



Dave Yost • Auditor of State

CITY OF FINDLAY
HANCOCK COUNTY

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CITY OF FINDLAY
HANCOCK COUNTY

SCHEDULE OF EXPENDITURE OF FEDERAL AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2015

FEDERAL GRANTOR <i>Pass Through Grantor</i> Program Title/Cluster Title	Federal CFDA Number	Pass Through Entity Identifying Number	Total Federal Expenditures
U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT			
<i>Passed Through the Ohio Development Services Agency</i>			
Community Development Block Grant	14.228	A-F-13-2BM-1	\$ 9,074
Community Development Block Grant	14.228	A-F-14-2BM-1	104,000
Community Development Block Grant Revolving Loan	14.228		56,558
Total Community Development Block Grant			<u>169,632</u>
U.S. DEPARTMENT OF JUSTICE			
Bulletproof Vest Partnership Program	16.607		4,180
U.S. ENVIRONMENTAL PROTECTION AGENCY			
<i>Passed through the Ohio Environmental Protection Agency</i>			
Capitalization Grants for Drinking Water State Revolving Funds	66.468	PWSID OH3200111	16,617
Great Lakes Program	66.469	12GLRI-BLAN-03	2,556
<i>Passed through Hancock County Soil and Water Conservation District</i>			
Great Lakes Program	66.469	12GLRI-BLAN-05	<u>6,941</u>
Total Great Lakes Program			<u>9,497</u>
Total U.S. Environmental Protection Agency			<u>26,114</u>
U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES			
<i>Passed through the Ohio Department of Health</i>			
Public Health Emergency Preparedness	93.069	32-2001-2-PH-06-15	45,085
Hospital Preparedness Program (HPP) and Public Health Emergency Preparedness (PHEP) Aligned Cooperative Agreements	93.074	32-2001-2-PH-07-16	42,052
<i>Children and Family Health Services Program:</i>			
Maternal and Child Health Services Block Grant to the States	93.994	32-2001-1-MC-05-16	6,859
Maternal and Child Health Services Block Grant to the States	93.994	32-2001-1-MC-04-15	37,684
Total Children and Family Health Services			<u>44,543</u>
Total U.S. Department of Health and Human Services			<u>131,680</u>
U.S. DEPARTMENT OF AGRICULTURE			
Forestry Service:			
<i>Pass-Through Program from Blanchard River Watershed Partnership</i>			
<i>Great Lakes Restoration Initiative</i>			
Urban and Community Forestry Program	10.675	15-DG-1142000-005	5,120
U.S. DEPARTMENT OF TRANSPORTATION			
Federal Aviation Administration Direct Assistance			
Airport Improvement Program	20.106		72,938
<i>Passed through Ohio Department of Transportation</i>			
Highway Planning and Construction	20.205	97384	<u>924,923</u>
Total U.S. Department of Transportation			<u>997,861</u>
TOTAL EXPENDITURES OF FEDERAL AWARDS			<u><u>\$1,334,587</u></u>

The accompanying notes are an integral part of this schedule.

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**CITY OF FINDLAY
HANCOCK COUNTY**

**NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
2 CFR 200.510(b)(6)
FOR THE YEAR ENDED DECEMBER 31, 2015**

NOTE A – BASIS OF PRESENTATION

The accompanying Schedule of Expenditures of Federal Awards (the Schedule) includes the federal award activity of the City of Findlay (the City's) under programs of the federal government for the year ended December 31, 2015. The information on this Schedule is prepared in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of the City, it is not intended to and does not present the financial position, changes in net position, or cash flows of the City.

NOTE B – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Expenditures reported on the Schedule are reported on the cash basis of accounting. Such expenditures are recognized following, as applicable, either the cost principles contained in OMB Circular A-87 *Cost Principles for State, Local, and Indian Tribal Governments* (codified in 2 CFR Part 225), or the cost principles contained in Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, wherein certain types of expenditures may or may not be allowable or may be limited as to reimbursement. The City has elected not to use the 10-percent de minimis indirect cost rate as allowed under the Uniform Guidance.

NOTE C - COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG) REVOLVING LOAN PROGRAMS WITHOUT CONTINUING COMPLIANCE REQUIREMENTS

The City has a revolving loan fund (RLF) program to provide low-interest loans to businesses to create jobs for low to moderate income persons. The federal Department of Housing and Urban Development (HUD) grants money for these loans to the City, passed through the Ohio Development Services Agency. The Schedule reports loans made and administrative costs as disbursements on the Schedule. Subsequent loans are subject to the same compliance requirements imposed by HUD as the initial loans.

These loans are collateralized by mortgages on the property and by machinery and equipment.

NOTE D - MATCHING REQUIREMENTS

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

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Dave Yost • Auditor of State

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

City of Findlay
Hancock County
Municipal Building Room 313
318 Dorney Plaza
Findlay, Ohio 45840-3346

To City Council:

We have audited, in accordance with auditing standards generally accepted in the United States and the Comptroller General of the United States' *Government Auditing Standards*, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the City of Findlay, Hancock County, Ohio (the City) as of and for the year ended December 31, 2015, and the related notes to the financial statements, which collectively comprise the City's basic financial statements and have issued our report thereon dated June 27, 2016, wherein we noted the City adopted Governmental Accounting Standards Board Statement 68, *Accounting and Financial Reporting for Pensions – an amendment of GASB Statement No. 27* and Statement No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date*.

Internal Control Over Financial Reporting

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

Our consideration of internal control was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Therefore, unidentified material weaknesses or significant deficiencies may exist. However, as described in the accompanying schedule of findings we identified certain deficiencies in internal control over financial reporting, that we consider a material weakness and significant deficiencies.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, when performing their assigned functions, to prevent, or detect and timely correct misstatements. A *material weakness* is a deficiency, or a combination of internal control deficiencies resulting in a reasonable possibility that internal control will not prevent or detect and timely correct a material misstatement of the City's financial statements. We consider findings 2015-002 and 2015-004 described in the accompanying schedule of findings to be material weaknesses.

A *significant deficiency* is a deficiency, or a combination of internal control deficiencies less severe than a material weakness, yet important enough to merit attention by those charged with governance. We consider findings 2015-001 and 2015-003 described in the accompanying schedule of findings to be significant deficiencies.

Compliance and Other Matters

As part of reasonably assuring whether the City's financial statements are free of material misstatement, we tested its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could directly and materially affect the determination of financial statement amounts. However, opining on compliance with those provisions was not an objective of our audit and accordingly, we do not express an opinion. The results of our tests disclosed instances of noncompliance or other matters we must report under *Government Auditing Standards* which are described in the accompanying schedule of findings as items 2015-003 and 2015-004.

Entity's Response to Findings

The City's responses to the findings identified in our audit are described in the accompanying schedule of findings. We did not audit the City's responses and, accordingly, we express no opinion on them.

Purpose of this Report

This report only describes the scope of our internal control and compliance testing and our testing results, and does not opine on the effectiveness of the City's internal control or on compliance. This report is an integral part of an audit performed under *Government Auditing Standards* in considering the City's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



Dave Yost
Auditor of State
Columbus, Ohio

June 27, 2016



Dave Yost • Auditor of State

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

City of Findlay
Hancock County
Municipal Building Room 313
318 Dorney Plaza
Findlay, Ohio 45840-3346

To City Council:

Report on Compliance for the Major Federal Program

We have audited the City of Findlay, Ohio's (the City) compliance with the applicable requirements described in the U.S. Office of Management and Budget (OMB) *Compliance Supplement* that could directly and materially affect the City of Findlay's major federal program for the year ended December 31, 2015. The *Summary of Auditor's Results* in the accompanying schedule of findings identifies the City's major federal program.

Management's Responsibility

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

Auditor's Responsibility

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

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

Basis for Qualified Opinion on Highway Planning and Construction

As described in finding 2015-005 in the accompanying schedule of findings, the City did not comply with requirements regarding Procurement and Suspension and Debarment applicable to its Highway Planning and Construction major federal program. Compliance with this requirement is necessary, in our opinion, for the City to comply with requirements applicable to this program.

Qualified Opinion on Highway Planning and Construction

In our opinion, except for the noncompliance described in the *Basis for Qualified Opinion on Highway Planning and Construction Program* paragraph, the City of Findlay, Ohio complied, in all material respects, with the requirements referred to above that could directly and materially affect its Highway Planning and Construction Program for the year ended December 31, 2015.

Report on Internal Control over Compliance

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

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

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. Therefore, we cannot assure we have identified all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. However, we identified a certain deficiency in internal control over compliance that we consider to be a material weakness described in the accompanying schedule of findings as item 2015-005.

The City's response to our internal control over compliance finding is described in the accompanying schedule of findings or corrective action plan. We did not audit the City's response and, accordingly, we express no opinion on it.

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

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

We have also audited the financial statements of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the City of Findlay (the City) as of and for the year ended December 31, 2015, and the related notes to the financial statements, which collectively comprise the City's basic financial statements. We issued our unmodified report thereon dated June 27, 2016, wherein we noted that the City adopted Governmental Accounting Standards Board Statement 68, *Accounting and Financial Reporting for Pensions – an amendment of GASB Statement No. 27* and Statement No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date* during the year. We conducted our audit to opine on the City's' basic financial statements as a whole. We have not performed any procedures to the audited financial statements subsequent to June 27, 2016. The accompanying schedule of expenditures of federal awards presents additional analysis required by the Uniform Guidance and is not a required part of the basic financial statements. The schedule is management's responsibility, and was derived from and relates directly to the underlying accounting and other records management used to prepare the basic financial statements. We subjected this schedule to the auditing procedures we applied to the basic financial statements. We also applied certain additional procedures, including comparing and reconciling this schedule directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, this schedule is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.



Dave Yost
Auditor of State
Columbus, Ohio

August 9, 2016

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**CITY OF FINDLAY
HANCOCK COUNTY**

**SCHEDULE OF FINDINGS
2 CFR § 200.515
DECEMBER 31, 2015**

1. SUMMARY OF AUDITOR'S RESULTS

(d)(1)(i)	Type of Financial Statement Opinion	Unmodified
(d)(1)(ii)	Were there any material weaknesses in internal control reported at the financial statement level (GAGAS)?	Yes
(d)(1)(ii)	Were there any significant deficiencies in internal control reported at the financial statement level (GAGAS)?	Yes
(d)(1)(iii)	Was there any reported material noncompliance at the financial statement level (GAGAS)?	Yes
(d)(1)(iv)	Were there any material weaknesses in internal control reported for major federal programs?	Yes
(d)(1)(iv)	Were there any significant deficiencies in internal control reported for major federal programs?	No
(d)(1)(v)	Type of Major Programs' Compliance Opinion	Qualified
(d)(1)(vi)	Are there any reportable findings under 2 CFR § 200.516(a)?	Yes
(d)(1)(vii)	Major Programs (list):	Highway Planning and Construction CFDA #20.205
(d)(1)(viii)	Dollar Threshold: Type A/B Programs	Type A: > \$ 750,000 Type B: all others
(d)(1)(ix)	Low Risk Auditee 2 CFR §200.520?	Yes

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

FINDING NUMBER 2015-001

Significant Deficiency

Clerk of Courts Cash Reconciliations

In order for management to properly monitor the activity of the Municipal Court, transactions must be posted in a timely manner and the bank accounts must be reconciled timely to detect errors. The monthly reconciliation of bank account balances to the Court Master system is an important method in detecting errors in the postings of revenues and disbursements and bank account records. After the reconciliation is completed, any errors found should be immediately corrected and month end financial information should be generated by the Clerk of Courts or a designated employee.

The Municipal Court has not reconciled the bank accounts correctly since the Court started using the Court Master system in 2004. In addition, the Clerk of Courts office did not post credit card fees assessed timely, nor were reimbursements made to the courts bank account for these fees dating as far back as 2008, which further hindered the reconciling process. As of December 31, 2015, the court bank accounts were \$21,120 less than the open items list, which is considered to be the book balance of the courts.

This was caused by The Clerk of Courts lack of having a policy in regards to reconciling bank to book monthly and the lack of monitoring controls. The lack of proper bank reconciliations could result in posting errors or irregularities not being detected by management in a timely manner.

In an effort to help ensure financial activity of Municipal Court is being properly accounted for and reported, we recommend:

- The Clerk of Courts, or designated employee(s), reconcile the bank accounts to the balance of the open items list each month and any variances be immediately investigated and corrected.
- Someone other than person performing reconciliation periodically verify items appearing on the monthly bank reconciliation, including, but not limited to authentication of bank account balances, outstanding checks, open items, and deposits in transit. The monthly bank reconciliations should be reviewed, initialed, and approved.

Officials' Response:

As a result of the 2015 Audit process, the Clerk of Courts was made aware of deficiencies in the way the CourtMaster system recorded financial transactions and with the reconciliation procedures that have been in place for the Clerk of Courts. After considerable review of the procedures of the Clerk's office, multiple modifications to the CourtMaster system, and following numerous conversations with the Auditors from the State of Ohio, the Clerk of Courts has already implemented new policies and procedures that will address both of the recommendations. These new policies and procedures will help the Clerk of Courts ensure that all of the financial activities of the Findlay Municipal Court are properly accounted for.

FINDING NUMBER 2015-002

Material Weakness

Monitoring of Financial Statements

Accurate financial reporting is the responsibility of the City Auditor and City Council and is essential to ensure the information provided to the readers of the financial statements is fairly stated.

The lack of monitoring by City Council contributed to the inaccurate posting of transactions to the financial statements, such as the following:

- The Water Fund had \$410,558 in due to other funds and the Water Pollution Control Fund had the corresponding amount as due from other funds. The City could not provide support to substantiate these amounts.
- Accounts receivable and charges for services in the Water Fund were overstated by \$460,306, and was understated in the Water Pollution Control Fund by \$1,148,951.

As a result, the City's financial statements did not correctly reflect the financial activity of the City. The financial statements and accounting records were adjusted to correct these and other errors.

We recommend the City post all transactions in accordance with the guidance established. Furthermore, to help ensure the City's financial statements and notes to the statements are complete and accurate, the City Council should adopt policies and procedures, to ensure that financial records are routinely reviewed by City Council (or a designee) including a review of the financial statements and notes to the financial statements to identify and correct errors and omissions.

Officials' Response:

The City is audited annually has shown to use proper accounting process throughout its history. When the 2015 audit process began the City Auditor noted it has been 23 years since the State has audited the City directly rather than an Independent Public Accounting firm. As expected the State has looked at process impacting the recording of the numbers in a way which in many instances was different than the State had the last time it performed an audit for Findlay. The current review has noted items, some of significance, which the City understands and will look to work with the Auditor of State (AOS) to make reasonable accommodations towards improving its reporting process. This particular finding deals with accrual based accounting for receivables billed but not paid; it is not cash receipts and all monies are accounted for.

The City agrees with the State's request, for the CAFR the due-to / due-from issue and the calculation of accounts receivable will be addressed in a manner conforming to accounting principles; however, the City does feel an explanation is appropriate to put the matter in historical perspective:

Point 1 - The amounts are ongoing receivable amounts adjusted monthly based on collections information provided to the City Auditor's Office by the Utility Billing office. The balance is inclusive of current receipts by month including collections, penalties, write-offs, write-off collections, and billings being received in the following month. This rolling number has been audited each year where each months beginning number is verified. To satisfy this comment the documentation would have to be provided an unknown number of years back to the inception of the process. The due-to / due-from process was set up decades ago using accounting principles acceptable at the time. With regard to water and sewer collections; it is believed this process was set up when the City adopted the accrual method of accounting for its day-to-day practice. That date is unknown to the Auditor's Office; however, the figures have been audited for many years, well prior to the tenure of the current staff.

**FINDING NUMBER 2015-002
(Continued)**

There are no audit comments or records to the City's knowledge that indicate there has been or might be an issue with the rolling balance. Based on the monthly balancing processes in place and the City's audit history, it would not be reasonable to expect any errors in the balance currently shown unless the beginning balance assigned at the inception of the process was incorrect. At this point in time the City Auditor's Office cannot justify allocating the resources that would be required to research the original beginning balance that rolled forward an unknown number of years ago.

Point 2 – Currently all receivables are recorded in the Water Fund in line with the process set up decades ago, as stated above. The receivables as calculated by the AOS include additional accruals that have never been recorded as such by the City.

Auditor of State's Conclusion:

Regarding the comments "*The City is audited annually has shown to use proper accounting process throughout its history.*", "*This rolling number has been audited each year where each months beginning number is verified.*" and "*the figures have been audited for many years, well prior to the tenure of the current staff. There are no audit comments or records to the City's knowledge that indicate there has been or might be an issue with the rolling balance.*" Due to the nature of an audit, U.S. generally accepted auditing standards (GAAS) allows auditors to limit certain procedures to selective testing of data. We are unable to determine whether the Due from/Due to accounts were tested in prior audits. It is important to note that failing to include a citation is not an indication the prior auditors' approved of the accounting method used. The City was unable to provide adequate documentation to support the due from other funds in the Water Fund and the due to other funds in the Water Pollution Control Fund and has agreed to eliminate those amounts from their accounting records and financial statements as of December 31, 2015.

FINDING NUMBER 2015-003

Non-Compliance and Significant Deficiency

Ohio Rev. Code § 5705.10(D) requires that all revenue derived from a source other than the general property tax and which the law prescribes shall be used for a particular purpose shall be paid into a special fund for such purpose. Furthermore, **Ohio Rev. Code § 5705.10(I)** provides that money paid into any fund must be used only for the purposes for which such fund is established.

The Water Fund net position at the beginning of year and charges for services were understated by \$350,950 and \$14,300, respectively, and the Water Pollution Control Fund net position at beginning of year and charges for services were overstated by the same amount as a result of utility deposits that were not correctly allocated between the two funds.

These misstatements resulted from the utility computer system not providing a breakdown of utility deposits between the Water Fund and the Water Pollution Control Fund and the information provided to the City Auditor did not apportion the money between the funds. As a result, the City's accounting ledgers and financial statements did not correctly reflect the financial activity of the utility deposits. The financial statements and accounting records have been adjusted to report these transactions in the proper funds.

Financial activity should be properly posted in the accounting ledgers so that the City Council can better assess whether financial goals are being met on an ongoing basis. As part of the monitoring process City Council should review financial records to make sure that amounts are reflected in the appropriate funds.

**FINDING NUMBER 2015-003
(Continued)**

Officials' Response:

The City agrees with the State's request, and the recording of the water and sewer deposits will be addressed in a manner conforming to accounting principles; however, the City does feel an explanation is appropriate to put the matter in historical perspective:

Customer deposits held are not the City's money. They are funds held by the City and are received with the expectation that they will be returned in full to the customer. It is not required that service be terminated to return the funds. There are no charges for services taken from these funds when collected. Although the department provides billing for water, storm and sewer services, the deposits are collected as part of the water turn on request process. The City cannot 'turn on/turn off' sewer or storm service. The utility office does not delineate the money collected as being split between funds. They are collected, deposited and returned out of the Water Fund. As part of the deposit process the customer does agree the money can be used for paying water, sewer, or storm fees; however, it is assumed the customer will pay properly, so it is only booked as revenue to the respective fund if there is a breach of contract by the customer. Currently the Water Rules require the deposit and allow it to be used for the final bill; however, the Sewer Rules do not have a provision allowing for a deposit to be collected, so in order to comply with the rules and regulations the deposit has been considered a water service deposit. Additionally, this money is not considered by City Council as funds available for appropriation. Lastly, to ensure this, the monies are not reported as resources available on the certificate filed with the County.

In addition to the recommendation by the AOS, it is the recommendation of the City Auditor that Council and the Administration change its rules governing the Water and Sewer Funds to accommodate the State's request.

FINDING NUMBER 2015-004

Non-Compliance and Material Weakness

Ohio Rev. Code § 5705.14 provides that no transfer can be made from one fund of a subdivision to any other fund, by order of the court or otherwise, with certain limited exceptions. The transfers permitted under Ohio Revised Code § 5705.14 require a resolution passed by a two-thirds vote of the members of the taxing authority, except transfers from the general fund, which require a resolution passed by a simple majority. In addition to the transfers permitted under Ohio Revised Code § 5705.14, Ohio Revised Code § 5705.15, and 5705.16 provide that the taxing authority, with the approval of the Tax Commissioner and the Court of Common Pleas, may transfer from one fund to another.

The City did not follow the Ohio Rev. Code sections pertaining to transfers, which resulted in illegal transfers being made and subsequent audit adjustments.

Contrary to this requirement, the City transferred \$1,149,986 from the Water Pollution Control Fund to the Street Maintenance and Repair Fund for sewer related projects. The City then transferred unused funds for these projects in the amount of \$123,927 from the Street Maintenance and Repair Fund to the Water Pollution Control Fund. The City did not review the Ohio Revised Code sections regarding transfers prior to City Council approval. These transfers are not allowable per statute and have been adjusted on the City's financial statements by removing the transfer activity.

Further, City Council did not approve individual transfers by resolution. The transfers were only included as a budgetary line item in the budget resolution approved by City Council.

The City also transferred \$494,826 to the General Fund from the Police Pension Fund and the Fire Pension Fund to pay for pensions instead of paying the expenses directly from the pension funds.

**FINDING NUMBER 2015-004
(Continued)**

We recommend that City Council authorize all interfund transfers by resolutions detailing the transfers. The City should review the Ohio Rev. Code prior to making any transfer of funds in order to ensure the transfers are legal and proper. We also recommend that the disbursements related to pensions are paid directly out of the Police and Fire Pension Funds.

Officials' Response:

The City agrees with the State's request, and the recording of transfers will be addressed in a manner conforming to accounting principles. Additionally, the City will make the requested entries in the MUNIS program (part of its overall financial system) in a manner which will not cause the Street Maintenance and Repair Fund to supplant monies used for a sewer project for which funds from the Water Pollution Control Fund are to be used. This accommodation has been agreed to after two meetings which included the Assistant Chief Auditor to discuss the specifics of the matter. It is noted the end result agreed upon will require significant changes to how the City has done business over many decades. Additionally, the City does feel an explanation is appropriate to put the matter in historical perspective:

Point 1 - Per City of Findlay Director of Law D. Rasmussen's legal opinion dated 6/3/16:

"Projects" continue to be the City's mechanism to consolidate and track all of the relevant financial information for construction contracts and/or the acquisition of larger or drawn out delivery of capital assets in a single specific location. The concept of using "projects" has been used according to our historical records since about 1969. Money may be appropriated to a project from one or more sources. However, all of our project numbers must be attached to only one (1) fund. In order to determine which, fund the project number is attached to, we look at the primary purpose for the project or the most expensive infrastructure in the project. This specific project number structure had been in place since 1980.

Despite the use of the terms like "Transfer In" and "Transfer Out" an actual transfer of funds from one fund to another never occurs. No legislation is ever passed either advancing or transferring funds from one fund to another. These transactional entries or journal entries are purely an accounting mechanism used to track the city's relevant financial information whether it be a construction contract/project or the drawn out delivery of capital assets. The actual expenditures are made from the appropriate account. For Example, a project that has as its primary purpose the creation of a new storm sewer may also have as part of the project a waterline that needs repaired and/or replaced while the road is dug up. Water Fund money is appropriated to the project to do the waterline work, it is not appropriated to a fund. The monies are accounted for within the storm sewer project. The actual waterline costs are paid from the Water Fund monies.

At the end of the project, engineering provides an accounting of the actual costs of the waterline work. ... Any Water Fund monies not expended on the project are returned to the Water Fund by way of a transactional or journal entry from the project not a fund. Additionally the waterline asset is book to the Water Fund. Water Fund monies do not stay in the project to help build the Storm Sewer so there is no supplanting of funds and no illegal transfer. Again, these accounting processes of appropriating multiple sources of funding to a single project has been in place for many years, even prior to the last time AOS audited the City. ...

**FINDING NUMBER 2015-004
(Continued)**

Point 2 - References subsidy transfers from the General Fund to Streets, Pool and Parking funds. City Council receives a complete budget package for review well in advance of adopting Ordinance 001 that appropriates budget funds for each calendar year. 2015 was no exception to this process that was established decades ago. In addition, Council reviews the entire budget with particular emphasis on the subsidies as part of an annual Committee of the Whole meeting prior to passage. The budget documents provide a complete line by line reporting of the revenues and expenses for each of these funds which is used directly to create Ordinance 001 each year. Adapting Ordinance 001 to show the subsidies specifically and separately should satisfy this concern.

Point 3 – Per City of Findlay Director of Law D. Rasmussen’s legal opinion dated 6/3/16:
The Police Pension Fund and Fire Pension Fund transfers questions are a little different, however. It is my understanding that these funds are actually transferred out the respective pension funds to the General Fund for payment and there does not seem to be authorizing legislation to do so without a court order. Perhaps these payments should be paid directly from these “funds”. However, The City’s first CAFR issued in FY1982 and every CAFR audited and issued ever since has very clearly shown that these pension monies were transferred out of those “funds”/ Perhaps it was an oversight or perhaps it was not deemed to be “material”. The fact is that proper reporting may distort and even mislead uniformed citizens as to the real cost of our safety services. Currently the information is consolidated in the operational expenses of each department within the General Fund. Accounting for the expenditures otherwise will require our citizens to look in several areas of the CAFR. I would recommend that we follow the recommendations of the AOS on this issue.

Auditor of State’s Conclusion:

Regarding the comment that “Despite the use of the terms like “Transfer In” and “Transfer Out” an actual transfer of funds from one fund to another never occurs. No legislation is ever passed either advancing or transferring funds from one fund to another. These transactional entries or journal entries are purely an accounting mechanism used to track the city’s relevant financial information whether it be a construction contract/project or the drawn out delivery of capital assets. The actual expenditures are made from the appropriate account.” Transfers were recorded on the City’s accounting system and reported on its financial statements. As shown in the financial statements and in Note 5, \$8,885,761 of transfers were reported by the City. In addition, the City transferred \$1,149,986 from the Water Pollution Control Fund to the Street Maintenance and Repair Fund for sewer related projects and then transferred unused funds for these projects in the amount of \$123,927 from the Street Maintenance and Repair Fund to the Water Pollution Control Fund. The transfers between the Water Pollution Control Fund and the Street Maintenance and Repair Fund were eliminated under audit since they were contrary to Ohio Law.

3. FINDINGS FOR FEDERAL AWARDS

Noncompliance Citation and Material Weakness

Finding Number	2015-005		
CFDA Title and Number	Highway Planning and Construction, CFDA #20.205		
Federal Award Identification Number/ Year	97384/2015		
Federal Agency	United States Department of Transportation		
Pass-Through Entity	Ohio Department of Transportation		
Repeat Finding from Prior Audit?	No	Finding Number (if repeat)	No

**Finding Number 2015-005
(Continued)**

2 CFR 1200.332 as supplemented by 2 CRF part 180 requires that when a non-federal entity enters into a covered transaction with an entity at a lower tier, the non-federal entity must verify that the entity is not excluded or disqualified. **2 CFR 180.300** provides that this verification may be accomplished by checking the *System of Award Management* (SAM Exclusions), collecting a certification from the entity, or adding a clause or condition to the covered transaction with that entity.

The City entered into a contract with Shelly Company as the prime contractor for the Findlay Hancock Road Repaving Project. The Shelly Company entered into subcontracts with Ebony Construction, Zimmerman Painting, Newcomer Concrete, and American Roadway Logistics.

Shelly Company did not perform any type of verification to ensure the companies were not suspended, debarred, or otherwise excluded prior to entering into the contracts.

We recommend the City perform appropriate verifications in accordance with 2 CFR 180.300 prior to entering into any contracts with vendors and subcontractors, in which the expenditure of monies will be made with Federal funds.

Officials' Response:

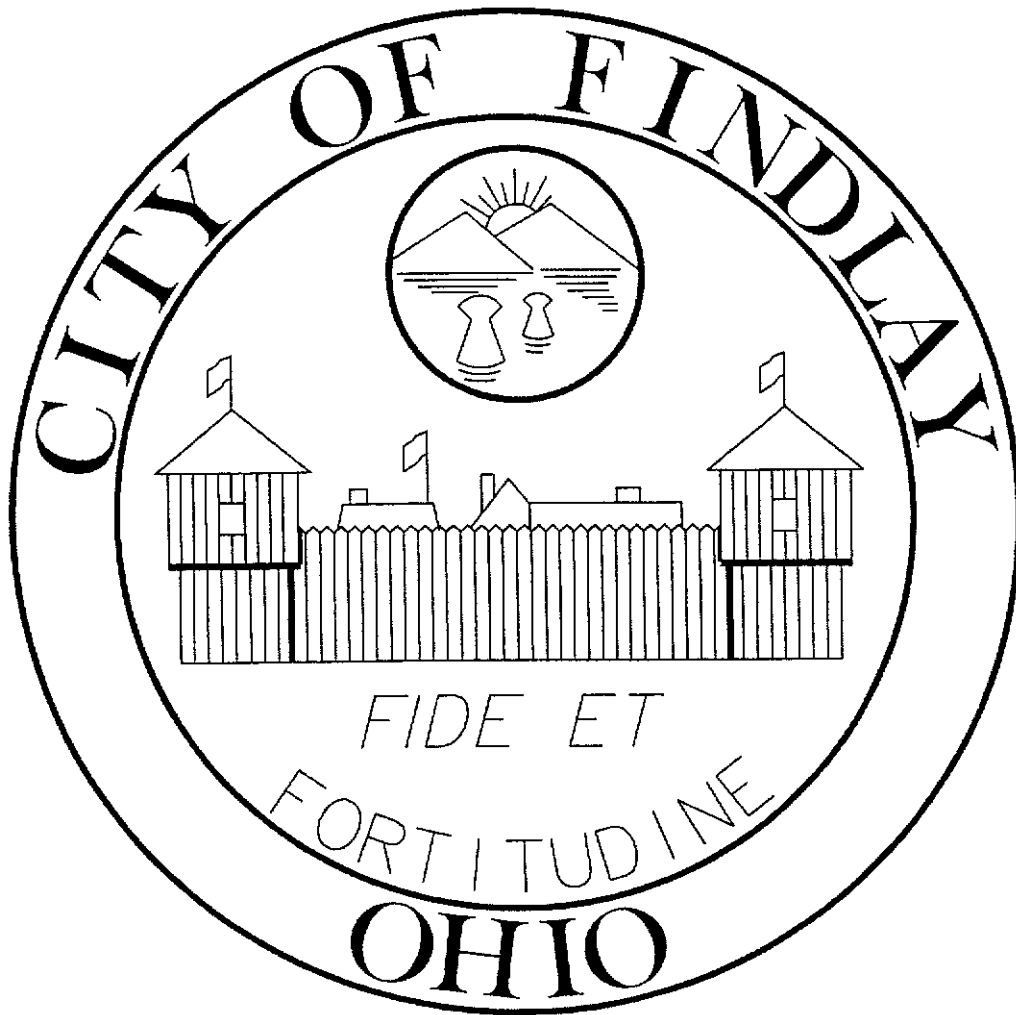
See Corrective Action Plan.

**CITY OF FINDLAY
HANCOCK COUNTY**

**CORRECTIVE ACTION PLAN
2 CFR § 200.511(c)
DECEMBER 31, 2015**

Finding Number	Planned Corrective Action	Anticipated Completion Date	Responsible Contact Person
2015-005	Starting in 2016, the City of Findlay will revise our bid documents for all projects that receive any amount of federal funding. A new condition will be added that will notify the Bidders that if they are the apparent low bidder, they must submit documentation that they have verified that all of their subcontractors are not suspended, debarred, or otherwise excluded prior to the City of Findlay signing the contract for the project.	June 30, 2016	Jim Staschiak II

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COMPREHENSIVE ANNUAL FINANCIAL REPORT

For the Year Ended December 31, 2015

CITY OF FINDLAY, OHIO
COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE YEAR ENDED DECEMBER 31, 2015

PREPARED BY:

CITY AUDITOR'S OFFICE
JIM STASCHIAK II, CITY AUDITOR

CITY OF FINDLAY, OHIO
COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE YEAR ENDED DECEMBER 31, 2015

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AUDITOR'S OFFICE

318 Dorney Plaza, Room 313
Findlay, OH 45840-3346
Telephone: 419-424-7101 • Fax: 419-424-7866
www.findlayohio.com

JIM STASCHIAK II
CITY AUDITOR

June 27, 2016

To the Residents of Findlay, Ohio:

The Comprehensive Annual Financial Report (CAFR) of the City of Findlay (the "City"), Ohio, for the fiscal year ended December 31, 2015, is submitted herewith. The report has been prepared for the citizens of Findlay, the elected officials, bondholders, the investment community, rating agencies, and all persons interested in the financial affairs of the City. This report includes the City's implementation of accounting principles generally accepted in the United States of America (GAAP) set forth by the Governmental Accounting Standards Board (GASB).

Responsibility for both the accuracy of the presented data and the thoroughness of the presentation rests with the City. We believe the data to be accurate in all material respects and to be presented in a manner designed to disclose the financial position of the City and the operating results of its various funds.

The Comprehensive Annual Financial Report is divided into three sections: the Introductory Section, the Financial Section, and the Statistical Section. The Introductory Section contains this letter of transmittal, the City's organizational chart, a listing of our elected and appointed officials, and a copy of the Certificate of Achievement awarded to the City for its 2014 CAFR. The Financial Section includes the Independent Auditor's Report on the financial statements, the management discussion and analysis (MD&A), the basic financial statements, notes and required supplementary information, and the combining and individual fund financial statements. The Statistical Section provides pertinent and select financial, economic, and demographic information that can be referenced on a multi-year basis.

The City's financial records are maintained and reported according to GAAP. All City operations are categorized and reported by fund. Our internal accounting controls are designed to provide reasonable assurance for the safeguard of assets against loss from unauthorized use or disposition, and reliable records as the basis for preparing financial statements and maintaining accountability for assets. The concept of reasonable assurance recognizes that the cost of controls should not exceed the benefits likely to be derived from the operation of the system. The City monitors its internal controls and accounting procedures and these controls and procedures are evaluated during each official annual audit of the City's financial statements. The financial accounting system, including payroll processing, is fully computerized. The automated system used in conjunction with a series of manual controls and approvals provide an effective monitoring procedure.

Independent auditor, Dave Yost, Auditor of State, has audited the basic financial statements of the City, and the Auditor's Report is included herein. In addition to the financial audit, a single audit was performed as required by the Single Audit Act Amendment of 1996 and the provisions of OMB circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. The single audit report is not included in this Comprehensive Annual Financial Report. As a part of the City's independent audit, tests are made to determine the adequacy of the internal control structure, including that portion related to federal financial assistance programs, as well as to determine that the City has complied with applicable laws and regulations.

This transmittal letter is designed to provide historical information about the City, as well as complement the required MD&A. GAAP require that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements. The City's MD&A can be found immediately following the Independent Auditor's Report.

PROFILE OF THE CITY

The City of Findlay was incorporated in 1838 and is located in the northwestern part of the State of Ohio, and is the county seat and largest city in Hancock County. Findlay is a statutory city that is organized and operates under the statutes as set forth by the Ohio Revised Code; this provides for several elected officials including a Mayor, Council Members, a City Auditor, a Director of Law, and a part-time City Treasurer. All officials are elected to four-year terms except the members of Council who serve for a period of two years. There is a President of Council and ten council persons, three of whom are elected at-large and seven by the respective wards. The Service-Safety Director, Human Resource Director and City Engineer are appointed by the Mayor.

The City provides police and fire protection, health services, engineering and zoning, street construction and maintenance, parks and recreation facilities, a Municipal Court, a cemetery, and general government services. The City also operates several enterprise activities including water treatment and distribution, water pollution control, parking enforcement, and airport maintenance and fuel sales. It is significant that private enterprises provide trash removal and ambulance services. The City's financial statements include all funds, agencies, boards, commissions, and departments for which the City is financially accountable. The City has no component units.

Findlay Municipal Court operates under two elected municipal judges. The jurisdiction of the Court includes the City of Findlay and all of Hancock County except Washington Township and three precincts of a ward within the City of Fostoria, all of which are serviced by the Fostoria Municipal Court. The City's general fund provides the funding for the court, with reimbursement from the County for a percentage of certain administrative costs. The court costs and fines collected through the court are distributed to the various political jurisdictions based on the charges filed in the court. As Findlay Municipal Court is financially interdependent on the City, the activity of the Court has been reflected in an agency fund in the accompanying financial statements, but its operational costs are reflected in the general fund.

The annual budget serves as the foundation of the City's financial planning and control. Statutorily, a budget must be completed by end of first quarter and the City started its 2016 fiscal year with a permanent budget. Departmental budgets are prepared by the individual supervisors, approved by the Service-Safety Director, and then submitted to Council members for final review. The legal level of budgetary control is at the departmental level within each fund. Within each departmental budget, the legal level is further broken down to objects "personal services" and "other". All changes in departmental appropriations or changes between the "personal services" and "other" objects within a department require action by the City Council. See Note 2.F to the basic financial statements for further discussion on the City's budgetary process.

ECONOMIC CONDITION AND OUTLOOK

Local Economy

Since the 1980's our community leaders have focused development efforts on diversification. They felt the City's economy should not be dependent on one industry or employment sector. This diversification was a key factor in preventing a much larger down turn in the recent recession, as experienced in other parts of Northwest Ohio. The financial health of the City is dependent on the vibrancy and economic growth of our tax base. The County Unemployment peaked first quarter 2010 at 10.5% and began a steady decline ending 2015 at a 3.6% average.

Economic development is a key focus for growth of the City. The City has seen over \$230 million in private investment since 2014. The community expects to continue benefiting tremendously from the corporate split resulting in Marathon Petroleum Corporation headquartered in Findlay. Marathon ranked 25th overall by Fortune 500 in 2015. Marathon has added 400 new, well-paid executive-level positions since the split and is expanding its footprint with a \$90 million expansion that includes a new headquarters building, administrative building, two parking garages and a hotel. The expansion is expected to create 150 new jobs in the City. Additionally, Cooper Tire & Rubber Company began operations at its new \$35.5 million Global Technical Center which will be the company's first global advanced tire technology center. It has added 40 jobs to Cooper's headquarters community. Investment in Tall Timbers Industrial Park expansion includes investment in roads, water and sewer in the 300 acre site. McLane Company is building a \$119 million 337,000 square-foot distribution center in Tall Timbers Industrial Park. New full time employment for McLane Company in the City is expected to be 425 people with an average wage in excess of \$50,000.

The City has benefited in recent years from growth in some of the area's largest employers. In 2015, the City and County had 26 corporate facility investments, including a \$37 million factory investment in Nissin Brake Ohio, Inc.; \$16 million by American Tire Distributors; \$8 million by Whirlpool Corporation; \$6 million by Pressed Paper Board Technologies; and \$4 million by Garner Transportation. One Energy LLC is making a \$20 million wind energy investment to help power the Whirlpool and Ball Corporation factories. Freudenberg Group announced an \$8.6 million investment, Hamlet Protein announced a \$13 million expansion, and Whirlpool Corp. announced a planned \$40.6 million investment.

In 2014, Marathon Petroleum Corp. began a \$90 million Corporate Headquarters project in downtown Findlay. Over three years, two office buildings, two multi-level parking garages and a hotel are being built. A \$17 million performing arts center opened in 2015 and McLane Company is nearing completion on a \$119 million distribution facility all within the City limits.

The real estate market and the affiliated businesses had a continued impact on the economy and real estate values remained stable from 2014 to 2015. In 2015, the City issued permits for new business/commercial construction totaling \$50,948,000. The City issued permits for new residential construction totaling \$6,570,000.

The City continues to get positive reviews. For the 16th consecutive year, the City was ranked as one of the best micropolitan communities in the U.S. for new and expanding facilities by *Site Selection* magazine. In 2014 and 2015, the City remained in the top 10 with a rank of 1st and best. For three years it has been named one of the 100 Best Communities for Young People by America's Promise – Alliance for Youth, which was founded by Colin Powell. Blanchard Valley Hospital has been named one of the 100 top hospitals in the nation four times by Thomson Reuters; it was recently named one of the nation's top 50 cardiovascular hospitals by the same group. Additionally, the City benefits from The Community Foundation, with assets of more than \$80 million, 70% of which is unrestricted. This Foundation annually provides over \$2 million in grants to the benefit of the local community. The Foundation has become a valuable alternative funding resource for community programs and organizations which address problems to be solved or opportunities to be seized in the local area.

Relevant Financial Policies

The City has maintained its \$1 million Rainy Day Account and maintains an amount in excess of its approximate \$4.4 million minimum unappropriated general fund balance in compliance with its policy. In 2016, the minimum unappropriated balance policy is \$4.4 million or 16.7% of its appropriated general fund expenditures. Additionally, the City has been able to maintain debt limits in line with its Debt Policy adopted in 2008. For 2015, income tax growth has been steady. For income tax receipts, the 5-year average growth of the 1% income tax is 3.89%.

Long-Term Financial Planning

The City's culture has always been one of conservative financial choices, trying to use debt sparingly. This preference for using cash for capital equipment needs as well as yearly road maintenance, park improvements, traffic signal construction, and so on, has given the City a great deal of financial flexibility. We will continue this approach of using cash as much as possible for our capital investments.

Planning and implementation were important in making the final transition to our historic tax revenue base after the Great Recession. Planning has become a key part of managing our departments and the services they provide to the residents of the City. The City's five-year capital improvement plan is annually updated with new projects and equipment. This capital plan enables the City to make choices based on broad, long-term needs. This expenditure planning tool helps us make decisions on our debt service commitments. Additionally, the City has developed a 2-year budget for 2016 and 2017 and has begun the process of developing a five-year forecast for the general fund. Long term planning is becoming a standard component of the budget process.

Major Initiatives

The City is divided by the Blanchard River and is located on the south edge of what use to be the Great Black Swamp. In the past decade, the City has experienced several top ten historical flood events. The community understands the need to address this issue for future economic growth. The Hancock County Commissioners have taken a lead role and are working closely with the City to lobby for financial support at the State and Federal levels. Lobbying efforts and progressive funding of small projects as well as long-term planning in partnership with the Army Corps of Engineers is seen as a key factor to success. The Hancock County Sales tax is raising about \$3 million per year and is projected to raise an excess of \$25 million over ten years. These dollars, together with money from the City and State is anticipated to fund the majority of the local share of expenses necessary to implement the flood control projects for Hancock County. As of now, the total cost of flood control in the region including Hancock County is estimated to be \$66 million. Up to 65% of the funding could come from federal sources and the project could be completed by the year 2027. Recently, there have been talks of alternate ways to expedite the project.

The local approach for economic development resulted in an updated organization and reinvigorated efforts to obtain new investment to increase our local base of businesses. The Alliance of the City and Hancock County has become the lead entity and oversees the local Chamber of Commerce, Economic Development, and a Convention and Visitor's Bureau. The City and Hancock County hold voting seats on the board of directors of this group. The economic success of the local area has left limited existing facilities for a potential manufacturing or industrial occupant. A major objective of this group is the completion of a new 300-acre industrial park and local funds have been committed and infrastructure is being put into place which moved this initiative forward in 2015. McLane Company is the first occupant of this new site.

In 2014, the City began to see results from passing a City-wide Community Reinvestment Area or CRA. It essentially credits what would have been increases in real property taxes due to improvements for an opportunity to increase employment due to job creation surrounding new business development, with the City benefiting from increased income tax receipts. Additionally, the CRA allows the City to negotiate for a portion of the real property tax savings to be paid back to the City for specific infrastructure improvements. To date, Marathon Petroleum Corp. and McLane Company have entered into agreements to receive the real estate tax credit. The CRA is seen as critical component of the City's economic development toolbox.

AWARDS & ACKNOWLEDGEMENTS

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 Findlay for its comprehensive annual financial report (CAFR) for the fiscal year ended December 31, 2014. 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 must publish an easily readable and efficiently organized comprehensive annual financial report, whose contents conform to program standards. Such a CAFR must satisfy both generally accepted accounting principles and applicable legal requirements. A Certificate of Achievement is valid for a period of one year only. We believe that our current comprehensive annual financial report continues to meet the Certificate of Achievement Program's requirements, and we are submitting it to the GFOA to determine its eligibility for another certificate.

The staff of the Auditor's Office is a very talented, knowledgeable group; thank you to Amy Baird, Carolyn Ehrnschwender, Jennifer Niederkohr, and Ginger Sampson for their accurate and diligent work during 2015, which created the foundation for these financial reports. Ginger Sampson's knowledge and dedication have been instrumental in issuing this report. I would also like to thank our consultants, Julian & Grube, Inc. for their efforts in the development of this CAFR.

Respectfully submitted,

A handwritten signature in black ink, reading "Jim Staschiak II". The signature is written in a cursive, flowing style with a long horizontal line extending from the end.

Jim Staschiak II
City Auditor

CITY OF FINDLAY, OHIO
ELECTED AND APPOINTED OFFICIALS
AS OF DECEMBER 31, 2015

ELECTED OFFICIALS

Mayor	Lydia Mihalik
Auditor	Jim Staschiak II
Municipal Court Judge	Jonathan Starn
Municipal Court Judge	Robert Fry
Treasurer	Susan J. Hite
Law Director	Donald Rasmussen

Council President	James P. Slough
-------------------	-----------------

At Large	Grant Russel
At Large	Thomas Shindledecker
At Large	Jeffrey Wobser
First Ward	Holly Frische
Second Ward	Randy Van Dyne
Third Ward	R. Ronald Monday
Fourth Ward	Thomas Klein
Fifth Ward	John Harrington
Sixth Ward	James Niemeyer
Seventh Ward	Robert Nichols

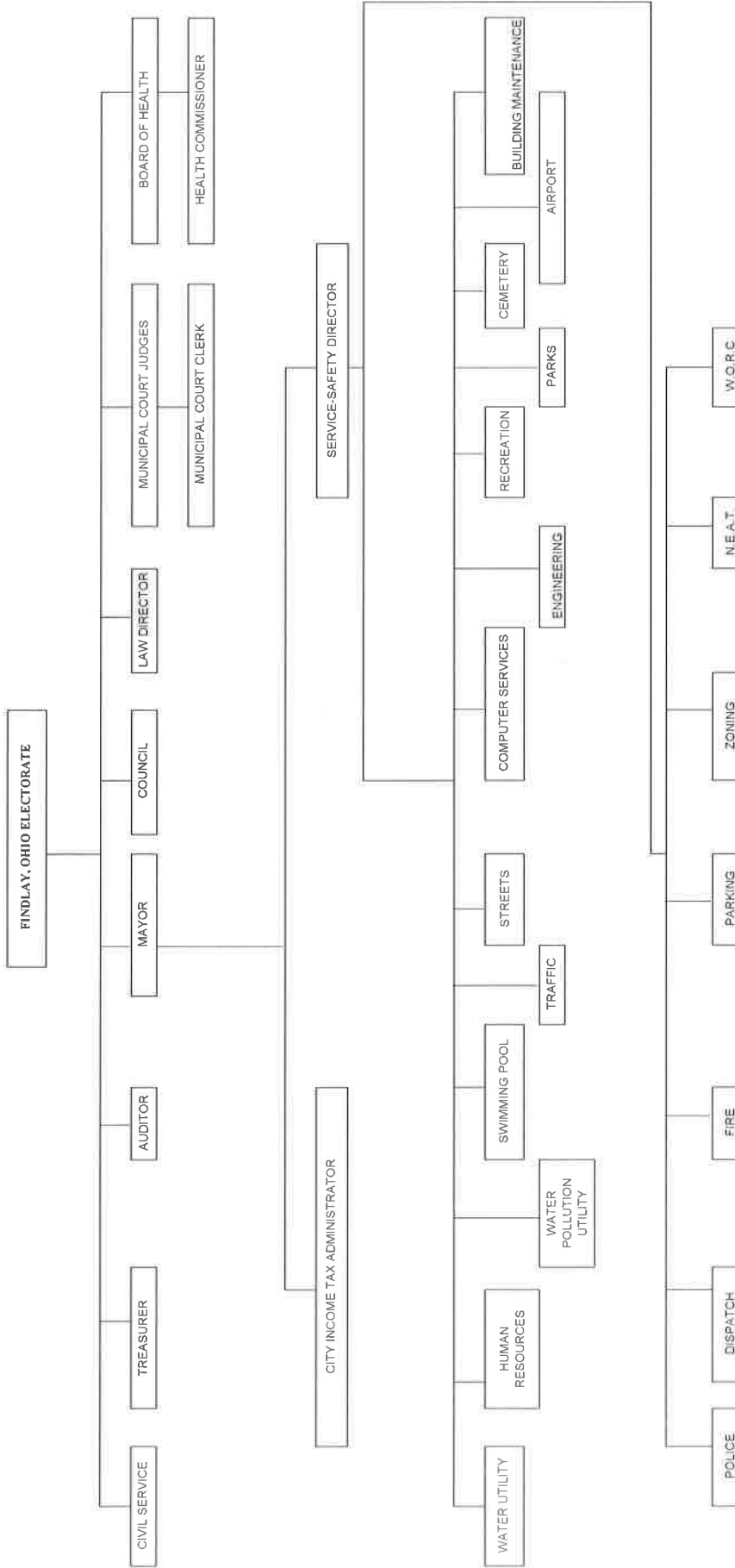
APPOINTED OFFICIALS

Service - Safety Director	Paul Schmelzer, P.E., P.S.
City Income Tax Administrator	Andrew L. Thomas
Municipal Court Clerk	David Spridgeon

CITY AUDITOR'S OFFICE

City Auditor	Jim Staschiak II
Deputy City Auditor	Ginger Sampson, CPA
Audit Clerk	Carolyn Ehrnschwender
Audit Clerk	Jennifer Niederkohr
Audit Clerk	Amy Baird

CITY OF FINDLAY, OHIO
ORGANIZATIONAL CHART





Government Finance Officers Association

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

Presented to

**City of Findlay
Ohio**

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

December 31, 2014

Executive Director/CEO



Dave Yost • Auditor of State

INDEPENDENT AUDITOR'S REPORT

City of Findlay
Hancock County
Municipal Building Room 313
318 Dorney Plaza
Findlay, Ohio 45840-3346

To Council:

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Findlay, Hancock County, Ohio (the City), as of and for the year ended December 31, 2015, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for preparing and fairly presenting these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes designing, implementing, and maintaining internal control relevant to preparing and fairly presenting financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to opine on these financial statements based on our audit. We audited in accordance with auditing standards generally accepted in the United States of America and the financial audit standards in the Comptroller General of the United States' *Government Auditing Standards*. Those standards require us to plan and perform the audit to reasonably assure the financial statements are free from material misstatement.

An audit requires obtaining evidence about financial statement amounts and disclosures. The procedures selected depend on our judgment, including assessing the risks of material financial statement misstatement, whether due to fraud or error. In assessing those risks, we consider internal control relevant to the City's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not to the extent needed to opine on the effectiveness of the City's internal control. Accordingly, we express no opinion. An audit also includes evaluating the appropriateness of management's accounting policies and the reasonableness of their significant accounting estimates, as well as our evaluation of the overall financial statement presentation.

We believe the audit evidence we obtained is sufficient and appropriate to support our audit opinions.

One Government Center, Suite 1420, Toledo, Ohio 43604-2246
Phone: 419-245-2811 or 800-443-9276 Fax: 419-245-2484
www.ohioauditor.gov

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Findlay, Hancock County, Ohio, as of December 31, 2015, and the respective changes in financial position and where applicable, cash flows, thereof and the respective budgetary comparisons for the General Fund and Street Maintenance and Repair Fund thereof for the year then ended in accordance with the accounting principles generally accepted in the United States of America.

Emphasis of Matter

As discussed in Note 3 to the financial statements, during the year ended December 31, 2015, the City adopted Governmental Accounting Standards Board (GASB) Statement No. 68, *Accounting and Financial Reporting for Pensions – an amendment of GASB Statement No. 27* and also GASB Statement No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date*. We did not modify our opinion regarding this matter.

Also, as discussed in Note 2 to the financial statements, for the year ended December 31, 2015 the City presented summarized comparative information. Financial information for the comparative year (2014) was not restated to reflect the implementation of GASB Statement No. 68. We did not modify our opinion regarding this matter.

Other Matters

Report on Summarized Comparative Information

The financial statements of the City as of and for the year ended December 31, 2014 were audited by a predecessor auditor. An unmodified opinion was issued June 30, 2015 by the predecessor auditor. In our opinion, the summarized comparative information presented herein as of and for the year ended December 31, 2014 is consistent, in all material respects, with the audited financial statements from which it has been derived.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require this presentation to include Management's discussion and analysis, and schedules of net pension liabilities and pension contributions listed in the table of contents, to supplement the basic financial statements. Although this information is not part of the basic financial statements, the Governmental Accounting Standards Board considers it essential for placing the basic financial statements in an appropriate operational, economic, or historical context. We applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, consisting of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, to the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not opine or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to opine or provide any other assurance.

Supplementary and Other Information

Our audit was conducted to opine on the City's basic financial statements taken as a whole.

The introductory section, the financial section's combining statements, individual fund schedules, and the statistical section information present additional analysis and are not a required part of the basic financial statements.

The statements and schedules are management's responsibility, and derive from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. We subjected these statements and schedules to the auditing procedures we applied to the basic financial statements. We also applied certain additional procedures, including comparing and reconciling statements and schedules directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves in accordance with auditing standards generally accepted in the United States of America. In our opinion, these statements and schedules are fairly stated in all material respects in relation to the basic financial statements taken as a whole.

We did not subject the introductory section and statistical section information to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we express no opinion or any other assurance on them.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated June 27, 2016, on our consideration of the City's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. That report describes the scope of our internal control testing over financial reporting and compliance, and the results of that testing, and does not opine on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.



Dave Yost
Auditor of State

Columbus, Ohio

June 27, 2016

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CITY OF FINDLAY, OHIO

MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE YEAR ENDED DECEMBER 31, 2015 (UNAUDITED)

The management's discussion and analysis (MD&A) of the City of Findlay's (the "City") financial performance provides an overall review of the City's financial activities for the year ended December 31, 2015. The intent of this discussion and analysis is to look at the City's financial performance as a whole; readers should also review the transmittal letter, the basic financial statements and the notes to the basic financial statements to enhance their understanding of the City's financial performance.

