

Comprehensive Annual Financial Report

City of Akron, Ohio

For the Fiscal Year Ended December 31, 2019



DANIEL HORRIGAN,
MAYOR

OHIO AUDITOR OF STATE
KEITH FABER



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

Members of Council
City of Akron
166 South High Street
Akron, Ohio 44308

We have reviewed the *Independent Auditor's Report* of the City of Akron, Summit County, prepared by Plante & Moran, PLLC, for the audit period January 1, 2019 through December 31, 2019. 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 Akron is responsible for compliance with these laws and regulations.

A handwritten signature in cursive script that reads "Keith Faber".

Keith Faber
Auditor of State
Columbus, Ohio

August 10, 2020

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City of Akron, Ohio
Daniel Horrigan, Mayor

COMPREHENSIVE ANNUAL
FINANCIAL REPORT



For the Fiscal Year Ended December 31, 2019

Issued by the Department of Finance



ELECTED AND APPOINTED OFFICIALS

As of May 2020

Daniel Horrigan, Mayor

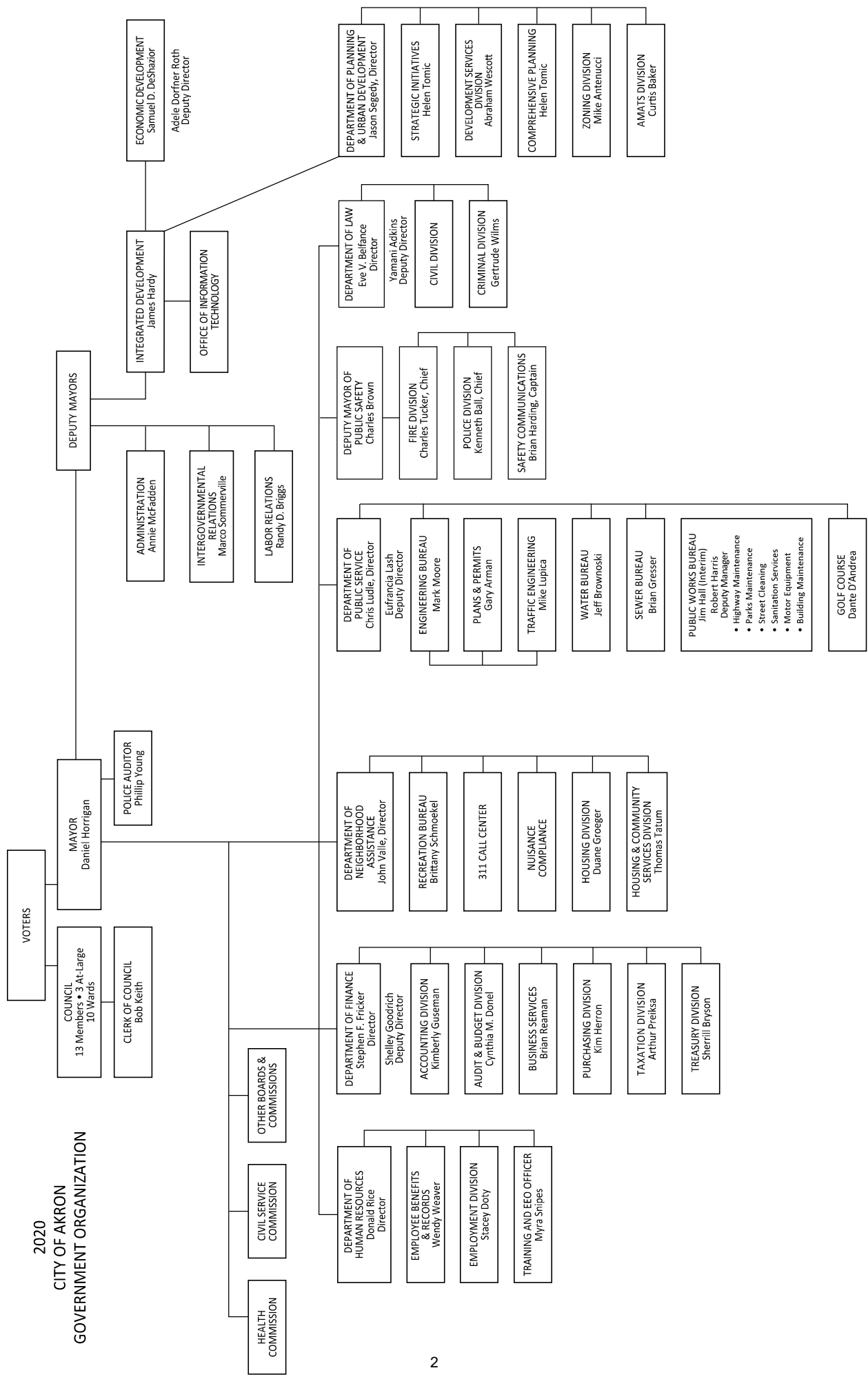
COUNCIL MEMBERS

Rich Swirsky	1st Ward
Phil Lombardo	2nd Ward
Margo M. Sommerville, Council President	3rd Ward
Russel C. Neal, Jr.	4th Ward
Tara Samples	5th Ward
Brad McKittrick	6th Ward
Donnie J. Kammer	7th Ward
Shammas Malik	8th Ward
Michael N. Freeman	9th Ward
Sharon L. Connor	10th Ward
Jeff Fusco	Councilman-at-Large
Linda F. R. Omobien	Councilman-at-Large
Ginger Baylor	Councilman-at-Large

CABINET OF THE MAYOR

Stephen F. Fricker	Director of Finance
Christopher D. Ludle	Director of Public Service
John W. Valle	Director of Neighborhood Assistance
Eve. V. Belfance	Director of Law
Jason Segedy	Director of Planning and Urban Development
Donald Rice	Director of Human Resources
Annie McFadden	Chief of Staff and Deputy Mayor for Administration
James Hardy	Deputy Mayor for Integrated Development
Marco S. Sommerville	Deputy Mayor for Intergovernmental Affairs and Senior Advisor
Samuel D. DeShazior	Director of Business Retention and Expansion
Charles A. Brown	Deputy Mayor for Public Safety
Randy D. Briggs	Deputy Mayor for Labor Relations
Shelley A. Goodrich	Deputy Director of Finance
Eufrancia Lash	Deputy Director of Public Service and Neighborhood Assistance
Yamini Adkins	Deputy Director of Law
Adele Dorfner Roth	Director of Development
Frank Williams	Assistant to the Mayor for Labor Relations

2020
CITY OF AKRON
GOVERNMENT ORGANIZATION



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STEPHEN F. FRICKER
Director of Finance
SFricke@akronohio.gov

SHELLEY A. GOODRICH
Deputy Director of Finance
SGoodrich@akronohio.gov



TINA A. VICK
Executive Assistant
TVick@akronohio.gov

DANIEL HORRIGAN, MAYOR

DEPARTMENT OF FINANCE

200 Municipal Building / 166 South High Street / Akron, Ohio 44308
PH: (330) 375-2316

June 30, 2020

The Honorable Daniel Horrigan
and Members of City Council
The City of Akron, Ohio

Dear Mayor Horrigan and Council Members:

I am pleased to submit the Comprehensive Annual Financial Report (CAFR) of the City of Akron for the year ended December 31, 2019. This report presents financial and operating information about the City's activities during 2019 that should be useful to citizens and taxpayers. The report, prepared by the Department of Finance, contains a comprehensive analysis of the City's financial position and activities for the year.

Responsibility for both the accuracy of the presented data and the completeness and fairness of the presentation, including all disclosures, rests with the City of Akron. To the best of our knowledge and belief, the enclosed data is accurate in all material respects; it is presented in a manner designed to fairly set forth the financial position and results of operations of the City as measured by the financial activity of our various funds; and all disclosures necessary to enable the reader to gain the maximum understanding of the City's financial activities have been included.

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 has been established for this purpose. The cost of internal control should not exceed anticipated benefits; therefore, the objective is to provide reasonable, rather than absolute, assurance that the financial statements are free of any material misstatements. The Audit and Budget Division prepared all of the financial statements and assisted the external independent auditors in their performance of the annual audit. The Treasury Division assisted in drafting the statistical section.

Generally accepted accounting principles (GAAP) require that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of Management's Discussion 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 of Akron's MD&A can be found immediately following the Independent Auditor's Report.

As background for the reader of this report, the City of Akron is a charter city. The City is the fifth largest Ohio municipality in terms of population based on the 2010 Census population of 199,110. The City's land area is approximately 62 square miles and is located in the northeastern region of the state in the County of Summit.

The City is directed by a mayor and council form of government. Legislative authority is vested in a 13-member Council, three members of which are elected at-large and ten by wards. The Council determines the compensation of City officials and employees and enacts members' ordinances and resolutions relating to City services, tax levies, appropriation and borrowing of money, licensing and regulating businesses and trades, and other municipal purposes.

The Mayor is elected for a four-year term and has the responsibility as the City's chief executive and administrative officer. The Mayor may veto any legislation passed by Council. A veto may be overridden by a two-thirds vote of all members of Council. The Director of Finance is appointed by the Mayor and serves as the City's chief financial officer and chief accounting officer. The Director of Finance has comprehensive responsibility for the City's fiscal activities, including budget preparation and control, payroll and general accounting, investment and debt management, purchasing, local income tax administration, utility revenue collection, and financial reporting.

The City provides the full range of municipal services mandated by statute or charter, including police and fire protection, health, parks, recreation, street maintenance, planning, zoning, and other general government services. The City has management control of the following enterprise activities: water, sewer, oil and gas development, golf course, airport, and off-street parking.

Economic Conditions and Outlook

Major revenue sources for the City continue to be the City's income tax, property taxes, local fees, charges for services, and state-shared local government revenue. The City's cash income tax collections increased by approximately 3.67% in 2019. On a cash basis for 2019, property taxes in the general fund increased by 0.11% and the state's local government revenue to the City increased by approximately 6.47%. Income tax receipts from the 12 largest economic sectors in the City have increased by 7.8% since 2015 and, combined, account for over 64% of total tax collections. Receipts from the 12 fastest growing economic sectors have increased by 25%. No one sector makes up more than 18% of the total collected.

In 2019, the City of Akron remains in a stable financial position. Efforts to reduce expenses and operate more efficiently have allowed the City to function at a continuously high service level at lower costs. These efforts ensure the City will be in strong position for growth as the economy continues to rebound. The revenue collected from the four Joint Economic Development Districts (JEDDs) is an additional funding source to encourage and promote economic development and to secure a solid tax base.

Long-term Financial Policies

Unassigned fund balance in the general fund is 10.11% of the general fund expenditures. The general fund of the City does not have a specified unassigned fund balance target. The recommended level of unassigned fund balance will be determined as needed and as recommended by officials and approved by Council when necessary.

The City completes a five-year capital budget that is updated annually. In this document, the City attempts to forecast its capital requirements for the next five years.

Relevant Financial Policies

The City has a charter requirement that the 2% income tax (the City's largest revenue source) used specifically for City services, be allocated so that 73% of net revenue is used for operations and the balance is used for capital needs. The passage of Issue 4 that went into effect January 2018 increased the Akron income tax rate by 0.25%. This tax increase will fund police, fire, emergency medical services and roads.

Major Initiatives

The major initiatives for the City of Akron can be summarized as follows: complete major construction projects, expand economic opportunity and entrepreneurship, redevelop neighborhoods, empower Akron families financially and build a more equitable Akron.

In 2019, the City's administration re-affirmed its commitment to investing in infrastructure through city and capital improvements. With the help of Issue 4 funds, known as the Police, Fire and Road Activity fund, the City of Akron completed paving another 54 miles of streets in 2019. Over 61,139 potholes were filled during 2019. The Police, Fire, and Road Activity initiative has resulted in more than \$28 million being directly invested into police, fire and paving improvements. For 2020 \$15.75 million has been budgeted for the Safety and Street funds. The Police, Fire, and Road Activity fund also enabled the City to bring back the newly re-opened Akron Police Academy in-house. This will attract the best and brightest public safety officers to Akron. Plans to complete the design for the new Fire Station 12 in the Wallhaven area are underway with construction to start in 2022.

In addition to the Issue 4 funds improvements, the City has been working on other City improvements. Phase 1 of our \$26 million Main Street project, between Mill and Cedar Streets, is targeted to be completed in July 2020. Main Street will become a more dynamic, beautiful and accessible downtown corridor for Akron. The \$42 million Bowery Project is nearing completion. The Bowery restoration rehabilitated six historic downtown Akron buildings into mixed-use residential, retail and office space. The Law Building, directly across the street from the Bowery, is now under construction. Akron is still in the midst of the \$1.2 billion sewer project but the City has reduced the cost of the federally-mandated sewer project by \$160 million. Romig Road is being reconstructed to make way for the \$100 million development from Amazon at the former site of the Rolling Acres mall. The Amazon facility will bring more than 1,500 new jobs to Akron. With over half a billion dollar investment from the Ohio Department of Transportation, many of Akron's thoroughfares are getting a complete makeover. Progress in Akron is centered on this construction and the investment will pay off for decades to come.

As construction moves forward, so do the City's continued efforts to focus on reinvigorating business and entrepreneurship. Mayor Horrigan created the Office of Integrated Development (OID) and the City of Akron Great Streets Initiative. The City of Akron OID brings together Planning, Economic Development, Recreation and a portion of the Engineering Bureau under one department. This restructuring comes after more than a year of strategic planning. The Office of Integrated Development will be responsible for business attraction and retention, entrepreneurship, downtown development, recreation and public space, land use and zoning, as well as long range planning and City real estate. It will build upon existing strategies including Elevate Akron, the Downtown Vision and Redevelopment Plan and Planning to Grow Akron. It is committed to co-creating, with residents and businesses, a community that is healthy, equitable, beautiful and resilient. The City of Akron Great Streets Initiative is aimed at improving ten neighborhood business districts across the City. These districts will serve as hubs for business and community activity. Great Streets is designed to support and work with business and property owners. Façade Improvement matching grants are available for exterior improvements and/or site improvements. The Great Streets Initiative awarded 18 Façade Grants to area businesses and organizations in 2019. Great Streets Microloans for \$1,000 to \$10,000 are available for capital improvement projects. The Bounce Innovation Hub companies provided more than 270 jobs locally and 50 percent of the companies at Bounce are female or minority-owned. Bounce was founded to revolutionize the way our start-ups, small businesses and corporations interact and support each other. A new City program called Rubber City Match pairs new and expanding businesses with vacant space in our Great Streets.

Redeveloping our neighborhoods is a high priority for Akron. With a 15-year tax abatement available for new home construction or renovation, more than 1,000 units of new housing are in development or under construction in Akron. The City of Akron revamped two grant programs in 2019. They are the new Akron City Council Neighborhood Partnership and a redesign of Beyond the Table. The Akron City Council Neighborhood Partnership will replace and improve upon the former Council grant program "My Neighborhood, Our Akron". A total of \$80,000 is available, \$8,000 per City ward, with no matching funds required. Ward Council representatives will have direct input in grant awards within their district, with the final decisions made by a committee of representatives from the Mayor's administration and City Council. Beyond the Table is a collaborative, neighborhood based grant award with the City of Akron and the Akron Community Foundation. The grant awards range between \$10,000 and \$20,000 and require matching funds. Recreation offered a new Late Night Basketball League open to men ages 18 and over to provide structured league play with mentorship and educational opportunities. Before each game, the City hosted an educational speaker to benefit the players. Players must be present for each speaker in order to participate. The city of Akron's first splash pad was opened on August 20, 2019 at Joy Park Community Center. The second splash pad is being constructed for Patterson Park and is set to open July 1, 2020.

Akron is committed to empowering Akron families financially and building a more equitable Akron. Akron has partnered with eBay through the Retail Revival initiative to enhance economic inclusion and grow opportunity locally. Akron's first Health Equity Ambassador has focused on infant mortality and the "Full Term First Birthday" initiative. Akron now has one of the lowest premature birth rates in Ohio and the Black infant mortality rate has dropped 16% since 2017. In 2018 the City's first Financial Empowerment Center opened with the assistance of the United Way

of Summit County. This Advisory Council is made up of a diverse group of community leaders that help with funding, organizing and marketing financial services for our residents. The Financial Empowerment Center currently has 6 locations, 946 clients and has facilitated over 2,700 free individual coaching sessions. These services are helping our citizens achieve their financial goals. The City of Akron has joined with the AARP Network of Age-Friendly Cities, Senior Citizen's Commission, Direction Home and the University of Akron to help our seniors navigate all aspects of civic life and enjoy our public spaces. The City continues to act as a lead partner for the Elevate Akron strategy. The City along with the Greater Akron Chamber, Summit County Executive Ilene Shapiro and GAR Foundation continue to enhance economic inclusion and grow local opportunity. Akron has strengths that we can build upon including the University of Akron celebrating its 150th year and a new state-supported community college known as Stark State Akron. The future vision for Akron is equality and justice. This starts with making changes today to improve economic opportunities that financially empower working families and stabilize our neighborhoods.

Reporting Standards

The City's accounts are organized as funds. Each fund is a separate accounting entity with its own self-balancing set of accounts, assets and deferred outflows of resources, liabilities and deferred inflows of resources, and fund balance/equity. Following are the titles of these fund types with a brief description.

Governmental funds:

General Fund – The General Fund is the general operating fund of the City and is appropriated. It is used to account for all financial resources traditionally associated with government that are not required to be accounted for in another fund.

Special Revenue Funds – The Special Revenue Funds are used to account for revenues derived from specific taxes, grants, or other restricted revenue sources. City ordinances or federal or state statutes specify the uses and limitations of each Special Revenue Fund. During 2019, the City had 22 Special Revenue Funds.

Debt Service Funds – The Debt Service Funds are used to account for the accumulation of resources for, and the payment of, general long-term debt principal, interest, and related costs. During 2019, the City had ten Debt Service Funds.

Capital Projects Funds – The Capital Projects Funds are used to account for financial resources used for the acquisition or construction of major capital facilities other than those financed by proprietary funds. During 2019, the City had six Capital Projects Funds.

Permanent Funds – The Permanent Funds are used for the purpose of accounting for resources that are legally restricted to the extent that earnings, and not principal, may be used for purposes that support the reporting governments. The City does not have any Permanent Funds.

Proprietary funds:

Enterprise Funds – The Enterprise Funds are used to account for operations that are financed and operated in a manner similar to private business enterprises, in that the intent of the governing

body is that the costs of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges. The City has six Enterprise Funds.

Internal Service Funds – The Internal Service Funds are used to account for the financing of goods or services provided by one division or agency to other divisions or agencies of the government, generally on a cost-reimbursement basis. The City has seven Internal Service Funds.

Fiduciary funds:

Custodial Funds – The Custodial Funds are used to account for assets held by the City for individuals, private organizations, or other governments. The City reports on eight Custodial Funds, the first one is the Claire Merrix which is to fund tennis related activities. The second is the Holocaust Memorial to pay for the annual holocaust services throughout the City. This is the final year that these activities will be reported by the City as the activity has been taken over by the Jewish Community Board of Akron, Inc. Followed by the Police/Fire Beneficiary Fund which provides scholarships for dependents of those serving in the Police and Fire Departments. The Police Property Monetary Evidence Fund is used to account for funds held by the Police Department that will be returned to other agencies. The remaining funds relate to specific Joint Economic Development Districts (JEDD) and include: Copley-Akron JEDD, Coventry-Akron JEDD, Springfield-Akron (JEDD), and Bath-Akron-Fairlawn JEDD. The JEDD funds are used to account for the specific JEDD District activities and disbursements.

Basis of Accounting:

Except for budgetary purposes, the basis of accounting used by the City conforms to accounting principles generally accepted in the United States of America (GAAP) as applicable to governmental units and is consistent with Governmental Accounting Standards Board (GASB) Cod. Sec. 1600, “Basis of Accounting.” All governmental funds are accounted for using a current financial resources-current assets and current liabilities measurement focus. The modified accrual basis of accounting is utilized for governmental funds. Revenues are recognized when they are susceptible to accrual (both measurable and available). Expenditures are recognized when the related liability is incurred, except for interest on long-term debt which is recorded when due.

The measurement focus on the City’s proprietary and fiduciary funds is on the flow of total economic resources (all assets and liabilities). The accrual basis of accounting (revenues are recognized when earned and expenses when incurred) is utilized by the City in its proprietary funds.

The City’s basis of accounting for budgetary purposes differs from GAAP in that revenues are recognized when received rather than when susceptible to accrual (measurable and available), and encumbrances are included as expenditures rather than as an allocation of fund balances.

Accounting policies are further explained in Note 1 to the basic financial statements.

Cash Management

Effective cash management is recognized as essential to good fiscal management. The primary objectives of the City’s investment activities are the preservation of capital and the protection of

investment principal. The Treasurer's Office within the Department of Finance invests all cash, following the City's own investment ordinance, in various securities which consist of fixed-rate City bonds and notes, certificates of deposit, fully collateralized repurchase agreements, and U.S. government obligations. The City's investment ordinance was modified in late 1986 to take advantage of State of Ohio investment opportunities. However, the local investment policy continues to be conservative with the highest priority given to safeguarding assets. For 2019, investment interest income averaged a yield of 2.3% compared to a yield of 2.4% in 2018. The interest earnings are maximized by investing to projected payment dates on a competitive bid basis and by investing bank balances daily.

Risk Management

The City has been self-insured for liability coverage for non-auto-related incidents since 1985. This program was established in response to the dramatic rise in premiums in the mid-1980's and the increases in exclusions written into standard insurance policies. Additionally, the City is primarily self-insured for employee medical benefits, including major medical, dental, and vision care. This has proven to be the most cost-effective program for this type of coverage. The City also has in place reserve funds for workers' compensation and medical benefits. For other types of coverage, such as property insurance, airport liability, employee life, auto liability, and boiler and machinery coverage, the City has secured traditional insurance. The City is assisted in its insurance program by an independent consulting firm that does not underwrite insurance but has expertise in the insurance industry. The City relies on the advice offered by the consultant in securing any insurance.

Pension

The City contributes to two state-administered retirement plans covering various groups of City employees. Uniform police and fire employees participate in the statewide Ohio Police and Fire Pension Fund. Substantially, all other City employees participate in the statewide Ohio Public Employees Retirement System (OPERS). The City's total contributions to these plans were equal to 100% of the required employer contributions for the year. In accordance with GASB Statement No. 68 and GASB Statement No. 75, the City's statements prepared on an accrual basis of accounting include an annual pension expense for their proportionate share of each plan's *change* in net pension liability and net OPEB liability not accounted for as deferred inflows/outflows.

Independent Annual Audit

This report is subject to review and acceptance by the Auditor of State's office, and the requirements of Ohio Revised Code § 117.25 are not met until the Auditor of State certifies this report. This process will be completed by the Auditor of State in a reasonable timeframe and reports are subject to change if the Auditor of State determines that modification of a report is necessary to comply with required accounting or auditing standards or Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards.

In 2017, Plante Moran PLLC was contracted to perform the audit of the City of Akron for a period of five years. We appreciate the cooperation of State Auditor Keith Faber and Plante Moran PLLC in completing the City's audit in a timely and highly professional manner.

Certificate of Achievement for Excellence in Financial Reporting

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 Akron, Ohio, for its Comprehensive Annual Financial Report for the fiscal year ended December 31, 2018. The Certificate of Achievement is a prestigious national award, recognizing conformance with the highest standards for preparation of state and local government financial reports.

In order to be awarded a Certificate of Achievement, a government unit must publish an easily readable and efficiently organized comprehensive annual financial report, whose contents conform to program standards. Such a CAFR must satisfy both generally accepted accounting principles and applicable legal requirements. A Certificate of Achievement is valid for a period of one year only. The City of Akron, Ohio, has received Certificates of Achievement for the last 35 consecutive years (1984 through 2018). We believe our current report continues to conform to the Certificate of Achievement program requirements, and we are submitting it to GFOA.

Acknowledgments

The 2019 Comprehensive Annual Financial Report could not have been accomplished without the dedication of the professionals in the Audit and Budget Division of the Department of Finance. Special acknowledgment must go to the Audit and Budget staff for the many hours of quality service they have provided to the City in the formulation of this report. I further wish to thank you, Mayor, for continuing to provide to the department the necessary support and leadership required to enhance the City's overall fiscal position and its financial reporting practices. We trust that this timely, complete, and fully readable Comprehensive Annual Financial Report satisfies your needs and those of City Council for responsible financial planning and reporting.

Respectfully,



Stephen F. Fricker
Director of Finance

SFF/ec



Government Finance Officers Association

**Certificate of
Achievement
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Reporting**

Presented to

**City of Akron
Ohio**

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

December 31, 2018

Christopher P. Morill

Executive Director/CEO

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Independent Auditor's Report

To the Honorable Daniel Horrigan, Mayor, and
Stephen F. Fricker, Director of Finance
City of Akron, Ohio

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Akron, Ohio (the "City") as of and for the year ended December 31, 2019 and the related notes to the financial statements, which collectively comprise the City of Akron, Ohio's basic financial statements, as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Akron, Ohio as of December 31, 2019 and the respective changes in its financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

To the Honorable Daniel Horrigan, Mayor, and
Stephen F. Fricker, Director of Finance
City of Akron, Ohio

Emphasis of Matters

As discussed in Note 30 to the basic financial statements, the 2018 basic financial statements have been restated to correct a misstatement. Our opinion is not modified with respect to this matter.

As discussed in Note 30 to the basic financial statements, during the year ended December 31, 2019, the City adopted the provisions of Governmental Accounting Standards Board (GASB) Statement No. 84, *Fiduciary Activities*, which provides guidance on the identification and reporting of fiduciary activities. Our opinion is not modified with respect to this matter.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and the required supplementary information, as identified in the table of contents, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, which 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.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of Akron, Ohio's basic financial statements. The supplementary information, as identified in the table of contents, and introductory section and statistical section are presented for the purpose of additional analysis and are not a required part of the basic financial statements.

The supplementary information, as identified in the table of contents, 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. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplementary information, as identified in the table of contents, is fairly stated in all material respects in relation to the basic financial statements as a whole.

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

To the Honorable Daniel Horrigan, Mayor, and
Stephen F. Fricker, Director of Finance
City of Akron, Ohio

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated June 30, 2020 on our consideration of the City of Akron, Ohio's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements, and other matters. The purpose of that report is 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 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 of Akron, Ohio's internal control over financial reporting and compliance.

Plante & Moran, PLLC

June 30, 2020

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CITY OF AKRON, OHIO MANAGEMENT'S DISCUSSION AND ANALYSIS

Management's discussion and analysis of the City of Akron, Ohio financial performance provides an overview of Akron's financial activities for the fiscal year ended December 31, 2019. Please read it in conjunction with the transmittal letter on page 7 and the City's financial statements, which begin on page 40.

FINANCIAL OVERVIEW

- The assets and deferred outflows of the City of Akron, Ohio exceeded its liabilities and deferred inflows at December 31, 2019 by \$536,025,213 (net position). Of this amount, \$15,538,861 is restricted for debt service, \$50,642,552 is restricted for community learning centers, \$21,060,881 is restricted for capital projects and \$13,188,794 restricted for program purpose.
- The unrestricted net position is primarily the result of the City's implementation of Governmental Accounting Standards Board Statement No. 68, *Accounting and Financial Reporting for Pensions - an Amendment of GASB Statement 27* (GASB 68) in 2015 and in 2018. 75 (GASB 75), *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions* in 2018. For the year ended, December 31, 2019, the City reports a net pension liability of \$309,134,672 and \$28,038,314 for governmental and business-type, respectively. Additionally, a net OPEB liability of \$154,271,537 and \$26,545,143 are reported for the governmental and business-type, respectively.
- The City's total net position increased by \$89,894,050 during the current year, as restated. Governmental activities, total net position increased by \$114,166,708 and the business-type activities, total net position decreased by \$24,272,658. This reflects an improvement in the overall financial position of the City
- As of the close of the current fiscal year, the City of Akron's governmental funds reported combined ending fund balances of \$95,731,832, a decrease from the prior year which is attributed to the issuance of bonds in the prior year. The proceeds are being used to fund the payment of expenditures as reflected in public service and public safety expenditures for project specific costs.
- At the end of the current fiscal year, unassigned fund balance for the General Fund was \$11,825,081 or 7.41% of total General Fund expenditures.
- The City of Akron's total debt outstanding increased by \$16,742,264 (1.5%) during the current year. During 2019, the City issued \$11,045,000 in Income Tax Revenue Bonds for Community Learning Center projects. Additionally, the City issued \$51,780,000 in income Tax Revenue Bonds for various purpose improvements. There were OWDA loans issued for the cost of improving the Waterworks System (\$2,009,537) and the Sanitary Sewer System (\$71,734,889).

OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis is intended to serve as an introduction to the City of Akron's basic financial statements. The City of Akron's basic financial statements are comprised of the following: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to

the financial statements. This report also contains required and other supplementary information in addition to the basic financial statements themselves.

Government-Wide Financial Statements. The government-wide financial statements are designed to provide readers with a broad overview of the City of Akron's finances in a manner similar to a private sector business.

The statement of net position presents information on all of the City of Akron's assets and deferred outflows and liabilities and deferred inflows, with the difference reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of the financial position of the City of Akron.

The statement of activities presents information showing how the City's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave).

Both of the government-wide financial statements distinguish functions of the City of Akron that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business type activities). The governmental activities of the City of Akron include general government, public service, public safety, community environment, public health and recreation and parks. The business-type activities of the City of Akron include water, sewer, oil and gas, golf course, airport and off-street parking operations.

The government-wide financial statements can be found on pages 40–41 of this report.

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 of Akron, 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 of Akron can be divided into three categories: governmental funds, proprietary funds, and fiduciary 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. Such information may be useful in evaluating a government's near-term financing requirements.

Because the focus of 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, 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 of Akron maintains 39 individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the General Fund, the Community Learning Centers (CLC) Fund, the Income Tax Capital Improvement Fund and the Special Assessment Fund, and the Streets Fund which are considered to be major funds. Data from the other governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of combining statements elsewhere in this report.

The City of Akron adopts an annual appropriated budget for its General Fund, special revenue funds, some debt service, enterprise and internal service funds. The General Fund, Community Learning Centers Fund, Income Tax Capital Improvement Fund, and Special Assessment Fund budgetary schedules (non-GAAP budgetary basis) have been provided as Required Supplementary Information (RSI) to demonstrate compliance with this budget.

The basic governmental fund financial statements can be found on pages 42-45 of this report.

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

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 a government's net resources available for spending at the end of the fiscal year. The City implemented GASB 63 – *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position* and also GASB 65 *Items Previously Reported as Assets and Liabilities*. The standard establishes a basis to reclassify certain items that were previously reported as assets and liabilities and instead classify them as Deferred Inflows of Resources, Deferred Outflows of Resources, or as outflows or resources.

Fund balances are the differences between assets and deferred outflows and liabilities and deferred inflows in governmental funds. 1) Nonspendable fund balance includes amounts that are not in spendable form, or amounts that are required to be maintained intact. 2) Restricted fund balance includes amounts that can be spent only for the specific purposes stipulated by external providers, such as grantors or bondholders, as well as amounts that are restricted through enabling legislation. 3) Committed fund balance includes amounts that can be used only for the specific purposes that are determined by a formal action of the City's highest level of decision making authority. 4) Assigned fund balance applies to amounts that are intended for specific purposes as expressed by the governing body or authorized official and applies to remaining resources in any governmental funds other than the General Fund. 5) Unassigned fund balances include all amounts not contained in other classifications for the General Fund, and deficit fund balances in any other governmental funds.

As of the end of the current fiscal year, the City's total governmental funds reported an ending fund balance of \$95,731,832, a decrease of \$20,229,929 in comparison with the prior year. As a measure of the General Fund's liquidity, it may be useful to compare both unassigned fund balance and total fund balance to total fund expenditures. Unassigned fund balance represents 7.41% of total General Fund expenditures, while total fund balance represents 8.67% of that same amount.

Proprietary Funds. The City of Akron maintains two different types of proprietary funds, enterprise and internal service funds. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The City of Akron uses enterprise funds to account for its water, sewer, oil and gas, golf, airport, and off-street parking operations. Internal service funds are an accounting device used to accumulate and allocate costs internally among the City of Akron's various functions. The City of Akron uses internal service funds to account for its motor equipment, medical self-insurance, workers' compensation self-insurance, other self-insurance costs, information technology (responsible for all data processing and computer operations of the City), telephone system (with outside cable plant consisting of underground and aerial wires and telephone cables), and engineering bureau (responsible for design and construction for City streets, sidewalks, sewer and water utilities, bridges, and City facilities). Because most of the internal services predominantly benefit governmental rather than business-type functions, they have been included within the governmental activities in the government-wide financial statements.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for the Water, Sewer, and Off-Street Parking operations, which are considered to be major funds of the City of Akron. Conversely, the internal service funds are combined into a single aggregated presentation in the proprietary fund financial statements. Individual fund data for the nonmajor enterprise and the internal service funds is provided in the form of combining statements elsewhere in this report.

The basic proprietary fund financial statements can be found on pages 46–48 of this report.

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

The basic fiduciary fund financial statements can be found on pages 49–50 of this report.

Notes to the 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. The notes to the financial statements can be found on pages 51-132 of this report.

Other Information. In addition to the basic financial statements and accompanying notes, this report also presents certain Required Supplementary Information (RSI) concerning the City of Akron's General Fund, Community Learning Centers Fund, Income Tax Capital Improvement

Fund, Special Assessment Fund, and Streets Fund budgetary comparison. Also included are three required schedules related to the City's participation in two state pension and OPEB funds. The Schedule of City's Proportionate Share of Net Pension Liability includes a history of the City's proportionate share of the collective net pension liability for each state pension fund. The Schedule of City Contributions to State Pension and OPEB Funds includes a history of contractually required contributions compared to contributions made. The Schedule of City's Proportionate Share of Net OPEB Liability includes a history of the City's proportionate share of the collective net OPEB liability for each state pension fund. Additionally, the Schedule of Contributions to the City of Akron's OPEB Plan a history of contributions made. Required Supplementary Information (RSI) can be found on pages 133-147 of this report.

The combining statements referred to earlier in connection with nonmajor governmental funds, enterprise funds and internal service funds are presented immediately following the Required Supplementary Information (RSI) and can be found on pages 152-213 of this report.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the City of Akron, assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$536,025,213 at the close of the most recent fiscal year.

By far the largest portion of the City of Akron's net position reflects its net investment in capital assets (e.g., land, buildings, machinery, and equipment); less any related debt used to acquire those assets that is still outstanding. The City of Akron uses these capital assets to provide services to the citizens; consequently, these assets are not available for future spending. Although the City of Akron's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other resources, since the capital assets themselves cannot be used to liquidate these liabilities.

An additional portion of the City of Akron's net position 2.9% is restricted for the payment of debt service, 9.4% is restricted for community learning center activity and 6.4% is restricted for other purposes. The City's overall net position increased by \$89,894,050 during the current year; the net position of the governmental activities increased by \$114,166,708 and business-type activities decreased by \$24,272,658.

Summary Statement of Net Position
as of December 31, 2018 and 2019
(in thousands)

	Governmental Activities		Business-type Activities		Total	
	2018	2019	2018	2019	2018	2019
Assets:						
Current and other assets	\$ 317,946	\$ 303,256	\$ 127,565	\$ 137,058	\$ 445,511	\$ 440,314
Capital assets	1,071,769	1,092,015	928,788	990,064	2,000,557	2,082,079
Total assets	\$ 1,389,715	\$ 1,395,271	\$ 1,056,353	\$ 1,127,122	\$ 2,446,068	\$ 2,522,393
Deferred outflows	84,512	111,215	8,607	10,454	93,119	121,669
Total assets and deferred outflows	\$ 1,474,227	\$ 1,506,486	\$ 1,064,960	\$ 1,137,576	\$ 2,539,187	\$ 2,644,062
Liabilities:						
Long-term liabilities	1,194,097	1,166,724	565,896	680,107	1,759,993	1,846,831
Other liabilities	99,103	62,224	40,033	27,766	139,136	89,990
Total liabilities	\$ 1,293,200	\$ 1,228,948	\$ 605,929	\$ 707,873	\$ 1,899,129	\$ 1,936,821
Deferred inflows	185,550	166,740	8,498	4,474	194,048	171,214
Total liabilities and deferred inflows	\$ 1,478,750	\$ 1,395,688	\$ 614,427	\$ 712,347	\$ 2,093,177	\$ 2,108,035
Net position:						
Net investment in capital assets	380,256	402,657	390,473	368,625	770,729	771,282
Restricted	141,117	96,913	3,488	3,519	144,605	100,432
Unrestricted (deficit), as restated	(525,896)	(388,771)	56,572	53,083	(469,324)	(335,688)
Total net position	\$ (4,523)	\$ 110,799	\$ 450,533	\$ 425,227	\$ 446,010	\$ 536,026

For fiscal year 2018, the City adopted GASB Statement 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*, which significantly revises accounting for costs and liabilities related to other postemployment benefits (OPEB). For reasons discussed below, many end users of this financial statement will gain a clearer understanding of the City's actual financial condition by adding deferred inflows related to pension and OPEB, the net pension liability and the net OPEB liability to the reported net position and subtracting deferred outflows related to pension and OPEB.

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

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

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

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

Most long-term liabilities have set repayment schedules or, in the case of compensated absences (i.e. sick and vacation leave), are satisfied through paid time-off or termination payments. There is no repayment schedule for the net pension liability or the net OPEB liability. As explained above, changes in benefits, contribution rates, and return on investments affect the balance of these liabilities, but are outside the control of the local government. In the event that contributions, investments returns, and other changes are insufficient to keep up with the required nature of how the net pension liability and the net OPEB liability are satisfied, these liabilities are separately identified within the long-term liability section of the statement of net position.

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

As a result of implementing GASB 75, the City is reporting a net OPEB liability and deferred inflows/outflows of resources related to OPEB on the accrual basis of accounting. As a result of Ohio Police & Fire Pension Fund's (OP&F) OPEB plan switching in 2018 from a self-insured retiree medical plan to a fixed monthly stipend, the long-term liability was significantly reduced. The City's proportionate share of the total OP&F liability decreased from \$148,286,316 in 2018 to \$24,222,250 in 2019. With the reduction in liability came a reduction in OPEB expense recognized as a reduction in public safety.

Governmental Activities. Changes in net position before transfers was an increase in the amount of \$114,169 (in thousands).

For the governmental activities, the unrestricted deficit results from having insufficient assets set aside for long-term obligations such as pension liability, compensated absences and OPEB liability. The City finances such obligations on a year-to-year basis as they come due and also has ongoing capital projects that are debt-financed.

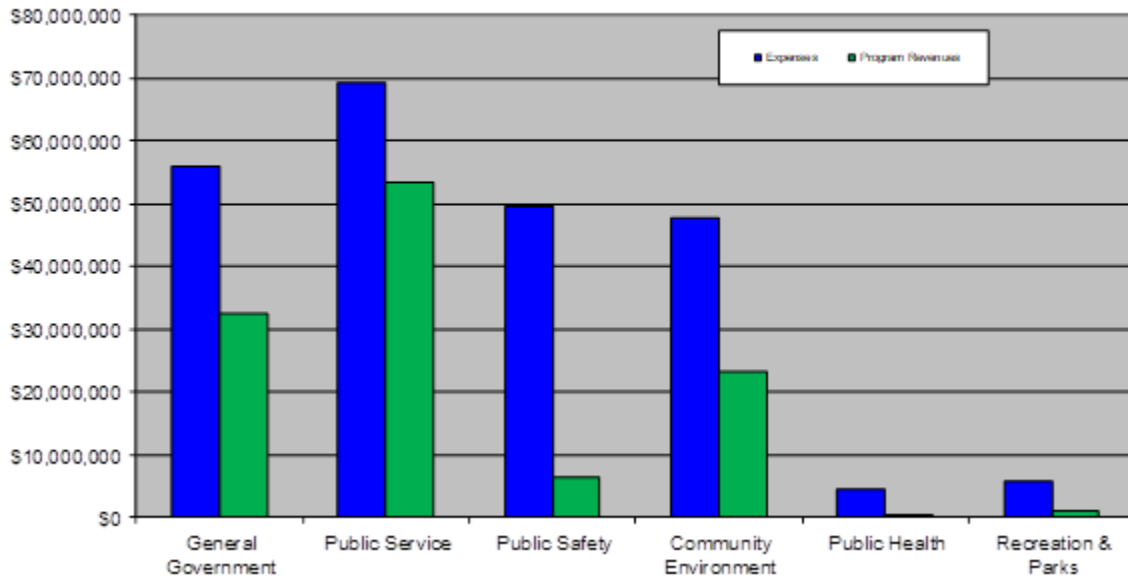
The following table (in thousands) shows total revenues for 2019 were \$389,475 which reflects an increase from the prior year. Charges for services reflect a significant increase of \$14,890. Most notable is the implementation of GASB Statement No. 84., *Fiduciary Activities*. This required eliminating two funds, Unclaimed Monies and Municipal Court Funds, that were previously reported as Fiduciary to be included in the governmental activities resulting in \$8.5M additional charges for services during 2019. Income taxes showed a slight decrease of \$1,389 as certain receivables are recorded where the related revenue is unavailable and reported as deferred inflows of resources; therefore, reducing recognized revenue. The increase in the deferred inflows related directly to the income tax filing due date extension related to the COVID-19 pandemic. On a cash basis, income tax collections for 2019 were higher than the prior year. Miscellaneous revenues decreased by \$2,774 due partially to one time reimbursements during 2018 for the Main Place and Special Assessment Bond Payment Funds. The City reflects increases in both operating and capital grants and contributions. Expenses for 2019 were lower than 2018 by approximately \$28,315. The most significant decrease relates to a change in Ohio Police & Fire Pension Fund's (OP&F) OPEB plan in 2018, which the City recognizes on a year lag. Prior to 2018, the OP&F OPEB plan was a self-insured retiree medical plan. In 2018, OP&F switched to a fixed monthly stipend provided to its retirees limiting the long term liabilities of the plan. The OPEB expense reduction was recognized in the governmental statements since the department of public safety is governmental activity. General government reflected increases due to the implementation of GASB No. 84 as previously mentioned. The expenses for community environment also increased by \$22,522 which is directly attributed to the activity for Community Learning Centers (CLC) along with the annual change regarding the Ohio Public Employers Retirement System (OPERS) OPEB plan, while not as significant as OP&F, attributed to the increase. Key events contributing to the changes are as follows:

- Income taxes on the accrual basis reflects a slight decrease due to the availability of funds and recording additional amounts as deferred inflows of resources
- The decrease in miscellaneous revenue relates primarily to a one time vendor payment that was received during 2018 for cancellation of a contractual agreement.
- The increase in capital grants and contributions relate directly to both the Streets fund and the Community Development fund grants funding for current projects as reflected by the increase in the expenditures within each fund.
- Significant efforts were implemented during 2019 to keep expenses in line with revenue as reflected by the "Change in net position before transfers".
- The increase in community environment is primarily in the Community Learning Centers (CLC) fund and the Downtown District Heating COPs fund and the related spending on CLC construction activity and routine maintenance and improvements at the downtown district heating facility.
- Public safety expenses, as previously mentioned, decreased significantly due to OP&F OPEB plan change that is recorded as current year reduction in expense.
- The City has focused efforts on reducing transfers to Enterprise funds. During 2019, the transfers to the Off-Street Parking and Airport funds were reduced.

Changes in Net Position
For Fiscal Year Ended December 31, 2018 and 2019
(in thousands)

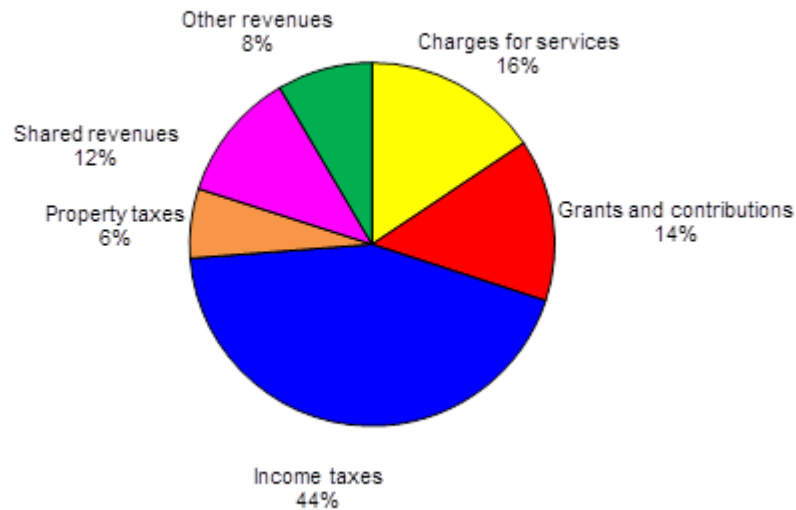
	Governmental Activities		Business-type Activities		Total	
	2018	2019	2018	2019	2018	2019
Revenues:						
Program revenues:						
Charges for services	\$ 45,719	\$ 60,609	\$ 121,227	\$ 126,256	\$ 166,946	\$ 186,865
Operating grants and contributions	12,013	15,543	-	192	12,013	15,735
Capital grants and contributions	37,672	40,583	1,502	7,531	39,174	48,114
General revenues:						
Income taxes	171,426	170,037	-	-	171,426	170,037
Property taxes	26,166	24,048	-	-	26,166	24,048
JEDD revenues	14,905	16,083	-	-	14,905	16,083
Investment earnings	3,409	5,910	32	36	3,441	5,946
Unrestricted shared revenues	40,614	45,059	-	-	40,614	45,059
Miscellaneous	14,365	11,591	1,298	2,661	15,663	14,252
Gain on sale of capital assets	53	12	-	-	53	12
Total revenues	\$ 366,342	\$ 389,475	\$ 124,059	\$ 136,676	\$ 490,401	\$ 526,151
Expenses:						
General government	\$ 36,394	\$ 55,913	\$ -	\$ -	\$ 36,394	\$ 55,913
Public service	74,256	69,325	-	-	74,256	69,325
Public safety	115,755	49,458	-	-	115,755	49,458
Community environment	25,300	47,822	-	-	25,300	47,822
Public health	4,492	4,451	-	-	4,492	4,451
Recreation and parks	4,129	5,720	-	-	4,129	5,720
Interest on debt	21,389	23,887	-	-	21,389	23,887
Unallocated depreciation	18,312	18,000	-	-	18,312	18,000
Water	-	-	38,510	46,574	38,510	46,574
Sewer	-	-	63,822	103,947	63,822	103,947
Oil & gas	-	-	42	372	42	372
Golf course	-	-	1,690	2,057	1,690	2,057
Airport	-	-	1,353	1,450	1,353	1,450
Off-street parking	-	-	6,503	7,278	6,503	7,278
Total expenses	\$ 300,027	\$ 274,576	\$ 111,920	\$ 161,678	\$ 411,947	\$ 436,254
Changes in net position before transfers	66,315	114,899	12,139	(25,002)	78,454	89,897
Transfers	(791)	(730)	791	730	-	-
Changes in net position	\$ 65,524	\$ 114,169	\$ 12,930	\$ (24,272)	\$ 78,454	\$ 89,897
Net position - beginning, as restated	(70,047)	(3,368)	437,603	449,499	367,556	446,131
Net position - ending	<u>\$ (4,523)</u>	<u>\$ 110,801</u>	<u>\$ 450,533</u>	<u>\$ 425,227</u>	<u>\$ 446,010</u>	<u>\$ 536,028</u>

Expenses and Program Revenues - Governmental Activities



The above chart shows the revenue generated by the various programs of the City of Akron and the expenses relating to each program. As shown below, the primary source of revenue that funds these programs is reported in the financial statements as income taxes.

Revenues By Sources Governmental Activities



FINANCIAL ANALYSIS OF THE GOVERNMENTAL FUNDS

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

Governmental Funds. The focus of the City of Akron'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 of Akron's financing requirements. In particular, unassigned fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

As of the end of the current fiscal year, the City of Akron's governmental funds reported a combined ending fund balance of \$95,731,832, a decrease in comparison to the prior year. The unassigned fund deficit balance at the end of the current year is \$3,422,495. The remainder of fund balance is distributed to indicate that it is not available for new spending because it has already been dedicated. The City's major governmental funds are the General Fund, the Community Learning Centers (CLC) Fund, the Income Tax Capital Improvement Fund, Special Assessment Fund, and the Streets Fund.

The General Fund is the chief operating fund of the City of Akron. At the end of the current fiscal year, unassigned fund balance of the General Fund was \$11,525,081, while the total fund balance is \$13,480,471. As a measure of the General Fund's liquidity, it may be useful to compare both unassigned fund balance and total fund balance to total fund expenditures. Unassigned fund balance represents 7.41% of total General Fund expenditures, while total fund balance represents 8.67% of that same amount.

The fund balance of the City of Akron's General Fund decreased by \$831,328 during the current fiscal year. Key factors in this change are as follows:

- The City's commitment to monitor revenues and approve expenditures in conformity with available resources.
- Akron's Income tax collection, our largest source of revenue in the General Fund, on the current financial resources measurement and modified accrual basis of accounting reflect an increase due to the increase in the income tax receivable based on actual collections during January and February 2020 for prior tax years.
- JEDD revenues increase is directly attributed to utilization of the resources for activities within the General Fund.
- Public safety expenditures during 2019 show an increase of approximately \$1.5M. The two items that contributed to the increase were the 2% cost of living effective for 2019 along with increase costs associated with providing health benefits. Both items are directly related to the staffing of the safety forces.
- In addition to the subsidy for EMS and the local match for grants, the practice of transferring monies from the General Fund, to subsidize various operations is a method used annually by the City to provide resources to these funds. The City was able to reduce the transfers during 2019 to the Off-Street Parking fund and the Airport fund.

The Community Learning Centers Fund has a total fund balance of \$50,642,552. The net decrease in fund balance the Community Learning Centers Fund from the prior year was \$13,138,670 which is attributed to the spending of previously issued Income Tax Revenue Bonds. The proceeds are being used to fund the payment of expenditures as reflected in the community environment expenditures for project specific costs.

The Income Tax Capital Improvement Fund has a total fund balance of \$555,626. Expenditures exceeded revenue by \$12,194,921 in 2019 which were funded by the issuance of bonds yielding a decrease in the fund balance of \$3,243,541. The Fund is responsible for debt service payments and relies heavily on the collection of income taxes.

The Special Assessment Fund has a total fund balance deficit of \$9,849,322. The Fund is utilized for the accumulation of resources for, and the payment of, special assessment note issued for street lighting and street cleaning along with related assessment costs.

The Streets Fund has a total fund balance deficit of \$2,254,733. The Fund is used to account for the accumulation of resources for, and payment of street projects.

Other Governmental Funds have a combined fund balance of \$43,157,238. The decrease in the combined fund balance was \$2,656,168. This majority of the change is attributed to projects within the special revenue funds specifically the Downtown District Heating COPs Fund and the Police, Fire, and Road Activity Fund.

GENERAL FUND BUDGETARY OVERVIEW

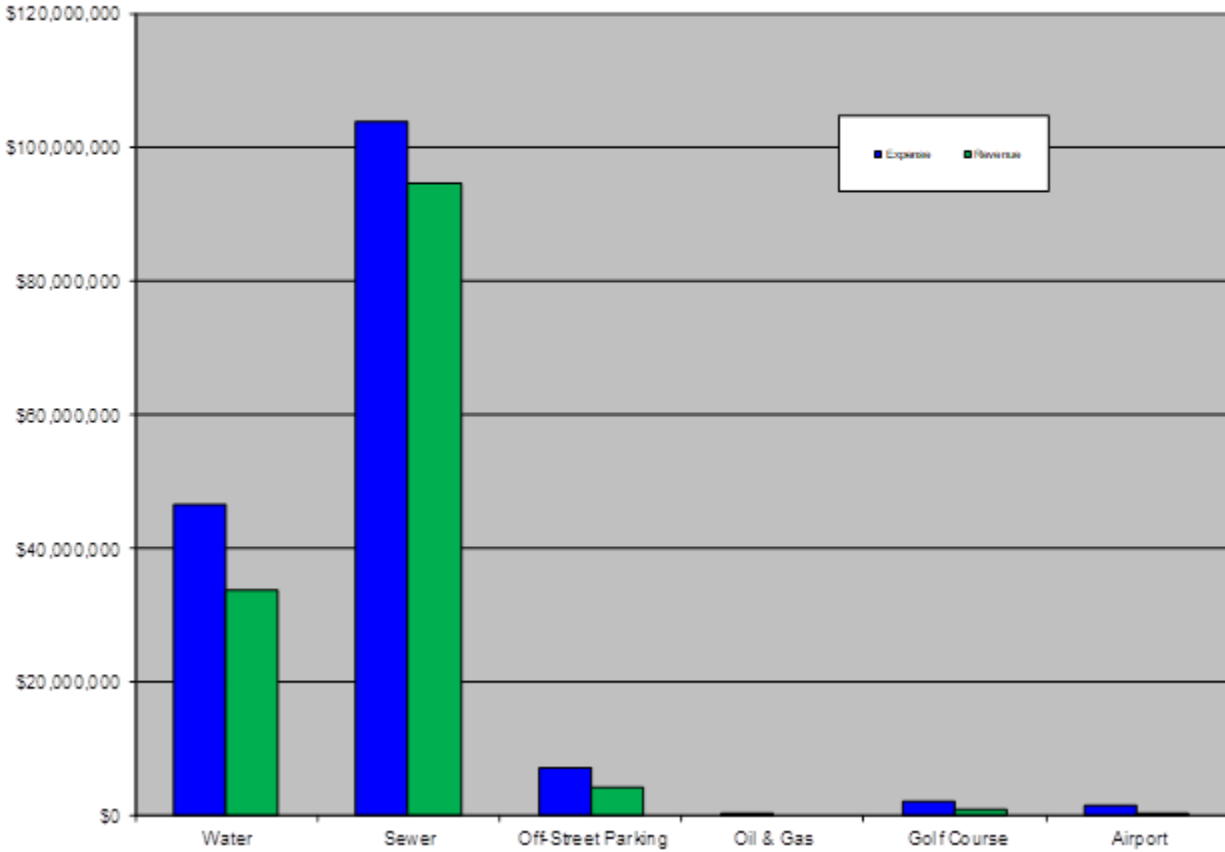
During the year, actual revenues and other sources were less than original budgetary estimates by \$1,111,458 (0.6%). Taxes, Assessments and JEDD revenue, the major revenue sources, were less than the budgeted amount by \$3,095,013 and intergovernmental revenues higher by \$1,204,148. Decreases in revenues during 2019 were charges for services by \$1,713,624, license and fees by \$501,225.

As a result of revenue monitoring, restraint on spending was prioritized and the General Fund balance remained stable reporting a slight increase of \$111,574. The actual expenditures were under the final budget by \$2,486,897.

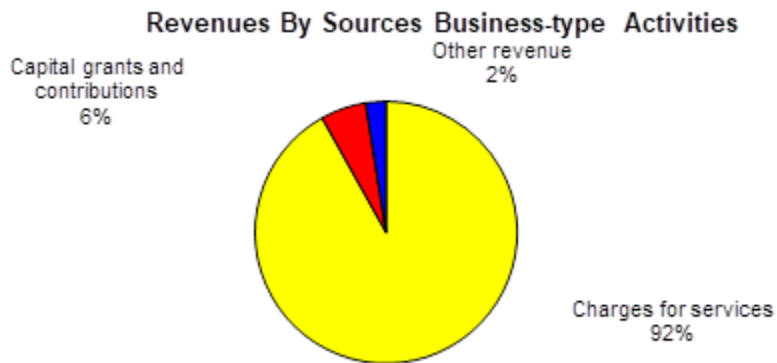
Key events contributing to the changes in the General Fund budget amounts are as follows:

- The Public Service Department's budget was increased by \$1,239,999, the Finance Department's budget was increased by \$2,510,000, and the Fire Department was increased by \$1,345,000, but the revenue did not materialize to allow for the full budgeted expenditures.
- The Department of Public Safety's actual expenditures were under the final budgeted amount by \$476,300, Department of Public Service's by \$508,202, and the Police Department by \$434,461 is attributed to the restraint on spending.

Expenses and Program Revenues - Business-type Activities



The above chart shows the revenue generated by the various business-type activities of the City of Akron and the expenses relating to each activity. As shown below, the majority of the revenue that funds these activities is reported in the financial statements as charges for services.



FINANCIAL ANALYSIS OF THE PROPRIETARY FUNDS

Business-Type Activities. Business-type activities decreased the City of Akron's net position by \$24,272,658 compared to an increase of \$12,929,683 in the prior year. Total program revenues increased by \$11,249,692 combined with an increase in expenses of \$49,758,436 attributed to the overall decrease in net position.

Proprietary Funds. The City of Akron's proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail. The City's major enterprise funds are the Water, Sewer and Off-Street Parking.

Unrestricted net deficit of the Water Fund at the end of the year was \$26,636,630 for the Sewer Fund was unrestricted net position of \$85,135,973 and for the Off-Street Parking Fund was a deficit of \$378,633. The decreases reported in net position for the Water and increase in the Sewer Funds were \$7,812,971 and \$11,887,252, respectively. The decrease reported in net position for Off-Street Parking was \$2,382,368.

The expenses in the Sewer Fund increased significantly, but the increase appears larger due to the base year of 2018 reporting lower than normal expenses by approximately \$22M from 2017. Using 2018 as the basis for comparison, the increase during 2019 must take into consideration the lower than normal starting point. Additionally, the Sewer Fund has incurred an increase in costs during 2019 as a result focusing resources on maintenance projects as the resources attributed to the larger CSO projects have peaked.

The Water Department services the City and 13 surrounding communities which account for 81,055 customer accounts and 1,230 miles of water mains. All bonds of the Water Fund are paid from water enterprise revenues. A ten-year comparison of certain water enterprise data is shown in Schedule 15 of the Statistical Section. Water rates remained stable and results of operations yielded an increase in net position due to cost containment. The Sewer Department services the City and 12 surrounding communities which account for 75,634 customer accounts and 1,340 miles of sewer lines. All bonds of the Sewer Fund are paid from sewer enterprise revenues. A ten-year comparison of certain sewer enterprise data is shown in Schedule 15 of the Statistical Section. Sewer rates remained virtually unchanged with only slight increases to a small population of non-resident customers and results of operations yielded an increase in net position due again to cost containment.

The Off-Street Parking Fund experienced an increase in both the operating revenues and operating expenses. The decrease in net position directly relates to expenses exceeding operating revenues.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets. The City of Akron's investment in capital assets for its government and business-type activities as of December 31, 2019, amounts to \$2,082,079,497 (net of accumulated depreciation). This investment in capital assets includes land, construction in progress, buildings, improvements (other than buildings), equipment, and infrastructure. The total increase in the City of Akron's investment in capital assets for the current fiscal year was \$81,520,962 (a 1.9% increase for governmental activities and a 6.6% increase for business-type activities).

	Capital Assets (net of accumulated depreciation) (in thousands)					
	Governmental Activities		Business-type Activities		Total	
	2018	2019	2018	2019	2018	2019
Land	\$ 153,973	\$ 153,973	\$ 38,403	\$ 38,403	\$ 192,376	\$ 192,376
Construction in progress	129,771	133,625	404,182	438,773	533,953	572,398
Buildings	335,458	354,287	106,942	103,741	442,400	458,028
Improvements	104,826	107,938	153,236	145,499	258,062	253,437
Equipment	32,153	34,638	4,394	41,217	36,547	75,855
Infrastructure	315,589	307,554	221,632	222,431	537,221	529,985
	<u>\$ 1,071,770</u>	<u>\$ 1,092,015</u>	<u>\$ 928,789</u>	<u>\$ 990,064</u>	<u>\$ 2,000,559</u>	<u>\$ 2,082,079</u>

The City of Akron displays additional information relating to the capital assets of the City that can be found in Note 1. G. and Note 7.

