



OHIO AUDITOR OF STATE
KEITH FABER



**CITY OF WARREN
TRUMBULL COUNTY
DECEMBER 31, 2020**

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Comprehensive Annual Financial Report attached.

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OHIO AUDITOR OF STATE KEITH FABER



Conference Center, Suite 154
6000 Frank Ave. NW
North Canton, OH 44720
EastRegion@ohioauditor.gov
(800) 443-9272

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

City of Warren
Trumbull County
391 Mahoning Avenue NW
Warren, Ohio 44483

To the Honorable Mayor and 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, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the City of Warren, Trumbull County, (the City) as of and for the year ended December 31, 2020, and the related notes to the financial statements, which collectively comprise the City's basic financial statements and have issued our report thereon dated June 24, 2021, wherein we noted the City included a disclosure regarding the potential financial impact of COVID-19 and the ensuing emergency measures.

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 opinion 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. Therefore, unidentified material weaknesses or significant deficiencies may exist. Given these limitations, we did not identify any deficiencies in internal control that we consider material weaknesses. We did identify a certain deficiency in internal control, described in the accompanying schedule of findings that we consider a significant deficiency. We consider finding 2020-003 to be a significant deficiency.

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 instances of noncompliance or other matters we must report under *Government Auditing Standards* which are described in the accompanying schedule of findings as items 2020-001 and 2020-002.

City's Response to Findings

The City's response to the findings identified in our audit are described in the accompanying schedule of findings and/or corrective action plan. We did not subject the City's responses to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on them.

Purpose of this Report

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



Keith Faber
Auditor of State
Columbus, Ohio

June 24, 2021

OHIO AUDITOR OF STATE KEITH FABER



Conference Center, Suite 154
6000 Frank Ave. NW
North Canton, OH 44720
EastRegion@ohioauditor.gov
(800) 443-9272

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH REQUIREMENTS APPLICABLE TO EACH MAJOR FEDERAL PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE

City of Warren
Trumbull County
391 Mahoning Avenue NW
Warren, Ohio 44483

To the Honorable Mayor and City Council:

Report on Compliance for each Major Federal Program

We have audited the City of Warren's (the City) compliance with the applicable requirements described in the U.S. Office of Management and Budget (OMB) *Compliance Supplement* that could directly and materially affect each of the City of Warren's major federal programs for the year ended December 31, 2020. The *Summary of Auditor's Results* in the accompanying schedule of findings identifies the City's major federal programs.

Management's Responsibility

The City's Management is responsible for complying with federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to opine on the City's compliance for each of the City's major federal programs based on our audit of the applicable compliance requirements referred to above. Our compliance audit followed auditing standards generally accepted in the United States of America; the standards for financial audits included in the Comptroller General of the United States' *Government Auditing Standards*; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). These standards and the Uniform Guidance require us to plan and perform the audit to reasonably assure 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 each of the City's major programs. However, our audit does not provide a legal determination of the City's compliance.

Opinion on each Major Federal Program

In our opinion, the City of Warren complied, in all material respects with the compliance requirements referred to above that could directly and materially affect each of its major federal programs for the year ended December 31, 2020.

Report on Internal Control Over Compliance

The City's management is responsible for establishing and maintaining effective internal control over compliance with the applicable compliance requirements referred to above. In planning and performing our compliance audit, we considered the City's internal control over compliance with the applicable requirements that could directly and materially affect 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 the Uniform Guidance, but not to the extent needed to opine on the effectiveness of internal control over compliance. Accordingly, we have not opined on the effectiveness of the City's internal control over compliance.

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

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

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

Report on Schedule of Expenditures of Federal Awards Required by the Uniform Guidance

We have also audited the financial statements of the governmental activities, the business-type activities, the discretely-presented component unit, each major fund, and the aggregate remaining fund information of the City of Warren (the City) as of and for the year ended December 31, 2020, and the related notes to the financial statements, which collectively comprise the City's basic financial statements. We issued our unmodified report thereon dated June 24, 2021, wherein we referred to the financial impact of COVID-19 and the ensuing emergency measures that will impact subsequent periods. We conducted our audit to opine on the City's basic financial statements as a whole. We have not performed any procedures to the audited financial statements subsequent to June 24, 2021. The accompanying schedule of expenditures of federal awards presents additional analysis required by the Uniform Guidance 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, and other additional procedures in accordance with auditing standards generally accepted in the United State 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.



Keith Faber
Auditor of State
Columbus, Ohio

August 18, 2021

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**CITY OF WARREN
TRUMBULL COUNTY**

**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2020**

FEDERAL GRANTOR Pass Through Grantor Program / Cluster Title	Federal CFDA Number	Pass Through Entity Identifying Number	Provided Through to Subrecipients	Total Federal Expenditures
U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT				
<i>Direct Programs:</i>				
CDBG - Entitlement Grants Cluster:				
Community Development Block Grants/Entitlement Grants	14.218	N/A	\$ 43,364	734,790
Community Development Block Grants/Entitlement Grants - CARES ACT	14.218	N/A	-	209,357
Total CDBG - Entitlement Grants Cluster			<u>43,364</u>	<u>944,147</u>
HOME Investment Partnerships Program	14.239	N/A		555,890
Section 108 Loan Guarantee Program	14.248	N/A		<u>582,206</u>
Total U.S. Department of Housing and Urban Development			<u>43,364</u>	<u>2,082,243</u>
U.S. DEPARTMENT OF JUSTICE				
<i>Direct Programs:</i>				
Bulletproof Vest Partnership Program	16.607	N/A		2,382
Public Safety Partnership and Community Policing Grants	16.710	2014UMWX0128		143,063
Edward Byrne Memorial Justice Assistance Grant	16.738	2019-DJ-BX-0749		20,843
Equitable Sharing Program Grant	16.922	N/A		8,969
<i>Passed Through Ohio Attorney General's Office:</i>				
Crime Victim Assistance	16.575	2020-VOCA-132924766		61,096
Crime Victim Assistance	16.575	2021-VOCA-134143394		20,211
Subtotal - Crime Victim Assistance				<u>81,307</u>
Total U.S. Department of Justice				<u>256,564</u>
U.S. DEPARTMENT OF TRANSPORTATION				
<i>Passed Through Ohio Department of Transportation:</i>				
Highway Planning and Construction Cluster:				
Warren Riverwalk/Mahoningside Project	20.205	92055		9,892
Youngstown Road Project	20.205	95844		18,128
Reserve Ave Bridges Project	20.205	104612		4,697
East Market Street Project	20.205	104619		1,320,046
Lovers Lane/Tod Avenue Project	20.205	104622		40,933
Harmon Avenue Project	20.205	107212		103,964
Warren Signals Project	20.205	107235		98,531
Total Highway Planning and Construction				<u>1,596,191</u>

**CITY OF WARREN
TRUMBULL COUNTY**

**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2020
(Continued)**

FEDERAL GRANTOR Pass Through Grantor Program / Cluster Title	Federal CFDA Number	Pass Through Entity Identifying Number	Provided Through to Subrecipients	Total Federal Expenditures
U.S. DEPARTMENT OF TRANSPORTATION (Continued)				
<i>Passed Through Ohio Department of Public Safety, Governor's Highway Safety Office:</i>				
Highway Safety Cluster:				
State and Community Highway Safety	20.600	IDEP/STEP-2020- Warren Police Dept. - 00077		2,666
State and Community Highway Safety	20.600	IDEP/STEP-2021- Warren Police Dept. - 00064		1,603
National Priority Safety Program	20.616	DDEP-2020- Warren Police Dept. - 00048		579
Total Highway Safety Cluster				4,848
Minimum Penalties for Repeat Offenders for Driving While Intoxicated	20.608	IDEP/STEP-2020- Warren Police Dept. - 00077		1,652
Minimum Penalties for Repeat Offenders for Driving While Intoxicated	20.608	IDEP/STEP-2021- Warren Police Dept. - 00064		497
Subtotal - Minimum Penalties for Repeat Offenders for Driving While Intoxicated				2,149
Total U.S. Department of Transportation				1,603,188
U.S. DEPARTMENT OF TREASURY				
<i>Passed Through Ohio Office of Budget and Management:</i>				
CARES Act	21.019	N/A		1,744,661
Total of U.S. Department of Treasury				1,744,661
U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES				
<i>Passed Through Ohio Department of Health:</i>				
Maternal and Child Health Services Block Grant to the States	93.994	78-2-001-1-DS-1320		29,549
Total U.S. Department of Health and Human Services				29,549
U.S. DEPARTMENT OF HOMELAND SECURITY				
<i>Direct Programs:</i>				
Staffing for Adequate Fire and Emergency Response	97.083	EMW-2015-FH-00597		241,989
Total U.S. Department of Homeland Security				241,989
Total Expenditures of Federal Awards			\$43,364	\$5,958,194

The accompanying notes are an integral part of this schedule.

**CITY OF WARREN
TRUMBULL COUNTY**

**NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
2 CFR 200.510(b)(6)
FOR THE YEAR ENDED DECEMBER 31, 2020**

NOTE A – BASIS OF PRESENTATION

The accompanying Schedule of Expenditures of Federal Awards (the Schedule) includes the federal award activity of the City of Warren (the City) under programs of the federal government for the year ended December 31, 2020. The information on this Schedule is prepared in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of the City, it is not intended to and does not present the financial position, changes in net position, or cash flows of the City.

NOTE B – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Expenditures reported on the Schedule are reported on the cash basis of accounting. Such expenditures are recognized following the cost principles contained in Uniform Guidance wherein certain types of expenditures may or may not be allowable or may be limited as to reimbursement.

NOTE C – INDIRECT COST RATE

The City has elected not to use the 10-percent de minimis indirect cost rate as allowed under the Uniform Guidance.

NOTE D - SUBRECIPIENTS

The City passes certain federal awards received from the U.S. Department of Housing and Urban Development to other governments or not-for-profit agencies (subrecipients). As Note B describes, the City reports expenditures of Federal awards to subrecipients when paid in cash.

As a subrecipient, the City has certain compliance responsibilities, such as monitoring its subrecipients to help assure they use these subawards as authorized by laws, regulations, and the provisions of contracts or grant agreements, and that subrecipients achieve the award's performance goals.

NOTE E – LOAN PROGRAMS WITH CONTINUING COMPLIANCE REQUIREMENTS

The federal loan programs listed below are administered directly by the City, and balances and transactions relating to these programs are included in the City's basic financial statements. Loans outstanding at the beginning of the year and loans made during the year are included in the federal expenditures presented in the Schedule. The balances of loans outstanding at December 31, 2020 consist of:

CFDA Number	Program/Cluster Name	Outstanding Balance at December 31, 2020
14.218	Community Development Block Grants/Entitlement Grants	\$1,468,575
14.248	Section 108 Loan Guarantee Program	1,099,995
14.239	HOME Investment Partnerships Program	1,144,060

NOTE F - COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG) with REVOLVING LOAN CASH BALANCE

The current cash balance on the City's local program income account as of December 31, 2020 is \$87,206.

NOTE G - 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 WARREN
TRUMBULL COUNTY**

**SCHEDULE OF FINDINGS
2 CFR § 200.515
DECEMBER 31, 2020**

1. SUMMARY OF AUDITOR'S RESULTS
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(d)(1)(i)	Type of Financial Statement Opinion	Unmodified
(d)(1)(ii)	Were there any material weaknesses in internal control reported at the financial statement level (GAGAS)?	No
(d)(1)(ii)	Were there any significant deficiencies in internal control reported at the financial statement level (GAGAS)?	Yes
(d)(1)(iii)	Was there any reported material noncompliance at the financial statement level (GAGAS)?	Yes
(d)(1)(iv)	Were there any material weaknesses in internal control reported for major federal programs?	No
(d)(1)(iv)	Were there any significant deficiencies in internal control reported for major federal programs?	No
(d)(1)(v)	Type of Major Programs' Compliance Opinion	Unmodified
(d)(1)(vi)	Are there any reportable findings under 2 CFR § 200.516(a)?	No
(d)(1)(vii)	Major Programs (list): Highway Planning and Construction Coronavirus Relief Fund	<u>CFDA #</u> 20.205 21.019
(d)(1)(viii)	Dollar Threshold: Type A/B Programs	Type A: > \$ 750,000 Type B: all others
(d)(1)(ix)	Low Risk Auditee under 2 CFR § 200.520?	No

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

1. Pledged Collateral

FINDING NUMBER 2020-001

NONCOMPLIANCE

Ohio Rev. Code § 135.18(B) indicates if a public depository elects to provide security pursuant to Ohio Rev. Code § 135.18(A)(1), the public depository must pledge eligible securities equal to at least one hundred five per cent.

Ohio Rev. Code § 135.18(E) says a public depository shall designate a qualified trustee and place the eligible securities with the trustee for safekeeping. The trustee shall:

- Hold the eligible securities in an account indicating the public depositor's security interest in the securities, and
- Report to the public depositor information relating to the securities pledged to secure the public deposits in the manner and frequency required by the public depositor.

The City had deposits with a local bank in the amount of \$6,412,357 at December 31, 2020. The bank was not enrolled in the State Treasurer's Ohio Pooled Collateral System, therefore, requiring a specific collateral arrangement as detailed above. The City could not provide documentation as to how their monies were properly collateralized by the bank.

The City did not have controls in place to prevent this error. This also could put the funds on deposit with the bank at risk if not in compliance with the Ohio Rev. Code requirements.

The City should monitor and maintain documentation that their deposit balance with their financial institution throughout the year to help ensure they are collateralized as required.

Officials' Response: The referenced deposits are with local entities that continue to service our community regardless of its current ownership. The constant buying and selling of local banks has created the anomaly that you reference. We try to be good members of our community at the same time complying with the requirements of the State Auditors. The initial deposits met with the collateralization requirements. We have asked the referenced depositories about your collateralization concerns.

2. Term Repurchase Agreement

FINDING NUMBER 2020-002

NONCOMPLIANCE

Ohio Rev. Code § 135.14(E), the treasurer or governing board may also enter into a repurchase agreement with any eligible institution mentioned in Ohio Rev. Code § 135.03 or any eligible dealer pursuant to Ohio Rev. Code § 135.14(M). (Eligible institutions, per Ohio Rev. Code § 135.03, include any national bank, any bank doing business under authority granted by the superintendent of financial institutions, or any bank doing business under authority granted by the regulatory authority of another state of the United States, located in this state.) Eligible dealers, per Ohio Rev. Code § 135.14(M), are financial industry regulatory authority (FINRA), banks, savings bank, or savings and loan associations regulated by the superintendent of financial institutions, or institutions regulated by the comptroller of the currency, federal deposit insurance corporation, or board of governors of the federal reserve system.) In these agreements, the treasurer or governing board purchases, and such institution or dealer agrees unconditionally to repurchase any of the securities listed in division (D)(1) to (5) of § 135.18, except letters of credit described in division (D)(2) are not permitted for repurchase agreements.

- The market value of securities subject to an overnight repurchase agreement must exceed the cash invested subject to the repurchase agreement by 2%. A term repurchase agreement may not exceed 30 days and must be marked to market daily.
- All securities purchased pursuant to a repurchase agreement are to be delivered into the custody of the treasurer or governing board or an agent designated by the treasurer or governing board.
- Repurchase agreements must be in writing. They must require that, for each transaction, the participating institution provide:
 - the par value of the securities;
 - the type, rate, and maturity date of the securities;
 - a numerical identifier (e.g., a CUSIP number) generally

The City has a term repurchase agreement with the bank with a year end balance of \$2,599,113. The City did not provide documentation that the agreement was not in excess of 30 days or that the investment was marked to market daily.

The City should only enter into term repurchase agreements that do not exceed 30 days. The City should obtain and review daily statements to help ensure the investment is marked to market daily.

Official's Response: See the Corrective Action Plan

3. Municipal Court – Cash Reconciliation, Fund Balances, Fines and Forfeitures

FINDING NUMBER 2020-003

SIGNIFICANT DEFICIENCY

The Municipal Court had the following issues and errors over their monthly cash reconciliations, fund balances adjustments, and financial statement reporting:

- Cash Reconciliation

Sound accounting practices require that when designing the public office's system of internal control and the specific control activities, management should ensure adequate security of assets and records, and verify the existence and valuation of assets and liabilities and periodically reconcile them to the accounting records.

The reconciliation of cash (bank) balances to accounting system records (book) to the accounting system is the most basic and primary control process performed. Lack of completing an accurate and timely reconciliation may allow for accounting errors, theft and fraud to occur without timely detection.

The Senior Accountant, with assistance from the Clerk of Courts, is responsible for reconciling the book (fund) balance to the total bank balance on a monthly basis, and the Clerk of Courts and Judge are responsible for reviewing the reconciliation and related support.

The Clerk of Court's office prepared bank versus book reconciliations each month however, these reconciliations were not complete and accurate. Upon review and testing of the December 31, 2020 reconciliation, we concluded based on the support provided to us, that total fund balances exceeded the adjusted bank balances in the amounts of \$15,823. Failure to reconcile monthly increases the possibility that the Court will not be able to identify, assemble, analyze, classify, and record its transactions correctly or to document compliance with finance related legal and contractual requirements. Further, the lack of accurate monthly reconciliations increases the risk of theft/fraud over the cash cycle and could lead to inaccurate reporting in the annual financial statements.

Significant reconciling issues may result in unauditible declarations, findings for recovery, findings for adjustment, and/or opinion modifications.

- Fund Balance Adjustments

The Municipal Court records receipt and disbursement transactions in their accounting system each day. A monthly "Account Balance Listing" report is printed and maintained on file which documents the month's beginning balance, receipts, disbursements, and ending cash balance. The following variances were noted between ending and beginning monthly cash balances:

July 31 Cash Balance	\$358,149
August 1 Cash Balance	425,176
Variance	67,027
August 31 Cash Balance	363,199
September 1 Cash Balance	374,179
Variance	10,980
November 30 Cash Balance	396,244
December 1 Cash Balance	400,146
Variance	3,902

The Court did not provide documentation supporting the variances or the changes in ending and beginning monthly balances.

- Custodial Funds Fines and Forfeitures

In our audit engagement letter, as required by AU-C Section 210, *Terms of Engagement*, paragraph .06, management acknowledged its responsibility for the preparation and fair presentation of their financial statements, this responsibility includes designing, implementing and maintaining internal control relevant to preparing and fairly presenting financial statements free from material misstatement, whether due to fraud or error as discussed in AU-C Section 210 paragraphs .A14 & .A16. Governmental Accounting Standards Board (GASB) Cod. 1100 paragraph .101 states a governmental accounting system must make it possible both: (a) to present fairly and with full disclosure the funds and activities of the governmental unit in conformity with generally accepted accounting principles, and (b) to determine and demonstrate compliance with finance-related legal and contractual provisions.

The Municipal Court's activity is reported on the City's financial statements as Custodial Funds. Municipal Court fines and forfeitures revenue was overstated by \$42,958.

The Senior Accountant and Clerk of Courts should record all transactions and prepare monthly bank to book cash reconciliations, which include all bank accounts and all fund balances. The reconciliation should be in a concise format clearly documenting all balances and reconciling adjustments. The reconciliation should be signed by the Senior Accountant and Clerk of Courts. Variances should be investigated, documented and corrected. In addition, the Judge should review the monthly cash reconciliation including the related support (such as reconciling items) and document the reviews. The Municipal Court should maintain a detailed listing of all transactions for account balances. Fund balance adjustments should be thoroughly documented, reviewed, and approved by the Clerk or Judge. The City should review the basic financial statements and GAAP compilation to help ensure all amounts are properly classified and recorded.

Official's Response: At the beginning of each month, the Clerk and the Senior Accountant run the Account Balance Listing Report for the prior month to determine the receipts that were taken in for that month and the money that needs to be disbursed to the various agencies, both state and local. All receipts in both the criminal/traffic departments are disbursed to the appropriate agency each and every month, leaving a ending balance of zero in those accounts pursuant to ORC 1901.31. I am certain that all funds that are received are disbursed to the proper agencies each and every month. Both Judge Gysegem and myself receive a copy of these monthly reports.

However, as far as the holding accounts are concerned, we have been trying to balance system to the bank since we switched software vendors in 2015. We did not get a good conversion, and our last court system, Amcad, notified us on June 15, 2014, that at the close of business day, they were closing their doors. They fired all employees that day and left us with no support. We had no choice but to search for a new software program. We went live with Pioneer Technology on December 7, 2015. The financial numbers that came over were not correct, and we had no supporting documents from the old system. We have since found that the receipts that were voided in Amcad came over as money to be paid out of Benchmark. We also found discrepancies in the bond accounts. In looking into the database, we have been correcting these issues as we find them. The bond accounts have been completed and all money in those accounts are accurate. However, this has been an arduous task and it is still not complete. To further complicate matters, the server that housed Amcad crashed. We have backups for all but three months of data that was housed on that server so some of this data may not be able to be retrieved. We sent the drives to a company in Cleveland to restore but they were unable to do so. We are still working on the garnishment account and several small holding accounts.

We are calling in an audit to look at the remaining issues. The beginning balances converted was over \$124,000.00. Presently it is under \$15,000.00. We will continue to work diligently on this issue until it is resolved. Hopefully, we will receive a recommendation once the audit is complete. We recently met with our current software vendor, and they have finally agreed to assist us in getting this matter resolved.



CITY OF WARREN, OHIO

Finance Department

VINCENT S. FLASK
City Auditor

NANCY E. RUGGIERI
Deputy Auditor

City Hall
391 Mahoning Avenue
Warren, Ohio 44483
Telephone: (330) 841-2586
Fax: (330) 841-2676

SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS 2 CFR 200.511(b) DECEMBER 31, 2020

Finding Number	Finding Summary	Status	Additional Information
2019-001	Pledged collateral	Not Corrected. Repeated as Finding 2020-001	

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CITY OF WARREN, OHIO

Finance Department

VINCENT S. FLASK
City Auditor

NANCY E. RUGGIERI
Deputy Auditor

City Hall
391 Mahoning Avenue
Warren, Ohio 44483
Telephone: (330) 841-2586
Fax: (330) 841-2676

CORRECTIVE ACTION PLAN
2 CFR § 200.511(c)
DECEMBER 31, 2020

Finding Number	Planned Corrective Action	Anticipated Completion Date	Responsible Contact Person
2020-001	City will take steps to comply with the requirements of the ORC and to see that all investments are collateralized as required by the ORC	12/1/21	City Treasurer
2020-002	The City will obtain information regarding the repurchase agreements not exceeding 30 days.	12/1/21	City Treasurer
2020-003	We hope to have all matters completed by the end of the year.	12/31/21	Clerk of Courts

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CITY OF WARREN, OHIO



COMPREHENSIVE ANNUAL FINANCIAL REPORT

FOR THE YEAR ENDED
DECEMBER 31, 2020

VINCENT S. FLASK, CITY AUDITOR

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

PREPARED BY:

CITY AUDITOR'S OFFICE
VINCENT S. FLASK, CITY AUDITOR

391 MAHONING AVENUE, N.W.
WARREN, OH 44483

INTRODUCTORY SECTION

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

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CITY OF WARREN, OHIO

Finance Department

VINCENT S. FLASK
City Auditor

NANCY E. RUGGIERI
Deputy Auditor

City Hall
391 Mahoning Avenue
Warren, Ohio 44483
Telephone: (330) 841-2586
Fax: (330) 841-2676

June 24, 2021

The Honorable Mayor, Members of City Council, and
The Citizens of the City of Warren, Ohio:

The Comprehensive Annual Financial Report (AFR) of the City of Warren, Ohio (the “City”) for the year ended December 31, 2020 is hereby submitted. This report is prepared in conformance with generally accepted accounting principles (GAAP) in the United States of America as set forth by the Governmental Accounting Standards Board (GASB). Responsibility for both the accuracy of the data and the completeness and fairness of the presentation, including all disclosures rests with the City Auditor’s office. To the best of our knowledge and belief, the enclosed data is accurate in all material respects and is reported in a manner designed to present fairly the financial position and results of operations of the various funds of the City. All disclosures necessary to enable the reader to gain an understanding of the City’s financial activities have been included.

The City is responsible for establishing and maintaining an internal control structure designed to protect its assets from loss, theft or misuse. Furthermore, the accounting system must be adequate to allow for the preparation of financial statements in conformity with generally accepted accounting principles. The internal control structure is designed to provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that the cost of a control should not exceed the benefits likely to be derived and that the valuation of costs and benefits requires estimates and judgements by management.

The City is required by state law to have an annual audit performed by the Auditor of State’s Office or an independent public accounting firm, if permitted by the Auditor of State. The Auditor of State’s Office performed the audit for the year ended December 31, 2020. The City continues to receive an unmodified opinion. The Independent Auditor’s Report on the City’s financial statements is included in the Financial Section of this report.

As a part of the City’s independent audit, tests are made to determine the adequacy of the internal control structure, including that portion related to federal assistance programs, as well as to determine that the City has complied with applicable laws and regulations.

This transmittal letter is designed to provide historical information about the City, as well as complement the required Management’s Discussion and Analysis (MD&A). Generally accepted accounting principles required that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements. The City’s MD&A can be found immediately following the Independent Auditor’s Report.

COMMUNITY PROFILE

For financial reporting purposes, the City includes all funds, agencies, boards, commissions, and departments for which the City is financially accountable. The City reports the Warren City Health District as a discretely presented component unit.

In determining what constitutes the City's reporting entity, criteria established by GASB Statement No. 14 "The Financial Reporting Entity", were used. The City is comprised of all entities not legally separate from the City. Trumbull County, Warren Township, Howland Township, the Warren City School District and the Trumbull Career and Technical Center are separate governmental jurisdictions that overlap the City's boundaries. However, these entities are not included in the City's financial reports.

The City of Warren, historic capital of the Connecticut Western Reserve and Trumbull County seat, was incorporated as a village in 1843 and attained city status in 1869. Located in northeast Ohio, the City is situated approximately fifty-two miles southeast of Cleveland and fourteen miles northwest of Youngstown, occupies a land area of 16.30 square miles, and serviced a population of approximately 40,000 residents.

Warren is easily reached by a variety of transportation systems. The City is served by a first-rate network of regional and interstate highways, providing local business and industry with access to major metropolitan markets. State Routes 5, 45, 82 and U.S. Route 422 serve the City directly, while the Ohio Turnpike (I-80) is located six miles west of the corporate limits, I-76 is nine miles south, and State Route 11 is four miles east. Commercial and air freight services are supplied by the Youngstown-Warren Regional Airport; additional air transportation services are provided by Cleveland Hopkins International Airport, Akron-Canton Regional Airport, and Pittsburgh International Airport- all within 75 miles of the City along with a number of rail lines that service local businesses and manufacturing facilities.

The City of Warren and surrounding area offers a vast variety of entertainment, artistic, and cultural opportunities. A city entrenched with historic highlights with an infusion of modern standards. Warren is the official site for the National Packard Museum. The state-of-the-art museum features the deep history of the Packard family, the Packard Motor Car, and other enterprises that contributed to the growth of Warren. Other historical landmarks include the Kinsman House, Harriet Taylor Upton House, John Stark Edwards House and Museum, and the Sutliff Museum. The W.D. Packard Music Hall facility continues to host countless theatrical venues, musical productions, and talented performers from around the world. With a seating capacity of 2,400 and banquet facilities, the venue plays a significant role in the community and hosts visitors from surrounding areas and various age groups. The Warren Amphitheater is another magnificent and modern entertainment facility, located in the beautiful Perkins Park campus that not only adds to the beauty of the city but has grown to become a focal point for entertainment and productions. The newly renovated Robins Theatre provides for additional musical, theatrical and movie options and The Trumbull Art Gallery is a flourishing establishment that displays local and national talent. The gallery continues to be a vibrant highlight for the City and hosts many functions that showcase arts and culture. The Main Warren Trumbull Public Library is showing benefits of its expansion project on Mahoning Ave. across from City Hall. Dave Grohl Alley is another example of an innovative location in the central business district. This tribute site honors the birthplace of a famous musician and native of Warren. The Trumbull County Veteran's Memorial abutting Courthouse Square proudly serves as a magnificent memorial to all war veterans and those who served our country. Displayed are war monuments, engraved bricks, and various tributes to veterans with ties to Trumbull County. The Women's Park is a beautifully landscaped park with walkways, a stone bridge spanning a beautiful brook, and courtyard that honors past and present women who have made a difference in the local community. The First Flight Lunar Module site is a tribute to Neil Armstrong and his famous space career. Mr. Armstrong lived in Warren as a young boy and the monument is a testament to the spirit and courage of children to follow their dreams.

The City of Warren hosts over 260 acres of public parks, a River Walk, bike trails, and other amenities that add to the quality of life for its residents and visitors. The public parks play host to a vast variety of recreational opportunities such as baseball, soccer, tennis, volleyball, biking, running and walking trails, and a place to enjoy pets, a skate park, and a newly constructed splash pad in Packard Park for those hot summer days. A combination of historic and newer pavilions offers beautiful spaces for family gatherings to picnic and entertain. Most parks are equipped with playground equipment and a manicured environment for a wonderful family oriented setting. The Mosquito Lake and Meander Creek Reservoir are ancillary water attractions that offer a place to boat, swim, fish, and picnic.

Warren benefits from both a comprehensive public school and parochial school system. Warren schools can boast of modern public facilities with state-of-the-art resources and a top-notch curriculum, not to mention a variety of outstanding athletic programs. Advanced education can be pursued locally via the Kent State University Branch as well as the Trumbull Career & Technical Center. Within driving distance is Eastern Gateway Community College, Youngstown State University, Kent State University (Main Campus), Hiram College, University of Akron, and John Carroll University. All accredited colleges that offer four year degrees plus advanced degree programs. Employment opportunities are supplemented by the State of Ohio One Stop Employment program.

PROFILE OF GOVERNMENT

The City provides a wide range of general governmental services to its residents including: public safety (police and fire), public health, municipal court, highways and streets, public improvements, community development, engineering-planning-and zoning, water, sewers, sanitation, parks and recreation, and general administrative services. The City is a statutory city that operates under those powers granted by the Ohio Constitution and The Ohio Revised Code. The Mayor is elected at-large to serve a four-year term and is responsible for administering the policies and ordinances adopted by the City Council, for overseeing the day-to-day operations of the City, and for appointing the superintendents of various departments. The 11 members of the City Council are elected every 2 years with one serving as the President of Council. Council members serve as the legislative and taxing authority. The Council members create and adopt the annual operating budget of the City.

Aside from the Mayor and Council, citizens elect three other at-large City administration officials, each of whom is independent within the limits of Ohio law affecting the particular office. These officials, elected to four-year terms, are the Auditor, Treasurer, and Law Director. The Auditor serves as the chief financial officer of the City. As chief financial officer, no contract or obligation involving the City can be made without the Auditor's certification that appropriations are sufficient and funds are available, or are in the process of collection, to satisfy the contract or obligation. The Auditor is the central disbursing agent for the City who distributes funds to creditors in payment of liabilities incurred by the City and its departments. In addition, the Auditor is responsible for the preparation of the City payroll and maintaining a permanent accounting system and records.

The Treasurer is the custodian of all City funds. The Treasurer is responsible for the investment of active, inactive, and interim funds as specified by Ohio law. In addition, the Treasurer serves as an internal control function for the Auditor.

The Law Director has the responsibility of the criminal and civil divisions of the City Law Department. The criminal division is responsible for prosecuting all cases arising in the two municipal courts within the City. The Law Director is also responsible for the civil division which prepares all contracts, bonds, legislation, and other instruments in writing. As designated by Ohio law, the Law Director serves as chief legal counsel for all City officials, directors, departments, and boards.

ECONOMIC CONDITION AND OUTLOOK

The City benefits from its prime location as a central component of the regional Cleveland-Pittsburgh American manufacturing belt. Approximately 9,000 manufacturing plants, 9,100 wholesale distribution centers and 14 Fortune 500 corporate world headquarters are located within 100 miles of the City. Residents derive significant benefit from and have easy access to exceptional employment, educational, recreational, medical, and cultural facilities within and surrounding the greater Youngstown-Warren metropolitan area. Home to a diversified base of industrial and commercial activity, employment within the City is primarily concentrated in the medical field and continues to grow with the recent expansion announcement by Mercy Health, along with automotive and associated systems, wholesale and retail distribution, as well as education, and other professional services. The factors of globalization and increased competition have required significant changes in the regional economy; in order to regain competitive advantage, local manufacturing firms have implemented supplementary research divisions and embraced technological advances, resulting in increased investment, economic diversification and enhanced productivity. In addition, City officials and business leaders are placing added emphasis on the attraction of diverse corporate, retail, restaurant, and industrial employers to the region including a 2.8 million square foot operation focused on the latest technology in the electric battery market. As employment in heavy manufacturing begins to stabilize, the local non-manufacturing sector employment has increased, allowing the area to sustain the tax base despite a transition of workforce demographics.

The City's economic development team possesses significant resources to assist the establishment, expansion, or relocation of any business. Spearheaded by the City's Community Development Department, in partnership with agencies such as Warren Redevelopment and Planning (WRAP), The Western Reserve Port Authority, Mahoning Valley Economic Development Corporation, the Regional Chamber, Eastgate Council of Governments, and others, support is available for site selection, business plans, and zoning compliance as well as assistance with financing, tax abatement and credits, TIFs and other associated issues.

Growth taking place in Warren and the surrounding metropolitan area represents positive economic trends that are expected to continue into the future with projects such as the Tech Belt Energy Innovation Center (TBEIC), a government funded energy incubator aimed at development and commercialization of early-stage energy technology. The energy incubator is located in the central business district downtown and accommodates innovative high-tech energy corporations.

Both the City and the Business Resource Network (BRN) continue a program of site visits to existing companies within the City that focuses on the needs and wellness of their current employers as well as giving those employers the chance to discuss any problems they may have or possible ways for the City to assist them in business growth.

In cooperation with the Mahoning Valley Economic Development Corporation (MVEDC), Warren Commerce Park has been developed into a home for industry, with tenants including Charles Manufacturing, Jaro Transportation, and Main Lite Electric. Proximity to major highways and rail service provide a variety of transportation options, offering market advantages to all tenants. On the City's west side, Northwest Business Park (adjacent to OH-82 with direct links to the Ohio Turnpike) was developed through the advancement of local public-private partnerships. Currently the park is home to a number of small to mid-sized manufacturing firms.

The Golden Triangle Coalition, made up of the City of Warren in partnership with the Trumbull County Commissioners, Trumbull County Engineer, and Howland Township continue the implementation of the plans for the Golden Triangle and making significant infrastructure improvements that will assist the manufacturing firms in the area. This is an extremely important business district to our communities. The manufacturing cluster located in the Golden Triangle is the second largest in the Mahoning Valley behind only Lordstown and consists of over 35 companies employing thousands of residents. The multiplier effect shows almost 10,000 local jobs supported by these companies.

The former Delphi Packard facility on Dana Street after some unexpected delays is back on track and is currently under renovations and proceeding with plans to provide hundreds of jobs to the City.

Also, in the Golden Triangle, Tecnocap has announced its plans for an expansion project which would also add new jobs and Novelis Industries is making a \$4.5 million investment in their Warren plant for new machinery and equipment. In addition, both Wheatland Tube and Liberty Steel have announced expansion plans.

The Warren Riverwalk campus includes an outdoor amphitheater, festival promenade, multi-purpose event area, the Kinsman House and the Land Office. The previous interior restoration of the Kinsman House with construction of two accessible restrooms and an elevator now allows for better public use of this historic facility. The Riverwalk Stage House at the Warren Community Amphitheatre allows for several events annually having attendance in excess of 4,000 people. This project, together with ancillary recreational facilities, provides first-class entertainment and cultural opportunities for residents and visitors alike.

Due to the COVID-19 pandemic and State orders, the City halted all public events in 2020, including the Rock at the Amp series, African American Festival, Italian American Festival, Warren Farmers Market, Relay for Life, Welcome Home Warren, Taste of Warren, Rooftop Reunion, Oktoberfest, and others including Christmas in the Square that draws over 2,500 people to Downtown Warren during the holiday event.

The City of Warren, through the Community Development Department, acts as the lead agency in a partnership with Trumbull County for receiving federal funding from HUD for affordable housing programs. Through these efforts, the City and County have completed several housing projects over the years such as the \$9.5 million acquisition and rehab of 188 units at the Warren Heights Apartments on the City's north end, the \$12.5 million acquisition and rehab of 150 units at the Hampshire House Apartments on the City's southwest side, the Morgandale project consisting of 10 units of senior housing, the \$9 million senior housing project on the City's west side, and the YWCA was granted assistance to develop 12 units of permanent supportive housing in their building. Three new multi-tenant projects are in the pipeline with an expected total investment of nearly \$10 million dollars. The City is also working with two non-profit organizations to fund the rehabilitation of a number of single-family units to put back on the market for home ownership opportunities.

FINANCIAL POLICIES AND LONG-TERM FINANCIAL PLANNING

A little over one decade after the great recession the City finds itself stabilizing with the help of its residents approving a temporary additional ½ percent to its tax base annually that began in 2017 and was renewed for an additional five years to begin January 1, 2022. The City continues to explore options for reducing expenses and generating additional revenue. These actions are a function of the City's longstanding budget review policies set in place to ensure that the general fund expenditure levels are timely adjusted consistent with available and anticipated resources. The budget is the primary planning tool utilized to ensure that the City has sufficient resources to meet its operation and capital improvement requirements. The City's budgetary control program begins prior to the fiscal year with the preparation of a detailed specific-use budget based on line item justification by department heads. Budget performance reports are prepared and reviewed monthly by the finance department, deviations from budget are noted, and reports are submitted to department heads. Problem areas are anticipated and appropriate adjustments are made with a compromise of a budget and management considerations.

In conjunction with a vigorous budget review process to eliminate extraneous expenses, the City continues to be aggressive in applying for grants and had two full time employees dedicated to the grant writing process in 2020. The City contracts with a collection agency to assist in the collection of outstanding money owed to the City. In addition, the City has contracted with the City of Cleveland to ensure the City's taxpayers are in compliance with the City tax code which has improved income tax collections since its inception.

MAJOR INITIATIVES - CURRENT AND FUTURE PROJECTS

Throughout 2020, a number of projects were initiated in our engineering and health departments enabling the City to operate with increased efficiency as well as promote and compete for commercial, industrial and residential development in an atmosphere conducive for job retention, growth and residential investments.

PUBLIC SAFETY

Fire

The Warren City Fire Department did not experience a fire fatality for the third consecutive year in 2020.

Using COVID-19 funding, the fire department installed touchless LED lighting in all three stations. All firefighters received a second set of turnout gear including 20 additional self-contained breathing apparatus which is especially appreciated when the first set of turnout gear is contaminated at an incident. All stations received new metal turnout gear lockers to store firefighting equipment. Each station can wash their own turnout gear now that all stations installed turnout gear washers and dryers. The dormitory at the central station was renovated so that each firefighter has their own room equipped with a desk and lamp.

Police

The Police Department has been currently drawing down monies from a C.O.P.S. grant that has allowed the department to hire 3 additional officers. This grant will expire in September 2021. These 3 additional officers have been assigned to bolster our current staffing in our Street Crimes Unit bringing the unit's staffing up to 8 officers. The department continually applies for and was recently awarded \$4,764 in 2020 to equip patrol officers with body armor through the Bulletproof Vest Partnership. The department was awarded \$38,728 through the Ohio Office of Criminal Justice Services Grant which was used to purchase investigative hardware/software for the Criminal Investigations Division. The monies collected through drug forfeitures has funded the purchase of ammunition, Tasers, firearms, mobile video recorders, surveillance equipment, and other much needed equipment. A recently passed ½ percent income tax increase has assisted in the hiring of 3 police officers in 2020 which brings total staffing in the department to 70. Through participation in the Law Enforcement Support Organization (LESO) program, the police department has acquired, at no cost, a variety of police equipment such as a radar trailer, tools and equipment, 3 trucks, 1 SUV, 1 car, 1 ATV, and 3 T3 Motion police scooters. To assist in traffic enforcement, the department applied for and received \$4,922 for the Drugged Driving Enforcement Program and \$37,273 IDEP/STEP Enforcement Program. Through COVID-19 funding the department was able to purchase plexiglass barriers, cleaning supplies and services in the amount of \$4,006.

PUBLIC WORKS

Road improvement projects completed in 2020 include: the East Market Street Project and the 2020 OPWC/CDBG Road Project.

The East Market Street improvement totaled 3.2 miles of roadway. Signage, pavement markings and concrete repairs were completed. Manhole and inlet castings were replaced and adjusted as needed. Construction was completed in the fall and finalized at a cost of \$1,867,256. Federal and State funds covered 100% of the project costs.

The City entered into contract for the 2020 OPWC/CDBG Road Project in July of 2020. Sixteen streets were included in the project. The project improved 4.2 miles of roadway. Signage, pavement markings, and concrete repairs were completed. Manhole and inlet castings were replaced and adjusted as needed. Construction was completed in the fall and finalized at a cost of \$974,931. The project utilized Federal, State and local funds.

The Electric Maintenance Contract in the amount of \$166,000 was advertised and awarded in the spring of 2020. The contract covers the maintenance of traffic signals including pedestrian signals and the emergency preempt system, caution signals, school flashing beacons, tornado sirens, the radio fire alarm, and downtown ornamental street lighting.

A street sweeping contract in the amount of \$136,000 was advertised and awarded in the spring of 2020. Streets in the Central Business District are swept four times per year. Arterial roads and residential streets with curbs are swept twice a year. Curb attached sidewalk areas in our central business district and along arterial roads are swept once a year in the spring.

A contract to cut grass and maintain various areas in the City throughout the growing season. The authorized work included mowing along the Greenway Trail, brush hogging the City's Riverwalk Trails, and maintaining the tree grates and mulch beds in the Central Business District. The collective cost of the work was \$10,668.

The City completed the 2020 annual inspection report that the Ohio EPA requires for the Mahoningside site. The report monitors the condition of the retaining wall along the eastern boundary of the property. The cost of the study was \$2,800. The Mahoningside property required a change of land use report valued at \$3,500. The OEPA required the report to accommodate the improvements planned through the Mahoningside Project.

The City renewed the contract to repair asphalt pavement at various locations throughout the City where underground utility repairs were made. The work consisted of removing 3 inches of existing cold patch or temporary aggregate fill, and then applying 3 inches of compacted hot asphalt to each utility cut. The project repaired 1,355 SY of utility cuts at a cost of \$89,117. The project was funded through the water department.

A traffic study evaluating the City's traffic signals and all way stop controlled intersections was completed and presented to the public. The study recommended the removal of twenty-one traffic signals and the removal of stop signs at fifty-nine intersections. The traffic signals recommended for removal were placed into flash mode and will be monitored throughout the next year. Federal funds for the removal of the signals will be available in 2022. The stop signs recommended for removal were taken out in the fall. Local funds in the amount of \$11,388 were used to install new stop signs at signalized intersections that were placed into flash mode and to remove stop signs throughout the City.

The plans and specifications for the improvements to City Hall, the Information Technology Building, and the City Law Office are complete. The project was originally put out to bid in September of 2018. The bids received were significantly higher than the architect's estimate and were rejected. The City has applied for and received a NOPEC grant in the amount of \$200,000 to assist with the costs of the needed HVAC improvements at City Hall and the City Law Office. The HVAC project was put out to bid on two separate occasions in 2019 without any bidders. The City has applied for and received a Save America's Treasures grant in the amount of \$500,000 to assist with covering a portion of the cost for restoring City Hall. The plans have been reviewed and approved by the National Park Service. The project will be put out to bid again in 2021.

UTILITY SERVICES

WPC Summary

At Water Pollution Control, design and construction of many projects have been initiated in two broad categories: The Wastewater Treatment Plant & Pump Stations is the first; the Sanitary Sewer Collection System is the second. The first of three phases of projects for the Plant and Pump Stations Refurbishment were bid and awarded. Construction of this first phase will be accomplished through five different construction contracts and a construction oversight contract the total of which is \$42.7M covered by a single loan. Construction will initiate in April 2021 and take 24 months to complete. Three sewer projects totaling \$2.78M were bid in 2020 with construction slated to begin in 2021 and completed in 2022. Design of the Phase 2 Plant and Pump Station Refurbishment should initiate by the end of 2021 with a current design estimate of \$3.1M. Ten additional sanitary sewer projects are needed with a current construction estimate of \$8.9M. Design of some of those should start by the end of 2021. COVID-19 related expenses have totaled \$3,028 for this department.

Water Summary

The City's Water Department purchased several new vehicles and trucks for the replacement of aging and higher maintenance vehicles within the department's fleet.

2020 presented a total of 85 main breaks within the water system. An average of 13.1 million gallons per day of treated water was pumped into the distribution system for use.

Rehabilitation of the Laird Ave. water tower began in August of 2020 in an ongoing effort to rehabilitate all of the water towers in our system.

The water department managed to provide the same quality product and customer service to the citizens of Warren and outside customers while implementing additional protocols and safety procedures addressing the potential spread of COVID-19.

Administrative division implemented an IVR phone payment option for customers to have the ability to pay their bills over the phone with an automated system 24 hours a day. The drive-thru system was replaced with new vacuum tubes and other upgrades.

ENVIRONMENTAL SERVICES

The Environmental Services Department provides automated residential trash service to all residents of the City and continues to be pro-active in increasing its customer base by offering residential service to those outside the city limits providing they have a current water account. In addition, the department has seen a steady increase in commercial service customers and revenue growth from roll-off rentals.

INFORMATION TECHNOLOGY

2020 proved to be a very challenging but productive year for the Information Technology (IT) department. Projects and milestones were met head on with the COVID-19 pandemic and the subsequent challenges that ensued. The virus perpetuated strict strategies within the workplace space and demanded a "work from home" solution/platform. Further, implementation of technology-based in-office health safeguards such as networked body temperature identification units with facial recognition were installed at the municipal building entryways. The IT department either directly vetted solutions or assisted in the many challenges. New hardware & software was procured and utilized so eligible employees could not only enter the workplace safely but work from home when applicable. In addition, the pandemic drove goals of providing advanced options for the community to safely do business remotely with the City.

The IT department implemented a new and robust SaaS/Cloud based solution that allows businesses, citizens, & contractors to utilize a Citizen Portal for remote interaction with City departments. This platform incorporates centralized abilities for online requests such as certificate requests (birth, death, etc.), registrations (business, citizen, contractor, etc.), permit issuance, inspection requests, and many other action items typically associated with municipalities. This platform also provides our citizens the ability to make online payments for services and to conduct business outside of standard office hours. The system also provides our staff with the ability to perform comprehensive "in-field" work with the use of tablets and mobile printers. This feature significantly increases production time for in-field tasks while reducing travel time previously needed for account access & data entry to in-office only applications.

Throughout the pandemic, the City's website has been heavily relied upon as the main communications portal for citizens. Throughout 2020 the sheer amount of content, notifications, and modifications to the Website has been immense. The new City Web Page, and subsequently enhanced editing controls, have paid dividends making strategic changes to the site drastically more efficient. The use of City controlled social media (Facebook & Twitter) broadcasts & notifications has also proved to be a significant benefit for communicating with those living and doing business in Warren.

The IT department has been planning a large migration of the City's major ERP application from On-Prem to SaaS or Cloud based. A complete redesign of the communications infrastructure accompanied this project to assure redundancy and increase speed. Unfortunately, the pandemic effected the timing of the project as the City's provider services/resources were somewhat limited (throttled down) while trying to accommodate and facilitate the work from home needs throughout the state. The infrastructure changes are near completion and the migration will be scheduled for April 2021. New Firewalls were procured & installed as part of the infrastructure modifications to assure the most current and protective measures are in place.

DOWNTOWN WARREN

In the historic district just blocks from Courthouse Square the Akron Children's Hospital facility offers modern technology coupled with an architecturally pleasing structure. The Warren-Trumbull County Public Library is a city landmark that contributes significant quality of life to the local citizens and has started a major expansion project that will add even more offerings to the community. City Hall is another well-known landmark with a significant history. Interior and Exterior preservation of the campus area has also begun in order to preserve and facilitate the ongoing functionality of the buildings and grounds. The Kinsman House, located near City Hall, has added exterior and interior restorations to include handicap accessible restrooms and an elevator.

The Morgan House, an historic residence across from City Hall, was transferred to the Trumbull County Historical Society by the City. The Historical Society has developed plans and secured grant dollars for the renovation of what will become the Morgan History Center that will highlight the history of the area along with interactive displays and historic artifacts.

Although delayed by the pandemic, plans are underway to make improvements to the Warren Amphitheater to add seating, improve handicap accessibility and construct permanent fencing and restrooms.

With the grand opening of the newly renovated historic Robins Theater and the addition of three new restaurants to complement the Amphitheater and other nightspots like the micro-brewery, the City has become a vibrant and exciting place for entertainment, dining, and other night life. And with a number of buildings renovated to add condominiums and other residential opportunities along with the addition of retail stores, coffee shops, and out of town visitors to the Art Gallery and local historic sites, daytime activity has also increased generating additional traffic and economic stability in the downtown to the benefit of the whole City.

In addition to renovations of existing sites, vacant and unsightly structures are being demolished to make way for potential new business while removing blight. Block Grant funding has been earmarked/ utilized to continue demolition of abandoned and blighted commercial structures.

GENERAL GOVERNMENT

During a national pandemic and year four of an additional 5-year .5 % income tax, collections were down 3.66% in the general fund from the previous fiscal year. Implementing budget cuts, temporary layoffs and a freeze of all nonessential spending the City managed to reduce its expenses beyond its lost revenue allowing Warren to navigate the financial turmoil created by a state wide mandatory shutdown. The City managed to add 967 new or reactivated accounts in 2020.

Because of the Ohio Department of Health Guidelines and through a Memorandum of Understanding operating costs at the Packard Music Hall were reduced by 40% heading into the 4th quarter of 2020.

The Social Security Administration entered into a 10-year rental agreement with the City maintaining their presence in Warren's Government Building. Along with other various social service agencies and City departments the ten-year agreement adds stability to Warren's long term real-estate investment. The Veterans Resource Center located directly across from Warren's Government Center building continues to provide services to the area's veteran population.

