

CITY OF RITTMAN

WAYNE COUNTY, OHIO

AUDIT REPORT

For the Year Ended December 31, 2016





Dave Yost • Auditor of State

City Council
City of Rittman
30 North Main Street
Rittman, Ohio 44270

We have reviewed the *Independent Auditor's Report* of the City of Rittman, Wayne County, prepared by Charles E. Harris & Associates, Inc., for the audit period January 1, 2016 through December 31, 2016. 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 Rittman is responsible for compliance with these laws and regulations.

A handwritten signature in black ink that reads "Dave Yost".

Dave Yost
Auditor of State

September 12, 2017

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CITY OF RITTMAN
WAYNE COUNTY, OHIO
Audit Report
For the Year Ended December 31, 2016

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Charles E. Harris & Associates, Inc.
Certified Public Accountants

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

City of Rittman
Wayne County
30 North Main Street
Rittman, Oh 44270

To the Members of Council:

We have audited, in accordance with auditing standards generally accepted in the United States and the Comptroller General of the United States' *Government Auditing Standards*, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Rittman, Wayne County, Ohio (the City) as of and for the year ended December 31, 2016, and the related notes to the financial statements, which collectively comprise the City's basic financial statements and have issued our report thereon dated June 23, 2017.

Internal Control Over Financial Reporting

As part of our financial statement audit, we considered the City's internal control over financial reporting (internal control) to determine the audit procedures appropriate in the circumstances to the extent necessary to support our opinions on the financial statements, but not to the extent necessary to opine on the effectiveness of the City's internal control. Accordingly, we have not opined on it.

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

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

Compliance and Other Matters

As part of reasonably assuring whether the City's financial statements are free of material misstatement, we tested its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could directly and materially affect the determination of financial statement amounts. However, opining on compliance with those provisions was not an objective of our audit and accordingly, we do not express an opinion. The results of our tests disclosed no instances of noncompliance or other matters we must report under *Government Auditing Standards*.

We did note certain matters not requiring inclusion in this report that we reported to the City's management in a separate letter dated June 23, 2017.

Purpose of this Report

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



Charles E. Harris & Associates, Inc.
June 23, 2017

CITY OF RITTMAN
WAYNE COUNTY, OHIO

SCHEDULE OF PRIOR AUDIT FINDINGS
December 31, 2016

The prior report, for the year ending December 31, 2015, reported no material citations or recommendations.

CITY OF RITTMAN, OHIO



Comprehensive Annual Financial Report For the Year Ended December 31, 2016

**City of Rittman
Wayne County, Ohio**

**Comprehensive Annual Financial Report
For the Year Ended December 31, 2016**

Issued by: Finance Department
Pamela Keener, Finance Director

INTRODUCTORY SECTION

City of Rittman
Wayne County, Ohio
Comprehensive Annual Financial Report
For the Year Ended December 31, 2016

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City of Rittman
Wayne County, Ohio
Comprehensive Annual Financial Report
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City of Rittman
Wayne County, Ohio
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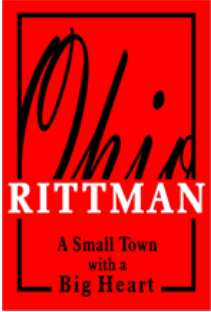
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City of Rittman
Wayne County, Ohio
Comprehensive Annual Financial Report
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The City of Rittman Offices

30 North Main Street
Rittman, Ohio 44270
330-925-2064
www.rittman.com

Pamela Keener
Finance Director
pkeener@rittman.com

June 30, 2017

Members of Rittman City Council and
Citizens of Rittman, Ohio

The Comprehensive Annual Financial Report (CAFR) of the City of Rittman (the “City”) for the fiscal year ending December 31, 2016 is hereby submitted. Responsibility for both the accuracy of the data and the completeness and fairness of the presentation, including all disclosures, rests with the City's management. To the best of our knowledge and belief, the enclosed data is accurate in all material respects and is reported in a manner designed to present fairly the financial position and results of operations of the City. All disclosures necessary to enable the reader to gain an understanding of the City's financial activities have been included.

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

The City's Finance Department is responsible for management's representations concerning the finances of the City. Consequently, management assumes full responsibility for the completeness and reliability of the information contained in this report, based upon a comprehensive framework of internal control that it has established for this purpose. Because the cost of internal control should not exceed its anticipated benefits, the objective is to provide reasonable, rather than absolute, assurance that the financial statements are free of any material misstatements.

In developing and revising the City's accounting and reporting control systems, consideration is given to the adequacy of internal controls to provide reasonable, but not absolute assurance regarding the safeguarding of assets from loss, theft, or misuse and reliability of financial records for preparing the City's financial statements in conformity with GAAP and maintaining accountability for assets. The concept of reasonable assurance recognizes that the cost of a control should not exceed the benefits likely to be derived, and the evaluation of costs and benefits requires estimates and judgments by management.

As management, we believe the data presented is accurate in all material aspects and that all disclosures necessary to enable the reader to acquire the maximum understanding of the City's financial activity have been included.

The City of Rittman

The City of Rittman is located in the north central part of the State of Ohio, within the boundaries of Wayne and Medina Counties. The City of Rittman 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 1960 and has undergone three amendments since that time. The government consists of a Mayor and 6-member council.

The Mayor and all members of City Council are elected to 4-year terms. All of these officials are elected on an at-large basis.

The City provides the full range of municipal services addressed in its charter. These services include police, fire, public health, recreation and parks, street and sidewalks, water, sewer, and solid waste 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's 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.

The annual budget serves as the foundation for the City's financial planning and control. The City complies with the requirements of the Ohio Revised Code in the adoption of the Budget. Appropriations for the operation of various City departments are established through the passage of an ordinance by City Council. Budgetary control is facilitated through the maintenance of an encumbrance system for purchase orders, and through the use of the City's automated financial system.

The appropriated budget is prepared by fund, (e.g., General Fund), department (e.g., Police) and line item (e.g., Personal Services). The City Council may pass supplemental appropriations at any time by ordinance. Budget-to-actual comparisons are provided in this report for each individual fund for which an appropriated annual budget has been adopted. The General Fund is presented in the basic financial statements, beginning on page 22. For other funds, this comparison is presented in the governmental fund subsection of this report, which starts on page 83.

2016 Initiatives

The City's infrastructure was improved in 2016 with the resurfacing of West Sunset Drive, painting of the Metzger water tower, repair of the River Styx bridge and the resurfacing of tennis courts at Rotary Park. The City was able to obtain a 49% Ohio Public Works Commission (OPWC) grant for the resurfacing of West Sunset Drive and 0% interest OPWC loan for the painting of the Metzger water tower. The funding for the River Styx bridge was a collaborative effort with Morton Salt contributing \$12,500, Rittman Community Improvement Corporation contributing \$12,500 and the Ohio Department of Transportation granting the remaining \$25,000.

In 2016, several departments were awarded grants to replace their equipment and repair their infrastructure. EMS and the fire department received grants from the State of Ohio for the purchase of portable and mobile radios in the amounts of \$153,242 and \$45,880, respectively. The parks and recreation department received a \$18,000 grant from the Greater Wayne Community Foundation for the purchase of LED lights for the natatorium.

Several vehicles in the City's aging fleet were replaced in 2016. The City purchased a Ford Interceptor (SUV) for the police department and a F150 Ford pickup truck and International lift truck for the service department.

Additional capital improvements included the purchase on new playground equipment for two of the City's parks and the replacement of fencing at Industrial Street park.

Development Activities

As reported previously, the 300 acre site that was once Rittman's largest employer was purchased by Hull and Associates under the company name of Urban Renewables II (URII). The City entered into a development agreement with URII to assist them in water treatment to help speed up the cleanup process. This agreement allows the City to have some control with the future of how the land is developed. The buildings of the old paper plant were demolished and cleared in 2014. The project was somewhat delayed in 2015 and 2016 due to issues with the Ohio EPA. Eventually, URII was able to negotiate with the Ohio EPA to get what is called a Voluntary Action Program agreement, this allowed them to address EPA requirements in a financially feasible manner. The City continues to work with Wayne Economic Development Council (WEDC) and Jobs Ohio to market this land as a new Industrial Park for the City. WEDC and URII are excited about this property as it is the only site available at this time in Wayne County with two separate rail spurs and with close proximity to the interstate system, to service new manufacturing facilities.

Long-term Financial Planning

In an effort to be proactive instead of reactive, the City continually evaluates its revenues and expenditures and programs and services provided, especially those under its control. With the change in the income tax credit granted to residents who work outside the City and pay taxes to other municipalities and reallocation of the income tax revenue, the City is able to ensure ongoing sustainability and infrastructure replacement.

In 2010, the Administration adopted a five-year capital improvement program to assess the City's ability to meet the needs of the community in future years. One component of the plan is long-term financial projections, which is intended to indicate the need for continued cost containment or revenue enhancement efforts. The five-year capital plan was updated and adopted in 2016.

Economic Condition and Outlook

The City's total net position increased \$618,800, which represents an increase of over 3 percent from 2015. Net position of governmental activities and business-type activities increased \$421,244 and \$197,556, respectively. All governmental funds had revenues of \$4,532,260 and expenditures of \$4,284,779. The general fund's net change in fund balance was an increase of \$177,998. This was mainly due to the implementation of HB5. Income tax revenue increased \$202,796. Expenditures remained fairly consistent with the prior year. The fund balance of the emergency medical service fund and fire department levy fund decreased by \$1,676 and \$1,494, respectively.

The City's governing body, administration, and employees are committed to working together to provide quality services to the residents. The future impact of the initiatives undertaken in 2016, combined with the imminent redevelopment of the large vacant industrial site, should allow the City to gain some financial strength in 2017 and subsequent years. However, the City will remain vigilant in evaluating their financial position and be proactive wherever possible by implementing revenue enhancing or cost cutting measures.

Administration will continue to look for other ways to expand the City's tax base, focusing on small businesses looking to relocate or revitalization of vacant property. Looking forward, the City is optimistic that the financial position of the City will improve.

Independent Audit

The City is not legally required to obtain an independent annual audit. The minimum requirement is for the State of Ohio to perform an audit, directly or indirectly, through an independent auditing firm at least every two years. The City, consistent with the professional manner in which it has conducted its financial affairs, has chosen to fund annual audits. The City has engaged Charles E. Harris & Associates, to audit the City's financial records. The auditor's unmodified opinion is included herein.

Certification of Achievement

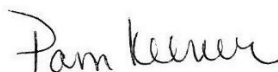
The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Rittman, Ohio for its Comprehensive Annual Financial Report for the fiscal year ended December 31, 2015. The City has received this award since 1996, the first year that the City prepared and submitted a CAFR. The Certificate of Achievement is a prestigious national award, recognizing conformance to the highest standards for preparation of state and local government financial reports.

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 that our current Comprehensive Annual Financial Report conforms to Certificate of Achievement Program's requirements, and we are submitting it to the GFOA to determine its eligibility for another certificate.

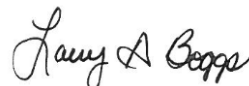
Acknowledgments

The preparation of this report could not have been accomplished without the dedicated services of the administrative staff. We wish to express our appreciation to members of other City departments who assisted and contributed to the preparation of this report. In addition, gratitude is extended to the independent accounting firm of Rea & Associates, Inc. for their advice and guidance. City Council also deserves a special acknowledgment for their support and commitment to responsible fiscal reporting.

Respectfully Submitted,



Pamela Keener
Finance Director



Larry A. Boggs
City Manager

City of Rittman, Ohio

For the year ended December 31, 2016

CITY OFFICIALS

Mayor

William Robertson

Council Members

Brian Smith
Darrell Carey, President
Rick Hanlon

Steve Johnson
Ken Park
David Williams

City Manager

Larry Boggs

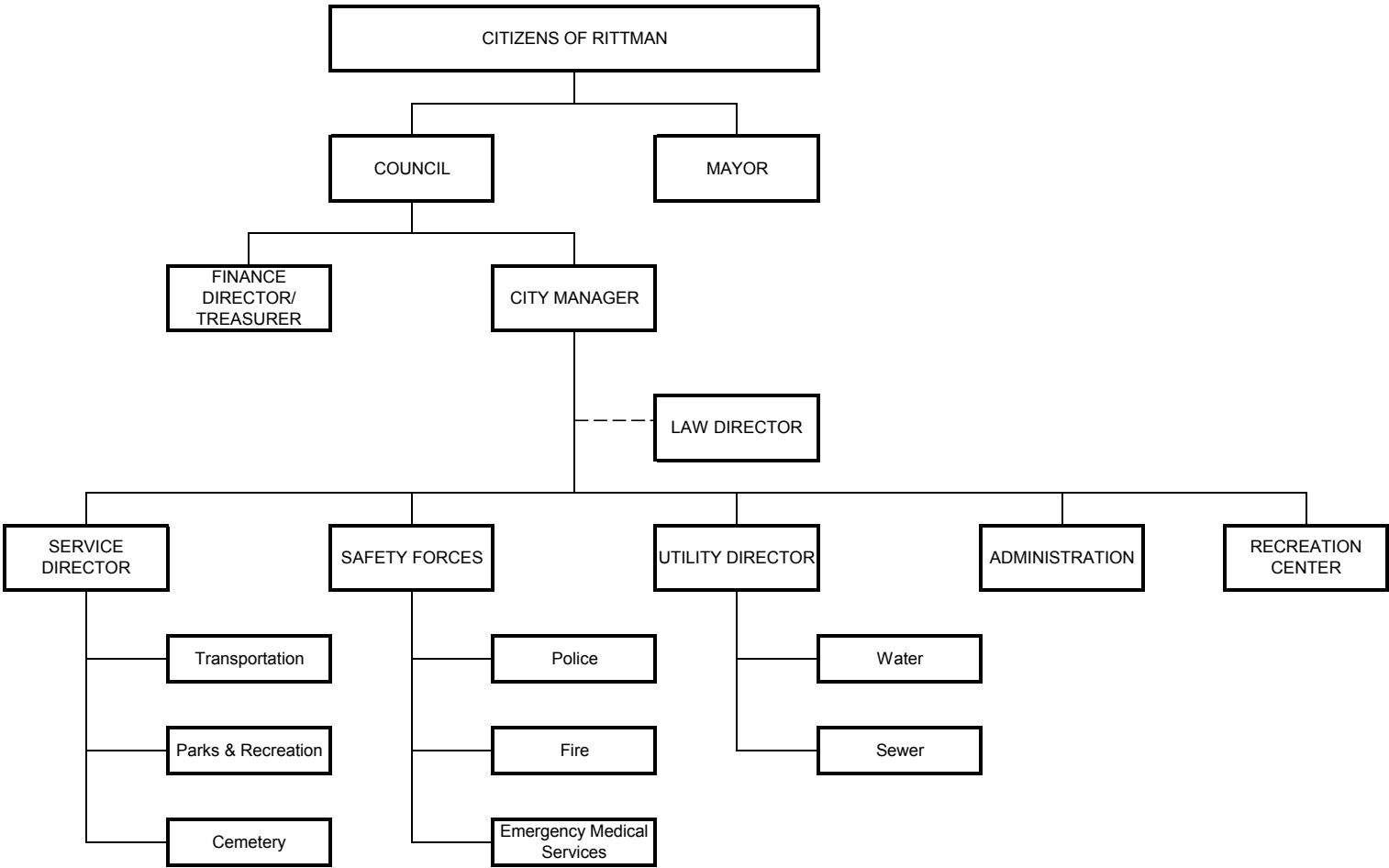
Finance Director/Treasurer

Pamela Keener

Director of Law

G. Kevin Bower

City of Rittman, Ohio
Organizational Chart
 December 31, 2016





Government Finance Officers Association

**Certificate of
Achievement
for Excellence
in Financial
Reporting**

Presented to

**City of Rittman
Ohio**

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

December 31, 2015

Executive Director/CEO



FINANCIAL SECTION

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Charles E. Harris & Associates, Inc.
Certified Public Accountants

INDEPENDENT AUDITOR'S REPORT

City of Rittman
Wayne County
30 North Main Street
Rittman, Oh 44270

To the Members of Council:

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 Rittman, Wayne County, Ohio (the City), as of and for the year ended December 31, 2016, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for preparing and fairly presenting these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes designing, implementing, and maintaining internal control relevant to preparing and fairly presenting financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to opine on these financial statements based on our audit. We audited in accordance with auditing standards generally accepted in the United States of America and the financial audit standards in the Comptroller General of the United States' *Government Auditing Standards*. Those standards require us to plan and perform the audit to reasonably assure the financial statements are free from material misstatement.

An audit requires obtaining evidence about financial statement amounts and disclosures. The procedures selected depend on our judgment, including assessing the risks of material financial statement misstatement, whether due to fraud or error. In assessing those risks, we consider internal control relevant to the City's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not to the extent needed to opine on the effectiveness of the City's internal control. Accordingly, we express no opinion. An audit also includes evaluating the appropriateness of management's accounting policies and the reasonableness of their significant accounting estimates, as well as our evaluation of the overall financial statement presentation.

We believe the audit evidence we obtained is sufficient and appropriate to support our audit opinions.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Rittman, Wayne County, Ohio, as of December 31, 2016, and the respective changes in financial position and, where applicable, cash flows thereof and the respective budgetary comparisons for the General Fund, the Emergency Medical Service Fund and the Fire Department Levy Fund thereof for the year then ended in accordance with the accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

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

Supplementary and Other Information

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

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

The statements and schedules are management's responsibility, and derive from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. We subjected these statements and schedules to the auditing procedures we applied to the basic financial statements. We also applied certain additional procedures, including comparing and reconciling statements and schedules directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves in accordance with auditing standards generally accepted in the United States of America. In our opinion, these statements and schedules are fairly stated in all material respects in relation to the basic financial statements taken as a whole.

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated June 23, 2017 on our consideration of the City's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. That report describes the scope of our internal control testing over financial reporting and compliance, and the results of that testing, and does not opine on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.



Charles E. Harris & Associates, Inc.
June 23, 2017



City of Rittman
Wayne County, Ohio
Management's Discussion and Analysis
For the Year Ended December 31, 2016

The discussion and analysis of the City of Rittman's (the City) financial performance provides an overall review of the City's financial activities for the year ended December 31, 2016. The intent of this discussion and analysis is to look at the City's performance as a whole; readers should also review the notes to the basic financial statements and financial statements to enhance their understanding of the City's financial performance.

Financial Highlights

Key financial highlights for 2016 are as follows:

- In total, net position increased \$618,800, which represents an increase of over 3 percent from 2015. Net position of governmental activities increased \$421,244. Net position of business-type activities increased \$197,556.
- Total capital assets decreased \$88,742 during 2016. Capital assets of governmental activities increased \$158,772 and capital assets of business-type activities decreased \$247,514.
- Outstanding debt decreased from \$3,031,723 to \$2,343,498 due to principal payments made during the year.

Using this Annual Financial Report

This report is designed to allow the reader to look at the financial activities of the City of Rittman as a whole and is intended to allow the reader to obtain a summary view or a more detailed view of the City's operations, as they prefer.

The Statement of Net Position and the Statement of Activities provide information from a summary perspective showing the effects of the operations for the year 2016 and how they affected the operations of the City as a whole.

Reporting the City as a Whole

Statement of Net Position and the Statement of Activities

The *Statement of Net Position* and *Statement of Activities* provide information about the activities of the whole City, presenting both an aggregate view of the City's finances and a longer-term view of those finances. Fund financial statements provide the next level of detail. For governmental funds, these statements tell how services were financed in the short-term as well as what remains for future spending. The fund financial statements also look at the City's most significant funds with all other nonmajor funds presented in total in one column. In the case of the City of Rittman, the general fund is by far the most significant fund. Business-type funds consist of the water, sewer, solid waste and storm sewer funds.

City of Rittman
Wayne County, Ohio
Management's Discussion and Analysis
For the Year Ended December 31, 2016

A question typically asked about the City's finances is "How did we do financially during 2016?" The Statement of Net Position and the Statement of Activities answer this question. These statements include *all assets and deferred outflows and liabilities and deferred inflows* using the *accrual basis of accounting* similar to the accounting method used by most private-sector companies. This basis of accounting takes into account all of the current year's revenues and expenses regardless of when cash is received or paid.

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

In the Statement of Net Position and the Statement of Activities, the City is divided into two distinct kinds of activities:

- **Governmental Activities** - Most of the City's programs and services are reported here, including general government, security of persons and property, public health, leisure time activities and transportation.
- **Business-Type Activities** - These services are provided on a charge for goods or services basis to recover all of the expenses of the goods or services provided. The City's water, sewer, solid waste and storm sewer funds are reported as business activities.

Reporting the City's Most Significant Funds

Fund Financial Statements

A fund is a grouping of related accounts that is used to maintain control over resources that have been safeguarded for specific activities or objectives. The City uses many funds to account for financial transactions. However, these fund financial statements focus on the City's most significant funds. The City's major governmental funds are the general fund, emergency medical service fund, fire department levy fund and capital improvements fund.

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

Proprietary Funds Proprietary funds use the same basis of accounting as business-type activities; therefore, these statements will essentially match.

City of Rittman
Wayne County, Ohio
Management's Discussion and Analysis
For the Year Ended December 31, 2016

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

The City as a Whole

Recall that the Statement of Net Position provides the perspective of the City as a whole. Table 1 provides a summary of the City's net position for 2016 compared to 2015:

Table 1
Net Position

	Governmental Activities		Business-Type Activities		Total	
	2016	2015	2016	2015	2016	2015
Assets						
Current and Other Assets	\$ 3,942,107	\$ 3,665,354	\$ 2,289,475	\$ 2,208,742	\$ 6,231,582	\$ 5,874,096
Net Pension Asset	0	2,634	0	1,144	0	3,778
Capital Assets	6,381,422	6,222,650	12,165,846	12,413,360	18,547,268	18,636,010
<i>Total Assets</i>	10,323,529	9,890,638	14,455,321	14,623,246	24,778,850	24,513,884
Deferred Outflows of Resources						
Pension	963,979	355,935	280,480	92,838	1,244,459	448,773
Liabilities						
Current and Other Liabilities	174,637	182,342	330,487	215,842	505,124	398,184
Long-Term Liabilities:						
Due Within One Year	329,806	325,333	272,025	218,853	601,831	544,186
Due in More Than One Year:						
Net Pension Liability	3,014,584	2,266,079	727,285	512,308	3,741,869	2,778,387
Other Amounts	601,823	822,500	1,406,308	1,971,645	2,008,131	2,794,145
<i>Total Liabilities</i>	4,120,850	3,596,254	2,736,105	2,918,648	6,856,955	6,514,902
Deferred Inflows of Resources						
Property Taxes	538,712	500,799	0	0	538,712	500,799
Pension	78,727	21,545	14,053	9,349	92,780	30,894
<i>Total Deferred Inflows of Resources</i>	617,439	522,344	14,053	9,349	631,492	531,693
Net Position						
Net Investment in Capital Assets	5,620,630	5,276,093	10,583,140	10,328,194	16,203,770	15,604,287
Restricted	1,815,305	1,739,089	0	0	1,815,305	1,739,089
Unrestricted	(886,716)	(887,207)	1,402,503	1,459,893	515,787	572,686
<i>Total Net Position</i>	\$ 6,549,219	\$ 6,127,975	\$ 11,985,643	\$ 11,788,087	\$ 18,534,862	\$ 17,916,062

During 2015, the City adopted GASB Statement 68, *Accounting and Financial Reporting for Pensions—An Amendment of GASB Statement 27*, which significantly revised accounting for pension costs and liabilities. 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 the net pension liability to the reported net position and subtracting deferred outflows related to pension.

Governmental Accounting Standards Board standards are national and apply to all government financial reports prepared in accordance with generally accepted accounting principles. When accounting for pension costs, GASB 27 focused on a funding approach. This approach limited pension costs to contributions annually required by law, which may or may not be sufficient to fully fund each plan's *net pension liability*.

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GASB 68 takes an earnings approach to pension accounting; however, the nature of Ohio's statewide pension systems and state law governing those systems requires additional explanation in order to properly understand the information presented in these statements.

Under the standards required by GASB 68, the net pension liability equals the City's proportionate share of each plan's collective:

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

GASB notes that pension 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. GASB noted that the unfunded portion of this pension 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 this liability. 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 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 pension system. In Ohio, there is no legal means to enforce the unfunded liability of the pension system *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 pension system is responsible for the administration of the plan.

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. As explained above, changes in pension benefits, contribution rates, and return on investments affect the balance of the net pension liability, 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 pension 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 is satisfied, this liability is separately identified within the long-term liability section of the statement of net position.

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

As a result of implementing GASB 68, the City is reporting a net pension liability and deferred inflows/outflows of resources related to pension on the accrual basis of accounting.

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At year end, capital assets represented 75 percent of total assets. Capital assets include, land, land improvements, buildings, equipment, infrastructure and construction in progress. Net investment in capital assets was \$16,203,770 at December 31, 2016, with \$5,620,630 in governmental activities and \$10,583,140 in business-type activities. These capital assets are used to provide services to citizens and are not available for future spending. Although the City's investment in capital assets is reported net of related debt, it should be noted that the resources to repay the debt must be provided from other sources, since capital assets may not be used to liquidate these liabilities.

A portion of the City's net position, \$1,815,305 represents resources that are subject to external restrictions on how they may be used. The balance of unrestricted net position of \$515,787 may be used to meet the government's ongoing obligations to citizens and creditors.

There was a \$355,872 increase in equity in pooled cash in governmental activities. This was mainly a result of the City's increase in income taxes revenue that outpaced the increases in expenditures during 2016.

Income tax receivable showed a decrease of \$151,480 in governmental activities over 2015. The decrease is due to timing of collections resulting from HB 5. There were no other significant factors impacting income tax revenues.

Deferred outflows of resources increased \$608,044 in governmental activities and \$187,642 in business-type activities which was caused by changes related to net pension liability. The changes in the pension plans' activity also resulted in a \$214,977 and \$748,505 increase in the City's share of its net pension liability in business-type and governmental activities, respectively, during 2016.

Long term liabilities due in more than one year in business-type activities decreased \$565,337 from 2015 mainly due to the redemption and refunding of 1993 mortgage revenue bonds.

Table 2 shows the changes in net position for fiscal year 2016 and 2015.

