



OHIO AUDITOR OF STATE
KEITH FABER



CITY OF PAINESVILLE
LAKE COUNTY

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CITY OF PAINESVILLE
LAKE COUNTY

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2020

FEDERAL GRANTOR <i>Pass Through Grantor</i> Program / Cluster Title	Federal CFDA Number	Pass Through Entity Identifying Number	Federal Expenditures
<u>U.S. DEPARTMENT OF TRANSPORTATION:</u>			
<i>Passed Through the Ohio Department of Transportation</i>			
Highway Planning and Construction			
ST 44 Jackson Street Interchange - LAK-44.510	20.205	PID 76236	\$66,838
North Park Place Streetscape - LAK-North Park Place	20.205	PID 108660	14,823
Wayfinding and Signage - TLCI-18-Paine	20.205	PID 100035	110,637
Total Highway Planning and Construction			192,298
Total U.S. Department of Transportation			192,298
<u>U.S. Environmental Protection Agency</u>			
<i>Direct Program:</i>			
Brownfield Grant	66.818	2020	195,221
Total - U.S. Environmental Protection Agency			195,221
<u>U.S. DEPARTMENT OF TREASURY:</u>			
<i>Passed Through the Ohio Office of Budget and Management (OBM)</i>			
Coronavirus Relief Fund			
COVID-19 Relief via House Bill 481 & 614	21.019	House Bill 481 & 614	2,148,258
Total - U.S. Department of Treasury			2,148,258
Total Expenditures of Federal Awards			\$2,535,777

The accompanying notes are an integral part of this schedule.

**CITY OF PAINESVILLE
LAKE COUNTY**

**NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
2 CFR 200.510(b)(6)
FOR THE YEAR ENDED DECEMBER 31, 2020**

NOTE A – BASIS OF PRESENTATION

The accompanying Schedule of Expenditures of Federal Awards (the Schedule) includes the federal award activity of the City of Painesville (the City) under programs of the federal government for the year ended December 31, 2020. The information on this Schedule is prepared in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of the City, it is not intended to and does not present the financial position, changes in net position, or cash flows of the City.

NOTE B – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Expenditures reported on the Schedule are reported on the cash basis of accounting. Such expenditures are recognized following the cost principles contained in Uniform Guidance wherein certain types of expenditures may or may not be allowable or may be limited as to reimbursement.

NOTE C – INDIRECT COST RATE

The City has elected not to use the 10-percent de minimis indirect cost rate as allowed under the Uniform Guidance.

NOTE D - MATCHING REQUIREMENTS

Certain Federal programs require the City to contribute non-Federal funds (matching funds) to support the Federally-funded programs. The City has met its matching requirements. The Schedule does not include the expenditure of non-Federal matching funds.

OHIO AUDITOR OF STATE KEITH FABER



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

City of Painesville
Lake County
7 Richmond Street
Painesville, Ohio 44077

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 Painesville, Lake County, (the City) as of and for the year ended December 31, 2020, and the related notes to the financial statements, which collectively comprise the City's basic financial statements and have issued our report thereon dated June 25, 2021, wherein we noted the financial impact of COVID-19 and the continuing emergency measures which may impact subsequent periods of the City.

Internal Control Over Financial Reporting

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

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

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

Compliance and Other Matters

As part of reasonably assuring whether the City's financial statements are free of material misstatement, we tested its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could directly and materially affect the financial statements. 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*.

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 25, 2021

OHIO AUDITOR OF STATE KEITH FABER



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INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH REQUIREMENTS APPLICABLE TO THE MAJOR FEDERAL PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE

City of Painesville
Lake County
7 Richmond Street
Painesville, Ohio 44077

To the City Council:

Report on Compliance for the Major Federal Program

We have audited the City of Painesville's (the City) compliance with the applicable requirements described in the U.S. Office of Management and Budget (OMB) *Compliance Supplement* that could directly and materially affect the City of Painesville's major federal program for the year ended December 31, 2020. The *Summary of Auditor's Results* in the accompanying schedule of findings identifies the City's major federal program.

Management's Responsibility

The City's Management is responsible for complying with federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to opine on the City's compliance for the City's major federal program based on our audit of the applicable compliance requirements referred to above. Our compliance audit followed auditing standards generally accepted in the United States of America; the standards for financial audits included in the Comptroller General of the United States' *Government Auditing Standards*; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). These standards and the Uniform Guidance require us to plan and perform the audit to reasonably assure whether noncompliance with the applicable compliance requirements referred to above that could directly and materially affect a major federal program occurred. An audit includes examining, on a test basis, evidence about the City's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

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

Opinion on the Major Federal Program

In our opinion, the City of Painesville complied, in all material respects with the compliance requirements referred to above that could directly and materially affect the major federal program for the year ended December 31, 2020.

Report on Internal Control Over Compliance

The City's management is responsible for establishing and maintaining effective internal control over compliance with the applicable compliance requirements referred to above. In planning and performing our compliance audit, we considered the City's internal control over compliance with the applicable requirements that could directly and materially affect the major federal program, to determine our auditing procedures appropriate for opining on the major federal program's compliance and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not to the extent needed to opine on the effectiveness of internal control over compliance. Accordingly, we have not opined on the effectiveness of the City's internal control over compliance.

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

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

This report only describes the scope of our internal control over compliance tests and the results of this testing based on Uniform Guidance requirements. Accordingly, this report is not suitable for any other purpose.

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

We have also audited the financial statements of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the City of Painesville (the City) as of and for the year ended December 31, 2020, and the related notes to the financial statements, which collectively comprise the City's basic financial statements. We issued our unmodified report thereon date June 25, 2021, wherein we noted the financial impact of COVID-19 and the continuing emergency measures which may impact subsequent periods of the City. We conducted our audit to opine on the City's basic financial statements as a whole. The accompanying schedule of expenditures of federal awards presents additional analysis required by the Uniform Guidance and is not a required part of the basic financial statements. The schedule is management's responsibility, and was derived from and relates directly to the underlying accounting and other records management used to prepare the basic financial statements. We subjected this schedule to the auditing procedures we applied to the basic financial statements. We also applied certain additional procedures, including comparing and reconciling this schedule directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, this schedule is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.



Keith Faber
Auditor of State
Columbus, Ohio

June 25, 2021

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**CITY OF PAINESVILLE
LAKE COUNTY**

**SCHEDULE OF FINDINGS
2 CFR § 200.515
DECEMBER 31, 2020**

1. SUMMARY OF AUDITOR'S RESULTS

(d)(1)(i)	Type of Financial Statement Opinion	Unmodified
(d)(1)(ii)	Were there any material weaknesses in internal control reported at the financial statement level (GAGAS)?	No
(d)(1)(ii)	Were there any significant deficiencies in internal control reported at the financial statement level (GAGAS)?	No
(d)(1)(iii)	Was there any reported material noncompliance at the financial statement level (GAGAS)?	No
(d)(1)(iv)	Were there any material weaknesses in internal control reported for major federal programs?	No
(d)(1)(iv)	Were there any significant deficiencies in internal control reported for major federal programs?	No
(d)(1)(v)	Type of Major Programs' Compliance Opinion	Unmodified
(d)(1)(vi)	Are there any reportable findings under 2 CFR § 200.516(a)?	No
(d)(1)(vii)	Major Programs (list):	COVID-19 – Coronavirus Relief Fund CFDA # 21.019
(d)(1)(viii)	Dollar Threshold: Type A/B Programs	Type A: > \$ 750,000 Type B: all others
(d)(1)(ix)	Low Risk Auditee under 2 CFR § 200.520?	No

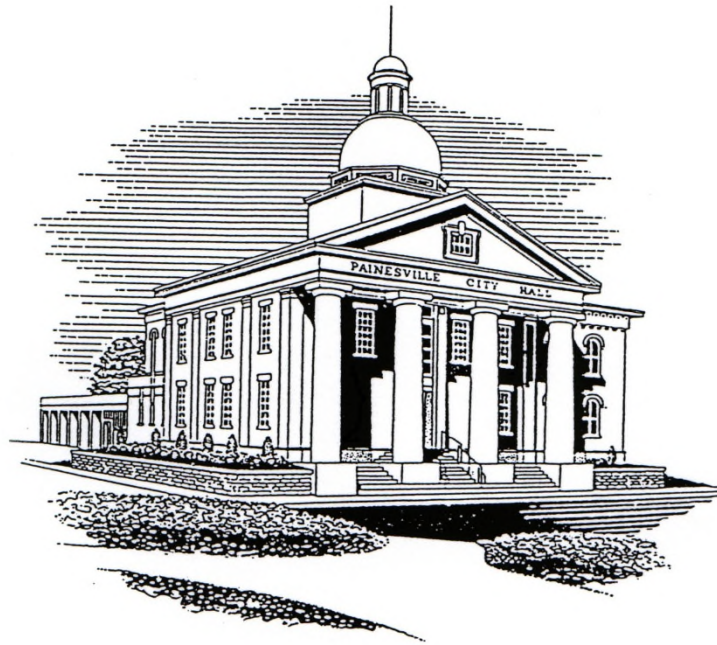
**2. FINDINGS RELATED TO THE FINANCIAL STATEMENTS
REQUIRED TO BE REPORTED IN ACCORDANCE WITH GAGAS**

None

3. FINDINGS AND QUESTIONED COSTS FOR FEDERAL AWARDS

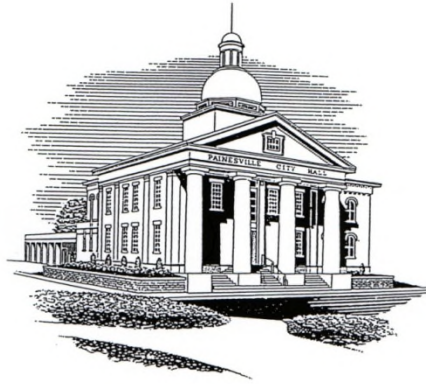
None

CITY OF PAINESVILLE, OHIO



COMPREHENSIVE ANNUAL FINANCIAL REPORT

FOR THE YEAR ENDED
DECEMBER 31, 2020



Lake County, Ohio

COMPREHENSIVE ANNUAL FINANCIAL REPORT

FOR THE YEAR ENDED
DECEMBER 31, 2020

Prepared by the Finance Department

Andrew A. Unetic
Director

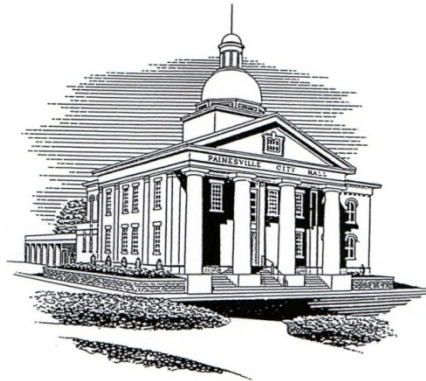


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LAKE COUNTY, OHIO

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INTRODUCTORY SECTION





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June 25, 2021

Honorable Members of Painesville City Council and
The Citizens of the City of Painesville, Ohio:

We are pleased to present this Comprehensive Annual Financial Report for the City of Painesville, Ohio for the fiscal year ended December 31, 2020. This report has been prepared in conformity with Generally Accepted Accounting Principles (GAAP) and guidelines recommended by the Government Finance Officers Association of the United States and Canada (GFOA).

INTRODUCTION

While there is no legal requirement for the preparation of this report, it represents a commitment by the City of Painesville to conform to nationally recognized standards of excellence in financial reporting. Responsibility for both the accuracy of the presented data and the completeness and fairness of the presentation, including all disclosures, rests with the City. To the best of our knowledge and belief, the enclosed data, as presented, is accurate in all material respects, is presented in a manner designed to fairly set forth the financial position and results of operations of the City, and includes all disclosures necessary to enable the reader to gain an understanding of the City's financial activity.

Generally Accepted Accounting Principles require that management provide a narrative introduction, overview and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). The City of Painesville's MD&A can be found immediately following the report of the independent auditors.

The Reporting Entity

The accompanying basic financial statements comply with the provisions of Governmental Accounting Standards Board (the "GASB") Statement No. 14, *"The Financial Reporting Entity,"* as amended by GASB Statement No. 39, *"Determining Whether Certain Organizations Are Component Units"* and GASB Statement No. 61, *"The Financial Reporting Entity; Omnibus"* in that the financial statements include all organizations, activities, functions and component units for which the City (the primary government) is financially accountable. Financial accountability is defined as the appointment of a voting majority of a legally separate organization's governing body and either (1) the City's ability to impose its will over the organization, or (2) the potential that the organization will provide a financial benefit to or impose a financial burden on the City.

***Letter of Transmittal
For the Year Ended December 31, 2020***

Based on the foregoing, the reporting entity of the City has no component units but includes the following services as authorized by its charter: public safety (police and fire), culture and recreation (parks and recreation), community environment (planning, zoning and community development), basic utility (water, electric, sanitation, public parking, wastewater pollution control and storm water), highways and streets (street and highway maintenance), and general government.

The History of the City

The City of Painesville was incorporated as a town on February 11, 1832, reclassified as an incorporated village in 1852 and became a city in 1903. The City became a home rule municipal corporation operating under the laws of the State of Ohio in 1962. The City's current Charter has been amended four times since its original adoption. The State Constitution prevails when conflicts exist between the Charter and the Constitution and in matters where the Charter is silent. The City's Charter can only be amended by a majority of the City's voters.

Painesville is located approximately 35 miles east of the City of Cleveland in northeastern Ohio. It is the county seat for Lake County and is the fourth largest city, based upon population, within the County. According to the 2010 Census, Painesville is the 87th largest city in the State. Some of the City's major transportation arteries include State Routes 2, 44, 84 and 86, U. S. Highway 20 and Interstate Highway I-90. Lake Erie College, a private four-year college with an enrollment of approximately 1,100, is located near the center of the City.

The Management

The Council-Manager form of government is established by the Charter. The legislative power of the City is vested in a Council of seven members who are elected on a non-partisan basis for a term of four years. Four of the members are elected from wards and their terms ended on December 31, 2019; the remaining members are elected At-Large and their current term expires on December 31, 2021. The chief executive power of the City is vested in the City Manager who is appointed by the City Council. The Director of Finance and Law Director, as well as other administrative directors, are appointed by the City Manager, with the affirmation of City Council.

The Painesville Municipal Court provides judicial services for the City of Painesville. The jurisdiction of the court, as established by the Ohio Revised Code, encompasses the east side of Lake County. The Court serves the following communities: Concord Township, Fairport Harbor Village, Grand River Village, Leroy Township, Madison Township, Madison Village, North Perry Village, Painesville Township, Perry Township and Perry Village.

Services Provided

As authorized by its Charter and codified ordinances, the City provides a full range of municipal services that include police and fire protection, emergency medical service, street construction, maintenance and repair, recreation and cultural activities, cemeteries, municipal court, community development, economic development, public improvements, planning and general administrative services. The City does not operate hospitals or schools, nor is it responsible for public assistance programs.

Letter of Transmittal

For the Year Ended December 31, 2020

The City also operates seven enterprise activities: a water system, sanitary sewer system, storm water system, electric system, refuse, off-street parking facilities and a community program activity. These activities are accounted for in separate enterprise funds. Enterprise funds are used to account for operations financed and operated in a manner similar to private business enterprises. The intent of the City is that the costs of providing the goods or services to the general public on a continuing basis be financed or recovered primarily through user charges.

The City's enterprise activities are not subject to rate review or determination by the Public Utilities Commission of Ohio or any similar regulatory body. The City's Council has the necessary authority to establish and amend appropriate user rates as required. The rates are monitored on an on-going basis to ensure their adequacy. Responsibility for the frequency and amount of rate change lies solely with the City Council.

The Organization

The municipal government consists of four chartered departments and one office. Four departments were also created at the direction of City Council. A director who is appointed by and reports directly to the City Manager heads each department. All directors work closely with the City Manager in providing the citizens of Painesville with the highest quality of services while maintaining efficiency and cost effectiveness.

The *Department of Public Safety* consists of two divisions: Police Division and Fire Division. The Police Division enforces local, state, and federal laws in addition to protecting citizens and their property. Most recently, the division has taken a more community oriented policing approach that has met with great success. Numerous programs are offered to citizens. The division is headed by the Police Chief. The Police Division is located in a separate section of City Hall. The Fire Division provides fire protection and emergency medical services to citizens, as well as placing strong emphasis on community involvement and education. The Fire Chief heads the division. A Fire Prevention unit focuses on the reduction of potential fires and loss of property within the City. The fire station is a separate section of City Hall.

The *Department of Public Service* is comprised of three divisions and two enterprise activities administered by a director. The Public Works Division is responsible for the maintenance of all City vehicles, all non-contractual street repairs, snow and ice removal, leaf and yard waste pick-up and maintenance of storm and sanitary sewers. The Parking Division is in charge of installation, removal, maintenance of the City parking meters including collection and deposit of all monies from the meters. This division is also responsible for striping, cleaning and plowing snow from off-street parking areas. The Traffic Division consists of the fabrication and installation of regulatory, warning and informational signage within the City. This division is also responsible for the striping of traffic lanes, edge lines and parking stalls on the City streets. The enterprise functions within the Department of Public Service consist of the general operational maintenance of the parking garage (Off-Street Parking) and a storm water utility. The Off-Street Parking operation is sustained through a user-fee for hourly and monthly parkers as well as merchant validations for surrounding businesses. The Storm Water Division is responsible for the management and monitoring of the general maintenance of the storm water system of the City. This division is also responsible for providing long-range planning for the infrastructure improvements for the overall system. The operation of the Storm Water Utility is a part of the Public Works Division.

***Letter of Transmittal
For the Year Ended December 31, 2020***

The Department of Finance is responsible for the accurate recording of all receipts and disbursements. The department also maintains the capital asset system. The department compiles the Annual Budget, and prepares the Comprehensive Annual Financial Report for residents, and assists the City Manager in all financial decisions.

The Department of Law advises Council, the City Manager, and all departments on legal matters concerning the City. The department prepares or reviews all contracts, legislation, and legal documents.

The City Manager's Office was established to ensure that the policies of City Council are followed and implemented by all of the City employees. There are several functions managed and maintained under the umbrella of this office. Community and public relations is managed through this office for the entire City. The retention, expansion and attraction of businesses to the City of Painesville are coordinated through the Economic Development activities in this office. The information technology management and maintenance is coordinated through this department.

The four departments created by City Council are the Recreation and Public Lands Department, the Human Resources Department, the Community Development Department, and the Department of Utilities. These departments are outlined below:

The Recreation and Public Lands Department provides numerous courses and programs throughout the year. This department provides a diverse range of leisure activities and services to improve the quality of life within the community. The Division of Parks within this department maintains the publicly owned parks and facilities of the City. The Cemetery Division is a non-profit enterprise activity that provides for the daily operation and maintenance of eighty-four acres of cemetery properties and their amenities.

The Human Resources Department furnishes consistent and timely guidance to management and employees in all human resource functions including retirement, employee enhancement, employee orientation, development and training and labor relations. This department ensures compliance with established policies and procedures, labor contracts and employment laws. The department also handles all personnel matters, including health insurance.

The Community Development Department is responsible for implementing plans and programs that promote the comprehensive and orderly development of the City. The department works in conjunction with the Planning Commission and the Board of Zoning. This department is responsible for interpreting and enforcing all building codes in the City. The department issues permits and citations, conducts site inspections, and licenses all contractors. This department was reorganized in 2006 to include the engineering function. The engineering division must ensure that all contractors working in Painesville meet the general engineering requirements of the City. Engineering controls the review and implementation of plans and programs relating to the City's infrastructure.

***Letter of Transmittal
For the Year Ended December 31, 2020***

The Department of Utilities consists of three divisions that are individually operated utility systems—Water, Water Pollution Control, and Electric. The Water Division consists of the plant and a water distribution system. The Water Division provides the highest quality service in a timely, safe and reliable manner to its customers. The Water Pollution Control Division consists of the wastewater treatment plant. The collection and transmission is maintained by the Department of Public Services as noted above. The goal of this division is to efficiently operate and maintain the wastewater treatment facility. The Electric Division consists of the plant and an electric distribution system. The Electric Division provides adequate, reliable and economical power to its customers in an efficient and professional manner.

Basis of Accounting

The basis of accounting used by the City is in conformity with GAAP as applicable to governmental units and is consistent with GASB Section 1600, “Basis of Accounting,” except for accounting used for budgetary purposes. All governmental funds are accounted for using a flow of current financial resources measurement focus. The modified accrual basis of accounting is utilized for the governmental funds. Revenues are recognized when they are susceptible to accrual, both measurable and available. Expenditures are recognized when the related liability is incurred, except for the interest on long-term debt which is recorded when due.

The measurement focus for the City’s proprietary and private-purpose trust funds is on “economic resources.” All assets, liabilities, and deferred outflows/inflows of resources associated with the operation of these funds are included on the balance sheet. The accrual basis of accounting is used for the proprietary and private-purpose trust funds. Under the accrual basis of accounting, revenues are recognized when earned and expenses when they are incurred.

The City’s basis of accounting for budgetary purposes differs from GAAP in that revenues are recognized when received, rather than when susceptible to accrual. In addition, encumbrances are recorded as expenditures on the budgetary basis of accounting. A reconciliation of the results of these two methods appears in Note 1.

ECONOMIC CONDITION AND OUTLOOK

Local Economy

The primary focus of the Office of Economic Development in 2020 was business attraction as well as business retention as well as identifying new opportunities for business parks and office, residential mixed-use development. We were also working to address key business needs related to the pandemic and supporting our businesses through the challenges they faced as a result. This year’s key expansion projects included Ohio Associated Enterprises, Evolve Concepts and the retention of several key manufacturing and key retail establishments including hair salons and restaurants that were impacted by this year’s economic conditions.

***Letter of Transmittal
For the Year Ended December 31, 2020***

Business Support Programs

Painesville City remains a progressive and pro-business community and we have established many programs that enable us to work on business attraction, retention and expansion on a regular basis. A few key programs include the Key Accounts program, and Efficiency Smart Program. Through AMP, these programs provide us a one to one communication point on a technical basis with these largest employers as well as our largest energy users on an annual basis. We also have also been working on using the new CRA district #5 that was put into place and finalized recently and we are exploring the creation of new Tax Incentive Financing Districts (TIF) within the City. These Tax Incentive Districts would allow us to finance much needed public improvements and infrastructure within the specific districts we establish TIF's within. The Office of Economic Development also meets with local business owners and managers to identify resources and sources to aid their future business growth.

We have been focusing efforts this past year on new development areas for industrial growth and have created a new 25 acre Encore Development Business Park of Shamrock Blvd. This will provide new opportunities for the City to attract industrial development needing up to 80,000 sq. ft. facilities.

We have been working on securing grants for 2 large office building re-use projects including Victoria Place and the Chase Bank Building. We are working with a developer who has purchased both properties and will be renovating Victoria Place into a mixed-use residential, office and commercial building. We are also working with them on the Chase Bank Building to renovate that building back into a new mixed use development with the potential for housing or student housing up above and commercial on the lower level. We also have continued efforts and discussions on the High Pointe Centre, continuing to focus around our Downtown Master Plan and fulfilling that plan in the coming years as well as on our Economic Development Strategic Plan from 2019 through 2024.

Business Growth

The business growth in the City of Painesville is a direct result of the Economic Development Office's focus on business retention, expansion and attraction. The office continues to aggressively work to attract commercial, retail and manufacturing companies into various citywide developments including the central business district and business parkways. In addition to marketing those developments the City continues its focus on the Ohio Main Street Approach to economic restructuring for the downtown retail and commercial district. Continued business connections and communication remain very important to the City of Painesville.

MAJOR INITIATIVES

Current Year Projects

The Citywide goals are the primary factor used in making determinations of the appropriateness of increased expenditures in any given budget year. The mission of the City of Painesville, City Council and City employees is to enhance and improve the quality of life and growth in the community by providing the highest level of service in an efficient and cost effective manner. In 2020, the City continued to uphold that mission by expanding and improving services, upgrading and constructing infrastructure, and enhancing public grounds and facilities.

***Letter of Transmittal
For the Year Ended December 31, 2020***

During the year, vehicles were acquired by the Fire, Public Works, Parks & Recreation, Water, and Electric Departments to enhance the overall operational effectiveness and readiness of the City. To maintain the public safety, the Police Department purchased three new patrol cars.

Public Works entered into its sixteenth year of an intensive sanitary sewer maintenance program. Public Works along with the Department of Recreation and Public Lands maintains most City vehicles (with basic maintenance) resulting in a substantial savings to the City. In 2014 the City began receiving the funds from the new road levy, which allows the City to repair and repave numerous roads in the City. The road levy was renewed in November 2017 and will go through 2023.

In 2020, the City budgeted \$2.3 million for road paving projects that were paid for with General Fund monies, road levy monies, and through grants the City received.

The Water Department continues to replace water mains on several streets throughout the City and in communities outside the City that the City provides water to. The Water Department also made various improvements to the plant to make it more efficient and improve its technology. In 2017, the Water Department began the construction on the new water intake line in Lake Erie that will cost approximately \$17,000,000. This new water in-take line will provide the consumers of Painesville Water with uninterrupted raw water and reduce the danger of the harmful algae blooms in the lake. The City is financing this project through a 20 year interest free loan through the EPA and will pay off the loan through the Water Department's Water Infrastructure fee, which generates \$1.2 million annually.

The Water Pollution Control Division made various improvements to the plants infrastructure as well as improving the plant's technology.

In 2020, the Electric Department had several capital projects to increase the plant's efficiency and improve the plant's technology. The Electric Department also made several improvements to the electric distribution system to make it more reliable.

Future Projects

The City will be budgeting \$2,000,000 on repaving roads in 2021.

In 2021, the City will continue replacing the City's accounting, HR, payroll, and utility billing software at a total cost in the neighborhood of \$1,000,000.

In 2018 the Electric Department encumbered \$3.5 million on Advanced Metering Infrastructure (AMI), which will allow the electric meters to be read remotely and increase the Electric Department's efficiency and improve customer service. The AMI project will continue in 2021. Also, in 2021 the Electric department is budgeting \$3,000,000 to bury the electric wires underground for future development.

***Letter of Transmittal
For the Year Ended December 31, 2020***

MANAGEMENT PRACTICES

Internal Control

Internal accounting controls are designed to provide reasonable, but not absolute, assurance regarding (1) the safeguarding of assets against loss from unauthorized use or disposition and (2) the reliability of financial records for preparing financial statements and maintaining accountability for assets. The concept of reasonable assurance is based on the assumption that the cost of internal accounting controls should not exceed the benefits expected to be derived from their implementation.

The Finance Department is committed to strengthening internal controls to assure the safeguarding of assets and to provide reasonable assurance that all financial transactions are properly recorded. A capital asset software system allows for detailed reporting and analysis. On an annual basis, the individual departments perform an inventory of their assets. These inventories are given to the Finance Department to assure accuracy and accountability. An independent appraisal is also done periodically to value and ensure the existence of capital assets within the City.

Budgetary System

Detailed provisions for the City's budget, tax levies, and appropriations are set forth in the Ohio Revised Code and in the City Charter. With the assistance of the Finance Director, the City Manager may submit to Council, a temporary appropriation ordinance to control expenditures for passage on or about January 1 of each year for the period January 1 through March 31. By charter, the City Manager must submit an annual appropriation ordinance, for the period January 1 through December 31, to City Council by March 31 of each year.

The primary level of budgetary control is at the program level (general government, public safety, highways and streets, public health and welfare, culture and recreation and community environment) and within each program at the level of personal services, certain other expenditures, capital outlay and transfers as required by Ohio law.

The City maintains budgetary control on a cash basis by department for personal services, materials and supplies, other services and charges, utilities, other operating charges, capital outlay, debt service, and other financing uses. Estimated expenditure amounts must be encumbered prior to release of purchase orders to vendors or finalization of other contracts. Encumbrances which would exceed the available appropriation level are identified on an ongoing basis and are not approved or recorded until City Council authorizes additional appropriations or transfers. Unencumbered appropriations lapse at the end of each calendar year. As an additional control over expenditures, the City's Purchasing Policy requires that all contracts in excess of \$50,000 shall be authorized and directed by ordinance of City Council.

The City compiles its Annual Budget in document form. The budget presents anticipated revenues and expenditures by fund and department by category with additional supporting documentation that explains the budgetary process and individual departmental goals. The budget is submitted to the Government Finance Officers Association (GFOA) and has received the Distinguished Budget Presentation Award for the last eighteen consecutive years.

***Letter of Transmittal
For the Year Ended December 31, 2020***

Accounting System

The City uses automated governmental accounting software developed and licensed by Civica CMI, Inc. This software controls budgetary accounting, payroll, utility billing, and capital assets. In 2003 the Finance Department purchased a new mainframe computer and updated software on all modules by September 2004. In 2020 the City began to switch out our antiquated finance software program. We went live with our new finance software program in September 2020. The City is in the process of implementing new software programs for HR/Payroll and Utilities. Both of these software's are expected to go live in the last quarter of 2021.

The City's accounting system is organized and operated on a fund basis. A fund is defined as a fiscal and accounting entity with a self-balancing set of accounts recording cash and other financial resources, together with all related liabilities and residual equities or balances, and changes therein. These funds are segregated for the purpose of carrying on specific activities or attaining certain objectives in accordance with special regulations, restrictions, or limitations. Generally accepted accounting principles determine the type of funds used. Prudent financial administration determines the number of individual funds established.

The City maintains records on a cash basis for all fund types. After year-end closing, adjusting entries are prepared for the various funds to convert the cash/budgetary basis records to the modified accrual basis of accounting for all governmental fund types and to the accrual basis of accounting for the proprietary fund types. The fund statements are then converted to entity-wide financial statements, and classified as either governmental or business-type activities, using the accrual basis of accounting. Modified accrual basis accounting requires that revenues be recognized when both measurable and available. Expenditures are recorded as fund liabilities when incurred, except for interest on long-term debt which is recorded when due. The accrual basis of accounting recognizes revenues when earned and expenses when incurred. A more detailed explanation of the basis of accounting for the various funds is included in the Notes to the Basic Financial Statements, located in the Financial Section of this report.

OTHER INFORMATION

Independent Audit

Under federal law, the City is required to have an audit performed every year. The State of Ohio Auditor's Office performed the 2020 audit. The independent auditor's unmodified report has been included in this report. The Administration plans to continue this audit procedure as required by law as part of the preparation of this report. The annual audit and management letter submitted by the independent auditor provides information to the City to enable it to maintain and strengthen the City's accounting and budgeting controls.

Awards

A Certificate of Achievement for Excellence in Financial Reporting was awarded to the City of Painesville, Ohio for its Comprehensive Annual Financial Report for the year ended December 31, 2019. The Certificate of Achievement is the highest form of recognition for excellence in state and local government financial reporting. In order to be awarded a Certificate of Achievement, a governmental unit must publish an easily readable and efficiently organized Comprehensive Annual Financial Report, the contents of which conform to program standards. Such reports must satisfy both generally accepted accounting principles and applicable legal requirements. The Certificate of Achievement represents a significant accomplishment by a governmental unit.

***Letter of Transmittal
For the Year Ended December 31, 2020***

A Certificate of Achievement is valid for a period of one year. Painesville has received a Certificate of Achievement for the last thirty-three consecutive years, fiscal years ended 1987 – 2019. We believe our current report continues to conform to Certificate of Achievement Program requirements, and we are submitting the report to the GFOA to determine its eligibility for another certificate.

Public Disclosure

The publication of this Comprehensive Annual Financial Report is indicative of the City's commitment to provide significantly enhanced financial information and accountability to its citizens. In addition to the citizens of Painesville, the recipients of this report include city, state and federal officials, schools, libraries, newspapers, investment banking firms, banks and rating agencies. The report is made available to any person or organization requesting it. The extensive effort to prepare and distribute this report is indicative of the continued efforts of the City to improve its overall financial accounting, management and reporting capabilities.

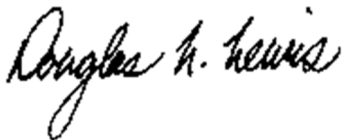
Acknowledgements

We would like to thank the staff and extend special recognition to all members of the Finance Department and related departments within the City who assisted with the preparation of the Comprehensive Annual Financial Report and annual independent audit.

Special thanks are also due to Donald J. Schonhardt, President, Donald J. Schonhardt & Associates, Inc., Columbus, Ohio, and the members of his staff for their efforts in converting the City's budgetary basis accounting records to the generally accepted accounting principles (GAAP) basis. In addition, we would like to express appreciation to the State Auditors, for their assistance and review during this project.

In closing, without the leadership and support of the Painesville City Council, preparation of this report would not have been possible.

Sincerely,



Douglas L. Lewis
City Manager



Andrew A. Unetic
Director of Finance



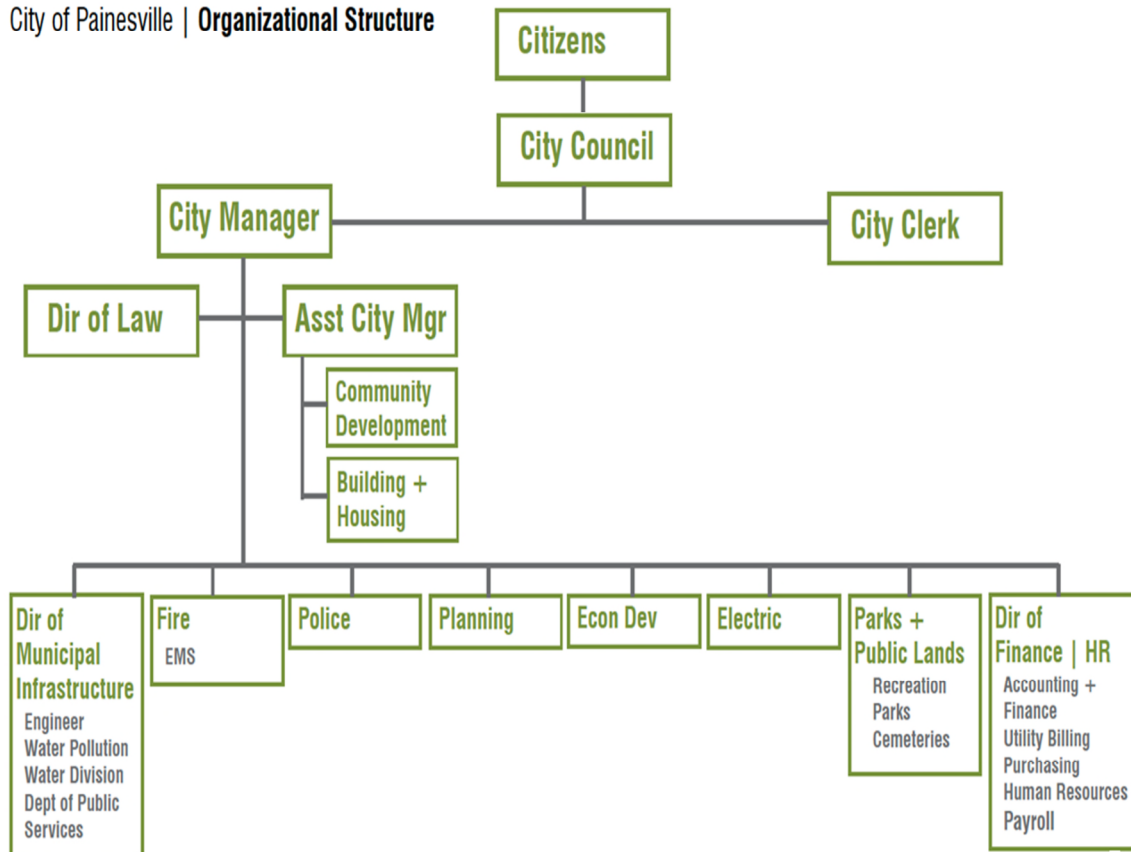
CITY OF PAINESVILLE, OHIO

**List of Principal Officials
For the Year Ended December 31, 2020**

Name	Title	Years of Municipal/Governmental Service			
		Position	City	Other Municipal/ Governmental Service	Total Public Service
CITY COUNCIL					
Paul W. Hach II	President (Ward 4)	7.0	17.0	0.0	17.0
Lori Dinallo	Vice President (at Large)	7.0	11.0	2.0	13.0
Tom Fitzgerald	Council Member (at Large)	7.0	7.0	0.0	7.0
Jim Fodor	Council Member (at Large)	11.0	11.0	0.0	11.0
Christine Shoop	Council Member (Ward 1)	5.0	5.0	0.0	5.0
Katie Jenkins	Council Member (Ward 2)	9.0	9.0	9.0	18.0
Nick Augustine	Council Member (Ward 3)	4.3	4.3	0.0	4.3
Valerie Vargo	Clerk of Council	4.1	4.1	0.0	4.1
CITY ADMINISTRATION					
Doug Lewis	City Manager	0.1	12.6	9.8	22.4
Vacant	Assistant City Manager	0.0	0.0	0.0	0.0
Andrew A. Unetic	Director of Finance	13.1	13.1	14.1	27.2
Joseph M. Gurley	Director of Law	33.0	40.3	15.3	55.6
DEPARTMENT/DIVISION HEADS					
Ryan Tiedman	Service Director	0.1	12.7	0.0	12.7
Leanne Exum	City Engineer	6.5	6.5	0.0	6.5
Jeffrey McHugh	Electric Power Superintendent	8.3	8.3	33.3	41.6
Kevin Aiken	Water Pollution Control Superintendent	3.0	5.4	0.0	5.4
Thomas Hummel	Fire Chief	2.0	24.8	0.0	24.8
Daniel Waterman	Chief of Police	3.3	24.0	0.8	24.8
Michelle LaPuma	Director of Recreation and Public Lands	5.3	8.2	0.0	8.2
Lynn White	City Planner	6.0	28.5	0.0	28.5

City Organizational Chart
For the Year Ended December 31, 2020

City of Painesville | **Organizational Structure**



***Government Finance Officers Association of the United States and Canada
Certificate of Achievement for Excellence in Financial Reporting***



Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**City of Painesville
Ohio**

For its Comprehensive Annual
Financial Report
For the Fiscal Year Ended

December 31, 2019

Christopher P. Morill

Executive Director/CEO

FINANCIAL SECTION



OHIO AUDITOR OF STATE KEITH FABER



Lausche Building, 12th Floor
615 Superior Avenue, NW
Cleveland, Ohio 44113-1801
(216) 787-3665 or (800) 626-2297
NortheastRegion@ohioauditor.gov

INDEPENDENT AUDITOR'S REPORT

City of Painesville
Lake County
7 Richmond Street
Painesville, Ohio 44077

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 Painesville, Lake County, Ohio (the City), as of and for the year ended December 31, 2020, 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 as of December 31, 2020, and the respective changes in financial position and, where applicable, cash flows thereof and the budgetary comparison for the General fund thereof for the year then ended in accordance with the accounting principles generally accepted in the United States of America.

Emphasis of Matter

As discussed in Note 20 to the financial statements, the financial impact of COVID-19 and the continuing emergency measures may impact subsequent periods of the City. 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 derive from and relate 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.

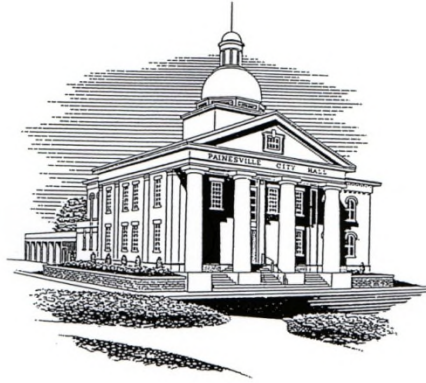
Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we will also issue our report dated June 25, 2021, 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.



Keith Faber
Auditor of State
Columbus, Ohio

June 25, 2021



***Management's Discussion and Analysis
For the Year Ended December 31, 2020***

Unaudited

The discussion and analysis of the City of Painesville's financial performance provides an overall review of the City's financial activities for the year ended December 31, 2020. The intent of this discussion and analysis is to look at the City's financial 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 2020 are as follows:

- ❑ In total, net position increased \$5,127,651. Net position of governmental activities increased \$4,554,487, which represents an 11% increase from 2019. Net position of business-type activities increased \$573,164, or less than 1% from 2019.
- ❑ General revenues accounted for \$15,532,314 in revenue, or 24% of all revenues. Program specific revenues in the form of charges for services and grants and contributions accounted for \$49,403,894, or 76% of total revenues of \$64,936,208.
- ❑ The City had \$18,272,648 in expenses related to governmental activities; only \$6,471,780 of these expenses were offset by program specific charges for services, grants or contributions. General revenues (primarily taxes) of \$15,532,314 were adequate to fully provide for these programs.
- ❑ Among major funds, the general fund had \$14,843,813 in revenues, including other financing sources and \$13,526,575 in expenditures, including other financing uses. The general fund's fund balance increased \$1,317,238.

OVERVIEW OF THE FINANCIAL STATEMENTS

This annual report consists of four parts – *management's discussion and analysis*, the *basic financial statements*, *pension/OPEB required supplementary information*, and an optional section that presents *combining statements* for nonmajor governmental funds. The basic financial statements include two kinds of statements that present different views of the City:

These statements are as follows:

1. *The Government-Wide Financial Statements* – These statements provide both long-term and short-term information about the City's overall financial status.
2. *The Fund Financial Statements* – These statements focus on individual parts of the City, reporting the City's operations in more detail than the government-wide statements.

The financial statements also include notes that explain some of the information in the basic financial statements and provide more detailed data. The statements are followed by a section of supplementary information that further explains and supports the information in the financial statements.

Government-Wide Financial Statements

The government-wide statements report information about the City as a whole using accepted methods similar to those used by private-sector companies. The statement of net position includes all of the government's assets, liabilities, and deferred outflows/inflows of resources. All of the current year's revenues and expenses are accounted for in the statement of activities regardless of when cash is received or paid.

The two government-wide statements report the City's net position and how it has changed. Net-position is one way to measure the City's financial health.

- Over time, increases or decreases in the City's net position is an indicator of whether its financial health is improving or deteriorating, respectively.
- To assess the overall health of the City you need to consider additional nonfinancial factors such as the City's tax base and the condition of the City's capital assets.

The government-wide financial statements of the City are divided into two categories:

- Governmental Activities – Most of the City's programs and services are reported here including general government, public safety, highways and streets, public health and welfare, culture and recreation, community environment, interest and fiscal charges, and other expenses.
- 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, electric, refuse, off-street parking, storm water and community program services are reported as business-type activities.

Fund Financial Statements

The fund financial statements provide more detailed information about the City's most significant funds, not the City as a whole. Funds are accounting devices that the City uses to keep track of specific sources of funding and spending for particular purposes.

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 governmental programs. 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.

CITY OF PAINESVILLE, OHIO

**Management's Discussion and Analysis
For the Year Ended December 31, 2020**

Unaudited

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

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. All of the City's fiduciary activities are reported in separate Statements of Fiduciary Net Position and Changes in Fiduciary Net Position.

FINANCIAL ANALYSIS OF THE CITY AS A WHOLE

The following table provides a comparison of the City's net position at December 31, 2020 and 2019:

	Governmental Activities		Business-type Activities		Total	
	2020	2019	2020	2019	2020	2019
Current and Other Assets	\$30,096,936	\$27,338,072	\$32,360,963	\$32,317,400	\$62,457,899	\$59,655,472
Capital Assets, Net	53,533,095	50,776,340	82,756,960	80,180,509	136,290,055	130,956,849
Total Assets	83,630,031	78,114,412	115,117,923	112,497,909	198,747,954	190,612,321
Deferred Outflows of Resources	4,595,392	7,669,055	2,953,545	5,292,896	7,548,937	12,961,951
Net Pension Liability	17,511,085	22,262,724	11,540,178	16,075,414	29,051,263	38,338,138
Net OPEB Liability	4,738,608	4,455,236	7,344,915	7,030,847	12,083,523	11,486,083
Long-Term Liabilities	10,783,339	10,683,176	22,345,642	21,444,853	33,128,981	32,128,029
Other Liabilities	1,094,511	1,511,676	4,992,011	4,852,597	6,086,522	6,364,273
Total Liabilities	34,127,543	38,912,812	46,222,746	49,403,711	80,350,289	88,316,523
Deferred Inflows of Resources	6,880,121	4,207,383	3,515,550	627,086	10,395,671	4,834,469
Net Position						
Net Investment in Capital Assets	45,339,087	42,435,366	60,818,840	59,735,075	106,157,927	102,170,441
Restricted	11,404,072	9,530,977	0	0	11,404,072	9,530,977
Unrestricted	(9,525,400)	(9,303,071)	7,514,332	8,024,933	(2,011,068)	(1,278,138)
Total Net Position	\$47,217,759	\$42,663,272	\$68,333,172	\$67,760,008	\$115,550,931	\$110,423,280

The net pension liability (NPL) is reported by the City pursuant to GASB Statement 68, "Accounting and Financial Reporting for Pensions—an Amendment of GASB Statement 27." The net OPEB liability (NOL) is reported by the City pursuant to 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*.

***Management's Discussion and Analysis
For the Year Ended December 31, 2020***

Unaudited

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.

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.

