

# COMPREHENSIVE ANNUAL FINANCIAL REPORT



DANIEL HORRIGAN, MAYOR

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# CITY OF AKRON, OHIO



FOR THE FISCAL YEAR ENDED DECEMBER 31, 2020



# OHIO AUDITOR OF STATE KEITH FABER



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Columbus, Ohio 43215  
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Members of Council  
City of Akron  
166 South High Street  
Akron, Ohio 44308

We have reviewed the *Independent Auditor's Report* of the City of Akron, Summit County, prepared by Plante & Moran, PLLC, for the audit period January 1, 2020 through December 31, 2020. Based upon this review, we have accepted these reports in lieu of the audit required by Section 117.11, Revised Code. The Auditor of State did not audit the accompanying financial statements and, accordingly, we are unable to express, and do not express an opinion on them.

Our review was made in reference to the applicable sections of legislative criteria, as reflected by the Ohio Constitution, and the Revised Code, policies, procedures and guidelines of the Auditor of State, regulations and grant requirements. The City of Akron is responsible for compliance with these laws and regulations.

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

Keith Faber  
Auditor of State  
Columbus, Ohio

September 07, 2021

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City of Akron, Ohio  
Daniel Horrigan, Mayor

COMPREHENSIVE ANNUAL  
FINANCIAL REPORT



For the Fiscal Year Ended December 31 , 2020

Issued by the Department of Finance

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## **ELECTED AND APPOINTED OFFICIALS**

As of June 2021

**Daniel Horrigan, Mayor**

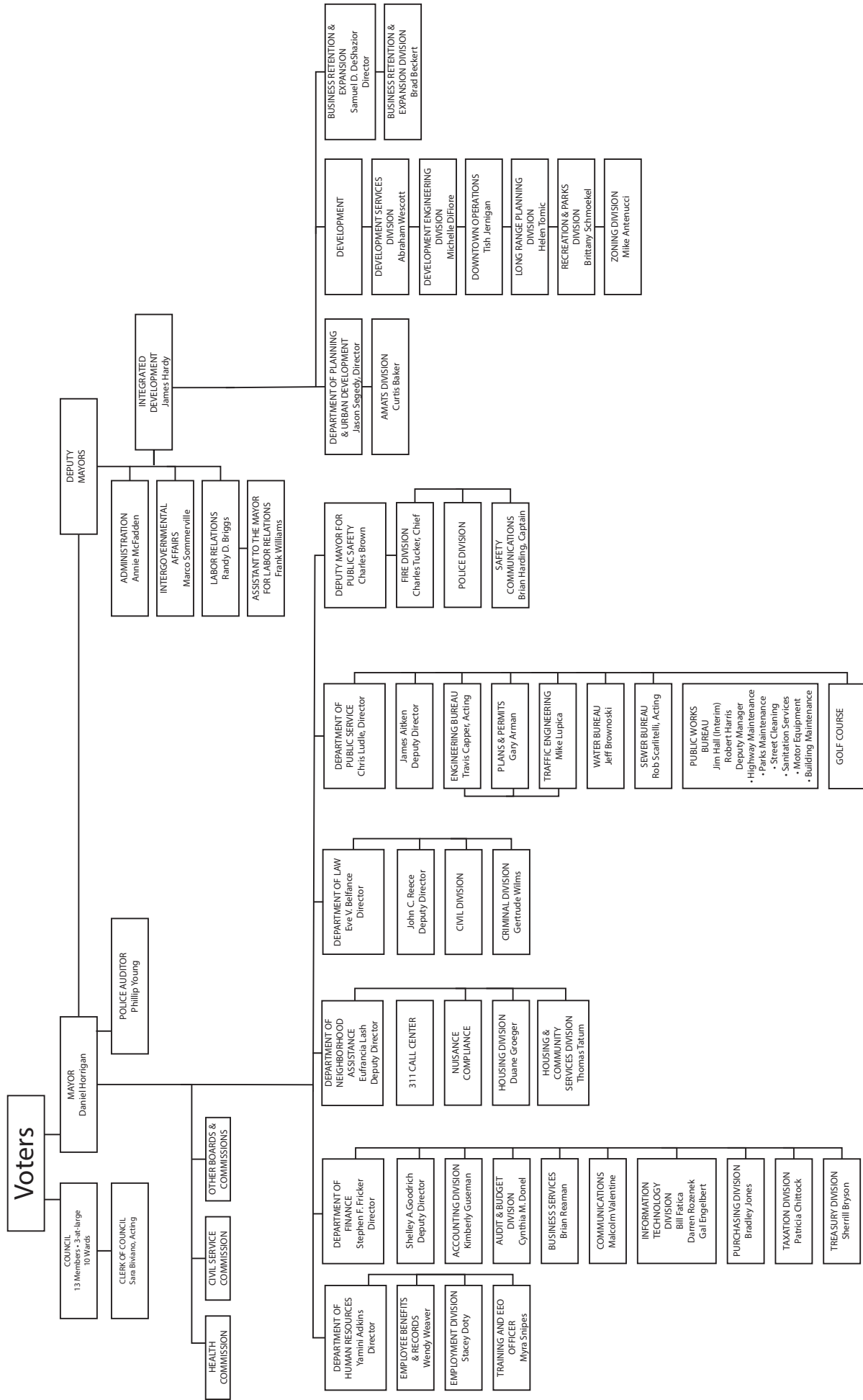
### **COUNCIL MEMBERS**

Nancy L. Holland	1st Ward
Phil Lombardo	2nd Ward
Margo M. Sommerville, Council President	3rd Ward
Russel C. Neal, Jr.	4th Ward
Tara Samples	5th Ward
Brad McKittrick	6th Ward
Donnie J. Kammer	7th Ward
Shammas Malik	8th Ward
Michael N. Freeman	9th Ward
Sharon L. Connor	10th Ward
Jeff Fusco	Councilman-at-Large
Linda F. R. Omobien	Councilwoman-at-Large
Ginger Baylor	Councilwoman-at-Large

### **CABINET OF THE MAYOR**

Stephen F. Fricker	Director of Finance
Christopher D. Ludle	Director of Public Service
Eve. V. Belfance	Director of Law
Jason Segedy	Director of Planning and Urban Development
Yamini Adkins	Director of Human Resources
Annie McFadden	Chief of Staff and Deputy Mayor for Administration
James Hardy	Deputy Mayor for Integrated Development
Marco S. Sommerville	Deputy Mayor for Intergovernmental Affairs and Senior Advisor
Samuel D. DeShazor	Director of Business Retention and Expansion
Charles A. Brown	Deputy Mayor for Public Safety
Randy D. Briggs	Deputy Mayor for Labor Relations
Shelley A. Goodrich	Deputy Director of Finance
Eufrancia Lash	Deputy Director of Public Service and Neighborhood Assistance
John C. Reece	Deputy Director of Law
Frank Williams	Assistant to the Mayor for Labor Relations
James Aitken	Deputy Director of Public Service

# CITY OF AKRON GOVERNMENT ORGANIZATION



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**DANIEL HORRIGAN, MAYOR**

**DEPARTMENT OF FINANCE**

200 Municipal Building / 166 South High Street / Akron, Ohio 44308  
PH: (330) 375-2316

August 2, 2021

The Honorable Daniel Horrigan  
and Members of City Council  
The City of Akron, Ohio

Dear Mayor Horrigan and Council Members:

I am pleased to submit the Comprehensive Annual Financial Report (ACFR) of the City of Akron for the year ended December 31, 2020. This report presents financial and operating information about the City's activities during 2020 that should be useful to citizens and taxpayers. The report, prepared by the Department of Finance, contains a comprehensive analysis of the City's financial position and activities for the year.

Responsibility for both the accuracy of the presented data and the completeness and fairness of the presentation, including all disclosures, rests with the City of Akron. To the best of our knowledge and belief, the enclosed data is accurate in all material respects; it is presented in a manner designed to fairly set forth the financial position and results of operations of the City as measured by the financial activity of our various funds; and all disclosures necessary to enable the reader to gain the maximum understanding of the City's financial activities have been included.

Management assumes full responsibility for the completeness and reliability of the information contained in this report, based upon a comprehensive framework of internal control that has been established for this purpose. The cost of internal control should not exceed anticipated benefits; therefore, the objective is to provide reasonable, rather than absolute, assurance that the financial statements are free of any material misstatements. The Audit and Budget Division prepared all of the financial statements and assisted the external independent auditors in their performance of the annual audit. The Treasury Division assisted in drafting the statistical section.

Generally accepted accounting principles (GAAP) 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). This letter of transmittal is designed to

complement the MD&A and should be read in conjunction with it. The City of Akron's MD&A can be found immediately following the Independent Auditor's Report.

As background for the reader of this report, the City of Akron is a charter city. The City is the fifth largest Ohio municipality in terms of population based on the 2019 Census population of 197,597. The City's land area is approximately 62.03 square miles and is located in the northeastern region of the state in the County of Summit.

The City is directed by a mayor and council form of government. Legislative authority is vested in a 13-member Council, three members of which are elected at-large and ten by wards. The Council determines the compensation of City officials and employees and enacts members' ordinances and resolutions relating to City services, tax levies, appropriation and borrowing of money, licensing and regulating businesses and trades, and other municipal purposes.

The Mayor is elected for a four-year term and has the responsibility as the City's chief executive and administrative officer. The Mayor may veto any legislation passed by Council. A veto may be overridden by a two-thirds vote of all members of Council. The Director of Finance is appointed by the Mayor and serves as the City's chief financial officer and chief accounting officer. The Director of Finance has comprehensive responsibility for the City's fiscal activities, including budget preparation and control, payroll and general accounting, investment and debt management, purchasing, local income tax administration, utility revenue collection and financial reporting.

The City provides the full range of municipal services mandated by statute or charter, including police and fire protection, health, parks, recreation, street maintenance, planning, zoning and other general government services. The City has management control of the following enterprise activities: water, sewer, oil and gas development, golf course, airport and off-street parking.

### Economic Conditions and Outlook

The COVID-19 pandemic has upended the world and has dramatically impacted the United States. From unprecedented and tragic loss of life to historic job loss, this worldwide crisis continues to significantly impact the way people work, play and engage with one another. The City of Akron has been affected due to the impact on our residents, businesses and the increased need for municipal services (including, but not limited to, first responder and other critical services).

Major revenue sources for the City continue to be the City's income tax, property taxes, local fees, charges for services, and state-shared local government revenue. The City's cash income tax collections decreased by approximately 2.67% in 2020. On a cash basis for 2020, property taxes in the general fund decreased by 0.35% and the state's local government revenue to the City increased by approximately .61%. While revenues have decreased due to the COVID 19 Pandemic, the City was a recipient of Federal CARES Act dollars in the amount of \$30,071,353.83 which helped stabilize the City's finances during this precarious time.

Despite the pandemic, the City of Akron remains in a stable financial position due to assistance from the federal government and the slow reopening of the economy. In addition to CARES Act funding, in May 2021 the City received approximately \$72 million dollars of an expected \$153 million in American Rescue Plan Funds that will be utilized in part as revenue replacement as well

as to continue to respond to the COVID-19 emergency and to bring equitable economic recovery to Akron.

### Long-term Financial Policies

Unassigned fund balance in the general fund is 19.38% of the general fund expenditures. The general fund of the City does not have a specified unassigned fund balance target. The recommended level of unassigned fund balance will be determined as needed and as recommended by officials and approved by Council when necessary.

The City completes a five-year capital budget that is updated annually. In this document, the City attempts to forecast its capital requirements for the next five years.

### Relevant Financial Policies

The City has a charter requirement that the 2% income tax (the City's largest revenue source) used specifically for City services, be allocated so that 73% of net revenue is used for operations and the balance is used for capital needs. The passage of Issue 4 that went into effect January 2018 increased the Akron income tax rate by 0.25%. This tax increase will fund police, fire, emergency medical services and roads.

### Major Initiatives

The major initiatives for the City of Akron can be summarized as follows: complete major construction projects, expand economic opportunity and entrepreneurship, redevelop neighborhoods, empower Akron families financially and build a more equitable Akron.

While 2020 was a challenging year unlike any other, the City's administration re-affirmed its commitment to investing in infrastructure through city and capital improvements. With the help of the Safety and Streets Income Tax, the City of Akron completed paving another 33 miles of streets in 2020. This is an addition to the more than 150 miles of Akron roadway that were repaved during over the last five years. Since its passage in November 2017, the .25% Safety and Streets income tax ("Issue 4"), has brought in over \$34 million in new funding to support Akron police, fire, and roads. These additional funds have supported the construction of two new fire stations, purchased new body cameras, vehicles and safety equipment, and re-opened the Akron Police Academy.

In July 2018, the City embarked on Phase I of the Main St. reconstruction, a full improvement project from Cedar Street to Mill Street. In October 2020, Phase 1 was completed and the City opened the more connected, dynamic and modern Main Street which has been purposefully designed to welcome and serve Akron's businesses, citizens and visitors. Phase 1 was a \$30+ million effort to reconstruct all infrastructure from building face to building face along the South Main corridor width, between Cedar and Mill Streets, including: new pavement with a lane dedicated to parking/buses/delivery vehicles, new sidewalks, a permanent bicycle track, upgraded underground utilities, upgraded traffic signal equipment, smart LED lighting, a roundabout at Main and Mill Streets, storm water management improvements, and a complete rebuild of the State Street bridge. Also included were all the amenities needed to make this an attractive corridor including landscaping and public benches.

The City of Akron broke ground in October 2020 on Phase II of the Main Street Project. Phase II improvements will include new roadway with one lane in each direction, plus turn lanes at Market Street and SR 59, a lane on each side of the street for parallel parking, short term deliveries, or buses, a continuation of the cycle track connecting to the nearby towpath trail, new sidewalks, pedestrian and roadway LED lighting, utility upgrades, and aesthetics and amenities, including room for sidewalk cafes. One mid-block pedestrian crossing near the library will be provided. Once it is finished, the improvements will create a unified, accessible, and beautiful corridor all the way from Cedar Street to Martin Luther King Blvd (State Route 59).

In 2020, the City of Akron also announced a new program to assist businesses and entrepreneurs with financial aid, technical assistance, and vacant retail properties in Great Streets Akron districts. The program has been designed to achieve two goals at once: boost Akron's neighborhood retail zones and remove barriers for new and expanding businesses to thrive locally. The City of Akron was able to assist seventeen businesses through the Business Plan Award and the Space Award. Through the Business Plan Award, accepted business owners received free tuition to attend MORTAR at Bounce, a 15-week accelerator that helps both existing and aspiring non-tech entrepreneurs learn the nuances of business ownership and build a comprehensive business canvas; the goal being to launch businesses that create jobs and circulate dollars locally. Through the Space Award, accepted business owners will have the opportunity to be matched with top commercial properties in Akron and receive technical assistance from Bounce, the Minority Business Assistance Center, or the Small Business Development Center to help them choose their space.

The City of Akron is partnering with the Western Reserve Community Fund (WRCF) to launch the Akron Resiliency Fund (the "Fund"). WRCF is a non-profit managed by the Development Finance Authority of Summit County. The Fund will provide low-cost small business loans to help stabilize Akron's small businesses. Long term, this fund will continue in perpetuity, supporting growth in the small business community of Akron while encouraging further investment in our local economy. The loan amounts will vary between \$10,000 and \$70,000, depending on business needs. The funding will be used for items like payroll, working capital, equipment, and refinancing debt. To qualify, businesses must have fewer than 50 employees and at least 25% of those employees must be Akron residents.

Redeveloping our neighborhoods is a high priority for Akron. In a continued attempt to further promote homeownership in Akron a new property acquisition program called "Welcome Home Akron." Welcome Home Akron is a data driven government Software Company that focuses on housing and economic development strategies. The online tool, found at [akronliving.org](http://akronliving.org), makes it simple for residents, builders and developers to easily view City properties for sale and allows anyone to download and complete necessary applications online.

This new program is designed to encourage construction of new residential homes on unused and underutilized city property in its long established neighborhoods, otherwise known as infill development. The goal of the program is to further increase new home construction opportunities while also combatting blight and increasing the vitality and safety of Akron neighborhoods. Currently, the program includes approximately 50 vacant buildable lots selected by the City. All participants that take advantage of the program will be eligible for citywide tax abatement for 15 years.

Akron is committed to empowering Akron families financially and building a more equitable Akron. The City provided over \$401,100 in direct water/sewer bill relief to more than 2,300 Akron households through the Akron Cares program. The program was totally revamped in 2020 to address all COVID-related hardships and make more relief available to a greater number of residents during the pandemic. In 2020, the City of Akron referred 873 customers to free financial empowerment services and additional assistance through the Akron Financial Empowerment Center, through a new program modeled off the Lift-Up program piloted by the National League of Cities. The Lift-Up program included, identifying customers struggling to stay current on utility bills using a matrix of utility data and doing outreach to enroll them in the program, restructuring utility debt and allowing customers to enter into much longer-term and more lenient repayment arrangements, one-on-one financial counseling, including a budget review and customized action plan to address financial needs, as well as referrals to appropriate emergency assistance, public benefits, and banking services, providing additional financial incentives and waiving fees and penalties for customers who participate, supporting ongoing relationships with participants to assess and motivate their progress toward long-term financial health.

### Reporting Standards

The City's accounts are organized as funds. Each fund is a separate accounting entity with its own self-balancing set of accounts, assets and deferred outflows of resources, liabilities and deferred inflows of resources, and fund balance/equity. Following are the titles of these fund types with a brief description.

#### Governmental funds:

General Fund – The General Fund is the general operating fund of the City and is appropriated. It is used to account for all financial resources traditionally associated with government that are not required to be accounted for in another fund.

Special Revenue Funds – The Special Revenue Funds are used to account for revenues derived from specific taxes, grants, or other restricted revenue sources. City ordinances or federal or state statutes specify the uses and limitations of each Special Revenue Fund. During 2020, the City had 23 Special Revenue Funds.

Debt Service Funds – The Debt Service Funds are used to account for the accumulation of resources for, and the payment of, general long-term debt principal, interest, and related costs. During 2020, the City had ten Debt Service Funds.

Capital Projects Funds – The Capital Projects Funds are used to account for financial resources used for the acquisition or construction of major capital facilities other than those financed by proprietary funds. During 2020, the City had six Capital Projects Funds.

Permanent Funds – The Permanent Funds are used for the purpose of accounting for resources that are legally restricted to the extent that earnings, and not principal, may be used for purposes that support the reporting governments. The City does not have any Permanent Funds.



## Proprietary funds:

Enterprise Funds – The Enterprise Funds are used to account for operations that are financed and operated in a manner similar to private business enterprises, in that the intent of the governing body 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. The City has six Enterprise Funds.

Internal Service Funds – The Internal Service Funds are used to account for the financing of goods or services provided by one division or agency to other divisions or agencies of the government, generally on a cost-reimbursement basis. The City has seven Internal Service Funds.

## Fiduciary funds:

Private Purpose Trust Funds – The Private Purpose Trust Funds are used to account for other trust arrangements which benefit individuals, private organizations, or other governments. During 2020, the City had three Private Purpose Trust Funds.

Agency Funds – The Agency Funds are used to account for assets held by the City as an agent for individuals, private organizations, and other governments. During 2020, the City had seven Agency Funds.

Other Fiduciary Funds – The Other Fiduciary Funds include pension trust funds and investment trust funds. The City does not utilize any such Other Fiduciary Funds.

## Basis of Accounting:

Except for budgetary purposes, the basis of accounting used by the City conforms to accounting principles generally accepted in the United States of America (GAAP) as applicable to governmental units and is consistent with Governmental Accounting Standards Board (GASB) Cod. Sec. 1600, “Basis of Accounting.” All governmental funds are accounted for using a current financial resources-current assets and current liabilities measurement focus. The modified accrual basis of accounting is utilized for 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 interest on long-term debt which is recorded when due.

The measurement focus on the City’s proprietary and fiduciary funds is on the flow of total economic resources (all assets and liabilities). The accrual basis of accounting (revenues are recognized when earned and expenses when incurred) is utilized by the City in its proprietary funds.

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 (measurable and available), and encumbrances are included as expenditures rather than as an allocation of fund balances.

Accounting policies are further explained in Note 1 to the basic financial statements.

## Cash Management

Effective cash management is recognized as essential to good fiscal management. The primary objectives of the City's investment activities are the preservation of capital and the protection of investment principal. The Treasurer's Office within the Department of Finance invests all cash, following the City's own investment ordinance, in various securities which consist of fixed-rate City bonds and notes, certificates of deposit, fully collateralized repurchase agreements, and U.S. government obligations. The City's investment ordinance was modified in late 1986 to take advantage of State of Ohio investment opportunities. However, the local investment policy continues to be conservative with the highest priority given to safeguarding assets. For 2020, investment interest income averaged a yield of .45% compared to a yield of 1.98% in 2019. The interest earnings are maximized by investing to projected payment dates on a competitive bid basis and by investing bank balances daily.

## Risk Management

The City has been self-insured for liability coverage for non-auto-related incidents since 1985. This program was established in response to the dramatic rise in premiums in the mid-1980's and the increases in exclusions written into standard insurance policies. Additionally, the City is primarily self-insured for employee medical benefits, including major medical, dental, and vision care. This has proven to be the most cost-effective program for this type of coverage. The City also has in place reserve funds for workers' compensation and medical benefits. For other types of coverage, such as property insurance, airport liability, employee life, auto liability, and boiler and machinery coverage, the City has secured traditional insurance. The City is assisted in its insurance program by an independent consulting firm that does not underwrite insurance but has expertise in the insurance industry. The City relies on the advice offered by the consultant in securing any insurance.

## Pension

The City contributes to two state-administered retirement plans covering various groups of City employees. Uniform police and fire employees participate in the statewide Ohio Police and Fire Pension Fund. Substantially, all other City employees participate in the statewide Ohio Public Employees Retirement System (OPERS). The City's total contributions to these plans were equal to 100% of the required employer contributions for the year. In accordance with GASB Statement No. 68 and GASB Statement No. 75, the City's statements prepared on an accrual basis of accounting include an annual pension expense for their proportionate share of each plan's *change* in net pension liability and net OPEB liability not accounted for as deferred inflows/outflows.

## Independent Annual Audit

This report is subject to review and acceptance by the Auditor of State's office, and the requirements of Ohio Revised Code § 117.25 are not met until the Auditor of State certifies this report. This process will be completed by the Auditor of State in a reasonable timeframe and reports are subject to change if the Auditor of State determines that modification of a report is necessary to comply with required accounting or auditing standards or Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards.

In 2017, Plante Moran PLLC was contracted to perform the audit of the City of Akron for a period of five years. We appreciate the cooperation of State Auditor Keith Faber and Plante Moran PLLC in completing the City's audit in a timely and highly professional manner.

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

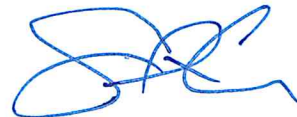
The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Akron, Ohio, for its Comprehensive Annual Financial Report for the fiscal year ended December 31, 2019. The Certificate of Achievement is a prestigious national award, recognizing conformance with the highest standards for preparation of state and local government financial reports.

In order to be awarded a Certificate of Achievement, a government unit must publish an easily readable and efficiently organized comprehensive annual financial report, whose contents conform to program standards. Such an ACFR must satisfy both generally accepted accounting principles and applicable legal requirements. A Certificate of Achievement is valid for a period of one year only. The City of Akron, Ohio, has received Certificates of Achievement for the last 36 consecutive years (1984 through 2019). We believe our current report continues to conform to the Certificate of Achievement program requirements, and we are submitting it to GFOA.

#### Acknowledgments

The 2020 Comprehensive Annual Financial Report could not have been accomplished without the dedication of the professionals in the Audit and Budget Division of the Department of Finance. Special acknowledgment must go to the Audit and Budget staff for the many hours of quality service they have provided to the City in the formulation of this report. I further wish to thank you, Mayor, for continuing to provide to the department the necessary support and leadership required to enhance the City's overall fiscal position and its financial reporting practices. We trust that this timely, complete, and fully readable Comprehensive Annual Financial Report satisfies your needs and those of City Council for responsible financial planning and reporting.

Respectfully,



Stephen F. Fricker  
Director of Finance



Government Finance Officers Association

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Achievement  
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Reporting

Presented to

**City of Akron  
Ohio**

For its Comprehensive Annual  
Financial Report  
For the Fiscal Year Ended

December 31, 2019

*Christopher P. Morill*

Executive Director/CEO

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## Independent Auditor's Report

To the Honorable Daniel Horrigan, Mayor, and  
Stephen F. Fricker, Director of Finance  
City of Akron, Ohio

### 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 Akron, 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 of Akron, Ohio's basic financial statements, as listed in the table of contents.

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

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

#### ***Auditor's Responsibility***

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

#### ***Opinions***

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

To the Honorable Daniel Horrigan, Mayor, and  
Stephen F. Fricker, Director of Finance  
City of Akron, Ohio

***Emphasis of Matter***

As discussed in Note 30 to the basic financial statements, the 2019 basic financial statements have been restated to correct a misstatement. Our opinion is not modified with respect to this matter.

***Other Matters***

***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and the required supplementary information, as identified in the table of contents, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, which considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

***Other Information***

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of Akron, Ohio's basic financial statements. The supplementary information, as identified in the table of contents, and introductory section and statistical section are presented for the purpose of additional analysis and are not a required part of the basic financial statements.

The supplementary information, as identified in the table of contents, is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplementary information, as identified in the table of contents, is fairly stated in all material respects in relation to the basic financial statements as a whole.

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

To the Honorable Daniel Horrigan, Mayor, and  
Stephen F. Fricker, Director of Finance  
City of Akron, Ohio

***Other Reporting Required by Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated August 2, 2021 on our consideration of the City of Akron, Ohio's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements, and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City of Akron, Ohio's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City of Akron, Ohio's internal control over financial reporting and compliance.

Handwritten signature in cursive script that reads "Plante & Moran, PLLC".

August 2, 2021



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## **CITY OF AKRON, OHIO MANAGEMENT'S DISCUSSION AND ANALYSIS**

Management's discussion and analysis of the City of Akron, Ohio financial performance provides an overview of Akron's financial activities for the fiscal year ended December 31, 2020. Please read it in conjunction with the transmittal letter on page 7 and the City's financial statements, which begin on page 40.

### **FINANCIAL OVERVIEW**

- The assets and deferred outflows of the City of Akron, Ohio exceeded its liabilities and deferred inflows at December 31, 2020 by \$675,118,122 (net position). Of this amount, \$7,001,292 is restricted for debt service, \$36,302,660 is restricted for community learning centers, \$21,652,225 is restricted for capital projects and \$22,224,597 restricted for program purpose.
- The unrestricted net position is primarily the result of the City's implementation of Governmental Accounting Standards Board Statement No. 68, *Accounting and Financial Reporting for Pensions - an Amendment of GASB Statement 27* (GASB 68) in 2015 and in 2018. 75 (GASB 75), *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions* in 2018. For the year ended, December 31, 2020, the City reports a net pension liability of \$239,553,202 and \$20,144,907 for governmental and business-type, respectively. Additionally, a net OPEB liability of \$145,995,069 and \$25,062,811 are reported for the governmental and business-type, respectively.
- The City's total net position increased by \$67,061,713 during the current year, as restated. Governmental activities total net position increased by \$58,481,174 and the business-type activities, total net position increased by \$8,580,539. This reflects an improvement in the overall financial position of the City.
- As of the close of the current fiscal year, the City of Akron's governmental funds reported combined ending fund balances of \$108,972,534, an increase from the prior year which is attributed to the increase in grants and subsidies and shared revenues. A portion of these revenues are being used to fund the payment of expenditures as reflected in public service and community environment expenditures for project specific costs.
- At the end of the current fiscal year, unassigned fund balance for the General Fund was \$28,220,027 or 19.4% of total General Fund expenditures.
- The City of Akron's total debt outstanding increased by \$68,579,866 (6.0%) during the current year. During 2020, the City issued \$16,805,000 in General Obligation Bonds for various purpose improvements. Additionally, the City issued \$12,030,000 in income Tax Revenue Bonds for various purpose improvements. There were OWDA loans issued for the cost of improving the Waterworks System totaling \$7,450,643 and the Sanitary Sewer System totaling \$116,923,031.

### **OVERVIEW OF THE FINANCIAL STATEMENTS**

This discussion and analysis is intended to serve as an introduction to the City of Akron's basic financial statements. The City of Akron's basic financial statements are comprised of the following: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to

the financial statements. This report also contains required and other supplementary information in addition to the basic financial statements themselves.

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

The statement of net position presents information on all of the City of Akron's assets and deferred outflows and liabilities and deferred inflows, with the difference reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of the financial position of the City of Akron.

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

Both of the government-wide financial statements distinguish functions of the City of Akron that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The governmental activities of the City of Akron include general government, public service, public safety, community environment, public health, and recreation and parks. The business-type activities of the City of Akron include water, sewer, oil and gas, golf course, airport, and off-street parking operations.

The government-wide financial statements can be found on pages 40–41 of this report.

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

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

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund

statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The City of Akron maintains 40 individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the General Fund, the Community Learning Centers (CLC) Fund, the Income Tax Capital Improvement Fund, the Special Assessment Fund, and the Streets Fund, all of which are considered to be major funds. Data from the other governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of combining statements elsewhere in this report.

The City of Akron adopts an annual appropriated budget for its General Fund, special revenue funds, some debt service, enterprise and internal service funds. The General Fund, Community Learning Centers Fund, Income Tax Capital Improvement Fund, and Special Assessment Fund budgetary schedules (non-GAAP budgetary basis) have been provided as Required Supplementary Information (RSI) to demonstrate compliance with this budget.

The basic governmental fund financial statements can be found on pages 42-45 of this report.

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

The focus of the City's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the City's financing requirements. In particular, unassigned fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year. The City implemented GASB 63 – *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position* and also GASB 65 *Items Previously Reported as Assets and Liabilities*. The standard establishes a basis to reclassify certain items that were previously reported as assets and liabilities and instead classify them as Deferred Inflows of Resources, Deferred Outflows of Resources, or as outflows of resources.

Fund balances are the differences between assets and deferred outflows and liabilities and deferred inflows in governmental funds. 1) Nonspendable fund balance includes amounts that are not in spendable form, or amounts that are required to be maintained intact. 2) Restricted fund balance includes amounts that can be spent only for the specific purposes stipulated by external providers, such as grantors or bondholders, as well as amounts that are restricted through enabling legislation. 3) Committed fund balance includes amounts that can be used only for the specific purposes that are determined by a formal action of the City's highest level of decision making authority. 4) Assigned fund balance applies to amounts that are intended for specific purposes as expressed by the governing body or authorized official and applies to remaining resources in any governmental funds other than the General Fund. 5) Unassigned fund balances include all amounts not contained in other classifications for the General Fund and deficit fund balances in any other governmental funds.

As of the end of the current fiscal year, the City's total governmental funds reported an ending fund balance of \$108,972,534, an increase of \$13,240,702 in comparison with the prior year. As a measure of the General Fund's liquidity, it may be useful to compare both unassigned fund balance and total fund balance to total fund expenditures. Unassigned fund balance represents 19.4% of total General Fund expenditures, while total fund balance represents 21.7% of that same amount.

**Proprietary Funds.** The City of Akron maintains two different types of proprietary funds: enterprise and internal service funds. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The City of Akron uses enterprise funds to account for its water, sewer, oil and gas, golf, airport, and off-street parking operations. Internal service funds are an accounting device used to accumulate and allocate costs internally among the City of Akron's various functions. The City of Akron uses internal service funds to account for its motor equipment, medical self-insurance, workers' compensation self-insurance, other self-insurance costs, information technology (responsible for all data processing and computer operations of the City), telephone system (with outside cable plant consisting of underground and aerial wires and telephone cables), and engineering bureau (responsible for design and construction for City streets, sidewalks, sewer and water utilities, bridges, and City facilities). Because most of the internal services predominantly benefit governmental rather than business-type functions, they have been included within the governmental activities in the government-wide financial statements.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for the Water, Sewer, and Off-Street Parking funds, which are considered to be major funds of the City of Akron. Conversely, the internal service funds are combined into a single aggregated presentation in the proprietary fund financial statements. Individual fund data for the nonmajor enterprise and the internal service funds is provided in the form of combining statements elsewhere in this report.

The basic proprietary fund financial statements can be found on pages 46–48 of this report.

**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 of Akron's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds.

The basic fiduciary fund financial statements can be found on pages 49–50 of this report.

**Notes to the Financial Statements.** The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 51-132 of this report.

**Other Information.** In addition to the basic financial statements and accompanying notes, this report also presents certain Required Supplementary Information (RSI) concerning the City of Akron's General Fund, Community Learning Centers Fund, Income Tax Capital Improvement

Fund, Special Assessment Fund, and Streets Fund budgetary comparison. Also included are three required schedules related to the City's participation in two state pension and OPEB funds. The Schedule of City's Proportionate Share of Net Pension Liability includes a history of the City's proportionate share of the collective net pension liability for each state pension fund. The Schedule of City Contributions to State Pension and OPEB Funds includes a history of contractually required contributions compared to contributions made. The Schedule of the City's Proportionate Share of Net OPEB Liability includes a history of the City's proportionate share of the collective net OPEB liability for each state pension fund. Additionally, the Schedule of Contributions to the City of Akron's OPEB Plan includes a history of contributions made. Required Supplementary Information (RSI) can be found on pages 133-147 of this report.

The combining statements referred to earlier in connection with nonmajor governmental funds, enterprise funds and internal service funds are presented immediately following the RSI and can be found on pages 152-213 of this report.

## **GOVERNMENT-WIDE FINANCIAL ANALYSIS**

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the City of Akron, assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$675,118,122 at the close of the most recent fiscal year.

By far the largest portion of the City of Akron's net position reflects its net investment in capital assets (e.g., land, buildings, machinery, and equipment); less any related debt used to acquire those assets that is still outstanding. The City of Akron uses these capital assets to provide services to the citizens; consequently, these assets are not available for future spending. Although the City of Akron's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other resources, since the capital assets themselves cannot be used to liquidate these liabilities.

The City's overall net position increased by \$67,061,713 during the current year; the net position of the governmental activities increased by \$58,481,174 and business-type activities increased by \$8,580,539. In addition, 1.4% of the City of Akron's net position is restricted for the payment of debt service, 5.4% is restricted for community learning center activity and 6.5% is restricted for other purposes.

Summary Statement of Net Position  
as of December 31, 2019 and 2020  
(in thousands)

	Governmental Activities		Business-type Activities		Total	
	2019	2020	2019	2020	2019	2020
<b>Assets:</b>						
Current and other assets	\$ 303,256	\$ 311,577	\$ 137,058	\$ 132,885	\$ 440,314	\$ 444,462
Capital assets	1,092,015	1,124,372	990,064	1,174,517	2,082,079	2,298,889
Total assets	\$ 1,395,271	\$ 1,435,949	\$ 1,127,122	\$ 1,307,402	\$ 2,522,393	\$ 2,743,351
Deferred outflows	111,215	68,805	10,454	6,309	121,669	75,114
Total assets and deferred outflows	\$ 1,506,486	\$ 1,504,754	\$ 1,137,576	\$ 1,313,711	\$ 2,644,062	\$ 2,818,465
<b>Liabilities:</b>						
Long-term liabilities	1,166,724	1,052,234	680,107	758,546	1,846,831	1,810,780
Other liabilities	62,224	68,334	27,766	37,486	89,990	105,820
Total liabilities	\$ 1,228,948	\$ 1,120,568	\$ 707,873	\$ 796,032	\$ 1,936,821	\$ 1,916,600
Deferred inflows	166,740	214,906	4,474	11,841	171,214	226,747
Total liabilities and deferred inflows	\$ 1,395,688	\$ 1,335,474	\$ 712,347	\$ 807,873	\$ 2,108,035	\$ 2,143,347
<b>Net position:</b>						
Net investment in capital assets	402,657	525,092	368,625	465,595	771,282	990,687
Restricted	96,913	83,645	3,519	3,536	100,432	87,181
Unrestricted (deficit), as restated	(388,771)	(439,457)	53,083	36,707	(335,688)	(402,750)
Total net position	\$ 110,799	\$ 169,280	\$ 425,227	\$ 505,838	\$ 536,026	\$ 675,118

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

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

1. Present value of estimated future pension/OPEB benefits attributable to active and inactive employee's 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 against 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. 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, investments returns, and other changes are insufficient to keep up with the required 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 plans change in net pension liability and net OPEB liability, respectively, not accounted for as deferred inflows/outflows.

**Governmental Activities.** Changes in net position before transfers was an increase in the amount of \$60,182 (in thousands).

For the governmental activities, the unrestricted deficit results from having insufficient assets set aside for long-term obligations such as pension liability, compensated absences, and OPEB liability. The City finances such obligations on a year-to-year basis as they come due and also has ongoing capital projects that are debt-financed.

The following table (in thousands) shows total revenues for 2020 were \$432,498 which reflects an increase from the prior year. Charges for services reflect a decrease of \$9,059 which stems from the COVID-19 pandemic as activities were cancelled. Due to the COVID-19 pandemic,



the City received a significant amount of COVID grants as reflected by the increase in operating grants and contributions. Once again, COVID-19 attributed to the \$4,660 decline in income taxes. Unrestricted shared revenues increased by \$27,634 which is directly attributed to the Community Learning Centers (CLC) activity. Miscellaneous revenues increased by \$18,487 largely due to an unusually large amount of rebates and dividends. Charges for Services in the Business-type Activities decreased due to a reduction in accounts receivable in both the Water and Sewer funds.

Expenses for 2020 were higher than 2019 by approximately \$97,740. The most significant increase relates to the Ohio Police & Fire Pension Fund's (OP&F) OPEB plan. Most notable is the significant increase recognized in the governmental type activity within the department of public safety due to the results of OPEB expense. General government reflected a decrease of \$7,693 due to the impact of COVID-19 as previously mentioned. The expenses for community environment increased by \$23,590 which is directly attributed to the activity for Community Learning Centers (CLC). The decrease reflected in the Business-type Activities resulted from expenses for capital assets in both the Water and Sewer funds.

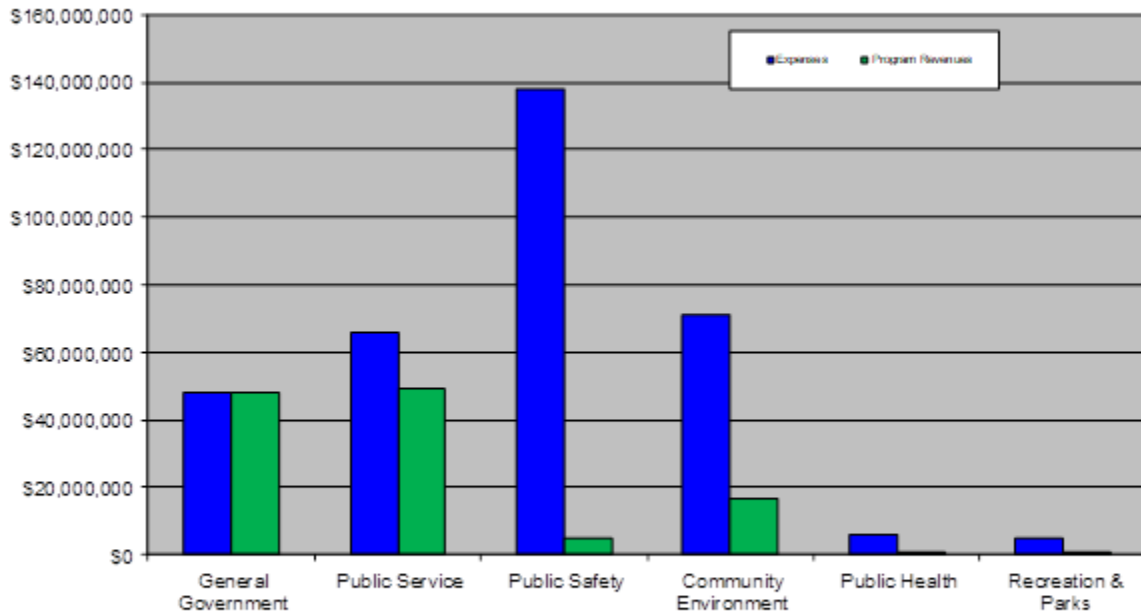
Key events contributing to the changes are as follows:

- Charges for service activities including cancellation of recreation and Lock 3 activities, school resource officers were not needed during remote learning, and the automated mobile speed enforcement schedule was altered during remote learning.
- The City received operating grant funding for COVID in excess of \$30 million, of which approximately \$23 million had been earned by December 31, 2020.
- Community Learning Centers (CLC) fund accounts for both the increase in unrestricted shared revenues and community environment expense relating to the spending on CLC construction related activities.
- The increase in miscellaneous revenue relates to the Ohio Bureau of Workers' Compensation rebates and dividends and a one-time vendor payment that were received.
- General government expenses decreased due to the reduction of program activities related to the COVID-19 pandemic including recreation programs and activities at Lock 3.
- Public safety expenses, as previously mentioned, increased significantly due to OP&F OPEB that is recorded as current year increase in expense.
- The City has focused efforts on reducing transfers to Enterprise funds. During 2019, the transfers to the Off-Street Parking and Airport funds were reduced.
- The balances for capital assets in the Sewer fund as of December 31, 2019 were restated to capture assets previously recorded as expense.

Changes in Net Position  
For Fiscal Year Ended December 31, 2019 and 2020  
(in thousands)

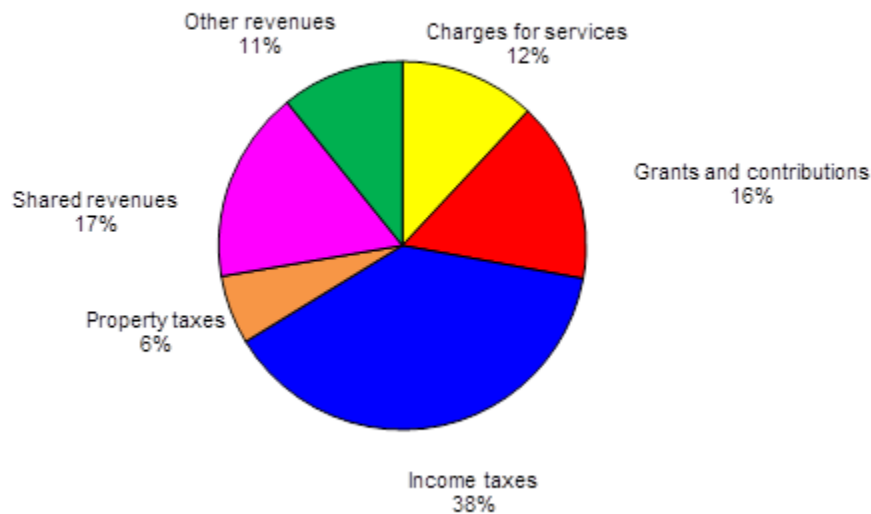
	Governmental Activities		Business-type Activities		Total	
	2019	2020	2019	2020	2019	2020
<b>Revenues:</b>						
<b>Program revenues:</b>						
Charges for services	\$ 60,609	\$ 51,550	\$ 126,256	\$ 123,148	\$ 186,865	\$ 174,698
Operating grants and contributions	15,543	34,625	192	636	15,735	35,261
Capital grants and contributions	40,582	33,943	7,531	8,107	48,113	42,050
<b>General revenues:</b>						
Income taxes	170,037	165,377	-	-	170,037	165,377
Property taxes	24,048	26,030	-	-	24,048	26,030
JEDD revenues	16,083	15,786	-	-	16,083	15,786
Investment earnings	5,909	2,392	36	8	5,945	2,400
Unrestricted shared revenues	45,059	72,693	-	-	45,059	72,693
Miscellaneous	11,591	30,078	2,661	832	14,252	30,910
Gain on sale of capital assets	12	25	-	-	12	25
<b>Total revenues</b>	<b>\$ 389,473</b>	<b>\$ 432,499</b>	<b>\$ 136,676</b>	<b>\$ 132,731</b>	<b>\$ 526,149</b>	<b>\$ 565,230</b>
<b>Expenses:</b>						
General government	\$ 55,914	\$ 48,221	\$ -	\$ -	\$ 55,914	\$ 48,221
Public service	69,325	66,127	-	-	69,325	66,127
Public safety	49,458	138,263	-	-	49,458	138,263
Community environment	47,822	71,412	-	-	47,822	71,412
Public health	4,451	5,812	-	-	4,451	5,812
Recreation and parks	5,720	5,140	-	-	5,720	5,140
Interest on debt	23,887	19,814	-	-	23,887	19,814
Unallocated depreciation	18,000	17,528	-	-	18,000	17,528
Water	-	-	46,574	29,520	46,574	29,520
Sewer	-	-	103,947	86,926	103,947	86,926
Oil & gas	-	-	372	137	372	137
Golf course	-	-	2,057	1,323	2,057	1,323
Airport	-	-	1,450	1,004	1,450	1,004
Off-street parking	-	-	7,278	6,941	7,278	6,941
<b>Total expenses</b>	<b>\$ 274,577</b>	<b>\$ 372,317</b>	<b>\$ 161,678</b>	<b>\$ 125,851</b>	<b>\$ 436,255</b>	<b>\$ 498,168</b>
Changes in net position before transfers	114,896	60,182	(25,002)	6,880	89,894	67,062
Transfers	(730)	(1,700)	730	1,700	-	-
<b>Changes in net position</b>	<b>\$ 114,166</b>	<b>\$ 58,482</b>	<b>\$ (24,272)</b>	<b>\$ 8,580</b>	<b>\$ 89,894</b>	<b>\$ 67,062</b>
Net position - beginning, as restated	(3,368)	110,798	449,499	497,258	446,131	608,056
<b>Net position - ending</b>	<b>\$ 110,798</b>	<b>\$ 169,280</b>	<b>\$ 425,227</b>	<b>\$ 505,838</b>	<b>\$ 536,025</b>	<b>\$ 675,118</b>

### Expenses and Program Revenues - Governmental Activities



The above chart shows the revenue generated by the various programs of the City of Akron and the expenses relating to each program. As shown below, the primary source of revenue that funds these programs is reported in the financial statements as income taxes.

### Revenues By Sources Governmental Activities



## FINANCIAL ANALYSIS OF THE GOVERNMENTAL FUNDS

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

**Governmental Funds.** The focus of the City of Akron's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the City of Akron's financing requirements. In particular, unassigned fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

As of the end of the current fiscal year, the City of Akron's governmental funds reported a combined ending fund balance of \$108,972,534, an increase in comparison to the prior year. The unassigned fund balance at the end of the current year is \$7,195,658. The remainder of fund balance is distributed to indicate that it is not available for new spending because it has already been dedicated. The City's major governmental funds are the General Fund, the Community Learning Centers (CLC) Fund, the Income Tax Capital Improvement Fund, the Special Assessment Fund, and the Streets Fund.

The General Fund is the chief operating fund of the City of Akron. At the end of the current fiscal year, unassigned fund balance of the General Fund was \$28,220,027, while the total fund balance is \$31,567,302. As a measure of the General Fund's liquidity, it may be useful to compare both unassigned fund balance and total fund balance to total fund expenditures. Unassigned fund balance represents 19.4% of total General Fund expenditures, while total fund balance represents 21.7% of that same amount.

The fund balance of the City of Akron's General Fund increased by \$18,086,831 during the current fiscal year. Key factors in this change are as follows:

- The City's commitment to monitor revenues and approve expenditures in conformity with available resources.
- The increase in miscellaneous revenue relates to the Ohio Bureau of Workers' Compensation rebates and dividends of \$9 million.
- Public safety expenditures during 2020 show a significant decrease of approximately \$11.8 million. The main factor that contributed to the decrease was allocating safety forces wages and benefits from the General fund to the Various Purpose Funding as an allowable expense for the COVID-19 grants.
- In addition to the subsidy for EMS and the local match for grants, the practice of transferring monies from the General Fund, to subsidize various operations is a method used annually by the City to provide resources to these funds. The City was able to reduce the subsidy to EMS Fund and Airport Fund allowing resources to be redirected and add subsidy to Off-Street Parking Fund, Golf Fund, Motor Equipment Fund, and Information Technology Fund.

The Community Learning Centers Fund has a total fund balance of \$36,302,660. The net decrease in fund balance the Community Learning Centers Fund from the prior year of \$14,339,892 is attributed to the spending of previously issued Income Tax Revenue Bonds. The

proceeds are being used to fund the payment of expenditures as reflected in the community environment expenditures for project specific costs.

The Income Tax Capital Improvement Fund has a total fund balance of \$6,263,379. Revenues exceed expenditures by \$5,243,635 in 2020 due to delaying capital projects. Coupled with the issuance of bonds and refunding bonds yields an increase in the fund balance of \$5,707,753. The Fund is responsible for debt service payments and relies heavily on the collection of income taxes.

The Special Assessment Fund has a total fund balance deficit of \$11,062,569. The Fund is utilized for the accumulation of resources for, and the payment of, special assessment note issued for street lighting and street cleaning along with related assessment costs.

The Streets Fund has a total fund balance deficit of \$8,587,656. The Fund is used to account for the accumulation of resources for, and payment of street projects.

Other Governmental Funds have a combined fund balance of \$54,489,418. The increase in the combined fund balance was \$11,332,180. This majority of the change is attributed to Police, Fire, and Road Activity fund as projects were delayed due to the COVID-19 pandemic. Additionally, the JEDD fund and Tax Equivalency fund had restraint on spending during 2020.

## **GENERAL FUND BUDGETARY OVERVIEW**

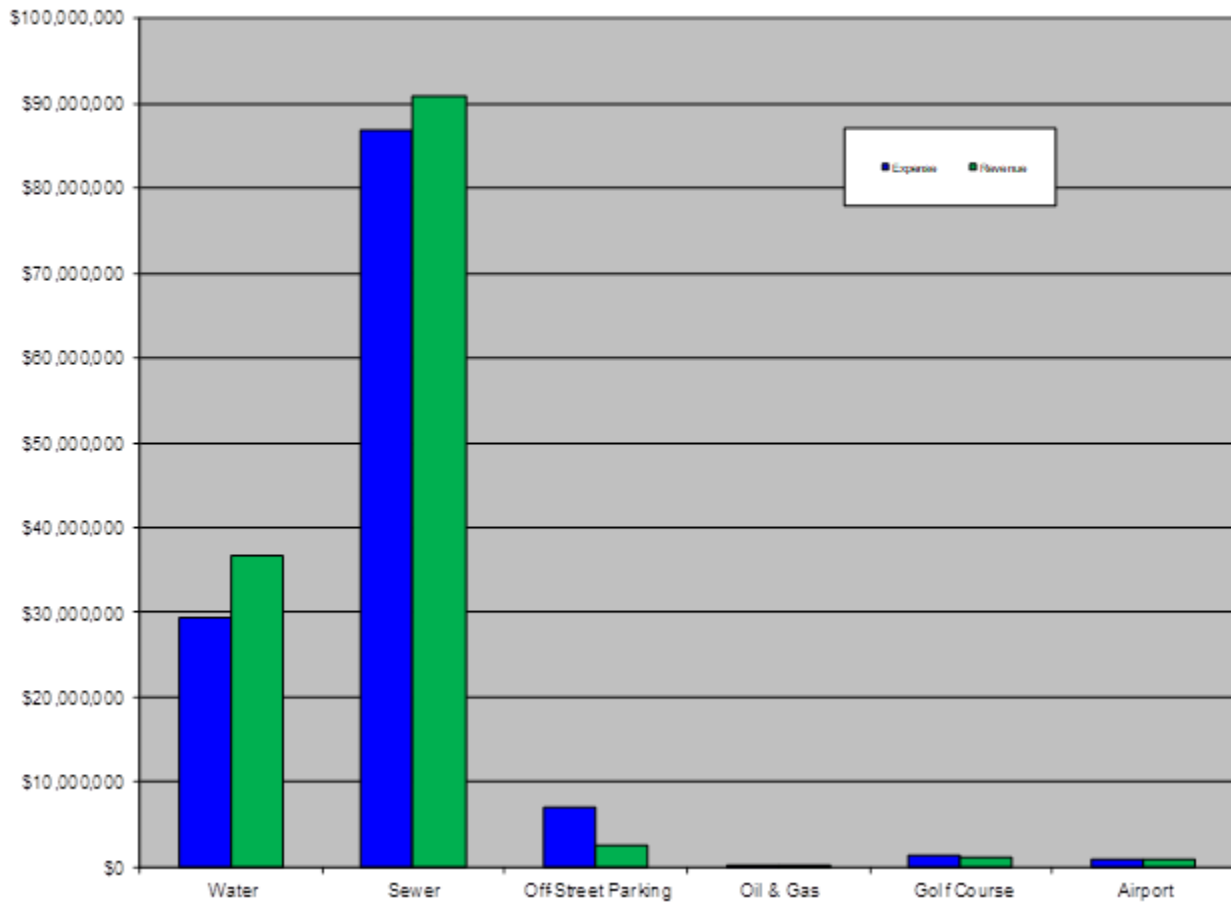
During the year, actual revenues and other sources were greater than original budgetary estimates by \$6,587,477 (3.8%). Taxes, Assessments and JEDD revenue, the major revenue sources, were less than the budgeted amount by \$5,099,333 and miscellaneous revenues higher by \$9,021,355. Increases in revenues during 2020 included charges for services by \$1,737,499, intergovernmental revenues by \$755,991, and license and fees by \$171,965.

As a result of revenue monitoring, restraint on spending was prioritized and the General Fund balance reported an increase of \$16,730,372. The actual expenditures were under the final budget by \$4,133,610.

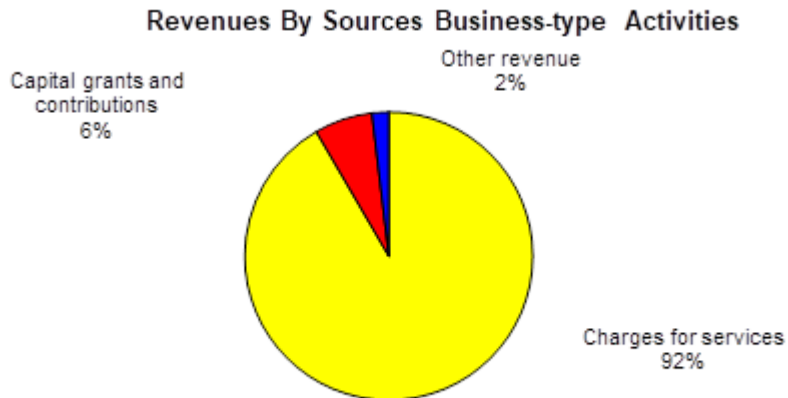
Key events contributing to the changes in the General Fund budget amounts are as follows:

- The Public Service Department's budget was increased by \$6,090,000 and the Finance Department's budget was increased by \$2,835,000 to allow for year-end encumbrances along with transfers and advances. The Department of Public Safety, Fire Department, and Police Department was decreased as expenditures were allocated to the COVID-19 grant fund.
- The Department of Public Safety's actual expenditures were under the final budgeted amount by \$946,354, Fire Department's by \$12,866, and the Police Department by \$74,938 and is attributed to the utilization of the COVID-19 grants.

### Expenses and Program Revenues - Business-type Activities



The above chart shows the revenue generated by the various business-type activities of the City of Akron and the expenses relating to each activity. As shown below, the majority of the revenue that funds these activities is reported in the financial statements as charges for services.



## FINANCIAL ANALYSIS OF THE PROPRIETARY FUNDS

**Business-Type Activities.** Business-type activities increased the City of Akron's net position by \$8,580,539 compared to a decrease of \$24,272,658 in the prior year. Total program revenues decreased by \$2,088,355 combined with a decrease in expenses of \$35,828,515 contributed to the overall increase in net position.

**Proprietary Funds.** The City of Akron's proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail. The City's major enterprise funds are the Water Fund, Sewer Fund, and Off-Street Parking Fund.

Unrestricted net deficit of the Water Fund at the end of the year was \$25,298,611, for the Sewer Fund unrestricted net position was \$66,351,951, and for the Off-Street Parking Fund was a deficit of \$366,557. The increases reported in net position for the Water and the Sewer Funds were \$222,377 and \$9,862,394, respectively. The decrease reported in net position for Off-Street Parking was \$2,286,999.

The expenses in the Sewer Fund decreased significantly, but the decrease relates to the capitalization of assets during 2020. As previously mentioned, the balances for capital assets in the Sewer fund as of December 31, 2019 were restated to capture assets previously recorded as expense.

The Water Bureau services the City and 13 surrounding communities which account for 83,482 customer accounts and 1,181 miles of water lines. All bonds of the Water Fund are paid from water enterprise revenues. A ten-year comparison of certain water enterprise data is shown in Schedule 15 of the Statistical Section. Water rates remained stable and results of operations yielded an increase in net position due to cost containment. The Sewer Bureau services the City and 12 surrounding communities which account for 75,966 customer accounts and 1,346 miles of sewer lines. All bonds of the Sewer Fund are paid from sewer enterprise revenues. A ten-year comparison of certain sewer enterprise data is shown in Schedule 15 of the Statistical Section. Sewer rates remained virtually unchanged with only slight increases to a small population of non-resident customers and results of operations yielded an increase in net position due again to cost containment.

The Off-Street Parking Fund experienced a decrease in both the operating revenues and operating expenses. The decrease in net position directly relates to expenses exceeding operating revenues.

## CAPITAL ASSETS AND DEBT ADMINISTRATION

**Capital Assets.** The City of Akron’s investment in capital assets for its governmental and business-type activities as of December 31, 2020, amounts to \$2,298,887,661 (net of accumulated depreciation). This investment in capital assets includes land, construction in progress, buildings, improvements (other than buildings), equipment, and infrastructure. The total increase in the City of Akron’s investment in capital assets for the current fiscal year was \$216,808,164 (a 2.9% increase for governmental activities and an 18.6% increase for business-type activities).

	Capital Assets (net of accumulated depreciation) (in thousands)					
	Governmental Activities		Business-type Activities		Total	
	2019	2020	2019	2020	2019	2020
Land	\$ 153,973	\$ 153,958	\$ 38,403	\$ 38,403	\$ 192,376	\$ 192,361
Construction in progress	133,625	145,471	438,773	495,679	572,398	641,150
Buildings	354,287	344,775	103,741	100,322	458,028	445,097
Improvements	107,938	106,930	145,499	137,704	253,437	244,634
Equipment	34,638	32,084	41,217	39,806	75,855	71,890
Infrastructure	307,554	341,153	222,431	362,603	529,985	703,756
	<u>\$ 1,092,015</u>	<u>\$ 1,124,371</u>	<u>\$ 990,064</u>	<u>\$ 1,174,517</u>	<u>\$ 2,082,079</u>	<u>\$ 2,298,888</u>

The City of Akron displays additional information relating to the capital assets of the City that can be found in Note 1. G. and Note 7.

Major capital assets placed into service during the current fiscal year included the following:

- WRF Biocept - \$29,363,893
- Ohio Interceptor Tunnel - \$27,986,858
- Hazel Storage Basin CSO Rack 10 & 11 - \$25,787,984
- Main Street Corridor and State Street Bridge - \$22,705,853
- Romig Road Improvements - \$13,031,544
- WRF Headworks Improvements - \$8,100,193



**Long-Term Debt.** At the end of the current fiscal year, the City of Akron had total debt outstanding of \$1,204,243,774. All general obligation bonds are backed by the full faith and credit of the City. Special assessment bonds and notes are covered by special assessment collections and are backed by the full faith and credit of the City. The remainder of the City of Akron's debt represents bonds secured solely by specified revenue sources.

City of Akron Outstanding Debt (in thousands)							
	Governmental Activities		Business-type Activities		Total		
	2019	2020	2019	2020	2019	2020	
General Obligation Bonds	\$ 121,001	\$ 105,085	\$ 219	\$ -	\$ 121,220	\$ 105,085	
General Obligation Notes	1,500	17,400	-	-	1,500	17,400	
OPWC Loan	5,141	5,843	355	290	5,496	6,133	
Ohio Development Services Agency	3,955	3,635	-	-	3,955	3,635	
Non-Tax Revenue Bonds	30,410	27,305	-	-	30,410	27,305	
Income Tax Revenue Income Tax Revenue Bonds and Notes	358,629	344,100	-	-	358,629	344,100	
Special Revenue Bonds	7,720	3,680	-	-	7,720	3,680	
Special Assessment Bonds and Notes	20,272	20,598	-	-	20,272	20,598	
Mortgage Revenue Bonds	-	-	13,655	12,490	13,655	12,490	
OWDA Loan	-	-	572,807	663,818	572,807	663,818	
	<u>\$ 548,628</u>	<u>\$ 527,646</u>	<u>\$ 587,036</u>	<u>\$ 676,598</u>	<u>\$ 1,135,664</u>	<u>\$ 1,204,244</u>	

The City of Akron's total debt outstanding increased by \$68,579,866 (6.0%) during the current fiscal year.

During 2020, the City issued \$16,805,000 in General Obligation Bonds for various purpose improvements. Additionally, the City issued \$12,030,000 in income Tax Revenue Bonds for various purpose improvements. There were OWDA loans issued for the cost of improving the Waterworks System totaling \$7,450,643 and the Sanitary Sewer System totaling \$116,923,031.

The Ohio Revised Code provides that the outstanding general obligation bonds less self-supporting debt (e.g., income tax-backed projects) of the municipal corporation, whether or not approved by the electors, shall not exceed 10.5% of the assessed value of all property in the municipal corporation as listed and assessed for taxation. In addition, the unvoted net debt of municipal corporations cannot exceed 5.5% of total assessed value of property. The City of Akron's total debt limit (10.5%) is \$291,406,810 and the total unvoted net debt limit (5.5%) is \$152,641,662.

The City's general obligation bonds are rated "A+" by Standard & Poor's Ratings Services, "A+" by Fitch Ratings and "Aa3" by Moody's Investors Service, Inc. The insured Water Revenue bonds were originally rated Aa2 from Moody's and they were assigned AA by Standard & Poor's in 2017.

Additional information on the City of Akron's long-term debt can be found in Notes 10-12.

### **Economic Factors and Next Year's Budgets and Rates**

- The United States, the State of Ohio and the City all declared a state of emergency in March 2020 due to the global Coronavirus Disease 2019 (COVID-19) pandemic. The financial impact of COVID-19 will impact subsequent periods of the City. The impact on the City's future operating costs, revenues, and any recovery from emergency funding, either federal or state, cannot be estimated.
- The average unemployment at year-end 2020 was 10.0% compared to 4.5% in 2019, which is a result of COVID-19. Subsequent to year-end, the economy has returned to almost pre-COVID unemployment level mid-year 2021
- The City of Akron budgeted income tax collections to increase by 2.0%, Local Government to remain stable, and Property Taxes to increase by 10%.
- No increase in Water or Sewer service rates for 2021.