Table 2
Changes in Net Position

	Governmental Activities		Business-Type Activities		Total	
	2016	2015	2016	2015	2016	2015
Revenues						
<i>Program Revenues:</i>						
Charges for Services	\$ 618,214	\$ 774,157	\$ 2,429,869	\$ 2,323,372	\$ 3,048,083	\$ 3,097,529
Operating Grants	520,011	407,149	37,080	25,331	557,091	432,480
Capital Grants	578,130	155,141	0	165,000	578,130	320,141
<i>General Revenues:</i>						
Property Taxes	639,766	619,603	0	0	639,766	619,603
Income Taxes	1,849,639	1,811,293	0	5,895	1,849,639	1,817,188
Other Taxes	0	0	0	0	0	0
Grants and Entitlements	0	0	0	0	0	0
Grants and Entitlements	284,716	337,196	0	0	284,716	337,196
Payment in Lieu of Taxes	0	0	0	0	0	0
Unrestricted Contributions	0	0	0	0	0	0
Unused	0	0	0	0	0	0
Unused	0	0	0	0	0	0
Unused	0	0	0	0	0	0
Unused	0	0	0	0	0	0
Investment Earnings	24,361	36,851	0	0	24,361	36,851
Miscellaneous	7,600	34,971	27,301	11,707	34,901	46,678
Total Revenues	4,522,437	4,176,361	2,494,250	2,531,305	7,016,687	6,707,666

(continued)

City of Rittman
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For the Year Ended December 31, 2016

	Governmental Activities		Business-Type Activities		Total	
	2016	2015	2016	2015	2016	2015
Program Expenses						
General Government	905,001	626,899	0	0	905,001	626,899
Security of Persons and Property	1,805,445	1,691,706	0	0	1,805,445	1,691,706
Public Health	77,963	97,512	0	0	77,963	97,512
Leisure Time Services	616,302	581,664	0	0	616,302	581,664
Transportation	678,713	649,069	0	0	678,713	649,069
Interest and Fiscal Charges	17,769	22,087	0	0	17,769	22,087
Enterprise Operations:						
Water	0	0	856,343	890,571	856,343	890,571
Sewer	0	0	1,056,869	1,105,367	1,056,869	1,105,367
Solid Waste	0	0	381,894	422,085	381,894	422,085
Storm Sewer	0	0	1,588	0	1,588	0
<i>Total Program Expenses</i>	<u>4,101,193</u>	<u>3,668,937</u>	<u>2,296,694</u>	<u>2,418,023</u>	<u>6,397,887</u>	<u>6,086,960</u>
<i>Change in Net Position</i>	<u>\$ 421,244</u>	<u>\$ 507,424</u>	<u>\$ 197,556</u>	<u>\$ 113,282</u>	<u>\$ 618,800</u>	<u>\$ 620,706</u>
<i>Net Position Beginning of Year</i>	<u>6,127,975</u>	<u>5,620,551</u>	<u>11,788,087</u>	<u>11,674,805</u>	<u>17,916,062</u>	<u>17,295,356</u>
<i>Net Position End of Year</i>	<u>\$ 6,549,219</u>	<u>\$ 6,127,975</u>	<u>\$ 11,985,643</u>	<u>\$ 11,788,087</u>	<u>\$ 18,534,862</u>	<u>\$ 17,916,062</u>

Governmental Activities

The funding for the governmental activities comes from several different sources, the most significant being the municipal income tax. Other prominent sources are property taxes, grants and entitlements, charges for services and investment interest.

The City's income tax is at a rate of 1.5 percent. Both residents of the City and non-residents who work inside the City are subject to the income tax. However if residents work in a locality that has a municipal income tax, the City provides 1.0 percent credit for those who pay income tax to another city. City Council could by ordinance, choose to vary that income tax credit and create additional revenues for the City. In 2015, the City changed the income tax ordinance reallocating income tax receipts from the water fund to general fund.

General revenues include grants and entitlements, such as local government funds. Governmental activities are primarily funded by property tax, income tax and intergovernmental revenue. The City monitors its sources of revenues very closely for fluctuations.

Capital grants in governmental activities increased \$422,989 over 2015 primarily due to a state grant for radios and equipment. This created a correlating increase in general government expenses of \$278,102 reflecting the purchase of these radios and equipment.

Security of persons and property, consisting of police, fire and EMS, represent the largest expense of the governmental activities. This expense of \$1,805,445 represents 44 percent of the total governmental activities expenses. The police department operates out of the general fund, the fire department operates out of the fire levy fund and EMS operates out of the emergency medical service fund.

General government expenses total \$905,001 or 22 percent of total governmental expenses. General government expenses include legislative, executive and financial management departments of the City.

City of Rittman
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Transportation expense of \$678,713 accounts for 17 percent of total governmental activities expense. These expenses primarily consist of repairs and maintenance of the City's roads.

Business-Type Activities

Business-type activities include water, sewer, solid waste and storm sewer operations. The revenues are generated primarily from charges for services. In 2016, charges for services of \$2,429,869 accounted for 97 percent of the business-type revenues. The total expenses for the utilities were \$2,296,694, thus leaving an increase in net position of \$197,556 for business-type activities.

Capital grant revenue for business-type activities \$165,000 decreased was due to the receipt of an OPWC grant in 2015.

The City's Funds

Governmental Funds

Information about the City's governmental funds begins on page 18. These funds are accounted for using the modified accrual method of accounting. All governmental funds had revenues of \$4,532,260 and expenditures of \$4,284,779. The funds are monitored consistently with adjustments made throughout the year in budgets to accommodate yearly revenues.

The general fund's net change in fund balance for 2016 was an increase of \$177,998. Income tax revenue increased \$202,796 due to the timing of collections resulting from HB5. Expenditures remained fairly consistent with the prior year.

The fund balance of the emergency medical service fund decreased by \$1,676.

The fire department levy fund's net change in fund balance in 2016 was a decrease of \$1,494.

The fund balance of the capital improvement fund increased by \$60,649. Income tax revenue increased \$58,090 due to the timing of collections resulting from HB5.

Proprietary Funds

The City's proprietary funds provide the same type of information found in the government-wide financial statements for the business-type activities, but in more detail.

A negative unrestricted net position of the water fund at the end of the year amounted to \$172,477, the unrestricted net position of the sewer fund was \$1,108,672 and the unrestricted net position of the solid waste fund was \$347,303. The water fund net position decreased \$182,041 while the sewer and solid waste funds saw growth in 2016 of \$223,476 and \$37,116, respectively. The storm water fund was created in 2016 and ended the year with an unrestricted net position of \$119,005. Other factors concerning the finances of these funds have already been addressed in the discussion of the business-type activities.

City of Rittman
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General Fund Budgeting Highlights

The City's budget is prepared according to Ohio law and is based on accounting for certain transactions on a basis of cash receipts, disbursements, and encumbrances. The most significant budgeted fund is the general fund.

During the course of 2016, the City amended its general fund budget. All recommendations for appropriation changes come to Council from the City Finance Director. The Council members review them and make their recommendation to the Council as a whole.

For the general fund, the actual budget basis revenue was \$2,571,519, representing \$248,725 over the final budget estimate of \$2,322,794. Income tax revenue was conservatively estimated.

Final expenditure appropriations of \$2,384,603 were \$114,554 higher than the actual expenditures of \$2,270,049, as cost savings were recognized throughout the year.

Original budgeted revenues were increased by \$51,433 over the course of the year, while original expenditure appropriations of \$2,181,862 were increased by \$202,741 to account for expected increased costs primarily in the general government and security of persons and property.

There were no significant variances to discuss within other financing sources and uses.

Capital Assets and Debt Administration

Capital Assets

At the end of year 2016, the City had \$18.5 million invested in capital assets. A total of \$6.3 million of this was for governmental activities and \$12.1 million being attributable to business-type activities. Table 3 shows fiscal year 2016 balances compared with 2015.

Table 3
Capital Assets at December 31
(Net of Depreciation)

	Governmental Activities		Business-Type Activities		Total	
	2016	2015	2016	2015	2016	2015
Land	\$ 243,838	\$ 202,508	\$ 63,936	\$ 63,936	\$ 307,774	\$ 266,444
Construction in Progress	82,265	82,265	0	0	82,265	82,265
Land Improvements	0	0	14,976	17,971	14,976	17,971
Buildings	3,135,733	3,264,001	4,332,718	4,400,457	7,468,451	7,664,458
Infrastructure	1,683,610	1,620,227	7,110,271	7,303,638	8,793,881	8,923,865
Equipment	1,235,976	1,053,649	643,945	627,358	1,879,921	1,681,007
<i>Total</i>	<u>\$ 6,381,422</u>	<u>\$ 6,222,650</u>	<u>\$ 12,165,846</u>	<u>\$ 12,413,360</u>	<u>\$ 18,547,268</u>	<u>\$ 18,636,010</u>

The \$158,772 increase in capital assets of governmental activities was attributable to current year additional purchases exceeding depreciation and disposals. The \$247,514 decrease in capital assets of business-type activities is due to current year depreciation and disposals exceeding additional purchases. See Note 8 for additional information about the capital assets of the City.

City of Rittman
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Debt

The outstanding debt for the City as of December 31, 2016 was \$2,343,498. See Note 12 for additional details. Table 4 summarizes outstanding debt.

Table 4
Outstanding Debt, at December 31

	Governmental Activities		Business-Type Activities		Total	
	2016	2015	2016	2015	2016	2015
General Obligation Bonds	\$ 517,000	\$ 627,000	\$ 1,188,556	\$ 868,000	\$ 1,705,556	\$ 1,495,000
Loans Payable	180,439	212,587	394,150	415,266	574,589	627,853
Mortgage Revenue Bonds	0	0	0	801,900	0	801,900
Notes Payable	63,353	106,970	0	0	63,353	106,970
<i>Total</i>	\$ 760,792	\$ 946,557	\$ 1,582,706	\$ 2,085,166	\$ 2,343,498	\$ 3,031,723

Current Issues Affecting Financial Condition

During the volatile economic times spanning the last several years, efficient use of the City's workforce and cost containment measures have resulted in no layoffs of City employees which continued throughout 2016.

The five-year capital improvement program plan was updated in 2016. The plan will be used to assess the City's ability to meet the needs of the community in future years. One component of the plan is long-term financial projections, which are intended to indicate the need for continued cost containment or revenue enhancement efforts.

The City's infrastructure was improved in 2016 with the resurfacing of West Sunset Drive, painting of the Metzger water tower, repair of the River Styx bridge and the resurfacing of tennis courts at Rotary Park. The City was able to obtain a 49% Ohio Public Works Commission (OPWC) grant for the resurfacing of West Sunset Drive and a 0% OPWC loan for the painting of the Metzger water tower. The funding for the River Styx was a collaborative effort with Morton Salt contributing \$12,500, Rittman Community Improvement Corporation contributing \$12,500 and the Ohio Department of Transportation granting the remaining \$25,000.

In 2016, several departments were awarded grants to replace their equipment and repair their infrastructure. EMS and the fire department received grants from the State of Ohio for the purchase of portable and mobile radios in the amounts of \$153,242 and \$45,880, respectively. The parks and recreation department received a \$18,000 grant from the Greater Wayne Community Foundation for the purchase of LED lights for the natatorium.

Several vehicles in the City's aging fleet were replaced in 2016. The City purchased a Ford Interceptor (SUV) for the police department and a F150 Ford pickup truck and International lift truck for the service department.

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Additional capital improvements included the purchase on new playground equipment for two of the City's parks and the replacement of fencing at Industrial Street park.

The City continues to work with the Wayne Economic Development Council (WEDC) and Jobs Ohio to market the new Industrial Park for the City. In 2016, there was one company the was particularly interested in the site; however, issues with the EPA and gas companies have stalled the company in making a site selection at the present. The City is hopeful with additional grant funding, the proximity to rail spurs and the interstate system, and tax abatements, that we will see the start of the development of the Industrial Park in 2017.

Finally, the City continues to promote itself to business owners and possible investors in order to increase retail and industrial growth. With prime areas for development and redevelopment available, the City will focus on facilitating those types of developments.

Contacting the City's Finance Department

This financial report is designed to provide our citizens, taxpayers, customers, and investors and creditors with a general overview of the City's finances and to show the City's accountability for the money it receives. If you have questions about this report or need additional financial information, contact the Director of Finance, 30 N. Main Street, Rittman, Ohio, 44270.

City of Rittman
Wayne County, Ohio
Statement of Net Position
December 31, 2016

	Governmental Activities	Business-Type Activities	Total
Assets			
Equity in Pooled Cash and Investments	\$ 2,064,054	\$ 1,818,796	\$ 3,882,850
Cash and Investments in Segregated Accounts	2,841	13,913	16,754
Accounts Receivable	38,519	382,951	421,470
Accrued Interest Receivable	2,127	0	2,127
Intergovernmental Receivable	376,204	27,515	403,719
Property and Other Local Taxes Receivable	641,969	0	641,969
Income Taxes Receivable	617,891	0	617,891
Special Assessments Receivable	191,402	0	191,402
Assets Held for Resale	7,100	0	7,100
Restricted Cash and Cash Equivalents	0	46,300	46,300
Non-Depreciable Capital Assets	326,103	63,936	390,039
Depreciable Capital Assets, Net	6,055,319	12,101,910	18,157,229
<i>Total Assets</i>	<u>10,323,529</u>	<u>14,455,321</u>	<u>24,778,850</u>
Deferred Outflow of Resources			
Pension	963,979	280,480	1,244,459
Liabilities			
Accounts Payable	43,056	86,194	129,250
Accrued Wages	66,168	18,935	85,103
Contracts Payable	0	149,500	149,500
Intergovernmental Payable	40,263	15,645	55,908
Matured Interest Payable	841	3,713	4,554
Matured Bonds Payable	2,000	10,200	12,200
Income Tax Refunds Payable	22,309	0	22,309
Customer Deposits Payable	0	46,300	46,300
Long-Term Liabilities:			
Due Within One Year	329,806	272,025	601,831
Due In More Than One Year:			
Net Pension Liability (See Note 9)	3,014,584	727,285	3,741,869
Other Amounts Due in More Than One Year	601,823	1,406,308	2,008,131
<i>Total Liabilities</i>	<u>4,120,850</u>	<u>2,736,105</u>	<u>6,856,955</u>
Deferred Inflows of Resources			
Property Taxes Levied for the Next Year	538,712	0	538,712
Pension	78,727	14,053	92,780
<i>Total Deferred Inflows of Resources</i>	<u>617,439</u>	<u>14,053</u>	<u>631,492</u>
Net Position			
Net Investment in Capital Assets	5,620,630	10,583,140	16,203,770
Restricted For:			
Debt Service	10,435	0	10,435
Capital Outlay	983,223	0	983,223
Safety Services	334,985	0	334,985
Streets and Highways	475,712	0	475,712
Other Purposes	10,950	0	10,950
Unrestricted	(886,716)	1,402,503	515,787
<i>Total Net Position</i>	<u>\$ 6,549,219</u>	<u>\$ 11,985,643</u>	<u>\$ 18,534,862</u>

See accompanying notes to the basic financial statements.

City of Rittman
Wayne County, Ohio
Statement of Activities
For the Year Ended December 31, 2016

	Expenses	Program Revenues		
		Charges for Services and Sales	Operating Grants, Contributions and Interest	Capital Grants, Contributions and Interest
Governmental Activities				
General Government	\$ 905,001	\$ 146,760	\$ 17,740	\$ 0
Security of Persons and Property	1,805,445	255,321	89,081	0
Public Health	77,963	49,101	0	0
Leisure Time Services	616,302	167,032	86	0
Transportation	678,713	0	362,147	578,130
Contributions and Donations	0	0	50,957	0
Interest and Fiscal Charges	17,769	0	0	0
<i>Total Governmental Activities</i>	<u>4,101,193</u>	<u>618,214</u>	<u>520,011</u>	<u>578,130</u>
Business-Type Activities				
Water	856,343	670,018	0	0
Sewer	1,056,869	1,257,345	0	0
Solid Waste	381,894	406,913	12,080	0
Storm Sewer	1,588	95,593	25,000	0
<i>Total Business-Type Activities</i>	<u>2,296,694</u>	<u>2,429,869</u>	<u>37,080</u>	<u>0</u>
<i>Total Primary Government</i>	<u>\$ 6,397,887</u>	<u>\$ 3,048,083</u>	<u>\$ 557,091</u>	<u>\$ 578,130</u>

General Revenues:

Property Taxes Levied for:
General Purposes
Police, Fire and Emergency Services
Income Taxes Levied for:
General Purposes
Capital Outlay
Grants and Entitlements not Restricted
to Specific Programs
Investment Earnings
Miscellaneous

Total General Revenues

Change in Net Position

Net Position Beginning of Year

Net Position End of Year

Net (Expense) Revenue and
Changes in Net Position

Governmental Activities	Business-Type Activities	Total
\$ (740,501)	\$ 0	\$ (740,501)
(1,461,043)	0	(1,461,043)
(28,862)	0	(28,862)
(449,184)	0	(449,184)
261,564	0	261,564
50,957	0	50,957
(17,769)	0	(17,769)
(2,384,838)	0	(2,384,838)
0	(186,325)	(186,325)
0	200,476	200,476
0	37,099	37,099
0	119,005	119,005
0	170,255	170,255
(2,384,838)	170,255	(2,214,583)
338,170	0	338,170
301,596	0	301,596
1,379,154	0	1,379,154
470,485	0	470,485
284,716	0	284,716
24,361	0	24,361
7,600	27,301	34,901
2,806,082	27,301	2,833,383
421,244	197,556	618,800
6,127,975	11,788,087	17,916,062
\$ 6,549,219	\$ 11,985,643	\$ 18,534,862

See accompanying notes to the basic financial statements.

City of Rittman
Wayne County, Ohio
Balance Sheet
Governmental Funds
December 31, 2016

	General Fund	Emergency Medical Service Fund	Fire Department Levy Fund	Capital Improvements Fund	Nonmajor Governmental Funds	Total Governmental Funds
Assets						
Equity in Pooled Cash and Investments	\$ 797,389	\$ 248,266	\$ 13,514	\$ 587,523	\$ 417,362	\$ 2,064,054
Cash and Investments in Segregated Accounts	0	0	0	0	2,841	2,841
Accounts Receivable	14,122	24,397	0	0	0	38,519
Accrued Interest Receivable	2,064	0	0	0	63	2,127
Intergovernmental Receivable	143,121	4,653	6,560	0	221,870	376,204
Property and Other Local Taxes Receivable	338,454	201,554	78,529	0	23,432	641,969
Income Taxes Receivable	463,418	0	0	154,473	0	617,891
Special Assessments Receivable	0	0	0	191,402	0	191,402
Inventory Held for Resale	0	0	0	7,100	0	7,100
<i>Total Assets</i>	<u>\$ 1,758,568</u>	<u>\$ 478,870</u>	<u>\$ 98,603</u>	<u>\$ 940,498</u>	<u>\$ 665,568</u>	<u>\$ 3,942,107</u>
Liabilities						
Accounts Payable	\$ 22,363	\$ 6,480	\$ 2,527	\$ 800	\$ 10,886	\$ 43,056
Accrued Wages	48,409	7,367	5,317	0	5,075	66,168
Intergovernmental Payable	31,123	3,903	863	0	4,374	40,263
Matured Interest Payable	0	0	0	0	841	841
Matured Bonds Payable	0	0	0	0	2,000	2,000
Income Tax Refunds Payable	16,732	0	0	5,577	0	22,309
<i>Total Liabilities</i>	<u>118,627</u>	<u>17,750</u>	<u>8,707</u>	<u>6,377</u>	<u>23,176</u>	<u>174,637</u>
Deferred Inflows of Resources						
Property Taxes Levied for the Next Year	251,710	191,006	73,943	0	22,053	538,712
Delinquent Property Taxes	86,744	10,548	4,586	0	1,379	103,257
Income Tax	327,392	0	0	109,131	0	436,523
Unavailable Revenue	13,657	5,735	0	184,791	0	204,183
Unavailable Other	99,733	4,653	6,560	0	167,982	278,928
<i>Total Deferred Inflows of Resources</i>	<u>779,236</u>	<u>211,942</u>	<u>85,089</u>	<u>293,922</u>	<u>191,414</u>	<u>1,561,603</u>
Fund Balances						
Nonspendable	1,598	0	0	0	0	1,598
Restricted	0	249,178	4,807	640,199	450,978	1,345,162
Committed	18,900	0	0	0	0	18,900
Assigned	95,941	0	0	0	0	95,941
Unassigned	744,266	0	0	0	0	744,266
<i>Total Fund Balances</i>	<u>860,705</u>	<u>249,178</u>	<u>4,807</u>	<u>640,199</u>	<u>450,978</u>	<u>2,205,867</u>
<i>Total Liabilities, Deferred Inflows of Resources and Fund Balances</i>	<u>\$ 1,758,568</u>	<u>\$ 478,870</u>	<u>\$ 98,603</u>	<u>\$ 940,498</u>	<u>\$ 665,568</u>	<u>\$ 3,942,107</u>

See accompanying notes to the basic financial statements.

City of Rittman
Wayne County, Ohio
Reconciliation of Total Governmental Fund Balances to
Net Position of Governmental Activities
December 31, 2016

Total Governmental Fund Balances		\$ 2,205,867
 <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.		6,381,422
Other long-term assets are not available to pay for current-period expenditures and therefore are deferred in the funds:		
Delinquent Property Taxes	\$ 32,145	
Income Taxes	436,523	
Intergovernmental	278,928	
Special Assessments	184,791	
Other	90,504	1,022,891
The net pension liability is not due and payable in the current period; therefore, the liability and related deferred inflows/outflows are not reported in governmental funds.		
Deferred Outflows - Pension	963,979	
Deferred Inflows - Pension	(78,727)	
Net Pension Liability	(3,014,584)	(2,129,332)
Long-term liabilities are not due and payable in the current period and therefore are not reported in the funds:		
General Obligation Bonds	(517,000)	
Loans Payable	(180,439)	
Notes Payable	(63,353)	
Compensated Absences	(170,837)	(931,629)
 <i>Net Position of Governmental Activities</i>		 \$ 6,549,219

See accompanying notes to the basic financial statements.

City of Rittman
Wayne County, Ohio
Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
For the Year Ended December 31, 2016

	General Fund	Emergency Medical Service Fund	Fire Department Levy Fund	Capital Improvements Fund	Nonmajor Governmental Funds	Total Governmental Funds
Revenues						
Property and Other Local Taxes	\$ 267,222	\$ 200,355	\$ 78,038	\$ 0	\$ 23,413	\$ 569,028
Income Taxes	1,461,263	0	0	497,856	0	1,959,119
Special Assessments	0	0	0	69,126	0	69,126
Charges for Services	327,522	199,184	0	0	8,263	534,969
Fines, Licenses and Permits	40,758	0	0	0	254	41,012
Intergovernmental	322,247	37,566	64,705	499,523	339,356	1,263,397
Investment Earnings	24,447	0	0	0	276	24,723
Contributions and Donations	8,258	0	0	50,957	0	59,215
Reimbursements	7,604	0	0	0	0	7,604
Other	1,990	1,534	275	0	268	4,067
<i>Total Revenues</i>	<u>2,461,311</u>	<u>438,639</u>	<u>143,018</u>	<u>1,117,462</u>	<u>371,830</u>	<u>4,532,260</u>
Expenditures						
Current:						
General Government	415,022	3,287	1,477	0	25,442	445,228
Security of Persons and Property	1,142,356	398,687	166,806	0	27,000	1,734,849
Public Health	94,452	0	0	0	0	94,452
Leisure Time Services	472,307	0	0	0	0	472,307
Transportation	96,326	0	0	800	297,246	394,372
Capital Outlay	0	0	0	931,378	0	931,378
Debt Service:						
Principal Retirement	7,000	36,617	37,023	0	112,125	192,765
Interest and Fiscal Charges	0	1,724	2,556	0	15,148	19,428
<i>Total Expenditures</i>	<u>2,227,463</u>	<u>440,315</u>	<u>207,862</u>	<u>932,178</u>	<u>476,961</u>	<u>4,284,779</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>233,848</u>	<u>(1,676)</u>	<u>(64,844)</u>	<u>185,284</u>	<u>(105,131)</u>	<u>247,481</u>
Other Financing Sources (Uses)						
Proceeds from Sale of Assets	500	0	0	513	228	1,241
Issuance of Loans	7,000	0	0	0	0	7,000
Transfers In	0	0	63,350	0	125,148	188,498
Transfers Out	(63,350)	0	0	(125,148)	0	(188,498)
<i>Total Other Financing Sources (Uses)</i>	<u>(55,850)</u>	<u>0</u>	<u>63,350</u>	<u>(124,635)</u>	<u>125,376</u>	<u>8,241</u>
<i>Net Change in Fund Balance</i>	177,998	(1,676)	(1,494)	60,649	20,245	255,722
<i>Fund Balance Beginning of Year</i>	<u>682,707</u>	<u>250,854</u>	<u>6,301</u>	<u>579,550</u>	<u>430,733</u>	<u>1,950,145</u>
<i>Fund Balance End of Year</i>	<u>\$ 860,705</u>	<u>\$ 249,178</u>	<u>\$ 4,807</u>	<u>\$ 640,199</u>	<u>\$ 450,978</u>	<u>\$ 2,205,867</u>

See accompanying notes to the basic financial statements.

City of Rittman
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, 2016*

Net Change in Fund Balances - Total Governmental Funds	\$	255,722
 <i>Amounts reported for governmental activities in the statement of activities are different because:</i>		
Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense.		
Capital Asset Additions	\$ 718,901	
Current Year Depreciation	<u>(544,520)</u>	174,381
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.		
		(15,609)
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.		
Delinquent Property Taxes	70,738	
Income Taxes	(109,480)	
Special Assessments	9,481	
Intergovernmental	25,084	
Other	<u>(6,659)</u>	(10,836)
Repayment of principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position.		
General Obligation Bonds	110,000	
Loans Payable	39,148	
Notes Payable	<u>43,617</u>	192,765
Debt proceeds issued in the governmental funds that increase long-term liabilities in the statement of net position are not reported as revenues.		
Loans Payable		(7,000)
In the statement of activities, interest is accrued on outstanding bonds, and bond premium and the gain/loss on refunding are amortized over the term of the bonds, whereas in governmental funds, an interest expenditure is reported when bonds are issued.		
Accrued Interest Payable		1,659
Contractually required pension contributions are reported as expenditures in governmental funds; however, the statement of net position reports these amounts as deferred outflows.		
		237,441
Except for amount reported as deferred inflows/outflows, changes in the net pension liability are reported as pension expense in the statement of activities.		
		(437,718)
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.		
Compensated Absences		<u>30,439</u>
<i>Change in Net Position of Governmental Activities</i>	\$	<u><u>421,244</u></u>

See accompanying notes to the basic financial statements.

City of Rittman
Wayne County, Ohio
Statement of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
General Fund
For the Year Ended December 31, 2016

	Budgeted Amounts			Variance with Final Budget
	Original	Final	Actual	
Revenues				
Property and Other Local Taxes	\$ 322,890	\$ 337,890	\$ 337,913	\$ 23
Income Taxes	1,213,000	1,213,000	1,492,302	279,302
Charges for Services	313,655	330,580	327,862	(2,718)
Fines, Licenses and Permits	49,450	49,450	40,758	(8,692)
Intergovernmental	329,906	348,156	321,570	(26,586)
Investment Earnings	30,010	30,010	33,262	3,252
Contributions and Donations	200	1,458	8,258	6,800
Other	12,250	12,250	9,594	(2,656)
<i>Total Revenues</i>	<u>2,271,361</u>	<u>2,322,794</u>	<u>2,571,519</u>	<u>248,725</u>
Expenditures				
Current:				
General Government	395,640	468,165	423,502	44,663
Security of Persons and Property	1,108,085	1,205,995	1,169,313	36,682
Public Health	95,772	101,368	97,002	4,366
Leisure Time Services	474,890	497,067	476,457	20,610
Transportation	100,475	105,008	96,775	8,233
Debt Service:				
Principal Retirement	7,000	7,000	7,000	0
<i>Total Expenditures</i>	<u>2,181,862</u>	<u>2,384,603</u>	<u>2,270,049</u>	<u>114,554</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>89,499</u>	<u>(61,809)</u>	<u>301,470</u>	<u>363,279</u>
Other Financing Sources (Uses)				
Proceeds from Sale of Assets	0	0	500	500
Proceeds from Loans	0	0	7,000	7,000
Transfers Out	(63,350)	(63,350)	(63,350)	0
<i>Total Other Financing Sources (Uses)</i>	<u>(63,350)</u>	<u>(63,350)</u>	<u>(55,850)</u>	<u>7,500</u>
<i>Net Change in Fund Balance</i>	26,149	(125,159)	245,620	370,779
<i>Fund Balance Beginning of Year</i>	494,733	494,733	494,733	0
Prior Year Encumbrances Appropriated	20,919	20,919	20,919	0
<i>Fund Balance End of Year</i>	<u>\$ 541,801</u>	<u>\$ 390,493</u>	<u>\$ 761,272</u>	<u>\$ 370,779</u>

See accompanying notes to the basic financial statements.