CITY OF PAINESVILLE, OHIO

**Management's Discussion and Analysis
For the Year Ended December 31, 2020**

Unaudited

Change in Net Position – The following table shows the change in net position for 2020 and 2019:

	Governmental Activities		Business-type Activities		Total	
	2020	2019	2020	2019	2020	2019
Revenues						
Program Revenues:						
Charges for Services and Sales	\$2,754,541	\$2,937,866	\$42,761,724	\$41,424,045	\$45,516,265	\$44,361,911
Operating Grants and Contributions	3,455,315	1,100,244	0	0	3,455,315	1,100,244
Capital Grants and Contributions	261,924	2,107,142	170,390	1,117,761	432,314	3,224,903
Total Program Revenues	6,471,780	6,145,252	42,932,114	42,541,806	49,403,894	48,687,058
General Revenues:						
Property Taxes	3,038,768	2,665,543	0	0	3,038,768	2,665,543
Municipal Income Taxes	9,220,580	9,123,409	0	0	9,220,580	9,123,409
Intergovernmental, Unrestricted	1,019,623	1,073,810	0	0	1,019,623	1,073,810
Investment Earnings	1,329,394	1,306,600	0	0	1,329,394	1,306,600
Miscellaneous	923,949	610,962	0	0	923,949	610,962
Total General Revenues	15,532,314	14,780,324	0	0	15,532,314	14,780,324
Total Revenues	22,004,094	20,925,576	42,932,114	42,541,806	64,936,208	63,467,382
Program Expenses						
General Government	4,328,561	5,554,317	0	0	4,328,561	5,554,317
Public Safety	9,466,839	909,829	0	0	9,466,839	909,829
Highways and Streets	2,756,670	2,943,684	0	0	2,756,670	2,943,684
Public Health and Welfare	612,715	682,216	0	0	612,715	682,216
Culture and Recreation	749,688	851,330	0	0	749,688	851,330
Community Environment	115,123	209,686	0	0	115,123	209,686
Interest and Fiscal Charges	243,052	234,477	0	0	243,052	234,477
Water	0	0	6,067,320	5,944,437	6,067,320	5,944,437
Sewer	0	0	4,287,628	4,979,247	4,287,628	4,979,247
Electric	0	0	30,585,981	30,291,595	30,585,981	30,291,595
Refuse	0	0	1,966	2,158	1,966	2,158
Off-Street Parking	0	0	2,932	0	2,932	0
Storm Water Utility	0	0	570,376	338,253	570,376	338,253
Community Programs	0	0	19,706	45,068	19,706	45,068
Total Expenses	18,272,648	11,385,539	41,535,909	41,600,758	59,808,557	52,986,297
Excess (Deficiency) Before Transfers	3,731,446	9,540,037	1,396,205	941,048	5,127,651	10,481,085
Transfers	823,041	835,309	(823,041)	(835,309)	0	0
Total Change in Net Position	4,554,487	10,375,346	573,164	105,739	5,127,651	10,481,085
Beginning Net Position	42,663,272	32,287,926	67,760,008	67,654,269	110,423,280	99,942,195
Ending Net Position	\$47,217,759	\$42,663,272	\$68,333,172	\$67,760,008	\$115,550,931	\$110,423,280

**Management's Discussion and Analysis
For the Year Ended December 31, 2020**

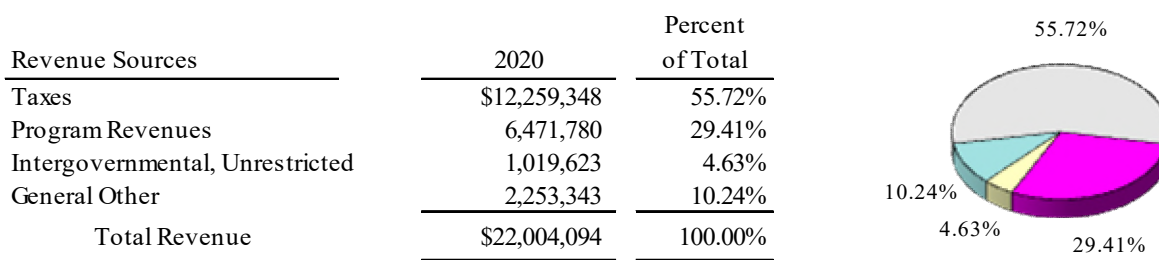
Unaudited

Governmental Activities

Governmental activities net position increased \$4,554,487, or 11% in 2020. An increase in operating grants can be attributed to Coronavirus Relief Funding. A significant decrease in the prior year in public safety expense due to changes in the Ohio Police and Fire net OPEB liability resulted in a subsequent increase in public safety expense in the current year.

The City also receives an income tax, which is based on 2.0% of all salaries, wages, commissions and other compensation and on net profits earned from residents living within the City and businesses operating in the City.

Taxes made up 56% of revenues for governmental activities in 2020. The City's reliance upon tax revenues is demonstrated by the following graph:



Business-Type Activities

Net position of the business-type activities increased \$573,164. Expenses were consistent with the prior year. An increase in charges for services can mostly be attributed to an increase in the water infrastructure fee that is charged to consumers.

FINANCIAL ANALYSIS OF THE CITY'S FUNDS

The City's governmental funds reported a combined fund balance of \$23,321,684, which is an increase from last year's balance of \$19,973,270. The schedule below indicates the fund balance and the total change in fund balance as of December 31, 2020 and 2019:

	Fund Balance December 31, 2020	Fund Balance December 31, 2019	Increase (Decrease)
General	\$9,877,445	\$8,560,207	\$1,317,238
Other Governmental	13,444,239	11,413,063	2,031,176
Total	\$23,321,684	\$19,973,270	\$3,348,414

General Fund – The City's General Fund balance change is due to many factors. The tables that follow assist in illustrating the financial activities and balance of the General Fund:

CITY OF PAINESVILLE, OHIO

**Management's Discussion and Analysis
For the Year Ended December 31, 2020**

Unaudited

	2020 Revenues	2019 Revenues	Increase (Decrease)
Property Taxes	\$473,961	\$460,061	\$13,900
Municipal Income Taxes	9,236,961	9,474,433	(237,472)
Intergovernmental Revenues	918,973	902,012	16,961
Charges for Services	51,093	75,679	(24,586)
Licenses, Permits and Inspection Fees	347,121	439,661	(92,540)
Investment Earnings	1,337,836	1,290,747	47,089
Fines and Forfeitures	772,783	1,101,863	(329,080)
All Other Revenue	853,654	503,991	349,663
Total	<u>\$13,992,382</u>	<u>\$14,248,447</u>	<u>(\$256,065)</u>

General Fund revenues decreased approximately 2% when compared to 2019 revenues. A decrease in fines and forfeitures can be attributed to decreased court activity, due to the pandemic. This was offset by an increase in all other revenue, which was the result of refunds received from the Ohio Bureau of Workers' Compensation.

	2020 Expenditures	2019 Expenditures	Increase (Decrease)
Current:			
General Government	\$4,266,359	\$3,969,009	\$297,350
Public Safety	6,221,214	6,991,189	(769,975)
Highways and Streets	569,891	683,824	(113,933)
Public Health and Welfare	152,354	149,989	2,365
Culture and Recreation	598,368	654,457	(56,089)
Community Environment	108,389	183,756	(75,367)
Total	<u>\$11,916,575</u>	<u>\$12,632,224</u>	<u>(\$715,649)</u>

General Fund expenditures decreased \$715,649, or approximately 6% from the prior year. This decrease can mostly be attributed to public safety costs being moved to the CARES Act Fund.

Water Fund – The City's Water Fund reported an increase in net position of 5%. An increase in charges for services can mostly be attributed to an increase in the infrastructure fee that is charged to consumers. Overall, expenses were consistent with the prior year. A decrease in expenses related to the net pension and net OPEB liabilities was offset by increases in depreciation expense and other contractual costs.

Sewer Fund – The City's Sewer Fund reported an increase in net position of 4%. Revenues were consistent with the previous year. A decrease in expenses can be attributed to changes in the net pension and net OPEB liabilities.

Electric Fund – The City's Electric Fund net position remained stable, decreasing approximately 2%. Revenues were consistent with the previous year. A decrease in personal services expense can be attributed to changes in the net pension and net OPEB liabilities. This was offset by an increase in costs for purchased power.

***Management's Discussion and Analysis
For the Year Ended December 31, 2020***

Unaudited

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 2020 the City amended its General Fund budget several times.

For the General Fund, final budgeted revenues and original revenue estimates were not materially different. Actual budget basis revenues were 7% higher than final revenue estimates due to increases in income tax receipts. Original budgeted and final budgeted expenditures were not materially different. Actual budget basis expenditures were 11% less than final appropriations due to the funding of a portion of public safety costs from the CARES Act Fund. The General Fund had an adequate fund balance to cover expenditures.

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***Management's Discussion and Analysis
For the Year Ended December 31, 2020***

Unaudited

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

At the end of 2020 the City had \$136,290,055 net of accumulated depreciation invested in land, construction in progress, buildings and improvements, improvements other than buildings, machinery and equipment, and infrastructure. Of this total, \$53,533,095 was related to governmental activities and \$82,756,960 to the business-type activities. The following tables show 2020 and 2019 balances:

	Governmental Activities		Increase (Decrease)
	2020	2019*	
Land	\$13,136,789	\$13,136,789	\$0
Construction in Progress	2,568,564	3,810,071	(1,241,507)
Buildings and Improvements	7,761,596	5,778,528	1,983,068
Improvements other than Buildings	2,811,193	1,207,230	1,603,963
Machinery and Equipment	10,139,936	7,852,093	2,287,843
Infrastructure	49,657,559	49,657,559	0
Less: Accumulated Depreciation	(32,542,542)	(30,665,930)	(1,876,612)
Totals	<u>\$53,533,095</u>	<u>\$50,776,340</u>	<u>\$2,756,755</u>

Increases in buildings in the Governmental Activities capital assets can mostly be attributed to completion of the Storrs Street building, which is a multi-use building shared by the public works department and electric department. Additions to improvements other than buildings included streetscape improvements as well as erosion control improvements on Bank Street. Additions to machinery and equipment included an aerial ladder truck, police cruisers, and other various trucks.

*Certain amounts were reclassified between construction in progress and infrastructure at January 1, 2020.

	Business-Type Activities		Increase (Decrease)
	2020	2019	
Land	\$2,010,667	\$2,010,667	\$0
Construction in Progress	10,112,484	27,975,177	(17,862,693)
Buildings and Improvements	31,400,724	30,627,134	773,590
Infrastructure	79,526,915	58,598,358	20,928,557
Machinery and Equipment	39,114,222	36,997,009	2,117,213
Less: Accumulated Depreciation	(79,408,052)	(76,027,836)	(3,380,216)
Totals	<u>\$82,756,960</u>	<u>\$80,180,509</u>	<u>\$2,576,451</u>

In Business-Type capital assets, increases in infrastructure can be attributed to a new water intake project, various waterline replacements, and electric infrastructure improvements. Various vehicle and utility equipment purchases contributed to an increase in machinery and equipment. Additional information on the City's capital assets can be found in Note 9.

**Management's Discussion and Analysis
For the Year Ended December 31, 2020****Unaudited****Long-Term Debt and Other Long-Term Obligations**

The following table summarizes the City's long-term debt and other long-term obligations outstanding as of December 31, 2020 and 2019:

	<u>2020</u>	<u>2019</u>
Governmental Activities:		
General Obligation Bonds	\$6,179,940	\$6,644,768
Special Assessment Bonds	140,000	165,000
Ohio Public Works Commission Loans	1,076,328	1,102,951
Long Term Notes Payable	750,000	0
Compensated Absences	1,454,264	1,461,106
Workers' Compensation Liability	610,738	686,265
Capital Leases	47,740	72,944
Police and Firemen's Accrued Pension	524,329	550,142
Total Governmental Activities	<u>10,783,339</u>	<u>10,683,176</u>
Business-Type Activities:		
General Obligation Bonds	1,560,000	1,640,000
Ohio Water Development Authority Loans	17,319,657	16,221,502
Ohio Public Works Commission Loans	50,097	16,389
Capital Leases	1,766,341	1,996,863
AMP Joint Venture Financing Agreement	130,785	0
Compensated Absences	1,518,762	1,570,099
Total Business-Type Activities	<u>22,345,642</u>	<u>21,444,853</u>
Totals	<u>\$33,128,981</u>	<u>\$32,128,029</u>

Under current state statutes, the City's general obligation bonded debt issues are subject to a legal limitation based on 10.50% of the total assessed value of real and personal property. At December 31, 2020, the City's outstanding debt was below the legal limit. Additional information on the City's long-term debt can be found in Note 12.

ECONOMIC FACTORS

For the 2020 budget, the emphasis is being placed on balancing all funds, when possible, without using carryover. For 2020 the General Fund will see slightly increased revenues from the 2019 budgeted revenues. The City anticipates the municipal income tax revenues for 2020 to be \$8,200,000, which is the same they were budgeted for in 2019.

The City will to continue to focus on strengthening its tax base through community planning and economic development. The City's continuing its efforts to attract and retain quality residential, commercial, and industrial developments. In addition, we are working on 2 key development areas for new City business parks. However, the stagnate National and State economy and the wholesale overhaul of the State budget will have a direct effect on the City of Painesville. Continued analysis of our expenditures and ongoing diligence to identify additional long term stable sources of revenue for the General Fund are necessary to maintain the level and quality of service to our residents.

The 2020 economic outlook for the three major proprietary funds of Water, Sewer and Electric is that 2020 budgeted revenues in all of these funds will be slightly up.

REQUESTS FOR INFORMATION

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 questions about this report or need additional financial information contact the Finance Department by calling 440-392-5796 or writing to City of Painesville Finance Department, 7 Richmond Street, Painesville, Ohio 44077.

CITY OF PAINESVILLE, OHIO

**Statement of Net Position
December 31, 2020**

	Governmental Activities	Business-Type Activities	Total
Assets:			
Pooled Cash and Investments	\$ 20,099,066	\$ 24,501,063	\$ 44,600,129
Cash and Cash Equivalents in Segregated Accounts	83,006	0	83,006
Receivables:			
Taxes	5,802,607	0	5,802,607
Accounts	213,458	5,072,890	5,286,348
Intergovernmental	1,451,986	476,597	1,928,583
Interest	109,161	0	109,161
Internal Balances	229,707	(229,707)	0
Inventory of Supplies at Cost	0	589,514	589,514
Land Held for Resale	785,000	0	785,000
Prepaid Items	105,340	349,723	455,063
Restricted Assets:			
Cash and Cash Equivalents	1,217,605	1,600,883	2,818,488
Capital Assets:			
Capital Assets Not Being Depreciated	15,705,353	12,123,151	27,828,504
Capital Assets Being Depreciated, Net	37,827,742	70,633,809	108,461,551
Total Assets	83,630,031	115,117,923	198,747,954
Deferred Outflows of Resources:			
Pension	2,761,973	1,719,428	4,481,401
OPEB	1,833,419	1,234,117	3,067,536
Total Deferred Outflows of Resources	4,595,392	2,953,545	7,548,937
Liabilities:			
Accounts Payable	488,564	2,866,106	3,354,670
Accrued Wages and Benefits	262,315	210,522	472,837
Claims Payable	275,231	0	275,231
Retainage Payable	0	276,422	276,422
Refundable Deposits	0	1,600,883	1,600,883
Accrued Interest Payable	68,401	38,078	106,479
Noncurrent Liabilities:			
Due Within One Year	1,333,350	1,223,779	2,557,129
Due in More Than One Year:			
Net Pension Liability	17,511,085	11,540,178	29,051,263
Net OPEB Liability	4,738,608	7,344,915	12,083,523
Other Amounts Due in More Than One Year	9,449,989	21,121,863	30,571,852
Total Liabilities	34,127,543	46,222,746	80,350,289

CITY OF PAINESVILLE, OHIO

	Governmental Activities	Business-Type Activities	Total
Deferred Inflows of Resources:			
Property Tax Levy for Next Fiscal Year	3,057,473	0	3,057,473
Pension	2,588,072	2,412,135	5,000,207
OPEB	1,234,576	1,103,415	2,337,991
Total Deferred Inflows of Resources	6,880,121	3,515,550	10,395,671
Net Position:			
Net Investment in Capital Assets	45,339,087	60,818,840	106,157,927
Restricted For:			
Capital Projects	884,563	0	884,563
Debt Service	1,626,904	0	1,626,904
Highways	3,956,066	0	3,956,066
Public Safety	2,296,266	0	2,296,266
Community Development	381,567	0	381,567
Cemetery Operations:			
Nonexpendable	1,217,605	0	1,217,605
Expendable	1,041,101	0	1,041,101
Unrestricted (Deficit)	(9,525,400)	7,514,332	(2,011,068)
Total Net Position	\$ 47,217,759	\$ 68,333,172	\$ 115,550,931

See accompanying notes to the basic financial statements

CITY OF PAINESVILLE, OHIO

**Statement of Activities
For the Year Ended December 31, 2020**

	Expenses	Program Revenues		
		Charges for Services and Sales	Operating Grants and Contributions	Capital Grants and Contributions
Governmental Activities:				
General Government	\$ 4,328,561	\$ 1,261,515	\$ 2,411,472	\$ 89,771
Public Safety	9,466,839	607,396	16,147	0
Highways and Streets	2,756,670	293,419	996,526	172,153
Public Health and Welfare	612,715	186,586	0	0
Culture and Recreation	749,688	13,414	0	0
Community Environment	115,123	392,211	31,170	0
Interest and Fiscal Charges	243,052	0	0	0
Total Governmental Activities	18,272,648	2,754,541	3,455,315	261,924
Business-Type Activities:				
Water	6,067,320	7,094,910	0	37,090
Sewer	4,287,628	4,484,528	0	0
Electric	30,585,981	30,699,901	0	0
Refuse	1,966	1,263	0	0
Off Street Parking	2,932	7,860	0	0
Storm Water Utility	570,376	429,961	0	133,300
Community Programs	19,706	43,301	0	0
Total Business-Type Activities	41,535,909	42,761,724	0	170,390
Totals	\$ 59,808,557	\$ 45,516,265	\$ 3,455,315	\$ 432,314

General Revenues and Transfers

Property Taxes

Municipal Income Taxes

Intergovernmental, Unrestricted

Investment Earnings

Miscellaneous

Transfers

Total General Revenues and Transfers

Change in Net Position

Net Position Beginning of Year

Net Position End of Year

See accompanying notes to the basic financial statements

CITY OF PAINESVILLE, OHIO

Net (Expense) Revenue
and Changes in Net Position

Governmental Activities	Business-Type Activities	Total
\$ (565,803)	\$ 0	\$ (565,803)
(8,843,296)	0	(8,843,296)
(1,294,572)	0	(1,294,572)
(426,129)	0	(426,129)
(736,274)	0	(736,274)
308,258	0	308,258
(243,052)	0	(243,052)
<u>(11,800,868)</u>	<u>0</u>	<u>(11,800,868)</u>
0	1,064,680	1,064,680
0	196,900	196,900
0	113,920	113,920
0	(703)	(703)
0	4,928	4,928
0	(7,115)	(7,115)
0	23,595	23,595
<u>0</u>	<u>1,396,205</u>	<u>1,396,205</u>
<u>\$ (11,800,868)</u>	<u>\$ 1,396,205</u>	<u>\$ (10,404,663)</u>
3,038,768	0	3,038,768
9,220,580	0	9,220,580
1,019,623	0	1,019,623
1,329,394	0	1,329,394
923,949	0	923,949
823,041	(823,041)	0
<u>16,355,355</u>	<u>(823,041)</u>	<u>15,532,314</u>
4,554,487	573,164	5,127,651
<u>42,663,272</u>	<u>67,760,008</u>	<u>110,423,280</u>
<u>\$ 47,217,759</u>	<u>\$ 68,333,172</u>	<u>\$ 115,550,931</u>

CITY OF PAINESVILLE, OHIO

**Balance Sheet
Governmental Funds
December 31, 2020**

	General	Other Governmental Funds	Total Governmental Funds
Assets:			
Pooled Cash and Investments	\$ 7,359,079	\$ 12,274,237	\$ 19,633,316
Cash and Cash Equivalents in Segregated Accounts	56,206	26,800	83,006
Receivables:			
Taxes	3,088,925	2,713,682	5,802,607
Accounts	57,768	155,690	213,458
Intergovernmental	939,938	512,048	1,451,986
Interest	109,161	0	109,161
Land Held for Resale	785,000	0	785,000
Prepaid Items	93,996	11,344	105,340
Restricted Assets:			
Cash and Cash Equivalents	0	1,217,605	1,217,605
Total Assets	\$ 12,490,073	\$ 16,911,406	\$ 29,401,479
Liabilities:			
Accounts Payable	\$ 206,898	\$ 281,666	\$ 488,564
Accrued Wages and Benefits Payable	231,340	30,975	262,315
Compensated Absences Payable	30,687	0	30,687
Total Liabilities	468,925	312,641	781,566
Deferred Inflows of Resources:			
Unavailable Amounts	1,668,849	571,907	2,240,756
Property Tax Levy for Next Fiscal Year	474,854	2,582,619	3,057,473
Total Deferred Inflows of Resources	2,143,703	3,154,526	5,298,229
Fund Balances:			
Nonspendable	878,996	1,228,949	2,107,945
Restricted	7,206	9,783,465	9,790,671
Committed	10,931	2,431,825	2,442,756
Assigned	1,514,656	0	1,514,656
Unassigned	7,465,656	0	7,465,656
Total Fund Balances	9,877,445	13,444,239	23,321,684
Total Liabilities, Deferred Inflows of Resources and Fund Balances	\$ 12,490,073	\$ 16,911,406	\$ 29,401,479

See accompanying notes to the basic financial statements

CITY OF PAINESVILLE, OHIO

***Reconciliation Of Total Governmental Fund Balances
To Net Position Of Governmental Activities
December 31, 2020***

Total Governmental Fund Balances \$ 23,321,684

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

Capital Assets used in governmental activities are not resources and therefore are not reported in the funds. 53,533,095

Other long-term assets are not available to pay for current-period expenditures and therefore are deferred in the funds. 2,240,756

The net pension liability is not due and payable in the current period; therefore, the liability and related deferred inflows/outflows are not reported in governmental funds. (17,337,184)

The net OPEB liability is not due and payable in the current period; therefore, the liability and related deferred inflows/outflows are not reported in governmental funds. (4,139,765)

Internal service funds are used by management to charge the costs of services to individual funds. The assets and liabilities of the internal service funds are included in governmental activities in the statement of net position. (190,512)

Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the funds. (10,210,315)

Net Position of Governmental Activities \$ 47,217,759

See accompanying notes to the basic financial statements

CITY OF PAINESVILLE, OHIO

**Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
For the Year Ended December 31, 2020**

	General	Other Governmental Funds	Total Governmental Funds
Revenues:			
Property Taxes	\$ 473,961	\$ 2,560,068	\$ 3,034,029
Municipal Income Taxes	9,236,961	0	9,236,961
Intergovernmental Revenues	918,973	3,916,354	4,835,327
Charges for Services	51,093	840,962	892,055
Licenses, Permits and Inspection Fees	347,121	0	347,121
Investment Earnings	1,337,836	10,253	1,348,089
Special Assessments	0	372,165	372,165
Fines and Forfeitures	772,783	357,440	1,130,223
All Other Revenues	853,654	75,895	929,549
Total Revenues	13,992,382	8,133,137	22,125,519
Expenditures:			
Current:			
General Government	4,266,359	715,823	4,982,182
Public Safety	6,221,214	4,569,679	10,790,893
Highways and Streets	569,891	1,167,916	1,737,807
Public Health and Welfare	152,354	370,805	523,159
Culture and Recreation	598,368	0	598,368
Community Environment	108,389	200	108,589
Capital Outlay	0	855,594	855,594
Debt Service:			
Principal Retirement	0	783,827	783,827
Interest and Fiscal Charges	0	248,117	248,117
Total Expenditures	11,916,575	8,711,961	20,628,536
Excess (Deficiency) of Revenues Over Expenditures	2,075,807	(578,824)	1,496,983
Other Financing Sources (Uses):			
Sale of Capital Assets	26,663	0	26,663
Long Term Note Issuance	0	1,000,000	1,000,000
Transfers In	823,041	1,635,000	2,458,041
Transfers Out	(1,610,000)	(25,000)	(1,635,000)
Insurance Proceeds	1,727	0	1,727
Total Other Financing Sources (Uses)	(758,569)	2,610,000	1,851,431
Net Change in Fund Balances	1,317,238	2,031,176	3,348,414
Fund Balance at Beginning of Year	8,560,207	11,413,063	19,973,270
Fund Balance End of Year	\$ 9,877,445	\$ 13,444,239	\$ 23,321,684

See accompanying notes to the basic financial statements

CITY OF PAINESVILLE, OHIO

***Reconciliation Of The Statement Of Revenues, Expenditures
And Changes In Fund Balances Of Governmental Funds
To The Statement Of Activities
For the Year Ended December 31, 2020***

Net Change in Fund Balances - Total Governmental Funds \$ 3,348,414

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

Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which capital outlay exceeded depreciation in the current period. 2,995,536

Governmental funds only report the disposal of assets to the extent proceeds are received from the sale. In the statement of activities, a gain or loss is reported for each disposal. This is the amount of the loss on the disposal of capital assets net of proceeds received. (238,781)

Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds. (123,152)

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

Pension	1,465,455	
OPEB	25,613	1,491,068

Except for amounts reported as deferred inflows/outflows, changes in the net pension and OPEB liabilities are reported as pension/OPEB expense in the statement of activities:

Pension	(2,383,395)	
OPEB	(464,160)	(2,847,555)

The issuance of long-term debt provides current financial resources to governmental funds, but has no effect on net position. In addition, repayment of bond and capital lease principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position. (182,532)

In the statement of activities, interest is accrued on outstanding bonds, whereas in governmental funds, an interest expenditure is reported when due. (2,763)

Some expenses reported in the statement of activities, such as compensated absences do not require the use of current financial resources and therefore are not reported as expenditures in the governmental funds. 37,529

The internal service funds are used by management to charge the costs of services to individual funds and is not reported in the statement of activities. Governmental fund expenditures and related internal service fund revenues are eliminated. The net revenue (expense) of the internal service funds are allocated among the governmental activities. 76,723

Change in Net Position of Governmental Activities \$ 4,554,487

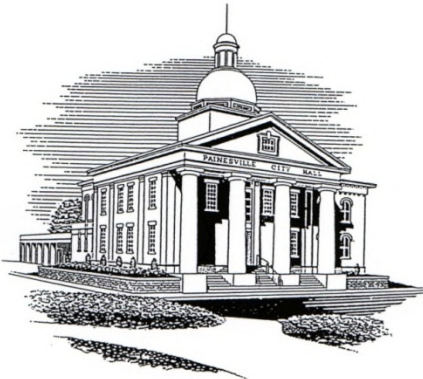
See accompanying notes to the basic financial statements

CITY OF PAINESVILLE, OHIO

**Statement of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
General Fund
For the Year Ended December 31, 2020**

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Property Taxes	\$ 463,542	\$ 463,702	\$ 473,961	\$ 10,259
Municipal Income Taxes	8,470,000	8,470,000	9,360,001	890,001
Intergovernmental Revenue	814,000	814,000	914,040	100,040
Charges for Services	40,320	40,320	51,233	10,913
Licenses, Permits and Inspection Fees	329,500	329,500	347,845	18,345
Investment Earnings	705,000	705,000	633,451	(71,549)
Fines and Forfeitures	1,008,400	1,008,400	792,748	(215,652)
All Other Revenues	313,770	313,770	435,453	121,683
Total Revenues	<u>12,144,532</u>	<u>12,144,692</u>	<u>13,008,732</u>	<u>864,040</u>
Expenditures:				
Current:				
General Government	4,977,105	5,133,079	4,780,144	352,935
Public Safety	7,513,562	7,587,972	6,589,419	998,553
Highways and Streets	811,105	809,880	709,888	99,992
Public Health and Welfare	152,335	152,354	152,354	0
Culture and Recreation	701,612	702,139	621,711	80,428
Community Environment	180,195	177,868	117,089	60,779
Total Expenditures	<u>14,335,914</u>	<u>14,563,292</u>	<u>12,970,605</u>	<u>1,592,687</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(2,191,382)	(2,418,600)	38,127	2,456,727
Other Financing Sources (Uses):				
Sale of Capital Assets	0	0	26,663	26,663
Insurance Proceeds	2,500	2,500	1,727	(773)
Transfers In	740,000	1,240,000	1,223,041	(16,959)
Transfers Out	(310,000)	(2,010,000)	(2,010,000)	0
Total Other Financing Sources (Uses):	<u>432,500</u>	<u>(767,500)</u>	<u>(758,569)</u>	<u>8,931</u>
Net Changes in Fund Balance	(1,758,882)	(3,186,100)	(720,442)	2,465,658
Fund Balance at Beginning of Year	4,902,955	4,902,955	4,902,955	0
Prior Year Encumbrances	1,315,873	1,315,873	1,315,873	0
Fund Balance at End of Year	<u>\$ 4,459,946</u>	<u>\$ 3,032,728</u>	<u>\$ 5,498,386</u>	<u>\$ 2,465,658</u>

See accompanying notes to the basic financial statements



CITY OF PAINESVILLE, OHIO

**Statement of Net Position
Proprietary Funds
December 31, 2020**

	Business-Type Activities			
	Enterprise Funds			Other Enterprise Funds
	Water	Sewer	Electric	
Assets:				
Current Assets:				
Pooled Cash and Investments	\$ 6,526,908	\$ 2,345,485	\$ 14,430,703	\$ 1,197,967
Receivables:				
Accounts	638,479	490,757	3,882,213	61,441
Intergovernmental	100,000	100,000	276,597	0
Inventory of Supplies at Cost	0	0	589,514	0
Prepaid Items	80,290	71,062	198,371	0
Total Current Assets	<u>7,345,677</u>	<u>3,007,304</u>	<u>19,377,398</u>	<u>1,259,408</u>
Noncurrent Assets:				
Restricted Assets:				
Cash and Cash Equivalents	620,204	0	980,679	0
Total Restricted Assets	<u>620,204</u>	<u>0</u>	<u>980,679</u>	<u>0</u>
Capital Assets:				
Capital Assets Not Being Depreciated	3,307,440	629,010	7,349,492	837,209
Capital Assets Being Depreciated, Net	32,781,044	6,786,198	27,007,496	4,059,071
Total Noncurrent Assets	<u>36,708,688</u>	<u>7,415,208</u>	<u>35,337,667</u>	<u>4,896,280</u>
Total Assets	<u>44,054,365</u>	<u>10,422,512</u>	<u>54,715,065</u>	<u>6,155,688</u>
Deferred Outflows of Resources:				
Pension	380,906	347,317	977,041	14,164
OPEB	276,091	249,669	698,052	10,305
Total Deferred Outflows of Resources	<u>656,997</u>	<u>596,986</u>	<u>1,675,093</u>	<u>24,469</u>
Liabilities:				
Current Liabilities:				
Accounts Payable	587,062	116,589	2,149,120	13,335
Accrued Wages and Benefits	47,934	42,244	118,508	1,836
Claims Payable - Current	0	0	0	0
Retainage Payable	227,434	0	48,988	0
Refundable Deposits	620,204	0	980,679	0
Accrued Interest Payable	758	33,202	34	4,084
Capital Leases Payable - Current	216,584	14,439	9,626	0
General Obligation Bonds Payable - Current	0	0	0	80,000
OWDA Loans Payable - Current	0	168,612	0	0
OPWC Loans Payable - Current	1,737	2,048	0	0
Payable to Joint Venture - Current	0	0	62,410	0
Compensated Absences Payable - Current	136,737	108,210	418,516	4,860
Total Current Liabilities	<u>1,838,450</u>	<u>485,344</u>	<u>3,787,881</u>	<u>104,115</u>

CITY OF PAINESVILLE, OHIO

<u>Total</u>	<u>Governmental Activities - Internal Service Funds</u>
\$ 24,501,063	\$ 465,750
5,072,890	0
476,597	0
589,514	0
349,723	0
<u>30,989,787</u>	<u>465,750</u>
1,600,883	0
<u>1,600,883</u>	<u>0</u>
12,123,151	0
<u>70,633,809</u>	<u>0</u>
<u>84,357,843</u>	<u>0</u>
<u>115,347,630</u>	<u>465,750</u>
1,719,428	0
<u>1,234,117</u>	<u>0</u>
<u>2,953,545</u>	<u>0</u>
2,866,106	0
210,522	0
0	736,999
276,422	0
1,600,883	0
38,078	0
240,649	0
80,000	0
168,612	0
3,785	0
62,410	0
668,323	0
<u>6,215,790</u>	<u>736,999</u>

(Continued)

CITY OF PAINESVILLE, OHIO

**Statement of Net Position
Proprietary Funds
December 31, 2020**

	Business-Type Activities			
	Enterprise Funds			
	Water	Sewer	Electric	Other Enterprise Funds
Noncurrent Liabilities:				
Capital Leases Payable	1,373,122	91,542	61,028	0
General Obligation Bonds Payable	0	0	0	1,480,000
Claims Payable	0	0	0	0
OWDA Loans Payable	15,109,563	2,041,482	0	0
OPWC Loans Payable	32,995	13,317	0	0
Compensated Absences Payable	226,268	163,373	453,685	7,113
Payable to Joint Venture	0	0	68,375	0
Net Pension Liability	2,548,157	2,335,508	6,561,971	94,542
Net OPEB Liability	1,712,822	1,483,734	4,083,272	65,087
Total Noncurrent Liabilities	21,002,927	6,128,956	11,228,331	1,646,742
Total Liabilities	22,841,377	6,614,300	15,016,212	1,750,857
Deferred Inflows of Resources:				
Pension	551,295	487,801	1,352,273	20,766
OPEB	249,893	223,230	620,888	9,404
Total Deferred Inflows of Resources	801,188	711,031	1,973,161	30,170
Net Position				
Net Investment in Capital Assets	18,615,683	5,024,277	33,842,600	3,336,280
Unrestricted	2,453,114	(1,330,110)	5,558,185	1,062,850
Total Net Position	\$ 21,068,797	\$ 3,694,167	\$ 39,400,785	\$ 4,399,130

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

Net Position of Business-type Activities

See accompanying notes to the basic financial statements

CITY OF PAINESVILLE, OHIO

<u>Total</u>	<u>Governmental Activities - Internal Service Funds</u>
1,525,692	0
1,480,000	0
0	148,970
17,151,045	0
46,312	0
850,439	0
68,375	0
11,540,178	0
7,344,915	0
<u>40,006,956</u>	<u>148,970</u>
<u>46,222,746</u>	<u>885,969</u>
2,412,135	0
1,103,415	0
<u>3,515,550</u>	<u>0</u>
60,818,840	0
7,744,039	(420,219)
<u>\$ 68,562,879</u>	<u>\$ (420,219)</u>
<u>(229,707)</u>	
<u>\$ 68,333,172</u>	

CITY OF PAINESVILLE, OHIO

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

	Business-Type Activities			
	Enterprise Funds			Other Enterprise Funds
	Water	Sewer	Electric	
Operating Revenues:				
Charges for Services	\$ 4,590,467	\$ 4,110,656	\$ 29,308,098	\$ 455,563
Other Charges for Services	386,148	101,866	95,019	0
Other Operating Revenues	1,942,103	24,679	206,254	24,247
Total Operating Revenues	6,918,718	4,237,201	29,609,371	479,810
Operating Expenses:				
Personal Services	2,675,577	2,625,969	7,421,328	71,990
Contractual Services	840,377	451,834	1,455,529	283,477
Materials and Supplies	567,641	201,768	726,939	18,179
Utilities	494,207	286,588	19,341,416	1,411
Depreciation	1,411,337	631,262	1,395,123	158,906
Total Operating Expenses	5,989,139	4,197,421	30,340,335	533,963
Operating Income (Loss)	929,579	39,780	(730,964)	(54,153)
Non-Operating Revenue (Expenses):				
Interest and Fiscal Charges	(77,016)	(72,592)	(3,370)	(53,297)
Gain (Loss) on Disposal of Assets	(50)	0	11,265	0
Loss on Investment in Joint Venture	0	0	(167,122)	0
Other Nonoperating Revenue	176,242	247,327	1,079,265	2,575
Other Nonoperating Expense	(1,165)	(17,615)	(76,592)	(7,720)
Total Non-Operating Revenues (Expenses)	98,011	157,120	843,446	(58,442)
Income (Loss) Before Transfers and Contributions	1,027,590	196,900	112,482	(112,595)
Transfers and Contributions:				
Transfers Out	(50,000)	(50,000)	(723,041)	0
Capital Contributions	37,090	0	0	133,300
Total Transfers and Contributions	(12,910)	(50,000)	(723,041)	133,300
Change in Net Position	1,014,680	146,900	(610,559)	20,705
Net Position Beginning of Year	20,054,117	3,547,267	40,011,344	4,378,425
Net Position End of Year	\$ 21,068,797	\$ 3,694,167	\$ 39,400,785	\$ 4,399,130

Change in Net Position - Total Enterprise Funds

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

Change in Net Position - Business-type Activities

See accompanying notes to the basic financial statements

CITY OF PAINESVILLE, OHIO

Total	Governmental Activities - Internal Service Funds
\$ 38,464,784	\$ 4,270,044
583,033	0
2,197,283	0
<u>41,245,100</u>	<u>4,270,044</u>
12,794,864	3,234,032
3,031,217	918,251
1,514,527	39,600
20,123,622	0
3,596,628	0
<u>41,060,858</u>	<u>4,191,883</u>
184,242	78,161
(206,275)	0
11,215	0
(167,122)	0
1,505,409	0
(103,092)	0
<u>1,040,135</u>	<u>0</u>
1,224,377	78,161
(823,041)	0
170,390	0
<u>(652,651)</u>	<u>0</u>
571,726	78,161
67,991,153	(498,380)
<u>\$ 68,562,879</u>	<u>\$ (420,219)</u>
\$ 571,726	
1,438	
<u>\$ 573,164</u>	

CITY OF PAINESVILLE, OHIO

**Statement of Cash Flows
Proprietary Funds
For the Year Ended December 31, 2020**

	Business-Type Activities		
	Enterprise Funds		
	Water	Sewer	Electric
<u>Cash Flows from Operating Activities:</u>			
Cash Received from Customers	\$6,989,680	\$4,263,281	\$29,825,047
Cash Receipts from Interfund Services Provided	0	0	0
Cash Payments for Goods and Services	(1,907,318)	(919,981)	(21,319,957)
Cash Payments to Employees	(2,550,413)	(2,492,411)	(6,988,752)
Cash Payments for Employee Medical Claims	0	0	0
Net Cash Provided by Operating Activities	2,531,949	850,889	1,516,338
<u>Cash Flows from Noncapital Financing Activities:</u>			
Transfers Out to Other Funds	(50,000)	(50,000)	(723,041)
Net Cash Used by Noncapital Financing Activities	(50,000)	(50,000)	(723,041)
<u>Cash Flows from Capital and Related Financing Activities:</u>			
Principal Paid on General Obligation Notes	(249,689)	0	0
Capital Contributions	111,090	0	0
Sale of Capital Assets	0	0	18,039
Acquisition and Construction of Assets	(2,037,776)	(427,612)	(3,167,940)
Issuance of Ohio Public Works Commission Loans	34,732	0	0
Issuance of Ohio Water Development Authority Loans	2,128,498	0	0
Principal Paid on Capital Leases	(207,470)	(13,831)	(9,221)
Principal Paid on General Obligation Bonds	0	0	0
Principal Paid on Ohio Public Works Commission Loans	0	(1,024)	0
Principal Paid on Ohio Water Development Authority Loans	(867,353)	(162,990)	0
Interest Paid on All Debt	(84,705)	(75,043)	(3,374)
Net Cash Used for Capital and Related Financing Activities	(1,172,673)	(680,500)	(3,162,496)
Net Increase (Decrease) in Cash and Cash Equivalents	1,309,276	120,389	(2,369,199)
Cash and Cash Equivalents at Beginning of Year	5,837,836	2,225,096	17,780,581
Cash and Cash Equivalents at End of Year	\$7,147,112	\$2,345,485	\$15,411,382
<u>Reconciliation of Cash and Cash Equivalents per the Balance Sheet</u>			
Cash and Cash Equivalents	\$6,526,908	\$2,345,485	\$14,430,703
Restricted Cash and Cash Equivalents	620,204	0	980,679
Cash and Cash Equivalents at End of Year	\$7,147,112	\$2,345,485	\$15,411,382

CITY OF PAINESVILLE, OHIO

Other Enterprise Funds	Total	Governmental Activities
		Internal Service Funds
\$450,214	\$41,528,222	\$0
0	0	4,270,044
(310,659)	(24,457,915)	(1,033,378)
(101,097)	(12,132,673)	0
0	0	(3,243,525)
<u>38,458</u>	<u>4,937,634</u>	<u>(6,859)</u>
0	(823,041)	0
<u>0</u>	<u>(823,041)</u>	<u>0</u>
(45,000)	(294,689)	0
133,300	244,390	0
0	18,039	0
(4,384)	(5,637,712)	0
0	34,732	0
0	2,128,498	0
0	(230,522)	0
(80,000)	(80,000)	0
0	(1,024)	0
0	(1,030,343)	0
(54,875)	(217,997)	0
<u>(50,959)</u>	<u>(5,066,628)</u>	<u>0</u>
(12,501)	(952,035)	(6,859)
1,210,468	27,053,981	472,609
<u>\$1,197,967</u>	<u>\$26,101,946</u>	<u>\$465,750</u>
\$1,197,967	\$24,501,063	\$465,750
0	1,600,883	0
<u>\$1,197,967</u>	<u>\$26,101,946</u>	<u>\$465,750</u>

(Continued)

CITY OF PAINESVILLE, OHIO

**Statement of Cash Flows
Proprietary Funds
For the Year Ended December 31, 2020**

	Business-Type Activities		
	Enterprise Funds		
	Water	Sewer	Electric
<u>Reconciliation of Operating Income (Loss) to Net Cash</u>			
<u>Provided by Operating Activities:</u>			
Operating Income (Loss)	\$929,579	\$39,780	(\$730,964)
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided by Operating Activities:			
Depreciation Expense	1,411,337	631,262	1,395,123
Miscellaneous Nonoperating Revenues	107,391	113,053	786,497
Miscellaneous Nonoperating Expenses	(1,165)	(17,615)	(62,095)
Changes in Assets, Liabilities, and Deferred Outflows/Inflows:			
Increase in Accounts Receivable	(36,429)	(86,973)	(570,821)
(Increase) Decrease in Prepaid Items	(7,323)	6,496	32,267
Decrease in Deferred Outflows of Resources	512,503	472,156	1,320,962
Increase in Accounts Payable	3,254	31,190	104,192
Decrease in Accrued Wages and Benefits	(108,715)	(60,357)	(143,847)
Decrease in Intergovernmental Payable	(100)	(67)	(310)
Increase (Decrease) in Compensated Absences Payable	(38,430)	(17,653)	11,763
Decrease in Claims Liability	0	0	0
Increase in Payable to Joint Venture	0	0	130,785
Decrease in Net Pension Liability	(993,282)	(911,484)	(2,548,997)
Increase (Decrease) in Net OPEB Liability	89,497	64,960	176,867
Increase in Deferred Inflows of Resources	663,832	586,141	1,614,916
Total Adjustments	1,602,370	811,109	2,247,302
Net Cash Provided by Operating Activities	\$2,531,949	\$850,889	\$1,516,338

Schedule of Noncash Investing, Capital and Financing Activities:

As of December 31, 2020 the Water, Sewer, Electric, and Storm Water Funds had outstanding liabilities of \$511,366, \$59,491, \$394,746, and \$12,135 respectively, for the purchase of certain capital assets.

See accompanying notes to the basic financial statements

CITY OF PAINESVILLE, OHIO

Other Enterprise Funds	Total	Governmental Activities
		Internal Service Funds
(\$54,153)	\$184,242	\$78,161
158,906	3,596,628	0
2,575	1,009,516	0
(7,720)	(88,595)	0
(9,808)	(704,031)	0
0	31,440	0
33,730	2,339,351	0
126	138,762	0
(3,027)	(315,946)	0
0	(477)	0
(7,017)	(51,337)	0
0	0	(85,020)
0	130,785	0
(81,473)	(4,535,236)	0
(17,256)	314,068	0
23,575	2,888,464	0
92,611	4,753,392	(85,020)
\$38,458	\$4,937,634	(\$6,859)

CITY OF PAINESVILLE, OHIO

**Statement of Net Position
Fiduciary Funds
December 31, 2020**

	Private Purpose Trust	
	Deposit Trust	Custodial
Assets:		
Cash and Cash Equivalents	\$ 777,218	\$ 90,112
Cash and Cash Equivalents in Segregated Accounts	0	2,290
Receivables:		
Taxes	0	202,103
Total Assets	<u>777,218</u>	<u>294,505</u>
Liabilities:		
Intergovernmental Payable	0	202,103
Due to Others	0	92,402
Total Liabilities	<u>0</u>	<u>294,505</u>
Net Position:		
Restricted For:		
Other Purposes	777,218	0
Total Net Position	<u>\$ 777,218</u>	<u>\$ 0</u>

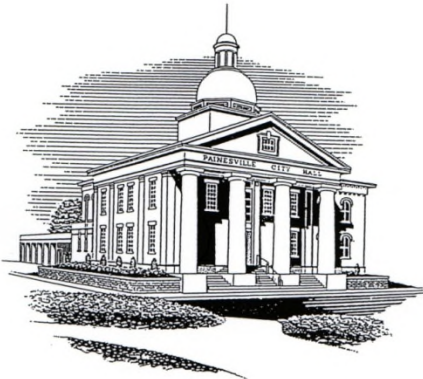
See accompanying notes to the basic financial statements

CITY OF PAINESVILLE, OHIO

**Statement of Changes in Net Position
Fiduciary Funds
For the Year Ended December 31, 2020**

	Private Purpose	
	Trust	
	Deposit Trust	Custodial
Additions:		
Fines and Forfeiture Collections for other Governments	\$ 0	\$ 2,772,010
Deposits Held for Others	59,559	0
Income Tax Collections for Other Governments	0	866,191
Total Additions	59,559	3,638,201
Deductions:		
Distribution of Fines and Forfeitures to other Governments	0	2,772,010
Distribution of Deposits to Others	271,509	0
Distribution of Income Taxes to other Governments	0	866,191
Total Deductions	271,509	3,638,201
Change in Net Position	(211,950)	0
Net Position at Beginning of Year	989,168	0
Net Position End of Year	\$ 777,218	\$ 0

See accompanying notes to the basic financial statements



***Notes to the Basic Financial Statements
For the Year Ended December 31, 2020***

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Reporting Entity

The City of Painesville, Ohio (the City), is a home-rule municipal corporation created under the laws of the State of Ohio. The City operates under its own Charter. The current Charter, which provides for a Council/Manager form of government, was adopted on November 6, 1962 and has been amended four times (1963, 1973, 1983 and 1989).