In the 2021 budget, the General Fund unencumbered fund balance is projecting an increase of \$527,848.

### **Request for Information**

This financial report is designed to provide a general overview of the City of Akron's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or request for additional information should be addressed to the Director of Finance, Municipal Building, 166 South High Street, Room 205, Akron, Ohio 44308.

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# **BASIC FINANCIAL STATEMENTS**

City of Akron, Ohio  
Statement of Net Position  
December 31, 2020

	Governmental Activities	Business-Type Activities	Total
<b>Assets</b>			
Current assets:			
Pooled cash and investments	\$ 91,294,446	\$ 115,965,680	\$ 207,260,126
Receivables, net	114,840,272	14,165,236	129,005,508
Loans receivable	3,321,754	-	3,321,754
Due from other governments	914,758	937,626	1,852,384
Due from others	216,806	-	216,806
Internal balances	4,785,612	(4,785,612)	-
Inventories, at cost	797,783	2,895,957	3,693,740
Total current assets	<u>216,171,431</u>	<u>129,178,887</u>	<u>345,350,318</u>
Noncurrent assets:			
Receivables, net	59,624,029	-	59,624,029
Restricted cash and investments	3,608,263	3,535,913	7,144,176
Loans receivable	7,382,439	-	7,382,439
Deposits	16,323,574	-	16,323,574
Assets held for resale	7,919,423	-	7,919,423
Net pension asset	548,570	169,588	718,158
Capital assets:			
Land and construction in progress	299,428,597	534,081,879	833,510,476
Other capital assets, net	824,942,548	640,434,637	1,465,377,185
Total noncurrent assets	<u>1,219,777,443</u>	<u>1,178,222,017</u>	<u>2,397,999,460</u>
Total assets	<u>1,435,948,874</u>	<u>1,307,400,904</u>	<u>2,743,349,778</u>
<b>Deferred Outflows of Resources</b>	68,805,077	6,308,886	75,113,963
Total assets and deferred outflows of resources	<u>1,504,753,951</u>	<u>1,313,709,790</u>	<u>2,818,463,741</u>
<b>Liabilities</b>			
Current liabilities:			
Accounts payable and other accrued liabilities	32,333,317	9,157,529	41,490,846
Deposits	662,128	751,797	1,413,925
Due to other governments	7,389,729	16,748,085	24,137,814
Accrued interest payable	1,781,945	6,727,566	8,509,511
Accrued wages	6,219,733	812,994	7,032,727
Accrued vacation and leave	9,028,686	1,264,938	10,293,624
COPs and obligations under capital lease	5,608,428	2,021,850	7,630,278
Liability for unpaid claims	5,309,157	-	5,309,157
Bonds, notes and loans payable	53,882,789	31,218,261	85,101,050
Total current liabilities	<u>122,215,912</u>	<u>68,703,020</u>	<u>190,918,932</u>
Noncurrent liabilities:			
COPs and obligations under lease	58,392,854	29,811,424	88,204,278
Liabilities due in more than one year	75,996,176	6,438,143	82,434,319
Bonds, notes and loans payable	478,415,091	645,869,801	1,124,284,892
Net pension liability	239,553,202	20,144,907	259,698,109
Net OPEB liability	145,995,069	25,062,811	171,057,880
Total noncurrent liabilities	<u>998,352,392</u>	<u>727,327,086</u>	<u>1,725,679,478</u>
Total liabilities	<u>1,120,568,304</u>	<u>796,030,106</u>	<u>1,916,598,410</u>
<b>Deferred Inflows of Resources</b>	214,906,004	11,841,205	226,747,209
Total liabilities and deferred inflows of resources	<u>1,335,474,308</u>	<u>807,871,311</u>	<u>2,143,345,619</u>
<b>Net position</b>			
Net investment in capital assets	525,092,122	465,595,180	990,687,302
Restricted for debt service	3,465,287	3,536,005	7,001,292
Restricted for community learning centers	36,302,660	-	36,302,660
Restricted for capital projects	21,652,225	-	21,652,225
Restricted for program purpose	22,224,597	-	22,224,597
Unrestricted (deficit)	(439,457,248)	36,707,294	(402,749,954)
Total net position	<u>\$ 169,279,643</u>	<u>\$ 505,838,479</u>	<u>\$ 675,118,122</u>

The notes to the financial statements are an integral part of this statement.

City of Akron, Ohio  
Statement of Activities  
For the Year Ended December 31, 2020

Functions/Programs	Program Revenues				Net (Expense) Revenue and Changes in Net Position		
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-type Activities	Total
<b>Governmental Activities:</b>							
General government	\$ 48,220,787	\$ 21,989,861	\$ 903,940	\$ 3,438,080	\$ (21,888,906)	\$ -	\$ (21,888,906)
Public service	66,126,909	20,286,697	-	29,032,041	(16,808,171)	-	(16,808,171)
Public safety	138,263,446	2,734,169	22,971,739	1,308,081	(111,249,457)	-	(111,249,457)
Community environment	71,412,215	6,113,122	10,749,027	164,615	(54,385,451)	-	(54,385,451)
Public health	5,811,774	304	-	-	(5,811,470)	-	(5,811,470)
Recreation and parks	5,140,282	426,181	-	-	(4,714,101)	-	(4,714,101)
Interest	19,813,627	-	-	-	(19,813,627)	-	(19,813,627)
Unallocated depreciation*	17,527,935	-	-	-	(17,527,935)	-	(17,527,935)
<b>Total governmental activities</b>	<b>372,316,975</b>	<b>51,550,334</b>	<b>34,624,706</b>	<b>33,942,817</b>	<b>(252,199,118)</b>	<b>-</b>	<b>(252,199,118)</b>
<b>Business-type Activities:</b>							
Water	29,519,412	36,123,839	567,436	33,475	-	7,205,338	7,205,338
Sewer	86,925,634	83,584,606	-	7,255,818	-	3,914,790	3,914,790
Oil and gas	137,109	7,988	-	-	-	(129,121)	(129,121)
Golf course	1,323,278	1,030,771	-	-	-	(292,507)	(292,507)
Airport	1,004,481	172,607	69,000	599,045	-	(163,829)	(163,829)
Parking facilities	6,940,659	2,227,090	-	219,042	-	(4,494,527)	(4,494,527)
<b>Total business-type activities</b>	<b>125,850,573</b>	<b>123,146,901</b>	<b>636,436</b>	<b>8,107,380</b>	<b>-</b>	<b>6,040,144</b>	<b>6,040,144</b>
<b>Total Government</b>	<b>\$ 498,167,548</b>	<b>\$ 174,697,235</b>	<b>\$ 35,261,142</b>	<b>\$ 42,050,197</b>	<b>\$ (252,199,118)</b>	<b>\$ 6,040,144</b>	<b>\$ (246,158,974)</b>
<b>General revenues:</b>							
<b>Taxes:</b>							
Income taxes					\$ 165,377,499	\$ -	\$ 165,377,499
Property taxes					26,029,888	-	26,029,888
JEDD Revenues					15,785,527	-	15,785,527
Investment earnings					2,392,020	8,671	2,400,691
Unrestricted shared revenues					72,693,019	-	72,693,019
Miscellaneous					30,077,575	831,724	30,909,299
Gain on sale of capital assets					24,764	-	24,764
<b>Transfers</b>					(1,700,000)	1,700,000	-
<b>Total general revenues and transfers</b>					<b>310,680,292</b>	<b>2,540,395</b>	<b>313,220,687</b>
<b>Change in net position</b>					<b>58,481,174</b>	<b>8,580,539</b>	<b>67,061,713</b>
<b>Net position - beginning, as restated</b>					<b>110,798,469</b>	<b>497,257,940</b>	<b>608,056,409</b>
<b>Net position - ending</b>					<b>\$ 169,279,643</b>	<b>\$ 505,838,479</b>	<b>\$ 675,118,122</b>

\*Excludes depreciation included in program expenses.

The notes to the financial statements are an integral part of this statement.

City of Akron, Ohio  
Balance Sheet - Governmental Funds  
December 31, 2020

	General	Community Learning Centers	Income Tax Capital Improvement	Special Assessment Fund	Streets	Other Governmental Funds	Total Governmental Funds
<b>Assets</b>							
Pooled cash and investments	\$ 28,990,056	\$ 17,417,326	\$ 1,813,204	\$ 3,395,271	\$ 34,856	\$ 60,856,902	\$ 112,507,615
Restricted cash and investments	-	128,847	-	-	-	3,479,416	3,608,263
Receivables, net of allowances for uncollectibles	52,111,807	41,236,514	6,789,335	29,473,629	290,864	38,712,211	168,614,360
Loans receivable	-	-	-	-	-	10,704,193	10,704,193
Due from other governments	-	-	-	136,497	202,181	3,617,865	3,956,543
Due from other funds	1,981,780	1,296,849	354,753	-	-	1,653,111	5,286,493
Due from others	-	-	-	-	-	216,806	216,806
Deposits	-	16,323,574	-	-	-	-	16,323,574
Advances to other funds	1,705,000	-	250,000	-	-	-	1,955,000
Assets held for resale	-	-	-	-	-	7,919,423	7,919,423
<b>Total assets</b>	<b>\$ 84,788,643</b>	<b>\$ 76,403,110</b>	<b>\$ 9,207,292</b>	<b>\$ 33,005,397</b>	<b>\$ 527,901</b>	<b>\$ 127,159,927</b>	<b>\$ 331,092,270</b>
<b>Liabilities</b>							
Accounts payable	\$ 1,357,901	\$ 63	\$ 74,082	\$ 986,121	\$ 4,108,653	\$ 3,241,316	\$ 9,768,136
Deposits	2,150	-	-	-	-	659,978	662,128
Advances from other funds	-	-	-	-	-	695,000	695,000
Due to other governments	2,747,581	-	257	-	3,724,100	5,242,533	11,714,471
Due to other funds	385,642	160,717	639	126,759	52,027	3,293,820	4,019,604
Due to others	770,993	-	-	-	-	6,234,772	7,005,765
Accrued liabilities	1,562,610	-	9,542	62,587	1,221,005	469,868	3,325,612
Accrued wages	4,322,847	-	21,180	264,735	9,772	1,274,339	5,892,873
Accrued vacation and leave	48,406	-	-	29,639	-	160	78,205
Unearned revenue	6,652,185	-	-	-	-	7,355,368	14,007,553
Special assessment notes	-	-	-	13,000,000	-	-	13,000,000
<b>Total liabilities</b>	<b>17,850,315</b>	<b>160,780</b>	<b>105,700</b>	<b>14,469,841</b>	<b>9,115,557</b>	<b>28,467,154</b>	<b>70,169,347</b>
<b>Deferred Inflows of Resources</b>	<b>35,371,026</b>	<b>39,939,670</b>	<b>2,838,213</b>	<b>29,598,125</b>	<b>-</b>	<b>44,203,355</b>	<b>151,950,389</b>
<b>Fund balances</b>							
Restricted	-	36,302,660	6,263,379	-	-	42,898,174	85,464,213
Committed	507,535	-	-	-	-	12,965,388	13,472,923
Assigned	2,839,740	-	-	-	-	-	2,839,740
Unassigned	28,220,027	-	-	(11,062,569)	(8,587,656)	(1,374,144)	7,195,658
<b>Total fund balances (deficit)</b>	<b>31,567,302</b>	<b>36,302,660</b>	<b>6,263,379</b>	<b>(11,062,569)</b>	<b>(8,587,656)</b>	<b>54,489,418</b>	<b>108,972,534</b>
<b>Total liabilities, deferred inflows and fund balances</b>	<b>\$ 84,788,643</b>	<b>\$ 76,403,110</b>	<b>\$ 9,207,292</b>	<b>\$ 33,005,397</b>	<b>\$ 527,901</b>	<b>\$ 127,159,927</b>	<b>\$ 331,092,270</b>

The notes to the financial statements are an integral part of this statement.

City of Akron, Ohio  
Reconciliation of the Balance Sheet to the Statement of Net Position - Governmental Funds  
December 31, 2020

Total fund balances for governmental funds (Exhibit 3)	\$ 108,972,534
Total net position reported for governmental activities in the statement of net position is different because:	
Capital assets used in governmental activities (excluding internal service fund capital assets) are not financial resources and therefore are not reported in the funds.	1,122,331,213
The net pension asset (excluding internal service fund net pension asset) is not an available resource and, therefore, is not reported in the funds.	483,618
Other long-term assets are not available to pay for current period expenditures and, therefore, are deferred inflows in the funds.	
Income taxes	12,392,815
Property taxes	8,043,265
Special assessments	18,763,762
Shared revenues	<u>7,242,927</u>
	46,442,769
Long-term accounts receivables are not available to pay for current period expenditures.	990,768
The assets and liabilities of the internal service funds are included in the governmental activities in the statement of net position.	(13,197,724)
Long-term liabilities (excluding internal service fund liabilities) including bonds payable and accrued interest payable are not due and payable in the current period and therefore are not reported in the funds.	
Accounts payable and other accrued liabilities	(11,409,341)
Accrued interest payable	(1,781,945)
Accrued vacation and leave	(61,773,140)
Bonds, notes and loans payable	(514,645,696)
Net OPEB deferred inflows/outflows	(14,260,226)
Net OPEB liabilities	(137,247,595)
Net Pension deferred inflows/outflows	(388,370)
Net Pension liabilities	(231,811,381)
Obligations under capital lease and COPs	(64,001,282)
Unamortized bond premium, discount, deferred loss, gain	<u>(59,424,559)</u>
	(1,096,743,535)
Total net position of governmental activities (Exhibit 1)	<u><u>\$ 169,279,643</u></u>

The notes to the financial statements are an integral part of this statement.



City of Akron, Ohio  
Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds  
For the Year Ended December 31, 2020

	General	Community Learning Centers	Income Tax Capital Improvement	Special Assessment Fund	Streets	Other Governmental Funds	Total Governmental Funds
<b>Revenues</b>							
Income taxes	\$ 95,931,507	\$ 15,977,079	\$ 34,700,016	\$ -	\$ 300,000	\$ 21,965,213	\$ 168,873,815
Property taxes	16,739,923	-	-	-	-	7,982,736	24,722,659
JEDD revenues	2,550,000	-	1,700,000	-	-	11,535,527	15,785,527
Special assessments	119,763	-	-	17,209,809	1,627,819	-	18,957,391
Grants and subsidies	44,998	771,532	-	-	14,986,891	34,612,941	50,416,362
Investment earnings	1,657,947	234,999	62,427	-	-	461,403	2,416,776
Shared revenues	11,978,919	37,676,086	-	-	-	28,985,988	78,640,993
Licenses, fees and fines	15,999,568	-	1,475,500	39,524	619,256	7,997,772	26,131,620
Charges for services	16,059,685	-	354,753	39,644	-	2,640,896	19,094,978
Miscellaneous	14,050,465	-	2,441,256	281,986	4,575,245	9,777,469	31,126,421
	<u>175,132,775</u>	<u>54,659,696</u>	<u>40,733,952</u>	<u>17,570,963</u>	<u>22,109,211</u>	<u>125,959,945</u>	<u>436,166,542</u>
<b>Expenditures</b>							
Current:							
General government	26,611,561	166,900	-	2,427,113	7,563	17,181,930	46,395,067
Public service	25,492,103	-	5,950	15,472,522	37,461,715	22,300,695	100,732,985
Public safety	81,962,962	-	1,499,894	-	230,145	48,466,170	132,159,171
Community environment	2,218,732	47,061,883	838,070	-	206,196	33,235,172	83,560,053
Public health	4,391,975	-	-	6,923	161	6,334	4,405,393
Recreation and parks	3,854,258	-	1,435	101	173,547	1,415,121	5,444,462
Debt service:							
Principal retirement	865,000	10,940,000	23,564,238	1,310,446	-	8,023,510	44,703,194
Interest	233,598	10,830,805	9,411,569	335,890	-	3,687,642	24,499,504
Bond issuance expenditures	-	-	169,161	25,000	-	160,018	354,179
	<u>145,630,189</u>	<u>68,999,588</u>	<u>35,490,317</u>	<u>19,577,995</u>	<u>38,079,327</u>	<u>134,476,592</u>	<u>442,254,008</u>
Excess (deficiency) of revenues over (under) expenditures	29,502,586	(14,339,892)	5,243,635	(2,007,032)	(15,970,116)	(8,516,647)	(6,087,466)
<b>Other financing sources (uses)</b>							
Issuance of bonds	-	-	-	-	9,637,193	9,400,000	19,037,193
Premium on debt	-	-	459,118	-	-	1,358,072	1,817,190
Issuance of refunding obligations	-	-	16,805,000	-	-	12,030,000	28,835,000
Issuance of capital lease	-	-	-	793,785	-	-	793,785
Payment to refunding agent	-	-	(16,800,000)	-	-	(10,805,000)	(27,605,000)
Transfers-in	-	-	-	-	-	7,865,755	7,865,755
Transfers-out	(11,415,755)	-	-	-	-	-	(11,415,755)
	<u>(11,415,755)</u>	<u>-</u>	<u>464,118</u>	<u>793,785</u>	<u>9,637,193</u>	<u>19,848,827</u>	<u>19,328,168</u>
Net change in fund balance	18,086,831	(14,339,892)	5,707,753	(1,213,247)	(6,332,923)	11,332,180	13,240,702
Fund balances (deficit), January 1, 2020	13,480,471	50,642,552	555,626	(9,849,322)	(2,254,733)	43,157,238	95,731,832
Fund balances (deficit), December 31, 2020	<u>\$ 31,567,302</u>	<u>\$ 36,302,660</u>	<u>\$ 6,263,379</u>	<u>\$ (11,062,569)</u>	<u>\$ (8,587,656)</u>	<u>\$ 54,489,418</u>	<u>\$ 108,972,534</u>

The notes to the financial statements are an integral part of this statement.

City of Akron, Ohio  
 Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances  
 to the Statement of Activities - Governmental Funds  
 For the Year Ended December 31, 2020

Net changes in fund balances - total governmental funds (Exhibit 4) \$ 13,240,702

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, which meet capitalization requirements, is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlays (\$73,754,231) exceeded depreciation (\$40,159,448) in the current period. 33,594,783

The net effect of selling capital assets increased net position. 24,764

Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds. The amount is the net effect of the reversal of prior year items against current year accruals. (42,356,914)

The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of premiums and deferred amount on refundings when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. The amount is the net effect of these differences in the treatment of long-term debt and related items.

Issuance of debt	(47,872,193)	
Issuance of capital lease	(793,785)	
Payment of debt	44,703,194	
Payment to refunding agent	27,605,000	
Premium on debt	(1,817,190)	
Bond issuance expenditures	354,179	22,179,205

Some of the expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds. 25,694,777

The change in net position of the internal service funds are included in the governmental activities in the statement of activities. 6,103,857

Change in net position of governmental activities (Exhibit 2) \$ 58,481,174

The notes to financial statements are an integral part of this statement.

City of Akron, Ohio  
Statement of Net Position - Proprietary Funds  
December 31, 2020

	Water	Sewer	Off-Street Parking	Other Enterprise Funds	Total	Governmental Activities- Internal Service Funds
<b>Assets</b>						
Current assets:						
Pooled cash and investments	\$ 7,806,008	\$ 107,651,031	\$ 271,305	\$ 237,336	\$ 115,965,680	\$ 13,360,115
Receivables, net of allowance for uncollectibles	2,667,200	11,441,370	48,678	7,988	14,165,236	773,318
Due from other governments	-	595,073	-	342,553	937,626	-
Due from other funds	963,751	-	-	-	963,751	809,140
Inventories, at cost	1,862,713	951,030	-	82,214	2,895,957	797,783
Total current assets	13,299,672	120,638,504	319,983	670,091	134,928,250	15,740,356
Noncurrent assets:						
Restricted cash and investments	1,157,755	2,378,158	-	-	3,535,913	-
Net pension asset	99,611	63,843	-	6,134	169,588	64,952
Property, plant and equipment, net of accumulated depreciation	157,092,797	945,359,796	63,559,391	8,504,532	1,174,516,516	2,039,932
Total noncurrent assets	158,350,163	947,801,797	63,559,391	8,510,666	1,178,222,017	2,104,884
Total assets	171,649,835	1,068,440,301	63,879,374	9,180,757	1,313,150,267	17,845,240
<b>Deferred Outflows of Resources</b>	3,730,830	2,376,623	-	201,433	6,308,886	2,369,074
Total assets and deferred outflows	175,380,665	1,070,816,924	63,879,374	9,382,190	1,319,459,153	20,214,314
<b>Liabilities</b>						
Current liabilities:						
Accounts payable	2,177,713	4,057,464	581,467	33,760	6,850,404	3,655,210
Deposits	751,797	-	-	-	751,797	-
Due to other governments	43,180	16,673,682	31,223	-	16,748,085	140,258
Advances from other funds	-	-	-	1,260,000	1,260,000	-
Due to other funds	468,416	2,369,173	70,818	27,015	2,935,422	104,358
Accrued interest payable	408,641	6,318,925	-	-	6,727,566	-
Accrued liabilities	136,167	2,080,549	-	90,409	2,307,125	1,366,497
Accrued wages	490,141	306,711	-	16,142	812,994	326,860
Accrued vacation and leave	755,100	476,656	-	33,182	1,264,938	530,147
Obligations under capital lease	-	2,021,850	-	-	2,021,850	-
Liability for unpaid claims	-	-	-	-	-	5,021,657
Debt:						
Mortgage revenue bonds	1,259,392	-	-	-	1,259,392	-
OWDA loans	1,848,768	28,041,343	-	-	29,890,111	-
OPWC loans	44,750	24,008	-	-	68,758	-
Total current liabilities	8,384,065	62,370,361	683,508	1,460,508	72,898,442	11,144,987
Noncurrent liabilities:						
Obligations under capital lease	-	29,811,424	-	-	29,811,424	-
Due in more than one year	3,633,361	2,430,654	-	374,128	6,438,143	3,508,285
Bonds, notes, and loans payable	38,259,357	607,610,444	-	-	645,869,801	-
Net pension liability	11,845,829	7,569,366	-	729,712	20,144,907	7,741,821
Net OPEB Liability	15,047,761	9,519,239	-	495,811	25,062,811	8,747,474
Total noncurrent liabilities	68,786,308	656,941,127	-	1,599,651	727,327,086	19,997,580
Total liabilities	77,170,373	719,311,488	683,508	3,060,159	800,225,528	31,142,567
<b>Deferred Inflows of Resources</b>	6,670,525	4,924,601	3,032	243,047	11,841,205	3,823,412
<b>Net Position</b>						
Net investment in capital assets	115,680,530	277,850,727	63,559,391	8,504,532	465,595,180	2,039,932
Restricted for debt service	1,157,848	2,378,157	-	-	3,536,005	-
Unrestricted (deficit)	(25,298,611)	66,351,951	(366,557)	(2,425,548)	38,261,235	(16,791,597)
Total net position	91,539,767	346,580,835	63,192,834	6,078,984	507,392,420	(14,751,665)
Total liabilities, deferred inflows and net position	\$ 175,380,665	\$ 1,070,816,924	\$ 63,879,374	\$ 9,382,190		\$ 20,214,314
Adjustment to reflect the consolidation of internal service fund activities related to enterprise funds:					(1,553,941)	
Net position of business-type activities					<u>\$ 505,838,479</u>	

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

	Water	Sewer	Off-Street Parking	Other Enterprise Funds	Total	Governmental Activities- Internal Service Funds
<b>Operating revenues</b>						
Charges for services	\$ 35,751,232	\$ 82,903,796	\$ 2,217,672	\$ 1,209,357	\$ 122,082,057	\$ 57,813,497
Other	747,657	893,028	617,638	318,027	2,576,350	7,652,949
	<u>36,498,889</u>	<u>83,796,824</u>	<u>2,835,310</u>	<u>1,527,384</u>	<u>124,658,407</u>	<u>65,466,446</u>
<b>Operating expenses</b>						
Personal services	14,661,176	10,285,664	-	466,785	25,413,625	9,207,882
Direct expenses	12,883,702	40,781,604	2,754,114	1,590,542	58,009,962	13,220,729
Claims	25,154	33,568	-	-	58,722	33,595,852
Rentals and lease	142,198	856	-	70,623	213,677	414,834
Utilities	1,604,131	2,989,531	751,119	50,370	5,395,151	176,927
Insurance	210,370	714,316	100,918	30,778	1,056,382	3,197,305
Depreciation, depletion and amortization	5,676,089	13,726,624	2,513,311	275,497	22,191,521	311,622
Other	115,624	52,922	821,616	-	990,162	2,902
	<u>35,318,444</u>	<u>68,585,085</u>	<u>6,941,078</u>	<u>2,484,595</u>	<u>113,329,202</u>	<u>60,128,053</u>
Operating income (loss)	<u>1,180,445</u>	<u>15,211,739</u>	<u>(4,105,768)</u>	<u>(957,211)</u>	<u>11,329,205</u>	<u>5,338,393</u>
<b>Nonoperating revenues (expenses)</b>						
Interest income	3,558	4,347	-	-	7,905	726
Interest expense	(1,020,597)	(12,584,014)	(273)	(1,060)	(13,605,944)	(43,269)
	<u>(1,017,039)</u>	<u>(12,579,667)</u>	<u>(273)</u>	<u>(1,060)</u>	<u>(13,598,039)</u>	<u>(42,543)</u>
Gain (loss) before transfers and contributions	163,406	2,632,072	(4,106,041)	(958,271)	(2,268,834)	5,295,850
Transfers-in	-	-	1,600,000	100,000	1,700,000	1,850,000
Capital contributions	58,971	7,230,322	219,042	599,045	8,107,380	-
	<u>58,971</u>	<u>7,230,322</u>	<u>1,819,042</u>	<u>699,045</u>	<u>9,807,380</u>	<u>1,850,000</u>
Changes in net position	222,377	9,862,394	(2,286,999)	(259,226)	7,538,546	7,145,850
Net position, January 1, 2020, as restated	<u>91,317,390</u>	<u>336,718,441</u>	<u>65,479,833</u>	<u>6,338,210</u>		<u>(21,897,515)</u>
Net position, December 31, 2020	<u>\$ 91,539,767</u>	<u>\$ 346,580,835</u>	<u>\$ 63,192,834</u>	<u>\$ 6,078,984</u>		<u>\$ (14,751,665)</u>
Adjustment to reflect the consolidation of internal service fund activities related to enterprise funds.					<u>1,041,993</u>	
Change in net position of business-type activities					<u>\$ 8,580,539</u>	

The notes to the financial statements are an integral part of this statement.

City of Akron, Ohio  
Statement of Cash Flows - Proprietary Funds  
For the Year Ended December 31, 2020

	Water	Sewer	Off-Street Parking	Other Enterprise Funds	Total	Governmental Activities Internal Service Funds
<b>Operating activities</b>						
Cash received from customers	\$ 36,062,471	\$ 86,043,505	\$ 2,300,873	\$ 1,358,239	\$ 125,765,088	\$ 58,703,609
Cash payments to suppliers for goods and services	(14,399,072)	(35,886,953)	(3,687,181)	(1,778,881)	(55,752,087)	(13,041,074)
Cash paid for salaries and employee benefits	(13,730,647)	(8,966,582)	-	(780,187)	(23,477,416)	(45,406,989)
Other revenues	747,657	893,028	617,638	318,027	2,576,350	7,652,949
Other expenses	(115,624)	(52,922)	(821,616)	-	(990,162)	(2,902)
Net cash provided by (used for) operating activities	8,564,785	42,030,076	(1,590,286)	(882,802)	48,121,773	7,905,593
<b>Non-capital financing activities</b>						
Transfers from other funds	-	-	1,600,000	100,000	1,700,000	1,850,000
Transfers/advances in for negative cash balances	-	-	-	460,000	460,000	(1,020,000)
Principal paid on bonds, loans and notes	-	-	-	-	-	(1,500,000)
Interest paid on bonds, loans and notes	-	-	-	-	-	(22,375)
Net cash provided by (used for) non-capital financing activities	-	-	1,600,000	560,000	2,160,000	(692,375)
<b>Capital and related financing activities</b>						
Proceeds from the sale of bonds	7,450,643	116,923,031	-	-	124,373,674	-
Principal paid on bonds and loans	(3,381,963)	(31,210,844)	(219,042)	-	(34,811,849)	-
Interest paid on bonds and loans	(1,203,993)	(12,718,933)	(896)	(1,060)	(13,924,882)	(20,894)
Acquisition and construction of capital assets	(7,569,534)	(127,508,631)	-	(325,207)	(135,403,372)	(36,392)
Capital contributions	58,971	7,230,322	219,042	599,045	8,107,380	-
Net cash provided by (used for) capital and related financing activities	(4,645,876)	(47,285,055)	(896)	272,778	(51,659,049)	(57,286)
<b>Investing activities</b>						
Purchase of investment securities	(1,657,055)	(2,185,055)	-	-	(3,842,110)	-
Proceeds from sales and maturities of investment securities	1,657,055	2,185,055	-	-	3,842,110	-
Interest on investments	3,558	4,347	-	-	7,905	726
Net cash provided by investing activities	3,558	4,347	-	-	7,905	726
Net increase (decrease) in cash and cash equivalents	3,922,467	(5,250,632)	8,818	(50,024)	(1,369,371)	7,156,658
Cash and cash equivalents, January 1, 2020	5,041,296	115,279,821	262,487	287,360	120,870,964	6,203,457
Cash and cash equivalents, December 31, 2020	\$ 8,963,763	\$ 110,029,189	\$ 271,305	\$ 237,336	\$ 119,501,593	\$ 13,360,115
Operating income (loss)	\$ 1,180,445	\$ 15,211,739	\$ (4,105,768)	\$ (957,211)	\$ 11,329,205	\$ 5,338,393
Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities:						
Depreciation, depletion and amortization	5,676,089	13,726,624	2,513,311	275,497	22,191,521	311,622
(Increase) decrease in operating assets:						
Receivables	325,994	2,927,644	90,073	148,882	3,492,593	(735,046)
Due from other funds	16,164	-	-	-	16,164	1,625,158
Inventories	380,443	163,570	-	(6,948)	537,065	(171,053)
Increase (decrease) in operating liabilities:						
Accounts payable	171,182	(1,292,122)	454,424	(96,019)	(762,535)	2,849,173
Due to other funds	(119,435)	(91,949)	15,710	26,139	(169,535)	(109,776)
Due to other governments	9,139	9,819,855	(551,164)	-	9,277,830	140,258
Accrued liabilities	657,609	1,495,191	(6,872)	(280,565)	1,865,363	66,135
Accrued wages	79,297	51,776	-	3,979	135,052	57,812
Accrued vacation and leave	187,858	17,748	-	3,444	209,050	91,930
Estimated liability for unpaid claims	-	-	-	-	-	(1,559,013)
Net cash provided by (used for) operating activities	\$ 8,564,785	\$ 42,030,076	\$ (1,590,286)	\$ (882,802)	\$ 48,121,773	\$ 7,905,593

The notes to the financial statements are an integral part of this statement.

City of Akron, Ohio  
Statement of Fiduciary Net Position  
Fiduciary Funds - Custodial  
December 31, 2020

	<b>Custodial Funds</b>
<b>Assets</b>	
Cash	\$ 1,611,733
Receivables	4,429,767
Total assets	6,041,500
<b>Liabilities</b>	
Accounts payable and other liabilities	757,781
Due to other governments	216,806
Due to others	6,277
Total liabilities	980,864
<b>Deferred Inflows of Resources</b>	2,313,818
Restricted for individuals, organizations, and governments	2,868,282
Unrestricted	(121,464)
<b>Net Position</b>	\$ 2,746,818

The notes to the financial statements are an integral part of this statement.

City of Akron, Ohio  
Statement of Changes in Fiduciary Net Position - Custodial Funds  
For the Year Ended December 31, 2020

Exhibit 9

	<b>Custodial Funds</b>
<b>Additions</b>	
Confiscated evidence	\$ 393,630
JEDD income tax	6,154,550
Miscellaneous	17,742
	6,565,922
<b>Deductions</b>	
Distribution to participatns	90,016
JEDD district expenses	5,739,568
Refunds	511,216
	6,340,800
<b>Net Increase in Fiduciary Net Position</b>	225,122
Net position, January 1, 2020	2,521,696
Net position, December 31, 2020	\$ 2,746,818

The notes to the financial statements are an integral part of this statement.

**City of Akron, Ohio**  
**Notes to the Financial Statements**  
**Year Ended December 31, 2020**

**1. Summary of Significant Accounting Policies**

The City of Akron (the City) was incorporated in 1836 and is a home rule municipal corporation under the laws of the State of Ohio. The City operates under a Council-Mayor form of government and provides the following services as authorized by its Charter: public safety, public service, public health, recreation and development. The accompanying financial statements comply with the provisions of the Governmental Accounting Standards Board (GASB) Statement No. 14, *The Financial Reporting Entity*, Statement No. 39, *Determining Whether Certain Organizations Are Component Units*, and Statement No. 61, *The Financial Reporting Entity: Omnibus*, Statement No. 80, *Blending Requirements for Certain Component Units*, and Statement No. 90, *Majority Equity Interests*, in that the financial statements include those activities and functions for which the City is accountable. The City has no component units as defined by GASB 14, 39, 61, 80, and 90. The City is associated with certain organizations which are defined as jointly governed organizations, joint ventures and related organizations. These organizations are presented in Notes 25, 26 and 27 to the basic financial statements. These organizations are the Akron/Summit Convention and Visitors' Bureau, the Copley-Akron Joint Economic Development District ("JEDD"), the Coventry-Akron JEDD, the Springfield-Akron JEDD, the Bath-Akron-Fairlawn JEDD, and the Summit Medina Business Alliance (SMBA). The accounting policies and financial reporting practices of the City conform to accounting principles generally accepted in the United States of America (GAAP) as applicable to governmental units.

The following is a summary of the more significant policies followed during the preparation of the accompanying financial statements.

**A. Government-wide and fund financial statements**

GASB Statement No. 34, *Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments* establishes requirements and a reporting model for the annual financial reports of state and local governments. The Statement was developed to make annual reports easier to understand and more useful to the people who use governmental financial information to make decisions. Financial information of the City is presented in the following format:

**Basic Financial Statements:**

1. *Government-wide financial statements* consist of a statement of net position and a statement of activities.

These statements report all of the assets and deferred outflows of resources, liabilities and deferred inflows of resources, revenues, expenses, and gains and losses of the City. Governmental activities are reported separately from business-type activities. Governmental activities are normally supported by taxes and intergovernmental revenues, whereas business-type activities are normally supported by fees and charges for services and are usually intended by management to be financially self-sustaining. Fiduciary funds of the City are not included in these government-wide financial statements.

Interfund receivables and payables, and bonds and notes issued by the City and held by the City as investments, within governmental and business-type activities have been eliminated in the government-wide statement of net position. Related



## 1. Summary of Significant Accounting Policies (Continued)

interest amounts are eliminated in the government-wide statement of activities. 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.

Internal service net position, whether positive or negative, have been eliminated against the expenses and program revenues shown in the governmental activities statement of activities.

The statement of activities presents a comparison between direct expenses and program revenues for the different business-type activities of the City and for each function of the City's governmental activities.

Direct expenses are those that are specifically associated with a program or function and, therefore, are clearly identifiable to a particular function. Program revenue includes (a) charges paid by the recipients of goods or services offered by the programs and (b) grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not classified as program revenues, including all taxes, are presented as general revenues.

2. *Fund financial statements* consist of a series of statements focusing on information about the City's major governmental and enterprise funds. Separate statements are presented for the governmental, proprietary, and fiduciary funds.

The City's major governmental funds are the General Fund, the Community Learning Centers (CLC) Fund, Income Tax Capital Improvement Fund, Special Assessment Fund, and the Streets Fund. Of the City's business-type activities, the Water, Sewer, and Off-Street Parking Funds are considered major funds.

The General Fund is the primary operating fund of the City. It is used to account for all financial resources except those required to be accounted for in other funds. Its revenues consist primarily of income and property taxes, JEDD revenues, shared revenues, charges for services, and licenses, fees, and fines.

General Fund expenditures represent costs of general government, public service (including sanitation and recycling collection), public safety (including police and fire), community environment, public health, and recreation and parks. General Fund resources are also transferred annually to support other services which are accounted for in other separate funds.

The Community Learning Centers (CLC) Fund is used to account for the daily activity relating to the CLC project. The cooperative agreement with the Board of Education of the Akron Public Schools District (District) provides a mechanism to fund the renovation and/or rebuilding of all CLC's in Akron. This major rebuilding program is funded primarily through City income tax, shared revenue and bond proceeds.

The Income Tax Capital Improvement Fund, a special revenue fund, is used to account for the accumulation of income tax revenue and the payments of costs for items specifically designated as project costs and payment of debt service. The primary revenue source is income tax revenue and some debt proceeds.

## 1. Summary of Significant Accounting Policies (Continued)

The Special Assessment Fund is used to account for the accumulation of resources for, and the payment of, assessment related activities including Street Lighting, Street Cleaning, and related costs. Revenues consist primarily of special assessment collections.

The Streets Fund is used to account for the accumulation of resources for, and payment of street projects. Revenue consists primarily of grants and subsidies.

The Water Enterprise Fund accounts for financial activity related to operating the City's water supply, treatment and distribution system. The Water Enterprise Fund serves six other municipalities and parts of six adjacent townships. Revenues consist primarily of charges for services.

The Sewer Enterprise Fund accounts for the financial activity related to operating the City's wastewater collection and treatment system that serves the City and twelve other subdivisions. Revenues consist primarily of charges for services.

The Off-Street Parking Fund accounts for the financial activity related to operating the City's parking facilities located throughout the downtown area. Revenues consist almost exclusively of charges for services.

While not considered major funds, the City maintains Internal Service Funds used to account for the financing of goods or services provided by one department or division to another department or division of the City, generally on a cost-reimbursement basis. The three largest of these funds account for the motor equipment, engineering, and information technology services. In addition, the City also maintains Internal Service Funds to account for the financial activity relating to self-insurance. The financial activity relating to the self insurance funds are for workers' compensation, medical, and judgment and claims.

3. Notes to the financial statements provide information that is essential to a user's understanding of the basic financial statements.

### **Required Supplementary Information:**

Required supplementary information such as Management's Discussion and Analysis and budgetary comparison schedules are also required by GASB Statement No. 34. GASB Statement No. 68 requires the Schedule of City's Proportionate Share of Net Pension Liability and the Schedule of the City Contributions to State Pension Funds. GASB Statement No. 75 requires the Schedule of Net OPEB Liability and the Schedule of Contributions for the OPEB Plan.

## B. *Financial reporting presentation*

The accounts of the City are organized 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 balance (equity), revenues, and expenditures (expenses). The fund types and classifications that the City reports are as follows:

## 1. Summary of Significant Accounting Policies (Continued)

### GOVERNMENTAL FUNDS

1. **General Fund** – The General Fund is the general operating fund of the City and is appropriated. It is used to account for all financial resources except those required to be accounted for in another fund.
2. **Special Revenue Funds** – Special Revenue Funds are used to account for revenues derived from specific taxes, grants, or other restricted revenue sources. The uses and limitations of each Special Revenue Fund are specified by City ordinances or federal or state statutes.
3. **Debt Service Funds** – Debt Service Funds are used to account for the accumulation of resources for, and the payment of, general long-term debt principal, interest, and related costs.
4. **Capital Projects Funds** - The Capital Projects Funds are used to account for financial resources used for the acquisition or construction of major capital projects (other than those financed by proprietary funds).
5. **Permanent Funds** – Permanent Funds are for the purpose of accounting for resources that are legally restricted to the extent that earnings, and not principal, may be used for purposes that support the reporting government's programs. The City, however, does not utilize Permanent Funds at this time.

### PROPRIETARY FUNDS

1. **Enterprise Funds** - The Enterprise Funds are used to account for the operations that are financed and operated in a manner similar to private business enterprises, where the intent of the governing body is that costs of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges.
2. **Internal Service Funds** - The Internal Service Funds are used to account for the financing of goods or services provided by one department to other departments or to other governments on a cost-reimbursement basis.

### FIDUCIARY FUNDS

1. **Custodial Funds** – Custodial Funds are used to account for assets held by the City for individuals, private organizations, or other governments. The City reports on eight Custodial Funds, the first one is the Claire Merrix which is to fund tennis related activities. The second is the Holocaust Memorial to pay for the annual holocaust services throughout the City. This is the final year that these activities will be reported by the City as the activity has been taken over by Jewish Community Board of Akron, Inc. Followed by the Police/Fire Beneficiary Fund which provides scholarships for dependents of those serving in the Police and Fire Departments. The Police Property Monetary Evidence Fund and is used to account for funds held by the Police Department that will be returned to other agencies. The remaining funds relate to specific Joint Economic Development Districts (JEDD) and include: Copley-Akron JEDD, Coventry-Akron JEDD, Springfield-Akron JEDD, and Bath-Akron-Fairlawn JEDD. The JEDD funds are used to account for the specific JEDD District activities and disbursements.

## 1. Summary of Significant Accounting Policies (Continued)

### C. *Measurement focus and basis of accounting*

Except for budgetary purposes, the basis of accounting used by the City conforms to accounting principles generally accepted in the United States of America (GAAP) as applicable to governmental units. The accounting and financial reporting treatment applied to a fund is determined by its measurement focus.

The government-wide, proprietary, and fiduciary fund financial statements are reported using the economic resources measurement focus and the full accrual basis of accounting, except Agency Funds because they are custodial in nature. Revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of when the related cash flows take place. Nonexchange transactions, in which the City gives (or receives) value without directly receiving (or giving) equal value in exchange, include income taxes, property taxes, grants, shared revenue, and donations. On a full accrual basis, revenue from income taxes is recognized in the period in which the taxpayer's liability occurs and revenue from property taxes is recognized in the fiscal year for which the taxes are levied. On a full accrual basis, revenue in the form of shared revenue is recognized when the provider government recognizes its liability to the City. Revenue from grants and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this method, revenues are recognized when both measurable and available. Revenues are considered to be available when they are collected within the current period or soon enough thereafter to pay liabilities of the current period. The City generally considers all revenues reported in the governmental funds to be available if the revenues are collected within sixty days after year-end. Expenditures are generally recorded when the related fund liability is incurred, except for principal and interest on general long-term debt, claims and judgments, and compensated absences, which are recognized as expenditures only when payment is due. General capital asset acquisitions are reported as expenditures in governmental funds. Proceeds of general long-term debt are reported as other financing sources.

In applying the susceptible-to-accrual concept under the modified accrual basis, the following revenue sources are deemed both measurable and available (i.e., collectible within the current year or within sixty days after year-end and available to pay obligations of the current period). These include income taxes, JEDD revenues, investment earnings, shared revenues, and a portion of special assessments. Entitlements are recorded as revenues when all eligibility requirements are met, including any time requirements, and the amount is received during the period or within the availability period for this revenue source (within 60 days of year end). Expenditure-driven grants are recognized as revenue when the qualifying expenditures have been incurred and all other eligibility requirements have been met, and the amount is received during the period or within the availability period for this revenue source (within 60 days of year end). Property taxes and the balance of special assessments receivables, though measurable, are not available soon enough in the subsequent year to finance current period obligations.

## 1. Summary of Significant Accounting Policies (Continued)

Therefore, property tax and the balance of special assessment receivables are recorded as deferred inflows until they become available. Other revenues, including licenses, fees and fines, and charges for services are recorded as revenue when received in cash because they are generally not measurable until actually received. The City applies restricted resources first when an expenditure is incurred for purposes for which both restricted and unrestricted net position are available.

Proprietary Fund operating revenues, such as charges for services, result from exchange transactions associated with the principal activity of the fund. Exchange transactions are those in which each party receives and gives up essentially equal values. Non-operating revenues, such as rental revenue and connection fees, result from ancillary activities. Operating expenses are necessary costs incurred to provide the good or service that is the primary activity of the fund.

### D. *Budgetary Procedures*

The City Council follows these procedures in establishing the budgetary data.

- (1) The Mayor submits to the City Council a proposed operating budget for the fiscal year commencing January 1. The operating budget includes proposed expenditures and the means of financing them.
- (2) Public hearings are conducted to obtain taxpayer comments.
- (3) According to state law, the budget must be enacted through passage of an ordinance by April 1.
- (4) The City Finance Director is authorized by City Council to transfer funds already appropriated within departments within any fund or category of expenditures; however, any revisions that alter the total appropriation of said department must be individually approved by the City Council. During 2020, supplemental appropriations were passed by City Council.
- (5) Encumbrance accounting is employed in governmental funds. Encumbrances (e.g., purchase orders, contracts) outstanding at year-end are recorded as the equivalent of expenditures. Unencumbered appropriations lapse at year-end.
- (6) The majority of all funds have a legally adopted annual budget. Those funds include:

General Fund	City Facilities Operating	Golf Course
Income Tax Collection	Various Purpose Funding	Airport
Emergency Medical Service	Deposits	Off-Street Parking
Special Assessment	Community Learning Centers	Motor Equipment
Income Tax Capital Improvement	Police, Fire, and Road Activity	Medical Self-Insurance
Street and Highway Maintenance	General Grants	Workers' Compensation Reserve
Community Development	General Bond Payment Fund	Self-Insurance Settlement
Community Environment Grants	Streets	Telephone System
Akron Metro. Area Transportation Study	Information Technology and Improvements	Engineering Bureau
H.O.M.E. Program	Parks and Recreation	Information Technology
Tax Equivalency	Public Facilities and Improvements	Claire Merrix
E.D.A. Revolving Loans	Public Parking	Holocaust Memorial
Joint Economic Development Districts	Economic Development	Police/Fire Beneficiary
Akron Muni. Court Information System	Water	Police Property Monetary Evidence
Police Grants	Sewer	
Safety Programs	Oil and Gas	

**1. Summary of Significant Accounting Policies (Continued)**

- (7) The City appropriates an annual budget for the Police Pension Employer's Liability Fund and the Fire Pension Employer's Liability Fund, which are required due to their funding source. On a GAAP basis, the two funds are combined with the General Fund.
- (8) The City appropriates an annual budget for the Unclaimed Monies Fund which on a GAAP basis, is combined with the General Fund.

**E. *Cash, Cash Equivalents, and Investments***

Cash balances of the individual funds are combined to form a pool of cash held by the City Treasurer and invested in authorized investments (see Note 2). Earnings from these investments are credited to the General Fund in accordance with the City Charter except where the terms of a grant or regulation specify otherwise. Certain cash balances are held on behalf of the City by outside agents (see Note 2). Earnings from these investments are credited to the General Fund and certain other funds pursuant to the City Charter and federal and state requirements.

Investments are stated at fair value. Changes in fair value are recorded as a component of investment earnings.

For purposes of the Statement of Cash Flows, equity in pooled cash and investments, as well as segregated investments with original maturities of three months or less at the time they are purchased by the City, are considered to be cash equivalents. Investments with maturities of more than three months are not considered to be cash equivalents.

- F. *Inventories*** – Inventories are valued at cost (first-in, first-out) and adjusted to annual physical counts which are then maintained on a perpetual basis until the end of the year.

- G. *Capital Assets*** – Capital assets, which include property, plant, equipment, and infrastructure assets (e.g., roads, bridges, sidewalks, and similar items), are reported in the applicable governmental or business-type activities columns in the government-wide financial statements to the extent the City's capitalization threshold is met. The City defines capital assets as assets with an estimated useful life in excess of three years and an individual cost of more than \$5,000 for land; \$10,000 for equipment and vehicles; \$50,000 for intangibles – easements; \$500,000 for intangibles – computer software; \$25,000 for land improvements, buildings, and improvements other than buildings; and \$100,000 for infrastructure. Assets are recorded at historical cost or estimated historical cost if historical cost is not available. Contributed capital assets are recorded at their acquisition value at the date contributed. Donated capital assets, donated works of art and similar items, and capital assets received in a service concession arrangement are recorded at acquisition value. Acquisition value is the price that would be paid to acquire an asset with equivalent service potential in an orderly market transaction at the acquisition date. Infrastructure acquired prior to December 31, 1980, is also reported as a component of the above-mentioned capital assets.

Capital assets in the proprietary funds are capitalized in the fund in which they are utilized. The valuation basis for proprietary fund capital assets are the same as those used for the governmental capital assets. Interest accrued during the construction of capital assets utilized by the proprietary funds is also capitalized through December 31, 2017.

## 1. Summary of Significant Accounting Policies (Continued)

Costs for maintenance and repairs are expensed when incurred. However, costs for repairs and upgradings that materially add to the value or life of an asset and meet the above criteria are capitalized.

The City depreciates capital assets on a straight-line basis half-year convention, using the following estimated useful lives:

<u>Asset</u>	<u>Years</u>
Buildings, bridges, and storm sewers	50
Improvements, skywalks, and paving	40
Sewer and water mains	40
Sidewalks, curbs, electrical, and lighting	30
Traffic control system and bridge repairs	25
Land improvements	20
Equipment and Intangibles	3-20
CLC Building Equity Interest	70
CLC improvements other than buildings	40

- H. **Compensated Absences** – Vacation, paid leave, and compensatory time benefits are accrued for as liabilities as the benefits are earned if the employees’ rights to receive compensation are attributable to services already rendered and it is probable that the City will compensate the employees for the benefits through paid time off or some other means. The City records a liability for accumulated unused vacation, paid leave, and compensatory time when earned for all employees.

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

- I. **Fund Balances** – Fund balance is divided into five classifications 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 classifications are as follows:

(1) **Nonspendable** – Amounts that cannot be spent because they are not in spendable form, or legally or contractually required to be maintained intact. The “not in spendable form” criterion includes items that are not expected to be converted to cash. It also includes the long-term amount of interfund loans.

(2) **Restricted** – Amounts constrained to specific purposes by their providers (such as grantors, bondholders, and higher levels of government), through constitutional provisions, or by enabling legislation.

(3) **Committed** – Amounts constrained to specific purposes imposed by a formal action (ordinance) of City Council, its highest level of decision making authority; to be reported as committed, amounts cannot be used for any other purposes unless the same highest level of action is taken to remove or change the constraint.

## 1. Summary of Significant Accounting Policies (Continued)

(4) **Assigned** – Amounts the City intends to use for a specified purpose; intent can be expressed by the governing body or by the Director of Finance which has been designated this authority. The City's intent is typically expressed through a directive issued by the Director of Finance.

(5) **Unassigned** – Amounts that are available for any new purpose: positive amounts are reported only in the general fund. In other governmental funds, the unassigned classification is used only to report a deficit fund balance.

Council establishes fund balance commitments by passage of an ordinance. Assigned fund balance is established by City administration including the Director of Finance through the issuance of requisitions, purchase orders, contracts, and directives.

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

Governmental funds of the City do not have specified fund balance targets. Recommended levels of committed and/or assigned fund balance will be determined on a case by case basis, based on the needs of each fund and as recommended by officials and approved by Council where necessary.

Encumbrance accounting, under which purchase orders, contracts, and other commitments for the expenditure of monies are recorded in order to restrict that portion of the appropriation, is employed as an extension of formal budgetary integration in the governmental funds. Significant encumbrances as of December 31, 2020, total \$2,841,738 in the General fund, \$675,816 in the Income Tax Capital Improvement fund, \$1,648,222 in the Special Assessment fund, \$3,378,735 in the Streets fund, and \$6,262,468 in all other Governmental funds.

J. **Interfund Transactions** – During the course of normal operations, the City records numerous transactions between funds including expenditures and transfers of resources to provide services, subsidize operations, and service debt. The City has the following types of transactions among funds:

- (1) Reciprocal interfund services provided and used – Purchases and sales of goods and services between funds for a price approximating their external exchange value.
- (2) Nonreciprocal interfund transfers – Flows of assets between funds without equivalent flows of assets in return and without a requirement for repayment. This includes transfers to subsidize various funds.
- (3) Nonreciprocal interfund reimbursements – Repayments from the funds responsible for particular expenditures or expenses to the funds that initially paid for them.

The City's interfund receivables and payables at December 31, 2020 are presented in Note 5. These are eliminated entity-wide and shown as Internal Balances on the Statement of Net Position. Interfund transfers are presented in Note 22.



## 1. Summary of Significant Accounting Policies (Continued)

- K. ***Pension and Other Post-Retirement Benefits*** – For purposes of measuring the net pension liability, OPEB liability, deferred inflows of resources related to pensions and OPEB, deferred outflows of resources related to pensions and OPEB, and pension and OPEB expense, information about the fiduciary net position of the pension and 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 systems. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. The pension systems report investments at fair value.

In addition to the post-retirement benefits provided by the Ohio Police and Fire Pension Fund and the Ohio Public Employees Retirement System of Ohio, the City provides post-retirement health care and life insurance benefits, in accordance with union agreements and City Council ordinances, for retired employees (see note 9).

- L. ***Debt Issuance Costs, Premiums, Discounts, and Losses on Refundings*** – Debt issuance costs, except prepaid insurance costs, are reported as expenses in the period incurred. Bond premiums and discounts, as well as prepaid insurance costs, are deferred and amortized over the life of the bonds. Losses on advance refundings are deferred and amortized over the life of the new debt, or the life of the advance refunded debt, whichever is shorter.

- M. ***Employment Related Liabilities*** – The City records a liability for employment related liabilities relating to former employees of the Health Department (see note 14).

In the best interest of the public health, safety and welfare and to improve governmental efficiency and economy, effective January 1, 2011, the City's Health Department consolidated with the Summit County Health District.

The former Health Department employees while employed by Summit County must retire under Ohio Public Employees Retirement System to be entitled to receive payment of the accumulated sick leave at the hourly rate the employee was receiving at the time of resignation from the City, along with the retirement differential. The City has recorded a long-term liability of \$736,624. Additionally, the former Health Department employees are entitled to staggered payouts for their accumulated vacation, paid leave, and compensatory time at the hourly rate the employee was receiving at the time of resignation from the City. The liability is the actual amount due to employees.

- N. ***Net Position*** – Net Position is the residual amount when comparing assets and deferred outflows of resources to liabilities and deferred inflows of resources. The net investment in capital assets component of net position consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowing used for the acquisition, construction or improvement of those assets. The restricted component of net position is reported when there are limitations imposed by creditors, grantors, or laws or regulations of other governments. Net position restricted for Capital Projects are mainly attributed to economic development, public parking, and street projects. The City applies restricted resources first when an expense is incurred for purposes for which both restricted and unrestricted net assets are available.

## 1. Summary of Significant Accounting Policies (Continued)

- O. **Accounting Standards** – The City applies all applicable and effective pronouncements issued by the Governmental Accounting Standards Board (GASB).

In June 2017, GASB issued statement No. 87, *Leases*. The object of this Statement is to improve accounting and financial reporting for leases by governments. For the City, this statement is effective for periods beginning after June 15, 2021.

In June 2018, the GASB issued statement No. 89, *Accounting for Interest Cost Incurred before the End of a Construction Period*. The objective of this Statement is to enhance the relevance and comparability of information about capital assets and the cost of borrowing for a reporting period and to simplify accounting for interest cost incurred before the end of a construction period. For the City, this statement is effective for reporting periods beginning after December 15, 2019. The City's financial statements have been prepared in conformance with this Statement.

In May 2019, the GASB issued statement No. 91, *Conduit Debt Obligations*. The objective of this Statement is to provide a single method of reporting conduit debt obligations by issuers and eliminate diversity in practice. For the City, this statement is effective for reporting periods beginning after December 15, 2021.

In January 2020, the GASB issued statement No. 92, *Omnibus 2020*. The objective of this Statement is to enhance comparability in accounting and financial reporting and to improve the consistency of authoritative literature. For the City, this statement is effective for reporting periods beginning after June 15, 2021.

In March 2020, the GASB issued statement No. 93, *Placement of Interbank Offered Rates*. The objective of this Statement requires governments to terminate hedge accounting when it renegotiates or amends a critical term of hedging derivative instrument. For the City, this statement is effective for reporting periods beginning after June 15, 2021, except paragraph 11b effective for reporting periods ending after December 31, 2022.

In March 2020, the GASB issued statement No. 94, *Public-Private and Public-Public Partnerships and Availability Payment Arrangements*. The objective of this Statement is to improve financial reporting by addressing issues related to public-private and public-public partnership arrangements (PPPs). For the City, this statement is effective for reporting periods beginning after June 15, 2022.

In May 2020, the GASB issued statement No. 95, *Postponement of the Effective Dates of Certain Authoritative Guidance*. The objective of this Statement is to provide temporary relief to governments and other stakeholders in light of the COVID-19 pandemic by postponing the effective dates of certain provisions in Statements and Implementation Guides. The City's financial statements have been prepared in conformance with this statement.

## 1. Summary of Significant Accounting Policies (Continued)

In May 2020, the GASB issued statement No. 96, *Subscription-Based Information Technology Arrangements*. The objective of this Statement is to better meet the information needs of financial statement users by (a) establishing uniform accounting and financial statements reporting requirements for Subscription-Based Information Technology Agreements (SBITA); (b) improving the comparability of financial statements among governments that have entered into SBITAs; and (c) enhancing the understandability, reliability, relevance, and consistency of information about SBITAs. For the City, this statement is effective for reporting periods beginning after June 15, 2022.

In June 2020, the GASB issued statement No. 97, *Certain Component Unit Criteria, and Accounting and Financial Reporting for IRS Section 457 Deferred Compensation Plans (an amendment of GASB Statement No. 14 and No. 84, and a supersession of GASB Statement No. 32)*. The primary objectives of this Statement are to (1) increase consistency and comparability related to the reporting of fiduciary component units in circumstances in which a potential component unit does not have a governing board and the primary government performs the duties that a governing board typically would perform; (2) mitigate costs associated with the reporting of certain defined contribution pension plans, defined contribution other postemployment benefit (OPEB) plans, and employee benefit plans other than pension plans or OPEB plans (other employee benefit plans) as fiduciary component units in fiduciary fund financial statements; and (3) enhance the relevance, consistency, and comparability of the accounting and financial reporting for Internal Revenue Code (IRC) Section 457 deferred compensation plans (Section 457 plans) that meet the definition of a pension plan and for benefits provided through those plans.

## 2. Pooled Cash and Investments

City ordinances require that all cash, with the exception of certain debt service cash and cash held by fiscal agents, be deposited with the City Treasurer. Each fund's portion of these funds is displayed on the statements of net position or balance sheets as "pooled cash and investments." Earnings on these investments are allocated to the various funds based on City and state statutes, grant agreements, and various bond agreement requirements. Investments are also held separately by the Special Revenue, Debt Service, Enterprise, and Internal Service Funds. City ordinances further authorize and direct the permitted types of deposits and investments.

### *Deposits:*

City ordinances require that all deposits be secured by collateral securities pledged at market value in an amount equal to at least 100% of the deposit, less any amount covered by federal deposit insurance. Custodial credit risk is the risk that, in the event of a bank failure, the City will not be able to recover deposits or collateral securities that are in the possession of an outside party. All deposits are collateralized with eligible securities in amounts equal to at least 105% of the carrying value of the deposits. Such collateral, as permitted by Ohio Revised Code, is held in collateral pools at Federal Reserve Banks, or at member banks of the Federal Reserve System, in the name of the depository bank and pledged as a pool of collateral against all public deposits held by the depository.

## 2. Pooled Cash and Investments (Continued)

The City has no deposit policy for custodial credit risk beyond the requirements of State statute. Although the securities were held by the pledging institutions' trust department and all statutory requirements for the deposit of money have been followed, noncompliance with federal requirements could potentially subject the City to a successful claim by the FDIC.

At December 31, 2020, the carrying amount of the City's deposits was \$44,866,859 and the bank balance was \$49,335,738. The difference in the carrying amount and bank balance was composed of outstanding checks and other normal reconciling items. Of the bank balance, \$2,345,013 was covered by federal depository insurance, and \$46,990,725 was uninsured but collateralized with unregistered securities held by the pledging financial institution's trust department in the City's name.

The money market funds, amounting to \$132,832 while held by bond trustees as the City's agents and in the City's name, are also considered uncollateralized and uninsured. The City holds money market funds amounting to \$2,383,584, while held by the City these funds are also considered uncollateralized and uninsured. However, their disposition and availability are governed by bond ordinances and indentures.

Investments in City of Akron notes amounting to \$34,573,284 are eliminated in the government-wide statement of net position at December 31, 2020.

### *Investments:*

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. Investments that are measured at fair value using the net asset value per share (or its equivalent) as a practical expedient are not classified in the fair value hierarchy below.

Investments in U.S. Treasury securities of \$13,514,363 were classified in Level 1 of fair value hierarchy and valued using quoted market prices.

The City does not have any Investments in Federal Government Agency securities as of December 31, 2020 classified in Level 2 of fair value hierarchy and valued using pricing sources as provided by the investment managers. Investments in the City of Akron notes and Akron Public Schools (APS) bonds amounting to a fair value of \$42,778,283 and other State and Municipal investments amounting to \$4,842,457 were classified as Level 3. At December 31, 2020, total fair value was \$33,782 above the City's net cost for its investments.

**Interest Rate Risk.** The City does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rate risk.

**Credit Risk.** City ordinances authorize the treasurer to invest in obligations of the United States Treasury, agencies, and instrumentalities, and direct obligations of the State of Ohio, including any subdivisions of the state. As of December 31, 2020, the investments held by the bond trustees and STAROhio were rated AAAM by Standard & Poor's. All municipal bonds and notes are rated A2 or better by Moody's or A or better by Standard & Poor's.

## 2. Pooled Cash and Investments (Continued)

The City has invested funds in the State Treasury Asset Reserve of Ohio (STAR 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, but has adopted Governmental Accounting Standards Board (GASB) Statement No. 79, *Accounting and Financial Reporting for Certain External Investment Pools and Pool Participants*, which establishes accounting and financial reporting standards for qualifying external investment pools that elect to measure for financial reporting purposes all of their investments at amortized cost. Investments in STAR Ohio are valued at STAR Ohio's share price, which is the price at which the investment could be sold on December 31, 2020.

