

CITY OF WADSWORTH

MEDINA COUNTY, OHIO

REGULAR AUDIT

For the Year Ended December 31, 2021



OHIO AUDITOR OF STATE
KEITH FABER



88 East Broad Street
Columbus, Ohio 43215
IPARepor@ohioauditor.gov
(800) 282-0370

City Council
City of Wadsworth
120 Maple Street
Wadsworth, Ohio 44281

We have reviewed the *Independent Auditor's Report* of the City of Wadsworth, Medina County, prepared by Charles E. Harris & Associates, Inc., for the audit period January 1, 2021 through December 31, 2021. Based upon this review, we have accepted these reports in lieu of the audit required by Section 117.11, Revised Code. The Auditor of State did not audit the accompanying financial statements and, accordingly, we are unable to express, and do not express an opinion on them.

Our review was made in reference to the applicable sections of legislative criteria, as reflected by the Ohio Constitution, and the Revised Code, policies, procedures and guidelines of the Auditor of State, regulations and grant requirements. The City of Wadsworth is responsible for compliance with these laws and regulations.

A handwritten signature in black ink that reads "Keith Faber".

Keith Faber
Auditor of State
Columbus, Ohio

July 05, 2022

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CITY OF WADSWORTH
MEDINA COUNTY, OHIO
Regular Audit
For the Year Ended December 31, 2021

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

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

To the Members of Council:

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Wadsworth, Medina County, Ohio (the City) as of and for the year ended December 31, 2021, 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 21, 2022. wherein we noted the financial impact of COVID-19 and the ensuing emergency measures will impact subsequent periods of the City.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the City's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purposes of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, we do not express an opinion on the effectiveness of the City's internal control.

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

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

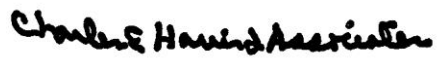
Report on Compliance and Other Matters

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

City of Wadsworth
Medina County
Independent Auditor's Report on Internal Control Over
Financial Report and on Compliance and Other Matters
Based on an Audit of Financial Statements Performed in
Accordance with *Government Auditing Standards*
Page 2

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



Charles E. Harris & Associates, Inc.
June 21, 2022

Annual Comprehensive Financial Report

For the Year Ending December 31, 2021

CITY OF WADSWORTH

Medina County, Ohio



Prepared by the Auditor's Office
Catherine C. Fix, Auditor







CITY OF WADSWORTH

MEDINA COUNTY, OHIO

**ANNUAL COMPREHENSIVE
FINANCIAL REPORT**

FOR THE YEAR ENDING DECEMBER 31, 2021

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



INTRODUCTORY SECTION



CITY OF WADSWORTH, OHIO

**ANNUAL COMPREHENSIVE FINANCIAL REPORT
FOR THE YEAR ENDED DECEMBER 31, 2021**

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CITY OF WADSWORTH, OHIO

**ANNUAL COMPREHENSIVE FINANCIAL REPORT
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CITY OF WADSWORTH, OHIO

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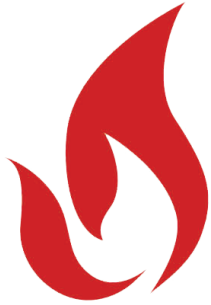
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CITY OF WADSWORTH, OHIO

**ANNUAL COMPREHENSIVE FINANCIAL REPORT
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CITY OF WADSWORTH

SINCE 1814

A COMMUNITY UNMATCHED

June 21, 2022

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

It is our privilege to present to you the City of Wadsworth (the City) Annual Comprehensive Financial Report. This annual report represents the official report of the City's operations and financial position for the year ended December 31, 2021. It details the status of City finances to residents, elected officials, investment bankers, underwriters, rating agencies and all other interested parties. This report enables the City to comply with Ohio Administrative Code Section 117-2-03(B) which requires reporting on a Generally Accepted Accounting Principles (GAAP) basis and Ohio Revised Code (ORC) Section 117.38 which require cities reporting on a GAAP basis to file an unaudited annual report with the Auditor of State within 150 days of year end.

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

Charles E. Harris & Associates, Inc. has issued an unmodified ("clean") opinion on the City of Wadsworth's financial statements for the year ended December 31, 2021. Charles E. Harris & Associates, Inc.'s report is located at the front of the financial section of this report.

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

Background

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

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

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

WWW.WADSWORHCITY.COM

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

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

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

Local Economy

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

Wadsworth has long been considered a "bedroom community" to both Akron and Cleveland. The City is recognized as one of the fastest growing communities in northeast Ohio. Wadsworth has experienced an 11.3% increase in its population since the 2010 census. The population for Wadsworth in 2022 is just over 24,000 residents.

Knowledgeable administrators and responsible council members have allowed the City to preserve the small town charm without jeopardizing services to residents and businesses. Planning for the future and maximizing the level of services to our citizens has always been the philosophy of the public administrators.

In 2004, City Council approved the first Tax Increment Financing (TIF) district in Medina County. It was in this district that Wal-Mart and Home Depot developed at the I-76 and S.R. 94 interchange. Two years later, the City Council approved the second TIF district for the development of Kohl's, Target, and Home Depot located at the I-76 and S.R. 261 interchange. Our third interchange at I-76 and S.R. 57 has yet to be developed.

National brands, such as Kohl's, Lowe's, Petco, Key Bank, Giant Eagle and Target opened in the City's newest retail development, Wadsworth Crossings. With direct access and high travel exposure to I-76, the area is ideal for commerce. Currently, over 500,000 square feet of retail, restaurants, finance and service oriented businesses exist. More recently, additional development in the area includes but not limited to Pulp Juice and Smoothie Bar, Huntington Bank, Jiffy Lube and Five Below. Undeveloped land remains along the interstate and provides many opportunities for additional economic development and future growth.

Along the High Street corridor has been extensive development and redevelopment in commercial locations including: Panera Bread, Starbucks, Kentucky Fried Chicken, Dunkin Donuts, Chipotle, Wendy's, McDonald's, GetGo Cafe & Market, Trillium Creek Dermatology, Aldi's and the Auto Oasis car wash. Construction of a \$2.5 million office complex slated for north Wadsworth has begun as well. From 2016 through 2021 the City had the most industrial, commercial and residential development in Medina County with major construction projects taking place to outpace residential growth of other communities in the county.

The City is experiencing growth in the industrial and manufacturing sectors. The City currently has two large expansions planned for 2022 that will alone account for a total of over \$35 million of capital investment.

In 2021, the City saw fifteen (15) new companies open their doors for business. Additionally, 2021 saw almost \$19 million dollars of new capital investments made throughout the City. Many of the industrial expansion projects begun in 2020 are continuing into 2022. Rohrer Corporation, for example, invested nearly \$15 million in its Wadsworth facility and chose this location for its first "Manufacturing Center of Excellence." Construction of the project began in 2020 and additional investment continues into 2022. Soprema USA is planning a major expansion which will add 16,000 square feet of corporate headquarters and lab space to their existing facility on Quadral Dr. The total investment of \$12,651,500 will also lead to the creation of 10 new jobs. ECS Tuning is also expanding their operations by investing \$23.8 million into their corporate headquarters by adding 110,000 square feet of new distribution space along with remodeling 10,000 of corporate offices and their research and development labs. The investment will translate to the creation of 98 new full-time positions and grow the annual payroll by an additional \$4 million by the end of 2026.

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

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

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

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

Additionally, the City made capital improvements to the Wadsworth Municipal Airport, including resurfacing of the two runways and improvements to the parking lot and the office facilities. The City completed construction of diesel generators to supply necessary power during peak power demand and to improve the electric system's already low instances of power outages. This was a joint effort between AMP Partners, PowerSecure and the City of Wadsworth. The generators are located on City owned property, they connect to City owned electric infrastructure and City employees provided labor to install necessary equipment to accept the generation capacity on to our system. Two solar energy generating plants the City purchases power from were completed in 2020, adding to the City's clean energy portfolio and placing the City among progressive communities that support the development and use of sustainable energy.

Major Incentives

We look forward to continued business growth in the future. The City created a Department of Economic Development within the Administration to help facilitate increased economic growth. The Economic Development office is actively working on the implementation of a 3-year strategic plan which further drives community investment and strategic planning initiatives. The City has many incentives to help companies be successful in Wadsworth. The most commonly used is the Community Reinvestment Area agreement (CRA). All industrial zoned property in the City is within a CRA. This incentive gives companies an opportunity to save on their real property taxes on new investments for a term of up to twelve years.

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

The City became the 22nd Main Street Community in the State and in 2020, completed a year-long conceptual planning process for a large project to enhance the downtown area. The project will include the total replacement of infrastructure and streetscape amenities in the downtown area. Engineering for the project is budgeted for 2022. Ten downtown building owners made improvements to their façades through a grant received from Heritage Ohio with matching funds from the City. Main Street Wadsworth administered the program that saw a total investment of \$80,000 after matching funds were expended by business owners. Another incentive program began in 2021 for rear façade improvements to buildings to continue to spur additional revitalization.

Despite lingering effects of the COVID-19 Pandemic, 2021 capital investment in the City saw twenty-three (23) new or expanding projects for an estimated capital investment of \$18,976,270. Additionally, the City's Economic Development Department worked with County officials in establishing a grant program to help offset COVID-19 related expenses. Small businesses and nonprofits in Wadsworth received grants in excess of \$600,000.

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

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

The City has been named one of Ohio Magazine's Best Hometowns 2021–2022. Each year, Ohio Magazine recognizes places that make Ohio a great place to live. The magazine selected the City for its inviting downtown, strong sense of community and forward looking local leaders.

Long-Term Financial Planning & Financial Policies

City Council believes in the passage of a “balanced budget”. This is defined as annual operating revenues exceeding annual operating expenditures. Budgetary appropriations may not exceed estimated resources and are monitored during the year to ensure compliance. Encumbered appropriations carry over to the next year and must be substantiated with a confirmed obligation of the City.

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

A cash reserve policy was passed by Council in 2009 for the City's general fund. This policy requires that 20% of operating expenditures and 100% of the next years debt service is maintained in the fund's combined cash balances. In addition, a cash reserve policy was passed in 2009 for the City's Electric fund. This policy requires that 25% of operating expenditures, 10% of purchase power, 100% of next year's debt service, 1% of the historical investment in assets, 15% of next year's capital improvements less any improvements funded through a bond issuance and 15% of the five year capital improvement program less improvements funded through the issuance of bonds is maintained in the fund's cash balance. Included with these cash reserve policies are five-year financial projections. All known factors and historical experience is taken into consideration when making our projections. Council and the administration have found this type of financial planning necessary to making informed decisions.

Awards

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Wadsworth, Ohio, for its annual comprehensive financial report for the year ended December 31, 2020. This was the twelfth consecutive year that the City has achieved this prestigious award. In order to be awarded a Certificate of Achievement, a government unit must publish an easily readable and efficiently organized annual comprehensive financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

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

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

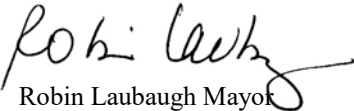
The City's Electric and Communications department has earned the Reliable Public Power Provider (RP3) Diamond Level designation from American Public Power Association. Of the more than 2,000 public power communities only 5% achieved this prestigious award. The RP3 designation recognizes public power utilities that demonstrate proficiency in four key disciplines: reliability, safety, workforce development, and system improvement.

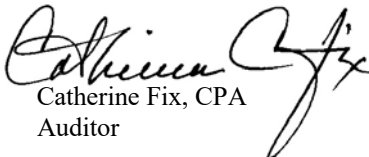
For the past thirty-nine years, Wadsworth has retained the recognition of Tree City USA from the Arbor Day Foundation. This recognition promotes the City's public image and citizen pride which in turn benefits the community's economic growth and financial stability

Acknowledgments

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

Respectfully submitted,

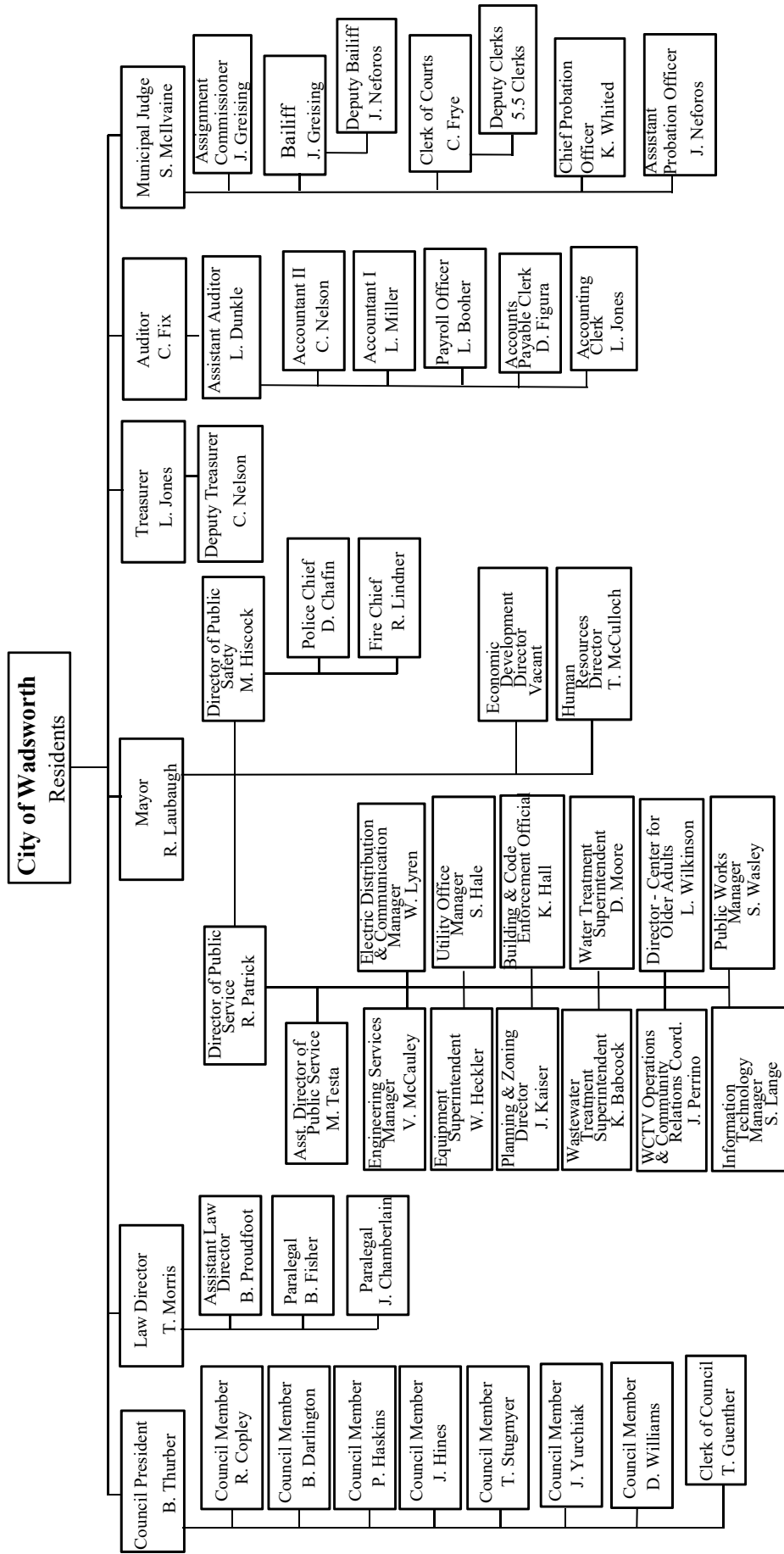

Robin Laubaugh Mayork


Catherine Fix, CPA
Auditor

City of Wadsworth, Ohio
Principal Officials
December 31, 2021

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

CITY OF WADSWORTH, OHIO ORGANIZATIONAL CHART





Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**City of Wadsworth
Ohio**

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

December 31, 2020

Christopher P. Morrill

Executive Director/CEO

FINANCIAL SECTION



INDEPENDENT AUDITOR'S REPORT

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

To the Members of Council:

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Wadsworth, Medina County, Ohio (the City), as of and for the year ended December 31, 2021, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Wadsworth, Medina County, Ohio as of December 31, 2021, and the respective changes in financial position and, where applicable, cash flows thereof and the budgetary comparison for the General for the year then ended in accordance with the accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are required to be independent of the City, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Emphasis of Matter

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

Responsibilities of Management for the Financial Statements

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the City's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we

- exercise professional judgment and maintain professional skepticism throughout the audit.
- identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, no such opinion is expressed.
- evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the City's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Required Supplementary Information

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

Supplementary information

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

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

Other Information

Management is responsible for the other information included in the annual financial report. The other information comprises the introductory and statistical sections but does not include the basic financial statements and our auditor's report thereon. Our opinion on the basic financial statements does not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated June 21, 2022, on our consideration of the City's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.



Charles E. Harris & Associates, Inc.
June 21, 2022



CITY OF WADSWORTH, OHIO

MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE YEAR ENDED DECEMBER 31, 2021 (UNAUDITED)

The management's discussion and analysis of the City of Wadsworth's (the "City") financial performance provides an overall review of the City's financial activities for the year ended December 31, 2021. The intent of this discussion and analysis is to look at the City's financial performance as a whole; readers should also review the basic financial statements and the notes to the basic financial statements to enhance their understanding of the City's financial performance.

Financial Highlights

Key financial highlights for 2021 are as follows:

- The total net position of the City increased \$28,087,306 in 2021 from a balance of \$142,850,667 in 2020 to the ending net position of \$170,937,973. Net position of governmental activities increased \$13,882,174 or 25.24% from 2020's net position and net position of business-type activities increased \$14,205,132 or 16.17% from 2020's net position.
- General revenues accounted for \$16,538,006 or 56.18% of total governmental activities revenue. Program specific revenues accounted for \$12,900,092 or 43.82% of total governmental activities revenue.
- The City had \$14,938,656 in expenses related to governmental activities; \$12,900,092 of these expenses were offset by program specific charges for services, grants or contributions. The remaining expenses of the governmental activities of \$2,038,564 were offset by general revenues (primarily incomes taxes, property and other local taxes and unrestricted grants and entitlements) of \$16,538,006.
- The City's major governmental fund is the general fund. The general fund had revenues and other financing sources of \$14,142,679 in 2021. The general fund had expenditures and other financing uses of \$11,272,126 in 2021. The net increase in fund balance for the general fund was \$2,870,553 or 24.77%. This increase was mainly a result of increased income taxes, and intergovernmental revenues and a slight decrease in expenditures for 2021.
- Net position for the business-type activities, which is made up of the storm water, telecom, sewer, water, electric, and sanitation major enterprise funds, increased in 2021 by \$14,205,132. This increase in net position was due primarily to current year changes in the net OPEB liability. In addition to the pension/OPEB changes the business-type activities is reporting \$6,942,316 in contributed capital for 2021.
- In the general fund, the actual revenues and other financing sources were \$1,810,502 more than they were in the final budget due to higher than expected income taxes and intergovernmental revenues. Actual expenditures and other financing uses were \$881,250 less than the amount in the final budget. The reduction from budget to actual expenditures was a result of conservative spending in general government and security of persons and property. Budgeted revenues decreased \$3,900 from original to the final budget and budgeted expenditures increased \$137,781 from original to the final budget.
- For 2021, there was a significant change in the net OPEB liability for the Ohio Public Employees Retirement System (OPERS). In addition to the decrease in the net OPEB liability, the City is now reporting a net OPEB asset for 2021. These changes resulted in significant decreases in expenditures on the statement of activities as compared to 2020. This is due to changes made by the pension board to the health care plan in efforts to decrease costs and increase solvency.
- The City received \$1.2 million from the American Rescue Plan Act in 2021. The City will receive an additional \$1.3 million in 2022. The City is planning to utilize these funds to positively impact the community in the area of government services.

Using this Annual Financial Report

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

CITY OF WADSWORTH, OHIO

MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE YEAR ENDED DECEMBER 31, 2021 (UNAUDITED)

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

Reporting the City as a Whole

Statement of Net Position and the Statement of Activities

While this document contains a large number of funds used by the City to provide programs and activities, the view of the City as a whole looks at all financial transactions and asks the question, "How did we do financially during 2021?" The statement of net position and the statement of activities answer this question. These statements include all (non-fiduciary) assets, deferred outflows, liabilities, deferred inflows, revenues and expenses using the accrual basis of accounting similar to the accounting used by most private-sector companies. This basis of accounting will take into account all of the current year's revenues and expenses regardless of when cash is received or paid.

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

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

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

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

Reporting the City's Most Significant Funds

Fund Financial Statements

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

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

Governmental Funds

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

CITY OF WADSWORTH, OHIO

MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE YEAR ENDED DECEMBER 31, 2021 (UNAUDITED)

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

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

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

Proprietary Funds

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

Fiduciary Funds

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

Notes to the Basic Financial Statements

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

Required Supplementary Information

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

Government-Wide Financial Analysis

The statement of net position provides the perspective of the City as a whole. The table on the following page provides a summary of the City's net position for 2021 compared to 2020.

CITY OF WADSWORTH, OHIO

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2021
(UNAUDITED)**

	Net Position					
	2021 Governmental Activities	2020 Governmental Activities	2021 Business-type Activities	2020 Business-type Activities	2021 Total	2020 Total
<u>Assets</u>						
Current and other assets	\$ 47,138,566	\$ 41,502,857	\$ 40,951,528	\$ 39,456,285	\$ 88,090,094	\$ 80,959,142
Capital assets, net	67,794,296	61,748,779	92,437,193	87,737,091	160,231,489	149,485,870
Total assets	114,932,862	103,251,636	133,388,721	127,193,376	248,321,583	230,445,012
Deferred outflows	4,829,243	5,663,705	1,478,958	2,488,374	6,308,201	8,152,079
<u>Liabilities</u>						
Other liabilities	5,084,959	3,634,585	3,082,792	4,021,401	8,167,751	7,655,986
Long-term liabilities	36,330,903	43,746,249	25,296,309	35,410,588	61,627,212	79,156,837
Total liabilities	41,415,862	47,380,834	28,379,101	39,431,989	69,794,963	86,812,823
Deferred inflows	9,462,751	6,533,189	4,434,097	2,400,412	13,896,848	8,933,601
<u>Net Position</u>						
Net investment in capital assets	51,846,036	45,766,692	75,278,761	68,572,076	127,124,797	114,338,768
Restricted	11,034,576	9,369,552	-	-	11,034,576	9,369,552
Unrestricted	6,002,880	(134,926)	26,775,720	19,277,273	32,778,600	19,142,347
Total net position	\$ 68,883,492	\$ 55,001,318	\$ 102,054,481	\$ 87,849,349	\$ 170,937,973	\$ 142,850,667

Over time, net position can serve as a useful indicator of a government's financial position. At December 31, 2021, the City's assets and deferred outflows exceeded liabilities and deferred inflows by \$170,937,973. At year-end, net position was \$68,883,492 and \$102,054,481 for the governmental activities and the business-type activities, respectively.

As of December 31, 2021, the City's governmental activities unrestricted net position was \$6,002,880. A portion of the City's net position, \$11,034,576 represents resources that are subject to external restriction on how they may be used.

Capital assets reported on the government-wide statements represent the largest portion of the City's net position. At year-end, capital assets net represented 64.53% of total assets. Capital assets include land, land improvements, buildings, building improvements, equipment, vehicles, intangible assets, construction in progress and infrastructure. The net investment in capital assets at December 31, 2021, was \$51,846,036 and \$75,278,761 in the governmental activities and business-type activities, respectively. These capital assets are used to provide services to citizens and are not available for future spending. Although the City's investment in capital assets is reported net of related debt, it should be noted that the resources to repay the debt must be provided from other sources, since capital assets may not be used to liquidate these liabilities.

CITY OF WADSWORTH, OHIO

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2021
(UNAUDITED)**

The table below shows the changes in net position for years 2021 and 2020.

	Change in Net Position					
	2021 Governmental Activities	2020 Governmental Activities	2021 Business-type Activities	2020 Business-type Activities	2021 Total	2020 Total
Revenues						
Program revenues:						
Charges for services and sales	\$ 3,374,677	\$ 4,637,056	\$ 47,873,901	\$ 49,337,444	\$ 51,248,578	\$ 53,974,500
Operating grants and contributions	2,151,059	3,554,759	754	-	2,151,813	3,554,759
Capital grants and contributions	7,374,356	1,003,446	6,942,316	617,274	14,316,672	1,620,720
Total program revenues	<u>12,900,092</u>	<u>9,195,261</u>	<u>54,816,971</u>	<u>49,954,718</u>	<u>67,717,063</u>	<u>59,149,979</u>
General revenues:						
Taxes	15,107,231	12,757,353	-	-	15,107,231	12,757,353
Unrestricted grants and entitlements	1,065,179	907,285	-	-	1,065,179	907,285
Investment earnings	118,151	436,558	6	587	118,157	437,145
Miscellaneous	247,445	562,724	201,297	245,124	448,742	807,848
Total general revenues	<u>16,538,006</u>	<u>14,663,920</u>	<u>201,303</u>	<u>245,711</u>	<u>16,739,309</u>	<u>14,909,631</u>
Total revenues	<u>29,438,098</u>	<u>23,859,181</u>	<u>55,018,274</u>	<u>50,200,429</u>	<u>84,456,372</u>	<u>74,059,610</u>
Expenses						
General government	2,430,832	6,354,085	-	-	2,430,832	6,354,085
Security of persons and property	7,395,236	7,400,618	-	-	7,395,236	7,400,618
Public health	135,256	133,867	-	-	135,256	133,867
Transportation	2,933,620	3,298,322	-	-	2,933,620	3,298,322
Community and economic development	388,932	568,482	-	-	388,932	568,482
Leisure time services	1,036,309	1,637,543	-	-	1,036,309	1,637,543
Intergovernmental	26,632	-	-	-	26,632	-
Interest and fiscal charges	591,839	644,925	-	-	591,839	644,925
Storm water	-	-	1,005,416	857,362	1,005,416	857,362
Telecom	-	-	4,806,664	5,799,124	4,806,664	5,799,124
Sewer	-	-	3,401,166	3,893,997	3,401,166	3,893,997
Water	-	-	2,543,040	3,467,139	2,543,040	3,467,139
Electric	-	-	27,540,279	32,270,549	27,540,279	32,270,549
Sanitation	-	-	2,133,845	2,537,112	2,133,845	2,537,112
Total expenses	<u>14,938,656</u>	<u>20,037,842</u>	<u>41,430,410</u>	<u>48,825,283</u>	<u>56,369,066</u>	<u>68,863,125</u>
Increase in net position before transfers	14,499,442	3,821,339	13,587,864	1,375,146	28,087,306	5,196,485
Transfers	<u>(617,268)</u>	<u>(446,263)</u>	<u>617,268</u>	<u>446,263</u>	<u>-</u>	<u>-</u>
Change in net position	13,882,174	3,375,076	14,205,132	1,821,409	28,087,306	5,196,485
Net position at beginning of year	<u>55,001,318</u>	<u>51,626,242</u>	<u>87,849,349</u>	<u>86,027,940</u>	<u>142,850,667</u>	<u>137,654,182</u>
Net position at end of year	<u>\$ 68,883,492</u>	<u>\$ 55,001,318</u>	<u>\$ 102,054,481</u>	<u>\$ 87,849,349</u>	<u>\$ 170,937,973</u>	<u>\$ 142,850,667</u>

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

CITY OF WADSWORTH, OHIO

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2021
(UNAUDITED)**

Users of this financial statement will gain a clearer understanding of the City's actual financial condition by adding deferred inflows related to pension and OPEB, the net pension liability, and the net OPEB liability to the reported net position and subtracting deferred outflows related to pension and OPEB and the net pension and OPEB asset. For 2021, there were significant changes in the expenditures from the prior year due to changes in the net OPEB liability/asset. The following table further explains the impact of the accounting standard for pension and OPEB plans on the City's net position and the related expenses.

	2021	2020	2021	2020
	Governmental	Governmental	Business-type	Business-type
	<u>Activities</u>	<u>Activities</u>	<u>Activities</u>	<u>Activities</u>
Net pension asset	\$ 164,876	\$ 107,356	\$ 154,350	\$ 103,956
Net OPEB asset	693,576	-	649,289	-
Deferred outflows - pension	2,405,178	2,832,938	861,995	1,330,991
Deferred outflows - OPEB	1,290,391	1,630,078	388,444	882,896
Deferred inflows - pension	(3,475,867)	(2,763,015)	(2,429,390)	(1,639,786)
Deferred inflows - OPEB	(2,729,478)	(1,399,024)	(2,004,707)	(760,626)
Net pension liability	(14,750,871)	(16,201,917)	(5,434,955)	(7,214,670)
Net OPEB liability	(1,390,270)	(6,444,935)	-	(4,998,247)
Impact of pension/OPEB accounting standard on the City's net position	<u>\$ (17,792,465)</u>	<u>\$ (22,238,519)</u>	<u>\$ (7,814,974)</u>	<u>\$ (12,295,486)</u>
Related expenses:				
General government	\$ (2,069,018)	\$ 288,905	\$ -	\$ -
Security of persons and property	(315,526)	813,074	-	-
Transportation	(748,945)	101,159	-	-
Leisure time services	(549,205)	77,498	-	-
Community and economic development	(81,376)	13,594	-	-
Internal service	(681,984)	173,431	-	-
Storm Water	-	-	(440)	(13,701)
Telecom	-	-	(581,411)	150,937
Sewer	-	-	(547,713)	88,186
Water	-	-	(783,237)	115,681
Electric	-	-	(2,215,984)	501,296
Sanitation	-	-	(351,727)	69,488
Net expense impact	<u>\$ (4,446,054)</u>	<u>\$ 1,467,661</u>	<u>\$ (4,480,512)</u>	<u>\$ 911,887</u>

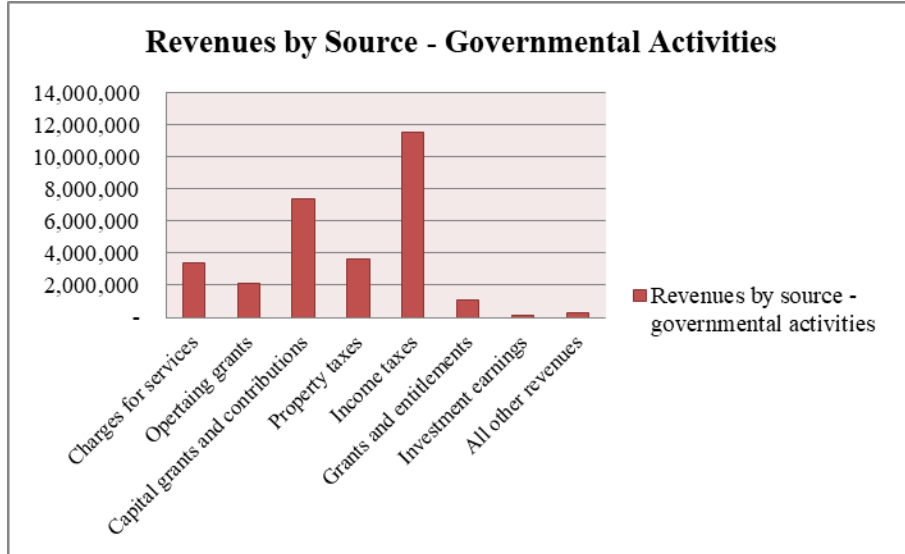
See notes to the required supplementary information for additional information on current year changes.

Governmental Activities

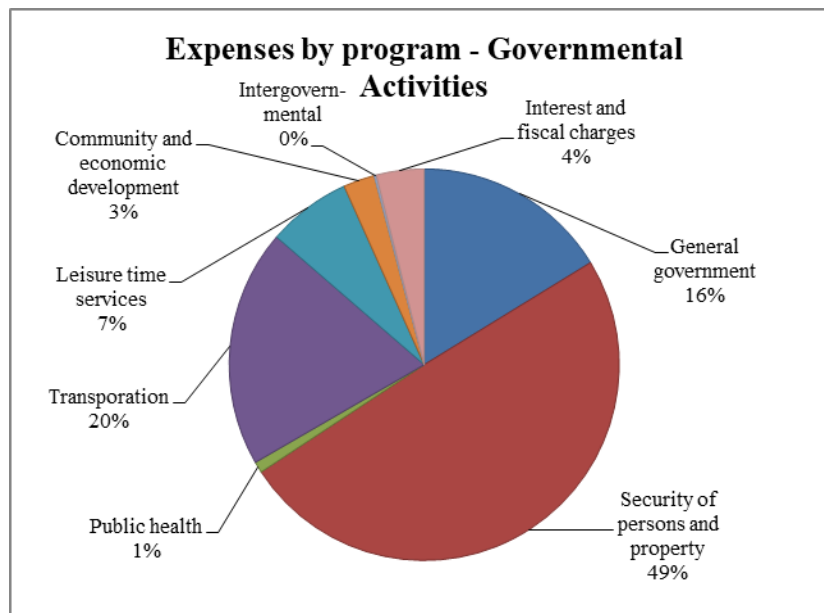
Governmental activities net position increased \$13,882,174 in 2021. General revenues totaled \$16,538,006 and amounted to 56.18% of total governmental revenues. The City is reporting an increase in total governmental activities revenue in the amount of \$5,578,917. Taxes increased \$2,349,878 over the prior year. This increase in taxes is due an increase in income tax collections over the prior year and the passage of a new fire levy in 2021. In spite of the Coronavirus Disease (COVID-19) pandemic, the City continues to show steady growth and improvement. The City is also reporting \$7,374,356 in capital grants and contributions for 2021 for the completion of a significant street project with funding provided by the Ohio Department of Transportation.

CITY OF WADSWORTH, OHIO

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2021
(UNAUDITED)**



The City is dependent on property and income taxes as well as unrestricted grants and entitlements to furnish the quality of life to businesses and citizens to which they have always been committed. The City has a strong general fund cash reserve policy which provides stability during periods of fluctuation in revenue.



CITY OF WADSWORTH, OHIO

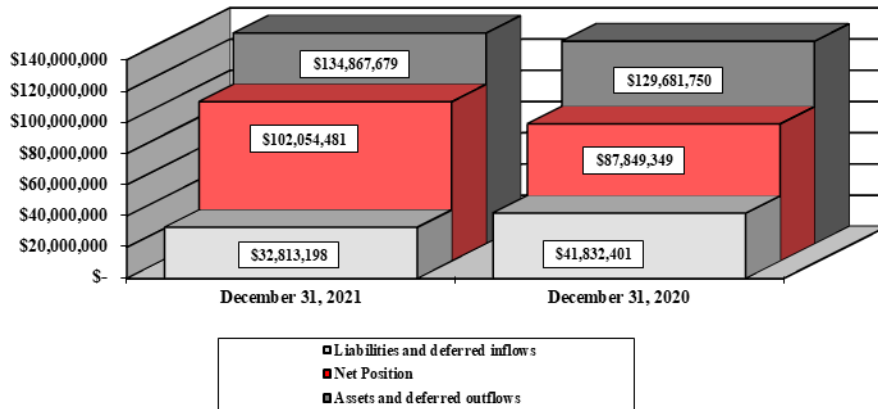
**MANAGEMENT’S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2021
(UNAUDITED)**

As indicated in the expenses by program chart, citizen safety and well being is emphasized as well as maintaining the City's street infrastructure. Security of persons and property, which primarily supports the operations of the police, fire, and EMS departments, accounted for \$7,395,236 or 49.50% of the total governmental expenses. These expenses were partially funded by \$1,371,693 in direct charges to users of the services and \$82,932 in operating grants and contributions. Transportation expenses totaled \$2,933,620 or 19.64% of total governmental expenses. These expenses were partially funded by \$78,599 in direct charges to users of the services, \$1,636,148 in operating grants and contributions, and \$7,308,810 in capital grants and contributions.

Business-type Activities

Business-type activities include the storm water, telecom, sewer, water, electric and sanitation enterprise funds. These programs had program revenues of \$54,816,971 and expenses of \$41,430,410 for 2021. The graph below shows the business-type activities assets, liabilities and net position at year-end 2021 and 2020.

Net Position in Business-type Activities



Financial Analysis of the Government’s Funds

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

Governmental Funds

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

CITY OF WADSWORTH, OHIO

MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2021
(UNAUDITED)

The City's governmental funds (as presented on the balance sheet on page 24) reported a combined fund balance of \$30,911,421, which is \$3,353,788 more than last year's total of \$27,557,633. The schedule below indicates the fund balances and the total change in fund balances as of December 31, 2021 for all major and nonmajor governmental funds.

	Fund balances 12/31/21	Fund balances 12/31/20	Increase
General	\$ 14,458,201	\$ 11,587,648	\$ 2,870,553
Other nonmajor governmental funds	16,453,220	15,969,985	483,235
Total	<u>\$ 30,911,421</u>	<u>\$ 27,557,633</u>	<u>\$ 3,353,788</u>

General fund

The City's general fund balance increased \$2,870,553. The table that follows assists in illustrating the revenues of the general fund.

	2021	2020	Percentage change
<u>Revenues</u>			
Taxes	\$ 11,518,493	\$ 9,618,193	19.76%
Charges for services	279,408	227,875	22.61%
Licenses and permits	498,387	499,099	(0.14)%
Fines and forfeitures	367,727	303,521	21.15%
Intergovernmental	1,140,959	883,984	29.07%
Investment income	118,151	436,558	(72.94)%
Other	182,633	489,576	(62.70)%
Total	<u>\$ 14,105,758</u>	<u>\$ 12,458,806</u>	13.22%

Tax revenue represents 81.66% of all general fund revenue. There was an overall increase of \$1,646,952 in revenues in the general fund for 2021. As noted above, there was a decrease of \$318,407 in investment income due to lower interest rates and an increase of \$1,900,300 in taxes due to an increase in income tax collections during the year.

CITY OF WADSWORTH, OHIO

**MANAGEMENT’S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2021
(UNAUDITED)**

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

Expenditures	2021	2020	Percentage change
General government	\$ 3,119,827	\$ 3,469,960	(10.09)%
Security of persons and property	5,386,418	5,210,627	3.37%
Public health	134,308	133,088	0.92%
Transportation	117	112	4.46%
Leisure time services	1,286,333	1,380,799	(6.84)%
Community and economic development	333,206	289,421	15.13%
Capital outlay	114,849	14,066	716.50%
Debt service	6,239	6,239	-%
Total	<u>\$ 10,381,297</u>	<u>\$ 10,504,312</u>	(1.17)%

Total expenditures decreased 1.17% from 2021. This decrease is due to the close monitoring of expenses and one less pay period in 2021 than the prior year.

Budgeting Highlights

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

The City made several revisions to the original appropriations approved by City Council. Overall, these changes resulted in an increase of \$137,781 from the original budgeted expenditures and other financing uses to the final budgeted expenditures and other financing uses. The City’s general fund actual expenditures were \$1,126,638, less than the final appropriations, excluding advances out, which are not legally required to be budgeted. Furthermore, the City’s budgeting philosophy is conservative, as we budget expenditures higher than expected. Expenditures continue to be closely monitored in 2021 due to the ongoing COVID-19 pandemic.

The City’s actual revenues, excluding other financing sources, were \$1,597,060 or 12.22% more than budgeted revenues. The City received \$1,477,007 more than expected in income taxes due to higher than expected collections during a time of uncertainty due to the COVID-19 pandemic.

Proprietary Funds

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

During the year the business-type activities are reporting a \$4,480,512 reduction in expenses due to current year adjustments for pension and OPEB.

The storm water fund had operating revenues of \$876,597 and operating expenses of \$964,893 in 2021. The storm water fund also had non-operating expense of \$40,523, transfers in of \$9,130, transfers out of \$2,157 and capital contributions of \$2,423,052. The net increase in net position for the storm water fund was \$2,301,206 or 14.95%. This large increase is due to current year capital contributions for a completed street project during the year.

CITY OF WADSWORTH, OHIO

MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2021
(UNAUDITED)

The telecom fund had operating revenues of \$6,500,253 and operating expenses of \$4,781,688 in 2021. The telecom fund also had non-operating expenses of \$20,669, and transfers in of \$217,445. The net increase in net position for the telecom fund was \$1,915,341 or 49.03%. This increase is due to current year operating revenues exceeding current year operating expenses and continued growth in internet and VOIP customers.

The sewer fund had operating revenues of \$4,639,487 and operating expenses of \$3,067,769 in 2021. The sewer fund also had non-operating revenues of \$3,418, non-operating expenses of \$315,131, transfers in of \$79,154, and capital contributions of \$4,218,880. The net increase in net position for the sewer fund was \$5,558,039 or 36.23%. This increase is primarily due capital contributions for a lift station acquired from the County during the year.

The water fund had operating revenues of \$3,870,997 and operating expenses of \$2,323,458 in 2021. The water fund also had non-operating expenses of \$189,621, transfers in of \$79,089, transfers out of \$19,572 and capital contributions of \$292,901. The net increase in net position for the water fund was \$1,710,336 or 9.35%. The water fund also experienced an increase in charges for services along with a decrease in expenses for 2021. The decrease in expenses is due the current year pension/OPEB adjustments.

The electric fund had operating revenues of \$29,224,102 and operating expenses of \$27,397,870 in 2021. The electric fund non-operating expenses of \$56,945. The electric fund reported transfers in of \$347,150, transfers out of \$114,175 and capital contributions of \$7,483. The net increase in net position for the electric fund was \$2,009,745 or 6.64%. The electric fund had a decrease in charges for services and a decrease in expenses from the prior year. Again, the decrease in expenses is due the current year pension/OPEB adjustments.

The sanitation fund had operating revenues of \$2,940,686 and operating expenses of \$2,187,126 in 2021. The sanitation fund had non-operating revenues of \$6, non-operating expenses of \$804 and transfers in of \$41,616. The net increase in net position for the sanitation fund was \$794,378 or 21.63%. For 2021, the sanitation fund had an increase in charges for services and a decrease in expenses due to the pension/OPEB adjustments.

Capital Assets and Debt Administration

Capital Assets

At the end of 2021, the City had \$160,231,489 (net of accumulated depreciation) invested in land, construction in progress, land improvements, buildings, equipment, vehicles, intangible assets and infrastructure. Of this total, \$67,794,296 was reported in governmental activities and \$92,437,193 was reported in business-type activities. The following table shows 2021 capital asset balances compared to 2020 balances:

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

	Governmental activities		Business-type activities		Total	
	2021	2020	2021	2020	2021	2020
Land	\$ 5,927,998	\$ 5,688,911	\$ 744,600	\$ 709,335	\$ 6,672,598	\$ 6,398,246
Construction in progress	1,309,894	5,920,528	331,507	862,641	1,641,401	6,783,169
Intangible assets	20,116,819	20,064,710	566,831	633,902	20,683,650	20,698,612
Land improvements	3,365,040	2,388,310	172,930	159,551	3,537,970	2,547,861
Buildings	5,242,593	5,414,029	11,766,959	12,114,377	17,009,552	17,528,406
Equipment	962,476	954,722	7,237,176	7,701,809	8,199,652	8,656,531
Vehicles	2,075,293	2,272,744	3,237,023	3,511,165	5,312,316	5,783,909
Infrastructure	28,794,183	19,044,825	68,380,167	62,044,311	97,174,350	81,089,136
Totals	\$ 67,794,296	\$ 61,748,779	\$ 92,437,193	\$ 87,737,091	\$ 160,231,489	\$ 149,485,870

CITY OF WADSWORTH, OHIO

MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2021
(UNAUDITED)

The City's largest capital asset category is infrastructure which includes roads, water lines, electric lines, storm sewer lines, cable and internet lines and sanitary sewer lines. These items are immovable and of value only to the City, however, the annual cost of purchasing these items is quite significant. The net book value of the City's infrastructure (cost less accumulated depreciation) represents approximately 60.65% of the City's total capital assets. See Note 10 to the basic financial statements for additional capital asset detail.