The accompanying basic financial statements comply with the provisions of Governmental Accounting Standards Board (the "GASB") Statement No. 14, *"The Financial Reporting Entity,"* as amended by GASB Statement No. 39, *"Determining Whether Certain Organizations Are Component Units"* and GASB Statement No. 61, *"The Financial Reporting Entity; Omnibus"* in that the financial statements include all organizations, activities, functions and component units for which the City (the primary government) is financially accountable. Financial accountability is defined as the appointment of a voting majority of a legally separate organization's governing body and either (1) the City's ability to impose its will over the organization, or (2) the potential that the organization will provide a financial benefit to or impose a financial burden on the City.

Based on the foregoing, the City's financial reporting entity has no component units but includes all funds, agencies, boards and commissions that are part of the primary government, which includes the following services: public safety (police and fire), health (health department), culture and recreation (parks and recreation), community environment (planning, zoning and community development), basic utility (water, electric, sanitation, public parking and wastewater pollution control), highways and streets (street and highway maintenance), and general government (administrative services including the municipal court).

Joint Venture with Equity Interest – The City is a participant with thirty-five other subdivisions within the State of Ohio in the Ohio Municipal Electric Generation Agency Joint Venture 2 (Omega JV-2). The Omega JV-2 was created to provide additional sources of reliable, reasonably priced electric power and energy when prices are high or during times of generation shortages or transmission constraints, and to improve the reliability and economics of the participants' respective municipal electric utility systems. The Omega JV-2 is managed by AMP-Ohio, which acts as the joint venture's agent. See Note 15, "Joint Venture."

B. Basis of Presentation - Fund Accounting

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

The various funds are grouped into generic fund types and three broad fund categories for financial statement presentation purposes. Governmental funds include the general, special revenue, debt service, capital projects, and permanent funds. Proprietary funds include enterprise and internal service funds. Fiduciary funds include trust and custodial funds. The following fund types are used by the City:

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2020***

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

B. Basis of Presentation - Fund Accounting (Continued)

Governmental Funds - Governmental funds are those funds through which most governmental functions typically are financed. The acquisition, use and balances of the City's expendable financial resources and the related current liabilities (except those accounted for in the proprietary funds) are accounted for through governmental funds. The measurement focus is upon determination of "financial flow" (sources, uses and balances of financial resources). The following is the City's only major governmental fund:

General Fund - This fund is used to account for all financial resources except those 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 and the provisions of the City Charter.

The other governmental funds of the City account for grants and other resources whose use is restricted to a particular purpose.

Proprietary Funds - All proprietary funds are accounted for on an "economic resources" measurement focus. This measurement focus provides that all assets, liabilities, and deferred outflows/inflows of resources associated with the operation of these funds are presented on the statement of net position. Proprietary fund type operating statements present increases (i.e. revenues) and decreases (i.e. expenses) in net position.

Enterprise Funds - These funds are used to account for operations that are financed and operated in a manner similar to private business enterprises - where the intent of the governing body is that the costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges. The City maintains separate enterprise funds for its water, sewer, electricity, refuse, off-street parking, storm water utility services and community programs. The following are the City's major enterprise funds:

Water Fund - This fund is used to account for the operation of the City's water treatment and distribution systems.

Sewer Fund - This fund is used to account for the operation of the City's sewage treatment and collection systems.

Electric Fund - This fund is used to account for the operation of the City's electric generation and distribution systems.

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2020***

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

B. Basis of Presentation - Fund Accounting (Continued)

Internal Service Funds - These funds are used to account for the financing of goods or services provided by one department or agency to other departments or agencies of the City, or to other governments, on a cost-reimbursement basis. The City uses internal service funds to account for costs associated with fuel, supplies, employee health insurance, and worker's compensation.

Fiduciary Funds

Fiduciary fund reporting focuses on net position and changes in net position. The fiduciary category is split into four classifications: pension trust funds, investment trust funds, private-purpose trust funds and custodial funds. Fiduciary funds are used to account for assets the City holds in a trustee capacity or as an agent for individuals, private organizations, other governments, and other funds. The City's fiduciary funds are private-purpose trust funds and custodial funds. The City's private-purpose trust fund accounts for various deposits held by the City. The City's custodial funds account for monies that flow through the Municipal Court, and income tax collections generated by the Concord Township Joint Economic Development District.

C. Basis of Presentation - Financial Statements

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. In order to avoid distorting the measurement of the cost of individual functional activities, entries are made to eliminate the activity provided by the internal service funds to those funds considered governmental and those considered business-type. These balances appear as internal balances on the statement of net position.

Interfund receivables and payables between governmental and business-type activities have been eliminated in the government-wide Statement of Net Position. These eliminations minimize the duplicating effect on assets and liabilities within the governmental and business-type activities total column. Interfund services provided and used are not eliminated in the process of consolidation.

The government-wide statements are prepared using the economic resources measurement focus. This is the same approach used in the preparation of the proprietary fund financial statements but differs from the manner in which governmental fund financial statements are prepared. 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.

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2020***

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

C. Basis of Presentation - Financial Statements (Continued)

The government-wide statement of activities presents a comparison between direct expenses and program revenues for each segment of the business-type activities of the City and for each function or program of the City's governmental activities. Direct expenses are those that are specifically associated with a service, program or department and therefore clearly identifiable to a particular function. Program revenues include charges paid by the recipient of the goods or services offered by the program and grants and contributions that are restricted to meeting the operational or capital requirements of 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 – Fund financial statements report detailed information about the City. The focus of governmental fund financial statements is on major funds rather than reporting funds by type. Each major fund is presented in a separate column. Nonmajor funds are aggregated and presented in a single column. Fiduciary funds are reported by fund type.

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. All governmental fund types are accounted for using a flow of current financial resources measurement focus. The financial statements for governmental funds are a balance sheet, which generally includes only current assets, current liabilities, and deferred outflows/inflows of resources, and a statement of revenues, expenditures and changes in fund balances, which reports on the sources (i.e., revenues and other financing sources) and uses (i.e., expenditures and other financing uses) of current financial resources.

All proprietary fund types are accounted for on a flow of economic resources measurement focus. With this measurement focus, all assets, liabilities, and deferred outflows/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 net position. The statement of cash flows provides information about how the City finances and meets the cash flow needs of its proprietary activities.

D. Basis of Accounting

The basis of accounting represents the methodology utilized in the recognition of revenues and expenditures or expenses in the accounts and reported in the financial statements and relates to the timing of the measurements made. The accounting and reporting treatment applied to a fund is determined by its measurement focus. The modified accrual basis of accounting is followed by the governmental funds. Under the modified accrual basis of accounting, revenues are recorded when susceptible to accrual, i.e., both measurable and available. Available means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period, which for the City is considered to be 60 days after year end. Expenditures are recognized in the accounting period in which the fund liability is incurred, if measurable, except for unmatured interest on general long-term debt, which is recognized when due.

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2020***

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

D. Basis of Accounting (Continued)

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. Revenue from income taxes is recognized in the period in which the income is earned and is available. Revenue from grants, entitlements and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied and the revenue is available. 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 specific purpose, and expenditure requirements, in which the resources are provided to the City on a reimbursement basis.

Revenue considered susceptible to accrual at year end includes income taxes, interest on investments, fines and forfeitures, and state levied locally shared taxes (including motor vehicle license fees and local government assistance). Other revenue, including licenses, permits, certain charges for services, and miscellaneous revenues are recorded as revenue when received in cash because they are generally not measurable until actually received.

Special assessment installments, including related accrued interest, which are measurable but not available at December 31, are recorded as deferred inflows of resources. Property taxes which are measurable at December 31, 2020, but which are not intended to finance 2020 operations or are not expected to be received within sixty (60) days after year end, are recorded as deferred inflows of resources. Property taxes are further described in Note 5.

The accrual basis of accounting is utilized for reporting purposes by all government wide statements, proprietary funds, and fiduciary funds. Revenues are recognized when they are earned and expenses are recognized when they are incurred. Allocations of costs, such as depreciation, are recorded in the proprietary funds.

E. Budgetary Process

The budgetary process is prescribed by provisions of the Ohio Revised Code and entails the preparation of budgetary documents within an established timetable. The major documents prepared are the annual tax budget, the certificate of estimated resources and the appropriation ordinance, all of which are prepared on the budgetary basis of accounting. The certificate of estimated resources and the appropriation ordinance are subject to amendment throughout the year.

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2020***

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

E. Budgetary Process (Continued)

All funds, other than custodial funds, are legally required to be budgeted and appropriated; however, only governmental funds are required to be reported. The primary level of budgetary control is at the program level (general government, public safety, highways and streets, public health and welfare, culture and recreation and community environment) and within each program at the level of personal services, certain other expenditures, capital outlay and transfers as required by Ohio law. The City Manager is authorized to transfer appropriations between objects of expenditure budgeted within the same program, so long as total appropriations for each program do not exceed the amount approved by Council. Budgetary modifications, other than those noted previously, may only be made by ordinance of the City Council.

1. Tax Budget

By July 15, the City Manager submits an annual tax budget for the following fiscal year to City Council for consideration and passage. The adopted budget is submitted to the County Auditor, as secretary of the County Budget Commission, by July 20th of each year, for the period January 1 to December 31 of the following year.

2. Estimated Resources

The County Budget Commission determines if the budget substantiates a need to levy all or part of previously authorized taxes and reviews estimated revenue. The Budget Commission then certifies its actions to the City by September 1st of each year. As part of the certification process, the City receives an official certificate of estimated resources which states the projected receipts by fund. Prior to December 31, the City must revise its budget so that the total contemplated expenditures from any fund during the ensuing fiscal year will not exceed the amount available as stated in the certificate of estimated resources. The revised budget then serves as the basis for the annual appropriations measure. On or about January 1, the certificate of estimated resources is amended to include any unencumbered fund balances from the preceding year. The certificate may be further amended during the year if a new source of revenue is identified or actual receipts exceed current estimates. The estimated revenue amounts reported on the accompanying budgetary statements reflect the amounts in the final amended official certificate of estimated resources issued for 2020.

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2020***

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

E. Budgetary Process (Continued)

3. Appropriations

A temporary appropriation ordinance to control expenditures may be passed on or about January 1st of each year for the period January 1 through March 31. By Charter, the City Manager must submit an annual appropriation ordinance (for the period January 1 through December 31) to City Council by March 31 of each year. The primary level of budgetary control is at the program level (general government, public safety, highways and streets, public health and welfare, culture and recreation and community environment) and within each program at the level of personal services, certain other expenditures, capital outlay and transfers as required by Ohio law. The appropriation ordinance may be amended during the year as additional information becomes available, provided that total fund appropriations do not exceed the current estimated resources as certified. During the year, several supplemental appropriations were necessary. The budgetary figures which appear in the Statement of Revenues, Expenditures, and Changes in Fund Balance--Budget and Actual—General Fund, are presented on the budgetary basis to provide a comparison of actual results with the final budget, including all amendments and modifications.

4. Encumbrances

As part of formal budgetary control, purchase orders, contracts and other commitments for expenditures are encumbered and recorded as the equivalent of expenditures in order to reserve that portion of the applicable appropriation and to determine and maintain legal compliance.

5. Lapsing of Appropriations

At the close of each fiscal year, the unencumbered balance of each appropriation reverts to the respective fund from which it was appropriated and becomes subject to future appropriations. The encumbered appropriation balance is carried forward to the subsequent fiscal year and need not be reappropriated.

6. Budgetary Basis of Accounting

The City's budgetary process accounts for the City's transactions on a basis other than generally accepted accounting principles (GAAP). The major differences between the budgetary basis and the GAAP basis lie in the manner in which revenues and expenditures are recorded. Under the budgetary basis, revenues and expenditures are recognized on the cash basis. Utilizing the cash basis, revenues are recorded when received in cash and expenditures when paid. Under the GAAP basis, revenues and expenditures are recorded on the modified accrual basis of accounting. Encumbrances are recorded as the equivalent of expenditures on the budgetary basis. On the budgetary basis investment earnings are recognized when realized, whereas on a GAAP basis unrealized gains and losses are recognized when investments are adjusted to fair value.

**Notes to the Basic Financial Statements
For the Year Ended December 31, 2020**

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

E. Budgetary Process (Continued)

6. Budgetary Basis of Accounting (Continued)

The following table summarizes the adjustments necessary to reconcile the GAAP basis statements to the “Statement of Revenues, Expenditures, and Changes in Fund Balance-Budget and Actual” for the General Fund:

	Net Change in Fund Balance
	General Fund
GAAP Basis (as reported)	\$1,317,238
Increase (Decrease):	
Accrued Revenues at December 31, 2020 received during 2021	(2,108,295)
Accrued Revenues at December 31, 2019 received during 2020	1,856,157
Accrued Expenditures at December 31, 2020 paid during 2021	468,925
Accrued Expenditures at December 31, 2019 paid during 2020	(497,853)
2019 Prepays for 2020	99,051
2020 Prepays for 2021	(93,996)
2019 Adjustment to Fair Value	67,590
2020 Adjustment to Fair Value	(796,802)
Outstanding Encumbrances	(1,030,356)
Perspective Difference:	
Activity of Funds Reclassified for GAAP Reporting Purposes	(2,101)
Budget Basis	<u>(\$720,442)</u>

F. Cash and Cash Equivalents

Cash and cash equivalents include amounts in demand deposits, the State Treasury Asset Reserve (STAR Ohio), and short-term certificates of deposit with original maturities of three months or less. The STAR Ohio is considered an investment for purposes of GASB Statement No. 3, but it is reported as a cash equivalent in the basic financial statements because it is a highly liquid instrument which is readily convertible to cash.

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2020***

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

F. Cash and Cash Equivalents (Continued)

The City pools its cash for investment and resource management purposes. Each fund's equity in pooled cash, including the investment instrument described above, represents the balance on hand as if each fund maintained its own cash and investments account. For purposes of the statement of cash flows, the share of equity in the pooled cash and investments of the proprietary funds is considered to be a cash equivalent. See Note 4 "Cash and Cash Equivalents."

G. Investments

Investment procedures and interest allocations are restricted by provisions of the Ohio Constitution and the Ohio Revised Code. The City allocates interest among certain funds based upon the fund's cash balance at the date of investment. In accordance with GASB Statement No. 31, "Accounting and Financial Reporting for Certain Investments and for External Investment Pools" and GASB Statement No. 72, "Fair Value Measurement and Application," the City records all its investments at fair value except for nonparticipating investment contracts which are reported at cost, which approximates fair value. All investment income, including changes in the fair value of investments, is recognized as revenue in the operating statements. Interest revenue credited to the General Fund during 2020 amounted to \$1,337,836, which includes \$1,206,510 assigned from other funds.

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 City's investment in the State Treasury Asset Reserve of Ohio (STAR Ohio) is an investment pool managed by the State Treasurer's Office which allows governments within the State to pool their funds for investment purposes. STAR Ohio is not registered with the SEC as an investment company and is recognized as an external investment pool by the City. 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 a NAV per share that approximates fair value. For fiscal year 2020, 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.

H. Accounts Receivable

Receivables consist primarily of taxes in the governmental funds and accounts (billings for user charged services, including unbilled amounts) in the proprietary funds.

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2020***

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

I. Inventory

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

J. Capital Assets and Depreciation

Capital assets are defined by the City as assets with an initial, individual cost of more than \$5,000 and an estimated useful life threshold of three or more years.

1. Property, Plant and Equipment - Governmental Activities

Governmental activities capital assets are those not directly related to the business type funds. These generally are acquired or constructed for governmental activities and are recorded as expenditures in the governmental funds and are capitalized at cost (or estimated historical cost for assets not purchased in recent years). These assets are reported in the Governmental Activities column of the Government-wide Statement of Net Position, but they are not reported in the Fund Financial Statements.

Contributed capital assets are recorded at acquisition value at the date received. Capital assets include land, improvements to land, buildings, building improvements, machinery, equipment and infrastructure. Infrastructure is defined as long-lived capital assets that normally are stationary in nature and normally can be preserved for a significant number of years. Examples of infrastructure include roads, bridges, curbs and gutters, streets and sidewalks, drainage systems and lighting systems.

2. Property, Plant and Equipment – Business Type Activities

Property, plant and equipment acquired by the proprietary funds are stated at cost (or estimated historical cost), including interest capitalized during construction and architectural and engineering fees where applicable. Contributed capital assets are recorded at acquisition value at the date received. These assets are reported in both the Business-Type Activities column of the Government-wide Statement of Net Position and in the respective funds.

3. Depreciation

All capital assets are depreciated, excluding land and construction in progress. Depreciation has been provided using the straight-line method over the following estimated useful lives:

<u>Description</u>	<u>Governmental and Business-Type Activities Estimated Lives (Years)</u>
Buildings and Improvements	40 - 60
Utility Plant in Service	20 - 60
Improvements other than Buildings	20
Infrastructure	25 - 50
Machinery, Equipment, Furniture, Fixtures and Vehicles	5 - 15

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2020***

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

K. Interfund Transactions

During the course of normal operations, the City has numerous transactions between funds, most of which are in the form of transfers of resources to provide services, construct assets, and service debt. The accompanying financial statements generally reflect such transactions as transfers. To the extent that certain transactions between funds have not been paid or received as of year end, interfund receivables or payables have been recorded.

L. Compensated Absences

In accordance with GASB Statement No. 16, “*Accounting for Compensated Absences*,” the City records a liability for vacation time and sick leave when the obligation is attributable to services previously rendered, to rights that vest or accumulate, and where payment of the obligation is probable and can be reasonably determined. For governmental funds, that portion of unpaid compensated absences that is expected to be paid using expendable, available resources is reported as an expenditure in the fund from which the individual earning the leave is paid, and a corresponding liability is reflected in the account “Compensated Absences Payable.” The City only reports a “Compensated Absence Payable” in governmental funds if the liability has matured. In the government wide statement of net position, “Compensated Absences Payable” is recorded within the “Due within one year” account and the long-term portion of the liability is recorded within the “Due in more than one year” account. Compensated absences are expensed in the proprietary funds when earned and the related liability is reported within the fund.

Employees of the City earn vacation leave at various rates within limits specified under collective bargaining agreements or under statute. At termination or retirement, employees are paid at their full rate for 100% of their unused vacation leave.

Sick leave is accrued using the vesting method, whereby the liability is recorded on the basis of leave accumulated by employees who are eligible to receive termination payments, as of the balance sheet date, and on leave balances accumulated by other employees who are expected to become eligible in the future to receive such payments.

M. Long-Term Debt

In general, governmental fund payables and accrued liabilities are reported as obligations of the funds regardless of whether they will be liquidated with current resources. However, claims and judgments, compensated absences, and special termination benefits are reported in the government wide statement of net position as a liability to the extent that they will not be paid with current expendable available financial resources. Such liabilities are reported in the government wide statement of net position in the “Due within one year” account and the “Due in more than one year” account. Bonds are recognized as a liability in the government wide statement of net position. Long-term debt and other obligations to be paid from proprietary funds are reported in those funds.

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2020***

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

M. Long-Term Debt (Continued)

Long-term liabilities are being repaid from the following funds:

Obligation	Fund
General Obligation Bonds	General Bond Retirement Fund, Storm Water Utility Fund
Special Assessment Bonds	Special Assessment Bond Retirement Fund
Ohio Public Works Commission (OPWC) Loans	Street Construction, Maintenance and Repair Fund Water Fund, Sewer Fund
Ohio Water Development Authority (OWDA) Loans	Water Fund Sewer Fund
AMP Joint Venture Financing	Electric Fund
Police and Fire Pension Accrued Liability	General Fund
Workers' Compensation Liability	Workers' Compensation Retrospective Fund
Capital Leases	Fire Levy Fund Water Fund Sewer Fund Electric Fund
Compensated Absences/Net Pension Liability/Net OPEB Liability	General Fund Street Construction, Maintenance and Repair Fund Cemeteries Fund Water Fund Sewer Fund Electric Fund Storm Water Utility Fund
Long-Term Notes Payable	General Bond Retirement Fund

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2020***

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

N. Fund Balances

In the fund financial statements, fund balance for governmental funds is reported in classifications that comprise a hierarchy based primarily on the extent to which the City is bound to honor constraints on the specific purpose for which amounts in the funds can be spent. Fund balance is reported in five components – nonspendable, restricted, committed, assigned and unassigned.

Nonspendable – Nonspendable fund balance includes amounts that cannot be spent because they are either not in spendable form or legally or contractually required to be maintained intact.

Restricted – Restricted fund balance consists of amounts that have constraints placed on them either externally by third parties (creditors, grantors, contributors, or laws or regulations of other governments) or by law through constitutional provisions or enabling legislation. Enabling legislation authorizes the City to assess, levy, charge or otherwise mandate payment of resources (from external resource providers) and includes a legally enforceable requirement (compelled by external parties) that those resources be used only for the specific purposes stipulated in the legislation.

Committed – Committed fund balance consists of amounts that can only be used for specific purposes pursuant to constraints imposed by formal action of the City’s highest level of decision making authority. For the City, these constraints consist of ordinances passed by City Council. Committed amounts cannot be used for any other purpose unless the City removes or changes the specified use by taking the same type of action (ordinance) it employed previously to commit those amounts.

Assigned – Assigned fund balance consists of amounts that are constrained by the City’s intent to be used for specific purposes, but are neither restricted nor committed. Assigned amounts represent intended uses established by policies of City Council, including giving the Finance Director the authority to constrain monies for intended purposes. City Council may assign fund balance as it does when appropriating fund balance to cover a gap between estimated revenues and appropriations in the subsequent year’s appropriated budget. Through the City’s purchasing policy, City Council has given the Finance Director the authority to constrain monies for intended purposes, which are also reported as assigned fund balance.

Unassigned – Unassigned fund balance consists of amounts that have not been restricted, committed or assigned to specific purposes within the General Fund as well as negative fund balances in all other governmental funds.

When both restricted and unrestricted resources are available for use, it is the City’s policy to use restricted resources first, then unrestricted (committed, assigned and unassigned) resources as they are needed.

O. Prepaid Items

Payments made to vendors for services that will benefit periods beyond December 31, 2020, are recorded as prepaid items using the consumption method by recording a current asset for the prepaid amount and reflecting the expenditure/expense in the year in which services are consumed.

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2020***

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

P. Restricted Assets

Certain cash and cash equivalents are classified as restricted on the balance sheet because these funds are being held by a trustee, an agent or by the City for specified purposes.

Q. Intergovernmental Revenues

In governmental funds, grants awarded on a non-reimbursement basis, entitlements and shared revenues are recorded as intergovernmental receivables and revenues when measurable and available. Reimbursable grants are recorded as intergovernmental receivables and revenues when the related expenditures are made. Grants received for proprietary fund operations are recognized as revenues when measurable and earned. Such resources restricted for the construction of capital assets are recorded as contributed capital.

R. Pension/OPEB

The provision for pension/OPEB cost is recorded when the related payroll is accrued and the obligation is incurred. 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 systems. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. The pension/OPEB systems report investments at fair value.

S. Net Position

Net position represents the difference between assets, liabilities, and deferred outflows/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. Net position is reported as restricted when there are limitations imposed on use either through the enabling legislation adopted by the City or through external restrictions imposed by creditors, grantors or laws or regulations of other governments.

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

T. 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.

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2020***

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

U. Operating Revenues and Expenses

Proprietary funds distinguish operating revenues and expenses from nonoperating items. 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 treatment and distribution, wastewater collection and treatment, maintenance of storm water collection systems, electric distribution, off-street parking and collection of solid waste refuse. Operating expenses are necessary costs incurred to provide the good or service that is the primary activity of the fund. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

V. 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 City Council and that are either unusual in nature or infrequent in occurrence. Neither type of transaction occurred during 2020.

W. Deferred Outflows/Inflows of Resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net position that applies to a future period(s) and so will *not* be recognized as an outflow of resources (expense/ expenditure) until then. For the City, deferred outflows of resources are reported for pension/OPEB amounts on the government-wide and proprietary funds statement of net position. See Notes 10 and 11.

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net position that applies to a future period(s) and so will *not* be recognized as an inflow of resources (revenue) until that time. On the government-wide statement of net position and governmental funds balance sheet, property taxes that are intended to finance future fiscal periods are reported as deferred inflows. In addition, the governmental funds balance sheet reports deferred inflows which arise only under a modified accrual basis of accounting. Accordingly, the item, *unavailable amounts*, is reported only in the governmental funds balance sheet. The governmental funds report unavailable amounts for property taxes, income taxes, special assessments, and state levied shared taxes. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available. Deferred inflows of resources related to pension/OPEB are reported on the government-wide and proprietary funds statement of net position. See Notes 10 and 11.

**Notes to the Basic Financial Statements
For the Year Ended December 31, 2020**

NOTE 2 – RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

A. Explanation of certain differences between the governmental fund balance sheet and the government-wide statement of net position

The governmental fund balance sheet includes a reconciliation between fund balance – total governmental funds and net position of governmental activities as reported in the government-wide statement of net position. The following is a detailed listing of those reconciling items that are net adjustments or a combination of several transactions:

Other long-term assets not available to pay for current-period expenditures:

Tax Revenues	\$1,396,198
Shared Revenues	699,545
Interest Revenues	57,706
Charges for Services	76,785
Grant Revenue	10,522
	<u>\$2,240,756</u>

Net Pension liability and related deferred outflows/inflows:

Deferred Outflows - Pension	\$2,761,973
Deferred Inflows - Pension	(2,588,072)
Net Pension Liability	<u>(17,511,085)</u>
	<u>(\$17,337,184)</u>

Net OPEB liability and related deferred outflows/inflows:

Deferred Outflows - OPEB	\$1,833,419
Deferred Inflows - OPEB	(1,234,576)
Net OPEB Liability	<u>(4,738,608)</u>
	<u>(\$4,139,765)</u>

Long-Term liabilities not reported in the funds:

General Obligation Bonds Payable	(\$6,179,940)
Special Assessment Bonds Payable	(140,000)
Long Term Notes Payable	(750,000)
OPWC Loans Payable	(1,076,328)
Accrued Interest on Long-Term Debt	(68,401)
Capital Leases Payable	(47,740)
Police/Firemen's Pension Accrued Liability	(524,329)
Compensated Absences Payable	<u>(1,423,577)</u>
	<u>(\$10,210,315)</u>

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2020***

NOTE 2 – RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS (Continued)

B. Explanation of certain differences between the governmental fund statement of revenues, expenditures, and changes in fund balances and the government-wide statement of activities

The governmental fund statement of revenues, expenditures, and changes in fund balances includes a reconciliation between net changes in fund balances – total governmental funds and changes in net position of governmental activities as reported in the government – wide statement of activities. The following is a detailed listing of those reconciling items that are net adjustments or a combination of several transactions:

Amount by which capital outlay exceeded depreciation in the current period:

Capital Outlay	\$5,088,586
Depreciation Expense	<u>(2,093,050)</u>
	<u>\$2,995,536</u>

Governmental revenues not reported in the funds:

Decrease in Tax Revenue	(\$11,642)
Decrease in Intergovernmental Revenue	(38,768)
Decrease in Interest Revenue	(18,695)
Increase in Charges for Services	12,977
Decrease in Grant Revenue	<u>(67,024)</u>
	<u>(\$123,152)</u>

Net amount of long-term debt issuance and principal payments:

Long-Term Note Issuance	(\$1,000,000)
Long-Term Note Principal Payment	250,000
Premium Amortization	7,828
General Obligation Bond Principal Payment	457,000
Special Assessment Bond Principal Payment	25,000
OPWC Loan Principal Payment	26,623
Police/Firemen's Pension Liability Payment	25,813
Capital Lease Payments	<u>25,204</u>
	<u>(\$182,532)</u>

Expenses not requiring the use of current financial resources:

Decrease in Compensated Absences Payable	<u>\$37,529</u>
	<u>\$37,529</u>

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2020***

NOTE 3 – FUND BALANCE CLASSIFICATION

Fund balance is classified as nonspendable, restricted, committed, assigned, and unassigned based primarily on the extent to which the City is bound to observe constraints imposed upon the use of the resources in the governmental funds. The constraints placed on fund balance for the major governmental funds and all other governmental funds are presented below:

Fund Balances	General Fund	Other Governmental Funds	Total Governmental Funds
Nonspendable:			
Land Held for Resale	\$785,000	\$0	\$785,000
Prepaid Items	93,996	11,344	105,340
Permanent Fund Corpus	0	1,217,605	1,217,605
Total Nonspendable	878,996	1,228,949	2,107,945
Restricted:			
Street Maintenance and Repair	0	3,626,459	3,626,459
Cemetery Maintenance	0	1,075,145	1,075,145
Law Enforcement	7,206	871,914	879,120
Fire Department Operations	0	809,360	809,360
Coronavirus Relief	0	41,634	41,634
Drug and Alcohol Treatment	0	91,150	91,150
Adult Probation Program	0	143,456	143,456
Court Computer Improvements	0	190,238	190,238
Brownfield Clean up	0	41,431	41,431
Community Improvements	0	13,241	13,241
Inspections and Plan Reviews	0	368,326	368,326
Debt Retirement	0	1,618,957	1,618,957
Capital Improvements	0	892,154	892,154
Total Restricted	7,206	9,783,465	9,790,671
Committed:			
Emergency Medical Services	0	360,983	360,983
Capital Improvements	0	2,070,842	2,070,842
Underground Storage Tank Cleanup	10,931	0	10,931
Total Committed	10,931	2,431,825	2,442,756
Assigned:			
Budget Resource	691,196	0	691,196
Contractual Services and Supplies	823,460	0	823,460
Total Assigned	1,514,656	0	1,514,656
Unassigned (Deficits):			
Total Fund Balances	\$9,877,445	\$13,444,239	\$23,321,684

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2020***

NOTE 4 - CASH AND CASH EQUIVALENTS

Cash resources of several individual funds are combined to form a pool of cash, cash equivalents and investments.

Statutes require the classification of funds held by the City into three categories. Category 1 consists of “active” funds - those funds required to be kept in a “cash” or “near cash” status for immediate use by the City. Such funds must be maintained either as cash in the City Treasury or in depository accounts payable or withdrawable on demand, including negotiable order of withdrawal (NOW) accounts.

Category 2 consists of “inactive” funds - those funds not required for use within the current five year period of designation of depositories. Inactive funds may be deposited or invested only as certificates of deposit maturing not later than the end of the current period of designation of depositories.

Category 3 consists of “interim” funds - those funds which are not needed for immediate use but, which will be needed before the end of the current period of designation of depositories. Interim funds may be invested or deposited in the following securities:

- 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 or interest by the United States;
- 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;
- Written repurchase agreements in the securities listed above provided that the market value of the securities subject to the repurchase agreement 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;
- Interim deposits in eligible institutions applying for interim funds;
- Bonds and other obligations of the State of Ohio;
- No-load money market mutual funds consisting exclusively of obligations described in the first two bullets 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;
- The State Treasury Asset Reserve of Ohio (STAR Ohio).

CITY OF PAINESVILLE, OHIO

**Notes to the Basic Financial Statements
For the Year Ended December 31, 2020**

NOTE 4 - CASH AND CASH EQUIVALENTS (Continued)

A. Deposits

Custodial credit risk is the risk that in the event of bank failure, the City’s deposits may not be returned to it. The City has no deposit policy for custodial risk beyond the requirements of State statute.

Ohio law requires that deposits be either insured or be protected by eligible securities pledged to 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 requires 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.

At December 31, 2020, the carrying amount of the City’s deposits was \$4,079,254 and the bank balance was \$6,283,133. Of the bank balance, \$1,000,000 was covered by federal depository insurance and \$5,283,133 was exposed to custodial risk and was collateralized with securities held in the Ohio Pooled Collateral System.

B. Investments

The City's investments at December 31, 2020 were as follows:

	Fair Value	Credit Rating	Fair Value Hierarchy	Concentration of Credit Risk	Investment Maturities (in Years)		
					less than 1	1-3	3-5
STAR Ohio ⁴	\$6,450,772	AAAm ¹	NA	14.56%	\$6,450,772	\$0	\$0
Negotiable CD's	16,786,827	AAA ³	Level 2	37.90%	998,510	13,675,478	2,112,839
Commercial Paper	5,502,307	A1 ¹ /P1 ²	Level 2	12.42%	5,502,307	0	0
US Treasury Notes	945,771	N/A	Level 2	2.14%	0	945,771	0
FHLB	1,973,819	AA+ ¹ /Aaa ²	Level 2	4.46%	1,450,044	0	523,775
FHLMC	4,894,778	AA+ ¹ /Aaa ²	Level 2	11.05%	0	499,660	4,395,118
FFCB	5,799,751	AA+ ¹ /Aaa ²	Level 2	13.09%	257,769	645,041	4,896,941
FNMA	1,937,964	AAA ¹ /Aaa ²	Level 2	4.38%	0	0	1,937,964
Total Investments	<u>\$44,291,989</u>			<u>100.00%</u>	<u>\$14,659,402</u>	<u>\$15,765,950</u>	<u>\$13,866,637</u>

¹ Standard & Poor’s

² Moody’s Investor Service

³ All are fully FDIC insured and therefore have an implied AAA credit rating

⁴ Reported at amortized cost

Interest Rate Risk – The Ohio Revised Code generally limits security purchases to those that mature within five years of the settlement date.

Investment Credit Risk – The City has no investment policy that limits its investment choices other than the limitation of State statute for “interim” funds described previously.

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2020***

NOTE 4 - CASH AND CASH EQUIVALENTS (Continued)

B. Investments (Continued)

Concentration of Credit Risk – The City places no limit on the amount that may be invested in one issuer. Allocation of the City’s investments by issuer is detailed in the table above.

Custodial Credit Risk – For an investment, custodial credit risk is the risk that in the event of the failure of the counterparty, the City will not be able to recover the value of its investment or collateral securities that are in the possession of an outside party.

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. Active markets are those in which transactions for the asset or liability occur in sufficient frequency and volume to provide pricing information on an ongoing basis. Quoted prices are available in active markets for identical assets or liabilities as of the reporting date. Level 2 inputs are significant other observable inputs. Investments classified in Level 2 of the fair value hierarchy are valued using a matrix pricing technique. Matrix pricing is used to value securities based on the securities’ relationship to benchmark quoted prices. Level 3 inputs are significant unobservable inputs.

C. Cemetery Endowments

The Cemetery Trust and Endowment Trust funds report endowments received and held by the City. The endowments are to be held permanently by the City and are invested in the State Treasury Asset Reserve of Ohio (STAR Ohio). Earnings from the endowments are to be used for upkeep of the City’s two cemeteries. Restricted fund balance of \$209,970 in these funds at December 31, 2020 represents the net earnings on the endowments available for expenditure. The City disburses earnings from the endowments periodically for cemetery upkeep as stipulated in the trust agreement.

NOTE 5 - PROPERTY TAX

Property taxes include amounts levied against all real estate and public utility property located in the City. Real property taxes (other than public utility) collected during 2020 were levied after October 1, 2019 on assessed values as of January 1, 2019, the lien date. Assessed values are established by the county auditor at 35 percent of appraised market value. All property is required to be reappraised every six years and equalization adjustments are made in the third year following reappraisal. The last reappraisal was completed in 2018. Real property taxes are payable annually or semi-annually. The first payment is due January 20, with the remainder payable by June 20.

Public utility real and tangible personal property taxes collected in one calendar year are levied in the preceding calendar year on assessed values determined as of December 31 of the second year preceding the tax collection year, the lien date. Certain public utility tangible personal property is currently assessed at 100 percent of its true value. Public utility property taxes are payable on the same dates as real property described previously.

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2020***

NOTE 5 - PROPERTY TAX (Continued)

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

The full tax rate for all City operations for the year ended December 31, 2020 was \$10.67 per \$1,000 of assessed value. The assessed value upon which the 2020 collections were based was \$251,176,110. This amount constitutes \$248,024,960 in real property assessed value and \$3,151,150 in public utility assessed value.

Ohio law prohibits taxation of property from all taxing authorities in excess of 1% of assessed value without a vote of the people. Property taxes recorded as revenue in 2020 were based on a tax rate equal to 1.067% (10.67 mills) of assessed value.

The City provides tax incentives under the Community Reinvestment Area (CRA) Tax Abatement Program.

Real Estate Tax Abatement

Pursuant to Ohio Revised Code Chapter 5709, the City established a Community Reinvestment Area and has now established its first commercial post-1994 CRA. The City authorizes incentives through the Community Reinvestment Area Tax Abatement Program and those abatements are authorized by the Lake County Court House. The abatement equals an agreed upon percentage of the additional property tax resulting from the increase in assessed value as a result of the improvements. The establishment of the Community Reinvestment Area gave the City the ability to maintain and expand business located within the City and created new jobs by abating or reducing assessed valuation of properties, resulting in abated taxes, from new or improved business real estate and includes major housing improvements in specified areas.

The City has offered the CRA abatements to encourage economic stability, maintain property values, and generate new employment opportunities and population growth. Below is the information relevant to the disclosure of this program for the year ending December 31, 2020.

	<u>Total Amount of Taxes Abated For the year 2020</u>
<i>Community Reinvestment Area (CRA)</i>	
Industrial	<u>\$841,821</u>
	<u><u>\$841,821</u></u>

NOTE 6 - RECEIVABLES

Receivables at December 31, 2020 consisted of taxes, interest, accounts receivable, and intergovernmental receivables arising from shared revenues.

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2020***

NOTE 7 - LAND HELD FOR RESALE

In December 1999, the City purchased 43.1 acres of land with the intent of resale as part of the City's economic development strategy. Additional land was purchased during 2001 for the same purpose. This land is instrumental in the development of commercial or industrial facilities to create and preserve jobs. At December 31, 2020 the City's Land Held for Resale balance was \$785,000.

NOTE 8 - TRANSFERS

Following is a summary of transfers in and out for all funds for 2020:

<u>Fund</u>	<u>Transfer In</u>	<u>Transfer Out</u>
Governmental Funds		
General Fund	\$823,041	\$1,610,000
Other Governmental Funds	1,635,000	25,000
Total Governmental Funds	<u>2,458,041</u>	<u>1,635,000</u>
Enterprise Funds		
Water Fund	0	50,000
Sewer Fund	0	50,000
Electric Fund	0	723,041
Total Enterprise Funds	<u>0</u>	<u>823,041</u>
Totals	<u>\$2,458,041</u>	<u>\$2,458,041</u>

Transfers are used to (1) move revenues from the fund that statute or budget required to collect them to the fund that statute or budget requires to expend them, (2) move receipts restricted to debt service from the funds 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 authorization. The City's transfers out were made in accordance to City ordinances as required by Ohio Revised Code.

The City's Electric Fund collects a State levied Kilowatt Hour Tax that is distributed to the State of Ohio and to the City. In 2020 the portion due to the City was \$723,041, which was transferred to the General Fund as required by Ohio Revised Code.

CITY OF PAINESVILLE, OHIO

**Notes to the Basic Financial Statements
For the Year Ended December 31, 2020**

NOTE 9 - CAPITAL ASSETS

A. Governmental Activities Capital Assets

Summary by category of changes in governmental activities capital assets at December 31, 2020:

Historical Cost:

Class	December 31, 2019	Additions	Deletions	December 31, 2020
Capital assets not being depreciated:				
Land	\$13,136,789	\$0	\$0	\$13,136,789
Construction in Progress	3,810,071 **	926,452	(2,167,959)	2,568,564
Subtotal	16,946,860	926,452	(2,167,959)	15,705,353
Capital assets being depreciated:				
Buildings and Improvements	5,778,528	1,993,068	(10,000)	7,761,596
Improvements other than Buildings	1,207,230	1,603,963	0	2,811,193
Machinery and Equipment	7,852,093	2,733,062	(445,219)	10,139,936
Infrastructure	49,657,559 **	0	0	49,657,559
Subtotal	64,495,410	6,330,093	(455,219)	70,370,284
Total Cost	\$81,442,270	\$7,256,545	(\$2,623,178)	\$86,075,637

Accumulated Depreciation:

Class	December 31, 2019	Additions	Deletions	December 31, 2020
Buildings and Improvements	(\$2,821,333)	(\$80,579)	\$1,410	(\$2,900,502)
Improvements other than Buildings	(796,106)	(33,429)	0	(829,535)
Machinery and Equipment	(5,987,421)	(693,345)	215,028	(6,465,738)
Infrastructure	(21,061,070)	(1,285,697)	0	(22,346,767)
Total Depreciation	(\$30,665,930)	(\$2,093,050) *	\$216,438	(\$32,542,542)
Net Value:	\$50,776,340			\$53,533,095

*Depreciation was charged to governmental functions as follows:

General Government	\$174,105
Public Safety	317,853
Highways and Streets	1,478,362
Public Health and Welfare	48,211
Culture and Recreation	74,519
Total Depreciation Expense	\$2,093,050

**Certain amounts were reclassified between construction in progress and infrastructure at January 1, 2020.

**Notes to the Basic Financial Statements
For the Year Ended December 31, 2020**

NOTE 9 - CAPITAL ASSETS (Continued)

B. Business-Type Activities Capital Assets

Summary by category of changes in business-type activities capital assets at December 31, 2020:

Historical Cost:

Class	December 31, 2019	Additions	Deletions	December 31, 2020
Capital assets not being depreciated:				
Land	\$2,010,667	\$0	\$0	\$2,010,667
Construction In Progress	27,975,177	1,379,179	(19,241,872)	10,112,484
Subtotal	29,985,844	1,379,179	(19,241,872)	12,123,151
Capital assets being depreciated:				
Buildings and Improvements	30,627,134	780,840	(7,250)	31,400,724
Infrastructure	58,598,358	20,945,857	(17,300)	79,526,915
Machinery and Equipment	36,997,009	2,315,899	(198,686)	39,114,222
Subtotal	126,222,501	24,042,596	(223,236)	150,041,861
Total Cost	\$156,208,345	\$25,421,775	(\$19,465,108)	\$162,165,012

Accumulated Depreciation:

Class	December 31, 2019	Additions	Deletions	December 31, 2020
Buildings and Improvements	(\$21,843,958)	(\$442,752)	\$7,150	(\$22,279,560)
Infrastructure	(29,350,397)	(1,759,673)	10,726	(31,099,344)
Machinery and Equipment	(24,833,481)	(1,394,203)	198,536	(26,029,148)
Total Depreciation	(\$76,027,836)	(\$3,596,628)	\$216,412	(\$79,408,052)
Net Value:	\$80,180,509			\$82,756,960

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2020***

NOTE 10 – 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.

Plan Description – Ohio Public Employees Retirement System (OPERS)

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

**Notes to the Basic Financial Statements
For the Year Ended December 31, 2020**

NOTE 10 – DEFINED BENEFIT PENSION PLANS (Continued)

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

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

Group A	Group B	Group C
Eligible to retire prior to January 7, 2013 or five years after January 7, 2013	20 years of service credit prior to January 7, 2013 or eligible to retire ten years after January 7, 2013	Members not in other Groups and members hired on or after January 7, 2013
State and Local	State and Local	State and Local
Age and Service Requirements: Age 60 with 60 months of service credit or Age 55 with 25 years of service credit	Age and Service Requirements: Age 60 with 60 months of service credit or Age 55 with 25 years of service credit	Age and Service Requirements: Age 57 with 25 years of service credit or Age 62 with 5 years of service credit
Formula: 2.2% of FAS multiplied by years of service for the first 30 years and 2.5% for service years in excess of 30	Formula: 2.2% of FAS multiplied by years of service for the first 30 years and 2.5% for service years in excess of 30	Formula: 2.2% of FAS multiplied by years of service for the first 35 years and 2.5% for service years in excess of 35
Public Safety	Public Safety	Public Safety
Age and Service Requirements: Age 48 with 25 years of service credit or Age 52 with 15 years of service credit	Age and Service Requirements: Age 48 with 25 years of service credit or Age 52 with 15 years of service credit	Age and Service Requirements: Age 52 with 25 years of service credit or Age 56 with 15 years of service credit
Law Enforcement	Law Enforcement	Law Enforcement
Age and Service Requirements: Age 52 with 15 years of service credit	Age and Service Requirements: Age 48 with 25 years of service credit or Age 52 with 15 years of service credit	Age and Service Requirements: Age 48 with 25 years of service credit or Age 56 with 15 years of service credit
Public Safety and Law Enforcement	Public Safety and Law Enforcement	Public Safety and Law Enforcement
Formula: 2.5% of FAS multiplied by years of service for the first 25 years and 2.1% for service years in excess of 25	Formula: 2.5% of FAS multiplied by years of service for the first 25 years and 2.1% for service years in excess of 25	Formula: 2.5% of FAS multiplied by years of service for the first 25 years and 2.1% for service years in excess of 25

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2020***

NOTE 10 – DEFINED BENEFIT PENSION PLANS (Continued)

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

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

When a benefit recipient has received benefits for 12 months, an annual cost of living adjustment (COLA) is provided. This COLA is calculated on the base retirement benefit at the date of retirement and is not compounded. For those retiring prior to January 7, 2013, the COLA will continue to be a 3.00% simple annual COLA. For those retiring subsequent to January 7, 2013, beginning in calendar year 2019, the COLA will be based on the average percentage increase in the Consumer Price Index, capped at 3.00%.