ACKNOWLEDGEMENTS

The publication of this AFR represents an important achievement in the ability of the City to provide significantly enhanced financial information and accountability to the citizens of the City of Warren, its elected officials, City management and investors. This report continues the aggressive program of the City Auditor's office to improve the City's overall financial accounting, management and reporting capabilities.

I would like to acknowledge the efforts of the entire staff of the City of Warren Auditor's office for their contributions to this report. Special thanks are extended to Nancy Ruggieri, Deputy Auditor, for her effort, dedication, and coordination of this project. I would also like to acknowledge the assistance provided by the staff of Julian & Grube, Inc. Their guidance and professionalism were invaluable and greatly appreciated.

I would like to acknowledge the efforts of our state auditors. Thanks to Erik Holesko and his team for completing the audit so that the report could be filed on time with GFOA.

I would also like to thank all of the elected officials, department heads and their staff for their continued assistance and cooperation with the preparation of this AFR. I know with their continued support, this project and our efforts toward sound financial management of the City of Warren will continue.

Respectfully submitted



Vincent S. Flask

CITY OF WARREN
ELECTED AND APPOINTED OFFICIALS
DECEMBER 31, 2020

ELECTED OFFICIALS

Executive Branch:

Mayor	William D. Franklin
Auditor	Vincent S. Flask
Treasurer	Tom Letson
Law Director	Enzo C. Cantalamessa
Judge	Thomas Gysegem
Judge	Terry Ivanchak

Legislative Branch:

Council Member – Council President	James Graham
Council Member – 1 st Ward	Larry Larson
Council Member – 2 nd Ward	Alford Novak
Council Member – 3 rd Ward	Greg Greathouse
Council Member – 4 th Ward	Mark Forte
Council Member – 5 th Ward	Ken MacPherson
Council Member – 6 th Ward	Cheryl Saffold
Council Member – 7 th Ward	Ronald White, Sr.
Council Member – At-Large	Gary Stainbeck
Council Member – At-Large	Helen Rucker
Council Member – At-Large	John Brown, Jr.

APPOINTED OFFICIALS

Department of Public Safety:

Director of Public Safety	Eddie L. Colbert
Police Chief	Eric Merkel
Fire Chief	Kenneth Nussle

Department of Public Service:

Director of Public Service	Eddie L. Colbert
Deputy Health Commissioner	John May Jr.
Director of Engineering	Paul Makosky
Director of Water Utilities	Franco Lucarelli
Director of Water Pollution Control	Edward Haller
Director of Environmental Services	Leann O'Brien
Director of Community Development	Michael Keys

CITY of WARREN, OHIO

ADMINISTRATIVE

MAYOR

CIVIL SERVICE COMMISSION

Members
Civil Service Secretary

MUNICIPAL COURT

Presiding Admin. Judge
Muni. Judge

BOARD OF HEALTH

Health Commissioner
Deputy Health Commissioner

SAFETY & SERVICE DIRECTOR

FINANCE DEPT.

Auditor

- Deputy Auditor
- Senior Accountant
- Accountant II
- Accountant I
- Financial Secretary

INCOME TAX

Treasurer

- Tax Administrator
- Invest Auditor
- Cashier/Auditor

LAW DEPT.

Law Director

- Deputy Law Director
- Assistant Law Dir.
- Exec. Legal Sec. II
- Legal Sec.
- Assistant Legal Sec.

HUMAN RESOURCES

Director of Human Res.

- Personnel Supervisor
- Executive Secretary I

CITY COUNCIL

President

- Council Members
- Clerk of Council

ADMINISTRATIVE

County Admin. Magistrate

- Clerk of Muni. Ct.
- Chief Bailiff
- Deputy Bailiff
- Chief Deputy Clerk
- Production Officer
- Administrative Assistant

COMMUNITY DEVELOPMENT

Executive Director

- Urban Design & Grants Coord.
- Accountant
- Program Specialist
- Program Coordinator

BOARD OF HEALTH

Health Commissioner

- Registrar
- Super. of Public Health
- Sanitarian Supervisor
- Food Program Coord.
- Sanitarian III
- Envir. Health Cler. Coord.
- Vital Stats Clerk
- Code Inspector
- Public Health Clinician

POLICE DEPARTMENT

Police Chief

- (Civilian Div.)
 - Office Supervisor
 - Police Support Tech.
 - Animal Warden
- (Uniform Div.)
 - Captains
 - Lieutenants
 - Sergeants
 - Police Officers

FIRE DEPARTMENT

(Uniform Div.)

Fire Chief

- Assistant Chief
- Captains
- Lieutenants
- Firefighters

(Civilian Div.)

Exec. Secretary

Heavy Equip. Mech.

OPERATIONS DEPARTMENT

(Operations Streets)

- Operations Supert.
- Master Skilled Maint.
- Skilled Maint.
- Heavy Equip. Mech.
- Welder/Meal Fab.
- Automotive Mech.

DATA PROCESSING

Manager of Data Proc.

- Data Proc. Coordinator
- Info. Technology Syst. Tech.

ENG., PLNG. & BLDC

Director of E, P & B

- Planning Coordinator
- Office Supervisor
- Engineering Aide IV
- Engineering Aide III
- Engineering Aide II
- Engineering Aide I
- Building Official
- Building Inspector
- Electrical Inspector
- Plumbing Inspector

WATER DEPARTMENT

Director of Water Util. Oper.

- (Plant)
 - Plant Superintendent
 - Oper. Supervisor
 - Project Manager
 - Maint. Supervisor
 - Laboratory Sup.
 - Util. Plant Shift Leader
 - Assistant Chemist
 - Pumping Station Mech.
 - Utility Plant Operator II
 - Maint. Electrician
 - Maint. Mechanic III
 - Maint. Mechanic II
 - Laborer II
 - Secretary
- (Water Div.)
 - Water Dist. Supert.
 - Water Dist. Superv.
 - Foreman
 - Section Leader
 - Heavy Equip. Mech.
 - Water Room Coord.
 - Equip. Operator IV
 - Equip. Operator II
 - Master Cement Finish
 - Trapper/Meter Repair
 - Laborer II
 - Laborer I
 - Secretary
- (Water Service)
 - Water Serv. Supply
 - Cross Conn. Tech.
 - Water Serviceman
 - Water Dist. Tech.
 - Customer Service Rep.
 - Meter Reader
 - Utility Sew. Rip.
 - Serv. Rip. Clerk
- (Office)
 - Office Manager
 - Consumer Service Rep.
 - Cashier
 - Draft Entry Operator
 - General Clerks

WATER POLLUTION CONTROL

Director of W.P.C.

W.P.C. Superintendent

- (Maintenance)
 - Chief Plant Maint.
 - Plant Maint. Mech. III
 - Plant Maint. Mech. I
 - Heavy Equip. Mech.
- (Storm)
 - Sec. Leader
 - Equip. Operator IV
 - Equip. Operator I
 - Laborer II
- (Sanitary)
 - Foreman
 - Sec. Leader
- (Plant)
 - Chief Operator
 - Ind. Prod. Coord.
 - Plant Operator
 - Plant Alternate
- (Office)
 - Accounting Coord.
 - Net System Super.
 - Computer Tech.
 - Executive Secretary I
 - Clerk Typist
- (Lab)
 - Chemist
 - Asst. Chemist
 - Grants Director
 - Grants Writer
- (Labor)
 - Laborer II
 - Laborer I
- (Bio Solids)
 - Bio Solids Manager
 - Bio Solids Sales Rep.
 - Bio Solids Proc. Tech.
 - Equipment Oper I

Organization Chart

February 2016



Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**City of Warren
Ohio**

For its Comprehensive Annual
Financial Report
For the Fiscal Year Ended

December 31, 2019

Christopher P. Morill

Executive Director/CEO

FINANCIAL SECTION

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Conference Center, Suite 154
6000 Frank Ave. NW
North Canton, OH 44720
EastRegion@ohioauditor.gov
(800) 443-9272

INDEPENDENT AUDITOR'S REPORT

City of Warren
Trumbull County
391 Mahoning Avenue NW
Warren, Ohio 44483

To the Honorable Mayor and City Council:

Report on the Financial Statements

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

Management's Responsibility for the Financial Statements

Management is responsible for 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 such 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.

Efficient • Effective • Transparent

Opinions

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

Emphasis of Matter

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

Other Matters

Required Supplementary Information

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

Supplementary and Other Information

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

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

The statements and schedules are management's responsibility, and derives from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. We subjected this information to the auditing procedures applied to the basic financial statements. We also applied certain additional procedures, including comparing and reconciling this information 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 information is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated June 24, 2021, on our consideration of the City's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. 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.



Keith Faber
Auditor of State
Columbus, Ohio

June 24, 2021

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CITY OF WARREN, OHIO

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

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

Financial Highlights

Key financial highlights for 2020 are as follows:

- The total net position of the City increased \$9,139,752. Net position of governmental activities increased \$2,430,739 or 5.66% from 2019's net position and net position of business-type activities increased \$6,709,013 or 29.48% from 2019's net position.
- General revenues accounted for \$24,378,939 or 66.74% of total governmental activities revenue. Program specific revenues accounted for \$12,150,789 or 33.26% of total governmental activities revenue.
- The City had \$34,036,989 in expenses related to governmental activities; \$12,150,789 of these expenses was offset by program specific charges for services, grants or contributions. General revenues (primarily property taxes, income taxes and unrestricted grants and entitlements) of \$24,378,939 covered the remaining expenses of \$21,886,200.
- The general fund had revenues of \$26,733,159 in 2020. This represents a decrease of \$2,728,326 or 9.26% from 2019 revenues. The expenditures and other financing uses of the general fund, which totaled \$25,982,018 in 2020, decreased \$1,595,023 or 5.78% from 2019. The net increase in fund balance for the general fund was \$751,141 in 2020.
- The general capital projects fund, a major governmental fund, had revenues and other financing sources of \$2,757,988 in 2020. Expenditures in 2020 totaled \$2,757,007 and the fund balance at the end of the year was \$1,440,597.

Using this Comprehensive Annual Financial Report

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

The statement of net position and statement of activities provide information about the activities of the whole City, 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 the City perform financially during 2020?" The statement of net position and the statement of activities answer this question. These statements include all assets, deferred outflows of resources, liabilities, deferred inflows of resources, revenues and expenses using the accrual basis of accounting similar to the accounting used by most private-sector companies. This basis of accounting reflects all of the current year's revenues and expenses regardless of when cash is received or paid.

CITY OF WARREN, OHIO

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

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, others 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 three distinct kinds of activities:

Governmental activities - Most of the City's programs and services are reported here including police, fire and rescue, street maintenance, capital improvements, and general administration. These services are funded primarily by property taxes, income 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, sanitation, downtown parking, city redevelopment, and stormwater utility are reported here.

Component unit - The City's financial statements include financial data of the Warren City Health District. The component unit is described in the notes to the financial statements (see Notes 2.A and 23 for detail).

The City's statement of net position and statement of activities can be found on pages 23-25 of this report.

Reporting the City's Most Significant Funds

Fund Financial Statements

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

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

Governmental Funds

Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the 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 several 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 general capital projects fund. Information for the 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 27-33 of this report.

CITY OF WARREN, OHIO

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

Proprietary Funds

The City maintains two 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 sewer, water, sanitation, downtown parking, city redevelopment, and stormwater utility. The sewer, water and sanitation enterprise funds are considered major funds.

Internal service funds are an accounting device used to accumulate and allocate costs internally among the City's various functions. The basic proprietary fund financial statements can be found on pages 34-43 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. Custodial funds are the City's only fiduciary fund type. The basic financial statements for the custodial funds can be found on page 44 and 45 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 47-107 of this report.

Required Supplementary Information

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the City's net pension liability. The required supplementary information can be found on pages 110-125 of this report.

Government-Wide Financial Analysis

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

CITY OF WARREN, OHIO

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

Net Position

	Governmental Activities		Business-Type Activities		Total	
	2020	2019	2020	2019	2020	2019
<u>Assets</u>						
Current and other assets	\$ 40,661,693	\$ 34,256,670	\$ 19,664,237	\$ 14,311,616	\$ 60,325,930	\$ 48,568,286
Capital assets, net	59,042,357	61,649,716	47,026,202	44,082,712	106,068,559	105,732,428
Total assets	99,704,050	95,906,386	66,690,439	58,394,328	166,394,489	154,300,714
<u>Deferred outflows of resources</u>						
Unamortized deferred charges	54,905	59,128	-	-	54,905	59,128
Pension	4,913,554	10,901,921	1,325,748	3,919,838	6,239,302	14,821,759
OPEB	3,407,253	2,851,719	932,717	509,061	4,339,970	3,360,780
Total deferred outflows of resources	8,375,712	13,812,768	2,258,465	4,428,899	10,634,177	18,241,667
<u>Liabilities</u>						
Current liabilities	4,091,980	3,897,126	1,986,512	1,759,710	6,078,492	5,656,836
Long-term liabilities:						
Due within one year	2,215,141	2,392,172	3,040,964	3,148,794	5,256,105	5,540,966
Net pension liability	29,666,748	38,427,864	8,539,185	13,009,152	38,205,933	51,437,016
Net OPEB liability	8,518,486	8,013,216	5,749,786	5,976,620	14,268,272	13,989,836
Other amounts	9,118,667	9,845,581	16,582,668	15,664,194	25,701,335	25,509,775
Total liabilities	53,611,022	62,575,959	35,899,115	39,558,470	89,510,137	102,134,429
<u>Deferred inflows of resources</u>						
Property taxes	1,150,771	1,086,320	-	-	1,150,771	1,086,320
Pension	5,680,712	1,778,327	2,419,828	370,017	8,100,540	2,148,344
OPEB	2,295,127	1,367,157	1,164,235	138,027	3,459,362	1,505,184
Total deferred inflows of resources	9,126,610	4,231,804	3,584,063	508,044	12,710,673	4,739,848
<u>Net position</u>						
Net investment in capital assets	53,934,820	56,350,453	28,454,187	26,650,705	82,389,007	83,001,158
Restricted	14,720,765	14,342,498	-	-	14,720,765	14,342,498
Unrestricted (deficit)	(23,313,455)	(27,781,560)	1,011,539	(3,893,992)	(22,301,916)	(31,675,552)
Total net position	\$ 45,342,130	\$ 42,911,391	\$ 29,465,726	\$ 22,756,713	\$ 74,807,856	\$ 65,668,104

The net pension liability/asset is reported pursuant to Governmental Accounting Standards Board (GASB) Statement 68, "Accounting and Financial Reporting for Pensions - an Amendment of GASB Statement 27." The net other postemployment benefits (OPEB) liability is reported pursuant to GASB Statement 75, "Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions." For reasons discussed below, many end users of this financial statement will gain a clearer understanding of the City's actual financial condition by adding deferred inflows related to pension and OPEB, the net pension liability, and the net OPEB liability to the reported net position and subtracting deferred outflows related to pension and OPEB and the net pension asset.

CITY OF WARREN, OHIO

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

Governmental Accounting Standards Board standards are national and apply to all government financial reports prepared in accordance with generally accepted accounting principles. Prior accounting for pensions (GASB 27) and postemployment benefits (GASB 45) focused on a funding approach. This approach limited pension and OPEB costs to contributions annually required by law, which may or may not be sufficient to fully fund each plan's net pension liability/asset or net OPEB liability. GASB 68 and GASB 75 take an earnings approach to pension and OPEB accounting; however, the nature of Ohio's statewide pension/OPEB plans and state law governing those systems requires additional explanation in order to properly understand the information presented in these statements.

GASB 68 and GASB 75 require the net pension liability/asset and the net OPEB liability to equal the City's proportionate share of each plan's collective:

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

GASB notes that pension and OPEB obligations, whether funded or unfunded, are part of the "employment exchange" - that is, the employee is trading his or her labor in exchange for wages, benefits, and the promise of a future pension and other postemployment benefits. GASB noted that the unfunded portion of this promise is a present obligation of the government, part of a bargained-for benefit to the employee, and should accordingly be reported by the government as a liability since they received the benefit of the exchange. However, the City is not responsible for certain key factors affecting the balance of these liabilities. In Ohio, the employee shares the obligation of funding pension benefits with the employer. Both employer and employee contribution rates are capped by State statute. A change in these caps requires action of both Houses of the General Assembly and approval of the Governor. Benefit provisions are also determined by State statute. The Ohio Revised Code permits, but does not require, the retirement systems to provide healthcare to eligible benefit recipients. The retirement systems may allocate a portion of the employer contributions to provide for these OPEB benefits.

The employee enters the employment exchange with the knowledge that the employer's promise is limited not by contract but by law. The employer enters the exchange also knowing that there is a specific, legal limit to its contribution to the retirement system. In Ohio, there is no legal means to enforce the unfunded liability of the pension/OPEB plan *as against the public employer*. State law operates to mitigate/lessen the moral obligation of the public employer to the employee, because all parties enter the employment exchange with notice as to the law. The retirement system is responsible for the administration of the pension and OPEB plans.

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

In accordance with GASB 68 and GASB 75, the City's statements prepared on an accrual basis of accounting include an annual pension expense and an annual OPEB expense for their proportionate share of each plan's *change* in net pension liability/asset and net OPEB liability, respectively, not accounted for as deferred inflows/outflows.

Over time, net position can serve as a useful indicator of a government's financial position. At December 31, 2020, the City's assets and deferred outflows of resources were greater than liabilities and deferred inflows of resources by \$74,807,856, an increase of 13.92% from 2019.

CITY OF WARREN, OHIO

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

Current assets increased primarily from reduced salaries in paid from certain funds from the CARES Act funds to assist in the City's response to the COVID-19 pandemic and from layoffs due to the pandemic. The City experienced a loss in revenue over the past several years from cuts in the Local Government Fund intergovernmental state revenue and the elimination of Ohio's estate tax beginning in 2013. Grants and entitlements not restricted to specific programs were down in 2020. The City's income tax withholdings collections in 2020 were up from individual and business current and prior returns from 2019 collections. Liabilities decreased for the governmental activities and business-type activities, mostly due to a decrease in the net pension liability.

Capital assets reported on the government-wide statements represent the largest portion of the City's net position. At year-end, capital assets represented 63.75% of total assets. Capital assets include land, easements, construction in progress (CIP), land improvements, buildings and improvements, computer software, furniture and equipment, vehicles and infrastructure. The City's net investment in capital assets at December 31, 2020, was \$53,934,820 and \$28,454,187 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.

A portion of the City's net position, \$14,720,765, represents resources that are subject to external restriction on how they may be used. The remaining balance of unrestricted net position is a deficit of \$22,301,916.

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CITY OF WARREN, OHIO

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

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

	Change in Net Position					
	Governmental		Business-type		Total	
	Activities		Activities			
	2020	2019	2020	2019	2020	2019
Revenues						
Program revenues:						
Charges for services	\$ 2,211,480	\$ 2,903,445	\$ 29,855,905	\$ 27,790,905	\$ 32,067,385	\$ 30,694,350
Operating grants and contributions	7,240,025	4,624,082	1,763,891	-	9,003,916	4,624,082
Capital grants and contributions	<u>2,699,284</u>	<u>1,831,961</u>	<u>11,820</u>	<u>28,736</u>	<u>2,711,104</u>	<u>1,860,697</u>
Total program revenues	<u>12,150,789</u>	<u>9,359,488</u>	<u>31,631,616</u>	<u>27,819,641</u>	<u>43,782,405</u>	<u>37,179,129</u>
General revenues:						
Property taxes	1,058,763	1,052,179	-	-	1,058,763	1,052,179
Income taxes	20,965,891	20,787,329	-	-	20,965,891	20,787,329
Unrestricted grants and entitlements	1,703,961	2,461,054	-	-	1,703,961	2,461,054
Investment earnings	232,284	326,622	-	-	232,284	326,622
Increase (decrease) in fair value of investments	(13,814)	125,816	-	-	(13,814)	125,816
Miscellaneous	<u>431,854</u>	<u>306,244</u>	<u>332,666</u>	<u>320,625</u>	<u>764,520</u>	<u>626,869</u>
Total general revenues	<u>24,378,939</u>	<u>25,059,244</u>	<u>332,666</u>	<u>320,625</u>	<u>24,711,605</u>	<u>25,379,869</u>
Total revenues	<u>36,529,728</u>	<u>34,418,732</u>	<u>31,964,282</u>	<u>28,140,266</u>	<u>68,494,010</u>	<u>62,558,998</u>
Expenses:						
General government	7,258,980	7,106,282	-	-	7,258,980	7,106,282
Security of persons and property	17,137,064	1,921,321	-	-	17,137,064	1,921,321
Public health and welfare	80,079	160,049	-	-	80,079	160,049
Transportation	5,796,195	3,874,549	-	-	5,796,195	3,874,549
Community environment	950,169	1,024,850	-	-	950,169	1,024,850
Leisure time activity	1,021,486	996,445	-	-	1,021,486	996,445
Economic development	1,603,834	1,886,918	-	-	1,603,834	1,886,918
Interest and fiscal charges	189,182	182,246	-	-	189,182	182,246
Sewer	-	-	9,674,309	8,757,648	9,674,309	8,757,648
Water	-	-	10,707,832	12,951,978	10,707,832	12,951,978
Sanitation	-	-	4,024,172	3,973,580	4,024,172	3,973,580
City Redevelopment	-	-	324,793	252,315	324,793	252,315
Downtown Parking	-	-	139,415	145,146	139,415	145,146
Stormwater Utility	<u>-</u>	<u>-</u>	<u>446,748</u>	<u>679,975</u>	<u>446,748</u>	<u>679,975</u>
Total expenses	<u>34,036,989</u>	<u>17,152,660</u>	<u>25,317,269</u>	<u>26,760,642</u>	<u>59,354,258</u>	<u>43,913,302</u>
Change in net position before transfers	2,492,739	17,266,072	6,647,013	1,379,624	9,139,752	18,645,696
Transfers	(62,000)	(90,000)	62,000	90,000	-	-
Special item	<u>-</u>	<u>1,233,293</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,233,293</u>
Change in net position	2,430,739	18,409,365	6,709,013	1,469,624	9,139,752	19,878,989
Net position at beginning of year	<u>42,911,391</u>	<u>24,502,026</u>	<u>22,756,713</u>	<u>21,287,089</u>	<u>65,668,104</u>	<u>45,789,115</u>
Net position at end of year	<u>\$ 45,342,130</u>	<u>\$ 42,911,391</u>	<u>\$ 29,465,726</u>	<u>\$ 22,756,713</u>	<u>\$ 74,807,856</u>	<u>\$ 65,668,104</u>

CITY OF WARREN, OHIO

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

Governmental Activities

Governmental activities net position increased \$2,430,739 in 2020, after increasing \$18,409,365 in 2019. Expenses, including security of persons and property, increased while program revenues and general revenues decreased.

Total revenues increased \$2,110,996 or 6.13%. Capital grants and contributions consist of grant revenue from the Public Works Commission (OPWC) for road construction and repair projects. The increase in operating grants and contributions is due to \$3,069,814 in CARES Act funding to assist the City in responding to the COVID-19 pandemic. Miscellaneous revenues consist of refunds and reimbursements, which were received from various sources in 2020 and 2019. During 2020, the City's investment earnings decreased from 2019 as a result of decreasing interest rates and maturing investments. Income tax collections increased slightly from 2019.

In total, 2020 expenses increased \$16,884,329 or 98.44%, primarily due to fluctuations in the City's net OPEB liability. Security of persons and property, which primarily supports the operations of the police and fire departments, is the City's largest category of governmental activity expenses accounting for \$17,137,064 and \$1,921,321 of the total expenses of the City during 2020 and 2019, respectively. These expenses were partially funded by \$1,076,453 in 2020 compared to \$1,402,673 in 2019 in direct charges to users of the services. An increase in expenses of \$15,215,743 in security of persons and property is related to the change in the City's net OPEB liability and related deferred inflows and outflows of resources for police and fire OP&F that decreased expenditures significantly reported in 2019. Security of persons and property expenditures for 2020 are now more in line with 2018 expenditures of \$17,604,592. Transportation expenses, which mainly consist of repair and upkeep of the City's roads, totaled \$5,796,195 during 2020 and \$3,874,549 during 2019. In 2020, these expenses were funded by charges for services and operating and capital grants and contributions.

In total, operating grants and contributions and capital grants and contributions were \$9,939,309 during 2020, compared to \$6,456,043 during 2019. The increase is attributed to the Coronavirus Aid, Relief and Economic Security Act (CARES Act) funding the City received in 2020 (\$3,069,814). These revenues are restricted to a particular program or purpose. \$5,327,897 or 53.60% of the total grants and contributions subsidized transportation programs in 2020.

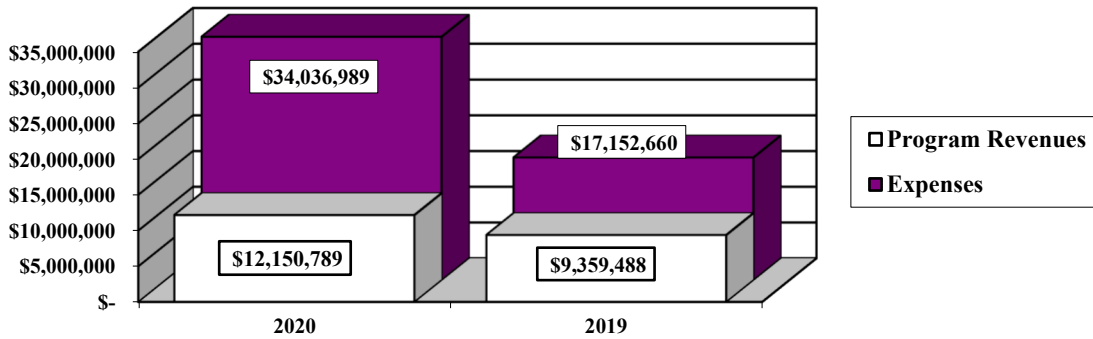
General revenues totaled \$24,378,939 and amounted to 66.74% of total governmental revenues during 2020. These revenues primarily consist of property and income tax revenue of \$22,024,654. The other primary source of general revenues is grants and entitlements not restricted to specific programs, which includes local government and local government revenue assistance, making up \$1,703,961.

The statement of activities shows the cost of program services and the charges for services and grants offsetting those services. As can be seen in the following graph, the City is highly dependent upon property and income taxes as well as unrestricted grants and entitlements to support its governmental activities.

CITY OF WARREN, OHIO

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

Governmental Activities - Program Revenues vs. Total Expenses



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 other general revenues.

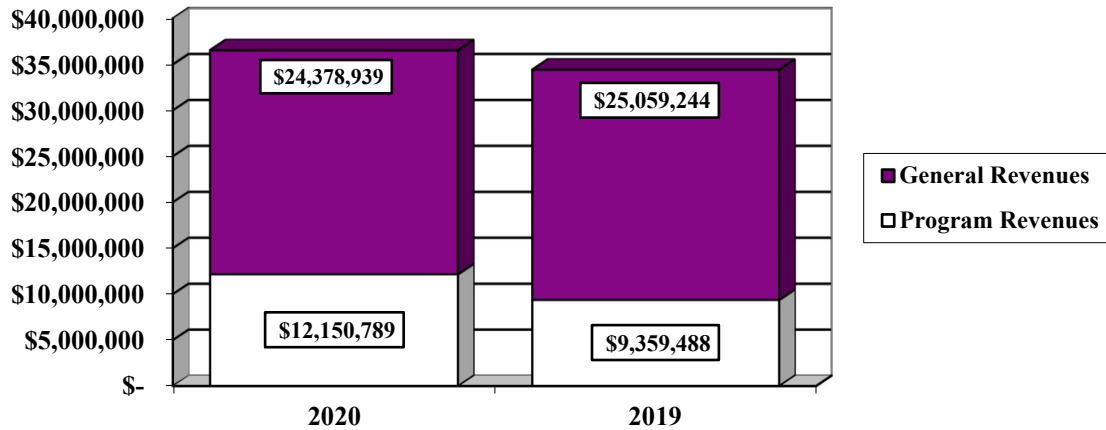
	Governmental Activities			
	Total Cost of Services	Net Cost of Services	Total Cost of Services	Net Cost of Services
	2020	2020	2019	2019
Program Expenses:				
General government	\$ 7,258,980	\$ 4,427,400	\$ 7,106,282	\$ 6,292,619
Security of persons and property	17,137,064	15,138,634	1,921,321	426,660
Public health and welfare	80,079	80,079	160,049	160,049
Transportation	5,796,195	465,048	3,874,549	(591,441)
Community environment	950,169	675,231	1,024,850	539,309
Leisure time activity	1,021,486	960,782	996,445	966,235
Economic development	1,603,834	(50,156)	1,886,918	(182,505)
Interest and fiscal charges	189,182	189,182	182,246	182,246
Total	<u>\$ 34,036,989</u>	<u>\$ 21,886,200</u>	<u>\$ 17,152,660</u>	<u>\$ 7,793,172</u>

The dependence upon general revenues for governmental activities is apparent, with 64.30% and 45.43% of expenses supported through taxes and other general revenues in 2020 and 2019, respectively.

CITY OF WARREN, OHIO

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

Governmental Activities - General and Program Revenues



Business-Type Activities

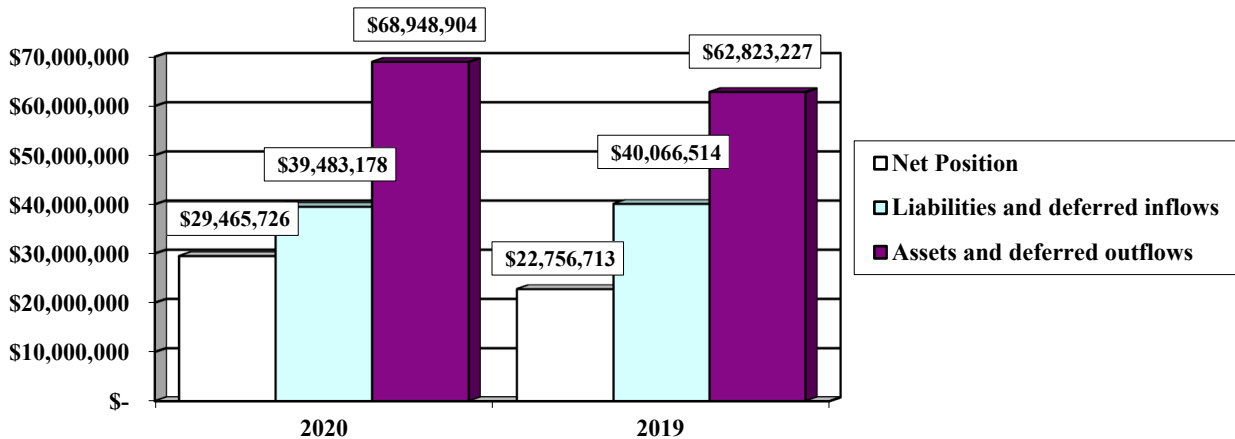
Business-type activities include the sewer, water, sanitation, downtown parking, city redevelopment, and stormwater enterprise funds. In 2020 and 2019, these programs had program revenues of \$31,631,616 and \$27,819,641, respectively, and general revenues of \$332,666 and \$320,625, respectively. Total revenues for 2020 were \$31,964,282, which represents an increase from 2019 revenues of \$28,140,266. This increase is a result of an increase in charges for services during 2020 due to a business dispute settlement.

Business-type activities received \$11,820 in capital contributions from OPWC for the various projects.

Total expenses for business-type activities were \$25,317,269 in 2020 compared to \$26,760,642 in 2019. This represents a decrease of 5.39%.

Net position for business-type activities increased \$6,709,013 or 29.48% from 2019. The graph that follows shows the business-type activities assets and deferred outflows of resources, liabilities and deferred inflows of resources, and net position at year-end.

Net Position, Business - Type Activities



CITY OF WARREN, OHIO

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

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 27) reported a combined fund balance of \$21,489,222 which is \$2,569,491 higher than last year's total of \$18,919,731. The following schedule indicates the fund balances and the total change in fund balances as of December 31, 2020 for all major and nonmajor governmental funds.

	<u>Fund Balances</u> 12/31/20	<u>Fund Balances</u> 12/31/19	<u>Change</u>
Major funds:			
General	\$ 7,461,152	\$ 6,710,011	\$ 751,141
General capital projects	1,440,597	1,439,616	981
Nonmajor governmental funds	<u>12,587,473</u>	<u>10,770,104</u>	<u>1,817,369</u>
Total	<u>\$ 21,489,222</u>	<u>\$ 18,919,731</u>	<u>\$ 2,569,491</u>

General Fund

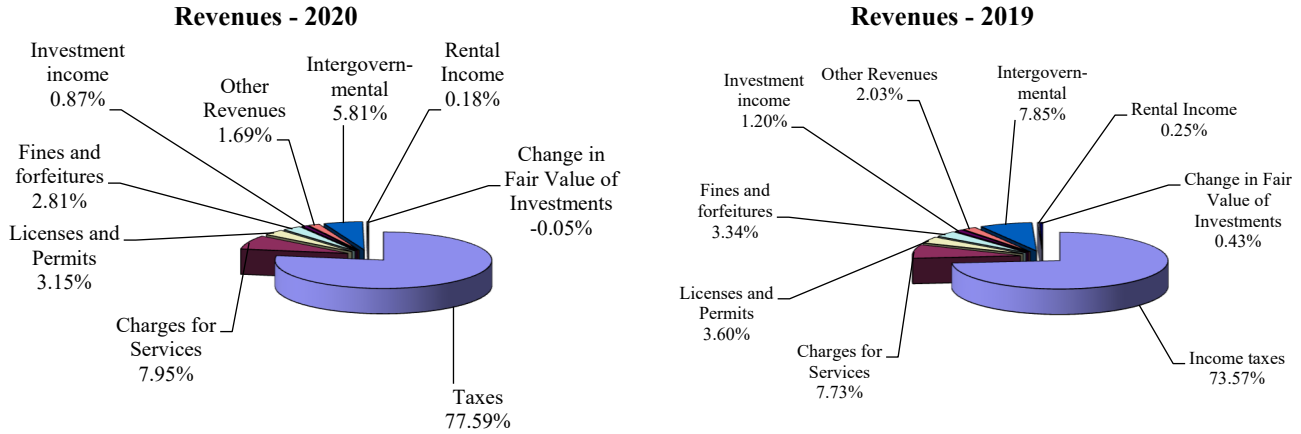
The City's general fund balance increased \$751,141. The table that follows assists in illustrating the revenues of the general fund.

	<u>2020</u> <u>Amount</u>	<u>2019</u> <u>Amount</u>	<u>Percentage</u> <u>Change</u>
<u>Revenues</u>			
Income taxes	\$ 20,585,133	\$ 21,366,470	(3.66) %
Property and other taxes	157,069	150,917	4.08 %
Charges for services	2,124,396	2,243,738	(5.32) %
Licenses and permits	843,230	1,045,079	(19.31) %
Fines and forfeitures	752,354	970,962	(22.51) %
Intergovernmental	1,552,929	2,280,042	(31.89) %
Investment income	232,284	348,665	(33.38) %
Rental income	47,384	72,543	(34.68) %
Change in fair value of investments	(13,814)	125,816	(110.98) %
Other	<u>452,194</u>	<u>590,502</u>	(23.42) %
Total	<u>\$ 26,733,159</u>	<u>\$ 29,194,734</u>	(8.43) %

CITY OF WARREN, OHIO

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

The most significant changes in general fund revenues are investment income, change in fair value of investments, intergovernmental revenue, fines and forfeitures, other revenue, rental income and licenses and permits. Licenses and permits, fines and forfeitures and rental income decreased due to closures stemming from the COVID-19 pandemic and fewer services provided. Intergovernmental revenues decreased during 2020 due to a decrease in local government revenue (local government state funding) and grants. Investment income decreased over the prior year as a result of lower interest rates and fewer maturing investments.



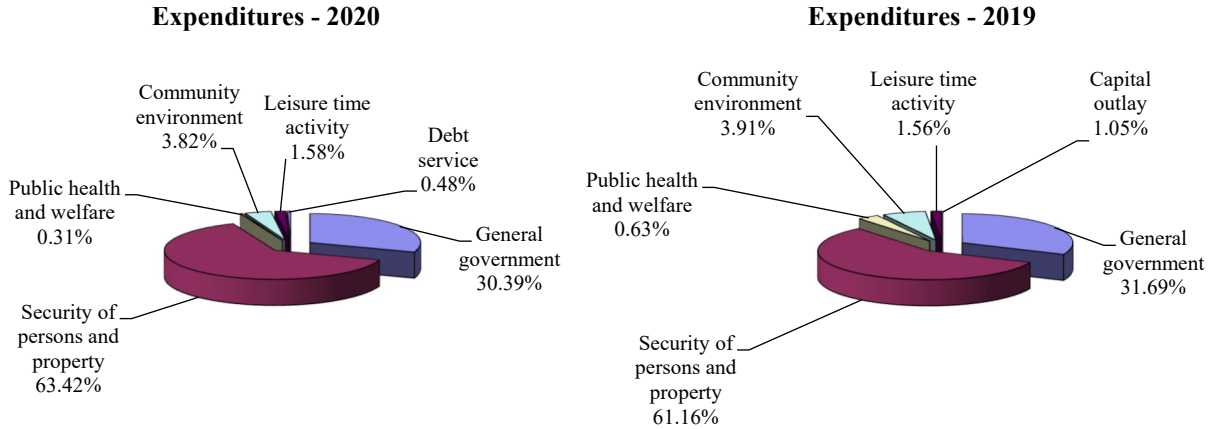
The table that follows assists in illustrating the expenditures of the general fund.

	2020 Amount	2019 Amount	Percentage Change
<u>Expenditures</u>			
General government	\$ 7,808,936	\$ 8,082,999	(3.39) %
Security of persons and property	16,296,848	15,596,787	4.49 %
Public health and welfare	80,079	160,048	(49.97) %
Community environment	980,996	997,224	(1.63) %
Leisure time activity	405,946	396,652	2.34 %
Debt service	123,569	-	100.00 %
Capital outlay	-	266,751	(100.00) %
Total	\$ 25,696,374	\$ 25,500,461	0.77 %

Overall, general fund expenditures were comparable to prior year, increasing 0.77% in 2020. Security of persons and property expenditures represent the largest expenditure category for the general fund. The cost of running the City’s police and fire departments is reflected in security of persons and property expenditures. Security of persons and property expenditures increased during 2020 as a result of increased personal services and contract services. Capital outlay decreased due to fewer capital projects expenditures in the general fund. The City contributed less to the Warren City Health District in 2020 compared to 2019, causing a decrease in public health and welfare expenditures.

CITY OF WARREN, OHIO

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



General Capital Projects Fund

The general capital projects fund is reported as a major fund, and is used to accumulate resources, primarily intergovernmental grants and proceeds from the issuance of debt, for capital related improvements throughout the City. Revenues and other financing sources were \$2,757,988 and expenditures were \$2,757,007. Fund balance at December 31, 2020 was \$1,440,597, all of which is restricted for capital improvements. The fund reported intergovernmental receivables and contract payable in the amount of \$598,704 at December 31, 2020, for ongoing OPWC and ODOT projects.

Proprietary Funds

The City’s proprietary funds provide the same type of information found on the government-wide financial statements for business-type activities, but in more detail. The City’s major proprietary funds include the sewer, water and sanitation enterprise funds.

The sewer fund reported operating income of \$3,663,662 in 2020. Nonoperating expenses (interest and fiscal charges) totaled \$79,953. Charges for services increased from due to a business dispute settled in 2020 and increased service fees. Personal services decreased in 2020 due to layoffs and certain wages being paid from CARES Act funding. The sewer fund received \$3,580,770 in OWDA loans during 2020 to finance the High Street Overflow Parking, I&I Reduction Plan, Wastewater Treatment Plant and Pump Station Refurbishment projects, Dry Weather Overflow project and Perkins Park Parallel sewer project. The sewer fund also passed through \$1,763,891 from the OWDA to another organization as part of OWDA’s Water Resource Restoration Sponsorship Program. Net position for the sewer fund increased \$3,583,744 during the year.

The water fund reported an operating income of \$2,612,804 for 2020 as a result of increased service fees received during the year. The water fund had operating expenses of \$10,641,080. Personal services decreased in 2020 due to layoffs and certain wages being paid from CARES Act funding. The total change in net position for the water fund was an increase of \$2,434,551.

The sanitation fund reported operating loss of \$239,814 in 2020. Total operating revenues and operating expenses were comparable to 2019.

Budgeting Highlights

The City’s budgeting process is prescribed by the Ohio Revised Code (ORC). Essentially the budget is the City’s appropriations which are restricted by the amounts of anticipated revenues certified by the Budget Commission in accordance with the ORC. Therefore, the City’s plans or desires cannot be totally reflected in the original budget. If budgeted revenues are adjusted due to actual activity, then the appropriations can be adjusted accordingly.

CITY OF WARREN, OHIO

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

The City amended its general fund budget several times throughout the year. Original budgeted revenues of \$26,811,208 were increased to \$27,055,007 in the final budget. Actual revenues for the year were \$26,821,445 or \$233,562 less than the final budget. Income taxes revenue was expected to increase throughout the year but was left the same from the original to final budget. Actual income tax collections from withholdings, as well as higher than anticipated payments from individuals and businesses, came in \$3,210 higher than expected.

For the general fund, original budgeted expenditures and other financing uses were \$27,282,305. The budget amendments throughout the year increased this amount to \$29,537,425 in the final budget. Actual expenditures and other financing uses were \$26,899,832 or \$2,637,593 below budget. Actual general government and security of persons and property expenditures were \$528,084 and \$1,201,334, respectively less than the final appropriations, due to conservative budgeting and from employees participating in a voluntary layoff program during 2020 stemming in response to the COVID-19 pandemic. There were no additional significant variances between the final budget and actual expenditures.

Capital Assets and Debt Administration

Capital Assets

At the end of 2020, the City had \$106,068,559 (net of accumulated depreciation) invested in land, easements, construction in progress (CIP), land improvements, buildings and improvements, software, furniture and equipment, vehicles and infrastructure. Of this total, \$59,042,357 was reported in governmental activities and \$47,026,202 was reported in business-type activities at December 31, 2020. The following table shows 2020 balances compared to 2019 balances:

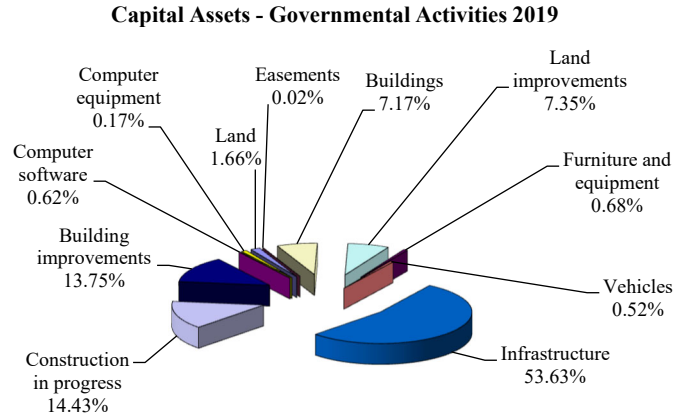
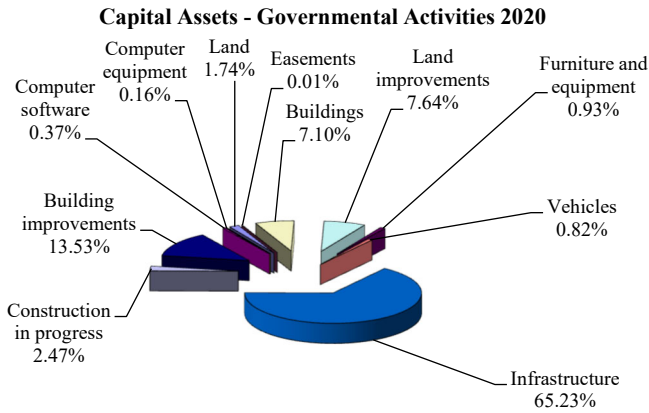
**Capital Assets at December 31
(Net of Depreciation)**

	<u>Governmental Activities</u>		<u>Business-Type Activities</u>		<u>Total</u>	
	2020	2019	2020	2019	2020	2019
Land	\$ 1,028,226	\$ 1,028,226	\$ 390,160	\$ 390,160	\$ 1,418,386	\$ 1,418,386
Easements	13,353	13,353	-	-	13,353	13,353
Construction in progress	1,456,980	8,893,322	10,367,620	6,006,433	11,824,600	14,899,755
Land improvements	4,508,858	4,532,503	-	-	4,508,858	4,532,503
Buildings	4,189,534	4,418,007	2,192,784	2,334,989	6,382,318	6,752,996
Building improvements	7,987,156	8,478,330	1,880,062	2,715,615	9,867,218	11,193,945
Computer software	217,526	380,261	42,952	-	260,478	380,261
Computer equipment	93,031	103,822	-	-	93,031	103,822
Furniture and equipment	549,281	421,696	2,952,486	2,310,993	3,501,767	2,732,689
Vehicles	484,728	319,596	989,085	1,294,224	1,473,813	1,613,820
Infrastructure	<u>38,513,684</u>	<u>33,060,600</u>	<u>28,211,053</u>	<u>29,030,298</u>	<u>66,724,737</u>	<u>62,090,898</u>
Totals	<u>\$ 59,042,357</u>	<u>\$ 61,649,716</u>	<u>\$ 47,026,202</u>	<u>\$ 44,082,712</u>	<u>\$ 106,068,559</u>	<u>\$ 105,732,428</u>

CITY OF WARREN, OHIO

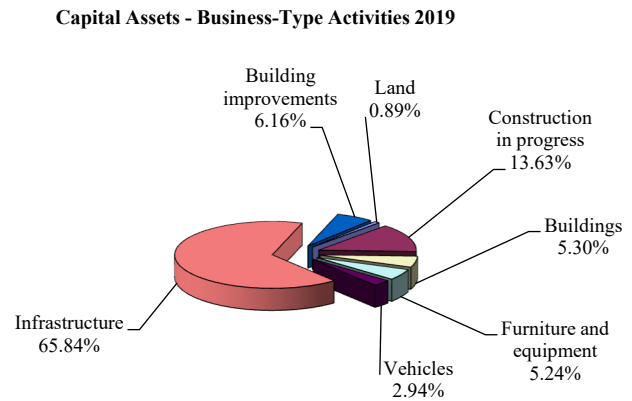
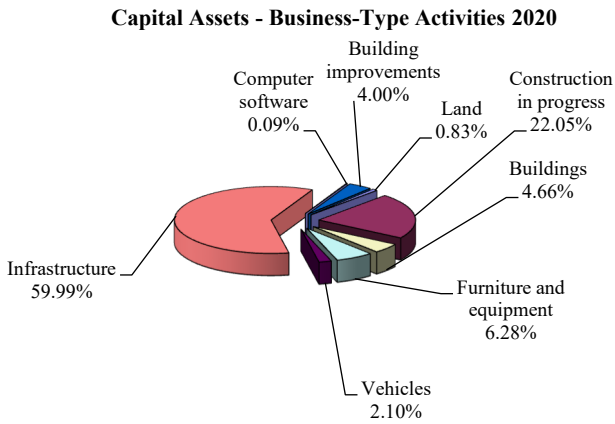
**MANAGEMENT’S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2020**

The following graphs show the breakdown of governmental capital assets by category for 2020 and 2019:



The City’s largest capital asset category is infrastructure which includes roads, sidewalks, curbs, and traffic signals. 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 65.23% of the City’s total governmental capital assets. Most of the capital asset acquisitions in 2020 were infrastructure improvements or construction projects related to infrastructure.

The following graphs show the breakdown of business-type capital assets by category for 2020 and 2019:



One of the largest business-type capital asset categories is infrastructure, which primarily includes water and sewer lines. These items play a vital role in the income producing ability of the business-type activities. The net book value of the City’s infrastructure (cost less accumulated depreciation) represents approximately 59.99% of the City’s total business-type capital assets.

See Note 10 in the notes to the basic financial statements for detail on the City’s capital assets.

CITY OF WARREN, OHIO

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

Debt Administration

The following table summarizes the City’s long-term obligations outstanding at December 31, 2020 and 2019. Additional detail can be found in Note 13 in the notes to the basic financial statements.

	<u>Governmental Activities</u>		<u>Business-type Activities</u>	
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
General obligation bonds	\$ 5,377,491	\$ 6,102,920	\$ 1,317,957	\$ 1,957,543
OWDA loans	-	-	15,879,063	14,294,756
HUD 108 loan	340,000	495,000	-	-
OPWC loan	89,798	102,626	366,663	377,236
Claims payable	987,329	1,090,269	-	-
Capital lease obligation	192,276	305,298	31,173	342,446
Compensated absences	4,346,914	4,141,640	2,028,776	1,841,007
Net pension liability	29,666,748	38,427,864	8,539,185	13,009,152
Net OPEB liability	<u>8,518,486</u>	<u>8,013,216</u>	<u>5,749,786</u>	<u>5,976,620</u>
Total long-term obligations	<u>\$ 49,519,042</u>	<u>\$ 58,678,833</u>	<u>\$ 33,912,603</u>	<u>\$ 37,798,760</u>

Economic Conditions and Next Year’s General Fund Budget Outlook

The City’s Administration considers the impact of various economic factors when establishing the fiscal year 2021 budget. The continued challenges resulting from regional loss of employment, stagnant economic development, and the general national recession, have yielded significant influence on the objectives established in the 2021 budget. The primary objectives include continued improvement to constituent service delivery as well as long-term fiscal stability.