Major capital assets placed into service during the current fiscal year included the following:

- Main Street Corridor and State Street Bridge - \$13,771,749
- Community Learning Centers Construction-In-Progress - \$11,087,071
- Ohio Interceptor Tunnel - \$8,812,164
- Fire Station #2 - \$4,794,979
- SR 59 - Oak Park Renewal @ Rand & Dart Ave. - \$1,727,195
- Aqueduct Street Green Improvements - \$972,717

Long-Term Debt. At the end of the current fiscal year, the City of Akron had total debt outstanding of \$1,135,663,908. All general obligation bonds are backed by the full faith and credit of the City. Special assessment bonds and notes are covered by special assessment collections and are backed by the full faith and credit of the City. The remainder of the City of Akron’s debt represents bonds secured solely by specified revenue sources.

City of Akron
Outstanding Debt
(in thousands)

	Governmental Activities		Business-type Activities		Total	
	2018	2019	2018	2019	2018	2019
General Obligation Bonds	\$ 138,369	\$ 121,001	\$ 306	\$ 219	\$ 138,675	\$ 121,220
General Obligation Notes	2,500	1,500	-	-	2,500	1,500
OPWC Loan	5,737	5,141	535	355	6,272	5,496
Ohio Development Services Agency	4,265	3,955	-	-	4,265	3,955
Non-Tax Revenue Bonds	33,435	30,410	-	-	33,435	30,410
Income Tax Revenue Income Tax Revenue Bonds and Notes	365,917	358,629	-	-	365,917	358,629
Special Revenue Bonds	11,555	7,720	-	-	11,555	7,720
Special Assessment Bonds and Notes	19,723	20,272	-	-	19,723	20,272
Mortgage Revenue Bonds	-	-	14,785	13,655	14,785	13,655
OWDA Loan	-	-	521,795	572,807	521,795	572,807
	<u>\$ 581,501</u>	<u>\$ 548,628</u>	<u>\$ 537,421</u>	<u>\$ 587,036</u>	<u>\$ 1,118,922</u>	<u>\$ 1,135,664</u>

The City of Akron’s total debt outstanding increased by \$16,742,264 (1.5%) during the current fiscal year.

During the current fiscal year the City issued \$11,045,000 in Income Tax Revenue Bonds for the Community Learning Centers (CLC). The City also issued Income Tax Revenue Bonds for various purpose improvements (\$51,780,000). There were OWDA loans issued for the cost of improving the Waterworks System (\$2,009,537) and the Sanitary Sewer System (\$71,734,889).

The Ohio Revised Code provides that the outstanding general obligation bonds less self-supporting debt (e.g., income tax-backed projects) of the municipal corporation, whether or not approved by the electors, shall not exceed 10.5% of the assessed value of all property in the municipal corporation as listed and assessed for taxation. In addition, the unvoted net debt of municipal corporations cannot exceed 5.5% of total assessed value of property. The City of Akron’s total debt limit (10.5%) is \$270,381,850 and the total unvoted net debt limit (5.5%) is \$141,628,588.

The City's general obligation bonds are rated "AA-" by Standard & Poor's Ratings Services, "A+" by Fitch Ratings and "Aa3" by Moody's Investors Service, Inc. The insured Water Revenue bonds were originally rated Aa2 from Moody's. The 2009 Water Revenue bonds were originally rated Aa2 by Moody's and they were assigned AA by Standard & Poor's.

Additional information on the City of Akron's long-term debt can be found in Notes 10-12.

Economic Factors and Next Year's Budgets and Rates

- The United States, the State of Ohio and the City all declared a state of emergency in March 2020 due to the global Coronavirus Disease 2019 (COVID-19) pandemic. The financial impact of COVID-19 will impact subsequent periods of the City. The impact on the City's future operating costs, revenues, and any recovery from emergency funding, either federal or state, cannot be estimated.
- Unemployment at year-end 2019 shows a slight improvement at 4.5%, which is a result of constant level of employees in the workforce. Subsequent to year-end, the unemployment rate escalated as a direct result of COVID-19.
- The City of Akron budgeted income tax collections to increase by 2.25%, Local Government and Property Tax to remain stable.
- No increase in Water or Sewer service rates for 2020.
- The City budgeted Gas Tax revenue to increase 38% and will monitor the revenue stream during 2020 due to the impact of COVID-19 and make future adjustments as appropriate.

In the 2020 budget, the General Fund unencumbered fund balance is projecting a slight increase of \$8,430.

Request for Information

This financial report is designed to provide a general overview of the City of Akron's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or request for additional information should be addressed to the Director of Finance, Municipal Building, 166 South High Street, Room 205, Akron, Ohio 44308.

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BASIC FINANCIAL STATEMENTS

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City of Akron, Ohio
Statement of Net Position
December 31, 2019

	Governmental Activities	Business-Type Activities	Total
Assets			
Current assets:			
Pooled cash and investments	\$ 61,745,279	\$ 117,352,329	\$ 179,097,608
Receivables, net	111,371,777	17,500,959	128,872,736
Loans receivable	3,281,185	-	3,281,185
Due from other governments	1,074,845	689,748	1,764,593
Due from others	219,785	-	219,785
Internal balances	5,520,976	(5,520,976)	-
Inventories, at cost	626,730	3,433,022	4,059,752
Total current assets	<u>183,840,577</u>	<u>133,455,082</u>	<u>317,295,659</u>
Noncurrent assets:			
Receivables, net	63,817,464	-	63,817,464
Restricted cash and investments	40,075,116	3,518,635	43,593,751
Loans receivable	6,945,850	-	6,945,850
Deposits	383,737	-	383,737
Assets held for resale	7,919,423	-	7,919,423
Net pension asset	274,043	83,488	357,531
Capital assets:			
Land and construction in progress	287,598,015	477,176,016	764,774,031
Other capital assets, net	804,417,478	512,887,988	1,317,305,466
Total noncurrent assets	<u>1,211,431,126</u>	<u>993,666,127</u>	<u>2,205,097,253</u>
Total assets	<u>1,395,271,703</u>	<u>1,127,121,209</u>	<u>2,522,392,912</u>
Deferred Outflows of Resources			
	111,215,054	10,454,038	121,669,092
Total assets and deferred outflows of resources	<u>1,506,486,757</u>	<u>1,137,575,247</u>	<u>2,644,062,004</u>
Liabilities			
Current liabilities:			
Accounts payable and other accrued liabilities	31,668,134	8,504,176	40,172,310
Deposits	618,444	751,797	1,370,241
Due to other governments	1,430,729	7,437,184	8,867,913
Accrued interest payable	1,924,192	6,987,112	8,911,304
Accrued wages	5,978,603	677,942	6,656,545
Accrued vacation and leave	9,694,862	1,388,168	11,083,030
COPs and obligations under capital lease	5,318,510	2,019,948	7,338,458
Liability for unpaid claims	5,590,134	-	5,590,134
Bonds, notes and loans payable	44,446,817	32,540,237	76,987,054
Total current liabilities	<u>106,670,425</u>	<u>60,306,564</u>	<u>166,976,989</u>
Noncurrent liabilities:			
COPs and obligations under lease	63,358,268	31,833,276	95,191,544
Liabilities due in more than one year	72,717,804	6,105,384	78,823,188
Bonds, notes and loans payable	522,794,553	555,045,392	1,077,839,945
Net pension liability	309,134,672	28,038,314	337,172,986
Net OPEB liability	154,271,537	26,545,143	180,816,680
Total noncurrent liabilities	<u>1,122,276,834</u>	<u>647,567,509</u>	<u>1,769,844,343</u>
Total liabilities	<u>1,228,947,259</u>	<u>707,874,073</u>	<u>1,936,821,332</u>
Deferred Inflows of Resources			
	166,741,029	4,474,430	171,215,459
Total liabilities and deferred inflows of resources	<u>1,395,688,288</u>	<u>712,348,503</u>	<u>2,108,036,791</u>
Net position			
Net investment in capital assets	402,657,024	368,625,151	771,282,175
Restricted for debt service	12,020,227	3,518,634	15,538,861
Restricted for community learning centers	50,642,552	-	50,642,552
Restricted for capital projects	21,060,881	-	21,060,881
Restricted for program purpose	13,188,794	-	13,188,794
Unrestricted (deficit)	(388,771,009)	53,082,959	(335,688,050)
Total net position	<u>\$ 110,798,469</u>	<u>\$ 425,226,744</u>	<u>\$ 536,025,213</u>

The notes to the financial statements are an integral part of this statement.

City of Akron, Ohio
Statement of Activities
For the Year Ended December 31, 2019

Functions/Programs	Program Revenues				Net (Expense) Revenue and Changes in Net Position		
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-type Activities	Total
Governmental Activities:							
General government	\$ 55,913,497	\$ 27,549,825	\$ 245,195	\$ 4,606,641	\$ (23,511,836)	\$ -	\$ (23,511,836)
Public service	69,325,498	18,393,670	-	35,027,815	(15,904,013)	-	(15,904,013)
Public safety	49,458,260	3,898,022	1,750,083	848,816	(42,961,339)	-	(42,961,339)
Community environment	47,822,419	10,125,087	12,993,051	98,686	(24,605,595)	-	(24,605,595)
Public health	4,450,531	-	92,944	-	(4,357,587)	-	(4,357,587)
Recreation and parks	5,720,103	642,457	461,714	-	(4,615,932)	-	(4,615,932)
Interest	23,887,099	-	-	-	(23,887,099)	-	(23,887,099)
Unallocated depreciation*	18,000,420	-	-	-	(18,000,420)	-	(18,000,420)
Total governmental activities	274,577,827	60,609,061	15,542,987	40,581,958	(157,843,821)	-	(157,843,821)
Business-type Activities:							
Water	46,575,277	32,787,975	36,428	839,611	-	(12,911,263)	(12,911,263)
Sewer	103,946,790	88,194,394	-	6,430,182	-	(9,322,214)	(9,322,214)
Oil and gas	371,965	-	-	-	-	(371,965)	(371,965)
Golf course	2,057,143	952,419	-	-	-	(1,104,724)	(1,104,724)
Airport	1,449,933	150,826	155,386	174,218	-	(969,503)	(969,503)
Parking facilities	7,277,980	4,170,306	-	87,327	-	(3,020,347)	(3,020,347)
Total business-type activities	161,679,088	126,255,920	191,814	7,531,338	-	(27,700,016)	(27,700,016)
Total Government	\$ 436,256,915	\$ 186,864,981	\$ 15,734,801	\$ 48,113,296	\$ (157,843,821)	\$ (27,700,016)	\$ (185,543,837)
General revenues:							
Taxes:							
Income taxes					\$ 170,036,813	\$ -	\$ 170,036,813
Property taxes					24,048,160	-	24,048,160
JEDD Revenues					16,083,393	-	16,083,393
Investment earnings					5,909,657	35,927	5,945,584
Unrestricted shared revenues					45,058,850	321	45,059,171
Miscellaneous					11,591,233	2,661,110	14,252,343
Gain on sale of capital assets					12,423	-	12,423
Transfers					(730,000)	730,000	-
Total general revenues and transfers					272,010,529	3,427,358	275,437,887
Change in net position					114,166,708	(24,272,658)	89,894,050
Net position - beginning, as restated					(3,368,239)	449,499,402	446,131,163
Net position - ending					\$ 110,798,469	\$ 425,226,744	\$ 536,025,213

*Excludes depreciation included in program expenses.

The notes to the financial statements are an integral part of this statement.

City of Akron, Ohio
Balance Sheet - Governmental Funds
December 31, 2019

	General	Community Learning Centers	Income Tax Capital Improvement	Special Assessment Fund	Streets	Other Governmental Funds	Total Governmental Funds
Assets							
Pooled cash and investments	\$ 11,012,377	\$ 18,866,997	\$ 1,097,666	\$ 3,866,573	\$ 2,649,086	\$ 41,068,659	\$ 78,561,358
Restricted cash and investments	-	28,725,913	-	-	-	11,349,203	40,075,116
Receivables, net of allowances for uncollectibles	48,894,815	44,775,914	7,218,320	32,036,544	248,850	35,892,566	169,067,009
Loans receivable	-	-	-	-	-	10,227,035	10,227,035
Due from other governments	10,350	-	-	-	199,829	3,169,376	3,379,555
Due from other funds	2,222,480	1,438,553	174,533	47,700	-	1,868,423	5,751,689
Due from others	-	-	-	-	-	219,785	219,785
Deposits	-	383,737	-	-	-	-	383,737
Advances to other funds	2,715,000	-	978,000	-	-	-	3,693,000
Assets held for resale	-	-	-	-	-	7,919,423	7,919,423
Total assets	\$ 64,855,022	\$ 94,191,114	\$ 9,468,519	\$ 35,950,817	\$ 3,097,765	\$ 111,714,470	\$ 319,277,707
Liabilities							
Accounts payable	\$ 3,132,350	\$ 68	\$ 4,885,783	\$ 357,620	\$ 2,879,415	\$ 4,133,909	\$ 15,389,145
Deposits	2,464	-	-	-	-	615,980	618,444
Advances from other funds	-	-	-	-	-	1,873,000	1,873,000
Due to other governments	20,148	-	761,302	-	162,841	5,291,438	6,235,729
Due to other funds	376,031	164,055	48,106	128,330	100,020	5,030,269	5,846,811
Due to others	1,017,571	-	-	-	-	7,026,930	8,044,501
Accrued liabilities	1,419,391	-	9,197	60,223	2,200,707	798,508	4,488,026
Accrued wages	4,244,117	-	15,375	217,564	9,515	1,222,984	5,709,555
Accrued vacation and leave	18,758	-	-	139	-	-	18,897
Unearned revenue	6,793,721	-	-	-	-	-	6,793,721
Special assessment notes	-	-	-	13,000,000	-	-	13,000,000
Total liabilities	17,024,551	164,123	5,719,763	13,763,876	5,352,498	25,993,018	68,017,829
Deferred Inflows of Resources	34,350,000	43,384,439	3,193,130	32,036,263	-	42,564,214	155,528,046
Fund balances							
Restricted	-	50,642,552	555,626	-	-	36,539,186	87,737,364
Committed	486,244	-	-	-	-	9,461,573	9,947,817
Assigned	1,469,146	-	-	-	-	-	1,469,146
Unassigned	11,525,081	-	-	(9,849,322)	(2,254,733)	(2,843,521)	(3,422,495)
Total fund balances (deficit)	13,480,471	50,642,552	555,626	(9,849,322)	(2,254,733)	43,157,238	95,731,832
Total liabilities, deferred inflows and fund balances	\$ 64,855,022	\$ 94,191,114	\$ 9,468,519	\$ 35,950,817	\$ 3,097,765	\$ 111,714,470	\$ 319,277,707

The notes to the financial statements are an integral part of this statement.

City of Akron, Ohio
Reconciliation of the Balance Sheet to the Statement of Net Position - Governmental Funds
December 31, 2019

Total fund balances for governmental funds (Exhibit 3)	\$ 95,731,832
Total net position reported for governmental activities in the statement of net position is different because:	
Capital assets used in governmental activities (excluding internal service fund capital assets) are not financial resources and therefore are not reported in the funds.	1,089,695,338
The net pension asset (excluding internal service fund net pension asset) is not an available resource and, therefore, is not reported in the funds.	240,067
Other long-term assets are not available to pay for current period expenditures and, therefore, are deferred inflows in the funds.	
Income taxes	14,590,113
Property taxes	6,736,036
Special assessments	18,972,440
Shared revenues	<u>8,056,937</u>
	48,355,526
Long-term accounts receivables are not available to pay for current period expenditures.	1,007,337
The assets and liabilities of the internal service funds are included in the governmental activities in the statement of net position.	(19,301,581)
Long-term liabilities including bonds payable and accrued interest payable are not due and payable in the current period and therefore are not reported in the funds.	
Accounts payable and other accrued liabilities	(13,717,546)
Accrued interest payable	(1,924,192)
Accrued vacation and leave	(57,643,535)
Bonds, notes and loans payable	(534,127,655)
Net OPEB deferred inflows/outflows	(1,318,849)
Net OPEB liabilities	(144,821,921)
Net Pension deferred inflows/outflows	77,197,330
Net Pension liabilities	(297,728,118)
Obligations under capital lease and COPs	(68,676,778)
Unamortized bond premium, discount, deferred loss, gain	<u>(62,168,786)</u>
	(1,104,930,050)
Total net position of governmental activities (Exhibit 1)	<u>\$ 110,798,469</u>

The notes to the financial statements are an integral part of this statement.

City of Akron, Ohio
Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds
For the Year Ended December 31, 2019

	General	Community Learning Centers	Income Tax Capital Improvement	Special Assessment Fund	Streets	Other Governmental Funds	Total Governmental Funds
Revenues							
Income taxes	\$ 94,474,366	\$ 16,454,441	\$ 34,810,969	\$ -	\$ 93,049	\$ 21,646,635	\$ 167,479,460
Property taxes	16,784,591	-	-	-	-	8,146,544	24,931,135
JEDD revenues	3,000,000	-	2,250,000	-	-	10,833,393	16,083,393
Special assessments	161,991	-	153	18,158,211	999,928	-	19,320,283
Grants and subsidies	44,994	979,558	-	-	18,549,272	17,332,560	36,906,384
Investment earnings	3,927,015	1,256,649	3,636	-	-	757,264	5,944,564
Shared revenues	13,014,090	8,349,695	410,816	-	-	27,807,690	49,582,291
Licenses, fees and fines	16,104,354	-	1,023,280	46,101	326,731	13,052,982	30,553,448
Charges for services	13,203,423	-	-	4,339	-	5,783,508	18,991,270
Miscellaneous	4,895,065	9,952	301,124	135,673	1,320,979	8,115,029	14,777,822
	<u>165,609,889</u>	<u>27,050,295</u>	<u>38,799,978</u>	<u>18,344,324</u>	<u>21,289,959</u>	<u>113,475,605</u>	<u>384,570,050</u>
Expenditures							
Current:							
General government	26,605,248	1,275,691	615,562	2,791,154	-	17,036,580	48,324,235
Public service	24,655,419	-	4,871,266	13,996,797	26,987,188	14,412,483	84,923,153
Public safety	93,730,079	-	2,825,045	729	2,405,521	42,055,115	141,016,489
Community environment	1,291,942	16,885,215	1,883,085	31	-	45,335,857	65,396,130
Public health	4,242,002	-	-	-	-	-	4,242,002
Recreation and parks	3,886,638	-	5,345	-	-	839,253	4,731,236
Debt service:							
Principal retirement	847,500	10,650,000	30,629,728	996,392	29,250,000	14,937,012	87,310,632
Interest	281,467	11,949,901	10,164,868	492,304	-	3,836,685	26,725,225
Bond issuance expenditures	-	164,979	-	15,000	10,000	576,713	766,692
	<u>155,540,295</u>	<u>40,925,786</u>	<u>50,994,899</u>	<u>18,292,407</u>	<u>58,652,709</u>	<u>139,029,698</u>	<u>463,435,794</u>
Excess (deficiency) of revenues over (under) expenditures	10,069,594	(13,875,491)	(12,194,921)	51,917	(37,362,750)	(25,554,093)	(78,865,744)
Other financing sources (uses)							
Issuance of bonds	-	-	8,271,380	-	34,300,611	10,753,620	53,325,611
Premium on debt	-	1,751,821	680,000	-	2,650,000	2,443,383	7,525,204
Issuance of refunding obligations	-	11,045,000	-	-	-	9,360,000	20,405,000
Payment to refunding agent	-	(12,060,000)	-	-	-	(9,830,000)	(21,890,000)
Transfers-in	-	-	-	-	-	10,720,922	10,720,922
Transfers-out	(10,900,922)	-	-	-	-	(550,000)	(11,450,922)
	<u>(10,900,922)</u>	<u>736,821</u>	<u>8,951,380</u>	<u>-</u>	<u>36,950,611</u>	<u>22,897,925</u>	<u>58,635,815</u>
Net change in fund balance	(831,328)	(13,138,670)	(3,243,541)	51,917	(412,139)	(2,656,168)	(20,229,929)
Fund balances (deficit), January 1, 2019, as restated	14,311,799	63,781,222	3,799,167	(9,901,239)	(1,842,594)	45,813,406	115,961,761
Fund balances (deficit), December 31, 2019	<u>\$ 13,480,471</u>	<u>\$ 50,642,552</u>	<u>\$ 555,626</u>	<u>\$ (9,849,322)</u>	<u>\$ (2,254,733)</u>	<u>\$ 43,157,238</u>	<u>\$ 95,731,832</u>

The notes to the financial statements are an integral part of this statement.

City of Akron, Ohio
 Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances
 to the Statement of Activities - Governmental Funds
 For the Year Ended December 31, 2019

Net changes in fund balances - total governmental funds (Exhibit 4) \$ (20,229,929)

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, which meet capitalization requirements, is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlays (\$58,808,127) exceeded depreciation (\$39,103,838) in the current period. 19,704,289

The net effect of selling capital assets increased net position. 12,423

Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds. The amount is the net effect of the reversal of prior year items against current year accruals. (43,278,903)

The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of premiums and deferred amount on refundings when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. The amount is the net effect of these differences in the treatment of long-term debt and related items.

Issuance of debt	(73,730,611)	
Payment of debt	87,310,632	
Payment to refunding agent	21,890,000	
Premium on debt	(7,525,204)	
Bond issuance expenditures	<u>741,692</u>	28,686,509

Some of the expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds. 130,049,001

The change in net position of the internal service funds are included in the governmental activities in the statement of activities. (776,682)

Change in net position of governmental activities (Exhibit 2) \$ 114,166,708

The notes to financial statements are an integral part of this statement.

City of Akron, Ohio
Statement of Net Position - Proprietary Funds
December 31, 2019

	Water	Sewer	Off-Street Parking	Other Enterprise Funds	Total	Governmental Activities- Internal Service Funds
Assets						
Current assets:						
Pooled cash and investments	\$ 3,896,472	\$ 112,906,010	\$ 262,487	\$ 287,360	\$ 117,352,329	\$ 6,203,457
Receivables, net of allowance for uncollectibles	2,993,194	14,369,014	138,751	-	17,500,959	38,272
Due from other governments	14,114	501,416	-	174,218	689,748	-
Due from other funds	979,915	-	-	-	979,915	2,434,298
Inventories, at cost	2,243,156	1,114,600	-	75,266	3,433,022	626,730
Total current assets	10,126,851	128,891,040	401,238	536,844	139,955,973	9,302,757
Noncurrent assets:						
Restricted cash and investments	1,144,824	2,373,811	-	-	3,518,635	-
Net pension asset	49,716	30,807	-	2,965	83,488	33,976
Property, plant and equipment, net of accumulated depreciation	154,212,176	760,994,293	66,077,508	8,780,027	990,064,004	2,320,155
Total noncurrent assets	155,406,716	763,398,911	66,077,508	8,782,992	993,666,127	2,354,131
Total assets	165,533,567	892,289,951	66,478,746	9,319,836	1,133,622,100	11,656,888
Deferred Outflows of Resources	6,257,267	3,832,382	-	364,389	10,454,038	4,156,101
Total assets and deferred outflows	171,790,834	896,122,333	66,478,746	9,684,225	1,144,076,138	15,812,989
Liabilities						
Current liabilities:						
Accounts payable	1,058,354	4,741,048	131,849	129,779	6,061,030	811,030
Deposits	751,797	-	-	-	751,797	-
Due to other governments	34,041	6,820,756	582,387	-	7,437,184	-
Advances from other funds	-	-	-	800,000	800,000	1,020,000
Due to other funds	587,851	2,461,122	55,108	876	3,104,957	214,134
Accrued interest payable	532,645	6,453,844	623	-	6,987,112	-
Accrued liabilities	108,884	2,248,441	-	85,821	2,443,146	2,260,899
Accrued wages	410,844	254,935	-	12,163	677,942	269,048
Accrued vacation and leave	851,196	512,047	-	24,925	1,388,168	589,898
Obligations under capital lease	-	2,019,948	-	-	2,019,948	-
Liability for unpaid claims	-	-	-	-	-	5,302,634
Debt:						
General obligation bonds	-	-	91,670	-	91,670	-
Mortgage revenue bonds	1,224,392	-	-	-	1,224,392	-
OWDA loans	2,207,653	28,910,207	-	-	31,117,860	-
OPWC loans	44,750	61,565	-	-	106,315	-
Total current liabilities	7,812,407	54,483,913	861,637	1,053,564	64,211,521	10,467,643
Noncurrent liabilities:						
Obligations under capital lease	-	31,833,276	-	-	31,833,276	-
Due in more than one year	3,349,407	2,410,586	-	345,391	6,105,384	3,739,281
Bonds, notes, and loans payable	33,926,184	520,991,836	127,372	-	555,045,392	1,500,000
Net pension liability	16,707,511	10,329,718	-	1,001,085	28,038,314	11,406,554
Net OPEB Liability	16,218,004	9,506,320	-	820,819	26,545,143	9,449,616
Total noncurrent liabilities	70,201,106	575,071,736	127,372	2,167,295	647,567,509	26,095,451
Total liabilities	78,013,513	629,555,649	989,009	3,220,859	711,779,030	36,563,094
Deferred Inflows of Resources	2,459,931	1,879,439	9,904	125,156	4,474,430	1,147,410
Net Position						
Net investment in capital assets	116,809,197	177,177,461	65,858,466	8,780,027	368,625,151	2,320,155
Restricted for debt service	1,144,823	2,373,811	-	-	3,518,634	-
Unrestricted (deficit)	(26,636,630)	85,135,973	(378,633)	(2,441,817)	55,678,893	(24,217,670)
Total net position	91,317,390	264,687,245	65,479,833	6,338,210	427,822,678	(21,897,515)
Total liabilities, deferred inflows and net position	\$ 171,790,834	\$ 896,122,333	\$ 66,478,746	\$ 9,684,225	\$ 1,144,076,138	\$ 15,812,989

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

Net position of business-type activities

(2,595,934)

\$ 425,226,744

City of Akron, Ohio
Statement of Revenues, Expenses and Changes in Fund Net Position - Proprietary Funds
For the Year Ended December 31, 2019

	Water	Sewer	Off-Street Parking	Other Enterprise Funds	Total	Governmental Activities- Internal Service Funds
Operating revenues						
Charges for services	\$ 32,945,979	\$ 88,173,661	\$ 4,160,828	\$ 1,103,245	\$ 126,383,713	\$ 54,956,093
Other	1,690,872	475,059	380,572	407,560	2,954,063	4,262,398
	<u>34,636,851</u>	<u>88,648,720</u>	<u>4,541,400</u>	<u>1,510,805</u>	<u>129,337,776</u>	<u>59,218,491</u>
Operating expenses						
Personal services	17,467,112	9,939,786	-	1,296,318	28,703,216	11,422,554
Direct expenses	16,967,756	72,986,515	4,172,213	1,994,864	96,121,348	13,874,815
Claims	3,807	761	-	-	4,568	34,218,143
Rentals and lease	240,468	89,947	-	73,702	404,117	391,015
Utilities	1,456,496	1,291,203	603,455	73,135	3,424,289	154,410
Insurance	180,511	684,110	93,721	29,557	987,899	28,790
Depreciation, depletion and amortization	5,673,343	11,832,108	2,289,413	276,712	20,071,576	313,306
Other	133,424	95,400	116,670	130,665	476,159	2,476
	<u>42,122,917</u>	<u>96,919,830</u>	<u>7,275,472</u>	<u>3,874,953</u>	<u>150,193,172</u>	<u>60,405,509</u>
Operating income (loss)	<u>(7,486,066)</u>	<u>(8,271,110)</u>	<u>(2,734,072)</u>	<u>(2,364,148)</u>	<u>(20,855,396)</u>	<u>(1,187,018)</u>
Nonoperating revenues (expenses)						
Interest income	11,962	23,965	-	-	35,927	2,337
Interest expense	(1,178,478)	(10,070,289)	(623)	(1,648)	(11,251,038)	(55,490)
	<u>(1,166,516)</u>	<u>(10,046,324)</u>	<u>(623)</u>	<u>(1,648)</u>	<u>(11,215,111)</u>	<u>(53,153)</u>
Gain (loss) before transfers and contributions	<u>(8,652,582)</u>	<u>(18,317,434)</u>	<u>(2,734,695)</u>	<u>(2,365,796)</u>	<u>(32,070,507)</u>	<u>(1,240,171)</u>
Transfers-in	-	-	265,000	465,000	730,000	-
Capital contributions	839,611	6,430,182	87,327	174,218	7,531,338	-
	<u>839,611</u>	<u>6,430,182</u>	<u>352,327</u>	<u>639,218</u>	<u>8,261,338</u>	<u>-</u>
Changes in net position	<u>(7,812,971)</u>	<u>(11,887,252)</u>	<u>(2,382,368)</u>	<u>(1,726,578)</u>	<u>(23,809,169)</u>	<u>(1,240,171)</u>
Net position, January 1, 2019, as restated	<u>99,130,361</u>	<u>276,574,497</u>	<u>67,862,201</u>	<u>8,064,788</u>		<u>(20,657,344)</u>
Net position, December 31, 2019	<u>\$ 91,317,390</u>	<u>\$ 264,687,245</u>	<u>\$ 65,479,833</u>	<u>\$ 6,338,210</u>		<u>\$ (21,897,515)</u>
Adjustment to reflect the consolidation of internal service fund activities related to enterprise funds.					<u>(463,489)</u>	
Change in net position of business-type activities					<u>\$ (24,272,658)</u>	

The notes to the financial statements are an integral part of this statement.

City of Akron, Ohio
Statement of Cash Flows - Proprietary Funds
For the Year Ended December 31, 2019

	Water	Sewer	Off-Street Parking	Other Enterprise Funds	Total	Governmental Activities Internal Service Funds
Operating activities						
Cash received from customers	\$ 33,630,445	\$ 87,824,711	\$ 4,171,474	\$ 1,108,245	\$ 126,734,875	\$ 53,606,757
Cash payments to suppliers for goods and services	(18,847,759)	(74,551,438)	(4,489,588)	(2,119,860)	(100,008,645)	(13,057,025)
Cash paid for salaries and employee benefits	(13,712,815)	(8,232,371)	-	(769,708)	(22,714,894)	(46,274,967)
Other revenues	1,690,872	475,059	380,572	407,560	2,954,063	4,262,398
Other expenses	(133,424)	(95,400)	(116,670)	(103,765)	(449,259)	(2,476)
Net cash provided by (used for) operating activities	2,627,319	5,420,561	(54,212)	(1,477,528)	6,516,140	(1,465,313)
Non-capital financing activities						
Transfers from other funds	-	-	265,000	465,000	730,000	-
Transfers/advances in for negative cash balances	-	-	-	800,000	800,000	270,000
Proceeds from sale of notes	-	-	-	-	-	1,500,000
Principal paid on bonds, loans and notes	-	-	-	-	-	(2,500,000)
Interest paid on bonds, loans and notes	-	-	-	-	-	(49,722)
Net cash provided by (used for) non-capital financing activities	-	-	265,000	1,265,000	1,530,000	(779,722)
Capital and related financing activities						
Proceeds from the sale of bonds	2,009,537	71,734,889	-	-	73,744,426	-
Principal paid on bonds and loans	(3,134,108)	(20,908,033)	(87,327)	-	(24,129,468)	-
Interest paid on bonds and loans	(1,244,626)	(6,768,068)	(986)	(1,648)	(8,015,328)	(5,768)
Acquisition and construction of capital assets	(2,883,590)	(44,037,814)	-	(174,218)	(47,095,622)	-
Capital contributions	839,611	6,430,182	87,327	174,218	7,531,338	-
Net cash provided by (used for) capital and related financing activities	(4,413,176)	6,451,156	(986)	(1,648)	2,035,346	(5,768)
Investing activities						
Purchase of investment securities	(1,647,291)	(2,186,643)	-	-	(3,833,934)	-
Proceeds from sales and maturities of investment securities	1,647,291	2,186,643	-	-	3,833,934	-
Interest on investments	11,962	23,965	-	-	35,927	2,337
Net cash provided by investing activities	11,962	23,965	-	-	35,927	2,337
Net increase (decrease) in cash and cash equivalents	(1,773,895)	11,895,682	209,802	(214,176)	10,117,413	(2,248,466)
Cash and cash equivalents, January 1, 2019	6,815,191	103,384,139	52,685	501,536	110,753,551	8,451,923
Cash and cash equivalents, December 31, 2019	\$ 5,041,296	\$ 115,279,821	\$ 262,487	\$ 287,360	\$ 120,870,964	\$ 6,203,457
Operating income (loss)	\$ (7,486,066)	\$ (8,271,110)	\$ (2,734,072)	\$ (2,364,148)	\$ (20,855,396)	\$ (1,187,018)
Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities:						
Depreciation, depletion and amortization	5,673,343	11,832,108	2,289,413	276,712	20,071,576	313,306
(Increase) decrease in operating assets:						
Receivables	862,405	(182,748)	11,652	5,000	696,309	25,753
Due from other funds	(99,868)	-	-	-	(99,868)	(1,375,089)
Inventories	(40,642)	(132,565)	-	(29,813)	(203,020)	(74,615)
Increase (decrease) in operating liabilities:						
Accounts payable	49,546	(1,251,102)	(107,743)	60,481	(1,248,818)	259,184
Due to other funds	10,159	31,858	(94,843)	(311,670)	(364,496)	(860,618)
Due to other governments	(21,591)	1,852,146	582,387	(2,760)	2,410,182	(79,578)
Accrued liabilities	3,409,055	1,327,909	(1,006)	891,755	5,627,713	1,865,858
Accrued wages	43,757	20,695	-	23	64,475	16,700
Accrued vacation and leave	227,221	193,370	-	(3,108)	417,483	(204,410)
Estimated liability for unpaid claims	-	-	-	-	-	(164,786)
Net cash provided by (used for) operating activities	\$ 2,627,319	\$ 5,420,561	\$ (54,212)	\$ (1,477,528)	\$ 6,516,140	\$ (1,465,313)

The notes to the financial statements are an integral part of this statement.

City of Akron, Ohio
Statement of Fiduciary Net Position
Fiduciary Funds - Custodial
December 31, 2019

	Custodial Funds
Assets	
Cash	\$ 1,327,321
Receivables	3,584,489
Total assets	4,911,810
Liabilities	
Accounts payable and other liabilities	91,806
Due to other governments	527,105
Total liabilities	618,911
Deferred Inflows of Resources	
	1,771,203
Restricted for individuals, organizations, and governments	2,634,756
Unrestricted	(113,060)
Net Position	\$ 2,521,696

The notes to the financial statements are an integral part of this statement.

City of Akron, Ohio
Statement of Changes in Fiduciary Net Position - Custodial Funds
For the Year Ended December 31, 2019

Exhibit 9

	Custodial Funds
Additions	
Confiscated evidence	\$ 501,976
JEDD income tax	6,018,014
Miscellaneous	54,923
	6,574,913
Deductions	
Distribution to participatns	250,239
JEDD district expenses	5,043,971
Program purpose	29,406
Refunds	433,480
	5,757,096
Net Increase in Fiduciary Net Position	817,817
Net position, January 1, 2019, as restated	1,703,879
Net position, December 31, 2019	\$ 2,521,696

The notes to the financial statements are an integral part of this statement.

City of Akron, Ohio
Notes to the Financial Statements
Year Ended December 31, 2019

1. Summary of Significant Accounting Policies

The City of Akron (the City) was incorporated in 1836 and is a home rule municipal corporation under the laws of the State of Ohio. The City operates under a Council-Mayor form of government and provides the following services as authorized by its Charter: public safety, public service, public health, recreation and development. The accompanying financial statements comply with the provisions of the Governmental Accounting Standards Board (GASB) Statement No. 14, *The Financial Reporting Entity*, Statement No. 39, *Determining Whether Certain Organizations Are Component Units*, and Statement No. 61, *The Financial Reporting Entity: Omnibus*, Statement No. 80, *Blending Requirements for Certain Component Units*, and Statement No. 90, *Majority Equity Interests*, in that the financial statements include those activities and functions for which the City is accountable. The City has no component units as defined by GASB 14, 39, 61, 80, and 90. The City is associated with certain organizations which are defined as jointly governed organizations, joint ventures and related organizations. These organizations are presented in Notes 25, 26 and 27 to the basic financial statements. These organizations are the Akron/Summit Convention and Visitors' Bureau, the Copley-Akron Joint Economic Development District ("JEDD"), the Coventry-Akron JEDD, the Springfield-Akron JEDD, the Bath-Akron-Fairlawn JEDD, and the Summit Medina Business Alliance (SMBA). The accounting policies and financial reporting practices of the City conform to accounting principles generally accepted in the United States of America (GAAP) as applicable to governmental units.

The following is a summary of the more significant policies followed during the preparation of the accompanying financial statements.

A. Government-wide and fund financial statements

GASB Statement No. 34, *Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments* establishes requirements and a reporting model for the annual financial reports of state and local governments. The Statement was developed to make annual reports easier to understand and more useful to the people who use governmental financial information to make decisions. Financial information of the City is presented in the following format:

Basic Financial Statements:

1. *Government-wide financial statements* consist of a statement of net position and a statement of activities.

These statements report all of the assets and deferred outflows of resources, liabilities and deferred inflows of resources, revenues, expenses, and gains and losses of the City. Governmental activities are reported separately from business-type activities. Governmental activities are normally supported by taxes and intergovernmental revenues, whereas business-type activities are normally supported by fees and charges for services and are usually intended by management to be financially self-sustaining. Fiduciary funds of the City are not included in these government-wide financial statements.

Interfund receivables and payables, and bonds and notes issued by the City and held by the City as investments, within governmental and business-type activities have been eliminated in the government-wide statement of net position. Related

1. Summary of Significant Accounting Policies (Continued)

interest amounts are eliminated in the government-wide statement of activities. These eliminations minimize the duplicating effect on assets and liabilities within the governmental and business-type activities total column. Interfund services provided and used are not eliminated in the process of consolidation.

Internal service net position, whether positive or negative, have been eliminated against the expenses and program revenues shown in the governmental activities statement of activities.

The statement of activities presents a comparison between direct expenses and program revenues for the different business-type activities of the City and for each function of the City's governmental activities.

Direct expenses are those that are specifically associated with a program or function and, therefore, are clearly identifiable to a particular function. Program revenue includes (a) charges paid by the recipients of goods or services offered by the programs and (b) grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not classified as program revenues, including all taxes, are presented as general revenues.

2. *Fund financial statements* consist of a series of statements focusing on information about the City's major governmental and enterprise funds. Separate statements are presented for the governmental, proprietary, and fiduciary funds.

The City's major governmental funds are the General Fund, the Community Learning Centers (CLC) Fund, Income Tax Capital Improvement Fund, Special Assessment Fund, and the Streets Fund. Of the City's business-type activities, the Water, Sewer, and Off-Street Parking Funds are considered major funds.

The General Fund is the primary operating fund of the City. It is used to account for all financial resources except those required to be accounted for in other funds. Its revenues consist primarily of income and property taxes, JEDD revenues, shared revenues, charges for services, and licenses, fees, and fines.

General Fund expenditures represent costs of general government, public service (including sanitation and recycling collection), public safety (including police and fire), community environment, public health, and recreation and parks. General Fund resources are also transferred annually to support other services which are accounted for in other separate funds.

The Community Learning Centers (CLC) Fund is used to account for the daily activity relating to the CLC project. The cooperative agreement with the Board of Education of the Akron Public Schools District (District) provides a mechanism to fund the renovation and/or rebuilding of all CLC's in Akron. This major rebuilding program is funded primarily through City income tax, shared revenue and bond proceeds.

The Income Tax Capital Improvement Fund, a special revenue fund, is used to account for the accumulation of income tax revenue and the payments of costs for items specifically designated as project costs and payment of debt service. The primary revenue source is income tax revenue and some debt proceeds.

1. Summary of Significant Accounting Policies (Continued)

The Special Assessment Fund is used to account for the accumulation of resources for, and the payment of, assessment related activities including Street Lighting, Street Cleaning, and related costs. Revenues consist primarily of special assessment collections.

The Streets Fund is used to account for the accumulation of resources for, and payment of street projects. Revenue consists primarily of grants and subsidies.

The Water Enterprise Fund accounts for financial activity related to operating the City's water supply, treatment and distribution system. The Water Enterprise Fund serves six other municipalities and parts of six adjacent townships. Revenues consist primarily of charges for services.

The Sewer Enterprise Fund accounts for the financial activity related to operating the City's wastewater collection and treatment system that serves the City and twelve other subdivisions. Revenues consist primarily of charges for services.

The Off-Street Parking Fund accounts for the financial activity related to operating the City's parking facilities located throughout the downtown area. Revenues consist almost exclusively of charges for services.

While not considered major funds, the City maintains Internal Service Funds used to account for the financing of goods or services provided by one department or division to another department or division of the City, generally on a cost-reimbursement basis. The three largest of these funds account for the motor equipment, engineering, and information technology services. In addition, the City also maintains Internal Service Funds to account for the financial activity relating to self-insurance. The financial activity relating to the self insurance funds are for workers' compensation, medical, and judgment and claims.

3. Notes to the financial statements provide information that is essential to a user's understanding of the basic financial statements.

Required Supplementary Information:

Required supplementary information such as Management's Discussion and Analysis and budgetary comparison schedules are also required by GASB Statement No. 34. GASB Statement No. 68 requires the Schedule of City's Proportionate Share of Net Pension Liability and the Schedule of the City Contributions to State Pension Funds. GASB Statement No. 75 requires the Schedule of Net OPEB Liability and the Schedule of Contributions for the OPEB Plan.

B. *Financial reporting presentation*

The accounts of the City are organized on the basis of funds, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, deferred outflows/inflows of resources, fund balance (equity), revenues, and expenditures (expenses). The fund types and classifications that the City reports are as follows:

1. Summary of Significant Accounting Policies (Continued)

GOVERNMENTAL FUNDS

1. **General Fund** – The General Fund is the general operating fund of the City and is appropriated. It is used to account for all financial resources except those required to be accounted for in another fund.
2. **Special Revenue Funds** – Special Revenue Funds are used to account for revenues derived from specific taxes, grants, or other restricted revenue sources. The uses and limitations of each Special Revenue Fund are specified by City ordinances or federal or state statutes.
3. **Debt Service Funds** – Debt Service Funds are used to account for the accumulation of resources for, and the payment of, general long-term debt principal, interest, and related costs.
4. **Capital Projects Funds** - The Capital Projects Funds are used to account for financial resources used for the acquisition or construction of major capital projects (other than those financed by proprietary funds).
5. **Permanent Funds** – Permanent Funds are for the purpose of accounting for resources that are legally restricted to the extent that earnings, and not principal, may be used for purposes that support the reporting government's programs. The City, however, does not utilize Permanent Funds at this time.

PROPRIETARY FUNDS

1. **Enterprise Funds** - The Enterprise Funds are used to account for the operations that are financed and operated in a manner similar to private business enterprises, where the intent of the governing body is that costs of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges.
2. **Internal Service Funds** - The Internal Service Funds are used to account for the financing of goods or services provided by one department to other departments or to other governments on a cost-reimbursement basis.

FIDUCIARY FUNDS

1. **Custodial Funds** – Custodial Funds are used to account for assets held by the City for individuals, private organizations, or other governments. The City reports on eight Custodial Funds, the first one is the Claire Merrix which is to fund tennis related activities. The second is the Holocaust Memorial to pay for the annual holocaust services throughout the City. This is the final year that these activities will be reported by the City as the activity has been taken over by Jewish Community Board of Akron, Inc. Followed by the Police/Fire Beneficiary Fund which provides scholarships for dependents of those serving in the Police and Fire Departments. The Police Property Monetary Evidence Fund and is used to account for funds held by the Police Department that will be returned to other agencies. The remaining funds relate to specific Joint Economic Development Districts (JEDD) and include: Copley-Akron JEDD, Coventry-Akron JEDD, Springfield-Akron JEDD, and Bath-Akron-Fairlawn JEDD. The JEDD funds are used to account for the specific JEDD District activities and disbursements.

1. Summary of Significant Accounting Policies (Continued)

C. *Measurement focus and basis of accounting*

Except for budgetary purposes, the basis of accounting used by the City conforms to accounting principles generally accepted in the United States of America (GAAP) as applicable to governmental units. The accounting and financial reporting treatment applied to a fund is determined by its measurement focus.

The government-wide, proprietary, and fiduciary fund financial statements are reported using the economic resources measurement focus and the full accrual basis of accounting, except Agency Funds because they are custodial in nature. Revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of when the related cash flows take place. Nonexchange transactions, in which the City gives (or receives) value without directly receiving (or giving) equal value in exchange, include income taxes, property taxes, grants, shared revenue, and donations. On a full accrual basis, revenue from income taxes is recognized in the period in which the taxpayer's liability occurs and revenue from property taxes is recognized in the fiscal year for which the taxes are levied. On a full accrual basis, revenue in the form of shared revenue is recognized when the provider government recognizes its liability to the City. Revenue from grants and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this method, revenues are recognized when both measurable and available. Revenues are considered to be available when they are collected within the current period or soon enough thereafter to pay liabilities of the current period. The City generally considers all revenues reported in the governmental funds to be available if the revenues are collected within sixty days after year-end. Expenditures are generally recorded when the related fund liability is incurred, except for principal and interest on general long-term debt, claims and judgments, and compensated absences, which are recognized as expenditures only when payment is due. General capital asset acquisitions are reported as expenditures in governmental funds. Proceeds of general long-term debt are reported as other financing sources.

In applying the susceptible-to-accrual concept under the modified accrual basis, the following revenue sources are deemed both measurable and available (i.e., collectible within the current year or within sixty days after year-end and available to pay obligations of the current period). These include income taxes, JEDD revenues, investment earnings, shared revenues, and a portion of special assessments. Entitlements are recorded as revenues when all eligibility requirements are met, including any time requirements, and the amount is received during the period or within the availability period for this revenue source (within 60 days of year end). Expenditure-driven grants are recognized as revenue when the qualifying expenditures have been incurred and all other eligibility requirements have been met, and the amount is received during the period or within the availability period for this revenue source (within 60 days of year end). Property taxes and the balance of special assessments, though measurable, are not available soon enough in the subsequent year to finance current period obligations.

1. Summary of Significant Accounting Policies (Continued)

Therefore, property tax and the balance of special assessment receivables are recorded as deferred inflows until they become available. Other revenues, including licenses, fees and fines, and charges for services are recorded as revenue when received in cash because they are generally not measurable until actually received. The City applies restricted resources first when an expenditure is incurred for purposes for which both restricted and unrestricted net position are available.

Proprietary Fund operating revenues, such as charges for services, result from exchange transactions associated with the principal activity of the fund. Exchange transactions are those in which each party receives and gives up essentially equal values. Non-operating revenues, such as rental revenue and connection fees, result from ancillary activities. Operating expenses are necessary costs incurred to provide the good or service that is the primary activity of the fund.

D. *Budgetary Procedures*

The City Council follows these procedures in establishing the budgetary data.

- (1) The Mayor submits to the City Council a proposed operating budget for the fiscal year commencing January 1. The operating budget includes proposed expenditures and the means of financing them.
- (2) Public hearings are conducted to obtain taxpayer comments.
- (3) According to state law, the budget must be enacted through passage of an ordinance by April 1.
- (4) The City Finance Director is authorized by City Council to transfer funds already appropriated within departments within any fund or category of expenditures; however, any revisions that alter the total appropriation of said department must be individually approved by the City Council. During 2018, supplemental appropriations were passed by City Council.
- (5) Encumbrance accounting is employed in governmental funds. Encumbrances (e.g., purchase orders, contracts) outstanding at year-end are recorded as the equivalent of expenditures. Unencumbered appropriations lapse at year-end.
- (6) The majority of all funds have a legally adopted annual budget. Those funds include:

General Fund	City Facilities Operating	Airport
Income Tax Collection	Various Purpose Funding	Off-Street Parking
Emergency Medical Service	Deposits	Motor Equipment
Special Assessment	Community Learning Centers	Medical Self-Insurance
Income Tax Capital Improvement	Police, Fire, and Road Activity	Workers' Compensation Reserve
Street and Highway Maintenance	General Bond Payment Fund	Self-Insurance Settlement
Community Development	Streets	Telephone System
Community Environment Grants	Information Technology and Improvements	Engineering Bureau
Akron Metro. Area Transportation Study	Parks and Recreation	Information Technology
H.O.M.E. Program	Public Facilities and Improvements	Claire Merrix
Tax Equivalency	Public Parking	Holocaust Memorial
E.D.A. Revolving Loans	Economic Development	Police/Fire Beneficiary
Joint Economic Development Districts	Water	Police Property Monetary Evidence
Akron Muni. Court Information System	Sewer	
Police Grants	Oil and Gas	
Safety Programs	Golf Course	

1. Summary of Significant Accounting Policies (Continued)

- (7) The City appropriates an annual budget for the Police Pension Employer's Liability Fund and the Fire Pension Employer's Liability Fund which are required due to their funding source. On a GAAP basis, the two funds are combined with the General Fund
- (8) The City appropriates an annual budget for the Unclaimed Monies Fund which on a GAAP basis, is combined with the General Fund.

E. *Cash, Cash Equivalents, and Investments*

Cash balances of the individual funds are combined to form a pool of cash held by the City Treasurer and invested in authorized investments (see Note 2). Earnings from these investments are credited to the General Fund in accordance with the City Charter except where the terms of a grant or regulation specify otherwise. Certain cash balances are held on behalf of the City by outside agents (see Note 2). Earnings from these investments are credited to the General Fund and certain other funds pursuant to the City Charter and federal and state requirements.

Investments are stated at fair value. Changes in fair value are recorded as a component of investment earnings.

For purposes of the Statement of Cash Flows, equity in pooled cash and investments, as well as segregated investments with original maturities of three months or less at the time they are purchased by the City, are considered to be cash equivalents. Investments with maturities of more than three months are not considered to be cash equivalents.

- F. *Inventories* – Inventories are valued at cost (first-in, first-out) and adjusted to annual physical counts which are then maintained on a perpetual basis until the end of the year.

- G. *Capital Assets* – Capital assets, which include property, plant, equipment, and infrastructure assets (e.g., roads, bridges, sidewalks, and similar items), are reported in the applicable governmental or business-type activities columns in the government-wide financial statements to the extent the City's capitalization threshold is met. The City defines capital assets as assets with an estimated useful life in excess of three years and an individual cost of more than \$5,000 for land; \$10,000 for equipment and vehicles; \$50,000 for intangibles – easements; \$500,000 for intangibles – computer software; \$25,000 for land improvements, buildings, and improvements other than buildings; and \$100,000 for infrastructure. Assets are recorded at historical cost or estimated historical cost if historical cost is not available. Contributed capital assets are recorded at their acquisition value at the date contributed. Donated capital assets, donated works of art and similar items, and capital assets received in a service concession arrangement are recorded at acquisition value. Acquisition value is the price that would be paid to acquire an asset with equivalent service potential in an orderly market transaction at the acquisition date. Infrastructure acquired prior to December 31, 1980, is also reported as a component of the above-mentioned capital assets.

Capital assets in the proprietary funds are capitalized in the fund in which they are utilized. The valuation bases for proprietary fund capital assets are the same as those used for the governmental capital assets. Interest accrued during the construction of capital assets utilized by the proprietary funds is also capitalized through December 31, 2017.

1. Summary of Significant Accounting Policies (Continued)

Costs for maintenance and repairs are expensed when incurred. However, costs for repairs and upgradings that materially add to the value or life of an asset and meet the above criteria are capitalized.

The City depreciates capital assets on a straight-line basis, half-year convention, using the following estimated useful lives:

<u>Asset</u>	<u>Years</u>
Buildings, bridges, and storm sewers	50
Improvements, skywalks, and paving	40
Sewer and water mains	40
Sidewalks, curbs, electrical and lighting	30
Traffic control system and bridge repairs	25
Land improvements	20
Equipment and Intangibles	3-20
CLC Building Equity Interest	70
CLC improvements other than buildings	40

- H. **Compensated Absences** – Vacation, paid leave, and compensatory time benefits are accrued as liabilities as the benefits are earned if the employees’ rights to receive compensation are attributable to services already rendered and it is probable that the City will compensate the employees for the benefits through paid time off or some other means. The City records a liability for accumulated, unused vacation, paid leave, and compensatory time when earned for all employees.

Sick leave benefits are accrued as a liability using the vesting method. An accrual for sick leave is made to the extent that it is probable that benefits will result in payments. The liability is an estimate based on the City’s past experience at making payments.

- I. **Fund Balances** – 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:

(1) **Nonspendable** – Amounts that cannot be spent because they are not in spendable form, or legally or contractually 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 interfund loans.

(2) **Restricted** – Amounts constrained to specific purposes by their providers (such as grantors, bondholders, and higher levels of government), through constitutional provisions, or by enabling legislation.

(3) **Committed** – Amounts constrained to specific purposes imposed by a formal action (ordinance) of City Council, its highest level of decision making authority; to be reported as committed, amounts cannot be used for any other purposes unless the same highest level of action is taken to remove or change the constraint.

1. Summary of Significant Accounting Policies (Continued)

(4) **Assigned** – Amounts the City intends to use for a specified purpose; intent can be expressed by the governing body or by the Director of Finance which has been designated this authority. The City's intent is typically expressed through a directive issued by the Director of Finance.

(5) **Unassigned** – Amounts that are available for any new purpose: positive amounts are reported only in the general fund. In other governmental funds, the unassigned classification is used only to report a deficit fund balance.

Council establishes fund balance commitments by passage of an ordinance. Assigned fund balance is established by City administration including the Director of Finance through the issuance of requisitions, purchase orders, contracts, and directives.

The City applies restricted resources first when expenditures are incurred for purposes for which either restricted or unrestricted (committed, assigned, and unassigned) amounts are 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.

Governmental funds of the City do not have specified fund balance targets. Recommended levels of committed and/or assigned fund balance will be determined on a case by case basis, based on the needs of each fund and as recommended by officials and approved by Council where necessary.

Encumbrance accounting, under which purchase orders, contracts, and other commitments for the expenditure of monies are recorded in order to restrict that portion of the appropriation, is employed as an extension of formal budgetary integration in the governmental funds. Significant encumbrances as of December 31, 2019, total \$1,477,346 in the General fund, \$0 in the Community Learning Centers fund, \$927,656 in the Income Tax Capital Improvement fund, \$1,667,006 in the Special Assessment fund, \$2,075,511 in the Streets fund, and \$3,962,795 in all other Governmental funds.

J. ***Interfund Transactions*** – During the course of normal operations, the City records numerous transactions between funds including expenditures and transfers of resources to provide services, subsidize operations, and service debt. The City has the following types of transactions among funds:

- (1) Reciprocal interfund services provided and used – Purchases and sales of goods and services between funds for a price approximating their external exchange value.
- (2) Nonreciprocal interfund transfers – Flows of assets between funds without equivalent flows of assets in return and without a requirement for repayment. This includes transfers to subsidize various funds.
- (3) Nonreciprocal interfund reimbursements – Repayments from the funds responsible for particular expenditures or expenses to the funds that initially paid for them.

The City's interfund receivables and payables at December 31, 2019 are presented in Note 5. These are eliminated entity-wide and shown as Internal Balances on the Statement of Net Position. Interfund transfers are presented in Note 22.

1. Summary of Significant Accounting Policies (Continued)

- K. ***Pension and Other Post-Retirement Benefits*** – For purposes of measuring the net pension liability, OPEB liability, deferred inflows of resources related to pensions and OPEB, deferred outflows of resources related to pensions and OPEB, and pension and OPEB expense, information about the fiduciary net position of the pension and 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 systems. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. The pension systems report investments at fair value.
- In addition to the post-retirement benefits provided by the Ohio Police and Fire Pension Fund and the Ohio Public Employees Retirement System of Ohio, the City provides post-retirement health care and life insurance benefits, in accordance with union agreements and City Council ordinances, for retired employees (see note 9).
- L. ***Debt Issuance Costs, Premiums, Discounts, and Losses on Refundings*** – Debt issuance costs, except prepaid insurance costs, are reported as expenses in the period incurred. Bond premiums and discounts, as well as prepaid insurance costs, are deferred and amortized over the life of the bonds. Losses on advance refundings are deferred and amortized over the life of the new debt, or the life of the advance refunded debt, whichever is shorter.
- M. ***Employment Related Liabilities*** – The City records a liability for employment related liabilities relating to former employees of the Health Department (see note 14).
- In the best interest of the public health, safety and welfare and to improve governmental efficiency and economy, effective January 1, 2011, the City's Health Department consolidated with the Summit County Health District.
- The former Health Department employees while employed by Summit County must retire under Ohio Public Employees Retirement System to be entitled to receive payment of the accumulated sick leave at the hourly rate the employee was receiving at the time of resignation from the City along with the retirement differential. The City has recorded a long-term liability of \$806,957. Additionally, the former Health Department employees are entitled to staggered payouts for their accumulated vacation, paid leave, and compensatory time at the hourly rate the employee was receiving at the time of resignation from the City. The liability is the actual amount due to employees.
- N. ***Net Position*** – Net Position is the residual amount when comparing assets and deferred outflows of resources to liabilities and deferred inflows of resources. The 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. The restricted component of net position is reported when there are limitations imposed by creditors, grantors, or laws or regulations of other governments. Net position restricted for Capital Projects are mainly attributed to economic development, public parking, and street projects. The City applies restricted resources first when an expense is incurred for purposes for which both restricted and unrestricted net assets are available.

1. Summary of Significant Accounting Policies (Continued)

- O. **Accounting Standards** – The City applies all applicable and effective pronouncements issued by the Governmental Accounting Standards Board (GASB).

In November 2016, the GASB issued statement No. 83, *Certain Asset Retirement Obligations*. The object of this Statement is to address accounting and financial reporting for certain asset retirement obligations. For the City, this Statement is effective for periods beginning after June 15, 2018. The City's financial statements have been prepared in conformance with this statement.

In January 2017, the GASB issued statement No. 84, *Fiduciary Activities*. The object of this Statement is to address what constitutes fiduciary activities for financial reporting, how they should be reported, and when liabilities to beneficiaries should be reported. For the City, this Statement is effective for periods beginning after December 15, 2018. The City's financial statements have been prepared in conformance with this statement.

In June 2017, GASB issued statement No. 87, *Leases*. The object of this Statement is to improve accounting and financial reporting for leases by governments. For the City, this statement is effective for periods beginning after June 15, 2021.

In March 2018, the GASB issued statement No. 88, *Certain Disclosures Related to Debt, including Direct Borrowings and Direct Placement*. The objective of this Statement is to improve the information that is disclosed in notes to government financial statements related to debt, including direct borrowings and direct placements. For the City, this statement is effective for reporting periods beginning after June 15, 2018. The City's financial statements have been prepared in conformance with this statement.

In June 2018, the GASB issued statement No. 89, *Accounting for Interest Cost Incurred before the End of a Construction Period*. The objective of this Statement is to enhance the relevance and comparability of information about capital assets and the cost of borrowing for a reporting period and to simplify accounting for interest cost incurred before the end of a construction period. For the City, this statement is effective for reporting periods beginning after December 15, 2019. The City's financial statements have been prepared in conformance with this Statement.

In August 2018, the GASB issued statement No. 90, *Majority Equity Interests*. The objective of this Statement is to improve the consistency and comparability of reporting a government's majority equity interest in a legally separate organization and to improve the relevance of financial statement information for certain component units. For the City, this statement is effective for reporting periods beginning after December 15, 2018. The City's financial statements have been prepared in conformance with this statement.

In May 2019, the GASB issued statement No. 91, *Conduit Debt Obligations*. The objective of this Statement is to provide a single method of reporting conduit debt obligations by issuers and eliminate diversity in practice. For the City, this statement is effective for reporting periods beginning after December 15, 2021.

In January 2020, the GASB issued statement No. 92, *Omnibus 2020*. The objective of this Statement is to enhance comparability in accounting and financial reporting and to improve the consistency of authoritative literature. For the City, this statement is effective for reporting periods beginning after June 15, 2021.

1. Summary of Significant Accounting Policies (Continued)

In March 2020, the GASB issued statement No 93, *Placement of Interbank Offered Rates*. The objective of this Statement requires governments to terminate hedge accounting when it renegotiates or amends a critical term of hedging derivative instrument. For the City, this statement is effective for reporting periods beginning after June 15, 2021, except paragraph 11b effective for reporting periods ending after December 31, 2022.

In March 2020, the GASB issued statement No. 94, *Public-Private and Public-Public Partnerships and Availability Payment Arrangements*. The objective of this Statement is to improve financial reporting by addressing issues related to public-private and public-public partnership arrangements (PPPs). For the City, this statement is effective for reporting periods beginning after June 15, 2022.