Benefits in the Combined Plan consist of both an age-and-service formula benefit (defined benefit) and a defined contribution element. The defined benefit element is calculated on the basis of age, FAS, and years of service. Eligibility regarding age and years of service in the Combined Plan is the same as the Traditional Pension Plan. The benefit formula for the defined benefit component of the plan for State and Local members in transition Groups A and B applies a factor of 1.00% to the member's FAS for the first 30 years of service.

A factor of 1.25% is applied to years of service in excess of 30. The benefit formula for transition Group C applies a factor of 1.0% to the member's FAS and the first 35 years of service and a factor of 1.25% is applied to years in excess of 35. Persons retiring before age 65 with less than 30 years of service credit receive a percentage reduction in benefit. The defined contribution portion of the benefit is based on accumulated member contributions plus or minus any investment gains or losses on those contributions. Members retiring under the Combined Plan receive a 3.00% COLA adjustment on the defined benefit portion of their benefit.

Defined contribution plan benefits are established in the plan documents, which may be amended by the OPERS's Board of Trustees. Member-Directed Plan and Combined Plan members who have met the retirement eligibility requirements may apply for retirement benefits. The amount available for defined contribution benefits in the Combined Plan consists of the member's contributions plus or minus the investment gains or losses resulting from the member's investment selections. The amount available for defined contribution benefits in the Member-Directed Plan consists of the members' contributions, vested employer contributions and investment gains or losses resulting from the members' investment selections. Employer contributions and associated investment earnings vest over a five-year period, at a rate of 20% each year. For additional information, see the Plan Statement in the OPERS CAFR.

**Notes to the Basic Financial Statements
For the Year Ended December 31, 2020**

NOTE 10 – DEFINED BENEFIT PENSION PLANS (Continued)

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

	<u>State and Local</u>	<u>Law Enforcement</u>
2020 Statutory Maximum Contribution Rates		
Employer	14.0 %	18.1 %
Employee	10.0 %	*
2020 Actual Contribution Rates		
Employer:		
Pension	14.0 %	18.1 %
Post-employment Health Care Benefits	<u>0.0</u>	<u>0.0</u>
Total Employer	<u>14.0 %</u>	<u>18.1 %</u>
Employee	<u>10.0 %</u>	<u>13.0 %</u>

* This rate is determined by OPERS' Board, but is limited by ORC to not more than 2 percent greater than the Public Safety rate.

Employer contribution rates are actuarially determined and are expressed as a percentage of covered payroll. The City's contractually required contribution was \$1,392,278 for 2020. Of this amount, \$115,108 is reported as an intergovernmental payable.

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***Notes to the Basic Financial Statements
For the Year Ended December 31, 2020***

NOTE 10 – DEFINED BENEFIT PENSION PLANS (Continued)

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

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

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

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

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

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

Members retiring under normal service retirement, with less than 15 years of service credit on July 1, 2013, will receive a COLA equal to either 3.00% or the percent increase, if any, in the consumer price index (CPI) over the 12-month period ending on September 30 of the immediately preceding year, whichever is less. The COLA amount for members with at least 15 years of service credit as of July 1, 2013 is equal to 3.00% of their base pension or disability benefit.

**Notes to the Basic Financial Statements
For the Year Ended December 31, 2020**

NOTE 10 – DEFINED BENEFIT PENSION PLANS (Continued)

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

	<u>Police</u>	<u>Firefighters</u>
2020 Statutory Maximum Contribution Rates		
Employer	19.50 %	24.00 %
Employee:		
January 1, 2020 through December 31, 2020	12.25 %	12.25 %
2020 Actual Contribution Rates		
Employer:		
Pension	19.00 %	23.50 %
Post-employment Health Care Benefits	0.50	0.50
Total Employer	<u>19.50 %</u>	<u>24.00 %</u>
Employee:		
January 1, 2020 through December 31, 2020	12.25 %	12.25 %

Employer contribution rates are expressed as a percentage of covered payroll. The City's contractually required contribution to OPF was \$1,166,277 for 2020. Of this amount, \$97,527 is reported as an intergovernmental payable.

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

The net pension liability for OPERS was measured as of December 31, 2019, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. OPF's total pension liability was measured as of December 31, 2019, and was determined by rolling forward the total pension liability as of January 1, 2019, to December 31, 2019. The 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:

	<u>OPERS</u>	<u>OP&F</u>	<u>Total</u>
Proportionate Share of the Net Pension Liability	\$14,440,805	\$14,610,458	\$29,051,263
Proportion of the Net Pension Liability-2020	0.073060%	0.216884%	
Proportion of the Net Pension Liability-2019	0.073885%	0.221773%	
Percentage Change	<u>(0.000825%)</u>	<u>(0.004889%)</u>	
Pension Expense	\$2,007,783	\$1,880,686	\$3,888,469

CITY OF PAINESVILLE, OHIO

**Notes to the Basic Financial Statements
For the Year Ended December 31, 2020**

NOTE 10 – DEFINED BENEFIT PENSION PLANS (Continued)

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

	<u>OPERS</u>	<u>OP&F</u>	<u>Total</u>
Deferred Outflows of Resources			
Changes in assumptions	\$771,306	\$358,649	\$1,129,955
Differences between expected and actual experience	0	553,058	553,058
Change in proportionate share	0	239,833	239,833
City contributions subsequent to the measurement date	<u>1,392,278</u>	<u>1,166,277</u>	<u>2,558,555</u>
Total Deferred Outflows of Resources	<u><u>\$2,163,584</u></u>	<u><u>\$2,317,817</u></u>	<u><u>\$4,481,401</u></u>
Deferred Inflows of Resources			
Net difference between projected and actual earnings on pension plan investments	\$2,880,613	\$705,806	\$3,586,419
Differences between expected and actual experience	182,584	753,512	936,096
Change in proportionate share	<u>108,693</u>	<u>368,999</u>	<u>477,692</u>
Total Deferred Inflows of Resources	<u><u>\$3,171,890</u></u>	<u><u>\$1,828,317</u></u>	<u><u>\$5,000,207</u></u>

\$2,558,555 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, 2021. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pension will be recognized in pension expense as follows:

	<u>OPERS</u>	<u>OP&F</u>	<u>Total</u>
Year Ending December 31:			
2021	(\$406,940)	(\$118,636)	(\$525,576)
2022	(969,138)	(47,681)	(1,016,819)
2023	119,284	269,170	388,454
2024	(1,143,790)	(693,723)	(1,837,513)
2025	<u>0</u>	<u>(85,907)</u>	<u>(85,907)</u>
Total	<u><u>(\$2,400,584)</u></u>	<u><u>(\$676,777)</u></u>	<u><u>(\$3,077,361)</u></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.

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2020***

NOTE 10 – DEFINED BENEFIT PENSION PLANS (Continued)

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employers and plan members) and include the types of benefits provided at the time of each valuation. The total pension liability in the December 31, 2019 and December 31, 2018 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

	<u>December 31, 2019</u>
Wage Inflation	3.25 percent
Future Salary Increases, including inflation	3.25 to 10.75 percent including wage inflation
COLA or Ad Hoc COLA (Pre 1/7/13 retirees)	3 percent simple
COLA or Ad Hoc COLA (Post 1/7/13 retirees)	1.4 percent simple through 2020. 2.15 percent simple, thereafter
Investment Rate of Return	7.2 percent
Actuarial Cost Method	Individual Entry Age
	<u>December 31, 2018</u>
Wage Inflation	3.25 percent
Future Salary Increases, including inflation	3.25 to 10.75 percent including wage inflation
COLA or Ad Hoc COLA (Pre 1/7/13 retirees)	3 percent simple
COLA or Ad Hoc COLA (Post 1/7/13 retirees)	3 percent simple through 2018. 2.15 percent simple, thereafter
Investment Rate of Return	7.2 percent
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 rate of return on defined benefit investment assets was determined using a building-block method in which best-estimate ranges of expected future real rates of return are developed for each major asset class. These ranges are combined to produce the long-term expected real rate of return by weighting the expected future real rates of return by the target asset allocation percentage, adjusted for inflation.

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

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2020***

NOTE 10 – DEFINED BENEFIT PENSION PLANS (Continued)

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

Asset Class	Target Allocation	Weighted Average Long-Term Expected Real Rate of Return (Arithmetic)
Fixed Income	25.00 %	1.83 %
Domestic Equities	19.00	5.75
Real Estate	10.00	5.20
Private Equity	12.00	10.70
International Equities	21.00	7.66
Other investments	13.00	4.98
Total	<u>100.00 %</u>	<u>5.61 %</u>

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

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

	1% Decrease (6.20%)	Current Discount Rate (7.20%)	1% Increase (8.20%)
City's proportionate share of the net pension liability	\$23,817,560	\$14,440,805	\$6,011,377

**Notes to the Basic Financial Statements
For the Year Ended December 31, 2020**

NOTE 10 – DEFINED BENEFIT PENSION PLANS (Continued)

Actuarial Assumptions – OPF

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

Key methods and assumptions used in the latest actuarial valuation, reflecting experience study results, prepared as of January 1, 2019, compared with January 1, 2018, are presented below.

	January 1, 2019	January 1, 2018
Valuation Date	January 1, 2019, with actuarial liabilities rolled forward to December 31, 2019	January 1, 2018, with actuarial liabilities rolled forward to December 31, 2018
Actuarial Cost Method	Entry Age Normal	Entry Age Normal
Investment Rate of Return	8.0 percent	8.0 percent
Projected Salary Increases	3.75 percent to 10.5 percent	3.75 percent to 10.5 percent
Payroll Growth	Inflation rate of 2.75 percent plus productivity increase rate of 0.5	Inflation rate of 2.75 percent plus productivity increase rate of 0.5
Cost of Living Adjustments	3.00 percent simple; 2.2 percent simple for increases based on the lesser of the increase in CPI and 3 percent	3.00 percent simple; 2.2 percent simple for increases based on the lesser of the increase in CPI and 3 percent

For the January 1, 2019 valuation, mortality for non-disabled participants is based on the RP-2014 Total Employee and Healthy Annuitant Mortality Tables rolled back to 2006, adjusted according to the rates in the following table, and projected with the Buck Modified 2016 Improvement Scale. Rates for surviving beneficiaries are adjusted by 120 percent.

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

For the January 1, 2019 valuation, mortality for disabled retirees is based on the RP-2014 Disabled Mortality Tables rolled back to 2006, adjusted according to the rates in the following table, and projected with the Buck Modified 2016 Improvement Scale.

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2020***

NOTE 10 – DEFINED BENEFIT PENSION PLANS (Continued)

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

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

Best estimates of the long-term expected geometric real rates of return for each major asset class included in OPF’s target asset allocation as of December 31, 2019 are summarized below:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long Term Expected Real Rate of Return</u>
Cash and Cash Equivalents	0.00 %	1.00 %
Domestic Equity	16.00	5.40
Non-US Equity	16.00	5.80
Private Markets	8.00	8.00
Core Fixed Income *	23.00	2.70
High Yield Fixed Income	7.00	4.70
Private Credit	5.00	5.50
U.S. Inflation Linked Bonds *	17.00	2.50
Master Limited Partnerships	8.00	6.60
Real Assets	8.00	7.40
Private Real Estate	12.00	6.40
Total	<u>120.00 %</u>	

* levered 2x

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

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2020***

NOTE 10 – DEFINED BENEFIT PENSION PLANS (Continued)

Discount Rate For 2019, the total pension liability was calculated using the discount rate of 8.00 percent. The discount rate used for 2018 was 8.00 percent. The projection of cash flows used to determine the discount rate assumed the contributions from employers and from the members would be computed based on contribution requirements as stipulated by State statute. Projected inflows from investment earning were calculated using the longer-term assumed investment rate of return 8.00 percent. Based on those assumptions, the plan’s fiduciary net position was projected to be available to make all future benefit payments of current plan members. Therefore, a long-term expected rate of return on pension plan investments was applied to all periods of projected benefits to determine the total pension liability.

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 (7.00%)	Current Discount Rate (8.00%)	1% Increase (9.00%)
City's proportionate share of the net pension liability	\$20,249,587	\$14,610,458	\$9,893,886

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***Notes to the Basic Financial Statements
For the Year Ended December 31, 2020***

NOTE 11 - DEFINED BENEFIT OPEB PLANS

Net OPEB Liability

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

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

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

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

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

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2020***

NOTE 11 - DEFINED BENEFIT OPEB PLANS (Continued)

Plan Description – Ohio Public Employees Retirement System (OPERS)

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

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

In order to qualify for postemployment health care coverage, age and service retirees under the traditional pension and combined plans must have 20 or more years of qualifying Ohio service credit. Health care coverage for disability benefit recipients and qualified survivor benefit recipients is available. The health care coverage provided by OPERS meets the definition of an Other Post Employment Benefit (OPEB) as described in GASB Statement 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. Beginning in 2018, health care is not being funded.

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

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2020***

NOTE 11 - DEFINED BENEFIT OPEB PLANS (Continued)

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 0 percent during calendar year 2020. The OPERS Board is also authorized to establish rules for the retiree or their surviving beneficiaries to pay a portion of the health care provided. Payment amounts vary depending on the number of covered dependents and the coverage selected. The employer contribution as a percentage of covered payroll deposited into the RMA for participants in the Member-Directed Plan for 2020 was 4.0 percent.

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

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

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

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

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

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

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

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2020***

NOTE 11 - DEFINED BENEFIT OPEB PLANS (Continued)

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 2020, the portion of employer contributions allocated to health care was 0.5 percent of covered payroll. The amount of employer contributions allocated to the health care plan each year is subject to the Trustees' primary responsibility to ensure that pension benefits are adequately funded 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 \$27,746 for 2020. Of this amount, \$2,279 is reported as an intergovernmental payable.

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

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

	<u>OPERS</u>	<u>OP&F</u>	<u>Total</u>
Proportionate Share of the Net OPEB Liability	\$9,941,205	\$2,142,318	\$12,083,523
Proportion of the Net OPEB Liability-2020	0.071972%	0.216884%	
Proportion of the Net OPEB Liability-2019	<u>0.072609%</u>	<u>0.221773%</u>	
Percentage Change	<u>(0.000637%)</u>	<u>(0.004889%)</u>	
OPEB Expense	\$860,007	\$200,959	\$1,060,966

CITY OF PAINESVILLE, OHIO

**Notes to the Basic Financial Statements
For the Year Ended December 31, 2020**

NOTE 11 - DEFINED BENEFIT OPEB PLANS (Continued)

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

	OPERS	OP&F	Total
Deferred Outflows of Resources			
Changes in assumptions	\$1,573,588	\$1,252,482	\$2,826,070
Differences between expected and actual experience	266	0	266
Change in proportionate share	0	213,454	213,454
City contributions subsequent to the measurement date	0	27,746	27,746
Total Deferred Outflows of Resources	<u>\$1,573,854</u>	<u>\$1,493,682</u>	<u>\$3,067,536</u>
Deferred Inflows of Resources			
Net difference between projected and actual earnings on OPEB plan investments	\$506,204	\$98,582	\$604,786
Differences between expected and actual experience	909,171	230,390	1,139,561
Changes in assumptions	0	456,560	456,560
Change in proportionate share	15,840	121,244	137,084
Total Deferred Inflows of Resources	<u>\$1,431,215</u>	<u>\$906,776</u>	<u>\$2,337,991</u>

\$27,746 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 2021. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

	OPERS	OP&F	Total
Year Ending December 31:			
2021	\$239,132	\$99,616	\$338,748
2022	119,411	99,616	219,027
2023	402	119,836	120,238
2024	(216,306)	87,956	(128,350)
2025	0	103,814	103,814
2026	0	30,377	30,377
2027	0	17,945	17,945
Total	<u>\$142,639</u>	<u>\$559,160</u>	<u>\$701,799</u>

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2020***

NOTE 11 - DEFINED BENEFIT OPEB PLANS (Continued)

Actuarial Assumptions - OPERS

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

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

Wage Inflation	3.25 percent
Projected Salary Increases, including inflation	3.25 to 10.75 percent including wage inflation
Single Discount Rate:	
Current measurement date	3.16 percent
Prior Measurement date	3.96 percent
Investment Rate of Return:	
Current measurement date	6.00 percent
Prior Measurement date	6.00 percent
Municipal Bond Rate:	
Current measurement date	2.75 percent
Prior Measurement date	3.71 percent
Health Care Cost Trend Rate:	
Current measurement date	10.5 percent initial, 3.5 percent ultimate in 2030
Prior Measurement date	10.0 percent, initial 3.25 percent, ultimate in 2029
Actuarial Cost Method	Individual Entry Age Normal

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.

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2020***

NOTE 11 - DEFINED BENEFIT OPEB PLANS (Continued)

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

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

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

Asset Class	Target Allocation	Weighted Average Long-Term Expected Real Rate of Return (Arithmetic)
Fixed Income	36.00 %	1.53 %
Domestic Equities	21.00	5.75
Real Estate Investment Trust	6.00	5.69
International Equities	23.00	7.66
Other investments	14.00	4.90
Total	100.00 %	4.55 %

Discount Rate A single discount rate of 3.16 percent was used to measure the OPEB liability on the measurement date of December 31, 2019. A single discount rate of 3.96 percent was used to measure the OPEB liability on the measurement date of December 31, 2018. Projected benefit payments are required to be discounted to their actuarial present value using a single discount rate that reflects (1) a long-term expected rate of return on OPEB plan investments (to the extent that the health care fiduciary net position is projected to be sufficient to pay benefits), and (2) tax-exempt municipal bond rate based on an index of 20-year general obligation bonds with an average AA credit rating as of the measurement date (to the extent that the contributions for use with the long-term expected rate are not met). This single discount rate was based on an expected rate of return on the health care investment portfolio of 6.00 percent and a municipal bond rate of 2.75 percent.

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2020***

NOTE 11 - DEFINED BENEFIT OPEB PLANS (Continued)

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 3.16 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 (2.16 percent) or one-percentage-point higher (4.16 percent) than the current rate:

	1% Decrease <u>(2.16%)</u>	Current Discount Rate <u>(3.16%)</u>	1% Increase <u>(4.16%)</u>
City's proportionate share of the net OPEB liability	\$13,009,659	\$9,941,205	\$7,484,368

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

	1% Decrease	Current Health Care Cost Trend Rate Assumption	1% Increase
City's proportionate share of the net OPEB liability	\$9,647,847	\$9,941,205	\$10,230,820

Changes between Measurement Date and Reporting Date

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

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2020***

NOTE 11 - DEFINED BENEFIT OPEB PLANS (Continued)

Actuarial Assumptions – OP&F

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

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

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

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

Valuation Date	January 1, 2019, with actuarial liabilities rolled forward to December 31, 2019	January 1, 2018, with actuarial liabilities rolled forward to December 31, 2018
Actuarial Cost Method	Entry Age Normal	Entry Age Normal
Investment Rate of Return	8.0 percent	8.0 percent
Projected Salary Increases	3.75 percent to 10.5 percent	3.75 percent to 10.5 percent
Payroll Growth	Inflation rate of 2.75 percent plus productivity increase rate of 0.5	Inflation rate of 2.75 percent plus productivity increase rate of 0.5
Single discount rate	3.56 percent	4.66 percent
Cost of Living Adjustments	3.00 percent simple; 2.2 percent simple for increases based on the lesser of the increase in CPI and 3 percent	3.00 percent simple; 2.2 percent simple for increases based on the lesser of the increase in CPI and 3 percent

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2020***

NOTE 11 - DEFINED BENEFIT OPEB PLANS (Continued)

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

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

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

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

The 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, 2019, are summarized below:

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2020***

NOTE 11 - DEFINED BENEFIT OPEB PLANS (Continued)

Asset Class	Target Allocation	Long Term Expected Real Rate of Return
Cash and Cash Equivalents	0.00 %	1.00 %
Domestic Equity	16.00	5.40
Non-US Equity	16.00	5.80
Private Markets	8.00	8.00
Core Fixed Income *	23.00	2.70
High Yield Fixed Income	7.00	4.70
Private Credit	5.00	5.50
U.S. Inflation Linked Bonds*	17.00	2.50
Master Limited Partnerships	8.00	6.60
Real Assets	8.00	7.40
Private Real Estate	12.00	6.40
Total	120.00 %	

* levered 2x

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

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

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2020***

NOTE 11 - DEFINED BENEFIT OPEB PLANS (Continued)

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

	1% Decrease (2.56%)	Current Discount Rate (3.56%)	1% Increase (4.56%)
City's proportionate share of the net OPEB liability	\$2,656,341	\$2,142,318	\$1,715,208

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

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CITY OF PAINESVILLE, OHIO

**Notes to the Basic Financial Statements
For the Year Ended December 31, 2020**

NOTE 12 – DEBT AND OTHER LONG-TERM OBLIGATIONS

Long-term debt of the City at December 31, 2020 is as follows:

		Balance December 31, 2019	Issued	(Retired)	Balance December 31, 2020	Amount Due Within One Year
Governmental Activities Debt:						
General Obligation Bonds:						
4.250 - 5.000% Various Purpose	2007	\$735,000	\$0	(\$130,000)	\$605,000	\$135,000
2.850% Shamrock Blvd Improvement	2013	1,418,000	0	(92,000)	1,326,000	94,000
2.0 - 3.000% Shamrock Blvd Improvement TIF	2012	4,390,000	0	(235,000)	4,155,000	240,000
Premium on Debt Issuance		101,768	0	(7,828)	93,940	0
Total General Obligation Bonds		<u>6,644,768</u>	<u>0</u>	<u>(464,828)</u>	<u>6,179,940</u>	<u>469,000</u>
Special Assessment Debt (with governmental commitment)						
4.75% Renaissance Parkway	2005	165,000	0	(25,000)	140,000	25,000
Ohio Public Works Commission Loans (OPWC):						
0.000% Chester Street Improvements	2008	39,121	0	(2,445)	36,676	4,890
0.000% Brookstone Blvd Improvements	2013	1,063,830	0	(24,178)	1,039,652	48,356
Total OPWC Loans		<u>1,102,951</u>	<u>0</u>	<u>(26,623)</u>	<u>1,076,328</u>	<u>53,246</u>
Long-Term Notes Payable:						
2.40% Fire Truck	2020	0	1,000,000	(250,000)	750,000	53,571
Governmental Activities Other Long-Term Obligations:						
Compensated Absences		1,461,106	49,753	(56,595)	1,454,264	217,432
Workers' Compensation Liability		686,265	610,738	(686,265)	610,738	461,768
Capital Lease Payable		72,944	0	(25,204)	47,740	26,412
Police/Firemen's Pension Accrued Liability		550,142	0	(25,813)	524,329	26,921
Total Governmental Activities		<u>\$10,683,176</u>	<u>\$1,660,491</u>	<u>(\$1,560,328)</u>	<u>\$10,783,339</u>	<u>\$1,333,350</u>

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CITY OF PAINESVILLE, OHIO

**Notes to the Basic Financial Statements
For the Year Ended December 31, 2020**

NOTE 12 - DEBT AND OTHER LONG-TERM OBLIGATIONS (Continued)

Long-term debt of the City at December 31, 2020 is as follows:

		Balance December 31, 2019	Issued	(Retired)	Balance December 31, 2020	Amount Due Within One Year
Business-Type Activities Debt:						
General Obligation Bonds:						
3.25% Storm Water Improvements	2016	\$1,640,000	\$0	(\$80,000)	\$1,560,000	\$80,000
Ohio Water Development Authority Loans (OWDA):						
3.420% WPCLF WWTP Upgrades	2009	2,373,084	0	(162,990)	2,210,094	168,612
0.000% Water Intake Improvements	2014	13,848,418	2,128,498	(867,353)	15,109,563	0
Total OWDA Loans		<u>16,221,502</u>	<u>2,128,498</u>	<u>(1,030,343)</u>	<u>17,319,657</u>	<u>168,612</u>
Ohio Public Works Commission Loans (OPWC):						
0.000% Mentor Ave / Jackson Street Sewer	2008	16,389	0	(1,024)	15,365	2,048
0.000% Pinehill Road Waterline Phase I	2020	0	34,732	0	34,732	1,737
Total OPWC Loans		<u>16,389</u>	<u>34,732</u>	<u>(1,024)</u>	<u>50,097</u>	<u>3,785</u>
Business-Type Activities Other Long-Term Obligations:						
Capital Leases Payable		1,996,863	0	(230,522)	1,766,341	240,649
AMP Joint Venture Financing Agreement		0	193,195	(62,410)	130,785	62,410
Compensated Absences		1,570,099	457,625	(508,962)	1,518,762	668,323
Total Business-Type Activities		<u>\$21,444,853</u>	<u>\$2,814,050</u>	<u>(\$1,913,261)</u>	<u>\$22,345,642</u>	<u>\$1,223,779</u>

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***Notes to the Basic Financial Statements
For the Year Ended December 31, 2020***

NOTE 12 - DEBT AND OTHER LONG-TERM OBLIGATIONS (Continued)

A. Long Term Notes

In March 2020 the City issued a \$1,000,000 long term note for the acquisition of a fire truck. The note carries an interest rate of 2.40% and matures in 2034.

B. Compensated Absences

City management staff and employees in each bargaining unit earn sick leave credit. Employees with at least 10 years of service are paid for one-third of their accumulated sick leave credit upon termination of employment, which may not exceed 120 days. This obligation amounted to \$1,852,042 for the City as of December 31, 2020.

In addition, management staff and personnel in each bargaining unit earn vacation at different rates based upon length of service. Vacation carried forward to the current year may not exceed one year's leave balance. In case of death, termination or retirement, an employee (or his estate) is paid for unused vacation up to a maximum of one year credit and two week accrual. The total obligation for accrued vacation for the City as a whole at December 31, 2020 amounted to \$1,120,984.

C. Police and Firemen's Pension Accrued Liability

The City's liability for past service costs related to the Police and Fire Pension Fund at December 31, 2020 was \$707,173 in principal and scheduled interest payments through the year 2035. Only the principal portion of the payments due is included in the government-wide statement of net position.

D. Special Assessments with Governmental Commitment

The principal amount of the City's special assessment debt outstanding at December 31, 2020, \$140,000, is general obligation debt (backed by the full faith and credit of the City) that is being retired with the proceeds from special assessments levied against benefited property owners. The City is obligated to repay the debt irrespective of the amount of special assessments collected from property owners. The fund balance of \$69,238 in the Special Assessment Bond Retirement Fund at December 31, 2020 is restricted for the retirement of outstanding special assessment bonds.

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2020***

NOTE 12 - DEBT AND OTHER LONG-TERM OBLIGATIONS (Continued)

E. Capital Leases

The City has entered into agreements to lease equipment. The original cost of the equipment was \$7,364,181. Such agreements are, in substance, lease purchases (capital leases) and are classified as long-term obligations in the financial statements. The costs of these assets are included in the capital asset balances of the Governmental Activities and Water Fund, Sewer Fund, and Electric Fund (major enterprise funds). The capital leases payable are recorded in Governmental Activities and Business-Type Activities in the amount of \$47,740, and \$1,766,341, respectively.

The following is a schedule of future minimum lease payments under the capital leases together with the present value of the net minimum lease payments as of December 31, 2020:

Year Ending December 31,	Governmental Activities	Business-Type Activities
2021	\$28,699	\$314,896
2022	23,003	314,896
2023	0	314,896
2024	0	314,896
2025	0	314,896
2026-2027	0	472,343
Minimum Lease Payments	51,702	2,046,823
Less: amount representing interest at the City's incremental borrowing rate of interest	(3,962)	(280,482)
Present value of minimum lease payments	<u>\$47,740</u>	<u>\$1,766,341</u>

F. Ohio Water Development Authority Loans

In 2014, the City entered into an agreement with the Ohio Water Development Authority to receive a loan for the planning and design of water system intake improvements. In 2016, this loan was rolled into a new loan for the construction of water system intake improvements. The interest rate on the new loan is 0.00% per annum. This loan is payable from water service charges. The loan can only be received by the City in increments as the project is completed. As of December 31, 2020, the City had received \$15,976,916. As of December 31, 2020, the loan has not been finalized and there is no amortization schedule for the loan.

CITY OF PAINESVILLE, OHIO

**Notes to the Basic Financial Statements
For the Year Ended December 31, 2020**

NOTE 12 - DEBT AND OTHER LONG-TERM OBLIGATIONS (Continued)

G. Principal and Interest Requirements

The principal and interest requirements to retire long-term debt at December 31, 2020 are as follows:

Years	General Obligation Bonds		Special Assessment Bonds		Long Term Note	
	Principal	Interest	Principal	Interest	Principal	Interest
2021	\$549,000	\$244,566	\$25,000	\$7,000	\$53,571	\$17,357
2022	567,000	227,737	25,000	5,750	53,571	16,071
2023	510,000	207,860	30,000	4,500	53,571	14,785
2024	523,000	191,184	30,000	3,000	53,571	13,500
2025	540,000	174,024	30,000	1,500	53,571	12,215
2026-2030	2,679,000	613,290	0	0	267,855	41,785
2031-2035	2,278,000	181,247	0	0	214,290	10,287
Totals	\$7,646,000	\$1,839,908	\$140,000	\$21,750	\$750,000	\$126,000

Years	OWDA Loans		OPWC Loans		Police/Firemen's Pension Accrued Liability	
	Principal	Interest	Principal	Interest	Principal	Interest
2021	\$168,612	\$65,049	\$57,031	\$0	\$26,921	\$22,001
2022	174,427	59,947	57,031	0	28,078	20,845
2023	180,444	54,670	57,031	0	29,284	19,639
2024	186,668	49,210	57,031	0	30,542	18,381
2025	193,106	49,661	57,031	0	31,853	17,069
2026-2030	1,070,160	119,189	267,805	0	181,004	63,610
2031-2035	236,677	6,088	250,460	0	196,647	21,299
2036-2040	0	0	250,460	0	0	0
2041-2042	0	0	72,545	0	0	0
Totals	\$2,210,094	\$403,814	\$1,126,425	\$0	\$524,329	\$182,844

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2020***

NOTE 13 - NOTES PAYABLE

The Ohio Revised Code provides that notes including renewal notes issued in anticipation of the issuance of general obligation bonds may be issued and outstanding from time to time up to a maximum period of twenty years from the date of issuance of the original notes. The maximum maturity for notes anticipating general obligation bonds payable from special assessments is five years. Any period in excess of five years must be deducted from the permitted maximum maturity of the bonds anticipated, and portions of the principal amount of notes outstanding for more than five years must be retired in amounts at least equal to and payable no later than those principal maturities required if the bonds had been issued at the expiration of the initial five year period. Bond anticipation notes may be retired at maturity from the proceeds of the sale of renewal notes or of the bonds anticipated by the notes, or from available funds of the City or a combination of these sources.

	Balance January 1, 2020	Issued	(Retired)	Balance December 31, 2020
Special Revenue Fund Notes Payable:				
3.500% Various Street Improvements	\$355,311	\$0	(\$355,311)	\$0
Total Special Revenue Fund Notes Payable	<u>355,311</u>	<u>0</u>	<u>(355,311)</u>	<u>0</u>
Enterprise Fund Notes Payable:				
3.500% Water System Improvements	249,689	0	(249,689)	0
3.500% Storm Water Improvements	45,000	0	(45,000)	0
Total Enterprise Fund Notes Payable	<u>294,689</u>	<u>0</u>	<u>(294,689)</u>	<u>0</u>
Total Notes Payable	<u>\$650,000</u>	<u>\$0</u>	<u>(\$650,000)</u>	<u>\$0</u>

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**Notes to the Basic Financial Statements
For the Year Ended December 31, 2020**

NOTE 14 - RISK MANAGEMENT

The City purchases insurance policies in varying amounts providing coverage for general liability, vehicle liability, property damage, employee and public officials liability, professional liability and errors and omissions liability. The City also pays unemployment claims to the State of Ohio as incurred.

The City is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; and natural disasters. During 2020 the City contracted with several different insurance providers for various insurance coverages, as follows:

Insurance Provider	Coverage	Deductible
Jackson Dieken & Associates	Public Employee Dishonesty/ Forgery	\$5,000
Jackson Dieken & Associates	Law Enforcement Professional Liability	\$25,000
Jackson Dieken & Associates	Public Officials Liability	\$25,000
Jackson Dieken & Associates	Comprehensive General Liability	\$5,000
Jackson Dieken & Associates	Ohio Employers Intentional Tort Liability	\$5,000
Jackson Dieken & Associates	Commercial Umbrella Liability	\$0
Jackson Dieken & Associates	Boiler and Machinery	\$10,000
Jackson Dieken & Associates	Automobile	\$0
Jackson Dieken & Associates	Commercial General Liability (Fire)	\$0
Jackson Dieken & Associates	Commercial Umbrella	\$0

In 1993, the Workers' Compensation Retrospective Rating Fund was established to account for the funding of the City's workers' compensation plan. Under the plan, the City is charged by the State of Ohio for administrative fees, claims paid and premiums for individual and aggregate claim limits. All City funds are charged a premium per employee covered by the Workers' Compensation Retrospective Rating Fund based on claims experience. The City has a claims limit of \$300,000 per individual and a maximum yearly amount for all claims which varies each policy year. The claims liability of \$610,738 reported in the fund at December 31, 2020 is based on the requirements of GASB Statement No. 30, which requires that a liability for claims be reported if information prior to the issuance of the financial statements indicates that it is probable that a liability has been incurred at the date of the financial statements and the amount of the loss can be reasonably estimated. Changes in the fund's claims liability amount for the past two years are as follows:

Fiscal Year	Beginning of Year Liability	Current Year Claims and Changes in Estimates	Claims Payments	End of Year Liability
2019	\$577,970	\$249,656	(\$141,361)	\$686,265
2020	686,265	0	(75,527)	610,738

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2020***

NOTE 14 - RISK MANAGEMENT (Continued)

In 2000, the Employee Health Insurance Fund was created to account for the City’s self-funded employee health insurance. Under this program, the City operates with a third party administrator and under stop-loss thresholds. The actual claims are passed through the City for payment. There is protection as to the amount of claims that can be passed through to the City—both specific and aggregate stop-loss protection. Under specific stop-loss, the City pays 100% for any one individual generating claims up to the specific level of \$75,000. Any dollar amount over this specific level is paid by the re-insurance carrier. The aggregate stop-loss protects the City from having a large number of claims exceeding the expected claims level by more than 20% or 25%. Any claims over the specific level do not count toward the aggregate level. Only claims less than the specific level are applied toward the aggregate level. The claims liability of \$275,231 reported in the fund at December 31, 2020 is based on the requirements of GASB Statement No. 30, which requires that a liability for claims be reported if information prior to the issuance of the financial statements indicates that it is probable that a liability has been incurred at the date of the financial statements and the amount of the loss can be reasonably estimated. Changes in the fund's claims liability amount for the past two years are as follows:

<u>Fiscal Year</u>	<u>Beginning of Year Liability</u>	<u>Current Year Claims and Changes in Estimates</u>	<u>Claims Payments</u>	<u>End of Year Liability</u>
2019	\$220,875	\$2,879,531	(\$2,815,682)	\$284,724
2020	284,724	3,234,032	(3,243,525)	275,231

NOTE 15 - JOINT VENTURE

The City of Painesville is a Financing Participant and a Purchaser Participant with percentages of liability and ownership of 6.66% and 5.22% respectively and shares participation with thirty-five other subdivisions within the State of Ohio in the Ohio Municipal Electric Generation Agency (OMEGA JV2). Owner Participants own undivided interests, as tenants in common, in the OMEGA JV2 Project in the amount of their respective Project Shares. Purchaser Participants agree to purchase the output associated with their respective Project shares, ownership of which is held in trust for such Purchaser Participants.

Pursuant to the OMEGA JV2 Agreement (Agreement), the participants jointly undertook as either Financing Participants or Non-Financing Participants and as either Owner Participants or Purchaser Participants, the acquisition, construction, and equipping of OMEGA JV2, including such portions of OMEGA JV2 as have been acquired, constructed or equipped by AMP and to pay or incur the costs of the same in accordance with the Agreement.

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2020***

NOTE 15 - JOINT VENTURE (Continued)

Pursuant to the Agreement each participant has an obligation to pay its share of debt service on the Distributive Generation Bonds (Bonds) from the revenues of its electric system, subject only to the prior payment of Operating & Maintenance Expenses (O&M) of each participant's System, and shall be on a parity with any outstanding and future senior electric system revenue bonds, notes or other indebtedness payable from any revenues of the System. Under the terms of the Agreement each Financing Participant is to fix, charge and collect rates, fees and charges at least sufficient in order to maintain a debt coverage ratio equal to 110% of the sum of OMEGA JV2 debt service and any other outstanding senior lien electric system revenue obligations. No bonds are currently outstanding.

OMEGA JV2 was created to provide additional sources of reliable, reasonably priced electric power and energy when prices are high or during times of generation shortages or transmission constraints, and to improve the reliability and economic status of the participants' respective municipal electric utility system. The Project consists of 138.65 MW of distributed generation of which 134.081MW is the participants' entitlement and 4.569MW are held in reserve. On dissolution of OMEGA JV2, the net assets will be shared by the participants on a percentage of ownership basis. OMEGA JV2 is managed by AMP, which acts as the joint venture's agent. During 2001, AMP issued \$50,260,000 of 20 year fixed rate bonds on behalf of the Financing Participants of OMEGA JV2. The net proceeds of the bond issue of \$45,904,712 were contributed to OMEGA JV2. On January 3, 2011, AMP redeemed all of the \$31,110,000 OMEGA JV2 Project Distributive Generation Bonds then outstanding by borrowing on AMP's revolving credit facility. As such, the remaining outstanding bond principal of the OMEGA JV2 indebtedness was reduced to zero, with the remaining principal balance now residing on the AMP credit facility. The outstanding debt was paid off in 2017. The City's net investment and its share of operating results of OMEGA JV2 are reported in the City's electric fund (an enterprise fund). The City's net investment in OMEGA JV2 was \$0 at December 31, 2020. At December 31, 2020 OMEGA JV2 has an outstanding line of credit payable. The City's electric fund is reporting an AMP Joint Venture Financing Agreement liability for its share of the OMEGA JV2 line of credit balance, which is \$130,785. Complete financial statements for OMEGA JV2 may be obtained from AMP or from the State Auditor's website at www.auditor.state.oh.us.

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CITY OF PAINESVILLE, OHIO

**Notes to the Basic Financial Statements
For the Year Ended December 31, 2020**

NOTE 16 – SIGNIFICANT COMMITMENTS

As of December 31, 2020, the City had the following contracts with respect to capital improvements:

Project	Remaining Construction Commitment	Expected Date of Completion
Road Improvement Annual Paving Program	\$32,860	2021
Parking Lot Paving	81,780	2021
Aeration Tank Upgrade	60,000	2021
Maplewood Basin	136,147	2021
Streetscape Project	90,000	2021
Filter Repairs	20,317	2021
Carbon Feeder Storage	24,872	2021
Automated Metering Infrastructure	2,424,284	2021
Ami Utility Software	1,000,000	2021
2.5 Ton Plow Truck	149,788	2021
Watson Street Paving	59,105	2021
Paving Casement	97,726	2021
New Vehicle	5,103	2021
Specialized/Technical-Intersection & LRP Cameras	453,149	2021
Update Remodel Court	3,927	2021
Rubber Mulch Marine Park	2,636	2021
Vehicle Upgrades & Watchguard	2,654	2021
Button Ave Waterline	3,300	2021
Carbon Feed Building & Equipment	630,925	2021
No. 3 Primary Rebuild	202,923	2021
Replace Valves & Pumps	28,627	2021
Roof Replacement	56,315	2021
Traffic Signal Study	87,256	2021
	\$5,653,694	

At December 31, 2020 the City had encumbrance commitments in the Governmental Funds as follows:

Fund	Encumbrances
General Fund	\$1,030,356
Other Governmental Funds	2,409,748
Total Governmental Funds	\$3,440,104

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2020***

NOTE 17 - COMPLIANCE AND ACCOUNTABILITY

Deficit Fund Equities - The fund deficits at December 31, 2020 of \$121,526 in the Employee Health Insurance Fund and \$456,959 in the Workers' Compensation Retrospective Fund (internal service funds) arise from the recognition of expenditures/expenses on the modified accrual/accrual basis that are greater than expenditures/expenses recognized on the budgetary/cash basis. Deficits do not exist under the budgetary/cash basis of accounting. Transfers are provided when cash is required, not when accruals occur.

NOTE 18 - CONTINGENCIES

A. Federal and State Grants

For the period January 1, 2020 to December 31, 2020, the City received federal and state grants for specific purposes that are subject to review and audit by grantor agencies or their designee. Such audits could lead to a request for reimbursement to the grantor agency for expenditures disallowed under the terms of the grant. Based on prior experience, the City believes such disallowance, if any, would be immaterial.

B. Litigation

The City is a party to various legal proceedings which seek damages or injunctive relief generally incidental to its operations and pending projects. The City's management is of the opinion that the ultimate disposition of various claims and legal proceedings will not have a material effect, if any, on the financial condition of the City.

C. Asset Retirement Obligations

GASB Statement No. 83 "*Certain Asset Retirement Obligations*" establishes criteria for determining the recognition of a liability for an Asset Retirement Obligation (ARO). An ARO is a legally enforceable liability associated with the retirement of a tangible capital asset. Recognition of the ARO occurs when the liability is both incurred and reasonably estimable. An ARO is incurred based on external laws, regulations, or contracts.

Ohio Revised Code Section 6111.44 requires the City to submit any changes to their sewage treatment system to the Ohio EPA for approval. Through this permitting process, the City would be responsible to address any public safety issues associated with their sewage treatment facilities and the permit would specify the procedures required to dispose of all or part of the sewage treatment plant. At this time, the City does not have an approved permit from the Ohio EPA to dispose of all or part of their sewage treatment plants. Due to the lack of specific legal requirements for retiring the sewage treatment plants, the City has determined that the amount of the Asset Retirement Obligation cannot be reasonably estimated.

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2020***

NOTE 19 – PURCHASE COMMITMENT

American Municipal Power Generating Station Project (AMPGS)

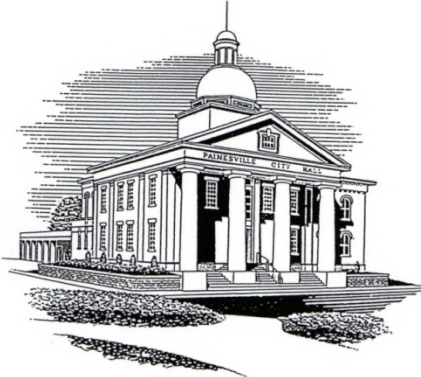
The City is a member of American Municipal Power (AMP) and has participated in the AMP Generating Station (AMPGS) Project. This project was intended to develop a pulverized coal power plant in Meigs County, Ohio. The City's project share was 13,000 kilowatts (kW) of a total 771,281 kW, giving the City a 1.69 percent project share. The AMPGS Project required participants to sign "take or pay" contracts with AMP. As such, the participants are obligated to pay any costs incurred for the project. In November 2009, the participants voted to terminate the AMPGS Project due to projected escalating costs. All project costs incurred prior to the cancellation and related to the cancellation were therefore deemed *impaired* and participants were obligated to pay those incurred costs. In prior years, payment of these costs was not required due to AMP's pursuit of legal action to collect them from Bechtel. As a result of a March 2014 legal ruling, the AMP Board of Trustees on April 15, 2014 and the AMPGS participants on April 16, 2014 approved the collection of the impaired costs and provided the participants with an estimate of their liability. The City's estimated share of the impaired costs at March 31, 2014 was \$2,240,514. The City received a credit of \$587,923 related to the AMPGS costs deemed to have future benefit for the project participants, classified as Plant Held for Future Use (PHFU). The City also made payments totaling \$2,194,829 leaving an estimated net credit balance of \$542,238. The City has opted to leave the credit balance with AMP to offset any additional AMPGS Project costs in the future. Any additional costs (including line-of-credit interest and legal fees) or amounts received related to the project will impact, either positively or negatively, the City's credit balance. These amounts will be recorded as they become estimable.

