

VILLAGE OF NEWTON FALLS

TRUMBULL COUNTY

Regular Audit

For the Year Ended December 31, 2020



OHIO AUDITOR OF STATE
KEITH FABER



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

Village Council
Village of Newton Falls
612 W. Broad St.
Newton Falls, OH 44444

We have reviewed the *Independent Auditor's Report* of the Village of Newton Falls, Trumbull County, prepared by Charles E. Harris & Associates, Inc., for the audit period January 1, 2020 through December 31, 2020. 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 Village of Newton Falls is responsible for compliance with these laws and regulations.

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

Keith Faber
Auditor of State
Columbus, Ohio

March 21, 2022

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Village of Newton Falls
Trumbull County
For the Year Ended December 31, 2020

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

Village of Newton Falls
Trumbull County
612 W Broad St
Newton Falls, Ohio 44444

To the Village Council:

We have audited, in accordance with the 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, the major fund, and the aggregate remaining fund information of the Village of Newton Falls, Trumbull County (the Village) as of and for the year ended December 31, 2020, and the related notes to the financial statements, which collectively comprise the Village's financial statements, and have issued our report thereon dated January 28, 2022, wherein we noted the financial impact of COVID-19 and the ensuing emergency measures will impact subsequent periods of the Village. We also noted the Village implemented Governmental Accounting Standards Board Statement Number 84, *Fiduciary Activities*.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Village's internal control over financial reporting (internal control) to determine the audit procedures appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Village's internal control. Accordingly, we do not express an opinion on the effectiveness of the Village's internal control.

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

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

Village of Newton Falls

Trumbull County

Independent Auditor's Report on Internal Control Over
Financial Reporting and on Compliance and Other Matters
Based on an Audit of Financial Statements Performed in
Accordance with *Government Auditing Standards*

Page 2


Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Village'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 we must report under *Government Auditing Standards*.

However, we noted certain matters not requiring inclusion in this report that we reported to the Village's management in a separate letter dated January 28, 2022.

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 Village'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 Village's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



Charles E. Harris and Associates, Inc.

January 28, 2022



The Village of Newton Falls, Ohio **COMPREHENSIVE ANNUAL FINANCIAL REPORT**

FOR THE YEAR ENDED DECEMBER 31, 2020



Village of Newton Falls
Trumbull County, Ohio



Comprehensive Annual Financial Report
Year Ended December 31, 2020

Issued by:
Finance Director

Village of Newton Falls, Ohio
 Comprehensive Annual Financial Report
 Year Ended December 31, 2020

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Village of Newton Falls, Ohio
 Comprehensive Annual Financial Report
 Year Ended December 31, 2020

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INTRODUCTORY SECTION



Village of Newton Falls

Finance Department

419 N. Center Street
Newton Falls, Ohio 44444
330-872-1010
www.ci.newtonfalls.oh.us

January 28, 2022

Village of Newton Falls
Mayor
Members of Council
Village of Newton Falls, Ohio

The Comprehensive Annual Financial Report of the Village of Newton Falls, Ohio for the year ended December 31, 2020 is hereby submitted for your review. I am pleased to report that this is the third Comprehensive Annual Financial Report the Village has prepared.

Ohio law requires that every general-purpose local government prepare their financial statements in accordance with generally accepted accounting principles (GAAP) and to have an annual audit. The preparation of this Comprehensive Annual Financial Report represents the commitment of Newton Falls to adhere to nationally recognized standards of excellence in financial reporting.

Management, specifically the Finance Director's Office, assumes full responsibility for the completeness and reliability of the information contained in this report, based upon a comprehensive framework of internal control that it has established for this purpose. Because the cost of internal control should not exceed anticipated benefits, the objective is to provide reasonable, rather than absolute, assurance that the financial statements are free of any material misstatements. This evaluation involves estimates and judgment by the Village administration and members of the finance office. The administrative and financial management personnel believe that the Village's financial controls adequately safeguard existing assets and provide reasonable assurance of the proper recording of financial transactions.

Charles E. Harris & Associates, Inc., have issued an unmodified ("clean") opinion on the Village of Newton Falls' financial statements for the year ended December 31, 2020. The auditors' report is located at the front of the financial section of this report.

Management's discussion and analysis (MD&A) immediately follows the independent auditors' report and provides a narrative introduction, overview, and analysis of the basic financial statements. The MD&A complements this letter of transmittal and should be read in conjunction with it.

Profile of the Village

The Village of Newton Falls is located in Newton Township in Trumbull County, Ohio. The Village is a charming, historic, walkable community conveniently located between Cleveland, Akron, Canton, Youngstown and Pittsburgh.

The Village of Newton Falls, founded in 1806, is located in the southwest corner of Trumbull County and currently occupies a land area of 2.4 square miles. The City of Newton Falls adopted its charter on September 20, 1966.

The Village of Newton Falls operated under a “Council-Manager” form of government. The legislative and judicial powers, as specified in the Charter, are vested in the governing council, which consists of the Mayor and five Council members. The governing council is responsible, among other things, for passing ordinances, adopting the budget, appointing committees, and hiring the City’s manager, city clerk, legal counsel, finance director and chief of police. The City Manager is responsible for carrying out the day-to-day operations of the government and for appointing the heads of the various departments. The Council is elected on a non-partisan basis and serves staggered terms. Elections are held every two years with the Council members from the second and fourth wards in one cycle and the Council members from the first, third and at-large in the next cycle.

The population of Newton Falls was 4,795 at the 2010 census. Newton Falls is a village within Newton Township in Trumbull, County Ohio and it is part of the Youngstown-Warren, OH-PA Metropolitan Statistical Area. The Village is known for its zip code of 44444. Newton Falls is known for holding the largest Fourth of July Festivities in the county, which has been an annual event since 1946. Newton Falls is known as a quaint home town that has reenergized downtown with top-rated neighborhoods.

The reporting entity is comprised of the primary government, component units and other organizations that are included to ensure that the financial statements of the Village are not misleading.

The primary government consists of all funds and departments which provide various services including police protection, garbage disposal, sewage collection and treatment, water treatment and distribution, street maintenance and repair, parks and recreation, planning, zoning, and maintenance of a staff to provide support services (i.e., payroll processing and accounts payable). Council and the Village Manager have direct responsibility for these activities.

The Council is required to adopt a final budget by no later than the close of the fiscal year. This annual budget serves as the foundation for the Village of Newton Falls’s financial planning and control. The budget is prepared at the object level. The finance director may transfer resources within the function and department levels. The department heads may transfer resources within their department as they see fit. Budgetary control is maintained by the encumbrance of purchase amounts prior to the release of purchase orders to vendors. Each department head is furnished a monthly report showing the month's transactions and summarizing the balances available to be spent from the appropriations for goods and services.

Relevant Financial Policies

It is the mission of the Village to develop, maintain and implement financial accounting policies and procedures and protect and optimize the financial resources of the Village. The Village provides a sound accounting system for safeguarding the Village’s assets through recording and reporting of financial transactions according to mandated laws and guidelines of the Federal law, Ohio Revised Codes, GAAP, and the Village’s Codified Ordinances. The department goals are to develop sound fiscal policies, provide solid financial management for the Village, maintain reserves and fiscal integrity, and protect the assets of the citizens of Newton Falls.

The Village's past financial stability is largely due to implementing and managing a series of policy decisions. These policies which promote growth of the Village and economy through controlled delivery of services remain in place today.

Recognizing the deterioration of the national and state economies and the unprecedented decline in available Village resources, the Village implemented a 1% income tax effective May 1, 1966.

The Village's investment policy is to invest public funds in a manner which will ensure the preservation of capital while providing the highest investment return with the maximum security, meeting the daily cash flow needs of the Village, and conforming to all State and local statutes governing the investment of public funds.

Local Economy

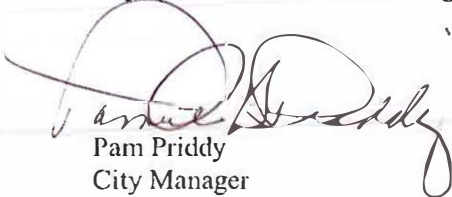
2020 was a tough year throughout our Country and Nation due to Covid. All of our economic development projects were put on hold as businesses tried to merely survive. We emerged in good shape but the economy is just getting back on its feet. Growth was stalled in 2020 and revenue was reduced in the 4% range, which is good compared to other area governments. Covid assistance from the federal government helped address this shortfall and today we expect to get back into a growth mode of perhaps 1% growth in 2021.

Awards and Acknowledgements

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the Village of Newton Falls, Ohio, for its Comprehensive Annual Financial Report for the fiscal year ended December 31, 2019. This was the second year that the government has received this prestigious award. In order to be awarded a Certificate of Achievement, a government unit must publish an easily readable and efficiently organized comprehensive annual financial report, whose contents conform to program standards. Such reports must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe our current report continues to conform to the Certificate of Achievement Program requirements, and we are submitting it to the GFOA to determine its eligibility for our third certificate.

The preparation of this report was made possible by the efforts of the Finance Department staff. My sincere appreciation is extended to all members of the Village of Newton Falls staff, whose efforts have made this report possible. This report contains an expanded Statistical Section and a significant amount of work from members of all village departments was necessary to complete the tables. I am extremely grateful for those individuals who gathered the data to complete those statistical tables. Finally, credit must also be given to the Village Manager, Mayor and to Village Council for their support in maintaining the highest standards of professionalism in the management of the Village of Newton Falls' finances.



Pam Priddy
City Manager



Sean M. Housley, CPA
Interim Finance Director



Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**City of Newton Falls
Ohio**

For its Comprehensive Annual
Financial Report
For the Fiscal Year Ended

December 31, 2019

Christopher P. Morill

Executive Director/CEO

Village of Newton Falls
Trumbull County, Ohio

List of Principal Officials
December 31, 2020

Elected Officials

Mayor

Kenneth Kline

Council Members

Adam Zimmermann, Ward 1

John Baryak, Ward 2

Lyle Wadell, Ward 3 (01/01/20 - 11/16/20)

Tesa Spletzer, Ward 3 (11/17/20 - 12/31/20)

Sandra Breymaier, Ward 4

Tarry Alberini, At Large

Appointed Officials

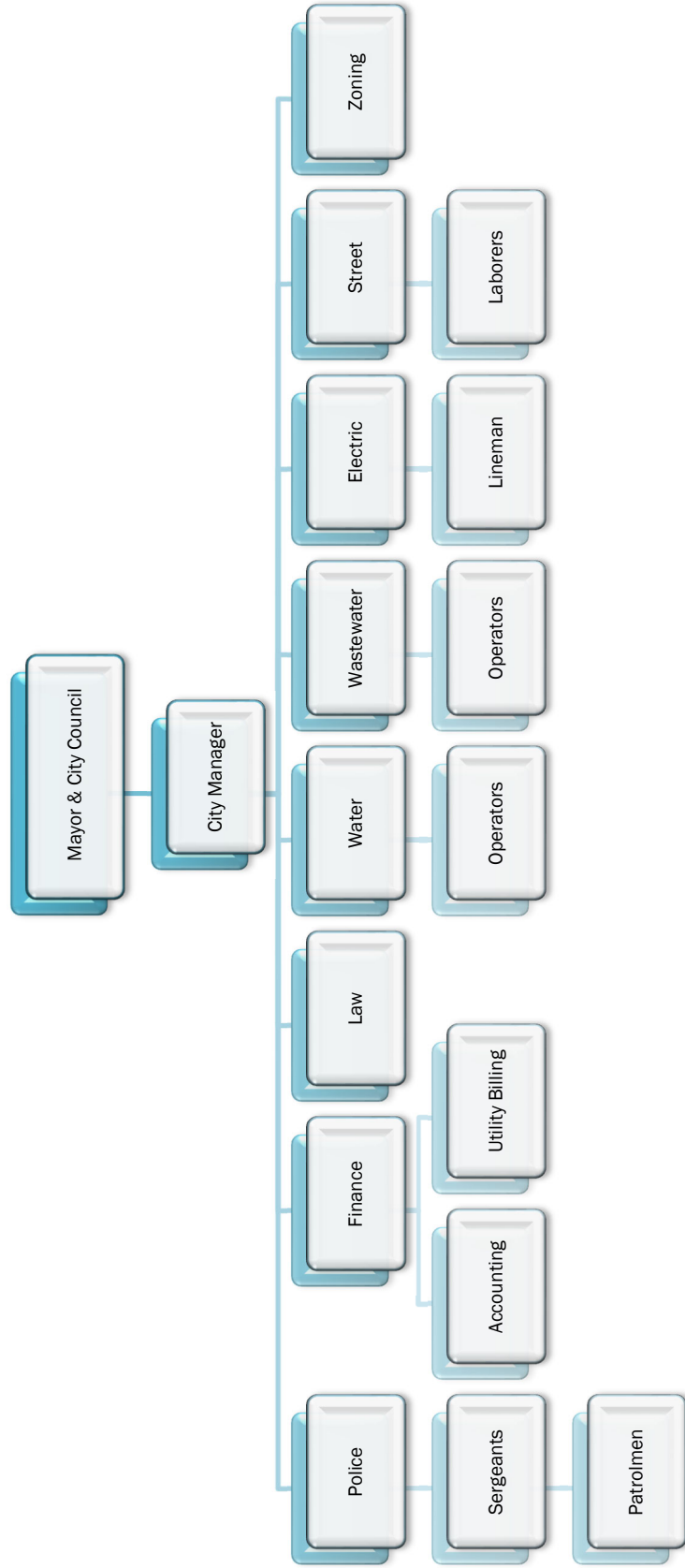
City Manager

David M. Lynch

Director of Finance

Anna M. Musson, CPFM, CPFIM

VILLAGE OF NEWTON FALLS, OHIO ORGANIZATIONAL CHART





FINANCIAL SECTION

INDEPENDENT AUDITOR'S REPORT

Village of Newton Falls
Trumbull County
612 W Broad St
Newton Falls, OH 44444

To the Village Council:

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the major fund, and the aggregate remaining fund information of the Village of Newton Falls, Trumbull County, Ohio (the Village), as of and for the year ended December 31, 2020, and the related notes to the financial statements, which collectively comprise the Village'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 an opinion 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 Village'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 Village'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 opinion.

Opinion

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

Emphasis of Matter

As discussed in Note 17 to the financial statements, the financial impact of COVID-19 and the ensuing emergency measures will impact subsequent periods of the Village. We did not modify our opinion regarding this matter.

As discussed in Note 19 to the financial statements, the City implemented Governmental Accounting Standards Board's (GASB) Statement No. 84, *Fiduciary Activities*. We did not modify our opinion regarding 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 schedules of net pension/OPEB liabilities and pension/OPEB contributions listed 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 who considers it essential for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary and Other Information

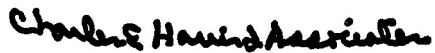
Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise the Village's basic financial statements. The introductory section, combining and individual nonmajor fund financial statements, and statistical section are presented for purposes of additional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

The combining and individual nonmajor fund financial statements are the responsibility of management and were derived from and relate 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 combining and individual nonmajor fund financial statements are fairly stated in all material respects in relation to the basic financial statements as a whole.

The introductory and statistical sections 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.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated January 28, 2022, on our consideration of the Village's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Village's internal control or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Village's internal control and compliance.



Charles E. Harris & Associates, Inc.
January 28, 2022

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Village of Newton Falls, Ohio
Management's Discussion and Analysis
For the Year Ended December 31, 2020
(Unaudited)

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

Financial Highlights

Key financial highlights for 2020 are as follows:

- The Village's total net position increased \$546,145 during 2020. The net position of the governmental activities increased \$654,266, while the net position of business-type activities decreased by \$108,121.
- General revenues for governmental activities, accounted for \$1,655,936 or 43.6% of total governmental activities revenue. Program specific revenues accounted for \$2,138,113 or 56.4% of total governmental activities revenue.
- The Village had \$3,564,216 in expenses related to governmental activities; only \$2,138,113 of these expenses were offset by program specific charges for services and sales and operating grants. General revenues of \$1,655,936 were adequate to provide for these programs.
- The general fund, the Village's largest and only major governmental fund, had revenues of \$2,462,721 in 2020, or 65.8% of total governmental funds. Expenditures of the general fund were \$2,480,880, or 59.7% of total governmental funds. The general fund balance increased \$256,475 or 28.5% in 2020.

Using this Comprehensive Annual Financial Report

This annual report consists of a series of financial statements. These statements are presented so that the reader can understand the Village's financial situation as a whole and also give a detailed view of the Village's fiscal condition.

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

Village of Newton Falls, Ohio
Management's Discussion and Analysis
For the Year Ended December 31, 2020
(Unaudited)

Reporting the Village as a Whole

Statement of Net Position and Statement of Activities

The analysis of the Village as a whole begins with the statement of net position and the statement of activities. These reports provide information that will help the reader to determine if the Village is financially better off or worse off as a result of the year's activities. These statements include all assets, deferred inflows of resources, liabilities and deferred outflows of resources using the accrual basis of accounting similar to the accounting used by private sector companies. All current year revenues and expenses are taken into account regardless of when cash is received or paid.

These two statements report the Village's net position and changes in this position. This change informs the reader whether the Village's financial position, as a whole, has improved or diminished. In evaluating the overall financial health, the readers of these financial statements need to take into account non-financial factors that also impact the Village's financial well-being. Some of these factors include the Village's tax base and the condition of capital assets.

In the statement of net position and the statement of activities, the Village is divided into two kinds of activities.

- Governmental Activities – Most of the Village's services are reported here including general government, security of persons and property, transportation, leisure time activities and community and economic development.
- Business-Type Activities – These services include water, sewer and electric. Service fees for these operations are charged based upon the amount of usage or a usage fee. The intent is that the fees charged recoup operational costs.

Reporting the Village's Most Significant Funds

Fund Financial Statements

The analysis of the Village's major funds begins on page 20. Fund financial statements provide detailed information about the Village's major funds – not the Village as a whole. Some funds are required by State law and bond covenants. Other funds may be established by the Finance Director, with approval of council, to help control, manage and report money received for a particular purpose or to show that the Village is meeting legal responsibilities for use of grants. The Village's major funds are general, water, sewer and electric.

Village of Newton Falls, Ohio
Management's Discussion and Analysis
For the Year Ended December 31, 2020
(Unaudited)

Governmental Funds

Most of the Village's services are reported in governmental funds, which focus on how money flows into and out of those funds and the balances left at year-end that are available for spending. These funds are reported using an accounting method called modified accrual accounting, which measures cash and all other financial assets that can readily be converted to cash. The governmental fund statements provide a detailed short-term view of the Village's general government operations and the basic services it provides. Governmental fund information helps to determine whether there are more or less financial resources that can be spent in the near future on services provided to our residents. The relationship (or differences) between governmental activities (reported in the statement of net position and the statement of activities) and governmental funds is reconciled in the financial statements.

Proprietary Funds

When the Village charges citizens for the services it provides, with the intent of recapturing operating costs, these services are generally reported in proprietary funds. Proprietary funds use the same basis of accounting as business-type activities; therefore, these statements will essentially match. Internal service funds are used to report activities that provide services to the Village's other funds and departments.

Fiduciary Funds

Fiduciary funds are used to account for resources held for the benefit of parties outside the government. We exclude these activities from the Village's other financial statements because the Village cannot use these assets to finance its operations. The Village is responsible for ensuring that the assets reported in these funds are used for their intended purposes.

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. These notes to the basic financial statements can be found beginning on page 32 of this report.

Other Information

In addition to the basic financial statements and accompanying notes, this report also presents the required supplementary information which can be found beginning on page 96 and the combining and individual fund statements and schedules, which can be found beginning on page 112 of this report.

Village of Newton Falls, Ohio
Management's Discussion and Analysis
For the Year Ended December 31, 2020
(Unaudited)

Government-Wide Financial Analysis

The statement of net position provides the perspective of the Village as a whole.

Table 1 below provides a summary of the Village's net position for 2020 and 2019:

	Table 1					
	Net Position					
	<u>Governmental</u> <u>Activities</u>		<u>Business-Type</u> <u>Activities</u>		<u>Total</u>	
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
<u>Assets</u>						
Current and other assets	\$ 4,968,201	\$ 4,599,718	\$ 9,773,595	\$ 7,242,967	\$ 14,741,796	\$ 11,842,685
Capital assets	<u>1,903,504</u>	<u>1,104,209</u>	<u>11,628,130</u>	<u>10,996,919</u>	<u>13,531,634</u>	<u>12,101,128</u>
Total assets	<u>6,871,705</u>	<u>5,703,927</u>	<u>21,401,725</u>	<u>18,239,886</u>	<u>28,273,430</u>	<u>23,943,813</u>
<u>Deferred outflows of resources</u>						
Pension	473,801	958,414	233,985	502,594	707,786	1,461,008
OPEB	<u>345,425</u>	<u>254,763</u>	<u>154,553</u>	<u>61,513</u>	<u>499,978</u>	<u>316,276</u>
Total deferred outflows of resources	<u>819,226</u>	<u>1,213,177</u>	<u>388,538</u>	<u>564,107</u>	<u>1,207,764</u>	<u>1,777,284</u>
<u>Liabilities</u>						
Other liabilities	273,982	225,629	1,350,358	796,565	1,624,340	1,022,194
Long-term liabilities:						
Due within one year	181,967	167,178	889,867	572,741	1,071,834	739,919
Due in more than one year:						
Net pension liability	2,224,733	2,904,178	1,269,551	1,687,744	3,494,284	4,591,922
Net OPEB liability	1,114,572	1,017,726	863,565	784,385	1,978,137	1,802,111
Other amounts	<u>423,368</u>	<u>262,936</u>	<u>11,503,418</u>	<u>9,271,842</u>	<u>11,926,786</u>	<u>9,534,778</u>
Total liabilities	<u>4,218,622</u>	<u>4,577,647</u>	<u>15,876,759</u>	<u>13,113,277</u>	<u>20,095,381</u>	<u>17,690,924</u>
<u>Deferred inflows of resources</u>						
Property taxes	136,915	129,485	-	-	136,915	129,485
Pension	457,568	127,957	277,458	58,850	735,026	186,807
OPEB	<u>193,672</u>	<u>52,127</u>	<u>129,734</u>	<u>17,433</u>	<u>323,406</u>	<u>69,560</u>
Total deferred inflows of resources	<u>788,155</u>	<u>309,569</u>	<u>407,192</u>	<u>76,283</u>	<u>1,195,347</u>	<u>385,852</u>
<u>Net position</u>						
Net investment in capital assets	1,559,461	914,342	2,188,176	1,868,180	3,747,637	2,782,522
Restricted	2,510,792	2,510,317	-	-	2,510,792	2,510,317
Unrestricted	<u>(1,386,099)</u>	<u>(1,394,771)</u>	<u>3,318,136</u>	<u>3,746,253</u>	<u>1,932,037</u>	<u>2,351,482</u>
Total net position	<u>\$ 2,684,154</u>	<u>\$ 2,029,888</u>	<u>\$ 5,506,312</u>	<u>\$ 5,614,433</u>	<u>\$ 8,190,466</u>	<u>\$ 7,644,321</u>

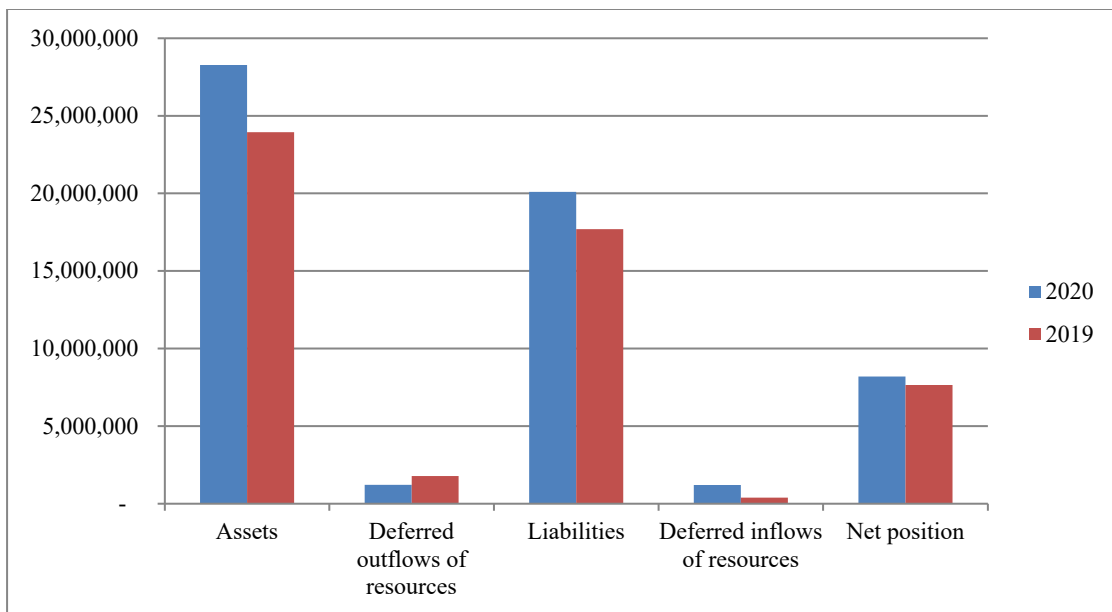
Village of Newton Falls, Ohio
 Management's Discussion and Analysis
 For the Year Ended December 31, 2020
 (Unaudited)

Over time, net position can serve as a useful indicator of a government's financial position. At December 31, 2020, the Village's assets plus deferred outflows of resources exceeded liabilities plus deferred inflows of resources by \$8,190,466, as displayed in Table 1. This amounts to \$2,684,154 in governmental activities and \$5,506,312 in business-type activities.

The largest portion of the Village's net position, 45.8%, reflects its investment in capital assets less any related debt used to acquire those assets. Capital assets include land, buildings and improvements, equipment, vehicles, infrastructure, and construction in progress. Capital assets, net of related debt to acquire the assets at December 31, 2020, were \$3,747,637. These capital assets are used to provide services to citizens and are not available for future spending. Although the Village's investment in capital assets is reported net of related debt, it should be noted that the resources to repay the debt must be provided from other sources, since capital assets may not be used to liquidate these liabilities.

As of December 31, 2020, the Village is able to report positive balances in all categories of net position, for the government as a whole.

The net position of the Village's business type activities was \$5,506,312. All three enterprise funds reported operating income during 2020. Overall, program expenses were \$8,211,136 and had \$8,360,361 in charges for services during 2020. The Village strives to control operation expenses for business-type activities in order to maintain stability in charges for services rates.



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

Table 2 shows the changes in net position for the year ended December 31, 2020 and 2019.

Village of Newton Falls, Ohio
Management's Discussion and Analysis
For the Year Ended December 31, 2020
(Unaudited)

Table 2
Changes in Net Position

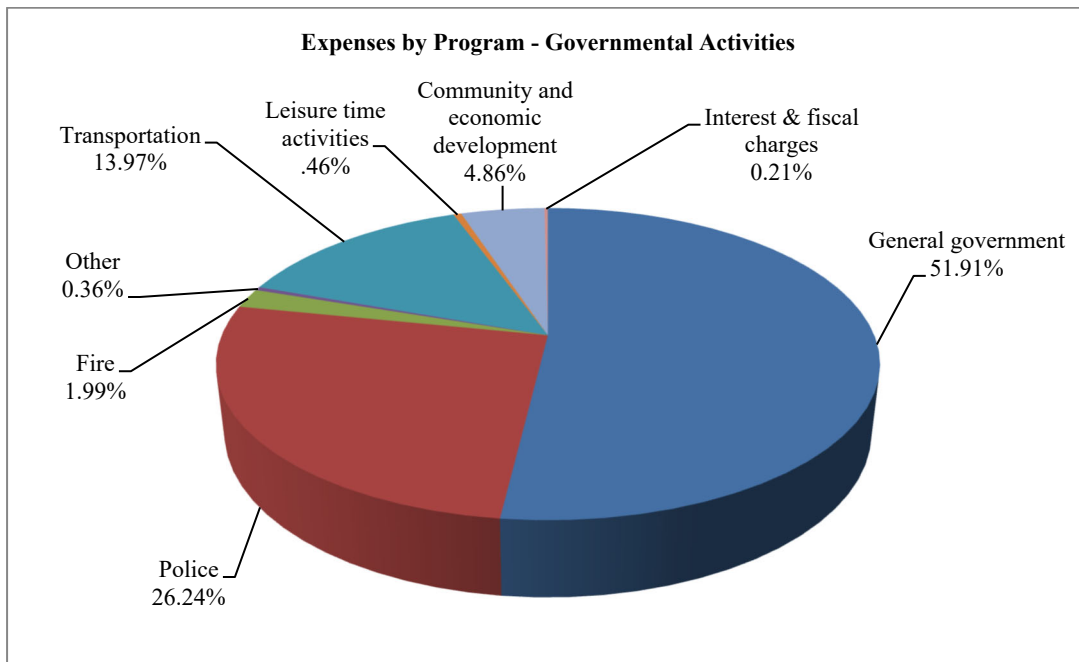
	Governmental		Business-Type		Total	Total
	<u>Activities</u>		<u>Activities</u>			
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
Revenues						
Program revenues:						
Charges for services	\$ 1,284,915	\$ 1,562,777	\$ 8,360,361	\$ 8,859,276	\$ 9,645,276	\$ 10,422,053
Operating grants, contributions, and interest	746,330	426,230	-	-	746,330	426,230
Capital grants and contributions	106,868	-	86,043	145,459	192,911	145,459
General revenues:						
Property taxes	278,857	281,350	-	-	278,857	281,350
Income taxes	833,906	788,526	-	-	833,906	788,526
Grants and entitlements	131,910	150,289	-	-	131,910	150,289
Investment earnings	305,280	357,852	35	-	305,315	357,852
Other	105,983	68,474	81,009	69,322	186,992	137,796
Total revenues	<u>3,794,049</u>	<u>3,635,498</u>	<u>8,527,448</u>	<u>9,074,057</u>	<u>12,321,497</u>	<u>12,709,555</u>
Program Expenses						
Governmental Activities:						
General government	1,850,228	1,813,012	-	-	1,850,228	1,813,012
Security of persons and property						
Police	935,174	536,850	-	-	935,174	536,850
Fire	70,837	70,837	-	-	70,837	70,837
Other	12,882	18,978	-	-	12,882	18,978
Transportation	497,984	805,686	-	-	497,984	805,686
Leisure time activities	16,327	101,868	-	-	16,327	101,868
Community and economic development	173,369	130,773	-	-	173,369	130,773
Interest and fiscal charges	7,415	1,516	-	-	7,415	1,516
Business-Type Activities:						
Water	-	-	1,712,729	1,870,037	1,712,729	1,870,037
Sewer	-	-	1,416,663	1,796,354	1,416,663	1,796,354
Electric	-	-	5,081,744	5,133,803	5,081,744	5,133,803
Total program expenses	<u>3,564,216</u>	<u>3,479,520</u>	<u>8,211,136</u>	<u>8,800,194</u>	<u>11,775,352</u>	<u>12,279,714</u>
Increase (decrease) in net position						
before transfers	229,833	155,978	316,312	273,863	546,145	429,841
Transfers	424,433	(63,862)	(424,433)	63,862	-	-
Change in net position	654,266	92,116	(108,121)	337,725	546,145	429,841
Net position, beginning of year	<u>2,029,888</u>	<u>1,937,772</u>	<u>5,614,433</u>	<u>5,276,708</u>	<u>7,644,321</u>	<u>7,214,480</u>
Net position, end of year	<u>\$ 2,684,154</u>	<u>\$ 2,029,888</u>	<u>\$ 5,506,312</u>	<u>\$ 5,614,433</u>	<u>\$ 8,190,466</u>	<u>\$ 7,644,321</u>

Village of Newton Falls, Ohio
Management's Discussion and Analysis
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(Unaudited)

Governmental Activities

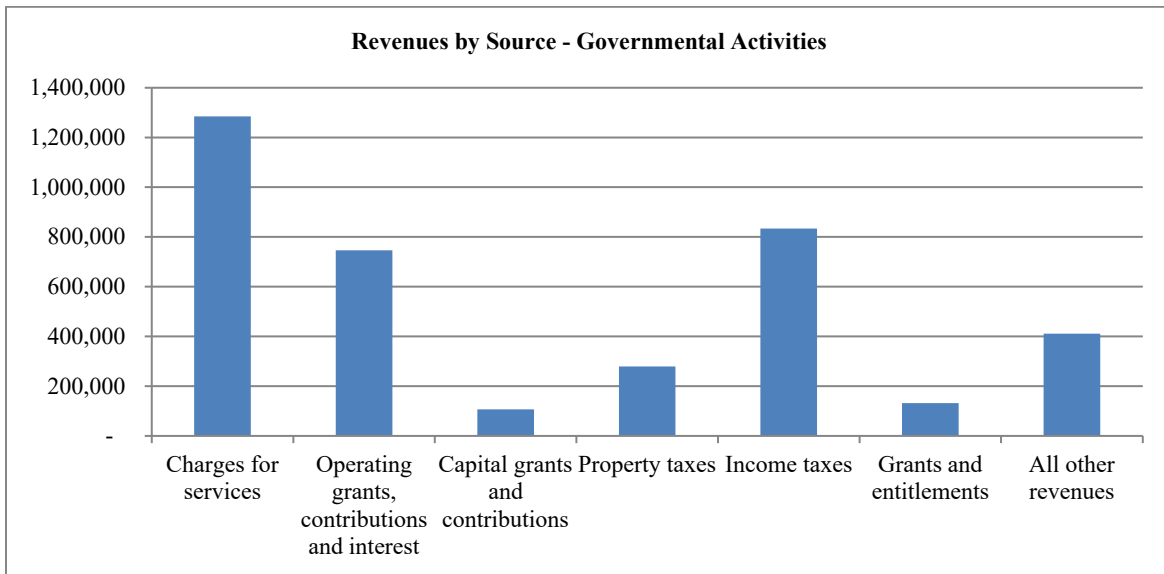
The Village 1% income tax effective January 1, 2014, is a large source of revenue for the Village of Newton Falls.

Charges for services were \$1,284,915 and income tax revenues were \$833,906 during 2020. Governmental activities program expenses were \$3,564,216 during 2020.



As indicated by governmental program expenses, citizen safety and well-being is emphasized as well as maintaining the Village's streets and other infrastructure. Recreation programs and facilities are considered an integral part of the quality of life factor.

Village of Newton Falls, Ohio
 Management's Discussion and Analysis
 For the Year Ended December 31, 2020
 (Unaudited)



When looking at the sources of income used to support governmental activities, it should be noted that charges for services of \$1,284,915 represent 33.9% of revenue. Revenues provided by sources other than Village residents in the form of operating grants and capital grants comprise another \$853,198, or 22.5%, and unrestricted grants and entitlements accounted for \$131,910, which is another 3.5%. The remaining revenues are primarily generated locally through property taxes, \$278,857 or 7.4% and income taxes, \$833,906 at 21.98%. Village Council relies on these taxes to furnish the quality of life to businesses and citizens to which they and previous councils have always been committed.

Business-Type Activities

The Village's business-type activities include water, sewer and electric.