As of December 31, 2020 the City had the following investments and maturities:

<u>Investment Types</u>	<u>Fair Value</u>	<u>Investment Maturities (In Years)</u>			
		<u>Less Than 1</u>	<u>1-5</u>	<u>6-10</u>	<u>More than 10</u>
U.S. Treasuries or Agencies:					
FFCB Bond	\$ 5,001,100	\$ -	\$ 4,999,500	\$ -	\$ -
FHLB Bond	4,512,343	-	4,507,383	-	-
FHLMC Bonds	4,000,920	-	4,000,000	-	-
Municipal Bonds	2,841,017	2,816,155	-	-	-
State of Ohio Bonds	2,001,440	2,000,000	-	-	-
City of Akron and Akron Public Schools (APS):					
Municipal Notes	27,340,000	25,434,000	156,000	239,000	1,511,000
Assessment Debt	7,233,283	1,280,284	4,558,416	1,394,583	-
School Facility Bonds	8,205,000	935,000	3,990,000	3,280,000	-
Investments held by bond trustees:					
U.S. Treasuries or Agencies	3,535,925	3,535,925	-	-	-
Cash Reserve	132,832	132,832	-	-	-
Total Investment Maturities		<u>\$ 36,134,196</u>	<u>\$ 22,211,299</u>	<u>\$ 4,913,583</u>	<u>\$ 1,511,000</u>
Total Fair Value	<u>\$ 64,803,860</u>				

Not included in the fair value totals above is STAR Ohio, an external investment pool which was recorded at amortized cost of \$140,918,600 at December 31, 2020. The investments in STAR Ohio are measured at amortized cost; therefore, they are not included in the tables above. There are no limitations or restrictions on any STAR Ohio participant withdrawals due to redemption notice periods, liquidity fees, or redemption gates. However, notice must be given to STAR Ohio 24 hours in advance of all deposits and withdrawals exceeding \$25 million. STAR Ohio reserves the right to limit the transaction to \$50 million, requiring the excess amount to be transacted the following business day(s), but only to the \$50 million limit. All accounts of the STAR Ohio investors will be combined for these purposes.

## 2. Pooled Cash and Investments (Continued)

Bond trustees and Community Learning Center trustees holding the investments are not registered with the SEC as an investment company but do operate in a manner consistent with rule 2a7 of the Investment Company Act of 1940.

Investments held by bond trustees, Community Learning Centers, and STAROhio are not exposed to custodial credit risk because their existence is not evidenced by securities that exist in physical or book entry form.

At December 31, 2020, \$7,144,176 of cash and investments was restricted for the following purposes: \$127,392 was restricted for lease costs for Canal Park Stadium; \$2,391,314 was restricted for Akron District Energy COPs; and \$4,496,623 was restricted solely for retirement of City obligations; and the balance of \$128,847 was held by the trustee for payment of debt service on the Community Learning Centers' Income Tax Revenue Bonds.

The following is a reconciliation of cash and investments to the Statement of Net Position as of December 31, 2020:

	Fair Value
Investments (Summarized in prior table)	\$ 64,803,860
STAR Ohio	140,918,600
Carrying amount of the City's Deposits	44,866,859
	<u>\$ 250,589,319</u>
Governmental Activities:	
Governmental Funds	
Cash and investments with treasurer	\$ 112,507,615
Restricted Cash and investments with fiscal and escrow agents and others	3,608,263
Internal Service Funds	
Cash and investments with treasurer	13,360,115
Total Cash and Investments - Governmental Activities	<u>\$ 129,475,993</u>
Business-Type Activities:	
Enterprise Funds	
Cash and investments with treasurer	\$ 115,965,680
Restricted cash and cash equivalents with treasurer and others	3,535,913
Total Cash and Investments - Business-Type Activities	<u>\$ 119,501,593</u>
Fiduciary Funds	
Cash and investments with City	\$ 1,611,733
Total	<u><u>\$ 250,589,319</u></u>

### 3. Receivables

Receivables, net of allowances for uncollectible reported in the Statement of Net Position, consist of the following at December 31, 2020:

	Taxes	Customer Charges, Special Assessments, and Others	Gross Receivables	Allowance for Uncollectibles	Net
<b>Governmental Activities</b>					
Governmental Funds:					
General Fund	\$ 42,632,121	\$ 10,496,850	\$ 53,128,971	\$ (1,017,164)	\$ 52,111,807
Community Learning Centers	2,236,514	39,000,000	41,236,514	-	41,236,514
Income Tax Capital Improvement	6,755,248	34,087	6,789,335	-	6,789,335
Special Assessment Fund	-	82,250,053	82,250,053	(52,776,424)	29,473,629
Streets	-	290,864	290,864	-	290,864
Other Governmental Funds	30,846,884	24,266,415	55,113,299	(11,324,465)	43,788,834
<b>Total Governmental Funds</b>	<b>82,470,767</b>	<b>156,338,269</b>	<b>238,809,036</b>	<b>(65,118,053)</b>	<b>173,690,983</b>
Internal Service Funds	-	773,318	773,318	-	773,318
<b>Total Governmental Activities</b>	<b>82,470,767</b>	<b>157,111,587</b>	<b>239,582,354</b>	<b>(65,118,053)</b>	<b>174,464,301</b>
<b>Business-type Activities</b>					
Enterprise Funds:					
Water	-	3,817,450	3,817,450	(1,150,250)	2,667,200
Sewer	-	14,350,210	14,350,210	(2,908,840)	11,441,370
Off-Street Parking	-	54,218	54,218	(5,540)	48,678
Other Enterprise Funds	-	7,988	7,988	-	7,988
<b>Total Business-type Activities</b>	<b>-</b>	<b>18,229,866</b>	<b>18,229,866</b>	<b>(4,064,630)</b>	<b>14,165,236</b>
<b>Total Receivables</b>	<b>\$ 82,470,767</b>	<b>\$ 175,341,453</b>	<b>\$ 257,812,220</b>	<b>\$ (69,182,683)</b>	<b>\$ 188,629,537</b>

Included in the amounts above are water and sewer unbilled charges for services of approximately \$752,950 and \$3,819,764 respectively.

Delinquent special assessment receivables amounted to \$52,776,424 at December 31, 2020 and were fully reserved for in the allowance for uncollectibles in the General, Special Assessment, Water, and Sewer funds.

#### 4. Due From/To Other Governments

Amounts due from other governments at December 31, 2020 consist of the following:

	Federal	State	Total
Governmental Funds:			
Special Assessment Fund	\$ -	\$ 136,497	\$ 136,497
Streets	-	202,181	202,181
Other Governmental Funds	3,103,071	514,794	3,617,865
<b>Total Governmental Funds</b>	<u>\$ 3,103,071</u>	<u>\$ 853,472</u>	<u>\$ 3,956,543</u>
Enterprise Funds:			
Sewer	\$ -	\$ 595,073	\$ 595,073
Airport	88,087	254,466	342,553
<b>Total Enterprise Funds</b>	<u>\$ 88,087</u>	<u>\$ 849,539</u>	<u>\$ 937,626</u>

Amounts due to other governments at December 31, 2020 consist of the following

	Federal	State	County/ Local	Total
Governmental Funds:				
General Fund	\$ -	\$ 111,152	\$ 2,636,429	\$ 2,747,581
Streets	-	3,722,678	1,422	3,724,100
Income Tax Capital Improvement	-	-	257	257
Other Governmental Funds	4,805,000	305,460	132,073	5,242,533
<b>Total Governmental Funds</b>	<u>\$ 4,805,000</u>	<u>\$ 4,139,290</u>	<u>\$ 2,770,181</u>	<u>\$ 11,714,471</u>

The \$11,714,471 due to other governments includes \$4,465,000 that is reported as long-term liabilities in the government-wide statement of net position as liabilities due in more than one year.

	Federal	State	County/Local	Total
Enterprise Funds:				
Off-Street Parking	\$ -	\$ -	\$ 31,223	\$ 31,223
Water	-	-	43,180	43,180
Sewer	4,500	16,399,780	269,402	16,673,682
<b>Total Enterprise Funds</b>	<u>\$ 4,500</u>	<u>\$ 16,399,780</u>	<u>\$ 343,805</u>	<u>\$ 16,748,085</u>

The federal amount listed in due to other governments is comprised of three section 108 loans from the U.S. Department of Housing and Urban Development (HUD).

The state amount listed in due to other governments is comprised of accounts payable transactions for capital assets and engineering estimates for projects for work completed.

The county amount listed in due to other governments relates to City reimbursements to Summit County for property taxes, services provided for the consolidated computer aided dispatch, and police grant expenditures.

The state amount recorded in Business type Activities relates to accounts payable transactions for capital assets and engineering estimates for projects for work completed.

The county amount recorded in Business-type Activities relates to a master meter sewer agreement in the Mud Brook service area.



## 5. Due From/To Other Funds

Interfund receivable and payable balances at December 31, 2020, due within one year, consist of the following individual fund receivables and payables:

	Receivable	Payable
<b>Governmental Funds:</b>		
General	\$ 1,981,780	\$ 385,642
Income Tax Collection	160,717	2,611,874
Emergency Medical Service	-	19,177
Special Assessment	-	126,759
Income Tax Capital Improvement	354,753	639
Street and Highway Maintenance	-	152,189
Community Development	-	2,872
Akron Metro. Area Transportation Study	-	1,111
Joint Economic Development Districts	-	2,120
Akron Muni. Court Information System	6,858	1,716
Police Grants	1,051	1,380
Safety Programs	1,414	730
Various Purpose Funding	43,887	-
Deposits	140,166	142,111
Community Learning Centers	1,296,849	160,717
Police, Fire, and Road Activity	1,299,018	33
General Grants	-	179
General Bond Payment	-	364
Streets	-	52,027
Information Technology	-	233
Parks and Recreation	-	354,753
Public Facilities and Improvements	-	1,166
Public Parking	-	1,735
Economic Development	-	77
	<u>\$ 5,286,493</u>	<u>\$ 4,019,604</u>
<b>Proprietary Funds:</b>		
Enterprise:		
Water	\$ 963,751	\$ 468,416
Sewer	-	2,369,173
Oil and Gas	-	28
Golf Course	-	26,987
Off-Street Parking	-	70,818
	<u>\$ 963,751</u>	<u>\$ 2,935,422</u>
<b>Internal Service Funds:</b>		
Motor Equipment	590,230	4,134
Self-Insurance Settlement	-	6,740
Telephone System	52,196	-
Engineering Bureau	120,537	92,001
Information Technology	46,177	1,483
	<u>809,140</u>	<u>104,358</u>
<b>Total</b>	<u><u>\$ 7,059,384</u></u>	<u><u>\$ 7,059,384</u></u>

## **5. Due From/To Other Funds (Continued)**

Transactions between funds are reported as revenues in the receiving funds, and expenditures/expense in purchaser funds. The transactions result from numerous transactions between funds including expenditure and transfers of resources to provide services, subsidize operations, administration charges, and rental fee.

The General and the Income Tax Capital Improvement funds make advances to other funds and the repayment is shown above. The General Fund charges an administration fee and storeroom services to various funds. The Income Tax Collection Fund receives tax revenue during December that is posted in the subsequent month to the Community Learning Centers Fund and the Police, Fire, and Road Activity Fund. The proprietary funds provide goods and services through the end of the year causing a time lag between the dates the goods or services were provided and when the transactions are recorded.

## **6. Deposits**

On December 15, 2003, the City of Akron entered into a cooperative agreement for Community Learning Centers (CLC) with the Board of Education of the Akron City School District (District). The cooperative agreement is the foundation for all the activity associated with the City's .25% income tax and the ownership relating to the CLCs. As of December 31, 2020, the District had \$16,323,574 of unspent City funds that are recorded as Deposits on the City's Statement of Net Position and are recorded on the District's financial statements as "due to City of Akron".

## 7. Capital Assets

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

	Balance January 1, 2020	Additions	Deletions	Balance December 31, 2020
<b>Governmental Activities:</b>				
Capital assets, not being depreciated:				
Land	\$ 152,597,805	\$ -	\$ 15,000	\$ 152,582,805
Construction in progress	109,317,232	6,760,291	7,497,073	108,580,450
CLC Land	1,374,959	-	-	1,374,959
CLC Construction in progress	24,308,019	12,582,364	-	36,890,383
	<u>287,598,015</u>	<u>19,342,655</u>	<u>7,512,073</u>	<u>299,428,597</u>
Total capital assets, not being depreciated				
Capital assets, being depreciated:				
Buildings	217,762,088	100,154	-	217,862,242
CLC Building Equity Interest	285,443,269	-	-	285,443,269
Improvements other than buildings	198,832,325	5,481,886	-	204,314,211
CLC Improvements other than buildings	253,244	-	-	253,244
Equipment & Intangibles	148,811,070	4,002,029	1,098,609	151,714,490
Infrastructure	720,694,820	51,568,314	187,654	772,075,480
	<u>1,571,796,816</u>	<u>61,152,383</u>	<u>1,286,263</u>	<u>1,631,662,936</u>
Total capital assets, being depreciated				
Less accumulated depreciation for:				
Buildings	112,190,979	4,497,110	-	116,688,089
CLC Building Equity Interest	36,727,561	5,115,049	-	41,842,610
Improvements other than buildings	91,095,124	6,481,745	-	97,576,869
CLC Improvements other than buildings	52,914	7,672	-	60,586
Equipment & Intangibles	114,172,871	6,275,672	818,399	119,630,144
Infrastructure	413,139,889	17,782,201	-	430,922,090
	<u>767,379,338</u>	<u>40,159,449</u>	<u>818,399</u>	<u>806,720,388</u>
Total accumulated depreciation				
Total capital assets, being depreciated, net	<u>804,417,478</u>	<u>20,992,934</u>	<u>467,864</u>	<u>824,942,548</u>
Governmental activities capital assets, net	<u>\$ 1,092,015,493</u>	<u>\$ 40,335,589</u>	<u>\$ 7,979,937</u>	<u>\$ 1,124,371,145</u>

## 7. Capital Assets (Continued)

	Balance January 1, 2020, as Restated	Additions	Deletions	Balance December 31, 2020
<b>Business-type Activities:</b>				
Capital assets, not being depreciated:				
Land	\$ 38,402,937	\$ -	\$ -	\$ 38,402,937
Construction in progress (Note 30)	510,804,275	40,521,928	55,647,261	495,678,942
Total capital assets, not being depreciated	<u>549,207,212</u>	<u>40,521,928</u>	<u>55,647,261</u>	<u>534,081,879</u>
Capital assets, being depreciated:				
Buildings	207,772,360	-	-	207,772,360
Improvements other than buildings	470,249,967	217,533	-	470,467,500
Equipment and Intangibles	81,358,720	341,087	167,617	81,532,190
Infrastructure	291,901,096	149,179,545	-	441,080,641
Total capital assets, being depreciated	<u>1,051,282,143</u>	<u>149,738,165</u>	<u>167,617</u>	<u>1,200,852,691</u>
Less accumulated depreciation for:				
Buildings	104,030,917	3,419,268	-	107,450,185
Improvements other than buildings	324,751,497	8,012,560	-	332,764,057
Equipment and Intangibles	40,141,725	1,751,908	167,617	41,726,016
Infrastructure	69,470,015	9,007,781	-	78,477,796
Total accumulated depreciation	<u>538,394,154</u>	<u>22,191,517</u>	<u>167,617</u>	<u>560,418,054</u>
Total capital assets, being depreciated, net	<u>512,887,989</u>	<u>127,546,648</u>	<u>-</u>	<u>640,434,637</u>
Business-type activities capital assets, net	<u>\$ 1,062,095,201</u>	<u>\$ 168,068,576</u>	<u>\$ 55,647,261</u>	<u>\$ 1,174,516,516</u>

The City adopted GASB Statement No. 83, *Certain Asset Retirement Obligations*, in fiscal year 2019. This statement requires governmental entities to record a liability and a corresponding deferred outflow at the time there is an external obligating event such as a federal or state regulation, a legally binding contract or court judgment, and when there is an internal obligating event which is at the time an asset is acquired or if constructed placed in service. In accordance with GASB 83, the City recorded a current liability of \$62,570 and long-term liability of \$312,850 associated with the retirement of inactive oil wells as there is an enforceable legal obligation. After extensive legal and procedural research, the City has determined that it is impractical that City's sewer and water treatment facilities will ever be closed, and ongoing projects preserve the overall condition of the operations of the facilities. Thus, no associated retirement liability was recorded for the sewer and water treatment facilities. While the FAA-administered financing requires reimbursement if closure of the airport occurs, the City intends to keep the facility operational as new projects are ongoing to preserve the conditions and overall operations at the facility, and therefore no retirement liability was recorded. The liabilities for Hardy Road Landfill and City-owned gas tanks fall under GASB 18 and GASB 49, respectively, and are reflected in the statements. Other assets are maintained and/or disposed of by the City in accordance with best practice standards.

**7. Capital Assets (Continued)**

Depreciation expense was charged during 2020 to functions of the government as follows:

**Governmental Activities:**

General government	\$ 1,864,508
Public service	9,365,346
Public safety	3,523,366
Community environment	7,316,055
Public health	250,617
Unallocated depreciation	17,527,935
Capital assets held by the government's internal service funds are charged to the various functions based on their usage of the assets	<u>311,622</u>
<b>Total depreciation expense charged to governmental activities</b>	<b><u>\$ 40,159,449</u></b>

**Business-type Activities:**

Water	\$ 5,676,088
Sewer	13,726,624
Off-Street Parking	2,513,309
Other Business-type activities	<u>275,496</u>
<b>Total depreciation, depletion, and amortization expense charged to business-type activities</b>	<b><u>\$ 22,191,517</u></b>

Construction in progress and remaining capital commitments (including capitalized interest of \$5,390,276 through December 31, 2017 before the implementation of GASB statement No. 89, *Accounting for Interest Cost Incurred before the End of a Construction Period*) are comprised of the following:

	Project Authorization	Expended to December 31, 2020	Committed
<b>Governmental Activities:</b>			
Governmental	\$ 101,550,249	\$ 99,324,286	\$ 2,225,963
<b>Business-type Activities:</b>			
Water	60,373,063	15,459,350	44,913,713
Sewer	<u>517,364,582</u>	<u>473,868,955</u>	<u>43,495,627</u>
	<b><u>\$ 679,287,894</u></b>	<b><u>\$ 588,652,591</u></b>	<b><u>\$ 90,635,303</u></b>

**8. Accrued Vacation and Leave**

GASB Statement No. 16, *Accounting for Compensated Absences*, requires a liability to be established for all compensated absences as earned by the employees. At the time of the employee's separation, such compensated absences are paid to the employee from the fund to which the employee's payroll is charged.

Vacation, paid leave, sick leave, and compensatory time accumulated by employees whose wages are charged to governmental fund types have been recorded as liabilities in the governmental funds only if they have matured. The balance has been recorded on the statement of net position. Vacation, paid leave, sick leave, and compensatory time accumulated by employees whose wages are charged to proprietary fund types are expensed when earned and recorded as liabilities in the government-wide statement of net position and in the proprietary fund statement of net position.

Sick leave is earned by substantially all employees. Unused sick leave is accumulated up to 960 hours for uniformed firefighters and 1,000 hours for all other eligible employees. Unused sick leave vests upon reaching certain age and service requirements. The vested portion of accumulated sick leave and amounts earned through December 31, 2020 and expected to vest in the future has been accrued for in the Government-wide Statement of Net Position for all City employees. Amounts related to the City's proprietary fund operations are also accrued for in the proprietary fund statement of net position due to the nature of these funds.

The following governmental funds have typically been used in prior years to reduce or liquidate the liability for compensated absences:

General Fund	Street and Highway Maintenance
Income Tax Collection	Community Development
Emergency Medical Service	Police Grants
Special Assessment Fund	Safety Programs
Income Tax Capital Improvement	

## 8. Accrued Vacation and Leave (Continued)

As of December 31, 2020, the accrued vacation, paid leave, sick leave, and compensatory time is recorded as a current liability (due within one year) in the Statement of Net Position as follows:

	Balance January 1, 2020	Additions	Deletions	Balance December 31, 2020
<b>Governmental Activities:</b>				
Governmental Funds:				
General Fund	\$ 7,000,179	\$ 6,456,161	\$ (7,000,179)	\$ 6,456,161
Income Tax Capital Improvement	32,017	77,210	(32,017)	77,210
Special Assessment Fund	277,332	264,816	(277,332)	264,816
Other Governmental Funds	1,795,436	1,700,352	(1,795,436)	1,700,352
<b>Total Governmental Funds</b>	9,104,964	8,498,539	(9,104,964)	8,498,539
Internal Service Funds	589,898	530,147	(589,898)	530,147
Total Governmental Activities	9,694,862	9,028,686	(9,694,862)	9,028,686
<b>Business-type Activities:</b>				
Enterprise Funds:				
Water	851,196	755,100	(851,196)	755,100
Sewer	512,047	476,656	(512,047)	476,656
Other Enterprise Funds	24,925	33,182	(24,925)	33,182
<b>Total Enterprise Funds/ Business-type Activities</b>	1,388,168	1,264,938	(1,388,168)	1,264,938
	<u>\$ 11,083,030</u>	<u>\$ 10,293,624</u>	<u>\$ (11,083,030)</u>	<u>\$ 10,293,624</u>

The following amounts are also included as long-term obligations in the government-wide statement of net position (Note 14):

<b>Governmental Activities:</b>				
Governmental Funds:				
General Fund	\$ 37,905,548	\$ 13,917,061	\$ (9,773,376)	\$ 42,049,233
Income Tax Capital Improvement	200,733	152,030	(81,931)	270,832
Special Assessment Fund	930,183	420,301	(393,301)	957,183
Other Governmental Funds	9,521,004	2,782,404	(2,227,850)	10,075,558
<b>Total Governmental Funds</b>	48,557,468	17,271,796	(12,476,458)	53,352,806
Internal Service Funds	2,739,156	923,103	(771,422)	2,890,837
<b>Total Governmental Activities</b>	51,296,624	18,194,899	(13,247,880)	56,243,643
<b>Business-type Activities:</b>				
Water	3,349,407	1,334,553	(1,050,599)	3,633,361
Sewer	2,377,515	1,252,932	(1,199,793)	2,430,654
Other Business-type Activities	66,091	38,871	(43,684)	61,278
<b>Total Business-type Activities</b>	5,793,013	2,626,356	(2,294,076)	6,125,293
	<u>\$ 57,089,637</u>	<u>\$ 20,821,255</u>	<u>\$ (15,541,956)</u>	<u>\$ 62,368,936</u>

## 9. Pension and Other Post-Retirement Benefit Plans

Police officers and firefighters participate in the statewide Ohio Police and Fire Pension Fund (Police and Fire), a cost-sharing, multi-employer defined-benefit public employee retirement system. Police and Fire offers three types of service retirement: normal, service commuted, and age/service commuted.

In a normal retirement, a member is eligible at age 48 with 25 years of service with a monthly pension equal to 60% of the average of the three highest years of allowable earnings. The maximum pension of 72% of the average allowable earnings for the three highest years is paid after 33 years of service.

Under the service commuted retirement, a member is eligible if they have at least 15 years of service, they have reached the age of 48 and 25 years has elapsed from the date of their full-time hire. Under the age/service commuted retirement, a member is eligible if they have 15 years of service and they have reached the age of 62. In the event of death, eligible survivors may qualify for a monthly benefit and a one-time \$1,000 lump sum benefit payment. Benefits are established by the Ohio Revised Code.

The City also participates in a cost-sharing multi-employer post-retirement health benefits plan, administered by Police and Fire, for these city employees. Substantially all other City employees participate in the statewide Ohio Public Employees Retirement System (OPERS). OPERS administers three separate pension plans. The traditional plan is a cost-sharing, multi-employer defined-benefit pension plan. The member-directed plan is a defined-contribution plan in which the member invests both member and employer contributions (employer contributions vest over five years at 20% per year). Under the member-directed plan, members accumulate retirement assets equal to the value of the member and vested employer contributions plus any investment earnings. The combined plan is a cost-sharing, multiple-employer defined-benefit pension plan that has elements of both a defined-benefit and a defined-contribution plan. Under the combined plan, employer contributions are invested by the retirement system to provide a formula retirement benefit similar to the traditional plan benefit. Member contributions, whose investment is self-directed by the member, accumulate retirement assets in a manner similar to the member-directed plan. The City also participates in a cost-sharing multi-employer post-retirement health benefits plan, administered by OPERS, for these City employees.

In addition to participating in the plans described above, the City provides its own post-retirement health and life insurance benefits plan which is administered as a single-employer benefit plan. Typically, the following funds have been used to liquidate the net pension obligation or net other post-retirement benefit obligation:

General Fund	General Bond Payment
Income Tax Collection	Water
Emergency Medical Service	Sewer
Special Assessment	Oil & Gas
Income Tax Capital Improvement	Golf Course
Street and Highway Maintenance	Airport
Community Development	Motor Equipment
Akron Metropolitan Area Transportation Study	Engineering
Joint Economic Development Districts	Information Technology
Safety Programs	



## 9. Pension and Other Post-Retirement Benefit Plans (Continued)

### 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 due to other governments 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, the vast majority of the City's employees participate in the traditional plan. Therefore, the following plan description focus on the traditional pension plan.

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

## 9. Pension and Other Post-Retirement Benefit Plans (Continued)

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 ACFR referenced above for additional information):

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

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 percent simple annual COLA. For those retiring subsequent to January 7, 2013, beginning in calendar year 2019, the COLA will be based on the average percentage increase in the Consumer Price Index, capped at 3 percent.

**9. Pension and Other Post-Retirement Benefit Plans (Continued)**

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

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

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

The City’s contractually required contribution was \$8,790,951 for 2020. Of this amount, \$722,818 is reported as a due to other governments. Both amounts reflected contributions for employees participating in the OPERS traditional plan, combined plan, and member directed plan.

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

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

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

**9. Pension and Other Post-Retirement Benefit Plans (Continued)**

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

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

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

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

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

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

Employer contribution rates are expressed as a percentage of covered payroll. The City’s contractually required contribution, excluding the amount related to post-retirement health care benefits, to OP&F was \$13,812,992 for 2020. Of this amount \$1,059,115 is reported as a due to other governments. Both amounts reflected contributions for police and firefighters participating in OP&F.

**9. Pension and Other Post-Retirement Benefit Plans (Continued)**

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

The net pension liability for OPERS was measured as of December 31, 2019, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. OP&F's total pension liability was measured as of December 31, 2019, and was determined by rolling forward the total pension liability as of January 1, 2019, to December 31, 2019. The City's proportion of the net pension liability was based on the City's share of contributions to the pension plan relative to the contributions of all participating entities. Following is information related to the proportionate share and pension expense:

	OPERS			OP&F	Total
	Traditional Plan	Combined Plan	Member Directed		
Proportionate Share of the Net Pension Liability/(Asset)	\$ 85,358,175	\$ (710,799)	\$ (7,359)	\$ 174,339,934	\$ 258,979,951
Proportion of the Net Pension Liability/(Asset) as of 12/31/2019	0.43185%	0.34091%	0.19367%	2.58798%	
Proportion of the Net Pension Liability/(Asset) as of 12/31/2018	0.43797%	0.31576%	0.19508%	2.65988%	
Increase (Decrease) in Proportion	(0.00611)%	0.02516%	(0.00141)%	(0.07190)%	
Pension Expense	\$ 13,956,950	\$ 78,689	\$ (4,412)	\$ 29,033,125	\$ 43,064,352

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

	OPERS			
	Traditional Plan	Combined Plan	Member Directed	OP&F
<b>Deferred Outflows of Resources</b>				
Net difference between projected and actual earnings on pension plan investments	\$ -	\$ -	\$ 6,021	\$ -
Differences between expected and actual experience	-	-	11,423	6,599,331
Changes in proportion and differences between City contributions and proportionate share of contributions	692,550	10,180	7,566	3,530,531
Changes in assumptions	4,559,121	70,044	695	4,279,591
City contributions subsequent to the measurement date	8,790,951	215,087	-	13,812,992
Total Deferred Outflows of Resources	<u>\$ 14,042,622</u>	<u>\$ 295,311</u>	<u>\$ 25,705</u>	<u>\$ 28,222,445</u>
<b>Deferred Inflows of Resources</b>				
Net Difference between projected and actual earnings on pension plan investments	\$ (17,026,902)	\$ (100,301)	\$ -	\$ (8,431,737)
Differences between expected and actual experience	(442,274)	(164,472)	(3,814)	(8,991,415)
Changes in proportion and differences between City contributions and proportionate share of contributions	(1,152,609)	(32,282)	-	(7,684,378)
Changes in assumptions	(636,914)	-	-	-
Total Deferred Inflows of Resources	<u>\$ (19,258,699)</u>	<u>\$ (297,055)</u>	<u>\$ (3,814)</u>	<u>\$ (25,107,530)</u>

**9. Pension and Other Post-Retirement Benefit Plans (Continued)**

At December 31, 2020, \$22,819,030 is 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 subsequent fiscal period rather than the current fiscal period. Other amounts reported as deferred outflows of resources and deferred (inflows) of resources related to pension will be recognized in pension expense as follows:

	OPERS			OP&F
	Traditional Plan	Combined Plan	Member Directed	
Year Ending December 31:				
2021	\$ (2,312,426)	\$ (51,341)	\$ 3,926	\$ (2,354,926)
2022	(5,638,898)	(49,609)	3,665	(920,023)
2023	705,114	(23,899)	3,711	2,410,111
2024	(6,760,818)	(54,893)	4,295	(8,693,472)
2025	-	(12,684)	2,262	(1,139,767)
Thereafter	-	(24,406)	4,033	-
Total	<u>\$ (14,007,028)</u>	<u>\$ (216,832)</u>	<u>\$ 21,892</u>	<u>\$ (10,698,077)</u>

**Actuarial Assumptions - OPERS**

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

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

Measurement and Valuation Date	December 31, 2019
Experience Study	5-Year Period Ended December 31, 2015
Actuarial Cost Method	Individual Entry Age
Investment Rate of Return	7.2%
Wage Inflation	3.25%
Projected Salary Increases	3.25%-10.75 % (includes wage inflation at 3.25%)
Cost-of-living Adjustments	Pre-1/7/2013 Retirees: 3.00% Simple Post-1/7/2013 Retirees: 3.00% Simple Through 2020, then 2.15% Simple

Mortality rates are based on the RP-2014 Healthy Annuitant mortality table. For males, Healthy Annuitant Mortality tables were used, adjusted for mortality improvements back to the observation period base of 2006 and then established the base year as 2015. For females, Healthy Annuitant Mortality tables were used, adjusted for mortality improvements back to the observation period base of 2006 and then established the base year as 2010. The mortality rates used in evaluating disability allowances were based on the RP-2014 Disabled mortality tables, adjusted for mortality improvement back to the observation period base of 2006 and then established the base year as 2015 for males and 2010 for females. Mortality rates for a particular calendar year for both healthy and disabled retiree mortality tables are determined by applying the MP-2015 mortality improvement scale to the above described tables.

## 9. Pension and Other Post-Retirement Benefit Plans (Continued)

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. The discount rate used to measure the total pension liability was 7.2 percent.

OPERS manages investments in three investment portfolios: the Defined Benefits portfolio, the Health Care portfolio, and the Defined Contribution portfolio. The Defined Benefit portfolio includes the investment assets of the Traditional Pension Plan, the defined benefit component of the Combined Plan, the annuitized accounts of the Member-Directed Plan and the VEBA Trust. Within the Defined Benefit portfolio, contributions into the plans are all recorded at the same time, and benefit payments all occur on the first of the month. Accordingly, the money-weighted rate of return is considered to be the same for all plans within the portfolio. The money weighted rate of return, net of investments expense, for the Defined Benefit portfolio was a 17.2%.

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 for 2019	Long Term Expected 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	100.00 %	5.61 %

**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.

**9. Pension and Other Post-Retirement Benefit Plans (Continued)**

**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:

	City's proportionate share of the net pension liability/(asset) (in '000s)		
	1% Decrease 6.20%	Current Discount Rate 7.20%	1% Increase 8.20%
	<u>                    </u>	<u>                    </u>	<u>                    </u>
Traditional Plan	\$ 140,783	\$ 85,358	\$ 35,533
Combined Plan	(430)	(710)	(914)
Member Directed Plan	(4)	(7)	(10)

**Actuarial Assumptions – OP&F**

OP&F’s total pension liability as of December 31, 2019 is based on the results of an actuarial valuation date of January 1, 2019, and rolled-forward using generally accepted actuarial procedures. The total pension liability is determined by OP&F’s actuaries in accordance with GASB Statement No. 67, as part of their annual valuation. Actuarial valuations of an ongoing plan involve estimates of reported amounts and assumptions about probability of occurrence of events far into the future. Examples include assumptions about future employment mortality, salary increases, disabilities, retirements and employment terminations. Actuarially determined amounts are subject to continual review and potential modifications, as actual results are compared with past expectations and new estimates are made about the future.

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

Valuation Date	January 1, 2019, with actuarial liabilities rolled forward to December 31, 2019
Actuarial Cost Method	Entry Age Normal (Level Percent of Payroll)
Actuarial Assumption Experience Study Date	5 year period ended December 31, 2016
Investment Rate of Return	8.00%
Cost of Living Increases (COLA)	3% simple; 2.2% simple for increases based on the lesser of the increase in CPI and 3%
Salary Increases	3.75 to 10.50%
Payroll Growth	Inflation rate of 2.75% plus productivity increase rate of 0.5%

**Healthy Mortality**

Mortality rates 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%.



## 9. Pension and Other Post-Retirement Benefit Plans (Continued)

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

### Disabled Mortality

Mortality for disabled retirees is based on the RP-2014 Disabled Mortality Tables rolled back to 2006, adjusted to 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%.

Age	Police	Fire
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 OP&F's target asset allocation as of December 31, 2019 are summarized below:

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 %	

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 national portfolio perspective above, the

**9. Pension and Other Post-Retirement Benefit Plans (Continued)**

Total Portfolio may be levered up to 1.2 times due to the application of leverage in certain fixed income asset classes.

**Discount Rate** The total pension liability was calculated using the discount rate of 8.00 percent. The projection of cash flows used to determine the discount rate assumed the contributions from employers and from the members would be computed based on contribution requirements as stipulated by State statute. Projected inflows from investment earning were calculated using the long-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.

City's proportionate share of the net pension liability (in '000s)			
	1% Decrease 7.00%	Current Discount Rate 8.00%	1% Increase 9.00%
OP&F	\$ 241,629	\$ 174,340	\$ 118,059

**Other Post-retirement Benefits (OPEB)**

In addition to the post-retirement benefits provided by the Ohio Police and Fire Pension Fund and the Ohio Public Employees Retirement System of Ohio, the City provides post-retirement health care and life insurance benefits, in accordance with union agreements and City Council ordinances, for retired employees. The post-retirement healthcare coverage is a single self-insured plan, administered through Medical Mutual, which provides medical, prescription drugs, dental, and vision benefits. The major medical portion of the coverage, which includes prescription drugs, ends at age 65. All other benefits continue for the lifetime of the participant. The life insurance amounts are dependent on age at retirement and the retiree’s collective bargaining unit. All life insurance amounts are reduced by 50% after the first year of retirement. Dependents are not eligible for life insurance during retirement. The life insurance is fully insured. Substantially all of the City’s employees may become eligible for those benefits if they reach normal retirement age while working for the City. The City pays 100% of the cost of health care and life insurance benefits. Effective February 1, 2020, monthly contributions for supplemental medical coverage are \$55 single / \$110 family for Non-Bargaining and AFSCME participants, and \$27.50 / \$55 family for all other participants. Supplemental dental, vision, and life insurance are non-contributory. These benefits are financed on a pay-as-you go basis; as such, the cost of retiree health care and life insurance benefits is recognized as expenditure/expense as claims are incurred. Eligibility for OPEB benefits is receiving a pension benefit from OPERS, Police and Fire, or disability retirement. Former employees who are term-vested for pension benefits are not eligible.

## 9. Pension and Other Post-Retirement Benefit Plans (Continued)

The net OPEB liability was measured as of December 31, 2019 and the the net OPEB liability was determined by an actuarial valuation as of December 31, 2018, and rolled-forward to the measurement date. For OPERS and OP&F, the City's proportion of the net OPEB liability was based on the City's share of contributions relative to the contributions of all participating entities. The following information is related to the proportionate share and OPEB expense (in '000s):

	<u>OPERS</u>	<u>OP&amp;F</u>
Proportion of the Net OPEB Liability as of December 31, 2019	0.4199%	2.58798%
Proportion of the Net OPEB Liability as of December 31, 2018	0.4252%	2.65988%
Increase (Decrease) in Proportion	(0.0053)%	(0.0719)%
Proportionate share of the Net OPEB Liability	\$ 57,992	\$ 25,565
OPEB Expense	6,547	3,122

The Net OPEB Liability for the City's OPEB plan was measured as of December 31, 2019 and the net OPEB liability was determined by an actuarial valuation as of December 31, 2018, and rolled-forward to the measurement date. The following information is related to the changes in the net OPEB liability for the City's plan (in '000s):

Net OPEB Liability - December 31, 2018	\$ 101,158
Total service cost	1,982
Interest cost	3,703
Experience (gains)/losses	(962)
Changes in assumptions	(15,524)
Benefit payments	(2,856)
Net OPEB Liability - December 31, 2019	<u>\$ 87,501</u>

At December 31, 2019 the City reported deferred (outflows) of resources and deferred inflows of resources related to OPEB from the following sources:

	<u>City of Akron</u>	<u>OPERS</u>	<u>OP&amp;F</u>
<b>Deferred Outflows of Resources</b>			
Net difference between projected and actual earnings on OPEB plan investments	\$ -	\$ -	\$ 5,105,077
Differences between expected and actual experience	-	1,575	-
Changes in proportion and differences between City and proportionate share of contributions	-	102,025	1,888,289
Changes in assumptions	3,172,375	9,181,695	10,124,431
City's contributions subsequent to the measurement date	2,601,094	-	327,574
Total Deferred Outflows of Resources	<u>\$ 5,773,469</u>	<u>\$ 9,285,295</u>	<u>\$ 17,445,371</u>
<b>Deferred Inflows of Resources</b>			
Net difference between projected and actual earnings on OPEB plan investments	(4,775,245)	\$ (3,084,297)	\$ -
Differences between expected and actual experience	-	(5,304,662)	(523,304)
Changes in proportion and differences between City and proportionate share of contributions	-	(549,046)	(740,358)
Changes in assumptions	(26,230,691)	-	(9,663,249)
Total Deferred Inflows of Resources	<u>\$ (31,005,936)</u>	<u>\$ (8,938,005)</u>	<u>\$ (10,926,911)</u>

**9. Pension and Other Post-Retirement Benefit Plans (Continued)**

At December 31, 2018, \$2,899,909 is 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 the subsequent fiscal period. Other amounts reported as deferred (inflows) outflows of resources related to OPEB will be recognized in the OPEB expense as follows:

	<u>City of Akron</u>	<u>OPERS</u>	<u>OP&amp;F</u>
Fiscal Year Ending December 31:			
2021	\$ (5,890,725)	\$ 1,134,210	\$ 1,879,471
2022	(5,890,725)	509,141	\$ 1,879,471
2023	(7,064,069)	(34,225)	2,120,769
2024	(6,616,695)	(1,261,836)	1,740,350
2025	(2,371,347)	-	311,353
Thereafter	-	-	(1,740,528)
Total	<u>\$ (27,833,561)</u>	<u>\$ 347,290</u>	<u>\$ 6,190,886</u>

**Actuarial Assumptions - City of Akron OPEB Plan**

The total OPEB liability is based on the results of an actuarial measurement date and valuation date of December 31, 201 using generally accepted actuarial procedures. The total OPEB liability was calculated by using the following assumptions:

Actuarial Cost Method	Entry age normal, level percent of projected payroll
Discount Rate	3.26%
Projected Payroll Growth Rate	2.00%
Health Care Cost Trend Rate for Medical and Prescription Drugs	6.3% in fiscal 2020, decreasing to an ultimate rate of 5.0% in fiscal year 2027 and after.
Health Care Cost Trend Rate for Dental and Vision	4.5%

Pursuant to paragraph 36 of GASB 75, since the City's plan is an unfunded plan, the discount rate should reflect a yield or index rate for 20-year, tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher. The discount rate selected by the City reflect the S&P Municipal Bond 20-High Grade as of December 31, 2019. The discount rate used to measure the total OPEB liability was 3.26 percent, which is a decrease from 3.64 percent used for the measurement date of December 31, 2018.

For OP&F active members, non-disabled retirees and beneficiaries, and disabled retirees, mortality rates are based on the RPH-2014 Mortality Table adjusted to 2006 and projected with the Buck Modified 2019 Improvement Scale. Rates are also adjusted for experience. For OPERS active members, non-disabled retirees and beneficiaries, and disabled retirees, mortality rates are based on the PubH-2010 General and Disabled Moratility Tables projected with the Buck Modified 2016 Improvement Scale.

The Net OPEB Liability is sensitive to changes in the discount rate and the health care trend rate. The following table presents what the Net OPEB Liability would be if it were calculated using a discount rate that is one (1) percentage point lower (2.26%) and higher (4.26%) than the current discount rate (2.26%). Additionally shown is what the City's net OPEB liability would be based on current health care trend rates that are one (1) percentage point lower (5.30%) and higher (7.30%) than the current rate (7.30%).

**9. Pension and Other Post-Retirement Benefit Plans (Continued)**

	1% Decrease 2.64%	Current Discount Rate 3.64%	1% Increase 4.64%
Net OPEB Liability	\$ 102,364,885	\$ 87,500,861	\$ 75,660,218
	1% Decrease	Current Trend Rate	1% Increase
Net OPEB Liability	\$ 80,125,365	\$ 87,500,861	\$ 96,864,996

The below table covers the classes of plan members covered:

Retirees and surviving spouses receiving benefits:	2,304
Active plan members	<u>1,808</u>
Total membership	<u><u>4,112</u></u>

**Actuarial Assumptions - OPERS**

The total OPEB liability is based on the results of an actuarial valuation dated December 31, 2018 and rolled-forward to December 31, 2019 using generally accepted actuarial procedures. The total OPEB liability was calculated using the following assumptions:

Actuarial Valuation Date	December 31, 2018
Rolled-Forward Measurement Date	December 31, 2019
Experience Study	5-Year Period Ended December 31, 2015
Actuarial Cost Method	Individual Entry Age Normal
Actuarial Assumptions	
Single Discount Rate	3.16%
Investment Rate of Return	6.00%
Municipal Bond Rate	2.75%
Wage Inflation	3.25%
Projected Salary Increases	3.25%-10.75%
	(Includes Wage Inflation at 3.25%)
Health Care Cost Trend Rate	10.5% Initial, 3.5% ultimate in 2030

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.

**9. Pension and Other Post-Retirement Benefit Plans (Continued)**

A single discount rate of 3.16% was used to measure the OPEB liability on the measurement date of December 31, 2019, which is a decrease from 3.96% used for 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% and a municipal bond rate of 2.75%. 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.

The following table presents the OPEB liability calculated using the single discount rate of 3.16%, and the expected Net OPEB Liability if it were calculated using a discount rate that is one percentage point lower (2.16%) or one percentage point higher (4.16%) than the current rate (in '000s):

	1% Decrease 2.16%	Current Discount Rate 3.16%	1% Increase 4.16%
City's proportionate share of the Net OPEB Liability	\$ 75,893	\$ 57,992	\$ 43,661

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%. 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-to-distant future, the health plan cost will decrease to a level at, or near, wage inflation. On this basis, the actuaries project premium rate increases will continue to exceed wage inflation for approximately the next decade, but by less each year, until leveling off at an ultimate rate, assumed to be 3.25% in the most recent valuation. The following table presents the OPEB liability calculated using the health care cost trend rate and the expected Net OPEB Liability if it were calculated using a rate that is one percentage point lower or one percentage point higher than the current rate (in '000s):

	1% Decrease	Current Health Care Cost Trend Rate Assumption	1% Increase
City's Proportionate Share of the Net OPEB Liability	\$ 56,281	\$ 57,992	\$ 59,682

The allocation of investment assets within the Health Care portfolio is approved by the Board 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. The System's primary goal is to achieve and maintain a fully funded status for benefits provided through the defined pension plans. Health care is a discretionary benefit. The table below displays the Board-approved asset allocation policy for 2018 and the long-term expected real rates of return.

## 9. Pension and Other Post-Retirement Benefit Plans (Continued)

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
REITs	6.00	5.69
International Equities	23.00	7.66
Other investments	14.00	4.90
Total	100.00 %	4.55 %

### Actuarial Assumptions - OP&F

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 retirement plan involve estimates of the value of reported amounts and assumptions about probability of occurrence of events far into the future. This can include assumptions about service credit, salaries and salary increases, disabilities, and retirements. Actuarially determined amounts are subject to continual review and potential modification, as actual results are compared with past expectations and new estimates are made about the future.

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by 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 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.

The following key methods and assumptions were used in calculating the total OPEB liability as of December 31, 2019:

Valuation Date	January 1, 2019
Rolled Forward Valuation Date	December 31, 2019
Actuarial Cost Method	Entry Age Normal (Level Percent of Payroll)
Actuarial Assumption Experience Study Date	5-Year Period Ended December 31, 2016
Investment Rate of Return	OP&F OPEB Long Term Rate is 8.0%
Cost of Living Increases (COLA)	3% Simple; 2.2% simple for increases based on the lesser of the increases in CPI and 3%
Salary Increases	3.75% to 10.50%
Payroll Growth	Inflation rate of 2.75 percent plus productivity increase rate of 0.5 percent

## 9. Pension and Other Post-Retirement Benefit Plans (Continued)

### Mortality Rates - OP&F

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%.

<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 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 real rates of return for each major asset class included in OP&F's target asset allocation as of December 31, 2019 are summarized below:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Cash and Cash Equivalents	0.00 %	1.00 %
Domestic Equity	16.00	5.40
Non - U.S. 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 %</u>	



**9. Pension and Other Post-Retirement Benefit Plans (Continued)**

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 national portfolio perspective above, the Total Portfolio may be levered up to 1.2 times due to the application of leverage in certain fixed income asset classes.

**Discount Rate** The total OPEB liability was calculated using the discount rate of 3.56 percent, which is a decrease from 4.66 percent used for the measurement date of December 31, 2018. The projection of cash flows used to determine the discount rate assumed the contributions from employers and from the members would be computed based on contribution requirements as stipulated by State statute. Projected inflows from investment earnings were calculated using the longer-term assumed investment rate of return 8.00 percent. Based on those assumptions, the plan’s fiduciary net position was projected to not be available to make all future benefit payments of current plan members. Therefore, a municipal bond rate of 2.75 at December 31, 2019 and 4.13 percent at December 31, 2018 was blended with the long-term rate of 8.00 percent, which resulted in a blended discount rate of 3.56 percent.

The Net OPEB Liability is sensitive to changes in the discount rate. The following tables present the Net OPEB Liability of OP&F and what OP&F’s Net OPEB Liability would be if it were calculated using a rate that is 1% point lower and 1% point higher than what the current discount cost trend rates are (in '000s).

	1% Decrease <u>2.56%</u>	Current Discount Rate <u>3.56%</u>	1% Increase <u>4.56%</u>
City's proportionate share of the Net OPEB Liability	\$ 31,697	\$ 25,563	\$ 20,467

## 10. Notes Payable

The following is a summary of note transactions for the year ended December 31, 2020, reflected in governmental activities in the government-wide financial statements:

	<u>Governmental Activities</u> Special Assessment	<u>Governmental Activities</u> Capital Projects	<u>Governmental Activities Internal Service</u> General Health	<u>Governmental Activities</u> Total
Notes Payable at January 1, 2020	\$ 13,000,000	\$ -	\$ 1,500,000	\$ 14,500,000
New notes issued	13,000,000	17,400,000	-	30,400,000
Notes retired	<u>(13,000,000)</u>	<u>-</u>	<u>(1,500,000)</u>	<u>(14,500,000)</u>
Notes Payable at December 31, 2020	<u>\$ 13,000,000</u>	<u>\$ 17,400,000</u>	<u>\$ -</u>	<u>\$ 30,400,000</u>

The following is a summary of the City's future debt service requirements for notes payable as of December 31, 2020:

Fiscal Year Ending December 31	<u>Governmental Activities</u>				Total
	<u>Special Assessment Notes</u>		<u>General Obligation Notes</u>		
	Principal	Interest	Principal	Interest	
2020	<u>\$ 13,000,000</u>	<u>\$ 39,000</u>	<u>\$ 17,400,000</u>	<u>\$ 130,000</u>	<u>\$ 30,569,000</u>

The following notes are backed by the full faith and credit of the City and generally mature within one to five years. The notes generally are issued in anticipation of long-term bond financing and are refinanced, if necessary, until such bonds are issued.

Notes issued by the City of Akron and held by the City as investments at December 31, 2020, amounting to \$34,573,284 (Note 2) are eliminated in the government-wide statement of net position.

**10. Notes Payable (Continued)**

Special assessment notes are issued to finance the property owners' share of improvements. Upon completion of a project, owners may pay the assessments in full. Bonds are issued in the amount of any unpaid assessments and are repaid largely from levies on the property owners for principal and interest collected by the County Fiscal Officer on behalf of the City.

The weighted average interest rates on special assessment notes and general obligation notes at December 31, 2020 were 0.30% and 0.75% respectively.

Notes payable as of December 31, 2020, are comprised of the following individual issues:

<u>Issued</u>	<u>Rate %</u>	<u>Issue</u>	<u>Final Maturity</u>	<u>Amount</u>
<b>Special Assessment Notes:</b>				
<u>Governmental Activities:</u>				
Street Cleaning/Lighting Note:				
December 01, 2020	0.30	12-1	November 30, 2021	\$ 13,000,000
<b>General Obligation Notes:</b>				
<u>Governmental Activities:</u>				
Various Purpose Improvements Note:				
December 16, 2020	0.30	12-16	December 15, 2021	12,400,000
Non-Tax Revenue Note:				
October 7, 2020	1.85	10-7	October 6, 2021	5,000,000
				<u>\$ 30,400,000</u>

## 11. Bonds and Loans Payable and Defeased Debt

The following is a summary of bonds and loans payable for the year ended December 31, 2020:

<b>Governmental Activities</b>						
	<b>General Obligation</b>	<b>OPWC - Direct Borrowings</b>	<b>ODSA - Direct Borrowings</b>	<b>Non-Tax Revenue</b>		
Bonds and loans payable at January 1, 2020	\$ 121,000,958	\$ 5,140,863	\$ 3,955,000	\$ 30,410,000		
New Issues:						
Capital Projects	-	1,000,000	-	-		
Resurfacing	-	-	-	-		
Street Improvements	-	-	-	-		
Sewer System	-	-	-	-		
Water System	-	-	-	-		
Various Purpose Improvements	16,805,000	-	-	-		
Retirements	<u>(32,720,958)</u>	<u>(298,239)</u>	<u>(320,000)</u>	<u>(3,105,000)</u>		
Bonds and loans payable at December 31, 2020	<u>\$ 105,085,000</u>	<u>\$ 5,842,624</u>	<u>\$ 3,635,000</u>	<u>\$ 27,305,000</u>		
<b>Governmental Activities</b>						
	<b>Income Tax Revenue</b>	<b>Income Tax Revenue - Direct Borrowings</b>	<b>Special Revenue (JEDD)</b>	<b>Special Assessment - Direct Placements</b>		
Bonds and loans payable at January 1, 2020	\$ 348,945,000	\$ 9,684,297	\$ 7,720,000	\$ 7,271,537		
New Issues:						
Capital Projects	-	-	-	-		
Resurfacing	-	-	-	1,495,864		
Street Improvements	-	-	-	141,329		
Sewer System	-	-	-	-		
Water System	-	-	-	-		
Various Purpose Improvements	12,030,000	-	-	-		
Retirements	<u>(25,850,000)</u>	<u>(709,509)</u>	<u>(4,040,000)</u>	<u>(1,310,446)</u>		
Bonds and loans payable at December 31, 2020	<u>\$ 335,125,000</u>	<u>\$ 8,974,788</u>	<u>\$ 3,680,000</u>	<u>\$ 7,598,284</u>		
<b>Business-type Activities</b>						
	<b>General Obligation</b>	<b>Mortgage Revenue</b>	<b>Mortgage Revenue - Direct Placements</b>	<b>OWDA - Direct Borrowings</b>	<b>OPWC - Direct Borrowings</b>	<b>Total</b>
Bonds and loans payable at January 1, 2020	\$ 219,042	\$ 7,660,000	\$ 5,995,000	\$ 572,807,222	\$ 354,989	\$ 1,121,163,908
New Issues:						
Capital Projects	-	-	-	-	-	1,000,000
Resurfacing	-	-	-	-	-	1,495,864
Street Improvements	-	-	-	-	-	141,329
Sewer System	-	-	-	116,923,031	-	116,923,031
Water System	-	-	-	7,450,643	-	7,450,643
Various Purpose Improvements	-	-	-	-	-	28,835,000
Retirements	<u>(219,042)</u>	<u>(375,000)</u>	<u>(790,000)</u>	<u>(33,363,309)</u>	<u>(64,498)</u>	<u>(103,166,001)</u>
Bonds and loans payable at December 31, 2020	<u>\$ -</u>	<u>\$ 7,285,000</u>	<u>\$ 5,205,000</u>	<u>\$ 663,817,587</u>	<u>\$ 290,491</u>	<u>\$ 1,173,843,774</u>

## 11. Bonds and Loans Payable and Defeased Debt (Continued)

Bonds and loans payable at December 31, 2020 is comprised of the following individual issues:

Issued	Rate %	Issue	Final Maturity	Amount
<b><u>Governmental Activities:</u></b>				
<b><u>General Obligation Bonds:</u></b>				
Various Purpose Improvement Bonds:				
November 29, 2012	2.0 to 4.0	Series 2012	December 1, 2024	\$ 5,355,000
March 20, 2014	1.25 to 4.0	Series 2014A	December 1, 2026	8,085,000
March 20, 2014	.45 to 4.125	Series 2014B	December 1, 2026	8,710,000
December 2, 2014	2.0 to 5.0	Series 2014C	December 1, 2031	16,505,000
March 10, 2015	1.50 to 5.0	Series 2015	December 1, 2028	16,745,000
May 26, 2016	1.00 to 4.00	Series 2016 Judgement	December 1, 2036	4,345,000
December 6, 2016	1.75 to 4.00	Series 2016A	December 1, 2031	7,155,000
December 6, 2016	1.45 to 3.05	Series 2016B	December 1, 2028	9,945,000
December 20, 2017	1.75 to 4.00	Series 2017A	December 1, 2031	7,640,000
December 20, 2017	1.85 to 3.70	Series 2017B	December 1, 2031	3,795,000
November 12, 2020	2.0	Series 2020	December 1, 2023	16,805,000
Total General Obligation Bonds:				<u>\$ 105,085,000</u>
<b><u>Ohio Public Works Commission Loans - Direct Borrowings:</u></b>				
July 1, 1998	-	Lakeshore Blvd.	January 1, 2020	\$ 25,350
July 1, 1998	-	Tallmadge Ave.	July 1, 2021	133,381
July 1, 1999	-	Lakeshore Blvd.	July 1, 2022	24,480
July 1, 1999	-	Bye Street	July 1, 2022	21,938
July 1, 1999	-	Wooster/East Ave.	July 1, 2022	59,850
July 1, 2000	-	Bishop Street	July 1, 2022	15,250
July 1, 2000	-	NW Storm Outlets	July 1, 2022	75,686
July 1, 2000	-	N. Arlington Bridge	July 1, 2022	41,440
July 1, 2001	-	Darrow Road	July 1, 2023	164,757
July 1, 2003	-	US 244 Phase II	July 1, 2025	260,010
July 1, 2005	-	Manchester Rd Ph I	July 1, 2027	24,300
July 1, 2005	-	Arlington St Signalization	July 1, 2027	301,666
July 1, 2005	-	E. Market St Widening	July 1, 2027	657,300
July 1, 2006	-	W. Market Street	July 1, 2028	469,300
July 1, 2006	-	Tallmadge Ave Singalization	July 1, 2027	69,150
July 1, 2006	-	Brown and Power St.	July 1, 2027	396,150
November 28, 2008	-	Barbara Ave.	January 1, 2040	133,396
November 28, 2008	-	Newton Street Bridge	January 1, 2040	438,974
July 1, 2008	-	Mill St. Bridge	July 1, 2039	661,018
March 13, 2009	-	Dover Ave.	January 1, 2030	269,637
August 4, 2010	-	Smith/Riverview Round	December 1, 2031	106,524
October 11, 2011	-	Carroll Street	July 1, 2041	493,067
July 1, 2020	-	Firestone Industrial Park	July 1, 2050	1,000,000
Total Ohio Public Works Commission Loans - Direct Borrowings:				<u>\$ 5,842,624</u>

## 11. Bonds and Loans Payable and Defeased Debt (Continued)

Issued	Rate %	Issue	Final Maturity	Amount
<b>Governmental Activities (Continued):</b>				
<u>Ohio Development Services Agency Loans - Direct Borrowings:</u>				
March 31, 2011	2.0	Goodyear 166 Loan	December 1, 2030	\$ 3,635,000
Total Ohio Development Services Agency Loans - Direct Borrowings:				<u>\$ 3,635,000</u>
<u>Non-Tax Revenue Bonds:</u>				
November 25, 2014	.85 to 4.75	2014	December 1, 2034	\$ 18,250,000
November 12, 2015	1.40 to 3.625	2015	December 1, 2026	<u>9,055,000</u>
Total Non-tax Revenue Bonds:				<u>\$ 27,305,000</u>
<u>Income Tax Revenue Bonds:</u>				
November 25, 2014	2.0 to 5.0	2014	December 1, 2034	\$ 24,855,000
November 12, 2015	1.0 to 5.0	2015	December 1, 2028	14,210,000
December 6, 2016	1.50 to 5.0	2016	December 1, 2028	11,835,000
December 6, 2019	4.0	2019	December 1, 2041	51,780,000
November 24, 2020	3.15	2020	December 1, 2032	<u>12,030,000</u>
Total Income Tax Revenue Bonds:				<u>\$ 114,710,000</u>
<u>Income Tax Revenue Bonds - CLC:</u>				
July 28, 2010	5.87	2010C	December 1, 2026	\$ 15,060,000
June 27, 2012	3.5 to 5.0	2012A	December 1, 2033	120,525,000
May 7, 2014	.5 to 5.0	2014	December 1, 2033	16,305,000
December 8, 2016	3.5 to 5.0	2016	December 1, 2033	22,280,000
December 20, 2017	1.75 to 5.0	2017	December 1, 2033	36,085,000
August 4, 2019	3.0 to 5.0	2019	December 1, 2033	<u>10,160,000</u>
Total CLC Income Tax Revenue Bonds:				<u>\$ 220,415,000</u>
<u>Income Tax Revenue Bonds - Direct Borrowings:</u>				
August 8, 2013	2.03	2013	December 1, 2021	\$ 322,355
August 8, 2013	4.20	2013	December 1, 2028	2,355,914
August 7, 2014	2.03	2014	December 1, 2021	121,901
June 24, 2015	2.42	2015	June 1, 2035	4,234,618
November 14, 2018	4.7	2018	December 1, 2048	<u>1,940,000</u>
Total Income Tax Revenue Bonds - Direct Borrowings:				<u>\$ 8,974,788</u>
<u>Special Revenue (JEDD) Bonds:</u>				
December 21, 2011	2.75 to 5.0	2002	December 1, 2022	\$ 2,280,000
December 21, 2011	2.75 to 5.0	2002	December 1, 2022	<u>1,400,000</u>
Total Special Revenue (JEDD) Bonds:				<u>\$ 3,680,000</u>

## 11. Bonds and Loans Payable and Defeased Debt (Continued)

<u>Issued</u>	<u>Rate %</u>	<u>Issue</u>	<u>Final Maturity</u>	<u>Amount</u>
<b><u>Governmental Activities (Continued):</u></b>				
Special Assessment Obligations - Direct Placements:				
Street Improvement Bonds - Direct Placements:				
November 22, 2011	2.5	2011	December 1, 2021	\$ 365,000
December 15, 2017	2.3	2017	December 1, 2027	2,275,853
December 15, 2017	1.9	2017	December 1, 2022	160,356
December 15, 2017	2.3	2017	December 1, 2027	39,345
November 11, 2018	1.95	2018	December 1, 2023	305,289
December 11, 2018	2.35	2018	December 1, 2028	48,643
December 11, 2018	2.35	2018	December 1, 2028	1,517,959
December 13, 2019	1.45	2019	December 1, 2024	1,248,646
December 1, 2020	0.95	2020	December 1, 2025	1,495,864
December 1, 2020	1.35	2020	December 1, 2030	<u>141,329</u>
Total Special Assessment Obligations - Direct Placements:				<u>\$ 7,598,284</u>
 <b><u>Business-type Activities:</u></b>				
<u>Mortgage Revenue Bonds:</u>				
Waterworks System Bonds:				
September 17, 2009	2.5 to 5.0	2009	March 1, 2034	<u>\$ 7,285,000</u>
Total Mortgage Revenue Bonds:				<u>\$ 7,285,000</u>
 Mortgage Revenue Bonds - Direct Placements:				
Waterworks System Bonds:				
December 18, 2015	2.59	2015	March 1, 2026	<u>\$ 5,205,000</u>
Total Mortgage Revenue Bonds - Direct Placements:				<u>\$ 5,205,000</u>

## 11. Bonds and Loans Payable and Defeased Debt (Continued)

Issued	Rate %	Issue	Final Maturity	Amount
<b>Business-type Activities (Continued):</b>				
<u>Ohio Water Development Authority Loans - Direct Borrowings:</u>				
January 14, 2010	3.25	Sewer	January 1, 2030	\$ 549,216
November 19, 2009	3.25	Sewer	July 1, 2030	93,013
December 10, 2009	3.25	Sewer	January 1, 2030	48,153
March 31, 2011	4.72	Sewer	January 1, 2032	547,684
February 24, 2011	4.14	Sewer	January 1, 2032	1,470,544
February 24, 2011	4.14	Sewer	January 1, 2032	277,253
December 8, 2011	2.80	Sewer	July 1, 2032	1,831,319
December 8, 2011	2.80	Water	January 1, 2033	1,347,887
December 8, 2011	2.80	Sewer	January 1, 2033	1,347,887
December 8, 2011	2.80	Sewer	January 1, 2032	579,440
December 8, 2011	3.55	Water	July 1, 2032	320,806
October 27, 2011	2.78	Sewer	July 1, 2033	16,017,299
October 27, 2011	2.85	Sewer	January 1, 2033	856,970
October 27, 2011	2.85	Sewer	July 1, 2032	652,788
June 28, 2012	2.00	Water	July 1, 2033	755,029
March 28, 2013	3.15	Sewer	July 1, 2034	3,700,043
May 30, 2013	2.67	Sewer	July 1, 2033	1,579,418
June 27, 2013	2.00	Water	July 1, 2034	2,157,325
June 27, 2013	2.00	Water	July 1, 2034	535,048
August 29, 2013	3.05	Sewer	January 1, 2035	4,830,403
September 26, 2013	4.24	Water	July 1, 2023	77,223
December 12, 2013	3.62	Water	January 1, 2035	607,212
January 30, 2014	3.66	Sewer	July 1, 2034	1,101,929
January 30, 2014	3.66	Water	July 1, 2024	283,965
February 27, 2014	3.65	Water	January 1, 2035	1,803,367
February 27, 2014	4.15	Water	July 1, 2035	8,183,287
April 24, 2014	3.95	Sewer	January 1, 2036	2,718,850
April 24, 2014	3.45	Sewer	July 1, 2034	1,136,085
June 26, 2014	3.09	Sewer	January 1, 2036	7,993,414
June 26, 2014	3.01	Sewer	July 1, 2036	12,018,728
August 28, 2014	3.34	Sewer	July 1, 2035	5,046,422
February 26, 2015	1.89	Sewer	January 1, 2036	3,394,139
February 26, 2015	1.89	Sewer	January 1, 2038	15,727,334
April 30, 2015	2.03	Sewer	July 1, 2021	5,333,548
May 28, 2015	2.26	Sewer	January 1, 2036	761,038
May 28, 2015	2.26	Sewer	January 1, 2036	5,333,351
September 24, 2015	2.45	Sewer	January 1, 2036	3,615,232
February 25, 2016	2.04	Sewer	January 1, 2036	902,412
May 28, 2015	1.96	Sewer	January 1, 2038	25,607,911
June 25, 2015	1.57	Water	January 1, 2037	719,714
July 30, 2015	2.29	Sewer	January 1, 2036	4,472,980
August 27, 2015	2.32	Sewer	January 1, 2037	5,005,763
September 24, 2015	1.74	Water	July 1, 2036	1,301,318
October 29, 2015	2.18	Sewer	January 1, 2037	2,469,811
October 29, 2015	2.35	Sewer	July 1, 2049	226,994,510
October 29, 2015	1.68	Water	July 1, 2037	338,049
December 10, 2015	2.14	Sewer	January 1, 2037	2,752,196
December 10, 2015	2.14	Sewer	January 1, 2037	3,583,911
December 10, 2015	2.14	Sewer	July 1, 2036	1,144,176
January 28, 2016	2.21	Sewer	January 1, 2026	433,786
February 25, 2016	2.05	Sewer	January 1, 2047	4,398,994
March 31, 2016	1.95	Sewer	January 1, 2048	18,860,748
June 30, 2016	1.75	Sewer	January 1, 2047	1,007,140
June 30, 2016	1.75	Sewer	July 1, 2048	19,864,274
June 30, 2016	1.66	Sewer	July 1, 2048	12,964,810