City of Rittman
Wayne County, Ohio
Statement of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Emergency Medical Service Fund
For the Year Ended December 31, 2016

	<u>Budgeted Amounts</u>			Variance with Final Budget
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues				
Property and Other Local Taxes	\$ 154,500	\$ 200,350	\$ 200,355	\$ 5
Charges for Services	191,255	191,255	196,554	5,299
Intergovernmental	30,000	28,500	37,566	9,066
Other	5,000	5,000	1,534	(3,466)
<i>Total Revenues</i>	<u>380,755</u>	<u>425,105</u>	<u>436,009</u>	<u>10,904</u>
Expenditures				
Current:				
General Government	3,650	3,650	3,287	363
Security of Persons and Property	389,100	418,385	409,969	8,416
Debt Service:				
Principal Retirement	36,617	36,617	36,617	0
Interest and Fiscal Charges	1,724	1,724	1,724	0
<i>Total Expenditures</i>	<u>431,091</u>	<u>460,376</u>	<u>451,597</u>	<u>8,779</u>
<i>Net Change in Fund Balance</i>	(50,336)	(35,271)	(15,588)	19,683
<i>Fund Balance Beginning of Year</i>	245,898	245,898	245,898	0
Prior Year Encumbrances Appropriated	<u>7,246</u>	<u>7,246</u>	<u>7,246</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u>\$ 202,808</u>	<u>\$ 217,873</u>	<u>\$ 237,556</u>	<u>\$ 19,683</u>

See accompanying notes to the basic financial statements.

City of Rittman
Wayne County, Ohio
Statement of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Fire Department Levy Fund
For the Year Ended December 31, 2016

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Revenues				
Property and Other Local Taxes	\$ 73,600	\$ 78,035	\$ 78,038	\$ 3
Intergovernmental	15,900	68,576	64,705	(3,871)
Other	0	0	275	275
<i>Total Revenues</i>	<u>89,500</u>	<u>146,611</u>	<u>143,018</u>	<u>(3,593)</u>
Expenditures				
Current:				
General Government	1,800	1,800	1,477	323
Security of Persons and Property	123,291	186,467	170,466	16,001
Debt Service:				
Principal Retirement	37,023	37,023	37,023	0
Interest and Fiscal Charges	2,556	2,556	2,556	0
<i>Total Expenditures</i>	<u>164,670</u>	<u>227,846</u>	<u>211,522</u>	<u>16,324</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>(75,170)</u>	<u>(81,235)</u>	<u>(68,504)</u>	<u>12,731</u>
Other Financing Sources (Uses)				
Transfers In	67,625	67,625	63,350	(4,275)
<i>Net Change in Fund Balance</i>	(7,545)	(13,610)	(5,154)	8,456
<i>Fund Balance Beginning of Year</i>	15,672	15,672	15,672	0
Prior Year Encumbrances Appropriated	1,490	1,490	1,490	0
<i>Fund Balance End of Year</i>	<u>\$ 9,617</u>	<u>\$ 3,552</u>	<u>\$ 12,008</u>	<u>\$ 8,456</u>

See accompanying notes to the basic financial statements.

City of Rittman
Wayne County, Ohio
Statement of Fund Net Position
Proprietary Funds
December 31, 2016

	Enterprise Funds				Total
	Water Fund	Sewer Fund	Solid Waste Fund	Storm Sewer Fund	
Assets					
<i>Current Assets:</i>					
Equity in Pooled Cash and Investments	\$ 142,255	\$ 1,241,923	\$ 356,099	\$ 78,519	\$ 1,818,796
Cash and Investments in Segregated Accounts	13,913	0	0	0	13,913
Accounts Receivable	112,031	183,840	71,594	15,486	382,951
Intergovernmental Receivable	0	0	2,515	25,000	27,515
<i>Total Current Assets</i>	<u>268,199</u>	<u>1,425,763</u>	<u>430,208</u>	<u>119,005</u>	<u>2,243,175</u>
<i>Non-Current Assets:</i>					
Restricted Assets - Customer Deposits	46,300	0	0	0	46,300
Non-Depreciable Capital Assets	31,686	32,250	0	0	63,936
Depreciable Capital Assets, Net	5,487,758	6,604,907	9,245	0	12,101,910
<i>Total Non-Current Assets</i>	<u>5,565,744</u>	<u>6,637,157</u>	<u>9,245</u>	<u>0</u>	<u>12,212,146</u>
<i>Total Assets</i>	<u>5,833,943</u>	<u>8,062,920</u>	<u>439,453</u>	<u>119,005</u>	<u>14,455,321</u>
Deferred Outflow of Resources					
Pension	126,799	143,469	10,212	0	280,480
Liabilities					
<i>Current Liabilities:</i>					
Accounts Payable	6,725	21,745	57,724	0	86,194
Accrued Wages	8,853	9,353	729	0	18,935
Contracts Payable	149,500	0	0	0	149,500
Intergovernmental Payable	7,174	8,024	447	0	15,645
Matured Interest Payable	3,713	0	0	0	3,713
Matured Bonds Payable	10,200	0	0	0	10,200
Customer Deposits Payable	46,300	0	0	0	46,300
Compensated Absences Payable	30,131	25,013	2,354	0	57,498
OPWC Loans Payable	25,241	0	0	0	25,241
General Obligation Bonds Payable	85,000	104,286	0	0	189,286
<i>Total Current Liabilities</i>	<u>372,837</u>	<u>168,421</u>	<u>61,254</u>	<u>0</u>	<u>602,512</u>
<i>Long-Term Liabilities:</i>					
Net Pension Liability (see Note 9)	328,789	372,015	26,481	0	727,285
Compensated Absences Payable - Net of Current Portion	16,037	17,222	4,870	0	38,129
OPWC Loans Payable - Net of Current Portion	368,909	0	0	0	368,909
General Obligation Bonds Payable - Net of Current Portion	680,000	319,270	0	0	999,270
<i>Total Long-Term Liabilities</i>	<u>1,393,735</u>	<u>708,507</u>	<u>31,351</u>	<u>0</u>	<u>2,133,593</u>
<i>Total Liabilities</i>	<u>1,766,572</u>	<u>876,928</u>	<u>92,605</u>	<u>0</u>	<u>2,736,105</u>
Deferred Inflows of Resources					
Pension	6,353	7,188	512	0	14,053
Net Position					
Net Investment in Capital Assets	4,360,294	6,213,601	9,245	0	10,583,140
Unrestricted	(172,477)	1,108,672	347,303	119,005	1,402,503
<i>Total Net Position</i>	<u>\$ 4,187,817</u>	<u>\$ 7,322,273</u>	<u>\$ 356,548</u>	<u>\$ 119,005</u>	<u>\$ 11,985,643</u>

See accompanying notes to the basic financial statements.

City of Rittman
Wayne County, Ohio
Statement of Revenues, Expenses and Changes in Fund Net Position
Proprietary Funds
For the Year Ended December 31, 2016

	Enterprise Funds				Total
	Water Fund	Sewer Fund	Solid Waste Fund	Storm Sewer Fund	
Operating Revenues					
Charges for Services	\$ 670,018	\$ 1,257,345	\$ 406,913	\$ 95,593	\$ 2,429,869
Other	4,284	23,000	17	0	27,301
<i>Total Operating Revenues</i>	<u>674,302</u>	<u>1,280,345</u>	<u>406,930</u>	<u>95,593</u>	<u>2,457,170</u>
Operating Expenses					
Personal Services	333,092	389,752	30,854	0	753,698
Contractual Services	145,514	217,678	344,659	1,588	709,439
Materials and Supplies	43,065	53,616	1,232	0	97,913
Depreciation	227,037	274,794	5,149	0	506,980
Other	90,000	99,250	0	0	189,250
<i>Total Operating Expenses</i>	<u>838,708</u>	<u>1,035,090</u>	<u>381,894</u>	<u>1,588</u>	<u>2,257,280</u>
<i>Operating Income (Loss)</i>	<u>(164,406)</u>	<u>245,255</u>	<u>25,036</u>	<u>94,005</u>	<u>199,890</u>
Non-Operating Revenues (Expenses)					
Intergovernmental	0	0	12,080	25,000	37,080
Interest and Fiscal Charges	(17,635)	(21,779)	0	0	(39,414)
<i>Total Non-Operating Revenues (Expense)</i>	<u>(17,635)</u>	<u>(21,779)</u>	<u>12,080</u>	<u>25,000</u>	<u>(2,334)</u>
<i>Change in Net Position</i>	(182,041)	223,476	37,116	119,005	197,556
<i>Net Position Beginning of Year</i>	<u>4,369,858</u>	<u>7,098,797</u>	<u>319,432</u>	<u>0</u>	<u>11,788,087</u>
<i>Net Position End of Year</i>	<u>\$ 4,187,817</u>	<u>\$ 7,322,273</u>	<u>\$ 356,548</u>	<u>\$ 119,005</u>	<u>\$ 11,985,643</u>

See accompanying notes to the basic financial statements.

City of Rittman
Wayne County, Ohio
Statement of Cash Flows
Proprietary Funds
For the Year Ended December 31, 2016

	Enterprise Funds				Totals
	Water Fund	Sewer Fund	Solid Waste Fund	Storm Sewer Fund	
Cash Flows from Operating Activities					
Cash Received from Customers	\$ 643,728	\$ 1,273,699	\$ 417,153	\$ 80,107	\$ 2,414,687
Cash Received from Other Operating Receipts	4,284	23,000	17	0	27,301
Cash Payments to Suppliers for Goods and Services	(43,065)	(53,616)	(1,232)	0	(97,913)
Cash Payments to Employees for Services and Benefits	(326,575)	(385,652)	(26,724)	0	(738,951)
Cash Payments for Contractual Services	(145,526)	(234,643)	(342,226)	(1,588)	(723,983)
Other Cash Payments	(90,000)	(99,250)	0	0	(189,250)
<i>Net Cash Provided by (Used for) Operating Activities</i>	<u>42,846</u>	<u>523,538</u>	<u>46,988</u>	<u>78,519</u>	<u>691,891</u>
Cash Flows from Noncapital Financing Activities					
Intergovernmental Revenue	0	0	12,019	0	12,019
Cash Flows from Capital and Related Financing Activities					
Proceeds of Refunding Bond	0	525,900	0	0	525,900
Payment for Capital Acquisitions	(37,475)	(72,251)	0	0	(109,726)
Principal Payments on Debt	(111,116)	(917,484)	0	0	(1,028,600)
Interest Payments on Debt	(19,238)	(31,276)	0	0	(50,514)
<i>Net Cash Provided by (Used for) Capital and Related Financing Activities</i>	<u>(167,829)</u>	<u>(495,111)</u>	<u>0</u>	<u>0</u>	<u>(662,940)</u>
<i>Net Increase (Decrease) in Cash and Cash Equivalents</i>	(124,983)	28,427	59,007	78,519	40,970
<i>Cash and Cash Equivalents Beginning of Year</i>	327,451	1,213,496	297,092	0	1,838,039
<i>Cash and Cash Equivalents End of Year</i>	<u>\$ 202,468</u>	<u>\$ 1,241,923</u>	<u>\$ 356,099</u>	<u>\$ 78,519</u>	<u>\$ 1,879,009</u>
Reconciliation of Operating Income (Loss) to Net Cash Provided by (Used for) Operating Activities					
Operating Income (Loss)	\$ (164,406)	\$ 245,255	\$ 25,036	\$ 94,005	\$ 199,890
Adjustments:					
Depreciation	227,037	274,794	5,149	0	506,980
(Increase) Decrease in Assets and Deferred Outflows:					
Accounts Receivable	(25,810)	16,354	10,240	(15,486)	(14,702)
Net Pension Asset	524	582	38	0	1,144
Deferred Outflows - Pension	(84,309)	(96,211)	(7,122)	0	(187,642)
Increase (Decrease) in Liabilities and Deferred Inflows:					
Accounts Payable	(12)	(16,965)	2,433	0	(14,544)
Accrued Wages	(36)	(162)	127	0	(71)
Compensated Absences Payable	(2,359)	(9,486)	2,140	0	(9,705)
Intergovernmental Payable	(3,698)	(4,281)	(681)	0	(8,660)
Customer Deposits Payable	(480)	0	0	0	(480)
Deferred Inflows - Pension	2,074	2,429	201	0	4,704
Net Pension Liability	94,321	111,229	9,427	0	214,977
<i>Net Cash Provided by (Used For) Operating Activities</i>	<u>\$ 42,846</u>	<u>\$ 523,538</u>	<u>\$ 46,988</u>	<u>\$ 78,519</u>	<u>\$ 691,891</u>

See accompanying notes to the basic financial statements.

City of Rittman
Wayne County, Ohio
Statement of Fiduciary Assets and Liabilities
Agency Fund
December 31, 2016

	<u>Agency Fund</u>
Assets	
Equity in Pooled Cash and Investments	\$ 24,408
<i>Total Assets</i>	<u>\$ 24,408</u>
Liabilities	
Undistributed Monies	\$ 24,408
<i>Total Liabilities</i>	<u>\$ 24,408</u>

See accompanying notes to the basic financial statements.

City of Rittman
Wayne County, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2016

Note 1 – Description of the City and Reporting Entity

The City of Rittman, Ohio (the “City”) is a home rule municipal corporation established under the laws of the State of Ohio which operates under its own Charter. The current Charter, which provides for a Mayor-Council-Manager form of government, was adopted in 1960.

Reporting Entity

The reporting entity is comprised of the primary government, component units and other organizations that are included to ensure that the financial statements of the City are fairly presented and complete. The primary government consists of all funds, departments, boards, and commissions that are not legally separate from the City. The City provides municipal services such as police, fire fighting and prevention, street lighting and maintenance, emergency medical service, solid waste collection and recycling, parks and recreation, and a staff to provide the necessary support to these services. The City also operates certain enterprise operations such as a sewage treatment plant, a water treatment plant, solid waste disposal services and storm water services. The operations of all of these services are included in the reporting entity.

Component units are legally separate organizations for which the City is financially accountable. The City is financially accountable for an organization if the City appoints a voting majority of the organization's governing board and (1) the City is able to significantly influence the programs or services performed or provided by the organization; or (2) the City is legally entitled to or can otherwise access the organization's resources; (3) the City is legally obligated or has otherwise assumed the responsibility to finance the deficits of, or provide financial support to, the organization; or (4) the City is obligated for the debt of the organization. Component units may also include organizations for which the City approves the budget, the issuance of debt or the levying of taxes. The City has no blended or discretely presented component units.

Note 2 – Summary of Significant Accounting Policies

The basic financial statements of the City have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to local governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles.

The most significant of the City’s accounting policies are described below.

Basis of Presentation

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

City of Rittman
Wayne County, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2016

Government-wide Financial Statements

The statement of net position and the statement of activities display information about the City as a whole. These statements include the financial activities of the primary government, except for fiduciary funds. The statements distinguish between those activities of the City that are governmental and those that are considered business-type activities.

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

Fund Financial Statements

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

Fund Accounting

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

Governmental Funds

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

City of Rittman
Wayne County, Ohio

Notes to the Basic Financial Statements
For the Year Ended December 31, 2016

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

Emergency Medical Service Fund - This special revenue fund is to account for property taxes levied and other revenues for the operations of emergency medical services.

Fire Department Levy Fund – This special revenue fund is to account for property taxes levied and other revenues for fire department operations.

Capital Improvements Fund – This capital projects fund is used to account for financial resources that are used for the acquisition, construction or improvement of the City’s capital facilities.

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.

Proprietary Funds

Proprietary fund reporting focuses on changes in net position, financial position and cash flows. Proprietary funds are classified as enterprise.

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

Water Fund - The water fund accounts for the provision of water treatment and distribution to its residential and commercial users located within the City. These resources are primarily generated through charges for water service.

Sewer Fund - The sewer fund accounts for the provision of sanitary sewer service to its residential and commercial users located within the City. These resources are primarily generated through charges for sanitation services.

Solid Waste Fund - The solid waste fund accounts for operation of the City’s solid waste (refuse, leaves and brush) pickup and disposal services. These resources are primarily generated through charges for services.

Storm Sewer Fund - The storm sewer fund accounts for operation of the City’s storm sewer services. These resources are primarily generated through assessments.

Fiduciary Funds

Fiduciary fund reporting focuses on net position and changes in net position. The fiduciary fund category is split into four classifications: pension trust funds, investment trust funds, private purpose trust funds, and agency funds. Trust funds are used to account for assets held by the City under a trust agreement for individuals, private organizations, or other governments and are therefore not available to support the City’s own programs. The City does not have trust funds. The agency fund accounts for returnable bonds.

City of Rittman
Wayne County, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2016

The City's agency fund is custodial in nature (assets equal liabilities) and does not involve measurement of results of operations. The City's agency fund accounts for deposits received from contractors and developers which will be refunded upon successful completion of the projects.

Measurement Focus

Government-wide Financial Statements

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

Fund Financial Statements

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

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

Agency funds do not report a measurement focus as they do not report operations.

Basis of Accounting

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

City of Rittman
Wayne County, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2016

Revenues - Exchange and Non-exchange Transactions

Revenue resulting from exchange transactions, in which each party gives and receives essentially equal value, is recorded on the accrual basis when the exchange takes place. On a modified accrual basis, revenue is recorded in the fiscal year in which the resources are measurable and become available. Available means that the resources will be collected within the current fiscal year or are expected to be collected soon enough thereafter to be used to pay liabilities of the current fiscal year. For the City, available means expected to be received within sixty days of year-end. Non-exchange transactions, in which the City receives value without directly giving equal value in return, include income taxes, property taxes, grants, entitlements and donations. On an accrual basis, revenue from income taxes is recognized in the period in which the income is earned. Revenue from property taxes is recognized in the year for which the taxes are levied (See Note 7). Revenue from grants, entitlements and donations is recognized in the year in which all eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the year when the resources are required to be used or the year when use is first permitted, matching requirements, in which the City must provide local resources to be used for a specified purpose, and expenditure requirements, in which the resources are provided to the City on a reimbursement basis. On a modified accrual basis, revenue from non-exchange transactions must also be available before it can be recognized. Under the modified accrual basis, the following revenue sources are considered to be both measurable and available at year end: income tax, state-levied locally shared taxes (including gasoline tax), fines and forfeitures, interest, grants and fees.

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 for pension. The deferred outflows of resources related to pension are explained in Note 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, and unavailable revenue. Property taxes represent amounts for which there is an enforceable legal claim as of December 31, 2016, but which were levied to finance 2017 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, income taxes, intergovernmental 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 are reported on the government-wide statement of net position. (See Note 9)

City of Rittman
Wayne County, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2016

Expenses/Expenditures

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

Budgetary Data

All funds, except agency funds, are legally required to be budgeted and appropriated, however, only governmental funds are required to be reported. The major documents prepared are the tax budget, the certificate of estimated resources, and the appropriations resolution, all of which are prepared on the budgetary basis of accounting. The tax budget demonstrates a need for existing or increased tax rates. The certificate of estimated resources establishes a limit on the amount Council may appropriate. The appropriations resolution is Council's authorization to spend resources and sets annual limits on expenditures plus encumbrances at the level of control selected by Council. The legal level of control has been established by Council at the object level (personal services and other) within each department in the general fund and at the object level (personal services and other) for all other funds. Budgetary modifications may only be made by resolution of the City Council at the legal level of control.

The certificate of estimated resources may be amended during the year if projected increases or decreases in revenue are identified by the Director of Finance. The amounts reported as the original budgeted amounts on the budgetary statements reflect the amounts on the certificate of estimated resources when the original appropriations were adopted. The amounts reported as the final budgeted amounts on the budgetary statements reflect the amounts on the final amended certificate of estimated resources issued during 2016.

The appropriation resolution is subject to amendment throughout the year with the restriction that appropriations cannot exceed estimated resources. The amounts reported as the original budgeted amounts reflect the first appropriation resolution for that fund that covered the entire year, including amounts automatically carried forward from prior years. The amounts reported as the final budgeted amounts represent the final appropriation amounts passed by Council during the year.

Cash and Investments

Cash received by the City is deposited in a central bank account. Monies for all funds, except cash held by a trustee or fiscal agent, are maintained in the account or temporarily used to purchase investments. Individual fund integrity is maintained through City records. Each fund's interest in the pool of cash and investments is presented as "equity in pooled cash and investments" in the basic financial statements.

Investments with original maturities of three months or less and investments of the cash management pool are presented on the financial statements as cash equivalents.

City of Rittman
Wayne County, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2016

The City utilizes financial institutions to service bonded debt as principal and interest payments come due. These account balances are presented as “cash and investments in segregated accounts.” The water fund also has accounts within restricted accounts during the year for customer deposits.

During 2016, investments included STAR Ohio, STAR Plus and certificates of deposit.

Except for nonparticipating investment contracts, investments are reported at fair value, which is based on quoted market prices. Nonparticipating investment contracts such as nonnegotiable certificates of deposit are reported at cost.

During 2016, 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.

For 2016, 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 \$50 million, requiring the excess amount to be transacted the following business day(s), but only to the \$50 million limit. All accounts of the 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.

Investment procedures are restricted by the provisions of the Ohio Revised Code. Interest revenue credited to the general fund during 2016 amounted to \$24,447, which includes \$20,037 assigned from other City funds.

Inventory

On the government-wide financial statements, inventories are presented at the lower of cost or market on a first-in, first-out basis and are expensed when used. Inventories of supplies are stated at cost, while inventories held for resale are stated at the lower of cost or market. For all funds, cost is determined on a first-in, first-out basis. The cost of inventory items is recorded as an expenditure/expense in the governmental and proprietary funds when used under the consumption method.

City of Rittman
Wayne County, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2016

Capital Assets

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

All capital assets are capitalized at cost (or estimated historical cost) and updated for additions and retirements during the year. Donated capital assets are recorded at their acquisition values as of the date received. The City maintains a capitalization threshold of five thousand dollars. The City's infrastructure consists of bridges, culverts, curbs, sidewalks, storm sewers, streets, irrigation systems and water and sewer lines. Improvements are capitalized; the costs of normal maintenance and repairs that do not add to the value of the asset or materially extend an asset's life are not.

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

Description	Governmental and Business-Type Activities Estimated Useful Lives
Buildings	20 - 40 Years
Land Improvements	5 - 50 Years
Equipment	5 - 30 Years
Infrastructure	30 - 75 Years

Interfund Balances

On fund financial statements, interfund loans are classified as "interfund receivable/payable" on the balance sheet and if they are long-term loans an equal offset should be included in nonspendable fund balance unless the proceeds from their collection are restricted, committed, or assigned. This provision indicates that the loans do not constitute available expendable resources. These amounts are eliminated in the governmental and business-type activities columns of the statement of net position, except for any net residual amounts due between governmental and business-type activities, which are presented as internal balances.

Compensated Absences

The City reports compensated absences in accordance with the provisions of GASB No. 16, *Accounting for Compensated Absences*. Vacation benefits are accrued as a liability as the benefits are earned if the employees' rights to receive compensation are attributable to services already rendered and it is probable that the employer will compensate the employees for the benefits through paid time off or some other means.

City of Rittman
Wayne County, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2016

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

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

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

Pensions

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

Accrued Liabilities and Long-Term Obligations

All payables, accrued liabilities and long-term obligations are reported in the government-wide 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 liability that will be paid from governmental funds are reported as a liability in the fund financial statements only to the extent that they are due for payment during the current year. Bonds are recognized as a liability on the fund financial statements when due.

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.

City of Rittman
Wayne County, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2016

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 (ordinance) of 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 (ordinance) it employed to previously commit those amounts. Committed fund balance also incorporates contractual obligations to the extent that existing resources in the fund have been specifically committed for use in satisfying those contractual requirements.

Assigned – Amounts in the assigned fund balance classification are intended to be used by the City for specific purposes but do not meet the criteria to be classified as restricted 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 City Council. The City Council has, by resolution, authorized the Finance Director to assign fund balance. The City Council may also assign fund balance as it does when appropriating fund balance to cover a gap between estimated revenue and appropriations in the subsequent year's appropriated budget.

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

The 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.

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, 2016, there was no net position restricted by enabling legislation.

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

City of Rittman
Wayne County, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2016

Operating Revenues and Expenses

Operating revenues are those revenues that are generated directly from the primary activity of the proprietary funds. For the City, these revenues are charges for services for water and sewer services and solid waste collection. Operating expenses are necessary costs incurred to provide the good or service that is the primary activity of the fund. All revenue and expenses not meeting these definitions are classified as nonoperating.

Capital Contributions

Contributions of capital in the government-wide and proprietary fund financial statements arise from donations by developers, grants restricted for capital construction, and special assessments. These assets are recorded at their acquisition value on the date contributed and are not subject to repayment.

Interfund Activity

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

Exchange transactions between funds are reported as revenues in the seller funds and as expenditures/expenses in the purchaser funds. Flows of cash or goods from one fund to another without a requirement for repayment are reported as interfund transfers. Interfund transfers are reported as other financing sources/uses in governmental funds and after nonoperating revenues/expenses in business-type activities. Interfund transfers are eliminated when reported in the entity wide financial statements for both the governmental and business-type activities. Transactions that constitute reimbursements to a fund for expenditures or expenses initially made from it that are properly applicable to another fund are recorded as expenditures/expenses in the reimbursing fund, and as a reduction of expenditures/expenses in the fund that is reimbursed.

Extraordinary and Special Items

Extraordinary items are transactions or events that are both unusual in nature and infrequent in occurrence. Special items are transactions or events that are within the control of the City Administration and that are either unusual in nature or infrequent in occurrence. Neither type of transaction occurred during 2016.

Estimates

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

City of Rittman
Wayne County, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2016

Implementation of New Accounting Principles

For the year ended December 31, 2016, the City has implemented Governmental Accounting Standards Board (GASB) Statement No. 72, *Fair Value Measurement and Application*, GASB Statement No. 73, *Accounting and Financial Reporting for Pensions and Related Assets That Are Not within the Scope of GASB Statement 68*, and *Amendments to Certain Provisions of GASB Statements 67 and 68*, GASB Statement No. 76, *The Hierarchy of Generally Accepted Accounting Principles for State and Local Governments*, GASB Statement No. 77, *Tax Abatement Disclosures*, GASB Statement No. 78, *Pensions Provided through Certain Multiple-Employer Defined Benefit Pension Plans*, and GASB Statement No. 79, *Certain External Investment Pools and Pool Participants*.

GASB Statement No. 72 clarifies the definition of fair value for financial reporting purposes, establishes general principles for measuring fair value, provides additional fair value application guidance, and enhances disclosures about fair value measurements. The implementation of GASB Statement No. 72 did not have an effect on the financial statements of the City.

GASB Statement No. 73 establishes requirements for defined benefit pensions that are not within the scope of GASB Statement No. 68 as well as for the assets accumulated for purposes of providing those pensions. In addition, it establishes requirements for defined contribution pensions that are not within the scope of Statement 68. It also clarifies the application of certain provisions of GASB Statements 67 and 68. The implementation of GASB Statement No. 73 did not have an effect on the financial statements of the City.

GASB Statement No. 76 reduces the GAAP hierarchy to two categories of authoritative GAAP and addresses the use of authoritative and nonauthoritative literature in the event that the accounting treatment for a transaction or other event is not specified within a source of authoritative GAAP. The implementation of GASB Statement No. 76 did not have an effect on the financial statements of the City.

GASB Statement No. 77 requires disclosure of tax abatement information about (1) a reporting government's own tax abatement agreements and (2) those that are entered into by other governments and that reduce the reporting government's tax revenues. The implementation of this statement did not result in any change in the City's financial statements as the City does not have any material GASB Statement No. 77 tax abatements.

GASB Statement No. 78 amends the scope of GASB Statement No. 68 to exclude certain multiple-employer defined benefit pension plans provided to employees of state and local governments on the basis that obtaining the measurements and other information required by GASB Statement No. 68 was not feasible. The implementation of GASB Statement No. 78 did not have an effect on the financial statements of the City.