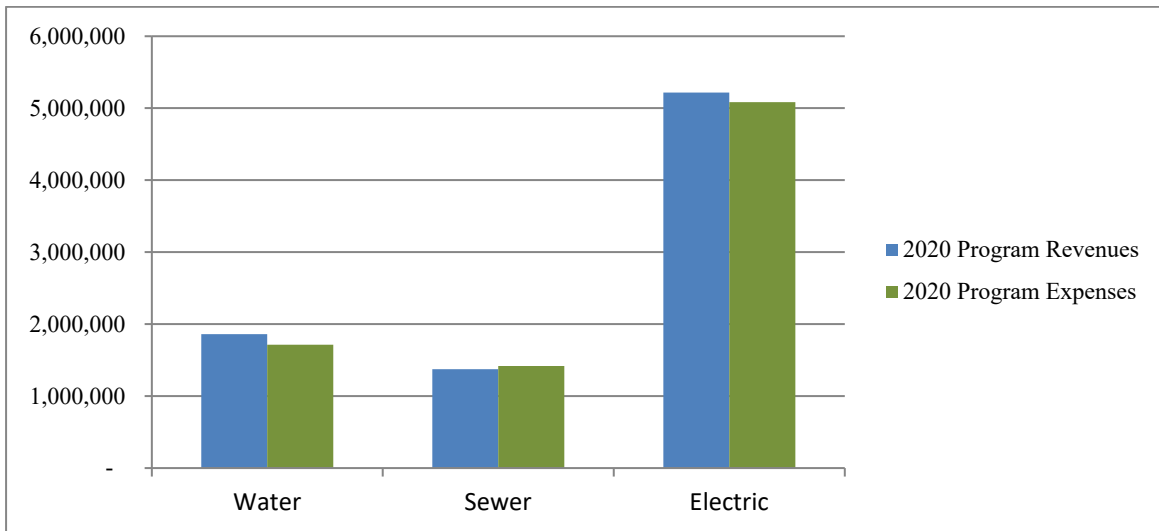
Water Fund - The water fund accounts for the provision of water treatment and distribution to its residential and commercial users located within the Village.

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

Electric Fund - The electric fund accounts for electric services to the residential and commercial users located within the Village and also customers located outside Village limits. The costs of providing these services are financed primarily through user charges.

Overall, the Village's business-type activities generated over \$8.5 million in program revenues during 2020, program expenses were over \$8.1 million.

Village of Newton Falls, Ohio
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For the Year Ended December 31, 2020
(Unaudited)



As a result of implementing the accounting standards for pension and OPEB, the Village is reporting a net pension liability, net OPEB liability, related deferred inflows of resources and an increase in expenses for the year which have a negative effect on net position. In addition, the Village is reporting deferred outflows of resources related to pension and OPEB, which have a positive impact on net position. The increase in pension and OPEB expense is the difference between the contractually required contributions and the pension and OPEB expense resulting from the change in the liability that is not reported as deferred inflows or outflows. These amounts can be found in the reconciliation of the statement of revenues, expenditures and changes in fund balances of governmental funds to the statement of activities. To further explain the impact of these accounting standards on the Village's net position, additional information is presented below.

	2020	2020	2019	2019
	Governmental	Business-Type	Governmental	Business-Type
	<u>Activities</u>	<u>Activities</u>	<u>Activities</u>	<u>Activities</u>
Deferred outflows - pension	\$ 473,801	\$ 233,985	\$ 958,414	\$ 502,594
Deferred outflows - OPEB	345,425	154,553	254,763	61,513
Deferred inflows - pension	(457,568)	(277,458)	(127,957)	(58,850)
Deferred inflows - OPEB	(193,672)	(129,734)	(52,127)	(17,433)
Net pension liability	(2,224,733)	(1,269,551)	(2,904,178)	(1,687,744)
Net OPEB liability	(1,114,572)	(863,565)	(1,017,726)	(784,385)
Impact of on net position	<u>\$ (3,171,319)</u>	<u>\$ (2,151,770)</u>	<u>\$ (2,888,811)</u>	<u>\$ (1,984,305)</u>

Village of Newton Falls, Ohio
Management's Discussion and Analysis
For the Year Ended December 31, 2020
(Unaudited)

Financial Analysis of the Government's Funds

These funds are reported using the modified accrual basis of accounting. Governmental funds reported revenues and other financing sources of \$4,607,828 and expenditures and other financing uses of \$4,386,363. The general fund net change in fund balance from 2019 to 2020 was an increase of \$256,475. Within the general fund, expenditures exceeded revenues by \$18,159. The total revenues of the general fund were \$2,462,721 and expenditures were \$2,480,880. Transfers to other funds such as the street construction, maintenance and repair fund, permissive auto fund, and the parks and recreation fund, equaled \$195,384. The funds transferred were used for capital assets, improvements, repairs, and debt.

The current year increase in fund balance was due to the close monitoring of expenditures.

General fund budgeting highlights

The Village's budget is adopted on a fund basis. Before the budget is adopted council reviews the detailed work papers of each function within the general fund, and then adopts the budget on a fund basis. During 2020, revisions were made to the general fund budget. These revisions are reflected on the statement of revenues, expenditures and changes in fund balances for the general fund on page 24. Within each departmental function, a department head may make small line item adjustments within their budget, as long as the total operation and maintenance amount does not exceed their original budget allowance.

Original general fund budgeted revenues and other financing sources increased \$543,344, from \$2,681,161 to the final budgeted amount of \$3,224,505 for the fiscal year end December 31, 2020. At the end of the year, actual municipal income revenues were higher than the final budget by \$1,062. Actual general fund budgeted revenues and other financing sources were \$3,238,721, \$14,216 more than the final budget.

Original general fund expenditures and other financing uses increased \$133,123, from \$2,984,800 to the final budgeted amount of \$3,117,923. This increase was due to an increase in general government appropriations. Actual expenditures were \$3,636 above final budget expenditures for 2020 due to the close monitoring of expenditures.

Village of Newton Falls, Ohio
Management's Discussion and Analysis
For the Year Ended December 31, 2020
(Unaudited)

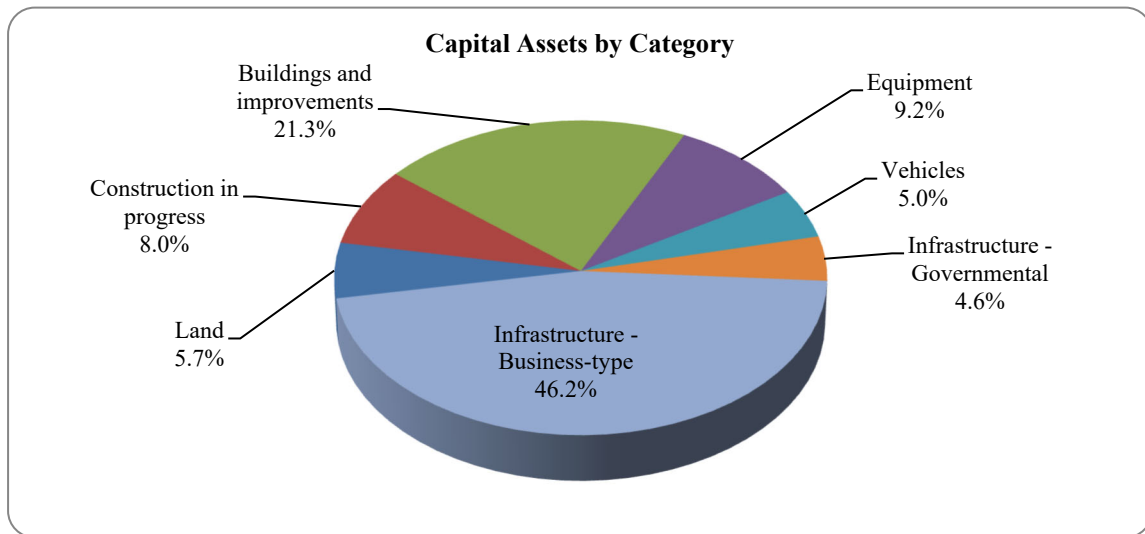
Capital Assets and Debt Administration

Capital Assets

Table 3
Capital Assets, at Fiscal Year End
(Net of Depreciation)

	Governmental Activities		Business-Type Activities		Total	
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
Land	\$ 585,957	\$ 313,179	\$ 183,348	\$ 183,348	\$ 769,305	\$ 496,527
Construction in progress	47,702	-	1,037,973	216,332	1,085,675	216,332
Buildings and improvements	118,352	103,199	2,757,860	2,887,530	2,876,212	2,990,729
Equipment	401,619	281,685	849,139	995,142	1,250,758	1,276,827
Vehicles	131,896	160,312	544,851	619,333	676,747	779,645
Infrastructure	617,978	245,834	6,254,959	6,095,234	6,872,937	6,341,068
Total	\$ 1,903,504	\$ 1,104,209	\$ 11,628,130	\$ 10,996,919	\$ 13,531,634	\$ 12,101,128

Capital assets, net of depreciation, in governmental activities increased from the prior year. This is due to current year additions exceeding current year depreciation expense. Capital assets, net of depreciation, for the business-type activities also increased during 2020 for the same reason. See Note 7 of the notes to the basic financial statements for more detailed information on capital assets.



Village of Newton Falls, Ohio
Management's Discussion and Analysis
For the Year Ended December 31, 2020
(Unaudited)

Debt

At December 31, 2020, the Village of Newton Falls had \$12,534,921 in bonds, notes, loans, capital leases, and stranded costs payable.

Table 4
Outstanding Debt, at Year End

	Governmental Activities		Business-Type Activities		Total	
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
Revenue bonds	\$ -	\$ -	\$ 6,106,000	\$ 6,216,500	\$ 6,106,000	\$ 6,216,500
Various purpose bonds	28,000	-	90,000	-	118,000	-
OWDA loan	-	-	662,381	838,542	662,381	838,542
OPWC loan	180,063	-	567,957	567,957	748,020	567,957
Certificates of participation	-	-	3,128,000	-	3,128,000	-
Bond anticipation notes	-	-	925,000	1,160,000	925,000	1,160,000
Capital leases	135,980	189,867	208,564	345,740	344,544	535,607
Stranded costs payable	-	-	502,976	541,504	502,976	541,504
	<u>\$ 344,043</u>	<u>\$ 189,867</u>	<u>\$ 12,190,878</u>	<u>\$ 9,670,243</u>	<u>\$ 12,534,921</u>	<u>\$ 9,860,110</u>

For more detailed information about the Village's long-term liabilities, see Note 9 and 10 of the notes to the basic financial statements.

Current Issues Affecting Financial Condition

The Village of Newton Falls is strong financially. In addition, the Village of Newton Falls systems of budgeting and internal controls are well regarded and the Village is well prepared to meet the challenges of the future. In conclusion, management has been committed to provide the residents of the Village of Newton Falls with full disclosure of the financial position of the Village.

Contacting the Village's Financial Management

This financial report is designed to provide our citizens, taxpayers, and investors and creditors with a general overview of the Village's finances and to show the Village's accountability for the money it receives. If you have questions about this report or need additional financial information please contact Pamela Wolford, Acting Finance Director, Village of Newton Falls, 419 North Center Street, Newton Falls, Ohio 44444.

Village of Newton Falls, Ohio
Statement of Net Position
December 31, 2020

	Governmental Activities	Business-Type Activities	Total
<u>Assets:</u>			
Equity in pooled cash and investments	\$ 3,839,419	\$ 7,441,015	\$ 11,280,434
Receivables:			
Income tax	237,102	-	237,102
Property and other taxes	167,459	-	167,459
Accounts	82,066	1,704,851	1,786,917
Accrued interest	22,500	-	22,500
Intergovernmental	202,155	3,106	205,261
Materials and supplies inventory	34,976	170,627	205,603
Loans receivable	593,797	-	593,797
Prepaid items	11,949	14,064	26,013
Restricted: equity in pooled cash and cash equivalents	-	216,710	216,710
Internal balances	(223,222)	223,222	-
Nondepreciable capital assets	633,659	1,221,321	1,854,980
Depreciable capital assets, net	1,269,845	10,406,809	11,676,654
Total assets	<u>6,871,705</u>	<u>21,401,725</u>	<u>28,273,430</u>
<u>Deferred outflows of resources:</u>			
Pension	473,801	233,985	707,786
OPEB	345,425	154,553	499,978
Total deferred outflows of resources	<u>819,226</u>	<u>388,538</u>	<u>1,207,764</u>
<u>Liabilities:</u>			
Accounts payable	128,926	391,531	520,457
Contracts payable	14,652	420,000	434,652
Accrued wages	86,898	55,932	142,830
Intergovernmental payable	15,023	8,640	23,663
Income tax refunds payable	4,261	-	4,261
Undistributed monies	24,148	2,813	26,961
Refundable deposits	-	212,703	212,703
Accrued interest payable	74	258,739	258,813
Long-term liabilities:			
Due within one year	181,967	889,867	1,071,834
Due in more than one year:			
Net pension liability	2,224,733	1,269,551	3,494,284
Net OPEB liability	1,114,572	863,565	1,978,137
Other amounts due in more than one year	423,368	11,503,418	11,926,786
Total liabilities	<u>4,218,622</u>	<u>15,876,759</u>	<u>20,095,381</u>
<u>Deferred inflows of resources:</u>			
Property taxes	136,915	-	136,915
Pension	457,568	277,458	735,026
OPEB	193,672	129,734	323,406
Total deferred inflows or resources	<u>788,155</u>	<u>407,192</u>	<u>1,195,347</u>
<u>Net position:</u>			
Net investment in capital assets	1,559,461	2,188,176	3,747,637
Restricted for capital projects	33,384	-	33,384
Restricted for transportation	167,893	-	167,893
Restricted for police services	30,996	-	30,996
Restricted for other purposes	1,580,971	-	1,580,971
Restricted for revolving loan	697,548	-	697,548
Unrestricted	(1,386,099)	3,318,136	1,932,037
Total net position	<u>\$ 2,684,154</u>	<u>\$ 5,506,312</u>	<u>\$ 8,190,466</u>

See accompanying notes to the basic financial statements.

Village of Newton Falls, Ohio
Statement of Activities
For the Year Ended December 31, 2020

	Expenses	Program Revenues		
		Charges for Services and Sales	Operating Grants, Contributions and Interest	Capital Grants and Contributions
<u>Governmental Activities:</u>				
General government	\$ 1,850,228	\$ 1,141,999	\$ 279,164	\$ 65,779
Security of persons and property				
Police	935,174	17,779	88,919	-
Fire	70,837	-	-	-
Other	12,882	13,438	-	-
Transportation	497,984	96,367	378,247	-
Leisure time activities	16,327	4,190	-	41,089
Community and economic development	173,369	11,142	-	-
Interest and fiscal charges	7,415	-	-	-
Total governmental activities	<u>3,564,216</u>	<u>1,284,915</u>	<u>746,330</u>	<u>106,868</u>
<u>Business-Type Activities:</u>				
Water	1,712,729	1,858,537	-	-
Sewer	1,416,663	1,286,529	-	86,043
Electric	5,081,744	5,215,295	-	-
Total business-type activities	<u>8,211,136</u>	<u>8,360,361</u>	<u>-</u>	<u>86,043</u>
Total primary government	<u>\$ 11,775,352</u>	<u>\$ 9,645,276</u>	<u>\$ 746,330</u>	<u>\$ 192,911</u>

General revenues:

Property taxes levied for:

 General purposes

 Police pension

Income tax levied for:

 General purposes

 Capital improvements

 Parks and recreation

 Street construction, maintenance and repair

Grants and entitlements not restricted to specific programs

Investment earnings

Other

Total general revenues

Transfers

Change in net position

Net position, beginning of year

Net position, end of year

See accompanying notes to the basic financial statements.

Net (Expense) Revenue and Changes in Net Position

<u>Governmental Activities</u>	<u>Business-Type Activities</u>	<u>Total</u>
\$ (363,286)	\$ -	\$ (363,286)
(828,476)	-	(828,476)
(70,837)	-	(70,837)
556	-	556
(23,370)	-	(23,370)
28,952	-	28,952
(162,227)	-	(162,227)
(7,415)	-	(7,415)
<u>(1,426,103)</u>	<u>-</u>	<u>(1,426,103)</u>
-	145,808	145,808
-	(44,091)	(44,091)
-	133,551	133,551
<u>-</u>	<u>235,268</u>	<u>235,268</u>
\$ (1,426,103)	\$ 235,268	\$ (1,190,835)
268,600	-	268,600
10,257	-	10,257
655,750	-	655,750
52,950	-	52,950
14,847	-	14,847
110,359	-	110,359
131,910	-	131,910
305,280	35	305,315
105,983	81,009	186,992
<u>1,655,936</u>	<u>81,044</u>	<u>1,736,980</u>
<u>424,433</u>	<u>(424,433)</u>	<u>-</u>
654,266	(108,121)	546,145
<u>2,029,888</u>	<u>5,614,433</u>	<u>7,644,321</u>
<u>\$ 2,684,154</u>	<u>\$ 5,506,312</u>	<u>\$ 8,190,466</u>

Village of Newton Falls, Ohio
Balance Sheet
Governmental Funds
December 31, 2020

	General	Other Governmental Funds	Total Governmental Funds
Assets:			
Equity in pooled cash and investments	\$ 1,179,905	2,072,925	\$ 3,252,830
Receivables:			
Income tax	194,423	42,679	237,102
Property and other taxes	150,906	16,553	167,459
Accounts	64,887	17,179	82,066
Intergovernmental	54,132	148,023	202,155
Accrued interest	22,500	-	22,500
Due from other funds	10,934	-	10,934
Materials and supplies inventory	13,391	21,585	34,976
Loans receivable	-	593,797	593,797
Prepaid items	10,536	1,413	11,949
Total assets	\$ 1,701,614	\$ 2,914,154	\$ 4,615,768
Liabilities:			
Accounts payable	\$ 86,960	\$ 36,913	\$ 123,873
Contracts payable	-	14,652	14,652
Accrued wages	72,022	14,876	86,898
Intergovernmental payable	12,724	2,299	15,023
Income tax refunds payable	4,261	-	4,261
Undistributed monies	23,673	475	24,148
Total liabilities	199,640	69,215	268,855
Deferred inflows of resources:			
Property taxes	120,362	16,553	136,915
Unavailable revenue - delinquent property taxes	29,628	-	29,628
Unavailable revenue - other	194,093	130,829	324,922
Total deferred inflows of resources	344,083	147,382	491,465
Fund balances:			
Nonspendable	23,927	22,998	46,925
Restricted	255	2,439,713	2,439,968
Committed	1,171	249,943	251,114
Assigned	523,699	-	523,699
Unassigned	608,839	(15,097)	593,742
Total fund balances	1,157,891	2,697,557	3,855,448
Total liabilities, deferred inflows of resources and fund balances	\$ 1,701,614	\$ 2,914,154	\$ 4,615,768

See accompanying notes to the basic financial statements.

Village of Newton Falls, Ohio
Reconciliation of Total Governmental Fund Balances to
Net Position of Governmental Activities
December 31, 2020

Total governmental fund balances		\$ 3,855,448
<i>Amounts reported for governmental activities in the statement of net position are different because:</i>		
Capital assets used in governmental activities are not financial resources and therefore are not reported in funds.		1,903,504
An internal service fund is used by management to charge the cost of insurance to individual funds. The assets and liabilities of the internal service fund are included in governmental activities in the statement of net position.		581,536
The internal balance represents the portion of the internal service fund's assets and liabilities that are allocated to the proprietary funds.		(234,156)
Other long-term assets are not available to pay for current-period expenditures and therefore are offset by deferred inflows of resources in the funds:		
Property and other taxes	\$ 29,628	
Income taxes	118,206	
Licenses and permits	18,102	
Intergovernmental	125,097	
Charges for services	63,517	
Total	354,550	354,550
The net pension and OPEB liabilities are not due and payable in the current period; therefore, the liabilities and related deferred inflows/outflows are not reported in the funds:		
Deferred outflows - pension	\$ 473,801	
Deferred inflows - pension	(457,568)	
Net pension liability	(2,224,733)	
Deferred outflows - OPEB	345,425	
Deferred inflows - OPEB	(193,672)	
Net OPEB liability	(1,114,572)	
Total	(3,171,319)	(3,171,319)
Accrued interest payable is not due and payable in the current period and therefore is not reported in the funds.		(74)
Long-term liabilities are not due and payable in the current period and therefore are not reported in the funds:		
General obligation bonds	\$ (28,000)	
OPWC loan	(180,063)	
Capital lease payable	(135,980)	
Compensated absences	(261,292)	
Total	(605,335)	(605,335)
Net position of governmental activities		\$ 2,684,154

See accompanying notes to the basic financial statements.

Village of Newton Falls, Ohio
Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
For the Year Ended December 31, 2020

	General	Other Governmental Funds	Total Governmental Funds
Revenues:			
Municipal income tax	\$ 636,402	\$ 156,879	\$ 793,281
Property and other taxes	269,191	18,119	287,310
Charges for services	381,119	81,451	462,570
Licenses and permits	80,697	-	80,697
Fines and forfeitures	528,218	159,656	687,874
Intergovernmental	129,416	821,225	950,641
Interest	305,280	21	305,301
Other	132,398	42,291	174,689
Total revenue	<u>2,462,721</u>	<u>1,279,642</u>	<u>3,742,363</u>
Expenditures:			
Current:			
General government	1,355,546	368,515	1,724,061
Security of persons and property			
Police	671,360	131,728	803,088
Fire	70,837	-	70,837
Other	-	12,882	12,882
Transportation	-	417,737	417,737
Lesiure time activities	-	7,224	7,224
Community and economic development	123,468	44,611	168,079
Capital outlay	259,669	628,589	888,258
Debt service:			
Principal retirement	-	53,887	53,887
Interest and fiscal charges	-	7,341	7,341
Total expenditures	<u>2,480,880</u>	<u>1,672,514</u>	<u>4,153,394</u>
Excess of revenues under expenditures	<u>(18,159)</u>	<u>(392,872)</u>	<u>(411,031)</u>
Other financing sources (uses):			
Bonds issued	8,000	20,000	28,000
Issuance of OPWC loans	-	180,063	180,063
Transfers - in	462,018	195,384	657,402
Transfers - out	(195,384)	(37,585)	(232,969)
Total other financing sources (uses)	<u>274,634</u>	<u>357,862</u>	<u>632,496</u>
Net change in fund balance	256,475	(35,010)	221,465
Fund balances at beginning of year	901,416	2,732,567	3,633,983
Fund balances at end of year	<u>\$ 1,157,891</u>	<u>\$ 2,697,557</u>	<u>\$ 3,855,448</u>

See accompanying notes to the basic financial statements.

Village of Newton Falls, Ohio
Reconciliation of the Statement of Revenues, Expenditures and Changes
in Fund Balances of Governmental Funds to the Statement of Activities
For the Year Ended December 31, 2020

Net change in fund balances - Total governmental funds	\$	221,465
<i>Amounts reported for governmental activities in the statement of activities are different because:</i>		
Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of capital assets is allocated over their estimated useful lives as depreciation expense.		
In the current period, these amounts are:		
Capital outlay	\$	888,258
Capital contributions		34,700
Depreciation expense		<u>(101,976)</u>
Excess of depreciation expense over capital outlay		820,982
Governmental funds only report the disposal of capital assets to the extent proceeds are received from the sale. In the statement of activities, a gain or loss is reported for each disposal.		
		(14,725)
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds. These activities consist of:		
Property and other taxes	\$	(8,453)
Income taxes		40,625
Intergovernmental		(240)
Charges for services		13,579
Licenses and permits		480
Other		<u>(29,005)</u>
Net change in deferred inflows of resources during the year		16,986
Contractually required contributions are reported as expenditures in the governmental funds however, the statement of activities reports these amounts as deferred outflows.		
Pension		208,522
OPEB		1,450
Except for amounts reported as deferred inflows/outflows, changes in the net pension/OPEB liability are reported as pension/OPEB expense in the statement of activities.		
Pension		(343,301)
OPEB		(149,179)
Some items 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. These activities consist of:		
Increase in compensated absences		(21,045)
Increase in accrued interest		<u>(74)</u>
Total additional expenditures		(21,119)
The internal service fund used by management to charge the costs of insurance claims to individual funds are not reported in the statement of activities. Governmental fund expenditures and related internal service fund revenues are eliminated.		
		67,361
Payment of capital lease principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position.		
		53,887
The issuance of long-term bonds and loans results in other financing sources in the governmental funds, but these transactions are reflected in the statement of net position as long-term liabilities.		
		<u>(208,063)</u>
Change in net position of governmental activities	\$	<u>654,266</u>
See accompanying notes to the basic financial statements.		

Village of Newton Falls
Statement of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
General Fund
For the Year Ended December 31, 2020

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<u>Revenues:</u>				
Municipal income tax	\$ 791,110	\$ 776,327	\$ 777,389	\$ 1,062
Property and other taxes	263,600	247,961	260,702	12,741
Charges for services	44,485	50,817	51,070	253
Licenses and permits	58,300	80,654	80,654	-
Fines and forfeitures	629,000	537,029	537,029	-
Intergovernmental	143,510	137,411	137,411	-
Interest	97,000	156,215	156,215	-
Other	29,275	150,833	150,993	160
Total revenues	<u>2,056,280</u>	<u>2,137,247</u>	<u>2,151,463</u>	<u>14,216</u>
<u>Expenditures:</u>				
Current:				
General government	1,128,962	1,261,903	1,266,539	(4,636)
Security of persons and property				
Police	751,823	672,119	671,119	1,000
Fire	70,850	114,290	114,290	-
Community development	110,115	121,510	121,510	-
Total expenditures	<u>2,061,750</u>	<u>2,169,822</u>	<u>2,173,458</u>	<u>(3,636)</u>
Excess of revenues over (under) expenditures	<u>(5,470)</u>	<u>(32,575)</u>	<u>(21,995)</u>	<u>10,580</u>
Other financing sources (uses):				
Bonds issued	-	8,000	8,000	-
Transfers - in	624,881	1,079,258	1,079,258	-
Transfers - out	(923,050)	(948,101)	(948,101)	-
Total other financing sources (uses)	<u>(298,169)</u>	<u>139,157</u>	<u>139,157</u>	<u>-</u>
Net change in fund balance	(303,639)	106,582	117,162	10,580
Fund balance at beginning of year	<u>723,578</u>	<u>723,578</u>	<u>723,578</u>	<u>-</u>
Fund balance at end of year	<u>\$ 419,939</u>	<u>\$ 830,160</u>	<u>\$ 840,740</u>	<u>\$ 10,580</u>

See accompanying notes to the basic financial statements.

Village of Newton Falls, Ohio
Statement of Fund Net Position
Proprietary Funds
December 31, 2020

	Business-Type Activities - Enterprise Funds				Internal Service Funds
	Water	Sewer	Electric	Total	
<u>Assets:</u>					
Current assets:					
Equity in pooled cash and investments	\$ 3,270,147	\$ 924,948	\$ 3,157,381	\$ 7,352,476	\$ 675,128
Receivables:					
Accounts	362,252	272,612	1,069,236	1,704,100	751
Intergovernmental	115	2,912	56	3,083	23
Materials and supplies inventory	32,235	470	137,922	170,627	-
Prepaid items	4,867	3,357	5,001	13,225	839
Total current assets	<u>3,669,616</u>	<u>1,204,299</u>	<u>4,369,596</u>	<u>9,243,511</u>	<u>676,741</u>
Noncurrent assets:					
Restricted assets:					
Equity in pooled cash and cash equivalents	46,593	32,507	137,610	216,710	-
Capital assets:					
Land	61,294	78,823	43,231	183,348	-
Construction in progress	528,031	157,921	352,021	1,037,973	-
Depreciable capital assets, net	5,511,934	3,430,707	1,464,168	10,406,809	-
Total noncurrent assets	<u>6,147,852</u>	<u>3,699,958</u>	<u>1,997,030</u>	<u>11,844,840</u>	<u>-</u>
Total assets	<u>9,817,468</u>	<u>4,904,257</u>	<u>6,366,626</u>	<u>21,088,351</u>	<u>676,741</u>
<u>Deferred outflows of resources:</u>					
Pension	101,980	54,904	55,818	212,702	21,283
OPEB	67,360	36,266	36,870	140,496	14,057
Total deferred outflows of resources	<u>169,340</u>	<u>91,170</u>	<u>92,688</u>	<u>353,198</u>	<u>35,340</u>
<u>Liabilities:</u>					
Current liabilities:					
Accounts payable	11,189	12,351	357,093	380,633	15,951
Contracts payable	252,000	-	168,000	420,000	-
Accrued wages	26,367	13,725	11,564	51,656	4,276
Intergovernmental payable	4,073	2,120	1,787	7,980	660
Undistributed monies	-	2,813	-	2,813	-
Due to other funds	-	-	10,934	10,934	-
Capital leases payable	35,557	60,413	-	95,970	-
Compensated absences payable	44,465	23,130	19,390	86,985	9,637
Accrued interest payable	11,373	236,259	11,107	258,739	-
Stranded costs payable	-	-	46,258	46,258	-
OPWC loans payable	43,791	9,325	-	53,116	-
OWDA loans payable	177,123	2,554	-	179,677	-
Certificates of participation payable	178,000	-	116,000	294,000	-
General obligation bonds payable	-	8,924	-	8,924	-
Revenue bonds payable	-	115,300	-	115,300	-
Total current liabilities	<u>783,938</u>	<u>486,914</u>	<u>742,133</u>	<u>2,012,985</u>	<u>30,524</u>
Long-term liabilities:					
Capital leases payable, net of current portion	50,029	62,565	-	112,594	-
Compensated absences payable	66,455	19,665	19,665	105,785	-
Notes payable, net of current portion	-	-	925,000	925,000	-
Stranded costs payable, net of current portion	-	-	456,718	456,718	-
OPWC loans payable, net of current portion	477,545	37,296	-	514,841	-
OWDA loans payable, net of current portion	458,540	24,164	-	482,704	-

(Continued)

Village of Newton Falls, Ohio
Statement of Fund Net Position
Proprietary Funds
December 31, 2020
(Continued)

	Business-Type Activities - Enterprise Funds				Internal Service Funds
	Water	Sewer	Electric	Total	
Long-term liabilities (continued):					
Certificates of participation payable, net of current portion	1,710,000	-	1,124,000	2,834,000	-
General obligation bonds payable, net of current portion	-	81,076	-	81,076	-
Revenue bonds payable, net of current portion	-	5,990,700	-	5,990,700	-
Refundable deposits	46,593	32,507	133,603	212,703	-
Net pension liability	553,317	297,902	302,857	1,154,076	115,475
Net OPEB liability	376,373	202,637	206,008	785,018	78,547
Total long-term liabilities	3,738,852	6,748,512	3,167,851	13,655,215	194,022
Total liabilities	4,522,790	7,235,426	3,909,984	15,668,200	224,546
Deferred inflows of resources:					
Pension	120,926	65,107	66,188	252,221	25,237
OPEB	56,543	30,442	30,948	117,933	11,801
Total deferred inflows of resources	177,469	95,549	97,136	370,154	37,038
Net position:					
Net investment in capital assets	4,330,643	(2,724,866)	582,399	2,188,176	-
Unrestricted	955,906	389,318	1,869,795	3,215,019	450,497
Total net position	\$ 5,286,549	\$ (2,335,548)	\$ 2,452,194	5,403,195	\$ 450,497
Net position reported for business-type activities in the statement of net position is different because they include a proportionate share of the balance of the internal service fund.				234,156	
Net position reported for business-type activities in the statement of net position is different because they include all of the business-type internal service fund.				(131,039)	
Net position of business-type activities				<u>\$ 5,506,312</u>	

See accompanying notes to the basic financial statements.

Village of Newton Falls, Ohio
Statement of Revenues, Expenses and Changes in Fund Net Position
Proprietary Funds
For the Year Ended December 31, 2020

	Business-Type Activities - Enterprise Funds				Internal Service Funds
	Water	Sewer	Electric	Total	
<u>Operating revenues:</u>					
Charges for services	\$ 1,858,537	\$ 1,286,529	\$ 5,215,295	\$ 8,360,361	\$ 962,858
Other	30,827	14,843	35,339	81,009	265,043
Total operating revenue	<u>1,889,364</u>	<u>1,301,372</u>	<u>5,250,634</u>	<u>8,441,370</u>	<u>1,227,901</u>
<u>Operating expenses:</u>					
Personal services	903,252	533,132	564,062	2,000,446	208,475
Travel	2,897	1,861	2,027	6,785	242
Contractual services	242,999	160,036	4,152,820	4,555,855	672,073
Supplies and materials	207,493	57,312	53,185	317,990	11,534
Claims	-	-	-	-	236,970
Depreciation	248,189	309,091	50,767	608,047	-
Other	83,624	84,190	229,998	397,812	-
Total operating expenses	<u>1,688,454</u>	<u>1,145,622</u>	<u>5,052,859</u>	<u>7,886,935</u>	<u>1,129,294</u>
Operating income	<u>200,910</u>	<u>155,750</u>	<u>197,775</u>	<u>554,435</u>	<u>98,607</u>
<u>Nonoperating revenue (expenses):</u>					
Interest	21	-	14	35	-
Interest and fiscal charges	(23,546)	(278,129)	(26,196)	(327,871)	-
Issuance costs	(16,546)	-	(11,030)	(27,576)	-
Total nonoperating revenue (expense)	<u>(40,071)</u>	<u>(278,129)</u>	<u>(37,212)</u>	<u>(355,412)</u>	<u>-</u>
Income (loss) before transfers and capital contributions	<u>160,839</u>	<u>(122,379)</u>	<u>160,563</u>	<u>199,023</u>	<u>98,607</u>
Capital contributions	-	86,043	-	86,043	-
Transfers in	-	37,567	-	37,567	-
Transfers - out	-	-	(462,000)	(462,000)	-
Total transfers and capital contributions	<u>-</u>	<u>123,610</u>	<u>(462,000)</u>	<u>(338,390)</u>	<u>-</u>
Change in net position	160,839	1,231	(301,437)	(139,367)	98,607
Net position at beginning of year	<u>5,125,710</u>	<u>(2,336,779)</u>	<u>2,753,631</u>		<u>351,890</u>
Net position at end of year	<u>\$ 5,286,549</u>	<u>\$ (2,335,548)</u>	<u>\$ 2,452,194</u>		<u>\$ 450,497</u>

Some amounts reported for the business-type activities in the statement of activities are different because a proportionate share of the net expense of the internal service fund is reported with the business-type activities. 59,139

Some amounts reported for the business-type activities in the statement of activities are different because the net expense of the business-type internal service fund is reported with the business-type activities. (27,893)

Change in net position of business-type activities \$ (108,121)

See accompanying notes to the basic financial statements.

