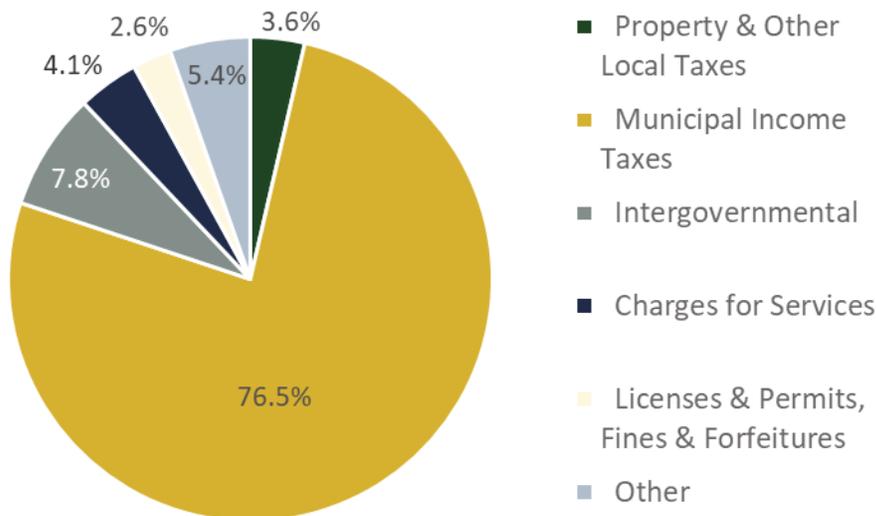


Appendix B: Financial Analysis

As a part of our financial analysis, we conducted a thorough review of the Twinsburg's finances in comparison to identified peers. This analysis included a review of revenue sources and expenditures. While the General Fund is used for the majority of City operations, Twinsburg uses other types of Governmental Funds.

2018 Twinsburg Governmental Fund Revenues

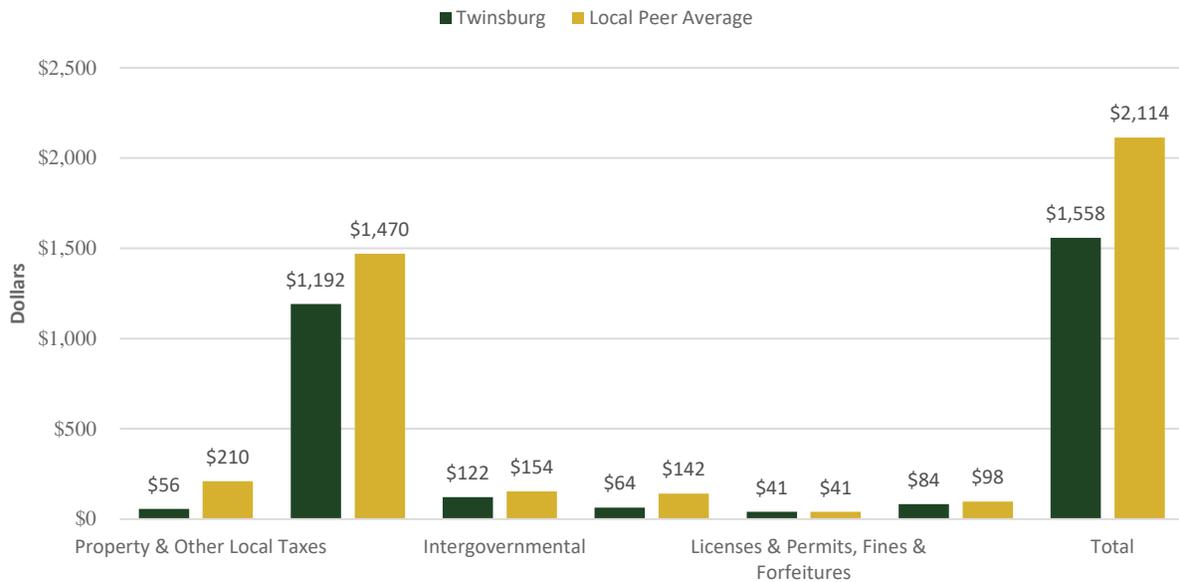


Source: City of Twinsburg 2018 Financial Audit

Governmental Funds include not only the General Fund, but also Street Construction Maintenance and Repair, Park Debt Service, Capital Improvement, and Other. The majority of revenue for all Governmental Funds comes from the municipal income tax.

The revenues per resident for all Governmental Funds are also similar to General Fund revenues per resident. The chart on the following page shows that Twinsburg receives nearly \$600 less revenue per resident than peer cities. This is largely based on lower municipal income tax collections and lower property tax collections.

