

**Comprehensive Annual Financial Report
For the year ended December 31, 2014
City of Wadsworth
Medina County, Ohio**

Introductory Section

CITY OF WADSWORTH

MEDINA COUNTY, OHIO

COMPREHENSIVE ANNUAL FINANCIAL REPORT

FOR THE YEAR ENDING DECEMBER 31, 2014

**PREPARED BY
AUDITOR CATHERINE FIX, CPA**

CITY OF WADSWORTH, OHIO

**COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE YEAR ENDED DECEMBER 31, 2014**

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August 21, 2015

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, 2014. It details the status of City finances to residents, elected officials, investment bankers, underwriters, rating agencies and all other interested parties. This report enables the City to comply with Ohio Administrative Code Section 117-2-03(B) which requires reporting on a Generally Accepted Accounting Principles (GAAP) basis and Ohio Revised Code (ORC) Section 117.38 which require cities reporting on a GAAP basis to file an unaudited annual report with the Auditor of State within 150 days of year end.

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

The Auditor of State of Ohio has issued an unmodified ("clean") opinion on the City of Wadsworth's financial statements for the year ended December 31, 2014. The Auditor of State of Ohio's Report is located at the front of the financial section of this report.

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

Background

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

Wadsworth became a statutory city on January 22, 1866. The statutory form of government allows for home rule but requires the municipality to abide by the laws which govern municipalities enacted by the State Legislature. The City operates under the Mayor/Council form of government. The citizens of Wadsworth elect a mayor,

auditor, law director, treasurer and eight members of council, including the president, three at-large council members and four ward council members. An appointed safety director and an appointed service director are responsible for various city departments. The City has considered all these departments for financial reporting purposes and the compilation of this CAFR.

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

The City provides many services to residents and businesses. These services include: police; fire; EMS; street maintenance; storm water management; water treatment and distribution; waste water collection and treatment; electric transmission and distribution; cable television (with community access); high speed internet access; 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

Lowe's located at the I-76 and S.R. 261 interchange. Our third interchange at I-76 and S.R. 57 has yet to be developed.

Significant business growth has occurred in the retail sector over the past years. Wadsworth's northern commercial area grew with the addition of Home Depot, Marie's Italian Restaurant, Wal-Mart, and two residential developments. National retail organizations, such as Bed Bath & Beyond, Kohl's, Lowe's, Office Max and Target opened in the City's newest retail development, Wadsworth Crossings, located East of town. During 2013, the City continued to experience some development, redevelopment and long range plans for future development. The continued expansion of the new World Headquarters of the Restored Church of God's is moving forward with new buildings in 2015 and 2016. Along the High Street Corridor, we had new businesses moving into the community throughout 2014 including the final redevelopment of a vacant K Mart building, with Peebles and Dunham Sports. The redevelopment of a vacant building was completed with three medical offices. We had a manufacturer build a new facility and move into the community providing additional job growth.

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, 2013. This was the sixth consecutive year that the City has achieved this prestigious award. In order to be awarded a Certificate of Achievement, a government unit must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe that our current comprehensive annual financial report continues to meet the Certificate of

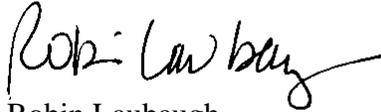
Achievement program's requirements and we are submitting it to the GFOA to determine its eligibility for another certificate.

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

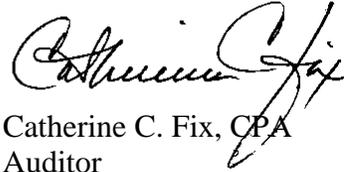
Acknowledgements

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

Respectfully submitted,



Robin Laubaugh
Mayor



Catherine C. Fix, CPA
Auditor

City of Wadsworth, Ohio
Principal Officials
December 31, 2014

Mayor Robin Laubaugh

President of Council.....Thomas Palecek

Councilman – Ward I..... Ralph Copley

Councilman – Ward II.....Robert Titus

Councilman – Ward III.....John Sharkey

Councilman – Ward IVBruce Darlington

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

Council-at-Large.....Robert Thurber

Council-at-LargeDave Williams

Clerk of CouncilTammy Guenther

Law Director.....Norman Brague

Auditor Catherine C. Fix

Assistant Auditor Lee-Ann S. Dunkle

TreasurerRobert Plank

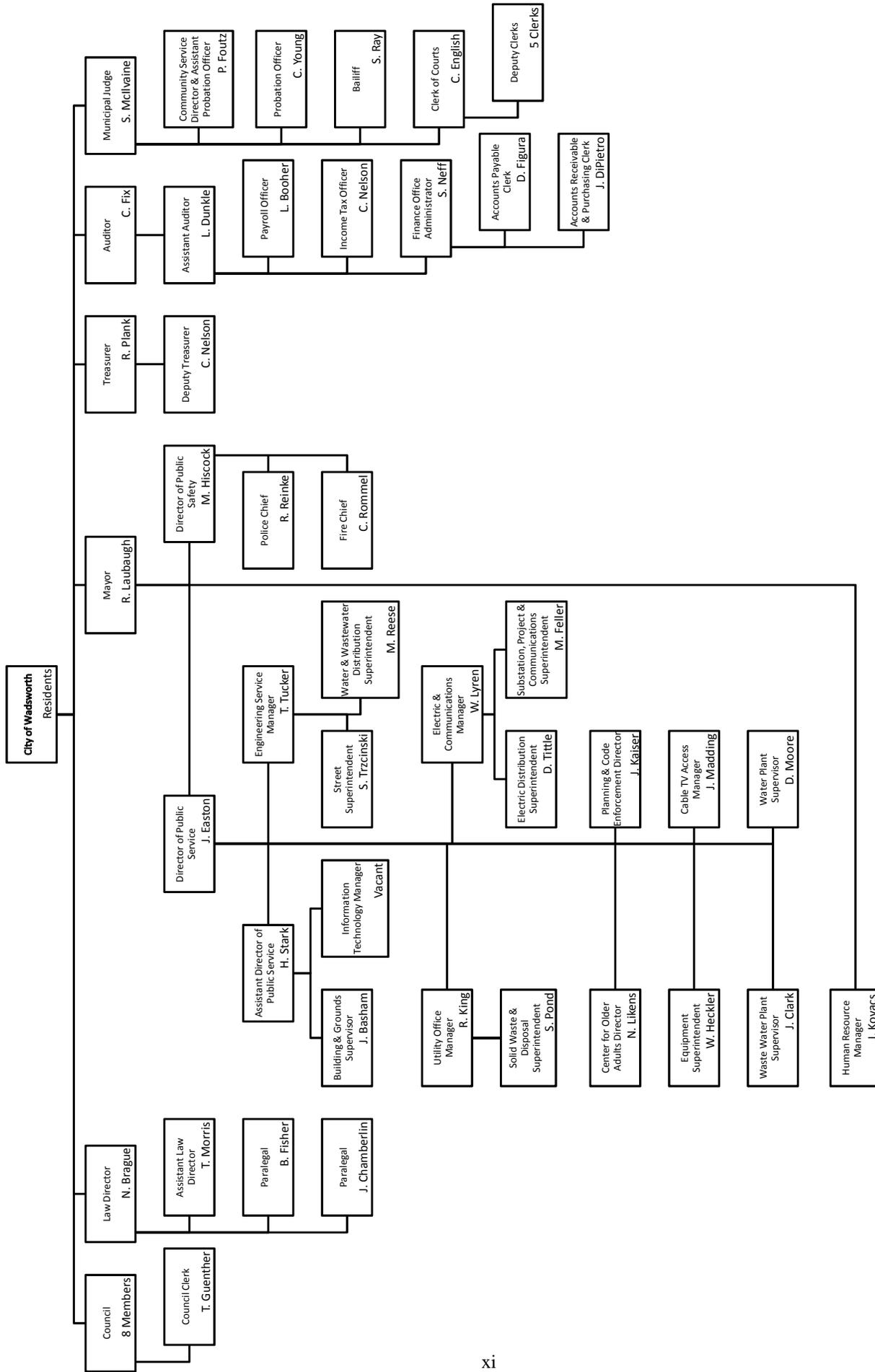
Safety DirectorMatthew Hiscock

Service Director.....Robert Patrick

Assistant Service Director Harry Stark

Human Resources Manager..... James Kovacs

Organizational Chart



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Government Finance Officers Association

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

Presented to

**City of Wadsworth
Ohio**

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

December 31, 2013

Executive Director/CEO

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Financial Section



Dave Yost • Auditor of State

INDEPENDENT AUDITOR'S REPORT

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

To the City Council:

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Wadsworth, Medina County, Ohio, (the City), as of and for the year ended December 31, 2014, 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, 2014, and the respective changes in financial position and, where applicable, cash flows thereof and the respective budgetary comparisons for the General Fund and Tax Increment Financing Fund thereof for the year then ended in accordance with the accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

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

Supplementary and Other Information

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

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

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

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated August 21, 2015, 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.

A handwritten signature in black ink that reads "Dave Yost". The signature is written in a cursive style with a large, looping initial "D".

Dave Yost
Auditor of State
Columbus, Ohio

August 21, 2015

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CITY OF WADSWORTH, OHIO

MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE YEAR ENDED DECEMBER 31, 2014 (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, 2014. 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 2014 are as follows:

- The total net position of the City increased \$7,409,375 in 2014. Net position of governmental activities increased \$3,861,812 or 7.64% from 2013 and net position of business-type activities increased \$3,547,563 or 4.65% from 2013.
- General revenues accounted for \$13,918,879 or 67.02% of total governmental activities revenue. Program specific revenues accounted for \$6,848,008 or 32.98% of total governmental activities revenue.
- The City had \$16,141,536 in expenses related to governmental activities; \$6,848,008 of these expenses was offset by program specific charges for services, grants or contributions. The remaining expenses of the governmental activities of \$9,293,528 were offset by general revenues (primarily incomes taxes, property and other local taxes and unrestricted grants and entitlements) of \$13,918,879.
- The City's major governmental funds are the general fund and the tax increment financing fund. The general fund had revenues and other financing sources of \$9,612,259 in 2014. The general fund had expenditures and other financing uses of \$9,981,855 in 2014. The net decrease in fund balance for the general fund was \$369,596 or 4.87%.
- The tax increment financing fund had revenues of \$2,283,144 in 2014. The tax increment financing fund had expenditures of \$3,047,300 and \$550,000 in transfers out in 2014. The net decrease in fund balance for the tax increment financing fund was \$1,314,156, primarily due to capital outlay expenditures related to the state route 94 widening and the transfer out for debt service on the water infrastructure located on Akron Road.
- 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 2014 by \$3,547,563. However, this increase in net position is 48% less than 2013's increase in net position. This is primarily due to the electric's special item booked in 2013.
- In the general fund, the actual revenues and other financing sources were \$39,411 less than they were in the final budget and actual expenditures and other financing uses were \$708,679 less than the amount in the final budget. Budgeted revenues decreased \$6,500 from original to the final budget and budgeted expenditures decreased \$3,854 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.

CITY OF WADSWORTH, OHIO

MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE YEAR ENDED DECEMBER 31, 2014 (UNAUDITED)

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

Reporting the City as a Whole

Statement of Net Position and the Statement of Activities

While this document contains a large number of funds used by the City to provide programs and activities, the view of the City as a whole looks at all financial transactions and asks the question, "How did we do financially during 2014?" The statement of net position and the statement of activities answer this question. These statements include all (non-fiduciary) assets, deferred outflows, liabilities, deferred inflows, revenues and expenses using the accrual basis of accounting similar to the accounting used by most private-sector companies. This basis of accounting will take into account all of the current year's revenues and expenses regardless of when cash is received or paid.

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

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

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

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

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

Reporting the City's Most Significant Funds

Fund Financial Statements

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

Fund financial reports provide detailed information about the City's major funds. The City uses many funds to account for a multitude of financial transactions. However, these fund financial statements focus on the City's most significant funds. The analysis of the City's major governmental and proprietary funds begins on page 13.

CITY OF WADSWORTH, OHIO

MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE YEAR ENDED DECEMBER 31, 2014 (UNAUDITED)

Governmental Funds

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

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

The City maintains a multitude of individual governmental funds. The City has segregated these funds into major funds and nonmajor funds. The City's major governmental funds are the general fund and the tax increment financing fund. Information for major funds is presented separately in the governmental fund balance sheet and in the governmental statement of revenues, expenditures, and changes in fund balances. Data from the other governmental funds are combined into a single, aggregated presentation. The basic governmental fund financial statements can be found on pages 22-29 of this report.

Proprietary Funds

The City maintains two different types of proprietary funds. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The City uses enterprise funds to account for its water, sewer, electric, 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 30-37 of this report.

Fiduciary Funds

Fiduciary funds are used to account for resources held for the benefit of parties outside the City. Fiduciary funds are not reflected in the government-wide financial statement because the resources of those funds are not available to support the City's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds. Agency funds are the City's only fiduciary fund type. The basic fiduciary fund financial statement can be found on page 38 of this report.

Notes to the Basic Financial Statements

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. These notes to the basic financial statements can be found on pages 39-88 of this report.

CITY OF WADSWORTH, OHIO

MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2014
(UNAUDITED)

Government-Wide Financial Analysis

The statement of net position provides the perspective of the City as a whole. The table below provides a summary of the City's net position for 2014 compared to 2013:

	Net Position					
	2014 Governmental Activities	2013 Governmental Activities	2014 Business-type Activities	2013 Business-type Activities	2014 Total	2013 Total
<u>Assets</u>						
Current and other assets	\$ 25,962,717	\$ 25,431,315	\$ 31,878,317	\$ 27,232,089	\$ 57,841,034	\$ 52,663,404
Capital assets, net	<u>52,071,743</u>	<u>48,679,268</u>	<u>91,719,330</u>	<u>91,916,146</u>	<u>143,791,073</u>	<u>140,595,414</u>
Total assets	<u>78,034,460</u>	<u>74,110,583</u>	<u>123,597,647</u>	<u>119,148,235</u>	<u>201,632,107</u>	<u>193,258,818</u>
<u>Liabilities</u>						
Long-term liabilities	2,122,519	19,835,389	6,514,804	40,077,291	8,637,323	59,912,680
Other liabilities	<u>18,771,896</u>	<u>1,025,007</u>	<u>37,298,337</u>	<u>2,834,001</u>	<u>56,070,233</u>	<u>3,859,008</u>
Total liabilities	<u>20,894,415</u>	<u>20,860,396</u>	<u>43,813,141</u>	<u>42,911,292</u>	<u>64,707,556</u>	<u>63,771,688</u>
Deferred inflows	<u>2,746,183</u>	<u>2,718,137</u>	-	-	<u>2,746,183</u>	<u>2,718,137</u>
<u>Net Position</u>						
Net investment in capital assets	34,082,257	30,975,468	60,936,466	63,409,337	95,018,723	94,384,805
Restricted	12,647,495	12,544,168	-	-	12,647,495	12,544,168
Unrestricted	<u>7,664,110</u>	<u>7,012,414</u>	<u>18,848,040</u>	<u>12,827,606</u>	<u>26,512,150</u>	<u>19,840,020</u>
Total net position	<u>\$ 54,393,862</u>	<u>\$ 50,532,050</u>	<u>\$ 79,784,506</u>	<u>\$ 76,236,943</u>	<u>\$ 134,178,368</u>	<u>\$ 126,768,993</u>

Over time, net position can serve as a useful indicator of a government's financial position. At December 31, 2014, the City's assets exceeded liabilities and deferred inflows by \$134,178,368. At year-end, net position was \$54,393,862 and \$79,784,506 for the governmental activities and the business-type activities, respectively.

CITY OF WADSWORTH, OHIO

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2014
(UNAUDITED)**

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 71.31% 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, 2014, was \$34,082,257 and \$60,936,466 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, 2014, the City is able to report positive balances in all three categories of net position, both for the government as a whole, as well as for its separate governmental and business-type activities.

A portion of the City's net position, \$12,647,495 represents resources that are subject to external restriction on how they may be used. In the governmental activities, the remaining balance of unrestricted net position of \$7,664,110 may be used to meet the City's ongoing obligations to citizens and creditors.

CITY OF WADSWORTH, OHIO

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2014
(UNAUDITED)**

The table below shows the changes in net position for years 2014 and 2013.

	Change in Net Position					
	2014	2013	2014	2013	2014	2013
	<u>Governmental</u>	<u>Governmental</u>	<u>Business-Type</u>	<u>Business-Type</u>	<u>Total</u>	<u>Total</u>
	<u>Activities</u>	<u>Activities</u>	<u>Activities</u>	<u>Activities</u>		
Revenues						
Program revenues:						
Charges for services and sales	\$ 3,334,223	\$ 3,374,650	\$ 46,661,305	\$ 45,701,318	\$ 49,995,528	\$ 49,075,968
Operating grants and contributions	3,325,211	1,539,678	-	-	3,325,211	1,539,678
Capital grants and contributions	<u>188,574</u>	<u>343,194</u>	<u>305,331</u>	<u>1,247,675</u>	<u>493,905</u>	<u>1,590,869</u>
Total program revenues	<u>6,848,008</u>	<u>5,257,522</u>	<u>46,966,636</u>	<u>46,948,993</u>	<u>53,814,644</u>	<u>52,206,515</u>
General revenues:						
Taxes	11,192,363	11,097,398	-	-	11,192,363	11,097,398
Payment in lieu of taxes	653,962	612,180	-	-	653,962	612,180
Unrestricted grants and entitlements	1,728,951	1,692,722	-	-	1,728,951	1,692,722
Investment earnings	212,384	174,447	2	2	212,386	174,449
Miscellaneous	<u>131,219</u>	<u>144,354</u>	<u>352,090</u>	<u>274,674</u>	<u>483,309</u>	<u>419,028</u>
Total general revenues	<u>13,918,879</u>	<u>13,721,101</u>	<u>352,092</u>	<u>274,676</u>	<u>14,270,971</u>	<u>13,995,777</u>
Total revenues	<u>20,766,887</u>	<u>18,978,623</u>	<u>47,318,728</u>	<u>47,223,669</u>	<u>68,085,615</u>	<u>66,202,292</u>
Expenses:						
General government	3,683,873	3,985,055	-	-	3,683,873	3,985,055
Security of persons and property	6,531,114	5,946,408	-	-	6,531,114	5,946,408
Public health	125,292	125,186	-	-	125,292	125,186
Transportation	3,192,863	2,893,421	-	-	3,192,863	2,893,421
Community and economic development	389,592	1,023,032	-	-	389,592	1,023,032
Leisure time services	1,467,632	1,609,321	-	-	1,467,632	1,609,321
Interest and fiscal charges	751,170	775,567	-	-	751,170	775,567
Telecom	-	-	4,565,953	4,574,954	4,565,953	4,574,954
Sewer	-	-	3,168,619	3,245,256	3,168,619	3,245,256
Water	-	-	3,387,965	3,227,991	3,387,965	3,227,991
Electric	-	-	30,297,757	27,789,052	30,297,757	27,789,052
Sanitation	-	-	2,293,352	2,221,316	2,293,352	2,221,316
Storm water	<u>-</u>	<u>-</u>	<u>821,058</u>	<u>904,253</u>	<u>821,058</u>	<u>904,253</u>
Total expenses	<u>16,141,536</u>	<u>16,357,990</u>	<u>44,534,704</u>	<u>41,962,822</u>	<u>60,676,240</u>	<u>58,320,812</u>
Special item - AMP-Ohio stranded cost	-	-	-	1,510,027	-	1,510,027
Transfers	<u>(763,539)</u>	<u>(62,596)</u>	<u>763,539</u>	<u>62,596</u>	<u>-</u>	<u>-</u>
Change in net position	3,861,812	2,558,037	3,547,563	6,833,470	7,409,375	9,391,507
Net position at beginning of year	<u>50,532,050</u>	<u>47,974,013</u>	<u>76,236,943</u>	<u>69,403,473</u>	<u>126,768,993</u>	<u>117,377,486</u>
Net position at end of year	<u>\$ 54,393,862</u>	<u>\$ 50,532,050</u>	<u>\$ 79,784,506</u>	<u>\$ 76,236,943</u>	<u>\$ 134,178,368</u>	<u>\$ 126,768,993</u>

CITY OF WADSWORTH, OHIO

MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE YEAR ENDED DECEMBER 31, 2014 (UNAUDITED)

Governmental Activities

Governmental activities net position increased \$3,861,812 in 2014.

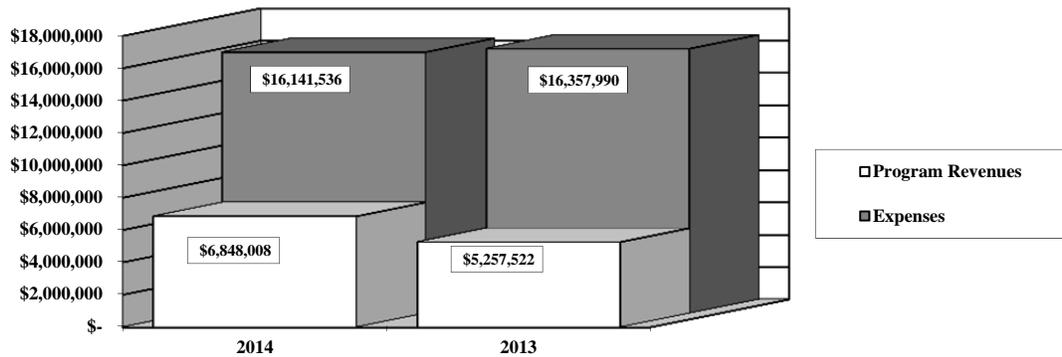
Security of persons and property, which primarily supports the operations of the police department accounted for \$6,531,114 of the total expenses of the City. These expenses were partially funded by \$1,368,456 in direct charges to users of the services and \$31,372 in operating grants and contributions. Transportation expenses totaled \$3,192,863. Transportation expenses were funded by \$344,096 in direct charges to users of the services and \$991,154 in operating grants and contributions.

The City received \$3,325,211 in operating grants and contributions, primarily from the State and Federal government.

General revenues totaled \$13,918,879, and amounted to 67.02% of total governmental revenues. These revenues primarily consist of income, property and other local tax revenue of \$11,192,363. The other primary source of general revenues is grants and entitlements not restricted to specific programs, including local government funds, making up \$1,728,951.

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

Governmental Activities - Program Revenues vs. Total Expenses



CITY OF WADSWORTH, OHIO

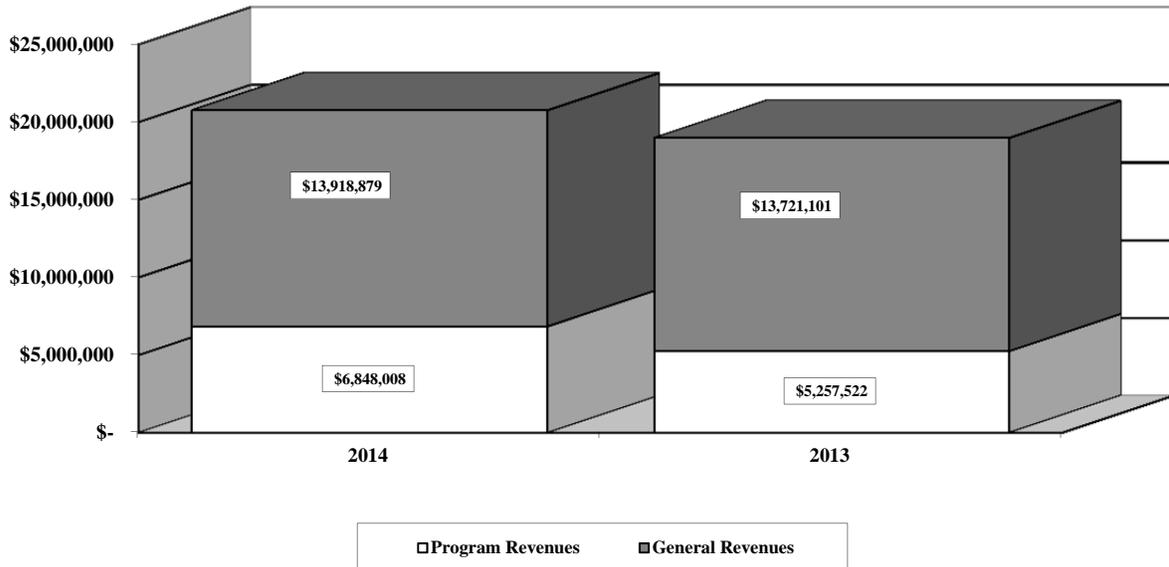
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2014
(UNAUDITED)

Governmental Activities

	Total Cost of Services <u>2014</u>	Total Cost of Services <u>2013</u>	Net Cost of Services <u>2014</u>	Net Cost of Services <u>2013</u>
Program Expenses:				
General government	\$ 3,683,873	\$ 3,985,055	\$ 2,945,239	\$ 3,137,120
Security of persons and property	6,531,114	5,946,408	5,131,286	4,632,660
Public health and welfare	125,292	125,186	113,456	81,589
Transportation	3,192,863	2,893,421	1,857,613	1,793,197
Leisure time services	1,467,632	1,609,321	369,446	358,676
Community and economic development	389,592	1,023,032	(1,874,682)	321,659
Interest and fiscal charges	<u>751,170</u>	<u>775,567</u>	<u>751,170</u>	<u>775,567</u>
 Total Expenses	 <u>\$ 16,141,536</u>	 <u>\$ 16,357,990</u>	 <u>\$ 9,293,528</u>	 <u>\$ 11,100,468</u>

The dependence upon general revenues for governmental activities is apparent, with 57.57% of expenses supported through taxes and other general revenues.

Governmental Activities - General and Program Revenues

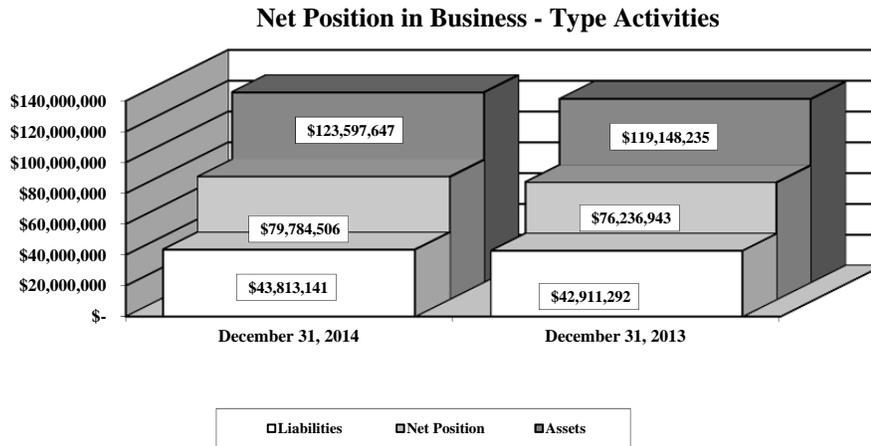


CITY OF WADSWORTH, OHIO

MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2014
(UNAUDITED)

Business-type Activities

Business-type activities include the storm water, telecom, sewer, water, electric and sanitation enterprise funds. These programs had program revenues of \$46,966,636, general revenues of \$352,092, transfers of \$763,539 and expenses of \$44,534,704 for 2014. The graph below shows the business-type activities assets, liabilities and net position at year-end 2014 and 2013.



Financial Analysis of the Government's Funds

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

Governmental Funds

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

The City's governmental funds (as presented on the balance sheet on page 22) reported a combined fund balance of \$17,441,277 which is \$1,106,530 below last year's total of \$18,547,807. The schedule below indicates the fund balances and the total change in fund balances as of December 31, 2014 for all major and nonmajor governmental funds.

	Fund Balances (deficit) <u>12/31/14</u>	Fund Balances (deficit) <u>12/31/13</u>	Increase (Decrease)
General	\$ 7,225,304	\$ 7,594,900	\$ (369,596)
Tax increment financing	(901,617)	412,539	(1,314,156)
Other nonmajor governmental funds	<u>11,117,590</u>	<u>10,540,368</u>	<u>577,222</u>
Total	<u>\$ 17,441,277</u>	<u>\$ 18,547,807</u>	<u>\$ (1,106,530)</u>

CITY OF WADSWORTH, OHIO

MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2014
(UNAUDITED)

General Fund

The City's general fund balance decreased \$369,596. The table that follows assists in illustrating the revenues of the general fund.

	<u>2014</u>	<u>2013</u>	<u>Percentage</u>
	<u>Amount</u>	<u>Amount</u>	<u>Change</u>
<u>Revenues</u>			
Taxes	\$ 6,507,858	\$ 4,718,649	37.92 %
Charges for services	255,962	323,177	(20.80) %
Licenses and permits	418,013	403,105	3.70 %
Fines and forfeitures	459,073	463,567	(0.97) %
Investment income	212,384	174,447	21.75 %
Intergovernmental	1,535,751	1,758,356	(12.66) %
Other	<u>165,549</u>	<u>178,168</u>	(7.08) %
 Total	 <u>\$ 9,554,590</u>	 <u>\$ 8,019,469</u>	 19.14 %

Tax revenue represents 68.11% of all general fund revenue. Tax revenue in the general fund increased by 37.92% from prior year due to a reduction in the amount of income tax revenue posted to other funds. In 2013, \$1,489,750 in income tax revenue was posted to the recreation fund for a one-time construction of an outdoor pool.

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

	<u>2014</u>	<u>2013</u>	<u>Percentage</u>
	<u>Amount</u>	<u>Amount</u>	<u>Change</u>
<u>Expenditures</u>			
General government	\$ 3,473,452	\$ 3,694,101	(5.97) %
Security of persons and property	4,683,917	4,789,786	(2.21) %
Public health	120,002	121,604	(1.32) %
Community and economic development	256,810	254,106	1.06 %
Leisure time services	1,287,407	1,189,455	8.24 %
Transportation	229	-	100.00 %
Capital outlay	48,594	6,990	595.19 %
Debt service	<u>5,549</u>	<u>6,679</u>	(16.92) %
 Total	 <u>\$ 9,875,960</u>	 <u>\$ 10,062,721</u>	 (1.86) %

Capital outlay increased due to the purchase of police cruiser cameras and a vehicle for the parks department. Total expenditures decreased 1.86% from 2013.

CITY OF WADSWORTH, OHIO

MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE YEAR ENDED DECEMBER 31, 2014 (UNAUDITED)

Tax Increment Financing Fund

The tax increment financing fund had revenues of \$2,283,144 in 2014. The tax increment financing fund had expenditures and other financing uses of \$3,597,300 in 2014. The net decrease in fund balance for the tax increment financing fund was \$1,314,156, primarily due to capital outlay expenditures related to the widening of state route 94 and the transfer out to the water fund to pay debt service on the water infrastructure located along Akron Road. The tax increment financing fund has a \$742,767 liability for interfund loans payable. This liability is for internal notes issued for the engineering of the high street widening and the construction of the Akron Road waterline.

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 \$3,854 from the original budgeted expenditures to the final budgeted expenditures. The City's general fund actual expenditures were \$708,679 less than the final appropriations.

Proprietary Funds

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

The storm water fund had operating revenues of \$842,103 and operating expenses of \$787,280 in 2014. The storm water fund also had non-operating expense of \$242,767, transfers in of \$43,534, transfers out of \$68,431 and capital contributions of \$429,465. The net increase in net position for the storm water fund was \$216,624 or 1.67%.

The telecom fund had operating revenues of \$4,607,504 and operating expenses of \$4,569,231 in 2014. The telecom fund also had net non-operating expenses of \$3,208 and transfers in of \$2,119. The net increase in net position for the telecom fund was \$37,184 or 2.40%.

The sewer fund had operating revenues of \$4,039,018 and operating expenses of \$2,593,717 in 2014. The sewer fund also had non-operating expenses of \$570,687, transfers in of \$26,901, transfers out of \$43,534 and capital contributions of \$151,933. The net increase in net position for the sewer fund was \$1,009,914 or 7.81%.

The water fund had operating revenues of \$3,745,584 and operating expenses of \$2,853,414 in 2014. The water fund also had non-operating expenses of \$530,613, transfers in of \$608,484, and capital contributions of \$80,854. The net increase in net position for the water fund was \$1,050,895 or 6.85%.

The electric fund had operating revenues of \$31,388,892 and operating expenses of \$29,498,371 in 2014. The electric fund also had non-operating expenses of \$796,951. The electric fund also transfers in of \$42,382. The net increase in net position for the electric fund was \$1,135,952 or 3.61%.

The sanitation fund had operating revenues of \$2,384,980 and operating expenses of \$2,288,672 in 2014. The sanitation fund also had non-operating revenues of \$5,316, transfers in of \$5,298 and non-operating expenses of \$3,594. The net increase in net position for the sanitation fund was \$103,328 or 8.01%.

CITY OF WADSWORTH, OHIO

MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2014
(UNAUDITED)

Capital Assets and Debt Administration

Capital Assets

At the end of 2014, the City had \$143,791,073 (net of accumulated depreciation) invested in land, construction in progress, right to use the community center, land improvements, buildings, equipment, vehicles, intangible assets and infrastructure. Of this total, \$52,071,743 was reported in governmental activities and \$91,719,330 was reported in business-type activities.

The following table shows 2014 capital asset balances compared to 2013:

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

	<u>Governmental Activities</u>		<u>Business-Type Activities</u>		<u>Total</u>	
	<u>2014</u>	<u>2013</u>	<u>2014</u>	<u>2013</u>	<u>2014</u>	<u>2013</u>
Land	\$ 8,157,829	\$ 5,872,840	\$ 985,797	\$ 985,797	\$ 9,143,626	\$ 6,858,637
Construction in progress	1,785,001	4,093,815	272,648	3,439,307	2,057,649	7,533,122
Right to use CC	17,275,229	17,558,400	-	-	17,275,229	17,558,400
Intangible assets	-	-	715,304	-	715,304	-
Land improvements	983,135	727,111	8,847	9,340	991,982	736,451
Buildings	6,565,359	3,975,811	14,416,008	14,823,902	20,981,367	18,799,713
Equipment	1,117,698	992,204	8,171,008	8,559,160	9,288,706	9,551,364
Vehicles	1,877,325	1,881,477	2,208,062	1,917,167	4,085,387	3,798,644
Infrastructure	<u>14,310,167</u>	<u>13,577,610</u>	<u>64,941,656</u>	<u>62,181,473</u>	<u>79,251,823</u>	<u>75,759,083</u>
Totals	<u>\$ 52,071,743</u>	<u>\$ 48,679,268</u>	<u>\$ 91,719,330</u>	<u>\$ 91,916,146</u>	<u>\$ 143,791,073</u>	<u>\$ 140,595,414</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 55.12% 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, 2014
(UNAUDITED)

Debt Administration

The City had the following long-term obligations outstanding at December 31, 2014 and 2013:

	Governmental Activities	
	2014	2013
General obligation bonds	\$ -	\$ 215,000
Revenue bonds	16,985,000	17,435,000
Police and fire past service costs	84,686	87,244
Total long-term obligations	\$ 17,069,686	\$ 17,737,244
	Business-type Activities	
	2014	2013
General obligation bonds	\$ 10,060,000	\$ 10,590,000
OWDA loans	16,549,937	17,565,266
AMP stranded costs	5,036,864	5,604,614
AMP Loan	4,342,689	4,961,992
Total long-term obligations	\$ 35,989,490	\$ 38,721,872

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 2014.

In 2014, the City continued to control costs as in previous years. Department requests were reduced from original submission; certain requested capital projects and capital acquisitions were eliminated or reduced; and only those items that management and City Council determined necessary were appropriated. City Council continues to pursue new revenue sources, while reviewing the possibility of increasing existing sources, in addition to a continued review of reducing expenditures. City Council seeks out ways to attract new business to Wadsworth and are currently expanding a successful industrial park and enhancing utility services. A close watch of current economic conditions is ongoing to determine if increased revenues, or further reductions in expenditures, are necessary in order to maintain fiscal stability.