Despite the uncertainty surrounding the economy, the City continues to carefully monitor two primary sources of revenue: local income taxes and shared intergovernmental (State) revenue. In order to stabilize the impact of the fluctuations in these revenue sources, City Council continues to pursue economic development and job creation, maintain the community’s reputation for high public safety standards, and adopt a budget designed to promote long-term fiscal stability. In order to meet the objectives of the 2020 budget, the City emphasized various efforts to continue to contain costs while effectively utilizing new sources of revenue. In November 2016, voters approved a 0.5% income tax increase, which was effective beginning January 1, 2017. The additional income tax revenue is intended to finance general fund operations, continue to provide existing core services, add approximately eight to twelve police officers and eight to twelve fire fighters and enable the City to implement its first Road Maintenance Program in more than fifteen years to address the City’s infrastructure.

The City continues to monitor the budget due to concerns with long-term effects of COVID-19 and its effect on local businesses and revenue.

In order to meet these challenges, further cost containment and/or revenue enhancement actions will be essential. With the continuation of conservative budgeting practices, the City’s financial position is anticipated to remain stable in future years.

CITY OF WARREN, OHIO

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

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. If you have questions about this report or need additional financial information contact Vincent S. Flask, City Auditor, 391 Mahoning Avenue NW, Warren, Ohio 44483-4634.

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CITY OF WARREN, OHIO
STATEMENT OF NET POSITION
DECEMBER 31, 2020

	Primary Government			Component Unit
	Governmental Activities	Business-type Activities	Total	Warren City Health District
Assets:				
Equity in pooled cash, cash equivalents and investments	\$ 25,711,295	\$ 15,184,678	\$ 40,895,973	\$ -
Cash in segregated accounts	-	-	-	345,160
Receivables:				
Income taxes	4,131,997	-	4,131,997	-
Real and other taxes	1,550,828	-	1,550,828	-
Accounts	208,983	2,572,477	2,781,460	26,457
Intergovernmental	2,416,617	1,000	2,417,617	77,390
Accrued interest	23,582	-	23,582	-
Special assessments	2,157,781	366,784	2,524,565	-
Loans	5,652,708	-	5,652,708	-
Internal balance	(1,295,078)	1,295,078	-	-
Materials and supplies inventory	38,425	174,567	212,992	3,722
Net pension asset	64,555	69,653	134,208	7,578
Capital assets:				
Non-depreciable capital assets	2,498,559	10,757,780	13,256,339	-
Depreciable capital assets, net	56,543,798	36,268,422	92,812,220	-
Total capital assets, net	59,042,357	47,026,202	106,068,559	-
Total assets	<u>99,704,050</u>	<u>66,690,439</u>	<u>166,394,489</u>	<u>460,307</u>
Deferred outflows of resources:				
Unamortized deferred charges on debt refunding	54,905	-	54,905	-
Pension	4,913,554	1,325,748	6,239,302	166,509
OPEB	3,407,253	932,717	4,339,970	112,449
Total deferred outflows of resources	<u>8,375,712</u>	<u>2,258,465</u>	<u>10,634,177</u>	<u>278,958</u>
Liabilities:				
Accounts payable	544,685	571,464	1,116,149	99,734
Contracts payable	721,237	998,144	1,719,381	-
Accrued wages and benefits payable	211,062	118,466	329,528	17,237
Due to other governments	141,003	153,005	294,008	47,208
Accrued interest payable	14,754	145,433	160,187	-
Claims payable	727,615	-	727,615	-
Deposits payable	1,210,675	-	1,210,675	-
Payroll withholding payable	520,949	-	520,949	-
Long-term liabilities:				
Due within one year	2,215,141	3,040,964	5,256,105	44,286
Due in more than one year:				
Net pension liability	29,666,748	8,539,185	38,205,933	929,007
Net OPEB liability	8,518,486	5,749,786	14,268,272	625,539
Other amounts due in more than one year	9,118,667	16,582,668	25,701,335	292,631
Total liabilities	<u>53,611,022</u>	<u>35,899,115</u>	<u>89,510,137</u>	<u>2,055,642</u>
Deferred inflows of resources:				
Property taxes levied for the next fiscal year	1,150,771	-	1,150,771	-
Pension	5,680,712	2,419,828	8,100,540	199,822
OPEB	2,295,127	1,164,235	3,459,362	89,565
Total deferred inflows of resources	<u>9,126,610</u>	<u>3,584,063</u>	<u>12,710,673</u>	<u>289,387</u>
Net position:				
Net investment in capital assets	53,934,820	28,454,187	82,389,007	-
Restricted for:				
Debt service	2,149,774	-	2,149,774	-
Capital projects	2,080,138	-	2,080,138	-
Street maintenance	621,198	-	621,198	-
State highway	409,632	-	409,632	-
Law enforcement	243,464	-	243,464	-
Courts	1,686,588	-	1,686,588	-
Community developments and improvements	7,454,045	-	7,454,045	-
Coronavirus relief	75,926	-	75,926	-
Warren Hills landfill	-	-	-	345,160
Unrestricted (deficit)	(23,313,455)	1,011,539	(22,301,916)	(1,950,924)
Total net position	<u>\$ 45,342,130</u>	<u>\$ 29,465,726</u>	<u>\$ 74,807,856</u>	<u>\$ (1,605,764)</u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

CITY OF WARREN, OHIO

STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2020

	<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	\$ 7,258,980	\$ 736,210	\$ 2,095,370	\$ -
Security of persons and property . . .	17,137,064	1,076,453	921,977	-
Public health and welfare	80,079	-	-	-
Transportation	5,796,195	3,250	2,628,613	2,699,284
Community environment	950,169	274,691	247	-
Leisure time activity	1,021,486	20,008	40,696	-
Economic development	1,603,834	100,868	1,553,122	-
Interest and fiscal charges	189,182	-	-	-
Total governmental activities	<u>34,036,989</u>	<u>2,211,480</u>	<u>7,240,025</u>	<u>2,699,284</u>
Business-type activities:				
Sewer	9,674,309	11,596,322	1,763,891	-
Water	10,707,832	13,061,725	-	11,820
Sanitation	4,024,172	3,805,435	-	-
City Redevelopment	324,793	329,141	-	-
Downtown Parking	139,415	18,619	-	-
Stormwater Utility	446,748	1,044,663	-	-
Total business-type activities	<u>25,317,269</u>	<u>29,855,905</u>	<u>1,763,891</u>	<u>11,820</u>
Total primary government	<u>\$ 59,354,258</u>	<u>\$ 32,067,385</u>	<u>\$ 9,003,916</u>	<u>\$ 2,711,104</u>
Component Unit:				
Warren City Health District	<u>\$ 1,958,484</u>	<u>\$ 1,021,138</u>	<u>\$ 629,963</u>	<u>\$ -</u>

General revenues:

- Property taxes levied for:
 - General purposes
 - Debt service
- Income taxes levied for:
 - General purposes
- Grants and entitlements not restricted to specific programs
- Investment earnings
- Change in fair value of investments
- Miscellaneous

Total general revenues

Transfers

Total general revenues and transfers

Change in net position

Net position (deficit) at beginning of year

Net position (deficit) at end of year

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

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

Primary Government			Component Unit
Governmental Activities	Business-type Activities	Total	Warren City Health District
\$ (4,427,400)	\$ -	\$ (4,427,400)	\$ -
(15,138,634)	-	(15,138,634)	-
(80,079)	-	(80,079)	-
(465,048)	-	(465,048)	-
(675,231)	-	(675,231)	-
(960,782)	-	(960,782)	-
50,156	-	50,156	-
(189,182)	-	(189,182)	-
<u>(21,886,200)</u>	<u>-</u>	<u>(21,886,200)</u>	<u>-</u>
-	3,685,904	3,685,904	-
-	2,365,713	2,365,713	-
-	(218,737)	(218,737)	-
-	4,348	4,348	-
-	(120,796)	(120,796)	-
-	597,915	597,915	-
-	<u>6,314,347</u>	<u>6,314,347</u>	<u>-</u>
<u>(21,886,200)</u>	<u>6,314,347</u>	<u>(15,571,853)</u>	<u>-</u>
-	-	-	<u>(307,383)</u>
152,438	-	152,438	-
906,325	-	906,325	-
20,965,891	-	20,965,891	-
1,703,961	-	1,703,961	-
232,284	-	232,284	347
(13,814)	-	(13,814)	-
431,854	332,666	764,520	125,251
<u>24,378,939</u>	<u>332,666</u>	<u>24,711,605</u>	<u>125,598</u>
<u>(62,000)</u>	<u>62,000</u>	<u>-</u>	<u>-</u>
<u>24,316,939</u>	<u>394,666</u>	<u>24,711,605</u>	<u>125,598</u>
2,430,739	6,709,013	9,139,752	(181,785)
<u>42,911,391</u>	<u>22,756,713</u>	<u>65,668,104</u>	<u>(1,423,979)</u>
<u>\$ 45,342,130</u>	<u>\$ 29,465,726</u>	<u>\$ 74,807,856</u>	<u>\$ (1,605,764)</u>

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CITY OF WARREN, OHIO

BALANCE SHEET
GOVERNMENTAL FUNDS
DECEMBER 31, 2020

	General	General Capital Projects	Nonmajor Governmental Funds	Total Governmental Funds
Assets:				
Equity in pooled cash, cash equivalents and investments	\$ 7,500,206	\$ 1,481,434	\$ 6,857,842	\$ 15,839,482
Receivables (net of allowance for uncollectibles):				
Income taxes	4,131,997	-	-	4,131,997
Real and other taxes	222,068	-	1,328,760	1,550,828
Accounts	182,565	-	23,125	205,690
Intergovernmental	571,562	598,704	1,246,351	2,416,617
Loans	-	-	5,652,708	5,652,708
Accrued interest	23,582	-	-	23,582
Special assessments	72,799	-	2,084,982	2,157,781
Materials and supplies inventory	3,185	-	35,240	38,425
Total assets	<u>\$ 12,707,964</u>	<u>\$ 2,080,138</u>	<u>\$ 17,229,008</u>	<u>\$ 32,017,110</u>
Liabilities:				
Accounts payable	\$ 225,096	\$ -	\$ 318,850	\$ 543,946
Contracts payable	-	598,704	122,533	721,237
Accrued wages and benefits payable	196,699	-	9,551	206,250
Compensated absences payable	39,571	-	-	39,571
Due to other governments	77,449	-	44,338	121,787
Deposits payable	1,210,675	-	-	1,210,675
Payroll withholding payable	520,949	-	-	520,949
Total liabilities	<u>2,270,439</u>	<u>598,704</u>	<u>495,272</u>	<u>3,364,415</u>
Deferred inflows of resources:				
Property taxes levied for the next fiscal year	164,794	-	985,977	1,150,771
Delinquent property tax revenue not available	57,274	-	342,783	400,057
Special assessments revenue not available	72,799	-	2,084,982	2,157,781
Miscellaneous revenue not available	121,172	-	-	121,172
Income tax revenue not available	2,201,937	-	-	2,201,937
Intergovernmental revenue not available	358,397	40,837	732,521	1,131,755
Total deferred inflows of resources	<u>2,976,373</u>	<u>40,837</u>	<u>4,146,263</u>	<u>7,163,473</u>
Fund balances:				
Nonspendable	3,185	-	35,240	38,425
Restricted	-	1,440,597	12,552,233	13,992,830
Assigned	335,877	-	-	335,877
Unassigned	7,122,090	-	-	7,122,090
Total fund balances	<u>7,461,152</u>	<u>1,440,597</u>	<u>12,587,473</u>	<u>21,489,222</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 12,707,964</u>	<u>\$ 2,080,138</u>	<u>\$ 17,229,008</u>	<u>\$ 32,017,110</u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

CITY OF WARREN, OHIO

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

Total governmental fund balances	\$	21,489,222
<i>Amounts reported for governmental activities on the statement of net position are different because:</i>		
Capital assets used in governmental activities (exclusive of \$184,454 reported in internal service funds) are not financial resources and therefore are not reported in the funds.		58,857,903
Other long-term assets are not available to pay for current-period expenditures and therefore are deferred inflows of resources in the funds.		
Delinquent property taxes receivable	\$ 400,057	
Income taxes receivable	2,201,937	
Accounts receivable	121,172	
Special assessments receivable	2,157,781	
Intergovernmental receivable	1,131,755	
Total	6,012,702	6,012,702
The net pension asset and net pension liability (excluding amounts reported in internal service funds) are not available to pay for current period expenditures and are not due and payable in the current period, respectively; therefore, the asset, liability and related deferred inflows/outflows are not reported in governmental funds.		
Net pension asset	62,354	
Deferred outflows of resources	4,861,354	
Deferred inflows of resources	(5,622,663)	
Net pension liability	(29,396,867)	
Total	(30,095,822)	(30,095,822)
The net OPEB liability (excluding amounts reported in internal service funds) is not due and payable in the current period; therefore, the liability and related deferred inflows/outflows are not reported in governmental funds.		
Deferred outflows of resources	3,372,390	
Deferred inflows of resources	(2,269,001)	
Net OPEB liability	(8,336,764)	
Total	(7,233,375)	(7,233,375)
Long-term liabilities are not due and payable in the current period and therefore are not reported in the funds. The long-term liabilities (excluding \$106,644 in compensated absences reported in the internal service funds) are as follows.		
General obligation bonds payable	(5,340,000)	
Loans payable	(429,798)	
Compensated absences payable	(4,200,699)	
Capital lease payable	(192,276)	
Total	(10,162,773)	(10,162,773)
On the statement of net position interest is accrued on outstanding bonds and loans payable, whereas in governmental funds, interest expenditures are accrued when due.		(14,754)
Unamortized deferred charges on refundings are not recognized in the funds.		54,905
Unamortized premiums on bond issuances are not recognized in the funds.		(37,491)
Internal service funds are used by management to charge the costs of life and hospitalization, workers' compensation, data processing and risk management to individual funds. The assets and liabilities of the internal service funds are included in governmental activities on the statement of net position.		7,766,691
An internal balance is recorded in governmental activities to reflect overpayments to the internal service funds by the business-type activities.		(1,295,078)
Net position of governmental activities	\$	45,342,130

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

CITY OF WARREN, OHIO

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

	General	General Capital Projects	Nonmajor Governmental Funds	Total Governmental Funds
Revenues:				
Income taxes	\$ 20,585,133	\$ -	\$ -	\$ 20,585,133
Property and other taxes.	157,069	-	937,890	1,094,959
Charges for services.	2,124,396	-	-	2,124,396
Licenses and permits	843,230	-	96,472	939,702
Fines and forfeitures	752,354	-	298,765	1,051,119
Intergovernmental.	1,552,929	2,658,447	7,342,208	11,553,584
Special assessments	-	-	25,206	25,206
Investment income.	232,284	-	24,230	256,514
Rental income	47,384	-	-	47,384
Change in fair value of investments	(13,814)	-	-	(13,814)
Other.	452,194	-	30,532	482,726
Total revenues	26,733,159	2,658,447	8,755,303	38,146,909
Expenditures:				
Current:				
General government	7,808,936	-	1,307,291	9,116,227
Security of persons and property	16,296,848	-	850,032	17,146,880
Public health and welfare.	80,079	-	-	80,079
Transportation	-	-	1,788,584	1,788,584
Community environment	980,996	-	147	981,143
Leisure time activity	405,946	-	24,223	430,169
Economic development.	-	-	1,583,003	1,583,003
Capital outlay	-	2,757,007	438,091	3,195,098
Debt service:				
Principal retirement.	98,744	-	902,106	1,000,850
Interest and fiscal charges.	24,825	-	168,560	193,385
Total expenditures	25,696,374	2,757,007	7,062,037	35,515,418
Excess (deficiency) of revenues over (under) expenditures.	1,036,785	(98,560)	1,693,266	2,631,491
Other financing sources (uses):				
Transfers in	-	99,541	124,103	223,644
Transfers (out).	(285,644)	-	-	(285,644)
Total other financing sources (uses)	(285,644)	99,541	124,103	(62,000)
Net change in fund balances	751,141	981	1,817,369	2,569,491
Fund balances at beginning of year	6,710,011	1,439,616	10,770,104	18,919,731
Fund balances at end of year	\$ 7,461,152	\$ 1,440,597	\$ 12,587,473	\$ 21,489,222

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

CITY OF WARREN, OHIO

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

Net change in fund balances - total governmental funds \$ 2,569,491

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

Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which depreciation expense exceeded capital outlays in the current period (excluding current year depreciation expense of \$142,261 in the internal service funds).

Capital asset additions	\$ 1,728,319	
Current year depreciation	(4,218,637)	
Total		(2,490,318)

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

Delinquent property taxes	(36,196)	
Income taxes	380,758	
Licenses and permits, other revenues	30	
Special assessments	100,781	
Intergovernmental revenues	34,924	
Total		480,297

Repayment of long-term debt is an expenditure in the governmental funds, but the repayment reduces long-term liabilities on the statement of net position. 1,000,850

In the statement of activities, interest is accrued on outstanding bonds, whereas in governmental funds, an interest expenditure is reported when due. The following resulted in less interest expense reported in the statement of activities.

Decrease in accrued interest payable	2,997	
Amortization of deferred charge on refunding	(4,223)	
Amortization of bond premium	5,429	
Total		4,203

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

Pension	2,390,812	
OPEB	41,813	
Total		2,432,625

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

Pension	(3,472,504)	
OPEB	(898,174)	
Total		(4,370,678)

--Continued

CITY OF WARREN, OHIO

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

Compensated absences that do not require the use of current financial resources are not reported as expenditures in governmental funds (excluding \$106,644 reported in the internal service funds).	\$ (156,120)
Internal service funds used by management to charge the costs of life and hospitalization insurance, workers' compensation, data processing and risk management to individual funds are not reported in the statement of activities. Governmental fund expenditures and the related internal service fund revenues are eliminated. The net revenue (expense) of the internal service funds, including \$392,868 in internal balance activity, is allocated among the governmental activities.	<u>2,960,389</u>
Change in net position of governmental activities	<u><u>\$ 2,430,739</u></u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

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CITY OF WARREN, OHIO

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

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Income taxes	\$ 20,333,000	\$ 20,333,000	\$ 20,336,210	\$ 3,210
Property and other taxes.	160,000	160,000	157,069	(2,931)
Charges for services.	2,391,000	2,391,000	2,182,727	(208,273)
Licenses and permits	799,489	799,489	854,980	55,491
Fines and forfeitures	947,327	947,327	774,587	(172,740)
Intergovernmental.	1,336,069	1,579,868	1,783,631	203,763
Investment income.	312,000	312,000	210,300	(101,700)
Rental income	70,000	70,000	44,538	(25,462)
Other	462,323	462,323	477,403	15,080
Total revenues	26,811,208	27,055,007	26,821,445	(233,562)
Expenditures:				
Current:				
General government	8,061,197	8,354,808	7,826,724	528,084
Security of persons and property	16,553,235	18,145,895	16,944,561	1,201,334
Public health and welfare.	131,079	131,079	131,079	-
Community environment	1,088,858	1,111,478	1,037,295	74,183
Leisure time activity	520,541	499,821	424,529	75,292
Total expenditures.	26,354,910	28,243,081	26,364,188	1,878,893
Excess of revenues over expenditures	456,298	(1,188,074)	457,257	1,645,331
Other financing (uses):				
Transfers (out).	(927,395)	(1,294,344)	(535,644)	758,700
Total other financing (uses)	(927,395)	(1,294,344)	(535,644)	758,700
Net change in fund balance	(471,097)	(2,482,418)	(78,387)	2,404,031
Fund balance at beginning of year	4,937,146	4,937,146	4,937,146	-
Prior year encumbrances appropriated	463,394	463,394	463,394	-
Fund balance at end of year	\$ 4,929,443	\$ 2,918,122	\$ 5,322,153	\$ 2,404,031

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

CITY OF WARREN, OHIO
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
DECEMBER 31, 2020

	Business-type Activities - Enterprise Funds			
	Sewer	Water	Sanitation	Nonmajor Funds
Assets:				
Current assets:				
Equity in pooled cash, cash equivalents and investments	\$ 5,298,499	\$ 5,573,622	\$ 307,215	\$ 4,005,342
Receivables (net of allowance for uncollectibles):				
Accounts	570,246	1,102,328	358,076	541,827
Special assessments	722	365,948	-	114
Due from other governments	-	-	-	1,000
Materials and supplies inventory	36,737	126,154	11,676	-
Total current assets	<u>5,906,204</u>	<u>7,168,052</u>	<u>676,967</u>	<u>4,548,283</u>
Noncurrent assets:				
Net pension asset	23,648	35,772	8,681	1,552
Capital assets:				
Non-depreciable capital assets	8,827,962	947,511	35,091	947,216
Depreciable capital assets, net	13,552,817	19,809,985	564,195	2,341,425
Total capital assets, net	<u>22,380,779</u>	<u>20,757,496</u>	<u>599,286</u>	<u>3,288,641</u>
Total noncurrent assets	<u>22,404,427</u>	<u>20,793,268</u>	<u>607,967</u>	<u>3,290,193</u>
Total assets	<u>28,310,631</u>	<u>27,961,320</u>	<u>1,284,934</u>	<u>7,838,476</u>
Deferred outflows of resources:				
Pension	456,491	662,625	172,930	33,702
OPEB	320,388	469,016	119,818	23,495
Total deferred outflows of resources	<u>776,879</u>	<u>1,131,641</u>	<u>292,748</u>	<u>57,197</u>
Liabilities:				
Current liabilities:				
Accounts payable	166,193	233,644	138,367	33,260
Contracts payable	998,144	-	-	-
Accrued wages and benefits payable	33,544	63,823	19,952	1,147
Due to other governments	136,301	11,855	3,082	1,767
Claims payable	-	-	-	-
Current portion of general obligation bonds	-	640,000	-	-
Current portion of OWDA loans	721,156	1,191,832	-	-
Current portion of OPWC loans	-	19,348	-	1,797
Current portion of compensated absences	139,180	272,346	30,622	7,843
Capital lease obligations payable	-	15,434	1,406	-
Accrued interest payable	35,112	110,321	-	-
Total current liabilities	<u>2,229,630</u>	<u>2,558,603</u>	<u>193,429</u>	<u>45,814</u>
Long-term liabilities:				
General obligation bonds payable	-	677,957	-	-
OWDA loans payable	7,099,115	6,866,960	-	-
OPWC loans payable	-	309,570	-	35,948
Capital lease obligations payable	-	11,304	3,029	-
Claims payable	-	-	-	-
Compensated absences payable	467,067	922,398	154,150	35,170
Net pension liability	2,899,112	4,385,467	1,064,296	190,310
Net OPEB liability	1,952,092	2,952,916	716,634	128,144
Total long-term liabilities	<u>12,417,386</u>	<u>16,126,572</u>	<u>1,938,109</u>	<u>389,572</u>
Total liabilities	<u>14,647,016</u>	<u>18,685,175</u>	<u>2,131,538</u>	<u>435,386</u>

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Total Business-Type Activities - Enterprise Funds	Governmental Activities - Internal Service Funds
\$ 15,184,678	\$ 9,871,813
2,572,477	3,293
366,784	-
1,000	-
174,567	-
<u>18,299,506</u>	<u>9,875,106</u>
69,653	2,201
10,757,780	-
<u>36,268,422</u>	<u>184,454</u>
<u>47,026,202</u>	<u>184,454</u>
<u>47,095,855</u>	<u>186,655</u>
<u>65,395,361</u>	<u>10,061,761</u>
1,325,748	52,200
<u>932,717</u>	<u>34,863</u>
<u>2,258,465</u>	<u>87,063</u>
571,464	739
998,144	-
118,466	4,812
153,005	19,216
-	846,375
640,000	-
1,912,988	-
21,145	-
449,991	3,953
16,840	-
145,433	-
<u>5,027,476</u>	<u>875,095</u>
677,957	-
13,966,075	-
345,518	-
14,333	-
-	868,569
1,578,785	102,691
8,539,185	269,881
<u>5,749,786</u>	<u>181,722</u>
<u>30,871,639</u>	<u>1,422,863</u>
<u>35,899,115</u>	<u>2,297,958</u>

CITY OF WARREN, OHIO
STATEMENT OF NET POSITION
PROPRIETARY FUNDS - (Continued)
DECEMBER 31, 2020

	Business-type Activities - Enterprise Funds			
	Sewer	Water	Sanitation	Nonmajor Funds
Deferred inflows of resources:				
Pension	\$ 822,234	\$ 1,294,982	\$ 228,921	\$ 73,691
OPEB.	392,618	630,845	102,802	37,970
Total deferred inflows of resources	1,214,852	1,925,827	331,723	111,661
Net position:				
Net investment in capital assets.	13,562,364	11,041,641	599,286	3,250,896
Unrestricted (deficit)	(336,722)	(2,559,682)	(1,484,865)	4,097,730
Total net position	\$ 13,225,642	\$ 8,481,959	\$ (885,579)	\$ 7,348,626

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

Total Business-Type Activities - Enterprise Funds	Governmental Activities - Internal Service Funds
\$ 2,419,828	\$ 58,049
<u>1,164,235</u>	<u>26,126</u>
<u>3,584,063</u>	<u>84,175</u>
28,454,187	184,454
<u>(283,539)</u>	<u>7,582,237</u>
28,170,648	<u>\$ 7,766,691</u>
<u>1,295,078</u>	
<u>\$ 29,465,726</u>	

CITY OF WARREN, OHIO

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

	Business-type Activities - Enterprise Funds			
	Sewer	Water	Sanitation	Nonmajor Funds
Operating revenues:				
Charges for services	\$ 11,596,287	\$ 12,999,803	\$ 3,805,435	\$ 1,392,417
Other operating revenues	52,829	254,081	19,336	6,420
Total operating revenues.	<u>11,649,116</u>	<u>13,253,884</u>	<u>3,824,771</u>	<u>1,398,837</u>
Operating expenses:				
Personal services	3,920,169	5,533,749	1,393,529	204,912
Contract services.	1,683,680	543,658	1,801,088	419,033
Materials and supplies.	526,555	1,142,959	307,317	51,082
Administrative costs.	760,924	696,137	207,885	55,856
Utilities	507,863	615,102	13,798	86,479
Claims expense	-	-	-	-
Depreciation.	584,660	1,898,631	340,700	99,245
Other.	1,603	210,844	268	515
Total operating expenses.	<u>7,985,454</u>	<u>10,641,080</u>	<u>4,064,585</u>	<u>917,122</u>
Operating income (loss)	<u>3,663,662</u>	<u>2,612,804</u>	<u>(239,814)</u>	<u>481,715</u>
Nonoperating revenues (expenses):				
Interest and fiscal charges	(79,953)	(251,995)	(6,057)	-
Intergovernmental	1,763,891	-	-	-
Pass through payments	(1,763,891)	-	-	-
Special assessments	35	61,922	-	6
Total nonoperating revenues (expenses)	<u>(79,918)</u>	<u>(190,073)</u>	<u>(6,057)</u>	<u>6</u>
Income (loss) before capital contributions and transfers	3,583,744	2,422,731	(245,871)	481,721
Transfers in	-	-	-	62,000
Capital contributions	-	11,820	-	-
Change in net position	3,583,744	2,434,551	(245,871)	543,721
Net position (deficit) at beginning of year	<u>9,641,898</u>	<u>6,047,408</u>	<u>(639,708)</u>	<u>6,804,905</u>
Net position (deficit) at end of year.	<u>\$ 13,225,642</u>	<u>\$ 8,481,959</u>	<u>\$ (885,579)</u>	<u>\$ 7,348,626</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

Total Business-Type Activities - Enterprise Funds	Governmental Activities - Internal Service Funds
\$ 29,793,942	\$ 9,643,976
332,666	25
30,126,608	9,644,001
11,052,359	359,573
4,447,459	152,047
2,027,913	10,851
1,720,802	200,735
1,223,242	11,101
-	5,413,776
2,923,236	142,661
213,230	-
23,608,241	6,290,744
6,518,367	3,353,257
(338,005)	-
1,763,891	-
(1,763,891)	-
61,963	-
(276,042)	-
6,242,325	3,353,257
62,000	-
11,820	-
6,316,145	3,353,257
21,854,503	4,413,434
28,170,648	\$ 7,766,691
392,868	
\$ 6,709,013	

CITY OF WARREN, OHIO

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

Business-type Activities - Enterprise Funds

	Sewer	Water	Sanitation	Nonmajor Funds
Cash flows from operating activities:				
Cash received from customers	\$ 11,529,975	\$ 12,860,884	\$ 3,782,599	\$ 1,335,503
Cash received from other operations.	4,130	254,081	19,336	6,266
Cash payments for personal services.	(3,674,875)	(5,442,100)	(1,286,978)	(251,944)
Cash payments for contractual services	(1,618,786)	(639,750)	(1,775,325)	(413,457)
Cash payments for materials and supplies	(508,898)	(1,175,318)	(302,606)	(51,350)
Cash payments for utilities	(507,863)	(615,102)	(13,798)	(86,479)
Cash payments for claims	-	-	-	-
Cash payments for administrative costs	(779,690)	(719,101)	(214,845)	(57,470)
Cash payments for other expenses	(1,603)	(210,844)	(268)	(515)
Net cash provided by operating activities	<u>4,442,390</u>	<u>4,312,750</u>	<u>208,115</u>	<u>480,554</u>
Cash flows from noncapital financing activities:				
Cash received in transfers from other funds	-	-	-	62,000
Cash received from other governments	1,763,891	-	-	-
Cash passed through to other organizations	(1,763,891)	-	-	-
Net cash provided by noncapital financing activities.	<u>-</u>	<u>-</u>	<u>-</u>	<u>62,000</u>
Cash flows from capital and related financing activities:				
Acquisition of capital assets	(4,072,608)	(1,247,594)	(25,853)	(21,843)
Capital contributions.	4,418	11,820	-	4,418
OWDA loan issuance	3,580,770	-	-	-
Principal retirement	(845,150)	(1,807,404)	(289,856)	(899)
Interest and fiscal charges	(85,880)	(284,033)	(7,120)	-
Net cash used in capital and related financing activities	<u>(1,418,450)</u>	<u>(3,327,211)</u>	<u>(322,829)</u>	<u>(18,324)</u>
Net increase (decrease) in cash and cash equivalents	3,023,940	985,539	(114,714)	524,230
Cash and cash equivalents at beginning of year. . . .	<u>2,274,559</u>	<u>4,588,083</u>	<u>421,929</u>	<u>3,481,112</u>
Cash and cash equivalents at end of year	<u>\$ 5,298,499</u>	<u>\$ 5,573,622</u>	<u>\$ 307,215</u>	<u>\$ 4,005,342</u>

Total Business-Type Activities - Enterprise Funds	Governmental Activities - Internal Service Funds
\$ 29,508,961	\$ 9,643,488
283,813	25
(10,655,897)	(323,463)
(4,447,318)	(168,907)
(2,038,172)	(16,028)
(1,223,242)	(11,101)
-	(5,531,835)
(1,771,106)	(189,160)
(213,230)	-
9,443,809	3,403,019
62,000	-
1,763,891	-
(1,763,891)	-
62,000	-
(5,367,898)	(25,620)
20,656	-
3,580,770	-
(2,943,309)	-
(377,033)	-
(5,086,814)	(25,620)
4,418,995	3,377,399
10,765,683	6,494,414
\$ 15,184,678	\$ 9,871,813

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CITY OF WARREN, OHIO

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

Business-type Activities - Enterprise Funds

	Sewer	Water	Sanitation	Nonmajor Funds
Reconciliation of operating income (loss) to net cash provided by (used in) operating activities:				
Operating income (loss)	\$ 3,663,662	\$ 2,612,804	\$ (239,814)	\$ 481,715
Adjustments:				
Depreciation.	584,660	1,898,631	340,700	99,245
Changes in assets, deferred outflows of resources, liabilities and deferred inflows of resources:				
(Increase) decrease in materials and supplies inventory	(11,108)	(65,804)	407	-
(Increase) in accounts receivable.	(115,011)	(138,919)	(22,836)	(56,068)
(Increase) in due to from other governments.	-			(1,000)
(Increase) in net pension asset	(9,114)	(13,546)	(3,865)	(463)
Decrease in deferred outflows - pension	894,667	1,343,006	281,375	75,042
(Increase) in deferred outflows - OPEB	(139,382)	(223,354)	(55,652)	(5,268)
Increase (decrease) in accounts payable	58,972	(63,033)	30,067	3,718
(Decrease) in accrued wages and benefits	(86,548)	(144,217)	(36,913)	(4,275)
(Decrease) in due to other funds.	(18,766)	(22,964)	(6,960)	(1,614)
Increase (decrease) in due to other governments	21,315	(21,895)	(5,704)	929
Increase (decrease) in compensated absences payable	96,039	100,952	4,042	(13,264)
(Decrease) in claims payable	-	-	-	-
Increase (decrease) in net pension liability	(1,532,508)	(2,391,595)	(404,139)	(141,725)
Increase (decrease) in net OPEB liability.	(83,868)	(160,579)	42,011	(24,398)
Increase (decrease) in deferred inflows - pension	742,499	1,067,982	193,618	45,712
Increase in deferred inflows - OPEB	376,881	535,281	91,778	22,268
Net cash provided by operating activities	<u>\$ 4,442,390</u>	<u>\$ 4,312,750</u>	<u>\$ 208,115</u>	<u>\$ 480,554</u>

Non-cash capital transactions:

At December 31, 2020 and December 31, 2019, the sewer fund purchased \$998,144 and \$488,899, respectively, in capital assets on account.
 At December 31, 2019, the water fund purchased \$5,999 in capital assets on account.
 At December 31, 2019, the storm water utility nonmajor enterprise fund purchased \$4,418 in capital assets on account.

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

Total Business-Type Activities - Enterprise Funds	Governmental Activities - Internal Service Funds
\$ 6,518,367	\$ 3,353,257
2,923,236	142,661
(76,505)	-
(332,834)	(488)
(1,000)	-
(26,988)	(1,052)
2,594,090	52,187
(423,656)	(22,041)
29,724	(22,037)
(271,953)	(11,552)
(50,304)	(1,338)
(5,355)	11,128
187,769	9,583
-	(118,059)
(4,469,967)	47,950
(226,834)	22,665
2,049,811	(80,566)
<u>1,026,208</u>	<u>20,721</u>
<u>\$ 9,443,809</u>	<u>\$ 3,403,019</u>

CITY OF WARREN, OHIO

STATEMENT OF FIUCIARY NET POSITION
CUSTODIAL FUNDS
DECEMBER 31, 2020

	<u>Custodial</u>
Assets:	
Cash in segregated accounts	\$ 420,733
Receivables (net of allowances for uncollectibles):	
Accounts	<u>1,260</u>
Total assets	<u>421,993</u>
Liabilities:	
Due to other governments.	<u>421,993</u>
Net position:	
Restricted for other governments, organizations, and individuals	<u><u>\$ -</u></u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

CITY OF WARREN, OHIO

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

	Custodial
Additions:	
Fines and forfeitures for other governments, organizations and individuals	<u>\$ 1,455,113</u>
Deductions:	
Fines and forfeitures distributions to other governments, organizations and individuals	<u>1,455,113</u>
Net change in fiduciary net position	-
Net position beginning of year	-
Net position end of year	\$ -

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

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CITY OF WARREN, OHIO

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

NOTE 1 - DESCRIPTION OF THE CITY

The City of Warren, Ohio (the “City”) was created in 1843. It is located in Trumbull County and is a politic and corporate body established for the purpose of exercising the rights and privileges conveyed to it by the constitution and laws of the State of Ohio. The City operates under a Council-Mayor form of government and provides the following services to its residents: public safety (police and fire), public health, municipal court, highways and streets, public improvements, community development (planning and zoning), water, sewers, sanitation, parks and recreation and general administrative services.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The basic financial statements (BFS) 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 City’s significant accounting policies are described below.

A. Reporting Entity

A reporting entity is composed 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, agencies, boards, commissions, and departments that are not legally separate from the City. For the City of Warren, this includes police, fire, street construction, parks and recreation, sewer, water, sanitation, city redevelopment, downtown parking and stormwater utility and a City council.

Included as part of the City’s primary government in the determination of the City’s reporting entity is the Warren Municipal Court (the “Court”). The Court’s operations are not legally separate from the City. In addition, the City is responsible for budgeting and appropriating funds for the operation of the Court and is ultimately responsible for any operating deficits sustained by the Court. The City’s share of the fines and forfeitures collected by the Court along with its share of the Court’s administrative and operating costs is recorded in the City’s general fund. Fines and forfeitures collected and distributed by the Court to other governments, organizations and individuals are recorded in a custodial fund in the accompanying BFS.

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 organizations’ voting 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 that are fiscally dependent on the City in that the City approves the budget, the issuance of debt or the levying of taxes, and there is a potential for the organization to provide specific financial benefits to, or impose specific financial burdens on, the primary government. The City’s only component unit is the Warren City Health District.

Discretely Presented Component Unit - The component unit column in the combined financial statements identifies the financial data of the City’s component unit: Warren City Health District. It is reported separately to emphasize that it is legally separate from the City.

CITY OF WARREN, OHIO

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

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

Warren City Health District (the "Health District") - The Health District was created as a legally separate organization under Chapter 3709 of the Ohio Revised Code. The Health District's services include communicable disease investigations, immunization clinics, tuberculosis screenings, home visits, public health nursing services and issues, health-related licenses and permits, emergency preparedness activities as well as birth certificates and death certificates. The Mayor appoints a voting majority of the Health District Board. The rates charged by the City are subject to the approval of City Council. In addition, the City provides funding to the Health District, thus the City can impose will on the Health District, and the Health District imposes a financial burden to the City. Therefore, The Health District is considered a discretely presented component unit of the City of Warren. Separately issued financial statements can be obtained from the City Auditor at the City of Warren, 391 Mahoning Avenue NW, Warren, Ohio 44483.

Information related to the Health District is presented in Note 23.

B. Basis of Presentation - Fund Accounting

The City's BFS consist of government-wide statements, including a statement of net position and a statement of activities, and fund financial statements which provide a more detailed level of financial information.

Government-Wide Financial Statements - The statement of net position and the statement of activities display information about the City as a whole. These statements include the financial activities of the primary government, except for fiduciary funds. The activities of the internal service funds, with the exception of services provided and used during the fiscal year, are 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 functions are self-financing or draw 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 enterprise 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 financial statements. Fiduciary funds are reported by type.

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operation. The principal operating revenues of the City's proprietary funds are charges for services. Operating expenses for the enterprise funds include personnel and other expenses related to sewer, water, sanitation, City redevelopment, downtown parking, and stormwater operations and operating expenses for the internal service fund include claims and administrative expenses. All revenues and expenses not meeting these definitions are reported as nonoperating revenues and expenses.

CITY OF WARREN, OHIO

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

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

C. 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.

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. Governmental fund assets and deferred outflows of resources less liabilities and deferred inflows of resources is reported as fund balance.

The following are the City's major governmental funds:

General fund - The general fund is used to account for and report all financial resources not accounted for and reported in another fund. The general fund balance is available for any purpose provided it is expended or transferred according to the general laws of Ohio.

General capital projects - This fund is used to account for the acquisition and construction of major capital improvements and facilities other than those financed by proprietary fund types.

Other governmental funds of the City are used to account for (a) specific revenue sources that are restricted or committed to an expenditure for specified purposes other than debt service or capital projects and (b) financial resources that are restricted or committed to expenditure for principal and interest.

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 - The 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 - This fund accounts for the operations of providing sewage services to customers and maintaining the local sewer system of the City.

Water fund - This fund accounts for the operations of providing water services to customers and maintaining the local water system of the City.

Sanitation fund - This fund accounts for the operations of providing sanitation services to customers within the City.

The City's nonmajor enterprise funds are used to account for city redevelopment, downtown parking, and stormwater utility operations.

Internal service funds - The 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 the operations of life insurance and hospitalization, workers' compensation, data processing and risk management.

CITY OF WARREN, OHIO

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

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 custodial 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. Custodial funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations. The City's fiduciary funds are custodial funds which account for highway patrol fines collected and distributed to other governments and Warren Municipal Court fines and forfeitures collected and distributed to other governments, organizations, and individuals.

D. Measurement Focus and Basis of Accounting

Government-Wide Financial Statements - The government-wide financial statements are prepared using the economic resources measurement focus. All assets, deferred outflows of resources, liabilities and deferred inflows of resources associated with the operation of the City are included on the statement of net position.

Fund Financial Statements - All governmental funds are accounted for using a flow of current financial resources measurement focus. With this measurement focus, only current assets, deferred outflows of resources, current liabilities and deferred inflows of resources generally are 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 a reconciliation with brief explanations to better identify the relationship between the government-wide statements and the financial statements for governmental funds.

Like the government-wide statements, all proprietary funds and fiduciary funds are accounted for on a flow of economic resources measurement focus. All assets and deferred outflows of resources and all liabilities and deferred inflows of resources associated with the operation of these funds are included on the statement of net position. The statement of changes in fund net position presents increases (i.e., revenues) and decreases (i.e., expenses) in total net position. In fiduciary funds, a liability to the beneficiaries of fiduciary activity is recognized when an event has occurred that compels the government to disburse fiduciary resources. Fiduciary fund liabilities other than those to beneficiaries are recognized using the economic resources measurement focus.

The statement of cash flows provides information about how the City finances and meets the cash flow needs of its proprietary activities.

Fiduciary funds present a statement of changes in fiduciary net position which reports additions and deductions from custodial funds.

E. 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 custodial 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 deferred outflows of resources and in the presentation of expenses versus expenditures.

CITY OF WARREN, OHIO

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

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

Revenues - Exchange and Nonexchange Transactions - Revenues resulting from exchange transactions, in which each party gives and receives essentially equal value, are recorded on the accrual basis when the exchange takes place. On a modified accrual basis, revenue is recorded in the year in which the resources are measurable and become available. Available means that the resources will be collected within the current year or are expected to be collected soon enough thereafter to be used to pay liabilities of the current 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 (See Note 7). Revenue from property taxes is recognized in the year for which the taxes are levied (See Note 6). 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 taxes, State-levied locally shared taxes (including gasoline tax, local government funds and permissive tax), grants, fines and forfeitures, fees and special assessments.

Deferred Outflows of Resources and Deferred Inflows of Resources - In addition to assets, the government-wide statement of net position will report a separate section for deferred outflows of resources. Deferred outflows of resources, represents a consumption of net position that applies to a future period and will not be recognized as an outflow of resources (expense/expenditure) until then. For the City, see Notes 15 and 16 for deferred outflows of resources related the City's net pension liability and net OPEB liability, respectively.

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

For the City, see Notes 15 and 16 for deferred inflows of resources related to the City's net pension liability and net OPEB liability, respectively. This deferred inflow of resources is only reported on the government-wide statement of net position.

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 WARREN, OHIO

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

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

F. Budgetary Data

The City follows these procedures in establishing the budgetary data reported in the financial statements:

Tax Budget - A tax budget of estimated revenue and expenditures for all funds 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. All funds, except custodial funds, are legally required to be budgeted; however, only governmental funds are required to be reported.

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. On or about January 1, the certificate of estimated resources is amended to include any unencumbered fund balances at December 31. Further amendments may be made during the year if money from a new revenue source is received or if actual receipts exceed current estimates. The amounts reported on the budgetary statements reflect the amounts in the final amended official certificate of estimated resources issued during 2020.

Appropriations - A temporary appropriation measure to control cash expenditures may be passed on or about January 1 of each year for the period January 1 to March 31. An annual appropriation ordinance must be passed by April 1 of each year for the period January 1 to December 31. The appropriation ordinance fixes spending authority at the major expenditure object for all funds. The appropriation ordinance may be amended during the year as new information becomes available, provided that total fund appropriations do not exceed current estimated resources, as certified. The appropriations for a fund may only be modified during the year by an ordinance of Council. The amounts on the budgetary statement reflect the final appropriation amounts, including all amendments and modifications legally enacted by Council.

Budgeted Level of Expenditures - Administrative control is maintained through the establishment of detailed line-item budgets. Appropriated funds may not be expended for purposes other than those designated in the appropriation ordinance without authority of Council. Expenditures may not legally exceed appropriations at the level of appropriation adopted by Council. For all funds, Council appropriations are made by major expenditure object. This is known as the legal level of budgetary control. Any changes in appropriations outside of the legal level of budgetary control require the approval of Council by an appropriation amendment ordinance.

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. Encumbrances are carried forward and are not reappropriated as part of the subsequent year appropriations.

G. Cash, Cash Equivalents and Investments

To improve cash management, cash received by the City is pooled. Monies for all funds, including proprietary funds, are maintained in this pool. Individual fund integrity is maintained through the City's records. Each fund's interest in the pool is presented as "equity in pooled cash and cash equivalents" on the financial statements.

During 2020, investments were limited to nonnegotiable certificates of deposit (CDs), Federal Home Loan Mortgage Corporation (FHLMC) security, repurchase agreements, and investments in the State Treasury Asset Reserve of Ohio (STAR Ohio). Investments are reported at fair value, except for nonnegotiable certificates of deposit, which are reported at cost. Fair value is based on quoted market prices.

CITY OF WARREN, OHIO

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

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

The City invested in STAR Ohio during 2020. STAR Ohio (the State Treasury Asset Reserve of Ohio), is an investment pool managed by the State Treasurer's Office which allows governments within the State to pool their funds for investment purposes. STAR Ohio is not registered with the SEC as an investment company, but has adopted Governmental Accounting Standards Board (GASB), Statement No. 79, "Certain External Investment Pools and Pool Participants." The City measures its investment in STAR Ohio at the net asset value (NAV) per share provided by STAR Ohio. The NAV per share is calculated on an amortized cost basis that provides an NAV per share that approximates fair value.

For 2020, there were no limitations or restrictions on any participant withdrawals due to redemption notice periods, liquidity fees, or redemption gates. However, notice must be given 24 hours in advance of all deposits and withdrawals exceeding \$100 million. STAR Ohio reserves the right to limit the transaction to \$100 million, requiring the excess amount to be transacted the following business day(s), but only to the \$100 million limit. All accounts of the participant will be combined for these purposes.

Following Ohio statutes, the Council has, by resolution, specified the funds to receive an allocation of interest earnings. During 2020, interest revenue in the general fund amounted to \$232,284, which includes \$189,316 assigned from other City funds.

The City has segregated bank accounts for monies held separate from the City's central bank account for Warren Municipal Court activity. The interest bearing depository account is presented on the financial statements as "cash in segregated accounts" since they are not required to be deposited into the City treasury.

For purposes of the statement of cash flows and for presentation on the statement of net position, investments of the cash management pool and investments with original maturities of three months or less at the time they are purchased by the City are considered to be cash equivalents. Investments with maturities greater than three months at the time of purchase are reported as investments.

An analysis of the City's investment account at year end is provided in Note 4.

H. Inventories of Materials and Supplies

On government-wide and fund financial statements, purchased inventories are presented at the lower of cost or market. Inventories are recorded on a first-in, first-out basis and are expensed when used. Inventories are accounted for using the consumption method.

On the fund financial statements, reported materials and supplies inventory is equally offset by a nonspendable fund balance in the governmental funds which indicates that it does not constitute available spendable resources even though it is a component of net current assets.

Inventory consists of expendable supplies held for consumption.

I. Prepaid Items

Payments made to vendors for services that will benefit beyond December 31, 2020, are recorded as prepaid items using the consumption method by recording a current asset for the prepaid amount and reflecting the expenditures/expense in the year in which the services are consumed. The City had no prepaid items at December 31, 2020.

CITY OF WARREN, OHIO

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

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

J. Capital Assets

General capital assets are those assets not specifically related to activities reported in the proprietary funds. These assets generally result from expenditures in the governmental funds. These assets are reported in the governmental activities column of the government-wide statement of net position, but are not reported in the fund financial statements. Capital assets utilized by the proprietary funds are reported both in the business-type activities column of the government-wide statement of net position and in the respective funds.

All capital assets are capitalized at cost (or estimated historical cost) and updated for additions and retirements during the year. Donated capital assets are recorded at their acquisition values as of the date received. The City maintains a capitalization threshold of \$5,000. The City's infrastructure consists of traffic signals, sidewalks, storm sewers, streets, 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 for business-type activities.

All reported capital assets are depreciated except for land, easements 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>
Autos and trucks	5	5
Machinery, equipment, software, furniture and fixtures	5 - 20	10
Land improvements	10 - 20	N/A
Building improvements	15	15
Sewer and water treatment plants and buildings	N/A	20
Other buildings	40	40
Infrastructure	15 - 30	20 - 70

K. Compensated Absences

Compensated absences of the City consist of vacation, sick, and comp time leave to the extent that payment to the employee for these absences is attributable to services already rendered and are not contingent on a specific event that is outside the control of the City and the employee.

In conformity with GASB Statement No. 16, "Accounting for Compensated Absences", vacation and comp time benefits are accrued as a liability as the benefits are earned if the employees' rights to receive compensation are attributable 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. Sick leave benefits are accrued as a liability using the vesting method. The liability is based on the sick leave accumulated at December 31 by those employees who are currently eligible to receive termination payments and by those employees for whom it is probable they will become eligible to receive termination benefits in the future.

For purposes of establishing a liability for sick leave on employees expected to become eligible to retire in the future, all employees age fifty or greater with at least ten years of service or any employee with at least twenty years of service were considered expected to become eligible to retire in accordance with GASB Statement No. 16.

CITY OF WARREN, OHIO

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

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

The total liability for vacation, sick and comp time leave payments has been calculated using pay rates in effect at the balance sheet date, and reduced to the maximum payment allowed by labor contract and/or statute, plus applicable additional salary related payments. City employees are granted vacation, sick and comp time leave in varying amounts. In the event of termination, an employee is reimbursed for accumulated vacation, sick, and comp time leave at various rates.

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

On governmental fund financial statements, compensated absences are recognized as liabilities and expenditures to the extent payments come due each period upon the occurrence of employee resignations and retirements. These amounts are recorded in the account "compensated absences payable" in the fund from which the employees who have accumulated leave are paid. The noncurrent portion of the liability is not reported. For proprietary funds, the entire amount of compensated absences is reported as a fund liability.

L. Accrued Liabilities 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. Net pension/OPEB liability should be recognized in the governmental funds to the extent that benefit payments are due and payable and the pension/OPEB plan's fiduciary net position is not sufficient for payment of those benefits.