In May 2020, the GASB issued statement No. 95, *Postponement of the Effective Dates of Certain Authorative Guidance*. The objective of this Statement is to provide temporary relief to governments and other stakeholders in light of the COVID-19 pandemic by postponing the effective dates of certain provisions in Statements and Implementaton Guides. The City's financial statements have been prepared in conformance with this statement.

In May 2020, the GASB issued statement No. 96, *Subscription-Based Information Technology Arrangements*. The objective of this Statement is to better meet the information needs of financial statement users by (a) establishing uniform accounting and financial statements reporting requirements for Subscription-Based Information Technology Agreements (SBITA); (b) improving the comparability of financial statements among governments that have entered into SBITAs; and (c) enhancing the understandability, reliability, relevance, and consistency of information about SBITAs. For the City, this statement is effective for reporting periods beginning after June 15, 2022.

2. Pooled Cash and Investments

City ordinances require that all cash, with the exception of certain debt service cash and cash held by fiscal agents, be deposited with the City Treasurer. Each fund's portion of these funds is displayed on the statements of net position or balance sheets as "pooled cash and investments." Earnings on these investments are allocated to the various funds based on City and state statutes, grant agreements and various bond agreement requirements. Investments are also held separately by the Special Revenue, Debt Service, Enterprise, and Internal Service Funds. City ordinances further authorize and direct the permitted types of deposits and investments.

Deposits:

City ordinances require that all deposits be secured by collateral securities pledged at market value in an amount equal to at least 100% of the deposit, less any amount covered by federal deposit insurance. Custodial credit risk is the risk that, in the event of a bank failure, the City will not be able to recover deposits or collateral securities that are in the possession of an outside party. All deposits are collateralized with eligible securities in amounts equal to at least 105% of the carrying value of the deposits. Such collateral, as permitted by Ohio Revised Code, is held in collateral pools at Federal Reserve Banks, or at member banks of the Federal Reserve System, in the name of the depository bank and pledged as a pool of collateral against all public deposits held by the depository.

The City has no deposit policy for custodial credit risk beyond the requirements of State statute. Although the securities were held by the pledging institutions' trust department and all statutory requirements for the deposit of money have been followed, noncompliance with federal requirements could potentially subject the City to a successful claim by the FDIC.

2. Pooled Cash and Investments (Continued)

At December 31, 2019, the carrying amount of the City's deposits was \$57,318,329 and the bank balance was \$362,324,837. The difference in the carrying amount and bank balance was composed of outstanding checks and other normal reconciling items. Of the bank balance, \$2,319,748 was covered by federal depository insurance, and \$60,005,089 was uninsured but collateralized with unregistered securities held by the pledging financial institution's trust department in the City's name.

The money market funds, amounting to \$239,742 while held by bond trustees as the City's agents and in the City's name, are also considered uncollateralized and uninsured. The City holds money market funds amounting to \$2,385,317, while held by City are also considered uncollateralized and uninsured. However, their disposition and availability are governed by bond ordinances and indentures.

Investments in City of Akron notes amounting to \$23,019,536 are eliminated in the government-wide statement of net position at December 31, 2019.

Investments:

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. Investments that are measured at fair value using the net asset value per share (or its equivalent) as a practical expedient are not classified in the fair value hierarchy below.

Investments in U.S. Treasury securities of \$31,047,100 were classified in Level 1 of fair value hierarchy and valued using quoted market prices and \$26,973,420 were classified in Level 2 of fair value hierarchy and valued using pricing sources as provided by the investment managers.

Investments held by Community Learning Center trustees in U.S. Treasury securities of \$10,396,565 were classified in Level 1 of fair value hierarchy and valued using quoted market prices. Investments in Federal Government Agency securities of \$14,339,082 were classified in Level 2 of fair value hierarchy and valued using pricing sources as provided by the investment managers. Investments in the City of Akron notes amounting to a fair value of \$32,134,536 were classified as Level 3. At December 31, 2019, total fair value was \$362,797 above the City's net cost for its investments.

Interest Rate Risk. The City does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rate risk.

Credit Risk. City ordinances authorize the treasurer to invest in obligations of the United States Treasury, agencies and instrumentalities and direct obligations of the State of Ohio, including any subdivisions of the state. As of December 31, 2019, the investments held by the bond trustees and STAROhio were rated AAAM by Standard & Poor's. All municipal bonds and notes are rated A2 or better by Moody's or A or better by Standard & Poor's.

2. Pooled Cash and Investments (Continued)

The City has invested funds in the State Treasury Asset Reserve of Ohio (STAR Ohio). STAR Ohio is an investment pool managed by the State Treasurer's office, which allows governments within the State to pool their funds for investment purposes. STAR Ohio is not registered with the SEC as an investment company, but has adopted Governmental Accounting Standards Board (GASB) Statement No. 79, *Accounting and Financial Reporting for Certain External Investment Pools and Pool Participants*, which establishes accounting and financial reporting standards for qualifying external investment pools that elect to measure for financial reporting purposes all of their investments at amortized cost. Investments in STAR Ohio are valued at STAR Ohio's share price, which is the price at which the investment could be sold on December 31, 2019.

As of December 31, 2019 the City had the following investments and maturities:

<u>Investment Types</u>	<u>Fair Value</u>	<u>Investment Maturities (In Years)</u>			
		<u>Less Than 1</u>	<u>1-5</u>	<u>6-10</u>	<u>More than 10</u>
U.S. Treasuries or Agencies:					
FFCB Bond	\$ 4,995,200	\$ -	\$ 4,985,350	\$ -	\$ -
FHLB Bond	16,054,350	15,345,530	500,000	-	-
FHLMC Bonds	5,000,000	-	5,000,000	-	-
FNMA Bonds	4,997,550	4,903,900	-	-	-
Treasury Notes	26,973,420	26,954,320	-	-	-
City of Akron and Akron Public Schools (APS):					
Municipal Notes	16,473,000	14,533,000	148,000	229,000	1,563,000
Assessment Debt	6,546,536	950,446	3,738,666	1,857,424	-
School Facility Bonds	9,115,000	910,000	3,890,000	4,315,000	-
Investments held by bond trustees:					
U.S. Treasuries or Agencies	10,128,725	10,128,725	-	-	-
Cash Reserve	239,742	239,742	-	-	-
Investments held by Community Learning Center trustees:					
U.S. Treasuries or Agencies	24,735,647	13,005,105	11,703,739	-	-
Investment maturities	3,460,758	3,456,184	-	-	-
Total Investment Maturities		<u>\$ 90,426,952</u>	<u>\$ 29,965,755</u>	<u>\$ 6,401,424</u>	<u>\$ 1,563,000</u>
Total Fair Value	<u>\$ 128,719,928</u>				

Not included in the fair value totals above is STAR Ohio, an external investment pool which was recorded at amortized cost of \$60,999,959 at December 31, 2019. The investments in STAR Ohio are measured at amortized cost; therefore, they are not included in the tables above. There are no limitations or restrictions on any STAR Ohio participant withdrawals due to redemption notice periods, liquidity fees, or redemption gates. However, notice must be given to STAR Ohio 24 hours in advance of all deposits and withdrawals exceeding \$25 million. STAR Ohio reserves the right to limit the transaction to \$50 million, requiring the excess amount to be transacted the following business day(s), but only to the \$50 million limit. All accounts of the STAR Ohio investors will be combined for these purposes.

2. Pooled Cash and Investments (Continued)

Bond trustees holding the investments are not registered with the SEC as an investment company but do operate in a manner consistent with rule 2a7 of the Investment Company Act of 1940. Bond trustees and Community Learning Center trustees holding the investments are not registered with the SEC as an investment company but do operate in a manner consistent with rule 2a7 of the Investment Company Act of 1940.

Investments held by bond trustees, Community Learning Centers and STAROhio are not exposed to custodial credit risk because their existence is not evidenced by securities that exist in physical or book entry form.

At December 31, 2019, \$43,593,751 of cash and investments was restricted for the following purposes: \$138,443 was restricted for lease costs for Canal Park Stadium; \$8,749,184 was restricted for Akron District Energy COPs; and \$5,980,211 was restricted solely for retirement of City obligations; and the balance of \$28,725,913 was held by the trustee for payment of debt service on the Community Learning Centers' Income Tax Revenue Bonds.

The following is a reconciliation of cash and investments to the Statement of Net Position as of December 31, 2019:

	Fair Value
Investments (Summarized in prior table)	\$ 128,719,928
STAR Ohio	60,999,959
Carrying amount of the City's Deposits	<u>57,318,329</u>
	\$ 247,038,216
Governmental Activities:	
Governmental Funds	
Cash and investments with treasurer	\$ 78,561,358
Cash and investments with fiscal and escrow agents and others	40,075,116
Internal Service Funds	
Cash and investments with treasurer	6,203,457
Total Cash and Investments - Governmental Activities	<u>\$ 124,839,931</u>
Business-Type Activities:	
Enterprise Funds	
Cash and investments with treasurer	\$ 117,352,329
Restricted cash and cash equivalents with treasurer and others	3,518,635
Total Cash and Investments - Business-Type Activities	<u>\$ 120,870,964</u>
Fiduciary Funds	
Cash and investments with City	\$ 1,327,321
Total	<u><u>\$ 247,038,216</u></u>

3. Receivables

Receivables, net of allowances for uncollectible reported in the Statement of Net Position, consist of the following at December 31, 2019:

	Taxes	Customer Charges, Special Assessments, and Others	Gross Receivables	Allowance for Uncollectibles	Net
Governmental Activities					
Governmental Funds:					
General Fund	\$ 39,420,892	\$ 10,710,523	\$ 50,131,415	\$ (1,236,600)	\$ 48,894,815
Community Learning Centers	2,775,914	42,000,000	44,775,914	-	44,775,914
Income Tax Capital Improvement	6,402,489	815,831	7,218,320	-	7,218,320
Special Assessment Fund	-	80,716,485	80,716,485	(48,679,941)	32,036,544
Streets	-	248,850	248,850	-	248,850
Other Governmental Funds	27,553,802	28,156,528	55,710,330	(13,733,804)	41,976,526
Total Governmental Funds	76,153,097	162,648,217	238,801,314	(63,650,345)	175,150,969
Internal Service Funds	-	38,272	38,272	-	38,272
Total Governmental Activities	76,153,097	162,686,489	238,839,586	(63,650,345)	175,189,241
Business-type Activities					
Enterprise Funds:					
Water	-	4,263,377	4,263,377	(1,270,183)	2,993,194
Sewer	-	17,071,548	17,071,548	(2,702,534)	14,369,014
Off-Street Parking	-	154,034	154,034	(15,283)	138,751
Total Business-type Activities	-	21,488,959	21,488,959	(3,988,000)	17,500,959
Total Receivables	\$ 76,153,097	\$ 184,175,448	\$ 260,328,545	\$ (67,638,345)	\$ 192,690,200

Included in the amounts above are water and sewer unbilled charges for services of approximately \$1,085,000 and \$5,806,000, respectively.

Delinquent special assessment receivables amounted to \$52,834,566 at December 31, 2019 and were fully reserved for in the allowance for uncollectibles in the General, Special Assessment, Water, and Sewer funds.

4. Due From/To Other Governments

Amounts due from other governments at December 31, 2019 consist of the following:

	Federal	State	Total
Governmental Funds:			
General Fund	\$ 10,350	\$ -	\$ 10,350
Streets	-	199,829	199,829
Other Governmental Funds	2,420,256	749,120	3,169,376
Total Governmental Funds	<u>\$ 2,430,606</u>	<u>\$ 948,949</u>	<u>\$ 3,379,555</u>
Enterprise Funds:			
Water	\$ -	\$ 14,114	\$ 14,114
Sewer	-	501,416	501,416
Airport	156,870	17,348	174,218
Total Enterprise Funds	<u>\$ 156,870</u>	<u>\$ 532,878</u>	<u>\$ 689,748</u>

Amounts due to other governments at December 31, 2019 consist of the following

	Federal	State	County	Total
Governmental Funds:				
General Fund	\$ -	\$ 8,098	\$ 12,050	\$ 20,148
Streets	-	162,841	-	162,841
Income Tax Capital Improvement	-	761,302	-	761,302
Other Governmental Funds	5,135,000	43,757	112,681	5,291,438
Total Governmental Funds	<u>\$ 5,135,000</u>	<u>\$ 975,998</u>	<u>\$ 124,731</u>	<u>\$ 6,235,729</u>

The \$6,235,729 due to other governments includes \$4,805,000 that is reported as long-term liabilities in the government-wide statement of net position as liabilities due in more than one year.

	Federal	State	County	Total
Enterprise Funds:				
Off-Street Parking	\$ -	\$ -	\$ 582,387	\$ 582,387
Water	-	23,454	10,587	34,041
Sewer	-	6,763,737	57,019	6,820,756
Total Enterprise Funds	<u>\$ -</u>	<u>\$ 6,787,191</u>	<u>\$ 649,993</u>	<u>\$ 7,437,184</u>

The federal amount listed in due to other governments is comprised of three section 108 loans from the U.S. Department of Housing and Urban Development (HUD).

The state amount listed in due to other governments is comprised of Accounts Payable transactions for Capital Assets and engineering estimates for projects for work completed.

The county amount listed in due to other governments relates to City reimbursements to Summit County for property taxes, services provided for the consolidated computer aided dispatch, and police grant expenditures.

The state amount recorded in Business type Activities relates to Accounts Payable transactions for Capital Assets and engineering estimates for projects for work completed.

The county amount recorded in Business-type Activities relates to a master meter sewer agreement in the Mud Brook service area.

5. Due From/To Other Funds

Interfund receivable and payable balances at December 31, 2019 are due within one year consist of the following individual fund receivables and payables:

	Receivable	Payable
Governmental Funds:		
General	\$ 2,222,480	\$ 376,031
Income Tax Collection	164,055	2,865,380
Emergency Medical Service	-	24,035
Special Assessment	47,700	128,330
Income Tax Capital Improvement	174,533	48,106
Street and Highway Maintenance	70,486	116,744
Community Development	-	5,761
Akron Metro. Area Transportation Study	-	2,789
Tax Equivalency	-	70,832
Joint Economic Development Districts	-	109,478
Akron Muni. Court Information System	9,192	193
Police Grants	-	116,683
Safety Programs	3,025	3,705
Various Purpose Funding	60,511	251
Deposits	132,468	195,566
Community Learning Centers	1,438,553	164,055
Police, Fire, and Road Activity	1,428,686	590
General Bond Payment	-	3,264
Income Tax Bond Payment Fund	-	1,500,000
Streets	-	100,020
Parks and Recreation	-	215
Public Facilities and Improvements	-	3,201
Public Parking	-	1,180
Economic Development	-	10,402
	<u>\$ 5,751,689</u>	<u>\$ 5,846,811</u>
Proprietary Funds:		
Enterprise:		
Water	\$ 979,915	\$ 587,851
Sewer	-	2,461,122
Oil and Gas	-	72
Golf Course	-	602
Airport	-	202
Off-Street Parking	-	55,108
	<u>\$ 979,915</u>	<u>\$ 3,104,957</u>
Internal Service Funds:		
Motor Equipment	539,809	1,986
Self-Insurance Settlement	1,500,000	13,141
Telephone System	25,559	-
Engineering Bureau	299,011	174,726
Information Technology	69,919	24,281
	<u>2,434,298</u>	<u>214,134</u>
Total	<u><u>\$ 9,165,902</u></u>	<u><u>\$ 9,165,902</u></u>

5. Due From/To Other Funds (Continued)

Transactions between funds are reported as revenues in the receiving funds, and expenditures/expense in purchaser funds. The transactions result from numerous transactions between funds including expenditure and transfers of resources to provide services, subsidize operations, administration charges, and rental fee.

The General and the Income Tax Capital Improvement funds make advances to other funds and the repayment is shown above. The General Fund charges an administration fee and rent to various funds. The Income Tax Collection Fund receives tax revenue during December that is posted in the subsequent month to the Community Learning Centers Fund and the Police, Fire, and Road Activity Fund. The proprietary funds provide goods and services through the end of the year causing a time lag between the dates the goods or services were provided and when the transactions are recorded.

6. Deposits

On December 15, 2003, the City of Akron entered into a cooperative agreement for Community Learning Centers (CLC) with the Board of Education of the Akron City School District (District). The cooperative agreement is the foundation for all the activity associated with the City's .25% income tax and the ownership relating to the CLCs. As of December 31, 2019, the District had \$383,737 of unspent City funds that are recorded as Deposits on the City's Statement of Net Position and are recorded on the District's financial statements as "due to City of Akron".

7. Capital Assets

Capital asset activity for the year ended December 31, 2019 was as follows:

	Balance January 1, 2019	Additions	Deletions	Balance December 31, 2019
Governmental Activities:				
Capital assets, not being depreciated:				
Land	\$ 152,597,805	\$ -	\$ -	\$ 152,597,805
Construction in progress	88,404,846	20,912,386	-	109,317,232
CLC Land	1,374,959	-	-	1,374,959
CLC Construction in progress	41,365,839	11,087,071	28,144,891	24,308,019
Total capital assets, not being depreciated	<u>283,743,449</u>	<u>31,999,457</u>	<u>28,144,891</u>	<u>287,598,015</u>
Capital assets, being depreciated:				
Buildings	217,747,913	14,175	-	217,762,088
CLC Building Equity Interest	257,298,378	28,144,891	-	285,443,269
Improvements other than buildings	189,348,635	9,483,690	-	198,832,325
CLC Improvements other than buildings	253,244	-	-	253,244
Equipment & Intangibles	140,556,830	8,574,730	320,490	148,811,070
Infrastructure	711,417,453	9,277,367	-	720,694,820
Total capital assets, being depreciated	<u>1,516,622,453</u>	<u>55,494,853</u>	<u>320,490</u>	<u>1,571,796,816</u>
Less accumulated depreciation for:				
Buildings	107,694,684	4,496,295	-	112,190,979
CLC Building Equity Interest	31,893,961	4,833,600	-	36,727,561
Improvements other than buildings	84,730,088	6,365,036	-	91,095,124
CLC Improvements other than buildings	45,243	7,671	-	52,914
Equipment & Intangibles	108,403,927	6,089,434	320,490	114,172,871
Infrastructure	395,828,087	17,311,802	-	413,139,889
Total accumulated depreciation	<u>728,595,990</u>	<u>39,103,838</u>	<u>320,490</u>	<u>767,379,338</u>
Total capital assets, being depreciated, net	<u>788,026,463</u>	<u>16,391,015</u>	<u>-</u>	<u>804,417,478</u>
Governmental activities capital assets, net	<u>\$ 1,071,769,912</u>	<u>\$ 48,390,472</u>	<u>\$ 28,144,891</u>	<u>\$ 1,092,015,493</u>

7. Capital Assets (Continued)

	Balance January 1, 2019, as Restated	Additions	Deletions	Balance December 31, 2019
Business-type Activities:				
Capital assets, not being depreciated:				
Land	\$ 38,402,937	\$ -	\$ -	\$ 38,402,937
Construction in progress	404,181,382	39,015,120	4,423,423	438,773,079
Total capital assets, not being depreciated	<u>442,584,319</u>	<u>39,015,120</u>	<u>4,423,423</u>	<u>477,176,016</u>
Capital assets, being depreciated:				
Buildings	207,772,360	-	-	207,772,360
Improvements other than buildings	469,969,068	280,899	-	470,249,967
Equipment and Intangibles	81,028,262	621,019	290,561	81,358,720
Infrastructure	284,057,735	7,843,361	-	291,901,096
Total capital assets, being depreciated	<u>1,042,827,425</u>	<u>8,745,279</u>	<u>290,561</u>	<u>1,051,282,143</u>
Less accumulated depreciation for:				
Buildings	100,829,995	3,200,922	-	104,030,917
Improvements other than buildings	316,733,335	8,018,162	-	324,751,497
Equipment and Intangibles	38,624,569	1,807,717	290,561	40,141,725
Infrastructure	62,425,241	7,044,775	-	69,470,016
Total accumulated depreciation	<u>518,613,140</u>	<u>20,071,576</u>	<u>290,561</u>	<u>538,394,155</u>
Total capital assets, being depreciated, net	<u>524,214,285</u>	<u>(11,326,297)</u>	<u>-</u>	<u>512,887,988</u>
Business-type activities capital assets, net	<u>\$ 966,798,604</u>	<u>\$ 27,688,823</u>	<u>\$ 4,423,423</u>	<u>\$ 990,064,004</u>

The City adopted GASB Statement No. 83, "*Certain Asset Retirement Obligations*", in fiscal year 2019. This statement requires governmental entities to record a liability and a corresponding deferred outflow at the time there is an external obligating event such as a federal or state regulation, a legally binding contract or court judgment and when there is an internal obligating event which is at the time an asset is acquired or if constructed placed in service. In accordance with GASB 83, the City recorded a current liability of \$55,860 and long-term liability of \$279,300 associated with the retirement of inactive oil wells as there is an enforceable legal obligation. After extensive legal and procedural research, the City has determined that it is impractical that City's Sewer and Water Treatment Facilities will ever be closed, and ongoing projects preserve the overall condition of the operations of the facilities. Thus, no associated retirement liability was recorded for the Sewer and Water treatment facilities. While the FAA-administered financing requires reimbursement if closure of the airport occurs, the City intends to keep the facility operational as new projects are ongoing to preserve the conditions and overall operations at the facility, and therefore no retirement liability was recorded. The liabilities for Hardy Road Landfill and City-owned gas tanks fall under GASB 18 and GASB 49 respectively and are reflected in the statements. Other assets are maintained and/or disposed of by the City in accordance with best practice standards. The impact of the Statement is insignificant to the financial statements so the standard was adopted prospectively.

7. Capital Assets (Continued)

Depreciation expense was charged during 2019 to functions of the government as follows:

Governmental Activities:

General government	\$ 1,879,631
Public service	8,558,511
Public safety	3,432,336
Community environment	6,668,310
Public health	251,324
Unallocated depreciation	18,000,420
Capital assets held by the government's internal service funds are charged to the various functions based on their usage of the assets	<u>313,306</u>
 Total depreciation expense charged to governmental activities	 <u><u>\$ 39,103,838</u></u>

Business-type Activities:

Water	\$ 5,673,343
Sewer	11,832,108
Off-Street Parking	2,289,413
Other Business-type activities	<u>276,712</u>
 Total depreciation, depletion and amortization expense charged to business-type activities	 <u><u>\$ 20,071,576</u></u>

Construction in progress and remaining capital commitments (including capitalized interest of \$5,390,276 through 12/31/2017 before the implementation of GASB statement No. 89, *Accounting for Interest Cost Incurred before the End of a Construction Period*) are comprised of the following:

	Project Authorization	Expended to December 31, 2019	Committed
Governmental Activities:			
Governmental	\$ 119,652,619	\$ 118,725,347	\$ 927,272
Business-type Activities:			
Water	9,253,197	8,805,711	447,486
Sewer	<u>483,794,559</u>	<u>429,837,368</u>	<u>53,957,191</u>
	<u><u>\$ 612,700,375</u></u>	<u><u>\$ 557,368,426</u></u>	<u><u>\$ 55,331,949</u></u>

8. Accrued Vacation and Leave

GASB Statement No. 16, *Accounting for Compensated Absences*, requires a liability to be established for all compensated absences as earned by the employees. At the time of the employee's separation, such compensated absences are paid to the employee from the fund to which the employee's payroll is charged.

Vacation, paid leave, sick leave and compensatory time accumulated by employees whose wages are charged to governmental fund types have been recorded as liabilities in the governmental funds only if they have matured. The balance has been recorded on the statement of net position.

Vacation, paid leave, sick leave and compensatory time accumulated by employees whose wages are charged to proprietary fund types are expensed when earned and recorded as liabilities in the government-wide statement of net position and in the proprietary fund statement of net position.

Sick leave is earned by substantially all employees. Unused sick leave is accumulated up to 960 hours for uniformed firefighters and 1,000 hours for all other eligible employees. Unused sick leave vests upon reaching certain age and service requirements. The vested portion of accumulated sick leave and amounts earned through December 31, 2018 and expected to vest in the future has been accrued in the government-wide statement of net position for all City employees. Amounts related to the City's proprietary fund operations are also accrued for in the proprietary fund statement of net position due to the nature of these funds.

The following governmental funds have typically been used in prior years to reduce or liquidate the liability for compensated absences:

General Fund	Street and Highway Maintenance
Income Tax Collection	Community Development
Emergency Medical Service	Police Grants
Special Assessment Fund	Safety Programs
Income Tax Capital Improvement	

8. Accrued Vacation and Leave (Continued)

As of December 31, 2019, the accrued vacation, paid leave, sick leave, and compensatory time is recorded as a current liability (due within one year) in the Statement of Net Position as follows:

	Balance January 1, 2019	Additions	Deletions	Balance December 31, 2019
Governmental Activities:				
Governmental Funds:				
General Fund	\$ 7,579,955	\$ 7,436,603	\$ (8,016,379)	\$ 7,000,179
Income Tax Capital Improvement	40,477	54,658	(63,118)	32,017
Special Assessment Fund	276,010	277,332	(276,010)	277,332
Other Governmental Funds	2,565,900	1,796,131	(2,566,595)	1,795,436
Total Governmental Funds	10,462,342	9,564,724	(10,922,102)	9,104,964
Internal Service Funds	647,706	601,837	(659,645)	589,898
Total Governmental Activities	11,110,048	10,166,561	(11,581,747)	9,694,862
Business-type Activities:				
Enterprise Funds:				
Water	789,963	862,033	(800,800)	851,196
Sewer	521,208	539,141	(548,302)	512,047
Other Enterprise Funds	25,350	24,925	(25,350)	24,925
Total Enterprise Funds/ Business-type Activities	1,336,521	1,426,099	(1,374,452)	1,388,168
	<u>\$ 12,446,569</u>	<u>\$ 11,592,660</u>	<u>\$ (12,956,199)</u>	<u>\$ 11,083,030</u>

The following amounts are also included as long-term obligations in the government-wide statement of net position (Note 14):

Governmental Activities:				
Governmental Funds:				
General Fund	\$ 34,395,450	\$ 12,350,847	\$ (8,840,749)	\$ 37,905,548
Income Tax Capital Improvement	202,010	47,514	(48,791)	200,733
Special Assessment Fund	987,817	406,237	(463,871)	930,183
Other Governmental Funds	8,514,405	2,640,402	(1,633,803)	9,521,004
Total Governmental Funds	44,099,682	15,445,000	(10,987,214)	48,557,468
Internal Service Funds	2,885,758	959,311	(1,105,913)	2,739,156
Total Governmental Activities	46,985,440	16,404,311	(12,093,127)	51,296,624
Business-type Activities:				
Water	3,183,419	1,325,588	(1,159,600)	3,349,407
Sewer	2,174,984	1,329,794	(1,127,263)	2,377,515
Other Business-type Activities	68,774	35,932	(38,615)	66,091
Total Business-type Activities	5,427,177	2,691,314	(2,325,478)	5,793,013
	<u>\$ 52,412,617</u>	<u>\$ 19,095,625</u>	<u>\$ (14,418,605)</u>	<u>\$ 57,089,637</u>

9. Pension and Other Post-Retirement Benefit Plans

Police officers and firefighters participate in the statewide Ohio Police and Fire Pension Fund (Police and Fire), a cost-sharing, multi-employer defined-benefit public employee retirement system. Police and Fire offers three types of service retirement: normal, service commuted, and age/service commuted. In a normal retirement, a member is eligible at age 48 with 25 years of service with a monthly pension equal to 60% of the average of the three highest years of allowable earnings. The maximum pension of 72% of the average allowable earnings for the three highest years is paid after 33 years of service. Under the service commuted retirement, a member is eligible if they have at least 15 years of service, they have reached the age of 48 and 25 years has elapsed from the date of their full-time hire. Under the age/service commuted retirement, a member is eligible if they have 15 years of service and they have reached the age of 62. In the event of death, eligible survivors may qualify for a monthly benefit and a one-time \$1,000 lump sum benefit payment. Benefits are established by the Ohio Revised Code.

The City also participates in a cost-sharing multi-employer post-retirement health benefits plan, administered by Police and Fire, for these city employees. Substantially all other City employees participate in the statewide Ohio Public Employees Retirement System (OPERS). OPERS administers three separate pension plans. The traditional plan is a cost-sharing, multi-employer defined-benefit pension plan. The member-directed plan is a defined-contribution plan in which the member invests both member and employer contributions (employer contributions vest over five years at 20% per year). Under the member-directed plan, members accumulate retirement assets equal to the value of the member and vested employer contributions plus any investment earnings. The combined plan is a cost-sharing, multiple-employer defined-benefit pension plan that has elements of both a defined-benefit and a defined-contribution plan. Under the combined plan, employer contributions are invested by the retirement system to provide a formula retirement benefit similar to the traditional plan benefit. Member contributions, whose investment is self-directed by the member, accumulate retirement assets in a manner similar to the member-directed plan. The City also participates in a cost-sharing multi-employer post-retirement health benefits plan, administered by OPERS, for these City employees.

In addition to participating in the plans described above, the City provides its own post-retirement health and life insurance benefits plan which is administered as a single-employer benefit plan. Typically, the following funds have been used to liquidate the net pension obligation or net other post-retirement benefit obligation:

General Fund	General Bond Payment
Income Tax Collection	Water
Emergency Medical Service	Sewer
Special Assessment	Oil & Gas
Income Tax Capital Improvement	Golf Course
Street and Highway Maintenance	Airport
Community Development	Motor Equipment
Akron Metropolitan Area Transportation Study	Engineering
Joint Economic Development Districts	Information Technology
Safety Programs	

9. Pension and Other Post-Retirement Benefit Plans (Continued)

Net Pension Liability

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

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

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

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

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

Plan Description – Ohio Public Employees Retirement System (OPERS)

Plan Description - City employees, other than full-time police and firefighters, participate in the Ohio Public Employees Retirement System (OPERS). OPERS administers three separate pension plans. The traditional pension plan is a cost-sharing, multiple-employer defined benefit pension plan, the member-directed plan is a defined contribution plan, and the combined plan is a cost-sharing, multiple-employer defined benefit pension plan with defined contribution features. While members (e.g. City employees) may elect the member-directed plan and the combined plan, the vast majority of the City's employees participate in the traditional plan. Therefore, the following plan description focus on the traditional pension plan.

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

9. Pension and Other Post-Retirement Benefit Plans (Continued)

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

Group A Eligible to retire prior to January 7, 2013 or five years after January 7, 2013	Group B 20 years of service credit prior to January 7, 2013 or eligible to retire ten years after January 7, 2013	Group C Members not in other Groups and members hired on or after January 7, 2013
State and Local	State and Local	State and Local
Age and Service Requirements: Age 60 with 60 months of service credit or Age 55 with 25 years of service credit	Age and Service Requirements: Age 60 with 60 months of service credit or Age 55 with 25 years of service credit	Age and Service Requirements: Age 57 with 25 years of service credit or Age 62 with 5 years of service credit
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	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	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
Public Safety	Public Safety	Public Safety
Age and Service Requirements: Age 48 with 25 years of service credit or Age 52 with 15 years of service credit	Age and Service Requirements: Age 48 with 25 years of service credit or Age 52 with 15 years of service credit	Age and Service Requirements: Age 52 with 25 years of service credit or Age 56 with 15 years of service credit
Law Enforcement	Law Enforcement	Law Enforcement
Age and Service Requirements: Age 52 with 15 years of service credit	Age and Service Requirements: Age 48 with 25 years of service credit or Age 52 with 15 years of service credit	Age and Service Requirements: Age 48 with 25 years of service credit or Age 56 with 15 years of service credit
Public Safety and Law Enforcement	Public Safety and Law Enforcement	Public Safety and Law Enforcement
Formula: 2.5% of FAS multiplied by years of service for the first 25 years and 2.1% for service years in excess of 25	Formula: 2.5% of FAS multiplied by years of service for the first 25 years and 2.1% for service years in excess of 25	Formula: 2.5% of FAS multiplied by years of service for the first 25 years and 2.1% for service years in excess of 25

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

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

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

9. Pension and Other Post-Retirement Benefit Plans (Continued)

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

	<u>State and Local</u>
2019 Statutory Maximum Contribution Rates	
Employer	14.0 %
Employee	10.0
2019 Actual Contribution Rates	
Employer:	
Pension	14.0
Post-employment Health Care Benefits	<u>0.0</u>
Total Employer	<u><u>14.0 %</u></u>
Employee	<u><u>10.0 %</u></u>

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

The City’s contractually required contribution was \$8,879,954 for 2019. Of this amount, \$703,623 is reported as a due to other governments. Both amounts reflected contributions for employees participating in the OPERS traditional plan, combined plan, and member directed plan.

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.

9. Pension and Other Post-Retirement Benefit 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 percent for each of the first 20 years of service credit, 2.0 percent for each of the next five years of service credit and 1.5 percent for each year of service credit in excess of 25 years. The maximum pension of 72 percent of the allowable average annual salary is paid after 33 years of service credit.

Under normal service retirement, retired members who are at least 55 years old and have been receiving 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 and statutory survivors.

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

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

	<u>Police</u>	<u>Firefighters</u>
2019 Statutory Maximum Contribution Rates		
Employer	19.50 %	24.00 %
Employee:	12.25	12.25
 2019 Actual Contribution Rates		
Employer:		
Pension	19.00	23.50
Post-employment Health Care Benefits	<u>0.50</u>	<u>0.50</u>
 Total Employer	 <u>19.50 %</u>	 <u>24.00 %</u>

Employer contribution rates are expressed as a percentage of covered payroll. The City’s contractually required contribution, excluding the amount related to post-retirement health care benefits, to OP&F was \$13,275,875 for 2019. Of this amount \$974,509 is reported as a due to other governments. Both amounts reflected contributions for police and firefighters participating in OP&F.

9. Pension and Other Post-Retirement Benefit Plans (Continued)

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

The net pension liability for OPERS was measured as of December 31, 2018, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. OP&F's total pension liability was measured as of December 31, 2018, and was determined by rolling forward the total pension liability as of January 1, 2018, to December 31, 2018. The City's proportion of the net pension liability 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			OP&F	Total
	Traditional Plan	Combined Plan	Member Directed		
Proportionate Share of the Net Pension Liability/(Asset)	\$ 120,056,821	\$ (353,086)	\$ (4,445)	\$ 217,116,165	\$ 336,815,455
Proportion of the Net Pension Liability/(Asset) as of 12/31/2018	0.43797%	0.31576%	0.19508%	2.65988%	
Proportion of the Net Pension Liability/(Asset) as of 12/31/2017	0.43977%	0.32691%	0.32691%	2.61719%	
Increase (Decrease) in Proportion	(0.00180)%	(0.01115)%	(0.13183)%	0.04269%	
Pension Expense	\$ 26,590,232	\$ 97,981	\$ (1,151)	\$ 29,033,125	\$ 55,720,187

At December 31, 2019, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	OPERS			
	Traditional Plan	Combined Plan	Member Directed	OP&F
Deferred Outflows of Resources				
Net difference between projected and actual earnings on pension plan investments	\$ 16,295,071	\$ 76,060	\$ 1,470	\$ 26,739,297
Differences between expected and actual experience	5,538	-	18,503	8,920,439
Changes in proportion and differences between City contributions and proportionate share of contributions	795,698	11,668	8,542	3,768,625
Changes in assumptions	10,451,188	78,859	1,377	5,756,045
City contributions subsequent to the measurement date	8,506,324	212,461	-	12,967,937
Total Deferred Outflows of Resources	<u>\$ 36,053,819</u>	<u>\$ 379,048</u>	<u>\$ 29,892</u>	<u>\$ 58,152,343</u>
Deferred Inflows of Resources				
Differences between expected and actual experience	\$ (1,576,415)	\$ (144,209)	\$ -	\$ (202,743)
Changes in proportion and differences between City contributions and proportionate share of contributions	(461,681)	(8,943)	-	(3,760,482)
Total Deferred Inflows of Resources	<u>\$ (2,038,096)</u>	<u>\$ (153,152)</u>	<u>\$ -</u>	<u>\$ (3,963,225)</u>

9. Pension and Other Post-Retirement Benefit Plans (Continued)

At December 31, 2019, \$21,686,722 is 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 in the subsequent fiscal period rather than the current fiscal period. 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			OP&F
	Traditional Plan	Combined Plan	Member Directed	
Year Ending December 31:				
2020	\$ 11,327,470	\$ 11,889	\$ 4,052	\$ 12,932,066
2021	5,091,822	(3,305)	3,789	7,082,974
2022	1,511,699	(1,701)	3,835	8,532,839
2023	7,578,408	22,111	4,423	12,051,157
2024	-	(9,091)	3,525	622,145
Thereafter	-	(6,468)	10,268	-
Total	<u>\$ 25,509,399</u>	<u>\$ 13,435</u>	<u>\$ 29,892</u>	<u>\$ 41,221,181</u>

Actuarial Assumptions - OPERS

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

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employers and plan members) and include the types of benefits provided at the time of each valuation. The total pension liability in the December 31, 2018, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Measurement and Valuation Date	December 31, 2018
Experience Study	5-Year Period Ended December 31, 2015
Actuarial Cost Method	Individual Entry Age
Investment Rate of Return	7.2%
Wage Inflation	3.25%
Projected Salary Increases	3.25%-10.75 % (includes wage inflation at 3.25%)
Cost-of-living Adjustments	Pre-1/7/2013 Retirees: 3.00% Simple Post-1/7/2013 Retirees: 3.00% Simple Through 2018, then 2.15% Simple

Mortality rates are based on the RP-2014 Healthy Annuitant mortality table. For males, Healthy Annuitant Mortality tables were used, adjusted for mortality improvements back to the observation period base of 2006 and then established the base year as 2015. For females, Healthy Annuitant Mortality tables were used, adjusted for mortality improvements back to the observation period base of 2006 and then established the base year as 2010. The mortality rates used in evaluating disability allowances were based on the RP-2014 Disabled mortality tables, adjusted for mortality improvement back to the observation period base of 2006 and then established the base year as 2015 for males and 2010 for females. Mortality rates for a particular calendar year for both healthy and disabled retiree mortality tables are determined by applying the MP-2015 mortality improvement scale to the above described tables.

9. Pension and Other Post-Retirement Benefit Plans (Continued)

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

The long-term rate of return on defined benefit investment assets was determined using a building-block method in which best-estimate ranges of expected future real rates of return are developed for each major asset class. These ranges are combined to produce the long-term expected real rate of return by weighting the expected future real rates of return by the target asset allocation percentage, adjusted for inflation. The discount rate used to measure the total pension liability was 7.2 percent, which is a decrease from 7.5 percent used for the measurement date of December 31, 2017.

OPERS manages investments in three investment portfolios: the Defined Benefits portfolio, the Health Care portfolio, and the Defined Contribution portfolio. The Defined Benefit portfolio includes the investment assets of the Traditional Pension Plan, the defined benefit component of the Combined Plan, the annuitized accounts of the Member-Directed Plan and the VEBA Trust. Within the Defined Benefit portfolio, contributions into the plans are all recorded at the same time, and benefit payments all occur on the first of the month. Accordingly, the money-weighted rate of return is considered to be the same for all plans within the portfolio. The money weighted rate of return, net of investments expense, for the Defined Benefit portfolio was a loss of 2.94% for 2018.

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 table below displays the Board-approved asset allocation policy for 2018 and the long-term expected real rates of return:

Asset Class	Target Allocation for 2018	Long Term Expected Weighted Average Long-Term Expected Real Rate of Return (Arithmetic)
Fixed Income	23.00 %	2.79 %
Domestic Equities	19.00	6.21
Real Estate	10.00	4.90
Private Equity	10.00	10.81
International Equities	20.00	7.83
Other investments	18.00	5.50
Total	100.00 %	5.95 %

Discount Rate The discount rate used to measure the total pension liability was 7.2 percent. The projection of cash flows used to determine the discount rate assumed that contributions from plan members and those of the contributing employers are made at the statutorily required rates. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefits payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

9. Pension and Other Post-Retirement Benefit Plans (Continued)

Sensitivity of the City’s Proportionate Share of the Net Pension Liability to Changes in the Discount Rate The following table presents the City’s proportionate share of the net pension liability calculated using the current period discount rate assumption of 7.2 percent, as well as what the City’s proportionate share of the net pension liability would be if it were calculated using a discount rate that is one-percentage-point lower (6.2 percent) or one-percentage-point higher (8.2 percent) than the current rate:

	City's proportionate share of the net pension liability/(asset) (in '000s)		
	1% Decrease 6.20%	Current Discount Rate 7.20%	1% Increase 8.20%
	<u> </u>	<u> </u>	<u> </u>
Traditional Plan	\$ 177,359	\$ 120,057	\$ 106,836
Combined Plan	(117)	(353)	(524)
Member Directed Plan	(2)	(4)	(8)

Actuarial Assumptions – OP&F

OP&F’s total pension liability as of December 31, 2018 is based on the results of an actuarial valuation date of January 1, 2018, and rolled-forward using generally accepted actuarial procedures. The total pension liability is determined by OP&F’s actuaries in accordance with GASB Statement No. 67, as part of their annual valuation. Actuarial valuations of an ongoing plan involve estimates of reported amounts and assumptions about probability of occurrence of events far into the future. Examples include assumptions about future employment mortality, salary increases, disabilities, retirements and employment terminations. Actuarially determined amounts are subject to continual review and potential modifications, as actual results are compared with past expectations and new estimates are made about the future.

Key methods and assumptions used in calculating the total pension liability in the latest actuarial valuation, prepared as of January 1, 2018, are presented below:

Valuation Date	January 1, 2018, with actuarial liabilities rolled forward to December 31, 2018
Actuarial Cost Method	Entry Age Normal (Level Percent of Payroll)
Actuarial Assumption Experience Study Date	5 year period ended December 31, 2016
Investment Rate of Return	8.00%
Cost of Living Increases (COLA)	3% simple; 2.2% simple for increases based on the lesser of the increase in CPI and 3%
Salary Increases	3.75 to 10.50%
Payroll Growth	Inflation rate of 2.75% plus productivity increase rate of 0.5%

Healthy Mortality

Mortality rates 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 Buck Modified 2016 Improvement Scale. Rates for surviving beneficiaries are adjusted by 120%.

9. Pension and Other Post-Retirement Benefit Plans (Continued)

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

Disabled Mortality

Mortality for disabled retirees is based on the RP-2014 Disabled Mortality Tables rolled back to 2006, adjusted to according to the rates in the following table, and projected with the Buck Modified 2016 Improvement Scale. Rates for surviving beneficiaries are adjusted by 120%.

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

The long-term expected rate of return on pension plan investments was determined using a building-block approach and assumes a time horizon, as defined in the Statement of Investment Policy. A forecasted rate of inflation serves as the baseline for the return expectation. Various real return premiums over the baseline inflation rate have been established for each asset class. The long-term expected nominal rate of return has been determined by calculating a weighted averaged of the expected real return premiums for each asset class, adding the projected inflation rate and adding the expected return from rebalancing uncorrelated asset classes. 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, 2017 are summarized below:

Asset Class	Target Allocation	Long Term Expected Real Rate of Return
Cash and Cash Equivalents	0.00 %	0.80 %
Domestic Equity	16.00	5.50
Non-US Equity	16.00	5.90
Private Markets	8.00	8.40
Core Fixed Income*	23.00	2.60
High Yield Fixed Income	7.00	4.80
Private Credit	5.00	7.50
U.S. Inflation Linked Bonds*	17.00	2.30
Master Limited Partnerships	8.00	6.40
Real Assets	8.00	7.00
Private Real Estate	12.00	6.10
Total	120.00 %	

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 national portfolio perspective above, the

9. Pension and Other Post-Retirement Benefit Plans (Continued)

Total Portfolio may be levered up to 1.2 times due to the application of leverage in certain fixed income asset classes.

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

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

	City's proportionate share of the net pension liability (in '000s)		
	1% Decrease	Current	1% Increase
	7.00%	Discount Rate 8.00%	9.00%
OP&F	\$ 285,384	\$ 217,116	\$ 160,068

Other Post-retirement Benefits (OPEB)

In addition to the post-retirement benefits provided by the Ohio Police and Fire Pension Fund and the Ohio Public Employees Retirement System of Ohio, the City provides post-retirement health care and life insurance benefits, in accordance with union agreements and City Council ordinances, for retired employees. The post-retirement healthcare coverage is a single self-insured plan, administered through Medical Mutual, which provides medical, prescription drugs, dental, and vision benefits. The major medical portion of the coverage, which includes prescription drugs, ends at age 65. All other benefits continue for the lifetime of the participant. The life insurance amounts are dependent on age at retirement and the retiree’s collective bargaining unit. All life insurance amounts are reduced by 50% after the first year of retirement. Dependents are not eligible for life insurance during retirement. The life insurance is fully insured. Substantially all of the City’s employees may become eligible for those benefits if they reach normal retirement age while working for the City. The City pays 100% of the cost of health care and life insurance benefits. Effective February 1, 2017 retiree contributions are \$30 per month for single supplemental medical and \$60 per month for family supplemental medical. Supplemental dental, vision, and life insurance are non-contributory. These benefits are financed on a pay-as-you go basis; as such, the cost of retiree health care and life insurance benefits is recognized as expenditure/expense as claims are incurred. Eligibility for OPEB benefits is receiving a pension benefit from OPERS, Police and Fire, or disability retirement. Former employees who are term-vested for pension benefits are not eligible.

9. Pension and Other Post-Retirement Benefit Plans (Continued)

The net OPEB liability was measured as of December 31, 2018 and the the net OPEB liability was determined by an actuarial valuation as of that date. For OPERS and OP&F, the City's proportion of the net OPEB liability was based on the City's share of contributions relative to the contributions of all participating entities. The following information is related to the proportionate share and OPEB expense (in '000s):

	<u>OPERS</u>	<u>OP&F</u>
Proportion of the Net OPEB Liability as of December 31, 2018	0.4252%	2.65988%
Proportion of the Net OPEB Liability as of December 31, 2017	0.4273%	2.61719%
Increase (Decrease) in Proportion	(0.0021)%	0.0427%
Proportionate share of the Net OPEB Liability	\$ 55,436	\$ 24,222
OPEB Expense	5,334	(119,248)

The Net OPEB Liability for the City's OPEB plan was measured as of December 31, 2018 and the net OPEB liability was determined by an actuarial valuation as of that date. The following information is related to the changes in the net OPEB liability for the City's plan (in '000s):

Net OPEB Liability - December 31, 2017	\$ 124,741
Total service cost	1,862
Interest cost	3,978
Experience (gains)/losses	(6,049)
Changes in assumptions	(20,326)
Benefit payments	(3,048)
Net OPEB Liability - December 31, 2018	<u>\$ 101,158</u>

At December 31, 2019 the City reported deferred (outflows) of resources and deferred inflows of resources related to OPEB from the following sources:

	<u>City of Akron</u>	<u>OPERS</u>	<u>OP&F</u>
Deferred Outflows of Resources			
Net difference between projected and actual earnings on OPEB plan investments	\$ -	\$ 2,330,765	\$ 819,945
Differences between expected and actual experience	-	18,767	-
Changes in proportion and differences between City and proportionate share of contributions	-	-	1,894,909
Changes in assumptions	4,620,948	1,787,329	12,555,648
City's contributions subsequent to the measurement date	2,591,971	-	307,938
Total Deferred Outflows of Resources	<u>\$ 7,212,919</u>	<u>\$ 4,136,861</u>	<u>\$ 15,578,440</u>
Deferred Inflows of Resources			
Differences between expected and actual experience	\$ (5,013,575)	\$ (150,414)	\$ (648,968)
Changes in proportion and differences between City and proportionate share of contributions	-	(219,967)	-
Changes in assumptions	(16,845,158)	-	(6,705,865)
Total Deferred Inflows of Resources	<u>\$ (21,858,733)</u>	<u>\$ (370,381)</u>	<u>\$ (7,354,833)</u>

9. Pension and Other Post-Retirement Benefit Plans (Continued)

At December 31, 2018, \$2,899,909 is 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 subsequent fiscal period. Other amounts reported as deferred (inflows) outflows of resources related to OPEB will be recognized in the OPEB expense as follows:

	City of Akron	OPERS	OP&F
Fiscal Year Ending December 31:			
2020	\$ (3,067,694)	\$ 1,825,979	\$ 1,387,914
2021	(3,067,694)	350,244	1,387,914
2022	(3,067,694)	362,646	1,387,914
2023	(4,241,038)	1,227,611	1,635,915
2024	(3,793,665)	-	1,244,928
Thereafter	-	-	871,084
Total	<u>\$ (17,237,785)</u>	<u>\$ 3,766,480</u>	<u>\$ 7,915,669</u>

Actuarial Assumptions - City of Akron OPEB Plan

The total OPEB liability is based on the results of an actuarial measurement date and valuation date of December 31, 2018 using generally accepted actuarial procedures. The total OPEB liability was calculated by using the following assumptions:

Actuarial Cost Method	Entry age normal, level percent of projected payroll
Discount Rate	3.64%
Projected Payroll Growth Rate	2.00%
Health Care Cost Trend Rate for Medical and Prescription Drugs	6.5% in fiscal 2019, decreasing to an ultimate rate of 5.0% in fiscal year 2027 and after.
Health Care Cost Trend Rate for Dental and Vision	4.5%

Pursuant to paragraph 36 of GASB 75, since the City's plan is an unfunded plan, the discount rate should reflect a yield or index rate for 20-year, tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher. The discount rate selected by the City reflect the S&P Municipal Bond 20-High Grade as of December 31, 2018. The discount rate used to measure the total OPEB liability was 3.64 percent, which is an increase from 3.18 percent used for the measurement date of December 31, 2017.

For OP&F active members, non-disabled retirees and beneficiaries, and disabled retirees, mortality rates are based on the RPH-2014 Mortality Table adjusted to 2006 and projected with the Buck Modified 2016 Improvement Scale. Rates are also adjusted for experience. For OPERS active members, non-disabled retirees and beneficiaries, and disabled retirees, mortality rates are based on the PubH-2010 General and Disabled Mortality Tables projected with the Buck Modified 2016 Improvement Scale.

The Net OPEB Liability is sensitive to changes in the discount rate and the health care trend rate. The following table presents what the Net OPEB Liability would be if it were calculated using a discount rate that is one (1) percentage point lower (2.64%) and higher (4.64%) than the current discount rate (3.64%). Additionally shown is what the City's net OPEB liability would be based on current health care trend rates that are one (1) percentage point lower (5.50%) and higher (7.50%) than the current rate (7.60%).

9. Pension and Other Post-Retirement Benefit Plans (Continued)

	1% Decrease 2.64%	Current Discount Rate 3.64%	1% Increase 4.64%
Net OPEB Liability	\$ 118,417,983	\$ 101,158,647	\$ 87,420,862
	1% Decrease	Current Trend Rate	1% Increase
Net OPEB Liability	\$ 91,334,643	\$ 101,158,647	\$ 113,661,590

The below table covers the classes of plan members covered:

Retirees and surviving spouses receiving benefits:	2,304
Active plan members	<u>1,808</u>
Total membership	<u><u>4,112</u></u>

Actuarial Assumptions - OPERS

The total OPEB liability is based on the results of an actuarial valuation dated December 31, 2017 and rolled-forward to December 31, 2018 using generally accepted actuarial procedures. The total OPEB liability was calculated using the following assumptions:

Actuarial Valuation Date	December 31, 2017
Rolled-Forward Measurement Date	December 31, 2018
Experience Study	5-Year Period Ended December 31, 2015
Actuarial Cost Method	Individual Entry Age Normal
Actuarial Assumptions	
Single Discount Rate	3.96%
Investment Rate of Return	6.00%
Municipal Bond Rate	3.71%
Wage Inflation	3.25%
Projected Salary Increases	3.25%-10.75%
	(Includes Wage Inflation at 3.25%)
Health Care Cost Trend Rate	10.0% Initial, 3.25% ultimate in 2029

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.

9. Pension and Other Post-Retirement Benefit Plans (Continued)

A single discount rate of 3.96% was used to measure the OPEB liability on the measurement date of December 31, 2018, which is an increase from 3.85% used for the measurement date of December 31, 2017. Projected benefit payments are required to be discounted to their actuarial present value using a single discount rate that reflects (1) a long-term expected rate of return on OPEB plan investments (to the extent that the health care fiduciary net position is projected to be sufficient to pay benefits), and (2) tax-exempt municipal bond rate based on an index of 20-year general obligation bonds with an average AA credit rating as of the measurement date (to the extent that the contributions for use with the long-term expected rate are not met). This single discount rate was based on an expected rate of return on the health care investment portfolio of 6.00% and a municipal bond rate of 3.71%. 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 2031. As a result, the long-term expected rate of return on health care investments was applied to projected costs through the year 2031, and the municipal bond rate was applied to all health care costs after that date.

The following table presents the OPEB liability calculated using the single discount rate of 3.96%, and the expected Net OPEB Liability if it were calculated using a discount rate that is one percentage point lower (2.96%) or one percentage point higher (4.96%) than the current rate (in '000s):

	1% Decrease 2.96%	Current Discount Rate 3.96%	1% Increase 4.96%
City's proportionate share of the Net OPEB Liability	\$ 70,923	\$ 55,436	\$ 43,119

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 2019 is 10.00%. 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-to-distant future, the health plan cost 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 3.25% in the most recent valuation. The following table presents the OPEB liability calculated using the health care cost trend rate and the expected Net OPEB Liability if it were calculated using a rate that is one percentage point lower or one percentage point higher than the current rate (in '000s):

	1% Decrease	Current Health Care Cost Trend Rate Assumption	1% Increase
City's Proportionate Share of the Net OPEB Liability	\$ 53,286	\$ 55,436	\$ 57,912

The allocation of investment assets within the Health Care portfolio is approved by the Board 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. The System's primary goal is to achieve and maintain a fully funded status for benefits provided through the defined pension plans. Health care is a discretionary benefit. The table below displays the Board-approved asset allocation policy for 2018 and the long-term expected real rates of return.

9. Pension and Other Post-Retirement Benefit Plans (Continued)

Asset Class	Target Allocation	Weighted Average Long-Term Expected Real Rate of Return (Arithmetic)
Fixed Income	34.00 %	2.42 %
Domestic Equities	21.00	6.21
REITs	6.00	5.98
International Equities	22.00	7.83
Other investments	17.00	5.57
Total	100.00 %	5.16 %

Actuarial Assumptions - OP&F

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 retirement plan involve estimates of the value of reported amounts and assumptions about probability of occurrence of events far into the future. This can include assumptions about service credit, salaries and salary increases, disabilities, and retirements. Actuarially determined amounts are subject to continual review and potential modification, as actual results are compared with past expectations and new estimates are made about the future.

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by 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 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.

The following key methods and assumptions were used in calculating the total OPEB liability as of December 31, 2018:

Valuation Date	January 1, 2018
Rolled Forward Valuation Date	December 31, 2018
Actuarial Cost Method	Entry Age Normal (Level Percent of Payroll)
Actuarial Assumption Experience	
Study Date	5-Year Period Ended December 31, 2016
Investment Rate of Return	OP&F OPEB Long Term Rate is 8.0%
Cost of Living Increases (COLA)	3% Simple; 2.2% simple for increases based on the lesser of the increases in CPI and 3%
Salary Increases	3.75% to 10.50%
Payroll Growth	Inflation rate of 2.75 percent plus productivity increase rate of 0.5 percent

9. Pension and Other Post-Retirement Benefit Plans (Continued)

Mortality Rates - OP&F

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 Buck 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 Buck 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 long-term expected rate of return on pension plan investments was determined using a building-block approach and assumes a time horizon, as defined in the Statement of Investment Policy. A forecasted rate of inflation serves as the baseline for the return expectation. Various real return premiums over the baseline inflation rate have been established for each asset class. The long-term expected nominal rate of return has been determined by calculating a weighted averaged of the expected real return premiums for each asset class, adding the projected inflation rate and adding the expected return from rebalancing uncorrelated asset classes. Best estimates of the long-term expected real rates of return for each major asset class included in OP&F's target asset allocation as of December 31, 2018 are summarized below:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Cash and Cash Equivalents	0.00 %	0.80 %
Domestic Equity	16.00	5.50
Non - U.S. Equity	16.00	5.90
Private Markets	8.00	8.40
Core Fixed Income*	23.00	2.60
High Yield Fixed Income	7.00	4.80
Private Credit	5.00	7.50
U.S. Inflation Linked Bonds*	17.00	2.30
Master Limited Partnerships	8.00	6.40
Real Assets	8.00	7.00
Private Real Estate	12.00	6.10
Total	<u>120 %</u>	

9. Pension and Other Post-Retirement Benefit Plans (Continued)

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 national portfolio perspective above, the Total Portfolio may be levered up to 1.2 times due to the application of leverage in certain fixed income asset classes.

Discount Rate The total OPEB liability was calculated using the discount rate of 4.66 percent, which is an increase from 3.24 percent used for the measurement date of December 31, 2017. 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 earnings were calculated using the longer-term assumed investment rate of return 8.00 percent. Based on those assumptions, the plan’s fiduciary net position was projected to be not be available to make all future benefit payments of current plan members. Therefore, a municipal bond rate of 4.13 percent using the S&P Municipal Bond Rate 20-Year High Grade Rate Index for December 31, 2017 and December 31, 2018 was blended with the long-term rate of 8.00 percent, which resulted in a blended discount rate of 4.66 percent.

The Net OPEB Liability is sensitive to changes in the discount rate. The following tables present the Net OPEB Liability of OP&F and what OP&F's Net OPEB Liability would be if it were calculated using a rate that is 1% point lower and 1% point higher than what the current discount cost trend rates are (in '000s).

	1% Decrease	Current Discount Rate	1% Increase
	<u>3.66%</u>	<u>4.66%</u>	<u>5.66%</u>
City's proportionate share of the Net OPEB Liability	\$ 29,509	\$ 24,222	\$ 19,784

10. Notes Payable

The following is a summary of note transactions for the year ended December 31, 2019 reflected in governmental activities in the government-wide financial statements:

	<u>Governmental Activities</u> Special Assessment	<u>Governmental Activities</u> Capital Projects	<u>Governmental Activities Internal Service</u> General Health	<u>Governmental Activities</u> Total
Notes Payable at January 1, 2019	\$ 13,000,000	\$ 41,300,000	\$ 2,500,000	\$ 56,800,000
New notes issued	13,000,000	-	1,500,000	14,500,000
Notes retired	<u>(13,000,000)</u>	<u>(41,300,000)</u>	<u>(2,500,000)</u>	<u>(56,800,000)</u>
Notes Payable at December 31, 2019	<u>\$ 13,000,000</u>	<u>\$ -</u>	<u>\$ 1,500,000</u>	<u>\$ 14,500,000</u>

The following is a summary of the City's future debt service requirements for notes payable as of December 31, 2019 (in thousands):

Fiscal Year Ending December 31	<u>Governmental Activities</u>				Total
	<u>Special Assessment Notes</u>		<u>General Obligation Notes</u>		
	Principal	Interest	Principal	Interest	
2019	<u>\$ 13,000</u>	<u>\$ 162</u>	<u>\$ 1,500</u>	<u>\$ 22</u>	<u>\$ 14,684</u>

The following notes are backed by the full faith and credit of the City and generally mature within one to five years. The notes generally are issued in anticipation of long-term bond financing and are refinanced, if necessary, until such bonds are issued.

Notes issued by the City of Akron and held by the City as investments at December 31, 2019 amounting to \$23,019,536 (Note 2) are eliminated in the government-wide statement of net position.

10. Notes Payable (Continued)

Special assessment notes are issued to finance the property owners' share of improvements. Upon completion of a project, owners may pay the assessments in full. Bonds are issued in the amount of any unpaid assessments and are repaid largely from levies on the property owners for principal and interest collected by the County Fiscal Officer on behalf of the City.

The weighted average interest rates on special assessment notes and general obligation notes at December 31, 2019 were 1.25% and 1.50% respectively.