GASB Statement No. 79 establishes accounting and financial reporting standards for qualifying external investment pools that elect to measure for financial reporting purposes all of their investments at amortized cost. This Statement provides accounting and financial reporting guidance also establishes additional note disclosure requirements for governments that participate in those pools. The City participates in STAR Ohio which implemented GASB Statement No. 79 for fiscal year 2016. The City incorporated the corresponding GASB 79 guidance into their fiscal year 2016 financial statements; however, there was no effect on beginning net position/fund balance.

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For the Year Ended December 31, 2016

Note 3 – 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	Emergency Medical Service Fund	Fire Department Levy Fund	Capital Improvements Fund	Nonmajor Governmental Funds	Total
Nonspendable for:						
Unclaimed Monies	\$ 1,598	\$ 0	\$ 0	\$ 0	\$ 0	\$ 1,598
Restricted for:						
Emergency Medical Services	0	249,178	0	0	0	249,178
Fire Department	0	0	4,807	0	0	4,807
Capital Improvements	0	0	0	640,199	0	640,199
Law Enforcement	0	0	0	0	60,064	60,064
Cemetery Capital Improvements	0	0	0	0	49,102	49,102
Streets and Highways	0	0	0	0	322,025	322,025
Education and Recreation	0	0	0	0	9,352	9,352
Debt Service	0	0	0	0	10,435	10,435
Total Restricted	<u>0</u>	<u>249,178</u>	<u>4,807</u>	<u>640,199</u>	<u>450,978</u>	<u>1,345,162</u>
Committed to:						
Recreation Activities	<u>18,900</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>18,900</u>
Assigned for:						
Encumbrances:						
General Government	4,276	0	0	0	0	4,276
Security of Persons and Property*	18,991	0	0	0	0	18,991
Public Health	2,202	0	0	0	0	2,202
Leisure Time Services	3,152	0	0	0	0	3,152
Transportation	306	0	0	0	0	306
Subsequent Year Appropriations	67,014	0	0	0	0	67,014
Total Assigned	<u>95,941</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>95,941</u>
Unassigned (Deficit)	<u>744,266</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>744,266</u>
Total Fund Balance (Deficit)	<u>\$ 860,705</u>	<u>\$ 249,178</u>	<u>\$ 4,807</u>	<u>\$ 640,199</u>	<u>\$ 450,978</u>	<u>\$ 2,205,867</u>

*This amount includes, most significantly, amounts assigned for fuel for police vehicles.

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For the Year Ended December 31, 2016

Note 4 – Deposits and Investments

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

Active deposits are public deposits necessary to meet current demands on the City treasury. Active 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 5-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, by surety company bonds with the City Finance Director by the financial institution or by a single collateral pool established by the financial institution to secure the repayment of all public monies deposited with the institution.

Interim monies may be invested in the following securities:

1. United States Treasury Notes, Bills, Bonds, or any other obligation or security issued by the United States Treasury or any other obligation guaranteed as to principal and interest by the United States;
2. Bonds, notes, debentures, or any other obligations or securities issued by any federal government agency or instrumentality, including, but not limited to, the Federal National Mortgage Association, Federal Home Loan Bank, Federal Farm Credit Bank, Federal Home Loan Mortgage Corporation, Government National Mortgage Association, and Student Loan Marketing Association. All federal agency securities shall be direct issuances of federal government agencies or instrumentalities;
3. Written repurchase agreements in the securities listed above provided that the market value of the securities subject to the repurchase agreements must exceed the principal value of the agreement by at least two percent and be marked to market daily, and that the term of the agreement must not exceed thirty days;
4. Bonds and other obligations of the State of Ohio and political subdivisions;

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5. No-load money market mutual funds consisting exclusively of obligations described in division (1) or (2) of this section and repurchase agreements secured by such obligations, provided that investments in securities described in this division are made only through eligible institutions; and
6. The State Treasurer's investment pool (STAR Ohio);
7. Certain banker's acceptances and commercial paper notes in an amount not to exceed 40 percent of the interim monies available for investment at any one time; and,
8. Under limited circumstances, corporate note interests rated in either of the two highest classifications by at least two nationally recognized rating agencies.

Effective September 27, 1996, investments in stripped principal or interest obligations are no longer allowed to be purchased. Reverse repurchase agreements and derivatives are also 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.

Custodial credit risk is the risk that in the event of bank failure, the government's deposits may not be returned to it. Protection of the City's cash and deposits is provided by the Federal Deposit Insurance Corporation, as well as qualified securities pledged by the institution holding the assets. By law, financial institutions must collateralize all uninsured public deposits. The face value of the pooled collateral must equal at least 105 percent of uninsured public funds deposited. Collateral is held by trustees including the Federal Reserve Bank and designated third party trustees of the financial institutions.

Deposits At fiscal year-end, the carrying amount of the City's deposits was \$3,451,394 and the bank balance was \$3,534,714. Of the bank balance, \$1,000,000 was covered by depository insurance.

Investments - As of December 31, 2016, the City had the following investment:

S&P Global Ratings	Investment	Measurement Value	Investment Maturity Less than One Year	% Total Investments
AAAm	STAR Ohio	\$ 518,918	\$ 518,918	100.0%

Interest Rate Risk - The Ohio Revised Code generally limits security purchases to those that mature within five years of the settlement date. The City's policy indicates that the investments must mature within five years, unless matched to a specific obligation or debt of the City.

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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, 2016, is 52 days and carries a rating of AAAM by S&P Global Ratings.

Credit Risk - The credit risk of the City's investments is in the table above. Ohio law requires that STAR Ohio maintain the highest rating provided by at least one nationally recognized standard rating service.

Custodial Credit Risk - For an investment, custodial risk is that risk that, in the event of the failure of the counterparty, the City will no longer be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The City's investment in repurchase agreements is collateralized by underlying securities pledged by the investment's counterparty, not in the name of the City. Ohio law requires the market value of the securities subject to repurchase agreements must exceed the principal value of the securities subject to a repurchase agreement by 2 percent. The City has no investment policy dealing with investment custodial risk beyond the requirement in State statute that prohibits payment for investments prior to the delivery of the securities representing such investments to the Treasurer or qualified trustee.

Concentration of Credit Risk - The City places no limit on the amount the City may invest in any one issuer. The investment percentages are listed above.

Note 5 – Budgetary Basis of Accounting

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

1. Revenues and other sources are recorded when received in cash (budget) as opposed to when susceptible to accrual (GAAP).
2. Expenditures/expenses and other uses are recorded when paid in cash (budget) as opposed to when the liability is incurred (GAAP).
3. Encumbrances are treated as expenditures (budget) rather than as a restriction, commitment or assignment of fund balance (GAAP).
4. The recreation trust fund is included in the general fund (GAAP), but has a separate legally adopted budget (budget).

The following table summarizes the adjustments necessary to reconcile the GAAP basis statements to the budgetary basis statements for the general fund, emergency medical service fund and fire department levy fund.

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	General Fund	Emergency Medical Service Fund	Fire Department Levy Fund
GAAP Basis	\$ 177,998	\$ (1,676)	\$ (1,494)
Net Adjustment for Revenue Accruals	110,208	(2,630)	0
Net Adjustment for Expenditure Accruals	(13,053)	(4,036)	(2,170)
Adjustment for Encumbrances	(29,533)	(7,246)	(1,490)
Budget Basis	<u>\$ 245,620</u>	<u>\$ (15,588)</u>	<u>\$ (5,154)</u>

Note 6 – Transfers

Transfers are used to (1) move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them, (2) move receipts restricted to debt service from the fund collecting the receipts to the debt service fund as debt service payments become due, and (3) use unrestricted revenues collected in the general fund to finance various programs accounted for in other funds in accordance with budgetary authorizations.

During 2016, general fund transferred \$63,350 to the fire department levy fund to cover expenditures and the capital improvements fund transferred \$125,148 to the debt service fund for principal and interest payments.

Note 7 – Receivables and Revenue

Receivables at December 31, 2016, consisted of taxes, interest, special assessments, accounts (billings for user charged services) and intergovernmental receivables.

No allowances for doubtful accounts have been recorded because uncollectible amounts are expected to be insignificant.

Property Taxes

Property taxes include amounts levied against all real and public utility property located in the City. Property tax revenue received during 2016 for real and public utility property taxes represents collections of the 2015 taxes.

2016 real property taxes were levied after October 1, 2016 on the assessed value as of January 1, 2016, the lien date. Assessed values are established by State law at 35 percent of appraised market value. 2016 real property taxes are collected in and intended to finance 2017.

City of Rittman
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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. 2016 public utility property taxes which became a lien December 31, 2015, are levied after October 1, 2016, and are collected in 2017 with real property taxes.

The full tax rate for all City operations for the year ended December 31, 2016, was \$7.00 per \$1,000 of assessed valuation. The assessed values of real property and public utility tangible property upon which 2016 property tax receipts were based are as follows:

Category	Assessed Value
Real Property	\$ 88,173,200
Public Utilities - Personal	2,583,900
Total Assessed Value	\$ 90,757,100

The County Treasurers collect property taxes on behalf of all taxing districts within the Counties, including the City. The County Auditors periodically remit 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, 2016, and for which there was an enforceable legal claim. In governmental funds, the portion of the receivable not levied to finance 2016 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.

Income Taxes

The City levies a municipal income tax on all salaries, wages, commissions and other compensation, and net profits earned within the City as well as incomes of residents earned outside of the City at a rate of 1.5 percent. The City allows a credit of 1.0 percent of the tax paid to another municipality.

Employers within the City are required to withhold income tax on work done or services performed in the City by both residents and non-residents of the City and remit at least quarterly. Corporations and other individual taxpayers are also required to pay their estimated taxes monthly and to file a return annually.

Income tax revenues are allocated based on City ordinance. Effective April 1, 2015, income tax collections are distributed between the general fund (75 percent) and the capital improvement fund (25 percent).

City of Rittman
Wayne County, Ohio
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For the Year Ended December 31, 2016

Note 8 – Capital Assets

Capital asset activity for the year ended December 31, 2016, was as follows:

	Balance 12/31/2015	Additions	Reductions	Balance 12/31/2016
Governmental Activities				
<i>Capital Assets, not being depreciated:</i>				
Land	\$ 202,508	\$ 41,330	\$ 0	\$ 243,838
Construction in Progress	82,265	0	0	82,265
Total Capital Assets, not being depreciated	<u>284,773</u>	<u>41,330</u>	<u>0</u>	<u>326,103</u>
<i>Capital Assets, being depreciated:</i>				
Land Improvements	119,026	0	0	119,026
Buildings	5,800,544	23,272	0	5,823,816
Infrastructure	2,783,318	225,605	0	3,008,923
Equipment	3,875,484	428,694	(62,335)	4,241,843
Total Capital Assets, being depreciated	<u>12,578,372</u>	<u>677,571</u>	<u>(62,335)</u>	<u>13,193,608</u>
Less Accumulated Depreciation:				
Land Improvements	(119,026)	0	0	(119,026)
Buildings	(2,536,543)	(151,540)	0	(2,688,083)
Infrastructure	(1,163,091)	(162,222)	0	(1,325,313)
Equipment	(2,821,835)	(230,758)	46,726	(3,005,867)
Total Accumulated Depreciation	<u>(6,640,495)</u>	<u>(544,520)</u>	<u>46,726</u>	<u>(7,138,289)</u>
Total Capital Assets being depreciated, net	<u>5,937,877</u>	<u>133,051</u>	<u>(15,609)</u>	<u>6,055,319</u>
Governmental Activities Capital Assets, Net	<u>\$ 6,222,650</u>	<u>\$ 174,381</u>	<u>\$ (15,609)</u>	<u>\$ 6,381,422</u>

City of Rittman
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Depreciation expense was charged to programs as follows:

	<u>Depreciation</u>
<i>Governmental Activities:</i>	
General Government	\$ 12,746
Transportation	217,780
Security of Persons and Property	196,595
Leisure Time	115,101
Public Health	<u>2,298</u>
	<u>\$ 544,520</u>

	<u>Balance</u>			<u>Balance</u>
	<u>12/31/2015</u>	<u>Additions</u>	<u>Reductions</u>	<u>12/31/2016</u>
Business-Type Activities				
<i>Capital Assets, not being depreciated:</i>				
Land	\$ 63,936	\$ 0	\$ 0	\$ 63,936
<i>Capital Assets, being depreciated:</i>				
Land Improvements	40,922	0	0	40,922
Buildings	8,913,859	155,500	0	9,069,359
Infrastructure	11,237,093	0	0	11,237,093
Equipment	1,859,399	107,474	(35,277)	1,931,596
Total Capital Assets, being depreciated	<u>22,051,273</u>	<u>262,974</u>	<u>(35,277)</u>	<u>22,278,970</u>
Less Accumulated Depreciation:				
Land Improvements	(22,951)	(2,995)	0	(25,946)
Buildings	(4,513,402)	(223,239)	0	(4,736,641)
Infrastructure	(3,933,455)	(193,367)	0	(4,126,822)
Equipment	(1,232,041)	(87,379)	31,769	(1,287,651)
Total Accumulated Depreciation	<u>(9,701,849)</u>	<u>(506,980)</u>	<u>31,769</u>	<u>(10,177,060)</u>
Total Capital Assets being depreciated, net	<u>12,349,424</u>	<u>(244,006)</u>	<u>(3,508)</u>	<u>12,101,910</u>
Business-Type Activities Capital Assets, Net	<u>\$ 12,413,360</u>	<u>\$ (244,006)</u>	<u>\$ (3,508)</u>	<u>\$ 12,165,846</u>

City of Rittman
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	<u>Depreciation</u>
<i>Business-Type Activities:</i>	
Water Fund	\$ 227,037
Sewer Fund	274,794
Solid Waste Fund	<u>5,149</u>
	<u>\$ 506,980</u>

Note 9 – 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.

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

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

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Plan Description – Ohio Public Employees Retirement System (OPERS)

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

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

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

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

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

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

	State and Local
2016 Statutory Maximum Contribution Rates	
Employer	14.00 %
Employee	10.00 %
2016 Actual Contribution Rates	
Employer:	
Pension	12.00 %
Post-employment Health Care Benefits	2.00
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 \$212,984 for 2016. Of this amount, \$27,261 is reported as an intergovernmental payable.

Plan Description – Ohio Police & Fire Pension Fund (OPF)

Plan Description - City full-time police and firefighters participate in Ohio Police and Fire Pension Fund (OPF), a cost-sharing, multiple-employer defined benefit pension plan administered by OPF. OPF 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. OPF issues a publicly available financial report that includes financial information and required supplementary information and detailed information about OPF fiduciary net position. The report that may be obtained by visiting the OPF 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 OPF may retire and receive a lifetime monthly pension. OPF offers four types of service retirement: normal, service commuted, age/service commuted and actuarially reduced. Each type has different eligibility guidelines and is calculated using the member's average annual salary. The following discussion of the pension formula relates to normal service retirement.

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

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

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

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

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

	Police
2016 Statutory Maximum Contribution Rates	
Employer	19.50 %
Employee	12.25 %
 2016 Actual Contribution Rates	
Employer:	
Pension	19.00 %
Post-employment Health Care Benefits	0.50
Total Employer	19.50 %
 Employee	 12.25 %

Employer contribution rates are expressed as a percentage of covered payroll. The City's contractually required contribution to OPF was \$87,465 for 2016. Of this amount \$10,366 is reported as an intergovernmental payable.

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

The net pension liability for OPERS was measured as of December 31, 2015, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. OPF's total pension liability was measured as of December 31, 2015, and was determined by rolling forward the total pension liability as of January 1, 2015, to December 31, 2015. The City's proportion of the net pension liability was based on the City's share of contributions to the pension plan relative to the contributions of all participating entities. Following is information related to the proportionate share and pension expense:

	OPERS		Total
	Traditional Plan	OPF	
Proportionate Share of the Net Pension Liability	\$ 2,458,407	\$ 1,283,462	\$ 3,741,869
Proportion of the Net Pension Liability			
Current Year	0.01419300%	0.01995100%	
Prior Year	0.01403600%	0.02095370%	
Pension Expense	\$ 357,562	\$ 176,347	\$ 533,909

At December 31, 2016, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	OPERS		Total
	Traditional Plan	OPF	
Deferred Outflows of Resources			
Net Difference between Projected and Actual			
Earnings on Pension Plan Investments	\$ 722,617	\$ 208,899	\$ 931,516
Changes in Proportionate Share	12,494	0	12,494
City Contributions Subsequent to the Measurement Date	212,984	87,465	300,449
Total Deferred Outflows of Resources	<u>\$ 948,095</u>	<u>\$ 296,364</u>	<u>\$ 1,244,459</u>
Deferred Inflows of Resources			
Differences between Expected and Actual Experience	\$ 47,501	\$ 3,604	\$ 51,105
Changes in Proportionate Share	0	41,675	41,675
Total Deferred Inflows of Resources	<u>\$ 47,501</u>	<u>\$ 45,279</u>	<u>\$ 92,780</u>

\$300,449 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 or addition of the net pension asset in the year ending December 31, 2017. 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		Total
	Traditional Plan	OPF	
2017	\$ 163,809	\$ 46,284	\$ 210,093
2018	175,363	46,284	221,647
2019	184,911	46,285	231,196
2020	163,527	35,150	198,677
2021	0	(8,724)	(8,724)
Thereafter	0	(1,659)	(1,659)
	\$ 687,610	\$ 163,620	\$ 851,230

Actuarial Assumptions - OPERS

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

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employers and plan members) and include the types of benefits provided at the time of each valuation. The total pension liability in the December 31, 2015, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

<u>Actuarial Information</u>	<u>Traditional Pension Plan</u>
Wage Inflation	3.75 percent
Future Salary Increases, including inflation	4.25 percent to 10.05 percent, including wage inflation at 3.75 percent
COLA or Ad Hoc COLA	3.00 percent, simple
Investment Rate of Return	8.00 percent
Actuarial Cost Method	Individual Entry Age

Mortality rates were based on the RP-2000 Mortality Table projected 20 years using Projection Scale AA. For males, 105 percent of the combined healthy male mortality rates were used. For females, 100 percent of the combined healthy female mortality rates were used. The mortality rates used in evaluating disability allowances were based on the RP-2000 mortality table with no projections. For males 120 percent of the disabled female mortality rates were used set forward two years. For females, 100 percent of the disabled female mortality rates were used.

The most recent experience study was completed for the five year period ended December 31, 2010.

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

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OPERS manages investments in four investment portfolios: the Defined Benefits portfolio, the Health Care portfolio, the 115 Health Care Trust portfolio and the Defined Contribution portfolio. The Defined Benefit portfolio includes the investment assets of the Traditional Pension Plan, the defined benefit component of the Combined Plan, the annuitized accounts of the Member-Directed Plan and the VEBA Trust. Within the Defined Benefit portfolio, contributions into the plans are all recorded at the same time, and benefit payments all occur on the first of the month. Accordingly, the money-weighted rate of return is considered to be the same for all plans within the portfolio. The money weighted rate of return, net of investments expense, for the Defined Benefit portfolio is 0.40 percent for 2015.

The allocation of investment assets with the Defined Benefit portfolio is approved by the Board of Trustees as outlined in the annual investment plan. Plan assets are managed on a total return basis with a long-term objective of achieving and maintaining a fully funded status for the benefits provided through the defined benefit pension plans. The table below displays the Board-approved asset allocation policy for 2015 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 %	2.31 %
Domestic Equities	20.70	5.84
Real Estate	10.00	4.25
Private Equity	10.00	9.25
International Equities	18.30	7.40
Other Investments	18.00	4.59
Total	100.00 %	5.27 %

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

Changes between Measurement Date and Report Date

In October 2016, the OPERS Board adopted certain assumption changes which will impact their annual actuarial valuation prepared as of December 31, 2016. The most significant change is a reduction in the discount rate from 8.0 percent to 7.5 percent. Although the exact amount of these changes is not known, the impact to the City’s net pension liability is expected to be significant.

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 eight 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 (seven percent) or one-percentage-point higher (nine 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:	\$ 3,916,842	2,458,407	\$ 1,228,262

Actuarial Assumptions – OPF

OPF's total pension liability as of December 31, 2015 is based on the results of an actuarial valuation date of January 1, 2015, and rolled-forward using generally accepted actuarial procedures. The total pension liability is determined by OPF's actuaries in accordance with GASB Statement No. 67, as part of their annual valuation. Actuarial valuations of an ongoing plan involve estimates of reported amounts and assumptions about probability of occurrence of events far into the future. Examples include assumptions about future employment mortality, salary increases, disabilities, retirements and employment terminations. Actuarially determined amounts are subject to continual review and potential modifications, as actual results are compared with past expectations and new estimates are made about the future.

Key methods and assumptions used in calculating the total pension liability in the latest actuarial valuation, prepared as of January 1, 2015, are presented below:

Valuation Date	January 1, 2015
Actuarial Cost Method	Entry Age Normal
Investment Rate of Return	8.25 percent
Projected Salary Increases	4.25 percent to 11.00 percent
Payroll Increases	3.75 percent
Inflation Assumptions	3.25 percent
Cost of Living Adjustments	2.60 percent and 3.00 percent, simple

Rates of death are based on the RP2000 Combined Table, age-adjusted as follows. For active members, set back six years. For disability retirements, set forward five years for police and three years for firefighters. For service retirements, set back zero years for police and two years for firefighters. For beneficiaries, set back zero years. The rates are applied on a fully generational basis, with a base year of 2009, using mortality improvement Scale AA.

The most recent experience study was completed January 1, 2012.

The long-term expected rate of return on pension plan investments was determined using a building-block approach and assumes a time horizon, as defined in the Statement of Investment Policy. A forecasted rate of inflation serves as the baseline for the return expectation. Various real return premiums over the baseline inflation rate have been established for each asset class. The long-term expected nominal rate of return has been determined by calculating a weighted averaged of the expected real return premiums for each asset class, adding the projected inflation rate and adding the expected return from rebalancing uncorrelated asset classes. Best estimates of the long-term expected geometric real rates of return for each major asset class included in OPF's target asset allocation as of December 31, 2015 are summarized below:

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<u>Asset Class</u>	<u>Target</u> <u>Allocation</u>	<u>10 Year</u> <u>Expected Real</u> <u>Rate of Return**</u>	<u>30 Year</u> <u>Expected Real</u> <u>Rate of Return**</u>
Domestic Equity	16.00	6.50 %	7.80 %
Non-US Equity	16.00	6.70	8.00
Core Fixed Income*	20.00	3.50	5.35
Global Inflation Protected*	20.00	3.50	4.73
High Yield	15.00	6.35	7.21
Real Estate	12.00	5.80	7.43
Private Markets	8.00	9.50	10.73
Timber	5.00	6.55	7.35
Master Limited Partnerships	8.00	9.65	10.75
Total	<u>120.00</u> %		

Note: Assumptions are geometric.

* levered 2x

** Numbers include inflation

OPF's Board of Trustees has incorporated the "risk parity" concept into OPF's asset liability valuation with the goal of reducing equity risk exposure, which reduces overall total portfolio risk without sacrificing return, and creating a more risk-balanced portfolio based on their relationship between asset classes and economic environments. From the notional portfolio perspective above, the total portfolio may be levered up to 1.2 times due to the application of leverage in certain fixed income asset classes.

Discount Rate The total pension liability was calculated using the discount rate of 8.25 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 8.25 percent. Based on those assumptions, the plan's fiduciary net position was projected to be available to make all future benefit payments of current plan members. Therefore, a long-term expected rate of return on pension plan investments was applied to all periods of projected benefits to determine the total pension liability.

Sensitivity of the City's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate Net pension liability is sensitive to changes in the discount rate, and to illustrate the potential impact the following table presents the net pension liability calculated using the discount rate of 8.25 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 (7.25 percent), or one percentage point higher (9.25 percent) than the current rate.

	<u>1% Decrease</u> <u>(7.25%)</u>	<u>Current</u> <u>Discount Rate</u> <u>(8.25%)</u>	<u>1% Increase</u> <u>(9.25%)</u>
City's proportionate share of the net pension liability:	\$ 1,692,714	\$ 1,283,462	\$ 936,785

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Note 10 – Post-Employment Benefits

Ohio Public Employees Retirement System

Plan Description – Ohio Public Employees Retirement System (OPERS) administers three separate pension plans: The Traditional Pension Plan – a cost sharing, multiple-employer defined benefit pension plan; the Member-Directed Plan – a defined contribution plan; and the Combined Plan – a cost sharing, multiple employer defined benefit pension plan that has elements of both a defined benefit and defined contribution plan.

In March 2016, OPERS received two favorable rulings from the Internal Revenue Service (IRS) allowing OPERS to consolidate all health care assets into the OPERS 115 Health Care Trust. Transition to the new health care trust structure was completed July 1, 2016. As of December 31, 2016, 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. Members of the Member-Directed Plan do not qualify for ancillary benefits, including OPERS sponsored health care coverage. OPERS funds a Retiree Medical Account (RMA) for participants in the Member-Directed Plan. At retirement or refund, participants can be reimbursed for qualified medical expenses from their vested RMA balance.

In order to qualify for health care coverage, age-and-service retirees under the Traditional Pension and Combined plans must have 20 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 45. Please see the Plan Statement in the OPERS 2015 CAFR for details.

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 OPERS Board of Trustees (OPERS Board) in Chapter 145 of the Ohio Revised Code.

OPERS issues a stand-alone financial report. Interested parties may obtain a copy by visiting <https://www.opers.org/financial/reports.shtml#CAFR>, by writing to OPERS, 277 East Town Street, Columbus, OH 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 health care through their contributions to OPERS. 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 2016, 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.

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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 2.0 percent during calendar year 2016. As recommended by OPERS' actuary, the portion of employer contributions allocated to health care beginning January 1, 2017 decreased to 1.0 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 2016 was 4.0 percent.

The City's contributions allocated to fund post-employment health care benefits for the years ended December 31, 2016, 2015, and 2014 were \$35,497, \$36,037 and \$22,209, respectively. For 2016, 87 percent has been contributed with the balance being reported as an intergovernmental payable. The full amount has been contributed for 2015 and 2014.

Ohio Police and Fire Pension Fund

Plan Description – The City contributes to the Ohio Police and Fire Pension Fund (OPF) sponsored health care program, a cost-sharing multiple-employer defined post-employment health care plan administered by OPF. OPF provides health care benefits including coverage for medical, prescription drugs, dental, vision, Medicare Part B Premium and long-term care to retirees, qualifying benefit recipients and their eligible dependents.

OPF provides access to post-retirement 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 OPF meets the definition of an Other Post-employment Benefit (OPEB) as described in GASB Statement 45.

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

OPF issues a publicly available financial report that includes financial information and required supplementary information for the Plan. That report may be obtained by writing to OPF, 140 East Town Street, Columbus, Ohio 43215-5164. That report is also available on OPF's website at www.op-f.org.

Funding Policy – The Ohio Revised Code provides for contribution requirements of the participating employers and of plan members to the OPF defined benefit pension plan. Participating employers are required Ohio Revised Code to contribute to the pension plan at rates expressed as percentages of the payroll of active pension plan members, currently, 19.5 percent and 24.0 percent of covered payroll for police and fire employers, respectively. The Ohio Revised Code states that the employer contribution may not exceed 19.5 percent of covered payroll for police employer units and 24.0 percent of covered payroll for fire employer units. Active members do not make contributions to the OPEB Plan.

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OPF maintains funds for health care in two separate accounts. One for health care benefits under an IRS Code Section 115 trust and one for Medicare Part B reimbursements administrated as an Internal Revenue Code 401(h) account, both of which are within the defined benefit pension plan, under the authority granted by the Ohio Revised Code to the OPF Board of Trustees.

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. The portion of employer contribution allocated to health care was 0.5 percent of covered payroll from January 1, 2016 through December 31, 2016. 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 OPF 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 contributions to OPF, which were allocated to fund post-employment health care benefits, for police were \$2,302 for the year ended December 31, 2016, \$2,506 for the year ended December 31, 2015, and \$2,303 for the year ended December 31, 2014. 88 percent has been contributed for 2016. The full amount has been contributed for 2015 and 2014.

