

**CITY OF RITTMAN  
WAYNE COUNTY**

**REGULAR AUDIT**

**FOR THE YEAR ENDED DECEMBER 31, 2018**



**CITY OF RITTMAN**  
**TABLE OF CONTENTS**

| TITLE  | PAGE |
|--|------|
| Independent Auditor's Report on Internal Control Over<br>Financial Reporting and on Compliance and Other Matters<br>Required by <i>Government Auditing Standards</i> ..... | 1    |
| Schedule of Findings.....  | 3    |

**THIS PAGE INTENTIONALLY LEFT BLANK**

# OHIO AUDITOR OF STATE KEITH FABER



88 East Broad Street, 10<sup>th</sup> Floor  
Columbus, Ohio 43215-3506  
(614) 466-3402 or (800) 443-9275  
CentralRegion@ohioauditor.gov

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

City of Rittman  
30 North Main Street  
Rittman, Ohio 44270

To the City 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 ended December 31, 2018, and the related notes to the financial statements, which collectively comprise the 's basic financial statements and have issued our report thereon dated June 26, 2019 wherein we noted the City adopted new accounting guidance in Governmental Accounting Standards Board (GASB) Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*.

### ***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 opinion 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. Therefore, unidentified material weaknesses or significant deficiencies may exist. We did identify a certain deficiency in internal control, described in the accompanying schedule of findings that we consider a material weakness. We consider finding 2018-001 to be a material weakness.

***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*.

***City's Response to Findings***

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

***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 report is not suitable for any other purpose.



Keith Faber  
Auditor of State

Columbus, Ohio

June 26, 2019

**CITY OF RITTMAN  
WAYNE COUNTY**

**SCHEDULE OF FINDINGS  
DECEMBER 31, 2018**

|  |
|--|
| <b>FINDINGS RELATED TO THE FINANCIAL STATEMENTS<br/>REQUIRED TO BE REPORTED IN ACCORDANCE WITH GAGAS</b> |
|--|

**FINDING NUMBER 2018-001**

**Financial Reporting – Material Weakness**

In our audit engagement letter, as required by AU-C Section 210, *Terms of Engagement*, paragraph .06, management acknowledged its responsibility for the preparation and fair presentation of their financial statements; this responsibility includes designing, implementing and maintaining internal control relevant to preparing and fairly presenting financial statements free from material misstatement, whether due to fraud or error as discussed in AU-C Section 210 paragraphs .A14 & .A16. Governmental Accounting Standards Board (GASB) Cod. 1100 paragraph .101 states a governmental accounting system must make it possible both: (a) to present fairly and with full disclosure the funds and activities of the governmental unit in conformity with generally accepted accounting principles, and (b) to determine and demonstrate compliance with finance-related legal and contractual provisions.

The compilation and presentation of the financial statements and related footnotes is the responsibility of management. This responsibility remains intact if management decides to outsource this function for efficiency purposes or any other reason. The following adjustments were made to the City's financial statements:

- \$15,446 of Proceeds from Capital Assets (Cash Flows from Capital and Related Financial Activities) and a reduction of \$15,446 to Cash Payments for Contractual Services (Cash Flows from Operating Activities) were incorrectly reported on the cash flows in the Sewer Fund.
- \$15,446 of Loss on Disposal of Capital Assets (Non-operating Revenues/Expenses) was reported as Contractual Services (Operating Expenses) in the Sewer Fund.
- \$84,107 of Cash Payments from Contractual Services (Cash Flows from Operating Activities) was incorrectly reported as Cash Payments to Suppliers for Goods and Services (Cash Flows from Operating Activities) in the Sewer Fund.
- \$60,100 of encumbrances were excluded from actual expenditures in the Budget vs. Actual Statement for the General Fund.
- \$6,893 of encumbrances were excluded from actual expenditures in the Budget vs. Actual Statement for the Emergency Medical Service Fund.
- \$13,291 of encumbrances were excluded from actual expenditures in the Budget vs. Actual Statement for the Fire Department Levy Fund.

In addition to the adjustments noted above, we also identified additional misstatements ranging from \$612 to \$66,925 that we have brought to the City's attention.

**CITY OF RITTMAN  
WAYNE COUNTY**

**SCHEDULE OF FINDINGS  
DECEMBER 31, 2018  
(Continued)**

|  |
|--|
| <b>FINDINGS RELATED TO THE FINANCIAL STATEMENTS<br/>REQUIRED TO BE REPORTED IN ACCORDANCE WITH GAGAS (Continued)</b> |
|--|

**FINDING NUMBER 2018-001 (Continued)**

**Financial Reporting – Material Weakness (Continued)**

Lack or failure of controls in place over financial reporting can result in errors that may go undetected and decreases the reliability of financial statements prepared at year end.

We recommend the City develop policies and procedures to ensure the compiled Comprehensive Annual Financial Report (CAFR) accurately reflects the City's financial activity for the year. The CAFR should be reviewed for inconsistent and inaccurate reporting before filing it with the Auditor of State Office.

**Officials' Response:**

The City would like to thank the efforts of the Auditor of State's office for the recommendation associated with the Finding 2018-001 reported. The City takes this recommendation very seriously and agrees with the responsibilities of Management over the financial statements as summarized above and stated in the Independent Auditors Report, to include that the financial statements are presented and free from material misstatement, whether due to fraud or error. Its managements understanding that the individual misstatements reported did not individually exceed materiality calculated by the audit team from a quantitative perspective, however understand there are other factors (including qualitative) that auditors have at their disposal in order to determine if a reportable finding is necessary. It's believed auditing standards AU-C 450 was used in the Auditor assessments.

Management has evaluated each bullet point in the Finding and the impact it would have on the identified accounts and applicable financial statement. This is summarized as follows:

- \$15,446 of Proceeds from Capital Assets (Cash Flows from Capital and Related Financial Activities) and a reduction of \$15,446 to Cash Payments for Contractual Services (Cash Flows from Operating Activities) were incorrectly reported on the cash flows in the Sewer Fund.
  - The proceeds overstated total Sewer Fund cash flow receipts by 1.2%. Contractual Services expenses were overstated by 5.6% and total expenses by 1.2%.
- \$15,446 of Loss on Disposal of Capital Assets (Non-operating Revenues/Expenses) was reported as Contractual Services (Operating Expenses) in the Sewer Fund.
  - Contractual Services were misstated by 4.3%.
- \$84,107 of Cash Payments from Contractual Services (Cash Flows from Operating Activities) was incorrectly reported as Cash Payments to Suppliers for Goods and Services (Cash Flows from Operating Activities) in the Sewer Fund.
  - Expenses were misstated by 30.5% and 51.3%, respectively on the Cash Flow Statement. However, the net impact to Cash Expenses for Operating Activities was zero.
- \$60,100 of encumbrances were excluded from actual expenditures in the Budget vs. Actual Statement for the General Fund.
  - Represents 2.3% of actual disbursements reported.



**CITY OF RITTMAN  
WAYNE COUNTY**

**SCHEDULE OF FINDINGS  
DECEMBER 31, 2018  
(Continued)**

|  |
|--|
| <b>FINDINGS RELATED TO THE FINANCIAL STATEMENTS<br/>REQUIRED TO BE REPORTED IN ACCORDANCE WITH GAGAS (Continued)</b> |
|--|

**Officials' Response: (Continued)**

- \$6,893 of encumbrances were excluded from actual expenditures in the Budget vs. Actual Statement for the Emergency Medical Service Fund.
  - Represents 1.5% of actual disbursements reported.
- \$13,291 of encumbrances were excluded from actual expenditures in the Budget vs. Actual Statement for the Fire Department Levy Fund.
  - Represents 5.1% of Actual Disbursements reported.

In addition to the adjustments noted above, the auditors also identified additional misstatements ranging from \$612 to \$66,925 that we have brought to the City's attention.

- Impacted Governmental Activities Assets (.98%), Net Position (2.8%), Expenses (2.4%). Impacted Business Type Activities Assets (.3%), Net Position (.4%) and Expenses (1.7%). The Water Fund Assets (.3%), Net Position (.5%) and Expenses (2.3%). The Sewer Fund Assets (.3%), Net Position (.3%) and Expenses (.6%). The Solid Waste Fund Assets, Net Position and Expenses (all .3%).

The City takes the reporting of the financial statements as an important responsibility of the City in order to ensure the users of the financial statements (ex. Citizens, financing community, investors, and all stakeholders). In accordance with AU-C 265 (paragraph .A33) management has been requested to respond to the auditor Finding 2018-001. We have evaluated the magnitude of the aforementioned adjustments and have carefully considered the cost of correcting any processes in place to prevent similar errors in future financial reporting. It's management's judgment, that the nature of the adjustments reported would not impact the decision making of management, nor any of the users of the financial statements.

**Corrective Action:**

In light of management's response, the City will continue to evaluate review controls in place that may be impactful at reducing potential misstatements in order to ensure the financial statements continue to be fairly stated in all material respects.

**Auditor of State Conclusion:**

The City does not dispute the misstatements identified, however, the City does not believe the adjustments would have an impact on decision making by management or the users of the financial statements.

AU-C Section 450.04 defines a misstatement as a difference between the amount, classification, presentation, or disclosure of a reported financial statement item and the amount, classification, presentation, or disclosure that is required for the item to be presented fairly in accordance with the applicable financial reporting framework. Misstatements can arise from fraud or error. Misstatements also include those adjustments of amounts, classifications, presentations, or disclosures that, in the auditor's professional judgment, are necessary for the financial statements to be presented fairly, in all material respects.

**CITY OF RITTMAN  
WAYNE COUNTY**

**SCHEDULE OF FINDINGS  
DECEMBER 31, 2018  
(Continued)**

**FINDINGS RELATED TO THE FINANCIAL STATEMENTS  
REQUIRED TO BE REPORTED IN ACCORDANCE WITH GAGAS (Continued)**

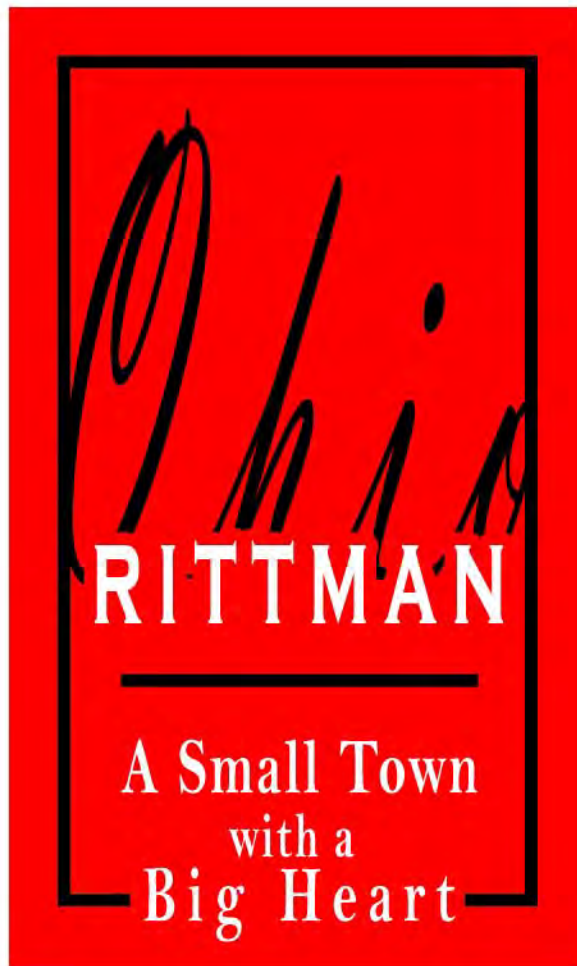
**Auditor of State Conclusion: (Continued)**

AU-C Section 450.11 provides guidance on evaluating the effect of misstatements and states that the audit should consider the size and nature of the misstatements, both in relation to particular classes of transactions, account balances, or disclosures and the financial statements as a whole, and the particular circumstances of their occurrence.

The Auditor of State evaluated each misstatement noted in Finding 2018-001 individually and in aggregate to determine the overall quantitative and qualitative impact on the financial statements based on the guidance provided in AU-C Section 450. The Statement of Cash Flows provided by the City included cash provided from proceeds from capital assets. The City did not sell capital assets and did not receive any cash value for the assets. The \$15,446 value of the disposed capital assets was a result of GAAP accounting. In addition there was a classification misstatement of cash payments within the Cash Flows from Operating Activities. In aggregate, both entries impacted the presentation of cash flows of the Sewer Fund, a major fund being opined upon.

Local governments are required by law to budget and operate within those budgetary guidelines. Therefore, governmental accounting standards require the presentation of budgetary comparison statements. Within the budgetary comparison statement, actual expenditures are to be presented in accordance with the basis of budgeting, which would include outstanding encumbrances as of yearend. When outstanding encumbrances at year end are not presented within the actual column this impacts the reporting of available appropriations that have not been obligated as of yearend.

CITY OF  
RITTMAN, OHIO



Comprehensive Annual Financial Report  
For the Year Ended  
December 31, 2018



**City of Rittman  
Wayne County, Ohio**

**Comprehensive Annual Financial Report  
For the Year Ended December 31, 2018**

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, 2018*

Table of Contents

| <b>Introductory Section</b>   | <b>Page</b> |
|---|-------------|
| Table of Contents .....   | i           |
| Letter of Transmittal .....   | v           |
| List of Principal Officials.....  | ix          |
| Organizational Chart.....   | x           |
| Certificate of Achievement for Excellence in Financial Reporting .....  | xi          |
| <br><b>Financial Section</b>  |             |
| Independent Auditor’s Report.....   | 1           |
| Management’s Discussion and Analysis.....   | 5           |
| Basic Financial Statements:   |             |
| <i>Government-wide Financial Statements:</i>  |             |
| Statement of Net Position.....  | 16          |
| Statement of Activities .....   | 17          |
| <i>Fund Financial Statements:</i>   |             |
| Balance Sheet – Governmental Funds.....   | 18          |
| Reconciliation of Total Governmental Fund Balances to<br>Net Position of Governmental Activities .....  | 19          |
| Statement of Revenues, Expenditures and Changes in<br>Fund Balances – Governmental Funds .....  | 20          |
| Reconciliation of the Statement of Revenues, Expenditures<br>and Changes in Fund Balances of Governmental Funds<br>to the Statement of Activities ..... | 21          |
| Statement of Revenues, Expenditures and Changes in Fund Balance –<br>Budget (Non-GAAP Basis) and Actual – General Fund .....                            | 22          |
| Statement of Revenues, Expenditures and Changes in Fund Balance –<br>Budget (Non-GAAP Basis) and Actual – Emergency Medical Service Fund .....          | 23          |
| Statement of Revenues, Expenditures and Changes in Fund Balance –<br>Budget (Non-GAAP Basis) and Actual – Fire Department Levy Fund .....               | 24          |
| Statement of Fund Net Position – Proprietary Funds .....  | 25          |

**City of Rittman**  
**Wayne County, Ohio**  
*Comprehensive Annual Financial Report*  
*For the Year Ended December 31, 2018*

Table of Contents (continued)

|   |     |
|---|-----|
| Statement of Revenues, Expenses and Changes in Fund<br>Net Position – Proprietary Funds .....   | 26  |
| Statement of Cash Flows – Proprietary Funds .....   | 27  |
| Statement of Fiduciary Assets and Liabilities – Agency Fund .....   | 28  |
| Notes to the Basic Financial Statements .....   | 29  |
| <br>Required Supplementary Information:   |     |
| Schedule of the City’s Proportionate Share of the Net Pension Liability .....   | 75  |
| Schedule of the City’s Contributions - Pension .....  | 76  |
| Schedule of the City’s Proportionate Share of the Net OPEB Liability .....  | 79  |
| Schedule of the City’s Contributions - OPEB .....   | 80  |
| Notes to the Required Supplementary Information .....   | 82  |
| <br>Combining Statements and Individual Fund Schedules:   |     |
| <i>Combining Statements - Nonmajor Funds:</i>   |     |
| Description of Funds .....  | 84  |
| Combining Balance Sheet – Nonmajor Governmental Funds .....   | 86  |
| Combining Statement of Revenues, Expenditures and Changes in<br>Fund Balances – Nonmajor Governmental Funds .....                               | 87  |
| Combining Balance Sheet – Nonmajor Special Revenue Funds .....  | 88  |
| Combining Statement of Revenues, Expenditures and Changes in<br>Fund Balances – Nonmajor Special Revenue Funds .....                            | 90  |
| <br>Governmental Funds Individual Fund Schedules of Revenues, Expenditures and Changes in<br>Fund Balance – Budget (Non-GAAP Basis) and Actual: |     |
| Major Funds:  |     |
| General Fund .....  | 94  |
| Emergency Medical Service Fund .....  | 97  |
| Fire Department Levy Fund .....   | 98  |
| Capital Improvements Fund .....   | 99  |
| Non-Major Funds:  |     |
| Street Maintenance and Repair Fund .....  | 100 |
| State Highway Fund .....  | 101 |

**City of Rittman**  
**Wayne County, Ohio**  
*Comprehensive Annual Financial Report*  
*For the Year Ended December 31, 2018*

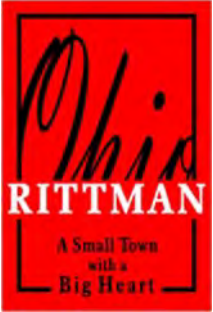
Table of Contents (continued)

|  |      |
|--|------|
| Permissive Tax Fund .....  | 102  |
| Permissive Tax II Fund .....   | 103  |
| Police Pension Fund .....  | 104  |
| Law Enforcement and Education Fund .....   | 105  |
| Law Enforcement Fund .....   | 106  |
| Continuing Professional Training.....  | 107  |
| Education and Recreation Assistance Fund.....  | 108  |
| SAFER Grant Fund .....   | 109  |
| Debt Retirement Fund .....   | 110  |
| Cemetery Endowment Fund .....  | 111  |
| Individual Fund Schedules of Revenues, Expenses and Changes in Net Position -<br>Budget (Non-GAAP Basis) and Actual: |      |
| Major Funds:   |      |
| Water Fund .....   | 112  |
| Sewer Fund.....  | 114  |
| Solid Waste Fund .....   | 115  |
| Storm Sewer Fund .....   | 116  |
| <b>Statistical Section</b>   |      |
| Table of Contents .....  | S-1  |
| Net Position by Component - Last Ten Years<br>(Accrual Basis of Accounting) .....                                    | S-2  |
| Changes in Net Position - Last Ten Years (Accrual Basis of Accounting) .....   | S-4  |
| Fund Balances of Governmental Funds<br>Last Ten Years (Modified Accrual Basis of Accounting) .....                   | S-8  |
| Changes in Fund Balances of Governmental Funds<br>Last Ten Years (Modified Accrual Basis of Accounting) .....        | S-10 |
| Assessed Valuation and Estimated Actual Values of Taxable Property<br>Last Ten Years.....                            | S-12 |
| Property Tax Rates – Direct and Overlapping Governments<br>Last Ten Years.....                                       | S-14 |
| Income Tax Revenue Base and Collections (Cash Basis) – Last Ten Years .....  | S-15 |
| Ratio of Outstanding Debt by Type – Last Ten Years.....  | S-16 |
| Ratio of Outstanding Debt to Assessed Value and Net Bonded<br>Debt per Capita – Last Ten Years .....                 | S-18 |

**City of Rittman**  
**Wayne County, Ohio**  
*Comprehensive Annual Financial Report*  
*For the Year Ended December 31, 2018*

Table of Contents (continued)

|   |      |
|---|------|
| Computation of Direct and Overlapping Governmental Activities Debt.....   | S-19 |
| Legal Debt Margin – Last Ten Years.....   | S-20 |
| Schedules of Ratio of Annual Debt Service Expenditures for General Bonded Debt to<br>Total General Government Expenditures and Revenue Bond Coverage – Last Ten Years ..... | S-22 |
| Principal Employers – 2018 and 2009 .....   | S-23 |
| Demographic and Economic Statistics – Last Ten Years .....  | S-24 |
| City Government Employees by Function/Program – Last Ten Years.....   | S-25 |
| Operating Indicators by Function/Program – Last Ten Years .....   | S-26 |
| Capital Assets Statistics by Function/Program – Last Ten Years.....   | S-30 |



## The City of Rittman Offices

30 North Main Street  
Rittman, Ohio 44270  
330-925-2064  
[www.rittman.com](http://www.rittman.com)

Pamela Keener  
Finance Director  
[pkeener@rittman.com](mailto:pkeener@rittman.com)

June 26, 2019

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, 2018 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 93.

## **2018 Initiatives**

The City's infrastructure was improved in 2018 with the installation of a new water & sewer line along with new sidewalks. The City was able to obtain 100% grant from the USDA for the Main Street water line replacement and a 100% grant from ODOT for the new sidewalks through the Safe Routes to School Grant. Additional infrastructure improvements were made to Industrial Park with the installation of drainage pipe and catch basins on Salt Street.

The City entered into a lease agreement with Fleet Enterprise in 2018. The City sold or disposed of eight aging vehicles throughout the City's departments and were able to replace them with ten new vehicles. Additionally, the City purchased new equipment, including a new mower, asphalt paver, asphalt rower, leaf collector, and tack wagon.

Improvements to City buildings and parks were important in 2018 to improve the appearance and function of these properties for the public and the operation of City services. The roof over the Police Department was replaced and a new hoop building was built at the sewer plant for additional storage. The City also purchased brand new playground equipment.

## **Development Activities**

In 2018, the City was awarded the Clean Ohio Fund Green Space Conservation Program grant in the amount of \$2,533,266 through OPWC. The grant proceeds will be used to develop a nature preserve on the land that is currently owned by Hull & Associates. The City will obtain approximately 200 acres from Hull & Associates leaving approximately 100 acres left for Hull & Associates to develop the industrial park. The City is hopeful with the development of the nature park, 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 the new future. The industrial park is also located in the census tract that was designated by the State of Ohio and the Federal Government as an Opportunity Zone, which adds another incentive to this land. The City continues to work with the Wayne Economic Development Council (WEDC) and Jobs Ohio to market the new industrial park for the City.

## **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.

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 2018.

## **Economic Condition and Outlook**

The City's total net position increased \$62,477 over 2017. Net position of governmental activities decreased \$169,026 and business-type increased \$231,503. All governmental funds had revenues of \$4,484,156 and expenditures of \$4,637,650. The general fund's net change in fund balance was an increase of \$32,009. Revenues and expenditures remained fairly consistent with the prior year. The fund balance of the emergency medical service fund decreased \$37,424 and the fire department levy fund increased by \$26,320.

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 2018, combined with the imminent redevelopment of the large vacant industrial site, should allow the City to gain some financial strength in 2018 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 Ohio Auditor of State, to audit the City's financial records. The auditor's unmodified opinion is included herein.

## **Certification of Achievement**

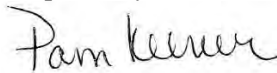
The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Rittman, Ohio for its Comprehensive Annual Financial Report for the fiscal year ended December 31, 2017. The City has received this 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, Certified Public Accountants, Incorporated, 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



Derek Feuerstein  
City Manager



***City of Rittman, Ohio***

For the year ended December 31, 2018

***CITY OFFICIALS***

*Mayor*

William Robertson

*Council Members*

Brian Smith, President  
Darrell Carey  
Josh Carey

Phillip Decker  
Ken Park  
Leah Weirck

*City Manager*

Derek Feuerstein

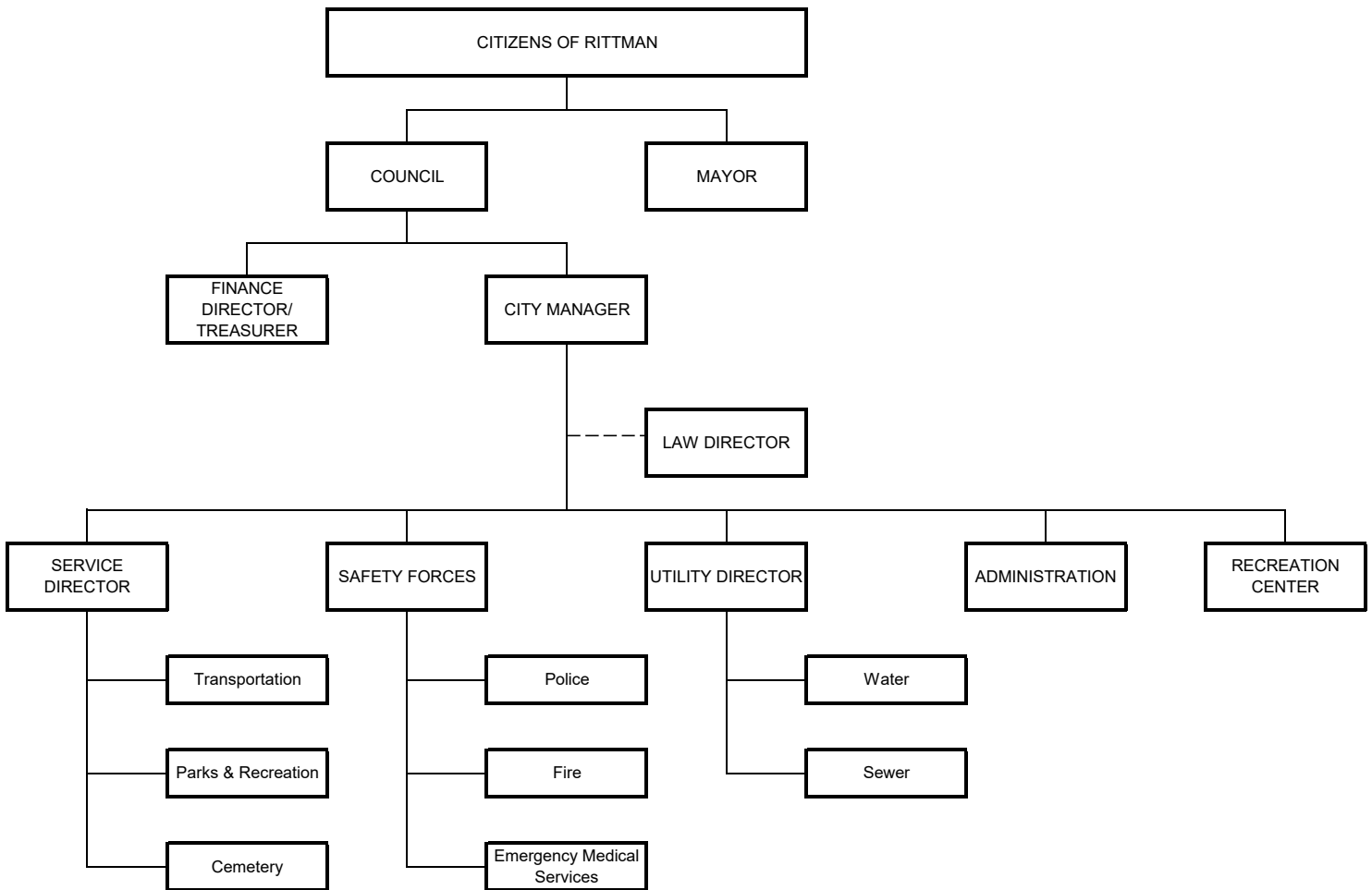
*Finance Director/Treasurer*

Pamela Keener

*Director of Law*

G. Kevin Bower

*City of Rittman, Ohio*  
**Organizational Chart**  
**December 31, 2018**





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, 2017**

*Christopher P. Morrill*

Executive Director/CEO



# **FINANCIAL SECTION**



# OHIO AUDITOR OF STATE KEITH FABER



88 East Broad Street, 10<sup>th</sup> Floor  
Columbus, Ohio 43215-3506  
(614) 466-3402 or (800) 443-9275  
CentralRegion@ohioauditor.gov

## INDEPENDENT AUDITOR'S REPORT

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

To the City 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, 2018 and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

### ***Management's Responsibility for the Financial Statements***

Management is responsible for 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 such 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, 2018, and the respective changes in financial position and, where applicable, cash flows thereof and the respective budgetary comparisons for the General and Emergency Medical Service, and Fire Department Levy funds thereof for the then ended in accordance with the accounting principles generally accepted in the United States of America.

### **Emphasis of Matter**

As discussed in Note 2 to the financial statements, during 2018, the adopted new accounting guidance in Governmental Accounting Standards Board (GASB) Statement No. 75, "*Accounting and Financial Reporting for Postemployment Benefits Other Than Pension*". We did not modify our opinion regarding this matter.

### **Other Matters**

#### *Required Supplementary Information*

Accounting principles generally accepted in the United States of America require this presentation to include *management's discussion and analysis*, and schedules of net pension and other post-employment benefit liabilities and pension and other post-employment benefit 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 derives from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. We subjected this information to the auditing procedures we applied to the basic financial statements. We also applied certain additional procedures, including comparing and reconciling this information 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, this information is 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 26, 2019, 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.

A handwritten signature in black ink that reads "Keith Faber". The signature is written in a cursive style with a large, stylized "K" and "F".

Keith Faber  
Auditor of State

Columbus, Ohio  
June 26, 2019

**THIS PAGE INTENTIONALLY LEFT BLANK**

**City of Rittman**  
**Wayne County, Ohio**  
*Management's Discussion and Analysis*  
*For the Year Ended December 31, 2018*  
*(Unaudited)*

---

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, 2018. 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 2018 are as follows:

- In total, net position increased \$62,477, which represents a less than 1 percent increase from 2017. Net position of governmental activities decreased \$169,026. Net position of business-type activities increased \$231,503.
- Total capital assets increased \$168,328 during 2018. Capital assets of governmental activities increased \$149,764 and capital assets of business-type activities increased \$18,564.
- Outstanding debt decreased from \$2,165,713 to \$1,965,292.
- The City implemented GASB 75, which reduced beginning net position as previously reported by \$1,845,053 and \$381,035 for governmental and business-type activities, respectively.

***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 2018 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, 2018*  
*(Unaudited)*

---

A question typically asked about the City's finances is "How did we do financially during 2018?" The Statement of Net Position and the Statement of Activities answer this question. These statements include *all assets and deferred outflows of resources and liabilities and deferred inflows of resources* 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 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, 2018*  
*(Unaudited)*

**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 2018 compared to 2017:

**Table 1**  
**Net Position**

|   | Governmental Activities |                     |                     | Business-Type Activities |                      |                   |
|---|-------------------------|---------------------|---------------------|--------------------------|----------------------|-------------------|
|   | 2018                    | Restated<br>2017    | Change              | 2018                     | Restated<br>2017     | Change            |
| <b>Assets</b>                               |                         |                     |                     |                          |                      |                   |
| Current and Other Assets                    | \$ 4,029,362            | \$ 4,136,125        | \$ (106,763)        | \$ 2,778,828             | \$ 2,670,040         | \$ 108,788        |
| Capital Assets                              | 6,150,124               | 6,000,360           | 149,764             | 12,258,447               | 12,239,883           | 18,564            |
| <i>Total Assets</i>                         | <u>10,179,486</u>       | <u>10,136,485</u>   | <u>43,001</u>       | <u>15,037,275</u>        | <u>14,909,923</u>    | <u>127,352</u>    |
| <b>Deferred Outflows of Resources</b>       |                         |                     |                     |                          |                      |                   |
| Pension & OPEB                              | 1,086,475               | 1,097,698           | (11,223)            | 279,496                  | 359,773              | (80,277)          |
| <i>Total Deferred Outflows of Resources</i> | <u>1,086,475</u>        | <u>1,097,698</u>    | <u>(11,223)</u>     | <u>279,496</u>           | <u>359,773</u>       | <u>(80,277)</u>   |
| <b>Liabilities</b>                          |                         |                     |                     |                          |                      |                   |
| Current and Other Liabilities               | 207,232                 | 240,732             | (33,500)            | 185,166                  | 206,791              | (21,625)          |
| Long-Term Liabilities:                      |                         |                     |                     |                          |                      |                   |
| Due within One Year                         | 341,927                 | 343,674             | (1,747)             | 308,188                  | 291,775              | 16,413            |
| Due in More Than One Year:                  |                         |                     |                     |                          |                      |                   |
| Net Pension Liability                       | 2,883,445               | 3,434,154           | (550,709)           | 665,597                  | 904,166              | (238,569)         |
| Net OPEB Liability                          | 2,244,305               | 1,861,260           | 383,045             | 443,892                  | 386,641              | 57,251            |
| Other Amounts                               | 480,236                 | 506,445             | (26,209)            | 1,161,577                | 1,334,352            | (172,775)         |
| <i>Total Liabilities</i>                    | <u>6,157,145</u>        | <u>6,386,265</u>    | <u>(229,120)</u>    | <u>2,764,420</u>         | <u>3,123,725</u>     | <u>(359,305)</u>  |
| <b>Deferred Inflows of Resources</b>        |                         |                     |                     |                          |                      |                   |
| Property Taxes                              | 561,039                 | 613,040             | (52,001)            | 0                        | 0                    | 0                 |
| Pension & OPEB                              | 583,303                 | 101,378             | 481,925             | 198,656                  | 23,779               | 174,877           |
| <i>Total Deferred Inflows of Resources</i>  | <u>1,144,342</u>        | <u>714,418</u>      | <u>429,924</u>      | <u>198,656</u>           | <u>23,779</u>        | <u>174,877</u>    |
| <b>Net Position</b>                         |                         |                     |                     |                          |                      |                   |
| Net Investment in Capital Assets            | 5,541,453               | 5,355,336           | 186,117             | 10,901,826               | 10,698,344           | 203,482           |
| Restricted                                  | 1,641,874               | 1,765,456           | (123,582)           | 0                        | 0                    | 0                 |
| Unrestricted                                | (3,218,853)             | (2,987,292)         | (231,561)           | 1,451,869                | 1,423,848            | 28,021            |
| <i>Total Net Position</i>                   | <u>\$ 3,964,474</u>     | <u>\$ 4,133,500</u> | <u>\$ (169,026)</u> | <u>\$ 12,353,695</u>     | <u>\$ 12,122,192</u> | <u>\$ 231,503</u> |

**City of Rittman**  
**Wayne County, Ohio**  
*Management's Discussion and Analysis*  
*For the Year Ended December 31, 2018*  
*(Unaudited)*

---

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

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

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

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

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

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

**City of Rittman**  
**Wayne County, Ohio**  
*Management's Discussion and Analysis*  
*For the Year Ended December 31, 2018*  
*(Unaudited)*

---

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

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

As a result of implementing GASB 75, the City is reporting a net OPEB liability and deferred inflows/outflows of resources related to OPEB on the accrual basis of accounting. This implementation also had the effect of restating net position at December 31, 2017, from \$5,978,553 to \$4,133,500 for governmental activities and from \$12,503,227 to \$12,122,192 for business-type activities.

At year end, capital assets represented 73 percent of total assets. Capital assets include, land, land improvements, buildings, equipment, infrastructure and construction in progress. Capital assets, net of related debt were \$16,443,279 at December 31, 2018, with \$5,541,453 in governmental activities and \$10,901,826 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, \$1,641,874 represents resources that are subject to external restrictions on how they may be used. The balance of unrestricted net position is a deficit balance of \$1,766,984 may be used to meet the government's ongoing obligations to citizens and creditors.