Notes payable as of December 31, 2019, are comprised of the following individual issues:

<u>Issued</u>	<u>Rate %</u>	<u>Issue</u>	<u>Final Maturity</u>	<u>Amount</u>
Special Assessment Notes:				
<u>Governmental Activities:</u>				
Street Cleaning/Lighting Note:				
December 05, 2019	1.25	12-5	December 04, 2020	\$ 13,000,000
General Obligation Notes:				
<u>Governmental Activities:</u>				
Health Benefit Notes:				
October 17, 2019	1.50	10-17	October 15, 2020	1,500,000
				<hr/>
				<u>\$ 14,500,000</u>

11. Bonds and Loans Payable and Defeased Debt

The following is a summary of bonds and loans payable for the year ended December 31, 2019:

Governmental Activities						
	General Obligation	OPWC - Direct Borrowings	ODSA - Direct Borrowings	Non-Tax Revenue		
Bonds and loans payable at January 1, 2019	\$ 138,368,631	\$ 5,737,340	\$ 4,265,000	\$ 33,435,000		
New Issues:						
Capital Projects	-	-	-	-		
CLC	-	-	-	-		
Resurfacing	-	-	-	-		
Sewer System	-	-	-	-		
Water System	-	-	-	-		
Street Improvements	-	-	-	-		
Retirements	<u>(17,367,673)</u>	<u>(596,477)</u>	<u>(310,000)</u>	<u>(3,025,000)</u>		
Bonds and loans payable at December 31, 2019	<u>\$ 121,000,958</u>	<u>\$ 5,140,863</u>	<u>\$ 3,955,000</u>	<u>\$ 30,410,000</u>		
Governmental Activities						
	Income Tax Revenue	Income Tax Revenue - Direct Borrowings	Special Revenue (JEDD)	Special Assessment - Direct Placements		
Bonds and loans payable at January 1, 2019	\$ 314,245,000	\$ 10,372,059	\$ 11,555,000	\$ 6,722,319		
New Issues:						
Capital Projects	51,780,000	-	-	-		
CLC	11,045,000	-	-	-		
Resurfacing	-	-	-	1,545,611		
Sewer System	-	-	-	-		
Water System	-	-	-	-		
Retirements	<u>(28,125,000)</u>	<u>(687,762)</u>	<u>(3,835,000)</u>	<u>(996,393)</u>		
Bonds and loans payable at December 31, 2019	<u>\$ 348,945,000</u>	<u>\$ 9,684,297</u>	<u>\$ 7,720,000</u>	<u>\$ 7,271,537</u>		
Business-type Activities						
	General Obligation	Mortgage Revenue	Mortgage Revenue - Direct Placements	OWDA - Direct Borrowings	OPWC - Direct Borrowings	Total
Bonds and loans payable at January 1, 2019	\$ 306,369	\$ 8,025,000	\$ 6,760,000	\$ 521,794,733	\$ 535,193	\$ 1,062,121,644
New Issues:						
Capital Projects	-	-	-	-	-	51,780,000
CLC	-	-	-	-	-	11,045,000
Resurfacing	-	-	-	-	-	1,545,611
Sewer System	-	-	-	71,734,889	-	71,734,889
Water System	-	-	-	2,009,537	-	2,009,537
Retirements	<u>(87,327)</u>	<u>(365,000)</u>	<u>(765,000)</u>	<u>(22,731,937)</u>	<u>(180,204)</u>	<u>(79,072,773)</u>
Bonds and loans payable at December 31, 2019	<u>\$ 219,042</u>	<u>\$ 7,660,000</u>	<u>\$ 5,995,000</u>	<u>\$ 572,807,222</u>	<u>\$ 354,989</u>	<u>\$ 1,121,163,908</u>

11. Bonds and Loans Payable and Defeased Debt (Continued)

Bonds and loans payable at December 31, 2019 is comprised of the following individual issues:

Issued	Rate %	Issue	Final Maturity	Amount
<u>Governmental Activities:</u>				
<u>General Obligation Bonds:</u>				
Various Purpose Improvement Bonds:				
November 30, 2010	2.0 to 5.50	Series 2010A	December 1, 2023	\$ 3,958,812
November 30, 2010	2.0 to 5.50	Series 2010B	December 1, 2031	1,640,000
December 21, 2011	1.50 to 4.0	Series 2011	December 1, 2023	18,367,146
November 29, 2012	2.0 to 4.0	Series 2012	December 1, 2024	5,540,000
March 20, 2014	1.25 to 4.0	Series 2014A	December 1, 2026	9,930,000
March 20, 2014	.45 to 4.125	Series 2014B	December 1, 2026	10,705,000
December 2, 2014	2.0 to 5.0	Series 2014C	December 1, 2031	18,065,000
March 10, 2015	1.50 to 5.0	Series 2015	December 1, 2028	18,750,000
May 26, 2016	1.00 to 4.00	Series 2016 Judgement	December 1, 2036	4,565,000
December 6, 2016	1.75 to 4.00	Series 2016A	December 1, 2031	7,155,000
December 6, 2016	1.45 to 3.05	Series 2016B	December 1, 2028	10,150,000
December 20, 2017	1.75 to 4.00	Series 2017A	December 1, 2031	8,345,000
December 20, 2017	1.85 to 3.70	Series 2017B	December 1, 2031	3,830,000
Total General Obligation Bonds:				<u>\$ 121,000,958</u>
<u>Ohio Public Works Commission Loans - Direct Borrowings:</u>				
July 1, 1998	-	Lakeshore Blvd.	January 1, 2020	\$ 50,700
July 1, 1998	-	Tallmadge Ave.	July 1, 2021	150,054
July 1, 1999	-	Lakeshore Blvd.	July 1, 2022	30,600
July 1, 1999	-	Bye Street	July 1, 2022	29,250
July 1, 1999	-	Wooster/East Ave.	July 1, 2022	74,813
July 1, 2000	-	Bishop Street	July 1, 2022	18,300
July 1, 2000	-	NW Storm Outlets	July 1, 2022	86,498
July 1, 2000	-	N. Arlington Bridge	July 1, 2022	49,727
July 1, 2001	-	Darrow Road	July 1, 2023	185,352
July 1, 2003	-	US 244 Phase II	July 1, 2025	281,678
July 1, 2005	-	Manchester Rd Ph I	July 1, 2027	25,650
July 1, 2005	-	Arlington St Signalization	July 1, 2027	320,520
July 1, 2005	-	E. Market St Widening	July 1, 2027	704,250
July 1, 2006	-	W. Market Street	July 1, 2028	494,000
July 1, 2006	-	Tallmadge Ave Singalization	July 1, 2027	73,760
July 1, 2006	-	Brown and Power St.	July 1, 2027	417,000
November 28, 2008	-	Barbara Ave.	January 1, 2040	136,499
November 28, 2008	-	Newton Street Bridge	January 1, 2040	448,729
July 1, 2008	-	Mill St. Bridge	July 1, 2039	674,238
March 13, 2009	-	Dover Ave.	January 1, 2030	276,057
August 4, 2010	-	Smith/Riverview Round	December 1, 2031	108,655
October 11, 2011	-	Carroll Street	July 1, 2041	504,533
Total Ohio Public Works Commission Loans - Direct Borrowings:				<u>\$ 5,140,863</u>

11. Bonds and Loans Payable and Defeased Debt (Continued)

Issued	Rate %	Issue	Final Maturity	Amount
Governmental Activities (Continued):				
<u>Ohio Development Services Agency Loans - Direct Borrowings:</u>				
March 31, 2011	2.0	Goodyear 166 Loan	December 1, 2030	\$ 3,955,000
Total Ohio Development Services Agency Loans - Direct Borrowings:				<u>\$ 3,955,000</u>
<u>Non-Tax Revenue Bonds:</u>				
November 25, 2014	.85 to 4.75	2014	December 1, 2034	\$ 20,000,000
November 12, 2015	1.40 to 3.625	2015	December 1, 2026	<u>10,410,000</u>
Total Non-tax Revenue Bonds:				<u>\$ 30,410,000</u>
<u>Income Tax Revenue Bonds:</u>				
December 15, 2011	2.0 to 3.75	2011	December 1, 2023	\$ 2,600,000
November 14, 2012	3.0 to 3.25	2012	December 1, 2032	7,550,000
November 25, 2014	2.0 to 5.0	2014	December 1, 2034	26,070,000
November 12, 2015	1.0 to 5.0	2015	December 1, 2028	16,480,000
December 6, 2016	1.50 to 5.0	2016	December 1, 2028	13,110,000
December 6, 2019	4.0	2019	December 1, 2041	<u>51,780,000</u>
Total Income Tax Revenue Bonds:				<u>\$ 117,590,000</u>
<u>Income Tax Revenue Bonds - Direct Borrowings:</u>				
August 8, 2013	2.03	2013	December 1, 2021	\$ 638,294
August 8, 2013	4.20	2013	December 1, 2028	2,355,914
August 7, 2014	2.03	2014	December 1, 2021	241,375
June 24, 2015	2.42	2015	June 1, 2035	4,475,714
November 14, 2018	4.7	2018	December 1, 2048	<u>1,973,000</u>
Total Income Tax Revenue Bonds - Direct Borrowings:				<u>\$ 9,684,297</u>
<u>CLC Income Tax Revenue Bonds:</u>				
July 28, 2010	5.87	2010C	December 1, 2026	\$ 15,060,000
June 27, 2012	3.5 to 5.0	2012A	December 1, 2033	127,055,000
May 7, 2014	.5 to 5.0	2014	December 1, 2033	18,420,000
December 8, 2016	3.5 to 5.0	2016	December 1, 2033	23,535,000
December 20, 2017	1.75 to 5.0	2017	December 1, 2033	36,240,000
August 4, 2019	3.0 to 5.0	2019	December 1, 2033	<u>11,045,000</u>
Total CLC Income Tax Revenue Bonds:				<u>\$ 231,355,000</u>
<u>Special Revenue (JEDD) Bonds:</u>				
December 21, 2011	2.75 to 5.0	2000	December 1, 2020	\$ 1,135,000
December 21, 2011	2.75 to 5.0	2000	December 1, 2020	1,140,000
December 21, 2011	2.75 to 5.0	2002	December 1, 2022	3,370,000
December 21, 2011	2.75 to 5.0	2002	December 1, 2022	<u>2,075,000</u>
Total Special Revenue (JEDD) Bonds:				<u>\$ 7,720,000</u>

11. Bonds and Loans Payable and Defeased Debt (Continued)

<u>Issued</u>	<u>Rate %</u>	<u>Issue</u>	<u>Final Maturity</u>	<u>Amount</u>
<u>Governmental Activities (Continued):</u>				
Special Assessment Obligations - Direct Placements:				
Street Improvement Bonds - Direct Placements:				
November 22, 2011	2.5	2011	December 1, 2021	\$ 725,000
December 15, 2017	2.3	2017	December 1, 2027	2,572,243
December 15, 2017	1.9	2017	December 1, 2022	238,288
December 15, 2017	2.3	2017	December 1, 2027	44,469
November 11, 2018	1.95	2018	December 1, 2023	403,184
December 11, 2018	2.35	2018	December 1, 2028	54,112
December 11, 2018	2.35	2018	December 1, 2028	1,688,630
December 13, 2019	1.45	2019	December 1, 2024	<u>1,545,611</u>
Total Special Assessment Obligations - Direct Placements:				<u>\$ 7,271,537</u>
 <u>Business-type Activities:</u>				
<u>General Obligation Bonds:</u>				
November 30, 2010	2.35 to 4.55	Canal/Tell	December 1, 2020	\$ 91,187
December 21, 2011	1.5 to 4.0	Canal/Tell	December 1, 2022	<u>127,855</u>
Total General Obligation Bonds:				<u>\$ 219,042</u>
 <u>Mortgage Revenue Bonds:</u>				
Waterworks System Bonds:				
September 17, 2009	2.5 to 5.0	2009	March 1, 2034	<u>\$ 7,660,000</u>
Total Mortgage Revenue Bonds:				<u>\$ 7,660,000</u>
 Mortgage Revenue Bonds - Direct Placements:				
Waterworks System Bonds:				
December 18, 2015	2.59	2015	March 1, 2026	<u>\$ 5,995,000</u>
Total Mortgage Revenue Bonds - Direct Placements:				<u>\$ 5,995,000</u>

11. Bonds and Loans Payable and Defeased Debt (Continued)

Issued	Rate %	Issue	Final Maturity	Amount
<u>Business-type Activities (Continued):</u>				
<u>Ohio Water Development Authority Loans - Direct Borrowings:</u>				
September 30, 1999	4.02	Water	July 1, 2020	\$ 76,513
May 25, 2000	4.64	Water	July 1, 2020	605,425
October 30, 2008	3.52	Water	January 1, 2020	90,837
October 30, 2008	3.52	Sewer	January 1, 2020	90,837
January 14, 2010	3.25	Sewer	January 1, 2030	597,838
November 19, 2009	3.25	Sewer	July 1, 2030	100,770
December 10, 2009	3.25	Sewer	July 1, 2020	42,535
December 10, 2009	3.25	Sewer	January 1, 2030	52,416
March 31, 2011	4.72	Sewer	January 1, 2032	582,844
February 24, 2011	4.14	Sewer	January 1, 2032	1,568,622
February 24, 2011	4.14	Sewer	January 1, 2032	295,744
December 8, 2011	2.80	Sewer	July 1, 2032	1,958,110
December 8, 2011	2.80	Water	January 1, 2033	1,436,819
December 8, 2011	2.80	Sewer	January 1, 2033	1,436,820
December 8, 2011	2.80	Sewer	January 1, 2032	621,610
December 8, 2011	3.55	Water	July 1, 2032	341,918
October 27, 2011	2.78	Sewer	July 1, 2033	17,027,481
October 27, 2011	2.85	Sewer	January 1, 2033	913,314
October 27, 2011	2.85	Sewer	July 1, 2032	697,832
June 28, 2012	2.00	Water	July 1, 2033	805,416
March 28, 2013	3.15	Sewer	July 1, 2034	3,907,456
May 30, 2013	2.67	Sewer	July 1, 2033	1,679,829
June 27, 2013	2.00	Water	July 1, 2034	2,289,629
June 27, 2013	2.00	Water	July 1, 2034	567,861
August 29, 2013	3.05	Sewer	January 1, 2035	5,091,782
September 26, 2013	4.24	Water	July 1, 2023	100,879
October 31, 2013	3.59	Sewer	January 1, 2020	139,012
December 12, 2013	3.62	Water	January 1, 2035	638,571
January 30, 2014	3.66	Sewer	July 1, 2034	1,161,257
January 30, 2014	3.66	Water	July 1, 2024	348,749
February 27, 2014	3.65	Water	January 1, 2035	1,896,270
February 27, 2014	4.15	Water	July 1, 2035	8,569,929
April 24, 2014	3.95	Sewer	January 1, 2036	2,257,180
April 24, 2014	3.45	Sewer	July 1, 2034	1,198,279
June 26, 2014	3.09	Sewer	January 1, 2036	8,390,122
June 26, 2014	3.01	Sewer	July 1, 2036	11,813,769
August 28, 2014	3.34	Sewer	July 1, 2035	5,301,909
February 26, 2015	1.89	Sewer	January 1, 2036	3,399,047
February 26, 2015	1.89	Sewer	January 1, 2038	16,396,407
April 30, 2015	2.03	Sewer	July 1, 2021	10,560,454
May 28, 2015	2.26	Sewer	January 1, 2036	801,623
May 28, 2015	2.26	Sewer	January 1, 2036	5,617,773
September 24, 2015	2.45	Sewer	January 1, 2036	3,804,899
February 25, 2016	2.04	Sewer	January 1, 2036	951,454
May 28, 2015	1.96	Sewer	January 1, 2038	23,733,893
June 25, 2015	1.57	Water	January 1, 2037	758,082
July 30, 2015	2.29	Sewer	January 1, 2036	4,710,905
August 27, 2015	2.32	Sewer	January 1, 2037	5,252,210
September 24, 2015	1.74	Water	July 1, 2036	1,371,290
October 29, 2015	2.18	Sewer	January 1, 2037	2,592,974
October 29, 2015	2.35	Sewer	July 1, 2049	203,209,817

11. Bonds and Loans Payable and Defeased Debt (Continued)

<u>Issued</u>	<u>Rate %</u>	<u>Issue</u>	<u>Final Maturity</u>	<u>Amount</u>
<u>Business-type Activities (Continued):</u>				
Ohio Water Development Authority Loans - Direct Borrowings (Continued):				
October 29, 2015	1.68	Water	July 1, 2037	\$ 355,691
December 10, 2015	2.14	Sewer	January 1, 2037	2,687,958
December 10, 2015	2.14	Sewer	January 1, 2037	3,716,220
December 10, 2015	2.14	Sewer	July 1, 2036	1,092,917
January 28, 2016	2.21	Sewer	January 1, 2026	433,231
February 25, 2016	2.05	Sewer	January 1, 2047	4,522,887
March 31, 2016	1.95	Sewer	January 1, 2048	19,374,788
June 30, 2016	1.75	Sewer	January 1, 2047	1,022,802
June 30, 2016	1.75	Sewer	July 1, 2048	20,277,166
June 30, 2016	1.66	Sewer	July 1, 2048	12,982,922
August 25, 2016	1.56	Sewer	July 1, 2037	1,446,723
August 25, 2016	1.40	Sewer	July 1, 2047	1,378,775
August 25, 2016	0.45	Sewer	July 1, 2049	40,355,109
August 25, 2016	1.40	Sewer	July 1, 2048	6,060,273
September 29, 2016	1.33	Sewer	January 1, 2048	3,913,890
April 27, 2017	2.33	Sewer	July 1, 2024	17,414,905
April 27, 2017	2.33	Sewer	July 1, 2023	1,431,589
April 27, 2017	1.83	Water	July 1, 2038	528,415
May 25, 2017	2.28	Sewer	July 1, 2024	3,617,715
May 25, 2017	0.93	Sewer	July 1, 2063	20,074,094
June 29, 2017	2.51	Sewer	January 1, 2048	1,785,567
February 22, 2018	-	Sewer	July 1, 2023	198,636
April 26, 2018	2.89	Water	January 1, 2029	491,731
June 28, 2018	1.65	Water	January 1, 2039	(1,634)
July 26, 2018	-	Water	January 1, 2039	218,834
September 27, 2018	1.63	Water	July 1, 2039	660,170
September 27, 2018	2.23	Sewer	July 1, 2065	1,676,238
January 31, 2019	2.40	Sewer	July 1, 2066	17,679,778
January 31, 2019	2.62	Sewer	January 1, 2066	935,691
January 31, 2019	2.52	Sewer	July 1, 2065	2,294,538
January 31, 2019	1.85	Water	January 1, 2040	32,909
February 28, 2019	-	Water	January 1, 2050	267,599
March 28, 2019	-	Water	January 1, 2025	268,045
May 30, 2019	1.87	Sewer	January 1, 2037	1,536,948
May 30, 2019	-	Water	July 1, 2024	158,569
May 30, 2019	0.66	Sewer	January 1, 2067	13,089,698
June 27, 2019	-	Water	July 1, 2040	4,444
July 25, 2019	1.77	Sewer	July 1, 2066	872,488
October 31, 2019	-	Water	July 1, 2040	91,891
Total Ohio Water Development Authority Loans - Direct Borrowings:				<u>\$ 572,807,222</u>
<u>Ohio Public Works Commission Loans - Direct Borrowings:</u>				
July 1, 1996	-	Sewer	January 1, 2020	\$ 22,682
July 1, 1997	-	Sewer	January 1, 2021	44,625
July 1, 2000	-	Water	July 1, 2021	223,750
July 1, 2005	-	Sewer	July 1, 2025	63,932
Total Ohio Public Works Commission Loans - Direct Borrowings:				<u>\$ 354,989</u>

11. Bonds and Loans Payable and Defeased Debt (Continued)

The following is a summary of the City's future debt service requirements as of December 31, 2019 (in thousands):

Fiscal Year Ending December 31	Governmental Activities					
	General Obligation		OPWC - Direct Borrowings		ODSA - Direct Borrowings	
	Principal	Interest	Principal	Interest	Principal	Interest
2020	\$ 16,048	\$ 4,044	\$ 596	\$ -	\$ 320	\$ 87
2021	18,342	3,469	546	-	330	80
2022	15,300	2,935	510	-	335	73
2023	14,410	2,494	466	-	340	65
2024	12,240	2,026	407	-	350	57
2025-2029	34,955	4,806	1,388	-	1,875	163
2030-2034	9,020	690	461	-	405	7
2035-2039	685	42	461	-	-	-
2040-2044	-	-	290	-	-	-
2045-2049	-	-	16	-	-	-
2050-2054	-	-	-	-	-	-
2055-2059	-	-	-	-	-	-
2060-2063	-	-	-	-	-	-
	<u>\$ 121,000</u>	<u>\$ 20,506</u>	<u>\$ 5,141</u>	<u>\$ -</u>	<u>\$ 3,955</u>	<u>\$ 532</u>

Fiscal Year Ending December 31	Non-Tax Revenue		Income Tax Revenue		Income Tax Revenue - Direct Borrowings	
	Principal	Interest	Principal	Interest	Principal	Interest
	2020	\$ 3,105	\$ 1,098	\$ 16,320	\$ 15,590	\$ 710
2021	3,190	1,013	19,520	15,011	725	304
2022	3,285	915	20,320	14,088	632	288
2023	3,395	808	21,135	13,099	628	265
2024	3,515	692	21,235	12,130	638	243
2025-2029	12,245	1,569	118,385	44,753	3,007	870
2030-2034	1,675	245	112,745	16,593	1,898	480
2035-2039	-	-	13,320	2,680	536	273
2040-2044	-	-	5,965	360	459	176
2045-2049	-	-	-	-	451	55
2050-2054	-	-	-	-	-	-
2055-2059	-	-	-	-	-	-
2060-2063	-	-	-	-	-	-
	<u>\$ 30,410</u>	<u>\$ 6,340</u>	<u>\$ 348,945</u>	<u>\$ 134,304</u>	<u>\$ 9,684</u>	<u>\$ 3,275</u>

Fiscal Year Ending December 31	Special Revenue (JEDD)		Special Assessment - Direct Placements	
	Principal	Interest	Principal	Interest
	2020	\$ 4,040	\$ 228	\$ 1,310
2021	1,810	117	1,339	115
2022	1,870	59	993	96
2023	-	-	930	76
2024	-	-	843	58
2025-2029	-	-	1,857	41
2030-2034	-	-	-	29
2035-2039	-	-	-	16
2040-2044	-	-	-	5
2045-2049	-	-	-	-
2050-2054	-	-	-	-
2055-2059	-	-	-	-
2060-2063	-	-	-	-
	<u>\$ 7,720</u>	<u>\$ 404</u>	<u>\$ 7,272</u>	<u>\$ 570</u>

11. Bonds and Loans Payable and Defeased Debt (Continued)

Fiscal Year Ending December 31	Business-type Activities					
	General Obligation		Mortgage Revenue		Mortgage Revenue - Direct Placements	
	Principal	Interest	Principal	Interest	Principal	Interest
2020	\$ 92	\$ 7	\$ 375	\$ 334	\$ 790	\$ 145
2021	63	4	390	320	810	124
2022	64	2	405	305	830	103
2023	-	-	420	288	855	81
2024	-	-	440	271	880	59
2025-2029	-	-	2,490	1,060	1,830	48
2030-2034	-	-	3,140	410	-	-
2035-2039	-	-	-	-	-	-
2040-2044	-	-	-	-	-	-
2045-2049	-	-	-	-	-	-
2050-2054	-	-	-	-	-	-
2055-2059	-	-	-	-	-	-
2060-2063	-	-	-	-	-	-
	<u>\$ 219</u>	<u>\$ 13</u>	<u>\$ 7,660</u>	<u>\$ 2,988</u>	<u>\$ 5,995</u>	<u>\$ 560</u>

Fiscal Year Ending December 31	OWDA - Direct Borrowings		OPWC - Direct Borrowings	
	Principal	Interest	Principal	Interest
	2020	\$ 31,118	\$ 13,717	\$ 106
2021	30,982	13,255	69	-
2022	27,392	13,788	54	-
2023	27,161	13,432	54	-
2024	26,785	12,805	54	-
2025-2029	125,017	55,654	18	-
2030-2034	119,898	38,756	-	-
2035-2039	83,114	25,154	-	-
2040-2044	79,267	16,120	-	-
2045-2049	15,242	3,888	-	-
2050-2054	2,996	433	-	-
2055-2059	2,925	205	-	-
2060-2063	910	20	-	-
	<u>\$ 572,807</u>	<u>\$ 207,227</u>	<u>\$ 355</u>	<u>\$ -</u>

Fiscal Year Ending December 31	Governmental Activities Total		Business-type Activities Total		Grand Total	
	Principal	Interest	Principal	Interest	Principal	Interest
	2020	\$ 42,449	\$ 21,502	\$ 32,481	\$ 14,203	\$ 74,930
2021	45,802	20,109	32,314	13,703	78,116	33,812
2022	43,245	18,454	28,745	14,198	71,990	32,652
2023	41,304	16,807	28,490	13,801	69,794	30,608
2024	39,228	15,206	28,159	13,135	67,387	28,341
2025-2029	173,712	52,202	129,355	56,762	303,067	108,964
2030-2034	126,204	18,044	123,038	39,166	249,242	57,210
2035-2039	15,002	3,011	83,114	25,154	98,116	28,165
2040-2044	6,714	541	79,267	16,120	85,981	16,661
2045-2049	467	55	15,242	3,888	15,709	3,943
2050-2054	-	-	2,996	433	2,996	433
2055-2059	-	-	2,925	205	2,925	205
2060-2063	-	-	910	20	910	20
	<u>\$ 534,127</u>	<u>\$ 165,931</u>	<u>\$ 587,036</u>	<u>\$ 210,788</u>	<u>\$ 1,121,163</u>	<u>\$ 376,719</u>

11. Bonds and Loans Payable and Defeased Debt (Continued)

All bonds and notes are backed by the full faith and credit of the City except revenue bonds. Water Mortgage Revenue Bonds are collateralized by the capital assets of the Water System that had net carrying values of approximately \$154,212,176 at December 31, 2019. In the event of default the Series 2015 Water Mortgage Revenue Bonds are subject to a default rate of 10% at minimum. It is the City's policy to pay debt service of the Enterprise and Internal Service Funds from the receipts of those funds. Accordingly, such debt is reported in those funds. Any deficiency is paid from the City's General Fund. Revenue bonds and OWDA loans are retired entirely from the excess of operating revenues over operating expenses of the applicable enterprise activity. Therefore, the City is under no obligation to repay these long-term obligations from the City's General Fund.

The outstanding Income Tax Revenue Bond agreements contain provisions that in an event of default, the trustee may accelerate the bonds to be immediately due and payable, may sue to enforce the terms of the agreement, or may enforce available remedies including marshal all money available in the funds.

The outstanding OPWC Direct Borrowing loan agreements contain provisions that in an event of default, the lender may terminate its obligations and elect to accelerate the amount outstanding to become immediately due and payable. Under the agreement terms any amounts in default will bear an interest rate of 8%.

The outstanding OWDA Direct Borrowing loan agreements contain provisions that in an event of default, the amount of such default will bear an interest rate at 3% above the agreed contract interest rate. If the City fails to perform terms of the project agreement and fails to provide a remedy, the State may increase the rate of the contract to recover remedy costs and eliminate the discount rate for the remainder of the contract period. In the event of termination, the loan principal will be made due and payable in full no later than 30 days after the termination or upon terms mutually agreed upon between the State and the City.

The Ohio Revised Code provides that the net debt of a municipal corporation, whether or not approved by the electors, shall not exceed 10.5% of the assessed value of all property in the municipal corporation as listed and assessed for taxation. In addition, the unvoted net debt of municipal corporations cannot exceed 5.5% of the total assessed value of property. At December 31, 2019, the City's total net debt amounted to 3.92% of the total assessed value of all property within the City and unvoted net debt amounted to 3.92% of the total assessed value of all property within the City.

11. Bonds and Loans Payable and Defeased Debt (Continued)

On August 14, 2019, the City issued \$11,045,000 in CLC Income Tax Revenue Refunding Bonds, Series 2019, maturing December 1, 2020 through December 1, 2033 with interest rates ranging from 2.21% to 2.84% to advance refund \$12,060,000 of outstanding CLC Income Tax Revenue Bonds, Series 2010B. Net proceeds of \$12,727,360, including a premium of \$1,751,821 and an underwriter's discount of \$69,461, were used to provide cash for debt service payments on the 2010B Series bonds.

As a result, the 2010B refunded bonds are considered defeased and the liability for these bonds has been removed from the financial statements. The City advanced refunded these bonds to reduce its total debt service payments by \$1,792,405 and incurred an economic gain (difference between the present values of the debt service payments on the old and new debt) of \$1,507,287.

11. Bonds and Loans Payable and Defeased Debt (Continued)

The City has defeased certain debt issues by placing investments in U.S. Government obligations in irrevocable escrow accounts. Such accounts will be used, together with interest earned thereon, to provide for the payment of all principal and interest on the defeased bonds on their scheduled due dates. Accordingly, the escrow accounts and the defeased bonds summarized below are not included in the accompanying financial statements at December 31, 2019:

Issue	Defeasance Date	Original Amount		Outstanding at 12/31/19
		Defeased	Escrowed	
Various Purpose Improvement Bonds, Series 1996	2005	\$ 2,600,000	\$ -	\$ 410,000
Various Purpose Improvement Bonds, Series 1999	2005	14,310,000	-	870,000
Various Purpose Improvement Bonds, Series 2000	2005	14,265,000	-	2,515,000
		<u>31,175,000</u>	<u>40,208,751</u>	<u>3,795,000</u>
Various Purpose Improvement Bonds, Series 2001	2010	13,850,000	14,792,506	1,460,000
Various Purpose Improvement Bonds, Series 2001	2011	7,425,000	7,474,877	3,160,000
Various Purpose Improvement Bonds, Series 2002	2011	19,390,000	20,342,508	7,995,000
Various Purpose Improvement Bonds, Series 2003	2011	15,635,000	17,109,007	6,775,000
		<u>42,450,000</u>	<u>44,926,392</u>	<u>17,930,000</u>
Income Tax Revenue Bonds, Series 1999	2011	6,290,000	6,330,767	2,520,000
Special Revenue Bonds (JEDD), Series 2000	2011	16,180,000	16,308,393	2,215,000
Special Revenue Bonds (JEDD), Series 2002	2011	16,400,000	17,153,385	5,290,000
		<u>32,580,000</u>	<u>33,461,778</u>	<u>7,505,000</u>
CLC Income Tax Revenue Bonds, Series 2004A	2012	165,000,000	177,376,931	132,565,000
Various Purpose Improvement Bonds, Series 2003	2012	8,755,000	9,301,891	5,100,000
Various Purpose Improvement Bonds, Series 2005	2014	36,750,000	40,380,525	20,875,000
Various Purpose Improvement Bonds, Series 2010C	2014	25,930,000	26,063,093	18,570,000
		<u>62,680,000</u>	<u>66,443,618</u>	<u>39,445,000</u>
Various Purpose Improvement Bonds, Series 2006	2015	12,990,000	14,021,482	9,150,000
Various Purpose Improvement Bonds, Series 2007	2015	11,095,000	12,333,842	8,690,000
		<u>24,085,000</u>	<u>26,355,324</u>	<u>17,840,000</u>
Non-Tax Revenue Bonds, Series 2006	2015	14,580,000	15,663,380	9,605,000
Waterworks Revenue Bonds, Series 2006	2015	8,065,000	8,242,290	6,005,000
Various Purpose Improvement Bonds, Series 2009	2016	10,200,000	10,609,118	9,330,000
Various Purpose Improvement Bonds, Series 2010D	2016	7,275,000	7,321,742	7,215,000
Income Tax Revenue Bonds, Series 2012	2016	15,955,000	16,473,042	13,540,000
Various Purpose Improvement Bonds, Series 2010B	2017	11,950,000	12,610,415	11,950,000
CLC Income Tax Revenue Bonds, Series 2010A	2017	15,000,000	15,929,577	15,000,000
CLC Income Tax Revenue Bonds, Series 2014	2017	20,625,000	23,306,790	20,625,000
		<u>35,625,000</u>	<u>39,236,367</u>	<u>35,625,000</u>
CLC Income Tax Revenue Bonds, Series 2010B	2019	12,060,000	12,825,548	12,060,000
				<u>\$ 333,490,000</u>

11. Bonds and Loans Payable and Defeased Debt (Continued)

The City of Akron's General Obligation bonds are rated "AA-" by Standard & Poor's Ratings Services, "A+" by Fitch Ratings and "Aa3" by Moody's Investors Service, Inc. The insured Water Revenue bonds were originally rated "Aa2" from Moody's. The 2009 Water Revenue bonds were originally rated "Aa2" by Moody's and they were assigned "AA" by Standard & Poor's in 2017. As of December 31, 2019, the City's bond ratings are as follows:

<u>Bond Description</u>	<u>Moody's Investors Service</u>	<u>Standard and Poor's</u>	<u>Fitch Ratings</u>
	<u>Current Rating</u>	<u>Current Rating</u>	<u>Current Rating</u>
2009 Waterworks System Mortgage Revenue Improvement and Refunding Bonds	A3	AA	N/A
2010 Various Purpose Refunding Bonds, Series A	N/A	AA-	A+
2010 Various Purpose Refunding Bonds, Series B	N/A	AA-	A+
2010A Income Tax Revenue Bonds (CLC)	N/A	AA	N/A
2010C Income Tax Revenue Bonds (CLC)	N/A	AA	N/A
2011 JEDD Revenue Refunding Bonds	N/A	AA-	N/A
2011 Pension Income Tax Revenue Refunding Bonds	Aa3	AA	N/A
2011 Various Purpose Refunding Bonds	Aa3	AA-	N/A
2012 Various Purpose Refunding Bonds	N/A	AA-	N/A
2012 Various Purpose Income Tax Refunding Bonds	N/A	AA	N/A
2012A Income Tax Revenue Bonds (CLC)	N/A	AA	N/A
2013-A Certificates of Participation	N/A	A+	N/A
2013-B Certificates of Participation	N/A	A+	N/A
2014 Income Tax Revenue Bonds (CLC)	N/A	AA	N/A
2014 Various Purpose Refunding Bonds, Series A	N/A	AA-	N/A
2014 Various Purpose Refunding Bonds, Series B	N/A	AA-	N/A
2014 Various Purpose Refunding Bonds, Series C	N/A	AA-	N/A
2014 Various Purpose Income Tax Refunding Bonds	N/A	AA	N/A
2014 Nontax Revenue Economic Development Bonds	N/A	AA-	N/A
2015 Various Purpose Refunding Bonds	N/A	AA-	N/A
2015 Waterworks System Mortgage Revenue Refunding Bonds	N/A	N/A	N/A
2015 Nontax Revenue Economic Development Bonds	N/A	AA-	N/A
2015 Income Tax Revenue Bonds	N/A	N/A	N/A
2015 Income Tax Revenue Refunding Bonds	N/A	N/A	N/A
2016 General Obligation Judgement Bonds	N/A	AA-	N/A
2016 Steam Utility Certificates of Participation	N/A	A+	N/A
2016 Various Purpose Refunding Bonds, Series A	N/A	AA-	N/A
2016 Various Purpose Refunding Bonds, Series B	N/A	AA-	N/A
2016 Income Tax Revenue Refunding Bonds	N/A	AA	N/A
2016 Income Tax Revenue Bonds (CLC)	N/A	AA	N/A
2017 Resurfacing Special Assessment Bonds, Series A	N/A	N/A	N/A
2017 Street Improvement Special Assessment Bonds, Series A	N/A	N/A	N/A
2017 Street Improvement Special Assessment Bonds, Series B	N/A	N/A	N/A
2017 Various Purpose Refunding Bonds, Series A	N/A	AA-	A+
2017 Various Purpose Refunding Bonds, Series B	N/A	AA-	A+
2017 Income Tax Revenue Bonds (CLC)	N/A	AA	N/A
2018 Resurfacing Special Assessment Bonds, Series A	N/A	N/A	N/A
2018 Street Improvement Special Assessment Bonds, Series A	N/A	N/A	N/A
2018 Street Improvement Special Assessment Bonds, Series B	N/A	N/A	N/A
2018 Steam Utility Certificates of Participation	N/A	A+	N/A
2018 Income Tax Revenue Bonds	N/A	N/A	N/A
2019 Resurfacing Special Assessment Bonds, Series A	N/A	N/A	N/A
2019 Income Tax Revenue Refunding Bonds	N/A	AA	N/A
2019 Income Tax Revenue Refunding Bonds (CLC)	N/A	AA	N/A
2019 Steam Utility Certificates of Participation	N/A	A+	N/A

11. Bonds and Loans Payable and Defeased Debt (Continued)

During 2010, the City entered into an agreement with various parties to unconditionally guarantee the principal and interest payments on behalf of the International Soap Box Derby, Inc. for the loan issued by FirstMerit Bank. As of December 31, 2019, the principal amount outstanding was \$207,675. The City believes that the International Soap Box Derby Inc. is current on all required debt service payments and will continue to pay all debt service when due throughout the remaining term of the loan; therefore, no provision for such guarantee has been recorded in the financial statements as of December 31, 2019.

During 2012, the City entered into an amendment and restatement of cooperative agreement among various parties to unconditionally guarantee the principal and interest payments of the Development Finance Authority of Summit County Revenue Bonds (Akron Civic Theatre Project), issued by the Development Finance Authority of Summit County. As of December 31, 2019, the principal amount outstanding was \$12,460,000. The City believes that the Development Finance Authority of Summit County is current on all required debt service payments and will continue to pay all debt service when due throughout the remaining term of the bonds; therefore, no provision for such guarantee has been recorded in the financial statements as of December 31, 2019.

During 2012, the City entered into a cooperative agreement with the Development Finance Authority of Summit County, Akron Baseball, LLC, and The Bank of New York Mellon Trust Company, N.A. to facilitate financing. The Development Finance Authority of Summit Development Revenue Bonds, Series 2012 were issued for \$3.6 million. The obligation of the City to make appropriation payments are subject to the annual appropriations made by City Council. The City has recorded a short-term liability of \$210,875 and a long-term liability of \$4,585,925 for the principal and interest payments scheduled to be paid during 2020 through 2042 in the accompanying financial statements. The principal balance outstanding as of December 31, 2019 is \$3,040,000.

The obligations of the City under this agreement, including its obligation to make payments during any fiscal year of the City in which this agreement is in effect, shall not constitute a general obligation or indebtedness of the City within the meaning of the constitution and laws of the State of Ohio. The agreement does not pledge any taxes or other moneys to the amounts payable by the City. Nothing constitutes a pledge by the City or an obligation by the City, of any taxes or other moneys to the payment of any amount payable by the City under this agreement.

On May 8, 2013, the Development Finance Authority (DFA) of Summit County issued Taxable Development Revenue Bonds, Series 2013A, in the amount of \$6,645,000 for the University Edge project by developer Lawrence B. Levey & University Square Investors II, LLC. These bonds mature on November 15, 2027. The City has received approval from the State of Ohio for Tax Increment Financing (TIF) on improvements to the land to be used for the project. The TIF Service Payments will be used to pay the debt service on the bonds issued by the DFA. In the event TIF Service Payments are not sufficient in any particular year to cover the annual debt service on the bonds, the developer will be required to pay the deficiency.

On March 1, 2019, the Development Finance Authority (DFA) of Summit County issued Development Revenue Refunding Bonds, Series 2019, in the amount of \$2,750,000 to refinance previous bond obligations which the City had guaranteed on behalf of the Akron Community Service Center and Urban League to pay the costs of the Akron Urban League's community service center and operations. During 2019 the City entered into an agreement with the County of Summit and Development Finance Authority to guarantee one half of the loan payments on behalf of the Akron Community Service Center and Urban League. As of December 31, 2019, the principal outstanding on the loan was \$2,717,333. The City believes the Akron Urban League is current on all required debt service payments and will continue to pay all debt service when due throughout the remaining term of the bond; therefore, no provision for such guarantee has been recorded in the financial statements as of December 31, 2019.

12. Obligations Under Capitalized Leases and Certificates of Participation (COPs)

In November, 1996, \$28.9 million Series 1996 Convertible Capital Appreciation Certificates of Participation (COPS) were issued by a bank to finance the costs of the construction of a professional baseball stadium (meeting class “AA” standards) within the City. This issue was refunded by the issuance of Series 2005 COPS. The 2005 issue was refunded by the issuance of Series 2013 COPS. In connection with the issuance of these COPS, and as amended, the City entered into a capital lease agreement (as lessee) for the baseball stadium. The City will make lease payments during successive annual renewal periods through November 25, 2023, providing City Council appropriates funds each year for that purpose. If the lease is paid through November 25, 2023, the City will acquire title to the baseball stadium. The lease agreement also includes a purchase option during the years 2014 through 2023.

The trust agreement for the issuance of the 2013 COPS requires the City to deposit \$20,000 annually into a Capital Renewal Fund. The City can utilize these funds for capital improvements such as repairs, renovations, additional equipment, other facilities, or other improvements to the baseball stadium.

The City has defeased certain certificate issues by placing investments in U.S. Government Obligations in irrevocable escrow accounts. Such accounts will be used, together with interest earned thereon, to provide for the payment of all principal and interest on the defeased certificates on their scheduled due dates. Accordingly, the escrow accounts and the defeased certificates summarized below are not included in the accompanying financial statements at December 31, 2019:

Issue	Defeasance Date	Original Amount		Principal Outstanding at 12/31/19
		Defeased	Escrowed	
Certificates of Participation, Series 2010	2019	\$ 9,830,000	\$ 10,539,250	\$ -

On October 25, 2016, the City issued \$11,965,000 Series 2016 Convertible Certificates of Participation (COPs) for the Akron Energy Systems Project (AES). During 2018, the City issued additional COPs totaling \$24,445,000 for the Akron Energy Systems Project. During 2019 the City issued additional AES COPS totaling \$9,360,000. Total future payments as of December 31, 2019 are as follows:

Year	Series 2016		Series 2018		Series 2019	
	Principal	Interest	Principal	Interest	Principal	Interest
2020	345,000	373,725	585,000	960,575	590,000	245,781
2021	350,000	366,394	605,000	937,175	795,000	232,801
2022	360,000	358,519	635,000	906,925	810,000	214,834
2023	365,000	349,969	670,000	875,175	830,000	195,961
2024	385,000	331,719	700,000	841,675	855,000	176,041
2025-2029	2,210,000	1,377,094	4,065,000	3,654,425	4,600,000	531,611
2030-2034	2,600,000	992,406	5,000,000	2,724,525	880,000	26,488
2035-2039	3,050,000	543,719	5,990,000	1,731,413	-	-
2040-2044	1,365,000	69,525	5,635,000	538,312	-	-
	<u>\$ 11,030,000</u>	<u>\$ 4,763,070</u>	<u>\$ 23,885,000</u>	<u>\$ 13,170,200</u>	<u>\$ 9,360,000</u>	<u>\$ 1,623,517</u>

12. Obligations Under Capitalized Leases and Certificates of Participation (COPs) (Continued)

The City also has ten other capital leases. The first is a 2015 five-year capital lease agreement for street sweepers. The cost of the equipment is \$731,754 and is included in the City's capital assets in the Statement of Net Position - Governmental Activities.

The second is a 2016 15-year capital lease agreement with Summit County to upgrade the radio system. The City's share of equipment totals \$10,635,000, consisting of City owned equipment in the amount of \$5,710,490 and the City's share of jointly owned equipment in the amount of \$4,924,510. It is included in the City's capital assets in the Statement of Net Position - Governmental Activities.

The third is a 2017 four-year capital lease for street sweepers. The cost of the equipment is \$570,147 and is included in the City's capital assets in the Statement of Net Position - Governmental Activities.

The fourth is a 2017 three-year capital lease for police vehicles. The cost of the vehicles totals \$469,838 and is included in the City's capital assets in the Statement of Net Position - Governmental Activities.

The fifth agreement is a 2018 three-year packer trucks lease at a rate of 2.13% for equipment totaling \$776,157 and is included in the City's capital assets in the Statement of Net Position - Governmental Activities.

The sixth agreement is a five-year 2018 street sweepers lease at a rate of 4.18% for equipment totaling \$427,992 and is included in the City's capital assets in the Statement of Net Position - Governmental Activities.

The seventh agreement is a 2018 five-year lease at a rate of 4.19% for one Vac-Con sewer cleaning truck totaling \$386,934. It is included in the City's capital assets in the Statement of Net Position - Business-Type Activities and in the Sewer Fund.

The ninth agreement is a 20-year capital lease agreement at a rate of 4.00% for Fire Station No. 4 totaling \$9,585,000. The Development Finance Authority of Summit County (DFA) issued conduit bonds during 2018 to finance construction of Fire Station No. 4 on behalf of the City and will use the lease payments to pay the debt service on the bonds. The DFA also entered into a ground lease agreement with the City for the location of the property. The lease is included in the City's capital assets in the Statement of Net Position - Governmental Activities.

The tenth agreement is a 2017, 20-year capital lease agreement for Compost Facility Anaerobic Digestion System 2(ADS2) totaling \$39,490,889 and is included in the City's capital assets in the Statement of Net Position - Business-Type Activities. This was previously reported as construction in process and restated beginning balance at January 1, 2019 to record as a capital lease (Note 30).

The following is a summary of the capital lease transactions for the year ended December 31, 2019:

	Governmental Activities				
	COPS Stadium	2015 Street Sweepers	2017 Street Sweepers	2018 Street Sweepers	Police Vehicles
Capital Lease at January 1, 2019, as restated	\$ 7,175,000	\$ 291,557	\$ 365,475	\$ 354,142	\$ 238,463
Additions	-	-	-	-	-
Retirements	(2,145,000)	(112,481)	(99,439)	(59,046)	(158,175)
Capital Lease at December 31, 2019	<u>\$ 5,030,000</u>	<u>\$ 179,076</u>	<u>\$ 266,036</u>	<u>\$ 295,096</u>	<u>\$ 80,288</u>

12. Obligations Under Capitalized Leases and Certificates of Participation (COPs) (Continued)

	Governmental Activities (continued)			Enterprise	
	Radio System	Packer Trucks	Fire Station No. 4	ADS2 Plant	Vac-Con Sewer Truck
Capital Lease at January 1, 2019, as restated	\$ 9,510,000	\$ 588,228	\$ 9,585,000	\$ 35,541,800	\$ 329,547
Additions	-	-	-	-	-
Retirements	(615,000)	(191,945)	(325,000)	(1,974,544)	(43,578)
Capital Lease at December 31, 2019	<u>\$ 8,895,000</u>	<u>\$ 396,283</u>	<u>\$ 9,260,000</u>	<u>\$ 33,567,256</u>	<u>\$ 285,969</u>

Future lease payments are as follows as of December 31, 2019:

Year	Governmental Activities				
	COPS Stadium	2015 Street Sweepers	2017 Street Sweepers	2018 Street Sweepers	Police Vehicles
2020	\$ 2,397,112	\$ 184,000	\$ 107,334	\$ 73,849	\$ 81,100
2021	2,394,513	-	168,000	73,849	-
2022	283,200	-	-	73,849	-
2023	282,150	-	-	106,000	-
2024	-	-	-	-	-
Total lease payments	5,356,975	184,000	275,334	327,547	81,100
Less amount representing interest	326,975	4,925	9,298	32,452	812
Present value of lease payments	<u>\$ 5,030,000</u>	<u>\$ 179,075</u>	<u>\$ 266,036</u>	<u>\$ 295,096</u>	<u>\$ 80,288</u>
Net book value of leased assets	<u>* \$ 15,673,271</u>	<u>\$ 512,228</u>	<u>\$ 427,610</u>	<u>\$ 363,793</u>	<u>\$ 78,306</u>

Year	Governmental Activities (continued)			Enterprise	
	Radio System	Packer Trucks	Fire Station No. 4	ADS2 Plant	Vac-Con Sewer Truck
2020	\$ 918,125	\$ 203,435	\$ 697,875	\$ 2,583,496	\$ 57,387
2021	920,625	203,437	694,275	2,583,496	57,387
2022	921,025	-	695,275	2,583,496	57,386
2023	921,525	-	695,675	2,583,496	150,000
2024	919,725	-	695,475	2,583,496	-
2025-2029	4,602,375	-	3,472,775	12,917,480	-
2030-2034	1,842,425	-	3,476,275	12,917,480	-
2035-2039	-	-	2,778,544	5,166,992	-
Total lease payments	11,045,825	406,872	13,206,169	43,919,432	322,160
Less amount representing interest	2,150,825	10,587	3,946,169	10,352,176	36,192
Present value of lease payments	<u>\$ 8,895,000</u>	<u>\$ 396,285</u>	<u>\$ 9,260,000</u>	<u>\$ 33,567,256</u>	<u>\$ 285,968</u>
Net book value of leased assets	<u>\$ 6,912,750</u>	<u>\$ 659,733</u>	<u>\$ 9,297,450</u>	<u>\$ 37,022,709</u>	<u>\$ 328,894</u>

*Amount represents the entire net book value of the capital lease recorded in the statement of net position.

13. Self-Insurance Funds

The City is exposed to various risks of loss including employee health-care costs and accidents, torts and legal judgments, and damage or destruction of assets. The City purchases fire and extended coverage insurance on all buildings and contents up to \$175,000,000 per occurrence, with a variety of deductibles beginning at \$250,000. Coverage is purchased on 1,017 vehicles for combined single-limit liability of \$1,000,000. There has been no significant reduction in coverage from the prior year, and settled claims have not exceeded the City's insurance coverage in any of the past three years.

The City has a Medical Self-Insurance Fund. The purpose of this fund is to pay medical claims for City employees and their covered dependents and minimize the total cost of medical benefits of the City. The plan is internally managed and accounted for as an Internal Service Fund. This Internal Service Fund has been in existence since 1987.

The City has an Internal Service Fund entitled "Workers' Compensation Reserve Fund" to account for self-insured workers' compensation claims. Workers' compensation is administered by the State of Ohio under a retrospective rating plan. The City reimburses the Ohio Bureau of Workers' Compensation for injured workers' claims subject to a maximum annual claim limit of \$300,000 for each worker's compensation claim. All funds of the City participate in the program and make payments to the Internal Service Fund based on the experience premium that would normally be charged by the Ohio Bureau of Workers' Compensation. Future claims liabilities are actuarially determined.

The City has a Self-Insurance Settlement Fund. The purpose of this fund is to pay judgments and claims. Claims are accrued based upon estimates, past experience, and current claims outstanding. Actual claims experience may differ from the estimate.

The claims liabilities of \$3,898,477, \$1,498,663, and \$905,619 reported in the Medical, Workers' Compensation, and Self-Insurance Settlement funds, respectively, at December 31, 2019, are in accordance with the requirements of GASB Statement No. 10, *Accounting and Financial Reporting for Risk Financing and Related Insurance Issues*, and GASB Statement No. 30, *Accounting and Financial Reporting for Risk Financing and Related Insurance Issues*. These GASB statements require that a liability for claims be reported if information prior to the issuance of the financial statements indicates that it is probable that a liability has been incurred at the date of the financial statements and the amount of the loss can be reasonably estimated. The liabilities recorded include the estimated incremental expenses to be incurred to settle the claims, including legal fees. Claims liabilities are based on evaluations of individual claims and a review of experience with respect to the probable number and nature of claims arising from losses that have been incurred but have not yet been reported. The claims liabilities represent the estimated ultimate cost of settling the claims, including the effects of inflation and other societal and economic factors. Estimated future recoveries on settled and unsettled claims, such as subrogations, if any, are evaluated in terms of their estimated realizable value and deducted from the liability for unpaid claims. Any adjustments resulting from the actual settlement of the claims are reflected in the financial statements at the time the adjustments are determined.

13. Self-Insurance Funds (Continued)

Changes in the funds' claims liabilities (both current and long-term) amounts in fiscal 2018 and 2019 were:

	<u>Beginning of Year Liability</u>	<u>Claim Adjustments</u>	<u>Current Period Claims</u>	<u>Claim Payments</u>	<u>Balance at End of Year</u>
<u>Medical Self-Insurance Fund</u>					
2018	\$ 3,398,380	\$ -	\$ 31,610,923	\$ (31,596,856)	\$ 3,412,447
2019	3,412,447	-	34,263,653	(33,777,623)	3,898,477
<u>Workers' Compensation Reserve Fund</u>					
2018	1,251,087	-	996,161	(250,849)	1,996,399
2019	1,996,399	(58,216)	-	(439,520)	1,498,663
<u>Self-Insurance Settlement Fund</u>					
2018	789,360	(444,642)	538,197	-	882,915
2019	882,915	(721,995)	744,699	-	905,619

14. Long-term Liabilities

The City reports the following amounts, on the Statement of Net Position, relating to the government's long-term liabilities for the year ended December 31, 2019:

	January 1, 2019 as restated	Additions	Deletions	December 31, 2019
Governmental Activities:				
Governmental Funds:				
Accrued vacation and leave (Note 8)	\$ 44,099,682	\$ 15,445,000	\$ (10,987,214)	\$ 48,557,468
Bonds, notes and loans payable	549,456,475	77,370,611	(105,532,533)	521,294,553
COPs and obligations under capital lease (Note 12)	68,586,781	-	(5,228,513)	63,358,268
Due to other governments (Note 4)	3,286,000	1,519,000	-	4,805,000
Employment Related Liabilities (Note 1)	932,737	-	(125,777)	806,960
Guarantees and other obligations	8,544,751	-	(816,877)	7,727,874
Net pension liability (Note 9)	206,967,418	90,760,700	-	297,728,118
OPEB liability (Note 9)	281,941,677	6,209,230	(143,328,986)	144,821,921
Unearned revenue	6,935,257	-	(141,536)	6,793,721
Total Governmental Funds	1,170,750,778	191,304,541	(266,161,436)	1,095,893,883
Internal Service Funds:				
Accrued vacation and leave (Note 8)	2,885,758	959,311	(1,105,913)	2,739,156
Bonds, notes and loans payable	2,500,000	1,500,000	(2,500,000)	1,500,000
Net pension liability (Note 9)	6,576,712	4,850,859	(21,017)	11,406,554
OPEB liability (Note 9)	9,826,684	865,313	(1,242,381)	9,449,616
Liability for unpaid claims	1,556,879	-	(269,254)	1,287,625
Total Internal Service Funds	23,346,033	8,175,483	(5,138,565)	26,382,951
Total Governmental Activities	1,194,096,811	199,480,024	(271,300,001)	1,122,276,834
Business-type Activities:				
Enterprise Funds:				
Water				
Accrued vacation and leave (Note 8)	3,183,419	1,325,588	(1,159,600)	3,349,407
Bonds, notes and loans payable (Notes 10,11)	35,377,372	2,009,537	(3,460,725)	33,926,184
Net pension liability (Note 9)	9,458,510	7,279,787	(30,786)	16,707,511
OPEB liability (Note 9)	16,711,832	1,384,556	(1,878,384)	16,218,004
Sewer				
Accrued vacation and leave (Note 8)	2,174,984	1,329,794	(1,127,263)	2,377,515
Bonds, notes and loans payable (Notes 10,11)	480,787,851	71,734,889	(31,530,904)	520,991,836
COPs and obligations under capital lease (Note 12)	33,853,225	-	(2,019,949)	31,833,276
Due to other governments (Note 4)	62,566	-	(29,495)	33,071
Net pension liability (Note 9)	6,100,423	4,248,328	(19,033)	10,329,718
OPEB liability (Note 9)	10,472,256	686,642	(1,652,578)	9,506,320
Off Street Parking				
Bonds, notes and loans payable (Notes 10,11)	219,042	-	(91,670)	127,372
Other Business-type Activities				
Accrued vacation and leave (Note 8)	68,774	35,932	(38,615)	66,091
Net pension liability (Note 9)	516,479	486,451	(1,845)	1,001,085
OPEB liability (Note 9)	476,693	346,031	(1,905)	820,819
Guarantees and other obligations	-	279,300	-	279,300
Total Business-type Activities	599,463,426	91,146,835	(43,042,752)	647,567,509
Total	\$ 1,793,560,237	\$ 290,626,859	\$ (314,342,753)	\$ 1,769,844,343

15. Compliance and Accountability

The following funds have fund balance deficits or net position deficits at December 31, 2019:

Special Revenue Funds:

Special Assessment	9,849,322
Community Development	866,703
Joint Economic Development District	895,214
Police Grants	147,302
City Facilities Operating	934,302

Capital Projects Funds:

Streets	2,254,733
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Internal Service Funds:

Motor Equipment	4,751,381
Medical Self-Insurance	3,577,161
Workers' Compensation Reserve	614,212
Self-Insurance Settlement	887,677
Engineering Bureau	11,058,075
Information Technology	1,252,073

The Special Revenue Funds that have deficit fund balances at year-end have incurred expenditures that have not yet received the revenue under federal or state grant agreements or as a reimbursement including some from other funds. The Special Assessment Fund is awaiting receipt of assessments from property owners to retire the special assessment notes issued to cover the property owners assessments including street cleaning and street lighting. On a cash basis, only the Police Grants received subsidy from the General Fund. The Community Development fund incurred expenditures related to grants and has not yet been reimbursed. The Joint Economic Development District has significantly reduced the deficit and will review during the year. The City will review the charges for services in the City Facilities Operating Fund. The Streets Fund will be reviewed throughout the year.

The Internal Service Funds that have deficit net position balances at year-end have incurred expenses above charges for services. User charges will be assessed to eliminate the deficits. The City is reviewing the charges for services in the Motor Equipment Fund and will adjust rates if necessary. The Medical Self-Insurance Fund debt will continue to be repaid through user charges. The City's policy is to transfer funds from the pertinent division's operating budget for actual claim settlements to reimburse the Self-Insurance Settlement Fund. The Workers' Compensation Reserve deficit was caused by an increase in claims and premiums due to the Ohio Bureau of Workers Compensation. The Engineering Bureau Division will continue to review applied overhead rates charged for projects to decrease deficits going forward. In 2018 GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits other than Pension* was implemented. This implementation for OPEB (other postemployment benefits) liabilities attributes to the deficits in Motor Equipment, Medical Self-Insurance, Engineering Bureau and Information Technology.

16. Income Taxes

The City levies a tax at the rate of 2.50% on substantially all income earned within the City. In addition, residents of the City are required to pay City income tax on income earned outside the City. However, a credit is allowed for income taxes paid to other municipalities. Employers within the City are required to withhold income tax on employee compensation and remit this tax to the City at least quarterly. Corporations and other individual taxpayers are required to file a declaration annually and pay their estimated tax quarterly.

On May 6, 2003, Akron voters increased the City's income tax rate from 2% to 2.25% which took effect January 1, 2004. However, the additional .25% increase is restricted exclusively for funding the Akron Public Schools' local share in obtaining State of Ohio grants for the construction and renovation of community learning centers in Akron. Therefore, the additional .25% will not be distributed according to City Charter into both operation and capital improvement funds, as described below.

On November 7, 2017, Akron voters increased the City's income tax rate from 2.25% to 2.50% which took effect January 1, 2018. However, the additional .25% increase is designated exclusively for funding public safety protection, including the capital and operating expenses of the Akron Police and Fire Departments, and public service improvements, including roadway improvements and related capital and operating expenses of the City of Akron. Therefore, the additional .25% will not be distributed according to the City Charter into both operation and capital improvement funds, as described below.

The proceeds of income taxes, after payment of the expenditures incurred from collection thereof, are allocated by the City Charter as follows: 27% to capital expenditures and 73% to the General Fund. The portion allocated to capital expenditures may be utilized for payment of debt service or capital expenditures of any City fund.

17. Property Taxes

Property taxes include amounts levied against all real and public utility property located in the City. The Property taxes collected are allocated to the various funds based upon voter authorization.

Real property taxes are levied each October on the assessed value listed as of the prior January 1. Assessed values are established by the County Fiscal Officer at 35% of appraised market value. By law, a revaluation of all property based on current individual appraisals is required to be completed no less than every six years. The last revaluation was completed in tax year 2017 for collection in 2018. The next sexennial revaluation will be completed in 2020 for collection in 2021. In addition, the County Fiscal Officer is required to adjust (but without individual appraisal of properties except in the sexennial reappraisal) taxable real property values triennially to reflect true values.