Village of Newton Falls, Ohio
Statement of Cash Flows
Proprietary Funds
For the Year Ended December 31, 2020

	Business-Type Activities - Enterprise Funds				Internal Service Funds
	Water	Sewer	Electric	Total	
Cash flows from operating activities:					
Cash received from customers	\$ 1,807,742	\$ 1,289,683	\$ 5,219,997	\$ 8,317,422	\$ -
Cash received from interfund services provided	-	-	-	-	1,230,640
Cash payments for employee services and benefits	(824,480)	(488,000)	(509,937)	(1,822,417)	(187,116)
Cash payments to suppliers for goods and services	(591,248)	(369,576)	(4,486,562)	(5,447,386)	(678,816)
Cash payments for claims	-	-	-	-	(242,731)
Utility deposits received	8,384	5,849	24,760	38,993	-
Utility deposits returned	(6,850)	(4,779)	(20,232)	(31,861)	-
Net cash provided by for operating activities	393,548	433,177	228,026	1,054,751	121,977
Cash flows from noncapital financing activities:					
Transfers from other funds	-	37,567	-	37,567	-
Transfers to other funds	-	-	(462,000)	(462,000)	-
Net cash provided by (used for) noncapital financing activities	-	37,567	(462,000)	(424,433)	-
Cash flows from capital and related financing activities:					
Capital grant	-	83,193	-	83,193	-
Bonds and certificates of participation issued	1,888,000	90,000	1,240,000	3,218,000	-
Notes issued	-	-	925,000	925,000	-
Interest paid on capital lease	(4,944)	(6,459)	(1,260)	(12,663)	-
Principal payment on capital lease	(34,156)	(58,335)	(44,685)	(137,176)	-
Issuance costs	(16,546)	-	(11,030)	(27,576)	-
Interest paid on bonds and loans	(15,322)	(272,258)	(26,600)	(314,180)	-
Principal payment on bonds and loans	(173,633)	(113,028)	(1,160,000)	(1,446,661)	-
Acquisition of capital assets	(322,821)	(312,416)	(184,021)	(819,258)	-
Net cash provided by (used for) capital and related financing activities	1,320,578	(589,303)	737,404	1,468,679	-
Cash flows from investing activities:					
Investment income	21	-	14	35	-
Net cash provided by investing activities	21	-	14	35	-
Net increase (decrease) in cash and cash equivalents	1,714,147	(118,559)	503,444	2,099,032	121,977
Cash and cash equivalents at beginning of year	1,602,593	1,076,014	2,791,547	5,470,154	553,151
Cash and cash equivalents at end of year	\$ 3,316,740	\$ 957,455	\$ 3,294,991	\$ 7,569,186	\$ 675,128
Reconciliation of operating income to net cash provided by operating activities:					
Operating income	\$ 200,910	\$ 155,750	\$ 197,775	\$ 554,435	\$ 98,607
Adjustments to reconcile operating income to net cash provided by operating activities:					
Depreciation	248,189	309,091	50,767	608,047	-
Change in assets and liabilities:					
(Increase) decrease in assets:					
Accounts receivable	(81,622)	(21,980)	(30,637)	(134,239)	2,739
Materials and supplies inventory	(18,412)	(470)	(14,160)	(33,042)	-
Prepaid items	(202)	(140)	(208)	(550)	(35)

(Continued)

Village of Newton Falls, Ohio
Statement of Cash Flows
Proprietary Funds
For the Year Ended December 31, 2020

	Business-Type Activities - Enterprise Funds				Internal Service Funds
	Water	Sewer	Electric	Total	
(Continued)					
(Increase) decrease in deferred outflows of resources - pension	117,068	63,031	64,078	244,177	24,432
(Increase) decrease in deferred outflows of resources - OPEB	(40,550)	(21,832)	(22,196)	(84,578)	(8,462)
Increase (decrease) in liabilities:					
Accounts payable	(38,822)	(58,007)	(8,905)	(105,734)	(755)
Refundable deposits	1,534	1,070	4,528	7,132	-
Undistributed monies	-	706	-	706	-
Accrued wages	4,205	3,113	2,949	10,267	(322)
Compensated absences	4,135	4,265	13,108	21,508	6,559
Due to other governments	648	480	456	1,584	(50)
Due to other funds	-	-	10,934	10,934	-
Stranded costs payable	-	-	(38,528)	(38,528)	-
Net pension liability	(182,264)	(98,130)	(99,762)	(380,156)	(38,037)
Net OPEB liability	34,509	18,580	18,889	71,978	7,202
Increase (decrease) in deferred inflows of resources - pension	95,277	51,298	52,149	198,724	19,884
Increase (decrease) in deferred inflows of resources - OPEB	48,945	26,352	26,789	102,086	10,215
Net cash provided by operating activities	\$ 393,548	\$ 433,177	\$ 228,026	\$ 1,054,751	\$ 121,977

See accompanying notes to the basic financial statements.

Village of Newton Falls, Ohio
Statement of Fiduciary Net position
December 31, 2020

	<u>Custodial</u>
<u>Assets:</u>	
Cash and cash equivalents in segregated accounts	\$ 3,833
Total assets	<u>\$ 3,833</u>
<u>Liabilities:</u>	
Undistributed monies	\$ 3,833
Total liabilities	<u>\$ 3,833</u>

See accompanying notes to the basic financial statements.

Village of Newton Falls, Ohio
Statement of Changes in Fiduciary Net Position
For the Year Ended December 31, 2020

	Custodial
Additions:	
Fines and forfeitures for other governments	\$ 521,686
Deductions:	
Distributions to other governments	521,686
Change in net position	-
Net position at beginning of year	-
Net position at end of year	\$ -

See accompanying notes to the basic financial statements.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

A. Reporting Entity

The Village of Newton Falls, Trumbull County, (the “Village”) is a body politic and corporate established to exercise the rights and privileges conveyed to it by the constitution and laws of the State of Ohio. The Village is directed by a five-member council elected at large for four year terms. The Mayor is elected to a four-year term, serves as the President of Council and votes only to break a tie.

Due to a population drop in the 2010 census the Village issued a proclamation according to section 703.06 of the Ohio Revised Code and is now to be known as a Village. However, the Village website, emblems, and organizational chart still say City.

A reporting entity is comprised of the primary government, component units and other organizations that are included to ensure that financial statements are not misleading. The primary government of the Village of Newton Falls provides the following services to its citizens: general government services, street maintenance services, park and recreation services, water, sewer, electric, and storm water utilities and police protection. The Village contracts with the Newton Falls Joint Fire District to provide fire protection services. Council has direct responsibility for these services.

Component units are legally separate organizations for which the Village is financially accountable. The Village is financially accountable for an organization if the Village appoints a voting majority of the organization’s governing board; and (1) the Village is able to significantly influence the programs or services performed or provided by the organization; or (2) the Village is legally entitled to or can otherwise access the organization’s resources; the Village is legally obligated or has otherwise assumed the responsibility to finance the deficits of, or provide financial support to, the organization; or the Village is obligated for the debt of the organization. Component units may also include organizations for which the Village authorizes the issuance of debt or the levying of taxes, or determines the budget. There are no component units included as part of this report.

The Village’s management believes these financial statements present all activities for which the Village is financially accountable.

B. Basis of Presentation

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

Government-wide Financial Statements

The statement of net position and the statement of activities display information about the Village as a whole. These statements include the financial activities of the primary government, except for fiduciary funds. The activity of the internal service fund is eliminated to avoid doubling up revenues and expenses. The statements distinguish between those activities of the Village that are governmental and those that are considered business-type activities.

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

Fund Financial Statements

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

C. Fund Accounting

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

Village of Newton Falls, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2020

Governmental Funds

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

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

The other governmental funds of the Village account for grants and other resources whose use is restricted, committed or assigned to a particular purpose.

Proprietary Funds

Proprietary fund reporting focuses on the determination of operating income, changes in net position, financial position and cash flows. Proprietary funds are classified as either enterprise or internal service.

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

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

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

Electric Fund - The electric fund accounts for electric services to the residential and commercial users located within the Village and also customers located outside Village limits. The costs of providing these services are financed primarily through user charges.

Internal Service Funds - An internal service fund accounts for the financing of services provided by one department or agency to other departments or agencies of the Village on a cost-reimbursement basis. The Village's has two internal service funds. The governmental activities internal service fund accounts for the self-insurance program for employee medical benefits and the business-type activities internal service fund accounts for utility office activity.

Village of Newton Falls, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2020

Fiduciary Funds

Fiduciary fund reporting focuses on net position and changes in net position. The fiduciary fund category is split into four classifications: pension trust funds, investment trust funds, private-purpose trust funds and custodial funds. The Village's only custodial fund accounts for a portion of the municipal court activity that excludes the Village's portion.

D. Measurement Focus

Government-wide Financial Statements

The government-wide financial statements are prepared using the economic resources measurement focus. All assets, all liabilities, deferred outflows of resources and deferred inflows of resources associated with the operation of the Village are included on the Statement of Net Position. The Statement of Activities presents increases (i.e., revenues) and decreases (i.e., expenses) in total net position.

Fund Financial Statements

All governmental funds are accounted for using a flow of current financial resources measurement focus. With this measurement focus, only current assets and deferred outflows of resources and current liabilities and deferred inflows of resources generally are included on the balance sheet. The statement of revenues, expenditures and changes in fund balances reports on the sources (i.e., revenues and other financing sources) and uses (i.e., expenditures and other financing uses) of current financial resources. This approach differs from the manner in which the governmental activities of the government-wide financial statements are prepared. Governmental fund financial statements therefore include a reconciliation with brief explanations to better identify the relationship between the government-wide statements and the statements for governmental funds.

Like the government-wide statements, all proprietary funds are accounted for on a flow of economic resources measurement focus. All assets, deferred outflows of resources, all liabilities and deferred inflows of resources associated with the operation of these funds are included on the statement of net position. The statement of changes in fund net position presents increases (i.e., revenues) and decreases (i.e., expenses) in total net position. The statement of cash flows provides information about how the Village finances and meets the cash flow needs of its proprietary activities.

E. Basis of Accounting

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

Village of Newton Falls, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2020

Revenues - Exchange and Nonexchange Transactions

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

Nonexchange transactions, in which the Village receives value without directly giving equal value in return, include income taxes, property taxes, grants, entitlements and donations. On an accrual basis, revenue from income taxes is recognized in the period in which the income is earned. Revenue from property taxes is recognized in the year for which the taxes are levied (See Note 5). Revenue from grants, entitlements, shared revenues and donations is recognized in the year in which all eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the year when the resources are required to be used or the year when use is first permitted, matching requirements, in which the Village must provide local resources to be used for a specified purpose, and expenditure requirements, in which the resources are provided to the Village on a reimbursement basis. On a modified accrual basis, revenue from nonexchange transactions must also be available before it can be recognized.

Under the modified accrual basis, the following revenue sources are considered to be both measurable and available at year-end: income tax, state-levied locally shared taxes (including gasoline tax), fines and forfeitures, licenses and permits, interest, grants and rentals.

Deferred Outflows/Inflows of Resources

In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. Deferred outflows of resources represent a consumption of net position that applies to a future period and will not be recognized as an outflow of resources (expense/expenditure) until then. For the Village, deferred outflows of resources are reported on the government-wide statement of net position for pension and other postemployment benefits (OPEB). The deferred outflows of resources related to pension and OPEB are explained in Notes 11 and 12.

In addition to liabilities, the statement of net position reports a separate section for deferred inflows of resources. Deferred inflows of resources represent an acquisition of net position that applies to a future period and will not be recognized as an inflow of resources (revenue) until that time. For the Village, deferred inflows of resources include property taxes, payments in lieu of taxes and unavailable revenues. Property taxes represent amounts for which there is an enforceable legal claim as of December 31, 2020, but which were levied to finance year 2021 operations. These amounts have been recorded as deferred inflows on both the government-wide statement of net position and the governmental fund financial statements. Unavailable revenue is reported on the governmental funds balance sheet, and represents receivables/revenues which will not be collected within the available period. For the Village, unavailable revenue includes delinquent property taxes, income taxes, franchise taxes, intergovernmental grants, special assessments, and charges for services. These amounts are deferred and recognized as inflows of resources in the period the amounts become available. Deferred inflows of resources related to pension and OPEB are reported on the government-wide statement of net position. (See Notes 11 and 12)

Village of Newton Falls, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2020

Expenses/Expenditures

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

The measurement focus of governmental fund accounting is on decreases in net financial resources (expenditures) rather than expenses. Expenditures are generally recognized in the accounting period in which the related fund liability is incurred, if measurable. Allocations of cost, such as depreciation and amortization, are not recognized in governmental funds.

F. Equity in Pooled Cash and Investments

To improve cash management, cash received by the Village is pooled. Monies for all funds are maintained in this pool. Individual fund integrity is maintained through Village records. Interest in the pool is presented as “equity in pooled cash and cash equivalents” on the financial statements.

The Village has segregated bank accounts for monies held separately from the Village’s central bank account. These various depository accounts are presented as “cash and cash equivalents in segregated accounts” on the basic financial statements.

During 2020, the Village’s investments were limited to mutual funds, taxable bonds, and asset backed securities. Investments are reported at fair value, which is based on quoted market prices. For investments in open-end mutual funds, fair value is determined by the fund’s share price.

Investment procedures are restricted by the provisions of the Ohio Revised Code. Interest revenue credited to the general fund during 2020 amounted to \$305,280, which includes \$278,139 assigned from other Village funds.

Investments with an original maturity of three months or less at the time of purchase, and investments of the cash management pool are reported as cash equivalents on the financial statements.

G. Inventory

On government-wide financial statements, inventories are presented at the lower of cost or market on a first-in, first-out basis and are expensed when used.

Inventories of governmental funds are stated at cost, whereas inventories held for resale are reported at lower of cost or market. For all funds, cost is determined on a first-in, first-out basis. The cost of inventory items is recorded as an expenditure in the governmental fund types and an expense in proprietary funds when used. Inventory consists of expendable supplies held for consumption.

Inventories of the general fund, the special revenue funds, the water fund and the sewer fund primarily consist of expendable supplies held for consumption.

H. Restricted Assets

Assets are reported as restricted when limitations on their use change the nature or normal understanding of the availability of the asset. Such constraints are either externally imposed by creditors, contributors, grantors, or laws of other governments, or are imposed by law through constitutional provisions or enabling legislation.

Village of Newton Falls, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2020

Restricted assets in the water, sewer and electric funds represent cash and cash equivalents set aside for customer deposits.

I. Interfund Balances

On fund financial statements, outstanding interfund loans and unpaid amounts for interfund services are reported as “Interfund Loan Receivables/Payables.” Interfund loans which do not represent available expendable resources are offset by a fund balance reserve account. Interfund balance amounts, not services provided and used, are eliminated in the statement of net position, except for any net residual amounts due between governmental and business-type activities, which are presented as “Internal Balances”.

J. Prepaids

Payments made to vendors for services that will benefit periods beyond December 31, 2020 are recorded as prepaid items using the consumption method. A current asset for the prepaid amount is recorded at the time of the purchase and an expenditure or expense is reported in the year in which services are consumed.

K. Capital Assets

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

All capital assets are capitalized at cost (or estimated historical cost) and updated for additions and retirements during the year. Donated capital assets are recorded at their acquisition values as of the date received. The Village maintains a capitalization threshold of ten thousand dollars. Improvements are capitalized; the costs of normal maintenance and repairs that do not add to the value of the asset or materially extend an asset’s life are expended. For proprietary funds and business-type activities, any material amount of interest incurred during the construction of capital assets is also capitalized.

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

Asset Class	Governmental Activities Estimated Useful Life	Business-Type Activities Estimated Useful Life
Buildings and improvements	5 to 40 years	15 to 40 years
Equipment	5 to 20 years	5 to 20 years
Vehicles	2 to 8 years	8 years
Infrastructure	5 to 50 years	5 to 56 years

The Village's infrastructure consists of bridges, culverts, curbs, sidewalks, storm sewers, streets, water and sewer lines and electric lines.

L. Pension and other postemployment benefits (OPEB) liabilities

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

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

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

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

M. Compensated Absences

Vacation benefits and compensatory time are accrued as a liability as the benefits are earned if the employees' rights to receive compensation are attributable to services already rendered and it is probable that the employer will compensate the employees for the benefits through paid time off or some other means. The Village records a liability for all accumulated unused vacation and compensatory time when earned for all employees.

Sick leave benefits are accrued as a liability using the vesting method. The liability includes the employees who are currently eligible to receive termination benefits and those that the Village has identified as probable of receiving payment in the future. The amount is based on accumulated sick leave and employee wage rates at year-end taking into consideration any limits specified in the Village's termination policy. The Village records a liability for accumulated unused sick leave for all employees after ten years of accumulated service. The entire compensated absence liability is reported on the government-wide financial statements.

Village of Newton Falls, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2020

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

N. Accrued Liabilities and Long-Term Obligations

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

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

O. Fund Balance

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

Nonspendable The nonspendable fund balance category includes 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, as well as property acquired for resale, unless the proceeds from the collection of these loans or from the sale of these properties is restricted, committed, or assigned.

Restricted Fund balance is reported as restricted when constraints placed on the use of resources are either externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments or is imposed by law through constitutional provisions or enabling legislation (Village ordinances). Enabling legislation authorizes the Village to assess, levy, charge, or otherwise mandate payment of resources (from external resource providers) and includes a legally enforceable requirement that those resources be used only for the specific purposes stipulated in the legislation. Legal enforceability means that the Village can be compelled by an external party-such as citizens, public interest groups, or the judiciary to use resources created by enabling legislation only for the purposes specified by the legislation.

Village of Newton Falls, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2020

Committed The committed fund balance classification includes amounts that can be used only for the specific purposes imposed by formal action (ordinance) of Village Council. Those committed amounts cannot be used for any other purpose unless Village Council removes or changes the specified use by taking the same type of action (ordinance) it employed to previously commit those amounts. In contrast to fund balance that is restricted by enabling legislation, committed fund balance classification may be redeployed for other purposes with appropriate due process. Constraints imposed on the use of committed amounts are imposed by Village Council, separate from the authorization to raise the underlying revenue; therefore, compliance with these constraints are not considered to be legally enforceable. Committed fund balance also incorporates contractual obligations to the extent that existing resources in the fund have been specifically committed for use in satisfying those contractual requirements.

Assigned Amounts in the assigned fund balance classification is intended to be used by the Village for specific purposes but do not meet the criteria to be classified as restricted or committed. In governmental funds other than the general fund, assigned fund balance represents the remaining amount that is not restricted or committed. In the general fund, assigned amounts represent intended uses established by Village Council. The finance director is authorized to assign fund balance using encumbrances for planned purchases, provided such amounts have been lawfully appropriated. Village Council may also assign fund balance as it does when appropriating fund balance to cover a gap between estimated revenue and appropriations in the subsequent year's appropriated budget.

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

The Village 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.

P. Net Position

Net position represents the difference between assets and deferred outflows of resources and liabilities and deferred inflows of resources. Net investment of capital assets consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowing used for the acquisition, construction or improvement of those assets. Net position is reported as restricted when there are limitations imposed on their use either through the enabling legislation adopted by the Village or through external restrictions imposed by creditors, grantors or laws or regulations of other governments.

Net position restricted for other purposes include court activities, recreation, community development and educational programs as restricted by the Village. The Village applies restricted resources when an expense is incurred for purposes for which both restricted and unrestricted net positions are available.

Q. Operating Revenues and Expenses

Operating revenues are those revenues that are generated directly from the primary activity of the proprietary funds. For the Village, these revenues are charges for services for electric, waste water treatment, water services and self-insurance programs. Operating expenses are necessary costs incurred to provide the goods or service that is the primary activity of the fund. Revenues and expenses that do not meet these definitions are reported as nonoperating.

R. Interfund Activity

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

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

S. Estimates

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

T. Budgetary Process

All funds, except custodial funds, are legally required to be budgeted and appropriated. The major documents prepared are the tax budget, the certificate of estimated resources, and the appropriations ordinance, all of which are prepared on the budgetary basis of accounting. The tax budget demonstrates a need for existing or increased tax rates. The certificate of estimated resources establishes a limit on the amount Village Council may appropriate. The appropriations ordinance is Village Council's authorization to spend resources and sets annual limits on disbursements at the level of control selected by Village Council. The legal level of control has been established by Village Council at the object level for all funds.

The certificate of estimated resources may be amended during the year if the Village Finance Director projected increases or decreases in receipts. The amounts reported as the original and final budget in the budgetary statements reflect the amounts in the amended certificate of estimated resources in effect at the time the original and final appropriation ordinances were passed by Village Council.

Village of Newton Falls, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2020

NOTE 2 - BUDGETARY BASIS OF ACCOUNTING

While the Village is reporting financial position, results of operations and changes in fund balance on the basis of generally accepted accounting principles (GAAP), the budgetary basis as provided by law is based upon accounting for certain transactions on a basis of cash receipts, disbursements and encumbrances. The Statement of Revenues, Expenditures and Changes in Fund Balances - Budget (Non-GAAP Basis) and Actual presented for the general fund is presented on the budgetary basis to provide a meaningful comparison of actual results with the budget. The major differences between the budget basis and GAAP basis are as follows:

1. Revenues are recorded when received in cash (budget) as opposed to when susceptible to accrual (GAAP).
2. Expenditures are recorded when paid in cash (budget) as opposed to when the liability is incurred (GAAP).
3. Encumbrances are treated as expenditures (budget) rather than as a reservation of fund balance (GAAP).
4. Advances in and advances out (“repayment of advances”) are operating transactions (budget basis) as opposed to balance sheet transactions (GAAP basis).
5. The change in fair value of investments is not included on the budget operating statement. This amount is included as revenue on the GAAP basis operating statement.
6. Unreported cash represents amounts received but not included as revenue on the budget basis operating statements. These amounts are included as revenue on the GAAP basis operating statements.
7. The Village’s portion of the activity of the Municipal Court is not included on the budgetary statement. This activity is included on the GAAP basis operating statement.
8. The revenues, expenditures and other financing sources and uses of the general fund include activity that is budgeted within special revenue funds (GAAP basis). However, on the budgetary basis, the activity of the special revenue funds is excluded resulting in perspective differences.

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

Net Change in Fund Balance	
	<u>General</u>
GAAP Basis	\$ 256,475
Revenue accruals	227,719
Expenditure accruals	(468,974)
Perspective differences from funds budgeted as special revenue funds:	
Revenues	78,263
Expenditures	<u>23,679</u>
Budget Basis	<u>\$ 117,162</u>

Village of Newton Falls, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2020

NOTE 3 – FUND BALANCE

Fund balance is classified as nonspendable, restricted, committed, assigned and/or unassigned based primarily on the extent to which the Village 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:

Fund Balances	<u>General</u>	Other Governmental Funds	Total Governmental Funds
<u>Nonspendable</u>			
Materials and supplies inventory	\$ 13,391	\$ 21,585	\$ 34,976
Prepays	<u>10,536</u>	<u>1,413</u>	<u>11,949</u>
Total nonspendable	<u>23,927</u>	<u>22,998</u>	<u>46,925</u>
<u>Restricted for</u>			
Street maintenance	-	106,123	106,123
Community development	255	1,108	1,363
Recreation	-	56,621	56,621
Enforcement and education	-	27,746	27,746
Court activities	-	1,493,253	1,493,253
Public safety	-	29,840	29,840
Capital improvements	-	27,474	27,474
Revolving loan	<u>-</u>	<u>697,548</u>	<u>697,548</u>
Total restricted	<u>255</u>	<u>2,439,713</u>	<u>2,439,968</u>
<u>Committed</u>			
Refuse	1,171	-	1,171
Stormwater system	<u>-</u>	<u>249,943</u>	<u>249,943</u>
Total committed	<u>1,171</u>	<u>249,943</u>	<u>251,114</u>
<u>Assigned</u>			
Next year's budget	<u>523,699</u>	<u>-</u>	<u>523,699</u>
Unassigned	<u>608,839</u>	<u>(15,097)</u>	<u>593,742</u>
Total fund balances	<u>\$ 1,157,891</u>	<u>\$ 2,697,557</u>	<u>\$ 3,855,448</u>

Village of Newton Falls, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2020

NOTE 4 - DEPOSITS AND INVESTMENTS

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

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

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

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

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

1. United States Treasury Notes, Bills, Bonds, or any other obligation or security issued by the United States Treasury or any other obligation guaranteed as to principal and interest by the United States;
2. Bonds, notes, debentures, or any other obligations or securities issued by any federal government agency or instrumentality, including, but not limited to, the Federal National Mortgage Association, Federal Home Loan Bank, Federal Farm Credit Bank, Federal Home Loan Mortgage Corporation, Government National Mortgage Association, and Student Loan Marketing Association. All federal agency securities shall be direct issuances of federal government agencies or instrumentalities;
3. Bonds and other obligations of the State of Ohio and political subdivisions;
4. No-load money market mutual funds consisting exclusively of obligations described in division (1) or (2) of this section and repurchase agreements secured by such obligations, provided that investments in securities described in this division are made only through eligible institutions; and
5. The State Treasurer's investment pool (STAR Ohio)
6. Certain banker's acceptances and commercial paper notes in an amount not to exceed 25% of the interim monies available for investment at any one time; and,
7. Under limited circumstances, corporate debt interests rated in either of the two highest classifications by at least two nationally recognized rating agencies.

Village of Newton Falls, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2020

Custodial Credit Risk is the risk that in the event of bank failure, the government's deposits may not be returned to it. The Village has no deposit policy for custodial risk beyond the requirements of State statute. Ohio law requires that deposits be either insured or be protected by eligible securities pledged to and deposited either with the Village or a qualified trustee by the financial institution as security for repayment, or by a collateral pool of eligible securities deposited with a qualified trustee and pledged to secure the repayment of all public monies deposited in the financial institution whose market value at all times shall be at least one hundred five percent of the deposits being secured. If the institution participates in the Ohio Pooled Collateral System (OPCS), the total market value of the securities pledged can be one hundred two percent or lower if permitted by the Treasurer of State.

Deposits: At year-end, the carrying amount of the Village's deposits was \$1,886,337, and \$322,287 of the Village's total bank balance of \$2,029,665 was exposed to custodial credit risk because those deposits were uninsured and uncollateralized.

Investments: At year-end, the Village had the following investments.

Investment Type	Fair Value	Percentage of Investments	Investment Maturities (in years)		
			< 1 year	3-5 years	> 5 years
Money market mutual funds	\$ 6,727,929	69.98%	\$ 6,727,929	\$ -	\$ -
Corporate bonds and notes	2,767,411	28.78%	-	180,945	2,586,466
Asset backed securities	119,300	1.24%	-	-	119,300
Total investments	<u>\$ 9,614,640</u>	<u>100.00%</u>	<u>\$ 6,727,929</u>	<u>\$ 180,945</u>	<u>\$ 2,705,766</u>

The Village 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. The preceding table identifies the Village's recurring fair value measurement as of December 31, 2020. As previously discussed Star Ohio is reported at its net asset value. All other investments of the Village are valued using Level 2 inputs using valuations techniques that incorporate market data for similar investments, broker quotes and inactive transactions prices.

Custodial Credit Risk for investments is the risk that, in the event of the failure of the counterparty to a transaction, the Village will not be able to recover the value of investment or collateral securities that are in the possession of an outside party. All financial institutions and broker/dealers who desire to become qualified for investment transactions with the Village must meet a set of prescribed standards and be periodically reviewed. The investments in the mutual funds, corporate bonds and notes and the asset backed securities are held by the counterparty's trust department or agent and not in the Village's name.

Village of Newton Falls, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2020

Interest Rate Risk – As a means for limiting its exposure to fair value losses caused by rising interest rates, the Village’s investment policy requires the operating funds be invested primarily in short-term investments maturing within five years from the date of purchase, unless they are matched to a specific obligation or debt of the Village, and that the Village’s investment portfolio be structured so that securities mature to meet cash requirements for ongoing operations and/or long-term debt payments. The stated intent of the policy is to avoid the need to sell securities prior to maturity.

Credit Risk – The Village has no investment policy that addresses credit risk. \$1,014,169 of the Village’s investments in corporate bonds and notes have an A credit rating, \$631,696 have an A- credit rating, \$334,880 have an A+ credit rating, \$282,313 have an AA credit rating, \$56,092 have an AA- credit rating, \$110,015 have an AA+ credit rating, \$31,826 have a BB+ credit rating and \$306,420 have an BBB+ credit rating.

Concentration of Credit Risk is the possibility of loss attributed to the magnitude of the Village’s investment in a single issuer. More than 5% of the Village’s investments are in mutual funds, and corporate bonds and notes. The Village places no limit on the amount the Village may invest in any one issuer. The table above is the Village’s allocation as of December 31, 2020.

NOTE 5 – RECEIVABLES

Receivables at December 31, 2020, consisted primarily of municipal income taxes, property and other taxes, intergovernmental receivables arising from entitlements, shared revenues, loans receivables, accrued interest on investments and accounts (billings for ambulance service and utility service). No allowances for doubtful accounts have been recorded because uncollectible amounts are expected to be insignificant.

Property Taxes

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

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

The County Treasurer collects property taxes on behalf of all taxing districts in the County, including the Village of Newton Falls. The County Auditor periodically remits to the Village its portion of the taxes collected.

Village of Newton Falls, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2020

The full tax rate for all Village operations for the year ended December 31, 2020 was \$2.50 per \$1,000 of assessed value. The assessed values of real and public utility property upon which 2020 property tax receipts were based are as follows:

<u>Property Category</u>	<u>Assessed Value</u>
<u>Real Property</u>	
Residential and agricultural	\$ 42,469,160
Commercial and industrial	16,349,150
<u>Personal Property</u>	
Public utilities	1,023,990
Total	<u>\$ 59,842,300</u>

Income Taxes

The Village levies and collects an income tax of 1.00% on all income tax earned within the Village as well as on income of residents earned outside the Village. In 2014, Council approved an ordinance which repealed the credit for tax paid to another municipality in the Tax Code. This was in effect for the 2014 tax year and thereafter. Employers within the Village are required to withhold income tax on employee earnings and remit the tax to the Village either monthly or quarterly as required. Corporations and other individual taxpayers are also required to pay their estimated tax at least quarterly and file a return annually. In 2020, the net proceeds were allocated 80% to the general fund, 2% to the general reserve, 11.5% to the street, construction, repair and maintenance special revenue fund, 1.50% to the park and recreation special revenue fund, and 5% to the capital improvement capital projects fund.

Due from Other Governments

A summary of due from other governments follows:

	<u>Amounts</u>
<u>Governmental Activities</u>	
Local Government and Local Government	
Revenue Assistance	\$ 37,551
Homestead and Rollback	9,627
Gasoline and Excise Tax	121,720
Motor Vehicle License Fees	17,417
Permissive Motor Vehicle License Tax	7,421
Other	8,419
Total	<u>\$ 202,155</u>
<u>Business-Type Activities</u>	
Grants	\$ 2,850
Other	256
Total	<u>\$ 3,106</u>

Village of Newton Falls, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2020

NOTE 6 - RISK MANAGEMENT

Comprehensive

The Village is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. During 2020, the Village contracted with the Ohio Municipal Joint Self-Insurance Pool for various types of insurance coverage as follows:

<u>Coverage</u>	<u>Limit</u>	<u>Deductible</u>
Bodily injury and property damage	\$ 6,000,000	\$ 1,000
Law enforcement	6,000,000	10,000
Fire damage legal	100,000	1,000
Personal and advertising injury	6,000,000	1,000
Public officials	6,000,000	25,000
Annual aggregate limit \$6,000,000		
Employee benefit	1,000,000	1,000
Annual aggregate limit \$1,000,000		
Municipal attorney & law directors	1,000,000	25,000
Annual aggregate limit \$1,000,000		
Stop gap	1,000,000	1,000
Medical payments	10,000	-
Automobile liability	6,000,000	-
Uninsured/underinsured motorist	40,000	-
Hired/borrowed physical damage	35,000	1,000
Medical payments	5,000	-
Property Coverage: Blanket Limit	40,616,677	2,500
Contractor's Equipment	1,131,320	1,000
Misc. Property/Inland Marine	1,067,486	1,000
Misc. Tools and Equipment	50,000	1,000
Police Equipment	29,728	1,000
Electronic data processing Hardware	3,229,500	500
Electronic data processing Software	50,000	500
Cyber liability	1,000,000	2,500
Storage Tank Liability (AST)	1,000,000	10,000

Settled claims have not exceeded this coverage in any of the past three years. There has been no material change in this coverage from the prior year.

Village of Newton Falls, Ohio
Notes to the Basic Financial Statements
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Employee Health Benefits

The Village was a member of the Public Employee Benefit Association of Ohio (PEBA) program in 2020. PEBA is a non-profit entity that operates with the purpose of delivering the highest quality health insurance benefit programs and coverage stability at the lowest possible cost to Public Employees. Burnham and Flower is the health insurance broker and administer to the health care plan through Medical Mutual of Ohio. This is a self-insurance plan that is in coordination with Medical Mutual of Ohio. In addition, the pharmacy benefits were provided through Medical Mutual of Ohio Express scripts program. The dental and vision plan was provided through a Health Reimbursement Arrangement Plan. The members had no co-pay. The employee maximum deductible was zero.

Workers Compensation

Workers' compensation is provided by the State. The Village pays the State Workers' Compensation System a premium based on a rate of \$100 of salaries. This rate is calculated based on accident history and administrative costs.

NOTE 7 - CAPITAL ASSETS

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

Village of Newton Falls, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2020

	<u>Balance</u> <u>12/31/2019</u>	<u>Increases</u>	<u>Decreases</u>	<u>Balance</u> <u>12/31/2020</u>
Governmental activities				
Capital assets, not being depreciated				
Land	\$ 313,179	\$ 287,319	\$ (14,541)	\$ 585,957
Construction in progress	<u>-</u>	<u>47,702</u>	<u>-</u>	<u>47,702</u>
Total capital assets, not being depreciated	<u>313,179</u>	<u>335,021</u>	<u>(14,541)</u>	<u>633,659</u>
Capital assets, being depreciated				
Buildings and improvements	1,132,769	31,079	-	1,163,848
Equipment	829,578	167,956	(46,179)	951,355
Vehicles	643,875	-	-	643,875
Infrastructure	<u>1,011,930</u>	<u>388,902</u>	<u>-</u>	<u>1,400,832</u>
Total capital assets, being depreciated	<u>3,618,152</u>	<u>587,937</u>	<u>(46,179)</u>	<u>4,159,910</u>
Less: accumulated depreciation				
Buildings and improvements	(1,029,570)	(15,926)	-	(1,045,496)
Equipment	(547,893)	(40,876)	39,033	(549,736)
Vehicles	(483,563)	(28,416)	-	(511,979)
Infrastructure	<u>(766,096)</u>	<u>(16,758)</u>	<u>-</u>	<u>(782,854)</u>
Total accumulated depreciation	<u>(2,827,122)</u>	<u>(101,976)</u>	<u>39,033</u>	<u>(2,890,065)</u>
Total capital assets, being depreciated, net	<u>791,030</u>	<u>485,961</u>	<u>(7,146)</u>	<u>1,269,845</u>
Governmental activities capital assets, net	<u>\$ 1,104,209</u>	<u>\$ 820,982</u>	<u>\$ (21,687)</u>	<u>\$ 1,903,504</u>

Depreciation expense was charged to governmental functions as follows:

General government	\$ 22,399
Security of persons and property	
Police	19,206
Transportation	49,818
Lesiure time activities	<u>10,553</u>
Total depreciation expense	<u>\$ 101,976</u>

Village of Newton Falls, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2020

	<u>Balance</u> <u>12/31/2019</u>	<u>Increases</u>	<u>Decreases</u>	<u>Balance</u> <u>12/31/2020</u>
Business-type activities				
Capital assets, not being depreciated				
Land	\$ 183,348	\$ -	\$ -	\$ 183,348
Construction in progress	<u>216,332</u>	<u>1,182,398</u>	<u>(360,757)</u>	<u>1,037,973</u>
Total assets not being depreciated	<u>399,680</u>	<u>1,182,398</u>	<u>(360,757)</u>	<u>1,221,321</u>
Capital assets, being depreciated				
Buildings and improvements	5,921,781	-	-	5,921,781
Equipment	5,344,186	26,860	-	5,371,046
Vehicles	1,240,698	30,000	-	1,270,698
Infrastructure				
Water	11,582,496	-	-	11,582,496
Sewer	4,449,297	360,757	-	4,810,054
Electric	<u>5,550,859</u>	<u>-</u>	<u>-</u>	<u>5,550,859</u>
Total capital assets, being depreciated	<u>34,089,317</u>	<u>417,617</u>	<u>-</u>	<u>34,506,934</u>
Less: accumulated depreciation				
Buildings and improvements	(3,034,251)	(129,670)	-	(3,163,921)
Equipment	(4,349,044)	(172,863)	-	(4,521,907)
Vehicles	(621,365)	(104,482)	-	(725,847)
Infrastructure				
Water	(6,894,471)	(165,433)	-	(7,059,904)
Sewer	(4,364,939)	(4,464)	-	(4,369,403)
Electric	<u>(4,228,008)</u>	<u>(31,135)</u>	<u>-</u>	<u>(4,259,143)</u>
Total accumulated depreciation	<u>(23,492,078)</u>	<u>(608,047)</u>	<u>-</u>	<u>(24,100,125)</u>
Total capital assets, being depreciated, net	<u>10,597,239</u>	<u>(190,430)</u>	<u>-</u>	<u>10,406,809</u>
Business-type activities capital assets, net	<u>\$ 10,996,919</u>	<u>\$ 991,968</u>	<u>\$ (360,757)</u>	<u>\$ 11,628,130</u>

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

Water	\$ 248,189
Sewer	309,091
Electric	<u>50,767</u>
Total depreciation expense	<u>\$ 608,047</u>

NOTE 8 - COMPENSATED ABSENCES

The criteria for determining vacation and sick leave components are derived from negotiated agreements and State laws. Vacation leave is earned at rates that vary depending upon length of service and standard workweek. Vacation accumulation is limited to a maximum of one hundred sixty days. All accumulated unused vacation time is paid upon termination of employment.