Note 11 – Compensated Absences

The criteria for determining vacation and sick leave components are derived from negotiated contracts, City ordinances and State laws. Employees earn two to five weeks of vacation per year, depending upon length of service. Vacation is accrued bi-weekly and employees may accrue up to two times their annual vacation rate. Unused vacation is paid out at termination of employment, retirement or death.

Employees earn sick leave at the rate of 4.6 hours per 80 hours worked with no maximum accumulation. At retirement or death, employees (or their estate) will receive between 650 and 750 hours of sick leave.

Compensated absences will be paid from the fund from which the employee is paid. This is generally from the general, EMS, street maintenance and repair, water, sewer and solid waste funds.

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Note 12 – Long Term Obligations

Changes in Long Term Liabilities

Long term liability activity for the year ended December 31, 2016 was as follows:

	Balance 12/31/2015	Additions	Reductions	Balance 12/31/2016	Due Within One Year
Governmental Activities					
<i>General Obligation Bonds</i>					
2009 Emergency Dispatch					
Communication Bonds	\$ 52,000	\$ 0	\$ 5,000	\$ 47,000	\$ 5,000
2014 Recreation Center					
Refunding Bonds	535,000	0	100,000	435,000	105,000
2014 Pool Project Bonds	40,000	0	5,000	35,000	5,000
<i>Total General Obligation Bonds</i>	<u>627,000</u>	<u>0</u>	<u>110,000</u>	<u>517,000</u>	<u>115,000</u>
<i>Loans</i>					
2013 Wayne Savings Community					
Bank	113,587	0	37,023	76,564	37,856
2013 Rittman CIC	14,000	7,000	0	21,000	0
2015 OPWC	85,000	0	2,125	82,875	4,250
<i>Total Loans</i>	<u>212,587</u>	<u>7,000</u>	<u>39,148</u>	<u>180,439</u>	<u>42,106</u>
Promissory Note					
Note Payable	14,000	0	7,000	7,000	7,000
	92,970	0	36,617	56,353	37,377
<i>Total Notes Payable</i>	<u>106,970</u>	<u>0</u>	<u>43,617</u>	<u>63,353</u>	<u>44,377</u>
<i>Net Pension Liability</i>					
OPERS	1,180,590	550,532	0	1,731,122	0
OP&F	1,085,489	197,973	0	1,283,462	0
<i>Total Net Pension Liability</i>	<u>2,266,079</u>	<u>748,505</u>	<u>0</u>	<u>3,014,584</u>	<u>0</u>
Compensated Absences					
	201,276	152,362	182,801	170,837	128,323
Total Governmental Long Term Liabilities	<u><u>\$ 3,413,912</u></u>	<u><u>\$ 907,867</u></u>	<u><u>\$ 375,566</u></u>	<u><u>\$ 3,946,213</u></u>	<u><u>\$ 329,806</u></u>

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	Balance 12/31/2015	Additions	Reductions	Balance 12/31/2016	Due Within One Year
Business-Type Activities					
<i>Revenue Bonds</i>					
1993 Mortgage Revenue Bonds	\$ 801,900	\$ 0	\$ 801,900	\$ 0	\$ 0
<i>General Obligation Bonds</i>					
2014 Refunding Bonds	855,000	0	90,000	765,000	85,000
2011 Sewer Vehicle Acquisition Bonds	13,000	0	13,000	0	0
2016 Sewerage System Refunding	0	525,900	102,344	423,556	104,286
<i>Total General Obligation Bonds</i>	<u>868,000</u>	<u>525,900</u>	<u>205,344</u>	<u>1,188,556</u>	<u>189,286</u>
<i>Loans</i>					
2005 OPWC Loan	131,250	0	12,500	118,750	12,500
2010 OPWC Loan	119,016	0	4,491	114,525	4,491
2015 OPWC Loan	165,000	0	4,125	160,875	8,250
<i>Total Loans</i>	<u>415,266</u>	<u>0</u>	<u>21,116</u>	<u>394,150</u>	<u>25,241</u>
<i>Net Pension Liability - OPERS</i>					
Water	234,468	94,321	0	328,789	0
Sewer	260,786	111,229	0	372,015	0
Solid Waste	17,054	9,427	0	26,481	0
<i>Total Net Pension Liability</i>	<u>512,308</u>	<u>214,977</u>	<u>0</u>	<u>727,285</u>	<u>0</u>
Compensated Absences	<u>105,332</u>	<u>75,895</u>	<u>85,600</u>	<u>95,627</u>	<u>57,498</u>
Total Business-Type Activities Long Term Liabilities	<u>\$ 2,702,806</u>	<u>\$ 816,772</u>	<u>\$ 1,113,960</u>	<u>\$ 2,405,618</u>	<u>\$ 272,025</u>

General Obligation Bonds - General obligations bonds are direct obligations of the City for which its full faith and credit are pledged for repayment. The general obligation bonds will be retired from the debt service fund using general property taxes and from the water fund and sewer fund using resources within these funds.

2009 Emergency Dispatch Communication Bonds

In 2009, the City issued \$77,000 in bonds with an interest rate of 4.25 percent which will mature in 2024. These bonds were issued to replace and improve the City's 911 emergency dispatch communication system.

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2014 Refunding Bonds

In November 2014, the City issued \$645,000 and \$960,000 in refunded general obligation bonds with an interest rate of 2.25 percent. The proceeds of the bonds were used to refund \$625,000 of the City's outstanding recreation center refunding bonds, Series 2004 and \$920,000 of the City's outstanding water improvement bonds, Series 2004. The recreation center refunding bonds were issued for a 6 year period with final maturity at December 1, 2020. The water improvement refunding bonds were issued for a 10 year period with final maturity at December 1, 2024. At the date of the refunding, \$1,579,239 (after underwriting fees) was deposited in an irrevocable trust to provide for all future payments on the refunded bonds. The old bonds were called and later redeemed on December 8, 2014 and are no longer outstanding.

These refunding bonds were issued with issuance costs of \$27,250. The issuance resulted in a difference between the cash flows required to service the old debt and the cash flows required to service the new debt of \$135,857. The issuance resulted in an economic gain of \$120,915.

2014 Pool Project Bonds

In November 2014, the City issued \$40,000 in bonds with an interest rate of 2.25 percent which will mature in 2023. These bonds were issued to make improvements to the pool and community room.

2013 Loans

In 2013, the City received a loan of \$185,000 from Wayne Savings Community Bank with an interest rate of 2.25 percent. The loan was used to purchase a fire truck. The loan will be paid from the fire levy fund and matures in 2018.

In 2013, the City entered into a promissory note of \$35,000 with the Rittman Exempted Village School District. There is no annual interest rate. The note was used to purchase land. The note will be paid from general fund and matures in 2017.

The City entered into a loan agreement with Rittman Community Improvement Corporation for \$35,000 to be issued in annual installments of \$7,000 beginning in 2013. There is no annual interest rate. The loan is used for loan payments on the 2013 note from Rittman Exempted Village School District, which was used to purchase land. The loan matures upon the City converting the land for the City's use or selling the land to another entity.

2015 OPWC Loan

The 2015 OPWC loan is for street improvements and was issued for \$85,000. The loan matures in 2036 and is an interest-free loan. This loan will be retired from the debt service fund.

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2011 Sewer Vehicle Acquisition Bonds

In 2011, the City issued \$59,500 in bonds with an interest rate of 3.75 percent which matured in 2016. These bonds were issued for the acquisition of a sewer cleaning and vacuum truck.

2016 Sewerage System Refunding Bonds

On May 31, 2016, the City issued \$525,900 in current refunding general obligation bonds at an average interest rate of 2 percent. The proceeds of the bonds were used to refund \$525,660 of the City's outstanding Mortgage Revenue Bonds. The bonds were issued for a four-year period with final maturity at December 30, 2020.

Mortgage Revenue Bonds

Mortgage revenue bonds are to be repaid from income derived from the constructed and improved assets of the Sewer Fund. In 1993, the City issued \$1,285,000 in mortgage revenue bonds at an interest rate of 5.20 percent for the purpose of constructing and improving the wastewater treatment facilities. The bonds mature on October 15, 2032. These bonds were refunded in 2016.

2005 OPWC Loan

The 2005 Ohio Public Works Commission (OPWC) loan was for a new water filtration system to be used by the City. The City received \$141,647 in proceeds in 2005, with the remaining \$108,353 received in 2006. The loan matures in 2026 and is an interest-free loan.

2010 OPWC Loan

The 2010 OPWC loan was for waterline improvements on Salt Street and Terrace Street. The City received \$134,735 in proceeds in 2011. The loan matures in 2042 and is an interest-free loan.

2015 OPWC Loan

The 2015 OPWC loan was for waterline improvements on North Main and Liberty Street. The City received \$165,000 in proceeds in 2015. The loan matures in 2036 and is an interest-free loan.

The City has pledged future revenues to repay the OPWC loans in the water fund. The debt is payable solely from revenues and is payable through 2042. In 2016, the annual principal payments on the loans required 34 percent of net operating revenues and 3 percent of total revenues. The total principal remaining to be paid on the loans is \$394,150. Principal paid in the current year was \$21,116, total net operating revenues were \$62,631 and total revenues were \$674,302.

The City pays obligations related to employee compensation from the fund benefitting from their service, which is typically the general, water, sewer and solid waste funds.

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Annual debt service requirements to maturity for outstanding debt are as follows:

Year Ending December 31,	Governmental Activities					
	General Obligation Bonds			Loans Payable *		
	Principal	Interest	Total	Principal	Interest	Total
2017	\$ 115,000	\$ 12,572	\$ 127,572	\$ 42,106	\$ 1,723	\$ 43,829
2018	120,000	9,885	129,885	42,958	871	43,829
2019	121,000	7,085	128,085	4,250	0	4,250
2020	121,000	4,243	125,243	4,250	0	4,250
2021	11,000	1,400	12,400	4,250	0	4,250
2022 - 2026	29,000	1,995	30,995	21,250	0	21,250
2027 - 2032	0	0	0	21,250	0	21,250
2033 - 2036	0	0	0	19,125	0	19,125
Total	\$ 517,000	\$ 37,180	\$ 554,180	\$ 159,439	\$ 2,594	\$ 162,033

Year Ending December 31,	Notes Payable		
	Principal	Interest	Total
2017	\$ 44,377	\$ 964	\$ 45,341
2018	18,976	194	19,170
Total	\$ 63,353	\$ 1,158	\$ 64,511

* The \$21,000 Rittman Community Improvement Corporation loan is not included since there is no maturity date at this time.

Year Ending December 31,	Business Type Activities			
	General Obligation Bonds			OPWC Loans
	Principal	Interest	Total	Principal
2017	\$ 189,286	\$ 25,832	\$ 215,118	\$ 25,241
2018	205,348	21,797	227,145	25,241
2019	201,420	17,404	218,824	25,241
2020	207,502	13,101	220,603	25,241
2021	95,000	8,663	103,663	25,241
2022-2026	290,000	13,049	303,049	119,955
2027-2031	0	0	0	63,705
2032-2036	0	0	0	59,580
2037-2041	0	0	0	22,459
2042-2046				2,246
Total	\$ 1,188,556	\$ 99,846	\$ 1,288,402	\$ 394,150

City of Rittman
Wayne County, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2016

Note 13 – Risk Management

The City is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omission; injuries to employees and natural disasters.

These risks are covered by commercial insurance policies purchased from independent third parties. The City purchases extended coverage insurance on all buildings and contents to \$28,681,391. Coverage is purchased on City vehicles for a combined single limit liability of \$1,000,000. The City purchases general liability insurance coverage with a \$1,000,000 limit per occurrence and \$3,000,000 aggregate. Other policies held by the City include law enforcement, public officials, boiler & machinery, inland marine and commercial crime. An umbrella policy held by the City provides an additional \$5,000,000 of coverage over the policies listed above.

There were no significant reductions in insurance coverage during the year in any category of risk. Settled claims have not exceeded insurance coverage in any of the past three years.

Workers' compensation coverage is provided by the State of Ohio and is based on a rate per \$100 of salaries. The rate is calculated based on accident history and administrative costs.

The City contracted with Medical Mutual as the Health Care Provider to provide employee health benefits. On November 1, 2014, the City contracted with Ohio Insurance Services Agency, Inc as part of the Ohio Public Entity Consortium Healthcare Cooperative (OPEC-HC) for medical and prescription coverage. Medical Mutual remains the third-party administrator.

Note 14 – Contingencies

Amounts received from grantor agencies are subject to audit and adjustment by the grantor, principally the federal government. Any disallowed costs may require refunding to the grantor. Amounts which may be disallowed, if any, are not presently determinable. However, based on prior experience, management believes such refunds, if any, would not be material.

The City is defendant in several lawsuits. The outcome of these suits is not presently determinable and council believes that the resolution of these matters will not materially affect the City's financial condition.

Note 15 – Commitments

The City utilizes encumbrance accounting as part of its budgetary controls. Encumbrances outstanding at year end may be reported as part of restricted, committed or assigned classifications of fund balance.

City of Rittman
Wayne County, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2016

At year end, the City's commitments for encumbrances in the governmental funds were as follows:

<u>Fund</u>	<u>Amount</u>
General Fund	\$ 28,927
Emergency Medical Service Fund	5,703
Fire Department Levy Fund	958
Capital Improvements Fund	20,200
Nonmajor Governmental Funds	<u>14,306</u>
	<u>\$ 70,094</u>

Note 16 – Subsequent Event

In January 2017, the City drew down \$155,500 on an interest free loan from OPWC related to the water tower.



City of Rittman
Wayne County, Ohio
Required Supplementary Information
Schedule of the City's Proportionate Share of the Net Pension Liability
Last Three Years (1)

	<u>2016</u>	<u>2015</u>	<u>2014</u>
<i>Ohio Public Employees' Retirement System (OPERS)</i>			
City's Proportion of the Net Pension Liability	0.0141930%	0.0140360%	0.0140360%
City's Proportionate Share of the Net Pension Liability	\$ 2,458,407	\$ 1,692,898	\$ 1,654,662
City's Covered-Employee Payroll	\$ 1,766,425	\$ 1,720,742	\$ 1,619,969
City's Proportionate Share of the Net Pension Liability as a Percentage of its Covered-Employee Payroll	139.17%	98.38%	102.14%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	81.08%	86.45%	86.36%
<i>Ohio Police and Fire Pension Fund (OPF)</i>			
City's Proportion of the Net Pension Liability	0.0199510%	0.0209537%	0.0209537%
City's Proportionate Share of the Net Pension Liability	\$ 1,283,462	\$ 1,085,489	\$ 1,020,511
City's Covered-Employee Payroll	\$ 501,108	\$ 453,958	\$ 448,659
City's Proportionate Share of the Net Pension Liability as a Percentage of its Covered-Employee Payroll	256.12%	239.12%	227.46%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	66.77%	71.71% (2)	73.00%

(1) Information prior to 2014 is not available.

(2) Restated during 2015.

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

City of Rittman
Wayne County, Ohio
Required Supplementary Information
Schedule of City Contributions
Last Ten Years

	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
<i>Ohio Public Employees' Retirement System (OPERS)</i>				
Contractually Required Contribution	\$ 212,984	\$ 211,971	\$ 206,489	\$ 210,596
Contributions in Relation to the Contractually Required Contribution	<u>(212,984)</u>	<u>(211,971)</u>	<u>(206,489)</u>	<u>(210,596)</u>
Contribution deficiency (excess)	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
City's covered-employee payroll	\$ 1,774,867	\$ 1,766,425	\$ 1,720,742	\$ 1,619,969
Contributions as a percentage of covered-employee payroll	12.00%	12.00%	12.00%	13.00%
<i>Ohio Police and Fire Pension Fund (OPF)</i>				
Contractually Required Contribution	\$ 87,465	\$ 95,210	\$ 87,690	\$ 70,574
Contributions in relation to the contractually required contribution	<u>(87,465)</u>	<u>(95,210)</u>	<u>(87,690)</u>	<u>(70,574)</u>
Contribution deficiency (excess)	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
City's covered-employee payroll	\$ 460,344	\$ 501,108	\$ 453,958	\$ 448,659
Contributions as a percentage of covered-employee payroll	19.00%	19.00%	19.32%	15.73%

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

<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</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
\$ 55,319	\$ 60,564	\$ 55,854	\$ 57,387	\$ 51,648	\$ 49,257
<u>(55,319)</u>	<u>(60,564)</u>	<u>(55,854)</u>	<u>(57,387)</u>	<u>(51,648)</u>	<u>(49,257)</u>
<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
\$ 433,875	\$ 475,012	\$ 438,071	\$ 450,094	\$ 405,082	\$ 386,329
12.75%	12.75%	12.75%	12.75%	12.75%	12.75%



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

Nonmajor Special Revenue Funds

The Special Revenue Funds are used to account for the proceeds of specific sources that are legally restricted or committed to expenditure for specified purposes other than debt service or capital projects. The title of each special revenue fund is descriptive of the activities accounted for therein. The special revenue funds are:

Street 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

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 state highways within the City.

Permissive Tax

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.

Permissive Tax II

To account for the City's share of motor vehicle registration fees levied by the City for maintaining city streets.

Police Pension

To accumulate property taxes levied for the partial payment of the current liability for police disability and pension.

Law Enforcement and Education

To account for funds from the municipal court restricted to enforce drunk driving laws and related educational programs.

Law Enforcement

To account for funds from the municipal court restricted for law enforcement programs.

Continuing Professional Training

To account for state mandated training funds.

Education and Recreation Assistance

To account for monies received and expended for the Parks and Recreation Department programs and activities.

Nonmajor Debt Service Funds

Debt Service funds are established to account for and report financial resources that are restricted, committed, or assigned to expenditure for principal and interest and to account for the accumulation of resources for, and the payment of, general long-term debt principal and interest.

Debt Retirement

To account for the resources that are used for payment of principal and interest and fiscal charges on debt.

Nonmajor Capital Projects Funds

Capital Project funds are established to account for and report financial resources that are restricted, committed, or assigned to expenditure for capital outlays, including the acquisition or construction of capital facilities and other capital assets.

Cemetery Endowment

This fund accounts for resources restricted for capital improvements for the Rittman Municipal Cemeteries.

City of Rittman
Wayne County, Ohio
Combining Balance Sheet
Nonmajor Governmental Funds
December 31, 2016

	Nonmajor Special Revenue Funds	Nonmajor Debt Service Fund	Nonmajor Capital Projects Fund	Total Nonmajor Governmental Funds
Assets				
Equity in Pooled Cash and Investments	\$ 357,825	\$ 10,435	\$ 49,102	\$ 417,362
Cash and Investments in Segregated Accounts	0	2,841	0	2,841
Accrued Interest Receivable	63	0	0	63
Intergovernmental Receivable	221,870	0	0	221,870
Property and Other Local Taxes Receivable	23,432	0	0	23,432
<i>Total Assets</i>	<u>\$ 603,190</u>	<u>\$ 13,276</u>	<u>\$ 49,102</u>	<u>\$ 665,568</u>
Liabilities				
Accounts Payable	\$ 10,886	\$ 0	\$ 0	\$ 10,886
Accrued Wages	5,075	0	0	5,075
Intergovernmental Payable	4,374	0	0	4,374
Matured Interest Payable	0	841	0	841
Matured Bonds Payable	0	2,000	0	2,000
<i>Total Liabilities</i>	<u>20,335</u>	<u>2,841</u>	<u>0</u>	<u>23,176</u>
Deferred Inflows of Resources				
Property Taxes Levied for the Next Year	22,053	0	0	22,053
Delinquent Property Taxes	1,379	0	0	1,379
Unavailable Revenue	167,982	0	0	167,982
<i>Total Deferred Inflows of Resources</i>	<u>191,414</u>	<u>0</u>	<u>0</u>	<u>191,414</u>
Fund Balances				
Restricted	391,441	10,435	49,102	450,978
<i>Total Fund Balances</i>	<u>391,441</u>	<u>10,435</u>	<u>49,102</u>	<u>450,978</u>
<i>Total Liabilities, Deferred Inflows of of Resources and Fund Balances</i>	<u>\$ 603,190</u>	<u>\$ 13,276</u>	<u>\$ 49,102</u>	<u>\$ 665,568</u>

City of Rittman
Wayne County, Ohio

*Combining Statements of Revenues, Expenditures and Changes in
Fund Balances - Nonmajor Governmental Funds
For the Year Ended December 31, 2016*

	Nonmajor Special Revenue Funds	Nonmajor Debt Service Fund	Nonmajor Capital Projects Fund	Total Nonmajor Governmental Funds
Revenues				
Property and Other Local Taxes	\$ 23,413	\$ 0	\$ 0	\$ 23,413
Charges for Services	0	0	8,263	8,263
Fines, Licenses and Permits	254	0	0	254
Intergovernmental	339,356	0	0	339,356
Investment Earnings	276	0	0	276
Other	268	0	0	268
<i>Total Revenues</i>	<u>363,567</u>	<u>0</u>	<u>8,263</u>	<u>371,830</u>
Expenditures				
Current:				
General Government	443	0	24,999	25,442
Security of Persons and Property	27,000	0	0	27,000
Transportation	297,246	0	0	297,246
Debt Service:				
Principal Retirement	0	112,125	0	112,125
Interest and Fiscal Charges	0	15,148	0	15,148
<i>Total Expenditures</i>	<u>324,689</u>	<u>127,273</u>	<u>24,999</u>	<u>476,961</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>38,878</u>	<u>(127,273)</u>	<u>(16,736)</u>	<u>(105,131)</u>
Other Financing Sources (Uses)				
Proceeds from Sale of Assets	228	0	0	228
Transfers In	0	125,148	0	125,148
<i>Total Other Financing Sources (Uses)</i>	<u>228</u>	<u>125,148</u>	<u>0</u>	<u>125,376</u>
<i>Net Change in Fund Balance</i>	39,106	(2,125)	(16,736)	20,245
<i>Fund Balance Beginning of Year</i>	<u>352,335</u>	<u>12,560</u>	<u>65,838</u>	<u>430,733</u>
<i>Fund Balance End of Year</i>	<u>\$ 391,441</u>	<u>\$ 10,435</u>	<u>\$ 49,102</u>	<u>\$ 450,978</u>

City of Rittman
Wayne County, Ohio
Combining Balance Sheet
Nonmajor Special Revenue Funds
December 31, 2016

	Street Maintenance and Repair Fund	State Highway Fund	Permissive Tax Fund	Permissive Tax II Fund	Police Pension Fund
Assets					
Equity in Pooled Cash and Investments	\$ 78,873	\$ 38,921	\$ 0	\$ 174,355	\$ 46,489
Accrued Interest Receivable	42	21	0	0	0
Intergovernmental Receivable	130,578	10,588	70,951	4,045	1,968
Property and Other Local Taxes Receivable	0	0	0	0	23,432
<i>Total Assets</i>	<u>\$ 209,493</u>	<u>\$ 49,530</u>	<u>\$ 70,951</u>	<u>\$ 178,400</u>	<u>\$ 71,889</u>
Liabilities					
Accounts Payable	\$ 10,886	\$ 0	\$ 0	\$ 0	\$ 0
Accrued Wages	5,075	0	0	0	0
Intergovernmental Payable	4,374	0	0	0	0
<i>Total Liabilities</i>	<u>20,335</u>	<u>0</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	22,053
Delinquent Property Taxes	0	0	0	0	1,379
Unavailable Revenue	87,933	7,130	70,951	0	1,968
<i>Total Deferred Inflows of Resources</i>	<u>87,933</u>	<u>7,130</u>	<u>70,951</u>	<u>0</u>	<u>25,400</u>
Fund Balance					
Restricted	101,225	42,400	0	178,400	46,489
<i>Total Fund Balance</i>	<u>101,225</u>	<u>42,400</u>	<u>0</u>	<u>178,400</u>	<u>46,489</u>
<i>Total Liabilities, Deferred Inflows of of Resources and Fund Balances</i>	<u>\$ 209,493</u>	<u>\$ 49,530</u>	<u>\$ 70,951</u>	<u>\$ 178,400</u>	<u>\$ 71,889</u>

(continued)

City of Rittman
Wayne County, Ohio
Combining Balance Sheet
Nonmajor Special Revenue Funds
December 31, 2016

	Law Enforcement and Education Fund	Law Enforcement Fund	Continuing Professional Training Fund	Education and Recreation Assistance Fund	Totals
Assets					
Equity in Pooled Cash and Investments	\$ 2,326	\$ 11,249	\$ 0	\$ 5,612	\$ 357,825
Accrued Interest Receivable	0	0	0	0	63
Intergovernmental Receivable	0	0	3,740	0	221,870
Property and Other Local Taxes Receivable	0	0	0	0	23,432
<i>Total Assets</i>	<u>\$ 2,326</u>	<u>\$ 11,249</u>	<u>\$ 3,740</u>	<u>\$ 5,612</u>	<u>\$ 603,190</u>
Liabilities					
Accounts Payable	\$ 0	\$ 0	\$ 0	\$ 0	\$ 10,886
Accrued Wages	0	0	0	0	5,075
Intergovernmental Payable	0	0	0	0	4,374
<i>Total Liabilities</i>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>20,335</u>
Deferred Inflows of Resources					
Property Taxes Levied for the Next Year	0	0	0	0	22,053
Delinquent Property Taxes	0	0	0	0	1,379
Unavailable Revenue	0	0	0	0	167,982
<i>Total Deferred Inflows of Resources</i>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>191,414</u>
Fund Balance					
Restricted	2,326	11,249	3,740	5,612	391,441
<i>Total Fund Balance</i>	<u>2,326</u>	<u>11,249</u>	<u>3,740</u>	<u>5,612</u>	<u>391,441</u>
<i>Total Liabilities, Deferred Inflows of of Resources and Fund Balances</i>	<u>\$ 2,326</u>	<u>\$ 11,249</u>	<u>\$ 3,740</u>	<u>\$ 5,612</u>	<u>\$ 603,190</u>

City of Rittman
Wayne County, Ohio
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2016

	Street Maintenance and Repair Fund	State Highway Fund	Permissive Tax Fund	Permissive Tax II Fund	Police Pension Fund
Revenues					
Property and Other Local Taxes	\$ 0	\$ 0	\$ 0	\$ 0	\$ 23,413
Fines, Licenses and Permits	0	0	0	0	0
Intergovernmental	260,631	21,132	0	49,906	3,947
Investment Earnings	153	123	0	0	0
Other	268	0	0	0	0
<i>Total Revenues</i>	<u>261,052</u>	<u>21,255</u>	<u>0</u>	<u>49,906</u>	<u>27,360</u>
Expenditures					
Current:					
General Government	0	0	0	0	443
Security of Persons and Property	0	0	0	0	27,000
Transportation	275,821	8,213	0	13,212	0
<i>Total Expenditures</i>	<u>275,821</u>	<u>8,213</u>	<u>0</u>	<u>13,212</u>	<u>27,443</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	(14,769)	13,042	0	36,694	(83)
Other Financing Sources (Uses)					
Proceeds from Sale of Assets	228	0	0	0	0
<i>Total Other Financing Sources (Uses)</i>	<u>228</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Net Change in Fund Balance</i>	(14,541)	13,042	0	36,694	(83)
<i>Fund Balance Beginning of Year</i>	<u>115,766</u>	<u>29,358</u>	<u>0</u>	<u>141,706</u>	<u>46,572</u>
<i>Fund Balance End of Year</i>	<u>\$ 101,225</u>	<u>\$ 42,400</u>	<u>\$ 0</u>	<u>\$ 178,400</u>	<u>\$ 46,489</u>

(continued)

City of Rittman
Wayne County, Ohio
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2016