Financial Highlights

Key financial highlights for 2015 are as follows:

- The total net position of the City increased \$9,737,984 over the prior year (as restated - see Note 3). Net position of governmental activities increased \$4,823,644 or 5.64% from 2014 and net position of business-type activities increased \$4,914,340 or 3.41% over 2014 (as restated - see Note 3).
- General revenues accounted for \$28,420,702 or 74.90% of total governmental activities revenue. Program specific revenues accounted for \$9,521,913 or 25.10% of total governmental activities revenue.
- The City had \$33,598,892 in expenses related to governmental activities; \$9,521,913 of these expenses was offset by program specific charges for services, grants or contributions. The remaining expenses of the governmental activities of \$24,076,979 were offset by general revenues (primarily property taxes, income taxes and unrestricted grants and entitlements) of \$28,420,702.
- The general fund had revenues of \$33,074,720 in 2015. This represents an increase of \$3,508,981 from 2014. Transfers-in amounted to \$1,635,617. The expenditures of the general fund, which totaled \$26,153,263 in 2015, increased \$1,521,169 from 2014. The City had transfers out to other funds of \$7,120,066. The net increase in fund balance for the general fund was \$1,443,444 or 6.10%.
- The street maintenance and repair fund had revenues and other financing sources of \$9,125,416 in 2015. This represents an increase of \$1,674,595 from 2014 revenues and other financing sources. The expenditures and other financing uses of the street maintenance and repair fund, totaled \$9,158,236 in 2015 increased \$2,641,077 from 2014. The net decrease in fund balance for the street maintenance and repair fund was \$41,520 or 1.70%.
- Net position for the business-type activities which are made up of the Water, Water Pollution Control, Airport, Parking Facilities, and Swimming Pool operations, increased in 2015 by \$4,914,340 (as restated - see Note 3). This increase in net position was due primarily to adequate charges for services revenue to cover operating expenses coupled with the receipt of approximately \$529,202 in capital contributions during the year.

Using this Comprehensive Annual Financial Report

This annual report consists of a series of financial statements and notes to these statements. These statements are organized so the reader can understand the City as a financial whole, an entire operating entity. The statements then proceed to provide an increasingly detailed look at specific financial activities.

The statement of net position and statement of activities provide information about the activities of the City as a whole, presenting both an aggregate view of the City's finances and a longer-term view of those finances. Fund financial statements provide the next level of detail. For governmental funds, these statements tell how services were financed in the short-term as well as what remains for future spending. The fund financial statements also look at the City's most significant funds with all other nonmajor funds presented in total in one column.

CITY OF FINDLAY, OHIO

MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE YEAR ENDED DECEMBER 31, 2015 (UNAUDITED)

Reporting the City as a Whole

Statement of Net Position and the Statement of Activities

While this document contains a large number of funds used by the City to provide programs and activities, the view of the City as a whole looks at all financial transactions and asks the question, "How did we do financially during 2015?" The statement of net position and the statement of activities answer this question. These statements include all assets and deferred outflows of resources and liabilities and deferred inflows of resources using the accrual basis of accounting similar to the accounting used by most private-sector companies. The accrual basis of accounting will take into account all of the current year's revenues and expenses regardless of when cash is actually received or paid.

These two statements report the City's net position and changes in this position. This change in net position is important because it tells the reader that, for the City as a whole, the financial position of the City has improved or diminished. The causes of this change may be the result of many factors, some financial, some not. Non-financial factors include the City's property tax base, current property tax laws in Ohio restricting revenue growth, facility conditions, required community programs and other factors.

In the statement of net position and the statement of activities, the City is divided into two distinct kinds of activities:

Governmental activities - Most of the City's programs and services are reported here including police, fire, street maintenance, parks and recreation, capital improvements and general administration. These services are funded primarily by property and income taxes and intergovernmental revenues including federal and state grants and other shared revenues.

Business-type activities - These services are provided on a charge for goods or services basis to recover all or a significant portion of the expenses of the goods or services provided. The City's water, water pollution control, airport, parking facilities, and swimming pool operations are reported here.

The City's Statement of Net Position and Statement of Activities can be found on pages 39-41 of this report.

Reporting the City's Most Significant Funds

Fund Financial Statements

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The City, 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 can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

Fund financial reports provide detailed information about the City's major funds. The City uses many funds to account for a multitude of financial transactions. However, these fund financial statements focus on the City's most significant funds. The analysis of the City's major governmental and proprietary funds begins on page 27.

CITY OF FINDLAY, OHIO

MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE YEAR ENDED DECEMBER 31, 2015 (UNAUDITED)

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 the 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, the 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 maintains a multitude of individual governmental funds. The City has segregated these funds into major funds and nonmajor funds. The City's major governmental funds are the general fund and street maintenance and repair fund. Information for major funds is presented separately in the governmental fund balance sheet and in the governmental statement of revenues, expenditures, and changes in fund balances. Data from the other governmental funds are combined into a single, aggregated presentation. The basic governmental fund financial statements can be found on pages 42-50 of this report.

Proprietary Funds

The City maintains two different types of proprietary funds: enterprise funds 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 uses enterprise funds to account for its water, water pollution control, airport, parking facilities, and swimming pool functions. The water, water pollution control and airport funds are considered major funds. Internal service funds are an accounting device used to accumulate and allocate costs internally among the City's various functions. The basic proprietary fund financial statements can be found on pages 52-59 of this report.

Fiduciary Funds

Fiduciary funds are used to account for resources held for the benefit of parties outside the City. Fiduciary funds are not reflected in the government-wide financial statement because the resources of those funds are not available to support the City's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds. Private-purpose trust and agency funds are the City's fiduciary fund types. The basic fiduciary fund financial statements can be found on pages 60-61 of this report.

Required Supplementary Information (RSI)

The RSI contains information regarding the City's proportionate share of the Ohio Public Employees Retirement System's (OPERS) and Ohio Police and Fire Retirement System (OP&F) net pension liability/net pension asset and the City's schedule of contributions to OPERS and OP&F. The RSI can be found on pages 119-126 of this report.

Notes to the Basic 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. These notes to the basic financial statements can be found on pages 63-118 of this report.

CITY OF FINDLAY, OHIO

MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2015
(UNAUDITED)

Government-Wide Financial Analysis

The table below provides a summary of the City's net position at December 31, 2015 and 2014.

	Net Position					
	Governmental Activities	Restated Governmental Activities	Business-type Activities	Restated Business-type Activities	2015 Total	Restated 2014 Total
	<u>2015</u>	<u>2014</u>	<u>2015</u>	<u>2014</u>	<u>Total</u>	<u>Total</u>
<u>Assets</u>						
Current and other assets	\$ 44,915,354	\$ 43,753,566	\$ 27,459,027	\$ 27,550,976	\$ 72,374,381	\$ 71,304,542
Capital assets, net	<u>86,047,611</u>	<u>82,445,599</u>	<u>150,238,361</u>	<u>149,889,383</u>	<u>236,285,972</u>	<u>232,334,982</u>
Total assets	<u>130,962,965</u>	<u>126,199,165</u>	<u>177,697,388</u>	<u>177,440,359</u>	<u>308,660,353</u>	<u>303,639,524</u>
Deferred outflows	<u>3,615,128</u>	<u>2,384,691</u>	<u>701,749</u>	<u>600,262</u>	<u>4,316,877</u>	<u>2,984,953</u>
<u>Liabilities</u>						
Current and other liabilities	2,899,402	2,776,951	2,100,302	2,565,576	4,999,704	5,342,527
Long-term liabilities	<u>38,550,587</u>	<u>37,612,627</u>	<u>27,283,157</u>	<u>31,433,184</u>	<u>65,833,744</u>	<u>69,045,811</u>
Total liabilities	<u>41,449,989</u>	<u>40,389,578</u>	<u>29,383,459</u>	<u>33,998,760</u>	<u>70,833,448</u>	<u>74,388,338</u>
Deferred inflows	<u>2,849,082</u>	<u>2,738,900</u>	<u>59,477</u>	<u>-</u>	<u>2,908,559</u>	<u>2,738,900</u>
<u>Net Position</u>						
Net investment in capital assets	78,187,482	73,978,571	126,775,309	121,616,774	204,962,791	195,595,345
Restricted	8,553,883	7,884,364	5,071,300	5,535,446	13,625,183	13,419,810
Unrestricted	<u>3,537,657</u>	<u>3,592,443</u>	<u>17,109,592</u>	<u>16,889,641</u>	<u>20,647,249</u>	<u>20,482,084</u>
Total net position	<u>\$ 90,279,022</u>	<u>\$ 85,455,378</u>	<u>\$ 148,956,201</u>	<u>\$ 144,041,861</u>	<u>\$ 239,235,223</u>	<u>\$ 229,497,239</u>

During 2015, the City adopted Governmental Accounting Standards Board (GASB) Statement 68, "Accounting and Financial Reporting for Pensions—an Amendment of GASB Statement 27" and GASB Statement 71, "Pension Transition for Contributions Made Subsequent to the Measurement Date - An Amendment of GASB Statement No. 68" which significantly revises accounting for pension costs and liabilities. 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 the net pension liability/asset to the reported net position and subtracting deferred outflows related to pension.

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

CITY OF FINDLAY, OHIO

MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE YEAR ENDED DECEMBER 31, 2015 (UNAUDITED)

Under the new standards required by GASB 68, the net pension liability equals the City's proportionate share of each plan's collective:

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

GASB notes that pension 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. GASB noted that the unfunded portion of this pension 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 this liability. 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 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 pension system. In Ohio, there is no legal means to enforce the unfunded liability of the pension system *as against the public employer*. State law operates to mitigate/lessen the moral obligation of the public employer to the employee, because all parties enter the employment exchange with notice as to the law. The pension system is responsible for the administration of the plan.

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. As explained above, changes in pension benefits, contribution rates, and return on investments affect the balance of the net pension liability, but are outside the control of the local government. In the event that contributions, investment returns, and other changes are insufficient to keep up with required pension payments, State statute does not assign/identify the responsible party for the unfunded portion. Due to the unique nature of how the net pension liability is satisfied, this liability is separately identified within the long-term liability section of the statement of net position.

In accordance with GASB 68, 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/asset not accounted for as deferred inflows/outflows.

As a result of implementing GASB 68, the City is reporting a net pension liability/asset and deferred inflows/outflows of resources related to pension on the accrual basis of accounting. This implementation also had the effect of restating net position at December 31, 2014, for governmental activities from \$107,697,121 to \$85,455,378 and business-type activities from \$146,723,811 to \$144,041,861.

Over time, net position can serve as a useful indicator of a government's financial position. At December 31, 2015, the City's assets and deferred outflows exceeded liabilities and deferred inflows by \$239,235,223. At year-end, net position was \$90,279,022 and \$148,956,201 for the governmental activities and the business-type activities, respectively.

CITY OF FINDLAY, OHIO

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2015
(UNAUDITED)**

Capital assets reported on the government-wide statements represent the largest portion of the City's net position. At year-end, capital assets represented 76.72% of total assets. Capital assets include land, computer software, buildings and improvements, improvements other than buildings, machinery and equipment, utility plant in service, utility lines in service, construction in progress and infrastructure. The net investment in capital assets at December 31, 2015, was \$78,187,482 and \$126,775,309 in the governmental activities and business-type activities, respectively. These capital assets are used to provide services to citizens and are not available for future spending. Although the City's investment in capital assets is reported net of related debt, it should be noted that the resources to repay the debt must be provided from other sources, since capital assets are not used to liquidate these liabilities.

As of December 31, 2015, the City is able to report positive balances in all three categories of net position, both for the government as a whole, as well as for its separate governmental and business-type activities. A portion of the City's net position, \$13,625,183 represents resources that are subject to external restriction on how they may be used. The remaining balance of unrestricted net position of \$20,647,249 may be used to meet the government's ongoing obligations to citizens and creditors.

Current and other assets remained comparable to the prior year. Capital assets, net increased as the City completed construction projects. Long-term liabilities decreased as the City continued to make principal payments on long-term debt.

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CITY OF FINDLAY, OHIO

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2015
(UNAUDITED)**

The table below shows the changes in net position for fiscal year 2015 and 2014.

	Change in Net Position					
	Governmental	Governmental	Business-type	Business-type	2015	2014
	Activities	Activities	Activities	Activities	Total	Total
	2015	2014	2015	2014		
Revenues						
Program revenues:						
Charges for services	\$ 4,602,981	\$ 4,484,729	\$ 19,254,843	\$ 18,683,085	\$ 23,857,824	\$ 23,167,814
Operating grants and contributions	2,560,912	2,708,225	282,466	169,302	2,843,378	2,877,527
Capital grants and contributions	<u>2,358,020</u>	<u>1,454,779</u>	<u>529,202</u>	<u>282,249</u>	<u>2,887,222</u>	<u>1,737,028</u>
Total program revenues	<u>9,521,913</u>	<u>8,647,733</u>	<u>20,066,511</u>	<u>19,134,636</u>	<u>29,588,424</u>	<u>27,782,369</u>
General revenues:						
Property taxes	2,894,894	2,839,026	-	-	2,894,894	2,839,026
Income taxes	23,365,523	20,625,080	-	-	23,365,523	20,625,080
Unrestricted grants and entitlements	1,026,477	895,700	-	-	1,026,477	895,700
Tax increment financing	71,985	72,159	-	-	71,985	72,159
Investment earnings	82,858	43,623	63,699	43,381	146,557	87,004
(Decrease) in fair value of investments	(54,665)	(7,943)	-	-	(54,665)	(7,943)
Miscellaneous	<u>1,033,630</u>	<u>1,130,406</u>	<u>101,590</u>	<u>138,225</u>	<u>1,135,220</u>	<u>1,268,631</u>
Total general revenues	<u>28,420,702</u>	<u>25,598,051</u>	<u>165,289</u>	<u>181,606</u>	<u>28,585,991</u>	<u>25,779,657</u>
Total revenues	<u>37,942,615</u>	<u>34,245,784</u>	<u>20,231,800</u>	<u>19,316,242</u>	<u>58,174,415</u>	<u>53,562,026</u>
Expenses:						
General government	7,685,516	7,469,907	-	-	7,685,516	7,469,907
Security of persons and property	15,342,739	14,443,733	-	-	15,342,739	14,443,733
Public health and welfare	2,198,660	2,160,622	-	-	2,198,660	2,160,622
Transportation	6,507,689	5,422,042	-	-	6,507,689	5,422,042
Leisure time activity	1,524,053	1,499,577	-	-	1,524,053	1,499,577
Interest and fiscal charges	340,235	356,731	-	-	340,235	356,731
Water	-	-	5,749,014	6,051,531	5,749,014	6,051,531
Water pollution control	-	-	7,071,836	7,187,450	7,071,836	7,187,450
Airport	-	-	1,807,053	2,059,034	1,807,053	2,059,034
Parking facilities	-	-	102,631	104,917	102,631	104,917
Swimming pool	-	-	107,005	116,867	107,005	116,867
Total expenses	<u>33,598,892</u>	<u>31,352,612</u>	<u>14,837,539</u>	<u>15,519,799</u>	<u>48,436,431</u>	<u>46,872,411</u>
Increase in net position before transfers	4,343,723	2,893,172	5,394,261	3,796,443	9,737,984	6,689,615
Transfers	<u>479,921</u>	<u>(217,993)</u>	<u>(479,921)</u>	<u>217,993</u>	-	-
Increase in net position	4,823,644	2,675,179	4,914,340	4,014,436	9,737,984	6,689,615
Net position at beginning of year (restated)	<u>85,455,378</u>	<u>N/A</u>	<u>144,041,861</u>	<u>N/A</u>	<u>229,497,239</u>	<u>N/A</u>
Net position at end of year	<u>\$ 90,279,022</u>	<u>\$ 85,455,378</u>	<u>\$ 148,956,201</u>	<u>\$ 144,041,861</u>	<u>\$ 239,235,223</u>	<u>\$ 229,497,239</u>

CITY OF FINDLAY, OHIO

MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2015
(UNAUDITED)

The information necessary to restate the 2014 beginning balances and the 2014 pension expense amounts for the effects of the initial implementation of GASB 68 is not available. Therefore, 2014 functional expenses still include pension expense of \$2,770,935 computed under GASB 27. GASB 27 required recognizing pension expense equal to the contractually required contributions to the plan. Under GASB 68, pension expense represents additional amounts earned, adjusted by deferred inflows/outflows. The contractually required contribution is no longer a component of pension expense. Under GASB 68, the 2015 statements report pension expense of \$2,966,631.

Consequently, in order to compare 2015 total program expenses to 2014, the following adjustments are needed:

	Governmental Activities	Business-Type Activities	Total
Total 2015 program expenses under GASB 68	\$ 33,598,893	\$ 14,837,539	\$ 48,436,432
Pension expense under GASB 68	(2,614,166)	(352,465)	(2,966,631)
2015 contractually required contributions	<u>2,423,553</u>	<u>413,079</u>	<u>2,836,632</u>
Adjusted 2015 program expenses	33,408,280	14,898,153	48,306,433
Total 2014 program expenses under GASB 27	<u>31,352,612</u>	<u>15,519,799</u>	<u>46,872,411</u>
Increase (decrease) in program expenses not related to pension	<u>\$ 2,055,668</u>	<u>\$ (621,646)</u>	<u>\$ 1,434,022</u>

Governmental Activities

Governmental activities net position increased \$4,823,644 in 2015 as the revenue increased over 2014 of 10.79% was still sufficient to cover the expense increase from 2014 of 7.16%.

The City's income tax revenue increased \$2,740,443, or 13.29%, from 2014 due to increased collections due to improved economic conditions.

The City's total governmental activities expenses increased \$2,246,280, or 7.16%, from 2014. Security of persons and property, which primarily supports the operations of the police and fire departments accounted for \$15,342,739 of the total expenses of the City. These expenses were partially funded by \$288,871 in direct charges to users of the services. These expenses increased \$899,006 primarily due to increased salaries and wages, fringe benefits and repairs and maintenance expenses.

General government expenses totaled \$7,685,516. General government expenses were partially funded by \$2,445,802 in direct charges to users of the services. General government expenses were comparable to 2014, increasing by 2.89%.

Transportation expenses relate to road maintenance and construction. Transportation expenses increased \$1,085,647 due to increased road maintenance and projects.

Operating grants and contributions, consisting of state and federal government contributions, totaled \$2,560,912 for 2015. This represents a decrease of \$147,313, or 5.44%. These operating grants and contributions consist primarily of restricted federal and state grant revenues, property tax rollbacks, fuel taxes and motor vehicle license fees. These revenues are restricted to a particular program or purpose. Of the total operating grants and contributions, \$2,253,430 subsidized transportation programs.

CITY OF FINDLAY, OHIO

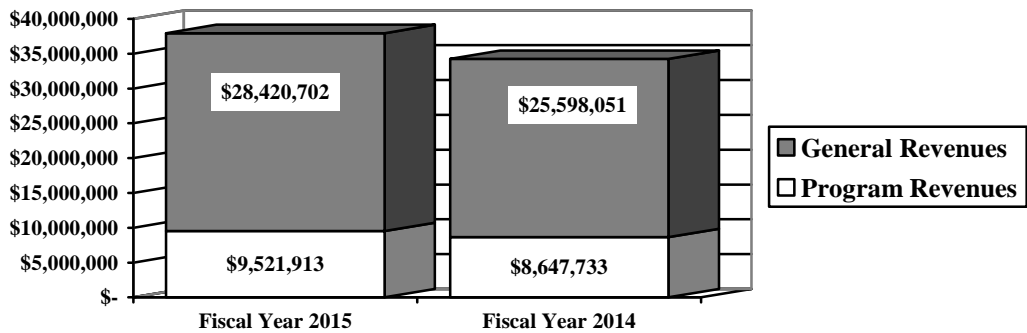
**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2015
(UNAUDITED)**

The City had a total of \$2,358,020 in capital grants and contributions during 2015. These capital grants and contributions consist primarily of federal and state grant revenues that are restricted for capital acquisition and construction. Of the total capital grants and contributions, \$1,334,036 subsidized transportation programs. Capital grants and contributions increased \$903,241 from 2014 primarily due to funding for McLane Project roadwork (\$637,345) and Downtown Revitalization (\$340,000).

General revenues totaled \$28,420,702, and amounted to 74.90% of total governmental revenues. These revenues primarily consist of property and income tax revenue of \$2,894,894 and \$23,365,523, respectively. The other primary source of general revenues is grants and entitlements not restricted to specific programs, including local government funding from the State of Ohio, making up \$1,026,477. The largest increase was in income tax revenue which increased \$2,740,443 or 13.29%.

The graph below compares the City's general revenues (which includes property taxes, income taxes and unrestricted grants and entitlements) and program revenues for fiscal year 2015 and 2014.

Governmental Activities – General and Program Revenues



CITY OF FINDLAY, OHIO

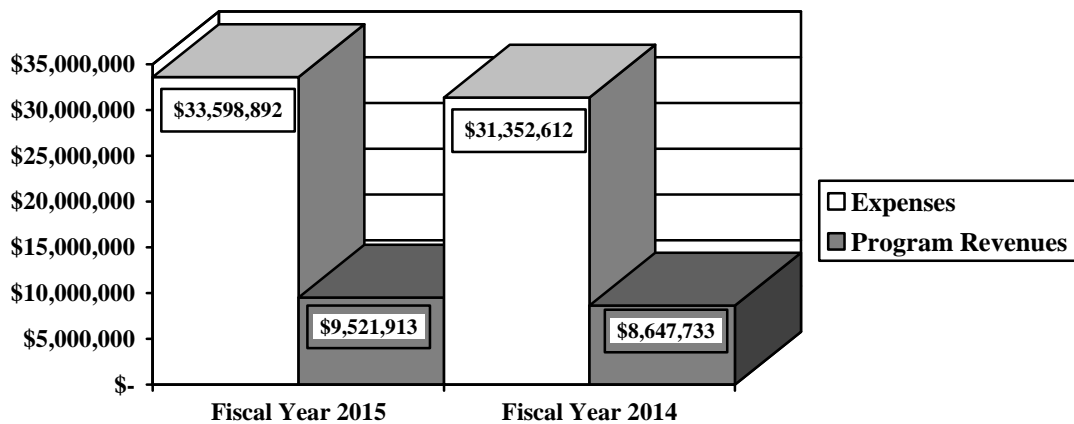
**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2015
(UNAUDITED)**

The statement of activities shows the cost of program services and the charges for services and grants offsetting those services. The following table shows, for governmental activities, the total cost of services and the net cost of services. That is, it identifies the cost of these services supported by tax revenue and unrestricted State grants and entitlements.

	Governmental Activities			
	Total Cost of Services	Net Cost of Services	Total Cost of Services	Net Cost of Services
	<u>2015</u>	<u>2015</u>	<u>2014</u>	<u>2014</u>
Program Expenses:				
General government	\$ 7,685,516	\$ 4,111,023	\$ 7,469,907	\$ 4,736,830
Security of persons and property	15,342,739	14,965,631	14,443,733	14,138,668
Public health and welfare	2,198,660	991,133	2,160,622	946,848
Transportation	6,507,689	2,768,609	5,422,042	1,700,839
Leisure time activity	1,524,053	933,761	1,499,577	871,097
Interest and fiscal charges	<u>340,235</u>	<u>306,822</u>	<u>356,731</u>	<u>310,597</u>
Total	<u>\$ 33,598,892</u>	<u>\$ 24,076,979</u>	<u>\$ 31,352,612</u>	<u>\$ 22,704,879</u>

The dependence upon general revenues for governmental activities is apparent, with 71.66% of expenses supported through taxes and other general revenues.

Governmental Activities – Program Revenues vs. Total Expenses



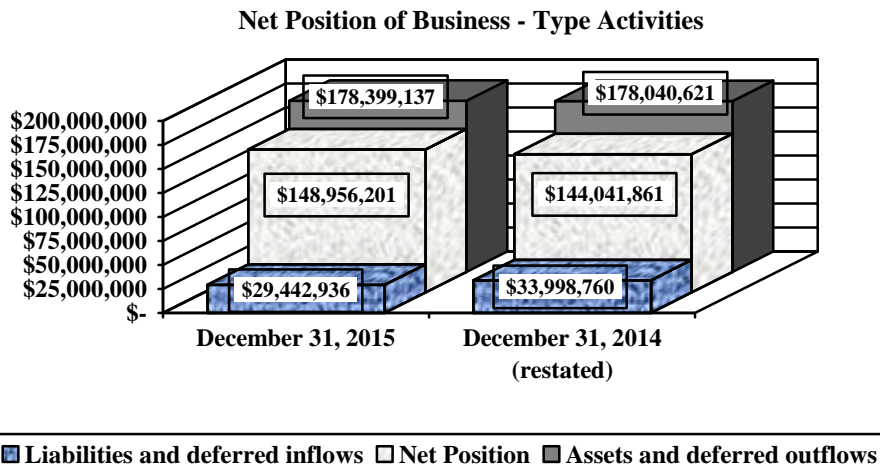
CITY OF FINDLAY, OHIO

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2015
(UNAUDITED)**

Business-type Activities

The net position of the business-type activities, include the water, water pollution control, airport, parking facilities, and swimming pool operations. These operations had program revenues of \$20,066,511 which were sufficient to support the total expenses of \$14,837,539. Program revenues exceeded total expenses by \$5,228,972 in 2015.

The graph below shows the business-type activities assets and deferred outflow, liabilities and deferred inflows and net position at year-end.



Net position of the business-type activities continued to grow. The City's charges for services program revenues increased \$571,758 or 3.06% from 2014. The City's capital grants and contributions program revenues increased \$246,953 due primarily to increased grant funding for water pollution control projects. Expenses of the business-type activities decreased \$682,260, or 4.40%, primarily due to a decrease of water expenses of \$302,517. For fiscal year 2015 and 2014, program revenues for the business-type activities exceeded expenses of the business-type activities by \$5,228,972 and \$3,614,837, respectively. Capital assets for the business-type activities increased \$348,978 due to capital outlays exceeding depreciation expense for 2015. The increase in capital contributions revenue resulted in an increase in capital outlays for 2015. Capital contributions are revenues received that are restricted for capital expenses and may not used to finance the operations of the enterprise activities.

Financial Analysis of the Government's Funds

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

Governmental Funds

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. Fund balance includes various categories as described in Note 2.N and detailed in Note 15 to the financial statements. The City's governmental funds (as presented on the balance sheet on pages 42-43) reported a combined fund balance of \$31,517,502 which is \$979,221 above last year's total of \$30,538,281.

CITY OF FINDLAY, OHIO

MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2015
(UNAUDITED)

The schedule below indicates the fund balances as of December 31, 2015, 2014 and 2013 for all governmental funds.

	<u>Fund Balances</u> <u>12/31/15</u>	<u>Fund Balances</u> <u>12/31/14</u>	<u>Fund Balances</u> <u>12/31/13</u>	<u>Increase</u> <u>2015 - 2014</u>	<u>Increase</u> <u>2014 - 2013</u>
Major funds:					
General	\$ 25,104,602	\$ 23,661,158	\$ 23,329,355	\$ 1,443,444	\$ 331,803
Street maintenance and repair	2,400,138	2,441,658	1,386,219	(41,520)	1,055,439
Nonmajor governmental funds	<u>4,012,762</u>	<u>4,435,465</u>	<u>4,167,854</u>	<u>(422,703)</u>	<u>267,611</u>
Total	<u>\$ 31,517,502</u>	<u>\$ 30,538,281</u>	<u>\$ 28,883,428</u>	<u>\$ 979,221</u>	<u>\$ 1,654,853</u>

General Fund

The City's general fund balance increased \$1,443,444. Revenues increased \$3,508,981 from 2014 while expenditures increased \$1,521,169. The increase in revenues is due to an increase of \$2,394,692 in income tax revenue. The table that follows assists in illustrating the revenues of the general fund for 2015, 2014 and 2013:

	<u>2015</u> <u>Amount</u>	<u>2014</u> <u>Amount</u>	<u>2013</u> <u>Amount</u>	<u>Increase/</u> <u>(Decrease)</u> <u>2015 - 2014</u>	<u>Increase/</u> <u>(Decrease)</u> <u>2014 - 2013</u>
<u>Revenues</u>					
Taxes	\$ 25,786,787	\$ 23,336,559	\$ 26,487,478	\$ 2,450,228	\$ (3,150,919)
Charges for services	2,327,736	2,341,892	2,361,370	(14,156)	(19,478)
Licenses and permits	309,477	314,881	347,094	(5,404)	(32,213)
Fines and forfeitures	1,248,687	1,103,923	1,058,608	144,764	45,315
Investment income	81,887	43,234	47,066	38,653	(3,832)
Increase (decrease) in fair value of investments	(54,665)	(7,943)	(9,945)	(46,722)	2,002
Intergovernmental	1,877,342	1,217,567	2,440,871	659,775	(1,223,304)
Other	<u>1,497,469</u>	<u>1,215,626</u>	<u>1,072,783</u>	<u>281,843</u>	<u>142,843</u>
Total	<u>\$ 33,074,720</u>	<u>\$ 29,565,739</u>	<u>\$ 33,805,325</u>	<u>\$ 3,508,981</u>	<u>\$ (4,239,586)</u>

Tax revenue in the general fund represents property, income and other local taxes. Tax revenue represents 77.97% of all general fund revenue. The general fund receives 2.6 mills in real estate collections on an annual basis, and there are no voted levies in addition to that millage. Tax revenue increased by 10.50% from prior year.

The general fund, which includes the city income tax fund on a GAAP-basis, had \$23,333,535 in income tax revenue in 2015. The income tax revenues are included in the "taxes" revenues listed above. The city income tax revenues increased approximately \$2.4 million from 2014 primarily due to increased collections and improved economic conditions.

Charges for services revenue decreased \$14,156, or less than 1%, from 2014. Charges for services primarily relate to fees charged from programs related to leisure time activities and public health and welfare programs.

Licenses and permits revenue decreased \$5,404 from 2014. The decrease was primarily due to a decrease in professional and occupancy licenses revenue generated in 2015.

CITY OF FINDLAY, OHIO

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2015
(UNAUDITED)**

Fines and forfeitures revenue increased 13.11% from 2014 primarily in the areas of court fines and fees.

The increase in investment income is primarily due to improved interest rates on applicable investments and more monies invested by the City.

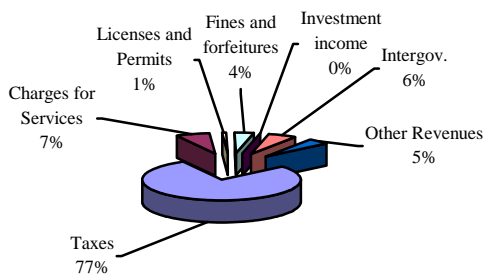
At December 31, 2015, the fair value of the City's federal agency securities decreased \$54,665 from the fair value of these securities at December 31, 2014. These securities fluctuate in value depending upon market conditions. The City intends to hold investment to maturity thus eliminating the effects of fluctuations in fair value.

Intergovernmental revenues increased primarily due to an increase in local grants and grants to fund various special projects undertaken by the City. These increases were partially offset by a decrease in estate tax revenue of approximately \$100,000 from 2014.

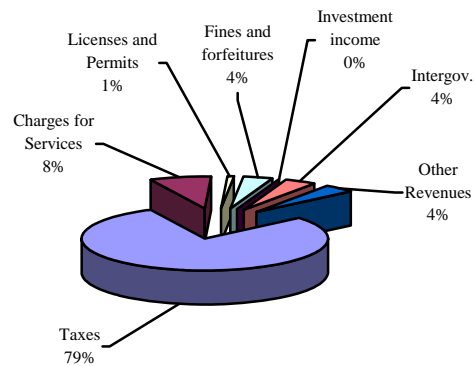
Other revenues increased \$281,843, or 23.19%, from 2014. Other revenues include rental income, contributions and donations and miscellaneous revenues. During 2015, the City received a \$340,000 contribution for downtown revitalization.

The graphs below reflect the percentage of revenues, by source, for 2015, 2014 and 2013:

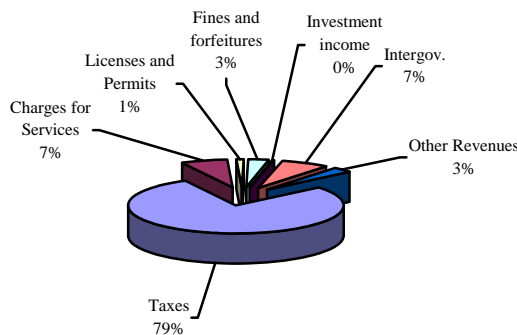
Revenues - Fiscal Year 2015



Revenues - Fiscal Year 2014



Revenues - Fiscal Year 2013



CITY OF FINDLAY, OHIO

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2015
(UNAUDITED)**

The table that follows assists in illustrating the expenditures of the general fund for 2015, 2014 and 2013.

	<u>2015</u> <u>Amount</u>	<u>2014</u> <u>Amount</u>	<u>2013</u> <u>Amount</u>	<u>Increase/ (Decrease)</u> <u>2015 - 2014</u>	<u>Increase/ (Decrease)</u> <u>2014 - 2013</u>
<u>Expenditures</u>					
General government	\$ 6,759,404	\$ 6,455,841	\$ 6,635,812	\$ 303,563	\$ (179,971)
Security of persons and property	14,332,173	13,930,163	13,806,469	402,010	123,694
Public health and welfare	2,194,549	2,127,934	2,050,901	66,615	77,033
Leisure time activity	1,168,765	1,178,546	955,716	(9,781)	222,830
Capital outlay	<u>1,698,372</u>	<u>939,610</u>	<u>705,470</u>	<u>758,762</u>	<u>234,140</u>
Total	<u>\$ 26,153,263</u>	<u>\$ 24,632,094</u>	<u>\$ 24,154,368</u>	<u>\$ 1,521,169</u>	<u>\$ 477,726</u>

General government expenditures increased from 2014 by \$303,563, or 4.70%. The increase from 2014 was due in part to increased expenditures related to a Downtown Revitalization project and GIS update.

Security of persons and property expenditures, those related primarily to police and fire operations, increased \$402,010 from 2014. The increase is primarily due to increased salary and wages, fringe benefits and repairs and maintenance expenditures.

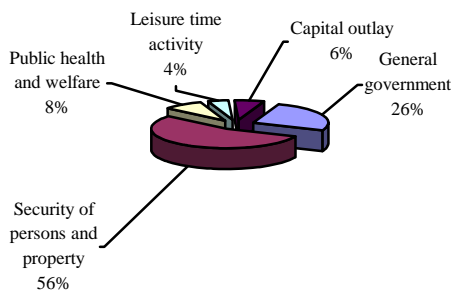
Public health and welfare activities relate primarily to the operations of health department and the cemetery department. Total public health and welfare expenditures increased \$66,615, or 3.13%, from 2014.

Leisure time activities relate primarily to the operations of parks, recreation and the Cube. Total leisure time activities expenditures decreased \$9,781, or less than 1%, from 2014.

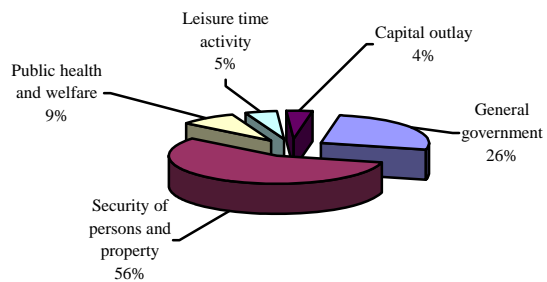
Capital outlay expenditures increased \$758,762, or 80.75%, as the City performed more construction and various other projects in 2015 versus 2014. During 2015, the City incurred increased expenditures related to the P25 Multi-Agency Radio Communications System (MARCS Radio) conversion and street maintenance garage improvements. The City closely monitors capital outlays to perform only essential improvements.

The graphs below reflect the percentage of expenditures, by function, for 2015, 2014 and 2013:

Expenditures - Fiscal Year 2015



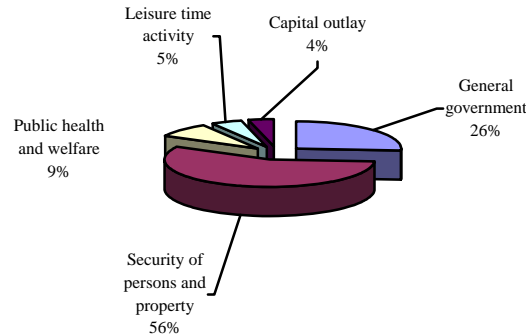
Expenditures - Fiscal Year 2014



CITY OF FINDLAY, OHIO

MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE YEAR ENDED DECEMBER 31, 2015 (UNAUDITED)

Expenditures - Fiscal Year 2013



Street Maintenance and Repair Fund

The street maintenance and repair fund had revenues and other financing sources of \$9,125,416 in 2015. This represents an increase of \$1,674,595 from 2014 revenues and other financing sources. The 2014 other financing sources included transfers in of \$4,332,370 that were increased to \$5,917,888 in 2015. The expenditures and other financing uses of the street maintenance and repair fund, which totaled \$9,158,236 in 2015 increased \$2,641,077 from 2014. The net decrease in fund balance for the street maintenance and repair fund was \$41,520 or 1.70%. The street maintenance and repair fund capital outlays was approximately \$1,996,419 more in 2015 versus 2014 primarily due to increased expenditures related to the Fostoria Avenue Drainage project and Tiffin Avenue curb replacement.

General Fund Budgeting Highlights

The City's budgeting process is prescribed by the Ohio Revised Code (ORC). Essentially the budget is the City's appropriations which are restricted by the amounts of anticipated revenues certified by the Budget Commission in accordance with the ORC. Therefore, the City's plans or desires cannot be totally reflected in the original budget. If budgeted revenues are adjusted due to actual activity then the appropriations can be adjusted accordingly.

For the general fund, the most significant changes were between the original and final budgeted amount in the area of expenditures and other financing uses, which increased \$5,486,479 from \$26,330,419 to \$31,816,898. The primary reason for the increase is an increase in budgeted transfers out which were \$842,400 in the original budget and \$3,708,547 in the final budget. Projects of the general fund are budgeted on a multi-year project basis and are not included in the original budget as part of the annual operating appropriation process. The final budget amounts for these projects represent supplemental appropriations which equal the actual capital outlays incurred during the year. This accounts for \$1,745,632, or 31.82%, of the \$5,486,479 increase from the original budget to the final budget. In addition, the City increased budgeted expenditures for general government by \$381,750 for non-capital projects related to general government operations. Actual expenditures and other financing uses of \$29,353,911 were lower than final appropriated expenditures and other financing uses of \$31,816,898 by \$2,462,987.

Original budgeted revenues and other financing sources increased \$5,239,172 to amounts reported in the final budget primarily due to the budgeting of intergovernmental revenues and transfers in related to multi-year projects as the supplemental appropriations were enacted. Actual revenues and other financing sources of \$32,603,671 were \$1,471,556 more than final budgeted revenues and other financing sources of \$31,132,115.

CITY OF FINDLAY, OHIO

MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2015
(UNAUDITED)

Proprietary Funds

The City's proprietary funds provide the same type of information found in the government-wide financial statements for business-type activities, except in more detail. The only difference between the amounts reported as business-type activities and the amounts reported in the proprietary fund statements are interfund eliminations between proprietary funds and internal balances due to governmental activities for internal service activities. The only interfund activity reported in the government wide statements are those between business-type activities and governmental activities (reported as internal balances and transfers) whereas interfund amounts between various enterprise funds are reported in the proprietary fund statements.

Water Fund

The waterworks system has been municipally owned since it was first developed in 1888. Improvements have been made as needed and are financed from revenues of the system. The current facilities include two upland raw water storage reservoirs with a capacity of 6.4 billion gallons, a raw water pump station located at the reservoir, raw water lines that feed into the lime-soda softening water treatment plant, high service pumps, and a 315-mile distribution system with two elevated storage tanks. There is treated water storage capacity at the plant of 4.5 million gallons plus 2.75 million gallons in the two elevated towers. The plant is able to treat 16 million gallons per day, and in the future can be expanded to 24 million gallons per day if the customer demand for treated water increases to that level.

User charge rates are established to provide revenue for operation and maintenance of the treatment facility, the reservoir, and the distribution system. In addition, the charge rates must be set to support all capital improvements and debt service requirements. In accordance with Ohio law, the Service-Safety Director has the ability to revise the charge rates. Information regarding water customers for 2015 is presented below:

Ten Largest Single Water Customers

<u>Customer Account</u>	<u>Volume *HCF</u>	<u>Revenue</u>	<u>% of Total Revenue</u>
Whirlpool	130,666	\$534,881	7.25%
Cooper Corp	100,531	247,614	3.82%
Ball Metal	65,531	268,030	3.63%
Blanchard Valley Hospital	53,418	150,481	2.04%
Createc	41,166	110,858	1.50%
University of Findlay	32,579	106,824	1.45%
Sanoh America Inc.	39,118	105,050	1.42%
City Laundry/Kramer Ent	32,117	86,999	1.18%
Riverview Terrace	20,086	82,982	1.13%
Nissin Brake	<u>24,843</u>	<u>66,784</u>	0.91%
Total Top Ten	540,055	\$1,787,503	24.24%
All Other Customers	<u>1,616,275</u>	<u>5,587,555</u>	<u>75.76%</u>
Total	<u>2,156,330</u>	<u>\$7,375,058</u>	<u>100.00%</u>

CITY OF FINDLAY, OHIO

MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2015
(UNAUDITED)

**Total Customer Use
By Class & Location**

<u>Customer Class</u>	<u>*HCF Water Use</u>	<u>Revenue</u>	<u>% of Total Revenue</u>
Inside City/Residential	747,855	\$2,549,404	34.57%
Inside City/Commercial	716,290	2,148,746	29.14%
Inside City/Industrial	256,319	697,804	9.46%
Outside City/Residential	153,304	769,864	10.44%
Outside City/Commercial	81,013	381,876	5.18%
Outside City/Industrial	<u>201,549</u>	<u>827,366</u>	<u>11.22%</u>
Total	<u>2,156,330</u>	<u>\$7,375,058</u>	<u>100.00%</u>
 Total Water Customers	 17,803		

* Hundred Cubic Feet

Water Pollution Control Fund

The City's wastewater treatment facility has been updated and improved to maintain compliance with all EPA discharge permit standards. During the late 1980's, major renovations were made to the Broad Avenue treatment plant and a 6.0 million gallon per day (MGD) oxidation ditch type of treatment plant was constructed on River Road. In 2000, construction began on two additional oxidation ditches, two additional final clarifiers and UV disinfecting at the River Road Plant. This expansion of the facility was fully operational in July 2001, and in 2002 the original activated sludge plant on Broad Avenue was decommissioned and demolished. The design of the River Road Plant allows for the construction of additional modules as demand on the facilities increases. Currently the treatment plant provides for a 15 MGD average design flow and a 40 MGD peak design flow. In addition, the city is working toward a comprehensive stormwater management plan to comply with EPA guidelines. Information regarding wastewater customers for 2015 is presented below:

Ten Largest Single Wastewater Customers

<u>Customer</u>	<u>Revenue</u>	<u>Percent of Total</u>
Cooper Corp	\$139,255	1.64%
University of Findlay	138,975	1.64%
Blanchard Valley Hospital	122,911	1.45%
Whirlpool	116,006	1.37%
Sanoh America, Inc.	78,686	0.93%
Ball Metal	65,905	0.78%
City Laundry/Kramer Ent.	64,406	0.76%
Village of Arcadia	61,301	0.72%
Marathon Petroleum	57,903	0.68%
Findlay Bd of Education	<u>56,481</u>	<u>0.67%</u>
 Total Top Ten	 \$ 901,829	 10.63%
All Other Customers	<u>7,579,667</u>	<u>89.37%</u>
 Total	 <u>\$8,481,496</u>	 <u>100.00%</u>

CITY OF FINDLAY, OHIO

MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2015
(UNAUDITED)

**Total Customer Use
By Class & Location**

<u>Customer Class</u>	<u>Revenue</u>	<u>% of Total Revenue</u>
Inside City/Residential	\$4,075,930	48.06%
Inside City/Commercial	2,312,639	27.27%
Inside City/Industrial	461,300	5.44%
Outside City/Residential	1,053,774	12.42%
Outside City/Commercial	321,906	3.80%
Outside City/Industrial	<u>255,947</u>	<u>3.02%</u>
 Total	 <u>\$8,481,496</u>	 <u>100.00%</u>
 Total Wastewater Customers Inside Corp		14,587
 Total Wastewater Customers Outside Corp		2,642

Capital Assets and Debt Administration

Capital Assets

At the end of fiscal year 2015, the City had \$236,285,972 (net of accumulated depreciation) invested in land, software, non-depreciable land improvements, buildings and improvements, improvements other than buildings (I.O.T.B.), machinery and equipment, utility plant in service, utility lines in service, infrastructure and construction in progress (CIP). Of this total, \$86,047,611 was reported in governmental activities and \$150,238,361 was reported in business-type activities. The following table shows fiscal year 2015 balances compared to 2014:

**Capital Assets at December
(Net of Depreciation)**

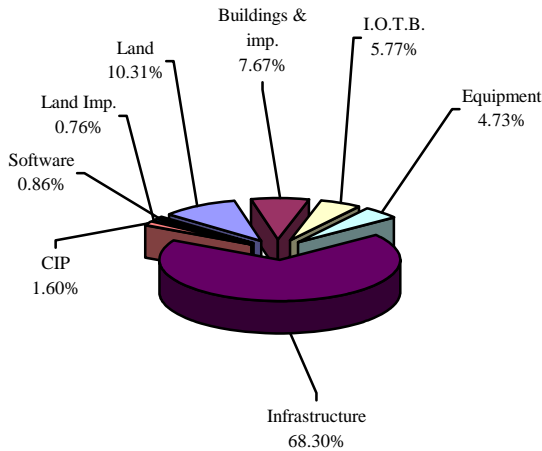
	<u>Governmental Activities</u>		<u>Business-Type Activities</u>		<u>Total</u>	
	<u>2015</u>	<u>2014</u>	<u>2015</u>	<u>2014</u>	<u>2015</u>	<u>2014</u>
Land	\$ 8,875,082	\$ 8,875,082	\$ 4,734,694	\$ 4,734,694	\$ 13,609,776	\$ 13,609,776
Land improvements	653,392	653,392	-	-	653,392	653,392
Software	738,601	678,510	100,272	100,272	838,873	778,782
Buildings and improvements	6,597,735	6,836,954	413	908	6,598,148	6,837,862
I.O.T.B.	4,962,886	4,985,064	16,857,098	17,467,511	21,819,984	22,452,575
Utility plant in service	-	-	42,658,027	44,164,879	42,658,027	44,164,879
Utility lines in service	-	-	79,947,133	79,548,782	79,947,133	79,548,782
Machinery and equipment	4,073,137	3,901,374	168,895	342,525	4,242,032	4,243,899
Infrastructure	58,771,425	53,525,534	-	-	58,771,425	53,525,534
Construction in progress	<u>1,375,353</u>	<u>2,989,689</u>	<u>5,771,829</u>	<u>3,529,812</u>	<u>7,147,182</u>	<u>6,519,501</u>
Totals	<u>\$ 86,047,611</u>	<u>\$ 82,445,599</u>	<u>\$ 150,238,361</u>	<u>\$ 149,889,383</u>	<u>\$ 236,285,972</u>	<u>\$ 232,334,982</u>

CITY OF FINDLAY, OHIO

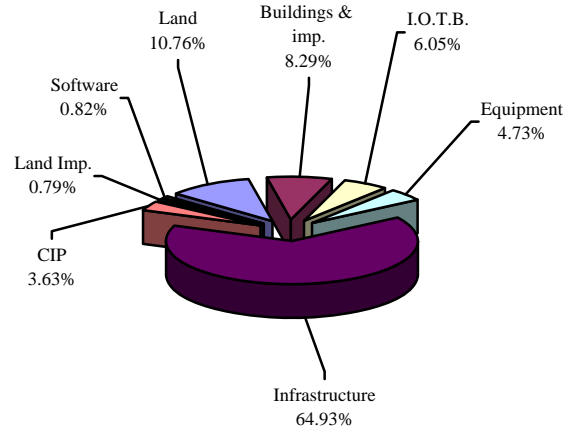
**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2015
(UNAUDITED)**

The following graphs show the breakdown of governmental capital assets by category for 2015 and 2014.

Capital Assets - Governmental Activities 2015



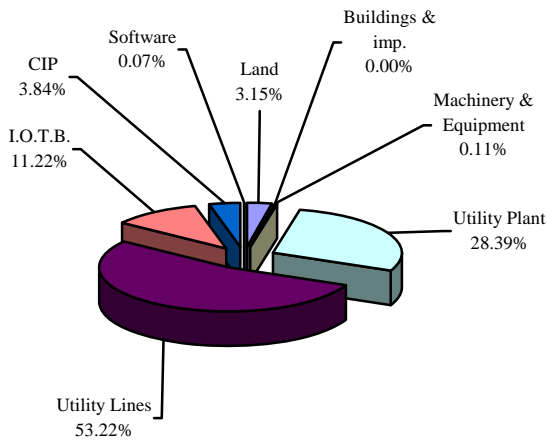
Capital Assets - Governmental Activities 2014



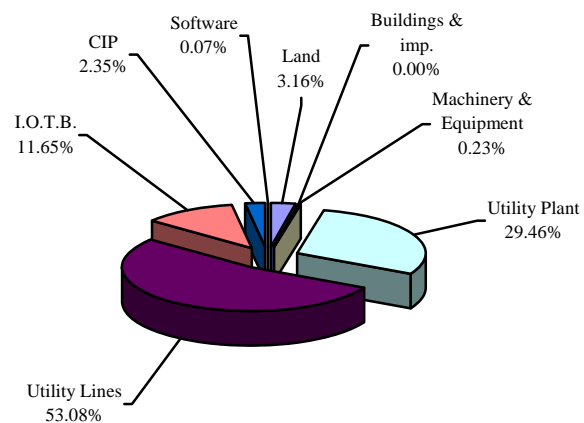
The City's largest governmental capital asset category is infrastructure which includes streets, storm sewers, and traffic signals. These items are immovable and of value only to the City; however, the annual cost of purchasing these items is quite significant. The net book value of the City's infrastructure (cost less accumulated depreciation) represents approximately 68.30% of the City's total governmental capital assets.

The following graphs show the breakdown of business-type capital assets by category for 2015 and 2014.

Capital Assets - Business-Type Activities 2015



Capital Assets - Business-Type Activities 2014



The City's largest business-type capital asset category, are utility lines that primarily includes water and sewer lines. These items play a vital role in the income producing ability of the business-type activities. The net book value of the City's utility lines (cost less accumulated depreciation) represents approximately 53.22% of the City's total business-type capital assets.

See Note 8 to the basic financial statements for further detail on capital assets.

CITY OF FINDLAY, OHIO

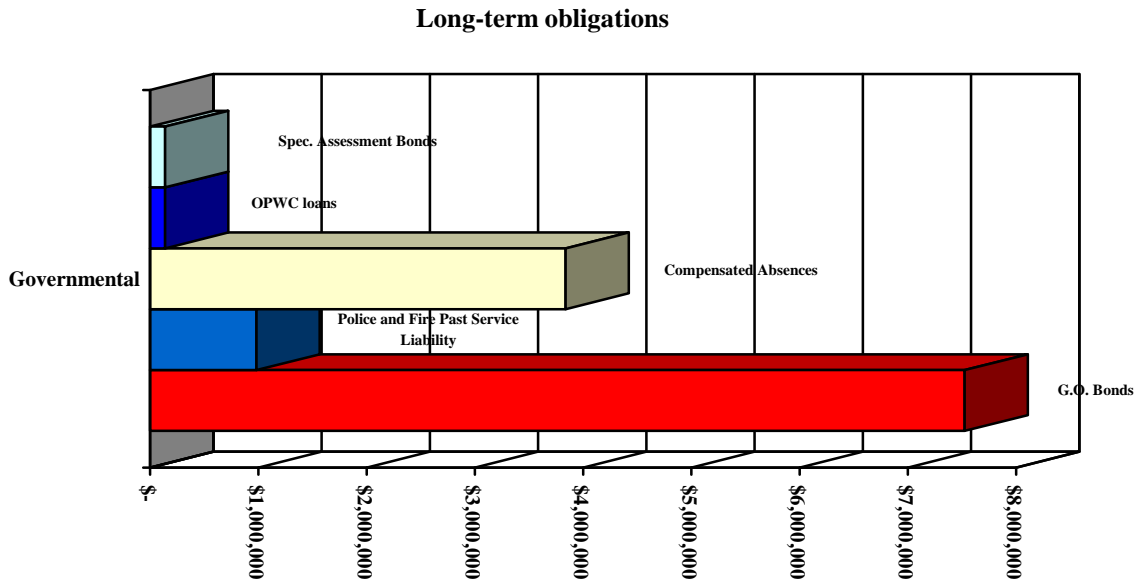
**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2015
(UNAUDITED)**

Debt Administration

The City had the following long-term debt obligations outstanding at December 31, 2015 and 2014:

	<u>Governmental Activities</u>	
	<u>2015</u>	<u>2014</u>
Compensated absences	\$ 3,837,483	\$ 3,559,559
Police and Fire past service liability	984,333	1,016,345
OPWC loans	139,773	154,456
Special Assessment bonds	140,000	158,000
General Obligation bonds	<u>7,523,601</u>	<u>8,141,272</u>
Total long-term debt obligations	<u>\$ 12,625,190</u>	<u>\$ 13,029,632</u>
	<u>Business-Type Activities</u>	
	<u>2015</u>	<u>2014</u>
General Obligation bonds	\$ 5,938,500	\$ 8,004,500
OPWC loans	506,903	562,242
OWDA loans	16,837,874	19,042,731
Compensated absences	<u>841,768</u>	<u>736,930</u>
Total long-term debt obligations	<u>\$ 24,125,045</u>	<u>\$ 28,346,403</u>

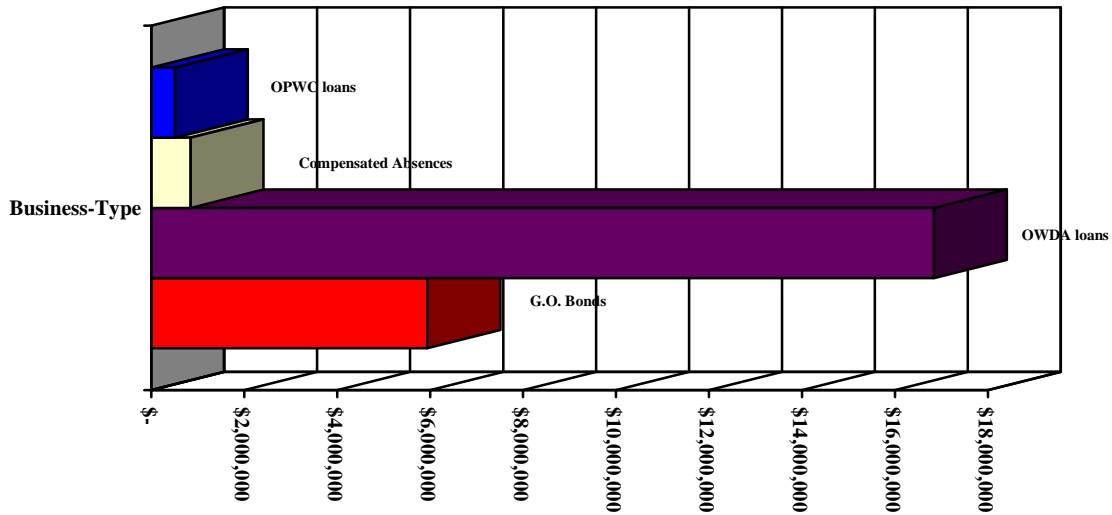
A comparison of the long-term obligations by category is depicted in the chart below.