Village of Newton Falls, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2020

Employees earn sick leave at the rate of 4.6 hours per each 80 hours of service in paid status, up to a maximum of 120 hours per year with unlimited accumulation.

The current portion of unpaid compensated absences is recorded as a current liability on the fund financial statements in the fund from which the employees who have accumulated unpaid leave are paid. On the government-wide statements, the entire amount of compensated absences is reported as a liability.

As of December 31, 2020 the liability for long-term unpaid compensated absences was \$261,292 for the governmental activities, which would be paid from the general fund, and the street construction, maintenance and repair special revenue fund and liability for long-term unpaid compensated absences for business-type activities was \$202,407, which would be paid from the water, sewer, electric and utility office funds.

NOTE 9 - LONG-TERM DEBT

	<u>Interest Rate</u>	<u>Original Issue</u>	<u>Maturity Date</u>
Governmental activities debt:			
<u>General obligation bonds</u>			
2020 Various purpose bonds	2.40%	\$ 28,000	2030
<u>OPWC loans</u>			
First Street Mill and Fill	0.00%	180,063	not yet finalized
Business-type activities debt:			
<u>General obligation bonds</u>			
2020 Various purpose bonds	2.40%	90,000	2030
<u>Certificates of participation</u>			
2020 Certificates AMI meter project	2.40%	3,128,000	2030
<u>Mortgage revenue bonds</u>			
Series A	4.38%	4,960,000	2048
Series B	4.38%	2,205,000	2048
<u>OPWC loans</u>			
Broad street water distribution	0.00%	253,463	2024
Broad street storm water	0.00%	186,493	2024
Water main valve replacement	0.00%	43,187	2025
Elevated water storage tank rehabilitation	0.00%	448,307	2034
South Canal waterline Phase V	0.00%	130,883	2038
<u>OWDA loans</u>			
Warren Ave. combined sewer separation	1.00%	92,085	2030
Water treatment plant improvements	2.00%	3,102,133	2024
<u>Bond anticipation note</u>			
Electric system bond anticipation note	1.77%	925,000	2021

Village of Newton Falls, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2020

A schedule of changes in bonds and other long-term obligations of the Village during 2020 follows:

	Amount Outstanding <u>12/31/2019</u>	<u>Increases</u>	<u>Decreases</u>	Amount Outstanding <u>12/31/2020</u>	Amount Due in <u>One Year</u>
Governmental activities					
General obligation bonds:					
2020 Various purpose bonds	\$ -	\$ 28,000	\$ -	\$ 28,000	\$ 2,776
OPWC loan from direct borrowings:					
First Street Mill and Fill	-	180,063	-	180,063	-
Other long-term obligations:					
Capital lease	189,867	-	(53,887)	135,980	55,994
Compensated absences	240,247	134,336	(113,291)	261,292	123,197
Total other long-term obligations	430,114	134,336	(167,178)	397,272	179,191
Net pension liability:					
OPERS	1,964,168	-	(486,685)	1,477,483	-
OP&F	940,010	-	(192,760)	747,250	-
Total net pension liability	2,904,178	-	(679,445)	2,224,733	-
Net OPEB liability:					
OPERS	912,855	92,148	-	1,005,003	-
OP&F	104,871	4,698	-	109,569	-
Total net OPEB liability	1,017,726	96,846	-	1,114,572	-
Total governmental activities long-term liabilities	\$ 4,352,018	\$ 439,245	\$ (846,623)	\$ 3,944,640	\$ 181,967

Village of Newton Falls, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2020

Business-type activities	Amount Outstanding 12/31/2019	Increases	Decreases	Amount Outstanding 12/31/2020	Amount Due in One Year
General obligation bonds:					
2020 Various purpose	\$ -	\$ 90,000	\$ -	\$ 90,000	\$ 8,924
Certificates of participation					
from direct borrowings:					
AMI meter project - Water	-	1,888,000	-	1,888,000	178,000
AMI meter project - Electric	-	1,240,000	-	1,240,000	116,000
Total certificates of participation	-	3,128,000	-	3,128,000	294,000
Revenue bonds:					
Series A	4,303,400	-	(76,500)	4,226,900	79,800
Series B	1,913,100	-	(34,000)	1,879,100	35,500
Total revenue bonds	6,216,500	-	(110,500)	6,106,000	115,300
OPWC loans from direct borrowings:					
Broad street water distribution	63,366	-	-	63,366	12,673
Broad street storm water	46,621	-	-	46,621	9,325
Water main valve replacement	11,879	-	-	11,879	2,159
Elevated water storage tank rehabilitation	325,024	-	-	325,024	22,415
South Canal waterline Phase V	121,067	-	-	121,067	6,544
Total OPWC loans	567,957	-	-	567,957	53,116
OWDA loans from direct borrowings:					
Warren Ave. combined sewer separation	29,246	-	(2,528)	26,718	2,554
Water treatment plant improvements	809,296	-	(173,633)	635,663	177,123
Total OWDA loans	838,542	-	(176,161)	662,381	179,677
Bond anticipation notes:					
Electric system notes	1,160,000	925,000	(1,160,000)	925,000	-
Other long-term obligations:					
Capital lease	345,740	-	(137,176)	208,564	95,970
Stranded costs payable	541,504	-	(38,528)	502,976	46,258
Compensated absences					
Water	106,785	45,117	(40,982)	110,920	44,465
Sewer	38,530	23,325	(19,060)	42,795	23,130
Electric	25,947	26,075	(12,967)	39,055	19,390
Utility office internal service fund	3,078	9,637	(3,078)	9,637	9,637
Total other long-term obligations	1,061,584	104,154	(251,791)	913,947	238,850
Net pension liability					
Water	735,581	-	(182,264)	553,317	-
Sewer	396,032	-	(98,130)	297,902	-
Electric	402,619	-	(99,762)	302,857	-
Utility office internal service fund	153,512	-	(38,037)	115,475	-
Total net pension liability	1,687,744	-	(418,193)	1,269,551	-

(Continued)

Village of Newton Falls, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2020

Business-type activities (continued)	Amount Outstanding 12/31/2019	Increases	Decreases	Amount Outstanding 12/31/2020	Amount Due in One Year
Net OPEB liability - OPERS					
Water	341,864	34,509	-	376,373	-
Sewer	184,057	18,580	-	202,637	-
Electric	187,119	18,889	-	206,008	-
Utility office internal service fund	71,345	7,202	-	78,547	-
Total net OPEB liability	<u>784,385</u>	<u>79,180</u>	<u>-</u>	<u>863,565</u>	<u>-</u>
Total business-type activities long-term liabilities	<u>\$ 12,316,712</u>	<u>\$ 4,326,334</u>	<u>\$ (2,116,645)</u>	<u>\$ 14,526,401</u>	<u>\$ 889,867</u>

The mortgage revenue bonds will be paid with user charges from the sewer enterprise fund. The OWDA and OPWC loans will be paid with user charges from the water and sewer enterprise funds. The Village has pledged investment securities as collateral for the promissory note.

During 2019, the Village of Newton Falls issued a bond anticipation note for \$1,160,000 payable at a rate of 2.03 percent, for various improvements to the Broad Street Lighting, festival power, South Circuit voltage conversion and upgrade, Warren Road substation addition, Church Street substation addition, and Peak Shaving Generator back-up. In June 2020, the Village renewed this bond anticipation note for \$925,000 payable at a rate of 1.77 percent. This issuance matures on June 17, 2021.

The Village has entered into contractual agreements totaling \$1,062,333 for the Broad Street water distribution, Broad Street storm water, water main valve replacement, and elevated water storage tank rehabilitation, South Canal waterline Phase V loans from the Ohio Public Works Commission (OPWC) and totaling \$3,153,035 for the Warren Avenue combined sewer separation and water treatment plan improvement loans from the Ohio Water Development Authority (OWDA). Under the terms of these agreements, OPWC and OWDA will reimburse, advance or directly pay the construction costs of the approved projects. OPWC and OWDA will capitalize administrative costs and construction interest and then add them to the total amounts of the final loans.

During 2020, the Village entered into a new loan agreement with OPWC for the First Street Mill and Fill project. This loan has not yet been finalized and is not included in the amortization tables.

Mortgage Revenue bonds of the Village of Newton Falls are obligations of the Village secured by a mortgage upon all assets of the sewer system. These bonds are payable solely from gross revenues of the sewer system after provisions for operating and maintenance expenses. These bond indentures have certain restrictive covenants and principally require that bond reserve funds be maintained and charges for services to customers in sufficient amounts to satisfy the annual obligation under the indenture agreement. In addition, special provisions exist regarding covenant violations, redemptions of principal, payment of interest, establishing renewal and replacement accounts and maintenance of properties.

The Village has pledged future revenues, net of operating expenses, to repay OPWC and OWDA loans in the sewer enterprise fund. The debt is payable solely from net revenues and are payable through 2030. Annual principal payments on the debt issues are expected to require 2.89 percent of net revenues. The total principal remaining to be paid on the debt is \$73,339. Principal paid for the current year and total net revenues were \$2,528 and \$472,373, respectively.

Village of Newton Falls, Ohio
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The Village has pledged future revenues, net of operating expenses, to repay OPWC and OWDA loans in the water enterprise fund. The debt is payable solely from net revenues and are payable through 2034. Annual principal payments on the debt issues are expected to require 84.02 percent of net revenues. The total principal remaining to be paid on the debt is \$1,156,999. Principal paid for the current year and total net revenues were \$173,633 and \$457,414, respectively.

During 2020, the Village issued general obligation bonds for various projects. The general obligations bonds mature in 2030 and carry an interest rate of 2.40%.

Certificates of Participation – During 2020, the Village entered into a lease agreement for \$3,128,000 with Huntington Bank for a water and electric meter replacement project. The lease is an annual lease subject to renewal for ten years through May 1, 2030. The certificates will be paid from the water and electric funds.

The Village's overall legal debt margin was \$5,820,898 with an unvoted debt margin of \$2,828,783 at December 31, 2020.

Compensated absences will be paid from the general fund, and the street construction, maintenance and repair special revenue fund and the water, sewer and electric enterprise funds and the utility office internal service fund.

The Village pays net pension/OPEB liability obligations from the fund benefitting from employee services.

Capital lease obligations will be paid from the capital improvement fund, the sewer fund and the electric fund. Principal and interest requirements to retire the Village's long-term obligations outstanding at December 31, 2020, are as follows:

Year ending December 31,	Governmental activities General obligation bonds		
	Principal	Interest	Total
2021	\$ 2,776	\$ 669	\$ 3,445
2022	2,539	575	3,114
2023	2,610	513	3,123
2024	2,658	450	3,108
2025	2,729	385	3,114
2026-2030	14,688	898	15,586
Total	<u>\$ 28,000</u>	<u>\$ 3,490</u>	<u>\$ 31,490</u>

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Year ending December 31,	Business-type activities					
	Revenue bonds			General obligation bonds		
	Principal	Interest	Total	Principal	Interest	Total
2021	\$ 115,300	\$ 267,138	\$ 382,438	\$ 8,924	\$ 2,149	\$ 11,073
2022	120,400	262,094	382,494	8,161	1,848	10,009
2023	125,600	256,826	382,426	8,390	1,649	10,039
2024	131,100	251,331	382,431	8,542	1,446	9,988
2025	136,900	245,596	382,496	8,771	1,238	10,009
2026-2030	779,400	1,132,746	1,912,146	47,212	2,886	50,098
2031-2035	965,700	946,647	1,912,347	-	-	-
2036-2040	1,196,100	716,099	1,912,199	-	-	-
2041-2045	1,481,700	430,544	1,912,244	-	-	-
2046-2048	1,053,800	93,529	1,147,329	-	-	-
Total	<u>\$ 6,106,000</u>	<u>\$ 4,602,550</u>	<u>\$ 10,708,550</u>	<u>\$ 90,000</u>	<u>\$ 11,216</u>	<u>\$ 101,216</u>

Year ending December 31,	Business-type activities						
	OWDA loan		OPWC Loan		Certificates of Participation		
	Principal	Interest	Total	Principal	Principal	Interest	Total
2021	\$ 179,677	\$ 12,093	\$ 191,770	\$ 53,116	\$ 294,000	\$ 76,681	\$ 370,681
2022	183,262	8,507	191,769	53,116	304,000	66,204	370,204
2023	186,920	4,849	191,769	53,116	312,000	58,860	370,860
2024	96,173	1,118	97,291	53,116	320,000	51,324	371,324
2025	2,658	157	2,815	53,116	327,000	43,596	370,596
2026-2030	13,691	380	14,071	145,880	1,571,000	95,820	1,666,820
2031-2035	-	-	-	133,593	-	-	-
2036-2038	-	-	-	22,904	-	-	-
Total	<u>\$ 662,381</u>	<u>\$ 27,104</u>	<u>\$ 689,485</u>	<u>\$ 567,957</u>	<u>\$ 3,128,000</u>	<u>\$ 392,485</u>	<u>\$ 3,520,485</u>

NOTE 10 – CAPITALIZED LEASE

The Village has entered into capital lease agreements for police vehicles, a vac truck, a bucket truck, a utility truck, several dump trucks and radio equipment. The leases will be paid from the capital improvements capital projects fund, the state highway improvement special revenue fund, the water, and sewer funds.

From the lease proceeds, governmental activities and business-type activities acquired six vehicles, a vac truck and a bucket truck. These assets were capitalized and reported as additions to capital assets in the amount of \$129,564 in the governmental activities and \$754,153 in the business-type activities. These capital assets are being depreciated over their estimated useful lives.

Capital lease payments are reflected as debt service payments in the basic financial statements for the governmental funds. These expenditures are reflected as function expenditures on a budgetary basis. The capitalized amount equals a portion of the present value of the future minimum lease payments and the down payment respectively, at the time of acquisition.

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

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<u>Year</u>	<u>Lease Payments Governmental Activities</u>	<u>Lease Payments Business-type Activities</u>
2021	\$ 61,228	\$ 103,893
2022	47,540	103,893
2023	18,739	13,575
2024	<u>18,739</u>	<u>-</u>
Total minimum lease payments	146,246	221,361
Less: amount representing interest	<u>(10,266)</u>	<u>(12,797)</u>
Total	<u>\$ 135,980</u>	<u>\$ 208,564</u>

NOTE 11 - DEFINED BENEFIT PENSION PLANS

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 Village’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.

The Ohio Revised Code limits the Village’s obligation for this liability to annually required payments. The Village cannot control benefit terms or the manner in which pensions are financed; however, the Village 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 intergovernmental payable on both the accrual and modified accrual bases of accounting.

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Ohio Public Employees Retirement System

Plan Description – Village employees, other than full-time police and firefighters, participate in the Ohio Public Employees Retirement System (OPERS). OPERS administers three separate pension plans. 1.) The Traditional Pension Plan (TP) - a cost-sharing, multiple-employer defined benefit pension plan. 2.) The Member-Directed Plan (MD) - a defined contribution plan in which the member invests both member and employer contributions (employer contributions vest over five years at 20% per year). Members accumulate retirement assets equal to the value of the member and (vested) employer contributions, plus any investment earnings thereon. 3.) The Combined Plan (CP) - a cost-sharing, multiple-employer defined benefit pension 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 MD. While members (e.g. Village employees) may elect the member-directed plan and the combined plan, substantially all employee members are in OPERS’ traditional plan; the following disclosure focuses on the traditional 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.

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 Comprehensive Annual Financial Report referenced above for additional information):

Group A	Group B	Group C
Eligible to retire prior to January 7, 2013 or five years after <u>January 7, 2013</u>	20 years of service credit prior to January 7, 2013 or eligible to retire <u>ten years after January 7, 2013</u>	Members not in other Groups and members hired on or after <u>January 7, 2013</u>
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

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.

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Once a benefit recipient retiring under the Traditional Plan has received benefits for 12 months, an annual cost-of-living adjustment (COLA) is provided on the member’s base benefit. Members retiring under the Combined Plan receive a cost-of-living adjustment on the defined benefit portion of their retirement benefit. 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. Additionally, a death benefit of \$500-\$2,500, determined by the number of years of service credit of the retiree, is paid to the beneficiary of a deceased retiree or disability benefit recipient under the Traditional and Combined Plan.

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

	<u>State and Local</u>
2020 Statutory maximum contribution rates	
Employer	14.00%
Employee	10.00%
 2020 Actual contribution rates	
Employer:	
Pension	14.00%
Post-employment health care benefits	<u>0.00%</u>
Total employer	<u>14.00%</u>
 Employee	 <u>10.00%</u>

Employer contribution rates are actuarially determined and are expressed as a percentage of covered payroll. The Village’s contractually required contribution was \$285,263 for 2020. Of this amount, \$15,928 is reported as an intergovernmental payable.

Ohio Police and Fire Pension Fund

Plan Description - Village 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 Street East Town, 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.

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

The annual pension benefit for normal service retirement is equal to a percentage of the allowable average annual salary. The percentage equals 2.5 percent for each of the first 20 years of service credit, 2.0 percent for each of the next five years of service credit and 1.5 percent for each year of service credit in excess of 25 years. The maximum pension of 72 percent of the allowable average annual salary is paid after 33 years of service credit. (See OP&F Comprehensive Annual Financial Report referenced above for additional information, including requirements for Deferred Retirement Option Plan (DROP) provisions and reduced and unreduced benefits.)

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

Members retiring under normal service retirement, with less than 15 years of service credit on July 1, 2013, will receive a COLA equal to either 3% 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 3% 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>
2020 Statutory maximum contribution rates		
Employer	19.50%	24.00%
Employee	12.25%	12.25%
2020 Actual contribution rates		
Employer:		
Pension	19.00%	23.50%
Post-employment health care benefits	<u>0.50%</u>	<u>0.50%</u>
Total employer	<u>19.50%</u>	<u>24.00%</u>
Employee	12.25%	12.25%

Employer contribution rates are expressed as a percentage of covered payroll. The Village's contractually required contribution to OP&F was \$55,094 for 2020. Of this amount \$5,520 is reported as an intergovernmental payable.

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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, 2019, 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, 2019, and was determined by rolling forward the total pension liability as of January 1, 2019, to December 31, 2019. The Village's proportion of the net pension liability was based on the Village's share of contributions to the pension plan relative to the contributions of all participating entities. Following is information related to the proportionate share and pension expense:

	<u>OPERS</u>	<u>OP&F</u>	<u>Total</u>
Proportion of the net pension liability - prior measurement date	0.013334%	0.011516%	
Proportion of the net pension liability - current measurement date	<u>0.013898%</u>	<u>0.011093%</u>	
Change in proportionate share	<u>0.000564%</u>	<u>-0.000424%</u>	
Proportionate share of the net pension liability	\$ 2,747,034	\$ 747,250	\$ 3,494,284
Pension expense	\$ 434,616	\$ 109,544	\$ 544,160

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

	<u>OPERS</u>	<u>OP&F</u>	<u>Total</u>
Deferred outflows of resources			
Differences between expected and actual experience	\$ -	\$ 28,286	\$ 28,286
Changes of assumptions	146,724	18,343	165,067
Changes in proportion and differences between Village contributions and proportionate share of contributions	74,306	99,770	174,076
Village contributions subsequent to the measurement date	<u>285,263</u>	<u>55,094</u>	<u>340,357</u>
Total deferred outflows of resources	<u>\$ 506,293</u>	<u>\$ 201,493</u>	<u>\$ 707,786</u>
Deferred inflows of resources			
Differences between expected and actual experience	\$ 34,732	\$ 38,539	\$ 73,271
Net difference between projected and actual earnings on pension plan investments	547,972	36,098	584,070
Changes in proportion and differences between Village contributions and proportionate share of contributions	<u>17,655</u>	<u>60,030</u>	<u>77,685</u>
Total deferred inflows of resources	<u>\$ 600,359</u>	<u>\$ 134,667</u>	<u>\$ 735,026</u>

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\$340,357 reported as deferred outflows of resources related to pension resulting from Village contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ending December 31, 2021. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pension will be recognized in pension expense as follows:

	OPERS	OP&F	Total
Year ending December 31:			
2021	\$ (34,003)	\$ (1,126)	\$ (35,129)
2022	(150,437)	10,300	(140,137)
2023	22,691	40,004	62,695
2024	(217,580)	(32,166)	(249,746)
2025	-	(5,280)	(5,280)
Total	\$ (379,329)	\$ 11,732	\$ (367,597)

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, 2019, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Experience study	5 - year period ended December 31, 2015
Wage inflation	3.25 percent
Future salary increases, including inflation - Traditional plan	3.25 percent to 10.75 percent
Future salary increases, including inflation - Combined plan	3.25 percent to 8.25 percent
COLA or Ad Hoc COLA	Pre January 7, 2013 retirees, 3 percent, simple Post January 7, 2013 retirees, 1.4 percent, simple through 2020, then 2.15 percent, simple
Investment rate of return	7.2 percent
Actuarial cost method	Individual entry age

Mortality rates are based on the RP-2014 Healthy Annuitant mortality table. For males, Healthy Annuitant Mortality tables were used, adjusted for mortality improvement 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 year 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 base year 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.

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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.

During 2019, OPERS managed investments in three investment portfolios: the Defined Benefit portfolio, the Health Care portfolio, and the Defined Contribution portfolio. The Defined Benefit portfolio contains the investment assets for the Traditional Pension Plan, the defined benefit component of the Combined Plan and the annuitized accounts of the Member-Directed Plan. Within the Defined Benefit portfolio, contributions into the plans are all recorded at the same time, and benefit payments all occur on the first of the month. Accordingly, the money-weighted rate of return is considered to be the same for all plans within the portfolio. The annual money-weighted rate of return expressing investment performance, net of investment expenses and adjusted for the changing amounts actually invested, for the Defined Benefit portfolio was 17.2% for 2019.

The allocation of investment assets with the Defined Benefit portfolio is approved by the Board of Trustees as outlined in the annual investment plan. Plan assets are managed on a total return basis with a long-term objective of achieving and maintaining a fully funded status for the benefits provided through the defined benefit pension plans. The table below displays the Board-approved asset allocation policy for 2019 and the long-term expected real rates of return:

<u>Asset class</u>	<u>Target allocation</u>	<u>Weighted average long-term expected real rate of return (arithmetic)</u>
Fixed income	25.00%	1.83%
Domestic equities	19.00%	5.75%
Real estate	10.00%	5.20%
Private equity	12.00%	10.70%
International equities	21.00%	7.66%
Other investments	<u>13.00%</u>	<u>4.98%</u>
 Total	 <u>100.00%</u>	 <u>5.61%</u>

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.

Sensitivity of the Village's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate The following table presents the Village'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 Village'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:

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	1% Decrease	Current discount rate	1% Increase
	<u>(6.20%)</u>	<u>(7.20%)</u>	<u>(8.20%)</u>
Village's proportionate share of the net pension liability	\$ 4,530,748	\$ 2,747,034	\$ 1,143,527

Actuarial Assumptions – OP&F

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

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

Valuation date	January 1, 2019, with actuarial liabilities rolled forward to December 31, 2019
Actuarial cost method	Entry age normal
Investment rate of return	8.00 percent
Projected salary increases	3.75 percent to 10.5 percent
Payroll increases	3.25 percent
Inflation assumptions	2.75 percent
Cost of living adjustments	2.20 percent and 3.00 percent

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

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

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

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

The most recent experience study was completed December 31, 2016.

The long-term expected rate of return on pension plan investments was determined using a building-block approach and assumes a time horizon, as defined in the Statement of Investment Policy. 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, 2019 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%	1.00%
Domestic equity	16.00%	5.40%
Non-US equity	16.00%	5.80%
Private markets	8.00%	8.00%
Core fixed income *	23.00%	2.70%
High yield	7.00%	4.70%
Private credit	5.00%	5.50%
U.S. inflation linked bonds*	17.00%	2.50%
Master limited partnerships	8.00%	6.60%
Real Assets	8.00%	7.40%
Real estate	<u>12.00%</u>	6.40%
 Total	 <u>120.00%</u>	

Note: Assumptions are geometric

* Levered 2x.

OP&F's Board of Trustees has incorporated the "risk parity" concept into OP&F's asset liability valuation with the goal of reducing equity risk exposure, which reduces overall Total Portfolio risk without sacrificing return, and creating a more risk-balanced portfolio based on their relationship between asset classes and economic environments. From the notional portfolio perspective above, the Total Portfolio may be levered up to 1.2 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 longer-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.

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Sensitivity of the Village'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.

	1% Decrease <u>(7.00%)</u>	Current discount rate <u>(8.00%)</u>	1% Increase <u>(9.00%)</u>
Village's proportionate share of the net pension liability	\$ 1,035,663	\$ 747,250	\$ 506,022

NOTE 12 - POSTEMPLOYMENT BENEFITS

Net OPEB liability

The net OPEB liability reported on the statement of net position represents a liability to employees for OPEB. OPEB is a component of exchange transactions—between an employer and its employees—of salaries and benefits for employee services. OPEB 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 OPEB is a present obligation because it was created as a result of employment exchanges that already have occurred.

The net OPEB liability represents the Village's proportionate share of each OPEB plan's collective actuarial present value of projected benefit payments attributable to past periods of service, net of each OPEB plan's fiduciary net position. The net OPEB 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 these estimates annually.

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

GASB 75 assumes the liability is solely the obligation of the employer, because they benefit from employee services. OPEB contributions come from these employers and health care plan enrollees which pay a portion of the health care costs in the form of a monthly premium. The Ohio Revised Code permits, but does not require the retirement systems to provide healthcare to eligible benefit recipients. Any change to benefits or funding could significantly affect the net OPEB liability. Resulting adjustments to the net OPEB liability would be effective when the changes are legally enforceable. The retirement systems may allocate a portion of the employer contributions to provide for these OPEB benefits.

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

Village of Newton Falls, Ohio
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Ohio Public Employees Retirement System

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

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

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

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

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

Funding Policy - The Ohio Revised Code provides the statutory authority requiring public employers to fund postemployment health care through their contributions to OPERS. When funding is approved by OPERS Board of Trustees, a portion of each employer's contribution to OPERS is set aside to fund OPERS health care plans.

Employer contribution rates are expressed as a percentage of the earnable salary of active members. In 2020, state and local employers contributed at a rate of 14.0 percent of earnable salary and public safety and law enforcement employers contributed at 18.1 percent. These are the maximum employer contribution rates permitted by the Ohio Revised Code. Active member contributions do not fund health care.

Each year, the OPERS Board determines the portion of the employer contribution rate that will be set aside to fund health care plans. The portion of employer contributions allocated to health care for members in the Traditional Pension Plan and Combined Plan was 1.0 percent during calendar year 2017. As recommended by OPERS' actuary, the portion of employer contributions allocated to health care beginning January 1, 2018 decreased to 0 percent for both plans. The OPERS Board is also authorized to establish rules for the retiree or their surviving beneficiaries to pay a portion of the health care provided. Payment amounts vary depending on the number of covered dependents and the coverage selected. The employer contribution as a percentage of covered payroll deposited into the RMA for participants in the Member-Directed Plan for 2020 was 4.0 percent.

Village of Newton Falls, Ohio
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Employer contribution rates are actuarially determined and are expressed as a percentage of covered payroll. The Village's contractually required contribution was \$0 for 2020.

Ohio Police and Firemen's Disability and Pension Fund

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

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

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

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

Funding Policy – The Ohio Revised Code provides for contribution requirements of the participating employers and of plan members to the OP&F defined benefit pension plan. Participating employers are required to contribute to the pension plan at rates expressed as percentages of the payroll of active pension plan members, currently 19.5 percent and 24 percent of covered payroll for police and fire employer units, respectively. The Ohio Revised Code states that the employer contribution may not exceed 19.5 percent of covered payroll for police employer units and 24 percent of covered payroll for fire employer units. Active members do not make contributions to the OPEB Plan.

The Board of Trustees is authorized to allocate a portion of the total employer contributions for retiree health care benefits. For 2020, the portion of employer contributions allocated to health care was 0.5 percent of covered payroll. The amount of employer contributions allocated to the health care plan each year is subject to the Trustees' primary responsibility to ensure that pension benefits are adequately funded.

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

The Village's contractually required contribution to OP&F was \$1,450 for 2020. Of this amount, \$145 is reported as an intergovernmental payable.

Village of Newton Falls, Ohio
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OPEB Liabilities, OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

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

	<u>OPERS</u>	<u>OP&F</u>	<u>Total</u>
Proportion of the net OPEB liability - prior measurement date	0.013018%	0.011516%	
Proportion of the net OPEB liability - current measurement date	<u>0.013528%</u>	<u>0.011093%</u>	
Change in proportionate share	<u>0.000510%</u>	<u>-0.000424%</u>	
Proportionate share of the net OPEB liability	\$ 1,868,568	\$ 109,569	\$ 1,978,137
OPEB expense	\$ 213,010	\$ 34,610	\$ 247,620

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

	<u>OPERS</u>	<u>OP&F</u>	<u>Total</u>
Deferred outflows of resources			
Differences between expected and actual experience	\$ 50	\$ -	\$ 50
Changes of assumptions	295,774	64,058	359,832
Changes in proportion and differences between Village contributions and proportionate share of contributions	38,597	100,049	138,646
Village contributions subsequent to the measurement date	-	1,450	1,450
Total deferred outflows of resources	<u>\$ 334,421</u>	<u>\$ 165,557</u>	<u>\$ 499,978</u>
Deferred inflows of resources			
Differences between expected and actual experience	\$ 170,889	\$ 11,783	\$ 182,672
Changes of assumptions	-	23,351	23,351
Net difference between projected and actual earnings on OPEB plan investments	95,147	5,042	100,189
Changes in proportion and differences between Village contributions and proportionate share of contributions	<u>14,680</u>	<u>2,514</u>	<u>17,194</u>
Total deferred inflows of resources	<u>\$ 280,716</u>	<u>\$ 42,690</u>	<u>\$ 323,406</u>

Village of Newton Falls, Ohio
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\$1,450 reported as deferred outflows of resources related to OPEB resulting from Village contributions subsequent to the measurement date will be recognized as a reduction of the net OPEB liability in 2021. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

	OPERS	OP&F	Total
Year ending December 31:			
2021	\$ 56,475	\$ 23,862	\$ 80,337
2022	37,811	23,862	61,673
2023	76	24,896	24,972
2024	(40,657)	23,266	(17,391)
2025	-	22,933	22,933
Thereafter	-	2,598	2,598
Total	\$ 53,705	\$ 121,417	\$ 175,122

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 and include the types of coverage provided at the time of each valuation and the historical pattern of sharing of costs between OPERS and plan members. The total OPEB liability was determined by an actuarial valuation as of December 31, 2018 rolled forward to the measurement date of December 31, 2019. The actuarial valuation used the following actuarial assumptions applied to all prior periods included in the measurement in accordance with the requirements of GASB 74:

Experience study	5 - year period ended December 31, 2015
Wage inflation	3.25 percent
Projected salary increases	3.25 to 10.75 percent (includes wage inflation at 3.25 percent)
Single discount rate:	
Current measurement date	3.16 percent
Prior measurement date	3.96 percent
Investment rate of return	6.00 percent
Municipal bond rate	2.75 percent
Health care cost trend rate	10.0 percent, initial 3.5 percent, ultimate in 2030
Actuarial cost method	Individual entry age normal

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

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

During 2019, OPERS managed investments in three investment portfolios: the Defined Benefit portfolio, the Health Care portfolio and the Defined Contribution portfolio. The Health Care portfolio includes the assets for health care expenses for the Traditional Pension Plan, Combined Plan and Member-Directed Plan eligible members. Within the Health Care portfolio, contributions into the plans are assumed to be received continuously throughout the year based on the actual payroll payable at the time contributions are made, and health care-related payments are assumed to occur mid-year. Accordingly, the money-weighted rate of return is considered to be the same for all plans within the portfolio. The annual money-weighted rate of return expressing investment performance, net of investment expenses and adjusted for the changing amounts actually invested, for the Health Care portfolio is 19.7 percent for 2019.

The allocation of investment assets with the Health Care portfolio is approved by the Board of Trustees as outlined in the annual investment plan. Assets are managed on a total return basis with a long-term objective of continuing to offer a sustainable health care program for current and future retirees. OPERS' primary goal is to achieve and maintain a fully funded status for the benefits provided through the defined pension plans. Health care is a discretionary benefit. The table below displays the Board-approved asset allocation policy for 2019 and the long-term expected real rates of return:

<u>Asset class</u>	<u>Target allocation</u>	Weighted average long-term expected real rate of return <u>(arithmetic)</u>
Fixed income	36.00%	1.53%
Domestic equities	21.00%	5.75%
Real estate investment trust	6.00%	5.69%
International equities	23.00%	7.66%
Other investments	<u>14.00%</u>	<u>4.90%</u>
 Total	 <u>100.00%</u>	 <u>4.55%</u>

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

Sensitivity of the Village's Proportionate Share of the Net OPEB Liability to Changes in the Discount Rate

The following table presents the Village's proportionate share of the net OPEB liability calculated using the single discount rate of 3.16 percent, as well as what the Village's proportionate share of the net OPEB liability would be if it were calculated using a discount rate that is one-percentage-point lower (2.16 percent) or one-percentage-point higher (4.16 percent) than the current rate:

	1% Decrease	Current discount rate	1% Increase
	<u>(2.16%)</u>	<u>(3.16%)</u>	<u>(4.16%)</u>
Village's proportionate share of the net OPEB liability	\$ 2,445,321	\$ 1,868,568	\$ 1,406,777

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

Changes in the health care cost trend rate may also have a significant impact on the net OPEB liability. The following table presents the net OPEB liability calculated using the assumed trend rates, and the expected net OPEB liability if it were calculated using a health care cost trend rate that is 1.0 percent lower or 1.0 percent higher than the current rate.

