



The City of Wooster, Ohio

Comprehensive Annual Financial Report for the year ended December 31, 2018

OHIO AUDITOR OF STATE
KEITH FABER



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Columbus, Ohio 43215
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Members of Council
City of Wooster
538 North Market Street
Wooster, Ohio 44691

We have reviewed the *Independent Auditors' Report* of the City of Wooster, Wayne County, prepared by Clark, Schaefer, Hackett & Co., for the audit period January 1, 2018 through December 31, 2018. Based upon this review, we have accepted these reports in lieu of the audit required by Section 117.11, Revised Code. The Auditor of State did not audit the accompanying financial statements and, accordingly, we are unable to express, and do not express an opinion on them.

Our review was made in reference to the applicable sections of legislative criteria, as reflected by the Ohio Constitution, and the Revised Code, policies, procedures and guidelines of the Auditor of State, regulations and grant requirements. The City of Wooster 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

October 1, 2019

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**City of Wooster
Wayne County, Ohio**

* * * *

*Comprehensive Annual Financial Report
Year ended December 31, 2018*

**Issued By: Department of Finance
Andrei A. Dordea, CPA
Director of Finance**

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INTRODUCTORY SECTION



Robert F. Breneman
Mayor

Andrei A. Dordea, CPA
Director of Finance

Finance Department
PO Box 1128
Wooster, OH 44691
(330) 263-5225

CITY OF WOOSTER

August 29, 2019

City Council and Citizens of Wooster
Wooster, Ohio

The Comprehensive Annual Financial Report

The Ohio Revised Code requires that every public office, other than a state agency, publish a financial report for each fiscal year. Because the City prepares this report pursuant to generally accepted accounting principles, the report must be filed with the Auditor of State within one hundred fifty days after the end of the fiscal year. The City recently implemented a new accounting software program. We asked and received two 30-day extensions and one 14-day extension. The City filed our financial report for the year ended December 31, 2018 on August 12, 2019.

City Management is fully responsible for the completeness and reliability of the information contained in this report. The City uses a comprehensive framework of internal controls to ensure that this information is dependable. Because the cost of internal controls should not exceed the benefit derived from such controls, the objective of the framework is to provide reasonable, not absolute, assurance that this report is free from any material misstatements.

Clark Schaefer Hackett has issued an unmodified (“clean”) opinion for the City of Wooster’s financial statements for the year ended December 31, 2018. The independent auditor’s report is located in the front of the financial section of this report on page one.

Management Discussion and Analysis (MD&A) immediately follows the independent auditor’s report. The MD&A provides a narrative of the financial statements including an introduction, overview and analysis of the information reported in this document. MD&A, beginning on page five, complements this letter of transmittal and should be read in conjunction with it.

Profile of the Government

The City of Wooster, incorporated in 1817, is located in the north central part of the State of Ohio. The City’s 17.081 square mile area is home to a population of 26,560. Located within Wayne County, Wooster is a home rule municipal corporation under the laws of the State of Ohio and, as such, operates under its own charter. The current charter was adopted in 1972 and has undergone four amendments since that time. The city government consists of a Mayor, a seven-member Council and a Council President. All of these officials are elected for four-year terms. The Mayor, three Council members and the Council President are elected on an at-large basis. The four remaining Council members are elected from their respective wards within the City.

The City provides a full range of municipal services contemplated by its charter. These services include police, fire, health care, recreation programs (including parks), a subsidized transportation program, water and water pollution control programs, planning and zoning, and general administrative services.

For financial reporting purposes, the City includes in this report all funds, agencies, boards, and commissions that are controlled by, or dependent on, the City legislative branch. “Controlled by” or “dependent on” the City is determined on the basis of budget adoption, taxing authority, outstanding debts secured by revenues or general taxing authority of the City, and/or the City’s obligation to fund any deficits that may occur.

Annual budgets are adopted for all City funds, with the exception of agency funds. Under state law, the Mayor is required to submit an annual budget (often referred to as the “tax budget”) to Council for consideration and approval no later than July 15. By Charter, the Mayor must submit an annual appropriation ordinance to City Council by the last Council meeting in the November of the preceding year. This ordinance builds upon the tax budget of the previous July and is updated for any estimates or revisions. The legal level of City Council appropriated budgetary control is at the activity level within a fund.

Local Economy

The Economic Segment Mix for the Tax Years 2012 through 2018 and The Change of Economic Segment Mix for the Tax Years 2012 through 2018 as Measured by Total Income Tax Receipts:

Income Tax Principal Payers	2012	2013	2014	2015	2016	2017	2018	% Change ‘12-‘18
Industrial	35.40%	34.00%	32.00%	31.90%	31.90%	32.70%	32.0%	-9.60%
Education/Government	17.60%	17.40%	19.40%	18.10%	16.90%	17.40%	17.6%	0.00%
Services	11.40%	12.00%	11.00%	11.00%	10.90%	10.30%	10.4%	-8.77%
Retail	7.00%	7.20%	7.00%	7.00%	6.70%	6.40%	5.7%	-18.57%
Medical	8.20%	9.00%	9.00%	8.00%	9.00%	8.70%	9.0%	9.76%
Construction	2.80%	3.40%	3.40%	4.00%	3.90%	4.30%	3.9%	39.29%
Financial	3.90%	4.50%	4.60%	6.00%	5.20%	4.80%	4.3%	10.26%
Oil	2.80%	2.50%	2.60%	3.00%	2.60%	2.20%	2.4%	-14.29%
Restaurants	1.90%	2.00%	2.00%	2.00%	2.00%	2.10%	2.0%	5.26%
Miscellaneous	9.00%	8.00%	9.00%	9.00%	10.90%	11.10%	12.7%	41.11%
	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.0%	

The chart displayed above demonstrates past economic trends in the community and provides indications of possible future trends. The Industrial segment continues to lead our economy. Most sectors have remained consistent over the past seven years. We view this trend as positive and expect this pattern to continue. We anticipate, as indicated by the strength of the construction segment and building permits issued during the last three years, future economic expansion. The dollar value of all building permits issued in 2018 was \$87,748,179. The top 6 projects in 2018 were: Schaeffler Group – 21,680 sq. ft. addition for manufacturing, Campbell Real Estate Ltd. – Bell Convenience and Gas Store., Baker Properties – 120,000 sq. ft. Warehouse, Commercial Savings Bank – 2-Story 7,500 sq. ft. Bank, OneEighty – Woman’s Residential Facility, Realty Income Corporation – Aldi Grocery Store.

For comparison purposes, it should be noted that the City of Wooster implemented mandatory income tax filing for the year ending December 31, 2006. Percentage changes in total taxes collected have been affected by this change in ordinance and the accompanying amnesty period. On May 7, 2013 the voters authorized a 0.50% increase in the City’s income tax, raising the rate to 1.50% effective January 1, 2014.

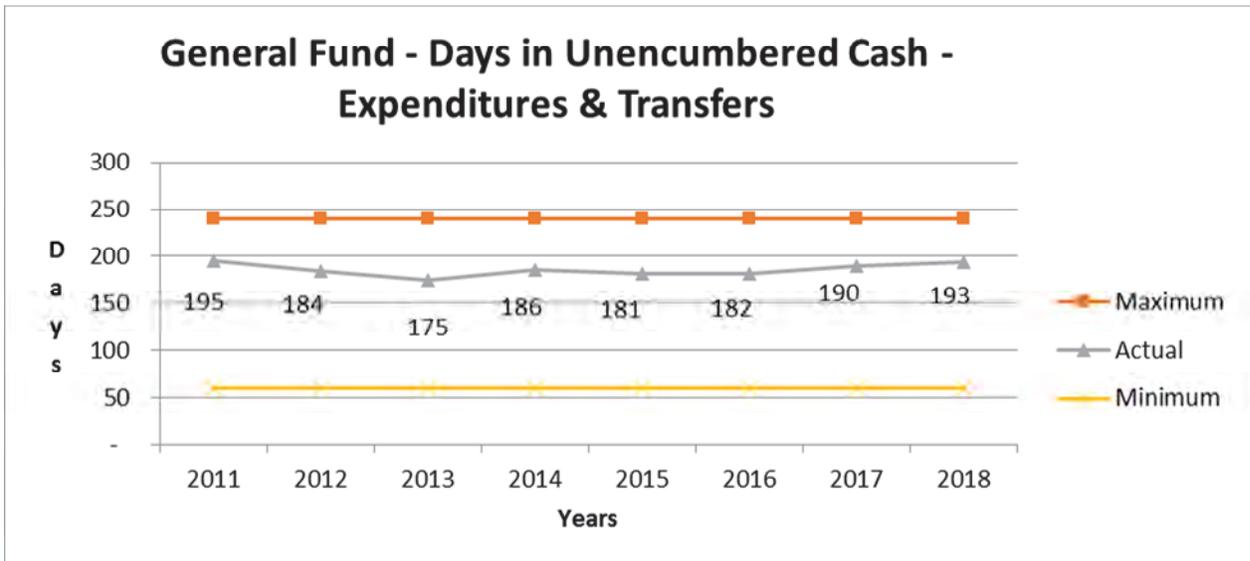
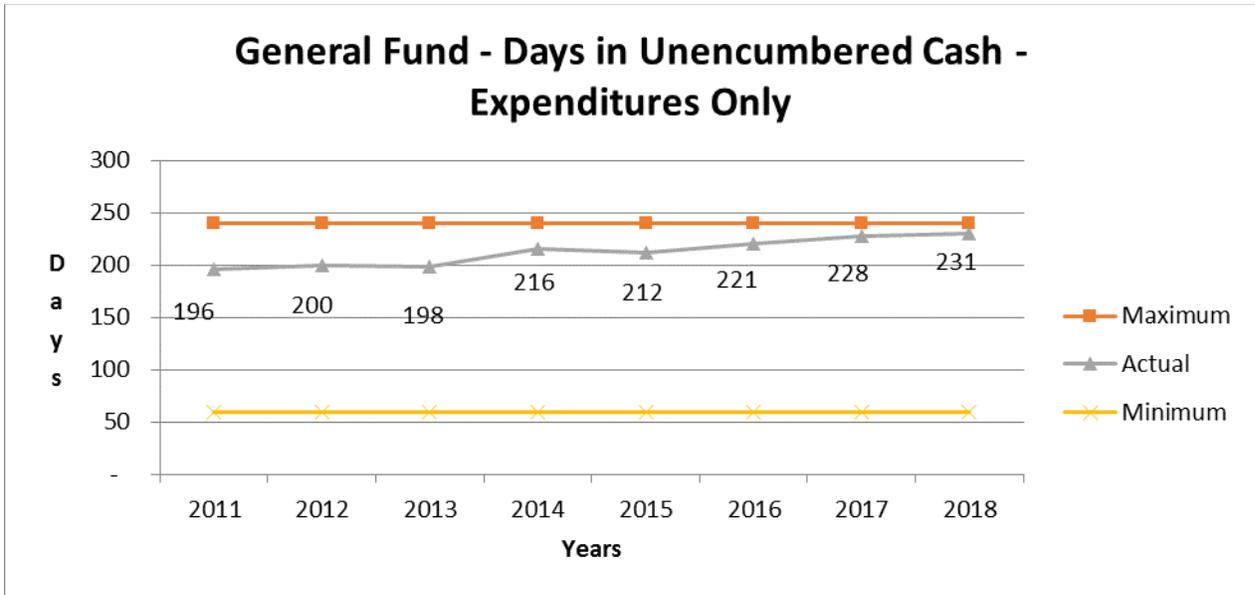
Financial Management Initiatives

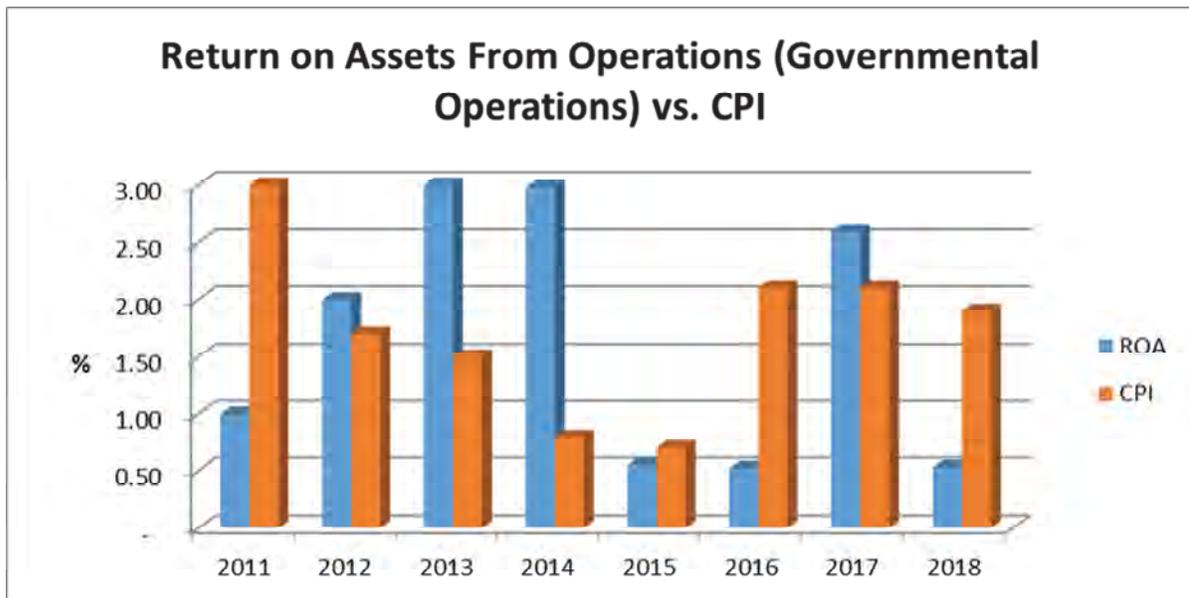
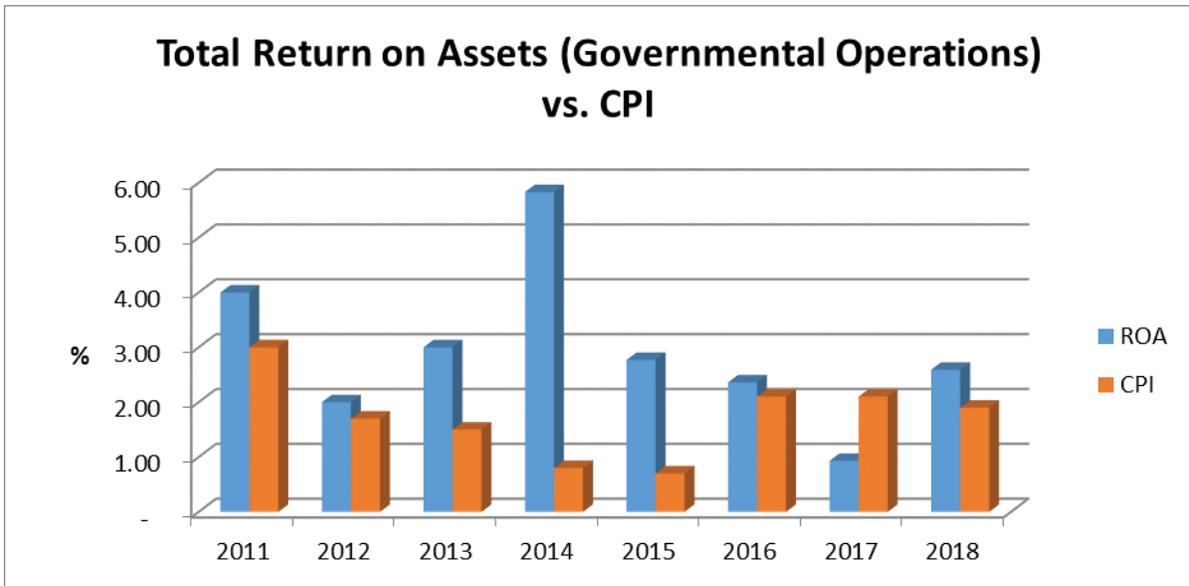
On January 17, 1995, and amended in 1999, Council passed and the Mayor approved new financial policies for the governmental funds of the City. In part, the ordinance states:

- (1) The governmental funds shall be budgeted to have a rate of return on all assets greater than or equal to the rate of inflation;
- (2) Council will not provide new services unless new revenue is available or there is a cost reduction in another service;

- (3) By 1999, the General Fund shall have an unencumbered cash balance of at least 60 days of expenditures, but no more than 240 days;
- (4) By 2001, the Capital Improvements Fund shall have a cash balance at least equal to the value of the annual depreciation of the governmental fund assets; and,
- (5) If the General Fund cash exceeds the 240 day requirement and the Capital Improvements Fund cash requirement is achieved and the return on assets in the governmental funds is greater than the rate of inflation Council will lower either the property tax rate or the income tax rate.

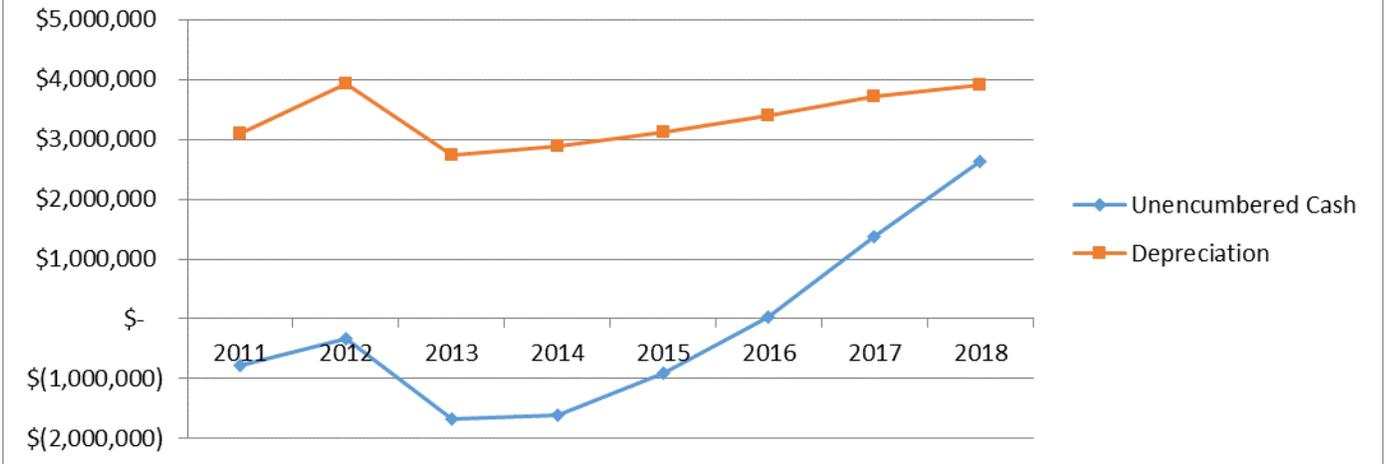
GASB Statement No. 34 financial reporting requirements facilitate monitoring actual results with these City policies. Our positions on each measurable point as of December 31 are presented in the following graphs:



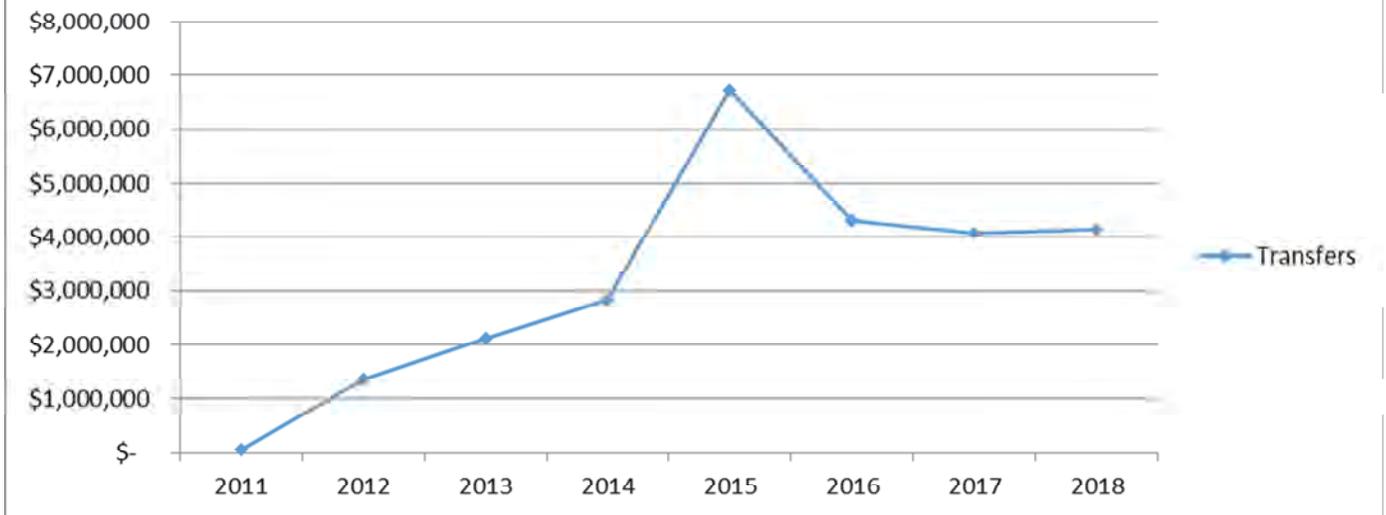


The City's financial management team makes authorized transfers each fiscal year from the General Fund to the Capital Improvements Fund. This transaction ensures that the cash balance in the Capital Improvements Fund remains at least equal to the amount of annual depreciation of governmental fund assets. In 2011, the transfers from the General Fund to the Capital Improvements Fund were significantly reduced in order to preserve General Fund Cash. Below are two charts, one illustrating unencumbered cash in the Capital Improvements Fund to annual depreciation and one illustrating General Fund transfers to the Capital Improvements Fund.

Unencumbered Cash Balance (Capital Improvement Fund) vs. Annual Depreciation (Governmental Activities)



General Fund Transfers to Capital Improvement Fund



Major Initiatives

Major infrastructure projects completed during 2018 include a downtown streetscape project for \$1.9 million, various street resurfacing projects costing \$2.8 million, equipment purchases and facilities investments at Wooster Community Hospital for \$7.4 million, and several water, water pollution control, and storm sewer projects costing \$3.35 million.

Award and Acknowledgements

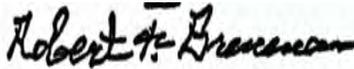
The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Wooster, Ohio, for its comprehensive annual financial report for the fiscal year ended December 31, 2017. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

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

The preparation of this report would not have been possible without the dedicated and efficient services of the Finance Department, and the various managers, directors, and employees who contributed to this report. Our sincere appreciation is given not only for their assistance in the preparation of this report, but also for the efforts expended throughout the year in following good financial management in order to maintain sound business practices. We would also like to acknowledge the members of City Council who have consistently supported the City's goals of both excellence and continuous improvement in all aspects of financial management.

We would like to dedicate this report to the team who make up the City's Finance Department. A special mention to Deputy Director of Finance, Stacey Teeling, for her unwavering leadership during a software conversion and labor shortages. To the men and women of the Wooster Finance Department: Thank you for your dedication, hard work and professionalism.

Respectfully submitted,



Robert F. Breneman
Mayor



Andrei A. Dordea, CPA
Director of Finance

CITY OF WOOSTER, OHIO
Comprehensive Annual Financial Report
For the year ended December 31, 2018

Prepared by Finance Department

CITY OFFICIALS

MAYOR

Robert F. Breneman
Third Term Expires 12-31-19

CITY COUNCIL

Mike Buytendyk
President
Second Term as President Expires 12-31-19

Craig Sanders
Term Expires 12-31-19
Second Term – At Large

David Silvestri
Term Expires 12-31-19
Third Term – Ward 3

Mark Cavin
Term Expires 12-31-19
Second Term – Ward 1

Jennifer Warden
Term Expires 12-31-21
First Term – Ward 2

Bill Bostancic
Term Expires 12-31-21
First Term – At Large

Jon Ansel
Term Expires 12-31-21
Fourth Term – At Large

Scott Myers
Term Expires 12-31-21
Second Term – Ward 4

DIRECTOR OF FINANCE

Andrei A. Dordea, CPA – 16 years of service

DIRECTOR OF LAW

John Scavelli – 0.25 years of service

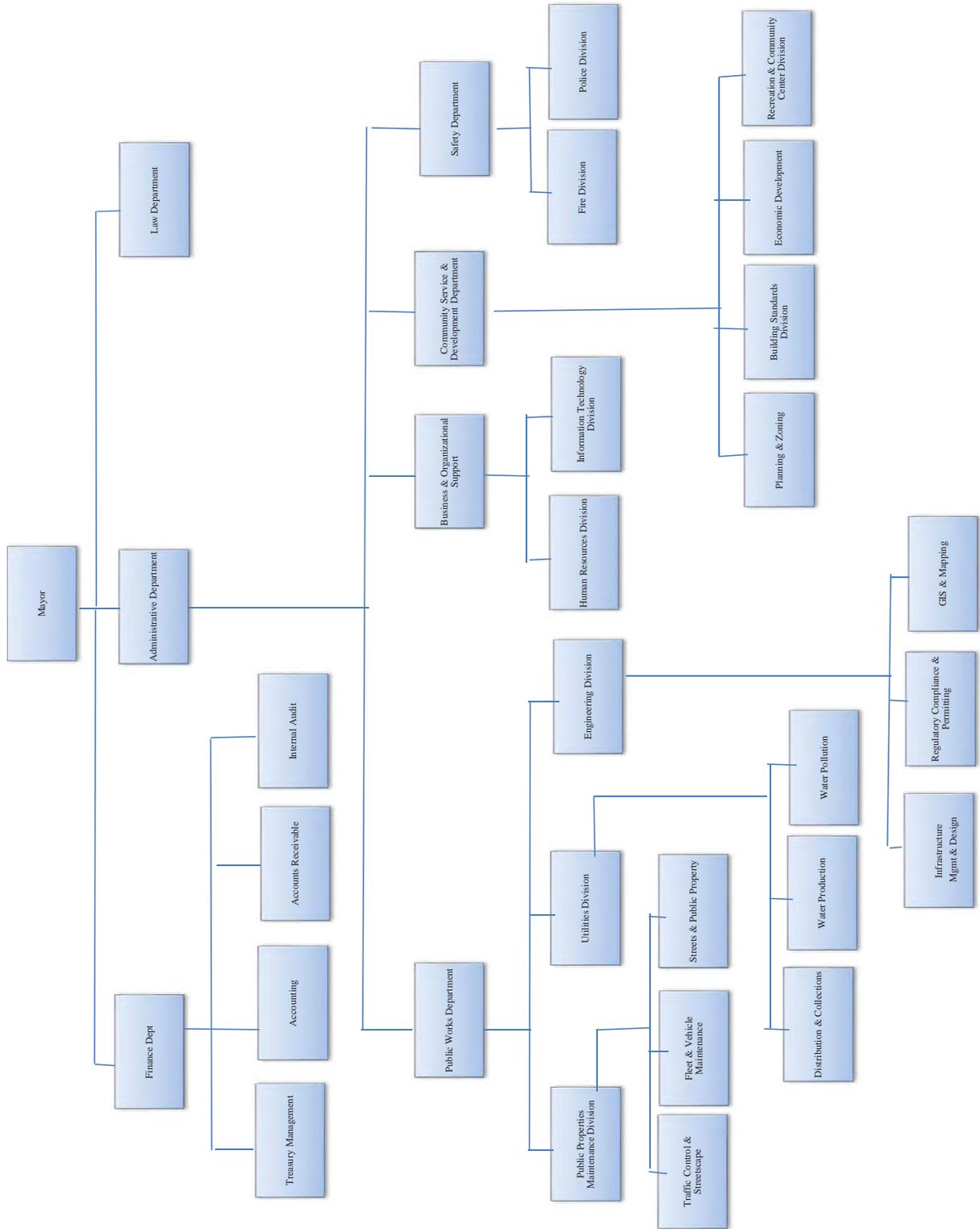
DIRECTOR OF ADMINISTRATION

Joel Montgomery – 7 years of service as director

WOOSTER COMMUNITY HOSPITAL ADMINISTRATOR

William Sheron – 24 years of service

CITY OF WOOSTER, OHIO
 ORGANIZATION CHART
 DECEMBER 31, 2018





Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

City of Wooster
Ohio

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

December 31, 2017

Christopher P. Morrill

Executive Director/CEO

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FINANCIAL SECTION

INDEPENDENT AUDITORS' REPORT

City Council
City of Wooster
538 North Market Street
Wooster, Ohio 44691

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Wooster, Ohio (the "City"), as of and for the year ended December 31, 2018, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for 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.

Auditors' Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' 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 City'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 City's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Wooster, Ohio, as of December 31, 2018, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Change in Accounting Principle

As disclosed in Note 4 to the financial statements, during the year ended December 31, 2018, the City adopted the provisions of Governmental Accounting Standards Board (GABS) Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefit Plans Other than Pensions*. Our opinions are not modified with respect to this matter.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, the schedules of the City's proportionate share of net pension and OPEB liabilities, the schedules of the City's pension and OPEB contributions and the schedule of revenues, expenditures, and changes in fund balances - budget and actual (budgetary basis) – general fund, as 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 to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The introductory section, combining and individual fund financial statements and schedules, 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 fund financial statements and schedules are the responsibility of management and were derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual fund financial statements and schedules are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated August 29, 2019 on our consideration of the City'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 over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.

Clark, Schaefer, Hackett & Co.

Springfield, Ohio
August 29, 2019

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**CITY OF WOOSTER
WAYNE COUNTY, OHIO
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2018**

As management of the City of Wooster, Ohio, we offer readers of the City of Wooster, Ohio's financial statements this narrative overview and analysis of the financial activities of the City of Wooster, Ohio for the year ended December 31, 2018. Please read this narrative and overview in conjunction with the City of Wooster, Ohio's basic financial statements.

Financial Highlights

- The assets and deferred outflows of resources of the City of Wooster, Ohio exceeded its liabilities and deferred inflows at the close of the most recent fiscal year by \$200,857,918 (*net position*). Of this amount, (\$10,989,850) represents an unrestricted deficit net position.
- The City of Wooster, Ohio's total net position decreased \$4,033,469 during 2018.
- Net position of business-type activities decreased by \$3,753,892. Of these amounts, Wooster Community Hospital's net position decreased by \$3,965,052 while the City's utility service funds' net position increased by \$211,160.
- At the close of the current fiscal year, the City of Wooster, Ohio's government funds reported combined fund balances of \$22,119,748, a decrease of \$778,030 in comparison with the prior year. Approximately 72% of this amount (\$15,835,062) is available for spending at the government's discretion (*unassigned fund balance*).
- At the end of the current fiscal year, unrestricted fund balance (the total of the *committed*, *assigned*, and *unassigned* components of *fund balance*) for the general fund was \$17,137,033, or approximately 80% of total general fund expenditures.
- The City of Wooster, Ohio's total outstanding long-term debt decreased because of scheduled principal payments, offset by new debt of \$4,800,000.
- Net capital assets for the City of Wooster, Ohio increased by \$1,624,578 or 0.69%, primarily due to investment in infrastructure.
- The City implemented GASB 75, which reduced beginning net position as previously reported by \$15,683,088 and \$34,514,115 for governmental and business-type activities, respectively.

Overview of the Financial Statements

The discussion and analysis provided here are intended to serve as an introduction to the City of Wooster, Ohio's basic financial statements. The City of Wooster, Ohio's basic financial statements consist of three components: 1) government-wide financial statements, 2) fund financial statements, 3) the notes to financial statements. This report also includes supplementary information intended to furnish additional detail to support the basic financial statements themselves.

**CITY OF WOOSTER
WAYNE COUNTY, OHIO
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2018**

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

The *statement of net position* presents financial information on all of the City of Wooster, Ohio's assets, liabilities, and deferred inflows/outflows of resources, with the difference reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the City of Wooster, Ohio is improving or deteriorating.

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

Both of the government-wide financial statements distinguish functions of the City of Wooster, Ohio that are principally supported by taxes and intergovernmental revenues (*governmental activities*) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (*business-type activities*). The governmental activities of the City of Wooster, Ohio include general government, public safety, streets and highways, recreation and leisure, and environment and development. The business-type activities of the City of Wooster, Ohio include water, water pollution control, storm drainage, Wooster Community Hospital, and refuse.

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

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

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

**CITY OF WOOSTER
WAYNE COUNTY, OHIO
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The City of Wooster, Ohio maintains twenty-one individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the general fund, and the capital improvement fund which are considered to be major funds. Data from the other nineteen governmental funds are combined into a single aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of combining statements in the combining and individual fund statements and schedules section of this report.

The City of Wooster, Ohio adopts an annual appropriated budget for its general fund. A budgetary comparison schedule has been provided for the general fund to demonstrate compliance with this budget.

Proprietary Funds. The City of Wooster, Ohio maintains two different types of proprietary funds. *Enterprise funds* are used to report the same functions presented as *business-type activities* in the government-wide financial statements. The City of Wooster, Ohio uses enterprise funds to account for its water, water pollution control, Wooster Community Hospital, storm drainage, and refuse collections. *Internal service funds* are an accounting device used to accumulate and allocate costs internally among the City of Wooster, Ohio's various functions. The City of Wooster, Ohio uses internal service funds to account for the management of fleet vehicles and equipment, employee benefits, and investments. Because these three functions predominantly benefit governmental rather than business-type functions, they have been included within the *governmental activities* in the government-wide financial statements.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for the water, water pollution control, Wooster Community Hospital, storm drainage, and refuse collection operations, all of which are considered to be major funds of the City of Wooster, Ohio. Conversely, the three internal service funds are combined into a single, aggregated presentation in the proprietary fund financial statements. Individual fund data for the internal service funds are provided in the form of combining statements in the combining and individual fund statements and schedules section of this report.

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

The City of Wooster, Ohio maintains four different agency funds. These four funds *are agency funds*, which report resources held by the City of Wooster, Ohio in a custodial capacity for individuals, non-profits, and other governments.

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

Other Information. In addition to the basic financial statements and accompanying notes, this report also presents *required supplementary information* concerning the City of Wooster, Ohio's progress in funding obligation to provide pension and OPEB benefits to its employees as well as budgetary comparison for the General Fund.

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Government-wide Overall Financial Analysis

As noted earlier, net position over time, may serve as a useful indicator of a government's financial position. In the case of the City of Wooster, Ohio, assets and deferred outflows of resources exceed liabilities and deferred inflows of resources by \$200,587,918, at the close of the most recent fiscal year.

City of Wooster, Ohio's Net Position

	Governmental Activities			Business-Type Activities		
	2018	Restated 2017	Change	2018	Restated 2017	Change
Assets						
Current Assets	\$ 29,324,015	\$ 30,603,918	\$ (1,279,903)	\$ 121,929,221	\$ 114,838,513	\$ 7,090,708
Noncurrent Receivables	1,809,974	1,893,198	(83,224)	23,396	40,566	(17,170)
Net Capital Assets	<u>67,202,277</u>	<u>63,403,952</u>	<u>3,798,325</u>	<u>170,963,206</u>	<u>173,136,953</u>	<u>(2,173,747)</u>
<i>Total Assets</i>	<u>98,336,266</u>	<u>95,901,068</u>	<u>2,435,198</u>	<u>292,915,823</u>	<u>288,016,032</u>	<u>4,899,791</u>
Deferred Outflows of Resources						
Pension & OPEB	<u>5,462,242</u>	<u>5,616,578</u>	<u>(154,336)</u>	<u>18,564,907</u>	<u>31,328,727</u>	<u>(12,763,820)</u>
Liabilities						
Current Liabilities	1,795,333	1,460,171	335,162	16,917,517	16,578,737	338,780
Long-Term Liabilities:						
Due Within One Year	1,416,632	1,908,049	(491,417)	6,102,821	10,568,884	(4,466,063)
Due in More Than One Year:						
Net Pension Liability	21,301,668	23,338,577	(2,036,909)	54,134,051	75,742,602	(21,608,551)
Net OPEB Liability	18,975,440	16,006,507	2,968,933	39,108,585	35,144,233	3,964,352
Other Amounts	8,512,211	8,485,753	26,458	26,421,788	23,970,002	2,451,786
<i>Total Liabilities</i>	<u>52,001,284</u>	<u>51,199,057</u>	<u>802,227</u>	<u>142,684,762</u>	<u>162,004,458</u>	<u>(19,319,696)</u>
Deferred Inflows of Resources						
Property Taxes	2,097,364	2,026,295	71,069	0	0	0
Pension & OPEB	<u>1,977,573</u>	<u>290,430</u>	<u>1,687,143</u>	<u>15,660,337</u>	<u>450,778</u>	<u>15,209,559</u>
<i>Total Deferred Inflows of Resources</i>	<u>4,074,937</u>	<u>2,316,725</u>	<u>1,758,212</u>	<u>15,660,337</u>	<u>450,778</u>	<u>15,209,559</u>
Net Position						
Net Investment in Capital Assets	59,521,700	55,015,534	4,506,166	144,008,430	143,991,255	17,175
Restricted	6,593,499	6,469,860	123,639	1,724,139	1,683,581	40,558
Unrestricted	<u>(18,392,912)</u>	<u>(13,483,530)</u>	<u>(4,909,382)</u>	<u>7,403,062</u>	<u>11,214,687</u>	<u>(3,811,625)</u>
<i>Total Net Position</i>	<u>\$ 47,722,287</u>	<u>\$ 48,001,864</u>	<u>\$ (279,577)</u>	<u>\$ 153,135,631</u>	<u>\$ 156,889,523</u>	<u>\$(3,753,892)</u>

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The net pension liability (NPL) is the largest single liability reported by the City at December 31, 2018 and is reported pursuant to GASB Statement 68, *Accounting and Financial Reporting for Pensions—an Amendment of GASB Statement 27*. For 2018, the City adopted GASB Statement 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*, which significantly revises accounting for costs and liabilities related to other postemployment benefits (OPEB). For reasons discussed below, many end users of this financial statement will gain a clearer understanding of the City’s actual financial condition by adding deferred inflows related to pension and OPEB, the net pension liability and the net OPEB liability to the reported net position and subtracting deferred outflows related to pension and OPEB.

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

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

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

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

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

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

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

As a result of implementing GASB 75, the City is reporting a net OPEB liability and deferred inflows/outflows of resources related to OPEB on the accrual basis of accounting. This implementation also had the effect of restating net position at December 31, 2017, from \$63,684,952 to \$48,001,864 for governmental activities and from \$191,403,638 to \$156,889,523 for business-type activities.

Over time, net position can serve as a useful indicator of a government's financial position. At December 31, 2018, the City's assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$200,857,918. This amounts to \$47,722,287 in governmental activities and \$153,135,631 in business-type activities.

Current assets of governmental activities decreased \$1,279,903, this change was largely caused by cash funding of capital expenses in the capital projects. Current assets of business-type activities increased \$7,090,708, mainly caused by an increase in cash related to an increase in charges for services.

Capital assets of governmental activities increased \$3,798,325, primarily the result of investment in infrastructure. Capital assets of business-type activities decreased \$2,173,747, mainly due to increased depreciation.

Deferred outflows of resources decreased due to a change in the actuarial assumptions for pension and other post-employment benefits relating to business-type activities.

Current liabilities and due within one year of the governmental activities decreased \$156,255, largely in part because of current portion of compensated absences. Current liabilities of the business-type activities decreased \$4,127,283, because current portion of long term liabilities that was caused by the payment of a short-term note for the water pollution control plant.

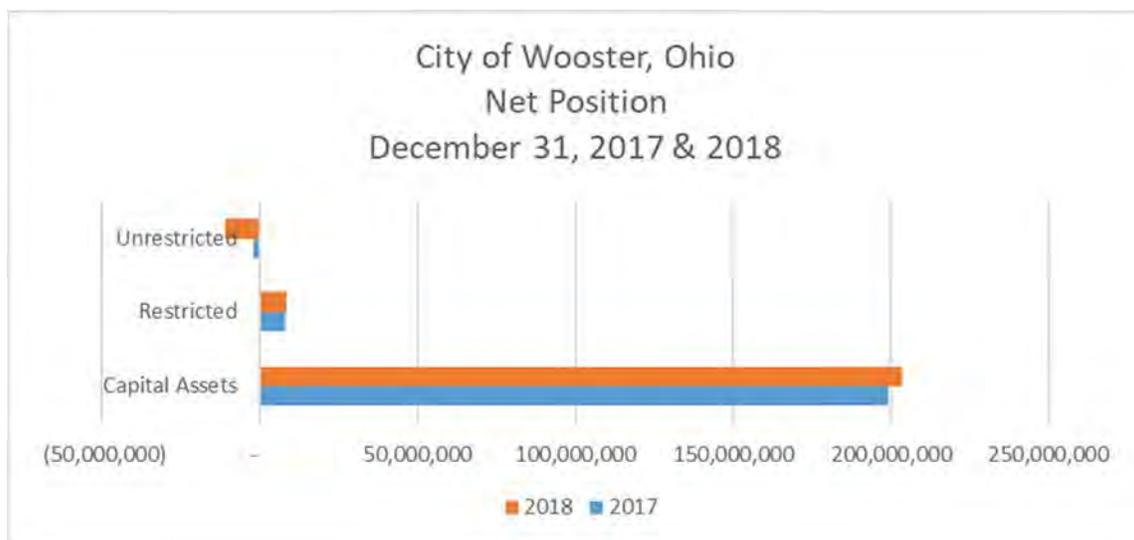
**CITY OF WOOSTER
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Long term liabilities of the governmental activities increased \$958,482 due to other pension and post-employment benefits as required by GASB Statement 75. Long term liabilities of the business-type activities decreased \$15,192,413 due to decrease in pensions being greater than the increase in bonds and OPEB.

By far, the largest portion of the City of Wooster, Ohio’s net position (101%) reflects its investment in capital assets (e.g., land, buildings, construction in progress, machinery, equipment, vehicles, and infrastructure), less any related outstanding debt that was used to acquire those assets. The City of Wooster, Ohio uses these capital assets to provide a variety of services to its citizens. Accordingly, these assets are not available for future spending. Although the City of Wooster Ohio’s investment in capital assets is reported net of related debt, it should be noted that the resources used to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

An additional portion of the City of Wooster, Ohio’s net position (4.1%) represents resources that are subject to external restrictions on how they may be used. The deficit of unrestricted net position in government-wide of \$10,989,850 may not be used to meet the government’s ongoing obligations to its citizens and creditors. A positive balance of unrestricted net position in government-wide may be used to meet the government’s ongoing obligations to its citizens and creditors.

For the prior fiscal year, the City of Wooster, Ohio was not able to report positive balances in all reported categories of net position, both for the government as a whole, as well as for its separate governmental and business-type activities.



The City of Wooster, Ohio’s overall net position decreased \$4,033,469 over the prior fiscal year.