The City had no major changes in current and other assets, capital assets, and liabilities due to operations remaining steady in 2018. Business-type activities had a significant decrease in debt due primarily to principal payments exceeding new leases.

Net pension/OPEB liability, deferred outflow of resources and deferred inflow of resources related to pension and OPEB fluctuated from changes in OPERS and OP&F that impact calculations in accordance with GASB 68 and GASB 75 mentioned earlier.

**City of Rittman**  
**Wayne County, Ohio**  
*Management's Discussion and Analysis*  
*For the Year Ended December 31, 2018*  
*(Unaudited)*

In order to further understand what makes up the changes in net position for the current year, the following table gives readers further details regarding the results of activities for 2018 and 2017.

**Table 2**  
**Changes in Net Position**

|  | Governmental Activities |                     |                     | Business-Type Activities |                      |                   |
|--|-------------------------|---------------------|---------------------|--------------------------|----------------------|-------------------|
|  | 2018                    | 2017                | Change              | 2018                     | 2017                 | Change            |
| <b>Revenues</b>                            |                         |                     |                     |                          |                      |                   |
| <i>Program Revenues:</i>                   |                         |                     |                     |                          |                      |                   |
| Charges for Services                       | \$ 567,851              | \$ 537,272          | \$ 30,579           | \$ 2,612,780             | \$ 2,576,668         | \$ 36,112         |
| Operating Grants                           | 457,727                 | 479,160             | (21,433)            | 8,528                    | 26,453               | (17,925)          |
| Capital Grants                             | 312,766                 | 204,686             | 108,080             | 122,988                  | 0                    | 122,988           |
| <i>General Revenues:</i>                   |                         |                     |                     |                          |                      |                   |
| Property Taxes                             | 740,968                 | 583,036             | 157,932             | 0                        | 0                    | 0                 |
| Income Taxes                               | 1,934,224               | 2,021,712           | (87,488)            | 0                        | 0                    | 0                 |
| Grants and Entitlements                    | 387,509                 | 340,872             | 46,637              | 0                        | 0                    | 0                 |
| Interest                                   | 63,367                  | 36,125              | 27,242              | 0                        | 0                    | 0                 |
| Other                                      | 43,511                  | 36,039              | 7,472               | 26,133                   | 15,892               | 10,241            |
| <i>Total Revenues</i>                      | <u>4,507,923</u>        | <u>4,238,902</u>    | <u>269,021</u>      | <u>2,770,429</u>         | <u>2,619,013</u>     | <u>151,416</u>    |
| <b>Program Expenses</b>                    |                         |                     |                     |                          |                      |                   |
| General Government                         | 604,423                 | 655,058             | (50,635)            | 0                        | 0                    | 0                 |
| Security of Persons and Property           | 2,471,621               | 2,228,096           | 243,525             | 0                        | 0                    | 0                 |
| Public Health                              | 112,532                 | 109,310             | 3,222               | 0                        | 0                    | 0                 |
| Leisure Time Services                      | 629,652                 | 648,961             | (19,309)            | 0                        | 0                    | 0                 |
| Transportation                             | 750,869                 | 791,066             | (40,197)            | 0                        | 0                    | 0                 |
| Interest and Fiscal Charges                | 17,852                  | 28,539              | (10,687)            | 0                        | 0                    | 0                 |
| <i>Enterprise Operations:</i>              |                         |                     |                     |                          |                      |                   |
| Water                                      | 0                       | 0                   | 0                   | 891,910                  | 887,492              | 4,418             |
| Sewer                                      | 0                       | 0                   | 0                   | 1,301,489                | 1,142,530            | 158,959           |
| Solid Waste                                | 0                       | 0                   | 0                   | 406,694                  | 345,472              | 61,222            |
| Storm Sewer                                | 0                       | 0                   | 0                   | 28,833                   | 74,473               | (45,640)          |
| <i>Total Program Expenses</i>              | <u>4,586,949</u>        | <u>4,461,030</u>    | <u>125,919</u>      | <u>2,628,926</u>         | <u>2,449,967</u>     | <u>178,959</u>    |
| <i>Increase (Decrease) in Net Position</i> | (79,026)                | (222,128)           | 143,102             | 141,503                  | 169,046              | (27,543)          |
| Transfers                                  | (90,000)                | 0                   | (90,000)            | 90,000                   | 0                    | 90,000            |
| <i>Change in Net Position</i>              | (169,026)               | (222,128)           | 53,102              | 231,503                  | 169,046              | 62,457            |
| <i>Net Position Beginning of Year</i>      | 4,133,500               | 6,200,681           | (2,067,181)         | 12,122,192               | 12,334,181           | (211,989)         |
| <i>Restatement, See Note 2</i>             | 0                       | (1,845,053)         | 1,845,053           | 0                        | (381,035)            | 381,035           |
| <i>Net Position End of Year</i>            | <u>\$ 3,964,474</u>     | <u>\$ 4,133,500</u> | <u>\$ (169,026)</u> | <u>\$ 12,353,695</u>     | <u>\$ 12,122,192</u> | <u>\$ 231,503</u> |

The information necessary to restate the 2017 beginning balances and the 2017 OPEB expense amounts for the effects of the initial implementation of GASB 75 is not available. Therefore, 2017 functional expenses still include OPEB expense of \$21,813 computed under GASB 45. GASB 45 required recognizing OPEB expense equal to the contractually required contributions to the plan. Under GASB 75, OPEB expense represents additional amounts earned, adjusted by deferred inflows/outflows. The contractually required contribution is no longer a component of OPEB expense. Under GASB 75, the 2018 statements report OPEB expense of \$193,540. Consequently, in order to compare 2018 total program expenses to 2017, the following adjustments are needed:



**City of Rittman**  
**Wayne County, Ohio**  
*Management's Discussion and Analysis*  
*For the Year Ended December 31, 2018*  
*(Unaudited)*

|   | Governmental<br>Activities | Business-Type<br>Activities |
|---|----------------------------|-----------------------------|
| Total 2018 Expenses under GASB 75                   | \$ 4,586,949               | \$ 2,628,926                |
| OPEB Expense under GASB 75                          | (165,771)                  | (27,769)                    |
| 2018 Contractually Required Contributions           | 2,863                      | 0                           |
| Adjusted 2018 Expenses                              | 4,424,041                  | 2,601,157                   |
| Total 2017 Expenses under GASB 45                   | 4,461,030                  | 2,449,967                   |
| Increase/(Decrease) in Expenses not Related to OPEB | \$ (36,989)                | \$ 151,190                  |

The City's overall net position increased \$62,477 from the prior year. The reasons for this overall increase are discussed in the following sections for governmental activities and business-type activities.

### **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, and charges for services. For 2018, there was no significant changes from the prior as the City is maintaining operations.

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 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.

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 due to the City receiving a Safe Routes to School grant.

Security of persons and property, consisting of police, fire and EMS, represent the largest expense of the governmental activities. 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. Transportation expenses primarily consist of repairs and maintenance of the City's roads. General government expenses include legislative, executive and financial management departments of the City. No significant changes in 2018.

### **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 2018, charges for services accounted for 94 percent of the business-type revenues. The total revenues and expenses for utilities increased proportionately.

**City of Rittman**  
**Wayne County, Ohio**  
*Management's Discussion and Analysis*  
*For the Year Ended December 31, 2018*  
*(Unaudited)*

---

***The City's Funds***

***Governmental Funds***

As noted earlier, the City's governmental funds are accounted for using the modified accrual method of accounting. The focus of the City's governmental funds is to provide information on near-term inflows, outflows and balances of spendable resources. Such information is useful in assessing the City's financing requirements. In particular, unassigned fund balance may serve as a useful measure of a government's net resources available for discretionary use as they represent the portion of the fund balance which has not yet been limited to use for a particular purpose by either an external party, the City itself, or a group or individual that has been delegated authority to assign resources for use for particular purposes by the City's Council.

The general fund is the chief operating fund of the City. The fund balance of the general fund increased by \$32,009 during the current fiscal year.

The emergency medical service fund had a \$37,424 decrease in fund balance due to costs to operate EMS exceeding revenues.

The fire department levy fund had a \$26,320 increase in fund balance due to an increase in expenses offset by a transfer of funds from the general fund to cover operational costs.

The capital improvement fund had a \$97,503 decrease in fund balance due to an increase in in projects and a transfer out to cover debt service payments. The inception of new equipment leases was offset by an equal amount of capital outlay.

***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.

Unrestricted net position of the water fund at the end of the year amounted to a deficit of \$136,992, the unrestricted net position of the sewer fund was \$1,017,716, and the unrestricted net position of the solid waste fund was \$392,343. The sewer fund net position decreased \$66,719 while the water and solid waste funds saw growth of \$219,680 and \$7,185, respectively.

Charges for services in the water fund increased slightly, as did the expenses which were covered by a transfer from the general fund.

Charges for services in the sewer fund decreased slightly, expenses increased due to an increase in contractual services as well as a slight increase in depreciation.

**City of Rittman**  
**Wayne County, Ohio**  
*Management's Discussion and Analysis*  
*For the Year Ended December 31, 2018*  
*(Unaudited)*

***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 2018, the City amended its general fund budget on various occasions. All recommendations for appropriation changes come to Council from the City Finance Director. The Council reviews them, and they make their recommendation to the Council as a whole.

Original budgeted revenues did not have a need to increase over the course of the year, and original expenditure appropriations were increased to account for expected increased costs primarily in the general government, security of persons and property and leisure time services.

The actual budget basis revenue exceeded the final budget estimate due to income tax revenue and grant income being conservatively estimated.

Final expenditure appropriations were higher than the actual expenditures, as cost savings were recognized throughout the year.

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

***Capital Assets and Debt Administration***

**Capital Assets**

Table 3 shows fiscal year 2018 balances compared with 2017.

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

|                          | Governmental Activities |                     | Business-Type Activities |                      | Total                |                      |
|--------------------------|-------------------------|---------------------|--------------------------|----------------------|----------------------|----------------------|
|                          | 2018                    | 2017                | 2018                     | 2017                 | 2018                 | 2017                 |
| Land                     | \$ 243,838              | \$ 243,838          | \$ 63,936                | \$ 63,936            | \$ 307,774           | \$ 307,774           |
| Construction in Progress | 0                       | 82,265              | 165,938                  | 0                    | 165,938              | 82,265               |
| Land Improvements        | 11,400                  | 15,200              | 38,090                   | 11,981               | 49,490               | 27,181               |
| Buildings                | 2,920,135               | 3,014,808           | 3,886,861                | 4,109,479            | 6,806,996            | 7,124,287            |
| Infrastructure           | 1,604,254               | 1,484,244           | 7,353,771                | 7,398,855            | 8,958,025            | 8,883,099            |
| Equipment                | 1,370,497               | 1,160,005           | 749,851                  | 655,632              | 2,120,348            | 1,815,637            |
| <i>Total</i>             | <u>\$ 6,150,124</u>     | <u>\$ 6,000,360</u> | <u>\$ 12,258,447</u>     | <u>\$ 12,239,883</u> | <u>\$ 18,408,571</u> | <u>\$ 18,240,243</u> |

See Note 8 for additional information about the capital assets of the City.

**City of Rittman**  
**Wayne County, Ohio**  
*Management's Discussion and Analysis*  
*For the Year Ended December 31, 2018*  
*(Unaudited)*

**Debt**

Table 4 summarizes outstanding debt. See Note 12 for additional details.

**Table 4**  
**Outstanding Debt, at December 31**

|                          | Governmental Activities |                   | Business-Type Activities |                     | Total               |                     |
|--------------------------|-------------------------|-------------------|--------------------------|---------------------|---------------------|---------------------|
|                          | 2018                    | 2017              | 2018                     | 2017                | 2018                | 2017                |
| General Obligation Bonds | \$ 282,000              | \$ 402,000        | \$ 793,922               | \$ 999,270          | \$ 1,075,922        | \$ 1,401,270        |
| Loans Payable            | 109,375                 | 152,333           | 490,197                  | 521,419             | 599,572             | 673,752             |
| Notes Payable            | 0                       | 18,976            | 0                        | 0                   | 0                   | 18,976              |
| Capital Leases           | 217,296                 | 71,715            | 72,502                   | 0                   | 289,798             | 71,715              |
| <i>Total</i>             | <u>\$ 608,671</u>       | <u>\$ 645,024</u> | <u>\$ 1,356,621</u>      | <u>\$ 1,520,689</u> | <u>\$ 1,965,292</u> | <u>\$ 2,165,713</u> |

**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, which continued throughout 2018, have resulted in no layoffs of City employees.

The five-year capital improvement program plan was updated in 2018. The plan is 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 2018 with the installation of a new water & sewer line along with new sidewalks. The City was able to obtain a 100 percent grant from the USDA for the Main Street water line replacement and a 100 percent grant from ODOT for the new sidewalks through the Safe Routes to School Grant. Additional infrastructure improvements were made to Industrial Park with the installation of drainage pipe and catch basins on Salt Street.

The City entered into a lease agreement with Fleet Enterprise in 2018. The City sold or disposed of eight aging vehicles throughout the City's departments and were able to replace them with ten new vehicles. Additionally, the City purchased new equipment, including a new mower, asphalt paver, asphalt rower, leaf collector, and tack wagon.

Improvements to City buildings and parks were important in 2018 to improve the appearance and function of these properties for the public and the operation of City services. The roof over the Police Department was replaced and a new hoop building was built at the sewer plant for additional storage. The City also purchased brand new playground equipment.

**City of Rittman**  
**Wayne County, Ohio**  
*Management's Discussion and Analysis*  
*For the Year Ended December 31, 2018*  
*(Unaudited)*

---

Significant changes were made to the City's organizational structure in 2018. On November 13, 2018, the City went live with Wayne County performing dispatching services for the City. Substantial savings will be gained with this collaboration of local dispatch services. The intent is to utilize these savings for the safety service departments. Additionally, the City decided to merge the separate EMS and Fire departments in December 2018. Effective, January 1, 2019, the two departments were combined, and now operate under one department. Efficiencies and cost savings will be gained with the merger of the departments.

In 2018, the City was awarded the Clean Ohio Fund Green Space Conservation Program grant in the amount of \$2,533,266 through OPWC. The grant proceeds will be used to develop a nature preserve on the land that is currently owned by Hull & Associates. The City will obtain approximately 200 acres from Hull & Associates leaving approximately 100 acres left for Hull & Associates to develop the industrial park. The City is hopeful with the development of the nature park, 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 the new future. The industrial park is also located in the census tract that was designated by the State of Ohio and the Federal Government as an Opportunity Zone, which adds another incentive to this land. The City continues to work with the Wayne Economic Development Council (WEDC) and Jobs Ohio to market the new industrial park for the City.

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, 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 any questions about this report or need additional financial information, contact Director of Finance, 30 N. Main Street, Rittman, Ohio, 44270.

**City of Rittman**  
**Wayne County, Ohio**  
*Statement of Net Position*  
*December 31, 2018*

|   | Governmental<br>Activities | Business-Type<br>Activities | Total                |
|---|----------------------------|-----------------------------|----------------------|
| <b>Assets</b>                               |                            |                             |                      |
| Equity in Pooled Cash and Investments       | \$ 2,084,901               | \$ 2,316,024                | \$ 4,400,925         |
| Cash and Investments in Segregated Accounts | 2,841                      | 13,913                      | 16,754               |
| Accounts Receivable                         | 39,672                     | 400,728                     | 440,400              |
| Intergovernmental Receivable                | 441,339                    | 2,242                       | 443,581              |
| Property and Other Local Taxes Receivable   | 675,434                    | 0                           | 675,434              |
| Income Taxes Receivable                     | 697,123                    | 0                           | 697,123              |
| Special Assessments Receivable              | 80,952                     | 0                           | 80,952               |
| Assets Held for Resale                      | 7,100                      | 0                           | 7,100                |
| Restricted Cash and Cash Equivalents        | 0                          | 45,921                      | 45,921               |
| Non-Depreciable Capital Assets              | 243,838                    | 229,874                     | 473,712              |
| Depreciable Capital Assets, Net             | 5,906,286                  | 12,028,573                  | 17,934,859           |
| <i>Total Assets</i>                         | <u>10,179,486</u>          | <u>15,037,275</u>           | <u>25,216,761</u>    |
| <b>Deferred Outflows of Resources</b>       |                            |                             |                      |
| Pension                                     | 755,717                    | 211,341                     | 967,058              |
| OPEB  | 330,758                    | 68,155                      | 398,913              |
| <i>Total Deferred Outflows of Resources</i> | <u>1,086,475</u>           | <u>279,496</u>              | <u>1,365,971</u>     |
| <b>Liabilities</b>                          |                            |                             |                      |
| Accounts Payable                            | 28,223                     | 76,620                      | 104,843              |
| Accrued Wages                               | 72,741                     | 22,900                      | 95,641               |
| Intergovernmental Payable                   | 67,928                     | 25,812                      | 93,740               |
| Matured Interest Payable                    | 841                        | 3,713                       | 4,554                |
| Matured Bonds Payable                       | 2,000                      | 10,200                      | 12,200               |
| Matured Compensated Absences Payable        | 11,882                     | 0                           | 11,882               |
| Income Tax Refunds Payable                  | 23,617                     | 0                           | 23,617               |
| Customer Deposits Payable                   | 0                          | 45,921                      | 45,921               |
| Long-Term Liabilities:                      |                            |                             |                      |
| Due Within One Year                         | 341,927                    | 308,188                     | 650,115              |
| Due In More Than One Year:                  |                            |                             |                      |
| Net Pension Liability                       | 2,883,445                  | 665,597                     | 3,549,042            |
| Net OPEB Liability                          | 2,244,305                  | 443,892                     | 2,688,197            |
| Other Amounts Due in More Than One Year     | 480,236                    | 1,161,577                   | 1,641,813            |
| <i>Total Liabilities</i>                    | <u>6,157,145</u>           | <u>2,764,420</u>            | <u>8,921,565</u>     |
| <b>Deferred Inflows of Resources</b>        |                            |                             |                      |
| Property Taxes Levied for the Next Year     | 561,039                    | 0                           | 561,039              |
| Pension                                     | 488,889                    | 165,589                     | 654,478              |
| OPEB  | 94,414                     | 33,067                      | 127,481              |
| <i>Total Deferred Inflows of Resources</i>  | <u>1,144,342</u>           | <u>198,656</u>              | <u>1,342,998</u>     |
| <b>Net Position</b>                         |                            |                             |                      |
| Net Investment in Capital Assets            | 5,541,453                  | 10,901,826                  | 16,443,279           |
| Restricted for:                             |                            |                             |                      |
| Capital Outlay                              | 845,903                    | 0                           | 845,903              |
| Debt Service                                | 10,435                     | 0                           | 10,435               |
| Streets and Highways                        | 495,744                    | 0                           | 495,744              |
| Safety Services                             | 268,883                    | 0                           | 268,883              |
| Other Purposes                              | 20,909                     | 0                           | 20,909               |
| Unrestricted                                | (3,218,853)                | 1,451,869                   | (1,766,984)          |
| <i>Total Net Position</i>                   | <u>\$ 3,964,474</u>        | <u>\$ 12,353,695</u>        | <u>\$ 16,318,169</u> |

See accompanying notes to the basic financial statements.

**City of Rittman**  
**Wayne County, Ohio**  
*Statement of Activities*  
For the Year Ended December 31, 2018

|  | Program Revenues    |                                |  |  | Net (Expense) Revenue and Changes in Net Position |                          |                      |
|--|---------------------|--------------------------------|--|--|---|--------------------------|----------------------|
|  | Expenses            | Charges for Services and Sales | Operating Grants, Contributions and Interest | Capital Grants, Contributions and Interest | Governmental Activities                           | Business-Type Activities | Total                |
| <b>Governmental Activities</b>                               |                     |                                |  |  |   |                          |                      |
| General Government   | \$ 604,423          | \$ 167,557                     | \$ 909                                       | \$ 0                                       | \$ (435,957)                                      | \$ 0                     | \$ (435,957)         |
| Security of Persons and Property                             | 2,471,621           | 187,043                        | 68,056                                       | 0  | (2,216,522)                                       | 0                        | (2,216,522)          |
| Public Health  | 112,532             | 41,470                         | 0  | 0  | (71,062)  | 0                        | (71,062)             |
| Leisure Time Services  | 629,652             | 171,781                        | 0  | 0  | (457,871)   | 0                        | (457,871)            |
| Transportation   | 750,869             | 0                              | 388,762                                      | 312,766                                    | (49,341)  | 0                        | (49,341)             |
| Interest and Fiscal Charges                                  | 17,852              | 0                              | 0  | 0  | (17,852)  | 0                        | (17,852)             |
| <i>Total Governmental Activities</i>                         | <u>4,586,949</u>    | <u>567,851</u>                 | <u>457,727</u>                               | <u>312,766</u>                             | <u>(3,248,605)</u>                                | <u>0</u>                 | <u>(3,248,605)</u>   |
| <b>Business-Type Activities</b>                              |                     |                                |  |  |   |                          |                      |
| Water  | 891,910             | 889,897                        | 0  | 122,988                                    | 0   | 120,975                  | 120,975              |
| Sewer  | 1,301,489           | 1,220,423                      | 0  | 0  | 0   | (81,066)                 | (81,066)             |
| Solid Waste  | 406,694             | 404,848                        | 8,528  | 0  | 0   | 6,682                    | 6,682                |
| Storm Sewer  | 28,833              | 97,612                         | 0  | 0  | 0   | 68,779                   | 68,779               |
| <i>Total Business-Type Activities</i>                        | <u>2,628,926</u>    | <u>2,612,780</u>               | <u>8,528</u>                                 | <u>122,988</u>                             | <u>0</u>  | <u>115,370</u>           | <u>115,370</u>       |
| <i>Total</i>   | <u>\$ 7,215,875</u> | <u>\$ 3,180,631</u>            | <u>\$ 466,255</u>                            | <u>\$ 435,754</u>                          | <u>(3,248,605)</u>                                | <u>115,370</u>           | <u>(3,133,235)</u>   |
| <b>General Revenues:</b>                                     |                     |                                |  |  |   |                          |                      |
| Property Taxes Levied for:                                   |                     |                                |  |  |   |                          |                      |
| General Purposes   |                     |                                |  |  | 434,485   | 0                        | 434,485              |
| Police, Fire, and Emergency Services                         |                     |                                |  |  | 306,483   | 0                        | 306,483              |
| Income Taxes Levied for:                                     |                     |                                |  |  |   |                          |                      |
| General Purposes   |                     |                                |  |  | 1,450,667   | 0                        | 1,450,667            |
| Capital Outlay   |                     |                                |  |  | 483,557   | 0                        | 483,557              |
| Grants and Entitlements not Restricted to Specific Programs  |                     |                                |  |  | 387,509   | 0                        | 387,509              |
| Interest   |                     |                                |  |  | 63,367  | 0                        | 63,367               |
| Miscellaneous  |                     |                                |  |  | 43,511  | 26,133                   | 69,644               |
| <i>Total General Revenues</i>                                |                     |                                |  |  | <u>3,169,579</u>                                  | <u>26,133</u>            | <u>3,195,712</u>     |
| Transfers  |                     |                                |  |  | (90,000)  | 90,000                   | 0                    |
| <i>Total General Revenues and Transfers</i>                  |                     |                                |  |  | <u>(90,000)</u>                                   | <u>90,000</u>            | <u>0</u>             |
| <i>Change in Net Position</i>                                |                     |                                |  |  | <u>(169,026)</u>                                  | <u>231,503</u>           | <u>62,477</u>        |
| <i>Net Position Beginning of Year (Restated, see Note 2)</i> |                     |                                |  |  | <u>4,133,500</u>                                  | <u>12,122,192</u>        | <u>16,255,692</u>    |
| <i>Net Position End of Year</i>                              |                     |                                |  |  | <u>\$ 3,964,474</u>                               | <u>\$ 12,353,695</u>     | <u>\$ 16,318,169</u> |

See accompanying notes to the basic financial statements.

**City of Rittman**  
**Wayne County, Ohio**  
*Balance Sheet*  
*Governmental Funds*  
*December 31, 2018*

|   | General             | Emergency<br>Medical<br>Service | Fire<br>Department<br>Levy | Capital<br>Improvements | Nonmajor<br>Governmental<br>Funds | Total<br>Governmental<br>Funds |
|---|---------------------|---------------------------------|----------------------------|-------------------------|-----------------------------------|--------------------------------|
| <b>Assets</b>   |                     |                                 |                            |                         |                                   |                                |
| Equity in Pooled Cash and Investments   | \$ 945,446          | \$ 161,328                      | \$ 56,550                  | \$ 546,325              | \$ 375,252                        | \$ 2,084,901                   |
| Cash and Investments in Segregated Accounts                                   | 0                   | 0                               | 0                          | 0                       | 2,841                             | 2,841                          |
| Accounts Receivable   | 14,357              | 25,315                          | 0                          | 0                       | 0                                 | 39,672                         |
| Intergovernmental Receivable  | 144,137             | 4,277                           | 6,447                      | 2,000                   | 284,478                           | 441,339                        |
| Property and Other Local Taxes Receivable                                     | 368,468             | 202,701                         | 79,441                     | 0                       | 24,824                            | 675,434                        |
| Income Taxes Receivable   | 522,842             | 0                               | 0                          | 174,281                 | 0                                 | 697,123                        |
| Special Assessments Receivable  | 2,300               | 0                               | 0                          | 78,652                  | 0                                 | 80,952                         |
| Assets Held for Resale  | 0                   | 0                               | 0                          | 7,100                   | 0                                 | 7,100                          |
| <i>Total Assets</i>   | <u>\$ 1,997,550</u> | <u>\$ 393,621</u>               | <u>\$ 142,438</u>          | <u>\$ 808,358</u>       | <u>\$ 687,395</u>                 | <u>\$ 4,029,362</u>            |
| <b>Liabilities</b>  |                     |                                 |                            |                         |                                   |                                |
| Accounts Payable  | \$ 19,422           | \$ 1,743                        | \$ 5,534                   | \$ 0                    | \$ 1,524                          | \$ 28,223                      |
| Accrued Wages   | 52,025              | 8,060                           | 6,630                      | 0                       | 6,026                             | 72,741                         |
| Intergovernmental Payable   | 48,402              | 8,145                           | 5,358                      | 0                       | 6,023                             | 67,928                         |
| Matured Interest Payable  | 0                   | 0                               | 0                          | 0                       | 841                               | 841                            |
| Matured Bonds Payable   | 0                   | 0                               | 0                          | 0                       | 2,000                             | 2,000                          |
| Matured Compensated Absences Payable  | 11,882              | 0                               | 0                          | 0                       | 0                                 | 11,882                         |
| Income Tax Refunds Payable  | 17,713              | 0                               | 0                          | 5,904                   | 0                                 | 23,617                         |
| <i>Total Liabilities</i>  | <u>149,444</u>      | <u>17,948</u>                   | <u>17,522</u>              | <u>5,904</u>            | <u>16,414</u>                     | <u>207,232</u>                 |
| <b>Deferred Inflows of Resources</b>  |                     |                                 |                            |                         |                                   |                                |
| Property Taxes Levied for the Next Year                                       | 267,656             | 194,054                         | 75,681                     | 0                       | 23,648                            | 561,039                        |
| Unavailable Revenue - Other   | 204,515             | 13,301                          | 6,447                      | 78,652                  | 233,741                           | 536,656                        |
| Delinquent Property Tax   | 13,315              | 8,647                           | 3,760                      | 0                       | 1,176                             | 26,898                         |
| Unavailable Revenue - Income Tax  | 350,677             | 0                               | 0                          | 116,893                 | 0                                 | 467,570                        |
| <i>Total Deferred Inflows of Resources</i>                                    | <u>836,163</u>      | <u>216,002</u>                  | <u>85,888</u>              | <u>195,545</u>          | <u>258,565</u>                    | <u>1,592,163</u>               |
| <b>Fund Balances</b>  |                     |                                 |                            |                         |                                   |                                |
| Nonspendable  | 1,598               | 0                               | 0                          | 0                       | 0                                 | 1,598                          |
| Restricted  | 0                   | 159,671                         | 39,028                     | 606,909                 | 412,416                           | 1,218,024                      |
| Committed   | 12,210              | 0                               | 0                          | 0                       | 0                                 | 12,210                         |
| Assigned  | 57,575              | 0                               | 0                          | 0                       | 0                                 | 57,575                         |
| Unassigned  | 940,560             | 0                               | 0                          | 0                       | 0                                 | 940,560                        |
| <i>Total Fund Balances</i>  | <u>1,011,943</u>    | <u>159,671</u>                  | <u>39,028</u>              | <u>606,909</u>          | <u>412,416</u>                    | <u>2,229,967</u>               |
| <i>Total Liabilities, Deferred Inflows of<br/>Resources and Fund Balances</i> | <u>\$ 1,997,550</u> | <u>\$ 393,621</u>               | <u>\$ 142,438</u>          | <u>\$ 808,358</u>       | <u>\$ 687,395</u>                 | <u>\$ 4,029,362</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, 2018*

|  |             |              |
|--|-------------|--------------|
| <b>Total Governmental Fund Balances</b>  |             | \$ 2,229,967 |
| <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.  |             | 6,150,124    |
| Other long-term assets are not available to pay for current-period expenditures and therefore are deferred in the funds:   |             |              |
| Delinquent Property Taxes  | \$ 26,898   |              |
| Income Tax   | 467,570     |              |
| Intergovernmental  | 345,832     |              |
| Special Assessments  | 80,952      |              |
| Other  | 109,872     | 1,031,124    |
| The net pension liability and net OPEB liability are 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  | 755,717     |              |
| Deferred Outflows - OPEB   | 330,758     |              |
| Deferred Inflows - Pension   | (488,889)   |              |
| Deferred Inflows - OPEB  | (94,414)    |              |
| Net Pension Liability  | (2,883,445) |              |
| Net OPEB Liability   | (2,244,305) | (4,624,578)  |
| Long-term liabilities are not due and payable in the current period and therefore are not reported in the funds:   |             |              |
| General Obligation Bonds   | (282,000)   |              |
| Loans Payable  | (109,375)   |              |
| Capital Leases   | (217,296)   |              |
| Compensated Absences   | (213,492)   | (822,163)    |
| <i>Net Position of Governmental Activities</i>   |             | \$ 3,964,474 |

