419)</u>	<u>-</u>
<u>(347,424)</u>	<u>(7,813)</u>	<u>(1,523,779)</u>	<u>-</u>
<u>496,073</u>	<u>463,868</u>	<u>1,719,631</u>	<u>380,626</u>
59,507	3,607	110,160	6,861
15,387	-	649,456	-
570,967	467,475	2,479,247	387,487
<u>30,759,615</u>	<u>1,082,326</u>		<u>1,231,869</u>
<u>\$ 31,330,582</u>	<u>\$ 1,549,801</u>		<u>\$ 1,619,356</u>
		<u>201,321</u>	
		<u>\$ 2,680,568</u>	

**CITY OF WADSWORTH  
MEDINA COUNTY, OHIO**

STATEMENT OF CASH FLOWS  
PROPRIETARY FUNDS  
FOR THE YEAR ENDED DECEMBER 31, 2015

**Business-type Activities - Enterprise Funds**

	<b>Storm Water</b>	<b>Telecom</b>	<b>Sewer</b>	<b>Water</b>
<b>Cash flows from operating activities:</b>				
Cash received from customers . . . . .	\$ 847,337	\$ 4,914,915	\$ 4,128,009	\$ 4,080,267
Cash received from other operations . . . . .	-	780	5,465	165,515
Cash payments to employees for services . . . . .	(80,374)	(819,875)	(799,203)	(1,301,336)
Cash payments for goods and services . . . . .	(681,878)	(3,506,393)	(1,308,038)	(1,245,646)
Cash payments for claims . . . . .	-	-	-	-
Cash payments for other expenses . . . . .	(13,048)	(264,517)	(53,711)	(49,430)
Net cash provided by operating activities . . . . .	<u>72,037</u>	<u>324,910</u>	<u>1,972,522</u>	<u>1,649,370</u>
<b>Cash flows from noncapital financing activities:</b>				
Cash received from transfers in . . . . .	1,856	5,147	14,939	25,104
Cash used to pay stranded costs . . . . .	-	-	-	-
Cash received from internal notes . . . . .	-	-	-	-
Cash used for internal notes . . . . .	-	-	-	-
Cash received from interfund loans . . . . .	-	-	442,500	1,138,000
Cash used in repayment of interfund loans . . . . .	(103,137)	(345,642)	(695,822)	(1,239,816)
Net cash provided by (used in) noncapital financing activities . . . . .	<u>(101,281)</u>	<u>(340,495)</u>	<u>(238,383)</u>	<u>(76,712)</u>
<b>Cash flows from capital and related financing activities:</b>				
Sale or transfer of capital assets . . . . .	-	442	1,203	3,992
Acquisition of capital assets . . . . .	(286,813)	(221,252)	(1,325,225)	(915,623)
Proceeds from sale of notes . . . . .	1,133,967	414,000	2,004,500	4,231,525
Premium on sale of notes . . . . .	3,682	1,888	13,216	11,611
Principal payments . . . . .	(1,053,500)	(530,000)	(3,201,322)	(4,968,670)
Interest and fiscal charges . . . . .	(38,120)	(9,105)	(548,831)	(482,480)
Cash received from capital grants . . . . .	77,524	-	-	-
Net cash used in capital and related financing activities . . . . .	<u>(163,260)</u>	<u>(344,027)</u>	<u>(3,056,459)</u>	<u>(2,119,645)</u>
<b>Cash flows from investing activities:</b>				
Interest received . . . . .	-	-	-	-
Net cash provided by investing activities . . . . .	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net increase (decrease) in cash and cash equivalents . . . . .	(192,504)	(359,612)	(1,322,320)	(546,987)
<b>Cash and cash equivalents at beginning of year . . .</b>	<b>466,442</b>	<b>1,236,745</b>	<b>3,165,272</b>	<b>5,013,233</b>
<b>Cash and cash equivalents at end of year . . . . .</b>	<b><u>\$ 273,938</u></b>	<b><u>\$ 877,133</u></b>	<b><u>\$ 1,842,952</u></b>	<b><u>\$ 4,466,246</u></b>

<b>Business-type Activities - Enterprise Funds</b>			<b>Governmental</b>
<b>Electric</b>	<b>Sanitation</b>	<b>Total</b>	<b>Activities - Internal Service Funds</b>
\$ 30,610,153	\$ 2,463,061	\$ 47,043,742	\$ 5,772,756
175,236	4,612	351,608	8,062
(3,325,682)	(563,425)	(6,889,895)	(964,659)
(22,541,787)	(1,334,097)	(30,617,839)	(1,336,586)
-	-	-	(2,882,998)
(1,586,521)	(54,361)	(2,021,588)	(31,212)
<u>3,331,399</u>	<u>515,790</u>	<u>7,866,028</u>	<u>565,363</u>
59,507	3,607	110,160	6,861
(251,486)	-	(251,486)	-
-	-	-	483,783
-	-	-	(663,717)
-	-	1,580,500	-
(2,556,384)	(313,756)	(5,254,557)	-
<u>(2,748,363)</u>	<u>(310,149)</u>	<u>(3,815,383)</u>	<u>(173,073)</u>
3,500	-	9,137	-
(475,828)	(234,852)	(3,459,593)	(271,539)
4,007,807	467,500	12,259,299	-
-	1,841	32,238	-
(5,003,422)	(526,500)	(15,283,414)	-
(93,691)	(9,900)	(1,182,127)	-
10,674	-	88,198	-
<u>(1,550,960)</u>	<u>(301,911)</u>	<u>(7,536,262)</u>	<u>(271,539)</u>
-	2	2	-
-	2	2	-
(967,924)	(96,268)	(3,485,615)	120,751
13,708,315	904,494	24,494,501	1,658,744
<u>\$ 12,740,391</u>	<u>\$ 808,226</u>	<u>\$ 21,008,886</u>	<u>\$ 1,779,495</u>

- - Continued

**CITY OF WADSWORTH  
MEDINA COUNTY, OHIO**

STATEMENT OF CASH FLOWS  
PROPRIETARY FUNDS (CONTINUED)  
FOR THE YEAR ENDED DECEMBER 31, 2015

**Business-type Activities - Enterprise Funds**

	<u>Storm Water</u>	<u>Telecom</u>	<u>Sewer</u>	<u>Water</u>
<b>Reconciliation of operating income (loss) to net cash provided by (used in) operating activities:</b>				
Operating income (loss) . . . . .	\$ (211,456)	\$ 271,339	\$ 901,242	\$ 967,107
Adjustments:				
Depreciation . . . . .	278,929	159,259	988,886	617,681
Changes in assets and liabilities:				
Decrease (increase) in materials and supplies inventory . . . . .	-	-	4,135	(5,461)
Decrease (increase) in accounts receivable . . . . .	2,342	(35,300)	45,972	66,547
Increase in deferred outflows - pension . . . . .	(2,853)	(28,856)	(28,696)	(45,452)
Increase net pension asset . . . . .	(141)	(1,418)	(1,410)	(2,233)
Decrease in special assessments receivable . . . . .	-	-	24,746	1,160
Decrease (increase) in prepayments . . . . .	3,032	(24,594)	230,426	(20,468)
Increase (decrease) in accounts payable . . . . .	8,598	(9,248)	45,075	12,663
Increase (decrease) in contracts payable . . . . .	(3,770)	-	(333,449)	4,083
Increase (decrease) in accrued wages and benefits . . . . .	129	1,735	(263)	(3,872)
Increase (decrease) in intergovernmental payable . . . . .	(4,854)	27,355	4,193	1,606
Increase (decrease) in compensated absences payable . . . . .	(110)	(57,537)	11,408	21,081
Increase in net pension liability . . . . .	1,199	12,139	12,071	19,120
Increase in deferred inflows - pension . . . . .	992	10,036	9,981	15,808
Increase in retainage payable . . . . .	-	-	58,205	-
Increase in claims payable . . . . .	-	-	-	-
Net cash provided by operating activities . . . . .	<u>\$ 72,037</u>	<u>\$ 324,910</u>	<u>\$ 1,972,522</u>	<u>\$ 1,649,370</u>

**Non-cash transactions:**

The Storm Water fund received \$48,535 in capital contributions in 2015.

The Telecom fund purchased \$15,990 and \$5,002 in capital assets on account in 2015 and 2014, respectively.

The Sewer fund purchased \$472,622 and \$236,313 in capital assets on account in 2015 and 2014, respectively and received \$52,869 in capital contributions in 2015.

The Water fund received \$532,665 in capital contributions in 2015.

The Electric fund purchased \$48,707 and \$33,582 in capital assets on account in 2015 and 2014, respectively and recorded \$32,663 and \$27,950 in capital grants as a receivable in 2015 and 2014, respectively.

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

<b>Business-type Activities - Enterprise Funds</b>			<b>Governmental</b>
<b>Electric</b>	<b>Sanitation</b>	<b>Total</b>	<b>Activities -</b>
			<b>Internal</b>
			<b>Service Funds</b>
\$ 843,497	\$ 471,681	\$ 3,243,410	\$ 380,626
1,881,983	102,922	4,029,660	80,361
169,946	-	168,620	(27,175)
451,845	(16,176)	515,230	-
(117,031)	(19,632)	(242,520)	(33,195)
(5,750)	(965)	(11,917)	(1,631)
-	-	25,906	-
(50,544)	(4,055)	133,797	(45,543)
13,661	41,038	111,787	(43,719)
(20,775)	-	(353,911)	-
7,537	(3,122)	2,144	2,078
(2,855)	(74,676)	(49,231)	(27,184)
69,950	3,688	48,480	9,550
49,231	8,259	102,019	13,964
40,704	6,828	84,349	11,545
-	-	58,205	-
-	-	-	245,686
<u>\$ 3,331,399</u>	<u>\$ 515,790</u>	<u>\$ 7,866,028</u>	<u>\$ 565,363</u>

**CITY OF WADSWORTH  
MEDINA COUNTY, OHIO**

STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES  
FIDUCIARY FUNDS  
DECEMBER 31, 2015

	<b>Agency</b>
<b>Assets:</b>	
Current assets:	
Equity in pooled cash and investments. . . . .	\$ 1,595,432
Cash in segregated accounts. . . . .	395,588
Restricted assets:	
Equity in pooled cash and investments. . . . .	833,857
Total assets . . . . .	\$ 2,824,877
<b>Liabilities:</b>	
Retainage payable. . . . .	\$ 373,659
Deposits held and due to others. . . . .	1,617,361
Refundable deposits. . . . .	833,857
Total liabilities . . . . .	\$ 2,824,877

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

## **CITY OF WADSWORTH, OHIO**

### **NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2015**

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

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

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

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

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

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

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

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

##### **A. Basis of Presentation**

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

## CITY OF WADSWORTH, OHIO

### NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2015

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

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

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

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

#### **B. Fund Accounting**

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

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

The following is the City’s major governmental fund:

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

## CITY OF WADSWORTH, OHIO

### NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2015

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

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

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

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

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

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

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

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

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

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

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

***Fiduciary Funds*** - Fiduciary fund reporting focuses on net position and changes in net position. The Fiduciary fund category is split into four classifications: pension trust funds, investment trust funds, private-purpose trust funds and agency funds. Trust funds are used to account for assets held by the City under a trust agreement for individuals, private organizations, or other governments and are therefore not available to support the City's own programs. The City does not have trust funds. In addition to the other agency funds, three of the agency funds account for municipal court collections that are distributed to various local governments, maintaining the law library, and assisting in payment of individuals' utilities. The City's agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations.

**CITY OF WADSWORTH, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2015

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

**C. Fund Accounting**

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

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

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

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

**D. Basis of Accounting**

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

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

## CITY OF WADSWORTH, OHIO

### NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2015

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

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

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

*Deferred Outflows of Resources and Deferred Inflows of Resources* - In addition to assets, the government-wide statement of net position will report a separate section for deferred outflows of resources. Deferred outflows of resources, represents a consumption of net position that applies to a future period and will not be recognized as an outflow of resources (expense/expenditure) until then. For the City, deferred outflows of resources have been reported for the following items related to the City's net pension liability: (1) the net difference between projected and actual investment earnings on pension plan assets, (2) the City's contributions to the pension systems subsequent to the measurement date and (3) differences between employer's contributions and the employer's proportional share of contributions.

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, payments in lieu of 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, 2015, but which were levied to finance 2016 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, delinquent property taxes, income taxes and intergovernmental grants. These amounts are deferred and recognized as an inflow of resources in the period the amounts become available.

The City also reports deferred inflow of resources for the following items related to the City's net pension liability: (1) differences between expected and actual experience and (2) differences between employer's contributions and the employer's proportional share of contributions. These deferred inflows of resources are 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, 2015

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

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

**Estimated Resources** - The County Budget Commission determines if the budget substantiates a need to levy all or part of previously authorized taxes and reviews estimated revenue. The Commission certifies its actions to the City by September 1. As part of this certification, the City receives the official Certificate of Estimated Resources, which states the projected revenue of each fund. Prior to December 31, the City must revise its budget so that the total contemplated expenditures from any fund during the ensuing year will not exceed the amount available as stated in the Certificate of Estimated Resources. The revised budget then serves as the basis for the Annual Appropriation Ordinance. On or about January 1, the Certificate of Estimated Resources is amended to include unencumbered fund balances at December 31 of the preceding year. The Certificate may be further amended during the year if the Auditor determines, and the Budget Commission agrees, that an estimate needs to be either increased or decreased. The amounts reported on the budgetary statements reflect the amount in the final amended official Certificate of Estimated Resources issued during 2015.

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

## CITY OF WADSWORTH, OHIO

### NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2015

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

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

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

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

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

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

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

The City has invested funds in the State Treasury Asset Reserve of Ohio (STAR Ohio) and US Government Money Market Mutual Funds. STAR Ohio is an investment pool managed by the State Treasurer's Office, which allows governments within the State to pool their funds for investment purposes. STAR Ohio is not registered with the SEC as an investment company, but does operate in a manner consistent with Rule 2a7 of the Investment Company Act of 1940. Investments in STAR Ohio are valued at STAR Ohio's shares price, which is the price the investment could be sold for on December 31, 2015.

Following Ohio statutes, the City has, by ordinance, specified the funds to receive an allocation of interest earnings. During the year 2015, interest revenue credited to the General Fund amount to \$179,246 which includes \$164,401 assigned from other City funds.

## CITY OF WADSWORTH, OHIO

### NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2015

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

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”.

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

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

#### **H. Inventory**

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

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

Payments made to vendors for services that will benefit periods beyond December 31, 2015 are recorded as prepaid items using the consumption method by recording a current asset for the prepaid amount and reflecting the expenditure/expense in the year in which it was consumed.

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

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

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

**CITY OF WADSWORTH, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2015

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

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:

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

**K. Compensated Absences**

The City reports compensated absences in accordance with the provisions of GASB Statement No. 16, “Accounting for Compensated Absences.” Vacation benefits are accrued as a liability as the benefits are earned if the employees’ rights to receive compensation are attributed to services already rendered and it is probable that the City will compensate the employees for the benefits through paid time off or some other means. The City records a liability for accumulated unused vacation time when earned for all eligible employees with more than one year of service.

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

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

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

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

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

## CITY OF WADSWORTH, OHIO

### NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2015

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

In general, governmental fund payables and accrued liabilities that, once incurred, are paid in a timely manner and in full from current financial resources are reported as obligations of the funds. However, claims and judgments, and compensated absences that will be paid from governmental funds are reported as a liability in the fund financial statements only to the extent that they are due for payment during the current year. Bonds and police past service costs are recognized as a liability on the fund financial statements when due.

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

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

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

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

*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.

## CITY OF WADSWORTH, OHIO

### NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2015

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

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

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

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

##### **O. Operating Revenues and Expenses**

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

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

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

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

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

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 2015.

## CITY OF WADSWORTH, OHIO

### NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2015

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

##### 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. Pensions

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

#### NOTE 3 - ACCOUNTABILITY AND COMPLIANCE

##### A. Change in Accounting Principles/Restatement of Net Position/Restatement of Fund Balance in the Budgetary Statement

For 2015, the City implemented GASB Statement No. 68, "Accounting and Financial Reporting for Pensions - an Amendment of GASB Statement No. 27" and GASB Statement No. 71, "Pension Transition for Contributions Made Subsequent to the Measurement Date - an Amendment of GASB Statement No. 68".

GASB Statement No. 68 improves the accounting and financial reporting by state and local governments for pensions. It also improves information provided by state and local governmental employers about financial support for pensions that is provided by other entities. The implementation of GASB Statement No. 68 affected the City's pension plan disclosures, as presented in Note 12 to the financial statements, and added required supplementary information which is presented after the notes to the basic financial statements.

GASB Statement No. 71 improves the accounting and financial reporting by addressing an issue in GASB Statement No. 68, concerning transition provisions related to certain pension contributions made to defined benefit pension plans prior to implementation of that Statement by employers and nonemployer contributing entities.

**CITY OF WADSWORTH, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2015

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

A net position restatement is required in order to implement GASB Statement No 68 and 71. The governmental activities and business-type activities at January 1, 2015 have been restated as follows:

	Governmental Activities	Business-Type Activities	Total
Net position at			
December 31, 2014	\$ 54,393,862	\$ 79,784,506	\$ 134,178,368
Prior period adjustments:			
Net pension asset	5,115	4,463	9,578
Deferred outflow	1,314,669	570,087	1,884,756
Net pension liability	<u>(10,281,627)</u>	<u>(4,414,748)</u>	<u>(14,696,375)</u>
	<u>(8,961,843)</u>	<u>(3,840,198)</u>	<u>(12,802,041)</u>
Adjusted net position at January 1, 2015	<u>\$ 45,432,019</u>	<u>\$ 75,944,308</u>	<u>\$ 121,376,327</u>

	Storm Water	Telecom	Sewer	Water	Electric	Sanitation	Total	Internal Service Funds
Net position at								
December 31, 2014	\$ 13,192,728	\$ 1,583,836	\$ 13,946,846	\$ 16,384,367	\$ 32,612,767	\$ 1,393,187	\$ 79,113,731	\$ 1,757,507
Prior period adjustments:								
Net pension asset	52	531	528	837	2,154	361	4,463	611
Deferred outflow	6,703	67,831	67,456	106,844	275,105	46,148	570,087	78,032
Net pension liability	<u>(51,911)</u>	<u>(525,283)</u>	<u>(522,375)</u>	<u>(827,398)</u>	<u>(2,130,411)</u>	<u>(357,370)</u>	<u>(4,414,748)</u>	<u>(604,281)</u>
	<u>(45,156)</u>	<u>(456,921)</u>	<u>(454,391)</u>	<u>(719,717)</u>	<u>(1,853,152)</u>	<u>(310,861)</u>	<u>(3,840,198)</u>	<u>(525,638)</u>
Adjusted net position at January 1, 2015	<u>\$ 13,147,572</u>	<u>\$ 1,126,915</u>	<u>\$ 13,492,455</u>	<u>\$ 15,664,650</u>	<u>\$ 30,759,615</u>	<u>\$ 1,082,326</u>	<u>75,273,533</u>	<u>\$ 1,231,869</u>
Adjustment to reflect the consolidation of the internal service funds activities related to enterprise funds							<u>670,775</u>	
							<u>\$ 75,944,308</u>	

Other than employer contributions subsequent to the measurement date, the City made no restatement for deferred inflows/outflows of resources as the information needed to generate these restatements was not available. The restatement had no effect on governmental fund balances.

The beginning fund balance of the general fund budgetary statement was restated by \$1,209,048 from \$3,811,803 to \$5,020,851 in order to present both the general fund and the income tax fund, which are combined on both a budgetary and GAAP basis and presented together as the general fund.

**B. Deficit Fund Balances**

Fund balances at December 31, 2015 included the following individual fund deficits:

<u>Nonmajor funds</u>	<u>Deficit</u>
Recreation	\$ 737,296
Tax Increment Financing	1,191,465

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, 2015

**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 and Tax Increment Financing Fund are presented on the budgetary basis to provide a meaningful comparison of actual results with the budget and to demonstrate compliance with State statute. The major differences between the budget basis and the GAAP basis are:

1. Revenues are recorded when received in cash (budget) as opposed to when susceptible to accrual;
2. Expenditures are recorded when paid in cash (budget) as opposed to when the liability is incurred (GAAP);
3. Outstanding year-end encumbrances are treated as expenditures (budget) rather than as part of restricted, committed, or assigned fund balance (GAAP);
4. Unreported cash represents amounts received, but not included as revenue on the budget basis operating statements. These amounts are included as revenue on the GAAP basis operating statement;
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.

	<u>General Fund</u>
Budget Basis	\$ (637,722)
Net Adjustment for Revenue Accruals	(773,518)
Net Adjustment for Expenditure Accruals	(70,428)
Funds with Separate Legally Adopted Budgets	(16,709)
Net Adjustment for Other Sources/Uses	419,595
Encumbrances	<u>135,948</u>
GAAP Basis	<u>\$ (942,834)</u>

## CITY OF WADSWORTH, OHIO

### NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2015

#### NOTE 5 - DEPOSITS AND INVESTMENTS

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

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

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

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

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

1. United States Treasury Notes, Bills, Bonds, or any other obligation or security issued by the United States Treasury or any other obligation guaranteed as to principal and interest by the United States;
2. Bonds, notes, debentures, or any other obligations or securities issued by any federal government agency or instrumentality, including, but not limited to, the Federal National Mortgage Association, Federal Home Loan Bank, Federal Farm Credit Bank, Federal Home Loan Mortgage Corporation, Government National Mortgage Association, and Student Loan Marketing Association. All federal agency securities shall be direct issuances of federal government agencies or instrumentalities;
3. Written repurchase agreements in the securities listed above provided that the market value of the securities subject to the repurchase agreement must exceed the principal value of the agreement by at least two percent and be marked to market daily, and that the term of the agreement must not exceed thirty days;
4. Bonds and other obligations of the State of Ohio;
5. No-load money market mutual funds consisting exclusively of obligations described in items (1) or (2) above and repurchase agreements secured by such obligations, provided that investments in securities described in this division are made only through eligible institutions;
6. The State Treasurer's investment pool State Treasury Asset Reserve of Ohio (STAR Ohio);
7. Certain banker's acceptance and commercial paper notes for a period not to exceed one hundred eighty days from the purchase date in an amount not to exceed twenty-five percent of the interim monies available for investment at any one time; and,
8. Under limited circumstances, corporate debt interests rated in either of the two highest classifications by at least two nationally recognized rating agencies.

**CITY OF WADSWORTH, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2015

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

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

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

**A. Deposits with Financial Institutions**

At December 31, 2015, the carrying amount of all City deposits was \$33,407,414. As of December 31, 2015, \$23,151,231 of the City's bank balance of \$33,895,766 was exposed to custodial risk as discussed below, while \$10,744,535 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. All deposits are collateralized with eligible securities in amounts equal to at least 105% of the carrying value of the deposits. Such collateral, as permitted by Ohio Revised Code, is held in collateral pools at Federal Reserve Banks, or at member banks of the Federal Reserve System, in the name of the depository bank and pledged as a pool of collateral against all public deposits held by the depository. The City has no deposit policy for custodial credit risk beyond the requirements of State statute. Although the securities were held by the pledging institutions' trust department and all statutory requirements for the deposit of money had been followed, noncompliance with federal requirements could potentially subject the City to a successful claim by the FDIC.

**B. Investments**

As of December 31, 2015, the City had the following investments and maturities:

<u>Investment type</u>	<u>Fair Value</u>	Investment Maturities 6 months or less
STAR Ohio	\$ 5,266,933	\$ 5,266,933
US Government Money Market Mutual Fund	<u>6,998</u>	<u>6,998</u>
Total	<u>\$ 5,273,931</u>	<u>\$ 5,273,931</u>

**CITY OF WADSWORTH, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2015

**NOTE 5 - 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.

The following table includes the percentage of each investment type held by the City at December 31, 2015:

<u>Investment type</u>	<u>Fair Value</u>	<u>% of Total</u>
STAR Ohio	\$ 5,266,933	99.87
US Government Money Market Mutual Fund	<u>6,998</u>	<u>0.13</u>
Total	<u>\$ 5,273,931</u>	<u>100.00</u>

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

The following is a reconciliation of cash and investments as reported in the note above to cash and investments as reported on the statement of net position as of December 31, 2015:

<u>Cash and investments per note</u>	
Carrying amount of deposits	\$ 33,407,414
Investments	5,273,931
Cash with fiscal agent	1,472
Cash on hand	<u>1,670</u>
Total	<u>\$ 38,684,487</u>

**CITY OF WADSWORTH, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2015**

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

<u>Cash and investments per statement of net position</u>	
Governmental activities	\$ 14,850,724
Business-type activities	21,008,886
Agency funds	<u>2,824,877</u>
Total	<u>\$ 38,684,487</u>

**NOTE 6 - RECEIVABLES**

Receivables at December 31, 2015, consisted of taxes, accounts (billings for user charged services, rents and royalties), income taxes, interfund, accrued interest, notes, special assessments, and intergovernmental receivables arising from grants, entitlements and shared revenues. Accounts, taxes, interfund, accrued interest, special assessments and intergovernmental receivables are deemed collectible in full.

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

**NOTE 7 - PROPERTY TAXES**

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

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. 2015 public utility property taxes became a lien December 31, 2014, are levied after October 1, 2015, and are collected in 2016 with real property taxes. Public utility property taxes are payable on the same dates as real property taxes described previously.

**CITY OF WADSWORTH, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2015**

**NOTE 7 - PROPERTY TAX - (Continued)**

The County Auditor collects property taxes on behalf of all taxing districts in the County, including the City of Wadsworth. The County Auditor periodically remits to the City its portion of the taxes collected. Property taxes represent real property taxes, public utility taxes, tangible personal property taxes and outstanding delinquencies which are measurable as of December 31, 2015 and for which there is an enforceable legal claim.

The full tax rate for all City operations for the year ended December 31, 2015 was \$5.80 per \$1,000 of assessed value. The assessed values of real and tangible personal property for 2015 property tax were as follows:

<u>Real Property</u>	
Residential/agricultural	\$ 344,255,070
Commercial/industrial/mineral	105,017,750
Public utility personal property	<u>728,220</u>
Total assessed value	<u>\$ 450,001,040</u>

**NOTE 8 - INCOME TAX**

The City levies and collects an income tax on taxable income earned within the City as well as taxable incomes earned outside the City. The taxable income rate is 1.4%. For residents working outside the City, the City allows for a credit of income taxes paid to another municipality of up to 1.0%. Employers within the City are required to withhold income tax on employee earnings and remit the tax to the City at least quarterly. Income tax collections for 2015 and prior years received 60 days after year-end have been recognized as revenue in 2015.

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 2015, income tax revenues were distributed to the following funds: General, Recreation, Street Maintenance, Special Assessments, Airport Improvements, Street Improvement and General Capital Improvements.

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.

## CITY OF WADSWORTH, OHIO

### NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2015

#### **NOTE 9 - SPECIAL ASSESSMENTS**

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

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

Special assessments receivable at December 31, 2015 was \$52,075.

#### **NOTE 10 - RISK MANAGEMENT**

##### **A. Liability Insurance**

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

1. Blanket building and personal property insurance, with a \$2,500 deductible and a \$66,950,287 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 wrongful act/each occurrence/aggregate and a \$10,000 deductible.
4. Public officials' liability coverage with a \$1,000,000 for each claim/each occurrence/aggregate and a \$10,000 deductible.
5. Umbrella liability coverage of \$10,000,000 per occurrence/aggregate.

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

##### **B. Workers' Compensation**

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

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

**CITY OF WADSWORTH, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2015

**NOTE 10 - RISK MANAGEMENT - (Continued)**

The City's third party administrator (TPA) is Sedgwick Inc. The claims liability reported in the workers' comp internal service fund at December 31, 2015 of \$176,890, is based on the requirements of GASB statement No. 30 which requires that a liability for unpaid claims costs, including estimates of costs relating to incurred but not reported claims, be reported. The estimate was not affected by incremental claim adjustment expenses and does not include other allocated or unallocated claim adjustment expenses. A summary of the fund's claims liability during the past two years is as follows:

	<u>Balance at Beginning of Year</u>	<u>Current Year Claims</u>	<u>Claims Payments</u>	<u>Balance at End of Year</u>
2015	\$ 42,078	\$ 195,125	\$ (60,313)	\$ 176,890
2014	4,700	66,921	(29,543)	42,078

**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 \$3,488,509. 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, 2015, the Departments were assessed per each employee at the rate of \$696.73 per individual coverage and \$1,465.15 per family coverage. Following the health insurance renewal in 2015, employee contributions per bi-weekly pay period were \$30.00 for single coverage and \$60.00 for family for non-bargaining employees. Bargaining unit employees had a slightly higher contribution rate at \$47.99 for single coverage and \$99.38 for family coverage. Health coverage (i.e., medical and prescription) was administered by Medical Mutual. Dental coverage was through Delta Dental.

The plan provides comprehensive medical coverage with a \$300 deductible per individual and \$600 per family and subject to a 20% co-insurance payment for expenses out of the network.

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

The City also provides prescription drug insurance to its employees through the self-insurance program. The plan pays the cost of prescriptions with a required co-payment of \$15.00 Tier 1 drugs, \$30.00 for Tier 2 drugs and \$60.00 for Tier 3 drugs at a retail pharmacy or through the mail order system.

**CITY OF WADSWORTH, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2015

**NOTE 10 - RISK MANAGEMENT - (Continued)**

The claims liability of \$304,542 reported in the self-insurance fund at December 31, 2015 is based on the requirements of GASB Statement No. 10 “Accounting and Financial Reporting for Risk Financing and Related Insurance Services” which requires that a liability for unpaid claim costs, including estimates of costs relating to incurred, but not reported claims, be reported. The claims liability is based on an estimate supplied by the City’s third party administrator. This estimate was not affected by incremental claim adjustment expenses and does not include other allocated or unallocated claim adjustment expenses. A summary of the fund’s claims liability during the past two years is as follows:

	<u>Balance at Beginning of Year</u>	<u>Current Year Claims</u>	<u>Claims Payments</u>	<u>Balance at End of Year</u>
2015	\$ 193,668	\$ 2,933,559	\$ (2,822,685)	\$ 304,542
2014	148,170	3,031,195	(2,985,697)	193,668

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**CITY OF WADSWORTH, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2015

**NOTE 11 - CAPITAL ASSETS**

Governmental activities capital asset activity for the year ended December 31, 2015, was as follows.

	Balance 1/1/2015	Additions	Reductions	Balance 12/31/2015
<b><u>Governmental Activities:</u></b>				
Capital assets, not being depreciated				
Land	\$ 8,157,829	\$ -	\$ -	\$ 8,157,829
Construction in progress	1,785,001	1,929,738	(983,318)	2,731,421
Total capital assets, not being depreciated	<u>9,942,830</u>	<u>1,929,738</u>	<u>(983,318)</u>	<u>10,889,250</u>
Capital assets, being depreciated				
Intangible assets	18,372,629	955,719	-	19,328,348
Land Improvements	1,988,400	18,534	(8,000)	1,998,934
Buildings	9,932,419	-	-	9,932,419
Equipment	3,457,127	131,226	(36,656)	3,551,697
Vehicles	5,548,233	168,293	(80,000)	5,636,526
Infrastructure	21,056,142	2,645,269	-	23,701,411
Total capital assets, being depreciated	<u>60,354,950</u>	<u>3,919,041</u>	<u>(124,656)</u>	<u>64,149,335</u>
Accumulated depreciation:				
Intangible assets	(1,097,400)	(408,177)	-	(1,505,577)
Land Improvements	(1,005,265)	(45,797)	7,680	(1,043,382)
Buildings	(3,367,060)	(252,422)	-	(3,619,482)
Equipment	(2,339,429)	(175,424)	18,482	(2,496,371)
Vehicles	(3,670,908)	(424,007)	78,464	(4,016,451)
Infrastructure	(6,745,975)	(444,547)	-	(7,190,522)
Total accumulated depreciation	<u>(18,226,037)</u>	<u>(1,750,374)</u>	<u>104,626</u>	<u>(19,871,785)</u>
Total capital assets, being depreciated, net	<u>42,128,913</u>	<u>2,168,667</u>	<u>(20,030)</u>	<u>44,277,550</u>
Governmental capital assets, net	<u>\$ 52,071,743</u>	<u>\$ 4,098,405</u>	<u>\$ (1,003,348)</u>	<u>\$ 55,166,800</u>

Depreciation expense was charged to governmental activities as follows:

<b><u>Governmental Activities:</u></b>	
General Government	\$ 473,156
Security of Persons and Property	353,162
Transportation	581,072
Economic and Community Development	2,464
Leisure Time Services	148,974
Internal Service Funds	191,546
Total Depreciation Expense	<u>\$ 1,750,374</u>

**CITY OF WADSWORTH, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2015

**NOTE 11 - CAPITAL ASSETS - (Continued)**

Business-type activities capital asset activity for the year ended December 31, 2015, was as follows.

	Balance 1/1/2015	Additions	Reductions	Balance 12/31/2015
<b><u>Business-Type Activities:</u></b>				
Capital assets, not being depreciated				
Land	\$ 985,797	\$ -	\$ -	\$ 985,797
Construction in Progress	<u>272,648</u>	<u>1,694,649</u>	<u>(264,962)</u>	<u>1,702,335</u>
Total capital assets, not being depreciated	<u>1,258,445</u>	<u>1,694,649</u>	<u>(264,962)</u>	<u>2,688,132</u>
Capital assets, being depreciated				
Intangible Assets	727,428	-	-	727,428
Land Improvements	13,749	128,737	-	142,486
Buildings	19,867,671	-	(60,000)	19,807,671
Equipment	12,662,854	195,905	(84,925)	12,773,834
Vehicles	5,482,100	802,659	(389,065)	5,895,694
Infrastructure	<u>105,144,655</u>	<u>1,799,096</u>	<u>-</u>	<u>106,943,751</u>
Total capital assets, being depreciated	<u>143,898,457</u>	<u>2,926,397</u>	<u>(533,990)</u>	<u>146,290,864</u>
Accumulated depreciation:				
Intangible Assets	(12,124)	(72,743)	-	(84,867)
Land Improvements	(4,902)	(850)	-	(5,752)
Buildings	(5,451,663)	(413,599)	60,000	(5,805,262)
Equipment	(4,491,846)	(479,759)	78,089	(4,893,516)
Vehicles	(3,274,038)	(329,826)	260,897	(3,342,967)
Infrastructure	<u>(40,202,999)</u>	<u>(2,732,883)</u>	<u>-</u>	<u>(42,935,882)</u>
Total accumulated depreciation	<u>(53,437,572)</u>	<u>(4,029,660)</u>	<u>398,986</u>	<u>(57,068,246)</u>
Total capital assets, being depreciated, net	<u>90,460,885</u>	<u>(1,103,263)</u>	<u>(135,004)</u>	<u>89,222,618</u>
Business-type activities capital assets, net	<u>\$ 91,719,330</u>	<u>\$ 591,386</u>	<u>\$ (399,966)</u>	<u>\$ 91,910,750</u>

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

<b><u>Business-type activities:</u></b>	
Water	\$ 617,681
Sewer	988,886
Electric	1,881,983
Storm Water	278,929
Telecom	159,259
Sanitation	<u>102,922</u>
Total Depreciation Expense	<u>\$ 4,029,660</u>

**CITY OF WADSWORTH, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2015

**NOTE 11 - CAPITAL ASSETS - (Continued)**

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

The remaining amortization schedule is as follows:

Year Ending December 31	Governmental Activities
2016	\$ 365,800
2017	365,800
2018	365,800
2019	365,800
2020	365,800
2021 - 2025	1,829,000
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	<u>365,800</u>
Total	<u>\$ 16,826,800</u>

**NOTE 12 - 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.

## CITY OF WADSWORTH, OHIO

### NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2015

#### **NOTE 12 - DEFINED BENEFIT PENSION PLANS - (Continued)**

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.