CITY OF FINDLAY, OHIO

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2015
(UNAUDITED)**

Long-term obligations



It has long been the policy of the City to borrow money only for those projects that cannot be supported from the current available cash balances. When financing is necessary, careful consideration is given to total construction costs, length of payback period, and available interest rates before debt is actually issued. The City currently maintains an Aa2 credit rating with Moody's Investors Service and an AA rating from Standard and Pools.

See Note 11 to the basic financial statements for further detail on the City long-term debt obligations outstanding at year-end.

Economic Factors and 2016 Budget and Rates

Unemployment in Hancock County was 3.6 % for December 2015 versus 3.5% for December 2014. This compared favorably with the State's rate of 4.6% for December 2015 and the national rate of 5.0% for December 2015. The unemployment rates in the Table 15 on page 231 reflect the actual unemployment rates as of December of each year.

Projected stability for the overall economy was part of the consideration for the 2016 income tax revenue projection. The City strives to take a conservative approach when estimating revenues and budgets well within the projected available funds while maintaining reserves in excess of its policy amounts. The income tax allocation to the City Income Tax restricted Capital Improvements was 18% for 2015; the general fund was 82%. For 2016 this allocation has been set at 19% Capital Improvements and 81% general fund, an important move toward our historic allocations. It is of note that the City has maintained its minimum balance requirement for the general fund which is 16.7% of its budgeted expenses in addition to maintaining a \$1 million rainy day account.

All fund budgets comply with Ohio Revised Code 5705.36 which limits total appropriations for the calendar year to the amount of the Official Certificate of Estimated Resources, filed with the County.

CITY OF FINDLAY, OHIO

MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE YEAR ENDED DECEMBER 31, 2015 (UNAUDITED)

General fund actual expenditures in 2015 were \$2.5 million below final appropriations contributing to a beginning unencumbered cash balance of more than \$11.8 million for 2016. A 2016 general fund operating budget has been adopted with a \$142,500 deficit; however, the year-end cash balance is budgeted to be in excess of \$10.1 million, at the time of this report.

City Council and the Service-Safety Director increased water and sewer rates in 2011; no increase is scheduled for 2016. It is expected to see continued improvement the health of both of these funds and each has been budgeted to end the 2016 calendar year with a cash balance in excess of three month operations expenses.

The 5-Year Capital Plan has been updated and the first year has been adopted by Council. The revision of this plan is providing a sound foundation for determining the allocation between general fund operations and Capital Improvements funding needs. The plan projects increasing the percentage of the money allocated to Capital Improvements by 1% through 2017, beyond that the allocation is projected to remain at 80% to the general fund and 20% to the Capital Improvements account.

Contacting the City's Financial Management

This financial report is designed to provide our citizens, taxpayers, and investors and creditors with a general overview of the City's finances and to show the City's accountability for the money it receives. If you have questions about this report or need additional financial information contact Mr. Jim Staschiak II, Auditor, City of Findlay, 318 Dorney Plaza, 313 Municipal Building, Findlay, Ohio 45840 or email at jstaschiak@findlayohio.com.

CITY OF FINDLAY, OHIO

STATEMENT OF NET POSITION
DECEMBER 31, 2015

	Governmental Activities	Business-type Activities	Total
Assets:			
Equity in pooled cash and investments	\$ 26,244,337	\$ 18,321,015	\$ 44,565,352
Cash in segregated accounts	301,357	-	301,357
Cash with fiduciary agent	443,701	-	443,701
Cash with escrow agent	127,901	178,695	306,596
Receivables (net of allowances for uncollectibles).	10,694,894	2,759,283	13,454,177
Internal balance	(160,453)	160,453	-
Due from other governments.	1,930,290	-	1,930,290
Prepayments	118,018	49,465	167,483
Materials and supplies inventory.	663,315	905,719	1,569,034
Net pension asset (see Note 12)	23,736	13,097	36,833
Restricted assets:			
Equity in pooled cash and investments	4,528,258	5,071,300	9,599,558
Capital assets:			
Nondepreciable capital assets	11,642,428	10,606,795	22,249,223
Depreciable capital assets, net.	74,405,183	139,631,566	214,036,749
Total capital assets, net.	86,047,611	150,238,361	236,285,972
Total assets	130,962,965	177,697,388	308,660,353
Deferred outflows of resources:			
Unamortized deferred charges on debt refunding	5,006	118,591	123,597
Pension	3,610,122	583,158	4,193,280
Total deferred outflows of resources	3,615,128	701,749	4,316,877
Liabilities:			
Accounts payable.	1,729,232	503,136	2,232,368
Contracts payable.	-	119,671	119,671
Retainage payable	94,773	178,695	273,468
Accrued wages and benefits payable	484,456	120,398	604,854
Insurance deposits payable	293,530	88,344	381,874
Due to other governments	41,134	-	41,134
Deposits held and due to others	-	730,500	730,500
Workers' compensation payable	57,130	-	57,130
Unearned revenue	1,486	-	1,486
Matured bonds payable.	33,128	-	33,128
Accrued interest payable	164,533	359,558	524,091
Long-term liabilities:			
Due within one year	2,195,151	4,758,425	6,953,576
Due in more than one year:			
Net pension liability (see Note 12)	25,958,409	3,158,112	29,116,521
Other amounts due in more than one year.	10,397,027	19,366,620	29,763,647
Total liabilities	41,449,989	29,383,459	70,833,448
Deferred inflows of resources:			
Property taxes levied for the next fiscal year.	2,559,302	-	2,559,302
TIF revenue levied for next fiscal year	181,975	-	181,975
Pension	107,805	59,477	167,282
Total deferred inflows of resources	2,849,082	59,477	2,908,559
Net position:			
Net investment in capital assets	78,187,482	126,775,309	204,962,791
Restricted for:			
Debt service	160,946	-	160,946
Capital projects	116,489	5,071,300	5,187,789
Security of persons and property programs	81,772	-	81,772
General government operations	727,908	-	727,908
Transportation improvement projects	1,911,201	-	1,911,201
Economic development programs.	1,109,538	-	1,109,538
Perpetual care:			
Expendable	1,237	-	1,237
Nonexpendable	1,344,168	-	1,344,168
Other purposes.	3,100,624	-	3,100,624
Unrestricted	3,537,657	17,109,592	20,647,249
Total net position	\$ 90,279,022	\$ 148,956,201	\$ 239,235,223

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

CITY OF FINDLAY, OHIO

STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2015

	<u>Expenses</u>	<u>Program Revenues</u>		
		<u>Charges for Services and Sales</u>	<u>Operating Grants and Contributions</u>	<u>Capital Grants and Contributions</u>
Governmental activities:				
General government.	\$ 7,685,516	\$ 2,445,802	\$ 104,707	\$ 1,023,984
Security of persons and property . . .	15,342,739	288,871	88,237	-
Public health and welfare	2,198,660	1,125,144	82,383	-
Transportation.	6,507,689	151,614	2,253,430	1,334,036
Leisure time activity.	1,524,053	590,292	-	-
Interest and fiscal charges.	340,235	1,258	32,155	-
Total governmental activities	<u>33,598,892</u>	<u>4,602,981</u>	<u>2,560,912</u>	<u>2,358,020</u>
Business-type activities:				
Water	5,749,014	8,130,180	74,886	228,996
Water pollution control	7,071,836	10,146,272	183,982	227,268
Airport.	1,807,053	878,020	23,598	72,938
Parking facilities.	102,631	100,371	-	-
Swimming pool	107,005	-	-	-
Total business-type activities	<u>14,837,539</u>	<u>19,254,843</u>	<u>282,466</u>	<u>529,202</u>
Totals	<u>\$ 48,436,431</u>	<u>\$ 23,857,824</u>	<u>\$ 2,843,378</u>	<u>\$ 2,887,222</u>

General revenues:

Property taxes levied for:
General purposes
Police and fire pensions
Income taxes levied for:
General purposes
Tax increment financing revenues
Grants and entitlements not restricted to specific programs
Investment earnings
Decrease in fair value of investments.
Miscellaneous
Total general revenues
Transfers
Change in net position.
Net position at beginning of year (restated) . .
Net position at end of year

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**Net (Expense) Revenue
and Changes in Net Position**

Governmental Activities	Business-type Activities	Total
\$ (4,111,023)	\$ -	\$ (4,111,023)
(14,965,631)	-	(14,965,631)
(991,133)	-	(991,133)
(2,768,609)	-	(2,768,609)
(933,761)	-	(933,761)
(306,822)	-	(306,822)
(24,076,979)	-	(24,076,979)
-	2,685,048	2,685,048
-	3,485,686	3,485,686
-	(832,497)	(832,497)
-	(2,260)	(2,260)
-	(107,005)	(107,005)
-	5,228,972	5,228,972
(24,076,979)	5,228,972	(18,848,007)
2,453,252	-	2,453,252
441,642	-	441,642
23,365,523	-	23,365,523
71,985	-	71,985
1,026,477	-	1,026,477
82,858	63,699	146,557
(54,665)	-	(54,665)
1,033,630	101,590	1,135,220
28,420,702	165,289	28,585,991
479,921	(479,921)	-
4,823,644	4,914,340	9,737,984
85,455,378	144,041,861	229,497,239
\$ 90,279,022	\$ 148,956,201	\$ 239,235,223

CITY OF FINDLAY, OHIO

BALANCE SHEET
GOVERNMENTAL FUNDS
DECEMBER 31, 2015
(WITH COMPARATIVE TOTALS FOR 2014)

	<u>General</u>	<u>Street Maintenance and Repair</u>	<u>Nonmajor Governmental Funds</u>
Assets:			
Equity in pooled cash and investments	\$ 19,823,301	\$ 2,137,487	\$ 2,473,222
Cash in segregated accounts	37,560	-	263,797
Cash with fiduciary agent.	-	-	443,701
Cash with escrow agent.	-	94,773	33,128
Receivables (net of allowance for uncollectibles).	9,017,131	8,075	1,669,480
Due from other governments.	993,154	858,233	78,903
Prepayments	51,907	10,973	-
Materials and supplies inventory.	-	656,802	-
Restricted assets:			
Equity in pooled cash and investments.	4,528,258	-	-
Total assets	<u>\$ 34,451,311</u>	<u>\$ 3,766,343</u>	<u>\$ 4,962,231</u>
Liabilities:			
Accounts payable.	\$ 1,234,034	\$ 466,303	\$ 19,899
Retainage payable	-	94,773	-
Accrued wages and benefits payable	439,588	42,285	2,583
Insurance deposits payable	260,443	32,044	1,043
Compensated absences payable	32,375	-	-
Due to other governments	41,134	-	-
Matured bonds payable.	-	-	33,128
Unearned revenue	-	-	1,486
Total liabilities	<u>2,007,574</u>	<u>635,405</u>	<u>58,139</u>
Deferred inflows of resources:			
Property taxes levied for the next fiscal year.	2,077,864	-	481,438
TIF revenue levied for next fiscal year	-	-	181,975
Charges for services revenue not available	56,037	7,329	-
Special assessments revenue not available.	-	-	159,941
Income tax revenue not available	4,900,315	-	-
Intergovernmental revenue not available	304,919	723,471	67,976
Total deferred inflows of resources	<u>7,339,135</u>	<u>730,800</u>	<u>891,330</u>
Fund balances:			
Nonspendable	51,907	667,775	1,344,168
Restricted.	2,614,069	1,732,363	2,668,594
Committed	9,502,866	-	-
Assigned	428,538	-	-
Unassigned.	12,507,222	-	-
Total fund balances.	<u>25,104,602</u>	<u>2,400,138</u>	<u>4,012,762</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 34,451,311</u>	<u>\$ 3,766,343</u>	<u>\$ 4,962,231</u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

Total Governmental Funds 2015	Total Governmental Funds 2014
\$ 24,434,010	\$ 22,540,392
301,357	222,087
443,701	390,918
127,901	96,333
10,694,686	10,462,277
1,930,290	1,176,832
62,880	54,313
656,802	667,633
4,528,258	6,374,483
<u>\$ 43,179,885</u>	<u>\$ 41,985,268</u>
\$ 1,720,236	\$ 1,586,330
94,773	63,208
484,456	448,260
293,530	388,631
32,375	47,574
41,134	39,701
33,128	33,125
1,486	1,198
<u>2,701,118</u>	<u>2,608,027</u>
2,559,302	2,556,272
181,975	182,628
63,366	73,034
159,941	191,216
4,900,315	4,868,327
1,096,366	967,483
<u>8,961,265</u>	<u>8,838,960</u>
2,063,850	2,030,361
7,015,026	5,449,163
9,502,866	11,518,860
428,538	437,476
<u>12,507,222</u>	<u>11,102,421</u>
<u>31,517,502</u>	<u>30,538,281</u>
<u>\$ 43,179,885</u>	<u>\$ 41,985,268</u>

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CITY OF FINDLAY, OHIO

RECONCILIATION OF TOTAL GOVERNMENTAL FUND BALANCES TO
NET POSITION OF GOVERNMENTAL ACTIVITIES
DECEMBER 31, 2015

Total governmental fund balances		\$ 31,517,502
<i>Amounts reported for governmental activities on the statement of net position are different because:</i>		
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.		86,047,611
Other long-term assets are not available to pay for current-period expenditures and therefore are deferred in the funds.		
Income taxes receivable	\$ 4,900,315	
Accounts receivable	63,366	
Intergovernmental receivable	1,096,366	
Special assessments receivable	<u>159,941</u>	
Total		6,219,988
Unamortized discounts on bonds issued are not recorded in the funds.		33,012
Unamortized deferred charges on debt refundings are not recorded in the funds.		5,006
Internal service funds are used by management to charge the costs of self-insurance, workers' compensation and central stores operations to individual funds. The assets and liabilities of the internal service funds are included in governmental activities on the statement of net position. The net position of the internal service funds, including internal balances of (\$160,453), is:		
		1,645,607
The net pension asset/liability is not due and receivable/payable in the current period; therefore, the asset, liability and related deferred inflows/outflows are not reported in the governmental funds:		
Deferred outflows of resources - pension	3,610,122	
Deferred inflows of resources - pension	(107,805)	
Net pension asset	23,736	
Net pension liability	<u>(25,958,409)</u>	
Total		(22,432,356)
Long-term liabilities are not due and payable in the current period and therefore are not reported in the funds. The long-term liabilities are as follows:		
Accrued interest payable	(164,533)	
Special assessment bonds payable	(140,000)	
General obligation bonds payable	(7,523,601)	
OPWC loans payable	(139,773)	
Police and fire past service liability payable	(984,333)	
Compensated absences payable	<u>(3,805,108)</u>	
Total		<u>(12,757,348)</u>
Net position of governmental activities		<u>\$ 90,279,022</u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

CITY OF FINDLAY, OHIO

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2015
(WITH COMPARATIVE TOTALS FOR 2014)

	<u>General</u>	<u>Street Maintenance and Repair</u>	<u>Nonmajor Governmental Funds</u>
Revenues:			
Municipal income taxes	\$ 23,333,535	\$ -	\$ -
Property and other local taxes	2,453,252	688	441,642
Charges for services	2,327,736	133,349	312,646
Licenses and permits	309,477	-	-
Fines and forfeitures	1,248,687	-	200,477
Intergovernmental	1,877,342	3,049,656	422,730
Special assessments	-	-	32,533
Investment income	81,887	4,405	23,192
Increase (decrease) in fair value of investments	(54,665)	-	-
Rental income	66,140	4,885	-
Contributions and donations	397,699	-	15,000
Reimbursements	1,020,490	7,370	131
Tax increment financing	-	-	71,985
Other	13,140	7,175	-
Total revenues	<u>33,074,720</u>	<u>3,207,528</u>	<u>1,520,336</u>
Expenditures:			
Current:			
General government	6,759,404	-	407,761
Security of persons and property	14,332,173	-	10,061
Public health and welfare	2,194,549	-	997
Transportation	-	2,675,260	318,051
Leisure time activity	1,168,765	-	-
Capital outlay	1,698,372	6,019,538	11,608
Debt service:			
Principal retirement	-	-	650,354
Interest and fiscal charges	-	-	335,193
Bond issuance costs	-	-	-
Total expenditures	<u>26,153,263</u>	<u>8,694,798</u>	<u>1,734,025</u>
Excess (deficiency) of revenues over (under) expenditures	<u>6,921,457</u>	<u>(5,487,270)</u>	<u>(213,689)</u>
Other financing sources (uses):			
Issuance of refunding bonds	-	-	-
Payment to refunded bond escrow agent	-	-	-
Transfers in	1,635,617	5,917,888	1,093,243
Transfers (out)	(7,120,066)	(463,438)	(1,302,257)
Total other financing sources (uses)	<u>(5,484,449)</u>	<u>5,454,450</u>	<u>(209,014)</u>
Net change in fund balances	1,437,008	(32,820)	(422,703)
Fund balances at beginning of year	23,661,158	2,441,658	4,435,465
(Decrease) in materials and supplies inventory	-	(10,831)	-
Increase in prepaids	6,436	2,131	-
Fund balances at end of year	<u>\$ 25,104,602</u>	<u>\$ 2,400,138</u>	<u>\$ 4,012,762</u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

Total Governmental Funds 2015	Total Governmental Funds 2014
\$ 23,333,535	\$ 20,938,843
2,895,582	2,839,762
2,773,731	2,762,250
309,477	314,881
1,449,164	1,293,710
5,349,728	4,770,643
32,533	1,466
109,484	67,714
(54,665)	(7,943)
71,025	77,890
412,699	33,239
1,027,991	1,133,883
71,985	72,159
20,315	11,777
<u>37,802,584</u>	<u>34,310,274</u>
7,167,165	6,929,984
14,342,234	13,945,852
2,195,546	2,128,398
2,993,311	2,366,790
1,168,765	1,178,546
7,729,518	5,031,019
650,354	617,524
335,193	364,146
-	3,205
<u>36,582,086</u>	<u>32,565,464</u>
1,220,498	1,744,810
-	584,500
-	(576,672)
8,646,748	6,521,041
<u>(8,885,761)</u>	<u>(6,739,034)</u>
<u>(239,013)</u>	<u>(210,165)</u>
981,485	1,534,645
30,538,281	28,883,428
(10,831)	126,454
8,567	(6,246)
<u>\$ 31,517,502</u>	<u>\$ 30,538,281</u>

CITY OF FINDLAY, OHIO

RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2015

Net change in fund balances - total governmental funds	\$	981,485
<i>Amounts reported for governmental activities in the statement of activities are different because:</i>		
Governmental funds report capital outlays as expenditures. However, in the statement of activities, the costs of those assets are allocated over their estimated useful lives as depreciation expense. This is the amount by which depreciation expense exceeded capital outlays in the current period:		
Capital outlays	\$ 7,446,965	
Depreciation expense	<u>(4,482,262)</u>	
Total		2,964,703
Contributed capital assets from business-type activities are not recorded in the governmental funds; however, these contributions are recorded as transfers or revenue in the statement of activities.		643,066
The effect of various miscellaneous transactions involving capital assets (i.e., sales, trade-ins, donations and impairments) is to decrease net position.		(5,757)
Governmental funds report expenditures for prepaids and consumable inventories when purchased. However, in the statement of activities, they are reported as an expense when consumed.		(2,264)
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.		
Income taxes	31,988	
Charges for services	(9,668)	
Special assessments	(31,275)	
Intergovernmental	<u>128,883</u>	
Total		119,928
In the statement of activities, interest is accrued on outstanding bonds, whereas in governmental funds, an interest expenditure is reported when due. The following items contributed to less interest being reported in the statement of activities:		
Decrease in accrued interest payable	6,848	
Amortization of bond discounts	(1,878)	
Amortization of deferred charges on refundings	<u>(10,012)</u>	
Total		(5,042)
Repayments of bonds, loans and the police and fire past service liability are expenditures in the governmental funds, but the repayments reduce long-term liabilities on the statement of net position.		682,366
Some expenses reported in the statement of activities, such as compensated absences, do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds.		(293,123)
Internal service funds are used by management to charge the costs of self-insurance, workers' compensation and central stores operations to individual funds and are not reported in the City-wide statement of activities. Governmental fund expenditures and the related internal service funds revenues are eliminated. The net revenue (expense) of the internal service funds, including internal balance activity of \$8,398, is allocated among the governmental activities.		(71,105)
Contractually required contributions are reported as expenditures in the governmental funds; however, the statement of net position reports these amounts as deferred outflows.		2,423,553
Except for amounts reported as deferred inflows/outflows, changes in the net pension asset/liability are reported as pension expense in the statement of activities.		<u>(2,614,166)</u>
Change in net position of governmental activities	\$	<u>4,823,644</u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

CITY OF FINDLAY, OHIO

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
 FUND BALANCE - BUDGET (GAAP-BASIS) AND ACTUAL
 GENERAL FUND
 FOR THE YEAR ENDED DECEMBER 31, 2015

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Property and other local taxes.	\$ 1,948,306	\$ 2,342,525	\$ 2,453,252	\$ 110,727
Charges for services.	1,838,378	2,210,355	2,314,834	104,479
Licenses and permits	245,778	295,509	309,477	13,968
Fines and forfeitures	991,673	1,192,328	1,248,687	56,359
Intergovernmental.	1,490,934	1,792,609	1,877,342	84,733
Investment income.	65,032	78,191	81,887	3,696
(Decrease) in fair value of investments	(43,413)	(52,198)	(54,665)	(2,467)
Rental income	52,527	63,155	66,140	2,985
Contributions and donations.	315,842	379,749	397,699	17,950
Reimbursements.	790,486	950,433	995,358	44,925
Other	10,435	12,547	13,140	593
Total revenues	<u>7,705,978</u>	<u>9,265,203</u>	<u>9,703,151</u>	<u>437,948</u>
Expenditures:				
Current:				
General government	6,808,646	7,190,396	6,251,505	938,891
Security of persons and property	15,101,748	15,463,445	14,332,173	1,131,272
Public health and welfare.	2,223,558	2,357,105	2,194,549	162,556
Leisure time activity	1,354,067	1,351,773	1,168,765	183,008
Capital outlay	-	1,745,632	1,698,372	47,260
Total expenditures	<u>25,488,019</u>	<u>28,108,351</u>	<u>25,645,364</u>	<u>2,462,987</u>
Excess of expenditures over revenues	<u>(17,782,041)</u>	<u>(18,843,148)</u>	<u>(15,942,213)</u>	<u>2,900,935</u>
Other financing sources (uses):				
Transfers in	18,186,965	21,866,912	22,900,520	1,033,608
Transfers (out).	(842,400)	(3,708,547)	(3,708,547)	-
Total other financing sources (uses)	<u>17,344,565</u>	<u>18,158,365</u>	<u>19,191,973</u>	<u>1,033,608</u>
Net change in fund balance	(437,476)	(684,783)	3,249,760	3,934,543
Fund balance at beginning of year	14,314,715	14,314,715	14,314,715	-
Increase in prepaids	6,623	6,623	6,623	-
Fund balance at end of year	<u>\$ 13,883,862</u>	<u>\$ 13,636,555</u>	<u>\$ 17,571,098</u>	<u>\$ 3,934,543</u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

CITY OF FINDLAY, OHIO

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
 FUND BALANCE - BUDGET (GAAP-BASIS) AND ACTUAL
 STREET MAINTENANCE AND REPAIR FUND
 FOR THE YEAR ENDED DECEMBER 31, 2015

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Property and other local taxes.	\$ 900	\$ 631	\$ 688	\$ 57
Charges for services.	116,000	122,301	133,349	11,048
Intergovernmental.	1,767,000	2,796,981	3,049,656	252,675
Investment income.	1,200	4,040	4,405	365
Rental income	3,633	4,480	4,885	405
Reimbursements.	3,000	6,759	7,370	611
Other	-	6,581	7,175	594
Total revenues	<u>1,891,733</u>	<u>2,941,773</u>	<u>3,207,528</u>	<u>265,755</u>
Expenditures:				
Current:				
Transportation	3,063,965	3,041,421	2,675,260	366,161
Capital outlay	-	6,823,845	6,019,538	804,307
Total expenditures	<u>3,063,965</u>	<u>9,865,266</u>	<u>8,694,798</u>	<u>1,170,468</u>
Excess of expenditures over revenues	<u>(1,172,232)</u>	<u>(6,923,493)</u>	<u>(5,487,270)</u>	<u>1,436,223</u>
Other financing sources (uses):				
Transfers in	770,000	6,482,275	5,917,888	(564,387)
Transfers (out).	-	(587,365)	(463,438)	123,927
Total other financing sources (uses)	<u>770,000</u>	<u>5,894,910</u>	<u>5,454,450</u>	<u>(440,460)</u>
Net change in fund balance	(402,232)	(1,028,583)	(32,820)	995,763
Fund balance at beginning of year	2,441,658	2,441,658	2,441,658	-
(Decrease) in materials and supplies inventory .	(10,831)	(10,831)	(10,831)	-
Increase in prepaids	2,131	2,131	2,131	-
Fund balance at end of year	<u>\$ 2,030,726</u>	<u>\$ 1,404,375</u>	<u>\$ 2,400,138</u>	<u>\$ 995,763</u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

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CITY OF FINDLAY, OHIO
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
DECEMBER 31, 2015
(WITH COMPARATIVE TOTALS FOR 2014)

	Business-type Activities - Enterprise Funds			
	Water	Water Pollution Control	Airport	Nonmajor Enterprise Funds
Assets:				
Current assets:				
Equity in pooled cash and investments	\$ 10,741,473	\$ 7,030,845	\$ 478,167	\$ 70,530
Cash with escrow agent	80,587	98,108	-	-
Receivables (net of allowances for uncollectibles).	1,128,255	1,588,259	42,769	-
Due from other funds	-	-	-	-
Prepayments	24,228	15,674	9,258	305
Materials and supplies inventory.	784,980	56,590	64,149	-
Total current assets	<u>12,759,523</u>	<u>8,789,476</u>	<u>594,343</u>	<u>70,835</u>
Noncurrent assets:				
Net pension asset (see Note 12)	6,534	5,567	783	213
Restricted assets:				
Equity in pooled cash and investments.	775,720	4,295,580	-	-
Capital assets:				
Nondepreciable capital assets	3,631,673	3,378,257	3,500,903	95,962
Depreciable capital assets, net.	51,134,544	78,988,737	9,011,122	497,163
Total noncurrent assets	<u>55,548,471</u>	<u>86,668,141</u>	<u>12,512,808</u>	<u>593,338</u>
Total assets	<u>68,307,994</u>	<u>95,457,617</u>	<u>13,107,151</u>	<u>664,173</u>
Deferred outflows of resources:				
Unamortized deferred charges on debt refunding	44,107	74,484	-	-
Pension	290,945	247,885	34,846	9,482
Total deferred outflows of resources	<u>335,052</u>	<u>322,369</u>	<u>34,846</u>	<u>9,482</u>
Liabilities:				
Current liabilities:				
Accounts payable.	139,586	280,197	80,639	2,714
Contracts payable.	119,671	-	-	-
Accrued wages and benefits payable	60,735	50,653	7,035	1,975
Insurance deposits payable	44,328	36,704	5,944	1,368
Retainage payable	80,587	98,108	-	-
Workers' compensation payable	-	-	-	-
Due to other funds	-	-	-	-
Deposits held and due to others	365,250	365,250	-	-
Accrued interest payable	55,296	304,262	-	-
Compensated absences payable - current.	161,534	118,409	37,354	2,334
Bonds payable - current	1,106,000	982,500	-	-
Loans payable - current	250,212	2,100,082	-	-
Total current liabilities	<u>2,383,199</u>	<u>4,336,165</u>	<u>130,972</u>	<u>8,391</u>
Long-term liabilities:				
Compensated absences payable	148,513	322,349	41,266	10,009
Bonds payable	2,320,000	1,530,000	-	-
Loans payable	2,788,347	12,206,136	-	-
Net pension liability (see Note 12)	1,575,622	1,342,429	188,712	51,349
Total long-term liabilities	<u>6,832,482</u>	<u>15,400,914</u>	<u>229,978</u>	<u>61,358</u>
Total liabilities	<u>9,215,681</u>	<u>19,737,079</u>	<u>360,950</u>	<u>69,749</u>
Deferred inflows of resources:				
Pension	29,674	25,282	3,554	967
Total liabilities and deferred inflows of resources.	<u>9,245,355</u>	<u>19,762,361</u>	<u>364,504</u>	<u>70,716</u>
Net position:				
Net investment in capital assets	48,145,507	65,524,652	12,512,025	593,125
Restricted for capital projects.	775,720	4,295,580	-	-
Unrestricted	10,476,464	6,197,393	265,468	9,814
Total net position	<u>\$ 59,397,691</u>	<u>\$ 76,017,625</u>	<u>\$ 12,777,493</u>	<u>\$ 602,939</u>

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

Net position of business-type activities

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

2015		2014		2015		2014	
Enterprise		Enterprise		Governmental		Governmental	
Funds Total		Funds Total		Activities -		Activities -	
				Internal		Internal	
				Service Funds		Service Funds	
\$	18,321,015	\$	18,858,808	\$	1,810,327	\$	1,875,156
	178,695		171,293		-		-
	2,759,283		2,074,374		208		35
	-		411,727		-		-
	49,465		48,429		55,138		52,014
	905,719		690,206		6,513		3,475
	<u>22,214,177</u>		<u>22,254,837</u>		<u>1,872,186</u>		<u>1,930,680</u>
	13,097		-		-		-
	5,071,300		5,535,446		-		-
	10,606,795		8,364,778		-		-
	139,631,566		141,524,605		-		-
	<u>155,322,758</u>		<u>155,424,829</u>		<u>-</u>		<u>-</u>
	<u>177,536,935</u>		<u>177,679,666</u>		<u>1,872,186</u>		<u>1,930,680</u>
	118,591		199,000		-		-
	583,158		-		-		-
	<u>701,749</u>		<u>199,000</u>		<u>-</u>		<u>-</u>
	503,136		373,666		8,996		8,299
	119,671		690,843		-		-
	120,398		105,775		-		-
	88,344		108,769		-		-
	178,695		171,293		-		-
	-		-		57,130		36,818
	-		411,727		-		-
	730,500		701,900		-		-
	359,558		413,330		-		-
	319,631		359,368		-		-
	2,088,500		2,066,000		-		-
	2,350,294		2,260,194		-		-
	<u>6,858,727</u>		<u>7,662,865</u>		<u>66,126</u>		<u>45,117</u>
	522,137		377,562		-		-
	3,850,000		5,938,500		-		-
	14,994,483		17,344,779		-		-
	3,158,112		-		-		-
	<u>22,524,732</u>		<u>23,660,841</u>		<u>-</u>		<u>-</u>
	<u>29,383,459</u>		<u>31,323,706</u>		<u>66,126</u>		<u>45,117</u>
	59,477		-		-		-
	<u>29,442,936</u>		<u>31,323,706</u>		<u>66,126</u>		<u>45,117</u>
	126,775,309		121,616,774		-		-
	5,071,300		5,535,446		-		-
	16,949,139		19,402,740		1,806,060		1,885,563
	148,795,748		146,554,960		<u>\$ 1,806,060</u>		<u>\$ 1,885,563</u>
	160,453		168,851				
\$	<u>148,956,201</u>	\$	<u>146,723,811</u>				

CITY OF FINDLAY, OHIO

STATEMENT OF REVENUES, EXPENSES AND
CHANGES IN NET POSITION
PROPRIETARY FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2015
(WITH COMPARATIVE TOTALS FOR 2014)

	Business-type Activities - Enterprise Funds			
	Water	Water Pollution Control	Airport	Nonmajor Enterprise Funds
Operating revenues:				
Charges for services	\$ 8,130,180	\$ 10,146,272	\$ 878,020	\$ 100,371
Other operating revenues	84,103	17,243	-	244
Total operating revenues.	<u>8,214,283</u>	<u>10,163,515</u>	<u>878,020</u>	<u>100,615</u>
Operating expenses:				
Personal services	2,572,367	2,100,588	309,345	81,986
Contract services.	389,947	1,169,682	94,223	59,997
Materials and supplies.	799,952	388,320	524,319	29,395
Utilities	382,232	520,599	20,861	817
Claims	-	-	-	-
Depreciation.	1,392,839	2,205,431	857,820	37,289
Total operating expenses.	<u>5,537,337</u>	<u>6,384,620</u>	<u>1,806,568</u>	<u>209,484</u>
Operating income (loss)	<u>2,676,946</u>	<u>3,778,895</u>	<u>(928,548)</u>	<u>(108,869)</u>
Nonoperating revenues (expenses):				
Intergovernmental	74,886	183,982	23,598	-
Interest income.	32,736	30,963	-	-
Loss on disposal of capital assets	(44,456)	-	-	-
Interest and fiscal charges	(162,847)	(683,829)	-	-
Bond issue costs	-	-	-	-
Total nonoperating revenues (expenses).	<u>(99,681)</u>	<u>(468,884)</u>	<u>23,598</u>	<u>-</u>
Income (loss) before contributions and transfers	2,577,265	3,310,011	(904,950)	(108,869)
Capital contributions.	228,996	227,268	72,938	-
Transfer in	-	-	41,613	102,400
Transfer out	-	(623,934)	-	-
Change in net position	2,806,261	2,913,345	(790,399)	(6,469)
Net position at beginning of year (restated)	<u>56,591,430</u>	<u>73,104,280</u>	<u>13,567,892</u>	<u>609,408</u>
Net position at end of year.	<u>\$ 59,397,691</u>	<u>\$ 76,017,625</u>	<u>\$ 12,777,493</u>	<u>\$ 602,939</u>

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

Change in net position of business-type activities.

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

2015 Enterprise Funds Total	2014 Enterprise Funds Total	2015 Governmental Activities - Internal Service Funds	2014 Governmental Activities - Internal Service Funds
\$ 19,254,843	\$ 18,683,085	\$ 14,741	\$ 15,336
101,590	138,225	-	-
<u>19,356,433</u>	<u>18,821,310</u>	<u>14,741</u>	<u>15,336</u>
5,064,286	4,912,861	-	-
1,713,849	2,037,713	134,914	143,756
1,741,986	2,072,624	14,181	5,218
924,509	956,162	-	-
-	-	41,120	214,437
4,493,379	4,443,159	-	-
<u>13,938,009</u>	<u>14,422,519</u>	<u>190,215</u>	<u>363,411</u>
5,418,424	4,398,791	(175,474)	(348,075)
282,466	169,302	-	-
63,699	43,381	971	389
(44,456)	(28,080)	-	-
(846,676)	(985,852)	-	-
-	(40,296)	-	-
<u>(544,967)</u>	<u>(841,545)</u>	<u>971</u>	<u>389</u>
4,873,457	3,557,246	(174,503)	(347,686)
529,202	282,249	-	-
144,013	217,993	95,000	-
(623,934)	-	-	-
4,922,738	4,057,488	(79,503)	(347,686)
		<u>1,885,563</u>	<u>2,233,249</u>
		<u>\$ 1,806,060</u>	<u>\$ 1,885,563</u>
<u>(8,398)</u>	<u>(43,052)</u>		
<u>\$ 4,914,340</u>	<u>\$ 4,014,436</u>		

CITY OF FINDLAY, OHIO

STATEMENT OF CASH FLOWS
 PROPRIETARY FUNDS
 FOR THE YEAR ENDED DECEMBER 31, 2015
 (WITH COMPARATIVE TOTALS FOR 2014)

	Business-type Activities - Enterprise Funds			
	Water	Water Pollution Control	Airport	Nonmajor Enterprise Funds
Cash flows from operating activities:				
Cash received from customers	\$ 8,157,386	\$ 9,400,638	\$ 915,823	\$ 100,371
Cash received from other operations	84,103	17,243	-	244
Cash payments for personal services	(2,573,654)	(2,067,785)	(304,394)	(80,033)
Cash payments for contract services.	(373,445)	(1,150,785)	(94,685)	(59,968)
Cash payments for materials and supplies	(1,012,380)	(286,044)	(500,589)	(29,016)
Cash payments for utilities	(382,232)	(520,599)	(20,861)	(817)
Cash payments for claims	-	-	-	-
Net cash provided by (used in) operating activities	<u>3,899,778</u>	<u>5,392,668</u>	<u>(4,706)</u>	<u>(69,219)</u>
Cash flows from noncapital financing activities:				
Grants and contributions	74,866	183,982	23,598	-
Transfers in	-	-	41,613	102,400
Net cash provided by noncapital financing activities.	<u>74,866</u>	<u>183,982</u>	<u>65,211</u>	<u>102,400</u>
Cash flows from capital and related financing activities:				
Acquisition of capital assets	(2,563,305)	(2,969,157)	(93,176)	-
Capital contributions	-	-	72,938	-
Issuance of refunding bonds	-	-	-	-
Issuance of bonds	-	-	-	-
Bond issuance costs paid	-	-	-	-
Payment to refunding bond escrow agent	-	-	-	-
Issuance of loans	-	-	-	-
Principal paid on bonds	(1,093,000)	(973,000)	-	-
Interest paid on bonds	(52,787)	(33,461)	-	-
Principal paid on loans.	(244,031)	(2,016,165)	-	-
Interest paid on loans	<u>(86,890)</u>	<u>(646,898)</u>	<u>-</u>	<u>-</u>
Net cash used in capital and related financing activities.	<u>(4,040,013)</u>	<u>(6,638,681)</u>	<u>(20,238)</u>	<u>-</u>
Cash flows from investing activities:				
Interest received	<u>30,307</u>	<u>29,108</u>	<u>-</u>	<u>-</u>
Net cash provided by investing activities	<u>30,307</u>	<u>29,108</u>	<u>-</u>	<u>-</u>
Net increase (decrease) in cash and cash equivalents	(35,062)	(1,032,923)	40,267	33,181
Cash and cash equivalents at beginning of year . . .	11,632,842	12,457,456	437,900	37,349
Cash and cash equivalents at end of year	<u><u>\$ 11,597,780</u></u>	<u><u>\$ 11,424,533</u></u>	<u><u>\$ 478,167</u></u>	<u><u>\$ 70,530</u></u>

2015 Enterprise Funds Total	2014 Enterprise Funds Total	2015 Governmental Activities - Internal Service Funds	2014 Governmental Activities - Internal Service Funds
\$ 18,574,218	\$ 18,673,178	\$ 14,741	\$ 15,336
101,590	138,225	-	-
(5,025,866)	(5,052,587)	-	-
(1,678,883)	(1,905,114)	(137,738)	(167,832)
(1,828,029)	(1,898,324)	(16,822)	(16,589)
(924,509)	(948,297)	-	-
-	-	(20,808)	(258,852)
<u>9,218,521</u>	<u>9,007,081</u>	<u>(160,627)</u>	<u>(427,937)</u>
282,446	169,302	-	-
144,013	217,993	95,000	-
<u>426,459</u>	<u>387,295</u>	<u>95,000</u>	<u>-</u>
(5,625,638)	(4,291,515)	-	-
72,938	28,606	-	-
-	4,147,000	-	-
-	3,203,500	-	-
-	(40,296)	-	-
-	(3,977,834)	-	-
-	10,000	-	-
(2,066,000)	(1,311,000)	-	-
(86,248)	(221,042)	-	-
(2,260,196)	(2,117,151)	-	-
(733,788)	(820,229)	-	-
<u>(10,698,932)</u>	<u>(5,389,961)</u>	<u>-</u>	<u>-</u>
<u>59,415</u>	<u>39,114</u>	<u>798</u>	<u>396</u>
<u>59,415</u>	<u>39,114</u>	<u>798</u>	<u>396</u>
(994,537)	4,043,529	(64,829)	(427,541)
24,565,547	20,522,018	1,875,156	2,302,697
<u>\$ 23,571,010</u>	<u>\$ 24,565,547</u>	<u>\$ 1,810,327</u>	<u>\$ 1,875,156</u>

- - Continued

CITY OF FINDLAY, OHIO

STATEMENT OF CASH FLOWS
 PROPRIETARY FUNDS (CONTINUED)
 FOR THE YEAR ENDED DECEMBER 31, 2015
 (WITH COMPARATIVE TOTALS FOR 2014)

	Business-type Activities - Enterprise Funds			
	Water	Water Pollution Control	Airport	Nonmajor Enterprise Funds
Reconciliation of operating income (loss) to net cash provided by (used in) operating activities:				
Operating income (loss)	\$ 2,676,946	\$ 3,778,895	\$ (928,548)	\$ (108,869)
Adjustments:				
Depreciation	1,392,839	2,205,431	857,820	37,289
Changes in assets and liabilities:				
(Increase) decrease in accounts receivable	27,206	(745,634)	37,803	-
(Increase) in due from other funds	-	-	-	-
(Increase) decrease in materials and supplies inventory	(200,825)	(4,155)	(10,533)	-
(Increase) decrease in prepayments	(172)	(431)	(462)	29
Increase (decrease) in accounts payable	(11,603)	106,431	34,263	379
Increase (decrease) in accrued wages and benefits	7,086	6,295	970	272
Increase (decrease) in compensated absences payable	32,068	60,850	8,997	2,923
Increase (decrease) in insurance deposits payable	(10,200)	(8,576)	(1,393)	(256)
Increase in deposits held and due to others	14,300	14,300	-	-
Increase (decrease) in workers' compensation payable	-	-	-	-
Increase in retainage payable	2,374	5,028	-	-
Increase in due to other funds	-	-	-	-
(Increase) in net pension asset	(4,753)	(4,050)	(570)	(155)
(Increase) in deferred outflows - pension	(90,750)	(77,319)	(10,869)	(2,958)
Increase in deferred inflows - pension	29,674	25,282	3,554	967
Increase in net pension liability	35,588	30,321	4,262	1,160
Net cash provided by (used in) operating activities	<u>\$ 3,899,778</u>	<u>\$ 5,392,668</u>	<u>\$ (4,706)</u>	<u>\$ (69,219)</u>

Non-cash Transactions:

During 2015 and 2014, the Water fund received \$228,996 and \$173,212, respectively, in capital contributions of donated water lines from private developers.

During 2015 and 2014, the Water Pollution Control fund received \$227,268 and \$80,431, respectively, in capital contributions of donated sewer lines from private developers.

At December 31, 2015 and 2014, the Water fund purchased \$119,671 and \$690,843, respectively, in capital assets on account.

During 2015, the Water Pollution Control fund constructed and contributed \$623,934 in storm sewer infrastructure to the governmental activities.

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

2015 Enterprise Funds Total	2014 Enterprise Funds Total	2015 Governmental Activities - Internal Service Funds	2014 Governmental Activities - Internal Service Funds
\$ 5,418,424	\$ 4,398,791	\$ (175,474)	\$ (348,075)
4,493,379	4,443,159	-	-
(680,625)	(2,042)	-	-
-	(7,865)	-	-
(215,513)	33,833	(3,038)	992
(1,036)	17,577	(3,124)	(32,076)
129,470	140,467	697	(4,363)
14,623	13,827	-	-
104,838	(38,063)	-	-
(20,425)	(115,490)	-	-
28,600	46,600	-	-
-	-	20,312	(44,415)
7,402	68,422	-	-
-	7,865	-	-
(9,528)	-	-	-
(181,896)	-	-	-
59,477	-	-	-
71,331	-	-	-
<u>\$ 9,218,521</u>	<u>\$ 9,007,081</u>	<u>\$ (160,627)</u>	<u>\$ (427,937)</u>

CITY OF FINDLAY, OHIO

STATEMENT OF FIDUCIARY NET POSITION
 FIDUCIARY FUNDS
 DECEMBER 31, 2015

	Private-Purpose Trust	Agency
	<u> </u>	<u> </u>
Assets:		
Equity in pooled cash and investments	\$ 157,815	\$ 62,733
Cash in segregated accounts	-	6,055
Receivables:		
Accrued interest.	<u>25</u>	<u>-</u>
Total assets	<u>\$ 157,840</u>	<u>\$ 68,788</u>
Liabilities:		
Accounts payable	\$ -	\$ 3,912
Deposits held and due to others.	<u>-</u>	<u>64,876</u>
Total liabilities.	<u>-</u>	<u>\$ 68,788</u>
Net position:		
Held in trust for private cemetery care	<u>157,840</u>	
Total net position	<u>\$ 157,840</u>	

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

CITY OF FINDLAY, OHIO

STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
 FIDUCIARY FUND
 FOR THE YEAR ENDED DECEMBER 31, 2015

	Private-Purpose Trust
	<u> </u>
Additions:	
Investment income	\$ 111
Other	200
Total additions	<u> 311</u>
 Deductions:	
Cemetery care	<u> 1,852</u>
Total deductions	<u> 1,852</u>
 Change in net position	(1,541)
 Net position at beginning of year.	<u> 159,381</u>
 Net position at end of year	<u><u> \$ 157,840</u></u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

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CITY OF FINDLAY, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2015

NOTE 1 - DESCRIPTION OF THE CITY

The City of Findlay (the "City") was incorporated in 1838 under the laws of the State of Ohio. The City of Findlay is a statutory City operating under the Mayor/Council form of municipal government. Services provided include police, fire, recreation programs (including parks and an outdoor swimming pool), street repair and maintenance, water and wastewater treatment, engineering, airport, municipal court, work release facility and general administrative services. Except for water and sewage, the major utilities are provided by private entities.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The basic financial statements (BFS) of the City have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to local governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial principles. The City's significant accounting policies are described below.

A. Reporting Entity

The City's reporting entity has been defined in accordance with GASB Statement No. 14, "The Financial Reporting Entity" as amended by GASB Statement No. 39, "Determining Whether Certain Organizations Are Component Units" and GASB Statement No. 61, "The Financial Reporting Entity: Omnibus an amendment of GASB Statements No. 14 and No. 34". The reporting entity is composed of the primary government, component units, and other organizations that are included to ensure the financial statements of the City are not misleading.

The primary government of the City consists of all funds, departments, boards, and agencies that are not legally separate from the City. The City's Municipal Court is not legally separate from the City, nor does it possess separate corporate powers. As such, the operational activity of the City's Municipal Court is reflected in the general fund of the City. The operational activity of the Court is included in the City's reporting entity because of the significance of its operational and financial relationships with the City. The amount of fines and forfeitures collected by the Court that are disbursed to various State and local governments is reflected in an agency fund.

Component units are legally separate organizations for which the City is financially accountable. The City is financially accountable for an organization if the City appoints a voting majority of the organization's Governing Board and (1) the City is able to significantly influence the programs or services performed or provided by the organization; or (2) the City is legally entitled to or can otherwise access the organization's resources; or (3) the City is legally obligated or has otherwise assumed the responsibility to finance the deficits of, or provide financial support to, the organization; or (4) the City is obligated for the debt of the organization. Component units may also include organizations that are fiscally dependent on the City in that the City approves the budget, the issuance of debt or the levying of taxes. Certain organizations are also included as component units if the nature and significance of the relationship between the primary government and the organization is such that exclusion by the primary government would render the primary government's financial statements incomplete or misleading. Based upon the application of these criteria, the City has no component units. The basic financial statements of the reporting entity include only those of the City (the primary government).

CITY OF FINDLAY, OHIO

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2015**

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)

The following organizations are described due to their relationship to the City.

JOINTLY GOVERNED ORGANIZATIONS

Hancock Metropolitan Housing Authority

The Hancock Metropolitan Housing Authority (the "Housing Authority") is a jointly governed organization between Hancock County and the City of Findlay. The Housing Authority was established under Section 3735.27 of the Ohio Revised Code to provide safe, decent and sanitary housing to the citizens. Two members of the Board of Trustees are appointed by the Hancock County Probate Court Judge, two members are appointed by the mayor of the City of Findlay, and one member is appointed by the Hancock County Commissioners. Separate financial statements may be obtained from the Hancock Metropolitan Housing Authority, 1800 North Blanchard Street, Findlay, Ohio, 45840.

Blanchard Valley Port Authority

The Blanchard Valley Port Authority (the "Port Authority") is a jointly governed organization between the City of Findlay and Hancock County. The Authority was established pursuant to Ohio Revised Code Section 4582.21. The purpose of the Port Authority is to provide for the improvement and economic development in Hancock County and the City of Findlay.

The Port Authority is governed by a Board of Directors consisting of seven appointed members. Three are appointed by the Mayor of the City of Findlay, with the consent of City Council, three are appointed by the Hancock County Commissioners, and one is a joint appointment.

The Port Authority may be dissolved at any time upon the enactment of an ordinance by the City of Findlay Council and resolution by the Hancock County Board of Commissioners provided that upon dissolution, any real or personal property or combination thereof which has been received from or made available by the City of Findlay or Hancock County shall be returned to the subdivision from which it was received or made available. In the event of the dissolution, after paying all expenses, debts or funds or any remaining real or personal property belonging to the Port Authority shall be distributed to the City of Findlay and Hancock County equally. Financial information for the Blanchard Valley Port Authority can be obtained from the Hancock County Auditor, 300 South Main Street, Findlay, Ohio 45840-3345.

Hancock Regional Planning Commission

The Hancock Regional Planning Commission (the "Planning Commission") is a jointly governed organization between Hancock County and the City of Findlay. The Planning Commission provides professional planning services for the City and Hancock County. The Planning Commission is responsible for enforcement of the Hancock County subdivision regulations, lot splits, assistance to the villages and township zoning codes, zoning advisory and city planning reviews. The City and Hancock County appoint 10 and 12 members, respectively, to the Planning Commission Board. Separate financial statements may be obtained from the Hancock County Regional Planning Commission, 318 Dorney Plaza, Room 304, Findlay, Ohio, 45840.

CITY OF FINDLAY, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2015

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)

B. Basis of Presentation

The City's BFS consist of government-wide statements, including a statement of net position and a statement of activities, and fund financial statements which provide a detailed level of financial information.

Government-wide Financial Statements - The statement of net position and the statement of activities display information about the City as a whole. These statements include the financial activities of the primary government, except for fiduciary funds. The activities of the internal service funds are eliminated to avoid "doubling up" revenues and expenses. The statements distinguish between those activities of the City that are governmental and those that are considered business-type activities. On the statement of activities, interfund services provided and used are not eliminated in the process of consolidation.

The statement of net position presents the financial condition of the governmental and business-type activities of the City at year-end. The statement of activities presents a comparison between direct expenses and program revenues for each program or function of the City's governmental activities and for the business-type activities of the City. Direct expenses are those that are specifically associated with a service, program or department and therefore clearly identifiable to a particular function. Program revenues include charges paid by the recipient of the goods or services offered by the program, grants and contributions that are restricted to meeting the operational or capital requirements of a particular program and interest earned on grants that is required to be used to support a particular program. Revenues which are not classified as program revenues are presented as general revenues of the City, with certain limited exceptions. The comparison of direct expenses with program revenues identifies the extent to which each business segment or governmental functions are self-financing or draw from the general revenues of the City.

Fund Financial Statements - During the year, the City segregates transactions related to certain City functions or activities in separate funds in order to aid financial management and to demonstrate legal compliance. Fund financial statements are designed to present financial information of the City at this more detailed level. The focus of governmental and enterprise fund financial statements is on major funds. Each major fund is presented in a separate column. Nonmajor funds are aggregated and presented in a single column. The internal service funds are presented in a single column on the face of the proprietary fund financial statements. Fiduciary funds are reported by type.

C. Fund Accounting

The City uses funds to maintain its financial records during the year. A fund is defined as a fiscal and accounting entity with a self balancing set of accounts. There are three categories of funds: governmental, proprietary and fiduciary.

Governmental Funds - Governmental funds are those through which most governmental functions typically are financed. Governmental fund reporting focuses on the sources, uses and balances of current financial resources. Expendable assets are assigned to the various governmental funds according to the purposes for which they may or must be used. Current liabilities and deferred inflows are assigned to the fund from which they will be paid. The difference between governmental fund assets and liabilities and deferred inflows is reported as fund balance.

CITY OF FINDLAY, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2015

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)

The following are the City's major governmental funds:

General fund - The general fund is used to account for and report all financial resources not accounted for and reported in another fund. The general fund balance is available for any purpose provided it is expended or transferred according to the general laws of Ohio.

Street maintenance and repair - This fund is used to account for 92.5% of the City's share of gasoline taxes and motor vehicle license fees as required by state statute. Expenditures of this fund are for street maintenance and construction.

Other governmental funds of the City are used to account for (a) financial resources that are restricted, committed, or assigned to expenditures for capital outlays including the acquisition or construction of capital facilities and other capital assets, (b) specific revenue sources that are restricted or committed to an expenditure for specified purposes other than debt service or capital projects and (c) financial resources that are restricted, committed, or assigned to expenditure for principal and interest.

Proprietary Funds - Proprietary fund reporting focuses on changes in net position, financial position and cash flows. Proprietary funds are classified as either enterprise or internal service.

Enterprise funds - The enterprise funds may be used to account for any activity for which a fee is charged to external users for goods or services. The following are the City's major enterprise funds:

Water - This fund accounts for the operations of the City's water utility. Revenues are from user charges, based on the rates set by the Service-Safety Director. Major water construction and renovation projects are accounted for and financed in this fund.

Water pollution control (sewer) - This fund accounts for the operation of the City's sewer utility. Revenues are from user charges, based on rates set by City Council. Major sewer construction and renovation projects are accounted for and financed in this fund.

Airport - This fund accounts for the operation of the City's airport facility including hangar rentals, aircraft fuel sales, runway maintenance and other operations of the airport.

The other enterprise funds of the City are used to account for swimming pool and parking enforcement operations.

Internal service funds - The internal service funds account for the financing of services provided by one department or agency to other departments or agencies of the City on a cost-reimbursement basis. The City's internal service funds report on the operations of central stores, a liability self-insurance program and a workers' compensation self-insurance program.