Debt Administration

The City had the following long-term obligations outstanding at December 31, 2021 and 2020:

	Governmental activities	
	2021	2020
Revenue bonds	\$ 15,616,801	\$ 16,303,508
Special assessment bonds	1,162,519	1,215,504
General obligation bonds	802,522	839,565
OPWC loan	497,498	552,776
Police and fire past service costs	63,430	66,909
	<u>18,142,770</u>	<u>18,978,262</u>
Total long-term obligations	<u>\$ 18,142,770</u>	<u>\$ 18,978,262</u>

	Business-type activities	
	2021	2020
General obligation bonds	\$ 8,817,394	\$ 9,633,985
OWDA loans	8,475,494	9,739,903
OPWC loans	60,012	65,614
AMP stranded costs	1,114,088	1,750,373
AMP loan	-	598,689
	<u>18,466,988</u>	<u>21,788,564</u>
Total long-term obligations	<u>\$ 18,466,988</u>	<u>\$ 21,788,564</u>

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

Economic Factors

The City's annual budget utilizes conservative revenue estimates combined with limited spending increases. Residential citizens and businesses enjoy a wide range of utility services at competitive and sometimes below market prices. In tough economic times, the City strives to maintain services with minimal fee increases. The level of services remained consistent in 2021.

Income tax revenues continue to increase from compliance and economic growth within the community, both residential and industrial. The City has seen steady growth in the last three years from property values increasing as well as an increase in new construction. This growth resulted in an increase in assessed valuation of \$165,767,900 or 36.38% from 2016.

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

CITY OF WADSWORTH, OHIO

MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE YEAR ENDED DECEMBER 31, 2021 (UNAUDITED)

The United States, the State of Ohio and the City all declared a state of emergency in March 2020 due to the global COVID-19 pandemic. The City continues to budget conservatively with the anticipation of steady growth continuing into 2022. The overall impact on the City's future revenues cannot be estimated at this time however, to date the COVID-19 outbreak has not materially impacted the City's income tax, property tax or local government receipts.

Contacting the City's Financial Management

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



BASIC
FINANCIAL STATEMENTS

**CITY OF WADSWORTH
MEDINA COUNTY, OHIO**

STATEMENT OF NET POSITION
DECEMBER 31, 2021

	Primary Government		
	Governmental Activities	Business-type Activities	Total
Assets:			
Equity in pooled cash and cash equivalents	\$ 31,046,530	\$ 31,171,760	\$ 62,218,290
Cash with fiscal and escrow agents	-	1,472	1,472
Cash in segregated accounts	584,109	903,916	1,488,025
Receivables:			
Income taxes	3,922,517	-	3,922,517
Real and other taxes	3,493,670	-	3,493,670
Accounts	1,315,981	6,493,547	7,809,528
Special assessments	1,399,265	-	1,399,265
Due from other governments	1,451,585	203,716	1,655,301
Materials and supplies inventory	1,080,307	2,245,227	3,325,534
Prepayments	304,471	191,025	495,496
AMPGS plant held for future use credit	-	174,113	174,113
AFEC development costs receivable	-	169,980	169,980
Net pension asset	164,876	154,350	319,226
Net OPEB asset	693,576	649,289	1,342,865
Investment in joint venture	-	274,812	274,812
Internal balance	1,681,679	(1,681,679)	-
Capital assets:			
Land and construction in progress	11,893,763	1,423,857	13,317,620
Depreciable capital assets, net	55,900,533	91,013,336	146,913,869
Total capital assets, net	67,794,296	92,437,193	160,231,489
Total assets	114,932,862	133,388,721	248,321,583
Deferred outflows of resources:			
Unamortized deferred charges on debt refunding	1,133,674	228,519	1,362,193
Pension	2,405,178	861,995	3,267,173
OPEB	1,290,391	388,444	1,678,835
Total deferred outflows of resources	4,829,243	1,478,958	6,308,201
Total assets and deferred outflows of resources	119,762,105	134,867,679	254,629,784
Liabilities:			
Account payable	283,132	1,789,270	2,072,402
Retainage payable	268,642	-	268,642
Contracts payable	165,113	34,051	199,164
Accrued wages and benefits payable	203,756	109,269	313,025
Matured compensated absences payable	55,053	47,665	102,718
Due to other governments	234,121	198,703	432,824
Accrued interest payable	43,457	14,793	58,250
Undistributed monies	123,228	40,246	163,474
Refundable deposits	300	807,451	807,751
Deposits held and due to others	1,984,310	39,872	2,024,182
Matured interest payable	128	1,472	1,600
Claims payable	464,297	-	464,297
Unearned revenue	1,259,422	-	1,259,422
Long-term liabilities:			
Due within one year	1,645,072	3,778,939	5,424,011
Due in more than one year:			
Net pension liability	14,750,871	5,434,955	20,185,826
Net OPEB liability	1,390,270	-	1,390,270
Other amounts due in more than one year	18,544,690	16,082,415	34,627,105
Total liabilities	41,415,862	28,379,101	69,794,963

**CITY OF WADSWORTH
MEDINA COUNTY, OHIO**

STATEMENT OF NET POSITION
DECEMBER 31, 2021

	Primary Government		
	Governmental Activities	Business-type Activities	Total
Deferred inflows of resources:			
Property taxes levied for the next fiscal year	3,257,406	-	3,257,406
Pension	3,475,867	2,429,390	5,905,257
OPEB	2,729,478	2,004,707	4,734,185
Total deferred inflows of resources	9,462,751	4,434,097	13,896,848
Total liabilities and deferred inflows of resources	50,878,613	32,813,198	83,691,811
Net position:			
Net investment in capital assets	51,846,036	75,278,761	127,124,797
Restricted for:			
Debt service	236,823	-	236,823
Capital projects	4,133,298	-	4,133,298
Transportation projects	2,130,752	-	2,130,752
Community improvements	454,088	-	454,088
Emergency medical services	2,935,973	-	2,935,973
Fire	5,019	-	5,019
Police	186,905	-	186,905
Municipal court	951,718	-	951,718
Unrestricted (deficit)	6,002,880	26,775,720	32,778,600
Total net position	\$ 68,883,492	\$ 102,054,481	\$ 170,937,973

See accompanying notes to the basic financial statements

**CITY OF WADSWORTH
MEDINA COUNTY, OHIO**

STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2021

	Program Revenues			
	Expenses	Charges for Services and Sales	Operating Grants and Contributions	Capital Grants and Contributions
Governmental activities:				
Current:				
General government	\$ 2,430,832	\$ 739,003	\$ 141,461	\$ 28,727
Security of persons and property	7,395,236	1,371,693	82,932	-
Public health	135,256	9,710	-	-
Transportation	2,933,620	78,599	1,636,148	7,308,810
Leisure time services	1,036,309	1,052,711	60,518	36,819
Community and economic development	388,932	122,961	230,000	-
Intergovernmental	26,632	-	-	-
Interest and fiscal charges	591,839	-	-	-
Total governmental activities	<u>14,938,656</u>	<u>3,374,677</u>	<u>2,151,059</u>	<u>7,374,356</u>
Business-type activities:				
Storm Water	1,005,416	876,597	-	2,423,052
Telecom	4,806,664	6,456,288	-	-
Sewer	3,401,166	4,639,392	-	4,218,880
Water	2,543,040	3,836,383	-	292,901
Electric	27,540,279	29,142,823	754	7,483
Sanitation	2,133,845	2,922,418	-	-
Total business-type activities	<u>41,430,410</u>	<u>47,873,901</u>	<u>754</u>	<u>6,942,316</u>
Total primary government	<u>\$ 56,369,066</u>	<u>\$ 51,248,578</u>	<u>\$ 2,151,813</u>	<u>\$ 14,316,672</u>

General revenues:

Property and other local taxes levied for:

General purposes
Capital projects
Emergency medical services
Other

Income taxes for:

General purposes
Capital projects
Debt service
Special revenue funds

Grants and entitlements not restricted to specific

Investment earnings

Miscellaneous

Total general revenues

Transfers

Total general revenues and transfers

Changes in net position

Net position at beginning of year

Net position at end of year

See accompanying notes to the basic financial statements

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

Governmental Activities	Business-type Activities	Total
\$ (1,521,641)	\$ -	\$ (1,521,641)
(5,940,611)	-	(5,940,611)
(125,546)	-	(125,546)
6,089,937	-	6,089,937
113,739	-	113,739
(35,971)	-	(35,971)
(26,632)	-	(26,632)
(591,839)	-	(591,839)
<u>(2,038,564)</u>	<u>-</u>	<u>(2,038,564)</u>
-	2,294,233	2,294,233
-	1,649,624	1,649,624
-	5,457,106	5,457,106
-	1,586,244	1,586,244
-	1,610,781	1,610,781
-	788,573	788,573
-	<u>13,386,561</u>	<u>13,386,561</u>
<u>(2,038,564)</u>	<u>13,386,561</u>	<u>11,347,997</u>
2,262,915	-	2,262,915
160,639	-	160,639
1,127,243	-	1,127,243
42,300	-	42,300
9,704,431	-	9,704,431
824,511	-	824,511
468,070	-	468,070
517,122	-	517,122
1,065,179	-	1,065,179
118,151	6	118,157
247,445	201,297	448,742
<u>16,538,006</u>	<u>201,303</u>	<u>16,739,309</u>
<u>(617,268)</u>	<u>617,268</u>	<u>-</u>
<u>15,920,738</u>	<u>818,571</u>	<u>16,739,309</u>
13,882,174	14,205,132	28,087,306
<u>55,001,318</u>	<u>87,849,349</u>	<u>142,850,667</u>
<u>\$ 68,883,492</u>	<u>\$ 102,054,481</u>	<u>\$ 170,937,973</u>

**CITY OF WADSWORTH
MEDINA COUNTY, OHIO**

BALANCE SHEET
GOVERNMENTAL FUNDS
DECEMBER 31, 2021

	General	Other Governmental Funds	Total Governmental Funds
Assets:			
Equity in pooled cash and cash equivalents	\$ 12,634,390	\$ 16,266,017	\$ 28,900,407
Cash in segregated accounts	434,107	133,369	567,476
Receivables:			
Income taxes	3,922,517	-	3,922,517
Real and other taxes	1,334,733	2,158,937	3,493,670
Accounts	75,692	1,215,948	1,291,640
Special assessments	-	1,399,265	1,399,265
Interfund loans receivable	1,706,922	1,705,239	3,412,161
Due from other funds	73,652	-	73,652
Due from other governments	398,867	1,052,718	1,451,585
Materials and supplies inventory	193,742	478,910	672,652
Prepayments	98,813	46,637	145,450
Total assets	\$ 20,873,435	\$ 24,457,040	\$ 45,330,475
Liabilities:			
Accounts payable	\$ 59,602	\$ 204,719	\$ 264,321
Retainage payable	268,642	-	268,642
Contracts payable	141	164,972	165,113
Accrued wages and benefits payable	125,187	59,596	184,783
Matured Compensated absences payable	55,053	-	55,053
Interfund loans payable	-	1,149,948	1,149,948
Due to other governments	172,205	49,047	221,252
Matured interest payable	-	128	128
Undistributed monies	102,349	13,948	116,297
Refundable deposits	300	-	300
Unearned revenue	-	1,259,422	1,259,422
Deposits held and due to others	1,984,310	-	1,984,310
Total liabilities	2,767,789	2,901,780	5,669,569
Deferred inflows of resources:			
Property taxes levied for the next fiscal year	1,269,939	1,987,467	3,257,406
Delinquent property tax revenue not available	35,004	30,605	65,609
Income tax revenue not available	2,005,665	-	2,005,665
Unavailable revenue - other	336,837	3,083,968	3,420,805
Total deferred inflows of resources	3,647,445	5,102,040	8,749,485
Fund balances:			
Nonspendable	1,999,477	525,547	2,525,024
Restricted	-	12,641,781	12,641,781
Committed	-	3,628,889	3,628,889
Assigned	1,383,042	-	1,383,042
Unassigned (deficit)	11,075,682	(342,997)	10,732,685
Total fund balances	14,458,201	16,453,220	30,911,421
Total liabilities, deferred inflows of resources and fund balances	\$ 20,873,435	\$ 24,457,040	\$ 45,330,475

See accompanying notes to the basic financial statements

**CITY OF WADSWORTH
MEDINA COUNTY, OHIO**

RECONCILIATION OF TOTAL GOVERNMENTAL FUND BALANCES TO
NET POSITION OF GOVERNMENTAL ACTIVITIES
DECEMBER 31, 2021

Total governmental fund balances		\$ 30,911,421
<i>Amounts reported for governmental activities on the statement of net position are different because:</i>		
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.		67,794,296
Other long-term assets are not available to pay for current- period expenditure and therefore are deferred inflows in the funds.		
Income taxes receivable	2,005,665	
Real and other taxes receivable	65,609	
Unavailable revenue - other:		
Accounts receivable	1,128,918	
Intergovernmental receivable	892,622	
Special assessments receivable	1,399,265	
Total	5,492,079	
Internal service funds are used by management to charge the costs to individual funds. The assets (less capital assets and pension/OPEB assets plus deferred outflows related to pension/OPEB) and liabilities (less pension/OPEB and compensated absences liabilities plus deferred inflows related to pension/OPEB) of the internal service fund are included in governmental activities on the statement of net position.		1,577,706
Accrued interest payable is not due and payable in the current period and therefore is not reported in the funds.		(43,457)
Unamortized premiums on bond issuances are not recognized in the governmental funds.		(531,842)
Unamortized deferred amounts on refundings are not recognized in the governmental funds.		1,133,674
The net pension/OPEB asset is not available to pay for current period expenditures; therefore, the asset is not reported in the governmental funds.		858,452
The net pension liability is not due and payable in the current period; therefore, liability and related deferred inflows and deferred outflows are not reported in governmental funds.		(15,821,560)
The net OPEB liability is not available to pay for current period expenditures and are not due and payable in the current period, respectively; therefore, the liability and related deferred inflows/outflows are not reported in governmental funds.		(2,829,357)
Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the funds.		
Compensated absences	(2,046,992)	
Police past service costs	(63,430)	
Special assessment bonds payable	(1,115,000)	
General obligation bonds payable	(770,000)	
Revenue bonds payable	(15,165,000)	
OPWC loan payable	(497,498)	
Total	(19,657,920)	
Net position of governmental activities		\$ 68,883,492

See accompanying notes to the basic financial statements

**CITY OF WADSWORTH
MEDINA COUNTY, OHIO**

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2021

	General	Other Governmental Funds	Total Governmental Funds
Revenues:			
Income taxes	\$ 9,257,110	\$ 2,421,452	\$ 11,678,562
Real and other taxes	2,261,383	1,335,939	3,597,322
Charges for services	279,408	1,113,886	1,393,294
Licenses and permits	498,387	1,443	499,830
Fines and forfeitures	367,727	90,757	458,484
Intergovernmental	1,140,959	2,037,845	3,178,804
Special assessments	30	91,254	91,284
Investment income	118,151	104	118,255
Rental income	24,944	643,007	667,951
Contributions and donations	2,330	238,740	241,070
Other	155,329	172,608	327,937
Total revenues	14,105,758	8,147,035	22,252,793
Expenditures:			
Current:			
General government	3,119,827	395,171	3,514,998
Security of persons and property	5,386,418	1,916,544	7,302,962
Public health	134,308	990	135,298
Transportation	117	2,229,493	2,229,610
Leisure time services	1,286,333	143,291	1,429,624
Community and economic development	333,206	172,427	505,633
Capital outlay	114,849	1,709,768	1,824,617
Intergovernmental	-	26,632	26,632
Debt service:			
Principal retirement	3,433	800,278	803,711
Interest and fiscal charges	2,806	556,283	559,089
Total expenditures	10,381,297	7,950,877	18,332,174
Excess (deficiency) of revenues over (under) expenditures	3,724,461	196,158	3,920,619
Other financing sources (uses):			
Sale of capital assets	36,921	11,224	48,145
Transfers in	-	275,853	275,853
Transfers (out)	(890,829)	-	(890,829)
Total other financing sources (uses)	(853,908)	287,077	(566,831)
Net change in fund balances	2,870,553	483,235	3,353,788
Fund balances at beginning of year	11,587,648	15,969,985	27,557,633
Fund balances at end of year	\$ 14,458,201	\$ 16,453,220	\$ 30,911,421

See accompanying notes to the basic financial statements



**CITY OF WADSWORTH
MEDINA COUNTY, OHIO**

RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2021

Net change in fund balances - total governmental funds \$ 3,353,788

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

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

Capital asset additions	1,824,617	
Capital contributions	7,171,973	
Assets transferred in during the year	20,412	
Current year depreciation	<u>(2,418,861)</u>	
Total		6,598,141

The net effect of various miscellaneous transactions involving capital assets (i.e., sales, disposals, trade-ins, and donations) is to decrease net position. (492,613)

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

Income taxes	(164,428)	
Real and other taxes	(4,610)	
Intergovernmental revenues	106,739	
Special assessments	(91,253)	
Licenses and permits	(1,992)	
Fines and forfeitures	(2,898)	
Charges for services	154,152	
Rental income	124	
Miscellaneous	<u>17,161</u>	
Total		12,995

Repayment of bond principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities on the statement of net position. 803,711

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

Decrease in accrued interest payable	2,484	
Amortization of deferred amounts on refunding	(67,015)	
Amortization of bond premiums and discounts	<u>31,735</u>	
Total		(32,796)

Some expenses reported in the statement of activities, such as compensated absences, do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds. 74,143

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

Pension		1,371,027
OPEB		21,778

**CITY OF WADSWORTH
MEDINA COUNTY, OHIO**

RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2021

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	(1,063,017)
OPEB	3,434,282

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

(199,265)

Change in net position of governmental activities

\$ 13,882,174

See accompanying notes to the basic financial statements

**CITY OF WADSWORTH
MEDINA COUNTY, OHIO**

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
GENERAL FUND
FOR THE YEAR ENDED DECEMBER 31, 2021

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues:				
Income taxes	\$ 6,622,266	\$ 6,622,266	\$ 8,099,273	\$ 1,477,007
Real and other taxes	2,209,184	2,205,710	2,245,636	39,926
Charges for services	2,429,991	2,429,991	2,389,444	(40,547)
Licenses and permits	120,900	120,900	123,831	2,931
Fines and forfeitures	477,200	477,200	355,114	(122,086)
Intergovernmental	805,632	805,206	1,095,957	290,751
Special assessments	-	-	30	30
Investment income	120,404	120,404	121,157	753
Rental income	80,616	80,616	27,393	(53,223)
Contributions and donations	200	200	2,649	2,449
Other	210,450	210,450	209,519	(931)
Total Revenues	<u>13,076,843</u>	<u>13,072,943</u>	<u>14,670,003</u>	<u>1,597,060</u>
Expenditures:				
<i>Current:</i>				
General Government				
Council				
Personal services	150,884	150,884	148,846	2,038
Other	28,060	28,060	12,025	16,035
Total - council	<u>178,944</u>	<u>178,944</u>	<u>160,871</u>	<u>18,073</u>
Mayor				
Personal services	356,590	356,590	297,334	59,256
Other	243,335	264,425	193,043	71,382
Total - mayor	<u>599,925</u>	<u>621,015</u>	<u>490,377</u>	<u>130,638</u>
Auditor				
Personal services	605,250	605,250	561,449	43,801
Other	1,597,953	1,575,867	1,446,494	129,373
Total - auditor	<u>2,203,203</u>	<u>2,181,117</u>	<u>2,007,943</u>	<u>173,174</u>
Treasurer				
Personal services	43,517	43,517	43,517	-
Other	50,919	50,919	41,523	9,396
Total - treasurer	<u>94,436</u>	<u>94,436</u>	<u>85,040</u>	<u>9,396</u>
Law Director				
Personal services	354,994	354,994	354,240	754
Other	12,242	12,242	5,908	6,334
Total - law director	<u>367,236</u>	<u>367,236</u>	<u>360,148</u>	<u>7,088</u>
Service Director				
Personal services	1,069,930	1,054,718	1,001,655	53,063
Other	383,639	402,841	314,937	87,904
Total - service director	<u>1,453,569</u>	<u>1,457,559</u>	<u>1,316,592</u>	<u>140,967</u>

See accompanying notes to the basic financial statements

(Continued)

**CITY OF WADSWORTH
MEDINA COUNTY, OHIO**

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
GENERAL FUND (CONTINUED)
FOR THE YEAR ENDED DECEMBER 31, 2021

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Municipal Court				
Personal services	827,179	827,179	777,457	49,722
Other	86,843	86,843	60,412	26,431
Total - municipal court	<u>914,022</u>	<u>914,022</u>	<u>837,869</u>	<u>76,153</u>
Records Commission				
Personal services	2,276	2,276	2,100	176
Other	600	600	-	600
Total - council clerk	<u>2,876</u>	<u>2,876</u>	<u>2,100</u>	<u>776</u>
Total General Government	<u>5,814,211</u>	<u>5,817,205</u>	<u>5,260,940</u>	<u>556,265</u>
Security of Persons & Property				
Security of Persons & Property				
Personal services	5,258,206	5,279,926	4,911,773	368,153
Other	537,721	608,192	543,484	64,708
Total Security of Persons & Property	<u>5,795,927</u>	<u>5,888,118</u>	<u>5,455,257</u>	<u>432,861</u>
Public Health				
Service Director				
Other	135,957	135,060	134,562	498
Total Public Health	<u>135,957</u>	<u>135,060</u>	<u>134,562</u>	<u>498</u>
Leisure Time Services				
Service Director				
Personal services	837,496	852,708	793,430	59,278
Other	224,649	246,237	228,337	17,900
Total Leisure Time Services	<u>1,062,145</u>	<u>1,098,945</u>	<u>1,021,767</u>	<u>77,178</u>
Community and Economic Development				
Service Director				
Personal services	304,932	304,932	256,330	48,602
Other	47,840	32,447	21,213	11,234
Total Community and Economic Development	<u>352,772</u>	<u>337,379</u>	<u>277,543</u>	<u>59,836</u>
See accompanying notes to the basic financial statements				(Continued)

**CITY OF WADSWORTH
MEDINA COUNTY, OHIO**

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
GENERAL FUND (CONTINUED)
FOR THE YEAR ENDED DECEMBER 31, 2021

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>		
Debt Service				
Principal retirement	3,334	3,433	3,433	-
Interest and fiscal charges	2,905	2,806	2,806	-
Total - debt service	<u>6,239</u>	<u>6,239</u>	<u>6,239</u>	<u>-</u>
Total Expenditures	<u>13,167,251</u>	<u>13,282,946</u>	<u>12,156,308</u>	<u>1,126,638</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(90,408)</u>	<u>(210,003)</u>	<u>2,513,695</u>	<u>2,723,698</u>
Other financing sources (uses):				
Sale of assets	-	-	43,951	43,951
Advances in	-	-	169,491	169,491
Advances out	-	-	(245,388)	(245,388)
Transfers out	(871,933)	(894,019)	(894,019)	-
Total other financing sources (uses)	<u>(871,933)</u>	<u>(894,019)</u>	<u>(925,965)</u>	<u>(31,946)</u>
Net change in fund balances	(962,341)	(1,104,022)	1,587,730	2,691,752
Fund balances at beginning of year	12,006,461	12,006,461	12,006,461	-
Prior year encumbrances appropriated	6,828	6,828	6,828	-
Fund balance at end of year	<u>\$ 11,050,948</u>	<u>\$ 10,909,267</u>	<u>\$ 13,601,019</u>	<u>\$ 2,691,752</u>

See accompanying notes to the basic financial statements



**CITY OF WADSWORTH
MEDINA COUNTY, OHIO**

STATEMENT OF NET POSITION
PROPRIETARY FUNDS
DECEMBER 31, 2021

Business-type Activities - Enterprise Funds

	Storm Water	Telecom	Sewer	Water
Assets:				
Current assets:				
Equity in pooled cash and cash equivalents	\$ 569,251	\$ 4,226,181	\$ 2,670,820	\$ 3,908,069
Cash in segregated accounts	-	12,197	12,197	17,318
Cash with fiscal and escrow agents	-	-	-	1,472
Receivables:				
Accounts	125,676	1,342,780	615,412	551,072
Interfund loans	61,467	491,892	288,353	286,111
Due from other governments	203,716	-	-	-
Materials and supplies inventory	-	100,261	67,596	194,607
Prepayments	32	38,374	22,050	33,011
Total current assets	<u>960,142</u>	<u>6,211,685</u>	<u>3,676,428</u>	<u>4,991,660</u>
Noncurrent assets:				
AMPGS plant held for future use credit	-	-	-	-
AFEC development costs receivable	-	-	-	-
Investment in joint venture	-	-	-	-
Net pension asset	-	19,983	18,259	26,907
Net OPEB asset	-	84,061	76,807	113,186
Capital assets:				
Land and construction in progress	122,714	-	247,182	719,582
Depreciable capital assets, net	17,644,653	1,183,569	28,054,823	25,199,624
Total capital assets, net	<u>17,767,367</u>	<u>1,183,569</u>	<u>28,302,005</u>	<u>25,919,206</u>
Total noncurrent assets	<u>17,767,367</u>	<u>1,287,613</u>	<u>28,397,071</u>	<u>26,059,299</u>
Total assets	<u>18,727,509</u>	<u>7,499,298</u>	<u>32,073,499</u>	<u>31,050,959</u>
Deferred outflows of resources:				
Unamortized deferred charges on debt refunding	7,098	-	-	221,421
Pension	-	115,044	101,389	177,611
OPEB	-	52,535	45,473	84,713
Total deferred outflows of resources	<u>7,098</u>	<u>167,579</u>	<u>146,862</u>	<u>483,745</u>
Total assets and deferred outflows of resources	<u>18,734,607</u>	<u>7,666,877</u>	<u>32,220,361</u>	<u>31,534,704</u>
Liabilities:				
Current liabilities:				
Accounts payable	2,868	215,379	14,669	38,349
Contracts payable	-	-	12,056	21,055
Accrued wages and benefits payable	-	13,815	13,033	21,057
Matured compensated absences payable	-	-	-	-
Due to other funds	-	-	-	-
Due to other governments	3,374	9,421	11,343	13,616
Interfund loans payable	440,000	-	433,500	2,248,600
Accrued interest payable	1,068	324	2,621	10,780
Compensated absences payable - current	-	74,798	33,000	116,633
Claims payable	-	-	-	-
Undistributed monies	-	5,082	5,082	7,216
Deposits held and due to others	-	-	17,009	22,863
Refundable deposits	-	-	-	-
Matured interest payable	-	-	-	1,472

Business-type Activities - Enterprise Funds			Governmental Activities - Internal Service Funds
Electric	Sanitation	Total	
\$ 16,987,592	\$ 2,809,847	\$ 31,171,760	\$ 2,146,123
854,580	7,624	903,916	16,633
-	-	1,472	-
3,411,839	446,768	6,493,547	24,341
1,146,442	323,947	2,598,212	249,791
-	-	203,716	-
1,882,763	-	2,245,227	407,655
92,129	5,429	191,025	159,021
<u>24,375,345</u>	<u>3,593,615</u>	<u>43,808,875</u>	<u>3,003,564</u>
174,113	-	174,113	-
169,980	-	169,980	-
274,812	-	274,812	-
77,029	12,172	154,350	25,549
324,033	51,202	649,289	107,476
334,379	-	1,423,857	-
17,222,752	1,707,915	91,013,336	249,365
<u>17,557,131</u>	<u>1,707,915</u>	<u>92,437,193</u>	<u>249,365</u>
<u>18,577,098</u>	<u>1,771,289</u>	<u>93,859,737</u>	<u>382,390</u>
<u>42,952,443</u>	<u>5,364,904</u>	<u>137,668,612</u>	<u>3,385,954</u>
-	-	228,519	-
394,915	73,036	861,995	197,607
171,990	33,733	388,444	98,108
<u>566,905</u>	<u>106,769</u>	<u>1,478,958</u>	<u>295,715</u>
<u>43,519,348</u>	<u>5,471,673</u>	<u>139,147,570</u>	<u>3,681,669</u>
1,513,590	4,415	1,789,270	18,811
940	-	34,051	-
51,063	10,301	109,269	18,973
47,665	-	47,665	-
73,652	-	73,652	-
52,592	108,357	198,703	12,869
1,988,116	-	5,110,216	-
-	-	14,793	-
277,292	25,665	527,388	130,913
-	-	-	464,297
19,689	3,177	40,246	6,931
-	-	39,872	-
807,451	-	807,451	-
-	-	1,472	-

**CITY OF WADSWORTH
MEDINA COUNTY, OHIO**

STATEMENT OF NET POSITION
PROPRIETARY FUNDS
DECEMBER 31, 2021

Business-type Activities - Enterprise Funds

	Storm Water	Telecom	Sewer	Water
General obligation bonds payable - current	92,042	10,000	50,000	672,958
OWDA loans payable - current	-	-	1,304,551	-
OPWC loans payable - current	5,603	-	-	2,309
Stranded costs payable - current	-	-	-	-
Total current liabilities	544,955	328,819	1,896,864	3,176,908
Long-term liabilities:				
Compensated absences payable	-	85,376	61,269	234,952
General obligation bonds payable	451,714	117,553	1,028,855	6,394,272
OWDA loans payable	-	-	7,170,943	-
OPWC loans payable	44,819	-	-	7,281
Net pension liability	-	703,647	642,924	947,441
Total long-term liabilities	496,533	906,576	8,903,991	7,583,946
Total liabilities	1,041,488	1,235,395	10,800,855	10,760,854
Deferred inflows of resources:				
Pension	-	336,893	283,555	417,860
OPEB	-	272,940	234,959	346,467
Total deferred inflows of resources	-	609,833	518,514	764,327
Total liabilities and deferred inflows of resources	1,041,488	1,845,228	11,319,369	11,525,181
Net position:				
Net investment in capital assets	17,180,287	1,056,016	18,735,600	19,042,752
Unrestricted	512,832	4,765,633	2,165,392	966,771
Total net position	\$ 17,693,119	\$ 5,821,649	\$ 20,900,992	\$ 20,009,523

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

Net position of business-type activities

See accompanying notes to the basic financial statements

Business-type Activities - Enterprise Funds			Governmental Activities - Internal Service Funds
Electric	Sanitation	Total	
-	-	825,000	-
-	-	1,304,551	-
-	-	7,912	-
1,114,088	-	1,114,088	-
<u>5,946,138</u>	<u>151,915</u>	<u>12,045,599</u>	<u>652,794</u>
415,964	69,417	866,978	102,553
-	-	7,992,394	-
-	-	7,170,943	-
-	-	52,100	-
2,712,354	428,589	5,434,955	899,647
<u>3,128,318</u>	<u>498,006</u>	<u>21,517,370</u>	<u>1,002,200</u>
<u>9,074,456</u>	<u>649,921</u>	<u>33,562,969</u>	<u>1,654,994</u>
1,196,258	194,824	2,429,390	396,780
990,052	160,289	2,004,707	328,525
<u>2,186,310</u>	<u>355,113</u>	<u>4,434,097</u>	<u>725,305</u>
<u>11,260,766</u>	<u>1,005,034</u>	<u>37,997,066</u>	<u>2,380,299</u>
17,556,191	1,707,915	75,278,761	249,365
14,702,391	2,758,724	25,871,743	1,052,005
<u>\$ 32,258,582</u>	<u>\$ 4,466,639</u>	<u>101,150,504</u>	<u>\$ 1,301,370</u>
		903,977	
		<u>\$ 102,054,481</u>	

**CITY OF WADSWORTH
MEDINA COUNTY, OHIO**

STATEMENT OF REVENUES, EXPENSES AND
CHANGES IN NET POSITION
PROPRIETARY FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2021

Business-type Activities - Enterprise Funds

	Storm Water	Telecom	Sewer	Water
Operating revenues:				
Charges for services	\$ 876,597	\$ 6,456,288	\$ 4,639,392	\$ 3,836,383
Other operating revenues	-	43,965	95	34,614
Total operating revenues	<u>876,597</u>	<u>6,500,253</u>	<u>4,639,487</u>	<u>3,870,997</u>
Operating expenses:				
Personal services	330,374	704,468	844,787	688,418
Contract services	171,996	3,349,748	906,965	565,260
Materials and supplies	60,932	284,161	239,022	241,667
Purchased power	-	-	-	-
Claims expense	-	-	-	-
Depreciation	392,411	170,493	1,057,642	744,048
Other	9,180	272,818	19,353	84,065
Total operating expenses	<u>964,893</u>	<u>4,781,688</u>	<u>3,067,769</u>	<u>2,323,458</u>
Operating income (loss)	<u>(88,296)</u>	<u>1,718,565</u>	<u>1,571,718</u>	<u>1,547,539</u>
Nonoperating revenues (expenses):				
Interest and fiscal charges	(20,294)	(3,624)	(315,131)	(188,647)
Gain (loss) on sale of capital assets	(20,229)	(17,045)	3,418	(974)
Interest income	-	-	-	-
Investment in joint venture	-	-	-	-
Total nonoperating revenues (expenses)	<u>(40,523)</u>	<u>(20,669)</u>	<u>(311,713)</u>	<u>(189,621)</u>
Income (loss) before contributions and transfers	<u>(128,819)</u>	<u>1,697,896</u>	<u>1,260,005</u>	<u>1,357,918</u>
Transfer in	9,130	217,445	79,154	79,089
Transfer out	(2,157)	-	-	(19,572)
Capital contributions	<u>2,423,052</u>	<u>-</u>	<u>4,218,880</u>	<u>292,901</u>
Change in net position	2,301,206	1,915,341	5,558,039	1,710,336
Net position at beginning of year	<u>15,391,913</u>	<u>3,906,308</u>	<u>15,342,953</u>	<u>18,299,187</u>
Net position at end of year	<u>\$ 17,693,119</u>	<u>\$ 5,821,649</u>	<u>\$ 20,900,992</u>	<u>\$ 20,009,523</u>

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

Change in net position of business-type activities

See accompanying notes to the basic financial statements

<u>Business-type Activities - Enterprise Funds</u>			<u>Governmental Activities - Internal Service Funds</u>
<u>Electric</u>	<u>Sanitation</u>	<u>Total</u>	
\$ 29,142,823	\$ 2,922,418	\$ 47,873,901	\$ 5,913,742
81,279	18,268	178,221	17,451
<u>29,224,102</u>	<u>2,940,686</u>	<u>48,052,122</u>	<u>5,931,193</u>
1,833,522	372,089	4,773,658	635,759
851,170	1,369,088	7,214,227	1,369,321
487,609	181,493	1,494,884	505,327
21,338,466	-	21,338,466	-
-	-	-	3,619,083
1,539,135	231,891	4,135,620	71,846
1,347,968	32,565	1,765,949	15,852
<u>27,397,870</u>	<u>2,187,126</u>	<u>40,722,804</u>	<u>6,217,188</u>
<u>1,826,232</u>	<u>753,560</u>	<u>7,329,318</u>	<u>(285,995)</u>
(11,833)	-	(539,529)	-
(6,062)	(804)	(41,696)	383
-	6	6	-
<u>(39,050)</u>	<u>-</u>	<u>(39,050)</u>	<u>-</u>
<u>(56,945)</u>	<u>(798)</u>	<u>(620,269)</u>	<u>383</u>
<u>1,769,287</u>	<u>752,762</u>	<u>6,709,049</u>	<u>(285,612)</u>
347,150	41,616	773,584	39,783
(114,175)	-	(135,904)	(62,487)
<u>7,483</u>	<u>-</u>	<u>6,942,316</u>	<u>-</u>
2,009,745	794,378	14,289,045	(308,316)
<u>30,248,837</u>	<u>3,672,261</u>		<u>1,609,686</u>
<u>\$ 32,258,582</u>	<u>\$ 4,466,639</u>		<u>\$ 1,301,370</u>
		<u>(83,913)</u>	
		<u>\$ 14,205,132</u>	

**CITY OF WADSWORTH
MEDINA COUNTY, OHIO**

STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2021

	Business-type Activities - Enterprise Funds			
	Storm Water	Telecom	Sewer	Water
Cash flows from operating activities:				
Cash received from customers	\$ 878,947	\$ 6,430,988	\$ 4,618,174	\$ 4,067,304
Cash received from other operations	-	43,965	95	34,615
Cash payments to employees for services	-	(1,085,411)	(875,467)	(1,312,393)
Cash payments for goods and services	(561,593)	(4,033,137)	(1,674,358)	(1,232,995)
Cash payments for claims	-	-	-	-
Cash payments for other expenses	(8,796)	(279,420)	(22,116)	(87,276)
Net cash provided by (used in) operating activities	<u>308,558</u>	<u>1,076,985</u>	<u>2,046,328</u>	<u>1,469,255</u>
Cash flows from noncapital financing activities:				
Cash used for payroll deductions	-	(10,648)	(2,332)	(5,578)
Cash received from transfers in	7,500	46,183	59,055	79,089
Cash received from internal notes	508,316	420,276	722,325	2,571,037
Cash used for internal notes	(453,145)	(491,892)	(650,353)	(2,191,861)
Net cash provided by (used in) noncapital financing activities	<u>62,671</u>	<u>(36,081)</u>	<u>128,695</u>	<u>452,687</u>
Cash flows from capital and related financing activities:				
Sale of capital assets	-	15,300	2,311	4,400
Acquisition of capital assets	(243,564)	(47,633)	(236,126)	(763,071)
Principal payments	(97,643)	(10,000)	(1,314,409)	(657,959)
Interest and fiscal charges	(16,646)	(4,290)	(318,053)	(150,674)
Net cash used in capital and related financing activities	<u>(357,853)</u>	<u>(46,623)</u>	<u>(1,866,277)</u>	<u>(1,567,304)</u>
Cash flows from investing activities:				
Investment income	-	-	-	-
Net cash provided by investing activities	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net increase (decrease) in cash and cash equivalents	13,376	994,281	308,746	354,638
Cash and cash equivalents at beginning of year	<u>555,875</u>	<u>3,244,097</u>	<u>2,374,271</u>	<u>3,572,221</u>
Cash and cash equivalents at end of year	<u>\$ 569,251</u>	<u>\$ 4,238,378</u>	<u>\$ 2,683,017</u>	<u>\$ 3,926,859</u>

<u>Business-type Activities - Enterprise Funds</u>			<u>Governmental Activities - Internal Service Funds</u>
<u>Electric</u>	<u>Sanitation</u>	<u>Total</u>	
\$ 30,537,242	\$ 2,901,856	\$ 49,434,511	\$ 5,898,772
79,519	18,268	176,462	96,147
(3,826,188)	(584,479)	(7,683,938)	(1,241,432)
(23,625,567)	(1,651,603)	(32,779,253)	(1,939,848)
-	-	-	(3,645,748)
(1,340,788)	(31,766)	(1,770,162)	(14,938)
<u>1,824,218</u>	<u>652,276</u>	<u>7,377,620</u>	<u>(847,047)</u>
(18,383)	(2,815)	(39,756)	(2,764)
341,750	41,616	575,193	39,783
3,162,324	283,939	7,668,217	389,704
(3,471,173)	(323,947)	(7,582,371)	(249,791)
<u>14,518</u>	<u>(1,207)</u>	<u>621,283</u>	<u>176,932</u>
8,650	-	30,661	383
(1,088,112)	(22,410)	(2,400,916)	(74,322)
(898,689)	-	(2,978,700)	-
(11,833)	-	(501,496)	-
<u>(1,989,984)</u>	<u>(22,410)</u>	<u>(5,850,451)</u>	<u>(73,939)</u>
-	6	6	-
-	6	6	-
(151,248)	628,665	2,148,458	(744,054)
<u>17,993,420</u>	<u>2,188,806</u>	<u>29,928,690</u>	<u>2,906,810</u>
<u>\$ 17,842,172</u>	<u>\$ 2,817,471</u>	<u>\$ 32,077,148</u>	<u>\$ 2,162,756</u>

(Continued)

**CITY OF WADSWORTH
MEDINA COUNTY, OHIO**

STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS (CONTINUED)
FOR THE YEAR ENDED DECEMBER 31, 2021

	Business-type Activities - Enterprise Funds			
	Storm Water	Telecom	Sewer	Water
Reconciliation of operating income (loss) to net cash provided by (used in) operating activities:				
Operating income (loss)	\$ (88,296)	\$ 1,718,565	\$ 1,571,718	\$ 1,547,539
Adjustments:				
Depreciation	392,411	170,493	1,057,642	744,048
Changes in assets, deferred inflows, liabilities and deferred outflows:				
Accounts receivable	17,534	81,909	42,252	(43,800)
Due from other governments	-	-	-	-
Materials and supplies inventory	-	(29,361)	(2,718)	(20,804)
Deferred outflows - pension	-	90,902	45,887	61,696
Deferred outflows - OPEB	-	81,178	52,496	72,000
Net pension asset	-	(5,897)	(6,063)	(9,325)
Net OPEB asset	-	(84,061)	(76,807)	(113,186)
Prepayments	(1)	7,523	(1,909)	(3,471)
Refundable deposits	(15,184)	(107,206)	(66,190)	(61,936)
Accounts payable	2,150	(35,585)	(7,780)	21,804
Accrued wages and benefits	-	2,339	3,513	6,630
Due to other governments	384	(4,195)	600	(3,942)
Stranded costs payable	-	-	-	-
Compensated absences payable	-	(146,086)	(3,087)	66,424
Net pension liability	-	(273,963)	(203,476)	(272,776)
Net OPEB liability	-	(677,278)	(586,377)	(845,354)
Deferred inflows - pension	-	116,368	84,922	119,991
Deferred inflows - OPEB	(440)	171,340	141,705	203,717
Due to other funds	-	-	-	-
Claims payable	-	-	-	-
Net cash provided by (used in) operating activities	<u>\$ 308,558</u>	<u>\$ 1,076,985</u>	<u>\$ 2,046,328</u>	<u>\$ 1,469,255</u>

Non-cash transactions:

The Storm Water fund received \$2,296,974 in capital contributions in 2021.

The Sewer fund received \$4,218,880 in capital contributions in 2021.

The Water fund received \$292,901 in capital contributions in 2021.

The Electric fund received \$7,483 in capital contributions in 2021.

See accompanying notes to the basic financial statements

<u>Business-type Activities - Enterprise Funds</u>			<u>Governmental Activities - Internal Service Funds</u>
<u>Electric</u>	<u>Sanitation</u>	<u>Total</u>	
\$ 1,826,232	\$ 753,560	\$ 7,329,318	\$ (285,995)
1,539,135	231,891	4,135,620	71,846
860,253	27,168	985,316	63,727
11,622	-	11,622	-
(11,327)	-	(64,210)	(13,291)
245,317	25,194	468,996	15,021
256,165	32,613	494,452	42,477
(24,913)	(4,196)	(50,394)	(9,515)
(324,033)	(51,202)	(649,289)	(107,476)
(17,112)	(2,114)	(17,084)	(11,277)
275,869	(47,730)	(22,377)	-
(497,712)	799	(516,324)	6,526
8,287	3,105	23,874	5,116
(44)	24,008	16,811	(188)
7,803	-	7,803	-
37,804	13,316	(31,629)	25,138
(904,538)	(124,962)	(1,779,715)	(213,131)
(2,505,744)	(383,494)	(4,998,247)	(770,920)
410,062	58,261	789,604	147,681
631,700	96,059	1,244,081	213,879
(608)	-	(608)	-
-	-	-	(26,665)
<u>\$ 1,824,218</u>	<u>\$ 652,276</u>	<u>\$ 7,377,620</u>	<u>\$ (847,047)</u>

**CITY OF WADSWORTH
MEDINA COUNTY, OHIO**

STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUNDS
DECEMBER 31, 2021

	<u>Custodial</u>
Assets:	
Current assets:	
Equity in pooled cash and cash equivalents	\$ 29,323
Cash in segregated accounts	35,312
Accounts receivable	<u>30</u>
Total assets	<u>64,665</u>
Liabilities:	
Due to other governments	<u>46,410</u>
Total liabilities	<u>46,410</u>
Net Position:	
Restricted for individuals, organizations, and other governments	<u><u>\$ 18,255</u></u>

See accompanying notes to the basic financial statements

**CITY OF WADSWORTH
MEDINA COUNTY, OHIO**

STATEMENT OF CHANGES IN
FIDUCIARY NET POSITION
FIDUCIARY FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2021

	Custodial
Additions:	
Fines and forfeitures for other governments	\$ 741,205
Police property collected	106
Total additions	741,311
Deductions:	
Distributions to other governments	741,205
Total deductions	741,205
Change in net position	106
Net position at beginning of year	18,149
Net position at end of year	\$ 18,255

See accompanying notes to the basic financial statements

CITY OF WADSWORTH, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2021

NOTE 1 - DESCRIPTION OF THE CITY

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

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

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

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

The City is associated with the Ohio Municipal Electric Generation Agency Joint Venture 2, 5 and 6 and the Woodlawn Union Cemetery, all of which are joint ventures. The City is also associated with the Municipal Energy Services Agency, which is defined as a jointly governed organization. These organizations are presented in Notes 17 and 18.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

A. Basis of Presentation

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

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

CITY OF WADSWORTH, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2021

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

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

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

B. Fund Accounting

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

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

The following is the City's major governmental fund:

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

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

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

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

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

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

CITY OF WADSWORTH, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2021

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

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

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

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

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

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

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

C. Fund Accounting

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

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

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

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

CITY OF WADSWORTH, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2021

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

D. Basis of Accounting

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

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

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

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

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

In addition to liabilities, both the government-wide statement of net position and the governmental fund financial statements report a separate section for deferred inflows of resources. Deferred inflows of resources represent an acquisition of net position that applies to a future period and will not be recognized as an inflow of resources (revenue) until that time. For the City, deferred inflows of resources include property taxes and unavailable revenue. Property taxes and payments in lieu of taxes represent amounts for which there is an enforceable legal claim as of December 31, 2021, but which were levied to finance 2022 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.