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, 2018*

|   | General             | Emergency<br>Medical<br>Service | Fire<br>Department<br>Levy | Capital<br>Improvements | Nonmajor<br>Governmental<br>Funds | Total<br>Governmental |
|---|---------------------|---------------------------------|----------------------------|-------------------------|-----------------------------------|-----------------------|
| <b>Revenues</b>                                     |                     |                                 |                            |                         |                                   |                       |
| Property and Other Local Taxes                      | \$ 348,629          | \$ 204,955                      | \$ 79,946                  | \$ 0                    | \$ 24,947                         | \$ 658,477            |
| Income Taxes  | 1,470,399           | 0                               | 0                          | 490,134                 | 0                                 | 1,960,533             |
| Special Assessments                                 | 0                   | 0                               | 0                          | 91,392                  | 0                                 | 91,392                |
| Charges for Services                                | 315,867             | 179,873                         | 0                          | 0                       | 6,813                             | 502,553               |
| Fines, Licenses and Permits                         | 60,775              | 0                               | 0                          | 0                       | 2,019                             | 62,794                |
| Intergovernmental                                   | 381,877             | 34,774                          | 29,508                     | 294,133                 | 359,587                           | 1,099,879             |
| Interest  | 63,367              | 0                               | 0                          | 0                       | 741                               | 64,108                |
| Contributions and Donations                         | 909                 | 0                               | 0                          | 0                       | 0                                 | 909                   |
| Other   | 14,817              | 8,447                           | 13,619                     | 1,525                   | 5,103                             | 43,511                |
| <i>Total Revenues</i>                               | <u>2,656,640</u>    | <u>428,049</u>                  | <u>123,073</u>             | <u>877,184</u>          | <u>399,210</u>                    | <u>4,484,156</u>      |
| <b>Expenditures</b>                                 |                     |                                 |                            |                         |                                   |                       |
| Current:  |                     |                                 |                            |                         |                                   |                       |
| General Government                                  | 489,388             | 3,289                           | 1,430                      | 0                       | 14,463                            | 508,570               |
| Security of Persons and Property                    | 1,226,095           | 443,024                         | 215,183                    | 0                       | 39,602                            | 1,923,904             |
| Public Health                                       | 96,336              | 0                               | 0                          | 0                       | 0                                 | 96,336                |
| Leisure Time Services                               | 450,965             | 0                               | 0                          | 0                       | 0                                 | 450,965               |
| Transportation                                      | 101,817             | 0                               | 0                          | 0                       | 324,206                           | 426,023               |
| Capital Outlay                                      | 0                   | 26,204                          | 0                          | 952,978                 | 0                                 | 979,182               |
| Debt Service:                                       |                     |                                 |                            |                         |                                   |                       |
| Principal Retirement                                | 0                   | 22,386                          | 38,708                     | 49,474                  | 124,250                           | 234,818               |
| Interest and Fiscal Charges                         | 0                   | 314                             | 832                        | 6,821                   | 9,885                             | 17,852                |
| <i>Total Expenditures</i>                           | <u>2,364,601</u>    | <u>495,217</u>                  | <u>256,153</u>             | <u>1,009,273</u>        | <u>512,406</u>                    | <u>4,637,650</u>      |
| <i>Excess of Revenues Over (Under) Expenditures</i> | <u>292,039</u>      | <u>(67,168)</u>                 | <u>(133,080)</u>           | <u>(132,089)</u>        | <u>(113,196)</u>                  | <u>(153,494)</u>      |
| <b>Other Financing Sources (Uses)</b>               |                     |                                 |                            |                         |                                   |                       |
| Inception of Capital Lease                          | 0                   | 29,744                          | 0                          | 168,721                 | 0                                 | 198,465               |
| Transfers In  | 0                   | 0                               | 159,400                    | 0                       | 144,765                           | 304,165               |
| Transfers Out                                       | (260,030)           | 0                               | 0                          | (134,135)               | 0                                 | (394,165)             |
| <i>Total Other Financing Sources (Uses)</i>         | <u>(260,030)</u>    | <u>29,744</u>                   | <u>159,400</u>             | <u>34,586</u>           | <u>144,765</u>                    | <u>108,465</u>        |
| <i>Net Change in Fund Balance</i>                   | 32,009              | (37,424)                        | 26,320                     | (97,503)                | 31,569                            | (45,029)              |
| <i>Fund Balance Beginning of Year</i>               | <u>979,934</u>      | <u>197,095</u>                  | <u>12,708</u>              | <u>704,412</u>          | <u>380,847</u>                    | <u>2,274,996</u>      |
| <i>Fund Balance End of Year</i>                     | <u>\$ 1,011,943</u> | <u>\$ 159,671</u>               | <u>\$ 39,028</u>           | <u>\$ 606,909</u>       | <u>\$ 412,416</u>                 | <u>\$ 2,229,967</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, 2018*

|  |                  |                                |
|--|------------------|--------------------------------|
| <b>Net Change in Fund Balances - Total Governmental Funds</b>  |                  | \$ (45,029)                    |
| <br><i>Amounts reported for governmental activities in the statement of activities are different because:</i>  |                  |                                |
| <br>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  | \$ 783,660       |                                |
| Current Year Depreciation  | <u>(633,896)</u> | 149,764                        |
| <br>Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.   |                  |                                |
| Property Taxes   | (5,006)          |                                |
| Income Tax   | (26,309)         |                                |
| Intergovernmental  | 37,840           |                                |
| Other  | 93,127           |                                |
| Special Assessments  | <u>(75,885)</u>  | 23,767                         |
| <br>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   | 120,000          |                                |
| Loans Payable  | 42,958           |                                |
| Notes Payable  | 18,976           |                                |
| Capital Lease  | <u>52,884</u>    | 234,818                        |
| <br>Inception of capital lease in the governmental funds that increase long-term liabilities in the statement of net position are not reported as revenues.  |                  |                                |
|  |                  | (198,465)                      |
| <br>Contractually required pension contributions are reported as expenditures in governmental funds; however, the statement of net position reports these amounts as deferred outflows.                  |                  |                                |
| Pension  | 295,245          |                                |
| OPEB   | <u>2,863</u>     | 298,108                        |
| <br>Except for amount reported as deferred inflows/outflows, changes in the net pension/OPEB liability are reported as pension/OPEB expense in the statement of activities.                              |                  |                                |
| Pension  | (457,821)        |                                |
| OPEB   | <u>(165,771)</u> | (623,592)                      |
| <br>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>(8,397)</u>                 |
| <br><i>Change in Net Position of Governmental Activities</i>   |                  | <br><u><u>\$ (169,026)</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, 2018*

|   | Budgeted Amounts  |                   |                   | Variance with<br>Final Budget<br>Over<br>(Under) |
|---|-------------------|-------------------|-------------------|--|
|   | Original          | Final             | Actual            |  |
| <b>Revenues</b>                                     |                   |                   |                   |  |
| Property and Other Local Taxes                      | \$ 253,960        | \$ 253,960        | \$ 280,853        | \$ 26,893  |
| Income Taxes  | 1,338,180         | 1,338,180         | 1,493,303         | 155,123  |
| Charges for Services                                | 307,495           | 307,495           | 309,733           | 2,238  |
| Licenses and Permits                                | 115,130           | 115,130           | 127,545           | 12,415   |
| Intergovernmental                                   | 313,823           | 313,823           | 383,506           | 69,683   |
| Interest  | 32,540            | 32,595            | 65,070            | 32,475   |
| Contributions and Donations                         | 630               | 630               | 909               | 279  |
| Other   | 14,050            | 14,050            | 21,718            | 7,668  |
| <i>Total Revenues</i>                               | <u>2,375,808</u>  | <u>2,375,863</u>  | <u>2,682,637</u>  | <u>306,774</u>                                   |
| <b>Expenditures</b>                                 |                   |                   |                   |  |
| Current:  |                   |                   |                   |  |
| General Government                                  | 512,221           | 554,206           | 541,200           | 13,006   |
| Security of Persons and Property                    | 1,108,955         | 1,252,480         | 1,235,190         | 17,290   |
| Public Health                                       | 100,551           | 108,156           | 99,631            | 8,525  |
| Leisure Time Services                               | 486,695           | 500,480           | 465,276           | 35,204   |
| Transportation                                      | 103,600           | 105,695           | 103,822           | 1,873  |
| <i>Total Expenditures</i>                           | <u>2,312,022</u>  | <u>2,521,017</u>  | <u>2,445,119</u>  | <u>75,898</u>                                    |
| <i>Excess of Revenues Over (Under) Expenditures</i> | <u>63,786</u>     | <u>(145,154)</u>  | <u>237,518</u>    | <u>382,672</u>                                   |
| <b>Other Financing Sources (Uses)</b>               |                   |                   |                   |  |
| Proceeds from Sale of Capital Assets                | 860               | 860               | 0                 | (860)  |
| Transfers Out                                       | (249,400)         | (260,030)         | (260,030)         | 0  |
| <i>Total Other Financing Sources (Uses)</i>         | <u>(248,540)</u>  | <u>(259,170)</u>  | <u>(260,030)</u>  | <u>(860)</u>                                     |
| <i>Net Change in Fund Balance</i>                   | (184,754)         | (404,324)         | (22,512)          | 381,812  |
| <i>Fund Balance Beginning of Year</i>               | 898,639           | 898,639           | 898,639           | 0  |
| Prior Year Encumbrances Appropriated                | 22,698            | 22,698            | 22,698            | 0  |
| <i>Fund Balance End of Year</i>                     | <u>\$ 736,583</u> | <u>\$ 517,013</u> | <u>\$ 898,825</u> | <u>\$ 381,812</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, 2018*

|                                       | Budgeted Amounts  |                   |                   | Variance with<br>Final Budget<br>Over<br>(Under) |
|---------------------------------------|-------------------|-------------------|-------------------|--|
|                                       | Original          | Final             | Actual            |  |
| <b>Revenues</b>                       |                   |                   |                   |  |
| Property and Other Local Taxes        | \$ 192,225        | \$ 192,225        | \$ 204,955        | \$ 12,730  |
| Charges for Services                  | 204,000           | 204,000           | 200,207           | (3,793)  |
| Intergovernmental                     | 29,075            | 29,075            | 26,942            | (2,133)  |
| Other                                 | 4,000             | 4,000             | 2,383             | (1,617)  |
| <i>Total Revenues</i>                 | <u>429,300</u>    | <u>429,300</u>    | <u>434,487</u>    | <u>5,187</u>                                     |
| <b>Expenditures</b>                   |                   |                   |                   |  |
| Current:                              |                   |                   |                   |  |
| General Government                    | 3,845             | 3,845             | 3,289             | 556  |
| Security of Persons and Property      | 421,298           | 456,638           | 453,505           | 3,133  |
| Debt Service:                         |                   |                   |                   |  |
| Principal Retirement                  | 18,976            | 18,976            | 18,976            | 0  |
| Interest and Fiscal Charges           | 184               | 184               | 184               | 0  |
| <i>Total Expenditures</i>             | <u>444,303</u>    | <u>479,643</u>    | <u>475,954</u>    | <u>3,689</u>                                     |
| <i>Net Change in Fund Balance</i>     | (15,003)          | (50,343)          | (41,467)          | 8,876  |
| <i>Fund Balance Beginning of Year</i> | 194,004           | 194,004           | 194,004           | 0  |
| Prior Year Encumbrances Appropriated  | <u>1,899</u>      | <u>1,899</u>      | <u>1,899</u>      | <u>0</u>   |
| <i>Fund Balance End of Year</i>       | <u>\$ 180,900</u> | <u>\$ 145,560</u> | <u>\$ 154,436</u> | <u>\$ 8,876</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, 2018*

|   | Budgeted Amounts |                  |                  | Variance with<br>Final Budget<br>Over<br>(Under) |
|---|------------------|------------------|------------------|--|
|   | Original         | Final            | Actual           |  |
| <b>Revenues</b>                                     |                  |                  |                  |  |
| Property and Other Local Taxes                      | \$ 74,425        | \$ 74,425        | \$ 79,946        | \$ 5,521   |
| Intergovernmental                                   | 14,825           | 31,425           | 38,513           | 7,088  |
| Other   | 150              | 150              | 4,614            | 4,464  |
| <i>Total Revenues</i>                               | <u>89,400</u>    | <u>106,000</u>   | <u>123,073</u>   | <u>17,073</u>                                    |
| <b>Expenditures</b>                                 |                  |                  |                  |  |
| Current:  |                  |                  |                  |  |
| General Government                                  | 1,716            | 1,716            | 1,430            | 286  |
| Security of Persons and Property                    | 212,246          | 247,896          | 235,033          | 12,863   |
| Debt Service:                                       |                  |                  |                  |  |
| Principal Retirement                                | 38,708           | 38,708           | 38,708           | 0  |
| Interest and Fiscal Charges                         | 871              | 871              | 871              | 0  |
| <i>Total Expenditures</i>                           | <u>253,541</u>   | <u>289,191</u>   | <u>276,042</u>   | <u>13,149</u>                                    |
| <i>Excess of Revenues Over (Under) Expenditures</i> | <u>(164,141)</u> | <u>(183,191)</u> | <u>(152,969)</u> | <u>30,222</u>                                    |
| <b>Other Financing Sources (Uses)</b>               |                  |                  |                  |  |
| Transfers In  | 159,400          | 159,400          | 159,400          | 0  |
| <i>Net Change in Fund Balance</i>                   | (4,741)          | (23,791)         | 6,431            | 30,222   |
| <i>Fund Balance Beginning of Year</i>               | 24,247           | 24,247           | 24,247           | 0  |
| Prior Year Encumbrances Appropriated                | 12,583           | 12,583           | 12,583           | 0  |
| <i>Fund Balance End of Year</i>                     | <u>\$ 32,089</u> | <u>\$ 13,039</u> | <u>\$ 43,261</u> | <u>\$ 30,222</u>                                 |

See accompanying notes to the basic financial statements.

**City of Rittman**  
**Wayne County, Ohio**  
*Statement of Fund Net Position*  
*Proprietary Funds*  
*December 31, 2018*

|   | Enterprise Funds    |                     |                   |                           | Total                |
|---|---------------------|---------------------|-------------------|---------------------------|----------------------|
|   | Water               | Sewer               | Solid Waste       | Non-Major Enterprise Fund |                      |
| <b>Assets</b>   |                     |                     |                   |                           |                      |
| <i>Current Assets:</i>                                    |                     |                     |                   |                           |                      |
| Equity in Pooled Cash and Investments                     | \$ 283,941          | \$ 1,465,418        | \$ 396,282        | \$ 170,383                | \$ 2,316,024         |
| Cash and Investments in Segregated Accounts               | 13,913              | 0                   | 0                 | 0                         | 13,913               |
| Accounts Receivable                                       | 137,294             | 176,841             | 70,229            | 16,364                    | 400,728              |
| Intergovernmental Receivable                              | 0                   | 0                   | 2,242             | 0                         | 2,242                |
| <i>Total Current Assets</i>                               | <u>435,148</u>      | <u>1,642,259</u>    | <u>468,753</u>    | <u>186,747</u>            | <u>2,732,907</u>     |
| <i>Non-Current Assets:</i>                                |                     |                     |                   |                           |                      |
| <i>Restricted Assets:</i>                                 |                     |                     |                   |                           |                      |
| Customer Deposits   | 45,921              | 0                   | 0                 | 0                         | 45,921               |
| Non-Depreciable Capital Assets                            | 197,624             | 32,250              | 0                 | 0                         | 229,874              |
| Depreciable Capital Assets, Net                           | 5,243,870           | 6,373,916           | 28,542            | 382,245                   | 12,028,573           |
| <i>Total Non-Current Assets</i>                           | <u>5,487,415</u>    | <u>6,406,166</u>    | <u>28,542</u>     | <u>382,245</u>            | <u>12,304,368</u>    |
| <i>Total Assets</i>                                       | <u>5,922,563</u>    | <u>8,048,425</u>    | <u>497,295</u>    | <u>568,992</u>            | <u>15,037,275</u>    |
| <b>Deferred Outflows of Resources</b>                     |                     |                     |                   |                           |                      |
| Pension   | 94,739              | 109,313             | 7,289             | 0                         | 211,341              |
| OPEB  | 30,553              | 35,252              | 2,350             | 0                         | 68,155               |
| <i>Total Deferred Outflows of Resources</i>               | <u>125,292</u>      | <u>144,565</u>      | <u>9,639</u>      | <u>0</u>                  | <u>279,496</u>       |
| <b>Liabilities</b>  |                     |                     |                   |                           |                      |
| <i>Current Liabilities:</i>                               |                     |                     |                   |                           |                      |
| Accounts Payable  | 8,141               | 31,915              | 28,619            | 7,945                     | 76,620               |
| Accrued Wages   | 9,488               | 10,223              | 3,189             | 0                         | 22,900               |
| Intergovernmental Payable                                 | 9,104               | 12,811              | 3,897             | 0                         | 25,812               |
| Matured Interest Payable                                  | 3,713               | 0                   | 0                 | 0                         | 3,713                |
| Matured Bonds Payable                                     | 10,200              | 0                   | 0                 | 0                         | 10,200               |
| Customer Deposits Payable                                 | 45,921              | 0                   | 0                 | 0                         | 45,921               |
| Compensated Absences Payable                              | 37,627              | 18,919              | 3,094             | 0                         | 59,640               |
| Capital Leases Payable                                    | 7,953               | 7,953               | 0                 | 0                         | 15,906               |
| OPWC Loans Payable  | 31,222              | 0                   | 0                 | 0                         | 31,222               |
| General Obligation Bonds Payable                          | 95,000              | 106,420             | 0                 | 0                         | 201,420              |
| <i>Total Current Liabilities</i>                          | <u>258,369</u>      | <u>188,241</u>      | <u>38,799</u>     | <u>7,945</u>              | <u>493,354</u>       |
| <i>Long-Term Liabilities:</i>                             |                     |                     |                   |                           |                      |
| Compensated Absences Payable - Net of Current Portion     | 32,059              | 19,681              | 1,764             | 0                         | 53,504               |
| Capital Leases Payable - Net of Current Portion           | 28,298              | 28,298              | 0                 | 0                         | 56,596               |
| OPWC Loans Payable - Net of Current Portion               | 458,975             | 0                   | 0                 | 0                         | 458,975              |
| General Obligation Bonds Payable - Net of Current Portion | 485,000             | 107,502             | 0                 | 0                         | 592,502              |
| Net Pension Liability                                     | 298,371             | 344,274             | 22,952            | 0                         | 665,597              |
| Net OPEB Liability  | 198,986             | 229,599             | 15,307            | 0                         | 443,892              |
| <i>Total Long-Term Liabilities</i>                        | <u>1,501,689</u>    | <u>729,354</u>      | <u>40,023</u>     | <u>0</u>                  | <u>2,271,066</u>     |
| <i>Total Liabilities</i>                                  | <u>1,760,058</u>    | <u>917,595</u>      | <u>78,822</u>     | <u>7,945</u>              | <u>2,764,420</u>     |
| <b>Deferred Inflows of Resources</b>                      |                     |                     |                   |                           |                      |
| Pension   | 74,920              | 84,582              | 6,087             | 0                         | 165,589              |
| OPEB  | 14,823              | 17,104              | 1,140             | 0                         | 33,067               |
| <i>Total Deferred Inflows of Resources</i>                | <u>89,743</u>       | <u>101,686</u>      | <u>7,227</u>      | <u>0</u>                  | <u>198,656</u>       |
| <b>Net Position</b>                                       |                     |                     |                   |                           |                      |
| Net Investment in Capital Assets                          | 4,335,046           | 6,155,993           | 28,542            | 382,245                   | 10,901,826           |
| Unrestricted  | (136,992)           | 1,017,716           | 392,343           | 178,802                   | 1,451,869            |
| <i>Total Net Position</i>                                 | <u>\$ 4,198,054</u> | <u>\$ 7,173,709</u> | <u>\$ 420,885</u> | <u>\$ 561,047</u>         | <u>\$ 12,353,695</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, 2018*

|   | Enterprise Funds    |                     |                   |                           | Total                |
|---|---------------------|---------------------|-------------------|---------------------------|----------------------|
|   | Water               | Sewer               | Solid Waste       | Non-Major Enterprise Fund |                      |
| <b>Operating Revenues</b>                                       |                     |                     |                   |                           |                      |
| Charges for Services  | \$ 889,897          | \$ 1,220,423        | \$ 404,848        | \$ 97,612                 | \$ 2,612,780         |
| Other   | 8,705               | 14,347              | 503               | 2,578                     | 26,133               |
| <i>Total Operating Revenues</i>                                 | <u>898,602</u>      | <u>1,234,770</u>    | <u>405,351</u>    | <u>100,190</u>            | <u>2,638,913</u>     |
| <b>Operating Expenses</b>                                       |                     |                     |                   |                           |                      |
| Personal Services   | 402,297             | 463,184             | 54,245            | 0                         | 919,726              |
| Contractual Services  | 136,323             | 343,993             | 347,911           | 4,950                     | 833,177              |
| Materials and Supplies  | 35,552              | 79,475              | 0                 | 0                         | 115,027              |
| Depreciation  | 242,231             | 302,687             | 4,538             | 23,883                    | 573,339              |
| Other   | 60,000              | 90,000              | 0                 | 0                         | 150,000              |
| <i>Total Operating Expenses</i>                                 | <u>876,403</u>      | <u>1,279,339</u>    | <u>406,694</u>    | <u>28,833</u>             | <u>2,591,269</u>     |
| <i>Operating Income (Loss)</i>                                  | <u>22,199</u>       | <u>(44,569)</u>     | <u>(1,343)</u>    | <u>71,357</u>             | <u>47,644</u>        |
| <b>Non-Operating Revenues (Expense)</b>                         |                     |                     |                   |                           |                      |
| Intergovernmental   | 0                   | 0                   | 8,528             | 0                         | 8,528                |
| Loss on Disposal of Capital Assets                              | 0                   | (15,446)            | 0                 | 0                         | (15,446)             |
| Interest and Fiscal Charges                                     | (15,507)            | (6,704)             | 0                 | 0                         | (22,211)             |
| <i>Total Non-Operating Revenues (Expense)</i>                   | <u>(15,507)</u>     | <u>(22,150)</u>     | <u>8,528</u>      | <u>0</u>                  | <u>(29,129)</u>      |
| <i>Income (Loss) Before Capital Contributions and Transfers</i> | 6,692               | (66,719)            | 7,185             | 71,357                    | 18,515               |
| Capital Contributions   | 122,988             | 0                   | 0                 | 0                         | 122,988              |
| Transfers In  | 90,000              | 0                   | 0                 | 0                         | 90,000               |
| <i>Change in Net Position</i>                                   | 219,680             | (66,719)            | 7,185             | 71,357                    | 231,503              |
| <i>Net Position Beginning of Year (Restated, see Note 2)</i>    | <u>3,978,374</u>    | <u>7,240,428</u>    | <u>413,700</u>    | <u>489,690</u>            | <u>12,122,192</u>    |
| <i>Net Position End of Year</i>                                 | <u>\$ 4,198,054</u> | <u>\$ 7,173,709</u> | <u>\$ 420,885</u> | <u>\$ 561,047</u>         | <u>\$ 12,353,695</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, 2018

|  | Enterprise Funds  |                     |                   |                           | Total               |
|--|-------------------|---------------------|-------------------|---------------------------|---------------------|
|  | Water             | Sewer               | Solid Waste       | Non-Major Enterprise Fund |                     |
| <b>Cash Flows from Operating Activities</b>  |                   |                     |                   |                           |                     |
| Cash Received from Customers   | \$ 892,155        | \$ 1,228,887        | \$ 407,470        | \$ 97,812                 | \$ 2,626,324        |
| Cash Received from Other Operating Receipts  | 8,705             | 14,347              | 503               | 2,578                     | 26,133              |
| Cash Payments to Suppliers for Goods and Services  | (41,537)          | (79,825)            | (1,681)           | 0                         | (123,043)           |
| Cash Payments to Employees for Services and Benefits   | (379,434)         | (413,199)           | (44,723)          | 0                         | (837,356)           |
| Cash Payments for Contractual Services   | (134,993)         | (343,993)           | (344,688)         | (25,361)                  | (849,035)           |
| Other Cash Payments  | (60,000)          | (90,000)            | 0                 | 0                         | (150,000)           |
| <i>Net Cash Provided by (Used for) Operating Activities</i>  | <u>284,896</u>    | <u>316,217</u>      | <u>16,881</u>     | <u>75,029</u>             | <u>693,023</u>      |
| <b>Cash Flows from Noncapital Financing Activities</b>   |                   |                     |                   |                           |                     |
| Intergovernmental Revenue  | 0                 | 0                   | 8,528             | 0                         | 8,528               |
| Transfers In   | 90,000            | 0                   | 0                 | 0                         | 90,000              |
| <i>Net Cash Provided by (Used for) Noncapital Financing Activities</i>                                   | <u>90,000</u>     | <u>0</u>            | <u>8,528</u>      | <u>0</u>                  | <u>98,528</u>       |
| <b>Cash Flows from Capital and Related Financing Activities</b>  |                   |                     |                   |                           |                     |
| Capital Grants and Contributions   | 122,988           | 0                   | 0                 | 0                         | 122,988             |
| Acquisition of Capital Assets  | (197,597)         | (222,381)           | (28,984)          | (77,629)                  | (526,591)           |
| Principal Payments on Debt   | (135,350)         | (109,476)           | 0                 | 0                         | (244,826)           |
| Interest Payments on Debt  | (15,507)          | (6,704)             | 0                 | 0                         | (22,211)            |
| <i>Net Cash Provided by (Used for) Capital and Related Financing Activities</i>                          | <u>(225,466)</u>  | <u>(338,561)</u>    | <u>(28,984)</u>   | <u>(77,629)</u>           | <u>(670,640)</u>    |
| <i>Net Increase (Decrease) in Cash and Investments</i>   | 149,430           | (22,344)            | (3,575)           | (2,600)                   | 120,911             |
| <i>Cash and Investments Beginning of Year</i>  | 194,345           | 1,487,762           | 399,857           | 172,983                   | 2,254,947           |
| <i>Cash and Investments End of Year</i>  | <u>\$ 343,775</u> | <u>\$ 1,465,418</u> | <u>\$ 396,282</u> | <u>\$ 170,383</u>         | <u>\$ 2,375,858</u> |
| <b>Reconciliation of Operating Income (Loss) to Net Cash Provided by (Used for) Operating Activities</b> |                   |                     |                   |                           |                     |
| Operating Income (Loss)  | \$ 22,199         | \$ (44,569)         | \$ (1,343)        | \$ 71,357                 | \$ 47,644           |
| Adjustments:   |                   |                     |                   |                           |                     |
| Depreciation   | 242,231           | 302,687             | 4,538             | 23,883                    | 573,339             |
| (Increase) Decrease in Assets and Deferred Outflows:   |                   |                     |                   |                           |                     |
| Accounts Receivable  | 837               | 8,464               | 2,446             | 200                       | 11,947              |
| Intergovernmental Receivable   | 0                 | 0                   | 176               | 0                         | 176                 |
| Deferred Outflows - Pension  | 64,032            | 73,866              | 4,928             | 0                         | 142,826             |
| Deferred Outflows - OPEB   | (28,040)          | (32,352)            | (2,157)           | 0                         | (62,549)            |
| Increase (Decrease) in Liabilities and Deferred Inflows:   |                   |                     |                   |                           |                     |
| Accounts Payable   | (23)              | 3,794               | (1,681)           | 1,088                     | 3,178               |
| Accrued Wages  | (658)             | (975)               | 2,461             | 0                         | 828                 |
| Contracts Payable  | 0                 | 0                   | 0                 | (20,850)                  | (20,850)            |
| Compensated Absences Payable   | (8,948)           | 11,796              | 4,858             | 0                         | 7,706               |
| Intergovernmental Payable  | (4,632)           | (4,144)             | 3,223             | (649)                     | (6,202)             |
| Customer Deposits Payable  | 1,421             | 0                   | 0                 | 0                         | 1,421               |
| Deferred Inflows - Pension   | 62,935            | 74,332              | 4,543             | 0                         | 141,810             |
| Deferred Inflows - OPEB  | 14,823            | 17,104              | 1,140             | 0                         | 33,067              |
| Net Pension Liability  | (106,945)         | (123,398)           | (8,226)           | 0                         | (238,569)           |
| Net OPEB Liability   | 25,664            | 29,612              | 1,975             | 0                         | 57,251              |
| <i>Net Cash Provided by (Used For) Operating Activities</i>  | <u>\$ 284,896</u> | <u>\$ 316,217</u>   | <u>\$ 16,881</u>  | <u>\$ 75,029</u>          | <u>\$ 693,023</u>   |
| <b>Noncash Capital Financing Activities:</b>   |                   |                     |                   |                           |                     |
| Capital Leases included in capital acquisitions  | \$ 40,379         | \$ 40,379           | \$ 0              | \$ 0                      | 80,758              |

See accompanying notes to the basic financial statements.

**City of Rittman**  
**Wayne County, Ohio**  
*Statement of Fiduciary Assets and Liabilities*  
*Agency Funds*  
*December 31, 2018*

---

---

|                                       | <u>Agency Funds</u> |
|---------------------------------------|---------------------|
| <b>Assets</b>                         |                     |
| Equity in Pooled Cash and Investments | \$ 15,500           |
| <b>Liabilities</b>                    |                     |
| Undistributed Monies                  | \$ 15,500           |

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, 2018*

---

**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, 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.

***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.

**City of Rittman**  
**Wayne County, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2018*

---

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:

*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.

**City of Rittman**  
**Wayne County, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2018*

---

*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.

The non-major enterprise fund accounts for operations of the City’s storm sewer services. These resources are primarily generated through charges for services.

***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 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.

**City of Rittman**  
**Wayne County, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2018*

---

***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.

***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

**City of Rittman**  
**Wayne County, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2018*

---

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 and OPEB. The deferred outflows of resources related to pension and OPEB are explained in Notes 9 and 10.

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 as an inflow of resources (revenue) until that time. For the City, deferred inflows of resources include property taxes, pension, OPEB and unavailable revenue. Property taxes represent amounts for which there is an enforceable legal claim as of December 31, 2018, but which were levied to finance 2019 operations. These amounts have been recorded as a deferred inflow on both the government-wide statement of net position and governmental fund financial statements. Unavailable revenue is reported only on the governmental funds balance sheet, and represents receivables which will not be collected within the available period. For the City, unavailable revenue may include delinquent property taxes, income taxes, intergovernmental grants, and miscellaneous revenues. These amounts are deferred and recognized as an inflow of resources in the period the amounts become available. The details of these unavailable revenues are identified on the reconciliation of total governmental fund balances to net position of governmental activities. Deferred inflows of resources related to pension and OPEB plans are reported on the government-wide statement of net position. (See Notes 9 and 10).

***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

**City of Rittman**  
**Wayne County, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2018*

---

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 2018.

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.

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



**City of Rittman**  
**Wayne County, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2018*

---

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

Investment procedures are restricted by the provisions of the Ohio Revised Code. Interest revenue credited to the general fund during 2018 amounted to \$63,367, which includes \$49,982 assigned from other City funds.

***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 value 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:

| <u>Description</u> | <u>Governmental and<br/>Business-Type Activities<br/>Estimated Useful Lives</u> |
|--------------------|---|
| Buildings          | 20 - 40 Years   |
| Land Improvements  | 5 - 50 Years  |
| Equipment          | 5 - 30 Years  |
| Infrastructure     | 30 - 75 Years   |

**City of Rittman**  
**Wayne County, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2018*

---

***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.

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/Other Postemployment Benefits (OPEB)***

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

***Accrued Liabilities and Long-Term Obligations***

All payables, accrued liabilities and long-term obligations are reported in the government-wide financial statements; and all payables, accrued liabilities, and long-term obligations payable from proprietary funds are reported on the proprietary fund financial statements. In general, governmental fund payables and accrued liabilities that, once incurred, are paid in a timely manner and in full from current financial resources, are reported as obligations of the funds. However, claims and judgments, compensated absences that will be paid from governmental funds are reported as a liability in the fund financial statements only

**City of Rittman**  
**Wayne County, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2018*

---

to the extent that they are due for payment during the current fiscal year. Net pension/OPEB liability should be recognized in the governmental funds to the extent that benefit payments are due and payable and the pension/OPEB plan's fiduciary net position is not sufficient for payment of those benefits.

***Fund Balance***

In accordance with Governmental Accounting Standards Board Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*, the City classifies its fund balance based on the purpose for which the resources were received and the level of constraint placed on the resources. The classifications are as follows:

*Nonspendable* – The nonspendable fund balance category includes amounts that cannot be spent because they are not in spendable form, or legally or contractually required to be maintained intact. The “not in spendable form” criterion includes items that are not expected to be converted to cash. It also includes the long-term amount of loans receivable, as well as property acquired for resale, unless the use of the proceeds from the collection of those receivables or from the sale of those properties is restricted, committed or assigned.

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

*Committed* – The committed fund balance classification includes amounts that can be used only for the specific purposes imposed by a formal action (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.

**City of Rittman**  
**Wayne County, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2018*

---

***Net Position***

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

***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, sewer services, solid waste collection, and storm water services. 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.

**City of Rittman**  
**Wayne County, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2018*

***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 2018.

***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.

***Implementation of New Accounting Principles and Restatement of Net Position***

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

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

|  | Governmental<br>Activities | Business-Type<br>Activities |
|--|----------------------------|-----------------------------|
| Net Position, December 31, 2017          | \$ 5,978,553               | \$ 12,503,227               |
| Adjustments:                             |                            |                             |
| Net OPEB Liability                       | (1,861,260)                | (386,641)                   |
| Deferred Outflow-Payments                |                            |                             |
| Subsequent to Measurement Date           | 16,207                     | 5,606                       |
| Restated Net Position, December 31, 2017 | \$ 4,133,500               | \$ 12,122,192               |

|  | Water Fund   | Sewer Fund   | Solid Waste<br>Fund | Storm Sewer<br>Fund | Total Enterprise<br>Funds |
|--|--------------|--------------|---------------------|---------------------|---------------------------|
| Net Position, December 31, 2017          | \$ 4,149,183 | \$ 7,437,515 | \$ 426,839          | \$ 489,690          | \$ 12,503,227             |
| Adjustments:                             |              |              |                     |                     |                           |
| Net OPEB Liability                       | (173,322)    | (199,987)    | (13,332)            | 0                   | (386,641)                 |
| Deferred Outflow-Payments                |              |              |                     |                     |                           |
| Subsequent to Measurement Date           | 2,513        | 2,900        | 193                 | 0                   | 5,606                     |
| Restated Net Position, December 31, 2017 | \$ 3,978,374 | \$ 7,240,428 | \$ 413,700          | \$ 489,690          | \$ 12,122,192             |

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

**City of Rittman**  
**Wayne County, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2018*

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

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

**Note 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      | Emergency<br>Medical<br>Service | Fire<br>Department<br>Levy | Capital<br>Improvements | Nonmajor<br>Governmental | Total        |
|----------------------------------|--------------|---------------------------------|----------------------------|-------------------------|--------------------------|--------------|
| Nonspendable for:                |              |                                 |                            |                         |                          |              |
| Unclaimed Monies                 | \$ 1,598     | \$ 0                            | \$ 0                       | \$ 0                    | \$ 0                     | \$ 1,598     |
| Restricted for:                  |              |                                 |                            |                         |                          |              |
| Emergency Medical Services       | 0            | 159,671                         | 0                          | 0                       | 0                        | 159,671      |
| Fire Department                  | 0            | 0                               | 39,028                     | 0                       | 0                        | 39,028       |
| Capital Improvements             | 0            | 0                               | 0                          | 606,909                 | 0                        | 606,909      |
| Law Enforcement                  | 0            | 0                               | 0                          | 0                       | 55,726                   | 55,726       |
| Cemetery Capital Improvements    | 0            | 0                               | 0                          | 0                       | 43,449                   | 43,449       |
| Streets and Highways             | 0            | 0                               | 0                          | 0                       | 286,564                  | 286,564      |
| Education and Recreation         | 0            | 0                               | 0                          | 0                       | 16,242                   | 16,242       |
| Debt Service                     | 0            | 0                               | 0                          | 0                       | 10,435                   | 10,435       |
| Total Restricted                 | 0            | 159,671                         | 39,028                     | 606,909                 | 412,416                  | 1,218,024    |
| Committed to:                    |              |                                 |                            |                         |                          |              |
| Recreation Activities            | 12,210       | 0                               | 0                          | 0                       | 0                        | 12,210       |
| Assigned for:                    |              |                                 |                            |                         |                          |              |
| Encumbrances:                    |              |                                 |                            |                         |                          |              |
| General Government               | 24,865       | 0                               | 0                          | 0                       | 0                        | 24,865       |
| Security of Persons and Property | 20,535       | 0                               | 0                          | 0                       | 0                        | 20,535       |
| Public Health                    | 2,085        | 0                               | 0                          | 0                       | 0                        | 2,085        |
| Leisure Time Services            | 8,710        | 0                               | 0                          | 0                       | 0                        | 8,710        |
| Transportation                   | 1,380        | 0                               | 0                          | 0                       | 0                        | 1,380        |
| Total Assigned                   | 57,575       | 0                               | 0                          | 0                       | 0                        | 57,575       |
| Unassigned                       | 940,560      | 0                               | 0                          | 0                       | 0                        | 940,560      |
| Total Fund Balance               | \$ 1,011,943 | \$ 159,671                      | \$ 39,028                  | \$ 606,909              | \$ 412,416               | \$ 2,229,967 |

**City of Rittman**  
**Wayne County, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2018*

---

**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, or by the financial institutions participation in the Ohio Pooled Collateral System (OPCS), a collateral pool of eligible securities deposited with a qualified trustee and pledged to the Treasurer of State to secure the repayment of all public monies deposited in the financial institution.

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;

**City of Rittman**  
**Wayne County, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2018*

---

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. Commercial paper notes, limited to 40 percent (5 percent for a single issuer) in total of the interim monies available for investment at any one time and for a period not to exceed 270 days, and, certain bankers' acceptances for a period not to exceed 180 from the purchase date in any amount not to exceed 40% 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.

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

**Deposits** At fiscal year-end, the carrying amount of the City's deposits was \$767,182 and the bank balance was \$794,567. Of the bank balance, \$500,000 was covered by depository insurance. The remaining balance was exposed to custodial credit risk and was collateralized in accordance with the Ohio Revised Code.