Contacting the City's Financial Management

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

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**CITY OF WADSWORTH
MEDINA COUNTY, OHIO**

STATEMENT OF NET POSITION
DECEMBER 31, 2014

	Governmental Activities	Business-type Activities	Total
Assets:			
Equity in pooled cash and cash equivalents . . .	\$ 10,702,020	\$ 24,493,029	\$ 35,195,049
Cash with fiscal and escrow agents.	-	1,472	1,472
Cash in segregated accounts.	6,411	-	6,411
Receivables:			
Income taxes.	2,545,530	-	2,545,530
Real and other taxes	2,153,746	-	2,153,746
Accounts.	605,444	6,590,942	7,196,386
Payments in lieu of taxes.	636,116	-	636,116
Special assessments	63,941	31,106	95,047
Accrued interest	1,513	-	1,513
Due from other governments.	1,327,703	105,474	1,433,177
Materials and supplies inventory.	641,418	3,325,098	3,966,516
Prepayments	117,297	285,292	402,589
AMPGS plant held for future use credit	-	1,392,925	1,392,925
AFEC development costs receivable.	-	1,179,814	1,179,814
Investment in joint venture	-	1,634,743	1,634,743
Internal balance	7,161,578	(7,161,578)	-
Capital assets:			
Land and construction in progress.	9,942,830	1,258,445	11,201,275
Depreciable capital assets, net.	42,128,913	90,460,885	132,589,798
Total capital assets, net.	52,071,743	91,719,330	143,791,073
Total assets	<u>78,034,460</u>	<u>123,597,647</u>	<u>201,632,107</u>
Liabilities:			
Accounts payable.	380,348	2,059,096	2,439,444
Contracts payable.	83,702	472,906	556,608
Accrued wages and benefits payable.	102,798	143,084	245,882
Due to other governments	166,100	144,929	311,029
Accrued interest payable	58,697	38,317	97,014
Matured interest payable	128	1,472	1,600
Notes payable.	1,095,000	3,655,000	4,750,000
Claims payable.	235,746	-	235,746
Long-term liabilities:			
Due within one year	864,899	3,060,528	3,925,427
Due in more than one year.	17,906,997	34,237,809	52,144,806
Total liabilities	<u>20,894,415</u>	<u>43,813,141</u>	<u>64,707,556</u>
Deferred inflows of resources:			
Property taxes levied for the next fiscal year. . .	2,110,067	-	2,110,067
Payments in lieu of taxes levied for the next fiscal year .	636,116	-	636,116
Total deferred inflows of resources	<u>2,746,183</u>	<u>-</u>	<u>2,746,183</u>
Net position:			
Net investment in capital assets.	34,082,257	60,936,466	95,018,723
Restricted for:			
Debt service	1,052	-	1,052
Capital projects	7,399,204	-	7,399,204
Transportation projects	1,395,250	-	1,395,250
Community improvements.	453,663	-	453,663
Emergency medical services.	2,190,437	-	2,190,437
Fire.	21,367	-	21,367
Police.	258,412	-	258,412
Municipal court.	928,110	-	928,110
Unrestricted.	7,664,110	18,848,040	26,512,150
Total net position	<u>\$ 54,393,862</u>	<u>\$ 79,784,506</u>	<u>\$ 134,178,368</u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**CITY OF WADSWORTH
MEDINA COUNTY, OHIO**

STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2014

	<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>
Governmental activities:				
General government.	\$ 3,683,873	\$ 545,039	\$ 5,021	\$ 188,574
Security of persons and property	6,531,114	1,368,456	31,372	-
Public health.	125,292	6,703	5,133	-
Transportation.	3,192,863	344,096	991,154	-
Leisure time services.	1,467,632	1,047,403	50,783	-
Community and economic development.	389,592	22,526	2,241,748	-
Interest and fiscal charges.	751,170	-	-	-
Total governmental activities	<u>16,141,536</u>	<u>3,334,223</u>	<u>3,325,211</u>	<u>188,574</u>
Business-type activities:				
Telecom.	4,565,953	4,606,769	-	-
Sewer.	3,168,619	4,038,723	-	-
Water.	3,387,965	3,580,692	-	-
Electric.	30,297,757	31,212,822	-	-
Sanitation	2,293,352	2,380,196	-	-
Storm Water	821,058	842,103	-	305,331
Total business-type activities	<u>44,534,704</u>	<u>46,661,305</u>	<u>-</u>	<u>305,331</u>
Total primary government.	<u>\$ 60,676,240</u>	<u>\$ 49,995,528</u>	<u>\$ 3,325,211</u>	<u>\$ 493,905</u>

General revenues:

Property taxes levied for:	
General purposes	
Capital projects.	
Emergency medical services.	
Income taxes.	
Payments in lieu of taxes	
Grants and entitlements not restricted to specific programs	
Investment earnings	
Miscellaneous	
Total general revenues	
Transfers	
Total general revenues and transfers.	
Change in net position	
Net position at beginning of year.	
Net position at end of year.	

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

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

Governmental Activities	Business-type Activities	Total
\$ (2,945,239)	\$ -	\$ (2,945,239)
(5,131,286)	-	(5,131,286)
(113,456)	-	(113,456)
(1,857,613)	-	(1,857,613)
(369,446)	-	(369,446)
1,874,682	-	1,874,682
(751,170)	-	(751,170)
<u>(9,293,528)</u>	<u>-</u>	<u>(9,293,528)</u>
-	40,816	40,816
-	870,104	870,104
-	192,727	192,727
-	915,065	915,065
-	86,844	86,844
-	326,376	326,376
-	<u>2,431,932</u>	<u>2,431,932</u>
<u>(9,293,528)</u>	<u>2,431,932</u>	<u>(6,861,596)</u>
950,531	-	950,531
449,916	-	449,916
1,130,356	-	1,130,356
8,661,560	-	8,661,560
653,962	-	653,962
1,728,951	-	1,728,951
212,384	2	212,386
131,219	352,090	483,309
<u>13,918,879</u>	<u>352,092</u>	<u>14,270,971</u>
<u>(763,539)</u>	<u>763,539</u>	<u>-</u>
<u>13,155,340</u>	<u>1,115,631</u>	<u>14,270,971</u>
3,861,812	3,547,563	7,409,375
50,532,050	76,236,943	126,768,993
<u>\$ 54,393,862</u>	<u>\$ 79,784,506</u>	<u>\$ 134,178,368</u>

**CITY OF WADSWORTH
MEDINA COUNTY, OHIO**

BALANCE SHEET
GOVERNMENTAL FUNDS
DECEMBER 31, 2014

	General	Tax Increment Financing	Other Governmental Funds	Total Governmental Funds
Assets:				
Equity in pooled cash and cash equivalents . . .	\$ 4,362,616	\$ 937,374	\$ 3,743,286	\$ 9,043,276
Cash in segregated accounts	6,411	-	-	6,411
Receivables:				
Income taxes	2,545,530	-	-	2,545,530
Real and other taxes	925,808	-	1,227,938	2,153,746
Accounts	88,676	-	516,768	605,444
Payments in lieu of taxes	-	636,116	-	636,116
Special assessments	2,500	-	61,441	63,941
Interfund loans	1,480,435	-	9,553,727	11,034,162
Accrued interest	1,513	-	-	1,513
Due from other governments	282,657	498,910	546,136	1,327,703
Materials and supplies inventory	154,215	-	241,901	396,116
Prepayments	53,817	-	13,569	67,386
Total assets	<u>\$ 9,904,178</u>	<u>\$ 2,072,400</u>	<u>\$ 15,904,766</u>	<u>\$ 27,881,344</u>
Liabilities:				
Accounts payable	\$ 226,559	\$ 661	\$ 79,337	\$ 306,557
Contracts payable	-	-	83,702	83,702
Accrued wages and benefits payable	5,957	-	77,707	83,664
Compensated absences payable	25,313	-	42,159	67,472
Interfund loans payable	24,030	742,767	2,435,012	3,201,809
Due to other governments	89,552	-	45,269	134,821
Matured interest payable	-	-	128	128
Accrued interest payable	-	563	-	563
Bond anticipation notes payable	-	1,095,000	-	1,095,000
Total liabilities	<u>371,411</u>	<u>1,838,991</u>	<u>2,763,314</u>	<u>4,973,716</u>
Deferred inflows of resources:				
Property taxes levied for the next fiscal year . . .	907,083	-	1,202,984	2,110,067
Delinquent property tax revenue not available . .	18,725	-	24,954	43,679
Special assessments revenue not available	2,500	-	61,441	63,941
Miscellaneous revenue not available	59,278	-	350,028	409,306
Income tax revenue not available	1,097,517	-	-	1,097,517
Intergovernmental revenue not available	222,360	498,910	384,455	1,105,725
Payments in lieu of taxes levied for the next fiscal year	-	636,116	-	636,116
Total deferred inflows of resources	<u>2,307,463</u>	<u>1,135,026</u>	<u>2,023,862</u>	<u>5,466,351</u>
Fund balances:				
Nonspendable	1,688,467	-	255,470	1,943,937
Restricted	-	-	11,769,497	11,769,497
Committed	128,232	-	211,731	339,963
Assigned	713,106	-	-	713,106
Unassigned (deficit)	<u>4,695,499</u>	<u>(901,617)</u>	<u>(1,119,108)</u>	<u>2,674,774</u>
Total fund balances (deficit)	<u>7,225,304</u>	<u>(901,617)</u>	<u>11,117,590</u>	<u>17,441,277</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 9,904,178</u>	<u>\$ 2,072,400</u>	<u>\$ 15,904,766</u>	<u>\$ 27,881,344</u>

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, 2014

Total governmental fund balances	\$	17,441,277
<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.		51,823,160
Other long-term assets are not available to pay for current-period expenditures and therefore are deferred inflows in the funds.		
Income taxes receivable	\$ 1,097,517	
Real and other taxes receivable	43,679	
Accounts receivable	409,306	
Intergovernmental receivable	1,105,725	
Special assessments receivable	63,941	
Total	2,720,168	2,720,168
An internal service fund is used by management to charge the costs of insurance to individual funds. The assets and liabilities of the internal service fund are included in governmental activities on the statement of net position.		1,086,732
Accrued interest payable is not due and payable in the current period and therefore is not reported in the funds.		(58,134)
Unamortized premiums (discounts) on bond issuances are not recognized in the funds.		92,043
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	(1,641,698)	
Police past service costs	(84,686)	
Revenue bonds payable	(16,985,000)	
Total	(18,711,384)	(18,711,384)
Net position of governmental activities	\$	<u>54,393,862</u>

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, 2014

	General	Tax Increment Financing	Other Governmental Funds	Total Governmental Funds
Revenues:				
Income taxes	\$ 5,551,319	\$ -	\$ 3,062,477	\$ 8,613,796
Real and other taxes.	956,539	-	1,588,492	2,545,031
Charges for services.	255,962	-	1,824,243	2,080,205
Licenses and permits	418,013	-	28,000	446,013
Fines and forfeitures	459,073	-	178,237	637,310
Intergovernmental.	1,535,751	1,629,022	1,299,125	4,463,898
Special assessments	8,378	-	77,828	86,206
Investment income.	212,384	160	150	212,694
Rental income	25,952	-	46,567	72,519
Contributions and donations.	2,592	-	53,850	56,442
Refunds and reimbursements	123,039	-	-	123,039
Payments in lieu of taxes.	-	653,962	-	653,962
Other	5,588	-	203,796	209,384
Total revenues	<u>9,554,590</u>	<u>2,283,144</u>	<u>8,362,765</u>	<u>20,200,499</u>
Expenditures:				
Current:				
General government	3,473,452	-	301,921	3,775,373
Security of persons and property	4,683,917	-	1,699,099	6,383,016
Public health.	120,002	-	5,313	125,315
Transportation	229	1,985	2,662,677	2,664,891
Leisure time services	1,287,407	-	44,528	1,331,935
Community and economic development.	256,810	9,299	123,991	390,100
Capital outlay	48,594	3,030,110	1,575,584	4,654,288
Debt service:				
Principal retirement.	2,558	-	665,000	667,558
Interest and fiscal charges	2,991	5,906	743,167	752,064
Total expenditures	<u>9,875,960</u>	<u>3,047,300</u>	<u>7,821,280</u>	<u>20,744,540</u>
Excess (deficiency) of revenues over (under) expenditures.	<u>(321,370)</u>	<u>(764,156)</u>	<u>541,485</u>	<u>(544,041)</u>
Other financing sources (uses):				
Sale of capital assets.	54,264	-	-	54,264
Transfers in	3,405	-	117,691	121,096
Transfers (out).	<u>(105,895)</u>	<u>(550,000)</u>	<u>(81,954)</u>	<u>(737,849)</u>
Total other financing sources (uses)	<u>(48,226)</u>	<u>(550,000)</u>	<u>35,737</u>	<u>(562,489)</u>
Net change in fund balances	(369,596)	(1,314,156)	577,222	(1,106,530)
Fund balances at beginning of year.	<u>7,594,900</u>	<u>412,539</u>	<u>10,540,368</u>	<u>18,547,807</u>
Fund balances (deficit) at end of year	<u>\$ 7,225,304</u>	<u>\$ (901,617)</u>	<u>\$ 11,117,590</u>	<u>\$ 17,441,277</u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**CITY OF WADSWORTH
MEDINA COUNTY, OHIO**

RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2014

Net change in fund balances - total governmental funds	\$	(1,106,530)
<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	\$ 5,081,997	
Current year depreciation	<u>(1,528,670)</u>	
Total		3,553,327
The net effect of various miscellaneous transactions involving capital assets (i.e., sales, disposals, trade-ins, and donations) is to decrease net position.		
		(121,578)
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.		
Income taxes	47,764	
Real and other taxes	(14,228)	
Intergovernmental revenues	499,869	
Special assessments	(54,660)	
Charges for services	<u>87,643</u>	
Total		566,388
Repayment of bond principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities on the statement of net position.		
		667,558
In the statement of activities, interest is accrued on outstanding bonds and loans, whereas in governmental funds, an interest expenditure is reported when due.		
Increase in accrued interest payable	1,292	
Amortization of bond premiums and discounts	<u>(398)</u>	
Total		894
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.		
		337,292
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>(35,539)</u>
Change in net position of governmental activities	\$	<u><u>3,861,812</u></u>

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, 2014

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Income taxes	\$ 4,662,775	\$ 4,659,200	\$ 4,600,000	\$ (59,200)
Real and other taxes	969,593	968,849	956,539	(12,310)
Charges for services	245,528	245,341	242,223	(3,118)
Licenses and permits	124,305	124,210	122,632	(1,578)
Fines and forfeitures	457,032	456,682	450,879	(5,803)
Intergovernmental	1,570,882	1,569,678	1,532,752	(36,926)
Special assessments	8,492	8,486	8,378	(108)
Investment income	216,364	216,198	213,451	(2,747)
Rental income	26,783	26,762	26,422	(340)
Contributions and donations	2,627	2,625	2,592	(33)
Refunds and Reimbursements	135,636	135,532	133,810	(1,722)
Other	3,870	3,867	3,818	(49)
Total Revenues	<u>8,423,887</u>	<u>8,417,430</u>	<u>8,293,496</u>	<u>(123,934)</u>
Expenditures:				
<i>Current:</i>				
General Government				
Council				
Personal services	81,080	83,880	81,202	2,678
Other	18,911	19,586	14,227	5,359
Total - council	<u>99,991</u>	<u>103,466</u>	<u>95,429</u>	<u>8,037</u>
Mayor				
Personal services	273,654	272,429	219,209	53,220
Other	213,366	211,333	68,294	143,039
Total - mayor	<u>487,020</u>	<u>483,762</u>	<u>287,503</u>	<u>196,259</u>
Auditor				
Personal services	240,306	273,094	263,082	10,012
Other	1,013,594	976,271	849,655	126,616
Total - auditor	<u>1,253,900</u>	<u>1,249,365</u>	<u>1,112,737</u>	<u>136,628</u>
Treasurer				
Personal services	22,482	23,482	23,407	75
Other	19,997	19,800	16,913	2,887
Total - treasurer	<u>42,479</u>	<u>43,282</u>	<u>40,320</u>	<u>2,962</u>
Law Director				
Personal services	179,629	181,782	180,831	951
Other	11,139	8,371	6,121	2,250
Total - law director	<u>190,768</u>	<u>190,153</u>	<u>186,952</u>	<u>3,201</u>
Service Director				
Personal services	773,732	780,781	759,646	21,135
Other	245,380	234,608	115,223	119,385
Total - service director	<u>1,019,112</u>	<u>1,015,389</u>	<u>874,869</u>	<u>140,520</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, 2014

	<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	526,569	560,938	527,594	33,344
Other	72,124	71,661	42,880	28,781
Total - municipal court	<u>598,693</u>	<u>632,599</u>	<u>570,474</u>	<u>62,125</u>
Total General Government	<u>3,691,963</u>	<u>3,718,016</u>	<u>3,168,284</u>	<u>549,732</u>
Security of Persons & Property				
Security of Persons & Property				
Personal services	4,399,019	4,399,019	4,178,547	220,472
Other	828,318	803,312	583,089	220,223
Total - security of persons & property	<u>5,227,337</u>	<u>5,202,331</u>	<u>4,761,636</u>	<u>440,695</u>
Total Security of Persons & Property	<u>5,227,337</u>	<u>5,202,331</u>	<u>4,761,636</u>	<u>440,695</u>
Public Health				
Service Director				
Other	129,465	128,607	122,377	6,230
Total - public health & welfare	<u>129,465</u>	<u>128,607</u>	<u>122,377</u>	<u>6,230</u>
Total Public Health	<u>129,465</u>	<u>128,607</u>	<u>122,377</u>	<u>6,230</u>
Leisure Time Services				
Service Director				
Personal services	753,742	755,842	748,665	7,177
Other	302,620	296,878	250,863	46,015
Total - service director	<u>1,056,362</u>	<u>1,052,720</u>	<u>999,528</u>	<u>53,192</u>
Total Leisure Time Services	<u>1,056,362</u>	<u>1,052,720</u>	<u>999,528</u>	<u>53,192</u>
Community and Economic Development				
Service Director				
Personal services	233,203	232,845	230,695	2,150
Other	59,327	59,284	33,361	25,923
Total - service director	<u>292,530</u>	<u>292,129</u>	<u>264,056</u>	<u>28,073</u>
Total Community and Economic Development	<u>292,530</u>	<u>292,129</u>	<u>264,056</u>	<u>28,073</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, 2014

	<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	-	-	5,173	(5,173)
Interest and fiscal charges	-	-	3,775	(3,775)
Total - debt service	-	-	8,948	(8,948)
 Total Expenditures	 <u>10,397,657</u>	 <u>10,393,803</u>	 <u>9,324,829</u>	 <u>1,068,974</u>
 Excess (deficiency) of revenues over (under) expenditures	 <u>(1,973,770)</u>	 <u>(1,976,373)</u>	 <u>(1,031,333)</u>	 <u>945,040</u>
Other financing sources (uses):				
Transfers in	-	-	3,405	3,405
Transfers out	-	-	(102,295)	(102,295)
Advances in	-	-	81,816	81,816
Advances out	-	-	(258,000)	(258,000)
Sale of assets	55,005	54,962	54,264	(698)
Total Other Financing Sources (Uses)	<u>55,005</u>	<u>54,962</u>	<u>(220,810)</u>	<u>(275,772)</u>
 Net change in fund balances	 (1,918,765)	 (1,921,411)	 (1,252,143)	 669,268
 Fund Balances at Beginning of Year	 4,825,957	 4,825,957	 4,825,957	 -
Prior year encumbrances appropriated	<u>237,989</u>	<u>237,989</u>	<u>237,989</u>	<u>-</u>
Fund balance at end of year	<u>\$ 3,145,181</u>	<u>\$ 3,142,535</u>	<u>\$ 3,811,803</u>	<u>\$ 669,268</u>

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)
TAX INCREMENT FINANCING FUND
FOR THE YEAR ENDED DECEMBER 31, 2014

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Payments in lieu of taxes	\$ 800,971	\$ 800,971	\$ 653,962	\$ (147,009)
Intergovernmental	2,700,000	2,700,000	1,629,022	(1,070,978)
Investment income	-	-	160	160
Other	280,000	280,000	8,672	(271,328)
Total revenues	<u>3,780,971</u>	<u>3,780,971</u>	<u>2,291,816</u>	<u>(1,489,155)</u>
Expenditures:				
Community and economic development				
Contractual services	895,845	895,845	9,299	886,546
Total community and economic development	<u>895,845</u>	<u>895,845</u>	<u>9,299</u>	<u>886,546</u>
Transportation				
Contractual services	1,614	1,324	1,324	-
Capital outlay	3,485,000	3,871,790	3,871,790	-
Total transportation	<u>3,486,614</u>	<u>3,873,114</u>	<u>3,873,114</u>	<u>-</u>
Debt service:				
Principal retirement	435,000	435,000	435,000	-
Interest and fiscal charges	4,350	14,042	14,042	-
Total debt service	<u>439,350</u>	<u>449,042</u>	<u>449,042</u>	<u>-</u>
Total expenditures	<u>4,821,809</u>	<u>5,218,001</u>	<u>4,331,455</u>	<u>886,546</u>
Excess (deficiency) of expenditures over (under) revenues	<u>(1,040,838)</u>	<u>(1,437,030)</u>	<u>(2,039,639)</u>	<u>(602,609)</u>
Other financing sources (uses):				
Advance in	-	-	169,000	169,000
Note proceeds	950,250	950,250	1,508,250	558,000
Transfers out	-	-	(550,000)	(550,000)
Total other financing sources (uses)	<u>950,250</u>	<u>950,250</u>	<u>1,127,250</u>	<u>177,000</u>
Net change in fund balances	(90,588)	(486,780)	(912,389)	(425,609)
Fund balances at beginning of year	212,160	212,160	212,160	-
Prior year encumbrances appropriated	828,333	828,333	828,333	-
Fund balances at end of year	<u>\$ 949,905</u>	<u>\$ 553,713</u>	<u>\$ 128,104</u>	<u>\$ (425,609)</u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**CITY OF WADSWORTH
MEDINA COUNTY, OHIO**

STATEMENT OF NET POSITION
PROPRIETARY FUNDS
DECEMBER 31, 2014

Business-type Activities - Enterprise Funds

	Storm Water	Telecom	Sewer	Water
Assets:				
Current assets:				
Equity in pooled cash and cash equivalents	\$ 466,442	\$ 1,236,745	\$ 3,165,272	\$ 5,011,761
Cash with fiscal and escrow agents	-	-	-	1,472
Receivables:				
Accounts	133,880	829,811	547,589	468,508
Special assessments	-	-	29,367	1,739
Interfund loans	-	-	442,500	1,138,000
Due from other governments	77,524	-	-	-
Materials and supplies inventory	-	-	62,570	164,340
Prepayments	3,039	9,120	244,107	18,815
Total current assets	<u>680,885</u>	<u>2,075,676</u>	<u>4,491,405</u>	<u>6,804,635</u>
Noncurrent assets:				
AMPGS plant held for future use credit	-	-	-	-
AFEC development costs receivable	-	-	-	-
Investment in joint venture	-	-	-	-
Capital assets:				
Land and construction in progress	63,908	-	237,202	706,703
Depreciable capital assets, net	14,178,547	526,654	28,548,827	22,936,927
Total capital assets, net	<u>14,242,455</u>	<u>526,654</u>	<u>28,786,029</u>	<u>23,643,630</u>
Total noncurrent assets	<u>14,242,455</u>	<u>526,654</u>	<u>28,786,029</u>	<u>23,643,630</u>
Total assets	<u>14,923,340</u>	<u>2,602,330</u>	<u>33,277,434</u>	<u>30,448,265</u>
Liabilities:				
Current liabilities:				
Accounts payable	-	201,935	21,838	10,753
Contracts payable	3,770	-	463,486	-
Accrued wages and benefits payable	1,244	16,515	17,167	27,477
Due to other governments	5,085	6,687	4,600	9,392
Interfund loans payable	574,226	305,381	653,816	3,227,700
Accrued interest payable	2,343	115	764	34,746
Compensated absences payable - current	1,707	54,360	24,605	53,930
Matured interest payable	-	-	-	1,472
General obligation bonds payable	71,069	-	-	452,476
OWDA loans payable	-	-	1,048,322	-
AMP loan payable - current	-	-	-	-
Notes payable	410,000	225,000	1,500,000	1,295,000
Claims payable	-	-	-	-
Stranded costs payable - current	-	-	-	-
Total current liabilities	<u>1,069,444</u>	<u>809,993</u>	<u>3,734,598</u>	<u>5,112,946</u>
Long-term liabilities:				
Compensated absences payable	6,547	208,501	94,375	206,852
General obligation bonds payable	654,621	-	-	8,744,100
OWDA loans payable	-	-	15,501,615	-
AMP loan payable	-	-	-	-
Stranded costs payable	-	-	-	-
Total long-term liabilities	<u>661,168</u>	<u>208,501</u>	<u>15,595,990</u>	<u>8,950,952</u>
Total liabilities	<u>1,730,612</u>	<u>1,018,494</u>	<u>19,330,588</u>	<u>14,063,898</u>
Net position:				
Net investment in capital assets	13,102,995	301,654	10,272,606	13,152,054
Unrestricted	89,733	1,282,182	3,674,240	3,232,313
Total net position	<u>\$ 13,192,728</u>	<u>\$ 1,583,836</u>	<u>\$ 13,946,846</u>	<u>\$ 16,384,367</u>

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

Net position of business-type activities'

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

Business-type Activities - Enterprise Funds			Governmental Activities - Internal Service Funds
Electric	Sanitation	Total	
\$ 13,708,315	\$ 904,494	\$ 24,493,029	\$ 1,658,744
-	-	1,472	-
4,251,221	359,933	6,590,942	-
-	-	31,106	-
-	-	1,580,500	-
27,950	-	105,474	-
3,098,188	-	3,325,098	245,302
8,742	1,469	285,292	49,911
<u>21,094,416</u>	<u>1,265,896</u>	<u>36,412,913</u>	<u>1,953,957</u>
1,392,925	-	1,392,925	-
1,179,814	-	1,179,814	-
1,634,743	-	1,634,743	-
249,828	804	1,258,445	-
<u>23,417,239</u>	<u>852,691</u>	<u>90,460,885</u>	<u>248,583</u>
<u>23,667,067</u>	<u>853,495</u>	<u>91,719,330</u>	<u>248,583</u>
<u>27,874,549</u>	<u>853,495</u>	<u>95,926,812</u>	<u>248,583</u>
<u>48,968,965</u>	<u>2,119,391</u>	<u>132,339,725</u>	<u>2,202,540</u>
1,803,982	20,588	2,059,096	73,791
5,650	-	472,906	-
67,273	13,408	143,084	19,134
34,837	84,328	144,929	31,279
4,349,853	301,877	9,412,853	-
234	115	38,317	-
110,030	16,728	261,360	17,595
-	-	1,472	-
35,551	-	559,096	-
-	-	1,048,322	-
624,000	-	624,000	-
-	225,000	3,655,000	-
-	-	-	235,746
567,750	-	567,750	-
<u>7,599,160</u>	<u>662,044</u>	<u>18,988,185</u>	<u>377,545</u>
422,031	64,160	1,002,466	67,488
147,204	-	9,545,925	-
-	-	15,501,615	-
3,718,689	-	3,718,689	-
4,469,114	-	4,469,114	-
<u>8,757,038</u>	<u>64,160</u>	<u>34,237,809</u>	<u>67,488</u>
<u>16,356,198</u>	<u>726,204</u>	<u>53,225,994</u>	<u>445,033</u>
23,478,662	628,495	60,936,466	248,583
9,134,105	764,692	18,177,265	1,508,924
<u>\$ 32,612,767</u>	<u>\$ 1,393,187</u>	<u>79,113,731</u>	<u>\$ 1,757,507</u>
		670,775	
		<u>\$ 79,784,506</u>	

**CITY OF WADSWORTH
MEDINA COUNTY, OHIO**

STATEMENT OF REVENUES, EXPENSES AND
CHANGES IN NET POSITION
PROPRIETARY FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2014

Business-type Activities - Enterprise Funds

	Storm Water	Telecom	Sewer	Water
Operating revenues:				
Charges for services	\$ 842,103	\$ 4,606,769	\$ 4,038,723	\$ 3,580,692
Other operating revenues	-	735	295	164,892
Total operating revenues	<u>842,103</u>	<u>4,607,504</u>	<u>4,039,018</u>	<u>3,745,584</u>
Operating expenses:				
Personal services	85,236	823,110	777,935	1,296,341
Contract services.	313,258	3,137,191	928,639	624,365
Materials and supplies.	133,230	126,106	159,795	291,066
Purchased power.	-	-	-	-
Claims expense	-	-	-	-
Depreciation.	244,062	223,450	702,008	605,881
Other	11,494	259,374	25,340	35,761
Total operating expenses.	<u>787,280</u>	<u>4,569,231</u>	<u>2,593,717</u>	<u>2,853,414</u>
Operating income (loss)	<u>54,823</u>	<u>38,273</u>	<u>1,445,301</u>	<u>892,170</u>
Nonoperating revenues (expenses):				
Interest and fiscal charges	(32,598)	(3,208)	(554,062)	(469,039)
Gain (loss) on sale of capital assets	(34)	-	(16,625)	(61,574)
Interest income.	-	-	-	-
Other nonoperating expenses	(210,135)	-	-	-
Investment in joint venture.	-	-	-	-
Total nonoperating revenues (expenses).	<u>(242,767)</u>	<u>(3,208)</u>	<u>(570,687)</u>	<u>(530,613)</u>
Income (loss) before contributions and transfers.	(187,944)	35,065	874,614	361,557
Transfer in	43,534	2,119	26,901	608,484
Transfer out	(68,431)	-	(43,534)	-
Capital contributions.	429,465	-	151,933	80,854
Change in net position	216,624	37,184	1,009,914	1,050,895
Net position at beginning of year.	<u>12,976,104</u>	<u>1,546,652</u>	<u>12,936,932</u>	<u>15,333,472</u>
Net position at end of year	<u>\$ 13,192,728</u>	<u>\$ 1,583,836</u>	<u>\$ 13,946,846</u>	<u>\$ 16,384,367</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

Business-type Activities - Enterprise Funds			Governmental Activities - Internal Service Funds
Electric	Sanitation	Total	
\$ 31,212,822	\$ 2,380,196	\$ 46,661,305	\$ 5,428,369
176,070	4,784	346,776	1,850
<u>31,388,892</u>	<u>2,384,980</u>	<u>47,008,081</u>	<u>5,430,219</u>
3,232,142	564,805	6,779,569	969,025
1,073,730	1,386,316	7,463,499	922,270
391,604	199,347	1,301,148	411,265
21,469,801	-	21,469,801	-
-	-	-	3,098,116
2,060,617	83,996	3,920,014	39,274
1,270,477	54,208	1,656,654	32,142
<u>29,498,371</u>	<u>2,288,672</u>	<u>42,590,685</u>	<u>5,472,092</u>
1,890,521	96,308	4,417,396	(41,873)
(107,367)	(3,594)	(1,169,868)	-
(119,835)	5,314	(192,754)	-
-	2	2	-
-	-	(210,135)	-
<u>(569,749)</u>	<u>-</u>	<u>(569,749)</u>	<u>-</u>
<u>(796,951)</u>	<u>1,722</u>	<u>(2,142,504)</u>	<u>-</u>
1,093,570	98,030	2,274,892	(41,873)
42,382	5,298	728,718	-
-	-	(111,965)	-
-	-	662,252	-
1,135,952	103,328	3,553,897	(41,873)
<u>31,476,815</u>	<u>1,289,859</u>		<u>1,799,380</u>
<u>\$ 32,612,767</u>	<u>\$ 1,393,187</u>		<u>\$ 1,757,507</u>
		<u>(6,334)</u>	
		<u>\$ 3,547,563</u>	

**CITY OF WADSWORTH
MEDINA COUNTY, OHIO**

STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2014

Business-type Activities - Enterprise Funds

	Storm Water	Telecom	Sewer	Water
Cash flows from operating activities:				
Cash received from customers	\$ 840,676	\$ 4,542,671	\$ 4,017,728	\$ 3,563,974
Cash received from other operations	-	735	295	159,892
Cash payments to employees for services	(84,247)	(860,228)	(794,970)	(1,291,678)
Cash payments for goods and services	(454,467)	(3,318,519)	(857,996)	(943,671)
Cash payments for claims	-	-	-	-
Cash payments for other expenses	(9,490)	(257,071)	(25,340)	(36,303)
Net cash provided by (used in) operating activities	292,472	107,588	2,339,717	1,452,214
Cash flows from noncapital financing activities:				
Cash received from transfers in	-	2,119	8,477	558,477
Cash used in transfers out	-	-	-	-
Cash used to pay stranded costs	-	-	-	-
Cash received from interfund loans	-	-	-	-
Cash used in repayment of interfund loans	-	-	(442,500)	(1,138,000)
Net cash provided by (used in) noncapital financing activities	-	2,119	(434,023)	(579,523)
Cash flows from capital and related financing activities:				
Sale or transfer of capital assets	(278,566)	-	(43,534)	-
Acquisition of capital assets	(441,311)	(110,748)	(1,333,394)	(790,917)
Proceeds from sale of notes	983,500	530,000	2,153,000	4,518,670
Premium on sale of notes	3,247	1,782	11,880	10,256
Principal payments	(674,417)	(286,000)	(1,716,829)	(3,610,441)
Interest and fiscal charges	(36,871)	(4,852)	(565,239)	(481,748)
Cash received from capital grants	352,756	-	-	-
Net cash used in capital and related financing activities	(91,662)	130,182	(1,494,116)	(354,180)
Cash flows from investing activities:				
Interest received	-	-	-	-
Net cash provided by investing activities	-	-	-	-
Net increase (decrease) in cash and cash equivalents	200,810	239,889	411,578	518,511
Cash and cash equivalents at beginning of year	265,632	996,856	2,753,694	4,493,250
Cash and cash equivalents at end of year	\$ 466,442	\$ 1,236,745	\$ 3,165,272	\$ 5,011,761

Business-type Activities - Enterprise Funds			Governmental Activities - Internal Service Funds
Electric	Sanitation	Total	
\$ 31,047,881	\$ 2,377,311	\$ 46,390,241	\$ 5,428,369
176,070	4,433	341,425	3,161
(3,269,361)	(559,550)	(6,860,034)	(1,041,483)
(22,979,405)	(1,569,805)	(30,123,863)	(1,294,600)
-	-	-	(3,015,240)
(1,545,108)	(54,059)	(1,927,371)	(37,546)
<hr/>	<hr/>	<hr/>	<hr/>
3,430,077	198,330	7,820,398	42,661
<hr/>	<hr/>	<hr/>	<hr/>
42,382	105,298	716,753	-
-	(100,000)	(100,000)	-
(246,157)	-	(246,157)	-
5,107,858	-	5,107,858	-
-	-	(1,580,500)	-
<hr/>	<hr/>	<hr/>	<hr/>
4,904,083	5,298	3,897,954	-
<hr/>	<hr/>	<hr/>	<hr/>
13,974	5,814	(302,312)	-
(995,520)	(95,689)	(3,767,579)	-
4,344,422	526,500	13,056,092	-
-	1,782	28,947	-
(5,335,342)	(330,500)	(11,953,529)	-
(108,374)	(5,297)	(1,202,381)	-
837,880	-	1,190,636	-
<hr/>	<hr/>	<hr/>	<hr/>
(1,242,960)	102,610	(2,950,126)	-
<hr/>	<hr/>	<hr/>	<hr/>
-	2	2	-
<hr/>	<hr/>	<hr/>	<hr/>
-	2	2	-
<hr/>	<hr/>	<hr/>	<hr/>
7,091,200	306,240	8,768,228	42,661
6,617,115	598,254	15,724,801	1,616,083
<u>\$ 13,708,315</u>	<u>\$ 904,494</u>	<u>\$ 24,493,029</u>	<u>\$ 1,658,744</u>

- - Continued

**CITY OF WADSWORTH
MEDINA COUNTY, OHIO**

STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS (CONTINUED)
FOR THE YEAR ENDED DECEMBER 31, 2014

Business-type Activities - Enterprise Funds

	<u>Storm Water</u>	<u>Telecom</u>	<u>Sewer</u>	<u>Water</u>
Reconciliation of operating income (loss) to net cash provided by (used in) operating activities:				
Operating income (loss)	\$ 54,823	\$ 38,273	\$ 1,445,301	\$ 892,170
Adjustments:				
Depreciation	244,062	223,450	702,008	605,881
Changes in assets and liabilities:				
Decrease (increase) in materials and supplies inventory	-	-	1,307	6,347
Decrease (increase) in accounts receivable	(1,427)	(64,098)	(1,748)	(21,543)
Increase in special assessments receivable	-	-	(19,247)	(175)
Decrease (increase) in prepayments	(3,034)	(6,767)	(229,381)	(11,768)
Increase (decrease) in accounts payable	(5,840)	(46,330)	(4,974)	(27,590)
Increase (decrease) in contracts payable	895	-	488,628	-
Increase (decrease) in accrued wages and benefits	1,244	(968)	989	1,620
Increase (decrease) in intergovernmental payable	1,807	(6,492)	(5,583)	(4,645)
Increase (decrease) in compensated absences payable	(58)	(29,480)	(12,441)	11,917
Increase in retainage payable	-	-	(25,142)	-
Decrease in claims payable	-	-	-	-
Net cash provided by (used in) operating activities	<u>\$ 292,472</u>	<u>\$ 107,588</u>	<u>\$ 2,339,717</u>	<u>\$ 1,452,214</u>

Non-cash transactions:

The Storm Water fund purchased \$1,220 in capital assets on account in 2013 and received \$124,134 in capital contributions in 2014.