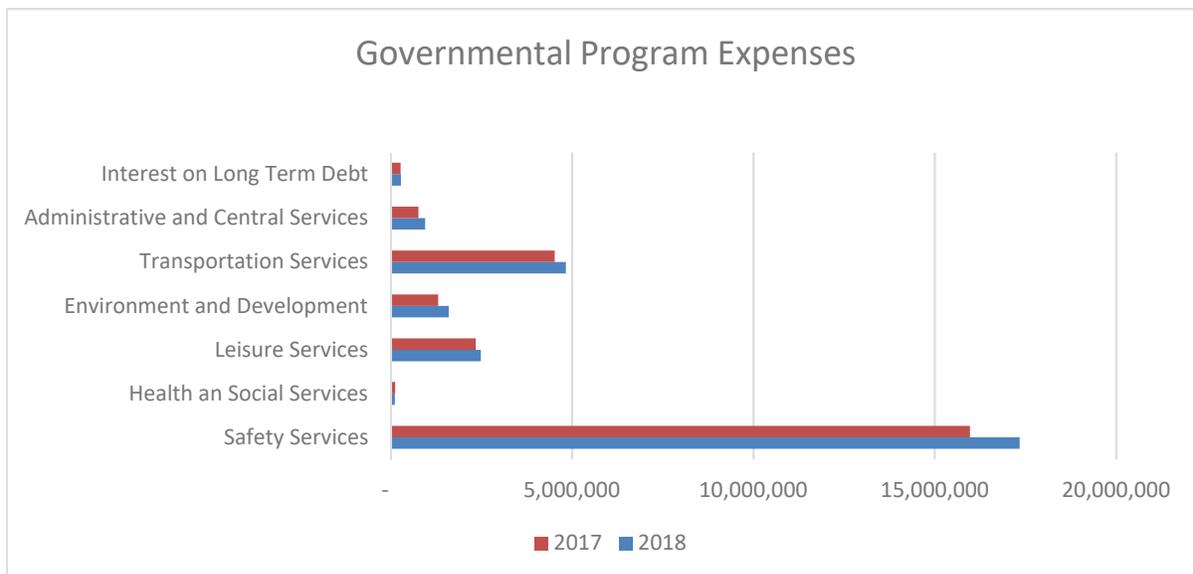
**CITY OF WOOSTER
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	Governmental Activities			Business-Type Activities		
	2018	2017	Change	2018	2017	Change
<i>Program Revenues:</i>						
Charges for Services	\$ 2,195,695	\$ 2,230,235	\$ (34,540)	\$ 181,347,971	\$ 166,427,565	\$ 14,920,406
Operating Grants and Contributions	1,834,447	1,694,842	139,605	225,561	485,757	(260,196)
Capital Grants and Contributions	897,000	949,960	(52,960)	334,703	300,867	33,836
<i>General Revenues:</i>						
Property Taxes	2,033,369	1,953,715	79,654	0	0	0
Income Taxes (net of refunds)	17,986,197	18,092,521	(106,324)	0	0	0
Other Taxes	293,244	334,563	(41,319)	0	0	0
Grants and Contributions, not restricted	914,090	944,818	(30,728)	0	0	0
Interest and Investments Earnings	451,022	236,676	214,346	1,330,696	745,789	584,907
Other Revenues	755,880	469,093	286,787	241,190	233,663	7,527
Total Revenues	27,360,944	26,906,423	454,521	183,480,121	168,193,641	15,286,480
<i>Governmental Program Expenses</i>						
<i>Including Indirect expenses:</i>						
Safety Services	17,344,884	15,975,535	1,369,349	0	0	0
Health and Social Services	122,801	124,560	(1,759)	0	0	0
Leisure Services	2,490,296	2,348,711	141,585	0	0	0
Environment and Development	1,601,401	1,314,940	286,461	0	0	0
Transportation Services	4,836,791	4,529,905	306,886	0	0	0
Administrative and Central Services	957,699	771,433	186,266	0	0	0
Interest on Long Term Debt	286,649	275,942	10,707	0	0	0
<i>Business-Type Services:</i>						
Wooster Community Hospital	0	0	0	170,528,291	159,653,352	10,874,939
Water	0	0	0	5,938,808	5,465,250	473,558
Water Pollution Control	0	0	0	8,052,899	7,357,812	695,087
Storm Drainage	0	0	0	1,313,625	1,229,759	83,866
Refuse Collection	0	0	0	1,400,390	1,379,915	20,475
Total Program Expenses	27,640,521	25,341,026	2,299,495	187,234,013	175,086,088	12,147,925
<i>Change in Net Position</i>	(279,577)	1,565,397	(1,844,974)	(3,753,892)	(6,892,447)	3,138,555
<i>Net Position Beginning of Year</i>	48,001,864	62,262,691	(14,260,827)	156,889,523	198,296,085	(41,406,562)
<i>Restatement - See Note 4</i>	0	(15,826,224)	15,826,224	0	(34,514,115)	34,514,115
Net Position End of Year	\$ 47,722,287	\$ 48,001,864	\$ (279,577)	\$ 153,135,631	\$ 156,889,523	\$ (3,753,892)

The information necessary to restate the 2017 beginning balances and the 2017 OPEB expense amounts for the effects of the initial implementation of GASB 75 is not available. Therefore, 2017 functional expenses still include OPEB expense of \$953,537 computed under GASB 45. GASB 45 required recognizing OPEB expense equal to the contractually required contributions to the plan. Under GASB 75, OPEB expense represents additional amounts earned, adjusted by deferred inflows/outflows. The contractually required contribution is no longer a component of OPEB expense. Under GASB 75, the 2018 statements report OPEB expense of \$5,576,440. Consequently, in order to compare 2018 total program expenses to 2017, the following adjustments are needed:

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	Governmental Activities	Business-Type Activities
Total 2018 Expenses under GASB 75	\$ 27,640,521	\$ 187,235,563
OPEB Expense under GASB 75	(1,746,638)	(3,829,802)
2018 Contractually Required Contributions	32,100	0
Adjusted 2018 Expenses	25,925,983	183,405,761
Total 2017 Expenses under GASB 45	25,484,162	175,086,088
Increase/(Decrease) in Expenses not Related to OPEB	\$ 441,821	\$ 8,319,673



Governmental Activities. During the current fiscal year, net position for governmental activities decreased \$279,577 from the prior fiscal year for an ending balance of \$47,722,287. The majority of this decrease can be attributed to other post-employment benefit expenses.

Business-type Activities. For the City of Wooster Ohio’s business-type activities, the overall net position decreased by \$3,753,892 or (2.4%) to reach an ending balance of \$153,135,631.

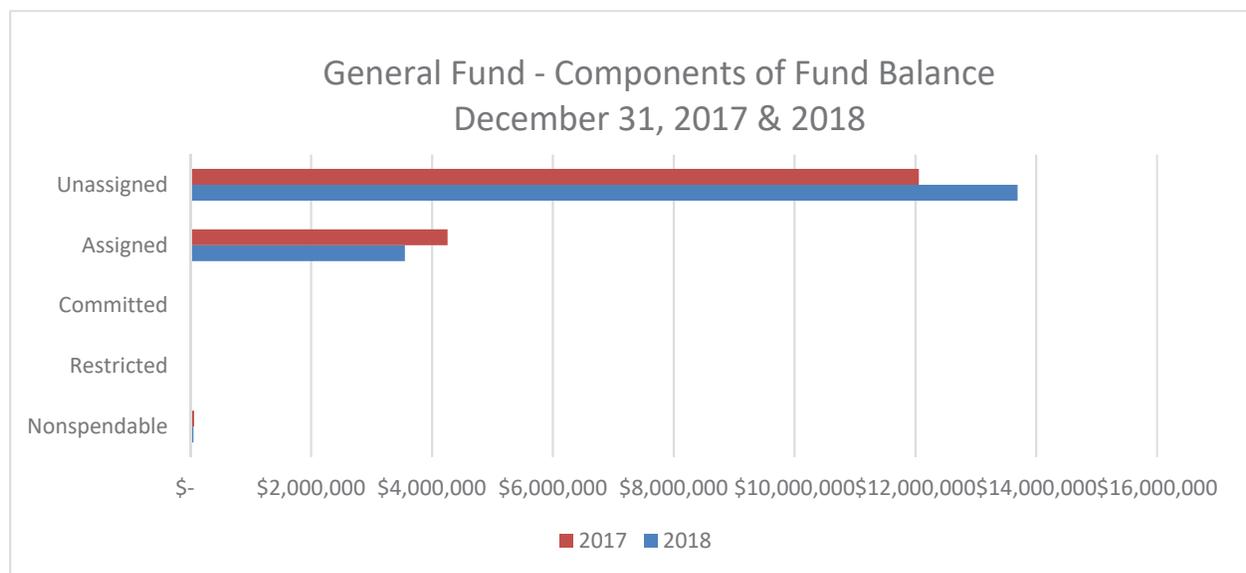
Financial Analysis of Governmental Funds

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

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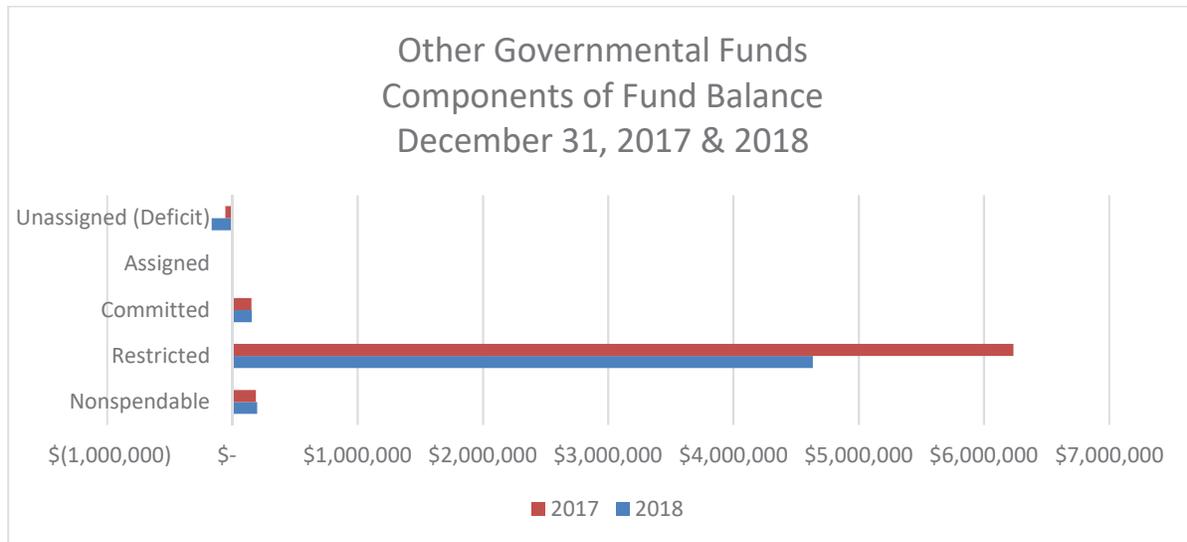
Governmental Funds. The focus of the City of Wooster, Ohio’s *governmental funds* is to provide information on near-term inflows, outflows, and balances of spending resources. Such information is useful in assessing the City of Wooster, Ohio’s financing requirements. In particular, unassigned fund balance may serve as a useful measure of a government’s net resources available for discretionary use as they represent the portion of fund balance which has not yet been limited to use for a particular purpose by either an external party, the City of Wooster, Ohio itself, or a group or individual that has been delegated authority to assign resources for use for particular purposes by the City of Wooster, Ohio’s Council.

At December 31, 2018, the City of Wooster, Ohio’s governmental funds reported combined fund balances of \$22,119,748, a decrease of \$778,030 in comparison with the prior year. Approximately 71.6% of this amount (\$15,835,062) constitutes *unassigned fund balance*, which is available for spending at the government’s discretion. The remainder of the fund balance is either *nonspendable, restricted, committed, or assigned* to indicate that it is 1) not in spendable form (\$357,617), 2) restricted for particular purposes (\$4,635,771), 3) committed for particular purposes (\$154,934), or 4) assigned for particular purposes (\$1,136,364).



The general fund is the chief operating fund of the City of Wooster, Ohio. At the end of the current fiscal year, unassigned fund balance of the general fund was \$16,000,669, while total fund balance increased to \$17,297,735. As a measure of the general fund’s liquidity, it may be useful to compare both unassigned fund balance and total fund balance to total general fund expenditures. Unassigned fund balance represents approximately 74.2% of total general fund expenditures, while total fund balance represents approximately 80.2% of that same amount.

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The fund balance of the City of Wooster, Ohio’s general fund increased by \$918,068 during the current fiscal year. The increase was primarily due to increased taxes and interest income.

The capital projects fund, a major fund, had a \$1,786,351 decrease in fund balance during the current fiscal year which put the overall fund balance at \$2,513,538. The decrease is due to planned investment in capital projects and infrastructure.

Enterprise Funds. The City of Wooster, Ohio’s enterprise funds provide the same type of information found in the government-wide financial statements, but in more detail.

The Wooster Community Hospital fund, a major fund, had a \$3,965,052 decrease in net position during the current fiscal year which put the overall net position balance at \$102,118,806. Wooster Community Hospital’s overall net position reflects the impact from the expansion of both services and facilities. The Hospital completed the renovation of its cardiovascular facilities in the spring of 2017 and opened the Outpatient Pavilion as the in November 2017, of which both projects resulted in an increase in depreciation expense. The Hospital also completed its second full year of providing interventional cardiology to its service area while it established and expanded several Bloomington Medical Services provider clinics in fulfilling its mission.

The water fund, a major fund, had a \$207,814 increase in net position during the current fiscal year which put the overall net position balance at \$23,244,787. The increase is the result of charges for services.

The water pollution fund, a major fund, had a \$237,940 decrease in net position during the current fiscal year which put the overall net position balance at \$14,795,735. The decrease is the result of increased interest and personal service costs.

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The storm drainage fund, a major fund, had a \$399,393 increase in net position during the current fiscal year which put the overall net position balance at \$12,211,525.

The refuse fund, a major fund, had a \$158,107 decrease in net position during the current fiscal year which put the overall net position balance at \$764,778.

General Fund Budgetary Highlights

Final budget compared to actual results. Revenues for the year came in 3.9% higher than budgeted. The reason for this positive variance was miscellaneous from Workers' Compensation refunds, taxes and interfund services. Expenditures were a favorable 9.9% under budget for the year. The primary reasons for this were unfilled positions in safety services and proactive cost reductions in our operations and maintenance.

Capital Assets and Debt Administration

Capital assets. The City of Wooster, Ohio's investment in capital assets for its governmental and business-type activities as of December 31, 2018 amounts to \$238,165,483 (net of accumulated depreciation). This investment in capital assets includes land, buildings, machinery, equipment, vehicles, park facilities, roads, bridges, water treatment plant, water pollution control plant, and community hospital. The total increase in capital assets for the current fiscal year was approximately .7%.

City of Wooster, Ohio's Capital Assets (net of depreciation)

	Governmental Activities		Business-type Activities		Totals	
	2018	2017	2018	2017	2018	2017
Land	\$ 4,862,925	\$ 4,862,925	\$ 9,046,977	\$ 9,150,006	\$ 13,909,902	\$ 14,012,931
Buildings	16,804,114	16,299,436	140,317,039	136,201,982	157,121,153	152,501,418
Improvements/Infrastructure	107,755,730	102,000,038	123,478,808	121,045,249	231,234,538	223,045,287
Equipment	15,534,449	14,977,208	84,938,657	82,008,142	100,473,106	96,985,350
Construction in progress	1,279,879	809,019	2,778,264	833,254	4,058,143	1,642,273
	<u>146,237,097</u>	<u>138,948,626</u>	<u>360,559,745</u>	<u>349,238,633</u>	<u>506,796,842</u>	<u>488,187,259</u>
Accumulated Depreciation	(79,034,820)	(75,544,674)	(189,596,539)	(176,101,680)	(268,631,359)	(251,646,354)
Totals	<u>\$ 67,202,277</u>	<u>\$ 63,403,952</u>	<u>\$ 170,963,206</u>	<u>\$ 173,136,953</u>	<u>\$ 238,165,483</u>	<u>\$ 236,540,905</u>

Major capital asset events during the current fiscal year include the following:

- Redevelopment of our Northeast quad was completed at a price of \$1,917,839
- The Hospital invested \$7,389,000 in facilities and equipment during the year
- The City completed \$2,800,000 in street resurfacing projects
- The Fire Department purchased a new medic unit (ambulance) for \$240,575
- The Maintenance Division purchased a new street sweeper for \$247,359
- The City invested \$1,692,000 in storm sewer projects during the year
- The City invested \$714,000 in water infrastructure projects during the year
- The City invested \$943,000 in sanitary sewer infrastructure improvements during the year

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Additional information on the City of Wooster, Ohio’s capital assets can be found in Note 6.

Long-term Debt. At the end of the current fiscal year, the City of Wooster, Ohio had a total bonded debt outstanding of \$20,899,998. Of this amount, \$20,696,286 is debt backed by the full faith and credit of the government and \$203,712 is special assessment debt for which the government is liable in the event of default by the property owners subject to the assessment. The remainder of the City of Wooster, Ohio’s long-term obligations comprises pension-related liability, Ohio Public Works Commission Loans, and Ohio Water Development Authority Loans and compensated absences.

City of Wooster, Ohio’s Outstanding Debt

	Governmental Activities		Business-type Activities		Totals	
	2018	2017	2018	2017	2018	2017
General obligation bonds	\$ 7,440,455	\$ 8,044,892	\$ 13,255,831	\$ 14,011,869	\$ 20,696,286	\$ 22,056,761
Special assessments bonds	203,712	272,327	0	0	203,712	272,327
Long term loans	36,405	48,540	13,581,075	15,133,829	13,617,480	15,182,369
Totals	<u>\$ 7,680,572</u>	<u>\$ 8,365,759</u>	<u>\$ 26,836,906</u>	<u>\$ 29,145,698</u>	<u>\$ 34,517,478</u>	<u>\$ 37,511,457</u>

The City of Wooster, Ohio’s total debt decreased by \$2,993,979, (8.0%) during the current fiscal year. This is the expected result of the function of amortized debt.

The City of Wooster, Ohio maintained an “AA” rating from Standard & Poor’s for general obligation debt.

Additional information on the City of Wooster, Ohio’s long-term debt can be found in Note 15.

Economic Factors and Next Year’s Budgets and Rates

The following economic factors affect the City of Wooster, Ohio:

- The following economic factors affect the City of Wooster, Ohio and were considered in developing the 2018 budget.
- Water and sanitary sewer, rates were increase 5%, and storm sewer rates remain at 2011 levels.
- Total assessed valuation of the City of Wooster, Ohio increased 5.3% over 2017.
- Projected decreases in interest rates should reduce investment income for the year.
- The City continues to experience lower unemployment rates at approximately 3.7%.
- The City continues to collaborate with our local and regional development agencies to encourage job retention and job creation.
- The City continuously works to limit the cost increases of providing health care insurance in part by plan changes, reinsurance changes, and working closely with our benefits administrator.
- Building permit values for 2018 were \$87,748,179. We continue to see large investment in our community.

**CITY OF WOOSTER
WAYNE COUNTY, OHIO
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2018**

Requests for Information

This financial report is designed to provide a general overview of the City of Wooster, Ohio's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requires for additional financial information should be addressed to the Office of the Finance Director, 538 North Market Street, Wooster, Ohio 44691.

**CITY OF WOOSTER
WAYNE COUNTY, OHIO
STATEMENT OF NET POSITION
DECEMBER 31, 2018**

	Governmental Activities	Business-type Activities	Total
Assets:			
Current assets			
Equity in city treasury cash and investments	\$ 22,159,069	\$ 89,769,380	\$ 111,928,449
Net receivables	6,917,329	27,230,529	34,147,858
Inventory	247,617	2,654,970	2,902,587
Prepaid expenses	0	2,274,342	2,274,342
Total current assets	<u>29,324,015</u>	<u>121,929,221</u>	<u>151,253,236</u>
Noncurrent assets			
Net receivables	1,809,974	23,396	1,833,370
Capital assets (net of accumulated depreciation):			
Land	4,862,925	9,046,977	13,909,902
Buildings	10,188,263	71,982,804	82,171,067
Improvements/Infrastructure	46,993,628	63,099,997	110,093,625
Equipment	3,877,582	24,055,164	27,932,746
Construction in progress	1,279,879	2,778,264	4,058,143
Net capital assets	<u>67,202,277</u>	<u>170,963,206</u>	<u>238,165,483</u>
Total noncurrent assets	<u>69,012,251</u>	<u>170,986,602</u>	<u>239,998,853</u>
Total assets	<u>98,336,266</u>	<u>292,915,823</u>	<u>391,252,089</u>
Deferred Outflows of Resources:			
Pension	3,526,645	14,832,383	18,359,028
OPEB	1,935,597	3,732,524	5,668,121
Total deferred outflow of resources	<u>5,462,242</u>	<u>18,564,907</u>	<u>24,027,149</u>
Liabilities:			
Current liabilities			
Accounts payable	891,616	6,324,061	7,215,677
Accrued salaries, wages and benefits	514,913	6,641,365	7,156,278
Other accrued liabilities	388,804	3,952,091	4,340,895
Compensated absences, current	909,133	3,818,053	4,727,186
Current portion of long term bonds	424,252	688,637	1,112,889
Current portion special assessment debt with governmental commitment	71,112	0	71,112
Current portion long term loans	12,135	1,596,131	1,608,266
Total current liabilities	<u>3,211,965</u>	<u>23,020,338</u>	<u>26,232,303</u>
Noncurrent liabilities			
Bonds	7,016,203	12,567,194	19,583,397
Special assessment debt with governmental commitment	132,600	0	132,600
Loans	24,270	11,984,944	12,009,214
Net pension liability (See Note 8)	21,301,668	54,134,051	75,435,719
Net OPEB liability (See Note 9)	18,975,440	39,108,585	58,084,025
Compensated absences	1,339,138	1,869,650	3,208,788
Total noncurrent liabilities	<u>48,789,319</u>	<u>119,664,424</u>	<u>168,453,743</u>
Total liabilities	<u>52,001,284</u>	<u>142,684,762</u>	<u>194,686,046</u>
Deferred Inflows of Resources			
Property taxes levied for the next year	2,097,364	0	2,097,364
Pension	1,586,567	12,725,405	14,311,972
OPEB	391,006	2,934,932	3,325,938
Total deferred inflows of resources	<u>4,074,937</u>	<u>15,660,337</u>	<u>19,735,274</u>
Net Position:			
Net investment in capital assets	59,521,700	144,008,430	203,530,130
Restricted for:			
Debt service	3,619,137	0	3,619,137
Street construction and maintenance	1,168,603	0	1,168,603
Public works projects	1,227,885	0	1,227,885
Economic development projects	280,674	0	280,674
Restricted by donors	0	1,724,139	1,724,139
Other purposes	297,200	0	297,200
Unrestricted	<u>(18,392,912)</u>	<u>7,403,062</u>	<u>(10,989,850)</u>
Total net position	<u>\$ 47,722,287</u>	<u>\$ 153,135,631</u>	<u>\$ 200,857,918</u>

See accompanying notes to the basic financial statements.

**CITY OF WOOSTER
WAYNE COUNTY, OHIO
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2018**

Functions/Programs	Expenses	Indirect Expense Allocation	Program Revenues		
			Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Primary government					
Governmental activities:					
Safety services	\$ 15,758,493	\$ 1,586,391	\$ 1,104,493	\$ 24,303	\$ 0
Health and social services	122,801	0	0	0	0
Leisure services	2,126,305	363,991	350,576	3,749	0
Environment and development	1,580,600	20,801	372,806	424,071	7,425
Transportation services	4,496,986	339,805	42,145	1,373,270	889,575
Administrative services	4,907,052	(3,863,675)	325,675	9,054	0
Central services	532,038	(617,716)	0	0	0
Interest expense	286,649	0	0	0	0
Total governmental activities	<u>29,810,924</u>	<u>(2,170,403)</u>	<u>2,195,695</u>	<u>1,834,447</u>	<u>897,000</u>
Business-type activities:					
Wooster Community Hospital	170,529,841	0	165,230,382	146,878	0
Water	5,789,873	148,935	5,811,200	0	145,959
Water pollution control	6,484,070	1,568,829	7,623,100	0	61,968
Storm drainage	1,002,702	310,923	1,538,577	0	126,776
Refuse collection	1,258,674	141,716	1,144,712	78,683	0
Total business-type activities	<u>185,065,160</u>	<u>2,170,403</u>	<u>181,347,971</u>	<u>225,561</u>	<u>334,703</u>
Total primary government	<u>\$ 214,876,084</u>	<u>\$ 0</u>	<u>\$ 183,543,666</u>	<u>\$ 2,060,008</u>	<u>\$ 1,231,703</u>

General revenues:

Taxes:
City income taxes
Property taxes
Estate taxes
Hotel and trailer taxes
Grants and entitlements, not restricted
Interest and investment earnings
Miscellaneous
Total general revenues

Change in net position

Net position -- beginning of year,
Restated (See Note 4)

Net position -- end of year

See accompanying notes to the basic financial statements.

Net (Expense) Revenue and Changes in Net Position		
Primary Government		
Governmental Activities	Business-Type Activities	Total
\$ (16,216,088)	\$ 0	\$ (16,216,088)
(122,801)	0	(122,801)
(2,135,971)	0	(2,135,971)
(797,099)	0	(797,099)
(2,531,801)	0	(2,531,801)
(708,648)	0	(708,648)
85,678	0	85,678
(286,649)	0	(286,649)
<u>(22,713,379)</u>	<u>0</u>	<u>(22,713,379)</u>
0	(5,152,581)	(5,152,581)
0	18,351	18,351
0	(367,831)	(367,831)
0	351,728	351,728
0	(176,995)	(176,995)
<u>0</u>	<u>(5,327,328)</u>	<u>(5,327,328)</u>
<u>(22,713,379)</u>	<u>(5,327,328)</u>	<u>(28,040,707)</u>
17,986,197	0	17,986,197
2,033,369	0	2,033,369
10,895	0	10,895
282,349	0	282,349
914,090	0	914,090
451,022	1,330,696	1,781,718
755,880	242,740	998,620
<u>22,433,802</u>	<u>1,573,436</u>	<u>24,007,238</u>
(279,577)	(3,753,892)	(4,033,469)
<u>48,001,864</u>	<u>156,889,523</u>	<u>204,891,387</u>
<u>\$ 47,722,287</u>	<u>\$ 153,135,631</u>	<u>\$ 200,857,918</u>

See accompanying notes to the basic financial statements.

**CITY OF WOOSTER
WAYNE COUNTY, OHIO
BALANCE SHEET
GOVERNMENTAL FUNDS
DECEMBER 31, 2018**

	General Fund	Capital Improvement Fund	Nonmajor Governmental Funds	Total Governmental Funds
Assets:				
Equity in city treasury cash and investments	\$ 15,786,921	\$ 2,634,973	\$ 2,154,005	\$ 20,575,899
Taxes receivable	5,000,889	0	317,225	5,318,114
Accounts receivable	57,469	0	22,627	80,096
Due from other governments	430,140	279,180	680,462	1,389,782
Advances to other funds	110,000	0	0	110,000
Accrued interest receivable	8,881	0	4,731	13,612
Inventory	50,702	0	196,915	247,617
Long term receivables	0	0	78,081	78,081
Special assessments receivable	0	611,029	1,236,218	1,847,247
Total assets	<u>\$ 21,445,002</u>	<u>\$ 3,525,182</u>	<u>\$ 4,690,264</u>	<u>\$ 29,660,448</u>
Liabilities:				
Accounts payable	\$ 356,668	\$ 378,415	\$ 116,590	\$ 851,673
Accrued salaries, wages and benefits	505,768	0	0	505,768
Advances from other funds	0	0	110,000	110,000
Total liabilities	<u>862,436</u>	<u>378,415</u>	<u>226,590</u>	<u>1,467,441</u>
Deferred Inflows of Resources:				
Property taxes levied for the next year	1,794,158	0	303,206	2,097,364
Unavailable revenue	1,490,673	633,229	1,851,993	3,975,895
Total deferred inflows of resources	<u>3,284,831</u>	<u>633,229</u>	<u>2,155,199</u>	<u>6,073,259</u>
Fund Balances:				
Nonspendable	160,702	0	196,915	357,617
Restricted	0	2,513,538	2,122,233	4,635,771
Committed	0	0	154,934	154,934
Assigned	1,136,364	0	0	1,136,364
Unassigned (Deficit)	16,000,669	0	(165,607)	15,835,062
Total fund balances	<u>17,297,735</u>	<u>2,513,538</u>	<u>2,308,475</u>	<u>22,119,748</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 21,445,002</u>	<u>\$ 3,525,182</u>	<u>\$ 4,690,264</u>	<u>\$ 29,660,448</u>

See accompanying notes to the basic financial statements.

**CITY OF WOOSTER
WAYNE COUNTY, OHIO
RECONCILIATION OF TOTAL GOVERNMENTAL FUND BALANCES
TO NET POSITION OF GOVERNMENTAL ACTIVITIES
DECEMBER 31, 2018**

Total Governmental Fund Balances			\$ 22,119,748
<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 the funds.			67,200,593 (1)
Other long-term assets are not available to pay for current-period expenditures and therefore are deferred in the funds.			
Special assessments receivable	\$ 1,847,247		
Delinquent property taxes receivable	48,467		
Due from other governments	987,991		
Accounts receivable	24,583		
Income tax receivable	<u>1,067,607</u>	3,975,895	
The net pension & OPEB liabilities are not due and payable in the current period, therefore, liabilities and deferred inflows/outflows are not reported in governmental funds:			
Deferred outflows - pension	3,457,874		
Deferred outflows - OPEB	1,920,935		
Deferred inflows - pension	(1,529,018)		
Deferred inflows - OPEB	(377,545)		
Net pension liability	(21,056,145)		
Net OPEB liability	<u>(18,794,746)</u>	(36,378,645)	(2)
Long-term liabilities, including compensated absences payable, are not due and payable in the current period and therefore are not reported in the funds:			
Special assessment debt	(203,712)		
General obligation bonds	(7,440,455)		
Long term loans	(36,405)		
Compensated absences payable	(2,166,089)		
Interest payable	<u>(16,737)</u>	(9,863,398)	(3)
Internal service fund is used to charge the costs of insurance to individual funds. The assets and deferred outflows, and liabilities and deferred inflows of the internal service fund are included in the governmental activities in the statement of net position.			657,187
Internal service fund costs spread to other governmental funds should not be included in fund net position.			<u>10,907</u>
Net Position of Governmental Activities			<u><u>\$ 47,722,287</u></u>

- (1) Excludes \$1,684 reported in Internal Service Funds.
(2) Excludes \$83,433 reported in deferred outflows in Internal Service Funds.
(2) Excludes \$426,217 reported in liabilities in Internal Service Funds.
(2) Excludes \$71,010 reported in deferred inflows in Internal Service Funds.
(3) Excludes \$82,182 reported in compensated absences payable in Internal Service Funds.

See accompanying notes to the basic financial statements.

**CITY OF WOOSTER
WAYNE COUNTY, OHIO
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2018**

	General Fund	Capital Improvement Fund	Nonmajor Governmental Funds	Total Governmental Funds
Revenues:				
Taxes	\$ 20,803,090	\$ 0	\$ 426,421	\$ 21,229,511
Intergovernmental	905,273	850,499	2,054,814	3,810,586
Charges for services	1,497,311	0	0	1,497,311
Special assessments	0	137,533	191,396	328,929
Fines, licenses, permits	759,573	0	10,308	769,881
Interfund services provided	2,084,042	0	0	2,084,042
Interest income	253,472	79,561	37,928	370,961
Miscellaneous	341,975	282,578	122,654	747,207
Total Revenues	<u>26,644,736</u>	<u>1,350,171</u>	<u>2,843,521</u>	<u>30,838,428</u>
Expenditures:				
Current operations :				
Safety services	12,622,374	0	545,342	13,167,716
Health and social services	127,747	0	0	127,747
Leisure services	1,933,018	0	3,495	1,936,513
Environment and development	962,412	0	604,233	1,566,645
Transportation services	1,198,123	0	732,429	1,930,552
Administrative services	4,110,974	0	0	4,110,974
Capital expenditures	0	7,299,320	552,990	7,852,310
Debt service :				
Principal	435,000	0	250,186	685,186
Interest	174,222	0	112,427	286,649
Total Expenditures	<u>21,563,870</u>	<u>7,299,320</u>	<u>2,801,102</u>	<u>31,664,292</u>
Excess revenues over (under) expenditures	<u>5,080,866</u>	<u>(5,949,149)</u>	<u>42,419</u>	<u>(825,864)</u>
Other financing sources (uses):				
Issuance of premium	0	0	47,834	47,834
Transfers in	0	4,162,798	0	4,162,798
Transfers (out)	(4,162,798)	0	0	(4,162,798)
Total other financing sources (uses)	<u>(4,162,798)</u>	<u>4,162,798</u>	<u>47,834</u>	<u>47,834</u>
Net changes in fund balances	918,068	(1,786,351)	90,253	(778,030)
Fund balances at beginning of year	<u>16,379,667</u>	<u>4,299,889</u>	<u>2,218,222</u>	<u>22,897,778</u>
Fund balances at end of year	<u>\$ 17,297,735</u>	<u>\$ 2,513,538</u>	<u>\$ 2,308,475</u>	<u>\$ 22,119,748</u>

See accompanying notes to the basic financial statements.

**CITY OF WOOSTER
WAYNE COUNTY, OHIO
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2018**

Net Change in Fund Balances - Total Governmental Funds \$ (778,030)

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

Governmental funds report capital outlays as expenditures; however, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense:

Capital Asset Additions	\$ 7,848,032	
Current Year Depreciation (1)	<u>(4,016,322)</u>	3,831,710

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.

(32,956)

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

Taxes	(873,997)	
Due from other governments	(405,073)	
Accounts	(3,263)	
Special assessments	<u>(204,436)</u>	(1,486,769)

Some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds:

Decrease in bonds and loans payable	685,187	
Change in compensated absences (2)	(207,092)	
Change in accrued interest payable	<u>677</u>	478,772

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

Pension	1,792,533	
OPEB	<u>32,100</u>	1,824,633

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

Pension	(2,916,242)	
OPEB	<u>(1,746,638)</u>	(4,662,880)

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

546,245

Internal service fund costs spread to other governmental funds should not be included in net position.

(302)

Change in Net Position of Governmental Activities

\$ (279,577)

(1) \$429 depreciation for Internal Service fund excluded

(2) Excludes an increase in compensated absences of \$13,136 for Internal Service fund

See accompanying notes to the basic financial statements.

WAYNE COUNTY, OHIO
STATEMENT OF FUND NET POSITION
PROPRIETARY FUNDS
DECEMBER 31, 2018

	Business-type Activities		
	Wooster Community Hospital	Water	Water Pollution Control
Assets			
Current assets			
Equity in city treasury cash and investments	\$ 81,450,569	\$ 2,953,370	\$ 2,850,061
Receivables - net of allowances:			
Accounts	24,616,636	865,929	929,951
Accrued interest	323,123	51,287	27,124
Due from other governments	0	104,765	0
Inventory	2,520,368	85,321	10,363
Prepaid expenses	2,274,342	0	0
Total current assets	111,185,038	4,060,672	3,817,499
Noncurrent assets			
Long term receivables	0	0	23,396
Net capital assets	98,023,453	29,342,791	32,131,469
Total noncurrent assets	98,023,453	29,342,791	32,154,865
Total assets	209,208,491	33,403,463	35,972,364
Deferred Outflows of Resources			
Pension	14,169,345	287,502	310,645
OPEB	3,564,304	63,162	90,396
Total deferred outflows of resources	17,733,649	350,664	401,041
Liabilities			
Current liabilities			
Accounts payable	5,333,039	427,215	296,797
Accrued salaries, wages and benefits	6,528,300	52,883	46,633
Other accrued liabilities	3,758,179	0	0
Interest payable	0	41,665	152,247
Current portion of long term debt	0	537,943	1,709,140
Current portion of compensated absences	3,635,371	99,546	72,486
Total current liabilities	19,254,889	1,159,252	2,277,303
Noncurrent liabilities			
Long term debt	0	6,787,538	17,161,207
Net pension liability	51,678,822	1,166,234	1,043,472
Net OPEB liability	37,301,642	858,298	767,951
Compensated absences	1,696,075	142,387	25,947
Total noncurrent liabilities	90,676,539	8,954,457	18,998,577
Total liabilities	109,931,428	10,113,709	21,275,880
Deferred Inflows of Resources			
Pension	12,113,183	310,090	244,583
OPEB	2,778,723	85,541	57,207
Total deferred inflows of resources	14,891,906	395,631	301,790
Net Position			
Net Investment in capital assets	98,023,453	21,899,441	13,261,122
Restricted by donors	1,724,139	0	0
Unrestricted	2,371,214	1,345,346	1,534,613
Total net position	\$ 102,118,806	\$ 23,244,787	\$ 14,795,735

See accompanying notes to the basic financial statements.

Business-type Activities			Governmental Activities
Storm Drainage	Refuse	Totals	Internal Service Funds
\$ 1,671,265	\$ 844,115	\$ 89,769,380	\$ 1,572,267
160,773	116,776	26,690,065	0
8,945	4,471	414,950	360
0	20,749	125,514	0
38,918	0	2,654,970	0
0	0	2,274,342	0
<u>1,879,901</u>	<u>986,111</u>	<u>121,929,221</u>	<u>1,572,627</u>
0	0	23,396	0
11,465,493	0	170,963,206	1,684
<u>11,465,493</u>	<u>0</u>	<u>170,986,602</u>	<u>1,684</u>
<u>13,345,394</u>	<u>986,111</u>	<u>292,915,823</u>	<u>1,574,311</u>
64,891	0	14,832,383	68,771
14,662	0	3,732,524	14,662
<u>79,553</u>	<u>0</u>	<u>18,564,907</u>	<u>83,433</u>
45,677	221,333	6,324,061	39,936
13,549	0	6,641,365	9,145
0	0	3,758,179	372,067
0	0	193,912	0
37,685	0	2,284,768	0
10,650	0	3,818,053	22,557
<u>107,561</u>	<u>221,333</u>	<u>23,020,338</u>	<u>443,705</u>
603,393	0	24,552,138	0
245,523	0	54,134,051	245,523
180,694	0	39,108,585	180,694
5,241	0	1,869,650	59,625
<u>1,034,851</u>	<u>0</u>	<u>119,664,424</u>	<u>485,842</u>
<u>1,142,412</u>	<u>221,333</u>	<u>142,684,762</u>	<u>929,547</u>
57,549	0	12,725,405	57,549
13,461	0	2,934,932	13,461
<u>71,010</u>	<u>0</u>	<u>15,660,337</u>	<u>71,010</u>
10,824,414	0	144,008,430	1,684
0	0	1,724,139	0
1,387,111	764,778	7,403,062	655,503
<u>\$ 12,211,525</u>	<u>\$ 764,778</u>	<u>\$ 153,135,631</u>	<u>\$ 657,187</u>

See accompanying notes to the basic financial statements.

CITY OF WOOSTER
WAYNE COUNTY, OHIO
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET POSITION
PROPRIETARY FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2018

	Business-type Activities		
	Wooster Community Hospital	Water	Water Pollution Control
Operating revenues:			
Charges for services	\$ 165,230,381	\$ 5,811,202	\$ 7,623,099
Interfund services provided	0	0	0
Miscellaneous	0	149,240	74,799
Total operating revenues	<u>165,230,381</u>	<u>5,960,442</u>	<u>7,697,898</u>
Operating expenses:			
Personal services	114,408,112	2,175,063	1,885,912
Operations and maintenance	46,204,986	2,070,122	1,805,804
Depreciation	9,915,189	1,325,116	2,190,656
Interfund services used	0	148,935	1,568,829
Total operating expenses	<u>170,528,287</u>	<u>5,719,236</u>	<u>7,451,201</u>
Operating income (loss)	<u>(5,297,906)</u>	<u>241,206</u>	<u>246,697</u>
Non-operating revenues (expenses):			
Interest & investment earnings	1,187,526	37,572	52,470
Grants	146,878	0	0
Gain/(loss) on sale of capital assets	(1,550)	2,651	2,621
Interest expense	0	(219,574)	(601,697)
Net non-operating revenues (expenses)	<u>1,332,854</u>	<u>(179,351)</u>	<u>(546,606)</u>
Income (loss) before capital contributions	<u>(3,965,052)</u>	<u>61,855</u>	<u>(299,909)</u>
Capital contributions	<u>0</u>	<u>145,959</u>	<u>61,969</u>
Change in net position	<u>(3,965,052)</u>	<u>207,814</u>	<u>(237,940)</u>
Total net position at beginning of year, Restated (See Note 4)	<u>106,083,858</u>	<u>23,036,973</u>	<u>15,033,675</u>
Total net position at end of year	<u>\$ 102,118,806</u>	<u>\$ 23,244,787</u>	<u>\$ 14,795,735</u>

See accompanying notes to the basic financial statements.

Business-type Activities			Governmental Activities
Storm Drainage	Refuse	Totals	Internal Service Funds
\$ 1,538,577	\$ 1,144,712	\$ 181,347,971	\$ 3,751,907
0	0	0	1,018,468
8,216	4,518	236,773	30,867
<u>1,546,793</u>	<u>1,149,230</u>	<u>181,584,744</u>	<u>4,801,242</u>
466,645	0	118,935,732	3,995,945
155,412	1,258,674	51,494,998	338,682
376,743	0	13,807,704	429
310,923	141,716	2,170,403	0
<u>1,309,723</u>	<u>1,400,390</u>	<u>186,408,837</u>	<u>4,335,056</u>
237,070	(251,160)	(4,824,093)	466,186
38,758	14,370	1,330,696	80,059
0	78,683	225,561	0
691	0	4,413	0
(3,902)	0	(825,173)	0
<u>35,547</u>	<u>93,053</u>	<u>735,497</u>	<u>80,059</u>
272,617	(158,107)	(4,088,596)	546,245
126,776	0	334,704	0
399,393	(158,107)	(3,753,892)	546,245
<u>11,812,132</u>	<u>922,885</u>	<u>156,889,523</u>	<u>110,942</u>
<u>\$ 12,211,525</u>	<u>\$ 764,778</u>	<u>\$ 153,135,631</u>	<u>\$ 657,187</u>

See accompanying notes to the basic financial statements.

**CITY OF WOOSTER
WAYNE COUNTY, OHIO
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2018**

	Business-type Activities		
	Wooster Community Hospital	Water	Water Pollution Control
Cash flows from operating activities:			
Cash received from customers	\$ 156,246,663	\$ 5,707,403	\$ 7,484,648
Cash paid to suppliers	(40,217,153)	(1,936,640)	(3,327,730)
Cash paid to employees	(103,958,361)	(1,882,066)	(1,614,486)
Cash received from interfund services provided	0	0	0
Other revenue (expense)	0	149,240	74,799
Net cash provided (used) by operating activities	<u>12,071,149</u>	<u>2,037,937</u>	<u>2,617,231</u>
Cash flows from capital and related financing activities:			
Capital contributions received	0	145,959	61,969
Issuance of debt	0	0	4,800,000
Acquisitions of capital assets	(8,768,655)	(714,164)	(942,644)
Principal paid on capital debt	0	(530,058)	(6,386,008)
Proceeds from sale of assets	0	2,651	19,791
Interest paid on capital debt	0	(223,129)	(673,833)
Net cash provided (used) for capital and related financing activities	<u>(8,768,655)</u>	<u>(1,318,741)</u>	<u>(3,120,725)</u>
Cash flows from investing activities:			
Interest from investments	1,162,290	33,860	49,631
Net cash provided (used) by investing activities	<u>1,162,290</u>	<u>33,860</u>	<u>49,631</u>
Cash flows from non-capital financing activities:			
Grants	0	0	0
Non-operating subsidies	221,878	0	0
Net cash provided (used) by non-capital financing activities	<u>221,878</u>	<u>0</u>	<u>0</u>
Net increase (decrease) in city treasury cash and investments	4,686,662	753,056	(453,863)
Equity in city treasury cash and investments at beginning of year	76,763,907	2,200,314	3,303,924
Equity in city treasury cash and investments at end of year	<u>\$ 81,450,569</u>	<u>\$ 2,953,370</u>	<u>\$ 2,850,061</u>
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:			
Operating income (loss)	\$ (5,297,906)	\$ 241,206	\$ 246,697
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:			
Depreciation expense	9,915,189	1,325,116	2,190,656
Reconciling items:			
Receivables - net of allowances	(2,052,120)	(44,588)	(156,393)
Inventory	(35,599)	10,329	(4,315)
Due from other governments	0	(59,211)	17,942
Deferred outflows - pension/OPEB	11,983,453	442,595	251,849
Prepaid expenses	(502,431)	0	0
Accounts and other payables	(581,316)	272,088	51,218
Accrued wages	430,932	11,328	11,835
Compensated absences payable	283,533	27,449	(18,641)
Net pension liability	(20,528,242)	(601,535)	(370,743)
Net OPEB liability	3,817,905	28,050	103,753
Deferred inflows - pension/OPEB	14,462,170	385,110	293,373
Other accrued liabilities	175,581	0	0
Net cash provided (used) by operating activities	<u>\$ 12,071,149</u>	<u>\$ 2,037,937</u>	<u>\$ 2,617,231</u>

See accompanying notes to the basic financial statements.

Business-type Activities			Governmental Activities
Storm Drainage	Refuse	Totals	Internal Service Funds
\$ 1,612,029	\$ 1,175,940	\$ 172,226,683	\$ 3,751,907
(544,194)	0	(46,025,717)	(331,902)
(398,869)	(1,283,525)	(109,137,307)	(4,007,553)
0	0	0	1,018,468
8,216	4,518	236,773	30,867
<u>677,182</u>	<u>(103,067)</u>	<u>17,300,432</u>	<u>461,787</u>
126,776	0	334,704	0
0	0	4,800,000	0
(1,210,044)	0	(11,635,507)	0
(192,726)	0	(7,108,792)	0
691	0	23,133	0
(4,263)	0	(901,225)	0
<u>(1,279,566)</u>	<u>0</u>	<u>(14,487,687)</u>	<u>0</u>
39,051	13,564	1,298,396	79,949
<u>39,051</u>	<u>13,564</u>	<u>1,298,396</u>	<u>79,949</u>
0	78,683	78,683	0
0	0	221,878	0
0	78,683	300,561	0
(563,333)	(10,820)	4,411,702	541,736
2,234,598	854,935	85,357,678	1,030,531
<u>\$ 1,671,265</u>	<u>\$ 844,115</u>	<u>\$ 89,769,380</u>	<u>\$ 1,572,267</u>
\$ 237,070	\$ (251,160)	\$ (4,824,093)	\$ 466,186
376,743	0	13,807,704	429
16,535	31,092	(2,205,474)	0
0	0	(29,585)	0
56,917	136	15,784	0
85,923	0	12,763,820	73,254
0	0	(502,431)	0
(77,859)	116,865	(219,004)	6,780
4,160	0	458,255	2,028
2,174	0	294,515	13,136
(108,031)	0	(21,608,551)	(108,031)
14,644	0	3,964,352	14,644
68,906	0	15,209,559	(44,910)
0	0	175,581	38,271
<u>\$ 677,182</u>	<u>\$ (103,067)</u>	<u>\$ 17,300,432</u>	<u>\$ 461,787</u>

See accompanying notes to the basic financial statements.

**CITY OF WOOSTER
WAYNE COUNTY, OHIO
STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES
AGENCY FUNDS
DECEMBER 31, 2018**

	Total Agency Funds
	<u> </u>
Assets:	
Equity in city treasury cash and investments	\$ 1,185,106
Restricted cash and cash equivalents with escrow agent	179,991
Receivables:	
Accrued interest	728
Accounts	21,487
Total assets	<u>\$ 1,387,312</u>
Liabilities:	
Accounts payable	\$ 55,145
Accrued salaries, wages and benefits	42,455
Due to agency recipient	1,289,712
Total liabilities	<u>\$ 1,387,312</u>

See accompanying notes to the basic financial statements.