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

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

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



**City of Rittman**  
**Wayne County, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2018*

**Investments** - As of December 31, 2018, the City had the following investment:

| Ratings | Investment                             | Measurement<br>Amount | Investment<br>Maturities in Months |                   |                   | % Total       |
|---------|--|-----------------------|------------------------------------|-------------------|-------------------|---------------|
|         |  |                       | 0 - 12                             | 13 - 36           | Over 36           |               |
|         | Net Asset Value (NAV):                 |                       |                                    |                   |                   |               |
| AAAm    | STAR Ohio                              | \$ 1,285,070          | \$ 1,285,070                       | \$ 0              | \$ 0              | 34.7%         |
| AAAm    | First American Government Obligation   | 10,739                | 10,739                             | 0                 | 0                 | 0.3%          |
|         | Fair Value:                            |                       |                                    |                   |                   |               |
| AA+     | Federal Home Loan Banks                | 205,289               | 0                                  | 0                 | 205,289           | 5.5%          |
| AA+     | Federal Home Loan Mortgage Corporation | 836,033               | 0                                  | 836,033           | 0                 | 22.5%         |
| N/A     | Negotiable Certificates of Deposit     | 342,941               | 198,522                            | 0                 | 144,419           | 9.2%          |
| AA+     | U.S. Treasury Notes                    | 59,754                | 59,754                             | 0                 | 0                 | 1.6%          |
| A-1     | Commercial Paper                       | 972,092               | 972,092                            | 0                 | 0                 | 26.2%         |
|         |  | <u>\$ 3,711,918</u>   | <u>\$ 2,526,177</u>                | <u>\$ 836,033</u> | <u>\$ 349,708</u> | <u>100.0%</u> |

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

**Interest Rate Risk** - 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.

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

**City of Rittman**  
**Wayne County, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2018*

**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.

|   | General     | Emergency<br>Medical<br>Service | Fire<br>Department<br>Levy |
|---|-------------|---------------------------------|----------------------------|
| GAAP Basis                              | \$ 32,009   | \$ (37,424)                     | \$ 26,320                  |
| Net Adjustment for Revenue Accruals     | 25,997      | (23,306)                        | 0                          |
| Net Adjustment for Expenditure Accruals | (20,418)    | 26,158                          | (6,598)                    |
| Adjustment for Encumbrances             | (60,100)    | (6,895)                         | (13,291)                   |
| Budget Basis                            | \$ (22,512) | \$ (41,467)                     | \$ 6,431                   |

**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.

**City of Rittman**  
**Wayne County, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2018*

| Fund                               | Transfer In       | Transfer Out      |
|------------------------------------|-------------------|-------------------|
| General Fund                       | \$ 0              | \$ 260,030        |
| Fire Levy                          | 159,400           | 0                 |
| Water                              | 90,000            | 0                 |
| Safer Grant                        | 10,630            | 0                 |
| Capital Improvements               | 0                 | 134,135           |
| Special Assessment Debt Retirement | 134,135           | 0                 |
| Total                              | <u>\$ 394,165</u> | <u>\$ 394,165</u> |

**Note 7 – Receivables and Revenue**

Receivables at December 31, 2018, consisted of taxes, 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 2018 for real and public utility property taxes represents collections of the 2017 taxes.

2018 real property taxes were levied after October 1, 2018 on the assessed value as of January 1, 2018, the lien date. Assessed values are established by State law at 35 percent of appraised market value. 2018 real property taxes are collected in and intended to finance 2019. Real property taxes are payable annually or semi-annually. If paid annually, payment is due December 31; if paid semi-annually, the first payment is due December 31, with the remainder payable by June 20. Under certain circumstances, State statute permits later payment dates to be established.

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

The full tax rate for all City operations for the year ended December 31, 2018, was \$7.00 per \$1,000 of assessed valuation. The assessed values of real property and public utility tangible property upon which 2018 property tax receipts were based are as follows:

| Category                    | Assessed Value       |
|-----------------------------|----------------------|
| Real Property               | \$ 92,236,540        |
| Public Utilities - Personal | 3,115,240            |
| Total Assessed Value        | <u>\$ 95,351,780</u> |

**City of Rittman**  
**Wayne County, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2018*

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

***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. Income tax collections are distributed between the general fund (75 percent) and the capital improvement fund (25 percent).

**Note 8 – Capital Assets**

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

|   | Balance<br>12/31/2017 | Additions         | Reductions         | Balance<br>12/31/2018 |
|---|-----------------------|-------------------|--------------------|-----------------------|
| <b>Governmental Activities</b>                |                       |                   |                    |                       |
| <i>Capital Assets, not being depreciated:</i> |                       |                   |                    |                       |
| Land  | \$ 243,838            | \$ 0              | \$ 0               | \$ 243,838            |
| Construction in Progress                      | 82,265                | 0                 | (82,265)           | 0                     |
| Total Capital Assets, not being depreciated   | <u>326,103</u>        | <u>0</u>          | <u>(82,265)</u>    | <u>243,838</u>        |
| <i>Capital Assets, being depreciated:</i>     |                       |                   |                    |                       |
| Land Improvements                             | 138,026               | 0                 | 0                  | 138,026               |
| Buildings                                     | 5,855,216             | 60,747            | 0                  | 5,915,963             |
| Infrastructure                                | 2,722,227             | 292,133           | 0                  | 3,014,360             |
| Equipment                                     | 4,081,633             | 513,045           | (176,934)          | 4,417,744             |
| Total Capital Assets, being depreciated       | <u>12,797,102</u>     | <u>865,925</u>    | <u>(176,934)</u>   | <u>13,486,093</u>     |
| Less Accumulated Depreciation:                |                       |                   |                    |                       |
| Land Improvements                             | (122,826)             | (3,800)           | 0                  | (126,626)             |
| Buildings                                     | (2,840,408)           | (155,420)         | 0                  | (2,995,828)           |
| Infrastructure                                | (1,237,983)           | (172,123)         | 0                  | (1,410,106)           |
| Equipment                                     | (2,921,628)           | (302,553)         | 176,934            | (3,047,247)           |
| Total Accumulated Depreciation                | <u>(7,122,845)</u>    | <u>(633,896)</u>  | <u>176,934</u>     | <u>(7,579,807)</u>    |
| Total Capital Assets being depreciated, net   | <u>5,674,257</u>      | <u>232,029</u>    | <u>0</u>           | <u>5,906,286</u>      |
| Governmental Activities Capital Assets, Net   | <u>\$ 6,000,360</u>   | <u>\$ 232,029</u> | <u>\$ (82,265)</u> | <u>\$ 6,150,124</u>   |

**City of Rittman**  
**Wayne County, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2018*

|   | Balance<br>12/31/2017 | Additions        | Reductions         | Balance<br>12/31/2018 |
|---|-----------------------|------------------|--------------------|-----------------------|
| <b>Business-Type Activities</b>               |                       |                  |                    |                       |
| <i>Capital Assets, not being depreciated:</i> |                       |                  |                    |                       |
| Land  | \$ 63,936             | \$ 0             | \$ 0               | \$ 63,936             |
| Construction in Progress                      | 0                     | 165,938          | 0                  | 165,938               |
| Total Capital Assets, not being depreciated   | <u>63,936</u>         | <u>165,938</u>   | <u>0</u>           | <u>229,874</u>        |
| <i>Capital Assets, being depreciated:</i>     |                       |                  |                    |                       |
| Land Improvements                             | 40,922                | 32,338           | 0                  | 73,260                |
| Buildings                                     | 9,069,359             | 0                | 0                  | 9,069,359             |
| Infrastructure                                | 11,994,228            | 200,131          | (20,029)           | 12,174,330            |
| Equipment                                     | 2,044,495             | 208,942          | (67,700)           | 2,185,737             |
| Total Capital Assets, being depreciated       | <u>23,149,004</u>     | <u>441,411</u>   | <u>(87,729)</u>    | <u>23,502,686</u>     |
| Less Accumulated Depreciation:                |                       |                  |                    |                       |
| Land Improvements                             | (28,941)              | (6,229)          | 0                  | (35,170)              |
| Buildings                                     | (4,959,880)           | (222,618)        | 0                  | (5,182,498)           |
| Infrastructure                                | (4,595,373)           | (229,769)        | 4,583              | (4,820,559)           |
| Equipment                                     | (1,388,863)           | (114,723)        | 67,700             | (1,435,886)           |
| Total Accumulated Depreciation                | <u>(10,973,057)</u>   | <u>(573,339)</u> | <u>72,283</u>      | <u>(11,474,113)</u>   |
| Total Capital Assets being depreciated, net   | <u>12,175,947</u>     | <u>(131,928)</u> | <u>(15,446)</u>    | <u>12,028,573</u>     |
| Business-Type Activities Capital Assets, Net  | <u>\$ 12,239,883</u>  | <u>\$ 34,010</u> | <u>\$ (15,446)</u> | <u>\$ 12,258,447</u>  |

Depreciation expense was charged to programs as follows:

|                                  | <u>Depreciation</u> |
|----------------------------------|---------------------|
| <i>Governmental Activities:</i>  |                     |
| General Government               | \$ 16,575           |
| Transportation                   | 262,641             |
| Security of Persons and Property | 231,174             |
| Leisure Time                     | 119,840             |
| Public Health                    | 3,666               |
|                                  | <u>\$ 633,896</u>   |

**City of Rittman**  
**Wayne County, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2018*

|                                  | Depreciation |
|----------------------------------|--------------|
| <i>Business-Type Activities:</i> |              |
| Water Fund                       | \$ 242,231   |
| Sewer Fund                       | 302,687      |
| Solid Waste Fund                 | 4,538        |
| Storm Sewer Fund                 | 23,883       |
|                                  | \$ 573,339   |

**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.

**City of Rittman**  
**Wayne County, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2018*

***Plan Description – Ohio Public Employees Retirement System (OPERS)***

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

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

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

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

**City of Rittman**  
**Wayne County, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2018*

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

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

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

Employer contribution rates are actuarially determined and are expressed as a percentage of covered payroll. The City’s contractually required contribution was \$262,621 for 2018. Of this amount, \$41,660 is reported as an intergovernmental payable.

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

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

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

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



**City of Rittman**  
**Wayne County, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2018*

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

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

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

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

|  | Police      |
|--|-------------|
| <b>2018 Statutory Maximum Contribution Rates</b> |             |
| Employer   | 19.50 %     |
| Employee   | 12.25 %     |
| <br><b>2018 Actual Contribution Rates</b>        |             |
| Employer:  |             |
| Pension  | 19.00 %     |
| Post-Employment Health Care Benefits             | 0.50 %      |
| Total Employer                                   | 19.50 %     |
| <br>Employee                                     | <br>12.25 % |

Employer contribution rates are expressed as a percentage of covered payroll. The City's contractually required contribution to OP&F was \$108,784 for 2018. Of this amount, \$19,987 is reported as an intergovernmental payable.

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

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

**City of Rittman**  
**Wayne County, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2018*

|  | OPERS             | OPF               | Total        |
|--|-------------------|-------------------|--------------|
| Proportion of the Net Pension Liability: |                   |                   |              |
| Current Measurement Period               | 0.0146300%        | 0.0204300%        |              |
| Prior Measurement Period                 | 0.0137298%        | 0.0192690%        |              |
| Change in Proportion                     | <u>0.0009001%</u> | <u>0.0011610%</u> |              |
| Proportionate Share of the Net           |                   |                   |              |
| Pension Liability                        | \$ 2,295,163      | \$ 1,253,879      | \$ 3,549,042 |
| Pension Expense                          | \$ 432,922        | \$ 147,126        | \$ 580,048   |

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

|   | OPERS             | OPF               | Total             |
|---|-------------------|-------------------|-------------------|
| <b>Deferred Outflows of Resources</b>       |                   |                   |                   |
| Differences between Expected and            |                   |                   |                   |
| Actual Experience                           | \$ 2,344          | \$ 19,028         | \$ 21,372         |
| Changes of Assumptions                      | 274,287           | 54,638            | 328,925           |
| Changes in Proportionate Share              | 189,485           | 55,871            | 245,356           |
| City Contributions Subsequent               |                   |                   |                   |
| to the Measurement Date                     | 262,621           | 108,784           | 371,405           |
| Total Deferred Outflows of Resources        | <u>\$ 728,737</u> | <u>\$ 238,321</u> | <u>\$ 967,058</u> |
| <b>Deferred Inflows of Resources</b>        |                   |                   |                   |
| Differences between Expected and            |                   |                   |                   |
| Actual Experience                           | \$ 45,231         | \$ 2,268          | \$ 47,499         |
| Net Difference between Projected and Actual |                   |                   |                   |
| Earnings on Pension Plan Investments        | 492,743           | 43,376            | 536,119           |
| Changes in Proportionate Share              | 20,473            | 50,387            | 70,860            |
| Total Deferred Inflows of Resources         | <u>\$ 558,447</u> | <u>\$ 96,031</u>  | <u>\$ 654,478</u> |

\$371,405 reported as deferred outflows of resources related to pension resulting from City contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ending December 31, 2019. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pension will be recognized in pension expense as follows:

**City of Rittman**  
**Wayne County, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2018*

| Year Ending December 31: | OPERS              | OPF              | Total              |
|--------------------------|--------------------|------------------|--------------------|
| 2019                     | \$ 284,134         | \$ 28,140        | \$ 312,274         |
| 2020                     | 42,984             | 16,737           | 59,721             |
| 2021                     | (216,976)          | (28,187)         | (245,163)          |
| 2022                     | (202,473)          | (13,169)         | (215,642)          |
| 2023                     | 0                  | 24,067           | 24,067             |
| Thereafter               | 0                  | 5,918            | 5,918              |
|                          | <u>\$ (92,331)</u> | <u>\$ 33,506</u> | <u>\$ (58,825)</u> |

***Actuarial Assumptions - OPERS***

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

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

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

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

**City of Rittman**  
**Wayne County, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2018*

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

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

During 2017, OPERS managed investments in three investment portfolios: the Defined Benefit portfolio, the Health Care portfolio, and the Defined Contribution portfolio. The Defined Benefit portfolio contains the investment assets of the Traditional Pension Plan, the defined benefit component of the Combined Plan and the annuitized accounts of the Member-Directed Plan. Within the Defined Benefit portfolio, contributions into the plans are all recorded at the same time, and benefit payments all occur on the first of the month. Accordingly, the money-weighted rate of return is considered to be the same for all plans within the portfolio. The annual money-weighted rate of return expressing investment performance, net of investment expenses and adjusted for the changing amounts actually invested, for the Defined Benefit portfolio was 16.82 percent for 2017.

The allocation of investment assets within the Defined Benefit portfolio is approved by the Board of Trustees as outlined in the annual investment plan. Plan assets are managed on a total return basis with a long-term objective of achieving and maintaining a fully funded status for the benefits provided through the defined benefit pension plans. The table below displays the Board-approved asset allocation policy for 2017 and the long-term expected real rates of return:

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

**Discount Rate** The discount rate used to measure the total pension liability was 7.50 percent. The projection of cash flows used to determine the discount rate assumed that contributions from plan members and those of the contributing employers are made at the contractually required rates, as actuarially determined. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefits payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

**City of Rittman**  
**Wayne County, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2018*

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

|  | 1% Decrease<br>(6.50%) | Current<br>Discount Rate<br>(7.50%) | 1% Increase<br>(8.50%) |
|--|------------------------|-------------------------------------|------------------------|
| City's Proportionate Share of the<br>Net Pension Liability | \$ 4,075,624           | \$ 2,295,163                        | \$ 810,794             |

***Actuarial Assumptions – OP&F***

OP&F's total pension liability as of December 31, 2017 is based on the results of an actuarial valuation date of January 1, 2017, and rolled-forward using generally accepted actuarial procedures. The total pension liability is determined by OP&F's actuaries in accordance with GASB Statement No. 67, as part of their annual valuation. Actuarial valuations of an ongoing retirement plan involve estimates of the value of reported amounts and assumptions about probability of occurrence of events far into the future. Examples include assumptions about future employment mortality, salary increases, disabilities, retirements and employment terminations. Actuarially determined amounts are subject to continual review and potential modifications, as actual results are compared with past expectations and new estimates are made about the future.

Key methods and assumptions used in calculating the total pension liability in the latest actuarial valuation, prepared as of January 1, 2017, are presented below:

|                            |  |
|----------------------------|--|
| Actuarial Cost Method      | Entry Age (Level Percent of Payroll)   |
| Investment Rate of Return  | 8.00 percent   |
| Projected Salary Increases | 3.75 percent to 10.50 percent  |
| Payroll Increases          | 3.25 percent (inflation plus productivity increase)  |
| Inflation Assumptions      | 2.75 percent   |
| Cost-of-Living Adjustments | 3.00 percent simple;<br>2.20 percent simple for increases based on lesser of<br>the increase in CPI and 3.00 percent |

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

| Age        | Police |
|------------|--------|
| 67 or less | 77     |
| 68-77      | 105    |
| 78 and up  | 115    |

**City of Rittman**  
**Wayne County, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2018*

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

| Age        | Police |
|------------|--------|
| 59 or less | 35     |
| 60-69      | 60     |
| 70-79      | 75     |
| 80 and up  | 100    |

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

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

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

Note: Assumptions are geometric.

\* Levered 2x

\*\* Numbers are net of expected inflation

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

**City of Rittman**  
**Wayne County, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2018*

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

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

|  | 1% Decrease<br>(7.00%) | Current<br>Discount Rate<br>(8.00%) | 1% Increase<br>(9.00%) |
|--|------------------------|-------------------------------------|------------------------|
| City's Proportionate Share of the<br>Net Pension Liability | \$ 1,738,208           | \$ 1,253,879                        | \$ 858,868             |

**Note 10 – Defined Benefit OPEB Plans**

***Net OPEB Liability***

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

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

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

**City of Rittman**  
**Wayne County, Ohio**

*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2018*

---

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

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

***Plan Description – Ohio Public Employees Retirement System (OPERS)***

OPERS administers three separate pension plans: the traditional pension plan, a cost-sharing, multiple-employer defined benefit pension plan; the member-directed plan, a defined contribution plan; and the combined plan, a cost-sharing, multiple-employer defined benefit pension plan that has elements of both a defined benefit and defined contribution plan.

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

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

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

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

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



**City of Rittman**  
**Wayne County, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2018*

---

Employer contribution rates are expressed as a percentage of the earnable salary of active members. In 2018, state and local employers contributed at a rate of 14.0 percent of earnable salary and public safety and law enforcement employers contributed at 18.1 percent. These are the maximum employer contribution rates permitted by the Ohio Revised Code. Active member contributions do not fund health care.

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

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

The City's contractually required contribution was \$0 for 2018.

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

The City contributes to the Ohio Police and Fire Pension Fund (OP&F) sponsored healthcare program, a cost-sharing, multiple-employer defined post-employment healthcare plan administered by a third-party provider. This program is not guaranteed and is subject to change at any time upon action of the Board of Trustees. OP&F provides health care benefits including coverage for medical, prescription drug, dental, vision, and Medicare Part B Premium to retirees, qualifying benefit recipients and their eligible dependents.

OP&F provides access to postretirement health care coverage for any person who receives or is eligible to receive a monthly service, disability, or statutory survivor benefit, or is a spouse or eligible dependent child of such person. The health care coverage provided by OP&F meets the definition of an Other Post Employment Benefit (OPEB) as described in Government Accounting Standards Board (GASB) Statement No. 75.

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

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

**City of Rittman  
Wayne County, Ohio**

*Notes to the Basic Financial Statements  
For the Year Ended December 31, 2018*

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

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

The Board of Trustees is authorized to allocate a portion of the total employer contributions made into the pension plan to the Section 115 trust and the Section 401(h) account as the employer contribution for retiree health care benefits. For 2018, the portion of employer contributions allocated to health care was 0.5 percent of covered payroll. The amount of employer contributions allocated to the health care plan each year is subject to the Trustees' primary responsibility to ensure that pension benefits are adequately funded and is limited by the provisions of Sections 115 and 401(h).

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

The City's contractually required contribution to OP&F was \$2,863 for 2018. Of this amount, \$523 is reported as an intergovernmental payable.

***OPEB Liabilities, OPEB Expense, and Deferred Outflows/Inflows of Resources Related to OPEB***

The net OPEB liability and total OPEB liability for OPERS were determined by an actuarial valuation as of December 31, 2016, rolled forward to the measurement date of December 31, 2017, by incorporating the expected value of health care cost accruals, the actual health care payment, and interest accruals during the year. OP&F's total OPEB liability was measured as of December 31, 2017, and was determined by rolling forward the total OPEB liability as of January 1, 2017, to December 31, 2017. The City's proportion of the net OPEB liability was based on the City's share of contributions to the retirement plan relative to the contributions of all participating entities. Following is information related to the proportionate share and OPEB expense:

|                                       | OPERS        | OPF          | Total        |
|---------------------------------------|--------------|--------------|--------------|
| Proportion of the Net OPEB Liability: |              |              |              |
| Current Measurement Period            | 0.014095%    | 0.020430%    |              |
| Prior Measurement Period              | 0.013200%    | 0.019269%    |              |
| Change in Proportion                  | 0.000895%    | 0.001161%    |              |
| Proportionate Share of the Net        |              |              |              |
| OPEB Liability                        | \$ 1,530,662 | \$ 1,157,535 | \$ 2,688,197 |
| OPEB Expense                          | \$ 95,757    | \$ 97,783    | \$ 193,540   |

**City of Rittman**  
**Wayne County, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2018*

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

|  | OPERS             | OPF               | Total             |
|--|-------------------|-------------------|-------------------|
| <b>Deferred Outflows of Resources</b>                    |                   |                   |                   |
| Differences between Expected and                         |                   |                   |                   |
| Actual Experience  | \$ 1,192          | \$ 0              | \$ 1,192          |
| Changes of Assumptions                                   | 111,448           | 112,951           | 224,399           |
| Changes in Proportionate Share                           | 122,378           | 48,081            | 170,459           |
| City Contributions Subsequent<br>to the Measurement Date | 0                 | 2,863             | 2,863             |
| Total Deferred Outflows of Resources                     | <u>\$ 235,018</u> | <u>\$ 163,895</u> | <u>\$ 398,913</u> |
| <b>Deferred Inflows of Resources</b>                     |                   |                   |                   |
| Differences between Expected and                         |                   |                   |                   |
| Actual Experience  | \$ 0              | \$ 5,838          | \$ 5,838          |
| Net Difference between Projected and Actual              |                   |                   |                   |
| Earnings on OPEB Plan Investments                        | 114,024           | 7,619             | 121,643           |
| Total Deferred Inflows of Resources                      | <u>\$ 114,024</u> | <u>\$ 13,457</u>  | <u>\$ 127,481</u> |

\$2,863 reported as deferred outflows of resources related to OPEB resulting from City contributions subsequent to the measurement date will be recognized as a reduction of the net OPEB liability in 2019. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

| Year Ending December 31: | OPERS             | OPF               | Total             |
|--------------------------|-------------------|-------------------|-------------------|
| 2019                     | \$ 83,856         | \$ 20,783         | \$ 104,639        |
| 2020                     | 86,537            | 20,783            | 107,320           |
| 2021                     | (20,893)          | 20,783            | (110)             |
| 2022                     | (28,506)          | 20,784            | (7,722)           |
| 2023                     | 0                 | 22,688            | 22,688            |
| Thereafter               | 0                 | 41,754            | 41,754            |
|                          | <u>\$ 120,994</u> | <u>\$ 147,575</u> | <u>\$ 268,569</u> |

***Actuarial Assumptions - OPERS***

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

**City of Rittman**  
**Wayne County, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2018*

---

Projections of benefits for financial reporting purposes are based on the substantive plan and include the types of coverage provided at the time of each valuation and the historical pattern of sharing of costs between OPERS and plan members. The total OPEB liability was determined by an actuarial valuation as of December 31, 2016, rolled forward to the measurement date of December 31, 2017. The actuarial valuation used the following actuarial assumptions applied to all prior periods included in the measurement in accordance with the requirements of GASB 74:

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

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

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

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

During 2017, OPERS managed investments in three investment portfolios: the Defined Benefit portfolio, the Health Care portfolio and the Defined Contribution portfolio. The Health Care portfolio includes the assets for health care expenses for the Traditional Pension Plan, Combined Plan and Member-Directed Plan eligible members. Within the Health Care portfolio, contributions into the plans are assumed to be received continuously throughout the year based on the actual payroll payable at the time contributions are made, and health care-related payments are assumed to occur mid-year. Accordingly, the money-weighted rate of return is considered to be the same for all plans within the portfolio. The annual money-weighted rate of return expressing investment performance, net of investment expenses and adjusted for the changing amounts actually invested, for the Health Care portfolio is 15.2 percent for 2017.

**City of Rittman**  
**Wayne County, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2018*

The allocation of investment assets with the Health Care portfolio is approved by the Board of Trustees as outlined in the annual investment plan. Assets are managed on a total return basis with a long-term objective of continuing to offer a sustainable health care program for current and future retirees. OPERS' primary goal is to achieve and maintain a fully funded status for the benefits provided through the defined pension plans. Health care is a discretionary benefit. The table below displays the Board-approved asset allocation policy for 2017 and the long-term expected real rates of return:

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

**Discount Rate** A single discount rate of 3.85 percent was used to measure the OPEB liability on the measurement date of December 31, 2017. A single discount rate of 4.23 percent was used to measure the OPEB liability on the measurement date of December 31, 2016. Projected benefit payments are required to be discounted to their actuarial present value using a single discount rate that reflects (1) a long-term expected rate of return on OPEB plan investments (to the extent that the health care fiduciary net position is projected to be sufficient to pay benefits), and (2) tax-exempt municipal bond rate based on an index of 20-year general obligation bonds with an average AA credit rating as of the measurement date (to the extent that the contributions for use with the long-term expected rate are not met). This single discount rate was based on an expected rate of return on the health care investment portfolio of 6.50 percent and a municipal bond rate of 3.31 percent. The projection of cash flows used to determine this single discount rate assumed that employer contributions will be made at rates equal to the actuarially determined contribution rate. Based on these assumptions, the health care fiduciary net position and future contributions were sufficient to finance health care costs through 2034. As a result, the long-term expected rate of return on health care investments was applied to projected costs through the year 2034, and the municipal bond rate was applied to all health care costs after that date.

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

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

|  | <u>1% Decrease<br/>(2.85%)</u> | <u>Current<br/>Discount Rate<br/>(3.85%)</u> | <u>1% Increase<br/>(4.85%)</u> |
|--|--------------------------------|--|--------------------------------|
| City's Proportionate Share of the Net OPEB Liability | \$ 2,033,551                   | \$ 1,530,662                                 | \$ 1,123,830                   |

**City of Rittman**  
**Wayne County, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2018*

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

Retiree health care valuations use a health care cost-trend assumption that changes over several years built into the assumption. The near-term rates reflect increases in the current cost of health care; the trend starting in 2018 is 7.50 percent. If this trend continues for future years, the projection indicates that years from now virtually all expenditures will be for health care. A more reasonable alternative is that in the not-too-distant future, the health plan cost trend will decrease to a level at, or near, wage inflation. On this basis, the actuaries’ project premium rate increases will continue to exceed wage inflation for approximately the next decade, but by less each year, until leveling off at an ultimate rate, assumed to be 3.25 percent in the most recent valuation.

|   | 1% Decrease  | Current<br>Trend Rate | 1% Increase  |
|---|--------------|-----------------------|--------------|
| City's Proportionate Share of the<br>Net OPEB Liability | \$ 1,464,517 | \$ 1,530,662          | \$ 1,598,988 |

***Actuarial Assumptions – OP&F***

OP&F’s total OPEB liability as of December 31, 2017, is based on the results of an actuarial valuation date of January 1, 2017, and rolled-forward using generally accepted actuarial procedures. The total OPEB liability is determined by OP&F’s actuaries in accordance with GASB Statement No. 74, as part of their annual valuation. Actuarial valuations of an ongoing plan involve estimates of reported amounts and assumptions about probability of occurrence of events far into the future. Examples include assumptions about future employment mortality, salary increases, disabilities, retirements and employment terminations. Actuarially determined amounts are subject to continual review and potential modifications, as actual results are compared with past expectations and new estimates are made about the future.

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

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

**City of Rittman**  
**Wayne County, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2018*

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

|                            |  |
|----------------------------|--|
| Valuation Date             | January 1, 2017, with actuarial liabilities rolled forward to December 31, 2017                                    |
| Actuarial Cost Method      | Entry Age Normal   |
| Investment Rate of Return  | 8.00 percent   |
| Projected Salary Increases | 3.75 percent to 10.50 percent  |
| Payroll Growth             | Inflation rate of 2.75 percent plus productivity increase rate of 0.50 percent                                     |
| Single discount rate:      |  |
| Current measurement date   | 3.24 percent   |
| Prior measurement date     | 3.79 percent   |
| Cost of Living Adjustments | 3.00 percent simple; 2.20 percent simple for increased based on the lesser of the increase in CPI and 3.00 percent |

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

| <u>Age</u> | <u>Police</u> |
|------------|---------------|
| 67 or less | 77            |
| 68-77      | 105           |
| 78 and up  | 115           |

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

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

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

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

**City of Rittman**  
**Wayne County, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2018*

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

Note: Assumptions are geometric.

\* Levered 2x

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

**Discount Rate** The total OPEB liability was calculated using the discount rate of 3.24 percent. The projection of cash flows used to determine the discount rate assumed the contribution from employers and from members would be computed based on contribution requirements as stipulated by state statute. Projected inflows from investment earnings were calculated using the longer-term assumed investment rate of return 8 percent. Based on those assumptions, OP&F's fiduciary net position was projected to not be able to make all future benefit payments of current plan members. Therefore, a municipal bond rate of 3.16 percent at December 31, 2017 and 3.71 percent at December 31, 2016, was blended with the long-term rate of 8 percent, which resulted in a blended discount rate of 3.24 percent. The municipal bond rate was determined using the S&P Municipal Bond 20 Year High Grade Rate Index. The OPEB plan's fiduciary net position was projected to be available to make all projected OPEB payments until 2025. The long-term expected rate of return on health care investments was applied to projected costs through 2025, and the municipal bond rate was applied to all health care costs after that date.

**Sensitivity of the City's Proportionate Share of the Net OPEB Liability to Changes in the Discount Rate** Net OPEB liability is sensitive to changes in the discount rate, and to illustrate the potential impact the following table presents the net OPEB liability calculated using the discount rate of 3.24 percent, as well as what the net OPEB liability would be if it were calculated using a discount rate that is one percentage point lower (2.24 percent), or one percentage point higher (4.24 percent) than the current rate.

|   | 1% Decrease<br>(2.24%) | Current<br>Discount Rate<br>(3.24%) | 1% Increase<br>(4.24%) |
|---|------------------------|-------------------------------------|------------------------|
| City's Proportionate Share of the<br>Net OPEB Liability | \$ 1,446,933           | \$ 1,157,535                        | \$ 934,856             |



**City of Rittman**  
**Wayne County, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2018*

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

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

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

|  | 1% Decrease | Current Trend Rate | 1% Increase  |
|--|-------------|--------------------|--------------|
| City's Proportionate Share of the Net OPEB Liability | \$ 899,194  | \$ 1,157,535       | \$ 1,505,691 |

***Changes between Measurement Date and Report Date***

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

**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.

**City of Rittman**  
**Wayne County, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2018*

**Note 12 – Long Term Obligations**

***Changes in Long Term Liabilities***

Long term liability activity for the year ended December 31, 2018 was as follows:

|  | Restated<br>Balance<br>12/31/2017 | Additions         | Reductions        | Balance<br>12/31/2018 | Due Within<br>One Year |
|--|-----------------------------------|-------------------|-------------------|-----------------------|------------------------|
| <b>Governmental Activities</b>                 |                                   |                   |                   |                       |                        |
| <i>General Obligation Bonds</i>                |                                   |                   |                   |                       |                        |
| 2009 Emergency Dispatch<br>Communication Bonds | \$ 42,000                         | \$ 0              | \$ 5,000          | \$ 37,000             | \$ 6,000               |
| 2014 Recreation Center<br>Refunding Bonds      | 330,000                           | 0                 | 110,000           | 220,000               | 110,000                |
| 2014 Pool Project Bonds                        | 30,000                            | 0                 | 5,000             | 25,000                | 5,000                  |
| <i>Total General Obligation Bonds</i>          | <u>402,000</u>                    | <u>0</u>          | <u>120,000</u>    | <u>282,000</u>        | <u>121,000</u>         |
| <i>Loans</i>                                   |                                   |                   |                   |                       |                        |
| 2013 Wayne Savings Community<br>Bank           | 38,708                            | 0                 | 38,708            | 0                     | 0                      |
| 2013 Rittman CIC                               | 35,000                            | 0                 | 0                 | 35,000                | 0                      |
| 2015 OPWC                                      | 78,625                            | 0                 | 4,250             | 74,375                | 4,250                  |
| <i>Total Loans</i>                             | <u>152,333</u>                    | <u>0</u>          | <u>42,958</u>     | <u>109,375</u>        | <u>4,250</u>           |
| Note Payable                                   | 18,976                            | 0                 | 18,976            | 0                     | 0                      |
| <i>Total Notes Payable</i>                     | <u>18,976</u>                     | <u>0</u>          | <u>18,976</u>     | <u>0</u>              | <u>0</u>               |
| <i>Net Pension Liability</i>                   |                                   |                   |                   |                       |                        |
| OPERS  | 2,213,649                         | 0                 | 584,083           | 1,629,566             | 0                      |
| OP&F   | 1,220,505                         | 33,374            | 0                 | 1,253,879             | 0                      |
| <i>Total Net Pension Liability</i>             | <u>3,434,154</u>                  | <u>33,374</u>     | <u>584,083</u>    | <u>2,883,445</u>      | <u>0</u>               |
| <i>Net OPEB Liability</i>                      |                                   |                   |                   |                       |                        |
| OPERS  | 946,604                           | 140,166           | 0                 | 1,086,770             | 0                      |
| OP&F   | 914,656                           | 242,879           | 0                 | 1,157,535             | 0                      |
| <i>Total Net OPEB Liability</i>                | <u>1,861,260</u>                  | <u>383,045</u>    | <u>0</u>          | <u>2,244,305</u>      | <u>0</u>               |
| <i>Other Long-Term Obligations</i>             |                                   |                   |                   |                       |                        |
| Compensated Absences                           | 205,095                           | 116,969           | 108,572           | 213,492               | 140,311                |
| Capital Lease                                  | 71,715                            | 198,465           | 52,884            | 217,296               | 76,366                 |
| <i>Total Other Long-Term Obligations</i>       | <u>276,810</u>                    | <u>315,434</u>    | <u>161,456</u>    | <u>430,788</u>        | <u>216,677</u>         |
| Total Governmental<br>Long Term Liabilities    | <u>\$ 6,145,533</u>               | <u>\$ 731,853</u> | <u>\$ 927,473</u> | <u>\$ 5,949,913</u>   | <u>\$ 341,927</u>      |

**City of Rittman**  
**Wayne County, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2018*

|  | Restated<br>Balance<br>12/31/2017 | Additions         | Reductions        | Balance<br>12/31/2018 | Due Within<br>One Year |
|--|-----------------------------------|-------------------|-------------------|-----------------------|------------------------|
| <b>Business-Type Activities</b>          |                                   |                   |                   |                       |                        |
| <i>General Obligation Bonds</i>          |                                   |                   |                   |                       |                        |
| 2014 Refunding Bonds                     | \$ 680,000                        | \$ 0              | \$ 100,000        | \$ 580,000            | \$ 95,000              |
| 2016 Sewerage System Refunding           | 319,270                           | 0                 | 105,348           | 213,922               | 106,420                |
| <i>Total General Obligation Bonds</i>    | <u>999,270</u>                    | <u>0</u>          | <u>205,348</u>    | <u>793,922</u>        | <u>201,420</u>         |
| <i>Loans</i>                             |                                   |                   |                   |                       |                        |
| 2005 OPWC Loan                           | 106,250                           | 0                 | 12,500            | 93,750                | 12,500                 |
| 2010 OPWC Loan                           | 110,034                           | 0                 | 4,491             | 105,543               | 4,491                  |
| 2015 OPWC Loan                           | 152,625                           | 0                 | 8,250             | 144,375               | 8,250                  |
| 2017 OPWC Loan                           | 152,510                           | 0                 | 5,981             | 146,529               | 5,981                  |
| <i>Total Loans</i>                       | <u>521,419</u>                    | <u>0</u>          | <u>31,222</u>     | <u>490,197</u>        | <u>31,222</u>          |
| <i>Net Pension Liability - OPERS</i>     |                                   |                   |                   |                       |                        |
| Water                                    | 405,316                           | 0                 | 106,945           | 298,371               | 0                      |
| Sewer                                    | 467,672                           | 0                 | 123,398           | 344,274               | 0                      |
| Solid Waste                              | 31,178                            | 0                 | 8,226             | 22,952                | 0                      |
| <i>Total Net Pension Liability</i>       | <u>904,166</u>                    | <u>0</u>          | <u>238,569</u>    | <u>665,597</u>        | <u>0</u>               |
| <i>Net OPEB Liability</i>                |                                   |                   |                   |                       |                        |
| Water                                    | 173,322                           | 25,664            | 0                 | 198,986               | 0                      |
| Sewer                                    | 199,987                           | 29,612            | 0                 | 229,599               | 0                      |
| Solid Waste                              | 13,332                            | 1,975             | 0                 | 15,307                | 0                      |
| <i>Total Net OPEB Liability</i>          | <u>386,641</u>                    | <u>57,251</u>     | <u>0</u>          | <u>443,892</u>        | <u>0</u>               |
| <i>Other Long-Term Obligations</i>       |                                   |                   |                   |                       |                        |
| Compensated Absences                     | 105,438                           | 65,245            | 57,539            | 113,144               | 59,640                 |
| Capital Lease                            | 0                                 | 80,758            | 8,256             | 72,502                | 15,906                 |
| <i>Total Other Long-Term Obligations</i> | <u>105,438</u>                    | <u>146,003</u>    | <u>65,795</u>     | <u>185,646</u>        | <u>75,546</u>          |
| <b>Total Business-Type Activities</b>    |                                   |                   |                   |                       |                        |
| Long Term Liabilities                    | <u>\$ 2,916,934</u>               | <u>\$ 203,254</u> | <u>\$ 540,934</u> | <u>\$ 2,579,254</u>   | <u>\$ 308,188</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 and sewer funds 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.

