

CITY OF WELLSTON, OHIO

2024 vs. 2025 AUDIT COMPARISON

Finance Committee Summary - Based on BHM CPA Group audit reports

Bottom line: 2025 shows a stronger overall operating picture than 2024, especially in Water and Sewer. The General Fund remained stable, but public safety and Garbage costs deserve continued attention.

1. Citywide Financial Comparison

Measure	2024	2025	Change
Total revenues	\$9,089,197	\$9,791,429	\$702,232 (+7.7%)
Total program expenses	\$9,178,201	\$9,735,473	\$557,272 (+6.1%)
Change in total net position	(\$89,004)	\$55,956	Improved by \$144,960
Ending total net position	\$25,861,195	\$25,917,151	\$55,956
Governmental activities change	\$328,562	(\$412,599)	Down \$741,161
Business-type activities change	(\$417,566)	\$468,555	Improved \$886,121

What changed? In 2024, the City lost \$89,004 in total net position. In 2025, total net position increased \$55,956. The largest turnaround came from Water, Sewer and Garbage operations as a group, which moved from a \$417,566 decrease in 2024 to a \$468,555 increase in 2025.

2. General Fund

Measure	2024	2025	Finance Committee Note
Ending fund balance	\$1,054,205	\$1,037,907	Down only \$16,298
Unassigned balance as % of expenditures	31.4%	34.3%	Reserve percentage improved
Budget-basis actual revenues	\$2,636,981	\$2,759,152	Up \$122,171
Budget-basis actual expenditures	\$2,851,211	\$2,706,656	Down \$144,555
Operating result before transfers	(\$214,230)	\$52,496	Major improvement

Although the General Fund balance decreased slightly, 2025 operating performance improved significantly. Revenues increased, expenditures decreased, and the fund produced a positive operating margin before transfers. Transfers out of \$183,631 caused the final budget-basis fund balance to decline.

3. Water, Sewer and Garbage

Fund / Measure	2024	2025	Change
Water - charges for services	\$1,999,513	\$2,259,187	+13.0%
Water - expenses	\$2,661,117	\$2,584,456	-2.9%
Sewer - charges for services	\$1,488,497	\$1,691,290	+13.6%
Sewer - expenses	\$1,617,636	\$1,609,836	-0.5%
Garbage - charges for services	\$407,637	\$455,810	+11.8%
Garbage - expenses	\$419,005	\$468,134	+11.7%

Water and Sewer improved substantially. Customer revenues rose while expenses declined. The 2025 audit says rate increases, grants and cautious spending contributed to the improvement. Garbage revenues also rose, but expenses rose almost the same amount, so Garbage remains an area to monitor.

4. Police and Fire Costs

Program Expense	2024	2025	Change
Police	\$1,637,136	\$1,744,839	+\$107,703 (+6.6%)
Fire	\$696,086	\$958,679	+\$262,593 (+37.7%)
Combined Police + Fire	\$2,333,222	\$2,703,518	+\$370,296 (+15.9%)

Police remained the City's largest governmental program expense. Fire spending increased sharply in 2025. The 2025 audit also notes that the Fire Levy fund balance decreased \$61,727 because of higher fire expenditures and lower charges for services from fewer training applicants.

5. Finance Committee Status

Area	Status	Reason
Overall City	IMPROVING	Total net position moved from a loss in 2024 to a gain in 2025.
General Fund	WATCH	Balance is stable and operating results improved, but transfers reduced the year-end balance.
Water	IMPROVING	Higher service revenue and lower expenses.
Sewer	IMPROVING	Higher service revenue and slightly lower expenses.
Garbage	WATCH	Revenue increased, but costs increased nearly as fast.
Police / Fire	WATCH	Combined program expenses increased about \$370,000.

Finance Committee Takeaways

- **2025 was stronger overall than 2024.** Citywide revenues grew faster than expenses and total net position increased.
- **General Fund operations improved.** 2025 revenues exceeded expenditures before transfers, unlike 2024.
- **Water and Sewer show the clearest turnaround.** Both had higher customer revenue and lower expenses.
- **Garbage needs monitoring.** Higher revenue was largely offset by higher costs.
- **Public safety spending increased.** Police and Fire combined costs were about \$370,000 higher in 2025.

Source: BHM CPA Group, City of Wellston Regular Audit for the year ended December 31, 2024, and the audit for the year ended December 31, 2025. The 2025 audit copy reviewed is marked DRAFT and dated August 25, 2026. Amounts are rounded to the nearest dollar for this summary.