The Sewer fund purchased \$222,425 in capital assets on account in 2013 and received \$151,933 in capital contributions in 2014.

The Water fund purchased \$48,600 in capital assets on account in 2013 and received \$80,854 in capital contributions in 2014.

The Electric fund purchased \$33,582 and \$67,067 in capital assets on account in 2014 and 2013, respectively.

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

Business-type Activities - Enterprise Funds			Governmental Activities - Internal Service Funds
Electric	Sanitation	Total	
\$ 1,890,521	\$ 96,308	\$ 4,417,396	\$ (41,873)
2,060,617	83,996	3,920,014	39,274
(290,903)	-	(283,249)	(27,933)
(164,941)	(3,236)	(256,993)	1,311
-	-	(19,422)	-
8,025	2,658	(240,267)	(2,686)
(19,360)	8,698	(95,396)	34,249
(17,174)	-	472,349	-
4,389	2,260	9,534	1,121
(22,169)	1,132	(35,950)	12,023
(18,928)	6,514	(42,476)	(55,701)
-	-	(25,142)	-
-	-	-	82,876
<u>\$ 3,430,077</u>	<u>\$ 198,330</u>	<u>\$ 7,820,398</u>	<u>\$ 42,661</u>

**CITY OF WADSWORTH
MEDINA COUNTY, OHIO**

STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES
FIDUCIARY FUNDS
DECEMBER 31, 2014

	Agency
Assets:	
Current assets:	
Equity in pooled cash and investments.	\$ 1,620,646
Cash in segregated accounts.	398,198
Restricted assets:	
Equity in pooled cash and investments.	813,902
Accounts receivable.	5,119
Total assets	\$ 2,837,865
Liabilities:	
Accounts payable	\$ 8,114
Retainage payable.	373,590
Deposits held and due to others.	1,642,259
Refundable deposits.	813,902
Total liabilities	\$ 2,837,865

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

CITY OF WADSWORTH, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2014

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, 2014

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

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

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

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

B. Fund Accounting

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

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

The following are the City’s major governmental funds:

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

CITY OF WADSWORTH, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2014

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

Tax Increment Financing Fund - The tax increment financing fund accounts 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.

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

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

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

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

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

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

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

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

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

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

CITY OF WADSWORTH, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2014

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

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.

C. Fund Accounting

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

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

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

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

D. Basis of Accounting

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

CITY OF WADSWORTH, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2014

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

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

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

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

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

Property taxes for which there is an enforceable legal claim as of December 31, 2014, but which were levied to finance year 2015 operations, and other revenues received in advance of the year for which they were intended to finance, have been recorded as deferred inflows of resources. Income taxes and special assessments not received within the available period, grants and entitlements received before the eligibility requirements are met, and delinquent property taxes due at December 31, 2014, are recorded as deferred inflows in governmental funds.

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

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.

CITY OF WADSWORTH, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2014

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

E. Budgetary Data

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

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

Estimated Resources - The County Budget Commission determines if the budget substantiates a need to levy all or part of previously authorized taxes and reviews estimated revenue. The Commission certifies its actions to the City by September 1. As part of this certification, the City receives the official Certificate of Estimated Resources, which states the projected revenue of each fund. Prior to December 31, the City must revise its budget so that the total contemplated expenditures from any fund during the ensuing year will not exceed the amount available as stated in the Certificate of Estimated Resources. The revised budget then serves as the basis for the Annual Appropriation Ordinance. On or about January 1, the Certificate of Estimated Resources is amended to include unencumbered fund balances at December 31 of the preceding year. The Certificate may be further amended during the year if the Auditor determines, and the Budget Commission agrees, that an estimate needs to be either increased or decreased. The amounts reported on the budgetary statements reflect the amount in the final amended official Certificate of Estimated Resources issued during 2014.

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

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

CITY OF WADSWORTH, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2014

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

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

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

F. Cash, Cash Equivalents and Investments

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

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

The City has invested funds in the State Treasury Asset Reserve of Ohio (STAR Ohio). STAR Ohio is an investment pool managed by the State Treasurer's Office, which allows governments within the State to pool their funds for investment purposes. STAR Ohio is not registered with the SEC as an investment company, but does operate in a manner consistent with Rule 2a7 of the Investment 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, 2013.

Following Ohio statutes, the City has, by ordinance, specified the funds to receive an allocation of interest earnings. During the year 2014, interest revenue credited to the General Fund amount to \$212,384 which includes \$201,026 assigned from other City funds.

The City utilizes a fiscal agent to hold matured bonds and coupons. The balance in this account is presented on the balance sheet as "Cash with Fiscal and Escrow Agents".

G. Interfund Balances

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

CITY OF WADSWORTH, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2014

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

H. Inventory

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

I. Prepaid Items

Payments made to vendors for services that will benefit periods beyond December 31, 2014 are recorded as prepaid items using the consumption method by recording a current asset for the prepaid amount and reflecting the expenditure/expense in the year in which it was consumed.

J. Capital Assets

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

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

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

<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

CITY OF WADSWORTH, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2014

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

K. Compensated Absences

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

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

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

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

L. Accrued and Long-Term Obligations

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

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

M. Fund Balance

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

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

CITY OF WADSWORTH, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2014

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

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.

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.

CITY OF WADSWORTH, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2014

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

O. Operating Revenues and Expenses

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

P. Contributions of Capital

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

Q. Interfund Activity

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

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

R. Extraordinary and Special Items

Extraordinary items are transactions or events that are both unusual in nature and infrequent in occurrence. Special items are transactions or events that are within the control of the City Administration and that are either unusual in nature or infrequent in occurrence. The City had neither type of transaction during 2014.

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.

CITY OF WADSWORTH, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2014

NOTE 3 - ACCOUNTABILITY AND COMPLIANCE

A. Change in Accounting Principles

For 2014, the City has implemented GASB Statement No. 69, "Government Combinations and Disposals of Government Operations" and GASB Statement No. 70, "Accounting and Financial Reporting for Nonexchange Financial Guarantees".

GASB Statement No. 69 establishes accounting and financial reporting standards related to government combinations and disposals of government operations. The Statement improves the decision usefulness of financial reporting by requiring that disclosures be made by governments about combination arrangements in which they engage and for disposals of government operations. The implementation of GASB Statement No. 69 did not have an effect on the financial statements of the City.

GASB Statement No. 70 improves the recognition, measurement, and disclosures for state and local governments that have extended or received financial guarantees that are nonexchange transactions. The implementation of GASB Statement No. 70 did not have an effect on the financial statements of the City.

B. Deficit Fund Balances

The following funds had a deficit in fund balance at December 31, 2014:

<u>Fund</u>	<u>Deficit</u>
Major fund:	
Tax Increment Financing	\$ 901,617
Non-major governmental funds:	
Recreation	1,031,730
Airport Improvements	79,600

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

CITY OF WADSWORTH, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2014

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 and Tax Increment Financing Fund.

	General Fund	Tax Increment Financing Fund
Budget Basis	\$ (1,252,143)	\$ (912,389)
Net Adjustment for Revenue Accruals	96,268	(8,672)
Net Adjustment for Expenditure Accruals	9,529	474,885
Funds with Separate Legally Adopted Budgets	446,586	-
Net Adjustment for Other Sources/Uses	172,584	(1,677,250)
Encumbrances	<u>157,580</u>	<u>809,270</u>
GAAP Basis	<u>\$ (369,596)</u>	<u>\$ (1,314,156)</u>

CITY OF WADSWORTH, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2014

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, 2014

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, 2014, the carrying amount of all City deposits was \$32,771,193. As of December 31, 2014, \$32,036,442 of the City's bank balance of \$33,786,442 was exposed to custodial risk as discussed below, while \$1,750,000 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, 2014, the City had the following investments and maturities:

<u>Investment type</u>	<u>Fair Value</u>	<u>Investment Maturities 6 months or less</u>
STAR Ohio	\$ 5,261,343	\$ 5,261,343

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.

CITY OF WADSWORTH, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2014

NOTE 5 - DEPOSITS AND INVESTMENTS - (Continued)

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

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

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

The following table includes the percentage of each investment type held by the City at December 31, 2014:

<u>Investment type</u>	<u>Fair Value</u>	<u>% of Total</u>
STAR Ohio	\$ 5,261,343	100.00

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

The following is a reconciliation of cash and investments as reported in the note above to cash and investments as reported on the statement of net position as of December 31, 2014:

<u>Cash and investments per note</u>	
Carrying amount of deposits	\$ 32,771,193
Investments	5,261,343
Cash with fiscal agent	1,472
Cash on hand	1,670
Total	<u>\$ 38,035,678</u>

<u>Cash and investments per statement of net position</u>	
Governmental activities	\$ 10,708,431
Business type activities	24,494,501
Agency funds	2,832,746
Total	<u>\$ 38,035,678</u>

CITY OF WADSWORTH, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2014

NOTE 6 - RECEIVABLES

Receivables at December 31, 2014, 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. 2014 public utility property taxes became a lien December 31, 2013, are levied after October 1, 2014, and are collected in 2015 with real property taxes. Public utility property taxes are payable on the same dates as real property taxes described previously.

Tangible personal property tax revenues received in calendar year 2014 (other than public utility property) represent the collection of calendar year 2014 taxes levied against local and inter-exchange telephone companies. Tangible personal property taxes received from telephone companies in calendar year 2014 were levied after October 1, 2013, on the value as of December 31, 2013. Amounts paid by multi-county taxpayers are due September 20. Single county taxpayers may pay annually or semiannually. If paid annually, payment is due April 30; if paid semiannually, the first payment is due April 30, with the remainder payable by September 20.

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

The County Auditor collects property taxes on behalf of all taxing districts in the County, including the City of Wadsworth. The County Auditor periodically remits to the City its portion of the taxes collected. Property taxes represent real property taxes, public utility taxes, tangible personal property taxes and outstanding delinquencies which are measurable as of December 31, 2014 and for which there is an enforceable legal claim.

CITY OF WADSWORTH, OHIO

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2014**

NOTE 7 - PROPERTY TAX - (Continued)

The full tax rate for all City operations for the year ended December 31, 2014 was \$5.80 per \$1,000 of assessed value. The assessed values of real and tangible personal property for 2014 property tax were as follows:

<u>Real Property</u>	
Residential/agricultural	\$ 337,110,430
Commercial/industrial/mineral	104,195,870
Public utility personal property	<u>705,290</u>
Total assessed value	<u>\$ 442,011,590</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 2014 and prior years received 60 days after year-end have been recognized as revenue in 2014.

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 2014, income tax revenues were distributed to the following funds: General, Recreation, Street Maintenance, Airport Improvements, Street Improvements and General Capital Improvement.

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

NOTE 9 - SPECIAL ASSESSMENTS

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

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

Special assessments receivable at December 31, 2014 was \$63,941.

CITY OF WADSWORTH, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2014

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 \$63,980,113 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 \$600,000 for electric utility workers and \$500,000 for all other employees.

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

The City's third party administrator (TPA) is Sedgwick Inc. The claims liability reported in the workers' comp internal service fund at December 31, 2014 of \$42,078, is based on the requirements of GASB statement No. 30 which requires that a liability for unpaid claims costs, including estimates of costs relating to incurred but not reported claims, be reported. The estimate was not affected by incremental claim adjustment expenses and does not include other allocated or unallocated claim adjustment expenses. A summary of the fund's claims liability during the past two years is as follows:

	Balance at Beginning of Year	Current Year Claims	Claims Payments	Balance at End of Year
2014	\$ 4,700	\$ 66,921	\$ (29,543)	\$ 42,078
2013	5,693	53,774	(54,767)	4,700

CITY OF WADSWORTH, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2014

NOTE 10 - RISK MANAGEMENT - (Continued)

C. Health Insurance

The City has elected to provide employee medical, prescription, dental, and vision benefits through a self insurance program with a Stop Loss Policy to insure against specific and aggregate losses. The City maintains a Self-Insurance Fund, to account for and finance its risk of loss. The specific stop loss amount is \$100,000 with a maximum claims aggregate of \$3,019,694. 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, 2014, the Departments were assessed per each employee at the rate of \$701.86 per individual coverage and \$1,460.68 per family coverage. Following the health insurance renewal in 2014, 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 \$45.05 for single coverage and \$93.37 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.

The claims liability of \$193,668 reported in the self-insurance fund at December 31, 2014 is based on the requirements of GASB Statement No. 10 "Accounting and Financial Reporting for Risk Financing and Related Insurance Services" which requires that a liability for unpaid claim costs, including estimates of costs relating to incurred, but not reported claims, be reported. The claims liability is based on an estimate supplied by the City's third party administrator. This estimate was not affected by incremental claim adjustment expenses and does not include other allocated or unallocated claim adjustment expenses. A summary of the fund's claims liability during the past two years is as follows:

	Balance at <u>Beginning of Year</u>	Current Year <u>Claims</u>	Claims <u>Payments</u>	Balance at <u>End of Year</u>
2014	\$ 148,170	\$ 3,031,195	\$ (2,985,697)	\$ 193,668
2013	220,394	2,803,652	(2,875,876)	148,170

CITY OF WADSWORTH, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2014

NOTE 11 - CAPITAL ASSETS

Governmental activities capital asset activity for the year ended December 31, 2014, was as follows.

	<u>Balance</u> <u>1/1/2014</u>	<u>Additions</u>	<u>Reductions</u>	<u>Balance</u> <u>12/31/2014</u>
<u>Governmental Activities:</u>				
Non-Depreciable Capital Assets:				
Land	\$ 5,872,840	\$ 2,284,989	\$ -	\$ 8,157,829
Construction in progress	<u>4,093,815</u>	<u>581,578</u>	<u>(2,890,392)</u>	<u>1,785,001</u>
Total Non-Depreciable Capital Assets	<u>9,966,655</u>	<u>2,866,567</u>	<u>(2,890,392)</u>	<u>9,942,830</u>
Depreciable Capital Assets:				
Intangible assets	18,290,000	82,629	-	18,372,629
Land Improvements	1,690,960	297,440	-	1,988,400
Buildings	7,122,280	2,850,139	(40,000)	9,932,419
Equipment	3,235,842	294,385	(73,100)	3,457,127
Vehicles	5,394,754	474,356	(320,877)	5,548,233
Infrastructure	<u>19,949,269</u>	<u>1,106,873</u>	<u>-</u>	<u>21,056,142</u>
Total Depreciable Capital Assets	<u>55,683,105</u>	<u>5,105,822</u>	<u>(433,977)</u>	<u>60,354,950</u>
Accumulated Depreciation:				
Intangible assets	(731,600)	(365,800)	-	(1,097,400)
Land Improvements	(963,849)	(41,416)	-	(1,005,265)
Buildings	(3,146,469)	(260,591)	40,000	(3,367,060)
Equipment	(2,243,637)	(168,892)	73,100	(2,339,429)
Vehicles	(3,513,277)	(356,930)	199,299	(3,670,908)
Infrastructure	<u>(6,371,660)</u>	<u>(374,315)</u>	<u>-</u>	<u>(6,745,975)</u>
Total Accumulated Depreciation	<u>(16,970,492)</u>	<u>(1,567,944)</u>	<u>312,399</u>	<u>(18,226,037)</u>
Total Depreciable Capital Assets, Net	<u>38,712,613</u>	<u>3,537,878</u>	<u>(121,578)</u>	<u>42,128,913</u>
Governmental Capital Assets, Net	<u>\$ 48,679,268</u>	<u>\$ 6,404,445</u>	<u>\$ (3,011,970)</u>	<u>\$ 52,071,743</u>

Depreciation expense was charged to governmental activities as follows:

<u>Governmental Activities:</u>	
General Government	\$ 571,841
Security of Persons and Property	256,510
Transportation	530,155
Leisure Time Services	170,164
Internal Service Funds	<u>39,274</u>
Total Depreciation Expense	<u>\$ 1,567,944</u>

CITY OF WADSWORTH, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2014

NOTE 11 - CAPITAL ASSETS - (Continued)

Business-type activities capital asset activity for the year ended December 31, 2014, was as follows.

	<u>Balance 1/1/2014</u>	<u>Additions</u>	<u>Reductions</u>	<u>Balance 12/31/2014</u>
<u>Business-Type Activities:</u>				
Non-Depreciable Capital Assets:				
Land	\$ 985,797	\$ -	\$ -	\$ 985,797
Construction in Progress	<u>3,439,307</u>	<u>319,577</u>	<u>(3,486,236)</u>	<u>272,648</u>
Total Non-Depreciable Capital Assets	<u>4,425,104</u>	<u>319,577</u>	<u>(3,486,236)</u>	<u>1,258,445</u>
Depreciable Capital Assets:				
Intangible Assets	-	727,428	-	727,428
Land Improvements	13,749	-	-	13,749
Buildings	19,873,796	5,875	(12,000)	19,867,671
Equipment	12,512,843	150,011	-	12,662,854
Vehicles	5,557,107	719,427	(794,434)	5,482,100
Infrastructure	<u>99,724,093</u>	<u>5,499,658</u>	<u>(79,096)</u>	<u>105,144,655</u>
Total Depreciable Capital Assets	<u>137,681,588</u>	<u>7,102,399</u>	<u>(885,530)</u>	<u>143,898,457</u>
Accumulated Depreciation:				
Intangible Assets	-	(12,124)	-	(12,124)
Land Improvements	(4,409)	(493)	-	(4,902)
Buildings	(5,049,893)	(413,770)	12,000	(5,451,663)
Equipment	(3,953,683)	(538,163)	-	(4,491,846)
Vehicles	(3,639,940)	(277,125)	643,027	(3,274,038)
Infrastructure	<u>(37,542,621)</u>	<u>(2,678,339)</u>	<u>17,961</u>	<u>(40,202,999)</u>
Total Accumulated Depreciation	<u>(50,190,546)</u>	<u>(3,920,014)</u>	<u>672,988</u>	<u>(53,437,572)</u>
Total Depreciable Capital Assets, Net	<u>87,491,042</u>	<u>3,182,385</u>	<u>(212,542)</u>	<u>90,460,885</u>
Business-Type Activities Capital Assets, Net	<u>\$ 91,916,146</u>	<u>\$ 3,501,962</u>	<u>\$ (3,698,778)</u>	<u>\$ 91,719,330</u>

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

<u>Business-type activities:</u>	
Water	\$ 605,881
Sewer	702,008
Electric	2,060,617
Storm Water	244,062
Telecom	223,450
Sanitation	<u>83,996</u>
Total Depreciation Expense	<u>\$ 3,920,014</u>

CITY OF WADSWORTH, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2014

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
2015	\$ 365,800
2016	365,800
2017	365,800
2018	365,800
2019	365,800
2020 - 2024	1,829,000
2025 - 2029	1,829,000
2030 - 2034	1,829,000
2035 - 2039	1,829,000
2040 - 2044	1,829,000
2045 - 2049	1,829,000
2050 - 2054	1,829,000
2055 - 2059	1,829,000
2060 - 2061	731,600
Total	\$ 17,192,600

NOTE 12 - PENSION PLANS

A. Ohio Public Employees Retirement System

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

CITY OF WADSWORTH, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2014

NOTE 12 - PENSION PLANS - (Continued)

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

Funding Policy - The Ohio Revised Code provides statutory authority for member and employer contributions. For 2014, member and employer contribution rates were consistent across all three plans. The 2014 member contribution rates were 10.00% for members. The City's contribution rate for 2014 was 14.00% of covered payroll.

The City's contribution rate for pension benefits for members in the Traditional Plan and Combined Plan for 2014 was 12.00%. The City's required contributions for pension obligations to the Traditional Pension and Combined Plans for the years ended December 31, 2014, 2013, and 2012 were \$1,220,497, \$1,326,262, and \$936,483, respectively; 92.11% has been contributed for 2014 and 100% has been contributed for 2013 and 2012. Contributions to the Member-Directed Plan for 2014 were \$15,996 made by the City and \$11,425 made by the plan members.

B. Ohio Police and Fire Pension Fund

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

Funding Policy - From January 1, 2014 through July 1, 2014, plan members were required to contribute 10.75% of their annual covered salary. From July 2, 2014 through December 31, 2014, plan members were required to contribute 11.50% of their annual covered salary. Throughout 2014, the City was required to contribute 19.50% and 24.00% for police officers and firefighters, respectively. Contribution rates are established by State statute.

For 2014, the portion of the City's contributions to fund pension obligations was 19.00% for police officers and 23.50% for firefighters. The City's required contributions for pension obligations to OP&F for police officers and firefighters were \$383,506 and \$148,833 for the year ended December 31, 2014, \$310,231 and \$116,763 for the year ended December 31, 2013, and \$258,958 and \$91,242, for the year ended December 31, 2012. 100% has been contributed for 2013 and 2012. 90.12% has been contributed for police and 91.82% has been contributed for firefighters for 2014.

CITY OF WADSWORTH, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2014

NOTE 13 - POSTRETIREMENT BENEFIT PLANS

A. Ohio Public Employees Retirement System

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

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

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

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

Employer contribution rates are expressed as a percentage of the covered payroll of active employees. In 2014, 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 2014 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.

The City's contributions allocated to fund post-employment health care benefits for the years ended December 31, 2014, 2013, and 2012 were \$203,487, \$101,976, and \$374,593, respectively; 92.11% has been contributed for 2014 and 100% has been contributed for 2013 and 2012.

Changes to the health care plan were adopted by the OPERS Board of Trustees on September 19, 2012, with a transition plan commencing January 1, 2014. With the recent passage of pension legislation under State Bill 343 and the approved health care changes, OPERS expects to be able to consistently allocate 4.00% of the employer contributions toward the health care fund after the end of the transition period.

CITY OF WADSWORTH, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2014

NOTE 13 - POSTRETIREMENT BENEFIT PLANS - (Continued)

B. Ohio Police and Fire Pension Fund

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

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

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

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

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

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

The Board of Trustees is authorized to allocate a portion of the total employer contributions made into the pension plan into the Section 115 trust and the Section 401(h) account as the employer contribution for retiree health care benefits. For 2014, 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.

CITY OF WADSWORTH, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2014

NOTE 13 - POSTRETIREMENT BENEFIT PLANS - (Continued)

The City's contributions to OP&F which were allocated to fund post-employment healthcare benefits for police officers and firefighters were \$10,092 and \$3,167 for the year ended December 31, 2014, \$70,097 and \$20,682 for the year ended December 31, 2013, and \$137,123 and \$35,695, for the year ended December 31, 2012. 100% has been contributed for 2013 and 2012. 90.12% has been contributed for police and 91.82% has been contributed for firefighters for 2014.

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, 2014, the City's liability for compensated absences was \$1,794,253 for governmental activities and \$1,263,826 for business-type activities.

NOTE 15 - LONG-TERM OBLIGATIONS

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

CITY OF WADSWORTH, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2014

NOTE 15 - LONG-TERM OBLIGATIONS - (Continued)

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Deletions</u>	<u>Ending Balance</u>	<u>Amount Due In One Year</u>
Governmental Activities:					
Recreation 2009 Series					
General Obligation Bond	\$ 20,000	\$ -	\$ (20,000)	\$ -	\$ -
Plus Deferred Amounts:					
Unamortized Premium on Bonds	291	-	(291)	-	-
Dispatch 2009 Series					
General Obligation Bond	25,000	-	(25,000)	-	-
Plus Deferred Amounts:					
Unamortized Premium on Bonds	357	-	(357)	-	-
Streets 2009 Series					
General Obligation Bond	170,000	-	(170,000)	-	-
Plus Deferred Amounts:					
Unamortized Premium on Bonds	2,789	-	(2,789)	-	-
1968 Liability for Police Past Service Cost	87,244	-	(2,558)	84,686	2,647
2010 Community Center					
Revenue Bond	17,435,000	-	(450,000)	16,985,000	450,000
Minus Deferred Amounts:					
Unamortized Discount on Bonds	<u>(95,878)</u>	<u>-</u>	<u>3,835</u>	<u>(92,043)</u>	<u>(3,835)</u>
Total Long-Term Debt	<u>17,644,803</u>	<u>-</u>	<u>(667,160)</u>	<u>16,977,643</u>	<u>448,812</u>
Compensated Absences	<u>2,190,585</u>	<u>385,212</u>	<u>(781,544)</u>	<u>1,794,253</u>	<u>416,087</u>
Governmental Activities - Long Term Liabilities	<u>\$ 19,835,388</u>	<u>\$ 385,212</u>	<u>\$ (1,448,704)</u>	<u>\$ 18,771,896</u>	<u>\$ 864,899</u>

CITY OF WADSWORTH, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2014

NOTE 15 - LONG-TERM OBLIGATIONS - (Continued)

	<u>Beginning</u> <u>Balance</u>	<u>Additions</u>	<u>Deletions</u>	<u>Ending</u> <u>Balance</u>	<u>Amount</u> <u>Due In</u> <u>One Year</u>
Business-Type Activities					
Stormwater 2009 Series					
General Obligation Bonds	\$ 775,000	\$ -	\$ (60,000)	\$ 715,000	\$ 70,000
Plus Deferred Amounts:					
Unamortized Premium on Bonds	11,759	-	(1,069)	10,690	1,069
Water 2009 Series					
General Obligation Bond	1,175,000	-	(90,000)	1,085,000	95,000
Plus Deferred Amounts:					
Unamortized Premium on Bonds	17,864	-	(1,625)	16,239	1,625
Electric 2009 Series					
General Obligation Bond	215,000	-	(35,000)	180,000	35,000
Plus Deferred Amounts:					
Unamortized Premium on Bonds	3,306	-	(551)	2,755	551
2010 Water System Improvements					
General Obligation Bond	8,425,000	-	(345,000)	8,080,000	355,000
Plus Deferred Amounts:					
Unamortized Premium on Bonds	16,188	-	(851)	15,337	851
OWDA Loan	17,565,266	-	(1,015,329)	16,549,937	1,048,322
AMP Loan	4,961,992	-	(619,303)	4,342,689	624,000
AMP Stranded Costs	5,604,614	-	(567,750)	5,036,864	567,750
Compensated Absences	<u>1,306,302</u>	<u>428,202</u>	<u>(470,678)</u>	<u>1,263,826</u>	<u>261,360</u>
Business-Type Activities - Long Term Liabilities	<u>\$ 40,077,291</u>	<u>\$ 428,202</u>	<u>\$ (3,207,156)</u>	<u>\$ 37,298,337</u>	<u>\$ 3,060,528</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 governmental activities general obligation bonds will be paid from the debt service fund (a nonmajor governmental fund). The business-type activities general obligation bonds will be paid from the storm water, water, and electric funds.

CITY OF WADSWORTH, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2014

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 72.72% of net revenues and 38.66% of total revenues. The total principal and interest remaining to be paid on the debt is \$21,822,812. Principal and interest paid for the current year were \$1,015,329 and \$546,184, respectively. Total net revenues were \$2,147,309 and total operating revenues were \$4,039,018.

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

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

CITY OF WADSWORTH, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2014

NOTE 15 - LONG-TERM OBLIGATIONS - (Continued)

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

The amortization schedules for the AMP loan and stranded costs payable are not available. The annual requirement to amortize the remaining debt outstanding as of December 31, 2014, including interest payments in the Governmental Activities of \$64,516 for police past service costs, \$10,570,663 for revenue bonds, \$4,853,619 for the Business-Type Activities general obligation bonds and \$3,712,097 for the Business-Type Activities OWDA loan are as follows:

December 31 Year Ending	Governmental Activities			
	Police Past Service Costs		Revenue Bonds	
	Principal	Interest	Principal	Interest
2015	\$ 2,647	\$ 3,608	\$ 450,000	\$ 697,613
2016	2,719	3,519	460,000	686,363
2017	2,808	3,430	475,000	673,138
2018	2,897	3,341	490,000	658,888
2019	2,986	3,252	505,000	642,350
2020 - 2024	16,266	14,927	2,820,000	2,916,275
2025 - 2029	18,491	12,702	3,420,000	2,306,273
2030 - 2034	20,716	10,477	4,240,000	1,515,463
2035 - 2038	15,156	9,260	4,125,000	474,300
Total	\$ 84,686	\$ 64,516	\$ 16,985,000	\$ 10,570,663

December 31 Year Ending	Business-Type Activities			
	General Obligation Bonds		OWDA	
	Principal	Interest	Principal	Interest
2015	\$ 555,000	\$ 459,708	\$ 1,048,322	\$ 513,191
2016	560,000	445,653	1,081,604	479,909
2017	570,000	429,897	1,115,943	445,570
2018	575,000	411,853	1,151,372	410,141
2019	600,000	392,715	1,187,926	373,587
2020 - 2024	3,055,000	1,595,698	6,529,868	1,277,696
2025 - 2029	2,445,000	919,318	4,434,902	212,003
2030 - 2032	1,700,000	198,777	-	-
Total	\$ 10,060,000	\$ 4,853,619	\$16,549,937	\$ 3,712,097

CITY OF WADSWORTH, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2014

NOTE 15 - LONG-TERM OBLIGATIONS - (Continued)

Stranded Costs Payable

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

NOTE 16 - NOTES PAYABLE

Changes in the City's note activity for the year ended December 31, 2014, were as follows:

	<u>1/1/2014</u>	<u>Issued</u>	<u>Retired</u>	<u>12/31/2014</u>
<u>Governmental fund notes</u>				
Bond anticipation notes - governmental	\$ -	\$ 1,095,000	\$ -	\$ 1,095,000
Total Governmental fund notes	\$ -	\$ 1,095,000	\$ -	\$ 1,095,000
<u>Business-type activities notes</u>				
Bond anticipation notes - Storm Water	\$ -	\$ 410,000	\$ -	\$ 410,000
Bond anticipation notes - Telecom	-	225,000	-	225,000
Bond anticipation notes - Sewer	-	1,500,000	-	1,500,000
Bond anticipation notes - Water	-	1,295,000	-	1,295,000
Bond anticipation notes - Sanitation	-	225,000	-	225,000
Total Business-type activities notes	\$ -	\$ 3,655,000	\$ -	\$ 3,655,000

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 mature on December 3, 2015.

CITY OF WADSWORTH, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2014

NOTE 17 - INTERFUND TRANSACTIONS

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

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

Following is a detail of Interfund Notes Receivable/Payable, by debt issue, during 2014:

	<u>Balance</u> <u>1/1/14</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>12/31/14</u>
Governmental Activities:				
Major Governmental Funds:				
General Fund:				
General Fund - 2012 WCTV Equipment				
Issue 11/14, maturity 11/15, rate 1.0%	\$ 32,000	\$ 24,000	\$ (32,000)	\$ 24,000
Tax Increment Financing Fund:				
High Street Improvements				
Issue 11/14, maturity 11/15, rate 1.0%	\$ 435,000	\$ 413,250	\$ (435,000)	\$ 413,250
Non-major Governmental Funds:				
Recreation Improvements				
2012 YMCA Equipment				
Issue 11/14, maturity 11/15, rate 1.0%	\$ 327,472	\$ 291,086	\$ (327,472)	\$ 291,086
2013 Outdoor Pool				
Issue 11/14, maturity 11/15, rate 1.0%	1,130,000	1,054,667	(1,130,000)	1,054,667
Airport Improvements				
Issue 11/14, maturity 11/15, rate 1.0%	210,000	140,000	(210,000)	140,000
2011 ERP System Improvements				
Issue 11/14, maturity 11/15, rate 1.0%	759,865	675,435	(759,865)	675,435
2012 Airport Land Acquisition				
Issue 11/14, maturity 11/15, rate 1.0%	<u>126,000</u>	<u>117,000</u>	<u>(126,000)</u>	<u>117,000</u>
Total nonmajor governmental funds	<u>\$ 2,553,337</u>	<u>\$ 2,278,188</u>	<u>\$ (2,553,337)</u>	<u>\$ 2,278,188</u>

CITY OF WADSWORTH, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2014

NOTE 17 - INTERFUND TRANSACTIONS - (Continued)

	<u>Balance</u> <u>1/1/2014</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>12/31/2014</u>
Business-Type Activities:				
Water Fund:				
2004 Rogues Hollow Well				
Issue 11/14, maturity 11/15, rate 1.0%	\$ 956,675	\$ 900,400	\$ (956,675)	\$ 900,400
2009 Water Tank Maintenance				
Issue 11/14, maturity 11/15, rate 1.0%	90,016	75,020	(90,016)	75,020
2009 Water System Improvement				
Issue 11/14, maturity 11/15, rate 1.0%	280,000	262,500	(280,000)	262,500
2012 Water Distribution Improvements				
Issue 11/14, maturity 11/15, rate 1.0%	304,000	288,000	(304,000)	288,000
2011 Water Distribution Improvements				
Issue 11/14, maturity 11/15, rate 1.0%	238,500	225,250	(238,500)	225,250
2012 Water Plan Generator				
Issue 11/14, maturity 11/15, rate 1.0%	356,250	337,500	(356,250)	337,500
2013 Water Tank Maintenance				
Issue 11/14, maturity 11/15, rate 1.0%	500,000	450,000	(500,000)	450,000
2013 Water Distribution Improvements				
Issue 11/14, maturity 11/15, rate 1.0%	350,000	332,500	(350,000)	332,500
2013 Water Plant Improvements				
Issue 11/14, maturity 11/15, rate 1.0%	100,000	95,000	(100,000)	95,000
2014 Water Distribution Improvements				
Issue 11/14, maturity 11/15, rate 1.0%	<u>-</u>	<u>257,500</u>	<u>-</u>	<u>257,500</u>
 Total Water Fund	 <u>\$ 3,175,441</u>	 <u>\$3,223,670</u>	 <u>\$ (3,175,441)</u>	 <u>\$ 3,223,670</u>

CITY OF WADSWORTH, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2014

NOTE 17 - INTERFUND TRANSACTIONS - (Continued)

	Balance <u>1/1/14</u>	<u>Additions</u>	<u>Deletions</u>	Balance <u>12/31/14</u>
Business-Type Activities:				
Electric Fund:				
2006 Valleyview Sub Improvements				
Issue 11/14, maturity 11/15, rate 1.0%	\$ 187,250	\$ 173,875	\$ (187,250)	\$ 173,875
2007 Subs/Dist/Meters				
Issue 11/14, maturity 11/15, rate 1.0%	540,039	501,464	(540,039)	501,464
2008 Electric Capital Improvements				
Issue 11/14, maturity 11/15, rate 1.0%	588,750	549,500	(588,750)	549,500
2009 Electric Capital Improvements				
Issue 11/14, maturity 11/15, rate 1.0%	472,000	442,500	(472,000)	442,500
2010 Electric Capital Improvements				
Issue 11/14, maturity 11/15, rate 1.0%	1,112,000	1,019,333	(1,112,000)	1,019,333
2011 Electric Capital Improvements				
Issue 11/14, maturity 11/15, rate 1.0%	1,093,500	1,032,750	(1,093,500)	1,032,750
2012 Electric Capital Improvements				
Issue 11/14, maturity 11/15, rate 1.0%	<u>687,500</u>	<u>625,000</u>	<u>(687,500)</u>	<u>625,000</u>
Total Electric Fund	<u>\$ 4,681,039</u>	<u>\$ 4,344,422</u>	<u>\$ (4,681,039)</u>	<u>\$ 4,344,422</u>

	Balance <u>1/1/14</u>	<u>Additions</u>	<u>Deletions</u>	Balance <u>12/31/14</u>
Business-Type Activities:				
Sanitation Fund:				
2006 Transfer Station Improvement				
Issue 11/14, maturity 11/15, rate 1.0%	\$ 175,500	\$ 162,000	\$ (175,500)	\$ 162,000
2013 Sanitation Rear Loader				
Issue 11/14, maturity 11/15, rate 1.0%	<u>155,000</u>	<u>139,500</u>	<u>(155,000)</u>	<u>139,500</u>
Total Sanitation Fund	<u>\$ 330,500</u>	<u>\$ 301,500</u>	<u>\$ (330,500)</u>	<u>\$ 301,500</u>

CITY OF WADSWORTH, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2014

NOTE 17 - INTERFUND TRANSACTIONS - (Continued)