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

Since March 31, 2014, the City's allocation of additional costs incurred by the project is \$27,453 and interest on the credit balance credited to the City has been \$66,022, resulting in a net credit balance at December 31, 2020 of \$580,807. The City does have a potential PHFU Liability of \$661,869 resulting in a net total potential liability of \$81,062, assuming the assets making up the PHFU (principally the land comprising the Meigs County site) have no value and also assuming the City's credit balance would earn zero interest. Stranded costs as well as PHFU costs are subject to change, including future borrowing costs on the AMP line of credit. Activities include such negative items as property taxes as well as positive items such as revenue from leases or sale of all or a portion of the Meigs County site property.

NOTE 20 – COVID-19

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



REQUIRED SUPPLEMENTARY INFORMATION

CITY OF PAINESVILLE, OHIO

***Schedule of City's Proportionate Share of the Net Pension Liability
Last Seven Years***

Ohio Public Employees Retirement System

Year	2014	2015	2016
City's proportion of the net pension liability (asset)	0.078758%	0.078758%	0.080463%
City's proportionate share of the net pension liability (asset)	\$9,284,542	\$9,499,093	\$13,937,207
City's covered payroll	\$9,660,792	\$9,655,333	\$10,005,075
City's proportionate share of the net pension liability (asset) as a percentage of its covered payroll	96.11%	98.38%	139.30%
Plan fiduciary net position as a percentage of the total pension liability	86.36%	86.45%	81.08%

Source: Finance Director's Office and the Ohio Public Employees Retirement System

Ohio Police and Fire Pension Fund

Year	2014	2015	2016
City's proportion of the net pension liability (asset)	0.218634%	0.218634%	0.221177%
City's proportionate share of the net pension liability (asset)	\$10,648,162	\$11,326,153	\$14,228,449
City's covered payroll	\$4,943,828	\$4,373,483	\$4,529,777
City's proportionate share of the net pension liability (asset) as a percentage of its covered payroll	215.38%	258.97%	314.11%
Plan fiduciary net position as a percentage of the total pension liability	73.00%	72.20%	66.77%

Source: Finance Director's Office and the Ohio Police and Fire Pension Fund

Notes: The City implemented GASB Statement 68 in 2015.

The schedule is intended to show ten years of information. Additional years will be displayed as they become available. Information prior to 2014 is not available.

The schedule is reported as of the measurement date of the Net Pension Liability, which is the prior year end.

See notes to the required supplementary information

CITY OF PAINESVILLE, OHIO

<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
0.078734%	0.073358%	0.073885%	0.073060%
\$17,879,092	\$11,508,461	\$20,235,603	\$14,440,805
\$10,183,850	\$9,690,523	\$9,979,221	\$10,283,014
175.56%	118.76%	202.78%	140.43%
77.25%	84.66%	74.70%	82.17%

<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
0.219641%	0.215503%	0.221773%	0.216884%
\$13,911,813	\$13,226,399	\$18,102,535	\$14,610,458
\$4,771,700	\$4,763,981	\$5,068,494	\$5,209,283
291.55%	277.63%	357.16%	280.47%
68.36%	70.91%	63.07%	69.89%

CITY OF PAINESVILLE, OHIO

***Schedule of City Pension Contributions
Last Eight Years***

Ohio Public Employees Retirement System

Year	<u>2013</u>	<u>2014</u>	<u>2015</u>
Contractually required contribution	\$1,255,903	\$1,158,640	\$1,200,609
Contributions in relation to the contractually required contribution	<u>1,255,903</u>	<u>1,158,640</u>	<u>1,200,609</u>
Contribution deficiency (excess)	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
City's covered payroll	\$9,660,792	\$9,655,333	\$10,005,075
Contributions as a percentage of covered payroll	13.00%	12.00%	12.00%

Source: Finance Director's Office and the Ohio Public Employees Retirement System

Ohio Police and Fire Pension Fund

Year	<u>2013</u>	<u>2014</u>	<u>2015</u>
Contractually required contribution	\$874,748	\$914,762	\$948,955
Contributions in relation to the contractually required contribution	<u>874,748</u>	<u>914,762</u>	<u>948,955</u>
Contribution deficiency (excess)	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
City's covered payroll	\$4,943,828	\$4,373,483	\$4,529,777
Contributions as a percentage of covered payroll	17.69%	20.92%	20.95%

Source: Finance Director's Office and the Ohio Police and Fire Pension Fund

Notes: The City implemented GASB Statement 68 in 2015.

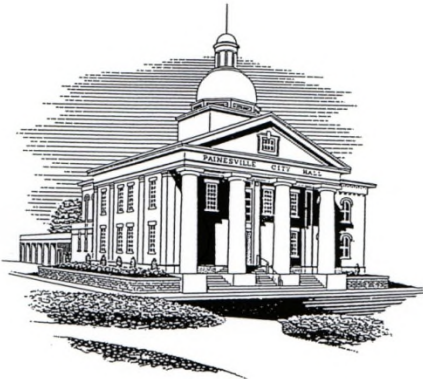
Information prior to 2013 is not available.

See notes to the required supplementary information

CITY OF PAINESVILLE, OHIO

<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
\$1,222,062	\$1,259,768	\$1,397,091	\$1,439,622	\$1,392,278
<u>1,222,062</u>	<u>1,259,768</u>	<u>1,397,091</u>	<u>1,439,622</u>	<u>1,392,278</u>
<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
\$10,183,850	\$9,690,523	\$9,979,221	\$10,283,014	\$9,944,843
12.00%	13.00%	14.00%	14.00%	14.00%

<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
\$999,545	\$997,803	\$1,061,198	\$1,089,427	\$1,166,277
<u>999,545</u>	<u>997,803</u>	<u>1,061,198</u>	<u>1,089,427</u>	<u>1,166,277</u>
<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
\$4,771,700	\$4,763,981	\$5,068,494	\$5,209,283	\$5,549,138
20.95%	20.94%	20.94%	20.91%	21.02%



CITY OF PAINESVILLE, OHIO

***Schedule of City's Proportionate Share of the Net Other Postemployment Benefits (OPEB) Liability
Last Four Years***

Ohio Public Employees Retirement System

Year	2017	2018	2019	2020
City's proportion of the net OPEB liability (asset)	0.077866%	0.072573%	0.072609%	0.071972%
City's proportionate share of the net OPEB liability (asset)	\$7,864,742	\$7,880,880	\$9,466,501	\$9,941,205
City's covered payroll	\$10,183,850	\$9,690,523	\$9,979,221	\$10,283,014
City's proportionate share of the net OPEB liability (asset) as a percentage of its covered payroll	77.23%	81.33%	94.86%	96.68%
Plan fiduciary net position as a percentage of the total OPEB liability	54.50%	54.14%	46.33%	47.80%

Source: Finance Director's Office and the Ohio Public Employees Retirement System

Ohio Police and Fire Pension Fund

Year	2017	2018	2019	2020
City's proportion of the net OPEB liability (asset)	0.219641%	0.215503%	0.221773%	0.216884%
City's proportionate share of the net OPEB liability (asset)	\$10,425,845	\$12,210,107	\$2,019,582	\$2,142,318
City's covered payroll	\$4,771,700	\$4,763,981	\$5,068,494	\$5,209,283
City's proportionate share of the net OPEB liability (asset) as a percentage of its covered payroll	218.49%	256.30%	39.85%	41.13%
Plan fiduciary net position as a percentage of the total OPEB liability	15.96%	14.13%	46.57%	47.08%

Source: Finance Director's Office and the Ohio Police and Fire Pension Fund

Notes: The City implemented GASB Statement 75 in 2018.

The schedule is intended to show ten years of information. Additional years will be displayed as they become available. Information prior to 2017 is not available.

The schedule is reported as of the measurement date of the Net OPEB Liability, which is the prior year end.

See notes to the required supplementary information

CITY OF PAINESVILLE, OHIO

***Schedule of City's Other Postemployment Benefit (OPEB) Contributions
Last Eight Years***

Ohio Public Employees Retirement System

Year	2013	2014	2015
Contractually required contribution	\$96,608	\$193,107	\$200,102
Contributions in relation to the contractually required contribution	96,608	193,107	200,102
Contribution deficiency (excess)	\$0	\$0	\$0
City's covered payroll	\$9,660,792	\$9,655,333	\$10,005,075
Contributions as a percentage of covered payroll	1.00%	2.00%	2.00%

Source: Finance Director's Office and the Ohio Public Employees Retirement System

Ohio Police and Fire Pension Fund

Year	2013	2014	2015
Contractually required contribution	\$178,304	\$21,867	\$22,649
Contributions in relation to the contractually required contribution	178,304	21,867	22,649
Contribution deficiency (excess)	\$0	\$0	\$0
City's covered payroll	\$4,943,828	\$4,373,483	\$4,529,777
Contributions as a percentage of covered payroll	3.61%	0.50%	0.50%

Source: Finance Director's Office and the Ohio Police and Fire Pension Fund

Notes: The City implemented GASB Statement 75 in 2018.

Information prior to 2013 is not available.

See notes to the required supplementary information

CITY OF PAINESVILLE, OHIO

2016	2017	2018	2019	2020
\$203,677	\$96,905	\$0	\$0	\$0
203,677	96,905	0	0	0
\$0	\$0	\$0	\$0	\$0
\$10,183,850	\$9,690,523	\$9,979,221	\$10,283,014	\$9,944,843
2.00%	1.00%	0.00%	0.00%	0.00%

2016	2017	2018	2019	2020
\$23,859	\$23,820	\$25,342	\$26,047	\$27,746
23,859	23,820	25,342	26,047	27,746
\$0	\$0	\$0	\$0	\$0
\$4,771,700	\$4,763,981	\$5,068,494	\$5,209,283	\$5,549,138
0.50%	0.50%	0.50%	0.50%	0.50%

***Notes to the Required Supplementary Information
For the Year Ended December 31, 2020***

NET PENSION LIABILITY

OHIO PUBLIC EMPLOYEES RETIREMENT SYSTEM (OPERS)

Changes in benefit terms: There were no changes in benefit terms for the period 2014-2020.

Changes in assumptions:

2014-2016: There were no changes in methods and assumptions used in the calculation of actuarial determined contributions.

2017: The following were the most significant changes of assumptions that affected the total pension liability since the prior measurement date:

- Reduction in actuarial assumed rate of return from 8.00% to 7.50%
- Decrease in wage inflation from 3.75% to 3.25%
- Change in future salary increases from a range of 4.25%-10.02% to 3.25%-10.75%
- Amounts reported beginning in 2017 use mortality rates based on the RP-2014 Healthy Annuitant mortality Table.

2018: There were no changes in methods and assumptions used in the calculation of actuarial determined contributions.

2019: The following were the most significant changes of assumptions that affected the total pension liability since the prior measurement date:

- Reduction in actuarial assumed rate of return from 7.50% to 7.20%

2020: The following were the most significant changes of assumptions that affected the total pension liability since the prior measurement date:

- Change in COLA from 3.00% to 1.4% for post 1/7/13 retirees.

OHIO POLICE AND FIRE (OP&F) PENSION FUND

Changes in benefit terms: There were no changes in benefit terms for the period 2014-2020.

Changes in assumptions:

2014-2017: There were no changes in methods and assumptions used in the calculation of actuarial determined contributions.

***Notes to the Required Supplementary Information
For the Year Ended December 31, 2020***

NET PENSION LIABILITY (Continued)

OHIO POLICE AND FIRE (OP&F) PENSION FUND (Continued)

2018: The following were the most significant changes of assumptions that affected total pension liability since the prior measurement date:

- Reduction in actuarial assumed rate of return from 8.25% to 8.00%
- Decrease salary increases from 3.75% to 3.25%
- Change in payroll growth from 3.75% to 3.25%
- Reduce DROP interest rate from 4.5% to 4.0%
- Reduce CPI-based COLA from 2.6% to 2.2%
- Inflation component reduced from 3.25% to 2.75%
- For the January 1, 2017, valuation, mortality for non-disabled participants is based on the RP-2014 Total Employee and Healthy Annuitant Mortality Tables rolled back to 2006
- For the January 1, 2017, valuation, mortality for disabled retirees is based on the RP-2014 Disabled Mortality Tables rolled back to 2006

2019-2020: There were no changes in methods and assumptions used in the calculation of actuarial determined contributions.

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***Notes to the Required Supplementary Information
For the Year Ended December 31, 2020***

NET OPEB LIABILITY

OHIO PUBLIC EMPLOYEES RETIREMENT SYSTEM (OPERS)

Changes in benefit terms: There were no changes in benefit terms for the periods 2018-2020.

Changes in assumptions:

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

2019: The following were the most significant changes of assumptions that affected the total OPEB liability since the prior measurement date:

- The single discount rate changed from 3.85% to 3.96%.
- Reduction in actuarial assumed rate of return from 6.50% to 6.00%
- Change in health care cost trend rate from 7.5% to 10%
- The Municipal Bond Rate changed from 3.31% to 3.71%

2020: The following were the most significant changes of assumptions that affected the total OPEB liability since the prior measurement date:

- The single discount rate changed from 3.96% to 3.16%.
- Change in health care cost trend rate from 10.0% to 10.5%
- The Municipal Bond Rate changed from 3.71% to 2.75%

OHIO POLICE AND FIRE (OP&F) PENSION FUND

Changes in benefit terms:

2018: There were no changes in benefit terms.

2019: The retiree health care model and the current self-insured health care plan were replaced with a stipend-based health care model.

2020: There were no changes in benefit terms.

Changes in assumptions:

2018: The single discount rate changed from 3.79% to 3.24%.

2019: The following were the most significant changes of assumptions that affected the total OPEB liability since the prior measurement date:

- The single discount rate changed from 3.24% to 4.66%.

2020: The following were the most significant changes of assumptions that affected the total OPEB liability since the prior measurement date:

- The single discount rate changed from 4.66% to 3.56%.

*COMBINING AND INDIVIDUAL FUND
STATEMENTS AND SCHEDULES*

*THE FOLLOWING COMBINING STATEMENTS AND SCHEDULES INCLUDE
THE MAJOR AND NONMAJOR GOVERNMENTAL FUNDS, NONMAJOR
ENTERPRISE FUNDS, NONMAJOR INTERNAL SERVICE FUNDS, AND
FIDUCIARY FUNDS.*

Nonmajor Governmental Funds

Special Revenue Funds

Special Revenue funds are used to account for the proceeds of specific revenue sources (other than amounts relating to trusts or major capital projects) that are restricted or committed to expenditures for specified purposes.

Street Construction, Maintenance and Repair Fund

Required by the Ohio Revised Code to account for 92.5% of the state gasoline tax and motor vehicle registration fees designated for maintenance of streets within the City.

State Highway Improvement Fund

Required by the Ohio Revised Code to account for 7.5% of the state gasoline tax and motor vehicle registration fees designated for maintenance of state highways within the City.

Cemeteries Fund

To account for revenue received from the operation of the City's two municipal cemeteries.

Police Pension Transfer Fund

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

Fire Pension Transfer Fund

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

Law Enforcement Fund

To account for the proceeds from the confiscation of contraband.

Municipal Motor Vehicle License Tax Fund

To account for County-levied motor vehicle registration fees designated for street construction, maintenance and repair. (The Balance Sheet and Statement of Revenues, Expenditures and Changes in Fund Balances are not presented because this fund is reported as part of the Street Construction, Maintenance and Repair Fund on a GAAP basis.)

Indigent Drivers Alcohol Treatment Fund

To account for funds received pursuant to Ohio Revised Code Section 4511.191 (M) to be used for the incarceration and/or treatment of alcohol abuse by individuals that are determined by the courts to be indigent.

(Continued)

Special Revenue Funds (Continued)

Enforcement and Education Fund

To account for funds received pursuant to Ohio Revised Code Section 4511.99 (A) to be used by the Painesville Police to pay the costs of educating the public about laws governing operation of a motor vehicle while under the influence of alcohol.

City Motor Vehicle License Tax Fund

To account for City-levied motor vehicle registration fees designated for street construction, maintenance and repair. (The Balance Sheet and Statement of Revenues, Expenditures and Changes in Fund Balances are not presented because this fund is reported as part of the Street Construction, Maintenance and Repair Fund on a GAAP basis.)

Fire Levy Fund

To account for a voted continuous property tax levy which is used to fund a portion of Fire Department salaries and the purchase of fire fighting apparatus.

Underground Storage Tank Fund

To account for monies to pay for the deductible amount of costs of third party damages and corrective actions necessary to clean up a petroleum release from an underground storage tank. (The Balance Sheet and Statement of Revenues, Expenditures and Changes in Fund Balances are not presented because this fund is reported as part of the General Fund on a GAAP basis.)

Probation Services Fund

To account for monies received pursuant to Ohio Revised Code Section 2951.021 to be used for operating expenses of the Probation Department.

Community Oriented Policing Services (COPS) Fast Grant Fund

To account for federal grant monies designated for the cost of additional police officers.

Lake County Grant Fund

To account for grants from the County which are used for various economic development projects.

CARES Act Fund

This fund is used to account for Coronavirus Relief funds received through passage of the CARES Act. These funds can be used for necessary expenditures incurred due to the Covid-19 public health emergency.

Fire Fund

To account for grants and donated monies received for funding the operations of the Fire Division.

(Continued)

Special Revenue Funds (Continued)

Victim's Advocate Grant Fund

To account for the Victim's Advocate Grant the Court received.

Emergency Medical Services (EMS) Fund

To account for revenue received from the operation of the City's Emergency Medical Services.

Municipal Court Computerization Fund

To account for monies from fines to be used to place an updated computer system in the Municipal Court.

Plan Review Fund

To account for monies received from developers for review of construction plans and inspections.

Brownfield Grant Fund

To account for grant revenues received from EPA for brownfield assessment, cleanup, revolving loans, and environmental job training.

Zoning Application Fund

To account for monies received and held by the City for zoning application requests. (The Balance Sheet and Statement of Revenues, Expenditures and Changes in Fund Balances are not presented because this fund is reported as part of the General Fund on a GAAP basis.)

Fire Improvement Levy Fund

To account for a voted property tax levy restricted in use for equipment purchases for the Fire Department. This levy is required to be renewed by the voters every 5 years.

Road Improvement Levy Fund

To account for a voted property tax levy to be used for improvements to City streets.

Police Levy Fund

To account for a voted property tax levy to be used for police operations.

Columbarium Trust Fund

To account for monies received and held by the City for charges related to the columbarium burial site.

Land Bank Fund

To account for monies received from the County to be used for razing blighted properties. (This fund is not part of the City's appropriated budget, therefore no budgetary schedule is presented.)

Law Enforcement Trust Fund

To account for monies received by the police division from the sale of drug related contraband.

Debt Service Funds

The Debt Service Funds are used to account for the accumulation of resources and payment of general obligation bond principal and interest from governmental resources and special assessment levies when the government is obligated in some manner for the payment.

General Bond Retirement Fund

To account for the accumulation of resources for the payments of general obligation debt of the City including self-supporting obligations not otherwise paid from proprietary funds.

Special Assessment Bond Retirement Fund

To accumulate special assessment revenues collected by the County Treasurer and remitted to the City by the County Auditor for payment of assessment bonds.

Shamrock Business Center TIF Fund

To account for the retirement of bonds used for the extension of Shamrock Boulevard. The debt is retired from payments received in lieu of taxes per the tax increment financing agreement.

Capital Projects Funds

The Capital Projects Funds are used to account for the acquisition and construction of major capital facilities other than that financed by proprietary funds and trust funds.

Municipal Court Improvement Fund

To account for the expansion to a second municipal courtroom, including remodeling and furnishing of the existing facilities financed by unvoted general obligation bond anticipation notes.

Capital Equipment Reserve Fund

To account for the costs associated with the purchase and maintenance of capital equipment.

Capital Improvement Fund

To account for the accumulation of funds for the acquisition of capital assets and/or the construction of major capital facilities.

Lake Hospital Demolition Fund

To account for costs associated with the acquisition and demolition of the Lake East Hospital.

Jackson Street Interchange Project Fund

To account for the costs associated with the construction of an interchange off of State Route 44 and Jackson Street.

Industrial Park Project Fund

To account for the costs associated with the construction of the Renaissance Industrial Park located on Newell Street.

(Continued)

Capital Projects Funds (Continued)

Municipal Court Special Projects Fund

To account for the accumulation of funds for the general use of the Municipal Court.

Millstone Acquisition Fund

To account for costs associated with the acquisition and demolition of Millstone Condominiums.

City Hall Fire Fund

To account for insurance proceeds received due to a fire at City Hall.

Shamrock Boulevard Road Project Fund

To account for costs associated with construction of Shamrock Boulevard.

Permanent Funds

The Permanent Fund is used to account for the financial resources that are legally restricted in that only the earnings, not the principal, may be used to support the City's programs.

Cemetery Trust Fund

To account for interest income earned from the investment of cemetery trust principal. The interest portion of the trust can be used to maintain the City's two cemeteries.

Special Endowment Fund

To account for interest income earned from the investment of special endowment (non-resident) principal. The interest portion of the trust can be used to maintain the City's two cemeteries. (The Balance Sheet and Statement of Revenues, Expenditures and Changes in Fund Balances are not presented because this fund is reported as part of the Special Endowment Trust Fund on a GAAP basis.)

Evergreen Cemetery Trust Fund

To account for the principal, acquired from contributions and endowments, for the City's Evergreen Cemetery. (The Balance Sheet and Statement of Revenues, Expenditures and Changes in Fund Balances are not presented because this fund is reported as part of the Cemetery Trust Fund on a GAAP basis.)

Riverside Cemetery Trust Fund

To account for the principal, acquired from contributions and endowments, for the City's Riverside Cemetery. (The Balance Sheet and Statement of Revenues, Expenditures and Changes in Fund Balances are not presented because this fund is reported as part of the Cemetery Trust Fund on a GAAP basis.)

Special Endowment Trust Fund

To account for the principal, acquired from contributions and endowments, from non-residents, for the City's two cemeteries.

CITY OF PAINESVILLE, OHIO

**Combining Balance Sheet
Nonmajor Governmental Funds
December 31, 2020**

	Nonmajor Special Revenue Funds	Nonmajor Debt Service Funds	Nonmajor Capital Projects Funds	Nonmajor Permanent Funds	Total Nonmajor Governmental Funds
Assets:					
Pooled Cash and Investments	\$ 7,446,960	\$ 1,631,562	\$ 2,985,745	\$ 209,970	\$ 12,274,237
Cash and Cash Equivalents in Segregated Accounts	15,053	0	11,747	0	26,800
Receivables:					
Taxes	1,856,969	856,713	0	0	2,713,682
Accounts	122,000	0	33,690	0	155,690
Intergovernmental	508,052	3,996	0	0	512,048
Prepaid Items	11,344	0	0	0	11,344
Restricted Assets:					
Cash and Cash Equivalents	0	0	0	1,217,605	1,217,605
Total Assets	\$ 9,960,378	\$ 2,492,271	\$ 3,031,182	\$ 1,427,575	\$ 16,911,406
Liabilities:					
Accounts Payable	\$ 201,127	\$ 12,605	\$ 67,934	\$ 0	\$ 281,666
Accrued Wages and Benefits Payable	30,723	0	252	0	30,975
Total Liabilities	231,850	12,605	68,186	0	312,641
Deferred Inflows of Resources:					
Unavailable Amounts	563,960	7,947	0	0	571,907
Property Tax Levy for Next Fiscal Year	1,729,857	852,762	0	0	2,582,619
Total Deferred Inflows of Resources	2,293,817	860,709	0	0	3,154,526
Fund Balances:					
Nonspendable	11,344	0	0	1,217,605	1,228,949
Restricted	7,062,384	1,618,957	892,154	209,970	9,783,465
Committed	360,983	0	2,070,842	0	2,431,825
Total Fund Balances	7,434,711	1,618,957	2,962,996	1,427,575	13,444,239
Total Liabilities, Deferred Inflows of Resources and Fund Balances	\$ 9,960,378	\$ 2,492,271	\$ 3,031,182	\$ 1,427,575	\$ 16,911,406

CITY OF PAINESVILLE, OHIO

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

	Nonmajor Special Revenue Funds	Nonmajor Debt Service Funds	Nonmajor Capital Projects Funds	Nonmajor Permanent Funds	Total Nonmajor Governmental Funds
Revenues:					
Property Taxes	\$ 1,793,781	\$ 766,287	\$ 0	\$ 0	\$ 2,560,068
Intergovernmental Revenues	3,640,732	7,992	267,630	0	3,916,354
Charges for Services	840,962	0	0	0	840,962
Investment Earnings	600	0	0	9,653	10,253
Special Assessments	0	87,165	285,000	0	372,165
Fines and Forfeitures	209,450	0	147,990	0	357,440
All Other Revenues	20,155	0	33,690	22,050	75,895
Total Revenues	6,505,680	861,444	734,310	31,703	8,133,137
Expenditures:					
Current:					
General Government	549,453	28,845	137,525	0	715,823
Public Safety	4,569,679	0	0	0	4,569,679
Highways and Streets	780,077	77,753	310,086	0	1,167,916
Public Health and Welfare	370,705	0	0	100	370,805
Community Environment	200	0	0	0	200
Capital Outlay	0	0	855,594	0	855,594
Debt Service:					
Principal Retirement	110,649	659,178	14,000	0	783,827
Interest and Fiscal Charges	38,055	207,912	2,150	0	248,117
Total Expenditures	6,418,818	973,688	1,319,355	100	8,711,961
Excess (Deficiency) of Revenues					
Over Expenditures	86,862	(112,244)	(585,045)	31,603	(578,824)
Other Financing Sources (Uses):					
Long Term Note Issuance	1,000,000	0	0	0	1,000,000
Transfers In	635,000	0	1,000,000	0	1,635,000
Transfers Out	0	0	(25,000)	0	(25,000)
Total Other Financing Sources (Uses)	1,635,000	0	975,000	0	2,610,000
Net Change in Fund Balances	1,721,862	(112,244)	389,955	31,603	2,031,176
Fund Balances at Beginning of Year	5,712,849	1,731,201	2,573,041	1,395,972	11,413,063
Fund Balances End of Year	\$ 7,434,711	\$ 1,618,957	\$ 2,962,996	\$ 1,427,575	\$ 13,444,239

CITY OF PAINESVILLE, OHIO

**Combining Balance Sheet
Nonmajor Special Revenue Funds
December 31, 2020**

	Street Construction, Maintenance and Repair Fund	State Highway Improvement Fund	Cemeteries Fund	Police Pension Transfer Fund
Assets:				
Pooled Cash and Investments	\$ 2,318,039	\$ 79,082	\$ 873,398	\$ 189,135
Cash and Cash Equivalents in Segregated Accounts	0	0	0	0
Receivables:				
Taxes	0	0	0	70,691
Accounts	0	0	0	0
Intergovernmental	414,472	29,497	0	4,995
Prepaid Items	0	0	3,111	0
Total Assets	\$ 2,732,511	\$ 108,579	\$ 876,509	\$ 264,821
Liabilities:				
Accounts Payable	\$ 130,557	\$ 8,498	\$ 1,755	\$ 0
Accrued Wages and Benefits Payable	4,171	0	6,557	0
Total Liabilities	134,728	8,498	8,312	0
Deferred Inflows of Resources:				
Unavailable Amounts	276,315	19,665	0	9,734
Property Tax Levy for Next Fiscal Year	0	0	0	65,952
Total Deferred Inflows of Resources	276,315	19,665	0	75,686
Fund Balances:				
Nonspendable	0	0	3,111	0
Restricted	2,321,468	80,416	865,086	189,135
Committed	0	0	0	0
Total Fund Balances	2,321,468	80,416	868,197	189,135
Total Liabilities, Deferred Inflows of Resources and Fund Balances	\$ 2,732,511	\$ 108,579	\$ 876,509	\$ 264,821

(Continued)

CITY OF PAINESVILLE, OHIO

**Combining Balance Sheet
Nonmajor Special Revenue Funds
December 31, 2020**

	Fire Pension Transfer Fund	Law Enforcement Fund	Indigent Drivers Alcohol Treatment Fund	Enforcement and Education Fund
Assets:				
Pooled Cash and Investments	\$ 189,177	\$ 30,094	\$ 91,125	\$ 121,422
Cash and Cash Equivalents in Segregated Accounts	0	0	25	718
Receivables:				
Taxes	70,691	0	0	0
Accounts	0	0	0	0
Intergovernmental	4,995	0	0	0
Prepaid Items	0	0	0	0
Total Assets	\$ 264,863	\$ 30,094	\$ 91,150	\$ 122,140
Liabilities:				
Accounts Payable	\$ 0	\$ 2,033	\$ 0	\$ 19,038
Accrued Wages and Benefits Payable	0	0	0	0
Total Liabilities	0	2,033	0	19,038
Deferred Inflows of Resources:				
Unavailable Amounts	9,734	0	0	0
Property Tax Levy for Next Fiscal Year	65,952	0	0	0
Total Deferred Inflows of Resources	75,686	0	0	0
Fund Balances:				
Nonspendable	0	0	0	0
Restricted	189,177	28,061	91,150	103,102
Committed	0	0	0	0
Total Fund Balances	189,177	28,061	91,150	103,102
Total Liabilities, Deferred Inflows of Resources and Fund Balances	\$ 264,863	\$ 30,094	\$ 91,150	\$ 122,140

CITY OF PAINESVILLE, OHIO

<u>Fire Levy Fund</u>	<u>Probation Services Fund</u>	<u>COPS Fast Grant Fund</u>	<u>Lake County Grant Fund</u>	<u>CARES Act Fund</u>	<u>Fire Fund</u>
\$ 338,404	\$ 138,286	\$ 1,513	\$ 4,988	\$ 46,997	\$ 9,593
0	6,921	0	0	0	0
102,455	0	0	0	0	0
0	0	0	0	0	0
8,026	0	0	0	0	0
0	0	0	0	0	0
<u>\$ 448,885</u>	<u>\$ 145,207</u>	<u>\$ 1,513</u>	<u>\$ 4,988</u>	<u>\$ 46,997</u>	<u>\$ 9,593</u>
\$ 1,887	\$ 347	\$ 0	\$ 0	\$ 5,363	\$ 0
0	1,404	0	0	0	0
<u>1,887</u>	<u>1,751</u>	<u>0</u>	<u>0</u>	<u>5,363</u>	<u>0</u>
15,217	0	0	0	0	0
95,264	0	0	0	0	0
<u>110,481</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
0	0	0	0	0	0
336,517	143,456	1,513	4,988	41,634	9,593
0	0	0	0	0	0
<u>336,517</u>	<u>143,456</u>	<u>1,513</u>	<u>4,988</u>	<u>41,634</u>	<u>9,593</u>
<u>\$ 448,885</u>	<u>\$ 145,207</u>	<u>\$ 1,513</u>	<u>\$ 4,988</u>	<u>\$ 46,997</u>	<u>\$ 9,593</u>

(Continued)

CITY OF PAINESVILLE, OHIO

**Combining Balance Sheet
Nonmajor Special Revenue Funds
December 31, 2020**

	Victim's Advocate Grant Fund	Emergency Medical Services Fund	Municipal Court Computerization Fund	Plan Review Fund
Assets:				
Pooled Cash and Investments	\$ 23,345	\$ 339,183	\$ 184,366	\$ 368,326
Cash and Cash Equivalents in Segregated Accounts	0	0	7,389	0
Receivables:				
Taxes	0	0	0	0
Accounts	0	122,000	0	0
Intergovernmental	6,120	0	0	0
Prepaid Items	0	8,233	0	0
Total Assets	\$ 29,465	\$ 469,416	\$ 191,755	\$ 368,326
Liabilities:				
Accounts Payable	\$ 0	\$ 6,709	\$ 250	\$ 0
Accrued Wages and Benefits Payable	618	16,706	1,267	0
Total Liabilities	618	23,415	1,517	0
Deferred Inflows of Resources:				
Unavailable Amounts	6,120	76,785	0	0
Property Tax Levy for Next Fiscal Year	0	0	0	0
Total Deferred Inflows of Resources	6,120	76,785	0	0
Fund Balances:				
Nonspendable	0	8,233	0	0
Restricted	22,727	0	190,238	368,326
Committed	0	360,983	0	0
Total Fund Balances	22,727	369,216	190,238	368,326
Total Liabilities, Deferred Inflows of Resources and Fund Balances	\$ 29,465	\$ 469,416	\$ 191,755	\$ 368,326

CITY OF PAINESVILLE, OHIO

Brownfield Grant Fund	Fire Improvement Levy Fund	Road Improvement Levy Fund	Police Levy Fund	Columbarium Trust Fund	Land Bank Fund
\$ 41,431	\$ 294,265	\$ 1,224,952	\$ 516,612	\$ 89	\$ 8,253
0	0	0	0	0	0
0	330,984	677,009	605,139	0	0
0	0	0	0	0	0
0	8,896	16,377	14,674	0	0
0	0	0	0	0	0
<u>\$ 41,431</u>	<u>\$ 634,145</u>	<u>\$ 1,918,338</u>	<u>\$ 1,136,425</u>	<u>\$ 89</u>	<u>\$ 8,253</u>
\$ 0	\$ 20,192	\$ 377	\$ 4,121	\$ 0	\$ 0
0	0	0	0	0	0
0	20,192	377	4,121	0	0
0	31,667	62,602	56,121	0	0
0	308,213	630,784	563,692	0	0
0	339,880	693,386	619,813	0	0
0	0	0	0	0	0
41,431	274,073	1,224,575	512,491	89	8,253
0	0	0	0	0	0
<u>41,431</u>	<u>274,073</u>	<u>1,224,575</u>	<u>512,491</u>	<u>89</u>	<u>8,253</u>
<u>\$ 41,431</u>	<u>\$ 634,145</u>	<u>\$ 1,918,338</u>	<u>\$ 1,136,425</u>	<u>\$ 89</u>	<u>\$ 8,253</u>

(Continued)

CITY OF PAINESVILLE, OHIO

***Combining Balance Sheet
Nonmajor Special Revenue Funds
December 31, 2020***

	Law Enforcement Trust Fund	Total Nonmajor Special Revenue Funds
	<u> </u>	<u> </u>
Assets:		
Pooled Cash and Investments	\$ 14,885	\$ 7,446,960
Cash and Cash Equivalents in Segregated Accounts	0	15,053
Receivables:		
Taxes	0	1,856,969
Accounts	0	122,000
Intergovernmental	0	508,052
Prepaid Items	0	11,344
Total Assets	<u>\$ 14,885</u>	<u>\$ 9,960,378</u>
Liabilities:		
Accounts Payable	\$ 0	\$ 201,127
Accrued Wages and Benefits Payable	0	30,723
Total Liabilities	<u>0</u>	<u>231,850</u>
Deferred Inflows of Resources:		
Unavailable Amounts	0	563,960
Property Tax Levy for Next Fiscal Year	0	1,729,857
Total Deferred Inflows of Resources	<u>0</u>	<u>2,293,817</u>
Fund Balances:		
Nonspendable	0	11,344
Restricted	14,885	7,062,384
Committed	0	360,983
Total Fund Balances	<u>14,885</u>	<u>7,434,711</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u>\$ 14,885</u>	<u>\$ 9,960,378</u>

CITY OF PAINESVILLE, OHIO

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

	Street Construction, Maintenance and Repair Fund	State Highway Improvement Fund	Cemeteries Fund	Police Pension Transfer Fund
Revenues:				
Property Taxes	\$ 0	\$ 0	\$ 0	\$ 65,196
Intergovernmental Revenues	1,052,807	68,117	0	9,993
Charges for Services	0	0	186,586	0
Investment Earnings	0	0	0	0
Fines and Forfeitures	0	0	0	0
All Other Revenues	0	0	1,168	0
Total Revenues	1,052,807	68,117	187,754	75,189
Expenditures:				
Current:				
General Government	0	0	0	852
Public Safety	0	0	0	100,000
Highways and Streets	712,571	30,307	0	0
Public Health and Welfare	0	0	370,705	0
Community Environment	0	0	0	0
Debt Service:				
Principal Retirement	85,445	0	0	0
Interest and Fiscal Charges	19,428	0	0	0
Total Expenditures	817,444	30,307	370,705	100,852
Excess (Deficiency) of Revenues Over Expenditures	235,363	37,810	(182,951)	(25,663)
Other Financing Sources (Uses):				
Long Term Note Issuance	0	0	0	0
Transfers In	0	0	410,000	0
Total Other Financing Sources (Uses)	0	0	410,000	0
Net Change in Fund Balances	235,363	37,810	227,049	(25,663)
Fund Balances at Beginning of Year	2,086,105	42,606	641,148	214,798
Fund Balances End of Year	\$ 2,321,468	\$ 80,416	\$ 868,197	\$ 189,135

(Continued)

CITY OF PAINESVILLE, OHIO

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

	Fire Pension Transfer Fund	Law Enforcement Fund	Indigent Drivers Alcohol Treatment Fund	Enforcement and Education Fund
Revenues:				
Property Taxes	\$ 65,196	\$ 0	\$ 0	\$ 0
Intergovernmental Revenues	9,990	0	0	0
Charges for Services	0	0	0	0
Investment Earnings	0	0	0	0
Fines and Forfeitures	0	0	5,527	9,009
All Other Revenues	0	6,329	0	0
Total Revenues	75,186	6,329	5,527	9,009
Expenditures:				
Current:				
General Government	852	0	22,250	59,804
Public Safety	100,000	2,953	0	0
Highways and Streets	0	0	0	0
Public Health and Welfare	0	0	0	0
Community Environment	0	0	0	0
Debt Service:				
Principal Retirement	0	0	0	0
Interest and Fiscal Charges	0	0	0	0
Total Expenditures	100,852	2,953	22,250	59,804
Excess (Deficiency) of Revenues Over Expenditures	(25,666)	3,376	(16,723)	(50,795)
Other Financing Sources (Uses):				
Long Term Note Issuance	0	0	0	0
Transfers In	0	0	0	0
Total Other Financing Sources (Uses)	0	0	0	0
Net Change in Fund Balances	(25,666)	3,376	(16,723)	(50,795)
Fund Balances at Beginning of Year	214,843	24,685	107,873	153,897
Fund Balances End of Year	\$ 189,177	\$ 28,061	\$ 91,150	\$ 103,102

CITY OF PAINESVILLE, OHIO

Fire Levy Fund	Probation Services Fund	COPS Fast Grant Fund	Lake County Grant Fund	CARES Act Fund	Fire Fund
\$ 95,887	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
10,162	0	0	0	2,194,656	25
0	0	0	0	0	0
0	0	0	0	600	0
0	103,378	0	0	0	0
0	0	0	0	0	3,839
<u>106,049</u>	<u>103,378</u>	<u>0</u>	<u>0</u>	<u>2,195,256</u>	<u>3,864</u>
1,234	94,877	0	0	0	0
42,520	0	0	0	2,153,622	1,122
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	200	0	0
25,204	0	0	0	0	0
3,494	0	0	0	0	0
<u>72,452</u>	<u>94,877</u>	<u>0</u>	<u>200</u>	<u>2,153,622</u>	<u>1,122</u>
33,597	8,501	0	(200)	41,634	2,742
0	0	0	0	0	0
0	0	0	0	0	0
<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
33,597	8,501	0	(200)	41,634	2,742
302,920	134,955	1,513	5,188	0	6,851
<u>\$ 336,517</u>	<u>\$ 143,456</u>	<u>\$ 1,513</u>	<u>\$ 4,988</u>	<u>\$ 41,634</u>	<u>\$ 9,593</u>

(Continued)

CITY OF PAINESVILLE, OHIO

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

	Victim's Advocate Grant Fund	Emergency Medical Services Fund	Municipal Court Computerization Fund	Plan Review Fund
Revenues:				
Property Taxes	\$ 0	\$ 0	\$ 0	\$ 0
Intergovernmental Revenues	19,868	0	0	0
Charges for Services	0	484,939	0	169,437
Investment Earnings	0	0	0	0
Fines and Forfeitures	0	0	91,536	0
All Other Revenues	0	0	0	0
Total Revenues	19,868	484,939	91,536	169,437
Expenditures:				
Current:				
General Government	27,169	0	78,761	69,212
Public Safety	0	613,636	0	0
Highways and Streets	0	0	0	0
Public Health and Welfare	0	0	0	0
Community Environment	0	0	0	0
Debt Service:				
Principal Retirement	0	0	0	0
Interest and Fiscal Charges	0	0	0	0
Total Expenditures	27,169	613,636	78,761	69,212
Excess (Deficiency) of Revenues Over Expenditures	(7,301)	(128,697)	12,775	100,225
Other Financing Sources (Uses):				
Long Term Note Issuance	0	0	0	0
Transfers In	25,000	200,000	0	0
Total Other Financing Sources (Uses)	25,000	200,000	0	0
Net Change in Fund Balances	17,699	71,303	12,775	100,225
Fund Balances at Beginning of Year	5,028	297,913	177,463	268,101
Fund Balances End of Year	\$ 22,727	\$ 369,216	\$ 190,238	\$ 368,326

CITY OF PAINESVILLE, OHIO

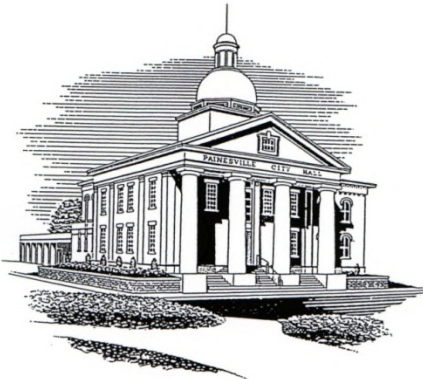
Brownfield Grant Fund	Fire Improvement Levy Fund	Road Improvement Levy Fund	Police Levy Fund	Columbarium Trust Fund	Land Bank Fund
\$ 0	\$ 322,243	\$ 657,639	\$ 587,620	\$ 0	\$ 0
195,221	17,791	32,754	29,348	0	0
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
195,221	340,034	690,393	616,968	0	0
194,442	0	0	0	0	0
0	1,448,554	0	104,477	0	0
0	0	37,199	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
0	15,133	0	0	0	0
194,442	1,463,687	37,199	104,477	0	0
779	(1,123,653)	653,194	512,491	0	0
0	1,000,000	0	0	0	0
0	0	0	0	0	0
0	1,000,000	0	0	0	0
779	(123,653)	653,194	512,491	0	0
40,652	397,726	571,381	0	89	8,253
\$ 41,431	\$ 274,073	\$ 1,224,575	\$ 512,491	\$ 89	\$ 8,253

(Continued)

CITY OF PAINESVILLE, OHIO

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

	Law Enforcement Trust Fund	Total Nonmajor Special Revenue Funds
Revenues:		
Property Taxes	\$ 0	\$ 1,793,781
Intergovernmental Revenues	0	3,640,732
Charges for Services	0	840,962
Investment Earnings	0	600
Fines and Forfeitures	0	209,450
All Other Revenues	8,819	20,155
Total Revenues	8,819	6,505,680
Expenditures:		
Current:		
General Government	0	549,453
Public Safety	2,795	4,569,679
Highways and Streets	0	780,077
Public Health and Welfare	0	370,705
Community Environment	0	200
Debt Service:		
Principal Retirement	0	110,649
Interest and Fiscal Charges	0	38,055
Total Expenditures	2,795	6,418,818
Excess (Deficiency) of Revenues Over Expenditures	6,024	86,862
Other Financing Sources (Uses):		
Long Term Note Issuance	0	1,000,000
Transfers In	0	635,000
Total Other Financing Sources (Uses)	0	1,635,000
Net Change in Fund Balances	6,024	1,721,862
Fund Balances at Beginning of Year	8,861	5,712,849
Fund Balances End of Year	\$ 14,885	\$ 7,434,711



CITY OF PAINESVILLE, OHIO

**Combining Balance Sheet
Nonmajor Debt Service Funds
December 31, 2020**

	General Bond Retirement Fund	Special Assessment Bond Retirement Fund	Shamrock Business Center TIF Fund	Total Nonmajor Debt Service Funds
Assets:				
Pooled Cash and Investments	\$ 213,982	\$ 81,843	\$ 1,335,737	\$ 1,631,562
Receivables:				
Taxes	56,713	0	800,000	856,713
Intergovernmental	3,996	0	0	3,996
Total Assets	\$ 274,691	\$ 81,843	\$ 2,135,737	\$ 2,492,271
Liabilities:				
Accounts Payable	\$ 0	\$ 12,605	\$ 0	\$ 12,605
Total Liabilities	0	12,605	0	12,605
Deferred Inflows of Resources:				
Unavailable Amounts	7,947	0	0	7,947
Property Tax Levy for Next Fiscal Year	52,762	0	800,000	852,762
Total Deferred Inflows of Resources	60,709	0	800,000	860,709
Fund Balances:				
Restricted	213,982	69,238	1,335,737	1,618,957
Total Fund Balances	213,982	69,238	1,335,737	1,618,957
Total Liabilities, Deferred Inflows of Resources and Fund Balances	\$ 274,691	\$ 81,843	\$ 2,135,737	\$ 2,492,271