**CITY OF WOOSTER
WAYNE COUNTY, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2018**

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**CITY OF WOOSTER
WAYNE COUNTY, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2018**

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Financial Reporting Entity

The City of Wooster (City) was incorporated on October 13, 1817 under the laws of the State of Ohio. In 1973 a voter-approved charter became effective. The City provides various services and consists of many different activities and smaller accounting entities. These include a community hospital, an economic development loan program, a police force, a fire fighting and prevention force, a water treatment plant, a sewage treatment plant, a storm water drainage system, a traffic control system, street lighting, a street maintenance force (including construction, repair, and snow and ice removal), a parks and recreation system, a community center, rubbish collection and recycling service, and staff to provide the necessary support to these service providers. All are responsible to the citizens of Wooster and are; therefore, included within the reporting entity.

The criteria used to determine which accounting entities, agencies, commissions, boards and authorities are part of the City's operations include how the budget is adopted, whether debt is secured by general obligations of the City, the City's duty to cover any deficits that may occur, and supervision over the accounting functions. There are no agencies, organizations or activities meeting any of the above criteria that are excluded from the City reporting entity.

Jointly Governed Organization

Wooster-Ashland Regional Council of Governments (WARCOG) The City is a member of the Wooster-Ashland Regional Council of Governments (WARCOG). WARCOG is a regional council of governments formed under Chapter 167 of the Ohio Revised Code. It was formed to plan for, create and operate a joint dispatching system for police, fire, emergency medical services (EMS), and other related public safety services within the WARCOG area and to provide a link between these dispatching systems and the State emergency management services platform. It is currently comprised of four members (the cities of Ashland, Orrville and Wooster and Wooster Community Hospital). It is authorized to perform all functions necessary to improve, maintain and operate the dispatching services including entering into contractual arrangements for necessary services; to employ staff; purchase, lease or otherwise provide for supplies, materials and equipment and facilities; accept and raise public and private funding; and any and all other powers and authorities available pursuant to Chapter 167 of the Ohio Revised Code. A 13 member Board of Directors governs the WARCOG. One public official from each founding member (3 members); three additional appointed by each founding member (9 members); one additional rotated between the founding members (1 member). Those subdivisions are the City of Wooster, City of Orrville and City of Ashland. Each member is entitled to one vote. During 2018, the City made payment for services of \$617,787 to the WARCOG. The City of Wooster serves as the fiscal agent. Financial information can be obtained by contacting Andrei Dordei, Treasurer of WARCOG, 538 North Market St., Wooster, OH 44691.

Basis of Presentation - Fund Accounting

The accounting system is organized and operated on a fund basis. A fund is defined as a fiscal and accounting entity with a self-balancing set of accounts, which are segregated for the purpose of carrying on specific activities or attaining certain objectives in accordance with special regulations, restrictions or limitations.

**CITY OF WOOSTER
WAYNE COUNTY, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2018**

The City's funds are grouped into two broad fund categories and seven generic fund types for financial statement presentation purposes. Governmental funds include the general, special revenue, debt service and capital projects funds. Proprietary funds include enterprise funds and internal service funds. The City has four fiduciary agency funds.

Basis of Accounting

GOVERNMENT-WIDE FINANCIAL STATEMENTS

The government-wide financial statements (i.e., the Statement of Net Position and the Statement of Activities) report information on all of the non-fiduciary activities of the primary government. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which primarily rely on fees and charges for support. Internal service fund activity is eliminated to avoid “doubling up” revenues and expenses. Fiduciary funds are also excluded from the government-wide financial statements.

The government-wide statements are prepared using the economic resources measurement focus and the accrual basis of accounting. This is the same approach used in the preparation of the proprietary fund financial statements but differs from the manner in which governmental fund financial statements are prepared. Therefore, governmental fund financial statements include reconciliations with brief explanations to better identify the relationship between the government-wide statements and the statements for governmental funds. The primary effect of the internal service fund activity has been eliminated from the government-wide financial statements. Other activities from interfund services provided and used are not eliminated in the process of consolidation.

The government-wide Statement of Activities presents a comparison between expenses, both direct and indirect, and program revenues for each segment of the business-type activities of the City and for each governmental program. Direct expenses are those that are specifically associated with a service, program or department and are therefore clearly identifiable to a particular function. Indirect expenses for centralized services and administrative overhead are allocated among the programs, functions and segments using a full cost allocation approach and are presented separately to enhance comparability of direct expenses between governments that allocate direct expenses and those that do not. Program revenues include charges paid by the recipients of the goods or services offered by the programs and grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues not classified as program revenues are presented as general revenues. The comparison of program revenues and expenses identifies the extent to which each program or business segment is self-financing or draws from the general revenues of the City.

Net position should be reported as restricted when constraints placed on their use are either externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments or imposed by law through constitutional provisions or enabling legislation. The net position restricted for other purposes result from special revenue funds and the restrictions on their use.

Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

**CITY OF WOOSTER
WAYNE COUNTY, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2018**

FUND FINANCIAL STATEMENTS

Fund financial statements report detailed information about the City. The focus of governmental and enterprise fund financial statements is on major funds rather than reporting funds by type. Each major fund is presented in a separate column. Nonmajor funds are aggregated and presented in a single column. The internal service fund is presented in a single column on the face of the proprietary fund statements.

GOVERNMENTAL FUNDS

All governmental funds are accounted for using modified accrual basis of accounting and the current financial resources measurement focus. Under this basis, revenues are recognized in the accounting period in which they become measurable and available. Expenditures are recognized in the accounting period in which the fund liability is incurred, if measurable.

The major governmental funds are:

- General Fund – This is the City’s primary operating fund. It is used to account for all financial resources except those required to be accounted for in another fund.
- Capital Improvement Fund – To account for various capital projects financed by intergovernmental revenues as well as other financing sources.

The other governmental funds of the City account for grants and other resources to which the City is bound to observe constraints imposed upon the use of the resources.

Revenue Recognition

In applying the susceptible to accrual concept under the modified accrual basis, the following revenue sources are deemed both measurable and available (i.e., collectible within the current year or within one month of year-end and available to pay obligations of the current period). These revenues include investment earnings, income taxes withheld by employers, estate taxes, and fines and forfeitures. In accordance with GASB 36, certain state-levied locally shared taxes including motor vehicle license tax and gasoline taxes are considered voluntary non-exchange transactions. Eligibility requirements include time requirements, which specify the year when the resources are required to be used or the year when use is first permitted, matching requirements, in which the City must provide local resources to be used for a specified purpose, and expenditure requirements, in which the resources are provided to the City on a reimbursement basis.

Property taxes and special assessments (in the debt service funds), though measurable, are not available soon enough in the subsequent year to finance current period obligations. Therefore, property tax and special assessment receivables are recorded as deferred inflows of resources until they become available.

Other revenues, including licenses and permits, certain charges for services, income taxes other than those withheld by employers and miscellaneous revenues, are recorded as revenue when received in cash because they are generally not measurable until actually received.

**CITY OF WOOSTER
WAYNE COUNTY, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2018**

Expenditure Recognition

The measurement focus of governmental fund accounting is on decreases in net financial resources (expenditures) rather than expenses. Most expenditures are measurable and are recorded when the related fund liability is incurred. However, principal and interest on general long-term debt, which has not matured, are recognized when paid. Allocations of costs, such as depreciation and amortization, are not recognized in the governmental funds.

PROPRIETARY FUNDS

All proprietary funds are accounted for using the accrual basis of accounting. These funds account for operations that are primarily financed by user charges. The economic resource focus concerns determining costs as a means of maintaining the capital investment and management control. Revenues are recognized when earned and expenses are recognized when incurred. Allocations of costs, such as depreciation, are recorded in proprietary funds. Unbilled utility and hospital service receivables are recorded at each year-end.

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of all the City's enterprise funds and internal service funds are charges to customers for sales and services. Operating expenses for enterprise funds and the internal service funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

The major proprietary funds are:

- Wooster Community Hospital Fund – To account for the health care services provided by the City owned and operated hospital.
- Water Fund – To account for the provision of water treatment and distribution to the residential and commercial users of the City and some residents of the county.
- Water Pollution Control Fund – To account for sanitary sewer services provided to the residential and commercial users of the City and some residents of the county.
- Storm Drainage Fund – To account for the storm drainage runoff service provided to the residential and commercial users of the City.
- Refuse Fund – To account for trash collection services provided to the residential and some commercial users of the City.

The City has three internal service funds:

- Municipal Garage – To account for the costs of maintaining automotive equipment used by various City departments. Costs are billed to the departments for labor and materials at actual cost with the elimination of the effect of internal service fund activity adjusted to break even.
- Employee Benefits Fund - To account for all claims filed against and paid by the City (as the employer) under the City's self-funded program of group health insurance.
- Investment Fund – To accumulate interest earnings from certain pooled investments and to pay expenses incurred in the handling of fiscal matters with third parties until such time as the net proceeds can be distributed to the other funds.

**CITY OF WOOSTER
WAYNE COUNTY, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2018**

FIDUCIARY FUNDS

The City currently has four agency fiduciary funds. Agency funds are unlike all other types of funds, reporting only assets and liabilities; therefore, agency funds cannot be said to have a measurement focus. They do, however, use the accrual basis of accounting to recognize receivables and payables. The following four funds are used by the City to account for assets held by the City in a custodial capacity:

- The Wooster Growth Corporation Fund is used to account for the activity of the City's community improvement corporation.
- The Guaranteed Deposits Fund is used to hold funds received from a contractor, developer, or individual to insure compliance with City ordinances through the completion of a construction or development project. Upon project completion, the deposit is returned to the party, less any applicable inspection fees.
- The Clearing Fund is used to hold monies received for bid bonds or proceeds on behalf of certain individuals, as well as any unclaimed checks of the municipality. Insurance premiums for retired employees or spouses participating in the City's group health insurance program are also reimbursed and paid from this fund.
- The Wooster-Ashland Regional Council of Governments Fund is used to hold monies received from members for services provided by a joint dispatching service for police, fire, emergency medical services (EMS), and other related public safety services.

Deferred Inflows of Resources and Deferred Outflows of Resources

In addition to assets, the statements of financial 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 City, deferred outflows of resources are reported on the government-wide statement of net position and statement of fund net position for pension and OPEB. The deferred outflows of resources related to pension and OPEB are explained in Notes 8 and 9.

In addition to liabilities, the statements of financial position report a separate section for deferred inflows of resources. Deferred inflows of resources represent an acquisition of net position that applies to a future period and will not be recognized until that time. For the City, deferred inflows of resources include property taxes, pension, OPEB and unavailable revenue. Property taxes represent amounts for which there is an enforceable legal claim as of December 31, 2018, but which were levied to finance 2019 operations. These amounts have been recorded as a deferred inflow on both the government-wide statement of net position and governmental fund financial statements. Unavailable revenue is reported only on the governmental funds balance sheet, and represents receivables which will not be collected within the available period. For the City, unavailable revenue includes delinquent property taxes, special assessments, income taxes, intergovernmental grants and miscellaneous revenues. These amounts are deferred and recognized as an inflow of resources in the period the amounts become available. Deferred inflows of resources related to pension and OPEB plans are reported on the government-wide statement of net position and statement of fund net position. (See Notes 8 and 9).

Cash and Cash Equivalents

To improve cash management, cash received by the City is pooled and invested. Individual fund integrity is maintained through City records. Interest in the pool is presented as "Equity in City Treasury Cash and Investments."

**CITY OF WOOSTER
WAYNE COUNTY, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2018**

Investments of the cash management pool and investments with an original maturity of three months or less at the time of purchase are presented on the financial statements as cash equivalents. Investments with an initial maturity of more than three months that were not purchased from the pool are reported as investments.

Investments

Governmental Accounting Standards Board Statement No. 40, *Deposit and Investment Risk Disclosures* was implemented during 2004. This statement addresses common deposit and investment risks related to credit risk, concentration of credit risk, interest rate risk, and foreign currency risk. The City's policy is to invest public funds in a manner which protects the citizens and the investors from a loss of principal while attaining a competitively high rate of return on investment.

During the year 2018, the City invested in STAR Ohio. STAR Ohio (the State Treasury Asset Reserve of Ohio), is an investment pool managed by the State Treasurer's Office which allows governments within the State to pool their funds for investment purposes. STAR Ohio is not registered with the SEC as an investment company, but has adopted Governmental Accounting Standards Board (GASB), Statement No. 79, *Certain External Investment Pools and Pool Participants*. The City measures their investment in STAR Ohio at the net asset value (NAV) per share provided by STAR Ohio. The NAV per share is calculated on an amortized cost basis that provides an NAV per share that approximates fair value.

Investments held at December 31, 2018 with original maturities greater than one year are stated at fair value. Except for nonparticipating investment contracts, investments are reported at fair value. Nonparticipating investment contracts such as nonnegotiable certificate of deposit are reported at cost.

For the fiscal year 2018, there were no limitations or restrictions on any participant withdrawals due to redemption notice periods, liquidity fees, or redemption gates. However, notice must be given 24 hours in advance of all deposits and withdrawals exceeding \$25 million. STAR Ohio reserves the right to limit the transaction to \$100 million, requiring the excess amount to be transacted the following business day(s), but only to the \$100 million limit. All accounts of the participant will be combined for these purposes.

The City also invests in STAR Plus, a federally insured cash account powered by the Federally Insured Cash Account (FICA) program. STAR Plus enables political subdivisions to generate a competitive yield on cash deposits in a network of carefully-selected FDIC-insured banks via a single, convenient account. STAR Plus offers attractive yields with no market or credit risk, weekly liquidity and penalty free withdrawals. All deposits with STAR Plus have full FDIC insurance with no term commitment on deposits.

The portfolio is continuously analyzed to attain the following objectives:

- A. Preserve capital and protect investment principal in conformance with federal, state and local requirements.
- B. Maintain sufficient liquidity to meet operating requirements.
- C. Diversify the portfolio to avoid incurring unreasonable risks regarding specific security type or Individual financial institutions.
- D. Attain a market rate of return throughout budgetary and economic cycles.
- E. Protect the principal of lenders.
- F. Encourage community growth.

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Receivables

Wooster Community Hospital Fund accounts receivable is stated at billed charges less the difference between billed charges and the amount payable under third-party payor contractual agreements, and net of allowance for doubtful accounts. The \$24,938,240 allowance for uncollectibles represents estimates of uncollectible patient receivables in the accounts (user charge) classification and third party contractual adjustments for hospital fund receivables.

Other receivables at December 31, 2018 consist of property taxes, income taxes, accounts (billings for user charged services, including utility services), due from other governments, due from other funds, special assessment loans, long-term, and accrued interest on investments. Taxes, special assessments, utility charges and accrued interest are deemed collectible in full.

Receivables not expected to be collected within the subsequent year include deferred special assessments receivable in the Debt Service fund and Capital Improvement Fund, and long-term receivables in the Water Pollution Control and Economic/Downtown Development Loan funds.

Reimbursements

Wooster Community Hospital Fund net operating revenues include amounts received or receivable from Medicare, Medicaid, and other third party payors under the provisions of reimbursement agreements. Inpatient services rendered to Medicare and Medicaid program beneficiaries are paid at prospectively determined rates per discharge. These rates vary according to a patient classification system that is based on clinical, diagnostic, and other factors. Outpatient services rendered to Medicare program beneficiaries are paid based on a combination of fee schedules, prospectively determined rates and a cost reimbursement methodology. Outpatient services rendered to the Medicaid program beneficiaries are generally paid based on fee schedules and prospectively determined rates.

Other third party payors may provide for payments at amounts different from established rates. Payment arrangements may include prospectively determined rates per discharge, discounted charges and per diem payments.

Wooster Community Hospital accepts all patients, regardless of their ability to pay. Care is provided without charge, or at amounts less than established rates, to patients who meet certain criteria under a charity care policy. Wooster Community Hospital provided \$865,874 in charity care in 2018.

Inventory of Supplies

Inventories are stated at cost, on the first-in, first-out basis. The costs of inventory items are recorded as expenditures in the governmental fund types and expenses in the proprietary fund types when used.

Capital Assets and Depreciation

The accounting and reporting treatment applied to the capital assets associated with a fund are determined by its measurement focus. General capital assets are long-lived assets of the City as a whole. When purchased, such assets are recorded as expenditures in the governmental funds and capitalized. Infrastructure such as streets, traffic signals and signs are capitalized. The valuation basis for general capital assets are historical cost, or where historical cost is not available, estimated historical cost based on replacement cost. The minimum capitalization threshold is any individual item with a total cost greater than \$5,000.

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Capital assets in the proprietary funds are capitalized in the fund in which they are utilized. The valuation basis for proprietary fund capital assets are the same as those used for the general capital assets. Donated capital assets are capitalized at acquisition value on the date donated.

Depreciation of capital assets is computed and recorded by the straight-line method. Estimated useful lives of the various classes of depreciable capital assets are as follows:

Buildings: 5-50 years

Improvements/Infrastructure: streets 10-50 years; land improvements 10-20 years; water, sewer, storm lines 50 years

Equipment: vehicles 2-6 years; other moveable equipment 10-15 years; fire equipment 12 years.

Prepaid Items

Payments made to vendors for services that will benefit periods beyond December 31, 2018, are recorded as prepaid items using the consumption method by recording a current asset for the prepaid amount and reflecting the expenditure/expense in the year in which services are consumed.

Fund Balance

In accordance with Governmental Accounting Standards Board Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*, the City classifies its fund balance based on the purpose for which the resources were received and the level of constraint placed on the resources. 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 loans receivable, as well as property acquired for resale, unless the use of the proceeds from the collection of those receivables or from the sale of those 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.

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

Assigned – Amounts in the assigned fund balance classification are intended to be used by the City for specific purposes but do not meet the criteria to be classified as restricted 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 policies of the City Council. The City has by resolution authorized the Finance Director to assign fund balance. The City 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.

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

Unpaid Compensated Absences

The City accrues unused portions of vacation pay in the period the liability is incurred. As permitted by Governmental Accounting Standards Board Statement No. 16, the vesting method is used to accrue sick leave liability. The liability is based on the sick leave accumulated at year-end by those employees who are currently eligible to receive termination payments as well as other employees who are expected to become eligible to receive such payments. Even though the City has appropriated, accumulated and earmarked expendable available fund resources for these amounts, the portion not normally expected to be liquidated with expendable available financial resources is not reported as a fund liability in accordance with Interpretation No. 6 of the Governmental Accounting Standards Board – *Recognition and Measurement of Certain Liabilities and Expenditures in Governmental Fund Financial Statements*.

Pensions and Postemployment Benefits

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 plans. 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.

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, and are reported as obligations of the funds. However, claims and judgments, compensated absences and 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. 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. Bonds are recognized as a liability on the fund financial statements when due.

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Net Position

Net position represents the difference between assets and deferred outflows of resources and liabilities and deferred inflows of resources. Net investment in capital assets, consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowings used for the acquisition, construction or improvement of those assets. Deferred outflows of resources and deferred inflows of resources that are attributable to the acquisition, construction or improvement of those assets or related debt also should be included in this component of net position. Net position is reported as restricted when there are limitations imposed on their use either through constitutional provisions or enabling legislation or through external restrictions imposed by creditors, grantors or laws or regulations of other governments. At December 31, 2018, net position restricted for other purposes include parks and recreation, and law enforcement and fire department operations.

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

NOTE 2 - BUDGETARY DATA

Budget Requirements, Accounting, and Reporting

Requirements for all funds:

- A. Annual budgets are adopted for all City funds. Under state law, the Mayor submits an annual budget (a preliminary financial plan often referred to as the 'tax budget') to Council for consideration and approval no later than July 15. Such budget is based on expected expenditures by program within a fund and estimated resources by source for all funds.
- B. By Charter the Mayor must submit an annual appropriation ordinance to City Council. This ordinance builds upon the tax budget of the previous July and is updated for any estimate revisions as well as year-end encumbrances and may include any additional information requested by Council. Council may subsequently amend such ordinance. Amendments to the appropriation ordinance during 2018 were approved by City Council as provided by the Charter.
- C. For day-to-day management control, expenditures plus encumbrances may not exceed budget at the expenditure-type (i.e., personal services, operations and maintenance, capital, etc.) level of each cost center (activity within a program within a fund). The Mayor may transfer unencumbered appropriations within programs within funds.
- D. Appropriation control (City Council appropriated budget) is at the object level (personal services and other) by program (i.e., safety, leisure, health, etc.) within a fund. City Council may, by ordinance, transfer amounts among programs within and between funds. Budgetary comparison schedules are presented in the Supplemental Section as Required Supplemental Information. The budgetary basis is the modified accrual basis of accounting with encumbrances included as actual.

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NOTE 3 – INTER-FUND TRANSACTIONS

During the year, the general fund transferred \$4,162,798 to the capital improvements fund to provide capital funding. In a prior year, the general fund advanced \$100,000 to the CDBG fund to provide interim funding. In 2018, the general fund advanced \$10,000 to the CDBG fund to provide interim funding. These are not expected to be repaid within one year.

NOTE 4 – CHANGES IN ACCOUNTING PRINCIPLES

For the fiscal year ended December 31, 2018, the City has implemented Governmental Accounting Standards Board (GASB) Statement No. 75, *Accounting and Financial reporting for Postemployment Benefits other than Pensions*, GASB Statement No. 85, *Omnibus 2017* and GASB Statement No. 86, *Certain Debt Extinguishments*.

GASB Statement No. 75 requires recognition of the entire net postemployment benefits other than pensions (other postemployment benefits or OPEB) liability and a more comprehensive measure of postemployment benefits expense for OPEB provided to the employees of state and local governmental employers through OPEB plans that are administered through trusts or equivalent arrangements. The implementation of GASB Statement No. 75 resulted in the inclusion of net OPEB liability and OPEB expense components on the accrual financial statements. See below for the effect on net position as previously reported.

	Governmental Activities	Business-Type Activities	Internal Service Fund
Net Position, December 31, 2017	\$ 63,684,952	\$ 191,403,638	\$ 257,512
Adjustments:			
Net OPEB Liability	(16,006,507)	(35,144,233)	(166,051)
Deferred Outflow-Payments			
Subsequent to Measurement Date	323,419	630,118	19,481
Restated Net Position, December 31, 2017	<u>\$ 48,001,864</u>	<u>\$ 156,889,523</u>	<u>\$ 110,942</u>

	Wooster Community Hospital	Water	Water Pollution Control	Storm Drainage
Net Position, December 31, 2017	\$ 139,132,284	\$ 23,769,818	\$ 15,619,950	\$ 11,958,701
Adjustments:				
Net OPEB Liability	(33,483,737)	(830,248)	(664,198)	(166,050)
Deferred Outflow-Payments				
Subsequent to Measurement Date	435,311	97,403	77,923	19,481
Restated Net Position, December 31, 2017	<u>\$ 106,083,858</u>	<u>\$ 23,036,973</u>	<u>\$ 15,033,675</u>	<u>\$ 11,812,132</u>

Other than employer contributions subsequent to the measurement date, the City made no restatement for deferred inflows/outflows of resources as the information needed to generate these restatements was not available.

GASB Statement No. 85 addresses a variety of topics including issues related to blending component units, goodwill, fair value measurement and application, and other postemployment benefits (OPEB). These changes were incorporated in the City's fiscal year 2018 financial statements; however, there was no effect on beginning net position.

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GASB Statement No. 86 addresses the reporting and disclosure requirements of certain debt extinguishments including in-substance defeasance transactions and prepaid insurance associated with debt that is extinguished. The implementation of GASB Statement No. 86 did not have an effect on the financial statements of the City.

NOTE 5 - DEPOSITS AND INVESTMENTS

Policies and Practices

The City's Charter specifies that the Director of Finance is responsible for selecting depositories and investing idle funds. The Director of Finance also has the authority to choose the types of deposits and investments made by the City. The Federal Deposit Insurance Corporation provides protection of City cash and investments as well as qualified pledged or pooled securities by the institutions holding the assets. The various institutions, or their trustees, including the Federal Home Loan Bank and the Federal Reserve Bank hold such collateral. The City does not enter into reverse repurchase agreements.

The City pools all individual fund cash balances. Each fund's portion of this pool is displayed on the statements of net assets or balance sheets as 'Equity in city treasury cash and investments'. Income is distributed to the funds based on contribution to the pool.

Investment securities purchased by the City will be delivered by either book entry or physical delivery. The purchase and sale of all securities may be on a delivery versus payment basis. The primary agent shall issue a safekeeping receipt to the City listing the specific instrument, rate, maturity and other pertinent information. Deposit type securities (i.e., certificates of deposit) shall be collateralized as required by ORC for any amount exceeding FDIC or FSLIC coverage. Other investments shall be collateralized by the actual security held in safekeeping by the primary agent.

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

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

Inactive deposits are public deposits that Council has identified as not required for use within the current two-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.

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

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The City will diversify the portfolio to avoid incurring unreasonable risks inherent in over investing in specific instruments, individual financial institutions or maturities. Diversification by instrument and the percentage of portfolio cannot exceed the following:

- A. U.S. Treasury Obligations (bills, notes and bonds), 100%.
- B. U.S. Government Agency Securities and Instrumentality's of Government Sponsored Corporations, 100%.
- C. Certificates of Deposit (collateralized), 100%.
- D. Commercial paper notes, 40%.
 - 1. Notes must be rated at time of purchase in the highest classification established by at least two standard rating services.
 - 2. Aggregate value of the note does not exceed 10% of the aggregate value of the outstanding commercial paper of the issuing corporation.
 - 3. Notes mature no later than 270 days after purchase.
- E. Banker's acceptance of banks that are members of the FDIC, 40%.
 - 1. The obligations are eligible for purchase by the Federal Reserve System.
 - 2. The obligations mature no later than 180 days after purchase.
- F. Repurchase Agreements, 25%.
- G. State and Local Government Securities, 25%.
- H. State of Ohio Investment pool, 25%.

Maturity limitations shall depend upon whether the funds being invested are considered short term or long-term funds. All funds shall be considered short term except those reserved for capital projects (i.e., bond sale proceeds), funds to be used in the future for debt service, and special assessment prepayments being held for debt retirement. Except for previously mentioned situations, as directed by the investment officer, investments shall be limited to maturities not exceeding 24 months.

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

Cash on Hand - At December 31, 2018 the City had \$8,123 in undeposited cash on hand, which is included as part of "Equity in city treasury cash and investments."

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Deposits - At year-end, \$6,445,899 of the City's bank balance of \$10,043,047 was exposed to custodial credit risk. Although the securities were held by the pledging financial institutions' trust department in the City's name and all statutory requirements for the investment of money had been followed, noncompliance with Federal requirements could potentially subject the City to a successful claim by the FDIC.

Custodial Credit Risk Custodial credit risk for deposits is the risk that in the event of a bank failure, the City will not be able to recover deposits or collateral securities that are in possession of an outside party.

The City has no deposit policy for custodial risk beyond the requirements of State statute. Ohio law requires that deposits either be insured or protected by:

- Eligible securities pledged to the City and deposited with a qualified trustee by the financial institution as security for repayment whose market value at all times shall be at least 105 percent of the deposits being secured; or
- Participation in the Ohio Pooled Collateral System (OPCS), a collateral pool of eligible securities deposited with a qualified trustee and pledged to the Treasurer of State to secure the repayment of all public monies deposited in the financial institution. OPCS required the total market value of the securities pledged to be 102 percent of the deposits being secured or a rate set by the Treasurer of State.

Investments

As of December 31, 2018, the City had the following investments and maturities:

Rating by S & P	Investment Type	Measurement Amount	Investment Maturities in Years			Percent of Total
			(<1)	(1-3)	(>3)	
Net Asset Value (NAV):						
AAA-m	STAROhio	\$ 10,333,341	\$ 10,333,341	\$ 0	\$ 0	9.88%
AAA-m	First American Govt Obligation	187,103	187,103	0	0	0.18%
Fair Value:						
N/A	Negotiable CD's	7,598,205	4,268,352	1,415,185	1,914,668	7.27%
A-1+	Commercial Paper	20,834,980	20,834,980	0	0	19.94%
AA+	FFCB	7,134,306	0	6,401,427	732,879	6.82%
AA+	FHLB	13,301,068	0	5,272,189	8,028,879	12.72%
AA+	FHLMC	34,543,745	6,953,483	16,801,397	10,788,865	33.04%
AA+	FNMA	10,615,484	5,023,567	5,591,917	0	10.15%
		<u>\$ 104,548,232</u>	<u>\$ 47,600,826</u>	<u>\$ 35,482,115</u>	<u>\$ 21,465,291</u>	<u>100.00%</u>

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The City categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets. Level 2 inputs are significant other observable inputs. Level 3 inputs are significant unobservable inputs. The above table identifies the City's recurring fair value measurements as of December 31, 2018. The City's investments measured at fair value are valued using methodologies that incorporate market inputs such as benchmark yields, reported trades, broker/dealer quotes, issuer spreads, two-sided markets, benchmark securities, bids, offers, and reference data including market research publications. Market indicators and industry and economic events are also monitored which could require the need to acquire further market data (Level 2 inputs).

Interest Rate Risk. As a means of limiting its exposure to fair value losses caused by rising interest rates, the City's investment policy requires that operating funds be invested primarily in short-term investments maturing within two years from the date of purchase and that the City'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.

STAR Ohio is an investment pool operated by the Ohio State Treasurer. It is unclassified since it is not evidenced by securities that exist in physical or book entry form. Ohio law requires STAR Ohio maintain the highest rating provided by at least one nationally recognized standard rating service. The weighted average of maturity of the portfolio held by STAR Ohio as of December 31, 2018, is 45 days.

Credit Risk. State law limits investments in corporate debt to the top two ratings issued by nationally recognized statistical rating organizations. The City does not have a written policy limiting its corporate debt investments to the top rating.

Concentration of Credit Risk. The City's investment policy limits the amounts it may invest in any one type of instrument. See above chart.

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NOTE 6 - CAPITAL ASSETS AND DEPRECIATION

Capital asset activity for the year ended December 31, 2018 was as follows:

Governmental Activities	Balance 12/31/17	Increases	Decreases	Balance 12/31/18
<i>Capital Assets, Not Being Depreciated:</i>				
Land	\$ 4,862,925	\$ 0	\$ 0	\$ 4,862,925
Construction in progress	809,019	3,419,620	(2,948,760)	1,279,879
<i>Total Capital Assets, not being depreciated</i>	<u>5,671,944</u>	<u>3,419,620</u>	<u>(2,948,760)</u>	<u>6,142,804</u>
<i>Capital Assets, Being Depreciated:</i>				
Buildings	16,299,436	650,933	(146,255)	16,804,114
Improvements/infrastructure	102,000,038	5,798,221	(42,529)	107,755,730
Equipment	14,977,208	928,018	(370,777)	15,534,449
<i>Total Capital Assets, being depreciated</i>	<u>133,276,682</u>	<u>7,377,172</u>	<u>(559,561)</u>	<u>140,094,293</u>
<i>Accumulated Depreciation:</i>				
Buildings	(6,331,199)	(397,951)	113,299	(6,615,851)
Improvements/infrastructure	(58,037,122)	(2,767,509)	42,529	(60,762,102)
Equipment	(11,176,353)	(851,291)	370,777	(11,656,867)
<i>Total Accumulated Depreciation</i>	<u>(75,544,674)</u>	<u>(4,016,751)</u>	<u>526,605</u>	<u>(79,034,820)</u>
<i>Total Capital Assets being depreciated, net</i>	<u>57,732,008</u>	<u>3,360,421</u>	<u>(32,956)</u>	<u>61,059,473</u>
<i>Governmental Activities, Capital Assets, net</i>	<u>\$ 63,403,952</u>	<u>\$ 6,780,041</u>	<u>\$ (2,981,716)</u>	<u>\$ 67,202,277</u>

Depreciation was charged to functions as follows:

<i>Governmental Activities:</i>	
Safety services	\$ 882,326
Leisure services	219,030
Environment and development	128,080
Transportation services	2,692,870
Administrative services	94,445
<i>Total governmental activities depreciation expense</i>	<u>\$ 4,016,751</u>

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Business-type Activities	Balance 12/31/17	Additions	Reductions	Balance 12/31/18
<i>Capital Assets, Not Being Depreciated:</i>				
Land	\$ 9,150,006	\$ 0	\$ (103,029)	\$ 9,046,977
Construction in progress	833,254	10,707,290	(8,762,280)	2,778,264
<i>Total Capital Assets, not being depreciated</i>	<u>9,983,260</u>	<u>10,707,290</u>	<u>(8,865,309)</u>	<u>11,825,241</u>
<i>Capital Assets, Being Depreciated:</i>				
Buildings	136,201,982	4,115,057	0	140,317,039
Improvements/infrastructure	121,045,249	2,433,559	0	123,478,808
Equipment	82,008,142	3,244,911	(314,396)	84,938,657
<i>Total Capital Assets, being depreciated</i>	<u>339,255,373</u>	<u>9,793,527</u>	<u>(314,396)</u>	<u>348,734,504</u>
<i>Accumulated Depreciation:</i>				
Buildings	(63,166,817)	(5,167,418)	0	(68,334,235)
Improvements/infrastructure	(57,134,846)	(3,243,965)	0	(60,378,811)
Equipment	(55,800,017)	(5,396,322)	312,846	(60,883,493)
<i>Total Accumulated Depreciation</i>	<u>(176,101,680)</u>	<u>(13,807,705)</u>	<u>312,846</u>	<u>(189,596,539)</u>
<i>Total Capital Assets being depreciated, net</i>	<u>163,153,693</u>	<u>(4,014,178)</u>	<u>(1,550)</u>	<u>159,137,965</u>
<i>Business-type Activities, Capital Assets, net</i>	<u>\$ 173,136,953</u>	<u>\$ 6,693,112</u>	<u>\$ (8,866,859)</u>	<u>\$ 170,963,206</u>

Depreciation was charged to services as follows:

<i>Business-type Activities:</i>	
Wooster Community Hospital	\$ 9,915,189
Water	1,325,116
Water Pollution Control	2,190,656
Storm Drainage	376,743
<i>Total business-type activities depreciation expense</i>	<u>\$ 13,807,704</u>

NOTE 7 - PROPERTY TAX

Property taxes include amounts levied against all real and public utility property located in the City. Property tax revenue received during 2018 for real and public utility property taxes represents collections of the 2017 taxes.

2018 real property taxes were levied after October 1, 2018 on the assessed value as of January 1, 2018, the lien date. Assessed values are established by State law at 35 percent of appraised market value. 2018 real property taxes are collected in and intended to finance 2019.

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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 tangible personal property currently is assessed at varying percentages of true value; public utility real property is assessed at 35 percent of true value. 2018 public utility property taxes which became a lien December 31, 2017, are levied after October 1, 2018, and are collected in 2019 with real property taxes.

The full tax rate for all City operations for the year ended December 31, 2018, was \$5.80 per \$1,000 of assessed valuation. The assessed values of real property and public utility tangible property upon which 2018 property tax receipts were based are as follows:

<u>Category</u>	<u>Assessed Value</u>
Real Property	\$ 552,254,120
Public Utilities - Personal	<u>10,154,450</u>
Total Assessed Value	<u>\$ 562,408,570</u>

The County Treasurer collects property taxes on behalf of all taxing districts within the County, including the City. The County Auditor periodically remits to the City its portion of the taxes collected. Property taxes receivable represents real and public utility property taxes and outstanding delinquencies which were measurable as of December 31, 2018, and for which there was an enforceable legal claim. In governmental funds, the portion of the receivable not levied to finance 2018 operations is offset to deferred inflows of resources – property taxes levied for the next year. On the accrual basis, collectible delinquent property taxes have been recorded as a receivable and revenue while on the modified accrual basis the revenue has been reported as deferred inflows of resources – unavailable revenue.

NOTE 8 – 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 City’s proportionate share of each pension plan’s collective actuarial present value of projected benefit payments attributable to past periods of service, net of each pension plan’s fiduciary net position. The net pension liability calculation is dependent on critical long-term variables, including estimated average life expectancies, earnings on investments, cost of living adjustments and others. While these estimates use the best information available, unknowable future events require adjusting this estimate annually.

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

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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 accrued salaries, wages and benefits on both the accrual and modified accrual bases of accounting.

Plan Description – Ohio Public Employees Retirement System (OPERS)

The City participates in the Ohio Public Employees Retirement System (OPERS). OPERS administers three separate pension plans. The traditional pension plan is a cost-sharing, multiple-employer defined benefit pension plan. The member-directed plan is a defined contribution plan and the combined plan is a cost-sharing, multiple-employer defined benefit pension plan with defined contribution features. While members (e.g. City employees) may elect the member-directed plan and the combined plan, substantially all employee members are in OPERS’ traditional plan; therefore, the following disclosure focuses on the traditional pension plan.

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

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

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

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

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

When a benefit recipient has received benefits for 12 months, an annual cost-of-living adjustment (COLA) is provided. This COLA is calculated on the base retirement benefit at the date of retirement and is not compounded. For those who retired prior to January 7, 2013, the COLA will continue to be a three 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 (CPI), capped at three percent.

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

	State and Local
2018 Statutory Maximum Contribution Rates	
Employer	14.00 %
Employee	10.00 %
2018 Actual Contribution Rates	
Employer:	
Pension	14.00 %
Post-Employment Health Care Benefits	0.00 %
Total Employer	14.00 %
Employee	10.00 %

Employer contribution rates are actuarially determined and are expressed as a percentage of covered payroll. The City’s contractually required contribution was \$6,996,492 for 2018. Of this amount, \$826,404 is reported as accrued salaries, wages and benefits.

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

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

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

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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 July 1, 2013, the minimum retirement age is 48 for normal service retirement with at least 25 years of service credit.

The annual pension benefit for normal service retirement is equal to a percentage of the allowable average annual salary. The percentage equals 2.5 percent for each of the first 20 years of service credit, 2.0 percent for each of the next five years of service credit and 1.5 percent for each year of service credit in excess of 25 years. The maximum pension of 72 percent of the allowable average annual salary is paid after 33 years of service credit.

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

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

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

	<u>Police</u>	<u>Firefighters</u>
2018 Statutory Maximum Contribution Rates		
Employer	19.50 %	24.00 %
Employee	12.25 %	12.25 %
2018 Actual Contribution Rates		
Employer:		
Pension	19.00 %	23.50 %
Post-Employment Health Care Benefits	0.50 %	0.50 %
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 City’s contractually required contribution to OP&F was \$1,376,104 for 2018. Of this amount, \$110,111 is reported as accrued salaries, wages and benefits.

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

The net pension liability for OPERS was measured as of December 31, 2017, 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, 2017, and was determined by rolling forward the total pension liability as of January 1, 2017, to December 31, 2017. The City's proportion of the net pension liability was based on the City's share of contributions to the pension plan relative to the contributions of all participating entities. Following is information related to the proportionate share and pension expense:

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	<u>OPERS</u>	<u>OPF</u>	
Proportion of the Net Pension Liability:			
Current Measurement Period	0.368541%	0.287071%	
Prior Measurement Period	<u>0.356900%</u>	<u>0.284742%</u>	
Change in Proportion	<u>0.011641%</u>	<u>0.002329%</u>	
	<u>OPERS</u>	<u>OPF</u>	<u>Total</u>
Proportionate Share of the Net			
Pension Liability	\$ 57,816,895	\$ 17,618,824	\$ 75,435,719
Pension Expense	\$ 13,770,492	\$ 2,160,149	\$ 15,930,641

Other than contributions made subsequent to the measurement date and differences between projected and actual earnings on investments; deferred inflows/outflows of resources are recognized in pension expense beginning in the current period, using a straight line method over a closed period equal to the average of the expected remaining services lives of all employees that are provided with pensions, determined as of the beginning of the measurement period. Net deferred inflows/outflows of resources pertaining to the differences between projected and actual investment earnings are similarly recognized over a closed five year period. At December 31, 2018, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>OPERS</u>	<u>OPF</u>	<u>Total</u>
Deferred Outflows of Resources			
Differences between Expected and			
Actual Experience	\$ 59,046	\$ 267,377	\$ 326,423
Changes of Assumptions	6,909,476	767,746	7,677,222
Changes in Proportionate Share	1,781,274	201,513	1,982,787
City Contributions Subsequent			
to the Measurement Date	<u>6,996,492</u>	<u>1,376,104</u>	<u>8,372,596</u>
Total Deferred Outflows of Resources	<u>\$ 15,746,288</u>	<u>\$ 2,612,740</u>	<u>\$ 18,359,028</u>

	<u>OPERS</u>	<u>OPF</u>	<u>Total</u>
Deferred Inflows of Resources			
Differences between Expected and			
Actual Experience	\$ 1,139,382	\$ 31,874	\$ 1,171,256
Net Difference between Projected and Actual			
Earnings on Pension Plan Investments	12,412,523	609,479	13,022,002
Changes in Proportionate Share	<u>39,024</u>	<u>79,690</u>	<u>118,714</u>
Total Deferred Inflows of Resources	<u>\$ 13,590,929</u>	<u>\$ 721,043</u>	<u>\$ 14,311,972</u>

\$8,372,596 reported as deferred outflows of resources related to pension resulting from City contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ending December 31, 2019. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pension will be recognized in pension expense as follows:

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Year Ending December 31:	OPERS	OPF	Total
2019	\$ 6,290,730	\$ 473,320	\$ 6,764,050
2020	(566,411)	313,084	(253,327)
2021	(5,464,964)	(318,188)	(5,783,152)
2022	(5,100,488)	(221,279)	(5,321,767)
2023	0	216,298	216,298
Thereafter	0	52,358	52,358
	<u>\$ (4,841,133)</u>	<u>\$ 515,593</u>	<u>\$ (4,325,540)</u>

Actuarial Assumptions - OPERS

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

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employers and plan members) and include the types of benefits provided at the time of each valuation. The total pension liability was determined by an actuarial valuation as of December 31, 2017, using the following key actuarial assumptions and methods applied to all prior periods included in the measurement in accordance with the requirements of GASB 67. Key methods and assumptions used in the latest actuarial valuation, reflecting experience study results, prepared as of December 31, 2017 are presented below.

Valuation Date	December 31, 2017
Wage Inflation	3.25 percent
Projected Salary Increases, including wage inflation	3.25 percent to 10.75 percent (includes wage inflation at 3.25 percent)
Investment Rate of Return	7.50 percent
Actuarial Cost Method	Individual Entry Age
Cost-of-Living Adjustments	Pre-1/7/2013 Retirees: 3.00 percent Simple Post-1/7/2013 Retirees: 3.00 percent Simple through 2018, then 2.15 percent Simple

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

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

The long-term expected rate of return on defined benefit investment assets was determined using a building-block method in which best-estimate ranges of expected future real rates of return are developed for each major asset class.

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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 2017, 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 of 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 16.82 percent for 2017.

The allocation of investment assets within 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 2017 and the long-term expected real rates of return:

Asset Class	Target Allocation	Weighted Average Long-Term Expected Real Rate of Return (Arithmetic)
Fixed Income	23.00 %	2.20 %
Domestic Equities	19.00	6.37
Real Estate	10.00	5.26
Private Equity	10.00	8.97
International Equities	20.00	7.88
Other Investments	18.00	5.26
Total	100.00 %	5.66 %

Discount Rate The discount rate used to measure the total pension liability was 7.50 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 contractually required rates, as actuarially determined. Based on those assumptions, the pension plan’s fiduciary net position was projected to be available to make all projected future benefits payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of the City’s Proportionate Share of the Net Pension Liability to Changes in the Discount Rate The following table presents the City’s proportionate share of the net pension liability calculated using the current period discount rate assumption of 7.50 percent, as well as what the City’s proportionate share of the net pension liability would be if it were calculated using a discount rate that is one-percentage-point lower (6.50 percent) or one-percentage-point higher (8.50 percent) than the current rate:

	1% Decrease (6.50%)	Current Discount Rate (7.50%)	1% Increase (8.50%)
City's proportionate share of the net pension (asset)/liability:	\$ 102,668,075	\$ 57,816,895	\$ 20,424,527

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Actuarial Assumptions – OP&F

OP&F’s total pension liability as of December 31, 2017 is based on the results of an actuarial valuation date of January 1, 2017, 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 retirement plan involve estimates of the value of reported amounts and assumptions about probability of occurrence of events far into the future. Examples include assumptions about future employment mortality, salary increases, disabilities, retirements and employment terminations. Actuarially determined amounts are subject to continual review and potential modifications, as actual results are compared with past expectations and new estimates are made about the future.

Key methods and assumptions used in calculating the total pension liability in the last two actuarial valuations, prepared as of January 1, 2017 and January 1, 2016, respectively, are presented below:

	January 1, 2017	January 1, 2016
Valuation Date	January 1, 2017, with actuarial liabilities rolled forward to December 31, 2017	January 1, 2016, with actuarial liabilities rolled forward to December 31, 2016
Actuarial Cost Method	Entry Age Normal	Entry Age Normal
Investment Rate of Return	8.0 percent	8.25 percent
Projected Salary Increases	3.75 percent to 10.5 percent	4.25 percent to 11 percent
Payroll Growth	Inflation rate of 2.75 percent plus productivity increase rate of 0.5 percent	Inflation rate of 3.25 percent plus productivity increase rate of 0.5 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	3.00 percent simple; 2.6 percent simple for increased based on the lesser of the increase in CPI and 3 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.

<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.