M. Unamortized Bond Premiums and Accounting Gain or Loss

Bond premiums are amortized over the term of the bonds. Bond premiums are presented as an addition to the face amount of the bonds.

For advance refunding resulting in the defeasance of debt, the difference between the reacquisition price and the net carrying amount of the old debt is deferred and amortized as a component of interest expense. This accounting gain or loss is amortized over the remaining life of the old debt or the life of the new debt, whichever is shorter, and is presented as a deferred outflow of resources.

On the governmental fund financial statements, bond premiums and deferred charges from refunding are recognized in the current period.

N. Interfund Balances

On fund financial statements, receivables and payables resulting from short-term interfund loans are classified as due to/from other funds. These amounts are eliminated in the governmental activities column on the statement of net position, except for any residual amounts between governmental and business-type activities, which are presented as internal balance.

O. Interfund Activity

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

CITY OF WARREN, OHIO

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

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

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 nonoperating 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 BFS.

P. 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.

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 committed. City Council has by ordinance authorized the City Auditor to assign fund balance. The Council may also assign fund balance as it does when appropriating fund balance to cover a gap between estimated revenue and appropriations in the subsequent year’s appropriated budget.

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.

Q. Estimates

The preparation of the BFS in conformity with GAAP requires management to make estimates and assumptions that affect the amounts reported in the BFS and accompanying notes. Actual results may differ from those estimates.

CITY OF WARREN, OHIO

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

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

R. Capital Contributions

Capital contributions in proprietary fund financial statements arise from contributions of capital assets, tap-in fees to the extent they exceed the cost of the connection to the system, or from grants or outside contributions of resources restricted to capital acquisition and construction. Capital contributions are reported as revenue in the proprietary fund financial statements. The water utility enterprise fund received contributions of capital in the amount of \$11,820 from the Ohio Public Works Commission during 2020.

S. Net Position

Net position represents the difference between assets plus deferred outflows less liabilities plus deferred inflows. Net investment in capital assets consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowing used for the acquisition, construction or improvement of those assets. Net position is reported as restricted when there are limitations imposed on the use of resources either through enabling legislation or through external restrictions imposed by 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 position are available.

T. 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 City Council and that are either unusual in nature or infrequent in occurrence. The City had no extraordinary or special items during 2020.

U. Pensions/Other Postemployment Benefits (OPEB)

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

V. Fair Value Measurements

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

NOTE 3 - ACCOUNTABILITY AND COMPLIANCE

A. Change in Accounting Principles

For 2020, the City has applied GASB Statement No. 95, "Postponement of the Effective Dates of Certain Authoritative Guidance" to GASB Statement Nos. 87 and 89, which were originally due to be implemented in 2020. GASB Statement No. 95 provides temporary relief to governments and other stakeholders in light of the COVID-19 pandemic. This objective is accomplished by postponing the effective dates of certain provisions in Statements and Implementation Guides that first became effective or are scheduled to become effective for periods beginning after June 15, 2018, and later.

CITY OF WARREN, OHIO

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

NOTE 3 - ACCOUNTABILITY AND COMPLIANCE - (Continued)

The following pronouncement is postponed by one year and the City has elected delaying implementation until the fiscal year ended December 31, 2021:

- Statement No. 89, *Accounting for Interest Cost Incurred before the End of a Construction Period*

The following pronouncements are postponed by eighteen months and the City has elected delaying implementation until the fiscal year ended December 31, 2022:

- Statement No. 87, *Leases*
- Implementation Guide No. 2019-3, *Leases*

B. Deficit Fund Balances/Net Position

The data processing internal service fund had a \$94,462 deficit net position at December 31, 2020. The general fund is liable for any deficit in this fund and provides transfers when cash is required, not when accruals occur. The deficit resulted from adjustments for accrued liabilities.

NOTE 4 - DEPOSITS AND INVESTMENTS

The City maintains a cash and investment pool used by all funds. Each fund type's portion of this pool is displayed on the financial statements as "equity in pooled cash and cash equivalents". Statutes require the classification of monies held by the City into three categories:

Active Monies: those monies required to be kept in a "cash" or "near-cash" status for immediate use by the City. Such monies must by law be maintained either as cash in the City treasury; in depository accounts payable or withdrawable on demand; including negotiable order of withdrawal (NOW) account; or in money market deposit accounts.

Inactive Monies: those monies not required for use within the current five-year period of designation of depositories. Inactive monies may be deposited or invested as certificates of deposit maturing not later than the end of the current period of designation of depositories or as savings or deposit accounts including, but not limited to, passbook accounts.

Interim Monies: 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 monies must be evidenced by time certificates of deposit maturing not more than one year from the date of 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 or interest by the United States;
2. Bonds, notes, debentures, or any other obligations or securities issued by any federal government agency or instrumentality, including, but not limited to, the Federal National Mortgage Association, Federal Home Loan Bank, Federal Farm Credit Bank, Federal Home Loan Mortgage Corporation, and Government National Mortgage Association. All federal agency securities shall be direct issuances of federal government agencies or instrumentalities;
3. Written repurchase agreements in the securities listed above provided that the fair value of the securities subject to the repurchase agreement must exceed the principal value of the agreement by at least two percent and be marked to market daily, and that the term of the agreement must not exceed thirty days;
4. Bonds and other obligations of the State of Ohio, and with certain limitations including a requirement for maturity within ten years from the date of settlement, bonds and other obligations of political subdivisions of the State of Ohio, if training requirements have been met;

CITY OF WARREN, OHIO

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

NOTE 4 - DEPOSITS AND INVESTMENTS - (Continued)

5. Time certificates of deposit or savings or deposit accounts including, but not limited to, passbook accounts;
6. No-load money market mutual funds consisting exclusively of obligations described in items (1) or (2) and repurchase agreements secured by such obligations, provided that investments in securities described in this division are made only through eligible institutions;
7. The State Treasurer's investment pool, State Treasury Asset Reserve of Ohio (STAR Ohio); and,
8. Certain bankers' acceptances for a period not to exceed one hundred eighty days) and commercial paper notes (for a period not to exceed two hundred seventy days) in an amount not to exceed 40 percent of the interim monies available for investment at any one time if training requirements have been met.

The City may also invest any monies not required to be used for a period of six months or more in the following:

1. Bonds of the State of Ohio, and with certain limitations including a requirement for maturity within ten years from the date of settlement, bonds and other obligations of political subdivisions of the State of Ohio, if training requirements have been met;
2. Bonds of any municipal corporation, village, county, township, or other political subdivision of this State, as to which there is no default of principal, interest or coupons; and,
3. Obligations of the City.

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

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

A. Cash in Segregated Accounts

The City has cash in the amount of \$420,733 being held in a segregated account for use in the Warren Municipal Court. This amount is included in the City's depository balance below.

B. Deposits with Financial Institutions

At December 31, 2020, the carrying amount of all City deposits was \$20,984,342, which includes \$7,626,394 in nonnegotiable certificates of deposit. Of the \$21,619,438 bank balance, \$8,523,656 was covered by the FDIC, \$6,500,198 was covered by the Ohio Pooled Collateral System (OPCS) and \$6,595,584 was potentially exposed to custodial credit risk discussed below because those deposits were uninsured and could be uncollateralized.

CITY OF WARREN, OHIO

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

NOTE 4 - DEPOSITS AND INVESTMENTS - (Continued)

Custodial credit risk is the risk that, in the event of bank failure, the City will not be able to recover deposits or collateral securities that are in the possession of an outside party. The City has no deposit policy for custodial credit risk beyond the requirements of State statute. Ohio law requires that deposits either be insured or protected by (1) eligible securities pledged to the City's and deposited with a qualified trustee by the financial institution as security for repayment whose fair value at all times shall be at least 105 percent of the deposits being secured, or (2) participation in the OPCS, a collateral pool of eligible securities deposited with a qualified trustee and pledged to the Treasurer of State to secure the repayment of all public monies deposited in the financial institution. OPCS requires the total fair value of the securities pledged to be 102 percent of the deposits being secured or a rate set by the Treasurer of State.

For 2020, the City's financial institutions that were enrolled in OPCS were approved for a reduced collateral rate and one financial institution was not enrolled in OPCS. Although all statutory requirements for the deposit of money had been followed, noncompliance with Federal requirements could potentially subject the City to a successful claim by the FDIC.

C. Investments

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

<u>Measurement/Investment type</u>	<u>Measurement Amount</u>	<u>Investment Maturity</u>			
		<u>6 months or less</u>	<u>7 to 12 months</u>	<u>13 to 18 months</u>	<u>19 to 24 months</u>
<i>Net Asset Value (NAV) per Share:</i>					
STAR Ohio	\$ 9,622,079	\$ 9,622,079	\$ -	\$ -	\$ -
<i>Cost Value:</i>					
Repurchase agreement	2,599,113	2,599,113	-	-	-
<i>Fair Value (Level 2 Inputs):</i>					
FHLMC	1,000,010	-	-	-	1,000,010
Negotiable CDs	<u>7,111,162</u>	<u>2,231,062</u>	<u>1,501,730</u>	<u>3,008,375</u>	<u>369,995</u>
Total	<u>\$ 20,332,364</u>	<u>\$ 14,452,254</u>	<u>\$ 1,501,730</u>	<u>\$ 3,008,375</u>	<u>\$ 1,370,005</u>

The weighted average maturity of investments is 0.37 years.

The District's investment in FHLMC is valued using quoted prices in markets that are not considered to be active, dealer quotations or alternative pricing sources for similar assets or liabilities for which all significant inputs are observable, either directly or indirectly (Level 2 inputs).

Interest Rate Risk: As a means of limiting its exposure to fair value losses arising from rising interest rates and according to State law, the City's investment policy limits investment portfolio maturities to five years or less.

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 investments in FHLMC were rated AAA by Standard & Poor's. The negotiable CDs were not rated and are FDIC insured. The City's investment policy does not specifically address credit risk beyond requiring the City to only invest in securities authorized by State statute.

CITY OF WARREN, OHIO

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

NOTE 4 - DEPOSITS AND INVESTMENTS - (Continued)

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 investments or collateral securities that are in the possession of an outside party. The federal agency securities are exposed to custodial credit risk in that they are uninsured, unregistered and held by the counterparty's trust department or agent, but not in the City's name. The City's investment in repurchase agreements is collateralized by underlying securities that are held by the investment's counterparty, not in the name of the City. Ohio law requires the fair value of the securities subject to repurchase agreements must exceed the principal value of securities subject to a repurchase agreement by 2%. The City has no investment policy dealing with investment custodial risk beyond the requirement in State statute that prohibits payment for investments prior to the delivery of the securities representing such investments to the Treasurer or qualified trustee.

Concentration of Credit Risk: 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 maturity, a specific obligor or a specific class or type of security. The following table includes the percentage of each investment type held by the City at December 31, 2020:

<u>Investment type</u>	Measurement	
	<u>Value</u>	<u>% to Total</u>
STAR Ohio	\$ 9,622,079	47.32
Repurchase agreement	2,599,113	12.78
FHLMC	1,000,010	4.92
Negotiable CDs	<u>7,111,162</u>	<u>34.98</u>
Total	<u>\$ 20,332,364</u>	<u>100.00</u>

D. 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, 2020:

Cash and investments per note

Carrying amount of deposits	\$ 20,984,342
Investments	<u>20,332,364</u>
Total	<u>\$ 41,316,706</u>

Cash and investments per statement of net position

Governmental activities	\$ 25,711,295
Business-type activities	15,184,678
Custodial funds	<u>420,733</u>
Total	<u>\$ 41,316,706</u>

CITY OF WARREN, OHIO

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

NOTE 5 - INTERFUND TRANSACTIONS

Interfund transfers for the year ended December 31, 2020, consisted of the following, as reported in the fund financial statements:

<u>Transfers from</u>	Transfers to			<u>Total</u>
	<u>General Capital Projects</u>	<u>Nonmajor Governmental</u>	<u>Nonmajor Enterprise</u>	
General	\$ 99,541	\$ 124,103	\$ 62,000	\$ 285,644

Transfers are used to (1) move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them, (2) use unrestricted revenues collected in the general fund to finance various programs accounted for in other funds in accordance with budgetary authorizations. Transfers between governmental funds are eliminated on the government-wide financial statements.

The general fund transferred \$62,000 to the downtown parking nonmajor enterprise fund and \$124,103 to the community development block grant nonmajor special revenue fund to subsidize operations. The general capital projects fund received \$99,541 in transfers from the general fund during 2020 for various capital projects.

NOTE 6 - PROPERTY TAXES

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

The County Treasurer collects property taxes on behalf of all taxing districts in the County, including the City of Warren. The County Auditor periodically remits to the City its portion of the taxes collected. Property taxes receivable represents real property taxes, public utility taxes, tangible personal property taxes and outstanding delinquencies which are measurable as of December 31, 2020 and for which there is an enforceable legal claim. In the governmental funds, the current portion receivable has been offset by deferred inflows of resources since the current taxes were not levied to finance 2020 operations and the collection of delinquent taxes has been offset by a deferred inflows of resources since the collection of the taxes during the available period is not subject to reasonable estimation. On a full accrual basis, collectible delinquent property taxes have been recorded as revenue.

The assessed value upon which the 2019 levy (collected in 2020) was based was \$357,892,980. Ohio law limits unvoted property taxation, combined for all overlapping taxing authorities, to 10 mils. The City's current share of property tax is 3.5 mils of assessed value, all of which is unvoted.

NOTE 7 - LOCAL INCOME TAX

The 2.5 percent City income tax is levied on substantially all income earned within the City. In addition, the residents of the City are required to pay City income tax on income they earn outside the City; however, full credit is allowed for all income taxes these residents pay to other municipalities. Employers within the City are required to withhold income tax on employee compensation and remit the tax to the City at least quarterly. Major employers are required to remit withholdings to the City monthly. Corporations and self-employed individual taxpayers are required to pay their estimated tax quarterly and file a declaration annually with the City. Voters approved a 0.5 percent income tax increase at the November 2016 election, which became effective January 1, 2017. Income tax revenue is reported to the extent that it is measurable and available to finance current operations at December 31, 2020. Income tax revenue for 2020 reported in the general fund was \$20,585,133.

CITY OF WARREN, OHIO

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

NOTE 8 - RECEIVABLES

Receivables at December 31, 2020, consisted of taxes, accounts (billings for user charged services and other fees), accrued interest, special assessments, loans and intergovernmental receivables arising from grants, entitlements and shared revenue. Receivables have been recorded to the extent that they are measurable at December 31, 2020. The only receivables not expected to be collected within one year are special assessments, which are collected over the life of the assessment.

A summary of the principal items of intergovernmental receivables follows:

	<u>Amounts</u>
<i>Governmental Activities:</i>	
Miscellaneous	\$ 15,269
Permissive tax	45,343
Gas and motor vehicle license tax	976,430
CDBG and IDIS draw	149,498
Ohio Department of Transportation	286,534
Ohio Public Works Commission	312,170
Local government	548,136
Homestead and rollback	<u>81,138</u>
Total	<u>\$ 2,416,617</u>
<i>Business-Type Activities:</i>	
Miscellaneous	<u>\$ 1,000</u>

NOTE 9 - LOANS RECEIVABLE

Loans receivable represent low interest loans made by the City for development projects and small businesses under the Federal Community Development Block Grant (CDBG) program, Home Investment Partnership (HIP) program, Reinvestment Corporation and the U.S. Department of Housing & Urban Development (HUD) Section 108. The loans bear interest at annual rates ranging between 0 and 9 percent and are to be repaid over a period ranging from 2 to 40 years.

CITY OF WARREN, OHIO

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

NOTE 10 - CAPITAL ASSETS

Capital asset activity for the year ended December 31, 2020, was as follows:

Governmental activities:	Balance 12/31/19	Additions	Disposals	Balance 12/31/20
<i>Capital assets, not being depreciated:</i>				
Land	\$ 1,028,226	\$ -	\$ -	\$ 1,028,226
Easements	13,353	-	-	13,353
Construction in progress	8,893,322	971,008	(8,407,350)	1,456,980
Total capital assets, not being depreciated	<u>9,934,901</u>	<u>971,008</u>	<u>(8,407,350)</u>	<u>2,498,559</u>
<i>Capital assets, being depreciated:</i>				
Land improvements	6,131,712	360,926	-	6,492,638
Buildings	14,195,169	12,993	-	14,208,162
Building improvements	14,931,919	275,492	-	15,207,411
Computer software	1,274,109	33,428	-	1,307,537
Computer equipment	954,265	44,368	-	998,633
Furniture and equipment	2,461,432	221,125	(12,545)	2,670,012
Vehicles	5,304,253	306,377	(202,734)	5,407,896
Infrastructure	72,697,464	7,935,572	-	80,633,036
Total capital assets, being depreciated	<u>117,950,323</u>	<u>9,190,281</u>	<u>(215,279)</u>	<u>126,925,325</u>
<i>Less: accumulated depreciation:</i>				
Land improvements	(1,599,209)	(384,571)	-	(1,983,780)
Buildings	(9,777,162)	(241,466)	-	(10,018,628)
Building improvements	(6,453,589)	(766,666)	-	(7,220,255)
Computer software	(893,848)	(196,163)	-	(1,090,011)
Computer equipment	(850,443)	(55,159)	-	(905,602)
Furniture and equipment	(2,039,736)	(93,540)	12,545	(2,120,731)
Vehicles	(4,984,657)	(141,245)	202,734	(4,923,168)
Infrastructure	(39,636,864)	(2,482,488)	-	(42,119,352)
Total accumulated depreciation	<u>(66,235,508)</u>	<u>(4,361,298)</u>	<u>215,279</u>	<u>(70,381,527)</u>
Total capital assets, being depreciated, net	<u>51,714,815</u>	<u>4,828,983</u>	<u>-</u>	<u>56,543,798</u>
Governmental activities capital assets, net	<u>\$ 61,649,716</u>	<u>\$ 5,799,991</u>	<u>\$ (8,407,350)</u>	<u>\$ 59,042,357</u>

CITY OF WARREN, OHIO

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

NOTE 10 - CAPITAL ASSETS - (Continued)

Capital asset activity for the year ended December 31, 2020, was as follows:

<u>Business-type activities:</u>	Balance 12/31/19	Additions	Disposals	Balance 12/31/20
<i>Capital assets, not being depreciated:</i>				
Land	\$ 390,160	\$ -	\$ -	\$ 390,160
Construction in progress	<u>6,006,433</u>	<u>5,519,899</u>	<u>(1,158,712)</u>	<u>10,367,620</u>
Total capital assets, not being depreciated	<u>6,396,593</u>	<u>5,519,899</u>	<u>(1,158,712)</u>	<u>10,757,780</u>
<i>Capital assets, being depreciated:</i>				
Buildings	54,966,546	-	-	54,966,546
Building improvements	13,308,217	40,999	-	13,349,216
Water and sewer lines	57,347,105	-	-	57,347,105
Computer software	47,874	47,725	(28,153)	67,446
Computer equipment	73,158	-	(33,823)	39,335
Furniture and equipment	11,556,805	1,146,082	(372,931)	12,329,956
Vehicles	<u>5,170,033</u>	<u>270,733</u>	<u>-</u>	<u>5,440,766</u>
Total capital assets, being depreciated	<u>142,469,738</u>	<u>1,505,539</u>	<u>(434,907)</u>	<u>143,540,370</u>
<i>Less: accumulated depreciation:</i>				
Buildings	(52,631,557)	(142,205)	-	(52,773,762)
Building improvements	(10,592,602)	(876,552)	-	(11,469,154)
Water and sewer lines	(28,316,807)	(819,245)	-	(29,136,052)
Computer software	(47,874)	(4,773)	28,153	(24,494)
Computer equipment	(73,158)	-	33,823	(39,335)
Furniture and equipment	(9,245,812)	(388,538)	256,880	(9,377,470)
Vehicles	<u>(3,875,809)</u>	<u>(691,923)</u>	<u>116,051</u>	<u>(4,451,681)</u>
Total accumulated depreciation	<u>(104,783,619)</u>	<u>(2,923,236)</u>	<u>434,907</u>	<u>(107,271,948)</u>
Total capital assets, being depreciated, net	<u>37,686,119</u>	<u>(1,417,697)</u>	<u>-</u>	<u>36,268,422</u>
Business-type activities capital assets, net	<u>\$ 44,082,712</u>	<u>\$ 4,102,202</u>	<u>\$ (1,158,712)</u>	<u>\$ 47,026,202</u>

Depreciation expense was charged to functions/programs of the City as follows:

Governmental activities:

General government	\$ 696,117
Security of persons and property	351,428
Transportation	2,589,707
Community environment	939
Leisure time activity	580,446
Capital assets held by the government's internal service funds are charged to the various functions based on their usage of the assets	<u>142,661</u>
Total depreciation expense - governmental activities	<u>\$ 4,361,298</u>

CITY OF WARREN, OHIO

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

NOTE 10 - CAPITAL ASSETS - (Continued)

Business-type activities:

Sewer	\$ 584,660
Water	1,898,631
Sanitation	340,700
City redevelopment	16,147
Downtown parking	48,059
Stormwater utility	<u>35,039</u>
Total depreciation expense - business-type activities	<u>\$ 2,923,236</u>

NOTE 11 - COMPENSATED ABSENCES LIABILITY

Vacation, compensation time, and sick leave accumulated by governmental fund type employees have been recorded in the balance sheet to the extent the liability was due at year end. Vacation, compensation time and sick leave earned by proprietary funds type employees is expensed when earned and has been recorded in the fund.

Upon termination of City service, a fully vested employee is entitled to a percentage of their accumulated sick leave based on their years of service. At December 31, 2020, vested benefits for compensation time, vacation leave and sick leave for governmental fund type employees totaled \$4,346,914. For proprietary fund types, vested benefits for compensation time, vacation leave and sick leave totaled \$2,028,776 at December 31, 2020. Included in the vested benefits for sick leave figures is an additional liability to accrue and record termination (severance) payments for employees expected to become eligible to retire in the future in accordance with GASB Statement No. 16.

NOTE 12 - LEASES

A. Capital Leases - Lessee Disclosure

During 2016, the City entered into capitalized leases for five sanitation vehicles. During 2017, the City entered into capitalized leases for two water vehicles. During 2019, the City entered into capitalized leases for the purchase of radio equipment. These lease agreements meet the criteria of a capital lease as defined by GASB Statement No. 62, which defines a capital lease generally as one which transfers benefits and risks of ownership to the lessee.

Capital assets consisting of vehicles have been capitalized in the amount of \$1,434,762, which represents the present value of the future minimum lease payments at the time of acquisition. Radio equipment in the amount of \$338,589 was not capitalized because the leased equipment is individually below the capitalization threshold. A liability in the amount of \$192,276, \$26,738, \$4,435 was recorded in the governmental activities, water fund, and sanitation fund, respectively, at December 31, 2020. Principal payments during 2020 amounted to \$98,744, \$14,278, \$21,417 and \$289,856 in the general fund, street maintenance nonmajor special revenue fund, water enterprise fund and sanitation fund, respectively. At December 31, 2020, accumulated depreciation on the vehicles amounted to \$712,829 leaving a book value of \$721,933.

Of the City's \$192,276 and \$31,173 governmental activities and business type activities capital lease obligation outstanding at December 31, 2020, respectively, \$192,276 and \$20,985 was related to radio equipment that was not capitalized, as the equipment leased was individually below the capitalization threshold.

CITY OF WARREN, OHIO

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

NOTE 12 - LEASES - (Continued)

The following is a schedule of the future long-term minimum lease payments required under the capital lease obligations and the present value of the minimum lease payments as of December 31, 2020:

<u>Year Ended December 31,</u>	<u>Governmental Activities</u>	<u>Business-Type Activities</u>
2021	\$ 70,704	\$ 18,137
2022	70,703	7,717
2023	<u>70,703</u>	<u>7,717</u>
Total	212,110	33,571
Less: amount representing interest	<u>(19,834)</u>	<u>(2,398)</u>
Present value of net minimum lease payments	<u>\$ 192,276</u>	<u>\$ 31,173</u>

B. Operating Lease - Lessor Disclosure

On November 15, 1993, the City entered into a lease agreement with Avalon South Management, Inc. for the lease of the City owned golf course. The lease calls for an annual fee for the management, operation and maintenance of the golf course based upon a percentage of gross receipts as defined by the agreement.

The carrying value of the property follows:

	<u>Land</u>	<u>Building</u>
Asset	\$ 9,000	\$ 219,756
Less: accumulated depreciation	<u>-</u>	<u>(151,083)</u>
Total	<u>\$ 9,000</u>	<u>\$ 68,673</u>

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CITY OF WARREN, OHIO

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

NOTE 13 - LONG-TERM OBLIGATIONS

A. Governmental Activities

Long-term obligations activity for the year ended December 31, 2020 consist of the following:

Governmental activities:	Balance 12/31/19	Additions	Reductions	Balance 12/31/20	Amounts Due in One Year
<u>General obligation bonds</u>					
Various purpose, series 2012	\$ 440,000	\$ -	\$ (145,000)	\$ 295,000	\$ 145,000
Pension refunding, series 2012	1,045,000	-	(50,000)	995,000	55,000
Various purpose refunding bonds, series 2017	4,575,000	-	(525,000)	4,050,000	545,000
Total general obligations bonds	<u>6,060,000</u>	<u>-</u>	<u>(720,000)</u>	<u>5,340,000</u>	<u>745,000</u>
<u>Other long-term obligations</u>					
HUD 108 loan (direct borrowing)	495,000	-	(155,000)	340,000	165,000
Capital lease obligation	305,298	-	(113,022)	192,276	60,947
OPWC loan (direct borrowing)	102,626	-	(12,828)	89,798	12,828
Claims payable	1,090,269	-	(102,940)	987,329	118,760
Compensated absences	4,141,640	1,140,436	(935,162)	4,346,914	1,112,606
Net pension liability	38,427,864	-	(8,761,116)	29,666,748	-
Net OPEB liability	8,013,216	505,270	-	8,518,486	-
Total other long-term obligations	<u>52,575,913</u>	<u>1,645,706</u>	<u>(10,080,068)</u>	<u>44,141,551</u>	<u>1,470,141</u>
Total governmental activities long-term obligations	58,635,913	<u>\$ 1,645,706</u>	<u>\$ (10,800,068)</u>	49,481,551	<u>\$ 2,215,141</u>
Add: Unamortized premium on bond issues	42,920	-	(5,429)	37,491	
Total reported on the statement of net position	<u>\$ 58,678,833</u>			<u>\$ 49,519,042</u>	

In accordance with State of Ohio law, the City may not incur non-exempt general long-term indebtedness in excess of 10.5 percent of the total value of all property listed and assessed for taxation and 5.5 percent of such value without voter approval.

Claims Payable - See Note 14.C for additional detail.

Compensated Absences - Compensated absences will be paid from the fund which the employees' salaries are paid. The payments will be made primarily from the general fund, community development block grant fund and street maintenance nonmajor governmental fund.

Net Pension Liability and Net OPEB Liability - See Notes 15 and 16 for additional detail. The payments will be made primarily from the general fund, the water fund, sewer fund, sanitation fund and nonmajor enterprise stormwater utility fund.

General Obligation Bonds:

On December 4, 2012, the City issued various purpose general obligation bonds in the amount of \$1,370,000 to finance the acquisition of a fire truck and computer system improvements. The issue is comprised of serial bonds with annual interest rates ranging from 2.00% - 2.25% and a final maturity date of December 1, 2022.

Also, on December 4, 2012, the City issued the pension refunding bonds to retire, together with money available in the police and fire pension nonmajor governmental funds, the City's police and fire pension liability. The issue is comprised of \$185,000 serial bonds and \$1,195,000 term bonds. The serial bonds had an annual interest rate of 1.50% and matured December 1, 2016, and the term bonds bear an annual interest rate ranging from 2.00% - 3.50% and mature December 1, 2035.

CITY OF WARREN, OHIO

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

NOTE 13 - LONG-TERM OBLIGATIONS - (Continued)

On August 10, 2017, the City issued various purpose refunding bonds, series 2017, in the amount of \$5,095,000 to advance refund \$5,920,000 of various purpose general obligation bonds, series 2013. The City made a cash contribution of \$1,050,000 from the general bond payment debt service fund as part of the refunding transaction. The reacquisition price exceeded the net carrying amount of the governmental activities by \$69,334. This difference, reported in the accompanying financial statements as a deferred outflow of resources, is being charged to interest expense through maturity on December 1, 2033 using the straight-line method. The refunding had a net present value benefit of 6.7% and gross present value debt service savings of \$639,479. The unamortized deferred charges on the refunding has been included in the net investment in capital assets calculation.

The general obligation bonds are paid from the nonmajor general bond payment debt service fund.

The following is a summary of the City’s future annual debt service requirements for the general obligation bonds:

Year	General Obligation Bonds		
	Principal	Interest	Total
2021	\$ 745,000	\$ 135,434	\$ 880,434
2022	765,000	117,859	882,859
2023	625,000	99,449	724,449
2024	405,000	84,176	489,176
2025	415,000	74,130	489,130
2026 - 2030	1,660,000	216,099	1,876,099
2031-2035	725,000	56,955	781,955
Total	\$ 5,340,000	\$ 784,102	\$ 6,124,102

HUD 108 Loan - On September 14, 2006, the City received a \$1,700,000 HUD Section 108 loan. The City disbursed the loan proceeds for economic development and housing rehabilitation projects throughout the City. These projects have not been capitalized and reported in the City’s capital assets; therefore, the balance of the loan is not included in the net investment in capital assets component of net position. Interest payments (at approximately 5.28 percent) on the loan began in 2007 and principal payments began August 1, 2008. The loan matures August 1, 2022. On January 23, 2019, the debt service schedule was revised to reduce the amount of the interest payments on the remainder of the loan beginning August 1, 2019. Principal and interest payments are made out of the guaranteed loan nonmajor governmental fund using future grant receipts and principal and interest payments received on amounts the City loans for economic development and housing rehabilitation.

HUD loans are direct borrowings that have terms negotiated directly between the City and HUD and are not offered for public sale. In the event of default, HUD may (1) continue to make payments due on the notes, (2) make a prepayment under Section I.D of the note or make an acceleration payment with respect to the principal amount subject to optional redemption, (3) purchase Government obligations in accordance with the contract, (4) pay interest due for late payment as provided in the note, contract, or fiscal agent/trust agreements, (5) pay any other obligation of the City under this under this contract or the fiscal agent/trust agreements, and (6) pay any reasonable expenses incurred by HUD or the fiscal agent/trustee as a result of the City’s default. HUD may also withhold the guarantee of any or all obligations not yet guaranteed or the disbursement of any or all grants not yet disbursed in full under outstanding guarantee commitments or grant approvals for the City under Sections 108 and/or 106.

CITY OF WARREN, OHIO

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

NOTE 13 - LONG-TERM OBLIGATIONS - (Continued)

The following is a summary of the City’s future annual debt service principal and interest requirements for the general obligation loan payable:

<u>Year</u>	<u>Loan Payable</u>		
	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2021	\$ 165,000	\$ 8,698	\$ 173,698
2022	<u>175,000</u>	<u>4,458</u>	<u>179,458</u>
Total	<u>\$ 340,000</u>	<u>\$ 13,156</u>	<u>\$ 353,156</u>

OPWC Loan - During 2008, the City entered into an agreement with Trumbull County to pay a portion of the County’s loan from the Ohio Public Works Commission (OPWC). The City’s share of the interest-free loan is \$256,564 and is payable over 20 years, with a final payment date of December 1, 2027. The proceeds were used to fund the North Road Reconstruction Project. The principal and interest payments are made out of the debt service fund.

OPWC loans are direct borrowings that have terms negotiated directly between the City and the OPWC and are not offered for public sale. In the event of default, the OPWC may (1) charge an 8% default interest rate from the date of the default to the date of the payment and charge the City for all costs incurred by the OPWC in curing the default, (2) in accordance with Ohio Revised Code 164.05, direct the county treasurer of the county in which the City is located to pay the amount of the default from funds that would otherwise be appropriated to the City from such county’s undivided local government fund pursuant to ORC 5747.51-5747.53, or (3) at its discretion, declare the entire principal amount of loan then remaining unpaid, together with all accrued interest and other charges, become immediately due and payable.

The following is a summary of the City’s future annual debt service principal and interest requirements for the OPWC loan payable:

<u>Year</u>	<u>OPWC Loan Payable</u>		
	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2021	\$ 12,828	\$ -	\$ 12,828
2022	12,828	-	12,828
2023	12,828	-	12,828
2024	12,828	-	12,828
2025	12,829	-	12,829
2026 - 2027	<u>25,657</u>	<u>-</u>	<u>25,657</u>
Total	<u>\$ 89,798</u>	<u>\$ -</u>	<u>\$ 89,798</u>

CITY OF WARREN, OHIO

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

NOTE 13 - LONG-TERM OBLIGATIONS - (Continued)

B. Business-Type Activities

Long-term obligations activity for the year ended December 31, 2020 consist of the following.

	Balance			Balance	Amounts
	12/31/19	Additions	Reductions	12/31/20	Due in
					One Year
<u>General obligation bonds</u>					
Various purpose refunding, series 2012	\$ 1,915,000	\$ -	\$ (625,000)	\$ 1,290,000	\$ 640,000
Total general obligations bonds	<u>1,915,000</u>	<u>-</u>	<u>(625,000)</u>	<u>1,290,000</u>	<u>640,000</u>
<u>OWDA Loans (direct borrowings)</u>					
Downtown combined sewer	2,024,369	-	(242,485)	1,781,884	250,431
Sewer inceptor rehabilitation	360,507	-	(27,750)	332,757	28,659
High street overflow parking	1,128,710	4,787	(317,644)	815,853	322,522
Wastewater treatment plant and pump station refurbishment - phase I	1,358,886	1,090,420	(257,271)	2,192,035	-
I & I reduction plan	5,976	328,611	-	334,587	119,514
WPCC PST clarifier early action	206,203	1,720,840	-	1,927,043	-
Dry Weather Overflow Increase	-	138,033	-	138,033	-
Perkins Park Parallel Sewer	-	298,079	-	298,079	-
Water system improvements	2,864,589	-	(674,692)	2,189,897	701,607
Water meter replacements	2,716,303	-	(263,394)	2,452,909	272,265
Water treatment plant switch gear replacement	1,783,296	-	(107,609)	1,675,687	109,706
Waterline replacement	1,293,197	-	(77,761)	1,215,436	79,317
Bulk water dispensing station	552,720	-	(27,857)	524,863	28,937
Total OWDA loans	<u>14,294,756</u>	<u>3,580,770</u>	<u>(1,996,463)</u>	<u>15,879,063</u>	<u>1,912,958</u>
<u>Other long-term obligations</u>					
OPWC loans (direct borrowing)	377,236	-	(10,573)	366,663	21,145
Capital lease obligation	342,446	-	(311,273)	31,173	16,840
Compensated absences	1,841,007	606,016	(418,247)	2,028,776	449,991
Net pension liability	13,009,152	-	(4,469,967)	8,539,185	-
Net OPEB liability	5,976,620	-	(226,834)	5,749,786	-
Total other long-term obligations	<u>21,546,461</u>	<u>606,016</u>	<u>(5,436,894)</u>	<u>16,715,583</u>	<u>487,976</u>
Total business-type activities	37,756,217	<u>\$ 4,186,786</u>	<u>\$ (8,058,357)</u>	33,884,646	<u>\$ 3,040,934</u>
Add: Unamortized premium on bond issue	42,543	-	(14,586)	27,957	
Total reported on the statement of net position	<u>\$ 37,798,760</u>			<u>\$ 33,912,603</u>	

General Obligation Bonds - General obligation bonds are expected to be retired with revenues of the enterprise funds. General obligation bonds are secured by the City's ability to levy a voted or unvoted property tax within limitations of Ohio law.

On December 4, 2012, the City issued \$5,975,000 various purpose refunding bonds to advance refund a portion of the waterworks system revenue bonds stated to mature on November 1, 2015 and currently refund all of the waterworks system revenue bonds stated to mature on November 1, 2022. The portion of the proceeds issued for the advance refunding were used to purchase SLGS that were placed in an irrevocable trust for the purpose of generating resources for all future debt service payments of the refunded debt.

CITY OF WARREN, OHIO

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

NOTE 13 - LONG-TERM OBLIGATIONS - (Continued)

The 2012 various purpose refunding issue is comprised of serial bonds with an annual interest rate ranging from 2.00% - 2.25%. The reacquisition price exceeded the net carrying amount of the old debt by \$182,459. This difference, reported in the accompanying financial statements as a deferred outflow of resources, is being charged to interest expense through maturity on December 1, 2022 using the straight-line method.

OPWC Loans - The City received loans in the amount of \$53,921 and \$386,962 from the OPWC in 2011 and 2017, respectively, to help fund capital improvements for the City's storm sewer and waterline infrastructure. The interest free loans are payable in semi-annual installments over thirty-year periods, with the final payment due January 1, 2041. Payments on the loan are made from the stormwater utility nonmajor enterprise fund and the water fund.

OPWC loans are direct borrowings that have terms negotiated directly between the City and the OPWC and are not offered for public sale. In the event of default, the OPWC may (1) charge an 8% default interest rate from the date of the default to the date of the payment and charge the City for all costs incurred by the OPWC in curing the default, (2) in accordance with Ohio Revised Code 164.05, direct the county treasurer of the county in which the City is located to pay the amount of the default from funds that would otherwise be appropriated to the City from such county's undivided local government fund pursuant to ORC 5747.51-5747.53, or (3) at its discretion, declare the entire principal amount of loan then remaining unpaid, together with all accrued interest and other charges, become immediately due and payable.

OWDA Loans - The City has entered into debt financing arrangements through the OWDA to fund construction projects. The amounts due to the OWDA are payable solely from sewer and water revenues. The loan agreements function similar to a line-of-credit agreement. At December 31, 2020, the City has outstanding borrowings of \$15,879,063. The loan agreements require semi-annual payments based on the permissible borrowings rather than the actual amount loaned. These payments are reflected in the future maturities of principal and interest table and are subject to revision if the total amount is not drawn down. The Wastewater Treatment Plant Pump Station Refurbishment-Phase I (\$2,192,035), I & I Reduction Plan (\$334,587) and the WPCC PST Clarifier Early Action (\$1,927,043), Dry Weather Overflow Increase (\$138,033) and Perkins Parallel Sewer (\$298,079) OWDA loans outstanding at December 31, 2020, are still being disbursed; therefore, a debt service schedule is not available for these loans.

OWDA loans are direct borrowings that have terms negotiated directly between the City and the OWDA and are not offered for public sale. In the event of default, the OWDA may declare the full amount of the then unpaid original loan amount to be immediately due and payable and/or require the City to pay any fines, penalties, interest, or late charges associated with the default.

The City has pledged future water and sewer customer revenues to repay the loans. The loans are payable solely from water and sewer fund revenues and are payable through 2034. Annual principal and interest payments on the loans are expected to require 30.86% of available net revenues for the water fund and 21.91% of available net revenues for the sewer fund. The total principal and interest remaining to be paid on the loans is approximately \$9,073,515 for the water fund and \$3,196,951 for the sewer fund. Principal and interest payments in 2020 totaled \$1,392,154 and \$930,684 in the water fund and sewer fund, respectively.

The City of Warren entered into a Water Resource Restoration Sponsorship Program agreement with the OWDA in conjunction with the Wastewater Treatment Plant and Pump Stations Refurbishment-Phase I OWDA loan. The City has agreed to sponsor the Arc of Appalachia, Cleveland Museum of Natural History, the Trust for Public Land, and the Nature Conservancy in their respective projects. The City has administrative involvement in the disbursement of grants to the organizations from the OWDA. During 2020, \$1,763,891 was disbursed to the Arc of Appalachia for the Tremper Mound Scioto River Protection Project. This amount is recorded as non-operating intergovernmental revenue and a non-operating expense on the statement of revenues, expenses and changes in net position in the sewer fund.

CITY OF WARREN, OHIO

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

NOTE 13 - LONG-TERM OBLIGATIONS - (Continued)

The following is a summary of the City’s future annual debt service principal and interest requirements for enterprise fund obligations:

Year	Bonds Payable			OPWC Loan Payable		
	Principal	Interest	Total	Principal	Interest	Total
2021	\$ 640,000	\$ 27,425	\$ 667,425	\$ 21,145	\$ -	\$ 21,145
2022	650,000	14,625	664,625	21,145	-	21,145
2023	-	-	-	21,146	-	21,146
2024	-	-	-	21,145	-	21,145
2025	-	-	-	21,146	-	21,146
2026 - 2030	-	-	-	105,727	-	105,727
2031 - 2035	-	-	-	105,726	-	105,726
2036 - 2039	-	-	-	47,685	-	47,685
2040 - 2041	-	-	-	1,798	-	1,798
Total	\$ 1,290,000	\$ 42,050	\$ 1,332,050	\$ 366,663	\$ -	\$ 366,663

Year	OWDA Loans Payable		
	Principal	Interest	Total
2021	\$ 1,793,474	\$ 279,648	\$ 2,073,122
2022	1,849,663	232,668	2,082,331
2023	1,740,763	183,270	1,924,033
2024	840,996	141,973	982,969
2025	866,403	118,371	984,774
2026 - 2030	2,894,419	276,764	3,171,183
2031 - 2034	1,003,568	48,486	1,052,054
Total	\$ 10,989,286	\$ 1,281,180	\$ 12,270,466

NOTE 14 - RISK MANAGEMENT

The City is exposed to various risks of loss during the normal course of its operations including, but not limited to, loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; and injuries to employees. The City utilizes three funds relating to its risk management program. All of the funds have been classified as internal service funds.

The City purchases insurance policies in varying amounts for general liability, property damage, and employee and public officials’ liability, including errors and omissions of the City’s safety forces. There were no significant reductions in insurance coverage from the prior year in any category of risk. Settled claims have not exceeded the City’s insurance coverage in any of the past three years.

A. Hospitalization

The City maintains a hospitalization self-insurance fund which has been classified as an internal service fund in the accompanying BFS. The purpose of this fund is to pay the cost of medical benefits provided to City employees and their covered dependents for which the City is self-insured. The City is self-insured for the first \$75,000 per participant; annual claims above such amount are paid for by stop-loss insurance which the City maintains.

CITY OF WARREN, OHIO

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

NOTE 14 - RISK MANAGEMENT - (Continued)

Settled claims have not exceeded the self-insurance amount in any of the past three years. The liability for unpaid claims of \$727,615 reported in the internal service fund at December 31, 2020, is based on the requirements of GASB Statement No. 10, “Accounting and Financial Reporting for Risk Financing and Related Insurance Issues”, as amended by GASB Statement No. 30 “Risk Financing Omnibus”, which requires that a liability for unpaid claims costs, including estimates of costs relating to incurred but not reported claims, be accrued at the estimated ultimate cost of settling the claims.

Changes in the fund’s liability for the current and previous year are as follows:

<u>Fund</u>	<u>Year</u>	<u>Beginning of Year Liability</u>	<u>Current Year Claims and Changes in Estimates</u>	<u>Claims Payments</u>	<u>End of Year Liability</u>
Hospitalization	2020	\$ 742,734	\$ 5,196,231	\$ (5,211,350)	\$ 727,615
self-insurance	2019	969,677	5,143,221	(5,370,164)	742,734

B. Risk Management

The City maintains a risk management fund which has also been classified as an internal service fund in the accompanying BFS. The purpose of this fund is to pay any general liability claims the City may have levied against it, except for police liability, which remains insured through a private insurance carrier.

Changes in the fund’s liability for the current and previous year are as follows:

<u>Fund</u>	<u>Year</u>	<u>Beginning of Year Liability</u>	<u>Current Year Claims and Changes in Estimates</u>	<u>Claims Payments</u>	<u>End of Year Liability</u>
Risk management	2020	\$ -	\$ 125,206	\$ (125,206)	\$ -
	2019	24,145	119,122	(143,267)	-

C. Workers’ Compensation

The City has elected to take advantage of the workers' compensation plan being offered by the State of Ohio. This plan, called retrospective rating, allows the City to pay a fraction of the premium it would pay as an experience-rated risk.

In 2020, the City paid premiums to the State Fund for Workers’ Compensation for calendar year 2020 in the amount of \$169,632. The City reimbursed the Bureau of Workers Compensation for actual medical costs and compensation paid to injured workers in the amount of \$195,279 under the Retrospective Rating Plan.

Retrospective rating constitutes a step closer to self-insurance. In the retrospective rating plan, the City agrees to assume a portion of the risk in return for a possible reduction in premiums. The greater the percentage of the risk the City assumes, the greater the potential reduction in the premium. If the City's loss experience is better than predicted by the experience-rating system, its premium obligation will be less than what it would have paid under experience rating. If its experience is worse than predicted, its premium obligation will be more than it would have been assessed under experience rating, limited to a maximum premium. The City has assumed the risk for individual claims up to a maximum of \$300,000.

CITY OF WARREN, OHIO

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

NOTE 14 - RISK MANAGEMENT - (Continued)

The City has agreed to pay all claims up to a maximum of 200% of what the City would have paid had the City remained an experience-rated risk. Claims exceeding these limits will be paid by the State. Each year, the City pays the State a "minimum premium" for retaining the risk of having to pay claims which exceeds the City's maximum claim limits. Ten years after each year the City elected the retrospective plan for workers' compensation, the City settles up for the reserve on any claims that are still open. The City has established a workers' compensation internal service fund to account for and finance its uninsured risks of loss in this program.

The claims liability of \$987,329 reported at December 31, 2020, as estimated by the third party administrator, is based on the requirements of GASB Statement No. 10, "Accounting and Financial Reporting for Risk Financing and Related Insurance Issues", as amended by GASB Statement No. 30, "Risk Financing Omnibus", which requires that a liability for unpaid claims costs, including estimates of costs relating to incurred, but not reported claims, be accrued at the estimated ultimate cost of settling the claims. Of the total claims liability, \$118,760 is due within one year and is reported as a current liability on the statements of net position. The remaining portion is a noncurrent liability of \$868,569. The estimate was not affected by non-incremental claim adjustment expenses and does not include other allocated or unallocated claim adjustment expenses.

Changes in the fund's liability for the current and previous year are as follows:

<u>Fund</u>	<u>Year</u>	<u>Beginning of Year Liability</u>	<u>Current Year Claims and Changes in Estimates</u>	<u>Claims Payments</u>	<u>End of Year Liability</u>
Workers' compensation	2020	\$ 1,090,269	\$ 92,339	\$ (195,279)	\$ 987,329
	2019	1,224,704	37,541	(171,976)	1,090,269

NOTE 15 - DEFINED BENEFIT PENSION PLANS

The Statewide retirement systems provide both pension benefits and other postemployment benefits (OPEB).

Net Pension Liability/Asset and Net OPEB Liability

Pensions and OPEB are a component of exchange transactions – between an employer and its employees – of salaries and benefits for employee services. Pensions are provided to an employee – on a deferred-payment basis – as part of the total compensation package offered by an employer for employee services each financial period.

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

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

CITY OF WARREN, OHIO

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

NOTE 15 - DEFINED BENEFIT PENSION PLANS - (Continued)

GASB 68/75 assumes the liability/asset is solely the obligation of the employer, because (1) they benefit from employee services; and (2) State statute requires funding to come from these employers. All pension contributions to date have come solely from these employers (which also includes pension costs paid in the form of withholdings from employees). The retirement systems may allocate a portion of the employer contributions to provide for these OPEB benefits. In addition, health care plan enrollees pay a portion of the health care costs in the form of a monthly premium. State statute requires the retirement systems to amortize unfunded pension liabilities within 30 years. If the pension amortization period exceeds 30 years, each retirement system's board must propose corrective action to the State legislature. Any resulting legislative change to benefits or funding could significantly affect the net pension/OPEB liability. Resulting adjustments to the net pension/OPEB liability would be effective when the changes are legally enforceable. The Ohio revised Code permits, but does not require the retirement systems to provide health care to eligible benefit recipients.

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

The remainder of this note includes the pension disclosures. See Note 16 for the OPEB disclosures.

Plan Description - Ohio Public Employees Retirement System (OPERS)

Plan Description - City employees, other than full-time police and firefighters, participate in the Ohio Public Employees Retirement System (OPERS). OPERS administers three separate pension plans. The traditional pension plan is a cost-sharing, multiple-employer defined benefit pension plan. The member-directed plan is a defined contribution plan and the combined plan is a combination cost-sharing, multiple-employer defined benefit/defined contribution pension plan. Participating employers are divided into state, local, law enforcement and public safety divisions. While members in the state and local divisions may participate in all three plans, law enforcement and public safety divisions exist only within the traditional plan.

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

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

CITY OF WARREN, OHIO

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

NOTE 15 - DEFINED BENEFIT PENSION PLANS - (Continued)

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

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

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

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

Defined contribution plan benefits are established in the plan documents, which may be amended by the Board. Member-directed plan and combined plan members who have met the retirement eligibility requirements may apply for retirement benefits. The amount available for defined contribution benefits in the combined plan consists of the member's contributions plus or minus the investment gains or losses resulting from the member's investment selections. Combined plan members wishing to receive benefits must meet the requirements for both the defined benefit and defined contribution plans. Member-directed participants must have attained the age of 55, have money on deposit in the defined contribution plan and have terminated public service to apply for retirement benefits. The amount available for defined contribution benefits in the member-directed plan consists of the members' contributions, vested employer contributions and investment gains or losses resulting from the members' investment selections. Employer contributions and associated investment earnings vest over a five-year period, at a rate of 20 percent each year. At retirement, members may select one of several distribution options for payment of the vested balance in their individual OPERS accounts. Options include the annuitization of the benefit (which includes joint and survivor options), partial lump-sum payments (subject to limitations), a rollover of the vested account balance to another financial institution, receipt of entire account balance, net of taxes withheld, or a combination of these options.

CITY OF WARREN, OHIO

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

NOTE 15 - DEFINED BENEFIT PENSION PLANS - (Continued)

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

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

	State and Local
2020 Statutory Maximum Contribution Rates	
Employer	14.0 %
Employee *	10.0 %
2020 Actual Contribution Rates	
Employer:	
Pension	14.0 %
Post-employment Health Care Benefits ****	0.0 %
Total Employer	14.0 %
Employee	10.0 %

* This rate is determined by OPERS' Board and has no maximum rate established by ORC.