Real estate and public utility taxes attach an enforceable lien on property as of December 31 in the year levied. Payments are scheduled in two installments in mid-February and mid-July of the succeeding year and are considered delinquent if unpaid as of December 31 of that year

The assessed value upon which the 2019 property tax collections was based aggregated \$2,708,795,330. The assessed value for 2019 (upon which the 2020 property tax collections will be based) is approximately \$2,846,659,680. Under the current allocation method, the City's share was 1.05% (10.5 mills) of

17. Property Taxes (Continued)

assessed value in 2019 for collection in 2020. The City's Charter limits the maximum total tax rate that could be levied without a vote of the electors to 1.05% (10.5 mills).

The Fiscal Officer collects property taxes on behalf of all taxing districts in the County including the City of Akron and periodically remits to the City its portion of the taxes collected. Current real property tax collections for the year ended December 31, 2019, including delinquencies from prior years, were 92.71% of the current year tax levy. On a full accrual basis, collectible delinquent property taxes have been recorded as revenue, while the remainder of the tax receivable is deferred.

18. JEDD Revenues

In an effort to promote regional growth and economic development, the City has entered into contracts with four surrounding townships and a bordering municipality to create Joint Economic Development Districts (JEDDs). The City entered into separate contracts with Copley, Coventry, and Springfield Townships to create JEDDs in 1994. Voters in each township approved the respective JEDD contracts in the November 1994 election, which became effective January 1, 1995. In accordance with state law, each of the Districts' Board of Trustees levied a 2% income tax effective January 1, 1995. In accordance with the City of Akron's income tax increases, as of January 1, 2005, Copley, Coventry and Springfield's income tax rate increased to 2.25% and as of January 1, 2018 increased to 2.5%. The proceeds of that tax are allocated, in accordance with the contract, primarily to the City. The City has utilized these JEDD revenues, in part, to construct water and sewer lines so that the JEDDs have access to the City's water and sewer system and to encourage and promote economic development.

In 1998 the City entered into a JEDD contract with Bath Township (Bath) and the City of Fairlawn (Fairlawn). This contract was approved by voters in November 1998 and became effective on January 1, 1999. As in the other JEDDs, a 2% income tax has been levied by the District. In accordance with the City of Akron's income tax increases, as of January 1, 2006, Bath's income tax rate increased to 2.25% and as of January 1, 2018 increased to 2.5%. As stated in the contract, the net JEDD revenues are allocated to the City and Fairlawn, with the City providing water and sewer services.

19. Pledged Revenues

Pursuant to GASB No. 48, *Accounting and Financial Reporting for Sales and Pledges of Receivables and Intra-Entity Transfers of Assets and Future Revenues*, the City holds different types of pledged revenue. Pledged revenues of the City are broken down into water system revenues, sewer system revenues, JEDD revenues, non-tax revenues, income tax revenues, and CLC income tax revenues.

Water System Revenues

The City has pledged future water customer revenues, net of specified operating expenses, to repay \$81.6 million in water system revenue bonds and Ohio Water Development Authority loans issued at various dates ranging from September 30, 1999 through October 31, 2019. Proceeds from the bonds and loans provided financing for various water projects. The bonds and loans are payable solely from water customer net revenues and have varying final maturity dates ranging from January 1, 2020 through January 1, 2050. The total principal and interest remaining to be paid on the bonds and loans as of December 31, 2019 is \$46,150,142. Principal and interest paid for 2019 and total customer net revenues were \$4,277,614 and \$(1,812,723) respectively.

Issued	Amount of Issue	Purpose of Issue	Final Maturity	Debt Service	Future Debt Service
09/17/09	\$ 22,100,000	Various Water Projects	03/01/34	\$ 712,546	\$ 10,647,775
12/18/15	8,300,000	Various Water Projects	03/01/26	930,185	6,555,152
09/30/99	1,076,288	Clean and Reline Wtr Main	07/01/20	78,827	78,828
05/25/00	8,108,231	Sedimentation Basin Rehab	07/01/20	621,832	626,574
10/30/08	1,547,061	Water Meter Replacement	01/01/20	184,412	92,436
06/28/12	1,092,305	Water Main Replacement	07/01/33	66,244	927,423
12/08/11	2,375,202	Water Wall	01/01/33	128,548	1,735,362
12/08/11	470,615	Stow Road Bolt Replemnt	07/01/32	33,064	429,833
06/27/13	2,913,053	High Service Pumps Install	07/01/34	177,437	2,661,564
06/27/13	761,969	Chlorine Dioxide Feed Syst.	07/01/34	44,007	664,918
09/26/13	306,056	Spillway Improvements	07/01/23	14,601	120,544
12/12/13	783,568	Johnston St. Pump Station	01/01/35	49,985	844,472
01/30/14	699,377	Standby Generator Imprvmts	07/01/24	76,961	384,805
02/27/14	2,648,531	Water Main Reloctn & Repr	01/01/35	161,277	2,499,791
02/27/14	10,161,593	Water Distribution Yard	07/01/35	738,044	11,813,182
06/25/15	850,896	N. Generator & Substation	01/01/37	50,249	871,150
09/24/15	1,596,553	Backwash Water Supply	07/01/36	93,530	1,593,536
10/29/15	441,878	Sedimentation Basin 1 & 2	01/01/37	23,545	417,883
04/27/17	759,321	Stow Rd Emerg. Connection	07/01/38	45,674	656,217
04/26/18	573,613	Spillway Improvements	01/01/29	33,270	574,336
06/28/18	209,269	Eastwood Pump Station Impr.	01/01/39	6,164	(1,634)
07/26/18	288,468	Lead Service Line Replacement	01/01/39	7,212	218,834
09/27/18	2,665,509	Middleton Road Water Main	07/01/39	-	891,158
01/31/19	2,437,495	Water Main Replacement Prog.	01/01/40	-	55,455
02/28/19	309,895	Druid Drive Wtr Main Extension	01/01/50	-	267,599
03/28/19	577,695	Brittain Road Reservoir Design	01/01/25	-	268,045
05/30/19	309,811	Asset Management Plan	07/01/24	-	158,569
06/27/19	333,663	Lead Service Line Replacement	07/01/40	-	4,444
10/31/19	6,898,614	Enhanced Raw Wtr Pre-Trtmt Fac.	07/01/40	-	91,891
	<u>\$ 81,596,529</u>			<u>\$ 4,277,614</u>	<u>\$ 46,150,142</u>

19. Pledged Revenues (Continued)

Sewer System Revenues

The City has pledged future sewer customer revenues, net of specified operating expenses to repay \$798.3 million in Ohio Water Development Authority loans issued at various dates ranging from October 30, 2008 through July 25, 2019. Proceeds from the loans provided financing for various sewer projects. The loans are payable solely from sewer customer net revenues and have varying maturity dates ranging from January 1, 2020 through January 1, 2067. The total principal and interest remaining to be paid on the bonds as of December 31, 2019 is \$751,086,673. Principal and interest paid for 2019 and total customer net revenues were \$22,248,253 and \$3,560,998 respectively.

Issued	Amount of Issue	Purpose of Issue	Final Maturity	Debt Service	Future Debt Service
10/30/08	\$ 1,547,061	Water Meter Replcmnt	01/01/20	\$ 184,412	\$ 92,436
01/14/10	989,338	Sand Run Sewer Recon	01/01/30	67,602	710,433
11/19/09	160,393	Mill Street Sewer Repair	07/01/30	10,960	120,661
12/10/09	369,492	WPC Control System	07/01/20	43,523	42,591
12/10/09	86,741	WWTP Roof Replcmnt	01/01/30	5,928	62,287
03/31/11	846,270	Lake Woods Pump Station	01/01/32	62,138	748,275
02/24/11	2,189,031	Massillon Road Sewer	01/01/32	161,949	2,009,066
02/24/11	414,210	2nd Street Pump Station	01/01/32	30,534	378,783
12/08/11	2,987,144	CSO Rack 8 Sewer Sep	07/01/32	180,738	2,349,585
12/08/11	2,375,202	Water Wall	01/01/33	128,548	1,735,363
12/08/11	903,132	Sanitary Sewer Recon 2011	01/01/32	59,281	741,022
10/27/11	23,943,236	WPC Step Feed Ph1	07/01/33	1,476,573	20,888,782
10/27/11	1,243,132	CSO Rack 25 Separation	01/01/33	81,975	1,106,665
10/27/11	979,845	Northside Interceptor Rehab	07/01/32	64,613	839,974
03/28/13	4,861,683	Litle Cuahoga Int Rplcmnt	07/01/34	328,877	4,927,442
05/30/13	2,593,857	Main Outfall Sewer Rehab	07/01/33	144,599	2,074,087
08/29/13	6,174,836	Mud Run Trunk Swr Lining	01/01/35	414,636	6,343,214
10/31/13	1,523,988	WPCS Final Settling Tanks	01/01/20	283,014	141,972
01/30/14	1,881,680	Main Outfall Sewer	07/01/34	101,292	1,615,695
04/24/14	3,419,313	Retention Tank #2 Rehab.	01/01/36	251,069	3,341,624
04/24/14	1,500,016	Kingswood-Rocky Hollow Swr	07/01/34	103,003	1,549,907
06/26/14	11,029,390	Rack 15 Storage Basin	01/01/36	652,749	10,703,806
06/26/14	17,900,171	Mud Run Pump Station Impr.	07/01/36	1,211,935	16,140,261
08/28/14	6,827,976	OCIT Lining Protection of LCI	07/01/35	430,456	6,887,282
02/26/15	5,070,277	Mud Run Dist. Cap. Impr.	01/01/36	305,621	4,105,753
02/26/15	18,319,051	Rack 14 CSO Storage Basin	01/01/38	1,135,429	19,685,229
04/30/15	25,387,222	CSO Program Mgmt 2013	07/01/21	5,414,889	10,829,776
05/28/15	1,155,041	OCIT Otto St Pump Station	01/01/36	24,400	994,560

19. Pledged Revenues (Continued)

Sewer System Revenues (Continued)

Issued	Amount of Issue	Purpose of Issue	Final Maturity	Debt Service	Future Debt Service
05/28/15	\$ 6,564,391	Sanitary Sewer Reconstruction	01/01/36	\$ 409,786	\$ 6,761,473
09/24/15	4,433,515	Sanitary Sewer Reconstruction	01/01/36	281,733	4,648,585
02/25/16	1,431,749	Sanitary Sewer Reconstruction	01/01/36	63,628	1,165,529
05/28/15	31,617,614	Rack 12 CSO Storage Basin	01/01/38	1,953,391	29,422,124
07/30/15	5,502,246	Sanitary Sewer Rec 2014 Ph 2	01/01/36	344,449	5,683,431
08/27/15	5,844,021	Sanitary Sewer Rec 2014 Ph 1-A	01/01/37	366,876	6,420,348
10/29/15	3,273,284	Dan Sewer Separation	01/01/37	144,882	3,195,177
10/29/15	254,744,002	Ohio Canal Interceptor Tunnel	07/01/49	-	302,262,050
12/10/15	5,653,479	Mud Run District I-I Rehab	01/01/37	348,954	3,538,118
12/10/15	4,500,378	Mud Run District Repairs	01/01/37	277,782	4,536,112
12/10/15	1,374,691	Shullo & Weathervane Pump	07/01/36	84,851	1,330,168
01/28/16	1,299,344	Seiberling Street Sewer	01/01/26	145,535	486,131
02/25/16	4,823,288	Sewer Maintenance Relocation	01/01/47	215,981	5,939,913
03/31/16	26,047,415	Main Outfall Relief Sewer	01/01/48	889,355	30,531,979
06/30/16	1,238,790	White Pond Dr Pump Station	01/01/47	53,253	1,325,369
06/30/16	22,158,491	Middlebury Separation	07/01/48	952,341	25,944,408
06/30/16	14,692,039	Merriman Separation - Rack 36	07/01/48	632,394	16,735,510
08/25/16	2,147,990	Carpenter Sewer Separation	07/01/37	125,442	1,725,486
08/25/16	1,458,160	Tallmadge Ave Sanitary Sewer	07/01/47	59,693	1,671,385
08/25/16	47,518,521	WRF Step Feed Phase 2	07/01/49	-	43,619,976
08/25/16	7,409,403	Old Main Sewer Separation	07/01/48	118,217	7,618,175
09/29/16	5,147,458	Sanitary Sewer Recon 2016	01/01/48	208,645	4,889,744
04/27/17	18,071,206	CSO Program Management	07/01/24	-	18,590,428
04/27/17	2,110,593	Kelly CSO Rack 3 Design	07/01/23	451,736	1,519,542
05/25/17	6,001,126	WRF Headworks Impr.	07/01/24	-	3,957,385
05/25/17	21,922,129	Howard Storage Basin	07/01/63	556,968	24,792,842
06/29/17	2,919,239	Aqueduct St Green Impr.	01/01/48	139,081	2,842,349
02/22/18	312,685	Hawkins, Hackberry, Grand Park Study	07/01/23	62,537	198,636
09/27/18	4,173,574	Sanitary Sewer Recon. 2017	07/01/65	-	3,507,526
01/31/19	36,235,266	Hazel Storage Basin CSO	07/01/66	-	36,760,239
01/31/19	1,537,468	Chittenden Green Project	01/01/66	-	1,920,645
01/31/19	9,460,635	Uhler Conveyance	07/01/65	-	5,790,026
05/30/19	2,000,000	Sanitary Sewer Rec 2014 Ph 1-B	01/01/37	-	1,874,140
05/30/19	86,851,394	WRF BioCEPT	01/01/67	-	17,341,085
07/25/19	1,150,527	Hampton Ridge Sanitary Sewer	07/01/66	-	1,374,108
	<u>\$ 798,304,839</u>			<u>\$ 22,248,253</u>	<u>\$ 751,086,673</u>

19. Pledged Revenues (Continued)

JEDD Revenues

The City has pledged future JEDD revenues to repay JEDD revenue bonds originally issued in 2000 and 2002 for \$53.2 million. These bonds were refinanced in December of 2011 with a \$27.2 million refunding bond issue. Proceeds from the original bonds issued provided financing for various water and sewer projects. The bonds are payable solely from JEDD revenues and have a final maturity date of December 1, 2022. The total principal and interest remaining to be paid on the bonds as of December 31, 2019 is \$8,124,063. Principal and interest paid for 2019 and total JEDD revenues were \$4,255,113 and \$16,083,393 respectively.

Issued	Amount of Issue	Purpose of Issue	Final Maturity	Debt Service	Future Debt Service
12/21/11	\$ 27,165,000	Various Water/Sewer Projects	12/01/22	\$ 4,255,113	\$ 8,124,063

Non-Tax Revenues

The City has pledged future non-tax revenues, to repay \$41.5 million in non-tax revenue bonds issued November 25, 2014 through November 12, 2015. In December of 2011, bonds were issued to refund the bonds originally issued in 1997. The 2014 issue refunded the issue from 2008. The 2015 issue refunded the issue from 2006. Proceeds from the bonds provided financing for various economic development and renovation projects. The bonds are payable from non-tax revenue including shared revenue, charges for services, licenses, fees, and fines, and miscellaneous revenue. The maturity dates range from December 1, 2026 through December 1, 2034. The total principal and interest remaining to be paid on the bonds as of December 31, 2019 is \$36,750,246. Principal and interest paid for 2019 and total non-tax revenues were \$4,197,970 and \$113,904,831 respectively.

Issued	Amount of Issue	Purpose of Issue	Final Maturity	Debt Service	Future Debt Service
11/25/14	\$ 28,230,000	Various Econ. Dev. Proj.	12/01/34	\$ 2,511,537	\$ 24,895,760
11/12/15	<u>13,250,000</u>	Various Econ. Dev. Proj.	12/01/26	<u>1,686,433</u>	<u>11,854,486</u>
	<u>\$ 41,480,000</u>			<u>\$ 4,197,970</u>	<u>\$ 36,750,246</u>

19. Pledged Revenues (Continued)

Income Tax Revenues

The City has pledged future income tax revenues to repay \$174.1 million in income tax revenue bonds and bond anticipation notes issued at various dates ranging from December 15, 2011 through December 09, 2019. The 2011 issue refunded an issue from 1999. The 2016 issue partially refunded the 2012 issue. Proceeds from the bonds provided financing for various liabilities, equipment, facilities, and improvements. The bonds are payable solely from income tax revenues and have varying maturity dates ranging from October 15, 2020 through December 1, 2048. The total principal and interest remaining to be paid on the bonds as of December 31, 2019 is \$177,647,123. Principal and interest paid for 2019 and total income tax revenues were \$9,429,433 and \$151,025,019 respectively.

Issued	Amount of Issue	Purpose of Issue	Final Maturity	Debt Service	Future Debt Service
12/15/11	\$ 6,405,000	Pension	12/01/23	\$ 705,900	\$ 2,811,600
11/14/12	28,870,000	Var Purp IT Rev Bonds	12/01/32	236,150	10,281,719
08/08/13	2,493,570	OAQDA Series A	12/01/21	328,907	657,805
08/08/13	2,355,914	OAQDA Series B	12/01/28	98,948	2,950,122
08/07/14	838,000	OAQDA Series A	12/01/21	124,377	248,752
11/25/14	32,340,000	Var Purp IT Rev Bonds	12/01/34	2,651,750	36,307,000
06/24/15	5,500,000	Var Purp IT Rev Bonds	06/01/35	362,221	5,420,233
11/12/15	25,370,000	Var Purp IT Rev Bonds	12/01/28	2,988,900	19,743,650
12/06/16	14,655,000	Var Purp IT Rev Bonds	12/01/28	1,805,375	16,197,325
11/14/18	2,000,000	Var Purp IT Rev Bonds	12/01/48	126,905	3,682,139
10/17/19	1,500,000	Health Benefit BAN	10/15/20	-	1,522,375
12/09/19	51,780,000	Var Purp IT Rev Bonds	12/01/41	-	77,824,403
	<u>\$ 174,107,484</u>			<u>\$ 9,429,433</u>	<u>\$ 177,647,123</u>

CLC Income Tax Revenues

The City's income tax rate includes .25% Community Learning Center (CLC) income tax revenue. This is designated exclusively for funding the Akron Public Schools' local share in obtaining State of Ohio grants for the construction and renovation of community learning centers (CLC) in Akron. The City has issued bonds totaling \$295 million with final maturities in 2026 and 2033. The Akron Public Schools' annual contribution towards this debt is \$3,000,000. The City has committed each year, from the supplemental income tax revenue, amounts sufficient to cover the City's portion of the principal and interest requirements. Total principal and interest remaining on bonds are \$320,083,304. For 2019 total principal and interest paid by the City was \$20,616,893 and total income tax revenues were \$16,454,441.

Issued	Amount of Issue	Purpose of Issue	Final Maturity	Debt Service*	Future Debt Service
07/28/10	15,060,000	Community Learning Centers	12/01/26	884,624	19,040,810
06/27/12	155,360,000	Community Learning Centers	12/01/33	12,912,750	179,691,750
05/07/14	50,000,000	Community Learning Centers	12/01/33	2,748,519	22,420,831
12/08/16	27,000,000	Community Learning Centers	12/01/33	2,305,050	32,233,600
12/20/17	36,615,000	Community Learning Centers	12/01/33	1,630,788	50,802,563
08/04/19	11,045,000	Community Learning Centers	12/01/33	135,162	15,893,750
	<u>\$ 295,080,000</u>			<u>\$ 20,616,893</u>	<u>\$ 320,083,304</u>

*Net of \$3,000,000 annual contribution from Akron City School District.

20. Pollution Remediation

GASB Statement No. 49, *Accounting and Financial Reporting for Pollution Remediation Cost* addresses reporting standards for pollution remediation obligations. The City is aware of four sites that meet the requirements for disclosure. The first site is a vacant, undeveloped piece of land known as the Middlebury Property which includes Middlebury East. The City of Akron legally obligated itself by voluntarily commencing cleanup activities and obtained a \$750,000 grant to assist in the remediation clean-up. The projected cost to remediate Middlebury East was estimated at approximately \$1,200,000. A No Further Action (NFA) letter was submitted to the Ohio Environmental Protection Agency (OEPA) in 2014. Ohio EPA issued a Covenant Not To Sue on July 14, 2015. However, the cost of the abandonment of all the wells, piping and vaults associated with the remediation will be completed in 2024 with an estimated cost of \$234,000. There are no expenses expected for 2020. This amount is included in the Statement of Net Position as of December 31, 2019.

The second site is known as the Westside Depot property where the City of Akron was compelled to take remediation action. This site used to house an underground storage tank (UST) system. During an upgrade to this system in 1991, there was evidence of residual petroleum hydrocarbons under the tank and the associated dispensing equipment. This site also had been the location of a previous UST system that may have consisted of a diesel tank, a gasoline tank, and a kerosene tank. The City conducted free product recovery in 2016 from this site. The Ohio Bureau of Underground Storage Tank Regulation (BUSTR) approved the City's Tier II evaluation in November 2016. The amount estimated for 2020 is \$26,500 with \$26,900 for 2021 and beyond. These amounts are recorded as a liability in the Enterprise Net Position Airport Fund as of December 31, 2019.

The third site for remediation work is known as the former location of the Water Distribution Center with an address of 565 Johnston Street. This property was transferred to ODOT for roadway construction. In 2015, two UST's were discovered during grading activities and removed along with the soil. The City submitted a Closure Assessment Form to BUSTR which confirmed that there was a release from the UST's. On November 22, 2016, BUSTR issued a Responsible Person Notification to the City naming it the responsible party. The City just received a NFA (No Further Action) letter from BUSTR on March 18, 2019. This site is now complete and no more work is required for remediation purposes. There is no further cost for liability for 2020 and beyond.

The fourth site is known as the Rack 27/29 CSO (combined sewer overflows) Project -Rule 13. A federal Consent Decree between the City, the United States and Ohio requires the City to implement specific control measures addressing CSO's. One set of measures includes upsizing the underflow drains to the interceptor sewer at CSO Rack 27 and CSO Rack 29 locations. In order to implement this project, the City needed to perform construction activities within and through a former solid waste landfill. Per Ohio's Rule 13, known as the Ohio Administrative Code 3745-27-13, the City needed authorization from the Ohio EPA. Rule 13 authorization was issued by the Ohio EPA on October 18, 2018. This authorization imposed obligations on the City with regard to the construction activities within the former landfill area. The amount estimated to complete this pollution remediation for 2020 is \$326,825. There are no expected costs for 2021 and beyond. This amount is included as a liability in the Proprietary Net Position under Sewer as of December 31, 2019.

21. Deferred Inflows/Outflows of Resources

In addition to assets, the Statement of Net Position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net position that applies to a future period(s) and so will *not* be recognized as an outflow of resources (expense/expenditure) until then. The City has deferred charges on the issuance of bonds reported in the government-wide and proprietary fund statements of net position. A deferred charge results from the difference in the carrying value of the debt and its par amount. This amount is deferred and amortized over the life of the debt. Deferred outflows related to pensions and OPEB result from changes in Net Pension Liability and the Net OPEB Liability not recognized as a component of current year pension and OPEB expense. This amount is deferred and amortized over various periods as instructed by the pension plan administrators.

In addition to liabilities, the Statement of Net Position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net position that applies to future period(s) and so will *not* be recognized as an inflow of resources (revenue) until that time. The City has nonexchange revenue transactions and loans where a receivable has been recorded (such as when property taxes were levied), but the resources cannot be used until a future period. When the City refinances certain debt obligations, the portion of the gain that is not recognized in the current period has been deferred. These items have been reported as deferred inflows on the government-wide Statement of Net Position. In addition, deferred inflows related to pensions and OPEB are reported in the government-wide and proprietary fund statements of net position. Deferred inflows related to pensions and OPEB result from changes in Net Pension Liability and Net OPEB Liability not recognized as a component of current year pension and OPEB expense. This amount is deferred and amortized over various periods as instructed by the pension plan administrators.

On the Statement of Net Position Proprietary Funds, the City has recorded certain deferred items that will not be expensed in the current period. Internal service fund deferred outflows from pension and OPEB expense at December 31, 2019 were \$4,156,101 are included in governmental activities:

	Governmental Activities	Business Type Activities			Total Enterprise Funds
		Water	Sewer	Other Enterprise Funds	
Deferred Loss on Early Retirement	\$ 125,770	\$ -	\$ -	\$ -	\$ -
OPEB Expense	24,992,416	1,182,223	693,433	60,148	1,935,804
Pension Expense	86,096,868	5,075,044	3,138,949	304,241	8,518,234
	<u>\$ 111,215,054</u>	<u>\$ 6,257,267</u>	<u>\$ 3,832,382</u>	<u>\$ 364,389</u>	<u>\$ 10,454,038</u>

A summary of the deferred inflows of resources reported in the government-wide and proprietary fund statement of position follows. Internal service fund deferred inflows related to pensions and OPEB at December 31, 2019 were \$1,147,410 and are included in governmental activities.

	Governmental Activities	Business Type Activities				Total Enterprise Funds
		Water	Sewer	Off Street Parking	Other Enterprise Funds	
Deferred Gain	\$ 20,661,305	\$ -	\$ -	\$ -	\$ -	\$ -
Nonexchange revenues	101,334,384	267,425	633,893	9,904	-	911,222
OPEB	26,559,014	1,889,007	1,055,346	-	80,580	3,024,933
Pension	5,643,098	303,499	190,200	-	17,676	511,375
Pollution	3,933,179	-	-	-	26,900	26,900
Loans	8,610,049	-	-	-	-	-
	<u>\$ 166,741,029</u>	<u>\$ 2,459,931</u>	<u>\$ 1,879,439</u>	<u>\$ 9,904</u>	<u>\$ 125,156</u>	<u>\$ 4,474,430</u>

21. Deferred Inflows/Outflows of Resources (Continued)

On the modified accrual basis of accounting, the City has recorded certain receivables where the related revenue is unavailable. Unavailable revenues have been reported as deferred inflows of resources on the governmental fund balance sheet for the following:

	Governmental Funds						
	General Fund	Community Learning Centers	Income Tax Capital Improvement	Special Assessment Fund	Streets	Other Governmental Funds	Total Governmental Funds
Grants	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,574,120	\$ 2,574,120
Income Taxes	8,633,279	1,384,439	3,193,130	-	-	1,379,266	14,590,114
Loans	-	-	-	-	-	10,710,049	10,710,049
Property Taxes	22,665,114	-	-	32,036,263	-	24,788,260	79,489,637
Shared Revenue	3,051,607	42,000,000	-	-	-	3,112,519	48,164,126
	<u>\$ 34,350,000</u>	<u>\$ 43,384,439</u>	<u>\$ 3,193,130</u>	<u>\$ 32,036,263</u>	<u>\$ -</u>	<u>\$ 42,564,214</u>	<u>\$ 155,528,046</u>

Deferred inflows described in the table above also include Shared Revenues of \$42,000,000 and Property Taxes of \$58,949,418 where the resources cannot be used until a future period.

22. Transfers and Advances

For the year ended December 31, 2019 transfers and advances presented in conformity with generally accepted accounting principles (GAAP) are listed in the following tables. Interfund transfers are made to cover expenditures/expenses in various funds or to fulfill grant match requirements.

	Transfers In				
	Transfers Out	Other Governmental Funds	Other Enterprise Funds	Off- Street Parking	Total
Governmental Funds:					
General Fund	\$ 10,900,922	\$ 10,170,922	\$ 465,000	\$ 265,000	\$ 10,900,922
Other Governmental Funds	550,000	550,000	-	-	550,000
	<u>\$ 11,450,922</u>	<u>\$ 10,720,922</u>	<u>\$ 465,000</u>	<u>\$ 265,000</u>	<u>\$ 11,450,922</u>

The table below presents the amounts the City has advanced to various funds during 2019.

	Advanced To				Total
	Advanced From	Other Governmental Funds	Other Enterprise Funds	Other Internal Service Funds	
Governmental Funds:					
General Fund	\$ 2,715,000	\$ 1,395,000	\$ 300,000	\$ 1,020,000	\$ 2,715,000
Income Tax Capital Improvement	978,000	478,000	500,000	-	978,000
	<u>\$ 3,693,000</u>	<u>\$ 1,873,000</u>	<u>\$ 800,000</u>	<u>\$ 1,020,000</u>	<u>\$ 3,693,000</u>

23. Contingencies

(1) Litigation

The City is a defendant in a number of lawsuits pertaining to matters that are incidental to performing routine governmental functions. During 2019, an agreement was reached in an ongoing case, the plaintiff and City agreed to a settlement in the amount of \$1,150,000 to be paid over a three year period. The City's management is of the opinion that ultimate settlement of all outstanding litigation and claims will not result in a material adverse effect on the City's financial position.

(2) Federal and State Grants

The City has received federal and state grants for specific purposes that are subject to review and audit by the grantor agencies or their designees. Such audits could lead to a request for reimbursement to the grantor agencies for expenditures disallowed under the terms of the grants. The City believes that such disallowances, if any, would not have a material adverse effect on the City's financial position.

(3) Water Agreement

The City of Akron acquired a water system, located in Hudson, from the County of Summit in December of 2006 for \$6,454,845. In exchange for the water system, the County received the benefit of a future credit to be applied towards the purchase of Akron owned sewer infrastructure. As of December 31, 2019, the County has not purchased any sewer infrastructure and the full balance of the credit is remaining.

24. Closure and Post-Closure Care Costs

On November 9, 1998, the City entered into an agreement to transfer control and operating responsibility of its Hardy Road Landfill (Landfill) to Akron Regional Landfill, Inc. (ARLI), a subsidiary of Waste Management of Ohio, Inc. Under the twenty-five year agreement, ARLI assumed the full responsibility for all future costs for operation, permitting, groundwater monitoring, closure, and post-closure costs of the Landfill, which are currently expected to approximate \$6,400,000 through 2034. There are estimated costs after agreement with ARLI terminates; therefore, the City has recorded a liability for \$3,699,179 for future estimated post-closure care costs.

Pursuant to a ruling by the Ohio EPA, the Hardy Road Landfill officially closed on June 30, 2002. The City has begun diverting its waste to Waste Management's American Landfill located in Stark County. As part of a 1998 agreement, the City agreed to use landfill facilities controlled by Akron Regional Landfill, Inc., (a subsidiary of Waste Management) for disposal of ninety percent of the refuse collected by the City's sanitation division.

On October 4, 2004, the City entered into an Agreement with the Summit/Akron Solid Waste Management Authority (Authority) implementing a \$1.20 per ton increase in the waste management generation fee by the Authority to help fund the closure and post-closure operations of the landfill.

25. Jointly Governed Organizations

The Akron/Summit Convention and Visitors' Bureau (Convention Center) was constructed by the City of Akron along with the County of Summit and the University of Akron, with the City paying approximately 26% of the construction costs. The Convention Center contains meeting rooms, an exhibit hall, and a large ballroom-banquet facility to accommodate a wide range of seminars, trade shows, and major community events.

26. Joint Ventures

The Copley-Akron Joint Economic Development District ("JEDD") was created by contract between the City and Copley Township ("Township") under the provisions of Ohio Revised Code sections 715.70 and 715.71. The JEDD is governed by a six member Board of Directors of which three members are from the City (Mayor and two members of Council appointed by the Mayor and approved by Council) and three members are from the Township (all three Township Trustees). The JEDD Boards, pursuant to the contract, levies an income tax at the same rate as the City of Akron's income tax. The proceeds of that tax are allocated, in accordance with the contract, primarily to the City. Because it is legally separate from the City the JEDD is not reported as part of the primary government. A summary of the financial information is as follows:

Statement of Receipts, Disbursements and Change in Fund Balance
(Cash Basis)

Income Tax Receipts	\$ 6,811,940
Contractual Disbursements	<u>(694,868)</u>
	6,117,072
Disbursements to Akron	<u>(6,117,072)</u>
Change in Fund Cash Balance	-
Fund Cash Balance, January 1, 2019	-
Fund Cash Balance, December 31, 2019	<u><u>\$ -</u></u>

26. Joint Ventures (Continued)

The Coventry-Akron Joint Economic Development District (“JEDD”) was created by contract between the City and Coventry Township (“Township”) under the provisions of Ohio Revised Code sections 715.70 and 715.71. The JEDD is governed by a six member Board of Directors of which three members are from the City (Mayor and two members of Council appointed by the Mayor and approved by Council) and three members are from the Township (all three Township Trustees). The JEDD Boards, pursuant to the contract, levies an income tax at the same rate as the City of Akron’s income tax. The proceeds of that tax are allocated, in accordance with the contract, primarily to the City. Because it is legally separate from the City the JEDD is not reported as part of the primary government. A summary of the financial information is as follows:

Statement of Receipts, Disbursements and Change in Fund Balance
(Cash Basis)

Income Tax Receipts	\$	3,422,363
Contractual Disbursements		(376,336)
		<u>3,046,027</u>
Disbursements to Akron		<u>(3,046,027)</u>
Change in Fund Cash Balance		-
Fund Cash Balance, January 1, 2019		-
Fund Cash Balance, December 31, 2019	\$	<u><u>-</u></u>

The Springfield-Akron Joint Economic Development District (“JEDD”) was created by contract between the City and Springfield Township (“Township”) under the provisions of Ohio Revised Code sections 715.70 and 715.71. The JEDD is governed by a six member Board of Directors of which three members are from the City (Mayor and two members of Council appointed by the Mayor and approved by Council) and three members are from the Township (all three Township Trustees). The JEDD Boards, pursuant to the contract, levies an income tax at the same rate as the City of Akron’s income tax. The proceeds of that tax are allocated, in accordance with the contract, primarily to the City. Because it is legally separate from the City the JEDD is not reported as part of the primary government. A summary of the financial information is as follows:

Statement of Receipts, Disbursements and Change in Fund Balance
(Cash Basis)

Income Tax Receipts	\$	3,435,137
Contractual Disbursements		(496,020)
		<u>2,939,117</u>
Disbursements to Akron		<u>(2,939,117)</u>
Change in Fund Cash Balance		-
Fund Cash Balance, January 1, 2019		-
Fund Cash Balance, December 31, 2019	\$	<u><u>-</u></u>

26. Joint Ventures (Continued)

The Bath-Akron-Fairlawn Joint Economic Development District (“JEDD”) was created by contract between the City of Akron (City), City of Fairlawn and Bath Township (“Township”) under the provisions of Ohio Revised Code sections 715.70 and 715.71. The JEDD is governed by a nine member Board of Directors of which three members are from the City (Mayor and two members of Council appointed by the Mayor and approved by Council), three members are from the City of Fairlawn (Mayor and approved by Council) and three members are from the Township (all three Township Trustees). The JEDD Boards, pursuant to the contract, levies an income tax at the same rate as the City of Akron’s income tax. The proceeds of that tax are allocated, in accordance with the contract, primarily to the City. Because it is legally separate from the City the JEDD is not reported as part of the primary government. A summary of the financial information is as follows:

Statement of Receipts, Disbursements and Change in Fund Balance
(Cash Basis)

Income Tax Receipts	\$	8,309,051
Contractual Disbursements		<u>(4,327,884)</u>
		3,981,167
Disbursements to Akron		<u>(3,981,167)</u>
Change in Fund Cash Balance		-
Fund Cash Balance, January 1, 2019		-
Fund Cash Balance, December 31, 2019	\$	<u><u>-</u></u>

27. Related Organization

The City of Akron, in conjunction with Summit County, University of Akron, Medina County, and Greater Akron Chamber of Commerce, agreed to form the Summit Medina Business Alliance (SMBA). SMBA is a not-for-profit corporation which supports economic development of the region. The organization entered into an agreement with the Kent Regional Business Alliance to carry out activities in cooperation with the Ohio Development Services Agency and the Small Business Administration. The Mayor of the City of Akron appoints three of the five voting members of the board of trustees of the Summit Medina Business Alliance. The SMBA does not pose a financial burden on the City of Akron since it receives revenues from the City and other governments in the area. During 2019, the City paid SMBA \$50,000 for operating expenses.

28. 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 the resources in the government funds. The constraints placed on fund balance for the major governmental funds and all other governmental funds are presented below:

	<u>General Fund</u>	<u>Community Learning Centers</u>	<u>Income Tax Capital Improvement</u>	<u>Special Assessment Fund</u>	<u>Streets Fund</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
Fund balances:							
Restricted:							
Asset management	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,399,842	\$ 1,399,842
Building, housing and economic incentive	-	-	-	-	-	10,696,702	10,696,702
Construction and renovation of CLCs	-	50,642,552	-	-	-	-	50,642,552
Community betterment and outreach	-	-	185,024	-	-	15,559,977	15,745,001
Debt service reserves	-	-	-	-	-	566,002	566,002
Information technology	-	-	-	-	-	1,262,756	1,262,756
Life enrichment	-	-	170,577	-	-	-	170,577
Other Purposes	-	-	-	-	-	138,445	138,445
Police and fire equipment	-	-	200,025	-	-	-	200,025
Protection and enforcement	-	-	-	-	-	3,821,745	3,821,745
Transportation/mobility	-	-	-	-	-	3,093,717	3,093,717
Total restricted	-	50,642,552	555,626	-	-	36,539,186	87,737,364
Committed:							
Building, housing and economic incentive	-	-	-	-	-	3,470,380	3,470,380
Community betterment and outreach	-	-	-	-	-	1,380,665	1,380,665
Information technology	-	-	-	-	-	32,302	32,302
Life enrichment	-	-	-	-	-	895,093	895,093
Non-financial assets held for resale	-	-	-	-	-	2,704,911	2,704,911
Protection and enforcement	486,244	-	-	-	-	-	486,244
Transportation/mobility	-	-	-	-	-	978,222	978,222
Total committed	486,244	-	-	-	-	9,461,573	9,947,817
Assigned:							
Asset management	144,626	-	-	-	-	-	144,626
Building, housing and economic incentive	109,862	-	-	-	-	-	109,862
Community betterment and outreach	8,772	-	-	-	-	-	8,772
General governance	44,733	-	-	-	-	-	44,733
Life enrichment	158,223	-	-	-	-	-	158,223
Municipal justice	23,140	-	-	-	-	-	23,140
Protection and enforcement	435,463	-	-	-	-	-	435,463
Transportation/mobility	6,557	-	-	-	-	-	6,557
Waste management	537,770	-	-	-	-	-	537,770
Wellness and prevention	-	-	-	-	-	-	-
Total assigned	1,469,146	-	-	-	-	-	1,469,146
Unassigned	11,525,081	-	-	(9,849,322)	(2,254,733)	(2,843,521)	(3,422,495)
Total fund balances	\$ 13,480,471	\$ 50,642,552	\$ 555,626	\$ (9,849,322)	\$ (2,254,733)	\$ 43,157,238	\$ 95,731,832

29. Tax Abatements

Community Reinvestment Areas (CRAs) were established under Ohio Revised Code Section 3735.66 and administered through ORC Sections 3735.66 to 3735.70. The ORC Sections prescribe that in return for building or remodeling properties within the CRA boundaries, applicants can apply for an exemption of real property taxes at 100% of the increased market value of the property.

The City established a CRA in 2010 relating to Envision Apartments. For the fiscal year ended December 31, 2019, the City had only 1 active CRA for which it abated property taxes totaling \$31,500.

During 2017 the City of Akron launched the residential tax abatement program, which designates the entire City as a CRA. Through the program residential applicants can apply for an exemption of real property taxes at 100% of the added property value on any new construction or improvements for a period of 15 years. For the fiscal year ended December 31, 2019, there were 30 active residential agreements with residential taxes abated of less than \$38,000.

30. Restatement of Net Position

For 2019, the City implemented the Governmental Accounting Standards Board (GASB) Statement No. 84, "Fiduciary Activities" (GASB 84). The statement established guidance regarding the identification of fiduciary activities for accounting and financial reporting purposes and how those activities should be reported. Effective January 1, 2019, the City recorded adjustments to beginning balances to correct income tax receivable and revenue at December 31, 2018. The City also corrected the reporting of a capital asset, the Anaerobic Digestive System (ADS) upgrade at the Water Reclamation Facility. The implementation of GASB 84 along with the correction of income tax receivable and revenue, and ADS classification change had the following effect on net position as reported December 31, 2018:

	Balance as of December 31, 2018	Restatement for GASB 84	Restatement for Income Tax Receivable and Revenue	Restatement for Anaerobic Digestive System	December 31, 2018 as restated
Statement of Net Position					
Governmental Activities	\$ (4,523,378)	\$ 1,155,139	\$ -	\$ -	\$ (3,368,239)
Business-type Activities	450,533,329	-	-	(1,033,927)	449,499,402
Governmental Funds					
General	12,350,398	300,281	1,661,120	-	14,311,799
Community Learning Centers	64,919,053	-	(1,137,831)	-	63,781,222
Income Tax Capital Improvement	3,184,780	-	614,387	-	3,799,167
Other Governmental Funds	46,096,224	854,858	(1,137,676)	-	45,813,406
Proprietary Funds					
Sewer	277,608,424	-	-	(1,033,927)	276,574,497

31. Future Leasing Rights, Assigned Agreements and Collateralized Borrowing

During 2017, the City entered into an agreement with EIP Communications I, LLC (EIP), under which the City relinquishes to EIP its future interest in the Assigned Agreements to EIP for the next 50 years. The City received from EIP a lump-sum payment of \$11,104,987.31. The estimated present value of the cell tower rent payments sold assuming a 2.2% interest rate and 4% rent escalation at the time of sale was \$4,028,193.95.

31. Future Leasing Rights, Assigned Agreements and Collateralized Borrowing (Continued)

The City reports \$6,793,721 on the Balance Sheet – Governmental Funds as unearned revenue that will be recognized over 50 years. The City also reports \$3,079,380 on the Statement of Net Position as Liabilities due in more than one year as of December 31, 2019. The following is a summary of the City's future debt service requirements as of December 31, 2019:

Fiscal Year Ending <u>December 31</u>	<u>Principal</u>
2020	\$ 474,407
2021	474,407
2022	474,407
2023	474,407
2024	474,407
2025-2028	707,345
	<u>\$ 3,079,380</u>

32. Subsequent Events

The United States, the State of Ohio and the City declared a state of emergency in March 2020 due to the global Coronavirus Disease 2019 (COVID-19) pandemic. The financial impact of COVID-19 will affect subsequent periods of the City. The impact on the City's future operating costs and revenues cannot be estimated. The City is estimated to receive \$16M for recovery from emergency funding and any additional recovery either federal or state, cannot be estimated. As a result of the pandemic the City, in conformity with the United States and the State of Ohio, extended the income tax filing deadline to July 15, 2020.

On March 9, 2020, City Council passed ordinance 59-2020 authorizing the City to enter into a cooperative agreement with the Development Finance Authority of Summit County (DFA) to refund the bonds previously issued by the DFA to finance the costs of improvements to Canal Park Stadium.

On March 9, 2020, City Council passed ordinance 60-2020 authorizing the issuance of bonds in the maximum principal amount of \$2,600,000 relating to the refunding of certain Income Tax Revenue bonds issued by the City in 2011.

On March 9, 2020, City Council passed ordinance 61-2020 authorizing the the issuance of bonds in the maximum principal amount of \$4,050,000 relating to the refunding of certain General Obligation bonds issued by the City in 2010.

On March 9, 2020, City Council passed ordinance 62-2020 authorizing the the issuance of bonds in the maximum principal amount of \$21,090,000 relating to the refunding of certain Income Tax Revenue bonds issued by the City in 2012.

On March 9, 2020, City Council passed ordinance 63-2020 authorizing the the issuance of bonds in the maximum principal amount of \$1,640,000 relating to the refunding of certain General Obligation bonds issued by the City in 2010.

On March 9, 2020, City Council passed ordinance 64-2020 authorizing the the issuance of bonds in the maximum principal amount of \$135,025,000 relating to the refunding of certain Community Learning Center bonds issued by the City in 2012 and 2014.

On March 9, 2020, City Council passed ordinance 65-2020 authorizing the the issuance of bonds in the maximum principal amount of \$18,495,000 relating to the refunding of certain General Obligation bonds issued by the City in 2011.

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City of Akron, Ohio
 Schedule of Revenues, Expenditures and
 Changes in Fund Balance - Budget and Actual -
 General Fund, Non-GAAP Budget Basis
 For the Year Ended December 31, 2019

	Budgeted Amounts		
	Original	Final	Actual Amounts
Revenues and other sources			
Revenues:			
Taxes, Assessments and JEDD	\$ 118,036,657	\$ 118,023,873	\$ 114,941,644
Intergovernmental Revenues	10,061,228	10,241,903	11,265,376
Charges for Services	35,102,160	35,102,160	33,388,536
License and Fees	3,321,000	3,321,000	2,819,775
Miscellaneous Revenues	4,226,380	4,226,380	7,220,636
	<u>170,747,425</u>	<u>170,915,316</u>	<u>169,635,967</u>
Other sources:			
Previous year's encumbrances	1,579,206	1,579,206	1,579,206
	<u>1,579,206</u>	<u>1,579,206</u>	<u>1,579,206</u>
Total revenues and other sources	172,326,631	172,494,522	171,215,173
Expenditures and other uses			
Expenditures:			
Civil Service:			
Wages/benefits	1,037,080	967,080	961,626
Other	232,204	227,204	206,562
	<u>1,269,284</u>	<u>1,194,284</u>	<u>1,168,188</u>
Finance:			
Wages/benefits	2,436,620	2,796,620	2,794,112
Other	4,103,967	6,253,967	6,073,559
	<u>6,540,587</u>	<u>9,050,587</u>	<u>8,867,671</u>
Law:			
Wages/benefits	3,223,590	3,128,590	3,113,387
Other	1,374,809	1,334,809	1,139,997
	<u>4,598,399</u>	<u>4,463,399</u>	<u>4,253,384</u>
Legislative:			
Wages/benefits	1,119,510	1,119,510	1,119,490
Other	253,622	293,622	177,128
	<u>1,373,132</u>	<u>1,413,132</u>	<u>1,296,618</u>
Municipal Court - Clerk:			
Wages/benefits	3,657,940	3,592,940	3,587,046
Other	408,734	393,734	369,638
	<u>4,066,674</u>	<u>3,986,674</u>	<u>3,956,684</u>

City of Akron, Ohio
 Schedule of Revenues, Expenditures and
 Changes in Fund Balance - Budget and Actual -
 General Fund, Non-GAAP Budget Basis
 For the Year Ended December 31, 2019
 (continued)

	<u>Budgeted Amounts</u>		
	<u>Original</u>	<u>Final</u>	<u>Actual Amounts</u>
Municipal Court - Judges:			
Wages/benefits	\$ 4,830,310	\$ 4,630,310	\$ 4,565,820
Other	250,824	250,824	250,216
	<u>5,081,134</u>	<u>4,881,134</u>	<u>4,816,036</u>
Office of the Mayor:			
Wages/benefits	2,460,110	2,630,110	2,615,286
Other	448,990	438,990	370,712
	<u>2,909,100</u>	<u>3,069,100</u>	<u>2,985,998</u>
Planning:			
Wages/benefits	873,540	868,540	864,592
Other	176,524	146,524	121,703
	<u>1,050,064</u>	<u>1,015,064</u>	<u>986,295</u>
Public Health:			
Wages/benefits	51,390	36,390	34,887
Other	4,241,257	4,241,257	4,204,844
	<u>4,292,647</u>	<u>4,277,647</u>	<u>4,239,731</u>
Public Safety:			
Wages/benefits	6,005,010	5,755,010	5,754,296
Other	8,088,492	7,838,492	7,362,906
	<u>14,093,502</u>	<u>13,593,502</u>	<u>13,117,202</u>
Public Service:			
Wages/benefits	9,919,650	9,859,650	9,561,482
Other	12,353,359	13,653,358	13,443,324
	<u>22,273,009</u>	<u>23,513,008</u>	<u>23,004,806</u>
Fire:			
Wages/benefits	25,060,850	26,055,850	26,055,690
Other	12,235,152	12,585,152	12,389,771
Capital Outlay	36,618	36,618	36,618
	<u>37,332,620</u>	<u>38,677,620</u>	<u>38,482,079</u>
Police:			
Wages/benefits	52,710,410	52,710,410	52,681,129
Other	4,437,584	4,437,585	4,032,905
Capital outlay	-	72,000	71,500
	<u>57,147,994</u>	<u>57,219,995</u>	<u>56,785,534</u>

City of Akron, Ohio
 Schedule of Revenues, Expenditures and
 Changes in Fund Balance - Budget and Actual -
 General Fund, Non-GAAP Budget Basis

For the Year Ended December 31, 2019
 (continued)

	<u>Budgeted Amount</u>		<u>Actual Amounts</u>
	<u>Original</u>	<u>Final</u>	
Neighborhood Assistance:			
Wages/benefits	\$ 5,717,360	\$ 5,637,360	\$ 5,628,268
Other	1,597,990	1,597,990	1,515,105
	<u>7,315,350</u>	<u>7,235,350</u>	<u>7,143,373</u>
Total expenditures	<u>169,343,496</u>	<u>173,590,496</u>	<u>171,103,599</u>
Excess of revenues and other sources over expenditures	2,983,135	1,095,974	111,574
Fund balance, January 1, 2019	<u>8,305,785</u>	<u>8,305,785</u>	<u>8,305,785</u>
Fund balance, December 31, 2019	<u>\$ 11,288,920</u>	<u>\$ 9,401,759</u>	<u>\$ 8,417,359</u>

Note:

Included in Other expenditures above are transfers out and advances of the following:	
Finance	\$ 1,785,000
Fire	\$ 10,512,500
Police	\$ 288,421
Public Service	\$ 1,030,000

City of Akron, Ohio
 Schedule of Revenues, Expenditures and
 Changes in Fund Balance - Budget and Actual -
 Community Learning Centers Fund, Non-GAAP Budget Basis
 For the Year Ended December 31, 2019

	<u>Budgeted Amounts</u>		
	<u>Original</u>	<u>Final</u>	<u>Actual Amounts</u>
Revenues and other sources			
Revenues:			
Taxes, Assessments and JEDD	\$ 16,850,620	\$ 20,388,140	\$ 16,405,497
Intergovernmental Revenues	1,140,880	1,380,390	979,558
Intra Fund Transfers	5,825,500	7,048,470	3,272,285
Miscellaneous Revenues	-	-	458,813
Total revenues	<u>23,817,000</u>	<u>28,817,000</u>	<u>21,116,153</u>
Expenditures			
Department Wide:			
Other	<u>23,810,860</u>	<u>23,810,860</u>	<u>22,683,109</u>
Total expenditures	23,810,860	23,810,860	22,683,109
Excess (deficiency) of revenues and other sources over expenditures	6,140	5,006,140	(1,566,956)
Fund balance, January 1, 2019	<u>20,401,299</u>	<u>20,401,299</u>	<u>20,401,299</u>
Fund balance, December 31, 2019	<u>\$ 20,407,439</u>	<u>\$ 25,407,439</u>	<u>\$ 18,834,343</u>

City of Akron, Ohio
 Schedule of Revenues, Expenditures and
 Changes in Fund Balance - Budget and Actual -
 Income Tax Capital Improvement Fund, Non-GAAP Budget Basis
 For the Year Ended December 31, 2019

	<u>Budgeted Amounts</u>		
	<u>Original</u>	<u>Final</u>	<u>Actual Amounts</u>
Revenues and other sources			
Revenues:			
Taxes, Assessments and JEDD	\$ 44,019,320	\$ 51,030,440	\$ 37,340,960
Intergovernmental Revenues	49,200	57,040	
Miscellaneous revenues	4,466,850	5,178,300	2,994,914
	<u>48,535,370</u>	<u>56,265,780</u>	<u>40,335,874</u>
Other sources:			
Note/bond proceeds	1,692,630	1,962,220	2,582,609
Previous year's encumbrances	1,071,871	1,071,871	1,071,871
	<u>2,764,501</u>	<u>3,034,091</u>	<u>3,654,480</u>
Total revenues and other sources	51,299,871	59,299,871	43,990,354
Expenditures			
Department Wide:			
Wages/benefits	698,620	698,620	583,517
Other	39,604,805	42,754,805	40,516,221
Capital outlay	3,385,916	3,235,916	2,801,494
	<u>43,689,341</u>	<u>46,689,341</u>	<u>43,901,232</u>
Total expenditures	43,689,341	46,689,341	43,901,232
Excess of revenues and other sources over expenditures	7,610,530	12,610,530	89,122
Fund deficit, January 1, 2019	<u>(710,018)</u>	<u>(710,018)</u>	<u>(710,018)</u>
Fund balance (deficit), December 31, 2019	<u>\$ 6,900,512</u>	<u>\$ 11,900,512</u>	<u>\$ (620,896)</u>

Note: Included in Other expenditures above are advances of \$978,000

City of Akron, Ohio
 Schedule of Revenues, Expenditures and
 Changes in Fund Balance - Budget and Actual -
 Special Assessment Fund, Non-GAAP Budget Basis

For the Year Ended December 31, 2019

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>
	<u>Original</u>	<u>Final</u>	
Revenues and other sources			
Revenues:			
Special assessments	\$ 20,674,930	\$ 20,674,930	\$ 17,671,313
Service revenues	62,300	62,300	44,460
Miscellaneous revenues	108,210	108,210	144,385
	<u>20,845,440</u>	<u>20,845,440</u>	<u>17,860,158</u>
Other sources:			
Note/Bond proceeds	14,166,560	14,166,560	13,000,000
Previous year's encumbrances	1,237,671	1,237,671	1,237,671
	<u>15,404,231</u>	<u>15,404,231</u>	<u>14,237,671</u>
Total revenues and other sources	36,249,671	36,249,671	32,097,829
Expenditures			
Finance:			
Wages/benefits	179,900	179,900	179,865
Other	2,870,788	2,960,788	2,944,448
	<u>3,050,688</u>	<u>3,140,688</u>	<u>3,124,313</u>
Public Service:			
Wages/benefits	4,949,500	5,399,500	5,283,606
Other	21,383,021	21,383,021	21,294,965
Capital outlay	1,552,936	1,552,936	1,549,339
	<u>27,885,457</u>	<u>28,335,457</u>	<u>28,127,910</u>
Neighborhood Assistance:			
Wages/benefits	330,780	280,780	274,035
Other	1,402,186	1,402,186	1,369,862
	<u>1,732,966</u>	<u>1,682,966</u>	<u>1,643,897</u>
Total expenditures	32,669,111	33,159,111	32,896,120
Excess of revenues (defecit) and other sources over expenditures	3,580,560	3,090,560	(798,291)
Fund balance, January 1, 2019	<u>2,997,858</u>	<u>2,997,858</u>	<u>2,997,858</u>
Fund balance, December 31, 2019	<u>\$ 6,578,418</u>	<u>\$ 6,088,418</u>	<u>\$ 2,199,567</u>

City of Akron, Ohio
 Schedule of Revenues, Expenditures and
 Changes in Fund Balance - Budget and Actual -
 Streets Fund, Non-GAAP Budget Basis
 For the Year Ended December 31, 2019

	<u>Budgeted Amounts</u>		
	<u>Original</u>	<u>Final</u>	<u>Actual Amounts</u>
Revenues and other sources			
Revenues:			
Taxes, Assessments and JEDD	\$ 500,220	\$ 581,950	\$ 1,092,957
Intergovernmental Revenues	128,670	149,700	506,460
Service Revenues	4,222,220	4,912,130	720,228
Miscellaneous revenues	-	-	1,837,103
	<u>4,851,110</u>	<u>5,643,780</u>	<u>4,156,748</u>
Other sources:			
Note/Bond proceeds	7,388,890	8,596,220	7,700,611
Previous year's encumbrances	1,572,483	1,572,483	1,572,483
	<u>8,961,373</u>	<u>10,168,703</u>	<u>9,273,094</u>
Total revenues and other sources	13,812,483	15,812,483	13,429,842
Expenditures			
Department Wide:			
Wages/benefits	172,650	312,650	304,999
Other	4,060,995	5,060,995	4,739,933
Capital outlay	8,010,028	8,060,028	6,963,924
	<u>12,243,673</u>	<u>13,433,673</u>	<u>12,008,856</u>
Total expenditures	12,243,673	13,433,673	12,008,856
Excess of revenues and other sources over expenditures	1,568,810	2,378,810	1,420,986
Fund deficit, January 1, 2019	(847,439)	(847,439)	(847,439)
Fund balance, December 31, 2019	<u>\$ 721,371</u>	<u>\$ 1,531,371</u>	<u>\$ 573,547</u>

City of Akron, Ohio

Required Supplementary Information
Schedule of Net Pension Liability and Related Ratios under OPERS

For the Year Ended December 31, 2019

Traditional Plan

Measurement Date	Proportion of Collective Net Pension Liability/(Asset)	Proportionate Share of Collective Net Pension Liability/(Asset)	Covered Payroll**	Net Pension Liability/(Asset) as a Percentage of Covered Payroll	Fiduciary Net Position as a Percentage of Total Pension Liability
12/31/2018	0.43836	% \$ 120,056,821	\$ 59,207,076	202.8 %	74.7 %
12/31/2017	0.43977	68,990,774	58,131,654	118.7	84.7
12/31/2016	0.44509	101,073,278	57,520,375	175.7	77.3
12/31/2015	0.43764	75,805,111	54,382,817	139.4	81.1
12/31/2014	0.44358	53,500,585	52,357,017	102.2	86.5
12/31/2013	0.44358	52,292,185	53,972,510	96.9	86.4

OPERS Combined Plan

Measurement Date	Proportion of Collective Net Pension Liability/(Asset)	Proportionate Share of Collective Net Pension Liability/(Asset)	Covered Payroll**	Net Pension Liability/(Asset) as a Percentage of Covered Payroll	Fiduciary Net Position as a Percentage of Total Pension Liability
12/31/2018	0.31576	% \$ (353,085)	\$ 1,349,550	26.2 %	126.6 %
12/31/2017	0.32691	(444,922)	1,329,738	33.5	137.3
12/31/2016	0.33706	(187,599)	1,312,142	14.3	116.6
12/31/2015	0.31566	(153,607)	1,117,900	13.7	116.9
12/31/2014	0.30583	(117,750)	1,123,475	10.5	114.8
12/31/2013	0.30586	(32,090)	1,123,400	2.9	114.8

OPERS Member Directed Plan

Measurement Date	Proportion of Collective Net Pension Liability/(Asset)	Proportionate Share of Collective Net Pension Liability/(Asset)	Covered Payroll**	Net Pension Liability/(Asset) as a Percentage of Covered Payroll	Fiduciary Net Position as a Percentage of Total Pension Liability
12/31/2018	0.19508	% \$ (4,445)	\$ 1,349,550	0.33 %	113.4 %
12/31/2017	0.19522	(11,441)	1,066,892	1.07	124.5
12/31/2016	0.16885	(703)	890,550	0.08	103.4
12/31/2015	0.18979	(725)	905,960	0.08	103.9

** Covered Payroll has been estimated by the City of Akron.

City of Akron, Ohio

Required Supplementary Information
Schedule of Contributions Under OPERS to State Pension and OPEB

For the Year Ended December 31, 2019

Traditional Plan

Fiscal Year Ending	Measurement Year Ending	Statutorily Required Employer Contribution	Actual Employer Contributions	Contribution Excess (Deficiency)	Covered Payroll*	Contractually Required Contribution Rates:		
						Pension	OPEB	Total
12/31/2019	12/31/2018	\$ 8,506,324	\$ 8,506,324	\$ -	\$ 60,759,457	14.00 %	0.00 %	14.00 %
12/31/2018	12/31/2017	8,288,758	8,288,758	-	59,205,414	14.00	0.00	14.00
12/31/2017	12/31/2016	8,138,432	8,138,432	-	58,131,654	13.00	1.00	14.00
12/31/2016	12/31/2015	8,052,852	8,052,852	-	57,520,375	12.00	2.00	14.00
12/31/2015	12/31/2014	6,525,938	6,525,938	-	54,382,817	12.00	0.00	12.00
12/31/2014	12/31/2013	7,329,982	7,329,982	-	52,357,017	12.00	2.00	14.00
12/31/2013	N/A	7,556,151	7,556,151	-	53,972,510	10.00	4.00	14.00
12/31/2012	N/A	7,346,888	7,346,888	-	52,477,770	10.00	4.00	14.00
12/31/2011	N/A	7,556,151	7,556,151	-	53,972,510	10.00	4.00	14.00
12/31/2010	N/A	8,054,706	8,054,706	-	57,533,611	9.00	5.00	14.00

Combined Plan

Fiscal Year Ending	Measurement Year Ending	Statutorily Required Employer Contribution	Actual Employer Contributions	Contribution Excess (Deficiency)	Covered Payroll*	Contractually Required Contribution Rates:		
						Pension	OPEB	Total
12/31/2019	12/31/2018	\$ 212,461	\$ 212,461	\$ -	\$ 1,517,579	14.00 %	0.00 %	14.00 %
12/31/2018	12/31/2017	188,937	188,937	-	1,349,550	14.00	0.00	14.00
12/31/2017	12/31/2016	186,163	186,163	-	1,329,738	13.00	1.00	14.00
12/31/2016	12/31/2015	183,700	183,700	-	1,312,142	12.00	2.00	14.00
12/31/2015	12/31/2014	156,506	156,506	-	1,117,900	12.00	2.00	14.00
12/31/2014	12/31/2013	157,285	157,285	-	1,123,475	12.00	2.00	14.00

Member Directed Plan

Fiscal Year Ending	Measurement Year Ending	Statutorily Required Employer Contribution	Actual Employer Contributions	Contribution Excess (Deficiency)	Covered Payroll*	Contractually Required Contribution Rates:		
						Pension	OPEB	Total
12/31/2019	12/31/2018	\$ 161,169	\$ 161,169	\$ -	\$ 1,151,207	14.00 %	0.00 %	14.00 %
12/31/2018	12/31/2017	188,937	188,937	-	1,349,550	14.00	0.00	14.00
12/31/2017	12/31/2016	149,365	149,365	-	1,066,892	13.00	1.00	14.00
12/31/2016	12/31/2015	124,677	124,677	-	890,550	12.00	2.00	14.00

*Covered payroll has been estimated by the City of Akron.