	Balance <u>1/1/14</u>	<u>Additions</u>	<u>Deletions</u>	Balance <u>12/31/14</u>
Business-Type Activities:				
Sewer Fund:				
2011 WWTP Phosphorus Improvements Issue 11/14, maturity 11/15, rate 1.0%	\$ 160,000	\$ 140,000	\$ (160,000)	\$ 140,000
2012 Brookwood Gravity Sewer Issue 11/14, maturity 11/15, rate 1.0%	<u>541,500</u>	<u>513,000</u>	<u>(541,500)</u>	<u>513,000</u>
Total Sewer Fund	<u>\$ 701,500</u>	<u>\$ 653,000</u>	<u>\$ (701,500)</u>	<u>\$ 653,000</u>
	Balance <u>1/1/14</u>	<u>Additions</u>	<u>Deletions</u>	Balance <u>12/31/14</u>
Business-Type Activities:				
Storm Water Fund:				
2012 Stormwater Improvements Issue 11/14, maturity 11/15, rate 1.0%	\$ 213,750	\$ 202,500	\$ (213,750)	\$ 202,500
2011 Stormwater Improvements Issue 11/14, maturity 11/15, rate 1.0%	126,000	119,000	(126,000)	119,000
2010 Stormwater Improvements Issue 11/14, maturity 11/15, rate 1.0%	100,000	91,667	(100,000)	91,667
2006 Stormwater Improvements Issue 11/14, maturity 11/15, rate 1.0%	74,667	65,333	(74,667)	65,333
2013 Stormwater Improvements Issue 11/14, maturity 11/15, rate 1.0%	<u>100,000</u>	<u>95,000</u>	<u>(100,000)</u>	<u>95,000</u>
Total Storm Water Fund	<u>\$ 614,417</u>	<u>\$ 573,500</u>	<u>\$ (614,417)</u>	<u>\$ 573,500</u>

CITY OF WADSWORTH, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2014

NOTE 17 - INTERFUND TRANSACTIONS - (Continued)

	Balance <u>1/1/14</u>	<u>Additions</u>	<u>Deletions</u>	Balance <u>12/31/14</u>
Business-Type Activities:				
Telecom Fund:				
2009 Broadband Communication Digital Issue 11/14, maturity 11/15, rate 1.0%	\$ 28,000	\$ -	\$ (28,000)	\$ -
2010 Broadband Communication Digital Issue 11/14, maturity 11/15, rate 1.0%	16,000	8,000	(16,000)	8,000
2011 Broadband Communication Digital Issue 11/14, maturity 11/15, rate 1.0%	27,000	18,000	(27,000)	18,000
2012 Broadband Communication Digital Issue 11/14, maturity 11/15, rate 1.0%	160,000	120,000	(160,000)	120,000
2013 Broadband Communication Digital Issue 11/14, maturity 11/15, rate 1.0%	55,000	44,000	(55,000)	44,000
2014 Broadband Communication Digital Issue 11/14, maturity 11/15, rate 1.0%	<u>-</u>	<u>115,000</u>	<u>-</u>	<u>115,000</u>
Total Telecom Fund	<u>\$ 286,000</u>	<u>\$ 305,000</u>	<u>\$ (286,000)</u>	<u>\$ 305,000</u>
Total Proprietary Funds	<u>\$ 9,788,897</u>	<u>\$ 9,401,092</u>	<u>\$ (9,788,897)</u>	<u>\$ 9,401,092</u>

CITY OF WADSWORTH, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2014

NOTE 17 - INTERFUND TRANSACTIONS - (Continued)

	<u>Balance</u> <u>1/1/14</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>12/31/14</u>
Governmental Activities:				
1993 Great Oaks Extension				
Issue 09/94, maturity 09/14, rate 8.00%	\$ 25,092	\$ -	\$(25,092)	\$ -
1998 Silvercrest Sewer				
Issue 08/99, maturity 08/14, rate 6.00%	6,971	-	(6,971)	-
2000 Grace Drive Sanitary Sewer				
Issue 09/00, maturity 09/15, rate 8.00%	1,160	-	(558)	602
2007 Sidewalk Improvement				
Issue 11/09, maturity 11/14, rate 3.0%	11,238	-	(11,238)	-
2008 Sidewalk Improvement				
Issue 11/09, maturity 11/14, rate 3.0%	4,543	-	(4,543)	-
2009 Street & Hall Drive Assessments				
Issue 11/10, maturity 11/15, rate 2.50%	47,099	-	(23,259)	23,840
2009 Sidewalk Assessments				
Issue 11/10, maturity 11/15, rate 2.50%	4,003	-	(1,977)	2,026
2010 Sidewalk Assessments				
Issue 09/11, maturity 09/16, rate 1.50%	2,103	-	(690)	1,413
2011 Sidewalk Assessments				
Issue 11/12, maturity 11/17, rate 1.50%	11,100	-	(2,713)	8,387
2014 Sidewalk Assessments				
Issue 11/14, maturity 11/19, rate 1.50%	<u>-</u>	<u>14,179</u>	<u>-</u>	<u>14,179</u>
Total Governmental Activities	<u>\$ 113,309</u>	<u>\$ 14,179</u>	<u>\$(77,041)</u>	<u>\$ 50,447</u>

The following is a detail of Advances In/Out included in interfund receivable/payable during 2014:

<u>Payable Fund</u>	<u>Receivable Fund</u>	<u>Amount</u>
Tax Increment Financing Fund	General fund	\$ 329,000
Nonmajor governmental funds	General fund	<u>54,000</u>
Total		<u>\$ 383,000</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>\$ 49,267</u>

CITY OF WADSWORTH, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2014

NOTE 17 - INTERFUND TRANSACTIONS - (Continued)

The following is a summary of Interfund Receivable/Payable, outstanding at December 31, 2014:

	Interfund Receivable Funds:				Total Interfund Payable Activity
	General Fund	Nonmajor Governmental Funds	Water Fund	Sewer Fund	
Interfund Payable Funds:					
Governmental Funds:					
Tax Increment Financing Fund	\$ 329,517	\$ 413,250	\$ -	\$ -	\$ 742,767
General Fund	30	24,000	-	-	24,030
Nonmajor Governmental Funds	106,377	2,328,635	-	-	2,435,012
Total Governmental Receivable Funds	<u>435,924</u>	<u>2,765,885</u>	-	-	<u>3,201,809</u>
Proprietary Funds:					
Storm Water	726	573,500	-	-	574,226
Telecom	381	305,000	-	-	305,381
Water	4,030	3,223,670	-	-	3,227,700
Sewer	816	140,000	513,000	-	653,816
Electric	1,038,181	2,244,172	625,000	442,500	4,349,853
Sanitation	377	301,500	-	-	301,877
Total Proprietary Receivable Funds	<u>1,044,511</u>	<u>6,787,842</u>	<u>1,138,000</u>	<u>442,500</u>	<u>9,412,853</u>
Total Interfund Receivable	<u>\$ 1,480,435</u>	<u>\$ 9,553,727</u>	<u>\$ 1,138,000</u>	<u>\$ 442,500</u>	<u>\$ 12,614,662</u>

CITY OF WADSWORTH, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2014

NOTE 17 - INTERFUND TRANSACTIONS - (Continued)

Interfund transfers for the year ended December 31, 2014 consisted of the following:

	Transfers In							Storm Water Fund
	General Fund	Nonmajor Governmental Funds	Electric Fund	Telecom Fund	Water Fund	Sewer Fund	Sanitation Fund	
<u>Transfers Out</u>								
General Fund	\$ -	\$ 39,142	\$ 42,382	\$ 2,119	\$ 8,477	\$ 8,477	\$ 5,298	\$ -
Tax Increment Financing	-	-	-	-	550,000	-	-	-
Nonmajor Governmental Funds	3,405	78,549	-	-	-	-	-	-
Storm Water	-	-	-	-	50,007	18,424	-	-
Sewer	-	-	-	-	-	-	-	43,534
Total Transfers In	<u>\$ 3,405</u>	<u>\$ 117,691</u>	<u>\$ 42,382</u>	<u>\$ 2,119</u>	<u>\$ 608,484</u>	<u>\$ 26,901</u>	<u>\$ 5,298</u>	<u>\$ 43,534</u>

Transfers are used to move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them and unrestricted revenues collected in the General Fund to finance various programs accounted for in other funds in accordance with budgetary authorizations; to segregate money for anticipated capital projects; to provide additional resources for current operations or debt service; and to return money to the fund from which it was originally provided once a project is completed. The transfer of \$3,405 from the nonmajor governmental funds to the general fund was a residual equity transfer to close out a fund. The City transferred \$550,000 from the Tax Increment Financing fund to the Water fund for debt service payments related to a Water Tower within the TIF District. 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 June 28, 2012 the City granted a franchise to Premier Flight Management Ltd. for a period of three years for the operation and maintenance of the Wadsworth Municipal Airport. The City of Wadsworth pays four thousand three hundred and thirty three dollars per month to Premier Flight Management Ltd. and pays for liability insurance not to exceed six thousand dollars per year. Premier Flight Management Ltd. agrees to pay the City of Wadsworth seven cents per gallon of aviation fuel sold.

CITY OF WADSWORTH, OHIO

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2014**

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 \$43,089 for JV 1 at December 31, 2014.

The following is a summary of audited financial information of OMEGAJV1 for the year ended December 31, 2014:

	<u>OMEGA JV 1</u>
Total Assets	\$ 568,595
Total Liabilities	130,177
Deferred Inflow	54,723
Participants Equity	383,695
Total Revenues	459,517
Total Expenses	479,409
(Deficiency) of Revenue	
(Under) Expenses	(19,892)

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.

CITY OF WADSWORTH, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2014

NOTE 19 - JOINT VENTURES - (Continued)

Pursuant to the Agreement each participant has an obligation to pay its share of debt service on the Distributive Generation Bonds (Bonds) from the revenues of its electric system, subject only to the prior payment of Operating & Maintenance Expenses (O&M) of each participant's System, and shall be on a parity with any outstanding and future senior electric system revenue bonds, notes or other indebtedness payable from any revenues of the System. Under the terms of the Agreement each Financing Participant is to fix, charge and collect rates, fees and charges at least sufficient in order to maintain a debt coverage ratio equal to 110% of the sum of OMEGA JV2 debt service and any other outstanding senior lien electric system revenue obligations. As of December 31, 2014, 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, 2014, the outstanding debt was \$11,938,283. The City's net obligation for these bonds at December 31, 2014 was \$884,627. The City's net investment and its share of operating results of OMEGA JV2 are reported in the City's electric fund (an enterprise fund). The City's net investment in OMEGA JV2 was \$1,147,874 at December 31, 2014. Complete financial statements for OMEGA JV2 may be obtained from AMP or from the State Auditor's website at www.ohioauditor.gov.

CITY OF WADSWORTH, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2014

NOTE 19 - JOINT VENTURES - (Continued)

The thirty-six participating subdivisions and their respective ownership shares at December 31, 2014 are:

Hamilton	23.87%	32,000	Grafton	0.79%	1,056
Bowling Green	14.32%	19,198	Brewster	0.75%	1,000
Niles	11.48%	15,400	Monroeville	0.57%	764
Cuyahoga Falls	7.46%	10,000	Milan	0.55%	737
Wadsworth	5.81%	7,784	Oak Harbor	0.55%	737
Painesville	5.22%	7,000	Elmore	0.27%	364
Dover	5.22%	7,000	Jackson Center	0.22%	300
Galion	4.29%	5,753	Napoleon	0.20%	264
Amherst	3.73%	5,000	Lodi	0.16%	218
St. Mary's	2.98%	4,000	Genoa	0.15%	199
Montpelier	2.98%	4,000	Pemberville	0.15%	197
Shelby	1.89%	2,536	Lucas	0.12%	161
Versailles	1.24%	1,660	South Vienna	0.09%	123
Edgerton	1.09%	1,460	Bradner	0.09%	119
Yellow Springs	1.05%	1,408	Woodville	0.06%	81
Oberlin	0.91%	1,217	Haskins	0.05%	73
Pioneer	0.86%	1,158	Arcanum	0.03%	44
Seville	0.80%	1,066	Custar	0.00%	4

Grand Total 134,081

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

	OMEGA JV 2
Total Assets	\$ 22,903,932
Total Liabilities	2,349,925
Deferred Inflows	797,117
Participants Equity	19,756,890
Total Revenues	7,407,942
Total Expenses	10,436,062
(Deficiency) of Revenue	
(Under) Expenses	(3,028,120)

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, 2014

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, 2014, 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, 2014 to \$57,679,473. 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 \$167,919 at December 31, 2014. Complete financial statements for OMEGA JV5 may be obtained from AMP or from the State Auditor's website at www.ohioauditor.gov.

CITY OF WADSWORTH, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2014

NOTE 19 - JOINT VENTURES - (Continued)

The following is a summary of audited financial information of OMEGAJV5 for the year ended December 31, 2014:

	<u>OMEGA JV 5</u>
Total Assets	\$ 124,100,573
Total Liabilities	89,109,857
Deferred Inflows	32,002,835
Participants Equity	2,987,887
Total Revenues	15,764,984
Total Expenses	22,549,060
(Deficiency) of Revenue	
(Under) Expenses	(6,784,076)

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 OMEGAJV6 Participants.

Pursuant to the Agreement each participant has an obligation to pay its share of debt service on the Adjustable Rate Revenue Bonds (Bonds) from the revenues of its electric system, subject only to the prior payment of Operating & Maintenance Expenses (O&M) of each participant's System, and shall be on a parity with any outstanding and future senior electric system revenue bonds, notes or other indebtedness payable from any revenues of the System. On dissolution of OMEGA JV6, any excess funds shall be refunded to the Non-Financing Participants in proportion to each Participant's Project Share and to Financing Participant's respective obligations first by credit against the Financing Participant's respective obligations. Any other excess funds shall be paid to the Participants in proportion to their respective Project Shares. Under the terms of the Agreement each financing participant is to fix, charge and collect rates, fees, charges, including other available funds, at least sufficient in order to maintain a debt coverage ratio equal to 110% of the sum of OMEGA JV6 debt service and any other outstanding senior lien electric system revenue obligations. As of December 31, 2014, Wadsworth has met their debt coverage obligation.

CITY OF WADSWORTH, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2014

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. The City's net obligation for these bonds at December 31, 2014 was \$19,739 (Including amounts withheld for Debt Service Reserve, amounts held in the Bond Fund, previous billings to members, interest payable and debt service paid and collected).

The City's net investment and its share of operating results of OMEGA JV6 are reported in the City's electric fund (an enterprise fund). The City's net investment to date in OMEGA JV6 was \$275,825 at December 31, 2014. Complete financial statements for OMEGA JV6 may be obtained from AMP or from the State Auditor's website at www.ohioauditor.gov.

The ten participating subdivisions and their respective ownership shares at December 31, 2014 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, 2014

NOTE 19 - JOINT VENTURES - (Continued)

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

<u>Years</u>	<u>Principal</u>	<u>Interest</u>	<u>Total Debt Service</u>
2015	\$ 33,723	\$ 1,477	\$ 35,200
2016	<u>11,548</u>	<u>231</u>	<u>11,779</u>
Total Gross Liability	<u>\$ 45,271</u>	<u>\$ 1,708</u>	<u>\$ 46,979</u>
Less: Amounts Held in Reserve	<u>-</u>		
Net Obligation	<u>\$ 45,271</u>		

The following is a summary of audited financial information of OMEGA JV 6 for the year ended December 31, 2014:

	<u>OMEGA JV 6</u>
Total Assets	\$ 9,074,085
Total Liabilities	672,341
Total Deferred Inflows	452,893
Participants Equity	7,948,851
Total Revenues	382,689
Total Expenses	679,936
Excess of Revenue Over Expenses	(297,247)

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, 2014 was as follows:

Total Receipts	\$ 255,163
Total Disbursements	<u>(223,280)</u>
Excess of Receipts Over Disbursements	<u>\$ 31,883</u>

The Cemetery has no outstanding debt.

CITY OF WADSWORTH, OHIO

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2014**

NOTE 20 - JOINTLY GOVERNED ORGANIZATION

Municipal Energy Services Agency (MESA)

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

NOTE 21 - CONTINGENCIES

A. Grants

The City received financial assistance from federal and State agencies in the form of grants. The disbursement of funds received under these programs generally requires compliance with terms and conditions specified in the grant agreements and are subject to audit by the grantor agencies. Any disallowed claims resulting from such audits could become a liability of the general fund or other applicable funds. However, in the opinion of management, any such disallowed claims will not have a material adverse effect on the overall financial position of the City at December 31, 2014.

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, 2014.

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	\$ 109,994
Tax increment financing	808,609
Nonmajor governmental funds	<u>557,945</u>
Total	<u>\$ 1,476,548</u>

CITY OF WADSWORTH, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2014

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	Tax Increment Financing	Nonmajor Governmental Funds	Total Governmental Funds
Nonspendable:				
Prepayments	\$ 53,817	\$ -	\$ 13,569	\$ 67,386
Materials and supplies inventory	154,215	-	241,901	396,116
Interfund loan receivable	<u>1,480,435</u>	-	-	<u>1,480,435</u>
Total nonspendable	<u>1,688,467</u>	-	<u>255,470</u>	<u>1,943,937</u>
Restricted:				
Capital projects	-	-	7,316,804	7,316,804
Street maintenance	-	-	1,087,528	1,087,528
Emergency medical services	-	-	1,767,199	1,767,199
Municipal court	-	-	927,258	927,258
Law enforcement	-	-	242,853	242,853
Other purposes	-	-	15,559	15,559
Community improvements	-	-	190,853	190,853
Community developments	-	-	199,024	199,024
Fire protection	-	-	21,367	21,367
Debt service	-	-	1,052	1,052
Total restricted	<u>-</u>	<u>-</u>	<u>11,769,497</u>	<u>11,769,497</u>
Committed:				
Recreation	-	-	104,378	104,378
Parking fines	128,232	-	-	128,232
Other	-	-	107,353	107,353
Total committed	<u>128,232</u>	<u>-</u>	<u>211,731</u>	<u>339,963</u>
Assigned:				
General government	55,219	-	-	55,219
Security of persons and property	39,857	-	-	39,857
Other purposes	13,267	-	-	13,267
Subsequent year's appropriations	<u>604,763</u>	-	-	<u>604,763</u>
Total assigned	<u>713,106</u>	<u>-</u>	<u>-</u>	<u>713,106</u>
Unassigned (deficit)	<u>4,695,499</u>	<u>(901,617)</u>	<u>(1,119,108)</u>	<u>2,674,774</u>
Total fund balances	<u>\$ 7,225,304</u>	<u>\$ (901,617)</u>	<u>\$ 11,117,590</u>	<u>\$ 17,441,277</u>

CITY OF WADSWORTH, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2014

NOTE 24 - CONTRACTUAL COMMITMENTS

N. Avon Waterline - This project consists of the replacement of approximately 4,430 lineal feet of existing 4-inch through 6-inch cast iron waterline with 8-inch ductile iron waterline, including valves, hydrants and service connections. The project was bid in December 2014 and awarded to Dirt Dawg Excavating for \$515,767. Construction is to be completed by July 2015.

Sewer System GIS - The City of Wadsworth used the QBS process and selected RedZone Robotics to obtain a geographical information system (GIS). The total cost of the contract is \$748,957 to be paid over five years, with \$145,486 being paid in 2014. In 2014, RedZone had inspected 99% or 427,128 feet of our 8" – 10" sewers and 75% or 83,426 feet of 12" diameter and larger sewers. The work will continue in 2015.

Capital Equipment - The Sanitation Department ordered a Fully Automated Packer Truck in 2014. The cab and chassis from Freightliner was manufactured and paid for in 2014 at a total of \$95,689. In 2015, the cab and chassis was mounted with a Labrie Fully Automated Side Loader Body for \$127,850 and delivered in March 2015.

Wadsworth Municipal Airport Franchise - On June 28, 2012 the City granted a franchise to Premier Flight Management, LTD for a period of three years for the operation and maintenance of the Wadsworth Municipal Airport. The City of Wadsworth pays four thousand three hundred thirty three (\$4,333.00) 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.

High Street Ph. 2 Road Widening - The proposed project involves improvements along SR-94, from West Street to the intersection with Smokerise Drive, in Wadsworth. Improvements include the addition of two lanes on the SR-94 Bridge over I-76 and the re-alignment of Great Oaks Trail with Park Center Drive, the reconstruction of the signal system to support the geometric improvements, the construction of a multi-purpose trail from West Street to Great Oaks Trail and construction of the access management along the corridor.

One of the main features of this project is the use of access management in the corridor to restrict left turns exiting at mid-block driveways by installing raised concrete islands in the centerline of SR-94 and in driveway aprons, the creation of cross access driveways at controlled locations, and the addition of various turn lanes and turn lane storage lengths. The existing bridge over I-76 will be widened to accommodate more turning storage and the multi-purpose trail.

The land cost for 53 acquisitions totaled \$2,272,604 and we received \$1,629,021 reimbursement from ODOT Safety funds. Additional reimbursements will be filed as the project progresses. Outstanding agreements are continuing to be decided in 2015.

**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.

Special Assessments Fund

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

Nonmajor Debt Service Funds

Special Assessment Bond Retirement Fund

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

CITY OF WADSWORTH, OHIO

COMBINING STATEMENTS - NONMAJOR GOVERNMENTAL FUNDS

Nonmajor Special Revenue Funds

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

Recreation Fund

To account for income tax 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.

FEMA Grant Fund

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

Community Development Block Grant (CDBG) Fund

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

CITY OF WADSWORTH, OHIO

COMBINING STATEMENTS - NONMAJOR GOVERNMENTAL FUNDS

Nonmajor Special Revenue Funds - (continued)

Community Housing Improvement Program (CHIP) Fund

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

CHIP Revolving Loan Fund

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

Economic Development Fund

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

Recreation Tax Fund

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

Revolving Loan Fund

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

CITY OF WADSWORTH, OHIO
 COMBINING BALANCE SHEET
 NONMAJOR GOVERNMENTAL FUNDS
 DECEMBER 31, 2014

	Nonmajor Capital Projects Funds	Nonmajor Debt Service Fund	Nonmajor Special Revenue Funds	Total Nonmajor Governmental Funds
Assets:				
Equity in pooled cash, cash equivalents and investments	\$ 1,906,625	\$ -	\$ 1,836,661	\$ 3,743,286
Receivables:				
Real and other tax	342,841	-	885,097	1,227,938
Accounts	-	-	516,768	516,768
Special assessments	48,856	-	12,585	61,441
Interfund loans	6,480,114	50,447	3,023,166	9,553,727
Due from other governments	26,501	-	519,635	546,136
Materials and supplies inventory	-	-	241,901	241,901
Prepayments	-	-	13,569	13,569
Total assets	<u>\$ 8,804,937</u>	<u>\$ 50,447</u>	<u>\$ 7,049,382</u>	<u>\$ 15,904,766</u>
Liabilities:				
Accounts payable	\$ 42,253	\$ -	\$ 37,084	\$ 79,337
Contracts payable	42,586	-	41,116	83,702
Accrued wages and benefits	-	-	77,707	77,707
Compensated absences payable	-	-	42,159	42,159
Interfund loans payable	1,038,310	49,267	1,347,435	2,435,012
Due to other governments	26,386	-	18,883	45,269
Matured interest payable	-	128	-	128
Total liabilities	<u>1,149,535</u>	<u>49,395</u>	<u>1,564,384</u>	<u>2,763,314</u>
Deferred inflows of resources:				
Property taxes levied for the next fiscal year	335,798	-	867,186	1,202,984
Delinquent property tax revenue not available	7,043	-	17,911	24,954
Special assessments revenue not available	48,856	-	12,585	61,441
Miscellaneous revenue not available	-	-	350,028	350,028
Intergovernmental revenue not available	26,501	-	357,954	384,455
Total deferred inflows of resources	<u>418,198</u>	<u>-</u>	<u>1,605,664</u>	<u>2,023,862</u>
Fund balances:				
Nonspendable	-	-	255,470	255,470
Restricted	7,316,804	1,052	4,451,641	11,769,497
Committed	-	-	211,731	211,731
Unassigned (deficit)	(79,600)	-	(1,039,508)	(1,119,108)
Total fund balances	<u>7,237,204</u>	<u>1,052</u>	<u>3,879,334</u>	<u>11,117,590</u>
Total liabilities, deferred inflows of resources & fund balance	<u>\$ 8,804,937</u>	<u>\$ 50,447</u>	<u>\$ 7,049,382</u>	<u>\$ 15,904,766</u>

CITY OF WADSWORTH, OHIO

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2014

	Nonmajor Capital Projects Funds	Nonmajor Debt Service Fund	Nonmajor Special Revenue Funds	Total Nonmajor Governmental Funds
Revenues:				
Income taxes	\$ 1,273,103	\$ -	\$ 1,789,374	\$ 3,062,477
Real and other taxes	452,345	-	1,136,147	1,588,492
Charges for services	101,000	-	1,723,243	1,824,243
Licenses and permits	28,000	-	-	28,000
Fines and forfeitures	-	-	178,237	178,237
Intergovernmental	53,027	-	1,246,098	1,299,125
Special assessments	138	77,690	-	77,828
Investment income	-	-	150	150
Rental income	-	-	46,567	46,567
Contributions and donations	-	-	53,850	53,850
Other	188,574	-	15,222	203,796
Total revenues	<u>2,096,187</u>	<u>77,690</u>	<u>6,188,888</u>	<u>8,362,765</u>
Expenditures:				
<i>Current:</i>				
General government	128,104	-	173,817	301,921
Security of persons and property	33,092	-	1,666,007	1,699,099
Public health and welfare	-	-	5,313	5,313
Transportation	42,679	-	2,619,998	2,662,677
Leisure time activity	-	-	44,528	44,528
Economic development	-	-	123,991	123,991
Capital outlay	1,192,048	-	383,536	1,575,584
<i>Debt service:</i>				
Principal retirement	215,000	-	450,000	665,000
Interest and fiscal charges	20,995	-	722,172	743,167
Total expenditures	<u>1,631,918</u>	<u>-</u>	<u>6,189,362</u>	<u>7,821,280</u>
Excess (deficiency) of revenues over/(under) expenditures	<u>464,269</u>	<u>77,690</u>	<u>(474)</u>	<u>541,485</u>
Other financing sources (uses):				
Transfers in	92,855	-	24,836	117,691
Transfers out	-	(81,954)	-	(81,954)
Total other financing sources/(uses)	<u>92,855</u>	<u>(81,954)</u>	<u>24,836</u>	<u>35,737</u>
Net change in fund balances	557,124	(4,264)	24,362	577,222
Fund balances at beginning of year	<u>6,680,080</u>	<u>5,316</u>	<u>3,854,972</u>	<u>10,540,368</u>
Fund balances at end of year	<u><u>\$ 7,237,204</u></u>	<u><u>\$ 1,052</u></u>	<u><u>\$ 3,879,334</u></u>	<u><u>\$ 11,117,590</u></u>

CITY OF WADSWORTH, OHIO
COMBINING BALANCE SHEET
INDIVIDUAL NONMAJOR GOVERNMENTAL FUNDS
DECEMBER 31, 2014

	Nonmajor Capital Projects			
	Airport Improvements Fund	Community Center Project Fund	General Capital Improvements Fund	EMS Reserve Fund
Assets:				
Equity in pooled cash, cash equivalents and investments	\$ 181,502	\$ 25,217	\$ 735,975	\$ 30,326
Receivables:				
Real and other tax	-	-	-	-
Accounts	-	-	-	-
Special assessments	-	-	-	-
Interfund loans	-	139,500	675,250	958,000
Due from other governments	-	-	-	-
Materials and supplies inventory	-	-	-	-
Prepayments	-	-	-	-
Total assets	<u>\$ 181,502</u>	<u>\$ 164,717</u>	<u>\$ 1,411,225</u>	<u>\$ 988,326</u>
Liabilities:				
Accounts payable	\$ -	\$ -	\$ 13,042	\$ -
Contracts payable	3,606	-	38,980	-
Accrued wages and benefits	-	-	-	-
Compensated absences payable	-	-	-	-
Interfund loans payable	257,496	-	676,279	-
Due to other governments	-	-	-	-
Matured interest payable	-	-	-	-
Total liabilities	<u>261,102</u>	<u>-</u>	<u>728,301</u>	<u>-</u>
Deferred inflows of resources:				
Property taxes levied for the next fiscal year	-	-	-	-
Delinquent property tax revenue not available	-	-	-	-
Special assessments revenue not available	-	-	-	-
Miscellaneous revenue not available	-	-	-	-
Intergovernmental revenue not available	-	-	-	-
Total deferred inflows of resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balances:				
Nonspendable	-	-	-	-
Restricted	-	164,717	682,924	988,326
Committed	-	-	-	-
Unassigned (deficit)	(79,600)	-	-	-
Total fund balances	<u>(79,600)</u>	<u>164,717</u>	<u>682,924</u>	<u>988,326</u>
Total liabilities, deferred inflows of resources & fund balance	<u>\$ 181,502</u>	<u>\$ 164,717</u>	<u>\$ 1,411,225</u>	<u>\$ 988,326</u>

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
\$ 537,290	\$ 118,627	\$ 167,591	\$ 110,097	\$ 1,906,625	\$ -	\$ 218,897
342,841	-	-	-	342,841	-	-
-	-	-	-	-	-	104,030
-	-	-	48,856	48,856	-	-
3,995,864	162,000	549,500	-	6,480,114	50,447	-
26,501	-	-	-	26,501	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	7,778
<u>\$ 4,902,496</u>	<u>\$ 280,627</u>	<u>\$ 717,091</u>	<u>\$ 158,953</u>	<u>\$ 8,804,937</u>	<u>\$ 50,447</u>	<u>\$ 330,705</u>
\$ 29,211	\$ -	\$ -	\$ -	\$ 42,253	\$ -	\$ -
-	-	-	-	42,586	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	104,535	1,038,310	49,267	1,347,435
-	-	26,386	-	26,386	-	-
-	-	-	-	-	128	-
<u>29,211</u>	<u>-</u>	<u>26,386</u>	<u>104,535</u>	<u>1,149,535</u>	<u>49,395</u>	<u>1,347,435</u>
335,798	-	-	-	335,798	-	-
7,043	-	-	-	7,043	-	-
-	-	-	48,856	48,856	-	-
-	-	-	-	-	-	15,000
26,501	-	-	-	26,501	-	-
<u>369,342</u>	<u>-</u>	<u>-</u>	<u>48,856</u>	<u>418,198</u>	<u>-</u>	<u>15,000</u>
-	-	-	-	-	-	7,778
4,503,943	280,627	690,705	5,562	7,316,804	1,052	-
-	-	-	-	-	-	-
-	-	-	-	(79,600)	-	(1,039,508)
<u>4,503,943</u>	<u>280,627</u>	<u>690,705</u>	<u>5,562</u>	<u>7,237,204</u>	<u>1,052</u>	<u>(1,031,730)</u>
<u>\$ 4,902,496</u>	<u>\$ 280,627</u>	<u>\$ 717,091</u>	<u>\$ 158,953</u>	<u>\$ 8,804,937</u>	<u>\$ 50,447</u>	<u>\$ 330,705</u>

Continued

CITY OF WADSWORTH, OHIO
 COMBINING BALANCE SHEET
 INDIVIDUAL NONMAJOR GOVERNMENTAL FUNDS (CONTINUED)
 DECEMBER 31, 2014

	Street Maintenance Fund	Emergency Medical Services Fund	Municipal Court Special Programs Fund	Municipal Court Improvements Fund
Assets:				
Equity in pooled cash, cash equivalents and investments	\$ 233,946	\$ 92,483	\$ 56,071	\$ 363,187
<i>Receivables (net of allowances for uncollectibles):</i>				
Real and other tax	-	885,097	-	-
Accounts	1,164	411,574	-	-
Special assessments	-	-	-	-
Interfund loans	572,086	1,680,185	120,000	167,000
Due from other governments	374,350	67,107	-	-
Materials and supplies inventory	241,901	-	-	-
Prepayments	1,747	3,192	852	-
Total assets	<u>\$ 1,425,194</u>	<u>\$ 3,139,638</u>	<u>\$ 176,923</u>	<u>\$ 530,187</u>
Liabilities:				
Accounts payable	\$ 18,952	\$ 18,132	\$ -	\$ -
Contracts payable	-	-	-	-
Accrued wages and benefits	24,943	52,764	-	-
Compensated absences payable	42,159	-	-	-
Interfund loans payable	-	-	-	-
Due to other governments	7,764	11,119	-	-
Matured interest payable	-	-	-	-
Total liabilities	<u>93,818</u>	<u>82,015</u>	<u>-</u>	<u>-</u>
Deferred inflows of resources:				
Property taxes levied for the next fiscal year	-	867,186	-	-
Delinquent property tax revenue not available	-	17,911	-	-
Special assessments revenue not available	-	-	-	-
Miscellaneous revenue not available	-	335,028	-	-
Intergovernmental revenue not available	244,474	67,107	-	-
Total deferred inflows of resources	<u>244,474</u>	<u>1,287,232</u>	<u>-</u>	<u>-</u>
Fund balances:				
Nonspendable	243,648	3,192	852	-
Restricted	843,254	1,767,199	176,071	530,187
Committed	-	-	-	-
Unassigned (deficit)	-	-	-	-
Total fund balances	<u>1,086,902</u>	<u>1,770,391</u>	<u>176,923</u>	<u>530,187</u>
Total liabilities, deferred inflows of resources & fund balance	<u>\$ 1,425,194</u>	<u>\$ 3,139,638</u>	<u>\$ 176,923</u>	<u>\$ 530,187</u>

CITY OF WADSWORTH, OHIO
 COMBINING BALANCE SHEET
 INDIVIDUAL NONMAJOR GOVERNMENTAL FUNDS (CONTINUED)
 DECEMBER 31, 2014

	Nonmajor Special Revenue			
	State Highway Fund	Abatement of Public Nuisance Fund	Chippewa Creek Well Reserve Fund	Community Reinvestment Fund
Assets:				
Equity in pooled cash, cash equivalents and investments	\$ 61,352	\$ 39,940	\$ 100,000	\$ 34,128
<i>Receivables (net of allowances for uncollectibles):</i>				
Real and other tax	-	-	-	-
Accounts	-	-	-	-
Special assessments	-	12,585	-	-
Interfund loans	-	-	-	-
Due from other governments	30,353	-	-	-
Materials and supplies inventory	-	-	-	-
Prepayments	-	-	-	-
Total assets	<u>\$ 91,705</u>	<u>\$ 52,525</u>	<u>\$ 100,000</u>	<u>\$ 34,128</u>
Liabilities:				
Accounts payable	\$ -	\$ -	\$ -	\$ -
Contracts payable	4,400	-	-	-
Accrued wages and benefits	-	-	-	-
Compensated absences payable	-	-	-	-
Interfund loans payable	-	-	-	-
Due to other governments	-	-	-	-
Matured interest payable	-	-	-	-
Total liabilities	<u>4,400</u>	<u>-</u>	<u>-</u>	<u>-</u>
Deferred inflows of resources:				
Property taxes levied for the next fiscal year	-	-	-	-
Delinquent property tax revenue not available	-	-	-	-
Special assessments revenue not available	-	12,585	-	-
Miscellaneous revenue not available	-	-	-	-
Intergovernmental revenue not available	19,822	-	-	-
Total deferred inflows of resources	<u>19,822</u>	<u>12,585</u>	<u>-</u>	<u>-</u>
Fund balances:				
Nonspendable	-	-	-	-
Restricted	67,483	39,940	100,000	34,128
Committed	-	-	-	-
Unassigned (deficit)	-	-	-	-
Total fund balances	<u>67,483</u>	<u>39,940</u>	<u>100,000</u>	<u>34,128</u>
Total liabilities, deferred inflows of resources & fund balance	<u>\$ 91,705</u>	<u>\$ 52,525</u>	<u>\$ 100,000</u>	<u>\$ 34,128</u>

Nonmajor Special Revenue

<u>Fire Department Education Grant Fund</u>	<u>Police Continuing Professional Training Fund</u>	<u>FEMA Grant Fund</u>	<u>Community Development Block Grant (CDBG) Fund</u>	<u>Community Housing Improvement Program (CHIP) Fund</u>	<u>CHIP Revolving Loan Fund</u>	<u>Economic Development Fund</u>
\$ 21,367	\$ 8,120	\$ -	\$ 50,770	\$ -	\$ 16,785	\$ 15,559
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	2,160	-	26,551	-	-	-
-	-	-	-	-	-	-
<u>\$ 21,367</u>	<u>\$ 10,280</u>	<u>\$ -</u>	<u>\$ 77,321</u>	<u>\$ -</u>	<u>\$ 16,785</u>	<u>\$ 15,559</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	36,716	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
<u>-</u>	<u>-</u>	<u>-</u>	<u>36,716</u>	<u>-</u>	<u>-</u>	<u>-</u>
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	26,551	-	-	-
<u>-</u>	<u>-</u>	<u>-</u>	<u>26,551</u>	<u>-</u>	<u>-</u>	<u>-</u>
-	-	-	-	-	-	-
21,367	10,280	-	14,054	-	16,785	15,559
-	-	-	-	-	-	-
<u>21,367</u>	<u>10,280</u>	<u>-</u>	<u>14,054</u>	<u>-</u>	<u>16,785</u>	<u>15,559</u>
<u>\$ 21,367</u>	<u>\$ 10,280</u>	<u>\$ -</u>	<u>\$ 77,321</u>	<u>\$ -</u>	<u>\$ 16,785</u>	<u>\$ 15,559</u>