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

The proportionate share of each plan's unfunded benefits or overfunded benefits is presented as a long-term *net pension liability* or *net pension asset*, respectively, on the accrual basis of accounting. Any liability for the contractually-required pension contribution outstanding at the end of the year is included in *due to other governments/pension obligation payable* on both the accrual and modified accrual bases of accounting.

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

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

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

**CITY OF WADSWORTH, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2015

**NOTE 12 - DEFINED BENEFIT PENSION PLANS - (Continued)**

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

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

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

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

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

Benefits in the Combined Plan consist of both an age-and-service formula benefit (defined benefit) and a defined contribution element. The defined benefit element is calculated on the basis of age, FAS, and years of service. Eligibility regarding age and years of service in the Combined Plan is the same as the Traditional Pension Plan. The benefit formula for the defined benefit component of the plan for State and Local members in transition Groups A and B applies a factor of 1.0% to the member's FAS for the first 30 years of service. A factor of 1.25% is applied to years of service in excess of 30. The benefit formula for transition Group C applies a factor of 1.0% to the member's FAS and the first 35 years of service and a factor of 1.25% is applied to years in excess of 35. Persons retiring before age 65 with less than 30 years of service credit receive a percentage reduction in benefit. The defined contribution portion of the benefit is based on accumulated member contributions plus or minus any investment gains or losses on those contributions. Members retiring under the Combined Plan receive a 3% COLA adjustment on the defined benefit portion of their benefit.

**CITY OF WADSWORTH, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2015

**NOTE 12 - DEFINED BENEFIT PENSION PLANS - (Continued)**

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

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

	State and Local
<b>2015 Statutory Maximum Contribution Rates</b>	
Employer	14.0 %
Employee	10.0 %
 <b>2015 Actual Contribution Rates</b>	
Employer:	
Pension	12.0 %
Post-employment Health Care Benefits	2.0 %
Total Employer	14.0 %
 Employee	 10.0 %

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

The City's contractually required contribution for both the Traditional Pension Plan and the Combined Plan was \$1,223,733 for 2015. Of this amount, \$41,291 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 OPF website at [www.op-f.org](http://www.op-f.org) or by writing to the Ohio Police and Fire Pension Fund, 140 East Town Street, Columbus, Ohio 43215-5164.

## CITY OF WADSWORTH, OHIO

### NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2015

#### **NOTE 12 - DEFINED BENEFIT PENSION PLANS - (Continued)**

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 after July 1, 2013, the minimum retirement age is 48 for normal service retirement with at least 25 years of service credit.

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

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

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

**CITY OF WADSWORTH, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2015

**NOTE 12 - DEFINED BENEFIT PENSION PLANS - (Continued)**

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

	<u>Police</u>	<u>Firefighters</u>
<b>2015 Statutory Maximum Contribution Rates</b>		
Employer	19.50 %	24.00 %
Employee:		
January 1, 2015 through July 1, 2015	11.50 %	11.50 %
July 2, 2015 through December 31, 2015	12.25 %	12.25 %
 <b>2015 Actual Contribution Rates</b>		
Employer:		
Pension	19.00 %	23.50 %
Post-employment Health Care Benefits	<u>0.50 %</u>	<u>0.50 %</u>
 Total Employer	<u>19.50 %</u>	<u>24.00 %</u>
 Employee:		
January 1, 2015 through July 1, 2015	11.50 %	11.50 %
July 2, 2015 through December 31, 2015	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 \$557,645 for 2015. Of this amount \$15,074 is reported as pension and postemployment benefits payable.

In addition to current contributions, the City pays installments on a specific liability of the City incurred when the State of Ohio established the statewide pension system for police and fire fighters in 1967. As of December 31, 2015, the specific liability of the City was \$82,040 payable in semi-annual payments through the year 2034.

***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 and Combined Plan, respectively, were measured as of December 31, 2014, 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, 2014, and was determined by rolling forward the total pension liability as of January 1, 2014, to December 31, 2014. The City's proportion of the net pension liability or asset was based on the City's share of contributions to the pension plan relative to the contributions of all participating entities. Following is information related to the proportionate share and pension expense:

**CITY OF WADSWORTH, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2015

**NOTE 12 - DEFINED BENEFIT PENSION PLANS - (Continued)**

	<u>OPERS</u>	<u>OP&amp;F</u>	<u>Total</u>
Proportionate share of the net pension liability	\$ 9,692,314	\$ 6,597,877	\$ 16,290,191
Proportionate share of the net pension asset	35,148	-	35,148
Proportion of the net pension liability	0.08036000%	0.10724110%	
Proportion of the net pension asset	0.09128600%	-	
Pension expense	\$ 1,077,673	\$ 1,581,862	\$ 2,659,535

At December 31, 2015, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>OPERS</u>	<u>OP&amp;F</u>	<u>Total</u>
<b>Deferred outflows of resources</b>			
Net difference between projected and actual earnings on pension plan investments	\$ 519,298	\$ 284,362	\$ 803,660
Difference between employer contributions and proportionate share of contributions	700	170,109	170,809
City contributions subsequent to the measurement date	<u>1,223,734</u>	<u>557,645</u>	<u>1,781,379</u>
Total deferred outflows of resources	<u>\$ 1,743,732</u>	<u>\$ 1,012,116</u>	<u>\$ 2,755,848</u>
<b>Deferred inflows of resources</b>			
Differences between expected and actual experience	<u>181,000</u>	<u>-</u>	<u>181,000</u>
Total deferred inflows of resources	<u>\$ 181,000</u>	<u>\$ -</u>	<u>\$ 181,000</u>

\$1,781,379 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, 2016.

**CITY OF WADSWORTH, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2015

**NOTE 12 - DEFINED BENEFIT PENSION PLANS - (Continued)**

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

Year Ending December 31:	<u>OPERS</u>	<u>OP&amp;F</u>	<u>Total</u>
2016	\$ 50,306	\$ 113,618	\$ 163,924
2017	50,306	113,618	163,924
2018	115,457	113,618	229,075
2019	128,549	113,617	242,166
2020	(1,276)	-	(1,276)
Thereafter	(4,344)	-	(4,344)
<b>Total</b>	<b><u>\$ 338,998</u></b>	<b><u>\$ 454,471</u></b>	<b><u>\$ 793,469</u></b>

***Actuarial Assumptions - OPERS***

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

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employers and plan members) and include the types of benefits provided at the time of each valuation. The total pension liability/asset in the December 31, 2014, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Wage inflation	3.75 percent
Future salary increases, including inflation	4.25 to 10.05 percent including wage inflation
COLA or ad hoc COLA	3 percent, simple
Investment rate of return	8 percent
Actuarial cost method	Individual entry age

Mortality rates were based on the RP-2000 Mortality Table projected 20 years using Projection Scale AA. For males, 105 percent of the combined healthy male mortality rates were used. For females, 100 percent of the combined healthy female mortality rates were used. The mortality rates used in evaluating disability allowances were based on the RP-2000 mortality table with no projections. For males 120 percent of the disabled female mortality rates were used set forward two years. For females, 100 percent of the disabled female mortality rates were used.

The most recent experience study was completed for the five year period ended December 31, 2010.

The long-term 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.

**CITY OF WADSWORTH, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2015

**NOTE 12 - DEFINED BENEFIT PENSION PLANS - (Continued)**

OPERS manages investments in four investment portfolios: the Defined Benefits portfolio, the Health Care portfolio, the 115 Health Care Trust portfolio and the Defined Contribution portfolio. The Defined Benefit portfolio includes the investment assets of the Traditional Pension Plan, the defined benefit component of the Combined Plan, the annuitized accounts of the Member-Directed Plan and the VEBA Trust. 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 money weighted rate of return, net of investments expense, for the Defined Benefit portfolio is 6.95 percent for 2014.

The allocation of investment assets with the Defined Benefit portfolio is approved by the OPERS Board of Trustees as outlined in the annual investment plan. Plan assets are managed on a total return basis with a long-term objective of achieving and maintaining a fully funded status for the benefits provided through the defined benefit pension plans. The table below displays the Board-approved asset allocation policy for 2014 and the long-term expected real rates of return:

Asset Class	Target Allocation	Weighted Average Long-Term Expected Real Rate of Return (Arithmetic)
Fixed income	23.00 %	2.31 %
Domestic equities	19.90	5.84
Real estate	10.00	4.25
Private equity	10.00	9.25
International equities	19.10	7.40
Other investments	18.00	4.59
<b>Total</b>	<b>100.00 %</b>	<b>5.28 %</b>

**Discount Rate** - The discount rate used to measure the total pension liability/asset was 8 percent for both the Traditional Pension Plan and the Combined Plan. 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 statutorily required rates. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefits payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

**Sensitivity of the City's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate** - The following table presents the City's proportionate share of the net pension liability/asset calculated using the current period discount rate assumption of 8 percent, 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 (7 percent) or one-percentage-point higher (9 percent) than the current rate:

**CITY OF WADSWORTH, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2015

**NOTE 12 - DEFINED BENEFIT PENSION PLANS - (Continued)**

	1% Decrease (7.00%)	Current Discount Rate (8.00%)	1% Increase (9.00%)
City's proportionate share of the net pension liability (asset):			
Traditional Pension Plan	\$ 17,831,080	\$ 9,692,314	\$ 2,837,512
Combined Plan	\$ 4,564	\$ (35,148)	\$ (66,639)

**Actuarial Assumptions – OP&F**

OP&F's total pension liability as of December 31, 2014 is based on the results of an actuarial valuation date of January 1, 2014, and rolled-forward using generally accepted actuarial procedures. The total pension liability is determined by OP&F's actuaries in accordance with GASB Statement No. 67, as part of their annual valuation. Actuarial valuations of an ongoing plan involve estimates of reported amounts and assumptions about probability of occurrence of events far into the future. Examples include assumptions about future employment mortality, salary increases, disabilities, retirements and employment terminations. Actuarially determined amounts are subject to continual review and potential modifications, as actual results are compared with past expectations and new estimates are made about the future.

Key methods and assumptions used in calculating the total pension liability in the latest actuarial valuation, prepared as of January 1, 2014, are presented below:

Valuation date	January 1, 2014
Actuarial cost method	Entry age normal
Investment rate of return	8.25 percent
Projected salary increases	4.25 percent to 11 percent
Payroll increases	3.75 percent
Inflation assumptions	3.25 percent
Cost of living adjustments	2.60 percent and 3.00 percent

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

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

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

**CITY OF WADSWORTH, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2015

**NOTE 12 - DEFINED BENEFIT PENSION PLANS - (Continued)**

Best estimates of the long-term expected geometric real rates of return for each major asset class included in OPF's target asset allocation as of December 31, 2014 are summarized below:

Asset Class	Target Allocation	Long Term Expected Real Rate of Return
Cash and Cash Equivalents	- %	(0.25) %
Domestic Equity	16.00	4.47
Non-US Equity	16.00	4.47
Core Fixed Income *	20.00	1.62
Global Inflation Protected *	20.00	1.33
High Yield	15.00	3.39
Real Estate	12.00	3.93
Private Markets	8.00	6.98
Timber	5.00	4.92
Master Limited Partnerships	8.00	7.03
 Total	 <u>120.00 %</u>	

\* levered 2x

OPF'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 1.2 times due to the application of leverage in certain fixed income asset classes.

**Discount Rate** - The total pension liability was calculated using the discount rate of 8.25 percent. The projection of cash flows used to determine the discount rate assumed the contributions from employers and from the members would be computed based on contribution requirements as stipulated by State statute. Projected inflows from investment earning were calculated using the longer-term assumed investment rate of return 8.25 percent. 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.

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

**CITY OF WADSWORTH, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2015

**NOTE 12 - DEFINED BENEFIT PENSION PLANS - (Continued)**

	1% Decrease (7.25%)	Current Discount Rate (8.25%)	1% Increase (9.25%)
City's proportionate share of the net pension liability	\$ 7,684,147	\$ 6,597,877	\$ 3,753,250

**NOTE 13 - POSTRETIREMENT BENEFIT PLANS**

**A. Ohio Public Employees Retirement System**

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

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

Disclosures for the healthcare plan are presented separately in the OPERS financial report which may be obtained by visiting <https://www.opers.org/financial/reports.shtml>, writing to OPERS, 277 East Town Street, Columbus, OH 43215-4642 or by calling (800) 222-7377.

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

Employer contribution rates are expressed as a percentage of the covered payroll of active employees. In 2015, local government employers contributed 14.00% of covered payroll. Each year the OPERS' Retirement Board determines the portion of the employer contribution rate that will be set aside for the funding of the postemployment health care benefits. The portion of employer contributions allocated to fund post-employment healthcare for members in the Traditional Plan and Combined Plan for 2015 was 2.00%.

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

## CITY OF WADSWORTH, OHIO

### NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2015

#### **NOTE 13 - POSTRETIREMENT BENEFIT PLANS - (Continued)**

The City's contributions allocated to fund post-employment health care benefits for the years ended December 31, 2015, 2014, and 2013 were \$203,956, \$203,487, and \$101,976, respectively; 97.11% has been contributed for 2015 and 100% has been contributed for 2014 and 2013. The remaining 2015 post-employment health care benefits liability has been reported as due to other governments on the basic financial statements.

#### **B. Ohio Police and Fire Pension Fund**

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

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

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

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

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

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

**CITY OF WADSWORTH, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2015**

**NOTE 13 - POSTRETIREMENT BENEFIT PLANS - (Continued)**

The Board of Trustees is authorized to allocate a portion of the total employer contributions made into the pension plan into the Section 115 trust and the Section 401(h) account as the employer contribution for retiree health care benefits. For 2015, 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 the pension benefits are adequately funded and is limited by the provisions of Sections 115 and 401(h).

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

The City's contributions to OP&F which were allocated to fund post-employment healthcare benefits for police officers and firefighters were \$10,881 and \$3,299 for the year ended December 31, 2015, \$10,092 and \$3,167 for the year ended December 31, 2014, and \$70,097 and \$20,682, for the year ended December 31, 2013. 100% has been contributed for 2014 and 2013. 96.68% has been contributed for police and 99.14% has been contributed for firefighters for 2015. The remaining 2015 post-employment health care benefits liability has been reported as due to other governments on the basic financial statements.

**NOTE 14 - COMPENSATED ABSENCES**

City employees earn vacation and sick leave at varying rates depending on length of service and department policy. All accumulated, unused vacation time is paid upon separation if the employee has acquired at least one year of service with the City. Accumulated, unused sick leave is paid to a retiring employee up to a maximum of 160 days. As of December 31, 2015, the City's liability for compensated absences was \$1,976,544 for governmental activities and \$1,312,306 for business-type activities.

**CITY OF WADSWORTH, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2015

**NOTE 15 - LONG-TERM OBLIGATIONS**

	<u>Rate</u>	<u>Issue Amount</u>	<u>Maturity</u>
<b>Governmental Activities:</b>			
1968 Liability for Police Past Service Cost	2.36%	\$ 124,769	May 15, 2035
2009 General Obligation Bonds	4.00%	2,015,000	December 1, 2014
2010 Revenue Bonds	2.00 - 4.50%	18,290,000	December 1, 2038
<b>Business-Type Activities:</b>			
2000 American Municipal Power-Ohio	1.65 - 5.25%	11,645,000	February 15, 2022
OWDA Loan	3.15%	23,040,336	January 1, 2028
2009 General Obligation Bonds	4.00%	1,860,000	December 1, 2024
2010 General Obligation Bonds	3.41%	9,420,000	December 1, 2032
American Municipal Power Loan	Various	7,100,000	February 15, 2022
OPWC Loan	0.00%	84,034	January 1, 2031

The beginning balance of the long-term obligations was restated as described in Note 3. The changes in the City's long-term obligations during the year consist of the following:

	<u>Restated Beginning Balance</u>	<u>Additions</u>	<u>Deletions</u>	<u>Ending Balance</u>	<u>Amount Due In One Year</u>
<b>Governmental Activities:</b>					
1968 Liability for Police Past Service Cost	\$ 84,686	\$ -	\$ (2,646)	\$ 82,040	\$ 2,735
2010 Community Center Revenue Bond	16,985,000	-	(450,000)	16,535,000	460,000
Minus Deferred Amounts: Unamortized Discount on Bonds	(92,043)	-	3,835	(88,208)	(3,835)
Total Long-Term Debt	<u>16,977,643</u>	<u>-</u>	<u>(448,811)</u>	<u>16,528,832</u>	<u>458,900</u>
Net Pension Liability	10,281,627	1,491,797	-	11,773,424	-
Compensated Absences	<u>1,794,253</u>	<u>926,344</u>	<u>(744,053)</u>	<u>1,976,544</u>	<u>417,644</u>
Governmental Activities - Long Term Liabilities	<u>\$ 29,053,523</u>	<u>\$ 2,418,141</u>	<u>\$ (1,192,864)</u>	<u>\$ 30,278,800</u>	<u>\$ 876,544</u>

**CITY OF WADSWORTH, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2015

**NOTE 15 - LONG-TERM OBLIGATIONS - (Continued)**

	Restated Beginning <u>Balance</u>	<u>Additions</u>	<u>Deletions</u>	Ending <u>Balance</u>	Amount Due In <u>One Year</u>
<b>Business-Type Activities</b>					
Stormwater 2009 Series					
General Obligation Bonds	\$ 715,000	\$ -	\$ (70,000)	\$ 645,000	\$ 70,000
Plus Deferred Amounts:					
Unamortized Premium on Bonds	10,690	-	(1,069)	9,621	1,069
Water 2009 Series					
General Obligation Bond	1,085,000	-	(95,000)	990,000	95,000
Plus Deferred Amounts:					
Unamortized Premium on Bonds	16,239	-	(1,625)	14,614	1,625
Electric 2009 Series					
General Obligation Bond	180,000	-	(35,000)	145,000	35,000
Plus Deferred Amounts:					
Unamortized Premium on Bonds	2,755	-	(551)	2,204	551
2010 Water System Improvements					
General Obligation Bond	8,080,000	-	(355,000)	7,725,000	360,000
Plus Deferred Amounts:					
Unamortized Premium on Bonds	15,337	-	(851)	14,486	851
OWDA Loan	16,549,937	-	(1,048,322)	15,501,615	1,081,604
OPWC Loan	-	84,034	-	84,034	2,801
AMP Loan	4,342,689	-	(624,000)	3,718,689	624,000
AMP Stranded Costs	5,036,864	-	(573,079)	4,463,785	573,079
Net Pension Liability	4,414,748	102,019	-	4,516,767	-
Compensated Absences	<u>1,263,826</u>	<u>495,469</u>	<u>(446,989)</u>	<u>1,312,306</u>	<u>318,044</u>
Business-Type Activities - Long Term Liabilities	<u>\$ 41,713,085</u>	<u>\$ 681,522</u>	<u>\$ (3,251,486)</u>	<u>\$ 39,143,121</u>	<u>\$ 3,163,624</u>

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

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

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

## CITY OF WADSWORTH, OHIO

### NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2015

#### NOTE 15 - LONG-TERM OBLIGATIONS - (Continued)

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

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

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

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

On January 27, 2005, the City obtained an OWDA loan for improvements to the waste water treatment plant. The loan will not have an accurate repayment schedule until the loan is finalized, and therefore, is not included in the schedule of future annual debt service requirements. The City has pledged future revenues net of expenditures to repay the OWDA loans. The loans are payable solely from revenues generated by the ownership and operation of the sewer utility system. Revenues include all revenues received by the sewer utility less all operating expenses other than depreciation expense. All debt is payable solely from net revenues and is payable through 2028. Annual principal and interest payments on the OWDA loans are expected to require 82.61% of net revenues and 38.43% of total revenues. The total principal and interest remaining to be paid on the debt is \$18,700,521. Principal and interest paid for the current year were \$1,048,322 and \$513,191, respectively. Total net revenues were \$1,890,128 and total operating revenues were \$4,062,756.

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.

During 2015, the City obtained an OPWC loan in the amount of \$84,034 for storm water improvements. The loan has a zero percent interest rate, with semiannual payments and a final maturity of January 2031.

**CITY OF WADSWORTH, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2015

**NOTE 15 - LONG-TERM OBLIGATIONS - (Continued)**

See Note 12 for detail on the net pension liability.

The liability for police past service costs relates to the City's liability to certain employees incurred prior to the establishment of the statewide Ohio Police and Fire Pension Fund. The City is required to make payments of approximately \$6,200 annually, which includes interest, through the year 2034. These past service costs are payable from taxes levied on all taxable property in the City.

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

The amortization schedules for the AMP loan and stranded costs payable are not available. The annual requirement to amortize the remaining debt outstanding as of December 31, 2015, including interest payments in the Governmental Activities of \$140,181 for police past service costs, \$26,408,049 for revenue bonds, \$13,898,912 for the Business-Type Activities general obligation bonds, \$84,034 for OPWC loan and \$18,700,521 for the OWDA loan are as follows:

December 31 Year Ending	Governmental Activities			
	Police Past Service Costs		Revenue Bonds	
	Principal	Interest	Principal	Interest
2016	\$ 2,735	\$ 3,503	\$ 460,000	\$ 686,363
2017	2,824	3,414	475,000	673,138
2018	2,913	3,325	490,000	658,888
2019	3,002	3,236	505,000	642,350
2020	3,091	3,147	525,000	624,675
2021 - 2025	16,792	14,400	2,930,000	2,806,100
2026 - 2030	19,018	12,175	3,560,000	2,166,260
2031 - 2035	21,243	9,950	4,430,000	1,326,600
2036 - 2039	10,422	4,991	3,160,000	288,675
Total	\$ 82,040	\$ 58,141	\$ 16,535,000	\$ 9,873,049

**CITY OF WADSWORTH, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2015

**NOTE 15 - LONG-TERM OBLIGATIONS - (Continued)**

December 31 Year Ending	Business-Type Activities				
	<u>General Obligation Bonds</u>		<u>OWDA</u>		<u>OPWC</u>
	Principal	Interest	Principal	Interest	Principal
2016	\$ 560,000	\$ 445,653	\$ 1,081,604	\$ 479,909	\$ -
2017	570,000	429,897	1,115,943	445,570	5,602
2018	575,000	411,853	1,151,372	410,141	5,602
2019	600,000	392,715	1,187,926	373,587	5,603
2020	575,000	370,259	1,225,640	335,873	5,602
2021 - 2025	2,935,000	1,460,147	6,737,179	1,070,385	28,011
2026 - 2030	2,535,000	782,701	3,001,951	83,441	28,011
2031 - 2033	<u>1,155,000</u>	<u>100,687</u>	<u>-</u>	<u>-</u>	<u>5,603</u>
Total	<u>\$ 9,505,000</u>	<u>\$ 4,393,912</u>	<u>\$ 15,501,615</u>	<u>\$ 3,198,906</u>	<u>\$ 84,034</u>

Stranded Costs Payable

The City is a member of AMP and has participated in the AMPGS Project. This project intended to develop a pulverized coal power plant in Meigs County, Ohio. The City's share was 34,650 kilowatts of a total 771,281 kilowatts, giving the City a 4.49% share. The AMPGS Project required participants to sign "take or pay" contracts with AMP. As such, the participants are obligated to pay any costs incurred for the project. In November 2009, the participants voted to terminate the AMPGS Project due to projected escalating costs. These costs were therefore deemed *impaired* and participants were obligated to pay costs already incurred. In prior years, the payment of these costs was not considered probable due to AMP's pursuit of legal action to void them. As a result of a March 31, 2014 legal ruling, the AMP Board of Trustees on April 15, 2014 and the AMPGS participants on April 16, 2014 approved the collection of the impaired costs and provided the participants with an estimate of their liability. The City's estimated share at March 31, 2014 of the impaired costs is \$6,014,238. The City received a credit of \$1,372,291 related to their participation in the AMP Fremont Energy Center (AFEC) Project, and another credit of \$1,567,041 related to the AMPGS costs deemed to have future benefit for the project participants, and payments of \$425,037 leaving a net impaired cost estimate of \$2,649,869. Because payment is now probable and reasonably estimable, the City is reporting a payable to AMP in its business-type activities and in its electric enterprise fund for these impaired costs. AMP financed these costs on 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 liability. These amounts will be recorded as they become estimable. Since March 31, 2014 the City has made payments of \$433,756 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 \$46,063 and interest expense incurred on AMP's line-of-credit of \$35,879, resulting in a net impaired cost estimate at December 31, 2015 of \$2,298,055. The City has made a payment arrangement with AMP with a valuable interest rate and an estimated time of completion of payments of December, 2022. Principal and interest payments are made from the electric fund.

**CITY OF WADSWORTH, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2015

**NOTE 16 - NOTES PAYABLE**

Changes in the City's note activity for the year ended December 31, 2015, were as follows:

	<u>1/1/2015</u>	<u>Issued</u>	<u>Retired</u>	<u>12/31/2015</u>
<b><u>Governmental fund notes</u></b>				
Bond anticipation notes - governmental	\$ 1,095,000	\$ 1,040,000	\$ (1,095,000)	\$ 1,040,000
<b>Total Governmental fund notes</b>	<b>\$ 1,095,000</b>	<b>\$ 1,040,000</b>	<b>\$ (1,095,000)</b>	<b>\$ 1,040,000</b>
<b><u>Business-type activities notes</u></b>				
Bond anticipation notes - Storm Water	\$ 410,000	\$ 390,000	\$ (410,000)	\$ 390,000
Bond anticipation notes - Telecom	225,000	200,000	(225,000)	200,000
Bond anticipation notes - Sewer	1,500,000	1,400,000	(1,500,000)	1,400,000
Bond anticipation notes - Water	1,295,000	1,230,000	(1,295,000)	1,230,000
Bond anticipation notes - Sanitation	225,000	195,000	(225,000)	195,000
<b>Total Business-type activities notes</b>	<b>\$ 3,655,000</b>	<b>\$ 3,415,000</b>	<b>\$ (3,655,000)</b>	<b>\$ 3,415,000</b>

On December 1, 2015, the City issued Series 2015 bond anticipation notes in the amount of \$4,455,000 to repay the series 2014 bond anticipation notes. The notes bore an interest rate of 1.125% and mature on December 1, 2016. On December 6, 2014, the City issued Series 2014 bond anticipation notes in the amount of \$4,750,000 for various improvements. The notes bore an interest rate of 1.125% and matured on December 3, 2015.

**NOTE 17 - INTERFUND TRANSACTIONS**

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

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

**CITY OF WADSWORTH, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2015

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

Following is a detail of Interfund Notes Receivable/Payable, by debt issue, during 2015:

	<u>Balance</u> <u>1/1/15</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>12/31/15</u>
<b>Governmental Activities:</b>				
<b>Major Governmental Funds:</b>				
<b>General Fund:</b>				
General Fund - 2012 WCTV Equipment				
Issue 11/15, maturity 11/16, rate 1.0%	\$ 24,000	\$ 16,000	\$ (24,000)	\$ 16,000
<b>Non-major Governmental Funds:</b>				
Recreation Improvements				
2012 YMCA Equipment				
Issue 11/15, maturity 11/16, rate 1.0%	\$ 291,086	\$ 254,700	\$ (291,086)	\$ 254,700
2013 Outdoor Pool				
Issue 11/15, maturity 11/16, rate 1.0%	1,054,667	979,333	(1,054,667)	979,333
High Street Improvements				
Issue 11/15, maturity 11/16, rate 1.0%	413,250	391,500	(413,250)	391,500
Airport Improvements				
Issue 11/15, maturity 11/16, rate 1.0%	140,000	70,000	(140,000)	70,000
2011 ERP System Improvements				
Issue 11/15, maturity 11/16, rate 1.0%	675,435	591,006	(675,435)	591,006
2012 Airport Land Acquisition				
Issue 11/15, maturity 11/16, rate 1.0%	<u>117,000</u>	<u>108,000</u>	<u>(117,000)</u>	<u>108,000</u>
Total nonmajor governmental funds	<u>\$ 2,691,438</u>	<u>\$ 2,394,539</u>	<u>\$ (2,691,438)</u>	<u>\$ 2,394,539</u>
<b>Governmental Activities:</b>				
<b>Internal Service Funds</b>				
2015 Information Technology Equipment				
Issue 11/15, maturity 11/16, rate 1.0%	<u>\$ -</u>	<u>\$ 483,783</u>	<u>\$ -</u>	<u>\$ 483,783</u>

**CITY OF WADSWORTH, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2015

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

	<u>Balance</u> <u>1/1/2015</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>12/31/2015</u>
<b>Business-Type Activities:</b>				
<b>Water Fund:</b>				
2004 Rogues Hollow Well				
Issue 11/15, maturity 11/16, rate 1.0%	\$ 900,400	\$ 844,125	\$ (900,400)	\$ 844,125
2009 Water Tank Maintenance				
Issue 11/15, maturity 11/16, rate 1.0%	75,020	60,025	(75,020)	60,025
2009 Water System Improvement				
Issue 11/15, maturity 11/16, rate 1.0%	262,500	245,000	(262,500)	245,000
2012 Water Distribution Improvements				
Issue 11/15, maturity 11/16, rate 1.0%	288,000	272,000	(288,000)	272,000
2011 Water Distribution Improvements				
Issue 11/15, maturity 11/16, rate 1.0%	225,250	212,000	(225,250)	212,000
2012 Water Plan Generator				
Issue 11/15, maturity 11/16, rate 1.0%	337,500	318,750	(337,500)	318,750
2013 Water Tank Maintenance				
Issue 11/15, maturity 11/16, rate 1.0%	450,000	400,000	(450,000)	400,000
2013 Water Distribution Improvements				
Issue 11/15, maturity 11/16, rate 1.0%	332,500	315,000	(332,500)	315,000
2013 Water Plant Improvements				
Issue 11/15, maturity 11/16, rate 1.0%	95,000	90,000	(95,000)	90,000
2014 Water Distribution Improvements				
Issue 11/15, maturity 11/16, rate 1.0%	<u>257,500</u>	<u>244,625</u>	<u>(257,500)</u>	<u>244,625</u>
 Total Water Fund	 <u>\$ 3,223,670</u>	 <u>\$ 3,001,525</u>	 <u>\$ (3,223,670)</u>	 <u>\$ 3,001,525</u>

**CITY OF WADSWORTH, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2015

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

	<u>Balance</u>				<u>Balance</u>
	<u>1/1/15</u>	<u>Additions</u>	<u>Deletions</u>		<u>12/31/15</u>
<b>Business-Type Activities:</b>					
<b>Electric Fund:</b>					
2006 Valleyview Sub Improvements					
Issue 11/15, maturity 11/16, rate 1.0%	\$ 173,875	\$ 160,500	\$ (173,875)		\$ 160,500
2007 Subs/Dist/Meters					
Issue 11/15, maturity 11/16, rate 1.0%	501,464	462,890	(501,464)		462,890
2008 Electric Capital Improvements					
Issue 11/15, maturity 11/16, rate 1.0%	549,500	510,250	(549,500)		510,250
2009 Electric Capital Improvements					
Issue 11/15, maturity 11/16, rate 1.0%	442,500	413,000	(442,500)		413,000
2010 Electric Capital Improvements					
Issue 11/15, maturity 11/16, rate 1.0%	1,019,333	926,667	(1,019,333)		926,667
2011 Electric Capital Improvements					
Issue 11/15, maturity 11/16, rate 1.0%	1,032,750	972,000	(1,032,750)		972,000
2012 Electric Capital Improvements					
Issue 11/15, maturity 11/16, rate 1.0%	<u>625,000</u>	<u>562,500</u>	<u>(625,000)</u>		<u>562,500</u>
Total Electric Fund	<u>\$ 4,344,422</u>	<u>\$ 4,007,807</u>	<u>\$ (4,344,422)</u>		<u>\$ 4,007,807</u>

	<u>Balance</u>				<u>Balance</u>
	<u>1/1/15</u>	<u>Additions</u>	<u>Deletions</u>		<u>12/31/15</u>
<b>Business-Type Activities:</b>					
<b>Sanitation Fund:</b>					
2006 Transfer Station Improvement					
Issue 11/15, maturity 11/16, rate 1.0%	\$ 162,000	\$ 148,500	\$ (162,000)		\$ 148,500
2013 Sanitation Rear Loader					
Issue 11/15, maturity 11/16, rate 1.0%	<u>139,500</u>	<u>124,000</u>	<u>(139,500)</u>		<u>124,000</u>
Total Sanitation Fund	<u>\$ 301,500</u>	<u>\$ 272,500</u>	<u>\$ (301,500)</u>		<u>\$ 272,500</u>

**CITY OF WADSWORTH, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2015

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

	Balance <u>1/1/15</u>	<u>Additions</u>	<u>Deletions</u>	Balance <u>12/31/15</u>
<b>Business-Type Activities:</b>				
<b>Sewer Fund:</b>				
2011 WWTP Phosphorus Improvements				
Issue 11/15, maturity 11/16, rate 1.0%	\$ 140,000	\$ 120,000	\$ (140,000)	\$ 120,000
2012 Brookwood Gravity Sewer				
Issue 11/15, maturity 11/16, rate 1.0%	<u>513,000</u>	<u>484,500</u>	<u>(513,000)</u>	<u>484,500</u>
Total Sewer Fund	<u>\$ 653,000</u>	<u>\$ 604,500</u>	<u>\$ (653,000)</u>	<u>\$ 604,500</u>
	Balance <u>1/1/15</u>	<u>Additions</u>	<u>Deletions</u>	Balance <u>12/31/15</u>
<b>Business-Type Activities:</b>				
<b>Storm Water Fund:</b>				
2012 Stormwater Improvements				
Issue 11/15, maturity 11/16, rate 1.0%	\$ 202,500	\$ 191,250	\$ (202,500)	\$ 191,250
2011 Stormwater Improvements				
Issue 11/15, maturity 11/16, rate 1.0%	119,000	112,000	(119,000)	112,000
2010 Stormwater Improvements				
Issue 11/15, maturity 11/16, rate 1.0%	91,667	83,333	(91,667)	83,333
2006 Stormwater Improvements				
Issue 11/15, maturity 11/16, rate 1.0%	65,333	56,000	(65,333)	56,000
2013 Stormwater Improvements				
Issue 11/15, maturity 11/16, rate 1.0%	95,000	90,000	(95,000)	90,000
2015 Stormwater Improvements				
Issue 11/15, maturity 11/16, rate 1.0%	<u>-</u>	<u>127,350</u>	<u>-</u>	<u>127,350</u>
Total Storm Water Fund	<u>\$ 573,500</u>	<u>\$ 659,933</u>	<u>\$ (573,500)</u>	<u>\$ 659,933</u>

**CITY OF WADSWORTH, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2015

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

	1/1/15	Additions	Deletions	12/31/15
<b>Business-Type Activities:</b>				
<b>Telecom Fund:</b>				
2010 Broadband Communication Digital Issue 11/15, maturity 11/16, rate 1.0%	\$ 8,000	\$ -	\$ (8,000)	\$ -
2011 Broadband Communication Digital Issue 11/15, maturity 11/16, rate 1.0%	18,000	9,000	(18,000)	9,000
2012 Broadband Communication Digital Issue 11/15, maturity 11/16, rate 1.0%	120,000	80,000	(120,000)	80,000
2013 Broadband Communication Digital Issue 11/15, maturity 11/16, rate 1.0%	44,000	33,000	(44,000)	33,000
2014 Broadband Communication Digital Issue 11/15, maturity 11/16, rate 1.0%	<u>115,000</u>	<u>92,000</u>	<u>(115,000)</u>	<u>92,000</u>
Total Telecom Fund	<u>\$ 305,000</u>	<u>\$ 214,000</u>	<u>\$ (305,000)</u>	<u>\$ 214,000</u>
Total Proprietary Funds	<u>\$ 9,401,092</u>	<u>\$ 8,760,265</u>	<u>\$ (9,401,092)</u>	<u>\$ 8,760,265</u>

**CITY OF WADSWORTH, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2015

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

	<u>Balance</u> <u>1/1/15</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>12/31/15</u>
<b>Governmental Activities:</b>				
2000 Grace Drive Sanitary Sewer				
Issue 09/00, maturity 09/15, rate 8.00%	\$ 602	\$ -	\$ (602)	\$ -
2007 Sidewalk Improvement				
2009 Street & Hall Drive Assessments				
Issue 11/10, maturity 11/15, rate 2.50%	23,840	-	(23,840)	-
2009 Sidewalk Assessments				
Issue 11/10, maturity 11/15, rate 2.50%	2,026	-	(2,026)	-
2010 Sidewalk Assessments				
Issue 09/11, maturity 09/16, rate 1.50%	1,413	-	(701)	712
2011 Sidewalk Assessments				
Issue 11/12, maturity 11/17, rate 1.50%	8,387	-	(2,754)	5,633
2014 Sidewalk Assessments				
Issue 11/14, maturity 11/19, rate 1.50%	14,179	-	(2,752)	11,427
2015 Sidewalk Assessments				
Issue 11/15, maturity 11/20, rate 1.50%	<u>-</u>	<u>12,144</u>	<u>-</u>	<u>12,144</u>
Total Governmental Activities	<u>\$ 50,447</u>	<u>\$ 12,144</u>	<u>\$ (32,675)</u>	<u>\$ 29,916</u>

The following is a detail of Advances In/Out included in interfund receivable/payable during 2015:

<u>Payable Fund</u>	<u>Receivable Fund</u>	<u>Amount</u>
Nonmajor governmental funds	General fund	<u>\$ 838,741</u>

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

<u>Payable Fund</u>	<u>Receivable Fund</u>	<u>Amount</u>
Nonmajor governmental funds	General fund	<u>\$ 29,044</u>

**CITY OF WADSWORTH, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2015

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

The following is a summary of Interfund Receivable/Payable, outstanding at December 31, 2015:

	Total Interfund Payable Activity
<b><u>Interfund Payable Funds:</u></b>	
<b>Governmental Funds:</b>	
General Fund	\$ 16,000
Nonmajor Governmental Funds	<u>3,292,240</u>
Total Governmental Funds	<u>3,308,240</u>
<b>Proprietary Funds:</b>	
Storm Water	659,933
Telecom	214,000
Sewer	604,500
Water	3,001,525
Electric	4,007,807
Sanitation	<u>272,500</u>
Total Proprietary Funds	<u>8,760,265</u>
<b>Internal Service Funds</b>	<u>483,783</u>
Total Interfund Payable	<u>\$ 12,552,288</u>

**CITY OF WADSWORTH, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2015

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

	Total Interfund Receivable Activity
<b><u>Interfund Receivable Funds:</u></b>	
<b>Governmental Funds:</b>	
General Fund	\$ 2,763,274
Nonmajor Governmental Funds	<u>3,870,740</u>
Total Governmental Funds	<u>6,634,014</u>
<b>Proprietary Funds:</b>	
Storm Water	103,137
Telecom	345,642
Water	695,822
Sewer	1,239,816
Electric	2,556,384
Sanitation	<u>313,756</u>
Total Proprietary Funds	<u>5,254,557</u>
<b>Internal Service Funds</b>	<u>663,717</u>
 Total Interfund Receivable	 <u><u>\$ 12,552,288</u></u>

Interfund transfers for the year ended December 31, 2015 consisted of the following:

	<u>Transfers In</u>								
	<u>Internal Service Funds</u>	<u>Nonmajor Governmental Funds</u>	<u>Electric Fund</u>	<u>Telecom Fund</u>	<u>Water Fund</u>	<u>Sewer Fund</u>	<u>Sanitation Fund</u>	<u>Storm Water Fund</u>	<u>Total</u>
<b><u>Transfers Out</u></b>									
General Fund	\$ 6,861	\$ 120,217	\$ 59,507	\$ 5,147	\$ 25,104	\$ 14,939	\$ 3,607	\$ 1,856	\$ 237,238
Nonmajor Governmental Funds	<u>-</u>	<u>31,250</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>31,250</u>
Total Transfers In	<u><u>\$ 6,861</u></u>	<u><u>\$ 151,467</u></u>	<u><u>\$ 59,507</u></u>	<u><u>\$ 5,147</u></u>	<u><u>\$ 25,104</u></u>	<u><u>\$ 14,939</u></u>	<u><u>\$ 3,607</u></u>	<u><u>\$ 1,856</u></u>	<u><u>\$ 268,488</u></u>

**CITY OF WADSWORTH, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2015**

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

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 \$31,250 between nonmajor governmental funds for debt payments. In addition, the City had various transfers between funds related to capital assets. These transfers are only made on a GAAP-basis and are not reflected in the cash basis activity.