City of Akron, Ohio

Required Supplementary Information
Schedule of Net Pension Liability and Related Ratios under OP&F

For the Year Ended December 31, 2019

Fire

Measurement Date	Proportion of Collective Net Pension Liability/(Asset)	Proportionate Share of Collective Net Pension Liability/(Asset)	Covered Payroll**	Net Pension Liability/(Asset) as a Percentage of Covered Payroll	Fiduciary Net Position as a Percentage of Total Pension Liability
12/31/2018	1.3535830	% \$ 110,488,140	\$ 27,458,083	402.4 %	63.1 %
12/31/2017	1.3615340	80,801,637	25,926,353	311.7	70.9
12/31/2016	1.3274720	84,080,723	25,713,251	327.0	68.4
12/31/2015	1.3199200	84,911,384	23,457,047	362.0	66.8
12/31/2014	1.3172024	68,236,576	20,458,336	333.5	72.2
12/31/2013	1.3172024	64,151,888	18,706,713	342.9	72.2

Police

Measurement Date	Proportion of Collective Net Pension Liability/(Asset)	Proportionate Share of Collective Net Pension Liability/(Asset)	Covered Payroll**	Net Pension Liability/(Asset) as a Percentage of Covered Payroll	Fiduciary Net Position as a Percentage of Total Pension Liability
12/31/2018	1.3062930	% \$ 106,628,025	\$ 32,520,558	327.9 %	63.1 %
12/31/2017	1.3006560	79,827,131	31,566,974	252.9	70.9
12/31/2016	1.3613200	86,224,625	32,224,089	267.6	68.4
12/31/2015	1.3057420	83,998,130	29,950,321	280.5	66.8
12/31/2014	1.3597730	70,441,912	34,172,517	206.1	72.2
12/31/2013	1.3597730	66,225,111	35,596,596	186.0	72.2

** Covered Payroll has been estimated by the City of Akron.

City of Akron, Ohio

Required Supplementary Information
Schedule of Contributions Under OP&F to State Pension and OPEB

For the Year Ended December 31, 2019

Fire

Fiscal Year Ending	Measurement Year Ending	Statutorily	Actual	Contribution	Covered Payroll**	Contractually Required		
		Required Employer Contributions	Employer Contributions	Excess (Deficiency)		Contribution Rates:		
						Pension	OPEB	Total
12/31/2019	12/31/2018	\$ 6,753,652	\$ 6,753,652	\$ -	\$ 28,140,217	23.50 %	0.50 %	24.00 %
12/31/2018	12/31/2017	6,589,940	6,589,940	-	27,458,083	23.50	0.50	24.00
12/31/2017	12/31/2016	6,092,693	6,092,693	-	25,926,353	23.50	0.50	24.00
12/31/2016	12/31/2015	6,042,614	6,042,614	-	25,713,251	23.50	0.50	24.00
12/31/2015	12/31/2014	5,512,406	5,512,406	-	23,457,047	23.50	0.50	24.00
12/31/2014	12/31/2013	4,807,709	4,807,709	-	20,458,336	23.50	0.50	24.00
12/31/2013	N/A	3,784,368	3,784,368	-	18,706,713	20.38	3.62	24.00
12/31/2012	N/A	3,784,368	3,784,368	-	21,938,365	17.25	6.75	24.00
12/31/2011	N/A	3,667,167	3,667,167	-	21,258,939	17.25	6.75	24.00
12/31/2010	N/A	3,707,534	3,707,534	-	21,492,951	17.25	6.75	24.00

Police

Fiscal Year Ending	Measurement Year Ending	Statutorily	Actual	Contribution	Covered Payroll**	Contractually Required		
		Required Employer Contributions	Employer Contributions	Excess (Deficiency)		Contribution Rates:		
						Pension	OPEB	Total
12/31/2019	12/31/2018	\$ 6,522,223	\$ 6,522,223	\$ -	\$ 33,447,297	19.00 %	0.50 %	19.50 %
12/31/2018	12/31/2017	6,341,509	6,341,509	-	32,520,558	19.00	0.50	19.50
12/31/2017	12/31/2016	6,155,560	6,155,560	-	31,566,974	19.00	0.50	19.50
12/31/2016	12/31/2015	6,283,697	6,283,697	-	32,224,089	19.00	0.50	19.50
12/31/2015	12/31/2014	5,840,313	5,840,313	-	29,950,321	19.00	0.50	19.50
12/31/2014	12/31/2013	6,663,641	6,663,641	-	34,172,517	15.73	3.77	19.50
12/31/2013	N/A	6,941,336	6,941,336	-	35,596,596	12.75	6.75	19.50
12/31/2012	N/A	5,320,063	5,320,063	-	27,282,376	12.75	6.75	19.50
12/31/2011	N/A	5,170,880	5,170,880	-	26,517,333	12.75	6.75	19.50
12/31/2010	N/A	5,380,865	5,380,865	-	27,594,180	12.75	6.75	19.50

**Covered Payroll has been estimated by the City of Akron.

City of Akron, Ohio

Required Supplementary Information
Schedule of Net OPEB Liability and Related Ratios

For the Year Ended December 31, 2019

City of Akron Plan

Measurement Date	Net OPEB Liability / (Asset)	Covered Payroll	Net OPEB Liability / (Asset) as a Percentage of Covered Payroll	Fiduciary Net Position as a Percentage of Total OPEB Liability
12/31/2018	\$ 101,552,619	\$ 119,397,841	85.05 %	0.00 %
12/31/2017	124,741,033	118,465,624	105.30	0.00
12/31/2016	115,704,251	113,130,435	102.28	0.00

OPERS

Measurement Date	Proportion of Collective Net OPEB Liability / (Asset)	Proportionate Share of Collective Net OPEB Liability / (Asset)	Covered Employee Payroll	Net OPEB Liability / (Asset) as a Percentage of Covered Payroll	Fiduciary Net Position as a Percentage of Total OPEB Liability
12/31/2018	0.43 %	\$ 55,435,783	\$ 61,904,514	89.55 %	46.30 %
12/31/2017	0.43	46,401,790	60,528,284	76.66	54.10
12/31/2016	0.43	43,158,581	59,723,067	72.26	62.10

OP&F

Measurement Date	Proportion of Collective Net OPEB Liability / (Asset)	Proportionate Share of Collective Net OPEB Liability / (Asset)	Covered Employee Payroll	Net OPEB Liability / (Asset) as a Percentage of Covered Payroll	Fiduciary Net Position as a Percentage of Total OPEB Liability
12/31/2018	2.659876 %	\$ 24,222,250	\$ 59,978,641	40.38 %	14.10 %
12/31/2017	2.61719	148,286,319	57,937,340	255.94	14.10
12/31/2016	2.61719	124,232,123	53,407,368	232.61	16.00

City of Akron, Ohio

Required Supplementary Information
 Schedule of Contributions under the City of Akron's OPEB Plan

For the Year Ended December 31, 2019

Fiscal Year Ending	Measurement Year Ending	Actual Employer Contributions	Covered Payroll *
12/31/2019	12/31/2018	\$ 2,591,971	\$ 125,015,757
12/31/2018	12/31/2017	3,015,640	119,397,841
12/31/2017	N/A	4,462,299	118,465,624
12/31/2016	N/A	4,867,000	113,130,435
12/31/2015	N/A	5,048,000	108,908,085
12/31/2014	N/A	4,908,000	107,105,770
12/31/2013	N/A	4,725,000	108,275,819
12/31/2012	N/A	4,772,000	83,935,000
12/31/2011	N/A	4,335,000	88,115,000
12/31/2010	N/A	9,825,000	114,340,000

* Covered Payroll has been estimated by the City of Akron

City of Akron, Ohio

Notes to the Required Supplementary Information

For the Year Ended December 31, 2019

Budgetary Data

The City’s budgetary process is based upon accounting for certain transactions on a basis other than on generally accepted accounting principles (GAAP). The actual results of operations are presented in the Budgetary Comparison Schedule in accordance with the City’s budgetary process (budget basis) to provide a meaningful comparison of actual results with the budget. The legal level of budgetary control is by category for each department within each fund. The categories are wages/benefits, other, and capital outlay.

The major differences between budget basis and GAAP basis in the General Fund, the Community Learning Centers Fund, the Income Tax Capital Improvement Fund, and the Special Assessment Fund are:

1. Revenues are recorded when received in cash (budget) as opposed to susceptible to accrual (GAAP).
2. Expenditures are recorded when paid in cash (budget) as opposed to when the liability is incurred (GAAP).
3. Encumbrances are recorded as the equivalent of expenditures (budget) as opposed to restricted, committed or assigned fund balance (GAAP).

Recognition of certain revenues may be reclassified between funds to facilitate matching with the related expenditures.

	<u>General</u>	<u>Community Learning Centers</u>	<u>Income Tax Capital Improvement</u>	<u>Special Assessment</u>	<u>Streets</u>
Excess (Deficiency) of revenues and other financing sources over expenditures and other financing uses (budgetary basis)	\$ 111,574	\$ (1,566,956)	\$ 89,122	\$ (798,291)	\$ 1,420,986
Adjustments:					
To adjust revenues for accruals	(5,605,284)	18,730,963	3,761,004	(13,753,505)	44,810,728
To adjust expenditures for accruals	3,185,036	(30,302,677)	(8,021,323)	12,936,707	(48,719,364)
To adjust for encumbrances	<u>1,477,346</u>	<u>-</u>	<u>927,656</u>	<u>1,667,006</u>	<u>2,075,511</u>
Net change in fund balance (GAAP basis)	<u>\$ (831,328)</u>	<u>\$ (13,138,670)</u>	<u>\$ (3,243,541)</u>	<u>\$ 51,917</u>	<u>\$ (412,139)</u>

City of Akron, Ohio

Notes to the Required Supplementary Information

For the Year Ended December 31, 2019

Schedule of City's Proportionate Share of Net Pension Liability

Information regarding the City's proportionate share of the net pension liability (asset) for fiscal years ending 2014, 2015, 2016, 2017, and 2018 has been provided by the Ohio Public Employees Retirement System (OPERS) and the Ohio Police and Fire Pension Fund (OP&F). The net pension liability (asset) presented in the City's financial statement as of December 31, 2019 is based on the measurement date of December 31, 2018. Information presented in this exhibit is not available for years prior to 2013.

Schedule of the City Contributions to State Pension Funds and OPEB

The Board of Trustees for both OPERS and OP&F determine the allocation between pension and OPEB plans annually and this allocation may change for year to year. The city pays all contractually required employer rates for OPERS and OP&F employees.

OPERS maintains three separate pension plans. The employer contribution rate is the same for all three plans. The City does not know which plan each of its employees participates in and; therefore; the information presented in the contribution schedule combines all plans from fiscal year ending December 31, 2007 through fiscal year ending December 31, 2013.

Schedule of the Net OPEB Liability and Related Ratios

Information regarding the City's proportionate share of the net OPEB liability for the fiscal year ending 2019 has been provided by OPERS and OP&F. The net OPEB liability presented in the City's financial statement as of December 31, 2019 is based on the measurement date of December 31, 2018. Information presented in this exhibit is not available prior to 2016.

The City also maintains its own plan that is funded on a "Pay-as-you-go" basis. The net OPEB liability for presented in the City's financial statements as of December 31, 2019 is based on the measurement date of December 31, 2018.

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Supplementary Information

NON-MAJOR GOVERNMENTAL FUNDS

Special Revenue Funds - are used to account for types of resources for which specific uses are mandated by City ordinances or federal and state statutes. The title of the fund is descriptive of the activities accounted for therein. The non-major Special Revenue Funds are:

To Account for Special Purposes:

Income Tax Collection	Canal Park Stadium COPs
Emergency Medical Service	Downtown District Heating COPs
Street and Highway Maintenance	Safety Programs
Tax Equivalency	City Facilities Operating
E.D.A. Revolving Loans	Various Purpose Funding
Joint Economic Development Districts	Deposits
Akron Muni. Court Information System	Police, Fire, and Road Activity

Federal and/or State Statutes to Account for Grants and Subsidies:

Community Development	H.O.M.E. Program
Community Environment Grants	Police Grants
Akron Metro. Area Transportation Study	

NON-MAJOR GOVERNMENTAL FUNDS (Continued)

Debt Service Funds - are used to account for the accumulation of financial resources for, and the payment of, general long-term debt principal, interest and related costs. The non-major Debt Service Funds are as follows:

General Bond Payment	Non-Tax Revenue Bond Payment
Debt Service Bond Payment	Pension Obligation Refunding
Special Assessment Bond Payment	JEDD Bond Payment
Main Place Bond Payment	Income Tax Bond Payment
Downtown Hotel Bond Payment	Taxable Revenue Bond Payment

Capital Project Funds – are used to account for financial resources to be used for the acquisition or construction of major capital facilities (other than those financed by Proprietary Funds). The non-major Capital Projects Funds are as follows:

To Account for Grant Revenue and Other Funding Sources:

Information Technology and Improvements	Public Parking
Parks and Recreation	Economic Development
Public Facilities and Improvements	

-

City of Akron, Ohio
 Combining Balance Sheet - Non-Major Governmental Funds
 December 31, 2019

B-1

Special Revenue Funds

	Income Tax Collection	Emergency Medical Service	Street and Highway Maintenance	Community Development
Assets				
Pooled cash and investments	\$ 4,304,159	\$ 798,101	\$ 1,889,508	\$ 1,432,222
Restricted cash and investments	-	-	-	-
Receivables, net of allowances for uncollectibles	-	9,863,838	4,229,754	579
Loans receivable	-	-	-	2,152,669
Due from other governments	-	-	-	1,220,655
Due from other funds	164,055	-	70,486	-
Due from others	219,785	-	-	-
Assets held for resale	-	-	-	-
Total assets	\$ 4,687,999	\$ 10,661,939	\$ 6,189,748	\$ 4,806,125
Liabilities				
Accounts payable	\$ 366,517	\$ 16,764	\$ 95,045	\$ 393,248
Deposits	-	-	-	-
Advances from other funds	-	370,000	-	-
Due to other governments	-	-	-	1,850,000
Due to other funds	2,865,380	24,035	116,744	5,761
Due to others	-	-	-	-
Accrued liabilities	10,435	196,691	50,475	12,319
Accrued wages	45,825	776,328	217,645	51,229
Total liabilities	3,288,157	1,383,818	479,909	2,312,557
Deferred Inflows of Resources	-	8,744,248	3,112,519	3,360,271
Fund balances				
Restricted	1,399,842	533,873	2,597,320	-
Committed	-	-	-	-
Unassigned	-	-	-	(866,703)
Total fund balances (deficits)	1,399,842	533,873	2,597,320	(866,703)
Total liabilities, deferred inflows and fund balances	\$ 4,687,999	\$ 10,661,939	\$ 6,189,748	\$ 4,806,125

City of Akron, Ohio
Combining Balance Sheet - Non-Major Governmental Funds
December 31, 2019

B-1

Special Revenue Funds

	Community Environment Grants	Akron Metro. Area Transportation Study	H.O.M.E. Program	Tax Equivalency	E.D.A. Revolving Loans
Assets					
Pooled cash and investments	\$ 273,276	\$ 385,077	\$ 874,480	\$ 5,171,974	\$ 6,362
Restricted cash and investments	-	-	-	-	-
Receivables, net of allowances for uncollectibles	-	450	14,985	14,101,862	-
Loans receivable	286,876	-	3,045,433	-	4,484
Due from other governments	42,715	104,579	872,962	-	-
Due from other funds	-	-	-	-	-
Due from others	-	-	-	-	-
Assets held for resale	-	-	-	-	-
Total assets	\$ 602,867	\$ 490,106	\$ 4,807,860	\$ 19,273,836	\$ 10,846
Liabilities					
Accounts payable	\$ 105,176	\$ 938	\$ 511,986	\$ 40,772	\$ -
Deposits	-	-	-	-	-
Advances from other funds	-	-	-	-	-
Due to other governments	-	-	-	-	-
Due to other funds	-	2,789	-	70,832	-
Due to others	-	-	-	1,635,862	-
Accrued liabilities	68	8,595	46	-	-
Accrued wages	-	36,758	65	-	-
Total liabilities	105,244	49,080	512,097	1,747,466	-
Deferred Inflows of Resources	192,715	-	3,608,395	14,055,990	-
Fund balances					
Restricted	304,908	441,026	687,368	-	10,846
Committed	-	-	-	3,470,380	-
Unassigned	-	-	-	-	-
Total fund balances (deficits)	304,908	441,026	687,368	3,470,380	10,846
Total liabilities, deferred inflows and fund balances	\$ 602,867	\$ 490,106	\$ 4,807,860	\$ 19,273,836	\$ 10,846

City of Akron, Ohio
Combining Balance Sheet - Non-Major Governmental Funds
December 31, 2019

B-1

Special Revenue Funds				
	Joint Economic Development Districts	Akron Muni. Court Information System	Canal Park Stadium COPs	Downtown District Heating COPs
Assets				
Pooled cash and investments	\$ 2,513,475	\$ 1,294,774	\$ 2	\$ -
Restricted cash and investments	-	-	138,443	8,749,184
Receivables, net of allowances for uncollectibles	193,989	8,365	-	-
Loans receivable	1,500,000	-	-	-
Due from other governments	-	-	-	-
Due from other funds	-	9,192	-	-
Due from others	-	-	-	-
Assets held for resale	-	-	-	-
Total assets	\$ 4,207,464	\$ 1,312,331	\$ 138,445	\$ 8,749,184
Liabilities				
Accounts payable	\$ 559,647	\$ 49,382	\$ -	\$ -
Deposits	-	-	-	-
Advances from other funds	-	-	-	-
Due to other governments	-	-	-	-
Due to other funds	109,478	193	-	-
Due to others	3,394,949	-	-	-
Accrued liabilities	6,899	-	-	-
Accrued wages	31,705	-	-	-
Total liabilities	4,102,678	49,575	-	-
Deferred Inflows of Resources	1,000,000	-	-	-
Fund balances				
Restricted	-	1,262,756	138,445	8,749,184
Committed	-	-	-	-
Unassigned	(895,214)	-	-	-
Total fund balances (deficits)	(895,214)	1,262,756	138,445	8,749,184
Total liabilities, deferred inflows and fund balances	\$ 4,207,464	\$ 1,312,331	\$ 138,445	\$ 8,749,184

City of Akron, Ohio
Combining Balance Sheet - Non-Major Governmental Funds
December 31, 2019

B-1

	Special Revenue Funds					
	Police Grants	Safety Programs	City Facilities Operating	Various Purpose Funding	Deposits	Police, Fire, and Road Activity
Assets						
Pooled cash and investments	\$ 242,751	\$ 1,987,166	\$ 256,844	\$ 11,798,469	\$ 1,869,495	\$ 2,217,741
Restricted cash and investments	-	-	-	-	-	-
Receivables, net of allowances for uncollectibles	-	231,063	386,010	66,861	1,887,590	2,765,542
Loans receivable	-	-	-	-	-	-
Due from other governments	141,752	-	-	49,213	-	-
Due from other funds	-	3,025	-	60,511	132,468	1,428,686
Due from others	-	-	-	-	-	-
Assets held for resale	-	-	-	-	-	-
Total assets	\$ 384,503	\$ 2,221,254	\$ 642,854	\$ 11,975,054	\$ 3,889,553	\$ 6,411,969
Liabilities						
Accounts payable	\$ 17,411	\$ 10,678	\$ 585,093	\$ 172,519	\$ -	\$ 505,415
Deposits	-	-	-	-	615,980	-
Advances from other funds	260,000	21,000	765,000	-	-	-
Due to other governments	12,092	-	-	-	-	120,761
Due to other funds	116,683	3,705	-	251	195,566	590
Due to others	-	-	227,063	-	1,315,489	-
Accrued liabilities	1,263	12,167	-	-	-	324,827
Accrued wages	5,191	44,841	-	-	-	-
Total liabilities	412,640	92,391	1,577,156	172,770	2,127,035	951,593
Deferred Inflows of Resources	119,165	269,410	-	49,213	-	1,379,266
Fund balances						
Restricted	-	1,859,453	-	11,565,961	1,762,518	4,081,110
Committed	-	-	-	187,110	-	-
Unassigned	(147,302)	-	(934,302)	-	-	-
Total fund balances (deficits)	(147,302)	1,859,453	(934,302)	11,753,071	1,762,518	4,081,110
Total liabilities, deferred inflows and fund balances	\$ 384,503	\$ 2,221,254	\$ 642,854	\$ 11,975,054	\$ 3,889,553	\$ 6,411,969

City of Akron, Ohio
 Combining Balance Sheet - Non-Major Governmental Funds
 December 31, 2019

B-1

Debt Service Funds						
	General Bond Payment	Debt Service Bond Payment	Special Assessment Bond Payment	Main Place Bond Payment	Downtown Hotel Bond Payment	Non-Tax Revenue Bond Payment
Assets						
Pooled cash and investments	\$ 62,520	\$ -	\$ -	\$ -	\$ -	\$ -
Restricted cash and investments	-	393,574	39,014	21	4	280,040
Receivables, net of allowances for uncollectibles	2,130,226	-	-	-	-	-
Loans receivable	-	-	-	-	-	-
Due from other governments	-	-	-	-	-	-
Due from other funds	-	-	-	-	-	-
Due from others	-	-	-	-	-	-
Assets held for resale	-	-	-	-	-	-
Total assets	\$ 2,192,746	\$ 393,574	\$ 39,014	\$ 21	\$ 4	\$ 280,040
Liabilities						
Accounts payable	\$ 336	\$ -	\$ -	\$ -	\$ -	\$ -
Deposits	-	-	-	-	-	-
Advances from other funds	-	-	-	-	-	-
Due to other governments	-	-	-	-	-	-
Due to other funds	3,264	-	-	-	-	-
Due to others	-	-	2,000	-	-	-
Accrued liabilities	2,727	-	-	-	-	-
Accrued wages	13,397	-	-	-	-	-
Total liabilities	19,724	-	2,000	-	-	-
Deferred Inflows of Resources	1,988,022	-	-	-	-	-
Fund balances						
Restricted	185,000	393,574	37,014	21	4	280,040
Committed	-	-	-	-	-	-
Unassigned	-	-	-	-	-	-
Total fund balances (deficits)	185,000	393,574	37,014	21	4	280,040
Total liabilities, deferred inflows and fund balances	\$ 2,192,746	\$ 393,574	\$ 39,014	\$ 21	\$ 4	\$ 280,040

City of Akron, Ohio
 Combining Balance Sheet - Non-Major Governmental Funds
 December 31, 2019

B-1

Debt Service Funds				
	Pension Obligation Refunding	JEDD Bond Payment	Income Tax Bond Payment	Taxable Revenue Bond Payment
Assets				
Pooled cash and investments	\$ -	\$ -	\$ -	\$ -
Restricted cash and investments	363	8,092	1,695,602	44,866
Receivables, net of allowances for uncollectibles	-	-	-	-
Loans receivable	-	-	-	-
Due from other governments	-	-	-	-
Due from other funds	-	-	-	-
Due from others	-	-	-	-
Assets held for resale	-	-	-	-
Total assets	\$ 363	\$ 8,092	\$ 1,695,602	\$ 44,866
Liabilities				
Accounts payable	\$ -	\$ -	\$ -	\$ -
Deposits	-	-	-	-
Advances from other funds	-	-	-	-
Due to other governments	-	-	-	-
Due to other funds	-	-	1,500,000	-
Due to others	-	-	-	-
Accrued liabilities	-	-	-	-
Accrued wages	-	-	-	-
Total liabilities	-	-	1,500,000	-
Deferred Inflows of Resources	-	-	-	-
Fund balances				
Restricted	363	8,092	195,602	44,866
Committed	-	-	-	-
Unassigned	-	-	-	-
Total fund balances (deficits)	363	8,092	195,602	44,866
Total liabilities, deferred inflows and fund balances	\$ 363	\$ 8,092	\$ 1,695,602	\$ 44,866

City of Akron, Ohio
Combining Balance Sheet - Non-Major Governmental Funds
December 31, 2019

B-1

Capital Project Funds				
	Information Technology and Improvements	Parks and Recreation	Public Facilities and Improvements	Public Parking
Assets				
Pooled cash and investments	\$ 33,118	\$ 910,861	\$ 1,136,594	\$ 995,131
Restricted cash and investments	-	-	-	-
Receivables, net of allowances for uncollectibles	-	-	-	-
Loans receivable	-	-	-	-
Due from other governments	-	-	737,500	-
Due from other funds	-	-	-	-
Due from others	-	-	-	-
Assets held for resale	-	-	-	-
Total assets	\$ 33,118	\$ 910,861	\$ 1,874,094	\$ 995,131
Liabilities				
Accounts payable	\$ 816	\$ 15,553	\$ 171,812	\$ 15,729
Deposits	-	-	-	-
Advances from other funds	-	-	457,000	-
Due to other governments	-	-	21,946	-
Due to other funds	-	215	3,201	1,180
Due to others	-	-	-	-
Accrued liabilities	-	-	26,580	-
Accrued wages	-	-	-	-
Total liabilities	816	15,768	680,539	16,909
Deferred Inflows of Resources	-	-	-	-
Fund balances				
Restricted	-	-	-	-
Committed	32,302	895,093	1,193,555	978,222
Unassigned	-	-	-	-
Total fund balances (deficits)	32,302	895,093	1,193,555	978,222
Total liabilities, deferred inflows and fund balances	\$ 33,118	\$ 910,861	\$ 1,874,094	\$ 995,131

City of Akron, Ohio
 Combining Balance Sheet - Non-Major Governmental Funds
 December 31, 2019

B-1

**Capital Project
 Funds**

	<u>Economic Development</u>	<u>Total</u>
Assets		
Pooled cash and investments	\$ 614,559	\$ 41,068,659
Restricted cash and investments	-	11,349,203
Receivables, net of allowances for uncollectibles	11,452	35,892,566
Loans receivable	3,237,573	10,227,035
Due from other governments	-	3,169,376
Due from other funds	-	1,868,423
Due from others	-	219,785
Assets held for resale	7,919,423	7,919,423
Total assets	\$ 11,783,007	\$ 111,714,470
Liabilities		
Accounts payable	\$ 499,072	\$ 4,133,909
Deposits	-	615,980
Advances from other funds	-	1,873,000
Due to other governments	3,286,639	5,291,438
Due to other funds	10,402	5,030,269
Due to others	451,567	7,026,930
Accrued liabilities	145,416	798,508
Accrued wages	-	1,222,984
Total liabilities	4,393,096	25,993,018
Deferred Inflows of Resources	4,685,000	42,564,214
Fund balances		
Restricted	-	36,539,186
Committed	2,704,911	9,461,573
Unassigned	-	(2,843,521)
Total fund balances (deficits)	2,704,911	43,157,238
Total liabilities, deferred inflows and fund balances	\$ 11,783,007	\$ 111,714,470

City of Akron, Ohio
 Combining Statement of Revenues, Expenditures, and Changes in Fund Balances - Non-Major Governmental Funds
 For the Year Ended December 31, 2019

B-2

Special Revenue Funds				
	Income Tax Collection	Emergency Medical Service	Street and Highway Maintenance	Community Development
Revenues				
Income taxes	\$ 5,194,560	\$ -	\$ 1,025	\$ 5,000
Property taxes	-	6,637,973	-	-
JEDD revenues	-	-	-	-
Grants and subsidies	-	-	-	8,785,501
Investment earnings	-	13,146	22,098	42,052
Shared revenues	-	831,489	8,630,745	-
Licenses, fees and fines	1,405,893	-	148,450	103,803
Charges for services	-	2,253,521	1,050,817	-
Miscellaneous	23,089	352,013	569,184	753,435
	<u>6,623,542</u>	<u>10,088,142</u>	<u>10,422,319</u>	<u>9,689,791</u>
Expenditures				
Current:				
General government	3,256,171	-	192	-
Public service	-	-	9,182,412	1,446,102
Public safety	-	20,164,216	1,333	398
Community environment	-	-	34,360	8,809,798
Recreation and parks	-	-	-	-
Debt service:				
Principal retirement	-	-	-	-
Interest	-	53	-	27
Bond issuance expenditures	-	-	-	-
	<u>3,256,171</u>	<u>20,164,269</u>	<u>9,218,297</u>	<u>10,256,325</u>
Excess (deficiency) of revenues over (under) expenditures	3,367,371	(10,076,127)	1,204,022	(566,534)
Other financing sources (uses)				
Issuance of bonds	-	-	-	-
Premium on debt	-	-	-	-
Issuance of refunding obligations	-	-	-	-
Payment to refunding agent	-	-	-	-
Transfers-in	-	10,142,500	-	-
Transfers-out	-	-	-	-
	<u>-</u>	<u>10,142,500</u>	<u>-</u>	<u>-</u>
Net change in fund balances	3,367,371	66,373	1,204,022	(566,534)
Fund balances (deficit), January 1, 2019, as restated	(1,967,529)	467,500	1,393,298	(300,169)
Fund balances (deficit), December 31, 2019	<u>\$ 1,399,842</u>	<u>\$ 533,873</u>	<u>\$ 2,597,320</u>	<u>\$ (866,703)</u>

City of Akron, Ohio
 Combining Statement of Revenues, Expenditures, and Changes in Fund Balances - Non-Major Governmental Funds
 For the Year Ended December 31, 2019

B-2

Special Revenue Funds					
	Community Environment Grants	Akron Metro. Area Transportation Study	H.O.M.E. Program	Tax Equivalency	E.D.A. Revolving Loans
Revenues					
Income taxes	\$ -	\$ -	\$ -	\$ -	\$ -
Property taxes	-	-	-	-	-
JEDD revenues	-	-	-	-	-
Grants and subsidies	921,404	1,387,330	1,991,764	-	-
Investment earnings	6,318	6,450	19,567	-	848
Shared revenues	-	-	-	17,559,783	-
Licenses, fees and fines	-	11,450	-	-	-
Charges for services	-	450	-	-	-
Miscellaneous	45,238	181,764	47,706	18,768	3,172
	<u>972,960</u>	<u>1,587,444</u>	<u>2,059,037</u>	<u>17,578,551</u>	<u>4,020</u>
Expenditures					
Current:					
General government	-	-	-	-	-
Public service	-	-	-	602	-
Public safety	-	72	-	-	-
Community environment	895,644	1,421,753	2,410,526	11,973,278	47,061
Recreation and parks	-	-	-	-	-
Debt service:					
Principal retirement	-	-	-	3,192,960	-
Interest	-	-	-	498,213	-
Bond issuance expenditures	-	-	-	-	-
	<u>895,644</u>	<u>1,421,825</u>	<u>2,410,526</u>	<u>15,665,053</u>	<u>47,061</u>
Excess (deficiency) of revenues over (under) expenditures	77,316	165,619	(351,489)	1,913,498	(43,041)
Other financing sources (uses)					
Issuance of bonds	-	-	-	-	-
Premium on debt	-	-	-	-	-
Issuance of refunding obligations	-	-	-	-	-
Payment to refunding agent	-	-	-	-	-
Transfers-in	-	-	-	-	-
Transfers-out	-	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	77,316	165,619	(351,489)	1,913,498	(43,041)
Fund balances (deficit), January 1, 2019, as restated	227,592	275,407	1,038,857	1,556,882	53,887
Fund balances (deficit), December 31, 2019	<u>\$ 304,908</u>	<u>\$ 441,026</u>	<u>\$ 687,368</u>	<u>\$ 3,470,380</u>	<u>\$ 10,846</u>

City of Akron, Ohio
 Combining Statement of Revenues, Expenditures, and Changes in Fund Balances - Non-Major Governmental Funds
 For the Year Ended December 31, 2019

B-2

	Special Revenue Funds			
	Joint Economic Development Districts	Akron Muni. Court Information System	Canal Park Stadium COPs	Downtown District Heating COPs
Revenues				
Income taxes	\$ -	\$ -	\$ -	\$ -
Property taxes	-	-	-	-
JEDD revenues	10,833,393	-	-	-
Grants and subsidies	-	-	-	-
Investment earnings	111,486	-	33,929	396,126
Shared revenues	-	-	-	-
Licenses, fees and fines	-	214,660	-	-
Charges for services	985,286	8,365	-	-
Miscellaneous	982,242	-	20,000	-
	<u>12,912,407</u>	<u>223,025</u>	<u>53,929</u>	<u>396,126</u>
Expenditures				
Current:				
General government	5,305,507	193,559	-	-
Public service	102,720	-	-	-
Public safety	326	45	-	-
Community environment	1,577,553	-	-	13,965,063
Recreation and parks	198,339	-	-	-
Debt service:				
Principal retirement	4,388,320	-	-	-
Interest	438,012	-	27,466	474,888
Bond issuance expenditures	-	-	-	153,187
	<u>12,010,777</u>	<u>193,604</u>	<u>27,466</u>	<u>14,593,138</u>
Excess (deficiency) of revenues over (under) expenditures	901,630	29,421	26,463	(14,197,012)
Other financing sources (uses)				
Issuance of bonds	-	-	-	-
Premium on debt	-	-	-	-
Issuance of refunding obligations	-	-	-	9,360,000
Payment to refunding agent	-	-	-	(9,830,000)
Transfers-in	-	-	-	-
Transfers-out	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>(470,000)</u>
Net change in fund balances	901,630	29,421	26,463	(14,667,012)
Fund balances (deficit), January 1, 2019, as restated	(1,796,844)	1,233,335	111,982	23,416,196
Fund balances (deficit), December 31, 2019	<u>\$ (895,214)</u>	<u>\$ 1,262,756</u>	<u>\$ 138,445</u>	<u>\$ 8,749,184</u>

City of Akron, Ohio
 Combining Statement of Revenues, Expenditures, and Changes in Fund Balances - Non-Major Governmental Funds
 For the Year Ended December 31, 2019

B-2

Special Revenue Funds

	Police Grants	Safety Programs	City Facilities Operating	Various Purpose Funding	Deposits	Police, Fire, and Road Activity
Revenues						
Income taxes	\$ -	\$ -	\$ -	\$ 33,600	\$ -	\$ 16,412,450
Property taxes	-	-	-	-	-	-
JEDD revenues	-	-	-	-	-	-
Grants and subsidies	612,403	1,137,680	-	661,915	-	-
Investment earnings	5,597	31,502	-	1,208	-	-
Shared revenues	-	635,161	-	-	-	-
Licenses, fees and fines	-	35,368	697,527	1,881,863	8,553,968	-
Charges for services	-	1,451,808	-	33,261	-	-
Miscellaneous	15,714	450,832	3,353,271	15,493	423,376	-
	<u>633,714</u>	<u>3,742,351</u>	<u>4,050,798</u>	<u>2,627,340</u>	<u>8,977,344</u>	<u>16,412,450</u>
Expenditures						
Current:						
General government	-	-	31,802	409,983	7,327,782	-
Public service	-	2,814	680,971	-	-	294,191
Public safety	498,798	3,289,327	-	25,460	-	13,707,378
Community environment	-	-	2,302,109	49,409	-	-
Recreation and parks	-	-	4,509	418,720	-	-
Debt service:						
Principal retirement	-	-	1,239,862	-	-	-
Interest	-	-	55,945	-	-	364,376
Bond issuance expenditures	-	-	-	-	-	-
	<u>498,798</u>	<u>3,292,141</u>	<u>4,315,198</u>	<u>903,572</u>	<u>7,327,782</u>	<u>14,365,945</u>
Excess (deficiency) of revenues over (under) expenditures	134,916	450,210	(264,400)	1,723,768	1,649,562	2,046,505
Other financing sources (uses)						
Issuance of bonds	-	-	450,000	-	-	-
Premium on debt	-	-	-	-	-	-
Issuance of refunding obligations	-	-	-	-	-	-
Payment to refunding agent	-	-	-	-	-	-
Transfers-in	28,422	550,000	-	-	-	-
Transfers-out	-	-	-	-	-	(550,000)
	<u>28,422</u>	<u>550,000</u>	<u>450,000</u>	<u>-</u>	<u>-</u>	<u>(550,000)</u>
Net change in fund balances	163,338	1,000,210	185,600	1,723,768	1,649,562	1,496,505
Fund balances (deficit), January 1, 2019, as restated	(310,640)	859,243	(1,119,902)	10,029,303	112,956	2,584,605
Fund balances (deficit), December 31, 2019	<u>\$ (147,302)</u>	<u>\$ 1,859,453</u>	<u>\$ (934,302)</u>	<u>\$ 11,753,071</u>	<u>\$ 1,762,518</u>	<u>\$ 4,081,110</u>

City of Akron, Ohio
 Combining Statement of Revenues, Expenditures, and Changes in Fund Balances - Non-Major Governmental Funds
 For the Year Ended December 31, 2019

B-2

Debt Service Funds						
	General Bond Payment	Debt Service Bond Payment	Special Assessment Bond Payment	Main Place Bond Payment	Downtown Hotel Bond Payment	Non-Tax Revenue Bond Payment
Revenues						
Income taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Property taxes	1,508,571	-	-	-	-	-
JEDD revenues	-	-	-	-	-	-
Grants and subsidies	-	-	-	-	-	-
Investment earnings	-	80	366	-	-	252
Shared revenues	142,684	-	-	-	-	-
Licenses, fees and fines	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-
Miscellaneous	4,607	1	-	-	-	-
	<u>1,655,862</u>	<u>81</u>	<u>366</u>	<u>-</u>	<u>-</u>	<u>252</u>
Expenditures						
Current:						
General government	420,949	28,285	-	-	-	-
Public service	-	-	-	-	-	-
Public safety	46	-	-	-	-	-
Community environment	-	-	-	-	-	-
Recreation and parks	-	-	-	-	-	-
Debt service:						
Principal retirement	847,560	-	-	-	-	-
Interest	315,771	-	-	-	-	-
Bond issuance expenditures	-	-	-	-	-	-
	<u>1,584,326</u>	<u>28,285</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of revenues over (under) expenditures	71,536	(28,204)	366	-	-	252
Other financing sources (uses)						
Issuance of bonds	-	-	-	-	-	-
Premium on debt	-	-	-	-	-	-
Issuance of refunding obligations	-	-	-	-	-	-
Payment to refunding agent	-	-	-	-	-	-
Transfers-in	-	-	-	-	-	-
Transfers-out	-	-	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	71,536	(28,204)	366	-	-	252
Fund balances (deficit), January 1, 2019, as restated	113,464	421,778	36,648	21	4	279,788
Fund balances (deficit), December 31, 2019	<u>\$ 185,000</u>	<u>\$ 393,574</u>	<u>\$ 37,014</u>	<u>\$ 21</u>	<u>\$ 4</u>	<u>\$ 280,040</u>

City of Akron, Ohio
 Combining Statement of Revenues, Expenditures, and Changes in Fund Balances - Non-Major Governmental Funds
 For the Year Ended December 31, 2019

B-2

Debt Service Funds				
	Pension Obligation Refunding	JEDD Bond Payment	Income Tax Bond Payment	Taxable Revenue Bond Payment
Revenues				
Income taxes	\$ -	\$ -	\$ -	\$ -
Property taxes	-	-	-	-
JEDD revenues	-	-	-	-
Grants and subsidies	-	-	-	-
Investment earnings	477	2,856	-	45,345
Shared revenues	-	-	-	-
Licenses, fees and fines	-	-	-	-
Charges for services	-	-	-	-
Miscellaneous	-	-	1,106	-
	<u>477</u>	<u>2,856</u>	<u>1,106</u>	<u>45,345</u>
Expenditures				
Current:				
General government	-	-	-	-
Public service	-	-	-	-
Public safety	-	-	-	-
Community environment	-	-	-	-
Recreation and parks	-	-	-	-
Debt service:				
Principal retirement	-	6	-	37,004
Interest	595	3,576	1,441,485	597
Bond issuance expenditures	-	-	423,526	-
	<u>595</u>	<u>3,582</u>	<u>1,865,011</u>	<u>37,601</u>
Excess (deficiency) of revenues over (under) expenditures	(118)	(726)	(1,863,905)	7,744
Other financing sources (uses)				
Issuance of bonds	-	-	-	-
Premium on debt	-	-	1,913,383	-
Issuance of refunding obligations	-	-	-	-
Payment to refunding agent	-	-	-	-
Transfers-in	-	-	-	-
Transfers-out	-	-	-	-
	<u>-</u>	<u>-</u>	<u>1,913,383</u>	<u>-</u>
Net change in fund balances	(118)	(726)	49,478	7,744
Fund balances (deficit), January 1, 2019, as restated	<u>481</u>	<u>8,818</u>	<u>146,124</u>	<u>37,122</u>
Fund balances (deficit), December 31, 2019	<u>\$ 363</u>	<u>\$ 8,092</u>	<u>\$ 195,602</u>	<u>\$ 44,866</u>

City of Akron, Ohio
 Combining Statement of Revenues, Expenditures, and Changes in Fund Balances - Non-Major Governmental Funds
 For the Year Ended December 31, 2019

B-2

	Capital Projects Funds			
	Information Technology and Improvements	Parks and Recreation	Public Facilities and Improvements	Public Parking
Revenues				
Income taxes	\$ -	\$ -	\$ -	\$ -
Property taxes	-	-	-	-
JEDD revenues	-	-	-	-
Grants and subsidies	-	-	737,500	-
Investment earnings	-	-	-	-
Shared revenues	-	-	7,828	-
Licenses, fees and fines	-	-	-	-
Charges for services	-	-	-	-
Miscellaneous	-	10,000	606,286	-
	-	10,000	1,351,614	-
Expenditures				
Current:				
General government	-	-	62,350	-
Public service	125,522	5,900	474,612	44,645
Public safety	-	-	4,367,716	-
Community environment	-	266,992	37,243	-
Recreation and parks	-	197,056	19,631	-
Debt service:				
Principal retirement	1,300,000	800,000	1,331,230	-
Interest	-	-	-	-
Bond issuance expenditures	-	-	-	-
	1,425,522	1,269,948	6,292,782	44,645
Excess (deficiency) of revenues over (under) expenditures	(1,425,522)	(1,259,948)	(4,941,168)	(44,645)
Other financing sources (uses)				
Issuance of bonds	1,170,000	1,637,856	5,895,764	-
Premium on debt	130,000	65,000	135,000	-
Issuance of refunding obligations	-	-	-	-
Payment to refunding agent	-	-	-	-
Transfers-in	-	-	-	-
Transfers-out	-	-	-	-
	1,300,000	1,702,856	6,030,764	-
Net change in fund balances	(125,522)	442,908	1,089,596	(44,645)
Fund balances (deficit), January 1, 2019, as restated	157,824	452,185	103,959	1,022,867
Fund balances (deficit), December 31, 2019	\$ 32,302	\$ 895,093	\$ 1,193,555	\$ 978,222

City of Akron, Ohio
 Combining Statement of Revenues, Expenditures, and Changes in Fund Balances - Non-Major Governmental Funds
 For the Year Ended December 31, 2019

B-2

	Capital Projects Funds	
	Economic Development	Total
Revenues		
Income taxes	\$ -	\$ 21,646,635
Property taxes	-	8,146,544
JEDD revenues	-	10,833,393
Grants and subsidies	1,097,063	17,332,560
Investment earnings	17,561	757,264
Shared revenues	-	27,807,690
Licenses, fees and fines	-	13,052,982
Charges for services	-	5,783,508
Miscellaneous	237,732	8,115,029
	<u>1,352,356</u>	<u>113,475,605</u>
Expenditures		
Current:		
General government	-	17,036,580
Public service	2,051,992	14,412,483
Public safety	-	42,055,115
Community environment	1,545,068	45,335,857
Recreation and parks	998	839,253
Debt service:		
Principal retirement	1,800,070	14,937,012
Interest	215,681	3,836,685
Bond issuance expenditures	-	576,713
	<u>5,613,809</u>	<u>139,029,698</u>
Excess (deficiency) of revenues over (under) expenditures	(4,261,453)	(25,554,093)
Other financing sources (uses)		
Issuance of bonds	1,600,000	10,753,620
Premium on debt	200,000	2,443,383
Issuance of refunding obligations	-	9,360,000
Payment to refunding agent	-	(9,830,000)
Transfers-in	-	10,720,922
Transfers-out	-	(550,000)
	<u>1,800,000</u>	<u>22,897,925</u>
Net change in fund balances	(2,461,453)	(2,656,168)
Fund balances (deficit), January 1, 2019, as restated	<u>5,166,364</u>	<u>45,813,406</u>
Fund balances (deficit), December 31, 2019	<u>\$ 2,704,911</u>	<u>\$ 43,157,238</u>

City of Akron, Ohio

Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual -
Income Tax Collection Fund, Non-GAAP Budget Basis

For the Year Ended December 31, 2019

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>
	<u>Original</u>	<u>Final</u>	
Revenues and other sources			
Revenues:			
Income taxes	\$ 8,710,910	\$ 8,710,910	\$ 8,057,837
Miscellaneous revenues	251,090	251,090	1,258,379
	<u>8,962,000</u>	<u>8,962,000</u>	<u>9,316,216</u>
Other sources:			
Previous year's encumbrances	34,503	34,503	34,503
	<u>8,996,503</u>	<u>8,996,503</u>	<u>9,350,719</u>
Total revenues and other sources	8,996,503	8,996,503	9,350,719
Expenditures			
Finance:			
Wages/benefits	1,730,400	1,730,400	1,503,792
Other	5,233,133	5,233,133	4,376,069
	<u>6,963,533</u>	<u>6,963,533</u>	<u>5,879,861</u>
Total expenditures	6,963,533	6,963,533	5,879,861
Excess of revenues and other sources over expenditures	2,032,970	2,032,970	3,470,858
Fund balance, January 1, 2019	<u>740,724</u>	<u>740,724</u>	<u>740,724</u>
Fund balance, December 31, 2019	<u>\$ 2,773,694</u>	<u>\$ 2,773,694</u>	<u>\$ 4,211,582</u>

City of Akron, Ohio
 Schedule of Revenues, Expenditures and
 Changes in Fund Balance - Budget and Actual -
 Emergency Medical Services Fund, Non-GAAP Budget Basis

For the Year Ended December 31, 2019

	<u>Budgeted Amounts</u>		
	<u>Original</u>	<u>Final</u>	<u>Actual Amounts</u>
Revenues and other sources			
Revenues:			
Property taxes	\$ 7,472,456	\$ 7,466,932	\$ 7,476,920
Transport billing	2,022,350	2,022,360	2,152,478
Other revenue	453,250	453,240	755,821
	<u>9,948,056</u>	<u>9,942,532</u>	<u>10,385,219</u>
Other sources:			
General fund subsidy	10,229,070	10,229,070	10,142,500
Previous year's encumbrances	33,423	33,423	33,423
	<u>10,262,493</u>	<u>10,262,493</u>	<u>10,175,923</u>
Total revenues and other sources	20,210,549	20,205,025	20,561,142
Expenditures			
Fire:			
Wages/benefits	18,706,870	18,706,870	18,668,974
Other	1,340,923	1,340,923	1,308,306
	<u>20,047,793</u>	<u>20,047,793</u>	<u>19,977,280</u>
Total expenditures	20,047,793	20,047,793	19,977,280
Excess of revenues and other sources over expenditures	162,756	157,232	583,862
Fund balance, January 1, 2019	<u>127,737</u>	<u>127,737</u>	<u>127,737</u>
Fund balance, December 31, 2019	<u>\$ 290,493</u>	<u>\$ 284,969</u>	<u>\$ 711,599</u>

Note: Included in Other revenue is advances in of \$370,000 and in General fund subsidy above is transfers in of \$10,142,500.

City of Akron, Ohio
 Schedule of Revenues, Expenditures and
 Changes in Fund Balance - Budget and Actual -
 Police Pension Employer's Liability Fund, Non-GAAP Budget Basis

For the Year Ended December 31, 2019

	Budgeted Amounts		
	Original	Final	Actual Amounts
Revenues			
Property taxes	\$ 800,620	\$ 800,028	\$ 800,081
Total revenues	800,620	800,028	800,081
Expenditures			
Police:			
Wages/benefits	440,000	440,000	400,000
Other	378,000	378,000	376,536
Total expenditures	818,000	818,000	776,536
Excess (deficiency) of revenues over expenditures	(17,380)	(17,972)	23,545
Fund balance, January 1, 2019	25,289	25,289	25,289
Fund balance, December 31, 2019	\$ 7,909	\$ 7,317	\$ 48,834

City of Akron, Ohio

Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual -
Fire Pension Employer's Liability Fund, Non-GAAP Budget Basis

For the Year Ended December 31, 2019

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>
	<u>Original</u>	<u>Final</u>	
Revenues			
Property taxes	\$ 800,620	\$ 800,028	\$ 800,081
Total revenues	800,620	800,028	800,081
Expenditures			
Fire:			
Wages/benefits	440,000	440,000	400,000
Other	378,000	378,000	376,536
Total expenditures	818,000	818,000	776,536
Excess (deficiency) of revenues over expenditures	(17,380)	(17,972)	23,545
Fund balance, January 1, 2019	25,289	25,289	25,289
Fund balance, December 31, 2019	<u>\$ 7,909</u>	<u>\$ 7,317</u>	<u>\$ 48,834</u>

City of Akron, Ohio
 Schedule of Revenues, Expenditures and
 Changes in Fund Balance - Budget and Actual -
 Street and Highway Maintenance Fund, Non-GAAP Budget Basis
 For the Year Ended December 31, 2019

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>
	<u>Original</u>	<u>Final</u>	
Revenues and other sources			
Revenues:			
Gasoline tax	\$ 9,391,030	\$ 9,391,020	\$ 6,337,399
Income Taxes	-	-	1,025
Motor vehicle license tax	4,203,930	4,203,930	2,381,368
Service revenues	469,780	469,780	327,504
Transfer from State of Ohio	2,657,270	2,657,270	1,436,925
Miscellaneous revenues	655,990	656,000	275,290
	<u>17,378,000</u>	<u>17,378,000</u>	<u>10,759,511</u>
Other sources:			
Previous year's encumbrances	276,572	276,572	276,572
	<u>276,572</u>	<u>276,572</u>	<u>276,572</u>
Total revenues and other sources	17,654,572	17,654,572	11,036,083
Expenditures			
Public Service:			
Wages/benefits	7,245,300	7,245,300	6,696,462
Other	3,576,902	3,576,902	2,953,418
	<u>10,822,202</u>	<u>10,822,202</u>	<u>9,649,880</u>
Total expenditures	10,822,202	10,822,202	9,649,880
Excess of revenues and other sources over expenditures	6,832,370	6,832,370	1,386,203
Fund balance, January 1, 2019	276,864	276,864	276,864
Fund balance, December 31, 2019	<u>\$ 7,109,234</u>	<u>\$ 7,109,234</u>	<u>\$ 1,663,067</u>

City of Akron, Ohio

Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual -
Community Development Fund, Non-GAAP Budget Basis

For the Year Ended December 31, 2019

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>
	<u>Original</u>	<u>Final</u>	
Revenues and other sources			
Revenues:			
Governmental revenues	\$ 10,050,170	\$ 13,769,840	\$ 8,449,675
Income Taxes	-	-	5,000
Service revenues	52,060	71,320	239,754
Miscellaneous revenues	585,770	802,573	918,911
	<u>10,688,000</u>	<u>14,643,733</u>	<u>9,613,340</u>
Other sources:			
Previous year's encumbrances	68,109	68,109	68,109
Total revenues and other sources	10,756,109	14,711,842	9,681,449
Expenditures			
Department Wide:			
Wages/benefits	1,831,440	1,841,440	1,741,123
Other	4,499,489	9,809,489	7,877,702
Total expenditures	6,330,929	11,650,929	9,618,825
Excess of revenues and other sources over expenditures	4,425,180	3,060,913	62,624
Fund balance, January 1, 2019	<u>1,030,477</u>	<u>1,030,477</u>	<u>1,030,477</u>
Fund balance, December 31, 2019	<u>\$ 5,455,657</u>	<u>\$ 4,091,390</u>	<u>\$ 1,093,101</u>

City of Akron, Ohio
 Schedule of Revenues, Expenditures and
 Changes in Fund Balance - Budget and Actual -
 Community Environment Grants Fund, Non-GAAP Budget Basis
 For the Year Ended December 31, 2019

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>
	<u>Original</u>	<u>Final</u>	
Revenues and other sources			
Governmental revenues	\$ 1,666,480	\$ 1,666,480	\$ 921,400
Miscellaneous revenues	125,520	125,520	90,712
	<u>1,792,000</u>	<u>1,792,000</u>	<u>1,012,112</u>
Other Sources:			
Previous year's encumbrances	36,119	36,119	36,119
Total revenues and other sources	1,828,119	1,828,119	1,048,231
Expenditures			
Department Wide:			
Wages/benefits	5,900	10,900	9,094
Other	1,001,939	1,066,939	986,701
Total expenditures	1,007,839	1,077,839	995,795
Excess of revenues and other sources over expenditures	820,280	750,280	52,436
Fund balance, January 1, 2019	206,252	206,252	206,252
Fund balance, December 31, 2019	<u>\$ 1,026,532</u>	<u>\$ 956,532</u>	<u>\$ 258,688</u>

City of Akron, Ohio

Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual -
Akron Metropolitan Area Transportation Study Fund, Non-GAAP Budget Basis

For the Year Ended December 31, 2019

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>
	<u>Original</u>	<u>Final</u>	
Revenues and other sources			
Revenues:			
Federal/State grants	\$ 1,977,370	\$ 1,977,370	\$ 1,646,434
Service revenues	13,630	13,630	11,450
Miscellaneous revenues	-	-	5,345
	<u>1,991,000</u>	<u>1,991,000</u>	<u>1,663,229</u>
Other sources:			
Previous year's encumbrances	15,469	15,469	15,469
	<u>15,469</u>	<u>15,469</u>	<u>15,469</u>
Total revenues and other sources	2,006,469	2,006,469	1,678,698
Expenditures			
Planning:			
Wages/benefits	1,182,840	1,182,840	1,178,201
Other	404,529	404,529	286,915
	<u>1,587,369</u>	<u>1,587,369</u>	<u>1,465,116</u>
Total expenditures	1,587,369	1,587,369	1,465,116
Excess of revenues and other sources over expenditures	419,100	419,100	213,582
Fund balance, January 1, 2019	<u>168,370</u>	<u>168,370</u>	<u>168,370</u>
Fund balance, December 31, 2019	<u>\$ 587,470</u>	<u>\$ 587,470</u>	<u>\$ 381,952</u>

City of Akron, Ohio

Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual -
H.O.M.E. Program Fund, Non-GAAP Budget Basis

For the Year Ended December 31, 2019

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>
	<u>Original</u>	<u>Final</u>	
Revenues and other sources			
Governmental revenues	\$ 1,814,270	\$ 1,814,270	\$ 1,991,765
Miscellaneous revenues	225,730	225,730	69,786
	<u>2,040,000</u>	<u>2,040,000</u>	<u>2,061,551</u>
Other sources:			
Previous year's encumbrances	177,561	177,561	177,561
Total revenues and other sources	2,217,561	2,217,561	2,239,112
Expenditures			
Department Wide:			
Wages/Benefits	5,000	10,000	7,069
Other	2,777,561	2,777,561	2,034,245
Total expenditures	2,782,561	2,787,561	2,041,314
Excess (deficiency) of revenues and other sources over expenditures	(565,000)	(570,000)	197,798
Fund balance, January 1, 2019	674,947	674,947	674,947
Fund balance, December 31, 2019	<u>\$ 109,947</u>	<u>\$ 104,947</u>	<u>\$ 872,745</u>

City of Akron, Ohio
 Schedule of Revenues, Expenditures and
 Changes in Fund Balance - Budget and Actual -
 Tax Equivalency Fund, Non-GAAP Budget Basis
 For the Year Ended December 31, 2019

	<u>Budgeted Amounts</u>		
	<u>Original</u>	<u>Final</u>	<u>Actual Amounts</u>
Revenues and other sources			
Revenues:			
Taxes and assessments	\$ 17,494,800	\$ 17,494,800	\$ 17,565,186
Miscellaneous revenues	17,200	17,200	18,772
	<u>17,512,000</u>	<u>17,512,000</u>	<u>17,583,958</u>
Other sources:			
Previous year's encumbrances	10	10	10
Total revenues and other sources	17,512,010	17,512,010	17,583,968
Expenditures			
Department Wide:			
Other	15,631,760	16,231,760	15,956,479
Total expenditures	15,631,760	16,231,760	15,956,479
Excess of revenues and other sources over expenditures	1,880,250	1,280,250	1,627,489
Fund balance, January 1, 2019	<u>3,711,324</u>	<u>3,711,324</u>	<u>3,711,324</u>
Fund balance, December 31, 2019	<u>\$ 5,591,574</u>	<u>\$ 4,991,574</u>	<u>\$ 5,338,813</u>

City of Akron, Ohio
 Schedule of Revenues, Expenditures and
 Changes in Fund Balance - Budget and Actual -
 Special Revenue Loans Fund, Non-GAAP Budget Basis

For the Year Ended December 31, 2019

	<u>Budgeted Amounts</u>		
	<u>Original</u>	<u>Final</u>	<u>Actual Amounts</u>
Revenues			
Miscellaneous revenues	\$ 53,000	\$ 53,000	\$ 14,519
Total revenues	53,000	53,000	14,519
Expenditures			
Office of the Mayor:			
Other	55,000	55,000	51,539
Total expenditures	55,000	55,000	51,539
Deficiency of revenues over expenditures	(2,000)	(2,000)	(37,020)
Fund balance, January 1, 2019	43,371	43,371	43,371
Fund balance, December 31, 2019	<u>\$ 41,371</u>	<u>\$ 41,371</u>	<u>\$ 6,351</u>

City of Akron, Ohio
 Schedule of Revenues, Expenditures and
 Changes in Fund Balance - Budget and Actual -
 Joint Economic Development Districts Fund, Non-GAAP Budget Basis
 For the Year Ended December 31, 2019

	Budgeted Amounts		Actual Amounts
	Original	Final	
Revenues and other sources			
Revenues:			
JEDD revenues	\$ 20,193,160	\$ 20,193,160	\$ 16,728,490
Service revenues	1,198,610	1,198,610	979,586
Miscellaneous revenues	1,214,230	1,214,230	964,444
	<u>22,606,000</u>	<u>22,606,000</u>	<u>18,672,520</u>
Other sources:			
Previous year's encumbrances	269,166	269,166	269,166
Total revenues and other sources	22,875,166	22,875,166	18,941,686
Expenditures			
Department Wide:			
Wages/benefits	595,040	630,040	625,525
Other	16,688,886	17,163,886	16,617,528
Capital outlay	-	200,000	-
Total expenditures	17,283,926	17,993,926	17,243,053
Excess of revenues and other sources over expenditures	5,591,240	4,881,240	1,698,633
Fund balance, January 1, 2019	635,178	635,178	635,178
Fund balance, December 31, 2019	<u>\$ 6,226,418</u>	<u>\$ 5,516,418</u>	<u>\$ 2,333,811</u>

City of Akron, Ohio
 Schedule of Revenues, Expenditures and
 Changes in Fund Balance - Budget and Actual -
 Akron Municipal Court Information System Fund, Non-GAAP Budget Basis
 For the Year Ended December 31, 2019

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>
	<u>Original</u>	<u>Final</u>	
Revenues and other sources			
Revenues:			
Service revenues	\$ 378,000	\$ 378,000	\$ 231,785
Other sources:			
Previous year's encumbrances	71,100	71,100	71,100
Total revenues and other sources	449,100	449,100	302,885
Expenditures			
Court Clerk:			
Other	738,157	738,157	96,262
Judges:			
Other	550,843	550,843	158,224
Total expenditures	1,289,000	1,289,000	254,486
Excess (deficiency) of revenues and other sources over expenditures	(839,900)	(839,900)	48,399
Fund balance, January 1, 2019	1,164,676	1,164,676	1,164,676
Fund balance, December 31, 2019	\$ 324,776	\$ 324,776	\$ 1,213,075

City of Akron, Ohio

Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual -
Police Grants Fund, Non-GAAP Budget Basis

For the Year Ended December 31, 2019

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>
	<u>Original</u>	<u>Final</u>	
Revenues and other sources			
Revenues:			
Governmental revenues	\$ 2,849,300	\$ 3,460,030	\$ 497,426
Miscellaneous revenues	48,380	58,750	280,526
	<u>2,897,680</u>	<u>3,518,780</u>	<u>777,952</u>
Other sources:			
General fund subsidy	1,814,320	2,203,220	28,421
Previous year's encumbrances	46,841	46,841	46,841
	<u>1,861,161</u>	<u>2,250,061</u>	<u>75,262</u>
Total revenues and other sources	4,758,841	5,768,841	853,214
Expenditures			
Police:			
Wages/benefits	467,170	536,670	208,966
Other	815,621	1,009,121	622,769
	<u>1,282,791</u>	<u>1,545,791</u>	<u>831,735</u>
Total expenditures	1,282,791	1,545,791	831,735
Excess of revenues and other sources over expenditures	3,476,050	4,223,050	21,479
Fund balance, January 1, 2019	<u>162,886</u>	<u>162,886</u>	<u>162,886</u>
Fund balance, December 31, 2019	<u>\$ 3,638,936</u>	<u>\$ 4,385,936</u>	<u>\$ 184,365</u>

Note: Included in Miscellaneous revenues above is advances of \$260,000 and Included in General fund subsidy above are transfers in of \$28,421.