**City of Rittman**  
**Wayne County, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2018*

---

*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. As of December 31, 2018, \$820,000 of these bonds is considered defeased.

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 was paid from the fire levy fund and matured in 2018.

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.

*2015 Note*

On June 2, 2015 the City issued a note in the amount of \$111,000 at an interest rate of 2.05 percent to finance the cost of two rescue squads for the emergency medical service department. The note was paid from the emergency medical service fund and matured on June 2, 2018.

*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.

**City of Rittman**  
**Wayne County, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2018*

*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.

*2017 OPWC Loan*

The 2017 OPWC loan was for painting the City's water tower. The City received \$155,500 in proceeds in 2017. The loan matures in 2043 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 2043. The total principal remaining to be paid on the loans is \$490,197, principal paid in the current year was \$31,222.

There are no repayment schedules for the net pension liability and net OPEB liability; however, employer pension and OPEB contributions are primarily made from the general fund, water, sewer, and solid waste funds. For additional information related to the net pension liability and net OPEB liability see Notes 9 and 10.

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

| Year Ending<br>December 31, | Governmental Activities  |                  |                   |                  |
|-----------------------------|--------------------------|------------------|-------------------|------------------|
|                             | General Obligation Bonds |                  |                   | Loans Payable*   |
|                             | Principal                | Interest         | Total             | Principal        |
| 2019                        | \$ 121,000               | \$ 7,085         | \$ 128,085        | \$ 4,250         |
| 2020                        | 121,000                  | 4,243            | 125,243           | 4,250            |
| 2021                        | 11,000                   | 1,400            | 12,400            | 4,250            |
| 2022                        | 11,000                   | 1,033            | 12,033            | 4,250            |
| 2023                        | 11,000                   | 665              | 11,665            | 4,250            |
| 2024 - 2028                 | 7,000                    | 298              | 7,298             | 21,250           |
| 2029 - 2033                 | 0                        | 0                | 0                 | 21,250           |
| 2034 - 2036                 | 0                        | 0                | 0                 | 10,625           |
| Total                       | <u>\$ 282,000</u>        | <u>\$ 14,724</u> | <u>\$ 296,724</u> | <u>\$ 74,375</u> |

\* The \$35,000 Rittman Community Improvement Corporation loan is not included since there is no maturity date at this time.

**City of Rittman**  
**Wayne County, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2018*

| Year Ending<br>December 31, | Business Type Activities |                  |                   |                   |
|-----------------------------|--------------------------|------------------|-------------------|-------------------|
|                             | General Obligation Bonds |                  |                   | OPWC Loans        |
|                             | Principal                | Interest         | Total             | Principal         |
| 2019                        | \$ 201,420               | \$ 17,404        | \$ 218,824        | \$ 31,222         |
| 2020                        | 207,502                  | 13,101           | 220,603           | 31,222            |
| 2021                        | 95,000                   | 8,663            | 103,663           | 31,222            |
| 2022                        | 95,000                   | 6,525            | 101,525           | 31,222            |
| 2023                        | 100,000                  | 4,387            | 104,387           | 31,222            |
| 2024-2028                   | 95,000                   | 2,137            | 97,137            | 124,860           |
| 2029-2033                   | 0                        | 0                | 0                 | 93,610            |
| 2034-2038                   | 0                        | 0                | 0                 | 72,985            |
| 2039-2043                   | 0                        | 0                | 0                 | 42,632            |
| Total                       | <u>\$ 793,922</u>        | <u>\$ 52,217</u> | <u>\$ 846,139</u> | <u>\$ 490,197</u> |

**Note 13 – Capital Lease**

In 2018, the City entered into lease agreements for ten vehicles. In 2017, the City entered into a lease agreement for three police vehicles. Capital lease payments have been reclassified and are reflected as debt service expenditures in the basic financial statements.

The vehicles acquired by the lease have been capitalized and depreciated as follows as of December 31, 2018:

|                               | Governmental<br>Activities | Business-Type<br>Activities |
|-------------------------------|----------------------------|-----------------------------|
| Equipment                     | \$ 289,970                 | \$ 80,758                   |
| Less Accumulated Depreciation | (51,444)                   | (13,462)                    |
| Carrying Value                | <u>\$ 238,526</u>          | <u>\$ 67,296</u>            |

The lease provides for minimum, annual lease payments as follows:

|  | Governmental<br>Activities | Business-Type<br>Activities |
|--|----------------------------|-----------------------------|
| 2019                                   | \$ 81,250                  | \$ 16,574                   |
| 2020                                   | 40,757                     | 16,578                      |
| 2021                                   | 40,758                     | 16,578                      |
| 2022                                   | 40,759                     | 16,580                      |
| 2023                                   | 21,414                     | 7,902                       |
| Total Minimum Lease Payment            | 224,938                    | 74,212                      |
| Less: Amount Representing Interest     | (7,642)                    | (1,710)                     |
| Present Value of Minimum Lease Payment | <u>\$ 217,296</u>          | <u>\$ 72,502</u>            |

**City of Rittman**  
**Wayne County, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2018*

---

**Note 14 – 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 \$30,665,444. 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.

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 January 1, 2018, the City contracted with Chapman and Chapman for medical and prescription coverage.

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.

**Note 15 – 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 participated in the Ohio Public Entity Consortium Healthcare Cooperative (OPEC-HC) prior to December 31, 2017. OPEC-HC was a risk sharing pool that had a deficit fund balance when it was dissolved. At this time, the effect of the closure, including any possible impact to the City, is not reasonably estimated or certain.

The City was not a defendant in any lawsuits at year end.

**Note 16 – Commitments**

***Encumbrances***

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

**City of Rittman**  
**Wayne County, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2018*

---

| Fund                           | Amount     |
|--------------------------------|------------|
| General Fund                   | \$ 57,575  |
| Emergency Medical Service Fund | 6,895      |
| Fire Department Levy Fund      | 9,460      |
| Capital Improvements Fund      | 72,366     |
| Nonmajor Governmental Funds    | 6,855      |
|                                | \$ 153,151 |

***Contractual Commitments***

As of December 31, 2018, the City had a contractual commitment for the following:

|                            | Contractual<br>Commitment | Expended   | Remaining<br>Balance |
|----------------------------|---------------------------|------------|----------------------|
| USDA Main Street Waterline | \$ 176,000                | \$ 165,938 | \$ 10,062            |

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



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

|   | <u>2018</u>  |    | <u>2017</u> |    | <u>2016</u> |    | <u>2015</u> |    | <u>2014</u> |
|---|--------------|----|-------------|----|-------------|----|-------------|----|-------------|
| <b>Ohio Public Employees' Retirement System (OPERS)</b>   |              |    |             |    |             |    |             |    |             |
| City's Proportion of the Net Pension Liability  | 0.014630%    |    | 0.013730%   |    | 0.014193%   |    | 0.014036%   |    | 0.014036%   |
| City's Proportionate Share of the Net Pension Liability   | \$ 2,295,163 | \$ | 3,117,815   | \$ | 2,458,407   | \$ | 1,692,898   | \$ | 1,654,662   |
| City's Covered Payroll  | \$ 1,933,371 | \$ | 1,774,867   | \$ | 1,766,425   | \$ | 1,720,742   | \$ | 1,619,969   |
| City's Proportionate Share of the Net Pension Liability<br>as a Percentage of its Covered Payroll | 118.71%      |    | 175.66%     |    | 139.17%     |    | 98.38%      |    | 102.14%     |
| Plan Fiduciary Net Position as a Percentage of the Total Pension Liability                        | 84.66%       |    | 77.25%      |    | 81.08%      |    | 86.45%      |    | 86.36%      |
| <b>Ohio Police and Fire Pension Fund (OPF)</b>  |              |    |             |    |             |    |             |    |             |
| City's Proportion of the Net Pension Liability  | 0.020430%    |    | 0.019269%   |    | 0.019951%   |    | 0.020954%   |    | 0.020954%   |
| City's Proportionate Share of the Net Pension Liability   | \$ 1,253,879 | \$ | 1,220,479   | \$ | 1,283,462   | \$ | 1,085,489   | \$ | 1,020,511   |
| City's Covered Payroll  | \$ 495,841   | \$ | 460,344     | \$ | 501,108     | \$ | 453,958     | \$ | 448,659     |
| City's Proportionate Share of the Net Pension Liability<br>as a Percentage of its Covered Payroll | 252.88%      |    | 265.12%     |    | 256.12%     |    | 239.12%     |    | 227.46%     |
| Plan Fiduciary Net Position as a Percentage of the Total Pension Liability                        | 70.91%       |    | 68.36%      |    | 66.77%      |    | 72.20%      |    | 73.00%      |

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

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

**City of Rittman**  
**Wayne County, Ohio**  
*Required Supplementary Information*  
*Schedule of the City's Contributions - Pension*  
*Last Ten Years*

|   | <u>2018</u>      | <u>2017</u>      | <u>2016</u>      | <u>2015</u>      |
|---|------------------|------------------|------------------|------------------|
| <b><i>Ohio Public Employees' Retirement System (OPERS)</i></b>          |                  |                  |                  |                  |
| Contractually Required Contribution                                     | \$ 262,621       | \$ 251,338       | \$ 212,984       | \$ 211,971       |
| Contributions in Relation to the<br>Contractually Required Contribution | <u>(262,621)</u> | <u>(251,338)</u> | <u>(212,984)</u> | <u>(211,971)</u> |
| Contribution Deficiency (Excess)  | <u>\$ 0</u>      | <u>\$ 0</u>      | <u>\$ 0</u>      | <u>\$ 0</u>      |
| City's Covered Payroll  | \$ 1,875,864     | \$ 1,933,371     | \$ 1,774,867     | \$ 1,766,425     |
| Contributions as a Percentage of Covered Payroll                        | 14.00%           | 13.00%           | 12.00%           | 12.00%           |
| <b><i>Ohio Police and Fire Pension Fund (OPF)</i></b>                   |                  |                  |                  |                  |
| Contractually Required Contribution                                     | \$ 108,784       | \$ 94,210        | \$ 87,465        | \$ 95,210        |
| Contributions in Relation to the<br>Contractually Required Contribution | <u>(108,784)</u> | <u>(94,210)</u>  | <u>(87,465)</u>  | <u>(95,210)</u>  |
| Contribution Deficiency (Excess)  | <u>\$ 0</u>      | <u>\$ 0</u>      | <u>\$ 0</u>      | <u>\$ 0</u>      |
| City's Covered Payroll  | \$ 572,549       | \$ 495,841       | \$ 460,344       | \$ 501,108       |
| Contributions as a Percentage of Covered Payroll                        | 19.00%           | 19.00%           | 19.00%           | 19.00%           |

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

| <u>2014</u>      | <u>2013</u>      | <u>2012</u>     | <u>2011</u>     | <u>2010</u>     | <u>2009</u>     |
|------------------|------------------|-----------------|-----------------|-----------------|-----------------|
| \$ 206,489       | \$ 210,596       | n/a             | n/a             | n/a             | n/a             |
| <u>(206,489)</u> | <u>(210,596)</u> | n/a             | n/a             | n/a             | n/a             |
| <u>\$ 0</u>      | <u>\$ 0</u>      | n/a             | n/a             | n/a             | n/a             |
| \$ 1,720,742     | \$ 1,619,969     | n/a             | n/a             | n/a             | n/a             |
| 12.00%           | 13.00%           | n/a             | n/a             | n/a             | n/a             |
| \$ 87,690        | \$ 70,574        | \$ 55,319       | \$ 60,564       | \$ 55,854       | \$ 57,387       |
| <u>(87,690)</u>  | <u>(70,574)</u>  | <u>(55,319)</u> | <u>(60,564)</u> | <u>(55,854)</u> | <u>(57,387)</u> |
| <u>\$ 0</u>      | <u>\$ 0</u>      | <u>\$ 0</u>     | <u>\$ 0</u>     | <u>\$ 0</u>     | <u>\$ 0</u>     |
| \$ 453,958       | \$ 448,659       | \$ 433,875      | \$ 475,012      | \$ 438,071      | \$ 450,094      |
| 19.32%           | 15.73%           | 12.75%          | 12.75%          | 12.75%          | 12.75%          |

*This page intentionally left blank.*

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

|  | <u>2018</u>  | <u>2017</u>  |
|--|--------------|--------------|
| <b><i>Ohio Public Employees' Retirement System (OPERS)</i></b>                                 |              |              |
| City's Proportion of the Net OPEB Liability  | 0.014095%    | 0.013200%    |
| City's Proportionate Share of the Net OPEB Liability   | \$ 1,530,662 | \$ 1,333,245 |
| City's Covered Payroll   | \$ 1,933,371 | \$ 1,774,867 |
| City's Proportionate Share of the Net OPEB Liability<br>as a Percentage of its Covered Payroll | 79.17%       | 75.12%       |
| Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability                        | 54.14%       | 54.04%       |
| <b><i>Ohio Police and Fire Pension Fund (OPF)</i></b>  |              |              |
| City's Proportion of the Net OPEB Liability  | 0.020430%    | 0.019269%    |
| City's Proportionate Share of the Net OPEB Liability   | \$ 1,157,535 | \$ 914,656   |
| City's Covered Payroll   | \$ 495,841   | \$ 460,344   |
| City's Proportionate Share of the Net OPEB Liability<br>as a Percentage of its Covered Payroll | 233.45%      | 198.69%      |
| Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability                        | 14.13%       | 15.96%       |

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

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

**City of Rittman**  
**Wayne County, Ohio**  
**Required Supplementary Information**  
*Schedule of the City's Contributions - OPEB*  
*Last Ten Years*

|   | <u>2018</u>    | <u>2017</u>     | <u>2016</u>     | <u>2015</u>    |
|---|----------------|-----------------|-----------------|----------------|
| <b><i>Ohio Public Employees' Retirement System (OPERS)</i></b>          |                |                 |                 |                |
| Contractually Required Contribution                                     | \$ 0           | \$ 19,334       | \$ 35,497       | n/a            |
| Contributions in Relation to the<br>Contractually Required Contribution | <u>0</u>       | <u>(19,334)</u> | <u>(35,497)</u> | n/a            |
| Contribution Deficiency (Excess)  | <u>\$ 0</u>    | <u>\$ 0</u>     | <u>\$ 0</u>     | n/a            |
| City's Covered Payroll (1)  | \$ 1,875,864   | \$ 1,933,371    | \$ 1,774,867    | n/a            |
| Contributions as a Percentage of Covered Payroll                        | 0.00%          | 1.00%           | 2.00%           | n/a            |
| <b><i>Ohio Police and Fire Pension Fund (OPF)</i></b>                   |                |                 |                 |                |
| Contractually Required Contribution                                     | \$ 2,863       | \$ 2,479        | \$ 2,302        | \$ 2,506       |
| Contributions in Relation to the<br>Contractually Required Contribution | <u>(2,863)</u> | <u>(2,479)</u>  | <u>(2,302)</u>  | <u>(2,506)</u> |
| Contribution Deficiency (Excess)  | <u>\$ 0</u>    | <u>\$ 0</u>     | <u>\$ 0</u>     | <u>\$ 0</u>    |
| City's Covered Payroll  | \$ 572,549     | \$ 495,841      | \$ 460,344      | \$ 501,108     |
| Contributions as a Percentage of Covered Payroll                        | 0.50%          | 0.50%           | 0.50%           | 0.50%          |

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

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

| <u>2014</u>    | <u>2013</u>     | <u>2012</u>     | <u>2011</u>     | <u>2010</u>     | <u>2009</u>     |
|----------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| n/a            | n/a             | n/a             | n/a             | n/a             | n/a             |
| n/a            | n/a             | n/a             | n/a             | n/a             | n/a             |
| n/a            | n/a             | n/a             | n/a             | n/a             | n/a             |
| n/a            | n/a             | n/a             | n/a             | n/a             | n/a             |
| n/a            | n/a             | n/a             | n/a             | n/a             | n/a             |
| \$ 2,303       | \$ 15,963       | \$ 29,287       | \$ 32,063       | \$ 27,718       | \$ 30,212       |
| <u>(2,303)</u> | <u>(15,963)</u> | <u>(29,287)</u> | <u>(32,063)</u> | <u>(27,718)</u> | <u>(30,212)</u> |
| <u>\$ 0</u>    | <u>\$ 0</u>     | <u>\$ 0</u>     | <u>\$ 0</u>     | <u>\$ 0</u>     | <u>\$ 0</u>     |
| \$ 453,958     | \$ 448,659      | \$ 433,875      | \$ 475,012      | \$ 438,071      | \$ 450,094      |
| 0.50%          | 3.56%           | 6.75%           | 6.75%           | 6.33%           | 6.71%           |

See accompanying notes to the required supplementary information.

**City of Rittman**  
**Wayne County, Ohio**  
*Notes to the Required Supplementary Information*  
*For the Year Ended December 31, 2018*

---

**Note 1 - Net Pension Liability**

***Changes in Assumptions – OPERS***

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

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

***Changes in Assumptions – OP&F***

For 2017, the single discount rate changed from 8.25 percent to 8.00 percent.

**Note 2 - Net OPEB Liability**

***Changes in Assumptions - OPERS***

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

***Changes in Assumptions – OPF***

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



**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.

### ***SAFER Grant***

To collect, manage and disperse grant funds specifically for the purposes awarded in the staffing for adequate fire and emergency response grant documents that were approved by FEMA.

### **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, 2018*

|  | Nonmajor<br>Special<br>Revenue<br>Funds | Nonmajor<br>Debt Service<br>Fund | Nonmajor<br>Capital<br>Projects<br>Fund | Total<br>Nonmajor<br>Governmental<br>Funds |
|--|---|----------------------------------|---|--|
| <b>Assets</b>  |   |                                  |   |  |
| Equity in Pooled Cash and Investments  | \$ 321,368                              | \$ 10,435                        | \$ 43,449                               | \$ 375,252                                 |
| Cash and Investments in Segregated Accounts                                      | 0                                       | 2,841                            | 0                                       | 2,841                                      |
| Intergovernmental Receivable   | 284,478                                 | 0                                | 0                                       | 284,478                                    |
| Property and Other Local Taxes Receivable  | 24,824                                  | 0                                | 0                                       | 24,824                                     |
| <i>Total Assets</i>  | <u>\$ 630,670</u>                       | <u>\$ 13,276</u>                 | <u>\$ 43,449</u>                        | <u>\$ 687,395</u>                          |
| <b>Liabilities</b>   |   |                                  |   |  |
| Accounts Payable   | \$ 1,524                                | \$ 0                             | \$ 0                                    | \$ 1,524                                   |
| Accrued Wages  | 6,026                                   | 0                                | 0                                       | 6,026                                      |
| Intergovernmental Payable  | 6,023                                   | 0                                | 0                                       | 6,023                                      |
| Matured Interest Payable   | 0                                       | 841                              | 0                                       | 841  |
| Matured Bonds Payable  | 0                                       | 2,000                            | 0                                       | 2,000                                      |
| <i>Total Liabilities</i>   | <u>13,573</u>                           | <u>2,841</u>                     | <u>0</u>                                | <u>16,414</u>                              |
| <b>Deferred Inflows of Resources</b>   |   |                                  |   |  |
| Property Taxes Levied for the Next Year  | 23,648                                  | 0                                | 0                                       | 23,648                                     |
| Delinquent Property Taxes  | 1,176                                   | 0                                | 0                                       | 1,176                                      |
| Unavailable Revenue - Other  | 233,741                                 | 0                                | 0                                       | 233,741                                    |
| <i>Total Deferred Inflows of Resources</i>                                       | <u>258,565</u>                          | <u>0</u>                         | <u>0</u>                                | <u>258,565</u>                             |
| <b>Fund Balances</b>   |   |                                  |   |  |
| Restricted   | 358,532                                 | 10,435                           | 43,449                                  | 412,416                                    |
| <i>Total Fund Balances</i>   | <u>358,532</u>                          | <u>10,435</u>                    | <u>43,449</u>                           | <u>412,416</u>                             |
| <i>Total Liabilities, Deferred Inflows of<br/>of Resources and Fund Balances</i> | <u>\$ 630,670</u>                       | <u>\$ 13,276</u>                 | <u>\$ 43,449</u>                        | <u>\$ 687,395</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, 2018*

|   | Nonmajor<br>Special<br>Revenue<br>Funds | Nonmajor<br>Debt Service<br>Fund | Nonmajor<br>Capital<br>Projects<br>Fund | Total<br>Nonmajor<br>Governmental<br>Funds |
|---|---|----------------------------------|---|--|
| <b>Revenues</b>                                     |   |                                  |   |  |
| Property and Other Local Taxes                      | \$ 24,947                               | \$ 0                             | \$ 0                                    | \$ 24,947                                  |
| Charges for Services                                | 0                                       | 0                                | 6,813                                   | 6,813                                      |
| Fines, Licenses and Permits                         | 2,019                                   | 0                                | 0                                       | 2,019                                      |
| Intergovernmental                                   | 359,587                                 | 0                                | 0                                       | 359,587                                    |
| Interest  | 741                                     | 0                                | 0                                       | 741  |
| Other   | 5,103                                   | 0                                | 0                                       | 5,103                                      |
| <i>Total Revenues</i>                               | <u>392,397</u>                          | <u>0</u>                         | <u>6,813</u>                            | <u>399,210</u>                             |
| <b>Expenditures</b>                                 |   |                                  |   |  |
| Current:  |   |                                  |   |  |
| General Government                                  | 447                                     | 0                                | 14,016                                  | 14,463                                     |
| Security of Persons and Property                    | 39,602                                  | 0                                | 0                                       | 39,602                                     |
| Transportation                                      | 324,206                                 | 0                                | 0                                       | 324,206                                    |
| Debt Service:                                       |   |                                  |   |  |
| Principal Retirement                                | 0                                       | 124,250                          | 0                                       | 124,250                                    |
| Interest and Fiscal Charges                         | 0                                       | 9,885                            | 0                                       | 9,885                                      |
| <i>Total Expenditures</i>                           | <u>364,255</u>                          | <u>134,135</u>                   | <u>14,016</u>                           | <u>512,406</u>                             |
| <i>Excess of Revenues Over (Under) Expenditures</i> | <u>28,142</u>                           | <u>(134,135)</u>                 | <u>(7,203)</u>                          | <u>(113,196)</u>                           |
| <b>Other Financing Sources (Uses)</b>               |   |                                  |   |  |
| Transfers In  | 10,630                                  | 134,135                          | 0                                       | 144,765                                    |
| <i>Net Change in Fund Balance</i>                   | 38,772                                  | 0                                | (7,203)                                 | 31,569                                     |
| <i>Fund Balance Beginning of Year</i>               | <u>319,760</u>                          | <u>10,435</u>                    | <u>50,652</u>                           | <u>380,847</u>                             |
| <i>Fund Balance End of Year</i>                     | <u>\$ 358,532</u>                       | <u>\$ 10,435</u>                 | <u>\$ 43,449</u>                        | <u>\$ 412,416</u>                          |

**City of Rittman**  
**Wayne County, Ohio**  
*Combining Balance Sheet*  
*Nonmajor Special Revenue Funds*  
*December 31, 2018*

|  | Street<br>Maintenance<br>and Repair<br>Fund | State<br>Highway<br>Fund | Permissive<br>Tax<br>Fund | Permissive<br>Tax II<br>Fund | Police<br>Pension<br>Fund |
|--|---|--------------------------|---------------------------|------------------------------|---------------------------|
| <b>Assets</b>  |   |                          |                           |                              |                           |
| Equity in Pooled Cash and Investments  | \$ 38,662                                   | \$ 29,439                | \$ 10,528                 | \$ 170,771                   | \$ 43,935                 |
| Intergovernmental Receivable   | 135,658                                     | 10,999                   | 131,929                   | 3,862                        | 2,030                     |
| Property and Other Local Taxes Receivable  | <u>0</u>                                    | <u>0</u>                 | <u>0</u>                  | <u>0</u>                     | <u>24,824</u>             |
| <i>Total Assets</i>  | <u>\$ 174,320</u>                           | <u>\$ 40,438</u>         | <u>\$ 142,457</u>         | <u>\$ 174,633</u>            | <u>\$ 70,789</u>          |
| <b>Liabilities</b>   |   |                          |                           |                              |                           |
| Accounts Payable   | \$ 1,524                                    | \$ 0                     | \$ 0                      | \$ 0                         | \$ 0                      |
| Accrued Wages  | 6,026                                       | 0                        | 0                         | 0                            | 0                         |
| Intergovernmental Payable  | <u>6,023</u>                                | <u>0</u>                 | <u>0</u>                  | <u>0</u>                     | <u>0</u>                  |
| <i>Total Liabilities</i>   | <u>13,573</u>                               | <u>0</u>                 | <u>0</u>                  | <u>0</u>                     | <u>0</u>                  |
| <b>Deferred Inflows of Resources</b>   |   |                          |                           |                              |                           |
| Property Taxes Levied for the Next Year  | 0   | 0                        | 0                         | 0                            | 23,648                    |
| Delinquent Property Taxes  | 0   | 0                        | 0                         | 0                            | 1,176                     |
| Unavailable Revenue - Other  | <u>92,298</u>                               | <u>7,484</u>             | <u>131,929</u>            | <u>0</u>                     | <u>2,030</u>              |
| <i>Total Deferred Inflows of Resources</i>                                       | <u>92,298</u>                               | <u>7,484</u>             | <u>131,929</u>            | <u>0</u>                     | <u>26,854</u>             |
| <b>Fund Balance</b>  |   |                          |                           |                              |                           |
| Restricted   | <u>68,449</u>                               | <u>32,954</u>            | <u>10,528</u>             | <u>174,633</u>               | <u>43,935</u>             |
| <i>Total Fund Balance</i>  | <u>68,449</u>                               | <u>32,954</u>            | <u>10,528</u>             | <u>174,633</u>               | <u>43,935</u>             |
| <i>Total Liabilities, Deferred Inflows of<br/>of Resources and Fund Balances</i> | <u>\$ 174,320</u>                           | <u>\$ 40,438</u>         | <u>\$ 142,457</u>         | <u>\$ 174,633</u>            | <u>\$ 70,789</u>          |

*(continued)*

**City of Rittman**  
**Wayne County, Ohio**  
*Combining Balance Sheet*  
*Nonmajor Special Revenue Funds*  
*December 31, 2018*

|  | Law<br>Enforcement<br>and Education<br>Fund | Law<br>Enforcement<br>Fund | Continuing<br>Professional<br>Training<br>Fund | Education and<br>Recreation<br>Assistance<br>Fund | SAFER<br>Grant<br>Fund | Totals            |
|--|---|----------------------------|--|---|------------------------|-------------------|
| <b>Assets</b>  |   |                            |  |   |                        |                   |
| Equity in Pooled Cash and Investments  | \$ 3,055                                    | \$ 5,667                   | \$ 3,069                                       | \$ 5,612  | \$ 10,630              | \$ 321,368        |
| Intergovernmental Receivable   | 0   | 0                          | 0  | 0   | 0                      | 284,478           |
| Property and Other Local Taxes Receivable  | 0   | 0                          | 0  | 0   | 0                      | 24,824            |
| <i>Total Assets</i>  | <u>\$ 3,055</u>                             | <u>\$ 5,667</u>            | <u>\$ 3,069</u>                                | <u>\$ 5,612</u>                                   | <u>\$ 10,630</u>       | <u>\$ 630,670</u> |
| <b>Liabilities</b>   |   |                            |  |   |                        |                   |
| Accounts Payable   | \$ 0  | \$ 0                       | \$ 0   | \$ 0  | \$ 0                   | \$ 1,524          |
| Accrued Wages  | 0   | 0                          | 0  | 0   | 0                      | 6,026             |
| Intergovernmental Payable  | 0   | 0                          | 0  | 0   | 0                      | 6,023             |
| <i>Total Liabilities</i>   | <u>0</u>                                    | <u>0</u>                   | <u>0</u>                                       | <u>0</u>  | <u>0</u>               | <u>13,573</u>     |
| <b>Deferred Inflows of Resources</b>   |   |                            |  |   |                        |                   |
| Property Taxes Levied for the Next Year  | 0   | 0                          | 0  | 0   | 0                      | 23,648            |
| Delinquent Property Taxes  | 0   | 0                          | 0  | 0   | 0                      | 1,176             |
| Unavailable Revenue - Other  | 0   | 0                          | 0  | 0   | 0                      | 233,741           |
| <i>Total Deferred Inflows of Resources</i>                                       | <u>0</u>                                    | <u>0</u>                   | <u>0</u>                                       | <u>0</u>  | <u>0</u>               | <u>258,565</u>    |
| <b>Fund Balance</b>  |   |                            |  |   |                        |                   |
| Restricted   | 3,055                                       | 5,667                      | 3,069  | 5,612   | 10,630                 | 358,532           |
| <i>Total Fund Balance</i>  | <u>3,055</u>                                | <u>5,667</u>               | <u>3,069</u>                                   | <u>5,612</u>                                      | <u>10,630</u>          | <u>358,532</u>    |
| <i>Total Liabilities, Deferred Inflows of<br/>of Resources and Fund Balances</i> | <u>\$ 3,055</u>                             | <u>\$ 5,667</u>            | <u>\$ 3,069</u>                                | <u>\$ 5,612</u>                                   | <u>\$ 10,630</u>       | <u>\$ 630,670</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, 2018*

|   | Street<br>Maintenance<br>and Repair<br>Fund | State<br>Highway<br>Fund | Permissive<br>Tax<br>Fund | Permissive<br>Tax II<br>Fund | Police<br>Pension<br>Fund |
|---|---|--------------------------|---------------------------|------------------------------|---------------------------|
| <b>Revenues</b>                                     |   |                          |                           |                              |                           |
| Property and Other Local Taxes                      | \$ 0  | \$ 0                     | \$ 0                      | \$ 0                         | \$ 24,947                 |
| Fines, Licenses and Permits                         | 0   | 0                        | 0                         | 0                            | 0                         |
| Intergovernmental                                   | 271,542                                     | 22,015                   | 10,528                    | 51,438                       | 4,064                     |
| Interest  | 367   | 374                      | 0                         | 0                            | 0                         |
| Other   | 5,103                                       | 0                        | 0                         | 0                            | 0                         |
| <i>Total Revenues</i>                               | <u>277,012</u>                              | <u>22,389</u>            | <u>10,528</u>             | <u>51,438</u>                | <u>29,011</u>             |
| <b>Expenditures</b>                                 |   |                          |                           |                              |                           |
| Current:  |   |                          |                           |                              |                           |
| General Government                                  | 0   | 0                        | 0                         | 0                            | 447                       |
| Security of Persons and Property                    | 0   | 0                        | 0                         | 0                            | 32,515                    |
| Transportation                                      | 291,287                                     | 32,919                   | 0                         | 0                            | 0                         |
| <i>Total Expenditures</i>                           | <u>291,287</u>                              | <u>32,919</u>            | <u>0</u>                  | <u>0</u>                     | <u>32,962</u>             |
| <i>Excess of Revenues Over (Under) Expenditures</i> | <u>(14,275)</u>                             | <u>(10,530)</u>          | <u>10,528</u>             | <u>51,438</u>                | <u>(3,951)</u>            |
| <b>Other Financing Sources (Uses)</b>               |   |                          |                           |                              |                           |
| Transfers In  | 0   | 0                        | 0                         | 0                            | 0                         |
| <i>Net Change in Fund Balance</i>                   | (14,275)                                    | (10,530)                 | 10,528                    | 51,438                       | (3,951)                   |
| <i>Fund Balance Beginning of Year</i>               | <u>82,724</u>                               | <u>43,484</u>            | <u>0</u>                  | <u>123,195</u>               | <u>47,886</u>             |
| <i>Fund Balance End of Year</i>                     | <u>\$ 68,449</u>                            | <u>\$ 32,954</u>         | <u>\$ 10,528</u>          | <u>\$ 174,633</u>            | <u>\$ 43,935</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, 2018*