	Law Enforcement and Education Fund	Law Enforcement Fund	Continuing Professional Training Fund	Education and Recreation Assistance Fund	Totals
Revenues					
Property and Other Local Taxes	\$ 0	\$ 0	\$ 0	\$ 0	\$ 23,413
Fines, Licenses and Permits	104	150	0	0	254
Intergovernmental	0	0	3,740	0	339,356
Investment Earnings	0	0	0	0	276
Other	0	0	0	0	268
<i>Total Revenues</i>	<u>104</u>	<u>150</u>	<u>3,740</u>	<u>0</u>	<u>363,567</u>
Expenditures					
Current:					
General Government	0	0	0	0	443
Security of Persons and Property	0	0	0	0	27,000
Transportation	0	0	0	0	297,246
<i>Total Expenditures</i>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>324,689</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	104	150	3,740	0	38,878
Other Financing Sources (Uses)					
Proceeds from Sale of Assets	0	0	0	0	228
<i>Total Other Financing Sources (Uses)</i>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>228</u>
<i>Net Change in Fund Balance</i>	104	150	3,740	0	39,106
<i>Fund Balance Beginning of Year</i>	<u>2,222</u>	<u>11,099</u>	<u>0</u>	<u>5,612</u>	<u>352,335</u>
<i>Fund Balance End of Year</i>	<u>\$ 2,326</u>	<u>\$ 11,249</u>	<u>\$ 3,740</u>	<u>\$ 5,612</u>	<u>\$ 391,441</u>



**INDIVIDUAL FUND SCHEDULES OF
REVENUES, EXPENDITURES/EXPENSES
AND CHANGES IN FUND BALANCE/NET POSITION -
BUDGET (NON-GAAP BASIS) AND ACTUAL**

City of Rittman
Wayne County, Ohio
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
General Fund
For the Year Ended December 31, 2016

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Revenues				
Property and Other Local Taxes	\$ 322,890	\$ 337,890	\$ 337,913	\$ 23
Income Taxes	1,213,000	1,213,000	1,492,302	279,302
Charges for Services	313,655	330,580	327,862	(2,718)
Licenses and Permits	49,450	49,450	40,758	(8,692)
Intergovernmental	329,906	348,156	321,570	(26,586)
Investment Earnings	30,010	30,010	33,262	3,252
Contributions and Donations	200	1,458	8,258	6,800
Other	12,250	12,250	9,594	(2,656)
<i>Total Revenues</i>	<u>2,271,361</u>	<u>2,322,794</u>	<u>2,571,519</u>	<u>248,725</u>
Expenditures				
Current:				
General Government				
Office of City Council				
Personal Services	26,332	26,332	25,344	988
Other than Personal Services	5,454	5,454	1,004	4,450
Total Office of City Council	<u>31,786</u>	<u>31,786</u>	<u>26,348</u>	<u>5,438</u>
Department of Mayor and Administration				
Personal Services	117,547	129,915	113,991	15,924
Other than Personal Services	74,590	103,990	100,885	3,105
Total Department of Mayor and Administration	<u>192,137</u>	<u>233,905</u>	<u>214,876</u>	<u>19,029</u>
Department of Finance and Tax				
Personal Services	113,202	123,552	122,988	564
Other than Personal Services	4,183	9,183	8,869	314
Total Department of Finance and Tax	<u>117,385</u>	<u>132,735</u>	<u>131,857</u>	<u>878</u>
Division of Land and Buildings				
Other than Personal Services	7,672	14,672	6,129	8,543
Department of Law				
Personal Services	25,514	25,701	22,650	3,051
Other than Personal Services	2,538	9,538	6,374	3,164
Total Department of Law	<u>28,052</u>	<u>35,239</u>	<u>29,024</u>	<u>6,215</u>
Miscellaneous				
Personal Services	5,955	7,175	5,239	1,936
Other than Personal Services	12,653	12,653	10,029	2,624
Total Miscellaneous	<u>18,608</u>	<u>19,828</u>	<u>15,268</u>	<u>4,560</u>
<i>Total General Government</i>	<u>395,640</u>	<u>468,165</u>	<u>423,502</u>	<u>44,663</u>
				<i>(continued)</i>

City of Rittman
Wayne County, Ohio
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
General Fund
For the Year Ended December 31, 2016

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Security of Persons and Property				
Police Department				
Personal Services	958,135	1,046,027	1,013,347	32,680
Other than Personal Services	121,850	131,868	127,745	4,123
Total Police Department	<u>1,079,985</u>	<u>1,177,895</u>	<u>1,141,092</u>	<u>36,803</u>
Street Lighting				
Other than Personal Services	28,100	28,100	28,221	(121)
<i>Total Security of Persons and Property</i>	<u>1,108,085</u>	<u>1,205,995</u>	<u>1,169,313</u>	<u>36,682</u>
Public Health				
Cemetery				
Personal Services	55,100	60,121	59,162	959
Other than Personal Services	7,415	7,990	7,898	92
Total Cemetery	<u>62,515</u>	<u>68,111</u>	<u>67,060</u>	<u>1,051</u>
Board of Health				
Other than Personal Services	21,022	21,022	21,022	0
Pest and Animal Control				
Personal Services	2,315	2,315	578	1,737
Other than Personal Services	9,920	9,920	8,342	1,578
Total Animal Control	<u>12,235</u>	<u>12,235</u>	<u>8,920</u>	<u>3,315</u>
<i>Total Public Health</i>	<u>95,772</u>	<u>101,368</u>	<u>97,002</u>	<u>4,366</u>
Leisure Time Services				
Parks				
Personal Services	113,980	117,135	115,528	1,607
Other than Personal Services	14,800	21,300	19,380	1,920
Total Parks	<u>128,780</u>	<u>138,435</u>	<u>134,908</u>	<u>3,527</u>
Recreation Center				
Personal Services	208,060	209,282	202,355	6,927
Other than Personal Services	138,050	149,350	139,194	10,156
Total Recreation Center	<u>346,110</u>	<u>358,632</u>	<u>341,549</u>	<u>17,083</u>
<i>Total Leisure Time Services</i>	<u>474,890</u>	<u>497,067</u>	<u>476,457</u>	<u>20,610</u>
Transportation				
Street Maintenance				
Personal Services	74,585	79,118	76,814	2,304
Other than Personal Services	23,890	23,890	18,711	5,179
Total Street Maintenance	<u>98,475</u>	<u>103,008</u>	<u>95,525</u>	<u>7,483</u>

(continued)

City of Rittman
Wayne County, Ohio
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
General Fund
For the Year Ended December 31, 2016

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Vehicle Maintenance Other than Personal Services	2,000	2,000	1,250	750
<i>Total Transportation</i>	<u>100,475</u>	<u>105,008</u>	<u>96,775</u>	<u>8,233</u>
Debt Service: Principal Retirement	7,000	7,000	7,000	0
<i>Total Expenditures</i>	<u>2,181,862</u>	<u>2,384,603</u>	<u>2,270,049</u>	<u>114,554</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>89,499</u>	<u>(61,809)</u>	<u>301,470</u>	<u>363,279</u>
Other Financing Sources (Uses)				
Proceeds from Sale of Assets	0	0	500	500
Proceeds from Loans	0	0	7,000	7,000
Transfers Out	(63,350)	(63,350)	(63,350)	0
<i>Total Other Financing Sources (Uses)</i>	<u>(63,350)</u>	<u>(63,350)</u>	<u>(55,850)</u>	<u>7,500</u>
<i>Net Change in Fund Balance</i>	26,149	(125,159)	245,620	370,779
<i>Fund Balance (Deficit) Beginning of Year</i>	494,733	494,733	494,733	0
Prior Year Encumbrances Appropriated	20,919	20,919	20,919	0
<i>Fund Balance (Deficit) End of Year</i>	<u>\$ 541,801</u>	<u>\$ 390,493</u>	<u>\$ 761,272</u>	<u>\$ 370,779</u>

City of Rittman
Wayne County, Ohio
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Emergency Medical Service Fund
For the Year Ended December 31, 2016

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Revenues				
Property and Other Local Taxes	\$ 154,500	\$ 200,350	\$ 200,355	\$ 5
Charges for Services	191,255	191,255	196,554	5,299
Intergovernmental	30,000	28,500	37,566	9,066
Other	5,000	5,000	1,534	(3,466)
<i>Total Revenues</i>	<u>380,755</u>	<u>425,105</u>	<u>436,009</u>	<u>10,904</u>
Expenditures				
Current:				
General Government				
Division of Emergency Services				
Other than Personal Services	3,650	3,650	3,287	363
Security of Persons and Property				
Personal Services	294,640	309,683	303,154	6,529
Other than Personal Services	86,960	89,702	86,472	3,230
Capital Outlay	7,500	19,000	20,343	(1,343)
<i>Total Security of Persons and Property</i>	<u>389,100</u>	<u>418,385</u>	<u>409,969</u>	<u>8,416</u>
Debt Service:				
Principal Retirement	36,617	36,617	36,617	0
Interest and Fiscal Charges	1,724	1,724	1,724	0
Total Debt Service	<u>38,341</u>	<u>38,341</u>	<u>38,341</u>	<u>0</u>
<i>Total Expenditures</i>	<u>431,091</u>	<u>460,376</u>	<u>451,597</u>	<u>8,779</u>
<i>Net Change in Fund Balance</i>	(50,336)	(35,271)	(15,588)	19,683
<i>Fund Balance (Deficit) Beginning of Year</i>	245,898	245,898	245,898	0
Prior Year Encumbrances Appropriated	7,246	7,246	7,246	0
<i>Fund Balance (Deficit) End of Year</i>	<u>\$ 202,808</u>	<u>\$ 217,873</u>	<u>\$ 237,556</u>	<u>\$ 19,683</u>

City of Rittman
Wayne County, Ohio
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Fire Department Levy Fund
For the Year Ended December 31, 2016

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Revenues				
Property and Other Local Taxes	\$ 73,600	\$ 78,035	\$ 78,038	\$ 3
Intergovernmental	15,900	68,576	64,705	(3,871)
Other	0	0	275	275
<i>Total Revenues</i>	<u>89,500</u>	<u>146,611</u>	<u>143,018</u>	<u>(3,593)</u>
Expenditures				
Current:				
General Government				
Division of Emergency Services				
Other than Personal Services	1,800	1,800	1,477	323
Security of Persons and Property				
Personal Services	91,690	105,330	99,130	6,200
Other than Personal Services	30,601	30,960	22,672	8,288
Capital Outlay	1,000	50,177	48,664	1,513
<i>Total Security of Persons and Property</i>	<u>123,291</u>	<u>186,467</u>	<u>170,466</u>	<u>16,001</u>
Debt Service:				
Principal Retirement	37,023	37,023	37,023	0
Interest and Fiscal Charges	2,556	2,556	2,556	0
Total Debt Service	<u>39,579</u>	<u>39,579</u>	<u>39,579</u>	<u>0</u>
<i>Total Expenditures</i>	<u>164,670</u>	<u>227,846</u>	<u>211,522</u>	<u>16,324</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>(75,170)</u>	<u>(81,235)</u>	<u>(68,504)</u>	<u>12,731</u>
Other Financing Sources (Uses)				
Transfers In	67,625	67,625	63,350	(4,275)
<i>Net Change in Fund Balance</i>	(7,545)	(13,610)	(5,154)	8,456
<i>Fund Balance (Deficit) Beginning of Year</i>	15,672	15,672	15,672	0
Prior Year Encumbrances Appropriated	1,490	1,490	1,490	0
<i>Fund Balance (Deficit) End of Year</i>	<u>\$ 9,617</u>	<u>\$ 3,552</u>	<u>\$ 12,008</u>	<u>\$ 8,456</u>

City of Rittman
Wayne County, Ohio
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Capital Improvements Fund
For the Year Ended December 31, 2016

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Revenues				
Income Taxes	\$ 400,995	\$ 400,995	\$ 508,202	\$ 107,207
Special Assessments	31,065	62,450	66,515	4,065
Intergovernmental	0	492,204	499,523	7,319
Contributions and Donations	0	50,956	50,956	0
<i>Total Revenues</i>	<u>432,060</u>	<u>1,006,605</u>	<u>1,125,196</u>	<u>118,591</u>
Expenditures				
Capital Outlay:				
General Government	37,600	474,827	471,171	3,656
Security of Persons and Property	55,039	55,039	43,722	11,317
Leisure Time Services	20,450	123,585	119,318	4,267
Transportation	287,100	367,867	318,167	49,700
<i>Total Expenditures</i>	<u>400,189</u>	<u>1,021,318</u>	<u>952,378</u>	<u>68,940</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>31,871</u>	<u>(14,713)</u>	<u>172,818</u>	<u>187,531</u>
Other Financing Sources (Uses)				
Proceeds from Sale of Capital Assets	0	0	513	513
Transfers Out	(125,148)	(125,148)	(125,148)	0
<i>Total Other Financing Sources (Uses)</i>	<u>(125,148)</u>	<u>(125,148)</u>	<u>(124,635)</u>	<u>513</u>
<i>Net Change in Fund Balance</i>	(93,277)	(139,861)	48,183	188,044
<i>Fund Balance (Deficit) Beginning of Year</i>	518,298	518,298	518,298	0
Prior Year Encumbrances Appropriated	41	41	41	0
<i>Fund Balance (Deficit) End of Year</i>	<u>\$ 425,062</u>	<u>\$ 378,478</u>	<u>\$ 566,522</u>	<u>\$ 188,044</u>

City of Rittman
Wayne County, Ohio
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Street Maintenance and Repair Fund
For the Year Ended December 31, 2016

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Revenues				
Intergovernmental	\$ 260,310	\$ 260,310	\$ 261,229	\$ 919
Investment Earnings	130	130	375	245
Other	2,000	2,000	194	(1,806)
<i>Total Revenues</i>	<u>262,440</u>	<u>262,440</u>	<u>261,798</u>	<u>(642)</u>
Expenditures				
Current:				
Transportation				
Division of Street Maintenance				
Personal Services	203,070	211,972	211,024	948
Other than Personal Services	80,600	80,600	74,219	6,381
<i>Total Expenditures</i>	<u>283,670</u>	<u>292,572</u>	<u>285,243</u>	<u>7,329</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>(21,230)</u>	<u>(30,132)</u>	<u>(23,445)</u>	<u>6,687</u>
Other Financing Sources (Uses)				
Proceeds from Sale of Capital Assets	0	0	228	228
<i>Total Other Financing Sources (Uses)</i>	<u>0</u>	<u>0</u>	<u>228</u>	<u>228</u>
<i>Net Change in Fund Balance</i>	(21,230)	(30,132)	(23,217)	6,915
<i>Fund Balance (Deficit) Beginning of Year</i>	71,268	71,268	71,268	0
Prior Year Encumbrances Appropriated	11,755	11,755	11,755	0
<i>Fund Balance (Deficit) End of Year</i>	<u>\$ 61,793</u>	<u>\$ 52,891</u>	<u>\$ 59,806</u>	<u>\$ 6,915</u>

City of Rittman
Wayne County, Ohio
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
State Highway Fund
For the Year Ended December 31, 2016

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Revenues				
Intergovernmental	\$ 20,790	\$ 20,790	\$ 21,175	\$ 385
Investment Earnings	40	40	166	126
<i>Total Revenues</i>	<u>20,830</u>	<u>20,830</u>	<u>21,341</u>	<u>511</u>
Expenditures				
Current:				
Transportation				
Division of Street Maintenance				
Personal Services	11,930	11,930	6,751	5,179
Other than Personal Services	18,000	18,000	1,462	16,538
<i>Total Expenditures</i>	<u>29,930</u>	<u>29,930</u>	<u>8,213</u>	<u>21,717</u>
<i>Net Change in Fund Balance</i>	(9,100)	(9,100)	13,128	22,228
<i>Fund Balance (Deficit) Beginning of Year</i>	25,562	25,562	25,562	0
Prior Year Encumbrances Appropriated	180	180	180	0
<i>Fund Balance (Deficit) End of Year</i>	<u>\$ 16,642</u>	<u>\$ 16,642</u>	<u>\$ 38,870</u>	<u>\$ 22,228</u>

City of Rittman
Wayne County, Ohio
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Permissive Tax II Fund
For the Year Ended December 31, 2016

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Revenues				
Intergovernmental	\$ 56,540	\$ 56,540	\$ 50,178	\$ (6,362)
<i>Total Revenues</i>	<u>56,540</u>	<u>56,540</u>	<u>50,178</u>	<u>(6,362)</u>
Expenditures				
Current:				
Transportation				
Division of Street Maintenance				
Other than Personal Services	31,500	31,500	13,212	18,288
<i>Total Expenditures</i>	<u>31,500</u>	<u>31,500</u>	<u>13,212</u>	<u>18,288</u>
<i>Net Change in Fund Balance</i>	25,040	25,040	36,966	11,926
<i>Fund Balance (Deficit) Beginning of Year</i>	<u>137,389</u>	<u>137,389</u>	<u>137,389</u>	<u>0</u>
<i>Fund Balance (Deficit) End of Year</i>	<u>\$ 162,429</u>	<u>\$ 162,429</u>	<u>\$ 174,355</u>	<u>\$ 11,926</u>

City of Rittman
Wayne County, Ohio
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Police Pension Fund
For the Year Ended December 31, 2016

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Revenues				
Property and Other Local Taxes	\$ 22,740	\$ 22,740	\$ 23,413	\$ 673
Intergovernmental	4,030	4,030	3,947	(83)
<i>Total Revenues</i>	<u>26,770</u>	<u>26,770</u>	<u>27,360</u>	<u>590</u>
Expenditures				
Current:				
General Government				
Other than Personal Services	500	500	443	57
Security of Persons and Property				
Division of Police				
Personal Services	27,000	27,000	27,000	0
<i>Total Expenditures</i>	<u>27,500</u>	<u>27,500</u>	<u>27,443</u>	<u>57</u>
<i>Net Change in Fund Balance</i>	(730)	(730)	(83)	647
<i>Fund Balance (Deficit) Beginning of Year</i>	<u>46,572</u>	<u>46,572</u>	<u>46,572</u>	<u>0</u>
<i>Fund Balance (Deficit) End of Year</i>	<u>\$ 45,842</u>	<u>\$ 45,842</u>	<u>\$ 46,489</u>	<u>\$ 647</u>

City of Rittman
Wayne County, Ohio
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Law Enforcement and Education Fund
For the Year Ended December 31, 2016

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Revenues				
Fines, Licenses and Permits	\$ 200	\$ 200	\$ 104	\$ (96)
<i>Total Revenues</i>	<u>200</u>	<u>200</u>	<u>104</u>	<u>(96)</u>
Expenditures				
Current:				
Security of Persons and Property				
Division of Police				
Personal Services	900	900	0	900
<i>Total Expenditures</i>	<u>900</u>	<u>900</u>	<u>0</u>	<u>900</u>
<i>Net Change in Fund Balance</i>	(700)	(700)	104	804
<i>Fund Balance (Deficit) Beginning of Year</i>	<u>2,222</u>	<u>2,222</u>	<u>2,222</u>	<u>0</u>
<i>Fund Balance (Deficit) End of Year</i>	<u>\$ 1,522</u>	<u>\$ 1,522</u>	<u>\$ 2,326</u>	<u>\$ 804</u>

City of Rittman
Wayne County, Ohio
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Law Enforcement Fund
For the Year Ended December 31, 2016

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Revenues				
Fines, Licenses and Permits	\$ 1,000	\$ 1,000	\$ 150	\$ (850)
Expenditures	0	0	0	0
<i>Net Change in Fund Balance</i>	1,000	1,000	150	(850)
<i>Fund Balance (Deficit) Beginning of Year</i>	11,099	11,099	11,099	0
<i>Fund Balance (Deficit) End of Year</i>	<u>\$ 12,099</u>	<u>\$ 12,099</u>	<u>\$ 11,249</u>	<u>\$ (850)</u>

City of Rittman
Wayne County, Ohio
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Education and Recreation Assistance Fund
For the Year Ended December 31, 2016

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Revenues	\$ 0	\$ 0	\$ 0	\$ 0
Expenditures	0	0	0	0
<i>Net Change in Fund Balance</i>	0	0	0	0
<i>Fund Balance (Deficit) Beginning of Year</i>	5,612	5,612	5,612	0
<i>Fund Balance (Deficit) End of Year</i>	<u>\$ 5,612</u>	<u>\$ 5,612</u>	<u>\$ 5,612</u>	<u>\$ 0</u>

City of Rittman
Wayne County, Ohio
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Debt Retirement Fund
For the Year Ended December 31, 2016

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Revenues	\$ 0	\$ 0	\$ 0	\$ 0
Expenditures				
Debt Service:				
Principal Retirement	110,000	112,125	112,125	0
Interest and Fiscal Charges	15,148	15,148	15,148	0
<i>Total Expenditures</i>	125,148	127,273	127,273	0
<i>Excess of Revenues Over (Under) Expenditures</i>	(125,148)	(127,273)	(127,273)	0
Other Financing Sources (Uses)				
Transfers In	125,148	125,148	125,148	0
<i>Net Change in Fund Balance</i>	0	(2,125)	(2,125)	0
<i>Fund Balance (Deficit) Beginning of Year</i>	12,560	12,560	12,560	0
<i>Fund Balance (Deficit) End of Year</i>	\$ 12,560	\$ 10,435	\$ 10,435	\$ 0

City of Rittman
Wayne County, Ohio
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Cemetery Endowment Fund
For the Year Ended December 31, 2016

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Revenues				
Charges for Services	\$ 5,680	\$ 5,680	\$ 8,263	\$ 2,583
<i>Total Revenues</i>	<u>5,680</u>	<u>5,680</u>	<u>8,263</u>	<u>2,583</u>
Expenditures				
Current:				
General Government				
Public Health Services				
Capital Outlay	5,000	11,000	24,999	(13,999)
<i>Total Expenditures</i>	<u>5,000</u>	<u>11,000</u>	<u>24,999</u>	<u>(13,999)</u>
<i>Net Change in Fund Balance</i>	680	(5,320)	(16,736)	(11,416)
<i>Fund Balance (Deficit) Beginning of Year</i>	46,788	46,788	46,788	0
Prior Year Encumbrances Appropriated	19,050	19,050	19,050	0
<i>Fund Balance (Deficit) End of Year</i>	<u>\$ 66,518</u>	<u>\$ 60,518</u>	<u>\$ 49,102</u>	<u>\$ (11,416)</u>

City of Rittman
Wayne County, Ohio
Schedule of Revenues, Expenses and Changes
in Net Position - Budget (Non-GAAP Basis) and Actual
Water Fund
For the Year Ended December 31, 2016

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Revenues				
Charges for Services	\$ 532,150	\$ 536,350	\$ 644,653	\$ 108,303
Other	4,670	4,670	4,281	(389)
<i>Total Revenues</i>	<u>536,820</u>	<u>541,020</u>	<u>648,934</u>	<u>107,914</u>
Expenses				
Basic Utility Service				
Office of Superintendent				
Personal Services	147,875	152,168	145,172	6,996
Other than Personal Services	236,860	236,860	231,746	5,114
Total Office of Superintendent	<u>384,735</u>	<u>389,028</u>	<u>376,918</u>	<u>12,110</u>
Division of Water Treatment				
Personal Services	88,395	96,258	96,615	(357)
Other than Personal Services	50,000	50,300	41,400	8,900
Total Division of Water Treatment	<u>138,395</u>	<u>146,558</u>	<u>138,015</u>	<u>8,543</u>
Division of Water Distribution				
Personal Services	111,940	112,437	105,295	7,142
Other than Personal Services	20,750	12,930	11,375	1,555
Capital Outlay	14,500	22,320	22,222	98
Total Division of Water Distribution	<u>147,190</u>	<u>147,687</u>	<u>138,892</u>	<u>8,795</u>
Total Basic Utility Services	<u>670,320</u>	<u>683,273</u>	<u>653,825</u>	<u>29,448</u>
Debt Service:				
Principal Retirement	115,106	115,106	111,116	3,990
Interest and Fiscal Charges	19,238	19,238	19,238	0
Total Debt Service	<u>134,344</u>	<u>134,344</u>	<u>130,354</u>	<u>3,990</u>
<i>Total Expenses</i>	<u>804,664</u>	<u>817,617</u>	<u>784,179</u>	<u>33,438</u>
<i>Net Change in Net Position</i>	(267,844)	(276,597)	(135,245)	141,352
<i>Net Position (Deficit) Beginning of Year</i>	312,408	312,408	312,408	0
Prior Year Encumbrances Appropriated	4,480	4,480	4,480	0
<i>Net Position (Deficit) End of Year</i>	<u>\$ 49,044</u>	<u>\$ 40,291</u>	<u>\$ 181,643</u>	<u>\$ 141,352</u>

City of Rittman
Wayne County, Ohio
Schedule of Revenues, Expenses and Changes
in Net Position - Budget (Non-GAAP Basis) and Actual
Sewer Fund
For the Year Ended December 31, 2016

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Revenues				
Charges for Services	\$ 1,282,250	\$ 1,350,650	\$ 1,274,560	\$ (76,090)
Other	1,100	21,200	23,000	1,800
<i>Total Revenues</i>	<u>1,283,350</u>	<u>1,371,850</u>	<u>1,297,560</u>	<u>(74,290)</u>
Expenses				
Basic Utility Service				
Office of Superintendent				
Personal Services	147,060	149,064	136,674	12,390
Other than Personal Services	289,475	289,475	264,315	25,160
Total Office of Superintendent	<u>436,535</u>	<u>438,539</u>	<u>400,989</u>	<u>37,550</u>
Division of Sewer Maintenance				
Personal Services	157,710	161,533	150,234	11,299
Other than Personal Services	85,050	111,675	106,462	5,213
Capital Outlay	0	525	525	0
Total Department of Sewer Maintenance	<u>242,760</u>	<u>273,733</u>	<u>257,221</u>	<u>16,512</u>
Division of Wastewater Treatment				
Personal Services	106,100	108,617	106,466	2,151
Other than Personal Services	11,800	12,300	5,406	6,894
Capital Outlay	203,000	239,172	92,225	146,947
Total Division of Wastewater Treatment	<u>320,900</u>	<u>360,089</u>	<u>204,097</u>	<u>155,992</u>
Total Basic Utility Services	<u>1,000,195</u>	<u>1,072,361</u>	<u>862,307</u>	<u>210,054</u>
Debt Service:				
Principal Retirement	44,000	917,245	917,245	0
Interest and Fiscal Charges	41,585	31,585	31,276	309
Total Debt Service	<u>85,585</u>	<u>948,830</u>	<u>948,521</u>	<u>309</u>
<i>Total Expenses</i>	<u>1,085,780</u>	<u>2,021,191</u>	<u>1,810,828</u>	<u>210,363</u>
<i>Excess of Revenues Over (Under) Expenses</i>	<u>197,570</u>	<u>(649,341)</u>	<u>(513,268)</u>	<u>136,073</u>
Other Financing Sources (Uses)				
Proceeds of Bonds	<u>0</u>	<u>525,900</u>	<u>525,900</u>	<u>0</u>
<i>Net Change in Net Position</i>	197,570	(123,441)	12,632	136,073
<i>Net Position (Deficit) Beginning of Year</i>	1,205,543	1,205,543	1,205,543	0
Prior Year Encumbrances Appropriated	<u>7,954</u>	<u>7,954</u>	<u>7,954</u>	<u>0</u>
<i>Net Position (Deficit) End of Year</i>	<u>\$ 1,411,067</u>	<u>\$ 1,090,056</u>	<u>\$ 1,226,129</u>	<u>\$ 136,073</u>

City of Rittman
Wayne County, Ohio
Schedule of Revenues, Expenses and Changes
in Net Position - Budget (Non-GAAP Basis) and Actual
Solid Waste Fund
For the Year Ended December 31, 2016

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Revenues				
Charges for Services	\$ 379,500	\$ 379,500	\$ 417,153	\$ 37,653
Other	0	0	7	7
<i>Total Revenues</i>	<u>379,500</u>	<u>379,500</u>	<u>417,160</u>	<u>37,660</u>
Expenses				
Basic Utility Service				
Division of Solid Waste				
Personal Services	27,070	27,191	25,172	2,019
Other than Personal Services	327,900	327,900	344,458	(16,558)
Capital Outlay	6,000	6,000	1,552	4,448
<i>Total Expenses</i>	<u>360,970</u>	<u>361,091</u>	<u>371,182</u>	<u>(10,091)</u>
<i>Excess of Revenues Over (Under) Expenses</i>	<u>18,530</u>	<u>18,409</u>	<u>45,978</u>	<u>27,569</u>
Other Financing Sources (Uses)				
Intergovernmental	13,000	13,000	12,029	(971)
<i>Net Change in Net Position</i>	31,530	31,409	58,007	26,598
<i>Net Position (Deficit) Beginning of Year</i>	268,568	268,568	268,568	0
Prior Year Encumbrances Appropriated	28,525	28,525	28,525	0
<i>Net Position (Deficit) End of Year</i>	<u>\$ 328,623</u>	<u>\$ 328,502</u>	<u>\$ 355,100</u>	<u>\$ 26,598</u>

City of Rittman
Wayne County, Ohio
Schedule of Revenues, Expenses and Changes
in Net Position - Budget (Non-GAAP Basis) and Actual
Storm Sewer Fund
For the Year Ended December 31, 2016

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Revenues				
Charges for Services	\$ 0	\$ 77,000	\$ 80,107	\$ 3,107
Expenses				
Transportation				
Division of Storm Sewer				
Other than Personal Services	0	17,000	1,588	15,412
<i>Net Change in Net Position</i>	0	60,000	78,519	18,519
<i>Net Position (Deficit) Beginning of Year</i>	0	0	0	0
<i>Net Position (Deficit) End of Year</i>	\$ 0	\$ 60,000	\$ 78,519	\$ 18,519

STATISTICAL SECTION

Statistical Section

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

Contents

Page(s)

Financial Trends

These schedules contain trend information to help the reader understand how the City's financial performance and well-being have changed over time.