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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 expected. Various real return premiums over the baseline inflation rate have been established for each asset class. The long-term expected nominal rate of return has been determined by calculating a weighted averaged of the expected real return premiums for each asset class, adding the projected inflation rate and adding the expected return from rebalancing uncorrelated asset classes. Best estimates of the long-term expected real rates of return for each major asset class included in OP&F's target asset allocation as of December 31, 2017, are summarized below:

Asset Class	Target Allocation	10 Year Expected Real Rate of Return**	30 Year Expected Real Rate of Return**
Domestic Equity	16.00 %	4.22 %	5.39 %
Non-US Equity	16.00	4.41	5.59
Private Markets	8.00	6.67	8.08
Core Fixed Income*	23.00	1.57	2.71
High Yield Fixed Income	7.00	2.94	4.71
Private Credit	5.00	6.93	7.26
U.S. Inflation Linked Bonds*	17.00	0.98	2.52
Master Limited Partnerships	8.00	7.50	7.93
Real Assets	8.00	6.88	7.24
Private Real Estate	12.00	5.58	6.34
Total	120.00 %		

Note: Assumptions are geometric.

* Levered 2x

** Numbers are net of expected inflation

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

Discount Rate The total pension liability was calculated using the discount rate of 8.00 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 earnings were calculated using the longer-term assumed investment rate of return 8.00 percent. Based on those assumptions, OP&F's fiduciary net position was projected to be available to make all future benefit payments of current plan members. Therefore, a long-term expected rate of return on pension plan investments was applied to all periods of projected benefits to determine the total pension liability.

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

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	1% Decrease (7.00%)	Current Discount Rate (8.00%)	1% Increase (9.00%)
City's proportionate share of the net pension liability:	\$ 24,424,337	\$ 17,618,824	\$ 12,068,341

NOTE 9 – DEFINED BENEFIT OPEB PLANS

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 City’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.

Ohio Revised Code limits the City’s obligation for this liability to annually required payments. The City cannot control benefit terms or the manner in which OPEB are financed; however, the City 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 *accrued salaries, wages and benefits* on both the accrual and modified accrual bases of accounting.

Plan Description – Ohio Public Employees Retirement System (OPERS)

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.

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

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

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

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

Funding Policy - The Ohio Revised Code provides the statutory authority 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 2018, 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 2018 was 4.0 percent.

Employer contribution rates are actuarially determined and are expressed as a percentage of covered payroll. The City's contractually required contribution was \$0 for 2018.

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

The City 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. OP&F provides health care benefits including coverage for medical, prescription drug, dental, vision, and Medicare Part B Premium to retirees, qualifying benefit recipients and their eligible dependents.

OP&F provides access to postretirement health care coverage for any person who receives or is eligible to receive a monthly service, disability, or statutory survivor benefit, or is a spouse or eligible dependent child of such person. The health care coverage provided by OP&F meets the definition of an Other Post Employment Benefit (OPEB) as described in Government 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.

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

The Board of Trustees is authorized to allocate a portion of the total employer contributions made into the pension plan to the Section 115 trust and the Section 401(h) account as the employer contribution for retiree health care benefits. For 2018, 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 and is limited by the provisions of Sections 115 and 401(h).

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

The City's contractually required contribution to OP&F was \$32,100 for 2018. Of this amount, \$2,552 is reported as accrued salaries, wages and benefits.

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OPEB Liabilities, OPEB Expense, and Deferred Outflows/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, 2016, rolled forward to the measurement date of December 31, 2017, 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, 2017, and was determined by rolling forward the total OPEB liability as of January 1, 2017, to December 31, 2017. The City's proportion of the net OPEB liability was based on the City's share of contributions to the retirement plan relative to the contributions of all participating entities. Following is information related to the proportionate share and OPEB expense:

	<u>OPERS</u>	<u>OPF</u>	
Proportion of the Net OPEB Liability:			
Current Measurement Period	0.385100%	0.287071%	
Prior Measurement Period	<u>0.372611%</u>	<u>0.284742%</u>	
Change in Proportion	<u>0.012489%</u>	<u>0.002329%</u>	
Proportionate Share of the Net OPEB Liability	<u>OPERS</u>	<u>OPF</u>	<u>Total</u>
OPEB Liability	\$ 41,819,002	\$ 16,265,023	\$ 58,084,025
OPEB Expense	\$ 4,290,745	\$ 1,285,695	\$ 5,576,440

At December 31, 2018, the City reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	<u>OPERS</u>	<u>OPF</u>	<u>Total</u>
Deferred Outflows of Resources			
Differences between Expected and Actual Experience	\$ 32,577	\$ 0	\$ 32,577
Changes of Assumptions	3,044,866	1,587,122	4,631,988
Changes in Proportionate Share	875,004	96,452	971,456
City Contributions Subsequent to the Measurement Date	<u>0</u>	<u>32,100</u>	<u>32,100</u>
Total Deferred Outflows of Resources	<u>\$ 3,952,447</u>	<u>\$ 1,715,674</u>	<u>\$ 5,668,121</u>
Deferred Inflows of Resources			
Differences between Expected and Actual Experience	\$ 0	\$ 82,034	\$ 82,034
Net Difference between Projected and Actual Earnings on OPEB Plan Investments	3,115,236	107,064	3,222,300
Changes in Proportionate Share	<u>21,604</u>	<u>0</u>	<u>21,604</u>
Total Deferred Inflows of Resources	<u>\$ 3,136,840</u>	<u>\$ 189,098</u>	<u>\$ 3,325,938</u>

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\$32,100 reported as deferred outflows of resources related to OPEB resulting from City contributions subsequent to the measurement date will be recognized as a reduction of the net OPEB liability in 2019. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Year Ending December 31:	OPERS	OPF	Total
2019	\$ 1,100,538	\$ 207,377	\$ 1,307,915
2020	1,102,979	207,377	1,310,356
2021	(609,101)	207,377	(401,724)
2022	(778,809)	207,377	(571,432)
2023	0	234,143	234,143
Thereafter	0	430,825	430,825
	<u>\$ 815,607</u>	<u>\$ 1,494,476</u>	<u>\$ 2,310,083</u>

Actuarial Assumptions - OPERS

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

Projections of benefits for financial reporting purposes are based on the substantive plan 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, 2016, rolled forward to the measurement date of December 31, 2017. The actuarial valuation used the following actuarial assumptions applied to all prior periods included in the measurement in accordance with the requirements of GASB 74:

Wage Inflation	3.25 percent
Projected Salary Increases, including inflation	3.25 to 10.75 percent including wage inflation
Single Discount Rate:	
Current measurement date	3.85 percent
Prior Measurement date	4.23 percent
Investment Rate of Return	6.50 percent
Municipal Bond Rate	3.31 percent
Health Care Cost Trend Rate	7.5 percent, initial 3.25 percent, ultimate in 2028
Actuarial Cost Method	Individual Entry Age

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.

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

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

During 2017, 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 15.2 percent for 2017.

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 2017 and the long-term expected real rates of return:

Asset Class	Target Allocation	Weighted Average Long-Term Expected Real Rate of Return (Arithmetic)
Fixed Income	34.00 %	1.88 %
Domestic Equities	21.00	6.37
Real Estate Investment Trust	6.00	5.91
International Equities	22.00	7.88
Other investments	17.00	5.39
Total	100.00 %	4.98 %

Discount Rate A single discount rate of 3.85 percent was used to measure the OPEB liability on the measurement date of December 31, 2017. A single discount rate of 4.23 percent was used to measure the OPEB liability on the measurement date of December 31, 2016. 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 6.50 percent and a municipal bond rate of 3.31 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.

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Sensitivity of the City's Proportionate Share of the Net OPEB Liability to Changes in the Discount Rate The following table presents the City's proportionate share of the net OPEB liability calculated using the single discount rate of 3.85 percent, as well as what the City's proportionate share of the net OPEB liability would be if it were calculated using a discount rate that is one-percentage-point lower (2.85 percent) or one-percentage-point higher (4.85 percent) than the current rate:

	1% Decrease (2.85%)	Current Discount Rate (3.85%)	1% Increase (4.85%)
City's Proportionate Share of the Net OPEB Liability	\$ 55,558,348	\$ 41,819,002	\$ 29,555,658

Sensitivity of the City's Proportionate Share of the Net OPEB Liability to Changes in the Health Care Cost Trend Rate Changes in the health care cost trend rate may also have a significant impact on the net OPEB liability. The following table presents the net OPEB liability calculated using the assumed trend rates, and the expected net OPEB liability if it were calculated using a health care cost trend rate that is 1.0 percent lower or 1.0 percent higher than the current rate.

Retiree health care valuations use a health care cost-trend assumption that changes over several years built into the assumption. The near-term rates reflect increases in the current cost of health care; the trend starting in 2018 is 7.50 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 3.25 percent in the most recent valuation.

	1% Decrease	Current Trend Rate	1% Increase
City's Proportionate Share of the Net OPEB Liability	\$ 40,011,869	\$ 41,819,002	\$ 43,685,721

Actuarial Assumptions – OP&F

OP&F's total OPEB liability as of December 31, 2017, is based on the results of an actuarial valuation date of January 1, 2017, 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.

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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, 2017, with actuarial liabilities rolled forward to December 31, 2017
Actuarial Cost Method	Entry Age Normal
Investment Rate of Return	8.00 percent
Projected Salary Increases	3.75 percent to 10.50 percent
Payroll Growth	Inflation rate of 2.75 percent plus productivity increase rate of 0.50 percent
Single discount rate:	
Current measurement date	3.24 percent
Prior measurement date	3.79 percent
Cost of Living Adjustments	3.00 percent simple; 2.20 percent simple for increased based on the lesser of the increase in CPI 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.

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

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

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

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

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The long-term expected rate of return on OPEB plan investments was determined using a building-block approach and assumes a time horizon, as defined in the Statement of Investment Policy. A forecasted rate of inflation serves as the baseline for the return expected. Various real return premiums over the baseline inflation rate have been established for each asset class. The long-term expected nominal rate of return has been determined by calculating a weighted averaged of the expected real return premiums for each asset class, adding the projected inflation rate and adding the expected return from rebalancing uncorrelated asset classes. Best estimates of the long-term expected geometric real rates of return for each major asset class included in OP&F's target asset allocation as of December 31, 2017, are summarized below:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Domestic Equity	16.00 %	5.21 %
Non-US Equity	16.00	5.40
Core Fixed Income*	20.00	2.37
Global Inflation Protected Securities*	20.00	2.33
High Yield	15.00	4.48
Real Estate	12.00	5.65
Private Markets	8.00	7.99
Timber	5.00	6.87
Master Limited Partnerships	8.00	7.36
Total	120.00 %	

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 the 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 OPEB liability was calculated using the discount rate of 3.24 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 3.16 percent at December 31, 2017 and 3.71 percent at December 31, 2016, was blended with the long-term rate of 8 percent, which resulted in a blended discount rate of 3.24 percent. The municipal bond rate was determined using the S&P Municipal Bond 20 Year High Grade Rate Index. The OPEB plan's fiduciary net position was projected to be available to make all projected OPEB payments until 2025. The long-term expected rate of return on health care investments was applied to projected costs through 2025, and the municipal bond rate was applied to all health care costs after that date.

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Sensitivity of the City's Proportionate Share of the Net OPEB Liability to Changes in the Discount Rate Net OPEB liability is sensitive to changes in the discount rate, and to illustrate the potential impact the following table presents the net OPEB liability calculated using the discount rate of 3.24 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 (2.24 percent), or one percentage point higher (4.24 percent) than the current rate.

	<u>1% Decrease (2.24%)</u>	<u>Current Discount Rate (3.24%)</u>	<u>1% Increase (4.24%)</u>
City's proportionate share of the net OPEB liability:	\$ 20,331,497	\$ 16,265,023	\$ 13,136,081

Sensitivity of the City's Proportionate Share of the Net OPEB Liability to Changes in the Health Care Cost Trend Rate Net OPEB liability is sensitive to changes in the health care cost trend rate. The trend rate is the annual rate at which the cost of covered medical services is assumed to increase from the current year to the next year. Beginning in 2017, the per-capita costs are assumed to change by the following percentages each year:

<u>Year</u>	<u>Non-Medicare</u>	<u>Non-AARP</u>	<u>AARP</u>	<u>Rx Drug</u>	<u>Medicare Part B</u>
2017	-0.47%	-2.50%	4.50%	-0.47%	5.20%
2018	7.00%	7.00%	4.50%	7.00%	5.10%
2019	6.50%	6.50%	4.50%	6.50%	5.00%
2020	6.00%	6.00%	4.50%	6.00%	5.00%
2021	5.50%	5.50%	4.50%	5.50%	5.00%
2022	5.00%	5.00%	4.50%	5.00%	5.00%
2023 and Later	4.50%	4.50%	4.50%	4.50%	5.00%

To illustrate the potential impact, the following table presents the net OPEB liability calculated using the current healthcare cost trend current rates as outlined in the table above, a one percent decrease in the trend rates and a one percent increase in the trend rates.

	<u>1% Decrease</u>	<u>Current Trend Rate</u>	<u>1% Increase</u>
City's Proportionate Share of the Net OPEB Liability	\$ 12,634,976	\$ 16,265,023	\$ 21,157,139

Changes between Measurement Date and Report Date

In March 2018, the OP&F Board of Trustees approved the implementation date and framework for a new health care model. Beginning January 1, 2019, the current self-insured health care plan will no longer be offered. In its place is a stipend-based health care model. A stipend funded by OP&F will be placed in individual Health Reimbursement Accounts that retirees will use to be reimbursed for health care expenses. The impact to the City's NOL is not known.

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NOTE 10 - OTHER EMPLOYEE BENEFITS

Compensated Absences

Accumulated Unpaid Vacation and Compensatory Time

Each bargaining unit and the management staff earn vacation at different rates, which are based upon length of service. Vacation accumulation is limited to two and three years, respectively. Any unused excess is eliminated from the employee's leave balance. In the case of death, termination, or retirement an employee (or his estate) is paid for his unused vacation to a maximum of the above limitations. The total obligation for vacation and compensatory time accrual for the City and Hospital amounted to \$4,224,959 at December 31, 2018.

Accumulated Unpaid Sick Leave

Each bargaining unit and the management staff earn sick leave at different rates. Employees in police and fire bargaining units with at least 10 years' service upon retirement are paid for 33% (City) and 25% (Hospital, City management and WEA) of their accumulated sick leave, not to exceed various ceilings depending on bargaining unit or management staff status. This obligation amounted to \$3,711,015 for the City and Hospital at December 31, 2018, for those employees who are eligible, or are expected to become eligible, to retire with at least 10 years of service at retirement. Employees are expected to become eligible 5 years of services in safety forces and 7 or 10 for all others.

NOTE 11 - OTHER COMMITMENTS

Operating Leases

The Wooster Community Hospital leases medical and office equipment under noncancelable operating leases. Total costs for such leases were \$592,879 for the year ended December 31, 2018. All leases end in 2022 or earlier. The future minimum payments for these leases are as follows:

Year Ending December 31, 2019	\$ 218,677
2020	99,851
2021	28,997
2022	900
	<u>\$ 348,425</u>

City Construction Commitments

Brookside Drive/Oakley Rd Improvements: The City was awarded funding through OPWC for the replacement of the waterlines on these streets as well as the resurfacing of the pavement. The estimated cost of the project was \$1,066,000, of which \$426,600 is being funded by OPWC. Dirt Dawg Excavating was awarded the contract at a price of \$1,059,775 and should be completed by summer 2019.

Wooster Bike Loop Phase I: This is a 2.1- mile construction of a dedicated 10 foot wide multi-use path for non-motorized transportation from Bloomington Drive to Highland Avenue. The project is primarily funded by ODOT. Lockhart Concrete Company was awarded the contract at a cost of \$834,137. Construction began in September 2018 and was completed on June 1, 2019.

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Melrose Tank Waterline Extension: The project, designed by City engineering staff, is a continuation of the waterline originally built for the Melrose Water Tank. At an estimated cost of \$515,000, the project was awarded to Bogner Construction at a bid price of \$271,413.

2019 Street Resurfacing: This project includes resurfacing of approximately 57,453 square yards of asphalt concrete pavement on various streets through out the city, including portions of Walnut, Spink, Cedar, Vanover, West Ayne and Nold. Melway Paving received the contract in December 2018 with a bid of \$1,178,912. Completion is expected by the end of August 2019.

West Liberty Sanitary Sewer Extension: A new sanitary sewer is being installed to serve residents along West Liberty Street, near the Oak Hill Road intersection, who previously were not connected to the municipal sewer and were served by HSTS. City staff designed the project and Dirt Dawg Excavating was awarded the contract with a bid price of \$240,840.

Encumbrances

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

<u>Fund</u>	<u>Amount</u>
General	\$ 103,774
Capital Improvement Fund	1,550,919
Other Governmental	35,068
	<u>\$ 1,689,761</u>

Contractual commitments identified above may or may not be included in the outstanding encumbrance commitments previously disclosed in this note. Reasons for this may include timing of when contracts are encumbered and contracts paid from enterprise funds, which are not required to disclose encumbrance commitments.

NOTE 12 - CONTINGENCIES

Enterprise and Special Assessment Bonded Debt

Certain general obligation bonds are being retired by use of revenues generated by the General, Street Maintenance, Water, Water Pollution Control, Storm Drainage, and Special Assessment Debt Service Funds. These bonds are general obligation issues backed by the full faith and credit of the City. Management does not foresee any circumstance that would change the current source of funding for these obligations

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Litigation

During 2018 the City carried a policy of general liability coverage as a member of the Ohio Plan. The maximum exposure to the City is a deductible of \$25,000 per case for the defense of claims which fall within the scope of the policy.

Finally, the City is occasionally named as a defendant in foreclosure actions, usually as a result of either unpaid utility charges (water, sewer, storm water) that have been certified to the county auditor as liens on the tax duplicate, or mortgages that are issued in connection with the loan of governmental Community Housing Improvement Program ("CHIP") funds. In the case of unpaid utility charges the amounts are frequently recovered in the foreclosure process. In the case of CHIP funds the loss, if any, involves grant monies from the state or federal government, and not from local sources. In either event, it is not anticipated that such cases will have a material adverse impact on City finances.

In all such cases the claims will be vigorously defended. It is not anticipated that any of cases will have a material adverse impact on the finances of the City or the Wooster Community Hospital.

Contingencies under Grant Provisions

The City participates in several federally assisted programs and is a recipient of several grants. These programs and grants are subject to financial and compliance audits by the grantors or their representatives. As of December 31, 2018, the audits of these grants and programs were complete through 2017 and the City's compliance with applicable requirements has been established. The City does not expect any disallowance of grant expenditures.

Other Contingencies

Wayne Metropolitan Housing Authority (WMHA) and Community Crossroads, Incorporated collectively manage fifteen properties to be made available to low and moderate income housing under grant provisions approved by the Secretary of Housing and Urban Development (HUD). Thirteen properties are owned and managed by WMHA and two are owned and managed by Community Crossroads, Incorporated. The property deeds carry the restriction that the properties must be used for the intended purpose (low and moderate income housing). If the properties are no longer used for the intended purpose, the properties will be transferred back to the City or such other agency as the City determines.

NOTE 13 - CONDUIT DEBT OBLIGATIONS

From time to time, the City has issued certain limited-obligation revenue bonds on behalf of private sector and nonprofit entities for the acquisition and construction of facilities deemed to be in the public interest. The bonds are secured by the property and revenues of those entities, and are payable solely from the resources of those entities. The City is not obligated in any manner for repayment of the bonds. Accordingly, the bonds are not reported as liabilities in the accompanying financial statements. As of December 31, 2018, there was one series of Adjustable Rate Demand Health Care Facilities Bonds outstanding with a principal amount payable of \$3,625,000.

**CITY OF WOOSTER
WAYNE COUNTY, OHIO
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NOTE 14 - RISK MANAGEMENT

Risk Pool Membership

The City belongs to the Ohio Plan Risk Management, Inc. (the "Plan"), a non-assessable, non-profit providing a formalized, jointly administered self-insurance risk management program and other administrative services to over 764 Ohio governments ("Members").

Pursuant to Section 2744.081 of the Ohio Revised Code, the Plan is a separate legal entity. The Plan provides property, liability, errors and omissions, law enforcement, automobile, excess liability, crime, surety and bond, inland marine and other coverages, modified for each Member's needs. The Plan pays judgments, settlements and other expenses resulting from covered claims that exceed the Member's deductible.

The Plan issues its own policies and reinsures the Plan with A- VII or better rated carriers, except for the 47% casualty and the 30% property portions the Plan retains. The Plan retains the lesser of 47% or \$117,500 of casualty losses and the lesser of 30% or \$300,000 of property losses. The Plan is also participating in a property primary excess of loss treaty. This treaty reimburses the Plan 30% for losses between \$200,000 and \$1,000,000. The reimbursement is based on the amount of loss between \$200,000 and \$1,000,000. Individual Members are only responsible for their self-retention (deductible) amounts, which vary from member to member.

Plan members are responsible to notify the Plan of their intent to renew coverage by their renewal date. If a member chooses not to renew with the Plan, they have no other financial obligation to the Plan, but still need to promptly notify the Plan of any potential claims occurring during their membership period. The former member's covered claims, which occurred during their membership period, remain the responsibility of the Plan.

Settlement amounts did not exceed insurance coverage for the past three fiscal years. The Plan's audited financial statements conform with generally accepted accounting principles, and reported the following assets, liabilities and retained earnings at December 31, 2017 and 2016 (the latest information available):

	<u>2017</u>	<u>2016</u>
Assets	\$ 14,853,620	\$ 14,765,712
Liabilities	(9,561,108)	(9,531,506)
Members' Equity	<u>\$ 5,292,512</u>	<u>\$ 5,234,206</u>

You can read the complete audited financial statements for The Ohio Plan Risk Management at the Plan's website, www.ohioplan.org.

Self-Insured Health Care

City employees are provided traditional health care insurance that covers hospitalization and major medical expenses within specified limits. The plan is self-funded by the City and administered by a third-party administrator. The City pays the administrator a monthly fixed fee for various claim administration services on a per enrolled employee basis.

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The City pays all claims. The third-party administrator submits weekly funding requests for all processed claims. The City issues payment to the plan administrator who in turn issues individual claim checks. The City carries stop-loss insurance against catastrophic losses. The premiums for these policies are billed monthly by the third-party administrator on a per enrolled employee basis. Third party administrators estimated the claims liability reported in the fund at December 31, 2018. It is based on the requirements of Governmental Accounting Standards Board Statement No. 10 which requires that a liability for unpaid claims costs, including estimates of costs relating to incurred but not reported claims, be reported.

As of December 31, 2018, the outstanding claims liability was \$2,325,704 of which \$1,953,637 is attributed to the Hospital and \$372,067 is attributed to the City.

Changes in the fund's claims liability amounts 2014 to 2018 are:

	2014	2015	2016	2017	2018
Balance at beginning of year	\$ 1,201,394	\$ 1,474,021	\$ 1,955,687	\$ 2,099,033	\$ 2,138,704
Current year claims	10,838,412	11,967,930	12,859,943	13,102,296	13,133,148
Claim payments	(10,565,785)	(11,486,264)	(12,716,597)	(13,062,625)	(12,946,148)
Balance at end of year	<u>\$ 1,474,021</u>	<u>\$ 1,955,687</u>	<u>\$ 2,099,033</u>	<u>\$ 2,138,704</u>	<u>\$ 2,325,704</u>

NOTE 15 – LONG-TERM LIABILITIES

Governmental Activities

The internal service funds predominantly serves the governmental funds. Accordingly, long-term liabilities for compensated absences related to internal services are included in governmental activities.

All special assessment debt is paid through the Debt Service Fund. In the event and to the extent that special assessments are not collected and to pay the debt charges on the bonds representing the City portion, there shall be levied on all the taxable property in the City, in addition to all other taxes, a direct tax annually during the period the bonds are outstanding in an amount sufficient to pay the principal and interest on the bonds when due. The amount of delinquent special assessments receivable at year-end is \$15,421. The remaining general portion of bonds and notes are liquidated by General, Special Revenue, and Capital Project fund types.

There are no repayment schedules for the net pension liability and net OPEB liability; however, employer pension and OPEB contributions are primarily made from the general fund, Wooster Community Hospital, water, water pollution control and storm drainage. For additional information related to net pension liability and net OPEB liability see Notes 8 and 9.

Compensated Absences

For all employees, except for those that have separated employment as of December 31, 2018, the estimated sick leave payable upon termination is recorded as a long term liability. Compensated absences are reported as a governmental fund liability only if they have matured. Compensated absences are considered to be mature when an employee retires prior to the end of the fiscal period but has not yet been paid for accumulated leave balances as of year end. Vacation accrual in excess of one year is also considered a long-term liability. The General fund, Permissive Tax fund, and Street Construction Maintenance and Repair fund have been used to liquidate compensated absences of governmental activities in the past.

**CITY OF WOOSTER
WAYNE COUNTY, OHIO
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FOR THE YEAR ENDED DECEMBER 31, 2018**

Debt Service Requirements to Maturity

The City's legal debt margin within the 10.5% limitation was approximately \$59.1 million at December 31, 2018.

Principal and interest requirements to retire the City's long-term obligations are as follows:

GOVERNMENTAL ACTIVITIES

Year	Bonds		OPWC	Totals
	Principal	Interest	Loans Principal	
2019	\$ 495,364	\$ 221,979	\$ 12,135	\$ 729,478
2020	504,962	207,713	12,135	724,810
2021	467,761	193,015	12,135	672,911
2022	476,854	180,754	0	657,608
2023	414,859	168,155	0	583,014
2024-2028	2,230,071	690,292	0	2,920,363
2029-2033	2,189,296	361,450	0	2,550,746
2034-2036	865,000	45,675	0	910,675
	<u>\$ 7,644,167</u>	<u>\$ 2,069,033</u>	<u>\$ 36,405</u>	<u>\$ 9,749,605</u>

**BUSINESS-TYPE ACTIVITY
WATER**

Year	General Obligation Bonds		OWDA Loans		OPWC Loans	Totals
	Principal	Interest	Principal	Interest	Principal	
2019	\$ 336,700	\$ 153,030	\$ 155,988	\$ 56,703	\$ 45,255	\$ 747,676
2020	350,450	142,975	161,459	51,982	45,255	752,121
2021	305,000	132,490	167,124	47,096	45,255	696,965
2022	311,250	124,790	172,988	42,038	45,254	696,320
2023	316,250	116,579	179,060	36,805	45,254	693,948
2024-2028	1,748,750	433,330	994,150	98,839	194,395	3,469,464
2029-2033	1,367,500	136,621	97,979	1,809	156,895	1,760,804
2034-2038	0	0	0	0	69,392	69,392
2039-2041	0	0	0	0	13,878	13,878
	<u>\$ 4,735,900</u>	<u>\$ 1,239,815</u>	<u>\$ 1,928,748</u>	<u>\$ 335,272</u>	<u>\$ 660,833</u>	<u>\$ 8,900,568</u>

**CITY OF WOOSTER
WAYNE COUNTY, OHIO
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FOR THE YEAR ENDED DECEMBER 31, 2018**

WATER POLLUTION CONTROL FUND

Year	General Obligation Bonds/Notes		OWDA Loans		OPWC Loan	Totals
	Principal	Interest	Principal	Interest	Principal	
2019	\$ 351,937	\$ 237,540	\$ 1,327,020	\$ 257,378	\$ 30,183	\$ 2,204,058
2020	362,588	230,331	1,366,242	219,327	30,183	2,208,671
2021	363,239	222,903	1,406,633	180,146	30,183	2,203,104
2022	373,891	213,396	1,190,220	139,800	30,183	1,947,490
2023	378,890	203,640	962,402	109,929	30,183	1,685,044
2024-2028	2,021,179	880,203	3,278,386	171,097	150,915	6,501,780
2029-2033	2,218,207	586,258	0	0	150,915	2,955,380
2034-2038	2,215,000	233,757	0	0	150,920	2,599,677
2039-2043	235,000	7,931	0	0	142,200	385,131
2044-2046	0	0	0	0	73,648	73,648
	<u>\$ 8,519,931</u>	<u>\$ 2,815,959</u>	<u>\$ 9,530,903</u>	<u>\$ 1,077,677</u>	<u>\$ 819,513</u>	<u>\$ 22,763,983</u>

STORM DRAINAGE FUND

Year	OPWC Loans	
	Principal	Totals
2019	\$ 37,685	\$ 37,685
2020	37,685	37,685
2021	37,685	37,685
2022	37,685	37,685
2023	36,489	36,489
2024-2028	163,996	163,996
2029-2033	130,105	130,105
2034-2038	86,540	86,540
2039-2043	67,141	67,141
2044	6,067	6,067
	<u>\$ 641,078</u>	<u>\$ 641,078</u>

**CITY OF WOOSTER
WAYNE COUNTY, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2018**

	Original Amount	Restated Balance 12/31/2017	Increases	(Decreases)	Balance 12/31/2018	Amount Due in 2019
GOVERNMENTAL ACTIVITIES:						
Special Assessment Bonds:						
1995 Various Purpose Bond -						
5.4-5.75% (Downtown/Oldman)	\$ 1,245,955	\$ 137,500	\$ 0	\$ (43,400)	\$ 94,100	\$ 45,800
1998 Special Assessment Bond -						
6% - Buena Vista	13,234	1,089	0	(1,089)	0	0
2007 Special Assessment Bond -						
4.7% - Milltown Rd. Construction	337,361	133,738	0	(24,126)	109,612	25,312
Special Assessment Bonds Total	<u>1,596,550</u>	<u>272,327</u>	<u>0</u>	<u>(68,615)</u>	<u>203,712</u>	<u>71,112</u>
Long Term Bonds:						
2007 General Obligation Bond						
4.87% - Milltown Road	492,667	204,258	0	(38,874)	165,384	38,688
2010 Refunding Bonds (2.0-2.75%)						
Municipal Building (20 years)	1,040,000	135,000	0	(135,000)	0	0
2010 Refunding Bonds (2.0-2.75%)						
Milltown Road (20 years)	385,000	50,000	0	(50,000)	0	0
2010 Refunding Bonds (2.0-2.75%)						
Beall Avenue (20 years)	1,066,000	754,459	0	(48,795)	705,664	48,796
2010 Refunding Bonds (2.0-2.75%)						
Beall Ave-Assessment (20 years)	694,000	491,175	0	(31,768)	459,407	31,768
2015 Safety Center Improvement Bond						
2.0-3.5% (20 years)	7,000,000	6,410,000	0	(300,000)	6,110,000	305,000
Long Term Bonds Total	<u>10,677,667</u>	<u>8,044,892</u>	<u>0</u>	<u>(604,437)</u>	<u>7,440,455</u>	<u>424,252</u>
Long Term Loans:						
2007 0% OPWC Loan-East Milltown						
(7/1/2007 - 12/1/2022)	182,022	48,540	0	(12,135)	36,405	12,135
Long Term Loans Total	<u>182,022</u>	<u>48,540</u>	<u>0</u>	<u>(12,135)</u>	<u>36,405</u>	<u>12,135</u>
Net Pension Liability**	0	23,338,577	0	(2,036,909)	21,301,668	0
Net OPEB Liability***	0	16,006,507	2,968,933	0	18,975,440	0
Compensated Absences*	0	2,028,043	1,312,916	(1,092,688)	2,248,271	909,133
Total Governmental Activities	<u>\$ 12,456,239</u>	<u>\$ 49,738,886</u>	<u>\$ 4,281,849</u>	<u>\$ (3,814,784)</u>	<u>\$ 50,205,951</u>	<u>\$ 1,416,632</u>

*Includes \$82,182 for the Internal Service Fund

**Includes \$245,523 for the Internal Service Fund

***Includes \$180,694 for the Internal Service Fund

**CITY OF WOOSTER
WAYNE COUNTY, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2018**

	Original Amount	Restated Balance 12/31/2017	Increases	(Decreases)	Balance 12/31/2018	Amount Due in 2019
BUSINESS-TYPE ACTIVITIES:						
Wooster Community Hospital Fund:						
Net Pension Liability	\$ 0	\$ 72,207,064	\$ 0	\$ (20,528,242)	\$ 51,678,822	\$ 0
Net OPEB Liability	0	33,483,737	3,817,905	0	37,301,642	0
Compensated Absences	0	5,047,913	4,388,131	(4,104,598)	5,331,446	3,635,371
WCH Fund Total	0	110,738,714	8,206,036	(24,632,840)	94,311,910	3,635,371
Water Fund:						
5.4-5.75% 1995 G.O. Bonds	704,045	147,500	0	(46,600)	100,900	49,200
2007 0% OPWC Loan-Intermediate Zone Water Tank (20 years)	416,362	305,334	0	(13,879)	291,455	13,879
2007 3.36% O.W.D.A. Loans - Water Tank and Booster Station (20 years)	3,042,615	1,643,163	0	(121,679)	1,521,484	125,802
2008 0% OPWC Loan - Cleveland/ Portage Waterline (20 years)	295,637	38,254	0	(6,376)	31,878	6,376
2009 4.14% O.W.D.A. Loan - Waterline Replacement (20 years)	384,528	267,021	0	(17,586)	249,435	18,321
2009 3.7% O.W.D.A. Loan - Secondary Transmission Line (20 years)	247,128	169,267	0	(11,438)	157,829	11,865
2010 Refunding Bonds (2.0-2.75%) Beall Avenue (20 years)	710,000	502,500	0	(32,500)	470,000	32,500
2010 Refunding Bonds (2.0-2.75%) Water (20 years)	2,510,000	1,780,000	0	(115,000)	1,665,000	115,000
2011 0% OPWC Loan-Burbank Road Waterline Replacement (20 years)	500,000	362,500	0	(25,000)	337,500	25,000
2014 Water Tower & Pump Bond (25 years) 2% - 5%	3,025,000	2,640,000	0	(140,000)	2,500,000	140,000
Net Pension Liability	0	1,767,769	0	(601,535)	1,166,234	0
Net OPEB Liability	0	830,248	28,050	0	858,298	0
Compensated Absences	0	214,484	147,247	(119,798)	241,933	99,546
Water Fund Total	11,835,315	10,668,040	175,297	(1,251,391)	9,591,946	637,489
Water Pollution Control Fund:						
3.25% 2005 O.W.D.A. Loan-Sewer Plant Upgrade (7/1/07-1/1/22)	6,088,332	2,144,108	0	(449,956)	1,694,152	464,698
2.67% 2006 O.W.D.A. Loan-Sewer Plant Equipment (7/1/07-1/1/27)	11,851,333	6,412,147	0	(601,435)	5,810,712	617,601
2009 0% OPWC Loan-Larwill Street Sewer Separation (30 years)	65,375	47,944	0	(2,177)	45,767	2,179
2009 1% O.W.D.A. Loan - Bio tower & Sewer Line (15 years)	2,753,629	2,263,580	0	(237,541)	2,026,039	244,721
2010 Refunding Bonds (2.0-2.75%) Water Pollution Control (20 years)	370,000	261,869	0	(16,938)	244,931	16,937
2014 0% OPWC Loan Spink Street (30 years)	126,232	111,650	0	(4,166)	107,484	4,208
2014 Sewerage System Improvement Bond (25 years) 2% - 5%	4,220,000	3,825,000	0	(135,000)	3,690,000	135,000
2015 0% OPWC Loan Plant Improvement (30 years)	713,852	690,057	0	(23,795)	666,262	23,796
2017 Sanitary Sewerage System Improvement Note (1 year - 5%)	4,700,000	4,700,000	0	(4,700,000)	0	0
2018 Bond (2.0-3.125%) (20 Years)	4,800,000	0	4,800,000	(215,000)	4,585,000	200,000
Net Pension Liability	0	1,414,215	0	(370,743)	1,043,472	0
Net OPEB Liability	0	664,198	103,753	0	767,951	0
Compensated Absences	0	117,074	95,660	(114,301)	98,433	72,486
Water Pollution Control Fund Total	35,688,753	22,651,842	4,999,413	(6,871,052)	20,780,203	1,781,626
Storm Drainage Fund:						
2003 0% OPWC Loan-Mulberry Ave Storm Drainage (1/1/04-7/1/23)	47,888	13,173	0	(2,395)	10,778	2,396
2007 0% OPWC Loan-Grant Area Storm Drainage (1/1/08-7/31/27)	166,000	78,850	0	(8,300)	70,550	8,300
2009 0% OPWC Loan-Landfill Street Sewer Separation (30 years)	145,511	106,707	0	(4,850)	101,857	4,850
2010 Refunding Bonds (2.0-2.75%) Quinby Avenue (20 years)	480,000	60,000	0	(60,000)	0	0
2010 Refunding Bonds (2.0-2.75%) Storm Water (20 years)	720,000	95,000	0	(95,000)	0	0
2013 0% OPWC Loan-Market & Spruce Street (12/1/13-7/1/23)	193,622	150,056	0	(9,681)	140,375	9,681
2014 0% OPWC Loan Spink Street (30 years)	373,768	330,018	0	(12,500)	317,518	12,458
Net Pension Liability	0	353,554	0	(108,031)	245,523	0
Net OPEB Liability	0	166,050	14,644	0	180,694	0
Compensated Absences	0	13,717	14,957	(12,783)	15,891	10,650
Storm Drainage Fund Total	2,126,789	1,367,125	29,601	(313,540)	1,083,186	48,335
<i>Total Business-Type Activities</i>	\$ 49,650,857	\$ 145,425,721	\$ 13,410,347	\$ (33,068,823)	\$ 125,767,245	\$ 6,102,821

**CITY OF WOOSTER
 WAYNE COUNTY, OHIO
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 FOR THE YEAR ENDED DECEMBER 31, 2018**

2010 Various Purpose Refunding Bonds

In October 2010, the City issued \$7,975,000 general obligation bonds, \$2,625,000 of which were issued to partially refund \$2,595,000 (\$1,185,000 within enterprise funds and \$1,410,000 within governmental funds) of outstanding general obligation bonds and finance issuance costs. The balance was used to retire outstanding bond anticipation notes. The bonds were issued for an eight year period with final maturity at December 1, 2018. At the date of the refunding, \$2,645,946 (\$1,208,259 within enterprise funds and \$1,437,687 within governmental funds) was deposited in an irrevocable trust to provide for all future payments on the partially refunded bonds.

The premium of issuance on these refunded bonds were insignificant amounts that have been recognized in the year of issuance and will not be amortized. The issuance resulted in a difference between the reacquisition price and the carrying amount of the old debt was immaterial and expensed in the year of the refunding. The issuance resulted in an economic gain of \$181,542.

NOTE 16 – ACCOUNTABILITY

As of December 31, 2018, the following had a deficit fund balance:

<u>Nonmajor Special Revenue Fund:</u>	
Community Development Block Grant Fund	\$ 165,607

Deficits in the proprietary funds are as follows:

<u>Internal Service Funds:</u>	
Municipal Garage Fund	492,428
Investments Fund	2,008

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

**CITY OF WOOSTER
WAYNE COUNTY, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2018**

NOTE 17 – FUND BALANCE

Fund balance can be classified as nonspendable, restricted, committed, assigned and/or unassigned based primarily on the extent to which the City is bound to observe constraints imposed upon the use of the resources in governmental funds.

The constraints placed on fund balance for the major governmental funds and all other governmental funds are presented as follows:

	General Fund	Capital Improvement Fund	Other Governmental Funds	Total
Nonspendable for:				
Inventory	\$ 50,702	\$ 0	\$ 196,915	\$ 247,617
Advances to Other Funds	110,000	0	0	110,000
Total Nonspendable	<u>160,702</u>	<u>0</u>	<u>196,915</u>	<u>357,617</u>
Restricted for:				
Street Construction Maintenance and Repair	0	0	204,138	204,138
State Highway	0	0	224,303	224,303
Permissive Tax	0	0	170,881	170,881
Debt Service	0	0	1,156,149	1,156,149
Capital Projects	0	2,513,538	0	2,513,538
Other Purposes	0	0	366,762	366,762
Total Restricted	<u>0</u>	<u>2,513,538</u>	<u>2,122,233</u>	<u>4,635,771</u>
Committed to:				
Economic Development	0	0	135,748	135,748
Economic/Downtown Loan	0	0	19,186	19,186
Total Committed	<u>0</u>	<u>0</u>	<u>154,934</u>	<u>154,934</u>
Assigned for:				
Encumbrances				
Safety	46,990	0	0	46,990
Leisure Services	24,115	0	0	24,115
Environment and Development	5,263	0	0	5,263
Transportation Services	500	0	0	500
Administrative Services	26,905	0	0	26,905
Subsequent Year Appropriations	1,032,591	0	0	1,032,591
Total Assigned	<u>1,136,364</u>	<u>0</u>	<u>0</u>	<u>1,136,364</u>
Unassigned (Deficit)	16,000,669	0	(165,607)	15,835,062
Total Fund Balance	<u>\$ 17,297,735</u>	<u>\$ 2,513,538</u>	<u>\$ 2,308,475</u>	<u>\$ 22,119,748</u>

**CITY OF WOOSTER
WAYNE COUNTY, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2018**

NOTE 18 – SUBSEQUENT EVENT

On July 1, 2019, the City of Wooster issued \$19,900,000 in conduit bonds, on behalf of Westview Healthy Living, an Ohio nonprofit corporation, for the purpose of financing and refinancing the acquisition, construction, renovation, installation and equipping of “hospital facilities,” as that term is defined in Section 140.01 of the Ohio Revised Code. The purpose of the 2019 Bonds is a refunding of \$4,940,000 previously issued Adjustable Rate Demand Health Care Facilities Revenue Bonds, Series 1996 (Issued by Wayne County, Ohio), and its \$6,985,000 Adjustable Rate Demand Health Care Facilities Revenue Bonds, Series 2003 (Issued by the City of Wooster, Ohio). In addition, the proceeds will be used for the construction of a two-story, approximately 30,000 square foot building addition (consisting of approximately 20 private, long-term skilled nursing facility rooms and approximately 15 independent living units) and an approximately 22,000 square foot wellness center, all at the Corporation's existing campus. The Series 2019 Bonds do not and shall not constitute general obligations, debt or bonded indebtedness or a pledge of the faith and credit of the City or the State or any political subdivision thereof, and the holders or owners of the Series 2019 Bonds are not given the right, and have no right, to have excises, ad valorem taxes or other taxes levied by the City or the State or any political subdivision thereof, for the payment of the bond service charges on such Series 2019 Bonds.

Required Supplementary Information

CITY OF WOOSTER
WAYNE COUNTY, OHIO
SCHEDULE OF THE CITY'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
LAST FIVE YEARS (1)

	2018	2017	2016	2015	2014
Ohio Public Employees' Retirement System (OPERS)					
City's Proportion of the Net Pension Liability	0.3685410%	0.3569000%	0.3468520%	0.3339760%	0.3339760%
City's Proportionate Share of the Net Pension Liability	\$ 57,816,895	\$ 81,045,908	\$ 60,079,139	\$ 40,281,239	\$ 39,371,419
City's Covered Payroll	\$ 52,760,058	\$ 46,141,917	\$ 43,215,716	\$ 40,945,358	\$ 40,946,517
City's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll	109.58%	175.64%	139.02%	98.38%	96.15%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	84.66%	77.25%	81.08%	86.45%	86.36%
Ohio Police and Fire Pension Fund (OPF)					
City's Proportion of the Net Pension Liability	0.2870710%	0.2847420%	0.2869360%	0.2834352%	0.2834352%
City's Proportionate Share of the Net Pension Liability	\$ 17,618,824	\$ 18,035,271	\$ 18,458,794	\$ 14,683,125	\$ 13,804,183
City's Covered Payroll	\$ 6,242,094	\$ 6,046,795	\$ 5,720,744	\$ 5,618,126	\$ 4,646,673
City's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll	282.26%	298.26%	322.66%	261.35%	297.08%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	70.91%	68.36%	66.77%	72.20%	73.00%

(1) Although this schedule is intended to reflect information for ten years, information prior to 2014 is not available.

Note: The amounts presented for each fiscal year were determined as of the measurement date, which is the prior fiscal year.

Required Supplementary Information

**CITY OF WOOSTER
WAYNE COUNTY, OHIO
SCHEDULE OF THE CITY'S CONTRIBUTIONS - PENSION
LAST TEN YEARS**

	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
<i>Ohio Public Employees' Retirement System (OPERS)</i>				
Contractually Required Contribution	\$ 6,996,492	\$ 6,331,207	\$ 5,537,030	\$ 5,185,886
Contributions in Relation to the Contractually Required Contribution	<u>(6,996,492)</u>	<u>(6,331,207)</u>	<u>(5,537,030)</u>	<u>(5,185,886)</u>
Contribution Deficiency (Excess)	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
City's Covered Payroll	\$ 58,304,100	\$ 52,760,058	\$ 46,141,917	\$ 43,215,717
Contributions as a Percentage of Covered Payroll	14.00%	14.00%	13.00%	12.00%
<i>Ohio Police and Fire Pension Fund (OPF)</i>				
Contractually Required Contribution	\$ 1,376,104	\$ 1,337,416	\$ 1,296,086	\$ 1,230,626
Contributions in Relation to the Contractually Required Contribution	<u>(1,376,104)</u>	<u>(1,337,416)</u>	<u>(1,296,086)</u>	<u>(1,230,626)</u>
Contribution Deficiency (Excess)	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
City's Covered Payroll	\$ 6,419,944	\$ 6,242,094	\$ 6,046,795	\$ 5,720,744
Contributions as a Percentage of Covered Payroll	21.43%	21.43%	21.43%	21.51%

(n/a) Information prior to 2013 is not available.

See accompanying notes to the required supplementary information.