Continued

CITY OF WADSWORTH, OHIO
COMBINING BALANCE SHEET
INDIVIDUAL NONMAJOR GOVERNMENTAL FUNDS (CONTINUED)
DECEMBER 31, 2014

	Nonmajor Special Revenue			
	Recreation Tax Fund	Revolving Loan Fund	Total Special Revenue	Totals
Assets:				
Equity in pooled cash, cash equivalents and investments	\$ 104,378	\$ 11,095	\$ 1,836,661	\$ 3,743,286
<i>Receivables (net of allowances for uncollectibles):</i>				
Real and other tax	-	-	885,097	1,227,938
Accounts	-	-	516,768	516,768
Special assessments	-	-	12,585	61,441
Interfund loans	-	173,875	3,023,166	9,553,727
Due from other governments	-	-	519,635	546,136
Materials and supplies inventory	-	-	241,901	241,901
Prepayments	-	-	13,569	13,569
Total assets	\$ 104,378	\$ 184,970	\$ 7,049,382	\$ 15,904,766
Liabilities:				
Accounts payable	\$ -	\$ -	\$ 37,084	\$ 79,337
Contracts payable	-	-	41,116	83,702
Accrued wages and benefits	-	-	77,707	77,707
Compensated absences payable	-	-	42,159	42,159
Interfund loans payable	-	-	1,347,435	2,435,012
Due to other governments	-	-	18,883	45,269
Matured interest payable	-	-	-	128
Total liabilities	-	-	1,564,384	2,763,314
Deferred inflows of resources:				
Property taxes levied for the next fiscal year	-	-	867,186	1,202,984
Delinquent property tax revenue not available	-	-	17,911	24,954
Special assessments revenue not available	-	-	12,585	61,441
Miscellaneous revenue not available	-	-	350,028	350,028
Intergovernmental revenue not available	-	-	357,954	384,455
Total deferred inflows of resources	-	-	1,605,664	2,023,862
Fund balances:				
Nonspendable	-	-	255,470	255,470
Restricted	-	184,970	4,451,641	11,769,497
Committed	104,378	-	211,731	211,731
Unassigned (deficit)	-	-	(1,039,508)	(1,119,108)
Total fund balances	104,378	184,970	3,879,334	11,117,590
Total liabilities, deferred inflows of resources & fund balance	\$ 104,378	\$ 184,970	\$ 7,049,382	\$ 15,904,766

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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, 2014

	Nonmajor Capital Projects			
	Airport Improvements Fund	Community Center Project Fund	General Capital Improvements Fund	EMS Reserve Fund
Revenues:				
Income taxes	\$ 99,500	\$ -	\$ 252,817	\$ -
Real and other taxes	-	-	91,374	-
Charges for services	-	-	-	-
Licenses and permits	-	-	-	-
Fines and forfeitures	-	-	-	-
Intergovernmental	-	-	-	-
Special assessments	-	-	-	-
Investment income	-	-	-	-
Rental income	-	-	-	-
Contributions and donations	-	-	-	-
Other	-	-	188,574	-
Total revenues	<u>99,500</u>	<u>-</u>	<u>532,765</u>	<u>-</u>
Expenditures:				
<i>Current:</i>				
General government	818	-	23,568	-
Security of persons and property	-	-	-	155
Public health and welfare	-	-	-	-
Transportation	-	-	-	-
Leisure time activity	-	-	-	-
Economic development	-	-	-	-
Capital outlay	20,104	-	296,592	139,408
<i>Debt service:</i>				
Principal retirement	-	-	215,000	-
Interest and fiscal charges	3,173	-	12,868	-
Total expenditures	<u>24,095</u>	<u>-</u>	<u>548,028</u>	<u>139,563</u>
Excess (deficiency) of revenues over (under) expenditures	<u>75,405</u>	<u>-</u>	<u>(15,263)</u>	<u>(139,563)</u>
Other financing sources (uses):				
Transfer in	-	-	-	-
Transfer out	-	-	-	-
Total other financing sources/(uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	75,405	-	(15,263)	(139,563)
Fund balances at beginning of year	<u>(155,005)</u>	<u>164,717</u>	<u>698,187</u>	<u>1,127,889</u>
Fund balances at end of year	<u>\$ (79,600)</u>	<u>\$ 164,717</u>	<u>\$ 682,924</u>	<u>\$ 988,326</u>

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
\$ -	\$ -	\$ 864,961	\$ 55,825	\$ 1,273,103	\$ -	\$ 669,374
360,971	-	-	-	452,345	-	-
101,000	-	-	-	101,000	-	616,754
-	28,000	-	-	28,000	-	-
-	-	-	-	-	-	-
53,027	-	-	-	53,027	-	-
-	-	-	138	138	77,690	-
-	-	-	-	-	-	-
-	-	-	-	-	-	46,567
-	-	-	-	-	-	50,000
-	-	-	-	188,574	-	783
514,998	28,000	864,961	55,963	2,096,187	77,690	1,383,478
-	-	-	103,718	128,104	-	-
32,937	-	-	-	33,092	-	-
-	-	-	-	-	-	-
-	-	42,679	-	42,679	-	-
-	-	-	-	-	-	42,643
-	-	-	-	-	-	-
101,944	166	633,834	-	1,192,048	-	104,501
-	-	-	-	215,000	-	450,000
-	-	-	4,954	20,995	-	722,172
134,881	166	676,513	108,672	1,631,918	-	1,319,316
380,117	27,834	188,448	(52,709)	464,269	77,690	64,162
10,597	-	-	82,258	92,855	-	-
-	-	-	-	-	(81,954)	-
10,597	-	-	82,258	92,855	(81,954)	-
390,714	27,834	188,448	29,549	557,124	(4,264)	64,162
4,113,229	252,793	502,257	(23,987)	6,680,080	5,316	(1,095,892)
\$ 4,503,943	\$ 280,627	\$ 690,705	\$ 5,562	\$ 7,237,204	\$ 1,052	\$ (1,031,730)

Continued

CITY OF WADSWORTH, OHIO
COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2014

	Street Maintenance Fund	Emergency Medical Services Fund	Municipal Court Special Programs Fund	Municipal Court Improvements Fund
Revenues:				
Income taxes	\$ 1,120,000	\$ -	\$ -	\$ -
Real and other taxes	127,990	914,307	-	-
Charges for services	344,096	714,359	-	-
Licenses and permits	-	-	-	-
Fines and forfeitures	-	-	66,354	68,460
Intergovernmental	652,188	128,777	-	-
Special assessments	-	-	-	-
Investment income	-	-	-	-
Rental income	-	-	-	-
Contributions and donations	-	-	-	-
Other	2,700	5	2,450	-
Total revenues	<u>2,246,974</u>	<u>1,757,448</u>	<u>68,804</u>	<u>68,460</u>
Expenditures:				
<i>Current:</i>				
General government	-	-	59,197	37,376
Security of persons and property	-	1,641,533	-	-
Public health and welfare	-	-	-	-
Transportation	2,420,328	-	-	-
Leisure time activity	-	-	-	-
Economic development	-	-	-	-
Capital outlay	24,881	102,030	-	16,130
<i>Debt service:</i>				
Principal retirement	-	-	-	-
Interest and fiscal charges	-	-	-	-
Total expenditures	<u>2,445,209</u>	<u>1,743,563</u>	<u>59,197</u>	<u>53,506</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(198,235)</u>	<u>13,885</u>	<u>9,607</u>	<u>14,954</u>
Other financing sources (uses):				
Transfer in	7,418	7,418	-	-
Transfer out	-	-	-	-
Total other financing sources/(uses)	<u>7,418</u>	<u>7,418</u>	<u>-</u>	<u>-</u>
Net change in fund balances	(190,817)	21,303	9,607	14,954
Fund balances at beginning of year	<u>1,277,719</u>	<u>1,749,088</u>	<u>167,316</u>	<u>515,233</u>
Fund balances at end of year	<u>\$ 1,086,902</u>	<u>\$ 1,770,391</u>	<u>\$ 176,923</u>	<u>\$ 530,187</u>

Nonmajor Special Revenue

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	State Highway Fund
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
25,508	-	-	-	-	-	-
-	5,638	3,302	21,574	6,381	-	-
-	-	-	20,983	-	241,117	63,258
-	-	-	-	79	-	-
-	3,750	-	-	100	-	-
-	-	-	-	-	-	-
<u>25,508</u>	<u>9,388</u>	<u>3,302</u>	<u>42,557</u>	<u>6,560</u>	<u>241,117</u>	<u>63,258</u>
20,795	-	321	29,838	-	-	-
-	5,044	-	-	19,161	-	-
-	-	-	-	-	-	-
-	-	-	-	-	147,370	52,300
-	-	-	-	-	-	-
-	32,279	-	-	-	68,812	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
<u>20,795</u>	<u>37,323</u>	<u>321</u>	<u>29,838</u>	<u>19,161</u>	<u>216,182</u>	<u>52,300</u>
<u>4,713</u>	<u>(27,935)</u>	<u>2,981</u>	<u>12,719</u>	<u>(12,601)</u>	<u>24,935</u>	<u>10,958</u>
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
4,713	(27,935)	2,981	12,719	(12,601)	24,935	10,958
102,640	85,151	14,833	208,281	170,144	151,856	56,525
<u>\$ 107,353</u>	<u>\$ 57,216</u>	<u>\$ 17,814</u>	<u>\$ 221,000</u>	<u>\$ 157,543</u>	<u>\$ 176,791</u>	<u>\$ 67,483</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, 2014

	Nonmajor Special Revenue			
	Abatement of Public Nuisance Fund	Chippewa Creek Well Reserve Fund	Community Reinvestment Fund	Fire Department Education Grant Fund
Revenues:				
Income taxes	\$ -	\$ -	\$ -	\$ -
Real and other taxes	-	-	-	-
Charges for services	-	-	-	-
Licenses and permits	-	-	-	-
Fines and forfeitures	6,528	-	-	-
Intergovernmental	-	-	-	1,545
Special assessments	-	-	-	-
Investment income	-	-	-	-
Rental income	-	-	-	-
Contributions and donations	-	-	-	-
Other	5,133	-	1,500	-
Total revenues	<u>11,661</u>	<u>-</u>	<u>1,500</u>	<u>1,545</u>
Expenditures:				
<i>Current:</i>				
General government	-	-	-	-
Security of persons and property	-	-	-	146
Public health and welfare	5,313	-	-	-
Transportation	-	-	-	-
Leisure time activity	-	-	-	-
Economic development	-	-	175	-
Capital outlay	-	-	-	-
<i>Debt service:</i>				
Principal retirement	-	-	-	-
Interest and fiscal charges	-	-	-	-
Total expenditures	<u>5,313</u>	<u>-</u>	<u>175</u>	<u>146</u>
Excess (deficiency) of revenues over (under) expenditures	<u>6,348</u>	<u>-</u>	<u>1,325</u>	<u>1,399</u>
Other financing sources (uses):				
Transfer in	10,000	-	-	-
Transfer out	-	-	-	-
Total other financing sources/(uses)	<u>10,000</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	16,348	-	1,325	1,399
Fund balances at beginning of year	<u>23,592</u>	<u>100,000</u>	<u>32,803</u>	<u>19,968</u>
Fund balances at end of year	<u>\$ 39,940</u>	<u>\$ 100,000</u>	<u>\$ 34,128</u>	<u>\$ 21,367</u>

Nonmajor Special Revenue

Police Continuing Professional Training Fund	FEMA Grant Fund	Community Development Block Grant (CDBG) Fund	Community Housing Improvement Program (CHIP) Fund	CHIP Revolving Loan Fund	Economic Development Fund
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	20,000
-	-	-	-	5,526	17,000
-	-	-	-	-	-
2,160	50,616	85,454	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	151
<u>2,160</u>	<u>50,616</u>	<u>85,454</u>	<u>-</u>	<u>5,526</u>	<u>37,151</u>
-	-	-	-	-	-
-	123	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	66,243	(316)	7,174	50,715
-	-	-	-	-	-
-	-	-	-	-	-
<u>-</u>	<u>123</u>	<u>66,243</u>	<u>(316)</u>	<u>7,174</u>	<u>50,715</u>
<u>2,160</u>	<u>50,493</u>	<u>19,211</u>	<u>316</u>	<u>(1,648)</u>	<u>(13,564)</u>
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
2,160	50,493	19,211	316	(1,648)	(13,564)
8,120	(50,493)	(5,157)	(316)	18,433	29,123
<u>\$ 10,280</u>	<u>\$ -</u>	<u>\$ 14,054</u>	<u>\$ -</u>	<u>\$ 16,785</u>	<u>\$ 15,559</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, 2014

Nonmajor Special Revenue				
	Recreation Tax Fund	Revolving Loan Fund	Total Special Revenue	Total
Revenues:				
Income taxes	\$ -	\$ -	\$ 1,789,374	\$ 3,062,477
Real and other taxes	73,850	-	1,136,147	1,588,492
Charges for services	-	-	1,723,243	1,824,243
Licenses and permits	-	-	-	28,000
Fines and forfeitures	-	-	178,237	178,237
Intergovernmental	-	-	1,246,098	1,299,125
Special assessments	-	-	-	77,828
Investment income	-	71	150	150
Rental income	-	-	46,567	46,567
Contributions and donations	-	-	53,850	53,850
Other	-	2,500	15,222	203,796
Total revenues	73,850	2,571	6,188,888	8,362,765
Expenditures:				
<i>Current:</i>				
General government	-	26,290	173,817	301,921
Security of persons and property	-	-	1,666,007	1,699,099
Public health and welfare	-	-	5,313	5,313
Transportation	-	-	2,619,998	2,662,677
Leisure time activity	1,885	-	44,528	44,528
Economic development	-	-	123,991	123,991
Capital outlay	34,903	-	383,536	1,575,584
<i>Debt service:</i>				
Principal retirement	-	-	450,000	665,000
Interest and fiscal charges	-	-	722,172	743,167
Total expenditures	36,788	26,290	6,189,362	7,821,280
Excess (deficiency) of revenues over (under) expenditures	37,062	(23,719)	(474)	541,485
Other financing sources (uses):				
Transfer in	-	-	24,836	117,691
Transfer out	-	-	-	(81,954)
Total other financing sources/(uses)	-	-	24,836	35,737
Net change in fund balances	37,062	(23,719)	24,362	577,222
Fund balances at beginning of year	67,316	208,689	3,854,972	10,540,368
Fund balances at end of year	\$ 104,378	\$ 184,970	\$ 3,879,334	\$ 11,117,590

CITY OF WADSWORTH, OHIO

MAJOR FUNDS

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

Street/Utility Maintenance Guarantees Fund

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

Parking Fund

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

Income Tax Fund

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

WCTV Fund

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

Fire Dept HazMat Clean Up Fund

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

In addition to the General Fund, the Tax Increment Financing Fund is reported as a major governmental fund

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

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, 2014

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
Revenues:			
Investment income	\$ 109	\$ -	\$ (109)
Total revenues	<u>109</u>	<u>-</u>	<u>(109)</u>
Expenditures:			
Transportation			
Contractual services	229	229	-
Capital outlay	10,000	-	10,000
Total expenditures	<u>10,229</u>	<u>229</u>	<u>10,000</u>
Excess (deficiency) of expenditures over (under) revenues	<u>(10,120)</u>	<u>(229)</u>	<u>9,891</u>
Other financing sources:			
Transfers in	-	109	109
Total other financing sources	<u>-</u>	<u>109</u>	<u>109</u>
Net change in fund balances	(10,120)	(120)	10,000
Fund balances at beginning of year	<u>52,187</u>	<u>52,187</u>	<u>-</u>
Fund balances at end of year	<u>\$ 42,067</u>	<u>\$ 52,067</u>	<u>\$ 10,000</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, 2014

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
Revenues:			
Fines and forfeitures	\$ 11,000	\$ 8,194	\$ (2,806)
Total revenues	<u>11,000</u>	<u>8,194</u>	<u>(2,806)</u>
Expenditures:			
General government			
Contractual services	477	477	-
Materials and supplies	30,000	916	29,084
Other	115	102	13
Capital outlay	48,594	48,594	-
Total expenditures	<u>79,186</u>	<u>50,089</u>	<u>29,097</u>
Net change in fund balances	(68,186)	(41,895)	26,291
Fund balances at beginning of year	120,413	120,413	-
Prior year encumbrances appropriated	<u>49,714</u>	<u>49,714</u>	<u>-</u>
Fund balances at end of year	<u>\$ 101,941</u>	<u>\$ 128,232</u>	<u>\$ 26,291</u>

CITY OF WADSWORTH, OHIO
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
INCOME TAX FUND
 FOR THE YEAR ENDED DECEMBER 31, 2014

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
Revenues:			
Income taxes	\$ 976,699	\$ 838,771	\$ (137,928)
Total revenues	<u>976,699</u>	<u>838,771</u>	<u>(137,928)</u>
Expenditures:			
General government			
Personal services	64,067	60,470	3,597
Contractual services	423,739	324,125	99,614
Materials and supplies	2,586	2,295	291
Other	35,500	3,451	32,049
Total general government	<u>525,892</u>	<u>390,341</u>	<u>135,551</u>
Total expenditures	<u>525,892</u>	<u>390,341</u>	<u>135,551</u>
Net change in fund balances	450,807	448,430	(2,377)
Fund balances at beginning of year	760,272	760,272	-
Prior year encumbrances appropriated	<u>346</u>	<u>346</u>	<u>-</u>
Fund balances at end of year	<u>\$ 1,211,425</u>	<u>\$ 1,209,048</u>	<u>\$ (2,377)</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, 2014

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
Revenues:			
Charges for services	\$ 18,800	\$ 19,252	\$ 452
Licenses and permits	309,200	298,680	(10,520)
Other	-	1	1
Total revenues	<u>328,000</u>	<u>317,933</u>	<u>(10,067)</u>
Expenditures:			
Leisure time activities			
Personal services	245,469	239,542	5,927
Contractual services	50,524	45,327	5,197
Materials and supplies	34,745	33,212	1,533
Other	2,006	1,425	581
Debt service:			
Principal retirement	32,000	32,000	-
Interest and fiscal charges	320	320	-
Total expenditures	<u>365,064</u>	<u>351,826</u>	<u>13,238</u>
Excess (deficiency) of expenditures over (under) revenues	<u>(37,064)</u>	<u>(33,893)</u>	<u>3,171</u>
Other financing sources:			
Note issuance	24,000	24,000	-
Advance In	-	35,000	35,000
Total other financing sources	<u>24,000</u>	<u>59,000</u>	<u>35,000</u>
Net change in fund balances	(13,064)	25,107	38,171
Fund balances at beginning of year	34,819	34,819	-
Prior year encumbrances appropriated	2,285	2,285	-
Fund balances at end of year	<u>\$ 24,040</u>	<u>\$ 62,211</u>	<u>\$ 38,171</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, 2014

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
Revenues:			
Other	\$ 500	\$ 1,770	\$ 1,270
Total revenues	<u>500</u>	<u>1,770</u>	<u>1,270</u>
Expenditures:			
Security of persons and property			
Contractual services	1,083	83	1,000
Total expenditures	<u>1,083</u>	<u>83</u>	<u>1,000</u>
Net change in fund balances	(583)	1,687	2,270
Fund balances at beginning of year	<u>20,222</u>	<u>20,222</u>	<u>-</u>
Fund balances at end of year	<u><u>\$ 19,639</u></u>	<u><u>\$ 21,909</u></u>	<u><u>\$ 2,270</u></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, 2014

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
Revenues:			
Income taxes	\$ 99,500	\$ 99,500	\$ -
Intergovernmental	1,270,710	-	(1,270,710)
Other	78,710	-	(78,710)
Total revenues	<u>1,448,920</u>	<u>99,500</u>	<u>(1,349,420)</u>
Expenditures:			
General government			
Contractual services	95,210	30,492	64,718
Capital outlay	13,778	13,778	-
Total general government	<u>108,988</u>	<u>44,270</u>	<u>64,718</u>
Debt service:			
Principal retirement	336,000	336,000	-
Interest and fiscal charges	3,360	3,360	-
Total debt service	<u>339,360</u>	<u>339,360</u>	<u>-</u>
Total expenditures	<u>448,348</u>	<u>383,630</u>	<u>64,718</u>
Excess (deficiency) of expenditures over (under) revenues	<u>1,000,572</u>	<u>(284,130)</u>	<u>(1,284,702)</u>
Other financing sources:			
Note proceeds	307,000	257,000	(50,000)
Total other financing sources	<u>307,000</u>	<u>257,000</u>	<u>(50,000)</u>
Net change in fund balances	1,307,572	(27,130)	(1,334,702)
Fund balances at beginning of year	157,449	157,449	-
Prior year encumbrances appropriated	25,504	25,504	-
Fund balances at end of year	<u>\$ 1,490,525</u>	<u>\$ 155,823</u>	<u>\$ (1,334,702)</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, 2014

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
Expenditures:			
Leisure time activities			
Contractual services	\$ 75,000	\$ -	\$ 75,000
Total expenditures	<u>75,000</u>	<u>-</u>	<u>75,000</u>
 Net change in fund balances	 (75,000)	 -	 75,000
Fund balances at beginning of year	<u>164,717</u>	<u>164,717</u>	<u>-</u>
Fund balances at end of year	<u>\$ 89,717</u>	<u>\$ 164,717</u>	<u>\$ 75,000</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, 2014

	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Revenues:			
Income taxes	\$ 252,817	\$ 252,817	\$ -
Property taxes	70,000	91,374	21,374
Other	245,970	188,574	(57,396)
Total revenues	<u>568,787</u>	<u>532,765</u>	<u>(36,022)</u>
Expenditures:			
General government			
Contractual services	34,389	24,103	10,286
Capital outlay	424,599	405,791	18,808
Total general government	<u>458,988</u>	<u>429,894</u>	<u>29,094</u>
Security of persons and property			
Capital outlay	49,000	25,505	23,495
Total security of persons and property	<u>49,000</u>	<u>25,505</u>	<u>23,495</u>
Transportation			
Capital outlay	180,173	171,324	8,849
Total transportation	<u>180,173</u>	<u>171,324</u>	<u>8,849</u>
Leisure time activities			
Capital outlay	61,260	60,408	852
Total leisure time activities	<u>61,260</u>	<u>60,408</u>	<u>852</u>
Debt service:			
Principal retirement	974,865	974,865	-
Interest and fiscal charges	12,974	12,974	-
Total debt service	<u>987,839</u>	<u>987,839</u>	<u>-</u>
Total expenditures	<u>1,737,260</u>	<u>1,674,970</u>	<u>62,290</u>
Excess (deficiency) of expenditures over (under) revenues	<u>(1,168,473)</u>	<u>(1,142,205)</u>	<u>26,268</u>
Other financing sources:			
Note issuance	675,435	675,435	-
Total other financing sources	<u>675,435</u>	<u>675,435</u>	<u>-</u>
Net change in fund balances	(493,038)	(466,770)	26,268
Fund balances at beginning of year	1,118,956	1,118,956	-
Prior year encumbrances appropriated	384,708	384,708	-
Fund balances at end of year	<u>\$ 1,010,626</u>	<u>\$ 1,036,894</u>	<u>\$ 26,268</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, 2014

	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Revenues:			
Other	\$ 200,000	\$ -	\$ (200,000)
Total revenues	<u>200,000</u>	<u>-</u>	<u>(200,000)</u>
Expenditures:			
Security of persons and property			
Contractual services	220	220	-
Capital outlay	<u>139,344</u>	<u>139,344</u>	<u>-</u>
Total expenditures	<u>139,564</u>	<u>139,564</u>	<u>-</u>
Net change in fund balances	60,436	(139,564)	(200,000)
Fund balances at beginning of year	988,545	988,545	-
Prior year encumbrances appropriated	<u>139,344</u>	<u>139,344</u>	<u>-</u>
Fund balances at end of year	<u>\$ 1,188,325</u>	<u>\$ 988,325</u>	<u>\$ (200,000)</u>

CITY OF WADSWORTH, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
FIRE LEVY FUND
FOR THE YEAR ENDED DECEMBER 31, 2014

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
Revenues:			
Property and other local taxes	\$ 340,828	\$ 360,971	\$ 20,143
Charges for services	101,000	101,000	-
Intergovernmental	49,912	53,027	3,115
Investment income	10,597	-	(10,597)
Other	270	-	(270)
Total revenues	<u>502,607</u>	<u>514,998</u>	<u>12,391</u>
Expenditures:			
Security of persons and property			
Contractual services	15,159	14,663	496
Materials and supplies	22,296	9,832	12,464
Other	8,542	8,542	-
Capital outlay	121,887	113,278	8,609
Total expenditures	<u>167,884</u>	<u>146,315</u>	<u>21,569</u>
Excess (deficiency) of expenditures over (under) revenues	<u>334,723</u>	<u>368,683</u>	<u>33,960</u>
Other financing sources:			
Transfers in	-	10,597	10,597
Total other financing sources	<u>-</u>	<u>10,597</u>	<u>10,597</u>
Net change in fund balances	334,723	379,280	44,557
Fund balances at beginning of year	4,086,094	4,086,094	-
Prior year encumbrances appropriated	<u>36,622</u>	<u>36,622</u>	<u>-</u>
Fund balances at end of year	<u>\$ 4,457,439</u>	<u>\$ 4,501,996</u>	<u>\$ 44,557</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, 2014

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
Revenues:			
Licenses and permits	\$ 5,000	\$ 28,000	\$ 23,000
Total revenues	<u>5,000</u>	<u>28,000</u>	<u>23,000</u>
Expenditures:			
Leisure time activities			
Capital outlay	165	166	(1)
Total expenditures	<u>165</u>	<u>166</u>	<u>(1)</u>
Net change in fund balances	4,835	27,834	22,999
Fund balances at beginning of year	<u>252,793</u>	<u>252,793</u>	<u>-</u>
Fund balances at end of year	<u>\$ 257,628</u>	<u>\$ 280,627</u>	<u>\$ 22,999</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, 2014

	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Revenues:			
Income taxes	\$ 700,000	\$ 864,961	\$ 164,961
Total revenues	<u>700,000</u>	<u>864,961</u>	<u>164,961</u>
Expenditures:			
Transportation			
Contractual services	52,490	51,706	784
Capital outlay	889,069	697,596	191,473
Total expenditures	<u>941,559</u>	<u>749,302</u>	<u>192,257</u>
Net change in fund balances	(241,559)	115,659	357,218
Fund balances at beginning of year	496,939	496,939	-
Prior year encumbrances appropriated	<u>33,387</u>	<u>33,387</u>	<u>-</u>
Fund balances at end of year	<u>\$ 288,767</u>	<u>\$ 645,985</u>	<u>\$ 357,218</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, 2014

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
Revenues:			
Income tax	\$ 55,825	\$ 55,825	\$ -
Special assessments	29,000	138	(28,862)
Total revenues	<u>84,825</u>	<u>55,963</u>	<u>(28,862)</u>
Expenditures:			
General government			
Contractual services	116,647	111,575	5,072
Materials and supplies	4,094	1,344	2,750
Total expenditures	<u>120,741</u>	<u>112,919</u>	<u>7,822</u>
Excess (deficiency) of expenditures over (under) revenues	<u>(35,916)</u>	<u>(56,956)</u>	<u>(21,040)</u>
Other financing sources (uses):			
Bond proceeds	25,000	14,179	(10,821)
Advance in	-	54,000	54,000
Advance out	-	(27,500)	(27,500)
Total other financing sources (uses)	<u>25,000</u>	<u>40,679</u>	<u>15,679</u>
Net change in fund balances	(10,916)	(16,277)	(5,361)
Fund balances at beginning of year	108,405	108,405	-
Prior year encumbrances appropriated	<u>10,112</u>	<u>10,112</u>	<u>-</u>
Fund balances at end of year	<u>\$ 107,601</u>	<u>\$ 102,240</u>	<u>\$ (5,361)</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, 2014

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
Revenues:			
Special assessments	\$ 83,242	\$ 77,818	\$ (5,424)
Total revenues	<u>83,242</u>	<u>77,818</u>	<u>(5,424)</u>
Expenditures:			
Debt Service			
Principal retirement	74,926	74,426	500
Interest and fiscal charges	4,427	4,123	304
Total expenditures	<u>79,353</u>	<u>78,549</u>	<u>804</u>
Excess (deficiency) of expenditures over (under) revenues	<u>3,889</u>	<u>(731)</u>	<u>(4,620)</u>
Other financing sources (uses):			
Transfers out	-	(3,405)	(3,405)
Total other financing sources/(uses)	<u>-</u>	<u>(3,405)</u>	<u>(3,405)</u>
Net change in fund balances	3,889	(4,136)	(8,025)
Fund balances at beginning of year	<u>5,316</u>	<u>5,316</u>	<u>-</u>
Fund balances at end of year	<u>\$ 9,205</u>	<u>\$ 1,180</u>	<u>\$ (8,025)</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, 2014

	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Revenues:			
Income taxes	\$ 667,243	\$ 669,374	\$ 2,131
Charges for services	614,790	616,754	1,964
Contributions and donations	49,841	50,000	159
Other	781	783	2
Total revenues	<u>1,332,655</u>	<u>1,336,911</u>	<u>4,256</u>
Expenditures:			
Leisure time activities			
Other	119,227	107,251	11,976
Capital outlay	237,587	220,470	17,117
Total - leisure time activities	<u>356,814</u>	<u>327,721</u>	<u>29,093</u>
Debt Service			
Principal retirement	1,911,000	1,907,472	3,528
Interest and fiscal charges	723,648	722,312	1,336
Total - debt service	<u>2,634,648</u>	<u>2,629,784</u>	<u>4,864</u>
Total expenditures	<u>2,991,462</u>	<u>2,957,505</u>	<u>33,957</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(1,658,807)</u>	<u>(1,620,594)</u>	<u>38,213</u>
Other financing sources:			
Internal note issuance	1,341,468	1,345,753	4,285
Total other financing sources	<u>1,341,468</u>	<u>1,345,753</u>	<u>4,285</u>
Net change in fund balances	(317,339)	(274,841)	42,498
Fund balances at beginning of year	191,543	191,543	-
Prior year encumbrances appropriated	241,246	241,246	-
Fund balance at end of year	<u>\$ 115,450</u>	<u>\$ 157,948</u>	<u>\$ 42,498</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, 2014

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
Revenues:			
Income taxes	\$ 1,120,000	\$ 1,120,000	\$ -
Property tax	130,000	127,990	(2,010)
Charges for services	342,343	344,096	1,753
Intergovernmental	600,000	647,011	47,011
Investment income	7,418	-	(7,418)
Other	(28,283)	1,536	29,819
Total revenues	<u>2,171,478</u>	<u>2,240,633</u>	<u>69,155</u>
Expenditures:			
Transportation			
Personal services	1,439,371	1,392,280	47,091
Contractual services	564,210	546,218	17,992
Materials and supplies	507,956	454,122	53,834
Other	5,901	4,998	903
Capital outlay	90,000	24,881	65,119
Total expenditures	<u>2,607,438</u>	<u>2,422,499</u>	<u>184,939</u>
Excess (deficiency) of expenditures over (under) revenues	<u>(435,960)</u>	<u>(181,866)</u>	<u>254,094</u>
Other financing sources:			
Transfers in	-	7,418	7,418
Sale of assets	1,000	-	(1,000)
Total other financing sources	<u>1,000</u>	<u>7,418</u>	<u>6,418</u>
Net change in fund balances	(434,960)	(174,448)	260,512
Fund balances at beginning of year	830,427	830,427	-
Prior year encumbrances appropriated	<u>125,555</u>	<u>125,555</u>	<u>-</u>
Fund balances at end of year	<u>\$ 521,022</u>	<u>\$ 781,534</u>	<u>\$ 260,512</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, 2014

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
Revenues:			
Property and other local taxes	\$ 863,210	\$ 914,307	\$ 51,097
Charges for services	646,571	714,484	67,913
Intergovernmental	124,045	128,777	4,732
Investment income	7,418	-	(7,418)
Contributions and donations	100	-	(100)
Other	262	5	(257)
Total revenues	<u>1,641,606</u>	<u>1,757,573</u>	<u>115,967</u>
Expenditures:			
Security of persons and property			
Personal services	1,365,658	1,335,771	29,887
Contractual services	306,823	274,845	31,978
Materials and supplies	50,584	44,184	6,400
Other	27,680	11,977	15,703
Capital outlay	141,500	106,000	35,500
Total expenditures	<u>1,892,245</u>	<u>1,772,777</u>	<u>119,468</u>
Excess (deficiency) of expenditures over (under) revenues	<u>(250,639)</u>	<u>(15,204)</u>	<u>235,435</u>
Other financing sources:			
Transfers in	6,929	7,418	489
Transfers out	(189,778)	-	189,778
Total other financing sources	<u>(182,849)</u>	<u>7,418</u>	<u>190,267</u>
Net change in fund balances	(433,488)	(7,786)	425,702
Fund balances at beginning of year	1,720,631	1,720,631	-
Prior year encumbrances appropriated	<u>22,244</u>	<u>22,244</u>	<u>-</u>
Fund balances at end of year	<u>\$ 1,309,387</u>	<u>\$ 1,735,089</u>	<u>\$ 425,702</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, 2014

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
Revenues:			
Fines and forfeitures	\$ 80,500	\$ 66,354	\$ (14,146)
Other	-	2,450	2,450
Total revenues	<u>80,500</u>	<u>68,804</u>	<u>(11,696)</u>
Expenditures:			
General government			
Contractual services	59,614	59,615	(1)
Materials and supplies	<u>5,468</u>	<u>434</u>	<u>5,034</u>
Total expenditures	<u>65,082</u>	<u>60,049</u>	<u>5,033</u>
Net change in fund balances	15,418	8,755	(6,663)
Fund balances at beginning of year	167,106	167,106	-
Prior year encumbrances appropriated	<u>210</u>	<u>210</u>	<u>-</u>
Fund balances at end of year	<u>\$ 182,734</u>	<u>\$ 176,071</u>	<u>\$ (6,663)</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, 2014

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
Revenues:			
Fines and forfeitures	\$ 80,000	\$ 68,460	\$ (11,540)
Total revenues	<u>80,000</u>	<u>68,460</u>	<u>(11,540)</u>
Expenditures:			
General government			
Personal services	7,015	4,687	2,328
Contractual services	15,780	15,780	-
Materials and supplies	17,000	16,909	91
Capital outlay	<u>19,985</u>	<u>16,130</u>	<u>3,855</u>
Total expenditures	<u>59,780</u>	<u>53,506</u>	<u>6,274</u>
Net change in fund balances	20,220	14,954	(5,266)
Fund balances at beginning of year	<u>515,233</u>	<u>515,233</u>	<u>-</u>
Fund balances at end of year	<u>\$ 535,453</u>	<u>\$ 530,187</u>	<u>\$ (5,266)</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, 2014

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
Revenues:			
Charges for services	\$ 6,000	\$ 25,508	\$ 19,508
Total revenues	<u>6,000</u>	<u>25,508</u>	<u>19,508</u>
Expenditures:			
General government			
Contractual services	24,150	23,325	825
Other	2,725	-	2,725
Total expenditures	<u>26,875</u>	<u>23,325</u>	<u>3,550</u>
Net change in fund balances	(20,875)	2,183	23,058
Fund balances at beginning of year	102,560	102,560	-
Prior year encumbrances appropriated	<u>80</u>	<u>80</u>	<u>-</u>
Fund balances at end of year	<u><u>\$ 81,765</u></u>	<u><u>\$ 104,823</u></u>	<u><u>\$ 23,058</u></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, 2014