CITY OF FINDLAY, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2015

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)

Fiduciary Funds - Fiduciary fund reporting focuses on net position and changes in net position. The fiduciary fund category is split into four classifications: pension trust funds, investment trust funds, private-purpose trust funds and agency funds. Trust funds are used to account for assets held by the City under a trust agreement for individuals, private organizations, or other governments and are therefore not available to support the City's own programs. Agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations. The City's fiduciary funds are a private-purpose trust fund which accounts for monies in trusts to benefit specific cemetery lots as directed by the contributor and agency funds used to account for deposits held for the satisfactory completion of various projects, to account for the funds maintained by the Municipal Court that are due to other State and local governments, and to account for income tax and tax increment financing payments collected on-behalf and due to other governments.

D. Measurement Focus and Basis of Accounting

Government-wide Financial Statements - The government-wide financial statements are prepared using the economic resources measurement focus. All assets and all liabilities associated with the operation of the City are included on the statement of net position.

Fund Financial Statements - All governmental funds are accounted for using a flow of current financial resources measurement focus. With this measurement focus, only current assets and deferred outflows of resources and current liabilities and deferred inflows of resources generally are included on the balance sheet. The statement of revenues, expenditures and changes in fund balances reports on the sources (i.e., revenues and other financing sources) and uses (i.e., expenditures and other financing uses) of current financial resources. This approach differs from the manner in which the governmental activities of the government-wide financial statements are prepared. Governmental fund financial statements therefore include a reconciliation with brief explanations to better identify the relationship between the government-wide statements and the financial statements for governmental funds.

Like the government-wide statements, all proprietary funds are accounted for on a flow of economic resources measurement focus. All assets and deferred outflows of resources and all liabilities and deferred inflows of resources associated with the operation of these funds are included on the statement of net position. The statement of changes in fund net position presents increases (i.e., revenues) and decreases (i.e., expenses) in total net position. The statement of cash flows provides information about how the City finances and meets the cash flow needs of its proprietary activities.

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operation. The principal operating revenues of the City's proprietary funds are charges for sales and services. Operating expenses for the enterprise funds include personnel and other expenses related to the operations of the enterprise activities and operating expenses for the internal service funds include claims and administrative expenses for the self-insurance program and contracted services and materials and supplies expenses for the central stores operations. All revenues and expenses not meeting these definitions are reported as nonoperating revenues and expenses.

Private-purpose trust funds are reported using the economic resources measurement focus. Agency funds do not report a measurement focus as they do not report operations.

CITY OF FINDLAY, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2015

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)

E. Basis of Accounting

Basis of accounting determines when transactions are recorded in the financial records and reported on the financial statements. Government-wide financial statements are prepared using the accrual basis of accounting. Governmental funds use the modified accrual basis of accounting. Proprietary and fiduciary funds also use the accrual basis of accounting. Differences in the accrual and modified accrual basis of accounting arise in the recognition of revenue, the recording of deferred inflows of resources and deferred outflows of resources, and in the presentation of expenses versus expenditures.

Revenues - Exchange and Nonexchange Transactions - Revenue resulting from exchange transactions, in which each party gives and receives essentially equal value, is recorded on the accrual basis when the exchange takes place. On a modified accrual basis, revenue is recorded in the fiscal year in which the resources are measurable and become available. Available means that the resources will be collected within the current fiscal year or are expected to be collected soon enough thereafter to be used to pay liabilities of the current fiscal year. For the City, available means expected to be received within thirty-one days following year end.

Nonexchange transactions, in which the City receives value without directly giving equal value in return, include income taxes, property taxes, grants, entitlements and donations. On an accrual basis, revenue from income taxes is recognized in the period in which the income is earned (See Note 6.B.). Revenue from property taxes is recognized in the year for which the taxes are levied (See Note 6.A.). Revenue from grants, entitlements and donations is recognized in the year in which all eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the year when the resources are required to be used or the year when use is first permitted, matching requirements, in which the City must provide local resources to be used for a specified purpose, and expenditure requirements, in which the resources are provided to the City on a reimbursement basis. On a modified accrual basis, revenue from nonexchange transactions must also be available before it can be recognized.

Under the modified accrual basis, the following revenue sources are considered to be both measurable and available at year end: income tax, State-levied locally shared taxes (including gasoline tax, local government funds and permissive tax), fines and forfeitures, fees and special assessments.

Deferred Outflows of Resources and Deferred Inflows of Resources - In addition to assets, the government-wide statement of net position will report a separate section for deferred outflows of resources. Deferred outflows of resources, represents a consumption of net position that applies to a future period and will not be recognized as an outflow of resources (expense/expenditure) until then. For the City, deferred outflows of resources have been reported for the following items related to the City's net pension liability/asset: (1) the net difference between projected and actual investment earnings on pension plan investments, (2) the City's contributions to the pension systems subsequent to the measurement date and (3) differences between City's contributions and the City's proportional share of contributions. The deferred outflows of resources related to pension are further explained in Note 12.

In addition, deferred outflows of resources include a deferred charge on debt refunding. A deferred charge on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt.

CITY OF FINDLAY, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2015

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)

In addition to liabilities, both the government-wide statement of net position and the governmental fund financial statements report a separate section for deferred inflows of resources. Deferred inflows of resources represent an acquisition of net position that applies to a future period and will not be recognized as an inflow of resources (revenue) until that time. For the City, deferred inflows of resources include property taxes, payments in lieu of taxes and unavailable revenue. Property taxes and payments in lieu of taxes represent amounts for which there is an enforceable legal claim as of December 31, 2015, but which were levied to finance 2016 operations. These amounts have been recorded as a deferred inflow of resources on both the government-wide statement of net position and the governmental fund financial statements. Unavailable revenue is reported only on the governmental funds balance sheet, and represents receivables which will not be collected within the available period. For the City unavailable revenue includes, but is not limited to, delinquent property taxes, income taxes and intergovernmental grants. These amounts are deferred and recognized as an inflow of resources in the period the amounts become available.

The City also reports deferred inflow of resources for the differences between expected and actual experience related to the City's net pension liability/asset. This deferred inflows of resources are only reported on the government-wide statement of net position and in the proprietary fund financial statements. The deferred inflows of resources related to pension are further explained in Note 12.

Expenses/Expenditures - On the accrual basis of accounting, expenses are recognized at the time they are incurred.

The measurement focus of governmental fund accounting is on decreases in net financial resources (expenditures) rather than expenses. Expenditures are generally recognized in the accounting period in which the related fund liability is incurred, if measurable. Allocations of cost, such as depreciation and amortization, are not recognized in governmental funds.

F. Budgetary Process

The budgetary process is prescribed by provisions of the Ohio Revised Code and entails the preparation of budgetary documents within an established timetable. The major documents prepared are the tax budget, the certificate of estimated resources, and the appropriation ordinances. The tax budget and certificate of estimated resources are required to be prepared on the cash basis by the County Budget Commission and are prepared solely to satisfy these statutory requirements. The appropriation ordinances, under which the City controls its expenditures, and an internal revenue budget, under which the City measures available resources, are prepared on the accrual/modified accrual basis, as appropriate. The certificate of estimated resources and the appropriation ordinances are subject to amendment throughout the year with the legal restriction that appropriations cannot exceed estimated resources as certified. The legal level of budgetary control is at the "personal services" and "other" objects within each department within each fund. All changes in departmental appropriations or changes between the "personal services" and "other" objects within a department require action by the City Council. Capital outlays are budgeted on a multi-year project basis over the life of the project. Only supplemental appropriations for capital outlays incurred during the year are included in the budgetary comparison statements/schedules.

CITY OF FINDLAY, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2015

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)

On a GAAP-basis, the severance payout reserve fund and the city income tax administration fund are included as a component of the general fund; however, these funds have separate legally adopted budgets. Budgetary information for the general fund includes only the legally adopted budget for the general fund. These perspective differences are reported below:

Net Change in Fund Balance	General
Budget basis	\$ 3,249,760
Funds budgeted elsewhere:	(1,812,752)
GAAP Basis	\$ 1,437,008

Tax Budget - A budget of estimated cash receipts is submitted to the County Auditor, as Secretary of the County Budget Commission, by July 20 of each year, for the period January 1 to December 31 of the following year. This document is prepared on the cash basis of accounting.

Estimated Resources - The County Budget Commission certifies its actions to the City by September 1. As part of this process, the City receives the official certificate of estimated resources that states the projected cash receipts of each Fund. On or about January 1, this certificate is amended to include any unencumbered cash balances from the preceding year. This document is prepared on the cash basis of accounting.

Appropriations - At the beginning of the fiscal year, an annual appropriation ordinance is passed for the period January 1 to December 31. Supplemental appropriations were made during the year as new information became available to provide for additional expenditures deemed necessary by the legislative authority.

At the end of the year, all unexpended and unencumbered balances of operating appropriations lapse and revert to the funds from which the appropriation was initially made, where they become subject to future appropriation while encumbered balances are carried forward as part of the next year's appropriation. The unexpended balances of capital and special assessment appropriations continue until the project is completed at which time any remaining appropriation reverts to the fund from which the appropriation was initially made. Annual appropriation ordinances are adopted for all governmental, proprietary, and fiduciary funds. However, budget disclosure in the BFS is only required for the general fund and major special revenue funds.

G. Cash and Investments

To improve cash management, cash received by the City is pooled and invested in authorized investments (See Note 4). Monies for all funds are maintained in this pool. Individual fund integrity is maintained through the City's records. Each fund's interest in the pool is presented as "equity in pooled cash and investments" on the financial statements.

CITY OF FINDLAY, OHIO

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2015**

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)

During 2015, investments were limited to Federal National Mortgage Association (FNMA) securities, Federal Farm Credit Bank (FFCB) securities, Federal Home Loan Bank (FHLB) securities, U.S. Treasury Notes, STAR Ohio and nonnegotiable certificates of deposit. Except for nonparticipating investment contracts, investments are reported at fair value which is based on quoted market prices. Nonparticipating investment contracts, such as nonnegotiable certificates of deposit, are reported at cost.

The City has invested funds in the State Treasury Asset Reserve of Ohio (STAR Ohio) during 2015. STAR Ohio is an investment pool managed by the State Treasurer's Office that 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 does operate in a manner consistent with Rule 2a7 of the Investment Company Act of 1940. Investments in STAR Ohio are valued at STAR Ohio's shares price which is the price the investment could be sold for on December 31, 2015.

Following Ohio statutes, the Council has, by resolution, specified the funds to receive an allocation of interest earnings. Interest revenue credited to the general fund during 2015 amounted to \$81,887, which includes \$34,088 assigned from other City funds as not all funds of the City receive interest earnings.

For purposes of the statement of cash flows, investments with an original maturity of three months or less are considered to be cash equivalents. In addition, all cash and investments of the cash management pool are considered to be cash equivalents because they are sufficiently liquid to permit withdrawal by the proprietary funds on demand. Investments with maturities greater than three months that are not part of the cash management pool are not considered to be cash equivalents.

An analysis of the City's investment account at year end is provided in Note 4.

H. Inventories of Materials and Supplies

On government-wide financial statements, purchased inventories are presented at the lower of cost or market and donated commodities are presented at their entitlement value. Inventories are recorded on a first-in, first-out basis and are expensed when used.

On fund financial statements, inventories of governmental funds are stated at cost while inventories of proprietary funds are stated at the lower of cost or market. For all funds, cost is determined on a first-in, first-out basis. Inventory in governmental funds consists of expendable supplies held for consumption. The cost of inventory items is recorded as an expenditure in the governmental fund types when purchased. Inventories of the proprietary funds are expensed when used.

I. Prepaids

Amounts recorded for prepaid items represent the unamortized portion of insurance policies that expire in 2016 or later. Governmental funds use the purchase method of accounting whereby insurance is recognized as an expenditure when purchased. Proprietary funds recognize insurance expense as it is incurred.

CITY OF FINDLAY, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2015

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)

J. Capital Assets

General capital assets are those assets not specifically related to activities reported in the proprietary funds. These assets generally result from expenditures in the governmental funds. These assets are reported in the governmental activities column of the government-wide statement of net position, but are not reported in the fund financial statements. Capital assets utilized by the proprietary funds are reported both in the business-type activities column of the government-wide statement of net position and in the respective funds.

All capital assets are capitalized at cost (or estimated historical cost) and updated for additions and retirements during the year. Donated capital assets are recorded at their fair market values as of the date received. The City maintains a capitalization threshold of \$5,000. The City's infrastructure consists of storm sewers, streets, and traffic signals. Improvements are capitalized; the costs of normal maintenance and repairs that do not add to the value of the asset or materially extend an asset's life are not. Interest incurred during the construction of capital assets is also capitalized for business-type activities.

The City's intangible assets include only purchased computer software. This asset class is reported separately from other capital assets classes reported in the capital asset schedule in Note 8. The City considers computer software (both purchased and internally generated) to be a non-depreciable capital asset. It is the City's policy that as long as annual maintenance and upgrades are purchased for the software, the software will be used indefinitely.

All reported capital assets are depreciated except for land, certain land improvements, computer software and construction in progress. Non-depreciable land improvements are improvements that are permanent and are not considered part of a structure and do not deteriorate over time. Improvements are depreciated over the remaining useful lives of the related capital assets. Useful lives for infrastructure were estimated based on the City's historical records of necessary improvements and replacement.

Depreciation is computed using the straight-line method over the following useful lives:

<u>Description</u>	<u>Governmental Activities Estimated Lives</u>	<u>Business-Type Activities Estimated Lives</u>
Improvements other than buildings	20 - 50 years	20 - 50 years
Machinery and equipment	3 - 20 years	3 - 20 years
Utility plant in service	-	50 - 99 years
Utility lines in service	-	50 - 99 years
Infrastructure:		
Streets	10 years	-
Storm sewers	75 years	-
Traffic signals	25 years	-

CITY OF FINDLAY, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2015

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)

K. Compensated Absences

Compensated absences of the City consist of vacation leave, sick leave, holivac (combination of holiday and vacation for individuals who are required to work holidays and non-standard hours), and compensatory time to the extent that payment to the employee for these absences is attributable to services already rendered and are not contingent on a specific event that is outside the control of the City and the employee.

In conformity with GASB Statement No. 16, "Accounting for Compensated Absences", a liability for vacation leave, holivac, and compensatory time is accrued if: a) the employee's rights to payment are attributable to services already rendered; and b) it is probable that the employer will compensate the employees for the benefits through paid time off or other means, such as cash payment at termination or retirement. A liability for sick leave is based on the sick leave accumulated at the balance sheet date by those employees who are currently eligible to receive termination payments, as well as those employees expected to become eligible in the future in accordance with GASB Statement No. 16. Sick leave benefits are accrued using the "vesting" method in accordance with GASB Statement No. 16.

The total liability for vacation leave, sick leave, holivac, and compensatory time has been calculated using the pay rates in effect at the balance sheet date, and reduced to the maximum payment allowed by labor contract and/or City Ordinance, plus applicable additional salary related payments.

Sick leave accumulates at the rate of 4.6 hours of sick leave for 80 hours of work completed. For non-contract employees, sick leave may be converted into cash only upon retirement or death with 10 or more years of service with the State or any of its political subdivisions at the rate of one fourth the value of the first 960 hours of accrued, unused sick leave credit. If applicable, accrued, unused sick leave will be paid in cash for one-half the value of all accrued sick leave credit in excess of 960 hours. Individuals with accumulated sick leave greater than 1,920 hours receive cash at the rate of one-half the total hours accumulated. Sick leave for individuals leaving the employment of the City prior to retirement or at retirement with less than 10 years of service remains with the City; however, this amount is not eligible to be paid out as part of an accumulated sick leave settlement. Contract employees are paid for their sick time based upon their current contracts.

The entire compensated absence liability is reported on the government-wide financial statements.

On governmental fund financial statements, compensated absences are recognized as liabilities and expenditures to the extent payments come due each period upon the occurrence of employee resignations and retirements. These amounts are recorded in the account "compensated absences payable" in the fund from which the employees who have accumulated leave are paid. The noncurrent portion of the liability is not reported. For proprietary funds, the entire amount of compensated absences is reported as a fund liability.

L. Accrued Liabilities and Long-Term Obligations

All payables, accrued liabilities and long-term obligations are reported in the government-wide financial statements; and, all payables, accrued liabilities and long-term obligations payable from proprietary funds are reported on the proprietary fund financial statements.

CITY OF FINDLAY, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2015

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)

In general, governmental fund payables and accrued liabilities that, once incurred, are paid in a timely manner and in full from current financial resources, are reported as obligations of the funds. However, compensated absences and the net pension liability that will be paid from governmental funds are reported as a liability in the fund financial statements only to the extent that they are due for payment during the current year.

M. Interfund Activity

Transfers between governmental and business-type activities on the government-wide statements are reported in the same manner as general revenues. Transfers between governmental funds are eliminated for reporting on the statement of activities.

Exchange transactions between funds are reported as revenues in the seller funds and as expenditures/expenses in the purchaser funds. Flows of cash or goods from one fund to another without a requirement for repayment are reported as interfund transfers. Interfund transfers are reported as other financing sources/uses in governmental funds and after nonoperating revenues/expenses in proprietary funds. Repayments from funds responsible for particular expenditures/expenses to the funds that initially paid for them are not presented on the BFS.

N. Fund Balance

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:

Nonspendable - The nonspendable fund balance classification includes amounts that cannot be spent because they are not in spendable form or legally or contractually required to be maintained intact. The “not in spendable form” criterion includes items that are not expected to be converted to cash. It also includes the long-term amount of loans receivable.

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

Committed - The committed fund balance classification includes amounts that can be used only for the specific purposes imposed by a formal action (ordinance) of City Council (the highest level of decision making authority). Those committed amounts cannot be used for any other purpose unless City Council removes or changes the specified use by taking the same type of action (ordinance) it employed to previously commit those amounts. Committed fund balance also incorporates contractual obligations to the extent that existing resources in the fund have been specifically committed for use in satisfying those contractual requirements.

Assigned - Amounts in the assigned fund balance classification are intended to be used by the City for specific purposes but do not meet the criteria to be classified as restricted nor committed. In governmental funds other than the general fund, assigned fund balance represents the remaining amount that is not restricted or committed. In the general fund, assigned amounts represent intended uses established by policies of City Council, which includes giving the City Auditor the authority to constrain monies for intended purposes. City Council has, by ordinance, authorized the City Auditor to assign fund balances for encumbrances outstanding at year-end.

CITY OF FINDLAY, OHIO

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2015**

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)

Unassigned - Unassigned fund balance is the residual classification for the general fund and includes all spendable amounts not contained in the other classifications. In other governmental funds, the unassigned classification is only used to report a deficit fund balance resulting from overspending for specific purposes for which amounts had been restricted, committed, or assigned.

The City applies restricted resources first when expenditures are incurred for purposes for which restricted and unrestricted (committed, assigned, and unassigned) fund balance is 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.

O. Minimum Fund Balance Policy

The City has established, via Council legislation, a minimum fund balance policy for unforeseen emergencies or revenue shortfalls and to eliminate the need for short-term borrowing for cash-flow needs. The City's minimum fund balance target was approximately 16.7% of the City's general fund expenditures. The minimum fund balance is to be maintained in the City's general fund unassigned fund balance.

P. Budget Stabilization Arrangement

Pursuant to Ohio Revised Code Section 5705.13, the City has established a reserve balance account, in the City's general fund (referred to as the Rainy Day Account), to be used in emergencies for operational expenditures. The reserve account will not exceed five percent of the previous year's general fund revenues, as dictated by Ohio law. The balance of the reserve balance account at December 31, 2015 is \$1,000,000. This amount is reported as a component of unassigned fund balance in the general fund and unrestricted net position in the governmental activities.

Q. Estimates

The preparation of the BFS in conformity with GAAP requires management to make estimates and assumptions that affect the amounts reported in the BFS and accompanying notes. Actual results may differ from those estimates.

R. Net Position

Net position represents the difference between assets plus deferred outflows of resources less liabilities plus deferred inflows of resources. Net investment in capital assets 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. Net position is reported as restricted when there are limitations imposed on the use of resources either through enabling legislation or through external restrictions imposed by creditors, grantors or laws or regulations of other governments.

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

CITY OF FINDLAY, OHIO

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2015**

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)

S. Reimbursements

Reimbursements received from external sources outside of the City are reported as reimbursement revenue. Interfund activity is recorded as described in Note 2.M.

T. Contributions of Capital

Contributions of capital in proprietary fund financial statements and for the governmental activities arise from outside contributions of capital assets or from grants or outside contributions of resources restricted to capital acquisition and construction. Capital contributions are reported as revenue in the proprietary fund financial statements and on the statement of activities.

U. Unamortized Bond Premiums and Discounts/Accounting Gain or Loss

Bond premiums and discounts are amortized over the term of the bonds using the straight-line method. Bond premiums are presented as an addition to the face amount of the bonds. Bond discounts are presented as a reduction to the face amount of the bonds.

For advance refunding resulting in the defeasance of debt, the difference between the reacquisition price and the net carrying amount of the old debt is deferred and amortized as a component of interest expense. This accounting gain or loss is amortized over the remaining life of the old debt or the life of the new debt, whichever is shorter, and is presented as a deferred outflow.

On the governmental fund financial statements, issuance costs, bond premiums, bond discounts, and deferred charges from refunding are recognized in the current period. The reconciliation between the bonds face value and the amount reported on the statement of net position is presented in Note 11.

V. Interfund Balances

On fund financial statements, receivables and payables resulting from services provided from one fund to another is classified as "due to/from other funds". Receivables and payables resulting from interfund loans are classified as "interfund loans payable/receivable".

The City had no due to/from other funds or interfund loans payables/receivables at December 31, 2015.

W. Extraordinary and Special Items

Extraordinary items are transactions or events that are both unusual in nature and infrequent in occurrence. Special items are transactions or events that are within the control of the City Administration and that are either unusual in nature or infrequent in occurrence. Neither type of transaction occurred during 2015.

CITY OF FINDLAY, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2015

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)

X. Comparative Information

Comparative total data for the prior year have been presented in selected sections of the financial statements in order to provide an understanding of the changes in the government's financial position and operations. Comparative totals for the prior year have not been restated to reflect the adjustments described in Note 3.A. as the information is unavailable. The financial statements include certain prior-year summarized comparative information in total, but not by net position class. Such information does not include sufficient detail to constitute a presentation in conformity with GAAP. Accordingly, such information should be read in conjunction with the City's financial statements for the year ended December 31, 2014, from which the summarized information was derived.

Y. Pensions

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the pension 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.

NOTE 3 - ACCOUNTABILITY AND COMPLIANCE

A. Change in Accounting Principles/Restatement of Net Position

For 2015, the City implemented GASB Statement No. 68, "Accounting and Financial Reporting for Pensions - an Amendment of GASB Statement No. 27" and GASB Statement No. 71, "Pension Transition for Contributions Made Subsequent to the Measurement Date - an Amendment of GASB Statement No. 68".

GASB Statement No. 68 improves the accounting and financial reporting by state and local governments for pensions. It also improves information provided by state and local governmental employers about financial support for pensions that is provided by other entities. The implementation of GASB Statement No. 68 affected the City's pension plan disclosures, as presented in Note 12 to the financial statements, and added required supplementary information which is presented after the notes to the basic financial statements.

GASB Statement No. 71 improves the accounting and financial reporting by addressing an issue in GASB Statement No. 68, concerning transition provisions related to certain pension contributions made to defined benefit pension plans prior to implementation of that Statement by employers and nonemployer contributing entities.

In addition to the implementation of GASB Statement No. 68 and No. 71, the City is restating net position of the Water and Water Pollution Control enterprise funds to properly report activity between the Water fund and the Water Pollution Control fund related to accounts receivable, amounts due to/due from other funds, and deposits held and due to others. This restatement had no effect on the net position of the business-type activities as previously reported.

CITY OF FINDLAY, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2015

NOTE 3 - ACCOUNTABILITY AND COMPLIANCE - (Continued)

A net position restatement is required in order to implement GASB Statement No 68 and 71 and to correct balances between the Water and Water Pollution Control enterprise funds. The net position of the governmental activities and business-type activities at January 1, 2015 have been restated as follows:

	<u>Governmental Activities</u>	<u>Business-Type Activities</u>
Net position as previously reported	\$ 107,697,121	\$ 146,723,811
Deferred outflows - payments subsequent to measurement date	2,369,673	401,262
Net pension asset	6,469	3,569
Net pension liability	<u>(24,617,885)</u>	<u>(3,086,781)</u>
Restated net position at January 1, 2015	<u>\$ 85,455,378</u>	<u>\$ 144,041,861</u>

In addition, the net position of the enterprise funds at January 1, 2015 have been restated as follows:

	<u>Water</u>	<u>Water Pollution Control</u>	<u>Airport</u>	<u>Nonmajor Enterprise Funds</u>
Net position as previously reported	\$ 57,578,538	\$ 74,595,255	\$ 13,728,152	\$ 653,015
Correction of accounts receivable, due to/from funds and deposits held	350,950	(350,950)	-	-
Deferred outflows - payments subsequent to measurement date	200,195	170,566	23,977	6,524
Net pension asset	1,781	1,517	213	58
Net pension liability	<u>(1,540,034)</u>	<u>(1,312,108)</u>	<u>(184,450)</u>	<u>(50,189)</u>
Restated net position at January 1, 2015	<u>\$ 56,591,430</u>	<u>\$ 73,104,280</u>	<u>\$ 13,567,892</u>	<u>\$ 609,408</u>

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

B. Compliance

Contrary to Ohio Revised Code § 5705.10(D), the Water Fund net position at the beginning of the year and charges for services were understated and the Water Pollution Control Fund net position at the beginning of the year and charges for services were overstated as a result of utility deposits that were not correctly allocated between the two funds.

Contrary to Ohio Revised Code § 5705.14, the City transferred from the Water Pollution Control Fund to the Street Maintenance and Repair Fund for sewer related projects. The City then transferred unused funds for these projects from the Street Maintenance and Repair Fund to the Water Pollution Control Fund.

CITY OF FINDLAY, OHIO

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2015**

NOTE 4 - DEPOSITS AND INVESTMENTS

State statutes classify monies held by the City into three categories:

Active deposits are public deposits necessary to meet current demands on the treasury. Such monies must be maintained either as cash in the City Treasury, in commercial accounts payable or withdrawable on demand, including negotiable order of withdrawal (NOW) accounts, or in money market deposit accounts.

Inactive deposits are public deposits that the City has identified as not required for use within the current five year period of designation of depositories. Inactive deposits must either be evidenced by certificates of deposit maturing not later than the end of the current period of designation of depositories, or by savings or deposit accounts including, but not limited to, passbook accounts.

Interim deposits are deposits in interim monies. Interim monies are those monies which are not needed for immediate use, but which will be needed before the end of the current period of designation of depositories. Interim deposits must be evidenced by time certificates of deposit maturing not more than one year from the date of deposit or by savings or deposit accounts including passbook accounts.

Interim monies may be deposited or invested in the following securities:

1. United States Treasury Notes, Bills, Bonds, or any other obligation or security issued by the United States Treasury or any other obligation guaranteed as to principal or interest by the United States;
2. Bonds, notes, debentures, or any other obligations or securities issued by any federal government agency or instrumentality, including, but not limited to, the Federal National Mortgage Association, Federal Home Loan Bank, Federal Farm Credit Bank, Federal Home Loan Mortgage Corporation, Government National Mortgage Association, and Student Loan Marketing Association. All federal agency securities shall be direct issuances of federal government agencies or instrumentalities;
3. Written repurchase agreements in the securities listed above provided that the market value of the securities subject to the repurchase agreement must exceed the principal value of the agreement by at least two percent and be marked to market daily, and that the term of the agreement must not exceed thirty days;
4. Bonds and other obligations of the State of Ohio;
5. No-load money market mutual funds consisting exclusively of obligations described in items (1) or (2) above and repurchase agreements secured by such obligations, provided that investments in securities described in this division are made only through eligible institutions; and,
6. The State Treasurer's investment pool (STAR Ohio);
7. High grade commercial paper for a period not to exceed 180 days in an amount not to exceed twenty-five percent of the City's interim monies available for investment; and,
8. Bankers acceptances for a period not to exceed 180 days and in an amount not to exceed twenty-five percent of the City's interim monies available for investment.

CITY OF FINDLAY, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2015

NOTE 4 - DEPOSITS AND INVESTMENTS - (Continued)

The City may also invest any monies not required to be used for a period of six months or more in the following:

1. Bonds of the State of Ohio;
2. Bonds of any municipal corporation, village, county, township, or other political subdivision of this State, as to which there is no default of principal, interest or coupons; and,
3. Obligations of the City.

Protection of the City's deposits is provided by the Federal Deposit Insurance Corporation (FDIC), by eligible securities pledged by the financial institution as security for repayment, by surety company bonds deposited with the Treasurer by the financial institution or by a single collateral pool established by the financial institution to secure the repayment of all public monies deposited with the institution.

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

Cash with Fiduciary Agent: At year end, the City had \$443,701 on deposit with the Hancock County Treasurer. The data regarding insurance and collateralization can be obtained from the Hancock County Comprehensive Annual Financial Report for the year ended December 31, 2015. This amount is not included in the City's depository balance below.

Cash with Escrow Agent: At year end, the City had \$306,596 on deposit with financial institutions for retainage escrow accounts and bond and coupon payments. These amounts are included in the City's depository balance below.

Cash in Segregated Accounts: At year end, the City had \$307,412 deposited with a financial institution for monies related to the Revolving Loan special revenue fund (a nonmajor governmental fund), the Municipal Court agency fund, employee benefits, and for police special drug operations. These amounts are included in the City's depository balance below.

A. Deposits with Financial Institutions

At December 31, 2015, the carrying amount of all City deposits was \$30,570,592 and the bank balance of all City deposits was \$31,473,409. Of the bank balance, \$13,934,820 was covered by pledged collateral held by the Federal Reserve Bank of Boston in the name of the City and \$17,538,589 was covered by the FDIC.

CITY OF FINDLAY, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2015

NOTE 4 - DEPOSITS AND INVESTMENTS - (Continued)

Custodial credit risk is the risk that, in the event of bank failure, the City will not be able to recover deposits or collateral securities that are in the possession of an outside party. As permitted by Ohio Revised Code, the City's deposits are collateralized by a pool of eligible securities deposited with 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. 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 had been followed, noncompliance with federal requirements could potentially subject the City to a successful claim by the FDIC.

B. Investments

As of December 31, 2015, the City had the following investments and maturities:

Investment type	Fair Value	Investment Maturities			
		6 months or less	7 to 12 months	13 to 18 months	19 to 24 months
FFCB	\$ 2,997,310	\$ 999,890	\$ 1,997,420	\$ -	\$ -
FHLB	4,993,640	999,330	1,998,180	996,640	999,490
FNMA	1,004,420	1,004,420	-	-	-
U.S. Treasury Notes	12,960,130	999,920	2,999,730	3,992,700	4,967,780
STAR Ohio	<u>2,473,374</u>	<u>2,473,374</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total	<u>\$ 24,428,874</u>	<u>\$ 6,476,934</u>	<u>\$ 6,995,330</u>	<u>\$ 4,989,340</u>	<u>\$ 5,967,270</u>

The weighted average length to maturity of investment is 1.0 years.

Interest Rate Risk: The Ohio Revised Code generally limits security purchases to those that mature within five years of the settlement date. The City's investment policy further limits security purchases to those that mature within two years of the settlement date. Interest rate risk arises because potential purchasers of debt securities will not agree to pay face value for those securities if interest rates subsequently increase. The City's investment policy addresses interest rate risk by requiring the consideration of market conditions and cash flow requirements in determining the term of an investment.

Credit Risk: The City's investments in federal agency securities and U.S. Treasury notes were rated AA+ and Aaa by Standard & Poor's and Moody's Investor Services, respectively. STAR Ohio carries a rating of AAAM by Standard & Poor's. Ohio law requires that STAR Ohio maintain the highest rating provided by at least one nationally recognized standard rating service. The City's investment policy does not specifically address credit risk beyond requiring the City to only invest in securities authorized by State statute.

CITY OF FINDLAY, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2015

NOTE 4 - DEPOSITS AND INVESTMENTS - (Continued)

Custodial Credit Risk: For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the City will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. In 2013, the City entered a third party custodial agreement as it pertains to investments to provide for the separation of the safekeeping and custody function from the investment function. By arranging to have securities held by a third party, the City can effectively minimize safekeeping or custodial risk in an investment transaction. With this agreement, investments are settled in a delivery-versus-payment (DVP) basis; at no point in time does the City not have either the cash or the investment. The federal agency securities and U.S. Treasury notes are exposed to custodial credit risk in that they are uninsured, unregistered and held by the counterparty's trust department or agent, but not in the City's name. The City has no investment policy dealing with investment custodial credit risk beyond the requirement in State statute that prohibits payment for investments prior to the delivery of the securities representing such investments to the City Auditor or qualified trustee.

Concentration of Credit Risk: The City's investment policy addresses concentration of credit risk by requiring investments to be diversified to reduce the risk of loss resulting from over concentration of assets in a specific issue or specific class of securities. The following table includes the percentage of each investment type held by the City at December 31, 2015:

<u>Investment type</u>	<u>Fair Value</u>	<u>% of Total</u>
FFCB	\$ 2,997,310	12.27
FHLB	4,993,640	20.44
FNMA	1,004,420	4.11
U.S. Treasury Notes	12,960,130	53.06
STAR Ohio	<u>2,473,374</u>	<u>10.12</u>
Total	<u>\$ 24,428,874</u>	<u>100.00</u>

C. Reconciliation of Cash and Investments to the Statement of Net Position

The following is a reconciliation of cash and investments as reported in the note above to cash and investments as reported on the statement of net position as of December 31, 2015:

<u>Cash and investments per note</u>	
Carrying amount of deposits	\$ 30,570,592
Investments	24,428,874
Cash with fiduciary agent	<u>443,701</u>
Total	<u>\$ 55,443,167</u>

<u>Cash and investments per statement of net position</u>	
Governmental activities	\$ 31,645,554
Business-type activities	23,571,010
Fiduciary funds	<u>226,603</u>
Total	<u>\$ 55,443,167</u>

CITY OF FINDLAY, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2015

NOTE 5 - INTERFUND TRANSFERS

Interfund transfers for 2015 consisted of the following as reported in the fund financial statements:

Transfers To	Transfers From			Total
	General	Street Maintenance and Repair	Nonmajor Governmental	
General	\$ -	\$ 463,438	\$ 1,172,179	\$ 1,635,617
Street Maintenance and Repair	5,917,888	-	-	5,917,888
Nonmajor Governmental	963,165	-	130,078	1,093,243
Airport	41,613	-	-	41,613
Nonmajor Enterprise	102,400	-	-	102,400
Internal Service	95,000	-	-	95,000
Total	\$ 7,120,066	\$ 463,438	\$ 1,302,257	\$ 8,885,761

Transfers are used to (1) move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them, (2) move receipts restricted to debt service from the funds collecting the receipts to the debt service fund as debt service payments become due, and (3) use unrestricted revenues collected in the general fund to finance various programs accounted for in other funds in accordance with budgetary authorizations. Transfers between governmental funds are eliminated for reporting on the statement of activities. Net transfers between governmental funds and enterprise funds are reported as transfers on the statement of activities.

The \$463,438 transfer from the street maintenance and repair fund to the general fund is the return of monies previously provided for street projects from the city income tax fund (which is a component of the general fund). Once the projects are complete, any monies left over from the initial funding of the projects are returned to the fund which initially funded the projects.

The \$1,172,179 transfer from the nonmajor governmental funds to the general fund consist of the following: (1) a \$247,413 transfer from the police pension fund related to the payment of police pension costs incurred in the general fund, (2) a \$247,413 transfer from the fire pension fund related to the payment of fire pension costs incurred in the general fund, (3) a \$247,353 transfer from the debt service fund to return monies previously provided by the city income tax fund (which is a component of the general fund). As the debt obligations are satisfied, any monies remaining from the initial funding of those obligations are returned to the fund which initially funded the debt service payments, and (4) \$430,000 from the capital improvement fund to finance municipal court improvement project being accounted for in the general fund.

The \$130,078 transfer from the nonmajor governmental funds to the nonmajor governmentml fund was to move is the collection of county permissive license tax to the debt service fund to pay debt service charges on debt issued for which the permissive license tax was levied.

In addition to the above cash-basis transfers, the City has reported a \$623,934 GAAP-basis transfer of storm sewer lines out of the water pollution control fund and into the governmental activities. This GAAP-basis transfer of capital assets is reported as a transfer out in the water pollution control fund and is reflected in the net "transfers" between business-type activities and governmental activities on the statement of activities. Storm sewers are infrastructure capital assets of the governmental activities.

CITY OF FINDLAY, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2015

NOTE 6 - TAXES

A. Property Tax

Property taxes include amounts levied against all real and public utility property located in the City. Taxes collected from real property taxes (other than public utility) in one calendar year are levied in the preceding calendar year on the assessed value as of January 1 of that preceding year, the lien date. Assessed values are established by the County Auditor at 35 percent of appraised market value. All property is required to be revaluated every six years. Real property taxes are payable annually or semi-annually. If paid annually, payment is due December 31; if paid semi-annually, the first payment is due December 31, with the remainder payable by June 20. Under certain circumstances, State statute permits later payment dates to be established.

Public utility real and tangible personal property taxes collected in one calendar year are levied in the preceding calendar year on assessed values determined as of December 31 of the second year preceding the tax collection year, the lien date. Public utility tangible personal property is assessed at varying percentages of true value; public utility real property is assessed at 35 percent of true value. 2015 public utility property taxes became a lien December 31, 2014, are levied after October 1, 2015, and are collected in 2016 with real property taxes. Public utility property taxes are payable on the same dates as real property taxes described previously.

The County Auditor collects property taxes on behalf of all taxing districts in the County, including the City of Findlay. The County Auditor periodically remits to the City its portion of the taxes collected. Property taxes receivable represents real property taxes, public utility taxes and outstanding delinquencies which are measurable as of December 31, 2015 and for which there is an enforceable legal claim. In the governmental funds, the current portion receivable has been offset by a deferred inflow of resources since the current taxes were not levied to finance 2015 operations and the collection of delinquent taxes has been offset by a deferred inflow of resources since the collection of the taxes during the available period is not subject to reasonable estimation. On a full accrual basis, collectible delinquent property taxes have been recorded as a receivable and revenue while on a modified accrual basis the revenue is reported as a deferred inflow of resources.

The tax rate applicable to the 2015 operations was 3.2 mills. The assessed values of real and public utility property upon which 2015 property tax receipts were based are as follows:

Real property	\$ 761,952,790
Real and personal public utility	<u>32,382,770</u>
Total assessed value	<u>\$ 794,335,560</u>

CITY OF FINDLAY, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2015

NOTE 6 - TAXES - (Continued)

B. City Income Tax

The City levies an income tax of 1.00% on the gross salaries, wages, and other service compensation earned by residents of the City and to the earnings of nonresidents working within the City. The City income tax rate was and has been 1.00% since it was imposed on January 1, 1967. Effective January 1, 2010, the income tax rate had been increased to 1.25% for a period of three years and the temporary 0.25% tax increase ended at December 31, 2012. Beginning January 1, 2013, the City's income tax rate reverted back to 1.0%. This tax also applies to the net income of businesses operating within the City. The City also requires certain employers to remit withholding taxes on a monthly basis as opposed to a quarterly basis.

The receipts of the City income tax and the administrative costs associated with their collection are accounted for in the city income tax administration fund (a component of the general fund for financial reporting purposes). Income tax receipts, net of the related administrative costs, are disbursed, appropriated, and allocated in accordance with City Ordinance. For 2015, 82% will be transferred to the general fund and 18% will be restricted within the city income tax administration fund (a component of the general fund for financial reporting purposes) for capital improvements. For 2016, 81% will be transferred to the general fund and 19% will be restricted within the city income tax administration fund (a component of the general fund for financial reporting purposes) for capital improvements. The allocation is determined by ordinance of Council and can be changed by Council at any time.

The city income tax administration fund is reported as a component of the general fund for GAAP reporting. As such, transfers between the city income tax administration fund and the general fund have been eliminated. The general fund reported income tax revenues of \$23,333,535 for 2015.

NOTE 7 - RECEIVABLES

A. Proprietary Funds

The City's receivables from outside parties at December 31, 2015, by fund, are shown as follows:

	Major Funds				Internal Service Funds	Total Proprietary Funds
	Water	Water Pollution Control	Airport			
Billed and unbilled charges for services	\$ 1,121,685	\$ 1,582,167	\$ 42,769	\$ -	\$ 2,746,621	
Accrued interest - unrestricted	6,570	6,092	-	208	12,870	
Total receivables, net of allowances	\$ 1,128,255	\$ 1,588,259	\$ 42,769	\$ 208	\$ 2,759,491	
Total due from outside parties	\$ 1,128,255	\$ 1,588,259	\$ 42,769	\$ 208	\$ 2,759,491	

Residents are billed on a bi-monthly basis for water and wastewater service with approximately one-half of the City's customers being billed each month. Unbilled service receivables are accrued based upon the consumption for the applicable area of the City during the related period. Accrued interest represents the amount of interest that has accrued on investments as of December 31, 2015. All receivables for the proprietary funds are expected to be collected within the subsequent year.

CITY OF FINDLAY, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2015

NOTE 7 - RECEIVABLES - (Continued)

B. Governmental Funds

The City's receivables from outside parties at December 31, 2015, by fund, are shown as follows:

	Major Funds			
	General	Street Maintenance and Repair	Nonmajor Governmental Funds	Total Governmental Funds
	_	_	_	_
Income taxes	\$ 6,746,429	\$ -	\$ -	\$ 6,746,429
Property taxes	2,077,864	-	481,438	2,559,302
Hotel/motel taxes	116,770	-	-	116,770
Economic development loans	-	-	845,741	845,741
Special assessments	-	-	159,941	159,941
Tax increment financing payments	-	-	181,975	181,975
Miscellaneous	56,037	7,328	-	63,365
Accrued interest - unrestricted	20,031	747	385	21,163
Total receivables, net of allowances	<u>\$ 9,017,131</u>	<u>\$ 8,075</u>	<u>\$ 1,669,480</u>	<u>\$ 10,694,686</u>
Due from other governments:				
Property tax rollbacks	\$ 108,634	\$ -	\$ 25,122	\$ 133,756
Estate taxes	3,097	-	-	3,097
Local government funds	214,985	-	-	214,985
State tax	22,151	-	-	22,151
Fuel tax	-	690,761	40,203	730,964
Motor vehicle license fees	-	167,472	13,578	181,050
Grants	644,287	-	-	644,287
Total due from other governments	<u>\$ 993,154</u>	<u>\$ 858,233</u>	<u>\$ 78,903</u>	<u>\$ 1,930,290</u>
Total due from outside parties	<u>\$ 10,010,285</u>	<u>\$ 866,308</u>	<u>\$ 1,748,383</u>	<u>\$ 12,624,976</u>

The stated receivable amounts are net of the applicable allowance for uncollectibles. Such allowance balances are not significant in relation to the respective receivable balances.

City income taxes accrued at December 31, 2015 represent income taxes due the City at year end. Delinquent income taxes represent interest, penalties, and additional taxes due as a result of audits of returns filed.

Property taxes accrued at December 31, 2015 represent the City's portion of 2016 taxes to be collected by the Hancock County Treasurer during 2016 based on the assessed value of property described in Note 6.A.

Hotel/Motel taxes accrued at December 31, 2015 represent 2015 transient lodging taxes due to the City at year end and collected in the first quarter of 2016 from hotels and motels located within the City's corporation limits.

CITY OF FINDLAY, OHIO

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2015**

NOTE 7 - RECEIVABLES - (Continued)

Economic development loans receivable at December 31, 2015 reported in the Revolving Loan Fund (a nonmajor governmental fund) represent loans to qualified businesses for the purpose of economic development. These loans are being repaid over a number of years.

Special assessments represent amounts due from taxpayers for certain pavement, sidewalk, and storm sewer work performed by the City. Special assessments are collected over a number of years.

Tax increment financing payments accrued at December 31, 2015 represent 2015 service payments in lieu of taxes for improvement projects performed benefitting specific real estate parcels.

Accrued interest represents the amount of interest that has accrued on investments as of December 31, 2015.

Due from other governments in the general fund represents 2015 State taxes, local government monies and property tax rollbacks (intergovernmental) anticipated to be received by the City from January 1, 2016 through June 30, 2016 and estate taxes due at December 31, 2015. In addition, the General fund has a grant receivable at December 31, 2015 for monies due the City related to the McLane 629 Project and the Eagle Creek Project.

Due from other governments in the special revenue funds represents 2015 motor vehicle license fees, gasoline excise taxes, and property tax rollbacks anticipated to be received by the City from January 1, 2016 to June 30, 2016.

The only receivables for the governmental funds that are not expected to be collected within the subsequent year are the special assessments and economic development loans which are collected over the life of the assessment or the life of the loan, respectively.

CITY OF FINDLAY, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2015

NOTE 8 - CAPITAL ASSETS

A. Governmental activities

Governmental activities capital asset activity for the year ended December 31, 2015, was as follows:

	Balance			Balance
<u>Governmental activities:</u>	<u>12/31/14</u>	<u>Additions</u>	<u>Disposals</u>	<u>12/31/15</u>
<i>Capital assets, not being depreciated:</i>				
Land	\$ 8,875,082	\$ -	\$ -	\$ 8,875,082
Nondepreciable land improvements	653,392	-	-	653,392
Computer software	678,510	60,091	-	738,601
Construction in progress	2,989,689	1,092,629	(2,706,965)	1,375,353
Total capital assets, not being depreciated	<u>13,196,673</u>	<u>1,152,720</u>	<u>(2,706,965)</u>	<u>11,642,428</u>
<i>Capital assets, being depreciated:</i>				
Buildings and improvements	12,307,471	-	-	12,307,471
Improvements other than buildings	6,695,898	254,630	-	6,950,528
Equipment	15,144,645	1,221,250	(593,628)	15,772,267
Infrastructure	105,392,385	8,196,961	(258,159)	113,331,187
Total capital assets, being depreciated	<u>139,540,399</u>	<u>9,672,841</u>	<u>(851,787)</u>	<u>148,361,453</u>
<i>Less: accumulated depreciation:</i>				
Buildings and improvements	(5,470,517)	(239,219)	-	(5,709,736)
Improvements other than buildings	(1,710,834)	(276,808)	-	(1,987,642)
Equipment	(11,243,271)	(1,046,093)	590,234	(11,699,130)
Infrastructure	(51,866,851)	(2,948,707)	255,796	(54,559,762)
Total accumulated depreciation	<u>(70,291,473)</u>	<u>(4,510,827)</u>	<u>846,030</u>	<u>(73,956,270)</u>
Total capital assets, being depreciated, net	<u>69,248,926</u>	<u>5,162,014</u>	<u>(5,757)</u>	<u>74,405,183</u>
Governmental activities capital assets, net	<u>\$ 82,445,599</u>	<u>\$ 6,314,734</u>	<u>\$ (2,712,722)</u>	<u>\$ 86,047,611</u>

CITY OF FINDLAY, OHIO

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2015**

NOTE 8 - CAPITAL ASSETS - (Continued)

Depreciation expense was charged to functions/programs of the City as follows:

Governmental activities:

General government	\$ 379,329
Security of persons and property	524,624
Transportation	3,199,628
Leisure time activities	347,278
Public health and welfare	<u>31,403</u>
Total depreciation expense	4,482,262
Accumulated depreciation on capital assets transferred from Water fund	<u>28,565</u>
Increase in accumulated depreciation	<u><u>\$ 4,510,827</u></u>

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CITY OF FINDLAY, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2015

NOTE 8 - CAPITAL ASSETS - (Continued)

B. Business-type activities

Business-type activities capital asset activity for the year ended December 31, 2015, was as follows:

<u>Business-type activities:</u>	<u>Balance</u> <u>12/31/14</u>	<u>Additions</u>	<u>Disposals</u>	<u>Balance</u> <u>12/31/15</u>
<i>Capital assets, not being depreciated:</i>				
Land	\$ 4,734,694	\$ -	\$ -	\$ 4,734,694
Computer software	100,272	-	-	100,272
Construction in progress	<u>3,529,812</u>	<u>2,970,822</u>	<u>(728,805)</u>	<u>5,771,829</u>
Total capital assets, not being depreciated	<u>8,364,778</u>	<u>2,970,822</u>	<u>(728,805)</u>	<u>10,606,795</u>
<i>Capital assets, being depreciated:</i>				
Buildings	1,632,539	-	-	1,632,539
Utility plant in service	77,346,550	-	-	77,346,550
Utility lines in service	103,779,357	1,673,804	(44,603)	105,408,558
Improvements other than buildings	28,619,052	332,583	-	28,951,635
Machinery and equipment	<u>8,836,033</u>	<u>638,408</u>	<u>(183,810)</u>	<u>9,290,631</u>
Total capital assets, being depreciated	<u>220,213,531</u>	<u>2,644,795</u>	<u>(228,413)</u>	<u>222,629,913</u>
<i>Less: accumulated depreciation:</i>				
Buildings	(1,631,631)	(495)	-	(1,632,126)
Utility plant in service	(33,181,671)	(1,506,852)	-	(34,688,523)
Utility lines in service	(24,230,575)	(1,250,130)	19,280	(25,461,425)
Improvements other than buildings	(11,151,541)	(942,996)	-	(12,094,537)
Machinery and equipment	<u>(8,493,508)</u>	<u>(792,906)</u>	<u>164,678</u>	<u>(9,121,736)</u>
Total accumulated depreciation	<u>(78,688,926)</u>	<u>(4,493,379)</u>	<u>183,958</u>	<u>(82,998,347)</u>
Total capital assets, being depreciated, net	<u>141,524,605</u>	<u>(1,848,584)</u>	<u>(44,455)</u>	<u>139,631,566</u>
Business-type activities capital assets, net	<u>\$ 149,889,383</u>	<u>\$ 1,122,238</u>	<u>\$ (773,260)</u>	<u>\$ 150,238,361</u>

CITY OF FINDLAY, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2015

NOTE 8 - CAPITAL ASSETS - (Continued)

Depreciation expense was charged to the enterprise funds of the City as follows:

Business-type activities:

Water	\$ 1,392,839
Water pollution control	2,205,431
Airport	857,820
Parking	6,451
Swimming pool	<u>30,838</u>
Total depreciation expense	<u>\$ 4,493,379</u>

NOTE 9 - RISK MANAGEMENT

A. Municipal Liability Self-Insurance Fund

During 1987, the City established a Self-Insurance Fund which has been recorded as part of the Internal Service Funds. This Self-Insurance Fund serves the purpose of handling, processing, and paying general municipality liability insurance claims in lieu of purchasing general municipality liability insurance.

The City's plan covers a limit of \$1,000,000 per occurrence for bodily injury liability and \$1,000,000 aggregate for property damage liability. No settlements have exceeded this insurance coverage in any of the past three years. The City is fully insured through premium-based insurance policies for most other types of insurance including building and contents, fleet, workers' compensation, public officials' liability, etc. There has been no significant reduction in coverage from the prior year.

The City's policy for reporting a claims liability is based on the requirements GASB Statement No. 10, "Accounting and Financial Reporting for Risk Financing and Related Insurance Issues", as amended by GASB Statement No. 30, "Risk Financing Omnibus", which requires that a liability for unpaid claims costs, including estimates of costs relating to incurred, but not reported claims, be accrued at the estimated ultimate cost of settling the claims. It is the opinion of the City's legal counsel that, as of December 31, 2015, there were no material outstanding claims pending for the Self-Insurance fund. Claims activity for 2015 and 2014 are as follows:

Year	Balance at Beginning of Year	Current Year Claims and Changes in Estimates	Claim Payments	Balance at End of Year
2015	\$ -	\$ 23,062	\$ (23,062)	\$ -
2014	-	59,848	(59,848)	-

CITY OF FINDLAY, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2015

NOTE 9 - RISK MANAGEMENT - (Continued)

B. Individual Retrospective Workers' Compensation Plan

For the period 2010 through 2013, the City participated in the Ohio Bureau of Workers' Compensation (Bureau) Retrospective Rating Plan (the Plan). The alternative rating program requires the City to pay only administrative charges to the Bureau, and in turn the City assumes the responsibility of paying all claims incurred during the policy period for up to ten years. After the tenth year, the Bureau will assume any existing claim for its duration. The City will be charged an actuarial amount for the claims transferred to the Bureau. The City's stop-loss coverage through the Plan is limited to \$300,000 per claim with a stop-loss annual coverage aggregate of 200% of the experience premium if the City would not have participated in the Plan. The City discontinued participation in the individual retrospective rating plan effective January 1, 2014 and joined a group retrospective rating plan (described below). The City will continue to report activity related to the individual retrospective rating plan for a ten year period ending 2023.

The City's activity related the Plan is accounted for in an internal service fund which will pay for all claims, claim reserves and administrative costs of the program. The internal service fund generates revenues by charging each fund a percentage rate determined by the City as recommended by its third party administrator for workers' compensation for the payroll during the reporting period. The City has reported a liability in the financial statements amounting to \$57,130 that will be used for future claims payments. This liability has been reported as "workers' compensation payable" in the financial statements. Changes in the workers' compensation payable liability in 2015 and 2014 are as follows:

Year	Balance at Beginning of Year	Current Year Claims and Changes in Estimates	Claim Payments	Balance at End of Year
2015	\$ 36,818	\$ 41,120	\$ (20,808)	\$ 57,130
2014	81,233	214,437	(258,852)	36,818

C. Group Retrospective Workers' Compensation Plan

The City participates in the Bureau's Group Retrospective Rating Plan. Under this plan, the City pays an individual annual premium to the Bureau and has the opportunity to receive retrospective premium adjustments based upon the combined performance of the group. Depending on that performance, the participating employers can receive either a premium refund or assessment. The Group Retrospective Rating Plan provides incentives to the group retro members to control and reduce losses.