**NOTE 18 - RELATED ORGANIZATIONS**

On July 7, 2015, the City granted a franchise to Premier Flight Management, LTD for a period to end June 30, 2017, for the operation and maintenance of the Wadsworth Municipal Airport. The City of Wadsworth pays four thousand four hundred forty one (\$4,441.00) dollars per month to the Premier Flight Management, LTD and pays for liability insurance not to exceed six thousand (\$6,000.00) dollars per year. Premier Flight Management, LTD agrees to pay the City of Wadsworth seven (\$0.07) cents per gallon of aviation fuel sold and participate in capital improvements at the airport.

**NOTE 19 - JOINT VENTURES**

OMEGA JV 1

The City's Electric enterprise fund has entered into an ongoing joint venture agreement with other Ohio municipal electric systems to form the Ohio Municipal Electric Generation Agency Joint Venture 1 (OMEGA JV 1) for the purpose of providing electric power and energy to its participants on a cooperative basis. Title to the six diesel powered generating units in OMEGA JV 1, were transferred to the municipal electrical systems from American Municipal Power, Incorporated (AMP), a membership organization comprised of communities throughout Ohio, West Virginia and Pennsylvania that own and operate electric systems. Each participant has a contract which provides for AMP to purchase the right to each participant's share of power and energy that is made available through the joint venture contract. The City's equity interest in JV 1 is reported in the City's electric enterprise fund. The City's undivided ownership of OMEGA JV 1 is 11.23%. The City's equity interest was \$40,860 for JV 1 at December 31, 2015.

The following is a summary of audited financial information of OMEGAJV1 for the year ended December 31, 2015:

	<u>OMEGA JV 1</u>
Total Assets	\$ 597,265
Total Liabilities	202,141
Deferred Inflow	87,980
Net Position	363,858
Total Revenues	565,785
Total Expenses	585,622
(Deficiency) of Revenue	
(Under) Expenses	(19,837)

## CITY OF WADSWORTH, OHIO

### NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2015

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

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

#### OMEGA JV2

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

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

Pursuant to the Agreement each participant has an obligation to pay its share of debt service on the Distributive Generation Bonds (Bonds) from the revenues of its electric system, subject only to the prior payment of Operating & Maintenance Expenses (O&M) of each participant's System, and shall be on a parity with any outstanding and future senior electric system revenue bonds, notes or other indebtedness payable from any revenues of the System. Under the terms of the Agreement each Financing Participant is to fix, charge and collect rates, fees and charges at least sufficient in order to maintain a debt coverage ratio equal to 110% of the sum of OMEGA JV2 debt service and any other outstanding senior lien electric system revenue obligations. As of December 31, 2015, the City of Wadsworth has met debt coverage obligation.

OMEGA JV2 was created to provide additional sources of reliable, reasonably priced electric power and energy when prices are high or during times of generation shortages or transmission constraints, and to improve the reliability and economic status of the participants' respective municipal electric utility system. The Project consists of 138.65 MW of distributed generation of which 134.081MW is the participants' entitlement and 4.569MW are held in reserve. On dissolution of OMEGA JV2, the net assets will be shared by the participants on a percentage of ownership basis. OMEGA JV2 is managed by AMP, which acts as the joint venture's agent. During 2001, AMP issued \$50,260,000 of 20 year fixed rate bonds on behalf of the Financing Participants of OMEGA JV2. The net proceeds of the bond issue of \$45,904,712 were contributed to OMEGA JV2. On January 3, 2011, AMP redeemed all of the \$31,110,000 OMEGA JV2 Project Distributive Generation Bonds then outstanding by borrowing on AMP's revolving credit facility. As such, the remaining outstanding bond principal of the OMEGA JV2 indebtedness was reduced to zero, with the remaining principal balance now residing on the AMP credit facility. As of December 31, 2015, the outstanding debt was \$8,052,470. The City's net obligation for these bonds at December 31, 2015 was \$596,688. 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 \$963,752 at December 31, 2015. Complete financial statements for OMEGA JV2 may be obtained from AMP or from the State Auditor's website at [www.auditor.state.oh.us](http://www.auditor.state.oh.us).

**CITY OF WADSWORTH, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2015

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

The thirty-six participating subdivisions and their respective ownership shares at December 31, 2015 are:

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

Grand Total 134,081

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

	OMEGA JV 2
Total Assets	\$ 20,442,520
Total Liabilities	2,571,817
Deferred Inflows	1,282,865
Net Position	16,587,838
Total Revenues	11,987,449
Total Expenses	15,156,501
(Deficiency) of Revenue	
(Under) Expenses	(3,169,052)

OMEGA JV 5

The City of Wadsworth is a Financing Participant with an ownership percentage of 5.62%, and shares participation with forty-one other subdivisions within the State of Ohio in the Ohio Municipal Electric Generation Agency Joint Venture 5 (OMEGA JV5). Financing Participants own undivided interests, as tenants in common, without right of partition in the OMEGAJV5 Project.

## CITY OF WADSWORTH, OHIO

### NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2015

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

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

OMEGAJV5 was created to construct a 42 Megawatt (MW) run-of-the-river hydroelectric plant (including 40MW of backup generation) and associated transmission facilities (on the Ohio River near the Bellville, West Virginia Locks and Dam) and sells electricity from its operations to OMEGAJV5 Participants.

Pursuant to the Agreement each participant has an obligation to pay its share of debt service on the Beneficial Interest Certificates (Certificates) from the revenues of its electric system, subject only to the prior payment of Operating & Maintenance Expenses (O&M) of each participant's System, and shall be on a parity with any outstanding and future senior electric system revenue bonds, notes or other indebtedness payable from any revenues of the System. On dissolution of OMEGA JV5, the net assets will be shared by the financing participants on a percentage of ownership basis. Under the terms of the Agreement each participant is to fix, charge and collect rates, fees and charges at least sufficient in order to maintain a debt coverage ratio equal to 110% of the sum of OMEGA JV5 debt service and any other outstanding senior lien electric system revenue obligations. As of December 31, 2015, Wadsworth has met their debt coverage obligation.

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

OMEGA JV5 is managed by AMP, which acts as the joint venture's agent. During 1993 and 2001 AMP issued \$153,415,000 and \$13,899,981 respectively of 30 year fixed rate Beneficial Interest Certificates (Certificates) on behalf of the Financing Participants of OMEGA JV5. The 2001 Certificates accrete to a value of \$56,125,000 on February 15, 2030. The net proceeds of the bond issues were used to construct the OMEGA JV5 Project. On February 17, 2004 the 1993 Certificates were refunded by issuing 2004 Beneficial Interest Refunding Certificates in the amount of \$116,910,000, which resulted in a savings to the membership of \$34,951,833 from the periods 2005 through 2024. 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. Due to scheduled principal repayments, the resulting note receivable has been reduced at December 31, 2015 to \$49,803,187. AMP will continue to collect debt service from the OMEGA JV5 participants until the note is paid in full.

The City's net investment and its share of operating results of OMEGA JV5 are reported in the City's electric fund (an enterprise fund). The City's net investment to date in OMEGA JV5 was \$167,918 at December 31, 2015. Complete financial statements for OMEGA JV5 may be obtained from AMP or from the State Auditor's website at [www.ohioauditor.gov](http://www.ohioauditor.gov).

## CITY OF WADSWORTH, OHIO

### NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2015

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

The following is a summary of audited financial information of OMEGAJV5 for the year ended December 31, 2015:

	OMEGA JV 5
Total Assets	\$ 121,168,962
Total Liabilities	83,215,988
Deferred Inflows	34,965,087
Net Position	2,987,887
Total Revenues	24,451,707
Total Expenses	24,451,707
(Deficiency) of Revenue	
(Under) Expenses	-

#### OMEGA JV 6

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

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

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

Pursuant to the Agreement each participant has an obligation to pay its share of debt service on the Adjustable Rate Revenue Bonds (Bonds) from the revenues of its electric system, subject only to the prior payment of Operating & Maintenance Expenses (O&M) of each participant's System, and shall be on a parity with any outstanding and future senior electric system revenue bonds, notes or other indebtedness payable from any revenues of the System. On dissolution of OMEGA JV6, any excess funds shall be refunded to the Non-Financing Participants in proportion to each Participant's Project Share and to Financing Participant's respective obligations first by credit against the Financing Participant's respective obligations. Any other excess funds shall be paid to the Participants in proportion to their respective Project Shares. Under the terms of the Agreement each financing participant is to fix, charge and collect rates, fees, charges, including other available funds, at least sufficient in order to maintain a debt coverage ratio equal to 110% of the sum of OMEGA JV6 debt service and any other outstanding senior lien electric system revenue obligations. As of December 31, 2015, Wadsworth has met their debt coverage obligation.

**CITY OF WADSWORTH, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2015

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

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 \$199,793 at December 31, 2015. Complete financial statements for OMEGA JV6 may be obtained from AMP or from the State Auditor's website at [www.ohioauditor.gov](http://www.ohioauditor.gov).

The ten participating subdivisions and their respective ownership shares at December 31, 2015 are:

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

**CITY OF WADSWORTH, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2015

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

The following is a summary of audited financial information of OMEGA JV 6 for the year ended December 31, 2015:

	OMEGA JV 6
Total Assets	\$ 9,004,217
Total Liabilities	2,589,791
Total Deferred Inflows	656,670
Net Position	5,757,756
Total Revenues	548,604
Total Expenses	848,311
Excess of Revenue Over Expenses	(299,707)

Woodlawn Union Cemetery

The City is a participant along with Wadsworth Township in a joint venture to establish and manage the Woodlawn Union Cemetery. This establishment is allowable under Ohio Revised Code Section 759.27. This joint venture is considered a separate reporting entity by the City and has not been included in these basic financial statements. Complete financial statements for the Woodlawn Cemetery can be obtained from the Secretary-Treasurer of the Cemetery. Financial information for the Cemetery for the year ended December 31, 2015 was as follows:

Total Receipts	\$ 263,987
Total Disbursements	<u>(240,489)</u>
Excess of Receipts Over Disbursements	<u>\$ 23,498</u>

The Cemetery has no outstanding debt.

**NOTE 20 - JOINTLY GOVERNED ORGANIZATION**

Municipal Energy Services Agency (MESA)

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

**CITY OF WADSWORTH, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2015**

**NOTE 21 - CONTINGENCIES**

**A. Grants**

The City received financial assistance from federal and State agencies in the form of grants. The disbursement of funds received under these programs generally requires compliance with terms and conditions specified in the grant agreements and are subject to audit by the grantor agencies. Any disallowed claims resulting from such audits could become a liability of the general fund or other applicable funds. However, in the opinion of management, any such disallowed claims will not have a material adverse effect on the overall financial position of the City at December 31, 2015.

**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, 2015.

**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 22 - OTHER COMMITMENTS**

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

<u>Fund</u>	<u>Year End Encumbrances</u>
General fund	\$ 81,595
Nonmajor governmental funds	<u>1,470,043</u>
Total	<u>\$ 1,551,638</u>

**CITY OF WADSWORTH, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2015

**NOTE 23 - FUND BALANCE**

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

Fund balance	General	Nonmajor Governmental Funds	Total Governmental Funds
Nonspendable:			
Materials and supplies inventory	\$ 177,864	\$ 410,344	\$ 588,208
Prepayments	62,226	662,868	725,094
Interfund loan receivable	<u>2,763,274</u>	<u>-</u>	<u>2,763,274</u>
Total nonspendable	<u>3,003,364</u>	<u>1,073,212</u>	<u>4,076,576</u>
Restricted:			
Capital projects	-	4,843,674	4,843,674
Street maintenance	-	1,246,695	1,246,695
Emergency medical services	-	1,800,629	1,800,629
Municipal court	-	862,839	862,839
Law enforcement	-	258,457	258,457
Other purposes	-	70,578	70,578
Community improvements	-	209,775	209,775
Community developments	-	177,264	177,264
Fire protection	-	21,357	21,357
Debt service	<u>-</u>	<u>744</u>	<u>744</u>
Total restricted	<u>-</u>	<u>9,492,012</u>	<u>9,492,012</u>
Committed:			
Capital projects	-	2,337,287	2,337,287
Recreation	-	152,174	152,174
Other	<u>1,400</u>	<u>99,806</u>	<u>101,206</u>
Total committed	<u>1,400</u>	<u>2,589,267</u>	<u>2,590,667</u>
Assigned:			
General government	29,352	-	29,352
Security of persons and property	13,589	-	13,589
Leisure time activities	16,717	-	16,717
Other purposes	18,850	-	18,850
Subsequent year's appropriations	<u>828,253</u>	<u>-</u>	<u>828,253</u>
Total assigned	<u>906,761</u>	<u>-</u>	<u>906,761</u>
Unassigned (deficit)	<u>2,370,945</u>	<u>(1,929,869)</u>	<u>441,076</u>
Total fund balances	<u>\$ 6,282,470</u>	<u>\$ 11,224,622</u>	<u>\$ 17,507,092</u>

## CITY OF WADSWORTH, OHIO

### NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2015

#### NOTE 24 - CONTRACTUAL COMMITMENTS

Broad/Lyman Signal - Improvements to the Broad/Lyman intersection include pavement/sidewalk improvements, intersection signalization, pavement markings, and signage improvements. The cost estimate for the project is estimated to be \$59,027.85. A total of \$44,977.75 was spent on the project at the end of 2015. Construction will be complete in 2016.

Simcox Waterline - This project consists of the replacement of 6-inch cast iron waterline from High St. to West St. with 8-inch ductile iron waterline, including valves, hydrants and service connections. The design was completed by Environmental Design Group LLC in 2015 for \$35,021.46. The project was bid in December 2015 and awarded to Spano Brothers Construction for \$378,279.55. Construction was completed in 2016.

Water Line Design – The Engineering Department contracted in December 2015 with MS Consultants, Inc. for the design of water mains at multiple locations on seven different streets. The contract amount is \$48,900. The design work is scheduled to be completed in the summer of 2016.

Sewer System GIS - The City of Wadsworth selected RedZone Robotics to obtain a geographical information system (GIS) for our sanitary sewer system. The total cost of the contract is \$748,957 to be paid over five years starting in 2014. A total of \$290,971.06 was spent on the project at the end of 2015. As of the end of 2015, RedZone completed nearly all the sanitary sewer inspections. The work on the software and the mapping will continue in 2016.

Capital Equipment - The Electric Department ordered a 55' bucket truck in 2015. The cab and chassis was delivered by Valley Freightliner in the fall of 2015. The body and 55' aerial device was contracted to Altec Industries in 2015. The total project is \$211,138.00. \$70,308.00 was spent in 2015. Delivery of the complete unit is expected in summer of 2016.

Akron Road Substation Power Transformer – The Electric Department contracted with Pepco Inc. for the manufacturing and installation of a CG Power Systems Transformer in the amount of \$298,400.00. The manufacturing and installation was completed in early 2016.

Municipal Hall Renovations – Renovations to the first floor of the Municipal Building were awarded to Braun & Steidl Architects for \$17,000.00 and Tober Building Company for \$118,742.75. A total of \$81,773.52 was spent in 2015. Construction was completed in February of 2016.

Design of Airport Runway – The City applied for and received a grant from the FAA in 2015 for the design of Runway 2-20 improvements. The City contracted with Michael Baker International to design the improvements in accordance with FAA regulations. The contract amount is \$92,850.00. Nothing was spent in 2015. Design is ongoing and expected to be completed in 2016.

## CITY OF WADSWORTH, OHIO

### NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2015

#### **NOTE 25 – SUBSEQUENT EVENTS**

##### Greenup Hydroelectric Project (47 Members)

The Greenup Hydroelectric Facility (the “Greenup Facility”) is a 70.2 MW run-of-the river hydroelectric generating facility located on the Greenup Locks and Dam on the Ohio River. The Greenup Facility entered commercial operation in 1982 and has been owned and operated by the City of Hamilton, Ohio (“Hamilton”) since 1988.

In June 2008, Hamilton received a FERC license to operate a hydroelectric generation facility to be constructed on the Captain Anthony Meldahl Locks Dam, an existing dam on the Ohio River (“Meldahl Project”). In March 2009, AMP and Hamilton executed a series of agreements (the “AMP-Hamilton Agreements”) pursuant to which AMP committed to finance the development and the construction of Meldahl Project and to acquire within 60 days of the date on which Meldahl Project entered commercial operation, a 48.6% undivided ownership interest in the Greenup Facility (the “AMP Interest”). The Meldahl Project entered commercial operation on April 12, 2016.

In order to finance the acquisition of the AMP Interest, AMP’s share of certain capital expenditures at the Greenup Facility and related costs, on May 11, 2016 AMP issued its Greenup Hydroelectric Project Revenue Bonds, Series 2016A (the “Greenup Bonds”) in the principal amount of \$125,630,000. The Greenup Bonds are secured by a master trust indenture and payable from amounts received by AMP under a take-or-pay power sales contract with 47 of its Members.

After acquisition of the AMP Interest, AMP and Hamilton will be responsible for an aliquot share equal to their respective undivided ownership interest in the Greenup Facility (51.4% for Hamilton and 48.6% for AMP) of the operating maintenance expenses of the Greenup Facility. In accordance with, and subject to the provisions of, the AMP-Hamilton Agreements, Hamilton will continue to operate the Greenup Facility. The City of Wadsworth has a 7.69% share in this project.

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REQUIRED SUPPLEMENTARY INFORMATION

**CITY OF WADSWORTH, OHIO  
MEDINA COUNTY, OHIO**

SCHEDULES OF 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 TWO YEARS

	<b>2014</b>	<b>2013</b>
<i>Traditional Plan:</i>		
City's proportion of the net pension liability	0.080360%	0.080360%
City's proportionate share of the net pension liability	\$ 9,692,314	\$ 9,473,397
City's covered-employee payroll	\$ 9,860,667	\$ 10,202,015
City's proportionate share of the net pension liability as a percentage of its covered-employee payroll	98.29%	92.86%
Plan fiduciary net position as a percentage of the total pension liability	86.45%	86.36%
<i>Combined Plan:</i>		
City's proportion of the net pension asset	0.091286%	0.091286%
City's proportionate share of the net pension asset	\$ 35,148	\$ 9,578
City's covered-employee payroll	\$ 333,683	*
City's proportionate share of the net pension asset as a percentage of its covered-employee payroll	10.53%	*
Plan fiduciary net position as a percentage of the total pension asset	114.83%	104.56%

Note: Information prior to 2013 was unavailable.

Amounts presented as of the City's measurement date which is the prior year.

\* 2013 Combined plan information not available

SEE ACCOMPANYING NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION

**CITY OF WADSWORTH, OHIO  
MEDINA COUNTY, OHIO**

SCHEDULES OF REQUIRED SUPPLEMENTARY INFORMATION

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

LAST TWO YEARS

	<u>2014</u>	<u>2013</u>
City's proportion of the net pension liability	0.10724110%	0.10724110%
City's proportionate share of the net pension liability	\$ 6,597,877	\$ 5,222,978
City's covered-employee payroll	\$ 3,300,129	\$ 2,526,022
City's proportionate share of the net pension liability as a percentage of its covered-employee payroll	199.93%	206.77%
Plan fiduciary net position as a percentage of the total pension liability	72.20%	73.00%

Note: Information prior to 2013 was unavailable.

Amounts presented as of the City's measurement date which is the prior year.

SEE ACCOMPANYING NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION

**CITY OF WADSWORTH, OHIO  
MEDINA COUNTY, OHIO**

SCHEDULES OF REQUIRED SUPPLEMENTARY INFORMATION

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

LAST TEN YEARS

	<b>2015</b>	<b>2014</b>	<b>2013</b>	<b>2012</b>
<i>Traditional Plan:</i>				
Contractually required contribution	\$ 1,185,432	\$ 1,183,280	\$ 1,326,262	\$ 936,483
Contributions in relation to the contractually required contribution	(1,185,432)	(1,183,280)	(1,326,262)	(936,483)
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -
City's covered-employee payroll	\$ 9,878,600	\$ 9,860,667	\$ 10,202,015	\$ 9,364,830
Contributions as a percentage of covered-employee payroll	12.00%	12.00%	13.00%	10.00%
 <i>Combined Plan:</i>				
Contractually required contribution	\$ 38,301	\$ 40,042	\$ -	\$ -
Contributions in relation to the contractually required contribution	(38,301)	(40,042)	-	-
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -
City's covered-employee payroll	\$ 319,175	\$ 333,683	\$ -	\$ -
Contributions as a percentage of covered-employee payroll	12.00%	12.00%	13.00%	7.95%

SEE ACCOMPANYING NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION

<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>
\$ 918,519	\$ 850,973	\$ 833,367	\$ 793,331	\$ 876,965	\$ 972,104
<u>(918,519)</u>	<u>(850,973)</u>	<u>(833,367)</u>	<u>(793,331)</u>	<u>(876,965)</u>	<u>(972,104)</u>
<u>\$ -</u>					
\$ 9,185,190	\$ 9,543,622	\$ 10,256,825	\$ 11,333,300	\$ 10,502,575	\$ 10,566,348
10.00%	8.92%	8.13%	7.00%	8.35%	9.20%
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>\$ -</u>					
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
7.95%	9.69%	8.13%	7.00%	8.35%	9.20%

**CITY OF WADSWORTH, OHIO**

SCHEDULES OF REQUIRED SUPPLEMENTARY INFORMATION

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

LAST TEN YEARS

	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>
<i>Police:</i>				
Contractually required contribution	\$ 402,612	\$ 481,740	\$ 310,231	\$ 258,958
Contributions in relation to the contractually required contribution	<u>(402,612)</u>	<u>(481,740)</u>	<u>(310,231)</u>	<u>(258,958)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
City's covered-employee payroll	\$ 2,119,011	\$ 2,535,474	\$ 1,953,186	\$ 2,031,043
Contributions as a percentage of covered-employee payroll	19.00%	19.00%	15.88%	12.75%
<i>Fire:</i>				
Contractually required contribution	\$ 155,033	\$ 179,694	\$ 116,763	\$ 91,242
Contributions in relation to the contractually required contribution	<u>(155,033)</u>	<u>(179,694)</u>	<u>(116,763)</u>	<u>(91,242)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
City's covered-employee payroll	\$ 659,715	\$ 764,655	\$ 572,836	\$ 528,939
Contributions as a percentage of covered-employee payroll	23.50%	23.50%	20.38%	17.25%

SEE ACCOMPANYING NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION

<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>
\$ 250,581	\$ 240,768	\$ 228,912	\$ 241,285	\$ 243,935	\$ 202,250
<u>(250,581)</u>	<u>(240,768)</u>	<u>(228,912)</u>	<u>(241,285)</u>	<u>(243,935)</u>	<u>(202,250)</u>
<u>\$ -</u>					
\$ 1,965,341	\$ 1,888,376	\$ 1,795,388	\$ 1,892,431	\$ 1,913,216	\$ 1,721,277
12.75%	12.75%	12.75%	12.75%	12.75%	11.75%
\$ 94,982	\$ 91,263	\$ 86,768	\$ 91,459	\$ 92,463	\$ 76,662
<u>(94,982)</u>	<u>(91,263)</u>	<u>(86,768)</u>	<u>(91,459)</u>	<u>(92,463)</u>	<u>(76,662)</u>
<u>\$ -</u>					
\$ 550,620	\$ 529,061	\$ 503,003	\$ 530,197	\$ 536,017	\$ 457,684
17.25%	17.25%	17.25%	17.25%	17.25%	16.75%

**CITY OF WADSWORTH, OHIO**

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION  
FOR THE YEAR ENDED DECEMBER 31, 2015

*OHIO PUBLIC EMPLOYEES RETIREMENT SYSTEM (OPERS)*

*Changes in benefit terms* : There were no changes in benefit terms from the amounts reported for 2014 and 2015.

*Changes in assumptions* : There were no changes in methods and assumptions used in the calculation of actuarial determined contributions for 2014 and 2015. See the notes to the basic financial statements for the methods and assumptions in this calculation.

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 and 2015.

*Changes in assumptions* : There were no changes in methods and assumptions used in the calculation of actuarial determined contributions for 2014 and 2015. See the notes to the basic financial statements for the methods and assumptions in this calculation.

**COMBINING STATEMENTS  
AND INDIVIDUAL FUND SCHEDULES**

**CITY OF WADSWORTH, OHIO**

COMBINING STATEMENTS - NONMAJOR GOVERNMENTAL FUNDS

**Nonmajor Capital Projects Funds**

***Airport Improvements Fund***

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

***Community Center Project Fund***

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

***General Capital Improvements Fund***

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

***EMS Reserve Fund***

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

***Fire Levy Fund***

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

***Park Land Acquisition Fund***

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

***Street Improvement Fund***

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

***West Street Improvements Fund***

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

***Special Assessments Fund***

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

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**Nonmajor Debt Service Funds**

***Special Assessment Bond Retirement Fund***

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

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CITY OF WADSWORTH, OHIO

COMBINING STATEMENTS - NONMAJOR GOVERNMENTAL FUNDS

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**Nonmajor Special Revenue Funds**

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

***Recreation Fund***

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

***Street Maintenance Fund***

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

***Emergency Medical Services Fund***

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

***Municipal Court Special Programs Fund***

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

***Municipal Court Improvements Fund***

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

***Developers Shade Tree Fund***

To account for the collection of fees for street trees in lieu of planting such street trees. This fee is generally paid for by developers when the City's Engineering department does a 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 & Education Fund***

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

***Indigent Drivers Alcohol Treatment Fund***

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

**CITY OF WADSWORTH, OHIO**

COMBINING STATEMENTS - NONMAJOR GOVERNMENTAL FUNDS

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

***Law Enforcement Trust Fund***

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

***Permissive Motor Vehicle License Fund***

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

***State Highway Fund***

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

***Abatement of Public Nuisance Fund***

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

***Chippewa Creek Well Reserve Fund***

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

***Community Reinvestment Fund***

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

***Fire Department Education Grant Fund***

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

***Police Continuing Professional Training Fund***

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

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

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

***Community Housing Improvement Program (CHIP) Fund***

To account for federal grant dollars used in various programs administered by the City for the community improvements.