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
Revenues:			
Fines and forfeitures	\$ 5,000	\$ 5,638	\$ 638
Contributions and donations	2,500	3,750	1,250
Total revenues	<u>7,500</u>	<u>9,388</u>	<u>1,888</u>
Expenditures:			
Security of persons and property			
Contractual services	881	881	-
Materials and supplies	4,520	4,163	357
Capital outlay	36,000	32,279	3,721
Total expenditures	<u>41,401</u>	<u>37,323</u>	<u>4,078</u>
Net change in fund balances	(33,901)	(27,935)	5,966
Fund balances at beginning of year	85,131	85,131	-
Prior year encumbrances appropriated	20	20	-
Fund balances at end of year	<u>\$ 51,250</u>	<u>\$ 57,216</u>	<u>\$ 5,966</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, 2014

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
Revenues:			
Fines and forfeitures	\$ 3,000	\$ 3,302	\$ 302
Total revenues	<u>3,000</u>	<u>3,302</u>	<u>302</u>
Expenditures:			
General government			
Contractual services	321	321	-
Materials and supplies	5,000	-	5,000
Total expenditures	<u>5,321</u>	<u>321</u>	<u>5,000</u>
Net change in fund balances	(2,321)	2,981	5,302
Fund balances at beginning of year	<u>14,833</u>	<u>14,833</u>	<u>-</u>
Fund balances at end of year	<u>\$ 12,512</u>	<u>\$ 17,814</u>	<u>\$ 5,302</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, 2014

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
Revenues:			
Fines and forfeitures	\$ 31,000	\$ 21,574	\$ (9,426)
Intergovernmental	-	20,983	20,983
Total revenues	<u>31,000</u>	<u>42,557</u>	<u>11,557</u>
Expenditures:			
General government			
Contractual services	30,652	29,838	814
Total expenditures	<u>30,652</u>	<u>29,838</u>	<u>814</u>
Net change in fund balances	348	12,719	12,371
Fund balances at beginning of year	<u>208,281</u>	<u>208,281</u>	<u>-</u>
Fund balances at end of year	<u>\$ 208,629</u>	<u>\$ 221,000</u>	<u>\$ 12,371</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, 2014

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
Revenues:			
Fines and forfeitures	\$ 9,800	\$ 6,381	\$ (3,419)
Investment income	150	79	(71)
Contributions and donations	-	100	100
Total revenues	<u>9,950</u>	<u>6,560</u>	<u>(3,390)</u>
Expenditures:			
Security of persons and property			
Contractual services	13,216	13,216	-
Materials and supplies	30,000	5,945	24,055
Capital outlay	5,000	-	5,000
Total expenditures	<u>48,216</u>	<u>19,161</u>	<u>29,055</u>
Net change in fund balances	(38,266)	(12,601)	25,665
Fund balances at beginning of year	157,644	157,644	-
Prior year encumbrances appropriated	12,500	12,500	-
Fund balances at end of year	<u>\$ 131,878</u>	<u>\$ 157,543</u>	<u>\$ 25,665</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, 2014

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
Revenues:			
Intergovernmental	\$ 220,000	\$ 240,672	\$ 20,672
Total revenues	<u>220,000</u>	<u>240,672</u>	<u>20,672</u>
Expenditures:			
Transportation			
Contractual services	147,295	137,295	10,000
Materials and supplies	10,200	10,075	125
Capital outlay	<u>100,789</u>	<u>73,876</u>	<u>26,913</u>
Total expenditures	<u>258,284</u>	<u>221,246</u>	<u>37,038</u>
Net change in fund balances	(38,284)	19,426	57,710
Fund balances at beginning of year	87,388	87,388	-
Prior year encumbrances appropriated	<u>45,799</u>	<u>45,799</u>	-
Fund balances at end of year	<u>\$ 94,903</u>	<u>\$ 152,613</u>	<u>\$ 57,710</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, 2014

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
Revenues:			
Intergovernmental	\$ 60,750	\$ 62,838	\$ 2,088
Total revenues	<u>60,750</u>	<u>62,838</u>	<u>2,088</u>
Expenditures:			
Transportation			
Contractual services	81,680	56,321	25,359
Total expenditures	<u>81,680</u>	<u>56,321</u>	<u>25,359</u>
Net change in fund balances	(20,930)	6,517	27,447
Fund balances at beginning of year	27,177	27,177	-
Prior year encumbrances appropriated	<u>22,737</u>	<u>22,737</u>	-
Fund balances at end of year	<u>\$ 28,984</u>	<u>\$ 56,431</u>	<u>\$ 27,447</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, 2014

	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Revenues:			
Fines and forfeitures	\$ -	\$ 6,528	\$ 6,528
Other	1,250	5,133	3,883
Total revenues	<u>1,250</u>	<u>11,661</u>	<u>10,411</u>
Expenditures:			
Public health			
Contractual services	13,178	5,313	7,865
Total expenditures	<u>13,178</u>	<u>5,313</u>	<u>7,865</u>
Excess (deficiency) of expenditures over (under) revenues	<u>(11,928)</u>	<u>6,348</u>	<u>18,276</u>
Other financing sources:			
Transfer in	-	10,000	10,000
Total other financing sources	<u>-</u>	<u>10,000</u>	<u>10,000</u>
Net change in fund balances	(11,928)	16,348	28,276
Fund balances at beginning of year	<u>23,592</u>	<u>23,592</u>	<u>-</u>
Fund balances at end of year	<u>\$ 11,664</u>	<u>\$ 39,940</u>	<u>\$ 28,276</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, 2014

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
Fund balances at beginning of year	\$ 100,000	\$ 100,000	\$ -
Fund balances at end of year	<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, 2014

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
Revenues:			
Other	\$ 3,000	\$ 1,500	\$ (1,500)
Total revenues	<u>3,000</u>	<u>1,500</u>	<u>(1,500)</u>
Expenditures:			
Community and economic development			
Contractual services	2,774	175	2,599
Total expenditures	<u>2,774</u>	<u>175</u>	<u>2,599</u>
Net change in fund balances	226	1,325	1,099
Fund balances at beginning of year	<u>32,803</u>	<u>32,803</u>	<u>-</u>
Fund balances at end of year	<u><u>\$ 33,029</u></u>	<u><u>\$ 34,128</u></u>	<u><u>\$ 1,099</u></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, 2014

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
Revenues:			
Intergovernmental	\$ -	\$ 1,545	\$ 1,545
Total revenues	<u>-</u>	<u>1,545</u>	<u>1,545</u>
Expenditures:			
Security of persons and property			
Contractual services	3,547	146	3,401
Total expenditures	<u>3,547</u>	<u>146</u>	<u>3,401</u>
Net change in fund balances	(3,547)	1,399	4,946
Fund balances at beginning of year	<u>19,968</u>	<u>19,968</u>	<u>-</u>
Fund balances at end of year	<u>\$ 16,421</u>	<u>\$ 21,367</u>	<u>\$ 4,946</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, 2014

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

CITY OF WADSWORTH, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
FEMA GRANT FUND
FOR THE YEAR ENDED DECEMBER 31, 2014

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
Revenues:			
Intergovernmental	\$ -	\$ 50,616	\$ 50,616
Total revenues	<u>-</u>	<u>50,616</u>	<u>50,616</u>
Expenditures:			
Security of persons and property			
Contractual services	123	123	-
Total expenditures	<u>123</u>	<u>123</u>	<u>-</u>
Excess (deficiency) of expenditures over (under) revenues	<u>(123)</u>	<u>50,493</u>	<u>50,616</u>
Other financing sources (uses):			
Advance out	-	(50,616)	(50,616)
Total other financing sources/(uses)	<u>-</u>	<u>(50,616)</u>	<u>(50,616)</u>
Net change in fund balances	(123)	(123)	-
Fund balances at beginning of year	<u>123</u>	<u>123</u>	<u>-</u>
Fund balances at end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

CITY OF WADSWORTH, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG) FUND
FOR THE YEAR ENDED DECEMBER 31, 2014

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
Revenues:			
Intergovernmental	\$ 76,633	\$ 85,454	\$ 8,821
Total revenues	<u>76,633</u>	<u>85,454</u>	<u>8,821</u>
Expenditures:			
Community and economic development			
Contractual services	80,469	77,430	3,039
Other	315	315	-
Total expenditures	<u>80,784</u>	<u>77,745</u>	<u>3,039</u>
Excess (deficiency) of expenditures over (under) revenues	<u>(4,151)</u>	<u>7,709</u>	<u>11,860</u>
Other financing sources (uses):			
Advance out	-	(3,700)	(3,700)
Total other financing sources/(uses)	<u>-</u>	<u>(3,700)</u>	<u>(3,700)</u>
Net change in fund balances	(4,151)	4,009	8,160
Fund balances at beginning of year	149	149	-
Prior year encumbrances appropriated	<u>6,701</u>	<u>6,701</u>	<u>-</u>
Fund balances at end of year	<u>\$ 2,699</u>	<u>\$ 10,859</u>	<u>\$ 8,160</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, 2014

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
Revenues:			
Intergovernmental	\$ 382,750	\$ -	\$ (382,750)
Total revenues	<u>382,750</u>	<u>-</u>	<u>(382,750)</u>
Net change in fund balances	382,750	-	(382,750)
Fund balances at beginning of year	-	-	-
Prior year encumbrances appropriated	<u>-</u>	<u>-</u>	<u>-</u>
Fund balances at end of year	<u>\$ 382,750</u>	<u>\$ -</u>	<u>\$ (382,750)</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, 2014

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
Revenues:			
Charges for services	\$ 3,600	\$ 5,526	\$ 1,926
Total revenues	<u>3,600</u>	<u>5,526</u>	<u>1,926</u>
Expenditures:			
Community and economic development			
Contractual services	20,174	14,174	6,000
Total expenditures	<u>20,174</u>	<u>14,174</u>	<u>6,000</u>
Net change in fund balances	(16,574)	(8,648)	7,926
Fund balances at beginning of year	<u>25,433</u>	<u>25,433</u>	<u>-</u>
Fund balances at end of year	<u>\$ 8,859</u>	<u>\$ 16,785</u>	<u>\$ 7,926</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, 2014

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
Revenues:			
Property and other local taxes	\$ 20,000	\$ 20,000	\$ -
Charges for services	17,000	17,000	-
Other	-	151	151
Total revenues	<u>37,000</u>	<u>37,151</u>	<u>151</u>
Expenditures:			
Community and economic development			
Contractual services	39,512	38,144	1,368
Materials and supplies	16,000	14,696	1,304
Other	<u>8,650</u>	<u>650</u>	<u>8,000</u>
Total expenditures	<u>64,162</u>	<u>53,490</u>	<u>10,672</u>
Net change in fund balances	(27,162)	(16,339)	10,823
Fund balances at beginning of year	21,536	21,536	-
Prior year encumbrances appropriated	<u>7,587</u>	<u>7,587</u>	<u>-</u>
Fund balances at end of year	<u>\$ 1,961</u>	<u>\$ 12,784</u>	<u>\$ 10,823</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, 2014

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
Revenues:			
Property tax	\$ 40,000	\$ 73,850	\$ 33,850
Total revenues	<u>40,000</u>	<u>73,850</u>	<u>33,850</u>
Expenditures:			
Leisure time activities			
Contractual services	6,569	1,569	5,000
Other	1,932	316	1,616
Capital outlay	42,100	34,903	7,197
Total expenditures	<u>50,601</u>	<u>36,788</u>	<u>13,813</u>
Net change in fund balances	(10,601)	37,062	47,663
Fund balances at beginning of year	67,316	67,316	-
Prior year encumbrances appropriated	-	-	-
Fund balances at end of year	<u>\$ 56,715</u>	<u>\$ 104,378</u>	<u>\$ 47,663</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, 2014

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
Revenues:			
Investment income	\$ 100	\$ 71	\$ (29)
Other	-	2,500	2,500
Total revenues	<u>100</u>	<u>2,571</u>	<u>2,471</u>
Expenditures:			
General government			
Contractual services	186,431	73,803	112,628
Total expenditures	<u>186,431</u>	<u>73,803</u>	<u>112,628</u>
Net change in fund balances	(186,331)	(71,232)	115,099
Fund balances at beginning of year	208,689	208,689	-
Prior year encumbrances appropriated	<u>-</u>	<u>-</u>	<u>-</u>
Fund balances at end of year	<u>\$ 22,358</u>	<u>\$ 137,457</u>	<u>\$ 115,099</u>

CITY OF WADSWORTH, OHIO

Fund Descriptions – Proprietary Funds

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

Internal Service Funds

Equipment Maintenance

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, 2014

	Equipment Maintenance	Information Technology	Health Insurance Retention	Liability Insurance Retention	Workers' Compensation Retention	Total
Assets:						
Current Assets:						
Equity in pooled cash, cash equivalents and investments	\$ 82,481	\$ 201,644	\$ 917,055	\$ 22,324	\$ 435,240	\$ 1,658,744
Receivables (net of allowances for uncollectibles):						
Materials and supplies inventory	245,302	-	-	-	-	245,302
Prepayments	-	-	-	-	49,911	49,911
Noncurrent Assets:						
Depreciable Capital Assets, Net	136,769	111,814	-	-	-	248,583
Total assets	<u>\$ 464,552</u>	<u>\$ 313,458</u>	<u>\$ 917,055</u>	<u>\$ 22,324</u>	<u>\$ 485,151</u>	<u>\$ 2,202,540</u>
Liabilities:						
Current Liabilities:						
Accounts payable	\$ 8,441	\$ 43,913	\$ 8,844	\$ -	\$ 12,593	\$ 73,791
Accrued wages and benefits	7,951	11,183	-	-	-	19,134
Intergovernmental payable	1,360	1,912	28,007	-	-	31,279
Claims payable	-	-	193,668	-	42,078	235,746
Compensated absences payable - current	9,849	7,746	-	-	-	17,595
Noncurrent Liabilities:						
Compensated absences payable - net of current portion	37,778	29,710	-	-	-	67,488
Total liabilities	<u>65,379</u>	<u>94,464</u>	<u>230,519</u>	<u>-</u>	<u>54,671</u>	<u>445,033</u>
Net Position:						
Net investment in capital assets	136,769	111,814	-	-	-	248,583
Unrestricted	262,404	107,180	686,536	22,324	430,480	1,508,924
Total Net Position	<u>399,173</u>	<u>218,994</u>	<u>686,536</u>	<u>22,324</u>	<u>430,480</u>	<u>1,757,507</u>
Total net position and liabilities	<u>\$ 464,552</u>	<u>\$ 313,458</u>	<u>\$ 917,055</u>	<u>\$ 22,324</u>	<u>\$ 485,151</u>	<u>\$ 2,202,540</u>

CITY OF WADSWORTH, OHIO

COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
INTERNAL SERVICE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2014

	Equipment Maintenance	Information Technology	Health Insurance Retention	Liability Insurance Retention	Workers' Compensation Retention	Total
Revenues:						
Charges for services	\$ 824,272	\$ 1,032,561	\$ 3,343,918	\$ -	\$ 227,618	\$ 5,428,369
Other	1,108	-	742	-	-	1,850
Total operating revenues	<u>825,380</u>	<u>1,032,561</u>	<u>3,344,660</u>	<u>-</u>	<u>227,618</u>	<u>5,430,219</u>
Operating expenses:						
Personal services	382,367	586,658	-	-	-	969,025
Contractual services	74,278	199,831	569,223	92	78,846	922,270
Materials and supplies	333,049	78,216	-	-	-	411,265
Claims	-	-	3,031,195	-	66,921	3,098,116
Depreciation	8,912	30,362	-	-	-	39,274
Other	4,228	22,509	-	-	5,405	32,142
Total operating expenditures	<u>802,834</u>	<u>917,576</u>	<u>3,600,418</u>	<u>92</u>	<u>151,172</u>	<u>5,472,092</u>
Change in Net Position	22,546	114,985	(255,758)	(92)	76,446	(41,873)
Net Position at Beginning of Year	<u>376,627</u>	<u>104,009</u>	<u>942,294</u>	<u>22,416</u>	<u>354,034</u>	<u>1,799,380</u>
Net Position at End of Year	<u>\$ 399,173</u>	<u>\$ 218,994</u>	<u>\$ 686,536</u>	<u>\$ 22,324</u>	<u>\$ 430,480</u>	<u>\$ 1,757,507</u>

CITY OF WADSWORTH, OHIO

COMBINING STATEMENT OF CASH FLOWS
INTERNAL SERVICE FUNDS
DECEMBER 31, 2014

	<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>
Cash flows from operating activities:						
Cash received from customers	\$ 824,272	\$ 1,032,561	\$ 3,343,918	\$ -	\$ 227,618	\$ 5,428,369
Cash received from other operations	2,419	-	742	-	-	3,161
Cash payments to employees for services	(391,621)	(649,862)	-	-	-	(1,041,483)
Cash payments for goods and services	(430,842)	(258,586)	(533,372)	(92)	(71,708)	(1,294,600)
Cash payments for claims	-	-	(2,985,697)	-	(29,543)	(3,015,240)
Cash payments for other expenses	(4,228)	(22,509)	-	-	(10,809)	(37,546)
Net cash provided by (used in) operating activities	-	101,604	(174,409)	(92)	115,558	42,661
Net increase (decrease) in cash and cash equivalents	-	101,604	(174,409)	(92)	115,558	42,661
Cash and cash equivalents at beginning of year	82,481	100,040	1,091,464	22,416	319,682	1,616,083
Cash and cash equivalents at end of year	<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>
Reconciliation of operating income (loss) to net cash provided by operating activities:						
Operating income (loss)	\$ 22,546	\$ 114,985	\$ (255,758)	\$ (92)	\$ 76,446	\$ (41,873)
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:						
Depreciation	8,912	30,362	-	-	-	39,274
Changes in assets and liabilities						
Decrease in accounts receivable	1,311	-	-	-	-	1,311
(Increase) in materials and supplies inventory	(27,933)	-	-	-	-	(27,933)
(Increase) in prepayments	-	-	-	-	(2,686)	(2,686)
(Increase) decrease in accounts payable	(2,880)	19,461	7,844	-	9,824	34,249
Decrease in accrued wages and benefits	910	211	-	-	-	1,121
Increase (decrease) in compensated absences payable	3,769	(59,470)	-	-	-	(55,701)
Increase (decrease) in intergovernmental	(6,635)	(3,945)	28,007	-	(5,404)	12,023
Decrease in claims payable	-	-	45,498	-	37,378	82,876
Net cash provided by (used in) operating activities	<u>\$ -</u>	<u>\$ 101,604</u>	<u>\$ (174,409)</u>	<u>\$ (92)</u>	<u>\$ 115,558</u>	<u>\$ 42,661</u>

CITY OF WADSWORTH, OHIO

FUND DESCRIPTIONS - FIDUCIARY FUNDS

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

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, 2014*

	<u>Escrow Accounts</u>	<u>Medina County Law Library</u>	<u>Memorial Park Trust</u>	<u>Unclaimed Funds Muni Court</u>
Assets:				
Current Assets:				
Equity in pooled cash, cash equivalents and investments	\$ -	\$ 8,050	\$ 369	\$ 20,909
Cash in segregated accounts	373,590	-	-	-
Accounts receivable	-	-	-	-
Restricted Assets:				
Equity in pooled cash, cash equivalents and investments	-	-	-	-
Total assets	<u>\$ 373,590</u>	<u>\$ 8,050</u>	<u>\$ 369</u>	<u>\$ 20,909</u>
Liabilities:				
Accounts payable	\$ -	\$ -	\$ -	\$ -
Retainage payable	373,590	-	-	-
Deposits held and due to others	-	8,050	369	20,909
Refundable deposits	-	-	-	-
Total liabilities	<u>\$ 373,590</u>	<u>\$ 8,050</u>	<u>\$ 369</u>	<u>\$ 20,909</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>
\$ 30,364	\$ 1,819	\$ 1,234,310	\$ 32,201	\$ 260,540	\$ 10,134	\$ 14,747
-	-	-	-	-	-	-
-	-	-	5,119	-	-	-
-	-	-	-	-	-	-
<u>\$ 30,364</u>	<u>\$ 1,819</u>	<u>\$ 1,234,310</u>	<u>\$ 37,320</u>	<u>\$ 260,540</u>	<u>\$ 10,134</u>	<u>\$ 14,747</u>
\$ -	\$ -	\$ -	\$ 8,114	\$ -	\$ -	\$ -
-	-	-	-	-	-	-
30,364	1,819	1,234,310	29,206	260,540	10,134	14,747
-	-	-	-	-	-	-
<u>\$ 30,364</u>	<u>\$ 1,819</u>	<u>\$ 1,234,310</u>	<u>\$ 37,320</u>	<u>\$ 260,540</u>	<u>\$ 10,134</u>	<u>\$ 14,747</u>

CITY OF WADSWORTH, OHIO

*COMBINING STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES
AGENCY FUNDS
DECEMBER 31, 2014*

	<u>Clearing - Utility Assessment</u>	<u>Muni Court</u>	<u>Customer Deposits</u>	<u>Total</u>
Assets:				
Current Assets:				
Equity in pooled cash, cash equivalents and investments	\$ 7,203	\$ -	\$ -	\$ 1,620,646
Cash in segregated accounts	-	24,608	-	398,198
Accounts receivable	-	-	-	5,119
Restricted Assets:				
Equity in pooled cash, cash equivalents and investments	-	-	813,902	813,902
Total assets	<u>\$ 7,203</u>	<u>\$ 24,608</u>	<u>\$ 813,902</u>	<u>\$ 2,837,865</u>
Liabilities:				
Accounts payable	\$ -	\$ -	\$ -	\$ 8,114
Retainage payable	-	-	-	373,590
Deposits held and due to others	7,203	24,608	-	1,642,259
Refundable deposits	-	-	813,902	813,902
Total liabilities	<u>\$ 7,203</u>	<u>\$ 24,608</u>	<u>\$ 813,902</u>	<u>\$ 2,837,865</u>

CITY OF WADSWORTH, OHIO
 COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
 AGENCY FUNDS
 FOR THE YEAR ENDED DECEMBER 31, 2014

Escrow Accounts	Balance 1/1/2014	Additions	Reductions	Balance 12/31/2014
Assets:				
Cash segregated accounts	\$ 357,089	\$ 373,590	\$ 357,089	\$ 373,590
Total assets	<u>\$ 357,089</u>	<u>\$ 373,590</u>	<u>\$ 357,089</u>	<u>\$ 373,590</u>
Liabilities:				
Retainage Payable	\$ 357,089	\$ 373,590	\$ 357,089	\$ 373,590
Total liabilities	<u>\$ 357,089</u>	<u>\$ 373,590</u>	<u>\$ 357,089</u>	<u>\$ 373,590</u>
Medina County Law Library				
Assets:				
Equity in pooled cash, cash equivalents and investments	\$ 13,807	\$ 37,935	\$ 43,692	\$ 8,050
Total assets	<u>\$ 13,807</u>	<u>\$ 37,935</u>	<u>\$ 43,692</u>	<u>\$ 8,050</u>
Liabilities:				
Deposits held and due to others	\$ 881	\$ 37,935	\$ 30,766	\$ 8,050
Due to other governments	12,926	-	12,926	-
Total liabilities	<u>\$ 13,807</u>	<u>\$ 37,935</u>	<u>\$ 43,692</u>	<u>\$ 8,050</u>
Memorial Park Trust				
Assets:				
Equity in pooled cash, cash equivalents and investments	\$ 369	\$ -	\$ -	\$ 369
Total assets	<u>\$ 369</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 369</u>
Liabilities:				
Deposits held and due to others	\$ 369	\$ -	\$ -	\$ 369
Total liabilities	<u>\$ 369</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 369</u>
Unclaimed Funds Muni Court				
Assets:				
Equity in pooled cash, cash equivalents and investments	\$ 20,066	\$ 893	\$ 50	\$ 20,909
Total assets	<u>\$ 20,066</u>	<u>\$ 893</u>	<u>\$ 50</u>	<u>\$ 20,909</u>
Liabilities:				
Deposits held and due to others	\$ 20,066	\$ 893	\$ 50	\$ 20,909
Total liabilities	<u>\$ 20,066</u>	<u>\$ 893</u>	<u>\$ 50</u>	<u>\$ 20,909</u>
Unclaimed Funds-City				
Assets:				
Equity in pooled cash, cash equivalents and investments	\$ 30,364	\$ -	\$ -	\$ 30,364
Total assets	<u>\$ 30,364</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 30,364</u>
Liabilities:				
Deposits held and due to others	\$ 30,364	\$ -	\$ -	\$ 30,364
Total liabilities	<u>\$ 30,364</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 30,364</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, 2014

Utility Assistance Fund	Balance 1/1/2014	Additions	Reductions	Balance 12/31/2014
Assets:				
Equity in pooled cash, cash equivalents and investments	\$ 1,454	\$ 8,566	\$ 8,201	\$ 1,819
Total assets	<u>\$ 1,454</u>	<u>\$ 8,566</u>	<u>\$ 8,201</u>	<u>\$ 1,819</u>
Liabilities:				
Deposits held and due to others	\$ 1,454	\$ 8,566	\$ 8,201	\$ 1,819
Total liabilities	<u>\$ 1,454</u>	<u>\$ 8,566</u>	<u>\$ 8,201</u>	<u>\$ 1,819</u>
Community Center Project				
Assets:				
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>
Liabilities:				
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>
Clearing Fund				
Assets:				
Equity in pooled cash, cash equivalents and investments	\$ 47,480	\$ 414,428	\$ 429,707	\$ 32,201
Receivables (net of allowance for uncollectibles):				
Accounts	-	5,119	-	5,119
Total assets	<u>\$ 47,480</u>	<u>\$ 419,547</u>	<u>\$ 429,707</u>	<u>\$ 37,320</u>
Liabilities:				
Accounts payable	\$ 11,580	\$ 8,114	\$ 11,580	\$ 8,114
Deposits held and due to others	35,900	411,433	418,127	29,206
Total liabilities	<u>\$ 47,480</u>	<u>\$ 419,547</u>	<u>\$ 429,707</u>	<u>\$ 37,320</u>
Payroll Fund				
Assets:				
Equity in pooled cash, cash equivalents and investments	\$ -	\$ 18,419,060	\$ 18,158,520	\$ 260,540
Total assets	<u>\$ -</u>	<u>\$ 18,419,060</u>	<u>\$ 18,158,520</u>	<u>\$ 260,540</u>
Liabilities:				
Deposits held and due to others	\$ -	\$ 18,419,060	\$ 18,158,520	\$ 260,540
Total liabilities	<u>\$ -</u>	<u>\$ 18,419,060</u>	<u>\$ 18,158,520</u>	<u>\$ 260,540</u>
Water Assessment Trust				
Assets:				
Equity in pooled cash, cash equivalents and investments	\$ 9,595	\$ 539	\$ -	\$ 10,134
Total assets	<u>\$ 9,595</u>	<u>\$ 539</u>	<u>\$ -</u>	<u>\$ 10,134</u>
Liabilities:				
Deposits held and due to others	\$ 9,595	\$ 539	\$ -	\$ 10,134
Total liabilities	<u>\$ 9,595</u>	<u>\$ 539</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, 2014

	Balance 1/1/2014	Additions	Reductions	Balance 12/31/2014
Sewer Deferred Assessment				
Assets:				
Equity in pooled cash, cash equivalents and investments	\$ -	\$ 14,747	\$ -	\$ 14,747
Total assets	<u>\$ -</u>	<u>\$ 14,747</u>	<u>\$ -</u>	<u>\$ 14,747</u>
Liabilities:				
Deposits held and due to others	\$ -	\$ 14,747	\$ -	\$ 14,747
Total liabilities	<u>\$ -</u>	<u>\$ 14,747</u>	<u>\$ -</u>	<u>\$ 14,747</u>
Clearing - Utility Assessment				
Assets:				
Equity in pooled cash, cash equivalents and investments	\$ 3,495	\$ 3,708	\$ -	\$ 7,203
Total assets	<u>\$ 3,495</u>	<u>\$ 3,708</u>	<u>\$ -</u>	<u>\$ 7,203</u>
Liabilities:				
Deposits held and due to others	\$ 3,495	\$ 3,708	\$ -	\$ 7,203
Total liabilities	<u>\$ 3,495</u>	<u>\$ 3,708</u>	<u>\$ -</u>	<u>\$ 7,203</u>
Muni Court				
Assets:				
Cash in segregated accounts	\$ 29,278	\$ 24,608	\$ 29,278	\$ 24,608
Total assets	<u>\$ 29,278</u>	<u>\$ 24,608</u>	<u>\$ 29,278</u>	<u>\$ 24,608</u>
Liabilities:				
Deposits held and due to others	\$ 29,278	\$ 24,608	\$ 29,278	\$ 24,608
Total liabilities	<u>\$ 29,278</u>	<u>\$ 24,608</u>	<u>\$ 29,278</u>	<u>\$ 24,608</u>
Customer Deposits				
Assets:				
Restricted Assets:				
Equity in pooled cash, cash equivalents and investments	\$ 779,504	\$ 227,816	\$ 193,418	\$ 813,902
Total assets	<u>\$ 779,504</u>	<u>\$ 227,816</u>	<u>\$ 193,418</u>	<u>\$ 813,902</u>
Liabilities:				
Refundable Deposits	\$ 779,504	\$ 227,816	\$ 193,418	\$ 813,902
Total liabilities	<u>\$ 779,504</u>	<u>\$ 227,816</u>	<u>\$ 193,418</u>	<u>\$ 813,902</u>
TOTAL AGENCY FUNDS				
Assets:				
Equity in pooled cash, cash equivalents and investments	\$ 1,360,940	\$ 18,899,876	\$ 18,640,170	\$ 1,620,646
Cash in segregated accounts	386,367	398,198	386,367	398,198
Receivables (net of allowance for uncollectibles):				
Accounts	-	5,119	-	5,119
Restricted Assets:				
Equity in pooled cash, cash equivalents and investments	779,504	227,816	193,418	813,902
Total assets	<u>\$ 2,526,811</u>	<u>\$ 19,531,009</u>	<u>\$ 19,219,955</u>	<u>\$ 2,837,865</u>
Liabilities:				
Accounts payable	\$ 11,580	\$ 8,114	\$ 11,580	\$ 8,114
Retainage payable	357,089	373,590	357,089	373,590
Due to other governments	12,926	-	12,926	-
Deposits held and due to others	1,365,712	18,921,489	18,644,942	1,642,259
Refundable Deposits	779,504	227,816	193,418	813,902
Total liabilities	<u>\$ 2,526,811</u>	<u>\$ 19,531,009</u>	<u>\$ 19,219,955</u>	<u>\$ 2,837,865</u>

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Statistical Section

City of Wadsworth, Ohio

Statistical Section

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

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

City of Wadsworth, Ohio

Net Position By Component

Last Ten Years

(Accrual Basis of Accounting)

	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>
Governmental Activities				
Net Investment in Capital Assets	\$ 34,082,257	\$ 30,975,468	\$ 27,652,789	\$ 24,968,078
Restricted	12,647,495	12,544,168	12,444,429	15,067,789
Unrestricted	<u>7,664,110</u>	<u>7,012,414</u>	<u>7,876,795</u>	<u>5,904,151</u>
<i>Total Governmental Activities Net Position</i>	<u>54,393,862</u>	<u>50,532,050</u>	<u>47,974,013</u>	<u>45,940,018</u>
Business Type - Activities				
Net Investment in Capital Assets	60,936,466	63,409,337	57,015,769	51,914,458
Unrestricted	<u>18,848,040</u>	<u>12,827,606</u>	<u>12,387,704</u>	<u>18,514,874</u>
<i>Total Business-Type Activities Net Position</i>	<u>79,784,506</u>	<u>76,236,943</u>	<u>69,403,473</u>	<u>70,429,332</u>
Primary Government				
Net Investment in Capital Assets	95,018,723	94,384,805	84,668,558	76,882,536
Restricted	12,647,495	12,544,168	11,774,608	15,067,789
Unrestricted	<u>26,512,150</u>	<u>19,840,020</u>	<u>20,934,320</u>	<u>24,419,025</u>
<i>Total Primary Government Net Position</i>	<u>\$134,178,368</u>	<u>\$126,768,993</u>	<u>\$117,377,486</u>	<u>\$116,369,350</u>

NOTES:

In 2011, the City implemented GASB 54 which caused a restatement of Net Position for 2010. The storm water fund was reclassified from governmental activities to business type activities.