CITY OF WADSWORTH, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2021

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

For the City, See Notes 11 and 12 for deferred inflows of resources related to the City's net pension asset/liability and net OPEB asset/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.

E. Budgetary Data

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

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

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

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

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

CITY OF WADSWORTH, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2021

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

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

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

F. Cash, Cash Equivalents and Investments

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

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

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

Following Ohio statutes, the City has, by ordinance, specified the funds to receive an allocation of interest earnings. During the year, interest revenue credited to the general fund amount to \$118,151 which includes \$97,768 assigned from other City funds.

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

G. Interfund Balances

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

CITY OF WADSWORTH, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2021

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

H. Inventory

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

I. Prepaid Items

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

J. Capital Assets

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

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

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

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

CITY OF WADSWORTH, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2021

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

K. Compensated Absences

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

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

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

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

L. Accrued and Long-Term Obligations

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

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

M. Fund Balance

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

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

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

CITY OF WADSWORTH, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2021

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

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

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

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

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

N. Net Position

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

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

O. Operating Revenues and Expenses

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

P. Contributions of Capital

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

CITY OF WADSWORTH, OHIO

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2021**

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

Q. Interfund Activity

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

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

R. Extraordinary and Special Items

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

S. Estimates

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

T. Bond Premium and Discount/Accounting Gain or Loss

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

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

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

U. Pensions/Other Postemployment Benefits (OPEB)

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

CITY OF WADSWORTH, OHIO

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2021**

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

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

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

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

V. Fair Value Measurements

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

NOTE 3 - ACCOUNTABILITY

Fund balances/net position at December 31, 2021 included the following individual fund deficits:

Nonmajor governmental funds	<u>Deficit</u>
Recreation	\$ 180,999
General obligation bond retirement	70,397
Airport improvements	78,998
Special assessments	9,154
Internal service fund	
Information Technology	598,417

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

CITY OF WADSWORTH, OHIO

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2021**

NOTE 4 - BUDGETARY BASIS OF ACCOUNTING

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

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

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

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

Net Changes in Fund Balance

	<u>General</u>
Budgetary basis	\$ 1,587,730
Net adjustment for revenue accruals	(1,259,242)
Net adjustment for expenditure accruals	2,023,655
Funds with separate legally adopted budgets	415,327
Net adjustment for other sources/uses	68,867
Encumbrances	<u>34,216</u>
GAAP Basis	<u>\$ 2,870,553</u>

CITY OF WADSWORTH, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2021

NOTE 5 - FUND BALANCE

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

Fund balance	General	Nonmajor governmental funds	Total governmental funds
Nonspendable:			
Materials and supplies inventory	\$ 193,742	\$ 478,910	\$ 672,652
Prepayments	98,813	46,637	145,450
Interfund loan receivable	1,706,922	-	1,706,922
Total nonspendable	<u>1,999,477</u>	<u>525,547</u>	<u>2,525,024</u>
Restricted:			
Capital projects	-	3,951,382	3,951,382
Street maintenance	-	2,608,021	2,608,021
Emergency medical services	-	4,520,231	4,520,231
Municipal court	-	921,654	921,654
Law enforcement	-	182,015	182,015
Community improvements	-	354,302	354,302
Community developments	-	96,255	96,255
Fire protection	-	5,019	5,019
Debt service	-	2,902	2,902
Total restricted	<u>-</u>	<u>12,641,781</u>	<u>12,641,781</u>
Committed:			
Capital projects	-	2,912,290	2,912,290
Recreation	-	264,124	264,124
Other	-	452,475	452,475
Total committed	<u>-</u>	<u>3,628,889</u>	<u>3,628,889</u>
Assigned:			
General government	142,807	-	142,807
Security of persons and property	35,647	-	35,647
Leisure time activities	1,278	-	1,278
Subsequent year's appropriations	1,203,310	-	1,203,310
Total assigned	<u>1,383,042</u>	<u>-</u>	<u>1,383,042</u>
Unassigned (deficit)	<u>11,075,682</u>	<u>(342,997)</u>	<u>10,732,685</u>
Total fund balances	<u>\$ 14,458,201</u>	<u>\$ 16,453,220</u>	<u>\$ 30,911,421</u>

CITY OF WADSWORTH, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2021

NOTE 6 - DEPOSITS AND INVESTMENTS

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

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

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

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

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

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

CITY OF WADSWORTH, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2021

NOTE 6 - DEPOSITS AND INVESTMENTS – (Continued)

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

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

A. Deposits with Financial Institutions

At December 31, 2021, the carrying amount of all City deposits was \$63,711,818. As of December 31, 2021, \$9,853,741 of the City’s bank balance of \$64,912,854 was exposed to custodial risk as discussed below, while \$55,059,113 was covered by the FDIC.

Custodial credit risk is the risk that, in the event of bank failure, the City will not be able to recover deposits or collateral securities that are in the possession of an outside party. The City has no deposit policy for custodial credit risk beyond the requirements of State statute. Ohio law requires that deposits either be insured or protected by (1) eligible securities pledged to the City’s and deposited with a qualified trustee by the financial institution as security for repayment whose market value at all times shall be at least 105 percent of the deposits being secured, or (2) participation in the OPCS, a collateral pool of eligible securities deposited with a qualified trustee and pledged to the Treasurer of State to secure the repayment of all public monies deposited in the financial institution. OPCS requires the total market value of the securities pledged to be 102 percent of the deposits being secured or a rate set by the Treasurer of State. For 2021, the City’s financial institutions were approved for a reduced collateral rate of 50 percent through the OPCS. Although all statutory requirements for the deposit of money had been followed, noncompliance with Federal requirements could potentially subject the City to a successful claim by the FDIC.

B. Investments

As of December 31, 2021, the City had the following investments and maturities:

Measurement/investment type	Measurement amount	Percentage of investments	Investment maturities 6 months or less
Amortized cost:			
STAR Ohio	\$ 34,208	56.45%	\$ 34,208
Fair value:			
US government mutual fund	26,396	43.55%	26,396
Total	\$ 60,604	100%	\$ 60,604

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

CITY OF WADSWORTH, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2021

NOTE 6 - DEPOSITS AND INVESTMENTS – (Continued)

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

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

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

NOTE 7 - RECEIVABLES

Receivables at December 31, 2021, consisted of taxes, accounts (billings for user charged services, rents and royalties), income taxes, interfund, special assessments, and intergovernmental receivables arising from grants, entitlements and shared revenues. Accounts, taxes, interfund, special assessments and intergovernmental receivables are deemed collectible in full.

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

Property Taxes

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

Public utility real and tangible personal property taxes collected in one calendar year are levied in the preceding calendar year on assessed values determined as of December 31 of the second year preceding the tax collection year, the lien date. Public utility tangible personal property is assessed at varying percentages of true value; public utility real property is assessed at 35 percent of true value. 2021 public utility property taxes became a lien December 31, 2020, are levied after October 1, 2021, and are collected in 2022 with real property taxes. Public utility property taxes are payable on the same dates as real property taxes described previously.

The County Auditor collects property taxes on behalf of all taxing districts in the County, including the City of Wadsworth. The County Auditor periodically remits to the City its portion of the taxes collected. Property taxes represent real property taxes, public utility taxes, tangible personal property taxes and outstanding delinquencies which are measurable as of December 31, 2021 and for which there is an enforceable legal claim.

CITY OF WADSWORTH, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2021

NOTE 7 - RECEIVABLES - (Continued)

The full tax rate for all City operations for the year ended December 31, 2021 was \$4.90 per \$1,000 of assessed value. The assessed values of real and tangible personal property upon which 2020 property tax receipts were based as follows:

<u>Real property</u>	<u>Assessed value</u>
Residential/agricultural	\$ 465,815,780
Commercial/industrial/mineral	153,781,540
<u>Personal property</u>	
Public utility	1,827,990
Total assessed value	<u>\$ 621,425,310</u>

Income Taxes

The City levies and collects an income tax on taxable income earned within the City as well as taxable incomes earned outside the City. The taxable income rate is 1.4%. For residents working outside the City, the City allows for a credit of income taxes paid to another municipality of up to 1.0%. Employers within the City are required to withhold income tax on employee earnings and remit the tax to the City at least quarterly. Income tax collections for 2021 and prior years received 60 days after year-end have been recognized as revenue in 2021. Corporations and individual taxpayers are also billed for their estimated taxes quarterly. They must pay at least 90% by January 15th and must file an annual return by April 15th.

Income tax revenues are distributed, as needed, to the various funds of the City pursuant to Council ordinance. In 2021, income tax revenues were distributed to the following funds: the general fund, the recreation and street maintenance special revenue funds, the general obligation bond retirement debt service fund and the general capital improvements, and street improvement capital projects funds.

In 2011, the voters of the City increased the income tax rate from 1.3% to 1.4%, effective January 1, 2012. This increase is for a ten year period and to be used for street improvements. In November 2021, the voters of the City voted to renew the .1% income tax rate for an additional ten years, effective January 1, 2022.

Due from other governments

A summary of due from other governments follows:

Governmental activities	<u>Amounts</u>
Local government and local government revenue assistance	\$ 231,968
Homestead and rollback	154,447
Gasoline and excise Tax	552,014
Motor vehicle license fees	78,202
Permissive motor vehicle license tax	22,127
Grants	339,863
Other	72,964
Total	<u>\$ 1,451,585</u>

CITY OF WADSWORTH, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2021

NOTE 7 - RECEIVABLES - (Continued)

Special assessments

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

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

Special assessments receivable at December 31, 2021 was \$1,399,265.

NOTE 8 - TAX ABATEMENTS

As of December 31, 2021, the City provides tax abatements through Community Reinvestment Area (CRA). This program relates to the abatement of property taxes.

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

The City has eight agreements to abate property taxes through this program. During 2021, the City’s property tax revenues were reduced as a result of these agreements as follows:

Purpose	Percentage of taxes abated during the fiscal year	Amount of taxes abated during the fiscal year	Term
Expansion for warehousing and office space	40%	\$ 786	6 years
Expansion for warehouse space	50%	\$ 3,178	9 years
Expansion for R&D and office space	70%	\$ 2,877	10 years
Expansion for warehousing, distribution, and office space	50%	\$ 4,510	10 years
Expansion for manufacturing	50%	\$ 2,102	12 years
Expansion for manufacturing and warehousing	60%	\$ 2,493	12 years
Senior living facility	90%	\$ 13,483	11 years

CITY OF WADSWORTH, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2021

NOTE 9 - RISK MANAGEMENT

A. Liability Insurance

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

1. Blanket building and personal property insurance, with a \$2,500 deductible and a \$77,394,714 limit on buildings and property in the open and business personal property.
2. Vehicle liability insurance with physical damage and comprehensive subject to a \$1,000,000 limit per accident or loss. Comprehensive deductibles are \$2,000 for fire trucks, \$1,000 for ambulances, and \$500 for other vehicles.
3. Law enforcement liability coverage with a \$1,000,000 limit for each person/wrongful act/annual aggregate and a \$10,000 deductible for each Law Enforcement Wrongful Act.
4. Public officials' liability coverage with a \$1,000,000 for each claim/each aggregate and a \$10,000 deductible per 'claim'.
5. Umbrella liability coverage of \$10,000,000 per occurrence/aggregate.

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

B. Workers' Compensation

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

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

The City's third party administrator (TPA) is Sedgwick Inc. The claims liability reported in the workers' comp internal service fund at December 31, 2021 of \$93,827, is based on the requirements of GASB statement No. 30 which requires that a liability for unpaid claims costs, including estimates of costs relating to incurred but not reported claims, be reported. The estimate was not affected by incremental claim adjustment expenses and does not include other allocated or unallocated claim adjustment expenses. A summary of the fund's claims liability during the past two years is as follows:

		<u>Balance at</u> <u>beginning of year</u>		<u>Current year</u> <u>claims</u>		<u>Claims</u> <u>payments</u>		<u>Balance at</u> <u>end of year</u>
2021	\$	31,124	\$	113,225	\$	(50,522)	\$	93,827
2020		75,974		27,663		(72,513)		31,124

CITY OF WADSWORTH, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2021

NOTE 9 - RISK MANAGEMENT - (Continued)

C. Health Insurance

The City has elected to provide employee medical, prescription, dental, and vision benefits through a self-insurance program with a Stop Loss Policy to insure against specific and aggregate losses. The City maintains a Self-Insurance Fund, to account for and finance its risk of loss. The specific stop loss amount is \$150,000 with a maximum claims aggregate of \$4,629,730. The aggregate amount is generally calculated on 120.0% of the expected claims.

The Fund is financed by assessing City departments the amount necessary to pay all costs and maintain a reasonable carryover balance. As of December 31, 2021, the Departments were assessed per each employee per month at the rate of \$800 per individual coverage and \$1,400 per family coverage. Following the health insurance renewal on September 1, 2021, non-bargaining employee contributions per bi-weekly pay period were \$30 for single coverage and \$60 for family coverage. Some bargaining unit employees pay a contribution rate at \$56.33 for single coverage and \$122.90 for family coverage. Other bargaining unit employees contribute \$65.72 for single coverage and \$143.38 for family coverage. Health coverage (i.e., medical and prescription) was administered by Medical Mutual. Dental coverage was provided through Delta Dental.

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

The Dental Plan is subject to a \$25 deductible and no co-payment, with a maximum coverage of \$1,000 annually.

The City also provides prescription drug insurance to its employees through the self-insurance program. The plan pays the cost of prescriptions with a required co-payment of \$30 Tier 1 drugs, \$60 for Tier 2 drugs and \$120 for Tier 3 drugs at a retail pharmacy or through the mail order system.

The claims liability of \$370,470 reported in the self-insurance fund at December 31, 2021 is based on the requirements of GASB Statement No. 10 “Accounting and Financial Reporting for Risk Financing and Related Insurance Services” which requires that a liability for unpaid claim costs, including estimates of costs relating to incurred, but not reported claims, be reported. The claims liability is based on an estimate supplied by the City’s third party administrator. This estimate was not affected by incremental claim adjustment expenses and does not include other allocated or unallocated claim adjustment expenses. A summary of the fund’s claims liability during the past two years is as follows:

		Balance at <u>beginning of year</u>		Current year <u>claims</u>		Claims <u>payments</u>		Balance at <u>end of year</u>
2021	\$	459,838	\$	3,505,858	\$	(3,595,226)	\$	370,470
2020		428,667		2,748,856		(2,717,685)		459,838

CITY OF WADSWORTH, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2021

NOTE 10 - CAPITAL ASSETS

Governmental activities capital asset activity for the year ended December 31, 2021, was as follows.

	Balance 1/1/21	Additions	Reductions	Balance 12/31/21
Governmental activities:				
Capital assets, not being depreciated				
Land	\$ 5,688,911	\$ 239,087	\$ -	\$ 5,927,998
Intangible asset, not depreciated	4,204,211	451,660	-	4,655,871
Construction in progress	5,920,528	654,675	(5,265,309)	1,309,894
Total capital assets, not being depreciated	<u>15,813,650</u>	<u>1,345,422</u>	<u>(5,265,309)</u>	<u>11,893,763</u>
Capital assets, being depreciated				
Intangible assets	19,420,928	-	-	19,420,928
Land improvements	3,908,097	1,120,138	-	5,028,235
Buildings and improvements	10,301,851	81,868	(11,054)	10,372,665
Equipment	3,080,133	207,939	(209,627)	3,078,445
Vehicles	6,567,589	141,315	(146,590)	6,562,314
Infrastructure	28,650,179	11,250,159	(986,966)	38,913,372
Total capital assets, being depreciated	<u>71,928,777</u>	<u>12,801,419</u>	<u>(1,354,237)</u>	<u>83,375,959</u>
Accumulated depreciation:				
Intangible assets	(3,560,429)	(399,551)	-	(3,959,980)
Land improvements	(1,519,787)	(143,408)	-	(1,663,195)
Buildings and improvements	(4,887,822)	(248,882)	6,632	(5,130,072)
Equipment	(2,125,411)	(135,881)	145,323	(2,115,969)
Vehicles	(4,294,845)	(320,216)	128,040	(4,487,021)
Infrastructure	(9,605,354)	(1,242,769)	728,934	(10,119,189)
Total accumulated depreciation	<u>(25,993,648)</u>	<u>(2,490,707)</u>	<u>1,008,929</u>	<u>(27,475,426)</u>
Total capital assets, being depreciated, net	<u>45,935,129</u>	<u>10,310,712</u>	<u>(345,308)</u>	<u>55,900,533</u>
Governmental capital assets, net	<u>\$ 61,748,779</u>	<u>\$ 11,656,134</u>	<u>\$ (5,610,617)</u>	<u>\$ 67,794,296</u>

Depreciation expense was charged to governmental activities as follows:

Governmental activities:	
General government	\$ 669,348
Security of persons and property	277,700
Transportation	1,290,646
Leisure time services	181,167
Internal service funds	71,846
Total depreciation expense	<u>\$ 2,490,707</u>

CITY OF WADSWORTH, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2021

NOTE 10 - CAPITAL ASSETS - (Continued)

Business-type activities capital asset activity for the year ended December 31, 2021, was as follows:

	Balance 1/1/21	Additions	Reductions	Balance 12/31/21
Business-type activities:				
Capital assets, not being depreciated				
Land	\$ 709,335	\$ 36,069	\$ (804)	\$ 744,600
Intangible asset, not depreciated	340,266	7,483	-	347,749
Construction in progress	862,641	798,262	(1,329,395)	331,508
Total capital assets, not being depreciated	<u>1,912,242</u>	<u>841,814</u>	<u>(1,330,199)</u>	<u>1,423,857</u>
Capital assets, being depreciated				
Intangible assets	745,538	-	-	745,538
Land improvements	195,269	22,410	-	217,679
Buildings and improvements	19,562,322	59,474	(1,824)	19,619,972
Equipment	15,521,016	241,799	(172,763)	15,590,052
Vehicles	7,739,508	251,461	(203,956)	7,787,013
Infrastructure	114,797,854	8,984,858	(800,774)	122,981,938
Total capital assets, being depreciated	<u>158,561,507</u>	<u>9,560,002</u>	<u>(1,179,317)</u>	<u>166,942,192</u>
Accumulated depreciation:				
Intangible assets	(451,902)	(74,554)	-	(526,456)
Land improvements	(35,718)	(9,031)	-	(44,749)
Buildings and improvements	(7,447,945)	(406,892)	1,824	(7,853,013)
Equipment	(7,819,207)	(683,099)	149,430	(8,352,876)
Vehicles	(4,228,343)	(514,603)	192,956	(4,549,990)
Infrastructure	(52,753,543)	(2,447,441)	599,212	(54,601,772)
Total accumulated depreciation	<u>(72,736,658)</u>	<u>(4,135,620)</u>	<u>943,422</u>	<u>(75,928,856)</u>
Total capital assets, being depreciated, net	<u>85,824,849</u>	<u>5,424,382</u>	<u>(235,895)</u>	<u>91,013,336</u>
Business-type activities capital assets, net	<u>\$ 87,737,091</u>	<u>\$ 6,266,196</u>	<u>\$ (1,566,094)</u>	<u>\$ 92,437,193</u>

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

Business-type activities:	
Storm Water	\$ 392,411
Telecom	170,493
Sewer	1,057,642
Water	744,048
Electric	1,539,135
Sanitation	231,891
Total depreciation expense	<u>\$ 4,135,620</u>

CITY OF WADSWORTH, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2021

NOTE 10 - CAPITAL ASSETS - (Continued)

During 2021, capital assets were transferred from the storm water and sanitation funds to governmental activities in the amount of \$20,412. The information technology internal service fund also transferred assets in the amount of \$62,487 to telecom and electric funds during the year.

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

The remaining amortization schedule is as follows:

Year Ending December 31	Governmental activities
2022	\$ 365,800
2023	365,800
2024	365,800
2025	365,800
2026	365,800
2027-2031	1,829,000
2032-2036	1,829,000
2037-2041	1,829,000
2042-2046	1,829,000
2047-2051	1,829,000
2052-2056	1,829,000
2057-2061	1,829,000
Total	\$ 14,632,000

NOTE 11 - 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/asset

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/asset 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.

CITY OF WADSWORTH, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2021

NOTE 11 - DEFINED BENEFIT PENSION PLANS - (Continued)

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.

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/OPEB liability/asset on the accrual basis of accounting. Any liability for the contractually-required pension/OPEB contribution outstanding at the end of the year is included in pension and postemployment benefits payable on both the accrual and modified accrual basis of accounting.

The remainder of this note includes the pension disclosures. See Note 12 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 Annual Report referenced above for additional information, including requirements for reduced and unreduced benefits):

CITY OF WADSWORTH, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2021

NOTE 11 - DEFINED BENEFIT PENSION PLANS (Continued)

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

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

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

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

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

CITY OF WADSWORTH, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2021

NOTE 11 - DEFINED BENEFIT PENSION PLANS - (Continued)

Options include the annuitization of the benefit (which includes joint and survivor options), partial lump-sum payments(subject to limitations), a rollover of the vested account balance to another financial institution, receipt of entire account balance, net of taxes withheld, or a combination of these options. When members choose to annuitize their defined contribution benefit, the annuitized portion of the benefit is reclassified to a defined benefit.

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
2021 Statutory maximum contribution rates	
Employer	14.0%
Employee*	10.0%
 2021 Actual contribution rates	
Employer:	
Pension	14.0%
Post-employment health care benefits**	0.00%
Total Employer	14.0%

*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 \$1,554,210 for 2021. Of this amount, \$31,414 is reported as due to other governments.

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

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

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

CITY OF WADSWORTH, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2021

NOTE 11 - DEFINED BENEFIT PENSION PLANS - (Continued)

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.

The annual pension benefit for normal service retirement is equal to a percentage of the allowable average annual salary. The percentage equals 2.5% 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 Annual Comprehensive 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.

The COLA amount for members who have 15 or more years of service credit as of July 1, 2013, and members who are receiving a pension benefit that became effective before July 1, 2013, will be equal to 3.00% of the member's base pension benefit.

The COLA amount for members who have less than 15 years of service credit as of July 1, 2013, and members whose pension benefit became effective on or after July 1, 2013, will be equal to a percentage of the member's base pension benefit where the percentage is the lesser of 3.00% or the percentage increase in the consumer price index, if any, over the twelve-month period that ends on the thirtieth day of September of the immediately preceding year, rounded to the nearest one-tenth of one percent.

Members who retired prior to July 24, 1986, or their surviving beneficiaries under optional plans are entitled to cost-of-living allowance increases. The annual increase is paid on July 1st of each year. The annual COLA increase is \$360 under a Single Life Annuity Plan with proportional reductions for optional payment plans.

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

	Police	Firefighters
2021 Statutory maximum contribution rates		
Employer	19.50%	24.00%
Employee	12.25%	12.25%
2021 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%

CITY OF WADSWORTH, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2021

NOTE 11 - DEFINED BENEFIT PENSION PLANS - (Continued)

Employer contribution rates are expressed as a percentage of covered payroll. The City's contractually required contribution to OP&F was \$692,685 for 2021. Of this amount, \$13,097 is reported as due to other governments.

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

The net pension liability and net pension asset for OPERS was measured as of December 31, 2020, 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, 2020, and was determined by rolling forward the total pension liability as of January 1, 2020, to December 31, 2020. The City's proportion of the net pension liability or asset was based on the City's share of contributions to the pension plan relative to the contributions of all participating entities.

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

	OPERS - Traditional	OPERS - Combined	OPERS - Member - Directed	OP&F	Total
Proportion of the net pension liability/asset prior to measurement date	0.0741960%	0.1006500%	0.0379220%	0.1299072%	
Proportion of the net pension liability/asset current measurement date	<u>0.0759100%</u>	<u>0.1081560%</u>	<u>0.0385010%</u>	<u>0.1312174%</u>	
Change in proportionate share	<u>0.0017140%</u>	<u>0.0075060%</u>	<u>0.0005790%</u>	<u>0.0013102%</u>	
Proportionate share of the net pension liability	\$ 11,240,618	\$ -	\$ -	\$ 8,945,208	\$ 20,185,826
Proportionate share of the net pension asset	-	(312,208)	(7,018)	-	(319,226)
Pension expense	372,186	7,361	(5,034)	932,919	1,307,432

At December 31, 2021, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	OPERS - Traditional	OPERS - Combined	OPERS - Member - Directed	OP&F	Total
Deferred outflows of resources					
Differences between expected and actual experience	\$ -	\$ -	\$ 4,820	\$ 373,938	\$ 378,758
Changes of assumptions	-	19,499	200	150,017	169,716
Changes in employer's proportionate percentage/difference between employer contributions	324,299	-	-	147,505	471,804
Contributions subsequent to the measurement date	<u>1,459,090</u>	<u>68,721</u>	<u>26,399</u>	<u>692,685</u>	<u>2,246,895</u>
Total deferred outflows of resources	<u>\$ 1,783,389</u>	<u>\$ 88,220</u>	<u>\$ 31,419</u>	<u>\$ 1,364,145</u>	<u>\$ 3,267,173</u>

CITY OF WADSWORTH, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2021

NOTE 11 - DEFINED BENEFIT PENSION PLANS - (Continued)

	OPERS - Traditional	OPERS - Combined	OPERS - Member - Directed	OP&F	Total
Deferred inflows of resources					
Differences between expected and actual experience	\$ 470,205	\$ 58,902	\$ -	\$ 348,480	\$ 877,587
Differences between projected and actual earnings on pension plan investments	4,381,262	46,429	768	433,904	4,862,363
Changes in employer's proportionate percentage/difference between employer contributions	32,356	-	-	132,951	165,307
Total deferred outflows of resources	<u>\$ 4,883,823</u>	<u>\$ 105,331</u>	<u>\$ 768</u>	<u>\$ 915,335</u>	<u>\$ 5,905,257</u>

\$2,246,895 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, 2022.

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

	OPERS - Traditional	OPERS - Combined	OPERS - Member - Directed	OP&F	Total
Year Ending December 31:					
2022	\$ (1,636,168)	\$ (22,356)	\$ 537	\$ 19,321	\$ (1,638,666)
2023	(539,864)	(14,199)	652	145,494	(407,917)
2024	(1,785,951)	(24,908)	475	(398,823)	(2,209,207)
2025	(597,541)	(11,586)	581	(33,620)	(642,166)
2026	-	(4,963)	604	23,753	19,394
Thereafter	-	(7,820)	1,403	-	(6,417)
Total	<u>\$ (4,559,524)</u>	<u>\$ (85,832)</u>	<u>\$ 4,252</u>	<u>\$ (243,875)</u>	<u>\$ (4,884,979)</u>

Actuarial Assumptions - OPERS

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

CITY OF WADSWORTH, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2021

NOTE 11 - DEFINED BENEFIT PENSION PLANS - (Continued)

Projections of benefits for financial-reporting purposes are based on the substantive plan (the plan as understood by the employers and plan members) and include the types of benefits provided at the time of each valuation. The total pension liability was determined by an actuarial valuation as of December 31, 2020, 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, 2020, are presented below.

Wage inflation	3.25%
Future salary increases, including inflation	3.25% to 10.75% including wage inflation
COLA or ad hoc COLA	Pre 1/7/2013 retirees: 3.00%, simple Post 1/7/2013 retirees: 0.50%, simple through 2021, 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 2020, the OPERS Board adopted a change in COLA for Post-January 7, 2013 retirees, changing it from 1.40% simple through 2020 then 2.15% simple to 0.50% simple through 2021 then 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 2020, 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 11.7% for 2020.

CITY OF WADSWORTH, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2021

NOTE 11 - DEFINED BENEFIT PENSION PLANS - (Continued)

The allocation of investment assets with the Defined Benefit portfolio is approved by the Board of Trustees as outlined in the annual investment plan. Plan assets are managed on a total return basis with a long-term objective of achieving and maintaining a fully funded status for the benefits provided through the defined benefit pension plans. The long-term expected rate of return on defined benefit investment assets was determined using a building-block method in which best-estimate ranges of expected future real rates of return are developed for each major asset class. These ranges are combined to produce the long-term expected real rate of return by weighting the expected future real rates of return by the target asset allocation percentage, adjusted for inflation. Best estimates of arithmetic real rates of return were provided by the Board's investment consultant. For each major asset class that is included in the Defined Benefit portfolio's target asset allocation as of December 31, 2020, these best estimates are summarized in the following table:

Asset class	Target allocation	Weighted average long-term expected real rate of return (arithmetic)
Fixed income	25.00%	1.32%
Domestic equities	21.00	5.64
Real estate	10.00	5.39
Private equity	12.00	10.42
International equities	23.00	7.36
Other investments	9.00	4.75
Total	<u>100.00%</u>	<u>5.43%</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, 2020 was 7.20%. The projection of cash flows used to determine the discount rate assumed that contributions from plan members and those of the contributing employers are made at the contractually required rates, as actuarially determined. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefits payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments for the Traditional Pension Plan, Combined Plan and Member-Directed Plan was applied to all periods of projected benefit payments to determine the total pension liability.

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

	1% decrease	Current discount rate	1% increase
City's proportionate share of the net pension liability (asset):			
Traditional Pension Plan	\$ 21,441,539	\$ 11,240,618	\$ 2,758,569
Combined Plan	(217,394)	(312,208)	(382,872)
Member-Directed Plan	(6,160)	(7,018)	(7,700)

CITY OF WADSWORTH, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2021

NOTE 11 - DEFINED BENEFIT PENSION PLANS - (Continued)

Actuarial Assumptions – OP&F

OP&F’s total pension liability as of December 31, 2020, is based on the results of an actuarial valuation date of January 1, 2020, and rolled-forward using generally accepted actuarial procedures. The total pension liability is determined by OP&F’s actuaries in accordance with GASB Statement No. 67, as part of their annual valuation. Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about probability of occurrence of events far into the future. Examples include assumptions about future employment mortality, salary increases, disabilities, retirements and employment terminations. Actuarially determined amounts are subject to continual review and potential modifications, as actual results are compared with past expectations and new estimates are made about the future. Assumptions considered were: withdrawal rates, disability retirement, service retirement, DROP elections, mortality, percent married and forms of the payment, DROP interest rate, CPI-based COLA, investment returns, salary increases and payroll growth.

Key methods and assumptions used in calculating the total pension liability in the latest actuarial valuation, prepared as of January 1, 2021 are presented below.

Valuation date	1/1/20 with actuarial liabilities rolled forward to 12/31/20
Actuarial cost method	Entry age normal (level percent of payroll)
Investment rate or return	8.00%
Projected salary increases	3.75% - 10.50%
Payroll increases	3.25% per annum, compounded annually, consisting of inflation rate of 2.75%, plus productivity increase rate of 0.50%
Cost of living adjustments	2.20% per year simple

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

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

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

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

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

CITY OF WADSWORTH, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2021

NOTE 11 - DEFINED BENEFIT PENSION PLANS - (Continued)

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

Best estimates of the long-term expected geometric real rates of return for each major asset class included in OP&F's target asset allocation as of December 31, 2020 are summarized below:

Asset class	Target allocation	Long term expected real rate of return **
Cash and cash equivalents	0.00%	0.00%
Domestic equity	21.00	4.10
Non-U.S. equity	14.00	4.80
Private markets	8.00	6.40
Core fixed income *	23.00	0.90
High yield fixed income	7.00	3.00
Private credit	5.00	4.50
U.S. inflation linked bonds*	17.00	0.70
Midstream energy infrastructure	5.00	5.60
Real assets	8.00	5.80
Gold	5.00	1.90
Private real estate	12.00	5.30
Total	125.00%	

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 1.25 times due to the application of leverage in certain fixed income asset classes.

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

CITY OF WADSWORTH, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2021

NOTE 11 - DEFINED BENEFIT PENSION PLANS - (Continued)

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

	1% decrease	Current discount rate	1% increase
City's proportionate share of the net pension liability	\$ 12,452,875	\$ 8,945,208	\$ 6,009,645

NOTE 12 - DEFINED BENEFIT OPEB PLANS

Net OPEB liability/Asset

See Note 11 for a description of the net OPEB liability/asset.

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. Currently, Medicare-eligible retirees are able to select medical and prescription drug plans from a range of options and may elect optional vision and dental plans. Retirees and eligible dependents enrolled in Medicare Parts A and B have the option to enroll in a Medicare supplemental plan with the assistance of the OPERS Medicare Connector. The OPERS Medicare Connector is a relationship with a vendor selected by OPERS to assist retirees, spouses and dependents with selecting a medical and pharmacy plan. Monthly allowances, based on years of service and the age at which the retiree first enrolled in OPERS coverage, are deposited into an HRA. For non-Medicare retirees and eligible dependents, OPERS sponsors medical and prescription coverage through a professionally managed self-insured plan. An allowance to offset a portion of the monthly premium is offered to retirees and eligible dependents. The allowance is based on the retiree's years of service and age when they first enrolled in OPERS coverage.

CITY OF WADSWORTH, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2021

NOTE 12 - DEFINED BENEFIT OPEB PLANS - (Continued)

Medicare-eligible retirees who choose to become re-employed or survivors who become employed in an OPERS-covered position are prohibited from participating in an HRA. For this group of retirees, OPERS sponsors secondary coverage through a professionally managed self-insured program. Retirees who enroll in this plan are provided with a monthly allowance to offset a portion of the monthly premium. Medicare-eligible spouses and dependents can also enroll in this plan as long as the retiree is enrolled.

OPERS provides a monthly allowance for health care coverage for eligible retirees and their eligible dependents. The base allowance is determined by OPERS.

The health care 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 separation, member directed plan participants may be eligible for reimbursement of qualified medical expenses from their vested RMA balance.

Effective January 1, 2022, OPERS will discontinue the group plans currently offered to non-Medicare retirees and re-employed retirees. Instead, eligible non-Medicare retirees will select an individual medical plan. OPERS will provide a subsidy or allowance via an HRA allowance to those retirees who meet health care eligibility requirements. Retirees will be able to seek reimbursement for plan premiums and other qualified medical expenses.

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 with a minimum age of 60, or generally 30 years of qualifying service at any age. Health care coverage for disability benefit recipients and qualified survivor benefit recipients is available. Current retirees eligible (or who become eligible prior to January 1, 2022) to participate in the OPERS health care program will continue to be eligible after January 1, 2022. Eligibility requirements will change for those retiring after January 1, 2022, with differing eligibility requirements for Medicare retirees and non-Medicare retirees. The health care coverage provided by OPERS meets the definition of an Other Post Employment Benefit (OPEB) as described in GASB Statement 75. See OPERS' Annual Comprehensive Financial Report referenced below for additional information.

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

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

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

Employer contribution rates are expressed as a percentage of the earnable salary of active members. In 2021, 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. For 2021, OPERS did not allocate any employer contribution to health care for members in the Traditional Pension Plan and Combined Plan. 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 2021 was 4.00%.

CITY OF WADSWORTH, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2021

NOTE 12 - DEFINED BENEFIT OPEB PLANS - (Continued)

Employer contribution rates are actuarially determined and are expressed as a percentage of covered payroll. The City's contractually required contribution was \$10,560 for 2021. Of this amount, \$213 is reported as due to other governments.

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

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

OP&F contracted with a vendor who assists eligible retirees in choosing health care plans that are available where they live (both Medicare-eligible and pre-65 populations). A stipend funded by OP&F is available to these members through a Health Reimbursement Arrangement and can be used to reimburse retirees for qualified health care expenses.

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.

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

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 2021, 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.

CITY OF WADSWORTH, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2021

NOTE 12 - DEFINED BENEFIT OPEB PLANS - (Continued)

The City's contractually required contribution to OP&F was \$17,169 for 2021. Of this amount, \$325 is reported due to other governments.

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

The net OPEB liability/asset and total OPEB liability for OPERS were determined by an actuarial valuation as of December 31, 2019, rolled forward to the measurement date of December 31, 2020, 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, 2020, and was determined by rolling forward the total OPEB liability as of January 1, 2020, to December 31, 2020. 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.

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	0.07355600%	0.12990720%	
Proportion of the net OPEB liability current measurement date	<u>0.07537500%</u>	<u>0.13121740%</u>	
Change in proportionate share	<u>0.00181900%</u>	<u>0.00131020%</u>	
Proportionate share of the net OPEB liability	\$ -	\$ 1,390,270	\$ 1,390,270
Proportionate share of the net OPEB asset	(1,342,865)	-	(1,342,865)
OPEB expense	(8,062,709)	103,335	(7,959,374)

CITY OF WADSWORTH, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2021

NOTE 12 - DEFINED BENEFIT OPEB PLANS - (Continued)

At December 31, 2021, 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			
Changes of assumptions	\$ 660,168	\$ 768,049	\$ 1,428,217
Changes in employer's proportionate percentage/difference between employer contributions	205,037	17,853	222,890
Contributions subsequent to the measurement date	<u>10,559</u>	<u>17,169</u>	<u>27,728</u>
Total deferred outflows of resources	<u>\$ 875,764</u>	<u>\$ 803,071</u>	<u>\$ 1,678,835</u>
	<u>OPERS</u>	<u>OP&F</u>	<u>Total</u>
Deferred inflows of resources			
Differences between expected and actual experience	\$ 1,211,930	\$ 229,319	\$ 1,441,249
Net difference between projected and actual earnings on OPEB plan investments	715,229	51,666	766,895
Changes of assumptions	2,175,845	221,635	2,397,480
Changes in employer's proportionate percentage/difference between employer contributions	<u>22,458</u>	<u>106,103</u>	<u>128,561</u>
Total deferred inflows of resources	<u>\$ 4,125,462</u>	<u>\$ 608,723</u>	<u>\$ 4,734,185</u>

\$27,728 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, 2022.

CITY OF WADSWORTH, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2021

NOTE 12 - DEFINED BENEFIT OPEB PLANS - (Continued)

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

	OPERS	OP&F	Total
Year Ending December 31:			
2022	\$ (1,655,488)	\$ 30,252	\$ (1,625,236)
2023	(1,209,684)	42,484	(1,167,200)
2024	(310,808)	23,200	(287,608)
2025	(84,277)	34,461	(49,816)
2026	-	23,015	23,015
Thereafter	-	23,767	23,767
Total	\$ (3,260,257)	\$ 177,179	\$ (3,083,078)

Actuarial Assumptions - OPERS

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

Projections of health care costs for financial reporting purposes are based on the substantive plan and include the types of coverage provided at the time of each valuation and the historical pattern of sharing of costs between OPERS and plan members. The total OPEB liability was determined by an actuarial valuation as of December 31, 2019, rolled forward to the measurement date of December 31, 2020. The actuarial valuation used the following actuarial assumptions applied to all prior periods included in the measurement in accordance with the requirements of GASB 74:

Wage inflation	3.25%
Projected salary increases, including inflation	3.25 to 10.75% including wage inflation
Single discount rate:	
Current measurement date	6.00%
Prior measurement date	3.16%
Investment rate of return	
Current measurement date	6.00%
Prior measurement date	6.00%
Municipal bond rate	
Current measurement date	2.00%
Prior measurement date	2.75%
Health care cost trend rate	
Current measurement date	8.50% initial, 3.50% ultimate in 2035
Prior measurement date	10.50% initial, 3.50% ultimate in 2030
Actuarial cost method	Individual entry age

CITY OF WADSWORTH, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2021

NOTE 12 - DEFINED BENEFIT OPEB PLANS - (Continued)

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

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

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

During 2020, 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 10.50% for 2020.

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, 2020, these best estimates are summarized in the following table:

CITY OF WADSWORTH, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2021

NOTE 12 - DEFINED BENEFIT OPEB PLANS - (Continued)

Asset class	Target allocation	Weighted average long-term expected real rate of return (arithmetic)
Fixed income	34.00%	1.07%
Domestic equities	25.00	5.64
Real estate investment trust	7.00	6.48
International equities	25.00	7.36
Other investments	9.00	4.02
Total	100.00%	4.43%

Discount Rate - A single discount rate of 6.00% was used to measure the total OPEB liability on the measurement date of December 31, 2020. 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) a 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 the actuarial assumed rate of return on the health care investment portfolio of 6.00% and a municipal bond rate of 2.00%. 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 the year 2120. As a result, the actuarial assumed long-term expected rate of return on health care investments was applied to projected costs through the year 2120, the duration of the projection period through which projected health care payments are fully funded.

Change in Benefit Terms - On January 15, 2020, the Board approved several changes to the health care plan offered to Medicare and non-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 non-Medicare retirees with monthly allowances, similar to the program for Medicare retirees. These changes are not reflected in the current year financial statements, however, they are reflected in the December 31, 2020 measurement date health care valuation. These changes significantly decreased the total OPEB liability for the measurement date December 31, 2020.

Sensitivity of the City's Proportionate Share of the Net OPEB Asset to Changes in the Discount Rate - The following table presents the proportionate share of the net OPEB asset calculated using the single discount rate of 6.00%, 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 (5.00%) or one-percentage-point higher (7.00%) than the current rate:

	1% decrease	Current discount rate	1% increase
City's proportionate share of the net OPEB asset	\$ 333,911	\$ 1,342,865	\$ 2,172,308

Sensitivity of the City's Proportionate Share of the Net OPEB Asset 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 asset. The following table presents the net OPEB asset calculated using the assumed trend rates, and the expected net OPEB asset if it were calculated using a health care cost trend rate that is 1.00% lower or 1.00% higher than the current rate.

CITY OF WADSWORTH, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2021

NOTE 12 - DEFINED BENEFIT OPEB PLANS - (Continued)

Retiree health care valuations use a health care cost-trend assumption that changes over several years built into the assumption. The near-term rates reflect increases in the current cost of health care; the trend starting in 2021 is 8.50%. 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 asset	\$ 1,375,594	\$ 1,342,865	\$ 1,306,249

Actuarial Assumptions – OP&F

OP&F's total OPEB liability as of December 31, 2020, is based on the results of an actuarial valuation date of January 1, 2020, and rolled-forward using generally accepted actuarial procedures. The total OPEB liability is determined by OP&F's actuaries in accordance with GASB Statement No. 74, as part of their annual valuation. Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, salary increases, disabilities, retirements and employment terminations. Actuarially determined amounts are subject to continual review and potential modifications, as actual results are compared with past expectations and new estimates are made about the future.

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

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

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

CITY OF WADSWORTH, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2021

NOTE 12 - DEFINED BENEFIT OPEB PLANS - (Continued)

Valuation date	January 1, 2020, with actuarial liabilities rolled forward to December 31, 2020
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	2.96%
Prior measurement date	3.56%
Cost of living adjustments	2.20% simple per year

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 WADSWORTH, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2021

NOTE 12 - DEFINED BENEFIT OPEB PLANS - (Continued)

Best estimates of the long-term expected geometric real rates of return for each major asset class included in OP&F's target asset allocation as of December 31, 2020, are summarized below:

Asset class	Target Allocation	Long-term expected real rate of return**
Cash and cash equivalents	0.00%	0.00%
Domestic equity	21.00	4.10
Non-U.S. equity	14.00	4.80
Private markets	8.00	6.40
Core fixed income *	23.00	0.90
High yield fixed income	7.00	3.00
Private credit	5.00	4.50
U.S. inflation linked bonds*	17.00	0.70
Midstream energy infrastructure	5.00	5.60
Real assets	8.00	5.80
Gold	5.00	1.90
Private real estate	12.00	5.30
Total	125.00%	

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 1.25 times due to the application of leverage in certain fixed income asset classes.