**** This employer health care rate is for the traditional and combined plans. The employer contribution for the member-directed plan is 4.00%.

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

The City's contractually required contribution for the Traditional Pension Plan, the Combined Plan and Member-Directed Plan was \$1,590,778 for 2020. Of this amount, \$175,156 is reported as due to other governments and payroll withholding payable.

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

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

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

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

CITY OF WARREN, OHIO

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

NOTE 15 - DEFINED BENEFIT PENSION PLANS - (Continued)

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

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

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

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

	Police	Firefighters
2020 Statutory Maximum Contribution Rates		
Employer	19.50 %	24.00 %
Employee	12.25 %	12.25 %
2020 Actual Contribution Rates		
Employer:		
Pension	19.00 %	23.50 %
Post-employment Health Care Benefits	0.50 %	0.50 %
Total Employer	19.50 %	24.00 %
Employee	12.25 %	12.25 %

Employer contribution rates are expressed as a percentage of covered payroll. The City’s contractually required contribution to OP&F was \$1,651,732 for 2020. Of this amount, \$190,507 is reported as due to other governments and payroll withholding payable.

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

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

CITY OF WARREN, OHIO

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

NOTE 15 - DEFINED BENEFIT PENSION PLANS - (Continued)

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

	OPERS - Traditional	OPERS - Combined	OPERS - Member- Directed	OP&F	Total
Proportion of the net pension liability/asset prior measurement date	0.086610%	0.069106%	0.022813%	0.339550%	
Proportion of the net pension liability/asset current measurement date	<u>0.083242%</u>	<u>0.063994%</u>	<u>0.020298%</u>	<u>0.322905%</u>	
Change in proportionate share	<u>-0.003368%</u>	<u>-0.005112%</u>	<u>-0.002515%</u>	<u>-0.016645%</u>	
Proportionate share of the net pension liability	\$ 16,453,327	\$ -	\$ -	\$ 21,752,606	\$ 38,205,933
Proportionate share of the net pension asset	-	(133,440)	(768)	-	(134,208)
Pension expense	2,137,642	15,288	(452)	2,337,189	4,489,667

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

	OPERS - Traditional	OPERS - Combined	OPERS - Member- Directed	OP&F	Total
Deferred outflows of resources					
Differences between expected and actual experience	\$ -	\$ -	\$ 2,566	\$ 823,409	\$ 825,975
Changes of assumptions	878,801	13,758	124	533,971	1,426,654
Changes in employer's proportionate percentage/difference between employer contributions	157,080	-	-	587,083	744,163
Contributions subsequent to the measurement date	<u>1,535,428</u>	<u>41,072</u>	<u>14,278</u>	<u>1,651,732</u>	<u>3,242,510</u>
Total deferred outflows of resources	<u>\$ 2,571,309</u>	<u>\$ 54,830</u>	<u>\$ 16,968</u>	<u>\$ 3,596,195</u>	<u>\$ 6,239,302</u>

CITY OF WARREN, OHIO

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

NOTE 15 - DEFINED BENEFIT PENSION PLANS - (Continued)

	OPERS - Traditional	OPERS - Combined	OPERS - Member- Directed	OP&F	Total
Deferred inflows of resources					
Differences between expected and actual experience	\$ 208,029	\$ 31,327	\$ -	\$ 1,121,869	\$ 1,361,225
Net difference between projected and actual earnings on pension plan investments	3,282,066	17,309	239	1,050,825	4,350,439
Changes in employer's proportionate percentage/ difference between employer contributions	596,080	-	-	1,792,796	2,388,876
Total deferred inflows of resources	<u>\$ 4,086,175</u>	<u>\$ 48,636</u>	<u>\$ 239</u>	<u>\$ 3,965,490</u>	<u>\$ 8,100,540</u>

\$3,242,510 reported as deferred outflows of resources related to pension resulting from City contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability/asset in the year ending December 31, 2021.

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

Year Ending December 31:	OPERS - Traditional	OPERS - Combined	OPERS - Member- Directed	OP&F	Total
2021	\$ (664,828)	\$ (8,502)	\$ 301	\$ (670,881)	\$ (1,343,910)
2022	(1,218,181)	(8,178)	308	(386,263)	(1,612,314)
2023	135,909	(3,354)	367	340,343	473,265
2024	(1,303,194)	(9,686)	274	(977,651)	(2,290,257)
2025	-	(1,811)	331	(326,575)	(328,055)
Thereafter	-	(3,347)	870	-	(2,477)
Total	<u>\$ (3,050,294)</u>	<u>\$ (34,878)</u>	<u>\$ 2,451</u>	<u>\$ (2,021,027)</u>	<u>\$ (5,103,748)</u>

Actuarial Assumptions - OPERS

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

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

CITY OF WARREN, OHIO

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

NOTE 15 - DEFINED BENEFIT PENSION PLANS - (Continued)

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

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

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

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

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

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

CITY OF WARREN, OHIO

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

NOTE 15 - DEFINED BENEFIT PENSION PLANS - (Continued)

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Weighted Average Long-Term Expected Real Rate of Return (Arithmetic)</u>
Fixed income	25.00 %	1.83 %
Domestic equities	19.00	5.75
Real estate	10.00	5.20
Private equity	12.00	10.70
International equities	21.00	7.66
Other investments	13.00	4.98
Total	<u>100.00 %</u>	<u>5.61 %</u>

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

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

	<u>1% Decrease</u>	<u>Current Discount Rate</u>	<u>1% Increase</u>
City's proportionate share of the net pension liability (asset):			
Traditional Pension Plan	\$ 27,136,859	\$ 16,453,327	\$ 6,849,143
Combined Plan	(80,632)	(133,440)	(171,503)
Member-Directed Plan	(406)	(768)	(1,015)

Actuarial Assumptions - OP&F

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

CITY OF WARREN, OHIO

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

NOTE 15 - DEFINED BENEFIT PENSION PLANS - (Continued)

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

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

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

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

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

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

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

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

CITY OF WARREN, OHIO

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

NOTE 15 - DEFINED BENEFIT PENSION PLANS - (Continued)

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

Asset Class	Target Allocation	Long Term Expected Real Rate of Return **
Cash and Cash Equivalents	- %	1.00 %
Domestic Equity	16.00	5.40
Non-US Equity	16.00	5.80
Private Markets	8.00	8.00
Core Fixed Income *	23.00	2.70
High Yield Fixed Income	7.00	4.70
Private Credit	5.00	5.50
U.S. Inflation		
Linked Bonds *	17.00	2.50
Master Limited Partnerships	8.00	6.60
Real Assets	8.00	7.40
Private Real Estate	12.00	6.40
Total	<u>120.00 %</u>	

Note: assumptions are geometric.

* levered 2x

** numbers include inflation

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

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

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

	1% Decrease	Current Discount Rate	1% Increase
City's proportionate share of the net pension liability	\$ 30,148,355	\$ 21,752,606	\$ 14,730,394

CITY OF WARREN, OHIO

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

NOTE 16 - DEFINED BENEFIT OPEB PLANS

Net OPEB Liability

See Note 15 for a description of the net OPEB liability.

Plan Description - Ohio Public Employees Retirement System (OPERS)

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

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

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

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

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

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

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

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

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

The City's contractually required contribution was \$5,712 for 2020. Of this amount, \$629 is reported as due to other governments and payroll withholding payable.

CITY OF WARREN, OHIO

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

NOTE 16 - DEFINED BENEFIT OPEB PLANS - (Continued)

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

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

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

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

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

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

The Board of Trustees is authorized to allocate a portion of the total employer contributions for retiree health care benefits. For 2020, the portion of employer contributions allocated to health care was 0.50% of covered payroll. The amount of employer contributions allocated to the health care plan each year is subject to the Trustees' primary responsibility to ensure that pension benefits are adequately funded.

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

The City's contractually required contribution to OP&F was \$39,159 for 2020. Of this amount, \$4,516 is reported as due to other governments and payroll withholding payable.

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

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

CITY OF WARREN, OHIO

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

NOTE 16 - DEFINED BENEFIT OPEB PLANS - (Continued)

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

	<u>OPERS</u>	<u>OP&F</u>	<u>Total</u>
Proportion of the net OPEB liability prior measurement date	0.083587%	0.339550%	
Proportion of the net OPEB liability current measurement date	<u>0.080207%</u>	<u>0.322905%</u>	
Change in proportionate share	<u>-0.003380%</u>	<u>-0.016645%</u>	
Proportionate share of the net OPEB liability	\$ 11,078,704	\$ 3,189,568	\$ 14,268,272
OPEB expense	\$ 923,012	\$ 375,282	\$ 1,298,294

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

	<u>OPERS</u>	<u>OP&F</u>	<u>Total</u>
Deferred outflows of resources			
Differences between expected and actual experience	\$ 297	\$ -	\$ 297
Changes of assumptions	1,753,639	1,864,743	3,618,382
Changes in employer's proportionate percentage/difference between employer contributions	78,377	598,043	676,420
Contributions subsequent to the measurement date	<u>5,712</u>	<u>39,159</u>	<u>44,871</u>
Total deferred outflows of resources	<u>\$ 1,838,025</u>	<u>\$ 2,501,945</u>	<u>\$ 4,339,970</u>

CITY OF WARREN, OHIO

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

NOTE 16 - DEFINED BENEFIT OPEB PLANS - (Continued)

	<u>OPERS</u>	<u>OP&F</u>	<u>Total</u>
Deferred inflows of resources			
Differences between expected and actual experience	\$ 1,013,197	\$ 343,008	\$ 1,356,205
Net difference between projected and actual earnings on OPEB plan investments	564,125	146,771	710,896
Changes of assumptions	-	679,745	679,745
Changes in employer's proportionate percentage/difference between employer contributions	<u>366,214</u>	<u>346,302</u>	<u>712,516</u>
Total deferred inflows of resources	<u>\$ 1,943,536</u>	<u>\$ 1,515,826</u>	<u>\$ 3,459,362</u>

\$44,871 reported as deferred outflows of resources related to OPEB resulting from City contributions subsequent to the measurement date will be recognized as a reduction of the net OPEB liability in the year ending December 31, 2021.

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

	<u>OPERS</u>	<u>OP&F</u>	<u>Total</u>
Year Ending December 31:			
2021	\$ 104,481	\$ 174,704	\$ 279,185
2022	24,906	174,704	199,610
2023	447	204,811	205,258
2024	(241,057)	157,350	(83,707)
2025	-	183,188	183,188
Thereafter	<u>-</u>	<u>52,203</u>	<u>52,203</u>
Total	<u>\$ (111,223)</u>	<u>\$ 946,960</u>	<u>\$ 835,737</u>

Actuarial Assumptions - OPERS

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

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

CITY OF WARREN, OHIO

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

NOTE 16 - DEFINED BENEFIT OPEB PLANS - (Continued)

Wage Inflation	3.25%
Projected Salary Increases, including inflation	3.25 to 10.75% including wage inflation
Single Discount Rate:	
Current measurement date	3.16%
Prior Measurement date	3.96%
Investment Rate of Return	
Current measurement date	6.00%
Prior Measurement date	6.00%
Municipal Bond Rate	
Current measurement date	2.75%
Prior Measurement date	3.71%
Health Care Cost Trend Rate	
Current measurement date	10.50% initial, 3.50% ultimate in 2030
Prior Measurement date	10.00%, initial 3.25%, ultimate in 2029
Actuarial Cost Method	Individual Entry Age Normal

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

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

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

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

CITY OF WARREN, OHIO

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

NOTE 16 - DEFINED BENEFIT OPEB PLANS - (Continued)

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

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

Asset Class	Target Allocation	Weighted Average Long-Term Expected Real Rate of Return (Arithmetic)
Fixed Income	36.00 %	1.53 %
Domestic Equities	21.00	5.75
Real Estate Investment Trust	6.00	5.69
International Equities	23.00	7.66
Other investments	14.00	4.90
Total	<u>100.00 %</u>	<u>4.55 %</u>

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

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

	1% Decrease	Current Discount Rate	1% Increase
City's proportionate share of the net OPEB liability	\$ 14,498,261	\$ 11,078,704	\$ 8,340,751

CITY OF WARREN, OHIO

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

NOTE 16 - DEFINED BENEFIT OPEB PLANS - (Continued)

Sensitivity of the City’s Proportionate Share of the Net OPEB Liability to Changes in the Health Care Cost Trend Rate

- Changes in the health care cost trend rate may also have a significant impact on the net OPEB liability. The following table presents the net OPEB liability calculated using the assumed trend rates, and the expected net OPEB liability if it were calculated using a health care cost trend rate that is 1.00% lower or 1.00% higher than the current rate.

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

	1% Decrease	Current Health Care Trend Rate Assumption	1% Increase
City's proportionate share of the net OPEB liability	\$ 10,751,781	\$ 11,078,704	\$ 11,401,460

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

Actuarial Assumptions - OP&F

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

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

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

CITY OF WARREN, OHIO

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

NOTE 16 - DEFINED BENEFIT OPEB PLANS - (Continued)

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

Valuation Date	January 1, 2019, with actuarial liabilities rolled forward to December 31, 2019
Actuarial Cost Method	Entry Age Normal
Investment Rate of Return	8.00%
Projected Salary Increases	3.75% to 10.50%
Payroll Growth	3.25%
Single discount rate:	
Current measurement date	3.56%
Prior measurement date	4.66%
Cost of Living Adjustments	3.00% simple; 2.20% simple for increases based on the lesser of the increase in CPI and 3.00%

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

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

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

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

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

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

CITY OF WARREN, OHIO

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

NOTE 16 - DEFINED BENEFIT OPEB PLANS - (Continued)

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

Asset Class	Target Allocation	Long Term Expected Real Rate of Return **
Cash and Cash Equivalents	- %	1.00 %
Domestic Equity	16.00	5.40
Non-US Equity	16.00	5.80
Private Markets	8.00	8.00
Core Fixed Income *	23.00	2.70
High Yield Fixed Income	7.00	4.70
Private Credit	5.00	5.50
U.S. Inflation		
Linked Bonds *	17.00	2.50
Master Limited Partnerships	8.00	6.60
Real Assets	8.00	7.40
Private Real Estate	12.00	6.40
Total	<u>120.00 %</u>	

Note: assumptions are geometric.

* levered 2x

** numbers include inflation

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

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

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

CITY OF WARREN, OHIO

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

NOTE 16 - DEFINED BENEFIT OPEB PLANS - (Continued)

	<u>1% Decrease</u>	<u>Current Discount Rate</u>	<u>1% Increase</u>
City's proportionate share of the net OPEB liability	\$ 3,954,859	\$ 3,189,568	\$ 2,553,665

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

NOTE 17 - BUDGETARY BASIS OF ACCOUNTING

While the City is reporting financial position, results of operations and changes in fund balance on the basis of generally accepted accounting principles (GAAP), the budgetary basis as provided by law is based upon accounting for certain transactions on a basis of cash receipts, disbursements and encumbrances. The statement of revenues, expenditures and changes in fund balances - budget and actual (non-GAAP budgetary basis) presented for the general fund is presented on the budgetary basis to provide a meaningful comparison of actual results with the budget. The major differences between the budget basis and GAAP basis are as follows:

1. Revenues are recorded when received in cash (budget) as opposed to when susceptible to accrual (GAAP);
2. Expenditures/expenses are recorded when paid in cash (budget) as opposed to when the liability is incurred (GAAP);
3. In order to determine compliance with Ohio law, and to reserve that portion of the applicable appropriation, total outstanding encumbrances (budget basis) are recorded as the equivalent of an expenditure, as opposed to assigned or committed fund balance for that portion of outstanding encumbrances not already recognized as an account payable (GAAP basis); are treated as expenditures (budget) rather than as a reservation of fund balance (GAAP);
4. Investments are reported at fair value (GAAP) rather than cost (budget); and,
5. Some funds are included in the general fund (GAAP basis), but have separate legally adopted budgets (budget basis).

The following table summarizes the adjustments necessary to reconcile the GAAP basis statements (as reported in the fund financial statements) to the budgetary basis statements for all governmental funds for which a budgetary basis statement is presented.

Net Change in Fund Balance

	<u>General</u>
Budget basis	\$ (78,387)
Net adjustment for revenue accruals	(107,002)
Net adjustment for expenditure accruals	366,569
Net adjustment for other financing sources/uses	250,000
Funds budgeted elsewhere	31,989
Adjustment for encumbrances	<u>287,972</u>
GAAP basis	<u>\$ 751,141</u>

The Packard Music Hall fund, payroll fund and the auditors escrow funds are legally budgeted in separate funds but are considered part of the general fund on GAAP basis.

CITY OF WARREN, OHIO

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

NOTE 18 - 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 other governmental funds are presented in the following table.

Fund balance	General	General Capital Projects	Nonmajor Governmental Funds	Total Governmental Funds
Nonspendable:				
Materials and supplies inventory	\$ 3,185	\$ -	\$ 35,240	\$ 38,425
Total nonspendable	<u>3,185</u>	<u>-</u>	<u>35,240</u>	<u>38,425</u>
Restricted:				
Debt service	-	-	1,572,127	1,572,127
Capital projects	-	1,440,597	-	1,440,597
Street maintenance	-	-	1,208,045	1,208,045
State highway	-	-	359,909	359,909
Law enforcement	-	-	243,464	243,464
Courts	-	-	1,730,751	1,730,751
Community development and improvement	-	-	6,195,329	6,195,329
Coronavirus relief	-	-	1,242,608	1,242,608
Total restricted	<u>-</u>	<u>1,440,597</u>	<u>12,552,233</u>	<u>13,992,830</u>
Assigned:				
General government	16,719	-	-	16,719
Public safety programs	125,582	-	-	125,582
Community development and improvement	40,069	-	-	40,069
Parks and recreation	18,814	-	-	18,814
Subsequent year appropriations	<u>134,693</u>	<u>-</u>	<u>-</u>	<u>134,693</u>
Total assigned	<u>335,877</u>	<u>-</u>	<u>-</u>	<u>335,877</u>
Unassigned	<u>7,122,090</u>	<u>-</u>	<u>-</u>	<u>7,122,090</u>
Total fund balances	<u>\$ 7,461,152</u>	<u>\$ 1,440,597</u>	<u>\$ 12,587,473</u>	<u>\$ 21,489,222</u>

NOTE 19 - CONTINGENCIES

A. Grants

The City receives significant financial assistance from numerous 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 effect on any of the financial statements of the individual fund types included herein or on the overall financial position of the City at December 31, 2020.

CITY OF WARREN, OHIO

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

NOTE 19 - CONTINGENCIES - (Continued)

B. Litigation

Several claims and lawsuits are pending against the City. In the opinion of the City Law Director, any potential liability would not have a material effect on the BFS.

C. Debt

On August 28, 2001, the City and Austin Village Plaza entered into a \$350,000 promissory note with Second National Bank. In the event of default by Austin Village Plaza, the City may be called upon to repay the outstanding debt obligation which is \$350,000 at December 31, 2020. At this time, it is not determinable whether the City will sustain a liability related to this matter, therefore a liability has not been reported in the financial statements.

NOTE 20 - OTHER COMMITMENTS

A. 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	\$ 201,184
General capital projects	366,703
Nonmajor governmental	<u>671,585</u>
Total	<u>\$ 1,239,472</u>

B. The City has entered into a \$44,914,643 loan agreement with the OWDA for the Wastewater and Pump Station Refurbishment - Phase I project. \$2,192,035 of this loan was disbursed prior to December 31, 2020, for planning services, and \$42,722,608 is expected to be disbursed by the OWDA in future years. The City encumbered approximately \$39 million in the sewer enterprise fund at December 31, 2020 for contracts related to this project.

NOTE 21 - TAX ABATEMENTS

Ezone - Under the authority of ORC Sections 5709.62 and 5709.63, the Ezone program is an economic development tool administered by municipal and county governments that provides real and personal property tax exemptions to businesses making investments in Ohio. An Ezone is a designated area of land in which businesses can receive tax incentives in the form of tax exemptions on qualifying new investment. An Ezone's geographic area is identified by the local government involved in the creation of the zone. Once the zone is defined, the local legislative authority participating in the creation must petition the OSDA. The OSDA must then certify the area for it to become an active Enterprise Zone. The local legislative authority negotiates the terms of the Enterprise Zone Agreement (the "Agreement") with the business, which may include tax sharing with the Board of Education. Legislation must then be passed to approve the Agreement. All Agreements must be finalized before the project begins and may contain provisions for the recoupment of taxes should the individual or entity fail to perform. The amount of the abatement is deducted from the business's property tax bill.

The City has entered into Ezone Agreements with local businesses within the City. During 2020, the City's property tax revenues were reduced by \$5,164 as a result of these agreements.

CITY OF WARREN, OHIO

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

NOTE 22 - COVID-19

The United States and the State of Ohio declared a state of emergency in March 2020 due to the COVID-19 pandemic. The financial impact of COVID-19 and the ensuing emergency measures will impact subsequent periods of the City. The City's investment portfolio and the investments of the pension and other employee benefit plan in which the City participates have incurred a significant decline in fair value, consistent with the general decline in financial markets. However, because the values of individual investments fluctuate with market conditions, and due to market volatility, the amount of losses that will be recognized in subsequent periods, if any, cannot be determined. In addition, the impact on the City's future operating costs, revenues, and any recovery from emergency funding, either federal or state, cannot be estimated.

NOTE 23 - WARREN CITY HEALTH DISTRICT

The constitution and laws of the State of Ohio establish the rights and privileges of the Warren City Health District (the "Health District") as a body corporate and politic. A five-member Board and a Health Commissioner govern the Health District. Consistent with the provisions of the Ohio Revised Code Section 3709.36, the Health District is a legally separate organization. The Health District's services include communicable disease investigations, immunization clinics, tuberculosis screenings, home visits, public health nursing services and issues, health-related licenses and permits, emergency preparedness activities as well as birth certificates and death certificates. The Mayor appoints a voting majority of the Health District Board. The rates charged by the City are subject to the approval of City Council. In addition, the City provides funding to the Health District, thus the City can impose will on the Health District, and the Health District imposes a financial burden to the City. Therefore, The Health District is considered a discretely presented component unit of the City of Warren.

The Health District's management believes these financial statements present all activities for which the Health District is financially accountable. The Health District has no component units.

Summary of Significant Accounting Policies

The financial statements of the Health District have been prepared in conformity with GAAP as applied to governmental units. GASB is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant of the Health District's accounting policies are described as follows.

Basis of Presentation - Government-Wide Financial Statements - The statement of net position and the statement of activities display information about the Health District as a whole. These statements include the financial activities of the primary government, except for fiduciary funds. The Health District has no fiduciary funds. The statements distinguish between those activities of the Health District that are governmental and those that are considered business-type activities. The Health District has no business-type activities.

The statement of net position presents the financial condition of the governmental activities and business-type activities for the Health District at year end. The statement of activities presents a comparison between direct expenses and program revenues for each program or function of the Health District's activities. Direct expenses are those that are specifically associated with a service, program or department and therefore are 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 operation of a particular program. Revenues which are not classified as program revenues are presented as general revenues of the Health District, with certain limited exceptions. The comparison of direct expenses with program revenues identifies the extent to which each governmental program is self-financing or draws from the general revenues of the Health District.

CITY OF WARREN, OHIO

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

NOTE 23 - WARREN CITY HEALTH DISTRICT - (Continued)

Measurement Focus - Government-Wide Financial Statements - The government-wide financial statements are prepared using the economic resources measurement focus. All assets, deferred outflows of resources, liabilities and deferred inflows of resources associated with the operation of the Health District are included on the statement of net position. The statement of activities presents increases (e.g., revenues) and decreases (e.g., expenses) in total net position.

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.

Revenues-Exchange and Nonexchange Transactions - Revenues resulting from exchange transactions, in which each party gives and receives essentially equal value, are recorded on the accrual basis when the exchange takes place. Nonexchange transactions, in which the Health District receives value without directly giving equal value in return, include intergovernmental contractual allocations from participating local governments, grants, entitlements, and donations. Revenue from intergovernmental contractual allocations, grants, entitlements and donations is recognized in the fiscal 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 Health District must provide local resources to be used for a specified purpose, and expenditure requirements, in which the resources are provided to the Health District on a reimbursement basis.

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

Deferred Outflows of Resources/Deferred Inflows of Resources - In addition to assets, the statement of net position will report a separate section for deferred outflows of resources. Deferred outflows of resources, represents a consumption of net position that applies to a future period and will not be recognized as an outflow of resources (expense/expenditure) until then. For the Health District, deferred outflows of resources are reported on the government-wide statement of net position for pension and OPEB.

In addition to liabilities, the statements of financial position report a separate section for deferred inflows of resources. Deferred inflows of resources represent an acquisition of net position that applies to a future period and will not be recognized as an inflow of resources (revenue) until that time. For the Health District, deferred inflows of resources are reported on the government-wide statement of net position for pension and OPEB.

Estimates - The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the amounts reported on the financial statements and accompanying notes. Actual results may differ from those estimates.

Inventories of Materials and Supplies - On government-wide financial statements, purchased inventories are presented at the lower of cost or market. Inventories are recorded on a first-in, first-out basis and are expensed when used. Inventories are accounted for using the consumption method. Inventory consists of expendable supplies held for consumption.

Capital Assets - Capital assets are reported in the government-wide financial statements. In accordance with the City's policy, all capital assets are capitalized at cost (or estimated historical cost) and updated for additions and retirements during the year. Donated capital assets are recorded at their acquisition values as of the date received. The Health District maintains a capitalization threshold of \$5,000, in accordance with the City's policy.

All reported capital assets are depreciated over the remaining useful lives of the related capital assets. Depreciation is computed using the straight-line method over the following useful lives:

<u>Description</u>	<u>Estimated Lives</u>
Autos and trucks	5 years
Machinery, equipment, software, furniture and fixtures	5 - 20 years

CITY OF WARREN, OHIO

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

NOTE 23 - WARREN CITY HEALTH DISTRICT - (Continued)

Compensated Absences - Compensated absences of the Health District consist of vacation, sick, and comp time leave to the extent that payment to the employee for these absences is attributable to services already rendered and are not contingent on a specific event that is outside the control of the Health District and the employee,.

In conformity with GASB Statement No. 16, "Accounting for Compensated Absences", vacation and comp time benefits are accrued as a liability as the benefits are earned if the employees' rights to receive compensation are attributable to services already rendered and it is probable that the Health District will compensate the employees for the benefits through paid time off or some other means. Sick leave benefits are accrued as a liability using the vesting method, which follows the City's policy. The liability is based on the sick leave accumulated at December 31 by those employees who are currently eligible to receive termination payments and by those employees for whom it is probable they will become eligible to receive termination benefits in the future.

For purposes of establishing a liability for sick leave on employees expected to become eligible to retire in the future, all employees age fifty or greater with at least ten years of service or any employee with at least twenty years of service were considered expected to become eligible to retire in accordance with GASB Statement No. 16, which follows the City's policy.

The total liability for vacation, sick and comp time leave payments has been calculated using pay rates in effect at the balance sheet date, and reduced to the maximum payment allowed by labor contract and/or statute, plus applicable additional salary related payments. Health District employees are granted vacation, sick and comp time leave in varying amounts. In the event of termination, an employee is reimbursed for accumulated vacation, sick, and comp time leave at various rates.

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

Net Position - Net position represents the difference between all other elements on the statement of net position. Net position is reported as restricted when there are limitations imposed on their use either through enabling legislation or through external restrictions imposed by creditors, grantors, or laws or regulations of other governments. The Health District's policy is to first apply restricted resources when an expense is incurred for purposes for which both restricted and unrestricted resources are available.

Cash with Fiscal Agent

The City of Warren Treasurer is custodian for the Health District's deposits. The City's deposit and investment pool holds the Board of Health's assets, valued at the Treasurer's reported carrying amount. At December 31, 2020, the Board of Health had no deposits or investments held with the City.

Cash in Segregated Accounts

At December 31, 2020, the Health District had cash in with a carrying amount of \$345,160 in a segregated cash account for the Warren Hills landfill. Of the \$345,160 bank balance, \$250,000 was covered by the FDIC, and \$95,160 was potentially exposed to custodial credit risk discussed below because those deposits were uninsured and could be uncollateralized.

CITY OF WARREN, OHIO

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

NOTE 23 - WARREN CITY HEALTH DISTRICT - (Continued)

Custodial credit risk is the risk that, in the event of bank failure, the Health District will not be able to recover deposits or collateral securities that are in the possession of an outside party. The Health District has no deposit policy for custodial credit risk beyond the requirements of State statute. Ohio law requires that deposits either be insured or protected by eligible securities pledged to the Health District's and deposited with a qualified trustee by the financial institution as security for repayment whose fair value at all times shall be at least 105 percent of the deposits being secured.

Receivables

Receivables at December 31, 2020 consisted of charges for services (primarily billings from birth/death certificates, permits, solid waste fees) and intergovernmental receivables arising from grants (HIV prevention federal funding from Summit County and reimbursements from the State of Ohio Department of Health). Receivables have been recorded to the extent that they are measurable at December 31, 2020. All receivables are expected to be collected in the subsequent year.

Capital Assets

Capital asset activity for the year ended December 31, 2020, for the Health District was as follows:

	Balance			Balance
	<u>1/1/2020</u>	<u>Additions</u>	<u>Disposals</u>	<u>12/31/20</u>
<i>Capital assets, being depreciated:</i>				
Computer equipment	\$ 5,370	\$ -	\$ (5,370)	\$ -
Furniture and equipment	16,472	-	(16,472)	-
Vehicles	<u>113,649</u>	<u>20,063</u>	<u>(44,791)</u>	<u>88,921</u>
Total capital assets, being depreciated	<u>135,491</u>	<u>20,063</u>	<u>(66,633)</u>	<u>88,921</u>
<i>Less: accumulated depreciation:</i>				
Computer equipment	(5,370)	-	5,370	-
Furniture and equipment	(16,472)	-	16,472	-
Vehicles	<u>(113,649)</u>	<u>(20,063)</u>	<u>44,791</u>	<u>(88,921)</u>
Total accumulated depreciation	<u>(135,491)</u>	<u>(20,063)</u>	<u>66,633</u>	<u>(88,921)</u>
Total capital assets being depreciated, net	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Capital assets, net	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

Long-Term Obligations

Changes in the Health District's long-term obligations during the year consisted of the following.

	Balance			Balance	Due Within
	<u>1/1/2020</u>	<u>Additions</u>	<u>Reductions</u>	<u>12/31/20</u>	<u>One Year</u>
Compensated absences	\$ 298,641	\$ 87,219	\$ (48,943)	\$ 336,917	\$ 44,286
Net pension liability	1,234,884	-	(305,877)	929,007	-
Net OPEB liability	<u>567,326</u>	<u>58,213</u>	<u>-</u>	<u>625,539</u>	<u>-</u>
Total long-term obligations	<u>\$ 2,100,851</u>	<u>\$ 145,432</u>	<u>\$ (354,820)</u>	<u>\$ 1,891,463</u>	<u>\$ 44,286</u>

CITY OF WARREN, OHIO

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

NOTE 23 - WARREN CITY HEALTH DISTRICT - (Continued)

Risk Management

The Health District is exposed to various risks of loss during the normal course of its operations including, but not limited to, loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; and injuries to employees. The Health District is included under the City's self-insured programs for hospitalization, risk management, and workers compensation, see Note 14 for detail.

Defined Benefit Pension Plans

Plan descriptions and actuarial information for the District's defined benefit pension plans are the same as the City's (see Note 15 for detail).

The Health District's contractually required contribution for the Traditional Pension Plan, the Combined Plan and Member-Directed Plan was \$89,820 for 2020. Of this amount, \$9,361 is reported as due to other governments.

The net pension liability and net pension asset for the OPERS were measured as of December 31, 2019, and the total pension liability or asset used to calculate the net pension liability or asset was determined by an actuarial valuation as of that date. The Health District's proportion of the net pension liability or asset was based on the Health District's share of contributions to the pension plan relative to the contributions of all participating entities.

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

	<u>OPERS - Traditional</u>	<u>OPERS - Combined</u>	<u>OPERS - Member- Directed</u>	<u>Total</u>
Proportion of the net pension liability/asset prior measurement date	0.004509%	0.003598%	0.001188%	
Proportion of the net pension liability/asset current measurement date	<u>0.004700%</u>	<u>0.003613%</u>	<u>0.001146%</u>	
Change in proportionate share	<u>0.000191%</u>	<u>0.000015%</u>	<u>-0.000042%</u>	
Proportionate share of the net pension liability	\$ 929,007	\$ -	\$ -	\$ 929,007
Proportionate share of the net pension asset	-	(7,535)	(43)	(7,578)
Pension expense	153,634	863	(7)	154,490

CITY OF WARREN, OHIO

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

NOTE 23 - WARREN CITY HEALTH DISTRICT - (Continued)

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

	<u>OPERS - Traditional</u>	<u>OPERS - Combined</u>	<u>OPERS - Member- Directed</u>	<u>Total</u>
Deferred outflows of resources				
Differences between expected and actual experience	\$ -	\$ -	\$ 145	\$ 145
Changes of assumptions	49,620	777	7	50,404
Changes in employer's proportionate percentage/ difference between employer contributions	26,140	-	-	26,140
Contributions subsequent to the measurement date	<u>86,695</u>	<u>2,319</u>	<u>806</u>	<u>89,820</u>
Total deferred outflows of resources	<u>\$ 162,455</u>	<u>\$ 3,096</u>	<u>\$ 958</u>	<u>\$ 166,509</u>

	<u>OPERS - Traditional</u>	<u>OPERS - Combined</u>	<u>OPERS - Member- Directed</u>	<u>Total</u>
Deferred inflows of resources				
Differences between expected and actual experience	\$ 11,746	\$ 1,769	\$ -	\$ 13,515
Net difference between projected and actual earnings on pension plan investments	<u>185,316</u>	<u>977</u>	<u>14</u>	<u>186,307</u>
Total deferred inflows of resources	<u>\$ 197,062</u>	<u>\$ 2,746</u>	<u>\$ 14</u>	<u>\$ 199,822</u>

\$89,820 reported as deferred outflows of resources related to pension resulting from Health District contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability/asset in the year ending December 31, 2021.

CITY OF WARREN, OHIO

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

NOTE 23 - WARREN CITY HEALTH DISTRICT - (Continued)

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

Year Ending December 31:	OPERS - Traditional	OPERS - Combined	OPERS - Member- Directed	Total
2021	\$ (26,438)	\$ (480)	\$ 17	\$ (26,901)
2022	(48,444)	(462)	17	(48,889)
2023	5,405	(189)	21	5,237
2024	(51,825)	(547)	15	(52,357)
2025	-	(102)	19	(83)
Thereafter	-	(189)	49	(140)
Total	<u>\$ (121,302)</u>	<u>\$ (1,969)</u>	<u>\$ 138</u>	<u>\$ (123,133)</u>

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

	1% Decrease	Current Discount Rate	1% Increase
Health District's proportionate share of the net pension liability (asset):			
Traditional Pension Plan	\$ 1,532,234	\$ 929,007	\$ 386,725
Combined Plan	(4,553)	(7,535)	(9,684)
Member-Directed Plan	(23)	(43)	(57)

Defined Benefit OPEB Plan

Plan descriptions and actuarial information for the Health District's defined benefit OPEB plan are the same as the City's (see Note 16 for detail).

Employer contribution rates are actuarially determined and are expressed as a percentage of covered payroll. The Health District's contractually required contribution was \$322 for 2020. Of this amount, \$33 is reported as due to other governments.

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

CITY OF WARREN, OHIO

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

NOTE 23 - WARREN CITY HEALTH DISTRICT - (Continued)

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

	OPERS
Proportion of the net OPEB liability prior measurement date	0.004351%
Proportion of the net OPEB liability current measurement date	<u>0.004529%</u>
Change in proportionate share	<u>0.000178%</u>
Proportionate share of the net OPEB liability	\$ 625,539
OPEB expense	\$ 73,204

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

	OPERS
Deferred outflows of resources	
Differences between expected and actual experience	\$ 17
Changes of assumptions	99,016
Changes in employer's proportionate percentage/difference between employer contributions	13,094
Contributions subsequent to the measurement date	<u>322</u>
Total deferred outflows of resources	<u>\$ 112,449</u>

CITY OF WARREN, OHIO

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

NOTE 23 - WARREN CITY HEALTH DISTRICT - (Continued)

	<u>OPERS</u>
Deferred inflows of resources	
Differences between expected and actual experience	\$ 57,208
Net difference between projected and actual earnings on OPEB plan investments	31,852
Changes in employer's proportionate percentage/difference between employer contributions	<u>505</u>
Total deferred inflows of resources	<u>\$ 89,565</u>

\$322 reported as deferred outflows of resources related to OPEB resulting from Health District contributions subsequent to the measurement date will be recognized as a reduction of the net OPEB liability in the year ending December 31, 2021.

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

	<u>OPERS</u>
Year Ending December 31:	
2021	\$ (21,195)
2022	(5,052)
2023	(91)
2024	<u>48,900</u>
Total	<u>\$ 22,562</u>

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

	<u>1% Decrease</u>	<u>Current Discount Rate</u>	<u>1% Increase</u>
Health District's proportionate share of the net OPEB liability	\$ 818,618	\$ 625,539	\$ 470,946

Contingencies

Grants - The Health District received financial assistance from federal and state agencies in the form of grants. The expenditure 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, if any, on the financial condition of the Health District.

CITY OF WARREN, OHIO

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

NOTE 23 - WARREN CITY HEALTH DISTRICT - (Continued)

Litigation - The Health District is not party to any legal proceedings that, in the opinion of management, will have a material adverse effect on the financial condition of the Health District.

COVID-19

The United States and the State of Ohio declared a state of emergency in March 2020 due to the COVID-19 pandemic. The financial impact of COVID-19 and the ensuing emergency measures will impact subsequent periods of the Health District. The investments of the pension and other employee benefit plan in which the Health District participates have incurred a significant decline in fair value, consistent with the general decline in financial markets. However, because the values of individual investments fluctuate with market conditions, and due to market volatility, the amount of losses that will be recognized in subsequent periods, if any, cannot be determined. In addition, the impact on the Health District's future operating costs, revenues, and any recovery from emergency funding, either federal or state, cannot be estimated.

NOTE 24 - SIGNIFICANT SUBSEQUENT EVENTS

The City has been awarded \$28,680,143 in American Rescue Plan State and Local Recovery Funds. The first half is expected to be received at the end of June 2021 or thereafter and the second half approximately a year later.

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REQUIRED SUPPLEMENTARY INFORMATION

CITY OF WARREN, OHIO

SCHEDULES OF THE REQUIRED SUPPLEMENTARY INFORMATION

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

LAST SEVEN YEARS

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
<i>Traditional Plan:</i>				
City's proportion of the net pension liability	0.083242%	0.086610%	0.091079%	0.096746%
City's proportionate share of the net pension liability	\$ 16,453,327	\$ 23,720,764	\$ 14,288,530	\$ 21,969,371
City's covered payroll	\$ 11,739,843	\$ 12,414,643	\$ 12,173,938	\$ 11,104,425
City's proportionate share of the net pension liability as a percentage of its covered payroll	140.15%	191.07%	117.37%	197.84%
Plan fiduciary net position as a percentage of the total pension liability	82.17%	74.70%	84.66%	77.25%
<i>Combined Plan:</i>				
City's proportion of the net pension asset	0.063994%	0.069106%	0.073197%	0.075776%
City's proportionate share of the net pension asset	\$ 133,440	\$ 77,301	\$ 99,646	\$ 42,175
City's covered payroll	\$ 295,564	\$ 310,950	\$ 299,777	\$ 294,967
City's proportionate share of the net pension asset as a percentage of its covered payroll	45.15%	24.86%	33.24%	14.30%
Plan fiduciary net position as a percentage of the total pension asset	145.28%	126.64%	137.28%	116.55%
<i>Member Directed Plan:</i>				
City's proportion of the net pension asset	0.020298%	0.022813%	0.023725%	0.025474%
City's proportionate share of the net pension asset	\$ 768	\$ 494	\$ 828	\$ 106
City's covered payroll	\$ 130,410	\$ 137,200	\$ 130,040	\$ 167,042
City's proportionate share of the net pension asset as a percentage of its covered payroll	0.59%	0.36%	0.64%	0.06%
Plan fiduciary net position as a percentage of the total pension asset	118.84%	113.42%	124.45%	103.40%

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

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

SEE ACCOMPANYING NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION

<u>2016</u>	<u>2015</u>	<u>2014</u>
0.099691%	0.104124%	0.104124%
\$ 17,267,738	\$ 12,558,519	\$ 12,274,864
\$ 13,388,225	\$ 12,794,050	\$ 13,672,708
128.98%	98.16%	89.78%
81.08%	86.45%	86.36%
0.063360%	0.067311%	0.067311%
\$ 30,832	\$ 25,915	\$ 7,063
\$ 235,000	\$ 246,050	\$ 244,900
13.12%	10.53%	2.88%
116.90%	114.83%	104.56%
0.025894%		
\$ 99		
\$ 182,158		
0.05%		
103.91%		

CITY OF WARREN, OHIO

SCHEDULES OF THE REQUIRED SUPPLEMENTARY INFORMATION

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

LAST SEVEN YEARS

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
City's proportion of the net pension liability	0.322905%	0.339550%	0.323433%	0.331383%
City's proportionate share of the net pension liability	\$ 21,752,606	\$ 27,716,252	\$ 19,850,539	\$ 20,989,491
City's covered payroll	\$ 7,919,788	\$ 7,649,031	\$ 7,249,257	\$ 6,646,483
City's proportionate share of the net pension liability as a percentage of its covered payroll	274.66%	362.35%	273.83%	315.80%
Plan fiduciary net position as a percentage of the total pension liability	69.89%	63.07%	70.91%	68.36%

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

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

SEE ACCOMPANYING NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION

<u>2016</u>	<u>2015</u>	<u>2014</u>
0.356109%	0.381035%	0.381035%
\$ 22,908,737	\$ 19,739,218	\$ 18,557,615
\$ 7,813,926	\$ 7,552,274	\$ 7,830,751
293.18%	261.37%	236.98%
66.77%	72.20%	73.00%

CITY OF WARREN, OHIO

SCHEDULES OF THE REQUIRED SUPPLEMENTARY INFORMATION

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

LAST TEN YEARS

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
<i>Traditional Plan:</i>				
Contractually required contribution	\$ 1,535,428	\$ 1,643,578	\$ 1,738,050	\$ 1,582,612
Contributions in relation to the contractually required contribution	<u>(1,535,428)</u>	<u>(1,643,578)</u>	<u>(1,738,050)</u>	<u>(1,582,612)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
City's covered payroll	\$ 10,967,343	\$ 11,739,843	\$ 12,414,643	\$ 12,173,938
Contributions as a percentage of covered payroll	14.00%	14.00%	14.00%	13.00%
<i>Combined Plan:</i>				
Contractually required contribution	\$ 41,072	\$ 41,379	\$ 43,533	\$ 38,971
Contributions in relation to the contractually required contribution	<u>(41,072)</u>	<u>(41,379)</u>	<u>(43,533)</u>	<u>(38,971)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
City's covered payroll	\$ 293,371	\$ 295,564	\$ 310,950	\$ 299,777
Contributions as a percentage of covered payroll	14.00%	14.00%	14.00%	13.00%
<i>Member Directed Plan:</i>				
Contractually required contribution	\$ 14,278	\$ 13,041	\$ 13,720	\$ 13,004
Contributions in relation to the contractually required contribution	<u>(14,278)</u>	<u>(13,041)</u>	<u>(13,720)</u>	<u>(13,004)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
City's covered payroll	\$ 142,780	\$ 130,410	\$ 137,200	\$ 130,040
Contributions as a percentage of covered payroll	10.00%	10.00%	10.00%	10.00%

SEE ACCOMPANYING NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION

<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>
\$ 1,332,531	\$ 1,606,587	\$ 1,535,286	\$ 1,777,452	\$ 1,305,122	\$ 1,300,432
<u>(1,332,531)</u>	<u>(1,606,587)</u>	<u>(1,535,286)</u>	<u>(1,777,452)</u>	<u>(1,305,122)</u>	<u>(1,300,432)</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
\$ 11,104,425	\$ 13,388,225	\$ 12,794,050	\$ 13,672,708	\$ 13,051,220	\$ 13,004,320
12.00%	12.00%	12.00%	13.00%	10.00%	10.00%
\$ 35,396	\$ 28,200	\$ 29,526	\$ 31,837	\$ 18,634	\$ 19,506
<u>(35,396)</u>	<u>(28,200)</u>	<u>(29,526)</u>	<u>(31,837)</u>	<u>(18,634)</u>	<u>(19,506)</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
\$ 294,967	\$ 235,000	\$ 246,050	\$ 244,900	\$ 234,390	\$ 245,358
12.00%	12.00%	12.00%	13.00%	7.95%	7.95%
\$ 15,869	\$ 17,305				
<u>(15,869)</u>	<u>(17,305)</u>				
<u>\$ -</u>	<u>\$ -</u>				
\$ 167,042	\$ 182,158				
9.50%	9.50%				

CITY OF WARREN, OHIO

SCHEDULES OF THE REQUIRED SUPPLEMENTARY INFORMATION

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

LAST TEN YEARS

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
<i>Police:</i>				
Contractually required contribution	\$ 796,879	\$ 806,348	\$ 767,969	\$ 737,987
Contributions in relation to the contractually required contribution	<u>(796,879)</u>	<u>(806,348)</u>	<u>(767,969)</u>	<u>(737,987)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
City's covered payroll	\$ 4,194,100	\$ 4,243,937	\$ 4,041,942	\$ 3,884,142
Contributions as a percentage of covered payroll	19.00%	19.00%	19.00%	19.00%
 <i>Fire:</i>				
Contractually required contribution	\$ 854,853	\$ 863,825	\$ 847,666	\$ 790,802
Contributions in relation to the contractually required contribution	<u>(854,853)</u>	<u>(863,825)</u>	<u>(847,666)</u>	<u>(790,802)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
City's covered payroll	\$ 3,637,672	\$ 3,675,851	\$ 3,607,089	\$ 3,365,115
Contributions as a percentage of covered payroll	23.50%	23.50%	23.50%	23.50%

SEE ACCOMPANYING NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION

<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>
\$ 677,614	\$ 790,943	\$ 770,359	\$ 642,290	\$ 529,665	\$ 539,681
<u>(677,614)</u>	<u>(790,943)</u>	<u>(770,359)</u>	<u>(642,290)</u>	<u>(529,665)</u>	<u>(539,681)</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
\$ 3,566,389	\$ 4,162,858	\$ 4,054,521	\$ 4,043,799	\$ 4,154,235	\$ 4,232,792
19.00%	19.00%	19.00%	15.88%	12.75%	12.75%
\$ 723,822	\$ 858,001	\$ 821,972	\$ 771,907	\$ 676,223	\$ 678,660
<u>(723,822)</u>	<u>(858,001)</u>	<u>(821,972)</u>	<u>(771,907)</u>	<u>(676,223)</u>	<u>(678,660)</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
\$ 3,080,094	\$ 3,651,068	\$ 3,497,753	\$ 3,786,952	\$ 3,920,133	\$ 3,934,261
23.50%	23.50%	23.50%	20.38%	17.25%	17.25%

CITY OF WARREN, OHIO

SCHEDULES OF THE REQUIRED SUPPLEMENTARY INFORMATION

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

LAST FOUR YEARS

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
City's proportion of the net OPEB liability	0.080207%	0.083587%	0.088000%	0.093257%
City's proportionate share of the net OPEB liability	\$ 11,078,704	\$ 10,897,712	\$ 9,556,152	\$ 9,419,273
City's covered payroll	\$ 12,165,817	\$ 12,862,793	\$ 12,603,755	\$ 11,566,434
City's proportionate share of the net OPEB liability as a percentage of its covered payroll	91.06%	84.72%	75.82%	81.44%
Plan fiduciary net position as a percentage of the total OPEB liability	47.80%	46.33%	54.14%	54.05%

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

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

SEE ACCOMPANYING NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION

CITY OF WARREN, OHIO

SCHEDULES OF THE REQUIRED SUPPLEMENTARY INFORMATION

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

LAST FOUR YEARS

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
City's proportion of the net OPEB liability	0.322905%	0.339550%	0.323433%	0.331383%
City's proportionate share of the net OPEB liability	\$ 3,189,568	\$ 3,092,124	\$ 18,325,260	\$ 15,730,006
City's covered payroll	\$ 7,919,788	\$ 7,649,031	\$ 7,249,257	\$ 6,646,483
City's proportionate share of the net OPEB liability as a percentage of its covered payroll	40.27%	40.43%	252.79%	236.67%
Plan fiduciary net position as a percentage of the total OPEB liability	47.08%	46.57%	14.13%	15.96%

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

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

CITY OF WARREN, OHIO

SCHEDULES OF THE REQUIRED SUPPLEMENTARY INFORMATION

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

LAST TEN YEARS

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
Contractually required contribution	\$ 5,712	\$ 5,216	\$ 5,489	\$ 129,938
Contributions in relation to the contractually required contribution	<u>(5,712)</u>	<u>(5,216)</u>	<u>(5,489)</u>	<u>(129,938)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
City's covered payroll	\$ 11,403,494	\$ 12,165,817	\$ 12,862,793	\$ 12,603,755
Contributions as a percentage of covered payroll	0.05%	0.04%	0.04%	1.03%

SEE ACCOMPANYING NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION

<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>
\$ 230,633	\$ 272,465	\$ 259,042	\$ 139,176	\$ 536,229	\$ 535,017
<u>(230,633)</u>	<u>(272,465)</u>	<u>(259,042)</u>	<u>(139,176)</u>	<u>(536,229)</u>	<u>(535,017)</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
\$ 11,566,434	\$ 13,805,383	\$ 13,040,100	\$ 13,917,608	\$ 13,285,610	\$ 13,249,678
1.99%	1.97%	1.99%	1.00%	4.04%	4.04%

CITY OF WARREN, OHIO

SCHEDULES OF THE REQUIRED SUPPLEMENTARY INFORMATION

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

LAST TEN YEARS

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
<i>Police:</i>				
Contractually required contribution	\$ 20,971	\$ 21,220	\$ 20,210	\$ 19,421
Contributions in relation to the contractually required contribution	<u>(20,971)</u>	<u>(21,220)</u>	<u>(20,210)</u>	<u>(19,421)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
City's covered payroll	\$ 4,194,200	\$ 4,243,937	\$ 4,041,942	\$ 3,884,142
Contributions as a percentage of covered payroll	0.50%	0.50%	0.50%	0.50%
 <i>Fire:</i>				
Contractually required contribution	\$ 18,188	\$ 18,379	\$ 18,035	\$ 16,826
Contributions in relation to the contractually required contribution	<u>(18,188)</u>	<u>(18,379)</u>	<u>(18,035)</u>	<u>(16,826)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
City's covered payroll	\$ 3,637,600	\$ 3,675,851	\$ 3,607,089	\$ 3,365,115
Contributions as a percentage of covered payroll	0.50%	0.50%	0.50%	0.50%

SEE ACCOMPANYING NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION

<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>
\$ 17,832	\$ 21,377	\$ 18,585	\$ 146,625	\$ 280,411	\$ 285,713
<u>(17,832)</u>	<u>(21,377)</u>	<u>(18,585)</u>	<u>(146,625)</u>	<u>(280,411)</u>	<u>(285,713)</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
\$ 3,566,389	\$ 4,162,858	\$ 4,054,521	\$ 4,043,799	\$ 4,154,235	\$ 4,232,792
0.50%	0.50%	0.50%	3.62%	6.75%	6.75%
\$ 15,400	\$ 18,255	\$ 16,034	\$ 137,513	\$ 264,609	\$ 265,563
<u>(15,400)</u>	<u>(18,255)</u>	<u>(16,034)</u>	<u>(137,513)</u>	<u>(264,609)</u>	<u>(265,563)</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
\$ 3,080,094	\$ 3,651,068	\$ 3,497,753	\$ 3,786,952	\$ 3,920,133	\$ 3,934,261
0.50%	0.50%	0.50%	3.62%	6.75%	6.75%

CITY OF WARREN, OHIO

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

PENSION

OHIO PUBLIC EMPLOYEES RETIREMENT SYSTEM (OPERS)

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

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

OHIO POLICE AND FIRE (OP&F) PENSION FUND

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

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

(Continued)

CITY OF WARREN, OHIO

NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION (CONTINUED)
FOR THE YEAR ENDED DECEMBER 31, 2020

OTHER POSTEMPLOYMENT BENEFITS (OPEB)

OHIO PUBLIC EMPLOYEES RETIREMENT SYSTEM (OPERS)

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

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

OHIO POLICE AND FIRE (OP&F) PENSION FUND

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

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

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COMBINING STATEMENTS
AND INDIVIDUAL
FUND SCHEDULES

CITY OF WARREN, OHIO

**INDIVIDUAL FUND SCHEDULES
FUND DESCRIPTIONS - GOVERNMENTAL FUNDS**

General Fund

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

Some funds are included in the general fund (GAAP basis), but have separate legally adopted budgets (budget basis):

Packard Music Hall

To account for the operations of the Packard Music Hall.