|   | Law<br>Enforcement<br>and Education<br>Fund | Law<br>Enforcement<br>Fund | Continuing<br>Professional<br>Training<br>Fund | Education and<br>Recreation<br>Assistance<br>Fund | SAFER<br>Grant<br>Fund | Totals            |
|---|---|----------------------------|--|---|------------------------|-------------------|
| <b>Revenues</b>                                     |   |                            |  |   |                        |                   |
| Property and Other Local Taxes                      | \$ 0  | \$ 0                       | \$ 0   | \$ 0  | \$ 0                   | \$ 24,947         |
| Fines, Licenses and Permits                         | 433   | 1,586                      | 0  | 0   | 0                      | 2,019             |
| Intergovernmental                                   | 0   | 0                          | 0  | 0   | 0                      | 359,587           |
| Interest  | 0   | 0                          | 0  | 0   | 0                      | 741               |
| Other   | 0   | 0                          | 0  | 0   | 0                      | 5,103             |
| <i>Total Revenues</i>                               | <u>433</u>                                  | <u>1,586</u>               | <u>0</u>                                       | <u>0</u>  | <u>0</u>               | <u>392,397</u>    |
| <b>Expenditures</b>                                 |   |                            |  |   |                        |                   |
| Current:  |   |                            |  |   |                        |                   |
| General Government                                  | 0   | 0                          | 0  | 0   | 0                      | 447               |
| Security of Persons and Property                    | 0   | 4,436                      | 2,651  | 0   | 0                      | 39,602            |
| Transportation                                      | 0   | 0                          | 0  | 0   | 0                      | 324,206           |
| <i>Total Expenditures</i>                           | <u>0</u>                                    | <u>4,436</u>               | <u>2,651</u>                                   | <u>0</u>  | <u>0</u>               | <u>364,255</u>    |
| <i>Excess of Revenues Over (Under) Expenditures</i> | <u>433</u>                                  | <u>(2,850)</u>             | <u>(2,651)</u>                                 | <u>0</u>  | <u>0</u>               | <u>28,142</u>     |
| <b>Other Financing Sources (Uses)</b>               |   |                            |  |   |                        |                   |
| Transfers In  | 0   | 0                          | 0  | 0   | 10,630                 | 10,630            |
| <i>Net Change in Fund Balance</i>                   | 433   | (2,850)                    | (2,651)  | 0   | 10,630                 | 38,772            |
| <i>Fund Balance Beginning of Year</i>               | <u>2,622</u>                                | <u>8,517</u>               | <u>5,720</u>                                   | <u>5,612</u>                                      | <u>0</u>               | <u>319,760</u>    |
| <i>Fund Balance End of Year</i>                     | <u>\$ 3,055</u>                             | <u>\$ 5,667</u>            | <u>\$ 3,069</u>                                | <u>\$ 5,612</u>                                   | <u>\$ 10,630</u>       | <u>\$ 358,532</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, 2018*

|  | Final<br>Budget  | Actual           | Variance<br>with Final<br>Budget |
|--|------------------|------------------|----------------------------------|
| <b>Revenues</b>                              |                  |                  |                                  |
| Property and Other Local Taxes               | \$ 253,960       | \$ 280,853       | \$ 26,893                        |
| Income Taxes                                 | 1,338,180        | 1,493,303        | 155,123                          |
| Charges for Services                         | 307,495          | 309,733          | 2,238                            |
| Licenses and Permits                         | 115,130          | 127,545          | 12,415                           |
| Intergovernmental                            | 313,823          | 383,506          | 69,683                           |
| Interest                                     | 32,595           | 65,070           | 32,475                           |
| Contributions and Donations                  | 630              | 909              | 279                              |
| Other  | 14,050           | 21,718           | 7,668                            |
| <i>Total Revenues</i>                        | <u>2,375,863</u> | <u>2,682,637</u> | <u>306,774</u>                   |
| <b>Expenditures</b>                          |                  |                  |                                  |
| Current:                                     |                  |                  |                                  |
| General Government                           |                  |                  |                                  |
| Office of City Council                       |                  |                  |                                  |
| Personal Services                            | 31,604           | 31,300           | 304                              |
| Other than Personal Services                 | 5,800            | 514              | 5,286                            |
| Total Office of City Council                 | <u>37,404</u>    | <u>31,814</u>    | <u>5,590</u>                     |
| Department of Mayor and Administration       |                  |                  |                                  |
| Personal Services                            | 133,517          | 132,981          | 536                              |
| Other than Personal Services                 | 130,536          | 134,585          | (4,049)                          |
| Total Department of Mayor and Administration | <u>264,053</u>   | <u>267,566</u>   | <u>(3,513)</u>                   |
| Department of Finance and Tax                |                  |                  |                                  |
| Personal Services                            | 144,220          | 143,987          | 233                              |
| Other than Personal Services                 | 27,244           | 27,148           | 96                               |
| Total Department of Finance and Tax          | <u>171,464</u>   | <u>171,135</u>   | <u>329</u>                       |
| Division of Land and Buildings               |                  |                  |                                  |
| Personal Services                            | 152              | (390)            | 542                              |
| Other than Personal Services                 | 7,575            | 2,417            | 5,158                            |
| Total Division of Land and Buildings         | <u>7,727</u>     | <u>2,027</u>     | <u>5,700</u>                     |
| Department of Law                            |                  |                  |                                  |
| Personal Services                            | 29,332           | 28,784           | 548                              |
| Other than Personal Services                 | 7,514            | 6,663            | 851                              |
| Total Department of Law                      | <u>36,846</u>    | <u>35,447</u>    | <u>1,399</u>                     |
| Miscellaneous                                |                  |                  |                                  |
| Personal Services                            | 16,932           | 7,117            | 9,815                            |
| Other than Personal Services                 | 19,780           | 26,094           | (6,314)                          |
| Total Miscellaneous                          | <u>36,712</u>    | <u>33,211</u>    | <u>3,501</u>                     |
| <i>Total General Government</i>              | <u>554,206</u>   | <u>541,200</u>   | <u>13,006</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, 2018*

|   | Final<br>Budget  | Actual           | Variance<br>with Final<br>Budget |
|---|------------------|------------------|----------------------------------|
| Security of Persons and Property              |                  |                  |                                  |
| Police Department                             |                  |                  |                                  |
| Personal Services                             | 1,103,480        | 1,079,291        | 24,189                           |
| Other than Personal Services                  | 123,185          | 130,249          | (7,064)                          |
| Total Police Department                       | <u>1,226,665</u> | <u>1,209,540</u> | <u>17,125</u>                    |
| Street Lighting                               |                  |                  |                                  |
| Other than Personal Services                  | 25,815           | 25,650           | 165                              |
| <i>Total Security of Persons and Property</i> | <u>1,252,480</u> | <u>1,235,190</u> | <u>17,290</u>                    |
| Public Health                                 |                  |                  |                                  |
| Cemetery                                      |                  |                  |                                  |
| Personal Services                             | 68,220           | 60,198           | 8,022                            |
| Other than Personal Services                  | 8,720            | 9,790            | (1,070)                          |
| Total Cemetery                                | <u>76,940</u>    | <u>69,988</u>    | <u>6,952</u>                     |
| Board of Health                               |                  |                  |                                  |
| Other than Personal Services                  | 21,241           | 21,241           | 0                                |
| Pest and Animal Control                       |                  |                  |                                  |
| Personal Services                             | 1,195            | 1,186            | 9                                |
| Other than Personal Services                  | 8,780            | 7,216            | 1,564                            |
| Total Pest and Animal Control                 | <u>9,975</u>     | <u>8,402</u>     | <u>1,573</u>                     |
| <i>Total Public Health</i>                    | <u>108,156</u>   | <u>99,631</u>    | <u>8,525</u>                     |
| Leisure Time Services                         |                  |                  |                                  |
| Parks   |                  |                  |                                  |
| Personal Services                             | 123,255          | 112,258          | 10,997                           |
| Other than Personal Services                  | 15,760           | 17,477           | (1,717)                          |
| Total Parks                                   | <u>139,015</u>   | <u>129,735</u>   | <u>9,280</u>                     |
| Recreation Center                             |                  |                  |                                  |
| Personal Services                             | 216,025          | 202,931          | 13,094                           |
| Other than Personal Services                  | 145,440          | 132,610          | 12,830                           |
| Total Recreation Center                       | <u>361,465</u>   | <u>335,541</u>   | <u>25,924</u>                    |
| <i>Total Leisure Time Services</i>            | <u>500,480</u>   | <u>465,276</u>   | <u>35,204</u>                    |
| Transportation                                |                  |                  |                                  |
| Street Maintenance                            |                  |                  |                                  |
| Personal Services                             | 85,660           | 82,810           | 2,850                            |
| Other than Personal Services                  | 20,035           | 21,012           | (977)                            |
| Total Street Maintenance                      | <u>105,695</u>   | <u>103,822</u>   | <u>1,873</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, 2018*

|   | Final<br>Budget   | Actual            | Variance<br>with Final<br>Budget |
|---|-------------------|-------------------|----------------------------------|
| <i>Total Expenditures</i>                           | 2,521,017         | 2,445,119         | 75,898                           |
| <i>Excess of Revenues Over (Under) Expenditures</i> | (145,154)         | 237,518           | 382,672                          |
| <b>Other Financing Sources (Uses)</b>               |                   |                   |                                  |
| Proceeds from Sale of Assets                        | 860               | 0                 | (860)                            |
| Transfers Out                                       | (260,030)         | (260,030)         | 0                                |
| <i>Total Other Financing Sources (Uses)</i>         | (259,170)         | (260,030)         | (860)                            |
| <i>Net Change in Fund Balance</i>                   | (404,324)         | (22,512)          | 381,812                          |
| <i>Fund Balance (Deficit) Beginning of Year</i>     | 898,639           | 898,639           | 0                                |
| Prior Year Encumbrances Appropriated                | 22,698            | 22,698            | 0                                |
| <i>Fund Balance (Deficit) End of Year</i>           | <u>\$ 517,013</u> | <u>\$ 898,825</u> | <u>\$ 381,812</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, 2018*

|   | Final<br>Budget   | Actual            | Variance<br>with Final<br>Budget |
|---|-------------------|-------------------|----------------------------------|
| <b>Revenues</b>                                 |                   |                   |                                  |
| Property and Other Local Taxes                  | \$ 192,225        | \$ 204,955        | \$ 12,730                        |
| Charges for Services                            | 204,000           | 200,207           | (3,793)                          |
| Intergovernmental                               | 29,075            | 26,942            | (2,133)                          |
| Other   | 4,000             | 2,383             | (1,617)                          |
| <i>Total Revenues</i>                           | <u>429,300</u>    | <u>434,487</u>    | <u>5,187</u>                     |
| <b>Expenditures</b>                             |                   |                   |                                  |
| Current:  |                   |                   |                                  |
| General Government                              |                   |                   |                                  |
| Division of Emergency Services                  |                   |                   |                                  |
| Other than Personal Services                    | 3,845             | 3,289             | 556                              |
| Security of Persons and Property                |                   |                   |                                  |
| Personal Services                               | 338,533           | 338,356           | 177                              |
| Other than Personal Services                    | 96,540            | 93,454            | 3,086                            |
| Capital Outlay                                  | 21,565            | 21,695            | (130)                            |
| <i>Total Security of Persons and Property</i>   | <u>456,638</u>    | <u>453,505</u>    | <u>3,133</u>                     |
| Debt Service:                                   |                   |                   |                                  |
| Principal Retirement                            | 18,976            | 18,976            | 0                                |
| Interest and Fiscal Charges                     | 184               | 184               | 0                                |
| <i>Total Debt Service</i>                       | <u>19,160</u>     | <u>19,160</u>     | <u>0</u>                         |
| <i>Total Expenditures</i>                       | <u>479,643</u>    | <u>475,954</u>    | <u>3,689</u>                     |
| <i>Net Change in Fund Balance</i>               | (50,343)          | (41,467)          | 8,876                            |
| <i>Fund Balance (Deficit) Beginning of Year</i> | 194,004           | 194,004           | 0                                |
| Prior Year Encumbrances Appropriated            | 1,899             | 1,899             | 0                                |
| <i>Fund Balance (Deficit) End of Year</i>       | <u>\$ 145,560</u> | <u>\$ 154,436</u> | <u>\$ 8,876</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, 2018*

|   | Final<br>Budget  | Actual           | Variance<br>with Final<br>Budget |
|---|------------------|------------------|----------------------------------|
| <b>Revenues</b>                                     |                  |                  |                                  |
| Property and Other Local Taxes                      | \$ 74,425        | \$ 79,946        | \$ 5,521                         |
| Intergovernmental                                   | 31,425           | 38,513           | 7,088                            |
| Other   | 150              | 4,614            | 4,464                            |
| <i>Total Revenues</i>                               | <u>106,000</u>   | <u>123,073</u>   | <u>17,073</u>                    |
| <b>Expenditures</b>                                 |                  |                  |                                  |
| Current:  |                  |                  |                                  |
| General Government                                  |                  |                  |                                  |
| Division of Emergency Services                      |                  |                  |                                  |
| Other than Personal Services                        | 1,716            | 1,430            | 286                              |
| Security of Persons and Property                    |                  |                  |                                  |
| Personal Services                                   | 171,990          | 166,310          | 5,680                            |
| Other than Personal Services                        | 45,605           | 35,062           | 10,543                           |
| Capital Outlay                                      | 30,301           | 33,661           | (3,360)                          |
| <i>Total Security of Persons and Property</i>       | <u>247,896</u>   | <u>235,033</u>   | <u>12,863</u>                    |
| Debt Service:                                       |                  |                  |                                  |
| Principal Retirement                                | 38,708           | 38,708           | 0                                |
| Interest and Fiscal Charges                         | 871              | 871              | 0                                |
| Total Debt Service                                  | <u>39,579</u>    | <u>39,579</u>    | <u>0</u>                         |
| <i>Total Expenditures</i>                           | <u>289,191</u>   | <u>276,042</u>   | <u>13,149</u>                    |
| <i>Excess of Revenues Over (Under) Expenditures</i> | <u>(183,191)</u> | <u>(152,969)</u> | <u>30,222</u>                    |
| <b>Other Financing Sources (Uses)</b>               |                  |                  |                                  |
| Transfers In  | 159,400          | 159,400          | 0                                |
| <i>Net Change in Fund Balance</i>                   | (23,791)         | 6,431            | 30,222                           |
| <i>Fund Balance (Deficit) Beginning of Year</i>     | 24,247           | 24,247           | 0                                |
| Prior Year Encumbrances Appropriated                | 12,583           | 12,583           | 0                                |
| <i>Fund Balance (Deficit) End of Year</i>           | <u>\$ 13,039</u> | <u>\$ 43,261</u> | <u>\$ 30,222</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, 2018*

|   | Final<br>Budget   | Actual            | Variance<br>with Final<br>Budget |
|---|-------------------|-------------------|----------------------------------|
| <b>Revenues</b>                                     |                   |                   |                                  |
| Income Taxes  | \$ 467,910        | \$ 497,768        | \$ 29,858                        |
| Special Assessments                                 | 70,080            | 117,336           | 47,256                           |
| Intergovernmental                                   | 292,123           | 292,133           | 10                               |
| Other   | 0                 | 1,500             | 1,500                            |
| <i>Total Revenues</i>                               | <u>830,113</u>    | <u>908,737</u>    | <u>78,624</u>                    |
| <b>Expenditures</b>                                 |                   |                   |                                  |
| Capital Outlay:                                     |                   |                   |                                  |
| General Government                                  | 56,015            | 51,615            | 4,400                            |
| Security of Persons and Property                    | 218,591           | 227,667           | (9,076)                          |
| Leisure Time Services                               | 43,525            | 44,075            | (550)                            |
| Transportation                                      | 667,854           | 613,685           | 54,169                           |
| <i>Total Expenditures</i>                           | <u>985,985</u>    | <u>937,042</u>    | <u>48,943</u>                    |
| <i>Excess of Revenues Over (Under) Expenditures</i> | <u>(155,872)</u>  | <u>(28,305)</u>   | <u>127,567</u>                   |
| <b>Other Financing Sources (Uses)</b>               |                   |                   |                                  |
| Proceeds from Sale of Capital Assets                | 250               | 25                | (225)                            |
| Transfers Out                                       | (134,135)         | (134,135)         | 0                                |
| <i>Total Other Financing Sources (Uses)</i>         | <u>(133,885)</u>  | <u>(134,110)</u>  | <u>(225)</u>                     |
| <i>Net Change in Fund Balance</i>                   | (289,757)         | (162,415)         | 127,342                          |
| <i>Fund Balance (Deficit) Beginning of Year</i>     | 621,006           | 621,006           | 0                                |
| Prior Year Encumbrances Appropriated                | 15,366            | 15,366            | 0                                |
| <i>Fund Balance (Deficit) End of Year</i>           | <u>\$ 346,615</u> | <u>\$ 473,957</u> | <u>\$ 127,342</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, 2018*

|   | Final<br>Budget  | Actual           | Variance<br>with Final<br>Budget |
|---|------------------|------------------|----------------------------------|
| <b>Revenues</b>                                     |                  |                  |                                  |
| Intergovernmental                                   | \$ 262,290       | \$ 275,859       | \$ 13,569                        |
| Investment Earnings                                 | 250              | 354              | 104                              |
| Other   | 2,865            | 558              | (2,307)                          |
| <i>Total Revenues</i>                               | <u>265,405</u>   | <u>276,771</u>   | <u>11,366</u>                    |
| <b>Expenditures</b>                                 |                  |                  |                                  |
| Current:  |                  |                  |                                  |
| Transportation                                      |                  |                  |                                  |
| Division of Street Maintenance                      |                  |                  |                                  |
| Personal Services                                   | 251,863          | 243,811          | 8,052                            |
| Other than Personal Services                        | 56,840           | 55,585           | 1,255                            |
| <i>Total Expenditures</i>                           | <u>308,703</u>   | <u>299,396</u>   | <u>9,307</u>                     |
| <i>Excess of Revenues Over (Under) Expenditures</i> | <u>(43,298)</u>  | <u>(22,625)</u>  | <u>20,673</u>                    |
| <b>Other Financing Sources (Uses)</b>               |                  |                  |                                  |
| Proceeds from Sale of Capital Assets                | 115              |                  | (115)                            |
| <i>Net Change in Fund Balance</i>                   | (43,183)         | (22,625)         | 20,558                           |
| <i>Fund Balance (Deficit) Beginning of Year</i>     | 53,103           | 53,103           | 0                                |
| Prior Year Encumbrances Appropriated                | 2,464            | 2,464            | 0                                |
| <i>Fund Balance (Deficit) End of Year</i>           | <u>\$ 12,384</u> | <u>\$ 32,942</u> | <u>\$ 20,558</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, 2018*

|   | Final<br>Budget | Actual           | Variance<br>with Final<br>Budget |
|---|-----------------|------------------|----------------------------------|
| <b>Revenues</b>                                 |                 |                  |                                  |
| Intergovernmental                               | \$ 21,265       | \$ 21,998        | \$ 733                           |
| Investment Earnings                             | 100             | 364              | 264                              |
| <i>Total Revenues</i>                           | <u>21,365</u>   | <u>22,362</u>    | <u>997</u>                       |
| <b>Expenditures</b>                             |                 |                  |                                  |
| Current:  |                 |                  |                                  |
| Transportation                                  |                 |                  |                                  |
| Division of Street Maintenance                  |                 |                  |                                  |
| Personal Services                               | 8,190           | 6,735            | 1,455                            |
| Other than Personal Services                    | 25,570          | 18,315           | 7,255                            |
| Capital Outlay                                  | <u>18,110</u>   | <u>9,002</u>     | <u>9,108</u>                     |
| <i>Total Expenditures</i>                       | <u>51,870</u>   | <u>34,052</u>    | <u>17,818</u>                    |
| <i>Net Change in Fund Balance</i>               | (30,505)        | (11,690)         | 18,815                           |
| <i>Fund Balance (Deficit) Beginning of Year</i> | <u>39,995</u>   | <u>39,995</u>    | <u>0</u>                         |
| <i>Fund Balance (Deficit) End of Year</i>       | <u>\$ 9,490</u> | <u>\$ 28,305</u> | <u>\$ 18,815</u>                 |

**City of Rittman**  
**Wayne County, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Permissive Tax Fund*  
*For the Year Ended December 31, 2018*

|   | Final<br>Budget | Actual           | Variance<br>with Final<br>Budget |
|---|-----------------|------------------|----------------------------------|
| <b>Revenues</b>                                 |                 |                  |                                  |
| Intergovernmental                               | \$ 0            | \$ 10,528        | \$ 10,528                        |
| <b>Expenditures</b>                             | 0               | 0                | 0                                |
| <i>Net Change in Fund Balance</i>               | 0               | 10,528           | 10,528                           |
| <i>Fund Balance (Deficit) Beginning of Year</i> | 0               | 0                | 0                                |
| <i>Fund Balance (Deficit) End of Year</i>       | <u>\$ 0</u>     | <u>\$ 10,528</u> | <u>\$ 10,528</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, 2018*

|   | Final<br>Budget | Actual     | Variance<br>with Final<br>Budget |
|---|-----------------|------------|----------------------------------|
| <b>Revenues</b>                                 |                 |            |                                  |
| Intergovernmental                               | \$ 49,765       | \$ 51,639  | \$ 1,874                         |
| <b>Expenditures</b>                             |                 |            |                                  |
| Current:  |                 |            |                                  |
| Transportation                                  |                 |            |                                  |
| Division of Street Maintenance                  |                 |            |                                  |
| Other than Personal Services                    | 31,500          | 0          | 31,500                           |
| <i>Net Change in Fund Balance</i>               | 18,265          | 51,639     | 33,374                           |
| <i>Fund Balance (Deficit) Beginning of Year</i> | 119,132         | 119,132    | 0                                |
| <i>Fund Balance (Deficit) End of Year</i>       | \$ 137,397      | \$ 170,771 | \$ 33,374                        |

**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, 2018*

|   | Final<br>Budget  | Actual           | Variance<br>with Final<br>Budget |
|---|------------------|------------------|----------------------------------|
| <b>Revenues</b>                                 |                  |                  |                                  |
| Property and Other Local Taxes                  | \$ 22,365        | \$ 24,947        | \$ 2,582                         |
| Intergovernmental                               | 3,935            | 4,064            | 129                              |
| <i>Total Revenues</i>                           | <u>26,300</u>    | <u>29,011</u>    | <u>2,711</u>                     |
| <b>Expenditures</b>                             |                  |                  |                                  |
| Current:  |                  |                  |                                  |
| General Government                              |                  |                  |                                  |
| Other than Personal Services                    | 516              | 447              | 69                               |
| Security of Persons and Property                |                  |                  |                                  |
| Division of Police                              |                  |                  |                                  |
| Personal Services                               | 32,520           | 32,515           | 5                                |
| <i>Total Expenditures</i>                       | <u>33,036</u>    | <u>32,962</u>    | <u>74</u>                        |
| <i>Net Change in Fund Balance</i>               | (6,736)          | (3,951)          | 2,785                            |
| <i>Fund Balance (Deficit) Beginning of Year</i> | <u>47,886</u>    | <u>47,886</u>    | <u>0</u>                         |
| <i>Fund Balance (Deficit) End of Year</i>       | <u>\$ 41,150</u> | <u>\$ 43,935</u> | <u>\$ 2,785</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, 2018*

|   | Final<br>Budget | Actual   | Variance<br>with Final<br>Budget |
|---|-----------------|----------|----------------------------------|
| <b>Revenues</b>                                 |                 |          |                                  |
| Fines, Licenses and Permits                     | \$ 215          | \$ 433   | \$ 218                           |
| <b>Expenditures</b>                             | 0               | 0        | 0                                |
| <i>Net Change in Fund Balance</i>               | 215             | 433      | 218                              |
| <i>Fund Balance (Deficit) Beginning of Year</i> | 2,622           | 2,622    | 0                                |
| <i>Fund Balance (Deficit) End of Year</i>       | \$ 2,837        | \$ 3,055 | \$ 218                           |

**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, 2018*

|   | Final<br>Budget | Actual   | Variance<br>with Final<br>Budget |
|---|-----------------|----------|----------------------------------|
| <b>Revenues</b>                                 |                 |          |                                  |
| Fines, Licenses and Permits                     | \$ 390          | \$ 1,586 | \$ 1,196                         |
| <b>Expenditures</b>                             |                 |          |                                  |
| Current:  |                 |          |                                  |
| Security of Persons and Property                |                 |          |                                  |
| Division of Police                              |                 |          |                                  |
| Personal Services                               | 7,125           | 4,436    | 2,689                            |
| <i>Net Change in Fund Balance</i>               | (6,735)         | (2,850)  | 3,885                            |
| <i>Fund Balance (Deficit) Beginning of Year</i> | 8,517           | 8,517    | 0                                |
| <i>Fund Balance (Deficit) End of Year</i>       | \$ 1,782        | \$ 5,667 | \$ 3,885                         |



**City of Rittman**  
**Wayne County, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Continuing Professional Training*  
*For the Year Ended December 31, 2018*

|   | Final<br>Budget | Actual   | Variance<br>with Final<br>Budget |
|---|-----------------|----------|----------------------------------|
| <b>Revenues</b>                                 |                 |          |                                  |
| Intergovernmental                               | \$ 3,740        | \$ 3,900 | \$ 160                           |
| <b>Expenditures</b>                             |                 |          |                                  |
| Current:  |                 |          |                                  |
| Security of Persons and Property                |                 |          |                                  |
| Division of Police                              |                 |          |                                  |
| Personal Services                               | 3,740           | 2,651    | 1,089                            |
| <i>Net Change in Fund Balance</i>               | 0               | 1,249    | 1,249                            |
| <i>Fund Balance (Deficit) Beginning of Year</i> | 1,820           | 1,820    | 0                                |
| <i>Fund Balance (Deficit) End of Year</i>       | \$ 1,820        | \$ 3,069 | \$ 1,249                         |

**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, 2018*

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

**City of Rittman**  
**Wayne County, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*SAFER Grant Fund*  
*For the Year Ended December 31, 2018*

|   | Final<br>Budget | Actual    | Variance<br>with Final<br>Budget |
|---|-----------------|-----------|----------------------------------|
| <b>Revenues</b>                                     | \$ 0            | \$ 0      | \$ 0                             |
| <b>Expenditures</b>                                 |                 |           |                                  |
| Current:  |                 |           |                                  |
| Security of Persons and Property                    |                 |           |                                  |
| Division of Emergency Services                      |                 |           |                                  |
| Personal Services                                   | 10,630          | 0         | 10,630                           |
| <i>Excess of Revenues Over (Under) Expenditures</i> | (10,630)        | 0         | 10,630                           |
| <b>Other Financing Sources (Uses)</b>               |                 |           |                                  |
| Transfers In  | 10,630          | 10,630    | 0                                |
| <i>Net Change in Fund Balance</i>                   | 0               | 10,630    | 10,630                           |
| <i>Fund Balance (Deficit) Beginning of Year</i>     | 0               | 0         | 0                                |
| <i>Fund Balance (Deficit) End of Year</i>           | \$ 0            | \$ 10,630 | \$ 10,630                        |

**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, 2018*

|   | Final<br>Budget         | Actual                  | Variance<br>with Final<br>Budget |
|---|-------------------------|-------------------------|----------------------------------|
| <b>Revenues</b>                                     | \$ 0                    | \$ 0                    | \$ 0                             |
| <b>Expenditures</b>                                 |                         |                         |                                  |
| Debt Service:                                       |                         |                         |                                  |
| Principal Retirement                                | 124,250                 | 124,250                 | 0                                |
| Interest and Fiscal Charges                         | 9,885                   | 9,885                   | 0                                |
| <i>Total Expenditures</i>                           | <u>134,135</u>          | <u>134,135</u>          | <u>0</u>                         |
| <i>Excess of Revenues Over (Under) Expenditures</i> | <u>(134,135)</u>        | <u>(134,135)</u>        | <u>0</u>                         |
| <b>Other Financing Sources (Uses)</b>               |                         |                         |                                  |
| Transfers In  | <u>134,135</u>          | <u>134,135</u>          | <u>0</u>                         |
| <i>Net Change in Fund Balance</i>                   | 0                       | 0                       | 0                                |
| <i>Fund Balance (Deficit) Beginning of Year</i>     | <u>10,435</u>           | <u>10,435</u>           | <u>0</u>                         |
| <i>Fund Balance (Deficit) End of Year</i>           | <u><u>\$ 10,435</u></u> | <u><u>\$ 10,435</u></u> | <u><u>\$ 0</u></u>               |

**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, 2018*

|   | Final<br>Budget | Actual    | Variance<br>with Final<br>Budget |
|---|-----------------|-----------|----------------------------------|
| <b>Revenues</b>                                 |                 |           |                                  |
| Charges for Services                            | \$ 6,670        | \$ 6,813  | \$ 143                           |
| <b>Expenditures</b>                             |                 |           |                                  |
| Current:  |                 |           |                                  |
| General Government                              |                 |           |                                  |
| Public Health Services                          |                 |           |                                  |
| Capital Outlay                                  | 16,000          | 14,016    | 1,984                            |
| <i>Net Change in Fund Balance</i>               | (9,330)         | (7,203)   | 2,127                            |
| <i>Fund Balance (Deficit) Beginning of Year</i> | 50,652          | 50,652    | 0                                |
| <i>Fund Balance (Deficit) End of Year</i>       | \$ 41,322       | \$ 43,449 | \$ 2,127                         |

**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, 2018*

|   | Final<br>Budget  | Actual          | Variance<br>with Final<br>Budget |
|---|------------------|-----------------|----------------------------------|
| <b>Revenues</b>                                 |                  |                 |                                  |
| Charges for Services                            | \$ 702,925       | \$ 890,734      | \$ 187,809                       |
| Other   | 6,725            | 1,428           | (5297)                           |
| <i>Total Revenues</i>                           | <u>709,650</u>   | <u>892,162</u>  | <u>182,512</u>                   |
| <b>Expenses</b>                                 |                  |                 |                                  |
| Basic Utility Service                           |                  |                 |                                  |
| Office of Superintendent                        |                  |                 |                                  |
| Personal Services                               | 158,494          | 153,136         | 5,358                            |
| Other than Personal Services                    | 226,448          | 217,675         | 8,773                            |
| Total Office of Superintendent                  | <u>384,942</u>   | <u>370,811</u>  | <u>14,131</u>                    |
| Division of Water Treatment                     |                  |                 |                                  |
| Personal Services                               | 120,616          | 120,088         | 528                              |
| Other than Personal Services                    | 50,585           | 38,949          | 11,636                           |
| Capital Outlay                                  | 16,000           | 15,980          | 20                               |
| Total Division of Water Treatment               | <u>187,201</u>   | <u>175,017</u>  | <u>12,184</u>                    |
| Division of Water Distribution                  |                  |                 |                                  |
| Personal Services                               | 117,267          | 112,886         | 4,381                            |
| Other than Personal Services                    | 169,014          | 167,072         | 1,942                            |
| Capital Outlay                                  | 1,000            | 1,000           | 0                                |
| Total Division of Water Distribution            | <u>287,281</u>   | <u>280,958</u>  | <u>6,323</u>                     |
| Total Basic Utility Services                    | <u>859,424</u>   | <u>826,786</u>  | <u>32,638</u>                    |
| Debt Service:                                   |                  |                 |                                  |
| Principal Retirement                            | 131,222          | 131,222         | 0                                |
| Interest and Fiscal Charges                     | 15,300           | 15,300          | 0                                |
| Total Debt Service                              | <u>146,522</u>   | <u>146,522</u>  | <u>0</u>                         |
| <i>Total Expenses</i>                           | <u>1,005,946</u> | <u>973,308</u>  | <u>32,638</u>                    |
| <i>Excess of Revenues Over (Under) Expenses</i> | <u>(296,296)</u> | <u>(81,146)</u> | <u>215,150</u>                   |
| <b>Other Financing Sources (Uses)</b>           |                  |                 |                                  |
| Proceeds from the Sale of Assets                | 465              | 0               | (465)                            |
| Intergovernmental                               | 0                | 7,277           | 7,277                            |
| Capital Contributions                           | 122,989          | 122,989         | 0                                |
| Transfers In                                    | 90,000           | 90,000          | 0                                |
| <i>Total Other Financing Sources (Uses)</i>     | <u>213,454</u>   | <u>220,266</u>  | <u>6,812</u>                     |

*(continued)*

**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, 2018*

|   | Final<br>Budget   | Actual            | Variance<br>with Final<br>Budget |
|---|-------------------|-------------------|----------------------------------|
| <i>Net Change in Net Position</i>               | \$ (82,842)       | \$ 139,120        | \$ 221,962                       |
| <i>Net Position (Deficit) Beginning of Year</i> | 175,138           | 175,138           | 0                                |
| <i>Prior Year Encumbrances Appropriated</i>     | <u>8,646</u>      | <u>8,646</u>      | <u>0</u>                         |
| <i>Net Position (Deficit) End of Year</i>       | <u>\$ 100,942</u> | <u>\$ 322,904</u> | <u>\$ 221,962</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, 2018*

|   | Final<br>Budget     | Actual              | Variance<br>with Final<br>Budget |
|---|---------------------|---------------------|----------------------------------|
| <b>Revenues</b>                                 |                     |                     |                                  |
| Charges for Services                            | 1,238,080           | \$ 1,228,887        | (9,193)                          |
| Other   | 4,350               | 6,172               | 1,822                            |
| <i>Total Revenues</i>                           | <u>1,242,430</u>    | <u>1,235,059</u>    | <u>(7,371)</u>                   |
| <b>Expenses</b>                                 |                     |                     |                                  |
| Basic Utility Service                           |                     |                     |                                  |
| Office of Superintendent                        |                     |                     |                                  |
| Personal Services                               | 156,499             | 154,902             | 1,597                            |
| Other than Personal Services                    | 318,576             | 319,338             | (762)                            |
| Capital Outlay                                  | 4,667               | 4,665               | 2                                |
| Total Office of Superintendent                  | <u>479,742</u>      | <u>478,905</u>      | <u>837</u>                       |
| Division of Sewer Maintenance                   |                     |                     |                                  |
| Personal Services                               | 111,637             | 109,329             | 2,308                            |
| Other than Personal Services                    | 119,660             | 24,757              | 94,903                           |
| Capital Outlay                                  | 175,425             | 158,963             | 16,462                           |
| Total Department of Sewer Maintenance           | <u>406,722</u>      | <u>293,049</u>      | <u>113,673</u>                   |
| Division of Wastewater Treatment                |                     |                     |                                  |
| Personal Services                               | 157,346             | 155,201             | 2,145                            |
| Other than Personal Services                    | 109,420             | 114,309             | (4,889)                          |
| Capital Outlay                                  | 104,435             | 139,914             | (35,479)                         |
| Total Division of Wastewater Treatment          | <u>371,201</u>      | <u>409,424</u>      | <u>(38,223)</u>                  |
| Total Basic Utility Services                    | <u>1,257,665</u>    | <u>1,181,378</u>    | <u>76,287</u>                    |
| Debt Service:                                   |                     |                     |                                  |
| Principal Retirement                            | 105,348             | 105,348             | 0                                |
| Interest and Fiscal Charges                     | 6,497               | 6,497               | 0                                |
| Total Debt Service                              | <u>111,845</u>      | <u>111,845</u>      | <u>0</u>                         |
| <i>Total Expenses</i>                           | <u>1,369,510</u>    | <u>1,293,223</u>    | <u>76,287</u>                    |
| <i>Excess of Revenues Over (Under) Expenses</i> | <u>(127,080)</u>    | <u>(58,164)</u>     | <u>68,916</u>                    |
| <b>Other Financing Sources (Uses)</b>           |                     |                     |                                  |
| Proceeds from Sale of Capital Assets            | 430                 | 0                   | (430)                            |
| Intergovernmental                               | 0                   | 8,175               | 8,175                            |
| <i>Total Other Financing Sources (Uses)</i>     | <u>430</u>          | <u>8,175</u>        | <u>7,745</u>                     |
| <i>Net Change in Net Position</i>               | (126,650)           | (49,989)            | 76,661                           |
| <i>Net Position (Deficit) Beginning of Year</i> | 1,450,448           | 1,450,448           | 0                                |
| Prior Year Encumbrances Appropriated            | <u>37,316</u>       | <u>37,316</u>       | <u>0</u>                         |
| <i>Net Position (Deficit) End of Year</i>       | <u>\$ 1,361,114</u> | <u>\$ 1,437,775</u> | <u>\$ 76,661</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, 2018*

|   | Final<br>Budget | Actual     | Variance<br>with Final<br>Budget |
|---|-----------------|------------|----------------------------------|
| <b>Revenues</b>                                 |                 |            |                                  |
| Charges for Services                            | \$ 438,570      | \$ 407,294 | \$ (31,276)                      |
| <b>Expenses</b>                                 |                 |            |                                  |
| Basic Utility Service                           |                 |            |                                  |
| Division of Solid Waste                         |                 |            |                                  |
| Personal Services                               | 44,864          | 41,501     | 3,363                            |
| Other than Personal Services                    | 358,516         | 357,472    | 1,044                            |
| Capital Outlay                                  | 22,638          | 22,638     | 0                                |
| <i>Total Expenses</i>                           | 426,018         | 421,611    | 4,407                            |
| <i>Excess of Revenues Over (Under) Expenses</i> | 12,552          | (14,317)   | (26,869)                         |
| <b>Other Financing Sources (Uses)</b>           |                 |            |                                  |
| Intergovernmental                               | 19,090          | 9,207      | (9,883)                          |
| <i>Net Change in Net Position</i>               | 31,642          | (5,110)    | (36,752)                         |
| <i>Net Position (Deficit) Beginning of Year</i> | 397,860         | 397,860    | 0                                |
| Prior Year Encumbrances Appropriated            | 2,000           | 2,000      | 0                                |
| <i>Net Position (Deficit) End of Year</i>       | \$ 431,502      | \$ 394,750 | \$ (36,752)                      |

**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, 2018*

|   | Final<br>Budget | Actual     | Variance<br>with Final<br>Budget |
|---|-----------------|------------|----------------------------------|
| <b>Revenues</b>                                 |                 |            |                                  |
| Charges for Services                            | \$ 94,665       | \$ 100,390 | \$ 5,725                         |
| <b>Expenses</b>                                 |                 |            |                                  |
| Transportation                                  |                 |            |                                  |
| Division of Storm Sewer                         |                 |            |                                  |
| Other than Personal Services                    | 130,396         | 122,708    | 7,688                            |
| <i>Net Change in Net Position</i>               | (35,731)        | (22,318)   | 13,413                           |
| <i>Net Position (Deficit) Beginning of Year</i> | 159,633         | 159,633    | 0                                |
| Prior Year Encumbrances Appropriated            | 13,350          | 13,350     | 0                                |
| <i>Net Position (Deficit) End of Year</i>       | \$ 137,252      | \$ 150,665 | \$ 13,413                        |

# **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.

| <b><u>Contents</u></b>   | <b><u>Page(s)</u></b> |
|--|-----------------------|
| <b>Financial Trends</b>  |                       |
| 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            |
| <b>Revenue Capacity</b>  |                       |
| 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           |
| <b>Debt Capacity</b>   |                       |
| 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           |
| <b>Economic and Demographic Information</b>  |                       |
| 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           |
| <b>Operating Information</b>   |                       |
| 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.