Discount Rate - For 2020, the total OPEB liability was calculated using the discount rate of 2.96%. For 2019, the total OPEB liability was calculated using the discount rate of 3.56%. 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 2.12% at December 31, 2020 and 2.75% at December 31, 2019, was blended with the long-term rate of 8.00%, which resulted in a blended discount rate of 2.96% for 2020 and 3.56% for 2019. The municipal bond rate was determined using the Bond Buyers General Obligation 20-year Municipal Bond Index Rate. The OPEB plan's fiduciary net position was projected to be available to make all projected OPEB payments until 2034. The long-term expected rate of return on health care investments was applied to projected costs through 2034, and the municipal bond rate was applied to all health care costs after that date.

CITY OF WADSWORTH, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2021

NOTE 12 - DEFINED BENEFIT OPEB PLANS - (Continued)

Sensitivity of the City's Proportionate Share of the Net OPEB Liability to Changes in the Discount Rate - Net OPEB liability is sensitive to changes in the discount rate, and to illustrate the potential impact the following table presents the net OPEB liability calculated using the discount rate of 2.96%, as well as what the net OPEB liability would be if it were calculated using a discount rate that is one percentage point lower (1.96%), or one percentage point higher (3.96%) than the current rate.

	<u>1% decrease</u>	<u>Current discount rate</u>	<u>1% increase</u>
City's proportionate share of the net OPEB liability	\$ 1,733,587	\$ 1,390,270	\$ 1,107,073

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

NOTE 13 - COMPENSATED ABSENCES

City employees earn vacation, compensatory time and sick leave at varying rates depending on length of service and department policy. All accumulated, unused vacation time is paid upon separation if the employee has acquired at least one year of service with the City. All accumulated, unused compensatory time is paid regardless of years of service. Accumulated, unused sick leave is paid to a retiring employee up to a maximum of 160 days. As of December 31, 2021, the City's liability for compensated absences was \$2,102,045 for governmental activities and \$1,442,031 for business-type activities.

NOTE 14 - LONG-TERM OBLIGATIONS

	<u>Rate</u>	<u>Issue amount</u>	<u>Maturity</u>
Governmental activities:			
1968 Liability for police past service cost	2.36%	\$ 124,769	May 15, 2035
2016 Income tax revenue bonds	2.00 - 4.00%	17,630,000	December 1, 2038
2017 Special assessment bonds	3.50%	1,310,000	December 1, 2037
2017 General obligation bonds	3.48%	910,000	December 1, 2037
OPWC loan - SR 94 corridor safety improvements	0.00%	663,332	December 12, 2029
Business-type activities:			
2000 American Municipal Power-Ohio	1.65 - 5.25%	11,645,000	February 15, 2022
2009 General obligation bonds	4.00%	1,860,000	December 1, 2024
2010 General obligation bonds	3.41%	9,420,000	December 1, 2032
2017 Storm water bonds	3.44%	345,000	December 1, 2037
2017 Telecommunications bonds	2.93%	150,000	December 1, 2033
2017 Wastewater treatment bonds	3.49%	1,220,000	December 1, 2037
2017 Water distribution bonds	3.49%	1,080,000	December 1, 2037
2019 Various purpose refunding bonds	1.66%	7,460,000	December 1, 2032
OPWC loan - College street improvements	0.00%	84,034	January 1, 2031
OPWC loan - Valley View/Baker street waterline replacement	0.00%	92,367	January 1, 2042
OWDA loan - Wastewater treatment plant expansion	3.15%	23,037,730	January 1, 2028
American Municipal Power Loan	Various	7,100,000	February 15, 2022

CITY OF WADSWORTH, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2021

NOTE 14 - LONG-TERM OBLIGATIONS - (Continued)

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

	Beginning balance	Additions	Deletions	Ending balance	Amount due in one year
Governmental activities:					
2016 Income tax revenue bonds	\$ 15,825,000	\$ -	\$ (660,000)	\$ 15,165,000	\$ 685,000
Unamortized bond premium	478,508	-	(26,707)	451,801	-
2017 Special assessment bonds	1,165,000	-	(50,000)	1,115,000	55,000
Unamortized bond premium	50,504	-	(2,985)	47,519	-
2017 General obligation bonds	805,000	-	(35,000)	770,000	35,000
Unamortized bond premium	34,565	-	(2,043)	32,522	-
Direct borrowings:					
1968 Liability for police past					
service cost	66,909	-	(3,479)	63,430	3,580
OPWC loan	552,776	-	(55,278)	497,498	55,278
Total long-term debt	<u>18,978,262</u>	<u>-</u>	<u>(835,492)</u>	<u>18,142,770</u>	<u>833,858</u>
Net pension liability	16,201,917	193,965	(1,645,011)	14,750,871	-
Net OPEB liability	6,444,935	107,082	(5,161,747)	1,390,270	-
Compensated absences	2,121,135	687,670	(761,813)	2,046,992	811,214
Governmental activities - long-term liabilities	<u>\$ 43,746,249</u>	<u>\$ 988,717</u>	<u>\$ (8,404,063)</u>	<u>\$ 36,330,903</u>	<u>\$ 1,645,072</u>

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

On June 29, 2016, the City issued \$17,630,000 in income tax revenue bonds. The proceeds of these bonds were used to advance refund the \$16,535,000 in outstanding 2010 Community Center revenue bonds. This refunded debt is considered defeased (in-substance) and accordingly, has been removed from the statement of net position. The balance of the refunded 2010 Community Center revenue bonds at December 31, 2021, is \$13,535,000.

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

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

General obligation bonds are direct obligations of the City for which its full faith, credit and resources are pledged. The 2009 bonds were used to retire \$3.188 million in inter-fund loans, and to fund new street improvements (\$550,000) and storm water drainage and management facilities (\$385,000). These bonds are to be paid by storm water revenues, water revenues, electric revenues, hotel/motel tax, income tax, and ad valorem property taxes.

CITY OF WADSWORTH, OHIO

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2021**

NOTE 14 - LONG-TERM OBLIGATIONS - (Continued)

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

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

The liability for police past service costs relates to the City's liability to certain employees incurred prior to the establishment of the statewide Ohio Police and Fire Pension Fund. The City is required to make payments of approximately \$6,200 annually, which includes interest, through the year 2035. These past service costs are payable from taxes levied on all taxable property in the City.



CITY OF WADSWORTH, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2021

NOTE 14 - LONG-TERM OBLIGATIONS - (Continued)

	Beginning balance	Additions	Deletions	Ending balance	Amount due in one year
Business-type activities:					
2017 Storm Water improvements					
general obligation bonds	\$ 305,000	\$ -	\$ (15,000)	\$ 290,000	\$ 15,000
Unamortized premium on bonds	13,246	-	(783)	12,463	-
2017 Telecom					
general obligation bonds	130,000	-	(10,000)	120,000	10,000
Unamortized premium on bonds	8,186	-	(633)	7,553	-
2017 Sewer system improvements					
general obligation bonds	1,085,000	-	(50,000)	1,035,000	50,000
Unamortized premium on bonds	46,610	-	(2,755)	43,855	-
2017 Water system improvements					
general obligation bonds	960,000	-	(40,000)	920,000	45,000
Unamortized premium on bonds	40,942	-	(2,420)	38,522	-
Direct borrowings:					
2019 Storm Water refunding					
general obligation bonds	318,334	-	(77,041)	241,293	77,042
2019 Water refunding					
general obligation bonds	476,667	-	(117,959)	358,708	117,958
2019 Water system improvements refunding					
general obligation bonds	6,250,000	-	(500,000)	5,750,000	510,000
Total general obligation bonds	<u>9,633,985</u>	<u>-</u>	<u>(816,591)</u>	<u>8,817,394</u>	<u>825,000</u>
Direct borrowings:					
OWDA loan	9,739,903	-	(1,264,409)	8,475,494	1,304,551
OPWC loan - College street improvements	56,024	-	(5,602)	50,422	5,603
OPWC loan - Valley View/Baker waterline	9,590	-	-	9,590	2,309
AMP loan	598,689	-	(598,689)	-	-
AMP stranded costs	1,750,373	7,803	(644,088)	1,114,088	1,114,088
Net pension liability	7,214,670	-	(1,779,715)	5,434,955	-
Net OPEB liability	4,998,247	-	(4,998,247)	-	-
Compensated absences	<u>1,409,107</u>	<u>414,646</u>	<u>(429,387)</u>	<u>1,394,366</u>	<u>527,388</u>
Business-type activities - long term liabilities	<u>\$ 35,410,588</u>	<u>\$ 422,449</u>	<u>\$ (10,536,728)</u>	<u>\$ 25,296,309</u>	<u>\$ 3,778,939</u>

CITY OF WADSWORTH, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2021

NOTE 14 - LONG-TERM OBLIGATIONS - (Continued)

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

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

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

On January 27, 2005, the City obtained an OWDA loan for improvements to the sewer treatment plant. This is a direct borrowing. In the event of default, the OWDA may declare the full amount of the then unpaid original loan amount to be immediately due and payable and/or require the City to pay any fines, penalties, interest and/or late charges associated with the default. The City has pledged future revenues net of expenditures to repay the OWDA loans. The loans are payable solely from revenues generated by the ownership and operation of the sewer utility system. Revenues include all revenues received by the sewer utility less all operating expenses other than depreciation expense. All debt is payable solely from net revenues and is payable through 2027. Annual principal and interest payments on the OWDA loans are expected to require 85.09% of net revenues and 37.87% of total revenues. The total principal and interest remaining to be paid on the debt is \$9,368,016. Principal and interest paid for the current year were \$1,264,409 and \$296,927, respectively. Total net customer revenues were \$2,629,360 and total operating revenues were \$4,639,487 .

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

On September 25, 2019, the City issued \$7,460,000 in various purpose bonds (Series 2019 various purpose refunding bonds). This issuance was used to advance refund a portion of the Series 2009 various purpose bonds and series 2010 various purpose bonds. This refunded debt is considered defeased (in-substance) and accordingly, has been removed from the statement of net position. The balance of the refunded Series 2009 various purpose bonds and 2010 various purpose bonds at December 31, 2021, is \$600,000 and \$5,840,000, respectively.

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

During 2015, the City obtained an OPWC loan, a direct borrowing, in the amount of \$84,034 for storm water improvements. The loan has a zero percent interest rate, with semiannual payments and a final maturity of July 2031. During 2017, the City obtained an OPWC loan in the amount of \$663,332 for widening of High street. The loan has a zero percent interest rate, with semiannual payments and a final maturity of July 2031. In 2020, the City obtained an OPWC loan for the Valley View/Baker street waterline replacement. The loan has a zero percent interest rate, with semiannual payments and a final maturity of January 2042. The final proceeds on the loan were received in January 2022.

CITY OF WADSWORTH, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2021

NOTE 14 - LONG-TERM OBLIGATIONS - (Continued)

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

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

See Notes 11 and 12 for detail on the net pension liability and net OPEB liability, respectively.

Principal and interest requirements to retire the City's long-term obligations outstanding at December 30, 2021 are as follows:

December 31 year ending	Governmental activities			
	Police past service costs		Income tax revenue bonds	
	Principal	Interest	Principal	Interest
2022	\$ 3,580	\$ 2,658	\$ 685,000	\$ 464,156
2023	3,734	2,504	700,000	436,756
2024	3,895	2,343	740,000	408,756
2025	4,062	2,176	770,000	379,156
2026	4,236	2,002	800,000	348,356
2027-2031	24,072	7,118	4,315,000	1,396,280
2032-2036	19,851	1,705	4,955,000	784,200
2037-2038	-	-	2,200,000	99,450
Total	\$ 63,430	\$ 20,506	\$ 15,165,000	\$ 4,317,110

December 31 year ending	Governmental activities				
	General obligation bonds		Special assessment bonds		OPWC
	Principal	Interest	Principal	Interest	Principal
2022	\$ 35,000	\$ 23,390	\$ 55,000	\$ 33,940	\$ 55,278
2023	40,000	21,990	55,000	31,740	55,278
2024	40,000	20,390	60,000	29,540	55,278
2025	40,000	18,790	60,000	27,140	55,278
2026	45,000	17,190	65,000	24,740	55,278
2027-2031	240,000	64,395	340,000	92,745	221,108
2032-2036	270,000	30,240	395,000	44,145	-
2037-2038	60,000	1,620	85,000	2,295	-
Total	\$ 770,000	\$ 198,005	\$ 1,115,000	\$ 286,285	\$ 497,498

CITY OF WADSWORTH, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2021

NOTE 14 - LONG-TERM OBLIGATIONS - (Continued)

December 31 Year Ending	Business-Type Activities					
	General obligation bonds		OWDA		OPWC	
	Principal	Interest	Principal	Interest	Principal	
2022	\$ 825,000	\$ 177,519	\$ 1,304,551	\$ 244,554	\$ 5,603	
2023	805,001	161,017	1,345,968	205,113	5,602	
2024	835,000	144,846	1,388,700	164,415	5,602	
2025	630,000	127,943	1,432,789	122,426	5,602	
2026	645,000	114,443	1,478,277	79,103	5,602	
2027-2031	3,430,000	376,253	1,525,209	34,407	22,411	
2032-2036	1,375,000	98,074	-	-	-	
2037	170,000	4,590	-	-	-	
Total	<u>\$ 8,715,001</u>	<u>\$ 1,204,685</u>	<u>\$ 8,475,494</u>	<u>\$ 850,018</u>	<u>\$ 50,422</u>	

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

Stranded Costs Payable

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

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

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

CITY OF WADSWORTH, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2021

NOTE 14 - LONG-TERM OBLIGATIONS - (Continued)

Since March 31, 2014 the City has made payments of \$2,168,105 to AMP toward its net impaired cost estimate. Also since March 31, 2014, the City's allocation of additional costs incurred by the project is \$73,826 and interest expense incurred on AMP's line-of-credit of \$214,405, resulting in a net impaired cost estimate at December 31, 2021 of \$769,995. The City does have a potential PHFU Liability of \$1,162,812 resulting in a net total potential liability of \$1,932,807, assuming the assets making up the PHFU (principally the land comprising the Meigs County site) have no value and also assuming the City's credit balance would earn zero interest. Stranded costs as well as PHFU costs are subject to change, including future borrowing costs on the AMP line of credit. Activities include items such negative items as property taxes as well as positive items revenue from leases or sale of all or a portion of the Meigs County site property.

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

NOTE 15 - INTERFUND TRANSACTIONS

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

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

Following is a detail of interfund notes receivable/payable, by debt issue, during 2021:

	<u>Balance</u> 1/1/21	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> 12/31/21
Governmental activities:				
Nonmajor governmental funds				
Recreation Improvements				
2012 YMCA Equipment				
Issue 11/21, maturity 11/22, rate 0.5%	\$ 72,774	\$ 36,389	\$ (72,774)	\$ 36,389
2012 ERP System Improvements				
Issue 11/21, maturity 11/22, rate 0.5%	168,864	84,436	(168,864)	84,436
2012 High Street Improvements				
Issue 11/21, maturity 11/22, rate 0.5%	92,150	70,400	(92,150)	70,400
2012 Airport Land Acquisition				
Issue 11/21, maturity 11/22, rate 0.5%	63,000	54,000	(63,000)	54,000
2013 Outdoor Pool				
Issue 11/21, maturity 11/22, rate 0.5%	602,668	527,335	(602,668)	527,335
2021 State Street Staging Culvert				
Issue 11/21, maturity 11/22, rate 0.5%	-	132,000	-	132,000
Total nonmajor governmental funds	<u>\$ 999,456</u>	<u>\$ 904,560</u>	<u>\$ (999,456)</u>	<u>\$ 904,560</u>

CITY OF WADSWORTH, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2021

NOTE 15 - INTERFUND TRANSACTIONS - (Continued)

	Balance 1/1/2021	Additions	Deletions	Balance 12/31/2021
Business-type activities:				
Storm Water fund				
2006 Stormwater Improvements				
Issue 11/21, maturity 11/22, rate 0.5%	\$ 9,335	\$ -	\$ (9,335)	\$ -
2010 Stormwater Improvements				
Issue 11/21, maturity 11/22, rate 0.5%	41,668	33,335	(41,668)	33,335
2011 Stormwater Improvements				
Issue 11/21, maturity 11/22, rate 0.5%	77,000	70,000	(77,000)	70,000
2012 Stormwater Improvements				
Issue 11/21, maturity 11/22, rate 0.5%	135,000	123,750	(135,000)	123,750
2013 Stormwater Improvements				
Issue 11/21, maturity 11/22, rate 0.5%	65,000	60,000	(65,000)	60,000
2015 Stormwater Improvements				
Issue 11/21, maturity 11/22, rate 0.5%	63,675	50,940	(63,675)	50,940
2021 Seville Road Culvert				
Issue 11/21, maturity 11/22, rate 0.5%	-	101,975	-	101,975
Total storm water fund	\$ 391,678	\$ 440,000	\$ (391,678)	\$ 440,000
	Balance 1/1/2021	Additions	Deletions	Balance 12/31/2021
Business-type activities:				
Sewer fund				
2011 WWTP Phosphorus Improvements				
Issue 11/21, maturity 11/22, rate 0.5%	\$ 20,000	\$ -	\$ (20,000)	\$ -
2012 Brookwood Gravity Sewer				
Issue 11/21, maturity 11/22, rate 0.5%	342,000	313,500	(342,000)	313,500
2021 WWTP Blended Sludge Tank Rehab				
Issue 11/21, maturity 11/22, rate 0.5%	-	120,000	-	120,000
Total sewer fund	\$ 362,000	\$ 433,500	\$ (362,000)	\$ 433,500

CITY OF WADSWORTH, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2021

NOTE 15 - INTERFUND TRANSACTIONS - (Continued)

	<u>Balance</u> <u>1/1/2021</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>12/31/2021</u>
Business-type activities:				
Water fund				
2004 Rogues Hollow Well				
Issue 11/21, maturity 11/22, rate 0.5%	\$ 562,750	\$ 506,475	\$ (562,750)	\$ 506,475
2009 Water System Improvement				
Issue 11/21, maturity 11/22, rate 0.5%	157,500	140,000	(157,500)	140,000
2011 Water Distribution Improvements				
Issue 11/21, maturity 11/22, rate 0.5%	145,750	132,500	(145,750)	132,500
2012 Water Distribution Improvements				
Issue 11/21, maturity 11/22, rate 0.5%	192,000	176,000	(192,000)	176,000
2012 Water Plan Generator				
Issue 11/21, maturity 11/22, rate 0.5%	225,000	206,250	(225,000)	206,250
2013 Water Tank Maintenance				
Issue 11/21, maturity 11/22, rate 0.5%	150,000	100,000	(150,000)	100,000
2013 Water Distribution Improvements				
Issue 11/21, maturity 11/22, rate 0.5%	227,500	210,000	(227,500)	210,000
2013 Water Plant Improvements				
Issue 11/21, maturity 11/22, rate 0.5%	65,000	60,000	(65,000)	60,000
2014 Water Distribution Improvements				
Issue 11/21, maturity 11/22, rate 0.5%	180,250	167,375	(180,250)	167,375
2021 SR57 Waterline Project				
Issue 11/21, maturity 11/22, rate 0.5%	-	150,000	-	150,000
2021 Baker/Valleyview Waterline				
Issue 11/21, maturity 11/22, rate 0.5%	-	400,000	-	400,000
Total water fund	<u>\$ 1,905,750</u>	<u>\$ 2,248,600</u>	<u>\$ (1,905,750)</u>	<u>\$ 2,248,600</u>

CITY OF WADSWORTH, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2021

NOTE 15 - INTERFUND TRANSACTIONS - (Continued)

	<u>Balance</u> 1/1/2021	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> 12/31/2021
Business-type activities:				
Electric fund				
2006 Valleyview Sub Improvements				
Issue 11/21, maturity 11/22, rate 0.5%	\$ 93,625	\$ 80,250	\$ (93,625)	\$ 80,250
2007 Subs/Dist/Meters				
Issue 11/21, maturity 11/22, rate 0.5%	270,020	231,446	(270,020)	231,446
2008 Electric Capital Improvements				
Issue 11/21, maturity 11/22, rate 0.5%	314,000	274,750	(314,000)	274,750
2009 Electric Capital Improvements				
Issue 11/21, maturity 11/22, rate 0.5%	265,500	236,000	(265,500)	236,000
2010 Electric Capital Improvements				
Issue 11/21, maturity 11/22, rate 0.5%	463,336	370,670	(463,336)	370,670
2011 Electric Capital Improvements				
Issue 11/21, maturity 11/22, rate 0.5%	668,250	607,500	(668,250)	607,500
2012 Electric Capital Improvements				
Issue 11/21, maturity 11/22, rate 0.5%	<u>250,000</u>	<u>187,500</u>	<u>(250,000)</u>	<u>187,500</u>
Total electric fund	<u>\$ 2,324,731</u>	<u>\$ 1,988,116</u>	<u>\$ (2,324,731)</u>	<u>\$ 1,988,116</u>

The following is a detail of advances in/out included in interfund receivable/payable during 2021:

<u>Payable fund</u>	<u>Receivable fund</u>	<u>Amount</u>
Nonmajor governmental funds	General fund	\$ 245,388

CITY OF WADSWORTH, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2021

NOTE 15 - INTERFUND TRANSACTIONS - (Continued)

The following is a summary of interfund receivable/payable, outstanding at December 31, 2021:

	Total interfund payable activity
Interfund payable funds:	
Governmental funds:	
Nonmajor governmental funds	\$ 1,149,948
Total governmental funds	<u>1,149,948</u>
Proprietary funds:	
Storm Water	440,000
Sewer	433,500
Water	2,248,600
Electric	1,988,116
Total proprietary funds	<u>5,110,216</u>
Total interfund payable	<u><u>\$ 6,260,164</u></u>
	Total interfund receivable activity
Interfund receivable funds:	
Governmental funds:	
General fund	\$ 1,706,922
Nonmajor governmental funds	1,705,239
Total governmental funds	<u>3,412,161</u>
Proprietary funds:	
Storm Water	61,467
Telecom	491,892
Sewer	288,353
Water	286,111
Electric	1,146,442
Sanitation	323,947
Total proprietary funds	<u>2,598,212</u>
Internal service funds	<u>249,791</u>
Total interfund payable	<u><u>\$ 6,260,164</u></u>

CITY OF WADSWORTH, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2021

NOTE 15 - INTERFUND TRANSACTIONS - (Continued)

Interfund transfers for the year ended December 31, 2021 consisted of the following:

	Transfers in								Total
	Nonmajor governmental funds	Storm Water fund	Telecom fund	Sewer fund	Water fund	Electric fund	Sanitation fund	Internal service funds	
<u>Transfers out</u>									
General fund	\$ 275,853	\$ 7,500	\$ 46,183	\$ 59,055	\$ 79,089	\$ 341,750	\$ 41,616	\$ 39,783	\$ 890,829
Storm Water fund	-	-	-	2,157	-	-	-	-	2,157
Water fund	-	1,630	-	17,942	-	-	-	-	19,572
Electric fund	-	-	114,175	-	-	-	-	-	114,175
Internal service funds	-	-	57,087	-	-	5,400	-	-	62,487
Total transfers in	<u>\$ 275,853</u>	<u>\$ 9,130</u>	<u>\$ 217,445</u>	<u>\$ 79,154</u>	<u>\$ 79,089</u>	<u>\$ 347,150</u>	<u>\$ 41,616</u>	<u>\$ 39,783</u>	<u>\$ 1,089,220</u>

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

NOTE 16 - RELATED ORGANIZATIONS

On July 21, 2017, the City granted a franchise to Flight Services of Wadsworth LLC (Flight Services) for a period to end January 31, 2021, for the operation and maintenance of the Wadsworth Municipal Airport. The City of Wadsworth paid four thousand nine hundred forty one (\$4,941.00) dollars per month to Flight Services through March 2021 and pays for liability insurance not to exceed eight thousand (\$8,000.00) dollars per year. In April 2021, the City granted a new franchise agreement with Flight Services for a period to end on March 31, 2022. The City of Wadsworth paid six thousand four hundred forty eight and eight cents per month (\$6,448.08). Flight Services agrees to pay the City of Wadsworth six (\$0.06) cents per gallon of aviation fuel sold up to 125,000 gallons annually. After 125,000 gallons are sold Flight Services agrees to pay the City of Wadsworth twelve (\$0.12) cents per gallon of aviation fuel sold and participate in capital improvements at the airport.

NOTE 17 - JOINT VENTURES

OMEGA JV2

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

CITY OF WADSWORTH, OHIO

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2021**

NOTE 17 - JOINT VENTURES - (Continued)

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

Pursuant to the Agreement each participant has an obligation to pay its share of debt service on the Distributive Generation Bonds (Bonds) from the revenues of its electric system, subject only to the prior payment of Operating & Maintenance Expenses (O&M) of each participant's System, and shall be on a parity with any outstanding and future senior electric system revenue bonds, notes or other indebtedness payable from any revenues of the System. Under the terms of the Agreement each Financing Participant is to fix, charge and collect rates, fees and charges at least sufficient in order to maintain a debt coverage ratio equal to 110% of the sum of OMEGA JV2 debt service and any other outstanding senior lien electric system revenue obligations. As of December 31, 2021, the City of Wadsworth has met their debt coverage obligation.

OMEGA JV2 was created to provide additional sources of reliable, reasonably priced electric power and energy when prices are high or during times of generation shortages or transmission constraints, and to improve the reliability and economic status of the participants' respective municipal electric utility system. The Project consists of 138.65 MW of distributed generation of which 134.081MW is the participants' entitlement and 4.569MW are held in reserve. On dissolution of OMEGA JV2, the net assets will be shared by the participants on a percentage of ownership basis. OMEGA JV2 is managed by AMP, which acts as the joint venture's agent. During 2001, AMP issued \$50,260,000 of 20 year fixed rate bonds on behalf of the Financing Participants of OMEGA JV2. The net proceeds of the bond issue of \$45,904,712 were contributed to OMEGA JV2. On January 3, 2011, AMP redeemed all of the \$31,110,000 OMEGA JV2 Project Distributive Generation Bonds then outstanding by borrowing on AMP's revolving credit facility. As such, the remaining outstanding bond principal of the OMEGA JV2 indebtedness was reduced to zero. As of December 31, 2021, the City's net investment and its share of operating results of OMEGA JV2 are reported in the City's electric fund (an enterprise fund). The City's net investment in OMEGA JV2 was (\$30,502) at December 31, 2021. Complete financial statements for OMEGA JV2 may be obtained from AMP or from the State Auditor's website at www.ohioauditor.gov

CITY OF WADSWORTH, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2021

NOTE 17 - JOINT VENTURES - (Continued)

The thirty-six participating subdivisions and their respective ownership shares at December 31, 2021 are:

<u>Municipality</u>	<u>Percent ownership</u>	<u>Kw entitlement</u>	<u>Municipality</u>	<u>Percent ownership</u>	<u>Kw entitlement</u>
Hamilton	23.87%	32,000	Grafton	0.79%	1,056
Bowling Green	14.32%	19,198	Brewster	0.75%	1,000
Niles	11.48%	15,400	Monroeville	0.57%	764
Cuyahoga Falls	7.46%	10,000	Milan	0.55%	737
Wadsworth	5.81%	7,784	Oak Harbor	0.55%	737
Painesville	5.22%	7,000	Elmore	0.27%	364
Dover	5.22%	7,000	Jackson Center	0.22%	300
Galion	4.29%	5,753	Napoleon	0.20%	264
Amherst	3.73%	5,000	Lodi	0.16%	218
St. Mary's	2.98%	4,000	Genoa	0.15%	199
Montpelier	2.98%	4,000	Pemberville	0.15%	197
Shelby	1.89%	2,536	Lucas	0.12%	161
Versailles	1.24%	1,660	South Vienna	0.09%	123
Ederton	1.09%	1,460	Bradner	0.09%	119
Yellow Springs	1.05%	1,408	Woodville	0.06%	81
Oberlin	0.91%	1,217	Haskins	0.05%	73
Pioneer	0.86%	1,158	Areanum	0.03%	44
Seville	0.80%	1,066	Custar	0.00%	4
Subtotal	95.20	127,640	Subtotal	4.80	6,441
			Grand Total	100.00%	134,081

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

	OMEGA JV 2
Total assets	\$ 11,628,033
Deferred outflows	33,336
Total liabilities	4,116,693
Deferred inflows	8,069,658
Net position	(524,982)
Total revenues	10,939,873
Total expenses	11,432,977
Change in net position	(493,104)

OMEGA JV 5

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

CITY OF WADSWORTH, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2021

NOTE 17 - JOINT VENTURES - (Continued)

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

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

Also pursuant to the Agreement, each participant has an obligation to pay its share of debt service on the Beneficial Interest Certificates (Certificates) from the revenues of its electric system, subject only to the prior payment of Operating & Maintenance Expenses (O&M) of each participant's System, and shall be on a parity with any outstanding and future senior electric system revenue bonds, notes or other indebtedness payable from any revenues of the System. On dissolution of OMEGA JV5, the net assets will be shared by the financing participants on a percentage of ownership basis. Under the terms of the Agreement each participant is to fix, charge and collect rates, fees and charges at least sufficient in order to maintain a debt coverage ratio equal to 110% of the sum of OMEGA JV5 debt service and any other outstanding senior lien electric system revenue obligations. As of December 31, 2021, Wadsworth has met its debt coverage obligation.

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

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

The City's net investment and its share of operating results of OMEGA JV5 are reported in the City's electric fund (an enterprise fund). The City's net investment to date in OMEGA JV5 was \$167,919 at December 31, 2021. Complete financial statements for OMEGA JV5 may be obtained from AMP or from the State Auditor's website at www.ohioauditor.gov.

CITY OF WADSWORTH, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2021

NOTE 17 - JOINT VENTURES - (Continued)

The following is a summary of audited financial information of OMEGAJV5 for the year ended December 31, 2021:

	OMEGA JV 5
Total assets	\$ 90,480,768
Total liabilities	46,092,540
Deferred inflows	41,400,341
Net position	2,987,887
Total revenues	19,463,223
Total expenses	19,463,223
Change in net position	-

OMEGA JV 6

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

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

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

Pursuant to the Agreement each participant has an obligation to pay its share of debt service on the Adjustable Rate Revenue Bonds (Bonds) from the revenues of its electric system, subject only to the prior payment of Operating & Maintenance Expenses (O&M) of each participant's System, and shall be on a parity with any outstanding and future senior electric system revenue bonds, notes or other indebtedness payable from any revenues of the System. On dissolution of OMEGA JV6, any excess funds shall be refunded to the Non-Financing Participants in proportion to each Participant's Project Share and to Financing Participant's respective obligations first by credit against the Financing Participant's respective obligations. Any other excess funds shall be paid to the Participants in proportion to their respective Project Shares. Under the terms of the Agreement each financing participant is to fix, charge and collect rates, fees, charges, including other available funds, at least sufficient in order to maintain a debt coverage ratio equal to 110% of the sum of OMEGA JV6 debt service and any other outstanding senior lien electric system revenue obligations. As of December 31, 2021 Wadsworth has met its debt coverage obligation.

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

CITY OF WADSWORTH, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2021

NOTE 17 - JOINT VENTURES - (Continued)

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

The City’s net investment and its share of operating results of OMEGA JV6 are reported in the City’s electric fund (an enterprise fund). The City’s net investment to date in OMEGA JV6 was \$137,395 at December 31, 2021. Complete financial statements for OMEGA JV6 may be obtained from AMP or from the State Auditor’s website at www.ohioauditor.gov.

The ten participating subdivisions and their respective ownership shares at December 31, 2021 are:

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

The following is a summary of audited financial information of OMEGA JV 6 for the year ended December 31, 2021

	OMEGA JV 6
Total assets	\$ 5,875,308
Total deferred outflows	137,967
Total liabilities	1,189,596
Total deferred inflows	864,179
Net position	3,959,500
Total revenues	441,548
Total expenses	741,257
Change in net position	(299,709)

CITY OF WADSWORTH, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2021

NOTE 17 - JOINT VENTURES - (Continued)

Woodlawn Union Cemetery

The City is a participant along with Wadsworth Township in a joint venture to establish and manage the Woodlawn Union Cemetery. This establishment is allowable under Ohio Revised Code Section 759.27. This joint venture is considered a separate reporting entity by the City and has not been included in these basic financial statements. Complete financial statements for the Woodlawn Cemetery can be obtained from the Secretary-Treasurer of the Cemetery. Financial information for the year ended December 31, 2021 was as follows:

Total receipts	\$ 307,519
Total disbursements	<u>(254,708)</u>
Change in net income	<u>\$ 52,811</u>

The Cemetery has no outstanding debt.

NOTE 18 - JOINTLY GOVERNED ORGANIZATION

Municipal Energy Services Agency (MESA)

The Municipal Energy Services Agency (MESA) joint venture was formed to provide existing member communities with a new source of technical assistance. The organization began with 16 participating communities and has since expanded to 55, including the City of Wadsworth. MESA uses its own and AMP staff to provide planning, design and engineering, field services and training assistance. Unlike other joint ventures, participants do not own physical assets and provide no financing for the joint venture. There are no fees other than for services provided through contracts with the joint venture. The continued existence of MESA is not dependent on the City's continued participation and the City does not have an equity interest in or financial responsibility for MESA. MESA has no outstanding debt.

NOTE 19 - CONTINGENCIES

A. Grants

The City received financial assistance from federal and State agencies in the form of grants. The disbursement of funds received under these programs generally requires compliance with terms and conditions specified in the grant agreements and are subject to audit by the grantor agencies. Any disallowed claims resulting from such audits could become a liability of the general fund or other applicable funds. However, in the opinion of management, any such disallowed claims will not have a material adverse effect on the overall financial position of the City at December 31, 2021.

CITY OF WADSWORTH, OHIO

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2021**

NOTE 19 - CONTINGENCIES - (Continued)

B. Litigation

The City is not currently a party to any legal proceedings that would have a materially adverse effect on the financial statements at December 31, 2021.

C. Community Center

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

NOTE 20 - OTHER COMMITMENTS

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

<u>Fund</u>	<u>Year end encumbrances</u>
General fund	\$ 34,216
Nonmajor governmental funds	<u>1,113,860</u>
Total	<u>\$ 1,148,076</u>

CITY OF WADSWORTH, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2021

NOTE 21 - CONTRACTUAL COMMITMENTS

As of December 31, 2021, the City had the following contractual commitments outstanding related to various City projects and purchases:

<u>Vendor</u>	<u>Amount of contract</u>	<u>Amount paid as of 12/31/2021</u>	<u>Remaining commitment 12/31/2021</u>
App Architecture	\$ 473,000	\$ 64,062	\$ 408,938
Barbicas Paving, LLC	601,656	536,054	65,602
Barbicas Construction Company, Inc.	214,088	201,744	12,344
Environmental Design Group LLC	97,500	83,995	13,505
Flight Servcie of Wadsworth LLC	77,377	58,033	19,344
GPD Group	279,493	267,951	11,542
Itron Inc	279,730	-	279,730
Lithko Restoration Technologies	168,820	59,921	108,899
SEL Engineering Servcies Inc	98,875	-	98,875
Stantec Consulting Services Inc	674,900	491,420	183,480
VASU Communications	308,361	195,510	112,851
Total	<u>\$ 3,273,800</u>	<u>\$ 1,958,690</u>	<u>\$ 1,315,110</u>

NOTE 22 – CORONAVIRUS PANDEMIC 2019 (COVID-19)

The United States and the State of Ohio declared a state of emergency in March of 2020 due to the Coronavirus Pandemic 2019 (COVID-19). Ohio’s state of emergency ended in June, 2021, while the national state of emergency continues. During 2021, the City received COVID-19 funding. The financial impact of COVID-19 and the continuing emergency measures will impact subsequent periods of the City. The impact on the City’s future operating costs, revenues, and additional recovery from emergency funding, either federal or state, cannot be estimated.

During 2021, \$10,481 and \$16,151 was returned to the granting agency. These amounts are reflected as intergovernmental expenditures in the coronavirus relief and emergency medical services special revenue funds on the accompanying financial statements.

NOTE 23 – SUBSEQUENT EVENT

In May 2022, the City issued general obligation bonds in the amount of \$5,975,000 for a new fire station and related furnishings and the acquisition of a new fire truck.

REQUIRED SUPPLEMENTARY INFORMATION

CITY OF WADSWORTH, OHIO

SCHEDULES OF THE REQUIRED SUPPLEMENTARY INFORMATION

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

LAST EIGHT YEARS

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
<u>Traditional Plan</u>				
City's proportion of the net pension liability	0.075910%	0.074196%	0.072930%	0.075270%
City's proportionate share of the net pension liability	\$ 11,240,618	\$ 14,665,344	\$ 19,974,047	\$ 11,808,403
City's covered payroll	\$ 10,774,100	\$ 10,482,657	\$ 9,906,379	\$ 9,973,654
City's proportionate share of the net pension liability as a percentage of its covered payroll	104.33%	139.90%	201.63%	118.40%
Plan fiduciary net position as a percentage of the total pension liability	86.88%	82.17%	74.70%	84.66%
<u>Combined Plan</u>				
City's proportion of the net pension asset	0.108156%	0.100650%	0.094592%	0.082516%
City's proportionate share of the net pension asset	\$ 312,208	\$ 209,879	\$ 105,776	\$ 112,331
City's covered payroll	\$ 476,643	\$ 448,050	\$ 404,564	\$ 330,554
City's proportionate share of the net pension asset as a percentage of its covered payroll	65.50%	46.84%	26.15%	33.98%
Plan fiduciary net position as a percentage of the total pension asset	157.67%	145.28%	126.64%	137.28%
<u>Member Directed Plan</u>				
City's proportion of the net pension asset	0.038501%	0.037922%	0.040103%	0.039616%
City's proportionate share of the net pension asset	\$ 7,018	\$ 1,433	\$ 914	\$ 1,383
City's covered payroll	\$ 231,230	\$ 225,420	\$ 229,240	\$ 217,130
City's proportionate share of the net pension asset as a percentage of its covered payroll	3.04%	0.64%	0.40%	0.64%
Plan fiduciary net position as a percentage of the total pension asset	188.21%	118.84%	113.42%	124.46%

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

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

CITY OF WADSWORTH, OHIO

SCHEDULES OF THE REQUIRED SUPPLEMENTARY INFORMATION

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

LAST EIGHT YEARS

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
City's proportion of the net pension liability:	0.13121740%	0.12990720%	0.13155100%	0.13130000%
City's proportionate share of the net pension liability	\$ 8,945,208	\$ 8,751,243	\$ 10,738,038	\$ 8,058,476
City's covered payroll	\$ 3,391,034	\$ 3,242,464	\$ 3,146,270	\$ 3,006,826
City's proportionate share of the net pension liability as a percentage of its covered payroll	263.79%	269.89%	341.29%	268.01%
Plan fiduciary net position as a percentage of the total pension liability	70.65%	69.89%	63.07%	70.91%

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

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

See accompanying notes to the required supplementary information.

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

CITY OF WADSWORTH, OHIO

SCHEDULES OF THE REQUIRED SUPPLEMENTARY INFORMATION

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

LAST TEN YEARS

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
<u>Traditional Plan</u>				
Contractually required contribution	\$ 1,459,090	\$ 1,508,374	\$ 1,467,572	\$ 1,386,893
Contributions in relation to the contractually required contribution	<u>(1,459,090)</u>	<u>(1,508,374)</u>	<u>(1,467,572)</u>	<u>(1,386,893)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
City's covered payroll	\$ 10,422,071	\$ 10,774,100	\$ 10,482,657	\$ 9,906,379
Contributions as a percentage of covered payroll	14.00%	14.00%	14.00%	14.00%
<u>Combined Plan</u>				
Contractually required contribution	\$ 68,721	\$ 66,730	\$ 62,727	\$ 56,639
Contributions in relation to the contractually required contribution	<u>(68,721)</u>	<u>(66,730)</u>	<u>(62,727)</u>	<u>(56,639)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
City's covered payroll	\$ 490,864	\$ 476,643	\$ 448,050	\$ 404,564
Contributions as a percentage of covered payroll	14.00%	14.00%	14.00%	14.00%
<u>Member Directed Plan</u>				
Contractually required contribution	\$ 26,399	\$ 23,123	\$ 22,542	\$ 22,924
Contributions in relation to the contractually required contribution	<u>(26,399)</u>	<u>(23,123)</u>	<u>(22,542)</u>	<u>(22,924)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
City's covered payroll	\$ 263,990	\$ 231,230	\$ 225,420	\$ 229,240
Contributions as a percentage of covered payroll	10.00%	10.00%	10.00%	10.00%

See accompanying notes to the required supplementary information.

<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>
\$ 1,296,575	\$ 1,185,365	\$ 1,185,432	\$ 1,183,280	\$ 1,326,262	\$ 936,483
<u>(1,296,575)</u>	<u>(1,185,365)</u>	<u>(1,185,432)</u>	<u>(1,183,280)</u>	<u>(1,326,262)</u>	<u>(936,483)</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
\$ 9,973,654	\$ 9,878,042	\$ 9,878,600	\$ 9,860,667	\$ 10,202,015	\$ 9,364,830
13.00%	12.00%	12.00%	12.00%	13.00%	10.00%
\$ 42,972	\$ 40,851	\$ 38,301	\$ 40,042		
<u>(42,972)</u>	<u>(40,851)</u>	<u>(38,301)</u>	<u>(40,042)</u>		
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>		
\$ 330,554	\$ 340,425	\$ 319,175	\$ 333,683		
13.00%	12.00%	12.00%	12.00%		
\$ 21,713	\$ 17,745	\$ 21,201			
<u>(21,713)</u>	<u>(17,745)</u>	<u>(21,201)</u>			
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>			
\$ 217,130	\$ 147,875	\$ 176,675			
10.00%	12.00%	12.00%			

CITY OF WADSWORTH, OHIO

SCHEDULES OF THE REQUIRED SUPPLEMENTARY INFORMATION

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

LAST TEN YEARS

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
<u>Police</u>				
Contractually required contribution	\$ 482,240	\$ 474,991	\$ 455,443	\$ 458,071
Contributions in relation to the contractually required contribution	<u>(482,240)</u>	<u>(474,991)</u>	<u>(455,443)</u>	<u>(458,071)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
City's covered payroll	\$ 2,538,105	\$ 2,499,953	\$ 2,397,068	\$ 2,410,900
Contributions as a percentage of covered payroll	19.00%	19.00%	19.00%	19.00%
 <u>Fire</u>				
Contractually required contribution	\$ 210,445	\$ 209,404	\$ 198,668	\$ 172,812
Contributions in relation to the contractually required contribution	<u>(210,445)</u>	<u>(209,404)</u>	<u>(198,668)</u>	<u>(172,812)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
City's covered payroll	\$ 895,511	\$ 891,081	\$ 845,396	\$ 735,370
Contributions as a percentage of covered payroll	23.50%	23.50%	23.50%	23.50%

See accompanying notes to the required supplementary information.

<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>
\$ 416,861	\$ 417,026	\$ 402,612	\$ 481,740	\$ 310,231	\$ 258,958
<u>(416,861)</u>	<u>(417,026)</u>	<u>(402,612)</u>	<u>(481,740)</u>	<u>(310,231)</u>	<u>(258,958)</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
\$ 2,194,005	\$ 2,194,874	\$ 2,119,011	\$ 2,535,474	\$ 1,953,596	\$ 2,031,043
19.00%	19.00%	19.00%	19.00%	15.88%	12.75%
\$ 191,013	\$ 178,372	\$ 155,033	\$ 179,694	\$ 116,763	\$ 91,242
<u>(191,013)</u>	<u>(178,372)</u>	<u>(155,033)</u>	<u>(179,694)</u>	<u>(116,763)</u>	<u>(91,242)</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
\$ 812,821	\$ 759,030	\$ 659,715	\$ 764,655	\$ 572,929	\$ 528,939
23.50%	23.50%	23.50%	23.50%	20.38%	17.25%

CITY OF WADSWORTH, OHIO

SCHEDULES OF THE REQUIRED SUPPLEMENTARY INFORMATION

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

LAST FIVE YEARS

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
City's proportion of the net OPEB liability	0.075375%	0.073556%	0.072282%	0.074170%	0.077379%
City's proportionate share of the net OPEB liability/(asset)	\$ (1,342,865)	\$ 10,159,994	\$ 9,423,867	\$ 8,054,315	\$ 7,815,570
City's covered payroll	\$ 11,481,973	\$ 11,156,127	\$ 10,540,183	\$ 10,521,338	\$ 10,366,342
City's proportionate share of the net OPEB liability as a percentage of its covered payroll	(11.70)%	91.07%	89.41%	76.55%	75.39%
Plan fiduciary net position as a percentage of the total OPEB liability	115.57%	47.80%	46.33%	54.14%	54.05%

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

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

See accompanying notes to the required supplementary information.