<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>
\$ 4,913,443	\$ 4,913,582	n/a	n/a	n/a	n/a
<u>(4,913,443)</u>	<u>(4,913,582)</u>	n/a	n/a	n/a	n/a
<u>\$ 0</u>	<u>\$ 0</u>	n/a	n/a	n/a	n/a
\$ 40,945,358	\$ 40,946,517	n/a	n/a	n/a	n/a
12.00%	13.00%	n/a	n/a	n/a	n/a
\$ 1,186,158	\$ 851,348	\$ 851,727	\$ 690,655	\$ 833,949	\$ 795,360
<u>(1,186,158)</u>	<u>(851,348)</u>	<u>(851,727)</u>	<u>(690,655)</u>	<u>(833,949)</u>	<u>(795,360)</u>
<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
\$ 5,618,126	\$ 4,646,673	\$ 5,604,322	\$ 4,617,225	\$ 5,484,255	\$ 5,248,074
21.11%	18.32%	15.20%	14.96%	15.21%	15.16%

See accompanying notes to the required supplementary information.

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Required Supplementary Information

**CITY OF WOOSTER
WAYNE COUNTY, OHIO
SCHEDULE OF THE CITY'S PROPORTIONATE SHARE OF THE NET OPEB LIABILITY
LAST TWO YEARS (1)**

	<u>2018</u>		<u>2017</u>
<i>Ohio Public Employees' Retirement System (OPERS)</i>			
City's Proportion of the Net OPEB Liability	0.385100%		0.372611%
City's Proportionate Share of the Net OPEB Liability	\$ 41,819,002	\$	\$ 37,634,678
City's Covered Payroll	\$ 52,760,058	\$	\$ 46,141,917
City's Proportionate Share of the Net OPEB Liability as a Percentage of its Covered Payroll	79.26%		81.56%
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	54.14%		54.04%
<i>Ohio Police and Fire OPEB Fund (OPF)</i>			
City's Proportion of the Net OPEB Liability	0.2870710%		0.2847420%
City's Proportionate Share of the Net OPEB Liability	\$ 16,265,023	\$	\$ 13,516,062
City's Covered Payroll	\$ 6,242,094	\$	\$ 6,046,795
City's Proportionate Share of the Net OPEB Liability as a Percentage of its Covered Payroll	260.57%		223.52%
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	14.13%		15.96%

(1) Although this schedule is intended to reflect information for ten years, information prior to 2017 is not available.

Note: The amounts presented for each fiscal year were determined as of the measurement date, which is the prior fiscal year.

See accompanying notes to the required supplementary information.

Required Supplementary Information

**CITY OF WOOSTER
WAYNE COUNTY, OHIO
SCHEDULE OF THE CITY'S CONTRIBUTIONS - OPEB
LAST TEN YEARS**

	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
<i>Ohio Public Employees' Retirement System (OPERS)</i>				
Contractually Required Contribution	\$ 0	\$ 922,327	\$ 922,838	N/A
Contributions in Relation to the Contractually Required Contribution	<u>0</u>	<u>(922,327)</u>	<u>(922,838)</u>	N/A
Contribution Deficiency (Excess)	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	N/A
City's Covered Payroll (1)	\$ 58,304,100	\$ 52,760,058	\$ 46,141,917	N/A
Contributions as a Percentage of Covered Payroll	0.00%	1.75%	2.00%	N/A
<i>Ohio Police and Fire Pension Fund (OPF)</i>				
Contractually Required Contribution	\$ 32,100	\$ 31,210	\$ 30,234	\$ 100,247
Contributions in Relation to the Contractually Required Contribution	<u>(32,100)</u>	<u>(31,210)</u>	<u>(30,234)</u>	<u>(100,247)</u>
Contribution Deficiency (Excess)	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
City's Covered Payroll	\$ 6,419,944	\$ 6,242,094	\$ 6,046,795	\$ 5,720,744
Contributions as a Percentage of Covered Payroll	0.50%	0.50%	0.50%	1.75%

(n/a) Beginning in 2016, OPERS used one trust fund as the funding vehicle for all health care plans; therefore, information prior to 2016 is not presented.

(1) The OPEB plan includes the members from the traditional plan, the combined plan and the member directed plan.

<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>
N/A	N/A	N/A	N/A	N/A	N/A
N/A	N/A	N/A	N/A	N/A	N/A
N/A	N/A	N/A	N/A	N/A	N/A
N/A	N/A	N/A	N/A	N/A	N/A
N/A	N/A	N/A	N/A	N/A	N/A
\$ 27,688	\$ 234,147	\$ 356,604	\$ 373,884	\$ 369,820	\$ 352,284
<u>(27,688)</u>	<u>(234,147)</u>	<u>(356,604)</u>	<u>(373,884)</u>	<u>(369,820)</u>	<u>(352,284)</u>
<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
\$ 5,618,126	\$ 4,646,673	\$ 5,604,322	\$ 4,617,225	\$ 5,484,255	\$ 5,248,074
0.49%	5.04%	6.36%	8.10%	6.74%	6.71%

See accompanying notes to the required supplementary information.

**CITY OF WOOSTER
WAYNE COUNTY, OHIO
NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION
FOR THE YEAR ENDED DECEMBER 31, 2018**

Note 1 - Net Pension Liability

Changes in Assumptions – OPERS

Amounts reported in calendar year 2017 reflect an adjustment of the rates of withdrawal, disability, retirement and mortality to more closely reflect actual experience. The expectation of retired life mortality was based on RP-2014 Healthy Annuitant mortality table and RP-2014 Disabled mortality table. The following reductions were also made to the actuarial assumptions:

- Discount rate from 8.00 percent to 7.50 percent
- Wage inflation rate from 3.75 percent to 3.25 percent
- Price inflation from 3.00 percent to 2.50 percent

Changes in Assumptions – OPF

For 2018, the single discount rate changed from 8.25 percent to 8.00 percent.

Note 2 - Net OPEB Liability

Changes in Assumptions - OPERS

For 2018, the single discount rate changed from 4.23 percent to 3.85 percent.

Changes in Assumptions – OPF

For 2018, the single discount rate changed from 3.79 percent to 3.24 percent.

Required Supplementary Information

**CITY OF WOOSTER
WAYNE COUNTY, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL (BUDGETARY BASIS)
GENERAL FUND
FOR THE YEAR ENDED DECEMBER 31, 2018**

	Original Budget	Final Budget	Actual Plus Encumbrances	Variance with Final Budget Positive(Negative)
Revenues:				
Taxes	\$ 20,479,606	\$ 20,479,666	\$ 20,803,090	\$ 323,424
Intergovernmental	877,132	877,132	905,273	28,141
Charges for services	1,408,725	1,408,725	1,497,311	88,586
Fines, licenses, permits	749,660	749,660	759,573	9,913
Interfund services provided	1,850,000	1,850,000	2,084,042	234,042
Interest income	210,000	210,000	253,472	43,472
Miscellaneous	69,060	69,060	341,975	272,915
Total Revenues	<u>25,644,183</u>	<u>25,644,243</u>	<u>26,644,736</u>	<u>1,000,493</u>
Expenditures:				
Safety services				
Personal services	11,673,310	13,185,332	12,337,016	848,316
Operations and maintenance	1,942,830	2,099,851	1,682,357	417,494
Interfund	181,753	181,753	173,788	7,965
Total safety services	<u>13,797,893</u>	<u>15,466,936</u>	<u>14,193,161</u>	<u>1,273,775</u>
Health and social services				
Operations and maintenance	128,000	128,000	127,747	253
Total health and social services	<u>128,000</u>	<u>128,000</u>	<u>127,747</u>	<u>253</u>
Leisure services				
Personal services	767,437	894,122	882,289	11,833
Operations and maintenance	1,073,200	1,239,708	1,083,452	156,256
Interfund	36,046	44,046	25,020	19,026
Total leisure services	<u>1,876,683</u>	<u>2,177,876</u>	<u>1,990,761</u>	<u>187,115</u>
Environment & development				
Personal services	816,503	898,427	879,191	19,236
Operations and maintenance	264,922	315,614	179,233	136,381
Interfund	4,131	9,381	8,523	858
Total environment & development	<u>1,085,556</u>	<u>1,223,422</u>	<u>1,066,947</u>	<u>156,475</u>
Transportation services				
Personal services	703,446	802,921	776,659	26,262
Operations and maintenance	335,750	429,564	481,329	(51,765)
Interfund	110,892	27,892	51,448	(23,556)
Debt service	610,000	610,000	609,222	778
Total transportation services	<u>1,760,088</u>	<u>1,870,377</u>	<u>1,918,658</u>	<u>(48,281)</u>
Administrative services				
Personal services	2,750,957	3,024,057	2,868,286	155,771
Operations and maintenance	1,720,097	2,181,055	1,558,348	622,707
Interfund	9,044	9,044	7,954	1,090
Total administrative services	<u>4,480,098</u>	<u>5,214,156</u>	<u>4,434,588</u>	<u>779,568</u>
Total Expenditures	<u>23,128,318</u>	<u>26,080,767</u>	<u>23,731,862</u>	<u>2,348,905</u>
Excess revenues over (under) expenditures	2,515,865	(436,524)	2,912,874	3,349,398
Other Financing Sources (Uses):				
Transfers out	(4,000,000)	(4,162,798)	(4,162,798)	0
Total Other Financing Sources (Uses)	<u>(4,000,000)</u>	<u>(4,162,798)</u>	<u>(4,162,798)</u>	<u>0</u>
Encumbrances	0	0	2,167,992	2,167,992
Fund balances at beginning of year	16,379,667	16,379,667	16,379,667	0
Fund balances at end of year	<u>\$ 14,895,532</u>	<u>\$ 11,780,345</u>	<u>\$ 17,297,735</u>	<u>\$ 5,517,390</u>

Modified accrual plus encumbrances is the budgetary basis used in the preparation of this statement.

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**COMBINING STATEMENTS FOR
NONMAJOR GOVERNMENTAL FUNDS
AND
INDIVIDUAL FUND SCHEDULES FOR
GOVERNMENTAL FUNDS**

NONMAJOR SPECIAL REVENUE FUNDS

Special revenue funds are used to account for the proceeds of specific revenue sources (other than debt service or capital project funds) legally restricted or committed to expenditure for specified purposes.

STREET CONSTRUCTION MAINTENANCE AND REPAIR – Required by the Ohio Revised Code to account for that portion of the state gasoline tax and motor vehicle registration fees restricted for maintenance of streets within the City.

STATE HIGHWAY – This fund is required by the Ohio Revised Code to account for that portion of the state gasoline tax and motor vehicle registration fees which are to be used for maintenance of state highways within the City.

PERMISSIVE TAX – This fund is required by the Ohio Revised Code to account for that portion of motor vehicle registration fees allocated to assist in maintaining those city streets designated as contributing to the effective and efficient flow of traffic through and within the county.

ENFORCEMENT AND EDUCATION – This fund accounts for monies from the Municipal Court used to enforce drunk driving laws and related educational programs.

MANDATORY DRUG FINES - This fund is used to account for monies from the Municipal Court allocated to subsidize each agency's law enforcement efforts that pertain to drug offenses.

COMMUNITY DEVELOPMENT BLOCK GRANT– This fund is used to account for monies received from the federal government under the Community Development Block Grant program for providing decent housing and a suitable living environment, and expanded economic opportunities principally for persons of low and moderate income and the allowable administrative costs associated with those projects.

ECONOMIC DEVELOPMENT (Hotel Tax) – This fund is used to account for the portion of the transient occupancy tax to be used for promoting economic development within the City.

LAW ENFORCEMENT TRUST – This fund is used to account for receipts and expenditures of funds from sale of contraband. These funds can only be expended to pay the costs of protracted or complex investigations or prosecutions, to provide reasonable technical training or expertise, to provide matching funds to obtain federal grants to aid law enforcement, or for such other law enforcement purposes that Council determines to be appropriate.

POLICE PENSION – This fund is used to accumulate property taxes levied for the partial payment of the current and accrued liability for police disability and pension. Amounts collected for the police disability and pension are periodically remitted to the State operated Police and Firemen's Disability and Pension Fund.

FIRE PENSION – This fund is used to accumulate property taxes levied for the partial payment of the current and accrued liability for firemen's disability and pension. Amounts collected for the firemen's disability and pension are periodically remitted to the State operated Police and Firemen's Disability and Pension Fund.

FEDERAL EQUITABLE SHARING – This fund is used to account for the City’s portion of federally forfeited property resulting from the Wooster Police Department’s participation with a federal agency, which resulted in forfeiture of property.

CDBG CHIP HOME REVOLVING LOAN – This fund is used to account for the loans, repayments, and subsequent loans provided for economic development purposes and downtown revitalization.

ECONOMIC/DOWNTOWN LOAN – This fund is used to account for the loans, repayments, and subsequent loans provided for economic development purposes and downtown revitalization.

LAW ENFORCEMENT PROFESSIONAL TRAINING – This fund accounts for the receipt and disbursement of funds for continuing professional education for the Police Division, which participates in the state law enforcement assistance fund.

LILLIAN LONG ESTATE – This fund is used to account for a bequest from the estate of Lillian Long for the purpose of acquiring additional land for use as a part of Wooster Memorial Park and/or making improvements to that park.

RECREATION SUPPLEMENT – This fund is used to account for financial donations from individuals and organizations that wish to specify that their gifts and donations support recreational opportunities for underprivileged youth in the community.

CHRISTMAS RUN PARK RESTORATION – This fund is used to collect donations intended for the restoration of Christmas Run Park necessitated by the damage done from the November 2003 tornado.

NONMAJOR DEBT SERVICE FUND

DEBT SERVICE – This fund is used to accumulate revenues collected by the County Treasurer and remitted to the City by the County Auditor for payment of special assessment principal and interest.

NONMAJOR CAPITAL PROJECTS FUND

Capital projects funds are used to account for the acquisition and construction of major capital facilities other than those financed by proprietary or trust funds.

ECONOMIC DEVELOPMENT CAPITAL IMPROVEMENT – This fund is used to account for “one-time” revenues (revenues which are generated only one time and usually in connection with an event such as a sale of major assets, the merger or sale of a company, or insurance proceeds where the asset will not be replaced). These resources can be appropriated for capital expenditures intended to promote economic development within the community. Economic development may be defined as the retention of existing jobs or businesses; the creation of new jobs or businesses; the creation of capital investment through construction of new or the renovation of existing buildings; and the purchase of real estate, buildings or machinery.

**CITY OF WOOSTER
WAYNE COUNTY, OHIO
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
DECEMBER 31, 2018**

	Special Revenue Funds	Debt Service Fund	Capital Projects Fund	Total Nonmajor Governmental Funds
Assets:				
Equity in city treasury cash and investments	\$ 978,787	\$ 1,156,032	\$ 19,186	\$ 2,154,005
Taxes receivable	317,225	0	0	317,225
Accounts receivable	22,627	0	0	22,627
Due from other governments	680,462	0	0	680,462
Accrued interest receivable	4,614	117	0	4,731
Inventory	196,915	0	0	196,915
Long term receivables	78,081	0	0	78,081
Special assessment receivable	0	1,236,218	0	1,236,218
Total assets	<u>\$ 2,278,711</u>	<u>\$ 2,392,367</u>	<u>\$ 19,186</u>	<u>\$ 4,690,264</u>
Liabilities:				
Accounts payable	\$ 116,590	\$ 0	\$ 0	\$ 116,590
Advances to other funds	110,000	0	0	110,000
Total liabilities	<u>226,590</u>	<u>0</u>	<u>0</u>	<u>226,590</u>
Deferred Inflows of Resources:				
Property taxes levied for the next year	303,206	0	0	303,206
Unavailable revenue	615,775	1,236,218	0	1,851,993
Total deferred inflows of resources	<u>918,981</u>	<u>1,236,218</u>	<u>0</u>	<u>2,155,199</u>
Fund balances:				
Nonspendable	196,915	0	0	196,915
Restricted	966,084	1,156,149	0	2,122,233
Committed	135,748	0	19,186	154,934
Unassigned	(165,607)	0	0	(165,607)
Total fund balances	<u>1,133,140</u>	<u>1,156,149</u>	<u>19,186</u>	<u>2,308,475</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 2,278,711</u>	<u>\$ 2,392,367</u>	<u>\$ 19,186</u>	<u>\$ 4,690,264</u>

**CITY OF WOOSTER
WAYNE COUNTY, OHIO
COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2018**

	Special Revenue Funds	Debt Service Fund	Capital Project Fund	Total Nonmajor Governmental Funds
Revenues:				
Taxes	\$ 426,421	\$ 0	\$ 0	\$ 426,421
Intergovernmental	2,054,814	0	0	2,054,814
Special assessments	0	191,396	0	191,396
Fines, licenses, permits	10,308	0	0	10,308
Interest income	19,020	18,908	0	37,928
Miscellaneous	122,654	0	0	122,654
Total revenues	<u>2,633,217</u>	<u>210,304</u>	<u>0</u>	<u>2,843,521</u>
Expenditures:				
Current operations :				
Safety services	545,342	0	0	545,342
Leisure services	3,495	0	0	3,495
Environment and development	604,233	0	0	604,233
Transportation services	729,188	3,241	0	732,429
Capital expenditures	552,990	0	0	552,990
Debt service :				
Principal	100,084	150,102	0	250,186
Interest	25,780	86,647	0	112,427
Total expenditures	<u>2,561,112</u>	<u>239,990</u>	<u>0</u>	<u>2,801,102</u>
Excess revenues over (under) expenditures	<u>72,105</u>	<u>(29,686)</u>	<u>0</u>	<u>42,419</u>
Other financing sources (uses):				
Issuance of premium	<u>0</u>	<u>47,834</u>	<u>0</u>	<u>47,834</u>
Net change in fund balances	72,105	18,148	0	90,253
Fund balances at beginning of year	<u>1,061,035</u>	<u>1,138,001</u>	<u>19,186</u>	<u>2,218,222</u>
Fund balances at end of year	<u>\$ 1,133,140</u>	<u>\$ 1,156,149</u>	<u>\$ 19,186</u>	<u>\$ 2,308,475</u>

**CITY OF WOOSTER
WAYNE COUNTY, OHIO
COMBINING BALANCE SHEET
NONMAJOR SPECIAL REVENUE FUNDS
DECEMBER 31, 2018**

	Street Construction Maintenance and Repair Fund	State Highway Fund	Permissive Tax Fund	Enforcement and Education Fund
Assets:				
Equity in city treasury cash and investments	\$ 168,150	\$ 223,606	\$ 157,763	\$ 70,176
Taxes receivable	0	0	0	0
Accounts receivable	22,627	0	0	0
Due from other governments	456,471	37,050	58,225	0
Accrued interest receivable	1,434	823	0	208
Inventory	171,680	25,235	0	0
Long term receivables	0	0	0	0
Total assets	<u>\$ 820,362</u>	<u>\$ 286,714</u>	<u>\$ 215,988</u>	<u>\$ 70,384</u>
Liabilities:				
Accounts payable	\$ 40,500	\$ 6,150	\$ 42	\$ 0
Advances to other funds	0	0	0	0
Total liabilities	<u>40,500</u>	<u>6,150</u>	<u>42</u>	<u>0</u>
Deferred inflows of resources:				
Property taxes levied for the next year	0	0	0	0
Unavailable revenue	404,044	31,026	45,065	0
Total deferred inflows of resources	<u>404,044</u>	<u>31,026</u>	<u>45,065</u>	<u>0</u>
Fund balances:				
Nonspendable	171,680	25,235	0	0
Restricted	204,138	224,303	170,881	70,384
Committed	0	0	0	0
Unassigned	0	0	0	0
Total fund balances	<u>375,818</u>	<u>249,538</u>	<u>170,881</u>	<u>70,384</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 820,362</u>	<u>\$ 286,714</u>	<u>\$ 215,988</u>	<u>\$ 70,384</u>

Mandatory Drug Fines Fund	Community Development Block Grant Fund	Economic Development Fund	Law Enforcement Trust Fund	Police Pension Fund	Fire Pension Fund	Federal Equitable Sharing Fund
\$ 36,794	\$ 4,320	\$ 70,316	\$ 58,813	\$ 24,991	\$ 26,421	\$ 14,374
0	0	7,095	0	155,065	155,065	0
0	0	0	0	0	0	0
0	111,108	0	0	8,804	8,804	0
89	0	451	132	648	240	7
0	0	0	0	0	0	0
0	0	57,886	0	0	0	0
<u>\$ 36,883</u>	<u>\$ 115,428</u>	<u>\$ 135,748</u>	<u>\$ 58,945</u>	<u>\$ 189,508</u>	<u>\$ 190,530</u>	<u>\$ 14,381</u>
\$ 385	\$ 59,927	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
0	110,000	0	0	0	0	0
<u>385</u>	<u>169,927</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
0	0	0	0	151,603	151,603	0
0	111,108	0	0	12,266	12,266	0
<u>0</u>	<u>111,108</u>	<u>0</u>	<u>0</u>	<u>163,869</u>	<u>163,869</u>	<u>0</u>
0	0	0	0	0	0	0
36,498	0	0	58,945	25,639	26,661	14,381
0	0	135,748	0	0	0	0
0	(165,607)	0	0	0	0	0
<u>36,498</u>	<u>(165,607)</u>	<u>135,748</u>	<u>58,945</u>	<u>25,639</u>	<u>26,661</u>	<u>14,381</u>
<u>\$ 36,883</u>	<u>\$ 115,428</u>	<u>\$ 135,748</u>	<u>\$ 58,945</u>	<u>\$ 189,508</u>	<u>\$ 190,530</u>	<u>\$ 14,381</u>

(continued)

**CITY OF WOOSTER
WAYNE COUNTY, OHIO
COMBINING BALANCE SHEET
NONMAJOR SPECIAL REVENUE FUNDS
DECEMBER 31, 2018**

	CDBG CHIP Home Revolving Loan Fund	Economic/ Downtown Loan Fund	Law Enforcement Professional Training Fund	Lillian Long Estate Fund
Assets:				
Equity in city treasury cash and investments	\$ 81,063	\$ 2,476	\$ 3,953	\$ 0
Taxes receivable	0	0	0	0
Accounts receivable	0	0	0	0
Due from other governments	0	0	0	0
Accrued interest receivable	242	126	27	8
Inventory	0	0	0	0
Long term receivables	0	20,195	0	0
Total assets	<u>\$ 81,305</u>	<u>\$ 22,797</u>	<u>\$ 3,980</u>	<u>\$ 8</u>
Liabilities:				
Accounts payable	\$ 9,586	\$ 0	\$ 0	\$ 0
Advances to other funds	0	0	0	0
Total liabilities	<u>9,586</u>	<u>0</u>	<u>0</u>	<u>0</u>
Deferred inflows of resources:				
Property taxes levied for the next year	0	0	0	0
Unavailable revenue	0	0	0	0
Total deferred inflows of resources	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Fund balances:				
Nonspendable	0	0	0	0
Restricted	71,719	22,797	3,980	8
Committed	0	0	0	0
Unassigned	0	0	0	0
Total fund balances	<u>71,719</u>	<u>22,797</u>	<u>3,980</u>	<u>8</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 81,305</u>	<u>\$ 22,797</u>	<u>\$ 3,980</u>	<u>\$ 8</u>

Recreation Supplement Fund	Christmas Run Park Restoration Fund	Total Nonmajor Special Revenue Funds
\$ 7,135	\$ 28,436	\$ 978,787
0	0	317,225
0	0	22,627
0	0	680,462
48	131	4,614
0	0	196,915
0	0	78,081
<u>\$ 7,183</u>	<u>\$ 28,567</u>	<u>\$ 2,278,711</u>
\$ 0	\$ 0	\$ 116,590
0	0	110,000
<u>0</u>	<u>0</u>	<u>226,590</u>
0	0	303,206
0	0	615,775
<u>0</u>	<u>0</u>	<u>918,981</u>
0	0	196,915
7,183	28,567	966,084
0	0	135,748
0	0	(165,607)
<u>7,183</u>	<u>28,567</u>	<u>1,133,140</u>
<u>\$ 7,183</u>	<u>\$ 28,567</u>	<u>\$ 2,278,711</u>

**CITY OF WOOSTER
WAYNE COUNTY, OHIO
COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
NONMAJOR SPECIAL REVENUE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2018**

	Street Construction Maintenance and Repair Fund	State Highway Fund	Permissive Tax Fund	Enforcement and Education Fund
Revenues:				
Taxes	\$ 0	\$ 0	\$ 0	\$ 0
Intergovernmental	987,547	80,070	252,350	0
Fines, licenses, permits	0	0	0	1,072
Interest income	2,815	2,964	4,149	972
Miscellaneous	108,447	6,384	0	0
Total revenues	<u>1,098,809</u>	<u>89,418</u>	<u>256,499</u>	<u>2,044</u>
Expenditures:				
Current operations :				
Safety services	150,259	43,185	0	0
Leisure services	0	0	0	0
Environment and development	0	0	0	0
Transportation services	684,399	39,362	5,427	0
Capital expenditures	16,791	0	200,000	0
Debt service :				
Principal	64,457	0	35,627	0
Interest	25,134	0	646	0
Total expenditures	<u>941,040</u>	<u>82,547</u>	<u>241,700</u>	<u>0</u>
Net change in fund balance	157,769	6,871	14,799	2,044
Fund balances at beginning of year	<u>218,049</u>	<u>242,667</u>	<u>156,082</u>	<u>68,340</u>
Fund balances at end of year	<u>\$ 375,818</u>	<u>\$ 249,538</u>	<u>\$ 170,881</u>	<u>\$ 70,384</u>

Mandatory Drug Fines Fund	Community Development Block Grant Fund	Economic Development Fund	Law Enforcement Trust Fund	Police Pension Fund	Fire Pension Fund	Federal Equitable Sharing Fund
\$ 0	\$ 0	\$ 131,537	\$ 0	\$ 147,442	\$ 147,442	\$ 0
0	686,782	0	0	17,454	17,454	0
9,236	0	0	0	0	0	0
506	0	1,162	1,004	1,880	1,823	204
0	0	0	7,823	0	0	0
<u>9,742</u>	<u>686,782</u>	<u>132,699</u>	<u>8,827</u>	<u>166,776</u>	<u>166,719</u>	<u>204</u>
10,040	0	0	16,700	162,579	162,579	0
0	0	0	0	0	0	0
0	474,236	129,997	0	0	0	0
0	0	0	0	0	0	0
0	322,211	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
<u>10,040</u>	<u>796,447</u>	<u>129,997</u>	<u>16,700</u>	<u>162,579</u>	<u>162,579</u>	<u>0</u>
(298)	(109,665)	2,702	(7,873)	4,197	4,140	204
<u>36,796</u>	<u>(55,942)</u>	<u>133,046</u>	<u>66,818</u>	<u>21,442</u>	<u>22,521</u>	<u>14,177</u>
<u>\$ 36,498</u>	<u>\$ (165,607)</u>	<u>\$ 135,748</u>	<u>\$ 58,945</u>	<u>\$ 25,639</u>	<u>\$ 26,661</u>	<u>\$ 14,381</u>

(continued)

**CITY OF WOOSTER
WAYNE COUNTY, OHIO
COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
NONMAJOR SPECIAL REVENUE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2018**

	CDBG CHIP Home Revolving Loan Fund	Economic/ Downtown Loan Fund	Law Enforcement Professional Training Fund	Lillian Long Estate Fund
Revenues:				
Taxes	\$ 0	\$ 0	\$ 0	\$ 0
Intergovernmental	13,157	0	0	0
Fines, licenses, permits	0	0	0	0
Interest income	910	152	0	0
Miscellaneous	0	0	0	0
Total revenues	<u>14,067</u>	<u>152</u>	<u>0</u>	<u>0</u>
Expenditures:				
Current operations :				
Safety services	0	0	0	0
Leisure services	0	0	0	0
Environment and development	0	0	0	0
Transportation services	0	0	0	0
Capital expenditures	8,972	5,016	0	0
Debt service :				
Principal	0	0	0	0
Interest	0	0	0	0
Total expenditures	<u>8,972</u>	<u>5,016</u>	<u>0</u>	<u>0</u>
Net change in fund balance	5,095	(4,864)	0	0
Fund balances at beginning of year	<u>66,624</u>	<u>27,661</u>	<u>3,980</u>	<u>8</u>
Fund balances at end of year	<u>\$ 71,719</u>	<u>\$ 22,797</u>	<u>\$ 3,980</u>	<u>\$ 8</u>

Recreation Supplement Fund	Christmas Run Park Restoration Fund	Total Nonmajor Special Revenue Funds
\$ 0	\$ 0	\$ 426,421
0	0	2,054,814
0	0	10,308
0	479	19,020
0	0	122,654
<u>0</u>	<u>479</u>	<u>2,633,217</u>
0	0	545,342
0	3,495	3,495
0	0	604,233
0	0	729,188
0	0	552,990
0	0	100,084
0	0	25,780
<u>0</u>	<u>3,495</u>	<u>2,561,112</u>
0	(3,016)	72,105
<u>7,183</u>	<u>31,583</u>	<u>1,061,035</u>
<u>\$ 7,183</u>	<u>\$ 28,567</u>	<u>\$ 1,133,140</u>

**INDIVIDUAL FUND SCHEDULES OF REVENUES,
EXPENDITURES AND CHANGES IN
FUND BALANCES – BUDGET AND ACTUAL
(BUDGETARY BASIS)
CAPITAL IMPROVEMENT (MAJOR) AND
OTHER NON-MAJOR GOVERNMENTAL FUNDS**

**CITY OF WOOSTER
WAYNE COUNTY, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL (BUDGETARY BASIS)
CAPITAL IMPROVEMENT MAJOR CAPITAL PROJECTS FUND
FOR THE YEAR ENDED DECEMBER 31, 2018**

	Original Budget	Final Budget	Actual Plus Encumbrances	Variance with Final Budget Positive(Negative)
Revenues:				
Intergovernmental	\$ 1,245,000	\$ 1,245,000	\$ 850,499	\$ (394,501)
Special Assessments	0	0	137,533	137,533
Interest income	50,000	50,000	79,561	29,561
Miscellaneous	0	0	282,578	282,578
Total Revenues	<u>1,295,000</u>	<u>1,295,000</u>	<u>1,350,171</u>	<u>55,171</u>
Expenditures:				
Capital outlay	<u>5,883,000</u>	<u>8,058,696</u>	<u>8,850,240</u>	<u>(791,544)</u>
Total Expenditures	<u>5,883,000</u>	<u>8,058,696</u>	<u>8,850,240</u>	<u>(791,544)</u>
Excess revenues over (under) expenditures	(4,588,000)	(6,763,696)	(7,500,069)	(736,373)
Other Financing Sources (Uses):				
Transfers in	<u>4,000,000</u>	<u>4,000,000</u>	<u>4,162,798</u>	<u>162,798</u>
Net change in fund balance	(588,000)	(2,763,696)	(3,337,271)	(573,575)
Encumbrances	0	0	1,550,919	1,550,919
Fund balances at beginning of year	<u>4,299,890</u>	<u>4,299,890</u>	<u>4,299,890</u>	<u>0</u>
Fund balances at end of year	<u>\$ 3,711,890</u>	<u>\$ 1,536,194</u>	<u>\$ 2,513,538</u>	<u>\$ 977,344</u>

Modified accrual plus encumbrances is the budgetary basis used in the preparation of this statement.

**CITY OF WOOSTER
WAYNE COUNTY, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL (BUDGETARY BASIS)
STREET CONSTRUCTION MAINTENANCE AND REPAIR NON-MAJOR SPECIAL REVENUE FUND
FOR THE YEAR ENDED DECEMBER 31, 2018**

	Original Budget	Final Budget	Actual Plus Encumbrances	Variance with Final Budget Positive(Negative)
Revenues:				
Intergovernmental	\$ 995,000	\$ 995,000	\$ 987,547	\$ (7,453)
Interest income	5,000	5,000	2,815	(2,185)
Miscellaneous	33,000	33,000	108,448	75,448
Total Revenues	<u>1,033,000</u>	<u>1,033,000</u>	<u>1,098,810</u>	<u>65,810</u>
Expenditures:				
Safety services				
Personal services	266,000	189,346	136,936	52,410
Capital outlay	0	16,791	16,791	0
Interfund	16,523	16,523	14,779	1,744
Total safety services	<u>282,523</u>	<u>222,660</u>	<u>168,506</u>	<u>54,154</u>
Transportation services				
Personal services	1,304	1,304	0	1,304
Operations and maintenance	470,197	568,499	509,093	59,406
Interfund	171,115	177,615	176,927	688
Debt service				
Principal	64,866	64,866	64,457	409
Interest	25,134	25,134	25,134	0
Total transportation services	<u>732,616</u>	<u>837,418</u>	<u>775,611</u>	<u>61,807</u>
Total Expenditures	<u>1,015,139</u>	<u>1,060,078</u>	<u>944,117</u>	<u>115,961</u>
Net change in fund balance	17,861	(27,078)	154,693	181,771
Encumbrances	0	0	3,077	3,077
Fund balances at beginning of year	<u>218,048</u>	<u>218,048</u>	<u>218,048</u>	<u>0</u>
Fund balances at end of year	<u>\$ 235,909</u>	<u>\$ 190,970</u>	<u>\$ 375,818</u>	<u>\$ 184,848</u>

Modified accrual plus encumbrances is the budgetary basis used in the preparation of this statement.

**CITY OF WOOSTER
WAYNE COUNTY, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL (BUDGETARY BASIS)
STATE HIGHWAY NON-MAJOR SPECIAL REVENUE FUND
FOR THE YEAR ENDED DECEMBER 31, 2018**

	Original Budget	Final Budget	Actual Plus Encumbrances	Variance with Final Budget Positive(Negative)
Revenues:				
Intergovernmental	\$ 85,000	\$ 85,000	\$ 80,070	\$ (4,930)
Interest income	3,000	3,000	2,964	(36)
Miscellaneous	0	0	6,383	6,383
Total Revenues	<u>88,000</u>	<u>88,000</u>	<u>89,417</u>	<u>1,417</u>
Expenditures:				
Safety services				
Operations and maintenance	54,500	64,769	43,185	21,584
Total safety services	<u>54,500</u>	<u>64,769</u>	<u>43,185</u>	<u>21,584</u>
Transportation services				
Operations and maintenance	89,000	89,250	39,362	49,888
Debt service	860	860	0	860
Total transportation services	<u>89,860</u>	<u>90,110</u>	<u>39,362</u>	<u>50,748</u>
Total Expenditures	<u>144,360</u>	<u>154,879</u>	<u>82,547</u>	<u>72,332</u>
Net change in fund balance	(56,360)	(66,879)	6,870	73,749
Fund balances at beginning of year	<u>242,668</u>	<u>242,668</u>	<u>242,668</u>	<u>0</u>
Fund balances at end of year	<u>\$ 186,308</u>	<u>\$ 175,789</u>	<u>\$ 249,538</u>	<u>\$ 73,749</u>

Modified accrual plus encumbrances is the budgetary basis used in the preparation of this statement.

**CITY OF WOOSTER
WAYNE COUNTY, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL (BUDGETARY BASIS)
PERMISSIVE TAX NON-MAJOR SPECIAL REVENUE FUND
FOR THE YEAR ENDED DECEMBER 31, 2018**

	Original Budget	Final Budget	Actual Plus Encumbrances	Variance with Final Budget Positive(Negative)
Revenues:				
Intergovernmental	\$ 268,000	\$ 268,000	\$ 252,350	\$ (15,650)
Interest income	6,000	6,000	4,149	(1,851)
Total Revenues	<u>274,000</u>	<u>274,000</u>	<u>256,499</u>	<u>(17,501)</u>
Expenditures:				
Transportation services				
Personal services	1,303	1,303	0	1,303
Operations and maintenance	15,323	15,828	4,511	11,317
Capital outlay	200,000	241,474	200,000	41,474
Interfund	1,115	1,115	916	199
Debt service				
Principal	83,054	83,054	35,627	47,427
Interest	646	646	646	0
Total Expenditures	<u>301,441</u>	<u>343,420</u>	<u>241,700</u>	<u>101,720</u>
Net change in fund balance	(27,441)	(69,420)	14,799	84,219
Fund balances at beginning of year	<u>156,082</u>	<u>156,082</u>	<u>156,082</u>	<u>0</u>
Fund balances at end of year	<u>\$ 128,641</u>	<u>\$ 86,662</u>	<u>\$ 170,881</u>	<u>\$ 84,219</u>

Modified accrual plus encumbrances is the budgetary basis used in the preparation of this statement.

**CITY OF WOOSTER
WAYNE COUNTY, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL (BUDGETARY BASIS)
ENFORCEMENT AND EDUCATION NON-MAJOR SPECIAL REVENUE FUND
FOR THE YEAR ENDED DECEMBER 31, 2018**

	Original Budget	Final Budget	Actual Plus Encumbrances	Variance with Final Budget Positive(Negative)
Revenues:				
Fines, licenses, permits	\$ 3,000	\$ 3,000	\$ 1,072	\$ (1,928)
Interest income	750	750	972	222
Total Revenues	<u>3,750</u>	<u>3,750</u>	<u>2,044</u>	<u>(1,706)</u>
Expenditures:				
Safety services				
Operations and maintenance	70,000	70,000	0	70,000
Total Expenditures	<u>70,000</u>	<u>70,000</u>	<u>0</u>	<u>70,000</u>
Net change in fund balance	(66,250)	(66,250)	2,044	68,294
Fund balances at beginning of year	<u>68,340</u>	<u>68,340</u>	<u>68,340</u>	<u>0</u>
Fund balances at end of year	<u>\$ 2,090</u>	<u>\$ 2,090</u>	<u>\$ 70,384</u>	<u>\$ 68,294</u>

Modified accrual plus encumbrances is the budgetary basis used in the preparation of this statement.

**CITY OF WOOSTER
WAYNE COUNTY, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL (BUDGETARY BASIS)
MANDATORY DRUG FINES NON-MAJOR SPECIAL REVENUE FUND
FOR THE YEAR ENDED DECEMBER 31, 2018**

	Original Budget	Final Budget	Actual Plus Encumbrances	Variance with Final Budget Positive(Negative)
Revenues:				
Fines, licenses, permits	\$ 10,000	\$ 10,000	\$ 9,236	\$ (764)
Interest income	353	353	506	153
Total Revenues	<u>10,353</u>	<u>10,353</u>	<u>9,742</u>	<u>(611)</u>
Expenditures:				
Safety services				
Operations and maintenance	50,000	50,577	10,040	40,537
Total Expenditures	<u>50,000</u>	<u>50,577</u>	<u>10,040</u>	<u>40,537</u>
Net change in fund balance	(39,647)	(40,224)	(298)	39,926
Fund balances at beginning of year	<u>36,796</u>	<u>36,796</u>	<u>36,796</u>	<u>0</u>
Fund balances at end of year	<u>\$ (2,851)</u>	<u>\$ (3,428)</u>	<u>\$ 36,498</u>	<u>\$ 39,926</u>

Modified accrual plus encumbrances is the budgetary basis used in the preparation of this statement.

**CITY OF WOOSTER
WAYNE COUNTY, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL (BUDGETARY BASIS)
COMMUNITY DEVELOPMENT BLOCK GRANT NON-MAJOR SPECIAL REVENUE FUND
FOR THE YEAR ENDED DECEMBER 31, 2018**

	Original Budget	Final Budget	Actual Plus Encumbrances	Variance with Final Budget Positive(Negative)
Revenues:				
Intergovernmental	\$ 1,329,700	\$ 1,329,700	\$ 686,982	\$ (642,718)
Total Revenues	<u>1,329,700</u>	<u>1,329,700</u>	<u>686,982</u>	<u>(642,718)</u>
Expenditures:				
Environment & development				
Operations and maintenance	962,500	883,088	474,236	408,852
Capital outlay	0	322,211	322,211	0
Total Expenditures	<u>962,500</u>	<u>1,205,299</u>	<u>796,447</u>	<u>408,852</u>
Net change in fund balance	367,200	124,401	(109,465)	(233,866)
Fund balances at beginning of year	<u>(56,142)</u>	<u>(56,142)</u>	<u>(56,142)</u>	<u>0</u>
Fund balances at end of year	<u>\$ 311,058</u>	<u>\$ 68,259</u>	<u>\$ (165,607)</u>	<u>\$ (233,866)</u>

Modified accrual plus encumbrances is the budgetary basis used in the preparation of this statement.

**CITY OF WOOSTER
WAYNE COUNTY, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL (BUDGETARY BASIS)
ECONOMIC DEVELOPMENT NON-MAJOR SPECIAL REVENUE FUND
FOR THE YEAR ENDED DECEMBER 31, 2018**

	Original Budget	Final Budget	Actual Plus Encumbrances	Variance with Final Budget Positive(Negative)
Revenues:				
Taxes	\$ 133,540	\$ 133,540	\$ 131,537	\$ (2,003)
Interest income	850	850	1,162	312
Total Revenues	<u>134,390</u>	<u>134,390</u>	<u>132,699</u>	<u>(1,691)</u>
Expenditures:				
Environment & development				
Operations and maintenance	<u>200,000</u>	<u>186,500</u>	<u>129,997</u>	<u>56,503</u>
Total Expenditures	<u>200,000</u>	<u>186,500</u>	<u>129,997</u>	<u>56,503</u>
Net change in fund balance	(65,610)	(52,110)	2,702	54,812
Fund balances at beginning of year	<u>133,046</u>	<u>133,046</u>	<u>133,046</u>	<u>0</u>
Fund balances at end of year	<u>\$ 67,436</u>	<u>\$ 80,936</u>	<u>\$ 135,748</u>	<u>\$ 54,812</u>

Modified accrual plus encumbrances is the budgetary basis used in the preparation of this statement.

**CITY OF WOOSTER
WAYNE COUNTY, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL (BUDGETARY BASIS)
LAW ENFORCEMENT TRUST NON-MAJOR SPECIAL REVENUE FUND
FOR THE YEAR ENDED DECEMBER 31, 2018**

	Original Budget	Final Budget	Actual Plus Encumbrances	Variance with Final Budget Positive(Negative)
Revenues:				
Interest income	\$ 600	\$ 600	\$ 1,004	\$ 404
Miscellaneous	0	0	7,823	7,823
Total Revenues	<u>600</u>	<u>600</u>	<u>8,827</u>	<u>8,227</u>
Expenditures:				
Safety services				
Operations and maintenance	65,000	65,000	16,700	48,300
Total Expenditures	<u>65,000</u>	<u>65,000</u>	<u>16,700</u>	<u>48,300</u>
Net change in fund balance	(64,400)	(64,400)	(7,873)	56,527
Fund balances at beginning of year	<u>66,818</u>	<u>66,818</u>	<u>66,818</u>	<u>0</u>
Fund balances at end of year	<u>\$ 2,418</u>	<u>\$ 2,418</u>	<u>\$ 58,945</u>	<u>\$ 56,527</u>

Modified accrual plus encumbrances is the budgetary basis used in the preparation of this statement.

**CITY OF WOOSTER
WAYNE COUNTY, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL (BUDGETARY BASIS)
POLICE PENSION NON-MAJOR SPECIAL REVENUE
FOR THE YEAR ENDED DECEMBER 31, 2018**

	Original Budget	Final Budget	Actual Plus Encumbrances	Variance with Final Budget Positive(Negative)
Revenues:				
Taxes	\$ 137,695	\$ 137,695	\$ 147,442	\$ 9,747
Intergovernmental	16,204	16,204	17,454	1,250
Interest income	900	900	1,880	980
Total Revenues	<u>154,799</u>	<u>154,799</u>	<u>166,776</u>	<u>11,977</u>
Expenditures:				
Safety services				
Personal services	160,000	160,000	160,000	0
Operations and maintenance	3,000	3,000	2,579	421
Total Expenditures	<u>163,000</u>	<u>163,000</u>	<u>162,579</u>	<u>421</u>
Net change in fund balance	(8,201)	(8,201)	4,197	12,398
Fund balances at beginning of year	<u>21,442</u>	<u>21,442</u>	<u>21,442</u>	<u>0</u>
Fund balances at end of year	<u>\$ 13,241</u>	<u>\$ 13,241</u>	<u>\$ 25,639</u>	<u>\$ 12,398</u>

Modified accrual plus encumbrances is the budgetary basis used in the preparation of this statement.

**CITY OF WOOSTER
WAYNE COUNTY, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL (BUDGETARY BASIS)
FIRE PENSION NON-MAJOR SPECIAL REVENUE FUND
FOR THE YEAR ENDED DECEMBER 31, 2018**

	Original Budget	Final Budget	Actual Plus Encumbrances	Variance with Final Budget Positive(Negative)
Revenues:				
Taxes	\$ 137,695	\$ 137,695	\$ 147,442	\$ 9,747
Intergovernmental	16,204	16,204	17,454	1,250
Interest income	900	900	1,823	923
Total Revenues	<u>154,799</u>	<u>154,799</u>	<u>166,719</u>	<u>11,920</u>
Expenditures:				
Safety services				
Personal services	160,000	160,000	160,000	0
Operations and maintenance	3,000	3,000	2,579	421
Total Expenditures	<u>163,000</u>	<u>163,000</u>	<u>162,579</u>	<u>421</u>
Net change in fund balance	(8,201)	(8,201)	4,140	12,341
Fund balances at beginning of year	<u>22,521</u>	<u>22,521</u>	<u>22,521</u>	<u>0</u>
Fund balances at end of year	<u>\$ 14,320</u>	<u>\$ 14,320</u>	<u>\$ 26,661</u>	<u>\$ 12,341</u>

Modified accrual plus encumbrances is the budgetary basis used in the preparation of this statement.