With the implementation of GASB 75 in 2018, the calculation of OPEB expense has changed; however, government-wide expenses for 2017 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)*

|  | 2018             | 2017             | 2016             | Restated<br>2015 |
|--|------------------|------------------|------------------|------------------|
| <b>Governmental Activities</b>                     |                  |                  |                  |                  |
| Net Investment in Capital Assets                   | \$ 5,541         | \$ 5,355         | \$ 5,621         | \$ 5,276         |
| Restricted   | 1,642            | 1,766            | 1,815            | 1,739            |
| Unrestricted                                       | (3,219)          | (1,142)          | (887)            | (887)            |
| <i>Total Governmental Activities Net Position</i>  | <u>\$ 3,964</u>  | <u>\$ 5,979</u>  | <u>\$ 6,549</u>  | <u>\$ 6,128</u>  |
| <b>Business Type - Activities</b>                  |                  |                  |                  |                  |
| Net Investment in Capital Assets                   | \$ 10,902        | \$ 10,698        | \$ 10,583        | \$ 10,328        |
| Unrestricted                                       | 1,452            | 1,805            | 1,403            | 1,460            |
| <i>Total Business-Type Activities Net Position</i> | <u>\$ 12,354</u> | <u>\$ 12,503</u> | <u>\$ 11,986</u> | <u>\$ 11,788</u> |
| <b>Primary Government</b>                          |                  |                  |                  |                  |
| Net Investment in Capital Assets                   | \$ 16,443        | \$ 16,053        | \$ 16,204        | \$ 15,604        |
| Restricted   | 1,642            | 1,766            | 1,815            | 1,739            |
| Unrestricted                                       | (1,767)          | 663              | 516              | 573              |
| <i>Total Primary Government Net Position</i>       | <u>\$ 16,318</u> | <u>\$ 18,482</u> | <u>\$ 18,535</u> | <u>\$ 17,916</u> |

| 2014             | 2013             | 2012             | 2011             | 2010             | 2009             |
|------------------|------------------|------------------|------------------|------------------|------------------|
| \$ 5,068         | \$ 5,062         | \$ 5,054         | \$ 4,631         | \$ 4,861         | \$ 5,059         |
| 1,806            | 1,699            | 1,575            | 1,670            | 1,265            | 1,140            |
| (1,253)          | 894              | 1,059            | 973              | 1,192            | 1,195            |
| <u>\$ 5,621</u>  | <u>\$ 7,655</u>  | <u>\$ 7,688</u>  | <u>\$ 7,274</u>  | <u>\$ 7,318</u>  | <u>\$ 7,394</u>  |
| \$ 10,084        | \$ 9,963         | \$ 9,838         | \$ 9,020         | \$ 8,910         | \$ 8,841         |
| 1,590            | 1,851            | 1,691            | 1,990            | 1,754            | 1,808            |
| <u>\$ 11,674</u> | <u>\$ 11,814</u> | <u>\$ 11,529</u> | <u>\$ 11,010</u> | <u>\$ 10,664</u> | <u>\$ 10,649</u> |
| \$ 15,152        | \$ 15,025        | \$ 14,892        | \$ 13,651        | \$ 13,771        | \$ 13,900        |
| 1,806            | 1,699            | 1,575            | 1,670            | 1,265            | 1,140            |
| 337              | 2,745            | 2,750            | 2,963            | 2,946            | 3,003            |
| <u>\$ 17,295</u> | <u>\$ 19,469</u> | <u>\$ 19,217</u> | <u>\$ 18,284</u> | <u>\$ 17,982</u> | <u>\$ 18,043</u> |

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

|  | 2018         | 2017         | 2016         | 2015         |
|--|--------------|--------------|--------------|--------------|
| <b>Program Revenues</b>                                |              |              |              |              |
| Governmental Activities:                               |              |              |              |              |
| Charges for Services:                                  |              |              |              |              |
| General Government                                     | \$ 168       | \$ 92        | \$ 147       | \$ 317       |
| Security of Persons and Property                       | 187          | 342          | 255          | 262          |
| Public Health  | 41           | 14           | 49           | 36           |
| Leisure Time Services                                  | 172          | 70           | 167          | 159          |
| Basic Utility Service                                  | 0            | 0            | 0            | 0            |
| Transportation   | 0            | 20           | 0            | 0            |
| Charges for Services                                   | <u>568</u>   | <u>538</u>   | <u>618</u>   | <u>774</u>   |
| Operating Grants and Contributions                     | 458          | 479          | 520          | 407          |
| Capital Grants and Contributions                       | <u>313</u>   | <u>205</u>   | <u>578</u>   | <u>155</u>   |
| <i>Total Governmental Activities Program Revenues</i>  | <u>1,339</u> | <u>1,222</u> | <u>1,716</u> | <u>1,336</u> |
| Business-Type Activities:                              |              |              |              |              |
| Charges for Services:                                  |              |              |              |              |
| Water  | 890          | 825          | 670          | 541          |
| Sewer  | 1,220        | 1,249        | 1,257        | 1,312        |
| Solid Waste  | 405          | 406          | 407          | 470          |
| Storm Sewer  | 98           | 97           | 96           | 0            |
| Charges for Services                                   | <u>2,613</u> | <u>2,577</u> | <u>2,430</u> | <u>2,323</u> |
| Operating Grants and Contributions                     | 9            | 26           | 37           | 25           |
| Capital Grants and Contributions                       | <u>123</u>   | <u>0</u>     | <u>0</u>     | <u>165</u>   |
| <i>Total Business-Type Activities Program Revenues</i> | <u>2,745</u> | <u>2,603</u> | <u>2,467</u> | <u>2,513</u> |
| <i>Total Primary Government Program Revenues</i>       | <u>4,084</u> | <u>3,825</u> | <u>4,183</u> | <u>3,849</u> |
| <b>Expenses</b>  |              |              |              |              |
| Governmental Activities:                               |              |              |              |              |
| General Government                                     | 604          | 655          | 905          | 627          |
| Security of Persons and Property                       | 2,472        | 2,228        | 1,805        | 1,692        |
| Public Health  | 112          | 109          | 78           | 97           |
| Leisure Time Services                                  | 630          | 649          | 616          | 582          |
| Basic Utility Service                                  | 0            | 0            | 0            | 0            |
| Transportation   | 751          | 791          | 679          | 649          |
| Interest and Fiscal Charges                            | 18           | 29           | 18           | 22           |
| <i>Total Governmental Activities Expenses</i>          | <u>4,587</u> | <u>4,461</u> | <u>4,101</u> | <u>3,669</u> |
| Business-Type Activities                               |              |              |              |              |
| Water  | 892          | 888          | 856          | 891          |
| Sewer  | 1,301        | 1,143        | 1,057        | 1,105        |
| Solid Waste  | 407          | 345          | 382          | 422          |
| Storm Sewer  | 29           | 74           | 2            | 0            |
| <i>Total Business-Type Activities Expenses</i>         | <u>2,629</u> | <u>2,450</u> | <u>2,297</u> | <u>2,418</u> |
| <i>Total Primary Government Program Expenses</i>       | <u>7,216</u> | <u>6,911</u> | <u>6,398</u> | <u>6,087</u> |



|    | 2014  | 2013   | 2012   | 2011   | 2010   | 2009   |
|----|-------|--------|--------|--------|--------|--------|
| \$ | 360   | \$ 362 | \$ 370 | \$ 310 | \$ 287 | \$ 290 |
|    | 237   | 245    | 187    | 236    | 220    | 240    |
|    | 35    | 36     | 37     | 41     | 33     | 14     |
|    | 159   | 181    | 208    | 235    | 228    | 263    |
|    | 0     | 0      | 183    | 460    | 439    | 456    |
|    | 0     | 0      | 0      | 0      | 8      | 2      |
|    | 791   | 824    | 985    | 1,282  | 1,215  | 1,265  |
|    | 427   | 461    | 421    | 419    | 504    | 662    |
|    | 246   | 28     | 432    | 41     | 104    | 206    |
|    | 1,464 | 1,313  | 1,838  | 1,742  | 1,823  | 2,133  |
|    | 519   | 538    | 561    | 514    | 362    | 401    |
|    | 1,260 | 1,252  | 1,336  | 1,292  | 1,279  | 1,294  |
|    | 439   | 454    | 271    | 0      | 0      | 0      |
|    | 0     | 0      | 0      | 0      | 0      | 0      |
|    | 2,218 | 2,244  | 2,168  | 1,806  | 1,641  | 1,695  |
|    | 13    | 28     | 102    | 159    | 18     | 110    |
|    | 126   | 0      | 0      | 0      | 0      | 0      |
|    | 2,357 | 2,272  | 2,270  | 1,965  | 1,659  | 1,805  |
|    | 3,821 | 3,585  | 4,108  | 3,707  | 3,482  | 3,938  |
|    | 679   | 608    | 597    | 662    | 664    | 747    |
|    | 1,725 | 1,728  | 1,613  | 1,692  | 1,666  | 1,639  |
|    | 82    | 113    | 104    | 97     | 116    | 134    |
|    | 591   | 524    | 495    | 497    | 511    | 608    |
|    | 0     | 1      | 143    | 412    | 459    | 385    |
|    | 714   | 481    | 658    | 609    | 783    | 878    |
|    | 47    | 36     | 41     | 48     | 52     | 50     |
|    | 3,838 | 3,491  | 3,651  | 4,017  | 4,251  | 4,441  |
|    | 1,004 | 948    | 873    | 791    | 967    | 797    |
|    | 1,083 | 1,043  | 1,100  | 1,063  | 1,046  | 1,023  |
|    | 359   | 378    | 235    | 0      | 0      | 0      |
|    | 0     | 0      | 0      | 0      | 0      | 0      |
|    | 2,446 | 2,369  | 2,208  | 1,854  | 2,013  | 1,820  |
|    | 6,284 | 5,860  | 5,859  | 5,871  | 6,264  | 6,261  |

(continued)

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

|  | 2018           | 2017           | 2016           | 2015           |
|--|----------------|----------------|----------------|----------------|
| <b>Net (Expense)/Revenue</b>   |                |                |                |                |
| Governmental Activities  | \$ (3,248)     | \$ (3,239)     | \$ (2,385)     | \$ (2,333)     |
| Business-Type Activities   | 116            | 153            | 170            | 95             |
| <i>Total Primary Government Net Expense</i>  | <u>(3,132)</u> | <u>(3,086)</u> | <u>(2,215)</u> | <u>(2,238)</u> |
| <b>General Revenues and Other Changes in Net Position</b>                          |                |                |                |                |
| Governmental Activities  |                |                |                |                |
| Taxes:   |                |                |                |                |
| Property and Other Local Taxes Levied For:   |                |                |                |                |
| General Purposes   | 434            | 273            | 338            | 347            |
| Police, Fire and Emergency Services  | 306            | 310            | 302            | 273            |
| Income Taxes Levied for:   |                |                |                |                |
| General Purposes   | 1,451          | 1,516          | 1,379          | 1,357          |
| Capital Outlay   | 484            | 505            | 470            | 454            |
| Grants and Entitlements not Restricted to  |                |                |                |                |
| Specific Programs  | 388            | 341            | 285            | 337            |
| Investment Income  | 63             | 36             | 24             | 37             |
| Gain (Loss) on Sale of Capital Assets  |                | 0              | 0              | 0              |
| Miscellaneous  | 44             | 36             | 8              | 35             |
| Transfers  | (90)           | 0              | 0              | 0              |
| <i>Total Governmental Activities</i>   | <u>3,080</u>   | <u>3,017</u>   | <u>2,806</u>   | <u>2,840</u>   |
| Business-Type Activities   |                |                |                |                |
| Income Taxes levied for:   |                |                |                |                |
| Water Utility Services   | 0              | 0              | 0              | 6              |
| Miscellaneous  | 26             | 16             | 27             | 12             |
| Transfers  | 90             | 0              | 0              | 0              |
| <i>Total Business-Type Activities</i>  | <u>116</u>     | <u>16</u>      | <u>27</u>      | <u>18</u>      |
| <i>Total Primary Government General Revenues and Other Changes in Net Position</i> | <u>3,196</u>   | <u>3,033</u>   | <u>2,833</u>   | <u>2,858</u>   |
| <b>Change in Net Position</b>  |                |                |                |                |
| Governmental Activities  | (168)          | (222)          | 421            | 507            |
| Business-Type Activities   | 232            | 169            | 197            | 113            |
| <i>Total Primary Government Change in Net Position</i>                             | <u>\$ 64</u>   | <u>\$ (53)</u> | <u>\$ 618</u>  | <u>\$ 620</u>  |

| 2014       | 2013       | 2012       | 2011       | 2010       | 2009       |
|------------|------------|------------|------------|------------|------------|
| \$ (2,374) | \$ (2,178) | \$ (1,813) | \$ (2,275) | \$ (2,428) | \$ (2,308) |
| (89)       | (97)       | 62         | 111        | (354)      | (15)       |
| (2,463)    | (2,275)    | (1,751)    | (2,164)    | (2,782)    | (2,323)    |
| 285        | 380        | 369        | 366        | 345        | 380        |
| 207        | 297        | 272        | 266        | 238        | 267        |
| 873        | 801        | 810        | 664        | 723        | 783        |
| 403        | 401        | 405        | 332        | 361        | 392        |
| 321        | 353        | 374        | 525        | 609        | 567        |
| 29         | 14         | 29         | 31         | 46         | 57         |
| 0          | 0          | 5          | 0          | 0          | 0          |
| 56         | 19         | 11         | 47         | 31         | 26         |
| 0          | 0          | (35)       | 0          | 0          | 0          |
| 2,174      | 2,265      | 2,240      | 2,231      | 2,353      | 2,472      |
| 401        | 401        | 332        | 332        | 361        | 392        |
| 11         | 11         | 20         | 20         | 9          | 24         |
| 0          | 0          | 0          | 0          | 0          | 0          |
| 412        | 412        | 352        | 352        | 370        | 416        |
| 2,586      | 2,677      | 2,592      | 2,583      | 2,723      | 2,888      |
| (200)      | 87         | 427        | (44)       | (75)       | 164        |
| 323        | 315        | 414        | 463        | 16         | 401        |
| \$ 123     | \$ 402     | \$ 841     | \$ 419     | \$ (59)    | \$ 565     |

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

|   | 2018            | 2017            | 2016            | 2015            |
|---|-----------------|-----------------|-----------------|-----------------|
| <b>General Fund</b>                       |                 |                 |                 |                 |
| Nonspendable                              | \$ 2            | \$ 1            | \$ 2            | \$ 2            |
| Committed                                 | 12              | 7               | 19              | 14              |
| Assigned                                  | 58              | 204             | 96              | 21              |
| Unassigned                                | 940             | 768             | 744             | 646             |
| Reserved                                  | 0               | 0               | 0               | 0               |
| Unreserved, Designated                    | 0               | 0               | 0               | 0               |
| Unreserved                                | 0               | 0               | 0               | 0               |
| <b>Total General Fund</b>                 | <u>1,012</u>    | <u>980</u>      | <u>861</u>      | <u>683</u>      |
| <b>All Other Governmental Funds</b>       |                 |                 |                 |                 |
| Nonspendable                              | 0               | 0               | 0               | 0               |
| Restricted                                | 1,218           | 1,295           | 1,345           | 1,267           |
| Unassigned                                | 0               | 0               | 0               | 0               |
| Reserved                                  | 0               | 0               | 0               | 0               |
| Unreserved,                               |                 |                 |                 |                 |
| Undesignated (Deficit), Reported in:      | 0               | 0               | 0               | 0               |
| Special Revenue funds                     | 0               | 0               | 0               | 0               |
| Debt Service funds                        | 0               | 0               | 0               | 0               |
| Capital Projects funds                    | 0               | 0               | 0               | 0               |
| <b>Total All Other Governmental Funds</b> | <u>1,218</u>    | <u>1,295</u>    | <u>1,345</u>    | <u>1,267</u>    |
| <b>Total Governmental Funds</b>           | <u>\$ 2,230</u> | <u>\$ 2,275</u> | <u>\$ 2,206</u> | <u>\$ 1,950</u> |

Note: The City implemented GASB 54 in 2010 that changed the classification of fund balance.  
Prior year amounts were not updated to reflect this change.

| Restated |          |          |          |          |          |  |  |  |  |
|----------|----------|----------|----------|----------|----------|--|--|--|--|
| 2014     | 2013     | 2012     | 2011     | 2010     | 2009     |  |  |  |  |
| \$ 16    | \$ 17    | \$ 21    | \$ 22    | \$ 23    | \$ 0     |  |  |  |  |
| 9        | 1        | 6        | 6        | 27       | 0        |  |  |  |  |
| 245      | 292      | 259      | 219      | 276      | 0        |  |  |  |  |
| 197      | 442      | 517      | 535      | 502      | 0        |  |  |  |  |
| 0        | 0        | 0        | 0        | 0        | 44       |  |  |  |  |
| 0        | 0        | 0        | 0        | 0        | 152      |  |  |  |  |
| 0        | 0        | 0        | 0        | 0        | 765      |  |  |  |  |
| 467      | 752      | 803      | 782      | 828      | 961      |  |  |  |  |
| 10       | 10       | 9        | 15       | 9        | 0        |  |  |  |  |
| 1,259    | 1,234    | 1,027    | 1,295    | 1,112    | 0        |  |  |  |  |
| 0        | 0        | (8)      | 0        | 0        | 0        |  |  |  |  |
| 0        | 0        | 0        | 0        | 0        | 74       |  |  |  |  |
| 0        |          |          |          |          |          |  |  |  |  |
| 0        | 0        | 0        | 0        | 0        | 667      |  |  |  |  |
| 0        | 0        | 0        | 0        | 0        | 49       |  |  |  |  |
| 0        | 0        | 0        | 0        | 0        | 56       |  |  |  |  |
| 1,269    | 1,244    | 1,028    | 1,310    | 1,121    | 846      |  |  |  |  |
| \$ 1,736 | \$ 1,996 | \$ 1,831 | \$ 2,092 | \$ 1,949 | \$ 1,807 |  |  |  |  |

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

|   | 2018           | 2017         | 2016          | 2015          |
|---|----------------|--------------|---------------|---------------|
| <b>Revenues</b>   |                |              |               |               |
| Taxes   | \$ 2,619       | \$ 2,619     | \$ 2,528      | \$ 2,306      |
| Charges for Services                                    | 503            | 482          | 535           | 725           |
| Fines, Licenses and Permits                             | 63             | 58           | 41            | 44            |
| Intergovernmental                                       | 1,100          | 874          | 1,263         | 960           |
| Special Assessments                                     | 91             | 147          | 69            | 50            |
| Investment Income                                       | 64             | 36           | 25            | 37            |
| Contributions and Donations                             | 1              | 2            | 59            | 0             |
| Other   | 43             | 36           | 12            | 35            |
| <i>Total Revenues</i>                                   | <u>4,484</u>   | <u>4,254</u> | <u>4,532</u>  | <u>4,157</u>  |
| <b>Expenditures</b>                                     |                |              |               |               |
| Current:  |                |              |               |               |
| General Government                                      | 508            | 569          | 445           | 611           |
| Security of Persons and Property                        | 1,924          | 1,787        | 1,735         | 1,918         |
| Public Health   | 96             | 95           | 95            | 94            |
| Leisure Time Activities                                 | 451            | 461          | 472           | 458           |
| Basic Utility Services                                  | 0              | 0            | 0             | 0             |
| Transportation  | 426            | 508          | 394           | 517           |
| Capital Outlay  | 979            | 621          | 931           | 380           |
| Debt Service:   |                |              |               |               |
| Principal Retirement                                    | 235            | 242          | 193           | 166           |
| Interest and Fiscal Charges                             | 18             | 28           | 20            | 22            |
| <i>Total Expenditures</i>                               | <u>4,637</u>   | <u>4,311</u> | <u>4,285</u>  | <u>4,166</u>  |
| <i>Excess of Revenues Over<br/>(Under) Expenditures</i> | <u>(153)</u>   | <u>(57)</u>  | <u>247</u>    | <u>(9)</u>    |
| <b>Other Financing Sources (Uses)</b>                   |                |              |               |               |
| Bonds Issued  | 0              | 0            | 0             | 0             |
| Issuance of Loans                                       | 0              | 14           | 7             | 85            |
| Issuance of Notes                                       | 0              | 0            | 0             | 111           |
| Inception of Capital Lease                              | 198            | 112          | 0             | 0             |
| Issuance of Refunding Bonds                             | 0              | 0            | 0             | 0             |
| Proceeds from Sale of Capital Assets                    | 0              | 0            | 1             | 27            |
| Payment to Refunded Bond Escrow Agent                   | 0              | 0            | 0             | 0             |
| Transfers In  | 304            | 222          | 189           | 182           |
| Transfers Out   | (394)          | (222)        | (189)         | (182)         |
| <i>Total Other Financing Sources (Uses)</i>             | <u>108</u>     | <u>126</u>   | <u>8</u>      | <u>223</u>    |
| <i>Net Change in Fund Balances</i>                      | <u>\$ (45)</u> | <u>\$ 69</u> | <u>\$ 255</u> | <u>\$ 214</u> |
| Debt Service as a Percentage of Noncapital Expenditures | 6.5%           | 7.1%         | 5.9%          | 5.5%          |

|    | 2014         | 2013         | 2012         | 2011         | 2010         | 2009         |
|----|--------------|--------------|--------------|--------------|--------------|--------------|
| \$ | 1,764        | \$ 1,857     | \$ 1,716     | \$ 1,612     | \$ 1,686     | \$ 1,679     |
|    | 710          | 753          | 989          | 1,225        | 1,159        | 1,171        |
|    | 42           | 48           | 36           | 33           | 29           | 31           |
|    | 916          | 820          | 1,099        | 955          | 1,075        | 1,255        |
|    | 75           | 122          | 14           | 18           | 83           | 23           |
|    | 29           | 14           | 29           | 34           | 46           | 57           |
|    | 0            | 19           | 4            | 5            | 30           | 200          |
|    | 55           | 17           | 16           | 45           | 16           | 46           |
|    | <u>3,591</u> | <u>3,650</u> | <u>3,903</u> | <u>3,927</u> | <u>4,124</u> | <u>4,462</u> |
|    | 618          | 660          | 549          | 648          | 641          | 728          |
|    | 1,659        | 1,922        | 1,593        | 1,504        | 1,465        | 1,464        |
|    | 87           | 121          | 125          | 96           | 112          | 132          |
|    | 474          | 461          | 439          | 423          | 460          | 484          |
|    | 0            | 1            | 143          | 412          | 460          | 385          |
|    | 443          | 379          | 1,186        | 557          | 588          | 791          |
|    | 451          | 25           | 0            | 6            | 113          | 212          |
|    | 146          | 107          | 99           | 94           | 94           | 84           |
|    | 34           | 37           | 41           | 45           | 49           | 47           |
|    | <u>3,912</u> | <u>3,713</u> | <u>4,175</u> | <u>3,785</u> | <u>3,982</u> | <u>4,327</u> |
|    | <u>(321)</u> | <u>(63)</u>  | <u>(272)</u> | <u>142</u>   | <u>142</u>   | <u>135</u>   |
|    | 40           | 0            | 0            | 0            | 0            | 77           |
|    | 7            | 227          | 0            | 0            | 0            | 0            |
|    | 0            | 0            | 0            | 0            | 0            | 0            |
|    | 0            | 0            | 0            | 0            | 0            | 0            |
|    | 645          | 0            | 0            | 0            | 0            | 0            |
|    | 22           | 1            | 11           | 0            | 0            | 0            |
|    | (638)        | 0            | 0            | 0            | 0            | 0            |
|    | 154          | 164          | 135          | 198          | 165          | 202          |
|    | <u>(154)</u> | <u>(164)</u> | <u>(135)</u> | <u>(198)</u> | <u>(165)</u> | <u>(202)</u> |
|    | <u>76</u>    | <u>228</u>   | <u>11</u>    | <u>0</u>     | <u>0</u>     | <u>77</u>    |
|    | <u>(245)</u> | <u>165</u>   | <u>(261)</u> | <u>142</u>   | <u>142</u>   | <u>212</u>   |
|    | 4.9%         | 4.6%         | 4.1%         | 3.7%         | 3.7%         | 3.2%         |

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

| Collection<br>Year | Real Property                |                             |                              | Tangible Personal Property |                              |
|--------------------|------------------------------|-----------------------------|------------------------------|----------------------------|------------------------------|
|                    | Assessed Value               |                             | Estimated<br>Actual<br>Value | Public Utility             |                              |
|                    | Residential/<br>Agricultural | Commercial<br>Industrial/PU |                              | Assessed<br>Value          | Estimated<br>Actual<br>Value |
| 2018               | \$ 80,191,190                | \$ 12,045,350               | \$ 263,532,971               | \$ 3,115,240               | \$ 3,540,045                 |
| 2017               | 76,382,510                   | 12,016,990                  | 252,570,000                  | 3,008,490                  | 3,418,739                    |
| 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                    |

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>Assessed Value</u>             | <u>Estimated Actual Value</u> | <u>Assessed Value</u> | <u>Estimated Actual Value</u> | <u>Weighted Average Tax Rate</u> |  |
| \$ 0                              | \$ 0                          | \$ 95,351,780         | \$ 267,073,017                | 35.70%                           |  |
| 0                                 | 0                             | 91,407,990            | 255,988,739                   | 35.71%                           |  |
| 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                   | 35.43%                           |  |
| 72,830                            | 1,165,280                     | 96,496,570            | 273,573,931                   | 35.27%                           |  |
| 104,498                           | 1,671,968                     | 96,578,988            | 274,235,909                   | 35.22%                           |  |
| 238,177                           | 3,810,832                     | 99,006,377            | 283,897,401                   | 34.87%                           |  |

**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 |                 |  |                  | Total Direct & 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 |                                  |
| 2018            | 3.40                         | 1.00 | 2.30               | 0.30                | 7.00       | 10.25             | 0.00            | 63.15                                    | 6.90             | 87.30                            |
| 2017            | 3.40                         | 1.00 | 2.30               | 0.30                | 7.00       | 10.25             | 0.00            | 63.20                                    | 6.80             | 87.25                            |
| 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                            |

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> |
|-----------------|-----------------|----------------------------|-------------------------------|---|-------------------------------|---|-------------------------------|---|
| 2018            | 1.5%            | \$ 1,994,959               | \$ 1,193,680                  | 59.83%                                      | \$ 232,400                    | 11.65%                                      | \$ 568,880                    | 28.52%                                      |
| 2017            | 1.5%            | 1,886,993                  | 1,114,300                     | 59.05%                                      | 175,126                       | 9.28%                                       | 597,567                       | 31.67%                                      |
| 2016            | 1.5%            | 2,004,023                  | 1,072,113                     | 53.50%                                      | 222,396                       | 11.10%                                      | 709,515                       | 35.50%                                      |
| 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%                                      |

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<br>Obligation<br>Bonds | OPWC<br>Loans | Loans     | Notes<br>Payable | Capital<br>Leases |
| 2018 | \$ 282,000                     | \$ 74,375     | \$ 35,000 | \$ 0             | \$ 217,296        |
| 2017 | 402,000                        | 78,625        | 73,708    | 18,976           | 71,715            |
| 2016 | 517,000                        | 82,875        | 97,564    | 63,353           | 0                 |
| 2015 | 627,000                        | 85,000        | 127,587   | 106,970          | 0                 |
| 2014 | 732,000                        | 0             | 163,796   | 21,000           | 0                 |
| 2013 | 776,000                        | 0             | 220,000   | 0                | 0                 |
| 2012 | 865,000                        | 0             | 0         | 0                | 11,133            |
| 2011 | 954,000                        | 0             | 0         | 0                | 21,722            |
| 2010 | 1,038,000                      | 0             | 0         | 0                | 31,793            |
| 2009 | 1,122,000                      | 0             | 0         | 0                | 41,370            |

- (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<br>Bonds | General<br>Obligation<br>Bonds | OPWC<br>Loans | OWDA<br>Loans | Capital<br>Leases | Total<br>Debt | Percentage<br>of Personal<br>Income | Per<br>Capita |
|------------------|--------------------------------|---------------|---------------|-------------------|---------------|-------------------------------------|---------------|
| \$ 0             | \$ 793,922                     | \$ 490,197    | 0             | \$ 72,502         | 1,965,292     | 1.57%                               | 303           |
| 0                | 999,270                        | 521,419       | 0             | 0                 | 2,165,713     | 1.73%                               | 334           |
| 0                | 1,188,556                      | 394,150       | 0             | 0                 | 2,343,498     | 1.87%                               | 361           |
| 801,900          | 868,000                        | 415,266       | 0             | 0                 | 3,031,723     | 2.42%                               | 467           |
| 831,400          | 965,500                        | 267,257       | 0             | 0                 | 2,980,953     | 2.38%                               | 459           |
| 859,400          | 1,027,500                      | 284,248       | 0             | 0                 | 3,167,148     | 2.53%                               | 488           |
| 886,100          | 1,109,000                      | 301,239       | 133,002       | 0                 | 3,305,474     | 2.64%                               | 509           |
| 931,500          | 1,130,000                      | 309,735       | 389,249       | 0                 | 3,736,206     | 2.98%                               | 576           |
| 1,015,600        | 1,195,000                      | 187,500       | 633,148       | 0                 | 4,101,041     | 3.27%                               | 632           |
| 1,038,500        | 1,260,000                      | 200,000       | 865,295       | 0                 | 4,527,165     | 4.47%                               | 717           |

**City of Rittman**  
**Wayne County, Ohio**  
*Ratio of Outstanding Debt to*  
*Assessed Value and Net Bonded Debt Per Capita*  
*Last Ten Years*

| Year | General<br>Obligation<br>Bonds (1) | Resources<br>Available for<br>Repayment | Net<br>General<br>Bonded<br>Debt | Percentage of<br>Actual Taxable<br>Value of<br>Property | Per<br>Capita |
|------|------------------------------------|---|----------------------------------|---|---------------|
| 2018 | 1,075,922                          | \$ 10,435                               | 1,065,487                        | 0.40%   | 164.15        |
| 2017 | 1,401,270                          | 10,435                                  | 1,390,835                        | 0.54%   | 214.27        |
| 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                        | 0.85%   | 746.74        |