**CITY OF WADSWORTH, OHIO**

COMBINING STATEMENTS - NONMAJOR GOVERNMENTAL FUNDS

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

***CHIP Revolving Loan Fund***

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

***Economic Development Fund***

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

***Recreation Tax Fund***

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

***Revolving Loan Fund***

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

***Tax Increment Financing Fund***

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

**CITY OF WADSWORTH, OHIO**  
**COMBINING BALANCE SHEET**  
**NONMAJOR GOVERNMENTAL FUNDS**  
**DECEMBER 31, 2015**

	<b>Nonmajor Capital Projects Funds</b>	<b>Nonmajor Debt Service Fund</b>	<b>Nonmajor Special Revenue Funds</b>	<b>Total Nonmajor Governmental Funds</b>
<b>Assets:</b>				
Equity in pooled cash, cash equivalents and investments	\$ 5,644,453	\$ -	\$ 4,428,620	\$ 10,073,073
Receivables:				
Income taxes	297,942	-	461,402	759,344
Real and other taxes	-	-	903,290	903,290
Accounts	-	-	638,906	638,906
Payment in lieu of taxes	-	-	473,580	473,580
Special assessments	32,715	-	13,160	45,875
Interfund loans	2,247,321	29,916	1,593,503	3,870,740
Due from other governments	-	-	837,667	837,667
Materials and supplies inventory	1,817	-	408,527	410,344
Prepayments	612,667	-	50,201	662,868
Total assets	<u>\$ 8,836,915</u>	<u>\$ 29,916</u>	<u>\$ 9,808,856</u>	<u>\$ 18,675,687</u>
<b>Liabilities:</b>				
Accounts payable	\$ 4,079	\$ -	\$ 64,935	\$ 69,014
Contracts payable	40,213	-	19,900	60,113
Accrued wages and benefits	-	-	73,542	73,542
Retainage payable	1,678	-	-	1,678
Interfund loans payable	804,892	29,044	2,458,304	3,292,240
Due to other governments	-	-	17,393	17,393
Matured interest payable	-	128	-	128
Accrued interest payable	-	-	1,325	1,325
Bond Anticipation notes payable	-	-	1,040,000	1,040,000
Total liabilities	<u>850,862</u>	<u>29,172</u>	<u>3,675,399</u>	<u>4,555,433</u>
<b>Deferred inflows of resources:</b>				
Property taxes levied for the next fiscal year	-	-	884,189	884,189
Delinquent property tax revenue not available	-	-	19,101	19,101
Special assessments revenue not available	32,715	-	13,160	45,875
Miscellaneous revenue not available	-	-	391,823	391,823
Income tax revenue not available	157,893	-	244,518	402,411
Intergovernmental revenue not available	-	-	678,653	678,653
PILOTs levied for next fiscal year	-	-	473,580	473,580
Total deferred inflows of resources	<u>190,608</u>	<u>-</u>	<u>2,705,024</u>	<u>2,895,632</u>
<b>Fund balances:</b>				
Nonspendable	614,484	-	458,728	1,073,212
Restricted	4,843,674	744	4,647,594	9,492,012
Committed	2,337,287	-	251,980	2,589,267
Unassigned (deficit)	-	-	(1,929,869)	(1,929,869)
Total fund balances	<u>7,795,445</u>	<u>744</u>	<u>3,428,433</u>	<u>11,224,622</u>
Total liabilities, deferred inflows of resources & fund balance	<u>\$ 8,836,915</u>	<u>\$ 29,916</u>	<u>\$ 9,808,856</u>	<u>\$ 18,675,687</u>

**CITY OF WADSWORTH, OHIO**

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
NONMAJOR GOVERNMENTAL FUNDS  
FOR THE YEAR ENDED DECEMBER 31, 2015

	<b>Nonmajor Capital Projects Funds</b>	<b>Nonmajor Debt Service Fund</b>	<b>Nonmajor Special Revenue Funds</b>	<b>Total Nonmajor Governmental Funds</b>
<b>Revenues:</b>				
Income taxes	\$ 1,476,330	\$ -	\$ 2,006,884	\$ 3,483,214
Real and other taxes	467,124	-	986,968	1,454,092
Charges for services	75,750	-	1,924,264	2,000,014
Licenses and permits	24,000	-	-	24,000
Fines and forfeitures	-	-	149,287	149,287
Intergovernmental	334,955	-	2,020,496	2,355,451
Special assessments	32,360	30,942	-	63,302
Investment income	-	-	160	160
Contributions and donations	-	-	2,434	2,434
Payment in lieu of taxes	-	-	832,556	832,556
Other	119,982	-	297,166	417,148
Total revenues	<u>2,530,501</u>	<u>30,942</u>	<u>8,220,215</u>	<u>10,781,658</u>
<b>Expenditures:</b>				
<i>Current:</i>				
General government	39,399	-	270,498	309,897
Security of persons and property	37,888	-	1,665,481	1,703,369
Public health and welfare	-	-	2,648	2,648
Transportation	291,232	-	2,363,190	2,654,422
Leisure time activity	106	-	106,181	106,287
Economic development	-	-	883,878	883,878
Capital outlay	1,663,721	-	1,389,860	3,053,581
<i>Debt service:</i>				
Principal retirement	-	-	450,000	450,000
Interest and fiscal charges	10,350	-	732,154	742,504
Total expenditures	<u>2,042,696</u>	<u>-</u>	<u>7,863,890</u>	<u>9,906,586</u>
Excess of revenues over expenditures	<u>487,805</u>	<u>30,942</u>	<u>356,325</u>	<u>875,072</u>
<b>Other financing sources (uses):</b>				
Sale of assets	-	-	13,360	13,360
Transfers in	70,436	-	81,031	151,467
Transfers out	-	(31,250)	-	(31,250)
Total other financing sources/(uses)	<u>70,436</u>	<u>(31,250)</u>	<u>94,391</u>	<u>133,577</u>
Net change in fund balances	558,241	(308)	450,716	1,008,649
<b>Fund balances at beginning of year</b>	<u>7,237,204</u>	<u>1,052</u>	<u>2,977,717</u>	<u>10,215,973</u>
<b>Fund balances at end of year</b>	<u>\$ 7,795,445</u>	<u>\$ 744</u>	<u>\$ 3,428,433</u>	<u>\$ 11,224,622</u>

**CITY OF WADSWORTH, OHIO**  
**COMBINING BALANCE SHEET**  
**INDIVIDUAL NONMAJOR GOVERNMENTAL FUNDS**  
**DECEMBER 31, 2015**

	<b>Nonmajor Capital Projects</b>			
	<b>Airport Improvements Fund</b>	<b>Community Center Project Fund</b>	<b>General Capital Improvements Fund</b>	<b>EMS Reserve Fund</b>
<b>Assets:</b>				
Equity in pooled cash, cash equivalents and investments	\$ 125,629	\$ 117,338	\$ 1,065,412	\$ 707,614
Receivables:				
Income taxes	25,810	-	65,429	-
Real and other taxes	-	-	-	-
Accounts	-	-	-	-
Payment in lieu of taxes	-	-	-	-
Special assessments	-	-	-	-
Interfund loans	49,711	47,273	403,434	285,081
Due from other governments	-	-	-	-
Materials and supplies inventory	-	-	-	-
Prepayments	-	-	-	-
<b>Total assets</b>	<b>\$ 201,150</b>	<b>\$ 164,611</b>	<b>\$ 1,534,275</b>	<b>\$ 992,695</b>
<b>Liabilities:</b>				
Accounts payable	\$ -	\$ -	\$ 1,967	\$ -
Contracts payable	3,900	-	36,313	-
Accrued wages and benefits	-	-	-	-
Retainage payable	-	-	1,678	-
Interfund loans payable	178,000	-	591,006	-
Due to other governments	-	-	-	-
Accrued interest payable	-	-	-	-
Bond Anticipation notes payable	-	-	-	-
Matured interest payable	-	-	-	-
<b>Total liabilities</b>	<b>181,900</b>	<b>-</b>	<b>630,964</b>	<b>-</b>
<b>Deferred inflows of resources:</b>				
Property taxes levied for the next fiscal year	-	-	-	-
Delinquent property tax revenue not available	-	-	-	-
Special assessments revenue not available	-	-	-	-
Miscellaneous revenue not available	-	-	-	-
Income tax revenue not available	13,678	-	34,674	-
Intergovernmental revenue not available	-	-	-	-
PILOTs levied for next fiscal year	-	-	-	-
<b>Total deferred inflows of resources</b>	<b>13,678</b>	<b>-</b>	<b>34,674</b>	<b>-</b>
<b>Fund balances:</b>				
Nonspendable	-	-	-	-
Restricted	-	-	-	-
Committed	5,572	164,611	868,637	992,695
Unassigned (deficit)	-	-	-	-
<b>Total fund balances</b>	<b>5,572</b>	<b>164,611</b>	<b>868,637</b>	<b>992,695</b>
<b>Total liabilities, deferred inflows of resources &amp; fund balance</b>	<b>\$ 201,150</b>	<b>\$ 164,611</b>	<b>\$ 1,534,275</b>	<b>\$ 992,695</b>

Nonmajor Capital Projects					Nonmajor Debt Service	Nonmajor Special Revenue
Fire Levy Fund	Park Land Acquisition Fund	Street Improvement Fund	Special Assessments Fund	Total Capital Projects	Special Assessment Bond Retirement Fund	Recreation Fund
\$ 3,101,111	\$ 217,961	\$ 237,632	\$ 71,756	\$ 5,644,453	\$ -	\$ 172,358
-	-	206,250	453	297,942	-	172,743
-	-	-	-	-	-	-
-	-	-	-	-	-	180,975
-	-	-	-	-	-	-
-	-	-	32,715	32,715	-	-
1,249,365	87,811	95,736	28,910	2,247,321	29,916	61,097
-	-	-	-	-	-	-
1,817	-	-	-	1,817	-	-
612,667	-	-	-	612,667	-	1,108
<u>\$ 4,964,960</u>	<u>\$ 305,772</u>	<u>\$ 539,618</u>	<u>\$ 133,834</u>	<u>\$ 8,836,915</u>	<u>\$ 29,916</u>	<u>\$ 588,281</u>
\$ -	\$ -	\$ 2,112	\$ -	\$ 4,079	\$ -	\$ -
-	-	-	-	40,213	-	-
-	-	-	-	-	-	-
-	-	-	-	1,678	-	-
-	-	-	35,886	804,892	29,044	1,234,033
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	128	-
-	-	2,112	35,886	850,862	29,172	1,234,033
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	32,715	32,715	-	-
-	-	-	-	-	-	-
-	-	109,301	240	157,893	-	91,544
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	109,301	32,955	190,608	-	91,544
614,484	-	-	-	614,484	-	1,108
4,350,476	-	428,205	64,993	4,843,674	744	-
-	305,772	-	-	2,337,287	-	-
-	-	-	-	-	-	(738,404)
<u>4,964,960</u>	<u>305,772</u>	<u>428,205</u>	<u>64,993</u>	<u>7,795,445</u>	<u>744</u>	<u>(737,296)</u>
<u>\$ 4,964,960</u>	<u>\$ 305,772</u>	<u>\$ 539,618</u>	<u>\$ 133,834</u>	<u>\$ 8,836,915</u>	<u>\$ 29,916</u>	<u>\$ 588,281</u>

Continued

**CITY OF WADSWORTH, OHIO**  
**COMBINING BALANCE SHEET**  
**INDIVIDUAL NONMAJOR GOVERNMENTAL FUNDS (CONTINUED)**  
**DECEMBER 31, 2015**

	<b>Nonmajor Special Revenue</b>			
	<b>Street Maintenance Fund</b>	<b>Emergency Medical Services Fund</b>	<b>Municipal Court Special Programs Fund</b>	<b>Municipal Court Improvements Fund</b>
<b>Assets:</b>				
Equity in pooled cash, cash equivalents and investments	\$ 504,330	\$ 1,281,485	\$ 135,590	\$ 332,736
Receivables:				
Income taxes	288,659	-	-	-
Real and other taxes	-	903,290	-	-
Accounts	-	457,931	-	-
Payment in lieu of taxes	-	-	-	-
Special assessments	-	-	-	-
Interfund loans	203,183	516,280	54,626	134,052
Due from other governments	382,435	64,105	-	-
Materials and supplies inventory	366,888	-	-	-
Prepayments	9,582	9,188	-	430
Total assets	<u>\$ 1,755,077</u>	<u>\$ 3,232,279</u>	<u>\$ 190,216</u>	<u>\$ 467,218</u>
<b>Liabilities:</b>				
Accounts payable	\$ 33,871	\$ 6,479	\$ 7,700	\$ -
Contracts payable	-	-	-	-
Accrued wages and benefits	28,419	45,123	-	-
Retainage payable	-	-	-	-
Interfund loans payable	-	-	-	-
Due to other governments	5,751	11,642	-	-
Accrued interest payable	-	-	-	-
Bond Anticipation notes payable	-	-	-	-
Matured interest payable	-	-	-	-
Total liabilities	<u>68,041</u>	<u>63,244</u>	<u>7,700</u>	<u>-</u>
<b>Deferred inflows of resources:</b>				
Property taxes levied for the next fiscal year	-	884,189	-	-
Delinquent property tax revenue not available	-	19,101	-	-
Special assessments revenue not available	-	-	-	-
Miscellaneous revenue not available	-	391,823	-	-
Income tax revenue not available	152,974	-	-	-
Intergovernmental revenue not available	256,548	64,105	-	-
PILOTs levied for next fiscal year	-	-	-	-
Total deferred inflows of resources	<u>409,522</u>	<u>1,359,218</u>	<u>-</u>	<u>-</u>
<b>Fund balances:</b>				
Nonspendable	376,470	9,188	-	430
Restricted	901,044	1,800,629	182,516	466,788
Committed	-	-	-	-
Unassigned (deficit)	-	-	-	-
Total fund balances	<u>1,277,514</u>	<u>1,809,817</u>	<u>182,516</u>	<u>467,218</u>
Total liabilities, deferred inflows of resources & fund balance	<u>\$ 1,755,077</u>	<u>\$ 3,232,279</u>	<u>\$ 190,216</u>	<u>\$ 467,218</u>



**CITY OF WADSWORTH, OHIO**  
**COMBINING BALANCE SHEET**  
**INDIVIDUAL NONMAJOR GOVERNMENTAL FUNDS (CONTINUED)**  
**DECEMBER 31, 2015**

	<b>Nonmajor Special Revenue</b>			
	<b>State Highway Fund</b>	<b>Abatement of Public Nuisance Fund</b>	<b>Chippewa Creek Well Reserve Fund</b>	<b>Community Reinvestment Fund</b>
<b>Assets:</b>				
Equity in pooled cash, cash equivalents and investments	\$ 70,221	\$ 47,952	\$ 71,282	\$ 23,827
Receivables:				
Income taxes	-	-	-	-
Real and other tax	-	-	-	-
Accounts	-	-	-	-
Payment in lieu of taxes	-	-	-	-
Special assessments	-	13,160	-	-
Interfund loans	28,290	19,319	28,718	9,599
Due from other governments	31,008	-	-	-
Materials and supplies inventory	21,415	-	-	-
Prepayments	-	-	-	-
<b>Total assets</b>	<b>\$ 150,934</b>	<b>\$ 80,431</b>	<b>\$ 100,000</b>	<b>\$ 33,426</b>
<b>Liabilities:</b>				
Accounts payable	\$ -	\$ -	\$ -	\$ -
Contracts payable	-	-	-	-
Accrued wages and benefits	-	-	-	-
Retainage payable	-	-	-	-
Interfund loans payable	-	-	-	-
Due to other governments	-	-	-	-
Accrued interest payable	-	-	-	-
Bond Anticipation notes payable	-	-	-	-
Matured interest payable	-	-	-	-
<b>Total liabilities</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Deferred inflows of resources:</b>				
Property taxes levied for the next fiscal year	-	-	-	-
Delinquent property tax revenue not available	-	-	-	-
Special assessments revenue not available	-	13,160	-	-
Miscellaneous revenue not available	-	-	-	-
Income tax revenue not available	-	-	-	-
Intergovernmental revenue not available	20,801	-	-	-
PILOTs levied for next fiscal year	-	-	-	-
<b>Total deferred inflows of resources</b>	<b>20,801</b>	<b>13,160</b>	<b>-</b>	<b>-</b>
<b>Fund balances:</b>				
Nonspendable	21,415	-	-	-
Restricted	108,718	67,271	100,000	33,426
Committed	-	-	-	-
Unassigned (deficit)	-	-	-	-
<b>Total fund balances</b>	<b>130,133</b>	<b>67,271</b>	<b>100,000</b>	<b>33,426</b>
Total liabilities, deferred inflows of resources & fund balance	\$ 150,934	\$ 80,431	\$ 100,000	\$ 33,426

**Nonmajor Special Revenue**

<b>Fire Department Education Grant Fund</b>	<b>Police Continuing Professional Training Fund</b>	<b>Community Development Block Grant (CDBG) Fund</b>	<b>Community Housing Improvement Program (CHIP) Fund</b>	<b>CHIP Revolving Loan Fund</b>	<b>Economic Development Fund</b>	<b>Recreation Tax Fund</b>
\$ 15,224	\$ 7,355	\$ 55,879	\$ 73,552	\$ 6,471	\$ 55,939	\$ 109,542
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
6,133	2,963	22,512	29,633	2,607	22,537	44,132
-	2,400	-	13,820	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	9,974	-
<u>\$ 21,357</u>	<u>\$ 12,718</u>	<u>\$ 78,391</u>	<u>\$ 117,005</u>	<u>\$ 9,078</u>	<u>\$ 88,450</u>	<u>\$ 153,674</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ 7,898	\$ 1,500
-	-	19,900	-	-	-	-
-	-	-	-	-	-	-
-	-	-	103,185	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	19,900	103,185	-	7,898	1,500
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	13,820	-	-	-
-	-	-	-	-	-	-
-	-	-	13,820	-	-	-
-	-	-	-	-	9,974	-
21,357	12,718	58,491	-	9,078	70,578	-
-	-	-	-	-	-	152,174
-	-	-	-	-	-	-
<u>21,357</u>	<u>12,718</u>	<u>58,491</u>	<u>-</u>	<u>9,078</u>	<u>80,552</u>	<u>152,174</u>
<u>\$ 21,357</u>	<u>\$ 12,718</u>	<u>\$ 78,391</u>	<u>\$ 117,005</u>	<u>\$ 9,078</u>	<u>\$ 88,450</u>	<u>\$ 153,674</u>

Continued

**CITY OF WADSWORTH, OHIO**  
**COMBINING BALANCE SHEET**  
**INDIVIDUAL NONMAJOR GOVERNMENTAL FUNDS (CONTINUED)**  
**DECEMBER 31, 2015**

<b>Nonmajor Special Revenue</b>				
	<b>Revolving Loan Fund</b>	<b>Tax Increment Financing Fund</b>	<b>Total Special Revenue</b>	<b>Totals</b>
<b>Assets:</b>				
Equity in pooled cash, cash equivalents and investments	\$ 118,773	\$ 745,676	\$ 4,428,620	\$ 10,073,073
Receivables:				
Income taxes	-	-	461,402	759,344
Real and other taxes	-	-	903,290	903,290
Accounts	-	-	638,906	638,906
Payment in lieu of taxes	-	473,580	473,580	473,580
Special assessments	-	-	13,160	45,875
Interfund loans	-	232,157	1,593,503	3,870,740
Due from other governments	-	323,379	837,667	837,667
Materials and supplies inventory	-	-	408,527	410,344
Prepayments	-	-	50,201	662,868
Total assets	<u>\$ 118,773</u>	<u>\$ 1,774,792</u>	<u>\$ 9,808,856</u>	<u>\$ 18,675,687</u>
<b>Liabilities:</b>				
Accounts payable	\$ -	\$ 6,887	\$ 64,935	\$ 69,014
Contracts payable	-	-	19,900	60,113
Accrued wages and benefits	-	-	73,542	73,542
Retainage payable	-	-	-	1,678
Interfund loans payable	-	1,121,086	2,458,304	3,292,240
Due to other governments	-	-	17,393	17,393
Accrued interest payable	-	1,325	1,325	1,325
Bond Anticipation notes payable	-	1,040,000	1,040,000	1,040,000
Matured interest payable	-	-	-	128
Total liabilities	<u>-</u>	<u>2,169,298</u>	<u>3,675,399</u>	<u>4,555,433</u>
<b>Deferred inflows of resources:</b>				
Property taxes levied for the next fiscal year	-	-	884,189	884,189
Delinquent property tax revenue not available	-	-	19,101	19,101
Special assessments revenue not available	-	-	13,160	45,875
Miscellaneous revenue not available	-	-	391,823	391,823
Income tax revenue not available	-	-	244,518	402,411
Intergovernmental revenue not available	-	323,379	678,653	678,653
PILOTs levied for next fiscal year	-	473,580	473,580	473,580
Total deferred inflows of resources	<u>-</u>	<u>796,959</u>	<u>2,705,024</u>	<u>2,895,632</u>
<b>Fund balances:</b>				
Nonspendable	-	-	458,728	1,073,212
Restricted	118,773	-	4,647,594	9,492,012
Committed	-	-	251,980	2,589,267
Unassigned (deficit)	-	(1,191,465)	(1,929,869)	(1,929,869)
Total fund balances	<u>118,773</u>	<u>(1,191,465)</u>	<u>3,428,433</u>	<u>11,224,622</u>
Total liabilities, deferred inflows of resources & fund balance	<u>\$ 118,773</u>	<u>\$ 1,774,792</u>	<u>\$ 9,808,856</u>	<u>\$ 18,675,687</u>

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**CITY OF WADSWORTH, OHIO**  
 COMBINING STATEMENT OF REVENUES, EXPENDITURES  
 AND CHANGES IN FUND BALANCES  
 NONMAJOR GOVERNMENTAL FUNDS  
 FOR THE YEAR ENDED DECEMBER 31, 2015

	<b>Nonmajor Capital Projects</b>			
	<b>Airport Improvements Fund</b>	<b>Community Center Project Fund</b>	<b>General Capital Improvements Fund</b>	<b>EMS Reserve Fund</b>
<b>Revenues:</b>				
Income taxes	\$ 112,132	\$ -	\$ 283,755	\$ -
Real and other taxes	-	-	116,521	-
Charges for services	-	-	-	-
Licenses and permits	-	-	-	-
Fines and forfeitures	-	-	-	-
Intergovernmental	-	-	-	-
Special assessments	-	-	-	-
Investment income	-	-	-	-
Contributions and donations	-	-	-	-
Payment in lieu of taxes	-	-	-	-
Other	-	-	119,982	-
<b>Total revenues</b>	<b>112,132</b>	<b>-</b>	<b>520,258</b>	<b>-</b>
<b>Expenditures:</b>				
<i>Current:</i>				
General government	628	-	23,998	-
Security of persons and property	-	-	-	266
Public health and welfare	-	-	-	-
Transportation	-	-	-	-
Leisure time activity	-	106	-	-
Economic development	-	-	-	-
Capital outlay	23,710	-	311,431	-
<i>Debt service:</i>				
Principal retirement	-	-	-	-
Interest and fiscal charges	3,474	-	5,910	-
<b>Total expenditures</b>	<b>27,812</b>	<b>106</b>	<b>341,339</b>	<b>266</b>
Excess (deficiency) of revenues over/(under) expenditures	84,320	(106)	178,919	(266)
<b>Other financing sources (uses):</b>				
Sale of assets	-	-	-	-
Transfer in	852	-	6,794	4,635
Transfer out	-	-	-	-
<b>Total other financing sources/(uses)</b>	<b>852</b>	<b>-</b>	<b>6,794</b>	<b>4,635</b>
<b>Net change in fund balances</b>	<b>85,172</b>	<b>(106)</b>	<b>185,713</b>	<b>4,369</b>
<b>Fund balances at beginning of year</b>	<b>(79,600)</b>	<b>164,717</b>	<b>682,924</b>	<b>988,326</b>
<b>Fund balances at end of year</b>	<b>\$ 5,572</b>	<b>\$ 164,611</b>	<b>\$ 868,637</b>	<b>\$ 992,695</b>

Nonmajor Capital Projects						Nonmajor Debt Service
Fire Levy Fund	Park Land Acquisition Fund	Street Improvement Fund	West Street Improvements Fund	Special Assessments Fund	Total Capital Projects	Special Assessment Bond Retirement Fund
\$ -	\$ -	\$ 1,071,362	\$ -	\$ 9,081	\$ 1,476,330	\$ -
350,603	-	-	-	-	467,124	-
75,750	-	-	-	-	75,750	-
-	24,000	-	-	-	24,000	-
-	-	-	-	-	-	-
52,991	-	-	281,964	-	334,955	-
-	-	-	-	32,360	32,360	30,942
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	119,982	-
479,344	24,000	1,071,362	281,964	41,441	2,530,501	30,942
-	-	-	-	14,773	39,399	-
37,622	-	-	-	-	37,888	-
-	-	-	-	-	-	-
-	-	9,268	281,964	-	291,232	-
-	-	-	-	-	106	-
-	-	-	-	-	-	-
1,001	106	1,327,473	-	-	1,663,721	-
-	-	-	-	-	-	-
-	-	-	-	966	10,350	-
38,623	106	1,336,741	281,964	15,739	2,042,696	-
440,721	23,894	(265,379)	-	25,702	487,805	30,942
-	-	-	-	-	-	-
20,296	1,251	2,879	-	33,729	70,436	-
-	-	-	-	-	-	(31,250)
20,296	1,251	2,879	-	33,729	70,436	(31,250)
461,017	25,145	(262,500)	-	59,431	558,241	(308)
4,503,943	280,627	690,705	-	5,562	7,237,204	1,052
\$ 4,964,960	\$ 305,772	\$ 428,205	\$ -	\$ 64,993	\$ 7,795,445	\$ 744

Continued

**CITY OF WADSWORTH, OHIO**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES**  
**AND CHANGES IN FUND BALANCES**  
**NONMAJOR GOVERNMENTAL FUNDS**  
**FOR THE YEAR ENDED DECEMBER 31, 2015**

	<b>Nonmajor Special Revenue</b>			
	<b>Recreation Fund</b>	<b>Street Maintenance Fund</b>	<b>Emergency Medical Services Fund</b>	<b>Municipal Court Special Programs Fund</b>
<b>Revenues:</b>				
Income taxes	\$ 751,199	\$ 1,255,685	\$ -	\$ -
Real and other taxes	-	9,685	886,383	-
Charges for services	804,412	340,414	673,410	-
Licenses and permits	-	-	-	-
Fines and forfeitures	-	-	-	32,437
Intergovernmental	-	777,099	131,408	6,000
Special assessments	-	-	-	-
Investment income	-	-	-	-
Contributions and donations	-	-	-	-
Payment in lieu of taxes	-	-	-	-
Other	-	2,406	403	-
<b>Total revenues</b>	<b>1,555,611</b>	<b>2,385,289</b>	<b>1,691,604</b>	<b>38,437</b>
<b>Expenditures:</b>				
<i>Current:</i>				
General government	-	-	-	33,598
Security of persons and property	-	-	1,660,315	-
Public health and welfare	-	-	-	-
Transportation	-	2,202,566	-	-
Leisure time activity	101,027	-	-	-
Economic development	-	-	-	-
Capital outlay	2,290	9,317	-	-
<i>Debt service:</i>				
Principal retirement	450,000	-	-	-
Interest and fiscal charges	709,388	-	-	-
<b>Total expenditures</b>	<b>1,262,705</b>	<b>2,211,883</b>	<b>1,660,315</b>	<b>33,598</b>
Excess (deficiency) of revenues over/(under) expenditures	292,906	173,406	31,289	4,839
<b>Other financing sources (uses):</b>				
Sale of assets	-	13,360	-	-
Transfer in	1,528	3,846	8,137	754
Transfer out	-	-	-	-
<b>Total other financing sources/(uses)</b>	<b>1,528</b>	<b>17,206</b>	<b>8,137</b>	<b>754</b>
<b>Net change in fund balances</b>	<b>294,434</b>	<b>190,612</b>	<b>39,426</b>	<b>5,593</b>
<b>Fund balances at beginning of year</b>	<b>(1,031,730)</b>	<b>1,086,902</b>	<b>1,770,391</b>	<b>176,923</b>
<b>Fund balances at end of year</b>	<b>\$ (737,296)</b>	<b>\$ 1,277,514</b>	<b>\$ 1,809,817</b>	<b>\$ 182,516</b>

**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
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-	-
-	12,019	-	-	-	-	3,099
-	-	-	-	-	-	-
64,196	-	4,360	3,855	13,722	7,384	-
-	-	-	-	18,443	-	248,932
-	-	-	-	-	32	-
-	-	2,434	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
64,196	12,019	6,794	3,855	32,165	7,416	252,031
129,624	20,058	-	252	20,722	-	-
-	-	4,502	-	-	557	-
-	-	-	-	-	-	134,512
-	-	-	-	-	-	-
-	-	-	-	-	-	37,879
-	-	-	-	-	-	-
129,624	20,058	4,502	252	20,722	557	172,391
(65,428)	(8,039)	2,292	3,603	11,443	6,859	79,640
-	-	-	-	-	-	-
2,459	492	335	77	1,011	-	726
-	-	-	-	-	-	-
2,459	492	335	77	1,011	-	726
(62,969)	(7,547)	2,627	3,680	12,454	6,859	80,366
530,187	107,353	57,216	17,814	221,000	157,543	176,791
\$ 467,218	\$ 99,806	\$ 59,843	\$ 21,494	\$ 233,454	\$ 164,402	\$ 257,157

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, 2015

	<b>Nonmajor Special Revenue</b>			
	<b>State Highway Fund</b>	<b>Abatement of Public Nuisance Fund</b>	<b>Chippewa Creek Well Reserve Fund</b>	<b>Community Reinvestment Fund</b>
<b>Revenues:</b>				
Income taxes	\$ -	\$ -	\$ -	\$ -
Real and other taxes	-	-	-	-
Charges for services	-	-	-	-
Licenses and permits	-	-	-	-
Fines and forfeitures	-	23,333	-	-
Intergovernmental	63,007	-	-	-
Special assessments	-	-	-	-
Investment income	-	-	-	-
Contributions and donations	-	-	-	-
Payment in lieu of taxes	-	-	-	-
Other	18,423	-	-	1,500
<b>Total revenues</b>	<b>81,430</b>	<b>23,333</b>	<b>-</b>	<b>1,500</b>
<b>Expenditures:</b>				
<i>Current:</i>				
General government	-	-	-	-
Security of persons and property	-	-	-	-
Public health and welfare	-	2,648	-	-
Transportation	19,041	-	-	-
Leisure time activity	-	-	-	-
Economic development	-	-	-	2,359
Capital outlay	-	-	-	-
<i>Debt service:</i>				
Principal retirement	-	-	-	-
Interest and fiscal charges	-	-	-	-
<b>Total expenditures</b>	<b>19,041</b>	<b>2,648</b>	<b>-</b>	<b>2,359</b>
Excess (deficiency) of revenues over/(under) expenditures	62,389	20,685	-	(859)
<b>Other financing sources (uses):</b>				
Sale of assets	-	-	-	-
Transfer in	261	6,646	-	157
Transfer out	-	-	-	-
<b>Total other financing sources/(uses)</b>	<b>261</b>	<b>6,646</b>	<b>-</b>	<b>157</b>
<b>Net change in fund balances</b>	<b>62,650</b>	<b>27,331</b>	<b>-</b>	<b>(702)</b>
<b>Fund balances at beginning of year</b>	<b>67,483</b>	<b>39,940</b>	<b>100,000</b>	<b>34,128</b>
<b>Fund balances at end of year</b>	<b>\$ 130,133</b>	<b>\$ 67,271</b>	<b>\$ 100,000</b>	<b>\$ 33,426</b>

**Nonmajor Special Revenue**

Fire Department Education Grant Fund	Police Continuing Professional Training Fund	Community Development Block Grant (CDBG) Fund	CHIP Revolving Loan Fund	Economic Development Fund	Recreation Tax Fund
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	20,000	70,900
-	-	-	910	90,000	-
-	-	-	-	-	-
-	2,400	75,000	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	1,500	116
-	2,400	75,000	910	111,500	71,016
-	-	-	-	-	-
107	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	5,154
-	-	30,563	8,700	96,569	-
-	-	-	-	-	18,470
-	-	-	-	-	-
-	-	-	-	-	-
107	-	30,563	8,700	96,569	23,624
(107)	2,400	44,437	(7,790)	14,931	47,392
-	-	-	-	-	-
97	38	-	83	50,062	404
-	-	-	-	-	-
97	38	-	83	50,062	404
(10)	2,438	44,437	(7,707)	64,993	47,796
21,367	10,280	14,054	16,785	15,559	104,378
<u>\$ 21,357</u>	<u>\$ 12,718</u>	<u>\$ 58,491</u>	<u>\$ 9,078</u>	<u>\$ 80,552</u>	<u>\$ 152,174</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, 2015**

<b>Nonmajor Special Revenue</b>				
	<b>Revolving Loan Fund</b>	<b>Tax Increment Financing Fund</b>	<b>Total Special Revenue</b>	<b>Total</b>
<b>Revenues:</b>				
Income taxes	\$ -	\$ -	\$ 2,006,884	\$ 3,483,214
Real and other taxes	-	-	986,968	1,454,092
Charges for services	-	-	1,924,264	2,000,014
Licenses and permits	-	-	-	24,000
Fines and forfeitures	-	-	149,287	149,287
Intergovernmental	-	698,207	2,020,496	2,355,451
Special assessments	-	-	-	63,302
Investment income	47	81	160	160
Contributions and donations	-	-	2,434	2,434
Payment in lieu of taxes	-	832,556	832,556	832,556
Other	-	272,818	297,166	417,148
<b>Total revenues</b>	<b>47</b>	<b>1,803,662</b>	<b>8,220,215</b>	<b>10,781,658</b>
<b>Expenditures:</b>				
<i>Current:</i>				
General government	66,244	-	270,498	309,897
Security of persons and property	-	-	1,665,481	1,703,369
Public health and welfare	-	-	2,648	2,648
Transportation	-	7,071	2,363,190	2,654,422
Leisure time activity	-	-	106,181	106,287
Economic development	-	745,687	883,878	883,878
Capital outlay	-	1,321,904	1,389,860	3,053,581
<i>Debt service:</i>				
Principal retirement	-	-	450,000	450,000
Interest and fiscal charges	-	22,766	732,154	742,504
<b>Total expenditures</b>	<b>66,244</b>	<b>2,097,428</b>	<b>7,863,890</b>	<b>9,906,586</b>
Excess (deficiency) of revenues over/(under) expenditures	(66,197)	(293,766)	356,325	875,072
<b>Other financing sources (uses):</b>				
Sale of assets	-	-	13,360	13,360
Transfer in	-	3,918	81,031	151,467
Transfer out	-	-	-	(31,250)
<b>Total other financing sources/(uses)</b>	<b>-</b>	<b>3,918</b>	<b>94,391</b>	<b>133,577</b>
Net change in fund balances	(66,197)	(289,848)	450,716	1,008,649
<b>Fund balances at beginning of year</b>	<b>184,970</b>	<b>(901,617)</b>	<b>2,977,717</b>	<b>10,215,973</b>
<b>Fund balances at end of year</b>	<b>\$ 118,773</b>	<b>\$ (1,191,465)</b>	<b>\$ 3,428,433</b>	<b>\$ 11,224,622</b>

CITY OF WADSWORTH, OHIO

MAJOR FUNDS

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*The following funds are being reported as part of the General Fund*

***Street/Utility Maintenance Guarantees Fund***

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

***Parking Fund***

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

***WCTV Fund***

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

***Fire Dept HazMat Clean Up Fund***

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

**CITY OF WADSWORTH, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
**STREET/UTILITY MAINTENANCE GUARANTEES FUND**  
 FOR THE YEAR ENDED DECEMBER 31, 2015

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
<b>Expenditures:</b>			
<i>Current:</i>			
Transportation			
Contractual services	\$ 93	\$ 93	\$ -
Capital outlay	10,000	-	10,000
Total expenditures	<u>10,093</u>	<u>93</u>	<u>10,000</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(10,093)</u>	<u>(93)</u>	<u>10,000</u>
<b>Other financing sources:</b>			
Transfers in	-	244	244
Total other financing sources	<u>-</u>	<u>244</u>	<u>244</u>
Net change in fund balance	(10,093)	151	10,244
<b>Fund balance at beginning of year</b>	<u>52,067</u>	<u>52,067</u>	<u>-</u>
<b>Fund balance at end of year</b>	<u>\$ 41,974</u>	<u>\$ 52,218</u>	<u>\$ 10,244</u>

**CITY OF WADSWORTH, OHIO**  
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
**PARKING FUND**  
 FOR THE YEAR ENDED DECEMBER 31, 2015

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
<b>Revenues:</b>			
Fines and forfeitures	\$ 10,000	\$ 6,523	\$ (3,477)
Total revenues	<u>10,000</u>	<u>6,523</u>	<u>(3,477)</u>
<b>Expenditures:</b>			
<i>Current:</i>			
General government			
Contractual services	5,371	371	5,000
Materials and supplies	30,000	-	30,000
Other	103	78	25
Capital outlay	70,000	25,158	44,842
Total expenditures	<u>105,474</u>	<u>25,607</u>	<u>79,867</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(95,474)</u>	<u>(19,084)</u>	<u>76,390</u>
<b>Other financing sources:</b>			
Transfers in	-	701	701
Total other financing sources	<u>-</u>	<u>701</u>	<u>701</u>
Net change in fund balance	(95,474)	(18,383)	77,091
<b>Fund balance at beginning of year</b>	<u>128,232</u>	<u>128,232</u>	<u>-</u>
<b>Fund balance at end of year</b>	<u>\$ 32,758</u>	<u>\$ 109,849</u>	<u>\$ 77,091</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, 2015**

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
<b>Revenues:</b>			
Charges for services	\$ 33,000	\$ 28,017	\$ (4,983)
Licenses and permits	343,750	304,721	(39,029)
Other	20	11	(9)
Total revenues	<u>376,770</u>	<u>332,749</u>	<u>(44,021)</u>
<b>Expenditures:</b>			
<i>Current:</i>			
Leisure time activities			
Personal services	261,371	243,694	17,677
Contractual services	56,808	49,374	7,434
Materials and supplies	20,538	17,660	2,878
Other	1,809	944	865
Capital outlay	14,462	14,462	-
Total leisure time activities	<u>354,988</u>	<u>326,134</u>	<u>28,854</u>
Debt service:			
Principal retirement	24,000	24,000	-
Interest and fiscal charges	240	240	-
Total expenditures	<u>379,228</u>	<u>350,374</u>	<u>28,854</u>
Deficiency of revenues under expenditures	<u>(2,458)</u>	<u>(17,625)</u>	<u>(15,167)</u>
<b>Other financing sources (uses):</b>			
Note issuance	16,000	16,000	-
Advance In	-	291	291
Advance Out	-	(35,000)	(35,000)
Total other financing sources (uses)	<u>16,000</u>	<u>(18,709)</u>	<u>(34,709)</u>
Net change in fund balance	13,542	(36,334)	(49,876)
<b>Fund balance at beginning of year</b>	62,211	62,211	-
<b>Prior year encumbrances appropriated</b>	696	696	-
<b>Fund balance at end of year</b>	<u>\$ 76,449</u>	<u>\$ 26,573</u>	<u>\$ (49,876)</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, 2015

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
<b>Revenues:</b>			
Other	\$ 1,500	\$ 960	\$ (540)
Total revenues	<u>1,500</u>	<u>960</u>	<u>(540)</u>
<b>Expenditures:</b>			
<i>Current:</i>			
Security of persons and property			
Contractual services	120	120	-
Materials and supplies	2,200	-	2,200
Total expenditures	<u>2,320</u>	<u>120</u>	<u>2,200</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(820)</u>	<u>840</u>	<u>1,660</u>
<b>Other financing sources:</b>			
Transfers in	-	99	99
Total other financing sources	<u>-</u>	<u>99</u>	<u>99</u>
Net change in fund balance	(820)	939	1,759
<b>Fund balance at beginning of year</b>	<u>21,909</u>	<u>21,909</u>	<u>-</u>
<b>Fund balance at end of year</b>	<u>\$ 21,089</u>	<u>\$ 22,848</u>	<u>\$ 1,759</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, 2015**