Nonmajor Special Revenue Funds

The special revenue funds are used to account for all specific financial resources (other than major capital projects) that are legally restricted for specified expenditure purposes. The following are the special revenue funds which the City operates:

Court Computerization

To account for revenues collected by the courts to be used for computer maintenance of the courts.

Street Maintenance

To account for that portion of the State gasoline tax and motor vehicle registration fees designated for maintenance and repair of dedicated streets within the City.

Police Grants

To account for all grants specific to the Police Department.

Drivers Alcohol Treatment

To account for fines collected to be used for expenditures related to drunk driving enforcement and treatment.

Drug Law Enforcement

To account for fines of the Municipal Court designated to subsidize each agency's law enforcement efforts that pertain to drug offenses.

Law Enforcement Trust

To account for monies received from the Federal Law Enforcement agencies designated for law enforcement purposes.

Enforcement and Education

To account for grant monies received from DUI arrests to be used for enforcement and education and for DUI housing reimbursements pursuant to Ohio Revised Code Section 4511.191.

Federal Forfeitures

To account for revenues received from Federal forfeitures to be used for expenditures related to drug enforcement and education.

Probation - Municipal Court

To account for revenues received from municipal probation.

Special Projects - Courts

To account for revenues collected by the courts to be used on various projects in the courts.

Legal Research - Courts

To account for revenues collected by the courts to be used for legal research.

Community Development Block Grant (CDBG)

To account for State and federal monies received under the Community Development Block Grant program for providing decent housing and a suitable living environment and expanded economic opportunities principally for persons of low and moderate income and the allowable administrative costs associated with those projects.

CITY OF WARREN, OHIO

INDIVIDUAL FUND SCHEDULES
FUND DESCRIPTIONS - GOVERNMENTAL FUNDS

Nonmajor Special Revenue Funds - (Continued)

Guarantee Loan

To account for monies related to a loan received from the Reinvestment Partnership Corporation through the Federal 108 Loan Guarantee Program.

Highway Construction

To account for revenues generated from license and gasoline taxes to be used on State highways located within the City.

Motor Vehicle Levy

To account for resources received as a result of the County's levied motor vehicle license tax to assist in maintaining those City streets.

Home Investment

To account for monies received through the Home Investment Partnership Program.

Coronavirus Relief Fund

To account for grants provided by the Coronavirus Aid, Relief and Economic Security Act (CARES) Act to support the City's response to the COVID-19 pandemic.

Nonmajor Debt Service Fund

General Bond Payment

The General Bond Payment debt service fund is established to account for the accumulation of resources for, and the payment of, principal and interest on long-term debt and related costs.

Major Capital Projects Fund

General Capital Projects

The General Capital Projects capital projects fund is used to account for the acquisition and construction of major capital facilities other than those financed by proprietary fund types.

CITY OF WARREN, OHIO

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

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Income taxes	\$ 20,333,000	\$ 20,333,000	\$ 20,336,210	\$ 3,210
Property and other taxes	160,000	160,000	157,069	(2,931)
Charges for services	2,391,000	2,391,000	2,182,727	(208,273)
Licenses and permits	799,489	799,489	854,980	55,491
Fines and forfeitures	947,327	947,327	774,587	(172,740)
Intergovernmental	1,336,069	1,579,868	1,783,631	203,763
Investment income	312,000	312,000	210,300	(101,700)
Rental income	70,000	70,000	44,538	(25,462)
Other	462,323	462,323	477,403	15,080
Total revenues	<u>26,811,208</u>	<u>27,055,007</u>	<u>26,821,445</u>	<u>(233,562)</u>
Expenditures:				
Current:				
General government				
City council				
Personal services	242,472	246,972	245,150	1,822
Contract services	28,893	27,753	22,814	4,939
Materials and supplies.	4,818	4,218	2,680	1,538
Total city council	<u>276,183</u>	<u>278,943</u>	<u>270,644</u>	<u>8,299</u>
Municipal court				
Personal services	2,015,182	2,179,482	2,104,389	75,093
Contract services	54,405	53,055	30,147	22,908
Materials and supplies.	-	21	21	-
Total municipal court.	<u>2,069,587</u>	<u>2,232,558</u>	<u>2,134,557</u>	<u>98,001</u>
Victims of crimes				
Personal services	122,490	129,690	125,072	4,618
Contract services	3,750	3,750	815	2,935
Materials and supplies.	3,500	3,479	2,219	1,260
Total victims of crimes	<u>129,740</u>	<u>136,919</u>	<u>128,106</u>	<u>8,813</u>
Operations - general				
Personal services	109,009	114,609	112,486	2,123
Contract services	20,880	21,600	21,600	-
Materials and supplies.	2,710	2,710	2,032	678
Total operations - general	<u>132,599</u>	<u>138,919</u>	<u>136,118</u>	<u>2,801</u>
Operations - maintenance				
Personal services	717,746	714,146	637,698	76,448
Contract services	182,375	175,175	159,298	15,877
Materials and supplies.	53,959	42,759	33,566	9,193
Capital outlay	22,753	22,753	22,753	-
Total operations - maintenance.	<u>976,833</u>	<u>954,833</u>	<u>853,315</u>	<u>101,518</u>
Mayor				
Personal services	410,890	423,390	401,597	21,793
Contract services	30,610	32,570	31,495	1,075
Materials and supplies.	8,137	8,477	5,809	2,668
Total mayor.	<u>449,637</u>	<u>464,437</u>	<u>438,901</u>	<u>25,536</u>

Continued

CITY OF WARREN, OHIO

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

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Purchasing				
Personal services	\$ 77,223	\$ 77,223	\$ 22,004	\$ 55,219
Contract services	15,670	18,790	11,333	7,457
Materials and supplies.	1,500	1,500	123	1,377
Total purchasing	<u>94,393</u>	<u>97,513</u>	<u>33,460</u>	<u>64,053</u>
Finance				
Personal services	531,978	551,478	521,351	30,127
Contract services	60,640	55,540	53,447	2,093
Materials and supplies.	13,536	19,536	19,121	415
Total finance	<u>606,154</u>	<u>626,554</u>	<u>593,919</u>	<u>32,635</u>
Human resources				
Personal services	328,978	354,478	350,878	3,600
Contract services	44,238	40,838	38,058	2,780
Materials and supplies.	17,060	8,460	7,847	613
Total human resources	<u>390,276</u>	<u>403,776</u>	<u>396,783</u>	<u>6,993</u>
Law department				
Personal services	913,205	908,591	864,556	44,035
Contract services	41,302	40,016	31,387	8,629
Materials and supplies.	5,202	5,202	4,833	369
Total law department.	<u>959,709</u>	<u>953,809</u>	<u>900,776</u>	<u>53,033</u>
Civil service				
Personal services	11,640	12,840	12,410	430
Contract services	9,506	9,506	9,055	451
Materials and supplies.	450	2,750	119	2,631
Total civil service.	<u>21,596</u>	<u>25,096</u>	<u>21,584</u>	<u>3,512</u>
Administrative support				
Contract services	1,241,924	1,288,924	1,245,202	43,722
Materials and supplies.	8,000	15,505	12,640	2,865
Capital outlay	-	14,000	13,620	380
Other	47,103	54,259	43,649	10,610
Total administrative support	<u>1,297,027</u>	<u>1,372,688</u>	<u>1,315,111</u>	<u>57,577</u>
Income tax				
Personal services	541,538	559,738	497,884	61,854
Contract services	100,193	93,493	91,242	2,251
Materials and supplies.	15,732	15,532	14,324	1,208
Total income tax	<u>657,463</u>	<u>668,763</u>	<u>603,450</u>	<u>65,313</u>
Total general government	<u>8,061,197</u>	<u>8,354,808</u>	<u>7,826,724</u>	<u>528,084</u>
Security of persons and property				
Police				
Personal services	7,372,900	8,007,900	7,664,498	343,402
Contract services	1,643,373	1,748,300	1,608,082	140,218
Materials and supplies.	472,881	378,531	306,230	72,301
Capital outlay	211,682	237,115	237,076	39
Total police.	<u>9,700,836</u>	<u>10,371,846</u>	<u>9,815,886</u>	<u>555,960</u>

Continued

CITY OF WARREN, OHIO

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

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Fire				
Personal services	\$ 6,271,203	\$ 6,811,203	\$ 6,662,019	\$ 149,184
Contract services	379,517	458,967	349,616	109,351
Materials and supplies.	201,679	335,679	110,192	225,487
Capital outlay	-	168,200	6,848	161,352
Total fire	<u>6,852,399</u>	<u>7,774,049</u>	<u>7,128,675</u>	<u>645,374</u>
 Total security of persons and property	 <u>16,553,235</u>	 <u>18,145,895</u>	 <u>16,944,561</u>	 <u>1,201,334</u>
Public health and welfare				
Health				
Contract services	131,079	131,079	131,079	-
Total health	<u>131,079</u>	<u>131,079</u>	<u>131,079</u>	<u>-</u>
 Total public health and welfare	 <u>131,079</u>	 <u>131,079</u>	 <u>131,079</u>	 <u>-</u>
Community environment				
Engineering building and plant department				
Personal services	727,729	727,729	704,404	23,325
Contract services	312,325	322,575	279,006	43,569
Materials and supplies.	40,804	33,174	30,357	2,817
Capital outlay	-	20,000	20,000	-
Other	8,000	8,000	3,528	4,472
Total engineering building and plant department.	<u>1,088,858</u>	<u>1,111,478</u>	<u>1,037,295</u>	<u>74,183</u>
 Total community environment.	 <u>1,088,858</u>	 <u>1,111,478</u>	 <u>1,037,295</u>	 <u>74,183</u>
Leisure time activity				
Operations - Packard Park				
Personal services	134,919	99,619	91,216	8,403
Contract services	44,917	62,293	56,778	5,515
Materials and supplies.	21,950	21,950	11,820	10,130
Other.	6,000	10,000	1,400	8,600
Total operations - packard park.	<u>207,786</u>	<u>193,862</u>	<u>161,214</u>	<u>32,648</u>
 Operations - parks				
Personal services	143,475	172,775	162,531	10,244
Contract services	126,056	96,460	79,293	17,167
Materials and supplies.	35,474	35,474	21,316	14,158
Capital outlay	7,500	-	-	-
Other.	250	1,250	175	1,075
Total operations - parks.	<u>312,755</u>	<u>305,959</u>	<u>263,315</u>	<u>42,644</u>
 Total leisure time activity	 <u>520,541</u>	 <u>499,821</u>	 <u>424,529</u>	 <u>75,292</u>
 Total expenditures.	 <u>26,354,910</u>	 <u>28,243,081</u>	 <u>26,364,188</u>	 <u>1,878,893</u>
 Excess of revenues over expenditures	 <u>456,298</u>	 <u>(1,188,074)</u>	 <u>457,257</u>	 <u>1,645,331</u>
Other financing (uses):				
Transfers (out).	(927,395)	(1,294,344)	(535,644)	758,700
Total other financing (uses)	<u>(927,395)</u>	<u>(1,294,344)</u>	<u>(535,644)</u>	<u>758,700</u>

CITY OF WARREN, OHIO

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

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Net change in fund balance.	\$ (471,097)	\$ (2,482,418)	\$ (78,387)	\$ 2,404,031
Fund balance at beginning of year				
Fund balance at beginning of year (restated)	4,937,146	4,937,146	4,937,146	-
Prior year encumbrances appropriated . .	463,394	463,394	463,394	-
Fund balance at end of year	<u>\$ 4,929,443</u>	<u>\$ 2,918,122</u>	<u>\$ 5,322,153</u>	<u>\$ 2,404,031</u>

CITY OF WARREN, OHIO

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

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Other	\$ 85,000	\$ 85,000	\$ 36,712	\$ (48,288)
Total revenues.	<u>85,000</u>	<u>85,000</u>	<u>36,712</u>	<u>(48,288)</u>
Expenditures:				
Current:				
General government				
Contract services	387,665	387,665	237,529	150,136
Total expenditures.	<u>387,665</u>	<u>387,665</u>	<u>237,529</u>	<u>150,136</u>
Excess of expenditures over revenues . . .	<u>(302,665)</u>	<u>(302,665)</u>	<u>(200,817)</u>	<u>101,848</u>
Other financing sources:				
Transfers in	302,665	302,665	250,000	(52,665)
Total other financing sources	<u>302,665</u>	<u>302,665</u>	<u>250,000</u>	<u>(52,665)</u>
Net change in fund balance	-	-	49,183	49,183
Fund balance at beginning of year.	<u>73,102</u>	<u>73,102</u>	<u>73,102</u>	<u>-</u>
Fund balance at end of year	<u>\$ 73,102</u>	<u>\$ 73,102</u>	<u>\$ 122,285</u>	<u>\$ 49,183</u>

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CITY OF WARREN, OHIO

COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
DECEMBER 31, 2020

	Nonmajor Special Revenue Funds	Nonmajor Debt Service Fund	Total Nonmajor Governmental Funds
Assets:			
Equity in pooled cash, cash equivalents and investments	\$ 5,285,715	\$ 1,572,127	\$ 6,857,842
Receivables (net of allowance of uncollectibles):			
Real and other taxes	-	1,328,760	1,328,760
Accounts	23,125	-	23,125
Intergovernmental	1,176,808	69,543	1,246,351
Loans	5,652,708	-	5,652,708
Special assessments	1,904,907	180,075	2,084,982
Materials and supplies inventory	35,240	-	35,240
Total assets	<u>\$ 14,078,503</u>	<u>\$ 3,150,505</u>	<u>\$ 17,229,008</u>
Liabilities:			
Accounts payable	\$ 318,850	\$ -	\$ 318,850
Contracts payable	122,533	-	122,533
Accrued wages and benefits payable	9,551	-	9,551
Due to other governments	44,338	-	44,338
Total liabilities	<u>495,272</u>	<u>-</u>	<u>495,272</u>
Deferred inflows of resources:			
Property taxes levied for the next fiscal year.	-	985,977	985,977
Delinquent property tax revenue not available.	-	342,783	342,783
Special assessments revenue not available.	1,904,907	180,075	2,084,982
Intergovernmental revenue not available.	662,978	69,543	732,521
Total deferred inflows of resources	<u>2,567,885</u>	<u>1,578,378</u>	<u>4,146,263</u>
Fund balances:			
Nonspendable	35,240	-	35,240
Restricted.	10,980,106	1,572,127	12,552,233
Total fund balances	<u>11,015,346</u>	<u>1,572,127</u>	<u>12,587,473</u>
Total liabilities, deferred inflows of resources and fund balances.	<u>\$ 14,078,503</u>	<u>\$ 3,150,505</u>	<u>\$ 17,229,008</u>

CITY OF WARREN, OHIO

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

	Nonmajor Special Revenue Funds	Nonmajor Debt Service Fund	Total Nonmajor Governmental Funds
	<u> </u>	<u> </u>	<u> </u>
Revenues:			
Property and other taxes	\$ -	\$ 937,890	\$ 937,890
Licenses and permits	96,472	-	96,472
Fines and forfeitures.	298,765	-	298,765
Intergovernmental	7,203,123	139,085	7,342,208
Special assessments	25,206	-	25,206
Investment income.	24,230	-	24,230
Other.	30,532	-	30,532
	<u>7,678,328</u>	<u>1,076,975</u>	<u>8,755,303</u>
Expenditures:			
Current:			
General government	1,286,090	21,201	1,307,291
Security of persons and property	850,032	-	850,032
Transportation	1,788,584	-	1,788,584
Community environment	147	-	147
Leisure time activity	24,223	-	24,223
Economic development.	1,583,003	-	1,583,003
Capital outlay	438,091	-	438,091
Debt service:			
Principal retirement	169,278	732,828	902,106
Interest and fiscal charges.	16,680	151,880	168,560
	<u>6,156,128</u>	<u>905,909</u>	<u>7,062,037</u>
Excess of revenues over expenditures	<u>1,522,200</u>	<u>171,066</u>	<u>1,693,266</u>
Other financing sources:			
Transfers in	124,103	-	124,103
Net change in fund balance	1,646,303	171,066	1,817,369
Fund balances at beginning of year	<u>9,369,043</u>	<u>1,401,061</u>	<u>10,770,104</u>
Fund balances at end of year	<u>\$ 11,015,346</u>	<u>\$ 1,572,127</u>	<u>\$ 12,587,473</u>

CITY OF WARREN, OHIO

**COMBINING BALANCE SHEET
NONMAJOR SPECIAL REVENUE FUNDS
DECEMBER 31, 2020**

	<u>Court Computerization</u>	<u>Street Maintenance</u>	<u>Police Grants</u>
Assets:			
Equity in pooled cash, cash equivalents and investments	\$ 353,407	\$ 463,457	\$ 20,758
Receivables (net of allowance for uncollectibles):			
Accounts	4,276	-	-
Intergovernmental	-	903,198	-
Loans	-	-	-
Special assessments	-	-	-
Materials and supplies inventory	-	35,240	-
Total assets	<u>\$ 357,683</u>	<u>\$ 1,401,895</u>	<u>\$ 20,758</u>
Liabilities:			
Accounts payable	\$ 333	\$ 116,758	\$ -
Contracts payable	-	-	-
Accrued wages and benefits payable	-	6,792	-
Due to other governments	-	43,003	-
Total liabilities	<u>333</u>	<u>166,553</u>	<u>-</u>
Deferred inflows of resources:			
Special assessments revenue not available	-	-	-
Intergovernmental revenue not available	-	613,255	-
Total deferred inflows of resources	<u>-</u>	<u>613,255</u>	<u>-</u>
Fund balances:			
Nonspendable	-	35,240	-
Restricted	<u>357,350</u>	<u>586,847</u>	<u>20,758</u>
Total fund balances	<u>357,350</u>	<u>622,087</u>	<u>20,758</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 357,683</u>	<u>\$ 1,401,895</u>	<u>\$ 20,758</u>

<u>Drivers Alcohol Treatment</u>	<u>Drug Law Enforcement</u>	<u>Law Enforcement Trust</u>	<u>Enforcement and Education</u>	<u>Federal Forfeitures</u>	<u>Probation - Municipal Court</u>
\$ 6,634	\$ 52,171	\$ 15,669	\$ 48,839	\$ 94,700	\$ 418,109
21	-	-	85	-	4,754
-	4,092	-	495	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>\$ 6,655</u>	<u>\$ 56,263</u>	<u>\$ 15,669</u>	<u>\$ 49,419</u>	<u>\$ 94,700</u>	<u>\$ 422,863</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ 128
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	128
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
6,655	56,263	15,669	49,419	94,700	422,735
6,655	56,263	15,669	49,419	94,700	422,735
<u>\$ 6,655</u>	<u>\$ 56,263</u>	<u>\$ 15,669</u>	<u>\$ 49,419</u>	<u>\$ 94,700</u>	<u>\$ 422,863</u>

- Continued

CITY OF WARREN, OHIO

COMBINING BALANCE SHEET
 NONMAJOR SPECIAL REVENUE FUNDS (CONTINUED)
 DECEMBER 31, 2020

	<u>Special Projects - Courts</u>	<u>Legal Research - Courts</u>	<u>CDBG</u>
Assets:			
Equity in pooled cash, cash equivalents and investments	\$ 756,167	\$ 186,065	\$ 296,109
Receivables (net of allowance for uncollectibles):			
Accounts	12,362	1,337	290
Intergovernmental	-	-	149,498
Loans	-	-	1,267,068
Special assessments	-	-	1,904,907
Materials and supplies inventory	-	-	-
Total assets	<u>\$ 768,529</u>	<u>\$ 187,402</u>	<u>\$ 3,617,872</u>
Liabilities:			
Accounts payable	\$ 5,265	\$ -	\$ 59,652
Contracts payable	-	-	122,533
Accrued wages and benefits payable	-	-	2,759
Due to other governments	-	-	426
Total liabilities	<u>5,265</u>	<u>-</u>	<u>185,370</u>
Deferred inflows of resources:			
Special assessments revenue not available	-	-	1,904,907
Intergovernmental revenue not available	-	-	-
Total deferred inflows of resources	<u>-</u>	<u>-</u>	<u>1,904,907</u>
Fund balances:			
Nonspendable	-	-	-
Restricted	<u>763,264</u>	<u>187,402</u>	<u>1,527,595</u>
Total fund balances	<u>763,264</u>	<u>187,402</u>	<u>1,527,595</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 768,529</u>	<u>\$ 187,402</u>	<u>\$ 3,617,872</u>

<u>Guarantee Loan</u>	<u>Highway Construction</u>	<u>Motor Vehicle Levy</u>	<u>Home Investment</u>	<u>Coronavirus Relief</u>	<u>Total</u>
\$ 99,997	\$ 337,309	\$ 597,193	\$ 213,978	\$ 1,325,153	\$ 5,285,715
-	-	-	-	-	23,125
-	73,232	45,343	950	-	1,176,808
563,766	-	-	3,821,874	-	5,652,708
-	-	-	-	-	1,904,907
-	-	-	-	-	35,240
<u>\$ 663,763</u>	<u>\$ 410,541</u>	<u>\$ 642,536</u>	<u>\$ 4,036,802</u>	<u>\$ 1,325,153</u>	<u>\$ 14,078,503</u>
\$ -	\$ -	\$ 21,338	\$ 32,831	\$ 82,545	\$ 318,850
-	-	-	-	-	122,533
-	-	-	-	-	9,551
-	909	-	-	-	44,338
-	909	21,338	32,831	82,545	495,272
-	-	-	-	-	1,904,907
-	49,723	-	-	-	662,978
-	49,723	-	-	-	2,567,885
-	-	-	-	-	35,240
663,763	359,909	621,198	4,003,971	1,242,608	10,980,106
663,763	359,909	621,198	4,003,971	1,242,608	11,015,346
<u>\$ 663,763</u>	<u>\$ 410,541</u>	<u>\$ 642,536</u>	<u>\$ 4,036,802</u>	<u>\$ 1,325,153</u>	<u>\$ 14,078,503</u>

CITY OF WARREN, OHIO

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

	Court Computerization	Street Maintenance	Police Grants
Revenues:			
Licenses and permits	\$ -	\$ 3,250	\$ -
Fines and forfeitures	57,435	-	-
Intergovernmental	-	1,833,414	-
Special assessment	-	-	-
Investment income	-	-	-
Other	-	2,070	-
Total revenues	57,435	1,838,734	-
Expenditures:			
Current operations:			
General government	38,890	-	-
Security of persons and property	-	-	-
Transportation	-	1,756,037	-
Community environment	-	-	-
Leisure time activity	-	-	-
Economic development	-	-	-
Capital outlay	-	-	-
Debt service:			
Principal retirement	-	14,278	-
Interest and fiscal charges	-	3,586	-
Total expenditures	38,890	1,773,901	-
Excess (deficiency) of revenues over (under) expenditures	18,545	64,833	-
Other financing sources:			
Transfers in	-	-	-
Net change in fund balance	18,545	64,833	-
Fund balances at beginning of year	338,805	557,254	20,758
Fund balances at end of year	\$ 357,350	\$ 622,087	\$ 20,758

Drivers Alcohol Treatment	Drug Law Enforcement	Law Enforcement Trust	Enforcement and Education	Federal Forfeitures	Probation - Municipal Court
\$ -	\$ -	\$ -	\$ -	\$ -	\$ 93,222
3,962	27,060	-	12,740	-	-
-	-	20,067	-	32,833	-
-	-	-	-	-	-
-	-	-	-	572	-
-	-	-	-	200	-
<u>3,962</u>	<u>27,060</u>	<u>20,067</u>	<u>12,740</u>	<u>33,605</u>	<u>93,222</u>
-	-	-	-	-	-
-	56,364	20,946	-	8,969	55,099
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	56,364	20,946	-	8,969	55,099
<u>3,962</u>	<u>(29,304)</u>	<u>(879)</u>	<u>12,740</u>	<u>24,636</u>	<u>38,123</u>
-	-	-	-	-	-
3,962	(29,304)	(879)	12,740	24,636	38,123
2,693	85,567	16,548	36,679	70,064	384,612
<u>\$ 6,655</u>	<u>\$ 56,263</u>	<u>\$ 15,669</u>	<u>\$ 49,419</u>	<u>\$ 94,700</u>	<u>\$ 422,735</u>

- Continued

CITY OF WARREN, OHIO

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

	<u>Special Projects - Courts</u>	<u>Legal Research - Courts</u>	<u>CDBG</u>
Revenues:			
Licenses and permits	\$ -	\$ -	\$ -
Fines and forfeitures	180,497	17,071	-
Intergovernmental	-	-	1,002,184
Special assessment	-	-	25,206
Investment income	-	-	7,528
Other	-	-	17,711
	<hr/>	<hr/>	<hr/>
Total revenues	180,497	17,071	1,052,629
	<hr/>	<hr/>	<hr/>
Expenditures:			
Current operations:			
General government	-	-	-
Security of persons and property	169,061	22,763	-
Transportation	-	-	-
Community environment	-	-	-
Leisure time activity	-	-	-
Economic development	-	-	1,112,586
Capital outlay	-	-	-
Debt service:			
Principal retirement	-	-	-
Interest and fiscal charges	-	-	-
	<hr/>	<hr/>	<hr/>
Total expenditures	169,061	22,763	1,112,586
	<hr/>	<hr/>	<hr/>
Excess (deficiency) of revenues over (under) expenditures	11,436	(5,692)	(59,957)
	<hr/>	<hr/>	<hr/>
Other financing sources:			
Transfers in	-	-	124,103
	<hr/>	<hr/>	<hr/>
Net change in fund balance	11,436	(5,692)	64,146
	<hr/>	<hr/>	<hr/>
Fund balances at beginning of year	751,828	193,094	1,463,449
	<hr/>	<hr/>	<hr/>
Fund balances at end of year	\$ 763,264	\$ 187,402	\$ 1,527,595
	<hr/>	<hr/>	<hr/>

Guarantee Loan	Highway Construction	Motor Vehicle Levy	Home Investment	Coronavirus Relief	Total
\$ -	\$ -	\$ -	\$ -	\$ -	\$ 96,472
-	-	-	-	-	298,765
-	148,655	592,513	503,643	3,069,814	7,203,123
-	-	-	-	-	25,206
68	1,887	3,253	10,922	-	24,230
551	-	10,000	-	-	30,532
619	150,542	605,766	514,565	3,069,814	7,678,328
-	-	-	-	1,247,200	1,286,090
-	-	-	-	516,830	850,032
-	-	-	-	32,547	1,788,584
-	-	-	-	147	147
-	-	-	-	24,223	24,223
-	-	-	464,158	6,259	1,583,003
-	69,714	368,377	-	-	438,091
155,000	-	-	-	-	169,278
13,094	-	-	-	-	16,680
168,094	69,714	368,377	464,158	1,827,206	6,156,128
(167,475)	80,828	237,389	50,407	1,242,608	1,522,200
-	-	-	-	-	124,103
(167,475)	80,828	237,389	50,407	1,242,608	1,646,303
831,238	279,081	383,809	3,953,564	-	9,369,043
\$ 663,763	\$ 359,909	\$ 621,198	\$ 4,003,971	\$ 1,242,608	\$ 11,015,346

CITY OF WARREN, OHIO

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

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>		
Revenues:				
Fines and forfeitures	\$ 95,000	\$ 95,000	\$ 59,621	\$ (35,379)
Total revenues	<u>95,000</u>	<u>95,000</u>	<u>59,621</u>	<u>(35,379)</u>
Expenditures:				
Current:				
General government				
Personal services	12,400	12,400	3,558	8,842
Contract services	35,000	35,000	23,467	11,533
Materials and supplies.	30,952	19,302	17,933	1,369
Capital outlay	-	11,650	11,648	2
Total general government	<u>78,352</u>	<u>78,352</u>	<u>56,606</u>	<u>21,746</u>
Total expenditures	<u>78,352</u>	<u>78,352</u>	<u>56,606</u>	<u>21,746</u>
Net change in fund balance.	16,648	16,648	3,015	(13,633)
Fund balance at beginning of year	332,343	332,343	332,343	-
Prior year encumbrances appropriated .	<u>5,952</u>	<u>5,952</u>	<u>5,952</u>	<u>-</u>
Fund balance at end of year	<u>\$ 354,943</u>	<u>\$ 354,943</u>	<u>\$ 341,310</u>	<u>\$ (13,633)</u>

CITY OF WARREN, OHIO

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

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Licenses and permits	\$ 2,300	\$ 2,300	\$ 3,250	\$ 950
Intergovernmental	1,900,000	1,900,000	1,863,139	(36,861)
Other	-	-	2,070	2,070
Total revenues	<u>1,902,300</u>	<u>1,902,300</u>	<u>1,868,459</u>	<u>(33,841)</u>
Expenditures:				
Current:				
Transportation				
Personal services	1,010,450	1,010,450	839,197	171,253
Contract services	428,828	487,828	473,017	14,811
Materials and supplies	243,095	244,095	186,881	57,214
Capital outlay	371,050	371,050	285,296	85,754
Total transportation	<u>2,053,423</u>	<u>2,113,423</u>	<u>1,784,391</u>	<u>329,032</u>
Total expenditures	<u>2,053,423</u>	<u>2,113,423</u>	<u>1,784,391</u>	<u>329,032</u>
Net change in fund balance	(151,123)	(211,123)	84,068	295,191
Fund balance at beginning of year	79,226	79,226	79,226	-
Prior year encumbrances appropriated .	<u>151,123</u>	<u>151,123</u>	<u>151,123</u>	<u>-</u>
Fund balance at end of year	<u>\$ 79,226</u>	<u>\$ 19,226</u>	<u>\$ 314,417</u>	<u>\$ 295,191</u>

CITY OF WARREN, OHIO

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

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Intergovernmental	\$ 42,000	\$ 42,000	\$ -	\$ (42,000)
Total revenues	<u>42,000</u>	<u>42,000</u>	<u>-</u>	<u>(42,000)</u>
Net change in fund balance	42,000	42,000	-	(42,000)
Fund balance at beginning of year	<u>20,758</u>	<u>20,758</u>	<u>20,758</u>	<u>-</u>
Fund balance at end of year.	<u>\$ 62,758</u>	<u>\$ 62,758</u>	<u>\$ 20,758</u>	<u>\$ (42,000)</u>

CITY OF WARREN, OHIO

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

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Fines and forfeitures	\$ 10,500	\$ 10,500	\$ 4,001	\$ (6,499)
Total revenues	<u>10,500</u>	<u>10,500</u>	<u>4,001</u>	<u>(6,499)</u>
Expenditures:				
Current:				
Security of persons and property				
Contract services.	10,500	10,500	-	10,500
Total security of persons and property .	<u>10,500</u>	<u>10,500</u>	<u>-</u>	<u>10,500</u>
Total expenditures	<u>10,500</u>	<u>10,500</u>	<u>-</u>	<u>10,500</u>
Net change in fund balance	-	-	4,001	4,001
Fund balance at beginning of year.	<u>2,633</u>	<u>2,633</u>	<u>2,633</u>	<u>-</u>
Fund balance at end of year	<u>\$ 2,633</u>	<u>\$ 2,633</u>	<u>\$ 6,634</u>	<u>\$ 4,001</u>

CITY OF WARREN, OHIO

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

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Fines and forfeitures	\$ 5,500	\$ 7,285	\$ 22,968	\$ 15,683
Total revenues.	<u>5,500</u>	<u>7,285</u>	<u>22,968</u>	<u>15,683</u>
Expenditures:				
Current:				
Security of persons and property				
Contractual services	5,500	5,500	2,764	2,736
Capital outlay	24,361	56,126	56,124	2
Total security of persons and property .	<u>29,861</u>	<u>61,626</u>	<u>58,888</u>	<u>2,738</u>
Total expenditures	<u>29,861</u>	<u>61,626</u>	<u>58,888</u>	<u>2,738</u>
Net change in fund balance	(24,361)	(54,341)	(35,920)	18,421
Fund balance at beginning of year.	61,206	61,206	61,206	-
Prior year encumbrances appropriated .	<u>24,361</u>	<u>24,361</u>	<u>24,361</u>	<u>-</u>
Fund balance at end of year	<u>\$ 61,206</u>	<u>\$ 31,226</u>	<u>\$ 49,647</u>	<u>\$ 18,421</u>

CITY OF WARREN, OHIO

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

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Intergovernmental.	\$ 10,000	\$ 10,000	\$ 20,067	\$ 10,067
Total revenues.	<u>10,000</u>	<u>10,000</u>	<u>20,067</u>	<u>10,067</u>
Expenditures:				
Current:				
Security of persons and property				
Contract services.	-	6,580	6,580	-
Materials and supplies	5,000	5,050	4,981	69
Capital outlay	-	9,385	9,385	-
Total security of persons and property .	<u>5,000</u>	<u>21,015</u>	<u>20,946</u>	<u>69</u>
Total expenditures	<u>5,000</u>	<u>21,015</u>	<u>20,946</u>	<u>69</u>
Net change in fund balance.	5,000	(11,015)	(879)	10,136
Fund balance at beginning of year	<u>16,548</u>	<u>16,548</u>	<u>16,548</u>	<u>-</u>
Fund balance at end of year.	<u>\$ 21,548</u>	<u>\$ 5,533</u>	<u>\$ 15,669</u>	<u>\$ 10,136</u>

CITY OF WARREN, OHIO

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

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Fines and forfeitures	\$ 7,000	\$ 7,000	\$ 12,638	\$ 5,638
Total revenues	<u>7,000</u>	<u>7,000</u>	<u>12,638</u>	<u>5,638</u>
Expenditures:				
Current:				
Security of persons and property				
Contractual services.	4,000	4,000	-	4,000
Materials and supplies.	3,000	3,000	-	3,000
Total security of persons and property .	<u>7,000</u>	<u>7,000</u>	<u>-</u>	<u>7,000</u>
Total expenditures	<u>7,000</u>	<u>7,000</u>	<u>-</u>	<u>7,000</u>
Net change in fund balance	-	-	12,638	12,638
Fund balance at beginning of year	<u>36,201</u>	<u>36,201</u>	<u>36,201</u>	<u>-</u>
Fund balance at end of year.	<u>\$ 36,201</u>	<u>\$ 36,201</u>	<u>\$ 48,839</u>	<u>\$ 12,638</u>

CITY OF WARREN, OHIO

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

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Fines and forfeitures	\$ 9,500	\$ 9,500	\$ 32,833	\$ 23,333
Investment income	500	500	572	72
Other	-	-	200	200
Total revenues	<u>10,000</u>	<u>10,000</u>	<u>33,605</u>	<u>23,605</u>
Expenditures:				
Current:				
Security of persons and property				
Contract services	5,000	5,000	3,969	1,031
Materials and supplies.	5,000	5,000	5,000	-
Total security of persons and property .	<u>10,000</u>	<u>10,000</u>	<u>8,969</u>	<u>1,031</u>
Total expenditures	<u>10,000</u>	<u>10,000</u>	<u>8,969</u>	<u>1,031</u>
Net change in fund balance.	-	-	24,636	24,636
Fund balance at beginning of year	<u>70,064</u>	<u>70,064</u>	<u>70,064</u>	<u>-</u>
Fund balance at end of year	<u>\$ 70,064</u>	<u>\$ 70,064</u>	<u>\$ 94,700</u>	<u>\$ 24,636</u>

CITY OF WARREN, OHIO

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

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Licenses and permits	\$ 95,000	\$ 95,000	\$ 94,529	\$ (471)
Total revenues	<u>95,000</u>	<u>95,000</u>	<u>94,529</u>	<u>(471)</u>
Expenditures:				
Current:				
Security of persons and property				
Personal services	24,854	24,854	20,237	4,617
Contract services	35,200	41,400	31,043	10,357
Materials and supplies.	9,257	9,257	4,963	4,294
Total security of persons and property.	<u>69,311</u>	<u>75,511</u>	<u>56,243</u>	<u>19,268</u>
Total expenditures	<u>69,311</u>	<u>75,511</u>	<u>56,243</u>	<u>19,268</u>
Net change in fund balance	25,689	19,489	38,286	18,797
Fund balance at beginning of year	379,438	379,438	379,438	-
Prior year encumbrances appropriated	<u>257</u>	<u>257</u>	<u>257</u>	<u>-</u>
Fund balance at end of year.	<u>\$ 405,384</u>	<u>\$ 399,184</u>	<u>\$ 417,981</u>	<u>\$ 18,797</u>

CITY OF WARREN, OHIO

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

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>		
Revenues:				
Fines and forfeitures	\$ 225,000	\$ 225,000	\$ 185,500	\$ (39,500)
Total revenues	<u>225,000</u>	<u>225,000</u>	<u>185,500</u>	<u>(39,500)</u>
Expenditures:				
Current:				
Security of persons and property				
Contract services	182,066	182,066	131,758	50,308
Materials and supplies.	43,567	43,567	32,675	10,892
Capital outlay	<u>22,753</u>	<u>22,753</u>	<u>22,753</u>	<u>-</u>
Total security of persons and property .	<u>248,386</u>	<u>248,386</u>	<u>187,186</u>	<u>61,200</u>
Total expenditures	<u>248,386</u>	<u>248,386</u>	<u>187,186</u>	<u>61,200</u>
Net change in fund balance	(23,386)	(23,386)	(1,686)	21,700
Fund balance at beginning of year	671,075	671,075	671,075	-
Prior year encumbrances appropriated. .	<u>72,986</u>	<u>72,986</u>	<u>72,986</u>	<u>-</u>
Fund balance at end of year	<u>\$ 720,675</u>	<u>\$ 720,675</u>	<u>\$ 742,375</u>	<u>\$ 21,700</u>

CITY OF WARREN, OHIO

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

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Fines and forfeitures	\$ 29,700	\$ 29,700	\$ 17,605	\$ (12,095)
Total revenues	<u>29,700</u>	<u>29,700</u>	<u>17,605</u>	<u>(12,095)</u>
Expenditures:				
Current:				
Security of persons and property				
Contract services	29,700	29,700	22,763	6,937
Total security of persons and property.	<u>29,700</u>	<u>29,700</u>	<u>22,763</u>	<u>6,937</u>
Total expenditures	<u>29,700</u>	<u>29,700</u>	<u>22,763</u>	<u>6,937</u>
Net change in fund balance.	-	-	(5,158)	(5,158)
Fund balance at beginning of year	<u>191,223</u>	<u>191,223</u>	<u>191,223</u>	<u>-</u>
Fund balance at end of year.	<u>\$ 191,223</u>	<u>\$ 191,223</u>	<u>\$ 186,065</u>	<u>\$ (5,158)</u>

CITY OF WARREN, OHIO

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

	Budgeted Amounts		Actual	Variance with
	Original	Final		Final Budget Positive (Negative)
Revenues:				
Charges for services	\$ 88,000	\$ 88,000	\$ -	\$ (88,000)
Intergovernmental	1,277,070	1,682,404	857,041	(825,363)
Special assessments	2,000	2,000	25,206	23,206
Investment income	2,000	2,000	1,202	(798)
Other	60,760	60,760	59,220	(1,540)
Total revenues	<u>1,429,830</u>	<u>1,835,164</u>	<u>942,669</u>	<u>(892,495)</u>
Expenditures:				
Current:				
Economic development				
Personal services	361,750	373,284	363,007	10,277
Contract services	572,921	826,721	472,160	354,561
Materials and supplies.	1,928	4,428	3,171	1,257
Capital outlay	306,533	306,534	238,119	68,415
Other	356,238	496,238	241,693	254,545
Total economic development	<u>1,599,370</u>	<u>2,007,205</u>	<u>1,318,150</u>	<u>689,055</u>
Total expenditures	<u>1,599,370</u>	<u>2,007,205</u>	<u>1,318,150</u>	<u>689,055</u>
Excess of expenditures over revenues	<u>(169,540)</u>	<u>(172,041)</u>	<u>(375,481)</u>	<u>(203,440)</u>
Other financing sources:				
Transfers in	40,000	40,000	124,103	84,103
Total other financing sources	<u>40,000</u>	<u>40,000</u>	<u>124,103</u>	<u>84,103</u>
Net change in fund balance.	(129,540)	(132,041)	(251,378)	(119,337)
Fund balance at beginning of year	58,571	58,571	58,571	-
Prior year encumbrances appropriated	<u>129,541</u>	<u>129,541</u>	<u>129,541</u>	<u>-</u>
Fund balance (deficit) at end of year.	<u>\$ 58,572</u>	<u>\$ 56,071</u>	<u>\$ (63,266)</u>	<u>\$ (119,337)</u>

CITY OF WARREN, OHIO

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

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Investment income	\$ 100	\$ 100	\$ 68	\$ (32)
Other	168,000	168,022	151,088	(16,934)
Total revenues	168,100	168,122	151,156	(16,966)
Expenditures:				
Debt service:				
Principal retirement.	155,000	155,000	155,000	-
Interest and fiscal charges	12,751	13,173	13,095	78
Total debt service	167,751	168,173	168,095	78
Total expenditures	167,751	168,173	168,095	78
Net change in fund balance.	349	(51)	(16,939)	(16,888)
Fund balance at beginning of year	116,936	116,936	116,936	-
Fund balance at end of year	\$ 117,285	\$ 116,885	\$ 99,997	\$ (16,888)

CITY OF WARREN, OHIO

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

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues:				
Intergovernmental	\$ 125,000	\$ 125,000	\$ 151,065	\$ 26,065
Investment income	1,200	1,200	1,887	687
Other	1,000	1,000	-	(1,000)
Total revenues	<u>127,200</u>	<u>127,200</u>	<u>152,952</u>	<u>25,752</u>
Expenditures:				
Capital outlay				
Contract services	15,200	23,560	23,360	200
Materials and supplies	113,855	105,495	66,575	38,920
Total capital outlay	<u>129,055</u>	<u>129,055</u>	<u>89,935</u>	<u>39,120</u>
Total expenditures	<u>129,055</u>	<u>129,055</u>	<u>89,935</u>	<u>39,120</u>
Net change in fund balance	(1,855)	(1,855)	63,017	64,872
Fund balance at beginning of year	251,307	251,307	251,307	-
Prior year encumbrances appropriated	<u>1,855</u>	<u>1,855</u>	<u>1,855</u>	<u>-</u>
Fund balance at end of year	<u>\$ 251,307</u>	<u>\$ 251,307</u>	<u>\$ 316,179</u>	<u>\$ 64,872</u>

CITY OF WARREN, OHIO

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

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Intergovernmental	\$ 660,000	\$ 660,000	\$ 599,361	(60,639)
Investment income	500	500	3,253	2,753
Other	-	-	10,000	10,000
Total revenues	<u>660,500</u>	<u>660,500</u>	<u>612,614</u>	<u>(47,886)</u>
Expenditures:				
Capital outlay				
Contract services	231,140	231,140	201,923	29,217
Materials and supplies.	372,605	372,605	188,893	183,712
Capital outlay	76,140	239,290	160,000	79,290
Total capital outlay	<u>679,885</u>	<u>843,035</u>	<u>550,816</u>	<u>292,219</u>
Total expenditures	<u>679,885</u>	<u>843,035</u>	<u>550,816</u>	<u>292,219</u>
Net change in fund balance.	(19,385)	(182,535)	61,798	244,333
Fund balance at beginning of year	324,555	324,555	324,555	-
Prior year encumbrances appropriated .	<u>19,385</u>	<u>19,385</u>	<u>19,385</u>	<u>-</u>
Fund balance at end of year.	<u>\$ 324,555</u>	<u>\$ 161,405</u>	<u>\$ 405,738</u>	<u>\$ 244,333</u>

CITY OF WARREN, OHIO

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

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Intergovernmental	\$ 481,100	\$ 485,100	\$ 502,692	\$ 17,592
Investment income	1,000	1,000	1,480	480
Other	10,000	12,500	10,712	(1,788)
Total revenues	<u>492,100</u>	<u>498,600</u>	<u>514,884</u>	<u>16,284</u>
Expenditures:				
Current:				
Economic development				
Personal services	47,100	53,600	51,477	2,123
Other	<u>1,110,296</u>	<u>1,110,296</u>	<u>906,194</u>	<u>204,102</u>
Total economic development	<u>1,157,396</u>	<u>1,163,896</u>	<u>957,671</u>	<u>206,225</u>
Total expenditures	<u>1,157,396</u>	<u>1,163,896</u>	<u>957,671</u>	<u>206,225</u>
Net change in fund balance.	(665,296)	(665,296)	(442,787)	222,509
Fund balance (deficit) at beginning of year.	(410,313)	(410,313)	(410,313)	-
Prior year encumbrances appropriated	<u>665,296</u>	<u>665,296</u>	<u>665,296</u>	<u>-</u>
Fund balance (deficit) at end of year	<u>\$ (410,313)</u>	<u>\$ (410,313)</u>	<u>\$ (187,804)</u>	<u>\$ 222,509</u>

CITY OF WARREN, OHIO

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

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Intergovernmental	\$ -	\$ 3,069,814	\$ 3,069,814	\$ -
Total revenues	<u>-</u>	<u>3,069,814</u>	<u>3,069,814</u>	<u>-</u>
Expenditures:				
Current:				
General government				
Personal services	-	2,005,389	908,021	1,097,368
Contract services	-	152,726	150,104	2,622
Materials and supplies.	-	694,699	565,743	128,956
Capital outlay	-	198,660	198,360	300
Other	-	18,340	10,270	8,070
Total general government	<u>-</u>	<u>3,069,814</u>	<u>1,832,498</u>	<u>1,237,316</u>
Total expenditures	<u>-</u>	<u>3,069,814</u>	<u>1,832,498</u>	<u>1,237,316</u>
Net change in fund balance	-	-	1,237,316	1,237,316
Fund balance at beginning of year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance at end of year.	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,237,316</u>	<u>\$ 1,237,316</u>

CITY OF WARREN, OHIO

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

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Property and other taxes	\$ 896,771	\$ 900,000	\$ 937,890	\$ 37,890
Intergovernmental	140,000	140,000	139,084	(916)
Special assessments	10,000	10,000	-	(10,000)
Total revenues	<u>1,046,771</u>	<u>1,050,000</u>	<u>1,076,974</u>	<u>26,974</u>
Expenditures:				
Current:				
General government				
Contract services	39,500	39,500	21,200	18,300
Total general government	<u>39,500</u>	<u>39,500</u>	<u>21,200</u>	<u>18,300</u>
Debt service:				
Principal retirement.	732,828	732,828	732,828	-
Interest and fiscal charges	151,880	151,880	151,880	-
Total debt service	<u>884,708</u>	<u>884,708</u>	<u>884,708</u>	<u>-</u>
Total expenditures	<u>924,208</u>	<u>924,208</u>	<u>905,908</u>	<u>18,300</u>
Net change in fund balance	122,563	125,792	171,066	45,274
Fund balance at beginning of year	<u>1,401,061</u>	<u>1,401,061</u>	<u>1,401,061</u>	<u>-</u>
Fund balance at end of year.	<u>\$ 1,523,624</u>	<u>\$ 1,526,853</u>	<u>\$ 1,572,127</u>	<u>\$ 45,274</u>

CITY OF WARREN, OHIO

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

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Intergovernmental	\$ 4,822,660	\$ 4,840,760	\$ 2,246,256	\$ (2,594,504)
Total revenues	4,822,660	4,840,760	2,246,256	(2,594,504)
Expenditures:				
Capital outlay				
Contract services	55,928	55,928	10,563	45,365
Capital outlay	7,161,561	7,179,661	3,344,228	3,835,433
Total capital outlay	7,217,489	7,235,589	3,354,791	3,880,798
Total expenditures	7,217,489	7,235,589	3,354,791	3,880,798
Excess of expenditures over revenues . .	(2,394,829)	(2,394,829)	(1,108,535)	1,286,294
Other financing sources:				
Proceeds from sale of bonds.	1,100,000	1,100,000	-	(1,100,000)
Transfers in	555,860	555,860	99,541	(456,319)
Total other financing sources	1,655,860	1,655,860	99,541	(1,556,319)
Net change in fund balance.	(738,969)	(738,969)	(1,008,994)	(270,025)
Fund balance at beginning of year	786,052	786,052	786,052	-
Prior year encumbrances appropriated .	738,969	738,969	738,969	-
Fund balance at end of year.	\$ 786,052	\$ 786,052	\$ 516,027	\$ (270,025)

CITY OF WARREN, OHIO
INDIVIDUAL FUND SCHEDULES
FUND DESCRIPTIONS - ENTERPRISE FUNDS

Enterprise Funds

The enterprise funds are used to account for the City's sewer, water and sanitation operations. These operations are financed and operated in a manner similar to that of a private business enterprise. The intent of the City is that the costs (expenses including depreciation) of providing goods and services on a continuing basis be recovered primarily through user charges. Following is a description of the City's enterprise funds:

Major Enterprise Funds

Sewer

To account for the operations of providing sewage services to customers and to maintain the local sewer system of the City.