CITY OF FINDLAY, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2015

NOTE 9 - RISK MANAGEMENT - (Continued)

D. Medical, Dental and Prescription Drug Benefits

The City is self-insured for medical, dental, vision and prescription drug benefits (the Program). The Program is administered through a third party administrator who manages and processes the claims. The City makes required payments to the third party administrator to reimburse them for the claim payments. The City's stop-loss coverage through the Program is limited to \$100,000 per claim with a stop-loss annual coverage aggregate that varies based upon the number of contracts in the Program. The City utilizes Findley Davies as its health benefits actuary. The City's policy for reporting a claims liability is based on the requirements GASB Statement No. 10, "Accounting and Financial Reporting for Risk Financing and Related Insurance Issues", as amended by GASB Statement No. 30, "Risk Financing Omnibus", which requires that a liability for unpaid claims costs, including estimates of costs relating to incurred, but not reported claims, be accrued at the estimated ultimate cost of settling the claims. The City has reported a liability in both the fund and government-wide financial statements amounting to \$381,874 for estimated claims payments incurred and due at year-end. This liability has been reported as "insurance deposits payable" in the financial statements. Changes in the insurance deposits payable liability in 2015 and 2014 follows:

<u>Year</u>	<u>Balance at Beginning of Year</u>	<u>Current Year Claims and Changes in Estimates</u>	<u>Claim Payments</u>	<u>Balance at End of Year</u>
2015	\$ 497,400	\$ 3,021,762	\$ (3,137,288)	\$ 381,874
2014	1,022,657	3,242,304	(3,767,561)	497,400

NOTE 10 - RESTRICTED ASSETS

Restricted assets at December 31, 2015 are comprised of the following:

	<u>Cash and Investments</u>
<u>Major governmental funds:</u>	
General fund:	
Restricted for capital improvements	\$ <u>4,528,258</u>
Total governmental activities	\$ <u>4,528,258</u>
<u>Major enterprise funds:</u>	
Water fund:	
Restricted for capital improvements to utility lines	\$ 775,720
Water Pollution Control fund:	
Restricted for capital improvements to utility lines	<u>4,295,580</u>
Total business-type activities	<u>\$ 5,071,300</u>

Restricted cash and investments in the governmental funds are equally offset by a fund balance commitment.

CITY OF FINDLAY, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2015

NOTE 11 - LONG-TERM OBLIGATIONS

A. Governmental activities

In 2015, the following changes occurred in the City's governmental activities long-term obligations:

Governmental activities:	Interest Rate	Maturity Date	Balance 12/31/14	Additions	Disposals	Balance 12/31/15	Amounts Due in One Year
<u>General obligation bonds</u>							
Series 2014 fire improvement refunding	0.96%	2016	\$ 390,500	\$ -	\$ (194,000)	\$ 196,500	\$ 196,500
Series 2014 HRC land acquisition refunding	0.96%	2015	100,000	-	(100,000)	-	-
Series 2008 HRC rehab	3.25 - 4.50%	2033	2,170,000	-	(30,000)	2,140,000	30,000
Series 2008 CR 236 land acquisition	3.25 - 4.50%	2033	640,000	-	(10,000)	630,000	10,000
Series 2008 CR 236 widening	3.25 - 4.50%	2028	3,185,000	-	(30,000)	3,155,000	30,000
Series 2008 five plex (ball diamonds)	3.25 - 4.00%	2018	800,000	-	(190,000)	610,000	195,000
Series 2011 energy bonds - Series A	2.96%	2019	337,767	-	(63,671)	274,096	65,555
Series 2011 energy bonds - Series B	5.40%		518,005	-	-	518,005	-
Total general obligation bonds			<u>8,141,272</u>	<u>-</u>	<u>(617,671)</u>	<u>7,523,601</u>	<u>527,055</u>
<u>Special assessment bonds</u>							
Series 2012 Hunters Creek drainage	2.79%	2022	158,000	-	(18,000)	140,000	18,000
Total special assessment bonds			<u>158,000</u>	<u>-</u>	<u>(18,000)</u>	<u>140,000</u>	<u>18,000</u>
<u>OPWC loans</u>							
Crystal/Melrose intersection	0%	2024	68,400	-	(7,200)	61,200	7,200
Howard Street improvements	0%	2026	86,056	-	(7,483)	78,573	7,484
Total OPWC loans payable			<u>154,456</u>	<u>-</u>	<u>(14,683)</u>	<u>139,773</u>	<u>14,684</u>
<u>Other long-term obligations</u>							
Police and fire past service liability	4.30%	2035	1,016,345	-	(32,012)	984,333	33,387
Compensated absences			3,559,559	1,815,854	(1,537,930)	3,837,483	1,602,025
Net pension liability:							
OPERS			5,594,887	129,290	-	5,724,177	-
OP&F			19,022,998	1,211,234	-	20,234,232	-
Total net pension liability			<u>24,617,885</u>	<u>1,340,524</u>	<u>-</u>	<u>25,958,409</u>	<u>-</u>
Total other long-term obligations			<u>29,193,789</u>	<u>3,156,378</u>	<u>(1,569,942)</u>	<u>30,780,225</u>	<u>1,635,412</u>
Total governmental activities long-term obligations			37,647,517	<u>\$ 3,156,378</u>	<u>\$ (2,220,296)</u>	38,583,599	<u>\$ 2,195,151</u>
Less: Unamortized discount on bond issue			(34,890)			(33,012)	
Total reported on the statement of net position			<u>\$ 37,612,627</u>			<u>\$ 38,550,587</u>	

CITY OF FINDLAY, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2015

NOTE 11 - LONG-TERM OBLIGATIONS - (Continued)

Series 2014 Various Purpose Bonds (Fire Improvement Refunding Portion)

On April 3, 2014, the City issued \$7,935,000 in various purpose general obligation bonds to fund water and sewer projects and to currently refund previously issued bonds. A portion of the proceeds, \$392,500, were issued for the purpose of currently refunding the remaining portion of the Series 2004 various purpose bonds (fire improvement refunding portion). Proceeds of the Series 2014 issue were deposited into an escrow fund to provide for the retirement of the Series 2004 various purpose bonds (fire improvement refunding portion). The refunded bonds were not included in the City's outstanding debt since the City has satisfied its obligations through the refunding (in-substance defeased). The assets held in trust as a result of the refunding are not included in the financial statements.

The refunding issue is comprised of current interest serial bonds, par value \$392,500. During 2015, the City made \$194,000 in principal payments on these bonds leaving a liability of \$196,500 at year end. Principal and interest payments are made from the debt service fund (a nonmajor governmental fund). The refunding bonds pay interest semiannually on January 1 and July 1 of each year and mature on July 1, 2016. The refunding bonds are general obligations of the City for which the full faith and credit of the City is pledged for repayment.

The reacquisition price exceeded the net carrying amount of the old debt by \$22,527. This amount is being netted against the new debt and amortized over the remaining life of the refunded debt, which is equal to the life of the refunding debt.

Series 2014 Various Purpose Bonds (HRC/CUBE Land Acquisition Refunding Portion)

On April 3, 2014, the City issued \$7,935,000 in various purpose general obligation bonds to fund water and sewer projects and to currently refund previously issued bonds. A portion of the proceeds, \$192,000, were issued for the purpose of currently refunding the remaining portion of the Series 2004 various purpose bonds (HRC/CUBE Land Acquisition portion). Proceeds of the Series 2014 issue were deposited into an escrow fund to provide for the retirement of the Series 2004 various purpose bonds (HRC/CUBE Land Acquisition portion). The refunded bonds were not included in the City's outstanding debt since the City has satisfied its obligations through the refunding (in-substance defeased). The assets held in trust as a result of the refunding are not included in the financial statements.

The refunding issue is comprised of current interest serial bonds, par value \$192,000. During 2015, the City made \$100,000 in principal payments on these bonds which retired the obligation in full. Principal and interest payments were made from the debt service fund (a nonmajor governmental fund). The refunding bonds pay interest semiannually on January 1 and July 1 of each year and matured on July 1, 2015. The refunding bonds were general obligations of the City for which the full faith and credit of the City is pledged for repayment.

Series 2008 Various Purpose Bonds (HRC/CUBE Rehab Portion)

On July 23, 2008, the City issued \$8,200,000 in various purpose general obligation bonds to fund various projects. A portion of the proceeds, \$2,340,000, was issued for the purpose of renovating, constructing, reconstructing, and expanding the HRC/CUBE, including acquisition of approximately 5.5 acres of land and interests in land adjacent to the HRC/CUBE, furnishing and equipping same; and all appurtenances relating thereto.

CITY OF FINDLAY, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2015

NOTE 11 - LONG-TERM OBLIGATIONS - (Continued)

During 2015, the City made \$30,000 in principal payments on these bonds leaving a liability of \$2,140,000 at year end. Principal and interest payments are made from the debt service fund (a nonmajor governmental fund). The bonds pay interest semiannually on January 1 and July 1 of each year and mature on July 1, 2033. These bonds are general obligations of the City for which the full faith and credit of the City are pledged for repayment.

Series 2008 Various Purpose Bonds (County Road 236 Land Acquisition Portion)

On July 23, 2008, the City issued \$8,200,000 in various purpose general obligation bonds to fund various projects. A portion of the proceeds, \$700,000, was issued for the purpose of acquiring right-of-way along County Road 236 between U.S. Rt. 224 and State Route 12 to be used for the County Road 236 widening project.

During 2015, the City made \$10,000 in principal payments on these bonds leaving a liability of \$630,000 at year end. Principal and interest payments are made from the debt service fund (a nonmajor governmental fund). The bonds pay interest semiannually on January 1 and July 1 of each year and mature on July 1, 2033. These bonds are general obligations of the City for which the full faith and credit of the City are pledged for repayment.

Series 2008 Various Purpose Bonds (County Road 236 Widening Portion)

On July 23, 2008, the City issued \$8,200,000 in various purpose general obligation bonds to fund various projects. A portion of the proceeds, \$3,355,000, was issued for the purpose of improving County Road 236 by widening, constructing, reconstructing, grading, repaving and constructing drainage improvements and related infrastructure with landscaping, traffic control devices, lighting, and other appurtenances relating thereto.

During 2015, the City made \$30,000 in principal payments on these bonds leaving a liability of \$3,155,000 at year end. Principal and interest payments are made from the debt service fund (a nonmajor governmental fund). The bonds pay interest semiannually on January 1 and July 1 of each year and mature on July 1, 2028. These bonds are general obligations of the City for which the full faith and credit of the City are pledged for repayment.

Series 2008 Various Purpose Bonds (5-Plex Portion)

On July 23, 2008, the City issued \$8,200,000 in various purpose general obligation bonds to fund various projects. A portion of the proceeds, \$1,805,000, were issued for the purpose of improving athletic field and a perimeter walkway for the HRC/CUBE 5-Plex (ball diamonds) Sports Complex (the "5-Plex"), including grading, landscaping, irrigation, paving, fencing, lighting, signage, and all other improvements and appurtenances thereto.

During 2015, the City made \$190,000 in principal payments on these bonds leaving a liability of \$610,000 at year end. Principal and interest payments are made from the debt service fund (a nonmajor governmental fund). The bonds pay interest semiannually on January 1 and July 1 of each year and mature on July 1, 2018. These bonds are general obligations of the City for which the full faith and credit of the City are pledged for repayment.

CITY OF FINDLAY, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2015

NOTE 11 - LONG-TERM OBLIGATIONS - (Continued)

Series 2011 Energy Bonds

On June 30, 2011, the City issued \$518,006 of energy improvement bonds - Series A and \$518,005 of energy improvement bonds - Series B to finance energy efficiency and conservation systems in the City. The bonds were issued through the State of Ohio Air Quality Development Authority (the "Authority"). On June 30, 2011, the City entered into a loan agreement with the Authority whereby the City agreed to pay the debt service payments on the bonds issued by the Authority. The Series B bonds are qualified energy bonds whose interest is partially subsidized by the federal government. The full amount of the interest expenditure is reported on the financial statements and the interest subsidy is reported as intergovernmental revenue. During 2015, the City received interest subsidies totaling \$18,457 from the federal government related to the Series B bonds. Principal and interest payments are made from the debt service fund (a nonmajor governmental fund). The bonds pay interest semiannually on June 1 and December 1 of each year and mature on December 1, 2019 (Series A bonds) and December 1, 2026 (Series B bonds). These bonds are general obligations of the City for which the full faith and credit of the City are pledged for repayment.

During 2015, the City made \$63,671 in principal payments on the Series A bonds leaving a liability of \$274,096 at year end. During 2015, the City made no principal payments on the Series B bonds with the liability remaining at \$518,005 at year end.

Ohio Public Works Commission (OPWC) Loans

The City has entered into loan agreements with the OPWC to finance Crystal/Melrose intersection improvements and Howard Street improvements. These loans are interest free and have twenty year terms. The OPWC loans may not be prepaid or retired prior to their scheduled maturity. The OPWC loans are being retired out of the debt service fund (a nonmajor governmental fund).

Special Assessment Bonds

The City has one special assessment bond outstanding at year end. Special assessments bonds were issued to provide various improvements throughout the City. The bonds will be repaid by tax assessments against the property owner whose benefits from the improvements exceed that of the general public. The bonds are secured by the full faith and credit of the City. In the event that an assessed property owner fails to make payments, the City will be required to pay the related debt. Interest on these bonds is payable semiannually at stated interest rates. The principal and interest payments are made from the debt service fund (a nonmajor governmental fund).

Police and Fire Past Service Liability

The City's accrued past service liability to the Ohio Police and Fire Pension Fund (OP&F) was determined and became a legal obligation to the State at the date the City became a participant in OP&F. The City pays this liability in semiannual installments of \$37,435 each, including principal and interest, through the year 2035. This liability has been recorded as a governmental activities long-term obligation using an implicit interest rate of approximately 4.3%. The principal and interest payments are recorded in the security of persons and property expenditures in the general fund on the governmental fund statements.

Compensated Absences

Compensated absences consist of vacation, holiday compensatory time and floating holiday balances due and payable at year-end. In addition, estimated sick time (severance) payments are also included as described in Note 2.K. Compensated absences will be paid from the general fund and the street maintenance and repair fund.

CITY OF FINDLAY, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2015

NOTE 11 - LONG-TERM OBLIGATIONS - (Continued)

Net Pension Liability

The City pays obligations related to employee compensation from the fund benefitting from their services. See Note 12 for further information.

Future Debt Service Requirements

The following is a schedule of future principal and interest payments to retire the governmental activities bonds and loans and police and fire past service liability outstanding at December 31, 2015:

Year Ending December 31,	General Obligation Bonds		
	Principal	Interest	Total
2016	\$ 527,055	\$ 317,002	\$ 844,057
2017	347,496	302,576	650,072
2018	359,494	290,079	649,573
2019	371,551	276,423	647,974
2020	390,021	262,305	652,326
2021 - 2025	2,149,882	1,047,395	3,197,277
2026 - 2030	2,088,102	561,053	2,649,155
2031 - 2033	1,290,000	117,900	1,407,900
Totals	<u>\$ 7,523,601</u>	<u>\$ 3,174,733</u>	<u>\$ 10,698,334</u>

Year Ending December 31,	Special Assessment Bonds			OPWC
	Principal	Interest	Total	Loans Principal
2016	\$ 18,000	\$ 3,906	\$ 21,906	\$ 14,684
2017	19,000	3,404	22,404	14,683
2018	20,000	2,873	22,873	14,683
2019	20,000	2,316	22,316	14,683
2020	21,000	1,758	22,758	14,683
2021 - 2025	42,000	1,758	43,758	62,616
2026	-	-	-	3,741
Totals	<u>\$ 140,000</u>	<u>\$ 16,015</u>	<u>\$ 156,015</u>	<u>\$ 139,773</u>

Year Ending December 31,	Police and Fire Past Service Liability		
	Principal	Interest	Total
2016	\$ 33,387	\$ 41,483	\$ 74,870
2017	34,821	40,049	74,870
2018	36,317	38,553	74,870
2019	37,877	36,993	74,870
2020	39,504	35,366	74,870
2021 - 2025	224,473	149,877	374,350
2026 - 2030	277,003	97,347	374,350
2031 - 2035	300,951	32,597	333,548
Totals	<u>\$ 984,333</u>	<u>\$ 472,265</u>	<u>\$ 1,456,598</u>

CITY OF FINDLAY, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2015

NOTE 11 - LONG-TERM OBLIGATIONS - (Continued)

B. Business-type activities

During 2015, the following changes occurred in the City's business-type activities long-term obligations:

Business-type activities:	Interest <u>Rate</u>	Maturity <u>Date</u>	Balance <u>12/31/14</u>	<u>Additions</u>	<u>Disposals</u>	Balance <u>12/31/15</u>	Due in <u>One Year</u>
<u>General obligation bonds:</u>							
Series 2014 water refunding	0.96%	2018	\$ 1,235,000	\$ -	\$ (300,000)	\$ 935,000	\$ 310,000
Series 2014 water pump station refunding	0.96%	2016	334,000	-	(168,000)	166,000	166,000
Series 2014 northern corridor sewer refunding	0.96%	2017	2,135,500	-	(708,000)	1,427,500	717,500
Series 2014 sewer bar screens	0.96%	2019	1,350,000	-	(265,000)	1,085,000	265,000
Series 2014 water clear wells	0.96%	2019	2,000,000	-	(395,000)	1,605,000	395,000
Series 2011 water refunding	1.95%	2018	950,000	-	(230,000)	720,000	235,000
Total general obligation bonds			<u>8,004,500</u>	<u>-</u>	<u>(2,066,000)</u>	<u>5,938,500</u>	<u>2,088,500</u>
<u>OWDA loans:</u>							
Bright Road interceptor and sewer separation	1.73%	2023	1,681,331	-	(185,267)	1,496,064	188,486
Sewer system improvements	4.36%	2021	14,641,052	-	(1,830,898)	12,810,154	1,911,596
Water plant improvements	3.25%	2026	2,720,348	-	(188,692)	2,531,656	194,874
Total OWDA loans			<u>19,042,731</u>	<u>-</u>	<u>(2,204,857)</u>	<u>16,837,874</u>	<u>2,294,956</u>
OPWC loans	0%	2019-2029	562,242	-	(55,339)	506,903	55,338
<u>Other long-term obligations:</u>							
Compensated absences			736,930	401,685	(296,847)	841,768	319,631
<u>Net pension liability - OPERS:</u>							
Water			1,540,034	35,588	-	1,575,622	-
Water Pollution Control			1,312,108	30,321	-	1,342,429	-
Airport			184,450	4,262	-	188,712	-
Parking			50,189	1,160	-	51,349	-
Total net pension liability - OPERS			<u>3,086,781</u>	<u>71,331</u>	<u>-</u>	<u>3,158,112</u>	<u>-</u>
Total other long-term obligations			<u>3,823,711</u>	<u>473,016</u>	<u>(296,847)</u>	<u>3,999,880</u>	<u>319,631</u>
Total business-type activities long-term obligations			<u>\$ 31,433,184</u>	<u>\$ 473,016</u>	<u>\$ (4,623,043)</u>	<u>\$ 27,283,157</u>	<u>\$ 4,758,425</u>

CITY OF FINDLAY, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2015

NOTE 11 - LONG-TERM OBLIGATIONS - (Continued)

Series 2014 Various Purpose Bonds (Water Refunding Portion)

On April 3, 2014, the City issued \$7,935,000 in various purpose general obligation bonds to fund water and sewer projects and to currently refund previously issued bonds. A portion of the proceeds, \$1,518,000, were issued for the purpose of currently refunding the remaining portion of the Series 2003 various purpose bonds (water refunding portion). Proceeds of the Series 2014 issue were deposited into an escrow fund to provide for the retirement of the Series 2004 various purpose bonds (water refunding portion). The refunded bonds were not included in the City's outstanding debt since the City has satisfied its obligations through the refunding (in-substance defeased). The assets held in trust as a result of the refunding are not included in the financial statements.

The refunding issue is comprised of current interest serial bonds, par value \$1,518,000. During 2015, the City made \$300,000 in principal payments on these bonds leaving a liability of \$935,000 at year end. Principal and interest payments are made from the water fund. The refunding bonds pay interest semiannually on January 1 and July 1 of each year and mature on July 1, 2018. The refunding bonds are general obligations of the City for which the full faith and credit of the City is pledged for repayment.

The reacquisition price exceeded the net carrying amount of the old debt by \$29,562. This amount is being netted against the new debt and amortized over the remaining life of the refunded debt, which is equal to the life of the refunding debt.

Series 2014 Various Purpose Bonds (Water Pump Station Refunding Portion)

On April 3, 2014, the City issued \$7,935,000 in various purpose general obligation bonds to fund water and sewer projects and to currently refund previously issued bonds. A portion of the proceeds, \$335,500, were issued for the purpose of currently refunding the remaining portion of the Series 2004 various purpose bonds (water pump station refunding portion). Proceeds of the Series 2014 issue were deposited into an escrow fund to provide for the retirement of the Series 2004 various purpose bonds (water pump station refunding portion). The refunded bonds were not included in the City's outstanding debt since the City has satisfied its obligations through the refunding (in-substance defeased). The assets held in trust as a result of the refunding are not included in the financial statements.

The refunding issue is comprised of current interest serial bonds, par value \$335,500. During 2015, the City made \$168,000 in principal payments on these bonds leaving a liability of \$166,000 at year end. Principal and interest payments are made from the water fund. The refunding bonds pay interest semiannually on January 1 and July 1 of each year and mature on July 1, 2016. The refunding bonds are general obligations of the City for which the full faith and credit of the City is pledged for repayment.

The reacquisition price exceeded the net carrying amount of the old debt by \$25,580. This amount is being netted against the new debt and amortized over the remaining life of the refunded debt, which is equal to the life of the refunding debt.

CITY OF FINDLAY, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2015

NOTE 11 - LONG-TERM OBLIGATIONS - (Continued)

Series 2014 Various Purpose Bonds (Northern Corridor Sewer Refunding Portion)

On April 3, 2014, the City issued \$7,935,000 in various purpose general obligation bonds to fund water and sewer projects and to currently refund previously issued bonds. A portion of the proceeds, \$2,147,000, were issued for the purpose of currently refunding the remaining portion of the Series 2004 various purpose bonds (northern corridor sewer refunding portion). Proceeds of the Series 2014 issue were deposited into an escrow fund to provide for the retirement of the Series 2004 various purpose bonds (northern corridor sewer refunding portion). The refunded bonds were not included in the City's outstanding debt since the City has satisfied its obligations through the current refunding (in-substance defeased). The assets held in trust as a result of the current refunding are not included in the financial statements.

The refunding issue is comprised of current interest serial bonds, par value \$2,147,000. During 2015, the City made \$708,000 in principal payments on these bonds leaving a liability of \$1,427,500 at year end. Principal and interest payments are made from the water pollution control fund. The refunding bonds pay interest semiannually on January 1 and July 1 of each year and mature on July 1, 2017. The refunding bonds are general obligations of the City for which the full faith and credit of the City is pledged for repayment.

The reacquisition price exceeded the net carrying amount of the old debt by \$161,383. This amount is being netted against the new debt and amortized over the remaining life of the refunded debt, which is equal to the life of the refunding debt.

Series 2014 Various Purpose Bonds (Sewer Bar Screens Portion)

On April 3, 2014, the City issued \$7,935,000 various purpose general obligation bonds to fund water and sewer projects and to refund previously issued bonds. A portion of the proceeds, \$1,350,000, were issued for the purpose of designing and installing bar screens for the oxidation ditches at the wastewater treatment plant and making related improvements to the municipal sewer system, including acquiring all necessary appurtenances thereto.

The refunding issue is comprised of current interest serial bonds, par value \$1,350,000. During 2015, the City made \$265,000 in principal payments on these bonds leaving a liability of \$1,085,000 at year end. Principal and interest payments are made from the water pollution control fund. The bonds pay interest semiannually on January 1 and July 1 of each year and mature on July 1, 2019. These bonds are general obligations of the City for which the full faith and credit of the City are pledged for repayment.

Series 2014 Various Purpose Bonds (Water Clear Wells Portion)

On April 3, 2014, the City issued \$7,935,000 various purpose general obligation bonds to fund water and sewer projects and to currently refund previously issued bonds. A portion of the proceeds, \$2,000,000, were issued for the purpose of modifying, repairing and/or replacing clear wells at the water treatment plant and making related improvements to the municipal water system, including all appurtenances thereto.

The refunding issue is comprised of current interest serial bonds, par value \$2,000,000. During 2015, the City made \$395,000 in principal payments on these bonds leaving a liability of \$1,605,000 at year end. Principal and interest payments are made from the water fund. The bonds pay interest semiannually on January 1 and July 1 of each year and mature on July 1, 2019. These bonds are general obligations of the City for which the full faith and credit of the City are pledged for repayment.

CITY OF FINDLAY, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2015

NOTE 11 - LONG-TERM OBLIGATIONS - (Continued)

Series 2011 Waterworks Improvement Refunding Bonds

On September 30, 2011, the City issued \$1,625,000 in waterworks improvement refunding bonds to currently refund the balance of the Series 1998 water improvement bonds. The remaining Series 1998 bonds were callable and have been retired through the current refunding.

The current refunding issue is comprised of current interest serial bonds, par value \$1,625,000. During 2015, the City made principal payments of \$230,000 on these bonds leaving a liability of \$720,000. Principal and interest payments are being made from the water fund. The refunding bonds pay interest semiannually on June 1 and December 1 of each year and mature on December 1, 2018. The refunding bonds are general obligations of the City for which the full faith and credit of the City is pledged for repayment.

The reacquisition price exceeded the net carrying amount of the old debt by \$51,681. This amount is being netted against the new debt and amortized over the remaining life of the refunded debt, which is equal to the life of the refunding debt.

Ohio Water Development Authority (OWDA) Loans

The City is eligible to borrow funds under the water pollution control loan fund agreement (WPCLFA) with the Ohio Water Development Authority to pay the approved eligible project costs of designing improvements to and extensions of the City's municipal sewerage system, including main sewer lines and additions to the City's water pollution control plant. In addition, the City has also borrowed funds through the OWDA (not part of the WPCLFA) to finance water treatment plant improvements.

On October 28, 1999, the City entered into a financing agreement with OWDA under the WPCLFA to borrow \$32,470,000 for sewer system improvements. The loan bears interest at 4.36% with principal and interest payments due semi-annually on January 1 and July 1 of each year. Effective January 1, 2016, the City will begin receiving a 3.0% interest subsidy from the OWDA on this loan effectively reducing the interest rate to 1.36%. The term of the loan is 20 years and payments on the loan began in 2001 after the borrowing was complete. Principal and interest payments are made from the water pollution control fund.

On August 30, 2001, the City entered into an additional financing agreement with OWDA under the WPCLFA to borrow \$3,597,546 for Bright Road interceptor and sewer separation. The loan bears interest at 1.73%, with principal and interest payments due semi-annually on January 1 and July 1 of each year. The term of the loan is 20 years and payments on the loan began in 2003 after the borrowing was complete. Principal and interest payments are made from the water pollution control fund.

On December 8, 2005, the City entered into a financing agreement with OWDA to borrow \$4,029,589 for water treatment plant improvements. The loan bears interest at 3.25% with principal and interest payments due semi-annually on January 1 and July 1 of each year. Effective January 1, 2016, the City will begin receiving a 3.0% interest subsidy from the OWDA on this loan effectively reducing the interest rate to 0.25%. The term of the loan is 20 years and payments on the loan began in 2006 after the borrowing was complete. Principal and interest payments are made from the water fund.

CITY OF FINDLAY, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2015

NOTE 11 - LONG-TERM OBLIGATIONS - (Continued)

Ohio Public Works Commission (OPWC) Loans

The City has entered into loan agreements with the OPWC to finance various water improvement projects. All OPWC loans are interest free and have twenty year terms. The OPWC loans are being retired out of the water fund.

Compensated Absences

Compensated absences consist of vacation, holivac, compensatory time and floating holiday balances due and payable at year-end. In addition, estimated sick time (severance) payments are also included as described in Note 2.K). Compensated absences will be paid from the water fund, water pollution control fund, airport fund and the parking fund (a nonmajor enterprise fund).

Net Pension Liability

The City pays obligations related to employee compensation from the fund benefitting from their services. See Note 12 for further information.

Future Debt Service Requirements

The following is a schedule of the future principal and interest payments to retire the business-type activities long-term bonds and loans at December 31, 2015. The future interest payments on the OWDA loans have been revised to include the 3.0% interest subsidy which is effective for interest payments made on or after January 1, 2016:

Year Ending December 31,	General Obligation Bonds			OPWC Loans Principal
	Principal	Interest	Total	
2016	\$ 2,088,500	\$ 64,138	\$ 2,152,638	
2017	1,930,000	41,762	1,971,762	
2018	1,235,000	20,858	1,255,858	
2019	<u>685,000</u>	<u>6,576</u>	<u>691,576</u>	
Totals	<u>\$ 5,938,500</u>	<u>\$ 133,334</u>	<u>\$ 6,071,834</u>	
Year Ending December 31,	OWDA Loans			OPWC Loans Principal
Principal	Interest	Total	Principal	
2016	\$ 2,294,956	\$ 643,689	\$ 2,938,645	\$ 55,338
2017	2,388,870	549,776	2,938,646	55,338
2018	2,486,761	451,882	2,938,643	55,338
2019	2,588,807	349,838	2,938,645	55,339
2020	2,695,181	243,462	2,938,643	47,413
2021 - 2025	4,114,293	247,009	4,361,302	181,588
2026 - 2029	<u>269,006</u>	<u>6,575</u>	<u>275,581</u>	<u>56,549</u>
Totals	<u>\$ 16,837,874</u>	<u>\$ 2,492,231</u>	<u>\$ 19,330,105</u>	<u>\$ 506,903</u>

CITY OF FINDLAY, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2015

NOTE 12 - DEFINED BENEFIT PENSION PLANS

Net Pension Liability/Asset

The net pension liability/asset reported on the statement of net position represents a liability or asset 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/asset 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/asset 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.

The 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 any net pension 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 or overfunded benefits is presented as a long-term *net pension liability* or *net pension asset*, respectively, 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/pension obligation payable* on both the accrual and modified accrual bases of accounting.

Plan Description – Ohio Public Employees Retirement System (OPERS)

Plan Description - City employees, other than full-time police and firefighters, participate in the Ohio Public Employees Retirement System (OPERS). OPERS administers three separate pension plans. The Traditional Pension Plan is a cost-sharing, multiple-employer defined benefit pension plan. The Member-Directed Plan is a defined contribution plan and the Combined Plan is a cost-sharing, multiple-employer defined benefit pension plan with defined contribution features. While members (e.g. City employees) may elect the Member-Directed Plan and the Combined Plan, substantially all employee members are in OPERS' Traditional Pension Plan.

CITY OF FINDLAY, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2015

NOTE 12 - DEFINED BENEFIT PENSION PLANS - (Continued)

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

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

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

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.

CITY OF FINDLAY, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2015

NOTE 12 - DEFINED BENEFIT PENSION PLANS - (Continued)

Benefits in the Combined Plan consist of both an age-and-service formula benefit (defined benefit) and a defined contribution element. The defined benefit element is calculated on the basis of age, FAS, and years of service. Eligibility regarding age and years of service in the Combined Plan is the same as the Traditional Pension Plan. The benefit formula for the defined benefit component of the plan for State and Local members in transition Groups A and B applies a factor of 1.0% to the member's FAS for the first 30 years of service. A factor of 1.25% is applied to years of service in excess of 30. The benefit formula for transition Group C applies a factor of 1.0% to the member's FAS and the first 35 years of service and a factor of 1.25% is applied to years in excess of 35. Persons retiring before age 65 with less than 30 years of service credit receive a percentage reduction in benefit. The defined contribution portion of the benefit is based on accumulated member contributions plus or minus any investment gains or losses on those contributions. Members retiring under the Combined Plan receive a 3% COLA adjustment on the defined benefit portion of their benefit.

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

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

	State and Local
2015 Statutory Maximum Contribution Rates	
Employer	14.0 %
Employee	10.0 %
 2015 Actual Contribution Rates	
Employer:	
Pension	12.0 %
Post-employment Health Care Benefits	2.0 %
Total Employer	14.0 %
Employee	10.0 %

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

The City's contractually required contribution for both the Traditional Pension Plan and the Combined Plan was \$1,161,801 for 2015. Of this amount, \$45,206 is reported as an accounts payable at year-end on the basic financial statements.

CITY OF FINDLAY, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2015

NOTE 12 - DEFINED BENEFIT PENSION PLANS - (Continued)

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 or by writing to the Ohio Police and Fire Pension Fund, 140 East Town Street, Columbus, Ohio 43215-5164.

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

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

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

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

Members retiring under normal service retirement, with less than 15 years of service credit on July 1, 2013, will receive a COLA equal to either 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.

CITY OF FINDLAY, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2015

NOTE 12 - DEFINED BENEFIT PENSION PLANS - (Continued)

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

	Police	Firefighters
2015 Statutory Maximum Contribution Rates		
Employer	19.50 %	24.00 %
Employee:		
January 1, 2015 through July 1, 2015	11.50 %	11.50 %
July 2, 2015 through December 31, 2015	12.25 %	12.25 %
 2015 Actual Contribution Rates		
Employer:		
Pension	19.00 %	23.50 %
Post-employment Health Care Benefits	0.50 %	0.50 %
 Total Employer	 19.50 %	 24.00 %
 Employee:		
January 1, 2015 through July 1, 2015	11.50 %	11.50 %
July 2, 2015 through December 31, 2015	12.25 %	12.25 %

Employer contribution rates are expressed as a percentage of covered payroll. The City's contractually required contribution to OP&F was \$1,674,831 for 2015. Of this amount \$57,532 is reported as an accounts payable at year-end on the basic financial statements.

In addition to current contributions, the City pays installments on a specific liability of the City incurred when the State of Ohio established the statewide pension system for police and fire fighters in 1967. As of December 31, 2015, the specific liability of the City was \$984,333 payable in semi-annual payments through the year 2035.

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

The net pension liability and net pension asset for the OPERS Traditional Pension Plan and Combined Plan, respectively, were measured as of December 31, 2014, and the total pension liability or asset used to calculate the net pension liability or asset was determined by an actuarial valuation as of that date. OP&F's total pension liability was measured as of December 31, 2014, and was determined by rolling forward the total pension liability as of January 1, 2014, to December 31, 2014. The City's proportion of the net pension liability or asset was based on the City's share of contributions to the pension plan relative to the contributions of all participating entities. Following is information related to the proportionate share and pension expense:

CITY OF FINDLAY, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2015

NOTE 12 - DEFINED BENEFIT PENSION PLANS - (Continued)

	<u>OPERS</u>	<u>OP&F</u>	<u>Total</u>
Proportionate share of the net pension liability	\$ 8,882,289	\$ 20,234,232	\$ 29,116,521
Proportionate share of the net pension asset	36,833	-	36,833
Proportion of the net pension liability	0.07364400%	0.39059080%	
Proportion of the net pension asset	0.09566100%	-	
Pension expense	\$ 991,322	\$ 1,975,309	\$ 2,966,631

At December 31, 2015, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>OPERS</u>	<u>OP&F</u>	<u>Total</u>
Deferred outflows of resources			
Net difference between projected and actual earnings on pension plan investments	\$ 476,180	\$ 872,077	\$ 1,348,257
Difference between employer contributions and proportionate share of contributions	2,171	6,220	8,391
City contributions subsequent to the measurement date	<u>1,161,801</u>	<u>1,674,831</u>	<u>2,836,632</u>
Total deferred outflows of resources	<u>\$ 1,640,152</u>	<u>\$ 2,553,128</u>	<u>\$ 4,193,280</u>
Deferred inflows of resources			
Differences between expected and actual experience	<u>\$ 167,283</u>	<u>\$ -</u>	<u>\$ 167,283</u>
Total deferred inflows of resources	<u>\$ 167,283</u>	<u>\$ -</u>	<u>\$ 167,283</u>

\$2,836,632 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/asset in the year ending December 31, 2016.

CITY OF FINDLAY, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2015

NOTE 12 - DEFINED BENEFIT PENSION PLANS - (Continued)

Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pension will be recognized in pension expense as follows:

Year Ending December 31:	<u>OPERS</u>	<u>OP&F</u>	<u>Total</u>
2016	\$ 46,711	\$ 219,574	\$ 266,285
2017	46,711	219,574	266,285
2018	105,830	219,574	325,404
2019	117,708	219,575	337,283
2020	(1,337)	-	(1,337)
2021 - 2024	(4,555)	-	(4,555)
Total	<u>\$ 311,068</u>	<u>\$ 878,297</u>	<u>\$ 1,189,365</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/asset in the December 31, 2014, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Wage inflation	3.75 percent
Future salary increases, including inflation	4.25 to 10.05 percent including wage inflation
COLA or ad hoc COLA	3 percent, simple
Investment rate of return	8 percent
Actuarial cost method	Individual entry age

Mortality rates were based on the RP-2000 Mortality Table projected 20 years using Projection Scale AA. For males, 105 percent of the combined healthy male mortality rates were used. For females, 100 percent of the combined healthy female mortality rates were used. The mortality rates used in evaluating disability allowances were based on the RP-2000 mortality table with no projections. For males 120 percent of the disabled male mortality rates were used set forward two years. For females, 100 percent of the disabled female mortality rates were used.

The most recent experience study was completed for the five year period ended December 31, 2010.

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.

CITY OF FINDLAY, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2015

NOTE 12 - DEFINED BENEFIT PENSION PLANS - (Continued)

OPERS manages investments in four investment portfolios: the Defined Benefits portfolio, the Health Care portfolio, the 115 Health Care Trust 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 is 6.95 percent for 2014.

The allocation of investment assets with the Defined Benefit portfolio is approved by the OPERS 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 2014 and the long-term expected real rates of return:

Asset Class	Target Allocation	Weighted Average Long-Term Expected Real Rate of Return (Arithmetic)
Fixed income	23.00 %	2.31 %
Domestic equities	19.90	5.84
Real estate	10.00	4.25
Private equity	10.00	9.25
International equities	19.10	7.40
Other investments	18.00	4.59
Total	100.00 %	5.28 %

Discount Rate - The discount rate used to measure the total pension liability/asset was 8 percent for both the Traditional Pension Plan and the Combined Plan. The projection of cash flows used to determine the discount rate assumed that contributions from plan members and those of the contributing employers are made at the statutorily required rates. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefits payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of the City's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate - The following table presents the City's proportionate share of the net pension liability/asset calculated using the current period discount rate assumption of 8 percent, as well as what the City's proportionate share of the net pension liability/asset would be if it were calculated using a discount rate that is one-percentage-point lower (7 percent) or one-percentage-point higher (9 percent) than the current rate:

	1% Decrease (7.00%)	Current Discount Rate (8.00%)	1% Increase (9.00%)
City's proportionate share of the net pension liability (asset):			
Traditional Pension Plan	\$ 16,340,867	\$ 8,882,289	\$ 2,600,370
Combined Plan	\$ 4,783	\$ (36,833)	\$ (69,833)

CITY OF FINDLAY, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2015

NOTE 12 - DEFINED BENEFIT PENSION PLANS - (Continued)

Actuarial Assumptions – OP&F

OP&F's total pension liability as of December 31, 2014 is based on the results of an actuarial valuation date of January 1, 2014, 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, 2014, are presented below:

Valuation date	January 1, 2014
Actuarial cost method	Entry age normal
Investment rate of return	8.25 percent
Projected salary increases	4.25 percent to 11 percent
Payroll increases	3.75 percent
Inflation assumptions	3.25 percent
Cost of living adjustments	2.60 percent and 3.00 percent

Rates of death are based on the RP2000 Combined Table, age-adjusted as follows. For active members, set back six years. For disability retirements, set forward five years for police and three years for firefighters. For service retirements, set back zero years for police and two years for firefighters. For beneficiaries, set back zero years. The rates are applied on a fully generational basis, with a base year of 2009, using mortality improvement Scale AA.

The most recent experience study was completed January 1, 2012.

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.

CITY OF FINDLAY, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2015

NOTE 12 - DEFINED BENEFIT PENSION PLANS - (Continued)

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, 2014 are summarized below:

Asset Class	Target Allocation	Long Term Expected Real Rate of Return
Cash and Cash Equivalents	- %	(0.25) %
Domestic Equity	16.00	4.47
Non-US Equity	16.00	4.47
Core Fixed Income *	20.00	1.62
Global Inflation Protected *	20.00	1.33
High Yield	15.00	3.39
Real Estate	12.00	3.93
Private Markets	8.00	6.98
Timber	5.00	4.92
Master Limited Partnerships	8.00	7.03
Total	<u>120.00 %</u>	

* levered 2x

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

Discount Rate - The total pension liability was calculated using the discount rate of 8.25 percent. The projection of cash flows used to determine the discount rate assumed the contributions from employers and from the members would be computed based on contribution requirements as stipulated by State statute. Projected inflows from investment earning were calculated using the longer-term assumed investment rate of return 8.25 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 8.25 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 (7.25 percent), or one percentage point higher (9.25 percent) than the current rate.

	1% Decrease (7.25%)	Current Discount Rate (8.25%)	1% Increase (9.25%)
City's proportionate share of the net pension liability	\$ 27,987,004	\$ 20,234,232	\$ 13,669,991

CITY OF FINDLAY, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2015

NOTE 13 - POSTRETIREMENT BENEFIT PLANS

A. Ohio Public Employees Retirement System

Plan Description - OPERS maintains a cost-sharing multiple employer defined benefit post-employment healthcare plan, which includes a medical plan, prescription drug program and Medicare Part B premium reimbursement, to qualifying members of both the Traditional Pension Plan and the Combined Plan. Members of the Member-Directed Plan do not qualify for ancillary benefits, including post-employment health care coverage.

To qualify for post-employment health care coverage, age-and-service retirees under the Traditional Pension and Combined Plans must have ten years or more of qualifying Ohio service credit. The Ohio Revised Code permits, but does not mandate, OPERS to provide OPEB benefits to its eligible members and beneficiaries. Authority to establish and amend benefits is provided in Chapter 145 of the Ohio Revised Code.

Disclosures for the healthcare plan are presented separately in the OPERS financial report which may be obtained by visiting <https://www.opers.org/financial/reports.shtml>, writing to OPERS, 277 East Town Street, Columbus, OH 43215-4642 or by calling (800) 222-7377.

Funding Policy - The post-employment healthcare plan was established under, and is administered in accordance with, Internal Revenue Code Section 401(h). State statute requires that public employers fund post-employment healthcare through contributions to OPERS. A portion of each employer's contribution to the Traditional or Combined Plans is set aside for the funding of post-employment health care.

Employer contribution rates are expressed as a percentage of the covered payroll of active employees. In 2015, local government employers contributed 14.00% of covered payroll. Each year the OPERS' Retirement Board determines the portion of the employer contribution rate that will be set aside for the funding of the postemployment health care benefits. The portion of employer contributions allocated to fund post-employment healthcare for members in the Traditional Plan and Combined Plan for 2015 was 2.00%.

The OPERS Retirement Board is also authorized to establish rules for the payment of a portion of the health care benefits provided, by the retiree or their surviving beneficiaries. Payment amounts vary depending on the number of covered dependents and the coverage selected. Active members do not make contributions to the post-employment healthcare plan.

The City's contributions allocated to fund post-employment health care benefits for the years ended December 31, 2015, 2014, and 2013 were \$193,634, \$187,496, and \$92,235, respectively; 96.66% has been contributed for 2015 and 100% has been contributed for 2014 and 2013. The remaining 2015 post-employment health care benefits liability has been accrued as an accounts payable at year-end on the basic financial statements.

Changes to the health care plan were adopted by the OPERS Board of Trustees on September 19, 2012, with a transition plan commencing January 1, 2014. With the recent passage of pension legislation under State Bill 343 and the approved health care changes, OPERS expects to be able to consistently allocate 4.00% of the employer contributions toward the health care fund after the end of the transition period.

CITY OF FINDLAY, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2015

NOTE 13 - POSTRETIREMENT BENEFIT PLANS

B. Ohio Police and Fire Pension Fund

Plan Description - The City contributes to the OP&F Pension Fund sponsored health care program, a cost-sharing multiple-employer defined postemployment health care plan administered by OP&F. OP&F provides healthcare benefits including coverage for medical, prescription drugs, dental, vision, Medicare Part B Premium and long term care to retirees, qualifying benefit recipients and their eligible dependents.

OP&F provides access to post-employment health care coverage to any person who receives or is eligible to receive a monthly service, disability or survivor benefit check or is a spouse or eligible dependent child of such person.

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

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

Funding Policy - The Ohio Revised Code provides for contribution requirements of the participating employers and of plan members to the OP&F (defined benefit pension plan). Participating employers are required to contribute to the pension plan at rates expressed as percentages of the payroll of active pension plan members, currently, 19.50% and 24.00% of covered payroll for police and fire employers, respectively. The Ohio Revised Code states that the employer contribution may not exceed 19.50% of covered payroll for police employer units and 24.00% of covered payroll for fire employer units. Active members do not make contributions to the OPEB Plan.

OP&F maintains funds for health care in two separate accounts, one account is for health care benefits under an Internal Revenue Code Section 115 trust and the other account is for Medicare Part B reimbursements administered as an Internal Revenue Code Section 401(h) account, both of which are within the defined benefit pension plan, under the authority granted by the Ohio Revised Code to the OP&F Board of Trustees.

The Board of Trustees is authorized to allocate a portion of the total employer contributions made into the pension plan into the Section 115 trust and the Section 401(h) account as the employer contribution for retiree health care benefits. For 2015, the portion of employer contributions allocated to health care was 0.50% of covered payroll. The amount of employer contributions allocated to the health care plan each year is subject to the Trustees' primary responsibility to ensure that the pension benefits are adequately funded and is limited by the provisions of Sections 115 and 401(h).

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

CITY OF FINDLAY, OHIO

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2015**

NOTE 13 - POSTRETIREMENT BENEFIT PLANS - (Continued)

The City's contributions to OP&F which were allocated to fund post-employment healthcare benefits for police officers and firefighters were \$19,444 and \$20,328 for the year ended December 31, 2015, \$17,688 and \$20,489 for the year ended December 31, 2014, and \$126,472 and \$147,616, for the year ended December 31, 2013. 100% has been contributed for 2014 and 2013. 96.65% has been contributed for police and 96.64% has been contributed for firefighters for 2015. The remaining 2015 post-employment health care benefits liability has been accrued as an accounts payable at year-end on the basic financial statements.

NOTE 14 - CONTINGENCIES

A. Grants

The City receives significant financial assistance from numerous federal and State agencies in the form of grants. The disbursement of funds received under these programs generally requires compliance with terms and conditions specified in the grant agreements and are subject to audit by the grantor agencies. Any disallowed claims resulting from such audits could become a liability of the general fund or other applicable funds. However, in the opinion of management, any such disallowed claims will not have a material effect on any of the financial statements of the individual fund types included herein or on the overall financial position of the City at December 31, 2015.

B. Contracts

As of December 31, 2015, the City had \$2,838,560 open on outstanding purchase orders and contracts. Of this amount, \$2,248,986 related to ongoing capital projects and the remaining amount of \$589,574 was for various departmental purchase orders outstanding at year end.

The City had no material operating lease commitments at December 31, 2015.

C. Litigation

The City is party to other legal proceedings as a defendant. Although the outcome of the legal proceedings is not presently determinable, it is the opinion of the City's legal counsel that resolution of these matters will not have a material, adverse effect on the financial condition of the City.

CITY OF FINDLAY, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2015

NOTE 15 - FUND BALANCE

In accordance with GASB Statement No. 54, 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 resources in the governmental funds. The constraints placed on fund balance for the major governmental funds and all other governmental funds are presented below:

Fund balance	General	Street Maintenance and Repair	Nonmajor Governmental Funds	Total Governmental Funds
Nonspendable:				
Materials and supplies inventory	\$ -	\$ 656,802	\$ -	\$ 656,802
Prepays	51,907	10,973	-	62,880
Permanent fund	-	-	1,344,168	1,344,168
Total nonspendable	<u>51,907</u>	<u>667,775</u>	<u>1,344,168</u>	<u>2,063,850</u>
Restricted:				
Capital projects	-	-	116,489	116,489
Debt service	-	-	1,005	1,005
Security of persons and property programs	-	-	56,650	56,650
General government operations	-	-	782,165	782,165
Transportation improvement projects	-	1,732,363	601,510	2,333,873
Economic development programs	-	-	1,109,538	1,109,538
Public health and welfare programs	-	-	1,237	1,237
Other purposes	2,614,069	-	-	2,614,069
Total restricted	<u>2,614,069</u>	<u>1,732,363</u>	<u>2,668,594</u>	<u>7,015,026</u>
Committed:				
Income tax administration	6,671,516	-	-	6,671,516
Future claims payments	1,969,921	-	-	1,969,921
Termination benefits	861,429	-	-	861,429
Total committed	<u>9,502,866</u>	<u>-</u>	<u>-</u>	<u>9,502,866</u>
Assigned:				
General government operations	226,951	-	-	226,951
Security of persons and property programs	20,700	-	-	20,700
Public health and welfare programs	183	-	-	183
Recreation activities	38,134	-	-	38,134
Subsequent year appropriations	142,570	-	-	142,570
Total assigned	<u>428,538</u>	<u>-</u>	<u>-</u>	<u>428,538</u>
Unassigned	<u>12,507,222</u>	<u>-</u>	<u>-</u>	<u>12,507,222</u>
Total fund balances	<u>\$ 25,104,602</u>	<u>\$ 2,400,138</u>	<u>\$ 4,012,762</u>	<u>\$ 31,517,502</u>

CITY OF FINDLAY, OHIO

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2015**

NOTE 16 - OTHER COMMITMENTS

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

<u>Fund</u>	<u>Year-End Encumbrances</u>
General fund	\$ 1,531,477
Street Maintenance and Repair	613,835
Nonmajor governmental funds	<u>8,600</u>
Total	<u>\$ 2,153,912</u>

NOTE 17 – SIGNIFICANT SUBSEQUENT EVENTS

Effective January 1, 2016, the City's Health Department merged with the Hancock County Health Department to form the Hancock Public Health District. The Health District operates independent of the City.

On March 1, 2016, the City passed an ordinance authorizing the issuance of bonds in an amount not to exceed \$6,335,000 for the purpose of advance refunding the Series 2008 HRC rehab bonds, the Series 2008 CR 236 land acquisition bonds, the Series 2008 CR 236 widening bonds, and the Series 2008 five plex (ball diamonds) bonds. As of the date of this report, the refunding bonds have not been issued although the City anticipates their issuance sometime in 2016.

REQUIRED SUPPLEMENTARY INFORMATION

CITY OF FINDLAY, OHIO

SCHEDULE OF REQUIRED SUPPLEMENTARY INFORMATION

SCHEDULE OF THE CITY'S PROPORTIONATE SHARE OF
THE NET PENSION LIABILITY/ASSET
OHIO PUBLIC EMPLOYEES RETIREMENT SYSTEM (OPERS)

LAST TWO YEARS

	<u>2014</u>	<u>2013</u>
<i>Traditional Plan:</i>		
City's proportion of the net pension liability	0.073644%	0.073644%
City's proportionate share of the net pension liability	\$ 8,882,289	\$ 8,681,668
City's covered-employee payroll	\$ 9,055,017	\$ 8,853,146
City's proportionate share of the net pension liability as a percentage of its covered-employee payroll	98.09%	98.06%
Plan fiduciary net position as a percentage of the total pension liability	86.45%	86.36%
 <i>Combined Plan:</i>		
City's proportion of the net pension asset	0.095661%	0.095661%
City's proportionate share of the net pension asset	\$ 36,833	\$ 10,038
City's covered-employee payroll	\$ 349,675	\$ 370,431
City's proportionate share of the net pension asset as a percentage of its covered-employee payroll	10.53%	2.71%
Plan fiduciary net position as a percentage of the total pension asset	114.83%	104.56%

Note: Information prior to 2013 was unavailable.

Amounts presented as of the City's measurement date which is the prior year.

SEE ACCOMPANYING NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION

CITY OF FINDLAY, OHIO

SCHEDULE OF REQUIRED SUPPLEMENTARY INFORMATION

**SCHEDULE OF THE CITY'S PROPORTIONATE SHARE OF
THE NET PENSION LIABILITY
OHIO POLICE AND FIRE (OP&F) PENSION FUND**

LAST TWO YEARS

	<u>2014</u>	<u>2013</u>
City's proportion of the net pension liability	0.39059080%	0.39059080%
City's proportionate share of the net pension liability	\$ 20,234,232	\$ 19,022,998
City's covered-employee payroll	\$ 7,669,047	\$ 7,579,883
City's proportionate share of the net pension liability as a percentage of its covered-employee payroll	263.84%	250.97%
Plan fiduciary net position as a percentage of the total pension liability	72.20%	73.00%

Note: Information prior to 2013 was unavailable.

Amounts presented as of the City's measurement date which is the prior year.

SEE ACCOMPANYING NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION

CITY OF FINDLAY, OHIO

SCHEDULE OF REQUIRED SUPPLEMENTARY INFORMATION

SCHEDULE OF CITY CONTRIBUTIONS
OHIO PUBLIC EMPLOYEES RETIREMENT SYSTEM (OPERS)

LAST SIX YEARS (1)

	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>
<i>Traditional Plan:</i>				
Contractually required contribution	\$ 1,121,557	\$ 1,086,602	\$ 1,150,909	\$ 940,601
Contributions in relation to the contractually required contribution	<u>(1,121,557)</u>	<u>(1,086,602)</u>	<u>(1,150,909)</u>	<u>(940,601)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
City's covered-employee payroll	\$ 9,346,308	\$ 9,055,017	\$ 8,853,146	\$ 9,406,010
Contributions as a percentage of covered-employee payroll	12.00%	12.00%	13.00%	10.00%
<i>Combined Plan:</i>				
Contractually required contribution	\$ 40,244	\$ 41,961	\$ 48,156	\$ 32,539
Contributions in relation to the contractually required contribution	<u>(40,244)</u>	<u>(41,961)</u>	<u>(48,156)</u>	<u>(32,539)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
City's covered-employee payroll	\$ 335,367	\$ 349,675	\$ 370,431	\$ 409,296
Contributions as a percentage of covered-employee payroll	12.00%	12.00%	13.00%	7.95%

(1) Information prior to 2010 not available.