CITY OF PAINESVILLE, OHIO

**Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Debt Service Funds
For the Year Ended December 31, 2020**

	General Bond Retirement Fund	Special Assessment Bond Retirement Fund	Shamrock Business Center TIF Fund	Total Nonmajor Debt Service Funds
Revenues:				
Property Taxes	\$ 52,157	\$ 0	\$ 714,130	\$ 766,287
Intergovernmental Revenues	7,992	0	0	7,992
Special Assessments	0	87,165	0	87,165
Total Revenues	<u>60,149</u>	<u>87,165</u>	<u>714,130</u>	<u>861,444</u>
Expenditures:				
Current:				
General Government	681	28,164	0	28,845
Highways and Streets	0	0	77,753	77,753
Debt Service:				
Principal Retirement	250,000	58,000	351,178	659,178
Interest and Fiscal Charges	12,000	24,100	171,812	207,912
Total Expenditures	<u>262,681</u>	<u>110,264</u>	<u>600,743</u>	<u>973,688</u>
Net Change in Fund Balances	(202,532)	(23,099)	113,387	(112,244)
Fund Balances at Beginning of Year	<u>416,514</u>	<u>92,337</u>	<u>1,222,350</u>	<u>1,731,201</u>
Fund Balances End of Year	<u>\$ 213,982</u>	<u>\$ 69,238</u>	<u>\$ 1,335,737</u>	<u>\$ 1,618,957</u>

CITY OF PAINESVILLE, OHIO

**Combining Balance Sheet
Nonmajor Capital Projects Funds
December 31, 2020**

	Municipal Court Improvement Fund	Capital Equipment Reserve Fund	Capital Improvement Fund	Lake Hospital Demolition Fund
Assets:				
Pooled Cash and Investments	\$ 146,421	\$ 1,225,898	\$ 882,907	\$ 10,775
Cash and Cash Equivalents in Segregated Accounts	171	0	0	0
Receivables:				
Accounts	0	0	0	0
Total Assets	<u>\$ 146,592</u>	<u>\$ 1,225,898</u>	<u>\$ 882,907</u>	<u>\$ 10,775</u>
Liabilities:				
Accounts Payable	\$ 539	\$ 61,303	\$ 3,316	\$ 0
Accrued Wages and Benefits Payable	0	0	0	0
Total Liabilities	<u>539</u>	<u>61,303</u>	<u>3,316</u>	<u>0</u>
Fund Balances:				
Restricted	146,053	0	0	10,775
Committed	0	1,164,595	879,591	0
Total Fund Balances	<u>146,053</u>	<u>1,164,595</u>	<u>879,591</u>	<u>10,775</u>
Total Liabilities and Fund Balances	<u>\$ 146,592</u>	<u>\$ 1,225,898</u>	<u>\$ 882,907</u>	<u>\$ 10,775</u>

CITY OF PAINESVILLE, OHIO

Jackson Street Interchange Project Fund	Industrial Park Project Fund	Municipal Court Special Projects Fund	Millstone Acquisition Fund	City Hall Fire Fund	Shamrock Boulevard Road Project Fund	Total Nonmajor Capital Projects Funds
\$ 394,240	\$ 26,656	\$ 209,166	\$ 31,578	\$ 189	\$ 57,915	\$ 2,985,745
0	0	11,576	0	0	0	11,747
0	0	33,690	0	0	0	33,690
<u>\$ 394,240</u>	<u>\$ 26,656</u>	<u>\$ 254,432</u>	<u>\$ 31,578</u>	<u>\$ 189</u>	<u>\$ 57,915</u>	<u>\$ 3,031,182</u>
\$ 634	\$ 0	\$ 2,142	\$ 0	\$ 0	\$ 0	\$ 67,934
0	0	252	0	0	0	252
<u>634</u>	<u>0</u>	<u>2,394</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>68,186</u>
393,606	0	252,038	31,578	189	57,915	892,154
0	26,656	0	0	0	0	2,070,842
<u>393,606</u>	<u>26,656</u>	<u>252,038</u>	<u>31,578</u>	<u>189</u>	<u>57,915</u>	<u>2,962,996</u>
<u>\$ 394,240</u>	<u>\$ 26,656</u>	<u>\$ 254,432</u>	<u>\$ 31,578</u>	<u>\$ 189</u>	<u>\$ 57,915</u>	<u>\$ 3,031,182</u>

CITY OF PAINESVILLE, OHIO

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

	Municipal Court Improvement Fund	Capital Equipment Reserve Fund	Capital Improvement Fund	Lake Hospital Demolition Fund
Revenues:				
Intergovernmental Revenues	\$ 0	\$ 0	\$ 118,496	\$ 0
Special Assessments	0	0	0	0
Fines and Forfeitures	23,157	0	0	0
All Other Revenues	0	0	0	0
Total Revenues	23,157	0	118,496	0
Expenditures:				
Current:				
General Government	19,120	0	0	0
Highways and Streets	0	220,056	90,030	0
Capital Outlay	23,654	408,625	319,256	0
Debt Service:				
Principal Retirement	0	0	0	0
Interest and Fiscal Charges	0	0	0	0
Total Expenditures	42,774	628,681	409,286	0
Excess (Deficiency) of Revenues Over Expenditures	(19,617)	(628,681)	(290,790)	0
Other Financing Sources (Uses):				
Transfers In	0	700,000	300,000	0
Transfers Out	0	0	0	0
Total Other Financing Sources (Uses)	0	700,000	300,000	0
Net Change in Fund Balances	(19,617)	71,319	9,210	0
Fund Balances at Beginning of Year	165,670	1,093,276	870,381	10,775
Fund Balances End of Year	\$ 146,053	\$ 1,164,595	\$ 879,591	\$ 10,775

CITY OF PAINESVILLE, OHIO

Jackson Street Interchange Project Fund	Industrial Park Project Fund	Municipal Court Special Projects Fund	Millstone Acquisition Fund	City Hall Fire Fund	Shamrock Boulevard Road Project Fund	Total Nonmajor Capital Project Funds
\$ 59,363	\$ 0	\$ 89,771	\$ 0	\$ 0	\$ 0	\$ 267,630
285,000	0	0	0	0	0	285,000
0	0	124,833	0	0	0	147,990
0	0	33,690	0	0	0	33,690
<u>344,363</u>	<u>0</u>	<u>248,294</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>734,310</u>
0	0	118,405	0	0	0	137,525
0	0	0	0	0	0	310,086
67,472	0	36,587	0	0	0	855,594
0	14,000	0	0	0	0	14,000
0	2,150	0	0	0	0	2,150
<u>67,472</u>	<u>16,150</u>	<u>154,992</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>1,319,355</u>
276,891	(16,150)	93,302	0	0	0	(585,045)
0	0	0	0	0	0	1,000,000
0	0	(25,000)	0	0	0	(25,000)
0	0	(25,000)	0	0	0	975,000
276,891	(16,150)	68,302	0	0	0	389,955
116,715	42,806	183,736	31,578	189	57,915	2,573,041
<u>\$ 393,606</u>	<u>\$ 26,656</u>	<u>\$ 252,038</u>	<u>\$ 31,578</u>	<u>\$ 189</u>	<u>\$ 57,915</u>	<u>\$ 2,962,996</u>

CITY OF PAINESVILLE, OHIO

***Combining Balance Sheet
Nonmajor Permanent Funds
December 31, 2020***

	Cemetery Trust Fund	Special Endowment Trust Fund	Total Nonmajor Permanent Funds
Assets:			
Pooled Cash and Investments	\$ 129,218	\$ 80,752	\$ 209,970
Restricted Assets:			
Cash and Cash Equivalents	827,644	389,961	1,217,605
Total Assets	<u>\$ 956,862</u>	<u>\$ 470,713</u>	<u>\$ 1,427,575</u>
Liabilities:	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
Fund Balances:			
Nonspendable	827,644	389,961	1,217,605
Restricted	129,218	80,752	209,970
Total Fund Balances	<u>956,862</u>	<u>470,713</u>	<u>1,427,575</u>
Total Liabilities and Fund Balances	<u>\$ 956,862</u>	<u>\$ 470,713</u>	<u>\$ 1,427,575</u>

CITY OF PAINESVILLE, OHIO

***Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Permanent Funds
For the Year Ended December 31, 2020***

	Cemetery Trust Fund	Special Endowment Trust Fund	Total Nonmajor Permanent Funds
Revenues:			
Investment Earnings	\$ 6,810	\$ 2,843	\$ 9,653
All Other Revenues	6,750	15,300	22,050
Total Revenues	<u>13,560</u>	<u>18,143</u>	<u>31,703</u>
Expenditures:			
Current:			
Public Health and Welfare	100	0	100
Total Expenditures	<u>100</u>	<u>0</u>	<u>100</u>
Net Change in Fund Balances	13,460	18,143	31,603
Fund Balances at Beginning of Year	<u>943,402</u>	<u>452,570</u>	<u>1,395,972</u>
Fund Balances End of Year	<u>\$ 956,862</u>	<u>\$ 470,713</u>	<u>\$ 1,427,575</u>

CITY OF PAINESVILLE, OHIO

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Major Fund – General Fund
For the Year Ended December 31, 2020***

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Taxes:				
Property Taxes:				
Real Estate and Public Utility	\$ 463,542	\$ 463,702	\$ 473,961	\$ 10,259
Total Property Taxes	<u>463,542</u>	<u>463,702</u>	<u>473,961</u>	<u>10,259</u>
Municipal Income Tax	8,470,000	8,470,000	9,360,001	890,001
Total Taxes	<u>8,933,542</u>	<u>8,933,702</u>	<u>9,833,962</u>	<u>900,260</u>
Intergovernmental Revenues:				
Local Government Fund - County	730,000	730,000	762,349	32,349
Local Government Fund - State	0	0	75,533	75,533
Property Tax Allocation	70,000	70,000	71,929	1,929
Miscellaneous Tax	14,000	14,000	4,229	(9,771)
Total Intergovernmental Revenues	<u>814,000</u>	<u>814,000</u>	<u>914,040</u>	<u>100,040</u>
Charges for Services:				
General Government	620	620	1,454	834
Public Safety	16,400	16,400	17,646	1,246
Highways and Streets	10,500	10,500	8,419	(2,081)
Culture and Recreation	12,300	12,300	13,414	1,114
Community Environment	500	500	10,300	9,800
Total Charges for Services	<u>40,320</u>	<u>40,320</u>	<u>51,233</u>	<u>10,913</u>
Licenses, Permits and Inspection Fees:				
License Fees	35,500	35,500	49,050	13,550
Permit Fees	12,000	12,000	26,948	14,948
Inspection Fees	5,000	5,000	751	(4,249)
Zoning Appeal Fees	22,000	22,000	39,920	17,920
Other Fees	255,000	255,000	231,176	(23,824)
Total Licenses, Permits and Inspection Fees	<u>329,500</u>	<u>329,500</u>	<u>347,845</u>	<u>18,345</u>
Investment Earnings	705,000	705,000	633,451	(71,549)
Fines and Forfeitures	1,008,400	1,008,400	792,748	(215,652)
All Other Revenues	313,770	313,770	435,453	121,683
Total Revenues	<u>12,144,532</u>	<u>12,144,692</u>	<u>13,008,732</u>	<u>864,040</u>

(Continued)

CITY OF PAINESVILLE, OHIO

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Major Fund – General Fund
For the Year Ended December 31, 2020***

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Expenditures:				
General Government:				
Legislative:				
Council:				
Personal Services	1,916,433	1,868,067	1,670,195	197,872
All Other Expenditures	7,636	6,436	1,402	5,034
Clerk of Council:				
Personal Services	6,970	6,970	6,563	407
All Other Expenditures	3,412	4,562	3,748	814
Judicial - Municipal Court:				
Judicial Activities:				
Personal Services	244,455	247,105	237,312	9,793
Clerk of Court:				
Personal Services	686,331	700,928	690,646	10,282
All Other Expenditures	26,606	25,386	24,887	499
Probation:				
Personal Services	210,679	210,679	206,916	3,763
Executive:				
City Manager:				
Personal Services	44,497	44,497	41,806	2,691
All Other Expenditures	11,206	8,601	5,595	3,006
Comm., Promotions and Public Relations Activities:				
Personal Services	12,632	12,632	11,939	693
All Other Expenditures	22,513	20,536	15,865	4,671
Information Technology:				
All Other Expenditures	25,917	18,467	12,007	6,460
Human Resources:				
Personal Services	41,385	45,385	44,503	882
All Other Expenditures	27,635	25,885	24,437	1,448
Economic Development:				
Personal Services	29,883	26,688	22,947	3,741
All Other Expenditures	26,124	26,124	22,801	3,323

(Continued)

CITY OF PAINESVILLE, OHIO

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Major Fund – General Fund
For the Year Ended December 31, 2020***

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Finance:				
Administration:				
Personal Services	72,414	78,885	78,039	846
All Other Expenditures	31,446	30,687	29,608	1,079
Accounting:				
Personal Services	713	713	0	713
All Other Expenditures	1,097	1,097	0	1,097
Purchasing/Warehousing:				
Personal Services	26,676	22,601	12,008	10,593
All Other Expenditures	1,478	1,478	1,137	341
Income Tax Collection:				
All Other Expenditures	266,575	317,282	316,053	1,229
Law:				
Administration:				
Personal Services	35,390	36,315	35,529	786
All Other Expenditures	600	600	25	575
Engineering:				
Administration:				
Personal Services	74,012	75,762	73,510	2,252
All Other Expenditures	13,393	13,393	11,258	2,135
Public Lands and Buildings:				
Building Operations, Maintenance and Repair:				
Personal Services	11,848	13,291	12,923	368
All Other Expenditures	56,385	58,750	56,221	2,529
Miscellaneous:				
Insurance:				
All Other Expenditures	42,447	42,447	42,447	0
Tax Settlement Deductions:				
All Other Expenditures	12,050	15,687	13,053	2,634

(Continued)

CITY OF PAINESVILLE, OHIO

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Major Fund – General Fund
For the Year Ended December 31, 2020***

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Other Miscellaneous:				
Personal Services	200,000	335,620	335,448	172
All Other Expenditures	786,267	789,523	719,316	70,207
Total General Government	<u>4,977,105</u>	<u>5,133,079</u>	<u>4,780,144</u>	<u>352,935</u>
Public Safety:				
Police:				
Law Enforcement - Sworn Officers:				
Personal Services	3,662,369	3,610,114	3,187,518	422,596
Law Enforcement - Other:				
Personal Services	376,061	433,086	410,891	22,195
All Other Expenditures	249,428	260,737	252,203	8,534
Fire:				
Fire Fighting, Prevention and Inspection:				
Personal Services	2,544,662	2,593,953	2,073,620	520,333
All Other Expenditures	100,737	100,737	95,644	5,093
Fire Service - Other:				
Personal Services	54,057	54,097	34,296	19,801
Police and Fire Communications:				
Control Center:				
All Other Expenditures	526,248	535,248	535,247	1
Total Public Safety	<u>7,513,562</u>	<u>7,587,972</u>	<u>6,589,419</u>	<u>998,553</u>
Highways and Streets:				
Public Works:				
Administration:				
Personal Services	120,612	127,112	118,908	8,204
All Other Expenditures	64,513	65,538	104,772	(39,234)
Street Maintenance and Repair:				
All Other Expenditures	42,636	42,878	2,634	40,244
Building Maintenance:				
Personal Services	29,922	29,922	29,217	705
All Other Expenditures	189,428	179,299	198,187	(18,888)
Equipment Maintenance:				
Personal Services	1,514	1,514	0	1,514
All Other Expenditures	22,617	22,617	0	22,617

(Continued)

CITY OF PAINESVILLE, OHIO

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Major Fund – General Fund
For the Year Ended December 31, 2020***

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Employee Benefits:				
Personal Services	274,201	274,201	199,048	75,153
Sidewalks - Snow Removal:				
All Other Expenditures	440	440	439	1
Parking:				
Parking Lots:				
All Other Expenditures	2	2	0	2
Traffic Signs, Markings:				
Traffic Signs, Markings, Signals:				
Personal Services	37,345	37,586	29,049	8,537
All Other Expenditures	27,875	28,771	27,634	1,137
Total Highways and Streets	<u>811,105</u>	<u>809,880</u>	<u>709,888</u>	<u>99,992</u>
Public Health and Welfare:				
Payments to County Health Board:				
County Health District Assessments:				
All Other Expenditures	152,035	152,035	152,035	0
Assistance to Needy/Aged:				
Poor Relief:				
All Other Expenditures	300	319	319	0
Total Public Health and Welfare	<u>152,335</u>	<u>152,354</u>	<u>152,354</u>	<u>0</u>
Culture and Recreation:				
Parks:				
Administration:				
Personal Services	368,775	370,475	313,185	57,290
All Other Expenditures	109,737	107,064	107,949	(885)
Parks Systems:				
Personal Services	8,457	8,457	0	8,457
All Other Expenditures	7,951	7,951	0	7,951

(Continued)

CITY OF PAINESVILLE, OHIO

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Major Fund – General Fund
For the Year Ended December 31, 2020***

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Building Maintenance:				
All Other Expenditures	2,588	2,588	0	2,588
Morse Avenue Community Center:				
All Other Expenditures	9,462	9,462	7,070	2,392
Recreation Activities:				
Personal Services	155,134	156,634	154,212	2,422
All Other Expenditures	11,508	11,508	11,295	213
Other Leisure Time Activities:				
Community Functions:				
All Other Expenditures	28,000	28,000	28,000	0
Total Culture and Recreation	<u>701,612</u>	<u>702,139</u>	<u>621,711</u>	<u>80,428</u>
Community Environment:				
Community Planning and Zoning:				
Planning Commission:				
All Other Expenditures	723	723	472	251
Demolition:				
All Other Expenditures	32,030	32,030	7,038	24,992
Planning and Development:				
Personal Services	47,814	51,964	49,357	2,607
All Other Expenditures	27,321	20,793	8,989	11,804
Housing and Building Code Enforcement:				
Code Enforcement:				
Personal Services	46,185	46,185	29,707	16,478
All Other Expenditures	13,834	13,885	9,671	4,214
Tree Care and Weed Control:				
Weed Control:				
All Other Expenditures	12,288	12,288	11,855	433
Total Community Environment	<u>180,195</u>	<u>177,868</u>	<u>117,089</u>	<u>60,779</u>
Total Expenditures	<u>14,335,914</u>	<u>14,563,292</u>	<u>12,970,605</u>	<u>1,592,687</u>
Excess (Deficiency) of Revenues				
Over (Under) Expenditures	(2,191,382)	(2,418,600)	38,127	2,456,727

(Continued)

CITY OF PAINESVILLE, OHIO

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Major Fund – General Fund
For the Year Ended December 31, 2020***

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Other Financing Sources (Uses):				
Sale of Capital Assets	0	0	26,663	26,663
Insurance Proceeds	2,500	2,500	1,727	(773)
Transfers In	740,000	1,240,000	1,223,041	(16,959)
Transfers Out	(310,000)	(2,010,000)	(2,010,000)	0
Total Other Financing Sources (Uses)	<u>432,500</u>	<u>(767,500)</u>	<u>(758,569)</u>	<u>8,931</u>
Net Change in Fund Balance	(1,758,882)	(3,186,100)	(720,442)	2,465,658
Fund Balance at Beginning of Year	4,902,955	4,902,955	4,902,955	0
Prior Year Encumbrances	1,315,873	1,315,873	1,315,873	0
Fund Balance at End of Year	<u>\$ 4,459,946</u>	<u>\$ 3,032,728</u>	<u>\$ 5,498,386</u>	<u>\$ 2,465,658</u>

CITY OF PAINESVILLE, OHIO

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2020***

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
STREET CONSTRUCTION, MAINTENANCE AND REPAIR FUND				
Revenues:				
Intergovernmental Revenues	\$ 933,386	\$ 933,386	\$ 952,082	\$ 18,696
Total Revenues	<u>933,386</u>	<u>933,386</u>	<u>952,082</u>	<u>18,696</u>
Expenditures:				
Highways and Streets:				
Public Works:				
Administration:				
Personal Services	320,203	320,010	229,430	90,580
All Other Expenditures	8,750	8,985	9,426	(441)
Street Construction and Reconstruction:				
Personal Service	15,228	15,228	0	15,228
Street Maintenance and Repair:				
All Other Expenditures	444	444	0	444
Highway/Street Improvement:				
Capital Outlay	527,169	527,169	417,046	110,123
Snow and Ice Removal:				
All Other Expenditures	299,789	299,789	216,152	83,637
Debt Service:				
Principal Retirement	233,202	233,202	230,756	2,446
Interest Charges	23,845	23,845	23,845	0
Total Expenditures	<u>1,428,630</u>	<u>1,428,672</u>	<u>1,126,655</u>	<u>302,017</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(495,244)	(495,286)	(174,573)	320,713
Other Financing Sources (Uses):				
Transfers In	102,000	102,000	102,000	0
Total Other Financing Sources (Uses)	<u>102,000</u>	<u>102,000</u>	<u>102,000</u>	<u>0</u>
Net Changes in Fund Balance	(393,244)	(393,286)	(72,573)	320,713
Fund Balance at Beginning of Year	1,833,290	1,833,290	1,833,290	0
Prior Year Encumbrances	197,895	197,895	197,895	0
Fund Balance at End of Year	<u>\$ 1,637,941</u>	<u>\$ 1,637,899</u>	<u>\$ 1,958,612</u>	<u>\$ 320,713</u>

CITY OF PAINESVILLE, OHIO

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2020***

STATE HIGHWAY IMPROVEMENT FUND				Variance with Final Budget Positive (Negative)
	Original Budget	Final Budget	Actual	
Revenues:				
Intergovernmental Revenues	\$ 75,572	\$ 75,572	\$ 68,844	\$ (6,728)
Total Revenues	<u>75,572</u>	<u>75,572</u>	<u>68,844</u>	<u>(6,728)</u>
Expenditures:				
Highways and Streets:				
Public Works:				
State Highway Maintenance:				
All Other Expenditures	72,847	72,847	45,423	27,424
Total Expenditures	<u>72,847</u>	<u>72,847</u>	<u>45,423</u>	<u>27,424</u>
Net Change in Fund Balance	2,725	2,725	23,421	20,696
Fund Balance at Beginning of Year	24,900	24,900	24,900	0
Prior Year Encumbrances	20,423	20,423	20,423	0
Fund Balance at End of Year	<u>\$ 48,048</u>	<u>\$ 48,048</u>	<u>\$ 68,744</u>	<u>\$ 20,696</u>

CITY OF PAINESVILLE, OHIO

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2020***

CEMETERIES FUND				
	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Charges for Services	\$ 149,500	\$ 149,500	\$ 186,586	\$ 37,086
All Other Revenues	0	0	1,168	1,168
Total Revenues	<u>149,500</u>	<u>149,500</u>	<u>187,754</u>	<u>38,254</u>
Expenditures:				
Public Health and Welfare:				
Cemeteries:				
Administration:				
Personal Services	419,647	408,286	328,620	79,666
All Other Expenditures	44,763	56,622	55,945	677
Evergreen/Riverside Cemeteries:				
Personal Services	5,220	5,220	0	5,220
All Other Expenditures	2,805	2,805	0	2,805
Building Maintenance:				
All Other Expenditures	753	753	0	753
Total Expenditures	<u>473,188</u>	<u>473,686</u>	<u>384,565</u>	<u>89,121</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(323,688)	(324,186)	(196,811)	127,375
Other Financing Sources (Uses):				
Transfers In	310,000	410,000	410,000	0
Total Other Financing Sources (Uses)	<u>310,000</u>	<u>410,000</u>	<u>410,000</u>	<u>0</u>
Net Change in Fund Balance	(13,688)	85,814	213,189	127,375
Fund Balance at Beginning of Year	638,704	638,704	638,704	0
Prior Year Encumbrances	14,611	14,611	14,611	0
Fund Balance at End of Year	<u>\$ 639,627</u>	<u>\$ 739,129</u>	<u>\$ 866,504</u>	<u>\$ 127,375</u>

CITY OF PAINESVILLE, OHIO

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2020***

POLICE PENSION TRANSFER FUND				
	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Taxes	\$ 62,317	\$ 62,339	\$ 65,196	\$ 2,857
Intergovernmental Revenues	10,000	10,000	9,993	(7)
Total Revenues	<u>72,317</u>	<u>72,339</u>	<u>75,189</u>	<u>2,850</u>
Expenditures:				
Public Safety:				
Police:				
Law-Enforcement-Sworn Officers:				
Personal Services	100,000	100,000	100,000	0
All Other Expenditures	1,000	1,000	852	148
Total Expenditures	<u>101,000</u>	<u>101,000</u>	<u>100,852</u>	<u>148</u>
Net Changes in Fund Balance	(28,683)	(28,661)	(25,663)	2,998
Fund Balance at Beginning of Year	214,798	214,798	214,798	0
Fund Balance at End of Year	<u>\$ 186,115</u>	<u>\$ 186,137</u>	<u>\$ 189,135</u>	<u>\$ 2,998</u>

CITY OF PAINESVILLE, OHIO

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2020***

FIRE PENSION TRANSFER FUND				
	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Taxes	\$ 62,317	\$ 62,339	\$ 65,196	\$ 2,857
Intergovernmental Revenues	10,000	10,000	9,990	(10)
Total Revenues	<u>72,317</u>	<u>72,339</u>	<u>75,186</u>	<u>2,847</u>
Expenditures:				
Public Safety:				
Fire:				
Fire Fighting, Prevention, and Inspection:				
Personal Services	100,000	100,000	100,000	0
All Other Expenditures	1,000	1,000	852	148
Total Expenditures	<u>101,000</u>	<u>101,000</u>	<u>100,852</u>	<u>148</u>
Net Change in Fund Balance	(28,683)	(28,661)	(25,666)	2,995
Fund Balance at Beginning of Year	214,843	214,843	214,843	0
Fund Balance at End of Year	<u>\$ 186,160</u>	<u>\$ 186,182</u>	<u>\$ 189,177</u>	<u>\$ 2,995</u>

CITY OF PAINESVILLE, OHIO

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2020***

LAW ENFORCEMENT FUND				Variance with Final Budget Positive (Negative)
	Original Budget	Final Budget	Actual	
Revenues:				
All Other Revenues	\$ 600	\$ 4,600	\$ 6,329	\$ 1,729
Total Revenues	<u>600</u>	<u>4,600</u>	<u>6,329</u>	<u>1,729</u>
Expenditures:				
Public Safety:				
Police:				
Law-Enforcement-Other:				
All Other Expenditures	1,550	5,660	4,776	884
Total Expenditures	<u>1,550</u>	<u>5,660</u>	<u>4,776</u>	<u>884</u>
Net Change in Fund Balance	(950)	(1,060)	1,553	2,613
Fund Balance at Beginning of Year	23,135	23,135	23,135	0
Prior Year Encumbrances	1,550	1,550	1,550	0
Fund Balance at End of Year	<u>\$ 23,735</u>	<u>\$ 23,625</u>	<u>\$ 26,238</u>	<u>\$ 2,613</u>

CITY OF PAINESVILLE, OHIO

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2020***

MUNICIPAL MOTOR VEHICLE LICENSE TAX FUND

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Intergovernmental Revenues	\$ 35,000	\$ 35,000	\$ 36,898	\$ 1,898
Total Revenues	<u>35,000</u>	<u>35,000</u>	<u>36,898</u>	<u>1,898</u>
Expenditures:				
Total Expenditures	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	35,000	35,000	36,898	1,898
Other Financing Sources (Uses):				
Transfers Out	(35,000)	(35,000)	(35,000)	0
Total Other Financing Sources (Uses)	<u>(35,000)</u>	<u>(35,000)</u>	<u>(35,000)</u>	<u>0</u>
Net Change in Fund Balance	0	0	1,898	1,898
Fund Balance at Beginning of Year	22,901	22,901	22,901	0
Fund Balance at End of Year	<u>\$ 22,901</u>	<u>\$ 22,901</u>	<u>\$ 24,799</u>	<u>\$ 1,898</u>

CITY OF PAINESVILLE, OHIO

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2020***

INDIGENT DRIVERS ALCOHOL TREATMENT FUND				Variance with Final Budget Positive (Negative)
	Original Budget	Final Budget	Actual	
Revenues:				
Fines and Forfeitures	\$ 22,000	\$ 9,000	\$ 5,745	\$ (3,255)
Total Revenues	<u>22,000</u>	<u>9,000</u>	<u>5,745</u>	<u>(3,255)</u>
Expenditures:				
General Government:				
Judicial - Municipal Court:				
Judicial Activities:				
All Other Expenditures	22,250	22,250	22,250	0
Total Expenditures	<u>22,250</u>	<u>22,250</u>	<u>22,250</u>	<u>0</u>
Net Change in Fund Balance	(250)	(13,250)	(16,505)	(3,255)
Fund Balance at Beginning of Year	100,380	100,380	100,380	0
Prior Year Encumbrances	7,250	7,250	7,250	0
Fund Balance at End of Year	<u>\$ 107,380</u>	<u>\$ 94,380</u>	<u>\$ 91,125</u>	<u>\$ (3,255)</u>

CITY OF PAINESVILLE, OHIO

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2020***

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Fines and Forfeitures	\$ 14,000	\$ 14,000	\$ 9,312	\$ (4,688)
Total Revenues	<u>14,000</u>	<u>14,000</u>	<u>9,312</u>	<u>(4,688)</u>
Expenditures:				
General Government:				
All Other Expenditures	7,980	7,980	0	7,980
Capital Outlay	71,619	71,619	71,618	1
Total Expenditures	<u>79,599</u>	<u>79,599</u>	<u>71,618</u>	<u>7,981</u>
Net Change in Fund Balance	(65,599)	(65,599)	(62,306)	3,293
Fund Balance at Beginning of Year	150,060	150,060	150,060	0
Prior Year Encumbrances	3,639	3,639	3,639	0
Fund Balance at End of Year	<u>\$ 88,100</u>	<u>\$ 88,100</u>	<u>\$ 91,393</u>	<u>\$ 3,293</u>

CITY OF PAINESVILLE, OHIO

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2020***

CITY MOTOR VEHICLE LICENSE TAX FUND				
	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Intergovernmental Revenues	\$ 70,000	\$ 70,000	\$ 73,796	\$ 3,796
Total Revenues	<u>70,000</u>	<u>70,000</u>	<u>73,796</u>	<u>3,796</u>
Expenditures:				
Total Expenditures	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	70,000	70,000	73,796	3,796
Other Financing Sources (Uses):				
Transfers Out	(67,000)	(67,000)	(67,000)	0
Total Other Financing Sources (Uses)	<u>(67,000)</u>	<u>(67,000)</u>	<u>(67,000)</u>	<u>0</u>
Net Change in Fund Balance	3,000	3,000	6,796	3,796
Fund Balance at Beginning of Year	59,741	59,741	59,741	0
Fund Balance at End of Year	<u>\$ 62,741</u>	<u>\$ 62,741</u>	<u>\$ 66,537</u>	<u>\$ 3,796</u>

CITY OF PAINESVILLE, OHIO

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2020***

FIRE LEVY FUND				
	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Taxes	\$ 93,846	\$ 93,892	\$ 95,887	\$ 1,995
Intergovernmental Revenues	10,000	10,000	10,162	162
Total Revenues	<u>103,846</u>	<u>103,892</u>	<u>106,049</u>	<u>2,157</u>
Expenditures:				
Public Safety:				
Fire Fighting, Prevention, and Inspection:				
All Other Expenditures	2,000	2,000	1,234	766
Fire Service - Other:				
All Other Expenditures	10,000	11,755	11,733	22
Capital Outlay	40,000	40,000	39,884	116
Debt Service:				
Principal Retirement	25,205	25,205	25,204	1
Interest and Fiscal Charges	3,495	3,495	3,494	1
Total Expenditures	<u>80,700</u>	<u>82,455</u>	<u>81,549</u>	<u>906</u>
Net Change in Fund Balance	23,146	21,437	24,500	3,063
Fund Balance at Beginning of Year	302,920	302,920	302,920	0
Fund Balance at End of Year	<u>\$ 326,066</u>	<u>\$ 324,357</u>	<u>\$ 327,420</u>	<u>\$ 3,063</u>

CITY OF PAINESVILLE, OHIO

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2020***

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Total Revenues	\$ 0	\$ 0	\$ 0	\$ 0
Expenditures:				
Total Expenditures	0	0	0	0
Net Change in Fund Balance	0	0	0	0
Fund Balance at Beginning of Year	10,931	10,931	10,931	0
Fund Balance at End of Year	<u>\$ 10,931</u>	<u>\$ 10,931</u>	<u>\$ 10,931</u>	<u>\$ 0</u>

CITY OF PAINESVILLE, OHIO

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2020***

	PROBATION SERVICES FUND			Variance with Final Budget Positive (Negative)
	Original Budget	Final Budget	Actual	
Revenues:				
Fines and Forfeitures	\$ 110,000	\$ 110,000	\$ 104,460	\$ (5,540)
Total Revenues	<u>110,000</u>	<u>110,000</u>	<u>104,460</u>	<u>(5,540)</u>
Expenditures:				
General Government:				
Judicial - Municipal Court:				
Probation:				
Personal Services	77,904	77,904	67,911	9,993
All Other Expenditures	42,231	42,541	33,333	9,208
Total Expenditures	<u>120,135</u>	<u>120,445</u>	<u>101,244</u>	<u>19,201</u>
Net Change in Fund Balance	(10,135)	(10,445)	3,216	13,661
Fund Balance at Beginning of Year	122,232	122,232	122,232	0
Prior Year Encumbrances	8,216	8,216	8,216	0
Fund Balance at End of Year	<u>\$ 120,313</u>	<u>\$ 120,003</u>	<u>\$ 133,664</u>	<u>\$ 13,661</u>

CITY OF PAINESVILLE, OHIO

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2020***

COPS FAST GRANT FUND				
	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Total Revenues	\$ 0	\$ 0	\$ 0	\$ 0
Expenditures:				
Total Expenditures	0	0	0	0
Net Change in Fund Balance	0	0	0	0
Fund Balance at Beginning of Year	1,513	1,513	1,513	0
Fund Balance at End of Year	<u>\$ 1,513</u>	<u>\$ 1,513</u>	<u>\$ 1,513</u>	<u>\$ 0</u>

CITY OF PAINESVILLE, OHIO

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2020***

	LAKE COUNTY GRANT FUND			Variance with Final Budget Positive (Negative)
	Original Budget	Final Budget	Actual	
Revenues:				
Intergovernmental Revenues	\$ 50,000	\$ 6,000	\$ 0	\$ (6,000)
Total Revenues	<u>50,000</u>	<u>6,000</u>	<u>0</u>	<u>(6,000)</u>
Expenditures:				
Community Environment:				
All Other Expenditures	50,000	5,000	3,590	1,410
Total Expenditures	<u>50,000</u>	<u>5,000</u>	<u>3,590</u>	<u>1,410</u>
Net Change in Fund Balance	0	1,000	(3,590)	(4,590)
Fund Balance at Beginning of Year	5,188	5,188	5,188	0
Fund Balance at End of Year	<u>\$ 5,188</u>	<u>\$ 6,188</u>	<u>\$ 1,598</u>	<u>\$ (4,590)</u>

CITY OF PAINESVILLE, OHIO

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2020***

	CARES ACT FUND			Variance with Final Budget Positive (Negative)
	Original Budget	Final Budget	Actual	
Revenues:				
Intergovernmental Revenues	\$ 0	\$ 2,194,656	\$ 2,194,656	\$ 0
Investment Earnings	0	600	600	0
Total Revenues	0	2,195,256	2,195,256	0
Expenditures:				
Public Safety:				
Personal Services	0	1,086,972	1,086,972	0
All Other Expenditures	0	1,108,284	1,108,284	0
Total Expenditures	0	2,195,256	2,195,256	0
Net Change in Fund Balance	0	0	0	0
Fund Balance at Beginning of Year	0	0	0	0
Fund Balance at End of Year	\$ 0	\$ 0	\$ 0	\$ 0

CITY OF PAINESVILLE, OHIO

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2020***

	FIRE FUND			Variance with Final Budget Positive (Negative)
	Original Budget	Final Budget	Actual	
Revenues:				
Intergovernmental Revenues	\$ 0	\$ 0	\$ 25	\$ 25
All Other Revenues	500	2,500	3,839	1,339
Total Revenues	<u>500</u>	<u>2,500</u>	<u>3,864</u>	<u>1,364</u>
Expenditures:				
Public Safety:				
Fire:				
Fire Service - Other:				
All Other Expenditures	500	1,622	1,622	0
Total Expenditures	<u>500</u>	<u>1,622</u>	<u>1,622</u>	<u>0</u>
Net Change in Fund Balance	0	878	2,242	1,364
Fund Balance at Beginning of Year	6,851	6,851	6,851	0
Fund Balance at End of Year	<u>\$ 6,851</u>	<u>\$ 7,729</u>	<u>\$ 9,093</u>	<u>\$ 1,364</u>

CITY OF PAINESVILLE, OHIO

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2020***

VICTIM'S ADVOCATE GRANT FUND				
	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Intergovernmental Revenues	\$ 25,000	\$ 25,000	\$ 19,868	\$ (5,132)
Total Revenues	<u>25,000</u>	<u>25,000</u>	<u>19,868</u>	<u>(5,132)</u>
Expenditures:				
General Government:				
Judicial - Municipal Court:				
Clerk of Court:				
Personal Services	28,280	28,280	27,851	429
Total Expenditures	<u>28,280</u>	<u>28,280</u>	<u>27,851</u>	<u>429</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(3,280)	(3,280)	(7,983)	(4,703)
Other Financing Sources (Uses):				
Transfers In	0	25,000	25,000	0
Total Other Financing Sources (Uses)	<u>0</u>	<u>25,000</u>	<u>25,000</u>	<u>0</u>
Net Changes in Fund Balance	(3,280)	21,720	17,017	(4,703)
Fund Balance at Beginning of Year	5,414	5,414	5,414	0
Prior Year Encumbrances	914	914	914	0
Fund Balance at End of Year	<u>\$ 3,048</u>	<u>\$ 28,048</u>	<u>\$ 23,345</u>	<u>\$ (4,703)</u>

CITY OF PAINESVILLE, OHIO

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2020***

EMERGENCY MEDICAL SERVICES FUND				
	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Charges for Services	\$ 485,000	\$ 485,000	\$ 488,619	\$ 3,619
Total Revenues	<u>485,000</u>	<u>485,000</u>	<u>488,619</u>	<u>3,619</u>
Expenditures:				
Public Safety:				
Fire:				
Fire Fighting, Prevention, and Inspection:				
Personal Services	542,323	491,728	443,852	47,876
All Other Expenditures	64,915	64,915	64,915	0
Fire Service - Other:				
Personal Services	82,430	159,182	140,032	19,150
Total Expenditures	<u>689,668</u>	<u>715,825</u>	<u>648,799</u>	<u>67,026</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(204,668)	(230,825)	(160,180)	70,645
Other Financing Sources (Uses):				
Transfers In	0	200,000	200,000	0
Total Other Financing Sources (Uses)	<u>0</u>	<u>200,000</u>	<u>200,000</u>	<u>0</u>
Net Change in Fund Balance	(204,668)	(30,825)	39,820	70,645
Fund Balance at Beginning of Year	235,697	235,697	235,697	0
Prior Year Encumbrances	37,281	37,281	37,281	0
Fund Balance at End of Year	<u>\$ 68,310</u>	<u>\$ 242,153</u>	<u>\$ 312,798</u>	<u>\$ 70,645</u>

CITY OF PAINESVILLE, OHIO

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2020***

MUNICIPAL COURT COMPUTERIZATION FUND

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Fines and Forfeitures	\$ 116,000	\$ 116,000	\$ 92,040	\$ (23,960)
Total Revenues	<u>116,000</u>	<u>116,000</u>	<u>92,040</u>	<u>(23,960)</u>
Expenditures:				
General Government:				
Judicial - Municipal Court:				
Clerk of Court:				
Personal Services	94,088	94,091	63,795	30,296
All Other Expenditures	17,675	17,675	14,175	3,500
Probation:				
Personal Services	13,245	13,245	12,682	563
Total Expenditures	<u>125,008</u>	<u>125,011</u>	<u>90,652</u>	<u>34,359</u>
Net Change in Fund Balance	(9,008)	(9,011)	1,388	10,399
Fund Balance at Beginning of Year	166,884	166,884	166,884	0
Prior Year Encumbrances	7,377	7,377	7,377	0
Fund Balance at End of Year	<u>\$ 165,253</u>	<u>\$ 165,250</u>	<u>\$ 175,649</u>	<u>\$ 10,399</u>

CITY OF PAINESVILLE, OHIO

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2020***

	PLAN REVIEW FUND			Variance with Final Budget
	Original Budget	Final Budget	Actual	Positive (Negative)
Revenues:				
Charges for Services	\$ 0	\$ 160,000	\$ 169,437	\$ 9,437
Total Revenues	<u>0</u>	<u>160,000</u>	<u>169,437</u>	<u>9,437</u>
Expenditures:				
General Government:				
All Other Expenditures	26,528	83,921	83,910	11
Total Expenditures	<u>26,528</u>	<u>83,921</u>	<u>83,910</u>	<u>11</u>
Net Change in Fund Balance	(26,528)	76,079	85,527	9,448
Fund Balance at Beginning of Year	252,091	252,091	252,091	0
Prior Year Encumbrances	26,528	26,528	26,528	0
Fund Balance at End of Year	<u>\$ 252,091</u>	<u>\$ 354,698</u>	<u>\$ 364,146</u>	<u>\$ 9,448</u>

CITY OF PAINESVILLE, OHIO

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2020***

	BROWNFIELD GRANT FUND			Variance with Final Budget Positive (Negative)
	Original Budget	Final Budget	Actual	
Revenues:				
Intergovernmental Revenues	\$ 150,000	\$ 207,881	\$ 195,221	\$ (12,660)
Total Revenues	<u>150,000</u>	<u>207,881</u>	<u>195,221</u>	<u>(12,660)</u>
Expenditures:				
General Government:				
All Other Expenditures	150,000	195,420	195,499	(79)
Total Expenditures	<u>150,000</u>	<u>195,420</u>	<u>195,499</u>	<u>(79)</u>
Net Change in Fund Balance	0	12,461	(278)	(12,739)
Fund Balance at Beginning of Year	40,652	40,652	40,652	0
Fund Balance at End of Year	<u>\$ 40,652</u>	<u>\$ 53,113</u>	<u>\$ 40,374</u>	<u>\$ (12,739)</u>

CITY OF PAINESVILLE, OHIO

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2020***

ZONING APPLICATION FUND				
	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
All Other Revenues	\$ 225	\$ 225	\$ 2,300	\$ 2,075
Total Revenues	<u>225</u>	<u>225</u>	<u>2,300</u>	<u>2,075</u>
Expenditures:				
Community Environment:				
Zoning Application:				
All Other Expenditures	290	290	199	91
Total Expenditures	<u>290</u>	<u>290</u>	<u>199</u>	<u>91</u>
Net Change in Fund Balance	(65)	(65)	2,101	2,166
Fund Balance at Beginning of Year	13,207	13,207	13,207	0
Prior Year Encumbrances	90	90	90	0
Fund Balance at End of Year	<u>\$ 13,232</u>	<u>\$ 13,232</u>	<u>\$ 15,398</u>	<u>\$ 2,166</u>

CITY OF PAINESVILLE, OHIO

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2020***

FIRE IMPROVEMENT LEVY FUND				
	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Taxes	\$ 309,299	\$ 309,396	\$ 322,243	\$ 12,847
Intergovernmental Revenues	17,000	17,000	17,791	791
Total Revenues	<u>326,299</u>	<u>326,396</u>	<u>340,034</u>	<u>13,638</u>
Expenditures:				
Public Safety:				
Fire:				
Fire Grant:				
All Other Expenditures	443	443	443	0
Fire Service - Other:				
All Other Expenditures	134,659	1,460,983	1,461,895	(912)
Capital Outlay	15,000	15,000	10,827	4,173
Debt Service:				
Interest and Fiscal Charges	0	15,135	15,133	2
Total Expenditures	<u>150,102</u>	<u>1,491,561</u>	<u>1,488,298</u>	<u>3,263</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	176,197	(1,165,165)	(1,148,264)	16,901
Other Financing Sources (Uses):				
General Obligation Notes Issued	0	1,000,000	1,000,000	0
Total Other Financing Sources (Uses)	<u>0</u>	<u>1,000,000</u>	<u>1,000,000</u>	<u>0</u>
Net Change in Fund Balance	176,197	(165,165)	(148,264)	16,901
Fund Balance at Beginning of Year	374,408	374,408	374,408	0
Prior Year Encumbrances	30,752	30,752	30,752	0
Fund Balance at End of Year	<u>\$ 581,357</u>	<u>\$ 239,995</u>	<u>\$ 256,896</u>	<u>\$ 16,901</u>

CITY OF PAINESVILLE, OHIO

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2020***

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
ROAD IMPROVEMENT LEVY FUND				
Revenues:				
Taxes	\$ 625,916	\$ 636,115	\$ 657,639	\$ 21,524
Intergovernmental Revenues	30,000	30,000	32,754	2,754
Total Revenues	<u>655,916</u>	<u>666,115</u>	<u>690,393</u>	<u>24,278</u>
Expenditures:				
Highways and Streets:				
Public Works:				
All Other Expenditures	9,000	9,000	8,027	973
Capital Outlay	879,697	879,697	715,177	164,520
Total Expenditures	<u>888,697</u>	<u>888,697</u>	<u>723,204</u>	<u>165,493</u>
Net Change in Fund Balance	(232,781)	(222,582)	(32,811)	189,771
Fund Balance at Beginning of Year	542,586	542,586	542,586	0
Prior Year Encumbrances	32,897	32,897	32,897	0
Fund Balance at End of Year	<u>\$ 342,702</u>	<u>\$ 352,901</u>	<u>\$ 542,672</u>	<u>\$ 189,771</u>