(continued)

2010	2009	2008	2007	2006	2005
\$ 38,668,682	\$ 38,890,685	\$ 38,787,056	\$ 36,230,196	\$ 32,486,753	\$ 28,473,947
15,528,872	11,157,801	13,788,640	12,235,180	11,944,464	10,482,259
3,659,079	5,513,182	(195,832)	784,999	2,509,221	1,634,099
<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>	<u>40,590,305</u>
36,603,685	35,357,502	37,100,988	34,557,074	32,024,597	28,471,548
16,141,933	15,103,425	11,412,229	10,619,030	11,029,092	9,206,780
<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>	<u>37,678,328</u>
75,272,367	74,248,187	75,888,044	70,787,270	64,511,350	56,945,495
15,528,872	11,157,801	13,788,640	12,235,180	11,944,464	10,482,259
19,801,012	20,616,607	11,216,397	11,404,029	13,538,313	10,840,879
<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>	<u>\$ 78,268,633</u>

City of Wadsworth, Ohio

Changes in Net Position

Last Ten Years

(Accrual Basis of Accounting)

	2014	2013	2012	2011
Program Revenues				
Governmental Activities:				
Charges for Services:				
General Government	\$ 545,039	\$ 660,499	\$ 517,728	\$ 616,010
Security of Persons and Property	1,368,456	1,310,679	1,340,579	1,388,280
Public Health	6,703	43,597	10,997	16,799
Leisure Time Services	1,047,403	1,020,645	615,348	226,537
Community and Economic Development	22,526	16,481	49,559	42,082
Public Works ¹	0	0	0	0
Transportation	344,096	322,749	50,209	31,754
Intergovernmental	0	0	0	0
Subtotal - Charges for Services	<u>3,334,223</u>	<u>3,374,650</u>	<u>2,584,420</u>	<u>2,321,462</u>
Operating Grants and Contributions:				
General Government	5,021	50,711	27,364	46,244
Security of Persons and Property	31,372	3,069	99,958	226,398
Public Health	5,133	0	1,029	741
Leisure Time Services	50,783	230,000	7,909	8,986
Community and Economic Development	2,241,748	478,423	528,546	277,912
Public Works	0	0	4,778	93,093
Transportation	991,154	777,475	10,615	1,740,863
Intergovernmental	0	0	0	0
Interest and Fiscal Charges	0	0	0	0
Subtotal - Operating Grants and Contributions	<u>3,325,211</u>	<u>1,539,678</u>	<u>680,199</u>	<u>2,394,237</u>
Capital Grants and Contributions:				
General Government	188,574	136,725	145,251	0
Security of Persons and Property	0	0	20,662	74,447
Public Health	0	0	129	0
Leisure Time Services	0	0	990	0
Community and Economic Development	0	206,469	545	117,146
Public Works	0	0	0	0
Transportation	0	0	5,356	239,370
Intergovernmental	0	0	0	0
Subtotal - Capital Grants and Contributions	<u>188,574</u>	<u>343,194</u>	<u>172,933</u>	<u>430,963</u>
<i>Total Governmental Activities Program Revenues</i>	<u>6,848,008</u>	<u>5,257,522</u>	<u>3,437,552</u>	<u>5,146,662</u>

(continued)

2010	2009	2008	2007	2006	2005
\$ 415,956	\$ 1,804,234	\$ 1,637,283	\$ 1,630,640	\$ 1,514,655	\$ 1,047,393
1,053,063	1,019,968	951,404	838,539	1,003,254	1,095,457
14,508	12,637	9,906	12,413	7,545	6,757
460,552	759,662	719,242	744,047	730,533	736,484
40,288	48,260	31,738	59,565	92,125	56,874
828,752	0	1,403	24,461	58,593	14,318
1,037	20,452	75,132	77,862	40,092	62,040
828	0	21,562	968	193	249
<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>	<u>3,019,572</u>
14,222	188,200	17,768	11,077	205,253	10,041
84,341	75,909	424,018	84,813	74,658	97,715
701	336	404	296	189	0
7,244	2,643	3,407	130,026	5,507	161
2,265	16,637	360,036	35,628	756	54,369
0	0	0	0	0	852
0	0	305,707	0	94,522	0
52	0	24	6	16,325	7,700
0	0	0	0	0	154,912
<u>108,825</u>	<u>283,725</u>	<u>1,111,364</u>	<u>261,846</u>	<u>397,210</u>	<u>325,750</u>
566,630	859,483	1,007,719	613,643	60,399	34,581
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	0
209,486	414,934	19,725	509,967	194,687	0
785	0	0	0	27,878	489,243
624,234	136,363	352,655	0	0	0
0	0	3,021	379	24,243	0
<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>523,824</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>	<u>3,869,146</u>

City of Wadsworth, Ohio

Changes in Net Position

Last Ten Years

(Accrual Basis of Accounting)

	2014	2013	2012	2011
Business-Type Activities:				
Charges for Services:				
Electric	31,212,822	30,664,529	28,735,362	30,579,103
Sanitation	2,380,196	2,362,918	2,206,598	2,188,061
Sewer	4,038,723	3,804,179	3,531,295	3,342,729
Storm Water ¹	842,103	846,807	820,242	833,778
Telecom	4,606,769	4,267,447	3,784,001	3,628,336
Water	3,580,692	3,755,438	3,797,973	3,726,491
Subtotal - Charges for Services	<u>46,661,305</u>	<u>45,701,318</u>	<u>42,875,471</u>	<u>44,298,498</u>
Operating & Capital Grants and Contributions				
Electric	0	877,724	1,428,578	2,381,437
Sewer	0	245,002	0	0
Storm Water ¹	305,331	124,949	0	82,970
Water	0	0	208,316	0
Subtotal - Operating & Capital Grants and Contributions	<u>305,331</u>	<u>1,247,675</u>	<u>1,636,894</u>	<u>2,464,407</u>
<i>Total Business-Type Activities Program Revenues</i>	<u>46,966,636</u>	<u>46,948,993</u>	<u>44,512,365</u>	<u>46,762,905</u>
<i>Total Primary Government Program Revenues</i>	<u>53,814,644</u>	<u>52,206,515</u>	<u>47,949,917</u>	<u>51,909,567</u>
Expenses				
Governmental Activities:				
General Government	3,683,873	3,985,055	3,769,536	3,809,401
Security of Persons and Property	6,531,114	5,946,408	6,221,933	6,512,974
Public Health	125,292	125,186	109,054	105,261
Leisure Time Services	1,467,632	1,609,321	1,604,855	1,510,485
Community and Economic Development	389,592	1,023,032	929,492	660,516
Public Works	0	0	121,471	200,224
Transportation	3,192,863	2,893,421	2,920,887	3,186,302
Intergovernmental	0	0	0	0
Interest and Fiscal Charges	751,170	775,567	793,123	781,845
<i>Total Governmental Activities Expenses</i>	<u>16,141,536</u>	<u>16,357,990</u>	<u>16,470,351</u>	<u>16,767,008</u>
Business-Type Activities:				
Electric	30,297,757	27,789,052	26,625,458	28,946,483
Sanitation	2,293,352	2,221,316	2,232,922	2,082,729
Sewer	3,168,619	3,245,256	3,629,162	3,573,261
Storm Water ¹	821,058	904,253	871,099	986,089
Telecom	4,565,953	4,574,954	4,010,252	3,631,490
Water	3,387,965	3,227,991	3,462,781	3,456,315
<i>Total Business-Type Activities Expenses</i>	<u>44,534,704</u>	<u>41,962,822</u>	<u>40,831,674</u>	<u>42,676,367</u>
<i>Total Primary Government Expenses</i>	<u>60,676,240</u>	<u>58,320,812</u>	<u>57,302,025</u>	<u>59,443,375</u>

(continued)

2010	2009	2008	2007	2006	2005
30,330,442	29,851,125	27,762,640	25,014,078	26,047,966	25,484,936
2,071,234	1,984,672	1,902,235	1,842,501	1,640,433	1,610,792
3,145,489	3,319,499	3,226,918	3,609,670	3,865,870	3,553,416
0	0	0	0	0	0
3,342,778	2,993,393	2,774,399	2,656,861	2,025,017	1,872,815
3,684,369	3,395,906	2,944,488	2,838,418	2,611,536	2,742,246
42,574,312	41,544,595	38,610,680	35,961,528	36,190,822	35,264,205
740,554	0	0	0	0	50,000
267,446	428,629	1,729,137	84,225	705,186	0
0	0	0	0	0	0
0	297,069	1,176,966	581,215	319,496	0
1,008,000	725,698	2,906,103	665,440	1,024,682	50,000
43,582,312	42,270,293	41,516,783	36,626,968	37,215,504	35,314,205
48,165,603	48,031,507	47,875,406	42,163,591	41,416,636	39,183,351
3,341,356	5,561,354	6,055,239	5,176,695	3,585,390	3,960,462
6,601,561	5,804,358	5,685,852	5,524,710	5,022,596	6,496,050
103,060	128,140	145,433	149,833	105,621	75,271
2,351,287	1,946,859	2,080,885	2,152,345	1,818,429	2,204,047
522,242	616,764	737,503	617,243	455,994	811,973
711,713	0	9,700	21,990	191,103	50,280
2,928,565	2,803,257	2,941,263	2,693,526	2,528,287	2,435,891
7,499	0	11,057	204,548	5,960	156,610
149,109	135,705	151,362	165,075	103,748	147,354
16,716,392	16,996,437	17,818,294	16,705,965	13,817,128	16,337,938
28,572,879	28,338,305	25,823,545	25,899,005	26,038,534	28,056,110
2,075,807	1,951,471	1,935,094	1,773,366	1,608,357	1,838,563
3,310,275	3,727,726	4,534,794	2,432,224	2,501,651	2,239,016
0	0	0	0	0	0
3,416,318	3,258,997	3,015,641	2,215,775	1,220,462	1,733,253
4,397,523	3,091,449	3,085,289	3,323,572	2,783,980	2,638,269
41,772,802	40,367,948	38,394,363	35,643,942	34,152,984	36,505,211
58,489,194	57,364,385	56,212,657	52,349,907	47,970,112	52,843,149

City of Wadsworth, Ohio

Changes in Net Position

Last Ten Years

(Accrual Basis of Accounting)

	2014	2013	2012	2011
Net (Expense)/Revenue				
Governmental Activities	(9,293,528)	(11,100,468)	(13,032,799)	(11,620,346)
Business-Type Activities	2,431,932	4,986,171	3,680,691	4,086,538
<i>Total Primary Government Net (Expense)/Revenue</i>	<u>(6,861,596)</u>	<u>(6,114,297)</u>	<u>(9,352,108)</u>	<u>(7,533,808)</u>
General Revenues				
Governmental Activities				
Taxes:				
Property Taxes Levied For:				
General Purposes	950,531	1,160,532	975,659	959,950
Capital Projects	449,916	738,827	1,089,450	1,190,052
Emergency Medical Services	1,130,356	665,179	952,861	891,198
Income Taxes	8,661,560	8,532,860	7,679,436	6,851,870
Payments in Lieu of Taxes	653,962	612,180	115,400	105,000
Grants and Entitlements not Restricted to				
Specific Programs	1,728,951	1,692,722	3,194,245	2,527,284
Investment Earnings	212,384	174,447	145,550	150,965
Other Income	131,219	144,354	25,268	76,641
<i>Total Governmental Activities</i>	<u>13,918,879</u>	<u>13,721,101</u>	<u>14,177,869</u>	<u>12,752,960</u>
Business-Type Activities				
Investment Earnings	2	2	56,115	40,295
Special Item - Stranded Costs	0	1,510,027	(4,584,933)	0
Other Income	352,090	274,674	131,222	507,652
<i>Total Business-Type Activities</i>	<u>352,092</u>	<u>1,784,703</u>	<u>(4,397,596)</u>	<u>547,947</u>
<i>Total Primary Government General Revenues</i>	<u>14,270,971</u>	<u>15,505,804</u>	<u>9,780,273</u>	<u>13,300,907</u>
Transfers				
Governmental Activities	(763,539)	(62,596)	0	0
Business-Type Activities	763,539	62,596	0	0
Change in Net Position				
Governmental Activities	3,861,812	2,558,037	1,145,070	1,132,614
Business-Type Activities	3,547,563	6,833,470	(716,905)	4,634,485
<i>Total Primary Government Change in Net Position</i>	<u>\$ 7,409,375</u>	<u>\$ 9,391,507</u>	<u>\$ 428,165</u>	<u>\$ 5,767,099</u>

(continued)

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

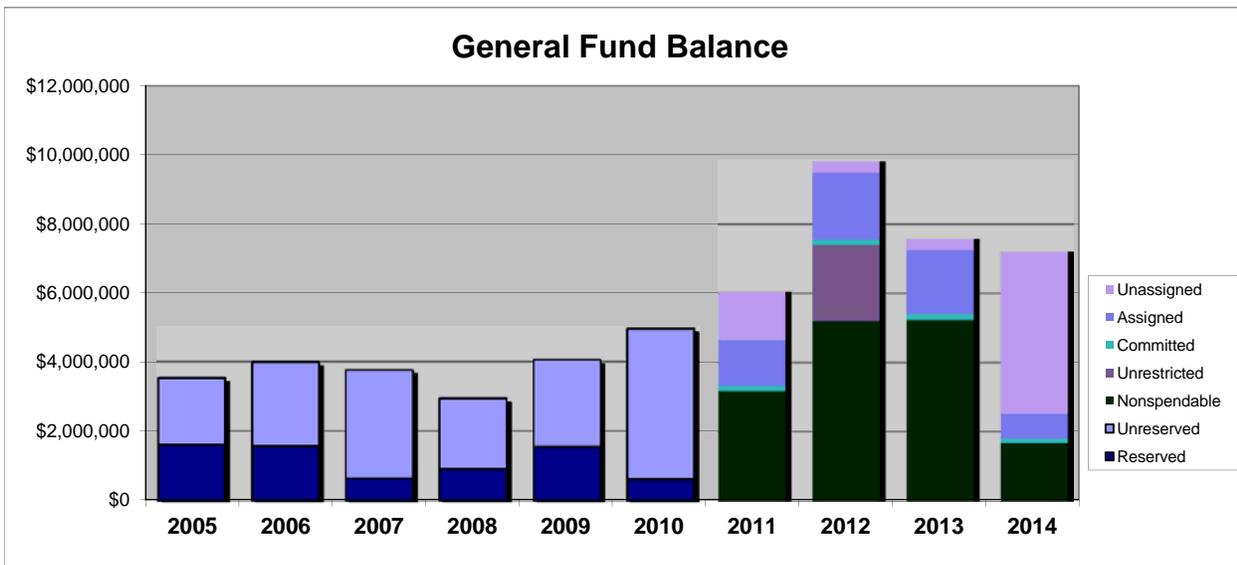
2010	2009	2008	2007	2006	2005
(12,133,101)	(11,235,223)	(11,459,671)	(11,169,342)	(9,615,996)	(12,468,792)
1,809,510	1,902,345	3,122,420	983,026	3,062,520	(1,191,006)
(10,323,591)	(9,332,878)	(8,337,251)	(10,186,316)	(6,553,476)	(13,659,798)
1,064,928	1,052,918	1,110,503	1,056,203	977,911	903,156
362,949	416,378	453,955	475,452	456,586	441,050
1,613,748	1,717,949	1,731,358	1,319,207	746,445	839,652
6,480,155	6,477,735	7,332,441	5,720,788	6,542,143	6,312,773
99,000	0	0	0	0	0
4,495,881	4,398,252	3,381,413	4,266,292	3,028,791	3,430,318
109,972	195,647	542,854	891,744	750,706	340,280
201,433	88,582	36,636	66,997	20,024	55,164
14,428,066	14,347,461	14,589,160	13,796,683	12,522,606	12,322,393
23,885	108,016	134,715	55,910	191,679	283,203
0	0	0	0	0	0
451,296	6,915	79,978	20	1,936	0
475,181	114,931	214,693	55,930	193,615	283,203
14,903,247	14,462,392	14,803,853	13,852,613	12,716,221	12,605,596
0	69,566	0	(750,000)	0	(39,705)
0	(69,566)	0	750,000	0	39,705
2,294,965	3,181,804	3,129,489	1,877,341	2,906,610	(186,104)
2,284,691	1,947,710	3,337,113	1,788,956	3,256,135	(868,098)
\$ 4,579,656	\$ 5,129,514	\$ 6,466,602	\$ 3,666,297	\$ 6,162,745	\$ (1,054,202)

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

	2014	2013	2012 ¹	2011	2010
General Fund					
Nonspendable	\$ 1,688,467	\$ 5,243,091	\$ 5,223,616	\$ 3,191,006	0
Restricted ¹	0	0	2,181,148	0	0
Committed	128,232	170,028	162,176	150,998	0
Assigned	713,106	1,849,862	1,934,414	1,315,726	0
Unassigned	4,695,499	331,919	317,964	1,406,960	0
Reserved	0	0	0	0	\$ 611,466
Unreserved	0	0	0	0	4,344,340
Total General Fund	<u>7,225,304</u>	<u>7,594,900</u>	<u>9,819,318</u>	<u>6,064,690</u>	<u>4,955,806</u>
All Other Governmental Funds					
Nonspendable	255,470	308,564	3,798,311	336,264	0
Restricted	11,769,497	11,805,616	6,258,676	14,058,202	0
Committed	211,731	169,956	1,661,064	1,458,238	0
Unassigned	(2,020,725)	(1,331,229)	(740,323)	(340,450)	0
Reserved	0	0	0	0	3,264,480
Unreserved, Undesignated (Deficit), Reported in:					
Special Revenue Funds	0	0	0	0	8,075,725
Capital Projects Funds	0	0	0	0	4,674,201
Total All Other Governmental Funds	<u>10,215,973</u>	<u>10,952,907</u>	<u>10,977,728</u>	<u>15,512,254</u>	<u>16,014,406</u>
Total Governmental Funds	<u>\$ 17,441,277</u>	<u>\$ 18,547,807</u>	<u>\$ 20,797,046</u>	<u>\$ 21,576,944</u>	<u>\$ 20,970,212</u>

¹ In 2012, the income tax special revenue fund became part of the general fund.

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



(continued)

2009	2008	2007	2006	2005
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
\$ 1,557,563	\$ 924,595	\$ 650,932	\$ 1,571,123	\$ 1,618,922
2,503,732	2,028,877	3,119,368	2,424,464	1,922,698
<u>4,061,295</u>	<u>2,953,472</u>	<u>3,770,300</u>	<u>3,995,587</u>	<u>3,541,620</u>
0	0	0	0	0
0	0	0	0	0
0	0	0	0	0
0	0	0	0	0
3,473,817	5,473,400	5,215,585	3,110,379	1,814,085
8,404,961	5,501,520	4,139,390	5,613,334	5,103,459
490,946	(690,805)	970,349	1,531,181	2,180,177
<u>12,369,724</u>	<u>10,284,115</u>	<u>10,325,324</u>	<u>10,254,894</u>	<u>9,097,721</u>
<u>\$ 16,431,019</u>	<u>\$ 13,237,587</u>	<u>\$ 14,095,624</u>	<u>\$ 14,250,481</u>	<u>\$ 12,639,341</u>

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

	2014	2013	2012	2011
Revenues				
Real and Other Taxes	\$ 2,545,031	\$ 2,581,162	\$ 3,034,146	\$ 3,121,651
Income Taxes	8,613,796	8,262,502	7,611,247	6,741,133
Payments in Lieu of Taxes	653,962	612,180	115,400	105,000
Special Assessments	86,206	117,860	128,722	117,146
Charges for Services	2,080,205	2,041,901	1,367,216	1,128,411
Licenses and Permits	446,013	415,605	486,210	407,278
Fines and Forfeitures	637,310	641,820	692,486	715,652
Intergovernmental	4,463,898	3,186,386	4,576,149	4,537,339
Investment income	212,694	174,773	182,294	206,885
Rental income	72,519	72,295	5,400	1,400
Contributions and Donations	56,442	233,251	11,426	3,505
Refunds and Reimbursements	123,039	0	0	0
Other	209,384	710,509	25,268	75,241
<i>Total Revenues</i>	<u>20,200,499</u>	<u>19,050,244</u>	<u>18,235,964</u>	<u>17,160,641</u>
Expenditures				
Current:				
General Government	3,775,373	3,921,993	3,529,686	3,277,952
Security of Persons and Property	6,383,016	6,419,692	5,999,955	5,986,941
Public Health	125,315	125,208	110,517	105,402
Leisure Time Services	1,331,935	1,668,959	1,551,703	1,461,356
Community and Economic Development	390,100	1,053,406	941,155	655,562
Public Works	0	0	123,100	200,224
Transportation	2,664,891	2,406,833	2,460,481	2,698,700
Intergovernmental	0	0	0	0
Capital Outlay	4,654,288	4,255,788	1,698,178	925,826
Debt Service:				
Principal Retirement	667,558	642,455	627,351	197,254
Interest and Fiscal Charges	752,064	756,578	774,643	785,044
Issuance Costs	0	0	0	0
<i>Total Expenditures</i>	<u>20,744,540</u>	<u>21,250,912</u>	<u>17,816,769</u>	<u>16,294,261</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>(544,041)</u>	<u>(2,200,668)</u>	<u>419,195</u>	<u>866,380</u>
Other Financing Sources (Uses)				
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	54,264	14,025	35,217	3,810
Transfers In	121,096	215,252	1,594,303	6,914,635
Transfers Out	(737,849)	(277,848)	(1,594,303)	(6,911,048)
Other Financing Uses	0	0	0	0
<i>Total Other Financing Sources (Uses)</i>	<u>(562,489)</u>	<u>(48,571)</u>	<u>35,217</u>	<u>7,397</u>
<i>Net Change in Fund Balances</i>	<u>\$ (1,106,530)</u>	<u>\$ (2,249,239)</u>	<u>\$ 454,412</u>	<u>\$ 873,777</u>
Debt Service as a Percentage of Noncapital Expenditures	9.1%	8.4%	8.8%	6.4%

(continued)

	2010	2009	2008	2007	2006	2005
\$	2,996,532	\$ 3,167,698	\$ 3,258,568	\$ 2,838,180	\$ 2,245,255	\$ 2,233,103
	6,573,369	6,591,226	6,525,267	6,672,229	6,354,130	5,980,973
	99,000	0	0	0	0	0
	184,287	84,377	28,630	56,267	88,314	120,168
	1,857,582	2,210,771	1,887,220	2,215,944	2,225,296	1,817,989
	390,012	938,955	826,768	758,027	861,657	824,820
	653,093	261,333	298,730	205,859	153,247	178,098
	6,145,906	5,475,695	5,606,904	5,273,528	3,211,890	4,149,202
	109,972	195,647	542,854	891,744	750,706	340,280
	9,400	236,945	246,065	208,665	206,790	198,665
	9,631	57,908	17,768	30,253	46,935	117,949
	0	0	0	0	0	0
	201,433	88,582	36,636	66,997	20,024	51,227
	<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>	<u>16,012,474</u>
	2,891,212	5,215,166	6,118,002	5,523,566	3,468,937	3,314,963
	6,034,330	5,418,631	5,643,693	5,274,973	5,250,880	5,912,136
	100,441	83,021	95,258	110,122	55,788	73,074
	2,099,175	1,855,581	2,103,211	2,087,317	1,913,057	1,964,116
	516,310	606,807	739,088	625,538	450,938	760,920
	690,694	4,636	7,928	19,281	187,155	48,500
	2,054,047	2,000,080	2,314,431	2,023,168	2,040,176	1,772,467
	7,499	0	11,057	204,548	5,960	156,610
	17,813,141	2,417,711	2,591,116	2,949,313	346,555	715,089
	252,161	372,072	356,987	336,905	321,827	396,336
	100,713	137,073	152,676	169,363	131,553	129,935
	360,988	53,149	0	0	0	0
	<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>	<u>15,244,146</u>
	<u>(13,690,494)</u>	<u>1,145,210</u>	<u>(858,037)</u>	<u>(106,401)</u>	<u>1,991,418</u>	<u>768,328</u>
	0	0	0	0	0	1,243
	18,290,000	2,015,000	0	0	0	0
	0	33,222	0	0	0	0
	0	0	0	0	0	0
	39,648	0	0	0	0	3,937
	6,845,800	7,339,800	5,611,000	5,451,000	5,345,629	5,270,696
	(6,842,213)	(7,339,800)	(5,611,000)	(5,451,000)	(5,345,629)	(5,310,401)
	<u>(103,548)</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
	<u>18,229,687</u>	<u>2,048,222</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>(34,525)</u>
\$	<u>4,539,193</u>	<u>\$ 3,193,432</u>	<u>\$ (858,037)</u>	<u>\$ (106,401)</u>	<u>\$ 1,991,418</u>	<u>\$ 733,803</u>
	2.3%	3.4%	3.1%	3.3%	3.5%	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)	Less: Tax Exempt Real Property (d)
	Residential/Agricultural	Commercial Industrial/PU			
2014	\$337,110,430	\$ 104,195,870	\$ 705,290	0	\$ 93,134,100
2013	365,802,220	104,399,470	676,760	0	64,359,360
2012	364,800,570	103,106,620	643,700	0	64,973,380
2011	360,319,920	105,174,960	615,470	0	65,910,500
2010	398,307,240	102,405,800	596,720	\$ 272,055	65,973,740
2009	397,144,370	99,296,020	584,720	585,540	n/a
2008	392,307,660	99,886,380	592,490	11,754,010	n/a
2007	346,652,230	94,214,570	2,366,120	17,948,870	n/a
2006	336,788,630	89,334,110	2,580,740	26,923,305	n/a
2005	325,052,920	81,585,330	2,866,640	38,840,675	n/a

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>
348,877,490	5.80	\$ 1,007,905,811	34.61%
406,519,090	5.80	1,160,318,560	35.04%
403,577,510	5.80	1,151,938,855	35.03%
400,199,850	5.80	1,142,369,055	35.03%
435,608,075	5.80	1,248,231,477	34.90%
497,610,650	5.80	1,424,920,969	34.92%
504,540,540	5.80	1,425,748,386	35.39%
461,181,790	5.80	1,405,899,161	32.80%
455,626,785	5.80	1,364,017,162	33.40%
448,345,565	5.80	1,320,443,817	33.95%

City of Wadsworth, Ohio
Direct and Overlapping Property Tax Rates
Last Ten Collection Years

	2014	2013	2012	2011	2010
Unvoted Millage					
Operating	2.1000	2.1000	2.1000	2.1000	2.1000
Police Pension	0.3000	0.3000	0.3000	0.3000	0.3000
<i>Total Unvoted Millage</i>	2.4000	2.4000	2.4000	2.4000	2.4000
Voted Millage					
Fire Levy	1.1000	1.1000	1.1000	1.1000	1.1000
EMS Levy	2.3000	2.3000	2.3000	2.3000	2.3000
<i>Total Voted Millage</i>	3.4000	3.4000	3.4000	3.4000	3.4000
Total Millage	5.8000	5.8000	5.8000	5.8000	5.8000
Overlapping Rates by Taxing District					
Wadsworth City School District					
Residential/Agricultural Real	44.0279	42.0488	42.0488	36.1295	31.5638
Commercial/Industrial and Public Utility Real	46.8178	45.7549	45.7549	38.2956	35.7988
General Business and Public Utility Personal	79.0000	78.6000	78.6000	72.6000	70.2000
Medina County					
Residential/Agricultural Real	7.5147	7.4599	7.4699	6.5082	5.9807
Commercial/Industrial and Public Utility Real	7.4956	7.4575	7.4675	6.4369	6.0632
General Business and Public Utility Personal	8.0400	8.0400	8.0400	8.0400	8.0400
Wadsworth Public Library					
Residential/Agricultural Real	2.7132	2.6046	2.6046	1.6032	1.4441
Commercial/Industrial and Public Utility Real	2.6614	2.6289	2.6289	1.5295	1.5234
General Business and Public Utility Personal	2.7500	2.7500	2.7500	1.7500	1.7500
Medina County Park District					
Residential/Agricultural Real	0.7500	0.7366	0.7366	0.7366	0.6775
Commercial/Industrial and Public Utility Real	0.7500	0.7435	0.7435	0.7052	0.6969
General Business and Public Utility Personal	0.7500	0.7500	0.7500	0.7500	0.7500
Highland Local School District					
Residential/Agricultural Real	36.3868	36.5880	36.6880	29.7286	28.4983
Commercial/Industrial and Public Utility Real	32.6199	33.6398	33.6398	25.0217	24.9227
General Business and Public Utility Personal	75.3000	76.8000	76.8000	69.9000	69.9000
Medina County Library District					
Residential/Agricultural Real	1.8500	2.0315	2.0315	2.0319	1.9378
Commercial/Industrial and Public Utility Real	1.8500	2.0464	2.0464	1.9854	1.9696
General Business and Public Utility Personal	1.8500	2.0500	2.0500	2.0500	2.0500
Vocational Education					
Residential/Agricultural Real	2.2446	2.1694	2.1694	2.0582	2.0048
Commercial/Industrial and Public Utility Real	2.2251	2.1483	2.1483	1.9420	2.0158
General Business and Public Utility Personal	3.0500	3.0500	3.0500	2.9000	3.0500

Source: Medina County Auditor

Information prior to 2004 is not available

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

(continued)

2009	2008	2007	2006	2005
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
31.6916	28.8014	31.7282	31.8697	32.7510
36.1101	33.1027	35.1643	36.5675	37.5831
70.4000	67.5000	71.5000	71.5000	72.2500
5.9167	5.9261	6.2510	6.3360	6.3559
5.9891	5.9752	6.2039	6.6281	6.2564
8.0700	8.0700	8.0700	8.2100	8.2200
1.4388	1.4396	1.6044	1.6145	1.6239
1.5034	1.5236	1.5865	1.6722	1.6884
1.7500	1.7500	1.7500	1.7500	1.7500
0.6758	0.6777	0.7446	0.3790	0.3801
0.6951	0.6922	0.7424	0.3654	0.3626
0.7500	0.7500	0.7500	0.5000	0.5000
29.1516	29.2728	31.4184	31.6671	32.4065
25.5162	25.0795	26.3436	28.4673	28.0410
70.5500	70.5500	70.5500	70.5550	71.3200
2.1352	2.1388	1.6348	1.6373	1.6411
2.1651	2.6050	1.6660	1.6677	1.6585
2.2500	2.2500	2.2500	2.2500	2.2500
2.0000	2.0000	2.0000	2.0000	2.0000
2.0081	1.9999	2.0214	2.0274	2.0000
3.0500	3.0500	3.0500	3.0500	3.0500

City of Wadsworth, Ohio

Principal Property Taxpayers

2014 vs. 2008

Taxpayer	2014	
	Property Assessed Valuation	Percentage of Total Assessed Valuation
HGG Stratford Crossings LTD	\$6,062,690	1.74%
BRE Throne Wadsworth Crossing LLC	3,327,640	0.95%
WalMart Real Estate	3,289,820	0.94%
Liberty Residence Holding	2,885,630	0.83%
Echo Wadsworth Associates	2,768,770	0.79%
HD Development of Maryland Inc	2,572,500	0.74%
Inn at Coalridge Limited	2,504,870	0.72%
Lowe's Home Centers Inc	2,131,730	0.61%
224 Quadral LLC	2,065,280	0.59%
LA Wadsworth LLC	2,011,100	0.58%
TOTAL	\$29,620,030	8.49%
Total Assessed Property Valuation	\$348,877,490	
	2008(1)	
Taxpayer	Property Assessed Valuation	Percentage of Total Assessed Valuation
Ebner Furnaces Inc	\$3,571,220	0.71%
DJB No 23 LP	3,328,440	0.66%
Big Sky Inc	3,279,400	0.65%
Day Family Enterprises	2,441,390	0.48%
Rohrer Properties	1,861,020	0.37%
Priority II LLC	1,840,790	0.36%
Wal-Mart Real Estate	1,716,540	0.34%
Buehler Food Market	1,612,690	0.32%
Soprema USA Inc	1,519,710	0.30%
Careamerica Corp	1,435,050	0.28%
TOTAL	\$22,606,250	4.48%
Total Assessed Property Valuation	\$504,540,540	

Source: Medina County Auditor, Medina Ohio

(1) Information prior to 2008 is not available

City of Wadsworth, Ohio
Property Tax Levies And Collections
Last Ten Years

Fiscal Year	Total Tax Levy	Current Tax Collections	Percent of Current Collections to Tax Levy	Delinquent Tax Collections	Total Tax Collections (1)	Percent of Total Tax Collections to Tax Levy	Accumulated Outstanding Delinquent Taxes	Percentage of Delinquent Taxes to Total Tax Levy
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%
2005	2,223,500	2,015,267	90.63%	47,396	2,062,662	92.77%	120,901	5.44%

Source: Medina County, Ohio; County Auditor

(1) State reimbursement of rollback and homestead exemptions are included.

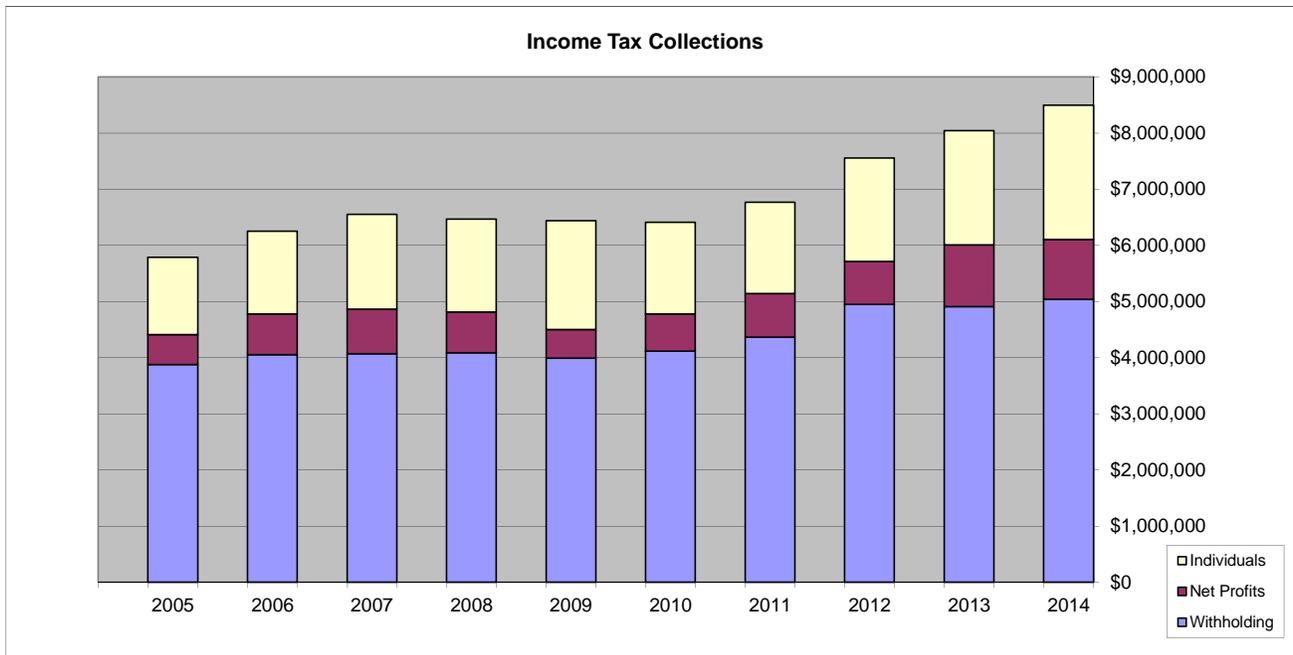
Note: Delinquent tax records are maintained by an external agency, Medina County. The agency does not identify delinquent collections by the year for which the tax was levied.

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
2014	1.4%	\$8,648,629	\$152,330	1.76%	\$5,037,149	58.24%	\$1,070,080	12.37%	\$2,389,070	27.62%
2013	1.4%	8,358,492	315,061	3.77%	4,909,876	58.74%	1,099,494	13.15%	2,034,061	24.34%
2012	1.4%	7,685,425	129,648	1.69%	4,949,755	64.40%	765,089	9.96%	1,840,933	23.95%
2011	1.3%	6,897,700	130,626	1.89%	4,366,494	63.30%	776,882	11.26%	1,623,698	23.54%
2010	1.3%	6,603,817	193,064	2.92%	4,115,667	62.32%	664,215	10.06%	1,630,871	24.70%
2009	1.3%	6,511,354	71,581	1.10%	3,989,176	61.26%	513,740	7.89%	1,936,857	29.75%
2008	1.3%	6,643,871	174,580	2.63%	4,087,541	61.52%	723,309	10.89%	1,658,441	24.96%
2007	1.3%	6,534,276	(20,485)	-0.31%	4,071,630	62.31%	790,906	12.10%	1,692,225	25.90%
2006	1.3%	6,296,305	43,511	0.69%	4,053,641	64.38%	724,635	11.51%	1,474,518	23.42%
2005	1.3%	5,896,724	109,011	1.85%	3,877,177	65.75%	532,563	9.03%	1,377,973	23.37%

Source: Central Collection Agency - Cleveland, OH

(1) Gross Collections - Cash Basis of Accounting



City of Wadsworth, Ohio
Ratios of Outstanding Debt by Type
Last Ten Years

Fiscal Year	Governmental Activities				Business-type Activities								Total Primary Government	Percentage of Personal Income (1)	Per Capita (1)
	General Obligation Bonds	Income Tax Revenue Bonds	Special Assessment Bonds (4)	Notes Payable (5)	Stormwater G.O. Bonds	Water G.O. Bonds	OWDA Loan	Electric Revenue Bonds	Electric AMP Loan	Electric AMP Stranded Costs	Electric G.O. Bonds	Notes Payable			
2014	\$ -	\$16,985,000	\$ 50,447	\$7,550,125	\$ 715,000	\$ 9,165,000	\$ 16,549,937	0	\$4,342,689	\$ 5,036,864	\$ 180,000	\$9,401,093	\$69,976,155	11.87%	\$ 3,204
2013	215,000	17,435,000	113,309	3,107,581	775,000	9,600,000	17,565,266	0	4,961,992	5,604,614	215,000	9,788,897	69,381,659	11.90%	3,177
2012 (8)	425,000	17,865,000	198,277	2,239,248	830,000	10,040,000	18,550,064	0	5,585,992	5,791,839	250,000	9,249,200	71,024,620	12.07%	3,276
2011	625,000	18,290,000	271,745	758,448	895,000	10,465,000	19,504,560	7,137,917	0	0	280,000	7,440,504	65,668,173	11.91%	3,045
2010 (7)	820,000	18,290,000	359,813	1,308,369	945,000	10,855,000	20,429,684	7,669,583	0	0	310,000	5,920,341	66,907,790	11.42%	3,102
2009 (6)	1,015,000	0	301,609	1,759,864	1,000,000	1,520,000	21,326,340	8,181,250	0	0	340,000	5,044,718	40,488,781	7.15%	1,956
2008	370,000	0	288,356	3,722,936	0	0	21,474,268	8,674,583	0	0	0	6,496,044	41,026,188	7.32%	2,009
2007 (2)	725,000	0	320,034	3,031,190	0	0	21,119,252	9,148,333	0	0	0	4,827,651	39,171,460	6.99%	1,919
2006 (3)	1,060,000	0	343,461	102,428	0	0	15,222,475	9,607,083	0	0	0	2,655,523	28,990,970	5.25%	1,442
2005	1,380,000	0	380,278	568,255	0	0	5,863,580	10,050,833	0	0	0	2,178,530	20,421,477	3.74%	1,027

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

City of Wadsworth, Ohio
*Computation of Direct and Overlapping
Debt Attributable to Governmental Activities
December 31, 2014*

	Debt Attributable to Governmental Activities	Percentage Applicable to Wadsworth (1)	Amount of Direct and Overlapping Debt
<u>Direct Debt:</u>			
City of Wadsworth			
Special Assessment Bonds	\$50,447	100.00%	\$50,447
Bond Anticipation Notes	4,750,000	100.00%	4,750,000
Police and Fire Pension Note	84,686	100.00%	84,686
Community Center Revenue Bonds	<u>16,985,000</u>	100.00%	<u>16,985,000</u>
Total Direct Debt	\$21,870,133		\$21,870,133
<u>Overlapping Debt:</u>			
Payable from Property Taxes			
Medina County Bonds ⁽²⁾	4,583,862	7.88%	\$361,220
Wadsworth City School District Bonds ⁽³⁾	11,020,000	56.70%	6,248,511
Highland School District ⁽⁴⁾	35,405,191	1.35%	477,417
Payable from Other Sources			
Medina County Special Assessment Bonds ⁽²⁾	\$485,000	7.88%	38,219
Medina County OPWC Loans ⁽²⁾	107,486	7.88%	8,470
Wadsworth City School District Bonds ⁽³⁾	<u>77,362,108</u>	56.70%	<u>43,865,516</u>
Total Overlapping Debt	<u>\$128,963,647</u>		<u>\$50,999,353</u>
Total	<u><u>\$150,833,780</u></u>		<u><u>\$72,869,486</u></u>

(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 2014 collection year (2013 tax year).