	1% Decrease	Current Health Care Cost Trend Rate Assumption	1% Increase
Village's proportionate share of the net OPEB liability	\$ 1,813,428	\$ 1,868,568	\$ 1,923,005

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

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

Actuarial Assumptions – OP&F

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

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

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

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

Valuation date	January 1, 2019, with actuarial liabilities rolled forward to December 31, 2019
Actuarial cost method	Entry age normal
Investment rate of return	8.0 percent
Projected salary increases	3.75 percent to 10.5 percent
Payroll growth	Inflation rate of 2.75 percent plus productivity increase rate of 0.5 percent
Single discount rate:	
Current measurement date	3.56 percent
Prior measurement date	4.66 percent
Cost of living adjustments	3.00 percent simple; 2.2 percent simple for increased based on the lesser of the increase in CPI and 3 percent

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

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

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

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

The most recent experience study was completed for the five year period ended December 31, 2016, the prior experience study was completed December 31, 2011.

The OP&F health care plan follows the same asset allocation and long-term expected real rate of return for each major asset class as the pension plan, see Note 11.

Discount Rate For 2019, the total OPEB liability was calculated using the discount rate of 3.56 percent. For 2018, the total OPEB liability was calculated using the discount rate of 4.66 percent. The projection of cash flows used to determine the discount rate assumed the contribution from employers and from members would be computed based on contribution requirements as stipulated by State statute. Projected inflows from investment earnings were calculated using the longer-term assumed investment rate of return 8 percent. Based on those assumptions, OP&F's fiduciary net position was projected to not be able to make all future benefit payments of current plan members. Therefore, a municipal bond rate of 2.75 percent at December 31, 2019 and 4.13 percent at December 31, 2018, was blended with the long-term rate of 8 percent, which resulted in a blended discount rate of 3.56 percent for 2019 and 4.66 percent for 2018. The municipal bond rate was determined using the Bond Buyers General Obligation 20-year Municipal Bond Index Rate. The OPEB plan's fiduciary net position was projected to be available to make all projected OPEB payments until 2034. The long-term expected rate of return on health care investments was applied to projected costs through 2033, and the municipal bond rate was applied to all health care costs after that date.

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

Village of Newton Falls, Ohio
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	1% Decrease <u>(2.56%)</u>	Current discount rate <u>(3.56%)</u>	1% Increase <u>(4.56%)</u>
Village's proportionate share of the net OPEB liability	\$ 135,858	\$ 109,569	\$ 87,724

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

Changes between Measurement Date and Report Date There was a decrease in the discount rate from 4.66 percent at the prior measurement date to 3.56 percent at the current measurement date. There are no changes to benefit terms.

NOTE 13 – AMERICAN MUNICIPAL POWER GENERATING STATION PROJECT

The Village of Newton Falls is a participant in the American Municipal Power Generating Station Project (the "AMPGS Project"). The Village executed a take-or-pay contract on November 1, 2007 in order to participate in the AMPGS Project.

History of the AMPGS Project

The Village is a member of American Municipal Power (AMP) and has participated in the AMP Generating Station (AMPGS) Project. This project was intended to develop a pulverized coal power plant in Meigs County, Ohio. The Village's project share was 7,130 kilowatts (kW) of a total 771,281 kW, giving the Village a 0.92 percent project share. The AMPGS Project required participants to sign "take or pay" contracts with AMP. As such, the participants are obligated to pay any costs incurred for the project. In November 2009, the participants voted to terminate the AMPGS Project due to projected escalating costs. All project costs incurred prior to the cancellation and related to the cancellation were therefore deemed *impaired* and participants were obligated to pay those incurred costs. In prior years, payment of these costs was not required due to AMP's pursuit of legal action to collect them from Bechtel. As a result of a March 2014 legal ruling, the AMP Board of Trustees on April 15, 2014 and the AMPGS participants on April 16, 2014 approved the collection of the impaired costs and provided the participants with an estimate of their liability. The Village's estimated share of the impaired costs at March 31, 2014 was \$1,239,847. The Village received a credit of \$223,521 related to their participation in the AMP Fremont Energy Center (AFEC) Project, and another credit of \$322,453 related to the AMPGS costs deemed to have future benefit for the project participants, classified as Plant Held for Future Use (PHFU), leaving an estimated net impaired cost balance of \$693,873. Any additional costs (including line-of-credit interest and legal fees) or amounts received related to the project will impact, either positively or negatively, the Village's net impaired cost balance. These amounts will be recorded as they become estimable.

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

Since March 31, 2014 the Village has made payments of \$277,549 to AMP toward its net impaired cost estimate. Also, since March 31, 2014, the Village's allocation of additional costs incurred by the project is \$15,054 and interest expense incurred on AMP's line-of-credit of \$71,599, resulting in a net impaired cost estimate at December 31, 2020 of \$502,977. The Village does have a potential PHFU Liability of \$363,014 resulting in a net total potential liability of \$865,991, assuming the assets making up the PHFU (principally the land comprising the Meigs County site) have no value and also assuming the Village's credit balance would earn zero interest. Stranded costs as well as PHFU costs are subject to change, including future borrowing costs on the AMP line of credit. Activities include items such negative items as property taxes as well as positive items revenue from leases or sale of all or a portion of the Meigs County site property.

The Village intends to recover these costs and repay AMP over the next 9 years through a power cost adjustment.

NOTE 14 - CONTINGENT LIABILITIES

Litigation

The Village management is of the opinion that the ultimate disposition of claims and legal proceedings will not have a material effect, if any, on the financial condition of the Village.

Federal and State Grants

The Village participates in several federally assisted programs. These programs are subject to financial and compliance audits by the grantor or their representative. As of December 31, 2020, the audits of these programs have not been completed. Such audits could lead to a request for reimbursement to the grantor agency for expenditures disallowed under the terms of the grant. Based on prior experience, the Village believes such disallowance, if any, would be immaterial.

NOTE 15 - INTERFUND TRANSFERS

Interfund transfers and Due to/from other funds for the year ended December 31, 2020, consisted of the following:

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<u>Transfer to</u>	<u>General</u>	<u>Transfer from Nonmajor Governmental Funds</u>	<u>Electric</u>	<u>Total</u>
General fund	\$ -	\$ 18	\$ 462,000	\$ 462,018
Nonmajor governmental funds	195,384	-	-	195,384
	<u>195,384</u>	<u>18</u>	<u>462,000</u>	<u>657,402</u>
<u>Business-Type activities:</u>				
Sewer fund	-	37,567	-	37,567
Total	<u>\$ 195,384</u>	<u>\$ 37,585</u>	<u>\$ 462,000</u>	<u>\$ 694,969</u>

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

NOTE 16 – ACCOUNTABILITY AND COMPLIANCE

A. Fund deficits

At December 31, 2020, the following funds had a deficit fund balance:

<u>Fund</u>	<u>Deficit fund balance</u>
Village Hall Broad Street nonmajor governmental fund	\$ 15,097
Sewer fund	2,335,548
Utility office internal service fund	131,039

These deficits were caused by the application of generally accepted accounting principles. The general fund provides transfers to cover deficit balances; however, this is done when cash is needed rather than when accruals occur.

B. Compliance

Ohio Revised Code Section 5705.41(B) requires that budgetary disbursements shall not exceed appropriations. In 2020, the total appropriations exceeded actual expenditures by \$3,636 in the general fund.

Village of Newton Falls, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2020

NOTE 17 – CORONAVIRUS PANDEMIC 2019 (COVID-19)

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

NOTE 18 – SUBSEQUENT EVENT

In June 2021, the Village issued \$690,000 in bond anticipation note for the electric system. The notes have an interest rate of 1.0% and are due on June 16, 2022.

NOTE 19 – CHANGE IN ACCOUNTING PRINCIPLE AND RESTATEMENT OF NET POSITION

For 2020, the Village implemented the Governmental Accounting Standards Board (GASB) Statement No. 84, "Fiduciary Activities." GASB 84 establishes criteria for identifying fiduciary activities of all state and local governments. The focus of the criteria generally is on (1) whether a government is controlling the assets of the fiduciary activity and (2) the beneficiaries with whom a fiduciary relationship exists.

Due to the implementation of GASB Statement No. 84, the Village will no longer be reporting agency funds. The Village reviewed its agency funds and certain funds will be reported in the new fiduciary fund classification of custodial funds, while other funds have been reclassified as governmental and business-type funds. These fund reclassifications were incorporated in the Village's fiscal year 2020 financial statements; however, there was no effect on beginning net position or fund balance.

Required Supplementary Information

Village of Newton Falls, Ohio
 Required Supplementary Information
 Schedule of the Village's Proportionate Share of the Net Pension Liability
 Last Seven Years (1)

	2020	2019	2018	2017	2016
Ohio Public Employees Retirement System - Traditional Plan					
Village's proportion of the net pension liability	0.013898%	0.013334%	0.013661%	0.014420%	0.015329%
Village's proportionate share of the net pension liability	\$ 2,747,034	\$ 3,651,912	\$ 2,143,146	\$ 3,274,537	\$ 2,655,176
Village's covered payroll	\$ 1,955,407	\$ 1,960,850	\$ 1,805,038	\$ 1,850,608	\$ 1,787,450
Village's proportionate share of the net pension liability as a percentage of its covered payroll	140.48%	186.24%	118.73%	176.94%	148.55%
Plan fiduciary net position as a percentage of total pension liability	84.17%	74.70%	84.66%	77.25%	81.08%
	2020	2019	2018	2017	2016
Ohio Police and Fire Pension Fund					
Village's proportion of the net pension liability	0.011093%	0.011516%	0.009585%	0.008617%	0.010008%
Village's proportionate share of the net pension liability	\$ 747,250	\$ 940,010	\$ 588,294	\$ 545,772	\$ 648,449
Village's covered payroll	\$ 331,795	\$ 289,700	\$ 224,974	\$ 227,211	n/a
Village's proportionate share of the net pension liability as a percentage of its covered payroll	225.21%	324.48%	261.49%	240.20%	n/a
Plan fiduciary net position as a percentage of total pension liability	69.89%	63.07%	70.91%	68.36%	66.77%

See notes to required supplementary information.

(1) Information prior to 2014 is not available and the amounts presented are as of the Village's measurement date which is the prior year end.

(2) Restated during 2015.

<u>2015</u>	<u>2014</u>
0.015341%	0.015341%
\$ 1,850,296	\$ 1,808,504
\$ 1,764,083	\$ 1,961,277
104.89%	92.21%
86.45%	86.36%

<u>2015</u>	<u>2014</u>
0.011103%	0.011103%
\$ 589,368	\$ 575,192
n/a	n/a
n/a	n/a
71.71%	73.00% (2)

Village of Newton Falls, Ohio
 Required Supplementary Information
 Schedule of the Village's Contributions - Pension
 Last Eight Years (1)

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Ohio Public Employees Retirement System - Traditional Plan						
Contractually required contribution	\$ 285,263	\$ 273,757	\$ 274,519	\$ 234,655	\$ 222,073	\$ 214,494
Contributions in relation to contractually required contribution	<u>(285,263)</u>	<u>(273,757)</u>	<u>(274,519)</u>	<u>(234,655)</u>	<u>(222,073)</u>	<u>(214,494)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Village covered payroll	\$ 2,037,593	\$ 1,955,407	\$ 1,960,850	\$ 1,805,038	\$ 1,850,608	\$ 1,787,450
Contributions as a percentage of covered payroll	14.00%	14.00%	14.00%	13.00%	12.00%	12.00%

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
Ohio Police and Fire Pension Fund					
Contractually required contribution	\$ 55,094	\$ 63,041	\$ 55,043	\$ 42,745	\$ 43,170
Contributions in relation to contractually required contribution	<u>(55,094)</u>	<u>(63,041)</u>	<u>(55,043)</u>	<u>(42,745)</u>	<u>(43,170)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Village covered payroll	\$ 289,968	\$ 331,795	\$ 289,700	\$ 224,974	\$ 227,211
Contributions as a percentage of covered payroll	19.00%	19.00%	19.00%	19.00%	19.00%

See notes to required supplementary information.

(1) Information prior to 2013 is not available for Ohio Public Employees Retirement System and prior to 2016 for Ohio Police and Fire Pension Fund.

<u>2014</u>	<u>2013</u>
\$ 211,690	\$ 254,966
<u>(211,690)</u>	<u>(254,966)</u>
<u><u>\$ -</u></u>	<u><u>\$ -</u></u>
\$ 1,764,083	\$ 1,961,277
12.00%	13.00%

Village of Newton Falls, Ohio
 Required Supplementary Information
 Schedule of the Village's Proportionate Share of the Net OPEB Liability
 Last Four Years (1)

	2020	2019	2018	2017 (2)
Ohio Public Employees Retirement System - Traditional Plan				
Village's proportion of the net OPEB liability	0.013528%	0.013018%	0.013355%	0.011997%
Village's proportionate share of the net OPEB liability	\$ 1,868,568	\$ 1,697,240	\$ 1,450,255	\$ 1,211,738
Village's covered payroll	\$ 1,955,407	\$ 1,960,850	\$ 1,880,200	\$ 1,948,000
Village's proportionate share of the net OPEB liability as a percentage of its covered payroll	95.56%	86.56%	77.13%	62.20%
Plan fiduciary net position as a percentage of total OPEB liability	47.80%	46.33%	54.14%	54.05%

	2020	2019	2018	2017 (2)
Ohio Police and Fire Pension Fund				
Village's proportion of the net OPEB liability	0.011093%	0.011516%	0.009585%	0.008617%
Village's proportionate share of the net OPEB liability	\$ 109,569	\$ 104,871	\$ 543,090	\$ 409,012
Village's covered payroll	\$ 1,037,000	\$ 289,800	\$ 225,000	\$ 227,200
Village's proportionate share of the net OPEB liability as a percentage of its covered payroll	10.57%	36.19%	241.37%	180.02%
Plan fiduciary net position as a percentage of total OPEB liability	47.10%	46.57%	14.13%	15.96%

See notes to required supplementary information.

(1) Information prior to 2017 is not available and the amounts presented are as of the Village's measurement date which is the prior year end.

(2) Restated during 2018.



Village of Newton Falls, Ohio
 Required Supplementary Information
 Schedule of the Village's Contributions - OPEB
 Last Eight Years (1)

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Ohio Public Employees Retirement System						
Contractually required contribution	\$ -	\$ -	\$ -	\$ 18,802	\$ 38,960	\$ 39,721
Contributions in relation to contractually required contribution	<u>-</u>	<u>-</u>	<u>-</u>	<u>(18,802)</u>	<u>(38,960)</u>	<u>(39,721)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Village covered payroll	\$ 2,037,593	\$ 1,955,407	\$ 1,960,850	\$ 1,880,200	\$ 1,948,000	\$ 1,986,050
Contributions as a percentage of covered payroll	0.00%	0.00%	0.00%	1.00%	2.00%	2.00%

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
Ohio Police and Fire Pension Fund					
Contractually required contribution	\$ 1,450	\$ 5,185	\$ 1,449	\$ 1,125	\$ 1,136
Contributions in relation to contractually required contribution	<u>(1,450)</u>	<u>(5,185)</u>	<u>(1,449)</u>	<u>(1,125)</u>	<u>(1,136)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Village covered payroll	\$ 290,000	\$ 1,037,000	\$ 289,800	\$ 225,000	\$ 227,200
Contributions as a percentage of covered payroll	0.50%	0.50%	0.50%	0.50%	0.50%

See notes to required supplementary information.

(1) Information prior to 2013 is not available for Ohio Public Employees Retirement System and prior to 2016 for Ohio Police and Fire Pension Fund.

<u>2014</u>	<u>2013</u>
\$ 39,202	\$ 21,792
<u>(39,202)</u>	<u>(21,792)</u>
<u><u>\$ -</u></u>	<u><u>\$ -</u></u>
\$ 1,960,100	\$ 2,179,200
2.00%	1.00%

Village of Newton Falls, Ohio
Notes to Required Supplementary Information
For the Year Ended December 31, 2020

Pension

Ohio Public Employees Retirement System (OPERS) - Traditional Plan

Changes in benefit terms: There were no changes in benefit terms from the amounts reported.

Changes in assumptions: There was a change in methods and assumptions used in the calculation of actuarial determined contributions for 2020. See the notes to the basic financials for the methods and assumptions in this calculation.

Ohio Police and Fire Pension Fund

Changes in benefit terms: There were no significant changes in benefit terms during 2020.

Changes in assumptions: There was a change in methods and assumptions used in the calculation of actuarial determined contributions for 2020. See the notes to the basic financial statements for the methods and assumptions in this calculation.

OPEB

Ohio Public Employees Retirement System (OPERS)

Changes in benefit terms: There were no changes in benefit terms from the amounts reported.

Changes in assumptions: There was a change in methods and assumptions used in the calculation of actuarial determined contributions for 2020. See the notes to the basic financials for the methods and assumptions in this calculation.

Ohio Police and Fire Pension Fund

Changes in benefit terms: There were no significant changes in benefit terms during 2020.

Changes in assumptions: There was no change in methods and assumptions used in the calculation of actuarial determined contributions for 2020. See the notes to the basic financial statements for the methods and assumptions in this calculation.

Combining Statements for Nonmajor Governmental Funds

Combining Statements and Individual Fund Schedules

NONMAJOR SPECIAL REVENUE FUNDS

Special revenue funds are used to account for the proceeds of specific revenue sources that are legally restricted or committed to expenditures for specified purposes. A description of the Village's special revenue funds follows:

Street Construction, Maintenance and Repair

To account for gasoline tax, motor vehicle license fees and various other miscellaneous charges remitted to the Village restricted for routine maintenance of Village streets.

State Highway Improvement

To account for gasoline tax and motor vehicle license fees restricted for routine maintenance of state highways within the Village.

Permissive Auto

To account for motor vehicle license tax levied by County and/or taxing districts. These monies are restricted for planning, constructing, improving, maintaining and repairing public roads, highways, streets, bridges and viaducts.

Parks and Recreation

To account for maintenance of 9 Village parks totaling 32.4 acres. Maintenance includes mowing performed by Village employees.

Drug Law Enforcement

To account for fines collected by the Village that are restricted to subsidize law enforcement efforts which pertain to drug offenses. This fund was established to record revenues received from the courts for this classification.

Senior Citizen Van

To account for a grant for senior transportation services.

Indigent Drivers

To account for fines collected and restricted for expenditures of the municipal courts.

Home Improvement Loan

To account for monies received from the federal government via the Ohio Department of Development. The funding received is to directly benefit low and moderate income persons in the community. Projects include housing rehabilitation, maintenance, planning and administrative costs that meet the programs national objectives.

Law Library

To account for fines collected and restricted for expenditures of the municipal courts.

Enforcement and Education

To account for funding which comes from fines imposed on those convicted of a violation and is used to enhance the effectiveness of the local law enforcement department in apprehending drunk drivers.

Combining Statements – Nonmajor Governmental Funds (Continued)

NONMAJOR SPECIAL REVENUE FUNDS (Continued)

Special Levy Police Pension

To account for property taxes levied and restricted for police pensions.

Court Computerization

To account for a portion of court costs received by the Village for the computerization and use of computerized legal research for the operations of the Newton Falls Municipal Courts.

Court General Special Projects

To account for fines collected for the rehabilitation and expansion of court facilities.

Court Security/Diversion Program

To account for fines collected to acquire appropriate facilities for the secure transport, monitoring, and holding of prisoners, for the acquisition of provisions for security equipment, case specified diversion educational classes, staff and other related programs.

Indigent Drivers Alcohol Treatment

To account for fines collected and restricted for expenditures of the municipal courts.

Probation Incentive Award

To account for grant monies received to be used for probation services.

Justice Reinvestment and Incentive

To account for grant monies received to be used for probation services.

Cares Act

To account for grant monies received to be used for necessary COVID-19 pandemic related expenses.

Court Cares Act

To account for grant monies received to be used for Court COVID-19 pandemic related expenses.

Stormwater

To account for the storm water user's fee committed for storm water maintenance and repairs.

Summer Concert Series

To account for receipts used for concerts in the Village parks.

NONMAJOR CAPITAL PROJECTS FUNDS

Capital projects funds are established to account for financial resources that are restricted, committed or assigned to be used for the acquisition or construction of major capital facilities other than those financed by proprietary funds or trust funds.

Capital Improvement

To account for income tax revenues restricted for capital improvements for the police department, street construction, maintenance and repair, and for general purposes.

Road Building and Equipment

To account for the receipt and dispersal of all resources restricted for the purposes of improving roads, construction and improvement of Village buildings, and the purchase of necessary equipment for the implementation of Village services.

Future Building

To account for the receipt and dispersal of income taxes restricted for future building expenses.

Village Hall Broad Street (budgetary not presented for 2020)

To account for the receipt and dispersal of bond proceeds restricted for Village Hall improvements.

Park Fence

To account for the receipt and dispersal of bond proceeds restricted for Park improvements.



Village of Newton Falls, Ohio
Combining Balance Sheet
Nonmajor Governmental Funds
December 31, 2020

	Nonmajor Special Revenue Funds	Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
Assets:			
Equity in pooled cash and investments	\$ 2,051,396	\$ 21,529	\$ 2,072,925
Receivables:			
Income tax	30,824	11,855	42,679
Property and other taxes	16,553	-	16,553
Accounts	17,179	-	17,179
Intergovernmental	148,023	-	148,023
Materials and supplies inventory	21,585	-	21,585
Loans receivable	593,797	-	593,797
Prepaid items	1,413	-	1,413
Total assets	\$ 2,880,770	\$ 33,384	\$ 2,914,154
Liabilities:			
Accounts payable	\$ 36,468	\$ 445	\$ 36,913
Contracts payable	-	14,652	14,652
Accrued wages	14,876	-	14,876
Intergovernmental payable	2,299	-	2,299
Undistributed monies	475	-	475
Total liabilities	54,118	15,097	69,215
Deferred inflows of resources:			
Property taxes	16,553	-	16,553
Unavailable revenue - other	124,919	5,910	130,829
Total deferred inflows of resources	141,472	5,910	147,382
Fund balances:			
Nonspendable	22,998	-	22,998
Restricted	2,412,239	27,474	2,439,713
Committed	249,943	-	249,943
Unassigned	-	(15,097)	(15,097)
Total fund balances	2,685,180	12,377	2,697,557
Total liabilities, deferred inflows of resources and fund balances	\$ 2,880,770	\$ 33,384	\$ 2,914,154

Village of Newton Falls, Ohio
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Governmental Funds
For the Year Ended December 31, 2020

	Nonmajor Special Revenue Funds	Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
Revenues:			
Municipal income tax	\$ 109,839	\$ 47,040	\$ 156,879
Property and other taxes	18,119	-	18,119
Charges for services	81,451	-	81,451
Fines and forfeitures	159,656	-	159,656
Intergovernmental	821,225	-	821,225
Interest	21	-	21
Other	42,291	-	42,291
Total revenue	<u>1,232,602</u>	<u>47,040</u>	<u>1,279,642</u>
Expenditures:			
Current:			
General government	341,459	27,056	368,515
Security of persons and property			
Police	131,728	-	131,728
Other	12,882	-	12,882
Transportation	417,737	-	417,737
Lesiure time activities	7,224	-	7,224
Community and economic development	44,611	-	44,611
Capital outlay	367,630	260,959	628,589
Debt service:			
Principal retirement	25,612	28,275	53,887
Interest and fiscal charges	3,190	4,151	7,341
Total expenditures	<u>1,352,073</u>	<u>320,441</u>	<u>1,672,514</u>
Excess of revenues under expenditures	<u>(119,471)</u>	<u>(273,401)</u>	<u>(392,872)</u>
Other financing sources (uses):			
Bonds issued	-	20,000	20,000
Issuance of OPWC loans	-	180,063	180,063
Transfers - in	195,384	-	195,384
Transfers - out	(37,585)	-	(37,585)
Total other financing sources (uses)	<u>157,799</u>	<u>200,063</u>	<u>357,862</u>
Net change in fund balance	38,328	(73,338)	(35,010)
Fund balances at beginning of year	<u>2,646,852</u>	<u>85,715</u>	<u>2,732,567</u>
Fund balances at end of year	<u>\$ 2,685,180</u>	<u>\$ 12,377</u>	<u>\$ 2,697,557</u>

Village of Newton Falls, Ohio
Combining Balance Sheet
Nonmajor Special Revenue Funds
December 31, 2020

	Street Construction, Maintenance and Repair Fund	State Highway Improvement Fund	Permissive Auto Fund	Parks and Recreation Fund	Drug Law Enforcement Fund
Assets:					
Equity in pooled cash and investments	\$ 23,097	\$ 9,409	\$ 27,321	\$ 52,223	\$ 6,485
Receivables:					
Income tax	27,267	-	-	3,557	-
Property and other taxes	-	-	-	-	-
Accounts	14	-	-	-	-
Intergovernmental	128,750	10,435	7,421	5	-
Materials and supplies inventory	2,096	3,150	15,419	470	-
Loans receivable	-	-	-	-	-
Prepaid items	1,413	-	-	-	-
Total assets	<u>\$ 182,637</u>	<u>\$ 22,994</u>	<u>\$ 50,161</u>	<u>\$ 56,255</u>	<u>\$ 6,485</u>
Liabilities:					
Accounts payable	\$ 4,355	\$ -	\$ 1,229	\$ 166	\$ -
Accrued wages	14,876	-	-	-	-
Intergovernmental payable	2,299	-	-	-	-
Undistributed monies	-	-	-	475	-
Total liabilities	<u>21,530</u>	<u>-</u>	<u>1,229</u>	<u>641</u>	<u>-</u>
Deferred inflows of resources:					
Property taxes	-	-	-	-	-
Unavailable revenue - other	97,989	6,843	-	1,773	-
Total deferred inflows of resources	<u>97,989</u>	<u>6,843</u>	<u>-</u>	<u>1,773</u>	<u>-</u>
Fund balances:					
Nonspendable	3,509	3,150	15,419	470	-
Restricted	59,609	13,001	33,513	53,371	6,485
Committed	-	-	-	-	-
Total fund balances	<u>63,118</u>	<u>16,151</u>	<u>48,932</u>	<u>53,841</u>	<u>6,485</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 182,637</u>	<u>\$ 22,994</u>	<u>\$ 50,161</u>	<u>\$ 56,255</u>	<u>\$ 6,485</u>

Senior Citizen Van Fund	Indigent Drivers Fund	Home Improvement Loan Fund	Law Library Fund	Enforcement and Education Fund	Special Levy Police Pension Fund	Court Computerization Fund
\$ 1,108	\$ 28,487	\$ 118,221	\$ 1,652	\$ 19,609	\$ -	\$ 468,468
-	-	-	-	-	-	-
-	-	-	-	-	16,553	-
-	-	-	-	-	-	7
-	-	-	-	-	1,156	-
-	-	593,797	-	-	-	-
-	-	-	-	-	-	-
<u>\$ 1,108</u>	<u>\$ 28,487</u>	<u>\$ 712,018</u>	<u>\$ 1,652</u>	<u>\$ 19,609</u>	<u>\$ 17,709</u>	<u>\$ 468,475</u>
\$ -	\$ -	\$ 14,470	\$ -	\$ -	\$ -	\$ 1,471
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
<u>-</u>	<u>-</u>	<u>14,470</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,471</u>
-	-	-	-	-	16,553	-
-	-	-	-	-	1,156	-
-	-	-	-	-	17,709	-
-	-	-	-	-	-	-
1,108	28,487	697,548	1,652	19,609	-	467,004
-	-	-	-	-	-	-
<u>1,108</u>	<u>28,487</u>	<u>697,548</u>	<u>1,652</u>	<u>19,609</u>	<u>-</u>	<u>467,004</u>
<u>\$ 1,108</u>	<u>\$ 28,487</u>	<u>\$ 712,018</u>	<u>\$ 1,652</u>	<u>\$ 19,609</u>	<u>\$ 17,709</u>	<u>\$ 468,475</u>

Village of Newton Falls, Ohio
Combining Balance Sheet
Nonmajor Special Revenue Funds
December 31, 2020

	Court General Special Projects Fund	Court Secutiry/ Diversion Program Fund	Indigent Drivers Alcohol Treatment Fund	Probation Incentive Award Fund
Assets:				
Equity in pooled cash and investments	\$ 843,684	\$ 13,992	\$ 164,441	\$ -
Receivables:				
Income tax	-	-	-	-
Property and other taxes	-	-	-	-
Accounts	-	-	-	-
Intergovernmental	-	-	256	-
Materials and supplies inventory	-	-	-	-
Loans receivable	-	-	-	-
Prepaid items	-	-	-	-
Total assets	<u>\$ 843,684</u>	<u>\$ 13,992</u>	<u>\$ 164,697</u>	<u>\$ -</u>
Liabilities:				
Accounts payable	\$ 10,619	\$ 90	\$ -	\$ -
Accrued wages	-	-	-	-
Intergovernmental payable	-	-	-	-
Undistributed monies	-	-	-	-
Total liabilities	<u>10,619</u>	<u>90</u>	<u>-</u>	<u>-</u>
Deferred inflows of resources:				
Property taxes	-	-	-	-
Unavailable revenue - other	-	-	-	-
Total deferred inflows of resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balances:				
Nonspendable	-	-	-	-
Restricted	833,065	13,902	164,697	-
Committed	-	-	-	-
Total fund balances	<u>833,065</u>	<u>13,902</u>	<u>164,697</u>	<u>-</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 843,684</u>	<u>\$ 13,992</u>	<u>\$ 164,697</u>	<u>\$ -</u>

Justice Reinvestment and Incentive Fund	Cares Act Fund	Court Cares Act Fund	Stormwater Fund	Summer Concert Series Fund	Total Nonmajor Special Revenue Funds
\$ 16,845	\$ -	\$ -	\$ 253,104	\$ 3,250	\$ 2,051,396
-	-	-	-	-	30,824
-	-	-	-	-	16,553
-	-	-	17,158	-	17,179
-	-	-	-	-	148,023
-	-	-	450	-	21,585
-	-	-	-	-	593,797
-	-	-	-	-	1,413
<u>\$ 16,845</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 270,712</u>	<u>\$ 3,250</u>	<u>\$ 2,880,770</u>
\$ 907	\$ -	\$ -	\$ 3,161	\$ -	\$ 36,468
-	-	-	-	-	14,876
-	-	-	-	-	2,299
-	-	-	-	-	475
<u>907</u>	<u>-</u>	<u>-</u>	<u>3,161</u>	<u>-</u>	<u>54,118</u>
-	-	-	-	-	16,553
-	-	-	17,158	-	124,919
-	-	-	17,158	-	141,472
-	-	-	450	-	22,998
15,938	-	-	-	3,250	2,412,239
-	-	-	249,943	-	249,943
<u>15,938</u>	<u>-</u>	<u>-</u>	<u>250,393</u>	<u>3,250</u>	<u>2,685,180</u>
<u>\$ 16,845</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 270,712</u>	<u>\$ 3,250</u>	<u>\$ 2,880,770</u>

Village of Newton Falls, Ohio
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2020

	Street Construction, Maintenance and Repair Fund	State Highway Improvement Fund	Permissive Auto Fund	Parks and Recreation Fund	Drug Law Enforcement Fund
Revenues:					
Municipal income tax	\$ 96,765	\$ -	\$ -	\$ 13,074	\$ -
Property and other taxes	-	-	-	-	-
Charges for services	-	-	-	-	-
Fines and forfeitures	-	-	-	-	1,875
Intergovernmental	267,583	21,696	91,759	41,089	-
Interest	-	-	-	-	-
Other	13,360	-	479	4,390	-
Total revenue	<u>377,708</u>	<u>21,696</u>	<u>92,238</u>	<u>58,553</u>	<u>1,875</u>
Expenditures:					
Current:					
General government	-	-	-	-	-
Security of persons and property					
Police	-	-	-	-	-
Other	-	-	-	-	-
Transportation	374,315	1,585	35,482	-	-
Leisure time activities	-	-	-	7,224	-
Community and economic development	-	-	-	-	-
Capital outlay	-	57,000	151,839	70,902	-
Debt service:					
Principal retirement	-	25,612	-	-	-
Interest and fiscal charges	-	3,190	-	-	-
Total expenditures	<u>374,315</u>	<u>87,387</u>	<u>187,321</u>	<u>78,126</u>	<u>-</u>
Excess of revenues over (under) expenditures	<u>3,393</u>	<u>(65,691)</u>	<u>(95,083)</u>	<u>(19,573)</u>	<u>1,875</u>
Other financing sources (uses):					
Transfers - in	23,647	-	102,861	68,876	-
Transfers - out	-	-	-	-	-
Total other financing sources (uses)	<u>23,647</u>	<u>-</u>	<u>102,861</u>	<u>68,876</u>	<u>-</u>
Net change in fund balance	27,040	(65,691)	7,778	49,303	1,875
Fund balances at beginning of year	<u>36,078</u>	<u>81,842</u>	<u>41,154</u>	<u>4,538</u>	<u>4,610</u>
Fund balances at end of year	<u>\$ 63,118</u>	<u>\$ 16,151</u>	<u>\$ 48,932</u>	<u>\$ 53,841</u>	<u>\$ 6,485</u>

Senior Citizen Van Fund	Indigent Drivers Fund	Home Improvement Loan Fund	Law Library Fund	Enforcement and Education Fund	Special Levy Police Pension Fund	Court Computerization Fund
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	18,119	-
-	850	-	13,438	1,315	-	51,313
-	-	21	-	-	-	-
-	-	-	-	13,739	-	-
-	850	21	13,438	15,054	18,119	51,313
-	-	-	-	-	-	23,619
-	5,747	-	-	18,805	18,300	-
-	-	-	12,882	-	-	-
-	-	-	-	-	-	-
-	-	44,611	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	5,747	44,611	12,882	18,805	18,300	23,619
-	(4,897)	(44,590)	556	(3,751)	(181)	27,694
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	(4,897)	(44,590)	556	(3,751)	(181)	27,694
1,108	33,384	742,138	1,096	23,360	181	439,310
\$ 1,108	\$ 28,487	\$ 697,548	\$ 1,652	\$ 19,609	\$ -	\$ 467,004

Village of Newton Falls, Ohio
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2020