## 11. Bonds and Loans Payable and Defeased Debt (Continued)

<u>Issued</u>	<u>Rate %</u>	<u>Issue</u>	<u>Final Maturity</u>	<u>Amount</u>
<b><u>Business-type Activities (Continued):</u></b>				
Ohio Water Development Authority Loans - Direct Borrowings (Continued):				
August 25, 2016	1.56	Sewer	July 1, 2037	\$ 1,597,645
August 25, 2016	1.40	Sewer	July 1, 2047	1,338,244
August 25, 2016	0.45	Sewer	July 1, 2049	40,627,559
August 25, 2016	1.40	Sewer	July 1, 2048	6,652,789
September 29, 2016	1.33	Sewer	January 1, 2048	4,020,415
April 27, 2017	2.33	Sewer	July 1, 2024	5,348,764
April 27, 2017	2.33	Sewer	July 1, 2023	13,897,456
April 27, 2017	1.83	Water	July 1, 2038	584,743
May 25, 2017	0.93	Sewer	July 1, 2063	19,702,955
June 29, 2017	2.13	Sewer	January 1, 2025	929,024
June 29, 2017	2.51	Sewer	January 1, 2048	2,253,524
February 22, 2018	-	Sewer	July 1, 2023	187,611
April 26, 2018	2.89	Water	January 1, 2029	448,324
June 28, 2018	1.65	Water	January 1, 2039	195,851
July 26, 2018	-	Water	January 1, 2039	211,283
September 27, 2018	1.63	Water	July 1, 2039	2,506,149
September 27, 2018	2.23	Sewer	July 1, 2065	2,098,839
December 6, 2018	2.54	Sewer	July 1, 2064	1,379,300
December 6, 2018	2.62	Sewer	July 1, 2065	427,990
January 31, 2019	2.40	Sewer	July 1, 2066	29,649,066
January 31, 2019	2.62	Sewer	January 1, 2066	1,324,491
January 31, 2019	2.52	Sewer	July 1, 2065	6,190,378
February 28, 2019	-	Water	January 1, 2050	299,603
March 28, 2019	-	Water	January 1, 2025	519,926
May 30, 2019	1.87	Sewer	January 1, 2037	1,439,361
May 30, 2019	-	Water	July 1, 2024	222,644
May 30, 2019	0.66	Sewer	January 1, 2067	45,597,549
June 27, 2019	-	Water	July 1, 2040	4,444
July 25, 2019	1.77	Sewer	July 1, 2066	903,164
October 31, 2019	-	Water	July 1, 2040	3,987,081
December 12, 2019	1.30	Sewer	July 1, 2066	5,690,040
December 12, 2019	1.29	Sewer	January 1, 2067	11,189,402
December 12, 2019	1.23	Sewer	January 1, 2051	681,562
January 30, 2020	-	Water	July 1, 2041	4,675
February 27, 2020	1.39	Sewer	July 1, 2066	790,643
March 26, 2020	1.13	Sewer	July 1, 2051	278,648
June 25, 2020	-	Water	January 1, 2051	4,213
July 30, 2020	-	Water	July 1, 2026	6,745
August 27, 2020	0.88	Sewer	July 1, 2066	1,104,957
August 27, 2020	-	Sewer	January 1, 2027	1,260,381
October 29, 2020	-	Water	January 1, 2027	3,309
October 29, 2020	-	Water	January 1, 2052	4,687
October 29, 2020	-	Water	July 1, 2026	3,369
December 10, 2020	0.52	Water	July 1, 2038	793,632
Total Ohio Water Development Authority Loans - Direct Borrowings:				<u>\$ 663,817,587</u>
<b><u>Ohio Public Works Commission Loans - Direct Borrowings:</u></b>				
July 1, 1997	-	Sewer	January 1, 2021	\$ 29,750
July 1, 2000	-	Water	July 1, 2021	201,375
July 1, 2005	-	Sewer	July 1, 2025	<u>59,366</u>
Total Ohio Public Works Commission Loans - Direct Borrowings:				<u>\$ 290,491</u>

## 11. Bonds and Loans Payable and Defeased Debt (Continued)

The following is a summary of the City's future debt service requirements as of December 31, 2020 (in thousands):

Fiscal Year Ending December 31	Governmental Activities					
	General Obligation		OPWC - Direct Borrowings		ODSA - Direct Borrowings	
	Principal	Interest	Principal	Interest	Principal	Interest
2021	\$ 18,475	3,295	\$ 604	\$ -	\$ 330	\$ 80
2022	15,370	2,818	572	-	335	73
2023	14,340	2,451	511	-	340	65
2024	12,240	2,026	489	-	350	57
2025	8,500	1,585	403	-	360	49
2026-2030	30,430	3,552	1,416	-	1,920	121
2031-2035	5,380	386	628	-	-	-
2036-2040	350	14	628	-	-	-
2041-2045	-	-	425	-	-	-
2046-2050	-	-	167	-	-	-
2051-2055	-	-	-	-	-	-
2056-2060	-	-	-	-	-	-
2061-2063	-	-	-	-	-	-
	<u>\$ 105,085</u>	<u>\$ 16,127</u>	<u>\$ 5,843</u>	<u>\$ -</u>	<u>\$ 3,635</u>	<u>\$ 445</u>

Fiscal Year Ending December 31	Non-Tax Revenue		Income Tax Revenue		Income Tax Revenue - Direct Borrowings	
	Principal	Interest	Principal	Interest	Principal	Interest
	2021	\$ 3,190	\$ 1,013	\$ 19,800	\$ 15,124	\$ 725
2022	3,285	915	20,620	14,175	632	287
2023	3,395	808	21,455	13,169	628	265
2024	3,515	692	21,585	12,184	638	243
2025	3,635	568	22,580	11,123	649	220
2026-2030	8,915	1,080	123,235	39,365	2,717	766
2031-2035	1,370	166	89,080	11,603	1,778	426
2036-2040	-	-	13,730	2,175	381	254
2041-2045	-	-	3,040	122	481	154
2046-2050	-	-	-	-	346	34
2051-2055	-	-	-	-	-	-
2056-2060	-	-	-	-	-	-
2061-2063	-	-	-	-	-	-
	<u>\$ 27,305</u>	<u>\$ 5,242</u>	<u>\$ 335,125</u>	<u>\$ 119,040</u>	<u>\$ 8,975</u>	<u>\$ 2,953</u>

Fiscal Year Ending December 31	Special Revenue (JEDD)		Special Assessment - Direct Placements	
	Principal	Interest	Principal	Interest
	2021	\$ 1,810	\$ 117	\$ 1,645
2022	1,870	58	1,303	109
2023	-	-	1,243	87
2024	-	-	1,158	65
2025	-	-	855	45
2026-2030	-	-	1,394	52
2031-2035	-	-	-	-
2036-2040	-	-	-	-
2041-2045	-	-	-	-
2046-2050	-	-	-	-
2051-2055	-	-	-	-
2056-2060	-	-	-	-
2061-2063	-	-	-	-
	<u>\$ 3,680</u>	<u>\$ 175</u>	<u>\$ 7,598</u>	<u>\$ 498</u>

## 11. Bonds and Loans Payable and Defeased Debt (Continued)

Business-type Activities						
Fiscal Year Ending December 31	Mortgage Revenue		Mortgage Revenue - Direct Placements		OWDA - Direct Borrowings	
	Principal	Interest	Principal	Interest	Principal	Interest
2021	\$ 390	\$ 320	\$ 810	\$ 124	\$ 29,890	\$ 13,155
2022	405	305	830	103	28,439	14,413
2023	420	288	855	81	29,565	14,581
2024	440	271	880	59	29,499	13,970
2025	2,490	1,060	1,830	48	26,012	13,367
2026-2030	3,140	409	-	-	137,286	58,390
2031-2035	-	-	-	-	135,751	40,283
2036-2040	-	-	-	-	95,416	26,588
2041-2045	-	-	-	-	95,928	17,459
2046-2050	-	-	-	-	35,660	6,579
2051-2055	-	-	-	-	9,482	2,883
2056-2060	-	-	-	-	8,355	1,462
2061-2063	-	-	-	-	2,535	210
	<u>\$ 7,285</u>	<u>\$ 2,653</u>	<u>\$ 5,205</u>	<u>\$ 415</u>	<u>\$ 663,818</u>	<u>\$ 223,340</u>

Fiscal Year Ending December 31	OPWC - Direct Borrowings	
	Principal	Interest
2021	\$ 84	\$ -
2022	54	-
2023	54	-
2024	54	-
2025	32	-
2026-2030	12	-
2031-2035	-	-
2036-2040	-	-
2041-2045	-	-
2046-2050	-	-
2051-2055	-	-
2056-2060	-	-
2061-2063	-	-
	<u>\$ 290</u>	<u>\$ -</u>

Fiscal Year Ending December 31	Governmental Activities Total		Business-type Activities Total		Grand Total	
	Principal	Interest	Principal	Interest	Principal	Interest
2021	\$ 46,579	\$ 20,073	\$ 31,174	\$ 13,599	\$ 77,753	\$ 33,672
2022	43,987	18,435	29,728	14,821	73,715	33,256
2023	41,912	16,845	30,894	14,950	72,806	31,795
2024	39,975	15,267	30,873	14,300	70,848	29,567
2025	36,982	13,590	30,364	14,475	67,346	28,065
2026-2030	170,027	44,936	140,438	58,799	310,465	103,735
2031-2035	98,236	12,581	135,751	40,283	233,987	52,864
2036-2040	15,089	2,443	95,416	26,588	110,505	29,031
2041-2045	3,946	276	95,928	17,459	99,874	17,735
2046-2050	513	34	35,660	6,579	36,173	6,613
2051-2055	-	-	9,482	2,883	9,482	2,883
2056-2060	-	-	8,355	1,462	8,355	1,462
2061-2063	-	-	2,535	210	2,535	210
	<u>\$ 497,246</u>	<u>\$ 144,480</u>	<u>\$ 676,598</u>	<u>\$ 226,408</u>	<u>\$ 1,173,844</u>	<u>\$ 370,888</u>

## 11. Bonds and Loans Payable and Defeased Debt (Continued)

All bonds and notes are backed by the full faith and credit of the City except revenue bonds. Water Mortgage Revenue Bonds are collateralized by the capital assets of the Water System that had net carrying values of approximately \$157,092,797 at December 31, 2020. In the event of default the Series 2015 Water Mortgage Revenue Bonds are subject to a default rate of 10% at minimum. It is the City's policy to pay debt service of the Enterprise and Internal Service Funds from the receipts of those funds. Accordingly, such debt is reported in those funds. Any deficiency is paid from the City's General Fund. Revenue bonds and OWDA loans are retired entirely from the excess of operating revenues over operating expenses of the applicable enterprise activity. Therefore, the City is under no obligation to repay these long-term obligations from the City's General Fund.

The outstanding Income Tax Revenue bond agreements contain provisions that in an event of default, the trustee may accelerate the bonds to be immediately due and payable, may sue to enforce the terms of the agreement, or may enforce available remedies including marshal all money available in the funds. The Non-Tax Revenue bond agreements are secured by a pledge of non-tax revenues and under the agreement any amounts in default will bear a minimum interest rate of 10%.

The outstanding OPWC Direct Borrowing loan agreements contain provisions that in an event of default, the lender may terminate its obligations and elect to accelerate the amount outstanding to become immediately due and payable. Under the agreement terms any amounts in default will bear an interest rate of 8%.

The outstanding OWDA Direct Borrowing loan agreements contain provisions that in an event of default, the amount of such default will bear an interest rate at 3% above the agreed contract interest rate. If the City fails to perform terms of the project agreement and fails to provide a remedy, the State may increase the rate of the contract to recover remedy costs and eliminate the discount rate for the remainder of the contract period. In the event of termination, the loan principal will be made due and payable in full no later than 30 days after the termination or upon terms mutually agreed upon between the State and the City.

The Ohio Revised Code provides that the net debt of a municipal corporation, whether or not approved by the electors, shall not exceed 10.5% of the assessed value of all property in the municipal corporation as listed and assessed for taxation. In addition, the unvoted net debt of municipal corporations cannot exceed 5.5% of the total assessed value of property. At December 31, 2020, the City's total net debt amounted to 2.57% of the total assessed value of all property within the City and unvoted net debt amounted to 2.57% of the total assessed value of all property within the City.

## **11. Bonds and Loans Payable and Defeased Debt (Continued)**

On November 12, 2020, the City issued \$16,805,000 in General Obligation Various Purpose Refunding Bonds, Series 2020, maturing December 1, 2023 with an interest rate of 2.00% to advance refund \$16,800,000 of outstanding General Obligation Bonds Series 2010A, Series 2010B, and Series 2011. Net proceeds of \$17,192,617, including a premium of \$459,118 and an underwriter's discount of \$71,501, were used to provide cash for debt service payments on the Series 2010A, 2010B and 2011 bonds.

As a result, the Series 2010A, 2010B and 2011 refunded bonds are considered defeased and the liability for these bonds has been removed from the financial statements. The City advanced refunded these bonds to reduce its total debt service payments by \$601,599 and incurred an economic gain (difference between the present values of the debt service payments on the old and new debt) of \$608,217.

On November 24, 2020, the City issued \$12,030,000 in Various Purpose Income Tax Refunding Bonds, Series 2020, maturing December 1, 2032 with an interest rate of 3.15% to advance refund \$1,980,000 of outstanding Series 2011 Income Tax Revenue Bonds and \$7,550,000 Series 2012 Income Tax Revenue Bonds. The issuance also partially refunded 2020 debt service payments including \$1,275,000 principal due and \$2,412,888 interest. Net proceeds of \$13,228,053, including a premium of \$1,358,072 and an underwriter's discount of \$160,018, were used to provide cash for debt service payments on the various Income Tax Revenue bonds.

As a result, the Series 2011 and 2012 refunded bonds are considered defeased and the liability for these bonds has been removed from the financial statements. The City advanced refunded these bonds to reduce its total debt service payments by \$834,488 and incurred an economic gain (difference between the present values of the debt service payments on the old and new debt) of \$995,054.

## 11. Bonds and Loans Payable and Defeased Debt (Continued)

The City has defeased certain debt issues by placing investments in U.S. Government obligations in irrevocable escrow accounts. Such accounts will be used, together with interest earned thereon, to provide for the payment of all principal and interest on the defeased bonds on their scheduled due dates. Accordingly, the escrow accounts and the defeased bonds summarized below are not included in the accompanying financial statements at December 31, 2020:

Issue	Defeasance Date	Original Amount		Outstanding at 12/31/20
		Defeased	Escrowed	
Various Purpose Improvement Bonds, Series 1996	2005	\$ 2,600,000	\$ -	\$ 210,000
Various Purpose Improvement Bonds, Series 1999	2005	14,310,000	-	-
Various Purpose Improvement Bonds, Series 2000	2005	14,265,000	-	1,290,000
		<u>31,175,000</u>	<u>40,208,751</u>	<u>1,500,000</u>
Various Purpose Improvement Bonds, Series 2001	2011	7,425,000	7,474,877	3,160,000
Various Purpose Improvement Bonds, Series 2002	2011	19,390,000	20,342,508	6,115,000
Various Purpose Improvement Bonds, Series 2003	2011	15,635,000	17,109,007	4,625,000
		<u>42,450,000</u>	<u>44,926,392</u>	<u>13,900,000</u>
Income Tax Revenue Bonds, Series 1999	2011	6,290,000	6,330,767	1,935,000
Special Revenue Bonds (JEDD), Series 2002	2011	16,400,000	17,153,385	3,605,000
CLC Income Tax Revenue Bonds, Series 2004A	2012	165,000,000	177,376,931	125,755,000
Various Purpose Improvement Bonds, Series 2003	2012	8,755,000	9,301,891	5,100,000
Various Purpose Improvement Bonds, Series 2005	2014	36,750,000	40,380,525	17,140,000
Various Purpose Improvement Bonds, Series 2010C	2014	25,930,000	26,063,093	16,985,000
		<u>62,680,000</u>	<u>66,443,618</u>	<u>34,125,000</u>
Various Purpose Improvement Bonds, Series 2006	2015	12,990,000	14,021,482	8,185,000
Various Purpose Improvement Bonds, Series 2007	2015	11,095,000	12,333,842	7,895,000
		<u>24,085,000</u>	<u>26,355,324</u>	<u>16,080,000</u>
Non-Tax Revenue Bonds, Series 2006	2015	14,580,000	15,663,380	5,930,000
Waterworks Revenue Bonds, Series 2006	2015	8,065,000	8,242,290	5,255,000
Various Purpose Improvement Bonds, Series 2009	2016	10,200,000	10,609,118	9,330,000
Various Purpose Improvement Bonds, Series 2010D	2016	7,275,000	7,321,742	7,195,000
Income Tax Revenue Bonds, Series 2012	2016	15,955,000	16,473,042	12,260,000
Various Purpose Improvement Bonds, Series 2010B	2017	11,950,000	12,610,415	11,245,000
CLC Income Tax Revenue Bonds, Series 2010A	2017	15,000,000	15,929,577	15,000,000
CLC Income Tax Revenue Bonds, Series 2014	2017	20,625,000	23,306,790	20,625,000
		<u>35,625,000</u>	<u>39,236,367</u>	<u>35,625,000</u>
CLC Income Tax Revenue Bonds, Series 2010B	2019	12,060,000	12,825,548	11,060,000
Various Purpose Improvement Bonds, Series 2010A	2020	1,360,000		1,360,000
Various Purpose Improvement Bonds, Series 2010B	2020	1,195,000		1,195,000
Various Purpose Improvement Bonds, Series 2011	2020	14,245,000		14,245,000
		<u>16,800,000</u>	<u>17,085,332</u>	<u>16,800,000</u>
Income Tax Revenue Bonds, Series 2011	2020	1,980,000	2,015,863	\$ 1,980,000
Income Tax Revenue Bonds, Series 2012	2020	7,550,000	7,683,162	\$ 7,550,000
		<u>9,530,000</u>	<u>9,699,025</u>	<u>\$ 9,530,000</u>
				<u>\$ 326,230,000</u>

## 11. Bonds and Loans Payable and Defeased Debt (Continued)

As of December 31, 2020, the City's bond ratings are as follows:

<u>Bond Description</u>	<u>Moody's Investors</u>	<u>Standard</u>	<u>Fitch</u>
	<u>Service</u>	<u>and Poor's</u>	<u>Ratings</u>
	<u>Current</u>	<u>Current</u>	<u>Current</u>
	<u>Rating</u>	<u>Rating</u>	<u>Rating</u>
2009 Waterworks System Mortgage Revenue Improvement and Refunding Bonds	A3	AA	N/A
2010C Income Tax Revenue Bonds (CLC)	N/A	AA-	N/A
2011 JEDD Revenue Refunding Bonds	N/A	AA-	N/A
2012A Income Tax Revenue Bonds (CLC)	N/A	AA-	N/A
2012 Various Purpose Refunding Bonds	N/A	A+	N/A
2013-A Certificates of Participation	N/A	A	N/A
2013-B Certificates of Participation	N/A	A	N/A
2014 Various Purpose Refunding Bonds, Series A	N/A	A+	N/A
2014 Various Purpose Refunding Bonds, Series B	N/A	A+	N/A
2014 Income Tax Revenue Bonds (CLC)	N/A	AA-	N/A
2014 Various Purpose Income Tax Refunding Bonds	N/A	AA-	N/A
2014 Nontax Revenue Economic Development Bonds	N/A	A+	N/A
2014 Various Purpose Refunding Bonds, Series C	N/A	A+	N/A
2015 Various Purpose Refunding Bonds	N/A	A+	N/A
2015 Income Tax Revenue Bonds	N/A	N/A	N/A
2015 Income Tax Revenue Refunding Bonds	N/A	N/A	N/A
2015 Nontax Revenue Economic Development Bonds	N/A	A+	N/A
2015 Waterworks System Mortgage Revenue Refunding Bonds	N/A	N/A	N/A
2016 General Obligation Judgement Bonds	N/A	A+	N/A
2016 Steam Utility Certificates of Participation	N/A	A	N/A
2016 Various Purpose Refunding Bonds, Series A	N/A	A+	N/A
2016 Various Purpose Refunding Bonds, Series B	N/A	A+	N/A
2016 Income Tax Revenue Refunding Bonds	N/A	AA-	N/A
2016 Income Tax Revenue Bonds (CLC)	N/A	AA-	N/A
2017 Resurfacing Special Assessment Bonds, Series A	N/A	N/A	N/A
2017 Street Improvement Special Assessment Bonds, Series A	N/A	N/A	N/A
2017 Street Improvement Special Assessment Bonds, Series B	N/A	N/A	N/A
2017 Income Tax Revenue Bonds (CLC)	N/A	AA-	N/A
2017 Various Purpose Refunding Bonds, Series A	N/A	A+	A+
2017 Various Purpose Refunding Bonds, Series B	N/A	A+	A+
2018 Steam Utility Certificates of Participation	N/A	A	N/A
2018 Resurfacing Special Assessment Bonds, Series A	N/A	N/A	N/A
2018 Income Tax Revenue Bonds	N/A	N/A	N/A
2018 Street Improvement Special Assessment Bonds, Series A	N/A	N/A	N/A
2018 Street Improvement Special Assessment Bonds, Series B	N/A	N/A	N/A
2019 Income Tax Revenue Refunding Bonds (CLC)	N/A	AA-	N/A
2019 Steam Utility Certificates of Participation	N/A	A	N/A
2019 Resurfacing Special Assessment Bonds, Series A	N/A	N/A	N/A
2019 Income Tax Revenue Refunding Bonds	N/A	AA-	N/A
2020 Various Purpose Refunding Bonds	N/A	A+	N/A
2020 Income Tax Revenue Refunding Bonds	N/A	AA-	N/A
2020 Resurfacing Special Assessment Bonds, Series A	N/A	N/A	N/A
2020 Street Improvement Special Assessment Bonds, Series A	N/A	N/A	N/A

## 11. Bonds and Loans Payable and Defeased Debt (Continued)

During 2010, the City entered into an agreement with various parties to unconditionally guarantee the principal and interest payments on behalf of the International Soap Box Derby, Inc. for the loan issued by FirstMerit Bank. As of December 31, 2020, the principal amount outstanding was \$166,130. The City believes that the International Soap Box Derby Inc. is current on all required debt service payments and will continue to pay all debt service when due throughout the remaining term of the loan; therefore, no provision for such guarantee has been recorded in the financial statements as of December 31, 2020.

During 2012, the City entered into an amendment and restatement of cooperative agreement among various parties to unconditionally guarantee the principal and interest payments of the Development Finance Authority of Summit County Revenue Bonds (Akron Civic Theatre Project), issued by the Development Finance Authority of Summit County. As of December 31, 2020, the principal amount outstanding was \$11,955,000. The City believes that the Development Finance Authority of Summit County is current on all required debt service payments and will continue to pay all debt service when due throughout the remaining term of the bonds; therefore, no provision for such guarantee has been recorded in the financial statements as of December 31, 2020.

On May 8, 2013, the Development Finance Authority (DFA) of Summit County issued Taxable Development Revenue Bonds, Series 2013A, in the amount of \$6,645,000 for the University Edge project by developer Lawrence B. Levey & University Square Investors II, LLC. These bonds mature on November 15, 2027. The City has received approval from the State of Ohio for Tax Increment Financing (TIF) on improvements to the land to be used for the project. The TIF Service Payments will be used to pay the debt service on the bonds issued by the DFA. In the event TIF Service Payments are not sufficient in any particular year to cover the annual debt service on the bonds, the developer will be required to pay the deficiency.

On March 1, 2019, the Development Finance Authority (DFA) of Summit County issued Development Revenue Refunding Bonds, Series 2019, in the amount of \$2,750,000 to refinance previous bond obligations which the City had guaranteed on behalf of the Akron Community Service Center and Urban League to pay the costs of the Akron Urban League's community service center and operations. During 2019 the City entered into an agreement with the County of Summit and Development Finance Authority to guarantee one half of the loan payments on behalf of the Akron Community Service Center and Urban League. As of December 31, 2020, the principal outstanding on the loan is \$2,612,036. The City believes the Akron Urban League is current on all required debt service payments and will continue to pay all debt service when due throughout the remaining term of the bond; therefore, no provision for such guarantee has been recorded in the financial statements as of December 31, 2020.

During 2020, the City entered into an agreement with various parties to unconditionally guarantee \$100,000 for the Soil Stabilization Loan Payments on behalf of Q.T. Equipment Company for the loan issued by Western Reserve Community Fund, Inc.. The City has agreed to contribute a third-party payment in the amount of \$35,000 which is due from the City no later than May 1, 2022. The City has recorded a long-term liability of \$35,000 for the scheduled payment in the accompanying financial statements.



## **11. Bonds and Loans Payable and Defeased Debt (Continued)**

During 2012, the City entered into a cooperative agreement with the Development Finance Authority of Summit County (DFA), Akron Baseball, LLC, and The Bank of New York Mellon Trust Company, N.A. to facilitate financing. The Development Finance Authority of Summit Development Revenue Bonds, Series 2012 were issued for \$3.6 million. During 2020 the DFA issued Development Finance Authority of Summit County Development Revenue Refunding Bonds, Series 2020 for \$3 million to refund the Series 2012 bonds and refinance the cooperative agreement. The obligation of the City is subject to the annual appropriations made by City Council. The City has recorded a short-term liability of \$210,875 and a long-term liability of \$4,585,925 for the principal and interest payments scheduled to be paid during 2021 through 2042 in the accompanying financial statements. The principal balance outstanding as of December 31, 2020 is \$3,000,000.

The obligations of the City under this agreement, including its obligation to make payments during any fiscal year of the City in which this agreement is in effect, shall not constitute a general obligation or indebtedness of the City within the meaning of the constitution and laws of the State of Ohio. The agreement does not pledge any taxes or other moneys to the amounts payable by the City. Nothing constitutes a pledge by the City or an obligation by the City, of any taxes or other moneys to the payment of any amount payable by the City under this agreement.

## 12. Obligations Under Capitalized Leases and Certificates of Participation (COPs)

In November, 1996, \$28.9 million Series 1996 Convertible Capital Appreciation Certificates of Participation (COPS) were issued by a bank to finance the costs of the construction of a professional baseball stadium (meeting class “AA” standards) within the City. This issue was refunded by the issuance of Series 2005 COPS. The 2005 issue was refunded by the issuance of Series 2013 COPS. In connection with the issuance of these COPS, and as amended, the City entered into a capital lease agreement (as lessee) for the baseball stadium. The City will make lease payments during successive annual renewal periods through November 25, 2023, providing City Council appropriates funds each year for that purpose. If the lease is paid through November 25, 2023, the City will acquire title to the baseball stadium. The lease agreement also includes a purchase option during the years 2014 through 2023.

The trust agreement for the issuance of the 2013 COPS requires the City to deposit \$20,000 annually into a Capital Renewal Fund. The City can utilize these funds for capital improvements such as repairs, renovations, additional equipment, other facilities, or other improvements to the baseball stadium.

The City has defeased certain certificate issues by placing investments in U.S. Government Obligations in irrevocable escrow accounts. Such accounts will be used, together with interest earned thereon, to provide for the payment of all principal and interest on the defeased certificates on their scheduled due dates. Accordingly, the escrow accounts and the defeased certificates summarized below are not included in the accompanying financial statements at December 31, 2019:

Issue	Defeasance Date	Original Amount		Principal Outstanding at 12/31/19
		Defeased	Escrowed	
Certificates of Participation, Series 2010	2019	\$ 9,830,000	\$ 10,539,250	\$ -

On October 25, 2016, the City issued \$11,965,000 Series 2016 Convertible Certificates of Participation (COPs) for the Akron Energy Systems Project (AES). During 2018, the City issued additional COPs totaling \$24,445,000 for the Akron Energy Systems Project. During 2019 the City issued additional AES COPS totaling \$9,360,000. Total future payments as of December 31, 2020 are as follows:

Year	Series 2016		Series 2018		Series 2019	
	Principal	Interest	Principal	Interest	Principal	Interest
2021	350,000	366,394	605,000	937,175	795,000	232,801
2022	360,000	358,519	635,000	906,925	810,000	214,834
2023	365,000	349,969	670,000	875,175	830,000	195,961
2024	385,000	331,719	700,000	841,675	855,000	176,041
2025	405,000	312,469	735,000	806,675	875,000	154,666
2026-2030	2,295,000	1,294,194	4,255,000	3,468,575	4,605,000	403,433
2031-2035	2,680,000	910,394	5,190,000	2,533,756	-	-
2036-2040	3,150,000	442,231	6,205,000	1,512,669	-	-
2041-2045	695,000	23,456	4,305,000	327,000	-	-
	<u>\$ 10,685,000</u>	<u>\$ 4,389,345</u>	<u>\$ 23,300,000</u>	<u>\$ 12,209,625</u>	<u>\$ 8,770,000</u>	<u>\$ 1,377,736</u>

## 12. Obligations Under Capitalized Leases and Certificates of Participation (COPs) (Continued)

The City also has eight other capital leases. The first is a 2020 five-year capital lease agreement for three packer trucks. The cost of the equipment is \$793,785 and is included in the City's capital assets in the Statement of Net Position - Governmental Activities.

The second is a 2016 15-year capital lease agreement with Summit County to upgrade the radio system. The City's share of equipment totals \$10,635,000, consisting of City owned equipment in the amount of \$5,710,490 and the City's share of jointly owned equipment in the amount of \$4,924,510. It is included in the City's capital assets in the Statement of Net Position - Governmental Activities.

The third is a 2017 four-year capital lease for street sweepers. The cost of the equipment is \$570,147 and is included in the City's capital assets in the Statement of Net Position - Governmental Activities.

The fourth agreement is a 2018 three-year packer trucks lease at a rate of 2.13% for equipment totaling \$776,157 and is included in the City's capital assets in the Statement of Net Position - Governmental Activities.

The fifth agreement is a five-year 2018 street sweepers lease at a rate of 4.18% for equipment totaling \$427,992 and is included in the City's capital assets in the Statement of Net Position - Governmental Activities.

The sixth agreement is a 2018 five-year lease at a rate of 4.19% for one Vac-Con sewer cleaning truck totaling \$386,934. It is included in the City's capital assets in the Statement of Net Position - Business-Type Activities and in the Sewer Fund.

The seventh agreement is a 20-year capital lease agreement at a rate of 4.00% for Fire Station No. 4 totaling \$9,585,000. The Development Finance Authority of Summit County (DFA) issued conduit bonds during 2018 to finance construction of Fire Station No. 4 on behalf of the City and will use the lease payments to pay the debt service on the bonds. The DFA also entered into a ground lease agreement with the City for the location of the property. The lease is included in the City's capital assets in the Statement of Net Position - Governmental Activities.

The eighth agreement is a 2017, 20-year capital lease agreement for Compost Facility Anaerobic Digestion System 2(ADS2) totaling \$39,490,889 and is included in the City's capital assets in the Statement of Net Position - Business-Type Activities. This was previously reported as construction in process and restated beginning balance at January 1, 2019 to record as a capital lease (Note 30).

The following is a summary of the capital lease transactions for the year ended December 31, 2020:

	<u>Governmental Activities</u>			
	<u>COPS Stadium</u>	<u>2020 Packer Trucks</u>	<u>2017 Street Sweepers</u>	<u>2018 Street Sweepers</u>
Capital Lease at January 1, 2020	\$ 5,030,000	\$ -	\$ 266,035	\$ 295,096
Additions	-	793,785	-	-
Retirements	<u>(2,215,000)</u>	<u>(150,771)</u>	<u>(101,587)</u>	<u>(61,514)</u>
Capital Lease at December 31, 2020	<u>\$ 2,815,000</u>	<u>\$ 643,014</u>	<u>\$ 164,448</u>	<u>\$ 233,582</u>

## 12. Obligations Under Capitalized Leases and Certificates of Participation (COPs) (Continued)

	Governmental Activities (continued)			Business-type Activities	
	Radio System	Packer Trucks	Fire Station No. 4	ADS2 Plant	Vac-Con Sewer Truck
Capital Lease at January 1, 2020	\$ 8,895,000	\$ 396,284	\$ 9,260,000	\$ 33,567,256	\$ 285,968
Additions	-	-	-	-	-
Retirements	(625,000)	(196,047)	(340,000)	(1,974,544)	(45,405)
Capital Lease at December 31, 2020	<u>\$ 8,270,000</u>	<u>\$ 200,237</u>	<u>\$ 8,920,000</u>	<u>\$ 31,592,711</u>	<u>\$ 240,563</u>

Future lease payments are as follows as of December 31, 2020:

Year	Governmental Activities			
	COPS Stadium	2020 Packer Trucks	2017 Street Sweepers	2018 Street Sweepers
2021	\$ 2,394,513	\$ 171,263	\$ 168,000	\$ 73,849
2022	283,200	171,263	-	73,849
2023	282,150	171,263	-	106,000
2024	-	171,263	-	-
2025	-	-	-	-
Total lease payments	2,959,863	685,053	168,000	253,698
Less amount representing interest	144,863	42,036	3,552	20,117
Present value of lease payments	<u>\$ 2,815,000</u>	<u>\$ 643,017</u>	<u>\$ 164,448</u>	<u>\$ 233,581</u>
Net book value of leased assets	<u>* \$ 15,026,628</u>	<u>\$ 754,096</u>	<u>\$ 370,595</u>	<u>\$ 320,994</u>

Year	Governmental Activities (continued)			Business-type Activities	
	Radio System	Packer Trucks	Fire Station No. 4	ADS2 Plant	Vac-Con Sewer Truck
2021	\$ 920,625	\$ 203,435	\$ 694,275	\$ 2,583,496	\$ 57,387
2022	921,025	-	695,275	2,583,496	57,387
2023	921,525	-	695,675	2,583,496	150,000
2024	919,725	-	695,475	2,583,496	-
2025	921,925	-	694,675	2,583,496	-
2026-2030	4,602,475	-	3,473,975	12,917,480	-
2031-2035	920,400	-	3,473,250	12,917,480	-
2036-2040	-	-	2,085,694	2,583,496	-
Total lease payments	10,127,700	203,435	12,508,294	41,335,936	264,774
Less amount representing interest	1,857,700	3,198	3,588,294	9,743,225	24,210
Present value of lease payments	<u>\$ 8,270,000</u>	<u>\$ 200,237</u>	<u>\$ 8,920,000</u>	<u>\$ 31,592,711</u>	<u>\$ 240,564</u>
Net book value of leased assets	<u>\$ 5,849,250</u>	<u>\$ 582,117</u>	<u>\$ 9,105,750</u>	<u>\$ 36,035,437</u>	<u>\$ 290,200</u>

\*Amount represents the entire net book value of the capital lease recorded in the statement of net position.

### 13. Self-Insurance Funds

The City is exposed to various risks of loss including employee health-care costs and accidents, torts and legal judgments, and damage or destruction of assets. The City purchases fire and extended coverage insurance on all buildings and contents up to \$300,000,000 per occurrence, with a variety of deductibles beginning at \$250,000. Coverage is purchased on 981 vehicles for total auto liability including auto liability umbrella of \$21,000,000. There has been no significant reduction in coverage from the prior year, and settled claims have not exceeded the City's insurance coverage in any of the past three years.

The City has a Medical Self-Insurance Fund. The purpose of this fund is to pay medical claims for City employees and their covered dependents and minimize the total cost of medical benefits of the City. The plan is internally managed and accounted for as an Internal Service Fund. This Internal Service Fund has been in existence since 1987.

The City has an Internal Service Fund entitled "Workers' Compensation Reserve Fund" to account for self-insured workers' compensation claims. Workers' compensation is administered by the State of Ohio under a retrospective rating plan. The City reimburses the Ohio Bureau of Workers' Compensation for injured workers' claims subject to a maximum annual claim limit of \$300,000 for each worker's compensation claim. All funds of the City participate in the program and make payments to the Internal Service Fund based on the experience premium that would normally be charged by the Ohio Bureau of Workers' Compensation. Future claims liabilities are actuarially determined.

The City has a Self-Insurance Settlement Fund. The purpose of this fund is to pay judgments and claims. Claims are accrued based upon estimates, past experience, and current claims outstanding. Actual claims experience may differ from the estimate.

The claims liabilities of \$4,154,587, \$880,973, and \$603,545 reported in the Medical, Workers' Compensation, and Self-Insurance Settlement funds, respectively, at December 31, 2020, are in accordance with the requirements of GASB Statement No. 10, *Accounting and Financial Reporting for Risk Financing and Related Insurance Issues*, and GASB Statement No. 30, *Accounting and Financial Reporting for Risk Financing and Related Insurance Issues*. These GASB statements require 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. The liabilities recorded include the estimated incremental expenses to be incurred to settle the claims, including legal fees. Claims liabilities are based on evaluations of individual claims and a review of experience with respect to the probable number and nature of claims arising from losses that have been incurred but have not yet been reported. The claims liabilities represent the estimated ultimate cost of settling the claims, including the effects of inflation and other societal and economic factors. Estimated future recoveries on settled and unsettled claims, such as subrogations, if any, are evaluated in terms of their estimated realizable value and deducted from the liability for unpaid claims. Any adjustments resulting from the actual settlement of the claims are reflected in the financial statements at the time the adjustments are determined.

### 13. Self-Insurance Funds (Continued)

Changes in the funds' claims liabilities (both current and long-term) amounts in fiscal 2019 and 2020 were:

	<u>Beginning of Year Liability</u>	<u>Claim Adjustments</u>	<u>Current Period Claims</u>	<u>Claim Payments</u>	<u>Balance at End of Year</u>
<u>Medical Self-Insurance Fund</u>					
2019	\$ 3,412,447	\$ -	\$ 34,263,653	\$ (33,777,623)	\$ 3,898,477
2020	3,898,477	-	33,353,424	(33,097,314)	4,154,587
<u>Workers' Compensation Reserve Fund</u>					
2019	1,996,399	(58,216)	-	(439,520)	1,498,663
2020	1,498,663	(119,152)	-	(498,538)	880,973
<u>Self-Insurance Settlement Fund</u>					
2019	882,915	(721,995)	744,699	-	905,619
2020	905,619	(408,895)	106,821	-	603,545

## 14. Long-term Liabilities

The City reports the following amounts, on the Statement of Net Position, relating to the government's long-term liabilities for the year ended December 31, 2020:

	January 1, 2020	Additions	Deletions	December 31, 2020
<b>Governmental Activities:</b>				
Governmental Funds:				
Accrued vacation and leave (Note 8)	\$ 48,557,468	\$ 17,271,796	\$ (12,476,458)	\$ 53,352,806
Bonds, notes and loans payable	521,294,553	61,872,193	(104,751,655)	478,415,091
COPs and obligations under capital lease (Note 12)	63,358,268	793,785	(5,759,199)	58,392,854
Due to other governments (Note 4)	4,805,000	-	(340,000)	4,465,000
Employment Related Liabilities (Note 1)	806,960	-	(70,336)	736,624
Guarantees and other obligations	7,727,874	-	(446,598)	7,281,276
Net pension liability (Note 9)	297,728,118	-	(65,916,737)	231,811,381
OPEB liability (Note 9)	144,821,921	9,557,914	(17,132,240)	137,247,595
Unearned revenue	6,793,721	-	(141,536)	6,652,185
<b>Total Governmental Funds</b>	<b>1,095,893,883</b>	<b>89,495,688</b>	<b>(207,034,759)</b>	<b>978,354,812</b>
Internal Service Funds:				
Accrued vacation and leave (Note 8)	2,739,156	923,103	(771,422)	2,890,837
Bonds, notes and loans payable	1,500,000	-	(1,500,000)	-
Net pension liability (Note 9)	11,406,554	-	(3,664,733)	7,741,821
OPEB liability (Note 9)	9,449,616	-	(702,142)	8,747,474
Liability for unpaid claims	1,287,625	-	(670,177)	617,448
<b>Total Internal Service Funds</b>	<b>26,382,951</b>	<b>923,103</b>	<b>(7,308,474)</b>	<b>19,997,580</b>
<b>Total Governmental Activities</b>	<b>1,122,276,834</b>	<b>90,418,791</b>	<b>(214,343,233)</b>	<b>998,352,392</b>
<b>Business-type Activities:</b>				
Enterprise Funds:				
Water				
Accrued vacation and leave (Note 8)	3,349,407	1,334,553	(1,050,599)	3,633,361
Bonds, notes and loans payable (Notes 10,11)	33,926,184	7,450,643	(3,117,470)	38,259,357
Net pension liability (Note 9)	16,707,511	-	(4,861,682)	11,845,829
OPEB liability (Note 9)	16,218,004	-	(1,170,243)	15,047,761
Sewer				
Accrued vacation and leave (Note 8)	2,377,515	1,252,932	(1,199,793)	2,430,654
Bonds, notes and loans payable (Notes 10,11)	520,991,836	116,923,031	(30,304,423)	607,610,444
COPs and obligations under capital lease (Note 12)	31,833,276	-	(2,021,852)	29,811,424
Due to other governments (Note 4)	33,071	-	(33,071)	-
Net pension liability (Note 9)	10,329,718	-	(2,760,352)	7,569,366
OPEB liability (Note 9)	9,506,320	12,919	-	9,519,239
Off Street Parking				
Bonds, notes and loans payable (Notes 10,11)	127,372	-	(127,372)	-
Other Business-type Activities				
Accrued vacation and leave (Note 8)	66,091	38,871	(43,684)	61,278
Net pension liability (Note 9)	1,001,085	-	(271,373)	729,712
OPEB liability (Note 9)	820,819	-	(325,008)	495,811
Guarantees and other obligations	279,300	33,550	-	312,850
<b>Total Business-type Activities</b>	<b>647,567,509</b>	<b>127,046,499</b>	<b>(47,286,922)</b>	<b>727,327,086</b>
<b>Total</b>	<b>\$ 1,769,844,343</b>	<b>\$ 217,465,290</b>	<b>\$ (261,630,155)</b>	<b>\$ 1,725,679,478</b>

## 15. Compliance and Accountability

The following funds have fund balance deficits or net position deficits at December 31, 2020:

### Special Revenue Funds:

Special Assessment	11,062,569
Community Development	1,188,938
City Facilities Operating	185,206

### Capital Projects Funds:

Streets	8,587,656
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### Enterprise Funds:

Golf	495,875
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### Internal Service Funds:

Motor Equipment	3,067,171
Medical Self-Insurance	2,906,716
Self-Insurance Settlement	713,241
Engineering Bureau	9,986,260
Information Technology	2,115,778

The Special Revenue Funds that have deficit fund balances at year-end have incurred expenditures that have not yet received the revenue under federal or state grant agreements or as a reimbursement including some from other funds. The Special Assessment Fund is awaiting receipt of assessments from property owners to retire the special assessment notes issued to cover the property owners assessments including street cleaning and street lighting. The Community Development fund incurred expenditures related to grants and has not yet been reimbursed. The City will review the charges for services in the City Facilities Operating Fund. The Streets Fund will be reviewed throughout the year.

In 2018 GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits other than Pension* was implemented. This implementation for OPEB (other postemployment benefits) liabilities attributes to the deficits in Golf, Motor Equipment, Medical Self-Insurance, Engineering Bureau and Information Technology. The Golf fund has a deficit net position balance at year-end due primarily to the implementation of this GASB. Internal Service Funds that have deficit net position balances at year-end have incurred expenses above charges for services. User charges will be assessed to eliminate the deficits. The City is reviewing the charges for services in the Motor Equipment Fund and will adjust rates if necessary. The Medical Self-Insurance Fund debt will continue to be repaid through user charges. The City's policy is to transfer funds from the pertinent division's operating budget for actual claim settlements to reimburse the Self-Insurance Settlement Fund. The Engineering Bureau Division will continue to review applied overhead rates charged for projects to decrease deficits going forward.



## **16. Income Taxes**

The City levies a tax at the rate of 2.50% on substantially all income earned within the City. In addition, residents of the City are required to pay City income tax on income earned outside the City. However, a credit is allowed for income taxes paid to other municipalities. Employers within the City are required to withhold income tax on employee compensation and remit this tax to the City at least quarterly. Corporations and other individual taxpayers are required to file a declaration annually and pay their estimated tax quarterly.

On May 6, 2003, Akron voters increased the City's income tax rate from 2% to 2.25% which took effect January 1, 2004. However, the additional .25% increase is restricted exclusively for funding the Akron Public Schools' local share in obtaining State of Ohio grants for the construction and renovation of community learning centers in Akron. Therefore, the additional .25% will not be distributed according to City Charter into both operation and capital improvement funds, as described below.

On November 7, 2017, Akron voters increased the City's income tax rate from 2.25% to 2.50% which took effect January 1, 2018. However, the additional .25% increase is designated exclusively for funding public safety protection, including the capital and operating expenses of the Akron Police and Fire Departments, and public service improvements, including roadway improvements and related capital and operating expenses of the City of Akron. Therefore, the additional .25% will not be distributed according to the City Charter into both operation and capital improvement funds, as described below.

The proceeds of income taxes, after payment of the expenditures incurred from collection thereof, are allocated by the City Charter as follows: 27% to capital expenditures and 73% to the General Fund. The portion allocated to capital expenditures may be utilized for payment of debt service or capital expenditures of any City fund.

## **17. Property Taxes**

Property taxes include amounts levied against all real and public utility property located in the City. The Property taxes collected are allocated to the various funds based upon voter authorization.

Real property taxes are levied each October on the assessed value listed as of the prior January 1. Assessed values are established by the County Fiscal Officer at 35% of appraised market value. By law, a revaluation of all property based on current individual appraisals is required to be completed no less than every six years. The last revaluation was completed in tax year 2017 for collection in 2018. The next sexennial revaluation will be completed in 2020 for collection in 2021. In addition, the County Fiscal Officer is required to adjust (but without individual appraisal of properties except in the sexennial reappraisal) taxable real property values triennially to reflect true values.

Real estate and public utility taxes attach an enforceable lien on property as of December 31 in the year levied. Payments are scheduled in two installments in mid-February and mid-July of the succeeding year and are considered delinquent if unpaid as of December 31 of that year

The assessed value upon which the 2020 property tax collections was based aggregated \$2,846,659,680. The assessed value for 2021 (upon which the 2020 property tax collections will be based) is approximately \$3,168,889,560. Under the current allocation method, the City's share was 1.05% (10.5 mills) of

## **17. Property Taxes (Continued)**

assessed value in 2020 for collection in 2021. The City's Charter limits the maximum total tax rate that could be levied without a vote of the electors to 1.05% (10.5 mills).

The Fiscal Officer collects property taxes on behalf of all taxing districts in the County including the City of Akron and periodically remits to the City its portion of the taxes collected. Current real property tax collections for the year ended December 31, 2020, including delinquencies from prior years, were 87.46% of the current year tax levy. On a full accrual basis, collectible delinquent property taxes have been recorded as revenue, while the remainder of the tax receivable is deferred.

## **18. JEDD Revenues**

In an effort to promote regional growth and economic development, the City has entered into contracts with four surrounding townships and a bordering municipality to create Joint Economic Development Districts (JEDDs). The City entered into separate contracts with Copley, Coventry, and Springfield Townships to create JEDDs in 1994. Voters in each township approved the respective JEDD contracts in the November 1994 election, which became effective January 1, 1995. In accordance with state law, each of the Districts' Board of Trustees levied a 2% income tax effective January 1, 1995. In accordance with the City of Akron's income tax increases, as of January 1, 2005, Copley, Coventry and Springfield's income tax rate increased to 2.25% and as of January 1, 2018 increased to 2.5%. The proceeds of that tax are allocated, in accordance with the contract, primarily to the City. The City has utilized these JEDD revenues, in part, to construct water and sewer lines so that the JEDDs have access to the City's water and sewer system and to encourage and promote economic development.

In 1998 the City entered into a JEDD contract with Bath Township (Bath) and the City of Fairlawn (Fairlawn). This contract was approved by voters in November 1998 and became effective on January 1, 1999. As in the other JEDDs, a 2% income tax has been levied by the District. In accordance with the City of Akron's income tax increases, as of January 1, 2006, Bath's income tax rate increased to 2.25% and as of January 1, 2018 increased to 2.5%. As stated in the contract, the net JEDD revenues are allocated to the City and Fairlawn, with the City providing water and sewer services.

## 19. Pledged Revenues

Pursuant to GASB No. 48, *Accounting and Financial Reporting for Sales and Pledges of Receivables and Intra-Entity Transfers of Assets and Future Revenues*, the City holds different types of pledged revenue. Pledged revenues of the City are broken down into water system revenues, sewer system revenues, JEDD revenues, non-tax revenues, income tax revenues, and CLC income tax revenues.

### Water System Revenues

The City has pledged future water customer revenues, net of specified operating expenses, to repay \$132.2 million in water system revenue bonds and Ohio Water Development Authority loans issued at various dates ranging from September 17, 2009 through December 10, 2020. Proceeds from the bonds and loans provided financing for various water projects. The bonds and loans are payable solely from water customer net revenues and have varying final maturity dates ranging from July 7, 2024 through January 1, 2052. The total principal and interest remaining to be paid on the bonds and loans as of December 31, 2020 is \$49,727,625. Principal and interest paid for 2020 and total customer net revenues were \$3,782,197 and \$6,856,534 respectively.

Issued	Amount of Issue	Purpose of Issue	Final Maturity	Debt Service	Future Debt Service
09/17/09	\$ 22,100,000	Various Water Projects	03/01/34	\$ 709,353	\$ 9,938,422
12/18/15	8,300,000	Various Water Projects	03/01/26	935,040	5,620,112
06/28/12	1,092,305	Water Main Replacement	07/01/33	66,245	861,179
12/08/11	2,375,202	Water Wall	01/01/33	125,716	1,606,817
12/08/11	470,615	Stow Road Bolt Replcmnt	07/01/32	33,064	396,771
06/27/13	2,913,053	High Service Pumps Install	07/01/34	177,438	2,484,126
06/27/13	761,969	Chlorine Dioxide Feed Syst.	07/01/34	44,007	616,099
09/26/13	306,056	Spillway Improvements	07/01/23	27,656	83,053
12/12/13	783,568	Johnston St. Pump Station	01/01/35	54,194	785,809
01/30/14	699,377	Standby Generator Imprvmts	07/01/24	76,961	307,844
02/27/14	2,648,531	Water Main Reloctn & Repr	01/01/35	161,277	2,338,514
02/27/14	10,161,593	Water Distribution Yard	07/01/35	738,034	11,074,858
06/25/15	850,896	N. Generator & Substation	01/01/37	50,249	820,901
09/24/15	1,596,553	Backwash Water Supply	07/01/36	93,529	1,496,472
10/29/15	441,878	Sedimentation Basin 1 & 2	01/01/37	23,544	388,474
04/27/17	759,321	Stow Rd Emerg. Connection	07/01/38	45,675	709,123
04/26/18	573,613	Spillway Improvements	01/01/29	56,528	508,857
06/28/18	209,269	Eastwood Pump Station Impr.	01/01/39	12,328	228,062
07/26/18	288,468	Lead Service Line Replacement	01/01/39	14,423	211,283
09/27/18	2,665,509	Middleton Road Water Main	07/01/39	156,583	2,929,258
01/31/19	2,437,495	Water Main Replacement Prog.	01/01/40	55,456	467,263
02/28/19	309,895	Druid Drive Wtr Main Extension	01/01/50	5,165	299,603
03/28/19	577,695	Brittain Road Reservoir Design	01/01/25	57,770	519,926
05/30/19	309,811	Asset Management Plan	07/01/24	61,962	222,644
06/27/19	333,663	Lead Service Line Replacement	07/01/40	-	4,444
10/31/19	6,898,614	Enhanced Raw Wtr Pre-Trtmt Fac.	07/01/40	-	3,987,081
01/30/20	350,993	Lead Service Line Replacement	07/01/41	-	4,675
06/25/20	316,271	Akron PWS Regionalization	01/01/51	-	4,213
07/30/20	506,345	Main Steel Transmission Study	07/01/26	-	6,745
10/29/20	248,434	Risk and Resilience Assessment	01/01/27	-	3,309
10/29/20	90,000	Lead Service Line Replacement	01/01/52	-	4,687
10/29/20	252,959	Advance UV Treatment Study	07/01/26	-	3,369
12/10/20	59,574,866	Advanced Metering Infrastructure	07/01/38	-	793,632
	<u>\$ 132,204,817</u>			<u>\$ 3,782,197</u>	<u>\$ 49,727,625</u>

## 19. Pledged Revenues (Continued)

### Sewer System Revenues

The City has pledged future sewer customer revenues, net of specified operating expenses to repay \$904.8 million in Ohio Water Development Authority loans issued at various dates ranging from November 19, 2009 through August 27, 2020. Proceeds from the loans provided financing for various sewer projects. The loans are payable solely from sewer customer net revenues and have varying maturity dates ranging from July 7, 2021 through January 1, 2067. The total principal and interest remaining to be paid on the bonds as of December 31, 2020 is \$852,988,908. Principal and interest paid for 2020 and total customer net revenues were \$37,322,103 and \$28,938,363 respectively.

Issued	Amount of Issue	Purpose of Issue	Final Maturity	Debt Service	Future Debt Service
01/14/10	\$ 989,338	Sand Run Sewer Recon	01/01/30	\$ 66,428	\$ 642,773
11/19/09	160,393	Mill Street Sewer Repair	07/01/30	10,762	109,692
12/10/09	86,741	WWTP Roof Replcmnt	01/01/30	5,824	56,355
03/31/11	846,270	Lake Woods Pump Station	01/01/32	62,134	715,991
02/24/11	2,189,031	Massillon Road Sewer	01/01/32	161,946	1,863,168
02/24/11	414,210	2nd Street Pump Station	01/01/32	30,533	351,277
12/08/11	2,987,144	CSO Rack 8 Sewer Sep	07/01/32	176,884	2,168,848
12/08/11	2,375,202	Water Wall	01/01/33	125,716	1,606,817
12/08/11	903,132	Sanitary Sewer Recon 2011	01/01/32	58,059	681,740
10/27/11	23,943,236	WPC Step Feed Ph1	07/01/33	1,443,020	19,195,453
10/27/11	1,243,132	CSO Rack 25 Separation	01/01/33	80,177	1,024,690
10/27/11	979,845	Northside Interceptor Rehab	07/01/32	63,240	775,361
03/28/13	4,861,683	Little Cuyahoga Int Rplcmnt	07/01/34	328,877	4,604,274
05/30/13	2,593,857	Main Outfall Sewer Rehab	07/01/33	141,288	1,879,766
08/29/13	6,174,836	Mud Run Trunk Swr Lining	01/01/35	404,581	6,013,151
01/30/14	1,881,680	Main Outfall Sewer	07/01/34	101,292	1,418,086
04/24/14	3,419,313	Retention Tank #2 Rehab.	01/01/36	251,069	3,718,309
04/24/14	1,500,016	Kingswood-Rocky Hollow Swr	07/01/34	103,003	1,442,036
06/26/14	11,029,390	Rack 15 Storage Basin	01/01/36	636,160	10,120,294
06/26/14	17,900,171	Mud Run Pump Station Impr.	07/01/36	158,465	15,232,749
08/28/14	6,827,976	OCIT Lining Protection of LCI	07/01/35	430,455	6,456,827
02/26/15	5,070,277	Mud Run Dist. Cap. Impr.	01/01/36	68,277	3,931,433
02/26/15	18,319,051	Rack 14 CSO Storage Basin	01/01/38	1,100,517	18,740,896
04/30/15	25,387,222	CSO Program Mgmt 2013	07/01/21	5,396,367	5,414,888
05/28/15	1,155,041	OCIT Otto St Pump Station	01/01/36	58,474	906,348
05/28/15	6,564,391	Sanitary Sewer Reconstruction	01/01/36	521,012	6,351,687
09/24/15	4,433,515	Sanitary Sewer Reconstruction	01/01/36	189,667	4,366,852
02/25/16	1,431,749	Sanitary Sewer Reconstruction	01/01/36	49,042	1,057,146
05/28/15	31,617,614	Rack 12 CSO Storage Basin	01/01/38	1,893,695	30,915,673
07/30/15	5,502,246	Sanitary Sewer Rec 2014 Ph 2	01/01/36	335,147	5,338,980
08/27/15	5,844,021	Sanitary Sewer Rec 2014 Ph 1-A	01/01/37	389,490	6,053,473
10/29/15	3,273,284	Dan Sewer Separation	01/01/37	173,898	2,953,872
10/29/15	254,744,002	Ohio Canal Interceptor Tunnel	07/01/49	11,771,341	325,370,578
12/10/15	5,653,479	Mud Run District I-I Rehab	01/01/37	-	3,307,131

## 19. Pledged Revenues (Continued)

### Sewer System Revenues (Continued)

Issued	Amount of Issue	Purpose of Issue	Final Maturity	Debt Service	Future Debt Service
12/10/15	\$ 4,500,378	Mud Run District Repairs	01/01/37	\$ 204,499	\$ 4,272,753
12/10/15	1,374,691	Shullo & Weathervane Pump	07/01/36	82,473	1,357,322
01/28/16	1,299,344	Seiberling Street Sewer	01/01/26	72,767	469,822
02/25/16	4,823,288	Sewer Maintenance Relocation	01/01/47	206,997	5,723,492
03/31/16	26,047,415	Main Outfall Relief Sewer	01/01/48	850,861	24,457,246
06/30/16	1,238,790	White Pond Dr Pump Station	01/01/47	31,631	1,262,978
06/30/16	22,158,491	Middlebury Separation	07/01/48	910,613	25,155,162
06/30/16	14,692,039	Merriman Separation - Rack 36	07/01/48	603,572	16,548,224
08/25/16	2,147,990	Carpenter Sewer Separation	07/01/37	125,442	1,858,524
08/25/16	1,458,160	Tallmadge Ave Sanitary Sewer	07/01/47	56,955	1,611,692
08/25/16	47,518,521	WRF Step Feed Phase 2	07/01/49	1,610,292	43,726,948
08/25/16	7,409,403	Old Main Sewer Separation	07/01/48	289,849	8,140,839
09/29/16	5,147,458	Sanitary Sewer Recon 2016	01/01/48	301,835	4,946,810
05/30/19	5,791,638	Sanitary Sewer Recon 2016	01/01/48	152,746	7,057,743
04/27/17	18,071,206	CSO Program Management	07/01/24	3,891,410	14,689,869
05/25/17	21,922,129	Howard Storage Basin	07/01/63	517,005	23,949,608
06/29/17	1,343,546	Northside Interceptor Conveyance	01/01/25	141,006	993,165
06/29/17	2,919,239	Aqueduct St Green Impr.	01/01/48	139,081	3,304,168
02/22/18	312,685	Hawkins, Hackberry, Grand Park Study	07/01/23	62,537	187,611
09/27/18	4,173,574	Sanitary Sewer Recon. 2017	07/01/65	-	4,148,805
12/06/18	5,253,792	Sevilla Trunk Sewer Reconstruction	07/01/64	186,105	3,451,731
12/06/18	2,378,678	Kelly Conveyance Rack 3	07/01/65	-	1,171,834
01/31/19	36,235,266	Hazel Storage Basin CSO	07/01/66	-	52,413,923
01/31/19	1,537,468	Chittenden Green Project	01/01/66	-	2,401,744
01/31/19	9,460,635	Uhler Conveyance	07/01/65	-	12,192,545
05/30/19	2,000,000	Sanitary Sewer Rec 2014 Ph 1-B	01/01/37	97,587	1,739,608
05/30/19	86,851,394	WRF BioCEPT	01/01/67	-	56,523,751
07/25/19	1,150,527	Hampton Ridge Sanitary Sewer	07/01/66	-	1,409,529
12/12/19	8,596,490	Duane Green (CSO Rack 3)	07/01/66	-	8,230,637
12/12/19	73,305,117	WRF Headworks Improvements	01/01/67	-	19,474,010
12/12/19	917,745	Mayfield Ave Sewer Impr. Study	01/01/51	-	853,105
02/27/20	1,680,494	Sanitary Sewer Reconstruction	07/01/66	-	1,244,788
03/26/20	2,584,389	Cuyahoga St. Storage Facility Impr.	07/01/51	-	389,642
08/27/20	5,468,825	Sanitary Sewer Reconstruction	07/01/66	-	1,582,285
08/27/20	10,683,059	Sewer Separation and Conveyance	01/01/27	-	1,260,381
	<u>\$ 904,756,354</u>			<u>\$ 37,322,103</u>	<u>\$ 852,988,908</u>

## 19. Pledged Revenues (Continued)

### JEDD Revenues

The City has pledged future JEDD revenues to repay JEDD revenue refunding bonds originally issued in 2011 for \$27.2 million. Proceeds from the original bonds issued provided financing for various water and sewer projects. The bonds are payable solely from JEDD revenues and have a final maturity date of December 1, 2022. The total principal and interest remaining to be paid on the bonds as of December 31, 2020 is \$3,855,700. Principal and interest paid for 2020 and total JEDD revenues were \$4,268,363 and \$15,785,527 respectively.