SEE ACCOMPANYING NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION

<u>2011</u>	<u>2010</u>
\$ 925,667	\$ 802,628
<u>(925,667)</u>	<u>(802,628)</u>
<u>\$ -</u>	<u>\$ -</u>
\$ 9,256,670	\$ 8,998,072
10.00%	8.92%
\$ 31,362	\$ 33,121
<u>(31,362)</u>	<u>(33,121)</u>
<u>\$ -</u>	<u>\$ -</u>
\$ 394,491	\$ 341,806
7.95%	9.69%

CITY OF FINDLAY, OHIO

SCHEDULE OF REQUIRED SUPPLEMENTARY INFORMATION

SCHEDULE OF CITY CONTRIBUTIONS
OHIO POLICE AND FIRE (OP&F) PENSION FUND

LAST TEN YEARS

	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>
<i>Police:</i>				
Contractually required contribution	\$ 719,427	\$ 674,939	\$ 555,430	\$ 496,149
Contributions in relation to the contractually required contribution	<u>(719,427)</u>	<u>(674,939)</u>	<u>(555,430)</u>	<u>(496,149)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
City's covered-employee payroll	\$ 3,786,458	\$ 3,552,311	\$ 3,497,670	\$ 3,891,365
Contributions as a percentage of covered-employee payroll	19.00%	19.00%	15.88%	12.75%
<i>Fire:</i>				
Contractually required contribution	\$ 955,404	\$ 967,433	\$ 831,955	\$ 737,512
Contributions in relation to the contractually required contribution	<u>(955,404)</u>	<u>(967,433)</u>	<u>(831,955)</u>	<u>(737,512)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
City's covered-employee payroll	\$ 4,065,549	\$ 4,116,736	\$ 4,082,213	\$ 4,275,432
Contributions as a percentage of covered-employee payroll	23.50%	23.50%	20.38%	17.25%

SEE ACCOMPANYING NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION

<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>
\$ 475,227	\$ 470,011	\$ 481,420	\$ 525,904	\$ 487,557	\$ 429,039
<u>(475,227)</u>	<u>(470,011)</u>	<u>(481,420)</u>	<u>(525,904)</u>	<u>(487,557)</u>	<u>(429,039)</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
\$ 3,727,271	\$ 3,686,361	\$ 3,775,843	\$ 4,124,737	\$ 3,823,976	\$ 3,651,396
12.75%	12.75%	12.75%	12.75%	12.75%	11.75%
\$ 751,090	\$ 758,063	\$ 706,056	\$ 708,094	\$ 693,505	\$ 627,129
<u>(751,090)</u>	<u>(758,063)</u>	<u>(706,056)</u>	<u>(708,094)</u>	<u>(693,505)</u>	<u>(627,129)</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
\$ 4,354,145	\$ 4,394,568	\$ 4,093,078	\$ 4,104,893	\$ 4,020,319	\$ 3,744,054
17.25%	17.25%	17.25%	17.25%	17.25%	16.75%

CITY OF FINDLAY, OHIO

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
FOR THE YEAR ENDED DECEMBER 31, 2015

OHIO PUBLIC EMPLOYEES RETIREMENT SYSTEM (OPERS)

Changes in benefit terms : There were no changes in benefit terms from the amounts reported for 2014 and 2015.

Changes in assumptions : There were no changes in methods and assumptions used in the calculation of actuarial determined contributions for 2014 and 2015. See the notes to the basic financial statements for the methods and assumptions in this calculation.

OHIO POLICE AND FIRE (OP&F) PENSION FUND

Changes in benefit terms : There were no changes in benefit terms from the amounts reported for 2014 and 2015.

Changes in assumptions : There were no changes in methods and assumptions used in the calculation of actuarial determined contributions for 2014 and 2015. See the notes to the basic financial statements for the methods and assumptions in this calculation.

**COMBINING STATEMENTS
AND INDIVIDUAL FUND SCHEDULES**

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CITY OF FINDLAY, OHIO

COMPARATIVE BALANCE SHEET
GENERAL FUND

DECEMBER 31, 2015 AND 2014

	<u>2015</u>	<u>2014</u>
Assets:		
Equity in pooled cash and investments	\$ 19,823,301	\$ 17,577,608
Cash in segregated accounts.	37,560	28,622
Receivables (net of allowances of uncollectibles).	9,017,131	8,680,064
Due from other governments	993,154	384,347
Prepayments	51,907	45,471
Restricted assets:		
Equity in pooled cash and investments	4,528,258	6,374,483
Total assets.	<u>\$ 34,451,311</u>	<u>\$ 33,090,595</u>
Liabilities:		
Accounts payable	\$ 1,234,034	\$ 1,256,854
Accrued wages and benefits	439,588	410,608
Insurance deposits payable.	260,443	349,778
Compensated absences payable	32,375	47,574
Due to other governments	41,134	39,701
Total liabilities	<u>2,007,574</u>	<u>2,104,515</u>
Deferred inflows of resources:		
Property taxes levied for the next fiscal year.	2,077,864	2,057,318
Charges for services revenue not available	56,037	71,222
Income tax revenue not available	4,900,315	4,868,327
Intergovernmental revenue not available	304,919	328,055
Total deferred inflows of resources	<u>7,339,135</u>	<u>7,324,922</u>
Total liabilities and deferred inflows of resources.	<u>9,346,709</u>	<u>9,429,437</u>
Fund balance:		
Nonspendable.	51,907	45,471
Restricted	2,614,069	556,930
Committed	9,502,866	11,518,860
Assigned	428,538	437,476
Unassigned	12,507,222	11,102,421
Total fund balance.	<u>25,104,602</u>	<u>23,661,158</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 34,451,311</u>	<u>\$ 33,090,595</u>

CITY OF FINDLAY, OHIO

COMPARATIVE BALANCE SHEET
STREET MAINTENANCE AND REPAIR FUND

DECEMBER 31, 2015 AND 2014

	<u>2015</u>	<u>2014</u>
Assets:		
Equity in pooled cash and investments	\$ 2,137,487	\$ 2,011,724
Cash with escrow agent	94,773	63,208
Receivables (net of allowances of uncollectibles)	8,075	8,008
Due from other governments	858,233	709,539
Prepayments	10,973	8,842
Materials and supplies inventory	<u>656,802</u>	<u>667,633</u>
Total assets.	<u>\$ 3,766,343</u>	<u>\$ 3,468,954</u>
Liabilities:		
Accounts payable	\$ 466,303	\$ 321,611
Retainage payable	94,773	63,208
Accrued wages and benefits	42,285	35,179
Insurance deposits payable.	<u>32,044</u>	<u>37,525</u>
Total liabilities	<u>635,405</u>	<u>457,523</u>
Deferred inflows of resources:		
Charges for services revenue not available	7,329	1,812
Intergovernmental revenue not available	<u>723,471</u>	<u>567,961</u>
Total deferred inflows of resources	<u>730,800</u>	<u>569,773</u>
Total liabilities and deferred inflows of resources.	<u>1,366,205</u>	<u>1,027,296</u>
Fund balance:		
Nonspendable.	667,775	676,475
Restricted	<u>1,732,363</u>	<u>1,765,183</u>
Total fund balance	<u>2,400,138</u>	<u>2,441,658</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 3,766,343</u>	<u>\$ 3,468,954</u>

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CITY OF FINDLAY, OHIO
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCE - BUDGET (GAAP-BASIS) AND ACTUAL
GENERAL FUND

FOR THE YEAR ENDED DECEMBER 31, 2015
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED DECEMBER 31, 2014)

	Budgeted Amounts		Actual	Variance with	2014
	Original	Final		Final Budget	
				Positive (Negative)	
Revenues:					
Property and other local taxes	\$ 1,948,306	\$ 2,342,525	\$ 2,453,252	\$ 110,727	\$ 2,397,716
Charges for services	1,838,378	2,210,355	2,314,834	104,479	2,330,465
Licenses and permits.	245,778	295,509	309,477	13,968	314,881
Fines and forfeitures.	991,673	1,192,328	1,248,687	56,359	1,103,923
Intergovernmental	1,490,934	1,792,609	1,877,342	84,733	1,217,567
Investment income	65,032	78,191	81,887	3,696	43,234
Increase (decrease) in fair value of investments	(43,413)	(52,198)	(54,665)	(2,467)	(7,943)
Rental income.	52,527	63,155	66,140	2,985	74,303
Contributions and donations	315,842	379,749	397,699	17,950	10,917
Reimbursements.	790,486	950,433	995,358	44,925	1,117,910
Other	10,435	12,547	13,140	593	11,625
Total revenues	7,705,978	9,265,203	9,703,151	437,948	8,614,598
Expenditures:					
General government					
Council					
Personal services	115,526	116,241	112,975	3,266	111,407
Other	28,191	29,601	27,760	1,841	26,592
Mayors office					
Personal services	184,829	187,611	174,769	12,842	173,027
Other	40,624	40,684	26,443	14,241	16,375
Auditor/treasurer					
Personal services	472,005	478,743	435,219	43,524	416,552
Other	122,321	122,321	101,188	21,133	113,252
Law director					
Personal services	449,732	453,616	419,663	33,953	403,164
Other	143,360	143,360	128,280	15,080	119,300
Municipal court					
Personal services	1,350,594	1,363,890	1,251,673	112,217	1,221,155
Other	333,254	333,254	199,956	133,298	266,395
Civil service					
Personal services	83,009	84,068	79,182	4,886	76,565
Other	25,938	25,938	16,837	9,101	20,695
Computer services					
Personal services	185,156	191,928	176,267	15,661	229,110
Other	86,845	86,845	82,868	3,977	56,743
Service/safety director					
Personal services	162,054	158,314	152,046	6,268	158,390
Other	56,253	56,253	33,750	22,503	36,539
Engineering department					
Personal services	602,510	609,119	524,892	84,227	462,589
Other	155,905	155,905	92,128	63,777	114,209
General miscellaneous operations					
Other	1,868,791	1,876,591	1,591,764	284,827	1,430,454
Public building department					
Personal services	83,488	84,691	81,139	3,552	78,753
Other	258,261	252,450	203,733	48,717	179,221
Projects					
Other	-	338,973	338,973	-	226,977
Total general government	6,808,646	7,190,396	6,251,505	938,891	5,937,464

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CITY OF FINDLAY, OHIO
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCE - BUDGET (GAAP-BASIS) AND ACTUAL
GENERAL FUND (CONTINUED)

FOR THE YEAR ENDED DECEMBER 31, 2015
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED DECEMBER 31, 2014)

	Budgeted Amounts		Actual	Variance with	2014
	Original	Final		Final Budget	
				Positive (Negative)	
Security of persons and property					
Police department					
Personal services	6,048,087	6,104,409	5,793,374	311,035	5,596,107
Other	532,152	632,633	516,457	116,176	440,839
Disaster services					
Other	50,924	50,924	49,930	994	45,492
Fire department					
Personal services	6,655,245	6,734,753	6,183,286	551,467	6,136,621
Other	376,181	381,045	337,785	43,260	361,020
Dispatch					
Personal services	828,796	840,802	777,560	63,242	736,279
Other	132,030	142,938	121,988	20,950	117,273
Human resources					
Personal services	102,154	99,856	94,965	4,891	65,471
Other	38,914	38,914	34,674	4,240	30,268
Work Opportunity Rehabilitation Center (WORC)					
Personal services	91,329	71,335	65,136	6,199	55,520
Other	245,936	272,269	263,451	8,818	260,848
Projects					
Other	-	93,567	93,567	-	84,425
Total security of persons and property	15,101,748	15,463,445	14,332,173	1,131,272	13,930,163
Public health and welfare					
Planning and zoning					
Other	146,272	146,272	146,220	52	148,502
Public health department					
Personal services	1,089,495	1,099,300	1,041,953	57,347	964,353
Other	461,994	461,994	430,211	31,783	447,752
Zoning department					
Personal services	103,174	104,098	99,112	4,986	92,063
Other	12,338	12,338	6,141	6,197	7,514
Neighborhood Enhancement and Abatement Team (NEAT)					
Personal services	74,858	76,388	69,808	6,580	70,849
Other	31,209	31,209	15,224	15,985	24,618
Cemetery department					
Personal services	228,805	233,928	207,685	26,243	199,283
Other	75,413	75,133	61,750	13,383	51,507
Projects					
Other	-	116,445	116,445	-	121,493
Total public health and welfare	2,223,558	2,357,105	2,194,549	162,556	2,127,934

-- Continued

CITY OF FINDLAY, OHIO

**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCE - BUDGET (GAAP-BASIS) AND ACTUAL
GENERAL FUND (CONTINUED)**

FOR THE YEAR ENDED DECEMBER 31, 2015
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED DECEMBER 31, 2014)

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with</u>	<u>2014</u>
	<u>Original</u>	<u>Final</u>		<u>Final Budget</u>	
				<u>Positive</u>	
				<u>(Negative)</u>	
Leisure time activities					
Park maintenance					
Personal services	320,146	319,059	300,047	19,012	256,468
Other	169,440	172,740	147,312	25,428	138,639
Reservoir recreation					
Other	4,063	4,063	2,931	1,132	3,125
Recreation department					
Personal services	331,699	333,675	206,518	127,157	298,891
Other	528,719	517,014	506,735	10,279	469,983
Projects					
Other	-	5,222	5,222	-	11,440
Total leisure time activities	<u>1,354,067</u>	<u>1,351,773</u>	<u>1,168,765</u>	<u>183,008</u>	<u>1,178,546</u>
Capital outlay					
Security of persons and property.	-	827,496	827,496	-	165,695
Public health and welfare	-	104,540	104,540	-	64,681
Transportation	-	196,769	196,769	-	70,249
Leisure time activities	-	328,067	280,807	47,260	285,686
General government	-	288,760	288,760	-	353,299
Total capital outlay	<u>-</u>	<u>1,745,632</u>	<u>1,698,372</u>	<u>47,260</u>	<u>939,610</u>
Total expenditures	<u>25,488,019</u>	<u>28,108,351</u>	<u>25,645,364</u>	<u>2,462,987</u>	<u>24,113,717</u>
Excess of expenditures over revenues	<u>(17,782,041)</u>	<u>(18,843,148)</u>	<u>(15,942,213)</u>	<u>2,900,935</u>	<u>(15,499,119)</u>
Other financing sources (uses):					
Transfers in	18,186,965	21,866,912	22,900,520	1,033,608	18,555,923
Transfers out	(842,400)	(3,708,547)	(3,708,547)	-	(1,823,642)
Total other financing sources (uses).	<u>17,344,565</u>	<u>18,158,365</u>	<u>19,191,973</u>	<u>1,033,608</u>	<u>16,732,281</u>
Net change in fund balance	(437,476)	(684,783)	3,249,760	3,934,543	1,233,162
Fund balance, January 1	14,314,715	14,314,715	14,314,715	-	13,083,868
Increase (decrease) in prepaids	6,623	6,623	6,623	-	(2,315)
Fund balance, December 31	<u>\$ 13,883,862</u>	<u>\$ 13,636,555</u>	<u>\$ 17,571,098</u>	<u>\$ 3,934,543</u>	<u>\$ 14,314,715</u>

CITY OF FINDLAY, OHIO

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCE - BUDGET (GAAP-BASIS) AND ACTUAL
STREET MAINTENANCE AND REPAIR FUND

FOR THE YEAR ENDED DECEMBER 31, 2015
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED DECEMBER 31, 2014)

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with</u>	<u>2014</u>
	<u>Original</u>	<u>Final</u>		<u>Final Budget</u>	
				<u>Positive</u>	
				<u>(Negative)</u>	
Revenues:					
Property and other local taxes	\$ 900	\$ 631	\$ 688	\$ 57	\$ 736
Charges for services	116,000	122,301	133,349	11,048	136,930
Intergovernmental	1,767,000	2,796,981	3,049,656	252,675	2,954,202
Investment income	1,200	4,040	4,405	365	1,541
Rental income	3,633	4,480	4,885	405	3,587
Contributions and donations	-	-	-	-	7,322
Reimbursements.	3,000	6,759	7,370	611	13,981
Other	-	6,581	7,175	594	152
Total revenues	1,891,733	2,941,773	3,207,528	265,755	3,118,451
Expenditures:					
Current:					
Transportation					
Street department					
Personal services	1,782,204	1,834,045	1,687,971	146,074	1,599,476
Other	970,601	913,601	722,489	191,112	525,097
Traffic signals					
Personal services	141,596	141,596	138,513	3,083	133,745
Other	169,564	152,179	126,287	25,892	83,685
Total transportation.	3,063,965	3,041,421	2,675,260	366,161	2,342,003
Capital outlay					
Street improvements	-	4,381,942	4,323,534	58,408	3,714,635
Traffic signals	-	387,610	265,645	121,965	231,092
Storm sewers.	-	2,054,293	1,430,359	623,934	77,392
Total capital outlay	-	6,823,845	6,019,538	804,307	4,023,119
Total expenditures	3,063,965	9,865,266	8,694,798	1,170,468	6,365,122
Excess (deficiency) of revenues over (under) expenditures	(1,172,232)	(6,923,493)	(5,487,270)	1,436,223	(3,246,671)
Other financing sources (uses):					
Transfers in	770,000	6,482,275	5,917,888	(564,387)	4,332,370
Transfers out	-	(587,365)	(463,438)	123,927	(152,037)
Total other financing sources (uses)	770,000	5,894,910	5,454,450	(440,460)	4,180,333
Net change in fund balance	(402,232)	(1,028,583)	(32,820)	995,763	933,662
Fund balance, January 1	2,441,658	2,441,658	2,441,658	-	1,386,219
Increase (decrease) in reserve for inventory . . .	(10,831)	(10,831)	(10,831)	-	126,454
Increase (decrease) in prepaids.	2,131	2,131	2,131	-	(4,677)
Fund balance, December 31	\$ 2,030,726	\$ 1,404,375	\$ 2,400,138	\$ 995,763	\$ 2,441,658

CITY OF FINDLAY, OHIO

Nonmajor Special Revenue Funds

The special revenue funds are used to account for the proceeds of specific revenue sources (other than major capital projects) that are legally restricted to expenditures for specific purposes. The following are the nonmajor special revenue funds which the City of Findlay operates:

County Permissive Motor Vehicle License (MVL) Tax:

To account for the receipt and expenditures of all monies the City receives as its portion of a \$5.00 fee imposed by the County on the purchase of each motor vehicle license.

State Highway:

To account for state-levied and controlled gasoline tax and vehicle license fees for routine maintenance of state highways within the City.

Law Enforcement Trust:

To account for monies collected from the sale of contraband.

Drug Law Enforcement:

To account for the deposit and expenditure of mandatory fines for drug trafficking offenses.

Indigent Drivers Alcohol Treatment:

To account for monies received through the enforcement and implementation of Ohio traffic laws governing operation of a motor vehicle while under the influence of alcohol.

Enforcement and Education:

To account for a portion of fines imposed under the law. Expenditures are authorized only for the enforcement and education relating to laws governing operation of a motor vehicle while under the influence of alcohol.

Court Special Projects:

To account for monies received for specific court costs that are designated for funding the acquisition and maintenance of special projects for courts.

Court Computerization:

To account for monies received for specific court costs that are designated for funding the acquisition and maintenance of computerized equipment or software for courts.

METRICH Drug Law Enforcement Trust:

To account for federal funds received as a result of seizures in drug cases conducted with the METRICH drug task force.

Alcohol Monitoring:

To account for monies received through the enforcement and implementation of Ohio traffic laws governing operation of a motor vehicle while under the influence of alcohol.

Mediation Services:

To account for monies received for specific court costs that are designated to pay for the costs of promoting, establishing, maintaining, and improving court mediation programs.

Electronic Imaging:

To account for monies received for specific court costs that are designated for funding the acquisition and maintenance of computerized equipment or software for courts.

Legal Research:

To account for monies received for specific court costs that are designated for the purchase of computer equipment and services in the area of legal research for Municipal Court.

CITY OF FINDLAY, OHIO

Nonmajor Special Revenue Funds (Continued)

Police Pension:

To account for a 0.3 mill real estate tax levy as required by Ohio Revised Code.

Fire Pension:

To account for a 0.3 mill real estate tax levy as required by Ohio Revised Code.

Revolving Loan:

To account for monies received as development grants that become loans to a qualified business or industry for the purpose of economic development. As the initial loans are repaid, the money is perpetually "re-loaned" to stimulate growth in the community. Budgetary information for the Revolving Loan fund is not reported because it is not included in the entity for which the "appropriated budget" is adopted.

Severance Payout Reserve:

To account for monies reserved by the City for termination benefits. This fund is included in the general fund (GAAP basis), but has a separate legally adopted budget (budget basis). This fund is not included in the combining statements for the nonmajor special revenue funds since it is reported in the general fund (GAAP basis); however, the budgetary schedule for this fund is presented in this section.

City Income Tax Administration:

To account for the receipts from the assessment of a 1.00% income tax and the cost of operating the collection department. The use of this money is determined by Council. For 2015, 82% was transferred to the general fund and 18% was restricted within the city income tax administration fund for capital improvements. The allocation is determined by ordinance of Council and can be changed by Council at any time. This fund is included in the general fund (GAAP basis), but has a separate legally adopted budget (budget basis). This fund is not included in the combining statements for the nonmajor special revenue funds since it is reported in the general fund (GAAP basis); however, the budgetary schedule for this fund is presented in this section.

Nonmajor Debt Service Fund

To account for the accumulation of resources for, and the payment of, general long-term debt principal and interest.

Debt Service:

To account for the general obligation bond principal and interest that is paid from governmental revenues of the City. It also accounts for the special assessment bond principal and interest payments that are provided through the special assessment levies against certain properties in the City.

Nonmajor Capital Projects Funds

Capital projects funds are used to account for the financial resources to be used for the acquisition or construction of major capital facilities, other than those financed by the proprietary or nonexpendable trust funds. The following is a description of all the City's nonmajor capital projects funds:

Capital Improvement Projects:

To account for the major construction projects. Financing sources can include debt proceeds, grants, private contributions, and City capital improvement dollars.

Municipal Court Improvements:

To account for the additional court cost levied on traffic and criminal cases through the City's Municipal Court. Revenues are used exclusively for Court capital improvements and related equipment purchases.

Nonmajor Permanent Fund

Permanent funds are used to account for the financial resources to be used for a specific purpose, and only the income generated by that money may be spent. The following is a description of the City's nonmajor permanent fund:

Cemetery Trust:

To account for the portion of the sales price for cemetery lots. These monies are invested, and the interest earned is transferred out to the general fund to help defray the cost of the Cemetery Department.

CITY OF FINDLAY, OHIO

COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS

DECEMBER 31, 2015

	Nonmajor Special Revenue Funds	Nonmajor Debt Service Fund	Nonmajor Capital Projects Funds	Nonmajor Permanent Fund	Total Nonmajor Governmental Funds
Assets:					
Equity in pooled cash and investments	\$ 1,009,115	\$ 2,491	\$ 116,489	\$ 1,345,127	\$ 2,473,222
Cash in segregated accounts.	263,797	-	-	-	263,797
Cash with fiduciary agent	443,701	-	-	-	443,701
Cash with escrow agent.	-	33,128	-	-	33,128
Receivables (net of allowances of uncollectibles).	1,327,286	341,916	-	278	1,669,480
Due from other governments	78,903	-	-	-	78,903
Total assets	<u>\$ 3,122,802</u>	<u>\$ 377,535</u>	<u>\$ 116,489</u>	<u>\$ 1,345,405</u>	<u>\$ 4,962,231</u>
Liabilities:					
Accounts payable	\$ 19,899	\$ -	\$ -	\$ -	\$ 19,899
Accrued wages and benefits payable.	2,583	-	-	-	2,583
Insurance deposits payable	1,043	-	-	-	1,043
Matured bonds payable	-	33,128	-	-	33,128
Unearned revenue	-	1,486	-	-	1,486
Total liabilities	<u>23,525</u>	<u>34,614</u>	<u>-</u>	<u>-</u>	<u>58,139</u>
Deferred inflows of resources:					
Property taxes levied for the next fiscal year.	481,438	-	-	-	481,438
TIF revenue levied for next fiscal year	-	181,975	-	-	181,975
Special assessments revenue not available.	-	159,941	-	-	159,941
Intergovernmental revenue not available	67,976	-	-	-	67,976
Total deferred inflows of resources	<u>549,414</u>	<u>341,916</u>	<u>-</u>	<u>-</u>	<u>891,330</u>
Fund balance:					
Nonspendable	-	-	-	1,344,168	1,344,168
Restricted	2,549,863	1,005	116,489	1,237	2,668,594
Total fund balance.	<u>2,549,863</u>	<u>1,005</u>	<u>116,489</u>	<u>1,345,405</u>	<u>4,012,762</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 3,122,802</u>	<u>\$ 377,535</u>	<u>\$ 116,489</u>	<u>\$ 1,345,405</u>	<u>\$ 4,962,231</u>

CITY OF FINDLAY, OHIO

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS

FOR THE YEAR ENDED DECEMBER 31, 2015

	Nonmajor Special Revenue Funds	Nonmajor Debt Service Fund	Nonmajor Capital Projects Funds	Nonmajor Permanent Fund	Total Nonmajor Governmental Funds
Revenues:					
Property and other local taxes	\$ 441,642	\$ -	\$ -	\$ -	\$ 441,642
Charges for services	276,345	-	-	36,301	312,646
Fines and forfeitures	145,348	-	55,129	-	200,477
Intergovernmental	405,575	17,155	-	-	422,730
Special assessments	-	32,533	-	-	32,533
Investment income	21,955	-	-	1,237	23,192
Contributions and donations	-	15,000	-	-	15,000
Reimbursements	131	-	-	-	131
Tax increment financing	-	71,985	-	-	71,985
Total revenues	1,290,996	136,673	55,129	37,538	1,520,336
Expenditures:					
Current:					
General government	407,761	-	-	-	407,761
Security of persons and property.	10,061	-	-	-	10,061
Public health and welfare.	-	-	-	997	997
Transportation	318,051	-	-	-	318,051
Capital outlay	6,325	-	5,283	-	11,608
Debt service:					
Principal retirement	-	650,354	-	-	650,354
Interest and fiscal charges.	-	335,193	-	-	335,193
Total expenditures.	742,198	985,547	5,283	997	1,734,025
Excess (deficiency) of revenues over (under) expenditures.	548,798	(848,874)	49,846	36,541	(213,689)
Other financing sources (uses):					
Transfers in	-	1,093,243	-	-	1,093,243
Transfers out	(624,904)	(247,353)	(430,000)	-	(1,302,257)
Total other financing sources (uses)	(624,904)	845,890	(430,000)	-	(209,014)
Net change in fund balances	(76,106)	(2,984)	(380,154)	36,541	(422,703)
Fund balances, January 1	2,625,969	3,989	496,643	1,308,864	4,435,465
Fund balances, December 31	\$ 2,549,863	\$ 1,005	\$ 116,489	\$ 1,345,405	\$ 4,012,762

CITY OF FINDLAY, OHIO

COMBINING BALANCE SHEET
NONMAJOR SPECIAL REVENUE FUNDS

DECEMBER 31, 2015
(WITH COMPARATIVE TOTALS FOR DECEMBER 31, 2014)

	<u>County Permissive MVL Tax</u>	<u>State Highway</u>	<u>Law Enforcement Trust</u>	<u>Drug Law Enforcement</u>
Assets:				
Equity in pooled cash and investments	\$ -	\$ 161,092	\$ 590	\$ 321
Cash in segregated accounts	-	-	-	-
Cash with fiduciary agent.	443,701	-	-	-
Receivables (net of allowances of uncollectibles) . .	-	107	-	-
Due from other governments	-	53,781	-	-
Total assets	<u>\$ 443,701</u>	<u>\$ 214,980</u>	<u>\$ 590</u>	<u>\$ 321</u>
Liabilities:				
Accounts payable.	\$ -	\$ 14,317	\$ -	\$ -
Accrued wages and benefits	-	-	-	-
Insurance deposits payable.	-	-	-	-
Total liabilities.	<u>-</u>	<u>14,317</u>	<u>-</u>	<u>-</u>
Deferred inflows of resources:				
Property taxes levied for the next fiscal year.	-	-	-	-
Intergovernmental revenue not available	-	42,854	-	-
Total deferred inflows of resources	<u>-</u>	<u>42,854</u>	<u>-</u>	<u>-</u>
Fund balance:				
Restricted	<u>443,701</u>	<u>157,809</u>	<u>590</u>	<u>321</u>
Total fund balance	<u>443,701</u>	<u>157,809</u>	<u>590</u>	<u>321</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 443,701</u>	<u>\$ 214,980</u>	<u>\$ 590</u>	<u>\$ 321</u>

Indigent Drivers Alcohol Treatment	Enforcement and Education	Court Special Projects	Court Computerization	METRICH Drug Law Enforcement Trust	Alcohol Monitoring	Mediation Services	Electronic Imaging
\$ 254,676	\$ 53,629	\$ 147,873	\$ 92,477	\$ 2,110	\$ 90,903	\$ 67,641	\$ 117,454
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
<u>\$ 254,676</u>	<u>\$ 53,629</u>	<u>\$ 147,873</u>	<u>\$ 92,477</u>	<u>\$ 2,110</u>	<u>\$ 90,903</u>	<u>\$ 67,641</u>	<u>\$ 117,454</u>
\$ -	\$ -	\$ 2,512	\$ -	\$ -	\$ 2,276	\$ -	\$ 794
-	-	1,800	-	-	-	-	783
-	-	27	-	-	-	-	1,016
-	-	4,339	-	-	2,276	-	2,593
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
<u>254,676</u>	<u>53,629</u>	<u>143,534</u>	<u>92,477</u>	<u>2,110</u>	<u>88,627</u>	<u>67,641</u>	<u>114,861</u>
<u>254,676</u>	<u>53,629</u>	<u>143,534</u>	<u>92,477</u>	<u>2,110</u>	<u>88,627</u>	<u>67,641</u>	<u>114,861</u>
<u>\$ 254,676</u>	<u>\$ 53,629</u>	<u>\$ 147,873</u>	<u>\$ 92,477</u>	<u>\$ 2,110</u>	<u>\$ 90,903</u>	<u>\$ 67,641</u>	<u>\$ 117,454</u>

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CITY OF FINDLAY, OHIO

COMBINING BALANCE SHEET
NONMAJOR SPECIAL REVENUE FUNDS (CONTINUED)

DECEMBER 31, 2015
(WITH COMPARATIVE TOTALS FOR DECEMBER 31, 2014)

	<u>Legal Research</u>	<u>Police Pension</u>	<u>Fire Pension</u>	<u>Revolving Loan</u>
Assets:				
Equity in pooled cash and investments	\$ 20,349	\$ -	\$ -	\$ -
Cash in segregated accounts	-	-	-	263,797
Cash with fiduciary agent.	-	-	-	-
Receivables (net of allowances of uncollectibles) . .	-	240,719	240,719	845,741
Due from other governments	-	12,561	12,561	-
Total assets	<u>\$ 20,349</u>	<u>\$ 253,280</u>	<u>\$ 253,280</u>	<u>\$ 1,109,538</u>
Liabilities:				
Accounts payable.	\$ -	\$ -	\$ -	\$ -
Accrued wages and benefits	-	-	-	-
Insurance deposits payable.	-	-	-	-
Total liabilities.	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Deferred inflows of resources:				
Property taxes levied for the next fiscal year.	-	240,719	240,719	-
Intergovernmental revenue not available	-	12,561	12,561	-
Total deferred inflows of resources	<u>-</u>	<u>253,280</u>	<u>253,280</u>	<u>-</u>
Fund balance:				
Restricted	<u>20,349</u>	<u>-</u>	<u>-</u>	<u>1,109,538</u>
Total fund balance	<u>20,349</u>	<u>-</u>	<u>-</u>	<u>1,109,538</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 20,349</u>	<u>\$ 253,280</u>	<u>\$ 253,280</u>	<u>\$ 1,109,538</u>

Totals

<u>2015</u>	<u>2014</u>
\$ 1,009,115	\$ 1,137,414
263,797	193,465
443,701	390,918
1,327,286	1,400,324
<u>78,903</u>	<u>82,946</u>
<u>\$ 3,122,802</u>	<u>\$ 3,205,067</u>
\$ 19,899	\$ 4,876
2,583	2,473
<u>1,043</u>	<u>1,328</u>
<u>23,525</u>	<u>8,677</u>
481,438	498,954
<u>67,976</u>	<u>71,467</u>
<u>549,414</u>	<u>570,421</u>
<u>2,549,863</u>	<u>2,625,969</u>
<u>2,549,863</u>	<u>2,625,969</u>
<u>\$ 3,122,802</u>	<u>\$ 3,205,067</u>

CITY OF FINDLAY, OHIO

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR SPECIAL REVENUE FUNDS

FOR THE YEAR ENDED DECEMBER 31, 2015
(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED DECEMBER 31, 2014)

	County Permissive MVL Tax	State Highway	Law Enforcement Trust	Drug Law Enforcement
Revenues:				
Property and other local taxes	\$ -	\$ -	\$ -	\$ -
Charges for services	-	-	-	-
Fines and forfeitures	-	-	-	-
Intergovernmental	212,861	141,134	-	-
Investment income	-	595	-	-
Reimbursements	-	-	-	-
Total revenues	212,861	141,729	-	-
Expenditures:				
Current:				
General government	-	-	-	-
Security of persons and property	-	-	-	260
Transportation	30,000	288,051	-	-
Capital outlay	-	-	-	-
Total expenditures	30,000	288,051	-	260
Excess (deficiency) of revenues over (under) expenditures	182,861	(146,322)	-	(260)
Other financing (uses):				
Transfers out	(130,078)	-	-	-
Net change in fund balances	52,783	(146,322)	-	(260)
Fund balances, January 1	390,918	304,131	590	581
Fund balances, December 31	\$ 443,701	\$ 157,809	\$ 590	\$ 321

Indigent Drivers Alcohol Treatment	Enforcement and Education	Court Special Projects	Court Computerization	METRICH Drug Law Enforcement Trust	Alcohol Monitoring	Mediation Services	Electronic Imaging
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	220,241	56,104	-	-	-	-
17,283	2,616	-	-	-	51,419	17,991	55,986
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	102	-	-	-	-	29
<u>17,283</u>	<u>2,616</u>	<u>220,343</u>	<u>56,104</u>	<u>-</u>	<u>51,419</u>	<u>17,991</u>	<u>56,015</u>
46,218	-	233,159	36,183	-	46,738	2,995	35,911
-	639	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	6,325
<u>46,218</u>	<u>639</u>	<u>233,159</u>	<u>36,183</u>	<u>-</u>	<u>46,738</u>	<u>2,995</u>	<u>42,236</u>
<u>(28,935)</u>	<u>1,977</u>	<u>(12,816)</u>	<u>19,921</u>	<u>-</u>	<u>4,681</u>	<u>14,996</u>	<u>13,779</u>
-	-	-	-	-	-	-	-
<u>(28,935)</u>	<u>1,977</u>	<u>(12,816)</u>	<u>19,921</u>	<u>-</u>	<u>4,681</u>	<u>14,996</u>	<u>13,779</u>
<u>283,611</u>	<u>51,652</u>	<u>156,350</u>	<u>72,556</u>	<u>2,110</u>	<u>83,946</u>	<u>52,645</u>	<u>101,082</u>
<u>\$ 254,676</u>	<u>\$ 53,629</u>	<u>\$ 143,534</u>	<u>\$ 92,477</u>	<u>\$ 2,110</u>	<u>\$ 88,627</u>	<u>\$ 67,641</u>	<u>\$ 114,861</u>

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CITY OF FINDLAY, OHIO

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR SPECIAL REVENUE FUNDS (CONTINUED)

FOR THE YEAR ENDED DECEMBER 31, 2015
(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED DECEMBER 31, 2014)

	Legal Research	Police Pension	Fire Pension	Revolving Loan
Revenues:				
Property and other local taxes	\$ -	\$ 220,821	\$ 220,821	\$ -
Charges for services	-	-	-	-
Fines and forfeitures	53	-	-	-
Intergovernmental	-	25,790	25,790	-
Investment income	-	-	-	21,360
Reimbursements	-	-	-	-
Total revenues	53	246,611	246,611	21,360
Expenditures:				
Current:				
General government	-	-	-	6,557
Security of persons and property	-	4,581	4,581	-
Transportation	-	-	-	-
Capital outlay	-	-	-	-
Total expenditures	-	4,581	4,581	6,557
Excess (deficiency) of revenues over (under) expenditures.	53	242,030	242,030	14,803
Other financing (uses):				
Transfers out	-	(247,413)	(247,413)	-
Net change in fund balances	53	(5,383)	(5,383)	14,803
Fund balances, January 1	20,296	5,383	5,383	1,094,735
Fund balances, December 31.	\$ 20,349	\$ -	\$ -	\$ 1,109,538

Totals

<u>2015</u>	<u>2014</u>
\$ 441,642	\$ 441,310
276,345	244,803
145,348	140,914
405,575	581,756
21,955	22,313
131	1,121
<u>1,290,996</u>	<u>1,432,217</u>
407,761	463,718
10,061	15,689
318,051	24,787
6,325	11,958
<u>742,198</u>	<u>516,152</u>
<u>548,798</u>	<u>916,065</u>
<u>(624,904)</u>	<u>(616,385)</u>
(76,106)	299,680
<u>2,625,969</u>	<u>2,326,289</u>
<u>\$ 2,549,863</u>	<u>\$ 2,625,969</u>

CITY OF FINDLAY, OHIO

**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCE - BUDGET (GAAP-BASIS) AND ACTUAL
COUNTY PERMISSIVE MVL TAX FUND**

FOR THE YEAR ENDED DECEMBER 31, 2015
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED DECEMBER 31, 2014)

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with</u>	<u>2014</u>
	<u>Original</u>	<u>Final</u>		<u>Final Budget</u>	
				<u>Positive</u>	
				<u>(Negative)</u>	
Revenues:					
Intergovernmental	\$ -	\$ 160,078	\$ 212,861	\$ 52,783	\$ 208,036
Total revenues	-	160,078	212,861	52,783	208,036
Expenditures:					
Current:					
Transportation					
Other	-	30,000	30,000	-	-
Total expenditures	-	30,000	30,000	-	-
Excess of revenues over expenditures	-	130,078	182,861	52,783	208,036
Other financing uses:					
Transfers out	-	(130,078)	(130,078)	-	(131,305)
Total other financing uses	-	(130,078)	(130,078)	-	(131,305)
Net change in fund balance.	-	-	52,783	52,783	76,731
Fund balance, January 1	390,918	390,918	390,918	-	314,187
Fund balance, December 31.	\$ 390,918	\$ 390,918	\$ 443,701	\$ 52,783	\$ 390,918

CITY OF FINDLAY, OHIO

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCE - BUDGET (GAAP-BASIS) AND ACTUAL
STATE HIGHWAY FUND

FOR THE YEAR ENDED DECEMBER 31, 2015
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED DECEMBER 31, 2014)

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with</u>	<u>2014</u>
	<u>Original</u>	<u>Final</u>		<u>Final Budget</u>	
				<u>Positive</u>	
				<u>(Negative)</u>	
Revenues:					
Intergovernmental	\$ 142,870	\$ 139,145	\$ 141,134	\$ 1,989	\$ 142,044
Investment income	300	300	595	295	410
Reimbursements.	-	-	-	-	438
Total revenues	<u>143,170</u>	<u>139,445</u>	<u>141,729</u>	<u>2,284</u>	<u>142,892</u>
Expenditures:					
Current:					
Transportation					
Other	<u>258,730</u>	<u>323,730</u>	<u>288,051</u>	<u>35,679</u>	<u>24,787</u>
Total expenditures	<u>258,730</u>	<u>323,730</u>	<u>288,051</u>	<u>35,679</u>	<u>24,787</u>
Net change in fund balance	(115,560)	(184,285)	(146,322)	37,963	118,105
Fund balance, January 1	<u>304,131</u>	<u>304,131</u>	<u>304,131</u>	<u>-</u>	<u>186,026</u>
Fund balance, December 31.	<u>\$ 188,571</u>	<u>\$ 119,846</u>	<u>\$ 157,809</u>	<u>\$ 37,963</u>	<u>\$ 304,131</u>

CITY OF FINDLAY, OHIO

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCE - BUDGET (GAAP-BASIS) AND ACTUAL
LAW ENFORCEMENT TRUST FUND

FOR THE YEAR ENDED DECEMBER 31, 2015
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED DECEMBER 31, 2014)

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with</u>	<u>2014</u>
	<u>Original</u>	<u>Final</u>		<u>Final Budget</u>	
				<u>Positive</u>	
				<u>(Negative)</u>	
Expenditures:					
Current:					
Security of persons and property					
Other	\$ 589	\$ 589	\$ -	\$ 589	\$ 75
Total expenditures	589	589	-	589	75
Net change in fund balance	(589)	(589)	-	589	(75)
Fund balance, January 1	<u>590</u>	<u>590</u>	<u>590</u>	<u>-</u>	<u>665</u>
Fund balance, December 31	<u>\$ 1</u>	<u>\$ 1</u>	<u>\$ 590</u>	<u>\$ 589</u>	<u>\$ 590</u>

CITY OF FINDLAY, OHIO

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCE - BUDGET (GAAP-BASIS) AND ACTUAL
DRUG LAW ENFORCEMENT FUND

FOR THE YEAR ENDED DECEMBER 31, 2015
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED DECEMBER 31, 2014)

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with</u>	<u>2014</u>
	<u>Original</u>	<u>Final</u>		<u>Final Budget</u>	
				<u>Positive</u>	
				<u>(Negative)</u>	
Expenditures:					
Current:					
Security of persons and property					
Other	\$ 581	\$ 581	\$ 260	\$ 321	\$ -
Total expenditures	581	581	260	321	-
Net change in fund balance	(581)	(581)	(260)	321	-
Fund balance, January 1	<u>581</u>	<u>581</u>	<u>581</u>	<u>-</u>	<u>581</u>
Fund balance, December 31	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 321</u>	<u>\$ 321</u>	<u>\$ 581</u>

CITY OF FINDLAY, OHIO

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCE - BUDGET (GAAP-BASIS) AND ACTUAL
INDIGENT DRIVERS ALCOHOL TREATMENT FUND

FOR THE YEAR ENDED DECEMBER 31, 2015
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED DECEMBER 31, 2014)

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with</u>	<u>2014</u>
	<u>Original</u>	<u>Final</u>		<u>Final Budget</u>	
				<u>Positive</u>	
				<u>(Negative)</u>	
Revenues:					
Fines and forfeitures	\$ 24,000	\$ 24,000	\$ 17,283	\$ (6,717)	\$ 25,056
Total revenues	24,000	24,000	17,283	(6,717)	25,056
Expenditures:					
Current:					
General government					
Other	20,000	66,000	46,218	19,782	-
Total expenditures	20,000	66,000	46,218	19,782	-
Net change in fund balance	4,000	(42,000)	(28,935)	13,065	25,056
Fund balance, January 1	283,611	283,611	283,611	-	258,555
Fund balance, December 31	\$ 287,611	\$ 241,611	\$ 254,676	\$ 13,065	\$ 283,611

CITY OF FINDLAY, OHIO

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCE - BUDGET (GAAP-BASIS) AND ACTUAL
ENFORCEMENT AND EDUCATION FUND

FOR THE YEAR ENDED DECEMBER 31, 2015
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED DECEMBER 31, 2014)

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with</u>	<u>2014</u>
	<u>Original</u>	<u>Final</u>		<u>Final Budget</u>	
				<u>Positive</u>	
				<u>(Negative)</u>	
Revenues:					
Fines and forfeitures	\$ 1,500	\$ 1,500	\$ 2,616	\$ 1,116	\$ 1,619
Total revenues	1,500	1,500	2,616	1,116	1,619
Expenditures:					
Current:					
Security of persons and property					
Other	59,478	53,078	639	52,439	6,366
Total expenditures	59,478	53,078	639	52,439	6,366
Net change in fund balance	(57,978)	(51,578)	1,977	53,555	(4,747)
Fund balance, January 1	51,652	51,652	51,652	-	56,399
Fund balance (deficit), December 31	\$ (6,326)	\$ 74	\$ 53,629	\$ 53,555	\$ 51,652

CITY OF FINDLAY, OHIO

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCE - BUDGET (GAAP-BASIS) AND ACTUAL
COURT SPECIAL PROJECTS FUND

FOR THE YEAR ENDED DECEMBER 31, 2015
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED DECEMBER 31, 2014)

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with</u>	<u>2014</u>
	<u>Original</u>	<u>Final</u>		<u>Final Budget</u>	
				<u>Positive</u>	
				<u>(Negative)</u>	
Revenues:					
Charges for services	\$ 160,000	\$ 209,738	\$ 220,241	\$ 10,503	\$ 194,862
Reimbursements	-	97	102	5	602
Total revenues	<u>160,000</u>	<u>209,835</u>	<u>220,343</u>	<u>10,508</u>	<u>195,464</u>
Expenditures:					
Current:					
General government					
Personal services	132,527	132,527	94,286	38,241	88,636
Other	142,100	146,100	138,873	7,227	132,527
Total expenditures	<u>274,627</u>	<u>278,627</u>	<u>233,159</u>	<u>45,468</u>	<u>221,163</u>
Net change in fund balance	(114,627)	(68,792)	(12,816)	55,976	(25,699)
Fund balance, January 1	<u>156,350</u>	<u>156,350</u>	<u>156,350</u>	<u>-</u>	<u>182,049</u>
Fund balance, December 31	<u>\$ 41,723</u>	<u>\$ 87,558</u>	<u>\$ 143,534</u>	<u>\$ 55,976</u>	<u>\$ 156,350</u>

CITY OF FINDLAY, OHIO

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCE - BUDGET (GAAP-BASIS) AND ACTUAL
COURT COMPUTERIZATION FUND

FOR THE YEAR ENDED DECEMBER 31, 2015
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED DECEMBER 31, 2014)

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with</u>	<u>2014</u>
	<u>Original</u>	<u>Final</u>		<u>Final Budget</u>	
				<u>Positive</u>	
				<u>(Negative)</u>	
Revenues:					
Charges for services	\$ 50,000	\$ 52,500	\$ 56,104	\$ 3,604	\$ 49,941
Total revenues	50,000	52,500	56,104	3,604	49,941
Expenditures:					
Current:					
General government					
Other	66,500	66,500	36,183	30,317	41,391
Capital outlay					
Other	15,000	15,000	-	15,000	11,958
Total expenditures	81,500	81,500	36,183	45,317	53,349
Net change in fund balance	(31,500)	(29,000)	19,921	48,921	(3,408)
Fund balance, January 1	<u>72,556</u>	<u>72,556</u>	<u>72,556</u>	<u>-</u>	<u>75,964</u>
Fund balance, December 31	<u>\$ 41,056</u>	<u>\$ 43,556</u>	<u>\$ 92,477</u>	<u>\$ 48,921</u>	<u>\$ 72,556</u>

CITY OF FINDLAY, OHIO

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
 FUND BALANCE - BUDGET (GAAP-BASIS) AND ACTUAL
 METRICH DRUG LAW ENFORCEMENT TRUST FUND

FOR THE YEAR ENDED DECEMBER 31, 2015
 (WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED DECEMBER 31, 2014)

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with</u>	<u>2014</u>
	<u>Original</u>	<u>Final</u>		<u>Final Budget</u>	
				<u>Positive</u>	
				<u>(Negative)</u>	
Expenditures:					
Current:					
Security of persons and property					
Other	\$ 2,109	\$ 2,109	\$ -	\$ 2,109	\$ 608
Total expenditures	2,109	2,109	-	2,109	608
Net change in fund balance	(2,109)	(2,109)	-	2,109	(608)
Fund balance, January 1	<u>2,110</u>	<u>2,110</u>	<u>2,110</u>	<u>-</u>	<u>2,718</u>
Fund balance, December 31	<u>\$ 1</u>	<u>\$ 1</u>	<u>\$ 2,110</u>	<u>\$ 2,109</u>	<u>\$ 2,110</u>

CITY OF FINDLAY, OHIO

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCE - BUDGET (GAAP-BASIS) AND ACTUAL
ALCOHOL MONITORING FUND

FOR THE YEAR ENDED DECEMBER 31, 2015
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED DECEMBER 31, 2014)

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with</u>	<u>2014</u>
	<u>Original</u>	<u>Final</u>		<u>Final Budget</u>	
				<u>Positive</u>	
				<u>(Negative)</u>	
Revenues:					
Fines and forfeitures	\$ 45,000	\$ 53,000	\$ 51,419	\$ (1,581)	\$ 47,683
Total revenues	45,000	53,000	51,419	(1,581)	47,683
Expenditures:					
Current:					
General government					
Other	71,666	71,000	46,738	24,262	-
Total expenditures	71,666	71,000	46,738	24,262	-
Net change in fund balance	(26,666)	(18,000)	4,681	22,681	47,683
Fund balance, January 1	83,946	83,946	83,946	-	36,263
Fund balance, December 31	\$ 57,280	\$ 65,946	\$ 88,627	\$ 22,681	\$ 83,946

CITY OF FINDLAY, OHIO

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCE - BUDGET (GAAP-BASIS) AND ACTUAL
MEDIATION SERVICES FUND

FOR THE YEAR ENDED DECEMBER 31, 2015
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED DECEMBER 31, 2014)

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with</u>	<u>2014</u>
	<u>Original</u>	<u>Final</u>		<u>Final Budget</u>	
				<u>Positive</u>	
				<u>(Negative)</u>	
Revenues:					
Fines and forfeitures	\$ 16,000	\$ 16,800	\$ 17,991	\$ 1,191	\$ 16,453
Total revenues	16,000	16,800	17,991	1,191	16,453
Expenditures:					
Current:					
General government					
Other	7,000	7,000	2,995	4,005	3,702
Total expenditures	7,000	7,000	2,995	4,005	3,702
Net change in fund balance	9,000	9,800	14,996	5,196	12,751
Fund balance, January 1	<u>52,645</u>	<u>52,645</u>	<u>52,645</u>	<u>-</u>	<u>39,894</u>
Fund balance, December 31	<u>\$ 61,645</u>	<u>\$ 62,445</u>	<u>\$ 67,641</u>	<u>\$ 5,196</u>	<u>\$ 52,645</u>

CITY OF FINDLAY, OHIO

**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCE - BUDGET (GAAP-BASIS) AND ACTUAL
ELECTRONIC IMAGING FUND**

FOR THE YEAR ENDED DECEMBER 31, 2015
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED DECEMBER 31, 2014)

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with</u>	<u>2014</u>
	<u>Original</u>	<u>Final</u>		<u>Final Budget</u>	
				<u>Positive</u>	
				<u>(Negative)</u>	
Revenues:					
Fines and forfeitures	\$ 48,000	\$ 51,661	\$ 55,986	\$ 4,325	\$ 50,051
Reimbursements	-	27	29	2	81
Total revenues	<u>48,000</u>	<u>51,688</u>	<u>56,015</u>	<u>4,327</u>	<u>50,132</u>
Expenditures:					
Current:					
General government					
Personal services	34,237	35,642	35,012	630	16,514
Other	54,000	47,300	899	46,401	284
Capital outlay					
Other	-	6,500	6,325	175	-
Total expenditures	<u>88,237</u>	<u>89,442</u>	<u>42,236</u>	<u>47,206</u>	<u>16,798</u>
Net change in fund balance	(40,237)	(37,754)	13,779	51,533	33,334
Fund balance, January 1	<u>101,082</u>	<u>101,082</u>	<u>101,082</u>	<u>-</u>	<u>67,748</u>
Fund balance, December 31	<u>\$ 60,845</u>	<u>\$ 63,328</u>	<u>\$ 114,861</u>	<u>\$ 51,533</u>	<u>\$ 101,082</u>

CITY OF FINDLAY, OHIO

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCE - BUDGET (GAAP-BASIS) AND ACTUAL
LEGAL RESEARCH FUND

FOR THE YEAR ENDED DECEMBER 31, 2015
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED DECEMBER 31, 2014)

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with</u>	<u>2014</u>
	<u>Original</u>	<u>Final</u>		<u>Final Budget</u>	
				<u>Positive</u>	
				<u>(Negative)</u>	
Revenues:					
Fines and forfeitures	\$ -	\$ 44	\$ 53	\$ 9	\$ 52
Total revenues	-	44	53	9	52
Net change in fund balance	-	44	53	9	52
Fund balance, January 1	<u>20,296</u>	<u>20,296</u>	<u>20,296</u>	<u>-</u>	<u>20,244</u>
Fund balance, December 31	<u>\$ 20,296</u>	<u>\$ 20,340</u>	<u>\$ 20,349</u>	<u>\$ 9</u>	<u>\$ 20,296</u>

CITY OF FINDLAY, OHIO

**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCE - BUDGET (GAAP-BASIS) AND ACTUAL
POLICE PENSION FUND**

FOR THE YEAR ENDED DECEMBER 31, 2015
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED DECEMBER 31, 2014)

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with</u>	<u>2014</u>
	<u>Original</u>	<u>Final</u>		<u>Final Budget</u>	
				<u>Positive</u>	
				<u>(Negative)</u>	
Revenues:					
Property and other local taxes	\$ 223,387	\$ 220,821	\$ 220,821	\$ -	\$ 220,655
Intergovernmental	26,090	25,790	25,790	-	31,588
Total revenues	249,477	246,611	246,611	-	252,243
Expenditures:					
Current:					
Security of persons and property					
Other	5,500	4,581	4,581	-	4,320
Total expenditures	5,500	4,581	4,581	-	4,320
Excess of revenues over expenditures	243,977	242,030	242,030	-	247,923
Other financing uses:					
Transfers out	(230,000)	(247,413)	(247,413)	-	(242,540)
Total other financing uses	(230,000)	(247,413)	(247,413)	-	(242,540)
Net change in fund balance	13,977	(5,383)	(5,383)	-	5,383
Fund balance, January 1	5,383	5,383	5,383	-	-
Fund balance, December 31	\$ 19,360	\$ -	\$ -	\$ -	\$ 5,383

CITY OF FINDLAY, OHIO

**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCE - BUDGET (GAAP-BASIS) AND ACTUAL
FIRE PENSION FUND**

FOR THE YEAR ENDED DECEMBER 31, 2015
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED DECEMBER 31, 2014)

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with</u>	<u>2014</u>
	<u>Original</u>	<u>Final</u>		<u>Final Budget</u>	
				<u>Positive</u>	
				<u>(Negative)</u>	
Revenues:					
Property and other local taxes	\$ 223,387	\$ 220,821	\$ 220,821	\$ -	\$ 220,655
Intergovernmental	26,090	25,790	25,790	-	31,588
Total revenues	249,477	246,611	246,611	-	252,243
Expenditures:					
Current:					
Security of persons and property					
Other	5,500	4,581	4,581	-	4,320
Total expenditures	5,500	4,581	4,581	-	4,320
Excess of revenues over expenditures	243,977	242,030	242,030	-	247,923
Other financing uses:					
Transfers out	(230,000)	(247,413)	(247,413)	-	(242,540)
Total other financing uses	(230,000)	(247,413)	(247,413)	-	(242,540)
Net change in fund balance	13,977	(5,383)	(5,383)	-	5,383
Fund balance, January 1	5,383	5,383	5,383	-	-
Fund balance, December 31	\$ 19,360	\$ -	\$ -	\$ -	\$ 5,383

CITY OF FINDLAY, OHIO

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCE - BUDGET (GAAP-BASIS) AND ACTUAL
SEVERANCE PAYOUT RESERVE FUND

FOR THE YEAR ENDED DECEMBER 31, 2015
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED DECEMBER 31, 2014)