	Court General Special Projects Fund	Court Secutiry/ Diversion Program Fund	Indigent Drivers Alcohol Treatment Fund	Probation Incentive Award Fund
Revenues:				
Municipal income tax	\$ -	\$ -	\$ -	\$ -
Property and other taxes	-	-	-	-
Charges for services	-	-	-	-
Fines and forfeitures	78,159	3,922	8,784	-
Intergovernmental	-	-	2,017	-
Interest	-	-	-	-
Other	-	-	10,323	-
Total revenue	<u>78,159</u>	<u>3,922</u>	<u>21,124</u>	<u>-</u>
Expenditures:				
Current:				
General government	30,449	8,609	1,924	6,184
Security of persons and property				
Police	-	-	-	-
Other	-	-	-	-
Transportation	-	-	-	-
Leisure time activities	-	-	-	-
Community and economic development	-	-	-	-
Capital outlay	-	-	-	-
Debt service:				
Principal retirement	-	-	-	-
Interest and fiscal charges	-	-	-	-
Total expenditures	<u>30,449</u>	<u>8,609</u>	<u>1,924</u>	<u>6,184</u>
Excess of revenues over (under) expenditures	<u>47,710</u>	<u>(4,687)</u>	<u>19,200</u>	<u>(6,184)</u>
Other financing sources (uses):				
Transfers - in	-	-	-	-
Transfers - out	-	-	-	(18)
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>(18)</u>
Net change in fund balance	47,710	(4,687)	19,200	(6,202)
Fund balances at beginning of year	<u>785,355</u>	<u>18,589</u>	<u>145,497</u>	<u>6,202</u>
Fund balances at end of year	<u>\$ 833,065</u>	<u>\$ 13,902</u>	<u>\$ 164,697</u>	<u>\$ -</u>

Justice Reinvestment and Incentive Fund	Cares Act Fund	Court Cares Act Fund	Stormwater Fund	Summer Concert Series Fund	Total Nonmajor Special Revenue Funds
\$ -	\$ -	\$ -	\$ -	\$ -	\$ 109,839
-	-	-	-	-	18,119
-	-	-	81,451	-	81,451
-	-	-	-	-	159,656
20,388	345,614	31,079	-	-	821,225
-	-	-	-	-	21
-	-	-	-	-	42,291
<u>20,388</u>	<u>345,614</u>	<u>31,079</u>	<u>81,451</u>	<u>-</u>	<u>1,232,602</u>
13,936	256,738	-	-	-	341,459
-	88,876	-	-	-	131,728
-	-	-	-	-	12,882
-	-	-	6,355	-	417,737
-	-	-	-	-	7,224
-	-	-	-	-	44,611
-	-	31,079	56,810	-	367,630
-	-	-	-	-	25,612
-	-	-	-	-	3,190
<u>13,936</u>	<u>345,614</u>	<u>31,079</u>	<u>63,165</u>	<u>-</u>	<u>1,352,073</u>
<u>6,452</u>	<u>-</u>	<u>-</u>	<u>18,286</u>	<u>-</u>	<u>(119,471)</u>
-	-	-	-	-	195,384
-	-	-	(37,567)	-	(37,585)
-	-	-	(37,567)	-	157,799
6,452	-	-	(19,281)	-	38,328
9,486	-	-	269,674	3,250	2,646,852
<u>\$ 15,938</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 250,393</u>	<u>\$ 3,250</u>	<u>\$ 2,685,180</u>

Village of Newton Falls, Ohio
Combining Balance Sheet
Nonmajor Capital Projects Funds
December 31, 2020

	Capital Improvement Fund	Road Building and Equipment Fund	Future Building Fund	Village Hall Broad Street Fund	Park Fence Fund
Assets:					
Equity in pooled cash and investments	\$ 16,603	\$ 365	\$ 4,561	\$ -	\$ -
Receivables:					
Income tax	11,855	-	-	-	-
Total assets	<u>\$ 28,458</u>	<u>\$ 365</u>	<u>\$ 4,561</u>	<u>\$ -</u>	<u>\$ -</u>
Liabilities:					
Accounts payable	\$ -	\$ -	\$ -	\$ 445	\$ -
Contracts payable	-	-	-	14,652	-
Total liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>15,097</u>	<u>-</u>
Deferred inflows of resources:					
Unavailable revenue - other	<u>5,910</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balances:					
Restricted	22,548	365	4,561	-	-
Unassigned	<u>-</u>	<u>-</u>	<u>-</u>	<u>(15,097)</u>	<u>-</u>
Total fund balances	<u>22,548</u>	<u>365</u>	<u>4,561</u>	<u>(15,097)</u>	<u>-</u>
Total liabilities, deferred inflows of resources and fund balances					
	<u>\$ 28,458</u>	<u>\$ 365</u>	<u>\$ 4,561</u>	<u>\$ -</u>	<u>\$ -</u>

Total
Nonmajor
Capital
Projects
Funds

\$ 21,529

11,855

\$ 33,384

\$ 445

14,652

15,097

5,910

27,474

(15,097)

12,377

\$ 33,384

Village of Newton Falls, Ohio
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Capital Projects Funds
For the Year Ended December 31, 2020

	Capital Improvement Fund	Road Building and Equipment Fund	Future Building Fund	Village Hall Broad Street Fund	Park Fence Fund
Revenues:					
Municipal income tax	\$ 43,577	\$ -	\$ 3,463	\$ -	\$ -
Expenditures:					
Current:					
General government	25,784	327	500	445	-
Capital outlay	200,307	-	26,000	14,652	20,000
Debt service:					
Principal retirement	28,275	-	-	-	-
Interest and fiscal charges	4,151	-	-	-	-
Total expenditures	<u>258,517</u>	<u>327</u>	<u>26,500</u>	<u>15,097</u>	<u>20,000</u>
Excess of revenues under expenditures	<u>(214,940)</u>	<u>(327)</u>	<u>(23,037)</u>	<u>(15,097)</u>	<u>(20,000)</u>
Other financing sources:					
Bonds issued	-	-	-	-	20,000
Issuance of OPWC loans	180,063	-	-	-	-
Total other financing sources	<u>180,063</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>20,000</u>
Net change in fund balance	(34,877)	(327)	(23,037)	(15,097)	-
Fund balance at beginning of year	57,425	692	27,598	-	-
Fund balances at end of year	<u>\$ 22,548</u>	<u>\$ 365</u>	<u>\$ 4,561</u>	<u>\$ (15,097)</u>	<u>\$ -</u>

Total
Nonmajor
Capital
Projects
Funds

\$ 47,040

27,056
260,959

28,275
4,151

320,441

(273,401)

20,000
180,063

200,063

(73,338)

85,715

\$ 12,377

**Individual Fund Schedules of Revenue, Expenditures/Expenses and Changes in
Fund Balance/Fund Equity – Budget (Non-GAAP Basis) and Actual
Major and Nonmajor**

MAJOR GENERAL FUND

The general fund is the operating fund of the Village and is used to account for all financial resources except those required to be accounted for in another fund.

Funds being reported as part of the general fund

The following fund is legally budgeted as a separate special revenue fund but is being reported as part of the general fund for GAAP reporting purposes.

Economic Development

To account for the receipt and dispersal of all resources for projects and programs that create or retain jobs, improve the local and regional tax base, or otherwise enhance the quality of life in the community.

Refuse

To account for receipt and dispersal of resources committed for solid waste disposal services.

Unclaimed Monies

To account for unclaimed monies that are collected and sent to the State of Ohio for the rightful owner until the monies can be returned.

Fuel/Township Fuel

To account for the receipt and dispersal of funds from the fire and Township for fuel services.

Village of Newton Falls
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
General Fund
For the Year Ended December 31, 2020

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
<u>Revenues:</u>				
Municipal income tax	\$ 791,110	\$ 776,327	\$ 777,389	\$ 1,062
Property and other taxes	263,600	247,961	260,702	12,741
Charges for services	44,485	50,817	51,070	253
Licenses and permits	58,300	80,654	80,654	-
Fines and forfeitures	629,000	537,029	537,029	-
Intergovernmental	143,510	137,411	137,411	-
Interest	97,000	156,215	156,215	-
Other	29,275	150,833	150,993	160
Total revenues	2,056,280	2,137,247	2,151,463	14,216
<u>Expenditures:</u>				
Current:				
General government				
Village administration				
Personal services	81,289	60,197	66,391	(6,194)
Travel	1,417	1,417	1,417	-
Contractual services	20,404	19,616	19,616	-
Materials and supplies	14,894	22,350	22,217	133
Other	5,015	8,266	8,266	-
Total village administration	123,019	111,846	117,907	(6,061)
Council				
Personal services	11,418	6,992	6,992	-
Travel	1,802	821	821	-
Contractual services	40,510	36,560	36,560	-
Materials and supplies	1,650	1,250	1,250	-
Total council	55,380	45,623	45,623	-
Municipal court				
Personal services	698,648	583,629	592,433	(8,804)
Travel	2,128	2,128	2,128	-
Contractual services	12,322	12,302	12,302	-
Materials and supplies	4,100	4,044	4,044	-
Total municipal court	717,198	602,103	610,907	(8,804)
Finance				
Personal services	92,860	56,537	51,537	5,000
Travel	100	103	103	-
Contractual services	-	4,767	-	4,767
Materials and supplies	2,600	2,384	2,384	-
Other	19,200	38,805	38,343	462
Total finance	114,760	102,596	92,367	10,229

(Continued)

Village of Newton Falls
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
General Fund
For the Year Ended December 31, 2020
(Continued)

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Boards and commissions				
Personal services	1,100	310	310	-
Law				
Personal services	26,305	21,725	21,725	-
Travel	10	27	27	-
Contractual services	2,140	2,011	2,011	-
Materials and supplies	2,400	2,361	2,361	-
Total law	30,855	26,124	26,124	-
Income tax				
Contractual services	29,060	23,679	23,679	-
Building Maintenance				
Personal services	7,090	24,849	24,849	-
Contractual services	36,500	48,107	48,107	-
Materials and supplies	3,500	3,845	3,845	-
Capital outlay	10,500	272,821	272,821	-
Total building maintenance	57,590	349,622	349,622	-
Total general government	1,128,962	1,261,903	1,266,539	(4,636)
Security of persons and property				
Police				
Personal services	616,248	539,927	538,927	1,000
Travel	500	522	522	-
Contractual services	55,285	55,097	55,097	-
Materials and supplies	36,465	33,778	33,778	-
Total police	708,498	629,324	628,324	1,000
Police support				
Personal services	13,325	13,040	13,040	-
Contractual services	30,000	29,755	29,755	-
Total police support	43,325	42,795	42,795	-
Fire				
Contractual services	70,850	70,837	70,837	-
Other	-	43,453	43,453	-
Total fire	70,850	114,290	114,290	-
Total security of persons and property	822,673	786,409	785,409	1,000

(Continued)

Village of Newton Falls
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
General Fund
For the Year Ended December 31, 2020
(Continued)

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Community and economic development				
Zoning				
Personal services	77,075	83,892	83,892	-
Travel	30	30	30	-
Contractual services	23,000	25,349	25,349	-
Materials and supplies	10,010	12,239	12,239	-
Total community and economic development	110,115	121,510	121,510	-
Total expenditures	2,061,750	2,169,822	2,173,458	(3,636)
Excess of revenues over (under) expenditures	(5,470)	(32,575)	(21,995)	10,580
Other financing sources (uses):				
Bonds issued	-	8,000	8,000	-
Transfers - in	624,881	1,079,258	1,079,258	-
Transfers - out	(923,050)	(948,101)	(948,101)	-
Total other financing sources (uses)	(298,169)	139,157	139,157	-
Net change in fund balance	(303,639)	106,582	117,162	10,580
Fund balance at beginning of year	723,578	723,578	723,578	-
Fund balance at end of year	\$ 419,939	\$ 830,160	\$ 840,740	\$ 10,580

Village of Newton Falls
 Schedule of Revenues, Expenditures and Changes
 In Fund Balance - Budget (Non-GAAP Basis) and Actual
 Economic Development Fund
 For the Year Ended December 31, 2020

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
<u>Revenues:</u>				
Total revenues	\$ -	\$ -	\$ -	\$ -
<u>Expenditures:</u>				
Total expenditures	-	-	-	-
Net change in fund balance	-	-	-	-
Fund balance at beginning of year	255	255	255	-
Fund balance at end of year	\$ 255	\$ 255	\$ 255	\$ -

Village of Newton Falls
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Refuse Fund
For the Year Ended December 31, 2020

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>		
<u>Revenues:</u>				
Charges for services	\$ 300,000	\$ 320,459	\$ 327,555	\$ 7,096
<u>Expenditures:</u>				
Current:				
General government				
Refuse				
Contractual services	249,990	355,045	355,045	-
Other	10	2	2	-
Total expenditures	<u>250,000</u>	<u>355,047</u>	<u>355,047</u>	<u>-</u>
Net change in fund balance	50,000	(34,588)	(27,492)	7,096
Fund balance at beginning of year	<u>62,415</u>	<u>62,415</u>	<u>62,415</u>	<u>-</u>
Fund balance at end of year	<u>\$ 112,415</u>	<u>\$ 27,827</u>	<u>\$ 34,923</u>	<u>\$ 7,096</u>

Village of Newton Falls
 Schedule of Revenues, Expenditures and Changes
 In Fund Balance - Budget (Non-GAAP Basis) and Actual
 Unclaimed Monies Fund
 For the Year Ended December 31, 2020

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>		
<u>Revenues:</u>				
Other	\$ -	\$ 1,592	\$ 1,592	\$ -
<u>Expenditures:</u>				
Total expenditures	-	-	-	-
Net change in fund balance	-	1,592	1,592	-
Fund balance at beginning of year	18,079	18,079	18,079	-
Fund balance at end of year	<u>\$ 18,079</u>	<u>\$ 19,671</u>	<u>\$ 19,671</u>	<u>\$ -</u>

Village of Newton Falls
 Schedule of Revenues, Expenditures and Changes
 In Fund Balance - Budget (Non-GAAP Basis) and Actual
 Fire/Township Fuel Fund
 For the Year Ended December 31, 2020

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>		
<u>Revenues:</u>				
Charges for services	\$ 15,000	\$ 20,134	\$ 20,387	\$ 253
<u>Expenditures:</u>				
Current:				
General government				
Materials and supplies	15,000	22,349	22,349	-
Net change in fund balance	-	(2,215)	(1,962)	253
Fund balance at beginning of year	10,232	10,232	10,232	-
Fund balance at end of year	<u>\$ 10,232</u>	<u>\$ 8,017</u>	<u>\$ 8,270</u>	<u>\$ 253</u>

Village of Newton Falls
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Street Construction, Maintenance and Repair Fund
For the Year Ended December 31, 2020

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
<u>Revenues:</u>				
Intergovernmental	\$ 200,000	\$ 270,109	\$ 270,109	\$ -
Other	2,000	13,335	13,335	-
Total revenues	<u>202,000</u>	<u>283,444</u>	<u>283,444</u>	<u>-</u>
<u>Expenditures:</u>				
Current:				
Transportation				
Street maintenance				
Personal services	367,656	330,706	330,706	-
Contractual services	23,870	16,250	16,250	-
Materials and supplies	23,020	21,095	21,095	-
Total expenditures	<u>414,546</u>	<u>368,051</u>	<u>368,051</u>	<u>-</u>
Excess of revenues under expenditures	<u>(212,546)</u>	<u>(84,607)</u>	<u>(84,607)</u>	<u>-</u>
Other financing sources:				
Transfers - in	<u>205,015</u>	<u>106,739</u>	<u>106,739</u>	<u>-</u>
Net change in fund balance	(7,531)	22,132	22,132	-
Fund balance at beginning of year	<u>965</u>	<u>965</u>	<u>965</u>	<u>-</u>
Fund balance at end of year	<u>\$ (6,566)</u>	<u>\$ 23,097</u>	<u>\$ 23,097</u>	<u>\$ -</u>

Village of Newton Falls
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
State Highway Improvement Fund
For the Year Ended December 31, 2020

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>		
<u>Revenues:</u>				
Intergovernmental	\$ 17,000	\$ 21,901	\$ 21,901	\$ -
<u>Expenditures:</u>				
Current:				
Transportation				
State highway improvement				
Capital outlay	22,000	61,861	61,861	-
Debt service:				
Principal retirement	-	25,612	25,612	-
Interest and fiscal charges	-	3,190	3,190	-
Total expenditures	22,000	90,663	90,663	-
Net change in fund balance	(5,000)	(68,762)	(68,762)	-
Fund balance at beginning of year	78,171	78,171	78,171	-
Fund balance at end of year	<u>\$ 73,171</u>	<u>\$ 9,409</u>	<u>\$ 9,409</u>	<u>\$ -</u>

Village of Newton Falls
 Schedule of Revenues, Expenditures and Changes
 In Fund Balance - Budget (Non-GAAP Basis) and Actual
 Permissive Auto Fund
 For the Year Ended December 31, 2020

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
<u>Revenues:</u>				
Intergovernmental	\$ 94,000	\$ 92,678	\$ 92,678	\$ -
Other	-	479	479	-
Total revenues	94,000	93,157	93,157	-
<u>Expenditures:</u>				
Current:				
Transportation				
Street maintenance				
Contractual services	16,000	6,109	6,109	-
Materials and supplies	29,500	27,825	27,825	-
Capital outlay	88,000	152,986	152,986	-
Total expenditures	133,500	186,920	186,920	-
Excess of revenues under expenditures	(39,500)	(93,763)	(93,763)	0
Other financing sources:				
Transfers - in	-	102,861	102,861	-
Net change in fund balance	(39,500)	9,098	9,098	-
Fund balance at beginning of year	18,223	18,223	18,223	-
Fund balance at end of year	\$ (21,277)	\$ 27,321	\$ 27,321	\$ -

Village of Newton Falls
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Parks and Recreation Fund
For the Year Ended December 31, 2020

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
<u>Revenues:</u>				
Intergovernmental	\$ 75,000	\$ 41,089	\$ 41,089	\$ -
Other	25,000	4,389	4,389	-
Total revenues	<u>100,000</u>	<u>45,478</u>	<u>45,478</u>	<u>-</u>
<u>Expenditures:</u>				
Current:				
Leisure time activities				
Parks and recreation				
Personal services	12,870	321	321	-
Contractual services	2,300	4,257	4,257	-
Materials and supplies	3,900	3,958	3,958	-
Capital outlay	73,781	71,000	71,000	-
Total parks and recreation	<u>92,851</u>	<u>79,536</u>	<u>79,536</u>	<u>-</u>
Community center				
Contractual services	300	938	938	-
Total expenditures	<u>93,151</u>	<u>80,474</u>	<u>80,474</u>	<u>-</u>
Excess of revenues over (under) expenditures	<u>6,849</u>	<u>(34,996)</u>	<u>(34,996)</u>	<u>-</u>
Other financing sources:				
Transfers - in	110,000	80,166	80,166	-
Net change in fund balance	116,849	45,170	45,170	-
Fund balance at beginning of year	7,053	7,053	7,053	-
Fund balance at end of year	<u>\$ 123,902</u>	<u>\$ 52,223</u>	<u>\$ 52,223</u>	<u>\$ -</u>

Village of Newton Falls
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Drug Law Enforcement Fund
For the Year Ended December 31, 2020

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<u>Revenues:</u>				
Fines and forfeitures	\$ 750	\$ 1,475	\$ 1,475	\$ -
<u>Expenditures:</u>				
Current:				
Security of persons and property				
Police				
Material and supplies	1,000	-	-	-
Net change in fund balance	(250)	1,475	1,475	-
Fund balance at beginning of year	4,460	4,460	4,460	-
Fund balance at end of year	<u>\$ 4,210</u>	<u>\$ 5,935</u>	<u>\$ 5,935</u>	<u>\$ -</u>

Village of Newton Falls
 Schedule of Revenues, Expenditures and Changes
 In Fund Balance - Budget (Non-GAAP Basis) and Actual
 Senior Citizen Van Fund
 For the Year Ended December 31, 2020

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<u>Revenues:</u>				
Total revenues	\$ -	\$ -	\$ -	\$ -
<u>Expenditures:</u>				
Total expenditures	-	-	-	-
Net change in fund balance	-	-	-	-
Fund balance at beginning of year	<u>1,108</u>	<u>1,108</u>	<u>1,108</u>	<u>-</u>
Fund balance at end of year	<u>\$ 1,108</u>	<u>\$ 1,108</u>	<u>\$ 1,108</u>	<u>\$ -</u>

Village of Newton Falls
 Schedule of Revenues, Expenditures and Changes
 In Fund Balance - Budget (Non-GAAP Basis) and Actual
 Indigent Drivers Fund
 For the Year Ended December 31, 2020

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
<u>Revenues:</u>				
Fines and forfeitures	\$ 1,000	\$ 844	\$ 844	\$ -
<u>Expenditures:</u>				
<u>Current:</u>				
Security of persons and property				
Police				
Materials and supplies	7,000	6,088	6,088	-
Net change in fund balance	(6,000)	(5,244)	(5,244)	-
Fund balance at beginning of year	33,686	33,686	33,686	-
Fund balance at end of year	\$ 27,686	\$ 28,442	\$ 28,442	\$ -

Village of Newton Falls
 Schedule of Revenues, Expenditures and Changes
 In Fund Balance - Budget (Non-GAAP Basis) and Actual
 Home Improvement Loan Fund
 For the Year Ended December 31, 2020

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<u>Revenues:</u>				
Charges for services	\$ 1,550	\$ 38,859	\$ 38,859	\$ -
<u>Expenditures:</u>				
Current:				
Community and Economic Development				
Contractual Services	-	3,455	3,455	-
Net change in fund balance	1,550	35,404	35,404	-
Fund balance at beginning of year	82,817	82,817	82,817	-
Fund balance at end of year	\$ 84,367	\$ 118,221	\$ 118,221	\$ -

Village of Newton Falls
 Schedule of Revenues, Expenditures and Changes
 In Fund Balance - Budget (Non-GAAP Basis) and Actual
 Law Library Fund
 For the Year Ended December 31, 2020

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
<u>Revenues:</u>				
Fines and forfeitures	\$ 12,000	\$ 12,882	\$ 12,882	\$ -
<u>Expenditures:</u>				
Current:				
Security of persons and property				
Other				
Materials and supplies	12,000	15,677	15,677	-
Net change in fund balance	-	(2,795)	(2,795)	-
Fund balance at beginning of year	2,795	2,795	2,795	-
Fund balance at end of year	\$ 2,795	\$ -	\$ -	\$ -

Village of Newton Falls
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Enforcement and Education Fund
For the Year Ended December 31, 2020

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
<u>Revenues:</u>				
Fines and forfeitures	\$ 3,500	\$ 1,265	\$ 1,265	\$ -
Other	1,000	13,739	13,739	-
Total revenues	4,500	15,004	15,004	-
<u>Expenditures:</u>				
Current:				
Security of persons and property				
Police				
Contractual services	10,000	11,500	11,500	-
Material and supplies	6,000	7,305	7,305	-
Total expenditures	16,000	18,805	18,805	-
Net change in fund balance	(11,500)	(3,801)	(3,801)	-
Fund balance at beginning of year	23,260	23,260	23,260	-
Fund balance at end of year	\$ 11,760	\$ 19,459	\$ 19,459	\$ -

Village of Newton Falls
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Special Levy Police Pension Fund
For the Year Ended December 31, 2020

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<u>Revenues:</u>				
Property and other taxes	\$ 17,953	\$ 18,119	\$ 18,119	\$ -
<u>Expenditures:</u>				
Current:				
Security of persons and property				
Police				
Personal services	25,000	17,984	17,984	-
Contractual services	3,000	316	316	-
Total expenditures	<u>28,000</u>	<u>18,300</u>	<u>18,300</u>	<u>-</u>
Net change in fund balance	(10,047)	(181)	(181)	-
Fund balance at beginning of year	<u>181</u>	<u>181</u>	<u>181</u>	<u>-</u>
Fund balance at end of year	<u>\$ (9,866)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

Village of Newton Falls
 Schedule of Revenues, Expenditures and Changes
 In Fund Balance - Budget (Non-GAAP Basis) and Actual
 Court Computerization Fund
 For the Year Ended December 31, 2020

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
<u>Revenues:</u>				
Fines and forfeitures	\$ 50,000	\$ 52,207	\$ 52,207	\$ -
<u>Expenditures:</u>				
Capital outlay	125,000	26,063	26,063	-
Other	25,000	1,080	1,080	-
Total expenditures	150,000	27,143	27,143	-
Net change in fund balance	(100,000)	25,064	25,064	-
Fund balance at beginning of year	439,056	439,056	439,056	-
Fund balance at end of year	\$ 339,056	\$ 464,120	\$ 464,120	\$ -

Village of Newton Falls
 Schedule of Revenues, Expenditures and Changes
 In Fund Balance - Budget (Non-GAAP Basis) and Actual
 Court General Special Projects Fund
 For the Year Ended December 31, 2020

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
<u>Revenues:</u>				
Fines and forfeitures	\$ 75,000	\$ 79,732	\$ 79,732	\$ -
<u>Expenditures:</u>				
Current:				
General government				
Custodian				
Contractual services	5,000	7,918	7,918	-
Materials and supplies	5,000	6,385	6,385	-
Capital outlay	290,000	6,330	6,330	-
Total general government	300,000	20,633	20,633	-
Net change in fund balance	(225,000)	59,099	59,099	-
Fund balance at beginning of year	778,059	778,059	778,059	-
Fund balance at end of year	\$ 553,059	\$ 837,158	\$ 837,158	\$ -

Village of Newton Falls
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Court Security/Diversion Program Fund
For the Year Ended December 31, 2020

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>		
<u>Revenues:</u>				
Fines and forfeitures	\$ 2,000	\$ 4,523	\$ 4,523	\$ -
<u>Expenditures:</u>				
Current:				
General government				
Court Security				
Contractual services	4,000	7,780	7,780	-
Materials and supplies	1,000	739	739	-
Total expenditures	<u>5,000</u>	<u>8,519</u>	<u>8,519</u>	<u>-</u>
Net change in fund balance	(3,000)	(3,996)	(3,996)	-
Fund balance at beginning of year	<u>17,988</u>	<u>17,988</u>	<u>17,988</u>	<u>-</u>
Fund balance at end of year	<u>\$ 14,988</u>	<u>\$ 13,992</u>	<u>\$ 13,992</u>	<u>\$ -</u>

Village of Newton Falls
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Indigent Drivers Alcohol Treatment Fund
For the Year Ended December 31, 2020

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
<u>Revenues:</u>				
Fines and forfeitures	\$ 10,000	\$ 8,893	\$ 8,893	\$ -
Intergovernmental	2,500	1,854	1,854	-
Other	-	10,323	10,323	-
Total revenues	12,500	21,070	21,070	-
<u>Expenditures:</u>				
Current:				
General government				
Indigent drivers alcohol				
Materials and supplies	10,000	2,422	2,422	-
Net change in fund balance	2,500	18,648	18,648	-
Fund balance at beginning of year	145,090	145,090	145,090	-
Fund balance at end of year	\$ 147,590	\$ 163,738	\$ 163,738	\$ -

Village of Newton Falls
 Schedule of Revenues, Expenditures and Changes
 In Fund Balance - Budget (Non-GAAP Basis) and Actual
 Probation Incentive Award Fund
 For the Year Ended December 31, 2020

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
<u>Revenues:</u>				
Total revenues	\$ -	\$ -	\$ -	\$ -
<u>Expenditures:</u>				
Current:				
General government				
Finance				
Materials and supplies	-	6,184	6,184	-
Excess of revenues under expenditures	-	(6,184)	(6,184)	-
Other financing uses:				
Transfers - out	-	(18)	(18)	-
Net change in fund balance	-	(6,202)	(6,202)	-
Fund balance at beginning of year	6,202	6,202	6,202	-
Fund balance at end of year	\$ 6,202	\$ -	\$ -	\$ -

Village of Newton Falls
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Justice Reinvestment and Incentive Fund
For the Year Ended December 31, 2020

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
<u>Revenues:</u>				
Intergovernmental	\$ 20,338	\$ 20,338	\$ 20,388	\$ 50
<u>Expenditures:</u>				
Current:				
General government				
Municipal Court				
Contractual services	20,388	14,642	14,642	-
Net change in fund balance	(50)	5,696	5,746	50
Fund balance at beginning of year	11,099	11,099	11,099	-
Fund balance at end of year	\$ 11,049	\$ 16,795	\$ 16,845	\$ 50

Village of Newton Falls
 Schedule of Revenues, Expenditures and Changes
 In Fund Balance - Budget (Non-GAAP Basis) and Actual
 Cares Act Fund
 For the Year Ended December 31, 2020

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<u>Revenues:</u>				
Intergovernmental	\$ -	\$ 360,614	\$ 345,614	\$ (15,000)
<u>Expenditures:</u>				
Current:				
General government				
Village administration				
Contractual services	-	360,614	345,614	15,000
Net change in fund balance	-	-	-	-
Fund balance at beginning of year	-	-	-	-
Fund balance at end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

Village of Newton Falls
 Schedule of Revenues, Expenditures and Changes
 In Fund Balance - Budget (Non-GAAP Basis) and Actual
 Court Cares Act Fund
 For the Year Ended December 31, 2020

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>		
<u>Revenues:</u>				
Intergovernmental	\$ -	\$ 31,079	\$ 31,079	\$ -
<u>Expenditures:</u>				
Current:				
General government				
Municipal Court				
Contractual services	-	31,079	31,079	-
Net change in fund balance	-	-	-	-
Fund balance at beginning of year	-	-	-	-
Fund balance at end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

Village of Newton Falls
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Stormwater Fund
For the Year Ended December 31, 2020

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
<u>Revenues:</u>				
Charges for services	\$ 80,000	\$ 78,609	\$ 81,451	\$ 2,842
<u>Expenditures:</u>				
Current:				
Transportation				
Stormwater Utility				
Contractual services	12,000	6,882	6,882	-
Capital outlay	149,800	58,608	58,608	-
Other	250	5	5	-
Total expenditures	162,050	65,495	65,495	-
Excess of revenues over (under) expenditures	(82,050)	13,114	15,956	2,842
Other financing uses:				
Transfers - out	-	(37,567)	(37,567)	-
Net change in fund balance	(82,050)	(24,453)	(21,611)	2,842
Fund balance at beginning of year	274,715	274,715	274,715	-
Fund balance at end of year	\$ 192,665	\$ 250,262	\$ 253,104	\$ 2,842

Village of Newton Falls
 Schedule of Revenues, Expenditures and Changes
 In Fund Balance - Budget (Non-GAAP Basis) and Actual
 Summer Concert Series Fund
 For the Year Ended December 31, 2020

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
<u>Revenues:</u>				
Total revenues	\$ -	\$ -	\$ -	\$ -
<u>Expenditures:</u>				
Total expenditures	-	-	-	-
Net change in fund balance	-	-	-	-
Fund balance at beginning of year	3,250	3,250	3,250	-
Fund balance at end of year	\$ 3,250	\$ 3,250	\$ 3,250	\$ -

Village of Newton Falls
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Capital Improvement Fund
For the Year Ended December 31, 2020

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<u>Revenues:</u>				
Total revenues	\$ -	\$ -	\$ -	\$ -
<u>Expenditures:</u>				
Capital Outlay	77,259	260,766	260,766	-
Excess of revenues under expenditures	(77,259)	(260,766)	(260,766)	-
<u>Other financing sources:</u>				
Proceeds of OPWC loans	-	180,063	180,063	-
Transfers - in	38,102	37,632	37,632	-
Total other financing sources	38,102	217,695	217,695	-
Net change in fund balance	(39,157)	(43,071)	(43,071)	-
Fund balance at beginning of year	59,674	59,674	59,674	-
Fund balance at end of year	<u>\$ 20,517</u>	<u>\$ 16,603</u>	<u>\$ 16,603</u>	<u>\$ -</u>

Village of Newton Falls
 Schedule of Revenues, Expenditures and Changes
 In Fund Balance - Budget (Non-GAAP Basis) and Actual
 Road Building and Equipment Fund
 For the Year Ended December 31, 2020

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
<u>Revenues:</u>				
Total revenues	\$ -	\$ -	\$ -	\$ -
<u>Expenditures:</u>				
Current:				
Streets				
Capital outlay	-	327	327	-
Net change in fund balance	-	(327)	(327)	-
Fund balance at beginning of year	692	692	692	-
Fund balance at end of year	\$ 692	\$ 365	\$ 365	\$ -

Village of Newton Falls
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Future Building Fund
For the Year Ended December 31, 2020

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<u>Revenues:</u>				
Total revenues	\$ -	\$ -	\$ -	\$ -
<u>Expenditures:</u>				
Capital outlay	-	26,500	26,500	-
Excess of revenues under expenditures	-	(26,500)	(26,500)	-
<u>Other financing sources:</u>				
Transfers - in	7,620	3,463	3,463	-
Net change in fund balance	7,620	(23,037)	(23,037)	-
Fund balance at beginning of year	27,598	27,598	27,598	-
Fund balance at end of year	<u>\$ 35,218</u>	<u>\$ 4,561</u>	<u>\$ 4,561</u>	<u>\$ -</u>

Village of Newton Falls
 Schedule of Revenues, Expenditures and Changes
 In Fund Balance - Budget (Non-GAAP Basis) and Actual
 Park Fence Fund
 For the Year Ended December 31, 2020

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
<u>Revenues:</u>				
Total revenues	\$ -	\$ -	\$ -	\$ -
<u>Expenditures:</u>				
Capital outlay	-	20,000	20,000	-
Excess of revenues under expenditures	-	(20,000)	(20,000)	-
<u>Other financing sources:</u>				
Bonds issued	-	20,000	20,000	-
Net change in fund balance	-	-	-	-
Fund balance at beginning of year	-	-	-	-
Fund balance at end of year	\$ -	\$ -	\$ -	\$ -

Village of Newton Falls
Schedule of Revenues, Expenditures and Changes
In Net Position - Budget (Non-GAAP Basis) and Actual
Water Fund
For the Year Ended December 31, 2020

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
<u>Revenues:</u>				
Charges for services	\$ 1,726,300	\$ 1,781,639	\$ 1,769,107	\$ (12,532)
Utility deposits received	5,590	8,335	8,384	49
Other	-	-	38,635	38,635
Total revenues	<u>1,731,890</u>	<u>1,789,974</u>	<u>1,816,126</u>	<u>26,152</u>
<u>Expenses:</u>				
Personal services	824,831	821,583	821,583	-
Travel	2,902	2,897	2,897	-
Contractual services	397,358	378,905	283,322	95,583
Materials and supplies	239,787	228,744	203,836	24,908
Capital outlay	962,932	359,833	359,833	-
Utility deposits returned	5,376	6,850	6,850	-
Other	84,500	83,624	83,624	-
Total expenses	<u>2,517,686</u>	<u>1,882,436</u>	<u>1,761,945</u>	<u>120,491</u>
Operating income (loss)	<u>(785,796)</u>	<u>(92,462)</u>	<u>54,181</u>	<u>146,643</u>
Nonoperating expenses:				
Principal retirement	(240,075)	(207,789)	(207,789)	-
Interest and fiscal charges	(30,000)	(20,266)	(20,266)	-
Total nonoperating expenses	<u>(270,075)</u>	<u>(228,055)</u>	<u>(228,055)</u>	<u>-</u>
Income (loss) before other financing sources (uses)	<u>(1,055,871)</u>	<u>(320,517)</u>	<u>(173,874)</u>	<u>146,643</u>
Other financing sources (uses):				
Loan issued	-	1,876,800	1,888,000	11,200
Interest	-	7	21	14
Transfers - in	-	-	12,537	12,537
Transfers - out	(13,000)	(12,537)	(12,537)	-
Total other financing sources (uses)	<u>(13,000)</u>	<u>1,864,270</u>	<u>1,888,021</u>	<u>23,751</u>
Change in net position	(1,068,871)	1,543,753	1,714,147	170,394
Net position at beginning of year	1,482,102	1,482,102	1,482,102	-
Prior year encumbrances appropriated	120,491	120,491	120,491	-
Net position at end of year	<u>\$ 533,722</u>	<u>\$ 3,146,346</u>	<u>\$ 3,316,740</u>	<u>\$ 170,394</u>

Village of Newton Falls
Schedule of Revenues, Expenditures and Changes
In Net Position - Budget (Non-GAAP Basis) and Actual
Sewer Fund
For the Year Ended December 31, 2020

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
Revenues:				
Charges for services	\$ 1,359,000	\$ 1,254,093	\$ 1,263,213	\$ 9,120
Utility deposits received	3,900	5,815	5,849	34
Other	1,000	4,168	17,267	13,099
Total revenues	1,363,900	1,264,076	1,286,329	22,253
Expenses:				
Personal services	490,200	486,139	486,139	-
Travel	6,000	1,861	1,861	-
Contractual services	250,000	162,256	162,256	-
Materials and supplies	71,800	63,566	63,566	-
Capital outlay	489,369	359,904	359,904	-
Utility deposits returned	3,750	4,780	4,779	1
Other	110,432	96,266	96,266	-
Total expenses	1,421,551	1,174,772	1,174,771	1
Operating income (loss)	(57,651)	89,304	111,558	22,254
Nonoperating revenues (expenses):				
Capital contribution	145,459	83,193	83,193	-
Other	500	500	9,203	8,703
Bonds issued	-	90,000	90,000	-
Principal retirement	(151,500)	(171,363)	(171,363)	-
Interest and fiscal charges	(243,122)	(278,717)	(278,717)	-
Total nonoperating revenues (expenses)	(248,663)	(276,387)	(267,684)	8,703
Loss before other financing sources (uses)	(306,314)	(187,083)	(156,126)	30,957
Other financing sources (uses):				
Transfers - in	558,210	512,930	512,930	-
Transfers - out	(520,000)	(475,363)	(475,363)	-
Total other financing sources (uses)	38,210	37,567	37,567	-
Change in net position	(268,104)	(149,516)	(118,559)	30,957
Net position at beginning of year	1,076,014	1,076,014	1,076,014	-
Net position at end of year	\$ 807,910	\$ 926,498	\$ 957,455	\$ 30,957

Village of Newton Falls
Schedule of Revenues, Expenditures and Changes
In Net Position - Budget (Non-GAAP Basis) and Actual
Electric Fund
For the Year Ended December 31, 2020

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
Revenues:				
Charges for services	\$ 5,800,000	\$ 5,068,344	\$ 5,179,949	\$ 111,605
Utility deposits received	16,510	24,618	24,760	142
Other	25,000	25,000	40,048	15,048
Total revenues	<u>5,841,510</u>	<u>5,117,962</u>	<u>5,244,757</u>	<u>126,795</u>
Expenses:				
Personal services	708,824	508,250	507,910	340
Travel	2,027	2,027	2,027	-
Contractual services	4,579,276	4,210,047	4,184,071	25,976
Materials and supplies	90,160	78,403	71,489	6,914
Capital outlay	-	195,051	195,051	-
Utility deposits returned	15,875	20,232	20,232	-
Other	237,600	231,002	231,002	-
Total expenses	<u>5,633,762</u>	<u>5,245,012</u>	<u>5,211,782</u>	<u>33,230</u>
Operating income (loss)	<u>207,748</u>	<u>(127,050)</u>	<u>32,975</u>	<u>160,025</u>
Nonoperating expenses:				
Principal retirement	(1,410,000)	(1,203,325)	(1,203,325)	-
Interest and fiscal charges	(51,500)	(21,841)	(21,841)	-
Issuance costs	(15,000)	(7,981)	(7,981)	-
Total nonoperating expenses	<u>(1,476,500)</u>	<u>(1,233,147)</u>	<u>(1,233,147)</u>	<u>-</u>
Loss before other financing sources (uses)	<u>(1,268,752)</u>	<u>(1,360,197)</u>	<u>(1,200,172)</u>	<u>160,025</u>
Other financing sources (uses):				
Notes issued	1,160,000	925,602	925,602	-
Loans issued	-	1,251,191	1,240,000	(11,191)
Interest	-	14	14	-
Transfers - in	306,000	306,000	306,000	-
Transfers - out	(900,000)	(768,000)	(768,000)	-
Total other financing sources (uses)	<u>566,000</u>	<u>1,714,807</u>	<u>1,703,616</u>	<u>(11,191)</u>
Change in net position	(702,752)	354,610	503,444	148,834
Net position at beginning of year	2,758,317	2,758,317	2,758,317	-
Prior year encumbrances appropriated	<u>33,230</u>	<u>33,230</u>	<u>33,230</u>	<u>-</u>
Net position at end of year	<u>\$ 2,088,795</u>	<u>\$ 3,146,157</u>	<u>\$ 3,294,991</u>	<u>\$ 148,834</u>

Combining Statements and Individual Fund Schedules

INTERNAL SERVICE FUNDS

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

Employee Benefits

To account for payments of Village employee health insurance benefits.