Issued	Amount of Issue	Purpose of Issue	Final Maturity	Debt Service	Future Debt Service
12/21/11	\$ 27,165,000	Various Water/Sewer Projects	12/01/22	\$ 4,268,363	\$ 3,855,700

### Non-Tax Revenues

The City has pledged future non-tax revenues, to repay \$46.5 million in non-tax revenue bonds issued November 25, 2014 through July 1, 2020. In December of 2011, bonds were issued to refund the bonds originally issued in 1997. The 2014 issue refunded the issue from 2008. The 2015 issue refunded the issue from 2006. Proceeds from the bonds provided financing for various economic development and renovation projects. The bonds are payable from non-tax revenue including shared revenue, charges for services, licenses, fees, and fines, and miscellaneous revenue. The maturity dates range from July 1, 2021 through December 1, 2034. The total principal and interest remaining to be paid on the bonds as of December 31, 2020 is \$37,639,308. Principal and interest paid for 2020 and total non-tax revenues were \$4,203,439 and \$154,994,012 respectively.

Issued	Amount of Issue	Purpose of Issue	Final Maturity	Debt Service	Future Debt Service
11/25/14	\$ 28,230,000	Various Econ. Dev. Proj.	12/01/34	\$ 2,513,043	\$ 22,382,718
11/12/15	13,250,000	Various Econ. Dev. Proj.	12/01/26	1,690,396	10,164,090
07/01/20	<u>5,000,000</u>	Various Econ. Dev. Proj.	07/01/21	<u>-</u>	<u>5,092,500</u>
	<u>\$ 46,480,000</u>			<u>\$ 4,203,439</u>	<u>\$ 37,639,308</u>

## 19. Pledged Revenues (Continued)

### Income Tax Revenues

The City has pledged future income tax revenues to repay \$161.8 million in income tax revenue bonds and bond anticipation notes issued at various dates ranging from August 8, 2013 through December 16, 2020. The 2016 issue partially refunded the 2012 issue. The 2020 issue refunded issues from 2011 and 2012 as well as 2020 debt service payments for series 2014, 2015, 2016, and 2019. Proceeds from the bonds provided financing for various liabilities, equipment, facilities, and improvements. The bonds are payable solely from income tax revenues and have varying maturity dates ranging from December 1, 2021 through December 1, 2048. The total principal and interest remaining to be paid on the bonds as of December 31, 2020 is \$180,217,428. Principal and interest paid for 2020 and total income tax revenues were \$6,714,004 and \$152,896,736 respectively.

Issued	Amount of Issue	Purpose of Issue	Final Maturity	Debt Service	Future Debt Service
08/08/13	\$ 2,493,570	OAQDA Series A	12/01/21	\$ 328,904	\$ 328,901
08/08/13	2,355,914	OAQDA Series B	12/01/28	98,948	2,851,174
08/07/14	838,000	OAQDA Series A	12/01/21	124,376	124,376
11/25/14	32,340,000	Var Purp IT Rev Bonds	12/01/34	1,819,000	33,884,000
06/24/15	5,500,000	Var Purp IT Rev Bonds	06/01/35	351,198	5,069,035
11/12/15	25,370,000	Var Purp IT Rev Bonds	12/01/28	2,625,200	16,763,250
12/06/16	14,655,000	Var Purp IT Rev Bonds	12/01/28	263,238	14,395,850
11/14/18	2,000,000	Var Purp IT Rev Bonds	12/01/48	127,112	3,555,027
12/09/19	51,780,000	Var Purp IT Rev Bonds	12/01/41	976,028	75,826,950
11/24/20	12,030,000	Var Purp IT Rev Bonds*	12/01/32	-	14,981,768
12/16/20	12,400,000	Var Purp IT Rev Note	12/15/21	-	12,437,097
	<u>\$ 161,762,484</u>			<u>\$ 6,714,004</u>	<u>\$ 180,217,428</u>

### CLC Income Tax Revenues

The City's income tax rate includes .25% Community Learning Center (CLC) income tax revenue. This is designated exclusively for funding the Akron Public Schools' local share in obtaining State of Ohio grants for the construction and renovation of community learning centers (CLC) in Akron. The City has issued bonds totaling \$295 million with final maturities in 2026 and 2033. The Akron Public Schools' annual contribution towards this debt is \$3,000,000. The City has committed each year, from the supplemental income tax revenue, amounts sufficient to cover the City's portion of the principal and interest requirements. Total principal and interest remaining on bonds are \$298,312,498. For 2020 total principal and interest paid by the City was \$21,770,806 and total income tax revenues were \$15,977,079.

Issued	Amount of Issue	Purpose of Issue	Final Maturity	Debt Service*	Future Debt Service
07/28/10	\$ 15,060,000	Community Learning Centers	12/01/26	\$ 884,624	\$ 18,156,185
06/27/12	155,360,000	Community Learning Centers	12/01/33	12,864,500	166,827,250
05/07/14	50,000,000	Community Learning Centers	12/01/33	2,747,119	19,673,713
12/08/16	27,000,000	Community Learning Centers	12/01/33	2,301,650	29,931,950
12/20/17	36,615,000	Community Learning Centers	12/01/33	1,633,163	49,169,400
08/04/19	11,045,000	Community Learning Centers	12/01/33	1,339,750	14,554,000
	<u>\$ 295,080,000</u>			<u>\$ 21,770,806</u>	<u>\$ 298,312,498</u>

\*Net of \$3,000,000 annual contribution from Akron City School District.

## 20. Pollution Remediation

GASB Statement No. 49, *Accounting and Financial Reporting for Pollution Remediation Cost* addresses reporting standards for pollution remediation obligations. The City is aware of four sites that meet the requirements for disclosure. The first site is a vacant, undeveloped piece of land known as the Middlebury Property, which includes Middlebury East. The City of Akron legally obligated itself by voluntarily commencing cleanup activities and obtained a \$750,000 grant to assist in the remediation clean-up. The projected cost to remediate Middlebury East was estimated at approximately \$1,200,000. A No Further Action (NFA) letter was submitted to the Ohio Environmental Protection Agency (OEPA) in 2014. Ohio EPA issued a Covenant Not To Sue on July 14, 2015. However, the cost of the abandonment of all the wells, piping, and vaults associated with the remediation will be completed in 2023, with an estimated cost of \$234,000. There are no expenses expected for 2021. This amount is included in the Statement of Net Position as of December 31, 2020.

The second site is known as the Westside Depot property where the City of Akron was compelled to take remediation action. This site used to house an underground storage tank (UST) system. During an upgrade to this system in 1991, there was evidence of residual petroleum hydrocarbons under the tank and the associated dispensing equipment. This site also had been the location of a previous UST system that may have consisted of a diesel tank, a gasoline tank, and a kerosene tank. The City conducted free product recovery in 2016 from this site. The Ohio Bureau of Underground Storage Tank Regulation (BUSTR) approved the City's Tier II evaluation in November 2016. The City received the No Further Action status on February 11, 2021. The amount estimated for 2021 is \$23,500 with no further expenses in 2022 and beyond. These amounts are recorded as a liability in the Proprietary Statement of Net Position, Airport Fund, as of December 31, 2020.

The third site for remediation work is known as the former Bridgestone property located at the southeast corner of Firestone Parkway and South Main Street. The City took ownership of the property in 2013 and with it transferred an Environmental Agreement regarding obligations for past completed remediation work. The City is obligated to operate and maintain the engineering control that is located in the basement floor in Plant N. 1. The Ohio EPA issued a Covenant Not to Sue on June 12, 2020. The City will continue to maintain financial assurance in the amount of \$4,000 for operation and maintenance activities in 2021. No expenses are expected in 2022 and beyond. This amount is included in the Statement of Net Position as of December 31, 2020.

The fourth site is known as the Rack 27/29 Combined Sewer Overflows (CSO) Project -Rule 13. A federal Consent Decree between the City, the United States, and Ohio requires the City to implement specific control measures addressing CSO's. One set of measures includes upsizing the underflow drains to the interceptor sewer at CSO Rack 27 and CSO Rack 29 locations. In order to implement this project, the City needed to perform construction activities within and through a former solid waste landfill. Per Ohio's Rule 13, known as the Ohio Administrative Code 3745-27-13, the City needed authorization from the Ohio EPA. Rule 13 authorization was issued by the Ohio EPA on October, 18, 2018. This authorization imposed obligations on the City with regard to the construction activities within the former landfill area. The amount estimated to complete Rule 13 pollution remediation for 2021 is \$100,000. There are no expected costs for 2022 and beyond. This amount is included as a liability in the Proprietary Net Position, Sewer Fund, as of December 31, 2020.



## 21. Deferred Inflows/Outflows of Resources

In addition to assets, the Statement of Net 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. The City has deferred charges on the issuance of bonds reported in the Government-wide and Proprietary Fund Statements of Net Position. A deferred charge results from the difference in the carrying value of the debt and its par amount. This amount is deferred and amortized over the life of the debt. Deferred outflows related to pensions and OPEB result from changes in net pension liability and the net OPEB liability not recognized as a component of current year pension and OPEB expense. This amount is deferred and amortized over various periods as instructed by the pension plan administrators.

In addition to liabilities, the Statement of Net 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 future period(s) and so will *not* be recognized as an inflow of resources (revenue) until that time. The City has nonexchange revenue transactions and loans where a receivable has been recorded (such as when property taxes were levied), but the resources cannot be used until a future period. When the City refinances certain debt obligations, the portion of the gain that is not recognized in the current period has been deferred. These items have been reported as deferred inflows on the Government-wide Statement of Net Position. In addition, deferred inflows related to pensions and OPEB are reported in the Government-wide and Proprietary Fund Statements of Net Position. Deferred inflows related to pensions and OPEB result from changes in net pension liability and net OPEB liability not recognized as a component of current year pension and OPEB expense. This amount is deferred and amortized over various periods as instructed by the pension plan administrators.

On the Statement of Net Position Proprietary Funds, the City has recorded certain deferred items that will not be expensed in the current period. Internal service fund deferred outflows from pension and OPEB expense at December 31, 2020 were \$2,369,074 are included in governmental activities:

	Governmental Activities	Business Type Activities			Total Enterprise Funds
		Water	Sewer	Other Enterprise Funds	
Deferred Loss on Early Retirement	\$ 125,770	\$ -	\$ -	\$ -	\$ -
OPEB Expense	29,483,468	1,736,420	1,103,560	78,662	2,918,642
Pension Expense	39,195,839	1,994,410	1,273,063	122,771	3,390,244
	<u>\$ 68,805,077</u>	<u>\$ 3,730,830</u>	<u>\$ 2,376,623</u>	<u>\$ 201,433</u>	<u>\$ 6,308,886</u>

A summary of the deferred inflows of resources reported in the Government-wide and Proprietary Fund Statement of Position follows. Internal service fund deferred inflows related to pensions and OPEB at December 31, 2020 were \$3,823,412, and are included in governmental activities.

	Governmental Activities	Business Type Activities				Total Enterprise Funds
		Water	Sewer	Off Street Parking	Other Enterprise Funds	
Deferred Gain	\$ 20,324,861	\$ -	\$ -	\$ -	\$ -	\$ -
Nonexchange revenues	97,505,051	236,506	845,958	3,032	-	1,085,496
OPEB	44,730,751	3,720,900	2,342,793	-	76,408	6,140,101
Pension	40,051,490	2,713,119	1,735,850	-	166,639	4,615,608
Pollution	3,247,212	-	-	-	-	-
Loans	9,046,639	-	-	-	-	-
	<u>\$ 214,906,004</u>	<u>\$ 6,670,525</u>	<u>\$ 4,924,601</u>	<u>\$ 3,032</u>	<u>\$ 243,047</u>	<u>\$ 11,841,205</u>

## 21. Deferred Inflows/Outflows of Resources (Continued)

On the modified accrual basis of accounting, the City has recorded certain receivables where the related revenue is unavailable. Unavailable revenues have been reported as deferred inflows of resources on the Governmental Fund Balance Sheet for the following:

	Governmental Funds						Total Governmental Funds
	General Fund	Community Learning Centers	Income Tax Capital Improvement	Special Assessment Fund	Streets	Other Governmental Funds	
Grants	\$ -	\$ -	\$ -	\$ 136,497	\$ -	\$ 3,066,626	\$ 3,203,123
Income Taxes	7,673,687	939,670	2,838,213	-	-	941,245	12,392,815
Loans	-	-	-	-	-	9,046,639	9,046,639
Property Taxes	24,716,623	-	-	29,461,628	-	28,756,639	82,934,890
Shared Revenue	2,980,716	39,000,000	-	-	-	2,392,206	44,372,922
	<u>\$ 35,371,026</u>	<u>\$ 39,939,670</u>	<u>\$ 2,838,213</u>	<u>\$ 29,598,125</u>	<u>\$ -</u>	<u>\$ 44,203,355</u>	<u>\$ 151,950,389</u>

Deferred inflows described in the table above also include shared revenues of \$39,000,000 and property taxes of \$54,257,858 where the resources cannot be used until a future period.

## 22. Transfers and Advances

For the year ended December 31, 2020 transfers and advances presented in conformity with generally accepted accounting principles (GAAP) are listed in the following tables. Interfund transfers are made to cover expenditures/expenses in various funds or to fulfill grant match requirements.

	Transfers In					Total
	Transfers Out	Other Governmental Funds	Other Enterprise Funds	Internal Service Funds	Off- Street Parking	
<b>Governmental Funds:</b>						
General Fund	\$ 11,415,755	\$ 7,865,755	\$ 100,000	\$ 1,850,000	\$ 1,600,000	\$ 11,415,755
	<u>\$ 11,415,755</u>	<u>\$ 7,865,755</u>	<u>\$ 100,000</u>	<u>\$ 1,850,000</u>	<u>\$ 1,600,000</u>	<u>\$ 11,415,755</u>

The table below presents the amounts the City has advanced to various funds during 2020.

	Advanced From	Advanced To		Total
		Other Governmental Funds	Other Enterprise Funds	
<b>Governmental Funds:</b>				
General Fund	\$ 1,705,000	\$ 445,000	\$ 1,260,000	\$ 1,705,000
Income Tax Capital Improvement	250,000	250,000	-	250,000
	<u>\$ 1,955,000</u>	<u>\$ 695,000</u>	<u>\$ 1,260,000</u>	<u>\$ 1,955,000</u>

## **23. Contingencies**

### **(1) Litigation**

The City is a defendant in a number of lawsuits pertaining to matters that are incidental to performing routine governmental functions. During 2019, an agreement was reached in an ongoing case, the plaintiff and City agreed to a settlement in the amount of \$1,150,000 to be paid over a three year period. As of December 31, 2020 the City has paid \$575,000 in 2019, \$287,500 in 2020, and recorded the remaining balance of \$287,500 as an accrued liability. Additionally, the City is a party to a labor arbitration proceeding with the Civil Service Personnel Association (CSPA), Inc., a labor union representing a group of employees regarding grievances over the City's implementation of Temporary Emergency Leave during the COVID-19 pandemic. The parties are awaiting the decision of the arbitrator. The likelihood of an unfavorable outcome cannot be determined at this time. The City's management is of the opinion that ultimate settlement of all outstanding litigation and claims will not result in a material adverse effect on the City's financial position.

### **(2) Federal and State Grants**

The City has received federal and state grants for specific purposes that are subject to review and audit by the grantor agencies or their designees. Such audits could lead to a request for reimbursement to the grantor agencies for expenditures disallowed under the terms of the grants. The City believes that such disallowances, if any, would not have a material adverse effect on the City's financial position.

### **(3) Water Agreement**

The City of Akron acquired a water system, located in Hudson, from the County of Summit in December of 2006 for \$6,454,845. In exchange for the water system, the County received the benefit of a future credit to be applied towards the purchase of Akron owned sewer infrastructure. As of December 31, 2020, the County has not purchased any sewer infrastructure and the full balance of the credit is remaining.

## **24. Closure and Post-Closure Care Costs**

On November 9, 1998, the City entered into an agreement to transfer control and operating responsibility of its Hardy Road Landfill (Landfill) to Akron Regional Landfill, Inc. (ARLI), a subsidiary of Waste Management of Ohio, Inc. Under the twenty-five year agreement, ARLI assumed the full responsibility for all future costs for operation, permitting, groundwater monitoring, closure, and post-closure costs of the Landfill, which are currently expected to approximate \$6,400,000 through 2034. There are estimated costs after agreement with ARLI terminates; therefore, the City has recorded a liability for \$3,013,212 for future estimated post-closure care costs.

Pursuant to a ruling by the Ohio EPA, the Landfill officially closed on June 30, 2002. The City has begun diverting its waste to Waste Management's American Landfill located in Stark County. As part of a 1998 agreement, the City agreed to use landfill facilities controlled by Akron Regional Landfill, Inc., (a subsidiary of Waste Management) for disposal of ninety percent of the refuse collected by the City's sanitation division.

On October 4, 2004, the City entered into an Agreement with the Summit/Akron Solid Waste Management Authority (Authority) implementing a \$1.20 per ton increase in the waste management generation fee by the Authority to help fund the closure and post-closure operations of the Landfill.

**25. Jointly Governed Organizations**

The Akron/Summit Convention and Visitors' Bureau (Convention Center) was constructed by the City of Akron along with the County of Summit and the University of Akron, with the City paying approximately 26% of the construction costs. The Convention Center contains meeting rooms, an exhibit hall, and a large ballroom-banquet facility to accommodate a wide range of seminars, trade shows, and major community events.

**26. Joint Ventures**

The Copley-Akron Joint Economic Development District ("Copley-Akron JEDD") was created by contract between the City and Copley Township under the provisions of Ohio Revised Code sections 715.70 and 715.71. The Copley-Akron JEDD is governed by a six member Board of Directors of which three members are from the City (Mayor and two members of Council appointed by the Mayor and approved by Council) and three members are from the Copley Township (all three Copley Township Trustees). The Copley-Akron JEDD Boards, pursuant to the contract, levies an income tax at the same rate as the City of Akron's income tax. The proceeds of that tax are allocated, in accordance with the contract, primarily to the City. Because it is legally separate from the City the Copley-Akron JEDD is not reported as part of the primary government. A summary of the financial information is as follows:

Statement of Receipts, Disbursements and Change in Fund Balance  
(Cash Basis)

Income Tax Receipts	\$ 6,680,041
Contractual Disbursements	<u>(728,312)</u>
	5,951,729
Disbursements to Akron	<u>(5,951,729)</u>
Change in Fund Cash Balance	-
Fund Cash Balance, January 1, 2020	-
Fund Cash Balance, December 31, 2020	<u><u>\$ -</u></u>

**26. Joint Ventures (Continued)**

The Coventry-Akron Joint Economic Development District (“Coventry-Akron JEDD”) was created by contract between the City and Coventry Township under the provisions of Ohio Revised Code sections 715.70 and 715.71. The Coventry-Akron JEDD is governed by a six member Board of Directors of which three members are from the City (Mayor and two members of Council appointed by the Mayor and approved by Council) and three members are from the Coventry Township (all three Coventry Township Trustees). The Coventry-Akron JEDD Board, pursuant to the contract, levies an income tax at the same rate as the City of Akron’s income tax. The proceeds of that tax are allocated, in accordance with the contract, primarily to the City. Because it is legally separate from the City the Coventry-Akron JEDD is not reported as part of the primary government. A summary of the financial information is as follows:

Statement of Receipts, Disbursements and Change in Fund Balance  
(Cash Basis)

Income Tax Receipts	\$	3,435,066
Contractual Disbursements		(411,556)
		3,023,510
Disbursements to Akron		(3,023,510)
Change in Fund Cash Balance		-
Fund Cash Balance, January 1, 2020		-
Fund Cash Balance, December 31, 2020	\$	-

The Springfield-Akron Joint Economic Development District (“Springfield-Akron JEDD”) was created by contract between the City and Springfield Township under the provisions of Ohio Revised Code sections 715.70 and 715.71. The Springfield-Akron JEDD is governed by a six member Board of Directors of which three members are from the City (Mayor and two members of Council appointed by the Mayor and approved by Council) and three members are from the Springfield Township (all three Springfield Township Trustees). The Springfield-Akron JEDD Board, pursuant to the contract, levies an income tax at the same rate as the City of Akron’s income tax. The proceeds of that tax are allocated, in accordance with the contract, primarily to the City. Because it is legally separate from the City the Springfield-Akron JEDD is not reported as part of the primary government. A summary of the financial information is as follows:

Statement of Receipts, Disbursements and Change in Fund Balance  
(Cash Basis)

Income Tax Receipts	\$	3,308,496
Contractual Disbursements		(352,215)
		2,956,281
Disbursements to Akron		(2,956,281)
Change in Fund Cash Balance		-
Fund Cash Balance, January 1, 2020		-
Fund Cash Balance, December 31, 2020	\$	-

**26. Joint Ventures (Continued)**

The Bath-Akron-Fairlawn Joint Economic Development District (“Bath-Akron-Fairlawn JEDD”) was created by contract between the City of Akron (City), City of Fairlawn and Bath Township under the provisions of Ohio Revised Code sections 715.70 and 715.71. The Bath-Akron-Fairlawn JEDD is governed by a nine member Board of Directors of which three members are from the City (Mayor and two members of Council appointed by the Mayor and approved by Council), three members are from the City of Fairlawn (Mayor and approved by Council) and three members are from the Bath Township (all three Bath Township Trustees). The Bath-Akron-Fairlawn JEDD Boards, pursuant to the contract, levies an income tax at the same rate as the City of Akron’s income tax. The proceeds of that tax are allocated, in accordance with the contract, primarily to the City. Because it is legally separate from the City the Bath-Akron-Fairlawn JEDD is not reported as part of the primary government. A summary of the financial information is as follows:

Statement of Receipts, Disbursements and Change in Fund Balance  
(Cash Basis)

Income Tax Receipts	\$	8,257,030
Contractual Disbursements		<u>(4,601,917)</u>
		3,655,113
Disbursements to Akron		<u>(3,655,113)</u>
Change in Fund Cash Balance		-
Fund Cash Balance, January 1, 2020		-
Fund Cash Balance, December 31, 2020	\$	<u><u>-</u></u>

**27. Related Organization**

The City of Akron, in conjunction with Summit County, University of Akron, Medina County, and Greater Akron Chamber of Commerce, agreed to form the Summit Medina Business Alliance (SMBA). SMBA is a not-for-profit corporation which supports economic development of the region. The organization entered into an agreement with the Kent Regional Business Alliance to carry out activities in cooperation with the Ohio Development Services Agency and the Small Business Administration. The Mayor of the City of Akron appoints three of the five voting members of the board of trustees of the Summit Medina Business Alliance. The SMBA does not pose a financial burden on the City of Akron since it receives revenues from the City and other governments in the area. During 2020, the City paid SMBA \$37,500 for operating expenses.

## 28. Fund Balance

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

	<u>General Fund</u>	<u>Community Learning Centers</u>	<u>Income Tax Capital Improvement</u>	<u>Special Assessment Fund</u>	<u>Streets Fund</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
Fund balances:							
Restricted:							
Asset management	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,931,566	\$ 1,931,566
Building, housing and economic incentive	-	-	208,117	-	-	3,316,055	3,524,172
Construction and renovation of CLCs	-	36,302,660	-	-	-	-	36,302,660
Community betterment and outreach	-	-	186,019	-	-	19,722,148	19,908,167
Debt service reserves	-	-	-	-	-	602,277	602,277
General governance	-	-	518,667	-	-	-	518,667
Information technology	-	-	-	-	-	1,178,006	1,178,006
Life enrichment	-	-	219,885	-	-	-	219,885
Other Purposes	-	-	-	-	-	127,394	127,394
Police and fire equipment	-	-	5,130,691	-	-	-	5,130,691
Protection and enforcement	-	-	-	-	-	9,148,066	9,148,066
Transportation/mobility	-	-	-	-	-	6,872,662	6,872,662
Total restricted	<u>-</u>	<u>36,302,660</u>	<u>6,263,379</u>	<u>-</u>	<u>-</u>	<u>42,898,174</u>	<u>85,464,213</u>
Committed:							
Building, housing and economic incentive	-	-	-	-	-	6,412,859	6,412,859
Community betterment and outreach	-	-	-	-	-	566,380	566,380
Information technology	-	-	-	-	-	168,249	168,249
Life enrichment	-	-	-	-	-	234,379	234,379
Non-financial assets held for resale	-	-	-	-	-	5,028,854	5,028,854
Protection and enforcement	507,535	-	-	-	-	-	507,535
Transportation/mobility	-	-	-	-	-	554,667	554,667
Total committed	<u>507,535</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>12,965,388</u>	<u>13,472,923</u>
Assigned:							
Asset management	320,664	-	-	-	-	-	320,664
Building, housing and economic incentive	183,483	-	-	-	-	-	183,483
Community betterment and outreach	39,343	-	-	-	-	-	39,343
General governance	223,623	-	-	-	-	-	223,623
Life enrichment	275,063	-	-	-	-	-	275,063
Municipal justice	48,668	-	-	-	-	-	48,668
Protection and enforcement	466,367	-	-	-	-	-	466,367
Transportation/mobility	5,731	-	-	-	-	-	5,731
Waste management	1,273,763	-	-	-	-	-	1,273,763
Wellness and prevention	3,035	-	-	-	-	-	3,035
Total assigned	<u>2,839,740</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,839,740</u>
Unassigned	<u>28,220,027</u>	<u>-</u>	<u>-</u>	<u>(11,062,569)</u>	<u>(8,587,656)</u>	<u>(1,374,144)</u>	<u>7,195,658</u>
Total fund balances	<u>\$ 31,567,302</u>	<u>\$ 36,302,660</u>	<u>\$ 6,263,379</u>	<u>\$ (11,062,569)</u>	<u>\$ (8,587,656)</u>	<u>\$ 54,489,418</u>	<u>\$ 108,972,534</u>

**29. Tax Abatements**

Community Reinvestment Areas (CRAs) were established under Ohio Revised Code Section 3735.66 and administered through ORC Sections 3735.66 to 3735.70. The ORC Sections prescribe that in return for building or remodeling properties within the CRA boundaries, applicants can apply for an exemption of real property taxes at 100% of the increased market value of the property.

The City established a CRA in 2010 relating to Envision Apartments. For the fiscal year ended December 31, 2020, the City had only 1 active CRA for which it abated property taxes totaling \$12,224.

During 2017, the City of Akron launched the residential tax abatement program, which designates the entire City as a CRA. Through the program residential applicants can apply for an exemption of real property taxes at 100% of the added property value on any new construction or improvements for a period of 15 years. For the fiscal year ended December 31, 2020, there were 60 active residential agreements with residential taxes abated of \$189,045.

**30. Restatement of Net Position**

Effective January 1, 2020, the City recorded adjustments to beginning balances to correct an understatement of construction in progress in the Sewer fund. The impact of this adjustment had the following effect:

	Balance as of December 31, 2019	Restatement	December 31, 2019 as restated
<b>Statement of Net Position - Business-Type Activities</b>			
Net Position	\$ 425,226,744	\$ 72,031,196	\$ 497,257,940
<b>Statement of Activities - Business-Type Activities</b>			
Change in Net Position	\$ (11,887,252)	\$ 72,031,196	\$ 60,143,944
<b>Proprietary Funds - Sewer</b>			
Net Position	\$ 264,687,245	\$ 72,031,196	\$ 336,718,441
Change in Net Position	\$ (24,272,658)	\$ 72,031,196	\$ 47,758,538

**31. Future Leasing Rights, Assigned Agreements and Collateralized Borrowing**

During 2017, the City entered into an agreement with EIP Communications I, LLC (EIP), under which the City relinquishes to EIP its future interest in the Assigned Agreements to EIP for the next 50 years. The City received from EIP a lump-sum payment of \$11,104,987. The estimated present value of the cell tower rent payments sold assuming a 2.2% interest rate and 4% rent escalation at the time of sale was \$4,028,194.



**31. Future Leasing Rights, Assigned Agreements and Collateralized Borrowing (Continued)**

The City reports \$6,652,185 on the Balance Sheet – Governmental Funds as unearned revenue that will be recognized over 50 years. The City also reports \$2,604,973 on the Statement of Net Position as liabilities due in more than one year as of December 31, 2020. The following is a summary of the City's future debt service requirements as of December 31, 2020:

<b>Fiscal Year Ending</b> <b><u>December 31</u></b>	<b><u>Principal</u></b>
2021	\$ 474,407
2022	474,407
2023	474,407
2024	474,407
2025	474,407
2026-2028	232,938
	<u>\$ 2,604,973</u>

**32. Subsequent Events**

The United States, the State of Ohio and the City declared a state of emergency in March 2020 due to the global Coronavirus Disease 2019 (COVID-19) pandemic. As a result of the pandemic the City, in conformity with the United States and the State of Ohio, extended the income tax filing deadline to May 17, 2021.

On January 25, 2021, City Council passed ordinance 12-2021 authorizing the City to enter into agreements with the Water Pollution Control Loan Fund (WPCLF) with the Ohio Environmental Protection Agency and the Ohio Water Development Authority for construction of the Sanitary Sewer Reconconstruction 2019 Large Diameter Lining Project totaling \$14,441,230.

On March 8, 2021, City Council passed ordinance 59-2021 authorizing the City to enter into agreements with the Water Supply Revolving Loan Account (WSRLA) with the Ohio Environmental Protection Agency and the Ohio Water Development Authority for planning, design and/or construction of six Water Supply Bureau projects totaling \$11,700,000.

On March 11, 2021, the American Rescue Plan Act of 2021 (ARPA) was signed into law. The City anticipates it will receive approximately \$153 million in funding from the ARPA based upon formulas provided by the U.S. Treasury. Funds are to be distributed in two rounds. The City received the first round of \$72,668,813 on May 19, 2021. The second will be distributed in May 2022. The City is awaiting formal guidelines from the U.S. Treasury before determining how the funds will be used.

City of Akron, Ohio  
 Required Supplementary Information  
 Schedule of Revenues, Expenditures and  
 Changes in Fund Balance - Budget and Actual -  
 General Fund, Non-GAAP Budget Basis  
 For the Year Ended December 31, 2020

	<u>Budgeted Amounts (Unaudited)</u>		
	<u>Original</u>	<u>Final</u>	<u>Actual Amounts</u>
<b>Revenues and other sources</b>			
Revenues:			
Taxes, Assessments and JEDD	\$ 119,977,993	\$ 119,212,636	\$ 114,113,303
Intergovernmental Revenues	9,829,129	9,739,619	10,495,610
Charges for Services	32,074,710	32,074,710	33,812,209
License and Fees	2,643,290	2,643,290	2,815,255
Miscellaneous Revenues	6,653,220	6,653,220	15,674,575
	<u>171,178,342</u>	<u>170,323,475</u>	<u>176,910,952</u>
Other sources:			
Previous year's encumbrances	-	-	-
	<u>1,477,346</u>	<u>1,477,346</u>	<u>1,477,346</u>
	1,477,346	1,477,346	1,477,346
Total revenues and other sources	172,655,688	171,800,821	178,388,298
<b>Expenditures and other uses</b>			
Expenditures:			
Civil Service:			
Wages/benefits	1,092,550	1,092,550	1,003,919
Other	228,927	228,927	215,603
	<u>1,321,477</u>	<u>1,321,477</u>	<u>1,219,522</u>
Finance:			
Wages/benefits	2,528,350	2,528,350	2,479,872
Other	3,688,006	6,523,006	6,072,241
	<u>6,216,356</u>	<u>9,051,356</u>	<u>8,552,113</u>
Law:			
Wages/benefits	3,325,750	3,325,750	3,069,490
Other	1,370,323	1,630,323	1,425,824
	<u>4,696,073</u>	<u>4,956,073</u>	<u>4,495,314</u>
Legislative:			
Wages/benefits	1,156,870	1,162,870	1,156,583
Other	279,986	279,987	189,246
	<u>1,436,856</u>	<u>1,442,857</u>	<u>1,345,829</u>
Municipal Court - Clerk:			
Wages/benefits	4,807,180	4,842,180	4,804,200
Other	278,691	473,691	338,368
	<u>5,085,871</u>	<u>5,315,871</u>	<u>5,142,568</u>

## City of Akron, Ohio

Required Supplementary Information  
 Schedule of Revenues, Expenditures and  
 Changes in Fund Balance - Budget and Actual -  
 General Fund, Non-GAAP Budget Basis

For the Year Ended December 31, 2020  
 (continued)

	<u>Budgeted Amounts (Unaudited)</u>		
	<u>Original</u>	<u>Final</u>	<u>Actual Amounts</u>
Municipal Court - Judges:			
Wages/benefits	\$ 4,807,180	\$ 4,842,180	\$ 4,804,200
Other	278,691	473,691	338,368
	<hr/> 5,085,871	<hr/> 5,315,871	<hr/> 5,142,568
Office of the Mayor:			
Wages/benefits	1,661,010	1,661,010	1,655,885
Other	281,622	281,622	243,940
	<hr/> 1,942,632	<hr/> 1,942,632	<hr/> 1,899,825
Planning:			
Wages/benefits	39,270	39,270	37,639
Other	1,398	1,398	957
	<hr/> 40,668	<hr/> 40,668	<hr/> 38,596
Public Health:			
Wages/benefits	22,660	172,660	158,868
Other	4,206,460	4,226,460	4,218,924
	<hr/> 4,229,120	<hr/> 4,399,120	<hr/> 4,377,792
Public Safety:			
Wages/benefits	6,188,950	5,188,950	5,175,675
Other	7,898,821	7,898,821	6,965,742
	<hr/> 14,087,771	<hr/> 13,087,771	<hr/> 12,141,417
Public Service:			
Wages/benefits	10,058,450	10,288,450	10,242,233
Other	12,892,312	18,752,312	17,969,894
	<hr/> 22,950,762	<hr/> 29,040,762	<hr/> 28,212,127
Fire:			
Wages/benefits	26,929,190	21,929,190	21,920,717
Other	12,514,799	9,164,799	9,160,406
Capital Outlay	-	-	-
	<hr/> 39,443,989	<hr/> 31,093,989	<hr/> 31,081,123
Police:			
Wages/benefits	55,312,171	45,312,170	45,263,618
Other	3,950,163	4,284,423	4,277,196
Capital outlay	-	85,000	65,841
	<hr/> 59,262,334	<hr/> 49,681,593	<hr/> 49,606,655

City of Akron, Ohio  
 Required Supplementary Information  
 Schedule of Revenues, Expenditures and  
 Changes in Fund Balance - Budget and Actual -  
 General Fund, Non-GAAP Budget Basis  
 For the Year Ended December 31, 2020  
 (continued)

	<u>Budgeted Amount (Unaudited)</u>		
	<u>Original</u>	<u>Final</u>	<u>Actual Amounts</u>
Neighborhood Assistance:			
Wages/benefits	\$ 5,717,360	\$ 5,637,360	\$ 5,628,268
Other	1,597,990	1,597,990	1,515,105
	<u>7,315,350</u>	<u>7,235,350</u>	<u>7,143,373</u>
Integrated Development			
Wages	5,320,300	5,320,300	4,795,368
Other	1,106,460	1,566,460	1,557,573
	<u>6,426,760</u>	<u>6,886,760</u>	<u>6,352,941</u>
Total expenditures	<u>174,606,276</u>	<u>165,791,536</u>	<u>161,657,926</u>
Excess (deficiency) of revenues and other sources over expenditures	(1,950,588)	6,009,285	16,730,372
Fund balance, January 1, 2020	<u>8,417,359</u>	<u>8,417,359</u>	<u>8,417,359</u>
Fund balance, December 31, 2020	<u>\$ 6,466,771</u>	<u>\$ 14,426,644</u>	<u>\$ 25,147,731</u>

Note:

Included in Other expenditures above are transfers out and advances of the following:

Finance	\$ 1,600,000
Fire	\$ 6,818,900
Police	\$ 57,500
Public Service	\$ 2,550,000
Recreation and Parks	\$ 100,000

City of Akron, Ohio  
 Required Supplementary Information  
 Schedule of Revenues, Expenditures and  
 Changes in Fund Balance - Budget and Actual -  
 Community Learning Centers Fund, Non-GAAP Budget Basis  
 For the Year Ended December 31, 2020

	<u>Budgeted Amounts (Unaudited)</u>		
	<u>Original</u>	<u>Final</u>	<u>Actual Amounts</u>
<b>Revenues</b>			
Revenues:			
Taxes, Assessments and JEDD	\$ 22,950,430	\$ 22,950,430	\$ 16,209,461
Intergovernmental Revenues	1,340,200	1,340,200	771,533
Intra Fund Transfers	4,477,040	4,477,040	1,646,969
Miscellaneous Revenues	625,330	625,330	309,349
Total revenues	<u>29,393,000</u>	<u>29,393,000</u>	<u>18,937,312</u>
<b>Expenditures</b>			
Department Wide:			
Other	<u>22,524,000</u>	<u>22,724,000</u>	<u>20,322,409</u>
Total expenditures	22,524,000	22,724,000	20,322,409
Excess (deficiency) of revenues over expenditures	6,869,000	6,669,000	(1,385,097)
Fund balance, January 1, 2020	<u>18,834,343</u>	<u>18,834,343</u>	<u>18,834,343</u>
Fund balance, December 31, 2020	<u>\$ 25,703,343</u>	<u>\$ 25,503,343</u>	<u>\$ 17,449,246</u>

City of Akron, Ohio  
 Required Supplementary Information  
 Schedule of Revenues, Expenditures and  
 Changes in Fund Balance - Budget and Actual -  
 Income Tax Capital Improvement Fund, Non-GAAP Budget Basis  
 For the Year Ended December 31, 2020

	<u>Budgeted Amounts (Unaudited)</u>		
	<u>Original</u>	<u>Final</u>	<u>Actual Amounts</u>
<b>Revenues and other sources</b>			
Revenues:			
Taxes, Assessments and JEDD	\$ 44,506,430	\$ 44,506,430	\$ 35,692,340
Miscellaneous revenues	3,715,270	3,715,270	5,000,936
	<u>48,221,700</u>	<u>48,221,700</u>	<u>40,693,276</u>
Other sources:			
Note/bond proceeds	3,011,300	3,011,300	492,500
Previous year's encumbrances	927,656	927,656	927,656
	<u>3,938,956</u>	<u>3,938,956</u>	<u>1,420,156</u>
Total revenues and other sources	52,160,656	52,160,656	42,113,432
<b>Expenditures</b>			
Department Wide:			
Wages/benefits	554,700	554,700	540,840
Other	38,757,669	38,757,669	35,262,838
Capital outlay	2,312,817	5,412,817	5,341,258
	<u>41,625,186</u>	<u>44,725,186</u>	<u>41,144,936</u>
Total expenditures	41,625,186	44,725,186	41,144,936
Excess of revenues and other sources over expenditures	10,535,470	7,435,470	968,496
Fund deficit, January 1, 2020	<u>(620,896)</u>	<u>(620,896)</u>	<u>(620,896)</u>
Fund balance, December 31, 2020	<u>\$ 9,914,574</u>	<u>\$ 6,814,574</u>	<u>\$ 347,600</u>

Note: Included in Other expenditures above are advances of \$250,000

City of Akron, Ohio  
 Required Supplementary Information  
 Schedule of Revenues, Expenditures and  
 Changes in Fund Balance - Budget and Actual -  
 Special Assessment Fund, Non-GAAP Budget Basis

For the Year Ended December 31, 2020

	<u>Budgeted Amounts (Unaudited)</u>		
	<u>Original</u>	<u>Final</u>	<u>Actual Amounts</u>
<b>Revenues and other sources</b>			
Revenues:			
Special assessments	\$ 20,590,730	\$ 20,590,730	\$ 16,635,004
Service revenues	51,020	51,020	107,833
Miscellaneous revenues	156,110	156,110	281,984
	<u>20,797,860</u>	<u>20,797,860</u>	<u>17,024,821</u>
Other sources:			
Note/Bond proceeds	14,914,140	14,914,140	13,000,000
Previous year's encumbrances	1,667,006	1,667,006	1,667,006
	<u>16,581,146</u>	<u>16,581,146</u>	<u>14,667,006</u>
Total revenues and other sources	37,379,006	37,379,006	31,691,827
<b>Expenditures</b>			
Finance:			
Wages/benefits	183,690	185,290	183,739
Other	3,440,929	3,440,929	3,117,321
	<u>3,624,619</u>	<u>3,626,219</u>	<u>3,301,060</u>
Public Service:			
Wages/benefits	4,792,320	5,227,320	5,014,909
Other	21,090,584	21,090,584	20,543,787
Capital outlay	1,960,542	2,460,542	1,965,095
	<u>27,843,446</u>	<u>28,778,446</u>	<u>27,523,791</u>
Neighborhood Assistance:			
Wages/benefits	300,990	300,990	287,990
Other	1,138,551	1,188,551	1,038,820
	<u>1,439,541</u>	<u>1,489,541</u>	<u>1,326,810</u>
Total expenditures	32,907,606	33,894,206	32,151,661
Excess (deficiency) of revenues and other sources over expenditures	4,471,400	3,484,800	(459,834)
Fund balance, January 1, 2020	<u>2,199,567</u>	<u>2,199,567</u>	<u>2,199,567</u>
Fund balance, December 31, 2020	<u>\$ 6,670,967</u>	<u>\$ 5,684,367</u>	<u>\$ 1,739,733</u>

City of Akron, Ohio  
 Required Supplementary Information  
 Schedule of Revenues, Expenditures and  
 Changes in Fund Balance - Budget and Actual -  
 Streets Fund, Non-GAAP Budget Basis  
 For the Year Ended December 31, 2020

	<u>Budgeted Amounts (Unaudited)</u>		
	<u>Original</u>	<u>Final</u>	<u>Actual Amounts</u>
<b>Revenues and other sources</b>			
Revenues:			
Taxes, Assessments and JEDD	\$ 1,270,030	\$ 2,795,900	\$ 1,927,794
Intergovernmental Revenues	582,210	1,281,700	597,279
Service Revenues	827,950	1,822,690	1,196,825
Miscellaneous revenues	952,450	2,096,750	4,033,230
	<u>3,632,640</u>	<u>7,997,040</u>	<u>7,755,128</u>
Other sources:			
Note/Bond proceeds	8,852,360	19,487,960	9,637,193
Previous year's encumbrances	2,075,511	2,075,511	2,075,511
	<u>10,927,871</u>	<u>21,563,471</u>	<u>11,712,704</u>
Total revenues and other sources	14,560,511	29,560,511	19,467,832
<b>Expenditures</b>			
Department Wide:			
Wages/benefits	200,000	264,500	255,046
Other	4,122,090	7,109,090	6,405,342
Capital outlay	10,066,911	17,466,911	16,724,870
	<u>14,389,001</u>	<u>24,840,501</u>	<u>23,385,258</u>
Total expenditures	14,389,001	24,840,501	23,385,258
Excess (deficiency) of revenues and other sources over expenditures	171,510	4,720,010	(3,917,426)
Fund balance, January 1, 2020	<u>573,547</u>	<u>573,547</u>	<u>573,547</u>
Fund balance (deficit), December 31, 2020	<u>\$ 745,057</u>	<u>\$ 5,293,557</u>	<u>\$ (3,343,879)</u>



City of Akron, Ohio

Required Supplementary Information  
Schedule of Net Pension Liability and Related Ratios under OPERS

For the Year Ended December 31, 2020

**Traditional Plan**

Measurement Date	Proportion of Collective Net Pension Liability/(Asset)	Proportionate Share of Collective Net Pension Liability/(Asset)	Covered Payroll**	Net Pension Liability/(Asset) as a Percentage of Covered Payroll	Fiduciary Net Position as a Percentage of Total Pension Liability
12/31/2019	0.43836	% \$ 85,358,175	\$ 60,759,457	140.5 %	82.2 %
12/31/2018	0.43836	120,056,821	59,205,414	202.8	74.7
12/31/2017	0.43977	68,990,774	58,131,654	118.7	84.7
12/31/2016	0.44509	101,073,278	57,520,375	175.7	77.3
12/31/2015	0.43764	75,805,111	54,382,817	139.4	81.1
12/31/2014	0.44358	53,500,585	52,357,017	102.2	86.5
12/31/2013	0.44358	52,292,185	53,972,510	96.9	86.4

**OPERS Combined Plan**

Measurement Date	Proportion of Collective Net Pension Liability/(Asset)	Proportionate Share of Collective Net Pension Liability/(Asset)	Covered Payroll**	Net Pension Liability/(Asset) as a Percentage of Covered Payroll	Fiduciary Net Position as a Percentage of Total Pension Liability
12/31/2019	0.43185	% \$ (710,799)	\$ 1,517,579	46.8 %	145.3 %
12/31/2018	0.31576	(353,085)	1,349,550	26.2	126.6
12/31/2017	0.32691	(444,922)	1,329,738	33.5	137.3
12/31/2016	0.33706	(187,599)	1,312,142	14.3	116.6
12/31/2015	0.31566	(153,607)	1,117,900	13.7	116.9
12/31/2014	0.30583	(117,750)	1,123,475	10.5	114.8
12/31/2013	0.30586	(32,090)	1,123,400	2.9	114.8

**OPERS Member Directed Plan**

Measurement Date	Proportion of Collective Net Pension Liability/(Asset)	Proportionate Share of Collective Net Pension Liability/(Asset)	Covered Payroll**	Net Pension Liability/(Asset) as a Percentage of Covered Payroll	Fiduciary Net Position as a Percentage of Total Pension Liability
12/31/2019	0.19367	% \$ (7,359)	\$ 1,151,207	0.64 %	118.1 %
12/31/2018	0.19508	(4,445)	1,349,550	0.33	113.4
12/31/2017	0.19522	(11,441)	1,066,892	1.07	124.5
12/31/2016	0.16885	(703)	890,550	0.08	103.4
12/31/2015	0.18979	(725)	905,960	0.08	103.9

\*\* Covered Payroll has been estimated by the City of Akron.

City of Akron, Ohio

Required Supplementary Information  
Schedule of Contributions Under OPERS to State Pension and OPEB

For the Year Ended December 31, 2020

**Traditional Plan**

Fiscal Year Ending	Measurement Year Ending	Statutorily Required Employer Contribution	Actual Employer Contributions	Contribution Excess (Deficiency)	Covered Payroll*	Contractually Required Contribution Rates:		
						Pension	OPEB	Total
12/31/2020	12/31/2019	\$ 8,790,951	\$ 8,790,951	\$ -	\$ 62,792,506	14.00 %	0.00 %	14.00 %
12/31/2019	12/31/2018	8,506,324	8,506,324	-	60,759,457	14.00	0.00	14.00
12/31/2018	12/31/2017	8,288,758	8,288,758	-	59,205,414	14.00	0.00	14.00
12/31/2017	12/31/2016	8,138,432	8,138,432	-	58,131,654	13.00	1.00	14.00
12/31/2016	12/31/2015	8,052,852	8,052,852	-	57,520,375	12.00	2.00	14.00
12/31/2015	12/31/2014	6,525,938	6,525,938	-	54,382,817	12.00	0.00	12.00
12/31/2014	12/31/2013	7,329,982	7,329,982	-	52,357,017	12.00	2.00	14.00
12/31/2013	N/A	7,556,151	7,556,151	-	53,972,510	10.00	4.00	14.00
12/31/2012	N/A	7,346,888	7,346,888	-	52,477,770	10.00	4.00	14.00
12/31/2011	N/A	7,556,151	7,556,151	-	53,972,510	10.00	4.00	14.00

**Combined Plan**

Fiscal Year Ending	Measurement Year Ending	Statutorily Required Employer Contribution	Actual Employer Contributions	Contribution Excess (Deficiency)	Covered Payroll*	Contractually Required Contribution Rates:		
						Pension	OPEB	Total
12/31/2020	12/31/2019	\$ 215,087	\$ 215,087	\$ -	\$ 1,536,336	14.00 %	0.00 %	14.00 %
12/31/2019	12/31/2018	212,461	212,461	-	1,517,579	14.00	0.00	14.00
12/31/2018	12/31/2017	188,937	188,937	-	1,349,550	14.00	0.00	14.00
12/31/2017	12/31/2016	186,163	186,163	-	1,329,738	13.00	1.00	14.00
12/31/2016	12/31/2015	183,700	183,700	-	1,312,142	12.00	2.00	14.00
12/31/2015	12/31/2014	156,506	156,506	-	1,117,900	12.00	2.00	14.00
12/31/2014	12/31/2013	157,285	157,285	-	1,123,475	12.00	2.00	14.00

**Member Directed Plan**

Fiscal Year Ending	Measurement Year Ending	Statutorily Required Employer Contribution	Actual Employer Contributions	Contribution Excess (Deficiency)	Covered Payroll*	Contractually Required Contribution Rates:		
						Pension	OPEB	Total
12/31/2020	12/31/2019	\$ 171,111	\$ 171,111	\$ -	\$ 1,222,221	14.00 %	0.00 %	14.00 %
12/31/2019	12/31/2018	169,169	169,169	-	1,151,207	14.00	0.00	14.00
12/31/2018	12/31/2017	188,937	188,937	-	1,349,550	14.00	0.00	14.00
12/31/2017	12/31/2016	149,365	149,365	-	1,066,892	13.00	1.00	14.00
12/31/2016	12/31/2015	124,677	124,677	-	890,550	12.00	2.00	14.00

\*Covered payroll has been estimated by the City of Akron.

City of Akron, Ohio

Required Supplementary Information  
Schedule of Net Pension Liability and Related Ratios under OP&F

For the Year Ended December 31, 2020

**Fire**

Measurement Date	Proportion of Collective Net Pension Liability/(Asset)	Proportionate Share of Collective Net Pension Liability/(Asset)	Covered Payroll**	Net Pension Liability/(Asset) as a Percentage of Covered Payroll	Fiduciary Net Position as a Percentage of Total Pension Liability
12/31/2019	1.3122261	% \$ 88,398,559	\$ 28,140,217	314.1 %	69.9 %
12/31/2018	1.3535830	110,488,140	27,458,083	402.4	63.1
12/31/2017	1.3615340	80,801,637	25,926,353	311.7	70.9
12/31/2016	1.3274720	84,080,723	25,713,251	327.0	68.4
12/31/2015	1.3199200	84,911,384	23,457,047	362.0	66.8
12/31/2014	1.3172024	68,236,576	20,458,336	333.5	72.2
12/31/2013	1.3172024	64,151,888	18,706,713	342.9	72.2

**Police**

Measurement Date	Proportion of Collective Net Pension Liability/(Asset)	Proportionate Share of Collective Net Pension Liability/(Asset)	Covered Payroll**	Net Pension Liability/(Asset) as a Percentage of Covered Payroll	Fiduciary Net Position as a Percentage of Total Pension Liability
12/31/2019	1.2757506	% \$ 85,941,375	\$ 33,447,297	256.9 %	69.9 %
12/31/2018	1.3062930	106,628,025	32,520,558	327.9	63.1
12/31/2017	1.3006560	79,827,131	31,566,974	252.9	70.9
12/31/2016	1.3613200	86,224,625	32,224,089	267.6	68.4
12/31/2015	1.3057420	83,998,130	29,950,321	280.5	66.8
12/31/2014	1.3597730	70,441,912	34,172,517	206.1	72.2
12/31/2013	1.3597730	66,225,111	35,596,596	186.0	72.2

\*\* Covered Payroll has been estimated by the City of Akron.

City of Akron, Ohio

Required Supplementary Information  
Schedule of Contributions Under OP&F to State Pension and OPEB

For the Year Ended December 31, 2020

**Fire**

Fiscal Year Ending	Measurement Year Ending	Statutorily	Actual	Contribution	Covered Payroll**	Contractually Required Contribution Rates:		
		Required Employer Contributions	Employer Contributions	Excess (Deficiency)		Pension	OPEB	Total
12/31/2020	12/31/2019	\$ 7,280,940	\$ 7,280,940	\$ -	\$ 30,337,250	23.50 %	0.50 %	24.00 %
12/31/2019	12/31/2018	6,753,652	6,753,652	-	28,140,217	23.50	0.50	24.00
12/31/2018	12/31/2017	6,589,940	6,589,940	-	25,926,353	23.50	0.50	24.00
12/31/2017	12/31/2016	6,092,693	6,092,693	-	25,926,353	23.50	0.50	24.00
12/31/2016	12/31/2015	6,042,614	6,042,614	-	25,713,251	23.50	0.50	24.00
12/31/2015	12/31/2014	5,512,406	5,512,406	-	23,457,047	23.50	0.50	24.00
12/31/2014	12/31/2013	4,807,709	4,807,709	-	20,458,336	23.50	0.50	24.00
12/31/2013	N/A	3,784,368	3,784,368	-	18,706,713	20.38	3.62	24.00
12/31/2012	N/A	3,784,368	3,784,368	-	21,938,365	17.25	6.75	24.00
12/31/2011	N/A	3,667,167	3,667,167	-	21,258,939	17.25	6.75	24.00

**Police**

Fiscal Year Ending	Measurement Year Ending	Statutorily	Actual	Contribution	Covered Payroll**	Contractually Required Contribution Rates:		
		Required Employer Contributions	Employer Contributions	Excess (Deficiency)		Pension	OPEB	Total
12/31/2020	12/31/2019	\$ 6,859,626	\$ 6,859,626	\$ -	\$ 35,177,569	19.00 %	0.50 %	19.50 %
12/31/2019	12/31/2018	6,522,223	6,522,223	-	33,447,297	19.00	0.50	19.50
12/31/2018	12/31/2017	6,341,509	6,341,509	-	32,520,558	19.00	0.50	19.50
12/31/2017	12/31/2016	6,155,560	6,155,560	-	31,566,974	19.00	0.50	19.50
12/31/2016	12/31/2015	6,283,697	6,283,697	-	32,224,089	19.00	0.50	19.50
12/31/2015	12/31/2014	5,840,313	5,840,313	-	29,950,321	19.00	0.50	19.50
12/31/2014	12/31/2013	6,663,641	6,663,641	-	34,172,517	15.73	3.77	19.50
12/31/2013	N/A	6,941,336	6,941,336	-	35,596,596	12.75	6.75	19.50
12/31/2012	N/A	5,320,063	5,320,063	-	27,282,376	12.75	6.75	19.50
12/31/2011	N/A	5,170,880	5,170,880	-	26,517,333	12.75	6.75	19.50

\*\*Covered Payroll has been estimated by the City of Akron.

City of Akron, Ohio

Required Supplementary Information  
Schedule of Net OPEB Liability and Related Ratios

For the Year Ended December 31, 2020

**City of Akron OPEB Plan**

Measurement Date	Net OPEB Liability / (Asset)	Covered Payroll	Net OPEB Liability / (Asset) as a Percentage of Covered Payroll	Fiduciary Net Position as a Percentage of Total OPEB Liability
12/31/2019	\$ 87,500,861	\$ 125,015,757	69.99 %	0.00 %
12/31/2018	101,158,647	119,397,841	85.05	0.00
12/31/2017	124,741,033	118,465,624	105.30	0.00
12/31/2016	115,704,251	113,130,435	102.28	0.00

**OPERS OPEB Plan**

Measurement Date	Proportion of Collective Net OPEB Liability / (Asset)	Proportionate Share of Collective Net OPEB Liability / (Asset)	Covered Employee Payroll	Net OPEB Liability / (Asset) as a Percentage of Covered Payroll	Fiduciary Net Position as a Percentage of Total OPEB Liability
12/31/2019	0.42 %	\$ 57,992,341	\$ 63,428,243	91.43 %	47.80 %
12/31/2018	0.43	55,435,783	61,904,514	89.55	46.30
12/31/2017	0.43	46,401,790	60,528,284	76.66	54.10
12/31/2016	0.43	43,158,581	59,723,067	72.26	62.10

**OP&F OPEB Plan**

Measurement Date	Proportion of Collective Net OPEB Liability / (Asset)	Proportionate Share of Collective Net OPEB Liability / (Asset)	Covered Employee Payroll	Net OPEB Liability / (Asset) as a Percentage of Covered Payroll	Fiduciary Net Position as a Percentage of Total OPEB Liability
12/31/2018	2.587977 %	\$ 25,564,678	\$ 61,587,514	41.51 %	14.10 %
12/31/2018	2.659876	24,222,250	59,978,641	40.38	14.10
12/31/2017	2.61719	148,286,319	57,937,340	255.94	14.10
12/31/2016	2.61719	124,232,123	53,407,368	232.61	16.00

City of Akron, Ohio

Required Supplementary Information  
 Schedule of Contributions under the City of Akron's OPEB Plan

For the Year Ended December 31, 2020

Fiscal Year Ending	Measurement Year Ending	Actual Employer Contributions	Covered Payroll *
12/31/2020	12/31/2019	\$ 2,856,926	\$ 128,309,627
12/31/2019	12/31/2018	2,591,971	125,015,757
12/31/2018	12/31/2017	3,015,640	119,397,841
12/31/2017	N/A	4,462,299	118,465,624
12/31/2016	N/A	4,867,000	113,130,435
12/31/2015	N/A	5,048,000	108,908,085
12/31/2014	N/A	4,908,000	107,105,770
12/31/2013	N/A	4,725,000	108,275,819
12/31/2012	N/A	4,772,000	83,935,000
12/31/2011	N/A	4,335,000	88,115,000
12/31/2010	N/A	9,825,000	114,340,000

\* Covered Payroll has been estimated by the City of Akron

**City of Akron, Ohio**

**Notes to the Required Supplementary Information**

**For the Year Ended December 31, 2020**

**Budgetary Data**

The City’s budgetary process is based upon accounting for certain transactions on a basis other than on generally accepted accounting principles (GAAP). The actual results of operations are presented in the Budgetary Comparison Schedule in accordance with the City’s budgetary process (budget basis) to provide a meaningful comparison of actual results with the budget. The legal level of budgetary control is by category for each department within each fund. The categories are wages/benefits, other, and capital outlay.

The major differences between budget basis and GAAP basis in the General Fund, the Community Learning Centers Fund, the Income Tax Capital Improvement Fund, and the Special Assessment Fund are:

1. Revenues are recorded when received in cash (budget) as opposed to susceptible to accrual (GAAP).
2. Expenditures are recorded when paid in cash (budget) as opposed to when the liability is incurred (GAAP).
3. Encumbrances are recorded as the equivalent of expenditures (budget) as opposed to restricted, committed or assigned fund balance (GAAP).

Recognition of certain revenues may be reclassified between funds to facilitate matching with the related expenditures.

	<u>General</u>	<u>Community Learning Centers</u>	<u>Income Tax Capital Improvement</u>	<u>Special Assessment</u>	<u>Streets</u>
Excess (Deficiency) of revenues and other financing sources over expenditures and other financing uses (budgetary basis)	\$ 16,730,372	\$ (1,385,097)	\$ 968,496	\$ (459,834)	\$ (3,917,426)
Adjustments:					
To adjust revenues for accruals	(3,255,523)	35,722,384	15,884,638	(13,327,079)	12,278,572
To adjust expenditures for accruals	1,770,244	(48,677,179)	(11,821,197)	10,925,444	(18,072,804)
To adjust for encumbrances	<u>2,841,738</u>	<u>-</u>	<u>675,816</u>	<u>1,648,222</u>	<u>3,378,735</u>
Net change in fund balance (GAAP basis)	<u>\$ 18,086,831</u>	<u>\$ (14,339,892)</u>	<u>\$ 5,707,753</u>	<u>\$ (1,213,247)</u>	<u>\$ (6,332,923)</u>

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## **City of Akron, Ohio**

### **Notes to the Required Supplementary Information**

#### **For the Year Ended December 31, 2020**

##### **Schedule of City's Proportionate Share of Net Pension Liability**

Information regarding the City's proportionate share of the net pension liability (asset) for fiscal years ending 2014, 2015, 2016, 2017, 2018, and 2019 has been provided by the Ohio Public Employees Retirement System (OPERS) and the Ohio Police and Fire Pension Fund (OP&F). The net pension liability (asset) presented in the City's financial statement as of December 31, 2020 is based on the measurement date of December 31, 2019. Information presented in this exhibit is not available for years prior to 2013.

##### **Schedule of the City Contributions to State Pension Funds and OPEB**

The Board of Trustees for both OPERS and OP&F determine the allocation between pension and OPEB plans annually and this allocation may change for year to year. The city pays all contractually required employer rates for OPERS and OP&F employees.

OPERS maintains three separate pension plans. The employer contribution rate is the same for all three plans. The City does not know which plan each of its employees participates in and; therefore; the information presented in the contribution schedule combines all plans from fiscal year ending December 31, 2007 through fiscal year ending December 31, 2013.

##### **Schedule of the Net OPEB Liability and Related Ratios**

Information regarding the City's proportionate share of the net OPEB liability for the fiscal year ending 2020 has been provided by OPERS and OP&F. The net OPEB liability presented in the City's financial statement as of December 31, 2020 is based on the measurement date of December 31, 2019. Information presented in this exhibit is not available prior to 2016.

The City also maintains its own plan that is funded on a "Pay-as-you-go" basis. The net OPEB liability for presented in the City's financial statements as of December 31, 2020 is based on the measurement date of December 31, 2019.