Water

To account for the operations of providing water services to customers and to maintain the local water system of the City.

Sanitation

To account for the operations of providing sanitation services to customers within the City.

Nonmajor Enterprise Funds

City Redevelopment

To account for the purchase, leasing and eventual sale of land and buildings by the City.

Downtown Parking

To account for user fees and related operations of various city-owned downtown parking facilities.

Stormwater Utility

To account for the storm drainage runoff service provided to the residential and commercial users of the City and to some residents of the County.

CITY OF WARREN, OHIO

COMBINING STATEMENT OF NET POSITION
NONMAJOR ENTERPRISE FUNDS
 DECEMBER 31, 2020

	<u>City Redevelopment</u>	<u>Downtown Parking</u>	<u>Stormwater Utility</u>	<u>Totals</u>
Assets:				
Current assets:				
Equity in pooled cash, cash equivalents and investments	\$ 575,905	\$ 7,431	\$ 3,422,006	\$ 4,005,342
Receivables (net of allowance for uncollectibles):				
Accounts	10,521	795	530,511	541,827
Special assessments	-	-	114	114
Due from other governments	-	-	1,000	1,000
Total current assets.	<u>586,426</u>	<u>8,226</u>	<u>3,953,631</u>	<u>4,548,283</u>
Noncurrent assets:				
Net pension asset	-	-	1,552	1,552
Capital assets:				
Non-depreciable capital assets	133,280	155,761	658,175	947,216
Depreciable capital assets, net	139,647	648,793	1,552,985	2,341,425
Total capital assets, net	<u>272,927</u>	<u>804,554</u>	<u>2,211,160</u>	<u>3,288,641</u>
Total noncurrent assets	<u>272,927</u>	<u>804,554</u>	<u>2,212,712</u>	<u>3,290,193</u>
Total assets	<u>859,353</u>	<u>812,780</u>	<u>6,166,343</u>	<u>7,838,476</u>
Deferred outflows of resources:				
Pension	-	-	33,702	33,702
OPEB	-	-	23,495	23,495
Total deferred outflows of resources	<u>-</u>	<u>-</u>	<u>57,197</u>	<u>57,197</u>
Liabilities:				
Current liabilities:				
Accounts payable.	23,406	9,715	139	33,260
Accrued wages and benefits payable.	-	-	1,147	1,147
Due to other governments	-	-	1,767	1,767
Current portion of OPWC loans	-	-	1,797	1,797
Current portion of compensated absences	-	-	7,843	7,843
Total current liabilities.	<u>23,406</u>	<u>9,715</u>	<u>12,693</u>	<u>45,814</u>
Long-term liabilities:				
OPWC loans payable	-	-	35,948	35,948
Compensated absences payable.	-	-	35,170	35,170
Net pension liability.	-	-	190,310	190,310
Net OPEB liability.	-	-	128,144	128,144
Total long-term liabilities	<u>-</u>	<u>-</u>	<u>389,572</u>	<u>389,572</u>
Total liabilities	<u>23,406</u>	<u>9,715</u>	<u>402,265</u>	<u>435,386</u>
Deferred inflows of resources:				
Pension	-	-	73,691	73,691
OPEB	-	-	37,970	37,970
Total deferred inflows of resources.	<u>-</u>	<u>-</u>	<u>111,661</u>	<u>111,661</u>
Net position:				
Net investment in capital assets	272,927	804,554	2,173,415	3,250,896
Unrestricted (deficit).	563,020	(1,489)	3,536,199	4,097,730
Total net position	<u>\$ 835,947</u>	<u>\$ 803,065</u>	<u>\$ 5,709,614</u>	<u>\$ 7,348,626</u>

CITY OF WARREN, OHIO

COMBINING STATEMENT OF REVENUES, EXPENSES
AND CHANGES IN NET POSITION
NONMAJOR ENTERPRISE FUNDS
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2020

	City Redevelopment	Downtown Parking	Stormwater Utility	Totals
Operating revenues:				
Charges for services	\$ 329,141	\$ 18,619	\$ 1,044,657	\$ 1,392,417
Other operating revenues	6,214	-	206	6,420
Total operating revenues	<u>335,355</u>	<u>18,619</u>	<u>1,044,863</u>	<u>1,398,837</u>
Operating expenses:				
Personal services	-	-	204,912	204,912
Contract services.	205,976	87,332	125,725	419,033
Materials and supplies.	21,298	320	29,464	51,082
Administrative costs.	-	-	55,856	55,856
Utilities	82,131	4,348	-	86,479
Depreciation.	16,147	48,059	35,039	99,245
Other.	-	-	515	515
Total operating expenses	<u>325,552</u>	<u>140,059</u>	<u>451,511</u>	<u>917,122</u>
Operating income (loss).	<u>9,803</u>	<u>(121,440)</u>	<u>593,352</u>	<u>481,715</u>
Nonoperating revenues:				
Special assessments	-	-	6	6
Total nonoperating revenues	<u>-</u>	<u>-</u>	<u>6</u>	<u>6</u>
Income (loss) before capital contributions and transfers.	9,803	(121,440)	593,358	481,721
Transfers in.	<u>-</u>	<u>62,000</u>	<u>-</u>	<u>62,000</u>
Changes in net position	9,803	(59,440)	593,358	543,721
Net position at beginning of year	<u>826,144</u>	<u>862,505</u>	<u>5,116,256</u>	<u>6,804,905</u>
Net position at end of year	<u>\$ 835,947</u>	<u>\$ 803,065</u>	<u>\$ 5,709,614</u>	<u>\$ 7,348,626</u>

CITY OF WARREN, OHIO

**COMBINING STATEMENT OF CASH FLOWS
NONMAJOR ENTERPRISE FUNDS
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2020**

	<u>City Redevelopment</u>	<u>Downtown Parking</u>	<u>Stormwater Utility</u>	<u>Totals</u>
Cash flows from operating activities:				
Cash received from customers	\$ 320,765	\$ 19,870	\$ 994,868	\$ 1,335,503
Cash received from other operations	6,214	-	52	6,266
Cash payments for personal services	-	-	(251,944)	(251,944)
Cash payments for contractual services	(192,573)	(85,095)	(135,789)	(413,457)
Cash payments for materials and supplies	(21,528)	(320)	(29,502)	(51,350)
Cash payments for utilities	(82,131)	(4,348)	-	(86,479)
Cash payments for administrative costs.	-	-	(57,470)	(57,470)
Cash payments for other expenses	-	-	(515)	(515)
Net cash provided by (used in) operating activities	<u>30,747</u>	<u>(69,893)</u>	<u>519,700</u>	<u>480,554</u>
Cash flows from noncapital financing activities:				
Cash received in transfers in from other funds	-	62,000	-	62,000
Net cash provided by noncapital financing activities	<u>-</u>	<u>62,000</u>	<u>-</u>	<u>62,000</u>
Cash flows from capital and related financing activities:				
Aquisition of capital assets	-	-	(21,843)	(21,843)
Capital contributions	-	-	4,418	4,418
Principal retirement.	-	-	(899)	(899)
Net cash used in capital and related financing activities.	<u>-</u>	<u>-</u>	<u>(18,324)</u>	<u>(18,324)</u>
Net increase (decrease) in cash and cash equivalents	30,747	(7,893)	501,376	524,230
Cash and cash equivalents at beginning of year.	<u>545,158</u>	<u>15,324</u>	<u>2,920,630</u>	<u>3,481,112</u>
Cash and cash equivalents at end of year	<u><u>\$ 575,905</u></u>	<u><u>\$ 7,431</u></u>	<u><u>\$ 3,422,006</u></u>	<u><u>\$ 4,005,342</u></u>
Reconciliation of operating income (loss) to net cash provided by (used in) operating activities:				
Operating income (loss)	\$ 9,803	\$ (121,440)	\$ 593,352	\$ 481,715
Adjustments to reconcile operating income (loss) to net cash provided by operating activities:				
Depreciation	16,147	48,059	35,039	99,245
Changes in assets, deferred outflows of resources, liabilities and deferred inflows of resources:				
(Increase) decrease in accounts receivable.	(8,376)	1,251	(48,943)	(56,068)
(Increase) in due from other governments	-	-	(1,000)	(1,000)
(Increase) in net pension asset	-	-	(463)	(463)
Decrease in deferred outflows - pension	-	-	75,042	75,042
(Increase) in deferred outflows - OPEB	-	-	(5,268)	(5,268)
Increase (decrease) in accounts payable	13,173	2,237	(11,692)	3,718
(Decrease) in accrued wages and benefits.	-	-	(4,275)	(4,275)
(Decrease) in due to other funds.	-	-	(1,614)	(1,614)
Increase in due to other governments	-	-	929	929
(Decrease) in compensated absences payable	-	-	(13,264)	(13,264)
(Decrease) in net pension liability.	-	-	(141,725)	(141,725)
(Decrease) in net OPEB liability	-	-	(24,398)	(24,398)
Increase in deferred inflows - pension.	-	-	45,712	45,712
Increase in deferred inflows - OPEB.	-	-	22,268	22,268
Net cash provided by (used in) operating activities	<u><u>\$ 30,747</u></u>	<u><u>\$ (69,893)</u></u>	<u><u>\$ 519,700</u></u>	<u><u>\$ 480,554</u></u>

Non-cash capital transactions:

At December 31, 2019, the Storm Water Utility fund purchased \$4,418 in capital assets on account.

CITY OF WARREN, OHIO

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

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Operating revenues:				
Charges for services	\$ 10,603,500	\$ 10,603,500	\$ 11,529,975	\$ 926,475
Other	5,000	5,000	4,130	(870)
Total operating revenues	<u>10,608,500</u>	<u>10,608,500</u>	<u>11,534,105</u>	<u>925,605</u>
Operating expenses:				
Personal services.	4,417,734	4,417,735	3,674,876	742,859
Contract services.	2,088,610	2,114,984	1,902,377	212,607
Materials and supplies.	951,010	951,009	561,801	389,208
Capital outlay	31,644,784	51,075,921	47,250,109	3,825,812
Administrative costs.	750,000	800,000	779,690	20,310
Utilities	580,189	628,815	530,917	97,898
Other.	6,447	6,447	1,800	4,647
Total operating expenses.	<u>40,438,774</u>	<u>59,994,911</u>	<u>54,701,570</u>	<u>5,293,341</u>
Operating loss	<u>(29,830,274)</u>	<u>(49,386,411)</u>	<u>(43,167,465)</u>	<u>6,218,946</u>
Nonoperating revenues (expenses):				
Loan issuance.	26,800,000	46,613,741	3,580,770	(43,032,971)
Debt service:				
Principal retirement	(577,485)	(845,150)	(845,150)	-
Interest and fiscal charges	(95,943)	(85,883)	(85,880)	3
Total nonoperating revenues (expenses)	<u>26,126,572</u>	<u>45,682,708</u>	<u>2,649,740</u>	<u>(43,032,968)</u>
Loss before capital contributions	<u>(3,703,702)</u>	<u>(3,703,703)</u>	<u>(40,517,725)</u>	<u>(36,814,022)</u>
Capital contributions	<u>-</u>	<u>-</u>	<u>4,418</u>	<u>4,418</u>
Net change in fund equity.	<u>(3,703,702)</u>	<u>(3,703,703)</u>	<u>(40,513,307)</u>	<u>(36,809,604)</u>
Fund equity (deficit) at beginning of year	<u>(2,745,552)</u>	<u>(2,745,552)</u>	<u>(2,745,552)</u>	<u>-</u>
Prior year encumbrances appropriated	<u>5,020,111</u>	<u>5,020,111</u>	<u>5,020,111</u>	<u>-</u>
Fund equity (deficit) at end of year	<u>\$ (1,429,143)</u>	<u>\$ (1,429,144)</u>	<u>\$ (38,238,748)</u>	<u>\$ (36,809,604)</u>

CITY OF WARREN, OHIO

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

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Operating revenues:				
Charges for services	\$ 12,515,294	\$ 12,515,294	\$ 12,860,883	\$ 345,589
Other.	268,000	268,000	254,081	(13,919)
Total operating revenues	<u>12,783,294</u>	<u>12,783,294</u>	<u>13,114,964</u>	<u>331,670</u>
Operating expenses:				
Personal services.	6,401,926	6,401,926	5,442,100	959,826
Contract services.	1,173,868	1,309,589	1,059,718	249,871
Materials and supplies.	1,505,388	1,918,536	1,719,184	199,352
Capital outlay	634,850	899,850	639,026	260,824
Administrative costs.	570,355	760,655	719,101	41,554
Utilities	620,481	679,312	615,515	63,797
Other.	250,275	280,275	210,844	69,431
Total operating expenses	<u>11,157,143</u>	<u>12,250,143</u>	<u>10,405,488</u>	<u>1,844,655</u>
Operating income (loss)	1,626,151	533,151	2,709,476	2,176,325
Nonoperating (expenses):				
Debt service:				
Principal retirement.	(1,814,711)	(1,785,988)	(1,785,988)	-
Interest and fiscal charges	(260,805)	(289,528)	(280,768)	8,760
Total nonoperating (expenses)	<u>(2,075,516)</u>	<u>(2,075,516)</u>	<u>(2,066,756)</u>	<u>8,760</u>
Income (loss) before transfers and capital contributions.	(449,365)	(1,542,365)	642,720	2,185,085
Transfers in	470,000	470,000	-	(470,000)
Transfers out	(470,000)	(460,000)	-	460,000
Capital contributions	1,000	1,000	11,820	10,820
Net change in fund equity.	(448,365)	(1,531,365)	654,540	2,185,905
Fund equity at beginning of year	4,139,718	4,139,718	4,139,718	-
Prior year encumbrances appropriated	448,365	448,365	448,365	-
Fund equity at end of year	<u>\$ 4,139,718</u>	<u>\$ 3,056,718</u>	<u>\$ 5,242,623</u>	<u>\$ 2,185,905</u>

CITY OF WARREN, OHIO

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

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>		
Operating revenues:				
Charges for services	\$ 3,690,931	\$ 3,690,931	\$ 3,782,599	\$ 91,668
Other	600	600	19,336	18,736
Total operating revenues	<u>3,691,531</u>	<u>3,691,531</u>	<u>3,801,935</u>	<u>110,404</u>
Operating expenses:				
Personal services.	1,294,049	1,349,049	1,286,978	62,071
Contract services.	1,909,524	2,145,592	2,119,684	25,908
Materials and supplies.	292,551	342,357	319,927	22,430
Capital outlay	-	26,500	25,853	647
Administrative costs.	200,605	230,991	214,845	16,146
Utilities	13,425	17,330	13,798	3,532
Other.	100	295	268	27
Total operating expenses	<u>3,710,254</u>	<u>4,112,114</u>	<u>3,981,353</u>	<u>130,761</u>
Operating income (loss) before capital contributions	(18,723)	(420,583)	(179,418)	241,165
Capital contributions	<u>8,522</u>	<u>8,522</u>	<u>-</u>	<u>(8,522)</u>
Net change in fund equity.	(10,201)	(412,061)	(179,418)	232,643
Fund equity at beginning of year	411,728	411,728	411,728	-
Prior year encumbrances appropriated . .	<u>10,201</u>	<u>10,201</u>	<u>10,201</u>	<u>-</u>
Fund equity at end of year	<u>\$ 411,728</u>	<u>\$ 9,868</u>	<u>\$ 242,511</u>	<u>\$ 232,643</u>

CITY OF WARREN, OHIO

SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN
 FUND EQUITY - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
CITY REDEVELOPMENT
 FOR THE YEAR ENDED DECEMBER 31, 2020

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Operating revenues:				
Charges for services	\$ 330,000	\$ 330,000	\$ 320,765	\$ (9,235)
Other	10,000	10,000	6,214	(3,786)
Total operating revenues	<u>340,000</u>	<u>340,000</u>	<u>326,979</u>	<u>(13,021)</u>
Operating expenses:				
Contract services.	236,073	282,997	255,240	27,757
Materials and supplies.	26,480	42,478	22,448	20,030
Capital outlay	-	13,000	-	13,000
Utilities	113,153	111,229	86,866	24,363
Total operating expenses.	<u>375,706</u>	<u>449,704</u>	<u>364,554</u>	<u>85,150</u>
Net change in fund equity	(35,706)	(109,704)	(37,575)	72,129
Fund equity at beginning of year.	509,452	509,452	509,452	-
Prior year encumbrances appropriated . .	<u>35,706</u>	<u>35,706</u>	<u>35,706</u>	<u>-</u>
Fund equity at end of year	<u>\$ 509,452</u>	<u>\$ 435,454</u>	<u>\$ 507,583</u>	<u>\$ 72,129</u>

CITY OF WARREN, OHIO

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

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Operating revenues:				
Charges for services	\$ 21,300	\$ 21,300	\$ 19,870	\$ (1,430)
Total operating revenues	<u>21,300</u>	<u>21,300</u>	<u>19,870</u>	<u>(1,430)</u>
Operating expenses:				
Contract services.	106,140	106,750	91,491	15,259
Materials and supplies.	705	705	320	385
Utilities	6,659	6,049	4,862	1,187
Total operating expenses	<u>113,504</u>	<u>113,504</u>	<u>96,673</u>	<u>16,831</u>
Operating (loss) before transfers	(92,204)	(92,204)	(76,803)	15,401
Transfers in	<u>84,730</u>	<u>84,730</u>	<u>62,000</u>	<u>(22,730)</u>
Net change in fund equity	(7,474)	(7,474)	(14,803)	(7,329)
Fund equity at beginning of year.	7,850	7,850	7,850	-
Prior year encumbrances appropriated . .	<u>7,474</u>	<u>7,474</u>	<u>7,474</u>	<u>-</u>
Fund equity at end of year	<u>\$ 7,850</u>	<u>\$ 7,850</u>	<u>\$ 521</u>	<u>\$ (7,329)</u>

CITY OF WARREN, OHIO

SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN
 FUND EQUITY - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
STORMWATER UTILITY
 FOR THE YEAR ENDED DECEMBER 31, 2020

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Operating revenues:				
Charges for services	\$ 748,000	\$ 748,000	\$ 994,867	\$ 246,867
Other	-	-	52	52
Total operating revenues	<u>748,000</u>	<u>748,000</u>	<u>994,919</u>	<u>246,919</u>
Operating expenses:				
Personal services.	353,308	353,308	251,944	101,364
Contract services.	179,647	200,648	158,360	42,288
Materials and supplies.	36,040	34,040	32,664	1,376
Capital outlay	24,793	24,793	24,792	1
Administrative costs.	200,000	179,000	57,470	121,530
Other.	-	2,000	515	1,485
Total operating expenses	<u>793,788</u>	<u>793,789</u>	<u>525,745</u>	<u>268,044</u>
Operating income (loss)	(45,788)	(45,789)	469,174	514,963
Nonoperating (expenses):				
Debt service:				
Principal retirement.	(1,798)	(1,798)	(899)	899
Total nonoperating (expenses)	<u>(1,798)</u>	<u>(1,798)</u>	<u>(899)</u>	<u>899</u>
Income (loss) before capital contributions and transfers	(47,586)	(47,587)	468,275	515,862
Capital contributions	-	-	4,418	4,418
Net change in fund equity	(47,586)	(47,587)	472,693	520,280
Fund equity at beginning of year.	2,873,044	2,873,044	2,873,044	-
Prior year encumbrances appropriated	<u>47,586</u>	<u>47,586</u>	<u>47,586</u>	<u>-</u>
Fund equity at end of year	<u>\$ 2,873,044</u>	<u>\$ 2,873,043</u>	<u>\$ 3,393,323</u>	<u>\$ 520,280</u>

CITY OF WARREN, OHIO
INDIVIDUAL FUND SCHEDULES
FUND DESCRIPTIONS - INTERNAL SERVICE FUNDS

Internal Service Funds

The internal service funds are used to account for the financing of goods or services provided by one department or agency to other departments or agencies of the City, or to other governmental units, on a cost-reimbursement basis. Following is a description of the City's internal service funds:

Life Insurance and Hospitalization

To account for the revenues and expenses associated with medical benefits provided to City employees and their covered dependents for which the City is self-insured.

Workers Compensation

To account for claims applicable to years in which the City elects to be partially self-insured under a retrospective rating plan with the State of Ohio.

Data Processing

To account for operations of the data processing department which provides services to various City departments on a cost-reimbursement basis.

Risk Management

To account for expenses related to the general liability claims the City may have levied against it, except for police liability, which remains insured through a private insurance carrier.

CITY OF WARREN, OHIO

COMBINING STATEMENT OF NET POSITION
INTERNAL SERVICE FUNDS
DECEMBER 31, 2020

	Life Insurance and Hospitalization	Workers Compensation	Data Processing	Risk Management	Totals
Assets:					
Current assets:					
Equity in pooled cash, cash equivalents and investments	\$ 4,882,281	\$ 3,685,048	\$ 280,536	\$ 1,023,948	\$ 9,871,813
Receivables (net of allowance for uncollectibles): Accounts	-	-	-	3,293	3,293
Total current assets	<u>4,882,281</u>	<u>3,685,048</u>	<u>280,536</u>	<u>1,027,241</u>	<u>9,875,106</u>
Noncurrent assets:					
Net pension asset	-	-	2,201	-	2,201
Capital assets:					
Depreciable capital assets, net	-	-	184,454	-	184,454
Total capital assets, net	<u>-</u>	<u>-</u>	<u>184,454</u>	<u>-</u>	<u>184,454</u>
Total noncurrent assets	<u>-</u>	<u>-</u>	<u>186,655</u>	<u>-</u>	<u>186,655</u>
Total assets	<u>4,882,281</u>	<u>3,685,048</u>	<u>467,191</u>	<u>1,027,241</u>	<u>10,061,761</u>
Deferred outflows of resources:					
Pension	-	-	52,200	-	52,200
OPEB	-	-	34,863	-	34,863
Total deferred outflows of resources	<u>-</u>	<u>-</u>	<u>87,063</u>	<u>-</u>	<u>87,063</u>
Liabilities:					
Current liabilities:					
Accounts payable	-	-	739	-	739
Accrued wages and benefits payable	-	-	4,812	-	4,812
Due to other governments	-	18,473	743	-	19,216
Claims payable	727,615	118,760	-	-	846,375
Current portion of compensated absences	-	-	3,953	-	3,953
Total current liabilities.	<u>727,615</u>	<u>137,233</u>	<u>10,247</u>	<u>-</u>	<u>875,095</u>
Long-term liabilities:					
Claims payable	-	868,569	-	-	868,569
Compensated absences payable	-	-	102,691	-	102,691
Net pension liability	-	-	269,881	-	269,881
Net OPEB liability	-	-	181,722	-	181,722
Total long-term liabilities	<u>-</u>	<u>868,569</u>	<u>554,294</u>	<u>-</u>	<u>1,422,863</u>
Total liabilities	<u>727,615</u>	<u>1,005,802</u>	<u>564,541</u>	<u>-</u>	<u>2,297,958</u>
Deferred inflows of resources:					
Pension	-	-	58,049	-	58,049
OPEB	-	-	26,126	-	26,126
Total deferred inflows of resources.	<u>-</u>	<u>-</u>	<u>84,175</u>	<u>-</u>	<u>84,175</u>
Net position:					
Net investment in capital assets	-	-	184,454	-	184,454
Unrestricted (deficit).	4,154,666	2,679,246	(278,916)	1,027,241	7,582,237
Total net position (deficit).	<u>\$ 4,154,666</u>	<u>\$ 2,679,246</u>	<u>\$ (94,462)</u>	<u>\$ 1,027,241</u>	<u>\$ 7,766,691</u>

CITY OF WARREN, OHIO

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

	Life Insurance and Hospitalization	Workers Compensation	Data Processing	Risk Management	Totals
Operating revenues:					
Charges for services	\$ 7,213,080	\$ 1,466,944	\$ 622,800	\$ 341,152	\$ 9,643,976
Other operating revenues.	-	-	25	-	25
Total operating revenues.	<u>7,213,080</u>	<u>1,466,944</u>	<u>622,825</u>	<u>341,152</u>	<u>9,644,001</u>
Operating expenses:					
Personal services	-	-	359,573	-	359,573
Contract services	-	-	152,047	-	152,047
Materials and supplies	-	-	10,851	-	10,851
Administrative costs	-	169,632	31,103	-	200,735
Utilities	-	-	11,101	-	11,101
Claims expense.	5,196,231	92,339	-	125,206	5,413,776
Depreciation	-	-	142,661	-	142,661
Total operating expenses.	<u>5,196,231</u>	<u>261,971</u>	<u>707,336</u>	<u>125,206</u>	<u>6,290,744</u>
Changes in net position	2,016,849	1,204,973	(84,511)	215,946	3,353,257
Net position at beginning of year	<u>2,137,817</u>	<u>1,474,273</u>	<u>(9,951)</u>	<u>811,295</u>	<u>4,413,434</u>
Net position (deficit) at end of year	<u>\$ 4,154,666</u>	<u>\$ 2,679,246</u>	<u>\$ (94,462)</u>	<u>\$ 1,027,241</u>	<u>\$ 7,766,691</u>

CITY OF WARREN, OHIO

**COMBINING STATEMENT OF CASH FLOWS
INTERNAL SERVICE FUNDS
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2020**

	Life Insurance and Hospitalization	Workers Compensation	Data Processing	Risk Management	Totals
Cash flows from operating activities:					
Cash received from customers	\$ 7,213,080	\$ 1,469,749	\$ 622,800	\$ 337,859	\$ 9,643,488
Cash received from other operations	-	-	25	-	25
Cash payments for personal services	-	-	(323,463)	-	(323,463)
Cash payments for contractual services	-	-	(168,907)	-	(168,907)
Cash payments for materials and supplies	-	-	(16,028)	-	(16,028)
Cash payments for utilities	-	-	(11,101)	-	(11,101)
Cash payments for claims	(5,211,350)	(195,279)	-	(125,206)	(5,531,835)
Cash payments for administrative costs.	-	(156,719)	(32,441)	-	(189,160)
Net cash provided by operating activities	<u>2,001,730</u>	<u>1,117,751</u>	<u>70,885</u>	<u>212,653</u>	<u>3,403,019</u>
Cash flows from capital and related financing activities:					
Aquisition of capital assets	-	-	(25,620)	-	(25,620)
Net cash used in capital and related financing activities	<u>-</u>	<u>-</u>	<u>(25,620)</u>	<u>-</u>	<u>(25,620)</u>
Net increase in cash and cash equivalents.	2,001,730	1,117,751	45,265	212,653	3,377,399
Cash and cash equivalents at beginning of year . . .	<u>2,880,551</u>	<u>2,567,297</u>	<u>235,271</u>	<u>811,295</u>	<u>6,494,414</u>
Cash and cash equivalents at end of year.	<u><u>\$ 4,882,281</u></u>	<u><u>\$ 3,685,048</u></u>	<u><u>\$ 280,536</u></u>	<u><u>\$ 1,023,948</u></u>	<u><u>\$ 9,871,813</u></u>
Reconciliation of operating income (loss) to net cash provided by operating activities:					
Operating income (loss)	\$ 2,016,849	\$ 1,204,973	\$ (84,511)	\$ 215,946	\$ 3,353,257
Adjustments to reconcile operating income (loss) to net cash provided by operating activities:					
Depreciation.	-	-	142,661	-	142,661
Changes in assets, deferred outflows of resources, liabilities and deferred inflows of resources:					
(Increase) decrease in accounts receivable	-	2,805	-	(3,293)	(488)
(Increase) in net pension asset	-	-	(1,052)	-	(1,052)
Decrease in deferred outflows - pension	-	-	52,187	-	52,187
(Increase) in deferred outflows - OPEB	-	-	(22,041)	-	(22,041)
(Decrease) in accounts payable	-	-	(22,037)	-	(22,037)
(Decrease) in accrued wages and benefits.	-	-	(11,552)	-	(11,552)
(Decrease) in due to other funds	-	-	(1,338)	-	(1,338)
Increase (decrease) in due to other governments. . .	-	12,913	(1,785)	-	11,128
Increase in compensated absences payable.	-	-	9,583	-	9,583
(Decrease) in claims payable	(15,119)	(102,940)	-	-	(118,059)
Increase in net pension liability	-	-	47,950	-	47,950
Increase in net OPEB liability.	-	-	22,665	-	22,665
(Decrease) in deferred inflows - pension	-	-	(80,566)	-	(80,566)
Increase in deferred inflows - OPEB	-	-	20,721	-	20,721
Net cash provided by operating activities	<u><u>\$ 2,001,730</u></u>	<u><u>\$ 1,117,751</u></u>	<u><u>\$ 70,885</u></u>	<u><u>\$ 212,653</u></u>	<u><u>\$ 3,403,019</u></u>

CITY OF WARREN, OHIO

SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN
 FUND EQUITY - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
LIFE INSURANCE AND HOSPITALIZATION
 FOR THE YEAR ENDED DECEMBER 31, 2020

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Operating revenues:				
Charges for services	\$ 6,523,500	\$ 6,523,500	\$ 7,213,080	\$ 689,580
Total operating revenues	<u>6,523,500</u>	<u>6,523,500</u>	<u>7,213,080</u>	<u>689,580</u>
Operating expenses:				
Claims expense	6,523,568	6,523,568	5,212,307	1,311,261
Total operating expenses	<u>6,523,568</u>	<u>6,523,568</u>	<u>5,212,307</u>	<u>1,311,261</u>
Net change in fund equity	(68)	(68)	2,000,773	2,000,841
Fund equity at beginning of year.	2,880,483	2,880,483	2,880,483	-
Prior year encumbrances appropriated . .	<u>68</u>	<u>68</u>	<u>68</u>	<u>-</u>
Fund equity at end of year	<u>\$ 2,880,483</u>	<u>\$ 2,880,483</u>	<u>\$ 4,881,324</u>	<u>\$ 2,000,841</u>

CITY OF WARREN, OHIO

SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN
 FUND EQUITY - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
WORKERS COMPENSATION
 FOR THE YEAR ENDED DECEMBER 31, 2020

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Operating revenues:				
Charges for services	\$ 465,445	\$ 465,445	\$ 1,469,749	\$ 1,004,304
Total operating revenues	<u>465,445</u>	<u>465,445</u>	<u>1,469,749</u>	<u>1,004,304</u>
Operating expenses:				
Contract services	20,000	20,000	-	20,000
Claims expense.	245,445	245,445	195,279	50,166
Administrative costs	200,000	200,000	156,719	43,281
Total operating expenses	<u>465,445</u>	<u>465,445</u>	<u>351,998</u>	<u>113,447</u>
Net change in fund equity	-	-	1,117,751	1,117,751
Fund equity at beginning of year.	<u>2,567,297</u>	<u>2,567,297</u>	<u>2,567,297</u>	<u>-</u>
Fund equity at end of year	<u>\$ 2,567,297</u>	<u>\$ 2,567,297</u>	<u>\$ 3,685,048</u>	<u>\$ 1,117,751</u>

CITY OF WARREN, OHIO

SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN
 FUND EQUITY - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
DATA PROCESSING
 FOR THE YEAR ENDED DECEMBER 31, 2020

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>		
Operating revenues:				
Charges for services	\$ 602,040	\$ 602,040	\$ 622,800	\$ 20,760
Other	-	-	25	25
Total operating revenues	<u>602,040</u>	<u>602,040</u>	<u>622,825</u>	<u>20,785</u>
Operating expenses:				
Personal services.	356,424	366,424	323,463	42,961
Contract services.	176,073	206,201	196,824	9,377
Materials and supplies.	26,346	26,346	20,028	6,318
Capital outlay	500	14,150	-	14,150
Administrative costs	36,636	36,571	32,441	4,130
Utilities	17,898	17,836	11,101	6,735
Total operating expenses	<u>613,877</u>	<u>667,528</u>	<u>583,857</u>	<u>83,671</u>
Net change in fund equity	(11,837)	(65,488)	38,968	104,456
Fund equity at beginning of year.	223,434	223,434	223,434	-
Prior year encumbrances appropriated . .	<u>11,837</u>	<u>11,837</u>	<u>11,837</u>	<u>-</u>
Fund equity at end of year	<u>\$ 223,434</u>	<u>\$ 169,783</u>	<u>\$ 274,239</u>	<u>\$ 104,456</u>

CITY OF WARREN, OHIO

SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN
 FUND EQUITY - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
RISK MANAGEMENT
 FOR THE YEAR ENDED DECEMBER 31, 2020

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Operating revenues:				
Charges for services	\$ 248,000	\$ 248,000	\$ 337,859	\$ 89,859
Total operating revenues	<u>248,000</u>	<u>248,000</u>	<u>337,859</u>	<u>89,859</u>
Operating expenses:				
Claims expense	248,000	248,000	125,206	122,794
Total operating expenses	<u>248,000</u>	<u>248,000</u>	<u>125,206</u>	<u>122,794</u>
Net change in fund equity	-	-	212,653	212,653
Fund equity at beginning of year.	<u>811,295</u>	<u>811,295</u>	<u>811,295</u>	<u>-</u>
Fund equity at end of year	<u>\$ 811,295</u>	<u>\$ 811,295</u>	<u>\$ 1,023,948</u>	<u>\$ 212,653</u>

CITY OF WARREN, OHIO

INDIVIDUAL FUND SCHEDULES
FUND DESCRIPTIONS - CUSTODIAL FUNDS

Custodial Funds

Custodial Funds are used to account for assets held by the City for individuals, private organizations, or other governmental units. The following are the City's custodial funds.

Highway Patrol Fines

To account for Highway Patrol fines collected and distributed to other entities.

Warren Municipal Court

To account for the the collection and distribution of Warren Municipal Court fines and forfeitures to other governments, organizations and individuals.

CITY OF WARREN, OHIO
COMBINING STATEMENT OF FIDUCIARY NET POSITION
CUSTODIAL FUNDS
DECEMBER 31, 2020

	Highway Patrol Fines	Warren Municipal Court	Total Custodial
Assets:			
Cash in segregated accounts	\$ -	\$ 420,733	\$ 420,733
Receivables (net of allowance for uncollectibles):			
Accounts	1,260	-	1,260
Total assets	\$ 1,260	\$ 420,733	\$ 421,993
Liabilities:			
Due to other governments	1,260	420,733	421,993
Total liabilities	1,260	420,733	421,993
Net position:			
Restricted for other governments, organizations and individuals	-	-	-
Total net position	\$ -	\$ -	\$ -

CITY OF WARREN, OHIO
COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
CUSTODIAL FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2020

	Highway Patrol Fines	Warren Municipal Court	Total Custodial
Additions:			
Fines and forfeitures for other governments, organizations and individuals	\$ 20,942	\$ 1,434,171	\$ 1,455,113
Deductions:			
Fines and forfeitures distributions to other governments, organizations and individuals	20,942	1,434,171	1,455,113
Net change in fiduciary net position	-	-	-
Net position at beginning of year	-	-	-
Net position at end of year	\$ -	\$ -	\$ -

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STATISTICAL SECTION

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CITY OF WARREN, OHIO
STATISTICAL SECTION

This part of the City of Warren's Comprehensive Annual Financial Report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the City's overall financial 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.	188-197
Revenue Capacity These schedules contain information to help the reader assess the City's most significant local revenue sources, the income tax and the real and personal property tax.	198-207
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.	208-215
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.	216-217
Operating Information These schedules contain service 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.	218-223

Sources: Sources are noted on the individual schedules.

CITY OF WARREN, OHIO

NET POSITION BY COMPONENT
LAST TEN YEARS
(ACCRUAL BASIS OF ACCOUNTING)

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017 (a)</u>
Governmental activities				
Net investment in capital assets	\$ 53,934,820	\$ 56,350,453	\$ 55,619,553	\$ 52,287,647
Restricted for:				
Debt service	2,149,774	2,000,295	1,855,516	1,843,561
Capital projects	2,080,138	1,670,629	899,883	576,256
Street maintenance	621,198	383,809	301,206	174,381
State highway	409,632	954,861	269,780	194,694
Law enforcement	243,464	232,309	213,958	177,944
Courts	1,686,588	1,612,478	1,712,210	1,650,347
Community development and improvements	7,454,045	7,488,117	7,539,282	7,796,740
Police and fire pension	-	-	-	-
Warren Hills landfill	-	-	419,020	505,366
Coronavirus relief	75,926	-	-	-
Unrestricted (deficit)	<u>(23,313,455)</u>	<u>(27,781,560)</u>	<u>(44,328,382)</u>	<u>(45,830,560)</u>
Total governmental activities net position	<u>\$ 45,342,130</u>	<u>\$ 42,911,391</u>	<u>\$ 24,502,026</u>	<u>\$ 19,376,376</u>
Business-type activities				
Net investment in capital assets	\$ 28,454,187	\$ 26,650,705	\$ 25,470,873	\$ 23,698,307
Restricted for:				
Debt service	-	-	-	-
Unrestricted (deficit)	<u>1,011,539</u>	<u>(3,893,992)</u>	<u>(4,183,784)</u>	<u>(1,116,494)</u>
Total business-type activities net position	<u>\$ 29,465,726</u>	<u>\$ 22,756,713</u>	<u>\$ 21,287,089</u>	<u>\$ 22,581,813</u>
Total primary government				
Net investment in capital assets	\$ 82,389,007	\$ 83,001,158	\$ 81,090,426	\$ 75,985,954
Restricted for:				
Debt service	2,149,774	2,000,295	1,855,516	1,843,561
Capital projects	2,080,138	1,670,629	899,883	576,256
Street maintenance	621,198	383,809	301,206	174,381
State highway	409,632	954,861	269,780	194,694
Law enforcement	243,464	232,309	213,958	177,944
Courts	1,686,588	1,612,478	1,712,210	1,650,347
Community development and improvements	7,454,045	7,488,117	7,539,282	7,796,740
Police and fire pension	-	-	-	-
Warren Hills landfill	-	-	419,020	505,366
Coronavirus relief	75,926	-	-	-
Unrestricted (deficit)	<u>(22,301,916)</u>	<u>(31,675,552)</u>	<u>(48,512,166)</u>	<u>(46,947,054)</u>
Total primary government net position	<u>\$ 74,807,856</u>	<u>\$ 65,668,104</u>	<u>\$ 45,789,115</u>	<u>\$ 41,958,189</u>

Source: City of Warren, Financial Records

(a) Amounts have been restated to reflect the implementation of GASB Statement No. 75, which was implemented in 2018.

2016	2015	2014	2013	2012	2011
\$ 49,327,471	\$ 48,863,065	\$ 47,726,468	\$ 44,093,603	\$ 42,910,889	\$ 41,689,055
2,220,095	1,869,362	2,145,641	2,723,376	1,996,713	1,615,731
764,564	1,476,319	899,088	-	-	21,924
332,590	162,939	844,586	828,714	808,811	771,607
176,679	173,276	178,562	272,923	345,451	274,377
384,759	363,589	292,581	399,651	345,503	413,142
1,484,004	1,291,177	1,588,016	1,369,045	1,315,547	1,122,989
7,991,263	8,313,048	8,900,592	9,491,103	10,168,030	10,218,860
-	-	-	-	104,782	1,108,729
513,419	558,717	611,275	622,922	665,959	692,804
-	-	-	-	-	-
(23,448,369)	(21,620,364)	(24,345,765)	(353,410)	(659,287)	(1,555,360)
<u>\$ 39,746,475</u>	<u>\$ 41,451,128</u>	<u>\$ 38,841,044</u>	<u>\$ 59,447,927</u>	<u>\$ 58,002,398</u>	<u>\$ 56,373,858</u>
\$ 23,136,628	\$ 21,880,703	\$ 22,123,436	\$ 26,353,429	\$ 25,997,973	\$ 24,563,803
-	-	-	-	-	963,817
4,610,430	5,812,598	3,522,316	7,037,170	7,100,100	6,435,075
<u>\$ 27,747,058</u>	<u>\$ 27,693,301</u>	<u>\$ 25,645,752</u>	<u>\$ 33,390,599</u>	<u>\$ 33,098,073</u>	<u>\$ 31,962,695</u>
\$ 72,464,099	\$ 70,743,768	\$ 69,849,904	\$ 70,447,032	\$ 68,908,862	\$ 66,252,858
2,220,095	1,869,362	2,145,641	2,723,376	1,996,713	2,579,548
764,564	1,476,319	899,088	-	-	21,924
332,590	162,939	844,586	828,714	808,811	771,607
176,679	173,276	178,562	272,923	345,451	274,377
384,759	363,589	292,581	399,651	345,503	413,142
1,484,004	1,291,177	1,588,016	1,369,045	1,315,547	1,122,989
7,991,263	8,313,048	8,900,592	9,491,103	10,168,030	10,218,860
-	-	-	-	104,782	1,108,729
513,419	558,717	611,275	622,922	665,959	692,804
-	-	-	-	-	-
(18,837,939)	(15,807,766)	(20,823,449)	6,683,760	6,440,813	4,879,715
<u>\$ 67,493,533</u>	<u>\$ 69,144,429</u>	<u>\$ 64,486,796</u>	<u>\$ 92,838,526</u>	<u>\$ 91,100,471</u>	<u>\$ 88,336,553</u>

CITY OF WARREN, OHIO

CHANGES IN NET POSITION
LAST TEN YEARS
(ACCRUAL BASIS OF ACCOUNTING)

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
Program revenues:				
Governmental activities:				
Charges for services:				
General government	\$ 736,210	\$ 813,663	\$ 1,259,301	\$ 1,294,087
Security of persons and property	1,076,453	1,402,673	1,320,428	1,343,467
Public health and welfare	-	-	133,265	108,576
Transportation	3,250	3,150	3,700	2,550
Community environment	274,691	485,541	786,293	761,418
Leisure time activity	20,008	30,210	44,079	63,471
Economic development	100,868	168,208	216,132	111,174
Operating grants and contributions:				
General government	2,095,370	-	369	-
Security of persons and property	921,977	91,988	74,556	71,592
Transportation	2,628,613	2,630,879	2,134,069	2,076,358
Community environment	247	-	-	-
Leisure time activity	40,696	-	-	-
Economic development	1,553,122	1,901,215	1,244,003	1,639,750
Capital grants and contributions:				
General government	-	-	700,000	-
Transportation	2,699,284	1,831,961	5,306,983	1,831,422
Total governmental activities program revenues	<u>12,150,789</u>	<u>9,359,488</u>	<u>13,223,178</u>	<u>9,303,865</u>
Business-type activities:				
Charges for services:				
Sewer	11,596,322	9,307,279	7,428,822	8,207,341
Water	13,061,725	13,192,817	11,877,365	11,440,010
Sanitation	3,805,435	3,866,075	3,730,285	3,720,156
Other business-type activities:				
Packard Music Hall	-	-	-	-
City Redevelopment	329,141	325,698	329,493	358,938
Downtown parking	18,619	23,467	23,836	18,490
Stormwater Utility	1,044,663	1,075,569	1,034,656	1,087,434
Operating grants and contributions				
Sewer	1,763,891	-	-	-
Capital grants and contributions				
Sewer	-	8,118	217,386	-
Water	11,820	-	5,435	189,516
Sanitation	-	12,500	-	12,500
Other business-type activities:				
Packard Music Hall	-	-	-	-
Stormwater Utility	-	8,118	217,386	-
Total business-type activities program revenues	<u>31,631,616</u>	<u>27,819,641</u>	<u>24,864,664</u>	<u>25,034,385</u>
Total primary government	<u>\$ 43,782,405</u>	<u>\$ 37,179,129</u>	<u>\$ 38,087,842</u>	<u>\$ 34,338,250</u>
Expenses:				
Governmental activities:				
General government	\$ 7,258,980	\$ 7,106,282	\$ 7,128,383	\$ 7,193,770
Security of persons and property	17,137,064	1,921,321	17,604,592	15,589,381
Public health and welfare	80,079	160,049	841,137	780,424
Transportation	5,796,195	3,874,549	3,714,265	3,560,975
Community environment	950,169	1,024,850	1,758,730	1,824,742
Leisure time activity	1,021,486	996,445	966,023	689,808
Economic development	1,603,834	1,886,918	1,471,834	1,792,666
Interest and fiscal charges	189,182	182,246	209,570	321,509
Bond issuance costs	-	-	-	-
Total governmental activities expenses	<u>34,036,989</u>	<u>17,152,660</u>	<u>33,694,534</u>	<u>31,753,275</u>

	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>
\$	1,155,198	\$ 1,142,087	\$ 1,258,784	\$ 1,219,533	\$ 1,304,044	\$ 1,331,458
	1,238,827	1,525,792	1,598,937	1,452,930	1,739,425	1,827,410
	121,106	195,126	212,498	204,455	201,798	193,402
	2,050	1,300	350	1,050	21,750	35,950
	751,395	801,817	783,143	762,676	794,078	698,223
	29,158	51,053	23,252	36,082	34,033	17,643
	-	-	-	371,154	526,844	587,408
	129	-	-	-	-	-
	250,762	110,795	139,755	166,236	162,239	116,784
	2,009,714	1,944,652	2,085,454	1,968,489	2,000,968	2,063,252
	-	-	515,924	362,596	-	-
	-	-	-	-	-	-
	2,074,252	1,484,273	2,060,026	1,592,956	2,859,913	3,794,352
	-	-	-	-	309,751	-
	2,293,735	4,718,978	2,573,034	3,971,851	982,257	2,646,972
	<u>9,926,326</u>	<u>11,975,873</u>	<u>11,251,157</u>	<u>12,110,008</u>	<u>10,937,100</u>	<u>13,312,854</u>
	7,992,246	8,025,072	8,188,147	8,026,141	8,487,821	9,862,861
	10,392,869	11,932,352	10,930,207	10,276,785	11,042,614	10,746,044
	3,097,256	3,624,806	3,446,470	3,434,612	3,323,515	3,146,892
	-	-	149,163	211,795	185,971	213,131
	421,570	404,767	426,888	57,092	40,111	51,778
	21,165	30,614	23,088	34,024	24,530	29,566
	877,355	1,105,928	1,103,573	1,009,629	1,038,686	983,029
	-	-	-	-	-	-
	-	-	-	-	-	246,037
	1,090,634	10,000	8,600	-	-	-
	2,985	17,500	-	-	-	-
	-	-	-	37,028	59,020	232,913
	-	-	-	-	23,469	227,296
	<u>23,896,080</u>	<u>25,151,039</u>	<u>24,276,136</u>	<u>23,087,106</u>	<u>24,225,737</u>	<u>25,739,547</u>
\$	<u>33,822,406</u>	<u>\$ 37,126,912</u>	<u>\$ 35,527,293</u>	<u>\$ 35,197,114</u>	<u>\$ 35,162,837</u>	<u>\$ 39,052,401</u>
\$	6,373,481	\$ 6,488,811	\$ 5,938,254	\$ 5,490,149	\$ 5,841,107	\$ 5,614,737
	16,529,431	16,095,857	15,374,111	16,292,351	16,753,174	16,860,682
	755,064	615,477	652,802	681,620	634,143	615,238
	3,953,939	3,442,801	4,256,445	4,124,435	3,790,997	4,034,308
	1,901,508	1,813,704	2,165,295	2,545,832	1,758,742	1,797,152
	781,777	737,876	499,936	499,204	482,998	453,413
	2,215,336	1,717,280	2,381,519	2,481,991	2,402,035	2,821,164
	361,464	386,234	413,785	195,930	266,413	312,812
	-	-	-	226,597	59,662	-
	<u>32,872,000</u>	<u>31,298,040</u>	<u>31,682,147</u>	<u>32,538,109</u>	<u>31,989,271</u>	<u>32,509,506</u>

CITY OF WARREN, OHIO

CHANGES IN NET POSITION
LAST TEN YEARS (CONTINUED)
(ACCRUAL BASIS OF ACCOUNTING)