CITY OF WADSWORTH, OHIO

SCHEDULES OF THE REQUIRED SUPPLEMENTARY INFORMATION

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

LAST FIVE YEARS

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
City's proportion of the net OPEB liability	0.13121740%	0.12990720%	0.13155100%	0.13130000%	0.13532300%
City's proportionate share of the net OPEB liability	\$ 1,390,270	\$ 1,283,188	\$ 1,197,974	\$ 7,439,280	\$ 6,423,478
City's covered payroll	\$ 3,391,034	\$ 3,242,464	\$ 3,146,270	\$ 3,006,826	\$ 2,953,904
City's proportionate share of the net OPEB liability as a percentage of it covered payroll	41.00%	39.57%	38.08%	247.41%	217.46%
Plan fiduciary net position as a percentage of the total OPEB liability	45.42%	47.08%	46.57%	14.13%	15.96%

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

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

See accompanying notes to the required supplementary information.

CITY OF WADSWORTH, OHIO

SCHEDULE OF THE REQUIRED SUPPLEMENTARY INFORMATION

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

LAST TEN YEARS

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
Contractually required contribution	\$ 10,560	\$ 9,250	\$ 9,016	\$ 9,169
Contributions in relation to the contractually required contribution	<u>(10,560)</u>	<u>(9,250)</u>	<u>(9,016)</u>	<u>(9,169)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
City's covered payroll	\$ 11,176,925	\$ 11,481,973	\$ 11,156,127	\$ 10,540,183
Contributions as a percentage of covered payroll	0.09%	0.08%	0.08%	0.09%

See accompanying notes to the required supplementary information.

<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>
\$ 111,727	\$ 212,774	\$ 203,956	\$ 203,487	\$ 101,976	\$ 374,593
<u>(111,727)</u>	<u>(212,774)</u>	<u>(203,956)</u>	<u>(203,487)</u>	<u>(101,976)</u>	<u>(374,593)</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
\$ 10,521,338	\$ 10,366,342	\$ 10,374,450	\$ 10,194,350	\$ 10,202,015	\$ 9,364,830
1.06%	2.05%	1.97%	2.00%	1.00%	4.00%

CITY OF WADSWORTH, OHIO

SCHEDULES OF THE REQUIRED SUPPLEMENTARY INFORMATION

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

LAST TEN YEARS

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
<u>Police</u>				
Contractually required contribution	\$ 12,691	\$ 12,500	\$ 11,985	\$ 12,054
Contributions in relation to the contractually required contribution	<u>(12,691)</u>	<u>(12,500)</u>	<u>(11,985)</u>	<u>(12,054)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
City's covered payroll	\$ 2,538,105	\$ 2,499,953	\$ 2,397,068	\$ 2,410,900
Contributions as a percentage of covered payroll	0.50%	0.50%	0.50%	0.50%
<u>Fire</u>				
Contractually required contribution	\$ 4,478	\$ 4,455	\$ 4,227	\$ 3,677
Contributions in relation to the contractually required contribution	<u>(4,478)</u>	<u>(4,455)</u>	<u>(4,227)</u>	<u>(3,677)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
City's covered payroll	\$ 895,511	\$ 891,081	\$ 845,396	\$ 735,370
Contributions as a percentage of covered payroll	0.50%	0.50%	0.50%	0.50%

See accompanying notes to the required supplementary information.

<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>
\$ 10,970	\$ 11,271	\$ 10,881	\$ 10,092	\$ 70,097	\$ 137,123
<u>(10,970)</u>	<u>(11,271)</u>	<u>(10,881)</u>	<u>(10,092)</u>	<u>(70,097)</u>	<u>(137,123)</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
\$ 2,194,005	\$ 2,194,874	\$ 2,119,011	\$ 2,535,474	\$ 1,953,186	\$ 2,031,043
0.50%	0.50%	0.50%	0.50%	3.62%	6.75%
\$ 4,064	\$ 3,975	\$ 3,299	\$ 3,167	\$ 20,682	\$ 35,695
<u>(4,064)</u>	<u>(3,975)</u>	<u>(3,299)</u>	<u>(3,167)</u>	<u>(20,682)</u>	<u>(35,695)</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
\$ 812,821	\$ 759,030	\$ 659,715	\$ 764,655	\$ 572,836	\$ 528,939
0.50%	0.50%	0.50%	0.50%	3.62%	6.75%

CITY OF WADSWORTH, OHIO

**NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION
FOR THE YEAR ENDED DECEMBER 31, 2021**

PENSION

OHIO PUBLIC EMPLOYEES RETIREMENT SYSTEM (OPERS)

Changes in benefit terms : There were no changes in benefit terms from the amounts reported for 2014-2021.

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 2020-2021.

OHIO POLICE AND FIRE (OP&F) PENSION FUND

Changes in benefit terms : There were no changes in benefit terms from the amounts reported for 2014-2021.

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 2019-2021.

CITY OF WADSWORTH, OHIO

**NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION
FOR THE YEAR ENDED DECEMBER 31, 2021**

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. For 2021, the following were the most significant changes in benefit terms since the prior measurement date: The Board approved several changes to the health care plan offered to Medicare and non-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 non-Medicare retirees with monthly allowances, similar to the program for Medicare retirees. These changes are not reflected in the current year financial statements, however, they are reflected in the December 31, 2020 measurement date health care valuation. These changes significantly decreased the total OPEB liability for the measurement date December 31, 2020.

Changes in assumptions: There were no changes in methods and assumptions used in the calculation of actuarial determined contributions for 2017. For 2018, the following were the most significant changes of assumptions that affected the total OPEB liability since the prior measurement date: (a) reduction in the actuarially assumed rate of return from 4.23% down to 3.85%. For 2019, the following were the most significant changes of assumptions that affect the total OPEB liability since the prior measurement date: (a) the discount rate was increased from 3.85% up to 3.96%, (b) The investment rate of return was decreased from 6.50% percent down to 6.00%, (c) the municipal bond rate was increased from 3.31% up to 3.71% and (d) the health care cost trend rate was increased from 7.50%, initial/3.25%, ultimate in 2028 up to 10.00%, initial/3.25% ultimate in 2029. For 2020, the following were the most significant changes of assumptions that affect the total OPEB liability since the prior measurement date: (a) the discount rate was decreased from 3.96% up to 3.16%, (b) the municipal bond rate was decreased from 3.71% up to 2.75% and (c) the health care cost trend rate was increased from 10.0%, initial/3.25%, ultimate in 2029 up to 10.50%, initial/3.50% ultimate in 2030. For 2021, the following where the most significant changes of assumptions that affect the total OPEB liability since the prior measurement date: (a) the discount rate was increased from 3.16% up to 6.00%, (b) the municipal bond rate was decreased from 2.75% down to 2.00% and (c) the health care cost rate trend was decreased from 10.00%, initial/3.50%, ultimate in 2030 down to 8.50%, initial/3.50% ultimate in 2035.

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 2020-2021.

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%. For 2021, 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 3.56% down to 2.96%.

COMBINING STATEMENTS
AND INDIVIDUAL FUND STATEMENTS

CITY OF WADSWORTH, OHIO

COMBINING STATEMENTS - NONMAJOR GOVERNMENTAL FUNDS

Nonmajor Special Revenue Funds

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

Recreation Fund

To account for income tax revenue, lease payments received, and the operation of the Community Center.

Street Maintenance Fund

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

Emergency Medical Services Fund

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

Municipal Court Special Programs Fund

To account for a portion of the fines collected from civil and criminal court orders used to maintain and purchase computer software and equipment for the municipal court.

Municipal Court Improvements Fund

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

Developers Shade Tree Fund

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

Drug Law Enforcement Fund

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

Law Enforcement and Education Fund

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

Indigent Drivers Alcohol Treatment Fund

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

Law Enforcement Trust Fund

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

Permissive Motor Vehicle License Fund

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

CITY OF WADSWORTH, OHIO

COMBINING STATEMENTS - NONMAJOR GOVERNMENTAL FUNDS

Nonmajor Special Revenue Fund - (continued)

State Highway Fund

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

Abatement of Public Nuisance Fund

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

Chippewa Creek Well Reserve Fund

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

Community Reinvestment Fund

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

Safe Routes to School Grant Fund

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

Coronavirus Relief Fund

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

Local Fiscal Recovery Fund

To account for American Rescue Plan Act grant monies received to provide additional relief to address the continued impact of COVID-19 on the economy, public health and local governments.

Roundabout at SR 57 & Seville Rd. Fund

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

Recreation Tax Fund

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

Fire Department Education Grant Fund

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

Police Continuing Professional Training Fund

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

Federal Emergency Management Agency (FEMA) Fund

To account for grant monies to assist, equip and train emergency personnel, enhance efficiencies and support community resilience.

Chip Revolving Loan Fund

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

CITY OF WADSWORTH, OHIO

COMBINING STATEMENTS - NONMAJOR GOVERNMENTAL FUNDS

Nonmajor Special Revenue Fund - (continued)

Economic Development Fund

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

Tax Increment Financing Fund

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

Revolving Loan Fund

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

Nonmajor Debt Service Funds

Special Assessment Bond Retirement Fund (this fund was split into two funds during 2021).

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

General Obligation Bond Retirement Fund

To account for various revenues collected for the payment of general obligation bonded debt.

Nonmajor Capital Projects Funds

Airport Improvements Fund

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

General Capital Improvements Fund

To account for income tax dollars used for various governmental capital improvements.

EMS Reserve Fund

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

Fire Levy Fund

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

Park Land Acquisition Fund

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

Street Improvement Fund

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

Special Assessments Fund

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

CITY OF WADSWORTH, OHIO
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
DECEMBER 31, 2021

	Nonmajor Special Revenue Funds	Nonmajor Debt Service Fund	Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
Assets:				
Equity in pooled cash and cash equivalents	\$ 9,737,931	\$ 3,033	\$ 6,525,053	\$ 16,266,017
Cash in segregated accounts	133,369	-	-	133,369
Receivables:				
Real and other taxes	1,159,153	-	999,784	2,158,937
Accounts	1,203,535	3	12,410	1,215,948
Special assessments	-	1,399,265	-	1,399,265
Interfund loans receivable	955,588	-	749,651	1,705,239
Due from other governments	721,842	-	330,876	1,052,718
Materials and supplies inventory	478,910	-	-	478,910
Prepayments	46,481	-	156	46,637
Total assets	\$ 14,436,809	\$ 1,402,301	\$ 8,617,930	\$ 24,457,040
Liabilities:				
Accounts payable	\$ 60,991	\$ -	\$ 143,728	\$ 204,719
Contracts payable	4,890	-	160,082	164,972
Accrued wages and benefits payable	59,596	-	-	59,596
Interfund loans payable	574,718	70,400	504,830	1,149,948
Due to other governments	49,047	-	-	49,047
Matured interest payable	-	128	-	128
Undistributed monies	13,948	-	-	13,948
Unearned revenue	1,259,422	-	-	1,259,422
Total liabilities	2,022,612	70,528	808,640	2,901,780
Deferred inflows of resources:				
Property taxes levied for the next fiscal year	1,097,698	-	889,769	1,987,467
Delinquent property tax revenue not available	30,605	-	-	30,605
Unavailable revenue - other	1,523,835	1,399,268	160,865	3,083,968
Total deferred inflows of resources	2,652,138	1,399,268	1,050,634	5,102,040
Fund balances:				
Nonspendable	525,391	-	156	525,547
Restricted	8,704,517	2,902	3,934,362	12,641,781
Committed	716,599	-	2,912,290	3,628,889
Unassigned (deficit)	(184,448)	(70,397)	(88,152)	(342,997)
Total fund balances (deficit)	9,762,059	(67,495)	6,758,656	16,453,220
Total liabilities, deferred inflows of resources and fund balance	\$ 14,436,809	\$ 1,402,301	\$ 8,617,930	\$ 24,457,040

CITY OF WADSWORTH, OHIO

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2021

	Nonmajor Special Revenue Funds	Nonmajor Debt Service Fund	Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
Revenues:				
Income taxes	\$ 703,169	\$ 636,469	\$ 1,081,814	\$ 2,421,452
Real and other taxes	1,167,693	-	168,246	1,335,939
Charges for services	881,978	-	231,908	1,113,886
Licenses and permits	643	-	800	1,443
Fines and forfeitures	90,757	-	-	90,757
Intergovernmental	1,846,423	-	191,422	2,037,845
Special assessments	-	87,454	3,800	91,254
Investment income	104	-	-	104
Rental income	108,699	534,308	-	643,007
Contributions and donations	238,740	-	-	238,740
Other	5,227	-	167,381	172,608
Total revenues	<u>5,043,433</u>	<u>1,258,231</u>	<u>1,845,371</u>	<u>8,147,035</u>
Expenditures:				
Current:				
General government	142,502	-	252,669	395,171
Security of persons and property	1,827,550	-	88,994	1,916,544
Public health	990	-	-	990
Transportation	2,077,376	-	152,117	2,229,493
Leisure time services	142,799	-	492	143,291
Community and economic development	172,427	-	-	172,427
Capital outlay	241,292	-	1,468,476	1,709,768
Intergovernmental	26,632	-	-	26,632
Debt service:				
Principal retirement	-	800,278	-	800,278
Interest and fiscal charges	3,377	551,747	1,159	556,283
Total expenditures	<u>4,634,945</u>	<u>1,352,025</u>	<u>1,963,907</u>	<u>7,950,877</u>
Excess of revenues over (under) expenditures	<u>408,488</u>	<u>(93,794)</u>	<u>(118,536)</u>	<u>196,158</u>
Other financing sources (uses):				
Sale of capital assets	11,224	-	-	11,224
Transfers in	117,772	86	157,995	275,853
Total other financing sources (uses)	<u>128,996</u>	<u>86</u>	<u>157,995</u>	<u>287,077</u>
Net change in fund balances	537,484	(93,708)	39,459	483,235
Fund balances at beginning of year	<u>9,224,575</u>	<u>26,213</u>	<u>6,719,197</u>	<u>15,969,985</u>
Fund balances (deficit) at end of year	<u>\$ 9,762,059</u>	<u>\$ (67,495)</u>	<u>\$ 6,758,656</u>	<u>\$ 16,453,220</u>

CITY OF WADSWORTH, OHIO
COMBINING BALANCE SHEET
INDIVIDUAL NONMAJOR GOVERNMENTAL FUNDS
DECEMBER 31, 2021

Nonmajor Special Revenue

	Recreation Fund	Street Maintenance Fund	Emergency Medical Services Fund	Municipal Court Special Programs Fund
Assets:				
Equity in pooled cash and cash equivalents	\$ 342,963	\$ 1,434,154	\$ 3,949,779	\$ 166,484
Cash in segregated accounts	-	16,797	19,734	-
Receivables:				
Real and other taxes	-	-	1,159,153	-
Accounts	-	9,542	1,190,462	-
Special assessments	-	-	-	-
Interfund loans receivable	36,313	166,924	459,721	19,216
Due from other governments	-	582,950	66,166	-
Materials and supplies inventory	-	316,280	-	-
Prepayments	3,449	6,050	8,556	1,875
Total assets	\$ 382,725	\$ 2,532,697	\$ 6,853,571	\$ 187,575
Liabilities:				
Accounts payable	\$ -	\$ 837	\$ 8,825	\$ -
Contracts payable	-	-	-	-
Accrued wages and benefits payable	-	20,459	38,594	-
Interfund loans payable	563,724	-	-	-
Due to other governments	-	13,213	35,403	-
Matured interest payable	-	-	-	-
Undistributed monies	-	6,999	6,706	-
Unearned revenue	-	-	-	-
Total liabilities	563,724	41,508	89,528	-
Deferred inflows of resources:				
Property taxes levied for the next fiscal year	-	-	1,097,698	-
Delinquent property tax revenue not available	-	-	30,605	-
Unavailable revenue - other	-	379,281	1,106,953	-
Total deferred inflows of resources	-	379,281	2,235,256	-
Fund balances:				
Nonspendable	3,449	322,330	8,556	1,875
Restricted	-	1,789,578	4,520,231	185,700
Committed	-	-	-	-
Unassigned (deficit)	(184,448)	-	-	-
Total fund balances (deficit)	(180,999)	2,111,908	4,528,787	187,575
Total liabilities, deferred inflows of resources and fund balance	\$ 382,725	\$ 2,532,697	\$ 6,853,571	\$ 187,575

Nonmajor Special Revenue

Municipal Court Improvements Fund	Developers Shade Tree Fund	Drug Law Enforcement Fund	Law Enforcement and Education Fund	Indigent Drivers Alcohol Treatment Fund	Law Enforcement Trust Fund	Permissive Motor Vehicle License Fund
\$ 541,039	\$ 21,581	\$ 58,261	\$ 18,210	\$ 126,950	\$ 120,650	\$ 436,707
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
62,651	2,512	6,755	2,107	14,661	-	50,829
-	-	-	-	3,165	-	22,127
-	-	-	-	-	-	93,360
2,957	-	-	-	22,067	-	-
<u>\$ 606,647</u>	<u>\$ 24,093</u>	<u>\$ 65,016</u>	<u>\$ 20,317</u>	<u>\$ 166,843</u>	<u>\$ 120,650</u>	<u>\$ 603,023</u>
\$ 9,347	\$ -	\$ -	\$ -	\$ -	\$ 28,575	\$ 941
-	-	-	-	-	4,890	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
9,347	-	-	-	-	33,465	941
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	3,165	-	-
-	-	-	-	3,165	-	-
2,957	-	-	-	22,067	-	93,360
594,343	-	65,016	20,317	141,611	87,185	508,722
-	24,093	-	-	-	-	-
-	-	-	-	-	-	-
<u>597,300</u>	<u>24,093</u>	<u>65,016</u>	<u>20,317</u>	<u>163,678</u>	<u>87,185</u>	<u>602,082</u>
<u>\$ 606,647</u>	<u>\$ 24,093</u>	<u>\$ 65,016</u>	<u>\$ 20,317</u>	<u>\$ 166,843</u>	<u>\$ 120,650</u>	<u>\$ 603,023</u>

(Continued)

CITY OF WADSWORTH, OHIO

COMBINING BALANCE SHEET
INDIVIDUAL NONMAJOR GOVERNMENTAL FUNDS (CONTINUED)
DECEMBER 31, 2021

Nonmajor Special Revenue

	State Highway Fund	Abatement of Public Nuisance Fund	Chippewa Creek Well Reserve Fund	Community Reinvestment Fund
Assets:				
Equity in pooled cash and cash equivalents	\$ 263,187	\$ 94,612	\$ 89,574	\$ 43,312
Cash in segregated accounts	-	-	-	-
Receivables:				
Real and other taxes	-	-	-	-
Accounts	-	3,531	-	-
Special assessments	-	-	-	-
Interfund loans receivable	30,633	11,012	10,426	5,041
Due from other governments	47,266	-	-	-
Materials and supplies inventory	69,270	-	-	-
Prepayments	-	-	-	-
Total assets	\$ 410,356	\$ 109,155	\$ 100,000	\$ 48,353
Liabilities:				
Accounts payable	\$ 628	\$ -	\$ -	\$ -
Contracts payable	-	-	-	-
Accrued wages and benefits payable	-	-	-	-
Interfund loans payable	-	-	-	-
Due to other governments	-	-	-	-
Matured interest payable	-	-	-	-
Undistributed monies	-	-	-	-
Unearned revenue	-	-	-	-
Total liabilities	628	-	-	-
Deferred inflows of resources:				
Property taxes levied for the next fiscal year	-	-	-	-
Delinquent property tax revenue not available	-	-	-	-
Unavailable revenue - other	30,737	3,531	-	-
Total deferred inflows of resources	30,737	3,531	-	-
Fund balances:				
Nonspendable	69,270	-	-	-
Restricted	309,721	105,624	100,000	48,353
Committed	-	-	-	-
Unassigned (deficit)	-	-	-	-
Total fund balances (deficit)	378,991	105,624	100,000	48,353
Total liabilities, deferred inflows of resources and fund balance	\$ 410,356	\$ 109,155	\$ 100,000	\$ 48,353

Nonmajor Special Revenue

Safe Routes to School Grant Fund	Coronavirus Relief Fund	Local Fiscal Recovery Fund	Roundabout at SR 57 & Seville Rd. Fund	Recreation Tax Fund	Fire Department Education Grant Fund	Police Continuing Professional Training Fund
\$ -	\$ -	\$ 1,259,422	\$ 10,994	\$ 236,587	\$ 4,496	\$ 8,507
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	27,537	523	990
-	-	-	168	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,259,422</u>	<u>\$ 11,162</u>	<u>\$ 264,124</u>	<u>\$ 5,019</u>	<u>\$ 9,497</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-	-
-	-	-	10,994	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	1,259,422	-	-	-	-
-	-	1,259,422	10,994	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	168	-	-	-
-	-	-	168	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	5,019	9,497
-	-	-	-	264,124	-	-
-	-	-	-	-	-	-
-	-	-	-	264,124	5,019	9,497
<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,259,422</u>	<u>\$ 11,162</u>	<u>\$ 264,124</u>	<u>\$ 5,019</u>	<u>\$ 9,497</u>

(Continued)

CITY OF WADSWORTH, OHIO

COMBINING BALANCE SHEET
INDIVIDUAL NONMAJOR GOVERNMENTAL FUNDS (CONTINUED)
DECEMBER 31, 2021

Nonmajor Special Revenue

	Federal Emergency Management Agency (FEMA) Fund	CHIP Revolving Loan Fund	Economic Development Fund	Tax Increment Financing Fund
Assets:				
Equity in pooled cash and cash equivalents	\$ -	\$ 100,325	\$ 394,892	\$ 15,245
Cash in segregated accounts	-	-	583	-
Receivables:				
Real and other taxes	-	-	-	-
Accounts	-	-	-	-
Special assessments	-	-	-	-
Interfund loans receivable	-	-	45,962	1,775
Due from other governments	-	-	-	-
Materials and supplies inventory	-	-	-	-
Prepayments	-	-	1,527	-
Total assets	\$ -	\$ 100,325	\$ 442,964	\$ 17,020
Liabilities:				
Accounts payable	\$ -	\$ -	\$ 11,838	\$ -
Contracts payable	-	-	-	-
Accrued wages and benefits payable	-	-	543	-
Interfund loans payable	-	-	-	-
Due to other governments	-	-	431	-
Matured interest payable	-	-	-	-
Undistributed monies	-	-	243	-
Unearned revenue	-	-	-	-
Total liabilities	-	-	13,055	-
Deferred inflows of resources:				
Property taxes levied for the next fiscal year	-	-	-	-
Delinquent property tax revenue not available	-	-	-	-
Unavailable revenue - other	-	-	-	-
Total deferred inflows of resources	-	-	-	-
Fund balances:				
Nonspendable	-	-	1,527	-
Restricted	-	100,325	-	17,020
Committed	-	-	428,382	-
Unassigned (deficit)	-	-	-	-
Total fund balances (deficit)	-	100,325	429,909	17,020
Total liabilities, deferred inflows of resources and fund balance	\$ -	\$ 100,325	\$ 442,964	\$ 17,020

Nonmajor Special Revenue		Nonmajor Debt Service			Nonmajor Capital Projects	
Revolving Loan Fund	Total Special Revenue	Special Assessment Bond Retirement Fund	General Obligation Bond Retirement Fund	Total Debt Service	Airport Improvements Fund	General Capital Improvements Fund
\$ -	\$ 9,737,931	\$ 2,902	\$ 131	\$ 3,033	\$ 239,921	\$ 1,113,951
96,255	133,369	-	-	-	-	-
-	1,159,153	-	-	-	-	52,845
-	1,203,535	3	-	3	-	-
-	-	1,399,265	-	1,399,265	-	-
-	955,588	-	-	-	27,682	125,073
-	721,842	-	-	-	167,039	-
-	478,910	-	-	-	-	-
-	46,481	-	-	-	-	156
<u>\$ 96,255</u>	<u>\$ 14,436,809</u>	<u>\$ 1,402,170</u>	<u>\$ 131</u>	<u>\$ 1,402,301</u>	<u>\$ 434,642</u>	<u>\$ 1,292,025</u>
\$ -	\$ 60,991	\$ -	\$ -	\$ -	\$ 141,075	\$ 2,653
-	4,890	-	-	-	1,650	-
-	59,596	-	-	-	-	-
-	574,718	-	70,400	70,400	236,394	216,436
-	49,047	-	-	-	-	-
-	-	-	128	128	-	-
-	13,948	-	-	-	-	-
-	1,259,422	-	-	-	-	-
-	2,022,612	-	70,528	70,528	379,119	219,089
-	1,097,698	-	-	-	-	-
-	30,605	-	-	-	-	-
-	1,523,835	1,399,268	-	1,399,268	134,521	-
-	2,652,138	1,399,268	-	1,399,268	134,521	-
-	525,391	-	-	-	-	156
96,255	8,704,517	2,902	-	2,902	-	-
-	716,599	-	-	-	-	1,072,780
-	(184,448)	-	(70,397)	(70,397)	(78,998)	-
<u>96,255</u>	<u>9,762,059</u>	<u>2,902</u>	<u>(70,397)</u>	<u>(67,495)</u>	<u>(78,998)</u>	<u>1,072,936</u>
<u>\$ 96,255</u>	<u>\$ 14,436,809</u>	<u>\$ 1,402,170</u>	<u>\$ 131</u>	<u>\$ 1,402,301</u>	<u>\$ 434,642</u>	<u>\$ 1,292,025</u>

(Continued)

CITY OF WADSWORTH, OHIO
COMBINING BALANCE SHEET
INDIVIDUAL NONMAJOR GOVERNMENTAL FUNDS (CONTINUED)
DECEMBER 31, 2021

Nonmajor Capital Projects

	EMS Reserve Fund	Fire Levy Fund	Park Land Acquisition Fund	Street Improvement Fund
Assets:				
Equity in pooled cash and cash equivalents	\$ 1,251,684	\$ 2,767,906	\$ 398,234	\$ 710,511
Cash in segregated accounts	-	-	-	-
Receivables:				
Real and other taxes	-	946,939	-	-
Accounts	-	-	-	11,995
Special assessments	-	-	-	-
Interfund loans receivable	145,686	322,161	46,351	82,698
Due from other governments	-	9,065	-	154,772
Materials and supplies inventory	-	-	-	-
Prepayments	-	-	-	-
Total assets	\$ 1,397,370	\$ 4,046,071	\$ 444,585	\$ 959,976
Liabilities:				
Accounts payable	\$ -	\$ -	\$ -	\$ -
Contracts payable	2,445	2,445	-	153,542
Accrued wages and benefits payable	-	-	-	-
Interfund loans payable	-	-	-	-
Due to other governments	-	-	-	-
Matured interest payable	-	-	-	-
Undistributed monies	-	-	-	-
Unearned revenue	-	-	-	-
Total liabilities	2,445	2,445	-	153,542
Deferred inflows of resources:				
Property taxes levied for the next fiscal year	-	889,769	-	-
Delinquent property tax revenue not available	-	-	-	-
Unavailable revenue - other	-	9,065	-	16,864
Total deferred inflows of resources	-	898,834	-	16,864
Fund balances:				
Nonspendable	-	-	-	-
Restricted	-	3,144,792	-	789,570
Committed	1,394,925	-	444,585	-
Unassigned (deficit)	-	-	-	-
Total fund balances (deficit)	1,394,925	3,144,792	444,585	789,570
Total liabilities, deferred inflows of resources and fund balance	\$ 1,397,370	\$ 4,046,071	\$ 444,585	\$ 959,976

Nonmajor Capital Projects

Special Assessments Fund	Total Capital Projects	Total
\$ 42,846	\$ 6,525,053	\$ 16,266,017
-	-	133,369
-	999,784	2,158,937
415	12,410	1,215,948
-	-	1,399,265
-	749,651	1,705,239
-	330,876	1,052,718
-	-	478,910
-	156	46,637
<u>\$ 43,261</u>	<u>\$ 8,617,930</u>	<u>\$ 24,457,040</u>
\$ -	\$ 143,728	\$ 204,719
-	160,082	164,972
-	-	59,596
52,000	504,830	1,149,948
-	-	49,047
-	-	128
-	-	13,948
-	-	1,259,422
<u>52,000</u>	<u>808,640</u>	<u>2,901,780</u>
-	889,769	1,987,467
-	-	30,605
415	160,865	3,083,968
<u>415</u>	<u>1,050,634</u>	<u>5,102,040</u>
-	156	525,547
-	3,934,362	12,641,781
-	2,912,290	3,628,889
(9,154)	(88,152)	(342,997)
<u>(9,154)</u>	<u>6,758,656</u>	<u>16,453,220</u>
<u>\$ 43,261</u>	<u>\$ 8,617,930</u>	<u>\$ 24,457,040</u>

CITY OF WADSWORTH, OHIO

COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2021

Nonmajor Special Revenue

	Recreation Fund	Street Maintenance Fund	Emergency Medical Services Fund	Municipal Court Special Programs Fund
Revenues:				
Income taxes	\$ 81,096	\$ 622,073	\$ -	\$ -
Real and other taxes	-	-	1,125,393	-
Charges for services	-	12,537	864,031	-
Licenses and permits	-	-	-	-
Fines and forfeitures	-	-	-	21,532
Intergovernmental	-	1,240,542	128,659	-
Special assessments	-	-	-	-
Investment income	-	-	-	-
Rental income	108,699	-	-	-
Contributions and donations	-	-	500	-
Other	16	683	27	-
Total revenues	<u>189,811</u>	<u>1,875,835</u>	<u>2,118,610</u>	<u>21,532</u>
Expenditures:				
Current:				
General government	-	-	-	31,803
Security of persons and property	-	-	1,755,076	-
Public health	-	-	-	-
Transportation	-	1,890,253	-	-
Leisure time services	97,399	-	-	-
Community and economic development	-	-	-	-
Capital outlay	-	-	-	-
Intergovernmental	-	-	16,151	-
Debt service:				
Principal retirement	-	-	-	-
Interest and fiscal charges	3,377	-	-	-
Total expenditures	<u>100,776</u>	<u>1,890,253</u>	<u>1,771,227</u>	<u>31,803</u>
Excess (deficiency) of revenues over/(under) expenditures	<u>89,035</u>	<u>(14,418)</u>	<u>347,383</u>	<u>(10,271)</u>
Other financing sources (uses):				
Sale of capital assets	-	10,695	-	-
Transfers in	8,242	14,554	51,249	3,088
Total other financing sources (uses)	<u>8,242</u>	<u>25,249</u>	<u>51,249</u>	<u>3,088</u>
Net change in fund balances	97,277	10,831	398,632	(7,183)
Fund balances (deficit) at beginning of year	<u>(278,276)</u>	<u>2,101,077</u>	<u>4,130,155</u>	<u>194,758</u>
Fund balances (deficit) at end of year	<u><u>\$ (180,999)</u></u>	<u><u>\$ 2,111,908</u></u>	<u><u>\$ 4,528,787</u></u>	<u><u>\$ 187,575</u></u>

Nonmajor Special Revenue

Municipal Court Improvements Fund	Developers Shade Tree Fund	Drug Law Enforcement Fund	Law Enforcement and Education Fund	Indigent Drivers Alcohol Treatment Fund	Law Enforcement Trust Fund	Permissive Motor Vehicle License Fund
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	643	-	-	-	-	-
42,664	-	4,180	1,594	13,511	500	-
-	-	-	-	11,709	-	282,676
-	-	-	-	-	83	-
-	-	-	-	-	-	-
-	-	4,240	-	-	4,000	-
-	-	-	-	-	-	-
<u>42,664</u>	<u>643</u>	<u>8,420</u>	<u>1,594</u>	<u>25,220</u>	<u>4,583</u>	<u>282,676</u>
29,543	35,025	-	516	45,170	-	-
-	-	6,028	7,406	-	51,640	-
-	-	-	-	-	-	-
-	-	-	-	-	-	160,087
-	-	-	-	-	-	-
27,937	-	-	-	-	53,305	85,946
-	-	-	-	-	-	-
-	-	-	-	-	-	-
<u>57,480</u>	<u>35,025</u>	<u>6,028</u>	<u>7,922</u>	<u>45,170</u>	<u>104,945</u>	<u>246,033</u>
<u>(14,816)</u>	<u>(34,382)</u>	<u>2,392</u>	<u>(6,328)</u>	<u>(19,950)</u>	<u>(100,362)</u>	<u>36,643</u>
-	-	-	-	-	504	25
<u>10,415</u>	<u>1,506</u>	<u>1,036</u>	<u>480</u>	<u>3,282</u>	<u>-</u>	<u>9,733</u>
<u>10,415</u>	<u>1,506</u>	<u>1,036</u>	<u>480</u>	<u>3,282</u>	<u>504</u>	<u>9,758</u>
(4,401)	(32,876)	3,428	(5,848)	(16,668)	(99,858)	46,401
<u>601,701</u>	<u>56,969</u>	<u>61,588</u>	<u>26,165</u>	<u>180,346</u>	<u>187,043</u>	<u>555,681</u>
<u>\$ 597,300</u>	<u>\$ 24,093</u>	<u>\$ 65,016</u>	<u>\$ 20,317</u>	<u>\$ 163,678</u>	<u>\$ 87,185</u>	<u>\$ 602,082</u>

(Continued)

CITY OF WADSWORTH, OHIO

COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS (CONTINUED)
FOR THE YEAR ENDED DECEMBER 31, 2021

Nonmajor Special Revenue

	State Highway Fund	Abatement of Public Nuisance Fund	Chippewa Creek Well Reserve Fund	Community Reinvestment Fund
Revenues:				
Income taxes	\$ -	\$ -	\$ -	\$ -
Real and other taxes	-	-	-	-
Charges for services	-	-	-	-
Licenses and permits	-	-	-	-
Fines and forfeitures	-	6,776	-	-
Intergovernmental	100,584	-	-	-
Special assessments	-	-	-	-
Investment income	-	-	-	-
Rental income	-	-	-	-
Contributions and donations	-	-	-	-
Other	-	-	-	4,000
Total revenues	100,584	6,776	-	4,000
Expenditures:				
Current:				
General government	-	-	-	-
Security of persons and property	-	-	-	-
Public health	-	990	-	-
Transportation	27,036	-	-	-
Leisure time services	-	-	-	-
Community and economic development	-	-	-	234
Capital outlay	735	-	-	-
Intergovernmental	-	-	-	-
Debt service:				
Principal retirement	-	-	-	-
Interest and fiscal charges	-	-	-	-
Total expenditures	27,771	990	-	234
Excess (deficiency) of revenues over/(under) expenditures	72,813	5,786	-	3,766
Other financing sources (uses):				
Sale of capital assets	-	-	-	-
Transfers in	3,191	1,634	-	754
Total other financing sources (uses)	3,191	1,634	-	754
Net change in fund balances	76,004	7,420	-	4,520
Fund balances (deficit) at beginning of year	302,987	98,204	100,000	43,833
Fund balances (deficit) at end of year	\$ 378,991	\$ 105,624	\$ 100,000	\$ 48,353

Nonmajor Special Revenue

Safe Routes to School Grant Fund	Coronavirus Relief Fund	Local Fiscal Recovery Fund	Roundabout at SR 57 & Seville Rd. Fund	Recreation Tax Fund	Fire Department Education Grant Fund	Police Continuing Professional Training Fund
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	26,300	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
1,819	40,000	-	18,716	21,718	-	-
-	-	-	-	-	-	-
-	8	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
1,819	40,008	-	18,716	48,018	-	-
-	-	-	-	-	-	-
-	-	-	-	-	1,900	5,500
-	-	-	-	-	-	-
-	29,527	-	-	15,873	-	-
-	-	-	-	-	-	-
-	-	-	18,716	-	-	-
-	10,481	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	40,008	-	18,716	15,873	1,900	5,500
1,819	-	-	-	32,145	(1,900)	(5,500)
-	-	-	-	-	-	-
-	-	-	-	4,523	-	-
-	-	-	-	4,523	-	-
1,819	-	-	-	36,668	(1,900)	(5,500)
(1,819)	-	-	-	227,456	6,919	14,997
\$ -	\$ -	\$ -	\$ -	\$ 264,124	\$ 5,019	\$ 9,497

(Continued)

CITY OF WADSWORTH, OHIO

COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS (CONTINUED)
FOR THE YEAR ENDED DECEMBER 31, 2021

Nonmajor Special Revenue

	Federal Emergency Management Agency (FEMA) Fund	CHIP Revolving Loan Fund	Economic Development Fund	Tax Increment Financing Fund
Revenues:				
Income taxes	\$ -	\$ -	\$ -	\$ -
Real and other taxes	-	-	16,000	-
Charges for services	-	5,410	-	-
Licenses and permits	-	-	-	-
Fines and forfeitures	-	-	-	-
Intergovernmental	-	-	-	-
Special assessments	-	-	-	-
Investment income	-	-	-	-
Rental income	-	-	-	-
Contributions and donations	-	-	230,000	-
Other	-	-	501	-
Total revenues	<u>-</u>	<u>5,410</u>	<u>246,501</u>	<u>-</u>
Expenditures:				
Current:				
General government	-	-	-	-
Security of persons and property	-	-	-	-
Public health	-	-	-	-
Transportation	-	-	-	-
Leisure time services	-	-	-	-
Community and economic development	-	1,352	170,841	-
Capital outlay	-	-	-	54,653
Intergovernmental	-	-	-	-
Debt service:				
Principal retirement	-	-	-	-
Interest and fiscal charges	-	-	-	-
Total expenditures	<u>-</u>	<u>1,352</u>	<u>170,841</u>	<u>54,653</u>
Excess (deficiency) of revenues over/(under) expenditures	<u>-</u>	<u>4,058</u>	<u>75,660</u>	<u>(54,653)</u>
Other financing sources (uses):				
Sale of capital assets	-	-	-	-
Transfers in	-	2,248	1,837	-
Total other financing sources (uses)	<u>-</u>	<u>2,248</u>	<u>1,837</u>	<u>-</u>
Net change in fund balances	-	6,306	77,497	(54,653)
Fund balances (deficit) at beginning of year	<u>-</u>	<u>94,019</u>	<u>352,412</u>	<u>71,673</u>
Fund balances (deficit) at end of year	<u>\$ -</u>	<u>\$ 100,325</u>	<u>\$ 429,909</u>	<u>\$ 17,020</u>

Nonmajor Special Revenue		Nonmajor Debt Service			Nonmajor Capital Projects	
Revolving Loan Fund	Total Special Revenue	Special Assessment Bond Retirement Fund	General Obligation Bond Retirement Fund	Total Debt Service	Airport Improvements Fund	General Capital Improvements Fund
\$ -	\$ 703,169	\$ -	\$ 636,469	\$ 636,469	\$ -	\$ 209,075
-	1,167,693	-	-	-	-	111,076
-	881,978	-	-	-	-	-
-	643	-	-	-	-	-
-	90,757	-	-	-	-	-
-	1,846,423	-	-	-	41,519	-
-	-	87,454	-	87,454	-	-
13	104	-	-	-	-	-
-	108,699	-	534,308	534,308	-	-
-	238,740	-	-	-	-	-
-	5,227	-	-	-	-	112,444
13	5,043,433	87,454	1,170,777	1,258,231	41,519	432,595
445	142,502	-	-	-	102,021	58,794
-	1,827,550	-	-	-	-	-
-	990	-	-	-	-	-
-	2,077,376	-	-	-	-	-
-	142,799	-	-	-	-	-
-	172,427	-	-	-	-	-
-	241,292	-	-	-	11,486	459,512
-	26,632	-	-	-	-	-
-	-	50,000	750,278	800,278	-	-
-	3,377	35,940	515,807	551,747	315	844
445	4,634,945	85,940	1,266,085	1,352,025	113,822	519,150
(432)	408,488	1,514	(95,308)	(93,794)	(72,303)	(86,555)
-	11,224	-	-	-	-	-
-	117,772	-	86	86	3,991	18,374
-	128,996	-	86	86	3,991	18,374
(432)	537,484	1,514	(95,222)	(93,708)	(68,312)	(68,181)
96,687	9,224,575	1,388	24,825	26,213	(10,686)	1,141,117
\$ 96,255	\$ 9,762,059	\$ 2,902	\$ (70,397)	\$ (67,495)	\$ (78,998)	\$ 1,072,936

(Continued)

CITY OF WADSWORTH, OHIO

COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS (CONTINUED)
FOR THE YEAR ENDED DECEMBER 31, 2021

Nonmajor Capital Projects

	EMS Reserve Fund	Fire Levy Fund	Park Land Acquisition Fund	Street Improvement Fund
Revenues:				
Income taxes	\$ -	\$ -	\$ -	\$ 872,739
Real and other taxes	-	57,170	-	-
Charges for services	115,954	115,954	-	-
Licenses and permits	-	-	800	-
Fines and forfeitures	-	-	-	-
Intergovernmental	-	-	-	149,903
Special assessments	-	-	-	-
Investment income	-	-	-	-
Rental income	-	-	-	-
Contributions and donations	-	-	-	-
Other	-	175	-	54,762
Total revenues	115,954	173,299	800	1,077,404
Expenditures:				
Current:				
General government	-	-	-	-
Security of persons and property	234	88,760	-	-
Public health	-	-	-	-
Transportation	-	-	-	152,117
Leisure time services	-	-	492	-
Community and economic development	-	-	-	-
Capital outlay	123,800	106,620	-	767,058
Intergovernmental	-	-	-	-
Debt service:				
Principal retirement	-	-	-	-
Interest and fiscal charges	-	-	-	-
Total expenditures	124,034	195,380	492	919,175
Excess (deficiency) of revenues over/(under) expenditures	(8,080)	(22,081)	308	158,229
Other financing sources (uses):				
Sale of capital assets	-	-	-	-
Transfers in	25,111	73,622	7,543	7,354
Total other financing sources (uses)	25,111	73,622	7,543	7,354
Net change in fund balances	17,031	51,541	7,851	165,583
Fund balances (deficit) at beginning of year	1,377,894	3,093,251	436,734	623,987
Fund balances (deficit) at end of year	\$ 1,394,925	\$ 3,144,792	\$ 444,585	\$ 789,570

Nonmajor Capital Projects

Special Assessments Fund	Total Capital Projects	Total
\$ -	\$ 1,081,814	\$ 2,421,452
-	168,246	1,335,939
-	231,908	1,113,886
-	800	1,443
-	-	90,757
-	191,422	2,037,845
3,800	3,800	91,254
-	-	104
-	-	643,007
-	-	238,740
-	167,381	172,608
<u>3,800</u>	<u>1,845,371</u>	<u>8,147,035</u>
91,854	252,669	395,171
-	88,994	1,916,544
-	-	990
-	152,117	2,229,493
-	492	143,291
-	-	172,427
-	1,468,476	1,709,768
-	-	26,632
-	-	800,278
-	1,159	556,283
<u>91,854</u>	<u>1,963,907</u>	<u>7,950,877</u>
<u>(88,054)</u>	<u>(118,536)</u>	<u>196,158</u>
-	-	11,224
<u>22,000</u>	<u>157,995</u>	<u>275,853</u>
<u>22,000</u>	<u>157,995</u>	<u>287,077</u>
(66,054)	39,459	483,235
<u>56,900</u>	<u>6,719,197</u>	<u>15,969,985</u>
<u>\$ (9,154)</u>	<u>\$ 6,758,656</u>	<u>\$ 16,453,220</u>

CITY OF WADSWORTH, OHIO

MAJOR GENERAL FUND

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

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

Parking Fund

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

WCTV Fund

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

Fire Dept. HazMat Clean Up Fund

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

Street/Utility Maintenance Guarantees Fund

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

CITY OF WADSWORTH, OHIO

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
PARKING FUND
 FOR THE YEAR ENDED DECEMBER 31, 2021