Utility office

To account for services provided to the water, sewer and electric funds.

Village of Newton Falls, Ohio
Combining Statement of Fund Net Position
Internal Service Funds
December 31, 2020

	Governmental Activities Employee Benefits	Business-Type Activities Utility Office	Total
<u>Assets:</u>			
Current assets:			
Equity in pooled cash and investments	\$ 586,589	\$ 88,539	\$ 675,128
Receivables:			
Accounts	-	751	751
Intergovernmental	-	23	23
Prepaid items	-	839	839
Total assets	<u>586,589</u>	<u>90,152</u>	<u>676,741</u>
<u>Deferred outflows of resources:</u>			
Pension	-	21,283	21,283
OPEB	-	14,057	14,057
Total deferred outflows of resources	<u>-</u>	<u>35,340</u>	<u>35,340</u>
<u>Liabilities:</u>			
Current liabilities:			
Accounts payable	5,053	10,898	15,951
Accrued wages	-	4,276	4,276
Intergovernmental payable	-	660	660
Compensated absences payable	-	9,637	9,637
Total current liabilities	<u>5,053</u>	<u>25,471</u>	<u>30,524</u>
Long-term liabilities:			
Net pension liability	-	115,475	115,475
Net OPEB liability	-	78,547	78,547
Total long-term liabilities	<u>-</u>	<u>194,022</u>	<u>194,022</u>
Total liabilities	<u>5,053</u>	<u>219,493</u>	<u>224,546</u>
<u>Deferred inflows of resources:</u>			
Pension	-	25,237	25,237
OPEB	-	11,801	11,801
Total deferred inflows of resources	<u>-</u>	<u>37,038</u>	<u>37,038</u>
<u>Net position:</u>			
Unrestricted	581,536	(131,039)	450,497
Total net position	<u>\$ 581,536</u>	<u>\$ (131,039)</u>	<u>\$ 450,497</u>

See accompanying notes to the basic financial statements.

Village of Newton Falls, Ohio
Combining Statement of Revenues, Expenses and Changes in Fund Net Position
Internal Service Funds
For the Year Ended December 31, 2020

	Governmental Activities Employee Benefits	Business-Type Activities Utility Office	Total
<u>Operating revenues:</u>			
Charges for services	\$ 962,858	\$ -	\$ 962,858
Other	1,866	263,177	265,043
Total operating revenue	964,724	263,177	1,227,901
<u>Operating expenses:</u>			
Personal services	-	208,475	208,475
Travel	-	242	242
Contractual services	601,254	70,819	672,073
Supplies and materials	-	11,534	11,534
Claims	236,970	-	236,970
Total operating expenses	838,224	291,070	1,129,294
Change in net position	126,500	(27,893)	98,607
Net position at beginning of year	455,036	(103,146)	351,890
Net position at end of year	\$ 581,536	\$ (131,039)	\$ 450,497

See accompanying notes to the basic financial statements.

Village of Newton Falls, Ohio
Combining Statement of Cash Flows
Internal Service Funds
For the Year Ended December 31, 2020

	Governmental Activities Employee Benefits	Business-Type Activities Utility Office	Total
Cash flows from operating activities:			
Cash received from interfund services provided	\$ 965,056	\$ 265,584	\$ 1,230,640
Cash payments for employee services and benefits	-	(187,116)	(187,116)
Cash payments to suppliers for goods and services	(601,254)	(77,562)	(678,816)
Cash payments for claims	(242,731)	-	(242,731)
Net cash provided by operating activities	<u>121,071</u>	<u>906</u>	<u>121,977</u>
Net increase in cash and cash equivalents	121,071	906	121,977
Cash and cash equivalents at beginning of year	465,518	87,633	553,151
Cash and cash equivalents at end of year	<u>\$ 586,589</u>	<u>\$ 88,539</u>	<u>\$ 675,128</u>
Reconciliation of operating income (loss) to net cash provided by operating activities:			
Operating income (loss)	\$ 126,500	\$ (27,893)	\$ 98,607
Adjustments to reconcile operating income (loss) to net cash provided by operating activities:			
Change in assets and liabilities:			
(Increase) decrease in assets:			
Accounts receivable	332	2,407	2,739
Prepaid items	-	(35)	(35)
(Increase) in deferred outflows of resources - pension	-	24,432	24,432
(Increase) in deferred outflows of resources - OPEB	-	(8,462)	(8,462)
Increase (decrease) in liabilities:			
Accounts payable	(5,761)	5,006	(755)
Accrued wages	-	(322)	(322)
Compensated absences	-	6,559	6,559
Due to other governments	-	(50)	(50)
Net pension liability	-	(38,037)	(38,037)
Net OPEB liability	-	7,202	7,202
Increase (decrease) in deferred inflows of resources - pension	-	19,884	19,884
Increase (decrease) in deferred inflows of resources - OPEB	-	10,215	10,215
Net cash provided by operating activities	<u>\$ 121,071</u>	<u>\$ 906</u>	<u>\$ 121,977</u>

See accompanying notes to the basic financial statements.

Village of Newton Falls
Schedule of Revenues, Expenditures and Changes
In Net Position - Budget (Non-GAAP Basis) and Actual
Employee Benefits Fund
For the Year Ended December 31, 2020

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<u>Revenues:</u>				
Charges for services	\$ 970,000	\$ 962,858	\$ 962,858	\$ -
Other	30,000	2,198	2,198	-
Total revenues	<u>1,000,000</u>	<u>965,056</u>	<u>965,056</u>	<u>-</u>
<u>Expenses:</u>				
Claims	<u>1,000,000</u>	<u>846,061</u>	<u>843,985</u>	<u>2,076</u>
Change in net position	-	118,995	121,071	2,076
Net position at beginning of year	<u>465,518</u>	<u>465,518</u>	<u>465,518</u>	<u>-</u>
Net position at end of year	<u>\$ 465,518</u>	<u>\$ 584,513</u>	<u>\$ 586,589</u>	<u>\$ 2,076</u>

Village of Newton Falls
 Schedule of Revenues, Expenditures and Changes
 In Net Position - Budget (Non-GAAP Basis) and Actual
 Utility Office Fund
 For the Year Ended December 31, 2020

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<u>Revenues:</u>				
Other	\$ 262,000	\$ 265,584	\$ 265,584	\$ -
<u>Expenses:</u>				
Personal services	174,456	187,116	187,116	-
Travel	-	242	242	-
Contractual services	58,250	60,448	60,448	-
Materials and supplies	11,300	11,787	11,787	-
Capital outlay	1,000	5,085	5,085	-
Total expenses	<u>245,006</u>	<u>264,678</u>	<u>264,678</u>	<u>-</u>
Change in net position	16,994	906	906	-
Net position at beginning of year	<u>87,633</u>	<u>87,633</u>	<u>87,633</u>	<u>-</u>
Net position at end of year	<u>\$ 104,627</u>	<u>\$ 88,539</u>	<u>\$ 88,539</u>	<u>\$ -</u>

STATISTICAL SECTION

Statistical Section

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

<u>Contents</u>	<u>Page(s)</u>
Financial Trends These schedules contain trend information to help the reader understand how the Village's financial position has changed over time.	S2 - S10
Revenue Capacity These schedules contain information to help the reader understand and assess the factors affecting the Village's ability to generate its most significant local revenue source(s), the property tax (and the income tax).	S11 - S16
Debt Capacity These schedules present information to help the reader assess the affordability of the Village's current levels of outstanding debt and the Village's ability to issue additional debt in the future.	S17 - S22
Economic and Demographic Information These schedules offer economic and demographic indicators to help the reader understand the environment within which the Village's financial activities take place and to provide information that facilitates comparisons of financial information over time and among governments.	S23 - S24
Operating Information These schedules contain service and infrastructure data to help the reader understand how the information in the Village's financial report relates to the services the Village provides and the activities it performs.	S25 - S28

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

Village of Newton Falls
 Net Position by Component
 Last Ten Years

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017 (1)</u>	<u>2016</u>
<u>Governmental Activities</u>					
Net investment in capital assets	\$ 1,559,461	\$ 914,342	\$ 943,943	\$ -	\$ -
Restricted	2,510,792	2,510,317	2,651,400	1,780,443	1,528,569
Unrestricted	<u>(1,386,099)</u>	<u>(1,394,771)</u>	<u>(1,657,571)</u>	<u>717,297</u>	<u>581,433</u>
Total governmental activities net position	<u>\$ 2,684,154</u>	<u>\$ 2,029,888</u>	<u>\$ 1,937,772</u>	<u>\$ 2,497,740</u>	<u>\$ 2,110,002</u>
<u>Business-Type Activities</u>					
Net investment in capital assets	\$ 2,188,176	\$ 1,868,180	\$ 1,377,497	\$ -	\$ -
Restricted	-	-	-	373,349	335,049
Unrestricted	<u>3,318,136</u>	<u>3,746,253</u>	<u>3,899,211</u>	<u>4,517,318</u>	<u>4,003,593</u>
Total business-type activities net position	<u>\$ 5,506,312</u>	<u>\$ 5,614,433</u>	<u>\$ 5,276,708</u>	<u>\$ 4,890,667</u>	<u>\$ 4,338,642</u>
<u>Primary Government</u>					
Net investment in capital assets	\$ 3,747,637	\$ 2,782,522	\$ 2,321,440	\$ -	\$ -
Restricted	2,510,792	2,510,317	2,651,400	2,153,792	1,863,618
Unrestricted	<u>1,932,037</u>	<u>2,351,482</u>	<u>2,241,640</u>	<u>5,234,615</u>	<u>4,585,026</u>
Total primary government net position	<u>\$ 8,190,466</u>	<u>\$ 7,644,321</u>	<u>\$ 7,214,480</u>	<u>\$ 7,388,407</u>	<u>\$ 6,448,644</u>

(1) Years 2011-2017 are reported on a cash basis.

<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>
\$ -	\$ -	\$ -	\$ -	\$ -
1,467,315	1,165,775	1,152,007	953,206	1,006,570
<u>347,551</u>	<u>27,896</u>	<u>118,404</u>	<u>183,664</u>	<u>423,313</u>
<u>\$ 1,814,866</u>	<u>\$ 1,193,671</u>	<u>\$ 1,270,411</u>	<u>\$ 1,136,870</u>	<u>\$ 1,429,883</u>
\$ -	\$ -	\$ -	\$ -	\$ -
296,749	258,449	220,149	181,849	143,549
<u>3,538,889</u>	<u>2,903,394</u>	<u>1,986,036</u>	<u>1,896,795</u>	<u>1,882,400</u>
<u>\$ 3,835,638</u>	<u>\$ 3,161,843</u>	<u>\$ 2,206,185</u>	<u>\$ 2,078,644</u>	<u>\$ 2,025,949</u>
\$ -	\$ -	\$ -	\$ -	\$ -
1,764,064	1,424,224	1,372,156	1,135,055	1,150,119
<u>3,886,440</u>	<u>2,931,290</u>	<u>2,104,440</u>	<u>2,080,459</u>	<u>2,305,713</u>
<u>\$ 5,650,504</u>	<u>\$ 4,355,514</u>	<u>\$ 3,476,596</u>	<u>\$ 3,215,514</u>	<u>\$ 3,455,832</u>

Village of Newton Falls
Changes in Net Position
Last Ten Years

	<u>2020</u>	<u>2019</u>	<u>2018 (2)</u>	<u>2017 (1)</u>	<u>2016</u>
Expenses					
Governmental Activities:					
General government	\$ 1,850,228	\$ 1,813,012	\$ 1,459,887	\$ 1,099,092	\$ 1,172,657
Security of persons and property				677,681	658,421
Police	935,174	536,850	819,398	-	-
Fire	70,837	70,837	70,837	-	-
Other	12,882	18,978	13,950	-	-
Transportation	497,984	805,686	518,546	401,443	478,163
Community and economic development	173,369	101,868	33,131	26,222	18,616
Leisure time activities	16,327	130,773	34,374	11,848	79,706
Capital outlay	-	-	-	71,928	77,636
Principal retirement	-	-	-	56,832	46,111
Interest and fiscal charges	7,415	1,516	1,358	4,106	1,114
Total governmental activities expenses	<u>3,564,216</u>	<u>3,479,520</u>	<u>2,951,481</u>	<u>2,349,152</u>	<u>2,532,424</u>
Business-Type Activities:					
Water	1,712,729	1,870,037	1,774,096	1,532,391	1,653,552
Sewer	1,416,663	1,796,354	1,785,960	1,237,441	1,340,968
Electric	5,081,744	5,133,803	5,563,672	6,904,318	6,915,436
Stormwater	-	-	-	1,163	1,343
Total business-type activities	<u>8,211,136</u>	<u>8,800,194</u>	<u>9,123,728</u>	<u>9,675,313</u>	<u>9,911,299</u>
Total primary government expenses	<u>\$ 11,775,352</u>	<u>\$ 12,279,714</u>	<u>\$ 12,075,209</u>	<u>\$ 12,024,465</u>	<u>\$ 12,443,723</u>
Program Revenues					
Governmental Activities:					
Charges for services:					
General government	\$ 1,141,999	\$ 1,416,690	\$ 1,283,255	\$ 402,102	\$ 437,130
Security of persons and property				365,687	328,961
Police	17,779	30,187	11,008	-	-
Fire	-	-	-	-	-
Other	13,438	19,122	13,459	-	-
Transportation	96,367	92,291	87,299	176	4,485
Leisure time activities	4,190	2,246	885	689	1,281
Community environment	11,142	2,241	4,999	18,318	10,277
Capital outlay	-	-	-	188,823	185,848
Operating grants, contributions and interest	746,330	426,230	376,183	313,220	292,803
Capital grants and contributions	106,868	-	-	-	-
Total governmental activities program revenues	<u>2,138,113</u>	<u>1,989,007</u>	<u>1,777,088</u>	<u>1,289,015</u>	<u>1,260,785</u>
Business-Type Activities:					
Charges for services:					
Water	1,858,537	1,730,784	1,735,774	1,739,654	1,724,106
Sewer	1,286,529	1,375,243	1,363,370	1,354,664	1,385,890
Electric	5,215,295	5,753,249	6,194,259	5,374,689	5,230,111
Stormwater	-	-	-	85,026	85,652
Operating grants, contributions and interest	-	-	4,090	-	-
Capital grants and contributions	86,043	145,459	143,724	13,248	85,137
Total business-type activities program revenues	<u>8,446,404</u>	<u>9,004,735</u>	<u>9,441,217</u>	<u>8,567,281</u>	<u>8,510,896</u>
Total primary government program revenues	<u>\$ 10,584,517</u>	<u>\$ 10,993,742</u>	<u>\$ 11,218,305</u>	<u>\$ 9,856,296</u>	<u>\$ 9,771,681</u>
Net (expense)/revenue					
Governmental activities	\$ (1,426,103)	\$ (1,490,513)	\$ (1,174,393)	\$ (1,060,137)	\$ (1,271,639)
Business-type activities	235,268	204,541	317,489	(1,108,032)	(1,400,403)
Total primary government net expense	<u>\$ (1,190,835)</u>	<u>\$ (1,285,972)</u>	<u>\$ (856,904)</u>	<u>\$ (2,168,169)</u>	<u>\$ (2,672,042)</u>

	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>
\$	1,088,190	\$ 1,061,282	\$ 1,068,397	\$ 1,548,941	\$ 1,481,969
	629,274	767,075	1,051,080	1,224,902	1,228,206
	-	-	-	-	-
	-	-	-	-	-
	-	-	-	-	-
	328,656	416,482	456,475	666,384	472,206
	17,605	33,574	257,937	17,354	399,928
	75,985	78,381	114,097	116,978	87,044
	85,795	172,384	155,829	211,000	142,362
	14,617	14,214	409	89,374	83,249
	1,812	2,215	631	4,847	10,154
	<u>2,241,934</u>	<u>2,545,607</u>	<u>3,104,855</u>	<u>3,879,780</u>	<u>3,905,118</u>
	1,870,905	1,932,618	1,449,543	1,703,000	1,402,594
	1,198,020	1,335,969	1,379,981	1,286,328	1,247,022
	6,692,281	6,557,669	7,152,947	6,934,188	7,494,949
	-	-	-	-	-
	<u>9,761,206</u>	<u>9,826,256</u>	<u>9,982,471</u>	<u>9,923,516</u>	<u>10,144,565</u>
\$	<u>12,003,140</u>	<u>12,371,863</u>	<u>13,087,326</u>	<u>13,803,296</u>	<u>14,049,683</u>
\$	407,275	\$ 355,994	\$ 413,296	\$ 430,678	\$ 458,542
	312,105	311,392	306,751	393,295	439,215
	-	-	-	-	-
	-	-	-	-	-
	-	-	-	-	-
	5,484	6,323	7,082	6,689	6,215
	17,469	20,378	24,661	17,780	13,621
	21,365	7,267	7,021	5,665	11,878
	168,734	147,844	159,359	156,444	179,424
	229,858	223,103	466,323	427,707	553,999
	-	-	5,563	149,952	91,802
	<u>1,162,290</u>	<u>1,072,301</u>	<u>1,390,056</u>	<u>1,588,210</u>	<u>1,754,696</u>
	1,743,235	1,707,556	1,677,494	1,636,832	1,603,482
	1,394,107	1,370,998	1,323,479	1,320,046	1,227,132
	4,950,564	4,876,333	4,503,667	4,188,357	4,161,953
	7,380	-	-	-	-
	-	-	-	-	-
	258,813	46,096	67,512	206,472	-
	<u>8,354,099</u>	<u>8,000,983</u>	<u>7,572,152</u>	<u>7,351,707</u>	<u>6,992,567</u>
\$	<u>9,516,389</u>	<u>9,073,284</u>	<u>8,962,208</u>	<u>8,939,917</u>	<u>8,747,263</u>
\$	(1,079,644)	\$ (1,473,306)	\$ (1,714,799)	\$ (2,291,570)	\$ (2,150,422)
	(1,407,107)	(1,825,273)	(2,410,319)	(2,571,809)	(3,151,998)
\$	<u>(2,486,751)</u>	<u>(3,298,579)</u>	<u>(4,125,118)</u>	<u>(4,863,379)</u>	<u>(5,302,420)</u>

Village of Newton Falls
Changes in Net Position
Last Ten Years

	<u>2020</u>	<u>2019</u>	<u>2018 (2)</u>	<u>2017 (1)</u>	<u>2016</u>
(Continued)					
General Revenues and Other Changes in Net Position					
Governmental Activities:					
Property taxes levied for:					
General purposes	\$ 268,600	\$ 263,611	\$ 275,329	\$ 262,605	\$ 259,096
Permissive auto	-	-	-	91,708	95,287
Police pension	10,257	17,739	15,074	15,823	14,732
Income tax levied for:					
General purposes	655,750	647,428	648,448	647,761	784,613
Capital improvements	52,950	47,033	38,033	39,210	41,310
Parks and recreation	14,847	11,758	9,508	9,803	10,346
Street construction, maintenance and repair	110,359	82,307	66,558	68,618	72,293
Grants and entitlements not restricted to specific programs					
	131,910	150,289	130,399	105,389	156,411
Investment earnings	305,280	357,852	38,012	128,894	97,687
Other	105,983	68,474	71,183	77,500	35,564
Total governmental activities	<u>1,655,936</u>	<u>1,646,491</u>	<u>1,292,544</u>	<u>1,447,311</u>	<u>1,567,339</u>
Business-Type Activities:					
Bond anticipation notes issued	-	-	-	1,595,000	1,845,000
OWDA loans issued	-	-	-	-	-
OPWC loans issued	-	-	-	-	-
Investment earnings	35	-	-	-	-
Other	81,009	69,322	456,509	65,057	58,407
Total business-type activities	<u>81,044</u>	<u>69,322</u>	<u>456,509</u>	<u>1,660,057</u>	<u>1,903,407</u>
Total primary government	<u>\$ 1,736,980</u>	<u>\$ 1,715,813</u>	<u>\$ 1,749,053</u>	<u>\$ 3,107,368</u>	<u>\$ 3,470,746</u>
Advances and transfers					
Governmental activities	424,433	(63,862)	-	564	(564)
Business-type activities	(424,433)	63,862	-	-	-
Total primary government	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 564</u>	<u>\$ (564)</u>
Change in net position					
Governmental activities	\$ 654,266	\$ 92,116	\$ 118,151	\$ 387,738	\$ 295,136
Business-type activities	(108,121)	337,725	773,998	552,025	503,004
Total primary government	<u>\$ 546,145</u>	<u>\$ 429,841</u>	<u>\$ 892,149</u>	<u>\$ 939,763</u>	<u>\$ 798,140</u>

(1) Years 2011-2017 are reported on a cash basis.

(2) In 2018, the Stormwater fund is now being reported as a special revenue fund.

	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>
\$	269,997	\$ 275,089	\$ 253,344	\$ 114,037	\$ 117,978
	96,445	94,471	93,346	-	-
	15,013	18,113	17,701	15,281	15,590
	879,536	608,846	572,299	553,900	551,783
	47,139	31,570	132,069	92,582	91,971
	94,278	63,140	88,046	61,721	61,314
	94,278	63,140	88,046	61,721	61,314
	97,386	89,124	185,314	278,226	228,429
	83,188	72,869	138,069	117,979	112,108
	23,579	80,204	280,106	703,110	693,483
	<u>1,700,839</u>	<u>1,396,566</u>	<u>1,848,340</u>	<u>1,998,557</u>	<u>1,933,970</u>
	2,045,000	2,295,000	2,495,000	2,595,000	2,745,000
	-	-	-	-	-
	-	441,119	-	-	-
	-	-	-	-	-
	35,902	44,812	42,860	29,504	102,274
	<u>2,080,902</u>	<u>2,780,931</u>	<u>2,537,860</u>	<u>2,624,504</u>	<u>2,847,274</u>
\$	<u>3,781,741</u>	<u>4,177,497</u>	<u>4,386,200</u>	<u>4,623,061</u>	<u>4,781,244</u>
	-	-	-	-	-
	-	-	-	-	-
\$	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
\$	621,195	\$ (76,740)	\$ 133,541	\$ (293,013)	\$ (216,452)
	673,795	955,658	127,541	52,695	(304,724)
\$	<u>1,294,990</u>	<u>878,918</u>	<u>261,082</u>	<u>(240,318)</u>	<u>(521,176)</u>

Village of Newton Falls
Fund Balances, Governmental Funds
Last Ten Years

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017 (1)</u>	<u>2016</u>
General Fund					
Nonspendable	\$ 23,927	\$ 30,657	\$ 27,869	\$ 15,768	\$ 9,978
Restricted	255	255	255	255	255
Committed	1,171	8,420	15,638	-	-
Assigned	523,699	349,248	409,772	304,030	122,625
Unassigned	608,839	512,836	338,334	319,162	387,881
Total general fund	<u>\$ 1,157,891</u>	<u>\$ 901,416</u>	<u>\$ 791,868</u>	<u>\$ 639,215</u>	<u>\$ 520,739</u>
All Other Governmental Funds					
Nonspendable	\$ 22,998	\$ 19,354	\$ 20,768	\$ -	\$ -
Restricted	2,439,713	2,443,539	2,621,448	1,764,420	1,518,336
Committed	249,943	269,674	255,724	-	-
Unassigned	(15,097)	-	-	-	-
Total all other governmental funds	<u>\$ 2,697,557</u>	<u>\$ 2,732,567</u>	<u>\$ 2,897,940</u>	<u>\$ 1,764,420</u>	<u>\$ 1,518,336</u>
Total governmental funds	<u>\$ 3,855,448</u>	<u>\$ 3,633,983</u>	<u>\$ 3,689,808</u>	<u>\$ 2,403,635</u>	<u>\$ 2,039,075</u>

(1) Years 2011-2017 are reported on a cash basis.

(2) Prior year amounts have not been restated for the implementation of GASB Statement 54.

<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011 (2)</u>
\$ 9,929	\$ 9,868	\$ 9,663	\$ 9,298	\$ 9,168
255	255	255	255	255
-	-	-	-	-
103,621	29,816	58,687	56,117	47,294
216,252	(31,773)	42,802	108,374	196,383
<u>\$ 330,057</u>	<u>\$ 8,166</u>	<u>\$ 111,407</u>	<u>\$ 174,044</u>	<u>\$ 253,100</u>
\$ -	\$ -	\$ -	\$ -	\$ -
1,457,131	1,155,652	1,142,089	943,653	997,147
-	-	-	-	-
-	-	-	-	-
<u>\$ 1,457,131</u>	<u>\$ 1,155,652</u>	<u>\$ 1,142,089</u>	<u>\$ 943,653</u>	<u>\$ 997,147</u>
<u>\$ 1,787,188</u>	<u>\$ 1,163,818</u>	<u>\$ 1,253,496</u>	<u>\$ 1,117,697</u>	<u>\$ 1,250,247</u>

Village of Newton Falls
 Changes in Fund Balance, Governmental Funds
 Last Ten Years

	2020	2019	2018 (1)	2017	2016	2015	2014	2013	2012	2011
<u>REVENUES</u>										
Municipal income taxes	\$ 793,281	\$ 814,597	\$ 756,280	\$ 765,392	\$ 908,562	\$ 1,115,231	\$ 766,696	\$ 880,460	\$ 769,924	\$ 766,382
Property and other taxes	287,310	279,668	289,047	370,136	369,115	381,455	387,673	364,391	129,318	133,568
Charges for services	462,570	521,209	420,378	27,671	25,791	57,170	45,486	44,085	31,248	57,815
Fines, licenses and permits	768,571	1,016,044	954,213	948,124	942,191	875,262	803,712	874,085	979,303	1,051,080
Intergovernmental revenues	950,641	540,924	516,574	413,609	424,714	327,244	312,227	657,200	855,885	874,230
Investment income	305,301	357,926	38,137	128,894	97,687	83,188	72,869	138,069	117,979	112,108
Other	174,689	77,799	75,659	79,900	60,064	22,154	48,009	242,174	703,110	693,483
Total revenues	3,742,363	3,608,167	3,050,288	2,733,726	2,828,124	2,861,704	2,436,672	3,200,464	3,586,767	3,688,666
<u>EXPENDITURES</u>										
General government	1,724,061	1,607,088	1,415,275	1,114,758	1,202,017	1,086,708	1,051,404	1,047,781	1,466,630	1,430,082
Security of persons and property				681,578	665,981	628,878	760,453	1,037,260	1,169,723	1,193,423
Police	803,088	868,497	730,639	-	-	-	-	-	-	-
Fire	70,837	70,837	70,837	-	-	-	-	-	-	-
Other	12,882	18,978	13,950	-	-	-	-	-	-	-
Transportation	417,737	722,880	459,782	405,058	484,492	328,359	413,725	450,721	643,411	457,725
Leisure time activities	7,224	87,078	21,377	11,848	79,706	75,985	78,381	114,097	116,978	87,044
Community and economic development	168,079	125,153	30,963	26,222	18,616	17,605	33,574	257,937	17,354	399,928
Capital outlay	888,258	247,186	42,521	71,928	77,636	85,795	172,384	155,829	211,000	142,362
Debt service:										
Principal retirement	53,887	14,965	30,235	56,832	46,111	14,617	14,214	409	89,374	83,249
Interest and fiscal charges	7,341	1,516	1,358	4,106	1,114	1,812	2,215	631	4,847	10,154
Total expenditures	4,153,394	3,764,178	2,816,937	2,372,330	2,575,673	2,239,759	2,526,350	3,064,665	3,719,317	3,803,967
Excess of revenues over (under) expenditures	(411,031)	(156,011)	233,351	361,396	252,451	621,945	(89,678)	135,799	(132,550)	(115,301)
<u>OTHER FINANCING SOURCES (USES)</u>										
Advances in	-	-	-	564	-	-	-	-	-	-
Advances out	-	-	-	-	(564)	-	-	-	-	-
Inception of capital lease	-	164,048	40,784	-	-	-	-	-	-	-
Bonds issued	28,000	-	-	-	-	-	-	-	-	-
Issuance of OPWC loans	180,063	-	-	-	-	-	-	-	-	-
Sale of capital assets	-	-	-	2,600	-	1,425	-	-	-	-
Transfers in	657,402	228,066	48,141	94,981	15,154	20,907	52,294	53,411	121,993	136,021
Transfer out	(232,969)	(291,928)	(48,141)	(94,981)	(15,154)	(20,907)	(52,294)	(53,411)	(121,993)	(136,021)
Total other financing sources (uses)	632,496	100,186	40,784	3,164	(564)	1,425	-	-	-	-
Net change in fund balance	\$ 221,465	\$ (55,825)	\$ 274,135	\$ 364,560	\$ 251,887	\$ 623,370	\$ (89,678)	\$ 135,799	\$ (132,550)	\$ (115,301)
Debt service as a percentage of noncapital expenditures	1.9%	0.5%	1.1%	2.6%	1.9%	0.8%	0.7%	0.0%	2.7%	2.6%

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(1) Modified accrual basis of accounting. 2017-2011 cash basis.

Village of Newton Falls
 Assessed and Estimated Actual Value of Taxable Property
 Last Ten Collection Years

Collection Year	Real Property (1)			Public Utility (2)		Tangible Personal Property (3)		Total		Weighted Average Tax Rate	Total Village Direct Rate
	Assessed Value	Commercial/Industrial/PU	Estimated Actual Value	Assessed Value	Estimated Actual Value	Assessed Value	Estimated Actual Value	Assessed Value	Estimated Actual Value		
2020	\$ 42,469,160	\$ 16,349,150	\$ 168,052,314	\$ 1,023,990	\$ 2,629,793	\$ -	\$ -	\$ 59,842,300	\$ 170,682,107	35.77%	\$ 2.50
2019	42,450,580	16,317,490	167,908,771	1,006,090	2,583,822	-	-	59,774,160	170,492,593	35.77%	2.50
2018	42,432,750	15,500,150	165,522,571	1,005,830	2,583,154	-	-	58,938,730	168,105,726	35.77%	2.50
2017	41,166,670	15,453,920	161,773,114	1,024,060	2,629,972	-	-	57,644,650	164,403,087	35.77%	2.50
2016	41,137,690	15,739,560	162,506,429	1,110,980	2,853,199	-	-	57,988,230	165,359,627	35.77%	2.50
2015	41,139,160	15,592,210	162,089,629	934,370	2,399,632	-	-	57,665,740	164,489,261	35.77%	2.50
2014	44,088,830	15,418,110	170,019,829	494,970	1,271,173	-	-	60,001,910	171,291,002	35.39%	2.50
2013	44,252,790	14,858,990	168,890,800	480,770	1,234,705	-	-	59,592,550	170,125,505	35.38%	2.50
2012	44,288,610	15,293,930	170,235,829	465,060	1,194,359	-	-	60,047,600	171,430,187	35.37%	2.50
2011	44,815,670	14,516,930	169,521,714	423,240	1,086,957	-	-	59,755,840	170,608,672	35.34%	2.50

Source: Trumbull County Auditor

- (1) Real estate value is assessed at 35% of appraised market value.
- (2) Public utility personal property is assessed at 88% of true value for half of 2011-2020, the other half at 25% of true value.
- (3) Tangible personal property is assessed at 0% for 2011-2020.