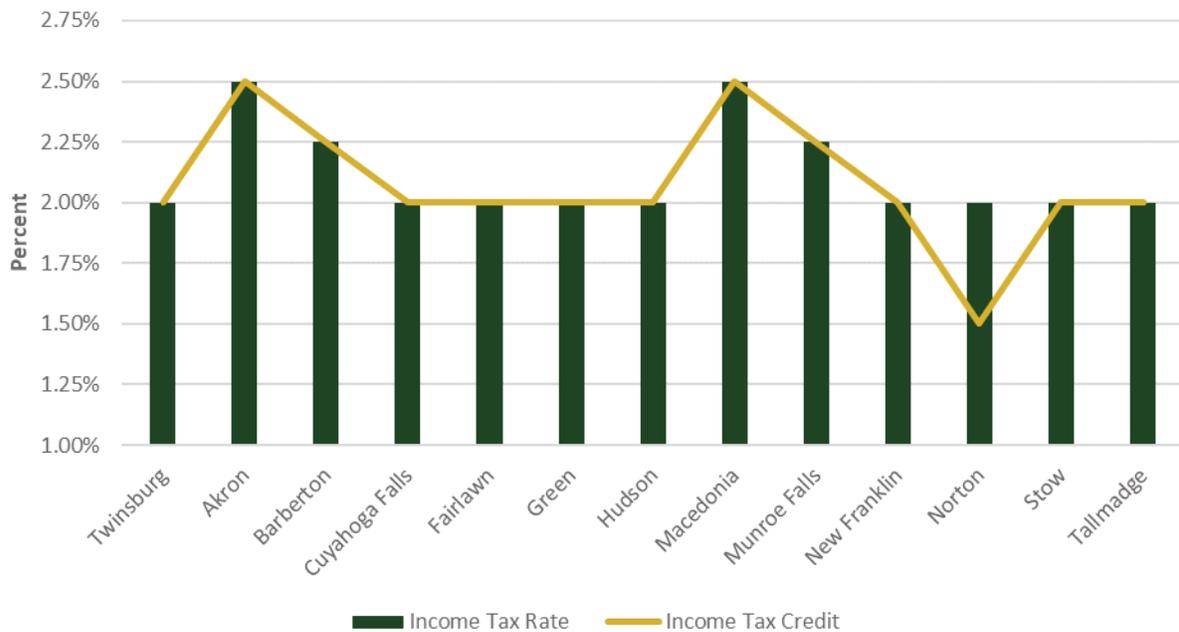
2018 Governmental Funds Revenue per Resident



Source: City of Twinsburg and local peers' 2018 Financial Audits, U.S. Census Bureau

All of the cities in Summit County collect some amount of municipal income tax. Twinsburg charges an interest rate of 2.0 percent which is the same as several other cities in the County and is the lowest rate charged by any city.

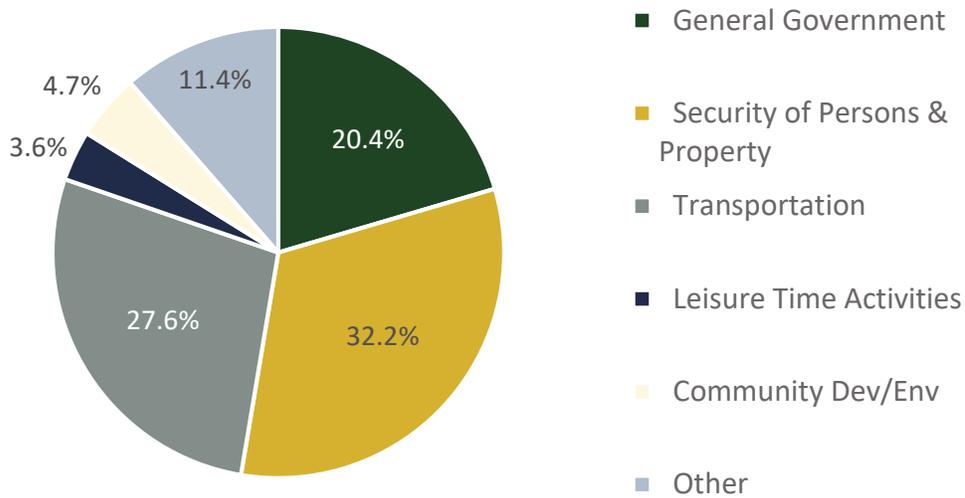
Summit County Income Tax Rate Comparison