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
<b>Revenues:</b>			
Income taxes	\$ 100,000	\$ 100,000	\$ -
Intergovernmental	1,303,800	-	(1,303,800)
Total revenues	<u>1,403,800</u>	<u>100,000</u>	<u>(1,303,800)</u>
<b>Expenditures:</b>			
<i>Current:</i>			
General government			
Contractual services	20,987	20,932	55
Capital outlay	129,716	129,716	-
Total general government	<u>150,703</u>	<u>150,648</u>	<u>55</u>
Debt service:			
Principal retirement	257,000	257,000	-
Interest and fiscal charges	3,970	3,970	-
Total debt service	<u>260,970</u>	<u>260,970</u>	<u>-</u>
Total expenditures	<u>411,673</u>	<u>411,618</u>	<u>55</u>
Excess of revenues over (under) expenditures	<u>992,127</u>	<u>(311,618)</u>	<u>(1,303,745)</u>
<b>Other financing sources:</b>			
Transfers in	-	852	852
Note proceeds	178,000	178,000	-
Total other financing sources	<u>178,000</u>	<u>178,852</u>	<u>852</u>
Net change in fund balance	1,170,127	(132,766)	(1,302,893)
<b>Fund balance at beginning of year</b>	155,823	155,823	-
<b>Prior year encumbrances appropriated</b>	<u>25,679</u>	<u>25,679</u>	<u>-</u>
<b>Fund balance at end of year</b>	<u>\$ 1,351,629</u>	<u>\$ 48,736</u>	<u>\$ (1,302,893)</u>

**CITY OF WADSWORTH, OHIO**

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

**COMMUNITY CENTER PROJECT FUND**  
FOR THE YEAR ENDED DECEMBER 31, 2015

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
<b>Expenditures:</b>			
<i>Current:</i>			
Leisure time activities			
Contractual services	\$ 106	\$ 106	\$ -
Total expenditures	<u>106</u>	<u>106</u>	<u>-</u>
 Net change in fund balance	 (106)	 (106)	 -
<b>Fund balance at beginning of year</b>	<u>164,717</u>	<u>164,717</u>	<u>-</u>
<b>Fund balance at end of year</b>	<u>\$ 164,611</u>	<u>\$ 164,611</u>	<u>\$ -</u>

**CITY OF WADSWORTH, OHIO**  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
**GENERAL CAPITAL IMPROVEMENTS FUND**  
FOR THE YEAR ENDED DECEMBER 31, 2015

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
<b>Revenues:</b>			
Income taxes	\$ 253,000	\$ 253,000	\$ -
Property taxes	75,000	116,521	41,521
Other	113,182	119,982	6,800
Total revenues	<u>441,182</u>	<u>489,503</u>	<u>48,321</u>
<b>Expenditures:</b>			
<i>Current:</i>			
General government			
Contractual services	28,126	28,058	68
Materials and Supplies	804	804	-
Capital outlay	513,029	509,990	3,039
Total general government	<u>541,959</u>	<u>538,852</u>	<u>3,107</u>
Security of persons and property			
Capital outlay	26,000	25,694	306
Total security of persons and property	<u>26,000</u>	<u>25,694</u>	<u>306</u>
Transportation			
Capital outlay	40,000	39,341	659
Total transportation	<u>40,000</u>	<u>39,341</u>	<u>659</u>
Leisure time activities			
Capital outlay	105,137	45,116	60,021
Total leisure time activities	<u>105,137</u>	<u>45,116</u>	<u>60,021</u>
Debt service:			
Principal retirement	675,436	675,435	1
Interest and fiscal charges	6,755	6,754	1
Total debt service	<u>682,191</u>	<u>682,189</u>	<u>2</u>
Total expenditures	<u>1,395,287</u>	<u>1,331,192</u>	<u>64,095</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(954,105)</u>	<u>(841,689)</u>	<u>112,416</u>
<b>Other financing sources:</b>			
Transfers in	9,111	6,794	(2,317)
Note issuance	591,006	591,006	-
Total other financing sources	<u>600,117</u>	<u>597,800</u>	<u>(2,317)</u>
Net change in fund balance	(353,988)	(243,889)	110,099
<b>Fund balance at beginning of year</b>	1,036,894	1,036,894	-
<b>Prior year encumbrances appropriated</b>	374,331	374,331	-
<b>Fund balance at end of year</b>	<u>\$ 1,057,237</u>	<u>\$ 1,167,336</u>	<u>\$ 110,099</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, 2015

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
<b>Expenditures:</b>			
<i>Current:</i>			
Security of persons and property			
Contractual services	\$ 266	\$ 266	\$ -
Total expenditures	<u>266</u>	<u>266</u>	<u>-</u>
Deficiency of revenues under expenditures	<u>(266)</u>	<u>(266)</u>	<u>-</u>
<b>Other financing sources:</b>			
Transfers in	<u>3,775</u>	<u>4,635</u>	<u>860</u>
Total other financing sources	<u>3,775</u>	<u>4,635</u>	<u>860</u>
Net change in fund balance	3,509	4,369	860
<b>Fund balance at beginning of year</b>	<u>988,325</u>	<u>988,325</u>	<u>-</u>
<b>Fund balance at end of year</b>	<u>\$ 991,834</u>	<u>\$ 992,694</u>	<u>\$ 860</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, 2015

	<u>Final Budget</u>	<u>Actual</u>	<b>Variance with Final Budget Positive (Negative)</b>
<b>Revenues:</b>			
Property and other local taxes	\$ 338,797	\$ 350,603	\$ 11,806
Charges for services	101,000	75,750	(25,250)
Intergovernmental	58,343	52,991	(5,352)
Other	250	-	(250)
Total revenues	<u>498,390</u>	<u>479,344</u>	<u>(19,046)</u>
<b>Expenditures:</b>			
<i>Current:</i>			
Security of persons and property			
Contractual services	15,951	11,529	4,422
Materials and supplies	67,620	27,966	39,654
Capital outlay	785,211	649,178	136,033
Total expenditures	<u>868,782</u>	<u>688,673</u>	<u>180,109</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(370,392)</u>	<u>(209,329)</u>	<u>161,063</u>
<b>Other financing sources:</b>			
Transfers in	21,854	20,296	(1,558)
Total other financing sources	<u>21,854</u>	<u>20,296</u>	<u>(1,558)</u>
Net change in fund balance	(348,538)	(189,033)	159,505
<b>Fund balance at beginning of year</b>	4,501,996	4,501,996	-
<b>Prior year encumbrances appropriated</b>	<u>31,158</u>	<u>31,158</u>	<u>-</u>
<b>Fund balance at end of year</b>	<u>\$ 4,184,616</u>	<u>\$ 4,344,121</u>	<u>\$ 159,505</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, 2015

	<u>Final Budget</u>	<u>Actual</u>	<b>Variance with Final Budget Positive (Negative)</b>
<b>Revenues:</b>			
Licenses and permits	\$ 10,000	\$ 24,000	\$ 14,000
Total revenues	<u>10,000</u>	<u>24,000</u>	<u>14,000</u>
<b>Expenditures:</b>			
<i>Current:</i>			
Leisure time activities			
Capital outlay	106	106	-
Total expenditures	<u>106</u>	<u>106</u>	<u>-</u>
Excess of revenues over expenditures	<u>9,894</u>	<u>23,894</u>	<u>14,000</u>
<b>Other financing sources:</b>			
Transfers in	-	1,251	1,251
Total other financing sources	<u>-</u>	<u>1,251</u>	<u>1,251</u>
Net change in fund balance	9,894	25,145	15,251
<b>Fund balance at beginning of year</b>	<u>280,627</u>	<u>280,627</u>	<u>-</u>
<b>Fund balance at end of year</b>	<u>\$ 290,521</u>	<u>\$ 305,772</u>	<u>\$ 15,251</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, 2015

	<u>Final Budget</u>	<u>Actual</u>	<b>Variance with Final Budget Positive (Negative)</b>
<b>Revenues:</b>			
Income taxes	\$ 800,000	\$ 974,413	\$ 174,413
Total revenues	<u>800,000</u>	<u>974,413</u>	<u>174,413</u>
<b>Expenditures:</b>			
<i>Current:</i>			
Transportation			
Contractual services	11,277	9,268	2,009
Capital outlay	<u>1,438,321</u>	<u>1,388,997</u>	<u>49,324</u>
Total expenditures	<u>1,449,598</u>	<u>1,398,265</u>	<u>51,333</u>
Excess (deficiency) of expenditures over (under) revenues	<u>(649,598)</u>	<u>(423,852)</u>	<u>225,746</u>
<b>Other financing sources:</b>			
Transfers in	<u>-</u>	<u>2,879</u>	<u>2,879</u>
Total other financing sources	<u>-</u>	<u>2,879</u>	<u>2,879</u>
Net change in fund balance	(649,598)	(420,973)	228,625
<b>Fund balance at beginning of year</b>	645,985	645,985	-
<b>Prior year encumbrances appropriated</b>	<u>71,106</u>	<u>71,106</u>	<u>-</u>
<b>Fund balance at end of year</b>	<u>\$ 67,493</u>	<u>\$ 296,118</u>	<u>\$ 228,625</u>

**CITY OF WADSWORTH, OHIO**

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

**WEST STREET IMPROVEMENTS FUND**  
FOR THE YEAR ENDED DECEMBER 31, 2015

	<u>Final Budget</u>	<u>Actual</u>	<b>Variance with Final Budget Positive (Negative)</b>
<b>Revenues:</b>			
Intergovernmental	\$ 281,964	\$ 281,964	\$ -
<b>Expenditures:</b>			
<i>Current:</i>			
Transportation			
Capital outlay	281,964	281,964	-
Net change in fund balance	-	-	-
<b>Fund balance at beginning of year</b>	-	-	-
<b>Fund balance at end of year</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**CITY OF WADSWORTH, OHIO**  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
**SPECIAL ASSESSMENTS FUND**  
FOR THE YEAR ENDED DECEMBER 31, 2015

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
<b>Revenues:</b>			
Income tax	\$ 54,700	\$ 8,868	\$ (45,832)
Special assessments	121,800	32,360	(89,440)
Total revenues	<u>176,500</u>	<u>41,228</u>	<u>(135,272)</u>
<b>Expenditures:</b>			
<i>Current:</i>			
General government			
Contractual services	19,673	19,673	-
Materials and supplies	100	100	-
Total expenditures	<u>19,773</u>	<u>19,773</u>	<u>-</u>
Excess (deficiency) of revenues over (under) expenditures	<u>156,727</u>	<u>21,455</u>	<u>(135,272)</u>
<b>Other financing sources (uses):</b>			
Bond proceeds	50,000	12,144	(37,856)
Advance in	-	1,970	1,970
Advance out	-	(50,000)	(50,000)
Total other financing sources (uses)	<u>50,000</u>	<u>(35,886)</u>	<u>(85,886)</u>
Net change in fund balance	206,727	(14,431)	(221,158)
<b>Fund balance at beginning of year</b>	102,240	102,240	-
<b>Prior year encumbrances appropriated</b>	<u>7,857</u>	<u>7,857</u>	<u>-</u>
<b>Fund balance at end of year</b>	<u>\$ 316,824</u>	<u>\$ 95,666</u>	<u>\$ (221,158)</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, 2015

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
<b>Revenues:</b>			
Special assessments	\$ 33,427	\$ 30,942	\$ (2,485)
Total revenues	<u>33,427</u>	<u>30,942</u>	<u>(2,485)</u>
<b>Expenditures:</b>			
<i>Current:</i>			
Debt Service			
Principal retirement	30,934	30,196	738
Interest and fiscal charges	1,055	1,054	1
Total expenditures	<u>31,989</u>	<u>31,250</u>	<u>739</u>
Net change in fund balance	1,438	(308)	(1,746)
<b>Fund balance at beginning of year</b>	<u>1,180</u>	<u>1,180</u>	<u>-</u>
<b>Fund balance at end of year</b>	<u>\$ 2,618</u>	<u>\$ 872</u>	<u>\$ (1,746)</u>

**CITY OF WADSWORTH, OHIO**

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN  
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
**RECREATION FUND**  
 FOR THE YEAR ENDED DECEMBER 31, 2015

	<u>Final Budget</u>	<u>Actual</u>	<b>Variance with Final Budget Positive (Negative)</b>
<b>Revenues:</b>			
Income taxes	\$ 670,000	\$ 670,000	\$ -
Charges for services	687,192	712,467	25,275
Contributions and donations	25,000	-	(25,000)
Other	500	-	(500)
Total revenues	<u>1,382,692</u>	<u>1,382,467</u>	<u>(225)</u>
<b>Expenditures:</b>			
<i>Current:</i>			
Leisure time activities			
Other	96,425	94,358	2,067
Capital outlay	10,603	6,240	4,363
Total - leisure time activities	<u>107,028</u>	<u>100,598</u>	<u>6,430</u>
Debt Service			
Principal retirement	1,795,753	1,795,753	-
Interest and fiscal charges	711,071	711,070	1
Total - debt service	<u>2,506,824</u>	<u>2,506,823</u>	<u>1</u>
Total expenditures	<u>2,613,852</u>	<u>2,607,421</u>	<u>6,431</u>
Excess of revenues under expenditures	<u>(1,231,160)</u>	<u>(1,224,954)</u>	<u>6,206</u>
<b>Other financing sources:</b>			
Internal note issuance	1,234,034	1,234,034	-
Transfers in	-	1,528	1,528
Total other financing sources	<u>1,234,034</u>	<u>1,235,562</u>	<u>1,528</u>
Net change in fund balance	2,874	10,608	7,734
<b>Fund balance at beginning of year</b>	157,948	157,948	-
<b>Prior year encumbrances appropriated</b>	60,949	60,949	-
<b>Fund balance at end of year</b>	<u>\$ 221,771</u>	<u>\$ 229,505</u>	<u>\$ 7,734</u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**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, 2015

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
<b>Revenues:</b>			
Income taxes	\$ 1,120,000	\$ 1,120,000	\$ -
Property tax	-	9,685	9,685
Charges for services	340,414	340,414	-
Intergovernmental	770,000	781,088	11,088
Investment income	1	-	(1)
Other	16,500	3,570	(12,930)
Total revenues	<u>2,246,915</u>	<u>2,254,757</u>	<u>7,842</u>
<b>Expenditures:</b>			
<i>Current:</i>			
Transportation			
Personal services	1,468,580	1,319,221	149,359
Contractual services	637,476	569,686	67,790
Materials and supplies	551,590	508,664	42,926
Other	3,864	2,996	868
Capital outlay	12,500	9,317	3,183
Total expenditures	<u>2,674,010</u>	<u>2,409,884</u>	<u>264,126</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(427,095)</u>	<u>(155,127)</u>	<u>271,968</u>
<b>Other financing sources:</b>			
Transfers in	3,801	3,846	45
Sale of assets	-	13,360	13,360
Total other financing sources	<u>3,801</u>	<u>17,206</u>	<u>13,405</u>
Net change in fund balance	(423,294)	(137,921)	285,373
<b>Fund balance at beginning of year</b>	781,534	781,534	-
<b>Prior year encumbrances appropriated</b>	<u>24,498</u>	<u>24,498</u>	<u>-</u>
<b>Fund balance at end of year</b>	<u>\$ 382,738</u>	<u>\$ 668,111</u>	<u>\$ 285,373</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, 2015

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
<b>Revenues:</b>			
Property and other local taxes	\$ 860,509	\$ 886,383	\$ 25,874
Charges for services	702,000	683,848	(18,152)
Intergovernmental	142,341	131,408	(10,933)
Contributions and donations	350	-	(350)
Other	500	403	(97)
Total revenues	<u>1,705,700</u>	<u>1,702,042</u>	<u>(3,658)</u>
<b>Expenditures:</b>			
<i>Current:</i>			
Security of persons and property			
Personal services	1,373,485	1,365,132	8,353
Contractual services	261,749	255,141	6,608
Materials and supplies	60,502	50,935	9,567
Other	27,663	23,691	3,972
Capital outlay	11,600	-	11,600
Total expenditures	<u>1,734,999</u>	<u>1,694,899</u>	<u>40,100</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(29,299)</u>	<u>7,143</u>	<u>36,442</u>
<b>Other financing sources:</b>			
Transfers in	9,323	8,137	(1,186)
Total other financing sources	<u>9,323</u>	<u>8,137</u>	<u>(1,186)</u>
Net change in fund balance	(19,976)	15,280	35,256
<b>Fund balance at beginning of year</b>	1,735,089	1,735,089	-
<b>Prior year encumbrances appropriated</b>	<u>37,579</u>	<u>37,579</u>	<u>-</u>
<b>Fund balance at end of year</b>	<u>\$ 1,752,692</u>	<u>\$ 1,787,948</u>	<u>\$ 35,256</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, 2015

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
<b>Revenues:</b>			
Fines and forfeitures	\$ 40,000	\$ 32,437	\$ (7,563)
Other	-	6,000	6,000
Total revenues	<u>40,000</u>	<u>38,437</u>	<u>(1,563)</u>
<b>Expenditures:</b>			
<i>Current:</i>			
General government			
Contractual services	35,498	34,294	1,204
Materials and supplies	<u>1,704</u>	<u>852</u>	<u>852</u>
Total expenditures	<u>37,202</u>	<u>35,146</u>	<u>2,056</u>
Excess of revenues over expenditures	<u>2,798</u>	<u>3,291</u>	<u>493</u>
<b>Other financing sources:</b>			
Transfers in	-	754	754
Total other financing sources	<u>-</u>	<u>754</u>	<u>754</u>
Net change in fund balance	2,798	4,045	1,247
<b>Fund balance at beginning of year</b>	<u>176,071</u>	<u>176,071</u>	<u>-</u>
<b>Fund balance at end of year</b>	<u>\$ 178,869</u>	<u>\$ 180,116</u>	<u>\$ 1,247</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, 2015

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
<b>Revenues:</b>			
Fines and forfeitures	\$ 80,000	\$ 64,196	\$ (15,804)
Total revenues	<u>80,000</u>	<u>64,196</u>	<u>(15,804)</u>
<b>Expenditures:</b>			
<i>Current:</i>			
General government			
Personal services	5,249	4,525	724
Contractual services	116,937	116,937	-
Materials and supplies	21,308	8,592	12,716
Capital outlay	18,428	-	18,428
Total expenditures	<u>161,922</u>	<u>130,054</u>	<u>31,868</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(81,922)</u>	<u>(65,858)</u>	<u>16,064</u>
<b>Other financing sources:</b>			
Transfers in	-	2,459	2,459
Total other financing sources	<u>-</u>	<u>2,459</u>	<u>2,459</u>
Net change in fund balance	(81,922)	(63,399)	18,523
<b>Fund balance at beginning of year</b>	<u>530,187</u>	<u>530,187</u>	<u>-</u>
<b>Fund balance at end of year</b>	<u>\$ 448,265</u>	<u>\$ 466,788</u>	<u>\$ 18,523</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, 2015

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
<b>Revenues:</b>			
Charges for services	\$ 4,000	\$ 12,019	\$ 8,019
Total revenues	<u>4,000</u>	<u>12,019</u>	<u>8,019</u>
<b>Expenditures:</b>			
<i>Current:</i>			
General government			
Contractual services	20,178	17,588	2,590
Other	10,757	10,395	362
Total expenditures	<u>30,935</u>	<u>27,983</u>	<u>2,952</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(26,935)</u>	<u>(15,964)</u>	<u>10,971</u>
<b>Other financing sources:</b>			
Transfers in	-	492	492
Total other financing sources	<u>-</u>	<u>492</u>	<u>492</u>
Net change in fund balance	(26,935)	(15,472)	11,463
<b>Fund balance at beginning of year</b>	104,823	104,823	-
<b>Prior year encumbrances appropriated</b>	<u>2,530</u>	<u>2,530</u>	<u>-</u>
<b>Fund balance at end of year</b>	<u>\$ 80,418</u>	<u>\$ 91,881</u>	<u>\$ 11,463</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, 2015

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
<b>Revenues:</b>			
Fines and forfeitures	\$ 5,000	\$ 4,360	\$ (640)
Contributions and donations	1,000	2,434	1,434
Total revenues	<u>6,000</u>	<u>6,794</u>	<u>794</u>
<b>Expenditures:</b>			
<i>Current:</i>			
Security of persons and property			
Contractual services	411	411	-
Materials and supplies	19,500	4,091	15,409
Total expenditures	<u>19,911</u>	<u>4,502</u>	<u>15,409</u>
Excess (deficiency) of expenditures over (under) revenues	<u>(13,911)</u>	<u>2,292</u>	<u>16,203</u>
<b>Other financing sources:</b>			
Transfers in	-	335	335
Total other financing sources	<u>-</u>	<u>335</u>	<u>335</u>
Net change in fund balance	(13,911)	2,627	16,538
<b>Fund balance at beginning of year</b>	<u>57,216</u>	<u>57,216</u>	<u>-</u>
<b>Fund balance at end of year</b>	<u>\$ 43,305</u>	<u>\$ 59,843</u>	<u>\$ 16,538</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, 2015

	<u>Final Budget</u>	<u>Actual</u>	<b>Variance with Final Budget Positive (Negative)</b>
<b>Revenues:</b>			
Fines and forfeitures	\$ 4,000	\$ 3,855	\$ (145)
Total revenues	<u>4,000</u>	<u>3,855</u>	<u>(145)</u>
<b>Expenditures:</b>			
<i>Current:</i>			
General government			
Contractual services	252	252	-
Total expenditures	<u>252</u>	<u>252</u>	<u>-</u>
Excess (deficiency) of revenues over (under) expenditures	<u>3,748</u>	<u>3,603</u>	<u>(145)</u>
<b>Other financing sources:</b>			
Transfers in	-	77	77
Total other financing sources	<u>-</u>	<u>77</u>	<u>77</u>
Net change in fund balance	3,748	3,680	(68)
<b>Fund balance at beginning of year</b>	<u>17,814</u>	<u>17,814</u>	<u>-</u>
<b>Fund balance at end of year</b>	<u>\$ 21,562</u>	<u>\$ 21,494</u>	<u>\$ (68)</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, 2015

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
<b>Revenues:</b>			
Fines and forfeitures	\$ 31,000	\$ 13,722	\$ (17,278)
Intergovernmental	-	18,443	18,443
Total revenues	<u>31,000</u>	<u>32,165</u>	<u>1,165</u>
<b>Expenditures:</b>			
<i>Current:</i>			
General government			
Contractual services	45,583	40,641	4,942
Total expenditures	<u>45,583</u>	<u>40,641</u>	<u>4,942</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(14,583)</u>	<u>(8,476)</u>	<u>6,107</u>
<b>Other financing sources:</b>			
Transfers in	-	1,011	1,011
Total other financing sources	<u>-</u>	<u>1,011</u>	<u>1,011</u>
Net change in fund balance	(14,583)	(7,465)	7,118
<b>Fund balance at beginning of year</b>	<u>221,000</u>	<u>221,000</u>	<u>-</u>
<b>Fund balance at end of year</b>	<u>\$ 206,417</u>	<u>\$ 213,535</u>	<u>\$ 7,118</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, 2015

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
<b>Revenues:</b>			
Fines and forfeitures	\$ 3,000	\$ 7,384	\$ 4,384
Investment income	75	32	(43)
Total revenues	<u>3,075</u>	<u>7,416</u>	<u>4,341</u>
<b>Expenditures:</b>			
<i>Current:</i>			
Security of persons and property			
Contractual services	13,057	557	12,500
Materials and supplies	12,500	-	12,500
Capital outlay	37,500	-	37,500
Total expenditures	<u>63,057</u>	<u>557</u>	<u>62,500</u>
Net change in fund balance	(59,982)	6,859	66,841
<b>Fund balance at beginning of year</b>	<u>157,543</u>	<u>157,543</u>	<u>-</u>
<b>Fund balance at end of year</b>	<u>\$ 97,561</u>	<u>\$ 164,402</u>	<u>\$ 66,841</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, 2015

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
<b>Revenues:</b>			
Charges for services	\$ -	\$ 3,099	\$ 3,099
Intergovernmental	225,000	247,526	22,526
Total revenues	<u>225,000</u>	<u>250,625</u>	<u>25,625</u>
<b>Expenditures:</b>			
<i>Current:</i>			
Transportation			
Contractual services	151,207	151,208	(1)
Materials and supplies	10,000	3,528	6,472
Capital outlay	102,120	69,874	32,246
Total expenditures	<u>263,327</u>	<u>224,610</u>	<u>38,717</u>
Excess (deficiency) of expenditures over (under) revenues	<u>(38,327)</u>	<u>26,015</u>	<u>64,342</u>
<b>Other financing sources:</b>			
Transfers in	-	726	726
Total other financing sources	<u>-</u>	<u>726</u>	<u>726</u>
Net change in fund balance	(38,327)	26,741	65,068
<b>Fund balance at beginning of year</b>	152,613	152,613	-
<b>Prior year encumbrances appropriated</b>	<u>5,064</u>	<u>5,064</u>	<u>-</u>
<b>Fund balance at end of year</b>	<u>\$ 119,350</u>	<u>\$ 184,418</u>	<u>\$ 65,068</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, 2015

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
<b>Revenues:</b>			
Intergovernmental	\$ 60,000	\$ 63,331	\$ 3,331
Other	500	18,423	17,923
Total revenues	<u>60,500</u>	<u>81,754</u>	<u>21,254</u>
<b>Expenditures:</b>			
<i>Current:</i>			
Transportation			
Contractual services	84,782	51,426	33,356
Materials and supplies	8,000	6,987	1,013
Total expenditures	<u>92,782</u>	<u>58,413</u>	<u>34,369</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(32,282)</u>	<u>23,341</u>	<u>55,623</u>
<b>Other financing sources:</b>			
Transfers in	-	261	261
Total other financing sources	<u>-</u>	<u>261</u>	<u>261</u>
Net change in fund balance	(32,282)	23,602	55,884
<b>Fund balance at beginning of year</b>	56,431	56,431	-
<b>Prior year encumbrances appropriated</b>	<u>4,921</u>	<u>4,921</u>	<u>-</u>
<b>Fund balance at end of year</b>	<u>\$ 29,070</u>	<u>\$ 84,954</u>	<u>\$ 55,884</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, 2015

	<u>Final Budget</u>	<u>Actual</u>	<b>Variance with Final Budget Positive (Negative)</b>
<b>Revenues:</b>			
Fines and forfeitures	\$ 300	\$ 23,334	\$ 23,034
Other	800	(1)	(801)
Total revenues	<u>1,100</u>	<u>23,333</u>	<u>22,233</u>
<b>Expenditures:</b>			
<i>Current:</i>			
Public health			
Contractual services	15,504	2,648	12,856
Total expenditures	<u>15,504</u>	<u>2,648</u>	<u>12,856</u>
Excess (deficiency) of expenditures over (under) revenues	<u>(14,404)</u>	<u>20,685</u>	<u>35,089</u>
<b>Other financing sources:</b>			
Transfer in	7,500	6,646	(854)
Total other financing sources	<u>7,500</u>	<u>6,646</u>	<u>(854)</u>
Net change in fund balance	(6,904)	27,331	34,235
<b>Fund balance at beginning of year</b>	<u>39,940</u>	<u>39,940</u>	<u>-</u>
<b>Fund balance at end of year</b>	<u>\$ 33,036</u>	<u>\$ 67,271</u>	<u>\$ 34,235</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, 2015

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
<b>Fund balance at beginning of year</b>	\$ 100,000	\$ 100,000	\$ -
<b>Fund balance at end of year</b>	<u>\$ 100,000</u>	<u>\$ 100,000</u>	<u>\$ -</u>

**CITY OF WADSWORTH, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
**COMMUNITY REINVESTMENT FUND**  
 FOR THE YEAR ENDED DECEMBER 31, 2015

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
<b>Revenues:</b>			
Other	\$ 2,500	\$ 1,500	\$ (1,000)
Total revenues	<u>2,500</u>	<u>1,500</u>	<u>(1,000)</u>
<b>Expenditures:</b>			
<i>Current:</i>			
Community and economic development			
Contractual services	2,359	2,359	-
Total expenditures	<u>2,359</u>	<u>2,359</u>	<u>-</u>
Excess (deficiency) of revenues over (under) expenditures	<u>141</u>	<u>(859)</u>	<u>(1,000)</u>
<b>Other financing sources:</b>			
Transfers in	-	157	157
Total other financing sources	<u>-</u>	<u>157</u>	<u>157</u>
Net change in fund balance	141	(702)	(843)
<b>Fund balance at beginning of year</b>	<u>34,128</u>	<u>34,128</u>	<u>-</u>
<b>Fund balance at end of year</b>	<u>\$ 34,269</u>	<u>\$ 33,426</u>	<u>\$ (843)</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, 2015

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
<b>Revenues:</b>			
Intergovernmental	\$ 2,500	\$ -	\$ (2,500)
Total revenues	<u>2,500</u>	<u>-</u>	<u>(2,500)</u>
<b>Expenditures:</b>			
<i>Current:</i>			
Security of persons and property			
Contractual services	2,606	107	2,499
Total expenditures	<u>2,606</u>	<u>107</u>	<u>2,499</u>
Deficiency of revenues under expenditures	<u>(106)</u>	<u>(107)</u>	<u>(1)</u>
<b>Other financing sources:</b>			
Transfers in	-	97	97
Total other financing sources	<u>-</u>	<u>97</u>	<u>97</u>
Net change in fund balance	(106)	(10)	96
<b>Fund balance at beginning of year</b>	<u>21,367</u>	<u>21,367</u>	<u>-</u>
<b>Fund balance at end of year</b>	<u>\$ 21,261</u>	<u>\$ 21,357</u>	<u>\$ 96</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, 2015

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
<b>Revenues:</b>			
Intergovernmental	\$ -	\$ 2,160	\$ 2,160
Total revenues	<u>-</u>	<u>2,160</u>	<u>2,160</u>
Excess of revenues over expenditures	<u>-</u>	<u>2,160</u>	<u>2,160</u>
<b>Other financing sources:</b>			
Transfer in	<u>-</u>	<u>38</u>	<u>38</u>
Total other financing sources	<u>-</u>	<u>38</u>	<u>38</u>
Net change in fund balance	-	2,198	2,198
<b>Fund balance at beginning of year</b>	<u>8,120</u>	<u>8,120</u>	<u>-</u>
<b>Fund balance at end of year</b>	<u><u>\$ 8,120</u></u>	<u><u>\$ 10,318</u></u>	<u><u>\$ 2,198</u></u>

**CITY OF WADSWORTH, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
**COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG) FUND**  
 FOR THE YEAR ENDED DECEMBER 31, 2015

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
<b>Revenues:</b>			
Intergovernmental	\$ 75,000	\$ 75,000	\$ -
Total revenues	<u>75,000</u>	<u>75,000</u>	<u>-</u>
<b>Expenditures:</b>			
<i>Current:</i>			
Community and economic development			
Contractual services	97,060	94,204	2,856
Total expenditures	<u>97,060</u>	<u>94,204</u>	<u>2,856</u>
Net change in fund balance	(22,060)	(19,204)	2,856
<b>Fund balance at beginning of year</b>	10,859	10,859	-
<b>Prior year encumbrances appropriated</b>	<u>39,911</u>	<u>39,911</u>	<u>-</u>
<b>Fund balance at end of year</b>	<u>\$ 28,710</u>	<u>\$ 31,566</u>	<u>\$ 2,856</u>

**CITY OF WADSWORTH, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
**COMMUNITY HOUSING IMPROVEMENT PROGRAM (CHIP) GRANTS FUND**  
 FOR THE YEAR ENDED DECEMBER 31, 2015

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
<b>Revenues:</b>			
Intergovernmental	\$ 181,500	\$ -	\$ (181,500)
Total revenues	<u>181,500</u>	<u>-</u>	<u>(181,500)</u>
<b>Expenditures:</b>			
<i>Current:</i>			
Community and economic development			
Contractual services	103,185	103,185	-
Total expenditures	<u>103,185</u>	<u>103,185</u>	<u>-</u>
Excess (deficiency) of revenues over (under) expenditures	<u>78,315</u>	<u>(103,185)</u>	<u>(181,500)</u>
<b>Other financing sources:</b>			
Advance in	-	103,185	103,185
Total other financing sources	<u>-</u>	<u>103,185</u>	<u>103,185</u>
Net change in fund balance	78,315	-	(78,315)
<b>Fund balance at beginning of year</b>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Fund balance at end of year</b>	<u>\$ 78,315</u>	<u>\$ -</u>	<u>\$ (78,315)</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, 2015

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
<b>Revenues:</b>			
Charges for services	\$ 6,000	\$ 910	\$ (5,090)
Total revenues	<u>6,000</u>	<u>910</u>	<u>(5,090)</u>
<b>Expenditures:</b>			
<i>Current:</i>			
Community and economic development			
Contractual services	8,699	8,699	-
Total expenditures	<u>8,699</u>	<u>8,699</u>	<u>-</u>
Deficiency of revenues under expenditures	<u>(2,699)</u>	<u>(7,789)</u>	<u>(5,090)</u>
<b>Other financing sources:</b>			
Transfers in	-	83	83
Total other financing sources	<u>-</u>	<u>83</u>	<u>83</u>
Net change in fund balance	(2,699)	(7,706)	(5,007)
<b>Fund balance at beginning of year</b>	<u>16,785</u>	<u>16,785</u>	<u>-</u>
<b>Fund balance at end of year</b>	<u>\$ 14,086</u>	<u>\$ 9,079</u>	<u>\$ (5,007)</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, 2015

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
<b>Revenues:</b>			
Property and other local taxes	\$ 20,000	\$ 20,000	\$ -
Charges for services	90,000	90,000	-
Other	-	1,500	1,500
Total revenues	<u>110,000</u>	<u>111,500</u>	<u>1,500</u>
<b>Expenditures:</b>			
<i>Current:</i>			
Community and economic development			
Contractual services	149,864	92,710	57,154
Materials and supplies	1,485	1,317	168
Other	13,530	12,944	586
Total expenditures	<u>164,879</u>	<u>106,971</u>	<u>57,908</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(54,879)</u>	<u>4,529</u>	<u>59,408</u>
<b>Other financing sources:</b>			
Transfers in	<u>50,000</u>	<u>50,062</u>	<u>62</u>
Total other financing sources	<u>50,000</u>	<u>50,062</u>	<u>62</u>
Net change in fund balance	(4,879)	54,591	59,470
<b>Fund balance at beginning of year</b>	12,784	12,784	-
<b>Prior year encumbrances appropriated</b>	<u>2,775</u>	<u>2,775</u>	<u>-</u>
<b>Fund balance at end of year</b>	<u>\$ 10,680</u>	<u>\$ 70,150</u>	<u>\$ 59,470</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, 2015

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
<b>Revenues:</b>			
Property tax	\$ 40,000	\$ 70,900	\$ 30,900
Other	-	116	116
Total revenues	<u>40,000</u>	<u>71,016</u>	<u>31,016</u>
<b>Expenditures:</b>			
<i>Current:</i>			
Leisure time activities			
Contractual services	8,547	4,838	3,709
Other	317	316	1
Capital outlay	21,000	18,470	2,530
Total expenditures	<u>29,864</u>	<u>23,624</u>	<u>6,240</u>
Excess of revenues over expenditures	<u>10,136</u>	<u>47,392</u>	<u>37,256</u>
<b>Other financing sources:</b>			
Transfer in	-	404	404
Total other financing sources	<u>-</u>	<u>404</u>	<u>404</u>
Net change in fund balance	10,136	47,796	37,660
<b>Fund balance at beginning of year</b>	<u>104,378</u>	<u>104,378</u>	<u>-</u>
<b>Fund balance at end of year</b>	<u>\$ 114,514</u>	<u>\$ 152,174</u>	<u>\$ 37,660</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, 2015

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
<b>Revenues:</b>			
Investment income	\$ 100	\$ 47	\$ (53)
Total revenues	<u>100</u>	<u>47</u>	<u>(53)</u>
<b>Expenditures:</b>			
<i>Current:</i>			
General government			
Contractual services	103,043	87,017	16,026
Total expenditures	<u>103,043</u>	<u>87,017</u>	<u>16,026</u>
Net change in fund balance	(102,943)	(86,970)	15,973
<b>Fund balance at beginning of year</b>	137,457	137,457	-
<b>Prior year encumbrances appropriated</b>	<u>47,513</u>	<u>47,513</u>	<u>-</u>
<b>Fund balance at end of year</b>	<u>\$ 82,027</u>	<u>\$ 98,000</u>	<u>\$ 15,973</u>

**CITY OF WADSWORTH  
MEDINA COUNTY, OHIO**

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
**TAX INCREMENT FINANCING FUND**  
FOR THE YEAR ENDED DECEMBER 31, 2015

	<b>Final Budget</b>	<b>Actual</b>	<b>Variance with Final Budget Positive (Negative)</b>
<b>Revenues:</b>			
Payments in lieu of taxes	\$ 936,411	\$ 832,556	\$ (103,855)
Intergovernmental	1,952,978	698,207	(1,254,771)
Investment income	111	81	(30)
Other	263,000	272,818	9,818
Total revenues	3,152,500	1,803,662	(1,348,838)
<b>Expenditures:</b>			
<i>Current:</i>			
Community and economic development			
Contractual services	746,064	745,687	377
Total community and economic development	746,064	745,687	377
Transportation			
Contractual services	845	845	-
Capital outlay	2,152,240	2,144,404	7,836
Total transportation	2,153,085	2,145,249	7,836
Debt service:			
Principal retirement	1,508,250	1,508,250	-
Interest and fiscal charges	22,521	22,521	-
Total debt service	1,530,771	1,530,771	-
Total expenditures	4,429,920	4,421,707	8,213
Deficiency of revenues under expenditures	(1,277,420)	(2,618,045)	(1,340,625)
<b>Other financing sources (uses):</b>			
Advance in	-	569,586	569,586
Advance out	(105,000)	(169,000)	(64,000)
Note proceeds	1,504,700	1,431,500	(73,200)
Transfers in	5,278	3,918	(1,360)
Total other financing sources (uses)	1,404,978	1,836,004	431,026
Net change in fund balance	127,558	(782,041)	(909,599)
<b>Fund balance at beginning of year</b>	128,104	128,104	-
<b>Prior year encumbrances appropriated</b>	809,270	809,270	-
<b>Fund balance at end of year</b>	\$ 1,064,932	\$ 155,333	\$ (909,599)

**CITY OF WADSWORTH, OHIO**

***Fund Descriptions – Proprietary Funds***

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Proprietary funds are used to account for the City’s ongoing organizations and activities which are similar to those found in the private sector. The measurement focus is upon determination of net income, financial position, and cash flow.