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# Supplementary Information

## NON-MAJOR GOVERNMENTAL FUNDS

**Special Revenue Funds** - are used to account for types of resources for which specific uses are mandated by City ordinances or federal and state statutes. The title of the fund is descriptive of the activities accounted for therein. The non-major Special Revenue Funds are:

### To Account for Special Purposes:

Income Tax Collection	Canal Park Stadium COPs
Emergency Medical Service	Downtown District Heating COPs
Street and Highway Maintenance	Safety Programs
Tax Equivalency	City Facilities Operating
E.D.A. Revolving Loans	Various Purpose Funding
Joint Economic Development Districts	Deposits
Akron Muni. Court Information System	Police, Fire, and Road Activity

### Federal and/or State Statutes to Account for Grants and Subsidies:

Community Development	H.O.M.E. Program
Community Environment Grants	Police Grants
Akron Metro. Area Transportation Study	General Grants

## NON-MAJOR GOVERNMENTAL FUNDS (Continued)

**Debt Service Funds** - are used to account for the accumulation of financial resources for, and the payment of, general long-term debt principal, interest and related costs. The non-major Debt Service Funds are as follows:

General Bond Payment	Non-Tax Revenue Bond Payment
Debt Service Bond Payment	Pension Obligation Refunding
Special Assessment Bond Payment	JEDD Bond Payment
Main Place Bond Payment	Income Tax Bond Payment
Downtown Hotel Bond Payment	Taxable Revenue Bond Payment

**Capital Project Funds** – are used to account for financial resources to be used for the acquisition or construction of major capital facilities (other than those financed by Proprietary Funds). The non-major Capital Projects Funds are as follows:

### To Account for Grant Revenue and Other Funding Sources:

Information Technology and Improvements	Public Parking
Parks and Recreation	Economic Development
Public Facilities and Improvements	

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City of Akron, Ohio  
 Combining Balance Sheet - Non-Major Governmental Funds  
 December 31, 2020

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**Special Revenue Funds**

	<b>Income Tax Collection</b>	<b>Emergency Medical Service</b>	<b>Street and Highway Maintenance</b>	<b>Community Development</b>	<b>Community Environment Grants</b>
<b>Assets</b>					
Pooled cash and investments	\$ 4,277,126	\$ 1,206,965	\$ 2,542,384	\$ 1,446,373	\$ 285,263
Restricted cash and investments	-	-	-	-	-
Receivables, net of allowances for uncollectibles	-	10,790,970	3,864,808	-	-
Loans receivable	-	-	-	3,081,811	241,876
Due from other governments	-	-	-	1,287,349	51,951
Due from other funds	160,717	-	-	-	-
Due from others	216,806	-	-	-	-
Assets held for resale	-	-	-	-	-
<b>Total assets</b>	<b>\$ 4,654,649</b>	<b>\$ 11,997,935</b>	<b>\$ 6,407,192</b>	<b>\$ 5,815,533</b>	<b>\$ 579,090</b>
<b>Liabilities</b>					
Accounts payable	\$ 44,035	\$ 22,825	\$ 927,712	\$ 530,891	\$ 133,868
Deposits	-	-	-	-	-
Advances from other funds	-	-	-	250,000	-
Due to other governments	-	-	186,547	1,859,527	-
Due to other funds	2,611,874	19,177	152,189	2,872	-
Due to others	-	-	-	-	-
Accrued liabilities	11,348	279,182	60,245	14,000	215
Accrued wages	55,826	686,168	319,246	68,626	622
Accrued vacation and leave	-	-	-	-	-
Unearned revenue	-	-	-	-	-
<b>Total liabilities</b>	<b>2,723,083</b>	<b>1,007,352</b>	<b>1,645,939</b>	<b>2,725,916</b>	<b>134,705</b>
<b>Deferred Inflows of Resources</b>	<b>-</b>	<b>9,637,035</b>	<b>2,392,206</b>	<b>4,278,555</b>	<b>201,951</b>
<b>Fund balances</b>					
Restricted	1,931,566	1,353,548	2,369,047	-	242,434
Committed	-	-	-	-	-
Unassigned	-	-	-	(1,188,938)	-
<b>Total fund balances (deficits)</b>	<b>1,931,566</b>	<b>1,353,548</b>	<b>2,369,047</b>	<b>(1,188,938)</b>	<b>242,434</b>
<b>Total liabilities, deferred inflows and fund balances</b>	<b>\$ 4,654,649</b>	<b>\$ 11,997,935</b>	<b>\$ 6,407,192</b>	<b>\$ 5,815,533</b>	<b>\$ 579,090</b>

City of Akron, Ohio  
Combining Balance Sheet - Non-Major Governmental Funds  
December 31, 2020

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<b>Special Revenue Funds</b>					
	<b>Akron Metro. Area Transportation Study</b>	<b>H.O.M.E. Program</b>	<b>Tax Equivalency</b>	<b>E.D.A. Revolving Loans</b>	<b>Joint Economic Development Districts</b>
<b>Assets</b>					
Pooled cash and investments	\$ 326,888	\$ 990,784	\$ 7,569,605	\$ 11,910	\$ 4,094,260
Restricted cash and investments	-	-	-	-	-
Receivables, net of allowances for uncollectibles	-	-	16,826,340	-	7,929
Loans receivable	-	3,282,933	-	-	1,000,000
Due from other governments	220,077	990,822	-	-	-
Due from other funds	-	-	-	-	-
Due from others	-	-	-	-	-
Assets held for resale	-	-	-	-	-
<b>Total assets</b>	<b>\$ 546,965</b>	<b>\$ 5,264,539</b>	<b>\$ 24,395,945</b>	<b>\$ 11,910</b>	<b>\$ 5,102,189</b>
<b>Liabilities</b>					
Accounts payable	\$ 2,061	\$ 402,434	\$ 37,702	\$ -	\$ 87,352
Deposits	-	-	-	-	-
Advances from other funds	-	-	-	-	-
Due to other governments	60,210	-	-	-	14,996
Due to other funds	1,111	-	-	-	2,120
Due to others	-	-	1,168,889	-	1,711,286
Accrued liabilities	9,975	107	-	-	4,368
Accrued wages	48,988	231	-	-	22,799
Accrued vacation and leave	-	-	-	-	160
Unearned revenue	-	-	-	-	-
<b>Total liabilities</b>	<b>122,345</b>	<b>402,772</b>	<b>1,206,591</b>	<b>-</b>	<b>1,843,081</b>
<b>Deferred Inflows of Resources</b>	<b>-</b>	<b>3,961,255</b>	<b>16,776,495</b>	<b>-</b>	<b>500,000</b>
<b>Fund balances</b>					
Restricted	424,620	900,512	-	11,910	2,759,108
Committed	-	-	6,412,859	-	-
Unassigned	-	-	-	-	-
<b>Total fund balances (deficits)</b>	<b>424,620</b>	<b>900,512</b>	<b>6,412,859</b>	<b>11,910</b>	<b>2,759,108</b>
<b>Total liabilities, deferred inflows and fund balances</b>	<b>\$ 546,965</b>	<b>\$ 5,264,539</b>	<b>\$ 24,395,945</b>	<b>\$ 11,910</b>	<b>\$ 5,102,189</b>

City of Akron, Ohio  
 Combining Balance Sheet - Non-Major Governmental Funds  
 December 31, 2020

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<b>Special Revenue Funds</b>					
	<b>Akron Muni. Court Information System</b>	<b>Canal Park Stadium COPs</b>	<b>Downtown District Heating COPs</b>	<b>Police Grants</b>	<b>Safety Programs</b>
<b>Assets</b>					
Pooled cash and investments	\$ 1,176,689	\$ 2	\$ -	\$ 220,095	\$ 1,580,078
Restricted cash and investments	-	127,392	2,391,314	-	-
Receivables, net of allowances for uncollectibles	-	-	-	-	-
Loans receivable	-	-	-	-	-
Due from other governments	-	-	-	283,264	242,689
Due from other funds	6,858	-	-	1,051	1,414
Due from others	-	-	-	-	-
Assets held for resale	-	-	-	-	-
<b>Total assets</b>	<b>\$ 1,183,547</b>	<b>\$ 127,394</b>	<b>\$ 2,391,314</b>	<b>\$ 504,410</b>	<b>\$ 1,824,181</b>
<b>Liabilities</b>					
Accounts payable	\$ 3,825	\$ -	\$ -	\$ 32,079	\$ 4,505
Deposits	-	-	-	-	-
Advances from other funds	-	-	-	185,000	250,000
Due to other governments	-	-	-	10,000	-
Due to other funds	1,716	-	-	1,380	730
Due to others	-	-	-	-	-
Accrued liabilities	-	-	-	5,610	12,019
Accrued wages	-	-	-	21,006	35,681
Accrued vacation and leave	-	-	-	-	-
Unearned revenue	-	-	-	-	-
<b>Total liabilities</b>	<b>5,541</b>	<b>-</b>	<b>-</b>	<b>255,075</b>	<b>302,935</b>
<b>Deferred Inflows of Resources</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>175,192</b>	<b>512,099</b>
<b>Fund balances</b>					
Restricted	1,178,006	127,394	2,391,314	74,143	1,009,147
Committed	-	-	-	-	-
Unassigned	-	-	-	-	-
<b>Total fund balances (deficits)</b>	<b>1,178,006</b>	<b>127,394</b>	<b>2,391,314</b>	<b>74,143</b>	<b>1,009,147</b>
<b>Total liabilities, deferred inflows and fund balances</b>	<b>\$ 1,183,547</b>	<b>\$ 127,394</b>	<b>\$ 2,391,314</b>	<b>\$ 504,410</b>	<b>\$ 1,824,181</b>

City of Akron, Ohio  
Combining Balance Sheet - Non-Major Governmental Funds  
December 31, 2020

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<b>Special Revenue Funds</b>					
	<b>City Facilities Operating</b>	<b>Various Purpose Funding</b>	<b>Deposits</b>	<b>Police, Fire, and Road Activity</b>	<b>General Grants</b>
<b>Assets</b>					
Pooled cash and investments	\$ 104,927	\$ 20,385,038	\$ 1,799,657	\$ 10,587,062	\$ 49,277
Restricted cash and investments	-	-	-	-	-
Receivables, net of allowances for uncollectibles	-	37,154	2,601,638	2,240,263	-
Loans receivable	-	-	-	-	-
Due from other governments	-	49,213	-	-	-
Due from other funds	-	43,887	140,166	1,299,018	-
Due from others	-	-	-	-	-
Assets held for resale	-	-	-	-	-
<b>Total assets</b>	<b>\$ 104,927</b>	<b>\$ 20,515,292</b>	<b>\$ 4,541,461</b>	<b>\$ 14,126,343</b>	<b>\$ 49,277</b>
<b>Liabilities</b>					
Accounts payable	\$ 17,154	\$ 27,354	\$ -	\$ 25,795	\$ -
Deposits	-	-	659,978	-	-
Advances from other funds	-	10,000	-	-	-
Due to other governments	93,183	-	-	-	-
Due to other funds	-	-	142,111	33	179
Due to others	179,796	-	2,814,631	-	-
Accrued liabilities	-	-	-	-	-
Accrued wages	-	-	-	-	-
Accrued vacation and leave	-	-	-	-	-
Unearned revenue	-	7,355,368	-	-	-
<b>Total liabilities</b>	<b>290,133</b>	<b>7,392,722</b>	<b>3,616,720</b>	<b>25,828</b>	<b>179</b>
<b>Deferred Inflows of Resources</b>	<b>-</b>	<b>49,213</b>	<b>-</b>	<b>941,245</b>	<b>-</b>
<b>Fund balances</b>					
Restricted	-	12,997,532	924,741	13,159,270	49,098
Committed	-	75,825	-	-	-
Unassigned	(185,206)	-	-	-	-
<b>Total fund balances (deficits)</b>	<b>(185,206)</b>	<b>13,073,357</b>	<b>924,741</b>	<b>13,159,270</b>	<b>49,098</b>
<b>Total liabilities, deferred inflows and fund balances</b>	<b>\$ 104,927</b>	<b>\$ 20,515,292</b>	<b>\$ 4,541,461</b>	<b>\$ 14,126,343</b>	<b>\$ 49,277</b>



City of Akron, Ohio  
Combining Balance Sheet - Non-Major Governmental Funds  
December 31, 2020

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<b>Debt Service Funds</b>					
	<b>General Bond Payment</b>	<b>Debt Service Bond Payment</b>	<b>Special Assessment Bond Payment</b>	<b>Main Place Bond Payment</b>	<b>Downtown Hotel Bond Payment</b>
<b>Assets</b>					
Pooled cash and investments	\$ 60,248	\$ -	\$ -	\$ -	\$ -
Restricted cash and investments	-	392,507	39,080	-	-
Receivables, net of allowances for uncollectibles	2,343,109	-	-	-	-
Loans receivable	-	-	-	-	-
Due from other governments	-	-	-	-	-
Due from other funds	-	-	-	-	-
Due from others	-	-	-	-	-
Assets held for resale	-	-	-	-	-
<b>Total assets</b>	<b>\$ 2,403,357</b>	<b>\$ 392,507</b>	<b>\$ 39,080</b>	<b>\$ -</b>	<b>\$ -</b>
<b>Liabilities</b>					
Accounts payable	\$ 82	\$ -	\$ -	\$ -	\$ -
Deposits	-	-	-	-	-
Advances from other funds	-	-	-	-	-
Due to other governments	-	-	-	-	-
Due to other funds	364	-	-	-	-
Due to others	-	-	2,000	-	-
Accrued liabilities	3,217	-	-	-	-
Accrued wages	15,146	-	-	-	-
Accrued vacation and leave	-	-	-	-	-
Unearned revenue	-	-	-	-	-
<b>Total liabilities</b>	<b>18,809</b>	<b>-</b>	<b>2,000</b>	<b>-</b>	<b>-</b>
<b>Deferred Inflows of Resources</b>	<b>2,343,109</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Fund balances</b>					
Restricted	41,439	392,507	37,080	-	-
Committed	-	-	-	-	-
Unassigned	-	-	-	-	-
<b>Total fund balances (deficits)</b>	<b>41,439</b>	<b>392,507</b>	<b>37,080</b>	<b>-</b>	<b>-</b>
<b>Total liabilities, deferred inflows and fund balances</b>	<b>\$ 2,403,357</b>	<b>\$ 392,507</b>	<b>\$ 39,080</b>	<b>\$ -</b>	<b>\$ -</b>

City of Akron, Ohio  
Combining Balance Sheet - Non-Major Governmental Funds  
December 31, 2020

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	<b>Debt Service Funds</b>				
	<b>Non-Tax Revenue Bond Payment</b>	<b>Pension Obligation Refunding</b>	<b>JEDD Bond Payment</b>	<b>Income Tax Bond Payment</b>	<b>Taxable Revenue Bond Payment</b>
<b>Assets</b>					
Pooled cash and investments	\$ -	\$ -	\$ -	\$ -	\$ -
Restricted cash and investments	280,086	6	5,869	242,933	229
Receivables, net of allowances for uncollectibles	-	-	-	-	-
Loans receivable	-	-	-	-	-
Due from other governments	-	-	-	-	-
Due from other funds	-	-	-	-	-
Due from others	-	-	-	-	-
Assets held for resale	-	-	-	-	-
<b>Total assets</b>	<b>\$ 280,086</b>	<b>\$ 6</b>	<b>\$ 5,869</b>	<b>\$ 242,933</b>	<b>\$ 229</b>
<b>Liabilities</b>					
Accounts payable	\$ -	\$ -	\$ -	\$ 5,365	\$ -
Deposits	-	-	-	-	-
Advances from other funds	-	-	-	-	-
Due to other governments	-	-	-	-	-
Due to other funds	-	-	-	-	-
Due to others	-	-	-	-	-
Accrued liabilities	-	-	-	-	-
Accrued wages	-	-	-	-	-
Accrued vacation and leave	-	-	-	-	-
Unearned revenue	-	-	-	-	-
<b>Total liabilities</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>5,365</b>	<b>-</b>
<b>Deferred Inflows of Resources</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Fund balances</b>					
Restricted	280,086	6	5,869	237,568	229
Committed	-	-	-	-	-
Unassigned	-	-	-	-	-
<b>Total fund balances (deficits)</b>	<b>280,086</b>	<b>6</b>	<b>5,869</b>	<b>237,568</b>	<b>229</b>
<b>Total liabilities, deferred inflows and fund balances</b>	<b>\$ 280,086</b>	<b>\$ 6</b>	<b>\$ 5,869</b>	<b>\$ 242,933</b>	<b>\$ 229</b>

City of Akron, Ohio  
 Combining Balance Sheet - Non-Major Governmental Funds  
 December 31, 2020

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<b>Capital Project Funds</b>						
	<b>Information Technology and Improvements</b>	<b>Parks and Recreation</b>	<b>Public Facilities and Improvements</b>	<b>Public Parking</b>	<b>Economic Development</b>	<b>Total</b>
<b>Assets</b>						
Pooled cash and investments	\$ 456,303	\$ 595,840	\$ 107,796	\$ 558,822	\$ 423,510	\$ 60,856,902
Restricted cash and investments	-	-	-	-	-	3,479,416
Receivables, net of allowances for uncollectibles	-	-	-	-	-	38,712,211
Loans receivable	-	-	-	-	3,097,573	10,704,193
Due from other governments	-	-	492,500	-	-	3,617,865
Due from other funds	-	-	-	-	-	1,653,111
Due from others	-	-	-	-	-	216,806
Assets held for resale	-	-	-	-	7,919,423	7,919,423
<b>Total assets</b>	<b>\$ 456,303</b>	<b>\$ 595,840</b>	<b>\$ 600,296</b>	<b>\$ 558,822</b>	<b>\$ 11,440,506</b>	<b>\$ 127,159,927</b>
<b>Liabilities</b>						
Accounts payable	\$ 287,821	\$ 4,100	\$ 9,975	\$ 2,420	\$ 631,961	\$ 3,241,316
Deposits	-	-	-	-	-	659,978
Advances from other funds	-	-	-	-	-	695,000
Due to other governments	-	926	56,116	-	2,961,028	5,242,533
Due to other funds	233	354,753	1,166	1,735	77	3,293,820
Due to others	-	-	-	-	358,170	6,234,772
Accrued liabilities	-	1,682	42,484	-	25,416	469,868
Accrued wages	-	-	-	-	-	1,274,339
Accrued vacation and leave	-	-	-	-	-	160
Unearned revenue	-	-	-	-	-	7,355,368
<b>Total liabilities</b>	<b>288,054</b>	<b>361,461</b>	<b>109,741</b>	<b>4,155</b>	<b>3,976,652</b>	<b>28,467,154</b>
<b>Deferred Inflows of Resources</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2,435,000</b>	<b>44,203,355</b>
<b>Fund balances</b>						
Restricted	-	-	-	-	-	42,898,174
Committed	168,249	234,379	490,555	554,667	5,028,854	12,965,388
Unassigned	-	-	-	-	-	(1,374,144)
<b>Total fund balances (deficits)</b>	<b>168,249</b>	<b>234,379</b>	<b>490,555</b>	<b>554,667</b>	<b>5,028,854</b>	<b>54,489,418</b>
<b>Total liabilities, deferred inflows and fund balances</b>	<b>\$ 456,303</b>	<b>\$ 595,840</b>	<b>\$ 600,296</b>	<b>\$ 558,822</b>	<b>\$ 11,440,506</b>	<b>\$ 127,159,927</b>

City of Akron, Ohio  
 Combining Statement of Revenues, Expenditures, and Changes in Fund Balances - Non-Major Governmental Funds  
 For the Year Ended December 31, 2020

B-2

**Special Revenue Funds**

	<b>Income Tax Collection</b>	<b>Emergency Medical Service</b>	<b>Street and Highway Maintenance</b>	<b>Community Development</b>	<b>Community Environment Grants</b>
<b>Revenues</b>					
Income taxes	\$ 5,391,118	\$ -	\$ -	\$ -	\$ -
Property taxes	-	6,620,309	-	-	-
JEDD revenues	-	-	-	-	-
Grants and subsidies	-	-	-	6,919,542	888,590
Investment earnings	-	3,036	21,123	193,931	2,763
Shared revenues	-	958,053	10,427,430	-	-
Licenses, fees and fines	274,172	-	131,256	10,302	-
Charges for services	160,717	1,575,672	-	-	-
Miscellaneous	18,735	418,766	428,997	141,324	87
	<u>5,844,742</u>	<u>9,575,836</u>	<u>11,008,806</u>	<u>7,265,099</u>	<u>891,440</u>
<b>Expenditures</b>					
Current:					
General government	5,312,697	54,300	-	-	-
Public service	-	154	11,230,887	965,735	-
Public safety	-	16,218,503	-	29,136	-
Community environment	-	-	-	6,592,321	953,914
Public health	-	-	6,192	142	-
Recreation and parks	-	-	-	-	-
Debt service:					
Principal retirement	-	1,998	-	-	-
Interest	321	106	-	-	-
Bond issuance expenditures	-	-	-	-	-
	<u>5,313,018</u>	<u>16,275,061</u>	<u>11,237,079</u>	<u>7,587,334</u>	<u>953,914</u>
Excess (deficiency) of revenues over (under) expenditures	531,724	(6,699,225)	(228,273)	(322,235)	(62,474)
<b>Other financing sources (uses)</b>					
Issuance of bonds	-	-	-	-	-
Premium on debt	-	-	-	-	-
Issuance of refunding obligations	-	-	-	-	-
Payment to refunding agent	-	-	-	-	-
Transfers-in	-	7,518,900	-	-	-
	<u>-</u>	<u>7,518,900</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	531,724	819,675	(228,273)	(322,235)	(62,474)
Fund balances (deficit), January 1, 2020	1,399,842	533,873	2,597,320	(866,703)	304,908
Fund balances (deficit), December 31, 2020	<u>\$ 1,931,566</u>	<u>\$ 1,353,548</u>	<u>\$ 2,369,047</u>	<u>\$ (1,188,938)</u>	<u>\$ 242,434</u>

City of Akron, Ohio  
 Combining Statement of Revenues, Expenditures, and Changes in Fund Balances - Non-Major Governmental Funds  
 For the Year Ended December 31, 2020

B-2

<b>Special Revenue Funds</b>					
	<b>Akron Metro. Area Transportation Study</b>	<b>H.O.M.E. Program</b>	<b>Tax Equivalency</b>	<b>E.D.A. Revolving Loans</b>	<b>Joint Economic Development Districts</b>
<b>Revenues</b>					
Income taxes	\$ -	\$ -	\$ -	\$ -	\$ -
Property taxes	-	-	-	-	-
JEDD revenues	-	-	-	-	10,574,555
Grants and subsidies	1,557,770	1,383,131	-	-	-
Investment earnings	-	10,358	-	1,063	79,917
Shared revenues	-	-	16,976,897	-	-
Licenses, fees and fines	-	-	-	-	5,000
Charges for services	-	-	-	-	109,808
Miscellaneous	183,055	60,551	17,632	7,166	804,401
	<u>1,740,825</u>	<u>1,454,040</u>	<u>16,994,529</u>	<u>8,229</u>	<u>11,573,681</u>
<b>Expenditures</b>					
Current:					
General government	-	-	12,376	-	489,102
Public service	-	-	-	-	55,187
Public safety	-	-	-	-	-
Community environment	1,757,231	1,240,896	11,766,133	7,165	1,332,459
Public health	-	-	-	-	-
Recreation and parks	-	-	-	-	1,139,515
Debt service:					
Principal retirement	-	-	2,236,759	-	4,580,214
Interest	-	-	36,782	-	322,882
Bond issuance expenditures	-	-	-	-	-
	<u>1,757,231</u>	<u>1,240,896</u>	<u>14,052,050</u>	<u>7,165</u>	<u>7,919,359</u>
Excess (deficiency) of revenues over (under) expenditures	(16,406)	213,144	2,942,479	1,064	3,654,322
<b>Other financing sources (uses)</b>					
Issuance of bonds	-	-	-	-	-
Premium on debt	-	-	-	-	-
Issuance of refunding obligations	-	-	-	-	-
Payment to refunding agent	-	-	-	-	-
Transfers-in	-	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	(16,406)	213,144	2,942,479	1,064	3,654,322
Fund balances (deficit), January 1, 2020	441,026	687,368	3,470,380	10,846	(895,214)
Fund balances (deficit), December 31, 2020	<u>\$ 424,620</u>	<u>\$ 900,512</u>	<u>\$ 6,412,859</u>	<u>\$ 11,910</u>	<u>\$ 2,759,108</u>

City of Akron, Ohio  
 Combining Statement of Revenues, Expenditures, and Changes in Fund Balances - Non-Major Governmental Funds  
 For the Year Ended December 31, 2020

B-2

<b>Special Revenue Funds</b>					
	<b>Akron Muni. Court Information System</b>	<b>Canal Park Stadium COPs</b>	<b>Downtown District Heating COPs</b>	<b>Police Grants</b>	<b>Safety Programs</b>
<b>Revenues</b>					
Income taxes	\$ -	\$ -	\$ -	\$ -	\$ -
Property taxes	-	-	-	-	-
JEDD revenues	-	-	-	-	-
Grants and subsidies	-	-	-	927,567	31,784
Investment earnings	-	2,722	34,927	1,282	17,017
Shared revenues	-	-	-	-	552,251
Licenses, fees and fines	152,378	-	-	-	26,502
Charges for services	-	-	-	1,051	550,601
Miscellaneous	-	-	-	6,139	236,844
	<u>152,378</u>	<u>2,722</u>	<u>34,927</u>	<u>936,039</u>	<u>1,414,999</u>
<b>Expenditures</b>					
Current:					
General government	237,128	-	-	1,378	3,066
Public service	-	-	-	-	3,367
Public safety	-	-	-	971,599	2,347,344
Community environment	-	-	6,391,594	-	-
Public health	-	-	-	-	-
Recreation and parks	-	-	-	-	-
Debt service:					
Principal retirement	-	-	-	-	-
Interest	-	13,773	1,203	-	-
Bond issuance expenditures	-	-	-	-	-
	<u>237,128</u>	<u>13,773</u>	<u>6,392,797</u>	<u>972,977</u>	<u>2,353,777</u>
Excess (deficiency) of revenues over (under) expenditures	(84,750)	(11,051)	(6,357,870)	(36,938)	(938,778)
<b>Other financing sources (uses)</b>					
Issuance of bonds	-	-	-	-	-
Premium on debt	-	-	-	-	-
Issuance of refunding obligations	-	-	-	-	-
Payment to refunding agent	-	-	-	-	-
Transfers-in	-	-	-	258,383	88,472
	<u>-</u>	<u>-</u>	<u>-</u>	<u>258,383</u>	<u>88,472</u>
Net change in fund balances	(84,750)	(11,051)	(6,357,870)	221,445	(850,306)
Fund balances (deficit), January 1, 2020	<u>1,262,756</u>	<u>138,445</u>	<u>8,749,184</u>	<u>(147,302)</u>	<u>1,859,453</u>
Fund balances (deficit), December 31, 2020	<u>\$ 1,178,006</u>	<u>\$ 127,394</u>	<u>\$ 2,391,314</u>	<u>\$ 74,143</u>	<u>\$ 1,009,147</u>

City of Akron, Ohio  
 Combining Statement of Revenues, Expenditures, and Changes in Fund Balances - Non-Major Governmental Funds  
 For the Year Ended December 31, 2020

B-2

<b>Special Revenue Funds</b>					
	<b>City Facilities Operating</b>	<b>Various Purpose Funding</b>	<b>Deposits</b>	<b>Police, Fire, and Road Activity</b>	<b>General Grants</b>
<b>Revenues</b>					
Income taxes	\$ -	\$ -	\$ -	\$ 16,081,595	\$ -
Property taxes	-	-	-	-	-
JEDD revenues	960,972	-	-	-	-
Grants and subsidies	-	22,871,330	-	-	-
Investment earnings	-	61,566	15,820	-	-
Shared revenues	-	-	-	-	-
Licenses, fees and fines	592,129	1,088,377	5,668,379	-	49,277
Charges for services	-	102,881	140,166	-	-
Miscellaneous	288,180	163,245	2,238,747	6,008	-
	<u>1,841,281</u>	<u>24,287,399</u>	<u>8,063,112</u>	<u>16,087,603</u>	<u>49,277</u>
<b>Expenditures</b>					
Current:					
General government	37,133	849,550	8,900,889	33	179
Public service	5,504,715	-	-	398,825	-
Public safety	-	22,027,385	-	6,259,209	-
Community environment	501,681	89,836	-	-	-
Public health	-	-	-	-	-
Recreation and parks	4,140	342	-	-	-
Debt service:					
Principal retirement	-	-	-	-	-
Interest	44,516	-	-	351,376	-
Bond issuance expenditures	-	-	-	-	-
	<u>6,092,185</u>	<u>22,967,113</u>	<u>8,900,889</u>	<u>7,009,443</u>	<u>179</u>
Excess (deficiency) of revenues over (under) expenditures	(4,250,904)	1,320,286	(837,777)	9,078,160	49,098
<b>Other financing sources (uses)</b>					
Issuance of bonds	5,000,000	-	-	-	-
Premium on debt	-	-	-	-	-
Issuance of refunding obligations	-	-	-	-	-
Payment to refunding agent	-	-	-	-	-
Transfers-in	-	-	-	-	-
	<u>5,000,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	749,096	1,320,286	(837,777)	9,078,160	49,098
Fund balances (deficit), January 1, 2020	(934,302)	11,753,071	1,762,518	4,081,110	-
Fund balances (deficit), December 31, 2020	<u>\$ (185,206)</u>	<u>\$ 13,073,357</u>	<u>\$ 924,741</u>	<u>\$ 13,159,270</u>	<u>\$ 49,098</u>

City of Akron, Ohio  
 Combining Statement of Revenues, Expenditures, and Changes in Fund Balances - Non-Major Governmental Funds  
 For the Year Ended December 31, 2020

B-2

<b>Debt Service Funds</b>					
	<b>General Bond Payment</b>	<b>Debt Service Bond Payment</b>	<b>Special Assessment Bond Payment</b>	<b>Main Place Bond Payment</b>	<b>Downtown Hotel Bond Payment</b>
<b>Revenues</b>					
Income taxes	\$ -	\$ -	\$ -	\$ -	\$ -
Property taxes	1,362,427	-	-	-	-
JEDD revenues	-	-	-	-	-
Grants and subsidies	-	-	-	-	-
Investment earnings	-	15	66	-	-
Shared revenues	71,357	-	-	-	-
Licenses, fees and fines	-	-	-	-	-
Charges for services	-	-	-	-	-
Miscellaneous	6,491	13,421	-	-	-
	<u>1,440,275</u>	<u>13,436</u>	<u>66</u>	<u>-</u>	<u>-</u>
<b>Expenditures</b>					
Current:					
General government	128,647	14,503	-	21	4
Public service	-	-	-	-	-
Public safety	-	-	-	-	-
Community environment	-	-	-	-	-
Public health	-	-	-	-	-
Recreation and parks	-	-	-	-	-
Debt service:					
Principal retirement	1,204,539	-	-	-	-
Interest	250,650	-	-	-	-
Bond issuance expenditures	-	-	-	-	-
	<u>1,583,836</u>	<u>14,503</u>	<u>-</u>	<u>21</u>	<u>4</u>
Excess (deficiency) of revenues over (under) expenditures	(143,561)	(1,067)	66	(21)	(4)
<b>Other financing sources (uses)</b>					
Issuance of bonds	-	-	-	-	-
Premium on debt	-	-	-	-	-
Issuance of refunding obligations	-	-	-	-	-
Payment to refunding agent	-	-	-	-	-
Transfers-in	-	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	(143,561)	(1,067)	66	(21)	(4)
Fund balances (deficit), January 1, 2020	185,000	393,574	37,014	21	4
Fund balances (deficit), December 31, 2020	<u>\$ 41,439</u>	<u>\$ 392,507</u>	<u>\$ 37,080</u>	<u>\$ -</u>	<u>\$ -</u>



City of Akron, Ohio  
 Combining Statement of Revenues, Expenditures, and Changes in Fund Balances - Non-Major Governmental Funds  
 For the Year Ended December 31, 2020

B-2

<b>Debt Service Funds</b>					
	<b>Non-Tax Revenue Bond Payment</b>	<b>Pension Obligation Refunding</b>	<b>JEDD Bond Payment</b>	<b>Income Tax Bond Payment</b>	<b>Taxable Revenue Bond Payment</b>
<b>Revenues</b>					
Income taxes	\$ -	\$ -	\$ -	\$ -	\$ -
Property taxes	-	-	-	-	-
JEDD revenues	-	-	-	-	-
Grants and subsidies	-	-	-	-	-
Investment earnings	46	30	159	-	445
Shared revenues	-	-	-	-	-
Licenses, fees and fines	-	-	-	-	-
Charges for services	-	-	-	-	-
Miscellaneous	-	-	-	1,531,800	-
	<u>46</u>	<u>30</u>	<u>159</u>	<u>1,531,800</u>	<u>445</u>
<b>Expenditures</b>					
Current:					
General government	-	-	-	-	-
Public service	-	-	-	-	-
Public safety	-	-	-	-	-
Community environment	-	-	-	1,500,000	-
Public health	-	-	-	-	-
Recreation and parks	-	-	-	-	-
Debt service:					
Principal retirement	-	-	-	-	-
Interest	-	387	2,382	2,412,888	45,082
Bond issuance expenditures	-	-	-	160,018	-
	<u>-</u>	<u>387</u>	<u>2,382</u>	<u>4,072,906</u>	<u>45,082</u>
Excess (deficiency) of revenues over (under) expenditures	46	(357)	(2,223)	(2,541,106)	(44,637)
<b>Other financing sources (uses)</b>					
Issuance of bonds	-	-	-	-	-
Premium on debt	-	-	-	1,358,072	-
Issuance of refunding obligations	-	-	-	12,030,000	-
Payment to refunding agent	-	-	-	(10,805,000)	-
Transfers-in	-	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,583,072</u>	<u>-</u>
Net change in fund balances	46	(357)	(2,223)	41,966	(44,637)
Fund balances (deficit), January 1, 2020	<u>280,040</u>	<u>363</u>	<u>8,092</u>	<u>195,602</u>	<u>44,866</u>
Fund balances (deficit), December 31, 2020	<u>\$ 280,086</u>	<u>\$ 6</u>	<u>\$ 5,869</u>	<u>\$ 237,568</u>	<u>\$ 229</u>

City of Akron, Ohio  
 Combining Statement of Revenues, Expenditures, and Changes in Fund Balances - Non-Major Governmental Funds  
 For the Year Ended December 31, 2020

B-2

<b>Capital Projects Funds</b>						
	<b>Information Technology and Improvements</b>	<b>Parks and Recreation</b>	<b>Public Facilities and Improvements</b>	<b>Public Parking</b>	<b>Economic Development</b>	<b>Total</b>
<b>Revenues</b>						
Income taxes	\$ -	\$ -	\$ 492,500	\$ -	\$ -	\$ 21,965,213
Property taxes	-	-	-	-	-	7,982,736
JEDD revenues	-	-	-	-	-	11,535,527
Grants and subsidies	-	-	-	-	33,227	34,612,941
Investment earnings	-	-	-	-	15,117	461,403
Shared revenues	-	-	-	-	-	28,985,988
Licenses, fees and fines	-	-	-	-	-	7,997,772
Charges for services	-	-	-	-	-	2,640,896
Miscellaneous	-	-	-	-	3,205,880	9,777,469
	-	-	492,500	-	3,254,224	125,959,945
<b>Expenditures</b>						
Current:						
General government	63,619	387,216	633,596	-	56,493	17,181,930
Public service	2,300,434	254,443	718,010	423,555	445,383	22,300,695
Public safety	-	-	415,960	-	197,034	48,466,170
Community environment	-	305,163	20,701	-	776,078	33,235,172
Public health	-	-	-	-	-	6,334
Recreation and parks	-	213,892	57,232	-	-	1,415,121
Debt service:						
Principal retirement	-	-	-	-	-	8,023,510
Interest	-	-	-	-	205,294	3,687,642
Bond issuance expenditures	-	-	-	-	-	160,018
	2,364,053	1,160,714	1,845,499	423,555	1,680,282	134,476,592
Excess (deficiency) of revenues over (under) expenditures	(2,364,053)	(1,160,714)	(1,352,999)	(423,555)	1,573,942	(8,516,647)
<b>Other financing sources (uses)</b>						
Issuance of bonds	2,500,000	500,000	649,999	-	750,001	9,400,000
Premium on debt	-	-	-	-	-	1,358,072
Issuance of refunding obligations	-	-	-	-	-	12,030,000
Payment to refunding agent	-	-	-	-	-	(10,805,000)
Transfers-in	-	-	-	-	-	7,865,755
	2,500,000	500,000	649,999	-	750,001	19,848,827
Net change in fund balances	135,947	(660,714)	(703,000)	(423,555)	2,323,943	11,332,180
Fund balances (deficit), January 1, 2020	32,302	895,093	1,193,555	978,222	2,704,911	43,157,238
Fund balances (deficit), December 31, 2020	\$ 168,249	\$ 234,379	\$ 490,555	\$ 554,667	\$ 5,028,854	\$ 54,489,418

## City of Akron, Ohio

Schedule of Revenues, Expenditures and  
Changes in Fund Balance - Budget and Actual -  
Income Tax Collection Fund, Non-GAAP Budget Basis

For the Year Ended December 31, 2020

	<u>Budgeted Amounts (Unaudited)</u>		
	<u>Original</u>	<u>Final</u>	<u>Actual Amounts</u>
<b>Revenues and other sources</b>			
Revenues:			
Income taxes	\$ 8,835,190	\$ 8,835,190	\$ 5,137,479
Miscellaneous revenues	305,810	305,810	459,940
	<u>9,141,000</u>	<u>9,141,000</u>	<u>5,597,419</u>
Other sources:			
Previous year's encumbrances	92,577	92,577	92,577
	<u>9,233,577</u>	<u>9,233,577</u>	<u>5,689,996</u>
Total revenues and other sources	9,233,577	9,233,577	5,689,996
<b>Expenditures</b>			
Finance:			
Wages/benefits	1,785,500	1,785,500	1,627,681
Other	4,818,097	4,818,097	4,078,931
	<u>6,603,597</u>	<u>6,603,597</u>	<u>5,706,612</u>
Total expenditures	6,603,597	6,603,597	5,706,612
Excess (deficiency) of revenues and other sources over expenditures	2,629,980	2,629,980	(16,616)
Fund balance, January 1, 2020	<u>4,211,582</u>	<u>4,211,582</u>	<u>4,211,582</u>
Fund balance, December 31, 2020	<u>\$ 6,841,562</u>	<u>\$ 6,841,562</u>	<u>\$ 4,194,966</u>

## City of Akron, Ohio

Schedule of Revenues, Expenditures and  
Changes in Fund Balance - Budget and Actual -  
Emergency Medical Services Fund, Non-GAAP Budget Basis

For the Year Ended December 31, 2020

	<u>Budgeted Amounts (Unaudited)</u>		
	<u>Original</u>	<u>Final</u>	<u>Actual Amounts</u>
<b>Revenues and other sources</b>			
Revenues:			
Property taxes	\$ 7,770,849	\$ 7,440,139	\$ 7,562,706
Transport billing	2,436,430	2,436,440	1,501,798
Other revenue	351,440	351,430	381,751
	<u>10,558,719</u>	<u>10,228,009</u>	<u>9,446,255</u>
Other sources:			
General fund subsidy	10,200,000	10,200,000	7,518,900
Previous year's encumbrances	88,184	88,184	88,184
	<u>10,288,184</u>	<u>10,288,184</u>	<u>7,607,084</u>
Total revenues and other sources	20,846,903	20,516,193	17,053,339
<b>Expenditures</b>			
Fire:			
Wages/benefits	19,635,020	16,135,020	15,122,593
Other	1,808,434	1,808,434	1,623,470
	<u>21,443,454</u>	<u>17,943,454</u>	<u>16,746,063</u>
Total expenditures	21,443,454	17,943,454	16,746,063
Excess (deficiency) of revenues and other sources over expenditures	(596,551)	2,572,739	307,276
Fund balance, January 1, 2020	<u>711,599</u>	<u>711,599</u>	<u>711,599</u>
Fund balance, December 31, 2020	<u>\$ 115,048</u>	<u>\$ 3,284,338</u>	<u>\$ 1,018,875</u>

Note: Included in in General fund subsidy above is transfers in of \$7,518,900.

City of Akron, Ohio  
 Schedule of Revenues, Expenditures and  
 Changes in Fund Balance - Budget and Actual -  
 Police Pension Employer's Liability Fund, Non-GAAP Budget Basis

For the Year Ended December 31, 2020

	<u>Budgeted Amounts (Unaudited)</u>		
	<u>Original</u>	<u>Final</u>	<u>Actual Amounts</u>
<b>Revenues</b>			
Property taxes	\$ 832,590	\$ 797,158	\$ 797,207
Total revenues	832,590	797,158	797,207
<b>Expenditures</b>			
Police:			
Wages/benefits	472,350	468,300	-
Other	377,650	377,650	366,958
Total expenditures	850,000	845,950	366,958
Excess (deficiency) of revenues over expenditures	(17,410)	(48,792)	430,249
Fund balance, January 1, 2020	48,834	48,834	48,834
Fund balance, December 31, 2020	\$ 31,424	\$ 42	\$ 479,083

City of Akron, Ohio  
 Schedule of Revenues, Expenditures and  
 Changes in Fund Balance - Budget and Actual -  
 Fire Pension Employer's Liability Fund, Non-GAAP Budget Basis  
 For the Year Ended December 31, 2020

	<u>Budgeted Amounts (Unaudited)</u>		
	<u>Original</u>	<u>Final</u>	<u>Actual Amounts</u>
<b>Revenues</b>			
Property taxes	\$ 832,590	\$ 797,158	\$ 797,207
Total revenues	832,590	797,158	797,207
<b>Expenditures</b>			
Fire:			
Wages/benefits	472,350	468,300	-
Other	377,650	377,650	366,958
Total expenditures	850,000	845,950	366,958
Excess (deficiency) of revenues over expenditures	(17,410)	(48,792)	430,249
Fund balance, January 1, 2020	48,834	48,834	48,834
Fund balance, December 31, 2020	<u>\$ 31,424</u>	<u>\$ 42</u>	<u>\$ 479,083</u>

City of Akron, Ohio  
 Schedule of Revenues, Expenditures and  
 Changes in Fund Balance - Budget and Actual -  
 Street and Highway Maintenance Fund, Non-GAAP Budget Basis  
 For the Year Ended December 31, 2020

	<b>Budgeted Amounts (Unaudited)</b>		
	<b>Original</b>	<b>Final</b>	<b>Actual Amounts</b>
<b>Revenues and other sources</b>			
Revenues:			
Gasoline tax	\$ 13,696,850	\$ 13,696,840	\$ 7,723,197
Motor vehicle license tax	3,649,090	3,649,090	2,346,182
Service revenues	460	460	295,350
Miscellaneous revenues	379,600	379,610	587,340
	<u>17,726,000</u>	<u>17,726,000</u>	<u>10,952,069</u>
Other sources:			
Previous year's encumbrances	223,162	223,162	223,162
	<u>223,162</u>	<u>223,162</u>	<u>223,162</u>
Total revenues and other sources	17,949,162	17,949,162	11,175,231
<b>Expenditures</b>			
Public Service:			
Wages/benefits	7,048,860	7,048,860	6,542,560
Other	5,010,452	4,010,452	3,106,818
Capital Outlay	61,100	1,061,100	1,021,582
	<u>12,120,412</u>	<u>12,120,412</u>	<u>10,670,960</u>
Total expenditures	12,120,412	12,120,412	10,670,960
Excess of revenues and other sources over expenditures	5,828,750	5,828,750	504,271
Fund balance, January 1, 2020	<u>1,663,067</u>	<u>1,663,067</u>	<u>1,663,067</u>
Fund balance, December 31, 2020	<u>\$ 7,491,817</u>	<u>\$ 7,491,817</u>	<u>\$ 2,167,338</u>

City of Akron, Ohio  
 Schedule of Revenues, Expenditures and  
 Changes in Fund Balance - Budget and Actual -  
 Community Development Fund, Non-GAAP Budget Basis  
 For the Year Ended December 31, 2020

	<u>Budgeted Amounts (Unaudited)</u>		
	<u>Original</u>	<u>Final</u>	<u>Actual Amounts</u>
<b>Revenues and other sources</b>			
Revenues:			
Governmental revenues	\$ 10,822,040	\$ 11,774,740	\$ 6,979,101
Service revenues	26,280	28,600	42,313
Miscellaneous revenues	522,680	568,690	819,096
	<u>11,371,000</u>	<u>12,372,030</u>	<u>7,840,510</u>
Other sources:			
Previous year's encumbrances	178,068	178,068	178,068
	<u>11,549,068</u>	<u>12,550,098</u>	<u>8,018,578</u>
Total revenues and other sources			
<b>Expenditures</b>			
Department Wide:			
Wages/benefits	1,966,860	1,973,850	1,863,219
Other	6,242,168	6,742,178	5,658,111
Capital Outlay	-	595,000	593,813
	<u>8,209,028</u>	<u>9,311,028</u>	<u>8,115,143</u>
Total expenditures			
Excess (deficiency) of revenues and other sources over expenditures	3,340,040	3,239,070	(96,565)
Fund balance, January 1, 2020	<u>1,093,101</u>	<u>1,093,101</u>	<u>1,093,101</u>
Fund balance, December 31, 2020	<u>\$ 4,433,141</u>	<u>\$ 4,332,171</u>	<u>\$ 996,536</u>

Note: Included in Miscellaneous revenues above is advances of \$250,000.



City of Akron, Ohio  
 Schedule of Revenues, Expenditures and  
 Changes in Fund Balance - Budget and Actual -  
 Community Environment Grants Fund, Non-GAAP Budget Basis  
 For the Year Ended December 31, 2020

	<b>Budgeted Amounts (Unaudited)</b>		
	<b>Original</b>	<b>Final</b>	<b>Actual Amounts</b>
<b>Revenues and other sources</b>			
Governmental revenues	\$ 1,599,020	\$ 1,599,020	\$ 888,588
Miscellaneous revenues	228,980	228,980	3,628
	<u>1,828,000</u>	<u>1,828,000</u>	<u>892,216</u>
Other Sources:			
Previous year's encumbrances	14,113	14,113	14,113
Total revenues and other sources	1,842,113	1,842,113	906,329
<b>Expenditures</b>			
Department Wide:			
Wages/benefits	6,100	16,100	15,556
Other	1,199,113	1,189,113	917,641
Total expenditures	1,205,213	1,205,213	933,197
Excess (deficiency) of revenues and other sources over expenditures	636,900	636,900	(26,868)
Fund balance, January 1, 2020	258,688	258,688	258,688
Fund balance, December 31, 2020	<u>\$ 895,588</u>	<u>\$ 895,588</u>	<u>\$ 231,820</u>

City of Akron, Ohio  
 Schedule of Revenues, Expenditures and  
 Changes in Fund Balance - Budget and Actual -  
 Akron Metropolitan Area Transportation Study Fund, Non-GAAP Budget Basis  
 For the Year Ended December 31, 2020

	<b>Budgeted Amounts (Unaudited)</b>		
	<b>Original</b>	<b>Final</b>	<b>Actual Amounts</b>
<b>Revenues and other sources</b>			
Revenues:			
Federal/State grants	\$ 1,991,370	\$ 1,991,370	\$ 1,611,349
Service revenues	13,990	13,990	450
Miscellaneous revenues	25,640	25,640	14,644
	<u>2,031,000</u>	<u>2,031,000</u>	<u>1,626,443</u>
Other sources:			
Previous year's encumbrances	2,456	2,456	2,456
	<u>2,033,456</u>	<u>2,033,456</u>	<u>1,628,899</u>
Total revenues and other sources	2,033,456	2,033,456	1,628,899
<b>Expenditures</b>			
Planning:			
Wages/benefits	1,302,061	1,302,060	1,275,368
Other	542,325	542,326	412,335
	<u>1,844,386</u>	<u>1,844,386</u>	<u>1,687,703</u>
Total expenditures	1,844,386	1,844,386	1,687,703
Excess (deficiency) of revenues and other sources over expenditures	189,070	189,070	(58,804)
Fund balance, January 1, 2020	<u>381,952</u>	<u>381,952</u>	<u>381,952</u>
Fund balance, December 31, 2020	<u>\$ 571,022</u>	<u>\$ 571,022</u>	<u>\$ 323,148</u>

## City of Akron, Ohio

Schedule of Revenues, Expenditures and  
Changes in Fund Balance - Budget and Actual -  
H.O.M.E. Program Fund, Non-GAAP Budget Basis

For the Year Ended December 31, 2020

	<u>Budgeted Amounts (Unaudited)</u>		
	<u>Original</u>	<u>Final</u>	<u>Actual Amounts</u>
<b>Revenues and other sources</b>			
Governmental revenues	\$ 2,010,540	\$ 2,010,540	\$ 1,383,130
Miscellaneous revenues	70,460	70,460	99,912
	<u>2,081,000</u>	<u>2,081,000</u>	<u>1,483,042</u>
Other sources:			
Previous year's encumbrances	217	217	217
Total revenues and other sources	2,081,217	2,081,217	1,483,259
<b>Expenditures</b>			
Department Wide:			
Wages/Benefits	7,000	9,000	8,346
Other	2,000,217	2,000,217	1,614,917
	<u>2,007,217</u>	<u>2,009,217</u>	<u>1,623,263</u>
Total expenditures	2,007,217	2,009,217	1,623,263
Excess (deficiency) of revenues and other sources over expenditures	74,000	72,000	(140,004)
Fund balance, January 1, 2020	<u>872,745</u>	<u>872,745</u>	<u>872,745</u>
Fund balance, December 31, 2020	<u>\$ 946,745</u>	<u>\$ 944,745</u>	<u>\$ 732,741</u>

## City of Akron, Ohio

Schedule of Revenues, Expenditures and  
Changes in Fund Balance - Budget and Actual -  
Tax Equivalency Fund, Non-GAAP Budget Basis

For the Year Ended December 31, 2020

	<u>Budgeted Amounts (Unaudited)</u>		
	<u>Original</u>	<u>Final</u>	<u>Actual Amounts</u>
<b>Revenues and other sources</b>			
Revenues:			
Taxes and assessments	\$ 17,845,690	\$ 17,845,690	\$ 16,972,926
Miscellaneous revenues	17,310	17,310	17,636
	<u>17,863,000</u>	<u>17,863,000</u>	<u>16,990,562</u>
Other sources:			
Previous year's encumbrances	10	10	10
Total revenues and other sources	17,863,010	17,863,010	16,990,572
<b>Expenditures</b>			
Department Wide:			
Other	16,334,740	18,534,740	14,759,780
Total expenditures	16,334,740	18,534,740	14,759,780
Excess (deficiency) of revenues and other sources over expenditures	1,528,270	(671,730)	2,230,792
Fund balance, January 1, 2020	<u>5,338,813</u>	<u>5,338,813</u>	<u>5,338,813</u>
Fund balance, December 31, 2020	<u>\$ 6,867,083</u>	<u>\$ 4,667,083</u>	<u>\$ 7,569,605</u>

## City of Akron, Ohio

Schedule of Revenues, Expenditures and  
Changes in Fund Balance - Budget and Actual -  
Special Revenue Loans Fund, Non-GAAP Budget Basis

For the Year Ended December 31, 2020

	<u>Budgeted Amounts (Unaudited)</u>		
	<u>Original</u>	<u>Final</u>	<u>Actual Amounts</u>
<b>Revenues</b>			
Miscellaneous revenues	\$ 54,000	\$ 54,000	\$ 12,725
Total revenues	54,000	54,000	12,725
<b>Expenditures</b>			
Office of the Mayor:			
Other	10,000	10,000	7,166
Total expenditures	10,000	10,000	7,166
Excess of revenues over expenditures	44,000	44,000	5,559
Fund balance, January 1, 2020	6,351	6,351	6,351
Fund balance, December 31, 2020	<u>\$ 50,351</u>	<u>\$ 50,351</u>	<u>\$ 11,910</u>

## City of Akron, Ohio

Schedule of Revenues, Expenditures and  
Changes in Fund Balance - Budget and Actual -  
Joint Economic Development Districts Fund, Non-GAAP Budget Basis

For the Year Ended December 31, 2020

	<b>Budgeted Amounts (Unaudited)</b>		
	<b>Original</b>	<b>Final</b>	<b>Actual Amounts</b>
<b>Revenues and other sources</b>			
Revenues:			
JEDD revenues	\$ 20,880,990	\$ 20,880,990	\$ 16,469,662
Service revenues	1,198,770	1,198,770	1,454,611
Miscellaneous revenues	978,240	978,240	1,004,047
	<u>23,058,000</u>	<u>23,058,000</u>	<u>18,928,320</u>
Other sources:			
Previous year's encumbrances	164,352	164,352	164,352
	<u>164,352</u>	<u>164,352</u>	<u>164,352</u>
Total revenues and other sources	23,222,352	23,222,352	19,092,672
<b>Expenditures</b>			
Department Wide:			
Wages/benefits	688,430	588,430	527,534
Other	17,238,092	18,468,092	17,258,660
	<u>17,926,522</u>	<u>19,056,522</u>	<u>17,786,194</u>
Total expenditures	17,926,522	19,056,522	17,786,194
Excess of revenues and other sources over expenditures	5,295,830	4,165,830	1,306,478
Fund balance, January 1, 2020	<u>2,333,811</u>	<u>2,333,811</u>	<u>2,333,811</u>
Fund balance, December 31, 2020	<u>\$ 7,629,641</u>	<u>\$ 6,499,641</u>	<u>\$ 3,640,289</u>

City of Akron, Ohio  
 Schedule of Revenues, Expenditures and  
 Changes in Fund Balance - Budget and Actual -  
 Akron Municipal Court Information System Fund, Non-GAAP Budget Basis  
 For the Year Ended December 31, 2020

	<u>Budgeted Amounts (Unaudited)</u>		
	<u>Original</u>	<u>Final</u>	<u>Actual Amounts</u>
<b>Revenues and other sources</b>			
Revenues:			
Service revenues	\$ 386,000	\$ 486,000	\$ 163,079
Other sources:			
Previous year's encumbrances	81,699	81,699	81,699
Total revenues and other sources	467,699	567,699	244,778
<b>Expenditures</b>			
Court Clerk:			
Other	365,585	615,585	243,207
Judges:			
Other	678,764	778,764	309,207
Total expenditures	1,044,349	1,394,349	552,414
Deficiency of revenues and other sources over expenditures	(576,650)	(826,650)	(307,636)
Fund balance, January 1, 2020	1,213,075	1,213,075	1,213,075
Fund balance, December 31, 2020	\$ 636,425	\$ 386,425	\$ 905,439

## City of Akron, Ohio

Schedule of Revenues, Expenditures and  
Changes in Fund Balance - Budget and Actual -  
Police Grants Fund, Non-GAAP Budget Basis

For the Year Ended December 31, 2020

	<b>Budgeted Amounts (Unaudited)</b>		
	<b>Original</b>	<b>Final</b>	<b>Actual Amounts</b>
<b>Revenues and other sources</b>			
Revenues:			
Governmental revenues	\$ 6,453,830	\$ 6,632,990	\$ 842,083
Miscellaneous revenues	658,840	677,120	192,901
	<u>7,112,670</u>	<u>7,310,110</u>	<u>1,034,984</u>
Other sources:			
General fund subsidy	92,330	94,890	258,383
Previous year's encumbrances	57,909	57,909	57,909
	<u>150,239</u>	<u>152,799</u>	<u>316,292</u>
Total revenues and other sources	7,262,909	7,462,909	1,351,276
<b>Expenditures</b>			
Police:			
Wages/benefits	460,550	752,180	440,080
Other	875,539	1,934,209	920,614
	<u>1,336,089</u>	<u>2,686,389</u>	<u>1,360,694</u>
Total expenditures	1,336,089	2,686,389	1,360,694
Excess (deficiency) of revenues and other sources over expenditures	5,926,820	4,776,520	(9,418)
Fund balance, January 1, 2020	<u>184,365</u>	<u>184,365</u>	<u>184,365</u>
Fund balance, December 31, 2020	<u>\$ 6,111,185</u>	<u>\$ 4,960,885</u>	<u>\$ 174,947</u>

Note: Included in Miscellaneous revenues above is advances of \$185,000 and Included in General fund subsidy above are transfers in of \$258,383.



## City of Akron, Ohio

Schedule of Revenues, Expenditures and  
Changes in Fund Balance - Budget and Actual -  
Safety Programs Fund, Non-GAAP Budget Basis

For the Year Ended December 31, 2020

	<b>Budgeted Amounts (Unaudited)</b>		
	<b>Original</b>	<b>Final</b>	<b>Actual Amounts</b>
<b>Revenues and other sources</b>			
Revenues:			
Governmental revenues	\$ 7,855,160	\$ 7,926,230	\$ 684,339
Income Taxes	1,060,460	1,070,060	-
Service revenues	4,223,920	4,262,140	874,624
Miscellaneous revenues	685,960	692,170	548,008
	<u>13,825,500</u>	<u>13,950,600</u>	<u>2,106,971</u>
Other sources:			
Previous year's encumbrances	63,298	63,298	63,298
	<u>63,298</u>	<u>63,298</u>	<u>63,298</u>
Total revenues and other sources	13,888,798	14,013,898	2,170,269
<b>Expenditures</b>			
Public Safety:			
Wages/benefits	478,210	478,210	472,030
Other	59,200	59,200	3,680
Capital outlay	200,000	200,000	-
	<u>737,410</u>	<u>737,410</u>	<u>475,710</u>
Public Service:			
Other	350	30,350	16,699
	<u>350</u>	<u>30,350</u>	<u>16,699</u>
Fire:			
Wages/benefits	-	798,121	-
Other	697,121	-	640,999
	<u>697,121</u>	<u>798,121</u>	<u>640,999</u>
Police:			
Wages/benefits	1,305,640	1,305,640	910,098
Other	1,831,147	1,750,147	642,123
	<u>3,136,787</u>	<u>3,055,787</u>	<u>1,552,221</u>
Total expenditures	4,571,668	4,621,668	2,685,629
Excess (deficiency) of revenues and other sources over expenditures	9,317,130	9,392,230	(515,360)
Fund balance, January 1, 2020	<u>1,897,400</u>	<u>1,897,400</u>	<u>1,897,400</u>
Fund balance, December 31, 2020	<u>\$ 11,214,530</u>	<u>\$ 11,289,630</u>	<u>\$ 1,382,040</u>

Note: Included in Miscellaneous revenues above is advances of \$250,000 and Included in General fund subsidy above are transfers in of \$88,472.