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Revenues:				
Income taxes	\$ 350,000	\$ 350,000	\$ 350,000	\$ -
Fines and forfeitures	7,000	7,000	5,458	(1,542)
Other	-	-	2,164	2,164
Total revenues	<u>357,000</u>	<u>357,000</u>	<u>357,622</u>	<u>622</u>
Expenditures:				
<i>Current:</i>				
General government				
Contractual services	1,876	1,876	1,876	-
Materials and supplies	5,000	-	-	-
Other	1,198	1,198	1,150	48
Capital outlay	597,965	42,271	37,271	5,000
Total expenditures	<u>606,039</u>	<u>45,345</u>	<u>40,297</u>	<u>5,048</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(249,039)</u>	<u>311,655</u>	<u>317,325</u>	<u>5,670</u>
Other financing sources (uses):				
Note issuance	128,000	128,000	-	(128,000)
Transfers in	2,782	2,782	2,782	-
Total other financing sources (uses)	<u>130,782</u>	<u>130,782</u>	<u>2,782</u>	<u>(128,000)</u>
Net change in fund balance	(118,257)	442,437	320,107	(122,330)
Fund balance at beginning of year	128,900	128,900	128,900	-
Prior year encumbrances appropriated	22,965	22,965	22,965	-
Fund balance at end of year	<u>\$ 33,608</u>	<u>\$ 594,302</u>	<u>\$ 471,972</u>	<u>\$ (122,330)</u>

CITY OF WADSWORTH, OHIO

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
WCTV FUND
 FOR THE YEAR ENDED DECEMBER 31, 2021

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
Revenues:				
Charges for services	\$ 51,000	\$ 51,000	\$ 19,242	\$ (31,758)
Licenses and permits	393,003	393,003	374,556	(18,447)
Contributions and donations	-	-	50	50
Other	-	-	3	3
Total revenues	<u>444,003</u>	<u>444,003</u>	<u>393,851</u>	<u>(50,152)</u>
Expenditures:				
<i>Current:</i>				
Leisure time activities				
Personal services	239,487	239,487	179,883	59,604
Contractual services	86,875	86,988	81,035	5,953
Materials and supplies	17,247	17,247	2,404	14,843
Other	1,321	1,208	821	387
Total expenditures	<u>344,930</u>	<u>344,930</u>	<u>264,143</u>	<u>80,787</u>
Net change in fund balance	99,073	99,073	129,708	30,635
Fund balance at beginning of year	14,565	14,565	14,565	-
Fund balance at end of year	<u><u>\$ 113,638</u></u>	<u><u>\$ 113,638</u></u>	<u><u>\$ 144,273</u></u>	<u><u>\$ 30,635</u></u>

CITY OF WADSWORTH, OHIO

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
FIRE DEPT. HAZMAT CLEAN UP FUND
 FOR THE YEAR ENDED DECEMBER 31, 2021

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Revenues:				
Other	\$ 1,000	\$ 1,000	\$ -	\$ (1,000)
Total revenues	<u>1,000</u>	<u>1,000</u>	<u>-</u>	<u>(1,000)</u>
Expenditures:				
<i>Current:</i>				
Security of persons and property				
Contractual services	211	211	211	-
Materials and supplies	<u>2,200</u>	<u>2,200</u>	<u>-</u>	<u>2,200</u>
Total expenditures	<u>2,411</u>	<u>2,411</u>	<u>211</u>	<u>2,200</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(1,411)</u>	<u>(1,411)</u>	<u>(211)</u>	<u>1,200</u>
Other financing sources (uses):				
Transfers in	<u>408</u>	<u>408</u>	<u>408</u>	<u>-</u>
Total other financing sources (uses)	<u>408</u>	<u>408</u>	<u>408</u>	<u>-</u>
Net change in fund balance	(1,003)	(1,003)	197	1,200
Fund balance at beginning of year	22,057	22,057	22,057	-
Fund balance at end of year	<u><u>\$ 21,054</u></u>	<u><u>\$ 21,054</u></u>	<u><u>\$ 22,254</u></u>	<u><u>\$ 1,200</u></u>

CITY OF WADSWORTH, OHIO

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
STREET/UTILITY MAINTENANCE GUARANTEES FUND
 FOR THE YEAR ENDED DECEMBER 31, 2021

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
Expenditures:				
<i>Current:</i>				
Transportation				
Contractual services	\$ 117	\$ 117	\$ 117	\$ -
Materials and supplies	10,000	10,000	-	10,000
Total expenditures	<u>10,117</u>	<u>10,117</u>	<u>117</u>	<u>10,000</u>
Net change in fund balance	(10,117)	(10,117)	(117)	10,000
Fund balance at beginning of year	<u>53,497</u>	<u>53,497</u>	<u>53,497</u>	<u>-</u>
Fund balance at end of year	<u><u>\$ 43,380</u></u>	<u><u>\$ 43,380</u></u>	<u><u>\$ 53,380</u></u>	<u><u>\$ 10,000</u></u>

CITY OF WADSWORTH, OHIO

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
RECREATION FUND
FOR THE YEAR ENDED DECEMBER 31, 2021

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Income taxes	\$ 96,000	\$ 96,000	\$ 96,000	\$ -
Rental income	109,242	109,242	108,699	(543)
Other	-	-	16	16
Total revenues	<u>205,242</u>	<u>205,242</u>	<u>204,715</u>	<u>(527)</u>
Expenditures:				
<i>Current:</i>				
Leisure time activities				
Contractual services	111,418	111,418	97,715	13,703
Capital outlay	41,000	41,000	-	41,000
Total - leisure time activities	<u>152,418</u>	<u>152,418</u>	<u>97,715</u>	<u>54,703</u>
Debt service				
Principal retirement	675,442	675,442	675,442	-
Interest and fiscal charges	3,377	3,377	3,377	-
Total - debt service	<u>678,819</u>	<u>678,819</u>	<u>678,819</u>	<u>-</u>
Total expenditures	<u>831,237</u>	<u>831,237</u>	<u>776,534</u>	<u>54,703</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(625,995)</u>	<u>(625,995)</u>	<u>(571,819)</u>	<u>54,176</u>
Other financing sources (uses):				
Internal note issuance	563,724	563,724	563,724	-
Transfers in	8,242	8,242	8,242	-
Total other financing sources (uses)	<u>571,966</u>	<u>571,966</u>	<u>571,966</u>	<u>-</u>
Net change in fund balance	(54,029)	(54,029)	147	54,176
Fund balance at beginning of year	<u>379,129</u>	<u>379,129</u>	<u>379,129</u>	<u>-</u>
Fund balance at end of year	<u>\$ 325,100</u>	<u>\$ 325,100</u>	<u>\$ 379,276</u>	<u>\$ 54,176</u>

CITY OF WADSWORTH, OHIO

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
STREET MAINTENANCE FUND
 FOR THE YEAR ENDED DECEMBER 31, 2021

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Revenues:				
Income taxes	\$ 736,400	\$ 736,400	\$ 736,400	\$ -
Charges for services	206,008	206,008	195,641	(10,367)
Intergovernmental	1,180,000	1,180,000	1,226,266	46,266
Other	<u>2,500</u>	<u>2,500</u>	<u>683</u>	<u>(1,817)</u>
Total revenues	<u>2,124,908</u>	<u>2,124,908</u>	<u>2,158,990</u>	<u>34,082</u>
Expenditures:				
<i>Current:</i>				
Transportation				
Personal services	1,426,647	1,426,647	1,303,693	122,954
Contractual services	730,397	740,282	625,552	114,730
Materials and supplies	246,839	241,289	211,318	29,971
Other	<u>7,017</u>	<u>3,067</u>	<u>314</u>	<u>2,753</u>
Total expenditures	<u>2,410,900</u>	<u>2,411,285</u>	<u>2,140,877</u>	<u>270,408</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(285,992)</u>	<u>(286,377)</u>	<u>18,113</u>	<u>304,490</u>
Other financing sources (uses):				
Sale of assets	10,000	10,000	19,927	9,927
Transfers in	<u>14,554</u>	<u>14,554</u>	<u>14,554</u>	<u>-</u>
Total other financing sources (uses)	<u>24,554</u>	<u>24,554</u>	<u>34,481</u>	<u>9,927</u>
Net change in fund balance	(261,438)	(261,823)	52,594	314,417
Fund balance at beginning of year	1,497,256	1,497,256	1,497,256	-
Prior year encumbrances appropriated	<u>17,951</u>	<u>17,951</u>	<u>17,951</u>	<u>-</u>
Fund balance at end of year	<u>\$ 1,253,769</u>	<u>\$ 1,253,384</u>	<u>\$ 1,567,801</u>	<u>\$ 314,417</u>

CITY OF WADSWORTH, OHIO

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
EMERGENCY MEDICAL SERVICES FUND
 FOR THE YEAR ENDED DECEMBER 31, 2021

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Revenues:				
Property and other taxes	\$ 1,083,150	\$ 1,082,374	\$ 1,109,963	\$ 27,589
Charges for services	831,908	831,908	841,244	9,336
Intergovernmental	139,950	139,926	125,694	(14,232)
Contributions and donations	250	250	500	250
Other	401	401	1,315	914
Total revenues	<u>2,055,659</u>	<u>2,054,859</u>	<u>2,078,716</u>	<u>23,857</u>
Expenditures:				
<i>Current:</i>				
Security of persons and property				
Personal services	1,451,085	1,472,805	1,368,089	104,716
Contractual services	302,078	301,178	270,006	31,172
Materials and supplies	139,509	145,379	107,293	38,086
Other	28,443	25,543	17,879	7,664
Total expenditures	<u>1,921,115</u>	<u>1,944,905</u>	<u>1,763,267</u>	<u>181,638</u>
Excess (deficiency) of revenues over (under) expenditures	<u>134,544</u>	<u>109,954</u>	<u>315,449</u>	<u>205,495</u>
Other financing sources (uses):				
Transfers in	51,249	51,249	51,249	-
Total other financing sources (uses)	<u>51,249</u>	<u>51,249</u>	<u>51,249</u>	<u>-</u>
Net change in fund balance	185,793	161,203	366,698	205,495
Fund balance at beginning of year	<u>4,028,864</u>	<u>4,028,864</u>	<u>4,028,864</u>	<u>-</u>
Fund balance at end of year	<u><u>\$ 4,214,657</u></u>	<u><u>\$ 4,190,067</u></u>	<u><u>\$ 4,395,562</u></u>	<u><u>\$ 205,495</u></u>

CITY OF WADSWORTH, OHIO

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
MUNICIPAL COURT SPECIAL PROGRAMS FUND
 FOR THE YEAR ENDED DECEMBER 31, 2021

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Revenues:				
Fines and forfeitures	\$ 35,500	\$ 35,500	\$ 25,772	\$ (9,728)
Total revenues	<u>35,500</u>	<u>35,500</u>	<u>25,772</u>	<u>(9,728)</u>
Expenditures:				
<i>Current:</i>				
General government				
Contractual services	<u>32,433</u>	<u>32,433</u>	<u>31,688</u>	<u>745</u>
Total expenditures	<u>32,433</u>	<u>32,433</u>	<u>31,688</u>	<u>745</u>
Excess (deficiency) of revenues over (under) expenditures	<u>3,067</u>	<u>3,067</u>	<u>(5,916)</u>	<u>(8,983)</u>
Other financing sources (uses):				
Transfers in	<u>3,088</u>	<u>3,088</u>	<u>3,088</u>	<u>-</u>
Total other financing sources (uses)	<u>3,088</u>	<u>3,088</u>	<u>3,088</u>	<u>-</u>
Net change in fund balance	6,155	6,155	(2,828)	(8,983)
Fund balance at beginning of year	<u>187,138</u>	<u>187,138</u>	<u>187,138</u>	<u>-</u>
Fund balance at end of year	<u>\$ 193,293</u>	<u>\$ 193,293</u>	<u>\$ 184,310</u>	<u>\$ (8,983)</u>

CITY OF WADSWORTH, OHIO

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
MUNICIPAL COURT IMPROVEMENTS FUND
 FOR THE YEAR ENDED DECEMBER 31, 2021

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Revenues:				
Fines and forfeitures	\$ 70,000	\$ 70,000	\$ 42,977	\$ (27,023)
Total revenues	<u>70,000</u>	<u>70,000</u>	<u>42,977</u>	<u>(27,023)</u>
Expenditures:				
<i>Current:</i>				
General government				
Contractual services	16,001	21,965	20,364	1,601
Materials and supplies	140,000	140,000	10,180	129,820
Other	1,956	1,956	1,956	-
Capital outlay	<u>37,864</u>	<u>31,900</u>	<u>27,937</u>	<u>3,963</u>
Total expenditures	<u>195,821</u>	<u>195,821</u>	<u>60,437</u>	<u>135,384</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(125,821)</u>	<u>(125,821)</u>	<u>(17,460)</u>	<u>108,361</u>
Other financing sources (uses):				
Transfers in	<u>10,415</u>	<u>10,415</u>	<u>10,415</u>	-
Total other financing sources (uses)	<u>10,415</u>	<u>10,415</u>	<u>10,415</u>	-
Net change in fund balance	(115,406)	(115,406)	(7,045)	108,361
Fund balance at beginning of year	580,762	580,762	580,762	-
Prior year encumbrances appropriated	<u>17,864</u>	<u>17,864</u>	<u>17,864</u>	-
Fund balance at end of year	<u>\$ 483,220</u>	<u>\$ 483,220</u>	<u>\$ 591,581</u>	<u>\$ 108,361</u>

CITY OF WADSWORTH, OHIO

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
DEVELOPERS SHADE TREE FUND
 FOR THE YEAR ENDED DECEMBER 31, 2021

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Revenues:				
Licenses and permits	\$ 4,000	\$ 4,000	\$ 643	\$ (3,357)
Total revenues	<u>4,000</u>	<u>4,000</u>	<u>643</u>	<u>(3,357)</u>
Expenditures:				
<i>Current:</i>				
General government				
Contractual services	20,760	20,760	16,710	4,050
Materials and supplies	19,000	19,000	18,315	685
Other	415	415	-	415
Total expenditures	<u>40,175</u>	<u>40,175</u>	<u>35,025</u>	<u>5,150</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(36,175)</u>	<u>(36,175)</u>	<u>(34,382)</u>	<u>1,793</u>
Other financing sources (uses):				
Transfers in	1,506	1,506	1,506	-
Total other financing sources (uses)	<u>1,506</u>	<u>1,506</u>	<u>1,506</u>	<u>-</u>
Net change in fund balance	(34,669)	(34,669)	(32,876)	1,793
Fund balance at beginning of year	<u>56,969</u>	<u>56,969</u>	<u>56,969</u>	<u>-</u>
Fund balance at end of year	<u>\$ 22,300</u>	<u>\$ 22,300</u>	<u>\$ 24,093</u>	<u>\$ 1,793</u>

CITY OF WADSWORTH, OHIO

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
DRUG LAW ENFORCEMENT FUND
 FOR THE YEAR ENDED DECEMBER 31, 2021

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Revenues:				
Fines and forfeitures	\$ 4,000	\$ 4,000	\$ 4,230	\$ 230
Contributions and donations	1,500	1,500	4,240	2,740
Total revenues	<u>5,500</u>	<u>5,500</u>	<u>8,470</u>	<u>2,970</u>
Expenditures:				
<i>Current:</i>				
Security of persons and property				
Contractual services	2,908	2,908	1,532	1,376
Materials and supplies	5,200	5,200	4,496	704
Total expenditures	<u>8,108</u>	<u>8,108</u>	<u>6,028</u>	<u>2,080</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(2,608)</u>	<u>(2,608)</u>	<u>2,442</u>	<u>5,050</u>
Other financing sources (uses):				
Transfers in	1,036	1,036	1,036	-
Total other financing sources (uses)	<u>1,036</u>	<u>1,036</u>	<u>1,036</u>	<u>-</u>
Net change in fund balance	(1,572)	(1,572)	3,478	5,050
Fund balance at beginning of year	<u>61,317</u>	<u>61,317</u>	<u>61,317</u>	<u>-</u>
Fund balance at end of year	<u>\$ 59,745</u>	<u>\$ 59,745</u>	<u>\$ 64,795</u>	<u>\$ 5,050</u>

CITY OF WADSWORTH, OHIO

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
LAW ENFORCEMENT AND EDUCATION FUND
 FOR THE YEAR ENDED DECEMBER 31, 2021

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Revenues:				
Fines and forfeitures	\$ 3,000	\$ 3,000	\$ 1,619	\$ (1,381)
Total revenues	<u>3,000</u>	<u>3,000</u>	<u>1,619</u>	<u>(1,381)</u>
Expenditures:				
<i>Current:</i>				
General government				
Contractual services	<u>516</u>	<u>516</u>	<u>516</u>	<u>-</u>
Total general government	<u>516</u>	<u>516</u>	<u>516</u>	<u>-</u>
Security of persons and property				
Materials and supplies	<u>8,000</u>	<u>8,000</u>	<u>7,406</u>	<u>594</u>
Total security of persons and property	<u>8,000</u>	<u>8,000</u>	<u>7,406</u>	<u>594</u>
Total expenditures	<u>8,516</u>	<u>8,516</u>	<u>7,922</u>	<u>594</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(5,516)</u>	<u>(5,516)</u>	<u>(6,303)</u>	<u>(787)</u>
Other financing sources (uses):				
Transfers in	<u>480</u>	<u>480</u>	<u>480</u>	<u>-</u>
Total other financing sources (uses)	<u>480</u>	<u>480</u>	<u>480</u>	<u>-</u>
Net change in fund balance	(5,036)	(5,036)	(5,823)	(787)
Fund balance at beginning of year	<u>26,030</u>	<u>26,030</u>	<u>26,030</u>	<u>-</u>
Fund balance at end of year	<u>\$ 20,994</u>	<u>\$ 20,994</u>	<u>\$ 20,207</u>	<u>\$ (787)</u>

CITY OF WADSWORTH, OHIO

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
INDIGENT DRIVERS ALCOHOL TREATMENT FUND
 FOR THE YEAR ENDED DECEMBER 31, 2021

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Revenues:				
Fines and forfeitures	\$ 27,000	\$ 27,000	\$ 13,951	\$ (13,049)
Intergovernmental	16,000	16,000	11,709	(4,291)
Total revenues	<u>43,000</u>	<u>43,000</u>	<u>25,660</u>	<u>(17,340)</u>
Expenditures:				
<i>Current:</i>				
General government				
Contractual services	46,266	46,266	45,766	500
Total expenditures	<u>46,266</u>	<u>46,266</u>	<u>45,766</u>	<u>500</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(3,266)</u>	<u>(3,266)</u>	<u>(20,106)</u>	<u>(16,840)</u>
Other financing sources (uses):				
Transfers in	3,282	3,282	3,282	-
Total other financing sources (uses)	<u>3,282</u>	<u>3,282</u>	<u>3,282</u>	<u>-</u>
Net change in fund balance	16	16	(16,824)	(16,840)
Fund balance at beginning of year	<u>157,450</u>	<u>157,450</u>	<u>157,450</u>	<u>-</u>
Fund balance at end of year	<u>\$ 157,466</u>	<u>\$ 157,466</u>	<u>\$ 140,626</u>	<u>\$ (16,840)</u>

CITY OF WADSWORTH, OHIO

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

LAW ENFORCEMENT TRUST FUND

FOR THE YEAR ENDED DECEMBER 31, 2021

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Revenues:				
Fines and forfeitures	\$ 4,000	\$ 4,000	\$ 500	\$ (3,500)
Investment income	100	100	83	(17)
Contributions and donations	-	-	4,000	4,000
Total revenues	<u>4,100</u>	<u>4,100</u>	<u>4,583</u>	<u>483</u>
Expenditures:				
<i>Current:</i>				
Security of persons and property				
Contractual services	23,211	23,211	23,211	-
Materials and supplies	52,425	52,425	50,679	1,746
Capital outlay	63,300	63,300	63,300	-
Total expenditures	<u>138,936</u>	<u>138,936</u>	<u>137,190</u>	<u>1,746</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(134,836)</u>	<u>(134,836)</u>	<u>(132,607)</u>	<u>2,229</u>
Other financing sources (uses):				
Sale of assets	1,500	1,500	504	(996)
Total other financing sources (uses)	<u>1,500</u>	<u>1,500</u>	<u>504</u>	<u>(996)</u>
Net change in fund balance	(133,336)	(133,336)	(132,103)	1,233
Fund balance at beginning of year	<u>187,043</u>	<u>187,043</u>	<u>187,043</u>	<u>-</u>
Fund balance at end of year	<u>\$ 53,707</u>	<u>\$ 53,707</u>	<u>\$ 54,940</u>	<u>\$ 1,233</u>

CITY OF WADSWORTH, OHIO

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
PERMISSIVE MOTOR VEHICLE LICENSE FUND
 FOR THE YEAR ENDED DECEMBER 31, 2021

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Revenues:				
Intergovernmental	\$ 270,000	\$ 270,000	\$ 280,105	\$ 10,105
Total revenues	<u>270,000</u>	<u>270,000</u>	<u>280,105</u>	<u>10,105</u>
Expenditures:				
<i>Current:</i>				
Transportation				
Contractual services	6,180	6,180	5,932	248
Materials and supplies	175,500	175,500	170,488	5,012
Capital outlay	552,690	519,405	170,196	349,209
Total expenditures	<u>734,370</u>	<u>701,085</u>	<u>346,616</u>	<u>354,469</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(464,370)</u>	<u>(431,085)</u>	<u>(66,511)</u>	<u>364,574</u>
Other financing sources (uses):				
Sale of assets	-	-	25	25
Transfers in	9,733	9,733	9,733	-
Total other financing sources (uses)	<u>9,733</u>	<u>9,733</u>	<u>9,758</u>	<u>25</u>
Net change in fund balance	(454,637)	(421,352)	(56,753)	364,599
Fund balance at beginning of year	345,535	345,535	345,535	-
Prior year encumbrances appropriated	<u>196,690</u>	<u>196,690</u>	<u>196,690</u>	<u>-</u>
Fund balance at end of year	<u>\$ 87,588</u>	<u>\$ 120,873</u>	<u>\$ 485,472</u>	<u>\$ 364,599</u>

CITY OF WADSWORTH, OHIO

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
STATE HIGHWAY FUND
 FOR THE YEAR ENDED DECEMBER 31, 2021

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Revenues:				
Intergovernmental	\$ 219,876	\$ 85,000	\$ 99,427	\$ 14,427
Total revenues	<u>219,876</u>	<u>85,000</u>	<u>99,427</u>	<u>14,427</u>
Expenditures:				
<i>Current:</i>				
Transportation				
Contractual services	194,943	193,907	18,744	175,163
Materials and supplies	40,500	40,500	34,284	6,216
Capital outlay	<u>1,455</u>	<u>735</u>	<u>735</u>	<u>-</u>
Total expenditures	<u>236,898</u>	<u>235,142</u>	<u>53,763</u>	<u>181,379</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(17,022)</u>	<u>(150,142)</u>	<u>45,664</u>	<u>195,806</u>
Other financing sources (uses):				
Transfers in	<u>3,191</u>	<u>3,191</u>	<u>3,191</u>	<u>-</u>
Total other financing sources (uses)	<u>3,191</u>	<u>3,191</u>	<u>3,191</u>	<u>-</u>
Net change in fund balance	(13,831)	(146,951)	48,855	195,806
Fund balance at beginning of year	240,864	240,864	240,864	-
Prior year encumbrances appropriated	<u>2,491</u>	<u>2,491</u>	<u>2,491</u>	<u>-</u>
Fund balance at end of year	<u><u>\$ 229,524</u></u>	<u><u>\$ 96,404</u></u>	<u><u>\$ 292,210</u></u>	<u><u>\$ 195,806</u></u>

CITY OF WADSWORTH, OHIO

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
ABATEMENT OF PUBLIC NUISANCE FUND
 FOR THE YEAR ENDED DECEMBER 31, 2021

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Revenues:				
Fines and forfeitures	\$ 8,400	\$ 8,400	\$ 6,776	\$ (1,624)
Total revenues	<u>8,400</u>	<u>8,400</u>	<u>6,776</u>	<u>(1,624)</u>
Expenditures:				
<i>Current:</i>				
Public health				
Contractual services	<u>22,625</u>	<u>22,625</u>	<u>990</u>	<u>21,635</u>
Total expenditures	<u>22,625</u>	<u>22,625</u>	<u>990</u>	<u>21,635</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(14,225)</u>	<u>(14,225)</u>	<u>5,786</u>	<u>20,011</u>
Other financing sources (uses):				
Transfers in	<u>1,634</u>	<u>1,634</u>	<u>1,634</u>	<u>-</u>
Total other financing sources (uses)	<u>1,634</u>	<u>1,634</u>	<u>1,634</u>	<u>-</u>
Net change in fund balance	(12,591)	(12,591)	7,420	20,011
Fund balance at beginning of year	<u>98,204</u>	<u>98,204</u>	<u>98,204</u>	<u>-</u>
Fund balance at end of year	<u><u>\$ 85,613</u></u>	<u><u>\$ 85,613</u></u>	<u><u>\$ 105,624</u></u>	<u><u>\$ 20,011</u></u>

CITY OF WADSWORTH, OHIO

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
CHIPPEWA CREEK WELL RESERVE FUND
 FOR THE YEAR ENDED DECEMBER 31, 2021

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

CITY OF WADSWORTH, OHIO

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
COMMUNITY REINVESTMENT FUND
 FOR THE YEAR ENDED DECEMBER 31, 2021

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Revenues:				
Other	\$ 2,500	\$ 2,500	\$ 4,000	\$ 1,500
Total revenues	<u>2,500</u>	<u>2,500</u>	<u>4,000</u>	<u>1,500</u>
Expenditures:				
<i>Current:</i>				
Community and economic development				
Contractual services	<u>2,434</u>	<u>2,434</u>	<u>234</u>	<u>2,200</u>
Total expenditures	<u>2,434</u>	<u>2,434</u>	<u>234</u>	<u>2,200</u>
Excess (deficiency) of revenues over (under) expenditures	<u>66</u>	<u>66</u>	<u>3,766</u>	<u>3,700</u>
Other financing sources (uses):				
Transfers in	<u>754</u>	<u>754</u>	<u>754</u>	<u>-</u>
Total other financing sources (uses)	<u>754</u>	<u>754</u>	<u>754</u>	<u>-</u>
Net change in fund balance	820	820	4,520	3,700
Fund balance at beginning of year	<u>43,833</u>	<u>43,833</u>	<u>43,833</u>	<u>-</u>
Fund balance at end of year	<u>\$ 44,653</u>	<u>\$ 44,653</u>	<u>\$ 48,353</u>	<u>\$ 3,700</u>

CITY OF WADSWORTH, OHIO

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
SAFE ROUTES TO SCHOOL GRANT FUND
 FOR THE YEAR ENDED DECEMBER 31, 2021

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Revenues:				
Intergovernmental	\$ -	\$ 1,819	\$ 1,819	\$ -
Total revenues	<u>-</u>	<u>1,819</u>	<u>1,819</u>	<u>-</u>
Expenditures:				
<i>Current:</i>				
Transportation				
Capital outlay	-	1,819	1,819	-
Total expenditures	<u>-</u>	<u>1,819</u>	<u>1,819</u>	<u>-</u>
Net change in fund balance	-	-	-	-
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><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>

CITY OF WADSWORTH, OHIO

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
CORONAVIRUS RELIEF FUND
 FOR THE YEAR ENDED DECEMBER 31, 2021

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Revenues:				
Intergovernmental	\$ -	\$ 40,000	\$ 40,000	\$ -
Investment income	-	8	8	-
Total revenues	<u>-</u>	<u>40,008</u>	<u>40,008</u>	<u>-</u>
Expenditures:				
<i>Current:</i>				
Leisure time activities				
Materials and supplies	-	29,527	29,527	-
Intergovernmental	-	10,481	10,481	-
Total expenditures	<u>-</u>	<u>40,008</u>	<u>40,008</u>	<u>-</u>
Net change in fund balance	-	-	-	-
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><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>

CITY OF WADSWORTH, OHIO

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
LOCAL FISCAL RECOVERY FUND
 FOR THE YEAR ENDED DECEMBER 31, 2021

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Revenues:				
Intergovernmental	\$ -	\$ 1,259,422	\$ 1,259,422	\$ -
Total revenues	<u>-</u>	<u>1,259,422</u>	<u>1,259,422</u>	<u>-</u>
Net change in fund balance	-	1,259,422	1,259,422	-
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><u>\$ 1,259,422</u></u>	<u><u>\$ 1,259,422</u></u>	<u><u>\$ -</u></u>

CITY OF WADSWORTH, OHIO

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
ROUNDBOUT AT SR 57 & SEVILLE RD. FUND
 FOR THE YEAR ENDED DECEMBER 31, 2021

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Intergovernmental	\$ -	\$ -	\$ 33,218	\$ 33,218
Total revenues	<u>-</u>	<u>-</u>	<u>33,218</u>	<u>33,218</u>
Expenditures:				
Transportation				
Capital outlay	43,936	43,936	43,936	-
Total expenditures	<u>43,936</u>	<u>43,936</u>	<u>43,936</u>	<u>-</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(43,936)</u>	<u>(43,936)</u>	<u>(10,718)</u>	<u>33,218</u>
Other financing sources (uses):				
Advances in	-	-	10,994	10,994
Advance out	-	-	(43,936)	(43,936)
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>(32,942)</u>	<u>(32,942)</u>
Net change in fund balance	(43,936)	(43,936)	(43,660)	276
Fund balance at beginning of year	-	-	-	-
Prior year encumbrances appropriated	<u>43,936</u>	<u>43,936</u>	<u>43,936</u>	<u>-</u>
Fund balance at end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 276</u>	<u>\$ 276</u>

CITY OF WADSWORTH, OHIO

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
RECREATION TAX FUND
 FOR THE YEAR ENDED DECEMBER 31, 2021

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Property and other taxes	\$ 30,000	\$ 30,000	\$ 26,300	\$ (3,700)
Intergovernmental	-	-	21,718	21,718
Total revenues	30,000	30,000	48,018	18,018
Expenditures:				
<i>Current:</i>				
Leisure time activities				
Contractual services	1,454	4,798	4,798	-
Materials and supplies	-	7,889	7,889	-
Other	1,564	1,564	1,157	407
Capital outlay	117,000	105,767	12,686	93,081
Total expenditures	120,018	120,018	26,530	93,488
Excess (deficiency) of revenues over (under) expenditures	(90,018)	(90,018)	21,488	111,506
Other financing sources (uses):				
Transfers in	4,523	4,523	4,523	-
Total other financing sources (uses)	4,523	4,523	4,523	-
Net change in fund balance	(85,495)	(85,495)	26,011	111,506
Fund balance at beginning of year	228,613	228,613	228,613	-
Fund balance at end of year	\$ 143,118	\$ 143,118	\$ 254,624	\$ 111,506

CITY OF WADSWORTH, OHIO

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
FIRE DEPARTMENT EDUCATION GRANT FUND
 FOR THE YEAR ENDED DECEMBER 31, 2021

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Revenues:				
Intergovernmental	\$ 1,000	\$ 1,000	\$ -	\$ (1,000)
Total revenues	<u>1,000</u>	<u>1,000</u>	<u>-</u>	<u>(1,000)</u>
Expenditures:				
<i>Current:</i>				
Security of persons and property				
Other	<u>5,700</u>	<u>5,700</u>	<u>1,900</u>	<u>3,800</u>
Total expenditures	<u>5,700</u>	<u>5,700</u>	<u>1,900</u>	<u>3,800</u>
Net change in fund balance	(4,700)	(4,700)	(1,900)	2,800
Fund balance at beginning of year	<u>6,919</u>	<u>6,919</u>	<u>6,919</u>	<u>-</u>
Fund balance at end of year	<u><u>\$ 2,219</u></u>	<u><u>\$ 2,219</u></u>	<u><u>\$ 5,019</u></u>	<u><u>\$ 2,800</u></u>

CITY OF WADSWORTH, OHIO

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
POLICE CONTINUING PROFESSIONAL TRAINING FUND
 FOR THE YEAR ENDED DECEMBER 31, 2021

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
Expenditures:				
<i>Current:</i>				
Security of persons and property				
Other	\$ 5,500	\$ 5,500	\$ 5,500	\$ -
Total expenditures	<u>5,500</u>	<u>5,500</u>	<u>5,500</u>	<u>-</u>
Net change in fund balance	(5,500)	(5,500)	(5,500)	-
Fund balance at beginning of year	<u>14,997</u>	<u>14,997</u>	<u>14,997</u>	<u>-</u>
Fund balance at end of year	<u><u>\$ 9,497</u></u>	<u><u>\$ 9,497</u></u>	<u><u>\$ 9,497</u></u>	<u><u>\$ -</u></u>

CITY OF WADSWORTH, OHIO

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
FEDERAL EMERGENCY MANAGEMENT AGENCY (FEMA) FUND
 FOR THE YEAR ENDED DECEMBER 31, 2021

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
Revenues:				
Intergovernmental	\$ -	\$ 35,185	\$ -	\$ (35,185)
Total revenues	<u>-</u>	<u>35,185</u>	<u>-</u>	<u>(35,185)</u>
Net change in fund balance	-	35,185	-	(35,185)
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><u>35,185</u></u>	<u><u>-</u></u>	<u><u>(35,185)</u></u>

CITY OF WADSWORTH, OHIO

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
CHIP REVOLVING LOAN FUND
 FOR THE YEAR ENDED DECEMBER 31, 2021

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Revenues:				
Charges for services	\$ 4,900	\$ 4,900	\$ 5,410	\$ 510
Total revenues	<u>4,900</u>	<u>4,900</u>	<u>5,410</u>	<u>510</u>
Expenditures:				
<i>Current:</i>				
Community and economic development				
Contractual services	<u>34,952</u>	<u>34,952</u>	<u>1,352</u>	<u>33,600</u>
Total expenditures	<u>34,952</u>	<u>34,952</u>	<u>1,352</u>	<u>33,600</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(30,052)</u>	<u>(30,052)</u>	<u>4,058</u>	<u>34,110</u>
Other financing sources (uses):				
Transfers in	<u>2,248</u>	<u>2,248</u>	<u>2,248</u>	<u>-</u>
Total other financing sources (uses)	<u>2,248</u>	<u>2,248</u>	<u>2,248</u>	<u>-</u>
Net change in fund balance	(27,804)	(27,804)	6,306	34,110
Fund balance at beginning of year	<u>94,019</u>	<u>94,019</u>	<u>94,019</u>	<u>-</u>
Fund balance at end of year	<u>\$ 66,215</u>	<u>\$ 66,215</u>	<u>\$ 100,325</u>	<u>\$ 34,110</u>

CITY OF WADSWORTH, OHIO

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
ECONOMIC DEVELOPMENT FUND
 FOR THE YEAR ENDED DECEMBER 31, 2021

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Revenues:				
Property and other taxes	\$ 16,000	\$ 16,000	\$ 16,000	\$ -
Charges for services	95,474	95,474	95,474	-
Contributions and donations	230,000	230,000	230,000	-
Other	3,000	3,000	501	(2,499)
Total revenues	<u>344,474</u>	<u>344,474</u>	<u>341,975</u>	<u>(2,499)</u>
Expenditures:				
<i>Current:</i>				
Community and economic development				
Personal services	154,794	154,794	125,772	29,022
Contractual services	195,269	195,269	134,706	60,563
Materials and supplies	4,780	4,780	188	4,592
Other	89,264	89,264	56,066	33,198
Total expenditures	<u>444,107</u>	<u>444,107</u>	<u>316,732</u>	<u>127,375</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(99,633)</u>	<u>(99,633)</u>	<u>25,243</u>	<u>124,876</u>
Other financing sources (uses):				
Transfers in	1,837	1,837	1,837	-
Total other financing sources (uses)	<u>1,837</u>	<u>1,837</u>	<u>1,837</u>	<u>-</u>
Net change in fund balance	(97,796)	(97,796)	27,080	124,876
Fund balance at beginning of year	319,421	319,421	319,421	-
Prior year encumbrances appropriated	<u>33,650</u>	<u>33,650</u>	<u>33,650</u>	<u>-</u>
Fund balance at end of year	<u>\$ 255,275</u>	<u>\$ 255,275</u>	<u>\$ 380,151</u>	<u>\$ 124,876</u>

CITY OF WADSWORTH, OHIO

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
TAX INCREMENT FINANCING FUND
 FOR THE YEAR ENDED DECEMBER 31, 2021

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
Expenditures:				
<i>Current:</i>				
Transportation				
Capital outlay	\$ 17,196	\$ 67,237	\$ 67,153	\$ 84
Total expenditures	<u>17,196</u>	<u>67,237</u>	<u>67,153</u>	<u>84</u>
Net change in fund balance	(17,196)	(67,237)	(67,153)	84
Fund balance at beginning of year	54,477	54,477	54,477	-
Prior year encumbrances appropriated	<u>17,196</u>	<u>17,196</u>	<u>17,196</u>	<u>-</u>
Fund balance at end of year	<u>\$ 54,477</u>	<u>\$ 4,436</u>	<u>\$ 4,520</u>	<u>\$ 84</u>

CITY OF WADSWORTH, OHIO

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
REVOLVING LOAN FUND
 FOR THE YEAR ENDED DECEMBER 31, 2021

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Revenues:				
Investment income	\$ 200	\$ 200	\$ 13	\$ (187)
Total revenues	<u>200</u>	<u>200</u>	<u>13</u>	<u>(187)</u>
Expenditures:				
<i>Current:</i>				
General government				
Contractual services	<u>5,445</u>	<u>5,445</u>	<u>445</u>	<u>5,000</u>
Total expenditures	<u>5,445</u>	<u>5,445</u>	<u>445</u>	<u>5,000</u>
Net change in fund balance	(5,245)	(5,245)	(432)	4,813
Fund balance at beginning of year	<u>96,687</u>	<u>96,687</u>	<u>96,687</u>	<u>-</u>
Fund balance at end of year	<u><u>\$ 91,442</u></u>	<u><u>\$ 91,442</u></u>	<u><u>\$ 96,255</u></u>	<u><u>\$ 4,813</u></u>

CITY OF WADSWORTH, OHIO

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
SPECIAL ASSESSMENT BOND RETIREMENT FUND
 FOR THE YEAR ENDED DECEMBER 31, 2021

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Revenues:				
Special assessments	\$ 87,454	\$ 87,454	\$ 87,454	\$ -
Total revenues	<u>87,454</u>	<u>87,454</u>	<u>87,454</u>	<u>-</u>
Expenditures:				
<i>Current:</i>				
Debt service				
Principal retirement	50,000	50,000	50,000	-
Interest and fiscal charges	<u>35,940</u>	<u>35,940</u>	<u>35,940</u>	<u>-</u>
Total expenditures	<u>85,940</u>	<u>85,940</u>	<u>85,940</u>	<u>-</u>
Net change in fund balance	1,514	1,514	1,514	-
Fund balance at beginning of year	<u>1,388</u>	<u>1,388</u>	<u>1,388</u>	<u>-</u>
Fund balance at end of year	<u>\$ 2,902</u>	<u>\$ 2,902</u>	<u>\$ 2,902</u>	<u>\$ -</u>

CITY OF WADSWORTH, OHIO

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
GENERAL OBLIGATION BOND RETIREMENT FUND
 FOR THE YEAR ENDED DECEMBER 31, 2021

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Income taxes	\$ 753,442	\$ 753,442	\$ 753,442	\$ -
Rental income	534,393	534,394	534,308	(86)
Total revenues	<u>1,287,835</u>	<u>1,287,836</u>	<u>1,287,750</u>	<u>(86)</u>
Expenditures:				
Principal retirement	842,428	842,428	842,428	-
Interest and fiscal charges	515,808	515,808	515,807	1
Total expenditures	<u>1,358,236</u>	<u>1,358,236</u>	<u>1,358,235</u>	<u>1</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(70,401)</u>	<u>(70,400)</u>	<u>(70,485)</u>	<u>(85)</u>
Other financing sources (uses):				
Internal note issuance	70,400	70,400	70,400	-
Transfers in	-	-	86	86
Total other financing sources (uses)	<u>70,400</u>	<u>70,400</u>	<u>70,486</u>	<u>86</u>
Net change in fund balance	(1)	-	1	1
Fund balance at beginning of year	<u>130</u>	<u>130</u>	<u>130</u>	<u>-</u>
Fund balance at end of year	<u>\$ 129</u>	<u>\$ 130</u>	<u>\$ 131</u>	<u>\$ 1</u>

CITY OF WADSWORTH, OHIO

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
AIRPORT IMPROVEMENTS FUND
 FOR THE YEAR ENDED DECEMBER 31, 2021

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Intergovernmental	\$ 838,283	\$ 644,500	\$ 38,404	\$ (606,096)
Other	15,000	15,000	-	(15,000)
Total revenues	853,283	659,500	38,404	(621,096)
Expenditures:				
<i>Current:</i>				
General government				
Contractual services	151,966	151,966	151,966	-
Capital outlay	520,080	66,377	66,377	-
Total general government	672,046	218,343	218,343	-
Debt service:				
Principal retirement	63,000	63,000	63,000	-
Interest and fiscal charges	315	315	315	-
Total debt service	63,315	63,315	63,315	-
Total expenditures	735,361	281,658	281,658	-
Excess (deficiency) of revenues over (under) expenditures	117,922	377,842	(243,254)	(621,096)
Other financing sources (uses):				
Internal note issuance	54,000	54,000	54,000	-
Advances in	-	-	182,394	182,394
Advance out	-	-	(125,555)	(125,555)
Transfers in	3,991	3,991	3,991	-
Total other financing sources (uses)	57,991	57,991	114,830	56,839
Net change in fund balance	175,913	435,833	(128,424)	(564,257)
Fund balance at beginning of year	-	-	-	-
Prior year encumbrances appropriated	221,155	221,155	221,155	-
Fund balance at end of year	\$ 397,068	\$ 656,988	\$ 92,731	\$ (564,257)

CITY OF WADSWORTH, OHIO

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
GENERAL CAPITAL IMPROVEMENT FUND
FOR THE YEAR ENDED DECEMBER 31, 2021

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Income taxes	\$ 424,202	\$ 247,500	\$ 247,500	\$ -
Property and other taxes	92,788	54,000	75,893	21,893
Other	112,444	112,444	112,444	-
Total revenues	629,434	413,944	435,837	21,893
Expenditures:				
<i>Current:</i>				
General government				
Contractual services	56,481	75,786	51,577	24,209
Materials and supplies	4,500	4,500	783	3,717
Capital outlay	925,465	940,177	212,235	727,942
Total general government	986,446	1,020,463	264,595	755,868
Security of persons and property				
Capital outlay	117,750	134,750	128,211	6,539
Total security of persons and property	117,750	134,750	128,211	6,539
Transportation				
Capital outlay	203,900	111,900	107,123	4,777
Total transportation	203,900	111,900	107,123	4,777
Leisure time activities				
Capital outlay	91,000	93,000	27,978	65,022
Total leisure time activities	91,000	93,000	27,978	65,022
Debt service:				
Principal retirement	410,864	300,864	168,864	132,000
Interest and fiscal charges	2,054	1,504	844	660
Total debt service	412,918	302,368	169,708	132,660
Total expenditures	1,812,014	1,662,481	697,615	964,866
Excess (deficiency) of revenues over (under) expenditures	(1,182,580)	(1,248,537)	(261,778)	986,759
Other financing sources (uses):				
Internal note issuance	302,236	302,236	216,436	(85,800)
Transfers in	18,374	18,374	18,374	-
Total other financing sources (uses)	320,610	320,610	234,810	(85,800)
Net change in fund balance	(861,970)	(927,927)	(26,968)	900,959
Fund balance at beginning of year	1,223,162	1,223,162	1,223,162	-
Prior year encumbrances appropriated	30,580	30,580	30,580	-
Fund balance at end of year	\$ 391,772	\$ 325,815	\$ 1,226,774	\$ 900,959

CITY OF WADSWORTH, OHIO

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
EMS RESERVE FUND
 FOR THE YEAR ENDED DECEMBER 31, 2021

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Revenues:				
Charges for services	\$ 115,954	\$ 115,954	\$ 115,954	\$ -
Total revenues	<u>115,954</u>	<u>115,954</u>	<u>115,954</u>	<u>-</u>
Expenditures:				
<i>Current:</i>				
Security of persons and property				
Contractual services	30,234	234	234	-
Capital outlay	<u>291,650</u>	<u>321,650</u>	<u>320,042</u>	<u>1,608</u>
Total expenditures	<u>321,884</u>	<u>321,884</u>	<u>320,276</u>	<u>1,608</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(205,930)</u>	<u>(205,930)</u>	<u>(204,322)</u>	<u>1,608</u>
Other financing sources (uses):				
Transfers in	<u>25,111</u>	<u>25,111</u>	<u>25,111</u>	<u>-</u>
Total other financing sources (uses)	<u>25,111</u>	<u>25,111</u>	<u>25,111</u>	<u>-</u>
Net change in fund balance	(180,819)	(180,819)	(179,211)	1,608
Fund balance at beginning of year	<u>1,377,894</u>	<u>1,377,894</u>	<u>1,377,894</u>	<u>-</u>
Fund balance at end of year	<u><u>\$ 1,197,075</u></u>	<u><u>\$ 1,197,075</u></u>	<u><u>\$ 1,198,683</u></u>	<u><u>\$ 1,608</u></u>

CITY OF WADSWORTH, OHIO

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
FIRE LEVY FUND
 FOR THE YEAR ENDED DECEMBER 31, 2021

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Revenues:				
Charges for services	\$ 115,954	\$ 115,954	\$ 115,954	\$ -
Other	-	-	17,355	17,355
Total revenues	<u>115,954</u>	<u>115,954</u>	<u>133,309</u>	<u>17,355</u>
Expenditures:				
<i>Current:</i>				
Security of persons and property				
Contractual services	47,629	23,329	22,715	614
Materials and supplies	129,300	123,600	80,529	43,071
Capital outlay	<u>386,650</u>	<u>416,650</u>	<u>346,492</u>	<u>70,158</u>
Total expenditures	<u>563,579</u>	<u>563,579</u>	<u>449,736</u>	<u>113,843</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(447,625)</u>	<u>(447,625)</u>	<u>(316,427)</u>	<u>131,198</u>
Other financing sources (uses):				
Sale of assets	30,000	30,000	-	(30,000)
Transfers in	73,622	73,622	73,622	-
Total other financing sources (uses)	<u>103,622</u>	<u>103,622</u>	<u>73,622</u>	<u>(30,000)</u>
Net change in fund balance	(344,003)	(344,003)	(242,805)	101,198
Fund balance at beginning of year	<u>3,094,532</u>	<u>3,094,532</u>	<u>3,094,532</u>	<u>-</u>
Fund balance at end of year	<u>\$ 2,750,529</u>	<u>\$ 2,750,529</u>	<u>\$ 2,851,727</u>	<u>\$ 101,198</u>

CITY OF WADSWORTH, OHIO

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
PARK LAND ACQUISITION FUND
 FOR THE YEAR ENDED DECEMBER 31, 2021

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Revenues:				
Licenses and permits	\$ 10,000	\$ 10,000	\$ 800	\$ (9,200)
Total revenues	<u>10,000</u>	<u>10,000</u>	<u>800</u>	<u>(9,200)</u>
Expenditures:				
<i>Current:</i>				
Leisure time activities				
Contractual services	492	492	492	-
Capital outlay	<u>200,000</u>	<u>200,000</u>	<u>-</u>	<u>200,000</u>
Total expenditures	<u>200,492</u>	<u>200,492</u>	<u>492</u>	<u>200,000</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(190,492)</u>	<u>(190,492)</u>	<u>308</u>	<u>190,800</u>
Other financing sources (uses):				
Transfers in	<u>7,543</u>	<u>7,543</u>	<u>7,543</u>	<u>-</u>
Total other financing sources (uses)	<u>7,543</u>	<u>7,543</u>	<u>7,543</u>	<u>-</u>
Net change in fund balance	(182,949)	(182,949)	7,851	190,800
Fund balance at beginning of year	<u>436,734</u>	<u>436,734</u>	<u>436,734</u>	<u>-</u>
Fund balance at end of year	<u>\$ 253,785</u>	<u>\$ 253,785</u>	<u>\$ 444,585</u>	<u>\$ 190,800</u>

CITY OF WADSWORTH, OHIO

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
STREET IMPROVEMENT FUND
 FOR THE YEAR ENDED DECEMBER 31, 2021

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Revenues:				
Income taxes	\$ 892,364	\$ 892,364	\$ 1,011,280	\$ 118,916
Other	287,842	287,842	102,277	(185,565)
Total revenues	<u>1,180,206</u>	<u>1,180,206</u>	<u>1,113,557</u>	<u>(66,649)</u>
Expenditures:				
<i>Current:</i>				
Transportation				
Contractual services	3,148	3,148	2,615	533
Capital outlay	1,565,534	1,526,912	1,085,761	441,151
Total expenditures	<u>1,568,682</u>	<u>1,530,060</u>	<u>1,088,376</u>	<u>441,684</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(388,476)</u>	<u>(349,854)</u>	<u>25,181</u>	<u>375,035</u>
Other financing sources (uses):				
Transfers in	7,354	7,354	7,354	-
Total other financing sources (uses)	<u>7,354</u>	<u>7,354</u>	<u>7,354</u>	<u>-</u>
Net change in fund balance	(381,122)	(342,500)	32,535	375,035
Fund balance at beginning of year	301,349	301,349	301,349	-
Prior year encumbrances appropriated	<u>210,534</u>	<u>210,534</u>	<u>210,534</u>	<u>-</u>
Fund balance at end of year	<u><u>\$ 130,761</u></u>	<u><u>\$ 169,383</u></u>	<u><u>\$ 544,418</u></u>	<u><u>\$ 375,035</u></u>

CITY OF WADSWORTH, OHIO

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
SPECIAL ASSESSMENTS FUND
 FOR THE YEAR ENDED DECEMBER 31, 2021

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Revenues:				
Income taxes	\$ 6,700	\$ 6,700	\$ -	\$ (6,700)
Special assessments	265,000	265,000	4,840	(260,160)
Total revenues	<u>271,700</u>	<u>271,700</u>	<u>4,840</u>	<u>(266,860)</u>
Expenditures:				
<i>Current:</i>				
General government				
Contractual services	126,700	120,866	111,721	9,145
Materials and supplies	-	1,134	1,134	-
Other	-	554	554	-
Capital outlay	195,000	-	-	-
Total expenditures	<u>321,700</u>	<u>122,554</u>	<u>113,409</u>	<u>9,145</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(50,000)</u>	<u>149,146</u>	<u>(108,569)</u>	<u>(257,715)</u>
Other financing sources (uses):				
Advances in	-	-	52,000	52,000
Transfers in	-	-	22,000	22,000
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>74,000</u>	<u>74,000</u>
Net change in fund balance	(50,000)	149,146	(34,569)	(183,715)
Fund balance at beginning of year	<u>55,860</u>	<u>55,860</u>	<u>55,860</u>	<u>-</u>
Fund balance at end of year	<u>\$ 5,860</u>	<u>\$ 205,006</u>	<u>\$ 21,291</u>	<u>\$ (183,715)</u>

CITY OF WADSWORTH, OHIO

FUND DESCRIPTIONS - PROPRIETARY FUNDS

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

Internal Service Funds

Equipment Maintenance Fund

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

Information Technology Fund

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

Health Insurance Retention Fund

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

Liability Insurance Retention Fund

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

Benefits Reserve Fund

To account for resources used to pay accrued benefits to City employees and salaries during any fiscal year when the number of pay periods exceeds the usual and customary number of pay periods.