(2) Source - Medina County Auditor's Office

(3) Source - Wadsworth City Schools - reported as of June 30,2014

(4) Source - Highland Local School District CAFR - reported as of June 30, 2014

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
2014	\$10,060,000	\$1,052	\$10,058,948	\$1,007,905,811	1.00%	\$460.53
2013	10,805,000	5,316	10,799,684	1,160,318,560	0.93%	494.45
2012	11,545,000	200,371	11,344,629	1,151,938,855	0.98%	523.20
2011	12,265,000	1,089,861	11,175,139	1,142,369,055	0.98%	518.16
2010	12,930,000	1,197,458	11,732,542	1,248,231,477	0.94%	544.00
2009	3,875,000	1,152,383	2,722,617	1,424,920,969	0.19%	131.55
2008	370,000	370,000	0	1,425,748,386	0.00%	0.00
2007	725,000	725,000	0	1,405,899,161	0.00%	0.00
2006	1,060,000	1,060,000	0	1,364,017,162	0.00%	0.00
2005	1,380,000	1,185,387	194,613	1,320,443,817	0.01%	9.79

City of Wadsworth, Ohio

Legal Debt Margin Information

Last Ten Years

	2014	2013	2012	2011	2010	2009
Overall Debt Limitation (10.5% of Assessed Valuation)	\$36,632,136	\$49,442,237	\$49,194,879	\$48,941,587	\$52,666,091	\$52,249,118
Net Debt Applicable to Debt Limit	<u>7,550,125</u>	<u>3,322,582</u>	<u>2,666,855</u>	<u>1,383,448</u>	<u>2,128,369</u>	<u>2,774,864</u>
Overall Legal Debt Margin (10.5% of Assessed Valuation)	<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>	<u>\$49,474,254</u>
Legal Debt Margin as a Percentage of Debt Limit	79.39%	93.28%	94.58%	97.17%	95.96%	94.69%
Unvoted Debt Limitation (5.5% of Assessed Valuation)	\$19,188,262	\$25,898,315	\$25,768,746	\$25,636,069	\$27,587,000	\$27,368,586
Net Debt Applicable to Debt Limit	<u>7,550,125</u>	<u>3,322,582</u>	<u>2,666,855</u>	<u>1,383,448</u>	<u>2,128,369</u>	<u>2,774,864</u>
Unvoted Legal Debt Margin (5.5% of Assessed Valuation)	<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>	<u>\$24,593,722</u>
Legal Debt Margin as a Percentage of Debt Limit	60.65%	87.17%	89.65%	94.60%	92.28%	89.86%

Legal Debt Margin Calculation for Fiscal Year 2014

	Unvoted Margin Within 5.5%	Overall Margin Within 10.5%
Assessed property value	<u>\$348,877,490</u>	<u>\$348,877,490</u>
Overall Debt Limitation (percentage of assessed valuation)	\$19,188,262	\$36,632,136
Gross Indebtedness	69,976,155	69,976,155
Less: Special Assessment Bonds	(50,447)	(50,447)
Stormwater G.O. Bonds	(715,000)	(715,000)
Income Tax Revenue Bonds	(16,985,000)	(16,985,000)
Water Revenue Bonds	(9,165,000)	(9,165,000)
OWDA Loan	(16,549,937)	(16,549,937)
Electric G.O. Bonds	(180,000)	(180,000)
Electric AMP Loan	(4,342,689)	(4,342,689)
Electric AMP Stranded Costs	(5,036,864)	(5,036,864)
Bond Anticipation Notes - Enterprise Funds	<u>(9,401,093)</u>	<u>(9,401,093)</u>
Net Debt Applicable to Debt Limit	<u>7,550,125</u>	<u>7,550,125</u>
Legal Debt Margin Within Limitations	<u>\$11,638,137</u>	<u>\$29,082,011</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>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>
\$52,976,757	\$48,424,088	\$47,840,812	\$47,076,284
<u>4,092,937</u>	<u>3,756,190</u>	<u>1,162,428</u>	<u>1,948,255</u>
<u>\$48,883,820</u>	<u>\$44,667,898</u>	<u>\$46,678,384</u>	<u>\$45,128,029</u>
92.27%	92.24%	97.57%	95.86%
\$27,749,730	\$25,364,998	\$25,059,473	\$24,659,006
<u>4,092,937</u>	<u>3,756,190</u>	<u>1,162,428</u>	<u>1,948,255</u>
<u>\$23,656,793</u>	<u>\$21,608,808</u>	<u>\$23,897,045</u>	<u>\$22,710,751</u>
85.25%	85.19%	95.36%	92.10%

City of Wadsworth, Ohio

Pledged Revenue Coverage

Income Tax Revenue Bonds

Last Five Years

Fiscal Year	Income Taxes	Direct Operating Expenses (1)	Net Available Revenues	Debt Service (2)		Coverage
				Principal	Interest	
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 Seven Years

Fiscal Year	Sewer Service Charges and Interest	Direct Operating Expenses (1)	Net Available Revenues	Debt Service (2)		Coverage
				Principal	Interest	
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			
2014	21,842	\$ 589,712,158	\$ 26,999	\$ 57,539	5.2	5.7	11.07	\$ 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
2005	19,881	546,011,784	27,464	55,695	4.9	5.9	n/a	n/a	36.4

- (1) Source: (a) U.S. Census Bureau: Population Division
(b) 2008-2012 American Community Survey 5-Year Estimates
(c) 2008-2012 American Community Survey 5-year Estimates
(2) Source: Ohio Labor Market Information, U.S. Bureau of Labor Statistics
(3) Source: City of Wadsworth Planning Department and Engineering Department
(4) Source: Medina County Auditor's Office Monthly Property Transfers
(5) Computation of per capita personal income multiplied by population
(6) Source: U.S. Census Bureau - American Fact Finder

City of Wadsworth, Ohio

Principal Employers

2013 vs. 2008

2013⁽¹⁾

Employer	Industry	Employees	Percentage of Total City Employment	Percentage of Total City Withholding
Wadsworth City Schools	Education	836	5.18%	7.24%
Summa Healthcare	Healthcare	716	4.44%	4.36%
WalMart Assoc Inc	Retail	548	3.40%	2.21%
City of Wadsworth	Government	347	2.15%	4.03%
Tamarkin Company (Giant Eagle)	Grocery	310	1.92%	1.32%
Target Corp	Retail	279	1.73%	0.63%
Buehler Food Markets Inc	Grocery	268	1.66%	0.90%
Uniter Parcel Services Inc	Logistics	264	1.64%	1.17%
AlterCare of Wadsworth Center for Rehab	Healthcare	239	1.48%	0.91%
Kohl's Department Stores	Retail	212	1.31%	0.40%
TOTAL		4,019	24.91%	23.17%
Total Employment Within the City		16,137		

2008

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

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

⁽¹⁾ 2014 data was not available at the time this report was issued

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City of Wadsworth, Ohio

Full-Time Equivalent City Government Employees by Function/Program

Last Ten Years

Function/Program	2014	2013	2012	2011	2010	2009	2008	2007	2006	2005
<u>Governmental-Type Activities:</u>										
General Government										
Auditor	6.5	6.0	6.0	6.0	6.0	6.0	6.0	5.0	4.5	6.0
Council	5.0	5.0	5.0	5.0	5.0	5.0	5.5	5.0	5.0	5.0
Engineering	9.0	9.5	10.5	9.5	10.0	11.0	11.0	10.5	11.5	13.5
Human Resources	2.0	3.5	3.5	3.5	3.5	3.5	3.5	3.5	3.5	3.5
Income Tax	1.5	1.5	1.5	1.5	1.5	1.5	1.5	1.0	1.0	1.0
Law Director	4.0	3.5	3.5	3.5	3.5	3.5	3.5	3.5	3.5	3.5
Mayor	3.5	3.0	3.0	3.0	2.5	3.0	3.0	2.0	2.5	2.5
Municipal Court	13.5	12.5	12.0	11.5	13.5	13.0	13.5	14.0	14.5	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	4.0	3.5	3.5	4.5	4.0	1.5	1.5	1.0	0.0	0.0
Treasurer	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5
Security of Persons and Property										
Emergency Medical Services	19.5	18.5	17.5	19.0	23.5	22.0	22.5	23.5	23.0	24.0
Fire	18.5	19.0	18.0	16.0	15.0	17.0	17.5	15.5	15.0	14.5
Police	39.0	40.0	39.5	41.5	39.5	44.5	44.5	42.5	50.0	49.0
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	8.0	10.0	10.0	14.0	14.0	13.0	12.5	12.5	14.0	14.5
Recreation	0.0	0.0	0.0	0.0	35.5	44.0	52.5	50.5	45.5	50.0
Senior Center	2.5	2.5	3.0	3.0	2.5	3.0	4.0	3.5	3.0	3.5
Wadsworth Cable Television	4.0	5.0	5.0	5.0	4.5	5.5	6.0	4.0	4.0	4.5
Community and Economic Development										
Building & Planning	3.0	2.5	2.5	2.5	2.5	3.0	3.5	3.5	4.0	4.0
Transportation Services										
Streets	16.5	17.5	18.0	18.5	23.5	21.5	24.5	22.5	28.0	26.0
<u>Business-Type Activities:</u>										
Electric	38.0	42.5	42.5	43.5	41.5	45.0	45.5	47.5	51.0	52.5
Information Technology	6.5	8.0	4.5	4.0	4.0	2.0	2.0	2.0	2.0	2.0
Sanitation	8.5	8.5	9.0	10.0	8.5	9.0	11.5	11.0	10.5	10.5
Sewer	8.0	9.0	9.0	10.0	10.0	11.0	11.0	11.0	12.0	12.0
Telecommunications	13.0	13.0	12.5	12.5	12.5	15.5	13.0	14.5	14.5	13.5
Vehicle Maintenance	5.0	4.0	5.0	5.0	5.0	5.0	5.0	5.0	5.0	5.0
Water	17.0	16.0	17.0	18.5	18.0	20.0	22.0	23.5	23.5	22.0
Totals:	261.5	269.5	267.0	276.5	315.0	334.5	352.0	343.5	356.5	362.5

Note: All part-time employees, Council Members, Mayor, Treasurer, and Auditor were counted as 0.5 FTE's for the purposes of this table.

Source: City Payroll Records

City of Wadsworth, Ohio
Capital Asset Statistics by Function/Program
Last Ten Years

Function/Program	2014	2013	2012	2011
General Government				
Streets (miles)	94	94	94	94
Salt Domes	2	2	1	1
Airports	1	1	1	1
Fueling System	1	1	1	1
Administrative Vehicles	2	2	2	2
Service Vehicles	42	40	40	40
Security of Persons and Property				
<i>Service Director</i>				
Early Warning Sirens	9	8	8	8
Vehicles	1	1	1	1
<i>Police</i>				
Stations	1	1	1	1
Shooting Ranges	1	1	1	1
Vehicles	22	21	21	21
<i>Fire & EMS</i>				
Stations	2	2	2	2
Fire Engines	8	8	8	8
Rescue Squads	5	5	5	5
Other Vehicles	5	5	5	5
Leisure Time Activities				
<i>Parks & Recreation</i>				
Recreation Center	0	0	0	0
Public Swimming Pools	1	0	0	0
Parks	16	16	16	16
Playgrounds	13	13	14	14
Baseball Diamonds	13	13	13	13
Tennis Courts	9	9	9	9
Full Sized Soccer Fields	10	10	10	10
Vehicles	11	11	11	11
<i>Cable T.V. Access</i>				
Cameras	11	11	11	11
Vehicles	1	1	1	1
Community and Economic Development				
<i>Building and Zoning</i>				
Vehicles	1	1	1	1

(continued)

2010	2009	2008	2007	2006	2005
96	95	94	92	90	88
1	1	1	1	1	1
1	1	1	1	1	1
1	1	1	1	1	1
2	2	2	2	1	1
40	40	41	41	37	35
8	8	8	6	6	6
1	1	1	1	1	1
1	1	1	1	1	1
1	1	1	1	1	1
21	21	23	20	22	20
2	2	2	2	2	2
8	8	8	8	8	9
5	5	4	4	4	4
5	5	5	5	6	5
0	1	1	1	1	1
0	2	2	2	2	2
16	16	16	16	16	16
14	14	14	14	14	14
13	15	15	15	15	15
9	9	9	9	9	9
10	10	10	10	10	10
11	12	14	12	12	12
11	11	11	11	11	11
1	1	1	1	0	0
1	1	1	1	1	1

(continued)

City of Wadsworth, Ohio
Capital Asset Statistics by Function/Program
Last Ten Years

Function/Program	2014	2013	2012	2011
Storm Water				
Storm Sewers (miles)	98	98	98	98
Telecom				
Vehicles	14	14	14	14
Sewer				
Lines (miles)	102	102	102	102
Lift Stations	3	3	4	4
Treatment Plants	1	1	1	1
Vehicles	5	5	5	5
Water				
Wells	12	12	12	12
Towers	6	6	5	5
Lines (miles)	121	121	121	121
Treatment Plants	1	1	1	1
SCADA	1	1	1	1
Vehicles	13	13	13	13
Electric				
Substations	6	6	6	6
Aerial Lines (miles)	230	230	230	230
Transmission Lines (miles)	19	19	19	19
Underground Lines (miles)	69	69	69	69
SCADA	1	1	1	1
Meters	12,317	12,317	12,510	12,726
Vehicles	28	28	28	28
Sanitation				
Transfer Stations	1	1	1	1
Packer Trucks	4	4	4	4
Automated Trucks	4	4	4	4
Vehicles	4	4	4	4

(continued)

2010	2009	2008	2007	2006	2005
97	97	95	93	91	89
14	14	14	14	13	12
104	100	99	96	95	94
4	4	4	3	3	3
1	1	1	1	1	1
5	5	5	5	5	5
12	12	12	12	11	11
5	5	5	5	5	5
122	121	120	116	112	111
1	1	1	1	1	1
1	1	1	1	1	1
13	13	13	13	13	13
6	6	6	8	8	8
230	229	237	238	239	239
19	19	19	19	19	19
69	68	66	66	62	60
1	1	1	1	1	1
12,726	12,192	12,378	12,258	11,955	11,779
28	28	28	26	33	27
1	1	1	1	1	1
4	5	5	5	4	4
4	3	3	3	3	3
4	4	4	4	5	4

City of Wadsworth, Ohio
Operating Indicators by Function/Program
Last Ten Years (1)

Function/Program	2014	2013	2012	2011
General Government				
<i>Council and Clerk</i>				
Number of Ordinances Passed	193	145	160	133
Number of Resolutions Passed	62	9	13	16
<i>Finance Department</i>				
Number of checks/ vouchers issued (payroll not included)	4,942	5,240	5,117	5,209
Amount of checks written (cash basis)	\$57,468,760	\$61,302,919	\$74,451,412	\$79,755,372
Interest earnings for fiscal year (cash basis)	\$213,763	\$199,239	\$266,414	\$303,011
Number of Receipts issued (2)	149,835	78,427	31,135	28,981
General Fund Receipts (cash basis)	\$10,296,774	\$10,672,770	\$12,144,942	\$11,397,872
General Fund Expenditures (cash basis)	11,392,312	11,615,621	\$11,597,390	\$10,966,566
<i>Income Tax Department</i>				
Number of Business net profit forms processed	2,051	1,416	1,594	1,783
Number of Individual forms processed	20,852	18,184	17,483	16,111
Number of business withholding accounts	1,601	1,583	1,643	1,625
Amount of Penalties and Interest Collected	\$217,412	\$136,674	\$163,382	\$161,501
<i>Civil Service</i>				
Number of police entry tests administered	1	0	1	0
Number of fire entry tests administered	0	1	0	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	0	0	0
Number of hires of Fire/Medics from certified lists	0	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	3	0	1	0
Number of New Lots	86	0	48	2
Number of Plat/Surveys Completed	11	7	6	3
Streets Constructed (linear feet)	3,651	0	2,383	0
Streets Resurfaced (linear feet)	12,725	10,288	6,432	4,477
Storm Sewer Lines Constructed (linear feet)	7,556	1,262	7,251	2,502
Number of New Catch Basins	77	7	55	17
Number of New Storm Manholes	30	3	21	0
Water Lines Constructed (linear feet)	8,005	795	12,356	3,827
Raw Water Lines Constructed (linear feet)	0	0	0	0
Number of New Hydrants	31	10	36	9
Number of New Valves	48	7	51	13
Sanitary Sewer Lines Constructed (linear feet)	3,278	1,354	679	2,106
Force Mains Constructed (linear feet)	0	3,613	0	0
Number of New Sanitary Manholes	31	30	0	11
Culverts Constructed (linear feet), not including drive culverts	48	40	0	0

(continued)

2010	2009	2008	2007	2006	2005
143	150	153	194	146	170
15	14	22	46	18	20
5,396	5,552	6,148	7,536	6,873	5,687
\$68,250,591	\$55,193,439	\$65,520,049	\$58,413,247	\$52,511,195	\$50,223,871
\$182,657	\$373,082	\$904,666	\$1,188,433	\$984,231	\$484,044
27,664	26,895	10,458	11,757	11,011	11,334
\$12,101,051	\$11,555,924	\$10,158,576	\$10,258,939	\$10,243,495	\$9,621,319
\$10,378,503	\$11,390,512	\$10,803,479	\$10,501,749	\$9,710,465	\$9,437,989
1,764	1,583	1,708	1,679	1,763	1,415
19,386	20,223	15,628	17,043	15,015	14,289
1,568	1,486	1,476	1,513	1,497	1,471
\$200,835	\$163,493	\$86,507	\$103,845	\$88,766	\$55,892
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	4
0	0	42	209	0	136
5	3	7	10	7	17
0	2,169	3,422	6,665	5,122	3,737
8,160	21,819	8,913	3,886	4,726	12,751
1,302	7,315	8,945	15,218	8,529	8,162
15	82	78	108	73	74
0	30	31	64	39	35
4,586	44,033	25,038	20,332	5,908	12,270
0	0	0	0	232	0
11	17	88	66	23	35
19	19	115	93	24	50
9,069	5,382	19,187	1,990	7,174	5,033
0	0	2,776	0	0	0
14	37	94	13	35	28
198	0	0	101	0	0

(continued)

City of Wadsworth, Ohio
Operating Indicators by Function/Program
Last Ten Years (1)

Function/Program	2014	2013	2012	2011
Municipal Court				
Number of Civil Cases	811	866	966	924
Number of Criminal Cases	6,827	7,567	7,807	7,300
Security of Persons and Property				
Police				
Total Calls for Services	14,469	14,182	13,177	12,695
Class 1 crimes	635	678	612	0
Adult arrests	817	715	600	719
Juvenile arrests	56	44	20	28
Criminal summons	360	421	335	341
Traffic citations	1,143	1,415	1,440	2,047
Warning citations	201	556	1,129	1,375
Parking Tickets	1,115	1,190	1,518	1,916
Vehicle accidents- property damage	333	451	409	663
Vehicle accidents-injury	62	22	19	56
Total miles driven	241,949	246,071	279,380	260,993
Total gasoline cost	\$72,088	\$72,359	\$86,414	\$75,118
Fire and EMS				
EMS Calls	1,987	1,854	1,858	1,751
Ambulance Billing Collections (net)	\$512,483	\$500,719	\$498,351	\$443,741
Fire Calls	240	239	249	221
Fires with Loss	20	21	35	25
Fires with Losses exceeding \$10K	4	8	9	4
Fire Losses	\$164,400	\$516,770	\$905,741	\$2,253,160
Fire Safety Inspections	778	830	995	1,120
No. of times Mutual Aid received from other Fire and EMS	14	17	12	19
No. of times Mutual Aid given by Fire and EMS	49	33	32	16
Training hours	3,570	3,086	2,902	3,345
Leisure Time Activities				
Recreation				
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
Parks				
Parks Expenditures (cash basis)	\$756,740	\$672,449	\$643,928	\$856,753
Hours maintaining parks and City Buildings	1,568	8,341	8,558	15,191
Hours preparing Fields/Ball Diamonds	1,488	1,373	1,413	1,840
Hours of Snow removal	968	709	434	1,214
Average Cost per Resident	\$34.64	\$30.78	\$29.69	\$39.73

(continued)

2010	2009	2008	2007	2006	2005
1,067	1,108	1,226	1,182	866	848
7,330	9,514	8,809	7,322	5,724	6,645
13,027	12,150	10,667	10,151	9,641	8,803
569	508	489	485	454	473
624	541	662	736	876	755
19	17	37	58	51	37
337	289	321	238	239	325
2,040	2,259	2,098	1,863	2,925	2,888
1,506	1,363	1,184	1,030	1,077	1,294
1,404	1,354	1,444	1,295	1,136	1,323
713	651	743	762	703	723
88	71	106	98	83	83
266,330	260,471	279,747	287,540	262,311	296,423
\$62,369	\$50,173	\$72,032	\$68,132	\$63,303	\$46,352
1,754	1,610	1,780	1,714	1,638	1,728
\$460,717	\$458,357	\$335,427	\$477,244	\$403,214	\$511,239
250	283	276	291	267	273
31	24	22	36	12	22
5	8	5	13	4	9
\$219,820	\$757,170	\$289,910	\$583,275	\$234,950	\$418,700
902	985	847	650	825	687
25	23	15	21	7	10
14	10	31	20	10	27
3,832	4,695	4,400	5,689	6,223	3,531
\$10,724	\$121,141	\$156,785	\$168,872	\$171,494	\$161,488
\$29,704	\$47,441	\$48,449	\$52,196	\$49,597	\$59,176
\$24,887	\$152,492	\$158,928	\$155,820	\$142,787	\$152,851
\$1,612	\$7,186	\$8,747	\$10,008	\$13,626	\$59,902
\$66,927	\$328,260	\$372,908	\$386,896	\$377,504	\$433,417
\$413,339	\$937,342	\$1,003,533	\$1,006,926	\$996,100	\$874,409
\$756,915	\$752,320	\$775,589	\$770,200	\$663,201	\$639,600
15,910	12,479	15,874	15,666	16,143	17,159
1,628	2,402	2,209	2,351	2,381	2,440
1,791	1,302	1,964	1,544	516	1,187
\$39.16	\$46.49	\$38.69	\$39.38	\$34.83	\$30.77

(continued)

City of Wadsworth, Ohio
Operating Indicators by Function/Program
Last Ten Years (1)

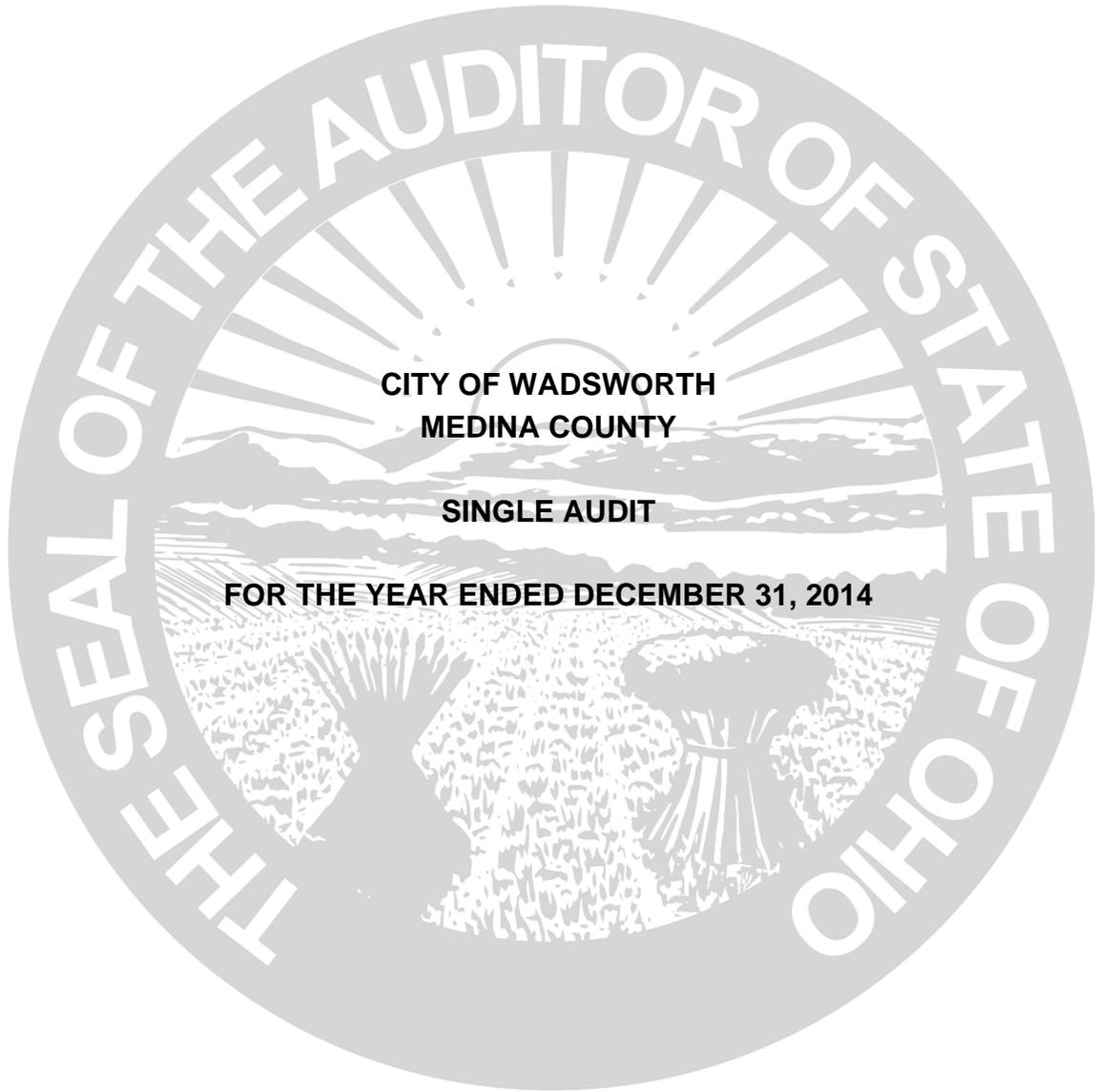
Function/Program	2014	2013	2012	2011
Community and Economic Development				
<i>Building and Zoning</i>				
Estimated Value of Construction	\$20,675,040	\$19,233,420	\$19,871,902	\$46,993,066
Residential/Commercial/Zoning Permits Issued	331	346	388	386
Electric Permits	145	246	125	132
Heating Permits	146	167	128	127
Total Permits Issued	622	759	641	645
Permit Revenue	\$100,558	\$94,655	\$77,430	\$93,022
Number of Contractor Licenses	129	143	132	127
Code Enforcement Notices	347	426	270	267
Zoning Board of Appeals Hearings	20	16	13	13
Number of Planning Commission Docket Items	38	42	35	50
Transportation				
Crack Seal Coating Program (Miles)	21	24	18	10
Street Repair (Curbs, aprons, berms, asphalt) (hours)	2,966	4,585	5,680	5,276
Cold & Dura Patch (hours)	2,347	825	910	531
Tons of Asphalt	106	266	175	350
Tons of Limestone	434	200	75	1,000
Paint Striping (gallons of paint)	600	600	600	600
Leaf Collection (hours)	2,307	2,281	3,216	2,261
Tons of Salt	2,104	2,330	1,760	4,833

(continued)

2010	2009	2008	2007	2006	2005
\$101,699,650	\$20,226,917	\$21,403,499	\$20,964,278	\$38,826,319	\$47,631,881
339	366	324	362	452	536
149	149	155	177	223	290
150	151	124	141	156	239
638	666	603	680	831	1,065
\$103,544	\$112,439	\$101,963	\$106,133	\$159,972	\$188,035
133	138	153	166	180	182
236	286	302	128	217	213
15	12	90	121	92	135
76	21	34	44	40	70
13	13	16	16	23	27
3,636	2,456	3,204	2,951	3,587	3,247
1,624	887	1,600	2,472	621	583
388	327	677	821	1,040	1,100
300	1,250	1,750	1,872	1,510	1,250
812	720	600	550	650	600
3,388	2,833	2,370	2,182	3,885	3,689
5,481	4,210	4,259	3,171	3,267	4,048

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COMPLIANCE SECTION



Dave Yost • Auditor of State

**CITY OF WADSWORTH
MEDINA COUNTY**

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

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

To the City Council:

We have audited, in accordance with auditing standards generally accepted in the United States and the Comptroller General of the United States' *Government Auditing Standards*, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Wadsworth, Medina County, Ohio, (the City) as of and for the year ended December 31, 2014, and the related notes to the financial statements, which collectively comprise the City's basic financial statements and have issued our report thereon dated August 21, 2015.

Internal Control Over Financial Reporting

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

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, when performing their assigned functions, to prevent, or detect and timely correct misstatements. A *material weakness* is a deficiency, or combination of internal control deficiencies resulting in a reasonable possibility that internal control will not prevent or detect and timely correct a material misstatement of the City's financial statements. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all internal control deficiencies that might be material weaknesses or significant deficiencies. Given these limitations, we did not identify any deficiencies in internal control that we consider material weaknesses. However, unidentified material weaknesses may exist.

Compliance and Other Matters

As part of reasonably assuring whether the City's financial statements are free of material misstatement, we tested its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could directly and materially affect the determination of financial statement amounts. However, opining on compliance with those provisions was not an objective of our audit and accordingly, we do not express an opinion. The results of our tests disclosed no instances of noncompliance or other matters we must report under *Government Auditing Standards*.

Purpose of this Report

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

A handwritten signature in black ink that reads "Dave Yost". The signature is written in a cursive, flowing style.

Dave Yost
Auditor of State
Columbus, Ohio

August 21, 2015



Dave Yost • Auditor of State

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

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

To the City Council:

Report on Compliance for the Major Federal Program

We have audited the City of Wadsworth's (the City) compliance with the applicable requirements described in the U.S. Office of Management and Budget (OMB) *Circular A-133, Compliance Supplement* that could directly and materially affect the City's major federal program for the year ended December 31, 2014. The *Summary of Auditor's Results* in the accompanying schedule of findings identifies the City's major federal program.

Management's Responsibility

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

Auditor's Responsibility

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

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

Opinion on the Major Federal Program

In our opinion, the City of Wadsworth, Medina County, Ohio, complied, in all material respects with the compliance requirements referred to above that could directly and materially affect its major federal program for the year ended December 31, 2014.

Report on Internal Control Over Compliance

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

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

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

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

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

We have also audited the financial statements of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the City of Wadsworth, Medina County, Ohio, (the City) as of and for the year ended December 31, 2014, and the related notes to the financial statements, which collectively comprise the City's basic financial statements. We issued our unmodified report thereon dated August 21, 2015. We conducted our audit to opine on the District's basic financial statements. The accompanying federal awards expenditures schedule presents additional analysis required by the U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations* and is not a required part of the basic financial statements. The schedule is management's responsibility, and was derived from and relates directly to the underlying accounting and other records management used to prepare the basic financial statements. We subjected this schedule to the auditing procedures we applied to the basic financial statements. We also applied certain additional procedures, including comparing and reconciling this schedule directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, in accordance with auditing standards generally accepted in the United States of America. In our opinion, this schedule is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.



Dave Yost
Auditor of State
Columbus, Ohio

August 21, 2015

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CITY OF WADSWORTH
MEDINA COUNTY

FEDERAL AWARDS EXPENDITURES SCHEDULE
FOR THE YEAR ENDED DECEMBER 31, 2014

Federal Grantor/ Pass Through Grantor/ Program Title	Pass Through Entity Number	Federal CFDA Number	Expenditures
<u>U.S. Department of Housing and Urban Development</u>			
<i>Passed through the Ohio Development Services Agency:</i>			
Community Development Block Grants/State's Program and Non-Entitlement Grants in Hawaii	A-F-13-2EH-1 A-F-12-2EH-1 A-F-11-2EH-1	14.228	\$26,551 8,155 2,814
Revolving Loan Program	Not Available		<u>26,290</u>
Total Community Development Block Grants/State's Program and Non-Entitlement Grants in Hawaii			63,810
Home Investment Partnerships Program	Not Available	14.239	<u>14,174</u>
Total U.S. Department of Housing and Urban Development			<u>77,984</u>
<u>U.S. Department of Justice</u>			
<i>Passed through the Ohio Department of Public Safety:</i>			
Edward Byrne Memorial Justice Assistance Grant Program	2013-JG-A02-6940	16.738	<u>23,271</u>
Total U.S. Department of Justice			<u>23,271</u>
<u>U.S. Department of Transportation</u>			
<i>Passed through the Ohio Department of Transportation:</i>			
Highway Planning and Construction	PID 81338	20.205	<u>2,127,932</u>
Total U.S. Department of Transportation			<u>2,127,932</u>
<u>U.S. Environmental Protection Agency</u>			
<i>Direct Program:</i>			
Great Lakes Program	12(h)EPA-10	66.469	<u>134,280</u>
Total U.S. Environmental Protection Agency			<u>134,280</u>
<u>U.S. Department of Energy</u>			
<i>Direct Program:</i>			
ARRA - Electricity Delivery and Energy Reliability, Research, Development and Analysis	DE-OE0000280	81.122	<u>71,704</u>
Total U.S. Department of Energy			<u>71,704</u>
<u>U.S. Department of Health and Human Services</u>			
<i>Passed through the Ohio Department of Aging:</i>			
National Family Caregiver Support, Title III, Part E	Not Available	93.052	<u>3,227</u>
Total U.S. Department of Health and Human Services			<u>3,227</u>
Total			<u><u>\$2,438,398</u></u>

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

**CITY OF WADSWORTH
MEDINA COUNTY**

**NOTES TO THE FEDERAL AWARDS EXPENDITURES SCHEDULE
FISCAL YEAR ENDED DECEMBER 31, 2014**

NOTE A - SIGNIFICANT ACCOUNTING POLICIES

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

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

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

Activity in the CDBG revolving loan fund during 2014 is as follows:

Beginning loans receivable balance as of January 1, 2014	\$2,500
Loans made	19,930
Loan principal repaid	<u>(2,500)</u>
Ending loans receivable balance as of December 31, 2014	<u><u>\$24,930</u></u>
Cash balance on hand in the revolving loan fund as of December 31, 2014	184,970
Administrative costs expended during 2014	\$6,120
Economic Development project payments made during 2014	<u><u>\$240</u></u>

The table above reports gross loans receivable. Of the loans receivable as of December 31, 2014, the City estimates all to be collectible.

NOTE C - MATCHING REQUIREMENTS

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

**CITY OF WADSWORTH
MEDINA COUNTY**

**SCHEDULE OF FINDINGS
OMB CIRCULAR A -133 § .505
DECEMBER 31, 2014**

1. SUMMARY OF AUDITOR'S RESULTS

<i>(d)(1)(i)</i>	Type of Financial Statement Opinion	Unmodified
<i>(d)(1)(ii)</i>	Were there any material control weaknesses reported at the financial statement level (GAGAS)?	No
<i>(d)(1)(ii)</i>	Were there any significant deficiencies in internal control reported at the financial statement level (GAGAS)?	No
<i>(d)(1)(iii)</i>	Was there any reported material noncompliance at the financial statement level (GAGAS)?	No
<i>(d)(1)(iv)</i>	Were there any material internal control weaknesses reported for major federal programs?	No
<i>(d)(1)(iv)</i>	Were there any significant deficiencies in internal control reported for major federal programs?	No
<i>(d)(1)(v)</i>	Type of Major Programs' Compliance Opinion	Unmodified
<i>(d)(1)(vi)</i>	Are there any reportable findings under § .510(a)?	No
<i>(d)(1)(vii)</i>	Major Programs (list):	CFDA 20.205 – Highway Planning and Construction
<i>(d)(1)(viii)</i>	Dollar Threshold: Type A/B Programs	Type A: > \$300,000 Type B: all others
<i>(d)(1)(ix)</i>	Low Risk Auditee?	No

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

None

3. FINDINGS AND QUESTIONED COSTS FOR FEDERAL AWARDS

None

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**CITY OF WADSWORTH
MEDINA COUNTY**

**SCHEDULE OF PRIOR AUDIT FINDINGS
DECEMBER 31, 2014**

Finding Number	Finding Summary	Fully Corrected?	Not Corrected, Partially Corrected; Significantly Different Corrective Action Taken; or Finding No Longer Valid; <i>Explain</i>
2013-001	<p>Material Weakness/Noncompliance: Ohio Admin. Code Section 117-2-02(C)(1) - Council approved appropriations were not maintained and updated to the accounting system at the legal level of control and resulted in financial statement errors.</p>	Yes	Finding no longer valid.
2013-002	<p>Significant Deficiency: Cash Reconciliation – Due to new software implementation the City was unable to reconcile its accounting records to it cash balances until several months after year-end.</p>	Yes	Finding no longer valid.

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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 15, 2015**