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*Internal Service Funds*

***Equipment Maintenance***

To account for the costs associated with the maintenance and repair of City owned vehicles and equipment. All the funds that benefit from these services pay their direct costs and their proportionate share of overhead costs.

***Information Technology***

To account for the costs associated with the purchase, maintenance and repair of City owned networks and computer systems. All the funds that benefit from these services pay their proportionate share of direct and overhead costs based on the number of servers, network devices, and storage.

***Health Insurance Retention***

To account for payments of City employee health insurance claims, third party administrative costs, and stop loss insurance premiums. All funds that have employees covered under the City’s health insurance are charged a premium based on the number of employees and the coverage.

***Liability Insurance Retention***

To account for monies used to pay for liabilities that are below third party insurance deductibles or not covered under certain policies.

***Workers’ Compensation Retention***

To account for payments of City employee workers’ compensation claims, third party administrative costs, and stop loss insurance premiums. All funds that have employees covered under the City’s self-insured workers’ compensation program are charged a premium based on the amount of gross wages.

CITY OF WADSWORTH, OHIO

COMBINING STATEMENT OF FUND NET POSITION  
INTERNAL SERVICE FUNDS  
DECEMBER 31, 2015

	Equipment Maintenance	Information Technology	Health Insurance Retention	Liability Insurance Retention	Workers' Compensation Retention	Total
<b>Assets:</b>						
Current assets:						
Equity in pooled cash, cash equivalents and investments	\$ 58,976	\$ 615,182	\$ 765,727	\$ 15,969	\$ 323,641	\$ 1,779,495
Receivables (net of allowances for uncollectibles):						
Interfund loan receivable	23,760	235,767	267,370	6,433	130,387	663,717
Materials and supplies inventory	272,477	-	-	-	-	272,477
Prepayments	1,161	39,884	-	-	54,409	95,454
Total current assets	356,374	890,833	1,033,097	22,402	508,437	2,811,143
Noncurrent assets:						
Net pension asset	868	1,374	-	-	-	2,242
Depreciable capital assets, net	145,182	294,579	-	-	-	439,761
Total noncurrent assets	146,050	295,953	-	-	-	442,003
Total assets	502,424	1,186,786	1,033,097	22,402	508,437	3,253,146
<b>Deferred outflows of resources:</b>						
Pension	43,047	68,180	-	-	-	111,227
Total asset and deferred outflows	545,471	1,254,966	1,033,097	22,402	508,437	3,364,373
<b>Liabilities:</b>						
Current liabilities:						
Accounts payable	20,025	10,047	-	-	-	30,072
Accrued wages and benefits	7,041	14,171	-	-	-	21,212
Intergovernmental payable	1,737	2,358	-	-	-	4,095
Claims payable	-	-	304,542	-	176,890	481,432
Interfund payable	-	483,783	-	-	-	483,783
Compensated absences payable - current	9,091	10,905	-	-	-	19,996
Total current liabilities	37,894	521,264	304,542	-	176,890	1,040,590
Long-term liabilities:						
Compensated absences payable - net of current portion	33,933	40,704	-	-	-	74,637
Net pension liability	239,274	378,971	-	-	-	618,245
Total long-term liabilities	273,207	419,675	-	-	-	692,882
Total liabilities	311,101	940,939	304,542	-	176,890	1,733,472
<b>Deferred inflows of resources:</b>						
Pension	4,468	7,077	-	-	-	11,545
<b>Net position:</b>						
Net investment in capital assets	145,182	294,579	-	-	-	439,761
Unrestricted	84,720	12,371	728,555	22,402	331,547	1,179,595
Total net position	\$ 229,902	\$ 306,950	\$ 728,555	\$ 22,402	\$ 331,547	\$ 1,619,356

CITY OF WADSWORTH, OHIO

COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION  
INTERNAL SERVICE FUNDS  
FOR THE YEAR ENDED DECEMBER 31, 2015

	<b>Equipment Maintenance</b>	<b>Information Technology</b>	<b>Health Insurance Retention</b>	<b>Liability Insurance Retention</b>	<b>Workers' Compensation Retention</b>	<b>Total</b>
<b>Revenues:</b>						
Charges for services	\$ 841,533	\$ 1,287,045	\$ 3,476,457	\$ -	\$ 167,721	\$ 5,772,756
Other	78	-	7,984	-	-	8,062
Total operating revenues	<u>841,611</u>	<u>1,287,045</u>	<u>3,484,441</u>	<u>-</u>	<u>167,721</u>	<u>5,780,818</u>
<b>Operating expenses:</b>						
Personal services	382,634	587,159	-	-	-	969,793
Contractual services	65,499	121,270	513,006	27	63,435	763,237
Materials and supplies	342,195	84,710	-	-	-	426,905
Claims	-	-	2,933,559	-	195,125	3,128,684
Depreciation	14,814	65,547	-	-	-	80,361
Other	2,562	18,748	-	-	9,902	31,212
Total operating expenditures	<u>807,704</u>	<u>877,434</u>	<u>3,446,565</u>	<u>27</u>	<u>268,462</u>	<u>5,400,192</u>
Operating income (loss)	<u>33,907</u>	<u>409,611</u>	<u>37,876</u>	<u>(27)</u>	<u>(100,741)</u>	<u>380,626</u>
<b>Other financing sources:</b>						
Transfers in	255	550	4,143	105	1,808	6,861
Total other financing sources	<u>255</u>	<u>550</u>	<u>4,143</u>	<u>105</u>	<u>1,808</u>	<u>6,861</u>
Change in net position	34,162	410,161	42,019	78	(98,933)	387,487
<b>Net position at beginning of year</b>	<u>195,740</u>	<u>(103,211)</u>	<u>686,536</u>	<u>22,324</u>	<u>430,480</u>	<u>1,231,869</u>
<b>Net position at end of year</b>	<u>\$ 229,902</u>	<u>\$ 306,950</u>	<u>\$ 728,555</u>	<u>\$ 22,402</u>	<u>\$ 331,547</u>	<u>\$ 1,619,356</u>

CITY OF WADSWORTH, OHIO

COMBINING STATEMENT OF CASH FLOWS  
INTERNAL SERVICE FUNDS  
DECEMBER 31, 2015

	<u>Equipment Maintenance</u>	<u>Information Technology</u>	<u>Health Insurance Retention</u>	<u>Liability Insurance Retention</u>	<u>Workers' Compensation Retention</u>	<u>Total</u>
<b>Cash flows from operating activities:</b>						
Cash received from customers	\$ 841,533	\$ 1,287,045	\$ 3,476,457	\$ -	\$ 167,721	\$ 5,772,756
Cash received from other operations	78	-	7,984	-	-	8,062
Cash payments to employees for services	(389,376)	(575,283)	-	-	-	(964,659)
Cash payments for goods and services	(426,446)	(279,730)	(549,857)	(27)	(80,526)	(1,336,586)
Cash payments for claims	-	-	(2,822,685)	-	(60,313)	(2,882,998)
Cash payments for other expenses	(2,562)	(18,748)	-	-	(9,902)	(31,212)
Net cash provided by (used in) operating activities	<u>23,227</u>	<u>413,284</u>	<u>111,899</u>	<u>(27)</u>	<u>16,980</u>	<u>565,363</u>
<b>Cash flows from noncapital financing activities</b>						
Cash received from transfers in	255	550	4,143	105	1,808	6,861
Cash received from internal notes	-	483,783	-	-	-	483,783
Cash used for internal notes	(23,760)	(235,767)	(267,370)	(6,433)	(130,387)	(663,717)
Net cash provided by noncapital financing activities	<u>(23,505)</u>	<u>248,566</u>	<u>(263,227)</u>	<u>(6,328)</u>	<u>(128,579)</u>	<u>(173,073)</u>
<b>Cash flows from capital and related financing activities:</b>						
Acquisition of capital assets	(23,227)	(248,312)	-	-	-	(271,539)
Net cash used in capital and related financing activities	<u>(23,227)</u>	<u>(248,312)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(271,539)</u>
Net increase in cash and cash equivalents	(23,505)	413,538	(151,328)	(6,355)	(111,599)	120,751
<b>Cash and cash equivalents at beginning of year</b>	<u>82,481</u>	<u>201,644</u>	<u>917,055</u>	<u>22,324</u>	<u>435,240</u>	<u>1,658,744</u>
<b>Cash and cash equivalents at end of year</b>	<u>\$ 58,976</u>	<u>\$ 615,182</u>	<u>\$ 765,727</u>	<u>\$ 15,969</u>	<u>\$ 323,641</u>	<u>\$ 1,779,495</u>
<b>Reconciliation of operating income (loss) to net cash provided by operating activities:</b>						
Operating income (loss)	\$ 33,907	\$ 409,611	\$ 37,876	\$ (27)	\$ (100,741)	\$ 380,626
<b>Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:</b>						
Depreciation	14,814	65,547	-	-	-	80,361
<b>Changes in assets and liabilities</b>						
(Increase) in materials and supplies inventory	(27,175)	-	-	-	-	(27,175)
(Increase) in prepayments	(1,161)	(39,884)	-	-	(4,498)	(45,543)
(Increase) in net pension asset	(632)	(999)	-	-	-	(1,631)
(Increase) in deferred outflows - pension	(12,847)	(20,348)	-	-	-	(33,195)
(Increase) decrease in accounts payable	11,584	(33,866)	(8,844)	-	(12,593)	(43,719)
Increase (decrease) in accrued wages and benefits	(910)	2,988	-	-	-	2,078
Increase (decrease) in compensated absences payable	(4,603)	14,153	-	-	-	9,550
Increase (decrease) in intergovernmental	377	446	(28,007)	-	-	(27,184)
Increase in net pension liability	5,405	8,559	-	-	-	13,964
Increase in deferred inflows - pension	4,468	7,077	-	-	-	11,545
Increase in claims payable	-	-	110,874	-	134,812	245,686
Net cash provided by (used in) operating activities	<u>\$ 23,227</u>	<u>\$ 413,284</u>	<u>\$ 111,899</u>	<u>\$ (27)</u>	<u>\$ 16,980</u>	<u>\$ 565,363</u>

**CITY OF WADSWORTH, OHIO**

*FUND DESCRIPTIONS - FIDUCIARY FUNDS*

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

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**Agency Funds**

These funds are purely custodial (assets equal liabilities) and thus do not involve the measurement of results of operations.

***Escrow Accounts***

To account for monies posted for development performance on various items. These monies are returned after final approval by the City of Wadsworth.

***Medina County Law Library***

To account for one half of the Ohio State Patrol fines collected by the Wadsworth Municipal Court in criminal related cases. These monies are forwarded to the Medina County Law Library on a monthly basis.

***Memorial Park Trust***

To account for third party monies used to purchase memorial trees, benches, and the like based on the third party's wishes.

***Unclaimed Funds Muni Court***

To account for staled dated checks issued by the City of Wadsworth for various expenses. These dollars are held in this fund until a legal claim is made.

***Unclaimed Funds-City***

To account for staled dated checks issued by the City of Wadsworth for various expenses. These dollars are held in this fund until a legal claim is made.

***Utility Assistance Fund***

To account for charitable money collected through utility bills to assist less fortunate residents pay their utility bills per the instruction by various charitable organizations within Wadsworth.

***Community Center Project***

To account for monies returned to the City by the Wadsworth City School District due to bid day savings.

***Clearing Fund***

To account for all purely custodial monies received by the City of Wadsworth that are not already accounted for in another fund.

***Payroll Fund***

To account for custodial monies related to payroll due to a third party.

***Water Assessment Trust***

To account for money collected by the City of Wadsworth for the portion of water line construction and due to a third party.

***Sewer Deferred Assessment***

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

***Clearing - Utility Assessment***

To temporarily account for water and sewer charges assessed to the property owner's tax duplicate and collected by the County. This money is then posted to the respective utility funds.

***Muni Court***

To account for civil cases and traffic/criminal cases within the court's jurisdiction.

***Customer Deposits***

To account for utility service deposits made by renters and/or delinquent accounts. These funds are held until the final bill is paid or the tenant becomes the owner of the property.

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**CITY OF WADSWORTH, OHIO**

*COMBINING STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES  
AGENCY FUNDS  
DECEMBER 31, 2015*

	<u>Escrow Accounts</u>	<u>Medina County Law Library</u>	<u>Memorial Park Trust</u>	<u>Unclaimed Funds Muni Court</u>
<b>Assets:</b>				
Current Assets:				
Equity in pooled cash, cash equivalents and investments	\$ -	\$ 3,964	\$ 369	\$ 22,099
Cash in segregated accounts	373,659	-	-	-
Restricted Assets:				
Equity in pooled cash, cash equivalents and investments	-	-	-	-
Total assets	<u>\$ 373,659</u>	<u>\$ 3,964</u>	<u>\$ 369</u>	<u>\$ 22,099</u>
<b>Liabilities:</b>				
Retainage payable	\$ 373,659	\$ -	\$ -	\$ -
Deposits held and due to others	-	3,964	369	22,099
Refundable deposits	-	-	-	-
Total liabilities	<u>\$ 373,659</u>	<u>\$ 3,964</u>	<u>\$ 369</u>	<u>\$ 22,099</u>

<u>Unclaimed Funds-City</u>	<u>Utility Assistance Fund</u>	<u>Community Center Project</u>	<u>Clearing Fund</u>	<u>Payroll Fund</u>	<u>Water Assessment Trust</u>	<u>Sewer Deferred Assessment</u>
\$ 11,244	\$ 892	\$ 1,234,310	\$ 30,553	\$ 267,120	\$ 10,134	\$ 14,747
-	-	-	-	-	-	-
-	-	-	-	-	-	-
<u>\$ 11,244</u>	<u>\$ 892</u>	<u>\$ 1,234,310</u>	<u>\$ 30,553</u>	<u>\$ 267,120</u>	<u>\$ 10,134</u>	<u>\$ 14,747</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
11,244	892	1,234,310	30,553	267,120	10,134	14,747
-	-	-	-	-	-	-
<u>\$ 11,244</u>	<u>\$ 892</u>	<u>\$ 1,234,310</u>	<u>\$ 30,553</u>	<u>\$ 267,120</u>	<u>\$ 10,134</u>	<u>\$ 14,747</u>

**CITY OF WADSWORTH, OHIO**

*COMBINING STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES  
AGENCY FUNDS  
DECEMBER 31, 2015*

	<u>Clearing - Utility Assessment</u>	<u>Muni Court</u>	<u>Customer Deposits</u>	<u>Total</u>
<b>Assets:</b>				
Current Assets:				
Equity in pooled cash, cash equivalents and investments	\$ -	\$ -	\$ -	\$ 1,595,432
Cash in segregated accounts	-	21,929	-	395,588
Restricted Assets:				
Equity in pooled cash, cash equivalents and investments	-	-	833,857	833,857
Total assets	<u>\$ -</u>	<u>\$ 21,929</u>	<u>\$ 833,857</u>	<u>\$ 2,824,877</u>
<b>Liabilities:</b>				
Retainage payable	\$ -	\$ -	\$ -	\$ 373,659
Deposits held and due to others	-	21,929	-	1,617,361
Refundable deposits	-	-	833,857	833,857
Total liabilities	<u>\$ -</u>	<u>\$ 21,929</u>	<u>\$ 833,857</u>	<u>\$ 2,824,877</u>

**CITY OF WADSWORTH, OHIO**  
 COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES  
 AGENCY FUNDS  
 FOR THE YEAR ENDED DECEMBER 31, 2015

<b>Escrow Accounts</b>	<b>Balance 1/1/2015</b>	<b>Additions</b>	<b>Reductions</b>	<b>Balance 12/31/2015</b>
<b>Assets:</b>				
Cash segregated accounts	\$ 373,590	\$ 373,659	\$ 373,590	\$ 373,659
Total assets	<u>\$ 373,590</u>	<u>\$ 373,659</u>	<u>\$ 373,590</u>	<u>\$ 373,659</u>
<b>Liabilities:</b>				
Retainage Payable	\$ 373,590	\$ 373,659	\$ 373,590	\$ 373,659
Total liabilities	<u>\$ 373,590</u>	<u>\$ 373,659</u>	<u>\$ 373,590</u>	<u>\$ 373,659</u>
<b>Medina County Law Library</b>				
<b>Assets:</b>				
Equity in pooled cash, cash equivalents and investments	\$ 8,050	\$ 3,964	\$ 8,050	\$ 3,964
Total assets	<u>\$ 8,050</u>	<u>\$ 3,964</u>	<u>\$ 8,050</u>	<u>\$ 3,964</u>
<b>Liabilities:</b>				
Deposits held and due to others	\$ 8,050	\$ 3,964	\$ 8,050	\$ 3,964
Total liabilities	<u>\$ 8,050</u>	<u>\$ 3,964</u>	<u>\$ 8,050</u>	<u>\$ 3,964</u>
<b>Memorial Park Trust</b>				
<b>Assets:</b>				
Equity in pooled cash, cash equivalents and investments	\$ 369	\$ -	\$ -	\$ 369
Total assets	<u>\$ 369</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 369</u>
<b>Liabilities:</b>				
Deposits held and due to others	\$ 369	\$ -	\$ -	\$ 369
Total liabilities	<u>\$ 369</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 369</u>
<b>Unclaimed Funds Muni Court</b>				
<b>Assets:</b>				
Equity in pooled cash, cash equivalents and investments	\$ 20,909	\$ 22,099	\$ 20,909	\$ 22,099
Total assets	<u>\$ 20,909</u>	<u>\$ 22,099</u>	<u>\$ 20,909</u>	<u>\$ 22,099</u>
<b>Liabilities:</b>				
Deposits held and due to others	\$ 20,909	\$ 22,099	\$ 20,909	\$ 22,099
Total liabilities	<u>\$ 20,909</u>	<u>\$ 22,099</u>	<u>\$ 20,909</u>	<u>\$ 22,099</u>
<b>Unclaimed Funds-City</b>				
<b>Assets:</b>				
Equity in pooled cash, cash equivalents and investments	\$ 30,364	\$ 11,244	\$ 30,364	\$ 11,244
Total assets	<u>\$ 30,364</u>	<u>\$ 11,244</u>	<u>\$ 30,364</u>	<u>\$ 11,244</u>
<b>Liabilities:</b>				
Deposits held and due to others	\$ 30,364	\$ 11,244	\$ 30,364	\$ 11,244
Total liabilities	<u>\$ 30,364</u>	<u>\$ 11,244</u>	<u>\$ 30,364</u>	<u>\$ 11,244</u>

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**CITY OF WADSWORTH, OHIO**  
 COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES  
 AGENCY FUNDS (CONTINUED)  
 FOR THE YEAR ENDED DECEMBER 31, 2015

<b>Utility Assistance Fund</b>	<b>Balance 1/1/2015</b>	<b>Additions</b>	<b>Reductions</b>	<b>Balance 12/31/2015</b>
<b>Assets:</b>				
Equity in pooled cash, cash equivalents and investments	\$ 1,819	\$ 892	\$ 1,819	\$ 892
Total assets	<u>\$ 1,819</u>	<u>\$ 892</u>	<u>\$ 1,819</u>	<u>\$ 892</u>
<b>Liabilities:</b>				
Deposits held and due to others	\$ 1,819	\$ 892	\$ 1,819	\$ 892
Total liabilities	<u>\$ 1,819</u>	<u>\$ 892</u>	<u>\$ 1,819</u>	<u>\$ 892</u>
<b>Community Center Project</b>				
<b>Assets:</b>				
Equity in pooled cash, cash equivalents and investments	\$ 1,234,310	\$ -	\$ -	\$ 1,234,310
Total assets	<u>\$ 1,234,310</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,234,310</u>
<b>Liabilities:</b>				
Deposits held and due to others	\$ 1,234,310	\$ -	\$ -	\$ 1,234,310
Total liabilities	<u>\$ 1,234,310</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,234,310</u>
<b>Clearing Fund</b>				
<b>Assets:</b>				
Equity in pooled cash, cash equivalents and investments	\$ 32,201	\$ 30,553	\$ 32,201	\$ 30,553
Receivables (net of allowance for uncollectibles):				
Accounts	5,119	-	5,119	-
Total assets	<u>\$ 37,320</u>	<u>\$ 30,553</u>	<u>\$ 37,320</u>	<u>\$ 30,553</u>
<b>Liabilities:</b>				
Accounts payable	\$ 8,114	\$ -	\$ 8,114	\$ -
Deposits held and due to others	29,206	30,553	29,206	30,553
Total liabilities	<u>\$ 37,320</u>	<u>\$ 30,553</u>	<u>\$ 37,320</u>	<u>\$ 30,553</u>
<b>Payroll Fund</b>				
<b>Assets:</b>				
Equity in pooled cash, cash equivalents and investments	\$ 260,540	\$ 267,120	\$ 260,540	\$ 267,120
Total assets	<u>\$ 260,540</u>	<u>\$ 267,120</u>	<u>\$ 260,540</u>	<u>\$ 267,120</u>
<b>Liabilities:</b>				
Deposits held and due to others	\$ 260,540	\$ 267,120	\$ 260,540	\$ 267,120
Total liabilities	<u>\$ 260,540</u>	<u>\$ 267,120</u>	<u>\$ 260,540</u>	<u>\$ 267,120</u>
<b>Water Assessment Trust</b>				
<b>Assets:</b>				
Equity in pooled cash, cash equivalents and investments	\$ 10,134	\$ -	\$ -	\$ 10,134
Total assets	<u>\$ 10,134</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 10,134</u>
<b>Liabilities:</b>				
Deposits held and due to others	\$ 10,134	\$ -	\$ -	\$ 10,134
Total liabilities	<u>\$ 10,134</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 10,134</u>

**CITY OF WADSWORTH, OHIO**

COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES  
AGENCY FUNDS (CONTINUED)  
FOR THE YEAR ENDED DECEMBER 31, 2015

	Balance 1/1/2015	Additions	Reductions	Balance 12/31/2015
<b>Sewer Deferred Assessment</b>				
<b>Assets:</b>				
Equity in pooled cash, cash equivalents and investments	\$ 14,747	\$ -	\$ -	\$ 14,747
Total assets	<u>\$ 14,747</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 14,747</u>
<b>Liabilities:</b>				
Deposits held and due to others	\$ 14,747	\$ -	\$ -	\$ 14,747
Total liabilities	<u>\$ 14,747</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 14,747</u>
<b>Clearing - Utility Assessment</b>				
<b>Assets:</b>				
Equity in pooled cash, cash equivalents and investments	\$ 7,203	\$ -	\$ 7,203	\$ -
Total assets	<u>\$ 7,203</u>	<u>\$ -</u>	<u>\$ 7,203</u>	<u>\$ -</u>
<b>Liabilities:</b>				
Deposits held and due to others	\$ 7,203	\$ -	\$ 7,203	\$ -
Total liabilities	<u>\$ 7,203</u>	<u>\$ -</u>	<u>\$ 7,203</u>	<u>\$ -</u>
<b>Muni Court</b>				
<b>Assets:</b>				
Cash in segregated accounts	\$ 24,608	\$ 21,929	\$ 24,608	\$ 21,929
Total assets	<u>\$ 24,608</u>	<u>\$ 21,929</u>	<u>\$ 24,608</u>	<u>\$ 21,929</u>
<b>Liabilities:</b>				
Deposits held and due to others	\$ 24,608	\$ 21,929	\$ 24,608	\$ 21,929
Total liabilities	<u>\$ 24,608</u>	<u>\$ 21,929</u>	<u>\$ 24,608</u>	<u>\$ 21,929</u>
<b>Customer Deposits</b>				
<b>Assets:</b>				
Restricted Assets:				
Equity in pooled cash, cash equivalents and investments	\$ 813,902	\$ 833,857	\$ 813,902	\$ 833,857
Total assets	<u>\$ 813,902</u>	<u>\$ 833,857</u>	<u>\$ 813,902</u>	<u>\$ 833,857</u>
<b>Liabilities:</b>				
Refundable Deposits	\$ 813,902	\$ 833,857	\$ 813,902	\$ 833,857
Total liabilities	<u>\$ 813,902</u>	<u>\$ 833,857</u>	<u>\$ 813,902</u>	<u>\$ 833,857</u>
<b>TOTAL AGENCY FUNDS</b>				
<b>Assets:</b>				
Equity in pooled cash, cash equivalents and investments	\$ 1,620,646	\$ 335,872	\$ 361,086	\$ 1,595,432
Cash in segregated accounts	398,198	395,588	398,198	395,588
Receivables (net of allowance for uncollectibles):				
Accounts	5,119	-	5,119	-
Restricted Assets:				
Equity in pooled cash, cash equivalents and investments	813,902	833,857	813,902	833,857
Total assets	<u>\$ 2,837,865</u>	<u>\$ 1,565,317</u>	<u>\$ 1,578,305</u>	<u>\$ 2,824,877</u>
<b>Liabilities:</b>				
Accounts payable	\$ 8,114	\$ -	\$ 8,114	\$ -
Retainage payable	373,590	373,659	373,590	373,659
Deposits held and due to others	1,642,259	357,801	382,699	1,617,361
Refundable Deposits	813,902	833,857	813,902	833,857
Total liabilities	<u>\$ 2,837,865</u>	<u>\$ 1,565,317</u>	<u>\$ 1,578,305</u>	<u>\$ 2,824,877</u>

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# City of Wadsworth, Ohio

## Statistical Section

This part of the City of Wadsworth's Comprehensive Annual Financial Report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplemental information says about the City's overall health.

<u>Contents</u>	<u>Page</u>
<b>Financial Trends</b> These schedules contain trend information to help the reader understand how the City's financial performance and well-being have changed over time.	S1 - S12
<b>Revenue Capacity</b> These schedules contain information to help the reader assess the factors affecting the City's most significant local revenue sources: the property tax and the municipal income tax.	S13 - S19
<b>Debt Capacity</b> These schedules present information to help the reader assess the affordability of the City's current levels of outstanding debt and the City's ability to issue additional debt in the future.	S20 - S26
<b>Demographic and Economic Information</b> These schedules offer demographic and economic indicators to help the reader understand the environment within which the City's financial activities take place and to help make comparisons over time and with other governments.	S27 - S28
<b>Operating Information</b> These schedules contain services and infrastructure data to help the reader understand how the information in the City's financial report relates to the services the City provides and the activities it performs.	S29 - S39
<b>Sources:</b> Sources of the information presented in this section are provided at the bottom of each schedule. The City implemented the new reporting model prescribed by GASB Statement 34 for the year ended December 31, 2003.	

**City of Wadsworth, Ohio**

*Net Position By Component*

*Last Ten Years*

*(Accrual Basis of Accounting)*

	2015	Restated 2014 (2)	2013	2012
<b>Governmental Activities</b>				
Net Investment in Capital Assets	\$ 37,607,541	\$ 34,082,257	\$ 30,975,468	\$ 27,652,789
Restricted	13,545,519	12,647,495	12,544,168	12,444,429
Unrestricted	<u>(3,245,282)</u>	<u>7,664,110</u>	<u>7,012,414</u>	<u>7,876,795</u>
<i>Total Governmental Activities Net Position</i>	<u>47,907,778</u>	<u>54,393,862</u>	<u>50,532,050</u>	<u>47,974,013</u>
<b>Business Type - Activities</b>				
Net Investment in Capital Assets	63,019,576	60,936,466	63,409,337	57,015,769
Unrestricted	<u>15,605,300</u>	<u>18,848,040</u>	<u>12,827,606</u>	<u>12,387,704</u>
<i>Total Business-Type Activities Net Position</i>	<u>78,624,876</u>	<u>79,784,506</u>	<u>76,236,943</u>	<u>69,403,473</u>
<b>Primary Government</b>				
Net Investment in Capital Assets	100,627,117	95,018,723	94,384,805	84,668,558
Restricted	13,545,519	12,647,495	12,544,168	11,774,608
Unrestricted	<u>12,360,018</u>	<u>26,512,150</u>	<u>19,840,020</u>	<u>20,934,320</u>
<i>Total Primary Government Net Position</i>	<u><u>\$126,532,654</u></u>	<u><u>\$134,178,368</u></u>	<u><u>\$126,768,993</u></u>	<u><u>\$117,377,486</u></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.