Workers' Compensation Retention Fund

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

CITY OF WADSWORTH, OHIO

COMBINING STATEMENT OF FUND NET POSITION
INTERNAL SERVICE FUNDS
DECEMBER 31, 2021

	Equipment Maintenance	Information Technology	Health Insurance Retention	Liability Insurance Retention
Assets:				
Current assets:				
Equity in pooled cash and cash equivalents	\$ 209,544	\$ 161,202	\$ 1,034,173	\$ 36,329
Cash in segregated accounts	5,469	11,164	-	-
Receivables:				
Accounts	-	-	24,341	-
Interfund loans	24,389	18,763	120,369	4,228
Materials and supplies inventory	407,655	-	-	-
Prepayments	8,940	94,334	-	-
Total current assets	<u>655,997</u>	<u>285,463</u>	<u>1,178,883</u>	<u>40,557</u>
Noncurrent assets:				
Net pension asset	8,438	17,111	-	-
Net OPEB asset	35,497	71,979	-	-
Depreciable capital assets, net	167,599	81,766	-	-
Total noncurrent assets	<u>211,534</u>	<u>170,856</u>	<u>-</u>	<u>-</u>
Total assets	<u>867,531</u>	<u>456,319</u>	<u>1,178,883</u>	<u>40,557</u>
Deferred outflows of resources:				
Pension	62,816	134,791	-	-
OPEB	30,957	67,151	-	-
Total deferred outflows of resources	<u>93,773</u>	<u>201,942</u>	<u>-</u>	<u>-</u>
Total assets and deferred outflows	<u>961,304</u>	<u>658,261</u>	<u>1,178,883</u>	<u>40,557</u>
Liabilities:				
Current liabilities:				
Accounts payable	18,811	-	-	-
Accrued wages and benefits payable	6,193	12,780	-	-
Due to other governments	4,224	8,645	-	-
Compensated absences payable - current	42,068	88,845	-	-
Claims payable	-	-	370,470	-
Undistributed monies	2,279	4,652	-	-
Total current liabilities	<u>73,575</u>	<u>114,922</u>	<u>370,470</u>	<u>-</u>
Long-term liabilities:				
Compensated absences payable	48,966	53,587	-	-
Net pension liability	297,136	602,511	-	-
Total long-term liabilities	<u>346,102</u>	<u>656,098</u>	<u>-</u>	<u>-</u>
Total liabilities	<u>419,677</u>	<u>771,020</u>	<u>370,470</u>	<u>-</u>
Deferred inflows of resources:				
Pension	131,048	265,732	-	-
OPEB	108,599	219,926	-	-
Total deferred inflows of resources	<u>239,647</u>	<u>485,658</u>	<u>-</u>	<u>-</u>
Net position:				
Net investment in capital assets	167,599	81,766	-	-
Unrestricted (deficit)	134,381	(680,183)	808,413	40,557
Total net position (deficit)	<u>\$ 301,980</u>	<u>\$ (598,417)</u>	<u>\$ 808,413</u>	<u>\$ 40,557</u>

(Continued)

Benefits Reserve Fund	Workers' Compensation Retention	Total
\$ 24,302	\$ 680,573	\$ 2,146,123
-	-	16,633
-	-	24,341
2,829	79,213	249,791
-	-	407,655
-	55,747	159,021
<u>27,131</u>	<u>815,533</u>	<u>3,003,564</u>
-	-	25,549
-	-	107,476
-	-	249,365
-	-	382,390
<u>27,131</u>	<u>815,533</u>	<u>3,385,954</u>
-	-	197,607
-	-	98,108
-	-	295,715
<u>27,131</u>	<u>815,533</u>	<u>3,681,669</u>
-	-	18,811
-	-	18,973
-	-	12,869
-	-	130,913
-	93,827	464,297
-	-	6,931
-	<u>93,827</u>	<u>652,794</u>
-	-	102,553
-	-	899,647
-	-	1,002,200
-	<u>93,827</u>	<u>1,654,994</u>
-	-	396,780
-	-	328,525
-	-	725,305
-	-	249,365
<u>27,131</u>	<u>721,706</u>	<u>1,052,005</u>
<u>\$ 27,131</u>	<u>\$ 721,706</u>	<u>\$ 1,301,370</u>

CITY OF WADSWORTH, OHIO

COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
INTERNAL SERVICE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2021

	Equipment Maintenance	Information Technology	Health Insurance Retention	Liability Insurance Retention
Revenues:				
Charges for services	\$ 931,770	\$ 1,360,301	\$ 3,431,758	\$ -
Other	137	260	14,372	2,500
Total operating revenues	931,907	1,360,561	3,446,130	2,500
Operating expenses:				
Personal services	222,833	404,308	5,547	192
Contract services	81,025	248,863	964,122	42
Materials and supplies	358,168	147,159	-	-
Claims expense	-	-	3,505,858	-
Depreciation	14,575	57,271	-	-
Other	4,146	5,258	-	-
Total operating expenses	680,747	862,859	4,475,527	234
Operating income (loss)	251,160	497,702	(1,029,397)	2,266
Nonoperating (expenses):				
Gain (loss) on sale of capital assets	383	-	-	-
Total nonoperating (expenses)	383	-	-	-
Income (loss) before transfers	251,543	497,702	(1,029,397)	2,266
Transfer in	1,199	4,107	17,814	651
Transfer out	-	(62,487)	-	-
Change in net position	252,742	439,322	(1,011,583)	2,917
Net position (deficit) at beginning of year	49,238	(1,037,739)	1,819,996	37,640
Net position (deficit) at end of year	\$ 301,980	\$ (598,417)	\$ 808,413	\$ 40,557

(Continued)

Benefits Reserve Fund	Workers' Compensation Retention	Total
\$ -	\$ 189,913	\$ 5,913,742
-	182	17,451
-	190,095	5,931,193
403	2,476	635,759
89	75,180	1,369,321
-	-	505,327
-	113,225	3,619,083
-	-	71,846
-	6,448	15,852
492	197,329	6,217,188
(492)	(7,234)	(285,995)
-	-	383
-	-	383
(492)	(7,234)	(285,612)
4,559	11,453	39,783
-	-	(62,487)
4,067	4,219	(308,316)
23,064	717,487	1,609,686
<u>\$ 27,131</u>	<u>\$ 721,706</u>	<u>\$ 1,301,370</u>

CITY OF WADSWORTH, OHIO

COMBINING STATEMENT OF CASH FLOWS
INTERNAL SERVICE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2021

	<u>Equipment Maintenance</u>	<u>Information Technology</u>	<u>Health Insurance Retention</u>	<u>Liability Insurance Retention</u>
Cash flows from operating activities:				
Cash received from customers	\$ 931,769	\$ 1,360,301	\$ 3,416,789	\$ -
Cash received from other operations	137	260	86,660	2,500
Cash payments to employees for services	(421,027)	(820,405)	-	-
Cash payments for goods and services	(468,604)	(422,093)	(970,731)	(234)
Cash payments for claims	-	-	(3,595,226)	-
Cash payments for other expenses	(3,189)	(5,301)	-	-
Net cash provided by (used for) operating activities	<u>39,086</u>	<u>112,762</u>	<u>(1,062,508)</u>	<u>2,266</u>
Cash flows from noncapital financing activities:				
Cash payments for payroll deductions	(799)	(1,965)	-	-
Cash received from transfers in	1,199	4,107	17,814	651
Cash received from internal notes	24,389	14,933	261,530	4,476
Cash used for internal notes	(24,389)	(18,763)	(120,369)	(4,228)
Net cash provided by (used for) noncapital financing activities	<u>400</u>	<u>(1,688)</u>	<u>158,975</u>	<u>899</u>
Cash flows from capital and related financing activities:				
Sale of capital assets	383	-	-	-
Acquisition of capital assets	(11,835)	(62,487)	-	-
Net cash used for capital and related financing activities	<u>(11,452)</u>	<u>(62,487)</u>	<u>-</u>	<u>-</u>
Net increase (decrease) in cash and cash equivalents	28,034	48,587	(903,533)	3,165
Cash and cash equivalents at beginning of year	<u>186,979</u>	<u>123,779</u>	<u>1,937,706</u>	<u>33,164</u>
Cash and cash equivalents at end of year	<u>\$ 215,013</u>	<u>\$ 172,366</u>	<u>\$ 1,034,173</u>	<u>\$ 36,329</u>
Reconciliation of operating income (loss) to net cash provided by (used for) operating activities:				
Operating income (loss)	\$ 251,160	\$ 497,702	\$ (1,029,397)	\$ 2,266
Adjustments:				
Depreciation	14,575	57,271	-	-
Changes in assets, deferred inflows, liabilities and deferred outflows:				
(Increase) decrease in accounts receivable	-	-	57,319	-
(Increase) decrease in materials and supplied inventory	(13,291)	-	-	-
(Increase) decrease in deferred outflows - pension	13,726	1,295	-	-
(Increase) decrease in deferred outflows - OPEB	18,848	23,629	-	-
(Increase) decrease in net pension asset	(3,051)	(6,464)	-	-
(Increase) decrease in net OPEB asset	(35,497)	(71,979)	-	-
(Increase) decrease in prepayments	(143)	(11,096)	-	-
Increase (decrease) in accounts payable	7,755	(1,229)	-	-
Increase (decrease) in contracts payable	-	-	-	-
Increase (decrease) in accrued wages and benefits	1,480	3,636	-	-
Increase (decrease) in due to other governments	247	627	(1,062)	-
Increase (decrease) in compensated absences payable	9,644	15,494	-	-
Increase (decrease) in net pension liability	(76,744)	(136,387)	-	-
Increase (decrease) in net OPEB liability	(259,020)	(511,900)	-	-
Increase (decrease) in deferred inflows - pension	42,562	105,119	-	-
Increase (decrease) in deferred inflows - OPEB	66,835	147,044	-	-
Increase (decrease) in claims payable	-	-	(89,368)	-
Net cash provided by (used for) operating activities	<u>\$ 39,086</u>	<u>\$ 112,762</u>	<u>\$ (1,062,508)</u>	<u>\$ 2,266</u>

(Continued)

Benefits Reserve Fund	Workers' Compensation Retention	Total
\$ -	\$ 189,913	\$ 5,898,772
-	6,590	96,147
-	-	(1,241,432)
(492)	(77,694)	(1,939,848)
-	(50,522)	(3,645,748)
-	(6,448)	(14,938)
<u>(492)</u>	<u>61,839</u>	<u>(847,047)</u>
-	-	(2,764)
4,559	11,453	39,783
2,743	81,633	389,704
<u>(2,829)</u>	<u>(79,213)</u>	<u>(249,791)</u>
<u>4,473</u>	<u>13,873</u>	<u>176,932</u>
-	-	383
-	-	(74,322)
-	-	(73,939)
<u>3,981</u>	<u>75,712</u>	<u>(744,054)</u>
<u>20,321</u>	<u>604,861</u>	<u>2,906,810</u>
<u>\$ 24,302</u>	<u>\$ 680,573</u>	<u>\$ 2,162,756</u>

\$ (492)	\$ (7,234)	\$ (285,995)
-	-	71,846
-	6,408	63,727
-	-	(13,291)
-	-	15,021
-	-	42,477
-	-	(9,515)
-	-	(107,476)
-	(38)	(11,277)
-	-	6,526
-	-	-
-	-	5,116
-	-	(188)
-	-	25,138
-	-	(213,131)
-	-	(770,920)
-	-	147,681
-	-	213,879
-	62,703	(26,665)
<u>\$ (492)</u>	<u>\$ 61,839</u>	<u>\$ (847,047)</u>



CITY OF WADSWORTH, OHIO

FUND DESCRIPTIONS - FIDUCIARY FUNDS

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

Custodial Funds

Muni Court Fund

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

Police Property Room Fund

To account for monies held in the police property room.

CITY OF WADSWORTH, OHIO

COMBINING STATEMENT OF FIDUCIARY NET POSITION
CUSTODIAL FUNDS
DECEMBER 31, 2021

	Muni Court	Police Property Room	Total
Assets:			
Current Assets:			
Equity in pooled cash and cash equivalents	\$ 29,323	\$ -	\$ 29,323
Cash in segregated accounts	17,087	18,225	35,312
Accounts receivable	-	30	30
Total assets	46,410	18,255	64,665
Liabilities:			
Due to other governments	46,410	-	46,410
Total liabilities	46,410	-	46,410
Net Position:			
Restricted for individuals, organizations, and other governments	\$ -	\$ 18,255	\$ 18,255

CITY OF WADSWORTH, OHIO

COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
CUSTODIAL FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2021

	Muni Court	Police Room Property	Total
Additions:			
Fines and forfeitures for other governments	\$ 741,205	\$ -	\$ 741,205
Police property collected		106	106
Total additions	741,205	106	741,311
Deductions:			
Distributions to other governments	741,205	-	741,205
Total deductions	741,205	-	741,205
Change in net position	-	106	106
Net position at beginning of year	-	18,149	18,149
Net position at end of year	\$ -	\$ 18,255	\$ 18,255



STATISTICAL SECTION



CITY OF WADSWORTH, OHIO

Statistical Section

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

<u>Contents</u>	<u>Page</u>
Financial Trends These schedules contain trend information to help the reader understand how the City's financial performance and well-being have changed over time.	S2 - S13
Revenue Capacity These schedules contain information to help the reader assess the factors affecting the City's most significant local revenue sources: the municipal income tax and the property tax.	S14 - S18
Debt Capacity These schedules present information to help the reader assess the affordability of the City's current levels of outstanding debt and the City's ability to issue additional debt in the future.	S20 - S27
Demographic and Economic Information These schedules offer demographic and economic indicators to help the reader understand the environment within which the City's financial activities take place and to help make comparisons over time and with other governments.	S28
Operating Information These schedules contain services and infrastructure data to help the reader understand how the information in the City's financial report relates to the services the City provides and the activities it performs.	S29 - S37

Sources:

Sources of the information presented in this section are provided at the bottom of each schedule.

CITY OF WADSWORTH, OHIONet Position By Component
Last Ten Years
(Accrual Basis of Accounting)

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018 (2)</u>
Governmental activities				
Net investment in capital assets	\$ 51,846,036	\$ 45,766,692	\$ 44,105,660	\$ 42,064,162
Restricted	11,034,576	9,369,552	9,382,380	7,939,948
Unrestricted (deficit)	<u>6,002,880</u>	<u>(134,926)</u>	<u>(1,861,798)</u>	<u>(6,626,114)</u>
Total governmental activities net position	<u>68,883,492</u>	<u>55,001,318</u>	<u>51,626,242</u>	<u>43,377,996</u>
Business-type activities				
Net investment in capital assets	75,278,761	68,572,076	67,774,899	68,618,524
Unrestricted	<u>26,775,720</u>	<u>19,277,273</u>	<u>18,253,041</u>	<u>16,463,634</u>
Total business-type activities net position	<u>102,054,481</u>	<u>87,849,349</u>	<u>86,027,940</u>	<u>85,082,158</u>
Primary government				
Net investment in capital assets	127,124,797	114,338,768	111,880,559	110,682,686
Restricted	11,034,576	9,369,552	9,382,380	7,939,948
Unrestricted	<u>32,778,600</u>	<u>19,142,347</u>	<u>16,391,243</u>	<u>9,837,520</u>
Total primary government net position	<u>\$ 170,937,973</u>	<u>\$ 142,850,667</u>	<u>\$ 137,654,182</u>	<u>\$ 128,460,154</u>

NOTES:

- (1) The City implemented GASB 68 during 2015, and as a result 2014 was restated.
- (2) The City implemented GASB 75 during 2018, and as a result 2017 was restated.

Restated 2017	2016	2015	Restated 2014 (1)	2013	2012
\$ 41,370,066	\$ 40,055,196	\$ 37,607,541	\$ 34,082,257	\$ 30,975,468	\$ 27,652,789
8,848,050	8,973,458	10,496,479	12,647,495	12,544,168	12,444,429
(10,211,475)	1,615,807	(196,242)	7,664,110	7,012,414	7,876,795
40,006,641	50,644,461	47,907,778	54,393,862	50,532,050	47,974,013
67,445,155	67,042,743	63,019,576	60,936,466	63,409,337	57,015,769
14,093,370	16,481,948	15,605,300	18,848,040	12,827,606	12,387,704
81,538,525	83,524,691	78,624,876	79,784,506	76,236,943	69,403,473
108,815,221	107,097,939	100,627,117	95,018,723	94,384,805	84,668,558
8,848,050	8,973,458	10,496,479	12,647,495	12,544,168	12,444,429
3,881,895	18,097,755	15,409,058	26,512,150	19,840,020	20,264,499
\$ 121,545,166	\$ 134,169,152	\$ 126,532,654	\$ 134,178,368	\$ 126,768,993	\$ 117,377,486

CITY OF WADSWORTH, OHIO

Changes in Net Position
Last Ten Years
(Accrual Basis of Accounting)

	2021	2020	2019	2018
Program revenues				
Governmental activities:				
Charges for services:				
General government	\$ 739,003	\$ 2,000,719	\$ 688,537	\$ 715,768
Security of persons and property	1,371,693	1,305,443	1,656,823	1,395,252
Public health	9,710	10,334	-	-
Transportation	78,599	95,160	215,167	343,096
Leisure time services	1,052,711	1,030,212	1,139,953	1,263,291
Community and economic development	122,961	195,188	345,529	296,861
Subtotal - charges for services	<u>3,374,677</u>	<u>4,637,056</u>	<u>4,046,009</u>	<u>4,014,268</u>
Operating grants and contributions:				
General government	141,461	1,759,343	14,096	15,167
Security of persons and property	82,932	78,341	3,701	9,771
Public health	-	-	-	-
Transportation	1,636,148	1,486,706	1,748,847	1,164,507
Leisure time services	60,518	369	-	21,718
Community and economic development	230,000	230,000	130,833	-
Public works	-	-	-	-
Subtotal - operating grants and contributions	<u>2,151,059</u>	<u>3,554,759</u>	<u>1,897,477</u>	<u>1,211,163</u>
Capital grants and contributions:				
General government	28,727	310,024	95,800	54,458
Security of persons and property	-	-	-	-
Public health	-	-	-	-
Transportation	7,308,810	693,422	637,548	1,197,179
Leisure time services	36,819	-	-	-
Community and economic development	-	-	-	-
	<u>7,374,356</u>	<u>1,003,446</u>	<u>733,348</u>	<u>1,251,637</u>
Total governmental activities program revenues	<u>12,900,092</u>	<u>9,195,261</u>	<u>6,676,834</u>	<u>6,477,068</u>

2017	2016	2015	2014	2013	2012
\$ 1,125,127	\$ 995,222	\$ 692,556	\$ 545,039	\$ 660,499	\$ 517,728
1,544,367	1,429,331	1,255,895	1,368,456	1,310,679	1,340,579
-	18,107	23,908	6,703	43,597	10,997
349,398	363,561	364,342	344,096	322,749	50,209
990,309	926,673	1,173,166	1,047,403	1,020,645	615,348
257,916	127,665	366,728	22,526	16,481	49,559
<u>4,267,117</u>	<u>3,860,559</u>	<u>3,876,595</u>	<u>3,334,223</u>	<u>3,374,650</u>	<u>2,584,420</u>
18,957	6,703	24,490	5,021	50,711	27,364
15,262	33,613	4,866	31,372	3,069	99,958
-	-	-	5,133	-	1,029
1,127,455	1,420,417	1,102,091	991,154	777,475	10,615
6,942	101,850	-	50,783	230,000	7,909
2,500	369,595	585,026	2,241,748	478,423	528,546
-	-	-	-	-	4,778
<u>1,171,116</u>	<u>1,932,178</u>	<u>1,716,473</u>	<u>3,325,211</u>	<u>1,539,678</u>	<u>680,199</u>
23,277	905,242	-	188,574	136,725	145,251
-	-	-	-	-	20,662
-	-	-	-	-	129
246,434	477,433	1,119,844	-	-	5,356
372,185	-	-	-	-	990
-	-	-	-	206,469	545
<u>641,896</u>	<u>1,382,675</u>	<u>1,119,844</u>	<u>188,574</u>	<u>343,194</u>	<u>172,933</u>
<u>6,080,129</u>	<u>7,175,412</u>	<u>6,712,912</u>	<u>6,848,008</u>	<u>5,257,522</u>	<u>3,437,552</u>

City of Wadsworth, Ohio
Changes in Net Position
Last Ten Years
(Accrual Basis of Accounting)

	2021	2020	2019	2018
Business-type activities:				
Charges for services:				
Storm Water	876,597	892,859	897,617	892,003
Telecom	6,456,288	6,383,760	6,091,589	5,778,436
Sewer	4,639,392	4,323,160	4,003,504	4,163,397
Water	3,836,383	3,605,024	3,224,409	3,536,688
Electric	29,142,823	31,303,539	32,621,773	35,104,298
Sanitation	2,922,418	2,829,102	2,805,332	2,732,683
Subtotal - charges for services	<u>47,873,901</u>	<u>49,337,444</u>	<u>49,644,224</u>	<u>52,207,505</u>
Operating & capital grants and contributions				
Storm Water	2,423,052	344,199	229,734	818,707
Sewer	4,218,880	-	-	146,293
Water	292,901	273,075	218,000	221,468
Electric	8,237	-	53,484	-
Subtotal - operating & capital grants and contributions	<u>6,943,070</u>	<u>617,274</u>	<u>501,218</u>	<u>1,186,468</u>
Total business-type activities program revenues	<u>54,816,971</u>	<u>49,954,718</u>	<u>50,145,442</u>	<u>53,393,973</u>
Total primary government program revenues	<u>67,717,063</u>	<u>59,149,979</u>	<u>56,822,276</u>	<u>59,871,041</u>
Expenses				
Governmental activities:				
General government	2,430,832	6,354,085	3,131,390	3,970,706
Security of persons and property	7,395,236	7,400,618	2,794,514	8,592,269
Public health	135,256	133,867	126,524	126,351
Leisure time services	1,036,309	1,637,543	2,028,491	1,747,771
Community and economic development	388,932	568,482	937,301	487,254
Public works	-	-	-	-
Transportation	2,933,620	3,298,322	4,712,460	3,568,642
Intergovernmental	26,632	-	-	-
Interest and fiscal charges	591,839	644,925	674,126	687,349
Total governmental activities expenses	<u>14,938,656</u>	<u>20,037,842</u>	<u>14,404,806</u>	<u>19,180,342</u>
Business-type activities:				
Storm Water	1,005,416	857,362	864,302	728,796
Telecom	4,806,664	5,799,124	5,421,416	5,172,951
Sewer	3,401,166	3,893,997	4,130,016	3,682,447
Water	2,543,040	3,467,139	3,569,061	3,796,867
Electric	27,540,279	32,270,549	33,757,226	34,759,321
Sanitation	2,133,845	2,537,112	2,321,866	2,032,266
Total business-type activities expenses	<u>41,430,410</u>	<u>48,825,283</u>	<u>50,063,887</u>	<u>50,172,648</u>
Total primary government expenses	<u>56,369,066</u>	<u>68,863,125</u>	<u>64,468,693</u>	<u>69,352,990</u>

2017	2016	2015	2014	2013	2012
891,881	861,624	844,995	842,103	846,807	820,242
5,505,819	5,248,649	4,950,215	4,606,769	4,267,447	3,784,001
4,114,742	4,088,798	4,057,291	4,038,723	3,804,179	3,531,295
3,629,400	4,077,047	4,017,560	3,580,692	3,755,438	3,797,973
32,891,494	33,086,099	30,158,308	31,212,822	30,664,529	28,735,362
2,684,429	2,544,085	2,478,382	2,380,196	2,362,918	2,206,598
<u>49,717,765</u>	<u>49,906,302</u>	<u>46,506,751</u>	<u>46,661,305</u>	<u>45,701,318</u>	<u>42,875,471</u>
161,166	627,189	-	305,331	124,949	-
52,563	-	-	-	245,002	-
546,703	613,978	-	-	-	208,316
-	-	15,387	-	877,724	1,428,578
<u>760,432</u>	<u>1,241,167</u>	<u>15,387</u>	<u>305,331</u>	<u>1,247,675</u>	<u>1,636,894</u>
<u>50,478,197</u>	<u>51,147,469</u>	<u>46,522,138</u>	<u>46,966,636</u>	<u>46,948,993</u>	<u>44,512,365</u>
<u>56,558,326</u>	<u>58,322,881</u>	<u>53,235,050</u>	<u>53,814,644</u>	<u>52,206,515</u>	<u>47,949,917</u>
3,258,300	3,673,205	2,787,972	3,683,873	3,985,055	3,769,536
8,344,719	6,645,484	8,000,937	6,531,114	5,946,408	6,221,933
127,183	130,369	121,952	125,292	125,186	109,054
1,626,512	2,440,724	1,431,808	1,467,632	1,609,321	1,604,855
675,036	1,252,104	1,159,127	389,592	1,023,032	929,492
-	-	-	-	-	121,471
4,507,027	3,696,010	3,110,416	3,192,863	2,893,421	2,920,887
-	-	-	-	-	-
<u>780,103</u>	<u>936,989</u>	<u>749,206</u>	<u>751,170</u>	<u>775,567</u>	<u>793,123</u>
<u>19,318,880</u>	<u>18,774,885</u>	<u>17,361,418</u>	<u>16,141,536</u>	<u>16,357,990</u>	<u>16,470,351</u>
1,059,202	1,081,718	1,089,434	821,058	904,253	871,099
5,012,234	4,959,269	4,639,496	4,565,953	4,574,954	4,010,252
3,819,324	3,571,494	3,815,598	3,168,619	3,245,256	3,629,162
4,205,204	3,828,272	3,648,343	3,387,965	3,227,991	3,462,781
32,860,925	31,952,924	29,730,644	30,297,757	27,789,052	26,625,458
2,369,691	1,913,821	2,012,855	2,293,352	2,221,316	2,232,922
<u>49,326,580</u>	<u>47,307,498</u>	<u>44,936,370</u>	<u>44,534,704</u>	<u>41,962,822</u>	<u>40,831,674</u>
<u>68,645,460</u>	<u>66,082,383</u>	<u>62,297,788</u>	<u>60,676,240</u>	<u>58,320,812</u>	<u>57,302,025</u>

City of Wadsworth, Ohio
Changes in Net Position
Last Ten Years
(Accrual Basis of Accounting)

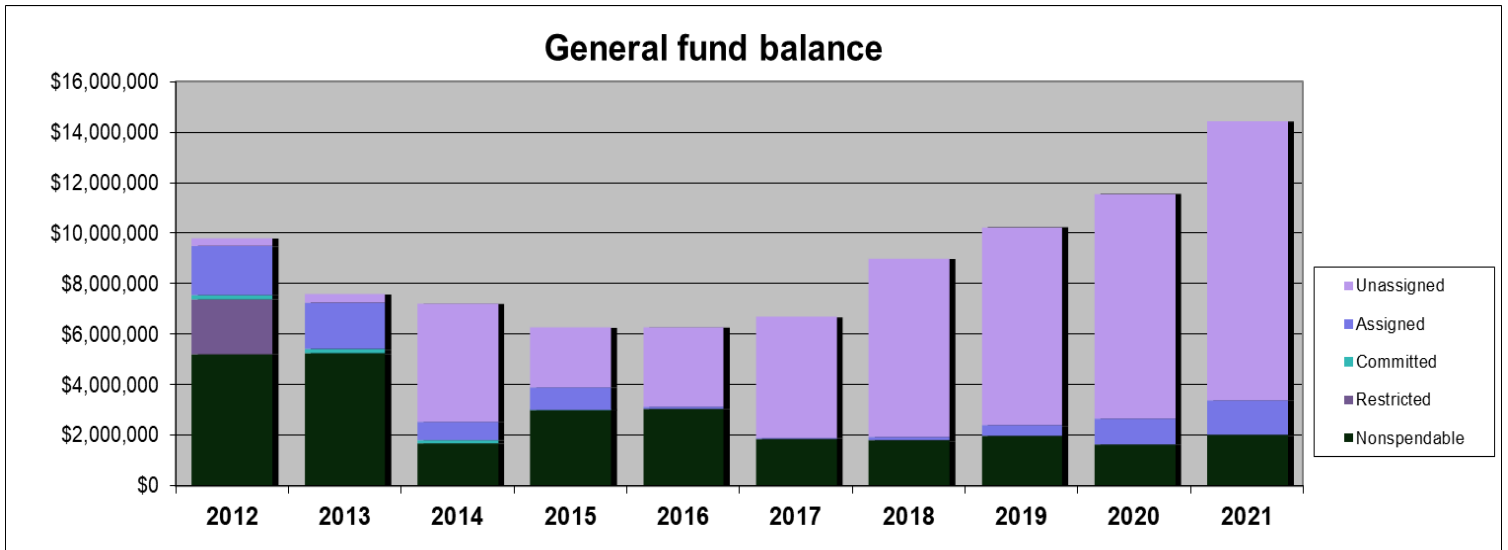
	2021	2020	2019	2018
Net (expense)/revenue				
Governmental activities	(2,038,564)	(10,842,581)	(7,727,972)	(12,703,274)
Business-type activities	13,386,561	1,129,435	81,555	3,221,325
Total primary government net (expense)/revenue	<u>11,347,997</u>	<u>(9,713,146)</u>	<u>(7,646,417)</u>	<u>(9,481,949)</u>
General revenues				
Governmental activities				
Taxes:				
Property and other taxes levied for:				
General purposes	2,262,915	2,251,544	2,142,431	2,150,408
Capital projects	160,639	51,891	131,353	104,395
Emergency medical services	1,127,243	1,131,264	1,096,908	1,070,815
Other	42,300	72,900	59,500	81,800
Income taxes	11,514,134	9,249,754	10,774,873	10,980,927
Payments in lieu of taxes	-	-	-	-
Grants and entitlements not restricted to specific programs	1,065,179	907,285	955,974	791,624
Investment earnings	118,151	436,558	1,049,106	748,380
Miscellaneous	247,445	562,724	155,875	238,037
Total governmental activities	<u>16,538,006</u>	<u>14,663,920</u>	<u>16,366,020</u>	<u>16,166,386</u>
Business-type activities				
Investment earnings	6	587	-	423
Special item - stranded costs	-	-	-	-
Miscellaneous	201,297	245,124	404,425	230,128
Total business-type activities	<u>201,303</u>	<u>245,711</u>	<u>404,425</u>	<u>230,551</u>
Total primary government general revenues	<u>16,739,309</u>	<u>14,909,631</u>	<u>16,770,445</u>	<u>16,396,937</u>
Transfers				
Governmental activities	(617,268)	(446,263)	(389,802)	(91,757)
Business-type activities	617,268	446,263	389,802	91,757
Change in net position				
Governmental activities	13,882,174	3,375,076	8,248,246	3,371,355
Business-type activities	14,205,132	1,821,409	875,782	3,543,633
Total primary government change in net position	<u>\$ 28,087,306</u>	<u>\$ 5,196,485</u>	<u>\$ 9,124,028</u>	<u>\$ 6,914,988</u>

2017	2016	2015	2014	2013	2012
(13,238,751)	(11,599,473)	(10,648,506)	(9,293,528)	(11,100,468)	(13,032,799)
1,151,617	3,839,971	1,585,768	2,431,932	4,986,171	3,680,691
(12,087,134)	(7,759,502)	(9,062,738)	(6,861,596)	(6,114,297)	(9,352,108)
2,028,563	1,941,290	2,267,673	1,839,371	1,160,532	975,659
96,989	105,388	460,081	449,916	738,827	1,089,450
962,802	934,032	887,573	1,130,356	665,179	952,861
104,600	113,600	100,585	-	-	-
8,626,387	10,511,611	8,164,920	8,661,560	8,532,860	7,679,436
-	492,917	832,556	653,962	612,180	115,400
736,152	909,328	785,870	840,111	1,692,722	3,194,245
435,239	249,689	179,246	212,384	174,447	145,550
186,651	225,975	189,990	131,219	144,354	25,268
13,177,383	15,483,830	13,868,494	13,918,879	13,721,101	14,177,869
6	53	2	2	2	56,115
-	-	-	-	1,510,027	(4,584,933)
398,049	271,269	350,569	352,090	274,674	131,222
398,055	271,322	350,571	352,092	1,784,703	(4,397,596)
13,575,438	15,755,152	14,219,065	14,270,971	15,505,804	9,780,273
(150,453)	(1,147,674)	(744,229)	(763,539)	(62,596)	-
150,453	1,147,674	744,229	763,539	62,596	-
(211,821)	2,736,683	2,475,759	3,861,812	2,558,037	1,145,070
1,700,125	5,258,967	2,680,568	3,547,563	6,833,470	(716,905)
<u>\$ 1,488,304</u>	<u>\$ 7,995,650</u>	<u>\$ 5,156,327</u>	<u>\$ 7,409,375</u>	<u>\$ 9,391,507</u>	<u>\$ 428,165</u>

CITY OF WADSWORTH, OHIO
Fund Balances, Governmental Funds
Last Ten Years
(Modified Accrual Basis of Accounting)

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
General fund					
Nonspendable	\$ 1,999,477	\$ 1,641,524	\$ 1,964,824	\$ 1,785,332	\$ 1,838,054
Restricted (1)	-	-	-	-	-
Committed	-	-	-	-	-
Assigned	1,383,042	1,010,781	423,275	142,301	70,493
Unassigned	<u>11,075,682</u>	<u>8,935,343</u>	<u>7,876,564</u>	<u>7,076,962</u>	<u>4,782,304</u>
Total general fund	<u>14,458,201</u>	<u>11,587,648</u>	<u>10,264,663</u>	<u>9,004,595</u>	<u>6,690,851</u>
All other governmental funds					
Nonspendable	525,547	453,879	439,214	419,217	373,202
Restricted	12,641,781	12,219,190	11,173,737	10,557,593	9,697,141
Committed	3,628,889	3,590,830	3,452,219	2,926,177	2,840,958
Unassigned (deficit)	<u>(342,997)</u>	<u>(293,914)</u>	<u>(385,050)</u>	<u>(437,646)</u>	<u>(799,845)</u>
Total all other governmental funds	<u>16,453,220</u>	<u>15,969,985</u>	<u>14,680,120</u>	<u>13,465,341</u>	<u>12,111,456</u>
Total governmental funds	<u>\$ 30,911,421</u>	<u>\$ 27,557,633</u>	<u>\$ 24,944,783</u>	<u>\$ 22,469,936</u>	<u>\$ 18,802,307</u>

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



<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012 (1)</u>
\$ 3,041,640	\$ 3,003,364	\$ 1,688,467	\$ 5,243,091	\$ 5,223,616
-	-	-	-	2,181,148
-	1,400	128,232	170,028	162,176
77,857	906,761	713,106	1,849,862	1,934,414
<u>3,170,977</u>	<u>2,370,945</u>	<u>4,695,499</u>	<u>331,919</u>	<u>317,964</u>
<u>6,290,474</u>	<u>6,282,470</u>	<u>7,225,304</u>	<u>7,594,900</u>	<u>9,819,318</u>
322,769	1,073,212	255,470	308,564	3,798,311
9,485,052	9,492,012	11,769,497	11,805,616	6,258,676
2,515,396	2,589,267	211,731	169,956	1,661,064
<u>(4,337,035)</u>	<u>(1,929,869)</u>	<u>(2,020,725)</u>	<u>(1,331,229)</u>	<u>(740,323)</u>
<u>7,986,182</u>	<u>11,224,622</u>	<u>10,215,973</u>	<u>10,952,907</u>	<u>10,977,728</u>
<u>\$ 14,276,656</u>	<u>\$ 17,507,092</u>	<u>\$ 17,441,277</u>	<u>\$ 18,547,807</u>	<u>\$ 20,797,046</u>

CITY OF WADSWORTH, OHIO
Changes in Fund Balances, Governmental Funds
Last Ten Years
(Modified Accrual Basis of Accounting)

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
Revenues				
Income taxes	\$ 11,678,562	\$ 10,681,373	\$ 10,456,181	\$ 10,199,442
Real and other taxes	3,597,322	3,502,571	3,432,251	3,406,732
Payments in lieu of taxes	-	-	-	-
Charges for services	1,393,294	1,293,576	2,399,655	2,684,917
Licenses and permits	499,830	530,453	436,611	470,067
Fines and forfeitures	458,484	404,166	584,748	573,889
Intergovernmental	3,178,804	4,635,102	2,803,749	2,504,549
Special assessments	91,284	102,437	111,690	105,822
Investment income	118,255	437,268	1,051,266	750,043
Rental income	667,951	626,338	91,394	71,721
Contributions and donations	241,070	282,669	4,220	19,158
Refunds and reimbursements	-	-	-	-
Other	327,937	700,936	359,746	449,462
Total revenues	<u>22,252,793</u>	<u>23,196,889</u>	<u>21,731,511</u>	<u>21,235,802</u>
Expenditures				
Current:				
General government	3,514,998	5,444,099	3,633,429	3,288,046
Security of persons and property	7,302,962	6,304,215	7,449,603	7,018,647
Public health	135,298	134,025	126,510	126,342
Transportation	2,229,610	2,076,201	3,627,647	3,617,134
Leisure time services	1,429,624	1,476,861	1,727,663	1,414,085
Community and economic development	505,633	555,606	928,750	494,444
Public works	-	-	-	-
Capital outlay	1,824,617	2,789,983	109,090	330,028
Intergovernmental	26,632	-	-	-
Debt service:				
Principal retirement	803,711	773,523	748,485	483,026
Interest and fiscal charges	559,089	609,899	637,398	648,849
Issuance costs	-	-	-	-
Total expenditures	<u>18,332,174</u>	<u>20,164,412</u>	<u>18,988,575</u>	<u>17,420,601</u>
Excess of revenues over (under) expenditures	<u>3,920,619</u>	<u>3,032,477</u>	<u>2,742,936</u>	<u>3,815,201</u>
Other financing sources (uses)				
Notes issued	-	-	-	4,544
Bonds issued	-	-	-	-
Premium on debt issued	-	-	-	-
Loans issued	-	-	-	-
Sale of capital assets	48,145	43,571	18,867	11,162
Transfers in	275,853	189,256	114,180	115,785
Transfers out	(890,829)	(652,454)	(401,136)	(279,063)
Other financing uses	-	-	-	-
Total other financing sources (uses)	<u>(566,831)</u>	<u>(419,627)</u>	<u>(268,089)</u>	<u>(147,572)</u>
Net change in fund balances	<u>\$ 3,353,788</u>	<u>\$ 2,612,850</u>	<u>\$ 2,474,847</u>	<u>\$ 3,667,629</u>
Debt service as a percentage of noncapital expenditures	8.3%	8.0%	7.3%	7.3%

	2017	2016	2015	2014	2013	2012
\$	9,164,893	\$ 8,672,404	\$ 8,062,643	\$ 8,613,796	\$ 8,262,502	\$ 7,611,247
	3,188,601	3,071,586	3,720,489	3,433,871	2,581,162	3,034,146
	-	492,917	832,556	653,962	612,180	115,400
	2,112,710	1,880,994	2,214,049	2,080,205	2,041,901	1,367,216
	508,462	532,199	524,437	446,013	415,605	486,210
	616,296	541,708	593,603	637,310	641,820	692,486
	3,067,807	3,272,209	2,981,735	3,575,058	3,186,386	4,576,149
	17,465	165,842	68,538	86,206	117,860	128,722
	435,770	250,050	179,406	212,694	174,773	182,294
	28,432	516,312	25,737	72,519	72,295	5,400
	13,692	130,786	2,988	56,442	233,251	11,426
	123,358	148,355	111,697	123,039	-	-
	767,071	177,397	448,902	209,384	710,509	25,268
	<u>20,044,557</u>	<u>19,852,759</u>	<u>19,766,780</u>	<u>20,200,499</u>	<u>19,050,244</u>	<u>18,235,964</u>
	3,354,738	3,318,672	3,513,440	3,775,373	3,921,993	3,529,686
	6,900,401	6,533,973	6,639,490	6,383,016	6,419,692	5,999,955
	127,183	130,405	121,980	125,315	125,208	110,517
	2,832,557	3,779,405	2,654,515	2,664,891	2,406,833	2,460,481
	1,760,184	2,181,849	1,297,382	1,331,935	1,668,959	1,551,703
	615,836	1,237,451	1,156,155	390,100	1,053,406	941,155
	-	-	-	-	-	123,100
	1,869,605	4,880,254	3,068,043	4,654,288	4,255,788	1,698,178
	-	-	-	-	-	-
	172,871	2,782	452,646	667,558	642,455	627,351
	672,290	637,848	746,308	752,064	756,578	774,643
	59,917	196,717	-	-	-	-
	<u>18,365,582</u>	<u>22,899,356</u>	<u>19,649,959</u>	<u>20,744,540</u>	<u>21,250,912</u>	<u>17,816,769</u>
	1,678,975	(3,046,597)	116,821	(544,041)	(2,200,668)	419,195
	-	-	-	-	-	-
	2,220,000	17,630,000	-	-	-	-
	102,668	598,691	-	-	-	-
	658,788	-	-	-	-	-
	28,500	113,128	66,015	54,264	14,025	35,217
	1,973,521	251,299	151,467	121,096	215,252	1,594,303
	(2,136,801)	(739,700)	(268,488)	(737,849)	(277,848)	(1,594,303)
	-	(18,037,257)	-	-	-	-
	<u>2,846,676</u>	<u>(183,839)</u>	<u>(51,006)</u>	<u>(562,489)</u>	<u>(48,571)</u>	<u>35,217</u>
\$	<u>4,525,651</u>	<u>\$ (3,230,436)</u>	<u>\$ 65,815</u>	<u>\$ (1,106,530)</u>	<u>\$ (2,249,239)</u>	<u>\$ 454,412</u>
	5.7%	3.6%	7.2%	9.1%	8.4%	8.8%

CITY OF WADSWORTH, OHIO
 Assessed Valuation and Estimated Actual Values of Taxable Property
 Last Ten Years

Collection year	Real property (a)		Public utility property (b)	Tax exempt real property	Total taxable assessed value	Total direct tax rate	Estimated actual taxable value (c)	Assessed value as a percentage of actual value
	Residential/agricultural	Commercial industrial/PU						
2021	\$ 465,815,780	\$ 153,781,540	\$ 1,827,990	\$ 97,166,280	\$ 621,425,310	4.90	\$ 1,772,355,319	35.06%
2020	460,323,900	154,139,030	1,196,350	96,772,620	615,659,280	4.90	1,756,967,860	35.04%
2019	395,273,010	137,174,990	842,090	89,917,880	533,290,090	4.90	1,522,236,920	35.03%
2018	389,480,310	128,841,150	829,030	91,909,620	519,150,490	4.90	1,481,860,537	35.03%
2017	382,457,780	126,486,420	797,960	87,481,540	509,742,160	4.70	1,455,033,058	35.03%
2016	345,155,040	109,741,200	761,170	91,083,610	455,657,410	4.70	1,300,568,509	35.04%
2015	341,109,680	108,163,140	728,220	92,156,500	450,001,040	5.80	1,284,464,151	35.03%
2014	336,977,510	104,328,790	705,290	93,134,100	442,011,590	5.80	1,261,676,609	35.03%
2013	365,802,220	104,399,470	676,760	64,359,360	470,878,450	5.80	1,344,202,445	35.03%
2012	362,232,680	105,674,510	615,470	64,973,380	468,522,660	5.80	1,337,577,083	35.03%

Source: Medina County Auditor, Median Ohio

Property in the county is reassessed annually.