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, 2018*

| <u>Jurisdiction</u>                      | <u>Governmental<br/>Activities Debt<br/>Outstanding</u> | <u>Percentage<br/>Applicable<br/>to City (1)</u> | <u>Amount<br/>Applicable<br/>to City</u> |
|--|---|--|--|
| <b>Direct:</b>                           |   |  |  |
| City of Rittman                          | \$ 608,671  | 100.00%  | \$ 608,671                               |
| <i>Total Direct Debt</i>                 | <u>608,671</u>  |  | <u>608,671</u>                           |
| <b>Overlapping:</b>                      |   |  |  |
| Chippewa Local School District           | 15,565,000  | 1.08%  | 168,102                                  |
| Cloverleaf Local School District         | 675,000   | 0.23%  | 1,553                                    |
| Norwayne Local School District           | 7,731,179   | 0.13%  | 10,051                                   |
| Rittman Exempted Village School District | 6,102,944   | 86.26%   | 5,264,399                                |
| Wayne County, Ohio                       | 6,245,000   | 3.75%  | 234,188                                  |
| Wayne Public Library                     | 3,783,790   | 3.23%  | 122,216                                  |
| Medina County, Ohio                      | 10,354,918  | 0.07%  | 7,248                                    |
| Medina County Public Library             | <u>13,519,993</u>                                       | 0.03%  | <u>4,056</u>                             |
| <i>Total Overlapping Debt</i>            | <u>63,977,824</u>                                       |  | <u>5,811,813</u>                         |
| <b>Total</b>                             | <u>\$ 64,586,495</u>                                    |  | <u>\$ 6,420,484</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*

|   | 2018          | 2017          | 2016          | 2015          |
|---|---------------|---------------|---------------|---------------|
| Total Assessed Property Value   | \$ 95,351,780 | \$ 91,407,990 | \$ 90,757,100 | \$ 90,561,050 |
| Overall Legal Debt Limit<br>(10 ½ % of Assessed Valuation)                  | \$ 10,011,937 | \$ 9,597,839  | \$ 9,529,496  | \$ 9,508,910  |
| Debt Outstanding:   |               |               |               |               |
| General Obligation Bonds  | 1,075,922     | 1,401,270     | 1,705,556     | 1,495,000     |
| Revenue Bonds   | 0             | 0             | 0             | 801,900       |
| Special Assessment Bonds  | 0             | 0             | 0             | 0             |
| OPWC Loans  | 564,572       | 600,044       | 477,025       | 500,266       |
| OWDA Loans  | 0             | 0             | 0             | 0             |
| Loans   | 35,000        | 73,708        | 97,564        | 127,587       |
| Notes   | 0             | 18,976        | 63,353        | 106,970       |
| Total Gross Indebtedness  | 1,675,494     | 2,093,998     | 2,343,498     | 3,031,723     |
| Less:   |               |               |               |               |
| Revenue Bonds   | 0             | 0             | 0             | (801,900)     |
| Special Assessment Bonds  | 0             | 0             | 0             | 0             |
| OPWC Loans  | (564,572)     | (600,044)     | (477,025)     | (500,266)     |
| OWDA Loans  | 0             | 0             | 0             | 0             |
| Loans   | (35,000)      | (73,708)      | (97,564)      | (127,587)     |
| Notes   | 0             | (18,976)      | (63,353)      | (106,970)     |
| Amount Available in Bond Retirement Fund                                    | (10,435)      | (10,435)      | (10,435)      | (12,560)      |
| Total Net Debt Applicable to Debt Limit                                     | 1,065,487     | 1,390,835     | 1,695,121     | 1,482,440     |
| Legal Debt Margin Within 10 ½ % Limitations                                 | \$ 8,946,450  | \$ 8,207,004  | \$ 7,834,375  | \$ 8,026,470  |
| Legal Debt Margin as a Percentage of the Debt Limit                         | 89.36%        | 85.51%        | 82.21%        | 84.41%        |
| Unvoted Debt Limitation<br>(5 ½ % of Assessed Valuation)                    | \$ 5,244,348  | \$ 5,027,439  | \$ 4,991,641  | \$ 4,980,858  |
| Total Gross Indebtedness  | 1,675,494     | 2,093,998     | 2,343,498     | 3,031,723     |
| Less:   |               |               |               |               |
| Revenue Bonds   | 0             | 0             | 0             | (801,900)     |
| Special Assessment Bonds  | 0             | 0             | 0             | 0             |
| OPWC Loans  | (564,572)     | (600,044)     | (477,025)     | (500,266)     |
| OWDA Loans  | 0             | 0             | 0             | 0             |
| Loans   | (35,000)      | (73,708)      | (97,564)      | (127,587)     |
| Notes   | 0             | (18,976)      | (63,353)      | (106,970)     |
| Amount Available in Bond Retirement Fund                                    | (10,435)      | (10,435)      | (10,435)      | (12,560)      |
| Net Debt Within 5 ½ % Limitations   | 1,065,487     | 1,390,835     | 1,695,121     | 1,482,440     |
| Unvoted Legal Debt Margin Within 5 ½ % Limitations                          | \$ 4,178,861  | \$ 3,636,604  | \$ 3,296,520  | \$ 3,498,418  |
| Unvoted legal Debt Margin as a Percentage of the<br>Unvoted Debt Limitation | 79.68%        | 72.34%        | 66.04%        | 70.24%        |

Source: City Financial Records



| 2014                 | 2013                 | 2012                 | 2011                 | 2010                 | 2009                 |
|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|
| <u>\$ 94,334,860</u> | <u>\$ 93,965,210</u> | <u>\$ 93,703,280</u> | <u>\$ 96,496,570</u> | <u>\$ 96,578,988</u> | <u>\$ 99,006,377</u> |
| <u>\$ 9,905,160</u>  | <u>\$ 9,866,347</u>  | <u>\$ 9,838,844</u>  | <u>\$ 10,132,140</u> | <u>\$ 10,140,794</u> | <u>\$ 10,395,670</u> |
| 1,697,500            | 1,803,500            | 1,974,000            | 2,084,000            | 2,233,000            | 2,382,000            |
| 831,400              | 859,400              | 886,100              | 931,500              | 1,015,600            | 1,038,500            |
| 0                    | 0                    | 0                    | 0                    | 0                    | 42,758               |
| 267,257              | 284,248              | 301,239              | 309,735              | 187,500              | 200,000              |
| 0                    | 0                    | 133,002              | 389,249              | 633,148              | 865,295              |
| 163,796              | 220,000              | 0                    | 0                    | 0                    | 0                    |
| 21,000               | 0                    | 0                    | 0                    | 0                    | 0                    |
| <u>2,980,953</u>     | <u>3,167,148</u>     | <u>3,294,341</u>     | <u>3,714,484</u>     | <u>4,069,248</u>     | <u>4,528,553</u>     |
| (831,400)            | (859,400)            | (886,100)            | (931,500)            | (1,015,600)          | (1,038,500)          |
| 0                    | 0                    | 0                    | 0                    | 0                    | (42,758)             |
| (267,257)            | (284,248)            | (301,239)            | (309,735)            | (187,500)            | (200,000)            |
| 0                    | 0                    | (133,002)            | (389,249)            | (633,148)            | (865,295)            |
| (163,796)            | (220,000)            | 0                    | 0                    | 0                    | 0                    |
| (21,000)             | 0                    | 0                    | 0                    | 0                    | 0                    |
| (12,263)             | (1,300)              | 0                    | (22,959)             | (22,775)             | (49,064)             |
| <u>1,685,237</u>     | <u>1,802,200</u>     | <u>1,974,000</u>     | <u>2,061,041</u>     | <u>2,210,225</u>     | <u>2,332,936</u>     |
| <u>\$ 8,219,923</u>  | <u>\$ 8,064,147</u>  | <u>\$ 7,864,844</u>  | <u>\$ 8,071,099</u>  | <u>\$ 7,930,569</u>  | <u>\$ 8,062,734</u>  |
| 82.99%               | 81.73%               | 79.94%               | 79.66%               | 78.20%               | 77.56%               |
| <u>\$ 5,188,417</u>  | <u>\$ 5,168,087</u>  | <u>\$ 5,153,680</u>  | <u>\$ 5,307,311</u>  | <u>\$ 5,311,844</u>  | <u>\$ 5,445,351</u>  |
| 2,980,953            | 3,167,148            | 3,294,341            | 3,714,484            | 4,069,248            | 4,528,553            |
| (831,400)            | (859,400)            | (886,100)            | (931,500)            | (1,015,600)          | (1,038,500)          |
| 0                    | 0                    | 0                    | 0                    | 0                    | (42,758)             |
| (267,257)            | (284,248)            | (301,239)            | (309,735)            | (187,500)            | (200,000)            |
| 0                    | 0                    | (133,002)            | (389,249)            | (633,148)            | (865,295)            |
| (163,796)            | (220,000)            | 0                    | 0                    | 0                    | 0                    |
| (21,000)             | 0                    | 0                    | 0                    | 0                    | 0                    |
| (12,263)             | (1,300)              | 0                    | (22,959)             | (22,775)             | (49,064)             |
| <u>1,685,237</u>     | <u>1,802,200</u>     | <u>1,974,000</u>     | <u>2,061,041</u>     | <u>2,210,225</u>     | <u>2,332,936</u>     |
| <u>\$ 3,503,180</u>  | <u>\$ 3,365,887</u>  | <u>\$ 3,179,680</u>  | <u>\$ 3,246,270</u>  | <u>\$ 3,101,619</u>  | <u>\$ 3,112,415</u>  |
| 67.52%               | 65.13%               | 61.70%               | 61.17%               | 58.39%               | 57.16%               |

**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*

|   | 2018   | 2017   | 2016   | 2015   | 2014   | 2013   | 2012   | 2011  | 2010  | 2009  |
|---|--------|--------|--------|--------|--------|--------|--------|-------|-------|-------|
| <b><u>General Bonded Debt</u></b>                             |        |        |        |        |        |        |        |       |       |       |
| Debt Service  | \$ 220 | \$ 200 | \$ 200 | \$ 166 | \$ 146 | \$ 107 | \$ 100 | \$ 94 | \$ 94 | \$ 84 |
| General Governmental Expenditures                             | 4,638  | 4,312  | 4,285  | 4,166  | 3,912  | 3,713  | 4,175  | 3,785 | 3,982 | 4,327 |
| Ratio of Debt Service to General<br>Governmental Expenditures | 4.74   | 4.64   | 4.67   | 3.98   | 3.73   | 2.88   | 2.40   | 2.48  | 2.36  | 1.94  |
| <b><u>Revenue Bond Coverage</u></b>                           |        |        |        |        |        |        |        |       |       |       |
| Sewer   |        |        |        |        |        |        |        |       |       |       |
| Direct Revenue  | 1,220  | 1,249  | 1,257  | 1,311  | 1,268  | 1,252  | 1,335  | 1,292 | 1,279 | 1,294 |
| Operating expense (1)   | 977    | 845    | 760    | 792    | 851    | 701    | 775    | 738   | 735   | 699   |
| Net available   | 243    | 404    | 497    | 519    | 417    | 551    | 560    | 554   | 544   | 595   |
| Principal   | 0      | 0      | 802    | 30     | 28     | 27     | 45     | 84    | 23    | 22    |
| Interest  | 0      | 0      | 25     | 43     | 44     | 45     | 48     | 52    | 53    | 54    |
| Total Debt Service  | 0      | 0      | 827    | 73     | 72     | 72     | 93     | 136   | 76    | 76    |
| Coverage  | 0.00   | 0.00   | 0.60   | 7.11   | 5.79   | 7.65   | 6.02   | 4.07  | 7.16  | 7.83  |

Source: City Financial Records  
(1) Excludes depreciation

**City of Rittman**  
**Wayne County, Ohio**  
*Principal Employers*  
*2018 and 2009*

| Employer                   | Industry              | 2018                      |      | 2009                      |              | Rank | Percentage of Total City W-2's processed |
|----------------------------|-----------------------|---------------------------|------|---------------------------|--------------|------|--|
|                            |                       | Number of W-2's processed | Rank | Number of W-2's processed | Rank         |      |  |
| Morton International, Inc. | Salt Mines            | 290                       | 1    | 6.53%                     | 280          | 1    | 9.27%                                    |
| Rittman Board of Education | Education             | 250                       | 2    | 5.63%                     | 220          | 2    | 7.29%                                    |
| City of Rittman            | Municipal Government  | 204                       | 3    | 4.60%                     | 140          | 3    | 4.64%                                    |
| Embassy Autumnwood         | Nursing Home          | 132                       | 4    | 2.97%                     | 132          | 4    | 4.38%                                    |
| Laria Chevrolet Buick      | Automobile Dealership | 81                        | 5    | 1.83%                     | 60           | 5    | 1.99%                                    |
| Unilock Ohio, Inc.         | Excavation            | 58                        | 6    | 1.31%                     | 51           | 6    | 1.69%                                    |
| J O Plastics, Inc.         | Plastics              | 50                        | 7    | 1.13%                     | 0            | 0    | 0.00%                                    |
| Mull Iron                  | Metal Fabricating     | 57                        | 8    | 1.28%                     | 31           | 7    | 1.03%                                    |
| Summa Health System        | Health Care           | 38                        | 9    | 0.86%                     | 0            | 0    | 0.00%                                    |
| Imperial Plastics, Inc.    | Plastics              | 27                        | 10   | 0.61%                     | 0            | 0    | 0.00%                                    |
| Promotional Fixtures       | Marketing             | 25                        | 0    | 0.00%                     | 0            | 0    | 0.00%                                    |
| Bauman Orchard             | Orchard               | 35                        | 0    | 0.00%                     | 53           | 8    | 1.76%                                    |
| Swiss Woodcraft, Inc.      | Cabinet manufacturer  | 39                        | 0    | 0.00%                     | 0            | 0    | 0.00%                                    |
| Premier Pontiac            | Automobile Dealership | 38                        | 0    | 0.00%                     | 47           | 9    | 1.56%                                    |
| Rittman IGA                | Grocery Store         | 51                        | 0    | 0.00%                     | 50           | 10   | 1.66%                                    |
| Total                      |                       | <u>1,375</u>              |      | <u>26.75%</u>             | <u>1,064</u> |      | <u>35.29%</u>                            |
| Total W-2's Processed      |                       | <u>4,438</u>              |      |                           | <u>3,016</u> |      |  |

Source: City of Rittman

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

| Year | Population (1) | Total Personal<br>Income (1)<br>(000 omitted) | Personal<br>Income<br>Per Capita (1) | Median<br>Family<br>Income (1) | School<br>Enrollment (2) | Unemployment Rate (3) |                  |                  | City<br>Square<br>Miles (4) |
|------|----------------|---|--------------------------------------|--------------------------------|--------------------------|-----------------------|------------------|------------------|-----------------------------|
|      |                |   |                                      |                                |                          | Wayne<br>County       | Medina<br>County | State of<br>Ohio |                             |
| 2018 | 6,491          | \$ 125,413                                    | \$ 19,321                            | \$ 43,837                      | 1,088                    | 3.8%                  | 4.0%             | 4.5%             | 6.43                        |
| 2017 | 6,491          | 125,413                                       | 19,321                               | 43,837                         | 1,088                    | 3.8%                  | 4.0%             | 4.5%             | 6.43                        |
| 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%             | 6.4                         |
| 2013 | 6,491          | 125,413                                       | 19,321                               | 43,837                         | 1,111                    | 5.8%                  | 4.3%             | 6.6%             | 6.4                         |
| 2012 | 6,491          | 125,413                                       | 19,321                               | 43,837                         | 1,155                    | 5.6%                  | 5.9%             | 7.0%             | 6.4                         |
| 2011 | 6,491          | 125,413                                       | 19,321                               | 43,837                         | 1,140                    | 7.7%                  | 6.7%             | 8.6%             | 6.4                         |
| 2010 | 6,491          | 125,413                                       | 19,321                               | 43,837                         | 1,135                    | 9.4%                  | 7.8%             | 10.0%            | 6.4                         |
| 2009 | 6,314          | 101,333                                       | 16,049                               | 41,643                         | 1,155                    | 9.9%                  | 8.3%             | 10.1%            | 6.2                         |

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                        | 2018          | 2017          | 2016         | 2015          | 2014         | 2013         | 2012         | 2011         | 2010         | 2009         |
|---|---------------|---------------|--------------|---------------|--------------|--------------|--------------|--------------|--------------|--------------|
| <b>General Government</b>               |               |               |              |               |              |              |              |              |              |              |
| 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         | 1.00         | 1.00         |
| 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         | 2.00         | 2.00         | 1.50         | 1.50         | 1.50         |
| Tax                                     | 1.00          | 1.00          | 1.00         | 1.00          | 0.50         | 0.50         | 0.50         | 1.00         | 1.00         | 1.00         |
| Administration                          | 1.00          | 1.00          | 1.00         | 1.00          | 0.50         | 0.50         | 0.50         | 1.00         | 1.00         | 1.00         |
| <b>Security of Persons and Property</b> |               |               |              |               |              |              |              |              |              |              |
| Police                                  | 15.00         | 13.50         | 12.50        | 16.50         | 12.00        | 12.00        | 12.00        | 12.00        | 12.00        | 11.50        |
| Police - School Guards                  | 2.00          | 2.00          | 2.00         | 1.00          | 1.00         | 1.00         | 1.00         | 1.50         | 1.50         | 1.50         |
| Police - Dispatchers                    | 0.00          | 7.50          | 5.50         | 6.50          | 4.50         | 4.50         | 4.50         | 4.50         | 4.50         | 5.50         |
| Police - Animal Wardens                 | 1.00          | 1.00          | 0.50         | 0.50          | 0.50         | 0.50         | 0.50         | 0.50         | 0.50         | 0.50         |
| Fire                                    | 14.50         | 14.00         | 15.50        | 14.50         | 11.50        | 11.50        | 11.50        | 12.00        | 14.50        | 14.50        |
| <b>Public Health Services</b>           |               |               |              |               |              |              |              |              |              |              |
| Emergency Medical Services              | 18.50         | 22.00         | 15.50        | 18.00         | 14.50        | 14.50        | 14.50        | 15.00        | 15.00        | 15.00        |
| Cemetery                                | 1.00          | 1.00          | 1.00         | 1.00          | 1.50         | 1.50         | 1.50         | 1.50         | 1.50         | 1.50         |
| <b>Leisure Time Activities</b>          |               |               |              |               |              |              |              |              |              |              |
| Recreation                              | 22.00         | 22.00         | 16.50        | 17.50         | 13.00        | 13.00        | 13.00        | 10.50        | 12.50        | 12.50        |
| Parks                                   | 2.00          | 2.00          | 2.00         | 2.00          | 1.50         | 1.50         | 1.50         | 1.50         | 1.50         | 1.50         |
| <b>Transportation</b>                   |               |               |              |               |              |              |              |              |              |              |
| Service                                 | 2.00          | 2.00          | 2.00         | 2.00          | 2.00         | 2.00         | 2.00         | 2.00         | 2.00         | 2.00         |
| Street M&R                              | 3.50          | 5.50          | 3.00         | 3.00          | 3.00         | 3.00         | 3.00         | 4.50         | 5.50         | 5.50         |
| <b>Basic Utility Services</b>           |               |               |              |               |              |              |              |              |              |              |
| Solid Waste                             | 0.00          | 0.00          | 0.00         | 0.00          | 1.00         | 1.00         | 1.00         | 0.00         | 0.00         | 0.00         |
| Water                                   | 3.50          | 3.50          | 3.50         | 3.50          | 5.50         | 5.50         | 5.50         | 4.50         | 4.75         | 4.75         |
| Waste Water                             | 7.00          | 7.00          | 7.00         | 7.00          | 6.00         | 6.00         | 6.00         | 5.50         | 5.75         | 5.75         |
| <b>Totals:</b>                          | <b>101.50</b> | <b>112.50</b> | <b>96.00</b> | <b>102.50</b> | <b>86.00</b> | <b>86.00</b> | <b>86.00</b> | <b>84.50</b> | <b>90.50</b> | <b>91.00</b> |

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  | 2018         | 2017         | 2016         | 2015         |
|---|--------------|--------------|--------------|--------------|
| <b>General Government</b>                               |              |              |              |              |
| Council and Clerk                                       |              |              |              |              |
| Number of Ordinances Passed                             | 30           | 32           | 43           | 33           |
| Number of Resolutions Passed                            | 16           | 13           | 3            | 19           |
| Number of Planning Commission docket items              | 2            | 0            | 1            | 0            |
| Zoning Board of Appeals docket items                    | 13           | 2            | 7            | 3            |
| Finance Department                                      |              |              |              |              |
| Number of checks/vouchers issued                        | 1,855        | 1,757        | 1,829        | 1,948        |
| Amount of checks written                                | \$ 7,447,937 | \$ 6,579,811 | \$ 7,469,596 | \$ 7,052,567 |
| Number of payroll checks issued                         | 3,872        | 3,186        | 3,828        | 3,714        |
| Interest earning for fiscal year (cash basis)           | \$ 65,070    | \$ 43,394    | \$ 33,803    | \$ 32,085    |
| Number of receipts issued                               | 2,224        | 2,678        | 2,090        | 2,217        |
| General fund receipts (cash basis)                      | \$ 2,877,300 | \$ 2,729,162 | \$ 2,804,179 | \$ 2,483,530 |
| General fund expenditures (cash basis)                  | \$ 2,845,048 | \$ 2,586,603 | \$ 2,563,397 | \$ 2,376,894 |
| General fund cash balances                              | \$ 886,643   | \$ 891,793   | \$ 742,399   | \$ 494,733   |
| Income Tax Department                                   |              |              |              |              |
| Number of individual returns                            | 3,869        | 3,976        | 3,825        | 3,582        |
| Number of business returns                              | 539          | 562          | 481          | 444          |
| Number of business withholding accounts                 | 588          | 566          | 506          | 514          |
| Amount of penalties and interest collected              | \$ 67,503    | \$ 60,523    | \$ 47,837    | \$ 37,334    |
| Civil Services  |              |              |              |              |
| Number of police entry tests administered               | 7            | n/a          | 19           | 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 | n/a          | n/a          | 1            | 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                         | 84           | 101          | 94           | 64           |
| Number of new housing permits issued                    | 12           | 1            | 4            | 7            |
| Estimated Value of Construction                         | \$ 1,771,351 | \$ 322,000   | \$ 600,000   | \$ 2,157,344 |
| Amount of Revenue generated from permits                | \$ 1,995     | \$ 2,289     | \$ 2,556     | \$ 3,425     |
| <b>Security of Persons and Property</b>                 |              |              |              |              |
| Police  |              |              |              |              |
| Total Calls for Services                                | 7,954        | 8,965        | 8,711        | 7,880        |
| Number of traffic citations issued                      | 606          | 737          | 417          | 304          |
| Number of parking citations issued                      | 419          | 171          | 206          | 262          |
| Number of criminal arrests                              | 497          | 469          | 338          | 475          |
| Number of accident reports completed                    | 111          | 201          | 84           | 96           |
| Injury accidents  | 4            | 12           | 10           | 7            |
| Stolen vehicles   | 16           | 10           | 14           | 5            |
| Incident reports  | 966          | 644          | 740          | 415          |
| DUI arrests   | 14           | 35           | 17           | 11           |
| Burglary  | 35           | 41           | 34           | 19           |
| Thefts  | 229          | 193          | 105          | 191          |
| Robberies   | 0            | 2            | 2            | 2            |
| Homicides   | n/a          | n/a          | n/a          | n/a          |
| Gasoline costs of fleet                                 | \$ 27,298    | \$ 15,692    | \$ 15,854    | \$ 18,368    |
| Total calls handled through communication center        | 20,095       | 18,682       | 17,379       | 14,558       |

|    | 2014      | 2013         | 2012         | 2011         | 2010         | 2009          |
|----|-----------|--------------|--------------|--------------|--------------|---------------|
|    | 35        | 26           | 37           | 31           | 29           | 31            |
|    | 27        | 23           | 25           | 23           | 11           | 21            |
|    | 1         | 1            | 0            | 0            | 1            | 0             |
|    | 5         | 1            | 3            | 5            | 1            | 4             |
|    | 1,934     | 1,923        | 1,724        | 1,847        | 1,961        | 2,165         |
| \$ | 6,241,435 | \$ 6,056,147 | \$ 7,205,354 | \$ 5,889,329 | \$ 5,973,160 | \$ 6,252,415  |
|    | 3,441     | 3,052        | 3,158        | 3,309        | 3,305        | 3,386         |
| \$ | 23,328    | \$ 27,968    | \$ 32,385    | \$ 43,921    | \$ 40,458    | \$ 81,002     |
|    | 2,283     | 2,435        | 2,374        | 2,447        | 2,328        | 2,039         |
| \$ | 2,177,530 | \$ 2,222,883 | \$ 2,457,148 | \$ 2,707,878 | \$ 2,766,788 | \$ 2,905,901  |
| \$ | 2,358,006 | \$ 2,311,190 | \$ 2,431,428 | \$ 2,763,070 | \$ 2,719,082 | \$ 2,894,932  |
| \$ | 372,272   | \$ 547,405   | \$ 635,711   | \$ 569,260   | \$ 624,452   | \$ 552,889    |
|    | 3,607     | 3,468        | 3,451        | 3,532        | 3,452        | 3,441         |
|    | 442       | 418          | 437          | 409          | 360          | 357           |
|    | 531       | 484          | 493          | 495          | 446          | 384           |
| \$ | 36,753    | \$ 29,635    | \$ 35,036    | \$ 31,264    | \$ 31,997    | \$ 25,596     |
|    | 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           |
|    | 50        | 49           | 65           | 60           | 64           | 46            |
|    | 3         | 6            | 8            | 9            | 4            | 4             |
| \$ | 1,332,618 | \$ 1,663,818 | \$ 2,477,301 | \$ 1,727,841 | \$ 698,107   | \$ 15,491,375 |
| \$ | 2,082     | \$ 5,646     | \$ 2,743     | \$ 3,040     | \$ 1,834     | \$ 13,324     |
|    | 8,786     | 9,759        | 8,902        | 10,189       | 12,954       | 7,996         |
|    | 390       | 288          | 228          | 264          | 663          | 213           |
|    | 206       | 233          | 210          | 342          | 387          | 280           |
|    | 381       | 317          | 464          | 423          | 463          | 520           |
|    | 105       | 107          | 115          | 122          | 107          | 121           |
|    | 10        | 10           | 12           | 9            | 8            | 8             |
|    | 6         | 8            | 5            | 3            | 1            | 6             |
|    | 537       | 560          | 546          | 597          | 595          | 482           |
|    | 10        | 14           | 26           | 20           | 15           | 14            |
|    | 64        | 87           | 46           | 63           | 66           | 55            |
|    | 335       | 142          | 285          | 255          | 345          | 180           |
|    | 2         | 3            | 1            | 4            | 5            | 6             |
|    | n/a       | n/a          | n/a          | n/a          | n/a          | n/a           |
| \$ | 32,171    | \$ 29,535    | \$ 31,450    | \$ 29,876    | \$ 21,721    | \$ 16,852     |
|    | 15,124    | 14,670       | 13,836       | 13,652       | 14,584       | 11,173        |

(continued)

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

| Function/Program                                     | 2018         | 2017         | 2016         | 2015         |
|--|--------------|--------------|--------------|--------------|
| <b>Fire/EMS</b>                                      |              |              |              |              |
| EMS total runs                                       | 1038         | 1,058        | 1,024        | 1,025        |
| EMS transports                                       | 590          | 589          | 680          | 671          |
| Ambulance billing collections (net)                  | \$ 183,806   | \$ 161,895   | \$ 196,554   | \$ 188,943   |
| Fire calls   | 170          | 157          | 174          | 196          |
| Fires with loss                                      | 13           | 7            | 8            | 8            |
| Fires with losses exceeding \$10K                    | 3            | 1            | 3            | 0            |
| Fire Losses  | \$ 98,295    | \$ 40,800    | \$ 118,725   | \$ 37,435    |
| Fire safety inspections                              | 12           | 20           | 10           | 20           |
| Number of times mutual aid received for fire and EMS | 17           | 23           | 39           | 20           |
| <b>Public Health and Welfare</b>                     |              |              |              |              |
| Cemetery Burials                                     | 41           | 40           | 39           | 31           |
| Cemetery cremations                                  | 5            | 7            | 14           | 12           |
| Cemetery sale of lots                                | 34           | 16           | 37           | 36           |
| Cemetery receipts                                    | \$ 48,282    | \$ 41,788    | \$ 49,102    | \$ 36,312    |
| <b>Leisure Time Activities</b>                       |              |              |              |              |
| <b>Recreation</b>                                    |              |              |              |              |
| Recreation Center membership receipts                | \$ 111,500   | \$ 126,626   | \$ 123,609   | \$ 111,647   |
| Recreation Center Silver Sneaker receipts            | \$ 34,464    | 34,470       | 35,025       | 32,618       |
| Recreation Center rental receipts                    | \$ 13,296    | 11,173       | 14,936       | 13,846       |
| Recreation Center program receipts                   | \$ 18,587    | 16,759       | 21,918       | 25,470       |
| Recreation Center miscellaneous receipts             | \$ 8,676     | 1,124        | 2,669        | 3,705        |
| Total Recreation Department receipts                 | \$ 186,523   | \$ 190,152   | \$ 198,157   | \$ 187,286   |
| <b>Transportation</b>                                |              |              |              |              |
| Crackseal Coating Program - Annual Cost              | \$ 0         | \$ 15,025    | \$ 0         | \$ 0         |
| Paint Striping - Annual Cost                         | \$ 0         | \$ 11,525    | \$ 13,312    | \$ 11,274    |
| Leaf collection - disposal costs                     | \$ 3,400     | \$ 1,000     | \$ 1,000     | \$ 1,000     |
| Cost of salt purchased                               | \$ 25,451    | \$ 29,893    | \$ 24,622    | \$ 28,282    |
| <b>Water Department</b>                              |              |              |              |              |
| Water rates per 1st 300 Cu ft of water used          | \$ 15.73     | \$ 14.30     | \$ 13.00     | \$ 10.00     |
| Annual total of utility accounts billed              | 30,925       | 30,753       | 30,708       | 30,377       |
| Annual total Water Collections Billed                | \$ 850,801   | \$ 715,691   | \$ 626,304   | \$ 497,809   |
| Avg. water billed monthly (Gallons)                  | 15,129       | 14,244       | 13,637       | 13,406       |
| Total water collections annually (Including P&I)     | \$ 885,999   | \$ 750,779   | \$ 64,453    | \$ 526,738   |
| <b>Waste Water Department</b>                        |              |              |              |              |
| Waste water rates per 1st 300 Cu ft of water used    | \$ 24.63     | \$ 26.04     | \$ 27.13     | \$ 27.00     |
| Annual total sewer collections billed                | \$ 929,541   | \$ 1,066,444 | \$ 1,123,587 | \$ 1,196,523 |
| Total sewer collections annually                     | \$ 1,080,704 | \$ 1,103,742 | \$ 1,274,560 | \$ 1,292,919 |

Source: City of Rittman



|    | 2014      | 2013         | 2012         | 2011         | 2010         | 2009         |
|----|-----------|--------------|--------------|--------------|--------------|--------------|
|    | 882       | 913          | 910          | 961          | 852          | 878          |
|    | 610       | 598          | 571          | 646          | 530          | 618          |
| \$ | 175,521   | \$ 201,529   | \$ 181,390   | \$ 190,899   | \$ 173,138   | \$ 186,981   |
|    | 165       | 137          | 165          | 160          | 159          | 196          |
|    | 5         | 2            | 6            | 5            | 3            | 4            |
|    | 0         | 2            | 2            | 3            | 1            | 1            |
| \$ | 8,200     | \$ 96,000    | \$ 50,000    | \$ 206,000   | \$ 45,000    | \$ 84,500    |
|    | 11        | 31           | 21           | 15           | 31           | 58           |
|    | 22        | 22           | 28           | 31           | 36           | 22           |
|    | 37        | 37           | 42           | 45           | 39           | 44           |
|    | 9         | 5            | 11           | 6            | 14           | 13           |
|    | 34        | 37           | 29           | 56           | 29           | 38           |
| \$ | 35,078    | \$ 38,509    | \$ 3,162     | \$ 47,180    | \$ 30,479    | \$ 37,183    |
| \$ | 121,412   | \$ 135,960   | \$ 157,405   | \$ 165,794   | \$ 161,523   | \$ 150,607   |
|    | 30,863    | 28,533       | 24,280       | 0            | 0            | 0            |
|    | 14,241    | 17,409       | 16,747       | 18,398       | 16,167       | 16,776       |
|    | 17,244    | 16,788       | 34,414       | 45,424       | 49,758       | 52,578       |
|    | 946       | 11,259       | 4,700        | 10,254       | 37,381       | 17,428       |
| \$ | 184,706   | \$ 209,949   | \$ 237,546   | \$ 239,870   | \$ 264,829   | \$ 237,389   |
| \$ | 15,457    | \$ 2,156     | \$ 7,695     | \$ 11,333    | \$ 29,347    | \$ 0         |
| \$ | 14,163    | \$ 0         | \$ 11,766    | \$ 11,766    | \$ 11,874    | \$ 9,918     |
| \$ | 1,000     | \$ 1,000     | \$ 0         | \$ 1,000     | \$ 1,000     | \$ 1,000     |
| \$ | 24,864    | \$ 28,089    | \$ 17,321    | \$ 18,312    | \$ 28,112    | \$ 16,206    |
| \$ | 10.00     | \$ 10.00     | \$ 10.00     | \$ 10.00     | \$ 7.40      | \$ 7.40      |
|    | 30,047    | 30,182       | 30,017       | 30,017       | 29,964       | 30,048       |
| \$ | 497,743   | \$ 514,778   | \$ 519,310   | \$ 485,910   | \$ 364,715   | \$ 355,291   |
|    | 13,233    | 14,733       | 15,252       | 13,546       | 12,454       | 12,712       |
| \$ | 524,260   | \$ 538,343   | \$ 542,819   | \$ 488,740   | \$ 404,617   | \$ 396,095   |
| \$ | 27.00     | \$ 27.00     | \$ 23.00     | \$ 23.00     | \$ 31.00     | \$ 31.00     |
| \$ | 1,196,500 | \$ 1,193,740 | \$ 1,273,560 | \$ 1,256,262 | \$ 1,208,474 | \$ 1,165,163 |
| \$ | 1,264,988 | \$ 1,268,189 | \$ 1,314,473 | \$ 1,310,780 | \$ 1,263,609 | \$ 2,053,066 |

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

| Function/Program                  | 2018 | 2017 | 2016 | 2015 | 2014 | 2013 | 2012 | 2011 | 2010 | 2009 |
|-----------------------------------|------|------|------|------|------|------|------|------|------|------|
| <b>General Government</b>         |      |      |      |      |      |      |      |      |      |      |
| 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    |
| <b>Safety - Police/Fire</b>       |      |      |      |      |      |      |      |      |      |      |
| Stations                          | 1    | 1    | 1    | 1    | 1    | 1    | 1    | 1    | 1    | 1    |
| Vehicles - Police                 | 8    | 10   | 10   | 10   | 10   | 10   | 10   | 10   | 9    | 9    |
| Vehicles - Fire                   | 6    | 8    | 8    | 8    | 8    | 8    | 7    | 7    | 8    | 8    |
| <b>Emergency Medical Services</b> |      |      |      |      |      |      |      |      |      |      |
| Stations                          | 1    | 1    | 1    | 1    | 1    | 1    | 1    | 1    | 1    | 1    |
| Vehicles                          | 4    | 4    | 4    | 4    | 4    | 4    | 4    | 4    | 4    | 4    |
| <b>Recreation</b>                 |      |      |      |      |      |      |      |      |      |      |
| 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   | 12   | 12   |
| 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    | 0    |
| Number of Tot Lots                | 9    | 9    | 9    | 9    | 9    | 9    | 9    | 9    | 9    | 9    |
| Vehicles                          | 0    | 0    | 0    | 0    | 0    | 0    | 0    | 1    | 2    | 1    |
| <b>Transportation</b>             |      |      |      |      |      |      |      |      |      |      |
| 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                  | 8    | 11   | 11   | 11   | 11   | 11   | 11   | 11   | 11   | 12   |
| <b>Public Health and Welfare</b>  |      |      |      |      |      |      |      |      |      |      |
| 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    |
| <b>Water</b>                      |      |      |      |      |      |      |      |      |      |      |
| 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    | 5    | 5    | 4    | 3    | 6    | 6    |
| <b>Waste Water</b>                |      |      |      |      |      |      |      |      |      |      |
| 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                          | 9    | 5    | 5    | 5    | 5    | 5    | 5    | 5    | 7    | 7    |

Source: City of Rittman's capital asset records

OHIO AUDITOR OF STATE  
**KEITH FABER**



**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  
AUGUST 29, 2019**