(continued)

<u>2011 (1)</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>
\$ 24,968,078	\$ 38,668,682	\$ 38,890,685	\$ 38,787,056	\$ 36,230,196	\$ 32,486,753
15,067,789	15,528,872	11,157,801	13,788,640	12,235,180	11,944,464
<u>5,904,151</u>	<u>3,659,079</u>	<u>5,513,182</u>	<u>(195,832)</u>	<u>784,999</u>	<u>2,509,221</u>
<u>45,940,018</u>	<u>57,856,633</u>	<u>55,561,668</u>	<u>52,379,864</u>	<u>49,250,375</u>	<u>46,940,438</u>
51,914,458	36,603,685	35,357,502	37,100,988	34,557,074	32,024,597
<u>18,514,874</u>	<u>16,141,933</u>	<u>15,103,425</u>	<u>11,412,229</u>	<u>10,619,030</u>	<u>11,029,092</u>
<u>70,429,332</u>	<u>52,745,618</u>	<u>50,460,927</u>	<u>48,513,217</u>	<u>45,176,104</u>	<u>43,053,689</u>
76,882,536	75,272,367	74,248,187	75,888,044	70,787,270	64,511,350
15,067,789	15,528,872	11,157,801	13,788,640	12,235,180	11,944,464
<u>24,419,025</u>	<u>19,801,012</u>	<u>20,616,607</u>	<u>11,216,397</u>	<u>11,404,029</u>	<u>13,538,313</u>
<u>\$116,369,350</u>	<u>\$110,602,251</u>	<u>\$106,022,595</u>	<u>\$100,893,081</u>	<u>\$ 94,426,479</u>	<u>\$ 89,994,127</u>

**City of Wadsworth, Ohio**

*Changes in Net Position*

*Last Ten Years*

*(Accrual Basis of Accounting)*

	2015	2014	2013	2012
<b>Program Revenues</b>				
Governmental Activities:				
Charges for Services:				
General Government	\$ 692,556	\$ 545,039	\$ 660,499	\$ 517,728
Security of Persons and Property	1,255,895	1,368,456	1,310,679	1,340,579
Public Health	23,908	6,703	43,597	10,997
Leisure Time Services	1,173,166	1,047,403	1,020,645	615,348
Community and Economic Development	366,728	22,526	16,481	49,559
Public Works <sup>1</sup>	0	0	0	0
Transportation	364,342	344,096	322,749	50,209
Intergovernmental	0	0	0	0
Subtotal - Charges for Services	<u>3,876,595</u>	<u>3,334,223</u>	<u>3,374,650</u>	<u>2,584,420</u>
Operating Grants and Contributions:				
General Government	24,490	5,021	50,711	27,364
Security of Persons and Property	4,866	31,372	3,069	99,958
Public Health	0	5,133	0	1,029
Leisure Time Services	0	50,783	230,000	7,909
Community and Economic Development	585,026	2,241,748	478,423	528,546
Public Works	0	0	0	4,778
Transportation	1,102,091	991,154	777,475	10,615
Intergovernmental	0	0	0	0
Interest and Fiscal Charges	0	0	0	0
Subtotal - Operating Grants and Contributions	<u>1,716,473</u>	<u>3,325,211</u>	<u>1,539,678</u>	<u>680,199</u>
Capital Grants and Contributions:				
General Government	0	188,574	136,725	145,251
Security of Persons and Property	0	0	0	20,662
Public Health	0	0	0	129
Leisure Time Services	0	0	0	990
Community and Economic Development	0	0	206,469	545
Public Works	0	0	0	0
Transportation	1,119,844	0	0	5,356
Intergovernmental	0	0	0	0
	<u>1,119,844</u>	<u>188,574</u>	<u>343,194</u>	<u>172,933</u>
<i>Total Governmental Activities Program Revenues</i>	<u>6,712,912</u>	<u>6,848,008</u>	<u>5,257,522</u>	<u>3,437,552</u>

(continued)

2011	2010	2009	2008	2007	2006
\$ 616,010	\$ 415,956	\$ 1,804,234	\$ 1,637,283	\$ 1,630,640	\$ 1,514,655
1,388,280	1,053,063	1,019,968	951,404	838,539	1,003,254
16,799	14,508	12,637	9,906	12,413	7,545
226,537	460,552	759,662	719,242	744,047	730,533
42,082	40,288	48,260	31,738	59,565	92,125
0	828,752	0	1,403	24,461	58,593
31,754	1,037	20,452	75,132	77,862	40,092
0	828	0	21,562	968	193
<u>2,321,462</u>	<u>2,814,984</u>	<u>3,665,213</u>	<u>3,447,670</u>	<u>3,388,495</u>	<u>3,446,990</u>
46,244	14,222	188,200	17,768	11,077	205,253
226,398	84,341	75,909	424,018	84,813	74,658
741	701	336	404	296	189
8,986	7,244	2,643	3,407	130,026	5,507
277,912	2,265	16,637	360,036	35,628	756
93,093	0	0	0	0	0
1,740,863	0	0	305,707	0	94,522
0	52	0	24	6	16,325
0	0	0	0	0	0
<u>2,394,237</u>	<u>108,825</u>	<u>283,725</u>	<u>1,111,364</u>	<u>261,846</u>	<u>397,210</u>
0	566,630	859,483	1,007,719	613,643	60,399
74,447	0	311,907	339,133	614,587	49,725
0	0	6,828	8,071	17,195	0
0	258,347	82,761	69,265	130,511	0
117,146	209,486	414,934	19,725	509,967	194,687
0	785	0	0	0	27,878
239,370	624,234	136,363	352,655	0	0
0	0	0	3,021	379	24,243
<u>430,963</u>	<u>1,659,482</u>	<u>1,812,276</u>	<u>1,799,589</u>	<u>1,886,282</u>	<u>356,932</u>
<u>5,146,662</u>	<u>4,583,291</u>	<u>5,761,214</u>	<u>6,358,623</u>	<u>5,536,623</u>	<u>4,201,132</u>

(continued)

**City of Wadsworth, Ohio**

*Changes in Net Position*

*Last Ten Years*

*(Accrual Basis of Accounting)*

	2015	2014	2013	2012
<b>Business-Type Activities:</b>				
Charges for Services:				
Electric	30,158,308	31,212,822	30,664,529	28,735,362
Sanitation	2,478,382	2,380,196	2,362,918	2,206,598
Sewer	4,057,291	4,038,723	3,804,179	3,531,295
Storm Water <sup>1</sup>	844,995	842,103	846,807	820,242
Telecom	4,950,215	4,606,769	4,267,447	3,784,001
Water	4,017,560	3,580,692	3,755,438	3,797,973
Subtotal - Charges for Services	<u>46,506,751</u>	<u>46,661,305</u>	<u>45,701,318</u>	<u>42,875,471</u>
Operating & Capital Grants and Contributions				
Electric	15,387	0	877,724	1,428,578
Sewer	0	0	245,002	0
Storm Water <sup>1</sup>	0	305,331	124,949	0
Water	0	0	0	208,316
Subtotal - Operating & Capital Grants and Contributions	<u>15,387</u>	<u>305,331</u>	<u>1,247,675</u>	<u>1,636,894</u>
<i>Total Business-Type Activities Program Revenues</i>	<u>46,522,138</u>	<u>46,966,636</u>	<u>46,948,993</u>	<u>44,512,365</u>
<i>Total Primary Government Program Revenues</i>	<u>53,235,050</u>	<u>53,814,644</u>	<u>52,206,515</u>	<u>47,949,917</u>
<b>Expenses</b>				
Governmental Activities:				
General Government	2,787,972	3,683,873	3,985,055	3,769,536
Security of Persons and Property	8,000,937	6,531,114	5,946,408	6,221,933
Public Health	121,952	125,292	125,186	109,054
Leisure Time Services	1,431,808	1,467,632	1,609,321	1,604,855
Community and Economic Development	1,159,127	389,592	1,023,032	929,492
Public Works	0	0	0	121,471
Transportation	3,110,416	3,192,863	2,893,421	2,920,887
Intergovernmental	0	0	0	0
Interest and Fiscal Charges	749,206	751,170	775,567	793,123
<i>Total Governmental Activities Expenses</i>	<u>17,361,418</u>	<u>16,141,536</u>	<u>16,357,990</u>	<u>16,470,351</u>
Business-Type Activities:				
Electric	29,730,644	30,297,757	27,789,052	26,625,458
Sanitation	2,012,855	2,293,352	2,221,316	2,232,922
Sewer	3,815,598	3,168,619	3,245,256	3,629,162
Storm Water <sup>1</sup>	1,089,434	821,058	904,253	871,099
Telecom	4,639,496	4,565,953	4,574,954	4,010,252
Water	3,648,343	3,387,965	3,227,991	3,462,781
<i>Total Business-Type Activities Expenses</i>	<u>44,936,370</u>	<u>44,534,704</u>	<u>41,962,822</u>	<u>40,831,674</u>
<i>Total Primary Government Expenses</i>	<u>62,297,788</u>	<u>60,676,240</u>	<u>58,320,812</u>	<u>57,302,025</u>

(continued)

2011	2010	2009	2008	2007	2006
30,579,103	30,330,442	29,851,125	27,762,640	25,014,078	26,047,966
2,188,061	2,071,234	1,984,672	1,902,235	1,842,501	1,640,433
3,342,729	3,145,489	3,319,499	3,226,918	3,609,670	3,865,870
833,778	0	0	0	0	0
3,628,336	3,342,778	2,993,393	2,774,399	2,656,861	2,025,017
3,726,491	3,684,369	3,395,906	2,944,488	2,838,418	2,611,536
44,298,498	42,574,312	41,544,595	38,610,680	35,961,528	36,190,822
2,381,437	740,554	0	0	0	0
0	267,446	428,629	1,729,137	84,225	705,186
82,970	0	0	0	0	0
0	0	297,069	1,176,966	581,215	319,496
2,464,407	1,008,000	725,698	2,906,103	665,440	1,024,682
46,762,905	43,582,312	42,270,293	41,516,783	36,626,968	37,215,504
51,909,567	48,165,603	48,031,507	47,875,406	42,163,591	41,416,636
3,809,401	3,341,356	5,561,354	6,055,239	5,176,695	3,585,390
6,512,974	6,601,561	5,804,358	5,685,852	5,524,710	5,022,596
105,261	103,060	128,140	145,433	149,833	105,621
1,510,485	2,351,287	1,946,859	2,080,885	2,152,345	1,818,429
660,516	522,242	616,764	737,503	617,243	455,994
200,224	711,713	0	9,700	21,990	191,103
3,186,302	2,928,565	2,803,257	2,941,263	2,693,526	2,528,287
0	7,499	0	11,057	204,548	5,960
781,845	149,109	135,705	151,362	165,075	103,748
16,767,008	16,716,392	16,996,437	17,818,294	16,705,965	13,817,128
28,946,483	28,572,879	28,338,305	25,823,545	25,899,005	26,038,534
2,082,729	2,075,807	1,951,471	1,935,094	1,773,366	1,608,357
3,573,261	3,310,275	3,727,726	4,534,794	2,432,224	2,501,651
986,089	0	0	0	0	0
3,631,490	3,416,318	3,258,997	3,015,641	2,215,775	1,220,462
3,456,315	4,397,523	3,091,449	3,085,289	3,323,572	2,783,980
42,676,367	41,772,802	40,367,948	38,394,363	35,643,942	34,152,984
59,443,375	58,489,194	57,364,385	56,212,657	52,349,907	47,970,112

(continued)

**City of Wadsworth, Ohio**

*Changes in Net Position*

*Last Ten Years*

*(Accrual Basis of Accounting)*

	2015	2014	2013	2012
<b>Net (Expense)/Revenue</b>				
Governmental Activities	(10,648,506)	(9,293,528)	(11,100,468)	(13,032,799)
Business-Type Activities	1,585,768	2,431,932	4,986,171	3,680,691
<i>Total Primary Government Net (Expense)/Revenue</i>	<u>(9,062,738)</u>	<u>(6,861,596)</u>	<u>(6,114,297)</u>	<u>(9,352,108)</u>
<b>General Revenues</b>				
Governmental Activities				
Taxes:				
Property and Other Taxes Levied For:				
General Purposes	2,267,673	1,839,371	1,160,532	975,659
Capital Projects	460,081	449,916	738,827	1,089,450
Emergency Medical Services	887,573	1,130,356	665,179	952,861
Other	100,585	0	0	0
Income Taxes	8,164,920	8,661,560	8,532,860	7,679,436
Payments in Lieu of Taxes	832,556	653,962	612,180	115,400
Grants and Entitlements not Restricted to				
Specific Programs	785,870	840,111	1,692,722	3,194,245
Investment Earnings	179,246	212,384	174,447	145,550
Other Income	189,990	131,219	144,354	25,268
<i>Total Governmental Activities</i>	<u>13,868,494</u>	<u>13,918,879</u>	<u>13,721,101</u>	<u>14,177,869</u>
Business-Type Activities				
Investment Earnings	2	2	2	56,115
Special Item - Stranded Costs	0	0	1,510,027	(4,584,933)
Other Income	350,569	352,090	274,674	131,222
<i>Total Business-Type Activities</i>	<u>350,571</u>	<u>352,092</u>	<u>1,784,703</u>	<u>(4,397,596)</u>
<i>Total Primary Government General Revenues</i>	<u>14,219,065</u>	<u>14,270,971</u>	<u>15,505,804</u>	<u>9,780,273</u>
<b>Transfers</b>				
Governmental Activities	(744,229)	(763,539)	(62,596)	0
Business-Type Activities	744,229	763,539	62,596	0
<b>Change in Net Position</b>				
Governmental Activities	2,475,759	3,861,812	2,558,037	1,145,070
Business-Type Activities	2,680,568	3,547,563	6,833,470	(716,905)
<i>Total Primary Government Change in Net Position</i>	<u>\$ 5,156,327</u>	<u>\$ 7,409,375</u>	<u>\$ 9,391,507</u>	<u>\$ 428,165</u>

(continued)

<sup>1</sup>Storm Water moved from Public Works in Governmental Activities to Business-Type Activities in 2011.

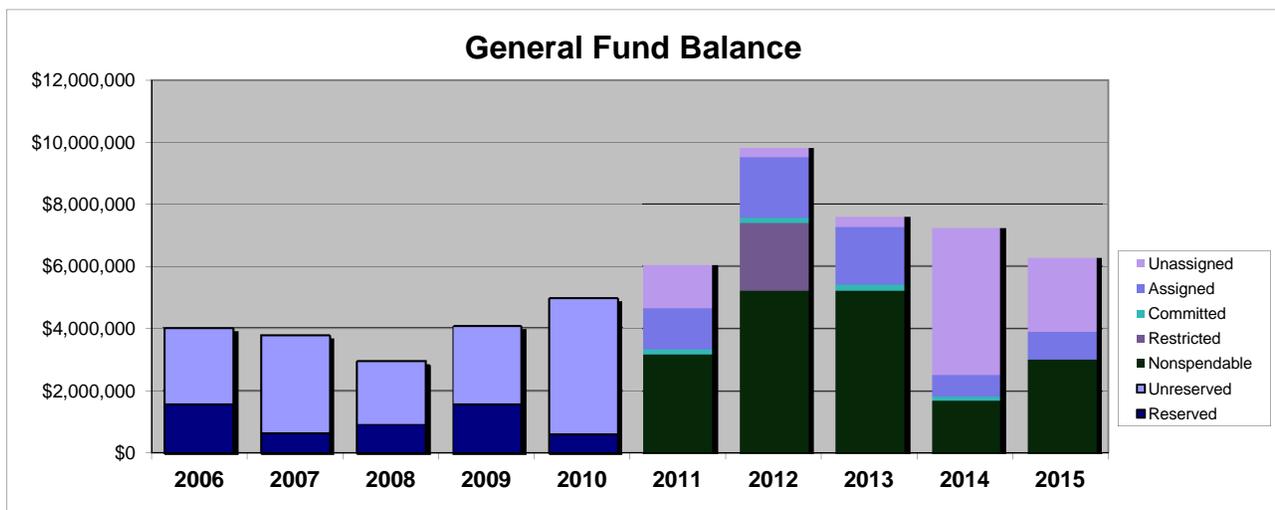
2011	2010	2009	2008	2007	2006
(11,620,346)	(12,133,101)	(11,235,223)	(11,459,671)	(11,169,342)	(9,615,996)
4,086,538	1,809,510	1,902,345	3,122,420	983,026	3,062,520
(7,533,808)	(10,323,591)	(9,332,878)	(8,337,251)	(10,186,316)	(6,553,476)
959,950	1,064,928	1,052,918	1,110,503	1,056,203	977,911
1,190,052	362,949	416,378	453,955	475,452	456,586
891,198	1,613,748	1,717,949	1,731,358	1,319,207	746,445
0	0	0	0	0	0
6,851,870	6,480,155	6,477,735	7,332,441	5,720,788	6,542,143
105,000	99,000	0	0	0	0
2,527,284	4,495,881	4,398,252	3,381,413	4,266,292	3,028,791
150,965	109,972	195,647	542,854	891,744	750,706
76,641	201,433	88,582	36,636	66,997	20,024
12,752,960	14,428,066	14,347,461	14,589,160	13,796,683	12,522,606
40,295	23,885	108,016	134,715	55,910	191,679
0	0	0	0	0	0
507,652	451,296	6,915	79,978	20	1,936
547,947	475,181	114,931	214,693	55,930	193,615
13,300,907	14,903,247	14,462,392	14,803,853	13,852,613	12,716,221
0	0	69,566	0	(750,000)	0
0	0	(69,566)	0	750,000	0
1,132,614	2,294,965	3,181,804	3,129,489	1,877,341	2,906,610
4,634,485	2,284,691	1,947,710	3,337,113	1,788,956	3,256,135
\$ 5,767,099	\$ 4,579,656	\$ 5,129,514	\$ 6,466,602	\$ 3,666,297	\$ 6,162,745

**City of Wadsworth, Ohio**  
*Fund Balances, Governmental Funds*  
*Last Ten Years*  
*(Modified Accrual Basis of Accounting)*

	2015	2014	2013	2012 <sup>1</sup>	2011
<b>General Fund</b>					
Nonspendable	\$ 3,003,364	\$ 1,688,467	\$ 5,243,091	\$ 5,223,616	\$ 3,191,006
Restricted <sup>1</sup>	0	0	0	2,181,148	0
Committed	1,400	128,232	170,028	162,176	150,998
Assigned	906,761	713,106	1,849,862	1,934,414	1,315,726
Unassigned	2,370,945	4,695,499	331,919	317,964	1,406,960
Reserved	0	0	0	0	0
Unreserved	0	0	0	0	0
<b>Total General Fund</b>	<b>6,282,470</b>	<b>7,225,304</b>	<b>7,594,900</b>	<b>9,819,318</b>	<b>6,064,690</b>
<b>All Other Governmental Funds</b>					
Nonspendable	1,073,212	255,470	308,564	3,798,311	336,264
Restricted	9,492,012	11,769,497	11,805,616	6,258,676	14,058,202
Committed	2,589,267	211,731	169,956	1,661,064	1,458,238
Unassigned	(1,929,869)	(2,020,725)	(1,331,229)	(740,323)	(340,450)
Reserved	0	0	0	0	0
Unreserved, Undesignated (Deficit), Reported in:					
Special Revenue Funds	0	0	0	0	0
Capital Projects Funds	0	0	0	0	0
<b>Total All Other Governmental Funds</b>	<b>11,224,622</b>	<b>10,215,973</b>	<b>10,952,907</b>	<b>10,977,728</b>	<b>15,512,254</b>
<b>Total Governmental Funds</b>	<b>\$ 17,507,092</b>	<b>\$ 17,441,277</b>	<b>\$ 18,547,807</b>	<b>\$ 20,797,046</b>	<b>\$ 21,576,944</b>

<sup>1</sup> In 2012, the income tax special revenue fund became part of the general fund.

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



(continued)

2010	2009	2008	2007	2006
0	0	0	0	0
0	0	0	0	0
0	0	0	0	0
0	0	0	0	0
0	0	0	0	0
\$ 611,466	\$ 1,557,563	\$ 924,595	\$ 650,932	\$ 1,571,123
4,344,340	2,503,732	2,028,877	3,119,368	2,424,464
<u>4,955,806</u>	<u>4,061,295</u>	<u>2,953,472</u>	<u>3,770,300</u>	<u>3,995,587</u>
0	0	0	0	0
0	0	0	0	0
0	0	0	0	0
0	0	0	0	0
3,264,480	3,473,817	5,473,400	5,215,585	3,110,379
8,075,725	8,404,961	5,501,520	4,139,390	5,613,334
4,674,201	490,946	(690,805)	970,349	1,531,181
<u>16,014,406</u>	<u>12,369,724</u>	<u>10,284,115</u>	<u>10,325,324</u>	<u>10,254,894</u>
<u>\$ 20,970,212</u>	<u>\$ 16,431,019</u>	<u>\$ 13,237,587</u>	<u>\$ 14,095,624</u>	<u>\$ 14,250,481</u>

**City of Wadsworth, Ohio**  
*Changes in Fund Balances, Governmental Funds*  
*Last Ten Years*  
*(Modified Accrual Basis of Accounting)*

	2015	2014	2013	2012
<b>Revenues</b>				
Real and Other Taxes	\$ 3,720,489	\$ 3,433,871	\$ 2,581,162	\$ 3,034,146
Income Taxes	8,062,643	8,613,796	8,262,502	7,611,247
Payments in Lieu of Taxes	832,556	653,962	612,180	115,400
Special Assessments	68,538	86,206	117,860	128,722
Charges for Services	2,214,049	2,080,205	2,041,901	1,367,216
Licenses and Permits	524,437	446,013	415,605	486,210
Fines and Forfeitures	593,603	637,310	641,820	692,486
Intergovernmental	2,981,735	3,575,058	3,186,386	4,576,149
Investment income	179,406	212,694	174,773	182,294
Rental income	25,737	72,519	72,295	5,400
Contributions and Donations	2,988	56,442	233,251	11,426
Refunds and Reimbursements	111,697	123,039	0	0
Other	448,902	209,384	710,509	25,268
<i>Total Revenues</i>	<u>19,766,780</u>	<u>20,200,499</u>	<u>19,050,244</u>	<u>18,235,964</u>
<b>Expenditures</b>				
Current:				
General Government	3,513,440	3,775,373	3,921,993	3,529,686
Security of Persons and Property	6,639,490	6,383,016	6,419,692	5,999,955
Public Health	121,980	125,315	125,208	110,517
Leisure Time Services	1,297,382	1,331,935	1,668,959	1,551,703
Community and Economic Development	1,156,155	390,100	1,053,406	941,155
Public Works	0	0	0	123,100
Transportation	2,654,515	2,664,891	2,406,833	2,460,481
Intergovernmental	0	0	0	0
Capital Outlay	3,068,043	4,654,288	4,255,788	1,698,178
Debt Service:				
Principal Retirement	452,646	667,558	642,455	627,351
Interest and Fiscal Charges	746,308	752,064	756,578	774,643
Issuance Costs	0	0	0	0
<i>Total Expenditures</i>	<u>19,649,959</u>	<u>20,744,540</u>	<u>21,250,912</u>	<u>17,816,769</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>116,821</u>	<u>(544,041)</u>	<u>(2,200,668)</u>	<u>419,195</u>
<b>Other Financing Sources (Uses)</b>				
Notes Issued	0	0	0	0
Bonds Issued	0	0	0	0
Premium on Debt Issued	0	0	0	0
Proceeds of Loans	0	0	0	0
Proceeds from Sale of Capital Assets	66,015	54,264	14,025	35,217
Transfers In	151,467	121,096	215,252	1,594,303
Transfers Out	(268,488)	(737,849)	(277,848)	(1,594,303)
Other Financing Uses	0	0	0	0
<i>Total Other Financing Sources (Uses)</i>	<u>(51,006)</u>	<u>(562,489)</u>	<u>(48,571)</u>	<u>35,217</u>
<i>Net Change in Fund Balances</i>	<u>\$ 65,815</u>	<u>\$ (1,106,530)</u>	<u>\$ (2,249,239)</u>	<u>\$ 454,412</u>
Debt Service as a Percentage of Noncapital Expenditures	7.2%	9.1%	8.4%	8.8%

(continued)

	2011	2010	2009	2008	2007	2006
\$	3,121,651	\$ 2,996,532	\$ 3,167,698	\$ 3,258,568	\$ 2,838,180	\$ 2,245,255
	6,741,133	6,573,369	6,591,226	6,525,267	6,672,229	6,354,130
	105,000	99,000	0	0	0	0
	117,146	184,287	84,377	28,630	56,267	88,314
	1,128,411	1,857,582	2,210,771	1,887,220	2,215,944	2,225,296
	407,278	390,012	938,955	826,768	758,027	861,657
	715,652	653,093	261,333	298,730	205,859	153,247
	4,537,339	6,145,906	5,475,695	5,606,904	5,273,528	3,211,890
	206,885	109,972	195,647	542,854	891,744	750,706
	1,400	9,400	236,945	246,065	208,665	206,790
	3,505	9,631	57,908	17,768	30,253	46,935
	0	0	0	0	0	0
	75,241	201,433	88,582	36,636	66,997	20,024
	<u>17,160,641</u>	<u>19,230,217</u>	<u>19,309,137</u>	<u>19,275,410</u>	<u>19,217,693</u>	<u>16,164,244</u>
	3,277,952	2,891,212	5,215,166	6,118,002	5,523,566	3,468,937
	5,986,941	6,034,330	5,418,631	5,643,693	5,274,973	5,250,880
	105,402	100,441	83,021	95,258	110,122	55,788
	1,461,356	2,099,175	1,855,581	2,103,211	2,087,317	1,913,057
	655,562	516,310	606,807	739,088	625,538	450,938
	200,224	690,694	4,636	7,928	19,281	187,155
	2,698,700	2,054,047	2,000,080	2,314,431	2,023,168	2,040,176
	0	7,499	0	11,057	204,548	5,960
	925,826	17,813,141	2,417,711	2,591,116	2,949,313	346,555
	197,254	252,161	372,072	356,987	336,905	321,827
	785,044	100,713	137,073	152,676	169,363	131,553
	0	360,988	53,149	0	0	0
	<u>16,294,261</u>	<u>32,920,711</u>	<u>18,163,927</u>	<u>20,133,447</u>	<u>19,324,094</u>	<u>14,172,826</u>
	866,380	(13,690,494)	1,145,210	(858,037)	(106,401)	1,991,418
	0	0	0	0	0	0
	0	18,290,000	2,015,000	0	0	0
	0	0	33,222	0	0	0
	0	0	0	0	0	0
	3,810	39,648	0	0	0	0
	6,914,635	6,845,800	7,339,800	5,611,000	5,451,000	5,345,629
	(6,911,048)	(6,842,213)	(7,339,800)	(5,611,000)	(5,451,000)	(5,345,629)
	0	(103,548)	0	0	0	0
	<u>7,397</u>	<u>18,229,687</u>	<u>2,048,222</u>	<u>0</u>	<u>0</u>	<u>0</u>
\$	<u>873,777</u>	<u>4,539,193</u>	<u>3,193,432</u>	<u>(858,037)</u>	<u>(106,401)</u>	<u>1,991,418</u>
	6.4%	2.3%	3.4%	3.1%	3.3%	3.5%

## City of Wadsworth, Ohio

### *Assessed Valuation and Estimated Actual Values of Taxable Property*

*Last Ten Years*

Collection Year	Real Property (a)		Public Utility Property (b)	Tangible Personal Property (c)	Tax Exempt Real Property (d)
	Residential/Agricultural	Commercial Industrial/PU			
2015	\$341,109,680	\$ 108,163,140	\$ 728,220	0	\$ 92,156,500
2014	336,977,510	104,328,790	705,290	0	93,134,100
2013	365,802,220	104,399,470	676,760	0	64,359,360
2012	362,232,680	105,674,510	615,470	0	64,973,380
2011	360,319,920	105,174,960	615,470	0	65,910,500
2010	398,307,240	102,405,800	596,720	\$ 272,055	65,973,740
2009	397,144,370	99,296,020	584,720	585,540	n/a
2008	392,307,660	99,886,380	592,490	11,754,010	n/a
2007	346,652,230	94,214,570	2,366,120	17,948,870	n/a
2006	336,788,630	89,334,110	2,580,740	26,923,305	n/a

Source: Medina County Auditor, Medina Ohio

Property in the county is reassessed annually.

(a) Real property is assessed at 35% of actual value. Real property taxes collected in a calendar year are levied as of January 1 of that year based on assessed values as of January 1 of the preceding year.

(b) Public utility is assessed at 88% of actual value. Public utility real and tangible property taxes collected in a calendar year are levied in the preceding calendar year based on assessed values determined as of December 31 of the second preceding year.

(c) For 2005 and prior, tangible personal property was assessed at 25% of true value for capital assets and 23% of true value for inventory.

For 2006, tangible personal property tax was assessed at 18.75% of property value, including inventory.

For 2007, tangible personal property tax was assessed at 12.50% of property value, including inventory.

For 2008, tangible personal property tax was assessed at 6.25% of property value, including inventory.

For 2009, tangible personal property tax was eliminated, except for telephone companies and inter-exchange telecommunications companies. Tax was assessed at 10% of property value.

For 2010, tangible personal property tax was assessed at 5% of property value.

For 2011 and future years, tangible personal property tax will be assessed at zero.

(d) Tax exempt information was not available prior to tax year 2009.

(e) Does not include tax-exempt property.

(continued)

<u>Total Taxable Assessed Value</u>	<u>Total Direct Tax Rate</u>	<u>Estimated Actual Taxable Value (e)</u>	<u>Assessed Value as a Percentage of Actual Value</u>
\$ 450,001,040	5.80	\$ 1,040,157,188	43.26%
442,011,590	5.80	1,007,905,811	43.85%
470,878,450	5.80	1,160,318,560	40.58%
468,522,660	5.80	1,151,938,855	40.67%
466,110,350	5.80	1,142,369,055	40.80%
501,581,815	5.80	1,248,231,477	40.18%
497,610,650	5.80	1,424,920,969	34.92%
504,540,540	5.80	1,425,748,386	35.39%
461,181,790	5.80	1,405,899,161	32.80%
455,626,785	5.80	1,364,017,162	33.40%

**City of Wadsworth, Ohio**

*Direct and Overlapping Property Tax Rates*

*Last Ten Collection Years*

	2015	2014	2013	2012	2011
<b>Unvoted Millage</b>					
Operating	2.1000	2.1000	2.1000	2.1000	2.1000
Police Pension	0.3000	0.3000	0.3000	0.3000	0.3000
<i>Total Unvoted Millage</i>	2.4000	2.4000	2.4000	2.4000	2.4000
<b>Voted Millage</b>					
Fire Levy	1.1000	1.1000	1.1000	1.1000	1.1000
EMS Levy	2.3000	2.3000	2.3000	2.3000	2.3000
<i>Total Voted Millage</i>	3.4000	3.4000	3.4000	3.4000	3.4000
<b>Total Millage</b>	5.8000	5.8000	5.8000	5.8000	5.8000
<b>Overlapping Rates by Taxing District</b>					
Wadsworth City School District					
Residential/Agricultural Real	43.9793	44.0279	42.0488	42.0488	36.1295
Commercial/Industrial and Public Utility Real	47.0489	46.8178	45.7549	45.7549	38.2956
General Business and Public Utility Personal	79.0000	79.0000	78.6000	78.6000	72.6000
Medina County					
Residential/Agricultural Real	7.6036	7.5147	7.4599	7.4699	6.5082
Commercial/Industrial and Public Utility Real	7.5066	7.4956	7.4575	7.4675	6.4369
General Business and Public Utility Personal	8.0400	8.0400	8.0400	8.0400	8.0400
Wadsworth Public Library					
Residential/Agricultural Real	2.7500	2.7132	2.6046	2.6046	1.6032
Commercial/Industrial and Public Utility Real	2.7086	2.6614	2.6289	2.6289	1.5295
General Business and Public Utility Personal	2.6796	2.7500	2.7500	2.7500	1.7500
Medina County Park District					
Residential/Agricultural Real	0.7500	0.7500	0.7366	0.7366	0.7366
Commercial/Industrial and Public Utility Real	0.7500	0.7500	0.7435	0.7435	0.7052
General Business and Public Utility Personal	0.7500	0.7500	0.7500	0.7500	0.7500
Highland Local School District					
Residential/Agricultural Real	36.3148	36.3868	36.5880	36.6880	29.7286
Commercial/Industrial and Public Utility Real	32.9339	32.6199	33.6398	33.6398	25.0217
General Business and Public Utility Personal	75.3000	75.3000	76.8000	76.8000	69.9000
Medina County Library District					
Residential/Agricultural Real	1.8500	1.8500	2.0315	2.0315	2.0319
Commercial/Industrial and Public Utility Real	1.8500	1.8500	2.0464	2.0464	1.9854
General Business and Public Utility Personal	1.8500	1.8500	2.0500	2.0500	2.0500
Vocational Education					
Residential/Agricultural Real	2.2371	2.2446	2.1694	2.1694	2.0582
Commercial/Industrial and Public Utility Real	2.2438	2.2251	2.1483	2.1483	1.9420
General Business and Public Utility Personal	3.0500	3.0500	3.0500	3.0500	2.9000

Source: Medina County Auditor

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

(continued)

2010	2009	2008	2007	2006
2.1000	2.1000	2.1000	2.1000	2.1000
0.3000	0.3000	0.3000	0.3000	0.3000
2.4000	2.4000	2.4000	2.4000	2.4000
1.1000	1.1000	1.1000	1.1000	1.1000
2.3000	2.3000	2.3000	2.3000	2.3000
3.4000	3.4000	3.4000	3.4000	3.4000
5.8000	5.8000	5.8000	5.8000	5.8000

31.5638	31.6916	28.8014	31.7282	31.8697
35.7988	36.1101	33.1027	35.1643	36.5675
70.2000	70.4000	67.5000	71.5000	71.5000

5.9807	5.9167	5.9261	6.2510	6.3360
6.0632	5.9891	5.9752	6.2039	6.6281
8.0400	8.0700	8.0700	8.0700	8.2100

1.4441	1.4388	1.4396	1.6044	1.6145
1.5234	1.5034	1.5236	1.5865	1.6722
1.7500	1.7500	1.7500	1.7500	1.7500

0.6775	0.6758	0.6777	0.7446	0.3790
0.6969	0.6951	0.6922	0.7424	0.3654
0.7500	0.7500	0.7500	0.7500	0.5000

28.4983	29.1516	29.2728	31.4184	31.6671
24.9227	25.5162	25.0795	26.3436	28.4673
69.9000	70.5500	70.5500	70.5500	70.5550

1.9378	2.1352	2.1388	1.6348	1.6373
1.9696	2.1651	2.6050	1.6660	1.6677
2.0500	2.2500	2.2500	2.2500	2.2500

2.0048	2.0000	2.0000	2.0000	2.0000
2.0158	2.0081	1.9999	2.0214	2.0274
3.0500	3.0500	3.0500	3.0500	3.0500

**City of Wadsworth, Ohio**

*Principal Property Taxpayers*

2015 vs. 2008

Taxpayer	2015	
	Property Assessed Valuation	Percentage of Total Assessed Valuation
FC Stratford Crossings LLC	\$6,062,690	1.35%
Liverty Residence Holding	3,454,730	0.77%
BRE Throne Wadsworth Crossing	3,327,640	0.74%
Walmart Real Estate	3,327,640	0.74%
Echo Wadsworth Associates	2,768,770	0.62%
Inn at Coalridge Limited	2,459,130	0.55%
HD Development of Maryland Inc.	2,432,500	0.54%
Lowe's Home Centers Inc	2,131,730	0.47%
224 Quadral LLC	2,065,280	0.46%
LA Wadsworth LLC	2,011,100	0.45%
TOTAL	<u>\$30,041,210</u>	6.68%
Total Assessed Property Valuation	<u>\$450,001,040</u>	

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

Source: Medina County Auditor, Medina Ohio

(1) Information prior to 2008 is not available

**City of Wadsworth, Ohio**  
*Property Tax Levies And Collections*  
*Last Ten Years*

Fiscal Year	Total Tax Levy	Current Tax Collections	Percent of Current Collections to Tax Levy	Delinquent Tax Collections	Total Tax Collections (1)	Percent of Total Tax Collections to Tax Levy	Accumulated Outstanding Delinquent Taxes	Percentage of Delinquent Taxes to Total Tax Levy
2015	\$2,577,229	\$ 2,422,194	93.98%	\$ 57,571	\$ 2,479,765	96.22%	\$ 9,429	0.37%
2014	2,587,604	2,411,866	93.21%	77,930	2,489,796	96.22%	55,938	2.16%
2013	2,745,491	2,535,165	92.34%	81,128	2,616,293	95.29%	67,120	2.44%
2012	2,728,428	2,504,698	91.80%	82,110	2,586,808	94.81%	82,720	3.03%
2011	2,574,610	2,487,748	96.63%	127,257	2,615,005	101.57%	108,640	4.22%
2010	2,802,032	2,531,524	90.35%	88,332	2,619,856	93.50%	115,559	4.12%
2009	2,745,743	2,491,596	90.74%	84,079	2,575,675	93.81%	74,096	2.70%
2008	2,731,362	2,468,134	90.36%	84,742	2,552,876	93.47%	69,108	2.53%
2007	2,347,638	2,136,651	91.01%	64,735	2,201,386	93.77%	69,270	2.95%
2006	2,299,161	2,064,988	89.81%	72,405	2,137,393	92.96%	56,588	2.46%

Source: Medina County, Ohio; County Auditor

(1) State reimbursement of rollback and homestead exemptions are included.

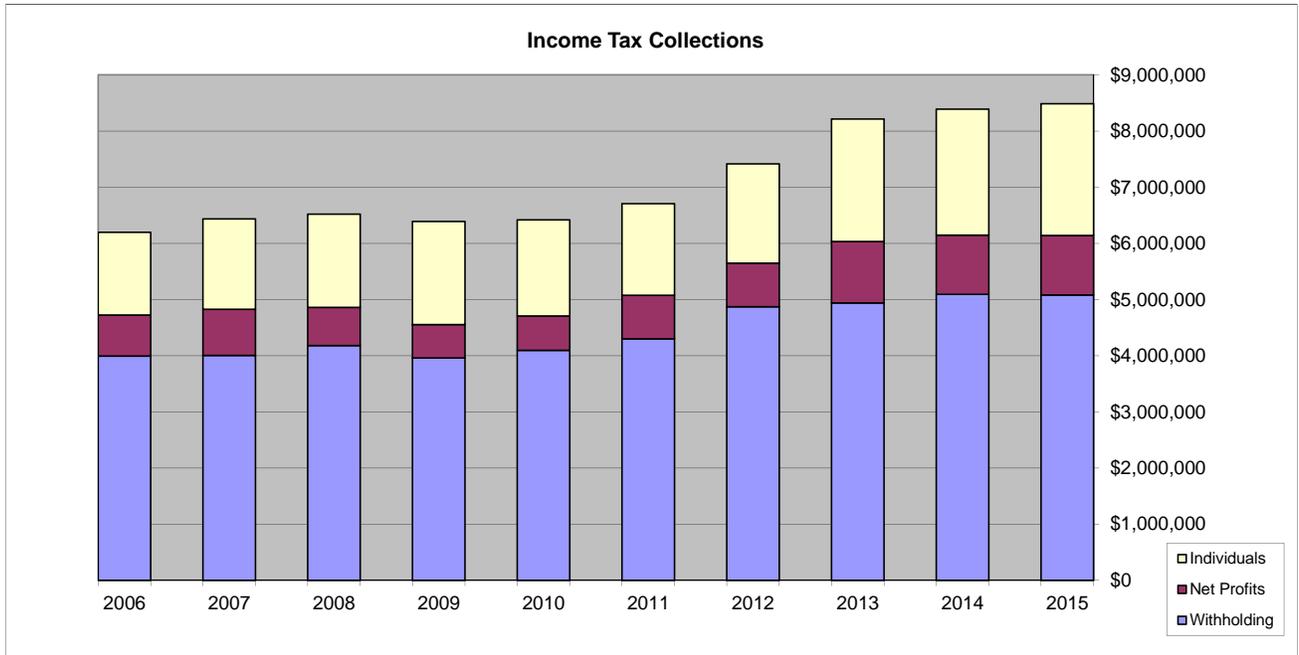
Note: Delinquent tax records are maintained by an external agency, Medina County. The agency does not identify delinquent collections by the year for which the tax was levied.