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

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

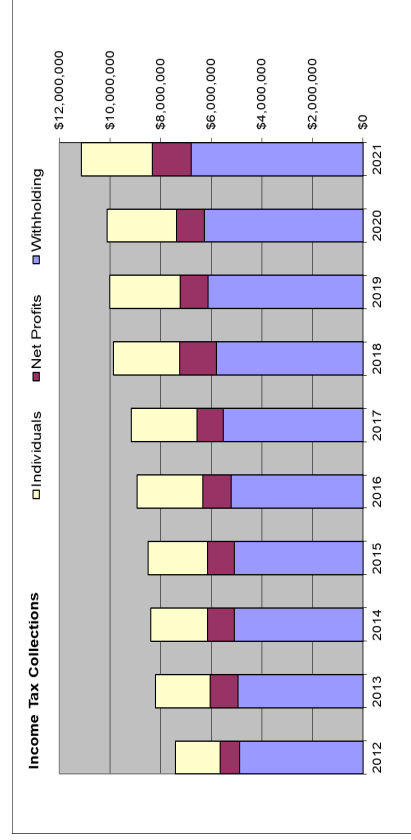
(c) Does not include tax-exempt property.

City of Wadsworth, Ohio
Income Tax Rate, Revenue Base, and Collections
Last Ten Years

Tax year	Tax rate	Total tax collected (1)	Adjustments	Percentage of adjustments	Taxes from withholding	Percentage of taxes from withholding	Taxes from net profits	Percentage of Taxes from net profits	Taxes from individual payments	Percentage of taxes from individual payments
2021	1.4%	\$ 11,293,896	\$ 151,662	1.34%	\$ 6,783,551	60.06%	\$ 1,554,712	13.77%	\$ 2,803,970	24.83%
2020	1.4%	10,322,717	215,896	2.09%	6,268,100	60.72%	1,108,780	10.74%	2,729,942	26.45%
2019	1.4%	10,208,997	189,002	1.85%	6,121,116	59.96%	1,098,989	10.76%	2,799,890	27.43%
2018	1.4%	9,979,235	109,567	1.10%	5,795,765	58.08%	1,447,273	14.50%	2,626,631	26.32%
2017	1.4%	9,221,134	57,472	0.62%	5,523,435	59.90%	1,032,256	11.19%	2,607,971	28.28%
2016	1.4%	8,921,694	(9,756)	(0.11)%	5,210,661	58.40%	1,113,807	12.48%	2,606,982	29.22%
2015	1.4%	8,592,975	105,320	1.23%	5,082,661	59.15%	1,055,262	12.28%	2,349,732	27.34%
2014	1.4%	8,648,629	259,672	3.00%	5,090,287	58.86%	1,055,632	12.21%	2,243,038	25.94%
2013	1.4%	8,358,492	143,662	1.72%	4,937,985	59.08%	1,095,886	13.11%	2,180,959	26.09%
2012	1.4%	7,580,998	164,172	2.17%	4,871,985	64.27%	772,196	10.19%	1,772,645	23.38%

Source: Central Collection Agency - Cleveland, OH & Regional Income Tax Agency - Brecksville, OH

(1) Gross Collections - Cash Basis of Accounting



City of Wadsworth, Ohio
Principal Employers
 2021 vs. 2012

Employer	2021		2012	
	Rank	Percent of total withholding taxes paid	Rank	Percent of total withholding taxes paid
Wadsworth City School District	1	6.82%	1	7.16%
Rohrer Corporation	2	4.18%	5	2.65%
City of Wadsworth	3	3.19%	3	3.92%
ECS Tuning LLC	4	3.05%		0.00%
WalMart Assoc Inc	5	2.62%	6	2.16%
Clampco Products	6	2.39%	10	1.68%
Soprema Inc	7	2.22%		0.00%
Summa Health System	8	1.74%	2	5.59%
Remington Products	9	1.74%	7	2.07%
Cornwell Quality Tools	10	1.61%		0.00%
Parker Hannifin Corp		0.00%	4	2.75%
Louis Perry & Associates Inc.		0.00%	8	1.78%
Omnicare ESC LLC		0.00%	9	1.72%
Total of top ten *		<u>29.56%</u>		<u>31.48%</u>

* Percentage presented is only for the to 10 employers in each respective year.

Source: Central Collection Agency (CCA) records for 2012; Regional Income Tax Agency (RITA) records for 2021.

City of Wadsworth, Ohio*Principal Property Taxpayers*

2021 vs. 2012

Taxpayer	2021	
	Property assessed valuation	Percentage of total assessed valuation
FC Stratford Crossings LLC	\$ 9,625,000	1.55%
Trails at Montville Three (Redwood Mgt)	5,407,800	0.87%
Liberty Residence Holding	3,557,920	0.57%
Walmart Real Estate	2,975,000	0.48%
Inn at Coalridge Limited	2,822,400	0.45%
Soprema USA Inc	2,483,090	0.40%
Lowe's Home Centers Inc	2,474,420	0.40%
RC Wadsworth Funding Co	2,248,750	0.36%
224 Quadral LLC	2,224,140	0.36%
Big Sky Park LLC	2,141,040	0.34%
Total	<u>\$ 35,959,560</u>	5.78%
Total assessed property valuation	<u>\$ 621,425,310</u>	

Taxpayer	2012	
	Property assessed valuation	Percentage of total assessed valuation
Stratford Crossings LTD	\$ 6,012,820	1.28%
Echo Wadsworth Assoc	3,131,500	0.67%
Ebner Furnaces Inc	2,576,380	0.55%
Day Family Enterprises LLC	2,441,390	0.52%
Rolling Hills Care Center	2,247,000	0.48%
Rohrer Properties	2,029,620	0.43%
Big Sky Apartments	1,907,480	0.41%
Priority II LLC	1,745,470	0.37%
Wal-Mart Real Estate	1,719,380	0.37%
Bre Thorne Wadsworth Crossing LLC	1,688,380	0.36%
Total	<u>\$ 25,499,420</u>	5.44%
Total assessed property valuation	<u>\$ 468,522,660</u>	

Source: Medina County Auditor, Medina Ohio

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

Fiscal year	Total tax levy	Current tax collections	Percent of current collections to tax levy	Delinquent tax collections	Total tax collections (1)	Percent of total tax collections to tax levy	Accumulated outstanding delinquent taxes	Percentage of delinquent taxes to total tax levy
2021	\$ 2,783,147	\$ 2,639,941	94.85%	\$ 51,475	\$ 2,691,416	96.70%	\$ 22,559	0.81%
2020	2,776,969	2,667,011	96.04%	45,144	2,712,155	97.67%	29,145	1.05%
2019	2,571,669	2,464,202	95.82%	41,244	2,505,446	97.42%	31,766	1.24%
2018	2,504,941	2,401,375	95.87%	45,093	2,446,468	97.67%	31,449	1.26%
2017	2,359,935	2,279,087	96.57%	38,822	2,317,909	98.22%	29,245	1.24%
2016	2,188,167	2,097,774	95.87%	57,322	2,155,096	98.49%	8,648	0.40%
2015	2,577,229	2,422,194	93.98%	57,571	2,479,765	96.22%	9,429	0.37%
2014	2,587,604	2,411,866	93.21%	77,930	2,489,796	96.22%	55,938	2.16%
2013	2,745,491	2,535,165	92.34%	81,128	2,616,293	95.29%	67,120	2.44%
2012	2,728,428	2,504,698	91.80%	82,110	2,586,808	94.81%	82,720	3.03%

Source: Medina County, Ohio; County Auditor

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

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



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

Fiscal Year	Governmental activities				Stormwater G.O. bonds	Sewer G.O. bonds	Water G.O. bonds	Electric G.O. bonds
	General obligation bonds	General Obligation BANs	OPWC loan	Income tax revenue bonds				
2021	\$ 1,965,041	\$ -	\$ 497,498	\$ 15,616,801	\$ 543,756	\$ 1,078,855	\$ 7,067,230	\$ -
2020	2,055,069	-	552,776	16,303,508	636,580	1,131,610	7,727,609	-
2019	2,145,097	-	608,054	16,960,215	724,275	1,179,365	8,283,970	-
2018	2,235,125	-	663,662	17,591,922	806,228	1,227,120	8,417,450	40,551
2017 (5 - 6)	2,320,153	-	658,788	18,018,630	883,081	1,274,875	8,937,347	76,102
2016	-	2,425,250	-	18,215,337	583,552	111,653	8,286,624	-
2015	-	1,040,000	-	16,446,792	654,621	147,204	8,744,100	-
2014 (4)	-	1,095,000	-	16,892,957	725,690	182,755	9,196,576	-
2013 (3)	218,437	-	-	17,339,122	786,759	218,306	9,634,052	-
2012 (2)	431,875	-	-	17,765,287	842,828	253,856	10,076,528	-

(1) See S-27 for personal income and population data.

(2) AMP loan proceeds were used to redeem the electric revenue bonds.

(3) The City booked the AMP Stranded Liability of \$5.791M with a 10 year term.

(4) The City issued \$4.75 million in General Obligation Notes for various capital improvements.

(5) The City issued \$5.015 million in Various Prupose Bonds to pay off Street Improvement Notes, Series 2016 and Various Purpose Notes, Series 2016.

(6) The City received \$658,788 in OPWC Loan proceeds for safety improvements.

Business-type activities									
General obligation BANs	Telecom G.O. bonds	OPWC loan	OWDA loan	Electric AMP loan	Electric AMP stranded costs	Total primary government	Percentage of personal income (1)	Per capita (1)	
\$ -	\$ 127,553	\$ 60,012	\$ 8,475,494	\$ -	\$ 1,114,088	\$ 36,546,328	4.07%	\$ 1,522	
-	138,186	65,614	9,739,903	598,689	1,750,373	40,699,917	4.92%	1,693	
-	148,819	61,626	10,965,404	1,222,689	2,198,709	44,498,223	5.11%	1,871	
-	154,452	67,228	12,153,195	1,846,689	2,767,503	47,971,125	5.75%	2,043	
-	160,085	72,830	13,304,436	2,470,689	3,326,977	51,503,993	7.67%	2,226	
3,034,750	-	78,432	14,420,133	3,094,689	3,894,944	54,145,364	8.77%	2,477	
3,415,000	-	84,034	15,501,615	3,718,689	4,463,785	54,215,840	8.94%	2,482	
3,655,000	-	-	16,549,937	4,342,689	5,036,864	57,677,468	9.78%	2,641	
-	-	-	17,565,266	4,961,992	5,604,614	56,328,548	9.66%	2,579	
-	-	-	18,550,064	5,585,992	-	53,506,430	9.09%	2,468	

City of Wadsworth, Ohio
*Computation of Direct and Overlapping
Debt Attributable to Governmental Activities
December 31, 2021*

	Debt attributable to governmental activities	Percentage applicable to Wadsworth (1)	Amount of direct and overlapping debt
Direct debt:			
City of Wadsworth	\$ 18,079,340	100.00%	\$ 18,079,340
Total direct debt	\$ 18,079,340		\$ 18,079,340
Overlapping debt:			
Payable from property taxes			
Medina County Bonds (2)	\$ 37,592,896	9.80%	\$ 3,683,668
Highland School District (3)	96,731,758	3.41%	3,295,674
Payable from other sources			
Medina County special assessment bonds (2)	30,000	9.80%	2,940
Medina County OPWC loans (2)	61,432	9.80%	6,020
Wadsworth City School District bonds (4)	88,936,345	67.38%	59,928,489
Total overlapping debt	\$ 223,352,431		\$ 66,916,790
Total	\$ 241,431,771		\$ 84,996,130

(1) Percentages were determined by dividing the assessed valuation of the overlapping government located within the boundaries of the City by the total assessed valuation of the government. The valuations were for the 2021 collection year (2020 tax year).

(2) Source - Medina County Auditor's Office

(3) Source - Highland Local School District's Annual Comprehensive Financial Report - reported as of June 30, 2021

(4) Source - Wadsworth City Schools - reported as of December 31, 2021

City of Wadsworth, Ohio
*Ratio of General Obligation Bonded Debt to Estimated True
Value of Taxable Property and Bonded Debt Per Capita
Last Ten Years*

Fiscal year	Total general obligation bonded debt (1)	Resources available for principal payment	Net general obligation bonded debt	Estimated actual value of taxable property	Ratio of net general bonded debt to estimated actual value of taxable property	Bonded debt per capita
2021	\$ 10,782,435	\$ 2,902	\$ 10,779,533	\$ 1,772,355,319	0.61%	\$ 449.02
2020	11,689,054	26,213	11,662,841	1,756,967,860	0.66%	485.02
2019	12,481,526	10,949	12,470,577	1,522,236,920	0.82%	524.39
2018	12,880,926	2,020	12,878,906	1,481,860,537	0.87%	556.66
2017	13,651,643	26,113	13,625,530	1,455,033,058	0.94%	623.31
2016	12,016,579	17,958	11,998,621	1,300,568,509	0.92%	549.34
2015	12,960,925	744	12,960,181	1,284,464,151	1.01%	593.36
2014	13,760,021	1,052	13,758,969	1,261,676,609	1.09%	629.93
2013	10,857,554	5,316	10,852,238	1,344,202,445	0.81%	500.50
2012	11,605,087	200,371	11,404,716	1,337,577,083	0.85%	528.80

(1) Includes only general obligation bonded debt payable from property taxes.

City of Wadsworth, Ohio
Legal Debt Margin Information
Last Ten Years

	2021	2020	2019	2018	2017
Overall debt limitation (10.5% of assessed valuation)	\$ 65,249,658	\$ 64,644,224	\$ 55,995,459	\$ 54,510,801	\$ 53,522,927
Net debt applicable to debt limit	1,965,041	2,055,069	2,145,097	2,235,125	2,320,153
Overall legal debt margin (10.5% of assessed valuation)	<u>\$ 63,284,617</u>	<u>\$ 62,589,155</u>	<u>\$ 53,850,362</u>	<u>\$ 52,275,676</u>	<u>\$ 51,202,774</u>
Legal debt margin as a percentage of debt limit	96.99%	96.82%	96.17%	95.90%	95.67%
<hr/>					
Unvoted debt limitation (5.5% of assessed valuation)	\$ 34,178,392	\$ 33,861,260	\$ 29,330,955	\$ 28,035,819	\$ 28,035,819
Net debt applicable to debt limit	1,965,041	2,055,069	2,145,097	2,320,153	2,320,153
Overall legal debt margin (5.5% of assessed valuation)	<u>\$ 32,213,351</u>	<u>\$ 31,806,191</u>	<u>\$ 27,185,858</u>	<u>\$ 25,715,666</u>	<u>\$ 25,715,666</u>
Legal debt margin as a percentage of debt limit	94.25%	93.93%	92.69%	91.72%	91.72%

Legal debt margin calculation for 2021

	Unvoted margin within 5.5%	Overall margin within 10.5%
Assessed property value	<u>\$ 621,425,310</u>	<u>\$ 621,425,310</u>
Overall debt limitation (percentage of assessed valuation)	\$ 34,178,392	\$ 65,249,658
Gross indebtedness	36,546,328	36,546,328
Less: Stormwater G.O. bonds	(543,756)	(543,756)
OWPC loan	(557,510)	(557,510)
Income tax revenue bonds	(15,616,801)	(15,616,801)
Water revenue bonds	(7,067,230)	(7,067,230)
OWDA loan	(8,475,494)	(8,475,494)
Sewer G.O. bonds	(1,078,855)	(1,078,855)
Telecom G.O. bonds	(127,553)	(127,553)
Electric AMP stranded costs	<u>(1,114,088)</u>	<u>(1,114,088)</u>
Net debt applicable to debt limit	<u>1,965,041</u>	<u>1,965,041</u>
Legal debt margin within limitations	<u>32,213,351</u>	<u>\$ 63,284,617</u>

Note: Under State of Ohio finance law, the City of Wadsworth's outstanding general obligation debt that is upported through real estate value should not exceed 10.5 percent of total assessed property value. In addition, the outstanding general obligation debt net of voted debt should not exceed 5.5 percent of total assessed property value. By law, the general obligation dabt subject to the limitation is offset by amounts set aside for repaying general obligation bonds.

2016	2015	2014	2013	2012
\$ 47,844,028	\$ 47,250,109	\$ 36,632,136	\$ 49,442,237	\$ 49,194,879
1,440,000	1,040,000	7,550,125	3,322,582	2,666,855
<u>\$ 46,404,028</u>	<u>\$ 46,210,109</u>	<u>\$ 29,082,011</u>	<u>\$ 46,119,655</u>	<u>\$ 46,528,024</u>
96.99%	97.80%	79.39%	93.28%	94.58%
\$ 25,061,158	\$ 24,750,057	\$ 19,188,262	\$ 25,898,315	\$ 25,768,746
1,440,000	1,040,000	7,550,125	3,322,582	2,666,855
<u>\$ 23,621,158</u>	<u>\$ 23,710,057</u>	<u>\$ 11,638,137</u>	<u>\$ 22,575,733</u>	<u>\$ 23,101,891</u>
94.25%	95.80%	60.65%	87.17%	89.65%

City of Wadsworth, Ohio
Pledged Revenue Coverage
Income Tax Revenue Bonds
Last Ten Years

Fiscal year	Income taxes	Direct operating expenses (1)	Net available revenues	Debt service (2)		Coverage
				Principal	Interest	
2021	\$ 11,678,562	\$ 332,648	\$ 11,345,914	\$ 660,000	\$ 490,566	986.1%
2020	10,681,373	331,453	10,349,920	630,000	515,756	903.3%
2019	10,456,181	334,040	10,122,141	605,000	539,956	884.1%
2018	10,199,442	321,884	9,877,558	400,000	551,956	1037.6%
2017	9,164,893	339,626	8,825,267	475,000	673,138	768.7%
2016	8,672,404	347,549	8,324,855	460,000	686,363	726.2%
2015	8,062,643	493,218	7,569,425	450,000	697,613	659.6%
2014	8,613,796	389,254	8,224,542	450,000	707,738	710.4%
2013	8,262,502	447,833	7,814,669	430,000	716,338	681.7%
2012	7,611,247	413,509	7,197,738	425,000	724,838	626.0%

Note: For each type of non-general obligation debt backed by pledged revenues, the City should present gross revenues (and, if applicable, specific expenses, to produce net available revenues) principal and interest requirements, and a coverage ratio.

(1) Direct operating expenses do not include depreciation expense.

(2) Debt service payments started in 2010.

City of Wadsworth, Ohio
Pledged Revenue Coverage
Ohio Water Development Authority Loan
Last Ten Years

Fiscal year	Sewer service charges and interest	Direct operating expenses (1)	Net available revenues	Debt service		Coverage
				Principal	Interest	
2021	\$ 4,639,487	\$ 2,010,127	\$ 2,629,360	\$ 1,264,409	\$ 296,927	168.4%
2020	4,349,988	2,549,240	1,800,748	1,225,501	335,835	115.3%
2019	4,005,137	2,684,531	1,320,606	1,187,791	355,757	85.6%
2018	4,163,429	2,112,592	2,050,837	1,151,241	390,566	133.0%
2017	4,122,930	2,288,025	1,834,905	1,115,697	445,570	117.5%
2016	4,088,798	2,142,160	1,946,638	1,081,604	479,909	124.7%
2015	4,062,756	2,172,628	1,890,128	1,048,322	513,191	121.0%
2014	4,039,018	1,891,709	2,147,309	1,015,329	546,184	137.5%
2013	3,804,179	1,778,471	2,025,708	984,798	576,714	129.7%
2012	3,543,391	2,261,390	1,282,001	954,495	612,018	81.8%

Note: For each type of non-general obligation debt backed by pledged revenues, the City should present gross revenues (and, if applicable, specific expenses, to produce net available revenues) principal and interest requirements, and a coverage ratio.

(1) Direct operating expenses do not include depreciation expense.

City of Wadsworth, Ohio
Demographic and Economic Statistics
Last Ten Years

<u>Year</u>	<u>Population (1)</u>	<u>Total personal income (5)</u>	<u>Personal income per capita (1)</u>	<u>Median household income (1)</u>	<u>Unemployment rate (2)</u>		<u>City square miles (3)</u>	<u>Average sales price residential property (4)</u>	<u>Median age (1)</u>
					<u>Medina County</u>	<u>State of Ohio</u>			
2021	24,007	\$ 897,309,639	\$ 37,377	\$ 73,204	4.3%	5.1%	11.353	\$ 219,495	40.3
2020	24,046	827,783,550	34,425	71,478	7.7%	8.2%	11.350	200,693	38.9
2019	23,781	870,931,563	36,623	73,609	3.5%	4.2%	11.350	183,882	39.4
2018	23,476	833,844,044	35,519	70,232	4.1%	4.6%	11.294	158,879	39.6
2017	23,136	671,753,760	29,035	67,137	4.7%	5.0%	11.294	158,880	39.3
2016	21,860	617,370,120	28,242	64,806	4.3%	4.9%	11.294	148,701	39.7
2015	21,842	606,508,656	27,768	58,007	4.3%	4.7%	11.200	139,447	40.4
2014	21,842	589,712,158	26,999	57,539	5.2%	5.7%	11.070	146,127	37.6
2013	21,842	583,094,032	26,696	57,150	6.5%	6.4%	10.633	131,113	38.7
2012	21,683	588,433,254	27,138	58,868	6.0%	7.2%	10.633	137,441	40.2

(1) Source: U.S. Census Bureau: U.S. Census Quick Facts

(2) Source: Ohio Labor Market Information

(3) Source: City of Wadsworth Planning Department and Engineering Department

(4) Source: Medina County Auditor's Office Monthly Property Transfers

(5) Computation of per capita personal income multiplied by population

City of Wadsworth, Ohio
Full-Time Equivalent City Government Employees by Function/Program
Last Ten Years

Function/program	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
Governmental-type activities:										
General government										
Auditor	5.50	6.0	6.0	7.0	6.5	6.5	7.0	6.5	6.0	6.0
Council	5.00	5.0	5.0	5.0	5.0	5.0	5.0	5.0	5.0	5.0
Engineering	7.00	7.5	7.5	6.0	7.0	9.0	9.5	9.0	9.5	10.5
Human resources	1.50	1.5	1.5	1.5	1.5	1.5	2.0	2.0	3.5	3.5
Income tax	1.00	1.0	1.0	1.0	1.0	1.5	1.5	1.5	1.5	1.5
Law director	4.00	4.0	4.0	4.0	4.0	4.0	4.0	4.0	3.5	3.5
Mayor	2.00	3.0	3.0	3.0	2.5	3.0	3.5	3.5	3.0	3.0
Municipal court	11.50	12.5	13.0	12.5	10.0	13.0	13.0	13.5	12.5	12.0
Service director	3.00	3.0	2.0	2.5	3.5	3.0	3.0	3.0	3.0	3.0
Treasurer	0.50	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5
Security of persons and property										
Emergency medical services	14.25	14.0	14.5	13.0	16	18.5	18.5	19.5	18.5	17.5
Fire	17.75	18.5	19.5	18.5	19	19.0	19.0	18.5	19.0	18.0
Police	40.50	41.5	41.5	40.5	41	41.5	39.5	39.0	40.0	39.5
Safety director	1.00	1.5	1.5	1.5	1	1.0	1.0	1.0	1.0	1.0
Public health										
Animal control	0.50	0.5	0.5	1.0	2	1.0	1.0	1.0	1.0	1.0
Leisure time services										
Parks	9.25	8.50	8.75	11.0	9	10.0	9.5	8.0	10.0	10.0
Senior center	1.50	2.5	2.5	2.5	2.5	2.5	2.5	2.5	2.5	3.0
Wadsworth cable television	3.50	4.5	4.5	4.5	4.0	4.0	4.5	4.0	5.0	5.0
Community and economic development										
Building & planning	2.50	2.5	2.5	2.5	2.5	2.5	3.0	3.0	2.5	2.5
Economic development	1.50	1.5	1.5	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Transportation services										
Streets	15.75	16.50	19.25	17.0	17.5	17.5	17.5	16.5	17.5	18.0
Business-type activities:										
Electric	38.50	45.0	45.0	41.0	38.0	40.5	40.0	38.0	42.5	42.5
Information technology	8.00	7.5	7.5	7.5	6.5	7.5	6.5	6.5	8.0	4.5
Sanitation	6.75	8.00	8.75	8.5	7.5	8.0	9.5	8.5	8.5	9.0
Sewer	9.00	9.0	9.0	9.0	9.0	9.0	9.0	8.0	9.0	9.0
Stormwater	-	0.0	0.0	2.0	2.0	4.5	3.0	4.0	3.5	3.5
Telecommunications	14.00	12.0	13.5	14.0	11.5	12.0	13.5	13.0	13.0	12.5
Vehicle maintenance	5.00	5.5	5.5	6.5	5.5	5.5	5.5	5.0	4.0	5.0
Water	14.75	14.50	15.75	16.0	14.5	16.0	17.0	17.0	16.0	17.0
Totals:	245.0	257.5	265.0	259.5	249.0	267.5	269.0	261.5	269.5	267.0

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

Source: City Payroll Records

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

Function/program	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
General government										
Streets (miles)	99	99	99	98	95	95	94	94	94	94
Salt domes	2	2	2	2	2	2	2	2	2	1
Airports	1	1	1	1	1	1	1	1	1	1
Fueling system	3	3	2	2	2	2	1	1	1	1
Vehicles	11	10	13	10	10	10	10	10	10	10
Security of persons and property										
<i>Service director</i>										
Early warning sirens	9	9	9	9	9	9	9	9	8	8
Vehicles	1	1	1	1	1	1	1	1	1	1
<i>Police</i>										
Stations	1	1	1	1	1	1	1	1	1	1
Shooting ranges	1	1	1	1	1	1	1	1	1	1
Vehicles	23	24	24	24	24	23	22	22	21	21
<i>Fire & EMS</i>										
Stations	2	2	2	2	2	2	2	2	2	2
Fire apparatus	7	7	7	7	7	7	7	8	8	8
Rescue squads	4	4	4	4	4	4	4	5	5	5
Other vehicles	5	5	5	5	6	7	6	5	5	5
Leisure time activities										
<i>Parks & recreation</i>										
Public swimming pools	1	1	1	1	1	1	1	1	0	0
Parks	19	19	19	21	19	19	18	16	16	16
Playgrounds	13	13	13	13	13	13	13	13	13	14
Baseball diamonds	10	10	10	17	13	13	13	13	13	13
Tennis courts	6	6	6	6	6	6	6	9	9	9
Full sized soccer fields	10	10	10	10	10	10	10	10	10	10
Vehicles	16	18	18	18	15	15	15	11	11	11
<i>Cable T.V. access</i>										
Cameras	14	14	14	13	10	11	11	11	11	11
Vehicles	1	1	1	1	1	1	1	1	1	1
Community and economic development										
<i>Building and zoning</i>										
Vehicles	1	1	1	1	1	1	1	1	1	1

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

Function/Program	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
Storm Water										
Storm sewers (miles)	106	106	105	104	103	103	102	98	98	98
Telecom										
Vehicles	17	18	16	14	15	15	15	14	14	14
Sewer										
Lines (miles)	117	104	104	104	104	104	104	102	102	102
Lift stations	5	4	4	4	3	3	3	3	3	4
Treatment plants	1	1	1	1	1	1	1	1	1	1
Vehicles	4	4	4	4	4	4	4	5	5	5
Water										
Wells	12	12	12	12	12	12	12	12	12	12
Towers	5	5	5	5	5	6	6	6	6	5
Lines (miles)	133	133	133	132	131	129	127	121	121	121
Treatment plants	1	1	1	1	1	1	1	1	1	1
SCADA	1	1	1	1	1	1	1	1	1	1
Vehicles	14	14	11	11	11	11	14	13	13	13
Electric										
Substations	6	6	6	6	6	6	6	6	6	6
Aerial lines (miles)	150	150	152	151	150	150	150	230	230	230
Transmission lines (miles)	20	20	20	20	20	20	19	19	19	19
Underground lines (miles)	87	86	86	85	83	80	76	69	69	69
SCADA	1	1	1	1	1	1	1	1	1	1
Meters	13,664	13,542	13,479	13,410	13,300	13,087	13,001	12,317	12,317	12,510
Vehicles	27	29	28	28	28	28	28	28	28	28
Sanitation										
Transfer stations	1	1	1	1	1	1	1	1	1	1
Packer trucks	3	3	3	3	4	4	4	4	4	4
Automated trucks	5	5	4	4	4	4	5	4	4	4
Vehicles	7	7	6	6	6	5	4	4	4	4

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

Function/program	2021	2020	2019	2018
General government				
<i>Council and clerk</i>				
Number of ordinances passed	121	122	154	113
Number of resolutions passed	16	29	16	13
<i>Finance department</i>				
Number of checks/ vouchers issued (payroll not included)	2,771	2,836	3,297	4,520
Amount of checks written (cash basis)	\$ 48,633,107	\$ 48,593,870	\$ 47,822,413	\$ 51,243,315
Interest earnings for fiscal year (cash basis)	\$ 121,266	\$ 424,689	\$ 1,046,730	\$ 750,043
Number of receipts issued	168,884	167,545	166,788	163,570
General fund receipts (cash basis)	\$ 14,831,490	\$ 13,963,347	\$ 13,774,736	\$ 18,002,911
General fund expenditures (cash basis)	\$ 13,248,843	\$ 13,351,113	\$ 12,925,065	\$ 12,066,231
<i>Income tax department</i>				
Number of business net profit forms processed	2,602	2,327	3,699	2,496
Number of individual forms processed	17,906	17,679	19,812	19,048
Number of business withholding accounts	2,349	2,133	2,027	2,027
Amount of penalties and interest collected	\$ 342,051	\$ 432,315	\$ 400,615	\$ 335,385
<i>Civil service</i>				
Number of police entry tests administered	1	0	1	1
Number of fire entry tests administered	2	0	0	1
Number of police promotional tests administered	2	0	0	1
Number of fire promotional tests administered	0	0	0	0
Number of hires of police officers from certified lists	1	2	3	1
Number of hires of fire/medics from certified lists	1	0	1	4
Number of promotions from police certified lists	2	0	1	1
Number of promotions from fire certified lists	0	0	0	0
<i>Engineering</i>				
Number of new subdivision	0	1	2	2
Number of new lots	0	42	18	51
Number of plat/surveys completed	3	13	10	7
Streets constructed (linear feet)	0	1,661	2,118	1,556
Streets resurfaced (linear feet)	30,156	20,114	25,867	27,130
Storm sewer lines constructed (linear feet)	27	3,076	3,166	7,450
Number of new catch basins	1	22	20	100
Number of new storm manholes	0	7	22	42
Water lines constructed (linear feet)	685	2,157	2,180	9,229
Raw water lines constructed (linear feet)	0	0	0	0
Number of new hydrants	3	6	7	26
Number of new valves	2	10	6	60
Amount of new sanitary sewer lines (linear feet)	51,782	0	0	1,627
Amount of new force mains (linear feet)	11,362	0	0	0
Number of new sanitary manholes	250	0	0	6
Culverts constructed (linear feet), not including drive culverts	60	0	0	102

2017	2016	2015	2014	2013	2012
148	178	169	193	145	160
11	10	17	62	9	13
4,240	4,396	4,565	4,942	5,240	5,117
\$ 53,501,689	\$ 56,099,787	\$ 52,993,480	\$ 57,468,760	\$ 61,302,919	\$ 74,451,412
\$ 550,458	\$ 250,051	\$ 196,339	\$ 213,763	\$ 199,239	\$ 266,414
161,765	157,323	154,500	149,835	78,427	31,135
\$ 12,752,234	\$ 11,761,676	\$ 11,136,680	\$ 10,273,504	\$ 10,672,770	\$ 12,144,942
\$ 11,819,518	\$ 14,012,398	\$ 11,868,557	\$ 11,369,042	\$ 11,615,621	\$ 11,597,390
3,301	2,076	1,764	2,051	1,416	1,594
19,387	18,503	17,832	20,852	18,184	17,483
1,922	1,947	1,802	1,601	1,583	1,643
\$ 305,535	\$ 139,899	\$ 127,338	\$ 217,412	\$ 136,674	\$ 163,382
1	1	2	1	0	1
0	0	1	0	1	0
0	1	0	0	0	0
0	0	0	0	0	0
1	1	1	1	0	0
0	0	1	0	0	0
0	2	0	0	0	0
0	0	0	0	0	0
2	3	0	3	0	1
44	79	0	86	0	48
2	7	20	11	7	6
690	5,768	0	3,651	0	2,383
13,675	20,266	83,504	12,725	10,288	6,432
2,684	10,029	1,540	7,556	1,262	7,251
22	83	26	77	7	55
7	48	6	30	3	21
7,861	9,458	9,287	8,005	795	12,356
0	0	0	0	0	0
23	41	33	31	10	36
32	45	31	48	7	51
824	1,101	1,000	3,278	1,354	679
0	0	0	0	3,613	0
4	4	4	31	30	0
0	0	15	48	40	0

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

Function/Program	2021	2020	2019	2018
<i>Municipal court</i>				
Number of civil cases	1,019	752	1,019	843
Number of criminal cases	5,061	3,739	5,061	5,838
Security of persons and property				
<i>Police</i>				
Total calls for services	13,270	12,319	14,105	13,275
Class 1 crimes	517	483	556	536
Adult arrests	565	683	925	1,020
Juvenile arrests	94	59	76	29
Criminal summons	222	311	268	358
Traffic citations	712	650	916	1,037
Warning citations	0	0	0	0
Parking tickets	867	1,123	1,538	0
Vehicle accidents - property damage	311	258	393	1,146
Vehicle accidents - injury	64	59	72	406
Total miles driven	192,302	201,692	130,873	71
Total gasoline cost	\$ 48,616	\$ 40,710	\$ 19,389	\$ 203,681
<i>Fire and EMS</i>				
EMS calls	2,925	2,494	2,489	2,224
Ambulance billing collections (net)	\$ 765,152	\$ 626,849	\$ 680,307	\$ 639,015
Fire calls	266	268	278	254
Fires with loss	11	11	8	22
Fires with losses exceeding \$10K	6	2	3	3
Fire losses	\$ 1,486,970	\$ 180,765	\$ 98,000	\$ 355,350
Fire safety inspections	313	230	392	372
No. of times mutual aid received from other fire and EMS	77	35	33	21
No. of times mutual aid given by Fire and EMS	64	28	39	30
Training hours	1,347	1,866	2,981	2,449
Leisure Time Activities				
<i>Parks</i>				
Parks Expenditures (cash basis)	\$ 881,855	\$ 814,913	\$ 801,631	\$ 741,421
Hours maintaining parks and City buildings	8,432	5,335	3,732	1,965
Hours preparing fields/ball diamonds	1,623	1,510	1,071	1,422
Hours of snow removal	465	336	625	783
Average cost per resident	\$ 36.67	\$ 33.89	\$ 33.71	\$ 31.58

2017	2016	2015	2014	2013	2012
963	811	641	811	866	966
6,410	5,465	6,790	6,827	7,567	7,807
14,053	14,578	12,252	14,469	14,182	13,177
514	676	642	635	678	612
786	798	767	817	715	600
30	55	57	56	44	20
300	349	332	360	421	335
1,161	1,022	1,083	1,143	1,415	1,440
0	0	508	201	556	1,129
1,661	909	913	1,115	1,190	1,518
363	384	364	333	451	409
81	55	78	62	22	19
240,286	225,093	220,340	241,949	246,071	279,380
\$ 40,089	\$ 41,495	\$ 43,136	\$ 72,088	\$ 72,359	\$ 86,414
2,341	2,067	2,058	1,987	1,854	1,858
\$ 606,028	\$ 475,181	\$ 530,654	\$ 512,483	\$ 500,719	\$ 498,351
208	225	241	240	239	249
13	39	33	20	21	35
6	15	8	4	8	9
\$ 181,560	\$ 1,096,500	\$ 991,795	\$ 164,400	\$ 516,770	\$ 905,741
549	656	481	778	830	995
35	32	25	14	17	12
53	60	54	49	33	32
2,991	2,842	3,890	3,570	3,086	2,902
\$ 728,292	\$ 720,366	\$ 653,621	\$ 756,740	\$ 672,449	\$ 643,928
2,922	2,146	1,474	1,568	8,341	8,558
1,938	1,874	1,965	1,488	1,373	1,413
583	709	1,010	968	709	434
\$ 31.48	\$ 32.95	\$ 29.92	\$ 34.65	\$ 30.79	\$ 29.70

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

Function/Program	2021	2020	2019	2018
Community and economic development				
<i>Building and zoning</i>				
Estimated value of construction	\$ 20,103,913	\$ 27,587,767	\$ 32,002,787	\$ 18,411,952
Residential/commercial/zoning permits issued	527	456	434	426
Electric permits	168	139	138	129
Heating permits	186	192	182	170
Total permits issued	881	787	754	725
Permit revenue	\$ 101,062	\$ 88,893	\$ 95,955	\$ 86,986
Number of contractor licenses	120	107	113	123
Code enforcement notices	124	220	209	214
Zoning board of appeals hearings	12	12	18	14
Number of planning commission docket items	17	18	41	33
Transportation				
Crack seal coating program (miles)	0	0	0	0
Street repair (curbs, aprons, berms, asphalt) (hours)	3,615	3,171	2,117	1,951
Cold & dura patch (hours)	69	478	722	942
Tons of asphalt	0	0	118	80
Tons of limestone	523	127	108	139
Paint striping (gallons of paint)	8	0	0	0
Leaf collection (hours)	2,920	2,500	2,951	3,466
Tons of salt	891	870	938	2,191

2017	2016	2015	2014	2013	2012
\$ 45,069,484	\$ 31,005,053	\$ 43,574,974	\$ 20,675,040	\$ 19,233,420	\$ 19,871,902
510	502	447	331	346	388
196	170	187	145	246	125
245	200	217	146	167	128
951	872	851	622	759	641
\$ 167,456	\$ 150,434	\$ 178,366	\$ 100,558	\$ 94,655	\$ 77,430
124	119	131	129	143	132
263	217	216	347	426	270
20	17	10	20	16	13
68	63	74	38	42	35
24	26	17	21	24	18
3,700	6,725	4,754	2,966	4,585	5,680
1,273	1,124	2,254	2,347	825	910
559	470	383	106	266	175
136	397	410	434	200	75
0	500	610	600	600	600
2,293	2,727	2,319	2,307	2,281	3,216
1,904	1,792	2,582	2,104	2,330	1,760



OHIO AUDITOR OF STATE KEITH FABER



CITY OF WADSWORTH

MEDINA COUNTY

AUDITOR OF STATE OF OHIO CERTIFICATION

This is a true and correct copy of the report, which is required to be filed pursuant to Section 117.26, Revised Code, and which is filed in the Office of the Ohio Auditor of State in Columbus, Ohio.



Certified for Release 7/19/2022

88 East Broad Street, Columbus, Ohio 43215
Phone: 614-466-4514 or 800-282-0370

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