CITY OF PAINESVILLE, OHIO

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2020***

POLICE LEVY FUND				
	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Taxes	\$ 608,820	\$ 609,500	\$ 587,620	\$ (21,880)
Intergovernmental Revenues	0	0	29,348	29,348
Total Revenues	<u>608,820</u>	<u>609,500</u>	<u>616,968</u>	<u>7,468</u>
Expenditures:				
Public Safety:				
Police:				
Law-Enforcement-Sworn Officers:				
Personal Services	66,000	61,135	32,907	28,228
All Other Expenditures	8,500	13,365	13,365	0
Capital Outlay	515,000	515,000	515,000	0
Police Department - Other:				
Personal Services	10,750	10,750	214	10,536
All Other Expenditures	8,570	8,570	7,175	1,395
Total Expenditures	<u>608,820</u>	<u>608,820</u>	<u>568,661</u>	<u>40,159</u>
Net Change in Fund Balance	0	680	48,307	47,627
Fund Balance at Beginning of Year	0	0	0	0
Fund Balance at End of Year	<u>\$ 0</u>	<u>\$ 680</u>	<u>\$ 48,307</u>	<u>\$ 47,627</u>

CITY OF PAINESVILLE, OHIO

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2020***

	COLUMBARIUM TRUST FUND			Variance with Final Budget Positive (Negative)
	Original Budget	Final Budget	Actual	
Revenues:				
Total Revenues	\$ 0	\$ 0	\$ 0	\$ 0
Expenditures:				
Total Expenditures	0	0	0	0
Net Change in Fund Balance	0	0	0	0
Fund Balance at Beginning of Year	89	89	89	0
Fund Balance at End of Year	<u>\$ 89</u>	<u>\$ 89</u>	<u>\$ 89</u>	<u>\$ 0</u>

CITY OF PAINESVILLE, OHIO

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2020***

LAW ENFORCEMENT TRUST FUND				
	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
All Other Revenues	\$ 750	\$ 8,750	\$ 8,819	\$ 69
Total Revenues	<u>750</u>	<u>8,750</u>	<u>8,819</u>	<u>69</u>
Expenditures:				
Public Safety:				
Police:				
Law Enforcement - Other:				
All Other Expenditures	9,677	9,677	3,644	6,033
Total Expenditures	<u>9,677</u>	<u>9,677</u>	<u>3,644</u>	<u>6,033</u>
Net Change in Fund Balance	(8,927)	(927)	5,175	6,102
Fund Balance at Beginning of Year	8,598	8,598	8,598	0
Prior Year Encumbrances	677	677	677	0
Fund Balance at End of Year	<u>\$ 348</u>	<u>\$ 8,348</u>	<u>\$ 14,450</u>	<u>\$ 6,102</u>

CITY OF PAINESVILLE, OHIO

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Debt Service Funds
For the Year Ended December 31, 2020***

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Taxes	\$ 50,353	\$ 50,371	\$ 52,157	\$ 1,786
Intergovernmental Revenues	7,500	7,500	7,992	492
Total Revenues	<u>57,853</u>	<u>57,871</u>	<u>60,149</u>	<u>2,278</u>
Expenditures:				
General Government:				
All Other Expenditures	900	900	681	219
Debt Service Function:				
Debt Service:				
Principal Retirement	0	262,000	262,000	0
Total Expenditures	<u>900</u>	<u>262,900</u>	<u>262,681</u>	<u>219</u>
Net Change in Fund Balance	56,953	(205,029)	(202,532)	2,497
Fund Balance at Beginning of Year	416,514	416,514	416,514	0
Fund Balance at End of Year	<u>\$ 473,467</u>	<u>\$ 211,485</u>	<u>\$ 213,982</u>	<u>\$ 2,497</u>

CITY OF PAINESVILLE, OHIO

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Debt Service Funds
For the Year Ended December 31, 2020***

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Special Assessments	\$ 71,000	\$ 87,000	\$ 87,165	\$ 165
Total Revenues	<u>71,000</u>	<u>87,000</u>	<u>87,165</u>	<u>165</u>
Expenditures:				
General Government:				
All Other Expenditures	18,800	18,800	15,559	3,241
Debt Service Function:				
Debt Service - Unvoted:				
Debt Service:				
Principal Retirement	58,000	58,000	58,000	0
Interest and Fiscal Charges	24,100	24,100	24,100	0
Total Expenditures	<u>100,900</u>	<u>100,900</u>	<u>97,659</u>	<u>3,241</u>
Net Change in Fund Balance	(29,900)	(13,900)	(10,494)	3,406
Fund Balance at Beginning of Year	92,337	92,337	92,337	0
Fund Balance at End of Year	<u>\$ 62,437</u>	<u>\$ 78,437</u>	<u>\$ 81,843</u>	<u>\$ 3,406</u>

CITY OF PAINESVILLE, OHIO

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Debt Service Funds
For the Year Ended December 31, 2020***

SHAMROCK BUSINESS CENTER TIF FUND				
	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Taxes	\$ 840,000	\$ 720,000	\$ 714,130	\$ (5,870)
Total Revenues	<u>840,000</u>	<u>720,000</u>	<u>714,130</u>	<u>(5,870)</u>
Expenditures:				
Highways and Streets:				
All Other Expenditures	173,900	173,900	162,753	11,147
Debt Service:				
Principal Retirement	585,356	585,356	561,178	24,178
Interest and Fiscal Charges	178,293	178,293	178,195	98
Total Expenditures	<u>937,549</u>	<u>937,549</u>	<u>902,126</u>	<u>35,423</u>
Net Change in Fund Balance	(97,549)	(217,549)	(187,996)	29,553
Fund Balance at Beginning of Year	1,438,733	1,438,733	1,438,733	0
Fund Balance at End of Year	<u>\$ 1,341,184</u>	<u>\$ 1,221,184</u>	<u>\$ 1,250,737</u>	<u>\$ 29,553</u>

CITY OF PAINESVILLE, OHIO

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Capital Projects Funds
For the Year Ended December 31, 2020***

MUNICIPAL COURT IMPROVEMENT FUND				
	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Fines and Forfeitures	\$ 61,000	\$ 36,000	\$ 26,933	\$ (9,067)
Total Revenues	<u>61,000</u>	<u>36,000</u>	<u>26,933</u>	<u>(9,067)</u>
Expenditures:				
General Government:				
Judicial - Municipal Court:				
Judicial Activities:				
Capital Outlay	28,222	28,222	27,582	640
Clerk of Court:				
Capital Outlay	43,344	43,344	28,345	14,999
Total Expenditures	<u>71,566</u>	<u>71,566</u>	<u>55,927</u>	<u>15,639</u>
Net Change in Fund Balance	(10,566)	(35,566)	(28,994)	6,572
Fund Balance at Beginning of Year	120,952	120,952	120,952	0
Prior Year Encumbrances	41,566	41,566	41,566	0
Fund Balance at End of Year	<u>\$ 151,952</u>	<u>\$ 126,952</u>	<u>\$ 133,524</u>	<u>\$ 6,572</u>

CITY OF PAINESVILLE, OHIO

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Capital Projects Funds
For the Year Ended December 31, 2020***

CAPITAL EQUIPMENT RESERVE FUND				
	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Total Revenues	\$ 0	\$ 0	\$ 0	\$ 0
Expenditures:				
General Government:				
Executive:				
City Manager:				
Capital Outlay	17,086	17,705	12,704	5,001
Finance:				
Accounting:				
Capital Outlay	342,710	342,710	342,708	2
Total General Government	359,796	360,415	355,412	5,003
Public Safety:				
Police:				
Law Enforcement - Other:				
Capital Outlay	123,405	123,405	123,404	1
Total Public Safety	123,405	123,405	123,404	1
Highways and Streets:				
Public Works:				
Administration:				
Capital Outlay	241,870	241,870	369,844	(127,974)
Street Maintenance and Repair:				
Capital Outlay	128,292	128,292	0	128,292
Equipment Maintenance:				
Capital Outlay	51,000	51,000	50,932	68
Total Highways and Streets	421,162	421,162	420,776	386

(Continued)

CITY OF PAINESVILLE, OHIO

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Capital Projects Funds
For the Year Ended December 31, 2020***

CAPITAL EQUIPMENT RESERVE FUND				Variance with Final Budget Positive (Negative)
	Original Budget	Final Budget	Actual	
Culture and Recreation:				
Parks:				
Parks Systems:				
Capital Outlay	90,000	90,000	94,566	(4,566)
Total Culture and Recreation	90,000	90,000	94,566	(4,566)
Community Environment:				
Community Planning and Zoning:				
Planning and Development:				
Capital Outlay	414	414	0	414
Housing and Building Code Enforcement:				
Code Enforcement:				
Capital Outlay	20,000	20,000	20,000	0
Total Community Environment	20,414	20,414	20,000	414
Total Expenditures	1,014,777	1,015,396	1,014,158	1,238
Excess (Deficiency) of Revenues Over (Under) Expenditures	(1,014,777)	(1,015,396)	(1,014,158)	1,238
Other Financing Sources (Uses):				
Transfers In	0	700,000	700,000	0
Total Other Financing Sources (Uses)	0	700,000	700,000	0
Net Change in Fund Balance	(1,014,777)	(315,396)	(314,158)	1,238
Fund Balance at Beginning of Year	837,303	837,303	837,303	0
Prior Year Encumbrances	274,489	274,489	274,489	0
Fund Balance at End of Year	\$ 97,015	\$ 796,396	\$ 797,634	\$ 1,238

CITY OF PAINESVILLE, OHIO

**Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Capital Projects Funds
For the Year Ended December 31, 2020**

CAPITAL IMPROVEMENT FUND				Variance with Final Budget Positive (Negative)
	Original Budget	Final Budget	Actual	
Revenues:				
Intergovernmental Revenues	\$ 0	\$ 115,000	\$ 118,496	\$ 3,496
Total Revenues	<u>0</u>	<u>115,000</u>	<u>118,496</u>	<u>3,496</u>
Expenditures:				
General Government:				
Public Lands and Buildings:				
Building Operations, Maintenance and Repair:				
Capital Outlay	391,247	391,247	388,961	2,286
Total General Government	<u>391,247</u>	<u>391,247</u>	<u>388,961</u>	<u>2,286</u>
Highways and Streets:				
Public Works:				
Street Construction and Reconstruction:				
Capital Outlay	201,650	201,650	96,100	105,550
Total Highways and Streets	<u>201,650</u>	<u>201,650</u>	<u>96,100</u>	<u>105,550</u>
Culture and Recreation:				
Parks:				
Administration:				
Capital Outlay	115,000	40,000	39,998	2
Total Culture and Recreation	<u>115,000</u>	<u>40,000</u>	<u>39,998</u>	<u>2</u>
Community Environment:				
Community Planning and Zoning:				
Planning and Development:				
Capital Outlay	176,238	176,238	265,090	(88,852)
Total Community Environment	<u>176,238</u>	<u>176,238</u>	<u>265,090</u>	<u>(88,852)</u>
Total Expenditures	<u>884,135</u>	<u>809,135</u>	<u>790,149</u>	<u>18,986</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(884,135)	(694,135)	(671,653)	22,482

(Continued)

CITY OF PAINESVILLE, OHIO

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Capital Projects Funds
For the Year Ended December 31, 2020***

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Other Financing Sources (Uses):				
Transfers In	0	300,000	300,000	0
Total Other Financing Sources (Uses)	0	300,000	300,000	0
 Net Change in Fund Balance	(884,135)	(394,135)	(371,653)	22,482
 Fund Balance at Beginning of Year	361,705	361,705	361,705	0
Prior Year Encumbrances	657,485	657,485	657,485	0
Fund Balance at End of Year	<u>\$ 135,055</u>	<u>\$ 625,055</u>	<u>\$ 647,537</u>	<u>\$ 22,482</u>

CITY OF PAINESVILLE, OHIO

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Capital Projects Funds
For the Year Ended December 31, 2020***

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Total Revenues	\$ 0	\$ 0	\$ 0	\$ 0
Expenditures:				
Total Expenditures	0	0	0	0
Net Change in Fund Balance	0	0	0	0
Fund Balance at Beginning of Year	10,775	10,775	10,775	0
Fund Balance at End of Year	<u>\$ 10,775</u>	<u>\$ 10,775</u>	<u>\$ 10,775</u>	<u>\$ 0</u>

CITY OF PAINESVILLE, OHIO

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Capital Projects Funds
For the Year Ended December 31, 2020***

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Intergovernmental Revenues	\$ 10,000	\$ 60,000	\$ 59,363	\$ (637)
Special Assessments	0	265,000	285,000	20,000
Total Revenues	<u>10,000</u>	<u>325,000</u>	<u>344,363</u>	<u>19,363</u>
Expenditures:				
Highways and Streets:				
Miscellaneous:				
Capital Outlay	10,000	70,000	70,000	0
Total Expenditures	<u>10,000</u>	<u>70,000</u>	<u>70,000</u>	<u>0</u>
Net Change in Fund Balance	0	255,000	274,363	19,363
Fund Balance at Beginning of Year	116,715	116,715	116,715	0
Fund Balance at End of Year	<u>\$ 116,715</u>	<u>\$ 371,715</u>	<u>\$ 391,078</u>	<u>\$ 19,363</u>

CITY OF PAINESVILLE, OHIO

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Capital Projects Funds
For the Year Ended December 31, 2020***

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Total Revenues	\$ 0	\$ 0	\$ 0	\$ 0
Expenditures:				
Debt Service:				
Principal Retirement	14,000	14,000	14,000	0
Interest and Fiscal Charges	2,150	2,150	2,150	0
Total Expenditures	16,150	16,150	16,150	0
Net Change in Fund Balance	(16,150)	(16,150)	(16,150)	0
Fund Balance at Beginning of Year	42,806	42,806	42,806	0
Fund Balance at End of Year	\$ 26,656	\$ 26,656	\$ 26,656	\$ 0

CITY OF PAINESVILLE, OHIO

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Capital Projects Funds
For the Year Ended December 31, 2020***

MUNICIPAL COURT SPECIAL PROJECTS FUND				
	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Intergovernmental Revenues	\$ 0	\$ 90,000	\$ 89,771	\$ (229)
Fines and Forfeitures	102,000	112,000	120,427	8,427
Total Revenues	<u>102,000</u>	<u>202,000</u>	<u>210,198</u>	<u>8,198</u>
Expenditures:				
General Government:				
Judicial - Municipal Court:				
Judicial Activities:				
Personal Services	6,918	2,918	2,055	863
All Other Expenditures	38,632	28,932	21,381	7,551
Capital Outlay	10,000	36,625	36,587	38
Clerk of Court:				
Personal Services	25,903	13,903	9,478	4,425
All Other Expenditures	75,959	123,712	118,720	4,992
Immobilization Remote Devices:				
All Other Expenditures	8,782	4,782	4,782	0
Total Expenditures	<u>166,194</u>	<u>210,872</u>	<u>193,003</u>	<u>17,869</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(64,194)	(8,872)	17,195	26,067
Other Financing Sources (Uses):				
Transfers Out	0	(25,000)	(25,000)	0
Total Other Financing Sources (Uses)	<u>0</u>	<u>(25,000)</u>	<u>(25,000)</u>	<u>0</u>
Net Change in Fund Balance	(64,194)	(33,872)	(7,805)	26,067
Fund Balance at Beginning of Year	146,316	146,316	146,316	0
Prior Year Encumbrances	40,031	40,031	40,031	0
Fund Balance at End of Year	<u>\$ 122,153</u>	<u>\$ 152,475</u>	<u>\$ 178,542</u>	<u>\$ 26,067</u>

CITY OF PAINESVILLE, OHIO

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Capital Projects Funds
For the Year Ended December 31, 2020***

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Total Revenues	\$ 0	\$ 0	\$ 0	\$ 0
Expenditures:				
Total Expenditures	0	0	0	0
Net Change in Fund Balance	0	0	0	0
Fund Balance at Beginning of Year	31,578	31,578	31,578	0
Fund Balance at End of Year	<u>\$ 31,578</u>	<u>\$ 31,578</u>	<u>\$ 31,578</u>	<u>\$ 0</u>

CITY OF PAINESVILLE, OHIO

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Capital Projects Funds
For the Year Ended December 31, 2020***

	CITY HALL FIRE FUND			Variance with Final Budget Positive (Negative)
	Original Budget	Final Budget	Actual	
Revenues:				
Total Revenues	\$ 0	\$ 0	\$ 0	\$ 0
Expenditures:				
Total Expenditures	0	0	0	0
Net Change in Fund Balance	0	0	0	0
Fund Balance at Beginning of Year	189	189	189	0
Fund Balance at End of Year	<u>\$ 189</u>	<u>\$ 189</u>	<u>\$ 189</u>	<u>\$ 0</u>

CITY OF PAINESVILLE, OHIO

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Capital Projects Funds
For the Year Ended December 31, 2020***

SHAMROCK BOULEVARD ROAD PROJECT FUND

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Total Revenues	\$ 0	\$ 0	\$ 0	\$ 0
Expenditures:				
Total Expenditures	0	0	0	0
Net Change in Fund Balance	0	0	0	0
Fund Balance at Beginning of Year	57,915	57,915	57,915	0
Fund Balance at End of Year	<u>\$ 57,915</u>	<u>\$ 57,915</u>	<u>\$ 57,915</u>	<u>\$ 0</u>

CITY OF PAINESVILLE, OHIO

**Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Permanent Funds
For the Year Ended December 31, 2020**

	CEMETERY TRUST FUND			Variance with Final Budget Positive (Negative)
	Original Budget	Final Budget	Actual	
Revenues:				
Investment Earnings	\$ 10,000	\$ 10,000	\$ 6,810	\$ (3,190)
Total Revenues	<u>10,000</u>	<u>10,000</u>	<u>6,810</u>	<u>(3,190)</u>
Expenditures:				
Public Health and Welfare:				
Cemeteries:				
Evergreen/Riverside Cemeteries:				
All Other Expenditures	<u>200</u>	<u>200</u>	<u>100</u>	<u>100</u>
Total Expenditures	<u>200</u>	<u>200</u>	<u>100</u>	<u>100</u>
Net Change in Fund Balance	9,800	9,800	6,710	(3,090)
Fund Balance at Beginning of Year	<u>122,508</u>	<u>122,508</u>	<u>122,508</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 132,308</u>	<u>\$ 132,308</u>	<u>\$ 129,218</u>	<u>\$ (3,090)</u>

CITY OF PAINESVILLE, OHIO

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Permanent Funds
For the Year Ended December 31, 2020***

SPECIAL ENDOWMENT FUND				
	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Investment Earnings	\$ 5,000	\$ 5,000	\$ 2,843	\$ (2,157)
Total Revenues	<u>5,000</u>	<u>5,000</u>	<u>2,843</u>	<u>(2,157)</u>
Expenditures:				
Public Health and Welfare:				
Cemeteries:				
Evergreen/Riverside Cemeteries:				
All Other Expenditures	100	100	0	100
Total Expenditures	<u>100</u>	<u>100</u>	<u>0</u>	<u>100</u>
Net Change in Fund Balance	4,900	4,900	2,843	(2,057)
Fund Balance at Beginning of Year	77,909	77,909	77,909	0
Fund Balance at End of Year	<u>\$ 82,809</u>	<u>\$ 82,809</u>	<u>\$ 80,752</u>	<u>\$ (2,057)</u>

CITY OF PAINESVILLE, OHIO

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Permanent Funds
For the Year Ended December 31, 2020***

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
All Other Revenues	\$ 200	\$ 200	\$ 0	\$ (200)
Total Revenues	<u>200</u>	<u>200</u>	<u>0</u>	<u>(200)</u>
Expenditures:				
Total Expenditures	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Net Change in Fund Balance	200	200	0	(200)
Fund Balance at Beginning of Year	406,607	406,607	406,607	0
Fund Balance at End of Year	<u>\$ 406,807</u>	<u>\$ 406,807</u>	<u>\$ 406,607</u>	<u>\$ (200)</u>

CITY OF PAINESVILLE, OHIO

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Permanent Funds
For the Year Ended December 31, 2020***

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
All Other Revenues	\$ 4,300	\$ 4,300	\$ 6,750	\$ 2,450
Total Revenues	<u>4,300</u>	<u>4,300</u>	<u>6,750</u>	<u>2,450</u>
Expenditures:				
Total Expenditures	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Net Change in Fund Balance	4,300	4,300	6,750	2,450
Fund Balance at Beginning of Year	<u>414,287</u>	<u>414,287</u>	<u>414,287</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 418,587</u>	<u>\$ 418,587</u>	<u>\$ 421,037</u>	<u>\$ 2,450</u>

CITY OF PAINESVILLE, OHIO

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Permanent Funds
For the Year Ended December 31, 2020***

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
All Other Revenues	\$ 4,300	\$ 12,300	\$ 15,300	\$ 3,000
Total Revenues	<u>4,300</u>	<u>12,300</u>	<u>15,300</u>	<u>3,000</u>
Expenditures:				
Total Expenditures	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Net Change in Fund Balance	4,300	12,300	15,300	3,000
Fund Balance at Beginning of Year	<u>374,661</u>	<u>374,661</u>	<u>374,661</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 378,961</u>	<u>\$ 386,961</u>	<u>\$ 389,961</u>	<u>\$ 3,000</u>

Nonmajor Enterprise Funds

The Enterprise Funds are used to account for operations that are financed and operated in a manner similar to a private business enterprise, whereby the intent of City Council is that the costs of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges, or when City Council has decided that periodic determination of net income is appropriate for accountability purposes.

Refuse Fund

To account for the operation of the City's solid waste collection systems.

Off Street Parking Fund

To account for the operation of the City's off-street parking garage.

Storm Water Utility Fund

To account for the operation of the City's storm water utility system.

Community Programs Fund

To account for operation of several user fee recreational programs offered by the City.

CITY OF PAINESVILLE, OHIO

**Combining Statement of Net Position
Nonmajor Enterprise Funds
December 31, 2020**

	Refuse Fund	Off Street Parking Fund	Storm Water Utility Fund
Assets:			
Current Assets:			
Pooled Cash and Investments	\$ 13,045	\$ 29,548	\$ 1,128,931
Receivables:			
Accounts	0	0	61,441
Total Current Assets	<u>13,045</u>	<u>29,548</u>	<u>1,190,372</u>
Noncurrent Assets:			
Capital Assets:			
Capital Assets Not Being Depreciated	0	731,855	105,354
Capital Assets Being Depreciated, Net	0	0	4,059,071
Total Noncurrent Assets	<u>0</u>	<u>731,855</u>	<u>4,164,425</u>
Total Assets	<u>13,045</u>	<u>761,403</u>	<u>5,354,797</u>
Deferred Outflows of Resources:			
Pension	0	0	13,765
OPEB	0	0	10,014
Total Deferred Outflows of Resources	<u>0</u>	<u>0</u>	<u>23,779</u>
Liabilities:			
Current Liabilities:			
Accounts Payable	1,200	0	12,135
Accrued Wages and Benefits	0	0	1,836
Accrued Interest Payable	0	0	4,084
General Obligation Bonds Payable - Current	0	0	80,000
Compensated Absences Payable - Current	0	0	4,860
Total Current Liabilities	<u>1,200</u>	<u>0</u>	<u>102,915</u>
Noncurrent Liabilities:			
General Obligation Bonds Payable	0	0	1,480,000
Compensated Absences Payable	0	0	7,113
Net Pension Liability	0	0	91,876
Net OPEB Liability	0	0	63,248
Total Noncurrent Liabilities	<u>0</u>	<u>0</u>	<u>1,642,237</u>
Total Liabilities	<u>1,200</u>	<u>0</u>	<u>1,745,152</u>
Deferred Inflows of Resources:			
Pension	0	0	20,179
OPEB	0	0	9,121
Total Deferred Inflows of Resources	<u>0</u>	<u>0</u>	<u>29,300</u>
Net Position			
Net Investment in Capital Assets	0	731,855	2,604,425
Unrestricted	11,845	29,548	999,699
Total Net Position	<u>\$ 11,845</u>	<u>\$ 761,403</u>	<u>\$ 3,604,124</u>

CITY OF PAINESVILLE, OHIO

Community Programs Fund	Total Nonmajor Enterprise Funds
\$ 26,443	\$ 1,197,967
<u>0</u>	<u>61,441</u>
<u>26,443</u>	<u>1,259,408</u>
0	837,209
<u>0</u>	<u>4,059,071</u>
<u>0</u>	<u>4,896,280</u>
<u>26,443</u>	<u>6,155,688</u>
399	14,164
<u>291</u>	<u>10,305</u>
<u>690</u>	<u>24,469</u>
0	13,335
0	1,836
0	4,084
0	80,000
<u>0</u>	<u>4,860</u>
<u>0</u>	<u>104,115</u>
0	1,480,000
0	7,113
2,666	94,542
1,839	65,087
<u>4,505</u>	<u>1,646,742</u>
<u>4,505</u>	<u>1,750,857</u>
587	20,766
<u>283</u>	<u>9,404</u>
<u>870</u>	<u>30,170</u>
0	3,336,280
21,758	1,062,850
<u>\$ 21,758</u>	<u>\$ 4,399,130</u>

CITY OF PAINESVILLE, OHIO

**Combining Statement of Revenues, Expenses and Changes in Fund Net Position
Nonmajor Enterprise Funds
For the Year Ended December 31, 2020**

	Refuse Fund	Off Street Parking Fund	Storm Water Utility Fund
Operating Revenues:			
Charges for Services	\$ 9	\$ 7,330	\$ 427,916
Other Operating Revenues	1,254	0	0
Total Operating Revenues	1,263	7,330	427,916
Operating Expenses:			
Personal Services	0	0	71,990
Contractual Services	1,966	1,521	276,649
Materials and Supplies	0	0	2,034
Utilities	0	1,411	0
Depreciation	0	0	158,906
Total Operating Expenses	1,966	2,932	509,579
Operating Income (Loss)	(703)	4,398	(81,663)
Non-Operating Revenue (Expenses):			
Interest and Fiscal Charges	0	0	(53,297)
Other Nonoperating Revenue	0	530	2,045
Other Nonoperating Expense	0	0	(7,500)
Total Non-Operating Revenues (Expenses)	0	530	(58,752)
Income (Loss) Before Contributions	(703)	4,928	(140,415)
Contributions:			
Capital Contributions	0	0	133,300
Total Contributions	0	0	133,300
Change in Net Position	(703)	4,928	(7,115)
Net Position Beginning of Year	12,548	756,475	3,611,239
Net Position End of Year	\$ 11,845	\$ 761,403	\$ 3,604,124

CITY OF PAINESVILLE, OHIO

<u>Community Programs Fund</u>	<u>Total Nonmajor Enterprise Funds</u>
\$ 20,308	\$ 455,563
22,993	24,247
<u>43,301</u>	<u>479,810</u>
0	71,990
3,341	283,477
16,145	18,179
0	1,411
0	158,906
<u>19,486</u>	<u>533,963</u>
23,815	(54,153)
0	(53,297)
0	2,575
<u>(220)</u>	<u>(7,720)</u>
<u>(220)</u>	<u>(58,442)</u>
23,595	(112,595)
<u>0</u>	<u>133,300</u>
<u>0</u>	<u>133,300</u>
23,595	20,705
<u>(1,837)</u>	<u>4,378,425</u>
<u>\$ 21,758</u>	<u>\$ 4,399,130</u>

CITY OF PAINESVILLE, OHIO

***Combining Statement of Cash Flows
Nonmajor Enterprise Funds
For the Year Ended December 31, 2020***

	Refuse Fund	Off-Street Parking Fund	Storm Water Utility Fund
<u>Cash Flows from Operating Activities:</u>			
Cash Received from Customers	\$1,263	\$7,860	\$420,153
Cash Payments for Goods and Services	(1,478)	(2,932)	(286,543)
Cash Payments to Employees	0	0	(98,425)
Net Cash Provided (Used) by Operating Activities	<u>(215)</u>	<u>4,928</u>	<u>35,185</u>
<u>Cash Flows from Capital and Related Financing Activities:</u>			
Principal Paid on General Obligation Notes	0	0	(45,000)
Capital Contributions	0	0	133,300
Acquisition and Construction of Assets	0	0	(4,384)
Principal Paid on General Obligation Bonds	0	0	(80,000)
Interest Paid on All Debt	0	0	(54,875)
Net Cash Used by Capital and Related Financing Activities	<u>0</u>	<u>0</u>	<u>(50,959)</u>
Net Increase (Decrease) in Cash and Cash Equivalents	(215)	4,928	(15,774)
Cash and Cash Equivalents at Beginning of Year	<u>13,260</u>	<u>24,620</u>	<u>1,144,705</u>
Cash and Cash Equivalents at End of Year	<u><u>\$13,045</u></u>	<u><u>\$29,548</u></u>	<u><u>\$1,128,931</u></u>

CITY OF PAINESVILLE, OHIO

Community Programs Fund	Total Nonmajor Enterprise Funds
\$20,938	\$450,214
(19,706)	(310,659)
<u>(2,672)</u>	<u>(101,097)</u>
(1,440)	38,458
0	(45,000)
0	133,300
0	(4,384)
0	(80,000)
0	<u>(54,875)</u>
0	<u>(50,959)</u>
(1,440)	(12,501)
<u>27,883</u>	<u>1,210,468</u>
<u>\$26,443</u>	<u>\$1,197,967</u>

(Continued)

CITY OF PAINESVILLE, OHIO

***Combining Statement of Cash Flows
Nonmajor Enterprise Funds
For the Year Ended December 31, 2020***

	Refuse Fund	Off-Street Parking Fund	Storm Water Utility Fund
<u>Reconciliation of Operating Income (Loss) to Net Cash</u>			
<u>Provided (Used) by Operating Activities:</u>			
Operating Income (Loss)	(\$703)	\$4,398	(\$81,663)
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:			
Depreciation Expense	0	0	158,906
Miscellaneous Nonoperating Revenues	0	530	2,045
Miscellaneous Nonoperating Expenses	0	0	(7,500)
Changes in Assets, Liabilities, and Deferred Outflows/Inflows:			
Increase in Accounts Receivable	0	0	(9,808)
Decrease in Deferred Outflows of Resources	0	0	26,069
Increase (Decrease) in Accounts Payable	488	0	(362)
Decrease in Accrued Wages and Benefits	0	0	(3,027)
Decrease in Compensated Absences Payable	0	0	(7,017)
Decrease in Net Pension Liability	0	0	(58,883)
Decrease in Net OPEB Liability	0	0	(7,278)
Increase (Decrease) in Deferred Inflows of Resources	0	0	23,703
Total Adjustments	488	530	116,848
Net Cash Provided (Used) by Operating Activities	(\$215)	\$4,928	\$35,185

CITY OF PAINESVILLE, OHIO

<u>Community Programs Fund</u>	<u>Total Nonmajor Enterprise Funds</u>
\$23,815	(\$54,153)
0	158,906
0	2,575
(220)	(7,720)
0	(9,808)
7,661	33,730
0	126
0	(3,027)
0	(7,017)
(22,590)	(81,473)
(9,978)	(17,256)
(128)	23,575
<u>(25,255)</u>	<u>92,611</u>
<u>(\$1,440)</u>	<u>\$38,458</u>

Nonmajor Internal Service Funds

The internal service funds are used to account for financing goods or services provided by one department to other departments of the City on a cost-reimbursement basis.

Fuel and Oil Rotary Fund

To account for the accumulation and allocation of costs associated with petroleum products.

Supplies Rotary Fund

To account for the accumulation and allocation of costs associated with operating supplies.

Employee Health Insurance Fund

To account for the expenses related to employee health insurance coverage provided by the City. This program is partially self-funded by the City as well as through a 'stop-loss' cap arrangement with an outside contractor.

Workers' Compensation Retrospective Fund

To account for expenses for workers' compensation coverage provided by the Ohio Bureau of Workers' Compensation.

CITY OF PAINESVILLE, OHIO

**Combining Statement of Net Position
Nonmajor Internal Service Funds
December 31, 2020**

	Fuel and Oil Rotary Fund	Supplies Rotary Fund	Employee Health Insurance Fund	Workers' Compensation Retrospective Fund	Total
Assets:					
Current Assets:					
Pooled Cash and Investments	\$ 132,602	\$ 25,664	\$ 153,705	\$ 153,779	\$ 465,750
Total Assets	<u>132,602</u>	<u>25,664</u>	<u>153,705</u>	<u>153,779</u>	<u>465,750</u>
Liabilities:					
Current Liabilities:					
Claims Payable - Current	0	0	275,231	461,768	736,999
Total Current Liabilities	<u>0</u>	<u>0</u>	<u>275,231</u>	<u>461,768</u>	<u>736,999</u>
Noncurrent Liabilities:					
Claims Payable	0	0	0	148,970	148,970
Total Liabilities	<u>0</u>	<u>0</u>	<u>275,231</u>	<u>610,738</u>	<u>885,969</u>
Net Position:					
Unrestricted	132,602	25,664	(121,526)	(456,959)	(420,219)
Total Net Position	<u>\$ 132,602</u>	<u>\$ 25,664</u>	<u>\$ (121,526)</u>	<u>\$ (456,959)</u>	<u>\$ (420,219)</u>

CITY OF PAINESVILLE, OHIO

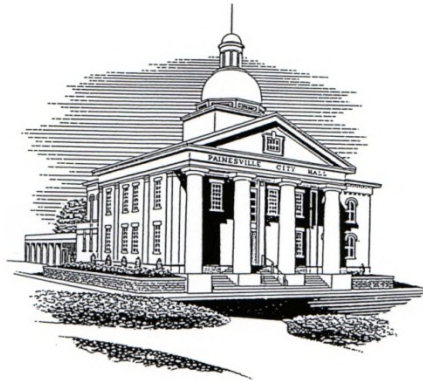
**Combining Statement of Revenues, Expenses and Changes in Fund Net Position
Nonmajor Internal Service Funds
For the Year Ended December 31, 2020**

	Fuel and Oil Rotary Fund	Supplies Rotary Fund	Employee Health Insurance Fund	Workers' Compensation Retrospective Fund	Total
Operating Revenues:					
Charges for Services	\$ 0	\$ 32,741	\$ 4,072,857	\$ 164,446	\$ 4,270,044
Total Operating Revenues	<u>0</u>	<u>32,741</u>	<u>4,072,857</u>	<u>164,446</u>	<u>4,270,044</u>
Operating Expenses:					
Personal Services	0	0	3,234,032	0	3,234,032
Contractual Services	0	0	829,332	88,919	918,251
Materials and Supplies	0	39,600	0	0	39,600
Total Operating Expenses	<u>0</u>	<u>39,600</u>	<u>4,063,364</u>	<u>88,919</u>	<u>4,191,883</u>
Change in Net Position	0	(6,859)	9,493	75,527	78,161
Net Position Beginning of Year	<u>132,602</u>	<u>32,523</u>	<u>(131,019)</u>	<u>(532,486)</u>	<u>(498,380)</u>
Net Position End of Year	<u>\$ 132,602</u>	<u>\$ 25,664</u>	<u>\$ (121,526)</u>	<u>\$ (456,959)</u>	<u>\$ (420,219)</u>

CITY OF PAINESVILLE, OHIO

**Combining Statement of Cash Flows
Nonmajor Internal Service Funds
For the Year Ended December 31, 2020**

	Fuel and Oil Rotary Fund	Supplies Rotary Fund	Employee Health Insurance Fund	Workers' Compensation Retrospective Fund	Total
<u>Cash Flows from Operating Activities:</u>					
Cash Receipts from Interfund Services Provided	\$0	\$32,741	\$4,072,857	\$164,446	\$4,270,044
Cash Payments for Goods and Services	0	(39,600)	(829,332)	(164,446)	(1,033,378)
Cash Payments for Employee Medical Claims	0	0	(3,243,525)	0	(3,243,525)
Net Cash Used by Operating Activities	0	(6,859)	0	0	(6,859)
Net Decrease in Cash and Cash Equivalents	0	(6,859)	0	0	(6,859)
Cash and Cash Equivalents at Beginning of Year	132,602	32,523	153,705	153,779	472,609
Cash and Cash Equivalents at End of Year	\$132,602	\$25,664	\$153,705	\$153,779	\$465,750
<u>Reconciliation of Operating Income (Loss) to Net Cash Used by Operating Activities:</u>					
Operating Income (Loss)	\$0	(\$6,859)	\$9,493	\$75,527	\$78,161
Adjustments to Reconcile Operating Income (Loss) to Net Cash Used by Operating Activities:					
Changes in Assets and Liabilities:					
Decrease in Claims Liability	0	0	(9,493)	(75,527)	(85,020)
Total Adjustments	0	0	(9,493)	(75,527)	(85,020)
Net Cash Used by Operating Activities	\$0	(\$6,859)	\$0	\$0	(\$6,859)



Fiduciary Funds

Fiduciary fund types are used to account for assets held by the City in a trustee capacity or as an agent for individuals, private organizations, other governmental units and/or other funds.

Custodial Funds

Municipal Court Fund

To account for funds that flow through the municipal court.

Law Library Fund

To account for the receipt from the City's municipal court and disbursement to the County Law Library of fines and forfeitures for State Highway Patrol cases in accordance with provisions of the Ohio Revised Code.

JEDD Fund

To account for income tax revenues from University and Tri-Point hospitals as part of a Joint Economic Development District between the City and Concord Township.

CITY OF PAINESVILLE, OHIO

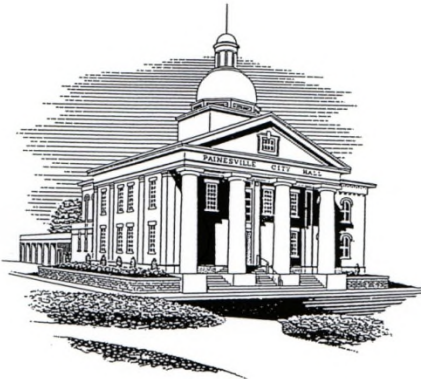
***Combining Statement of Net Position
Fiduciary Funds
December 31, 2020***

	Municipal Court	Law Library	JEDD	Total Custodial Funds
Assets:				
Cash and Cash Equivalents	\$ 69,050	\$ 21,062	\$ 0	\$ 90,112
Cash and Cash Equivalents in Segregated Accounts	0	2,290	0	2,290
Receivables:				
Taxes	0	0	202,103	202,103
Total Assets	<u>69,050</u>	<u>23,352</u>	<u>202,103</u>	<u>294,505</u>
Liabilities:				
Intergovernmental Payable	0	0	202,103	202,103
Due to Others	69,050	23,352	0	92,402
Total Liabilities	<u>69,050</u>	<u>23,352</u>	<u>202,103</u>	<u>294,505</u>
Net Position:				
Total Net Position	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>

CITY OF PAINESVILLE, OHIO

**Combining Statement of Changes in Net Position
Fiduciary Funds
For the Year Ended December 31, 2020**

	Municipal Court	Law Library	JEDD	Total Custodial Funds
Additions:				
Fines and Forfeiture Collections for other Governments	\$ 2,741,114	\$ 30,896	\$ 0	\$ 2,772,010
Income Tax Collections for other Governments	0	0	866,191	866,191
Total Additions	<u>2,741,114</u>	<u>30,896</u>	<u>866,191</u>	<u>3,638,201</u>
Deductions:				
Distribution of Fines and Forfeitures to other Governments	2,741,114	30,896	0	2,772,010
Distribution of Income Taxes to other Governments	0	0	866,191	866,191
Total Deductions	<u>2,741,114</u>	<u>30,896</u>	<u>866,191</u>	<u>3,638,201</u>
Change in Net Position	0	0	0	0
Net Position at Beginning of Year	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Net Position End of Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>



STATISTICAL SECTION



STATISTICAL TABLES

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

Contents

Financial Trends	S 2 – S 13
These schedules contain trend information to help the reader understand how the City’s financial position has changed over time.	
Revenue Capacity	S 14 – S 17
These schedules contain information to help the reader understand and assess the factors affecting the City’s ability to generate its most significant local revenue source, the income tax.	
Debt Capacity	S 18 – S 27
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.	
Economic and Demographic Information	S 28 – S 31
These schedules offer economic and demographic indicators to help the reader understand the environment within which the City’s financial activities take place and to provide information that facilitates comparisons of financial information over time and among governments.	
Operating Information	S 32 – S 41
These schedules contain service and infrastructure data to help the reader understand how the information in the City’s financial report relates to the services the City provides and the activities it performs.	
Sources Note:	
Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports for the relevant year.	