Source: City of Twinsburg, Summit County peers

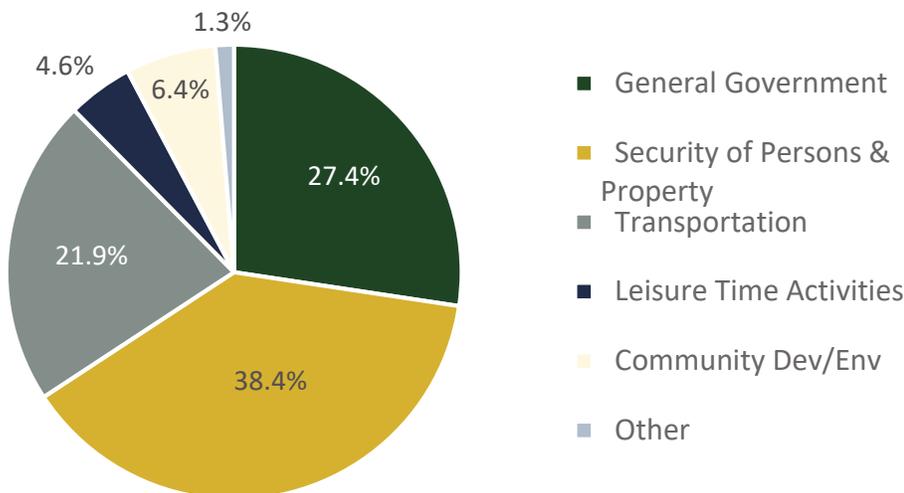
The following two charts show the Governmental Fund and General Fund expenditures by type for Twinsburg. While they are fairly similar, which is to be expected as the General Fund accounts for the majority of all Governmental Fund Revenues, there are slight differences in regards to expenditure type.

2018 Twinsburg Governmental Fund Expenditures



Source: City of Twinsburg 2018 Financial Audit

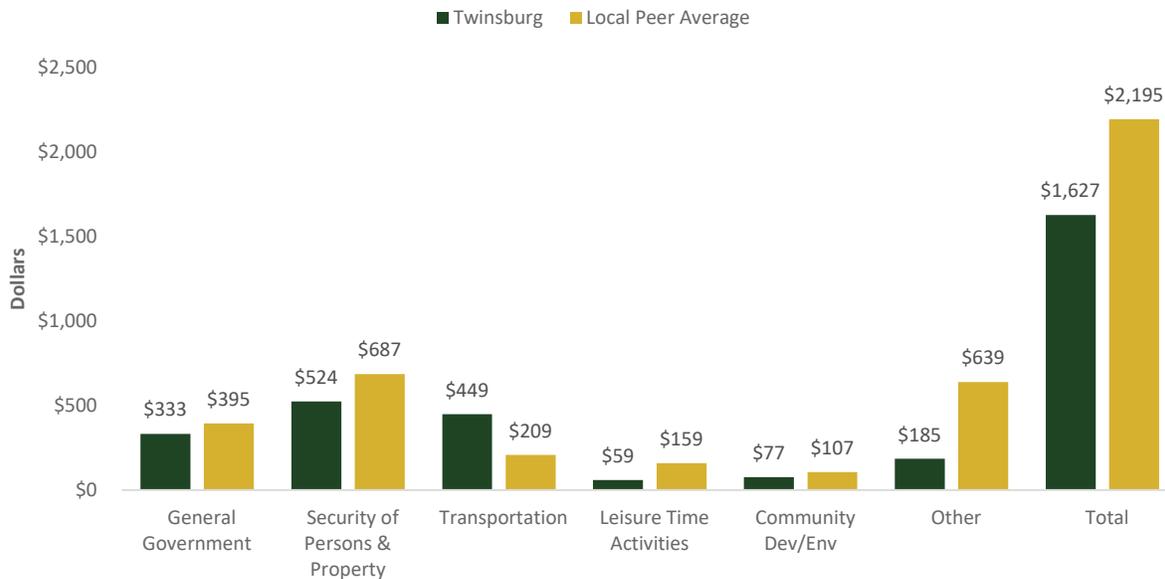
2018 Twinsburg General Fund Expenditures



Source: City of Twinsburg 2018 Financial Audit

The City's Governmental Fund expenditures are \$568 less per resident than the peer average. As noted in the report, expenditures can be recorded differently between cities and similar costs may not fall into the same category, so differences within expenditure type can vary greatly.

2018 Governmental Fund Expenditures per Resident



Source: City of Twinsburg and local peers' 2018 Financial Audits, U.S. Census Bureau