Village of Newton Falls
Property Tax Levies and Collections
Last Ten Calendar Years

<u>Year</u>	<u>Current Tax Levy</u>	<u>Current Tax Collections (1)</u>	<u>Deliquent Tax Collections</u>	<u>Total Tax Collections</u>	<u>Percent of Levy Collected</u>	<u>Outstanding Delinquent Taxes</u>	<u>Percent of Outstanding Delinquent Taxes to Current Tax Levy</u>	<u>Total Direct Tax Rate</u>
2020	\$ 148,575	\$ 141,707	\$ 6,868	\$ 148,575	95.38%	\$ 29,628	19.94%	\$ 2.50
2019	148,364	140,955	5,862	146,817	95.01%	30,219	20.37%	2.50
2018	147,347	139,773	5,872	145,645	94.86%	28,538	19.37%	2.50
2017	144,112	136,873	4,457	141,330	94.98%	27,181	18.86%	2.50
2016	144,971	136,347	5,553	141,900	97.88%	24,360	16.80%	2.50
2015	144,164	137,588	6,596	144,184	100.01%	23,337	16.19%	2.50
2014	150,005	141,907	8,521	150,428	100.28%	26,113	17.41%	2.50
2013	148,981	142,898	4,602	147,500	99.01%	26,720	17.94%	2.50
2012	150,119	142,761	4,440	147,201	98.06%	24,297	16.19%	2.50
2011	149,390	144,382	5,356	149,738	100.23%	22,712	15.20%	2.50

Source: Trumbull County Auditor

(1) Represents amounts collected by the County for the Village during the year indicated.

Village of Newton Falls
Property Tax Rates - Direct and Overlapping Governments
(Per \$1,000 of Assessed Valuation)
Last Ten Calendar Years

Collection Year	Village Direct Rates				Overlapping Rates					
	General Fund	Health Department	Police Pension	Total Village	County Levy	Village Schools	Vocational School	Townships	Special Service	Total Levy
2020	\$ 2.05	\$ 0.15	\$ 0.30	\$ 2.50	\$ 12.30	\$ 45.45	\$ 2.40	\$ 1.10	\$ 5.50	\$ 69.25
2019	2.05	0.15	0.30	2.50	12.30	43.75	2.40	1.10	5.50	67.55
2018	2.05	0.15	0.30	2.50	12.30	43.75	2.40	1.10	5.50	67.55
2017	2.05	0.15	0.30	2.50	12.30	43.65	2.40	1.10	5.50	67.45
2016	2.05	0.15	0.30	2.50	12.30	43.45	2.40	1.10	5.50	67.25
2015	2.05	0.15	0.30	2.50	12.30	37.35	2.40	1.10	5.50	61.15
2014	2.05	0.15	0.30	2.50	12.30	37.45	2.40	0.60	3.00	58.25
2013	2.05	0.15	0.30	2.50	12.30	37.45	2.40	0.60	3.00	58.25
2012	2.05	0.15	0.30	2.50	12.30	37.70	2.40	0.60	3.00	58.50
2011	2.05	0.15	0.30	2.50	12.30	37.95	2.40	0.60	2.50	58.25

Source: Trumbull County Auditor

Village of Newton Falls
Schedules of Principal Taxpayers - Real Property
2020 and 2011

	2011			2020		
	Taxable Assessed Value	Rank	Percentage of Total Village Taxable Assessed Value	Taxable Assessed Value	Rank	Percentage of Total Village Taxable Assessed Value
Taxpayer						
Newton Village Apt Co.	\$ 1,247,790	1	2.10%	\$ 1,372,000	1	2.33%
Country Club Center VI LLC	-		0.00%	1,103,950	2	1.88%
Marcon Limited Partnership	745,920	2	1.26%	777,110	3	1.32%
Willow Glen Elderly Housing Corp	-		0.00%	573,690	4	0.98%
S&S Singh Partners	-		0.00%	489,930	5	0.83%
Bar Processing Real Estate LLC	505,900	5	0.85%	432,680	6	0.74%
Spicko Family Limited Partnership	385,220	10	0.65%	424,030	7	0.72%
Midwest Estate LLC	-		0.00%	405,440	8	0.69%
Clark Properties LTD	392,260	9	0.66%	390,500	9	0.66%
Newton Manor Housing Partnership	-		0.00%	387,140	10	0.66%
Kolovich Enterprises LLC	715,870	3	1.21%	-		0.00%
Hooberry & Associates Inc.	583,770	4	0.98%	-		0.00%
Hooberry Family General	441,740	6	0.74%	-		0.00%
Jedco NF LTD	440,090	7	0.74%	-		0.00%
Direct Development LLC	402,650	8	0.68%	-		0.00%
Total of above	<u>\$ 5,861,210</u>		<u>9.89%</u>	<u>\$ 6,356,470</u>		<u>10.82%</u>
Total Village	<u>\$ 59,332,600</u>			<u>\$ 58,818,310</u>		

Source: Trumbull County Auditor

Village of Newton Falls
Schedules of Principal Taxpayers - Public Utility
2020 and 2011

	2011			2020		
	Taxable Assessed Value	Rank	Percentage of Total Village Taxable Assessed Value	Taxable Assessed Value	Rank	Percentage of Total Village Taxable Assessed Value
Taxpayer						
The Ohio Edison Co.	\$ 188,990	1		\$ 263,800	1	25.76%
Cobra Popeline Co. LTD	-		0.00%	183,920	2	17.96%
East Ohio Gas Co. Dominion	127,400	2	30.10%	164,310	3	16.05%
American Transmission	35,420	5	8.37%	133,000	4	12.99%
CSX Transportation Inc.	91,740	3	21.68%	113,430	5	11.08%
Northeast Ohio Natural Gas Corp	68,210	4	16.12%	-		0.00%
Total of above	<u>\$ 511,760</u>		<u>120.91%</u>	<u>\$ 858,460</u>		<u>83.83%</u>
Total Village	<u>\$ 423,240</u>			<u>\$ 1,023,990</u>		

Source: Trumbull County Auditor

Village of Newton Falls
Income Tax Rates and Collections
Last Ten Calendar Years

Tax Year	Tax Rate	Total Tax Collected	Taxes from Withholding	Percentage of Taxes from Withholding	Taxes From Net Profits	Percentage of Taxes from Net Profits	Taxes From Individuals	Percentage of Taxes from Individuals
2020	1.00%	\$ 741,834	\$ 479,481	64.63%	\$ 86,971	11.72%	\$ 175,382	23.64%
2019	1.00	775,298	505,019	65.14%	84,365	10.88	185,913	23.98
2018	1.00	683,656	449,188	65.70%	53,095	7.77	181,374	26.53
2017	1.00	763,264	481,392	63.07	100,710	13.19	181,234	23.74
2016	1.00	901,492	509,192	56.48	126,303	14.01	265,996	29.51
2015	1.00	1,112,469	485,533	43.64	104,501	9.39	522,435	46.96
2014	1.00	766,696	464,949	60.64	85,607	11.17	216,139	28.19
2013	1.00	1,021,108	444,232	43.50	101,791	9.97	475,085	46.53
2012	1.00	769,926	472,197	61.33	107,583	13.97	190,146	24.70
2011	1.00	766,382	479,648	62.59	99,624	13.00	187,111	24.41

Source: Village income tax records.

Village of Newton Falls
Ratios of Outstanding Debt by Type
Last Ten Years

Fiscal Year	Governmental Activities (1)										Business-Type Activities				
	General Obligation Bonds	OPWC Loans	Note Payable	Capital Leases	Revenue Bonds	OWDA Loans	OPWC Loans	Certificates of Participation	Note Payable	General Obligation Bonds	Electric AMP Stranded Costs	Capital Leases	Total Primary Government	Percentage of Personal Income	Total Debt Per Capita
2020	\$ 28,000	\$ 180,063	\$ -	\$ 135,980	\$ 6,106,000	\$ 662,381	\$ 567,957	\$ 3,128,000	\$ 925,000	\$ 90,000	\$ 502,976	\$ 208,564	\$ 12,534,921	10.64%	\$ 2,822
2019	-	-	-	189,867	6,216,500	838,542	567,957	-	1,160,000	-	541,504	345,740	9,860,110	8.45%	2,205
2018	-	-	-	40,784	6,322,300	925,326	621,073	-	1,395,000	-	570,537	325,786	10,200,806	8.57%	2,127
2017	-	-	-	30,235	6,423,700	1,096,343	540,034	-	1,595,000	-	600,647	422,444	10,708,403	8.99%	2,233
2016	-	-	-	73,625	6,520,900	1,264,014	586,606	-	1,845,000	-	633,051	463,552	11,386,748	9.56%	2,375
2015	-	-	-	29,540	6,613,900	1,428,405	633,178	-	2,045,000	-	667,154	609,079	12,026,256	10.10%	2,508
2014	-	-	-	43,712	6,703,200	1,589,582	679,750	-	2,295,000	-	702,299	-	12,013,543	10.09%	2,505
2013	-	-	-	57,500	6,788,600	1,745,770	266,808	-	2,495,000	-	-	-	11,353,678	9.54%	2,368
2012	-	-	-	-	6,870,500	1,900,454	290,966	-	2,595,000	-	-	30,007	11,686,927	9.82%	2,437
2011	-	-	57,665	31,317	6,948,900	2,024,609	315,125	-	2,745,000	-	-	58,590	12,181,206	10.23%	2,540

Note: Details regarding the Village's outstanding debt can be found in the notes to the financial statements.

Village of Newton Falls
 Direct and Overlapping Governmental Activities Debt
 December 31, 2020

Governmental Unit	<u>Debt Outstanding (2)</u>	<u>Percentage applicable to Village (1)</u>	<u>Amount applicable to Village</u>
Newton Falls Exempted Village School District	\$ 2,187,613	48.99%	\$ 1,071,712
Trumbull County	26,780,100	1.78%	<u>476,686</u>
Subtotal, overlapping debt			1,548,397
Village of Newton Falls governmental activities direct debt			<u>344,043</u>
Total direct and overlapping debt			<u><u>\$ 1,892,440</u></u>

(1) Applicable percentages were estimated by determining the portion of another governmental unit's taxable value that is within the Village's boundaries and dividing it by each unit's total taxable assessed value.

(2) All debt reported as of December 31, 2020, except for Newton Falls Exempted Village School District which is reported as of June 30, 2020.

Village of Newton Falls
 Legal Debt Margin Information
 Last Ten Years

Legal Debt Margin Calculation for Year Ending December 31, 2020	<u>Unvoted</u>	<u>Overall</u>		<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
Total assessed valuation	\$ 59,842,300	\$ 59,842,300											
Debt limitation - 5.5% of assessed valuation	<u>3,291,327</u>												
Debt limitation - 10.5% of assessed valuation		<u>6,283,442</u>											
Debt applicable to limitation:													
Gross indebtedness	12,534,921	12,534,921											
Exempt debt:													
Bond anticipation notes	(925,000)	(925,000)											
Revenue bonds	(6,106,000)	(6,106,000)											
OPWC loans	(748,020)	(748,020)											
OWDA loans	(662,381)	(662,381)											
Certificates of participation	(3,128,000)	(3,128,000)											
AMP stranded costs	(502,976)	(502,976)											
Amount available in debt service fund	-	-											
Total debt applicable to limitation	<u>462,544</u>	<u>462,544</u>											
Legal debt margin	<u>\$ 2,828,783</u>	<u>\$ 5,820,898</u>											
Debt limit	\$ 6,274,363	\$ 6,304,998		\$ 6,257,218	\$ 6,300,201	\$ 6,088,764	\$ 6,052,688	\$ 6,188,567	\$ 6,276,287	\$ 6,283,442	\$ 6,283,442	\$ 6,283,442	\$ 6,283,442
Total net debt applicable to limit	89,907	30,007		57,500	43,712	537,177	452,679	366,570	535,607	462,544	462,544	462,544	462,544
Legal debt margin	\$ 6,184,456	\$ 6,274,991		\$ 6,199,718	\$ 6,256,489	\$ 5,551,587	\$ 5,600,009	\$ 5,821,997	\$ 5,740,680	\$ 5,820,898	\$ 5,820,898	\$ 5,820,898	\$ 5,820,898
Total net debt applicable to limit as a percentage of debt limit	1.43%	0.48%		0.92%	0.69%	8.82%	7.48%	5.92%	8.53%	7.36%	7.36%	7.36%	7.36%

Village of Newton Falls
Pledged OWDA and OPWC Loan Coverage - Water Fund
Last Ten Years

Fiscal Year	Revenues (1)	Operating expenses (2)	Net revenue available debt service	Debt service requirements			Percentage of Coverage
				Principal	Interest	Total	
2020	\$ 1,889,364	\$ 1,440,265	\$ 449,099	\$ 173,633	\$ 15,322	\$ 188,955	237.68%
2019	1,745,988	1,662,508	83,480	129,320	8,948	138,268	60.38%
2018	1,747,893	1,474,763	273,130	209,045	20,429	229,474	119.02%
2017 (3)	1,749,514	1,315,223	434,291	202,452	23,749	226,201	191.99%
2016	1,725,379	1,437,096	288,283	199,196	27,004	226,200	127.45%
2015	1,748,883	1,643,896	104,987	196,006	30,195	226,201	46.41%
2014	1,712,865	1,713,256	(391)	181,671	33,324	214,995	-0.18%
2013	1,683,920	1,236,642	447,278	167,397	36,390	203,787	219.48%
2012	1,794,355	1,462,823	331,532	164,392	39,396	203,788	162.68%
2011	1,617,339	1,175,868	441,471	161,444	42,343	203,787	216.63%

Source: Department of Finance, Village of Newton Falls

Note: Details regarding the Village's outstanding debt can be found in the notes to the financial statements.

- (1) - Revenues includes operating revenues only.
- (2) - Total operating expenses exclusive of depreciation.
- (3) - Years 2011-2017 are presented on a cash basis.

Village of Newton Falls
Pledged OWDA and OPWC Loan Coverage - Sewer Fund
Last Ten Years

Fiscal Year	Revenues (1)	Operating expenses (2)	Net revenue available debt service	Debt service requirements			Percentage of Coverage
				Principal	Interest	Total	
2020	\$ 1,301,372	\$ 836,531	\$ 464,841	\$ 2,528	\$ 286	\$ 2,814	16518.87%
2019	1,380,266	1,241,947	138,319	10,580	153	10,733	1288.73%
2018	1,571,969	1,151,214	420,755	11,816	324	12,140	3465.86%
2017 (3)	1,356,639	847,222	509,417	11,791	348	12,139	4196.53%
2016	1,418,216	896,001	522,215	11,767	373	12,140	4301.61%
2015	1,394,249	802,859	591,390	11,743	397	12,140	4871.42%
2014	1,373,351	939,926	433,425	9,882	-	9,882	4386.00%
2013	1,327,406	979,750	347,656	11,445	-	11,445	3037.62%
2012	1,377,917	864,773	513,144	12,511	-	12,511	4101.54%
2011	1,227,431	835,090	392,341	12,479	-	12,479	3144.01%

Source: Department of Finance, Village of Newton Falls

Note: Details regarding the Village's outstanding debt can be found in the notes to the financial statements.

- (1) - Revenues includes operating revenues only.
- (2) - Total operating expenses exclusive of depreciation.
- (3) - Years 2011-2017 are presented on a cash basis.

Village of Newton Falls
Revenue Bond Coverage - Sewer Fund
Last Ten Years

Fiscal Year	Revenues (1)	Operating expenses (2)	Net revenue available debt service	Debt service requirements			Percentage of Coverage
				Principal	Interest	Total	
2020	\$ 1,301,372	\$ 836,531	\$ 464,841	\$ 110,500	\$ 271,972	\$ 382,472	121.54%
2019	1,380,266	1,241,947	138,319	105,800	276,600	382,400	36.17%
2018	1,571,969	1,151,214	420,755	101,400	281,036	382,436	110.02%
2017 (3)	1,356,639	847,222	509,417	97,200	285,289	382,489	133.18%
2016	1,418,216	896,001	522,215	93,000	289,358	382,358	136.58%
2015	1,394,249	802,859	591,390	89,300	293,265	382,565	154.59%
2014	1,373,351	939,926	433,425	85,400	297,001	382,401	113.34%
2013	1,327,406	979,750	347,656	81,900	300,584	382,484	90.89%
2012	1,377,917	864,773	513,144	78,400	304,014	382,414	134.19%
2011	1,227,431	835,090	392,341	75,100	307,300	382,400	102.60%

Source: Department of Finance, Village of Newton Falls

Note: Details regarding the Village's outstanding debt can be found in the notes to the financial statements.

- (1) - Revenues includes operating revenues only.
- (2) - Total operating expenses exclusive of depreciation.
- (3) - Years 2011-2017 are presented on a cash basis.

Village of Newton Falls
 Schedule of Principal Employers
 2020 and 2018 (1)

<u>Employer (1)</u>	<u>Industry</u>	<u>2020</u>			<u>2018</u>		
		<u>Employees</u>	<u>Rank</u>	<u>Percentage of Total Village Employment</u>	<u>Employees</u>	<u>Rank</u>	<u>Percentage of Total Village Employment</u>
Newton Falls Exempted Village Schools	Education	156	1	0.63%	249	1	1.00%
Cornerstone Innovations, Inc.	Leasing Company	107	2	0.43%	139	2	0.56%
Spicko's Supermarket, Inc.	Grocery Store	65	3	0.26%	60	5	0.24%
Bar Processing Corporation	Steel Bar Processor	63	4	0.25%	75	3	0.30%
The Cadle Company	Billing Company	59	5	0.24%	56	6	0.22%
Ohio North East Health Systems	Health Care	48	6	0.19%	40	8	0.16%
Quality Switch, Inc.	Manufacturer	42	7	0.17%	43	7	0.17%
Direct International, Inc.	Home Décor	37	8	0.15%	30	9	0.12%
Transco Railway Products, Inc.	Freight car repair and modification	35	9	0.14%	65	4	0.26%
Dental Associates Newton Falls	Dentistry	22	10	0.09%	26	10	0.10%
		<u>634</u>		<u>2.54%</u>	<u>783</u>		<u>3.13%</u>

Source: Village Income Tax Department W2 Audit Listing & Regional Income Tax Agency (RITA) records for 2020.

(1) 2018 information is latest information available. Table will be updated each year until it shows the current year and nine years ago.

Village of Newton Falls
Demographic and Economic Statistics
Last Ten Years

Year	Population (1)	Total Personal Income (5)	Personal Income Per Capita (1)	Median Household Income (1)	Median Age (1)	Educational Attainment: Bachelor's Degree or Higher (1)	School Enrollment (2)	Village of Newton Falls Unemployment Rate (3)	Average Sales Price of Residential Property (4)	Total Assessed Property Value (4)
2020	4,442	\$ 117,824,050	\$ 26,525	\$ 52,600	48	176	994	7.3%	\$ 127,533	\$ 59,842,300
2019	4,471	116,652,861	26,091	43,493	46	303	1,890	3.7%	99,906	59,774,160
2018	4,795	119,050,260	24,828	39,980	43	220	1,012	6.6%	99,229	58,938,730
2017	4,795	119,050,260	24,828	37,017	40	219	1,056	7.2%	83,214	57,644,650
2016	4,795	119,050,260	24,828	37,017	40	208	1,178	6.7%	97,344	57,988,230
2015	4,795	119,050,260	24,828	37,017	40	300	1,213	6.5%	80,802	57,665,740
2014	4,795	119,050,260	24,828	37,017	40	352	1,330	7.0%	69,093	60,001,910
2013	4,795	119,050,260	24,828	37,017	40	294	1,450	7.5%	69,616	59,592,550
2012	4,795	119,050,260	24,828	37,017	40	332	1,461	8.1%	71,408	60,047,600
2011	4,795	119,050,260	24,828	37,017	40	321	1,461	9.6%	64,536	59,755,840

- (1) Source: U. S. Census
Years 2011 through 2020 - 2013-2017 American Community Survey by U.S. Census Bureau
- (2) Source: Ohio Department of Education
- (3) Source: Ohio Department of Job and Family Services (Trumbull County)
- (4) Source: Trumbull County Auditor
- (5) Computation of per capita personal income multiplied by population

Village of Newton Falls
 Full-Time Equivalent Village Government Employees by Function/Program
 Last Ten Years

Function/Program	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
General Government										
Council	6.00	6.00	6.00	6.00	7.00	6.00	6.00	7.00	6.00	6.00
Finance	3.00	3.00	2.00	3.00	4.00	2.00	2.00	3.00	2.00	2.00
Tax	0.00	0.00	1.00	2.00	2.00	1.00	3.00	1.00	2.00	1.00
Village Manager	2.00	3.00	4.00	3.00	3.00	2.00	3.00	3.00	3.00	2.00
Law	2.00	2.00	2.00	2.00	3.00	2.00	2.00	3.00	3.00	5.00
Custodian	1.00	1.00	0.00	0.00	1.00	1.00	1.00	2.00	3.00	2.00
Court	16.00	16.00	14.00	16.00	16.00	15.00	19.00	18.00	17.00	18.00
Senior Citizen Van	0.00	0.00	0.00	1.00	4.00	5.00	4.00	4.00	5.00	6.00
Security of Persons and Property										
Police	28.00	26.00	22.00	23.00	26.00	25.00	26.00	24.00	28.00	32.00
Community Development										
Zoning	1.00	1.00	1.00	1.00	1.00	1.00	2.00	1.00	1.00	1.00
Leisure Time Activities										
Park and recreation	1.00	1.00	0.00	0.00	0.00	2.00	4.00	0.00	0.00	0.00
Community Center	0.00	0.00	0.00	0.00	0.00	3.00	3.00	3.00	1.00	1.00
Transportation										
Street	5.00	5.00	6.00	5.00	3.00	3.00	4.00	4.00	5.00	5.00
Basic Utility Services										
Water	10.00	8.00	10.00	10.00	9.00	8.00	9.00	7.00	9.00	8.00
Sewer	5.00	5.00	6.00	6.00	7.00	6.00	6.00	5.00	5.00	5.00
Electric	5.00	5.00	4.00	4.00	4.00	4.00	9.00	5.00	5.00	3.00
Utility office	9.00	9.00	7.00	5.00	6.00	5.00	6.00	7.00	6.00	6.00
Totals:	<u>94.00</u>	<u>91.00</u>	<u>85.00</u>	<u>87.00</u>	<u>96.00</u>	<u>91.00</u>	<u>109.00</u>	<u>97.00</u>	<u>101.00</u>	<u>103.00</u>

Source: Village Payroll Department W2 Audit Listing

Method: Using 1.0 for each full-time employee and 0.50 for each part-time and seasonal employee at year end.

Village of Newton Falls
 Capital Assets Statistics by Function/Program
 Last Ten Years

Function/Program	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
General Government										
Square Footage Occupied	33,225	16,959	16,959	16,959	16,959	16,959	16,959	16,959	16,959	16,959
Administrative Vehicles	1	1	1	1	1	1	1	1	1	1
Inspection Vehicles	1	1	1	1	1	1	1	1	1	1
Municipal Court Vehicles	1	1	1	1	1	1	1	1	1	1
Police										
Stations	1	1	1	1	1	1	1	1	1	1
Square Footage of Building	6,907	6,907	6,907	6,907	6,907	6,907	6,907	6,907	6,907	6,907
Vehicles	14	14	14	14	14	14	14	14	14	14
Fire										
Number of fire hydrants	378	378	378	378	378	378	378	378	378	378
Recreation										
Number of Parks	3	3	3	3	3	3	3	3	3	3
Number of Tennis Courts	0	0	0	0	0	0	2	2	2	2
Number of Baseball Fields	6	6	6	6	6	6	6	6	6	6
Number of Community Centers	1	1	1	1	1	1	1	1	1	1
Square Footage of Community Center	12,302	12,302	12,302	12,302	12,302	12,302	12,302	12,302	12,302	12,302
Vehicles	1	1	1	1	1	1	1	1	1	1
Other Public Works										
Streets (miles)	31.0	31.0	31.0	31.0	31.0	31.0	31.0	31.0	31.0	31.0
Service Vehicles	14	14	13	13	13	13	13	13	13	13
Wastewater										
Sanitary Sewers (miles)	34	34	34	34	34	34	34	34	34	34
Storm Sewers (miles)	10	10	10	10	10	10	10	10	10	10
Vehicles	8	8	8	8	8	8	8	8	8	8
Water Department										
Water Lines (miles)	36.7	36.7	36.7	36.7	36.7	36.7	36.7	36.7	36.7	36.7
Vehicles	8	8	7	7	7	7	7	7	7	7
Treatment plants	1	1	1	1	1	1	1	1	1	1
Electric										
Substations	2	2	2	2	2	2	2	2	2	2
Aerial lines (miles)	50	50	50	50	50	50	50	50	50	50
Transmission lines (miles)	10	10	10	10	10	10	10	10	10	10
Underground lines (miles)	10	10	10	10	10	10	10	10	10	10
Meters	2	2	2	2	2	2	2	2	2	2
Vehicles	9	9	9	9	9	9	9	9	9	9

Source: Village of Newton Falls



Village of Newton Falls
 Operating Indicators by Function/Program
 Last Ten Years

Function/Program	2020 (2)	2019	2018 (1)	2017	2016
General Government					
<i>Council and Clerk</i>					
Number of Ordinances Passed	42	37	20	27	14
Number of Resolutions Passed	40	64	40	22	27
<i>Finance Department</i>					
Number of payroll checks issued	206	219	308	307	331
Number of payroll direct deposits issued	1,813	1,880	1,725	1,627	1,711
Number of checks/ vouchers issued	1,739	1,884	1,553	1,689	1,814
Amount of checks written (cash basis)	\$3,004,523	\$4,264,767	\$3,247,731	\$4,540,545	\$7,968,902
Interest earnings for fiscal year (cash basis)	\$99,260	\$192,333	\$113,648	\$128,894	\$97,687
Number of Receipts issued	1,281	1,155	4,788	4,818	3,213
Number of Budget Adjustments issued	2	2	3	2	3
Total final appropriations	\$22,288,215	\$17,107,551	\$19,852,264	\$15,931,029	\$17,008,277
Health Insurance Costs vs General Fund Expenditures %	35.00%	34.79%	39.15%	54.80%	53.64%
General Fund Receipts (cash basis)	\$2,419,130	\$2,131,794	\$2,561,918	\$1,946,395	\$2,056,536
General Fund Expenditures (cash basis)	\$2,406,839	\$2,153,609	\$2,512,049	\$1,736,102	\$1,850,136
General Fund Cash Balances	\$662,246	\$664,700	\$673,060	\$639,215	\$520,739
<i>Income Tax Department</i>					
Number of Individual/Business Returns	1,570	1,778	2,604	1,888	2,262
Number of Net Profit Forms Processed	455	601	418	400	455
Number of business withholding accounts	422	418	4,657	2,985	3,388
Amount of Penalties and Interest Collected	\$ 18,877	\$ 20,021	\$ 3,488	\$ 15,603	\$ 25,049
Annual number of estimated payment forms processed	2	1	3	391	357
<i>Municipal Court</i>					
Number of Civil Cases	196	265	56	58	43
Number of Criminal/Traffic cases	4,937	7,838	515	507	459
<i>Building Department Indicators</i>					
Number of permits issued	0	48	45	55	53
Amount of Revenue generated from permits	\$0	\$525	\$4,999	\$3,171	\$5,353
Security of Persons & Property					
<i>Police</i>					
Total Calls for Services	n/a	4,832	4,842	4,541	4,282
Number of traffic citations issued	n/a	344	288	331	201
Number of parking citations issued	n/a	0	111	21	20
Number of criminal arrests	n/a	137	167	155	91
Number of accident reports completed	n/a	46	50	74	58
Animal Warden service calls responded to per annual report	n/a	109	104	95	89
Motor Vehicle Accidents	n/a	46	111	114	106
Property damage accidents	n/a	0	68	75	79
Gasoline costs of fleet	n/a	\$0	\$19,114	\$14,309	\$10,366
Community Development					
Estimated value of construction	\$958,952	\$57,810	n/a	\$154,280	\$1,582,875
Residential/Commerical/Zoning permits issued	85	48	n/a	55	53
Permit revenue	\$6,985	\$525	n/a	n/a	n/a
Zoning board of appeals hearings	0	0	0	0	0
Basic Utility Services					
Refuse disposal costs per year January through December	\$355,048	\$301,282	\$305,138	\$291,408	\$289,767

2015	2014	2013	2012	2011
20	24	28	30	34
25	20	29	52	25
306	444	733	838	959
1,774	1,508	1,236	1,258	1,278
1,600	1,460	1,465	1,427	1,507
\$7,157,964	\$6,842,987	\$7,579,075	\$7,538,172	\$7,523,276
\$83,188	\$72,869	\$138,069	\$117,979	\$112,108
2,892	2,879	3,491	2,892	2,877
9	7	6	8	7
\$15,671,710	\$16,009,537	\$16,599,967	\$16,167,695	\$16,634,134
52.36%	37.78%	38.53%	36.00%	26.58%
\$2,037,981	\$1,732,098	\$2,060,530	\$2,555,015	\$2,523,336
\$1,695,183	\$1,798,045	\$2,069,756	\$2,590,562	\$2,615,568
\$330,057	\$8,166	\$111,407	\$174,044	\$253,100
2,270	2,079	2,439	2,291	2,301
445	410	471	438	457
2,315	2,226	2,197	2,166	2,066
\$ 23,851	\$ 18,035	\$ 15,983	\$ 10,601	\$ 12,192
847	361	337	433	382
161	124	159	149	n/a
721	738	727	789	n/a
36	49	54	66	52
\$2,350	\$4,288	\$4,598	\$3,103	\$3,718
4,592	5,018	5,280	n/a	12,736
368	325	330	n/a	515
22	n/a	n/a	n/a	12
119	138	155	n/a	515
39	107	63	n/a	112
128	0	0	n/a	42
119	107	63	n/a	112
91	0	0	n/a	27
\$13,522	\$25,984	\$32,910	n/a	\$33,645
n/a	n/a	n/a	\$3,003	\$2,868
36	49	54	66	52
\$2,350	\$4,288	\$4,598	\$3,103	\$3,718
1	0	5	1	7
\$291,140	\$294,037	\$482,614	\$309,121	\$306,240

Village of Newton Falls
 Operating Indicators by Function/Program
 Last Ten Years

Function/Program	2020 (2)	2019	2018 (1)	2017	2016
Transportation					
Street Improvements - asphalt overlay (linear feet)	n/a	2,830	2,640	2,700	2,500
Crackseal Coating Program (Miles)	n/a	0	0	0	0
Street Repair (Concrete, asphalt, crack sealing) (hours)	n/a	86	0	0	0
Mowing (hours)	n/a	930	960	1,000	840
Street Sweeper (hours)	n/a	80	100	96	110
Snow & Ice Removal regular hours	n/a	1,400	1,700	1,620	1,600
Snow & Ice Removal overtime hours	n/a	62	75	79	70
Sewer and Sanitary service calls	n/a	25	29	36	33
Catch basin (hours)	n/a	15	10	15	12
Holiday lights setup (hours)	n/a	0	3	3	3
Equipment repair (hours)	n/a	1,500	3,120	2,700	2,100
Building maintenance (hours)	n/a	92	104	100	95
Water Department					
Water Rates per 1000 gallons	n/a	\$ 5.01	\$ 5.01	\$ 5.01	\$ 5.01
Avg. number of water accounts billed monthly (Cu. Ft.)	n/a	2,520	2,529	2,527	2,513
Total Water Collections Annually (Including P&I)	n/a	\$1,631,387	\$1,539,435	\$1,539,979	\$1,512,673
Water Usage:	n/a				
Water usage by schools	n/a	1,117,450	1,183,800	1,522,950	1,464,180
Water usage by churches	n/a	589,800	427,350	455,300	398,450
Water usage by government	n/a	8,325,650	9,178,350	6,992,150	4,451,250
Water usage by other	n/a	14,404,470	17,569,177	17,115,020	17,611,264
Water usage by residential	n/a	122,114,730	112,289,572	109,849,270	109,824,604
Water usage by commercial	n/a	30,633,230	31,960,885	34,375,310	30,648,900
Water usage by industrial	n/a	1,943,280	127,806,700	115,437,700	104,123,900
Total Usage	-	179,128,610	300,415,834	285,747,700	268,522,548
Wastewater Department					
Wastewater Rates per 1st 300 Cu ft of water used	n/a	\$0.00	\$28.12	\$28.12	\$28.12
Total flow of wastewater treatment plant (Millions of Gallons)	n/a	451,947	386,120	377,932	308,137
Average daily flow (Millions of gallons per day)	n/a	1,238.000	1.058	1.035	0.844

Source: Village of Newton Falls

(1) First year reporting on a GAAP Basis.

(2) n/a - information is not available at this time.

2015	2014	2013	2012	2011
2,600	2,000	1,400	1,600	1,800
0	1	2	2	1
0	12	24	24	12
900	850	1,020	950	920
120	115	105	100	96
1,540	1,540	1,600	1,450	1,300
70	65	60	50	45
30	26	41	28	28
11	17	12	14	15
3	3	3	3	3
3,200	2,476	2,863	2,745	2,673
72	105	80	95	88
\$ 5.01	\$ 4.82	\$ 4.63	\$ 4.41	\$ 4.20
2,513	2,513	2,525	2,551	2,549
\$1,539,379	\$1,508,042	\$1,478,781	\$1,428,604	\$1,388,071
1,476,180	1,320,550	1,696,660	2,518,810	1,234,160
438,550	434,950	539,050	460,740	893,200
5,817,150	7,337,950	8,159,900	7,624,580	9,429,050
18,331,954	15,956,703	13,010,442	14,774,513	15,612,593
105,644,331	104,691,821	109,020,273	108,444,690	104,458,810
31,584,160	33,577,150	47,632,499	49,648,530	49,460,830
99,597,200	91,723,900	89,270,400	87,988,100	60,037,600
<u>262,889,525</u>	<u>255,043,024</u>	<u>269,329,224</u>	<u>271,459,963</u>	<u>241,126,243</u>
\$27.31	\$26.52	\$25.38	\$24.28	\$19.85
355,037	374,675	350,093	338,130	491,904
0.973	1.027	0.959	0.926	1.348

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OHIO AUDITOR OF STATE KEITH FABER



VILLAGE OF NEWTON FALLS

TRUMBULL COUNTY

AUDITOR OF STATE OF OHIO CERTIFICATION

This is a true and correct copy of the report, which is required to be filed pursuant to Section 117.26, Revised Code, and which is filed in the Office of the Ohio Auditor of State in Columbus, Ohio.



Certified for Release 3/31/2022

88 East Broad Street, Columbus, Ohio 43215
Phone: 614-466-4514 or 800-282-0370

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