City of Akron, Ohio  
 Schedule of Revenues, Expenditures and  
 Changes in Fund Balance - Budget and Actual -  
 City Facilities Operating Fund, Non-GAAP Budget Basis  
 For the Year Ended December 31, 2020

	<b>Budgeted Amounts (Unaudited)</b>		
	<b>Original</b>	<b>Final</b>	<b>Actual Amounts</b>
<b>Revenues and other sources</b>			
Revenues:			
Intergovernmental revenues	\$ 3,512,940	\$ 6,304,970	\$ -
Service revenues	1,899,060	3,408,410	593,035
Taxes and assessments	-	-	960,972
Miscellaneous revenues	879,000	1,577,620	673,863
	<u>6,291,000</u>	<u>11,291,000</u>	<u>2,227,870</u>
Other sources:			
General fund subsidy	-	-	5,000,000
Previous year's encumbrances	28,340	28,340	28,340
	<u>28,340</u>	<u>28,340</u>	<u>5,028,340</u>
Total revenues and other sources	6,319,340	11,319,340	7,256,210
<b>Expenditures</b>			
Department Wide:			
Other	2,317,010	7,462,010	7,380,125
Total expenditures	2,317,010	7,462,010	7,380,125
Excess (deficiency) of revenues and other sources over expenditures	4,002,330	3,857,330	(123,915)
Fund balance, January 1, 2020	228,504	228,504	228,504
Fund balance, December 31, 2020	<u>\$ 4,230,834</u>	<u>\$ 4,085,834</u>	<u>\$ 104,589</u>

City of Akron, Ohio  
 Schedule of Revenues, Expenditures and  
 Changes in Fund Balance - Budget and Actual -  
 Various Purpose Funding Fund, Non-GAAP Budget Basis

For the Year Ended December 31, 2020

	<b>Budgeted Amounts (Unaudited)</b>		
	<b>Original</b>	<b>Final</b>	<b>Actual Amounts</b>
<b>Revenues and other sources</b>			
Revenues:			
Income taxes	\$ 48,740	\$ 422,200	\$ -
Intergovernmental revenues	1,083,840	9,387,920	30,298,359
Service revenues	2,815,320	24,385,610	1,274,011
Miscellaneous revenues	55,100	477,280	163,255
	<u>4,003,000</u>	<u>34,673,010</u>	<u>31,735,625</u>
Other sources:			
Previous year's encumbrances	49,397	49,397	49,397
	<u>49,397</u>	<u>49,397</u>	<u>49,397</u>
Total revenues and other sources	4,052,397	34,722,407	31,785,022
<b>Expenditures</b>			
Department Wide:			
Wages/benefits	75,000	29,385,940	22,030,202
Other	4,161,477	4,534,537	1,218,640
	<u>4,236,477</u>	<u>33,920,477</u>	<u>23,248,842</u>
Total expenditures	4,236,477	33,920,477	23,248,842
Excess (deficiency) of revenues and other sources over expenditures	(184,080)	801,930	8,536,180
Fund balance, January 1, 2020	<u>11,629,231</u>	<u>11,629,231</u>	<u>11,629,231</u>
Fund balance, December 31, 2020	<u>\$ 11,445,151</u>	<u>\$ 12,431,161</u>	<u>\$ 20,165,411</u>

Note: Included in Miscellaneous revenues above is advances of \$10,000

City of Akron, Ohio

Schedule of Revenues, Expenditures and  
Changes in Fund Balance - Budget and Actual -  
Deposits Fund, Non-GAAP Budget Basis

For the Year Ended December 31, 2020

	<b>Budgeted Amounts (Unaudited)</b>		
	<b>Original</b>	<b>Final</b>	<b>Actual Amounts</b>
<b>Revenues</b>			
Miscellaneous revenues	\$ 1,325,000	\$ 1,325,000	\$ 2,230,520
Total revenues	1,325,000	1,325,000	2,230,520
<b>Expenditures</b>			
Finance:			
Other	1,525,000	1,525,000	472,016
Total expenditures	1,525,000	1,525,000	472,016
Excess (deficiency) of revenues over expenditures	(200,000)	(200,000)	1,758,504
Fund balance, January 1, 2020	1,235,505	1,235,505	1,235,505
Fund balance, December 31, 2020	\$ 1,035,505	\$ 1,035,505	\$ 2,994,009

City of Akron, Ohio  
 Schedule of Revenues, Expenditures and  
 Changes in Fund Balance - Budget and Actual -  
 Police, Fire, and Road Activity Fund, Non-GAAP Budget Basis  
 For the Year Ended December 31, 2020

	<u>Budgeted Amounts (Unaudited)</u>		
	<u>Original</u>	<u>Final</u>	<u>Actual Amounts</u>
<b>Revenues and other sources</b>			
Revenues:			
Income Taxes	\$ 17,702,000	\$ 17,702,000	\$ 16,298,521
Other	-	-	6,008
<hr/>			
Total revenues	17,702,000	17,702,000	16,304,529
Other Sources			
Previous year's encumbrances	1,309,669	1,309,669	1,309,669
Total other sources	1,309,669	1,309,669	1,309,669
<hr/>			
Total revenues and other sources	19,011,669	19,011,669	17,614,198
<b>Expenditures</b>			
Department Wide:			
Other	10,730,608	10,730,608	6,464,207
Capital outlay	7,951,661	7,951,661	2,526,051
<hr/>			
Total expenditures	18,682,269	18,682,269	8,990,258
Excess of revenues and other sources over expenditures	329,400	329,400	8,623,940
Fund balance, January 1, 2020	908,071	908,071	908,071
<hr/>			
Fund balance December 31, 2020	\$ 1,237,471	\$ 1,237,471	\$ 9,532,011

## City of Akron, Ohio

Schedule of Revenues, Expenditures and  
 Changes in Fund Balance - Budget and Actual -  
 General Grants Fund, Non-GAAP Budget Basis

For the Year Ended December 31, 2020

	<b>Budgeted Amounts (Unaudited)</b>			<b>Actual Amounts</b>
	<b>Original</b>	<b>Final</b>		
<b>Revenues and other sources</b>				
Revenues:				
Charges for Services	\$ -	\$ -	\$ -	49,277
Other	-	250,000	-	-
Total revenues	-	250,000	-	49,277
<b>Expenditures</b>				
Department Wide:				
Other	-	250,000	-	-
Total expenditures	-	250,000	-	-
Excess of revenues over expenditures	-	-	-	49,277
Fund balance, January 1, 2020	-	-	-	-
Fund balance December 31, 2020	\$ -	\$ -	\$ -	49,277

## City of Akron, Ohio

Schedule of Revenues, Expenditures and  
Changes in Fund Balance - Budget and Actual -  
General Bond Payment Fund, Non-GAAP Budget Basis

For the Year Ended December 31, 2020

	<b>Budgeted Amounts (Unaudited)</b>		
	<b>Original</b>	<b>Final</b>	<b>Actual Amounts</b>
<b>Revenues and other sources</b>			
Revenues:			
Property taxes	\$ 1,720,689	\$ 1,644,730	\$ 1,575,986
Miscellaneous revenues	-	-	6,492
	<u>1,720,689</u>	<u>1,644,730</u>	<u>1,582,478</u>
Other sources:			
Previous year's encumbrances	7,121	7,121	7,121
	<u>7,121</u>	<u>7,121</u>	<u>7,121</u>
Total revenues and other sources	1,727,810	1,651,851	1,589,599
<b>Expenditures</b>			
Finance:			
Wages/benefits	455,180	455,180	416,127
Other	1,240,861	1,240,861	1,174,978
	<u>1,240,861</u>	<u>1,240,861</u>	<u>1,174,978</u>
Total expenditures	1,696,041	1,696,041	1,591,105
Excess (deficiency) of revenues and other sources over expenditures	31,769	(44,190)	(1,506)
Fund balance, January 1, 2020	<u>55,257</u>	<u>55,257</u>	<u>55,257</u>
Fund balance, December 31, 2020	<u>\$ 87,026</u>	<u>\$ 11,067</u>	<u>\$ 53,751</u>

City of Akron, Ohio  
 Schedule of Revenues, Expenditures and  
 Changes in Fund Balance - Budget and Actual -  
 Information Technology and Improvements Fund, Non-GAAP Budget Basis

For the Year Ended December 31, 2020

	<b>Budgeted Amounts (Unaudited)</b>		
	<b>Original</b>	<b>Final</b>	<b>Actual Amounts</b>
<b>Revenues</b>			
Other Sources:			
Note Bond Proceeds	\$ 588,000	\$ 3,018,000	\$ 2,500,000
Previous year's encumbrances	14,028	14,028	14,028
Total other sources	<u>602,028</u>	<u>3,032,028</u>	<u>2,514,028</u>
Total revenues and other sources	#VALUE!	#VALUE!	#VALUE!
<b>Expenditures</b>			
Department Wide:			
Other	<u>3,014,028</u>	<u>3,014,028</u>	<u>2,130,196</u>
Total expenditures	3,014,028	3,014,028	2,130,196
Excess (deficiency) of revenues and other sources over expenditures	(2,412,000)	18,000	383,832
Fund balance, January 1, 2020	<u>19,090</u>	<u>19,090</u>	<u>19,090</u>
Fund balance (deficit), December 31, 2020	<u>\$ (2,392,910)</u>	<u>\$ 37,090</u>	<u>\$ 402,922</u>



## City of Akron, Ohio

Schedule of Revenues, Expenditures and  
Changes in Fund Balance - Budget and Actual -  
Parks and Recreation Fund, Non-GAAP Budget Basis

For the Year Ended December 31, 2020

	<b>Budgeted Amounts (Unaudited)</b>		
	<b>Original</b>	<b>Final</b>	<b>Actual Amounts</b>
<b>Revenues and other sources</b>			
Revenues:			
Miscellaneous revenues	\$ 800	\$ 1,610	\$ 694
Total revenues	800	1,610	694
Other sources:			
Note/Bond proceeds	1,545,200	3,104,390	500,000
Previous years encumbrances	154,440	154,440	154,440
Total other sources	1,699,640	3,258,830	654,440
Total revenues and other sources	1,700,440	3,260,440	655,134
<b>Expenditures</b>			
Department Wide:			
Other	1,387,177	1,387,177	878,724
Capital outlay	632,263	632,263	85,035
Total expenditures	2,019,440	2,019,440	963,759
Excess (deficiency) of revenues and other sources over expenditures	(319,000)	1,241,000	(308,625)
Fund balance, January 1, 2020	756,419	756,419	756,419
Fund balance, December 31, 2020	\$ 437,419	\$ 1,997,419	\$ 447,794

## City of Akron, Ohio

Schedule of Revenues, Expenditures and  
Changes in Fund Balance - Budget and Actual -  
Public Facilities and Improvements Fund, Non-GAAP Budget Basis

For the Year Ended December 31, 2020

	<b>Budgeted Amounts (Unaudited)</b>		
	<b>Original</b>	<b>Final</b>	<b>Actual Amounts</b>
<b>Revenues and other sources</b>			
Revenues:			
Taxes, Assesment and JEDD	-	-	492,500
Intergovernmental revenues	2,870	2,870	245,000
Miscellaneous revenues	11,540	11,540	251,092
	<u>14,410</u>	<u>14,410</u>	<u>988,592</u>
Other sources:			
Interfund Transfers	-	1,835,000	-
Note/Bond proceeds	1,720,590	1,720,590	333,731
Previous year's encumbrances	1,220,647	1,220,647	1,220,647
	<u>2,941,237</u>	<u>4,776,237</u>	<u>1,554,378</u>
Total revenues and other sources	2,955,647	4,790,647	2,542,970
<b>Expenditures</b>			
Department Wide:			
Other	2,964,314	2,664,314	1,911,920
Capital outlay	433,333	733,333	582,833
	<u>3,397,647</u>	<u>3,397,647</u>	<u>2,494,753</u>
Total expenditures	3,397,647	3,397,647	2,494,753
Excess (deficiency) of revenues and other sources over expenditures	(442,000)	1,393,000	48,217
Fund deficit, January 1, 2020	<u>(84,054)</u>	<u>(84,054)</u>	<u>(84,054)</u>
Fund balance (deficit), December 31, 2020	<u>\$ (526,054)</u>	<u>\$ 1,308,946</u>	<u>\$ (35,837)</u>

## City of Akron, Ohio

Schedule of Revenues, Expenditures and  
Changes in Fund Balance - Budget and Actual -  
Public Parking Fund, Non-GAAP Budget Basis

For the Year Ended December 31, 2020

	<b>Budgeted Amounts (Unaudited)</b>		
	<b>Original</b>	<b>Final</b>	<b>Actual Amounts</b>
<b>Revenues and other sources</b>			
Revenues:			
Miscellaneous revenues	\$ 555,000	\$ 1,125,000	\$ -
Other sources:			
Previous year's encumbrances	19,000	19,000	19,000
Total revenues and other sources	574,000	1,144,000	19,000
<b>Expenditures</b>			
Department Wide:			
Other	2,089,000	2,089,000	727,810
Total expenditures	2,089,000	2,089,000	727,810
Deficiency of revenues and other sources over expenditures	(1,515,000)	(945,000)	(708,810)
Fund balance, January 1, 2020	976,132	976,132	976,132
Fund balance (deficit), December 31, 2020	\$ (538,868)	\$ 31,132	\$ 267,322

City of Akron, Ohio  
 Schedule of Revenues, Expenditures and  
 Changes in Fund Balance - Budget and Actual -  
 Economic Development Fund, Non-GAAP Budget Basis

For the Year Ended December 31, 2020

	<b>Budgeted Amounts (Unaudited)</b>		
	<b>Original</b>	<b>Final</b>	<b>Actual Amounts</b>
<b>Revenues and other sources</b>			
Revenues:			
Intergovernmental Revenues	\$ 73,250	\$ 73,250	\$ 250,000
Miscellaneous revenues	289,060	289,060	942,226
	<u>362,310</u>	<u>362,310</u>	<u>1,192,226</u>
Other sources:			
Note/Bond proceeds	2,218,690	2,218,690	750,000
Previous year's encumbrances	194,108	194,108	194,108
	<u>2,412,798</u>	<u>2,412,798</u>	<u>944,108</u>
Total revenues and other sources	2,775,108	2,775,108	2,136,334
<b>Expenditures</b>			
Department Wide:			
Other	2,589,735	1,839,735	1,533,777
Capital outlay	234,623	984,623	812,335
	<u>2,824,358</u>	<u>2,824,358</u>	<u>2,346,112</u>
Total expenditures	2,824,358	2,824,358	2,346,112
Deficiency of revenues and other sources over expenditures	(49,250)	(49,250)	(209,778)
Fund balance, January 1, 2020	<u>352,771</u>	<u>352,771</u>	<u>352,771</u>
Fund balance, December 31, 2020	<u>\$ 303,521</u>	<u>\$ 303,521</u>	<u>\$ 142,993</u>

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## **NON-MAJOR ENTERPRISE FUNDS**

**Enterprise 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 of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges. The non-major Enterprise Funds are as follows:

- Oil and Gas
- Golf Course
- Airport

City of Akron, Ohio  
Combining Statement of Net Position - Non-Major Enterprise Funds  
December 31, 2020

C-1

	<b>Oil and Gas</b>	<b>Golf Course</b>	<b>Airport</b>	<b>Total</b>
<b>Assets</b>				
Current assets:				
Pooled cash and investments	\$ 204,453	\$ 27,882	\$ 5,001	\$ 237,336
Receivables, net of allowances for uncollectibles	7,988	-	-	7,988
Due from other governments	-	-	342,553	342,553
Inventories, at cost	-	82,214	-	82,214
<b>Total current assets</b>	<b>212,441</b>	<b>110,096</b>	<b>347,554</b>	<b>670,091</b>
Noncurrent assets:				
Net pension asset	-	6,134	-	6,134
Property, plant and equipment, net of accumulated depreciation	395,487	1,072,042	7,037,003	8,504,532
<b>Total noncurrent assets</b>	<b>395,487</b>	<b>1,078,176</b>	<b>7,037,003</b>	<b>8,510,666</b>
<b>Total assets</b>	<b>607,928</b>	<b>1,188,272</b>	<b>7,384,557</b>	<b>9,180,757</b>
<b>Deferred Outflows of Resources</b>	<b>-</b>	<b>201,433</b>	<b>-</b>	<b>201,433</b>
<b>Total assets and deferred outflows</b>	<b>607,928</b>	<b>1,389,705</b>	<b>7,384,557</b>	<b>9,382,190</b>
<b>Liabilities</b>				
Current liabilities:				
Accounts payable	619	15,082	18,059	33,760
Advances from other funds	-	260,000	1,000,000	1,260,000
Due to other funds	28	26,987	-	27,015
Accrued liabilities	62,570	4,339	23,500	90,409
Accrued wages	-	16,142	-	16,142
Accrued vacation and leave	-	33,182	-	33,182
<b>Total current liabilities</b>	<b>63,217</b>	<b>355,732</b>	<b>1,041,559</b>	<b>1,460,508</b>
Noncurrent liabilities:				
Due in more than one year	312,850	61,278	-	374,128
Net pension liability	-	729,712	-	729,712
Net OPEB Liability	-	495,811	-	495,811
<b>Total noncurrent liabilities</b>	<b>312,850</b>	<b>1,286,801</b>	<b>-</b>	<b>1,599,651</b>
<b>Total liabilities</b>	<b>376,067</b>	<b>1,642,533</b>	<b>1,041,559</b>	<b>3,060,159</b>
<b>Deferred Inflows of Resources</b>	<b>-</b>	<b>243,047</b>	<b>-</b>	<b>243,047</b>
<b>Total liabilities and deferred inflows</b>	<b>376,067</b>	<b>1,885,580</b>	<b>1,041,559</b>	<b>3,303,206</b>
<b>Net Position</b>				
Net investment in capital assets	395,487	1,072,042	7,037,003	8,504,532
Unrestricted (deficit)	(163,626)	(1,567,917)	(694,005)	(2,425,548)
<b>Total net position</b>	<b>\$ 231,861</b>	<b>\$ (495,875)</b>	<b>\$ 6,342,998</b>	<b>\$ 6,078,984</b>

City of Akron, Ohio  
Combining Statement of Revenues, Expenses and Changes in Fund Net Position - Nonmajor Enterprise Funds  
For the Year Ended December 31, 2020

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	Oil and Gas	Golf Course	Airport	Total
<b>Operating revenues</b>				
Charges for services	\$ 7,988	\$ 1,028,762	\$ 172,607	\$ 1,209,357
Other	55,462	161,956	100,609	318,027
	<u>63,450</u>	<u>1,190,718</u>	<u>273,216</u>	<u>1,527,384</u>
<b>Operating expenses</b>				
Personal services	-	466,785	-	466,785
Direct expenses	121,010	689,811	779,721	1,590,542
Rentals and lease	-	70,623	-	70,623
Utilities	-	48,928	1,442	50,370
Insurance	16,319	6,544	7,915	30,778
Depreciation, depletion and amortization	-	57,771	217,726	275,497
	<u>137,329</u>	<u>1,340,462</u>	<u>1,006,804</u>	<u>2,484,595</u>
Operating income (loss)	<u>(73,879)</u>	<u>(149,744)</u>	<u>(733,588)</u>	<u>(957,211)</u>
Interest expense	-	(1,060)	-	(1,060)
	<u>-</u>	<u>(1,060)</u>	<u>-</u>	<u>(1,060)</u>
Income (loss) before transfers	(73,879)	(150,804)	(733,588)	(958,271)
Transfers-in	-	100,000	-	100,000
Capital contributions	-	-	599,045	599,045
	<u>-</u>	<u>100,000</u>	<u>599,045</u>	<u>699,045</u>
Change in net position	(73,879)	(50,804)	(134,543)	(259,226)
Net position, January 1, 2020	305,740	(445,071)	6,477,541	6,338,210
Net position, December 31, 2020	<u>\$ 231,861</u>	<u>\$ (495,875)</u>	<u>\$ 6,342,998</u>	<u>\$ 6,078,984</u>



City of Akron, Ohio  
Combining Statement of Cash Flows - Non-Major Enterprise Funds  
For the Year Ended December 31, 2020

	Oil and Gas	Golf	Airport	Total Non-Major Enterprise Funds
<b>Operating activities</b>				
Cash received from customers	\$ -	\$ 1,028,762	\$ 329,477	\$ 1,358,239
Cash payments to suppliers for goods and services	(96,619)	(790,715)	(891,547)	(1,778,881)
Cash paid for salaries and employee benefits	-	(750,287)	(29,900)	(780,187)
Other revenues	55,462	161,956	100,609	318,027
Other expenses	-	-	-	-
Net cash provided by (used for) operating activities	(41,157)	(350,284)	(491,361)	(882,802)
<b>Non-capital financing activities</b>				
Transfers from other funds	-	100,000	-	100,000
Transfers/advances in for negative cash balances	-	260,000	200,000	460,000
Net cash provided by non-capital financing activities	-	360,000	200,000	560,000
<b>Capital and related financing activities</b>				
Interest paid on bonds and loans	-	(1,060)	-	(1,060)
Acquisition and construction of capital assets	-	(1)	(325,206)	(325,207)
Capital Contributions	-	-	599,045	599,045
Net cash provided by (used for) capital and related financing activities	-	(1,061)	273,839	272,778
Net increase (decrease) in cash and cash equivalents	(41,157)	8,655	(17,522)	(50,024)
Cash and cash equivalents, January 1, 2020	245,610	19,227	22,523	287,360
Cash and cash equivalents, December 31, 2020	\$ 204,453	\$ 27,882	\$ 5,001	\$ 237,336

	<b>Oil and Gas</b>	<b>Golf</b>	<b>Airport</b>	<b>Total Non-Major Enterprise Funds</b>
Operating income (loss)	\$ (73,879)	\$ (149,744)	\$ (733,588)	\$ (957,211)
Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities:				
Depreciation, depletion and amortization	-	57,771	217,726	275,497
(Increase) decrease in operating assets:				
Receivables	(7,988)	-	156,870	148,882
Inventories	-	(6,948)	-	(6,948)
Increase (decrease) in operating liabilities:				
Accounts payable	494	5,754	(102,267)	(96,019)
Due to other funds	(44)	26,385	(202)	26,139
Due to other governments	-	-	-	-
Accrued liabilities	40,260	(290,925)	(29,900)	(280,565)
Accrued wages	-	3,979	-	3,979
Accrued vacation and leave	-	3,444	-	3,444
Net cash provided by (used for) operating activities	<u>\$ (41,157)</u>	<u>\$ (350,284)</u>	<u>\$ (491,361)</u>	<u>\$ (882,802)</u>

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## INTERNAL SERVICE FUNDS

**Internal Service 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 governmental units, on a cost-reimbursement basis. The title of the funds indicate the type of service provided. The Internal Service Funds are:

- Motor Equipment
- Medical Self-Insurance
- Workers' Compensation Reserve
- Self-Insurance Settlement
- Telephone System
- Engineering Bureau
- Information Technology

City of Akron, Ohio  
Combining Statement of Net Position - Internal Service Funds  
December 31, 2020

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	<b>Motor Equipment</b>	<b>Medical Self- Insurance</b>	<b>Workers' Compensation Reserve</b>
<b>Assets</b>			
Current assets:			
Pooled cash and investments	\$ 49,553	\$ 4,927,979	\$ 5,965,268
Receivables, net of allowances from uncollectibles	54,991	718,327	-
Due from other funds	590,230	-	-
Inventories, at cost	797,783	-	-
Total current assets	1,492,557	5,646,306	5,965,268
Noncurrent assets:			
Net pension asset	18,261	5,892	-
Property, plant and equipment, net of accumulated depreciation	1,350,006	-	-
Total noncurrent assets	1,368,267	5,892	-
Total assets	2,860,824	5,652,198	5,965,268
<b>Deferred Outflows of Resources</b>			
	656,665	191,767	-
Total assets and deferred outflows	3,517,489	5,843,965	5,965,268
<b>Liabilities</b>			
Current liabilities:			
Accounts payable	245,432	3,054,867	9,750
Due to other governments	-	-	140,258
Due to other funds	4,134	6,740	-
Accrued liabilities	19,215	5,121	1,301,466
Accrued wages	98,930	25,851	-
Accrued vacation and leave	107,557	35,201	-
Liability for unpaid claims	-	4,154,587	263,525
Debt:			
Total current liabilities	475,268	7,282,367	1,714,999
Noncurrent liabilities:			
Due in more than one year	553,814	64,604	617,448
Net pension liability	2,170,484	697,271	-
Net OPEB Liability	2,349,455	474,116	-
Total noncurrent liabilities	5,073,753	1,235,991	617,448
Total liabilities	5,549,021	8,518,358	2,332,447
<b>Deferred Inflows of Resources</b>			
	1,035,639	232,323	-
Total liabilities and deferred inflows	6,584,660	8,750,681	2,332,447
<b>Net Position</b>			
Net investment in capital assets	1,350,006	-	-
Unrestricted (deficit)	(4,417,177)	(2,906,716)	3,632,821
Total net position	\$ (3,067,171)	\$ (2,906,716)	\$ 3,632,821

<b>Self- Insurance Settlement</b>	<b>Telephone System</b>	<b>Engineering Bureau</b>	<b>Information Technology</b>	<b>Total Internal Service Funds</b>
\$ 17,942	\$ 216,027	\$ 1,119,734	\$ 1,063,612	\$ 13,360,115
-	-	-	-	773,318
-	52,196	120,537	46,177	809,140
-	-	-	-	797,783
17,942	268,223	1,240,271	1,109,789	15,740,356
-	-	32,636	8,163	64,952
-	171,461	78,818	439,647	2,039,932
-	171,461	111,454	447,810	2,104,884
17,942	439,684	1,351,725	1,557,599	17,845,240
-	-	1,197,885	322,757	2,369,074
17,942	439,684	2,549,610	1,880,356	20,214,314
127,638	25,183	9,497	182,843	3,655,210
-	-	-	-	140,258
-	-	92,001	1,483	104,358
-	199	29,646	10,850	1,366,497
-	997	148,511	52,571	326,860
-	631	316,558	70,200	530,147
603,545	-	-	-	5,021,657
731,183	27,010	596,213	317,947	11,144,987
-	7,994	1,711,511	552,914	3,508,285
-	-	3,910,262	963,804	7,741,821
-	-	4,393,292	1,530,611	8,747,474
-	7,994	10,015,065	3,047,329	19,997,580
731,183	35,004	10,611,278	3,365,276	31,142,567
-	-	1,924,592	630,858	3,823,412
731,183	35,004	12,535,870	3,996,134	34,965,979
-	171,461	78,818	439,647	2,039,932
(713,241)	233,219	(10,065,078)	(2,555,425)	(16,791,597)
\$ (713,241)	\$ 404,680	\$ (9,986,260)	\$ (2,115,778)	\$ (14,751,665)

## City of Akron, Ohio

D-2

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

	Motor Equipment	Medical Self- Insurance	Workers' Compensation Reserve
<b>Operating revenues</b>			
Charges for services	\$ 7,307,940	\$ 37,815,834	\$ 2,538,015
Other	85,721	4,350,213	2,970,004
	<u>7,393,661</u>	<u>42,166,047</u>	<u>5,508,019</u>
<b>Operating expenses</b>			
Personal services	2,368,684	926,655	-
Direct expenses	4,153,558	4,393,442	622,916
Claims	-	33,097,314	498,538
Rentals and lease	-	30,477	-
Utilities	61,438	1,927	-
Insurance	15,138	3,023,412	140,258
Depreciation, depletion and amortization	36,837	-	-
Other	2,902	-	-
	<u>6,638,557</u>	<u>41,473,227</u>	<u>1,261,712</u>
Operating income (loss)	<u>755,104</u>	<u>692,820</u>	<u>4,246,307</u>
<b>Nonoperating revenues (expenses)</b>			
Interest income	-	-	726
Interest expense	(20,894)	(22,375)	-
	<u>(20,894)</u>	<u>(22,375)</u>	<u>726</u>
Gain (loss) before transfers	<u>734,210</u>	<u>670,445</u>	<u>4,247,033</u>
Transfers-in	<u>950,000</u>	<u>-</u>	<u>-</u>
Changes in net position	<u>1,684,210</u>	<u>670,445</u>	<u>4,247,033</u>
Net position (deficit), January 1, 2020	<u>(4,751,381)</u>	<u>(3,577,161)</u>	<u>(614,212)</u>
Net position (deficit), December 31, 2020	<u>\$ (3,067,171)</u>	<u>\$ (2,906,716)</u>	<u>\$ 3,632,821</u>

<b>Self- Insurance Settlement</b>	<b>Telephone System</b>	<b>Engineering Bureau</b>	<b>Information Technology</b>	<b>Total Internal Service Funds</b>
\$ -	\$ 765,347	\$ 5,516,609	\$ 3,869,752	\$ 57,813,497
174,436	7,794	55,622	9,159	7,652,949
174,436	773,141	5,572,231	3,878,911	65,466,446
-	130,082	3,740,616	2,041,845	9,207,882
-	374,204	471,577	3,205,032	13,220,729
-	-	-	-	33,595,852
-	-	243,155	141,202	414,834
-	85,460	24,172	3,930	176,927
-	-	16,936	1,561	3,197,305
-	21,779	3,960	249,046	311,622
-	-	-	-	2,902
-	611,525	4,500,416	5,642,616	60,128,053
174,436	161,616	1,071,815	(1,763,705)	5,338,393
-	-	-	-	726
-	-	-	-	(43,269)
-	-	-	-	(42,543)
174,436	161,616	1,071,815	(1,763,705)	5,295,850
-	-	-	900,000	1,850,000
174,436	161,616	1,071,815	(863,705)	7,145,850
(887,677)	243,064	(11,058,075)	(1,252,073)	(21,897,515)
\$ (713,241)	\$ 404,680	\$ (9,986,260)	\$ (2,115,778)	\$ (14,751,665)



City of Akron, Ohio  
Combining Statement of Cash Flows - Internal Service Funds  
For the Year Ended December 31, 2020

	<b>Motor Equipment</b>	<b>Medical Self - Insurance</b>	<b>Workers' Compensation</b>	<b>Self - Insurance Settlement</b>
<b>Operating activities</b>				
Cash received from customers	\$ 7,240,800	\$ 38,597,507	\$ 2,538,015	\$ -
Cash payments to suppliers for goods and services	(4,600,208)	(4,183,045)	389,047	-
Cash paid for salaries and employee benefits	(2,586,639)	(33,946,638)	(3,143,234)	(174,436)
Other revenues	85,721	4,350,213	2,970,004	174,436
Other expense	(2,902)	-	-	-
Net cash provided by (used for) operating activities	136,772	4,818,037	2,753,832	-
<b>Non-capital financing activities</b>				
Transfers from other funds	950,000	-	-	-
Transfers/advances in for negative cash balances	(1,020,000)	-	-	-
Principal paid on bonds, loans and notes	-	(1,500,000)	-	-
Interest paid on bonds, loans and notes	-	(22,375)	-	-
Net cash provided by (used for) non-capital financing activities	(70,000)	(1,522,375)	-	-
<b>Capital and related financing activities</b>				
Interest paid on bonds and loans	(20,894)	-	-	-
Acquisition and construction of capital assets	-	-	-	-
Net cash used for capital financing activities	(20,894)	-	-	-
<b>Investing activities</b>				
Interest on investments	-	-	726	-
Net cash provided by investing activities	-	-	726	-
Net increase (decrease) in cash and cash equivalents	45,878	3,295,662	2,754,558	-
Cash and cash equivalents, January 1, 2020	3,675	1,632,317	3,210,710	17,942
Cash and cash equivalents, December 31, 2020	\$ 49,553	\$ 4,927,979	\$ 5,965,268	\$ 17,942

<b>Telephone System</b>	<b>Engineering Bureau</b>	<b>Information Technology</b>	<b>Total</b>
\$ 738,710	\$ 5,695,083	\$ 3,893,494	\$ 58,703,609
(446,760)	(835,526)	(3,364,582)	(13,041,074)
(126,955)	(4,340,882)	(1,088,205)	(45,406,989)
7,794	55,622	9,159	7,652,949
-	-	-	(2,902)
172,789	574,297	(550,134)	7,905,593
-	-	900,000	1,850,000
-	-	-	(1,020,000)
-	-	-	(1,500,000)
-	-	-	(22,375)
-	-	900,000	(692,375)
-	-	-	(20,894)
(36,393)	-	1	(36,392)
(36,393)	-	1	(57,286)
-	-	-	726
-	-	-	726
136,396	574,297	349,867	7,156,658
79,631	545,437	713,745	6,203,457
\$ 216,027	\$ 1,119,734	\$ 1,063,612	\$ 13,360,115

City of Akron, Ohio  
Combining Statement of Cash Flows - Internal Service Funds  
For the Year Ended December 31, 2020  
(continued)

	<b>Motor Equipment</b>	<b>Medical Self - Insurance</b>	<b>Workers' Compensation</b>	<b>Self - Insurance Settlement</b>
Operating income (loss)	\$ 755,104	\$ 692,820	\$ 4,246,307	\$ 174,436
Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities:				
Depreciation, depletion and amortization	36,837	-	-	-
(Increase) decrease in operating assets:				
Receivables	(16,719)	(718,327)	-	-
Due from other funds	(50,421)	1,500,000	-	-
Inventories	(171,053)	-	-	-
Increase (decrease) in operating liabilities:				
Accounts payable	(201,169)	3,016,504	(119,684)	127,638
Due to other funds	2,148	(6,401)	-	-
Due to other governments	-	-	140,258	-
Accrued liabilities	(252,740)	138,214	-	-
Accrued wages	16,813	1,514	-	-
Accrued vacation and leave	17,972	(62,397)	-	-
Estimated liability for unpaid claims	-	256,110	(1,513,049)	(302,074)
Net cash provided by (used for) operating activities	<u>\$ 136,772</u>	<u>\$ 4,818,037</u>	<u>\$ 2,753,832</u>	<u>\$ -</u>

<b>Telephone System</b>	<b>Engineering Bureau</b>	<b>Information Technology</b>	<b>Total</b>
\$ 161,616	\$ 1,071,815	\$ (1,763,705)	\$ 5,338,393
21,779	3,960	249,046	311,622
-	-	-	(735,046)
(26,637)	178,474	23,742	1,625,158
-	-	-	(171,053)
12,904	3,039	9,941	2,849,173
-	(82,725)	(22,798)	(109,776)
-	-	-	140,258
5	(672,689)	853,345	66,135
164	15,850	23,471	57,812
2,958	56,573	76,824	91,930
-	-	-	(1,559,013)
<u>\$ 172,789</u>	<u>\$ 574,297</u>	<u>\$ (550,134)</u>	<u>7,905,593</u>

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## FIDUCIARY FUNDS

**Custodial Funds** – are used to account for assets held by the City for individuals, private organizations, or other governments. The City reports on the following eight custodial funds:

**Claire Merrix Fund** – is used to account for assets held by the City for tennis related expenditures to individuals, private organizations, and other governments.

**Police/Fire Beneficiary Fund** - is used to account for assets held by the City to provide scholarships to beneficiaries of deceased Police and Fire uniformed staff.

**Police Property Monetary Evidence Fund** – is used to account for funds held by the Police Department that will be returned to the other agencies.

**Copley-Akron JEDD Fund** – is used to account for JEDD income taxes levied by the JEDD Board and disbursements pursuant to the contract.

**Coventry-Akron JEDD Fund** – is used to account for JEDD income taxes levied by the JEDD Board and disbursements pursuant to the contract.

**Springfield-Akron JEDD Fund** – is used to account for JEDD income taxes levied by the JEDD Board and disbursements pursuant to the contract.

**Bath-Akron-Fairlawn JEDD Fund** – is used to account for JEDD income taxes levied by the JEDD Board and disbursements pursuant to the contract.

City of Akron, Ohio  
 Combining Statement of Fiduciary Net Position - Custodial Funds  
 December 31, 2020

	<b>Claire Merrix</b>	<b>Holocaust Memorial</b>	<b>Police/Fire Beneficiary</b>	<b>Police Property Monetary Evidence</b>
<b>Assets</b>				
Cash	\$ 1,060	\$ -	\$ 8,065	\$ 1,602,608
Receivables	-	-	-	43,221
Total assets	<u>1,060</u>	<u>-</u>	<u>8,065</u>	<u>1,645,829</u>
<b>Liabilities</b>				
Accounts payable and other liabilities	-	-	-	-
Due to other governments	-	-	-	-
Due to others	-	-	-	6,277
Total liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>6,277</u>
<b>Deferred Inflows of Resources</b>				
Restricted for individuals, organizations, and governments	1,060	-	8,065	1,639,552
Unrestricted	-	-	-	-
<b>Net Position</b>	<u>\$ 1,060</u>	<u>\$ -</u>	<u>\$ 8,065</u>	<u>\$ 1,639,552</u>

<b>Copley - Akron JEDD</b>	<b>Coventry - Akron JEDD</b>	<b>Springfield - Akron JEDD</b>	<b>Bath - Akron - Fairlawn JEDD</b>	<b>Total</b>
\$ -	\$ -	\$ -	\$ -	1,611,733
1,304,544	749,918	1,118,821	1,213,263	4,429,767
1,304,544	749,918	1,118,821	1,213,263	6,041,500
125,022	53,613	69,932	509,214	757,781
66,800	34,351	33,085	82,570	216,806
-	-	-	-	6,277
191,822	87,964	103,017	591,784	980,864
597,252	260,991	712,632	742,943	2,313,818
515,470	400,963	303,172	-	2,868,282
-	-	-	(121,464)	(121,464)
\$ 515,470	\$ 400,963	\$ 303,172	\$ (121,464)	\$ 2,746,818



City of Akron, Ohio  
Combining Statement of Changes in Fiduciary Net Position - Custodial Funds  
For the Year Ended December 31, 2020

	<b>Police/Fire Beneficiary</b>	<b>Police Property Monetary Evidence</b>
<b>Additions</b>		
Confiscated evidence	\$ -	\$ 393,630
JEDD income tax	-	-
Miscellaneous	300	17,442
	<u>300</u>	<u>411,072</u>
<b>Deductions</b>		
Distribution to participatns	-	90,016
JEDD district expenses	-	-
Refunds	-	-
	<u>-</u>	<u>90,016</u>
<b>Net Increase (Decrease) in Fiduciary Net Position</b>	<u>300</u>	<u>321,056</u>
Net position, January 1, 2020	<u>7,765</u>	<u>1,318,496</u>
Net position, December 31, 2020	<u><u>\$ 8,065</u></u>	<u><u>\$ 1,639,552</u></u>

	Copley - Akron JEDD	Coventry - Akron JEDD	Springfield - Akron JEDD	Bath - Akron - Fairlawn JEDD	Total
\$	-	\$ -	\$ -	\$ -	393,630
	658,365	419,819	606,150	4,470,216	6,154,550
	-	-	-	-	17,742
	658,365	419,819	606,150	4,470,216	6,565,922
	-	-	-	-	90,016
	684,997	362,133	346,592	4,345,846	5,739,568
	105,566	57,787	215,089	132,774	511,216
	790,563	419,920	561,681	4,478,620	6,340,800
	(132,198)	(101)	44,469	(8,404)	225,122
	647,668	401,064	258,703	(113,060)	2,520,636
\$	515,470	\$ 400,963	\$ 303,172	\$ (121,464)	\$ 2,745,758

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# Statistical Section

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

<b><u>Contents</u></b>	<b><u>Page</u></b>
<b>Financial Trends</b> These schedules contain trend information to help the reader understand how the City's financial performance and well-being have changed over time.	<b>217</b>
<b>Revenue Capacity</b> These schedules contain information to help the reader assess the City's most significant local revenue sources which are income tax and property tax.	<b>224</b>
<b>Debt Capacity</b> These schedules present information to help the reader assess the affordability of the City's current levels of outstanding debt and the City's ability to issue additional debt in the future.	<b>229</b>
<b>Demographic and Economic Information</b> These schedules offer demographic and economic indicators to help the reader understand the environment within the City.	<b>237</b>
<b>Operating Information</b> These schedules contain service and infrastructure data to help the reader understand how the information in the City's financial report relates to the services the City provides and the activities it performs.	<b>239</b>

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

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City of Akron, Ohio  
Net Position by Component  
Last Ten Fiscal Years  
*(accrual basis of accounting)*

	2011	2012	2013	2014	2015 *
<b>Governmental Activities</b>					
Net Investment in Capital Assets	\$ 336,791,218	\$ 342,181,729	\$ 353,686,041	\$ 352,411,914	\$ 373,605,736
Restricted	64,060,427	45,769,529	46,822,028	43,314,132	36,462,300
Unrestricted	(39,096,078)	(39,096,078)	(39,096,078)	(13,531,515)	(184,719,280)
<b>Total Governmental Activities Net Position</b>	<b>361,755,567</b>	<b>348,855,180</b>	<b>361,411,991</b>	<b>382,194,531</b>	<b>225,348,756</b>
<b>Business-Type Activities</b>					
Net Investment in Capital Assets	382,353,490	381,737,149	385,492,533	400,523,178	396,984,561
Restricted	9,650,185	9,726,690	9,789,966	9,854,895	9,498,992
Unrestricted	(898,127)	8,473,245	19,221,970	16,815,329	29,988,650
<b>Total Business-Type Activities Net Position</b>	<b>391,105,548</b>	<b>399,937,084</b>	<b>414,504,469</b>	<b>427,193,402</b>	<b>436,472,203</b>
<b>Primary Government</b>					
Net Investment in Capital Assets	719,144,708	723,918,878	739,178,574	752,935,092	770,590,297
Restricted	73,710,612	55,496,219	56,611,994	53,169,027	45,961,292
Unrestricted	(39,994,205)	(30,622,833)	(19,874,108)	3,283,814	(154,730,630)
<b>Total Primary Government Net Position</b>	<b>752,861,115</b>	<b>748,792,264</b>	<b>775,916,460</b>	<b>809,387,933</b>	<b>661,820,959</b>
<b>Governmental Activities</b>					
Net Investment in Capital Assets	\$ 361,614,290	\$ 371,386,210	\$ 380,255,982	\$ 402,657,024	\$ 525,092,122
Restricted	26,685,480	128,290,211	141,116,295	96,912,454	83,644,769
Unrestricted	(169,438,185)	(316,858,123)	(525,895,655)	(388,771,009)	(439,457,248)
<b>Total Governmental Activities Net Position</b>	<b>218,861,585</b>	<b>182,818,298</b>	<b>(4,523,378)</b>	<b>110,798,469</b>	<b>169,279,643</b>
<b>Business-Type Activities</b>					
Net Investment in Capital Assets	389,215,183	374,890,468	390,472,592	368,625,151	465,595,180
Restricted	9,389,310	5,849,447	3,488,611	3,518,634	3,536,005
Unrestricted	47,446,909	81,463,305	56,572,126	53,082,959	36,707,294
<b>Total Business-Type Activities Net Position</b>	<b>446,051,402</b>	<b>462,203,220</b>	<b>450,533,329</b>	<b>425,226,744</b>	<b>505,838,479</b>
<b>Primary Government</b>					
Net Investment in Capital Assets	750,829,473	746,276,678	770,728,574	771,282,175	990,687,302
Restricted	36,074,790	134,139,658	144,604,906	100,431,088	87,180,774
Unrestricted	(121,991,276)	(235,394,818)	(469,323,529)	(335,688,050)	(402,749,954)
<b>Total Primary Government Net Position</b>	<b>664,912,987</b>	<b>645,021,518</b>	<b>446,009,951</b>	<b>536,025,213</b>	<b>675,118,122</b>

Source: City of Akron, Ohio Finance Department  
\* Schedule 1 has been prepared in conformity of GASB Statement #68, Accounting and Financial Reporting for Pensions beginning with 2015.

City of Akron, Ohio  
Changes in Net Position  
Last Ten Fiscal Years  
*(accrual basis of accounting)*

Schedule 2

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
<b>Program Revenues</b>										
Governmental Activities										
Charges for Services:										
General Government	\$ 9,674,230	\$ 10,218,969	\$ 14,473,321	\$ 9,553,457	\$ 7,505,352	\$ 15,271,721	\$ 21,698,159	\$ 20,571,001	\$ 27,549,825	\$ 21,989,861
Public Service	25,094,315	14,404,457	16,524,746	18,489,527	19,949,672	18,353,558	18,382,609	16,188,076	18,393,670	20,286,697
Public Safety	847,335	508,391	862,405	4,717,778	4,349,617	4,176,521	4,181,992	4,103,197	3,898,022	2,734,169
Community Environment	7,607	422,186	164,000	2,230,381	228,261	3,467,416	5,371,735	4,225,621	10,125,087	6,113,122
Public Health	37,132	2,257	2,257	-	-	-	-	-	-	304
Recreation and Parks	242,837	183,754	230,420	730,079	721,422	1,053,610	701,426	631,324	642,457	426,181
Operating Grants and Contributions	17,302,475	19,658,258	20,409,809	19,326,836	12,724,856	13,345,362	10,412,337	12,012,934	15,542,987	34,624,706
Capital Grants and Contributions	38,778,626	35,507,412	46,774,660	41,095,526	44,349,143	46,353,664	34,742,428	37,671,943	40,581,958	33,942,817
Total Governmental Activities Program Revenues	91,984,557	80,906,939	99,441,618	96,143,584	89,828,323	102,021,852	95,490,686	95,404,096	116,734,006	120,117,857
Business-Type Activities										
Charges for Services:										
Water	34,718,912	32,215,076	34,969,933	33,986,195	35,391,626	34,910,383	33,677,422	31,044,651	32,787,975	36,123,839
Sewer	49,610,750	56,208,333	63,097,046	70,951,430	89,170,077	89,740,016	93,781,115	85,405,280	88,194,394	83,584,606
Oil & Gas	373,269	226,172	300,119	241,905	130,030	61	112,969	96,571	-	7,988
Parking Facilities	4,710,310	4,577,496	4,773,882	4,570,975	4,275,513	4,507,555	2,268,832	3,347,593	4,170,306	2,227,090
Golf Course	807,693	938,725	893,815	826,503	917,712	931,126	912,616	860,100	952,419	1,030,771
Airport	76,912	197,878	154,692	156,983	182,663	169,577	163,568	472,756	150,826	172,607
Operating Grants and Contributions	-	-	-	-	-	-	-	-	191,814	636,436
Capital Grants and Contributions	4,416,302	7,786,418	4,045,528	4,871,914	4,916,124	5,481,149	4,741,494	1,502,429	7,531,338	8,107,380
Total Business-Type Activities Program Revenues	94,714,148	102,150,098	108,235,015	115,605,905	134,983,745	135,739,867	135,658,016	122,729,380	133,979,072	131,890,717
Total Primary Government Program Revenues	\$ 186,698,705	\$ 183,057,037	\$ 207,676,633	\$ 211,749,489	\$ 224,812,068	\$ 237,761,719	\$ 231,148,702	\$ 218,133,476	\$ 250,713,078	\$ 252,008,574
<b>Expenses</b>										
Governmental Activities										
General Government	\$ 48,717,920	\$ 44,074,083	\$ 35,134,302	\$ 38,547,406	\$ 31,954,663	\$ 42,940,494	\$ 40,785,375	\$ 36,394,068	\$ 55,913,497	\$ 48,220,787
Public Service	50,268,506	52,045,512	65,740,981	67,516,145	74,133,731	71,811,167	72,033,027	74,255,760	69,325,498	66,126,909
Public Safety	109,950,785	113,141,469	112,374,172	120,176,274	124,943,875	140,165,348	129,124,366	115,754,910	49,458,260	138,263,446
Community Environment	58,355,271	66,174,345	88,673,453	42,970,628	44,393,603	98,362,358	60,901,084	25,299,743	47,822,419	71,412,215
Public Health	3,517,378	3,982,604	3,921,672	4,832,375	4,452,937	4,354,820	4,424,817	4,491,876	4,450,531	5,811,774
Recreation and Parks	5,801,457	6,906,906	7,690,836	6,811,470	5,567,353	5,717,798	4,449,281	4,129,340	5,720,103	5,140,282
Interest	22,212,625	35,466,855	26,324,712	27,940,204	30,189,381	23,923,218	24,834,592	21,389,588	23,887,099	19,813,627
Unallocated Depreciation	15,358,939	15,559,132	15,468,193	16,091,850	17,065,802	18,830,770	17,913,455	18,312,112	18,000,420	17,527,935
Total Governmental Activities Expenses	314,182,881	337,350,906	355,328,321	324,886,352	332,701,345	406,105,973	354,465,997	300,027,397	274,577,827	372,316,975
Business-Type Activities										
Water	35,228,188	28,050,701	31,075,633	32,522,741	37,964,538	34,913,805	33,952,382	38,510,047	46,575,277	29,519,412
Sewer	46,730,809	58,124,815	54,959,359	71,709,972	70,908,326	83,933,150	83,743,770	63,822,180	103,946,790	86,925,634
Oil & Gas	250,643	279,689	202,341	350,060	321,767	49,571	39,589	42,528	371,965	137,109
Parking Facilities	7,355,958	7,780,158	6,929,930	7,189,194	7,063,162	7,269,596	5,375,745	6,502,595	7,277,980	6,940,659
Golf Course	1,193,071	1,176,344	1,243,395	1,106,275	1,275,762	1,408,269	1,283,427	1,689,944	2,057,143	1,323,278
Airport	1,005,792	653,852	683,251	720,934	920,765	741,052	760,807	1,353,358	1,449,933	1,004,481
Total Business-Type Activities Expenses	91,764,461	96,065,559	95,093,909	113,599,176	118,454,320	128,315,443	125,155,720	111,920,652	161,679,088	125,850,573
Total Primary Government Expenses	\$ 405,947,342	\$ 433,416,465	\$ 450,422,230	\$ 438,485,528	\$ 451,155,665	\$ 534,421,416	\$ 479,621,717	\$ 411,948,049	\$ 436,256,915	\$ 498,167,548

City of Akron, Ohio  
Changes in Net Position  
Last Ten Fiscal Years  
(accrual basis of accounting)  
(continued)

Schedule 2

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Net (Expense)/Revenue										
Governmental Activities	\$ (222,198,324)	\$ (256,443,967)	\$ (255,886,703)	\$ (228,742,768)	\$ (242,873,022)	\$ (304,084,121)	\$ (258,975,311)	\$ (204,623,301)	\$ (157,843,821)	\$ (252,199,118)
Business-Type Activities	2,949,687	608,4539	13,141,106	2,006,729	165,29425	7,424,425	9,274,126	10,808,728	(27,700,016)	6,040,144
Total Primary Government Net Expense	\$ (219,248,637)	\$ (250,359,428)	\$ (242,745,597)	\$ (226,736,039)	\$ (226,343,597)	\$ (296,659,696)	\$ (249,701,185)	\$ (193,814,573)	\$ (185,543,837)	\$ (246,158,974)
General Revenue and Other Changes in Net Position										
Governmental Activities:										
Taxes:										
Income Taxes	\$ 134,473,083	\$ 131,601,798	\$ 141,289,710	\$ 141,389,904	\$ 143,231,380	\$ 152,856,443	\$ 139,183,876	\$ 171,426,317	\$ 170,036,813	\$ 165,377,499
Property Taxes	25,831,020	24,003,912	19,627,342	23,342,160	23,681,267	23,341,356	24,831,344	26,166,396	24,048,160	26,029,888
JEDD Revenues	16,826,153	20,706,211	18,485,942	17,758,520	19,271,731	12,341,811	14,800,350	14,905,073	16,083,393	15,785,527
Investment Earnings	643,612	439,005	553,699	300,784	848,901	1,170,199	1,221,577	3,409,213	5,909,657	2,392,020
Unrestricted Shared Revenues	51,162,387	69,710,284	92,823,194	46,752,194	46,387,254	98,487,030	42,726,783	40,613,726	45,058,850	72,693,019
Miscellaneous	30,059,892	8,337,078	10,657,380	10,155,196	7,853,357	11,211,091	10,221,319	14,364,534	11,591,233	30,077,575
Gain (loss) on Sale of Capital Assets	95,999	60,045	31,307	14,239	2,738	33,590	101,878	53,360	12,423	24,764
Transfers	(529,996)	(308,000)	(338,360)	(466,000)	(887,300)	(611,000)	(941,000)	(791,000)	(730,000)	(1,700,000)
Total Governmental Activities	\$ 258,562,150	\$ 254,550,333	\$ 283,130,214	\$ 239,246,997	\$ 240,389,328	\$ 298,830,520	\$ 232,146,127	\$ 270,147,619	\$ 272,010,529	\$ 310,680,292
Business-Type Activities:										
Investment Earnings	\$ 626	\$ 785	\$ 854	\$ 727	\$ 107,676	\$ 107,655	\$ 137,758	\$ 31,820	\$ 35,927	\$ 8,671
Miscellaneous	1,350,658	2,438,212	1,087,065	3,760,632	2,166,460	1,355,459	4,570,764	1,298,135	2,661,110	831,724
Unrestricted shared revenues	-	-	-	-	-	-	-	-	-	321
Transfers	529,996	308,000	338,360	466,000	887,300	611,000	941,000	791,000	730,000	1,700,000
Total Business-Type Activities	\$ 1,881,280	\$ 2,746,997	\$ 1,426,279	\$ 4,227,359	\$ 3,161,436	\$ 2,074,114	\$ 5,649,522	\$ 2,120,955	\$ 3,427,358	\$ 2,540,395
Total Primary Government	\$ 260,443,430	\$ 257,297,330	\$ 284,556,493	\$ 243,474,356	\$ 243,550,764	\$ 300,904,634	\$ 237,795,649	\$ 272,268,574	\$ 275,437,887	\$ 313,220,687
Change in Net Position										
Governmental Activities	\$ 36,363,826	\$ (1,893,634)	\$ 27,243,511	\$ 10,504,229	\$ (2,483,694)	\$ (5,253,601)	\$ (26,829,184)	\$ 65,524,318	\$ 114,166,708	\$ 58,481,174
Business-Type Activities	4,830,967	8,831,536	14,567,385	6,234,088	19,690,861	9,498,539	16,151,818	12,929,683	(24,272,658)	8,580,539
Total Primary Government Change in Net Position	\$ 41,194,793	\$ 6,937,902	\$ 41,810,896	\$ 16,738,317	\$ 17,207,167	\$ 4,244,938	\$ (10,677,366)	\$ 78,454,001	\$ 89,894,050	\$ 67,061,713

Source: City of Akron, Ohio Finance Department



City of Akron, Ohio  
Fund Balances, Governmental Funds  
Last Ten Fiscal Years  
(modified accrual basis of accounting)

Schedule 3

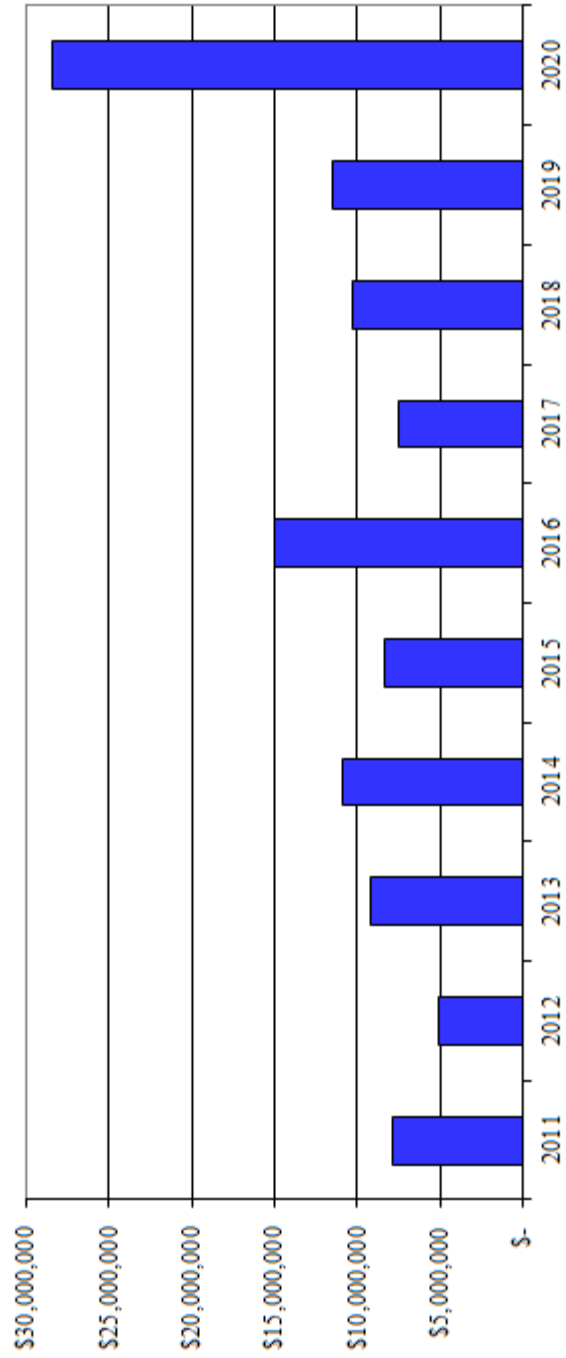
	2011	2012	2013	2014	2015	2015	2017	2018	2019	2020
General Fund										
Committed	\$ -	\$ 266,687	\$ 290,658	\$ 329,961	\$ 377,840	\$ 397,517	\$ 443,599	\$ 471,456	\$ 486,244	\$ 507,535
Assigned	1,242,472	1,236,966	1,809,776	1,593,954	4,174,015	1,904,060	1,576,347	1,579,205	1,469,146	2,839,740
Unassigned	7,901,719	5,102,134	9,132,562	10,911,360	8,382,029	15,022,169	7,485,924	10,299,737	11,525,081	28,220,027
Total General Fund	9,144,191	6,605,787	11,232,996	12,835,275	12,933,884	17,323,746	9,505,870	12,350,398	13,480,471	31,567,302
All Other Governmental Funds										
Nonspendable	3,085,645	3,085,645	3,325,815	4,786,232	4,786,232	-	-	-	-	-
Restricted	142,850,022	117,789,306	109,458,792	144,630,245	117,100,123	138,007,616	112,431,220	111,823,898	87,737,364	85,464,213
Committed	5,448,281	13,502,981	7,490,896	13,829,487	10,510,914	14,811,603	8,988,056	8,544,024	9,461,573	12,965,388
Assigned	-	375,380	-	-	-	-	-	-	-	-
Unassigned	(40,623,253)	(27,448,292)	(25,968,790)	(9,415,521)	(12,285,255)	(12,182,727)	(14,682,443)	(17,911,698)	(14,947,576)	(21,024,369)
Total All Other Governmental Funds	110,760,695	107,305,020	94,306,713	153,830,443	120,112,014	140,636,492	106,736,833	102,456,224	82,251,361	77,405,232
Total Governmental Funds	\$ 119,904,886	\$ 113,910,807	\$ 105,539,709	\$ 166,665,718	\$ 133,045,898	\$ 157,960,238	\$ 116,242,703	\$ 114,806,622	\$ 95,731,832	\$ 108,972,534

Source: City of Akron, Ohio Finance Department

\*Schedule 3 has been prepared in conformity of GASB Statement #54, Fund Balance Reporting and Governmental Fund Type Definitions beginning with 2011.

City of Akron, Ohio  
 Fund Balances, Governmental Funds  
 Last Ten Fiscal Years  
 (modified accrual basis of accounting)

**Unreserved/Unassigned General Fund Balance**



City of Akron, Ohio  
 Changes in Fund Balances, Governmental Funds  
 Last Ten Fiscal Years  
 (modified accrual basis of accounting)

Schedule 4

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
<b>Revenues</b>										
Income Taxes *	\$ 135,345,234	\$ 131,090,435	\$ 139,960,898	\$ 140,311,367	\$ 143,288,651	\$ 151,256,789	\$ 143,176,743	\$ 163,595,720	\$ 167,479,460	\$ 168,873,815
Property Taxes	24,111,972	24,573,729	20,471,016	23,518,118	23,414,232	23,423,002	24,465,922	24,860,892	24,931,135	24,722,659
JEDD Revenues	16,577,998	20,811,614	18,090,127	17,395,933	18,723,573	14,389,449	14,800,350	14,905,073	16,083,393	15,785,527
Special Assessments	6,312,847	14,965,865	28,524,445	31,952,817	30,670,330	31,179,498	15,421,762	17,492,848	19,320,283	18,957,391
Grants and Subsidies:										
Community Development	7,795,876	-	-	-	-	-	-	-	-	-
Other	45,841,289	43,315,295	34,746,020	30,266,381	24,490,969	25,972,981	28,054,783	29,462,796	36,906,364	50,416,362
Investment Earnings	772,109	517,882	584,383	338,698	850,214	1,199,289	1,211,665	3,450,900	5,944,564	2,416,776
Shared Revenues	52,491,818	68,768,384	94,579,755	47,351,951	45,807,596	100,326,020	45,555,266	45,895,097	49,582,291	78,640,993
Licenses, Fees and Fines	7,682,875	8,011,431	8,627,454	10,192,771	9,460,174	17,512,114	17,610,982	18,651,618	30,553,448	26,131,620
Charges for Services	24,002,116	17,759,520	24,247,409	23,500,665	20,636,462	20,749,779	23,965,100	25,023,360	18,991,270	19,094,978
Miscellaneous	28,533,349	8,662,590	10,228,894	12,805,149	9,444,997	12,629,211	16,658,409	16,415,882	14,777,822	31,126,421
<b>Total Revenues</b>	<b>\$ 349,467,483</b>	<b>\$ 338,476,745</b>	<b>\$ 380,060,401</b>	<b>\$ 337,633,850</b>	<b>\$ 326,787,198</b>	<b>\$ 398,638,132</b>	<b>\$ 330,970,982</b>	<b>\$ 359,754,186</b>	<b>\$ 384,570,050</b>	<b>\$ 436,166,542</b>
<b>Expenditures</b>										
Current:										
General Government	\$ 42,400,285	\$ 42,710,925	\$ 33,176,262	\$ 37,323,779	\$ 28,762,899	\$ 39,813,138	\$ 38,586,495	\$ 39,659,633	\$ 48,324,235	\$ 46,395,067
Public Service	71,513,740	59,446,860	78,804,139	85,268,655	84,760,878	81,121,929	74,211,608	87,997,887	84,923,153	100,732,985
Public Safety	110,814,070	109,643,467	109,458,512	122,016,445	118,700,986	131,547,744	128,736,104	146,412,046	141,016,489	132,159,171
Community Environment	77,037,268	91,645,889	103,125,618	53,399,049	61,897,061	111,756,653	61,472,588	53,299,612	65,396,130	83,560,053
Public Health	3,957,653	4,004,247	3,900,892	4,600,444	4,186,224	4,253,940	4,239,096	4,337,323	4,242,002	4,405,393
Recreation and Parks	5,480,847	6,946,793	7,792,669	6,747,832	5,320,130	5,411,445	3,942,488	4,751,840	4,731,236	5,444,462
Capital Outlay	-	-	-	-	-	-	-	-	-	-
Debt service:										
Principal Retirement	42,815,931	29,088,580	43,956,837	59,819,902	39,655,124	51,066,536	66,716,806	79,131,809	87,310,632	44,703,194
Interest	33,620,136	28,600,017	30,353,162	28,714,831	29,406,901	27,428,807	27,171,776	26,140,929	26,725,225	24,499,504
Bond Issuance Expenditures	1,458,659	2,304,239	679,072	1,811,645	934,296	1,197,595	763,315	299,669	766,692	354,179
<b>Total Expenditures</b>	<b>\$ 389,098,589</b>	<b>\$ 374,391,017</b>	<b>\$ 411,247,163</b>	<b>\$ 399,702,582</b>	<b>\$ 373,624,499</b>	<b>\$ 453,597,787</b>	<b>\$ 405,840,276</b>	<b>\$ 442,030,748</b>	<b>\$ 463,435,794</b>	<b>\$ 442,254,008</b>
Excess of Revenues Under Expenditures	\$ (39,631,106)	\$ (35,914,272)	\$ (31,186,762)	\$ (62,068,732)	\$ (46,837,301)	\$ (54,959,655)	\$ (74,919,294)	\$ (82,276,562)	\$ (78,865,744)	\$ (6,087,466)

City of Akron, Ohio  
 Changes in Fund Balances, Governmental Funds  
 Last Ten Fiscal Years  
 (modified accrual basis of accounting)  
 (continued)

Schedule 4

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
<b>Other Financing Sources (Uses)</b>										
Issuance of General Obligation Bond	\$ 10,703,000	\$ 26,870,000	\$ 4,849,484	\$ 88,288,000	\$ 15,500,000	\$ 52,000,000	\$ 33,575,419	\$ 45,709,593	\$ 53,325,611	\$ 19,037,193
Capital Contributions	-	-	-	-	-	2,933,930	-	-	-	-
Issuance of Loans	-	-	1,000,000	3,373,515	9,248	-	-	-	-	-
Issuance of COP's	-	-	2,365,000	-	-	11,965,000	-	24,445,000	-	-
Issuance of Refunding Obligations	-	-	14,910,000	88,085,000	63,945,000	32,545,000	48,960,000	-	20,405,000	28,835,000
Proceeds of Refunding Bonds Premium	4,360,193	24,186,215	-	-	-	-	-	-	-	-
Premium on G.O. Debt	205,387	1,696,315	179,540	9,761,734	4,873,665	6,159,498	4,067,813	927,200	7,525,204	1,817,190
Proceeds of Refund Obligations	97,633,009	170,925,000	-	-	-	-	-	-	-	-
Proceeds of collateralized borrowings	-	-	-	-	-	-	4,028,194	-	-	-
Payment for Refunding Obligations	(93,235,293)	(193,384,337)	-	-	-	-	-	-	-	-
Original Bond Issue Discount **	-	-	-	(431,029)	(148,132)	(115,961)	(153,408)	(239,461)	-	-
Issuance of Capital Lease	-	8,227,250	1,357,829	159,284	731,754	10,635,000	1,039,985	10,789,149	-	793,785
Payment to Refunding Agent	-	-	-	(62,680,000)	(70,075,000)	(34,403,902)	(51,846,782)	-	(21,890,000)	(27,605,000)
Lease - Financed Capital Assets	-	(8,227,250)	(1,357,829)	-	(731,754)	-	-	-	-	-
Transfers-in	12,145,484	7,041,704	8,100,091	2,727,000	8,090,322	3,216,961	12,894,168	11,186,061	10,720,922	7,865,755
Transfers-out	(12,706,505)	(7,414,704)	(8,588,451)	(3,193,000)	(8,977,622)	(3,827,961)	(13,835,168)	(11,977,061)	(11,450,922)	(11,415,755)
Total Other Financing Sources (Uses)	19,105,275	29,920,193	22,815,664	126,090,504	13,217,481	81,107,565	38,730,221	80,840,481	58,635,815	19,328,168
Net Change in Fund Balance	\$ (20,525,831)	\$ (5,994,079)	\$ (8,371,098)	\$ 64,021,772	\$ (33,619,820)	\$ 26,147,910	\$ (36,189,073)	\$ (1,436,081)	\$ (20,229,929)	\$ 13,240,702

Debt Service as a Percentage of Noncapital Expenditures	22.67%	17.49%	20.56%	24.57%	20.64%	19.57%	25.77%	28.60%	28.18%	18.78%
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Source: City of Akron, Ohio Finance Department

\* Since 2018, the Income Tax rate was 2.5%.

\*\* Prior to 2014, Original Bond Issue Discount was included in Bond Issuance Expenditures.

City of Akron, Ohio  
 Assessed Value and Estimated Actual Value of Taxable Property  
 Last Ten Fiscal Years  
*(in thousands of dollars)*

Tax Collection Year	Real Property		Public Utilities		Total		Total Direct Rate	Percent of Total Assessed Value to Total Estimated Actual Value
	Assessed Value	Estimated Actual Value	Assessed Value	Estimated Actual Value	Assessed Value	Estimated Actual Value		
2012	\$ 2,580,090	\$ 7,371,686	\$ 92,022	\$ 262,920	\$ 2,672,112	\$ 7,634,606	10.30	35.00 %
2013	2,550,584	7,287,383	111,892	319,691	2,662,476	7,607,074	10.30	35.00
2014	2,493,126	7,123,217	126,778	362,223	2,619,904	7,485,440	10.30	35.00
2015	2,437,486	6,964,246	145,400	415,429	2,582,886	7,379,675	10.30	35.00
2016	2,409,852	6,885,291	165,213	472,037	2,575,065	7,357,328	10.30	35.00
2017	2,427,755	6,936,443	208,226	594,931	2,635,981	7,531,374	10.50	35.00
2018	2,473,755	7,067,871	222,043	634,409	2,695,798	7,702,280	10.50	35.00
2019	2,498,129	7,137,511	210,667	634,409	2,708,796	7,771,920	10.50	35.00
2020	2,627,796	7,507,989	218,864	624,201	2,846,660	8,132,190	10.50	35.00
2021	2,944,327	8,412,363	224,563	641,608	3,168,890	9,053,971	10.50	35.00

Source: City of Akron, Ohio Finance Department

Note: For real property, the estimated actual value is derived by dividing the assessed value by 35%.  
 The assessed value estimated actual value for public utilities is the combination of two figures.