**City of Wadsworth, Ohio**  
*Income Tax Rate, Revenue Base, and Collections*  
*Last Ten Years*

Tax Year	Tax Rate	Total Tax Collected (1)	Adjustments	Percentage of Adjustments	Taxes From Withholding	Percentage of Taxes from Withholding	Taxes From Net Profits	Percentage of Taxes from Net Profits	Taxes from Individual Payments	Percentage of Taxes from Individual Payments
2015	1.4%	\$ 8,592,975	\$ 105,320	1.23%	\$ 5,082,661	59.15%	\$ 1,055,262	12.28%	\$2,349,732	27.34%
2014	1.4%	8,648,629	259,672	3.00%	5,090,287	58.86%	1,055,632	12.21%	2,243,038	25.94%
2013	1.4%	8,358,492	143,662	1.72%	4,937,985	59.08%	1,095,886	13.11%	2,180,959	26.09%
2012	1.4%	7,580,998	164,172	2.17%	4,871,985	64.27%	772,196	10.19%	1,772,645	23.38%
2011	1.3%	6,897,196	188,226	2.73%	4,297,884	62.31%	775,851	11.25%	1,635,235	23.71%
2010	1.3%	6,603,817	185,280	2.81%	4,094,600	62.00%	609,982	9.24%	1,713,955	25.95%
2009	1.3%	6,511,354	124,325	1.91%	3,960,924	60.83%	591,822	9.09%	1,834,283	28.17%
2008	1.3%	6,643,871	122,624	1.85%	4,181,576	62.94%	676,919	10.19%	1,662,752	25.03%
2007	1.3%	6,534,276	101,351	1.55%	4,004,084	61.28%	820,218	12.55%	1,608,623	24.62%
2006	1.3%	6,296,305	101,415	1.61%	3,990,361	63.38%	733,132	11.64%	1,471,397	23.37%

Source: Central Collection Agency - Cleveland, OH & Regional Income Tax Agency - Brecksville, OH

(1) Gross Collections - Cash Basis of Accounting



**City of Wadsworth, Ohio**  
*Ratios of Outstanding Debt by Type*  
*Last Ten Years*

Fiscal Year	Governmental Activities					Business-Type Activities							Total Primary Government	Percentage of Personal Income (1)	Per Capita (1)
	General Obligation Bonds	Tax Revenue Bonds	Notes Payable	Stormwater G.O. Bonds	OWPC Loan	Water G.O. Bonds	OWDA Loan	Electric Revenue Bonds	Electric AMP Loan	Electric AMP Stranded Costs	Electric G.O. Bonds	Notes Payable			
2015	0	\$16,446,792	\$1,040,000	\$ 654,621	\$ 84,034	\$ 8,744,100	\$15,501,615	0	\$3,718,689	\$ 4,463,785	\$ 147,204	\$3,415,000	\$54,215,840	8.94%	\$ 2,482
2014 (7)	0	16,892,957	1,095,000	725,690	0	9,196,576	16,549,937	0	4,342,689	5,036,864	182,755	3,655,000	57,677,468	9.78%	2,641
2013 (6)	\$21,8437	17,339,122	0	786,759	0	9,634,052	17,565,266	0	4,961,992	5,604,614	218,306	0	56,328,548	9.66%	2,579
2012 (5)	431,875	17,765,287	0	842,828	0	10,076,528	18,550,064	0	5,585,992	0	253,856	0	53,506,430	9.09%	2,468
2011	635,312	18,186,452	0	908,896	0	10,504,003	19,504,560	\$7,177,875	0	0	284,406	0	57,201,504	11.91%	3,045
2010 (4)	833,750	18,186,452	0	959,966	0	10,896,480	20,429,684	7,713,174	0	0	314,958	0	59,334,464	11.42%	3,102
2009 (3)	1,032,187	0	0	1,016,035	0	1,544,361	21,326,340	8,228,474	0	0	345,509	0	33,492,906	7.15%	1,956
2008	370,000	0	0	0	0	0	21,474,268	8,724,758	0	0	0	0	30,569,026	7.32%	2,009
2007	725,000	0	0	0	0	0	21,119,252	9,201,459	0	0	0	0	31,045,711	6.99%	1,919
2006 (2)	1,060,000	0	0	0	0	0	15,222,475	9,663,160	0	0	0	0	25,945,635	5.25%	1,442

(1) See S-27 for personal income and population data.

(2) The City issued sewer revenue bonds for the construction of a new wastewater treatment plant.

(3) The City issued \$3.9 million in General Obligation Bonds to retire \$3.2 million in interfund transactions and to fund new street improvement and stormwater drainage and management facilities.

(4) The City issued \$18.3 million in Income Tax Revenue Bonds to construct a new community center. The City also issued \$9.4 million in G.O. Bonds to make water system improvements.

(5) AMP loan proceeds were used to redeem the electric revenue bonds.

(6) The City booked the AMP Stranded Liability of \$5,791M with a 10 year term.

(7) The City issued \$4.75 million in General Obligation Notes for various capital improvements.

**City of Wadsworth, Ohio**  
*Computation of Direct and Overlapping  
Debt Attributable to Governmental Activities  
December 31, 2015*

	Debt Attributable to Governmental Activities	Percentage Applicable to Wadsworth (1)	Amount of Direct and Overlapping Debt
<u>Direct Debt:</u>			
City of Wadsworth			
Notes Payable	\$1,040,000	100.00%	\$1,040,000
Community Center Revenue Bonds	16,446,792	100.00%	16,446,792
Total Direct Debt	\$17,486,792		\$17,486,792
<u>Overlapping Debt:</u>			
Payable from Property Taxes			
Medina County Bonds <sup>(2)</sup>	\$9,677,323	10.16%	\$983,639
Wadsworth City School District Bonds <sup>(3)</sup>	0	70.85%	0
Highland School District <sup>(4)</sup>	35,522,436	1.35%	478,998
Payable from Other Sources			
Medina County Special Assessment Bonds <sup>(2)</sup>	420,000	10.16%	42,690
Medina County OPWC Loans <sup>(2)</sup>	91,418	10.16%	9,292
Wadsworth City School District Bonds <sup>(3)</sup>	85,039,140	70.85%	60,246,602
Total Overlapping Debt	\$130,750,317		\$61,761,221
Total	\$148,237,109		\$79,248,013

(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 2015 collection year (2014 tax year).

(2) Source - Medina County Auditor's Office

(3) Source - Wadsworth City Schools - reported as of June 30, 2015

(4) Source - Highland Local School District CAFR - reported as of June 30, 2015

**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
2015	\$9,545,925	\$744	\$9,545,181	\$1,040,157,188	0.92%	\$437.01
2014	10,105,021	1,052	10,103,969	1,007,905,811	1.00%	462.59
2013	10,857,554	5,316	10,852,238	1,160,318,560	0.94%	496.85
2012	11,605,087	200,371	11,404,716	1,151,938,855	0.99%	525.98
2011	12,332,617	1,089,861	11,242,756	1,142,369,055	0.98%	521.29
2010	13,005,154	1,197,458	11,807,696	1,248,231,477	0.95%	547.49
2009	3,938,092	1,152,383	2,785,709	1,424,920,969	0.20%	134.60
2008	370,000	370,000	0	1,425,748,386	0.00%	0.00
2007	725,000	725,000	0	1,405,899,161	0.00%	0.00
2006	1,060,000	1,060,000	0	1,364,017,162	0.00%	0.00

**City of Wadsworth, Ohio**

*Legal Debt Margin Information*

*Last Ten Years*

	2015	2014	2013	2012	2011	2010
Overall Debt Limitation (10.5% of Assessed Valuation)	\$47,250,109	\$36,632,136	\$49,442,237	\$49,194,879	\$48,941,587	\$52,666,091
Net Debt Applicable to Debt Limit	<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>2,128,369</u>
Overall Legal Debt Margin (10.5% of Assessed Valuation)	<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>	<u>\$50,537,722</u>
Legal Debt Margin as a Percentage of Debt Limit	97.80%	79.39%	93.28%	94.58%	97.17%	95.96%
<hr/>						
Unvoted Debt Limitation (5.5% of Assessed Valuation)	\$24,750,057	\$19,188,262	\$25,898,315	\$25,768,746	\$25,636,069	\$27,587,000
Net Debt Applicable to Debt Limit	<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>2,128,369</u>
Unvoted Legal Debt Margin (5.5% of Assessed Valuation)	<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>	<u>\$25,458,631</u>
Legal Debt Margin as a Percentage of Debt Limit	95.80%	60.65%	87.17%	89.65%	94.60%	92.28%

**Legal Debt Margin Calculation for Fiscal Year 2015**

	Unvoted Margin Within 5.5%	Overall Margin Within 10.5%
Assessed property value	<u>\$450,001,040</u>	<u>\$450,001,040</u>
Overall Debt Limitation (percentage of assessed valuation)	\$24,750,057	\$47,250,109
Gross Indebtedness	54,215,840	54,215,840
Less: Stormwater G.O. Bonds	(654,621)	(654,621)
OWPC Loan	(84,034)	(84,034)
Income Tax Revenue Bonds	(16,446,792)	(16,446,792)
Water Revenue Bonds	(8,744,100)	(8,744,100)
OWDA Loan	(15,501,615)	(15,501,615)
Electric G.O. Bonds	(147,204)	(147,204)
Electric AMP Loan	(3,718,689)	(3,718,689)
Electric AMP Stranded Costs	(4,463,785)	(4,463,785)
Bond Anticipation Notes - Enterprise Funds	<u>(3,415,000)</u>	<u>(3,415,000)</u>
Net Debt Applicable to Debt Limit	<u>1,040,000</u>	<u>1,040,000</u>
Legal Debt Margin Within Limitations	<u>\$23,710,057</u>	<u>\$46,210,109</u>

Note: Under State of Ohio finance law, the City of Wadsworth's outstanding general obligation debt that is supported through real estate value should not exceed 10.5 percent of total assessed property value. In addition, the outstanding general obligation debt net of voted debt should not exceed 5.5 percent of total assessed property value. By law, the general obligation debt subject to the limitation is offset by amounts set aside for repaying general obligation bonds.

(continued)

<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>
\$52,249,118	\$52,976,757	\$48,424,088	\$47,840,812
<u>2,774,864</u>	<u>4,092,937</u>	<u>3,756,190</u>	<u>1,162,428</u>
<u>\$49,474,254</u>	<u>\$48,883,820</u>	<u>\$44,667,898</u>	<u>\$46,678,384</u>
94.69%	92.27%	92.24%	97.57%

\$27,368,586	\$27,749,730	\$25,364,998	\$25,059,473
<u>2,774,864</u>	<u>4,092,937</u>	<u>3,756,190</u>	<u>1,162,428</u>
<u>\$24,593,722</u>	<u>\$23,656,793</u>	<u>\$21,608,808</u>	<u>\$23,897,045</u>
89.86%	85.25%	85.19%	95.36%

**City of Wadsworth, Ohio**  
*Pledged Revenue Coverage*  
*Income Tax Revenue Bonds*  
*Last Six Years*

Fiscal Year	Income Taxes	Direct Operating Expenses (1)	Net Available Revenues	Debt Service (2)		Coverage
				Principal	Interest	
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	0	724,838	857.2%
2010	6,573,369	566,969	6,006,400	0	597,991	1004.4%

Note: For each type of non-general obligation debt backed by pledged revenues, the City should present gross revenues (and, if applicable, specific expenses, to produce net available revenues) principal and interest requirements, and a coverage ratio.

(1) Direct operating expenses do not include depreciation expense.

(2) Debt Service payments started in 2010.

**City of Wadsworth, Ohio**  
*Pledged Revenue Coverage*  
*Ohio Water Development Authority Loan*  
*Last Eight Years*

Fiscal Year	Sewer Service Charges and Interest	Direct Operating Expenses (1)	Net Available Revenues	Debt Service (2)		Coverage
				Principal	Interest	
2015	\$ 4,062,756	\$ 2,172,628	\$ 1,890,128	\$ 1,048,322	\$ 513,191	121.0%
2014	4,039,018	1,891,709	2,147,309	1,015,329	546,184	137.5%
2013	3,804,179	1,778,471	2,025,708	984,798	576,714	129.7%
2012	3,543,391	2,261,390	1,282,001	954,495	612,018	81.8%
2011	3,356,742	2,092,367	1,264,375	925,124	636,389	81.0%
2010	3,153,796	1,867,981	1,285,815	896,657	664,856	82.3%
2009	3,361,223	2,321,467	1,039,756	869,066	692,447	66.6%
2008	3,242,762	2,137,669	1,105,093	842,324	673,526	72.9%

Note: For each type of non-general obligation debt backed by pledged revenues, the City should present gross revenues (and, if applicable, specific expenses, to produce net available revenues) principal and interest requirements, and a coverage ratio.

(1) Direct operating expenses do not include depreciation expense.

(2) Debt Service payments started in 2008.

**City of Wadsworth, Ohio**  
*Demographic and Economic Statistics*  
*Last Ten Years*

Year	Population (1a)	Total Personal Income (5)	Personal Income Per Capita (1b)	Median Household Income (1b)	Unemployment Rate (2)		City Square Miles(3)	Average Sales Price of Residential Property (4)	Median Age(1c)
					Medina County	State of Ohio			
2015	21,842	\$ 606,508,656	\$ 27,768	\$ 58,007	4.3	4.7	11.200	\$ 139,447	40.4
2014	21,842	589,712,158	26,999	57,539	5.2	5.7	11.070	146,127	37.6
2013	21,842	583,094,032	26,696	57,150	6.5	6.4	10.633	131,113	38.7
2012	21,683	588,433,254	27,138	58,868	6	7.2	10.633	137,441	40.2
2011	21,567	551,360,355	25,565	59,178	6.7	8.6	10.633	127,282	37.8
2010	21,567	586,083,225	27,175	57,060	8.4	10.1	10.633	130,649	37.5
2009	20,696	566,159,766	27,356	57,821	8.3	10.2	10.633	130,639	36.5
2008	20,417	560,732,488	27,464	55,695	5.8	6.5	10.633	142,895	36.4
2007	20,417	560,732,488	27,464	55,695	5.2	5.6	n/a	n/a	36.4
2006	20,107	552,218,648	27,464	55,695	4.8	5.4	n/a	n/a	36.4

- (1) Source: (a) U.S. Census Bureau: American FactFinder - 2010 Demographic Profile  
(b) U.S. Census Bureau: U.S. Census Quick Facts  
(c) U.S. Census Bureau: U.S. Census Quick Facts  
(2) Source: Ohio Labor Market Information, U.S. Bureau of Labor Statistics  
(3) Source: City of Wadsworth Planning Department and Engineering Department  
(4) Source: Medina County Auditor's Office Monthly Property Transfers  
(5) Computation of per capita personal income multiplied by population  
(6) Source: U.S. Census Bureau - American Fact Finder

**City of Wadsworth, Ohio**

*Principal Employers*

2015 vs. 2006

Employer	2015		2006	
	Rank	Percent of Total Withholding Taxes Paid	Rank	Percent of Total Withholding Taxes Paid
Wadsworth City School District	1	6.82%	1	7.08%
City of Wadsworth	2	3.75%	3	4.24%
Rohrer Corporation	3	2.98%	5	2.84%
Summa Health System	4	2.26%	2	5.54%
Parker Hannifin Corp	5	2.24%	4	3.07%
Remington Products Co.	6	2.12%	10	1.59%
WalMart Assoc Inc	7	2.10%	6	2.59%
Clampco Products, Inc.	8	1.95%		
ECS Tuning LLC	9	1.80%		
United Parcel Service	10	1.54%		
Lo-Med Prescription Service (nka Omnicare ESC)			7	2.39%
D & R Industries, Inc.			8	2.04%
Michael Day Enterprises			9	1.80%
Total of Top Ten *		<u>27.57%</u>		<u>33.19%</u>
Total Withholdings - All Employers		<u>\$ 5,082,661</u>		<u>\$ 3,990,361</u>

\* Percentage presented is only for the top 10 employers in each respective year.

**Source:** Central Collection Agency (CCA) records for 2006; Regional Income Tax Agency (RITA) records for 2015.

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**City of Wadsworth, Ohio**

*Full-Time Equivalent City Government Employees by Function/Program*

*Last Ten Years*

<u>Function/Program</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>
<b><u>Governmental-Type Activities:</u></b>										
General Government										
Auditor	7.0	6.5	6.0	6.0	6.0	6.0	6.0	6.0	5.0	4.5
Council	5.0	5.0	5.0	5.0	5.0	5.0	5.0	5.5	5.0	5.0
Engineering	9.5	9.0	9.5	10.5	9.5	10.0	11.0	11.0	10.5	11.5
Human Resources	2.0	2.0	3.5	3.5	3.5	3.5	3.5	3.5	3.5	3.5
Income Tax	1.5	1.5	1.5	1.5	1.5	1.5	1.5	1.5	1.0	1.0
Law Director	4.0	4.0	3.5	3.5	3.5	3.5	3.5	3.5	3.5	3.5
Mayor	3.5	3.5	3.0	3.0	3.0	2.5	3.0	3.0	2.0	2.5
Municipal Court	13.0	13.5	12.5	12.0	11.5	13.5	13.0	13.5	14.0	14.5
Service Director	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0
Stormwater	3.0	4.0	3.5	3.5	4.5	4.0	1.5	1.5	1.0	0.0
Treasurer	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5
Security of Persons and Property										
Emergency Medical Services	18.5	19.5	18.5	17.5	19.0	23.5	22.0	22.5	23.5	23.0
Fire	19.0	18.5	19.0	18.0	16.0	15.0	17.0	17.5	15.5	15.0
Police	39.5	39.0	40.0	39.5	41.5	39.5	44.5	44.5	42.5	50.0
Safety Director	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Public Health										
Animal Control	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Leisure Time Services										
Parks	9.5	8.0	10.0	10.0	14.0	14.0	13.0	12.5	12.5	14.0
Recreation	0.0	0.0	0.0	0.0	0.0	35.5	44.0	52.5	50.5	45.5
Senior Center	2.5	2.5	2.5	3.0	3.0	2.5	3.0	4.0	3.5	3.0
Wadsworth Cable Television	4.5	4.0	5.0	5.0	5.0	4.5	5.5	6.0	4.0	4.0
Community and Economic Development										
Building & Planning	3.0	3.0	2.5	2.5	2.5	2.5	3.0	3.5	3.5	4.0
Transportation Services										
Streets	17.5	16.5	17.5	18.0	18.5	23.5	21.5	24.5	22.5	28.0
<b><u>Business-Type Activities:</u></b>										
Electric	40.0	38.0	42.5	42.5	43.5	41.5	45.0	45.5	47.5	51.0
Information Technology	6.5	6.5	8.0	4.5	4.0	4.0	2.0	2.0	2.0	2.0
Sanitation	9.5	8.5	8.5	9.0	10.0	8.5	9.0	11.5	11.0	10.5
Sewer	9.0	8.0	9.0	9.0	10.0	10.0	11.0	11.0	11.0	12.0
Telecommunications	13.5	13.0	13.0	12.5	12.5	12.5	15.5	13.0	14.5	14.5
Vehicle Maintenance	5.5	5.0	4.0	5.0	5.0	5.0	5.0	5.0	5.0	5.0
Water	17.0	17.0	16.0	17.0	18.5	18.0	20.0	22.0	23.5	23.5
Totals:	<u>269.0</u>	<u>261.5</u>	<u>269.5</u>	<u>267.0</u>	<u>276.5</u>	<u>315.0</u>	<u>334.5</u>	<u>352.0</u>	<u>343.5</u>	<u>356.5</u>

**Note:** All part-time employees, Council Members, Mayor, Treasurer, and Auditor were counted as 0.5 FTE's for the purposes of this table.

Source: City Payroll Records

**City of Wadsworth, Ohio**  
*Capital Asset Statistics by Function/Program*  
*Last Ten Years*

Function/Program	2015	2014	2013	2012
<b>General Government</b>				
Streets (miles)	94	94	94	94
Salt Domes	2	2	2	1
Airports	1	1	1	1
Fueling System	1	1	1	1
Administrative Vehicles	2	2	2	2
Service Vehicles	42	42	40	40
<b>Security of Persons and Property</b>				
<i>Service Director</i>				
Early Warning Sirens	9	9	8	8
Vehicles	1	1	1	1
<i>Police</i>				
Stations	1	1	1	1
Shooting Ranges	1	1	1	1
Vehicles	22	22	21	21
<i>Fire &amp; EMS</i>				
Stations	2	2	2	2
Fire Apparatus	7	8	8	8
Rescue Squads	4	5	5	5
Other Vehicles	6	5	5	5
<b>Leisure Time Activities</b>				
<i>Parks &amp; Recreation</i>				
Recreation Center	0	0	0	0
Public Swimming Pools	1	1	0	0
Parks	18	16	16	16
Playgrounds	13	13	13	14
Baseball Diamonds	13	13	13	13
Tennis Courts	6	9	9	9
Full Sized Soccer Fields	10	10	10	10
Vehicles	15	11	11	11
<i>Cable T.V. Access</i>				
Cameras	11	11	11	11
Vehicles	1	1	1	1
<b>Community and Economic Development</b>				
<i>Building and Zoning</i>				
Vehicles	1	1	1	1

(continued)

2011	2010	2009	2008	2007	2006
94	96	95	94	92	90
1	1	1	1	1	1
1	1	1	1	1	1
1	1	1	1	1	1
2	2	2	2	2	1
40	40	40	41	41	37
8	8	8	8	6	6
1	1	1	1	1	1
1	1	1	1	1	1
21	21	21	23	20	22
2	2	2	2	2	2
8	8	8	8	8	8
5	5	5	4	4	4
5	5	5	5	5	6
0	0	1	1	1	1
0	0	2	2	2	2
16	16	16	16	16	16
14	14	14	14	14	14
13	13	15	15	15	15
9	9	9	9	9	9
10	10	10	10	10	10
11	11	12	14	12	12
11	11	11	11	11	11
1	1	1	1	1	0
1	1	1	1	1	1

(continued)

**City of Wadsworth, Ohio**  
*Capital Asset Statistics by Function/Program*  
*Last Ten Years*

Function/Program	2015	2014	2013	2012
<b>Storm Water</b>				
Storm Sewers (miles)	102	98	98	98
<b>Telecom</b>				
Vehicles	15	14	14	14
<b>Sewer</b>				
Lines (miles)	104	102	102	102
Lift Stations	3	3	3	4
Treatment Plants	1	1	1	1
Vehicles	4	5	5	5
<b>Water</b>				
Wells	12	12	12	12
Towers	6	6	6	5
Lines (miles)	127	121	121	121
Treatment Plants	1	1	1	1
SCADA	1	1	1	1
Vehicles	14	13	13	13
<b>Electric</b>				
Substations	6	6	6	6
Aerial Lines (miles)	150	230	230	230
Transmission Lines (miles)	19	19	19	19
Underground Lines (miles)	76	69	69	69
SCADA	1	1	1	1
Meters	13,001	12,317	12,317	12,510
Vehicles	28	28	28	28
<b>Sanitation</b>				
Transfer Stations	1	1	1	1
Packer Trucks	4	4	4	4
Automated Trucks	5	4	4	4
Vehicles	4	4	4	4

(continued)

2011	2010	2009	2008	2007	2006
98	97	97	95	93	91
14	14	14	14	14	13
102	104	100	99	96	95
4	4	4	4	3	3
1	1	1	1	1	1
5	5	5	5	5	5
12	12	12	12	12	11
5	5	5	5	5	5
121	122	121	120	116	112
1	1	1	1	1	1
1	1	1	1	1	1
13	13	13	13	13	13
6	6	6	6	8	8
230	230	229	237	238	239
19	19	19	19	19	19
69	69	68	66	66	62
1	1	1	1	1	1
12,726	12,726	12,192	12,378	12,258	11,955
28	28	28	28	26	33
1	1	1	1	1	1
4	4	5	5	5	4
4	4	3	3	3	3
4	4	4	4	4	5

**City of Wadsworth, Ohio**  
*Operating Indicators by Function/Program*  
*Last Ten Years (1)*

Function/Program	2015	2014	2013	2012
<b>General Government</b>				
<i>Council and Clerk</i>				
Number of Ordinances Passed	169	193	145	160
Number of Resolutions Passed	17	62	9	13
<i>Finance Department</i>				
Number of checks/ vouchers issued (payroll not included)	4,565	4,942	5,240	5,117
Amount of checks written (cash basis)	\$ 52,993,480	\$ 57,468,760	\$ 61,302,919	\$ 74,451,412
Interest earnings for fiscal year (cash basis)	\$ 196,339	\$ 213,763	\$ 199,239	\$ 266,414
Number of Receipts issued (2)	154,500	149,835	78,427	31,135
General Fund Receipts (cash basis)	\$ 11,135,471	\$ 10,296,774	\$ 10,672,770	\$ 12,144,942
General Fund Expenditures (cash basis)	\$ 11,676,854	\$ 11,392,312	\$ 11,615,621	\$ 11,597,390
<i>Income Tax Department</i>				
Number of Business net profit forms processed	1,764	2,051	1,416	1,594
Number of Individual forms processed	17,832	20,852	18,184	17,483
Number of business withholding accounts	1,802	1,601	1,583	1,643
Amount of Penalties and Interest Collected	\$ 127,338	\$ 217,412	\$ 136,674	\$ 163,382
<i>Civil Service</i>				
Number of police entry tests administered	2	1	0	1
Number of fire entry tests administered	1	0	1	0
Number of police promotional tests administered	0	0	0	0
Number of fire promotional tests administered	0	0	0	0
Number of hires of Police Officers from certified lists	1	1	0	0
Number of hires of Fire/Medics from certified lists	1	0	0	0
Number of promotions from police certified lists	0	0	0	0
Number of promotions from fire certified lists	0	0	0	0
<i>Engineering</i>				
Number of New Subdivision	0	3	0	1
Number of New Lots	0	86	0	48
Number of Plat/Surveys Completed	20	11	7	6
Streets Constructed (linear feet)	0	3,651	0	2,383
Streets Resurfaced (linear feet)	83,504	12,725	10,288	6,432
Storm Sewer Lines Constructed (linear feet)	1,540	7,556	1,262	7,251
Number of New Catch Basins	26	77	7	55
Number of New Storm Manholes	6	30	3	21
Water Lines Constructed (linear feet)	9,287	8,005	795	12,356
Raw Water Lines Constructed (linear feet)	0	0	0	0
Number of New Hydrants	33	31	10	36
Number of New Valves	31	48	7	51
Sanitary Sewer Lines Constructed (linear feet)	1,000	3,278	1,354	679
Force Mains Constructed (linear feet)	0	0	3,613	0
Number of New Sanitary Manholes	4	31	30	0
Culverts Constructed (linear feet), not including drive culverts	15	48	40	0

(continued)

2011	2010	2009	2008	2007	2006
133	143	150	153	194	146
16	15	14	22	46	18
5,209	5,396	5,552	6,148	7,536	6,873
\$ 79,755,372	\$ 68,250,591	\$ 55,193,439	\$ 65,520,049	\$ 58,413,247	\$ 52,511,195
\$ 303,011	\$ 182,657	\$ 373,082	\$ 904,666	\$ 1,188,433	\$ 984,231
28,981	27,664	26,895	10,458	11,757	11,011
\$ 11,397,872	\$ 12,101,051	\$ 11,555,924	\$ 10,158,576	\$ 10,258,939	\$ 10,243,495
\$ 10,966,566	\$ 10,378,503	\$ 11,390,512	\$ 10,803,479	\$ 10,501,749	\$ 9,710,465
1,783	1,764	1,583	1,708	1,679	1,763
16,111	19,386	20,223	15,628	17,043	15,015
1,625	1,568	1,486	1,476	1,513	1,497
\$ 161,501	\$ 200,835	\$ 163,493	\$ 86,507	\$ 103,845	\$ 88,766
0	1	1	1	0	1
0	0	2	0	0	0
0	2	0	0	0	0
0	0	0	0	0	0
0	2	3	1	0	0
0	0	6	0	0	0
0	2	0	0	0	0
0	0	0	0	0	0
0	0	0	1	5	0
2	0	0	42	209	0
3	5	3	7	10	7
0	0	2,169	3,422	6,665	5,122
4,477	8,160	21,819	8,913	3,886	4,726
2,502	1,302	7,315	8,945	15,218	8,529
17	15	82	78	108	73
0	0	30	31	64	39
3,827	4,586	44,033	25,038	20,332	5,908
0	0	0	0	0	232
9	11	17	88	66	23
13	19	19	115	93	24
2,106	9,069	5,382	19,187	1,990	7,174
0	0	0	2,776	0	0
11	14	37	94	13	35
0	198	0	0	101	0

(continued)

**City of Wadsworth, Ohio**  
*Operating Indicators by Function/Program*  
*Last Ten Years (1)*

Function/Program	2015	2014	2013	2012
<b><i>Municipal Court</i></b>				
Number of Civil Cases	641	811	866	966
Number of Criminal Cases	6,790	6,827	7,567	7,807
<b>Security of Persons and Property</b>				
<b><i>Police</i></b>				
Total Calls for Services	12,252	14,469	14,182	13,177
Class 1 crimes	642	635	678	612
Adult arrests	767	817	715	600
Juvenile arrests	57	56	44	20
Criminal summons	332	360	421	335
Traffic citations	1,083	1,143	1,415	1,440
Warning citations	508	201	556	1,129
Parking Tickets	913	1,115	1,190	1,518
Vehicle accidents- property damage	364	333	451	409
Vehicle accidents-injury	78	62	22	19
Total miles driven	220,340	241,949	246,071	279,380
Total gasoline cost	\$ 43,136	\$ 72,088	\$ 72,359	\$ 86,414
<b><i>Fire and EMS</i></b>				
EMS Calls	2,058	1,987	1,854	1,858
Ambulance Billing Collections (net)	\$ 530,654	\$ 512,483	\$ 500,719	\$ 498,351
Fire Calls	241	240	239	249
Fires with Loss	33	20	21	35
Fires with Losses exceeding \$10K	8	4	8	9
Fire Losses	\$ 991,795	\$ 164,400	\$ 516,770	\$ 905,741
Fire Safety Inspections	481	778	830	995
No. of times Mutual Aid received from other Fire and EMS	25	14	17	12
No. of times Mutual Aid given by Fire and EMS	54	49	33	32
Training hours	3,890	3,570	3,086	2,902
<b>Leisure Time Activities</b>				
<b><i>Recreation</i></b>				
Recreation Center membership receipts (cash basis)	\$0	\$0	\$0	\$0
Recreation Center rental receipts (cash basis)	\$0	\$0	\$0	\$0
Recreation Center program receipts (cash basis)	\$0	\$0	\$0	\$0
Recreation Center miscellaneous receipts (cash basis)	\$0	\$0	\$0	\$0
Total Recreation Department receipts (cash basis)	\$0	\$0	\$0	\$0
Recreation Center Expenditures (cash basis)	\$0	\$0	\$0	\$0
<b><i>Parks</i></b>				
Parks Expenditures (cash basis)	\$ 653,621	\$ 756,740	\$ 672,449	\$ 643,928
Hours maintaining parks and City Buildings	1,474	1,568	8,341	8,558
Hours preparing Fields/Ball Diamonds	1,965	1,488	1,373	1,413
Hours of Snow removal	1,010	968	709	434
Average Cost per Resident	\$ 21.82	\$ 34.64	\$ 30.78	\$ 29.69

(continued)

2011	2010	2009	2008	2007	2006
924	1,067	1,108	1,226	1,182	866
7,300	7,330	9,514	8,809	7,322	5,724
12,695	13,027	12,150	10,667	10,151	9,641
0	569	508	489	485	454
719	624	541	662	736	876
28	19	17	37	58	51
341	337	289	321	238	239
2,047	2,040	2,259	2,098	1,863	2,925
1,375	1,506	1,363	1,184	1,030	1,077
1,916	1,404	1,354	1,444	1,295	1,136
663	713	651	743	762	703
56	88	71	106	98	83
260,993	266,330	260,471	279,747	287,540	262,311
\$ 75,118	\$ 62,369	\$ 50,173	\$ 72,032	\$ 68,132	\$ 63,303
1,751	1,754	1,610	1,780	1,714	1,638
\$ 443,741	\$ 460,717	\$ 458,357	\$ 335,427	\$ 477,244	\$ 403,214
221	250	283	276	291	267
25	31	24	22	36	12
4	5	8	5	13	4
\$ 2,253,160	\$ 219,820	\$ 757,170	\$ 289,910	\$ 583,275	\$ 234,950
1,120	902	985	847	650	825
19	25	23	15	21	7
16	14	10	31	20	10
3,345	3,832	4,695	4,400	5,689	6,223
\$0	\$10,724	\$121,141	\$156,785	\$168,872	\$171,494
\$0	\$29,704	\$47,441	\$48,449	\$52,196	\$49,597
\$0	\$24,887	\$152,492	\$158,928	\$155,820	\$142,787
\$0	\$1,612	\$7,186	\$8,747	\$10,008	\$13,626
\$0	\$66,927	\$328,260	\$372,908	\$386,896	\$377,504
\$0	\$413,339	\$937,342	\$1,003,533	\$1,006,926	\$996,100
\$ 856,753	\$ 756,915	\$ 752,320	\$ 775,589	\$ 770,200	\$ 663,201
15,191	15,910	12,479	15,874	15,666	16,143
1,840	1,628	2,402	2,209	2,351	2,381
1,214	1,791	1,302	1,964	1,544	516
\$ 39.73	\$ 39.16	\$ 46.49	\$ 38.69	\$ 39.38	\$ 34.83

(continued)

**City of Wadsworth, Ohio**  
*Operating Indicators by Function/Program*  
*Last Ten Years (1)*

Function/Program	2015	2014	2013	2012
<b>Community and Economic Development</b>				
<i><b>Building and Zoning</b></i>				
Estimated Value of Construction	\$ 43,574,974	\$ 20,675,040	\$ 19,233,420	\$ 19,871,902
Residential/Commercial/Zoning Permits Issued	447	331	346	388
Electric Permits	187	145	246	125
Heating Permits	217	146	167	128
Total Permits Issued	851	622	759	641
Permit Revenue	\$ 178,366	\$ 100,558	\$ 94,655	\$ 77,430
Number of Contractor Licenses	131	129	143	132
Code Enforcement Notices	216	347	426	270
Zoning Board of Appeals Hearings	10	20	16	13
Number of Planning Commission Docket Items	74	38	42	35
<b>Transportation</b>				
Crack Seal Coating Program (Miles)	17	21	24	18
Street Repair (Curbs, aprons, berms, asphalt) (hours)	4,754	2,966	4,585	5,680
Cold & Dura Patch (hours)	2,254	2,347	825	910
Tons of Asphalt	383	106	266	175
Tons of Limestone	410	434	200	75
Paint Striping (gallons of paint)	610	600	600	600
Leaf Collection (hours)	2,319	2,307	2,281	3,216
Tons of Salt	2,582	2,104	2,330	1,760
				(continued)

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

(2) Implementation of NWS in 2013

2011	2010	2009	2008	2007	2006
\$ 46,993,066	\$ 101,699,650	\$ 20,226,917	\$ 21,403,499	\$ 20,964,278	\$ 38,826,319
386	339	366	324	362	452
132	149	149	155	177	223
127	150	151	124	141	156
645	638	666	603	680	831
\$ 93,022	\$ 103,544	\$ 112,439	\$ 101,963	\$ 106,133	\$ 159,972
127	133	138	153	166	180
267	236	286	302	128	217
13	15	12	90	121	92
50	76	21	34	44	40
10	13	13	16	16	23
5,276	3,636	2,456	3,204	2,951	3,587
531	1,624	887	1,600	2,472	621
350	388	327	677	821	1,040
1,000	300	1,250	1,750	1,872	1,510
600	812	720	600	550	650
2,261	3,388	2,833	2,370	2,182	3,885
4,833	5,481	4,210	4,259	3,171	3,267

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# Dave Yost • Auditor of State

Members of 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, 2015 through December 31, 2015. 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 "Dave Yost".

Dave Yost  
Auditor of State

September 7, 2016

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# Dave Yost • Auditor of State

**CITY OF WADSWORTH**

**MEDINA COUNTY**

**CLERK'S CERTIFICATION**

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

*Susan Babbitt*

**CLERK OF THE BUREAU**

**CERTIFIED  
SEPTEMBER 20, 2016**

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