City of Akron, Ohio

Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual -
Safety Programs Fund, Non-GAAP Budget Basis

For the Year Ended December 31, 2019

	Budgeted Amounts		Actual Amounts
	Original	Final	
Revenues and other sources			
Revenues:			
Governmental revenues	\$ 8,066,870	\$ 8,810,400	\$ 2,602,456
Intrafund Transfers	-	-	550,000
Service revenues	7,091,500	7,745,140	1,593,245
Miscellaneous revenues	1,115,630	1,218,460	263,979
	16,274,000	17,774,000	5,009,680
Other sources:			
Previous year's encumbrances	427,004	427,004	427,004
	427,004	427,004	427,004
Total revenues and other sources	16,701,004	18,201,004	5,436,684
Expenditures			
Public Safety:			
Wages/benefits	485,160	585,160	583,711
Other	52,900	102,900	61,405
Capital outlay	139,729	139,729	29,729
	677,789	827,789	674,845
Public Service:			
Other	-	550,000	79,150
	-	550,000	79,150
Fire:			
Wages/benefits	602,430	802,430	794,654
Other	1,053,160	1,103,160	786,584
Capital outlay	489,000	489,000	487,445
	2,144,590	2,394,590	2,068,683
Police:			
Wages/benefits	1,294,630	1,294,630	1,223,795
Other	955,335	972,635	636,120
	2,249,965	2,267,265	1,859,915
Total expenditures	5,072,344	6,039,644	4,682,593
Excess of revenues and other sources over expenditures	11,628,660	12,161,360	754,091
Fund balance, January 1, 2019	1,143,309	1,143,309	1,143,309
Fund balance, December 31, 2019	\$ 12,771,969	\$ 13,304,669	\$ 1,897,400

Note: Included in Miscellaneous revenues above is advances of \$21,000.

City of Akron, Ohio
 Schedule of Revenues, Expenditures and
 Changes in Fund Balance - Budget and Actual -
 City Facilities Operating Fund, Non-GAAP Budget Basis
 For the Year Ended December 31, 2019

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>
	<u>Original</u>	<u>Final</u>	
Revenues and other sources			
Revenues:			
Intergovernmental revenues	\$ -	\$ -	1,773,828
Service revenues	-	-	697,527
Taxes and assessments	213,680	282,970	-
Miscellaneous revenues	4,461,290	5,907,880	2,057,287
	<u>4,674,970</u>	<u>6,190,850</u>	<u>4,528,642</u>
Other sources:			
General fund subsidy	1,493,030	1,977,150	-
Previous year's encumbrances	23,447	23,447	23,447
	<u>1,516,477</u>	<u>2,000,597</u>	<u>23,447</u>
Total revenues and other sources	6,191,447	8,191,447	4,552,089
Expenditures			
Department Wide:			
Other	4,216,437	5,391,437	4,962,953
Total expenditures	4,216,437	5,391,437	4,962,953
Excess (deficiency) of revenues and other sources over expenditures	1,975,010	2,800,010	(410,864)
Fund balance, January 1, 2019	639,368	639,368	639,368
Fund balance, December 31, 2019	<u>\$ 2,614,378</u>	<u>\$ 3,439,378</u>	<u>\$ 228,504</u>

Note: Included in Miscellaneous revenues above is advances of \$765,000.

City of Akron, Ohio

Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual -
Various Purpose Funding Fund, Non-GAAP Budget Basis

For the Year Ended December 31, 2019

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>
	<u>Original</u>	<u>Final</u>	
Revenues and other sources			
Revenues:			
Income taxes	\$ -	\$ -	33,600
Intergovernmental revenues	956,990	995,970	762,015
Service revenues	2,632,990	2,740,220	1,759,357
Miscellaneous revenues	93,020	96,810	38,962
	<u>3,683,000</u>	<u>3,833,000</u>	<u>2,593,934</u>
Other sources:			
Previous year's encumbrances	47,638	47,638	47,638
	<u>47,638</u>	<u>47,638</u>	<u>47,638</u>
Total revenues and other sources	3,730,638	3,880,638	2,641,572
Expenditures			
Department Wide:			
Wages/benefits	29,500	74,500	69,670
Other	3,997,238	3,997,238	887,819
	<u>3,997,238</u>	<u>3,997,238</u>	<u>887,819</u>
Total expenditures	4,026,738	4,071,738	957,489
Excess (deficiency) of revenues and other sources over expenditures	(296,100)	(191,100)	1,684,083
Fund balance, January 1, 2019	9,945,148	9,945,148	9,945,148
	<u>9,945,148</u>	<u>9,945,148</u>	<u>9,945,148</u>
Fund balance, December 31, 2019	\$ 9,649,048	\$ 9,754,048	\$ 11,629,231
	<u>\$ 9,649,048</u>	<u>\$ 9,754,048</u>	<u>\$ 11,629,231</u>

City of Akron, Ohio

Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual -
Deposits Fund, Non-GAAP Budget Basis

For the Year Ended December 31, 2019

	Budgeted Amounts		Actual Amounts
	Original	Final	
Revenues			
Miscellaneous revenues	\$ 1,299,000	\$ 1,299,000	\$ 370,621
Total revenues	1,299,000	1,299,000	370,621
Other Sources:			
Previous year's encumbrance	17,200	17,200	17,200
Total other sources	17,200	17,200	17,200
Total revenues and other sources	1,316,200	1,316,200	387,821
Expenditures			
Finance:			
Other	1,542,200	1,542,200	896,160
Total expenditures	1,542,200	1,542,200	896,160
Deficiency of revenues over expenditures	(226,000)	(226,000)	(508,339)
Fund balance, January 1, 2019	1,743,844	1,743,844	1,743,844
Fund balance, December 31, 2019	\$ 1,517,844	\$ 1,517,844	\$ 1,235,505

City of Akron, Ohio
 Schedule of Revenues, Expenditures and
 Changes in Fund Balance - Budget and Actual -
 Police, Fire, and Road Activity Fund, Non-GAAP Budget Basis
 For the Year Ended December 31, 2019

	<u>Budgeted Amounts</u>		
	<u>Original</u>	<u>Final</u>	<u>Actual Amounts</u>
Revenues and other sources			
Revenues:			
Income Taxes	\$ 13,355,000	\$ 17,355,000	\$ 16,363,605
Total revenues	13,355,000	17,355,000	16,363,605
Other Sources			
Previous year's encumbrances	364,345	364,345	364,345
Total other sources	364,345	364,345	364,345
Total revenues and other sources	13,719,345	17,719,345	16,727,950
Expenditures			
Department Wide:			
Wages/benefits	-	10,000	8,946
Other	-	7,669,239	7,459,176
Capital outlay	-	9,175,106	8,371,895
	-	16,854,345	15,840,017
Public Service:			
Other	57,479	-	-
Capital outlay	5,110,555	-	-
	5,168,034	-	-
Fire:			
Other	3,870,628	-	-
Capital outlay	1,278,347	-	-
	5,148,975	-	-
Police:			
Other	4,251,133	-	-
Capital outlay	1,286,203	-	-
	5,537,336	-	-
Total expenditures	15,854,345	16,854,345	15,840,017
Excess (deficiency) of revenues over expenditures	(2,135,000)	865,000	887,933
Fund balance, January 1, 2019	20,138	20,138	20,138
Fund balance (deficit), December 31, 2019	\$ (2,114,862)	\$ 885,138	\$ 908,071

City of Akron, Ohio

Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual -
General Bond Payment Fund, Non-GAAP Budget Basis

For the Year Ended December 31, 2019

	Budgeted Amounts		Actual Amounts
	Original	Final	
Revenues and other sources			
Revenues:			
Property taxes	\$ 1,654,615	\$ 1,650,745	\$ 1,652,952
Miscellaneous revenues	5,100	155,100	4,607
	1,659,715	1,805,845	1,657,559
Other sources:			
Previous year's encumbrances	8,984	8,984	8,984
Total revenues and other sources	1,668,699	1,814,829	1,666,543
Expenditures			
Finance:			
Wages/benefits	312,470	312,470	312,448
Other	1,326,914	1,326,914	1,290,401
Total expenditures	1,639,384	1,639,384	1,602,849
Excess (deficiency) of revenues and other sources over expenditures	29,315	175,445	63,694
Fund deficit, January 1, 2019	(8,437)	(8,437)	(8,437)
Fund balance, December 31, 2019	\$ 20,878	\$ 167,008	\$ 55,257

City of Akron, Ohio
 Schedule of Revenues, Expenditures and
 Changes in Fund Balance - Budget and Actual -
 Information Technology and Improvements Fund, Non-GAAP Budget Basis

For the Year Ended December 31, 2019

	Budgeted Amounts		Actual Amounts
	Original	Final	
Revenues			
Income taxes	\$ 576,000	\$ 576,000	\$ -
Total revenue	576,000	576,000	-
Other Sources:			
Previous year's encumbrances	99	99	99
Total other sources	99	99	99
Total revenues and other sources	576,099	576,099	99
Expenditures			
Department Wide:			
Other	50,099	270,099	145,610
Total expenditures	50,099	270,099	145,610
Excess (deficiency) of revenues and other sources over expenditures	526,000	306,000	(145,511)
Fund balance, January 1, 2019	164,601	164,601	164,601
Fund balance, December 31, 2019	\$ 690,601	\$ 470,601	\$ 19,090

City of Akron, Ohio

Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual -
Parks and Recreation Fund, Non-GAAP Budget Basis

For the Year Ended December 31, 2019

	Budgeted Amounts		
	Original	Final	Actual Amounts
Revenues and other sources			
Revenues:			
Miscellaneous revenues	\$ 59,890	\$ 59,890	\$ 11,047
Total revenues	59,890	59,890	11,047
Other sources:			
Note/Bond proceeds	1,456,110	1,456,110	902,857
Previous years encumbrances	145,083	145,083	145,083
Total other sources	1,601,193	1,601,193	1,047,940
Total revenues and other sources	1,661,083	1,661,083	1,058,987
Expenditures			
Department Wide:			
Other	387,083	637,083	556,974
Capital outlay	1,100,000	850,000	54,424
Total expenditures	1,487,083	1,487,083	611,398
Excess of revenues and other sources over expenditures	174,000	174,000	447,589
Fund balance, January 1, 2019	308,830	308,830	308,830
Fund balance, December 31, 2019	\$ 482,830	\$ 482,830	\$ 756,419

City of Akron, Ohio
 Schedule of Revenues, Expenditures and
 Changes in Fund Balance - Budget and Actual -
 Public Facilities and Improvements Fund, Non-GAAP Budget Basis
 For the Year Ended December 31, 2019

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>
	<u>Original</u>	<u>Final</u>	
Revenues and other sources			
Revenues:			
Governmental revenues	\$ 27,200	\$ 99,470	\$ 7,828
Miscellaneous revenues	-	-	1,145,751
	<u>27,200</u>	<u>99,470</u>	<u>1,153,579</u>
Other sources:			
Note/Bond proceeds	1,673,800	6,121,530	4,699,535
Previous year's encumbrances	94,652	94,652	94,652
	<u>1,768,452</u>	<u>6,216,182</u>	<u>4,794,187</u>
Total revenues and other sources	1,795,652	6,315,652	5,947,766
Expenditures			
Department Wide:			
Wages	-	5,000	2,978
Other	456,051	1,456,051	1,255,685
Capital outlay	440,001	4,860,001	4,782,523
	<u>896,052</u>	<u>6,321,052</u>	<u>6,041,186</u>
Total expenditures	896,052	6,321,052	6,041,186
Excess (deficiency) of revenues and other sources over expenditures	899,600	(5,400)	(93,420)
Fund balance, January 1, 2019	<u>9,366</u>	<u>9,366</u>	<u>9,366</u>
Fund balance (deficit), December 31, 2019	<u>\$ 908,966</u>	<u>\$ 3,966</u>	<u>\$ (84,054)</u>

Note: Included in Miscellaneous revenues above is advances of \$457,000.

City of Akron, Ohio

Schedule of Revenues, Expenditures and
 Changes in Fund Balance - Budget and Actual -
 Public Parking Fund, Non-GAAP Budget Basis

For the Year Ended December 31, 2019

	Budgeted Amounts		Actual Amounts
	Original	Final	
Revenues and other sources			
Revenues:			
Miscellaneous revenues	\$ 44,000	\$ 1,544,000	\$ -
Other sources:			
Previous year's encumbrances	11,601	11,601	11,601
Total revenues and other sources	55,601	1,555,601	11,601
Expenditures			
Department Wide:			
Other	236,601	236,601	45,881
Capital outlay	765,000	765,000	1,593
Total expenditures	1,001,601	1,001,601	47,474
Excess (deficiency) of revenues and other sources over expenditures	(946,000)	554,000	(35,873)
Fund balance, January 1, 2019	1,012,005	1,012,005	1,012,005
Fund balance, December 31, 2019	\$ 66,005	\$ 1,566,005	\$ 976,132

City of Akron, Ohio
 Schedule of Revenues, Expenditures and
 Changes in Fund Balance - Budget and Actual -
 Economic Development Fund, Non-GAAP Budget Basis
 For the Year Ended December 31, 2019

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>
	<u>Original</u>	<u>Final</u>	
Revenues and other sources			
Revenues:			
Intergovernmental Revenues	\$ 700,270	\$ 700,270	\$ 66,031
Miscellaneous revenues	1,829,730	1,829,730	706,443
	<u>2,530,000</u>	<u>2,530,000</u>	<u>772,474</u>
Other sources:			
Previous year's encumbrances	67,962	67,962	67,962
	<u>67,962</u>	<u>67,962</u>	<u>67,962</u>
Total revenues and other sources	2,597,962	2,597,962	840,436
Expenditures			
Department Wide:			
Other	1,491,912	1,091,912	1,002,393
Capital outlay	1,073,450	1,633,450	1,330,202
	<u>2,565,362</u>	<u>2,725,362</u>	<u>2,332,595</u>
Total expenditures	2,565,362	2,725,362	2,332,595
Excess (deficiency) of revenues and other sources over expenditures	32,600	(127,400)	(1,492,159)
Fund balance, January 1, 2019	<u>1,844,930</u>	<u>1,844,930</u>	<u>1,844,930</u>
Fund balance, December 31, 2019	<u>\$ 1,877,530</u>	<u>\$ 1,717,530</u>	<u>\$ 352,771</u>

NON-MAJOR ENTERPRISE FUNDS

Enterprise Funds – are used to account for operations that are financed and operated in a manner similar to private business enterprises, where the intent of the governing body is that the costs of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges. The non-major Enterprise Funds are as follows:

- Oil and Gas
- Golf Course
- Airport

City of Akron, Ohio
Combining Statement of Net Position - Non-Major Enterprise Funds
December 31, 2019

C-1

	Oil and Gas	Golf Course	Airport	Total
Assets				
Current assets:				
Pooled cash and investments	\$ 245,610	\$ 19,227	\$ 22,523	\$ 287,360
Due from other governments	-	-	174,218	174,218
Inventories, at cost	-	75,266	-	75,266
Total current assets	245,610	94,493	196,741	536,844
Noncurrent assets:				
Net pension asset	-	2,965	-	2,965
Property, plant and equipment, net of accumulated depreciation	395,487	1,129,812	7,254,728	8,780,027
Total noncurrent assets	395,487	1,132,777	7,254,728	8,782,992
Total assets	641,097	1,227,270	7,451,469	9,319,836
Deferred Outflows of Resources				
	-	364,389	-	364,389
Total assets and deferred outflows	641,097	1,591,659	7,451,469	9,684,225
Liabilities				
Current liabilities:				
Accounts payable	125	9,328	120,326	129,779
Advances from other funds	-	-	800,000	800,000
Due to other funds	72	602	202	876
Accrued liabilities	55,860	3,461	26,500	85,821
Accrued wages	-	12,163	-	12,163
Accrued vacation and leave	-	24,925	-	24,925
Total current liabilities	56,057	50,479	947,028	1,053,564
Noncurrent liabilities:				
Due in more than one year	279,300	66,091	-	345,391
Net pension liability	-	1,001,085	-	1,001,085
Net OPEB Liability	-	820,819	-	820,819
Total noncurrent liabilities	279,300	1,887,995	-	2,167,295
Total liabilities	335,357	1,938,474	947,028	3,220,859
Deferred Inflows of Resources				
	-	98,256	26,900	125,156
Total liabilities and deferred inflows	335,357	2,036,730	973,928	3,346,015
Net Position				
Net investment in capital assets	395,487	1,129,812	7,254,728	8,780,027
Unrestricted (deficit)	(89,747)	(1,574,883)	(777,187)	(2,441,817)
Total net position	\$ 305,740	\$ (445,071)	\$ 6,477,541	\$ 6,338,210

City of Akron, Ohio
Combining Statement of Revenues, Expenses and Changes in Fund Net Position - Nonmajor Enterprise Funds
For the Year Ended December 31, 2019

C-2

	Oil and Gas	Golf Course	Airport	Total
Operating revenues				
Charges for services	\$ -	\$ 952,419	\$ 150,826	\$ 1,103,245
Other	118,853	102,233	186,474	407,560
	<u>118,853</u>	<u>1,054,652</u>	<u>337,300</u>	<u>1,510,805</u>
Operating expenses				
Personal services	-	1,296,318	-	1,296,318
Direct expenses	356,723	547,614	1,090,527	1,994,864
Rentals and lease	-	73,702	-	73,702
Utilities	-	71,671	1,464	73,135
Insurance	15,225	7,068	7,264	29,557
Depreciation, depletion and amortization	-	57,794	218,918	276,712
Other	-	-	130,665	130,665
	<u>371,948</u>	<u>2,054,167</u>	<u>1,448,838</u>	<u>3,874,953</u>
Operating income (loss)	<u>(253,095)</u>	<u>(999,515)</u>	<u>(1,111,538)</u>	<u>(2,364,148)</u>
Interest expense	-	(1,648)	-	(1,648)
	<u>-</u>	<u>(1,648)</u>	<u>-</u>	<u>(1,648)</u>
Income (loss) before transfers	(253,095)	(1,001,163)	(1,111,538)	(2,365,796)
Transfers-in	-	415,000	50,000	465,000
Capital contributions	-	-	174,218	174,218
	<u>-</u>	<u>415,000</u>	<u>224,218</u>	<u>639,218</u>
Change in net position	(253,095)	(586,163)	(887,320)	(1,726,578)
Net position, January 1, 2019	558,835	141,092	7,364,861	8,064,788
Net position, December 31, 2019	<u>\$ 305,740</u>	<u>\$ (445,071)</u>	<u>\$ 6,477,541</u>	<u>\$ 6,338,210</u>

City of Akron, Ohio
Combining Statement of Cash Flows - Non-Major Enterprise Funds
For the Year Ended December 31, 2019

	Oil and Gas	Golf	Airport	Total Non-Major Enterprise Funds
Operating activities				
Cash received from customers	\$ -	\$ 957,419	\$ 150,826	\$ 1,108,245
Cash payments to suppliers for goods and services	(36,749)	(739,538)	(1,343,573)	(2,119,860)
Cash paid for salaries and employee benefits	-	(725,608)	(44,100)	(769,708)
Other revenues	118,853	102,233	186,474	407,560
Other expenses	-	-	(103,765)	(103,765)
Net cash provided by (used for) operating activities	82,104	(405,494)	(1,154,138)	(1,477,528)
Non-capital financing activities				
Transfers from other funds	-	415,000	50,000	465,000
Transfers/advances in for negative cash balances	-	-	800,000	800,000
Net cash provided by non-capital financing activities	-	415,000	850,000	1,265,000
Capital and related financing activities				
Interest paid on bonds and loans	-	(1,648)	-	(1,648)
Acquisition and construction of capital assets	-	-	(174,218)	(174,218)
Capital Contributions	-	-	174,218	174,218
Net cash provided by (used for) capital and related financing activities	-	(1,648)	-	(1,648)
Net increase (decrease) in cash and cash equivalents	82,104	7,858	(304,138)	(214,176)
Cash and cash equivalents, January 1, 2019	163,506	11,369	326,661	501,536
Cash and cash equivalents, December 31, 2019	\$ 245,610	\$ 19,227	\$ 22,523	\$ 287,360

	Oil and Gas	Golf	Airport	Total Non-Major Enterprise Funds
Operating income (loss)	\$ (253,095)	\$ (999,515)	\$ (1,111,538)	\$ (2,364,148)
Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities:				
Depreciation, depletion and amortization	-	57,794	218,918	276,712
(Increase) decrease in operating assets:				
Receivables	-	5,000	-	5,000
Inventories	-	(29,813)	-	(29,813)
Increase (decrease) in operating liabilities:				
Accounts payable	1	(7,000)	67,480	60,481
Due to other funds	38	90	(311,798)	(311,670)
Due to other governments	-	(2,760)	-	(2,760)
Accrued liabilities	335,160	573,795	(17,200)	891,755
Accrued wages	-	23	-	23
Accrued vacation and leave	-	(3,108)	-	(3,108)
Net cash provided by (used for) operating activities	<u>\$ 82,104</u>	<u>\$ (405,494)</u>	<u>\$ (1,154,138)</u>	<u>\$ (1,477,528)</u>

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INTERNAL SERVICE FUNDS

Internal Service Funds – are used to account for the financing of goods or services provided by one department or agency to other departments or agencies of the City, or to other governmental units, on a cost-reimbursement basis. The title of the funds indicate the type of service provided. The Internal Service Funds are:

- Motor Equipment
- Medical Self-Insurance
- Workers' Compensation Reserve
- Self-Insurance Settlement
- Telephone System
- Engineering Bureau
- Information Technology

City of Akron, Ohio
Combining Statement of Net Position - Internal Service Funds
December 31, 2019

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	Motor Equipment	Medical Self- Insurance	Workers' Compensation Reserve
Assets			
Current assets:			
Pooled cash and investments	\$ 3,675	\$ 1,632,317	\$ 3,210,710
Receivables, net of allowances from uncollectibles	38,272	-	-
Due from other funds	539,809	1,500,000	-
Inventories, at cost	626,730	-	-
Total current assets	1,208,486	3,132,317	3,210,710
Noncurrent assets:			
Net pension asset	9,312	2,612	-
Property, plant and equipment, net of accumulated depreciation	1,386,843	-	-
Total noncurrent assets	1,396,155	2,612	-
Total assets	2,604,641	3,134,929	3,210,710
Deferred Outflows of Resources	1,152,254	301,754	-
Total assets and deferred outflows	3,756,895	3,436,683	3,210,710
Liabilities			
Current liabilities:			
Accounts payable	446,601	38,363	129,434
Advances from other funds	1,020,000	-	-
Due to other funds	1,986	13,141	-
Accrued liabilities	18,337	5,577	2,196,825
Accrued wages	82,117	24,337	-
Accrued vacation and leave	129,788	44,041	-
Liability for unpaid claims	-	3,898,477	498,538
Debt:			
Total current liabilities	1,698,829	4,023,936	2,824,797
Noncurrent liabilities:			
Due in more than one year	513,611	118,161	1,000,125
Bonds, notes, and loans	-	1,500,000	-
Net pension liability	3,118,294	881,152	-
Net OPEB Liability	2,813,292	460,585	-
Total noncurrent liabilities	6,445,197	2,959,898	1,000,125
Total liabilities	8,144,026	6,983,834	3,824,922
Deferred Inflows of Resources	364,250	30,010	-
Total liabilities and deferred inflows	8,508,276	7,013,844	3,824,922
Net Position			
Net investment in capital assets	1,386,843	-	-
Unrestricted (deficit)	(6,138,224)	(3,577,161)	(614,212)
Total net position	\$ (4,751,381)	\$ (3,577,161)	\$ (614,212)

Self-Insurance Settlement	Telephone System	Engineering Bureau	Information Technology	Total Internal Service Funds
\$ 17,942	\$ 79,631	\$ 545,437	\$ 713,745	\$ 6,203,457
-	-	-	-	38,272
-	25,559	299,011	69,919	2,434,298
-	-	-	-	626,730
17,942	105,190	844,448	783,664	9,302,757
-	-	18,642	3,410	33,976
-	161,840	82,778	688,694	2,320,155
-	161,840	101,420	692,104	2,354,131
17,942	267,030	945,868	1,475,768	11,656,888
-	-	2,272,899	429,194	4,156,101
17,942	267,030	3,218,767	1,904,962	15,812,989
-	17,272	6,458	172,902	811,030
-	-	-	-	1,020,000
-	-	174,726	24,281	214,134
-	194	33,128	6,838	2,260,899
-	833	132,661	29,100	269,048
-	57	335,670	80,342	589,898
905,619	-	-	-	5,302,634
905,619	18,356	682,643	313,463	10,467,643
-	5,610	1,635,826	465,948	3,739,281
-	-	-	-	1,500,000
-	-	6,254,639	1,152,469	11,406,554
-	-	5,093,253	1,082,486	9,449,616
-	5,610	12,983,718	2,700,903	26,095,451
905,619	23,966	13,666,361	3,014,366	36,563,094
-	-	610,481	142,669	1,147,410
905,619	23,966	14,276,842	3,157,035	37,710,504
-	161,840	82,778	688,694	2,320,155
(887,677)	81,224	(11,140,853)	(1,940,767)	(24,217,670)
\$ (887,677)	\$ 243,064	\$ (11,058,075)	\$ (1,252,073)	\$ (21,897,515)

City of Akron, Ohio

D-2

Combining Statement of Revenues, Expenses and Changes in Fund Net Position - Internal Service Funds
For the Year Ended December 31, 2019

	Motor Equipment	Medical Self- Insurance	Workers' Compensation Reserve
Operating revenues			
Charges for services	\$ 7,307,616	\$ 35,778,056	\$ 2,470,456
Other	854,029	3,300,450	3,006
	<u>8,161,645</u>	<u>39,078,506</u>	<u>2,473,462</u>
Operating expenses			
Personal services	2,865,545	1,005,873	-
Direct expenses	5,266,552	3,964,018	1,912,770
Claims	-	33,777,623	439,520
Rentals and lease	-	33,246	-
Utilities	66,163	1,948	-
Insurance	12,826	-	-
Depreciation, depletion and amortization	36,936	-	-
Other	2,091	-	-
	<u>8,250,113</u>	<u>38,782,708</u>	<u>2,352,290</u>
Operating income (loss)	<u>(88,468)</u>	<u>295,798</u>	<u>121,172</u>
Nonoperating revenues (expenses)			
Interest income	-	-	2,337
Interest expense	(5,024)	(49,722)	-
	<u>(5,024)</u>	<u>(49,722)</u>	<u>2,337</u>
Changes in net position	<u>(93,492)</u>	<u>246,076</u>	<u>123,509</u>
Net position (deficit), January 1, 2019	<u>(4,657,889)</u>	<u>(3,823,237)</u>	<u>(737,721)</u>
Net position (deficit), December 31, 2019	<u>\$ (4,751,381)</u>	<u>\$ (3,577,161)</u>	<u>\$ (614,212)</u>

	Self- Insurance Settlement	Telephone System	Engineering Bureau	Information Technology	Total Internal Service Funds
\$	-	\$ 638,097	\$ 5,987,385	\$ 2,774,483	\$ 54,956,093
	-	11,193	72,541	21,179	4,262,398
	-	649,290	6,059,926	2,795,662	59,218,491
	-	309,555	5,905,183	1,336,398	11,422,554
22,704	415,367	601,401	1,692,003	13,874,815	
-	-	1,000	-	34,218,143	
-	-	262,285	95,484	391,015	
-	56,826	23,255	6,218	154,410	
-	-	14,736	1,228	28,790	
-	23,355	3,967	249,048	313,306	
-	-	385	-	2,476	
22,704	805,103	6,812,212	3,380,379	60,405,509	
(22,704)	(155,813)	(752,286)	(584,717)	(1,187,018)	
-	-	-	-	2,337	
-	-	(744)	-	(55,490)	
-	-	(744)	-	(53,153)	
(22,704)	(155,813)	(753,030)	(584,717)	(1,240,171)	
(864,973)	398,877	(10,305,045)	(667,356)	(20,657,344)	
\$ (887,677)	\$ 243,064	\$ (11,058,075)	\$ (1,252,073)	\$ (21,897,515)	

City of Akron, Ohio
Combining Statement of Cash Flows - Internal Service Funds
For the Year Ended December 31, 2019

	Motor Equipment	Medical Self - Insurance	Workers' Compensation	Self - Insurance Settlement
Operating activities				
Cash received from customers	\$ 7,287,874	\$ 34,278,056	\$ 2,470,456	\$ -
Cash payments to suppliers for goods and services	(6,175,612)	(3,484,890)	(144,438)	-
Cash paid for salaries and employee benefits	(2,770,908)	(34,475,617)	(2,751,938)	-
Other revenues	854,029	3,300,450	3,006	-
Other expense	(2,091)	-	-	-
Net cash provided by (used for) operating activities	(806,708)	(382,001)	(422,914)	-
Non-capital financing activities				
Transfers/advances in for negative cash balances	270,000	-	-	-
Proceeds from sale of notes	-	1,500,000	-	-
Principal paid on bonds, loans and notes	-	(2,500,000)	-	-
Interest paid on bonds, loans and notes	-	(49,722)	-	-
Net cash provided by (used for) non-capital financing activities	270,000	(1,049,722)	-	-
Capital and related financing activities				
Interest paid on bonds and loans	(5,024)	-	-	-
Net cash used for capital financing activities	(5,024)	-	-	-
Investing activities				
Interest on investments	-	-	2,337	-
Net cash provided by investing activities	-	-	2,337	-
Net increase (decrease) in cash and cash equivalents	(541,732)	(1,431,723)	(420,577)	-
Cash and cash equivalents, January 1, 2019	545,407	3,064,040	3,631,287	17,942
Cash and cash equivalents, December 31, 2019	\$ 3,675	\$ 1,632,317	\$ 3,210,710	\$ 17,942

Telephone System	Engineering Bureau	Information Technology	Total
\$ 672,042	\$ 6,016,460	\$ 2,881,869	\$ 53,606,757
(526,883)	(933,404)	(1,791,798)	(13,057,025)
(303,833)	(5,057,733)	(914,938)	(46,274,967)
11,193	72,541	21,179	4,262,398
-	(385)	-	(2,476)
(147,481)	97,479	196,312	(1,465,313)
-	-	-	270,000
-	-	-	1,500,000
-	-	-	(2,500,000)
-	-	-	(49,722)
-	-	-	(779,722)
-	(744)	-	(5,768)
-	(744)	-	(5,768)
-	-	-	2,337
-	-	-	2,337
(147,481)	96,735	196,312	(2,248,466)
227,112	448,702	517,433	8,451,923
\$ 79,631	\$ 545,437	\$ 713,745	\$ 6,203,457

City of Akron, Ohio
Combining Statement of Cash Flows - Internal Service Funds
For the Year Ended December 31, 2019
(continued)

	Motor Equipment	Medical Self - Insurance	Workers' Compensation	Self - Insurance Settlement
Operating income (loss)	\$ (88,468)	\$ 295,798	\$ 121,172	\$ (22,704)
Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities:				
Depreciation, depletion and amortization	36,936	-	-	-
(Increase) decrease in operating assets:				
Receivables	25,105	-	-	-
Due from other funds	(44,847)	(1,500,000)	-	-
Inventories	(74,615)	-	-	-
Increase (decrease) in operating liabilities:				
Accounts payable	(6,859)	37,321	129,434	-
Due to other funds	(748,597)	(9,029)	-	-
Due to other governments	-	-	-	-
Accrued liabilities	223,497	274,849	-	-
Accrued wages	8,518	6,339	-	-
Accrued vacation and leave	(137,378)	26,691	-	-
Estimated liability for unpaid claims	-	486,030	(673,520)	22,704
Net cash provided by (used for) operating activities	<u>\$ (806,708)</u>	<u>\$ (382,001)</u>	<u>\$ (422,914)</u>	<u>\$ -</u>

Telephone System	Engineering Bureau	Information Technology	Total
\$ (155,813)	\$ (752,286)	\$ (584,717)	\$ (1,187,018)
23,355	3,967	249,048	313,306
-	648	-	25,753
33,945	28,427	107,386	(1,375,089)
-	-	-	(74,615)
(54,677)	326	153,639	259,184
(13)	(32,053)	(70,926)	(860,618)
-	-	(79,578)	(79,578)
(30)	1,003,212	364,330	1,865,858
85	(1,914)	3,672	16,700
5,667	(152,848)	53,458	(204,410)
-	-	-	(164,786)
<u>\$ (147,481)</u>	<u>\$ 97,479</u>	<u>\$ 196,312</u>	<u>(1,465,313)</u>

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FIDUCIARY FUNDS

Custodial Funds – are used to account for assets held by the City for individuals, private organizations, or other governments. The City reports on the following eight custodial funds:

Claire Merrix Fund – is used to account for assets held by the City for tennis related expenditures to individuals, private organizations, and other governments.

Holocaust Memorial Fund - is used to account for assets held by the City for holocaust memorial expenditures to individuals, private organizations, and other governments.

Police/Fire Beneficiary Fund - is used to account for assets held by the City to provide scholarships to beneficiaries of deceased Police and Fire uniformed staff.

Police Property Monetary Evidence Fund – is used to account for funds held by the Police Department that will be returned to the other agencies.

Copley-Akron JEDD Fund – is used to account for JEDD income taxes levied by the JEDD Board and disbursements pursuant to the contract.

Coventry-Akron JEDD Fund – is used to account for JEDD income taxes levied by the JEDD Board and disbursements pursuant to the contract.

Springfield-Akron JEDD Fund – is used to account for JEDD income taxes levied by the JEDD Board and disbursements pursuant to the contract.

Bath-Akron-Fairlawn JEDD Fund – is used to account for JEDD income taxes levied by the JEDD Board and disbursements pursuant to the contract.

City of Akron, Ohio
 Combining Statement of Fiduciary Net Position - Custodial Funds
 December 31, 2019

	Claire Merrix	Holocaust Memorial	Police/Fire Beneficiary	Police Property Monetary Evidence
Assets				
Cash	\$ 1,060	\$ -	\$ 7,765	\$ 1,318,496
Receivables	-	-	-	-
Total assets	<u>1,060</u>	<u>-</u>	<u>7,765</u>	<u>1,318,496</u>
Liabilities				
Accounts payable and other liabilities	-	-	-	-
Due to other governments	-	-	-	-
Total liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Deferred Inflows of Resources				
Restricted for individuals, organizations, and governments	1,060	-	7,765	1,318,496
Unrestricted	-	-	-	-
Net Position	<u>\$ 1,060</u>	<u>\$ -</u>	<u>\$ 7,765</u>	<u>\$ 1,318,496</u>

Copley - Akron JEDD	Coventry - Akron JEDD	Springfield - Akron JEDD	Bath - Akron - Fairlawn JEDD	Total
\$ -	\$ -	\$ -	\$ -	1,327,321
1,189,605	868,658	837,022	689,204	3,584,489
1,189,605	868,658	837,022	689,204	4,911,810
28,008	10,156	3,005	50,637	91,806
68,119	34,224	34,351	390,411	527,105
96,127	44,380	37,356	441,048	618,911
445,810	423,214	540,963	361,216	1,771,203
647,668	401,064	258,703	-	2,634,756
-	-	-	(113,060)	(113,060)
\$ 647,668	\$ 401,064	\$ 258,703	\$ (113,060)	\$ 2,521,696

City of Akron, Ohio
 Combining Statement of Changes in Fiduciary Net Position - Custodial Funds
 For the Year Ended December 31, 2019

	Claire Merrix	Holocaust Memorial	Police/Fire Beneficiary	Police Property Monetary Evidence
Additions				
Confiscated evidence	\$ -	\$ -	\$ -	\$ 501,976
JEDD income tax	-	-	-	-
Miscellaneous	-	4,590	400	49,933
	-	4,590	400	551,909
Deductions				
Distribution to participatns	-	-	-	250,239
JEDD district expenses	-	-	-	-
Program purpose	-	27,921	-	1,485
Refunds	-	-	-	-
	-	27,921	-	251,724
Net Increase (Decrease) in Fiduciary Net Position	-	(23,331)	400	300,185
Net position, January 1, 2019, as restated	1,060	23,331	7,365	1,018,311
Net position, December 31, 2019	\$ 1,060	\$ -	\$ 7,765	\$ 1,318,496

	Copley - Akron JEDD	Coventry - Akron JEDD	Springfield - Akron JEDD	Bath - Akron - Fairlawn JEDD	Total
\$	-	\$ -	\$ -	\$ -	501,976
	742,558	546,487	415,034	4,313,935	6,018,014
	-	-	-	-	54,923
	742,558	546,487	415,034	4,313,935	6,574,913
	-	-	-	-	250,239
	527,131	280,676	215,221	4,020,943	5,043,971
	-	-	-	-	29,406
	90,209	50,799	200,129	92,343	433,480
	617,340	331,475	415,350	4,113,286	5,757,096
	125,218	215,012	(316)	200,649	817,817
	522,450	186,052	259,019	(313,709)	1,703,879
\$	647,668	\$ 401,064	\$ 258,703	\$ (113,060)	\$ 2,521,696

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Statistical Section

This part of the City of Akron's (City) comprehensive annual financial report presents detailed historical information as a context for understanding what the information in the financial statements, note disclosures and required supplementary information says about the City's overall financial health.

<u>Contents</u>	<u>Page</u>
Financial Trends These schedules contain trend information to help the reader understand how the City's financial performance and well-being have changed over time.	217
Revenue Capacity These schedules contain information to help the reader assess the City's most significant local revenue sources which are income tax and property tax.	224
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.	229
Demographic and Economic Information These schedules offer demographic and economic indicators to help the reader understand the environment within the City.	237
Operating Information These schedules contain service and infrastructure data to help the reader understand how the information in the City's financial report relates to the services the City provides and the activities it performs.	239

Sources: Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports for the relevant year.

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City of Akron, Ohio
 Net Position by Component
 Last Ten Fiscal Years
(accrual basis of accounting)

Schedule 1

	2010	2011	2012	2013	2014
Governmental Activities					
Net Investment in Capital Assets	\$ 320,611,400	\$ 336,791,218	\$ 342,181,729	\$ 353,686,041	\$ 352,411,914
Restricted	76,133,681	64,060,427	45,769,529	46,822,028	43,314,132
Unrestricted	(63,841,247)	(39,096,078)	(39,096,078)	(25,922,004)	(13,531,515)
Total Governmental Activities Net Position	332,903,834	361,755,567	348,855,180	374,586,065	382,194,531
Business-Type Activities					
Net Investment in Capital Assets	368,334,039	382,353,490	381,737,149	385,492,533	400,523,178
Restricted	11,955,748	9,650,185	9,726,690	9,789,966	9,854,895
Unrestricted	5,913,913	(898,127)	8,473,245	19,221,970	16,815,329
Total Business-Type Activities Net Position	386,203,700	391,105,548	399,937,084	414,504,469	427,193,402
Primary Government					
Net Investment in Capital Assets	688,945,439	719,144,708	723,918,878	739,178,574	752,935,092
Restricted	88,089,429	73,710,612	55,496,219	56,611,994	53,169,027
Unrestricted	(57,927,334)	(39,994,205)	(30,622,833)	(6,700,034)	3,283,814
Total Primary Government Net Position	\$ 719,107,534	\$ 752,861,115	\$ 748,792,264	\$ 789,090,534	\$ 809,387,933
	2015 *	2016 *	2017 *	2018 *	2019*
Governmental Activities					
Net Investment in Capital Assets	\$ 373,605,736	\$ 361,614,290	\$ 371,386,210	\$ 380,255,982	\$ 402,657,024
Restricted	36,462,300	26,685,480	128,290,211	141,116,295	96,912,454
Unrestricted	(184,719,280)	(169,438,185)	(316,858,123)	(525,895,655)	(388,771,009)
Total Governmental Activities Net Position	225,348,756	218,861,585	182,818,298	(4,523,378)	110,798,469
Business-Type Activities					
Net Investment in Capital Assets	396,984,561	389,215,183	374,890,468	390,472,592	368,625,151
Restricted	9,498,992	9,389,310	5,849,447	3,488,611	3,518,634
Unrestricted	29,988,650	47,446,909	81,463,305	56,572,126	53,082,959
Total Business-Type Activities Net Position	436,472,203	446,051,402	462,203,220	450,533,329	425,226,744
Primary Government					
Net Investment in Capital Assets	770,590,297	750,829,473	746,276,678	770,728,574	771,282,175
Restricted	45,961,292	36,074,790	134,139,658	144,604,906	100,431,088
Unrestricted	(154,730,630)	(121,991,276)	(235,394,818)	(469,323,529)	(335,688,050)
Total Primary Government Net Position	\$ 661,820,959	\$ 664,912,987	\$ 645,021,518	\$ 446,009,951	\$ 536,025,213

City of Akron, Ohio
Changes in Net Position
Last Ten Fiscal Years
(accrual basis of accounting)

Schedule 2

	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Program Revenues										
Governmental Activities										
Charges for Services:										
General Government	\$ 13,878,801	\$ 9,674,230	\$ 10,218,969	\$ 14,473,321	\$ 9,553,457	\$ 7,505,352	\$ 15,271,721	\$ 21,698,159	\$ 20,571,001	\$ 27,549,825
Public Service	33,856,324	25,094,315	14,404,457	16,524,746	18,489,527	19,949,672	18,353,558	18,382,609	16,188,076	18,393,670
Public Safety	1,286,320	847,335	508,391	862,405	4,717,778	4,349,617	4,176,521	4,181,992	4,103,197	3,898,022
Community Environment	13,934	7,607	422,186	164,000	2,230,381	228,261	3,467,416	5,371,735	4,225,621	10,125,087
Public Health	623,919	37,132	3,512	2,257	-	-	-	-	-	-
Recreation and Parks	414,527	242,837	183,754	230,420	730,079	721,422	1,053,610	701,426	631,324	642,457
Operating Grants and Contributions	38,518,668	17,302,475	19,658,258	20,409,809	19,326,836	12,724,856	13,345,362	10,412,337	12,012,934	15,542,987
Capital Grants and Contributions	38,467,858	38,778,626	35,507,412	46,774,660	41,095,526	44,349,143	46,353,664	34,742,428	37,671,943	40,581,958
Total Governmental Activities Program Revenues	127,060,351	91,984,557	80,906,939	99,441,618	96,143,584	89,828,323	102,021,852	95,490,686	95,404,096	116,734,006
Business-Type Activities										
Charges for Services:										
Water	34,365,128	34,718,912	32,215,076	34,969,933	33,986,195	35,391,626	34,910,383	33,677,422	31,044,651	32,787,975
Sewer	44,879,526	49,610,750	56,208,333	63,097,046	70,951,430	89,170,077	89,740,016	93,781,115	85,405,280	88,194,394
Oil & Gas	371,137	373,269	226,172	300,119	241,905	130,030	61	112,969	96,571	-
Parking Facilities	4,798,580	4,710,310	4,577,496	4,773,882	4,570,975	4,275,513	4,507,555	2,268,832	3,347,593	4,170,306
Golf Course	926,633	807,693	938,725	893,815	826,503	917,712	931,126	912,616	860,100	952,419
Airport	65,186	76,912	197,878	154,692	156,983	182,663	169,577	163,568	472,756	150,826
Operating Grants and Contributions	-	-	-	-	-	-	-	-	-	191,814
Capital Grants and Contributions	5,838,213	4,416,302	7,786,418	4,045,528	4,871,914	4,916,124	5,481,149	4,741,494	1,502,429	7,531,338
Total Business-Type Activities Program Revenues	91,244,403	94,714,148	102,150,098	108,235,015	115,605,905	134,983,745	135,739,867	135,658,016	122,729,380	133,979,072
Total Primary Government Program Revenues	\$ 218,304,754	\$ 186,698,705	\$ 183,057,037	\$ 207,676,633	\$ 211,749,489	\$ 224,812,068	\$ 237,761,719	\$ 231,148,702	\$ 218,133,476	\$ 250,713,078
Expenses										
Governmental Activities										
General Government	\$ 57,324,570	\$ 48,717,920	\$ 44,074,083	\$ 35,134,302	\$ 38,547,406	\$ 31,954,663	\$ 42,940,494	\$ 40,785,375	\$ 36,394,068	\$ 55,913,497
Public Service	104,776,341	50,268,506	52,045,512	65,740,981	67,516,145	74,133,731	71,811,167	72,033,027	74,255,760	69,325,498
Public Safety	112,983,694	109,950,785	113,141,469	112,374,172	120,176,274	124,943,875	140,165,348	129,124,366	115,754,910	49,458,260
Community Environment	36,971,008	58,355,271	66,174,345	88,673,453	42,970,628	44,393,603	98,362,358	60,901,084	25,299,743	47,822,419
Public Health	16,584,773	3,517,378	3,982,604	3,921,672	4,832,375	4,452,937	4,354,820	4,424,817	4,491,876	4,450,531
Recreation and Parks	5,704,548	5,801,457	6,906,906	7,690,836	6,811,470	5,567,353	5,717,798	4,449,281	4,129,340	5,720,103
Interest	24,845,202	22,212,625	35,466,855	26,324,712	27,940,204	30,189,381	23,923,218	24,834,592	21,389,588	23,887,099
Unallocated Depreciation	14,740,666	15,358,939	15,559,132	15,468,193	16,091,850	17,065,802	18,830,770	17,913,455	18,312,112	18,000,420
Total Governmental Activities Expenses	373,930,802	314,182,881	337,350,906	355,328,321	324,886,352	332,701,345	406,105,973	354,465,997	300,027,397	274,577,827
Business-Type Activities										
Water	34,399,758	35,228,188	28,050,701	31,075,633	32,522,741	37,964,538	34,913,805	33,952,382	38,510,047	46,575,277
Sewer	39,299,082	46,730,809	58,124,815	54,959,359	71,709,972	70,908,326	83,933,150	83,743,770	63,822,180	103,946,790
Oil & Gas	479,640	250,643	279,689	202,341	350,060	321,767	49,571	39,589	42,528	371,965
Parking Facilities	7,248,743	7,355,958	7,780,158	6,929,930	7,189,194	7,063,162	7,269,596	5,375,745	6,502,595	7,277,980
Golf Course	1,270,474	1,193,071	1,176,344	1,243,395	1,106,275	1,275,762	1,408,269	1,283,427	1,689,944	2,057,143
Airport	686,012	1,005,792	653,852	683,251	720,934	920,765	741,052	760,807	1,353,358	1,449,933
Total Business-Type Activities Expenses	83,383,709	91,764,461	96,065,559	95,093,909	113,599,176	118,454,320	128,315,443	125,155,720	111,920,652	161,679,088
Total Primary Government Expenses	\$ 457,314,511	\$ 405,947,342	\$ 433,416,465	\$ 450,422,230	\$ 438,485,528	\$ 451,155,665	\$ 534,421,416	\$ 479,621,717	\$ 411,948,049	\$ 436,256,915

City of Akron, Ohio
Changes in Net Position
Last Ten Fiscal Years
(accrual basis of accounting)
(continued)

Schedule 2

	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Net (Expense)/Revenue										
Governmental Activities	\$ (246,870,451)	\$ (222,198,324)	\$ (256,443,967)	\$ (255,886,703)	\$ (228,742,768)	\$ (242,873,022)	\$ (304,084,121)	\$ (258,975,311)	\$ (204,623,301)	\$ (157,843,821)
Business-Type Activities	7,860,694	2,949,687	608,453	13,141,106	2,006,729	165,294,25	7,424,425	9,274,126	10,808,728	(27,700,016)
Total Primary Government Net Expense	\$ (239,009,757)	\$ (219,248,637)	\$ (250,359,428)	\$ (242,745,597)	\$ (226,736,039)	\$ (226,343,597)	\$ (296,659,696)	\$ (249,701,185)	\$ (193,814,573)	\$ (185,543,837)
General Revenue and Other Changes in Net Position										
Governmental Activities:										
Taxes:										
Income Taxes	\$ 119,257,796	\$ 134,473,083	\$ 131,601,798	\$ 141,289,710	\$ 141,389,904	\$ 143,231,380	\$ 152,856,443	\$ 139,183,876	\$ 171,426,317	\$ 170,036,813
Property Taxes	29,013,731	25,831,020	24,003,912	19,627,342	23,342,160	23,681,267	23,341,356	24,831,344	26,166,396	24,048,160
JEDD Revenues	15,190,788	16,826,153	20,706,211	18,485,942	17,758,520	19,271,731	12,341,811	14,800,350	14,905,073	16,083,393
Investment Earnings	534,263	643,612	439,005	553,699	300,784	848,901	1,170,199	1,221,577	3,409,213	5,909,657
Unrestricted Shared Revenues	57,043,369	51,162,387	69,710,284	92,823,194	46,752,194	46,387,254	98,487,030	42,726,783	40,613,726	45,058,850
Miscellaneous	20,122,026	30,059,892	8,337,078	10,657,380	10,155,196	7,853,357	11,211,091	10,221,319	14,364,534	11,591,233
Gain (loss) on Sale of Capital Assets	1,539	95,999	60,045	31,307	14,239	2,738	33,590	101,878	53,360	12,423
Transfers	(393,067)	(529,996)	(308,000)	(338,360)	(466,000)	(887,300)	(611,000)	(941,000)	(791,000)	(730,000)
Total Governmental Activities	\$ 240,770,445	\$ 258,562,150	\$ 254,550,333	\$ 283,130,214	\$ 239,246,997	\$ 240,389,328	\$ 298,830,520	\$ 232,146,127	\$ 270,147,619	\$ 272,010,529
Business-Type Activities:										
Investment Earnings	\$ 6,945	\$ 626	\$ 785	\$ 854	\$ 727	\$ 107,676	\$ 107,655	\$ 137,758	\$ 31,820	\$ 35,927
Miscellaneous	2,824,106	1,350,658	2,438,212	1,087,065	3,760,632	2,166,460	1,355,459	4,570,764	1,298,135	2,661,110
Unrestricted shared revenues	-	-	-	-	-	-	-	-	-	321
Transfers	393,067	529,996	308,000	338,360	466,000	887,300	611,000	941,000	791,000	730,000
Total Business-Type Activities	\$ 3,224,118	\$ 1,881,280	\$ 2,746,997	\$ 1,426,279	\$ 4,227,359	\$ 3,161,436	\$ 2,074,114	\$ 5,649,522	\$ 2,120,955	\$ 3,427,358
Total Primary Government	\$ 243,994,563	\$ 260,443,430	\$ 257,297,330	\$ 284,556,493	\$ 243,474,356	\$ 243,550,764	\$ 300,904,634	\$ 237,795,649	\$ 272,268,574	\$ 275,437,887
Change in Net Position										
Governmental Activities	\$ (6,100,006)	\$ 36,363,826	\$ (1,893,634)	\$ 27,243,511	\$ 10,504,229	\$ (2,483,694)	\$ (5,253,601)	\$ (26,829,184)	\$ 65,524,318	\$ 114,166,708
Business-Type Activities	11,084,812	4,830,967	8,831,536	14,567,385	6,234,088	19,690,861	9,498,539	16,151,818	12,929,683	(24,272,658)
Total Primary Government Change in Net Position	\$ 4,984,806	\$ 41,194,793	\$ 6,937,902	\$ 41,810,896	\$ 16,738,317	\$ 17,207,167	\$ 4,244,938	\$ (10,677,366)	\$ 78,454,001	\$ 89,894,050

Source: City of Akron, Ohio Finance Department

City of Akron, Ohio
Fund Balances, Governmental Funds
Last Ten Fiscal Years
(modified accrual basis of accounting)

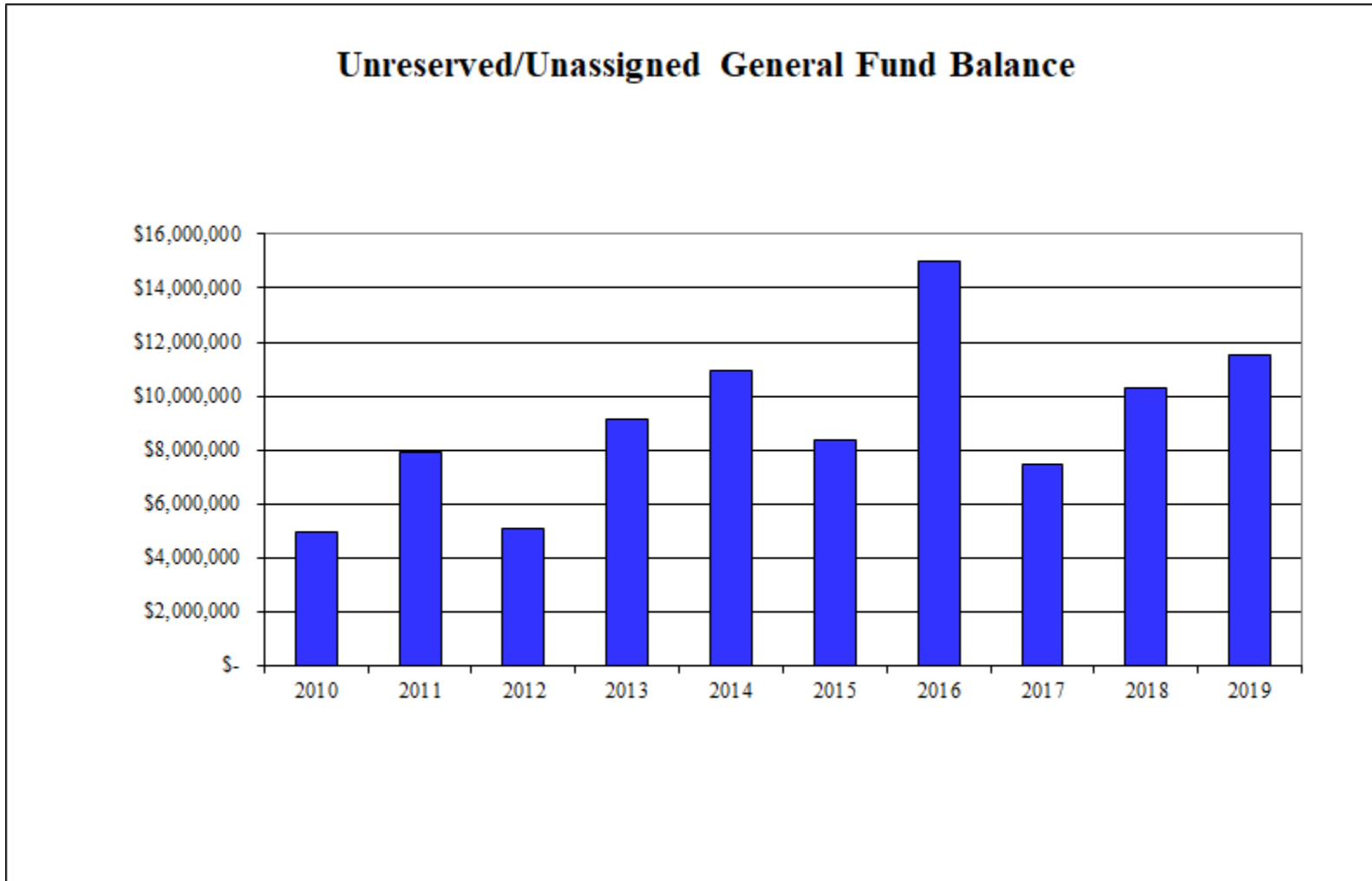
Schedule 3

	2010									
General Fund										
Reserved	\$	1,122,215								
Unreserved		4,967,367								
Total General Fund		<u>6,089,582</u>								
All Other Governmental Funds										
Reserved		42,689,767								
Unreserved, Reported in:										
Special Revenue funds		79,439,815								
Debt Service funds		42,601,924								
Capital Projects funds		<u>(30,112,902)</u>								
Total All Other Governmental Funds		<u>134,618,604</u>								
Total Governmental Funds	\$	<u>140,708,186</u>								
		2011	2012	2013	2014	2015	2016	2017	2018	2019
General Fund										
Committed	\$	-	\$ 266,687	\$ 290,658	\$ 329,961	\$ 377,840	\$ 397,517	\$ 443,599	\$ 471,456	\$ 486,244
Assigned		1,242,472	1,236,966	1,809,776	1,593,954	4,174,015	1,904,060	1,576,347	1,579,205	1,469,146
Unassigned		7,901,719	5,102,134	9,132,562	10,911,360	8,382,029	15,022,169	7,485,924	10,299,737	11,525,081
Total General Fund		<u>9,144,191</u>	<u>6,605,787</u>	<u>11,232,996</u>	<u>12,835,275</u>	<u>12,933,884</u>	<u>17,323,746</u>	<u>9,505,870</u>	<u>12,350,398</u>	<u>13,480,471</u>
All Other Governmental Funds										
Nonspendable		3,085,645	3,085,645	3,325,815	4,786,232	4,786,232	-	-	-	-
Restricted		142,850,022	117,789,306	109,458,792	144,630,245	117,100,123	138,007,616	112,431,220	111,823,898	87,737,364
Committed		5,448,281	13,502,981	7,490,896	13,829,487	10,510,914	14,811,603	8,988,056	8,544,024	9,461,573
Assigned		-	375,380	-	-	-	-	-	-	-
Unassigned		<u>(40,623,253)</u>	<u>(27,448,292)</u>	<u>(25,968,790)</u>	<u>(9,415,521)</u>	<u>(12,285,255)</u>	<u>(12,182,727)</u>	<u>(14,682,443)</u>	<u>(17,911,698)</u>	<u>(14,947,576)</u>
Total All Other Governmental Funds		<u>110,760,695</u>	<u>107,305,020</u>	<u>94,306,713</u>	<u>153,830,443</u>	<u>120,112,014</u>	<u>140,636,492</u>	<u>106,736,833</u>	<u>102,456,224</u>	<u>82,251,361</u>
Total Governmental Funds	\$	<u>119,904,886</u>	<u>\$ 113,910,807</u>	<u>\$ 105,539,709</u>	<u>\$ 166,665,718</u>	<u>\$ 133,045,898</u>	<u>\$ 157,960,238</u>	<u>\$ 116,242,703</u>	<u>\$ 114,806,622</u>	<u>\$ 95,731,832</u>

Source: City of Akron, Ohio Finance Department

*Schedule 3 has been prepared in conformity of GASB Statement #54, *Fund Balance Reporting and Governmental Fund Type Definitions beginning with 2011.*

City of Akron, Ohio
Fund Balances, Governmental Funds
Last Ten Fiscal Years
(modified accrual basis of accounting)



City of Akron, Ohio
 Changes in Fund Balances, Governmental Funds
 Last Ten Fiscal Years
 (modified accrual basis of accounting)

Schedule 4

	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Revenues										
Income Taxes *	\$ 119,438,082	\$ 135,345,234	\$ 131,090,435	\$ 139,960,898	\$ 140,311,367	\$ 143,288,651	\$ 151,256,789	\$ 143,176,743	\$ 163,595,720	\$ 167,479,460
Property Taxes	28,070,162	24,111,972	24,573,729	20,471,016	23,518,118	23,414,232	23,423,002	24,465,922	24,860,892	24,931,135
JEDD Revenues	15,462,316	16,577,998	20,811,614	18,090,127	17,395,933	18,723,573	14,389,449	14,800,350	14,905,073	16,083,393
Special Assessments	14,675,422	6,312,847	14,965,865	28,524,445	31,952,817	30,670,330	31,179,498	15,421,762	17,492,848	19,320,283
Grants and Subsidies:										
Community Development	11,853,749	7,795,876	-	-	-	-	-	-	-	-
Other	45,241,004	45,841,289	43,315,295	34,746,020	30,266,381	24,490,969	25,972,981	28,054,783	29,462,796	36,906,384
Investment Earnings	821,213	772,109	517,882	584,383	338,698	850,214	1,199,289	1,211,665	3,450,900	5,944,564
Shared Revenues	56,132,211	52,491,818	68,768,384	94,579,755	47,351,951	45,807,596	100,326,020	45,555,266	45,895,097	49,582,291
Licenses, Fees and Fines	8,422,362	7,682,875	8,011,431	8,627,454	10,192,771	9,460,174	17,512,114	17,610,982	18,651,618	30,553,448
Charges for Services	24,678,776	24,002,116	17,759,520	24,247,409	23,500,665	20,636,462	20,749,779	23,965,100	25,023,360	18,991,270
Miscellaneous	20,073,582	28,533,349	8,662,590	10,228,894	12,805,149	9,444,997	12,629,211	16,658,409	16,415,882	14,777,822
Total Revenues	\$ 344,868,879	\$ 349,467,483	\$ 338,476,745	\$ 380,060,401	\$ 337,633,850	\$ 326,787,198	\$ 398,638,132	\$ 330,920,982	\$ 359,754,186	\$ 384,570,050
Expenditures										
Current:										
General Government	\$ 39,428,651	\$ 42,400,285	\$ 42,710,925	\$ 33,176,262	\$ 37,323,779	\$ 28,762,899	\$ 39,813,138	\$ 38,586,495	\$ 39,659,633	\$ 48,324,235
Public Service	112,534,126	71,513,740	59,446,860	78,804,139	85,268,655	84,760,878	81,121,929	74,211,608	87,997,887	84,923,153
Public Safety	110,080,622	110,814,070	109,643,467	109,458,512	122,016,445	118,700,986	131,547,744	128,736,104	146,412,046	141,016,489
Community Environment	69,931,132	77,037,268	91,645,889	103,125,618	53,399,049	61,897,061	111,756,653	61,472,588	53,299,612	65,396,130
Public Health	16,808,854	3,957,653	4,004,247	3,900,892	4,600,444	4,186,224	4,253,940	4,239,096	4,337,323	4,242,002
Recreation and Parks	5,448,715	5,480,847	6,946,793	7,792,669	6,747,832	5,320,130	5,411,445	3,942,488	4,751,840	4,731,236
Capital Outlay	34,536	-	-	-	-	-	-	-	-	-
Debt service:										
Principal Retirement	55,294,176	42,815,931	29,088,580	43,956,837	59,819,902	39,655,124	51,066,536	66,716,806	79,131,809	87,310,632
Interest	25,657,874	33,620,136	28,600,017	30,353,162	28,714,831	29,406,901	27,428,807	27,171,776	26,140,929	26,725,225
Bond Issuance Expenditures	2,331,621	1,458,659	2,304,239	679,072	1,811,645	934,296	1,197,595	763,315	299,669	766,692
Total Expenditures	\$ 437,550,307	\$ 389,098,589	\$ 374,391,017	\$ 411,247,163	\$ 399,702,582	\$ 373,624,499	\$ 453,597,787	\$ 405,840,276	\$ 442,030,748	\$ 463,435,794
Excess of Revenues Under Expenditures	\$ (92,681,428)	\$ (39,631,106)	\$ (35,914,272)	\$ (31,186,762)	\$ (62,068,732)	\$ (46,837,301)	\$ (54,959,655)	\$ (74,919,294)	\$ (82,276,562)	\$ (78,865,744)

City of Akron, Ohio
Changes in Fund Balances, Governmental Funds
Last Ten Fiscal Years
(modified accrual basis of accounting)
(continued)

Schedule 4

	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Other Financing Sources (Uses)										
Issuance of General Obligation Bond	\$ 127,285,840	\$ 10,703,000	\$ 26,870,000	\$ 4,849,484	\$ 88,288,000	\$ 15,500,000	\$ 52,000,000	\$ 33,575,419	\$ 45,709,593	\$ 53,325,611
Capital Contributions	-	-	-	-	-	-	2,933,930	-	-	-
Issuance of Loans	239,569	-	-	1,000,000	3,373,515	9,248	-	-	-	-
Issuance of COP's	13,200,000	-	-	2,365,000	-	-	11,965,000	-	24,445,000	-
Issuance of Refunding Obligations	-	-	-	14,910,000	88,085,000	63,945,000	32,545,000	48,960,000	-	20,405,000
Proceeds of Refunding Bonds Premium	-	4,360,193	24,186,215	-	-	-	-	-	-	-
Premium on G.O. Debt	2,601,452	205,387	1,696,315	179,540	9,761,734	4,873,665	6,159,498	4,067,813	927,200	7,525,204
Proceeds of Refund Obligations	-	97,633,009	170,925,000	-	-	-	-	-	-	-
Proceeds of collateralized borrowings	-	-	-	-	-	-	-	4,028,194	-	-
Payment for Refunding Obligations	-	(93,235,293)	(193,384,337)	-	-	-	-	-	-	-
Original Bond Issue Discount **	-	-	-	-	(431,029)	(148,132)	(115,961)	(153,408)	(239,461)	-
Issuance of Capital Lease	-	-	8,227,250	1,357,829	159,284	731,754	10,635,000	1,039,985	10,789,149	-
Payment to Refunding Agent	-	-	-	-	(62,680,000)	(70,075,000)	(34,403,902)	(51,846,782)	-	(21,890,000)
Lease - Financed Capital Assets	-	-	(8,227,250)	(1,357,829)	-	(731,754)	-	-	-	-
Transfers-in	43,172,287	12,145,484	7,041,704	8,100,091	2,727,000	8,090,322	3,216,961	12,894,168	11,186,061	10,720,922
Transfers-out	(43,915,354)	(12,706,505)	(7,414,704)	(8,588,451)	(3,193,000)	(8,977,622)	(3,827,961)	(13,835,168)	(11,977,061)	(11,450,922)
Total Other Financing Sources (Uses)	142,583,794	19,105,275	29,920,193	22,815,664	126,090,504	13,217,481	81,107,565	38,730,221	80,840,481	58,635,815
Net Change in Fund Balance	\$ 49,902,366	\$ (20,525,831)	\$ (5,994,079)	\$ (8,371,098)	\$ 64,021,772	\$ (33,619,820)	\$ 26,147,910	\$ (36,189,073)	\$ (1,436,081)	\$ (20,229,929)
Debt Service as a Percentage of Noncapital Expenditures	22.30%	22.67%	17.49%	20.56%	24.57%	20.64%	19.57%	25.77%	28.60%	28.18%

Source: City of Akron, Ohio Finance Department

* Since 2018, the Income Tax rate was 2.5%.