**CITY OF WOOSTER
WAYNE COUNTY, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL (BUDGETARY BASIS)
FEDERAL EQUITABLE SHARING NON-MAJOR SPECIAL REVENUE FUND
FOR THE YEAR ENDED DECEMBER 31, 2018**

	Original Budget	Final Budget	Actual Plus Encumbrances	Variance with Final Budget Positive(Negative)
Revenues:				
Interest income	\$ 135	\$ 135	\$ 204	\$ 69
Total Revenues	<u>135</u>	<u>135</u>	<u>204</u>	<u>69</u>
Expenditures:				
Safety services				
Operations and maintenance	14,000	14,000	0	14,000
Total Expenditures	<u>14,000</u>	<u>14,000</u>	<u>0</u>	<u>14,000</u>
Net change in fund balance	(13,865)	(13,865)	204	14,069
Fund balances at beginning of year	<u>14,177</u>	<u>14,177</u>	<u>14,177</u>	<u>0</u>
Fund balances at end of year	<u>\$ 312</u>	<u>\$ 312</u>	<u>\$ 14,381</u>	<u>\$ 14,069</u>

Modified accrual plus encumbrances is the budgetary basis used in the preparation of this statement.

**CITY OF WOOSTER
WAYNE COUNTY, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL (BUDGETARY BASIS)
CDBG CHIP HOME REVOLVING LOAN NON-MAJOR SPECIAL REVENUE FUND
FOR THE YEAR ENDED DECEMBER 31, 2018**

	Original Budget	Final Budget	Actual Plus Encumbrances	Variance with Final Budget Positive(Negative)
Revenues:				
Intergovernmental	\$ 0	\$ 0	\$ 13,157	\$ 13,157
Interest income	600	600	910	310
Total Revenues	<u>600</u>	<u>600</u>	<u>14,067</u>	<u>13,467</u>
Expenditures:				
Environment & development				
Operations and maintenance	62,391	62,391	0	62,391
Capital outlay	0	5,016	8,972	(3,956)
Total Expenditures	<u>62,391</u>	<u>67,407</u>	<u>8,972</u>	<u>58,435</u>
Net change in fund balance	(61,791)	(66,807)	5,095	71,902
Fund balances at beginning of year	<u>66,624</u>	<u>66,624</u>	<u>66,624</u>	<u>0</u>
Fund balances at end of year	<u>\$ 4,833</u>	<u>\$ (183)</u>	<u>\$ 71,719</u>	<u>\$ 71,902</u>

Modified accrual plus encumbrances is the budgetary basis used in the preparation of this statement.

**CITY OF WOOSTER
WAYNE COUNTY, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL (BUDGETARY BASIS)
ECONOMIC/DOWNTOWN LOAN NON-MAJOR SPECIAL REVENUE FUND
FOR THE YEAR ENDED DECEMBER 31, 2018**

	Original Budget	Final Budget	Actual Plus Encumbrances	Variance with Final Budget Positive(Negative)
Revenues:				
Interest income	\$ 2	\$ 2	\$ 152	\$ 150
Total Revenues	<u>2</u>	<u>2</u>	<u>152</u>	<u>150</u>
Expenditures:				
Environment & development				
Operations and maintenance	5,298	4,683	0	4,683
Capital outlay	0	615	5,016	(4,401)
Total Expenditures	<u>5,298</u>	<u>5,298</u>	<u>5,016</u>	<u>282</u>
Net change in fund balance	(5,296)	(5,296)	(4,864)	432
Fund balances at beginning of year	<u>27,661</u>	<u>27,661</u>	<u>27,661</u>	<u>0</u>
Fund balances at end of year	<u>\$ 22,365</u>	<u>\$ 22,365</u>	<u>\$ 22,797</u>	<u>\$ 432</u>

Modified accrual plus encumbrances is the budgetary basis used in the preparation of this statement.

**CITY OF WOOSTER
WAYNE COUNTY, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL (BUDGETARY BASIS)
LAW ENFORCEMENT PROFESSIONAL TRAINING NON-MAJOR SPECIAL REVENUE FUND
FOR THE YEAR ENDED DECEMBER 31, 2018**

	Original Budget	Final Budget	Actual Plus Encumbrances	Variance with Final Budget Positive(Negative)
Revenues:	\$ 0	\$ 0	\$ 0	\$ 0
Expenditures:				
Safety services				
Personal services	3,980	3,980	0	3,980
Total Expenditures	<u>3,980</u>	<u>3,980</u>	<u>0</u>	<u>3,980</u>
Net change in fund balance	(3,980)	(3,980)	0	3,980
Fund balances at beginning of year	<u>3,980</u>	<u>3,980</u>	<u>3,980</u>	<u>0</u>
Fund balances at end of year	<u><u>\$ 0</u></u>	<u><u>\$ 0</u></u>	<u><u>\$ 3,980</u></u>	<u><u>\$ 3,980</u></u>

Modified accrual plus encumbrances is the budgetary basis used in the preparation of this statement.

**CITY OF WOOSTER
WAYNE COUNTY, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL (BUDGETARY BASIS)
LILLIAN LONG ESTATE NON-MAJOR SPECIAL REVENUE FUND
FOR THE YEAR ENDED DECEMBER 31, 2018**

	Original Budget	Final Budget	Actual Plus Encumbrances	Variance with Final Budget Positive(Negative)
Revenues:	\$ 0	\$ 0	\$ 0	\$ 0
Expenditures:	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Net change in fund balance	0	0	0	0
Fund balances at beginning of year	<u>8</u>	<u>8</u>	<u>8</u>	<u>0</u>
Fund balances at end of year	<u><u>\$ 8</u></u>	<u><u>\$ 8</u></u>	<u><u>\$ 8</u></u>	<u><u>\$ 0</u></u>

Modified accrual plus encumbrances is the budgetary basis used in the preparation of this statement.

**CITY OF WOOSTER
WAYNE COUNTY, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL (BUDGETARY BASIS)
RECREATION SUPPLEMENTAL NON-MAJOR SPECIAL REVENUE FUND
FOR THE YEAR ENDED DECEMBER 31, 2018**

	Original Budget	Final Budget	Actual Plus Encumbrances	Variance with Final Budget Positive(Negative)
Revenues:	\$ 0	\$ 0	\$ 0	\$ 0
Expenditures:				
Leisure services				
Personal services	7,183	7,183	0	7,183
Total Expenditures	<u>7,183</u>	<u>7,183</u>	<u>0</u>	<u>7,183</u>
Net change in fund balance	(7,183)	(7,183)	0	7,183
Fund balances at beginning of year	<u>7,183</u>	<u>7,183</u>	<u>7,183</u>	<u>0</u>
Fund balances at end of year	<u><u>\$ 0</u></u>	<u><u>\$ 0</u></u>	<u><u>\$ 7,183</u></u>	<u><u>\$ 7,183</u></u>

Modified accrual plus encumbrances is the budgetary basis used in the preparation of this statement.

**CITY OF WOOSTER
WAYNE COUNTY, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL (BUDGETARY BASIS)
CHRISTMAS RUN PARK RESTORATION NON-MAJOR SPECIAL REVENUE FUND
FOR THE YEAR ENDED DECEMBER 31, 2018**

	Original Budget	Final Budget	Actual Plus Encumbrances	Variance with Final Budget Positive(Negative)
Revenues:				
Interest income	\$ 400	\$ 400	\$ 479	\$ 79
Total Revenues	<u>400</u>	<u>400</u>	<u>479</u>	<u>79</u>
Expenditures:				
Leisure services				
Operations and maintenance	33,700	33,700	3,495	30,205
Total Expenditures	<u>33,700</u>	<u>33,700</u>	<u>3,495</u>	<u>30,205</u>
Net change in fund balance	(33,300)	(33,300)	(3,016)	30,284
Fund balances at beginning of year	<u>31,583</u>	<u>31,583</u>	<u>31,583</u>	<u>0</u>
Fund balances at end of year	<u>\$ (1,717)</u>	<u>\$ (1,717)</u>	<u>\$ 28,567</u>	<u>\$ 30,284</u>

Modified accrual plus encumbrances is the budgetary basis used in the preparation of this statement.

**CITY OF WOOSTER
WAYNE COUNTY, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL (BUDGETARY BASIS)
ECONOMIC DEVELOPMENT CAPITAL IMPROVEMENT NON-MAJOR CAPITAL PROJECTS FUND
FOR THE YEAR ENDED DECEMBER 31, 2018**

	Original Budget	Final Budget	Actual Plus Encumbrances	Variance with Final Budget Positive(Negative)
Revenues:	\$ 0	\$ 0	\$ 0	\$ 0
Expenditures:				
Environment & development				
Operations and maintenance	19,186	19,186	0	19,186
Total Expenditures	<u>19,186</u>	<u>19,186</u>	<u>0</u>	<u>19,186</u>
Net change in fund balance	(19,186)	(19,186)	0	19,186
Fund balances at beginning of year	<u>19,186</u>	<u>19,186</u>	<u>19,186</u>	<u>0</u>
Fund balances at end of year	<u><u>\$ 0</u></u>	<u><u>\$ 0</u></u>	<u><u>\$ 19,186</u></u>	<u><u>\$ 19,186</u></u>

Modified accrual plus encumbrances is the budgetary basis used in the preparation of this statement.

**CITY OF WOOSTER
WAYNE COUNTY, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL (BUDGETARY BASIS)
NON-MAJOR DEBT SERVICE FUND
FOR THE YEAR ENDED DECEMBER 31, 2018**

	Original Budget	Final Budget	Actual Plus Encumbrances	Variance with Final Budget Positive(Negative)
Revenues:				
Special Assessments	\$ 150,000	\$ 150,000	\$ 191,396	\$ 41,396
Interest income	13,000	13,000	18,908	5,908
Total Revenues	<u>163,000</u>	<u>163,000</u>	<u>210,304</u>	<u>47,304</u>
Expenditures:				
Transportation services				
Operations and maintenance	4,000	4,000	3,241	759
Debt service	542,200	542,200	236,749	305,451
Total Expenditures	<u>546,200</u>	<u>546,200</u>	<u>239,990</u>	<u>306,210</u>
Excess revenues over (under) expenditures	(383,200)	(383,200)	(29,686)	353,514
Other Financing Sources (Uses):				
Proceeds from premium	<u>0</u>	<u>0</u>	<u>47,834</u>	<u>47,834</u>
Net change in fund balance	(383,200)	(383,200)	18,148	401,348
Fund balances at beginning of year	<u>1,138,001</u>	<u>1,138,001</u>	<u>1,138,001</u>	<u>0</u>
Fund balances at end of year	<u>\$ 754,801</u>	<u>\$ 754,801</u>	<u>\$ 1,156,149</u>	<u>\$ 401,348</u>

Modified accrual plus encumbrances is the budgetary basis used in the preparation of this statement.

**COMBINING STATEMENTS FOR
PROPRIETARY FUNDS**

CITY OF WOOSTER
WAYNE COUNTY, OHIO
COMBINING STATEMENT OF FUND NET POSITION
INTERNAL SERVICE FUNDS
DECEMBER 31, 2018

	Municipal Garage Fund	Employee Benefits Fund	Investments Fund	Total Internal Service Funds
Assets				
Current Assets				
Equity in city treasury cash and investments	\$ 37,268	\$ 1,523,690	\$ 11,309	\$ 1,572,267
Interest receivable	110	0	250	360
Total current assets	<u>37,378</u>	<u>1,523,690</u>	<u>11,559</u>	<u>1,572,627</u>
Noncurrent Assets				
Net capital assets	1,684	0	0	1,684
Total noncurrent assets	<u>1,684</u>	<u>0</u>	<u>0</u>	<u>1,684</u>
Total Assets	<u>39,062</u>	<u>1,523,690</u>	<u>11,559</u>	<u>1,574,311</u>
Deferred Outflows of Resources				
Pension	68,771	0	0	68,771
OPEB	14,662	0	0	14,662
Total deferred outflows of resources	<u>83,433</u>	<u>0</u>	<u>0</u>	<u>83,433</u>
Liabilities				
Current Liabilities				
Accounts payable	26,369	0	13,567	39,936
Accrued salaries, wages and benefits	9,145	0	0	9,145
Other accrued liabilities	0	372,067	0	372,067
Current portion of compensated absences	22,557	0	0	22,557
Total current liabilities	<u>58,071</u>	<u>372,067</u>	<u>13,567</u>	<u>443,705</u>
Noncurrent Liabilities				
Net pension liability	245,523	0	0	245,523
Net OPEB liability	180,694	0	0	180,694
Compensated absences	59,625	0	0	59,625
Total noncurrent liabilities	<u>485,842</u>	<u>0</u>	<u>0</u>	<u>485,842</u>
Total Liabilities	<u>543,913</u>	<u>372,067</u>	<u>13,567</u>	<u>929,547</u>
Deferred Inflows of Resources				
Pension	57,549	0	0	57,549
OPEB	13,461	0	0	13,461
Total deferred outflows of resources	<u>71,010</u>	<u>0</u>	<u>0</u>	<u>71,010</u>
Net Position				
Investment in Capital Assets	1,684	0	0	1,684
Unrestricted	(494,112)	1,151,623	(2,008)	655,503
Total net position	<u>\$ (492,428)</u>	<u>\$ 1,151,623</u>	<u>\$ (2,008)</u>	<u>\$ 657,187</u>

**CITY OF WOOSTER
WAYNE COUNTY, OHIO
COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET POSITION
INTERNAL SERVICE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2018**

	Municipal Garage Fund	Employee Benefits Fund	Investments Fund	Total Internal Service Funds
Operating Revenues:				
Charges for services	\$ 0	\$ 3,751,907	\$ 0	\$ 3,751,907
Interfund services provided	617,716	400,752	0	1,018,468
Miscellaneous	659	30,208	0	30,867
Total operating revenues	<u>618,375</u>	<u>4,182,867</u>	<u>0</u>	<u>4,801,242</u>
Operating expenses:				
Personal services	287,003	3,708,942	0	3,995,945
Operations and maintenance	258,623	0	80,059	338,682
Depreciation	429	0	0	429
Total operating expenses	<u>546,055</u>	<u>3,708,942</u>	<u>80,059</u>	<u>4,335,056</u>
Operating income (loss)	<u>72,320</u>	<u>473,925</u>	<u>(80,059)</u>	<u>466,186</u>
Non-operating revenues (expenses):				
Interest & investment earnings	<u>0</u>	<u>0</u>	<u>80,059</u>	<u>80,059</u>
Net non-operating revenues (expenses)	<u>0</u>	<u>0</u>	<u>80,059</u>	<u>80,059</u>
Change in net position	72,320	473,925	0	546,245
Total net position at beginning of year , Restated	<u>(564,748)</u>	<u>677,698</u>	<u>(2,008)</u>	<u>110,942</u>
Total net position at end of year	<u><u>\$ (492,428)</u></u>	<u><u>\$ 1,151,623</u></u>	<u><u>\$ (2,008)</u></u>	<u><u>\$ 657,187</u></u>

**CITY OF WOOSTER
WAYNE COUNTY, OHIO
COMBINING STATEMENT OF CASH FLOWS
INTERNAL SERVICE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2018**

	Municipal Garage Fund	Employee Benefits Fund	Investments Fund	Total Internal Service Funds
Cash flows from operating activities:				
Cash received from service charges	\$ 0	\$ 3,751,907	\$ 0	\$ 3,751,907
Cash paid to suppliers	(253,689)	0	(78,213)	(331,902)
Cash paid to employees	(336,882)	(3,670,671)	0	(4,007,553)
Cash received from interfund services provided	617,716	400,752	0	1,018,468
Other revenue (expense)	659	30,208	0	30,867
Net cash provided (used) by operating activities	<u>27,804</u>	<u>512,196</u>	<u>(78,213)</u>	<u>461,787</u>
Cash flows from investing activities:				
Interest from investments	(110)	0	80,059	79,949
Net cash provided (used) by investing activities	<u>(110)</u>	<u>0</u>	<u>80,059</u>	<u>79,949</u>
Net increase (decrease) in city treasury cash	27,694	512,196	1,846	541,736
Equity in City treasury cash at beginning of year	9,574	1,011,494	9,463	1,030,531
Equity in City treasury cash at end of year	<u>\$ 37,268</u>	<u>\$ 1,523,690</u>	<u>\$ 11,309</u>	<u>\$ 1,572,267</u>
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:				
Operating income (loss)	\$ 72,320	\$ 473,925	\$ (80,059)	\$ 466,186
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:				
Depreciation expense	429	0	0	429
Reconciling Items:				
Deferred outflows - pension/OPEB	73,254	0	0	73,254
Accounts and other payables	4,934	0	1,846	6,780
Accrued salaries, wages and benefits	2,028	0	0	2,028
Compensated absences payable	13,136	0	0	13,136
Net pension liability	(108,031)	0	0	(108,031)
Net OPEB liability	14,644	0	0	14,644
Deferred inflows - pension/OPEB	(44,910)	0	0	(44,910)
Other accrued liabilities	0	38,271	0	38,271
Net cash provided (used) by operating activities	<u>\$ 27,804</u>	<u>\$ 512,196</u>	<u>\$ (78,213)</u>	<u>\$ 461,787</u>

**COMBINING STATEMENTS FOR
FIDUCIARY FUNDS AND INDIVIDUAL FUND SCHEDULE
FOR FIDUCIARY FUNDS**

AGENCY FUNDS

Agency funds are used to account for assets held by the City in a custodial capacity or as an agent for individuals, private organizations, or other governmental units.

GUARANTEED DEPOSITS – This fund is used to hold funds received from a contractor, developer, or individual to insure compliance with the ordinances of the City in maintaining or establishing certain appurtenances (sidewalks, curbs, and gutters) to be installed by an individual developer or contractor. Upon completion of the appurtenances the deposit is returned to the individual developer or contractor, after deducting any inspection charges.

CLEARING – This fund is used to hold monies received from bid bonds, insurance premiums or proceeds on behalf of certain individuals, and any unclaimed municipal checks. The insurance premiums are to pay for retired employees or spouses still participating in our group health insurance program.

WOOSTER GROWTH CORPORATION – This fund is used to account for revenues and expenditures of the City's community improvement corporation, Wooster Growth Corporation. The City serves as fiscal agent for the Corporation. The corporation's purpose is advancing, encouraging and promoting the industrial, economic, commercial and civic development of Wooster, Ohio.

WOOSTER-ASHLAND REGIONAL COUNCIL OF GOVERNMENTS – This fund is used to hold monies received from members for services provided by a joint dispatching service for police, fire, emergency medical services (EMS), and other related public safety services.

**CITY OF WOOSTER
WAYNE COUNTY, OHIO
COMBINING STATEMENT OF ASSETS AND LIABILITIES
AGENCY FUNDS
DECEMBER 31, 2018**

	Guaranteed Deposits Fund	Clearing Fund	Wooster Growth Corporation Fund	Wooster- Ashland Regional Council of Governments	Total Agency Funds
Assets:					
Equity in city treasury cash and investments	\$ 201,989	\$ 157,271	\$ 674,697	\$ 151,149	\$ 1,185,106
Restricted cash and cash equivalents with escrow agent	0	0	179,991	0	179,991
Receivables:					
Accounts	0	0	0	21,487	21,487
Interest receivable	0	0	728	0	728
Total assets	<u>\$ 201,989</u>	<u>\$ 157,271</u>	<u>\$ 855,416</u>	<u>\$ 172,636</u>	<u>\$ 1,387,312</u>
Liabilities:					
Accounts payable	\$ 0	\$ 0	\$ 15,064	\$ 40,081	\$ 55,145
Accrued salaries, wages and benefits	0	0	0	42,455	42,455
Due to agency recipient	201,989	157,271	840,352	90,100	1,289,712
Total liabilities	<u>\$ 201,989</u>	<u>\$ 157,271</u>	<u>\$ 855,416</u>	<u>\$ 172,636</u>	<u>\$ 1,387,312</u>

**CITY OF WOOSTER
WAYNE COUNTY, OHIO
COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
AGENCY FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2018**

	Balance January 1, 2018	Additions	Deductions	Balance December 31, 2018
Guaranteed Deposits				
Assets				
Equity in city treasury cash and investments	\$ 201,638	\$ 351	\$ 0	\$ 201,989
Liabilities				
Due to agency recipient	\$ 201,638	\$ 351	\$ 0	\$ 201,989
Clearing Fund				
Assets				
Equity in city treasury cash and investments	\$ 72,043	\$ 186,529	\$ 101,301	\$ 157,271
Liabilities				
Accounts payable	\$ 317	\$ 51,851	\$ 52,168	\$ 0
Due to agency recipient	71,726	238,380	152,835	157,271
<i>Total Liabilities</i>	<u>\$ 72,043</u>	<u>\$ 290,231</u>	<u>\$ 205,003</u>	<u>\$ 157,271</u>
Wooster Growth Corporation				
Assets				
Equity in city treasury cash and investments	\$ 626,722	\$ 334,368	\$ 286,393	\$ 674,697
Restricted cash-escrow agent	180,000	0	9	179,991
Accrued interest receivable	680	7,402	7,354	728
<i>Total Assets</i>	<u>\$ 807,402</u>	<u>\$ 341,770</u>	<u>\$ 293,756</u>	<u>\$ 855,416</u>
Liabilities				
Accounts payable	\$ 1,350	\$ 295,091	\$ 281,377	\$ 15,064
Due to agency recipient	806,052	623,147	588,847	840,352
<i>Total Liabilities</i>	<u>\$ 807,402</u>	<u>\$ 918,238</u>	<u>\$ 870,224</u>	<u>\$ 855,416</u>
Wooster-Ashland Regional Council of Governments				
Assets				
Equity in city treasury cash and investments	\$ 84,360	\$ 1,404,097	\$ 1,337,308	\$ 151,149
Accounts receivable	11,476	754,861	744,850	21,487
<i>Total Assets</i>	<u>\$ 95,836</u>	<u>\$ 2,158,958</u>	<u>\$ 2,082,158</u>	<u>\$ 172,636</u>
Liabilities				
Accounts payable	\$ 8,406	\$ 574,783	\$ 543,108	\$ 40,081
Accrued wages	42,455	143,171	143,171	42,455
Due to agency recipient	44,975	1,957,216	1,912,091	90,100
<i>Total Liabilities</i>	<u>\$ 95,836</u>	<u>\$ 2,675,170</u>	<u>\$ 2,598,370</u>	<u>\$ 172,636</u>
TOTAL - ALL AGENCY FUNDS				
Assets				
Equity in city treasury cash and investments	\$ 984,763	\$ 1,925,345	\$ 1,725,002	\$ 1,185,106
Restricted cash-escrow agent	180,000	0	9	179,991
Receivables:				
Accounts	11,476	754,861	744,850	21,487
Interest receivable	680	7,402	7,354	728
<i>Total Assets</i>	<u>\$ 1,176,919</u>	<u>\$ 2,687,608</u>	<u>\$ 2,477,215</u>	<u>\$ 1,387,312</u>
Liabilities				
Accounts payable	\$ 10,073	\$ 921,725	\$ 876,653	\$ 55,145
Accrued wages	42,455	143,171	143,171	42,455
Due to agency recipient	1,124,391	2,819,094	2,653,773	1,289,712
<i>Total Liabilities</i>	<u>\$ 1,176,919</u>	<u>\$ 3,883,990</u>	<u>\$ 3,673,597</u>	<u>\$ 1,387,312</u>

STATISTICAL SECTION

STATISTICAL SECTION

This section of the City of Wooster’s comprehensive annual financial report presents detailed information over a number of years as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the city’s overall, as well as its various service segment’s, financial health.

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To help the user understand how the City and its service segments’ financial performance and well-being have changed over time.

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Sources: Sources of the information presented in this section are provided at the bottom of each schedule. The City implemented the new reporting model prescribed by GASB Statement 34 for the year ended December 31, 1999.

CITY OF WOOSTER, OHIO
NET POSITION
LAST TEN YEARS

Schedule I.1
Primary Government
(accrual basis of accounting)

	Restated 2009	2010	Restated 2011	2012	2013	Restated 2014	2015	2016	Restated 2017	2018
Governmental Activities										
Net Investment in Capital Assets	\$ 41,840,935	\$ 42,252,482	\$ 43,436,450	\$ 45,012,043	\$ 45,364,428	\$ 48,432,413	\$ 51,261,796	\$ 52,931,789	\$ 55,015,534	\$ 59,521,700
Restricted	9,001,193	9,349,951	8,979,348	8,769,095	9,112,542	9,550,272	7,598,390	6,999,286	6,469,860	6,593,499
Unrestricted	9,161,971	9,383,490	11,051,211	11,397,374	13,279,443	(392,795)	1,241,384	2,331,616	(13,483,530)	(18,392,912)
Total net position	60,004,099	60,985,923	63,467,009	65,178,512	67,756,413	57,589,890	60,101,570	62,262,691	48,001,864	47,722,287
Business-type Activities										
Net Investment in Capital Assets	103,395,209	107,785,419	105,728,233	106,817,119	108,580,240	105,999,818	106,000,665	121,278,269	143,991,255	144,008,430
Restricted	1,542,869	1,727,866	1,852,084	1,891,059	1,936,441	2,147,409	2,001,711	1,606,265	1,683,581	1,724,139
Unrestricted	87,229,408	84,984,968	91,791,126	98,308,957	99,693,793	74,954,551	85,324,448	75,411,551	11,214,687	7,403,062
Total net position	192,167,486	194,498,253	199,371,443	207,017,135	210,210,474	183,101,778	193,326,824	198,296,085	156,889,523	153,135,631
Total Primary Government										
Net Investment in Capital Assets	145,236,144	150,037,901	149,164,683	151,829,162	153,944,668	154,432,231	157,262,461	174,210,058	199,006,789	203,530,130
Restricted	10,544,062	11,077,817	10,831,432	10,660,154	11,048,983	11,697,681	9,600,101	8,605,551	8,153,441	8,317,638
Unrestricted	96,391,379	94,368,458	102,842,337	109,706,331	112,973,236	74,561,756	86,565,832	77,743,167	(2,268,843)	(10,989,850)
Total net position	\$ 252,171,585	\$ 255,484,176	\$ 262,838,452	\$ 272,195,647	\$ 277,966,887	\$ 240,691,668	\$ 253,428,394	\$ 260,558,776	\$ 204,891,387	\$ 200,857,918

Source: Respective comprehensive annual financial reports (Statements of Net Position).

In 2009 the City reclassified the Economic/Downtown Development Loans Fund from an Enterprise Fund to a Special Revenue Fund

In 2011 the City restated the general fund, debt service fund and Long Road fund for payables and TIF

In 2014 the City restated for GASB 68

In 2017 the City restated for GASB 75

CITY OF WOOSTER, OHIO **Schedule 1.2**
CHANGES IN NET POSITION **Primary Government**
LAST TEN YEARS **(accrual basis of accounting)**

Restated	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Expenses:										
Governmental activities:										
Safety Services	\$ 12,305,310	\$ 12,818,894	\$ 11,659,215	\$ 11,640,179	\$ 12,049,012	\$ 13,268,557	\$ 14,021,518	\$ 16,295,627	\$ 15,792,489	\$ 17,344,884
Health Services	148,395	138,878	136,364	135,615	133,051	139,737	133,913	125,542	124,560	122,801
Leisure Services	2,460,625	2,281,939	1,790,148	1,735,559	1,708,113	2,072,036	2,049,325	2,281,569	2,317,942	2,490,296
Environment & Development Services	1,601,752	1,620,004	1,206,524	1,221,872	1,234,056	1,230,852	1,840,682	1,472,669	1,324,518	1,601,401
Transportation Services	3,354,333	5,047,045	3,091,345	3,607,181	3,540,751	4,404,661	4,409,213	4,340,883	4,601,111	4,836,791
Administrative Services	645,116	562,334	457,078	419,733	632,584	1,103,150	837,176	882,573	1,323,542	1,244,348
Total governmental activities expenses	20,515,531	22,469,094	18,340,674	18,760,139	19,297,567	22,218,993	23,291,827	25,398,863	25,484,162	27,640,521
Business-type activities:										
Wooster Community Hospital	96,984,050	100,884,500	104,047,276	111,300,767	117,406,593	124,722,229	129,972,827	142,069,530	159,653,352	170,529,841
Water (Production & Distribution)	4,724,331	4,862,138	4,407,687	4,804,768	6,189,318	5,260,656	5,599,133	5,238,994	5,465,250	5,938,808
Water Pollution Control	6,424,119	6,129,312	5,766,091	5,787,590	5,033,997	6,202,786	7,048,437	6,516,679	7,357,812	8,052,899
Storm Drainage Utility	554,533	680,121	700,893	766,495	709,945	932,733	994,581	1,195,430	1,229,759	1,313,625
Refuse Collection	1,416,866	1,427,802	1,407,606	1,424,297	1,227,129	1,568,634	1,475,426	1,267,551	1,379,915	1,400,390
Total business-type activities expenses	110,103,899	113,983,873	116,329,553	124,083,917	130,566,982	138,687,038	145,090,404	156,288,184	175,086,088	187,235,563
Total primary government expenses	130,619,430	136,452,967	134,670,227	142,844,056	149,864,549	160,906,031	168,382,231	181,687,047	200,570,250	214,876,084
Program Revenues										
Governmental activities:										
Charges for services:										
Safety Services	714,521	689,482	895,377	873,004	938,998	839,334	936,744	1,018,103	1,097,454	1,104,493
Leisure Services	474,460	483,479	429,829	417,778	336,176	322,789	309,506	324,208	321,556	350,576
Environment & Development Services	214,763	180,417	165,890	207,464	309,913	444,377	354,693	410,293	407,286	372,806
Transportation Services	172,223	139,118	172,550	151,573	125,912	102,988	102,478	65,448	38,147	42,145
Administrative Services	179,429	257,375	457,144	244,229	278,657	337,098	300,499	335,615	365,792	325,675
Operating grants & contributions	2,236,924	2,117,192	1,920,574	2,186,851	1,691,316	1,829,051	3,180,107	1,880,980	1,694,842	1,834,447
Capital grants & contributions	3,375,157	4,194,579	2,224,896	1,608,837	3,220,916	3,193,614	231,534	1,754,113	949,960	897,000
Total governmental activities program revenues	7,367,477	8,061,642	6,266,260	5,689,736	6,901,888	7,069,251	5,415,561	5,788,760	4,875,037	4,927,142
Charges for services										
Wooster Community Hospital	101,131,509	103,155,227	106,719,035	116,775,117	118,673,639	127,801,378	136,357,280	145,427,161	151,697,760	165,230,382
Water (Production & Distribution)	4,185,862	5,076,993	5,307,239	5,314,130	5,262,795	5,163,054	5,239,430	5,371,358	5,403,452	5,811,200
Water Pollution Control	3,619,813	4,416,124	4,906,467	6,085,102	5,866,394	6,155,144	6,036,572	6,186,665	6,537,456	7,623,100
Storm Drainage Utility	910,149	1,054,673	1,176,279	1,308,932	1,395,917	1,432,414	1,490,808	1,509,571	1,516,837	1,538,577
Refuse Collection	1,469,833	1,455,477	1,454,606	1,458,096	1,458,760	1,466,066	1,388,813	1,274,613	1,272,060	1,144,712
Operating grants & contributions	174,113	266,009	264,166	198,445	223,130	343,908	263,148	302,013	485,757	225,561
Capital grants & contributions	302,576	201,950	39,058	48,234	364,034	0	974,903	195,477	300,867	334,703
Total business-type program revenues	111,793,855	115,626,453	119,866,850	131,183,056	133,244,669	142,361,964	151,750,954	160,266,916	167,214,189	181,908,235
Total primary government program revenues	119,161,332	123,688,095	126,133,110	136,872,792	140,146,557	149,431,215	157,166,515	166,055,676	172,089,226	186,835,377

(continued)

CITY OF WOOSTER, OHIO **Schedule 1.2**
CHANGES IN NET POSITION **Primary Government**
LAST TEN YEARS **(accrual basis of accounting)**

Restated	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Net (Expense)/Revenue										
Governmental activities	(13,148,054)	(14,407,452)	(12,074,414)	(13,070,403)	(12,395,679)	(15,149,742)	(17,876,266)	(19,610,103)	(20,609,125)	(22,713,379)
Business-type activities	1,689,956	1,642,580	3,537,297	7,099,139	2,677,687	3,674,926	6,660,550	3,978,732	(7,871,899)	(5,327,328)
Total primary government net expense	(11,458,098)	(12,764,872)	(8,537,117)	(5,971,264)	(9,717,992)	(11,474,816)	(11,215,716)	(15,631,371)	(28,481,024)	(28,040,707)
General Revenues and Other Changes in Net Position										
Governmental activities:										
Taxes:										
City income tax	8,429,038	8,693,074	9,670,667	10,378,470	10,600,882	15,378,694	16,517,402	17,836,770	18,092,521	17,986,197
Property taxes	2,545,171	2,520,770	2,181,978	1,876,328	1,968,960	1,882,639	1,992,452	1,975,304	1,953,715	2,033,369
Estate taxes	711,818	894,325	1,279,657	1,032,907	453,091	72,726	91,081	2,593	48,894	10,895
Hotel and trailer taxes	166,420	181,184	188,835	205,723	243,740	246,921	276,160	282,455	285,669	282,349
Unrestricted grants and contributions	1,537,155	1,615,590	1,519,463	871,159	978,206	918,089	960,304	868,452	944,818	914,090
Investment earnings	396,155	297,974	286,128	121,487	91,080	117,013	116,212	202,805	236,676	451,022
Miscellaneous	516,454	350,972	189,107	295,833	637,621	1,292,135	934,335	644,245	469,093	755,880
Transfers	(206,738)	835,387	(200,000)	0	0	0	(500,000)	(41,400)	0	0
Total governmental activities	14,095,473	15,389,276	15,115,835	14,781,907	14,973,580	19,908,217	20,387,946	21,771,224	22,031,386	22,433,802
Business-type activities:										
Investment earnings	1,288,622	1,261,298	906,751	374,942	210,747	459,617	574,575	643,478	745,789	1,330,696
Miscellaneous	159,878	262,276	229,142	171,611	304,905	606,432	2,489,921	305,651	233,663	242,740
Transfers	206,738	(835,387)	200,000	0	0	0	500,000	41,400	0	0
Total business-type activities	1,655,238	688,187	1,335,893	546,553	515,652	1,066,049	3,564,496	990,529	979,452	1,573,436
Total primary government	15,750,711	16,077,463	16,451,728	15,328,460	15,489,232	20,974,266	23,952,442	22,761,753	23,010,838	24,007,238
Changes in Net Position										
Governmental activities	947,419	981,824	3,041,421	1,711,504	2,577,901	4,758,475	2,511,680	2,161,121	1,422,261	(279,377)
Business-type activities	3,345,194	2,330,767	4,873,190	7,645,692	3,193,339	4,740,975	10,225,046	4,969,261	(6,892,447)	(3,753,892)
Total primary government changes in Net Position	\$ 4,292,613	\$ 3,312,591	\$ 7,914,611	\$ 9,357,196	\$ 5,771,240	\$ 9,499,450	\$ 12,736,726	\$ 7,130,382	\$ (5,470,186)	\$ (4,033,469)

Source: Respective comprehensive annual financial reports (Statements of Activities).

In 2009 the City reclassified the Economic/Downtown Development Loans Fund from an Enterprise Fund to a Special Revenue Fund
2014 has not been adjusted for implementation of GASB 68
2017 has not been adjusted for implementation of GASB 75

CITY OF WOOSTER, OHIO
 FUND BALANCES
 LAST TEN YEARS

Schedule 1.3
 Governmental Funds
 (modified accrual basis of accounting)

	Restated 2009	2010	Restated 2011	2012	2013	2014	2015	2016	2017	2018
GENERAL FUND										
Fund balances:										
Reserved for encumbrances	\$ 2,771,167	\$ 2,347,652	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Unreserved	8,820,044	7,184,575	0	0	0	0	0	0	0	0
Nonspendable	0	0	53,953	55,429	55,045	55,045	195,491	72,232	61,467	160,702
Assigned	0	0	2,702,135	5,512,738	2,355,408	2,414,792	3,023,454	4,239,483	4,257,151	1,136,364
Unassigned	0	0	7,969,318	5,801,446	8,620,560	10,211,213	11,576,611	11,238,131	12,061,049	16,000,669
Total General Fund	11,591,211	9,532,227	10,725,406	11,369,613	11,031,013	12,681,013	14,795,556	15,549,846	16,379,667	17,297,735
OTHER GOVERNMENTAL FUNDS										
Fund balances:										
Reserved for encumbrances	2,772,755	1,267,017	0	0	0	0	0	0	0	0
Reserved for long term receivables	100,637	79,418	0	0	0	0	0	0	0	0
Unreserved, reported in:										
Special revenue funds	2,412,193	2,644,870	0	0	0	0	0	0	0	0
Capital projects funds	(383,055)	1,347,246	0	0	0	0	0	0	0	0
Debt service funds	624,241	704,488	0	0	0	0	0	0	0	0
Nonspendable	0	0	290,192	189,674	171,928	267,686	290,937	147,652	186,820	196,915
Restricted	0	0	4,111,590	3,925,939	3,756,869	3,230,583	11,346,156	10,234,691	6,235,001	4,635,771
Committed	0	0	151,878	141,105	342,687	143,215	153,793	151,250	152,232	154,934
Assigned	0	0	537,090	126,294	639,349	1,167,266	0	0	0	0
Unassigned	0	0	(19,875)	(14,156)	(42,240)	0	(128,149)	(118,947)	(55,942)	(165,607)
Total Other Governmental Funds	5,526,771	6,043,039	5,070,875	4,368,856	4,868,593	4,808,750	11,662,737	10,414,646	6,518,111	4,822,013
ALL GOVERNMENTAL FUNDS										
Fund balances:										
Reserved for encumbrances	5,543,922	3,614,669	0	0	0	0	0	0	0	0
Reserved for long term receivables	100,637	79,418	0	0	0	0	0	0	0	0
Unreserved, reported in:										
General fund	8,820,044	7,184,575	0	0	0	0	0	0	0	0
Special revenue funds	2,412,193	2,644,870	0	0	0	0	0	0	0	0
Capital projects funds	(383,055)	1,347,246	0	0	0	0	0	0	0	0
Debt service funds	624,241	704,488	0	0	0	0	0	0	0	0
Nonspendable	0	0	344,145	245,103	226,973	322,731	486,428	219,884	248,287	357,617
Restricted	0	0	4,111,590	3,925,939	3,756,869	3,230,583	11,346,156	10,234,691	6,235,001	4,635,771
Committed	0	0	151,878	141,105	342,687	143,215	153,793	151,250	152,232	154,934
Assigned	0	0	3,239,225	5,639,032	2,994,757	3,582,058	3,023,454	4,239,483	4,257,151	1,136,364
Unassigned	0	0	7,949,443	5,787,290	8,578,320	10,211,213	11,448,462	11,119,184	12,005,107	15,835,062
Total All Governmental Funds	\$ 17,117,982	\$ 15,575,266	\$ 15,796,281	\$ 15,738,469	\$ 15,899,606	\$ 17,489,800	\$ 26,458,293	\$ 25,964,492	\$ 22,897,778	\$ 22,119,748

Source: Respective comprehensive annual financial reports.