S-2 - S-11

Revenue Capacity

These schedules contain information to help the reader assess the City's most significant local revenue source, the property tax, and the municipal income tax.

S-12 - S-15

Debt Capacity

These schedules present information to help the reader assess the affordability of the City's current levels of outstanding debt and the City's ability to issue additional debt in the future.

S-16 - S-22

Economic and Demographic Information

These schedules offer economic and demographic indicators to help the reader understand how the information in the City's financial report relates to the services the City provides and the activities it performs.

S-23 - S-24

Operating Information

These schedules contain service and infrastructure data to help the reader understand how the information in the City's financial report relates to the service the City provides and the activities it performs.

S-25 - S-30

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

NOTE:

With the implementation of GASB No. 54 for 2010, there have been minor reclassifications of funds (example special revenue funds consolidated with the general fund for GAAP purposes). Prior year amounts have not been adjusted to reflect this change.

In 2013, the City established the solid waste fund in the business-type activities. The activity was previously recorded in governmental activities and prior year amounts have not been adjusted to reflect the change.

With the implementation of GASB 68 in 2015, the calculation of pension expense has changed; however, government-wide expenses for 2014 and prior years were not restated to reflect this change.

City of Rittman
Wayne County, Ohio
Net Position By Component (\$000 omitted)
Last Ten Years
(Accrual Basis of Accounting)

	2016	Restated 2015	2014	2013
Governmental Activities				
Net Investment in Capital Assets	\$ 5,621	\$ 5,276	\$ 5,068	\$ 5,062
Restricted	1,815	1,739	1,806	1,699
Unrestricted	(887)	(887)	(1,253)	894
<i>Total Governmental Activities Net Position</i>	<u>\$ 6,549</u>	<u>\$ 6,128</u>	<u>\$ 5,621</u>	<u>\$ 7,655</u>
Business Type - Activities				
Net Investment in Capital Assets	\$ 10,583	\$ 10,328	\$ 10,084	\$ 9,963
Unrestricted	1,403	1,460	1,590	1,851
<i>Total Business-Type Activities Net Position</i>	<u>\$ 11,986</u>	<u>\$ 11,788</u>	<u>\$ 11,674</u>	<u>\$ 11,814</u>
Primary Government				
Net Investment in Capital Assets	\$ 16,204	\$ 15,604	\$ 15,152	\$ 15,025
Restricted	1,815	1,739	1,806	1,699
Unrestricted	516	573	337	2,745
<i>Total Primary Government Net Position</i>	<u>\$ 18,535</u>	<u>\$ 17,916</u>	<u>\$ 17,295</u>	<u>\$ 19,469</u>

2012	2011	2010	2009	2008	2007
\$ 5,054	\$ 4,631	\$ 4,861	\$ 5,059	\$ 5,216	\$ 5,079
1,575	1,670	1,265	1,140	968	948
1,059	973	1,192	1,195	1,045	994
<u>\$ 7,688</u>	<u>\$ 7,274</u>	<u>\$ 7,318</u>	<u>\$ 7,394</u>	<u>\$ 7,229</u>	<u>\$ 7,021</u>
\$ 9,838	\$ 9,020	\$ 8,910	\$ 8,841	\$ 8,575	\$ 8,557
1,691	1,990	1,754	1,808	1,664	1,618
<u>\$ 11,529</u>	<u>\$ 11,010</u>	<u>\$ 10,664</u>	<u>\$ 10,649</u>	<u>\$ 10,239</u>	<u>\$ 10,175</u>
\$ 14,892	\$ 13,651	\$ 13,771	\$ 13,900	\$ 13,791	\$ 13,636
1,575	1,670	1,265	1,140	968	948
2,750	2,963	2,946	3,003	2,709	2,612
<u>\$ 19,217</u>	<u>\$ 18,284</u>	<u>\$ 17,982</u>	<u>\$ 18,043</u>	<u>\$ 17,468</u>	<u>\$ 17,196</u>

City of Rittman
Wayne County, Ohio
Changes in Net Position (\$000 Omitted)
Last Ten Years
(Accrual Basis of Accounting)

	2016	2015	2014	2013
Program Revenues				
Governmental Activities:				
Charges for Services:				
General Government	\$ 147	\$ 317	\$ 360	\$ 362
Security of Persons and Property	255	262	237	245
Public Health	49	36	35	36
Leisure Time Services	167	159	159	181
Basic Utility Service	0	0	0	0
Transportation	0	0	0	0
Charges for Services	<u>618</u>	<u>774</u>	<u>791</u>	<u>824</u>
Operating Grants and Contributions	520	407	427	461
Capital Grants and Contributions	<u>578</u>	<u>155</u>	<u>246</u>	<u>28</u>
<i>Total Governmental Activities Program Revenues</i>	<u>1,716</u>	<u>1,336</u>	<u>1,464</u>	<u>1,313</u>
Business-Type Activities:				
Charges for Services:				
Water	670	541	519	538
Sewer	1,257	1,312	1,260	1,252
Solid Waste	407	470	439	454
Storm Sewer	96	0	0	0
Charges for Services	<u>2,430</u>	<u>2,323</u>	<u>2,218</u>	<u>2,244</u>
Operating Grants and Contributions	37	25	13	28
Capital Grants and Contributions	<u>0</u>	<u>165</u>	<u>126</u>	<u>0</u>
<i>Total Business-Type Activities Program Revenues</i>	<u>2,467</u>	<u>2,513</u>	<u>2,357</u>	<u>2,272</u>
<i>Total Primary Government Program Revenues</i>	<u>4,183</u>	<u>3,849</u>	<u>3,821</u>	<u>3,585</u>
Expenses				
Governmental Activities:				
General Government	905	627	679	608
Security of Persons and Property	1,805	1,692	1,725	1,728
Public Health	78	97	82	113
Leisure Time Services	616	582	591	524
Basic Utility Service	0	0	0	1
Transportation	679	649	714	481
Interest and Fiscal Charges	18	22	39	36
Bond Issuance Costs	<u>0</u>	<u>0</u>	<u>8</u>	<u>0</u>
<i>Total Governmental Activities Expenses</i>	<u>4,101</u>	<u>3,669</u>	<u>3,838</u>	<u>3,491</u>
Business-Type Activities				
Water	856	891	1,004	948
Sewer	1,057	1,105	1,083	1,043
Solid Waste	382	422	359	378
Storm Sewer	<u>2</u>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Total Business-Type Activities Expenses</i>	<u>2,297</u>	<u>2,418</u>	<u>2,446</u>	<u>2,369</u>
<i>Total Primary Government Program Expenses</i>	<u>6,398</u>	<u>6,087</u>	<u>6,284</u>	<u>5,860</u>

	2012	2011	2010	2009	2008	2007
\$	370	\$ 310	\$ 287	\$ 290	\$ 258	\$ 248
	187	236	220	240	272	230
	37	41	33	14	35	22
	208	235	228	263	262	199
	183	460	439	456	382	375
	0	0	8	2	5	0
	985	1,282	1,215	1,265	1,214	1,074
	421	419	504	662	572	635
	432	41	104	206	74	1
	1,838	1,742	1,823	2,133	1,860	1,710
	561	514	362	401	441	390
	1,336	1,292	1,279	1,294	1,220	1,200
	271	0	0	0	0	0
	0	0	0	0	0	0
	2,168	1,806	1,641	1,695	1,661	1,590
	102	159	18	110	0	0
	0	0	0	0	0	0
	2,270	1,965	1,659	1,805	1,661	1,590
	4,108	3,707	3,482	3,938	3,521	3,300
	597	662	664	747	665	653
	1,613	1,692	1,666	1,639	1,812	1,750
	104	97	116	134	97	97
	495	497	511	608	650	982
	143	412	459	385	384	364
	658	609	783	878	823	812
	41	48	52	50	69	73
	0	0	0	0	0	0
	3,651	4,017	4,251	4,441	4,500	4,731
	873	791	967	797	905	726
	1,100	1,063	1,046	1,023	995	952
	235	0	0	0	0	0
	0	0	0	0	0	0
	2,208	1,854	2,013	1,820	1,900	1,678
	5,859	5,871	6,264	6,261	6,400	6,409

(continued)

City of Rittman
Wayne County, Ohio
Changes in Net Position (\$000 Omitted)
Last Ten Years
(Accrual Basis of Accounting)

	2016	2015	2014	2013
Net (Expense)/Revenue				
Governmental Activities	(2,385)	(2,333)	(2,374)	(2,178)
Business-Type Activities	170	95	(89)	(97)
<i>Total Primary Government Net Expense</i>	<u>(2,215)</u>	<u>(2,238)</u>	<u>(2,463)</u>	<u>(2,275)</u>
General Revenues and Other Changes in Net Position				
Governmental Activities				
Taxes:				
Property and Other Local Taxes Levied For:				
General Purposes	338	347	285	380
Police, Fire and Emergency Services	302	273	207	297
Income Taxes Levied for:				
General Purposes	1,379	1,357	873	801
Capital Outlay	470	454	403	401
Grants and Entitlements not Restricted to				
Specific Programs	285	337	321	353
Investment Income	24	37	29	14
Gain (Loss) on Sale of Capital Assets	0	0	0	0
Miscellaneous	8	35	56	19
Transfers	0	0	0	0
<i>Total Governmental Activities</i>	<u>2,806</u>	<u>2,840</u>	<u>2,174</u>	<u>2,265</u>
Business-Type Activities				
Income Taxes levied for:				
Water Utility Services	0	6	401	401
Miscellaneous	27	12	11	11
<i>Total Business-Type Activities</i>	<u>27</u>	<u>18</u>	<u>412</u>	<u>412</u>
<i>Total Primary Government General Revenues and Other Changes in Net Position</i>	<u>2,833</u>	<u>2,858</u>	<u>2,586</u>	<u>2,677</u>
Change in Net Position				
Governmental Activities	421	507	(200)	87
Business-Type Activities	197	113	323	315
<i>Total Primary Government Change in Net Position</i>	<u>\$ 618</u>	<u>\$ 620</u>	<u>\$ 123</u>	<u>\$ 402</u>

2012	2011	2010	2009	2008	2007
(1,813)	(2,275)	(2,428)	(2,308)	(2,640)	(3,021)
62	111	(354)	(15)	(239)	(88)
(1,751)	(2,164)	(2,782)	(2,323)	(2,879)	(3,109)
369	366	345	380	324	304
272	266	238	267	319	329
810	664	723	783	601	745
405	332	361	392	299	373
374	525	609	567	479	506
29	31	46	57	121	147
5	0	0	0	0	0
11	47	31	26	704	91
(35)	0	0	0	0	0
2,240	2,231	2,353	2,472	2,847	2,495
332	332	361	392	302	373
20	20	9	24	0	108
352	352	370	416	302	481
2,592	2,583	2,723	2,888	3,149	2,976
427	(44)	(75)	164	207	(526)
414	463	16	401	63	393
\$ 841	\$ 419	\$ (59)	\$ 565	\$ 270	\$ (133)

City of Rittman
Wayne County, Ohio
Fund Balances of Governmental Funds (\$000 omitted)
Last Ten Years
(Modified Accrual Basis of Accounting)

	2016	2015	Restated 2014	2013
General Fund				
Nonspendable	\$ 2	\$ 2	\$ 16	\$ 17
Committed	19	14	9	1
Assigned	96	21	245	292
Unassigned	744	646	197	442
Reserved	0	0	0	0
Unreserved, Designated	0	0	0	0
Unreserved	0	0	0	0
Total General Fund	861	683	467	752
All Other Governmental Funds				
Nonspendable	0	0	10	10
Restricted	1,345	1,267	1,259	1,234
Unassigned	0	0	0	0
Reserved	0	0	0	0
Unreserved,				
Undesignated (Deficit), Reported in:	0	0	0	
Special Revenue funds	0	0	0	0
Debt Service funds	0	0	0	0
Capital Projects funds	0	0	0	0
Total All Other Governmental Funds	1,345	1,267	1,269	1,244
Total Governmental Funds	\$ 2,206	\$ 1,950	\$ 1,736	\$ 1,996

2012	2011	2010	2009	2008	2007
\$ 21	\$ 22	\$ 23	\$ 0	\$ 0	\$ 0
6	6	27	0	0	0
259	219	276	0	0	0
517	535	502	0	0	0
0	0	0	44	9	14
0	0	0	152	230	273
0	0	0	765	655	686
803	782	828	961	894	973
9	15	9	0	0	0
1,027	1,295	1,112	0	0	0
(8)	0	0	0	0	0
0	0	0	74	0	43
0	0	0	667	514	663
0	0	0	49	88	91
0	0	0	56	90	(333)
1,028	1,310	1,121	846	692	464
\$ 1,831	\$ 2,092	\$ 1,949	\$ 1,807	\$ 1,586	\$ 1,437

City of Rittman
Wayne County, Ohio
Changes in Fund Balances of Governmental Funds (\$000 omitted)
Last Ten Years
(Modified Accrual Basis of Accounting)

	2016	2015	2014	2013
Revenues				
Taxes	\$ 2,528	\$ 2,306	\$ 1,764	\$ 1,857
Charges for Services	535	725	710	753
Fines, Licenses and Permits	41	44	42	48
Intergovernmental	1,263	960	916	820
Special Assessments	69	50	75	122
Investment Income	25	37	29	14
Contributions and Donations	59	0	0	19
Other	12	35	55	17
<i>Total Revenues</i>	<u>4,532</u>	<u>4,157</u>	<u>3,591</u>	<u>3,650</u>
Expenditures				
Current:				
General Government	445	611	618	660
Security of Persons and Property	1,735	1,918	1,659	1,922
Public Health	95	94	87	121
Leisure Time Activities	472	458	474	461
Basic Utility Services	0	0	0	1
Transportation	394	517	443	379
Capital Outlay	931	380	451	25
Debt Service:				
Principal Retirement	193	166	146	107
Interest and Fiscal Charges	20	22	26	37
Bond Issuance Costs	0	0	8	0
<i>Total Expenditures</i>	<u>4,285</u>	<u>4,166</u>	<u>3,912</u>	<u>3,713</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>247</u>	<u>(9)</u>	<u>(321)</u>	<u>(63)</u>
Other Financing Sources (Uses)				
Bonds Issued	0	0	40	0
Issuance of Loans	7	85	7	227
Issuance of Notes	0	111	0	0
Inception of Capital Lease	0	0	0	0
Issuance of Refunding Bonds	0	0	645	0
Proceeds from Sale of Capital Assets	1	27	22	1
Payment to Refunded Bond Escrow Agent	0	0	(638)	0
Transfers In	189	182	154	164
Transfers Out	(189)	(182)	(154)	(164)
<i>Total Other Financing Sources (Uses)</i>	<u>8</u>	<u>223</u>	<u>76</u>	<u>228</u>
<i>Net Change in Fund Balances</i>	<u>\$ 255</u>	<u>\$ 214</u>	<u>(245)</u>	<u>165</u>
Debt Service as a Percentage of Noncapital Expenditures	5.9%	5.5%	4.9%	4.6%

	2012	2011	2010	2009	2008	2007
\$	1,716	\$ 1,612	\$ 1,686	\$ 1,679	\$ 1,669	\$ 1,724
	989	1,225	1,159	1,171	1,094	1,027
	36	33	29	31	90	96
	1,099	955	1,075	1,255	1,091	1,159
	14	18	83	23	18	17
	29	34	46	57	123	196
	4	5	30	200	5	20
	16	45	16	46	655	66
	<u>3,903</u>	<u>3,927</u>	<u>4,124</u>	<u>4,462</u>	<u>4,745</u>	<u>4,305</u>
	549	648	641	728	657	648
	1,593	1,504	1,465	1,464	1,619	1,560
	125	96	112	132	95	96
	439	423	460	484	531	868
	143	412	460	385	384	364
	1,186	557	588	791	724	705
	0	6	113	212	312	167
	99	94	94	84	212	206
	41	45	49	47	65	68
	0	0	0	0	0	0
	<u>4,175</u>	<u>3,785</u>	<u>3,982</u>	<u>4,327</u>	<u>4,599</u>	<u>4,682</u>
	(272)	142	142	135	146	(377)
	0	0	0	77	0	0
	0	0	0	0	0	0
	0	0	0	0	0	0
	0	0	0	0	56	0
	0	0	0	0	0	0
	11	0	0	0	0	0
	0	0	0	0	0	0
	135	198	165	202	305	313
	(135)	(198)	(165)	(202)	(305)	(313)
	<u>11</u>	<u>0</u>	<u>0</u>	<u>77</u>	<u>56</u>	<u>0</u>
	<u>(261)</u>	<u>142</u>	<u>142</u>	<u>212</u>	<u>202</u>	<u>(377)</u>
	4.1%	3.7%	3.7%	3.2%	6.5%	6.1%

City of Rittman
Wayne County, Ohio
Assessed Valuation and Estimated Actual Values of Taxable Property
Last Ten Years

Collection Year	Real Property			Tangible Personal Property	
	Assessed Value		Estimated Actual Value	Public Utility	
	Residential/ Agricultural	Commercial Industrial/PU		Assessed Value	Estimated Actual Value
2016	\$ 75,756,340	\$ 12,416,860	\$ 251,923,429	\$ 2,583,900	\$ 2,936,250
2015	75,688,930	12,370,770	251,599,143	2,501,350	2,842,443
2014	76,848,840	15,099,800	262,710,400	2,386,220	2,711,614
2013	76,880,660	14,895,610	262,217,914	2,188,940	2,487,432
2012	76,732,240	15,069,240	262,289,943	1,901,800	2,161,136
2011	82,363,310	12,266,040	270,369,571	1,794,390	2,039,080
2010	82,547,380	12,138,700	270,531,657	1,788,410	2,032,284
2009	83,553,170	13,670,050	277,780,629	1,544,980	2,305,940
2008	79,896,630	12,806,990	264,867,486	1,617,040	2,413,493
2007	79,113,160	12,140,590	260,725,000	1,999,340	2,984,090

Real property is reappraised every six years with a State mandated update of the current market value in the third year following each reappraisal.

The assessed value of real property (including public utility real property) is 35 percent of estimated true value. The assessed value of public utility personal property ranges from 25 percent of true value for railroad property to 88 percent for electric transmission and distribution property. General business tangible personal property was assessed in previous years at 25 percent for machinery and equipment and 23 percent for inventories. General business tangible personal property tax is being phased out beginning in 2006. For collection year 2009 and beyond both types of general business tangible personal property were assessed at zero percent.

The tangible personal property values associated with each year are the values that, when multiplied by the applicable rates, generated the property tax revenue billed in that year. For real property, the amounts generated by multiplying the assessed values by the applicable rates would be reduced by the 10%, 2 1/2% and homestead exemptions before being billed. Beginning in the 2006 collection year, the 10% rollback for commercial/industrial property has been eliminated.

Note: The County does not identify delinquent collections by the year for which the tax was levied.

Sources: Wayne and Medina County Auditors, Ohio Department of Taxation

<u>Tangible Personal Property</u>					
<u>General Business</u>			<u>Total</u>		<u>Weighted Average Tax Rate</u>
<u>Assessed Value</u>	<u>Estimated Actual Value</u>	<u>Assessed Value</u>	<u>Estimated Actual Value</u>		
\$ 0	\$ 0	\$ 90,757,100	\$ 254,859,679	35.61%	
0	0	90,561,050	254,441,586	35.59	
0	0	94,334,860	265,422,014	35.54	
0	0	93,965,210	264,705,346	35.50	
72,830	1,456,600	93,776,110	265,907,679	35.27	
72,830	1,165,280	96,496,570	273,573,931	35.22	
104,498	1,671,968	96,578,988	274,235,909	34.87	
238,177	3,810,832	99,006,377	283,897,401	26.84	
6,552,905	52,423,240	100,873,565	319,704,219	26.17	
11,528,225	46,112,900	104,781,315	309,821,990	30.63	

City of Rittman
Wayne County, Ohio
Property Tax Rates - Direct and Overlapping Governments
(Per \$1,000 of Assessed Valuation)
Last Ten Years

Collection Year	City of Rittman Direct Rates					Overlapping Rates				
	General Fund	Fire	Ambulance & E.M.S.	Police Pension Fund	Total City	Wayne County	Milton Township	Rittman Exempted Village School District	Special District	Total Direct & Overlapping Rates
2016	\$ 3.40	\$ 1.00	\$ 2.30	\$ 0.30	\$ 7.00	\$ 10.25	\$ 0.00	\$ 63.50	\$ 7.05	\$ 87.80
2015	3.40	1.00	2.30	0.30	7.00	9.25	0.50	63.70	4.85	85.30
2014	3.40	1.00	2.30	0.30	7.00	9.25	0.50	63.35	4.85	84.95
2013	3.40	1.00	2.30	0.30	7.00	9.25	0.50	63.35	4.85	84.95
2012	3.50	1.00	2.30	0.30	7.10	9.25	0.50	63.35	7.10	87.30
2011	3.50	1.00	2.30	0.30	7.10	9.25	0.50	63.35	7.10	87.30
2010	3.50	1.00	2.30	0.30	7.10	9.65	0.50	63.20	7.10	87.55
2009	3.50	1.00	2.30	0.30	7.10	9.65	0.50	63.35	7.10	87.70
2008	3.50	1.00	2.30	0.30	7.10	9.65	0.50	63.05	6.35	86.65
2007	3.50	1.00	2.30	0.30	7.10	9.65	0.50	59.60	6.35	83.20

Source: Wayne County, Ohio; County Auditor

City of Rittman
Wayne County, Ohio
Income Tax Revenue Base and Collections (Cash Basis)
Last Ten Years

<u>Tax Year</u>	<u>Tax Rate</u>	<u>Total Tax Collected</u>	<u>Taxes from Withholding</u>	<u>Percentage of Taxes from Withholding</u>	<u>Taxes From Net Profits</u>	<u>Percentage of Taxes from Net Profits</u>	<u>Taxes From Individuals</u>	<u>Percentage of Taxes from Individuals</u>
2016	1.5%	\$ 2,004,023	\$ 1,072,113	53.50%	\$ 222,396	11.10%	\$ 709,515	35.40%
2015	1.5%	1,709,817	1,016,827	59.47	161,332	9.44	531,658	31.09
2014	1.5%	1,617,106	943,777	58.36	134,922	8.34	538,407	33.29
2013	1.5%	1,596,239	940,392	58.91	125,714	7.88	530,133	33.21
2012	1.5%	1,463,098	934,132	63.85	155,728	10.64	373,238	25.51
2011	1.5%	1,309,294	899,890	68.73	65,964	5.04	343,440	26.23
2010	1.5%	1,468,579	853,353	58.11	282,912	19.26	332,314	22.63
2009	1.5%	1,379,284	861,707	62.47	153,419	11.12	364,158	26.40
2008	1.5%	1,372,190	879,694	64.11	111,710	8.14	380,786	27.75
2007	1.5%	1,343,468	892,875	66.46	87,519	6.51	363,074	27.03

Source: City of Rittman; Department of Budget and Finance; Income Tax Division

Note: The City is prohibited by statute from presenting information regarding individual taxpayers.

City of Rittman
Wayne County, Ohio
Ratio of Outstanding Debt By Type
Last Ten Years

Year	Governmental Activities					
	General Obligation Bonds	Special Assessment Bonds	OPWC Loans	Loans	Notes Payable	Capital Leases
2016	\$ 517,000	\$ 0	\$ 82,875	\$ 97,564	\$ 63,353	\$ 0
2015	627,000	0	85,000	127,587	106,970	0
2014	732,000	0	0	163,796	21,000	0
2013	776,000	0	0	220,000	0	0
2012	865,000	0	0	0	0	11,133
2011	954,000	0	0	0	0	21,722
2010	1,038,000	0	0	0	0	31,793
2009	1,122,000	0	0	0	0	41,370
2008	1,120,000	43,208	0	0	0	50,479
2007	1,310,000	60,008	0	0	0	0

(1) Details regarding the City's outstanding debt can be found in Note 12 in the basic financial statements

(2) Includes internal bonds

(3) See Demographic and Economic Statistics for population and personal income data.

Source: City Records

Business-Type Activities						
Revenue Bonds	General Obligation Bonds	OPWC Loans	OWDA Loans	Total Debt	Percentage of Personal Income	Per Capita
\$ 0	\$ 1,188,556	\$ 394,150	\$ 0	\$ 2,343,498	1.87%	361
801,900	868,000	415,266	0	3,031,723	2.42	467
831,400	965,500	267,257	0	2,980,953	2.38	459
859,400	1,027,500	284,248	0	3,167,148	2.53	488
886,100	1,109,000	301,239	133,002	3,305,474	2.64	509
931,500	1,130,000	309,735	389,249	3,736,206	2.98	576
1,015,600	1,195,000	187,500	633,148	4,101,041	3.27	632
1,038,500	1,260,000	200,000	865,295	4,527,165	4.47	717
1,060,300	1,320,000	212,500	1,086,256	4,892,743	4.83	775
1,081,100	1,380,000	225,000	1,296,569	5,352,677	5.28	848

City of Rittman
Wayne County, 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
2016	\$ 1,705,556	\$ 10,435	\$ 1,695,121	0.67%	261.15
2015	1,495,000	12,560	1,482,440	0.58	228.38
2014	1,697,500	12,263	1,685,237	0.63	259.63
2013	1,803,500	1,300	1,802,200	0.68	277.65
2012	1,974,000	0	1,974,000	0.75	304.11
2011	2,084,000	(2,061,041)	4,145,041	0.75	638.58
2010	2,233,000	(2,210,225)	4,443,225	0.81	703.71
2009	2,382,000	(2,332,936)	4,714,936	0.82	746.74
2008	2,440,000	(2,351,607)	4,791,607	0.74	758.89
2007	3,196,000	(3,105,331)	6,301,331	0.95	997.99

Source: The City of Rittman, Wayne and Medina County Auditor

(1) Details regarding the City's outstanding debt can be found in Note 12 in the basic financial statements

**City of Rittman
Wayne County, Ohio**

*Computation of Direct and Overlapping Governmental Activities Debt
December 31, 2016*

Jurisdiction	Governmental Activities Debt Outstanding	Percentage Applicable to City (1)	Amount Applicable to City
Direct:			
City of Rittman	\$ 760,792	100.00%	\$ 760,792
<i>Total Direct Debt</i>	<u>760,792</u>		<u>760,792</u>
Overlapping:			
Chippewa Local School District	16,325,000	1.11%	181,208
Cloverleaf Local School District	815,000	0.23%	1,875
Norwayne Local School District	8,601,179	0.15%	12,902
Rittman Exempted Village School District	6,869,109	85.83%	5,895,756
Wayne County, Ohio	8,715,000	3.72%	324,198
Wayne County Public Library	18,184,993	0.03%	5,455
Wayne Public Library	4,319,354	3.20%	138,219
Medina County, Ohio	8,954,918	0.08%	7,164
Medina County Public Library	<u>20,424,993</u>	0.03%	<u>6,127</u>
<i>Total Overlapping Debt</i>	<u>93,209,546</u>		<u>6,572,904</u>
Total	<u>\$ 93,970,338</u>		<u>\$ 7,333,696</u>

Source: Ohio Municipal Advisory Council

(1) Percentages were 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.