** Prior to 2014, Original Bond Issue Discount was included in Bond Issuance Expenditures.

City of Akron, Ohio
 Assessed Value and Estimated Actual Value of Taxable Property
 Last Ten Fiscal Years
(in thousands of dollars)

Schedule 5

Tax Collection Year	Real Property		Public Utilities		Total		Total Direct Rate	Percent of Total Assessed Value to Total Estimated Actual Value
	Assessed Value	Estimated Actual Value	Assessed Value	Estimated Actual Value	Assessed Value	Estimated Actual Value		
2011	\$ 2,928,343	\$ 8,366,694	\$ 88,008	\$ 251,451	\$ 3,016,351	\$ 8,618,145	10.30	35.00 %
2012	2,580,090	7,371,686	92,022	262,920	2,672,112	7,634,606	10.30	35.00
2013	2,550,584	7,287,383	111,892	319,691	2,662,476	7,607,074	10.30	35.00
2014	2,493,126	7,123,217	126,778	362,223	2,619,904	7,485,440	10.30	35.00
2015	2,437,486	6,964,246	145,400	415,429	2,582,886	7,379,675	10.30	35.00
2016	2,409,852	6,885,291	165,213	472,037	2,575,065	7,357,328	10.30	35.00
2017	2,427,755	6,936,443	208,226	594,931	2,635,981	7,531,374	10.50	35.00
2018	2,473,755	7,067,871	222,043	634,409	2,695,798	7,702,280	10.50	35.00
2019	2,498,129	7,137,511	210,667	634,409	2,708,796	7,771,920	10.50	34.85
2020	2,627,796	7,507,989	218,864	624,201	2,846,660	8,132,190	10.50	35.00

Source: City of Akron, Ohio Finance Department

Note: For real property, the estimated actual value is derived by dividing the assessed value by 35%.
 The assessed value estimated actual value for public utilities is the combination of two figures.

City of Akron, Ohio
 Direct and Overlapping Property Tax Rates
 Last Ten Fiscal Years
(rate per \$1,000 of assessed value)

Schedule 6

Tax Collection Year	City Direct Rates					Overlapping Rates		
	Operating	Police Pension	Fire Pension	Debt Retirement	Total Direct Rate	Akron City School District	Summit County	Akron Metro Parks
2011	9.28	0.30	0.30	0.42	10.30	71.66	14.80	1.46
2012	9.28	0.30	0.30	0.42	10.30	71.66	14.80	1.46
2013	9.28	0.30	0.30	0.42	10.30	79.56	14.84	1.46
2014	9.28	0.30	0.30	0.42	10.30	79.56	14.81	1.46
2015	9.28	0.30	0.30	0.42	10.30	79.56	14.80	1.46
2016	9.28	0.30	0.30	0.42	10.30	79.56	15.32	1.46
2017	9.28	0.30	0.30	0.62	10.50	79.56	15.30	1.46
2018	9.28	0.30	0.30	0.62	10.50	79.56	15.26	1.46
2019	9.28	0.30	0.30	0.62	10.50	79.56	15.26	1.46
2020	9.28	0.30	0.30	0.62	10.50	79.56	16.22	1.46

Source: City of Akron, Ohio Finance Department

City of Akron, Ohio
Principal Property Tax Payers
12/31/2019 and 12/31/2010
(in thousands of dollars)

Schedule 7

Taxpayer	December 31, 2019		Taxpayer	December 31, 2010	
	Taxable Assessed Value	Percentage of Taxable Assessed Value		Taxable Assessed Value	Percentage of Taxable Assessed Value
American Transmission	\$ 102,723	3.81 %	First Energy	\$ 76,713	2.54 %
Ohio Edison	93,194	3.46	University of Akron	17,085	0.57
East Ohio Gas	20,732	0.77	Albrecht Incorporated	14,044	0.47
Albrecht Incorporated	15,378	0.57	Children's Hospital Medical Center	12,530	0.42
DFG Chapel Hill LLC	13,352	0.50	Bernard D. Busson	12,387	0.41
Timber Top Apartment Holding	13,052	0.48	American Transmission	11,380	0.38
Summa Health System	7,834	0.29	Dominion East Ohio Gas	9,798	0.32
Hampton Knoll Apartments	7,078	0.26	HCRI Akron Properties, LLC	7,175	0.24
Akron Management Corporation	6,597	0.25	Akron Management Corp.	6,393	0.21
Concord Testa Hotel Associates	6,300	0.23	Plaza Chapel Hill Co.	5,757	0.19
	<u>\$ 286,240</u>	<u>10.62 %</u>		<u>\$ 173,262</u>	<u>5.75 %</u>

Source: City of Akron, Ohio Finance Department

City of Akron, Ohio
Property Tax Levies and Collections
Last Ten Fiscal Years

Schedule 8

Fiscal Year Ending 12/31	Tax Levied For The Fiscal Year	Collected within the Fiscal Year of the Levy		Delinquent Tax Collections	Total Collections to Date	
		Amount	Percentage of Levy		Amount	Percentage of Levy
2010	\$ 30,874,452	\$ 28,383,628	91.9 %	\$ 1,701,324	\$ 30,084,952	97.4 %
2011	31,064,531	27,798,721	89.5	1,927,137	29,726,017	95.7
2012	27,518,858	24,477,858	88.9	1,838,523	26,316,381	95.6
2013	27,419,596	25,174,172	91.8	1,828,647	27,002,819	98.5
2014	26,984,750	25,022,030	92.7	1,697,650	26,719,680	99.0
2015	26,604,375	24,737,683	93.0	1,577,892	26,315,575	98.9
2016	26,523,326	24,987,814	94.2	1,535,512	26,470,741	99.8
2017	27,619,239	25,985,068	94.1	1,634,171	28,982,301	104.9
2018	28,305,710	26,421,069	93.3	1,884,641	28,005,409	98.9
2019	28,442,279	26,368,089	92.7	2,074,190	28,035,771	98.6

Source: City of Akron, Ohio Finance Department

City of Akron, Ohio
Income Tax Collections by Annual Collection Amount (Withholding and Direct Accounts)
Fiscal Years 2018 and 2019

Schedule 9

Fiscal Year 2018				
Collection Level	Number of Accounts	Percentage of Total	Total Income Tax Collections	Percentage of Total
\$1,000 and under	27,059	78.55 %	\$ 5,031,320	3.11 %
\$1,001 - \$2,500	3,394	9.85	5,369,563	3.32
\$2,501 - \$5,000	1,547	4.49	5,394,562	3.34
\$5,001 - \$10,000	998	2.90	6,983,567	4.32
\$10,001 - \$50,000	1,106	3.21	23,772,916	14.72
\$50,001- \$100,000	161	0.47	11,236,675	6.96
\$100,001 - \$250,000	112	0.33	17,209,077	10.65
\$250,001 - \$1,000,000	48	0.14	19,747,817	12.23
Over \$1,000,001	19	0.06	66,798,793	41.35
	<u>34,444</u>	<u>100.00 %</u>	<u>\$ 161,544,290</u>	<u>100.00 %</u>
Fiscal Year 2019				
Collection Level	Number of Accounts	Percentage of Total	Total Income Tax Collections	Percentage of Total
\$1,000 and under	29,056	78.42 %	\$ 6,269,414	3.69 %
\$1,001 - \$2,500	3,783	10.21	5,963,428	3.51
\$2,501 - \$5,000	1,661	4.48	5,863,087	3.45
\$5,001 - \$10,000	1,004	2.71	7,038,784	4.15
\$10,001 - \$50,000	1,197	3.23	25,840,839	15.22
\$50,001- \$100,000	164	0.44	11,367,073	6.70
\$100,001 - \$250,000	124	0.33	19,272,521	11.35
\$250,001 - \$1,000,000	49	0.13	22,374,218	13.19
Over \$1,000,001	17	0.05	65,770,481	38.74
	<u>37,055</u>	<u>100.00 %</u>	<u>\$ 169,759,845</u>	<u>100.00 %</u>

Source: City of Akron, Ohio Finance Department

Note: Due to confidentiality issues, the names of the ten largest revenue payers are not available. The categories presented are intended to provide alternative information regarding the sources of the City's revenue.

City of Akron, Ohio
Ratios of Outstanding Debt and Capital Leases by Type
Last Ten Fiscal Years

Schedule 10

Governmental Activities

Fiscal Year	General Obligation	OPWC Loan	Ohio Development Services Agency Loan	Non-Tax Revenue	Income Tax Revenue	Income Tax Revenue Direct Borrowings	Special Revenue	Special Assessment	Capital Leases	SIB Loans
2010	\$ 248,558,640	\$ 10,750,755	\$ 845,086	\$ 55,795,000	\$ 240,105,000	\$ -	\$ 35,115,000	\$ 8,382,097	\$ 68,759,067	\$ 5,782,826
2011	240,483,180	10,706,454	5,689,471	50,835,000	234,095,000	-	27,165,000	11,240,502	62,314,778	4,475,878
2012	228,843,318	9,845,763	5,582,645	50,080,000	248,230,000	-	27,165,000	8,591,829	55,605,348	3,129,427
2013	215,139,753	9,241,963	5,482,636	48,475,000	244,487,135	-	27,165,000	6,220,758	75,510,213	1,742,279
2014	201,378,834	9,084,164	5,378,553	53,565,000	318,681,087	-	25,245,000	4,079,527	67,106,099	313,205
2015	186,840,707	7,640,794	5,270,229	48,035,000	339,110,565	-	22,030,000	2,860,321	30,735,417	-
2016	174,601,391	7,006,306	5,156,492	43,745,000	353,714,654	-	18,705,000	1,897,997	47,643,975	-
2017	156,929,261	6,371,819	4,610,162	39,170,000	339,080,250	-	15,220,000	5,013,087	43,441,695	-
2018	138,368,631	5,737,340	4,265,000	33,435,000	324,617,059	-	11,555,000	6,722,319	64,162,866	-
2019	121,000,958	5,140,863	3,955,000	30,410,000	348,945,000	9,684,297	7,720,000	7,271,537	59,312,753	-

Governmental Activities

Fiscal Year	Internal Service Income Tax Revenue	Special Assessment Notes Payable	Capital Projects Notes Payable	Internal Service General Health Notes Payable
2010	\$ -	\$ 13,618,200	\$ 19,865,000	\$ 14,000,000
2011	-	10,618,700	39,650,000	13,000,000
2012	2,000,000	11,796,000	10,115,000	11,000,000
2013	1,615,000	13,000,000	24,730,000	9,000,000
2014	1,230,000	13,000,000	-	6,500,000
2015	830,000	13,000,000	10,000,000	4,500,000
2016	420,000	13,000,000	20,000,000	3,500,000
2017	-	13,000,000	30,000,000	3,500,000
2018	-	13,000,000	41,300,000	2,500,000
2019	-	13,000,000	-	1,500,000

City of Akron, Ohio
Ratios of Outstanding Debt and Capital Leases by Type
Last Ten Fiscal Years
(continued)

Schedule 10

Fiscal Year	Business-Type Activities						Capital Leases	Total Government	Per Capita ^a	Percentage Personal Income ^a
	General Obligation	Mortgage Revenue	Mortgage Revenue Direct Placements	Revenue	OWDA	OPWC				
2010	\$ 632,925	\$ 43,925,000	\$ -	\$ 27,260,000	\$ 34,216,816	\$ 2,147,303	\$ 515,999	\$ 830,274,714	\$ 4,170	21.21 %
2011	637,827	40,365,000	-	23,470,000	28,255,744	1,945,789	453,909	805,402,232	4,045	20.57
2012	634,450	37,175,000	-	19,515,000	51,142,305	1,744,275	387,152	782,582,512	3,930	19.99
2013	631,556	33,835,000	-	15,385,000	73,495,595	1,542,762	321,250	807,020,900	4,053	20.61
2014	616,599	30,360,000	-	11,075,000	95,300,583	1,341,248	240,130	820,743,297	4,122	20.96
2015	544,229	26,970,000	-	6,550,000	161,974,294	1,139,734	157,320	868,188,610	4,360	22.17
2016	468,481	23,100,000	-	1,800,000	293,170,614	938,220	72,820	1,008,940,950	5,067	25.77
2017	389,355	19,040,000	-	-	438,423,233	736,707	-	1,114,925,569	5,600	28.48
2018	306,369	14,785,000	-	-	521,794,733	535,193	-	1,183,084,510	5,942	30.22
2019	219,042	7,660,000	5,995,000	-	572,807,222	354,989	-	1,194,976,661	6,002	30.52

Source: City of Akron, Ohio Finance Department

^aSee Schedule 16 for population and personal income data

City of Akron, Ohio
 Legal Debt Margin Information
 Unvoted Debt Limit (5 1/2%)
 Last Ten Fiscal Years

Schedule 11

	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>
Debt limit	\$ 165,899,335	\$ 146,966,147	\$ 146,436,165	\$ 144,094,717	\$ 142,058,748
Total net debt applicable to limit	<u>122,132,898</u>	<u>156,428,662</u>	<u>125,904,916</u>	<u>115,903,682</u>	<u>137,009,121</u>
Legal debt margin	<u>\$ 43,766,437</u>	<u>\$ (9,462,515)</u>	<u>\$ 20,531,249</u>	<u>\$ 28,191,035</u>	<u>\$ 5,049,627</u>
Total net debt applicable to limit as a percentage of debt limit	73.62%	106.44%	85.98%	80.44%	96.45%
Total unvoted net debt as a percentage of total assessed value of all property	4.05%	5.85%	4.73%	4.42%	5.30%
	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>
Debt limit	\$ 141,628,588	\$ 144,978,947	\$ 144,341,287	\$ 148,268,842	\$ 141,628,588
Total net debt applicable to limit	<u>131,654,324</u>	<u>118,799,745</u>	<u>105,721,985</u>	<u>93,148,655</u>	<u>105,721,985</u>
Legal debt margin	<u>\$ 9,974,264</u>	<u>\$ 26,179,202</u>	<u>\$ 38,619,302</u>	<u>\$ 55,120,187</u>	<u>\$ 35,906,603</u>
Total net debt applicable to limit as a percentage of debt limit	92.96%	81.94%	73.24%	62.82%	74.65%
Total unvoted net debt as a percentage of total assessed value of all property	5.11%	4.51%	3.92%	3.46%	3.92%

Source: City of Akron, Ohio Finance Department

City of Akron, Ohio
 Legal Debt Margin Information
 Total Debt Limit (10 1/2%)
 Last Ten Fiscal Years

Schedule 12

	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>
Debt limit	\$ 316,716,912	\$ 280,571,736	\$ 279,559,951	\$ 275,089,915	\$ 271,203,065
Total net debt applicable to limit	<u>122,132,898</u>	<u>156,428,662</u>	<u>125,904,916</u>	<u>115,903,682</u>	<u>137,009,121</u>
Legal debt margin	<u>\$ 194,584,014</u>	<u>\$ 124,143,074</u>	<u>\$ 153,655,035</u>	<u>\$ 159,186,233</u>	<u>\$ 134,193,944</u>
Total net debt applicable to limit as a percentage of debt limit	38.56%	55.75%	45.04%	42.13%	50.52%
Total net debt as a percentage of total assessed value of all property	4.05%	5.85%	4.73%	4.42%	5.30%
	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>
Debt limit	\$ 270,381,850	\$ 276,777,990	\$ 275,560,639	\$ 283,058,699	\$ 270,381,850
Total net debt applicable to limit	<u>131,654,324</u>	<u>118,799,745</u>	<u>105,721,985</u>	<u>93,148,655</u>	<u>105,721,985</u>
Legal debt margin	<u>\$ 138,727,526</u>	<u>\$ 157,978,245</u>	<u>\$ 169,838,654</u>	<u>\$ 189,910,044</u>	<u>\$ 164,659,865</u>
Total net debt applicable to limit as a percentage of debt limit	48.69%	42.92%	38.37%	32.91%	39.10%
Total net debt as a percentage of total assessed value of all property	5.11%	4.51%	3.92%	3.46%	3.92%

Source: City of Akron, Ohio Finance Department

City of Akron, Ohio
 Computation of Direct and Overlapping Debt
 As of December 31, 2019

Schedule 13

Political Subdivision	Amount of Debt	Percent Applicable to City	City's Share
Direct			
City of Akron	\$ 617,300,408	100.00 %	\$ 617,300,408
Total direct debt	\$ 617,300,408		\$ 617,300,408
Overlapping			
Summit County	\$ 38,830,000	21.61 %	\$ 8,391,163
Coventry Local School District	28,058,425	9.00	2,525,258
Revere Local School District	60,840,645	3.13	1,904,312
Springfield Local School District	27,935,000	7.50	2,095,125
Woodridge Local School District	31,790,000	29.87	9,495,673
Summit County Library District	5,135,000	32.38	1,662,713
Total overlapping debt	\$ 192,589,070		\$ 26,074,244
Total direct and overlapping debt	\$ 809,889,478		\$ 643,374,652

Sources: Debt outstanding for overlapping governments, taken from Ohio Municipal Advisory Council (OMAC) as of 1/1/2020 and City of Akron, Ohio Finance Department

Note: Percentages determined by dividing the amount of assessed valuation of the political subdivision located within the boundaries of the City by the total assessed valuation of the subdivisions.

City of Akron, Ohio
Ratios of General Bonded Debt Outstanding
Last Ten Fiscal Years
(in thousands of dollars, except per capita amount)

Schedule 14

Fiscal Year	General Obligation Bonds	Less: Amounts Available in Debt Service Fund	Total	Percentage of Estimated Actual Taxable Value of Property ¹	Per Capita ²
2010	\$ 257,574	\$ 2,367	\$ 255,207	2.96 %	\$ 1,281
2011	252,362	2,823	249,539	3.27	1,253
2012	238,070	2,301	235,769	3.09	1,184
2013	221,992	955	221,037	2.95	1,110
2014	206,075	951	205,124	2.78	1,030
2015	195,245	554	194,691	2.64	978
2016	176,968	852	176,116	2.39	885
2017	175,548	514	175,034	2.39	879
2018	145,397	526	144,871	1.86	728
2019	105,721	504	105,217	1.30	528

Source: City of Akron, Ohio Finance Department

Notes: Details regarding the City's outstanding debt can be found in the notes to the financial statements.

¹ See Schedule 5, Assessed Value and Estimated Actual Value of Taxable Property, for property value data.

² See Schedule 16, Demographics and Economic Statistics, for population data.

City of Akron, Ohio
Pledged-Revenue Coverage
Last Ten Fiscal Years
(in thousands of dollars)

Schedule 15

Fiscal Year	Sewer Revenue Bonds and OWDA Loans						JEDD Bonds				
	Sewer Gross Revenue	Less: Operating Expenses ¹	Net Available Revenue	Debt Service ²		Coverage	JEDD Gross Revenue	Debt Service		Coverage	
				Principal	Interest			Principal	Interest		
			\$								
2010	\$ 45,948	\$ 28,956	16,992	\$ 8,397	\$ 2,521	1.56 %	\$ 15,462	\$ 2,420	\$ 1,884	3.59 %	
2011	49,674	36,169	13,505	8,423	2,250	1.27	16,578	2,535	1,774	3.85	
2012	57,229	47,571	9,658	8,983	2,016	0.88	20,812	-	1,085	19.18	
2013	63,288	44,947	18,341	11,352	2,133	1.36	18,090	-	1,149	15.74	
2014	73,527	61,118	12,409	18,201	2,773	0.59	17,396	1,920	1,149	5.67	
2015	89,800	62,139	27,661	37,080	3,356	0.68	18,724	3,215	1,072	4.37	
2016	89,839	72,182	17,657	12,677	2,849	1.14	14,389	3,325	944	3.37	
2017	94,716	71,787	22,929	16,483	4,359	1.10	14,800	3,485	778	3.47	
2018	85,575	47,231	38,344	14,352	5,210	1.96	14,905	3,665	603	3.49	
2019	88,649	85,088	3,561	17,612	6,190	0.15	16,083	3,835	420	3.78	
Fiscal Year	Water Revenue Bonds and OWDA Loans						Non-Tax Revenue Bonds				
	Water Gross Revenue	Less: Operating Expenses ¹	Net Available Revenue	Debt Service		Coverage	Non-Tax Collections	Debt Service		Coverage	
				Principal	Interest			Principal	Interest		
2010	\$ 35,496	\$ 26,745	\$ 8,751	\$ 4,707	\$ 2,398	1.23 %	\$ 111,323	\$ 2,350	\$ 3,521	18.96 %	
2011	35,249	27,933	7,316	4,931	2,282	1.01	112,710	2,610	3,385	18.80	
2012	33,448	21,681	11,767	4,126	2,050	1.91	103,202	755	2,677	30.07	
2013	35,633	25,323	10,310	4,369	1,924	1.64	137,684	1,605	2,648	32.37	
2014	35,076	25,598	9,478	4,491	1,808	1.50	93,851	23,140	1,857	3.75	
2015	36,839	30,720	6,119	13,122	2,009	0.40	85,349	18,780	1,547	4.20	
2016	37,817	28,016	9,801	5,365	1,612	1.40	151,217	4,290	1,473	26.24	
2017	34,579	27,762	6,817	5,729	1,663	0.92	103,790	4,575	1,380	17.43	
2018	32,246	28,608	3,638	5,970	1,473	0.49	105,986	5,735	1,296	15.07	
2019	34,637	36,450	(1,813)	3,028	1,250	(0.42)	113,905	3,025	1,173	27.13	

City of Akron, Ohio
Pledged-Revenue Coverage
Last Ten Fiscal Years
(in thousands of dollars)
(continued)

Schedule 15

Fiscal Year	CLC Bonds				Income Tax Revenue Bonds					
	CLC Collections	Debt Service ³		Coverage	Income Tax Collections	Debt Service		Coverage		
Principal	Interest	Principal	Interest							
2010	\$ 12,806	\$ 5,190	\$ 10,401	0.82 %	\$ 106,632	\$ 4,930	\$ 2,865	13.68 %		
2011	16,822	5,750	11,845	0.96	118,523	2,939	5,988	13.28		
2012	18,064	5,225	11,845	1.06	113,026	-	155	729.20		
2013	14,880	5,570	10,568	0.92	125,081	1,407	1,274	46.65		
2014	12,937	7,455	11,390	0.69	127,375	1,914	1,296	39.68		
2015	17,254	7,545	12,042	0.88	126,035	3,296	2,815	20.62		
2016	15,935	7,870	11,797	0.81	135,322	19,591	3,999	5.74		
2017	15,231	44,980	39,263	0.18	122,418	6,689	3,752	11.72		
2018	16,917	10,130	12,000	0.76	146,679	6,333	3,483	14.94		
2019	16,454	10,650	11,374	0.75	151,025	6,108	3,314	16.03		

Source: City of Akron, Ohio Finance Department

¹ Net of Depreciation

²The 2019 amounts for debt service include the final principal payment of \$164,310 and interest payment of \$2,210 for a loan that was retired during the year and not reflected on Note 19. Additionally, the final principal payment of \$444,883 and interest payment of \$8,158 for a loan that was retired during the year, the final principal payment of \$68,213 and interest payment of \$1,841 for a loan that was retired during the year, the final principal payment of \$216,296 and interest payment adjustment of \$5,498 for a loan that was retired during the year, the final principal payment of \$166,908 and interest payment of \$4,243 for a loan that was retired during the year, the final principal payment of \$210,489 and interest payment of \$25,849 for a loan that was retired during the year, the final principal payment of \$210,367 and interest payment of \$23,915 for a loan that was retired during the year are not reflected on Note 19.

³The 2019 amounts for debt service include the final principal payment of \$990,000 and interest payment of \$34,650 for a bond that was retired during the year and not reflected on Note 19.

City of Akron, Ohio
Demographic and Economic Statistics
Last Ten Fiscal Years

Schedule 16

Year	Population ¹	Personal Income ¹	Per Capita Personal Income ¹	Median Household Income ¹	Median Age ¹	Education - Bachelor's Degree or Higher ¹	School Enrollment ¹	Unemployment Rate ²
2019	199,110	\$ 3,915,299,040	\$ 19,664	\$ 34,359	35.5	20 %	56,760	4.9 %
2018	199,110	3,915,299,040	19,664	34,359	35.5	20	56,760	5.3
2017	199,110	3,915,299,040	19,664	34,359	35.5	20	56,760	5.8
2016	199,110	3,915,299,040	19,664	34,359	35.5	20	56,760	5.8
2015	199,110	3,915,299,040	19,664	34,359	35.5	20	56,760	5.7
2014	199,110	3,915,299,040	19,664	34,359	35.5	20	56,760	6.6
2013	199,110	3,915,299,040	19,664	34,359	35.5	20	56,760	7.6
2012	199,110	3,915,299,040	19,664	34,359	35.5	20	56,760	7.6
2011	199,110	3,915,299,040	19,664	34,359	35.5	20	56,760	9.4
2010	199,110	3,915,299,040	19,664	34,359	35.5	20	56,760	9.5

Source: ¹ U.S. Census Bureau

² Ohio Department of Job and Family Services

City of Akron, Ohio
Principal Employers
12/31/2019 and 6/1/2010

Schedule 17

December 31, 2019				June 1, 2010			
Employer	Full-Time Employees	Rank	Percentage of Total City Employment	Employer	Full-Time Employees	Rank	Percentage of Total City Employment
Summa Health System	5,524	1	6.07 %	Summa Health System	5,729	1	5.99 %
Akron Children's Hospital	4,019	2	4.42	Akron General Health System	4,277	2	4.47
Cleveland Clinic- Akron General	3,840	3	4.22	County of Summit	3,468	3	3.63
Akron Public Schools	3,576	4	3.93	Akron City School District	3,095	4	3.24
Goodyear Tire & Rubber	3,000	5	3.30	Goodyear Tire & Rubber Company	3,000	5	3.14
Summit County	2,816	6	3.09	The University of Akron	2,845	6	2.98
First Energy Corporation	2,566	7	2.82	Akron General Medical System	2,820	7	2.95
Signet Jewelers	2,120	8	2.33	FirstEnergy Corporation	2,708	8	2.83
The University of Akron	1,873	9	2.06	FirstMerit Corporation	2,695	9	2.82
City of Akron	1,811	10	1.99	Akron Children's Hospital	2,681	10	2.80
	<u>31,145</u>		<u>34.23 %</u>		<u>33,318</u>		<u>34.85 %</u>

Source: City of Akron, Ohio Finance Department

City of Akron, Ohio
Full-Time Equivalent City Government Employees by Function/Program
Last Ten Fiscal Years

Schedule 18

Function/Program	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
General Government:										
City Council	3	3	3	3	3	3	3	3	3	3
Courts	89	87	89	90	92	89	93	99	96	95
Elected and Appointed Officials	45	44	43	44	45	44	51	53	52	51
Economic Development	5	5	4	4	3	4	5	5	6	6
Finance Department	78	78	101	100	99	98	92	77	76	77
Information Technology	-	-	-	-	-	-	-	6	9	9
Lock 3	-	-	-	-	-	-	-	3	3	3
Civil/Criminal	8	8	8	8	7	8	8	8	7	8
Personnel Department	10	8	9	9	8	10	-	-	-	-
Human Resources Department	-	-	-	-	-	-	14	16	15	17
Engineering Bureau	1	1	-	-	-	-	-	-	-	-
Public Safety:										
Elected and Appointed Officials	-	-	-	1	1	2	1	-	-	-
Health Department	1	-	-	-	-	-	-	-	-	-
Communications	17	15	15	16	16	14	15	-	-	-
Information Tech Communications	-	-	-	-	-	-	-	15	13	13
Safety Communications	54	57	58	57	55	59	55	58	63	58
Fire Department	331	348	345	381	368	372	350	374	375	380
Police Department	503	445	454	453	493	485	489	470	473	500
Traffic Engineering	23	20	18	21	19	-	-	-	-	-
Public Health:										
Health Department*	137	-	-	-	-	-	-	-	-	-

*The City of Akron Public Health services consolidated with the Summit County Health District on January 1, 2011.

City of Akron, Ohio
 Full-Time Equivalent City Government Employees by Function/Program
 Last Ten Years
 (continued)

Schedule 18

Function/Program	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Public Service:										
Elected and Appointed Officials	4	4	4	4	3	4	3	3	3	3
Fire Department	10	-	-	-	-	-	-	-	-	-
Public Service Administration	2	2	1	3	5	4	4	1	2	2
Customer Service	19	10	12	12	11	11	12	-	-	-
Housing	-	9	9	12	12	11	11	-	-	-
Information Technology	-	-	-	-	-	-	-	7	5	5
Plans and Permits Center	2	2	1	2	2	2	2	3	2	2
Customer Service Response	9	7	8	8	8	8	8	-	-	-
Engineering Bureau	53	43	54	55	39	44	49	47	44	44
Airport	2	1	-	-	-	-	-	-	-	-
Building Maintenance	28	26	24	26	25	24	27	27	25	27
Motor Equipment	31	31	30	28	29	29	30	31	30	28
Golf Course	3	3	3	3	4	4	4	5	5	5
Public Utilities Administration	1	1	-	-	-	-	-	-	-	-
Sewer Utilities Services	50	48	56	61	59	56	52	51	50	50
Water Department	198	200	148	154	167	162	156	164	163	160
Public Works Administration	6	6	8	7	7	7	5	6	7	6
Highway Maintenance	62	55	50	56	60	59	61	61	57	58
Sanitation Services	38	38	39	42	41	41	38	40	40	37
Street Cleaning	37	35	32	37	41	41	37	41	41	39
Parks Maintenance	25	24	24	33	32	32	31	32	31	31
Engineering Services	6	4	-	-	-	-	-	-	-	-
Traffic Engineering	-	-	-	-	-	19	18	19	19	22
Community Environment:										
Elected and Appointed Officials	1	1	-	1	2	2	2	2	2	5
3-1-1 Call Center	-	-	-	-	-	-	-	7	8	8
Housing Compliance	-	-	-	-	-	-	-	11	12	12
Housing & Community Services	-	-	-	-	-	-	-	9	9	9
Nuisance Compliance	-	-	-	-	-	-	-	12	12	12
Planning Department	54	53	52	52	49	48	44	34	32	32
Recreation Bureau	21	21	23	19	19	22	21	21	21	19
Totals:	1,951	1,740	1,725	1,802	1,824	1,818	1,791	1,821	1,811	1,836

Source: City of Akron, Ohio Finance Department

City of Akron, Ohio
Operating Indicators by Function/Program
Last Ten Fiscal Years

Schedule 19

Function/Program	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
General Government										
Total Number of Permits Issued	1,100	1,073	522	1,156	1,237	1,294	1,447	1,171	1,183	1,458
City Council Ordinances Passed	414	395	414	385	382	418	415	342	388	321
Fire										
Emergency Responses	32,754	34,246	34,294	34,059	35,789	37,806	40,013	40,387	41,597	43,549
Fire/Rescue	6,346	6,812	7,283	7,236	7,833	8,428	9,546	9,786	9,088	9,809
Police										
Calls for Service*	210,615	202,443	199,125	201,475	205,276	213,020	220,479	210,278	199,961	182,260
Civil Division Cases Filed	11,742	11,525	12,052	10,229	10,145	9,372	9,698	10,347	10,775	11,081
Criminal/Traffic Division Cases Filed	36,227	32,453	32,298	33,417	34,823	35,103	33,187	33,614	33,913	32,145
Parking Division Cases Filed	34,402	23,571	29,126	24,199	24,140	25,087	25,231	21,009	21,873	20,385
Parks and Recreation										
Good Park Golf Course Attendance	36,690	30,061	33,691	37,324	31,231	37,511	38,912	37,244	32,515	30,685
Mud Run Golf Course Attendance	12,332	10,806	13,494	12,884	10,660	15,262	14,986	13,726	14,297	18,292
Business Services										
Curb Service Accounts	61,692	61,411	61,270	61,039	60,931	61,099	61,498	62,024	62,267	62,294
Sewer										
Sewer Accounts	78,985	78,653	78,653	77,012	76,706	76,570	75,507	75,557	75,690	75,634
Sewer Amounts Billed (in thousands)	\$ 37,723	\$ 39,011	\$ 53,756	\$ 55,538	\$ 75,485	\$ 91,575	\$ 92,116	\$ 75,830	\$ 75,287	\$ 73,290
Water										
Water Accounts	84,348	83,794	83,550	83,643	82,621	80,684	80,806	80,834	80,926	81,055
Water Amounts Billed (in thousands)	\$ 31,579	\$ 30,033	\$ 33,125	\$ 31,951	\$ 31,312	\$ 30,056	\$ 29,615	\$ 30,485	\$ 30,362	\$ 29,677

* The Police Calls for Service represents all calls less station calls, meal breaks and out of service calls.

Source: City of Akron, Ohio Finance Department

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

Schedule 20

Function/Program	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Police										
Number of Uniformed Police Officers	443	406	412	412	450	445	453	435	441	468
Number of Districts	12	12	12	12	12	12	12	12	12	12
Fire										
Number of Firefighters and Officers	350	329	325	360	349	349	328	353	352	357
Number of Stations	13	13	13	13	13	13	13	13	13	13 *
Parks and Recreation										
City Park System (in acres)	2,100	2,100	2,100	2,100	2,100	2,100	2,100	2,100	2,100	2,100
City Owned/Operated Golf Courses	2	2	2	2	2	2	2	2	2	2
Water										
Miles of Pipe	1,223	1,225	1,225	1,226	1,226	1,228	1,230	1,231	1,237	1,230
Average Daily Pumpage (in millions of gallons)	34	35	35	34	34	34	34	34	34	33
Distribution-Storage Reservoirs	15	15	15	15	15	15	15	15	15	15
Sewer										
Sanitary Sewers (miles)	680	681	681	685	672	678	678	686	683	682
Storm Sewers (miles)	382	382	382	382	374	361	361	369	365	364
Storm and Combined Sewer Inlets (miles)	309	309	309	309	303	309	309	298	295	294
Pump Stations	33	33	33	33	33	33	33	37	37	37
Other Public Works										
Oil Wells	13	13	13	13	13	13	13	13	13	12
Parking Decks	10	10	10	10	10	10	10	10	10	10

Source: City of Akron, Ohio Finance Department

*During 2018, one fire station was razed and new construction began. The count includes this station.

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

Independent Auditor's Report

To the Honorable Daniel Horrigan, Mayor, and
Stephen F. Fricker, Director of Finance
City of Akron, Ohio

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 Akron, Ohio (the "City") as of and for the year ended December 31, 2019 and the related notes to the financial statements, which collectively comprise the City's basic financial statements. We issued our report thereon dated June 30, 2020, which contained unmodified opinions on those financial statements. Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. We have not performed any procedures with respect to the audited financial statements subsequent to June 30, 2020.

The accompanying schedule of expenditures of federal awards is presented for the purpose of additional analysis, as required by the Uniform Guidance, and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the basic financial statements as a whole.

Plante & Moran, PLLC

June 30, 2020

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*

Independent Auditor's Report

To Management; the Honorable Daniel Horrigan, Mayor; and
Stephen F. Fricker, Director of Finance
City of Akron, Ohio

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 Akron, Ohio (the "City") as of and for the year ended December 31, 2019 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 30, 2020.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the City's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions 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.

Our consideration of internal control was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies, and, therefore, material weaknesses or significant deficiencies may exist that have not been identified. However, as described in the accompanying schedule of findings and questioned costs, we identified certain deficiencies in internal control that we consider to be material weaknesses and another deficiency that we consider to be a significant deficiency.

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. We consider the deficiencies described in the accompanying schedule of findings and questioned costs as Findings 2019-002 and 2019-003 to be material weaknesses.

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. We consider the deficiency described in the accompanying schedule of findings and questioned costs as Finding 2019-001 to be a significant deficiency.

Compliance and Other Matters

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

To Management; the Honorable Daniel Horrigan, Mayor; and
Stephen F. Fricker, Director of Finance
City of Akron, Ohio

The City's Responses to the Findings

The City's responses to the findings identified in our audit are described in the accompanying schedule of findings and questioned costs. The City's responses were not subjected to the auditing procedures applied in the audit of the financial statements, and, accordingly, we express no opinion on them.

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.

Plante & Moran, PLLC

June 30, 2020

Report on Compliance for Each Major Federal Program and Report on Internal Control Over Compliance Required
by the Uniform Guidance

Independent Auditor's Report

To the Honorable Daniel Horrigan, Mayor, and
Stephen F. Fricker, Director of Finance
City of Akron, Ohio

Report on Compliance for Each Major Federal Program

We have audited the City of Akron, Ohio's (the "City") compliance with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) Compliance Supplement that could have a direct and material effect on each of the City's major federal programs for the year ended December 31, 2019. The City's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of the City's major federal programs based on our audit of the types of compliance requirements referred to above.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (the "Uniform Guidance"). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the City's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

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

Opinion on Each Major Federal Program

In our opinion, the City complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of the major federal programs for the year ended December 31, 2019.

Report on Internal Control Over Compliance

Management of the City is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the City's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the City's internal control over compliance.

To the Honorable Daniel Horrigan, Mayor, and
Stephen F. Fricker, Director of Finance
City of Akron, Ohio

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

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

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Plante & Moran, PLLC

June 30, 2020

CITY OF AKRON, OHIO

**SUPPLEMENTAL SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDED DECEMBER 31, 2019**

Federal Grantor/Pass-Through Grantor/Program Title	Federal CFDA No.	Pass Through Entity Identifying Number/ Grant No.	Passed Through to Subrecipients	Total Federal Expenditures
DEPARTMENT OF AGRICULTURE				
Passed Through the Ohio Department of Health:				
Child Nutrition Cluster:				
Summer Food Service Program for Children	10.599	079111	-	417,879
Total Department of Agriculture			-	417,879
DEPARTMENT OF EDUCATION				
Passed Through the Ohio Department of Education:				
Twenty-First Century Community Learning Centers	84.287	FY2018-2019-079111	-	200,176
Total Department of Education			-	200,176
DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT				
Direct Programs:				
CDBG - Entitlement Grants Cluster:				
Community Development Block Grants/Entitlement Grants	14.218	B-18-MC-39-0001	3,471,402	8,376,420
Neighborhood Stabilization Program	14.218	B-08-MN-39-0001	-	11,325
Neighborhood Stabilization Program	14.218	B-11-MN-39-0001	-	1,857
Total CDBG - Entitlement Grants Cluster			3,471,402	8,389,602
Emergency Shelter Grants Program	14.231	E-18-MC-39-0001	517,760	517,760
HOME Investment Partnership Program	14.239	M-18-MC-39-0206	2,034,244	2,041,097
Continuum of Care Program	14.267	OH056265E061600	4,056	111,403
Lead-Based Paint:				
Lead Hazard Reduction Grant Coalition	14.900	OHLHB0735-19	-	1,801
Lead Hazard Reduction Demonstration Grant Program	14.905	OHLHD0282-15	314,823	860,301
Total Department of Housing and Urban Development			6,342,286	11,921,964
DEPARTMENT OF JUSTICE				
Direct Programs:				
Violence Against Women	16.588	2018-WF-VA2-8503	-	44,994
Public Safety Partnership and Community Policing Grants	16.710	2018SVWX0034	-	21,195
National Sexual Assault Kit Initiative	16.833	2018-AK-BX-0010	10,771	231,024
National Sexual Assault Kit Initiative	16.833	2019-AK-BX-0004	-	1,486
Equitable Sharing Program	16.922	OH0770100	-	96,319
Passed Through the Governor's Office of Criminal Justice Services:				
Edward Byrne Memorial Justice Assistance - Formula Grants	16.609	2016-JG-C01-6947	-	19,802
Edward Byrne Memorial Justice Assistance - Formula Grants	16.738	2017-DJ-BX-0659	1,358	29,428
Edward Byrne Memorial Justice Assistance - Formula Grants	16.738	2017-JG-A02-6005	-	16,457
Edward Byrne Memorial Justice Assistance - Formula Grants	16.738	2018-DJ-BX-0178	-	44,926
Edward Byrne Memorial Justice Assistance - Formula Grants	16.738	2018-JG-A02-6005	-	17,325
Edward Byrne Memorial Justice Assistance - Formula Grants	16.738	2016-DG-BX-0210	22,327	36,263
Total Department of Justice			34,455	559,219
ENVIRONMENTAL PROTECTION AGENCY				
Passed Through the Ohio Environmental Protection Agency:				
Clean Water State Revolving Fund Cluster:				
Capitalization Grants for Clean Water State Revolving Funds	66.458	OWDA 7154	-	19,514,493
Total for Clean Water State Revolving Fund Cluster			-	19,514,493
Clean Water Act Section 319(h)				
Nonpoint Source Implementation Program	66.460	C9975500017	-	16,000
Total Environmental Protection Agency			-	19,530,493
DEPARTMENT OF TRANSPORTATION				
Passed Through the Federal Aviation Administration:				
Airport Improvement Program	20.106	3-39-0002-019-2018	-	312,256

Passed Through the Ohio Department of Public Safety:				
Repeat Offenders for Driving While Intoxicated (DWI)	20.608	IDEP/STEP-2020-APD-00016	-	11,425
Repeat Offenders for Driving While Intoxicated (DWI)	20.608	IDEP/STEP-2019-APD-00040	-	16,196
			-	27,621
Passed Through the Ohio Department of Highway Safety:				
Highway Safety Cluster:				
State and Community Highway Safety	20.600	IDEP/STEP-2018-APD-00016	-	4,944
State and Community Highway Safety	20.600	IDEP/STEP-2019-APD-00040	-	16,894
Alcohol Traffic Safety and Drunk Driving Prevention Program	20.601	OVITF-2015-77-00-00-00-450	-	25,544
National Priority Safety Programs - Impaired Driving Enforcement Program	20.616	DDEP-2019-00016	-	7,569
National Priority Safety Programs - Impaired Driving Enforcement Program	20.616	DDEP-2020-00009	-	2,562
Total Highway Safety Cluster			-	57,513
Passed Through the Ohio Department of Transportation:				
Highway Planning and Construction Cluster:				
ODOT - Akron Metropolitan Area Transportation Study	20.205	PID-97833	-	17,579
ODOT - Akron Metropolitan Area Transportation Study	20.205	PID-109386	-	254,294
ODOT - Akron Metropolitan Area Transportation Study	20.205	PID-107010	-	949,138
ODOT - Akron Metropolitan Area Transportation Study - Rideshare	20.205	PID-97830	-	15,890
Total Akron Metropolitan Area Transportation Study			-	1,236,901
ODOT - Akron Innerbelt	20.205	PID-75436	-	514,893
ODOT - Akron Safe Routes to School	20.205	PID-101253	-	75,734
ODOT - Akron Safe Routes to School	20.205	PID-103747	-	152,029
ODOT - Akron Safe Routes to School	20.205	PID-106410	-	65,932
ODOT - Brittain Road Sidewalks	20.205	PID-102625	-	60,031
ODOT - Brittain Road Signals	20.205	PID-93432	-	56,998
ODOT -Canton Road Market Street Intersection	20.205	PID-93433	-	138,565
ODOT -Cedar/Exchange	20.205	PID-88990	-	608,726
ODOT -Copley Road Signals	20.205	PID-88968	-	127,453
ODOT - Evans Avenue	20.205	PID-80684	-	1,422,456
ODOT - Main Street Corridor	20.205	PID-104042	-	8,861,954
ODOT - Summit Signals, SR 18 Portage Path to Summit	20.205	PID-93435	-	151,996
ODOT - SR 18 Signals Portage Path to Hawkins	20.205	PID-93436	-	119,969
ODOT - Tallmadge Avenue	20.205	PID-88556	-	314,336
ODOT - Tallmadge Avenue Signals	20.205	PID-93439	-	44,290
ODOT - US Massillon Road Intersection	20.205	PID-107203	-	20,410
ODOT - Seiberling Way Demolition	20.205	PID-95566	-	31,031
ODOT - Seiberling Way Phase 1	20.205	PID-84397	-	66,032
Total Highway Planning & Construction Cluster			-	14,069,736
Total Department of Transportation			-	14,467,126
EXECUTIVE OFFICE OF THE PRESIDENT				
Office of National Drug Control Policy				
Passed Through the City of Shaker Heights, Ohio:				
High Intensity Drug Trafficking Area	95.001	95.001	-	49,885
Total Executive Office of the President			-	49,885
DEPARTMENT OF HOMELAND SECURITY				
Direct Programs:				
Staffing for Adequate Fire and Emergency Response 2015	97.083	EMW-2015-FH-00736	-	491,349
From the Federal Emergency Management Agency				
Assistance to Firefighters Grant	97.044	EMW-2017-FO-04343	-	532,115
Assistance to Firefighters Grant	97.044	EMW-2017-FV-01490	-	39,289
Assistance to Firefighters Grant	97.044	EMW-2016-FP-00615	-	21,467
Total Department of Homeland Security			-	1,084,220
TOTAL EXPENDITURES OF FEDERAL AWARDS			6,376,741	48,230,962

See notes to supplemental schedule of expenditures of federal awards.

**CITY OF AKRON, OHIO
SUMMIT COUNTY**

**NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
2 CFR 200.510(b)(6)
YEAR ENDED DECEMBER 31, 2019**

1. BASIS OF PRESENTATION

The accompanying Schedule of Expenditures of Federal Awards (the Schedule) includes the federal award activity of the City of Akron, Ohio, (the Government's) under programs of the federal government for the year ended December 31, 2019. The information on this Schedule is prepared in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the Government, it is not intended to and does not present the financial position, changes in assets, or cash flows of the Government.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Expenditures reported on the Schedule are reported on the cash basis of accounting, except expenditures for the Ohio Environmental Protection Agency loans which are presented on a modified accrual basis. Such expenditures are recognized following the cost principles contained in Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, wherein certain types of expenditures may or may not be allowable or may be limited as to reimbursement. The Government has elected not to use the 10-percent de minimis indirect cost rate as allowed under the Uniform Guidance.

Schedule of Findings and Questioned Costs

Year Ended December 31, 2019

Section I - Summary of Auditor's Results

Financial Statements

Type of auditor's report issued: Unmodified

Internal control over financial reporting:

- Material weakness(es) identified? X Yes No
- Significant deficiency(ies) identified that are not considered to be material weaknesses? X Yes None reported

Noncompliance material to financial statements noted? Yes X None reported

Federal Awards

Internal control over major programs:

- Material weakness(es) identified? Yes X No
- Significant deficiency(ies) identified that are not considered to be material weaknesses? Yes X None reported

Any audit findings disclosed that are required to be reported in accordance with Section 2 CFR 200.516(a)? Yes X No

Identification of major programs:

CFDA Number	Name of Federal Program or Cluster	Opinion
20.205	Highway Planning and Construction Cluster	Unmodified
14.218	CDGB - Entitlement Grants Cluster	Unmodified
14.239	Home Investment Partnerships Program	Unmodified

Dollar threshold used to distinguish between type A and type B programs: \$1,446,929

Auditee qualified as low-risk auditee? Yes X No

Schedule of Findings and Questioned Costs (Continued)

Year Ended December 31, 2019

Section II - Financial Statement Audit Findings

Reference Number	Finding
2019-001	<p>Finding Type - Significant deficiency</p> <p>Criteria - To maintain a secure information technology (IT) environment, procedures for change-management processes should be documented, and supporting documentation should be retained to log any changes.</p> <p>Condition - The City does not have formal change-management procedures documented, nor does it retain a log of any master file changes.</p> <p>Context - The City does not have formal change-management procedures.</p> <p>Cause - The City did not provide support showing that no master file database changes were made during 2019.</p> <p>Effect - Without formal change-management procedures, there is a risk that erroneous master file changes will be made and not be detected or corrected in a timely manner. A lack of change-management procedures may result in accidental or intentional loss or damage of data.</p> <p>Recommendation - The City should create a formal change-management policy that includes retaining and reviewing a log of all master file changes.</p> <p>Views of Responsible Officials and Planned Corrective Actions - The Information Technology (IT) Division is reviewing the procedures regarding master-file database changes.</p>

Schedule of Findings and Questioned Costs (Continued)

Year Ended December 31, 2019

Section II - Financial Statement Audit Findings (Continued)

Reference Number	Finding
2019-002	<p>Finding Type - Material weakness</p> <p>Criteria - The City should have a process in place to identify and record all year-end closing entries in accordance with generally accepted accounting principles (GAAP).</p> <p>Condition - Auditor-proposed journal entries were identified during the audit and posted by the City in order to ensure the financial statements were not misstated. In addition, a significant number of journal entries were posted by the City after the draft financial statements were provided for review.</p> <p>Context - Material adjusting journal entries identified during the audit related to capital assets and accounts payable in the income tax capital improvement fund. In addition, a material reclassification of expense in the self-insurance fund was also identified. The auditor-proposed journal entries and the adjustments posted by the City after the draft financial statements were provided for review decreased governmental fund balance by \$13,839,000, decreased governmental activities net position by \$469,000, and increased proprietary funds and business-type activities net position by \$2,557,000.</p> <p>Cause - Processes were not in place to ensure that year-end closing entries were identified, reviewed, and recorded in the general ledger on a timely basis.</p> <p>Effect - If the adjusting entries identified above had not been recorded, the financial statements would have been materially misstated.</p> <p>Recommendation - The City should implement a comprehensive review process for its reconciliations and journal entry functions to ensure that all transactions are properly reflected timely and accurately in the general ledger.</p> <p>Views of Responsible Officials and Planned Corrective Actions - All journal entries were promptly posted and are properly reflected in the financial statements. The journal entries do not relate to grant funds, and the City will continue to implement additional review procedures to minimize auditor-proposed journal entries.</p>

Schedule of Findings and Questioned Costs (Continued)

Year Ended December 31, 2019

Section II - Financial Statement Audit Findings (Continued)

Reference Number	Finding
2019-003	<p>Finding Type - Material weakness</p> <p>Criteria - According to Clarified Statements on Auditing Standards, management is responsible for producing financial statements that are prepared, in all material respects, in accordance with GAAP (AU-C 260.10).</p> <p>Condition - Adjustments were required to amounts presented in the 2018 financial statements in order to correct material misstatements for income tax revenue and receivables, as well as capital assets and capital leases.</p> <p>Context - The City identified that income tax revenue, receivables, and unearned revenue were improperly recorded in the governmental funds in the 2018 financial statements. In addition, during a review of capital assets as a part of implementing Governmental Accounting Standards Board (GASB) Statement No. 83, <i>Certain Asset Retirement Obligations</i>, the City identified that amounts previously recorded as construction in progress (CIP) were more appropriately classified as a capital lease.</p> <p>Cause - The City did not thoroughly review information utilized to determine the fund allocation for income tax revenue and receivables reported in the 2018 financial statements. The City also did not complete a capital lease analysis on a contract reported in the sewer fund in prior periods.</p> <p>Effect - The December 31, 2018 net position (fund balances) for governmental funds was restated as follows (dollar amounts are rounded) for the income tax adjustment: increase the General Fund by \$1,661,100, increase the Income Tax Capital Improvement Fund by \$614,400, decrease the Community Learning Centers Fund by \$1,137,800, and decrease other governmental funds by \$1,137,700.</p> <p>The December 31, 2018 net position for business-type activities and the sewer fund was decreased by \$1,034,000 (dollar amount is rounded) for the capital lease adjustment.</p> <p>Recommendation - The City should implement a thorough review process that ensures that there is an independent review of all reconciliations and computations completed by staff accountants. In addition, the City should implement processes and procedures to ensure that all significant contracts are reviewed to determine the proper accounting treatment in accordance with GAAP.</p> <p>Views of Responsible Officials and Planned Corrective Actions - All prior period adjustments were identified by the City and promptly posted and are properly reflected in the financial statements. The adjustments do not relate to grant funds, and the City will continue to implement additional review procedures to minimize prior period adjustments.</p>

Section III - Federal Program Audit Findings

None

OHIO AUDITOR OF STATE KEITH FABER



CITY OF AKRON

SUMMIT COUNTY

AUDITOR OF STATE OF OHIO CERTIFICATION

This is a true and correct copy of the report, which is required to be filed pursuant to Section 117.26, Revised Code, and which is filed in the Office of the Ohio Auditor of State in Columbus, Ohio.



Certified for Release 8/25/2020

88 East Broad Street, Columbus, Ohio 43215
Phone: 614-466-4514 or 800-282-0370

This report is a matter of public record and is available online at
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