In 2009, the City reclassified the Economic/Downtown Development Loans Fund from an Enterprise Fund to a Special Revenue Fund
 In 2010, the City wrote off an uncollectable loan receivable
 In 2011, fund balance classifications changed with the implementation of GASB Statement No. 54
 In 2011, the City restated General Fund, Debt Service Fund and Long Road Fund for payables and TIF

**CITY OF WOOSTER, OHIO
CHANGES IN FUND BALANCES
LAST TEN YEARS**

**Schedule 1.4
Governmental Funds
(modified accrual basis of accounting)**

	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Revenues :										
Taxes	\$ 12,227,385	\$ 11,889,919	\$ 12,924,136	\$ 13,994,519	\$ 13,170,363	\$ 17,283,188	\$ 19,133,505	\$ 20,261,444	\$ 20,392,403	\$ 21,229,511
Intergovernmental	6,859,748	5,932,221	4,741,165	4,143,999	3,249,729	5,436,342	5,489,670	4,029,912	4,075,120	3,810,586
Charges for services	1,356,638	1,300,388	1,494,105	1,416,665	1,422,704	1,231,704	1,343,072	1,399,117	1,439,865	1,497,311
Special assessments	212,418	205,259	223,910	203,991	393,269	304,671	204,806	253,791	347,803	328,929
Fines, licenses, permits	381,550	494,175	625,145	548,225	702,640	1,051,998	705,780	909,022	891,642	769,881
Interfund services provided	1,616,062	1,762,497	1,508,293	1,478,817	1,462,850	1,799,216	1,880,182	1,859,242	1,704,978	2,084,042
Interest income	321,953	229,645	212,585	72,346	39,371	68,929	69,832	141,533	169,347	370,961
Miscellaneous	544,446	474,727	198,149	184,943	290,308	292,741	736,238	321,193	404,279	747,207
Total Revenues	23,520,200	22,288,831	21,927,488	22,043,505	20,731,234	27,488,789	29,563,085	29,175,254	29,425,437	30,838,428
Expenditures :										
Current operations :										
Safety services	10,556,483	10,893,431	10,315,976	10,340,689	10,138,886	11,010,790	11,764,044	12,956,866	12,795,571	13,167,716
Health and social services	148,395	140,185	139,670	137,140	132,418	132,785	132,300	126,241	128,756	127,747
Leisure services	1,925,300	1,794,948	1,365,853	1,364,780	1,249,335	1,548,370	1,587,585	1,707,918	1,831,445	1,936,513
Environment and development	1,412,307	1,610,435	1,149,541	1,243,963	1,211,121	1,169,790	1,788,787	1,418,559	1,172,491	1,566,645
Transportation services	2,275,385	2,980,098	1,512,215	1,617,545	1,412,541	2,078,237	1,788,994	1,609,898	1,752,408	1,930,552
Administrative services	3,401,678	3,681,702	2,889,589	2,873,611	3,067,906	3,694,512	3,627,454	3,686,401	3,694,107	4,110,974
Capital expenditures	11,144,247	1,919,212	3,248,013	3,997,176	2,845,370	5,754,452	6,296,916	7,171,123	10,186,505	7,852,310
Debt service :										
Principal	4,336,315	7,005,553	366,343	389,092	386,467	394,972	353,947	668,809	672,342	685,186
Interest	223,300	189,456	158,938	137,321	126,053	231,004	339,316	281,840	258,526	286,649
Total Expenditures	35,423,410	30,215,020	21,146,138	22,101,317	20,570,097	26,014,912	27,679,343	29,627,655	32,492,151	31,664,292
Excess revenues over (under) expenditures	(11,903,210)	(7,926,189)	781,350	(57,812)	161,137	1,473,877	1,883,742	(452,401)	(3,066,714)	(825,864)
Other financing sources (uses) :										
Debt issuance	3,220,000	6,685,000	0	0	0	0	7,000,000	0	0	0
Issuance of premium	0	56,160	0	0	0	116,317	84,751	0	0	47,834
Payment to refunded bond escrow agent	0	(1,437,687)	0	0	0	0	0	0	0	0
Transfers in	248,019	1,343,999	73,950	1,361,000	2,118,500	2,830,000	3,402,100	4,322,190	4,092,000	4,162,798
Transfers (out)	(248,019)	(263,999)	(73,950)	(1,361,000)	(2,118,500)	(2,830,000)	(3,402,100)	(4,363,590)	(4,092,000)	(4,162,798)
Total other financing sources (uses)	3,220,000	6,383,473	0	0	0	116,317	7,084,751	(41,400)	0	47,834
Net changes in fund balances	\$ (8,683,210)	\$ (1,542,716)	\$ 781,350	\$ (57,812)	\$ 161,137	\$ 1,590,194	\$ 8,968,493	\$ (493,801)	\$ (3,066,714)	\$ (778,030)
Debt service as a percentage of noncapital expenditures	18.8%	25.4%	2.9%	2.9%	2.9%	3.1%	3.2%	4.2%	4.2%	4.1%

Source: Respective comprehensive annual financial reports

In 2009 the City reclassified the Economic/Downtown Development Loans Fund from an Enterprise Fund to a Special Revenue Fund

CITY OF WOOSTER, OHIO
WATER
SIGNIFICANT FINANCIAL INFORMATION
LAST TEN YEARS

Schedule I.5.1
Business-type Services
(accrual basis of accounting)

Restated (Note 3)

	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Current Assets										
Cash & Investments	\$ 784,326	\$ 1,395,930	\$ 2,657,475	\$ 3,864,331	\$ 3,543,156	\$ 5,489,024	\$ 3,302,732	\$ 2,717,998	\$ 2,200,314	\$ 2,953,370
Other Current Assets	750,151	881,808	811,875	805,249	895,086	962,708	989,745	947,057	1,010,120	1,107,302
Total Current Assets	1,534,477	2,277,738	3,469,350	4,669,580	4,438,242	6,451,732	4,292,477	3,665,055	3,210,434	4,060,672
Noncurrent Assets and Deferred Outflows										
Net Pension Asset	0	0	0	0	0	1,840	6,752	0	0	0
Deferred Outflows - Pension/OPEB	0	0	0	0	0	125,648	182,055	523,454	793,259	350,664
Net Capital Assets	26,389,075	25,482,412	24,894,568	24,417,691	24,811,502	26,023,731	29,124,941	29,841,150	29,953,743	29,342,791
Total Noncurrent Assets and Deferred Outflows	26,389,075	25,482,412	24,894,568	24,417,691	24,811,502	26,151,219	29,313,748	30,364,604	30,747,002	29,693,455
Total Assets and Deferred Outflows	27,923,552	27,760,150	28,363,918	29,087,271	29,249,744	32,602,951	33,606,225	34,029,659	33,957,436	33,754,127
Current Liabilities - Note 1										
Noncurrent Liabilities	3,350,728	1,172,136	631,069	917,320	893,340	1,144,083	1,147,008	1,170,379	883,718	1,159,252
Noncurrent Liabilities	4,619,340	6,934,646	7,010,199	6,799,125	6,492,338	8,989,385	8,515,500	7,991,968	7,428,207	6,929,925
Net Pension Liability	0	0	0	0	0	945,164	967,006	1,329,450	1,767,769	1,166,234
Net OPEB Liability	0	0	0	0	0	0	0	0	830,248	858,298
Deferred Inflows - Pension/OPEB	0	0	0	0	0	19,049	25,688	10,521	395,631	395,631
Total Liabilities and Deferred Inflows	7,970,068	8,106,782	7,641,268	7,716,445	7,385,678	11,078,632	10,648,563	10,517,485	10,920,463	10,509,340
Total Net Position	\$ 19,953,484	\$ 19,653,368	\$ 20,722,650	\$ 21,370,826	\$ 21,864,066	\$ 21,524,319	\$ 22,957,662	\$ 23,512,174	\$ 23,036,973	\$ 23,244,787
Working Capital										
Current Ratio	0.46	1.94	5.50	5.09	4.97	5.64	3.74	3.13	3.63	3.50
Capital Expenditures	\$ 2,340,812	\$ 318,644	\$ 468,125	\$ 569,990	\$ 1,114,196	\$ 2,233,212	\$ 4,183,028	\$ 1,952,739	\$ 1,445,096	\$ 714,164
Depreciation Expense	\$ 1,080,790	\$ 1,097,687	\$ 1,081,646	\$ 1,064,277	\$ 1,043,115	\$ 1,020,984	\$ 1,081,818	\$ 1,258,250	\$ 1,332,503	\$ 1,325,116
Long Term Debt	\$ 4,370,391	\$ 7,387,774	\$ 7,117,274	\$ 7,006,812	\$ 6,666,105	\$ 9,343,350	\$ 8,882,835	\$ 8,366,639	\$ 7,855,539	\$ 7,325,481
Principal Payments	\$ 2,885,065	\$ 5,638,254	\$ 572,700	\$ 308,262	\$ 340,707	\$ 347,755	\$ 460,515	\$ 516,196	\$ 511,100	\$ 530,058
Interest Expense	\$ 268,091	\$ 256,918	\$ 210,495	\$ 204,688	\$ 202,963	\$ 319,262	\$ 267,129	\$ 232,234	\$ 235,577	\$ 223,129
Liabilities to Assets	28.54%	29.20%	26.94%	26.53%	25.25%	33.98%	31.69%	30.91%	32.16%	31.13%
Operating Results										
Total operating revenues	\$ 4,278,947	\$ 5,182,508	\$ 5,424,538	\$ 5,415,125	\$ 5,426,845	\$ 5,302,638	\$ 5,383,879	\$ 5,520,759	\$ 5,539,932	\$ 5,960,442
Total operating expenses	4,456,241	4,477,600	4,197,192	4,597,249	5,066,731	4,941,645	5,332,003	5,006,760	5,231,723	5,719,236
Operating income (loss)	(177,294)	704,908	1,227,346	817,876	360,993	360,993	51,876	513,999	308,209	241,206
Net non-operating revenues	49,683	(363,682)	(183,741)	(189,941)	(189,604)	(319,262)	(215,661)	(196,364)	(214,262)	(179,351)
(expenses)-Note 1	0	(710,000)	25,677	20,241	322,730	436,198	1,597,128	236,877	163,697	145,959
Transfers and Capital Contributions	(127,611)	(368,774)	1,069,282	648,176	493,240	477,929	1,433,343	554,512	257,644	207,814
Change in Net Position	-0.9%	3.6%	5.9%	3.8%	1.6%	1.7%	0.2%	2.2%	1.3%	1.0%
Return on Assets from Operations	2.7%	1.5%	3.0%	1.7%	1.5%	0.8%	0.7%	2.1%	2.1%	1.9%
CPI changes - Note 2	\$ 1,863,516	\$ 1,880,923	\$ 1,550,840	\$ 1,593,461	\$ 1,240,019	\$ 1,626,924	\$ 1,831,142	\$ 1,805,054	\$ 2,112,248	\$ 2,175,063
Personal services expenses										
Personal services expenses, as a % of total operating expenses	39.4%	39.7%	35.2%	33.2%	23.5%	30.9%	32.7%	34.5%	38.6%	36.6%

Source: Respective comprehensive annual financial reports

Note 1 - Cash basis; include bond anticipation notes of \$2,480,000 (2009)

Note 2 - Bureau of Labor Statistics

Note 3 - Fiscal year 2017 was restated for GASB 75

CITY OF WOOSTER, OHIO
WATER POLLUTION CONTROL
SIGNIFICANT FINANCIAL INFORMATION
LAST TEN YEARS

Schedule 1.5.2
Business-type Services
(accrual basis of accounting)

	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Restated										
Current Assets										
Cash & Investments	\$ 2,879,470	\$ 1,950,283	\$ 1,555,670	\$ 2,568,154	\$ 2,489,926	\$ 5,579,996	\$ 5,234,799	\$ 3,845,094	\$ 3,303,924	\$ 2,850,061
Other Current Assets	512,253	639,207	726,516	767,156	833,440	862,175	937,418	875,987	821,833	967,438
Total Current Assets	3,391,723	2,589,490	2,282,186	3,335,310	3,323,366	6,442,171	6,172,217	4,721,081	4,125,757	3,817,499
Noncurrent Assets and Deferred Outflows										
Long Term Receivables	281,521	255,770	228,356	198,373	167,541	137,622	105,675	72,514	40,566	23,396
Net Pension Asset	0	0	0	0	0	0	4,672	0	0	0
Deferred Outflows-Pension/OPEB	0	0	0	0	0	86,953	125,989	404,097	652,890	401,041
Net Capital Assets	29,411,500	30,496,512	29,444,045	28,016,881	27,278,974	27,623,402	29,688,577	29,994,447	33,379,481	32,131,469
Total Noncurrent Assets and Deferred Outflows	29,693,021	30,752,282	29,672,401	28,215,254	27,446,515	27,849,250	29,924,913	30,471,058	34,072,937	32,555,906
Total Assets and Deferred Outflows	\$ 33,084,744	\$ 33,341,772	\$ 31,954,587	\$ 31,550,564	\$ 30,769,881	\$ 34,291,421	\$ 36,097,130	\$ 35,192,139	\$ 38,198,694	\$ 36,373,405
Current Liabilities										
Net Pension Liability	\$ 1,504,841	\$ 1,945,907	\$ 1,354,773	\$ 1,510,257	\$ 1,429,554	\$ 1,679,772	\$ 2,311,600	\$ 2,082,796	\$ 6,766,625	\$ 2,277,303
Net OPEB Liability	0	0	0	0	0	0	654,090	1,026,311	1,414,215	1,043,472
Deferred Inflows-Pension/OPEB	0	0	0	0	0	0	0	0	664,198	767,951
Noncurrent Liabilities	15,363,353	16,577,056	16,500,927	15,570,312	14,607,158	17,767,163	16,660,284	15,780,679	14,311,564	17,187,154
Total Liabilities and Deferred Inflows	16,868,194	18,522,963	17,855,700	17,080,569	16,036,712	20,101,025	19,654,271	18,909,616	23,165,019	21,577,670
Total Net Position	\$ 16,216,550	\$ 14,818,809	\$ 14,098,887	\$ 14,469,995	\$ 14,733,169	\$ 14,190,396	\$ 16,442,859	\$ 16,282,523	\$ 15,033,675	\$ 14,795,735
Working Capital	\$ 1,886,882	\$ 643,583	\$ 927,413	\$ 1,825,053	\$ 1,893,812	\$ 4,762,399	\$ 3,860,617	\$ 2,638,285	\$ (2,640,868)	\$ 1,540,196
Current Ratio	2.25	1.33	1.68	2.21	2.32	3.84	2.67	2.27	0.61	1.68
Capital Expenditures	\$ 355,556	\$ 2,805,701	\$ 695,003	\$ 345,117	\$ 940,395	\$ 2,076,508	\$ 3,808,308	\$ 2,075,564	\$ 5,467,102	\$ 942,644
Depreciation Expense	\$ 1,793,237	\$ 1,676,302	\$ 1,760,852	\$ 1,750,983	\$ 1,719,606	\$ 1,732,080	\$ 1,743,132	\$ 1,769,695	\$ 2,082,070	\$ 2,190,656
Long Term Debt	\$ 15,181,504	\$ 17,376,578	\$ 17,267,750	\$ 16,386,787	\$ 15,459,237	\$ 18,849,352	\$ 17,877,099	\$ 17,161,169	\$ 20,456,355	\$ 18,870,347
Principal Payments	\$ 810,380	\$ 836,322	\$ 874,469	\$ 900,963	\$ 927,550	\$ 956,117	\$ 1,107,714	\$ 1,265,766	\$ 1,433,369	\$ 6,386,008
Interest Expense	\$ 684,786	\$ 450,465	\$ 454,322	\$ 426,204	\$ 399,580	\$ 463,035	\$ 497,787	\$ 476,648	\$ 501,674	\$ 673,833
Liabilities to Assets	50.98%	55.55%	55.88%	54.14%	52.12%	58.62%	54.45%	53.73%	60.64%	59.32%
Operating Results										
Total operating revenues	\$ 3,679,317	\$ 4,444,080	\$ 5,010,767	\$ 6,147,408	\$ 5,915,257	\$ 6,215,199	\$ 6,070,548	\$ 6,318,086	\$ 6,620,908	\$ 7,697,898
Total operating expenses	5,961,586	5,634,461	5,311,769	5,340,088	5,375,408	5,739,749	6,567,078	6,040,032	6,856,139	7,451,201
Operating income (loss)	(2,282,269)	(1,190,381)	(301,002)	807,320	539,849	475,450	(496,530)	278,054	(235,231)	246,697
Net non-operating revenues (expenses)	(613,138)	(454,226)	(432,301)	(436,212)	(317,979)	(447,509)	1,943,123	(438,390)	(465,284)	(546,606)
Transfers and Contributions	206,738	(370,000)	13,381	0	41,304	(4,850)	805,870	0	37,942	61,969
Change in Net Position	\$ (2,688,669)	\$ (2,014,607)	\$ (719,922)	\$ 371,108	\$ 263,174	\$ 23,091	\$ 2,252,463	\$ (160,336)	\$ (662,573)	\$ (237,940)
Return on Assets from Operations	-14.07%	-8.03%	-2.13%	5.58%	3.66%	3.35%	-3.02%	1.71%	-1.56%	1.67%
CPI changes	2.7%	1.5%	3.0%	1.7%	1.5%	0.8%	0.7%	2.1%	2.1%	1.9%
Personal services expenses	\$ 1,364,535	\$ 1,607,864	\$ 1,137,320	\$ 1,058,590	\$ 1,285,677	\$ 1,188,266	\$ 1,274,151	\$ 1,435,154	\$ 1,726,949	\$ 1,885,912
Personal services expenses as a % of total operating expenses	20.5%	26.4%	19.7%	18.4%	22.3%	19.2%	18.0%	22.0%	23.5%	23.2%

Source: Respective Comprehensive Annual Financial Reports

**CITY OF WOOSTER, OHIO
STORM DRAINAGE UTILITY
SIGNIFICANT FINANCIAL INFORMATION
LAST TEN YEARS**

**Schedule 1.5.3
Business-type Services
(accrual basis of accounting)**

	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
									Restated	
Current Assets										
Cash & Investments	\$ 571,545	\$ 941,345	\$ 1,110,000	\$ 1,325,371	\$ 1,708,019	\$ 1,588,630	\$ 2,194,233	\$ 2,220,881	\$ 2,234,598	\$ 1,671,265
Other Current Assets	174,187	186,830	164,481	184,783	200,880	197,464	202,283	215,482	282,381	208,636
Total Current Assets	745,732	1,128,175	1,274,481	1,510,154	1,908,899	1,786,094	2,396,516	2,436,363	2,516,979	1,879,901
Noncurrent Assets and Deferred Outflows										
Net Pension Asset	0	0	0	0	0	0	312	1,144	0	0
Deferred Outflows-Pension/OPEB	0	0	0	0	0	21,289	30,847	99,232	165,476	79,553
Net Capital Assets	8,971,178	8,886,200	9,282,131	9,537,778	9,748,921	10,530,622	10,237,988	10,380,368	10,632,192	11,465,493
Total Noncurrent Assets and Deferred Outflows	8,971,178	8,886,200	9,282,131	9,537,778	9,748,921	10,552,223	10,269,979	10,479,600	10,797,668	11,545,046
Total Assets and Deferred Outflows	\$ 9,716,910	\$ 10,014,375	\$ 10,556,612	\$ 11,047,932	\$ 11,657,820	\$ 12,338,317	\$ 12,666,495	\$ 12,915,963	\$ 13,314,647	\$ 13,424,947
Current Liabilities										
Noncurrent Liabilities	\$ 187,166	\$ 192,704	\$ 201,717	\$ 309,503	\$ 296,657	\$ 258,966	\$ 244,160	\$ 261,144	\$ 338,026	\$ 107,561
Net Pension Liability	1,496,999	1,365,539	1,208,029	1,028,691	1,044,105	1,219,694	1,043,959	852,838	642,781	608,634
Net OPEB Liability	0	0	0	0	0	160,145	163,846	252,026	353,554	245,523
Deferred Inflows-Pension/OPEB	0	0	0	0	0	0	0	0	166,050	180,694
Total Liabilities and Deferred Inflows	1,684,165	1,558,243	1,409,746	1,338,194	1,340,762	1,638,805	1,455,193	1,370,878	1,502,515	1,213,422
Total Net Position	\$ 8,032,745	\$ 8,456,132	\$ 9,146,866	\$ 9,709,738	\$ 10,317,058	\$ 10,699,512	\$ 11,211,302	\$ 11,545,085	\$ 11,812,132	\$ 12,211,525
Working Capital	\$ 558,566	\$ 935,471	\$ 1,072,764	\$ 1,200,651	\$ 1,612,242	\$ 1,527,128	\$ 2,152,356	\$ 2,175,219	\$ 2,178,953	\$ 1,772,340
Current Ratio	3.98	5.85	6.32	4.88	6.43	6.90	9.82	9.33	7.45	17.48
Capital Expenditures	\$ 397,976	\$ 197,831	\$ 463,490	\$ 524,226	\$ 514,659	\$ 1,099,423	\$ 34,482	\$ 473,189	\$ 594,349	\$ 1,210,044
Depreciation Expense	\$ 263,651	\$ 266,730	\$ 267,558	\$ 279,772	\$ 303,516	\$ 317,722	\$ 327,116	\$ 330,809	\$ 342,526	\$ 376,743
Long Term Debt	\$ 1,483,961	\$ 1,507,541	\$ 1,346,996	\$ 1,186,451	\$ 1,209,688	\$ 1,401,981	\$ 1,233,118	\$ 1,021,525	\$ 833,804	\$ 641,078
Principal Payments	\$ 135,694	\$ 1,325,546	\$ 160,545	\$ 160,545	\$ 170,385	\$ 181,475	\$ 168,863	\$ 211,590	\$ 187,725	\$ 192,726
Interest Expense	\$ 28,597	\$ 29,476	\$ 27,899	\$ 23,165	\$ 20,246	\$ 17,246	\$ 14,500	\$ 11,210	\$ 7,695	\$ 4,263
Liabilities to Assets	17.33%	15.56%	13.35%	12.11%	11.50%	13.28%	11.49%	10.61%	11.28%	9.04%
Operating Results										
Total operating revenues	\$ 916,022	\$ 1,056,903	\$ 1,178,681	\$ 1,311,943	\$ 1,402,695	\$ 1,440,493	\$ 1,496,307	\$ 1,515,027	\$ 1,525,326	\$ 1,546,793
Total operating expenses	525,936	634,566	672,994	743,330	779,015	915,486	980,340	1,184,222	1,222,065	1,309,723
Operating income (loss)	390,086	422,337	505,687	568,613	623,680	525,007	515,967	330,805	303,261	237,070
Net non-operating revenues (expenses)	(22,585)	(28,613)	(14,953)	(16,934)	(16,360)	(8,859)	(4,177)	2,978	11,127	35,547
Transfers and Capital contributions	0	0	200,000	11,193	0	4,850	0	0	0	126,776
Change in Net Position	\$ 367,501	\$ 393,724	\$ 690,734	\$ 562,872	\$ 607,320	\$ 520,998	\$ 511,790	\$ 333,783	\$ 314,388	\$ 399,393
Return on Assets from Operations	4.86%	4.99%	5.53%	5.86%	6.05%	4.91%	4.60%	2.87%	2.57%	1.94%
CPI changes	2.7%	1.5%	3.0%	1.7%	1.5%	0.8%	0.7%	2.1%	2.1%	1.9%
Personal services expenses	\$ 138,857	\$ 199,597	\$ 216,444	\$ 246,357	\$ 245,316	\$ 258,914	\$ 261,941	\$ 366,077	\$ 389,311	\$ 466,645
Personal services expenses as a % of total operating expenses	25.04%	30.06%	30.88%	32.14%	30.69%	27.76%	26.33%	30.62%	31.66%	35.51%

Source: Respective Comprehensive Annual Financial Reports

CITY OF WOOSTER, OHIO
WOOSTER COMMUNITY HOSPITAL
SIGNIFICANT STATISTICAL & FINANCIAL INFORMATION
LAST TEN YEARS

	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Change in Net Position										
Statement Summary										
Total Gross Revenue	\$ 153,930,811	\$ 157,316,615	\$ 165,778,943	\$ 184,495,853	\$ 195,133,640	\$ 216,865,768	\$ 234,127,553	\$ 259,360,084	\$ 286,219,297	\$ 314,348,377
Less: Deductions	(52,799,302)	(53,926,300)	(59,059,908)	(67,720,736)	(76,460,001)	(89,064,390)	(97,770,229)	(113,940,962)	(134,521,537)	(149,117,996)
Net Revenue	101,131,509	103,390,315	106,719,035	116,775,117	118,673,639	127,801,378	136,357,324	145,419,122	151,697,760	165,230,381
Total Operating Costs	96,971,359	100,806,386	103,895,599	111,289,408	117,406,593	124,722,229	129,972,827	142,069,527	159,641,631	170,528,287
Operating Income	4,160,150	2,583,929	2,823,436	5,485,709	1,267,046	3,079,149	6,384,497	3,349,595	(7,943,871)	(5,297,906)
Non-operating Income (Expense)	1,305,374	1,173,308	904,630	450,716	354,538	671,875	596,546	793,740	1,059,433	1,332,854
Capital Contributions	0	0	0	16,800	0	0	0	0	0	0
Change in Net Position	\$ 5,465,524	\$ 3,757,237	\$ 3,728,066	\$ 5,953,225	\$ 1,621,584	\$ 3,751,024	\$ 6,981,043	\$ 4,143,335	\$ (6,884,438)	\$ (3,965,052)

Balance Sheet Information

Cash Balances:										
Days Operating Cash on Hand	62.30	34.40	41.20	47.40	24.70	33.60	39.60	49.70	26.60	29.30
Operating Fund	\$ 14,110,857	\$ 9,067,498	\$ 11,140,088	\$ 13,623,466	\$ 7,746,904	\$ 10,658,498	\$ 13,661,098	\$ 18,042,870	\$ 11,587,505	\$ 13,529,342
Plant Fund	64,554,576	66,293,819	70,409,969	73,152,973	73,604,801	77,966,959	79,079,047	76,450,835	64,222,919	66,852,369
Restricted Cash Funds	1,253,182	1,283,647	1,385,827	1,390,897	1,364,489	1,429,683	1,317,665	1,002,253	953,483	1,068,858
Total Cash & Investments	\$ 79,918,615	\$ 76,644,964	\$ 82,935,884	\$ 88,167,336	\$ 82,716,194	\$ 90,055,140	\$ 94,057,810	\$ 95,495,958	\$ 76,763,907	\$ 81,450,569
Gross Patient Accounts Receivable	\$ 19,539,178	\$ 22,843,181	\$ 23,292,912	\$ 24,342,210	\$ 32,077,570	\$ 32,234,264	\$ 37,172,956	\$ 35,408,729	\$ 46,278,379	\$ 48,655,118
Days Outstanding	48.50	54.50	51.80	50.90	59.30	54.10	58.70	49.30	56.70	54.40

Source: Wooster Community Hospital Monthly Board Reports

Schedule 2.1
Governmental Activities
(cash basis of accounting)

CITY OF WOOSTER, OHIO
INCOME TAX GROSS RECEIPTS (Note 1)
LAST TEN YEARS

Income Tax Base	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	'09-18
Personal Income	\$ 603,162,898	\$ 633,321,043	\$ 611,270,682	\$ 659,882,513	\$ 668,324,620	\$ 610,567,290	\$ 631,597,388	\$ 636,824,018	\$ 656,956,153	\$ 684,375,398	13.5%
Income Tax Revenue	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	% Change '09-18
Income Tax Revenue:											
Withholding	\$ 6,826,219	\$ 7,152,347	\$ 7,418,741	\$ 7,755,459	\$ 8,246,956	\$ 11,919,872	\$ 12,669,690	\$ 14,264,180	\$ 14,423,834	\$ 15,049,657	120.5%
Corporate	746,276	823,135	1,190,834	2,034,334	1,601,833	1,927,706	2,282,623	2,284,553	2,503,857	2,018,404	170.5%
Individuals	842,359	819,886	791,340	854,272	865,201	934,599	1,456,930	1,587,024	1,492,885	1,500,766	78.2%
Total Income Tax Receipts	\$ 8,414,854	\$ 8,795,368	\$ 9,400,915	\$ 10,644,065	\$ 10,713,990	\$ 14,782,177	\$ 16,409,243	\$ 18,135,757	\$ 18,420,576	\$ 18,568,827	120.7%

Income Tax Principal Payers	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	Change '09-18
Industrial	25.1%	26.8%	29.2%	35.4%	34.0%	32.0%	31.9%	31.9%	32.7%	32.0%	27.5%
Education/Government Services	21.8%	20.9%	19.8%	17.6%	17.4%	19.4%	18.1%	16.9%	17.4%	17.6%	(19.3%)
Retail	13.0%	12.5%	13.0%	11.4%	12.0%	11.0%	11.0%	10.9%	10.3%	10.4%	(20.0%)
Medical	8.1%	8.4%	7.5%	7.0%	7.2%	7.0%	7.0%	6.7%	6.4%	5.7%	(29.6%)
Construction	8.5%	9.1%	8.8%	8.2%	9.0%	9.0%	8.0%	9.0%	8.7%	9.0%	5.9%
Financial	3.5%	3.6%	3.5%	2.8%	3.4%	3.4%	4.0%	3.9%	4.3%	3.9%	11.4%
Oil	4.5%	4.7%	4.6%	3.9%	4.5%	4.6%	6.0%	5.2%	4.8%	4.3%	(4.4%)
Restaurants	3.0%	2.5%	3.1%	2.8%	2.5%	2.6%	3.0%	2.6%	2.2%	2.4%	(20.0%)
Miscellaneous	2.3%	2.5%	2.5%	1.9%	2.0%	2.0%	2.0%	2.0%	2.1%	2.0%	(13.0%)
	10.2%	9.0%	8.0%	9.0%	8.0%	9.0%	9.0%	10.9%	11.1%	12.7%	24.5%
	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	

Source: City Finance Department records.
Note 1 - Tax rate is 1.0% of taxable income as defined by City ordinance increased to 1.5% in 2014

CITY OF WOOSTER, OHIO
SCHEDULE OF ASSESSED VALUATION
ESTIMATED TRUE VALUE
LAST TEN YEARS

Property Tax Base	2008/2009	2009/2010	2010/2011	2011/2012	2012/2013	2013/2014	2014/2015	2015/2016	2016/2017	2017/2018
Assessed Value										
Real Property	\$ 542,899	\$ 542,960	\$ 542,910	\$ 509,387	\$ 513,978	\$ 518,273	\$ 515,335	\$ 520,446	\$ 522,642	\$ 552,254
Public Utility Property	10,499	11,242	11,292	12,308	13,488	14,657	14,712	13,890	11,352	10,154
Tangible Personal Property	1,026	684	684	0	0	0	0	0	0	0
Total	\$ 554,424	\$ 554,886	\$ 554,886	\$ 521,695	\$ 527,466	\$ 532,930	\$ 530,047	\$ 534,336	\$ 533,994	\$ 562,408
Total direct tax rate	4.200000	4.200000	4.200000	4.200000	4.200000	4.200000	4.200000	4.200000	4.200000	5.800000
Estimated Actual Value										
Real Property	\$ 1,551,140	\$ 1,551,314	\$ 1,551,172	\$ 1,455,391	\$ 1,468,509	\$ 1,480,603	\$ 1,472,200	\$ 1,486,789	\$ 1,493,103	\$ 1,577,717

Sources: Wayne County Auditor

Building Permit Activity	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Commercial permits	93	65	190	74	78	86	111	129	108	92
Value of commercial permits	\$ 26,340	\$ 6,880	\$ 29,896	\$ 10,897	\$ 21,023	\$ 28,179	\$ 45,155	\$ 42,518	\$ 59,653	\$ 77,486
Residential permits	79	77	104	100	80	105	354	392	343	419
Value of residential permits	5,409	2,956	4,187	3,990	5,236	5,217	8,483	8,858	10,672	10,460
Total permits	172	142	294	174	158	191	465	521	451	511
Total value of permits issued	\$ 31,749	\$ 9,836	\$ 34,083	\$ 14,887	\$ 26,259	\$ 33,396	\$ 53,638	\$ 51,376	\$ 70,325	\$ 87,946

Source: City Building Standards Division.

**CITY OF WOOSTER, OHIO
PROPERTY TAX RATES DIRECT
AND OVERLAPPING GOVERNMENTS
LAST TEN YEARS**

Property Tax Rates	2008/2009	2009/2010	2010/2011	2011/2012	2012/2013	2013/2014	2014/2015	2015/2016	2016/2017	2017/2018
City levy	4.20	4.20	4.20	4.20	4.20	4.20	4.20	4.20	4.20	5.80
County levy	9.65	9.65	9.25	9.25	9.25	9.25	9.25	9.25	10.25	10.25
School levy	71.60	71.60	78.70	79.50	79.50	79.50	79.50	79.90	80.00	76.35
Vocational school	4.85	4.85	4.85	4.85	4.85	4.85	4.85	4.85	4.85	4.60
Mental Health	1.00	1.00	1.00	1.00	4.50	4.50	4.50	4.50	5.50	5.50
Library	1.25	1.25	1.25	1.25	1.25	1.25	1.25	1.20	1.20	1.20
Total levy	88.35	88.35	95.05	95.85	99.35	99.35	99.35	99.70	101.80	97.90
Debt service:	92.55	92.55	99.25	100.05	103.55	103.55	103.55	103.90	106.00	103.70
Included in city levy	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Included in total levy	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00

Source: Wayne County Auditor

**CITY OF WOOSTER, OHIO
 PRINCIPAL PROPERTY TAX PAYERS
 CURRENT YEAR AND NINE YEARS AGO**

	2018			2009		
	RANK	ASSESSED VALUATION (\$000 omitted)	PERCENTAGE OF TOTAL ASSESSED VALUATION	RANK	ASSESSED VALUATION (\$000 omitted)	PERCENTAGE OF TOTAL ASSESSED VALUATION
Principal Payers						
Luk Clutch Systems LLC	1	\$ 7,011	1.25%	1	\$ 5,635	1.02%
Chesterland Productions PPL	2	5,701	1.01%	0	0	0.00%
Wooster Real Estate LLC	3	4,739	0.84%	2	5,384	0.97%
Aspen Grove Investments	4	4,020	0.71%	0	0	0.00%
Gertenslager Co	5	3,744	0.67%	3	4,260	0.77%
Wayne Town Enterprises Ltd	6	3,674	0.65%	8	2,474	0.45%
Progressive Wooster Real Estate, LLC	7	3,668	0.65%	0	0	0.00%
Wooster Associates (Walmart)	8	3,010	0.54%	4	2,969	0.54%
Wooster Brush	9	2,784	0.50%	5	2,820	0.51%
Danbury Woods of Greenfield Crossing, LLC	10	2,751	0.49%	0	0	0.00%
Wooster Crossing	0	0	0.00%	6	2,511	0.45%
Loral Lowes Property	0	0	0.00%	9	2,098	0.38%
Lowes	0	0	0.00%	7	2,479	0.45%
Western Reserve Mutual Casualty	0	0	0.00%	10	2,042	0.37%
Total of Above		\$ 41,102	7.31%		\$ 32,672	5.91%
Total Assessed Valuation of City		\$ 562,408			\$ 554,424	

Source: Wayne County Auditor

**CITY OF WOOSTER, OHIO
 SCHEDULE OF PROPERTY TAX, TANGIBLE TAX, SPECIAL ASSESSMENTS
 LEVIED/BILLED AND COLLECTED
 LAST TEN YEARS**

(\$ 000 omitted)

	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
PROPERTY TAX										
Real and public property:										
Net tax levy	2,779	2,475	2,553	2,349	2,313	2,374	2,307	2,358	2,339	2,467
Current collections	2,604	2,135	2,451	1,993	2,176	2,134	2,141	2,162	2,172	2,250
Percentage of current collection to net levy	94%	86%	96%	85%	94%	90%	93%	92%	93%	91%
Delinquent collections	68	47	51	47	40	51	78	55	75	64
Total Collections	2,672	2,182	2,502	2,040	2,217	2,185	2,219	2,218	2,247	2,247
Percentage of total collections to net levy	96%	88%	98%	87%	96%	92%	96%	94%	96%	91%
TANGIBLE TAX (1)										
Billed	32	17	2	1	1	1	1	1	1	0
Collected	10	3	1	0	0	0	0	0	0	0
Percentage collected	31%	18%	50%	0%	0%	0%	0%	0%	0%	0%
Delinquent	22	14	1	1	1	1	1	1	1	0
SPECIAL ASSESSMENTS										
Billed	442	605	648	693	755	817	844	933	460	539
Collected	362	461	413	388	345	413	387	338	348	412
Percentage collected	82%	76%	64%	56%	46%	51%	46%	36%	76%	76%
Delinquent	80	144	235	305	410	442	544	621	114	133

Source: Wayne County Auditor

(1) 2018 - Tangible tax no longer billed

CITY OF WOOSTER, OHIO Schedule 2.3.1
WATER *Business-type Activities*
REVENUE RELATED INFORMATION, LAST TEN YEARS *(cash basis of accounting)*

	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
WATER RATES PER THOUSAND GALLONS*										
Minimum Charge**	\$11.50	\$13.92	\$14.00	\$14.00	\$14.00	\$14.00	\$14.00	\$14.00	\$14.00	\$14.70
Next 17 Thousand Gallons	\$4.45	\$5.39	\$5.39	\$5.39	\$5.39	\$5.39	\$5.39	\$5.39	\$5.39	\$5.66
Next 1,980 Thousand Gallons	\$3.94	\$4.77	\$4.77	\$4.77	\$4.77	\$4.77	\$4.77	\$4.77	\$4.77	\$5.01
Each Additional Thousand Gallons	\$1.91	\$2.31	\$2.31	\$2.31	\$2.31	\$2.31	\$2.31	\$2.31	\$2.31	\$2.43
CUSTOMER COUNTS:										
Residential	8,879	8,891	8,963	8,983	8,876	8,907	8,701	8,597	8,613	8,659
Industrial	58	56	52	51	56	53	75	76	71	72
Commercial	654	615	593	582	685	668	846	957	963	932
Institutional	192	190	192	193	195	190	235	239	245	248
Totals	9,783	9,752	9,800	9,809	9,812	9,818	9,857	9,869	9,892	9,911

	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
BILLINGS BY CUSTOMER TYPE:										
Residential	\$ 2,504,810	\$ 2,749,450	\$ 2,894,235	\$ 2,948,563	\$ 2,796,972	\$ 2,812,128	\$ 2,829,265	\$ 2,740,553	\$ 2,672,492	\$ 2,749,299
Industrial	285,469	360,146	401,806	387,407	371,785	395,379	460,729	543,061	574,895	691,164
Commercial	729,378	891,655	935,722	988,854	1,052,179	1,013,072	927,480	1,070,832	1,062,573	1,243,254
Institutional	564,933	703,088	691,765	669,466	650,371	648,797	907,940	929,752	861,496	1,016,109
Totals	\$ 4,084,590	\$ 4,704,339	\$ 4,923,528	\$ 4,994,290	\$ 4,871,307	\$ 4,869,376	\$ 5,125,414	\$ 5,284,198	\$ 5,171,456	\$ 5,699,826

	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
USAGE (in thousands of gallons) BY CUSTOMER TYPE:										
Residential	497,426	451,324	437,972	426,928	450,775	442,502	411,973	406,490	398,158	368,880
Industrial	64,302	62,419	65,813	65,270	60,789	64,658	75,762	87,947	99,459	121,394
Commercial	142,992	144,720	138,508	148,592	159,349	156,356	127,719	150,310	148,754	166,018
Institutional	107,313	107,366	99,319	99,996	98,145	103,239	150,132	173,583	151,779	152,864
Totals	812,033	765,829	741,612	740,786	769,058	766,755	765,586	818,330	798,150	809,156

Source: City Finance Department - Utility Billing
 * Rates are those in effect at year end.
 ** Residential minimum charge includes 2,000 gallons of usage

CITY OF WOOSTER, OHIO
WATER POLLUTION CONTROL
REVENUE RELATED INFORMATION, LAST TEN YEARS

Schedule 2.3.2
Business-type Activities
(cash basis of accounting)

	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
SANITARY SEWER RATES:										
Minimum Charge	\$6.15	\$7.44	\$9.00	\$9.00	\$9.00	\$9.00	\$9.00	\$9.00	\$9.00	\$9.45
Per Thousand Gallons**	\$2.42	\$2.92	\$4.00	\$4.00	\$4.00	\$4.00	\$4.00	\$4.00	\$4.00	\$4.20
COD (chemical oxygen demand)	\$0.10102	\$0.10102	\$0.12000	\$0.12000	\$0.12000	\$0.12000	\$0.12000	\$0.12000	\$0.12000	\$0.12000
SS (suspended solids)	\$0.26516	\$0.26516	\$0.28000	\$0.28000	\$0.28000	\$0.28000	\$0.28000	\$0.28000	\$0.28000	\$0.28000

CUSTOMER COUNTS:										
Residential	9,896	9,902	10,036	10,091	9,970	9,999	9,803	9,694	9,706	9,758
Industrial	57	54	52	51	56	53	74	76	72	73
Commercial	686	644	620	606	717	699	860	972	978	948
Institutional	192	191	193	195	196	191	238	242	249	248
Totals	10,831	10,791	10,901	10,943	10,939	10,942	10,975	10,984	11,005	11,027

BILLINGS BY CUSTOMER TYPE:										
Residential	\$ 2,024,762	\$ 2,407,786	\$ 2,644,280	\$ 3,097,712	\$ 3,061,864	\$ 3,145,512	\$ 3,341,434	\$ 3,186,166	\$ 3,145,840	\$ 3,291,763
Industrial	401,573	468,467	1,118,539	451,726	368,681	474,394	1,550,199	959,540	1,054,012	1,180,008
Commercial	438,444	532,649	460,339	614,895	670,486	652,327	834,150	852,902	860,608	1,018,535
Institutional	323,226	399,180	334,998	444,049	430,285	418,275	766,800	893,298	882,963	936,945
Septage & Feedstock	0	0	0	0	0	0	0	121,347	254,390	795,596
High Strength Surcharges	0	0	0	0	0	0	0	292,684	316,482	437,191
Totals	\$ 3,188,005	\$ 3,808,082	\$ 3,558,156	\$ 4,608,382	\$ 4,531,316	\$ 4,690,508	\$ 6,492,583	\$ 6,305,937	\$ 6,514,295	\$ 7,660,038

USAGE (in thousands of gallons) BY CUSTOMER TYPE:										
Residential	491,844	446,833	429,238	414,313	391,569	437,518	420,694	403,331	397,826	370,362
Industrial	165,008	156,764	27,415	27,596	24,322	23,287	210,193	314,545	280,487	374,354
Commercial	140,372	141,811	102,986	109,262	115,892	116,196	123,453	147,017	142,907	162,252
Institutional	106,136	107,944	73,933	72,429	69,042	65,965	128,884	163,145	162,178	168,263
Totals	903,360	853,352	633,572	623,600	600,825	642,966	883,224	1,028,038	983,398	1,075,231

Source: City Finance Department - Utility Billing
* Rates are those in effect at year end
** Based on metered water usage

CITY OF WOOSTER, OHIO
STORM DRAINAGE UTILITY
REVENUE RELATED INFORMATION
LAST TEN YEARS

Schedule 2.3.3
Business-type Activities
(cash basis of accounting)

	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
STORM DRAINAGE RATES*										
Per ESU**	\$5.08	\$5.59	\$5.75	\$5.75	\$5.75	\$5.75	\$5.75	\$5.75	\$5.75	\$5.75
CUSTOMER COUNTS**:										
Residential	8,418	8,490	8,539	8,547	8,412	8,682	8,566	8,520	8,553	8,589
Industrial	48	47	44	44	41	42	57	57	59	60
Commercial	495	464	449	443	600	627	709	775	804	783
Institutional	125	124	124	125	132	147	185	187	194	193
Totals	9,086	9,125	9,156	9,159	9,185	9,498	9,517	9,539	9,610	9,625
BILLINGS BY CUSTOMER TYPE:										
Residential	\$ 434,090	\$ 463,820	\$ 491,569	\$ 498,448	\$ 445,761	\$ 458,113	\$ 734,209	\$ 704,532	\$ 715,818	\$ 708,262
Industrial	122,139	143,192	139,878	141,519	156,429	155,231	179,991	208,116	210,594	210,139
Commercial	259,221	288,689	291,997	296,570	382,165	398,253	352,344	369,381	361,056	379,594
Institutional	95,720	109,587	112,261	113,513	137,840	133,823	227,729	227,371	229,358	240,633
Totals	\$ 911,170	\$ 1,005,288	\$ 1,035,705	\$ 1,050,050	\$ 1,122,195	\$ 1,145,420	\$ 1,494,273	\$ 1,509,400	\$ 1,516,826	\$ 1,538,628
ESU's BY CUSTOMER TYPE										
Residential	7,515	7,758	7,877	7,866	7,219	7,930	8,080	7,255	7,410	7,524
Industrial	2,155	2,152	2,051	2,303	2,304	2,355	2,412	2,996	3,033	3,077
Commercial	4,485	4,368	4,323	5,347	6,024	6,312	4,930	5,087	4,966	5,188
Institutional	1,652	1,651	1,646	2,184	2,083	1,894	3,198	3,230	3,260	3,461
Totals	15,807	15,929	15,897	17,700	17,630	18,491	18,620	18,568	18,669	19,250

Source: City Finance Department - Utility Billing

* Rates are those in effect at year end.

** ESU's (Equivalent Service Units)

	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
REFUSE COLLECTION RATES*										
Regular	\$ 15.08	\$ 15.08	\$ 15.00	\$ 15.00	\$ 15.00	\$ 15.00	\$ 15.00	\$ 13.00	\$ 13.00	\$ 11.50
Senior	\$ 13.27	\$ 13.27	\$ 13.25	\$ 13.25	\$ 13.25	\$ 13.25	\$ 11.25	\$ 11.25	\$ 11.25	\$ 9.75
CUSTOMER COUNTS:										
Residential:										
Regular	6,526	6,606	6,657	6,713	6,777	6,825	6,550	6,551	6,510	6,600
Senior	1,689	1,642	1,620	1,558	1,495	1,488	1,807	1,804	1,901	1,821
Totals	8,215	8,248	8,277	8,271	8,272	8,313	8,357	8,355	8,411	8,421
REVENUE BY CUSTOMER TYPE:										
Residential:										
Regular	\$ 1,180,675	\$ 1,073,703	\$ 993,713	\$ 1,091,790	\$ 1,109,684	\$ 1,102,715	\$ 1,086,816	\$ 1,020,055	\$ 1,011,943	\$ 924,279
Senior	271,220	254,997	250,769	238,454	228,708	231,759	281,753	244,505	264,800	224,863
Totals	\$ 1,451,895	\$ 1,328,700	\$ 1,244,482	\$ 1,330,244	\$ 1,338,392	\$ 1,334,474	\$ 1,368,569	\$ 1,264,560	\$ 1,276,743	\$ 1,149,142

Source: City Finance Department - Utility Billing
 * Rates are those in effect at year end.

CITY OF WOOSTER, OHIO
RATIOS OF OUTSTANDING DEBT BY TYPE
LAST TEN YEARS

Schedule 3.1

Schedule 3.1

	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Governmental Activities:										
General Obligation Bonds	\$ 1,919,409	\$ 420,127	\$ 393,468	\$ 365,661	\$ 336,578	\$ 305,815	\$ 7,273,776	\$ 6,944,924	\$ 6,614,258	\$ 6,275,384
General Obligation Notes	3,220,000	0	0	0	0	0	0	0	0	0
Special Assessment Bonds	971,790	805,592	725,462	640,050	551,765	457,482	399,406	337,689	272,327	203,712
Special Assessment Notes	18,951	11,349	9,336	7,202	4,940	2,542	0	0	0	0
Refunding Bonds	0	3,185,000	2,949,930	2,698,662	2,454,296	2,204,930	1,950,564	1,693,099	1,430,634	1,165,071
OPWC Loans	198,134	175,663	153,192	130,721	108,250	90,088	83,164	62,389	48,540	36,405
Business-Type Activities:										
General Obligation Bonds	2,344,500	706,100	375,100	341,500	307,900	7,516,700	7,227,900	6,926,500	6,612,500	10,875,900
General Obligation Notes	2,480,000	0	0	0	0	0	0	0	4,700,000	0
OPWC Loans	1,084,409	859,295	1,123,517	1,270,838	1,396,642	1,815,650	1,903,262	2,319,105	2,234,543	2,121,424
Refunding Bonds	0	4,790,000	4,515,070	4,221,337	3,920,703	3,620,070	3,319,437	3,006,902	2,699,369	2,379,931
OWDA Loans	19,058,960	19,916,498	19,718,333	18,746,375	17,709,785	16,642,263	15,542,453	14,296,827	12,899,286	11,459,651
Total Primary Government:	\$ 31,296,153	\$ 30,869,624	\$ 29,963,408	\$ 28,422,346	\$ 26,790,859	\$ 32,655,540	\$ 37,699,962	\$ 35,587,435	\$ 37,511,457	\$ 34,517,478
Percentage of Personal Income	5.19%	4.87%	4.90%	4.31%	4.01%	5.35%	5.97%	5.59%	5.71%	5.04%
Per Capita	\$ 1,757	\$ 1,716	\$ 1,589	\$ 1,534	\$ 1,455	\$ 1,761	\$ 1,597	\$ 1,510	\$ 1,543	\$ 1,343

Source: City Finance Department

**CITY OF WOOSTER, OHIO
DIRECT AND OVERLAPPING DEBT
AS OF DECEMBER 31, 2018**

Schedule 3.2

	Governmental Activities Debt Outstanding	Percent Overlapping (1)	Total Applicable to City of Wooster
Direct:			
City of Wooster	\$ 7,680,572	100.00%	\$ 7,680,572
Overlapping:			
Green Local School District	10,314,998	1.41%	145,441
Wayne County Public Library District	3,783,790	19.03%	720,055
Wayne County	6,245,000	22.75%	1,420,738
Total overlapping	<u>20,343,788</u>		<u>2,286,234</u>
Total direct and overlapping debt	<u>\$ 28,024,360</u>		<u>\$ 9,966,806</u>

(1) Percentages determined by dividing the assessed valuation of the portion of the political subdivision located within the City by the total assessed value of the subdivision

Source for Overlapping entities: Ohio Municipal Advisory Council.