City of Painesville, Ohio

*Net Position by Component
Last Ten Years
(accrual basis of accounting)*

	2011	2012	2013	*
	2011	2012	2013	2014
Governmental Activities:				
Net Investment in Capital Assets	\$30,387,358	\$33,102,011	\$31,513,541	\$33,584,837
Restricted	4,044,306	3,724,814	5,438,792	6,309,396
Unrestricted	6,921,791	6,862,608	7,096,616	(4,187,406)
Total Governmental Activities Net Position	<u>\$41,353,455</u>	<u>\$43,689,433</u>	<u>\$44,048,949</u>	<u>\$35,706,827</u>
Business-type Activities:				
Net Investment in Capital Assets	\$44,350,926	\$48,090,083	\$53,612,184	\$54,456,010
Restricted	0	0	0	0
Unrestricted	28,876,607	32,820,932	28,133,474	20,419,355
Total Business-type Activities Net Position	<u>\$73,227,533</u>	<u>\$80,911,015</u>	<u>\$81,745,658</u>	<u>\$74,875,365</u>
Primary Government:				
Net Investment in Capital Assets	\$74,738,284	\$81,192,094	\$85,125,725	\$88,040,847
Restricted	4,044,306	3,724,814	5,438,792	6,309,396
Unrestricted	35,798,398	39,683,540	35,230,090	16,231,949
Total Primary Government Net Position	<u>\$114,580,988</u>	<u>\$124,600,448</u>	<u>\$125,794,607</u>	<u>\$110,582,192</u>

Source: Finance Director's Office

* Restated

City of Painesville, Ohio

2015	2016	*	*	2019	2020
2015	2016	2017	2018	2019	2020
\$35,636,534	\$36,810,050	\$38,776,754	\$40,406,142	\$42,435,366	\$45,339,087
7,102,200	7,672,865	8,054,202	8,987,437	9,530,977	11,404,072
(3,309,250)	(3,617,085)	(15,647,961)	(17,105,653)	(9,303,071)	(9,525,400)
<u>\$39,429,484</u>	<u>\$40,865,830</u>	<u>\$31,182,995</u>	<u>\$32,287,926</u>	<u>\$42,663,272</u>	<u>\$47,217,759</u>
\$54,770,683	\$55,073,798	\$57,658,019	\$60,113,342	\$59,735,075	\$60,818,840
0	0	0	0	0	0
19,843,074	18,657,959	9,246,793	7,540,927	8,024,933	7,514,332
<u>\$74,613,757</u>	<u>\$73,731,757</u>	<u>\$66,904,812</u>	<u>\$67,654,269</u>	<u>\$67,760,008</u>	<u>\$68,333,172</u>
\$90,407,217	\$91,883,848	\$96,434,773	\$100,519,484	\$102,170,441	\$106,157,927
7,102,200	7,672,865	8,054,202	8,987,437	9,530,977	11,404,072
16,533,824	15,040,874	(6,401,168)	(9,564,726)	(1,278,138)	(2,011,068)
<u>\$114,043,241</u>	<u>\$114,597,587</u>	<u>\$98,087,807</u>	<u>\$99,942,195</u>	<u>\$110,423,280</u>	<u>\$115,550,931</u>

City of Painesville, Ohio

*Changes in Net Position
Last Ten Years
(accrual basis of accounting)*

	2011	2012	2013	2014
Expenses				
Governmental Activities:				
General Government	\$5,319,087	\$4,802,387	\$3,739,730	\$3,921,566
Public Safety	7,418,708	6,830,774	6,887,389	6,752,510
Highways and Streets	1,821,320	3,067,864	2,566,021	2,637,941
Public Health and Welfare	635,108	559,347	516,688	488,651
Culture and Recreation	792,999	682,194	590,591	618,468
Community Environment	377,113	180,433	314,010	105,322
Interest and Fiscal Charges	167,510	304,756	313,959	318,637
<i>Total Governmental Activities Expenses</i>	<u>16,531,845</u>	<u>16,427,755</u>	<u>14,928,388</u>	<u>14,843,095</u>
Business-type Activities:				
Water	4,651,337	5,155,459	5,302,197	6,117,078
Sewer	3,700,750	3,930,761	4,295,486	4,387,215
Electric	24,798,140	20,741,060	22,217,456	24,835,860
Other Enterprise	563,107	436,918	418,213	409,740
<i>Total Business-type Activities Expenses</i>	<u>33,713,334</u>	<u>30,264,198</u>	<u>32,233,352</u>	<u>35,749,893</u>
<i>Total Primary Government Expenses</i>	<u><u>\$50,245,179</u></u>	<u><u>\$46,691,953</u></u>	<u><u>\$47,161,740</u></u>	<u><u>\$50,592,988</u></u>
Program Revenues				
Governmental Activities:				
Charges for Services				
General Government	\$1,533,460	\$1,861,207	\$1,720,626	\$1,749,663
Public Safety	756,827	670,873	587,466	616,933
Highways and Streets	32,842	26,650	19,050	60,591
Public Health and Welfare	119,652	124,596	108,261	110,225
Culture and Recreation	20,456	14,448	12,580	9,232
Community Environment	98,930	665,096	152,640	306,134
Operating Grants and Contributions	883,020	1,363,819	802,599	876,783
Capital Grants and Contributions	1,693,078	2,958,673	1,042,448	1,659,154
<i>Total Governmental Activities Program Revenues</i>	<u>5,138,265</u>	<u>7,685,362</u>	<u>4,445,670</u>	<u>5,388,715</u>

City of Painesville, Ohio

2015	2016	2017	2018	2019	2020
\$3,848,049	\$4,277,546	\$4,297,312	\$4,243,338	\$5,554,317	\$4,328,561
7,172,546	7,886,075	7,960,151	9,101,205	909,829	9,466,839
3,189,101	2,625,969	2,806,601	2,850,216	2,943,684	2,756,670
491,545	522,594	647,437	606,592	682,216	612,715
666,284	723,245	763,163	750,338	851,330	749,688
114,791	119,266	140,834	138,948	209,686	115,123
303,218	290,744	266,554	257,745	234,477	243,052
<u>15,785,534</u>	<u>16,445,439</u>	<u>16,882,052</u>	<u>17,948,382</u>	<u>11,385,539</u>	<u>18,272,648</u>
5,542,369	5,746,233	5,229,158	5,308,516	5,944,437	6,067,320
4,257,321	4,137,233	4,315,748	4,202,467	4,979,247	4,287,628
24,875,586	27,199,162	27,882,194	30,563,700	30,291,595	30,585,981
363,673	1,323,662	318,883	379,284	385,479	594,980
<u>35,038,949</u>	<u>38,406,290</u>	<u>37,745,983</u>	<u>40,453,967</u>	<u>41,600,758</u>	<u>41,535,909</u>
<u>\$50,824,483</u>	<u>\$54,851,729</u>	<u>\$54,628,035</u>	<u>\$58,402,349</u>	<u>\$52,986,297</u>	<u>\$59,808,557</u>
\$1,446,087	\$1,490,185	\$1,530,658	\$1,645,439	\$1,644,353	\$1,261,515
811,277	681,672	620,251	666,103	636,004	607,396
67,287	22,686	18,892	15,335	10,819	293,419
133,515	145,531	157,765	180,385	142,265	186,586
7,580	15,150	22,560	23,277	23,350	13,414
482,434	331,328	374,365	316,352	481,075	392,211
921,812	1,046,834	1,057,201	1,185,541	1,100,244	3,455,315
1,542,778	62,266	677,076	1,023,476	2,107,142	261,924
<u>5,412,770</u>	<u>3,795,652</u>	<u>4,458,768</u>	<u>5,055,908</u>	<u>6,145,252</u>	<u>6,471,780</u>

(continued)

City of Painesville, Ohio

Changes in Net Position Last Ten Years (accrual basis of accounting)

	2011	2012	2013
Business-type Activities:			
Charges for Services			
Water	5,489,308	6,576,748	6,307,635
Sewer	3,473,151	3,746,854	3,985,434
Electric	26,354,842	26,692,992	23,082,430
Other Enterprise	572,402	570,045	479,933
Operating Grants and Contributions	0	0	7,154
Capital Grants and Contributions	2,364,576	1,324,655	584
<i>Total Business-type Activities Program Revenues</i>	38,254,279	38,911,294	33,863,170
<i>Total Primary Government Program Revenues</i>	43,392,544	46,596,656	38,308,840
 Net (Expense)/Revenue			
Governmental Activities	(11,393,580)	(8,742,393)	(10,482,718)
Business-type Activities	4,540,945	8,647,096	1,629,818
<i>Total Primary Government Net (Expense)/Revenue</i>	(\$6,852,635)	(\$95,297)	(\$8,852,900)
 General Revenues and Other Changes in Net Position			
Governmental Activities:			
Property Taxes	\$1,175,475	\$1,185,735	\$1,144,755
Municipal Income Taxes	7,167,242	7,519,822	7,721,126
Other Local Taxes	6,400	0	0
Intergovernmental, Unrestricted	1,871,767	1,086,944	875,970
Investment Earnings	539,269	173,022	47,643
Miscellaneous	324,107	144,224	256,805
Transfers	1,253,475	968,624	795,935
<i>Total Governmental Activities</i>	12,337,735	11,078,371	10,842,234
 Business-type Activities:			
Investment Earnings	(89,509)	5,010	760
Transfers	(1,253,475)	(968,624)	(795,935)
<i>Total Business-type Activities</i>	(1,342,984)	(963,614)	(795,175)
<i>Total Primary Government</i>	\$10,994,751	\$10,114,757	\$10,047,059
 Change in Net Position			
Governmental Activities	\$944,155	\$2,335,978	\$359,516
Business-type Activities	3,197,961	7,683,482	834,643
<i>Total Primary Government Change in Net Position</i>	\$4,142,116	\$10,019,460	\$1,194,159

Source: Finance Director's Office

City of Painesville, Ohio

2014	2015	2016	2017	2018	2019	2020
6,209,116	5,956,836	6,224,784	6,215,373	6,170,021	6,159,416	7,094,910
3,706,993	3,822,411	3,842,638	4,000,567	4,135,229	4,362,653	4,484,528
26,107,694	25,264,720	27,174,232	27,301,029	31,071,723	30,411,943	30,699,901
522,492	510,942	555,030	618,165	618,113	490,033	482,385
128,071	3,136	0	0	0	0	0
146	58,539	294,500	0	0	1,117,761	170,390
<u>36,674,512</u>	<u>35,616,584</u>	<u>38,091,184</u>	<u>38,135,134</u>	<u>41,995,086</u>	<u>42,541,806</u>	<u>42,932,114</u>
<u>42,063,227</u>	<u>41,029,354</u>	<u>41,886,836</u>	<u>42,593,902</u>	<u>47,050,994</u>	<u>48,687,058</u>	<u>49,403,894</u>
(9,454,380)	(10,372,764)	(12,649,787)	(12,423,284)	(12,892,474)	(5,240,287)	(11,800,868)
924,619	577,635	(315,106)	389,151	1,541,119	941,048	1,396,205
<u>(\$8,529,761)</u>	<u>(\$9,795,129)</u>	<u>(\$12,964,893)</u>	<u>(\$12,034,133)</u>	<u>(\$11,351,355)</u>	<u>(\$4,299,239)</u>	<u>(\$10,404,663)</u>
\$1,966,322	\$2,215,786	\$2,214,980	\$2,318,191	\$2,364,159	\$2,665,543	\$3,038,768
7,900,150	9,190,538	9,448,284	9,426,872	8,645,785	9,123,409	9,220,580
0	0	0	0	0	0	0
847,630	881,985	840,902	822,685	952,903	1,073,810	1,019,623
177,819	318,260	347,822	488,373	693,122	1,306,600	1,329,394
284,727	649,609	667,251	638,094	361,385	610,962	923,949
1,118,310	839,243	566,894	757,012	791,662	835,309	823,041
<u>12,294,958</u>	<u>14,095,421</u>	<u>14,086,133</u>	<u>14,451,227</u>	<u>13,809,016</u>	<u>15,615,633</u>	<u>16,355,355</u>
0	0	0	0	0	0	0
<u>(1,118,310)</u>	<u>(839,243)</u>	<u>(566,894)</u>	<u>(757,012)</u>	<u>(791,662)</u>	<u>(835,309)</u>	<u>(823,041)</u>
<u>(1,118,310)</u>	<u>(839,243)</u>	<u>(566,894)</u>	<u>(757,012)</u>	<u>(791,662)</u>	<u>(835,309)</u>	<u>(823,041)</u>
<u>\$11,176,648</u>	<u>\$13,256,178</u>	<u>\$13,519,239</u>	<u>\$13,694,215</u>	<u>\$13,017,354</u>	<u>\$14,780,324</u>	<u>\$15,532,314</u>
\$2,840,578	\$3,722,657	\$1,436,346	\$2,027,943	\$916,542	\$10,375,346	\$4,554,487
(193,691)	(261,608)	(882,000)	(367,861)	749,457	105,739	573,164
<u>\$2,646,887</u>	<u>\$3,461,049</u>	<u>\$554,346</u>	<u>\$1,660,082</u>	<u>\$1,665,999</u>	<u>\$10,481,085</u>	<u>\$5,127,651</u>

City of Painesville, Ohio

*Fund Balances, Governmental Funds
Last Ten Years
(modified accrual basis of accounting)*

	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>
General Fund				
Nonspendable	\$996,297	\$1,005,381	\$1,012,204	\$876,065
Restricted	0	0	0	0
Committed	0	0	0	0
Assigned	416,777	742,007	756,351	923,785
Unassigned	<u>5,733,751</u>	<u>5,698,670</u>	<u>5,950,964</u>	<u>5,764,760</u>
<i>Total General Fund</i>	<u>7,146,825</u>	<u>7,446,058</u>	<u>7,719,519</u>	<u>7,564,610</u>
All Other Governmental Funds				
Nonspendable	1,108,205	1,115,415	1,126,574	1,279,005
Restricted	3,161,485	7,717,818	4,827,946	4,663,014
Committed	1,359,464	1,090,045	1,140,484	1,436,758
Assigned	0	0	0	0
Unassigned	<u>(1,826,088)</u>	<u>(1,870,841)</u>	<u>(129,977)</u>	<u>(60,716)</u>
<i>Total All Other Governmental Funds</i>	<u>3,803,066</u>	<u>8,052,437</u>	<u>6,965,027</u>	<u>7,318,061</u>
<i>Total Governmental Funds</i>	<u>\$10,949,891</u>	<u>\$15,498,495</u>	<u>\$14,684,546</u>	<u>\$14,882,671</u>

Source: Finance Director's Office

* Restated

City of Painesville, Ohio

<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
			*		
\$877,739	\$868,584	\$875,763	\$886,154	\$884,051	\$878,996
0	0	0	7,206	7,206	7,206
0	11,931	10,931	10,931	10,931	10,931
1,091,861	926,069	756,999	1,277,058	1,734,457	1,514,656
6,216,145	5,801,917	5,903,284	5,338,589	5,923,562	7,465,656
<u>8,185,745</u>	<u>7,608,501</u>	<u>7,546,977</u>	<u>7,519,938</u>	<u>8,560,207</u>	<u>9,877,445</u>
1,146,021	1,175,425	1,170,344	1,193,253	1,206,703	1,228,949
5,598,192	6,192,754	6,564,682	7,547,035	7,910,091	9,783,465
1,702,514	2,081,797	2,635,021	2,414,072	2,296,269	2,431,825
0	0	0	0	0	0
(15,740)	0	0	0	0	0
<u>8,430,987</u>	<u>9,449,976</u>	<u>10,370,047</u>	<u>11,154,360</u>	<u>11,413,063</u>	<u>13,444,239</u>
<u>\$16,616,732</u>	<u>\$17,058,477</u>	<u>\$17,917,024</u>	<u>\$18,674,298</u>	<u>\$19,973,270</u>	<u>\$23,321,684</u>

City of Painesville, Ohio

*Changes in Fund Balances, Governmental Funds
Last Ten Years
(modified accrual basis of accounting)*

	2011	2012	2013	2014
Revenues:				
Taxes	\$8,335,086	\$8,705,017	\$8,778,000	\$9,912,425
Intergovernmental Revenues	5,328,950	4,200,293	2,694,920	3,369,400
Charges for Services	834,222	777,772	672,887	678,643
Licenses, Permits and Inspection Fees	296,994	450,655	337,067	476,660
Investment Earnings	562,484	166,025	49,611	147,622
Special Assessments	92,547	115,843	76,294	91,321
Fines and Forfeitures	1,257,805	1,377,753	1,416,206	1,428,419
All Other Revenue	439,886	519,586	462,724	519,613
Total Revenue	<u>17,147,974</u>	<u>16,312,944</u>	<u>14,487,709</u>	<u>16,624,103</u>
Expenditures:				
Current:				
General Government	4,657,111	5,777,433	3,558,335	3,785,221
Public Safety	7,135,751	6,694,103	6,660,415	6,591,728
Highways and Streets	2,345,029	3,550,420	5,882,834	4,394,199
Public Health and Welfare	619,796	528,871	494,241	480,801
Culture and Recreation	725,325	619,372	538,577	574,406
Community Environment	363,544	201,364	309,105	113,556
Capital Outlay	1,101,883	616,881	820,402	1,493,091
Debt Service:				
Principal Retirement	346,102	1,796,045	1,336,673	1,292,115
Interest and Fiscal Charges	161,423	311,643	268,510	327,143
Total Expenditures	<u>17,455,964</u>	<u>20,096,132</u>	<u>19,869,092</u>	<u>19,052,260</u>
Excess (Deficiency) of Revenues Over Expenditures	(307,990)	(3,783,188)	(5,381,383)	(2,428,157)

City of Painesville, Ohio

2015	2016	2017	2018	2019	2020
\$11,411,537	\$10,950,272	\$11,203,877	\$10,707,047	\$12,054,906	\$12,270,990
3,363,173	1,956,828	2,467,808	2,834,399	4,057,877	4,835,327
823,641	731,184	779,986	756,546	869,599	892,055
551,881	502,156	549,998	474,497	439,661	347,121
373,424	308,897	448,358	692,761	1,317,066	1,348,089
205,700	112,284	96,820	85,015	98,853	372,165
1,314,000	1,374,157	1,425,667	1,543,578	1,540,151	1,130,223
649,609	669,658	638,744	365,100	613,277	929,549
<u>18,692,965</u>	<u>16,605,436</u>	<u>17,611,258</u>	<u>17,458,943</u>	<u>20,991,390</u>	<u>22,125,519</u>
3,788,515	4,211,050	4,012,316	3,926,735	4,479,276	4,982,182
7,115,031	6,971,484	7,367,209	7,789,590	8,681,233	10,790,893
4,180,040	2,703,940	3,045,926	3,079,358	3,355,673	1,737,807
489,786	493,012	539,169	534,050	547,858	523,159
634,046	644,296	613,505	643,694	654,457	598,368
112,913	120,000	121,553	127,541	185,362	108,589
612,219	621,855	726,411	945,078	1,288,948	855,594
1,753,434	1,737,466	1,505,048	1,245,033	1,077,215	783,827
311,109	299,911	278,970	264,282	261,442	248,117
<u>18,997,093</u>	<u>17,803,014</u>	<u>18,210,107</u>	<u>18,555,361</u>	<u>20,531,464</u>	<u>20,628,536</u>
(304,128)	(1,197,578)	(598,849)	(1,096,418)	459,926	1,496,983

(continued)

City of Painesville, Ohio

*Changes in Fund Balances, Governmental Funds
Last Ten Years
(modified accrual basis of accounting)*

	2011	2012	2013	2014
Other Financing Sources (Uses):				
Sale of Capital Assets	0	758	30,322	10
Other Financing Sources - Capital Leases	0	0	0	147,000
Ohio Public Works Commission Loan	0	0	840,030	358,135
General Obligation Bonds Issued	0	5,485,000	1,917,000	0
Premium on Debt Issuance	0	156,564	0	0
Long Term Note Issuance	1,440,751	1,190,481	1,031,876	1,205,271
Insurance Proceeds	5,513	607,425	3,482	0
Transfers In	1,698,475	1,734,524	1,628,935	3,218,310
Transfers Out	(595,000)	(845,900)	(883,000)	(2,150,000)
Total Other Financing Sources (Uses)	<u>2,549,739</u>	<u>8,328,852</u>	<u>4,568,645</u>	<u>2,778,726</u>
Net Change in Fund Balance	<u>\$2,241,749</u>	<u>\$4,545,664</u>	<u>(\$812,738)</u>	<u>\$350,569</u>
 Debt Service as a Percentage of Noncapital Expenditures	 3.25%	 13.32%	 11.00%	 11.13%

Source: Finance Director's Office

City of Painesville, Ohio

2015	2016	2017	2018	2019	2020
19,401	46,487	19,231	646	776	26,663
111,000	125,000	0	0	0	0
8,180	2,553	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
1,060,365	898,389	696,153	535,917	0	1,000,000
0	0	0	337,078	2,961	1,727
3,015,243	3,141,894	3,042,012	2,170,222	2,250,309	2,458,041
(2,176,000)	(2,575,000)	(2,300,000)	(1,378,560)	(1,415,000)	(1,635,000)
2,038,189	1,639,323	1,457,396	1,665,303	839,046	1,851,431
<u>\$1,734,061</u>	<u>\$441,745</u>	<u>\$858,547</u>	<u>\$568,885</u>	<u>\$1,298,972</u>	<u>\$3,348,414</u>
12.98%	12.90%	11.74%	9.59%	7.74%	6.64%

City of Painesville, Ohio

*Income Tax Revenues by Source, Governmental Funds
Last Ten Years*

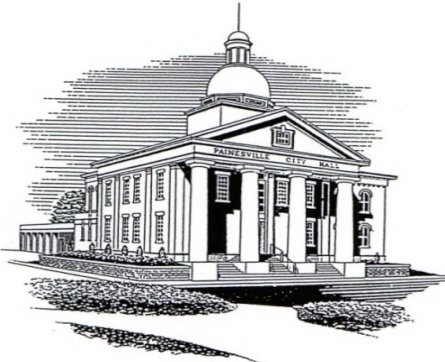
Tax year	2011	2012	2013	2014	2015
Income Tax Rate	2.00%	2.00%	2.00%	2.00%	2.00%
Estimated Personal Income	\$780,798,456	\$788,821,699	\$850,247,106	\$866,328,046	\$873,158,400
Total Tax Collected	\$6,959,790	\$7,230,012	\$6,870,545	\$7,955,171	\$8,737,608
Income Tax Receipts					
Withholding	5,679,189	5,899,690	5,606,364	6,491,419	7,129,887
Percentage	81.6%	81.6%	81.6%	81.6%	66.1%
Corporate	633,341	657,931	625,220	723,921	795,122
Percentage	9.1%	9.1%	9.1%	9.1%	21.9%
Individuals	647,260	672,391	638,961	739,831	812,599
Percentage	9.3%	9.3%	9.3%	9.3%	12.0%

Source: City Income Tax Department

Collection amounts are cash basis and represent only collections due in the current collection year.

City of Painesville, Ohio

2016	2017	2018	2019	2020
2.00%	2.00%	2.00%	2.00%	2.00%
\$905,602,368	\$840,817,740	\$924,914,752	\$1,021,884,976	\$1,069,848,000
\$8,982,680	\$8,460,238	\$8,308,548	\$8,457,798	\$8,870,241
6,476,511	6,226,735	6,156,635	6,284,144	6,581,719
72.1%	73.6%	74.1%	74.3%	74.2%
1,338,421	1,285,956	1,204,739	1,243,296	1,295,055
14.9%	15.2%	14.5%	14.7%	14.6%
1,167,748	947,547	947,174	930,358	993,467
13.0%	11.2%	11.4%	11.0%	11.2%



City of Painesville

Income Tax Collections Current Year and Nine Years Ago

Calendar Year 2020				
Income Level	Number of Filers	Percent of Total	Local Taxable Income	Percent of Income
\$0 - \$19,999	1,942	37.27%	\$23,952,765	9.89%
20,000 - 49,999	1,571	30.15%	57,202,341	23.61%
50,000 - 74,999	686	13.17%	48,896,541	20.18%
75,000 - 99,999	512	9.83%	41,576,584	17.16%
Over 100,000	499	9.58%	70,621,963	29.16%
Total	5,210	100.00%	\$242,250,194	100.00%
Local Taxes Paid by Residents			Tax Dollars	
Taxes Paid to Painesville			\$1,118,236	
Taxes Credited to Other Municipalities			436,781	
			\$1,555,017	

Calendar Year 2011				
Income Level	Number of Filers	Percent of Total	Local Taxable Income	Percent of Income
\$0 - \$19,999	2,135	44.26%	\$12,623,121	7.95%
20,000 - 49,999	1,494	30.96%	49,326,821	31.04%
50,000 - 74,999	654	13.55%	40,125,882	25.26%
75,000 - 99,999	318	6.59%	27,494,593	17.31%
Over 100,000	224	4.64%	29,285,374	18.44%
Total	4,825	100.00%	\$158,855,791	100.00%
Local Taxes Paid by Residents			Tax Dollars	
Taxes Paid to Painesville			\$700,405	
Taxes Credited to Other Municipalities			475,708	
			\$1,176,113	

Source: Finance Director's Office

City of Painesville, Ohio

Ratios of Outstanding Debt By Type Last Ten Years

	2011	2012	2013	2014
Governmental Activities (1)				
General Obligation Bonds	\$1,565,000	\$7,116,564	\$8,930,736	\$8,750,908
Special Assessment Bonds	325,000	310,000	290,000	270,000
Ohio Public Works Commission Loan	78,241	73,351	908,491	1,261,736
Long-Term Notes	1,440,751	1,065,481	960,876	1,205,271
Construction Loan	324,854	265,276	203,139	135,547
Business-type Activities (1)				
Mortgage Revenue Bonds	\$1,908,438	\$1,334,040	\$1,050,236	\$795,089
General Obligation Bonds	2,025,000	1,500,000	1,250,000	0
Ohio Water Development Authority Loan	4,282,382	4,072,160	3,853,679	3,708,874
Ohio Public Works Commission Loan	258,111	154,706	111,301	67,896
Long-Term Notes	1,754,179	1,535,519	1,339,124	2,254,729
Total Primary Government	<u>\$13,961,956</u>	<u>\$17,427,097</u>	<u>\$18,897,582</u>	<u>\$18,450,050</u>
Population (2)				
City of Painesville	19,563	19,549	19,563	19,933
Outstanding Debt Per Capita	\$714	\$891	\$966	\$926
Income (3)				
Personal (in thousands)	\$780,798	\$788,822	\$850,247	\$866,328
Percentage of Personal Income	1.79%	2.21%	2.22%	2.13%

Sources:

- (1) Source: Finance Director's Office
- (2) US Bureau of Census, Population Division
- (3) US Department of Commerce, Bureau of Economic Analysis
 - (a) Per Capita Income is only available by County, Total Personal Income is a calculation

City of Painesville, Ohio

2015	2016	2017	2018	2019	2020
\$8,373,080	\$7,953,252	\$7,526,424	\$7,091,596	\$6,644,768	\$6,179,940
250,000	230,000	210,000	190,000	165,000	140,000
1,265,026	1,262,689	1,209,443	1,156,197	1,102,951	1,076,328
1,060,365	898,389	696,153	535,917	0	750,000
69,193	0	0	0	0	0
\$536,294	\$275,899	\$0	\$0	\$0	\$0
0	1,865,000	1,790,000	1,715,000	1,640,000	1,560,000
3,882,369	3,929,625	5,815,830	7,936,226	16,221,502	17,319,657
24,587	22,539	20,491	18,443	16,389	50,097
1,799,635	1,351,611	903,847	464,083	0	0
<u>\$17,260,549</u>	<u>\$17,789,004</u>	<u>\$18,172,188</u>	<u>\$19,107,462</u>	<u>\$25,790,610</u>	<u>\$27,076,022</u>
19,840	19,776	19,563	20,192	20,144	20,250
\$870	\$900	\$929	\$946	\$1,280	\$1,337
\$873,158	\$905,602	\$840,818	\$924,915	\$1,021,885	\$1,069,848
1.98%	1.96%	2.16%	2.07%	2.52%	2.53%

City of Painesville, Ohio

Ratios of General Bonded Debt Outstanding Last Ten Years

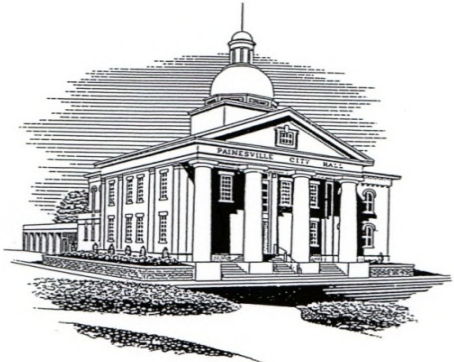
Year	2011	2012	2013	2014
Population ⁽¹⁾	19,563	19,549	19,563	19,933
Personal Income ⁽²⁾	\$780,798,456	\$788,821,699	\$850,247,106	\$866,328,046
General Bonded Debt				
General Obligation Bonds	\$3,590,000	\$8,616,564	\$10,180,736	\$8,750,908
Resources Available to Pay Principal	\$160,845	\$102,737	\$161,951	\$121,648
Net General Bonded Debt	\$3,429,155	\$8,513,827	\$10,018,785	\$8,629,260
Ratio of Net Bonded Debt to Personal Income	0.44%	1.08%	1.18%	1.00%
Net Bonded Debt per Capita	\$175.29	\$435.51	\$512.13	\$432.91

Sources:

- (1) U.S. Bureau of Census of Population
- (2) U.S. Department of Commerce, Bureau of Economic Analysis information is only available through 2019, for the presentation of 2020 statistics, the City is using the latest information available.
 - (a) Per Capita Income is only available by County, Total Personal Income is a calculation.

City of Painesville, Ohio

2015	2016	2017	2018	2019	2020
19,840	19,776	19,563	20,192	20,144	20,250
\$873,158,400	\$905,602,368	\$840,817,740	\$924,914,752	\$1,021,884,976	\$1,069,848,000
\$8,373,080	\$9,818,252	\$9,316,424	\$8,806,596	\$8,284,768	\$7,739,940
\$182,798	\$243,667	\$304,935	\$357,923	\$416,514	\$213,982
\$8,190,282	\$9,574,585	\$9,011,489	\$8,448,673	\$7,868,254	\$7,525,958
0.94%	1.06%	1.07%	0.91%	0.77%	0.70%
\$412.82	\$484.15	\$460.64	\$418.42	\$390.60	\$371.65



City of Painesville, Ohio

*Computation of Direct and Overlapping
Debt Attributable to Governmental Activities
December 31, 2020*

<u>Jurisdiction</u>	<u>Gross Debt Outstanding</u>	<u>Percentage Applicable to the City of Painesville</u>	<u>Amount Applicable to the City of Painesville</u>
Direct:			
City of Painesville	\$8,146,268	100.00%	\$8,146,268
Overlapping:			
Painesville City School District	22,835,442	100.00%	22,835,442
Auburn Career Center	4,345,000	9.56%	415,382
Lakeland Career Center	83,563,530	3.76%	3,141,989
Riverside Schools	37,777,359	4.59%	1,733,981
Lake County	5,375,000	3.76%	202,100
		Subtotal	<u>28,328,894</u>
		Total	<u>\$36,475,162</u>

(1) Percentages were determined by dividing the assessed valuation of the political subdivision located within the boundaries of the City by the total assessed valuation of the political subdivision.

Source: Lake County

City of Painesville, Ohio

Debt Limitations Last Ten Years

Collection Year	2011	2012	2013	2014
<u>Total Debt</u>				
Net Assessed Valuation	\$251,049,200	\$252,866,440	\$218,554,660	\$219,194,440
Legal Debt Limitation (%) (1)	10.50%	10.50%	10.50%	10.50%
Legal Debt Limitation (\$) (1)	26,360,166	26,550,976	22,948,239	23,015,416
City Debt Outstanding (2)	4,887,591	4,955,121	4,939,613	4,612,251
Less: Applicable Debt Service Fund Amounts	<u>(160,845)</u>	<u>(102,737)</u>	<u>(161,951)</u>	<u>(121,648)</u>
Net Indebtedness Subject to Limitation	<u>4,726,746</u>	<u>4,852,384</u>	<u>4,777,662</u>	<u>4,490,603</u>
Overall Legal Debt Margin	<u>\$21,633,420</u>	<u>\$21,698,592</u>	<u>\$18,170,577</u>	<u>\$18,524,813</u>
Debt Margin as a Percentage of Debt Limit	82.07%	81.72%	79.18%	80.49%
<u>Unvoted Debt</u>				
Net Assessed Valuation	\$251,049,200	\$252,866,440	\$218,554,660	\$219,194,440
Legal Debt Limitation (%) (1)	5.50%	5.50%	5.50%	5.50%
Legal Debt Limitation (\$) (1)	13,807,706	13,907,654	12,020,506	12,055,694
City Debt Outstanding (2)	0	0	0	0
Less: Applicable Debt Service Fund Amounts	<u>(160,845)</u>	<u>(102,737)</u>	<u>(161,951)</u>	<u>(121,648)</u>
Net Indebtedness Subject to Limitation	<u>(160,845)</u>	<u>(102,737)</u>	<u>(161,951)</u>	<u>(121,648)</u>
Overall Legal Debt Margin	<u>\$13,968,551</u>	<u>\$14,010,391</u>	<u>\$12,182,457</u>	<u>\$12,177,342</u>

(1) Direct Debt Limitation based upon Section 133, The Uniform Bond Act of the Ohio Revised Code.

(2) City Debt Outstanding includes Non Self-Supporting General Obligation Bonds and Notes only.
Enterprise Debt is not considered in the computation of the Legal Debt Margin.

Source: City Auditor's / Finance Director's Office

City of Painesville, Ohio

2015	2016	2017	2018	2019	2020
\$218,983,000	\$220,674,620	\$221,250,540	\$222,787,360	\$243,528,100	\$251,176,110
10.50%	10.50%	10.50%	10.50%	10.50%	10.50%
22,993,215	23,170,835	23,231,307	23,392,673	25,570,451	26,373,492
4,311,426	3,916,432	3,405,783	2,994,913	2,508,311	2,681,000
(182,798)	(243,667)	(304,935)	(357,923)	(416,514)	(213,982)
4,128,628	3,672,765	3,100,848	2,636,990	2,091,797	2,467,018
<u>\$18,864,587</u>	<u>\$19,498,070</u>	<u>\$20,130,459</u>	<u>\$20,755,683</u>	<u>\$23,478,654</u>	<u>\$23,906,474</u>
82.04%	84.15%	86.65%	88.73%	91.82%	90.65%
\$218,983,000	\$220,674,620	\$221,250,540	\$222,787,360	\$243,528,100	\$251,176,110
5.50%	5.50%	5.50%	5.50%	5.50%	5.50%
12,044,065	12,137,104	12,168,780	12,253,305	13,394,046	13,814,686
0	0	0	0	0	0
(182,798)	(243,667)	(304,935)	(357,923)	(416,514)	(213,982)
(182,798)	(243,667)	(304,935)	(357,923)	(416,514)	(213,982)
<u>\$12,226,863</u>	<u>\$12,380,771</u>	<u>\$12,473,715</u>	<u>\$12,611,228</u>	<u>\$13,810,560</u>	<u>\$14,028,668</u>

City of Painesville, Ohio

*Pledged Revenue Coverage
Last Ten Years*

	2011	2012	2013	2014
Special Assessment Bonds (1)				
Special Assessment Collections	\$57,402	\$77,616	\$56,832	\$78,213
Debt Service				
Principal	15,000	15,000	20,000	20,000
Interest	16,926	16,212	15,500	14,500
Coverage	1.80	2.49	1.60	2.27

(1) The special assessment bonds were issued for improvements to the Renaissance Parkway area.

Source: Finance Director's Office

City of Painesville, Ohio

2015	2016	2017	2018	2019	2020
\$56,770	\$56,719	\$57,090	\$57,179	\$90,682	\$79,516
20,000	20,000	20,000	20,000	25,000	25,000
13,500	12,500	11,500	10,500	9,500	8,250
1.69	1.75	1.81	1.87	2.63	2.39

City of Painesville, Ohio

Demographic and Economic Statistics Last Ten Years

Calendar Year	2011	2012	2013	2014
Population (1)				
City of Painesville	19,563	19,549	19,563	19,933
Lake County	230,041	229,582	230,041	229,245
Income (2) (a)				
Total Personal (in thousands)	\$780,798	\$788,822	\$850,247	\$866,328
Per Capita	\$39,912	\$40,351	\$43,462	\$43,462
Unemployment Rate (3)				
Federal	8.5%	7.8%	6.7%	5.6%
State	8.6%	6.7%	6.5%	4.8%
Lake County	8.4%	6.4%	7.9%	6.2%
Civilian Work Force Estimates (3)				
State	5,897,600	5,740,900	5,765,000	5,738,000
Lake County	133,600	126,800	126,500	126,800

Sources:

(1) US Bureau of Census of Population

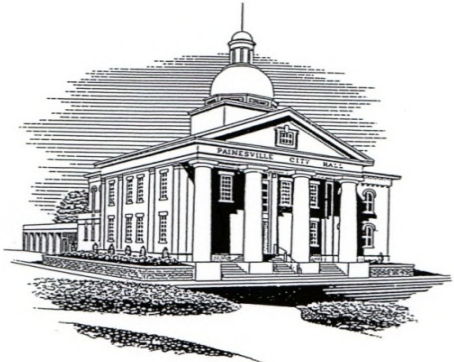
(2) U.S. Department of Commerce, Bureau of Economic Analysis information is only available through 2019, for the presentation of 2020 statistics, the City is using the latest information available.

(a) Per Capita Income is only available by County, Total Personal Income is a calculation

(3) State Department of Labor Statistics

City of Painesville, Ohio

2015	2016	2017	2018	2019	2020
19,840	19,776	19,563	20,192	20,144	20,250
229,245	228,614	230,041	230,117	230,149	230,051
\$873,158	\$905,602	\$840,818	\$924,915	\$1,021,885	\$1,069,848
\$44,010	\$45,793	\$42,980	\$45,806	\$50,729	\$52,832
4.8%	4.9%	4.1%	3.9%	3.5%	6.7%
4.6%	4.9%	4.1%	4.6%	4.1%	5.5%
3.7%	4.8%	4.4%	4.6%	4.3%	5.5%
5,693,000	5,687,000	5,780,000	5,757,507	5,811,800	5,692,600
121,600	122,200	123,935	125,600	126,784	117,500



City of Painesville, Ohio

Principal Employers Current Year and Nine Years Ago

Employer	Nature of Business	2020		
		Number of Employees	Rank	Percentage of Total Employment
County of Lake	Government	1,116	1	18.23%
Fasson Division/Avery International Corp.	Manufacturing	528	2	8.62%
Painesville City Schools	Education	402	3	6.57%
Lake Erie College	Education	270	4	4.41%
The City of Painesville	Government	266	5	4.34%
Aero Fluid Products, Inc.	Manufacturing	168	6	2.74%
Cintas	Service	145	7	2.37%
Mar-Bal Corporation	Manufacturing	113	8	1.85%
Eckart America	Manufacturing	103	9	1.68%
Yokohama Industries Americas Ohio	Manufacturing	57	10	0.93%
Total		<u>3,168</u>		
Total Employment within the City		<u><u>6,123</u></u>		

Employer	Nature of Business	2011		
		Number of Employees	Rank	Percentage of Total Employment
County of Lake	Government	917	1	5.32%
Fasson Division/Avery International Corp.	Manufacturing	527	2	3.06%
Painesville City Schools	Education	353	3	2.05%
The City of Painesville	Government	256	4	1.48%
Core Systems	Manufacturing	221	5	1.28%
Lake Erie College	Education	157	6	0.91%
Fluid Regulators, Inc.	Manufacturing	135	7	0.78%
Cintas	Service	117	8	0.68%
Eckart America	Manufacturing	108	9	0.63%
Sas Rubber Co.	Manufacturing	79	10	0.46%
Total		<u>2,870</u>		
Total Employment within the City		<u><u>17,250</u></u>		

Source:

Compiled by City of Painesville Finance Department

City of Painesville, Ohio

Full Time Equivalent Employees by Function Last Ten Years

	2011	2012	2013	2014	2015
Governmental Activities					
General Government					
Finance	7.00	7.00	6.00	6.00	6.00
Judicial	19.00	19.00	19.00	17.00	20.00
Administration	47.00	44.00	43.00	43.00	42.00
Maintenance	1.00	1.00	1.00	1.00	1.00
Public Safety					
Police	42.00	41.00	41.00	42.00	42.00
Fire	27.00	27.00	27.00	26.00	26.00
Public Works					
Public Works	16.00	15.00	15.00	16.00	15.00
Public Health and Welfare					
Cemeteries	5.00	4.00	4.00	4.00	4.00
Culture and Recreation					
Parks - Recreation	7.00	6.00	6.00	6.00	6.00
Business-Type Activities					
Utilities					
Water	20.00	19.00	20.00	21.00	20.00
Sewer	17.00	17.00	17.00	17.00	17.00
Electric	62.00	62.00	56.00	56.00	56.00
Off Street Parking	1.00	1.00	1.00	1.00	1.00
<i>Total Employees</i>	<u>271.00</u>	<u>263.00</u>	<u>256.00</u>	<u>256.00</u>	<u>256.00</u>

Method: 1.00 for each full-time, 0.50 for each part-time and 0.25 for each seasonal employee

Source: Finance Director's Office

City of Painesville, Ohio

<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
6.00	5.50	5.50	5.50	5.50
20.00	20.00	20.00	20.00	20.00
42.00	42.00	42.00	42.00	42.00
1.00	1.00	1.00	1.00	1.00
42.00	42.00	44.00	44.00	44.00
26.00	26.00	26.00	27.00	27.00
16.00	16.00	17.00	17.00	17.00
4.00	4.00	5.00	5.00	5.00
6.00	6.00	6.00	6.00	6.00
21.00	21.00	21.00	21.00	21.00
16.00	16.00	14.00	14.00	14.00
56.00	56.00	47.00	45.00	45.00
0.00	0.00	0.00	0.00	0.00
<u>256.00</u>	<u>255.50</u>	<u>248.50</u>	<u>247.50</u>	<u>247.50</u>

City of Painesville, Ohio

Operating Indicators by Function Last Ten Years

	2011	2012	2013
Governmental Activities			
General Government			
Court			
Number of Probation Cases	1,683	1,658	1,524
Number of Traffic Cases	8,550	9,573	9,694
Licenses and Permits			
Number of Building Permits - Residential	508	329	372
Number of Building Permits - Commercial & Industrial	106	148	115
Number of Building Inspections - Residential	2,200	1,660	834
Number of Building Inspections - Commercial	543	1,588	1,949
Public Safety			
Police			
Number of Citations Issued	1,878	1,513	1,613
Number of Arrests	1,232	1,378	1,252
Number of Accidents	579	562	442
Fire			
Number of Fire Calls	104	104	76
Number of EMS Runs	2,686	2,661	2,594
Number of Inspections	625	493	606
Highways and Streets			
Public Works			
Number of Streets Resurfaced	2	0	1
Public Health and Welfare			
Cemeteries			
Number of Burials	197	192	188
Number of Cemeteries	2	2	2
Culture and Recreation			
Parks - Recreation			
Program Attendance	39,929	42,350	41,525
Number of Park Visitations	135,000	142,000	155,000

City of Painesville, Ohio

2014	2015	2016	2017	2018	2019	2020
1,349	1,213	1,279	1,164	1,385	1,106	1,048
9,763	8,787	9,197	10,166	10,612	9,153	6,514
352	262	275	399	292	292	296
74	48	29	83	43	43	47
819	1,062	1,547	2,682	1,532	1,532	1,561
1,233	237	247	756	360	360	345
2,025	1,139	2,002	1,466	1,473	1,933	926
650	1,119	2,853	998	1,006	1,198	861
415	487	482	419	454	407	414
92	96	92	69	72	61	83
2,630	2,736	2,899	2,865	2,764	2,777	2,864
477	979	1,002	610	618	530	542
3	4	10	9	4	4	4
169	189	181	212	166	166	166
2	2	2	2	2	2	2
40,500	48,190	48,500	49,300	50,000	50,000	25,000
147,500	152,000	155,000	160,000	162,000	162,000	210,600

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City of Painesville, Ohio

Operating Indicators by Function Last Ten Years

	2011	2012	2013
Business-Type Activities			
Water			
Number of Service Connections	10,316	10,380	10,454
Water Main Breaks	34	50	44
Daily Average Consumption (thousands of gallons)	3,440	3,410	3,059
Peak Daily Consumption (thousands of gallons)	5,208	6,098	4,450
Storage Capacity (thousands of gallons)	4,053	4,053	4,053
Sewer			
Daily Average Sewage Treatment (thousands of gallons)	4.11	3.33	3.29
Electric			
Number of Service Connections	12,038	12,032	12,231
Average Daily Generation in Kilowatt Hours	247,814	79,714	41,115
Peak Load in Kilowatts	55,500	57,400	54,500
Off Street Parking			
Number of Parking Garage Spaces (1)	502	502	502
Number of Vogue Lot Spaces	60	60	60
Number of Sterling Lot Spaces	101	101	101
Storm Water Drainage			
Number of Billings	6,095	7,103	7,605

(1) The parking garage was demolished in 2016.

Source: Finance Director's Office

City of Painesville, Ohio

2014	2015	2016	2017	2018	2019	2020
10,536	10,602	10,661	10,767	10,832	10,943	11,239
43	42	35	39	44	52	45
3,100	3,319	3,064	3,093	3,069	2,992	3,117
4,051	6,246	5,140	4,821	4,904	4,428	5,806
4,053	4,053	4,053	4,053	4,053	4,053	4,063
3.30	3.12	3.16	3.27	3.44	3.35	3.33
12,240	12,273	12,305	12,360	12,417	12,442	12,512
16,983	18,939	21,257	10,235	10,469	8,434	5,900
50,600	51,300	54,100	49,000	53,900	50,700	51,200
502	475	0	0	0	0	0
60	60	60	60	60	60	60
101	101	101	101	101	101	101
7,631	7,655	7,727	7,762	7,804	7,804	7,886

City of Painesville, Ohio

*Capital Asset Statistics by Function
Last Ten Years*

	2011	2012	2013	2014
Governmental Activities				
General Government				
Public Land and Buildings				
Land (acres)	0.95	0.95	0.95	0.95
Buildings	7	7	7	7
Public Safety				
Police				
Stations	1	1	1	1
Vehicles	18	20	21	25
Fire				
Stations	1	1	1	1
Vehicles	13	13	14	13
Public Works				
Street				
Streets (lane miles)	59	59	59	59
Street Lights	1,571	1,571	1,571	1,571
Traffic Signals	116	116	116	116
Vehicles	28	27	27	27
Culture and Recreation				
Recreation/Seniors				
Land (acres)	125.32	140.51	140.51	140.51
Buildings	1	1	1	1
Parks	14	15	15	15
Playgrounds	8	11	11	11
Tennis Courts	2	2	2	2
Baseball/Softball Diamonds	9	9	9	9
Soccer Fields	1	0	0	0

City of Painesville, Ohio

2015	2016	2017	2018	2019	2020
0.95 7	0.95 7	0.95 7	0.95 7	0.95 7	0.95 7
1 24	1 21	1 21	1 21	1 21	1 31
1 13	1 14	1 14	1 14	1 14	1 14
59 1,571 116 29	59 1,571 116 29	59 1,571 116 30	59 1,571 116 30	59 1,571 116 30	59 1,571 116 30
150.51 1 15 11 2 9 0	150.51 1 15 10 0 9 0	150.10 1 13 10 0 9 0	150.10 1 13 10 0 9 0	150.10 1 13 10 0 9 0	150.10 1 13 10 0 9 0

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City of Painesville, Ohio

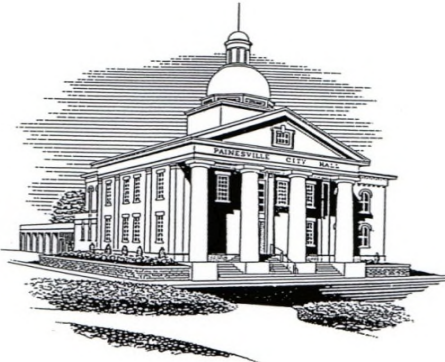
*Capital Asset Statistics by Function
Last Ten Years*

	2011	2012	2013	2014
Business-Type Activities				
Utilities				
Water				
Waterlines (Miles)	132.7	132.9	133.1	138.6
Pump Stations	7	7	7	7
Number of Hydrants	1,805	1,813	1,839	1,866
Sewer				
Sewer lines (Miles)	50	50	50	50
Lift Stations	7	8	8	8
Electric				
Lines (Miles)	220	220	222	222
Off Street Parking				
Buildings and Improvements	1	1	1	1
Storm Water Drainage				
Storm Drains (Miles)	38	38	38	38
Number of Catch Basins	2,902	2,902	2,902	2,902
Treatment Capacity (thousands of gallons)	28,000	28,000	28,000	28,000

Source: Finance Director's Office

City of Painesville, Ohio

2015	2016	2017	2018	2019	2020
139.4	140.0	141.1	142.0	142.6	143.4
7	7	7	7	7	7
1,875	1,880	1,900	1,902	1,914	1,924
50	50	50	57	57	57
8	8	8	8	8	9
222	222	222	222	222	225
1	0	0	0	0	0
38	38	38	38	38	38
2,904	2,904	2,904	2,904	2,904	2,904
28,000	28,000	28,000	28,000	28,000	28,000



OHIO AUDITOR OF STATE KEITH FABER



CITY OF PAINESVILLE

LAKE COUNTY

AUDITOR OF STATE OF OHIO CERTIFICATION

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



Certified for Release 7/8/2021

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

This report is a matter of public record and is available online at
www.ohioauditor.gov