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with</u>	<u>2014</u>
	<u>Original</u>	<u>Final</u>		<u>Final Budget</u>	
				<u>Positive</u>	
				<u>(Negative)</u>	
Expenditures:					
Current:					
General Government					
Personal services	\$ 70,000	\$ 132,100	\$ 134,643	\$ (2,543)	\$ 161,255
Total expenditures	70,000	132,100	134,643	(2,543)	161,255
Excess of revenues over expenditures	(70,000)	(132,100)	(134,643)	(2,543)	(161,255)
Other financing sources:					
Transfers in	-	-	-	-	572,250
Total other financing sources	-	-	-	-	572,250
Net change in fund balance	(70,000)	(132,100)	(134,643)	(2,543)	410,995
Fund balance, January 1	<u>996,072</u>	<u>996,072</u>	<u>996,072</u>	<u>-</u>	<u>585,077</u>
Fund balance, December 31	<u>\$ 926,072</u>	<u>\$ 863,972</u>	<u>\$ 861,429</u>	<u>\$ (2,543)</u>	<u>\$ 996,072</u>

CITY OF FINDLAY, OHIO

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCE - BUDGET (GAAP-BASIS) AND ACTUAL
CITY INCOME TAX ADMINISTRATION FUND

FOR THE YEAR ENDED DECEMBER 31, 2015
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED DECEMBER 31, 2014)

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with</u>	<u>2014</u>
	<u>Original</u>	<u>Final</u>		<u>Final Budget</u>	
				<u>Positive</u>	
				<u>(Negative)</u>	
Revenues:					
Municipal income taxes	\$ 22,196,000	\$ 22,968,462	\$ 23,333,535	\$ 365,073	\$ 20,938,843
Charges for services	11,500	12,700	12,902	202	11,427
Reimbursements.	-	24,739	25,132	393	871
Total revenues	<u>22,207,500</u>	<u>23,005,901</u>	<u>23,371,569</u>	<u>365,668</u>	<u>20,951,141</u>
Expenditures:					
Current:					
General government					
Personal services	135,103	136,745	129,836	6,909	128,463
Other	823,276	823,276	243,420	579,856	228,659
Total expenditures	<u>958,379</u>	<u>960,021</u>	<u>373,256</u>	<u>586,765</u>	<u>357,122</u>
Excess of revenues over expenditures	<u>21,249,121</u>	<u>22,045,880</u>	<u>22,998,313</u>	<u>952,433</u>	<u>20,594,019</u>
Other financing sources (uses):					
Transfers in	-	2,728,963	2,772,339	43,376	799,782
Transfers out	(17,416,100)	(27,448,761)	(27,448,761)	-	(22,704,586)
Total other financing sources (uses)	<u>(17,416,100)</u>	<u>(24,719,798)</u>	<u>(24,676,422)</u>	<u>43,376</u>	<u>(21,904,804)</u>
Net change in fund balance	3,833,021	(2,673,918)	(1,678,109)	995,809	(1,310,785)
Fund balance, January 1	8,350,371	8,350,371	8,350,371	-	9,660,410
(Decrease) in prepaids	(187)	(187)	(187)	-	746
Fund balance, December 31	<u>\$ 12,183,205</u>	<u>\$ 5,676,266</u>	<u>\$ 6,672,075</u>	<u>\$ 995,809</u>	<u>\$ 8,350,371</u>

CITY OF FINDLAY, OHIO

COMPARATIVE BALANCE SHEET
NONMAJOR DEBT SERVICE FUND

DECEMBER 31, 2015
(WITH COMPARATIVE TOTALS FOR DECEMBER 31, 2014)

	2015	2014
Assets:		
Equity in pooled cash and investments.	\$ 2,491	\$ 5,187
Cash with escrow agent.	33,128	33,125
Receivables (net of allowances of uncollectibles).	341,916	373,844
Total assets.	\$ 377,535	\$ 412,156
Liabilities:		
Matured bonds payable	\$ 33,128	\$ 33,125
Unearned revenue.	1,486	1,198
Total liabilities.	34,614	34,323
Deferred inflows of resources:		
TIF revenue levied for next fiscal year	181,975	182,628
Special assessments revenue not available.	159,941	191,216
Total deferred inflows of resources	341,916	373,844
Total liabilities and deferred inflows of resources.	376,530	408,167
Fund balance:		
Restricted	1,005	3,989
Total fund balance	1,005	3,989
Total liabilities, deferred inflows of resources and fund balances	\$ 377,535	\$ 412,156

CITY OF FINDLAY, OHIO

COMPARATIVE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR DEBT SERVICE FUND

FOR THE YEAR ENDED DECEMBER 31, 2015
(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED DECEMBER 31, 2014)

	<u>2015</u>	<u>2014</u>
Revenues:		
Intergovernmental	\$ 17,155	\$ 17,118
Special assessments	32,533	1,466
Investment income	-	177
Contributions and donations	15,000	15,000
Tax increment financing	71,985	72,159
Total revenues	<u>136,673</u>	<u>105,920</u>
Expenditures:		
Current:		
General government	-	10,425
Debt service:		
Principal retirement	650,354	617,524
Interest and fiscal charges	335,193	364,146
Bond issuance costs	-	3,205
Total expenditures	<u>985,547</u>	<u>995,300</u>
Excess of expenditures over revenues	<u>(848,874)</u>	<u>(889,380)</u>
Other financing sources (uses):		
Bond issuance	-	584,500
Payment to refunded bond escrow agent	-	(576,672)
Transfers in	1,093,243	1,184,943
Transfers out	(247,353)	(346,611)
Total other financing sources (uses)	<u>845,890</u>	<u>846,160</u>
Net change in fund balances	(2,984)	(43,220)
Fund balance, January 1	<u>3,989</u>	<u>47,209</u>
Fund balance, December 31	<u><u>\$ 1,005</u></u>	<u><u>\$ 3,989</u></u>

CITY OF FINDLAY, OHIO

**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCE - BUDGET (GAAP-BASIS) AND ACTUAL
DEBT SERVICE FUND**

FOR THE YEAR ENDED DECEMBER 31, 2015
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED DECEMBER 31, 2014)

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with</u>	<u>2014</u>
	<u>Original</u>	<u>Final</u>		<u>Final Budget</u>	
				<u>Positive</u>	
				<u>(Negative)</u>	
Revenues:					
Intergovernmental	\$ -	\$ 18,201	\$ 17,155	\$ (1,046)	\$ 17,118
Special assessments	22,408	34,517	32,533	(1,984)	1,466
Investment income.	-	-	-	-	177
Contributions and donations	15,000	15,915	15,000	(915)	15,000
Tax increment financing.	-	76,374	71,985	(4,389)	72,159
Total revenues	37,408	145,007	136,673	(8,334)	105,920
Expenditures:					
Current:					
General government					
Other.	-	-	-	-	10,425
Debt service:					
Principal retirement	650,379	650,354	650,354	-	617,524
Interest and fiscal charges	335,193	335,193	335,193	-	364,146
Bond issuance costs	-	-	-	-	3,205
Total debt service	985,572	985,547	985,547	-	995,300
Total expenditures	985,572	985,547	985,547	-	995,300
Excess of expenditures over revenues	(948,164)	(840,540)	(848,874)	(8,334)	(889,380)
Other financing sources (uses):					
Payment to refunded bond escrow agent	-	-	-	-	(576,672)
Issuance of refunding bonds	-	-	-	-	584,500
Transfers in	963,164	1,087,919	1,093,243	5,324	1,184,943
Transfers out	-	(247,353)	(247,353)	-	(346,611)
Total other financing sources (uses)	963,164	840,566	845,890	5,324	846,160
Net change in fund balance.	15,000	26	(2,984)	(3,010)	(43,220)
Fund balance, January 1	3,989	3,989	3,989	-	47,209
Fund balance, December 31	\$ 18,989	\$ 4,015	\$ 1,005	\$ (3,010)	\$ 3,989

CITY OF FINDLAY, OHIO

COMBINING BALANCE SHEET
NONMAJOR CAPITAL PROJECTS FUNDS

DECEMBER 31, 2015
(WITH COMPARATIVE TOTALS FOR DECEMBER 31, 2014)

	<u>Capital Improvement Projects</u>	<u>Municipal Court Improvements</u>	<u>Totals</u>	
			<u>2015</u>	<u>2014</u>
Assets:				
Equity in pooled cash and investments	\$ 83	\$ 116,406	\$ 116,489	\$ 499,632
Total assets.	<u>\$ 83</u>	<u>\$ 116,406</u>	<u>\$ 116,489</u>	<u>\$ 499,632</u>
Liabilities:				
Accounts payable.	\$ -	\$ -	\$ -	\$ 2,989
Total liabilities.	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,989</u>
Fund balance:				
Restricted	83	116,406	116,489	496,643
Total fund balance.	<u>83</u>	<u>116,406</u>	<u>116,489</u>	<u>496,643</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 83</u>	<u>\$ 116,406</u>	<u>\$ 116,489</u>	<u>\$ 499,632</u>

CITY OF FINDLAY, OHIO

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR CAPITAL PROJECTS FUNDS

FOR THE YEAR ENDED DECEMBER 31, 2015
(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED DECEMBER 31, 2014)

	Capital Improvement Projects	Municipal Court Improvements	Totals	
			2015	2014
Revenues:				
Fines and forfeitures	\$ -	\$ 55,129	\$ 55,129	\$ 48,873
Total revenues	-	55,129	55,129	48,873
Expenditures:				
Capital outlay	-	5,283	5,283	56,332
Total expenditures	-	5,283	5,283	56,332
Excess of expenditures over revenues	-	49,846	49,846	(7,459)
Other financing sources:				
Transfers out	-	(430,000)	(430,000)	(20,000)
Total other financing sources	-	(430,000)	(430,000)	(20,000)
Net change in fund balances	-	(380,154)	(380,154)	(27,459)
Fund balances, January 1	<u>83</u>	<u>496,560</u>	<u>496,643</u>	<u>524,102</u>
Fund balance, December 31	<u>\$ 83</u>	<u>\$ 116,406</u>	<u>\$ 116,489</u>	<u>\$ 496,643</u>

CITY OF FINDLAY, OHIO

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
 FUND BALANCE - BUDGET (GAAP-BASIS) AND ACTUAL
 CAPITAL IMPROVEMENT PROJECTS FUND

FOR THE YEAR ENDED DECEMBER 31, 2015
 (WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED DECEMBER 31, 2014)

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>	<u>2014 Actual</u>
	<u>Original</u>	<u>Final</u>			
Fund balance, January 1	\$ 83	\$ 83	\$ 83	\$ -	\$ 83
Fund balance, December 31	<u>\$ 83</u>	<u>\$ 83</u>	<u>\$ 83</u>	<u>\$ -</u>	<u>\$ 83</u>

CITY OF FINDLAY, OHIO

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCE - BUDGET (GAAP-BASIS) AND ACTUAL
MUNICIPAL COURT IMPROVEMENTS FUND

FOR THE YEAR ENDED DECEMBER 31, 2015
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED DECEMBER 31, 2014)

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with</u>	<u>2014</u>
	<u>Original</u>	<u>Final</u>		<u>Final Budget</u>	
				<u>Positive</u>	
				<u>(Negative)</u>	
Revenues:					
Fines and forfeitures	\$ 47,000	\$ 477,000	\$ 55,129	\$ (421,871)	\$ 48,873
Total revenues	47,000	477,000	55,129	(421,871)	48,873
Expenditures:					
Capital outlay					
Other	88,250	8,916	5,283	3,633	56,332
Total expenditures	88,250	8,916	5,283	3,633	56,332
Excess (deficiency) of revenues over (under) expenditures	(41,250)	468,084	49,846	(418,238)	(7,459)
Other financing sources (uses):					
Transfers out	(350,000)	(430,000)	(430,000)	-	(20,000)
Total other financing sources (uses)	(350,000)	(430,000)	(430,000)	-	(20,000)
Net change in fund balance	(391,250)	38,084	(380,154)	(418,238)	(27,459)
Fund balance, January 1	<u>496,560</u>	<u>496,560</u>	<u>496,560</u>	<u>-</u>	<u>524,019</u>
Fund balance, December 31.	<u>\$ 105,310</u>	<u>\$ 534,644</u>	<u>\$ 116,406</u>	<u>\$ (418,238)</u>	<u>\$ 496,560</u>

CITY OF FINDLAY, OHIO

COMPARATIVE BALANCE SHEET
NONMAJOR CEMETERY TRUST PERMANENT FUND

DECEMBER 31, 2015
(WITH COMPARATIVE TOTALS FOR DECEMBER 31, 2014)

	2015	2014
Assets:		
Equity in pooled cash and investments	\$ 1,345,127	\$ 1,308,827
Receivables (net of allowances of uncollectibles).	278	37
Total assets	\$ 1,345,405	\$ 1,308,864
Fund balance:		
Nonspendable	\$ 1,344,168	\$ 1,308,415
Restricted	1,237	449
Total fund balance	1,345,405	1,308,864
Total liabilities and fund balance	\$ 1,345,405	\$ 1,308,864

CITY OF FINDLAY, OHIO

COMPARATIVE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR CEMETERY TRUST PERMANENT FUND

FOR THE YEAR ENDED DECEMBER 31, 2015
(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED DECEMBER 31, 2014)

	<u>2015</u>	<u>2014</u>
Revenues:		
Charges for services	\$ 36,301	\$ 38,625
Investment income	1,237	449
Total revenues	<u>37,538</u>	<u>39,074</u>
Expenditures:		
Current:		
Public health and welfare.	997	464
Total expenditures	<u>997</u>	<u>464</u>
Net change in fund balance	36,541	38,610
Fund balance, January 1	<u>1,308,864</u>	<u>1,270,254</u>
Fund balance, December 31.	<u>\$ 1,345,405</u>	<u>\$ 1,308,864</u>

CITY OF FINDLAY, OHIO

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCE - BUDGET (GAAP-BASIS) AND ACTUAL
CEMETERY TRUST PERMANENT FUND

FOR THE YEAR ENDED DECEMBER 31, 2015
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED DECEMBER 31, 2014)

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with</u>	<u>2014</u>
	<u>Original</u>	<u>Final</u>		<u>Final Budget</u>	
				<u>Positive</u>	
				<u>(Negative)</u>	
Revenues:					
Charges for services	\$ 36,000	\$ 36,000	\$ 36,301	\$ 301	\$ 38,625
Investment income	300	1,000	1,237	237	449
Total revenues	<u>36,300</u>	<u>37,000</u>	<u>37,538</u>	<u>538</u>	<u>39,074</u>
Expenditures:					
Current:					
Public health and welfare					
Other	<u>300</u>	<u>997</u>	<u>997</u>	<u>-</u>	<u>464</u>
Total expenditures	<u>300</u>	<u>997</u>	<u>997</u>	<u>-</u>	<u>464</u>
Net change in fund balance	36,000	36,003	36,541	538	38,610
Fund balance, January 1	<u>1,308,864</u>	<u>1,308,864</u>	<u>1,308,864</u>	<u>-</u>	<u>1,270,254</u>
Fund balance, December 31.	<u>\$ 1,344,864</u>	<u>\$ 1,344,867</u>	<u>\$ 1,345,405</u>	<u>\$ 538</u>	<u>\$ 1,308,864</u>

CITY OF FINDLAY, OHIO

Enterprise Funds

The enterprise funds account for operations that are financed and operated in a manner similar to private business enterprises where the intent is that costs (expenses, including depreciation) of providing services to the general public on a continuing basis be recovered primarily through user charges.

The City has the following major enterprise funds:

Water Fund

Water Pollution Control Fund

Airport Fund

These major enterprise funds are described on page 66 of the financial statements.

The City has the following nonmajor enterprise funds:

Swimming Pool:

To account for the operation of the swimming pool complex at Riverside Park. Beginning in 2010, the City contracted with the local YMCA to run the pool operations.

Parking Facilities:

To account for the operation of the parking department, which includes maintenance and rental of lots, fine revenue, and the monitoring of all on-street and off-street parking zones.

CITY OF FINDLAY, OHIO

COMPARATIVE STATEMENT OF NET POSITION
WATER FUND

DECEMBER 31, 2015 AND 2014

	<u>2015</u>	<u>2014</u>
Assets:		
Current assets:		
Equity in pooled cash and investments	\$ 10,741,473	\$ 10,781,329
Cash with escrow agent.	80,587	78,213
Receivables (net of allowances of uncollectibles) . . .	1,128,255	1,564,759
Prepayments	24,228	24,056
Materials and supplies inventory	784,980	584,155
Total current assets	<u>12,759,523</u>	<u>13,032,512</u>
Noncurrent assets:		
Net pension asset	6,534	-
Restricted assets:		
Equity in pooled cash and investments	775,720	773,300
Capital assets:		
Nondepreciable capital assets.	3,631,673	2,706,684
Depreciable capital assets, net	51,134,544	51,275,682
Total noncurrent assets	<u>55,548,471</u>	<u>54,755,666</u>
Total assets	<u>68,307,994</u>	<u>67,788,178</u>
Deferred outflows of resources:		
Unamortized deferred charges on debt refunding . . .	44,107	74,859
Pension	290,945	-
Total deferred outflows of resources	<u>335,052</u>	<u>74,859</u>
Liabilities:		
Current liabilities:		
Accounts payable.	139,586	151,189
Contracts payable.	119,671	690,843
Accrued wages and benefits payable	60,735	53,649
Insurance deposits payable	44,328	54,528
Retainage payable	80,587	78,213
Due to other funds	-	411,727
Deposits held and due to others	365,250	701,900
Accrued interest payable	55,296	62,881
Compensated absences payable - current.	161,534	209,198
Bonds payable - current	1,106,000	1,093,000
Loans payable - current	250,212	244,029
Total current liabilities	<u>2,383,199</u>	<u>3,751,157</u>
Long-term liabilities:		
Compensated absences payable.	148,513	68,781
Bonds payable.	2,320,000	3,426,000
Loans payable	2,788,347	3,038,561
Net pension liability	1,575,622	-
Total long-term liabilities	<u>6,832,482</u>	<u>6,533,342</u>
Total liabilities.	<u>9,215,681</u>	<u>10,284,499</u>
Deferred inflows of resources:		
Pension	29,674	-
Net position:		
Net investment in capital assets	48,145,507	45,486,579
Restricted for:		
Capital projects	775,720	773,300
Unrestricted	10,476,464	11,318,659
Total net position	<u>\$ 59,397,691</u>	<u>\$ 57,578,538</u>

CITY OF FINDLAY, OHIO

COMPARATIVE STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
WATER FUND

FOR THE YEAR ENDED DECEMBER 31, 2015 AND 2014

	<u>2015</u>	<u>2014</u>
Operating revenues:		
Charges for services	\$ 8,130,180	\$ 8,094,877
Other	84,103	124,026
Total operating revenues	<u>8,214,283</u>	<u>8,218,903</u>
Operating expenses:		
Personal services	2,572,367	2,511,702
Contract services	389,947	570,538
Materials and supplies.	799,952	969,285
Utilities	382,232	396,838
Depreciation.	1,392,839	1,389,465
Total operating expenses	<u>5,537,337</u>	<u>5,837,828</u>
Operating income.	<u>2,676,946</u>	<u>2,381,075</u>
Nonoperating revenues (expenses):		
Intergovernmental.	74,886	65,140
Interest revenue.	32,736	21,049
Loss on disposal of capital assets.	(44,456)	(19,456)
Interest expense and fiscal charges	(162,847)	(171,606)
Bond issue costs.	-	(21,125)
Total nonoperating revenues (expenses)	<u>(99,681)</u>	<u>(125,998)</u>
Income before contributions	2,577,265	2,255,077
Capital contributions.	228,996	173,212
Change in net position	2,806,261	2,428,289
Net position, January 1 (restated)	<u>56,591,430</u>	<u>55,150,249</u>
Net position, December 31	<u>\$ 59,397,691</u>	<u>\$ 57,578,538</u>

CITY OF FINDLAY, OHIO

**COMPARATIVE STATEMENT OF CASH FLOWS
WATER FUND**

FOR THE YEAR ENDED DECEMBER 31, 2015 AND 2014

	<u>2015</u>	<u>2014</u>
Cash flows from operating activities:		
Cash received from customers	\$ 8,157,386	\$ 8,067,986
Cash received from other operations	84,103	124,026
Cash payments for personal services	(2,573,654)	(2,574,607)
Cash payments for contract services.	(373,445)	(446,790)
Cash payments for materials and supplies.	(1,012,380)	(872,063)
Cash payments for utilities.	<u>(382,232)</u>	<u>(388,973)</u>
Net cash provided by operating activities.	<u>3,899,778</u>	<u>3,909,579</u>
Cash flows from noncapital financing activities:		
Grants and contributions	<u>74,866</u>	<u>65,140</u>
Net cash provided by noncapital financing activities	<u>74,866</u>	<u>65,140</u>
Cash flows from capital and related financing activities:		
Acquisition of capital assets	(2,563,305)	(2,378,617)
Issuance of refunding bonds.	-	2,000,000
Issuance of bonds.	-	1,853,500
Bond issuance costs paid	-	(21,125)
Issuance of loans.	-	10,000
Payment to refunded bond escrow agent	-	(1,842,665)
Principal paid on bonds	(1,093,000)	(664,500)
Interest paid on bonds.	(52,787)	(83,798)
Principal paid on loans	(244,031)	(258,578)
Interest paid on loans	<u>(86,890)</u>	<u>(92,877)</u>
Net cash used in capital and related financing activities	<u>(4,040,013)</u>	<u>(1,478,660)</u>
Cash flows from investing activities:		
Interest received.	<u>30,307</u>	<u>18,825</u>
Net cash provided by investing activities	<u>30,307</u>	<u>18,825</u>
Net increase in cash and cash equivalents	(35,062)	2,514,884
Cash and cash equivalents at beginning of year . .	<u>11,632,842</u>	<u>9,117,958</u>
Cash and cash equivalents at end of year.	<u>\$ 11,597,780</u>	<u>\$ 11,632,842</u>

- - continued

CITY OF FINDLAY, OHIO

COMPARATIVE STATEMENT OF CASH FLOWS
WATER FUND (CONTINUED)

FOR THE YEAR ENDED DECEMBER 31, 2015 AND 2014

	2015	2014
Reconciliation of operating income to net cash provided by operating activities:		
Operating income	\$ 2,676,946	\$ 2,381,075
Adjustments to reconcile operating income to net cash provided by operating activities:		
Depreciation	1,392,839	1,389,465
Changes in assets and liabilities:		
Decrease in accounts receivable.	27,206	(26,891)
(Increase) decrease in materials and supplies inventory	(200,825)	12,236
(Increase) decrease in prepayments.	(172)	8,726
Increase (decrease) in accounts payable	(11,603)	84,986
Increase in accrued wages and benefits.	7,086	6,199
Increase (decrease) in compensated absences payable.	32,068	(8,209)
(Decrease) in insurance deposits payable	(10,200)	(60,895)
Increase in deposits held and due to others	14,300	46,600
Increase in retainage payable	2,374	68,422
Increase in due to other funds	-	7,865
(Increase) in net pension asset	(4,753)	-
(Increase) in deferred outflows - pension.	(90,750)	-
Increase in deferred inflows - pension	29,674	-
Increase in net pension liability	35,588	-
Net cash provided by operating activities	\$ 3,899,778	\$ 3,909,579

Non-cash Transactions:

During 2015, the Water fund received \$228,996 in capital contributions of donated water lines from private developers.

At December 31, 2015 and 2014, the Water fund purchased \$119,671 and \$690,843, respectively, in capital assets on account.

During 2014, the Water fund received \$173,212 in capital contributions of donated water lines from private developers.

At December 31, 2014 and 2013, the Water fund purchased \$690,843 and \$472,574, respectively, in capital assets on account.

CITY OF FINDLAY, OHIO

COMPARATIVE STATEMENT OF NET POSITION
WATER POLLUTION CONTROL FUND

DECEMBER 31, 2015 AND 2014

	<u>2015</u>	<u>2014</u>
Assets:		
Current assets:		
Equity in pooled cash and investments	\$ 7,030,845	\$ 7,602,230
Cash with escrow agent	98,108	93,080
Receivables (net of allowances of uncollectibles) . .	1,588,259	840,770
Prepayments	15,674	15,243
Materials and supplies inventory	56,590	52,435
Total current assets	<u>8,789,476</u>	<u>8,603,758</u>
Noncurrent assets:		
Net pension asset	5,567	-
Restricted assets:		
Equity in pooled cash and investments	4,295,580	4,762,146
Capital assets:		
Nondepreciable capital assets	3,378,257	2,142,271
Depreciable capital assets, net	78,988,737	79,857,663
Total noncurrent assets	<u>86,668,141</u>	<u>86,762,080</u>
Total assets	<u>95,457,617</u>	<u>95,365,838</u>
Deferred outflows of resources:		
Unamortized deferred charges on debt refunding . .	74,484	124,141
Pension	247,885	-
Total deferred outflows of resources	<u>322,369</u>	<u>124,141</u>
Liabilities:		
Current liabilities:		
Accounts payable	280,197	173,766
Retainage payable	98,108	93,080
Accrued wages and benefits payable	50,653	44,358
Insurance deposits payable	36,704	45,280
Deposits held and due to others	365,250	-
Accrued interest payable	304,262	350,449
Compensated absences payable - current	118,409	111,697
Bonds payable - current	982,500	973,000
Loans payable - current	2,100,082	2,016,165
Total current liabilities	<u>4,336,165</u>	<u>3,807,795</u>
Long term liabilities:		
Compensated absences payable	322,349	268,211
Bonds payable	1,530,000	2,512,500
Loans payable	12,206,136	14,306,218
Net pension liability	1,342,429	-
Total long-term liabilities	<u>15,400,914</u>	<u>17,086,929</u>
Total liabilities	<u>19,737,079</u>	<u>20,894,724</u>
Deferred inflows of resources:		
Pension	25,282	-
Net position:		
Net investment in capital assets	65,524,652	62,223,112
Restricted for:		
Capital projects	4,295,580	4,762,146
Unrestricted	6,197,393	7,609,997
Total net position	<u>\$ 76,017,625</u>	<u>\$ 74,595,255</u>

CITY OF FINDLAY, OHIO

COMPARATIVE STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
WATER POLLUTION CONTROL FUND

FOR THE YEAR ENDED DECEMBER 31, 2015 AND 2014

	<u>2015</u>	<u>2014</u>
Operating revenues:		
Charges for services	\$ 10,146,272	\$ 9,397,038
Other	17,243	13,638
Total operating revenues	<u>10,163,515</u>	<u>9,410,676</u>
Operating expenses:		
Personal services	2,100,588	2,007,866
Contract services	1,169,682	1,294,314
Materials and supplies.	388,320	312,960
Utilities	520,599	528,381
Depreciation.	2,205,431	2,163,880
Total operating expenses	<u>6,384,620</u>	<u>6,307,401</u>
Operating income	<u>3,778,895</u>	<u>3,103,275</u>
Nonoperating revenues (expenses):		
Intergovernmental	183,982	78,184
Interest revenue.	30,963	22,332
Interest expense and fiscal charges	(683,829)	(814,246)
Loss on disposall of capital assets	-	(8,624)
Bond issue costs.	-	(19,171)
Total nonoperating revenues (expenses).	<u>(468,884)</u>	<u>(741,525)</u>
Income before contributions and transfers.	3,310,011	2,361,750
Capital contributions.	227,268	80,431
Transfers out	<u>(623,934)</u>	<u>-</u>
Change in net position	2,913,345	2,442,181
Net position, January 1 (restated)	<u>73,104,280</u>	<u>72,153,074</u>
Net position, December 31	<u>\$ 76,017,625</u>	<u>\$ 74,595,255</u>

CITY OF FINDLAY, OHIO

**COMPARATIVE STATEMENT OF CASH FLOWS
WATER POLLUTION CONTROL FUND**

FOR THE YEAR ENDED DECEMBER 31, 2015 AND 2014

	<u>2015</u>	<u>2014</u>
Cash flows from operating activities:		
Cash received from customers	\$ 9,400,638	\$ 9,387,946
Cash received from other operations	17,243	13,638
Cash payments for personal services	(2,067,785)	(2,043,449)
Cash payments for contract services.	(1,150,785)	(1,287,169)
Cash payments for materials and supplies.	(286,044)	(279,869)
Cash payments for utilities.	<u>(520,599)</u>	<u>(528,381)</u>
Net cash provided by operating activities.	<u>5,392,668</u>	<u>5,262,716</u>
Cash flows from noncapital financing activities:		
Grants and contributions	<u>183,982</u>	<u>78,184</u>
Net cash provided by (used in) noncapital financing activities	<u>183,982</u>	<u>78,184</u>
Cash flows from capital and related financing activities:		
Acquisition of capital assets	(2,969,157)	(1,796,374)
Issuance of refunding bonds.	-	2,147,000
Issuance of bonds.	-	1,350,000
Bond issuance costs paid	-	(19,171)
Payment to refunded bond escrow agent	-	(2,135,169)
Principal paid on bonds.	(973,000)	(646,500)
Interest paid on bonds.	(33,461)	(137,244)
Principal paid on loans	(2,016,165)	(1,858,573)
Interest paid on loans	<u>(646,898)</u>	<u>(727,352)</u>
Net cash used in capital and related financing activities	<u>(6,638,681)</u>	<u>(3,823,383)</u>
Cash flows from investing activities:		
Interest received.	<u>29,108</u>	<u>20,289</u>
Net cash provided by investing activities	<u>29,108</u>	<u>20,289</u>
Net increase (decrease) in cash and cash equivalents . .	(1,032,923)	1,537,806
Cash and cash equivalents at beginning of year . .	<u>12,457,456</u>	<u>10,919,650</u>
Cash and cash equivalents at end of year.	<u>\$ 11,424,533</u>	<u>\$ 12,457,456</u>

-- continued

CITY OF FINDLAY, OHIO

COMPARATIVE STATEMENT OF CASH FLOWS
WATER POLLUTION CONTROL FUND (CONTINUED)

FOR THE YEAR ENDED DECEMBER 31, 2015 AND 2014

	<u>2015</u>	<u>2014</u>
Reconciliation of operating income to net cash provided by operating activities:		
Operating income	\$ 3,778,895	\$ 3,103,275
Adjustments to reconcile operating income to net cash provided by operating activities:		
Depreciation	2,205,431	2,163,880
Changes in assets and liabilities:		
(Increase) in accounts receivable	(745,634)	(1,227)
(Increase) in due from other funds	-	(7,865)
(Increase) in materials and supplies inventory	(4,155)	(5,733)
(Increase) decrease in prepayments	(431)	7,145
Increase in accounts payable	106,431	38,824
Increase in accrued wages and benefits	6,295	7,126
Increase in compensated absences payable	60,850	3,391
(Decrease) in insurance deposits payable.	(8,576)	(46,100)
Increase in retainage payable	5,028	-
Increase in deposits held and due to others	14,300	-
(Increase) in net pension asset	(4,050)	-
(Increase) in deferred outflows - pension.	(77,319)	-
Increase in deferred inflows - pension	25,282	-
Increase in net pension liability	30,321	-
Net cash provided by operating activities	<u>\$ 5,392,668</u>	<u>\$ 5,262,716</u>

Non-cash Transactions:

During 2015, the Water Pollution Control fund constructed and contributed \$623,934 in storm sewer infrastructure to the governmental activities.

During 2015, the Water Pollution Control fund received \$227,268 in capital contributions of donated sewer lines from private developers.

During 2014, the Water Pollution Control fund received \$80,431 in capital contributions of donated sewer lines from private developers.

CITY OF FINDLAY, OHIO

**COMPARATIVE STATEMENT OF NET POSITION
AIRPORT FUND**

DECEMBER 31, 2015 AND 2014

	<u>2015</u>	<u>2014</u>
Assets:		
Current assets:		
Equity in pooled cash and investments	\$ 478,167	\$ 437,900
Receivables (net of allowances of uncollectibles) . . .	42,769	80,572
Prepayments	9,258	8,796
Materials and supplies inventory	64,149	53,616
Total current assets	<u>594,343</u>	<u>580,884</u>
Noncurrent assets:		
Net pension asset	783	-
Capital assets:		
Nondepreciable capital assets	3,500,903	3,419,861
Depreciable capital assets, net	9,011,122	9,856,808
Total noncurrent assets	<u>12,512,808</u>	<u>13,276,669</u>
Total assets	<u>13,107,151</u>	<u>13,857,553</u>
Deferred outflows of resources:		
Pension	<u>34,846</u>	<u>-</u>
Liabilities:		
Current liabilities:		
Accounts payable.	80,639	46,376
Accrued wages and benefits payable	7,035	6,065
Insurance deposits payable.	5,944	7,337
Compensated absences payable - current.	37,354	36,241
Total current liabilities	<u>130,972</u>	<u>96,019</u>
Long term liabilities:		
Compensated absences payable.	41,266	33,382
Net pension liability	188,712	-
Total long-term liabilities	<u>229,978</u>	<u>33,382</u>
Total liabilities.	<u>360,950</u>	<u>129,401</u>
Deferred inflows of resources:		
Pension	<u>3,554</u>	<u>-</u>
Net position:		
Net investment in capital assets	12,512,025	13,276,669
Unrestricted	265,468	451,483
Total net position	<u>\$ 12,777,493</u>	<u>\$ 13,728,152</u>

CITY OF FINDLAY, OHIO

COMPARATIVE STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
AIRPORT FUND

FOR THE YEAR ENDED DECEMBER 31, 2015 AND 2014

	<u>2015</u>	<u>2014</u>
Operating revenues:		
Charges for services	\$ 878,020	\$ 1,113,979
Total operating revenues	<u>878,020</u>	<u>1,113,979</u>
Operating expenses:		
Personal services	309,345	310,569
Contract services	94,223	101,179
Materials and supplies.	524,319	766,602
Utilities	20,861	23,538
Depreciation.	<u>857,820</u>	<u>854,310</u>
Total operating expenses	<u>1,806,568</u>	<u>2,056,198</u>
Operating loss.	<u>(928,548)</u>	<u>(942,219)</u>
Nonoperating revenues (expenses):		
Intergovernmental	<u>23,598</u>	<u>25,978</u>
Total nonoperating revenues (expenses)	<u>23,598</u>	<u>25,978</u>
Loss before contributions and transfers.	(904,950)	(916,241)
Capital contributions.	72,938	28,606
Transfers in	<u>41,613</u>	<u>86,993</u>
Change in net position	(790,399)	(800,642)
Net position, January 1 (restated).	<u>13,567,892</u>	<u>14,528,794</u>
Net position, December 31	<u>\$ 12,777,493</u>	<u>\$ 13,728,152</u>

CITY OF FINDLAY, OHIO

**COMPARATIVE STATEMENT OF CASH FLOWS
AIRPORT FUND**

FOR THE YEAR ENDED DECEMBER 31, 2015 AND 2014

	2015	2014
Cash flows from operating activities:		
Cash received from customers	\$ 915,823	\$ 1,140,055
Cash payments for personal services	(304,394)	(353,738)
Cash payments for contract services.	(94,685)	(99,527)
Cash payments for materials and supplies.	(500,589)	(724,168)
Cash payments for utilities.	(20,861)	(23,538)
Net cash used in operating activities	(4,706)	(60,916)
Cash flows from noncapital financing activities:		
Grants and contributions	23,598	25,978
Transfers in	41,613	86,993
Net cash provided by noncapital financing activities	65,211	112,971
Cash flows from capital and related financing activities:		
Acquisition of capital assets	(93,176)	(62,824)
Capital contributions	72,938	28,606
Net cash used in capital and related financing activities	(20,238)	(34,218)
Net increase in cash and cash equivalents	40,267	17,837
Cash and cash equivalents at beginning of year . . .	437,900	420,063
Cash and cash equivalents at end of year.	\$ 478,167	\$ 437,900
Reconciliation of operating loss to net cash used in operating activities:		
Operating loss.	\$ (928,548)	\$ (942,219)
Adjustments to reconcile operating loss to net cash used in operating activities:		
Depreciation	857,820	854,310
Changes in assets and liabilities:		
Decrease in accounts receivable	37,803	26,076
(Increase) decrease in materials and supplies inventory	(10,533)	27,330
(Increase) decrease in prepayments	(462)	1,652
Increase in accounts payable	34,263	15,104
Increase in accrued wages and benefits	970	262
Increase (decrease) in compensated absences payable	8,997	(36,730)
(Decrease) in insurance deposits payable.	(1,393)	(6,701)
(Increase) in net pension asset	(570)	-
(Increase) in deferred outflows - pension.	(10,869)	-
Increase in deferred inflows - pension	3,554	-
Increase in net pension liability	4,262	-
Net cash used in operating activities	\$ (4,706)	\$ (60,916)

CITY OF FINDLAY, OHIO

COMBINING STATEMENT OF NET POSITION
NONMAJOR ENTERPRISE FUNDS
DECEMBER 31, 2015

	Swimming Pool	Parking Facilities	Total
Assets:			
Current assets:			
Equity in pooled cash and investments	\$ 14,270	\$ 56,260	\$ 70,530
Prepayments	198	107	305
Total current assets	<u>14,468</u>	<u>56,367</u>	<u>70,835</u>
Noncurrent assets:			
Net pension asset	-	213	213
Capital assets:			
Nondepreciable capital assets	1,631	94,331	95,962
Depreciable capital assets, net	416,522	80,641	497,163
Total noncurrent assets	<u>418,153</u>	<u>175,185</u>	<u>593,338</u>
Total assets.	<u>432,621</u>	<u>231,552</u>	<u>664,173</u>
Deferred outflows of resources:			
Pension		9,482	9,482
Liabilities:			
Current liabilities:			
Accounts payable.	127	2,587	2,714
Accrued wages and benefits	-	1,975	1,975
Insurance deposits payable	-	1,368	1,368
Compensated absences payable.	-	2,334	2,334
Total current liabilities	<u>127</u>	<u>8,264</u>	<u>8,391</u>
Long term liabilities:			
Compensated absences payable.	-	10,009	10,009
Net pension liability		51,349	51,349
Total long-term liabilities	<u>-</u>	<u>61,358</u>	<u>61,358</u>
Total liabilities.	<u>127</u>	<u>69,622</u>	<u>69,749</u>
Deferred inflows of resources:			
Pension		967	967
Net position:			
Net investment in capital assets	418,153	174,972	593,125
Unrestricted (deficit)	14,341	(4,527)	9,814
Total net position	<u>\$ 432,494</u>	<u>\$ 170,445</u>	<u>\$ 602,939</u>

CITY OF FINDLAY, OHIO

COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
NONMAJOR ENTERPRISE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2015

	Swimming Pool	Parking Facilities	Total
Operating revenues:			
Charges for services	\$ -	\$ 100,371	\$ 100,371
Other	-	244	244
Total operating revenues	-	100,615	100,615
Operating expenses:			
Personal services	-	81,986	81,986
Contract services	56,869	3,128	59,997
Materials and supplies.	18,939	10,456	29,395
Utilities	359	458	817
Depreciation.	30,838	6,451	37,289
Total operating expenses	107,005	102,479	209,484
Operating loss	(107,005)	(1,864)	(108,869)
Transfers in	79,000	23,400	102,400
Change in net position.	(28,005)	21,536	(6,469)
Net position, January 1 (restated)	460,499	148,909	609,408
Net position, December 31	\$ 432,494	\$ 170,445	\$ 602,939

CITY OF FINDLAY, OHIO

**COMBINING STATEMENT OF CASH FLOWS
NONMAJOR ENTERPRISE FUNDS**

FOR THE YEAR ENDED DECEMBER 31, 2015

	<u>Swimming Pool</u>	<u>Parking Facilities</u>	<u>Total</u>
Cash flows from operating activities:			
Cash received from customers	\$ -	\$ 100,371	\$ 100,371
Cash received from other operations	-	244	244
Cash payments for personal services	-	(80,033)	(80,033)
Cash payments for contract services.	(56,863)	(3,105)	(59,968)
Cash payments for materials and supplies.	(18,826)	(10,190)	(29,016)
Cash payments for utilities.	(359)	(458)	(817)
	<hr/>	<hr/>	<hr/>
Net cash used in operating activities.	(76,048)	6,829	(69,219)
Cash flows from noncapital financing activities:			
Transfers in	79,000	23,400	102,400
	<hr/>	<hr/>	<hr/>
Net cash provided by noncapital financing activities	79,000	23,400	102,400
	<hr/>	<hr/>	<hr/>
Net increase in cash and cash equivalents	2,952	30,229	33,181
Cash and cash equivalents at beginning of year . . .	11,318	26,031	37,349
	<hr/>	<hr/>	<hr/>
Cash and cash equivalents at end of year.	\$ 14,270	\$ 56,260	\$ 70,530
	<hr/>	<hr/>	<hr/>
Reconciliation of operating loss to net cash provided by (used in) operating activities:			
Operating loss	\$ (107,005)	\$ (1,864)	\$ (108,869)
Adjustments to reconcile operating loss to net cash provided by (used in) operating activities:			
Depreciation	30,838	6,451	37,289
Changes in assets and liabilities:			
Decrease in prepayments	6	23	29
Increase in accounts payable.	113	266	379
Increase in accrued wages and benefits	-	272	272
Increase in compensated absences payable	-	2,923	2,923
(Decrease) in insurance deposits payable	-	(256)	(256)
(Increase) in net pension asset	-	(155)	(155)
(Increase) in deferred outflows - pension.	-	(2,958)	(2,958)
Increase in deferred inflows - pension	-	967	967
Increase in net pension liability	-	1,160	1,160
	<hr/>	<hr/>	<hr/>
Net cash provided by (used in) operating activities . . .	\$ (76,048)	\$ 6,829	\$ (69,219)
	<hr/>	<hr/>	<hr/>

CITY OF FINDLAY, OHIO

COMPARATIVE STATEMENT OF NET POSITION
SWIMMING POOL FUND

DECEMBER 31, 2015 AND 2014

	2015	2014
Assets:		
Current assets:		
Equity in pooled cash and investments	\$ 14,270	\$ 11,318
Prepayments	198	204
Total current assets	14,468	11,522
Noncurrent assets:		
Capital assets:		
Nondepreciable capital assets	1,631	1,631
Depreciable capital assets, net	416,522	447,360
Total noncurrent assets	418,153	448,991
Total assets	432,621	460,513
Liabilities:		
Current liabilities:		
Accounts payable.	127	14
Total current liabilities	127	14
Total liabilities.	127	14
Net position:		
Net investment in capital assets	418,153	448,991
Unrestricted	14,341	11,508
Total net position.	\$ 432,494	\$ 460,499

CITY OF FINDLAY, OHIO

COMPARATIVE STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
SWIMMING POOL FUND

FOR THE YEAR ENDED DECEMBER 31, 2015 AND 2014

	<u>2015</u>	<u>2014</u>
Operating revenues:		
Other	\$ -	\$ 60
Total operating revenues	<u>-</u>	<u>60</u>
Operating expenses:		
Contract services	56,869	68,537
Materials and supplies.	18,939	12,363
Utilities	359	6,914
Depreciation.	30,838	29,053
Total operating expenses	<u>107,005</u>	<u>116,867</u>
Operating loss.	(107,005)	(116,807)
Transfers in	<u>79,000</u>	<u>115,500</u>
Change in net position.	(28,005)	(1,307)
Net position, January 1	<u>460,499</u>	<u>461,806</u>
Net position, December 31	<u>\$ 432,494</u>	<u>\$ 460,499</u>

CITY OF FINDLAY, OHIO

COMPARATIVE STATEMENT OF CASH FLOWS
SWIMMING POOL FUND

FOR THE YEAR ENDED DECEMBER 31, 2015 AND 2014

	<u>2015</u>	<u>2014</u>
Cash flows from operating activities:		
Cash received from other operations	\$ -	\$ 60
Cash payments for contract services.	(56,863)	(68,476)
Cash payments for materials and supplies.	(18,826)	(12,363)
Cash payments for utilities.	(359)	(6,914)
	<u>(76,048)</u>	<u>(87,693)</u>
Net cash used in operating activities.		
Cash flows from noncapital financing activities:		
Transfers in	<u>79,000</u>	<u>115,500</u>
Net cash provided by noncapital financing activities	<u>79,000</u>	<u>115,500</u>
Cash flows from capital and related financing activities:		
Acquisition of capital assets	<u>-</u>	<u>(53,700)</u>
Net cash used in capital and related financing activities.	<u>-</u>	<u>(53,700)</u>
Net increase (decrease) in cash and cash equivalents	2,952	(25,893)
Cash and cash equivalents at beginning of year	<u>11,318</u>	<u>37,211</u>
Cash and cash equivalents at end of year.	<u>\$ 14,270</u>	<u>\$ 11,318</u>
Reconciliation of operating loss to net cash used in operating activities:		
Operating loss	\$ (107,005)	\$ (116,807)
Adjustments to reconcile operating loss to net cash used in operating activities:		
Depreciation	30,838	29,053
Changes in assets and liabilities:		
Decrease in prepayments	6	61
Increase in accounts payable	<u>113</u>	<u>-</u>
Net cash used in operating activities	<u>\$ (76,048)</u>	<u>\$ (87,693)</u>

CITY OF FINDLAY, OHIO

COMPARATIVE STATEMENT OF NET POSITION
PARKING FACILITIES FUND

DECEMBER 31, 2015 AND 2014

	<u>2015</u>	<u>2014</u>
Assets:		
Current assets:		
Equity in pooled cash and investments	\$ 56,260	\$ 26,031
Prepayments	107	130
Total current assets	<u>56,367</u>	<u>26,161</u>
Noncurrent assets:		
Net pension asset	213	-
Capital assets:		
Nondepreciable capital assets	94,331	94,331
Depreciable capital assets, net	80,641	87,092
Total noncurrent assets	<u>175,185</u>	<u>181,423</u>
Total assets	<u>231,552</u>	<u>207,584</u>
Deferred outflows of resources:		
Pension	<u>9,482</u>	<u>-</u>
Liabilities:		
Current liabilities:		
Accounts payable.	2,587	2,321
Accrued wages and benefits	1,975	1,703
Insurance deposits payable.	1,368	1,624
Compensated absences payable - current.	2,334	2,232
Total current liabilities	<u>8,264</u>	<u>7,880</u>
Long term liabilities:		
Compensated absences payable.	10,009	7,188
Net pension liability	51,349	-
Total long-term liabilities	<u>61,358</u>	<u>7,188</u>
Total liabilities.	<u>69,622</u>	<u>15,068</u>
Deferred inflows of resources:		
Pension	<u>967</u>	<u>-</u>
Net position:		
Net investment in capital assets	174,972	181,423
Unrestricted (deficit)	(4,527)	11,093
Total net position.	<u>\$ 170,445</u>	<u>\$ 192,516</u>

CITY OF FINDLAY, OHIO

COMPARATIVE STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
PARKING FACILITIES FUND

FOR THE YEAR ENDED DECEMBER 31, 2015 AND 2014

	<u>2015</u>	<u>2014</u>
Operating revenues:		
Charges for services	\$ 100,371	\$ 77,191
Other	244	501
Total operating revenues	<u>100,615</u>	<u>77,692</u>
Operating expenses:		
Personal services	81,986	82,724
Contract services	3,128	3,145
Materials and supplies.	10,456	11,414
Utilities	458	491
Depreciation.	<u>6,451</u>	<u>6,451</u>
Total operating expenses	<u>102,479</u>	<u>104,225</u>
Operating loss	(1,864)	(26,533)
Transfers in	<u>23,400</u>	<u>15,500</u>
Change in net position.	21,536	(11,033)
Net position, January 1 (restated)	<u>148,909</u>	<u>203,549</u>
Net position, December 31	<u><u>\$ 170,445</u></u>	<u><u>\$ 192,516</u></u>

CITY OF FINDLAY, OHIO

**COMPARATIVE STATEMENT OF CASH FLOWS
PARKING FACILITIES FUND**

FOR THE YEAR ENDED DECEMBER 31, 2015 AND 2014

	2015	2014
Cash flows from operating activities:		
Cash received from customers	\$ 100,371	\$ 77,191
Cash received from other operations	244	501
Cash payments for personal services	(80,033)	(80,793)
Cash payments for contract services.	(3,105)	(3,152)
Cash payments for materials and supplies.	(10,190)	(9,861)
Cash payments for utilities.	(458)	(491)
	<u>6,829</u>	<u>(16,605)</u>
Cash flows from noncapital financing activities:		
Transfers in	23,400	15,500
Net cash provided by noncapital financing activities	<u>23,400</u>	<u>15,500</u>
Net increase (decrease) in cash and cash equivalents . .	30,229	(1,105)
Cash and cash equivalents at beginning of year . . .	<u>26,031</u>	<u>27,136</u>
Cash and cash equivalents at end of year.	<u>\$ 56,260</u>	<u>\$ 26,031</u>
Reconciliation of operating loss to net cash provided by (used in) operating activities:		
Operating loss	\$ (1,864)	\$ (26,533)
Adjustments to reconcile operating loss to net cash provided by (used in) operating activities:		
Depreciation	6,451	6,451
Changes in assets and liabilities:		
(Increase) decrease in prepayments	23	(7)
Increase in accounts payable.	266	1,553
Increase in accrued wages and benefits.	272	240
Increase in compensated absences payable	2,923	3,485
(Decrease) in insurance deposits payable	(256)	(1,794)
(Increase) in net pension asset	(155)	-
(Increase) in deferred outflows - pension.	(2,958)	-
Increase in deferred inflows - pension	967	-
Increase in net pension liability	1,160	-
Net cash provided by (used in) operating activities . . .	<u>\$ 6,829</u>	<u>\$ (16,605)</u>

CITY OF FINDLAY, OHIO

The internal service funds account for the financing of goods or services provided by one department to other departments of the City of Findlay on a cost-reimbursement basis. Accounting for these funds is designed to accumulate all of the costs incurred by the internal service funds in providing goods and services to other departments. However, charges to the other departments are not intended to produce a significant profit in the long run, but to recover the total costs of providing goods or services.

Central Stores:

To account for the central purchase of various office supplies in large quantities at a lesser price with the subsequent charge to the various user departments.

Self Insurance:

To account for processing and paying general municipal liability insurance claims in lieu of purchasing general municipal liability insurance.

Workers' Compensation:

To account for the collection of premiums and payments of claims related to a workers' compensation individual retrospective rating plan.

CITY OF FINDLAY, OHIO

COMBINING STATEMENT OF NET POSITION
INTERNAL SERVICE FUNDS

DECEMBER 31, 2015
(WITH COMPARATIVE TOTALS FOR DECEMBER 31, 2014)

	Central Stores	Self-Insurance	Workers' Compensation	Totals	
				2015	2014
Assets:					
Current assets:					
Equity in pooled cash and investments	\$ 25,211	\$ 1,009,741	\$ 775,375	\$ 1,810,327	\$ 1,875,156
Receivables (net of allowances of uncollectibles) .	-	208	-	208	35
Prepayments.	-	55,138	-	55,138	52,014
Materials and supplies inventory	6,513	-	-	6,513	3,475
Total assets.	<u>31,724</u>	<u>1,065,087</u>	<u>775,375</u>	<u>1,872,186</u>	<u>1,930,680</u>
Liabilities:					
Current liabilities:					
Accounts payable.	696	8,300	-	8,996	8,299
Workers' compensation payable.	-	-	57,130	57,130	36,818
Total liabilities.	<u>696</u>	<u>8,300</u>	<u>57,130</u>	<u>66,126</u>	<u>45,117</u>
Net position:					
Unrestricted	<u>31,028</u>	<u>1,056,787</u>	<u>718,245</u>	<u>1,806,060</u>	<u>1,885,563</u>
Total net position	<u>\$ 31,028</u>	<u>\$ 1,056,787</u>	<u>\$ 718,245</u>	<u>\$ 1,806,060</u>	<u>\$ 1,885,563</u>

CITY OF FINDLAY, OHIO

COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
INTERNAL SERVICE FUNDS

FOR THE YEAR ENDED DECEMBER 31, 2015
(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED DECEMBER 31, 2014)

	Central Stores	Self-Insurance	Workers' Compensation	Totals	
				2015	2014
Operating revenues:					
Charges for services	\$ 14,741	\$ -	\$ -	\$ 14,741	\$ 15,336
Total operating revenues	14,741	-	-	14,741	15,336
Operating expenses:					
Contract services	3,049	131,865	-	134,914	143,756
Materials and supplies.	14,181	-	-	14,181	5,218
Claims	-	-	41,120	41,120	214,437
Total operating expenses	17,230	131,865	41,120	190,215	363,411
Operating income (loss)	(2,489)	(131,865)	(41,120)	(175,474)	(348,075)
Nonoperating revenues:					
Interest revenue	-	971	-	971	389
Total nonoperating revenues	-	971	-	971	389
Income (loss) before transfers	(2,489)	(130,894)	(41,120)	(174,503)	(347,686)
Transfers in	-	95,000	-	95,000	-
Change in net position	(2,489)	(35,894)	(41,120)	(79,503)	(347,686)
Net position, January 1.	<u>33,517</u>	<u>1,092,681</u>	<u>759,365</u>	<u>1,885,563</u>	<u>2,233,249</u>
Net position, December 31	<u>\$ 31,028</u>	<u>\$ 1,056,787</u>	<u>\$ 718,245</u>	<u>\$ 1,806,060</u>	<u>\$ 1,885,563</u>

CITY OF FINDLAY, OHIO

**COMBINING STATEMENT OF CASH FLOWS
INTERNAL SERVICE FUNDS**

FOR THE YEAR ENDED DECEMBER 31, 2015
(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED DECEMBER 31, 2014)

	Central Stores	Self-Insurance	Workers' Compensation	Totals	
				2015	2014
Cash flows from operating activities:					
Cash received from customers	\$ 14,741	\$ -	\$ -	\$ 14,741	\$ 15,336
Cash payments for contract services.	(3,049)	(134,689)	-	(137,738)	(167,832)
Cash payments for materials and supplies.	(16,822)	-	-	(16,822)	(16,589)
Cash payments for claims	-	-	(20,808)	(20,808)	(258,852)
Net cash (used in) operating activities.	<u>(5,130)</u>	<u>(134,689)</u>	<u>(20,808)</u>	<u>(160,627)</u>	<u>(427,937)</u>
Cash flows from noncapital financing activities:					
Transfers in.	-	95,000	-	95,000	-
Net cash provided by noncapital financing activities	<u>-</u>	<u>95,000</u>	<u>-</u>	<u>95,000</u>	<u>-</u>
Cash flows from investing activities:					
Interest received.	-	798	-	798	396
Net cash provided by investing activities	<u>-</u>	<u>798</u>	<u>-</u>	<u>798</u>	<u>396</u>
Net decrease in cash and cash equivalents	(5,130)	(38,891)	(20,808)	(64,829)	(427,541)
Cash and cash equivalents at beginning of year . . .	<u>30,341</u>	<u>1,048,632</u>	<u>796,183</u>	<u>1,875,156</u>	<u>2,302,697</u>
Cash and cash equivalents at end of year.	<u>\$ 25,211</u>	<u>\$ 1,009,741</u>	<u>\$ 775,375</u>	<u>\$ 1,810,327</u>	<u>\$ 1,875,156</u>
Reconciliation of operating loss to net (used in) operating activities:					
Operating loss	\$ (2,489)	\$ (131,865)	\$ (41,120)	\$ (175,474)	\$ (348,075)
Changes in assets and liabilities:					
(Increase) decrease in materials and supplies inventory	(3,038)	-	-	(3,038)	992
(Increase) in prepayments	-	(3,124)	-	(3,124)	(32,076)
Increase (decrease) in accounts payable	397	300	-	697	(4,363)
Increase in workers' compensation payable	-	-	20,312	20,312	(44,415)
Net cash (used in) operating activities.	<u>\$ (5,130)</u>	<u>\$ (134,689)</u>	<u>\$ (20,808)</u>	<u>\$ (160,627)</u>	<u>\$ (427,937)</u>

CITY OF FINDLAY, OHIO

Fiduciary funds are used to account for assets held by the City in a trustee capacity, or as an agent for individuals, private organizations, other governmental units, and/or funds. The following are the City's fiduciary fund types:

Private-Purpose Trust Fund

Private Trust:

This fund accounts for the monies held in trust from contributions, gifts or by bequests that are invested by the City. The interest earnings from these investments are used to care for certain cemetery lots in a manner specified by the contributor.