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
Business-type activities:				
Sewer	\$ 9,674,309	\$ 8,757,648	\$ 8,773,308	\$ 7,964,421
Water	10,707,832	12,951,978	13,082,604	12,690,692
Sanitation	4,024,172	3,973,580	4,020,987	3,733,769
Other business-type activities:				
Packard Music Hall	-	-	-	-
City Redevelopment	324,793	252,315	277,699	314,064
Downtown Parking	139,415	145,146	139,892	162,080
Stormwater Utility	446,748	679,975	428,966	603,721
Total business-type activities expenses	<u>25,317,269</u>	<u>26,760,642</u>	<u>26,723,456</u>	<u>25,468,747</u>
Total primary government	<u>\$ 59,354,258</u>	<u>\$ 43,913,302</u>	<u>\$ 60,417,990</u>	<u>\$ 57,222,022</u>
Net (expense) revenue:				
Governmental activities	\$ (21,886,200)	\$ (7,793,172)	\$ (20,471,356)	\$ (22,449,410)
Business-type activities	6,314,347	1,058,999	(1,858,792)	(434,362)
Total primary government net expense	<u>\$ (15,571,853)</u>	<u>\$ (6,734,173)</u>	<u>\$ (22,330,148)</u>	<u>\$ (22,883,772)</u>
General revenues and other changes in net position:				
Governmental activities				
Taxes:				
Property taxes levied for:				
General Purposes	\$ 152,438	\$ 149,766	\$ 217,738	\$ -
Debt service	906,325	902,413	835,333	1,337,229
Fire pension	-	-	-	-
Police pension	-	-	-	-
Income taxes levied for:				
General Purposes	20,965,891	20,787,329	21,345,452	18,091,853
Grants and entitlements				
not restricted to specific programs	1,703,961	2,461,054	2,336,729	1,974,260
Investment earnings	232,284	326,622	260,018	125,442
Change in fair value of investments	(13,814)	125,816	12,050	5,522
Miscellaneous	431,854	306,244	678,226	579,992
Special item	-	1,233,293	-	-
Transfers	(62,000)	(90,000)	(88,540)	142,734
Total governmental activities	<u>24,316,939</u>	<u>26,202,537</u>	<u>25,597,006</u>	<u>22,257,032</u>
Business-type activities				
Investment earnings	-	-	12	-
Miscellaneous	332,666	320,625	475,516	217,224
Special item	-	-	-	-
Transfers	62,000	90,000	88,540	(142,734)
Total business-type activities	<u>394,666</u>	<u>410,625</u>	<u>564,068</u>	<u>74,490</u>
Total primary government	<u>\$ 24,711,605</u>	<u>\$ 26,613,162</u>	<u>\$ 26,161,074</u>	<u>\$ 22,331,522</u>
Change in net position:				
Governmental activities	\$ 2,430,739	\$ 18,409,365	\$ 5,125,650	\$ (192,378)
Business-type activities	6,709,013	1,469,624	(1,294,724)	(359,872)
Total primary government	<u>\$ 9,139,752</u>	<u>\$ 19,878,989</u>	<u>\$ 3,830,926</u>	<u>\$ (552,250)</u>

Source: City of Warren, Financial Records

<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>
\$ 7,839,689	\$ 7,097,645	\$ 7,157,384	\$ 7,126,141	\$ 6,684,587	\$ 7,130,457
11,786,057	12,013,437	11,815,365	11,723,619	12,190,368	12,240,091
3,570,325	3,326,132	3,631,799	3,214,243	3,331,447	3,212,094
-	-	525,830	706,478	657,521	563,301
367,444	215,209	260,920	76,175	46,689	45,514
129,999	136,252	136,077	149,373	131,147	145,216
715,346	580,172	634,430	551,745	715,049	760,294
<u>24,408,860</u>	<u>23,368,847</u>	<u>24,161,805</u>	<u>23,547,774</u>	<u>23,756,808</u>	<u>24,096,967</u>
<u>\$ 57,280,860</u>	<u>\$ 54,666,887</u>	<u>\$ 55,843,952</u>	<u>\$ 56,085,883</u>	<u>\$ 55,746,079</u>	<u>\$ 56,606,473</u>
\$ (22,945,674)	\$ (19,322,167)	\$ (20,430,990)	\$ (20,428,101)	\$ (21,052,171)	\$ (19,196,652)
(512,780)	1,782,192	114,331	(460,668)	468,929	1,642,580
<u>\$ (23,458,454)</u>	<u>\$ (17,539,975)</u>	<u>\$ (20,316,659)</u>	<u>\$ (20,888,769)</u>	<u>\$ (20,583,242)</u>	<u>\$ (17,554,072)</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1,136,724	1,221,461	1,370,616	1,311,792	995,193	1,223,713
-	-	-	-	94,034	128,896
-	-	-	-	94,034	117,974
16,990,041	17,237,265	16,247,030	16,624,172	16,968,167	17,292,458
1,458,525	1,601,526	2,016,181	3,639,724	4,115,473	4,750,099
117,016	73,839	67,940	53,299	67,451	128,848
(78,842)	-	-	-	-	-
1,646,101	1,698,877	666,755	562,200	673,628	834,099
-	-	2,280,036	-	-	-
(28,544)	99,283	(323,000)	(317,557)	(327,269)	(220,975)
<u>21,241,021</u>	<u>21,932,251</u>	<u>22,325,558</u>	<u>21,873,630</u>	<u>22,680,711</u>	<u>24,255,112</u>
-	-	-	-	143	-
537,993	364,640	322,482	435,637	339,037	416,949
-	-	(2,280,036)	-	-	-
28,544	(99,283)	323,000	317,557	327,269	220,975
<u>566,537</u>	<u>265,357</u>	<u>(1,634,554)</u>	<u>753,194</u>	<u>666,449</u>	<u>637,924</u>
<u>\$ 21,807,558</u>	<u>\$ 22,197,608</u>	<u>\$ 20,691,004</u>	<u>\$ 22,626,824</u>	<u>\$ 23,347,160</u>	<u>\$ 24,893,036</u>
\$ (1,704,653)	\$ 2,610,084	\$ 1,894,568	\$ 1,445,529	\$ 1,628,540	\$ 5,058,460
53,757	2,047,549	(1,520,223)	292,526	1,135,378	2,280,504
<u>\$ (1,650,896)</u>	<u>\$ 4,657,633</u>	<u>\$ 374,345</u>	<u>\$ 1,738,055</u>	<u>\$ 2,763,918</u>	<u>\$ 7,338,964</u>

CITY OF WARREN, OHIO

FUND BALANCES, GOVERNMENTAL FUNDS
LAST TEN YEARS
(MODIFIED ACCRUAL BASIS OF ACCOUNTING)

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
General fund:					
Nonspendable	\$ 3,185	\$ 2,993	\$ 3,729	\$ 3,013	\$ 2,438
Restricted	-	-	419,020	505,366	513,419
Assigned	335,877	525,489	357,577	311,428	58,956
Unassigned	<u>7,122,090</u>	<u>6,181,529</u>	<u>4,379,649</u>	<u>2,141,301</u>	<u>973,017</u>
Total general fund	<u>\$ 7,461,152</u>	<u>\$ 6,710,011</u>	<u>\$ 5,159,975</u>	<u>\$ 2,961,108</u>	<u>\$ 1,547,830</u>
All other governmental funds:					
Nonspendable	\$ 35,240	\$ 55,680	\$ -	\$ 12,130	\$ 100,125
Restricted	13,992,830	12,154,040	11,249,097	10,810,968	11,516,013
Unassigned (deficit)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total all other governmental funds	<u>\$ 14,028,070</u>	<u>\$ 12,209,720</u>	<u>\$ 11,249,097</u>	<u>\$ 10,823,098</u>	<u>\$ 11,616,138</u>

Source: City of Warren, Financial Records

<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>
\$ 3,283	\$ 4,877	\$ 4,426	\$ 3,538	\$ 7,445
558,717	611,275	622,922	665,959	692,804
85,482	210,808	212,483	743,525	74,882
<u>1,729,249</u>	<u>1,506,015</u>	<u>3,230,863</u>	<u>3,810,108</u>	<u>4,810,152</u>
<u>\$ 2,376,731</u>	<u>\$ 2,332,975</u>	<u>\$ 4,070,694</u>	<u>\$ 5,223,130</u>	<u>\$ 5,585,283</u>
\$ 133,500	\$ 315	\$ -	\$ -	\$ 10,596
11,473,582	14,060,602	17,497,378	12,285,612	12,966,986
-	(7,863)	-	(492,011)	-
<u>\$ 11,607,082</u>	<u>\$ 14,053,054</u>	<u>\$ 17,497,378</u>	<u>\$ 11,793,601</u>	<u>\$ 12,977,582</u>

CITY OF WARREN, OHIO

CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS
LAST TEN YEARS
(MODIFIED ACCRUAL BASIS OF ACCOUNTING)

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
Revenues				
Income taxes	\$ 20,585,133	\$ 21,366,470	\$ 20,679,002	\$ 19,574,834
Property and other taxes	1,094,959	1,057,186	1,077,304	1,256,067
Charges for services	2,124,396	2,243,738	2,529,584	2,315,057
Licenses and permits	939,702	1,147,063	2,097,794	1,932,851
Fines and forfeitures	1,051,119	1,403,081	1,325,672	1,361,117
Intergovernmental	11,553,584	8,615,087	11,153,774	7,502,554
Special assessments	25,206	11,257	11,048	10,104
Investment income	256,514	371,119	283,645	164,024
Rental income	47,384	72,543	71,054	69,529
Change in fair value of investments	(13,814)	125,816	12,050	5,522
Other	482,726	692,911	535,500	730,284
Total revenues	<u>38,146,909</u>	<u>37,106,271</u>	<u>39,776,427</u>	<u>34,921,943</u>
Expenditures				
Current:				
General government	9,116,227	8,186,636	8,339,458	7,825,008
Security of persons and property	17,146,880	16,231,802	15,404,934	15,083,909
Public health and welfare	80,079	160,049	812,647	730,301
Transportation	1,788,584	1,496,750	1,533,931	1,459,169
Community environment	981,143	997,224	1,646,638	1,707,294
Leisure time activity	430,169	396,652	396,792	286,373
Economic development	1,583,003	1,870,301	1,442,020	1,749,327
Capital outlay	3,195,098	4,074,972	6,367,244	3,310,574
Debt service:				
Principal retirement	1,000,850	867,828	897,828	792,828
Interest and fiscal charges	193,385	194,288	227,290	271,418
Bond/refunding bond issuance costs	-	-	-	69,003
Total expenditures	<u>35,515,418</u>	<u>34,476,502</u>	<u>37,068,782</u>	<u>33,285,204</u>
Excess of revenues over (under) expenditures	<u>2,631,491</u>	<u>2,629,769</u>	<u>2,707,645</u>	<u>1,636,739</u>
Other financing sources (uses)				
Sale of refunding bonds	-	-	-	5,095,000
Sale of bonds	-	-	-	-
Sale of notes	-	-	-	-
Payment to refunded bond escrow agent	-	-	-	(6,170,449)
Premium on bonds/refunding bonds	-	-	-	-
Capital lease transaction	-	305,298	-	-
Transfers in	223,644	2,112,228	1,066,097	937,283
Transfers (out)	(285,644)	(2,202,228)	(1,148,876)	(878,335)
Total other financing sources (uses)	<u>(62,000)</u>	<u>215,298</u>	<u>(82,779)</u>	<u>(1,016,501)</u>
Special items	-	(334,408)	-	-
Net change in fund balances	<u>\$ 2,569,491</u>	<u>\$ 2,510,659</u>	<u>\$ 2,624,866</u>	<u>\$ 620,238</u>
Capital expenditures	1,728,319	4,353,720	6,719,065	3,786,808
Debt service as a percentage of noncapital expenditures	3.53%	3.53%	3.71%	3.61%

Source: City of Warren, Financial Records

2016	2015	2014	2013	2012	2011
\$ 16,115,081	\$ 16,939,262	\$ 16,409,208	\$ 16,624,224	\$ 17,080,705	\$ 16,996,981
1,249,316	1,283,266	1,318,438	1,315,316	1,356,637	1,404,962
2,252,949	2,172,819	2,118,099	2,146,723	2,068,967	2,085,260
1,849,308	2,103,295	2,114,415	2,129,625	2,281,768	2,193,463
1,236,826	1,543,176	1,668,265	1,465,518	1,751,023	1,827,530
7,826,195	9,923,751	8,554,302	11,242,468	10,388,955	13,551,987
10,522	16,123	20,549	23,663	35,896	65,724
137,484	101,689	107,227	163,524	125,471	271,739
72,547	48,899	47,749	30,606	26,274	31,653
(78,842)	-	-	-	-	-
1,951,250	1,842,483	1,478,244	983,926	760,098	916,099
<u>32,622,636</u>	<u>35,974,763</u>	<u>33,836,496</u>	<u>36,125,593</u>	<u>35,875,794</u>	<u>39,345,398</u>
7,631,063	8,101,494	7,579,223	7,375,113	7,614,421	7,387,486
14,431,020	15,786,930	15,484,022	16,951,166	17,396,017	16,783,776
729,262	607,931	650,352	682,462	631,915	621,583
1,438,403	1,690,699	1,619,094	1,311,023	1,661,599	1,584,939
1,844,028	1,786,984	1,825,474	1,738,663	1,766,330	1,770,245
458,214	418,546	730,344	550,457	493,165	456,404
2,199,189	1,711,494	2,276,793	2,417,744	3,291,712	3,500,283
3,437,790	7,107,269	7,275,418	7,601,061	2,681,709	2,379,047
872,828	869,882	815,983	1,153,216	3,494,229	1,342,926
372,140	395,033	399,298	164,201	256,922	277,837
-	-	-	226,597	44,710	-
<u>33,413,937</u>	<u>38,476,262</u>	<u>38,656,001</u>	<u>40,171,703</u>	<u>39,332,729</u>	<u>36,104,526</u>
<u>(791,301)</u>	<u>(2,501,499)</u>	<u>(4,819,505)</u>	<u>(4,046,110)</u>	<u>(3,456,935)</u>	<u>3,240,872</u>
-	-	-	-	-	-
-	-	-	8,585,000	1,960,000	-
-	-	-	-	13,529	-
-	-	-	-	-	-
-	-	-	241,824	62,088	-
-	-	-	-	-	-
336,868	1,237,739	1,428,160	429,120	960,193	552,103
(365,412)	(1,138,456)	(1,751,160)	(658,493)	(1,085,009)	(684,894)
<u>(28,544)</u>	<u>99,283</u>	<u>(323,000)</u>	<u>8,597,451</u>	<u>1,910,801</u>	<u>(132,791)</u>
-	-	(39,538)	-	-	-
<u>\$ (819,845)</u>	<u>\$ (2,402,216)</u>	<u>\$ (5,182,043)</u>	<u>\$ 4,551,341</u>	<u>\$ (1,546,134)</u>	<u>\$ 3,108,081</u>
3,257,331	8,068,858	7,247,084	7,166,035	3,438,531	2,066,359
4.13%	4.16%	3.87%	3.99%	10.45%	4.76%

CITY OF WARREN, OHIO

**ASSESSED VALUATION AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY
LAST TEN YEARS**

Year	Real Property		Public Utility Property		Total	
	Assessed Value	Estimated Actual Value (a)	Assessed Value	Estimated Actual Value (b)	Assessed Value	Estimated Actual Value
2020	\$ 331,486,890	\$ 947,105,400	\$ 26,406,090	\$ 30,006,920	\$ 357,892,980	\$ 977,112,320
2019	332,548,410	950,138,314	24,539,800	27,886,136	357,088,210	978,024,451
2018	337,744,240	964,983,543	23,981,680	27,251,909	361,725,920	992,235,452
2017	344,190,630	983,401,800	22,702,200	25,797,955	366,892,830	1,009,199,755
2016	347,125,760	991,787,886	21,582,300	24,525,341	368,708,060	1,016,313,227
2015	350,800,170	1,002,286,200	20,536,880	23,337,364	371,337,050	1,025,623,564
2014	373,901,310	1,068,289,457	19,577,610	22,247,284	393,478,920	1,090,536,741
2013	377,697,430	1,079,135,514	17,925,480	20,369,864	395,622,910	1,099,505,378
2012	381,924,920	1,091,214,057	16,126,650	18,325,739	398,051,570	1,109,539,796
2011	425,214,910	1,214,899,743	15,465,320	17,574,227	440,680,230	1,232,473,970

Source: Trumbull County Auditor's Office

- (a) Real property is assessed at 35% of actual value.
- (b) Public utility is assessed at 88% percent of actual value.

Total Direct Tax Rate	Assessed Value as a Percentage of Actual Value
3.50	36.63%
3.50	36.51%
3.50	36.46%
3.50	36.35%
3.50	36.28%
3.50	36.21%
3.50	36.08%
3.50	35.98%
3.50	35.88%
3.50	35.76%

CITY OF WARREN, OHIO

DIRECT AND OVERLAPPING PROPERTY TAX RATES
(RATE PER \$1,000 OF ASSESSED VALUE)
LAST TEN YEARS

Collection Year	City Direct Rates				Overlapping Rates			
	General Obligation Debt	Police Pension	Fire Pension	Total Rate	Trumbull County	Warren City School District	Labrae Local School District	Howland Local School District
2020	2.90	0.30	0.30	3.50	12.30	66.05	55.80	49.70
2019	2.90	0.30	0.30	3.50	12.30	66.05	55.80	49.70
2018	2.90	0.30	0.30	3.50	12.30	65.20	55.80	43.55
2017	2.90	0.30	0.30	3.50	12.30	64.30	55.80	43.85
2016	2.90	0.30	0.30	3.50	12.30	63.90	56.50	43.95
2015	2.90	0.30	0.30	3.50	12.30	63.65	56.50	43.95
2014	2.90	0.30	0.30	3.50	12.30	62.20	56.30	43.95
2013	2.90	0.30	0.30	3.50	12.30	62.10	56.05	43.95
2012	2.90	0.30	0.30	3.50	12.30	62.30	56.55	43.45
2011	2.90	0.30	0.30	3.50	12.30	59.50	56.55	43.05
2010	2.90	0.30	0.30	3.50	12.30	59.25	56.50	43.00

Source: Trumbull County Auditor's Office

Overlapping Rates - Continued

Lakeview Local School District	Vocational School	Library	Total Tax Rates	Total Direct and Overlapping Rates
50.85	2.40	1.00	238.10	241.60
50.85	2.40	1.00	238.10	241.60
50.90	2.40	1.00	231.15	234.65
51.40	2.40	1.00	231.05	234.55
51.65	2.40	1.00	231.70	235.20
46.60	2.40	1.00	226.40	229.90
48.10	2.40	1.00	226.25	229.75
48.00	2.40	1.00	242.80	246.30
47.65	2.40	1.00	238.65	242.15
47.05	2.40	1.00	221.85	225.35
43.15	2.40	1.00	230.60	234.10

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CITY OF WARREN, OHIO

PRINCIPAL PROPERTY TAXPAYERS
CURRENT YEAR AND NINE YEARS AGO

December 31, 2020			
Taxpayer	Taxable Assessed Value	Rank	Percentage of Assessed Value
Ohio Edison	\$ 16,215,460	1	4.53%
Medical Properties Trust of Warren-Steward LLC	11,777,240	2	3.29%
American Transmission Systems Inc	6,987,030	3	1.95%
East Ohio Gas Co	3,108,850	4	0.87%
Rydyl I LLC	2,565,160	5	0.72%
Wal-Mart Stores Inc.	2,345,500	6	0.66%
Simon-Northbury Colony Ltd	1,981,450	7	0.55%
NRR Commerce Ltd	1,953,680	8	0.55%
Warren Plaza Co	1,558,760	9	0.44%
Lowes Home Center	1,545,640	10	0.43%
Total, Top Ten Property Taxpayers	\$ 50,038,770		13.99%
Total City Property Tax Assessed Valuation	\$ 357,892,980		

December 31, 2011			
Taxpayer	Taxable Assessed Value	Rank	Percentage of Assessed Value
Sam's Real Estate Business	\$ 2,637,010	1	0.60%
Rydyl I LLC	2,483,150	2	0.56%
Simon-Northbury Colony Ltd	2,015,760	3	0.46%
NRR Commerce Ltd	1,990,350	4	0.45%
Lowes Home Center	1,771,070	5	0.40%
North Mar Center	1,461,430	6	0.33%
Warren Plaza LLC	1,452,680	7	0.33%
Covelli Real Estate Holdings LLC	1,430,920	8	0.32%
Nationwide Health Properties Inc.	1,358,390	9	0.31%
WCI Steel Holdings	1,340,830	10	0.30%
Total, Top Ten Property Taxpayers	\$ 17,941,590		4.06%
Total City Property Tax Assessed Valuation	\$ 440,680,230		

Source: Trumbull County Auditor's Office

CITY OF WARREN, OHIO

PROPERTY TAX LEVIES AND COLLECTIONS
LAST TEN YEARS

<u>Year</u>	<u>Current Tax Levy</u>	<u>Current Tax Collections</u>	<u>Percent of Current Collections to Tax Levy</u>	<u>Delinquent Tax Collections (a)</u>	<u>Total Tax Collections</u>	<u>Percent of Total Collections to Tax Levy</u>	<u>Outstanding Delinquent Taxes</u>	<u>Percentage of Delinquent Taxes to Tax Levy</u>
2020	\$ 1,251,507	\$ 1,172,416	93.68%	\$ 84,476	\$ 1,256,892	100.43%	\$ 400,057	31.97%
2019	1,242,452	1,143,046	92.00%	70,872	1,213,918	97.70%	436,253	35.11%
2018	1,264,944	1,168,195	92.35%	77,452	1,245,647	98.47%	441,260	34.88%
2017	1,283,007	1,181,848	92.12%	73,234	1,255,082	97.82%	465,494	36.28%
2016	1,289,364	1,180,694	91.57%	75,016	1,255,710	97.39%	466,318	36.17%
2015	1,289,364	1,193,504	92.57%	92,748	1,286,252	99.76%	487,497	37.81%
2014	1,376,055	1,251,055	90.92%	79,058	1,330,113	96.66%	540,846	39.30%
2013	1,383,574	1,260,201	91.08%	71,295	1,331,496	96.24%	482,854	34.90%
2012	1,392,078	1,264,311	90.82%	88,358	1,352,669	97.17%	486,316	34.93%
2011	1,541,261	1,393,754	90.43%	81,909	1,475,663	95.74%	512,553	33.26%

Source: Trumbull County Auditor's Office

(a) Trumbull County does not identify delinquent collections by tax year; delinquent collections are therefore reported in the year collected.

CITY OF WARREN, OHIO

**SPECIAL ASSESSMENT TAX LEVIES AND COLLECTIONS
LAST TEN YEARS**

Year	Current Tax Levy	Current Tax Collections	Percent of Current Collections to Tax Levy	Delinquent Tax Collections	Total Tax Collections	Percent of Total Collections to Tax Levy	Outstanding Delinquent Taxes	Percentage of Delinquent Taxes to Tax Levy
2020	\$ 92,445	\$ 21,656	23.43%	\$ 15,794	\$ 37,450	40.51%	\$ 2,038,377	2204.96%
2019 (a)	1,614,931	6,418	0.40%	10,577	16,995	1.05%	2,009,279	124.42%
2018	200,366	19,785	9.87%	114,455	134,240	67.00%	2,179,283	1087.65%
2017	114,882	14,300	12.45%	4,928	19,228	16.74%	2,129,435	1853.58%
2016	46,517	23,630	50.80%	23,033	46,663	100.31%	2,112,438	4541.22%
2015	31,049	12,516	40.31%	13,282	25,798	83.09%	2,127,913	6853.40%
2014	166,177	43,500	26.18%	11,213	54,713	32.92%	2,296,344	1381.87%
2013	526,229	69,452	13.20%	-	69,452	13.20%	2,600,219	494.12%
2012	541,272	54,573	10.08%	1,705	56,278	10.40%	2,143,442	396.00%
2011	699,565	141,254	20.19%	14,730	155,984	22.30%	1,623,738	232.11%

Source: Trumbull County Auditor's Office

(a) 2019 current tax levy includes \$1,523,654 for demolitions.

CITY OF WARREN, OHIO

**INCOME TAX REVENUE BASE AND COLLECTIONS
LAST TEN YEARS**

Year	Tax Rate	Total Tax Collected	Taxes from Withholding	Percentage of Taxes from Withholding	Taxes From Net Profits	Percentage of Taxes from Net Profits
2020	2.50%	\$ 20,328,431	\$ 16,358,719	80.47%	\$ 1,938,491	9.54%
2019	2.50%	21,415,222	16,978,487	79.28%	2,133,919	9.96%
2018	2.50%	20,868,056	16,796,297	80.49%	1,865,784	8.94%
2017	2.50%	19,486,241	15,839,986	81.29%	1,475,457	7.57%
2016	2.00%	17,095,349	13,513,180	79.05%	1,597,201	9.34%
2015	2.00%	16,616,546	12,983,653	78.14%	1,495,240	9.00%
2014	2.00%	16,547,733	12,880,337	77.84%	1,585,072	9.58%
2013	2.00%	16,594,792	12,852,413	77.45%	1,749,744	10.54%
2012	2.00%	17,337,806	13,278,181	76.59%	1,967,183	11.35%
2011	2.00%	16,819,929	13,421,787	79.80%	1,414,441	8.41%

Source: The City of Warren Income Tax Department

	Taxes from Individuals	Percentage of Taxes from Individuals
\$	2,031,221	9.99%
	2,302,816	10.75%
	2,205,975	10.57%
	2,170,798	11.14%
	1,984,968	11.61%
	2,137,653	12.86%
	2,082,324	12.58%
	1,992,635	12.01%
	2,092,442	12.07%
	1,983,701	11.79%

CITY OF WARREN, OHIO

**RATIOS OF OUTSTANDING DEBT BY TYPE
LAST TEN YEARS**

Year	Governmental Activities					Business-Type Activities		
	General Obligation Bonds	Reinvestment Partnership Corporation Loan	HUD 108 Loan	Ohio Department of Development Note	OPWC Loan	Capital Lease Obligation	General Obligation Bonds	Revenue Bonds
2020	\$ 5,377,491	\$ -	\$ 340,000	\$ -	\$ 89,798	\$ 192,276	\$ 1,317,957	\$ -
2019	6,102,920	-	495,000	-	102,626	305,298	1,957,543	-
2018	6,818,349	-	640,000	-	115,454	-	2,587,129	-
2017	7,585,919	-	775,000	-	128,282	-	3,201,715	-
2016	9,344,605	-	900,000	-	141,110	-	3,806,301	-
2015	10,082,176	100,000	1,015,000	-	153,938	-	4,395,887	-
2014	10,804,746	195,000	1,125,000	22,053	166,767	-	4,980,473	-
2013	11,482,316	290,000	1,225,000	45,208	179,595	-	5,555,059	-
2012	3,611,929	375,000	1,320,000	67,457	192,423	61,139	6,695,533	-
2011	1,533,091	450,000	1,405,000	53,928	205,251	119,660	1,131,689	7,330,000

Sources:

- (a) See notes to the financial statements regarding the City's outstanding debt information.
- (b) See Schedule "Demographic and Economic Statistics - Last Ten Years" for personal income and population.

Business-Type Activities - (Continued)

OWDA Loans	OPWC Loan	Capital Leases	(a) Total Primary Government	(b) Total Personal Income	Percentage of Personal Income	(b) Population	Per Capita
\$ 15,879,063	\$366,663	\$ 31,173	\$ 23,594,421	\$ 740,201,952	3.19%	38,752	\$ 609
14,294,756	377,236	342,446	23,977,825	697,729,760	3.44%	38,752	619
14,673,537	398,381	600,276	25,833,126	690,837,618	3.74%	38,382	673
15,050,735	419,526	960,212	28,121,389	699,456,160	4.02%	39,562	711
16,417,608	44,036	1,258,560	31,912,220	691,472,238	4.62%	39,898	800
18,307,791	45,833	224,808	34,325,433	690,418,575	4.97%	40,425	849
19,569,057	47,631	296,967	37,207,694	690,569,152	5.39%	40,768	913
19,808,127	49,428	-	38,634,733	680,236,992	5.68%	40,723	949
18,881,084	51,225	-	31,255,790	680,008,236	4.60%	41,358	756
20,800,593	53,022	-	33,082,234	688,641,047	4.80%	41,557	796

CITY OF WARREN, OHIO

RATIO OF GENERAL BONDED DEBT TO ASSESSED
VALUE AND BONDED DEBT PER CAPITA
LAST TEN YEARS

<u>Year</u>	<u>Population (a)</u>	<u>Estimated Actual Value of Taxable Property (b)</u>	<u>General Obligation Bonds (c)</u>	<u>Less Amounts Restricted for Repayment</u>	<u>Net General Obligation Bonds</u>	<u>Ratio of Net Bonded Debt to Estimated Actual Value of Property</u>	<u>Net Bonded Debt Per Capita</u>
2020	38,752	\$ 977,112,320	\$ 6,695,448	\$ 1,572,127	\$ 5,123,321	0.52%	\$ 132
2019	38,752	978,024,451	8,060,463	1,401,061	6,659,402	0.68%	172
2018	38,382	992,235,452	9,405,478	1,269,247	8,136,231	0.82%	212
2017	39,562	1,009,199,755	10,787,634	1,170,076	9,617,558	0.95%	243
2016	39,898	1,016,313,227	13,150,906	1,649,264	11,501,642	1.13%	288
2015	40,425	1,025,623,564	14,478,063	1,175,776	13,302,287	1.30%	329
2014	40,768	1,090,536,741	15,785,219	1,395,410	14,389,809	1.32%	353
2013	40,723	1,099,505,378	17,037,375	2,017,079	15,020,296	1.37%	369
2012	41,358	1,109,539,796	10,307,462	1,398,296	8,909,166	0.80%	215
2011	41,557	1,232,473,970	2,664,780	1,615,731	1,049,049	0.09%	25

Sources:

(a) See Schedule "Demographic and Economic Statistics - Last Ten Years" for population.

(b) See Schedule "Assessed Valuation and Estimated Actual Value of Taxable Property - Last Ten Years".

(c) Includes all general obligation bonded debt.

Note: Details regarding the City's outstanding debt can be found in the notes to the financial statements.

CITY OF WARREN, OHIO

DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT
AS OF DECEMBER 31, 2020

<u>Governmental Unit</u>	<u>Governmental Activities Debt Outstanding</u>	<u>Estimated Percentage Applicable (a)</u>	<u>Direct and Overlapping Debt</u>
Direct:			
City of Warren	\$ 5,999,565	100.00%	\$ 5,999,565
Total direct debt			<u>5,999,565</u>
Overlapping debt:			
Trumbull County	20,972,500	10.65%	2,233,571
Warren City School District	23,600,000	94.62%	22,330,320
Howland Local School District	383,520	13.17%	50,510
LaBrae Local School District	2,305,000	9.18%	211,599
Lakeview Local School District	22,340,000	0.03%	6,702
Total overlapping debt			<u>24,832,702</u>
Total direct and overlapping debt			<u>\$ 30,832,267</u>

(a) The estimated percentage applicable to the City is calculated as the assessed property value of each governmental unit within the City divided by the total assessed value of the governmental unit.

Source: Ohio Municipal Advisory Council

CITY OF WARREN, OHIO

**COMPUTATION OF LEGAL DEBT MARGIN
LAST TEN YEARS**

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
Assessed value	\$ 357,892,980	\$ 357,088,210	\$ 361,725,920	\$ 366,892,830
Legal debt margin:				
Debt limitation - 10.5% of assessed value	37,578,763	37,494,262	37,981,222	38,523,747
Debt applicable to limitation:				
Total bonded debt	6,630,000	7,975,000	9,300,000	10,650,000
Exemptions:				
Debt service fund balance	(1,572,127)	(1,401,061)	(1,269,247)	(1,170,076)
Debt supported by enterprise fund operations	<u>(1,290,000)</u>	<u>(1,915,000)</u>	<u>(2,530,000)</u>	<u>(3,130,000)</u>
Total exemptions	<u>(2,862,127)</u>	<u>(3,316,061)</u>	<u>(3,799,247)</u>	<u>(4,300,076)</u>
Total debt applicable to limitation	<u>3,767,873</u>	<u>4,658,939</u>	<u>5,500,753</u>	<u>6,349,924</u>
Total legal debt margin within 10.5% limitation	<u>\$ 33,810,890</u>	<u>\$ 32,835,323</u>	<u>\$ 32,480,469</u>	<u>\$ 32,173,823</u>
Unvoted debt limitation - 5.5% of assessed valuation	\$ 19,684,114	\$ 19,639,852	\$ 19,894,926	\$ 20,179,106
Debt applicable to limitation:				
Total bonded debt	6,630,000	7,975,000	9,300,000	10,650,000
Exemptions:				
Debt supported by enterprise fund operations	<u>(1,290,000)</u>	<u>(1,915,000)</u>	<u>(2,530,000)</u>	<u>(3,130,000)</u>
Total debt within 5.5% limitations	<u>5,340,000</u>	<u>6,060,000</u>	<u>6,770,000</u>	<u>7,520,000</u>
Unvoted debt margin within 5.5% limitation	<u>\$ 14,344,114</u>	<u>\$ 13,579,852</u>	<u>\$ 13,124,926</u>	<u>\$ 12,659,106</u>

Source: City of Warren, Financial Records

	2016	2015	2014	2013	2012	2011
\$	368,708,060	\$ 371,337,050	\$ 393,478,920	\$ 395,622,910	\$ 398,051,570	\$ 440,168,950
	38,714,346	38,990,390	41,315,287	41,540,406	41,795,415	46,217,740
	12,800,000	14,095,000	15,370,000	16,590,000	10,075,000	9,980,000
	(1,649,264)	(1,175,776)	(1,395,410)	(2,017,079)	(1,398,296)	(874,361)
	<u>(3,720,000)</u>	<u>(4,295,000)</u>	<u>(4,865,000)</u>	<u>(5,425,000)</u>	<u>(6,548,000)</u>	<u>(8,455,500)</u>
	<u>(5,369,264)</u>	<u>(5,470,776)</u>	<u>(6,260,410)</u>	<u>(7,442,079)</u>	<u>(7,946,296)</u>	<u>(9,329,861)</u>
	<u>7,430,736</u>	<u>8,624,224</u>	<u>9,109,590</u>	<u>9,147,921</u>	<u>2,128,704</u>	<u>650,139</u>
\$	<u>31,283,610</u>	<u>30,366,166</u>	<u>32,205,697</u>	<u>32,392,485</u>	<u>39,666,711</u>	<u>45,567,601</u>
\$	20,278,943	\$ 20,423,538	\$ 21,641,341	\$ 21,759,260	\$ 21,892,836	\$ 24,209,292
	12,800,000	14,095,000	15,370,000	16,590,000	10,075,000	9,980,000
	<u>(3,720,000)</u>	<u>(4,295,000)</u>	<u>(4,865,000)</u>	<u>(5,425,000)</u>	<u>(6,548,000)</u>	<u>(8,455,500)</u>
	<u>9,080,000</u>	<u>9,800,000</u>	<u>10,505,000</u>	<u>11,165,000</u>	<u>3,527,000</u>	<u>1,524,500</u>
\$	<u>11,198,943</u>	<u>10,623,538</u>	<u>11,136,341</u>	<u>10,594,260</u>	<u>18,365,836</u>	<u>22,684,792</u>

CITY OF WARREN, OHIO

PLEGGED REVENUE COVERAGE - WATER FUND
LAST TEN YEARS

REVENUE BONDS:

<u>Year</u>	<u>Operating Revenues</u>	<u>Operating Expenses (a)</u>	<u>Net Revenue Available for Debt Service</u>	<u>Debt Service Requirements</u>			<u>Coverage</u>
				<u>Principal</u>	<u>Interest</u>	<u>Total</u>	
2011 (b)	\$ 11,038,048	\$ 9,126,622	\$ 1,911,426	\$ 480,000	\$ 404,000	\$ 884,000	2.16
2010	10,185,894	9,044,975	1,140,919	455,000	425,840	880,840	1.30
2009	9,902,093	8,740,883	1,161,210	435,000	446,285	881,285	1.32

OWDA LOANS:

<u>Year</u>	<u>Net Revenue Available for Debt Service</u>	<u>Debt Service Required for Revenue Bonds</u>	<u>Net Revenue Available for OWDA Loans</u>	<u>Debt Service Requirements</u>			<u>Coverage</u>
				<u>Principal</u>	<u>Interest</u>	<u>Total</u>	
2020	\$ 4,511,435	\$ -	\$ 4,511,435	\$ 1,151,313	\$ 240,841	\$ 1,392,154	3.24
2019	2,218,908	-	2,218,908	1,112,229	272,830	1,385,059	1.60
2018	1,633,601	-	1,633,601	1,074,525	303,703	1,378,228	1.19
2017	1,261,080	-	1,261,080	1,038,152	333,505	1,371,657	0.92
2016	1,418,581	-	1,418,581	985,789	362,799	1,348,588	1.05
2015	3,528,745	-	3,528,745	977,614	457,801	1,435,415	2.46
2014	2,161,670	-	2,161,670	835,990	425,025	1,261,015	1.71
2013	1,587,073	-	1,587,073	721,975	411,209	1,133,184	1.40
2012	2,084,390	-	2,084,390	588,698	440,140	1,028,838	2.03
2011	1,140,919	880,840	260,079	677,898	468,330	1,146,228	0.23

Source: City of Warren, Financial Records

(a) Total operating expenses are exclusive of depreciation.

(b) The water revenue bonds were refunded in 2012 and replaced with general obligation bonds, therefore 2011 is the last year presented.

CITY OF WARREN, OHIO

PLEDGED REVENUE COVERAGE - SEWER FUND
LAST TEN YEARS

OWDA LOANS:

<u>Year</u>	<u>Operating Revenues</u>	<u>Operating Expenses (a)</u>	<u>Net Revenue Available for Debt Service</u>	<u>Debt Service Requirements (b)</u>			<u>Coverage</u>
				<u>Principal</u>	<u>Interest</u>	<u>Total</u>	
2020	\$ 11,649,116	\$ 7,400,794	\$ 4,248,322	\$ 845,150	\$ 85,534	\$ 930,684	4.56
2019	9,309,961	8,333,222	976,739	602,830	99,098	701,928	1.39
2018	7,431,588	7,671,372	(239,784)	563,317	101,878	665,195	-0.36
2017	8,222,278	7,206,870	1,015,408	898,940	112,529	1,011,469	1.00
2016	7,999,222	6,993,102	1,006,120	904,394	139,873	1,044,267	0.96
2015	8,036,425	6,198,887	1,837,538	875,660	181,900	1,057,560	1.74
2014	8,195,004	5,994,030	2,200,974	928,923	212,310	1,141,233	1.93
2013	8,027,797	5,971,569	2,056,228	935,977	246,772	1,182,749	1.74
2012	8,495,601	5,578,884	2,916,717	1,279,509	303,062	1,582,571	1.84
2011	9,921,833	5,856,013	4,065,820	1,589,426	382,247	1,971,673	2.06

Source: City of Warren, Financial Records

(a) Total operating expenses are exclusive of depreciation.

(b) Includes principal and interest of the OWDA loans only.

CITY OF WARREN, OHIO

DEMOGRAPHIC AND ECONOMIC STATISTICS
LAST TEN YEARS

Year	Population (a)	Personal Income (c)	Per Capita Personal Income (a)	Annual Average Unemployment Rates (b)			
				City of Warren	Trumbull County	Ohio	United States
2020	38,752	\$ 740,201,952	\$ 19,101	10.2%	10.4%	8.1%	8.1%
2019	38,752	697,729,760	18,005	8.2%	5.6%	4.1%	3.5%
2018	38,382	690,837,618	17,999	7.3%	6.2%	4.6%	3.9%
2017	39,562	699,456,160	17,680	7.2%	6.1%	4.5%	3.9%
2016	39,898	691,472,238	17,331	7.7%	6.7%	4.9%	4.9%
2015	40,425	690,418,575	17,079	7.3%	6.5%	4.9%	5.3%
2014	40,768	690,569,152	16,939	8.4%	7.0%	5.7%	6.2%
2013	40,723	680,236,992	16,704	8.8%	8.1%	7.4%	7.4%
2012	41,358	680,008,236	16,442	9.2%	8.1%	7.2%	8.1%
2011	41,557	688,641,047	16,571	10.7%	9.6%	8.6%	8.9%

Sources:

(a) U.S. Census Bureau estimates (www.census.gov).

(b) Ohio Labor Market Information (www.ohiolmi.com).

(c) Population times per capita personal income.

CITY OF WARREN

PRINCIPAL EMPLOYERS
CURRENT YEAR AND NINE YEARS AGO

Employer	2020		
	Income Tax Withholding	Rank	Percentage of Total City Withholding
Trumbull County Auditor	\$ 1,504,156	1	9.19%
Bon Secours Mercy Health, Inc.	1,195,655	2	7.31%
Warren City Schools	1,022,395	3	6.25%
Stewart Trumbull Memorial	918,283	4	5.61%
State of Ohio, Dep't of Adm. Services	717,480	5	4.39%
City of Warren	552,863	6	3.38%
AVI Food Systems	392,664	7	2.40%
Wal-mart Association, Inc.	200,010	8	1.22%
Cattron North America, Inc.	188,669	9	1.15%
Children's Hospital Medical Center	184,467	10	1.13%
Total	\$ 6,876,642		42.04%
Total 2020 City Income Tax Withholding	<u>\$ 16,358,719</u>		

Employer	2011		
	Income Tax Withholding	Rank	Percentage of Total City Withholding
Warren Ohio Hospital Co.	\$ 1,062,897	1	7.92%
Trumbull County Auditor	966,804	2	7.20%
St. Elizabeth Medical Center	801,640	3	5.97%
Warren City Schools	763,836	4	5.69%
State of Ohio, Dept. of Admin. Services	457,490	5	3.41%
City of Warren	431,668	6	3.22%
GE Lighting Inc.	405,384	7	3.02%
RG Steel Warren	272,416	8	2.03%
AVI Food Systems Inc.	259,939	9	1.94%
General Motors	192,197	10	1.43%
Total	\$ 5,614,271		41.83%
Total 2011 City Income Tax Withholding	<u>\$ 13,421,787</u>		

Source: The City of Warren Income Tax Department

Note: Information on the number of employees for the top ten principal employers was not available. Principal employers were ranked based on the amount of income tax withholdings per year.

CITY OF WARREN, OHIO

FULL-TIME-EQUIVALENT CITY EMPLOYEES BY FUNCTION/PROGRAM
LAST TEN YEARS

Function/Program	2020	2019	2018	2017	2016	2015	2014
General Government							
Council	12.00	12.00	12.00	12.00	12.00	12.00	12.00
Mayor	4.00	4.00	4.00	3.00	3.00	3.00	3.00
Finance	6.00	6.00	6.00	6.00	6.00	6.00	6.00
Income Tax	7.00	7.00	7.00	7.00	7.00	7.00	7.00
Law	9.00	10.00	10.00	10.00	10.00	10.00	10.00
Civil Service	4.00	4.00	4.00	4.00	4.00	4.00	4.00
Purchasing	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Human Resources	3.00	3.00	3.00	3.00	3.00	3.00	3.00
Municipal Court	30.00	30.00	30.00	29.00	33.00	31.00	32.00
Judges	2.00	2.00	2.00	2.00	2.00	2.00	2.00
Operations	30.00	28.00	25.00	27.00	24.00	26.00	29.00
Engineering	7.00	8.00	8.00	8.00	10.00	11.00	12.00
Security of Persons and Property							
Police	72.00	74.00	75.00	64.00	63.00	65.00	80.00
Fire	64.00	68.00	66.00	68.00	51.00	53.00	58.00
Public Health and Welfare							
Health Services	12.00	12.00	12.00	12.00	12.00	12.00	12.00
Economic Development							
Community Development	4.00	4.00	4.00	4.00	5.00	5.00	5.00
Packard Music Hall (a)	-	-	-	-	-	-	-
Data Processing	3.00	3.00	3.00	3.00	3.00	3.00	3.00
Utility Services							
Water	74.00	77.00	75.00	74.00	73.00	71.00	75.00
Sewer/Stormwater	50.00	54.00	56.00	52.00	45.00	46.00	48.00
Sanitation	16.00	16.00	16.00	16.00	16.00	16.00	15.00
Total	410.00	423.00	419.00	405.00	383.00	387.00	417.00

(a) Effective September 1, 2014 the operations of the Packard Music Hall were assumed by JAC Management Group.

Source: City of Warren records

<u>2013</u>	<u>2012</u>	<u>2011</u>
11.00	12.00	12.00
3.00	3.00	3.00
6.00	6.00	6.00
7.00	7.00	7.00
11.00	11.00	9.00
4.00	4.00	4.00
2.00	2.00	1.00
3.00	3.00	3.00
31.00	31.00	30.00
2.00	2.00	2.00
29.00	28.00	29.00
11.00	11.00	11.00
82.00	83.00	84.00
70.00	73.00	73.00
12.00	12.00	12.00
5.00	5.00	5.00
5.00	5.00	4.00
3.00	3.00	2.00
75.00	78.00	79.00
45.00	44.00	42.00
15.00	15.00	15.00
<u>432.00</u>	<u>438.00</u>	<u>433.00</u>

CITY OF WARREN, OHIO

OPERATING INDICATORS BY FUNCTION
LAST TEN YEARS

Function	2020	2019	2018	2017	2016	2015	2014
Security of Persons and Property							
Police:							
Physical Arrests	1,707	2,197	2,525	2,060	2,125	2,211	2,204
Parking Violations	1,421	1,873	644	302	624	1,369	547
Traffic Violations	1,751	2,106	2,139	1,386	1,391	2,208	3,406
Fire:							
Calls for Service	1,452	1,434	1,418	1,346	1,318	1,369	1,322
Fire Safety Inspections	365	1,165	1,204	1,125	1,042	1,152	935
Leisure Time Activities							
Enclosed Shelter Rentals	56	118	139	108	105	135	111
Log Cabin Rentals	5	10	25	13	28	34	21
Pavilion Rentals	1	114	140	150	146	168	194
Transportation							
Street Resurfacing (Miles)	7.8	14.5	13.0	9.9	5.6	6.6	23.5
Potholes Repaired	1,500	1,375	1,550	1,450	1,282	1,041	1,480
Water							
New Connections	3	7	8	13	10	50	7
Water Main Breaks	85	116	117	95	125	123	111
Average Daily Consumption (thousands of gallons)	13,100	13,000	12,235	10,661	10,614	11,377	11,591
Sewer							
Average Daily Consumption (thousands of gallons)	15,560	14,950	12,500	11,373	10,430	11,430	14,090
Sanitation							
Refuse Collected (tons daily)	103	99	91	94	106	92	95

Source: City of Warren Departments.

<u>2013</u>	<u>2012</u>	<u>2011</u>
2,301	1,848	2,668
1,728	452	545
2,849	2,036	4,238
952	1,122	1,386
1,346	1,213	1,152
105	112	92
25	11	18
231	260	205
6.46	8	6
1,350	1,140	1,157
5	17	13
137	128	70
11,383	11,380	12,504
13,920	13,310	17,240
92	91	90

CITY OF WARREN, OHIO

**CAPITAL ASSETS STATISTICS BY FUNCTION
LAST TEN YEARS**

Function	2020	2019	2018	2017	2016	2015	2014
Security of Persons and Property							
Police:							
Stations	1	1	1	1	1	1	1
Patrol Units (Marked)	32	35	30	30	30	29	29
Fire:							
Stations	3	3	3	3	3	3	3
Fire Pumpers	3	3	3	3	3	3	3
Reserve Fire Pumpers	0	0	0	0	1	1	1
Ladder Trucks	2	2	2	2	2	2	2
Heavy Rescue Truck	1	1	1	1	1	1	1
Leisure Time Activities							
Park Acreage	262.92	262.92	262.92	262.92	262.92	262.92	262.92
Packard Park							
Hardball Fields	1	1	2	1	1	1	1
Softball Fields	3	3	3	3	3	3	3
Tennis Courts	6	6	6	6	6	6	6
Perkins Park							
Hardball Fields	6	6	6	6	6	6	6
Softball Fields	2	2	2	2	2	2	2
Burbank Park							
Little League Fields	4	4	4	4	4	4	4
Deemer Park							
Tennis Courts	0	0	0	0	0	0	0
Transportation							
Streets (Paved Miles)	184.423	184.423	184.423	184.423	184.423	184.423	184.423
Traffic Signals	60	60	60	60	60	60	60
Water							
Water Mains (miles)	300	300	300	300	300	300	300
Fire Hydrants	1,905	1,905	1,905	1,905	1,905	1,905	1,905
Maximum Daily Capacity (thousands of gallons)	22,800	22,800	22,800	22,800	22,800	22,800	22,800
Sewer							
Sanitary Sewers (miles)	201.390	201.390	201.390	201.390	201.390	201.390	201.390
Storm Sewers (miles)	123.902	123.902	123.902	123.902	123.902	123.902	123.394
Maximum Daily Capacity (thousands of gallons)	40,000	40,000	40,000	40,000	40,000	40,000	40,000
Sanitation							
Collection Trucks	13	13	12	12	14	10	9

Source: City of Warren Departments.

<u>2013</u>	<u>2012</u>	<u>2011</u>
1	1	1
32	30	27
3	3	3
3	3	2
1	1	1
2	2	2
2	1	1
262.92	262.92	262.92
1	1	1
3	3	3
6	6	6
6	6	6
2	2	2
4	4	4
0	4	4
184.423	184.423	184.423
60	63	63
300	300	300
1,905	1,906	1,906
22,800	22,700	22,700
201.390	199.200	199.200
123.394	125.500	125.500
40,000	40,000	40,000
9	9	9

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OHIO AUDITOR OF STATE KEITH FABER



CITY OF WARREN

TRUMBULL COUNTY

AUDITOR OF STATE OF OHIO CERTIFICATION

This is a true and correct copy of the report, which is required to be filed pursuant to Section 117.26, Revised Code, and which is filed in the Office of the Ohio Auditor of State in Columbus, Ohio.



Certified for Release 9/14/2021

88 East Broad Street, Columbus, Ohio 43215
Phone: 614-466-4514 or 800-282-0370

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