City of Akron, Ohio  
 Direct and Overlapping Property Tax Rates  
 Last Ten Fiscal Years  
*(rate per \$1,000 of assessed value)*

Schedule 6

Tax Collection Year	City Direct Rates					Overlapping Rates				
	Operating	Police Pension	Fire Pension	Debt Retirement	Total Direct Rate	Akron City School District	Summit County	Akron Metro Parks		
2012	9.28	0.30	0.30	0.42	10.30	71.66	14.80	1.46		
2013	9.28	0.30	0.30	0.42	10.30	79.56	14.84	1.46		
2014	9.28	0.30	0.30	0.42	10.30	79.56	14.81	1.46		
2015	9.28	0.30	0.30	0.42	10.30	79.56	14.80	1.46		
2016	9.28	0.30	0.30	0.42	10.30	79.56	15.32	1.46		
2017	9.28	0.30	0.30	0.62	10.50	79.56	15.30	1.46		
2018	9.28	0.30	0.30	0.62	10.50	79.56	15.26	1.46		
2019	9.28	0.30	0.30	0.62	10.50	79.56	15.26	1.46		
2020	9.28	0.30	0.30	0.62	10.50	79.56	16.22	1.46		
2021	9.28	0.30	0.30	0.62	10.50	79.56	15.60	1.46		

Source: City of Akron, Ohio Finance Department

City of Akron, Ohio  
Principal Property Tax Payers  
12/31/2020 and 12/31/2011  
(in thousands of dollars)

Schedule 7

	December 31, 2020		December 31, 2011	
Taxpayer	Taxable Assessed Value	Percentage of Taxable Assessed Value	Taxable Assessed Value	Percentage of Taxable Assessed Value
Ohio Edison	\$ 207,430	6.55 %	\$ 66,756	2.50 %
American Transmission	186,574	5.89	17,085	0.64
East Ohio Gas	111,006	3.50	14,044	0.53
Summa Health System	104,776	3.31	12,530	0.47
Nexus Gas Transmission LLC	85,135	2.69	12,387	0.46
Childrens Hospital Medical Center	34,990	1.10	11,380	0.43
Albrecht Incorporated	15,246	0.48	9,958	0.37
Timber Top Apartment Holding	13,392	0.42	9,798	0.37
DG Chapel Hill LLC	13,352	0.42	7,175	0.27
Cleveland Electric Illuminating LLC	7,816	0.25	6,393	0.24
	\$ 779,717	24.61 %	\$ 167,506	6.28 %

Source: City of Akron, Ohio Finance Department

City of Akron, Ohio  
Property Tax Levies and Collections  
Last Ten Fiscal Years

Schedule 8

Fiscal Year Ending 12/31	Tax Levied For The Fiscal Year	Collected within the Fiscal Year of the Levy		Delinquent Tax Collections	Total Collections to Date	
		Amount	Percentage of Levy		Amount	Percentage of Levy
2011	\$ 31,064,531	\$ 27,798,721	89.5 %	\$ 1,927,137	\$ 29,726,017	95.7 %
2012	27,518,858	24,477,858	88.9	1,838,523	26,316,381	95.6
2013	27,419,596	25,174,172	91.8	1,828,647	27,002,819	98.5
2014	26,984,750	25,022,030	92.7	1,697,650	26,719,680	99.0
2015	26,604,375	24,737,683	93.0	1,577,892	26,315,575	98.9
2016	26,523,326	24,987,814	94.2	1,535,512	26,470,741	99.8
2017	27,619,239	25,985,068	94.1	1,634,171	28,982,301	104.9
2018	28,305,710	26,421,069	93.3	1,884,641	28,005,409	98.9
2019	28,442,279	26,368,089	92.7	2,074,190	28,035,771	98.6
2020	29,892,321	26,143,074	87.5	3,749,246	27,937,820	93.5

Source: City of Akron, Ohio Finance Department



City of Akron, Ohio  
Income Tax Collections by Annual Collection Amount (Withholding and Direct Accounts)  
Fiscal Years 2019 and 2020

Schedule 9

Fiscal Year 2019				
Collection Level	Number of Accounts	Percentage of Total	Total Income Tax Collections	Percentage of Total
\$1,000 and under	29,056	78.42 %	\$ 6,269,414	3.69 %
\$1,001 - \$2,500	3,783	10.21	5,963,428	3.51
\$2,501 - \$5,000	1,661	4.48	5,863,087	3.45
\$5,001 - \$10,000	1,004	2.71	7,038,784	4.15
\$10,001 - \$50,000	1,197	3.23	25,840,839	15.22
\$50,001 - \$100,000	164	0.44	11,367,073	6.70
\$100,001 - \$250,000	124	0.33	19,272,521	11.35
\$250,001 - \$1,000,000	49	0.13	22,374,218	13.19
Over \$1,000,001	17	0.05	65,770,481	38.74
	37,055	100.00 %	\$ 169,759,845	100.00 %
Fiscal Year 2020				
Collection Level	Number of Accounts	Percentage of Total	Total Income Tax Collections	Percentage of Total
\$1,000 and under	27,189	78.07 %	\$ 5,265,900	3.16 %
\$1,001 - \$2,500	3,553	10.20	5,626,461	3.38
\$2,501 - \$5,000	1,585	4.55	5,583,883	3.35
\$5,001 - \$10,000	1,022	2.94	7,216,119	4.34
\$10,001 - \$50,000	1,113	3.20	23,865,785	14.34
\$50,001 - \$100,000	186	0.53	12,825,216	7.71
\$100,001 - \$250,000	108	0.31	16,519,287	9.93
\$250,001 - \$1,000,000	52	0.15	22,793,643	13.69
Over \$1,000,001	17	0.05	66,752,170	40.10
	34,825	100.00 %	\$ 166,448,464	100.00 %

Source: City of Akron, Ohio Finance Department

Note: Due to confidentiality issues, the names of the ten largest revenue payers are not available. The categories presented are intended to provide alternative information regarding the sources of the City's revenue.

City of Akron, Ohio  
Ratios of Outstanding Debt and Capital Leases by Type  
Last Ten Fiscal Years

Schedule 10

Fiscal Year	Governmental Activities									
	General Obligation	OPWC Loan	Development Services Agency Loan	Non-Tax Revenue	Income Tax Revenue	Income Tax Revenue Direct Borrowings	Special Revenue	Special Assessment	Capital Leases	SIB Loans
2011	\$ 240,483,180	\$ 10,706,454	\$ 5,689,471	\$ 50,835,000	\$ 234,095,000	\$ -	\$ 27,165,000	\$ 11,240,502	\$ 62,314,778	\$ 4,475,878
2012	228,843,318	9,845,763	5,582,645	50,080,000	248,230,000	-	27,165,000	8,591,829	55,605,348	3,129,427
2013	215,139,753	9,241,963	5,482,636	48,475,000	244,487,135	-	27,165,000	6,220,758	75,510,213	1,742,279
2014	201,378,834	9,084,164	5,378,553	53,565,000	318,681,087	-	25,245,000	4,079,527	67,106,099	313,205
2015	186,840,707	7,640,794	5,270,229	48,035,000	339,110,565	-	22,030,000	2,860,321	30,735,417	-
2016	174,601,391	7,006,306	5,156,492	43,745,000	353,714,654	-	18,705,000	1,897,997	47,643,975	-
2017	156,929,261	6,371,819	4,610,162	39,170,000	339,080,250	-	15,220,000	5,013,087	43,441,695	-
2018	138,368,631	5,737,340	4,265,000	33,435,000	324,617,059	-	11,555,000	6,722,319	64,162,866	-
2019	121,000,958	5,140,863	3,955,000	30,410,000	348,945,000	9,684,297	7,720,000	7,271,537	59,312,753	-
2020	105,085,000	5,842,624	3,635,000	27,305,000	335,125,000	8,974,788	3,680,000	7,598,284	64,106,974	-

Fiscal Year	Governmental Activities					
	Internal Service Income Tax Revenue	Special Assessment Notes Payable	Capital Projects Notes Payable	Internal Service General Health Notes Payable		
2011	\$ -	\$ 10,618,700	\$ 39,650,000	\$ 13,000,000		
2012	2,000,000	11,796,000	10,115,000	11,000,000		
2013	1,615,000	13,000,000	24,730,000	9,000,000		
2014	1,230,000	13,000,000	-	6,500,000		
2015	830,000	13,000,000	10,000,000	4,500,000		
2016	420,000	13,000,000	20,000,000	3,500,000		
2017	-	13,000,000	30,000,000	3,500,000		
2018	-	13,000,000	41,300,000	2,500,000		
2019	-	13,000,000	-	1,500,000		
2020	-	13,000,000	17,400,000	-		

City of Akron, Ohio  
Ratios of Outstanding Debt and Capital Leases by Type  
Last Ten Fiscal Years  
(continued)

Schedule 10

Fiscal Year	Business-Type Activities										Total Government	Per Capita <sup>a</sup>	Percentage Personal Income <sup>a</sup>
	General Obligation	Mortgage Revenue	Mortgage Revenue Direct Placements	Revenue	OWDA	OPWC	Capital Leases	Total Government	Per Capita <sup>a</sup>	Percentage Personal Income <sup>a</sup>			
2011	\$ 637,827	\$ 40,365,000	\$ -	\$ 23,470,000	\$ 28,255,744	\$ 1,945,789	\$ 453,909	\$ 805,402,232	\$ 4,045	20.57			
2012	634,450	37,175,000	-	19,515,000	51,142,305	1,744,275	387,152	782,582,512	3,930	19.99			
2013	631,556	33,835,000	-	15,385,000	73,495,595	1,542,762	321,250	807,020,900	4,053	20.61			
2014	616,599	30,360,000	-	11,075,000	95,300,583	1,341,248	240,130	820,743,297	4,122	20.96			
2015	544,229	26,970,000	-	6,550,000	161,974,294	1,139,734	157,320	868,188,610	4,360	22.17			
2016	468,481	23,100,000	-	1,800,000	293,170,614	938,220	72,820	1,008,940,950	5,067	25.77			
2017	389,355	19,040,000	-	-	438,423,233	736,707	-	1,114,925,569	5,600	28.48			
2018	306,369	14,785,000	-	-	521,794,733	535,193	35,871,347	1,218,955,857	6,122	31.13			
2019	219,042	7,660,000	5,995,000	-	572,807,222	354,989	33,853,224	1,228,829,885	6,172	31.39			
2020	-	7,285,000	5,205,000	-	663,817,587	290,491	31,833,275	1,300,184,023	6,530	33.21			

Source: City of Akron, Ohio Finance Department

<sup>a</sup>See Schedule 16 for population and personal income data

City of Akron, Ohio  
 Legal Debt Margin Information  
 Unvoted Debt Limit (5 1/2%)  
 Last Ten Fiscal Years

Schedule 11

	2011	2012	2013	2014	2015
Debt limit	\$ 146,966,147	\$ 146,436,165	\$ 144,094,717	\$ 142,058,748	\$ 141,628,588
Total net debt applicable to limit	156,428,662	125,904,916	115,903,682	137,009,121	131,654,324
Legal debt margin	\$ (9,462,515)	\$ 20,531,249	\$ 28,191,035	\$ 5,049,627	\$ 9,974,264
Total net debt applicable to limit as a percentage of debt limit	106.44%	85.98%	80.44%	96.45%	92.96%
Total unvoted net debt as a percentage of total assessed value of all property	5.85%	4.73%	4.42%	5.30%	5.11%
	2016	2017	2018	2019	2020
Debt limit	\$ 144,978,947	\$ 144,341,287	\$ 148,268,842	\$ 141,628,588	\$ 152,641,662
Total net debt applicable to limit	118,799,745	105,721,985	93,148,655	105,721,985	81,294,060
Legal debt margin	\$ 26,179,202	\$ 38,619,302	\$ 55,120,187	\$ 35,906,603	\$ 71,347,602
Total net debt applicable to limit as a percentage of debt limit	81.94%	73.24%	62.82%	74.65%	53.26%
Total unvoted net debt as a percentage of total assessed value of all property	4.51%	3.92%	3.46%	3.92%	2.57%

Source: City of Akron, Ohio Finance Department

City of Akron, Ohio  
Legal Debt Margin Information  
Total Debt Limit (10 1/2%)  
Last Ten Fiscal Years

Schedule 12

	2011	2012	2013	2014	2015
Debt limit	\$ 280,571,736	\$ 279,559,951	\$ 275,089,915	\$ 271,203,065	\$ 270,381,850
Total net debt applicable to limit	156,428,662	125,904,916	115,903,682	137,009,121	131,654,324
Legal debt margin	\$ 124,143,074	\$ 153,655,035	\$ 159,186,233	\$ 134,193,944	\$ 138,727,526
Total net debt applicable to limit as a percentage of debt limit	55.75%	45.04%	42.13%	50.52%	48.69%
Total net debt as a percentage of total assessed value of all property	5.85%	4.73%	4.42%	5.30%	5.11%
	2016	2017	2018	2019	2020
Debt limit	\$ 276,777,990	\$ 275,560,639	\$ 283,058,699	\$ 270,381,850	\$ 291,406,810
Total net debt applicable to limit	118,799,745	105,721,985	93,148,655	105,721,985	81,294,060
Legal debt margin	\$ 157,978,245	\$ 169,838,654	\$ 189,910,044	\$ 164,659,865	\$ 210,112,750
Total net debt applicable to limit as a percentage of debt limit	42.92%	38.37%	32.91%	39.10%	27.90%
Total net debt as a percentage of total assessed value of all property	4.51%	3.92%	3.46%	3.92%	2.57%

Source: City of Akron, Ohio Finance Department

City of Akron, Ohio  
 Computation of Direct and Overlapping Debt  
 As of December 31, 2020

Schedule 13

Political Subdivision	Amount of Debt	Percent Applicable to City	City's Share
Direct			
City of Akron	\$ 591,752,670	100.00 %	\$ 591,752,670
Total direct debt	<u>\$ 591,752,670</u>		<u>\$ 591,752,670</u>
Overlapping			
Summit County	\$ 29,730,000	22.04 %	\$ 6,552,492
Coventry Local School District	27,894,622	10.19	2,842,462
Revere Local School District	59,697,432	3.05	1,820,772
Springfield Local School District	27,080,000	7.58	2,052,664
Woodridge Local School District	31,310,351	28.83	9,026,774
Total overlapping debt	<u>\$ 175,712,405</u>		<u>\$ 22,295,164</u>
Total direct and overlapping debt	<u>\$ 767,465,075</u>		<u>\$ 614,047,834</u>

Sources: Debt outstanding for overlapping governments, taken from Ohio Municipal Advisory Council (OMAC) as of 1/1/2021 and City of Akron, Ohio Finance Department

Note: Percentages determined by dividing the amount of assessed valuation of the political subdivision located within the boundaries of the City by the total assessed valuation of the subdivisions.

City of Akron, Ohio  
Ratios of General Bonded Debt Outstanding  
Last Ten Fiscal Years  
*(in thousands of dollars, except per capita amount)*

Schedule 14

Fiscal Year	General Obligation Bonds	Less: Amounts Available in Debt Service Fund	Total	Percentage of Estimated	
				Actual Taxable Value of Property <sup>1</sup>	Per Capita <sup>2</sup>
2011	\$ 252,362	\$ 2,823	\$ 249,539	3.27 %	\$ 1,253
2012	238,070	2,301	235,769	3.09	1,184
2013	221,992	955	221,037	2.95	1,110
2014	206,075	951	205,124	2.78	1,030
2015	195,245	554	194,691	2.64	978
2016	176,968	852	176,116	2.39	885
2017	175,548	514	175,034	2.39	879
2018	145,397	526	144,871	1.86	728
2019	105,721	504	105,217	1.30	528
2020	81,294	511	80,783	0.93	406

Source: City of Akron, Ohio Finance Department

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

<sup>1</sup> See Schedule 5, Assessed Value and Estimated Actual Value of Taxable Property, for property value data.

<sup>2</sup> See Schedule 16, Demographics and Economic Statistics, for population data.

City of Akron, Ohio  
Pledged-Revenue Coverage  
Last Ten Fiscal Years  
*(in thousands of dollars)*

Schedule 15

Fiscal Year	Sewer Revenue Bonds and OWDA Loans									
	Sewer Gross Revenue	Less: Operating Expenses <sup>1</sup>	Net Available Revenue	Debt Service <sup>2</sup>			Coverage	JEDD		
				Principal	Interest	Debt Service <sup>2</sup>		Gross Revenue	Principal	Interest
2011	\$ 49,674	\$ 36,169	\$ 13,505	\$ 8,423	\$ 2,250	1.27 %	\$ 16,578	\$ 2,535	\$ 1,774	3.85 %
2012	57,229	47,571	9,658	8,983	2,016	0.88	20,812	-	1,085	19.18
2013	63,288	44,947	18,341	11,352	2,133	1.36	18,090	-	1,149	15.74
2014	73,527	61,118	12,409	18,201	2,773	0.59	17,396	1,920	1,149	5.67
2015	89,800	62,139	27,661	37,080	3,356	0.68	18,724	3,215	1,072	4.37
2016	89,839	72,182	17,657	12,677	2,849	1.14	14,389	3,325	944	3.37
2017	94,716	71,787	22,929	16,483	4,359	1.10	14,800	3,485	778	3.47
2018	85,575	47,231	38,344	14,352	5,210	1.96	14,905	3,665	603	3.49
2019	88,649	85,088	3,561	17,612	6,190	0.15	16,083	3,835	420	3.78
2020	83,797	54,858	28,938	26,874	11,609	0.75	15,786	4,040	228	3.70

Fiscal Year	Water Revenue Bonds and OWDA Loans									
	Water Gross Revenue	Less: Operating Expenses <sup>1</sup>	Net Available Revenue	Debt Service <sup>3</sup>			Coverage	Non-Tax Revenue Bonds		
				Principal	Interest	Debt Service <sup>3</sup>		Non-Tax Collections	Principal	Interest
2011	\$ 35,249	\$ 27,933	\$ 7,316	\$ 4,931	\$ 2,282	1.01 %	\$ 112,710	\$ 2,610	\$ 3,385	18.80 %
2012	33,448	21,681	11,767	4,126	2,050	1.91	103,202	755	2,677	30.07
2013	35,633	25,323	10,310	4,369	1,924	1.64	137,684	1,605	2,648	32.37
2014	35,076	25,598	9,478	4,491	1,808	1.50	93,851	23,140	1,857	3.75
2015	36,839	30,720	6,119	13,122	2,009	0.40	85,349	18,780	1,547	4.20
2016	37,817	28,016	9,801	5,365	1,612	1.40	151,217	4,290	1,473	26.24
2017	34,579	27,762	6,817	5,729	1,663	0.92	103,790	4,575	1,380	17.43
2018	32,246	28,608	3,638	5,970	1,473	0.49	105,986	5,735	1,296	15.07
2019	34,637	36,450	(1,813)	3,028	1,250	(0.42)	113,905	3,025	1,173	27.13
2020	36,499	29,642	6,857	3,358	1,215	1.50	154,994	3,105	1,098	36.88



City of Akron, Ohio  
Pledged-Revenue Coverage  
Last Ten Fiscal Years  
(in thousands of dollars)  
(continued)

Schedule 15

Fiscal Year	CLC Bonds			Income Tax Revenue Bonds			Coverage
	CLC Collections	Debt Service Principal	Debt Service Interest	Income Tax Collections	Debt Service <sup>4</sup> Principal	Debt Service <sup>4</sup> Interest	
2011	\$ 16,822	\$ 5,750	\$ 11,845	\$ 118,523	\$ 2,939	\$ 5,988	13.28 %
2012	18,064	5,225	6,057	113,026	-	155	729.20
2013	14,880	5,570	10,568	125,081	1,407	1,274	46.65
2014	12,937	7,455	11,390	127,375	1,914	1,296	39.68
2015	17,254	7,545	12,042	126,035	3,296	2,815	20.62
2016	15,935	7,870	11,797	135,322	19,591	3,999	5.74
2017	15,231	44,980	39,263	122,418	6,689	3,752	11.72
2018	16,917	10,130	12,000	146,679	6,333	3,483	14.94
2019	16,454	10,650	11,374	151,025	6,108	3,314	16.03
2020	15,977	10,940	10,831	152,897	4,815	2,686	20.38

Source: City of Akron, Ohio Finance Department

<sup>1</sup> Net of Depreciation

<sup>2</sup> The 2020 amounts for debt service include the final principal payments totaling \$1,053,366 and interest payments of \$107,155 for loans that were retired during the year and not reflected on Note 19.

<sup>3</sup> The 2020 amounts for debt service include the final principal payments totaling \$772,775 and interest payments of \$18,324 for loans that were retired during the year and not reflected on Note 19.

<sup>4</sup> The 2020 amounts for debt service include the final principal payment of \$620,000 and interest payment of \$48,850 for a bond that was refunded during the year and not reflected on Note 19. The debt service amount also includes the final interest payment of \$118,075 for a bond that was retired during the year.

City of Akron, Ohio  
Demographic and Economic Statistics  
Last Ten Fiscal Years

Schedule 16

Year	Population <sup>1</sup>	Personal Income <sup>1</sup>	Per Capita Personal Income <sup>1</sup>	Median Household Income <sup>1</sup>	Median Age <sup>1</sup>	Education - Bachelor's Degree or Higher <sup>1</sup>	School Enrollment <sup>1</sup>	Unemployment Rate <sup>2</sup>
2020	199,110	\$ 3,915,299,040	\$ 19,664	\$ 34,359	35.5	20 %	56,760	10.1 %
2019	199,110	3,915,299,040	19,664	34,359	35.5	20	56,760	4.9
2018	199,110	3,915,299,040	19,664	34,359	35.5	20	56,760	5.3
2017	199,110	3,915,299,040	19,664	34,359	35.5	20	56,760	5.8
2016	199,110	3,915,299,040	19,664	34,359	35.5	20	56,760	5.8
2015	199,110	3,915,299,040	19,664	34,359	35.5	20	56,760	5.7
2014	199,110	3,915,299,040	19,664	34,359	35.5	20	56,760	6.6
2013	199,110	3,915,299,040	19,664	34,359	35.5	20	56,760	7.6
2012	199,110	3,915,299,040	19,664	34,359	35.5	20	56,760	7.6
2011	199,110	3,915,299,040	19,664	34,359	35.5	20	56,760	9.4

Source: <sup>1</sup> U.S. Census Bureau, due to COVID and timing 2020 data still not available.

<sup>2</sup> Ohio Department of Job and Family Services

City of Akron, Ohio  
Principal Employers  
12/31/2020 and 12/31/2011

Schedule 17

December 31, 2020		December 31, 2011					
Employer	Employees	Rank	Percentage of Total City Employment	Employer	Employees	Rank	Percentage of Total City Employment
Summa Health System	8,609	1	9.40 %	University of Akron	9,682	1	9.88 %
University of Akron	5,933	2	6.48	Summa Health System	6,813	2	6.95
Akron Children's Hospital	5,773	3	6.30	Akron Public School District	4,985	3	5.09
Cleveland Clinic-Akron General	4,779	4	5.22	Akron Children's Hospital	3,947	4	4.03
Akron Public Schools	4,544	5	4.96	Akron General Hospital	3,925	5	4.01
Summit County	3,323	6	3.63	Summit County	3,427	6	3.50
Goodyear Tire & Rubber Company	2,954	7	3.22	Goodyear Tire & Rubber Company	3,366	7	3.43
First Energy Corporation	2,538	8	2.77	Sterling Jewel	2,635	8	2.69
City of Akron	2,406	9	2.63	City of Akron	2,431	9	2.48
Signet Jewelers	2,094	10	2.29	FirstEnergy Corporation	2,107	10	2.15
	<u>42,953</u>		<u>46.90 %</u>		<u>43,318</u>		<u>44.21 %</u>

Source: City of Akron, Ohio Finance Department

Employment numbers include all tax filing(s) with the City of Akron.

City of Akron, Ohio  
Full-Time Equivalent City Government Employees by Function/Program  
Last Ten Fiscal Years

Schedule 18

Function/Program	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
<b>General Government:</b>										
City Council	3	3	3	3	3	3	3	3	3	3
Courts	89	89	90	92	89	93	99	96	95	98
Elected and Appointed Officials	45	43	44	45	44	51	53	52	50	53
Economic Development	5	4	4	3	4	5	5	6	6	-
Finance Department	78	78	100	99	98	92	77	76	77	73
Information Technology	-	-	-	-	-	-	6	9	9	20
Lock 3	-	-	-	-	-	-	3	3	3	-
Civil/Criminal	8	8	8	7	8	8	8	7	8	7
Personnel Department	8	9	9	8	10	-	-	-	-	-
Human Resources Department	-	-	-	-	-	14	16	15	17	16
Engineering Bureau	1	-	-	-	-	-	-	-	-	-
<b>Public Safety:</b>										
Elected and Appointed Officials	-	-	1	1	2	1	-	-	1	1
Health Department	-	-	-	-	-	-	-	-	-	-
Communications	15	15	16	16	14	15	-	-	-	-
Information Tech Communications	-	-	-	-	-	-	15	13	13	14
Safety Communications	57	58	57	55	59	55	58	63	58	64
Fire Department	331	345	381	368	372	350	374	375	380	371
Police Department	503	454	453	493	485	489	470	473	500	483
Traffic Engineering	23	18	21	19	-	-	-	-	-	-
<b>Public Health:</b>										
Health Department*	137	-	-	-	-	-	-	-	-	-

\*The City of Akron Public Health services consolidated with the Summit County Health District on January 1, 2011.

Source: City of Akron, Ohio Finance Department

City of Akron, Ohio  
Full-Time Equivalent City Government Employees by Function/Program  
Last Ten Years  
(continued)

Schedule 18

Function/Program	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
<b>Public Service:</b>										
Elected and Appointed Officials	4	4	4	3	4	3	3	3	3	2
Public Service Administration	2	1	3	5	4	4	1	2	2	2
Customer Service	10	12	12	11	11	12	-	-	-	-
Housing	9	9	12	12	11	11	-	-	-	-
Information Technology	-	-	-	-	-	-	7	5	5	-
Plans and Permits Center	2	1	2	2	2	2	3	2	2	2
Customer Service Response	7	8	8	8	8	8	-	-	-	-
Engineering Bureau	53	54	55	39	44	49	47	44	44	41
Airport	1	-	-	-	-	-	-	-	-	-
Building Maintenance	26	24	26	25	24	27	27	25	27	27
Motor Equipment	31	30	28	29	29	30	31	30	28	28
Golf Course	3	3	3	4	4	4	5	5	5	5
Public Utilities Administration	1	-	-	-	-	-	-	-	-	-
Sewer Bureau	48	56	61	59	56	52	51	50	50	47
Water Bureau	198	148	154	167	162	156	164	163	160	169
Public Works Administration	6	8	7	7	7	5	6	7	6	7
Highway Maintenance	62	50	56	60	59	61	61	57	58	61
Sanitation Services	38	39	42	41	41	38	40	40	37	43
Street Cleaning	35	32	37	41	41	37	41	41	39	40
Parks Maintenance	24	24	33	32	32	31	32	31	31	27
Engineering Services	4	-	-	-	-	-	-	-	-	-
Traffic Engineering	-	-	-	-	19	18	19	19	22	20
<b>Community Environment:</b>										
Elected and Appointed Officials	1	-	1	2	2	2	2	2	5	5
3-1-1 Call Center	-	-	-	-	-	-	7	8	8	8
Housing Compliance	-	-	-	-	-	-	11	12	12	11
Housing & Community Services	-	-	-	-	-	-	9	9	9	9
Nuisance Compliance	-	-	-	-	-	-	12	12	12	12
Planning Department	54	52	52	49	48	44	34	32	32	15
Office of Integrated Development (OID)	-	-	-	-	-	-	-	-	-	26
Recreation & Downtown Operations	-	-	-	-	-	-	-	-	-	22
Recreation Bureau	21	23	19	19	22	21	21	21	19	-
<b>Totals:</b>	1,740	1,725	1,802	1,824	1,818	1,791	1,821	1,811	1,836	1,832

Source: City of Akron, Ohio Finance Department

City of Akron, Ohio  
Operating Indicators by Function/Program  
Last Ten Fiscal Years

Schedule 19

Function/Program	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
<b>General Government</b>										
Total Number of Permits Issued	1,073	522	1,156	1,237	1,294	1,447	1,171	1,183	1,458	1,388
City Council Ordinances Passed	395	414	385	382	418	415	342	388	321	307
<b>Fire</b>										
Emergency Responses	34,246	34,294	34,059	35,789	37,806	40,013	40,387	41,597	43,549	42,298
Fire/Rescue	6,812	7,283	7,236	7,833	8,428	9,546	9,786	9,088	9,809	9,795
<b>Police</b>										
Calls for Service*	202,443	199,125	201,475	205,276	213,020	220,479	210,278	199,961	182,260	149,805
Civil Division Cases Filed	11,525	12,052	10,229	10,145	9,372	9,698	10,347	10,775	11,081	6,640
Criminal/Traffic Division Cases Filed	32,453	32,298	33,417	34,823	35,103	33,187	33,614	33,913	32,145	24,797
Parking Division Cases Filed	23,571	29,126	24,199	24,140	25,087	25,231	21,009	21,873	20,385	11,347
<b>Parks and Recreation</b>										
Good Park Golf Course Attendance	30,061	33,691	37,324	31,231	37,511	38,912	37,244	32,515	30,685	32,081
Mud Run Golf Course Attendance	10,806	13,494	12,884	10,660	15,262	14,986	13,726	14,297	18,292	18,692
<b>Business Services</b>										
Curb Service Accounts	61,411	61,270	61,039	60,931	61,099	61,498	62,024	62,267	62,294	62,543
<b>Sewer</b>										
Sewer Accounts	78,653	78,653	77,012	76,706	76,570	75,507	75,557	75,690	75,634	75,966
Sewer Amounts Billed (in thousands)	\$ 39,011	\$ 53,756	\$ 55,538	\$ 75,485	\$ 91,575	\$ 92,116	\$ 75,830	\$ 75,287	\$ 73,290	\$ 70,648
<b>Water</b>										
Water Accounts	83,794	83,550	83,643	82,621	80,684	80,806	80,834	80,926	81,055	83,482
Water Amounts Billed (in thousands)	\$ 30,033	\$ 33,125	\$ 31,951	\$ 31,312	\$ 30,056	\$ 29,615	\$ 30,485	\$ 30,362	\$ 29,677	\$ 29,564

\*Prior to 2020 the Police Calls for Service represents all calls less station calls, meal breaks and out of service calls. The new CAD system does not include some calls that were previously reported.

Source: City of Akron, Ohio Finance Department

City of Akron, Ohio  
Capital Asset Statistics by Function/Program  
Last Ten Fiscal Years

Schedule 20

Function/Program	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
<b>Police</b>										
Number of Uniformed Police Officers	406	412	412	450	445	453	435	441	468	453
Number of Districts	12	12	12	12	12	12	12	12	12	12
<b>Fire</b>										
Number of Firefighters and Officers	329	325	360	349	349	328	353	352	357	349
Number of Stations	13	13	13	13	13	13	13	13	13	13 *
<b>Parks and Recreation</b>										
City Park System (in acres)	2,100	2,100	2,100	2,100	2,100	2,100	2,100	2,100	2,100	2,100
City Owned/Operated Golf Courses	2	2	2	2	2	2	2	2	2	2
<b>Water</b>										
Miles of Pipe	1,225	1,225	1,226	1,226	1,228	1,230	1,231	1,237	1,230	1,239
Average Daily Pumpage (in millions of gallons)	35	35	34	34	34	34	34	34	33	31
Distribution-Storage Reservoirs	15	15	15	15	15	15	15	15	15	14
<b>Sewer</b>										
Sanitary Sewers (miles)	681	681	685	672	678	678	686	683	682	683
Storm Sewers (miles)	382	382	382	374	361	361	369	365	364	370
Storm and Combined Sewer Inlets (miles)	309	309	309	303	309	309	298	295	294	293
Pump Stations	33	33	33	33	33	33	37	37	37	36
<b>Other Public Works</b>										
Oil Wells	13	13	13	13	13	13	13	13	12	12
Parking Decks	10	10	10	10	10	10	10	10	10	10

Source: City of Akron, Ohio Finance Department

\*During 2018, one fire station was razed and new construction began. The count includes this station.

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

**Independent Auditor's Report**

To the Honorable Daniel Horrigan, Mayor, and  
Stephen F. Fricker, Director of Finance  
City of Akron, Ohio

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Akron, 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. We issued our report thereon dated August 2, 2021, which contained an unmodified opinion on the financial statements. Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. We have not performed any procedures with respect to the audited financial statements subsequent to August 2, 2021.

The accompanying schedule of expenditures of federal awards is presented for the purpose of additional analysis, as required by the Uniform Guidance, and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

*Plante & Moran, PLLC*

August 25, 2021



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

### **Independent Auditor's Report**

To Management; the Honorable Daniel Horrigan, Mayor; and  
Stephen F. Fricker, Director of Finance  
City of Akron, Ohio

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Akron, 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 and have issued our report thereon dated August 2, 2021.

#### **Internal Control Over Financial Reporting**

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies, and, therefore, material weaknesses or significant deficiencies may exist that were not identified. However, as described in the accompanying schedule of findings and questioned costs, we identified certain deficiencies in internal control that we consider to be material weaknesses and another deficiency that we consider to be a significant deficiency.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the City's financial statements will not be prevented, or detected and corrected, on a timely basis. We consider the deficiencies described in the accompanying schedule of findings and questioned costs as Findings 2020-001 and 2020-002 to be material weaknesses.

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. We consider the deficiency described in the accompanying schedule of findings and questioned costs as Finding 2020-004 to be a significant deficiency.

#### **Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the City's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and, accordingly, we do not express such an opinion.

To Management; the Honorable Daniel Horrigan, Mayor; and  
Stephen F. Fricker, Director of Finance  
City of Akron, Ohio

The results of our tests disclosed an instance of noncompliance or other matter that is required to be reported under *Government Auditing Standards*, which is described in the accompanying schedule of findings and questioned costs as Finding 2020-003.

### **The City's Responses to the Findings**

The City's responses to the findings identified in our audit are described in the accompanying schedule of findings and questioned costs. The City's responses were not subjected to the auditing procedures applied in the audit of the financial statements, and, accordingly, we express no opinion on them.

### **Purpose of This Report**

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

*Plante & Moran, PLLC*

August 2, 2021

Report on Compliance for Each Major Federal Program and Report on Internal Control Over Compliance  
Required by the Uniform Guidance

### **Independent Auditor's Report**

To the Honorable Daniel Horrigan, Mayor, and  
Stephen F. Fricker, Director of Finance  
City of Akron, Ohio

#### **Report on Compliance for Each Major Federal Program**

We have audited the City of Akron, Ohio's (the "City") compliance with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) Compliance Supplement that could have a direct and material effect on each of the City's major federal programs for the year ended December 31, 2020. The City's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

#### ***Management's Responsibility***

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

#### ***Auditor's Responsibility***

Our responsibility is to express an opinion on compliance for each of the City's major federal programs based on our audit of the types of compliance requirements referred to above.

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

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

#### ***Opinion on Each Major Federal Program***

In our opinion, the City complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of the major federal programs for the year ended December 31, 2020.

#### ***Other Matters***

The results of our auditing procedures disclosed an instance of noncompliance that is required to be reported in accordance with the OMB Uniform Guidance, which are described in the accompanying schedule of findings and questioned costs as Finding 2020-005. Our opinion on each major federal program is not modified with respect to this matter.

To the Honorable Daniel Horrigan, Mayor, and  
Stephen F. Fricker, Director of Finance  
City of Akron, Ohio

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

### **Report on Internal Control Over Compliance**

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

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

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be significant deficiencies or material weaknesses, and, therefore, material weaknesses or significant deficiencies may exist that were not identified. We identified a certain deficiency in internal control over compliance, as described in the accompanying schedule of findings and questioned costs as Finding 2020-005, that we consider to be a material weakness.

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

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

*Plante & Moran, PLLC*

August 25, 2021

**CITY OF AKRON, OHIO**

**SUPPLEMENTAL SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
YEAR ENDED DECEMBER 31, 2020**

Federal Grantor/Pass-Through Grantor/Program Title	Federal CFDA No.	Pass-through or Entity Identifying Number	Passed Through to Subrecipients	Total Federal Expenditures
<b>DEPARTMENT OF EDUCATION</b>				
Passed Through the Ohio Department of Education:				
Twenty-First Century Community Learning Centers	84.287	FY2019-2020-079111		196,133
Total Department of Education			-	196,133
<b>DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT</b>				
Direct Programs:				
CDBG - Entitlement Grants Cluster:				
Community Development Block Grants/Entitlement Grants	14.218	B-20-MC-39-0001	2,926,803	6,379,250
COVID-19: Community Development Block Grants/Entitlement Grants	14.218	B-20-MW-39-0001	352,291	355,652
Neighborhood Stabilization Program	14.218	B-08-MN-39-0001		3,537
Neighborhood Stabilization Program	14.218	B-11-MN-39-0001		1,502
Total CDBG - Entitlement Grants Cluster			3,279,094	6,739,941
Emergency Solutions Grant Program	14.231	E-20-MC-39-0001	465,429	476,185
COVID-19: Emergency Solutions Grant Program	14.231	E-20MW3-90001	87,536	92,642
HOME Investment Partnership Program	14.239	M-20-MC-39-0206	1,365,182	1,365,182
Continuum of Care Program	14.267	OH056265E061600	104,369	144,803
Lead-Based Paint Hazard Control in Privately-Owned Housing	14.900	OHLHB0735-19		649,452
Total Department of Housing and Urban Development			5,301,610	9,468,205
<b>DEPARTMENT OF JUSTICE</b>				
Direct Programs:				
COVID-19: Coronavirus Emergency Supplemental Funding	16.034	2020-VD-BX-1552		149,156
Violence Against Women	16.588	2019-WF-VA2-8503		44,998
Public Safety Partnership and Community Policing Grants	16.710	2018SVWX0034		77,899
National Sexual Assault Kit Initiative	16.833	2018-AK-BX-0010	46,518	293,545
National Sexual Assault Kit Initiative	16.833	2019-AK-BX-0004	128,451	136,579
Equitable Sharing Program	16.922	OH0770100		126,506
Passed Through the Governor's Office of Criminal Justice Services:				
Project Safe Neighborhood	16.609	2018-PS-PND-433		6,632
Edward Byrne Memorial Justice Assistance - Formula Grants	16.738	2017-DJ-BX-0659	1,971	88,048
Edward Byrne Memorial Justice Assistance - Formula Grants	16.738	2018-DJ-BX-0178	15,879	31,817
Edward Byrne Memorial Justice Assistance - Formula Grants	16.738	2019-DJ-BX-0495		27,649
Edward Byrne Memorial Justice Assistance - Formula Grants	16.738	2019-JG-A02-6005		13,834
Total Department of Justice			192,819	996,663
<b>ENVIRONMENTAL PROTECTION AGENCY</b>				
Passed Through the Ohio Environmental Protection Agency:				
Clean Water State Revolving Fund Cluster:				
Capitalization Grants for Clean Water State Revolving Funds	66.458	OWDA 7154, OWDA 8540, OWDA 8727		67,459,965
Total for Clean Water State Revolving Fund Cluster			-	67,459,965
Clean Water Act Section 319(h)				
Nonpoint Source Implementation Program	66.460	C9975500017		221,914
Total Environmental Protection Agency			-	67,681,879
<b>DEPARTMENT OF TRANSPORTATION</b>				
Direct Programs:				
COVID-19: Airport Improvement Program	20.106	3-39-0002-021-2020		69,000
COVID-19: Airport Improvement Program	20.106	3-39-0002-019-2018		179,055
			-	248,055
Passed Through the Ohio Department of Public Safety:				
Minimum Penalties for Repeat Offenders for Driving While Intoxicated (DWI)	20.608	IDEP- 2020-APD-00016		22,524
Minimum Penalties for Repeat Offenders for Driving While Intoxicated (DWI)	20.608	IDEP-2021-APD-00054		8,424
			-	30,948
Passed Through the Ohio Department of Highway Safety:				
Highway Safety Cluster:				

State and Community Highway Safety	20.600	IDEP/STEP-2020-APD-00016	19,913
State and Community Highway Safety	20.600	IDEP/STEP-2021-APD-00054	5,396
Alcohol Impaired Driving Contermeasures Incentive Grants I	20.601	OVITF-2015-77-00-00-00-450	23,511
National Priority Safety Programs - Impaired Driving Enforcement Program	20.616	DDEP-2020-00009	7,430
National Priority Safety Programs - Impaired Driving Enforcement Program	20.616	DDEP-2021-00037	2,974
Total Highway Safety Cluster			<u>59,224</u>
Passed Through the Ohio Department of Transportation:			
Highway Planning and Construction Cluster:			
ODOT - Akron Metropolitan Area Transportation Study - Rideshare	20.205	PID-97831	38,180
ODOT - Akron Metropolitan Area Transportation Study - Air Quality	20.205	PID-97834	40,413
ODOT - Akron Metropolitan Area Transportation Study	20.205	PID-109386	931,400
ODOT - Akron Metropolitan Area Transportation Study - Rideshare	20.205	PID-111606	383,422
Total Akron Metroploitan Area Transportation Study			<u>1,393,415</u>
ODOT - Akron Safe Routes to School	20.205	PID-103747	238,123
ODOT - Brittain Road Signals	20.205	PID-93432	71,107
ODOT -Canton Road Market Street Intersection	20.205	PID-93433	76,454
ODOT -Cedar/Exchange	20.205	PID-88990	1,069,152
ODOT -Copley Road Signals	20.205	PID-88968	63,481
ODOT - Evans Avenue	20.205	PID-80684	1,670,627
ODOT - Main Street Corridor	20.205	PID-104042	1,872,678
ODOT - Summit Signals, SR 18 Portage Path to Summit	20.205	PID-93435	71,301
ODOT - SR 18 Signals Portage Path to Hawkins	20.205	PID-93436	36,745
ODOT - Tallmadge Avenue	20.205	PID-88556	167,004
ODOT - Tallmadge Avenue Signals	20.205	PID-93439	52,439
ODOT - US Massillon Road Intersection	20.205	PID-107203	23,308
ODOT - East Waterloo Road Resurfacing	20.205	PID-108133	500,120
ODOT - Seiberling Way Phase 1	20.205	PID-84397	33,227
Total Highway Planning & Construction Cluster			<u>7,339,181</u>
Total Department of Transportation			<u>7,677,408</u>
<b>DEPARTMENT OF THE TREASURY</b>			
Passed Through the Ohio Office of Management and Budget and Summit County:			
COVID-19: Coronavirus Relief Fund	21.019		150,000
Total Department of Treasury			<u>22,735,439</u>
<b>EXECUTIVE OFFICE OF THE PRESIDENT</b>			
Office of National Drug Control Policy			
Passed Through the City of Shaker Heights, Ohio:			
High Intensity Drug Trafficking Area	95.001	95.001	29,019
Total Executive Office of the President			<u>29,019</u>
<b>DEPARTMENT OF HOMELAND SECURITY</b>			
Direct Programs:			
From the Federal Emergency Management Agency			
Assistance to Firefighters Grant	97.044	EMW-2018-FO-04504	242,689
Total Department of Homeland Security			<u>242,689</u>
<b>TOTAL EXPENDITURES OF FEDERAL AWARDS</b>			<u>109,027,435</u>

See notes to supplemental schedule of expenditures of federal awards.

**CITY OF AKRON, OHIO  
SUMMIT COUNTY**

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

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**1. BASIS OF PRESENTATION**

The accompanying Schedule of Expenditures of Federal Awards (the Schedule) includes the federal award activity of the City of Akron, Ohio, (the Government's) 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 Government, it is not intended to and does not present the financial position, changes in net position, or cash flows of the Government.

**2. 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 Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principals, and Audit Requirements for Federal Awards*, wherein certain types of expenditures may or may not be allowable or may be limited as to reimbursement except for expenditures related to CFDA 21.019, Coronavirus Relief Fund (CRF). CRF does not apply the cost principles contained in Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principals, and Audit Requirements for Federal Awards but rather applies the U.S. Department of Treasury's guidance. The Government has elected not to use the 10-percent de minimis indirect cost rate as allowed under the Uniform Guidance.

Schedule of Findings and Questioned Costs

Year Ended December 31, 2020

Section I - Summary of Auditor's Results

Financial Statements

Type of auditor's report issued: Unmodified

Internal control over financial reporting:

- Material weakness(es) identified?  X  Yes   No
- Significant deficiency(ies) identified that are not considered to be material weaknesses?  X  Yes   None reported

Noncompliance material to financial statements noted?  X  Yes   None reported

Federal Awards

Internal control over major programs:

- Material weakness(es) identified?   Yes  X  No
- Significant deficiency(ies) identified that are not considered to be material weaknesses?   Yes  X  None reported

Any audit findings disclosed that are required to be reported in accordance with Section 2 CFR 200.516(a)?  X  Yes   No

Identification of major programs:

CFDA Number	Name of Federal Program or Cluster	Opinion
21.019	COVID-19: Coronavirus Relief Fund	Unmodified
66.458	Clean Water State Revolving Fund Cluster	Unmodified

Dollar threshold used to distinguish between type A and type B programs: \$3,000,000

Auditee qualified as low-risk auditee?   Yes  X  No



Schedule of Findings and Questioned Costs (Continued)

Year Ended December 31, 2020

Section II - Financial Statement Audit Findings

Reference Number	Finding
2020-001	<p data-bbox="362 512 769 537"><b>Finding Type</b> - Material weakness</p> <p data-bbox="362 562 1482 678"><b>Criteria</b> - An auditee must prepare appropriate financial statements, including the schedule of expenditures of federal awards (the "Schedule"), as required by 2 CFR 200.508. The Schedule should be for the period covered by the auditee's financial statements, which must include the total federal awards expended.</p> <p data-bbox="362 703 1482 756"><b>Condition</b> - The controls in place were not adequate to ensure the Schedule was complete and accurate.</p> <p data-bbox="362 781 1482 928"><b>Context</b> - The Schedule was initially understated by approximately \$38.5 million related to errors in reporting on the Schedule with the Clean Water State Revolving Fund Cluster (CFDA 66.458). The error was due to two programs through the Ohio Environmental Protection Agency for which disbursements were federal expenditures and were not properly identified by the City for inclusion in the Schedule.</p> <p data-bbox="362 953 1482 1041"><b>Cause</b> - Although the City had processes in place to prepare the Schedule, it did not have processes in place to confirm which funds should be reported on the Schedule each year related to its loans received through the Ohio Environmental Protection Agency.</p> <p data-bbox="362 1066 1482 1182"><b>Effect</b> - The Schedule was initially understated by approximately \$38.5 million. The correction of the Schedule resulted in significant additional expenditures to test under the major program. Without proper processes and controls to determine the completeness and accuracy of the Schedule, the City risks noncompliance with federal requirements.</p> <p data-bbox="362 1207 1482 1295"><b>Recommendation</b> - The City should obtain confirmation of the loan programs through the Ohio Environmental Protection Agency that should be reported on the Schedule each year, as it is not easily determinable from the loan agreements.</p> <p data-bbox="362 1320 1482 1402"><b>Views of Responsible Officials and Planned Corrective Actions</b> - The City will obtain a confirmation of loan program activity from the Ohio Environmental Protection Agency to report on the Schedule.</p>

Schedule of Findings and Questioned Costs (Continued)

Year Ended December 31, 2020

Section II - Financial Statement Audit Findings (Continued)

Reference Number	Finding
2020-002	<p><b>Finding Type - Material weakness</b></p> <p><b>Criteria</b> - According to Clarified Statements on Auditing Standards, management is responsible for producing financial statements that are prepared, in all material respects, in accordance with generally accepted accounting principles (GAAP) (AU-C 260.10).</p> <p><b>Condition</b> - Adjustments were required to amounts presented in the 2019 financial statements in order to correct material misstatements for capital assets and net position. Auditor-identified adjustments were also required to be posted to capital assets, accounts payable and expenses, and net position in the 2020 financial statements.</p> <p><b>Context</b> - The prior period adjustment for capital asset amounts presented in 2019 related to vendor-direct payments made on the City's behalf. During 2020, the City did not properly record similar vendor-direct payment activity related to capital assets projects, and auditor-identified adjustments were required to be posted in order to be in accordance with GAAP. Total net position changed for 2019 and 2020 as a result of these adjustments.</p> <p>During 2020, the City did not properly record net position categories for governmental activities, and an adjustment was required to be posted in order to be in accordance with GAAP. Unrestricted net position and net investment in capital assets for 2019 was also misstated due to the same calculation error identified for 2020 in net investment in capital assets. Total net position did not change for 2019 or 2020 as a result of these net position adjustments.</p> <p><b>Cause</b> - The City did not have adequate procedures in place to ensure that amounts recorded for capital assets, accounts payable, and corresponding expenses, as well as governmental activities net position, were recorded in accordance with GAAP.</p> <p><b>Effect</b> - The December 31, 2019 net position (fund balance) for business-type activities was restated as follows (dollar amounts are rounded) for the capital asset adjustment: increase the Sewer Fund by \$72,031,000.</p> <p>The adjustments for 2020 are as follows (dollar amounts are rounded to the nearest thousand):</p> <p>Increase governmental activities capital assets by \$14,196,000 and increase accounts payable and decrease expense by \$2,353,000 and \$11,843,000, respectively.</p> <p>Increase business-type activities capital assets by \$46,047,000 and increase accounts payable and decrease expense by \$7,958,000 and \$38,089,000, respectively.</p> <p>Increase Sewer Fund capital assets by \$45,422,000 and increase accounts payable and decrease expense by \$7,958,000 and \$37,464,000, respectively.</p> <p>Increase Water Fund capital assets by \$625,000 and decrease expense by \$625,000.</p> <p>The adjustment for the identified net position calculation error for 2019 resulted in an increase in net investment in capital assets and a decrease in unrestricted net position of \$43,244,000.</p> <p>For 2020, the adjustment affected all categories of net position in the following amounts: Increase net investment in capital assets by \$61,644,000, decrease restricted for debt service by \$2,391,000, decrease restricted for Community Learning Centers by \$50,643,000, decrease restricted for capital projects by \$21,061,000, decrease restricted for program purpose by \$13,189,000, and increase unrestricted net position by \$25,640,000.</p>

Schedule of Findings and Questioned Costs (Continued)

Year Ended December 31, 2020

Section II - Financial Statement Audit Findings (Continued)

Reference Number	Finding
2020-002 (Cont.)	<p><b>Recommendation</b> - The City should implement procedures and review processes for capital assets, accounts payable, expenses, and net position to ensure that amounts presented in the financial statements are materially correct and are recorded in accordance with GAAP.</p> <p><b>Views of Responsible Officials and Planned Corrective Actions</b> - All prior period adjustments were promptly posted and reflected in the financial statements. The City will continue to implement additional review procedures to minimize auditor-proposed adjustments.</p>
2020-003	<p><b>Finding Type</b> - Material noncompliance with laws and regulations</p> <p><b>Criteria</b> - Ohio Auditor of State (AOS) Bulletin 2015-007 indicates that annual reports filed with AOS must be complete to avoid the application of a penalty of \$25 per day (\$750 maximum) permissible under Ohio Revised Code §117.38. To be complete, GAAP entities must submit the basic financial statements, including the government-wide financial statements, fund financial statements, notes to the basic financial statements, management's discussion and analysis, and any other required supplementary information to be considered a complete filing.</p> <p><b>Condition</b> - Adjustments were required to amounts presented in the 2020 financial statements filed in the Hinkle System in order to present financial information in accordance with GAAP. In addition, the financial statements filed in the Hinkle System did not include management's discussion and analysis.</p> <p><b>Context</b> - See Finding 2020-002 for context on the adjustments for capital assets, accounts payable, expenses, and net position. Other changes were also required to be made to the financial statements filed in the Hinkle System, which were identified as a result of audit procedures performed, as well as city-identified entries.</p> <p><b>Cause</b> - The City did not ensure that the financial information that was uploaded to the Hinkle System was complete and accurate.</p> <p><b>Effect</b> - Significant adjustments, as described in Finding 2020-002, were required to ensure that the financial information in the Hinkle System was complete and accurate. In addition, the omission of the management's discussion and analysis resulted in the City not filing a complete annual report in a timely manner.</p> <p><b>Recommendation</b> - The City should implement processes and procedures to ensure that information uploaded to the Hinkle System is complete and accurate.</p> <p><b>Views of Responsible Officials and Planned Corrective Actions</b> - The City will continue to implement additional processes and procedures to ensure that the information uploaded to the Hinkle System is complete and accurate.</p>

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Schedule of Findings and Questioned Costs (Continued)

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Year Ended December 31, 2020

Section II - Financial Statement Audit Findings (Continued)

Reference Number	Finding
2020-004	<p data-bbox="362 512 797 537"><b>Finding Type</b> - Significant deficiency</p> <p data-bbox="362 562 1481 646"><b>Criteria</b> - To maintain a secure information technology (IT) environment, procedures for change-management processes should be documented, and supporting documentation should be retained to log any changes.</p> <p data-bbox="362 672 1481 730"><b>Condition</b> - The City does not have formal change-management procedures documented, nor does it retain a log of any master file changes.</p> <p data-bbox="362 751 1243 777"><b>Context</b> - The City does not have formal change-management procedures.</p> <p data-bbox="362 802 1481 861"><b>Cause</b> - The City did not provide support showing that no master file database changes were made during 2020.</p> <p data-bbox="362 882 1481 995"><b>Effect</b> - Without formal change-management procedures, there is a risk that erroneous master file changes will be made and not be detected or corrected in a timely manner. A lack of change-management procedures may result in accidental or intentional loss or damage of data.</p> <p data-bbox="362 1020 1481 1079"><b>Recommendation</b> - The City should create a formal change-management policy that includes retaining and reviewing a log of all master file changes.</p> <p data-bbox="362 1100 1481 1163"><b>Views of Responsible Officials and Planned Corrective Actions</b> - The information technology division is reviewing the procedures regarding master file database changes.</p>

## Schedule of Findings and Questioned Costs (Continued)

Year Ended December 31, 2020

### Section III - Federal Program Audit Findings

Reference Number	Finding
2020-005	<p data-bbox="362 531 1481 590"><b>CFDA Number, Federal Agency, and Program Name</b> - CFDA No. 14.218, Department of Housing and Urban Development, Community Development Block Grants/Entitlement Grants</p> <p data-bbox="362 611 1317 636"><b>Federal Award Identification Number and Year</b> - COVID-19; B20-MW-39-0001</p> <p data-bbox="362 659 683 684"><b>Pass-through Entity</b> - N/A</p> <p data-bbox="362 707 1414 732"><b>Finding Type</b> - Material weakness and material noncompliance with laws and regulations</p> <p data-bbox="362 756 610 781"><b>Repeat Finding</b> - No</p> <p data-bbox="362 804 1481 926"><b>Criteria</b> - The Community Development Block Grant CARES Act (CDBG-CV) grant was required to be used for "CDBG-eligible activities that are carried out to prevent, prepare for, and respond to coronavirus," per the CDGB-CV Notice Federal Register Publication 2002-08, Section III.B.5.(a).</p> <p data-bbox="362 949 1481 1037"><b>Condition</b> - The City used grant funds under the CDBG-CV grant for unallowable activities in accordance with the grant regulations, as they were not clearly used for activities carried out to prevent, prepare for, and respond to coronavirus.</p> <p data-bbox="362 1060 711 1085"><b>Questioned Costs</b> - \$42,483</p> <p data-bbox="362 1108 1481 1230"><b>Identification of How Questioned Costs Were Computed</b> - We reviewed all expenditures charged to the CDBG-CV grant for 2020 and noted expenditures for \$42,483 that were not used for eligible activities under the grant. Ineligible use of funds that were returned to the federal agency in the amount of \$375,000 was not considered to be questioned costs.</p> <p data-bbox="362 1253 1481 1400"><b>Context</b> - A HUD monitoring review identified that the City used CDBG-CV funding for street resurfacing of \$375,000 that did not meet the requirements to prevent, prepare for, and respond to coronavirus. The City paid the amount back to the Department of Housing and Urban Development in July 2021 and did not include that activity on the schedule of expenditures of federal awards for the year ended December 1, 2020.</p> <p data-bbox="362 1423 1481 1545">Additionally, we identified that the City used CDBG-CV funding of \$42,483 for technical assistance provided to small, diverse businesses that did not clearly meet the requirements to prevent, prepare for, and respond to coronavirus. These expenditures were considered questioned costs.</p> <p data-bbox="362 1568 1481 1690"><b>Cause and Effect</b> - The City did not properly review and apply the specific requirements for the CDBG-CV funding to be used for activities carried out to prevent, prepare for, and respond to coronavirus. As a result, the City used for activities that would have been allowable under the normal CDBG grant but were not allowable under the COVID-19 CDBG funding.</p> <p data-bbox="362 1713 1481 1772"><b>Recommendation</b> - The City should review the specific guidance for the CDBG-CV funding and ensure that the requirements are strictly followed for all expenditures.</p> <p data-bbox="362 1795 1481 1854"><b>Views of Responsible Officials and Corrective Action Plan</b> - The City is reviewing procedures and policies to prevent ineligible expenditures.</p>

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**DANIEL HORRIGAN, MAYOR**

**DEPARTMENT OF FINANCE**

200 Municipal Building / 166 South High Street / Akron, Ohio 44308  
PH: (330) 375-2316

**City of Akron, Ohio**

**August 24, 2021**

**Summary Schedule of Prior Audit Findings**

**Prior Year Finding Number:** 2019-001

**Fiscal Year in Which the Finding Initially Occurred:** 2017

**Federal Program, CFDA Number and Name:** N/A

**Original Finding Description:** The City does not have formal change-management procedures documented, nor does it retain a log of any master file changes. In addition, the City did not retain documentation showing user-access changes for the City's network.

**Status/Partial Corrective Action (as applicable):** Not corrected, reissued in finding 2020-004

**Planned Corrective Action:** The Information Technology (IT) Division is reviewing the procedures regarding master-file database changes.

**Prior Year Finding Number:** 2019-002

**Fiscal Year in Which the Finding Initially Occurred:** 2019

**Federal Program, CFDA Number and Name:** N/A

**Original Finding Description:** Auditor-proposed journal entries were identified during the audit and posted by the City in order to ensure the financial statements were not misstated. In addition, a significant number of journal entries were posted by the City after the draft financial statements were provided for review.

**Status/Partial Corrective Action (as applicable):** Partially corrected, reissued in finding 2020-002

**Planned Corrective Action:** All journal entries were promptly posted and are properly reflected in the financial statements. The journal entries do not relate to grant funds and the City will continue to implement additional review procedures to minimize auditor proposed journal entries.

**Prior Year Finding Number:** 2019-003

**Fiscal Year in Which the Finding Initially Occurred:** 2019

**Federal Program, CFDA Number and Name:** N/A

**Original Finding Description:** Adjustments were required to amounts presented in the 2018 financial statements in order to correct material misstatements for income tax revenue and receivables, as well as capital assets and capital leases.

**Status/Partial Corrective Action (as applicable):** Partially corrected, reissued in finding 2020-002

**Planned Corrective Action:** All prior period adjustments were identified by the City and promptly posted and are properly reflected in the financial statements. The adjustments do not relate to grant funds and the City will continue to implement additional review procedures to minimize prior period adjustments.

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**DANIEL HORRIGAN, MAYOR**

**DEPARTMENT OF FINANCE**

200 Municipal Building / 166 South High Street / Akron, Ohio 44308  
PH: (330) 375-2316

**City of Akron, Ohio**  
**August 24, 2021**  
**Corrective Action Plan**

**Finding Number:** 2020-001

**Condition:** The controls in place were not adequate to ensure the Schedule was complete and accurate.

**Planned Corrective Action:** The City will obtain a confirmation of loan program activity from the Ohio Environmental Protection Agency to report on the Schedule.

**Contact person responsible for corrective action:** Stephen F. Fricker, Director of Finance

**Anticipated Completion Date:** March 31, 2022

**Finding Number:** 2020-002

**Condition:** Adjustments were required to amounts presented in the 2019 financial statements in order to correct material misstatements for capital assets and net position. Auditor-identified adjustments were also required to be posted to capital assets, accounts payable and expenses, and net position in the 2020 financial statements.

**Planned Corrective Action:** All prior period adjustments were promptly posted and reflected in the financial statements. The City will continue to implement additional review procedures to minimize auditor proposed adjustments.

**Contact person responsible for corrective action:** Stephen F. Fricker, Director of Finance

**Anticipated Completion Date:** August 31, 2021

**Finding Number:** 2020-003

**Condition:** Adjustments were required to amounts presented in the 2020 financial statements filed in the Hinkle System in order to present financial information in accordance with GAAP. In addition, the financial statements filed in the Hinkle System did not include Management's Discussion & Analysis.

**Planned Corrective Action:** The City will continue to implement additional processes and procedures to ensure that the information uploaded to the Hinkle System is complete and accurate.

**Contact person responsible for corrective action:** Stephen F. Fricker, Director of Finance

**Anticipated Completion Date:** May 30, 2022

**Finding Number:** 2020-004

**Condition:** The City does not have formal change-management procedures documented, nor does it retain a log of any master file changes.

**Planned Corrective Action:** The Information Technology (IT) Division is reviewing the procedures regarding master-file database changes.

**Contact person responsible for corrective action:** Stephen F. Fricker, Director of Finance

**Anticipated Completion Date:** December 31, 2021

**Finding Number:** 2020-005

**Condition:** The City used grant funds under the CDBG-CV grant for unallowable activities in accordance with the grant regulations as they were not clearly used for activities carried out to prevent, prepare for, and respond to coronavirus.

**Planned Corrective Action:** The City is reviewing procedures and policies to prevent ineligible expenditures.

**Contact person responsible for corrective action:** Stephen F. Fricker, Director of Finance

**Anticipated Completion Date:** December 31, 2021

# OHIO AUDITOR OF STATE KEITH FABER



**CITY OF AKRON**

**SUMMIT 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 9/21/2021**

88 East Broad Street, Columbus, Ohio 43215  
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[www.ohioauditor.gov](http://www.ohioauditor.gov)