City of Rittman
Wayne County, Ohio
Legal Debt Margin
Last Ten Years

	2016	2015	2014	2013
Total Assessed Property Value	\$ 90,757,100	\$ 90,561,050	\$ 94,334,860	\$ 93,965,210
Overall Legal Debt Limit (10 ½ % of Assessed Valuation)	\$ 9,529,496	\$ 9,508,910	\$ 9,905,160	\$ 9,866,347
Debt Outstanding:				
General Obligation Bonds	1,705,556	1,495,000	1,697,500	1,803,500
Revenue Bonds	0	801,900	831,400	859,400
Special Assessment Bonds	0	0	0	0
OPWC Loans	477,025	500,266	267,257	284,248
OWDA Loans	0	0	0	0
Loans	97,564	127,587	163,796	220,000
Notes	63,353	106,970	21,000	0
Total Gross Indebtedness	2,343,498	3,031,723	2,980,953	3,167,148
Less:				
Revenue Bonds	0	(801,900)	(831,400)	(859,400)
Special Assessment Bonds	0	0	0	0
OPWC Loans	(477,025)	(500,266)	(267,257)	(284,248)
OWDA Loans	0	0	0	0
Loans	(97,564)	(127,587)	(163,796)	(220,000)
Notes	(63,353)	(106,970)	(21,000)	0
Amount Available in Bond Retirement Fund	(10,435)	(12,560)	(12,263)	(1,300)
Total Net Debt Applicable to Debt Limit	1,695,121	1,482,440	1,685,237	1,802,200
Legal Debt Margin Within 10 ½ % Limitations	\$ 7,834,375	\$ 8,026,470	\$ 8,219,923	\$ 8,064,147
Legal Debt Margin as a Percentage of the Debt Limit	82.21%	84.41%	82.99%	81.73%
Unvoted Debt Limitation (5 ½ % of Assessed Valuation)	\$ 4,991,641	\$ 4,980,858	\$ 5,188,417	\$ 5,168,087
Total Gross Indebtedness	2,343,498	3,031,723	2,980,953	3,167,148
Less:				
Revenue Bonds	0	(801,900)	(831,400)	(859,400)
Special Assessment Bonds	0	0	0	0
OPWC Loans	(477,025)	(500,266)	(267,257)	(284,248)
OWDA Loans	0	0	0	0
Loans	(97,564)	(127,587)	(163,796)	(220,000)
Notes	(63,353)	(106,970)	(21,000)	0
Amount Available in Bond Retirement Fund	(10,435)	(12,560)	(12,263)	(1,300)
Net Debt Within 5 ½ % Limitations	1,695,121	1,482,440	1,685,237	1,802,200
Unvoted Legal Debt Margin Within 5 ½ % Limitations	\$ 3,296,520	\$ 3,498,418	\$ 3,503,180	\$ 3,365,887
Unvoted legal Debt Margin as a Percentage of the Unvoted Debt Limitation	66.04%	70.24%	67.52%	65.13%

Source: City Financial Records

2012	2011	2010	2009	2008	2007
<u>\$ 93,703,280</u>	<u>\$ 96,496,570</u>	<u>\$ 96,578,988</u>	<u>\$ 99,006,377</u>	<u>\$ 100,873,565</u>	<u>\$ 104,781,315</u>
<u>\$ 9,838,844</u>	<u>\$ 10,132,140</u>	<u>\$ 10,140,794</u>	<u>\$ 10,395,670</u>	<u>\$ 10,591,724</u>	<u>\$ 11,002,038</u>
1,974,000	2,084,000	2,233,000	2,382,000	2,440,000	3,196,000
886,100	931,500	1,015,600	1,038,500	1,060,300	1,081,100
0	0	0	42,758	43,208	60,007
301,239	309,735	187,500	200,000	212,500	225,000
133,002	389,249	633,148	865,295	1,086,256	1,296,569
0	0	0	0	0	0
0	0	0	0	0	0
<u>3,294,341</u>	<u>3,714,484</u>	<u>4,069,248</u>	<u>4,528,553</u>	<u>4,842,264</u>	<u>5,858,676</u>
(886,100)	(931,500)	(1,015,600)	(1,038,500)	(1,060,300)	(1,081,100)
0	0	0	(42,758)	(43,208)	(60,007)
(301,239)	(309,735)	(187,500)	(200,000)	(212,500)	(225,000)
(133,002)	(389,249)	(633,148)	(865,295)	(1,086,256)	(1,296,569)
0	0	0	0	0	0
0	0	0	0	0	0
0	(22,959)	(22,775)	(49,064)	(88,393)	(90,669)
<u>1,974,000</u>	<u>2,061,041</u>	<u>2,210,225</u>	<u>2,332,936</u>	<u>2,351,607</u>	<u>3,105,331</u>
<u>\$ 7,864,844</u>	<u>\$ 8,071,099</u>	<u>\$ 7,930,569</u>	<u>\$ 8,062,734</u>	<u>\$ 8,240,117</u>	<u>\$ 7,896,707</u>
79.94%	79.66%	78.20%	77.56%	77.80%	71.77%
<u>\$ 5,153,680</u>	<u>\$ 5,307,311</u>	<u>\$ 5,311,844</u>	<u>\$ 5,445,351</u>	<u>\$ 5,548,046</u>	<u>\$ 5,762,972</u>
3,294,341	3,714,484	4,069,248	4,528,553	4,842,264	5,858,676
(886,100)	(931,500)	(1,015,600)	(1,038,500)	(1,060,300)	(1,081,100)
0	0	0	(42,758)	(43,208)	(60,007)
(301,239)	(309,735)	(187,500)	(200,000)	(212,500)	(225,000)
(133,002)	(389,249)	(633,148)	(865,295)	(1,086,256)	(1,296,569)
0	0	0	0	0	0
0	0	0	0	0	0
0	(22,959)	(22,775)	(49,064)	(88,393)	(90,669)
<u>1,974,000</u>	<u>2,061,041</u>	<u>2,210,225</u>	<u>2,332,936</u>	<u>2,351,607</u>	<u>3,105,331</u>
<u>\$ 3,179,680</u>	<u>\$ 3,246,270</u>	<u>\$ 3,101,619</u>	<u>\$ 3,112,415</u>	<u>\$ 3,196,439</u>	<u>\$ 2,657,641</u>
61.70%	61.17%	58.39%	57.16%	57.61%	46.12%

City of Rittman
Wayne County, Ohio

*Schedules of Ratio of Annual Debt Service Expenditures for General Bonded Debt to
Total General Governmental Expenditures and Revenue Bond Coverage (\$000 omitted)
Last Ten Years*

	2016	2015	2014	2013	2012	2011	2010	2009	2008	2007
<u>General Bonded Debt</u>										
Debt Service	\$ 200	\$ 166	\$ 146	\$ 107	\$ 100	\$ 94	\$ 94	\$ 84	\$ 207	\$ 206
General Governmental Expenditures	4,285	4,166	3,912	3,713	4,175	3,785	3,982	4,327	4,599	4,682
Ratio of Debt Service to General Governmental Expenditures	4.67	3.98	3.73	2.88	2.40	2.48	2.36	1.94	4.50	4.40
<u>Revenue Bond Coverage</u>										
Sewer										
Direct Revenue	1,257	1,311	1,268	1,252	1,335	1,292	1,279	1,294	1,221	1,200
Operating expense (1)	760	792	851	701	775	738	735	699	660	608
Net available	497	519	417	551	560	554	544	595	561	592
Principal	802	30	28	27	45	84	23	22	21	20
Interest	25	43	44	45	48	52	53	54	55	56
Total Debt Service	827	73	72	72	93	136	76	76	76	76
Coverage	0.60	7.11	5.79	7.65	6.02	4.07	7.16	7.83	7.38	7.79

Source: City Financial Records

(1) Excludes depreciation

City of Rittman
Wayne County, Ohio

Principal Employers
2016 and 2007

Employer	Industry	2016		2007		Rank	Percentage of Total City W-2's processed
		Number of W-2's processed	Rank	Number of W-2's processed	Rank		
Rittman Board of Education	Education	255	1	5.26%	130	3	4.33%
Morton International, Inc.	Salt Mines	247	2	5.10	269	1	8.93
City of Rittman	Municipal Government	194	3	4.01	196	2	6.51
Embassy Autumnwood	Nursing Home	119	4	2.46	0	0	0.00
Laria Chevrolet Buick	Automobile Dealership	90	5	1.86	43	7	1.43
Unilock Ohio, Inc.	Plastics	58	6	1.20	64	5	0.00
J O Plastics, Inc.	Plastics	53	7	1.09	0	0	0.00
Mull Iron	Metal Fabricating	56	8	1.16	0	0	0.00
Summa Health System	Health Care	37	9	0.76	0	0	0.00
Imperial Plastics, Inc.	Plastics	28	10	0.58	62	6	2.06
Promotional Fixtures	Marketing	0	0	0.00	40	8	1.33
Northern Health Facilities	Health Care	0	0	0.00	91	4	3.02
Caraustar Mill Group, Inc.	Paper recycling	0	0	0.00	3	10	0.10
Swiss Woodcraft, Inc.	Cabinet manufacturer	0	0	0.00	36	9	1.20
Total		<u>1,137</u>		<u>23.48%</u>	<u>934</u>		<u>31.02%</u>
Total W-2's Processed		<u>4,843</u>			<u>3,011</u>		

Source: City of Rittman

City of Rittman
Wayne County, Ohio
Demographic and Economic Statistics
Last Ten Years

Year	Population (1)	Total Personal Income (1) (000 omitted)	Personal Income Per Capita (1)	Median Family Income (1)	School Enrollment (2)	Unemployment Rate (3)			City Square Miles (4)
						Wayne County	Medina County	State of Ohio	
2016	6,491	\$ 125,413	\$ 19,321	\$ 43,837	1,098	3.9%	4.3%	4.8%	6.43
2015	6,491	125,413	19,321	43,837	1,123	3.8%	3.2%	4.7%	6.43
2014	6,491	125,413	19,321	43,837	1,145	3.8	4.3	4.7	6.43
2013	6,491	125,413	19,321	43,837	1,111	5.8	6.1	6.6	6.43
2012	6,491	125,413	19,321	43,837	1,155	5.6	5.9	7.0	6.43
2011	6,491	125,413	19,321	43,837	1,140	7.7	6.7	8.6	6.43
2010	6,491	125,413	19,321	43,837	1,135	9.4	7.8	10.0	6.43
2009	6,314	101,333	16,049	41,643	1,155	9.9	8.3	10.1	6.24
2008	6,314	101,333	16,049	41,643	1,097	5.6	5.8	6.5	6.24
2007	6,314	101,333	16,049	41,643	1,063	5.0	5.8	5.6	6.24

Sources:

- (1) U.S. Census 2000
U.S. Census 2010
- (2) Rittman Exempted Village School District Records
- (3) Ohio Bureau of Employment Services; Department of Labor, Bureau of Labor Statistics
Unemployment rate is not available for the City of Rittman.
- (4) City Records

**City of Rittman
Wayne County, Ohio**

*City Government Employees by Function/Program
Last Ten Years*

Function/Program	2016	2015	2014	2013	2012	2011	2010	2009	2008	2007
General Government										
City Council	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00
Mayor	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50
City Manager	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	2.00	2.00
Law	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Finance	2.00	2.00	2.00	2.00	2.00	1.50	1.50	1.50	1.00	1.00
Tax	1.00	1.00	0.50	0.50	0.50	1.00	1.00	1.00	1.00	1.00
Administration	1.00	1.00	0.50	0.50	0.50	1.00	1.00	1.00	2.50	2.50
Security of Persons and Property										
Police	12.50	16.50	12.00	12.00	12.00	12.00	12.00	11.50	11.00	11.00
Police - School Guards	2.00	1.00	1.00	1.00	1.00	1.50	1.50	1.50	5.00	5.00
Police - Dispatchers	5.50	6.50	4.50	4.50	4.50	4.50	4.50	5.50	5.00	5.00
Police - Animal Wardens	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50	1.00	1.00
Fire	15.50	14.50	11.50	11.50	11.50	12.00	14.50	14.50	14.50	14.50
Public Health Services										
Emergency Medical Services	15.50	18.00	14.50	14.50	14.50	15.00	15.00	15.00	15.50	15.50
Cemetery	1.00	1.00	1.50	1.50	1.50	1.50	1.50	1.50	1.00	1.00
Leisure Time Activities										
Recreation	16.50	17.50	13.00	13.00	13.00	10.50	12.50	12.50	12.00	12.00
Parks	2.00	2.00	1.50	1.50	1.50	1.50	1.50	1.50	1.00	1.00
Transportation										
Service	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.50	2.50
Street M&R	3.00	3.00	3.00	3.00	3.00	4.50	5.50	5.50	7.00	7.00
Basic Utility Services										
Solid Waste	0.00	0.00	1.00	1.00	1.00	0.00	0.00	0.00	0.00	0.00
Water	3.50	3.50	5.50	5.50	5.50	4.50	4.75	4.75	5.00	5.00
Waste Water	7.00	7.00	6.00	6.00	6.00	5.50	5.75	5.75	4.00	4.00
Totals:	<u>96.00</u>	<u>102.50</u>	<u>86.00</u>	<u>86.00</u>	<u>86.00</u>	<u>84.50</u>	<u>90.50</u>	<u>91.00</u>	<u>95.50</u>	<u>95.50</u>

Source: City Payroll Department Attendance Cards at Year End

Method: Using 1.00 for each full-time employee and 0.50 for each part-time

and seasonal employee at year end. Some employees are split between multiple functions/programs

City of Rittman
Wayne County, Ohio
Operating Indicators by Function/Program
Last Ten Years

Function/Program	2016	2015	2014	2013
General Government				
Council and Clerk				
Number of Ordinances Passed	43	33	35	26
Number of Resolutions Passed	3	19	27	23
Number of Planning Commission docket items	1	0	1	1
Zoning Board of Appeals docket items	7	3	5	1
Finance Department				
Number of checks/vouchers issued	1,829	1,948	1,934	1,923
Amount of checks written	\$ 7,469,596	\$ 7,052,567	\$ 6,241,435	\$ 6,056,147
Number of payroll checks issued	3,828	3,714	3,441	3,052
Interest earning for fiscal year (cash basis)	\$ 33,803	\$ 32,085	\$ 23,328	\$ 27,968
Number of receipts issued	2,090	2,217	2,283	2,435
General fund receipts (cash basis)	\$ 2,804,179	\$ 2,483,530	\$ 2,177,530	\$ 2,222,883
General fund expenditures (cash basis)	\$ 2,563,397	\$ 2,376,894	\$ 2,358,006	\$ 2,311,190
General fund cash balances	\$ 742,399	\$ 494,733	\$ 372,272	\$ 547,405
Income Tax Department				
Number of individual returns	3,825	3,582	3,607	3,468
Number of business returns	481	444	442	418
Number of business withholding accounts	506	514	531	484
Amount of penalties and interest collected	\$ 47,837	\$ 37,334	\$ 36,753	\$ 29,635
Civil Services				
Number of police entry tests administered	19	n/a	n/a	n/a
Number of dispatcher entry tests administered	n/a	n/a	n/a	n/a
Number of hires of Police Officers from certified lists	1	n/a	n/a	n/a
Number of hires of Dispatchers from certified lists	n/a	n/a	n/a	n/a
Building Department Indicators				
Number of zoning permits issued	94	64	50	49
Number of new housing permits issued	4	7	3	6
Estimated Value of Construction	\$ 600,000	\$ 2,157,344	\$ 1,332,618	\$ 1,663,818
Amount of Revenue generated from permits	\$ 2,556	\$ 3,425	\$ 2,082	\$ 5,646
Security of Persons and Property				
Police				
Total Calls for Services	8,711	7,880	8,786	9,759
Number of traffic citations issued	417	304	390	288
Number of parking citations issued	206	262	206	233
Number of criminal arrests	338	475	381	317
Number of accident reports completed	84	96	105	107
Injury accidents	10	7	10	10
Stolen vehicles	14	5	6	8
Incident reports	740	415	537	560
DUI arrests	17	11	10	14
Burglary	34	19	64	87
Thefts	105	191	335	142
Robberies	2	2	2	3
Homicides	n/a	n/a	n/a	n/a
Gasoline costs of fleet	\$ 15,854	\$ 18,368	\$ 32,171	\$ 29,535
Total calls handled through communication center	17,379	14,558	15,124	14,670
Fire/EMS				
EMS total runs	1,024	1,025	882	913
EMS transports	680	671	610	598
Ambulance billing collections (net)	\$ 196,554	\$ 188,943	\$ 175,521	\$ 201,529
Fire calls	174	196	165	137
Fires with loss	8	8	5	2
Fires with losses exceeding \$10K	3	0	0	2
Fire Losses	\$ 118,725	\$ 37,435	\$ 8,200	\$ 96,000
Fire safety inspections	10	20	11	31
Number of times mutual aid received for fire and EMS	39	20	22	22

2012	2011	2010	2009	2008	2007
37	31	29	31	37	28
25	23	11	21	19	10
0	0	1	0	2	1
3	5	1	4	4	7
1,724	1,847	1,961	2,165	2,424	2,497
\$ 7,205,354	\$ 5,889,329	\$ 5,973,160	\$ 6,252,415	\$ 6,698,892	\$ 66,500,835
3,158	3,309	3,305	3,386	3,415	3,351
\$ 32,385	\$ 43,921	\$ 40,458	\$ 81,002	\$ 127,981	\$ 202,302
2,374	2,447	2,328	2,039	1,990	1,980
\$ 2,457,148	\$ 2,707,878	\$ 2,766,788	\$ 2,905,901	\$ 2,908,884	\$ 2,832,218
\$ 2,431,428	\$ 2,763,070	\$ 2,719,082	\$ 2,894,932	\$ 2,909,987	\$ 2,798,914
\$ 635,711	\$ 569,260	\$ 624,452	\$ 552,889	\$ 554,138	\$ 549,732
3,451	3,532	3,452	3,441	3,523	3,485
437	409	360	357	426	465
493	495	446	384	243	308
\$ 35,036	\$ 31,264	\$ 31,997	\$ 25,596	\$ 22,498	\$ 24,710
n/a	n/a	n/a	n/a	n/a	13
n/a	n/a	n/a	n/a	n/a	n/a
n/a	n/a	n/a	n/a	n/a	2
n/a	n/a	n/a	n/a	n/a	n/a
65	60	64	46	46	68
8	9	4	4	6	10
\$ 2,477,301	\$ 1,727,841	\$ 698,107	\$ 15,491,375	\$ 910,574	\$ 7,667,346
\$ 2,743	\$ 3,040	\$ 1,834	\$ 13,324	\$ 2,190	\$ 4,418
8,902	10,189	12,954	7,996	9,932	7,829
228	264	663	213	414	443
210	342	387	280	294	267
464	423	463	520	543	475
115	122	107	121	122	132
12	9	8	8	8	15
5	3	1	6	9	14
546	597	595	482	599	721
26	20	15	14	25	47
46	63	66	55	52	49
285	255	345	180	221	107
1	4	5	6	6	4
n/a	n/a	n/a	n/a	n/a	n/a
\$ 31,450	\$ 29,876	\$ 21,721	\$ 16,852	\$ 30,536	\$ 26,487
13,836	13,652	14,584	11,173	13,582	18,998
910	961	852	878	817	872
571	646	530	618	557	636
\$ 181,390	\$ 190,899	\$ 173,138	\$ 186,981	\$ 168,748	\$ 171,068
165	160	159	196	194	192
6	5	3	4	8	4
2	3	1	1	n/a	1
\$ 50,000	\$ 206,000	\$ 45,000	\$ 84,500	\$ 13,000	\$ 18,000
21	15	31	58	28	20
28	31	36	22	35	46

(continued)

City of Rittman
Wayne County, Ohio
Operating Indicators by Function/Program
Last Ten Years

Function/Program	2016	2015	2014	2013
<i>Public Health and Welfare</i>				
Cemetery Burials	39	31	37	37
Cemetery cremations	14	12	9	5
Cemetery sale of lots	37	36	34	37
Cemetery receipts	\$ 49,102	\$ 36,312	\$ 35,078	\$ 38,509
<i>Leisure Time Activities</i>				
Recreation				
Recreation Center membership receipts	\$ 123,609	\$ 111,647	\$ 121,412	\$ 135,960
Recreation Center Silver Sneaker receipts	35,025	32,618	30,863	28,533
Recreation Center rental receipts	14,936	13,846	14,241	17,409
Recreation Center program receipts	21,918	25,470	17,244	16,788
Recreation Center miscellaneous receipts	2,669	3,705	946	11,259
Total Recreation Department receipts	\$ 198,157	\$ 187,286	\$ 184,706	\$ 209,949
<i>Transportation</i>				
Crackseal Coating Program - Annual Cost	\$ 0	\$ 0	\$ 15,457	\$ 2,156
Paint Striping - Annual Cost	\$ 13,312	\$ 11,274	\$ 14,163	\$ 0
Leaf collection - disposal costs	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000
Cost of salt purchased	\$ 24,622	\$ 28,282	\$ 24,864	\$ 28,089
<i>Water Department</i>				
Water rates per 1st 300 Cu ft of water used	\$ 13.00	\$ 10.00	\$ 10.00	\$ 10.00
Annual total of utility accounts billed	30,708	30,377	30,047	30,182
Annual total Water Collections Billed	\$ 626,304	\$ 497,809	\$ 497,743	\$ 514,778
Avg. water billed monthly (Gallons)	13,637	13,406	13,233	14,733
Total water collections annually (Including P&I)	\$ 64,453	\$ 526,738	\$ 524,260	538,343
<i>Waste Water Department</i>				
Waste water rates per 1st 300 Cu ft of water used	\$ 27.13	\$ 27.00	\$ 27.00	\$ 27.00
Annual total sewer collections billed	\$ 1,123,587	\$ 1,196,523	\$ 1,196,500	\$ 1,193,740
Total sewer collections annually	\$ 1,274,560	\$ 1,292,919	\$ 1,264,988	\$ 1,268,189

Source: City of Rittman

2012	2011	2010	2009	2008	2007
42	45	39	44	32	30
11	6	14	13	8	13
29	56	29	38	34	15
\$ 3,162	\$ 47,180	\$ 30,479	\$ 37,183	\$ 35,314	\$ 21,811
\$ 157,405	\$ 165,794	\$ 161,523	\$ 150,607	\$ 171,172	\$ 128,679
24,280	0	0	0	0	0
16,747	18,398	16,167	16,776	15,160	8,376
34,414	45,424	49,758	52,578	60,110	47,353
4,700	10,254	37,381	17,428	27,153	25,643
\$ 237,546	\$ 239,870	\$ 264,829	\$ 237,389	\$ 273,595	\$ 210,051
\$ 7,695	\$ 11,333	\$ 29,347	\$ 0	\$ 11,456	\$ 14,850
\$ 11,766	\$ 11,766	\$ 11,874	\$ 9,918	\$ 12,545	n/a
\$ 0	\$ 1,000	\$ 1,000	\$ 1,000	\$ 4,701	\$ 1,540
\$ 17,321	\$ 18,312	\$ 28,112	\$ 16,206	\$ 23,206	\$ 26,889
\$ 10.00	\$ 10.00	\$ 7.40	\$ 7.40	\$ 7.40	\$ 7.40
30,017	30,017	29,964	30,048	33,780	29,715
\$ 519,310	\$ 485,910	\$ 364,715	\$ 355,291	\$ 349,999	\$ 358,757
15,252	13,546	12,454	12,712	12,181	12,905
\$ 542,819	\$ 488,740	\$ 404,617	\$ 396,095	\$ 361,428	\$ 359,042
\$ 23.00	\$ 23.00	\$ 31.00	\$ 31.00	\$ 25.78	\$ 24.33
\$ 1,273,560	\$ 1,256,262	\$ 1,208,474	\$ 1,165,163	\$ 1,048,802	\$ 1,028,074
\$ 1,314,473	\$ 1,310,780	\$ 1,263,609	\$ 2,053,066	\$ 1,149,011	\$ 1,154,935

City of Rittman
Wayne County, Ohio
Capital Assets Statistics by Function/Program
Last Ten Years

Function/Program	2016	2015	2014	2013	2012	2011	2010	2009	2008	2007
General Government										
Number of Buildings	1	1	1	1	1	1	1	1	1	1
Administrative Vehicles	1	1	1	1	1	1	1	1	1	1
Safety - Police/Fire										
Stations	1	1	1	1	1	1	1	1	1	1
Vehicles - Police	10	10	10	10	10	10	9	9	9	9
Vehicles - Fire	8	8	8	8	7	7	8	8	7	6
Emergency Medical Services										
Stations	1	1	1	1	1	1	1	1	1	1
Vehicles	4	4	4	4	4	4	4	4	4	5
Recreation										
Number of Buildings	1	1	1	1	1	1	1	1	1	1
Number of Shelters/Pavilions	3	3	3	3	3	3	3	3	3	3
Number of Parks	12	12	12	12	12	12	12	12	11	11
Number of Pools	1	1	1	1	1	1	1	1	1	1
Number of Baseball Diamonds	8	8	8	8	8	8	8	8	8	8
Number of Skateboarding Areas	0	0	0	0	0	0	0	0	0	1
Number of Tot Lots	9	9	9	9	9	9	9	9	9	9
Vehicles	0	0	0	0	0	1	2	1	1	1
Transportation										
Number of Buildings	2	2	2	2	2	2	2	2	2	2
Salt Building	1	1	1	1	1	1	1	1	1	1
Streets (Center Lane Miles)	41	41	41	41	41	41	41	41	41	41
Storm Sewers (Miles)	19	19	19	19	19	19	19	19	19	19
Service Vehicles	11	11	11	11	11	11	11	12	12	15
Public Health and Welfare										
Number of Buildings	1	1	1	1	1	1	1	1	1	1
Service Vehicles	1	1	1	1	1	1	1	1	1	1
Water										
Treatment Plant	1	1	1	1	1	1	1	1	1	1
Pole Building	1	1	1	1	1	1	1	1	1	1
Water Lines (Miles)	44	44	44	44	44	44	44	44	44	44
Vehicles	5	5	5	5	4	3	6	6	6	7
Waste Water										
Treatment Plant	1	1	1	1	1	1	1	1	1	1
Sanitary Sewers (Miles)	39	39	39	39	39	39	39	39	39	39
Vehicles	5	5	5	5	5	5	7	7	7	7

Source: City of Rittman's capital asset records



Dave Yost • Auditor of State

CITY OF RITTMAN

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
SEPTEMBER 26, 2017