CITY OF WOOSTER, OHIO
LEGAL DEBT MARGINS
LAST TEN YEARS

	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
General bonded debt outstanding:										
General Obligation Bonds	\$ 9,963,909	\$ 9,101,227	\$ 8,233,568	\$ 7,627,160	\$ 7,019,477	\$ 13,647,515	\$ 19,771,677	\$ 18,571,425	\$ 22,056,761	\$ 20,696,286
Percent of estimated actual property value	1.797%	1.640%	1.504%	1.462%	1.331%	2.561%	3.730%	3.476%	4.131%	3.680%
Per capita	365	348	312	291	266	514	739	687	816	778
Special Assessment Bonds	990,741	816,941	734,798	647,252	556,705	460,024	399,406	337,689	272,327	203,712
Promissory Notes	20,341,534	20,951,456	20,995,042	20,147,934	19,214,677	18,548,001	17,528,879	16,678,321	15,182,369	13,617,480
Total Gross Indebtedness	31,296,184	30,869,624	29,963,408	28,422,346	26,790,859	32,655,540	37,699,962	35,587,435	37,511,457	34,517,478
Percentage of personal income	7.347%	7.495%	6.869%	6.671%	6.294%	7.570%	8.564%	8.050%	8.322%	7.377%
Per capita	\$ 1,146.88	\$ 1,181.88	\$ 1,135.11	\$ 1,083.42	\$ 1,015.77	\$ 1,230.43	\$ 1,409.40	\$ 1,316.93	\$ 1,388.13	\$ 1,296.77
Less debt outside limitations:										
General Obligation Bonds	4,824,500	5,496,100	4,890,170	4,562,837	4,228,603	11,136,770	10,547,337	9,933,402	9,311,869	13,255,831
Special Assessment Debt	990,741	816,941	734,798	647,252	556,705	460,024	399,406	337,689	272,327	203,712
Promissory Notes	20,341,534	20,951,456	20,995,042	20,147,934	19,214,677	18,548,001	17,528,879	16,678,321	15,182,369	13,617,480
Less debt service resources	624,242	704,488	1,062,242	1,080,455	1,088,190	1,306,480	1,165,100	1,124,263	1,138,001	3,619,137
Net debt within limitations for both Voted and Unvoted debt	4,515,167	2,900,639	2,281,156	1,983,868	1,702,684	1,204,265	8,059,240	7,513,760	11,606,891	3,821,318
Debt Limitation for Voted and Unvoted debt										
10.5% of assessed valuation	58,214,520	58,263,030	57,471,960	54,777,942	55,383,954	55,957,696	55,654,911	56,105,308	56,069,389	59,052,900
Legal debt margin for Voted and Unvoted debt	\$ 53,699,353	\$ 55,362,391	\$ 55,190,804	\$ 52,794,074	\$ 53,681,270	\$ 54,753,431	\$ 47,595,671	\$ 48,591,548	\$ 44,462,498	\$ 55,231,582
Net debt within limitations for both voted and Unvoted debt as a percentage of debt limit	7.756%	4.979%	3.969%	3.622%	3.074%	2.152%	14.481%	13.392%	20.701%	6.471%
Net debt within limitations for both Voted and Unvoted limitation	\$ 4,515,167	\$ 2,900,639	\$ 2,281,156	\$ 1,983,868	\$ 1,702,684	\$ 1,204,265	\$ 8,059,240	\$ 7,513,760	\$ 11,606,891	\$ 3,821,318
Net debt within limitations for Unvoted debt	4,515,167	2,900,639	2,281,156	1,983,868	1,702,684	1,204,265	8,059,240	7,513,760	11,606,891	3,821,318
Debt limitation for Unvoted debt										
5.5% of assessed valuation	30,493,320	30,518,730	30,104,360	28,693,208	29,010,643	29,311,174	29,152,572	29,388,495	29,369,680	30,932,471
Legal Debt Margin for Unvoted debt	\$ 25,978,153	\$ 27,618,091	\$ 27,823,204	\$ 26,709,340	\$ 27,307,959	\$ 28,106,909	\$ 21,093,332	\$ 21,874,735	\$ 17,762,789	\$ 27,111,153
Net debt within limitations for Unvoted debt as a percentage of debt limit	17.38%	10.50%	8.20%	7.43%	6.24%	4.28%	38.21%	34.35%	65.34%	14.10%

**CITY OF WOOSTER, OHIO
 RATIO OF OUTSTANDING DEBT TO ASSESSED VALUE AND
 NET BONDED DEBT PER CAPITA
 LAST TEN YEARS**

Year	General Obligation Bonds (1)	Resources Available for Repayment	Net General Bonded Debt	Percentage of Actual Taxable Value of Property	Per Capita
2018	\$ 20,696,286	\$ 3,619,137	\$ 17,077,149	1.25%	641.56
2017	22,056,761	3,638,466	18,418,295	1.25%	681.58
2016	18,571,425	1,124,263	17,447,162	1.25%	645.64
2015	19,771,677	1,165,100	18,606,577	1.25%	695.60
2014	13,647,515	1,306,480	12,341,035	2.33	465.00
2013	7,019,477	1,288,666	5,730,811	0.68	217.28
2012	7,627,160	1,062,242	6,564,918	0.75	1,011.39
2011	8,233,568	757,033	7,476,535	0.75	1,151.83
2010	9,101,227	704,488	8,396,739	0.81	1,293.60
2009	9,963,909	624,241	9,339,668	0.82	1,479.20

Source: Wayne County Auditor

(1) Details regarding the City's outstanding debt can be found in Note 15 in the basic financial statements

**CITY OF WOOSTER, OHIO
DEMOGRAPHICS
LAST TEN YEARS**

Schedule 4.1

	Population(1)	Total Personal Income(2)	Median Family Income(3)	Per Capita Income(4)	Unemployment Rate(5)		City Square Miles (6)
					Wayne County	State of Ohio	
2009	27,288	603,162,898	39,025	17,811	9.9	10.8	17.344
2010	26,119	633,321,043	39,425	17,994	9.4	9.6	17.334
2011	26,397	611,270,682	41,311	18,855	6.6	7.6	17.334
2012	26,234	659,882,513	40,604	18,532	6.1	7.2	17.336
2013	26,375	668,324,620	40,344	18,413	6.4	7.3	17.557
2014	26,540	610,567,290	40,633	18,545	4.6	5.7	17.557
2015	26,749	631,597,388	41,143	23,612	3.8	4.6	17.557
2016	27,023	636,824,018	40,896	23,566	4.0	4.1	17.557
2017	27,023	656,956,153	41,703	24,311	3.9	5.0	17.557
2018	26,618	684,375,398	43,946	25,711	4.0	4.6	17.557

Sources:

- (1) Wooster Planning Division estimates 2009-2018; U.S. Census Bureau 2015
- (2) Wooster Finance Department estimates 2009-2018 based on Income Tax receipts; U.S. Census Bureau 2016
- (3) Ohiocities.com 2009; U. S. Census Bureau-American Fact Finder 2010 - 2018
- (4) Finance Department estimate; U. S. Census Bureau 2018
- (5) For years 2009 - 2018 Ohio Department of Jobs and Family Services
- (6) City Engineer's annual report

**CITY OF WOOSTER, OHIO
ECONOMIC INDICATORS
FULL-TIME EQUIVALENTS - TOP TEN EMPLOYERS
2009 COMPARED TO 2018**

Employer	Nature of Activity	2018				2009			
		Employees	Rank	Employment % of Total	Employees	Rank	Employment % of Total		
Luk, Inc	Auto Parts Fabricator	1,713	1	12.7%	750	3	5.6%		
The City of Wooster	Government/Hospital	1,040	2	7.7%	750	2	5.6%		
The County of Wayne	Government	780	3	5.8%	800	1	5.9%		
Artiflex Mfg (Gerstenslagers)	Auto Parts Fabricator	637	4	4.7%	N/A	N/A	0.0%		
College of Wooster	Education	596	5	4.4%	600	4	4.5%		
Wooster Brush Company	Manuf. Paint Applicators	591	6	4.4%	450	7	3.3%		
Frito Lay Inc.	Manuf. Food	482	7	3.6%	300	10	2.2%		
Wooster City Schools	Education	430	8	3.2%	500	5	3.7%		
The Ohio State University	Education	406	9	3.0%	N/A	N/A	0.0%		
Cleveland Clinic Foundation	Medical Care	285	10	2.1%	300	9	2.2%		
Walmart	Retail	n/a	n/a	0.0%	300	8	2.2%		
Worthington Industries	Auto Parts Fabricator	n/a	n/a	0.0%	475	6	3.5%		
Totals		6,960		51.6%	5,225		38.7%		

Source: Individual employers' responses to City Finance Department surveys.

CITY OF WOOSTER, OHIO
FULL-TIME EQUIVALENT CITY GOVERNMENT EMPLOYEES (NOTE 1)
LAST TEN YEARS

Schedule 5.1
Primary Government

	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Governmental Services:										
Safety services:										
Police Division	42.0	38.0	43.0	39.5	36.8	43.0	43.0	44.7	45.0	50.0
Fire Division	43.0	42.0	43.0	42.0	42.0	45.0	47.0	46.0	46.0	46.0
Traffic Control	4.0	2.0	2.0	2.0	2.3	3.1	2.7	2.7	2.7	2.7
Total Safety Services	89.0	82.0	88.0	83.5	81.1	91.1	92.7	93.4	93.7	98.7
Leisure services	16.0	10.5	9.9	8.9	10.2	9.5	9.1	9.1	9.1	10.1
Environment and development	7.0	8.4	8.0	9.5	7.0	7.0	8.0	11.2	11.2	11.2
Transportation services	17.5	16.5	17.4	15.0	11.3	13.4	14.9	10.5	11.7	12.7
Administrative services	19.5	16.4	19.0	15.9	17.3	18.0	17.2	19.5	18.4	19.4
Total Governmental Services	149.0	133.8	142.3	132.8	126.9	139.0	141.9	143.7	144.1	152.1
Business-type services (Note 2):										
Wooster Community Hospital	701.2	705.0	704.5	714.3	760.6	785.0	766.1	834.0	844.7	844.1
Water - Treatment & Distribution	20.4	14.0	13.8	14.1	18.3	19.4	16.3	18.5	17.6	16.8
Water Pollution Control - Collection & Treatment	20.1	13.5	13.3	16.1	15.9	16.4	20.8	21.2	22.0	22.8
Storm Drainage - Collection	5.6	5.3	5.3	2.5	3.8	4.2	5.1	4.9	5.3	5.3
Total Business-type Services	747.3	737.8	736.9	747.0	798.6	825.0	808.3	878.6	889.6	889.0
TOTAL PRIMARY GOVERNMENT	896.3	871.6	879.2	879.8	925.5	964.0	950.2	1,022.3	1,033.7	1,041.1

Source: City Human Resources Division and Finance Department payroll office.

Note 1 - Maintenance and Engineering employees are allocated to transportation services, water, water pollution control and storm drainage based on estimated time worked in that activity.

Note 2 - The City contracts with a private waste hauler for refuse collection and disposal and therefore there are no city employees for that service.

**CITY OF WOOSTER, OHIO
PERSONAL SERVICES EXPENSES
LAST TEN YEARS**

Schedule 5.2
**Primary Government
(accrual basis of accounting)**

	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Governmental Services:										
Safety services:										
Police Division	\$ 4,002,999	\$ 4,165,190	\$ 3,843,908	\$ 3,589,636	\$ 3,425,784	\$ 3,625,784	\$ 4,098,879	\$ 5,115,610	\$ 5,096,165	\$ 6,031,087
Fire Division	4,543,321	4,802,165	4,652,430	4,453,346	4,500,152	4,715,225	4,868,114	5,471,067	5,770,365	6,610,097
Traffic Control	329,298	369,395	22,168	171,060	205,924	204,032	269,709	267,912	289,211	320,098
Total Safety Services	8,875,618	9,336,750	8,518,506	8,214,042	8,131,860	8,544,386	9,236,702	10,854,589	11,155,741	12,961,282
Leisure services										
Environment and development	1,269,621	1,168,784	787,909	624,161	547,727	585,028	628,265	721,412	909,669	805,407
Transportation services	571,283	735,705	693,737	633,279	650,479	680,559	694,692	740,994	1,052,935	790,066
Administrative services	1,438,617	1,331,312	810,013	844,354	667,123	735,903	592,878	644,961	798,477	813,432
Total Governmental Services	2,072,359	2,129,818	1,797,454	1,657,026	1,801,242	1,730,231	2,137,624	2,420,510	3,093,615	3,469,328
Business-type services:										
Wooster Community Hospital	14,227,498	14,702,369	12,607,619	11,972,862	11,798,431	12,276,107	13,290,161	15,382,466	17,010,437	18,839,515
Water - Treatment & Distribution	62,360,148	65,458,439	67,688,194	72,242,621	75,545,375	79,743,013	82,659,460	92,395,235	108,064,355	114,408,112
Water Pollution Control - Collection & Treatment	1,846,236	1,880,923	1,550,840	1,593,461	1,522,260	1,626,924	1,831,142	1,805,054	2,112,248	2,175,063
Storm Drainage - Collection	1,342,843	1,607,864	1,137,320	1,058,590	1,099,332	1,188,266	1,274,151	1,435,154	1,726,949	1,885,912
Total Business-type Services	194,287	199,597	216,444	246,357	197,368	258,914	261,941	366,077	389,311	466,645
TOTAL PRIMARY GOVERNMENT	\$ 79,971,012	\$ 83,849,192	\$ 83,200,417	\$ 87,113,891	\$ 90,162,766	\$ 95,093,224	\$ 99,316,855	\$ 111,383,986	\$ 129,303,300	\$ 137,775,247
Health Care Costs										
Health Care Costs as percentage of personal services costs	10.0%	9.9%	9.8%	9.3%	9.7%	5.8%	9.8%	10.5%	9.1%	8.3%
City without Wooster Community Hospital Annual Change	\$ 17,610,864	\$ 18,390,753	\$ 15,512,223	\$ 14,871,270	\$ 14,617,391	\$ 15,350,211	\$ 16,657,395	\$ 18,988,751	\$ 21,238,945	\$ 23,367,135
	5.1%	4.4%	(15.7%)	(4.1%)	(1.7%)	5.0%	8.5%	23.7%	11.9%	10.0%

Source: City Finance Department

2016 and 2017 were updated for Police and Fire divisions to account for a share of GASB 68 and GASB 75

**CITY OF WOOSTER, OHIO
SERVICE INDICATORS
LAST TEN YEARS**

**Schedule 5.3
Governmental Activities**

Service Indicators	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
<i>Safety Services:</i>										
Police (000's)	\$5,599	\$5,723	\$5,264	\$4,780	\$5,164	\$5,297	\$6,317	\$8,070	\$7,766	\$9,132
Calls for Service	17,401	15,278	15,830	14,800	14,186	13,649	14,679	15,743	17,860	18,130
Traffic	2,050	3,221	3,063	4,093	4,505	4,624	4,641	4,430	3,950	3,726
Total Units of Service	19,451	18,499	18,893	18,893	18,691	18,273	19,320	20,173	21,810	21,856
Cost per Unit	\$287.85	\$309.37	\$278.62	\$253.00	\$276.28	\$289.88	\$326.97	\$400.04	\$356.08	\$417.83
Incidents per Citizen	0.7128	0.7083	0.7157	0.7202	0.7087	0.6885	0.7223	0.7465	0.8071	0.8211
Cost per Citizen	\$205.18	\$219.11	\$199.42	\$182.21	\$195.79	\$199.59	\$236.16	\$298.63	\$287.38	\$343.08
Fire (000's)	\$5,766	\$5,937	\$5,740	\$5,647	\$5,723	\$5,966	\$6,247	\$6,919	\$7,025	\$7,673
Fire Responses	748	699	638	664	577	675	751	723	862	885
Squad Responses	2,987	3,004	3,107	3,206	3,132	3,220	3,224	3,318	3,560	3,557
Total Responses	3,735	3,703	3,745	3,870	3,709	3,895	3,975	4,041	4,422	4,442
Cost per Response	\$1,544	\$1,603	\$1,533	\$1,459	\$1,543	\$1,532	\$1,572	\$1,712	\$1,589	\$1,727
Response per Citizen	0.1369	0.1418	0.1419	0.1475	0.1406	0.1468	0.1486	0.1495	0.1636	0.1669
Cost per Citizen	\$211.34	\$227.35	\$220.86	\$220.86	\$216.99	\$224.79	\$233.54	\$256.04	\$259.96	\$288.26
Street Lights (000's)	\$265	\$244	\$366	\$350	\$313	\$286	\$305	\$301	\$285	\$294
Cost per Acre	\$24.01	\$22.11	\$33.16	\$31.71	\$28.36	\$25.91	\$27.64	\$27.27	\$25.82	\$26.64
Traffic Control (000's)	\$676	\$975	\$415	\$613	\$653	\$1,088	\$815	\$849	\$778	\$769
Cost Per Citizen	\$24.77	\$37.33	\$15.72	\$23.37	\$24.76	\$40.99	\$30.47	\$31.42	\$28.79	\$28.89
<i>Health Services:</i>										
Health Dept (000's)	\$148	\$140	\$140	\$137	\$132	\$133	\$132	\$126	\$129	\$128
Health Dept Cost per Citizen	\$5.42	\$5.36	\$5.30	\$5.22	\$5.00	\$5.01	\$4.93	\$4.66	\$4.77	\$4.81
<i>Leisure Services:</i>										
Public Properties & Parks (000's)	\$907	\$777	\$465	\$566	\$593	\$841	\$761	\$1,074	\$1,121	\$1,152
Acres of Parks	605	649	649	640	640	651	651	651	651	651
Square Feet per Citizen	966	1,082	1,071	1,063	1,057	1,068	1,060	1,049	1,049	1,065
Cost per Square Foot	\$0.03	\$0.03	\$0.02	\$0.02	\$0.02	\$0.03	\$0.03	\$0.04	\$0.04	\$0.04
Cost per Citizen	\$33.24	\$29.75	\$17.62	\$21.58	\$22.48	\$31.69	\$28.45	\$39.74	\$41.48	\$43.28

(continued)

**CITY OF WOOSTER, OHIO
SERVICE INDICATORS
LAST TEN YEARS**

**Schedule 5.3
Governmental Activities**

Service Indicators	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Field House/Ice Rink (000's)	\$97	\$80	\$98	\$92	\$78	\$77	\$68	\$74	\$74	\$65
Natorium (000's)	\$6	\$7	\$7	\$6	\$8	\$8	\$4	\$1	\$1	\$0
Community Center (000's)	\$394	\$329	\$236	\$261	\$168	\$302	\$298	\$284	\$302	\$346
Pools (000's)	\$421	\$276	\$300	\$321	\$413	\$373	\$404	\$374	\$397	\$404
Recreation Programs (000's)	\$629	\$704	\$461	\$495	\$415	\$439	\$489	\$476	\$524	\$532
Total Recreation (000's)	\$1,547	\$1,396	\$1,102	\$1,175	\$1,082	\$1,199	\$1,263	\$1,209	\$1,298	\$1,347
Total Recreation Revenue (000's)	\$476	\$527	\$466	\$541	\$443	\$322	\$392	\$351	\$323	\$341
Participations (000's)	222	213	185	117	97	113	137	135	128	145
Participations per Citizen	8.14	8.15	7.01	4.46	3.68	4.26	5.12	5.00	4.74	5.45
Cost per Participation	\$6.97	\$6.55	\$5.96	\$10.04	\$11.15	\$10.61	\$9.22	\$8.96	\$10.14	\$9.29
Revenue per Participation	\$2.14	\$2.47	\$2.52	\$4.62	\$4.57	\$2.85	\$2.86	\$2.60	\$2.52	\$2.35
Cost per Citizen	\$56.69	\$53.45	\$41.75	\$44.79	\$41.02	\$45.18	\$47.22	\$44.74	\$48.03	\$50.60
<i>Environment and Development</i>										
Zoning (000's)	\$85	\$149	\$98	\$110	\$182	\$264	\$264	\$306	\$392	\$270
Housing & Bldg Insp. (000's)	\$562	\$582	\$569	\$512	\$518	\$617	\$617	\$648	\$798	\$735
Total Zoning & Inspection Costs (000's)	\$647	\$731	\$667	\$622	\$700	\$881	\$881	\$954	\$1,190	\$1,005
Cost /Dwelling Unit	\$56.54	\$61.83	\$56.42	\$52.61	\$59.21	\$74.52	\$74.52	\$80.70	\$100.66	\$83.64
Shade Trees (000's)	\$231	\$184	\$174	\$169	\$194	\$10	\$10	\$0	\$0	\$0
Shade Tree Cost per Acre	\$20.93	\$16.67	\$15.77	\$15.31	\$17.58	\$0.91	\$0.91	\$0.00	\$0.00	\$0.00
<i>Transportation Services:</i>										
Parking (000's)	\$13	\$5	\$4	\$3	\$4	\$4	\$4	\$4	\$12	\$19
Public Transit-Taxi Program(000's)	\$252	\$223	\$222	\$214	\$164	\$108	\$108	\$116	\$115	\$366
Street Maintenance (000's)	\$3,250	\$4,766	\$2,913	\$2,979	\$2,921	\$3,418	\$3,418	\$3,928	\$4,289	\$4,371
Street Cleaning (000's)	\$187	\$167	\$100	\$4	\$7	\$18	\$18	\$26	\$30	\$30
Snow & Ice Removal (000's)	\$84	\$321	\$201	\$333	\$285	\$486	\$486	\$345	\$220	\$262
Total Transportation (000's)	\$3,786	\$5,482	\$3,440	\$3,533	\$3,381	\$4,034	\$4,034	\$4,419	\$4,666	\$5,048
Cost per mile of street	\$26,551	\$39,512	\$24,177	\$24,936	\$24,170	\$29,497	\$29,497	\$32,329	\$34,019	\$34,305
Feet of street per citizen	23.56	24.61	24.35	24.51	24.38	24.22	24.03	23.79	26.14	26.59
<i>Administrative Services:</i>										
Engineering (000's)	\$170	\$242	\$174	\$64	\$230	\$111	\$355	\$336	\$367	\$367
Cost per dollar general capital assets (w/o hospital)	\$0.0015	\$0.0024	\$0.0016	\$0.0006	\$0.0021	\$0.0010	\$0.0030	\$0.0027	\$0.0027	\$0.0027

(continued)

**CITY OF WOOSTER, OHIO
SERVICE INDICATORS
LAST TEN YEARS**

**Schedule 5.3
Governmental Activities**

Service Indicators	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Law (000's)	\$339	\$387	\$345	\$346	\$389	\$673	\$518	\$486	\$369	\$369
Cost per budget dollar	\$0.0026	\$0.0028	\$0.0025	\$0.0024	\$0.0027	\$0.0041	\$0.0030	\$0.0026	\$0.0018	\$0.0018
Finance (000's)	\$430	\$306	\$246	\$205	\$237	\$210	\$160	\$240	\$257	\$257
Cost per dollar of assets	\$0.0014	\$0.0010	\$0.0009	\$0.0006	\$0.0007	\$0.0006	\$0.0004	\$0.0006	\$0.0007	\$0.0007
Information Technology (000's)	\$712	\$656	\$487	\$451	\$534	\$550	\$596	\$675	\$719	\$719
Cost per Employee	\$3,670.10	\$3,381.44	\$2,735.96	\$2,750.00	\$3,236.36	\$3,089.89	\$3,274.73	\$3,590.43	\$3,804.23	\$3,649.75
Personnel (000's)	\$284	\$415	\$238	\$203	\$289	\$296	\$326	\$334	\$316	\$316
Cost per Employee	\$1,463.92	\$2,139.18	\$1,337.08	\$1,237.80	\$1,751.52	\$1,662.92	\$1,791.21	\$1,776.60	\$1,671.96	\$1,604.06
Director of Administration (000's)	\$353	\$499	\$317	\$317	\$402	\$382	\$346	\$339	\$338	\$338
Cost per Employee	\$1,819.59	\$2,572.16	\$1,780.90	\$1,932.93	\$2,436.36	\$2,146.07	\$1,901.10	\$1,803.19	\$1,788.36	\$1,715.74
Facilities Maintenance (000's)	\$493	\$536	\$464	\$382	\$515	\$488	\$500	\$515	\$393	\$393
Cost per Citizen	\$18.07	\$20.52	\$17.58	\$14.56	\$19.53	\$18.39	\$18.69	\$19.25	\$14.54	\$14.80
Mayor (000's)	\$97	\$92	\$94	\$117	\$96	\$94	\$91	\$104	\$103	\$103
Council (000's)	\$91	\$95	\$98	\$109	\$96	\$188	\$109	\$122	\$111	\$111

Sources: Respective year's departmental annual reports, full-accrual cost center reports, various demographic sources (see Schedule 4.1, this report)

**CITY OF WOOSTER, OHIO
GOVERNMENTAL CAPITAL ASSETS
BY FUNCTION/PROGRAM
LAST TEN YEARS**

**Schedule 5.4
Governmental Activities**

Function/Program:	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Police										
Stations	1	1	1	1	1	1	1	1	1	1
Patrol Units	39	39	39	39	37	40	40	40	40	40
Fire										
Stations	2	2	2	2	2	2	2	3	3	3
Squad Units	3	3	3	3	3	3	3	3	3	3
Parks and recreation										
Acreage	605	649	649	640	640	651	651	651	651	651
Playgrounds	8	8	8	8	8	8	8	8	8	8
Pools	3	3	3	3	3	3	3	3	3	3
Baseball/softball diamonds	5	5	5	5	5	5	5	5	5	5
Soccer/football fields	15	15	15	15	15	15	15	15	15	15
Community centers	1	1	1	1	1	1	1	1	1	1
Water										
Water mains (miles)	134.7	134.7	134.7	135.3	135.5	136.6	138.7	139.7	139.7	145.0
Fire hydrants	1,376	1,376	1,376	1,413	1,413	1,413	1,413	1,422	1,422	1,422
Storage capacity (thousands of gallons)	3,700	5,455	5,455	5,455	5,455	5,455	6,500	6,750	6,750	6,750
Wastewater										
Sanitary sewers (miles)	120.4	120.6	120.6	120.8	120.9	121.4	122.0	122.0	122.3	172.7
Storm sewers (miles)	120.0	120.3	120.3	121.0	120.4	122.4	122.4	122.8	122.8	125.4
Treatment capacity (thousands of gallons)	7,500	7,500	7,500	7,500	7,500	7,500	7,500	7,500	7,500	7,500
Other public works										
Streets (miles)	133.1	133.1	133.1	133.1	133.8	133.8	133.8	133.8	135.3	136.5
Highways (miles)	4.5	4.5	4.5	13.1	4.5	4.5	4.5	4.5	4.5	4.5
Streetlights	148	148	148	148	148	148	148	148	148	148
Traffic signals	460	460	460	460	460	460	460	460	460	460

Source: Various City Departments
Note: No capital asset indicators are available for the general government

**CITY OF WOOSTER, OHIO
WATER
CAPITAL ASSET INFORMATION
LAST TEN YEARS**

**Schedule 5.5.1
Business-type Activities
(accrual basis of accounting)**

	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
CAPITAL ASSETS:										
<i>Assets not being depreciated:</i>										
Land	\$ 295,866	\$ 295,866	\$ 295,866	\$ 295,866	\$ 324,642	\$ 528,031	\$ 568,991	\$ 568,991	\$ 568,991	\$ 568,991
Construction in progress	2,420,612	0	429,482	282,734	215,069	1,000,549	1,010,249	99,198	0	499,752
Total assets not being depreciated	2,716,478	295,866	725,348	578,600	539,711	1,528,580	1,579,240	668,189	568,991	1,068,743
<i>Assets being depreciated:</i>										
Buildings	11,511,191	11,511,191	11,511,191	11,476,193	11,533,552	11,544,656	11,596,723	11,546,382	11,883,767	11,883,767
Accumulated depreciation	(3,279,093)	(3,522,396)	(3,765,128)	(3,972,571)	(4,218,837)	(4,467,385)	(4,705,226)	(4,935,692)	(5,193,185)	(5,454,170)
Infrastructure	23,406,653	26,160,739	26,201,982	26,499,839	27,791,394	28,943,571	32,941,869	35,801,225	36,948,751	37,163,162
Accumulated depreciation	(8,833,758)	(9,580,815)	(10,283,312)	(10,573,204)	(11,255,502)	(11,924,553)	(12,659,939)	(13,542,304)	(14,502,969)	(15,465,915)
Equipment	3,742,729	3,761,721	3,784,798	3,633,883	3,721,027	3,802,090	3,884,092	3,900,601	3,959,984	3,949,984
Accumulated depreciation	(3,025,409)	(3,143,894)	(3,280,311)	(3,225,049)	(3,299,843)	(3,403,228)	(3,511,818)	(3,597,251)	(3,711,596)	(3,802,780)
Net depreciated capital assets	23,522,313	25,186,546	24,169,220	23,839,091	24,271,791	24,495,151	27,545,701	29,172,961	29,384,752	28,274,048
TOTAL CAPITAL ASSETS	41,377,051	41,729,517	42,223,319	42,188,515	43,585,684	45,818,897	50,001,924	51,916,397	53,361,493	54,065,656
TOTAL ACCUMULATED DEPRECIATION	(15,138,260)	(16,247,105)	(17,328,751)	(17,770,824)	(18,774,182)	(19,795,166)	(20,876,983)	(22,075,247)	(23,407,750)	(24,722,865)
NET CAPITAL ASSETS	\$ 26,238,791	\$ 25,482,412	\$ 24,894,568	\$ 24,417,691	\$ 24,811,502	\$ 26,023,731	\$ 29,124,941	\$ 29,841,150	\$ 29,953,743	\$ 29,342,791
CAPITAL EXPENDITURES	\$ 2,340,812	\$ 318,644	\$ 468,125	\$ 569,990	\$ 1,114,196	\$ 2,233,212	\$ 4,183,028	\$ 1,952,739	\$ 1,445,096	\$ 714,164
DEPRECIATION	\$ 1,080,790	\$ 1,097,687	\$ 1,081,646	\$ 1,064,277	\$ 1,043,115	\$ 1,020,984	\$ 1,081,818	\$ 1,258,250	\$ 1,332,503	\$ 1,325,116

Source: Respective comprehensive annual financial reports

**CITY OF WOOSTER, OHIO
WATER POLLUTION CONTROL
CAPITAL ASSET INFORMATION
LAST TEN YEARS**

**Schedule 5.5.2
Business-type Activities
(accrual basis of accounting)**

	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
CAPITAL ASSETS:										
<i>Assets not being depreciated:</i>										
Land	\$ 201,067	\$ 201,067	\$ 201,067	\$ 201,067	\$ 201,067	\$ 201,067	\$ 242,027	\$ 242,027	\$ 242,027	\$ 242,027
Construction in progress	760,181	2,280,194	285,505	240,035	199,892	1,799,303	4,654,105	6,180,256	59,220	14,234
Total assets not being depreciated	961,248	2,481,261	486,572	441,102	400,959	2,000,370	4,896,132	6,422,283	301,247	256,261
<i>Assets being depreciated:</i>										
Buildings	5,486,971	5,486,971	5,486,971	5,360,017	5,360,017	5,385,315	5,467,113	5,514,395	5,925,471	5,925,471
Accumulated depreciation	(3,604,055)	(3,694,826)	(3,781,216)	(3,756,792)	(3,837,430)	(3,918,462)	(3,992,990)	(4,061,471)	(4,136,573)	(4,215,270)
Infrastructure	37,632,509	38,799,425	41,452,390	41,818,179	42,636,996	43,015,897	43,729,723	44,142,116	50,531,413	51,473,672
Accumulated depreciation	(11,731,937)	(13,142,935)	(14,661,216)	(16,195,064)	(17,743,254)	(19,308,583)	(20,882,284)	(22,472,875)	(24,165,544)	(25,926,640)
Equipment	5,071,585	5,191,457	5,241,567	5,033,171	5,228,871	5,283,320	5,400,241	5,487,480	10,216,308	10,127,203
Accumulated depreciation	(4,460,633)	(4,624,841)	(4,781,023)	(4,683,732)	(4,767,185)	(4,834,455)	(4,929,358)	(5,037,481)	(5,292,841)	(5,509,228)
Net depreciated capital assets	28,394,440	28,015,251	28,957,473	27,575,779	26,878,015	25,623,032	24,792,445	23,572,164	33,078,234	31,875,208
TOTAL CAPITAL ASSETS	49,152,313	51,959,114	52,667,500	52,652,469	53,626,843	55,684,902	59,493,209	61,566,274	66,974,439	67,782,607
TOTAL ACCUMULATED DEPRECIATION	(19,796,625)	(21,462,602)	(23,223,455)	(24,635,588)	(26,347,869)	(28,061,500)	(29,804,632)	(31,571,827)	(33,594,958)	(35,651,138)
NET CAPITAL ASSETS	\$ 29,355,688	\$ 30,496,512	\$ 29,444,045	\$ 28,016,881	\$ 27,278,974	\$ 27,623,402	\$ 29,688,577	\$ 29,994,447	\$ 33,379,481	\$ 32,131,469
CAPITAL EXPENDITURES	\$ 355,556	\$ 2,805,701	\$ 695,003	\$ 345,117	\$ 940,395	\$ 2,076,508	\$ 3,808,308	\$ 2,075,564	\$ 5,467,102	\$ 942,644
DEPRECIATION	\$ 1,793,237	\$ 1,676,302	\$ 1,760,852	\$ 1,750,983	\$ 1,719,606	\$ 1,732,080	\$ 1,743,132	\$ 1,769,695	\$ 2,082,070	\$ 2,190,656

Source: Respective comprehensive annual financial reports

**CITY OF WOOSTER, OHIO
STORM DRAINAGE UTILITY
CAPITAL ASSET INFORMATION
LAST TEN YEARS**

**Schedule 5.5.3
Business-type Activities
(accrual basis of accounting)**

	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
CAPITAL ASSETS:										
<i>Assets not being depreciated:</i>										
Construction in progress	\$ 11,583	\$ 166,132	\$ 783,897	\$ 493,968	\$ 72,259	\$ 16,177	\$ 6,277	\$ 0	\$ 125,578	\$ 9,464
Total assets not being depreciated	11,583	166,132	783,897	493,968	72,259	16,177	6,277	0	125,578	9,464
<i>Assets being depreciated:</i>										
Buildings	0	0	0	0	0	39,375	39,375	39,375	39,375	39,375
Accumulated depreciation	0	0	0	0	0	(197)	(984)	(1,772)	(2,559)	(3,346)
Infrastructure	12,272,051	12,406,221	12,431,437	13,246,138	14,181,712	15,177,402	15,221,784	15,701,251	16,170,023	17,248,821
Accumulated depreciation	(3,487,993)	(3,733,220)	(3,976,741)	(4,229,387)	(4,509,917)	(4,815,204)	(5,127,781)	(5,444,189)	(5,773,840)	(6,129,462)
Equipment	433,868	445,424	465,931	476,579	477,372	597,812	597,812	597,811	597,811	842,671
Accumulated depreciation	(383,606)	(398,357)	(422,393)	(449,520)	(472,505)	(484,743)	(498,495)	(512,108)	(524,196)	(542,030)
Net depreciated capital assets	8,834,320	8,720,068	8,498,234	9,043,810	9,676,662	10,514,445	10,231,711	10,380,368	10,506,614	11,456,029
TOTAL CAPITAL ASSETS	12,717,502	13,017,777	13,681,265	14,216,685	14,731,343	15,830,766	15,865,248	16,338,437	16,932,787	18,140,331
TOTAL ACCUMULATED DEPRECIATION	(3,871,599)	(4,131,577)	(4,399,134)	(4,678,907)	(4,982,422)	(5,300,144)	(5,627,260)	(5,958,069)	(6,300,595)	(6,674,838)
NET CAPITAL ASSETS	\$ 8,845,903	\$ 8,886,200	\$ 9,282,131	\$ 9,537,778	\$ 9,748,921	\$ 10,530,622	\$ 10,237,988	\$ 10,380,368	\$ 10,632,192	\$ 11,465,493
CAPITAL EXPENDITURES	\$ 397,976	\$ 197,831	\$ 463,490	\$ 524,226	\$ 514,659	\$ 1,099,423	\$ 34,482	\$ 473,189	\$ 594,349	\$ 1,210,044
DEPRECIATION	\$ 263,651	\$ 266,730	\$ 267,558	\$ 279,772	\$ 303,516	\$ 317,722	\$ 327,116	\$ 330,809	\$ 342,526	\$ 376,743

Source: Respective comprehensive annual financial reports

CITY OF WOOSTER, OHIO
WOOSTER COMMUNITY HOSPITAL
SIGNIFICANT FINANCIAL AND STATISTICAL INFORMATION
LAST TEN YEARS

Schedule 5.6
Business-type Services
(accrual basis of accounting)

	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
ADMISSIONS	5,630	5,313	5,802	6,023	5,892	6,089	5,962	6,228	6,770	6,770
PATIENT DAYS:										
Adult & Peds	19,499	14,899	16,130	16,272	15,029	15,613	14,916	15,577	17,921	24,121
Newborn Days	2,544	2,338	2,498	2,565	2,500	2,350	2,366	2,411	2,297	2,290
Adjusted Patient Days	53,067	49,038	50,188	50,762	59,012	66,403	68,386	67,749	69,133	65,593
AVERAGE LENGTH OF STAY:										
Total	3.4	3.2	3.1	3.0	3.6	4.2	4.0	4.1	4.1	2.8
BIRTHS	1,057	988	1,051	1,085	1,114	1,066	1,134	1,151	1,166	1,230
EMERGENCY DEPARTMENT										
ED Visits	31,090	30,951	31,772	33,280	32,272	33,416	34,957	35,056	34,730	31,061
ED Admits	4,542	5,160	5,614	5,870	5,454	5,607	2,498	5,394	5,582	4,992
RADIOLOGY OUTPATIENT VISITS	45,279	43,564	43,530	44,810	44,465	44,943	46,453	47,511	50,924	45,818
LAB OUTPATIENT PROCEDURES	322,212	333,646	347,166	339,684	322,453	312,637	339,392	354,070	362,708	354,519
SURGERY:										
Inpatient	1,484	1,067	1,151	1,078	1,016	986	1,041	1,137	1,177	942
Outpatient	3,317	3,087	3,104	2,822	2,877	3,005	3,403	3,439	3,463	3,406
OUTPATIENT REGISTRATION	99,846	99,846	107,992	111,410	113,500	116,003	128,143	134,425	135,808	128,754
HOME HEALTH ADMISSIONS	812	796	873	852	935	792	954	1,104	1,084	750
COST PER ADJUSTED DISCHARGE	\$5,840	\$5,992	\$5,872	\$5,750	\$6,160	\$6,633	\$6,727	\$7,228	\$7,294	\$7,152
TOTAL FTE'S (Hospital including Home Health and Contract)	701.2	701.2	704.5	722.6	760.6	778.0	801.7	831.7	844.7	843.8

Source: Wooster Community Hospital Monthly Board Reports

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**CITY OF WOOSTER
WAYNE COUNTY, OHIO**

Independent Auditors' Reports on
Internal Controls and Compliance
and Schedule of Expenditures of Federal Awards

December 31, 2018

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

City Council
City of Wooster
538 North Market Street
Wooster, Ohio 44691

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, each major fund, and the aggregate remaining fund information of the City of Wooster, Ohio (the "City"), as of and for the year ended December 31, 2018, and the related notes to the financial statements, which collectively comprise the City's basic financial statements, and have issued our report thereon dated August 29, 2019, wherein we noted the City adopted the provisions of GASB Statement No. 75.

Internal Control Over Financial Reporting

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

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 entity'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 and therefore, material weaknesses or significant deficiencies may exist that have not been identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. We did identify a deficiency in internal control, described in the accompanying schedule of findings and questioned costs as item 2018-001, that we consider to be a significant deficiency.

Compliance and Other Matters

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

City's Response to Finding

The City's response to the finding identified in our audit is described in the accompanying schedule of findings and questioned costs. The City's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

Purpose of this Report

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

Clark, Schaefer, Hackett & Co.

Springfield, Ohio
August 29, 2019

**INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR
EACH MAJOR FEDERAL PROGRAM; REPORT ON INTERNAL CONTROL
OVER COMPLIANCE; AND REPORT ON THE SCHEDULE OF EXPENDITURES
OF FEDERAL AWARDS REQUIRED BY THE UNIFORM GUIDANCE**

City Council
City of Wooster
538 North Market Street
Wooster, Ohio 44691

Report on Compliance for Each Major Federal Program

We have audited the City of Wooster, Ohio's (the "City") compliance with the types of compliance requirements described in the *OMB Circular Compliance Supplement* that could have a direct and material effect on each of the City's major federal programs for the year ended December 31, 2018. The City's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

Auditors' Responsibility

Our responsibility is to express an opinion on compliance for each of the City's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the City's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

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

Opinion on Each Major Federal Program

In our opinion, the City complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended December 31, 2018.

Report on Internal Control Over Compliance

Management of the City is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the City's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the City's internal control over compliance.

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

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

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

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

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City as of and for the year ended December 31, 2018, and the related notes to the financial statements, which collectively comprise the City's basic financial statements. We issued our report thereon dated August 29, 2019, which contained unmodified opinions on those financial statements. Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by the Uniform Guidance and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards is fairly stated in all material respects in relation to the basic financial statements as a whole.

Clark, Schaefer, Hackett & Co.

Springfield, Ohio
August 29, 2019

**CITY OF WOOSTER
WAYNE COUNTY, OHIO
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2018**

Grant Agency/Project Title	Grant Identification Number	CFDA Number	Expenditures
FEDERAL ASSISTANCE:			
U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT			
Passed through the State of Ohio Development Services Agency:			
Community Development Block Grants:			
Community Development Grant Program	A-F-16-2EQ-1	14.228	\$ 367,200
Community Development Grant Program	A-C-17-2EQ-1	14.228	23,423
Community Development Grant Program	A-C-17-2EQ-2	14.228	109,792
Total Community Development Block Grants			<u>500,415</u>
Total U.S. Department of Housing and Urban Development			<u>500,415</u>
U.S. DEPARTMENT OF TRANSPORTATION			
Passed through the Ohio Department of Transportation:			
Highway Planning and Construction Cluster:			
Highway Planning and Construction - Various Wooster Street Projects	PID #105353	20.205	514,287
Highway Planning and Construction - Way - Wooster Loop - Phase 1	PID #101933	20.205	336,212
Total Highway Planning and Construction Cluster			<u>850,499</u>
Total U.S. Department of Transportation			<u>850,499</u>
U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES			
Passed through the Ohio Department of Health:			
National Bioterrorism Hospital Preparedness Program	07760042RP0310	93.889	16,499
Total U.S. Department of Health and Human Services			<u>16,499</u>
Total Federal Expenditures			<u><u>\$ 1,367,413</u></u>

The accompanying schedule of expenditures of federal awards includes the federal grant activity of the City of Wooster, Wayne County, Ohio, and is presented on the cash basis of accounting. The information in this schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements. The City has elected not to use the 10 percent de minimis indirect cost rate allowed under Uniform Guidance.

Section I – Summary of Auditors’ Results

Financial Statements

Type of auditors’ report issued:	Unmodified
Internal control over financial reporting:	
• Material weakness(es) identified?	None noted
• Significant deficiency(ies) identified not considered to be material weakness(es)?	Yes
Noncompliance material to financial statements noted?	None noted

Federal Awards

Internal control over major programs:	
• Material weakness(es) identified?	None noted
• Significant deficiency(ies) identified not considered to be material weakness(es)?	None noted
Type of auditors’ report issued on compliance for major programs:	Unmodified
Any audit findings that are required to be reported in accordance with 2 CFR 200.516(a)?	None noted
Identification of major programs:	
<u>Highway Planning and Construction Cluster:</u> CFDA 20.205 – Highway Planning and Construction	
Dollar threshold to distinguish between Type A and Type B programs:	\$750,000
Auditee qualified as low-risk auditee?	Yes

Section II – Financial Statement Findings

2018-001: Significant Deficiency – Financial Reporting

The compilation and presentation of materially correct financial statements and related note disclosures is the responsibility of the City's management. Thus, it is important to develop appropriate control procedures related to drafting financial statements and disclosures which enable errors to be prevented or detected and corrected, on a timely basis.

As the result of audit procedures performed, certain errors were noted within the City's financial statements presented for audit. The corrections noted below were not deemed to be material, and therefore the City chose not to adjust the current year financial statements.

- During 2018, the City migrated to a new accounting system. As a result, certain year-end encumbrance amounts were not properly reported within the budgetary comparison statements and schedules presented in the City's CAFR thereby understating the budgetary expenditures presented.
- In a prior year, the calculation of the City's net pension liability did not properly account for the change in proportionate share within the deferred amounts. Rather, that amount was expensed resulting in overstatement of expenses and understatement of deferred the appropriate deferred amount. Over the next few years, the understated amounts that should have been deferred and amortized, will continue to be reduced until eliminated.
- Certain adjustments of long-term items are being improperly posted by the City's accounting system. As a result, the amount reported for specific components of net position for governmental activities are not correct. While the majority of the variances exist between the different restricted net position components, an insignificant variance exists between unrestricted and total restricted net position reported.

The City should ensure financial reporting procedures are implemented to detect errors and omissions in the financial statements prior to presenting them for audit. Sufficient time should be allowed to properly review the financial statement amounts and disclosures to help ensure accuracy of those statements prior to finalization.

City's Response: The City acknowledges the errors noted above. We will continue to improve financial reporting procedures to ensure such issues are not repeated in the future.

Section III – Federal Awards Findings and Questioned Costs

None noted

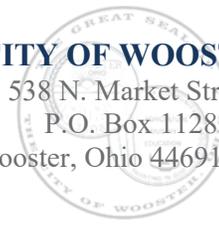
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Robert F. Breneman, Mayor

CITY OF WOOSTER

538 N. Market Street
P.O. Box 1128
Wooster, Ohio 44691-7082



Andrei A. Dordea, CPA

Director of Finance
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City of Wooster, Ohio
Corrective Action Plan
December 31, 2018

<u>Finding Number</u>	<u>Planned Corrective Action</u>	<u>Anticipated Completion</u>
2018-001	The new accounting system coupled with a secondary review of these transactions should ensure the proper recording of components of net position.	Immediately



OHIO AUDITOR OF STATE
KEITH FABER



CITY OF WOOSTER

WAYNE COUNTY

CLERK'S CERTIFICATION

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

Susan Babbitt

CLERK OF THE BUREAU

**CERTIFIED
OCTOBER 15, 2019**