Agency Funds

Agency funds are custodial in nature, and thus, do not recognize revenues or expenditures, only changes in assets and liabilities. These funds are used to record the collection and payment of refundable deposits, taxes collected for other governments, and municipal court.

Guaranteed Deposits:

This fund accounts for the monies held as deposits, that are required to guarantee the satisfactory completion of a job or project. These monies are returned to the depositor or used to pay any charges after the job or project has been accepted by the City Engineering Department or Fire Department.

Municipal Court:

This fund reports fines and forfeitures collected by the Court for distribution to various State and local governments.

Tax Collection:

This fund accounts for the income taxes collected on-behalf of the Village of Arlington and for assessments collected and due to the Downtown Special Improvement District.

CITY OF FINDLAY, OHIO

COMPARATIVE STATEMENT OF FIDUCIARY NET POSITION
PRIVATE-PURPOSE TRUST FUND
DECEMBER 31, 2015 AND 2014

	2015	2014
Assets:		
Equity in pooled cash and investments	\$ 157,815	\$ 159,378
Receivables:		
Accrued interest.	25	3
Total assets.	157,840	159,381
 Net Position:		
Held in trust for private cemetery care	157,840	159,381
Total net position	\$ 157,840	\$ 159,381

CITY OF FINDLAY, OHIO

COMPARATIVE STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
PRIVATE-PURPOSE TRUST FUND
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2015 AND 2014

	2015	2014
Additions:		
Interest	\$ 111	\$ 42
Other	200	200
	311	242
Deductions:		
Cemetery care	1,852	2,130
Changes in net position	(1,541)	(1,888)
Net position, January 1	159,381	161,269
Net position, December 31	\$ 157,840	\$ 159,381

CITY OF FINDLAY, OHIO

**COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
AGENCY FUNDS**

FOR THE YEAR ENDED DECEMBER 31, 2015

	<u>Balance 12/31/14</u>	<u>Additions</u>	<u>Reductions</u>	<u>Balance 12/31/15</u>
Guaranteed Deposits				
Assets:				
Equity in pooled cash and investments	\$ 275,238	\$ 58,821	\$ (275,238)	\$ 58,821
Total assets	<u>\$ 275,238</u>	<u>\$ 58,821</u>	<u>\$ (275,238)</u>	<u>\$ 58,821</u>
Liabilities:				
Deposits held and due to others.	\$ 275,238	\$ 58,821	\$ (275,238)	\$ 58,821
Total liabilities.	<u>\$ 275,238</u>	<u>\$ 58,821</u>	<u>\$ (275,238)</u>	<u>\$ 58,821</u>
Municipal Court				
Assets:				
Cash in segregated accounts	\$ 34,851	\$ 6,055	\$ (34,851)	\$ 6,055
Total assets	<u>\$ 34,851</u>	<u>\$ 6,055</u>	<u>\$ (34,851)</u>	<u>\$ 6,055</u>
Liabilities:				
Deposits held and due to others.	\$ 34,851	\$ 6,055	\$ (34,851)	\$ 6,055
Total liabilities.	<u>\$ 34,851</u>	<u>\$ 6,055</u>	<u>\$ (34,851)</u>	<u>\$ 6,055</u>
Tax Collection				
Assets:				
Equity in pooled cash and investments	\$ 5,342	\$ 3,912	\$ (5,342)	\$ 3,912
Total assets	<u>\$ 5,342</u>	<u>\$ 3,912</u>	<u>\$ (5,342)</u>	<u>\$ 3,912</u>
Liabilities:				
Accounts payable.	\$ 5,342	\$ 3,912	\$ (5,342)	\$ 3,912
Total liabilities.	<u>\$ 5,342</u>	<u>\$ 3,912</u>	<u>\$ (5,342)</u>	<u>\$ 3,912</u>
Total Agency Funds				
Assets:				
Equity in pooled cash and investments	\$ 280,580	\$ 62,733	\$ (280,580)	\$ 62,733
Cash in segregated accounts	34,851	6,055	(34,851)	6,055
Total assets	<u>\$ 315,431</u>	<u>\$ 68,788</u>	<u>\$ (315,431)</u>	<u>\$ 68,788</u>
Liabilities:				
Accounts payable.	\$ 5,342	\$ 3,912	\$ (5,342)	\$ 3,912
Deposits held and due to others.	310,089	64,876	(310,089)	64,876
Total liabilities.	<u>\$ 315,431</u>	<u>\$ 68,788</u>	<u>\$ (315,431)</u>	<u>\$ 68,788</u>

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CITY OF FINDLAY, OHIO
STATISTICAL SECTION

This part of the City of Findlay's Comprehensive Annual Financial Report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the City's overall financial health.

<u>Contents</u>	<u>Page</u>
Financial Trends These schedules contain trend information to help the reader understand how the City's financial performance and well-being have changed over time.	206-215
Revenue Capacity These schedules contain information to help the reader assess the City's most significant local revenue sources, property taxes and income taxes.	216-225
Debt Capacity 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.	226-230
Demographic and Economic Information These schedules offer demographic and economic indicators to help the reader understand the environment within which the City's financial activities take place.	231-232
Operating Information 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.	234-243

Sources: Sources are noted on the individual schedules.

CITY OF FINDLAY, OHIO

NET POSITION BY COMPONENT
LAST TEN YEARS
(ACCRUAL BASIS OF ACCOUNTING)

	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>
Governmental Activities				
Net investment in capital assets	\$ 78,187,482	\$ 73,978,571	\$ 72,492,146	\$ 72,190,698
Restricted for:				
Capital projects	116,489	496,643	524,102	516,709
Debt service	160,946	195,205	226,052	265,528
Security of persons and property programs	81,772	91,115	86,003	87,584
General government operations	727,908	768,178	677,630	682,029
Transportation improvement projects	1,911,201	2,981,776	1,778,564	1,827,410
Economic development programs	1,109,538	1,094,735	1,084,996	841,400
Perpetual care:				
Expendable	1,237	449	1,068	1,477
Nonexpendable	1,344,168	1,308,415	1,269,186	1,231,975
Other purposes	3,100,624	947,848	1,158,767	884,604
Unrestricted	3,537,657	25,834,186	25,723,428	15,856,895
Total governmental activities net position	<u>\$ 90,279,022</u>	<u>\$ 107,697,121</u>	<u>\$ 105,021,942</u>	<u>\$ 94,386,309</u>
Business-type Activities				
Net investment in capital assets	\$ 126,775,309	\$ 121,616,774	\$ 122,106,355	\$ 122,183,651
Restricted for:				
Capital projects	5,071,300	5,535,446	6,392,630	5,985,364
Unrestricted	17,109,592	19,571,591	14,210,390	10,830,020
Total business-type activities net position	<u>\$ 148,956,201</u>	<u>\$ 146,723,811</u>	<u>\$ 142,709,375</u>	<u>\$ 138,999,035</u>
Total Primary Government				
Net investment in capital assets	\$ 204,962,791	\$ 195,595,345	\$ 194,598,501	\$ 194,374,349
Restricted for:				
Capital projects	5,187,789	6,032,089	6,916,732	6,502,073
Debt service	160,946	195,205	226,052	265,528
Security of persons and property programs	81,772	91,115	86,003	87,584
General government operations	727,908	768,178	677,630	682,029
Transportation projects	1,911,201	2,981,776	1,778,564	1,827,410
Economic development programs	1,109,538	1,094,735	1,084,996	841,400
Perpetual care:				
Expendable	1,237	449	1,068	1,477
Nonexpendable	1,344,168	1,308,415	1,269,186	1,231,975
Other projects	3,100,624	947,848	1,158,767	884,604
Unrestricted	20,647,249	45,405,777	39,933,818	26,686,915
Total primary government net position	<u>\$ 239,235,223</u>	<u>\$ 254,420,932</u>	<u>\$ 247,731,317</u>	<u>\$ 233,385,344</u>

(1) Amounts for 2011 have been restated to reflect the implementation of GASB Statement No. 65.

TABLE 1

<u>2011 (1)</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>
\$ 72,312,433	\$ 72,061,766	\$ 72,632,017	\$ 67,497,148	\$ 60,888,257	\$ 57,094,162
614,526	675,260	796,169	807,513	833,059	816,047
30,175	131,860	-	-	198,994	300,417
87,446	108,402	120,155	46,058	-	-
557,094	488,391	377,200	371,730	-	-
1,926,637	1,761,398	1,356,482	2,556,627	382,853	1,682,254
841,656	949,173	949,428	957,002	995,811	996,565
2,101	121	99	1,343	10,642	6,856
1,204,779	1,176,477	1,153,077	1,106,527	1,082,017	1,040,735
1,059,400	142,986	243,317	106,955	1,102,364	883,047
12,372,527	10,841,644	5,123,470	7,209,975	16,062,711	13,761,840
<u>\$ 91,008,774</u>	<u>\$ 88,337,478</u>	<u>\$ 82,751,414</u>	<u>\$ 80,660,878</u>	<u>\$ 81,556,708</u>	<u>\$ 76,581,923</u>
\$ 121,019,885	\$ 118,932,110	\$ 117,699,129	\$ 107,016,529	\$ 100,827,108	\$ 96,111,991
5,211,113	4,843,032	5,149,454	5,144,813	5,291,559	5,605,343
8,056,846	7,963,331	7,286,739	8,609,810	9,690,895	8,564,441
<u>\$ 134,287,844</u>	<u>\$ 131,738,473</u>	<u>\$ 130,135,322</u>	<u>\$ 120,771,152</u>	<u>\$ 115,809,562</u>	<u>\$ 110,281,775</u>
\$ 193,332,318	\$ 190,993,876	\$ 190,331,146	\$ 174,513,677	\$ 161,715,365	\$ 153,206,153
5,825,639	5,518,292	5,945,623	5,952,326	6,124,618	6,421,390
30,175	131,860	-	-	198,994	300,417
87,446	108,402	120,155	46,058	-	-
557,094	488,391	377,200	371,730	-	-
1,926,637	1,761,398	1,356,482	2,556,627	382,853	1,682,254
841,656	949,173	949,428	957,002	995,811	996,565
2,101	121	99	1,343	10,642	6,856
1,204,779	1,176,477	1,153,077	1,106,527	1,082,017	1,040,735
1,059,400	142,986	243,317	106,955	1,102,364	883,047
20,429,373	18,804,975	12,410,209	15,819,785	25,753,606	22,326,281
<u>\$ 225,296,618</u>	<u>\$ 220,075,951</u>	<u>\$ 212,886,736</u>	<u>\$ 201,432,030</u>	<u>\$ 197,366,270</u>	<u>\$ 186,863,698</u>

CITY OF FINDLAY, OHIO
CHANGES IN NET POSITION
LAST TEN YEARS
(ACCRUAL BASIS OF ACCOUNTING)

	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>
Program Revenues:				
Governmental activities				
Charges for services:				
General government	\$ 2,445,802	\$ 2,322,091	\$ 2,594,246	\$ 2,359,760
Security of persons and property	288,871	267,809	247,124	269,644
Public health services	1,125,144	1,110,657	841,091	910,714
Transportation	151,614	141,853	126,056	158,250
Leisure time activities	590,292	628,480	592,621	590,059
Interest and fiscal charges	1,258	13,839	417	244,530
Operating grants & contributions	2,560,912	2,708,225	3,325,208	2,932,081
Capital grants & contributions	2,358,020	1,454,779	1,106,922	987,606
Total governmental activities program revenues	<u>9,521,913</u>	<u>8,647,733</u>	<u>8,833,685</u>	<u>8,452,644</u>
Business-type activities:				
Charges for services:				
Water	8,130,180	8,094,877	8,158,604	8,414,617
Water pollution control	10,146,272	9,397,038	9,245,878	9,410,093
Airport	878,020	1,113,979	1,022,799	1,128,095
Parking facilities	100,371	77,191	64,671	63,249
Swimming pool	-	-	-	-
Operating grants & contributions	282,466	169,302	176,207	174,907
Capital grants & contributions	529,202	282,249	175,331	602,142
Total business-type activities program revenues	<u>20,066,511</u>	<u>19,134,636</u>	<u>18,843,490</u>	<u>19,793,103</u>
Total primary government	<u>\$ 29,588,424</u>	<u>\$ 27,782,369</u>	<u>\$ 27,677,175</u>	<u>\$ 28,245,747</u>
Expenses:				
Governmental Activities				
General government	\$ 7,685,516	\$ 7,469,907	\$ 7,502,393	\$ 9,257,857
Security of persons and property	15,342,739	14,443,733	13,434,775	15,560,367
Public health services	2,198,660	2,160,622	2,034,618	1,978,226
Transportation	6,507,689	5,422,042	5,528,850	5,095,585
Leisure time activities	1,524,053	1,499,577	1,252,231	1,229,723
Other	-	-	-	-
Interest and fiscal charges	340,235	356,731	393,632	421,280
Total governmental activities expenses	<u>33,598,892</u>	<u>31,352,612</u>	<u>30,146,499</u>	<u>33,543,038</u>
Business-type activities:				
Water	5,749,014	6,051,531	5,866,274	6,198,978
Water pollution control	7,071,836	7,187,450	7,309,005	6,988,964
Airport	1,807,053	2,059,034	2,190,509	2,321,322
Parking facilities	102,631	104,917	96,404	88,675
Swimming pool	107,005	116,867	55,462	57,654
Total business-type activities expenses	<u>14,837,539</u>	<u>15,519,799</u>	<u>15,517,654</u>	<u>15,655,593</u>
Total primary government	<u>\$ 48,436,431</u>	<u>\$ 46,872,411</u>	<u>\$ 45,664,153</u>	<u>\$ 49,198,631</u>

TABLE 2

2011	2010	2009	2008	2007	2006
\$ 2,433,357	\$ 2,921,732	\$ 2,496,854	\$ 2,658,578	\$ 2,642,592	\$ 1,795,902
141,823	257,994	162,514	93,886	27,093	96,414
636,349	578,972	663,426	422,006	375,142	662,752
95,613	138,556	7,499	26,547	177,677	10,454
566,439	604,244	832,625	537,876	536,362	381,605
210	61,849	46,252	57,481	31,753	36,124
3,784,840	4,782,062	2,593,576	2,607,745	2,607,559	3,450,769
2,299,329	854,821	2,519,999	583,891	1,540,453	-
<u>9,957,960</u>	<u>10,200,230</u>	<u>9,322,745</u>	<u>6,988,010</u>	<u>7,938,631</u>	<u>6,434,020</u>
7,343,601	7,330,609	7,234,830	7,395,768	7,656,030	7,085,719
9,088,500	9,068,861	8,889,619	8,472,743	8,678,711	8,505,966
882,752	836,474	659,547	870,610	955,248	1,042,094
66,087	56,875	61,431	57,214	66,606	66,901
-	149	45,211	64,484	76,738	64,620
157,785	169,814	3,300	12,469	-	-
200,787	1,903,706	6,490,318	2,342,423	3,497,107	3,015,561
<u>17,739,512</u>	<u>19,366,488</u>	<u>23,384,256</u>	<u>19,215,711</u>	<u>20,930,440</u>	<u>19,780,861</u>
<u>\$ 27,697,472</u>	<u>\$ 29,566,718</u>	<u>\$ 32,707,001</u>	<u>\$ 26,203,721</u>	<u>\$ 28,869,071</u>	<u>\$ 26,214,881</u>
\$ 8,344,438	\$ 6,459,067	\$ 7,077,400	\$ 7,704,101	\$ 8,023,535	\$ 6,504,903
15,827,515	15,696,261	14,753,558	14,678,503	14,680,286	14,848,790
2,181,429	1,790,894	1,761,611	1,702,053	1,640,736	1,540,983
5,487,799	4,963,539	4,072,078	5,437,592	5,196,310	4,789,212
1,415,161	1,357,651	1,728,505	1,931,170	1,557,008	1,370,659
-	-	-	587	-	-
419,946	427,068	466,040	505,675	567,264	211,810
<u>33,676,288</u>	<u>30,694,480</u>	<u>29,859,192</u>	<u>31,959,681</u>	<u>31,665,139</u>	<u>29,266,357</u>
6,278,612	7,379,254	5,934,589	6,349,090	6,844,630	5,667,066
7,155,791	8,209,683	6,834,280	7,382,633	7,418,266	6,355,113
2,123,837	1,889,699	1,577,566	1,782,535	1,718,628	1,673,047
86,691	87,485	109,874	112,539	126,429	144,136
51,519	63,792	140,867	204,675	159,333	154,660
<u>15,696,450</u>	<u>17,629,913</u>	<u>14,597,176</u>	<u>15,831,472</u>	<u>16,267,286</u>	<u>13,994,022</u>
<u>\$ 49,372,738</u>	<u>\$ 48,324,393</u>	<u>\$ 44,456,368</u>	<u>\$ 47,791,153</u>	<u>\$ 47,932,425</u>	<u>\$ 43,260,379</u>

CITY OF FINDLAY, OHIO
CHANGES IN NET POSITION (CONTINUED)
LAST TEN YEARS
(ACCRUAL BASIS OF ACCOUNTING)

	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>
Net (Expense) Revenue				
Governmental activities	\$ (24,076,979)	\$ (22,704,879)	\$ (21,312,814)	\$ (25,090,394)
Business-type activities	5,228,972	3,614,837	3,325,836	4,137,510
Total primary government net expense	<u>\$ (18,848,007)</u>	<u>\$ (19,090,042)</u>	<u>\$ (17,986,978)</u>	<u>\$ (20,952,884)</u>
General Revenues and Other Changes in Net Position				
Governmental activities				
Taxes:				
Property and other local taxes levied for:				
General purposes	\$ 2,453,252	\$ 2,397,716	\$ 2,337,745	\$ 2,341,451
Police and fire pensions	441,642	441,310	426,568	431,342
Municipal income taxes levied for:				
General purposes	23,365,523	20,625,080	26,754,570	21,596,551
Tax increment financing revenues	71,985	72,159	72,941	71,284
Grants and entitlements				
not restricted to specific programs	1,026,477	895,700	1,585,007	2,983,700
Gain on sale of capital assets	-	-	-	-
Investment earnings	82,858	43,623	47,736	24,262
Increase (decrease) in fair market value				
of investments	(54,665)	(7,943)	(9,945)	20,690
Miscellaneous	1,033,630	1,130,406	995,168	1,481,603
Transfers	479,921	(217,993)	(261,343)	(482,954)
Extraordinary item	-	-	-	-
Total governmental activities	<u>28,900,623</u>	<u>25,380,058</u>	<u>31,948,447</u>	<u>28,467,929</u>
Business-type activities				
Investment earnings	63,699	43,381	34,375	29,900
Miscellaneous	101,590	138,225	88,786	60,827
Transfers	(479,921)	217,993	261,343	482,954
Extraordinary item	-	-	-	-
Total business-type activities	<u>(314,632)</u>	<u>399,599</u>	<u>384,504</u>	<u>573,681</u>
Total primary government	<u>\$ 28,585,991</u>	<u>\$ 25,779,657</u>	<u>\$ 32,332,951</u>	<u>\$ 29,041,610</u>
Change in Net Position				
Governmental activities	\$ 4,823,644	\$ 2,675,179	\$ 10,635,633	\$ 3,377,535
Business-type activities	4,914,340	4,014,436	3,710,340	4,711,191
Total primary government	<u>\$ 9,737,984</u>	<u>\$ 6,689,615</u>	<u>\$ 14,345,973</u>	<u>\$ 8,088,726</u>

<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>
\$ (23,718,328)	\$ (20,494,250)	\$ (20,536,447)	\$ (24,971,671)	\$ (23,726,508)	\$ (22,832,337)
2,043,062	1,736,575	8,787,080	3,384,239	4,663,154	5,786,839
<u>\$ (21,675,266)</u>	<u>\$ (18,757,675)</u>	<u>\$ (11,749,367)</u>	<u>\$ (21,587,432)</u>	<u>\$ (19,063,354)</u>	<u>\$ (17,045,498)</u>
\$ 2,349,758	\$ 2,705,027	\$ 2,621,017	\$ 2,666,772	\$ 2,645,547	\$ 2,575,307
441,702	534,026	525,756	526,916	524,798	513,836
20,703,206	19,619,390	14,707,682	15,550,207	21,067,032	18,966,079
70,551	-	-	-	-	-
2,793,218	2,431,879	4,506,472	4,327,630	2,711,937	3,903,190
-	11,689	-	-	-	-
70,011	49,253	107,613	586,151	1,275,323	995,789
(28,750)	(27)	(102,525)	74,364	34,478	2,162
479,571	500,982	537,215	1,180,285	1,164,610	1,184,836
(317,416)	228,095	(276,247)	(836,484)	(410,194)	(40,825)
-	-	-	-	(312,238)	-
<u>26,561,851</u>	<u>26,080,314</u>	<u>22,626,983</u>	<u>24,075,841</u>	<u>28,701,293</u>	<u>28,100,374</u>
43,424	42,681	131,594	475,668	710,300	578,344
244,443	51,990	169,249	265,199	324,139	322,056
317,416	(228,095)	276,247	836,484	410,194	40,825
-	-	-	-	(580,000)	-
<u>605,283</u>	<u>(133,424)</u>	<u>577,090</u>	<u>1,577,351</u>	<u>864,633</u>	<u>941,225</u>
<u>\$ 27,167,134</u>	<u>\$ 25,946,890</u>	<u>\$ 23,204,073</u>	<u>\$ 25,653,192</u>	<u>\$ 29,565,926</u>	<u>\$ 29,041,599</u>
\$ 2,843,523	\$ 5,586,064	\$ 2,090,536	\$ (895,830)	\$ 4,974,785	\$ 5,268,037
2,648,345	1,603,151	9,364,170	4,961,590	5,527,787	6,728,064
<u>\$ 5,491,868</u>	<u>\$ 7,189,215</u>	<u>\$ 11,454,706</u>	<u>\$ 4,065,760</u>	<u>\$ 10,502,572</u>	<u>\$ 11,996,101</u>

CITY OF FINDLAY, OHIO

**FUND BALANCES, GOVERNMENTAL FUNDS
LAST TEN YEARS
(MODIFIED ACCRUAL BASIS OF ACCOUNTING)**

	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>
General Fund				
Nonspendable	\$ 51,907	\$ 45,471	\$ 47,040	\$ 48,152
Restricted	2,614,069	556,930	799,077	576,264
Committed	9,502,866	11,518,860	12,345,286	1,767,446
Assigned	428,538	437,476	100,584	1,827,722
Unassigned	12,507,222	11,102,421	10,037,368	8,250,881
Reserved	-	-	-	-
Designated	-	-	-	-
Unreserved, undesignated	-	-	-	-
Total general fund	<u>\$ 25,104,602</u>	<u>\$ 23,661,158</u>	<u>\$ 23,329,355</u>	<u>\$ 12,470,465</u>
All Other Governmental Funds				
Nonspendable	\$ 2,011,943	\$ 1,984,890	\$ 1,823,884	\$ 1,701,268
Restricted	4,400,957	4,892,233	3,730,189	3,532,230
Committed	-	-	-	4,623,943
Assigned	-	-	-	-
Unassigned (deficit)	-	-	-	-
Reserved	-	-	-	-
Unreserved, undesignated reported in:				
Special revenue funds	-	-	-	-
Permanent fund	-	-	-	-
Capital projects funds	-	-	-	-
Total all other governmental funds	<u>\$ 6,412,900</u>	<u>\$ 6,877,123</u>	<u>\$ 5,554,073</u>	<u>\$ 9,857,441</u>
Total governmental funds	<u>\$ 31,517,502</u>	<u>\$ 30,538,281</u>	<u>\$ 28,883,428</u>	<u>\$ 22,327,906</u>

- (1) The City implemented GASB Statement No. 54 in 2011. Fund balance classifications prior to 2010 have not been restated to conform to GASB Statement No. 54.
- (2) Certain Amount for 2013 have been restated to reflect 2014 presentation of the city income tax fund as a component of the genral fund.

TABLE 3

2011	2010	2009 (1)	2008 (1)	2007 (1)	2006 (1)
\$ 46,848	\$ 45,131	\$ -	\$ -	\$ -	\$ -
752,667	613,308	-	-	-	-
1,084,266	1,309,907	-	-	-	-
1,237,557	566,767	-	-	-	-
6,121,828	5,059,364	-	-	-	-
-	-	1,113,476	720,530	1,195,477	2,355,431
-	-	-	1,000,000	-	-
-	-	3,122,306	4,143,164	4,839,070	4,516,854
<u>\$ 9,243,166</u>	<u>\$ 7,594,477</u>	<u>\$ 4,235,782</u>	<u>\$ 5,863,694</u>	<u>\$ 6,034,547</u>	<u>\$ 6,872,285</u>
\$ 1,717,902	\$ 1,627,403	\$ -	\$ -	\$ -	\$ -
3,596,540	3,526,938	-	-	-	-
4,680,635	3,553,070	-	-	-	-
-	-	-	-	-	-
(332,718)	(40,714)	-	-	-	-
-	-	3,718,638	4,658,477	4,259,447	4,465,758
-	-	2,408,755	2,818,273	236,907	3,221,237
-	-	99	1,343	10,642	6,856
-	-	791,579	807,513	826,099	815,547
<u>\$ 9,662,359</u>	<u>\$ 8,666,697</u>	<u>\$ 6,919,071</u>	<u>\$ 8,285,606</u>	<u>\$ 5,333,095</u>	<u>\$ 8,509,398</u>
<u>\$ 18,905,525</u>	<u>\$ 16,261,174</u>	<u>\$ 11,154,853</u>	<u>\$ 14,149,300</u>	<u>\$ 11,367,642</u>	<u>\$ 15,381,683</u>

CITY OF FINDLAY, OHIO
CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS
LAST TEN YEARS
(MODIFIED ACCRUAL BASIS OF ACCOUNTING)

	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>
Revenues				
Municipal income taxes	\$ 23,333,535	\$ 20,938,843	\$ 24,149,733	\$ 21,563,110
Property and other taxes	2,895,582	2,839,762	2,765,164	2,773,713
Charges for services	2,773,731	2,762,250	2,768,092	2,891,751
Licenses and permits	309,477	314,881	347,094	319,236
Fines and forfeitures	1,449,164	1,293,710	1,229,609	1,321,720
Intergovernmental	5,349,728	4,770,643	5,990,277	6,654,320
Special assessments	32,533	1,466	32,578	208,357
Investment income	109,484	67,714	71,632	43,370
Increase (decrease) in fair market value of investments	(54,665)	(7,943)	(9,945)	20,690
Rental income	71,025	77,890	84,701	67,130
Contributions and donations	412,699	33,239	20,765	93,503
Reimbursements	1,027,991	1,133,883	995,058	959,217
Tax increment financing	71,985	72,159	72,941	71,284
Other	20,315	11,777	34,167	56,187
Total revenues	<u>37,802,584</u>	<u>34,310,274</u>	<u>38,551,866</u>	<u>37,043,588</u>
Expenditures				
Current:				
General government	7,167,165	6,929,984	7,028,408	8,985,945
Security of persons and property	14,342,234	13,945,852	13,819,356	14,918,793
Public health and welfare	2,195,546	2,128,398	2,051,992	1,947,627
Transportation	2,993,311	2,366,790	2,317,126	2,281,244
Leisure time activity	1,168,765	1,178,546	955,716	1,221,237
Other	-	-	-	-
Capital outlay	7,729,518	5,031,019	4,239,024	2,961,849
Debt service:				
Principal retirement	650,354	617,524	609,401	565,989
Interest and fiscal charges	335,193	364,146	398,390	424,971
Bond/note issuance costs	-	3,205	-	-
Total expenditures	<u>36,582,086</u>	<u>32,565,464</u>	<u>31,419,413</u>	<u>33,307,655</u>
Excess (deficiency) of revenues over (under) expenditures	<u>1,220,498</u>	<u>1,744,810</u>	<u>7,132,453</u>	<u>3,735,933</u>
Other Financing Sources (Uses)				
Transfers in	8,646,748	6,521,041	6,098,734	26,243,826
Transfers (out)	(8,885,761)	(6,739,034)	(6,760,077)	(26,726,780)
Issuance of refunding bonds	-	584,500	-	-
Payment to refunding bond escrow agent	-	(576,672)	-	-
Premium on notes/bonds	-	-	-	-
Sale of capital assets	-	-	119	928
Discount on bonds sold	-	-	-	-
Premium on notes sold	-	-	-	-
Bonds issued	-	-	-	211,000
OPWC loans issued	-	-	-	-
Total other financing sources (uses)	<u>(239,013)</u>	<u>(210,165)</u>	<u>(661,224)</u>	<u>(271,026)</u>
Extraordinary item				
Loss due to flood damage	-	-	-	-
Total extraordinary items	-	-	-	-
Net change in fund balances	981,485	1,534,645	6,471,229	3,464,907
Increase (decrease) in reserve for inventory	(10,831)	126,454	88,289	(45,186)
Increase (decrease) in prepaids	8,567	(6,246)	(3,996)	2,660
Total change in fund balances	<u>\$ 979,221</u>	<u>\$ 1,654,853</u>	<u>\$ 6,555,522</u>	<u>\$ 3,422,381</u>
Capital expenditures	7,446,965	4,999,631	3,971,501	3,763,032
Debt service as a percentage of noncapital expenditures	3.38%	3.56%	3.67%	3.35%

(1) Certain Amount for 2013 have been restated to reflect 2014 presentation of the city income tax fund as a component of the genral fund.

TABLE 4

	2011	2010	2009	2008	2007	2006
\$	20,456,073	\$ 18,562,751	\$ 14,623,811	\$ 15,646,020	\$ 21,043,910	\$ 18,546,064
	2,792,147	3,239,792	3,146,983	3,193,744	3,170,345	3,089,143
	2,385,372	2,374,123	2,632,388	2,011,057	2,053,334	1,308,721
	326,626	321,919	394,060	335,820	348,671	326,340
	1,189,206	1,369,185	1,132,362	1,178,490	1,239,933	1,312,066
	8,918,043	7,701,147	9,424,101	6,768,810	5,363,039	7,201,553
	9,023	24,223	36,385	47,171	103,550	170,580
	92,454	75,987	126,352	637,025	1,216,152	947,722
	(28,750)	(27)	(102,525)	74,364	34,478	2,162
	59,092	70,314	65,948	58,677	57,231	50,900
	189,262	148,089	157,531	157,036	160,000	5,269
	478,830	618,016	469,885	1,085,310	943,393	835,261
	70,551	61,735	45,943	40,383	-	-
	64,621	61,142	71,631	94,919	82,381	293,406
	<u>37,002,550</u>	<u>34,628,396</u>	<u>32,224,855</u>	<u>31,328,826</u>	<u>35,816,417</u>	<u>34,089,187</u>
	7,563,146	6,147,014	6,800,513	7,383,581	7,267,755	6,043,985
	15,311,232	14,743,482	14,430,340	14,470,422	13,812,880	13,944,904
	2,085,575	1,727,315	1,674,041	1,674,062	1,636,529	1,467,461
	2,555,879	2,190,517	2,298,037	2,791,562	2,693,686	2,414,009
	1,359,519	1,258,449	1,635,959	1,871,879	1,408,200	1,267,736
	-	-	-	587	-	-
	5,132,329	2,587,380	7,126,312	6,909,430	11,368,519	9,399,548
	667,203	662,703	648,703	428,703	483,353	488,132
	411,064	416,260	417,799	363,261	616,955	243,875
	54,920	-	-	134,231	10,284	-
	<u>35,140,867</u>	<u>29,733,120</u>	<u>35,031,704</u>	<u>36,027,718</u>	<u>39,298,161</u>	<u>35,269,650</u>
	1,861,683	4,895,276	(2,806,849)	(4,698,892)	(3,481,744)	(1,180,463)
	21,241,205	20,478,411	15,713,810	18,127,688	22,021,990	20,905,649
	(21,558,621)	(20,250,316)	(15,990,057)	(18,964,172)	(22,432,184)	(20,946,474)
	-	-	-	-	-	-
	-	-	-	-	-	-
	-	-	-	-	69,206	39,257
	159	11,787	11,394	35,096	-	-
	-	-	-	(46,937)	-	-
	-	-	-	12,848	-	-
	1,036,011	-	-	8,200,000	-	-
	-	-	-	-	-	149,663
	<u>718,754</u>	<u>239,882</u>	<u>(264,853)</u>	<u>7,364,523</u>	<u>(340,988)</u>	<u>148,095</u>
	-	-	-	-	(192,824)	-
	-	-	-	-	(192,824)	-
	2,580,437	5,135,158	(3,071,702)	2,665,631	(4,015,556)	(1,032,368)
	61,931	3,250	71,985	114,983	-	66,044
	1,983	(32,087)	5,270	1,044	1,515	(40,396)
\$	<u>2,644,351</u>	<u>5,106,321</u>	<u>(2,994,447)</u>	<u>2,781,658</u>	<u>(4,014,041)</u>	<u>(1,006,720)</u>
	4,695,569	2,624,629	7,178,277	7,158,020	10,877,755	8,779,039
	3.54%	3.98%	3.83%	2.74%	3.87%	2.76%

CITY OF FINDLAY, OHIO

ASSESSED VALUATION AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY
LAST TEN YEARS

Calendar Year (1)	Real Property (a)		Real and Personal Public Utility (b)		Tangible Personal Property (c)	
	Assessed Value	Estimated Actual Value	Assessed Value	Estimated Actual Value	Assessed Value	Estimated Actual Value
2016	\$ 768,406,470	\$ 2,195,447,057	\$ 33,991,260	\$ 38,626,432	\$ -	\$ -
2015	761,952,790	2,177,007,971	32,382,770	36,798,602	-	-
2014	758,838,100	2,168,108,857	31,369,100	35,646,705	-	-
2013	774,395,440	2,212,558,400	23,750,220	26,988,886	-	-
2012	775,349,320	2,215,283,771	22,262,350	25,298,125	-	-
2011 (2)	780,537,240	2,230,106,400	21,482,850	24,412,330	684,753	6,847,530
2010	808,518,430	2,310,052,657	20,949,860	23,806,659	1,332,890	13,328,900
2009	803,603,760	2,296,010,743	19,047,990	21,645,443	1,271,567	12,715,670
2008	793,505,110	2,267,157,457	17,749,490	20,169,875	39,237,296	234,252,513
2007	750,904,400	2,145,441,143	20,951,930	23,809,011	78,664,222	469,637,144

Source: Hancock County, Ohio; Auditor

(1) Valuations are amounts for collection year.

(2) Sexennial update for property values, effective in tax collection years 2005 and 2011.

(a) Real property is assessed at 35% of actual value. Real property taxes collected in a calendar year are levied as of January 1 of that year based on assessed values as of January 1 of the preceding year.

(b) Public utility is assessed at 88% of actual value. Public utility real and tangible property taxes collected in a calendar year are levied in the preceding calendar year based on assessed values determined as of December 31 of the second preceding year.

(c) For 2007, tangible personal property tax is assessed at 12.50% of property value, including inventory.

For 2008, tangible personal property tax is assessed at 6.25% of property value, including inventory.

For 2009, tangible personal property tax is assessed at 0.00% of property value, including inventory, except for telephone

tangible personal property which is assessed at 10% of property value, including inventory. In 2009, telephone tangible is the only taxable tangible personal property. The assessed value for telephone tangible personal property is provided by the Ohio Department of Taxation.

Beginning in 2012, tangible personal property, including telephone tangible, is no longer assessed.

TABLE 5

Total			
Assessed Value	Estimated Actual Value	%	Total Direct Tax Rate
\$ 802,397,730	\$ 2,234,073,489	35.92%	3.20
794,335,560	2,213,806,574	35.88%	3.20
790,207,200	2,203,755,562	35.86%	3.20
798,145,660	2,239,547,286	35.64%	3.20
797,611,670	2,240,581,896	35.60%	3.20
802,704,843	2,261,366,260	35.50%	3.20
830,801,180	2,347,188,216	35.40%	3.20
823,923,317	2,330,371,856	35.36%	3.20
850,491,896	2,521,579,846	33.73%	3.20
850,520,552	2,638,887,298	32.23%	3.20

CITY OF FINDLAY, OHIO

**DIRECT AND OVERLAPPING PROPERTY TAX RATES
(RATE PER \$1,000 OF ASSESSED VALUE)
LAST TEN YEARS**

		City Direct Rates (1)			
Collection Year (1)		General Rate	Total Direct Rate		
2016		3.20	3.20		
2015		3.20	3.20		
2014		3.20	3.20		
2013		3.20	3.20		
2012		3.20	3.20		
2011		3.20	3.20		
2010		3.20	3.20		
2009		3.20	3.20		
2008		3.20	3.20		
2007		3.20	3.20		

		Overlapping Rates (1)				
Collection Year (1)	Hancock County	Hancock County Park District	Findlay City School District	Findlay Hancock Public Library	Total	
2016	7.80	0.80	64.95	0.50	77.25	
2015	7.80	0.80	64.95	0.50	77.25	
2014	7.80	0.80	64.95	0.50	77.25	
2013	7.80	0.80	64.95	0.50	77.25	
2012	7.80	0.80	64.95	0.50	77.25	
2011	7.80	0.80	64.99	0.50	77.29	
2010	7.80	0.80	64.18	-	75.98	
2009	7.80	0.80	60.75	-	72.55	
2008	7.80	0.80	60.75	-	72.55	
2007	7.30	0.80	60.75	-	72.05	

Source: Hancock County Auditor's Office

(1) Property tax rates are the rates for the respective years of collection.

CITY OF FINDLAY, OHIO
PRINCIPAL TAXPAYERS
REAL PROPERTY TAX
CURRENT YEAR AND NINE YEARS AGO

December 31, 2015			
Taxpayer	Taxable Assessed Value	Rank	Percentage of Total City Taxable Assessed Value
Marathon Petroleum	\$ 10,395,430	1	1.35%
BB Findlay Limited Partnership	7,100,100	2	0.92%
Findlay Shopping Center, Inc.	5,537,130	3	0.72%
Kohl's Department Stores, Inc.	4,336,950	4	0.56%
Nissan Brake	4,292,470	5	0.56%
L P Investment Company	3,620,780	6	0.47%
Blanchard Valley Port Authority	3,316,280	7	0.43%
Flag City Station, LLC	3,287,020	8	0.43%
Hercules Tire & Rubber Co	2,711,130	9	0.35%
Ohio Logistics II, LLC	2,599,360	10	0.34%
Total, Top Ten Principal Real Property Taxpayers	\$ 47,196,650		6.14%

December 31, 2006 (1)			
Taxpayer	Taxable Assessed Value	Rank	Percentage of Total City Taxable Assessed Value
Marathon/Ashland Petroleum	\$ 11,631,500	1	1.35%
Cooper Tire & Rubber Company	8,900,060	2	1.03%
Findlay Shopping Center, Inc.	5,873,060	3	0.68%
Kohl's Department Stores, Inc.	5,250,000	4	0.61%
Logistics Solutions of Ohio	3,696,730	5	0.43%
Best Buy Distribution Center	2,775,400	6	0.32%
Meijer Stores	2,547,210	7	0.30%
Owens Illinois/Brockway Plastics Company	2,491,020	8	0.29%
Total, Top Eight Principal Real Property Taxpayers	\$ 43,164,980		5.01%

Source: Hancock County Auditor

(1) Only information for the top eight taxpayers was available.

CITY OF FINDLAY, OHIO

PRINCIPAL TAXPAYERS
PUBLIC UTILITY PROPERTY TAX
CURRENT YEAR AND NINE YEARS AGO

December 31, 2015			
Taxpayer	Taxable Assessed Value	Rank	Percentage of Total City Taxable Assessed Value
Ohio Power Company	\$ 21,883,360	1	64.38%
Marathon Pipeline LLC	7,169,490	2	21.09%
Columbia Gas of Ohio, Inc.	3,867,390	3	11.38%
Hancock Wood Electric Co-op Inc.	635,230	4	1.87%
Total, Top Four Principal Public Utility Taxpayers	<u>\$ 33,555,470</u>		<u>98.72%</u>

December 31, 2006			
Taxpayer	Taxable Assessed Value	Rank	Percentage of Total City Taxable Assessed Value
Ohio Power Company	\$ 13,885,560	1	66.66%
Ohio Bell Telephone	4,259,500	2	20.45%
Total, Top Two Principal Public Utility Taxpayers	<u>\$ 18,145,060</u>		<u>87.11%</u>

Source: Hancock County Auditor

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CITY OF FINDLAY, OHIO
PROPERTY TAX LEVIES AND COLLECTIONS
LAST TEN YEARS

Collection Year	Current Levy (1)	Delinquent Levy	Total Levy	Current Collection	Percent of Current Levy Collected
2015	\$ 2,541,203	\$ 133,860	\$ 2,675,063	\$ 2,467,388	97.10%
2014	2,526,694	156,523	2,683,217	2,454,840	97.16%
2013	2,559,842	137,593	2,697,435	2,456,129	95.95%
2012	2,549,913	130,417	2,680,330	2,450,275	96.09%
2011	2,563,396	140,192	2,703,588	2,480,803	96.78%
2010	2,664,729	153,142	2,817,871	2,568,129	96.37%
2009	2,643,718	135,937	2,779,655	2,528,591	95.65%
2008	2,609,348	118,447	2,727,795	2,504,861	96.00%
2007	2,467,139	111,912	2,579,051	2,177,218	88.25%
2006	2,398,800	107,212	2,506,012	2,329,710	97.12%

Source: Hancock County Auditor

(1) includes rollbacks reimbursed by the State.

TABLE 9

Delinquent Collection	Total Collection	Total Collection as a Percent of Total Levy
\$ 80,482	\$ 2,547,870	95.25%
93,158	2,547,998	94.96%
59,558	2,515,687	93.26%
71,494	2,521,769	94.08%
65,222	2,546,025	94.17%
91,616	2,659,745	94.39%
81,704	2,610,295	93.91%
81,704	2,586,565	94.82%
82,611	2,259,829	87.62%
64,333	2,394,043	95.53%

CITY OF FINDLAY, OHIO

**INCOME TAX REVENUE BASE AND COLLECTIONS
LAST TEN YEARS**

Year	Tax Rate	Total Tax Collected	Taxes from Withholding	Percentage of Taxes from Withholding	Taxes From Net Profits
2015	1.00%	\$ 23,271,157	\$ 16,831,585	72.33%	\$ 4,341,479
2014	1.00%	21,456,998	15,710,494	73.22%	3,679,406
2013	1.00%	24,982,165	15,811,122	63.29%	6,684,682
2012	1.25%	22,044,345	17,850,224	80.97%	1,688,434
2011	1.25%	21,031,544	17,136,493	81.48%	1,429,072
2010	1.25%	18,577,553	15,385,539	82.82%	1,218,868
2009	1.00%	14,580,651	11,990,526	82.24%	949,912
2008	1.00%	15,685,704	12,988,959	82.81%	1,114,157
2007	1.00%	21,185,963	12,926,239	61.01%	6,748,538
2006	1.00%	18,542,994	12,266,198	66.15%	4,714,847

Source: City income tax department.

TABLE 10

Percentage of Taxes from Net Profits	Taxes from Individuals	Percentage of Taxes from Individuals
18.66%	\$ 2,098,093	9.02%
17.15%	2,067,098	9.63%
26.76%	2,486,361	9.95%
7.66%	2,505,687	11.37%
6.79%	2,465,978	11.73%
6.56%	1,973,146	10.62%
6.51%	1,640,213	11.25%
7.10%	1,582,588	10.09%
31.85%	1,511,186	7.13%
25.43%	1,561,949	8.42%

CITY OF FINDLAY, OHIO

RATIOS OF OUTSTANDING DEBT BY TYPE
LAST TEN YEARS

Governmental Activities						
Year	General Obligation Bonds	Special Assessment Bonds	Notes Payable	Capital Leases	OPWC Loans	Police and Fire Past Service
2015	\$ 7,490,589	\$ 140,000	\$ -	\$ -	\$ 139,773	\$ 984,333
2014	8,106,382	158,000	-	-	154,456	1,016,345
2013	8,680,127	185,000	-	-	169,140	1,047,038
2012	9,251,923	214,655	-	-	183,823	1,076,468
2011	9,801,992	11,625	-	-	198,506	1,104,686
2010	9,403,864	34,145	-	-	213,189	1,131,741
2009	10,027,895	67,165	-	-	227,872	1,157,682
2008	10,631,924	106,185	-	-	242,555	1,182,555
2007	2,843,989	165,205	10,530,000	-	257,238	1,206,404
2006	3,199,897	288,875	4,950,000	-	271,921	1,229,271

Sources:

(a) See notes to the financial statements regarding the City's outstanding debt information. Includes unamortized bond premiums and discounts.

(b) See Schedule " Demographic and Economic Statistics - Last Ten Years" for personal income and population.

TABLE 11

Business-Type Activities							
General Obligation Bonds	OWDA Loans	OPWC Loans	(a) Total Primary Government	(b) Total Personal Income	Percentage of Personal Income	(b) Population	Per Capita
\$ 5,938,500	\$ 16,837,874	\$ 506,903	\$ 32,037,972	\$1,146,094,588	2.80%	41,596	\$ 770
8,004,500	19,042,731	562,242	37,044,656	1,135,120,820	3.26%	41,780	887
5,977,041	21,171,682	617,580	37,847,608	1,075,394,376	3.52%	41,724	907
7,247,820	23,217,697	672,918	41,865,304	1,083,004,065	3.87%	41,385	1,012
8,528,965	25,184,140	728,256	45,558,170	1,012,291,938	4.50%	41,202	1,106
10,445,718	27,219,328	783,594	49,231,579	1,012,291,938	4.86%	41,202	1,195
12,307,711	29,174,539	838,933	53,801,797	989,940,520	5.43%	40,745	1,320
15,289,740	30,979,789	880,450	59,313,198	1,031,539,839	5.75%	40,623	1,460
18,209,777	32,781,584	727,397	66,721,594	1,058,697,465	6.30%	40,515	1,647
21,059,810	34,353,505	588,873	65,942,152	1,034,451,756	6.37%	40,372	1,633

CITY OF FINDLAY, OHIO

RATIOS OF GENERAL BONDED DEBT OUTSTANDING
LAST TEN YEARS

Year	General Obligation Bonds (1)	Special Assessment Bonds	Total	Percentage of Actual Taxable Value of Property	Per Capita
2015	\$ 13,429,089	\$ 140,000	\$ 13,569,089	0.61%	\$ 326
2014	16,110,882	158,000	16,268,882	0.73%	389
2013	14,657,168	185,000	14,842,168	0.67%	356
2012	16,499,743	214,655	16,714,398	0.75%	404
2011	18,330,957	11,625	18,342,582	0.82%	445
2010	19,849,582	34,145	19,883,727	0.88%	483
2009	22,335,606	67,165	22,402,771	0.95%	550
2008	25,921,664	106,185	26,027,849	1.12%	641
2007	21,053,766	165,205	21,218,971	0.84%	524
2006	24,259,707	288,875	24,548,582	0.93%	608

Note: Details regarding the City's outstanding debt can be found in the notes to the financial statements.

(1) Includes both governmental activities and business-type activities general obligation bonds. Amounts include unamortized bond premiums and discounts.

CITY OF FINDLAY, OHIO

DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT
AS OF DECEMBER 31, 2015

Governmental Unit	Debt Outstanding (2)	Estimated Percentage Applicable (1)	Estimated Share of Overlapping Debt
Direct:			
City of Findlay	\$ 8,754,695	100.00%	\$ 8,754,695
Total direct debt	8,754,695		8,754,695
Overlapping debt:			
Findlay City School District	47,642,135	90.15%	42,949,385
Liberty-Benton Local School District	1,599,167	9.46%	151,281
Van Buren Local School District	3,274,997	33.96%	1,112,189
Hancock County	7,793,930	45.79%	3,568,841
Total overlapping debt	60,310,229		47,781,695
Total direct and overlapping debt	\$ 69,064,924		\$ 56,536,390

Source: Ohio Municipal Advisory Council. Excludes special assessment and self-supporting debt.

(1) Percentages were determined by dividing the assessed valuation of the overlapping government located within the boundaries of the City by the total assessed valuation of the government. The valuations used were for calendar year 2013.

(2) Includes all governmental activities long-term debt obligations including general obligation bonds, special assessment bonds, notes payable, capital leases payable, OPWC loans payable and the City's police and fire past service liability obligation.

CITY OF FINDLAY, OHIO

LEGAL DEBT MARGIN INFORMATION
LAST TEN YEARS

Fiscal Year	Debt Limit (1)	Total Net Debt Applicable to Limit (2)	Debt Service Available Balance	Legal Debt Margin	Total Net Debt Applicable to Limit as a Percentage of Debt Limit
2015	\$ 84,251,762	\$ 13,462,101	\$ 1,005	\$ 70,790,666	15.98%
2014	83,405,234	16,145,772	3,989	67,263,451	19.36%
2013	82,971,756	14,567,612	47,209	68,451,353	17.56%
2012	83,805,294	16,372,675	54,524	67,487,143	19.54%
2011	83,749,225	18,166,011	25,904	65,609,118	21.69%
2010	84,284,009	19,630,000	118,776	64,772,785	23.29%
2009	87,234,124	22,045,000	69,337	65,258,461	25.27%
2008	86,511,948	25,545,000	78,008	61,044,956	29.53%
2007	85,144,308	20,540,000	160,697	64,765,005	24.12%
2006	89,304,658	23,655,000	199,170	65,848,828	26.49%

Source: City financial records.

Note: Ohio Bond Law sets a limit of 10.5% for voted debt and 5.5% for unvoted debt.

(1) Beginning in 2007, the debt limit excludes the assessed valuation of tangible personal property tax, as well as railroad and telephone public utility personal property in accordance with Ohio House Bill 530.

(2) **Excludes** unamortized bond premiums and discounts.

CITY OF FINDLAY, OHIO

DEMOGRAPHIC AND ECONOMIC STATISTICS
LAST TEN YEARS

Year	Population (1)	Personal Income	Per Capita Personal Income (2)	Unemployment Rates (3)			Square Miles of City
				Hancock County	Ohio	United States	
2015	41,596	\$ 1,146,094,588	\$ 27,553	3.6%	4.6%	5.0%	20.0686
2014	41,780	1,135,120,820	27,169	3.9%	5.1%	5.6%	20.0686
2013	41,724	1,075,394,376	25,774	5.2%	7.1%	6.7%	20.0686
2012	41,385	1,083,004,065	26,169	6.1%	7.2%	8.1%	20.0686
2011	41,202	1,012,291,938	24,569	7.6%	8.6%	8.9%	20.0536
2010	41,202	1,012,291,938	24,569	8.9%	10.1%	9.6%	20.0536
2009	40,745	989,940,520	24,296	10.3%	10.9%	10.0%	19.6153
2008	40,623	1,031,539,839	25,393	5.8%	6.6%	5.8%	19.5021
2007	40,515	1,058,697,465	26,131	4.6%	5.6%	4.6%	19.4789
2006	40,372	1,034,451,756	25,623	4.4%	5.5%	4.6%	19.1922

Sources:

- (1) Information obtained through U.S. Census Bureau.
- (2) Information obtained through Bureau of Economic Analysis.
- (3) Information obtained through Ohio Job & Family Services, Office of Workforce Development
Unemployment rates for month of December of the respective year.

CITY OF FINDLAY, OHIO

PRINCIPAL EMPLOYERS
CURRENT YEAR AND NINE YEARS AGO

Employer	December 31, 2015		
	Employees	Rank	Percentage of Total
Marathon/Ashland Petroleum	2,165	1	18.64%
Whirlpool	2,107	2	18.14%
Cooper Tire & Rubber Company	1,575	3	13.56%
Blanchard Valley Regional Health Center	1,536	4	13.22%
Nissan Brake	1,028	5	8.85%
Findlay City Schools	792	6	6.82%
Lowe's Distribution Center	742	7	6.39%
The University of Findlay	599	8	5.16%
Kohl's Distribution Center	554	9	4.77%
Owens Community College	519	10	4.47%
Total	11,617		100.00%

Employer	December 31, 2006		
	Employees	Rank	Percentage of Total
Whirlpool Corporation	2,100	1	17.75%
Cooper Tire & Rubber Company	2,065	2	17.46%
Blanchard Valley Hospital	1,862	3	15.74%
Marathon/Ashland Petroleum	1,383	4	11.69%
Findlay City Schools	916	5	7.74%
Lowes Distribution Center	911	6	7.70%
Nissan Brake	750	7	6.34%
Sanoh America, Inc.	719	8	6.08%
Hancock County	615	9	5.20%
University of Findlay	507	10	4.29%
Total	11,828		100.00%

Source: City Auditor's Office Contacted Businesses

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CITY OF FINDLAY, OHIO

FULL-TIME-EQUIVALENT CITY GOVERNMENTAL EMPLOYEES BY FUNCTION/PROGRAM
LAST TEN YEARS

Function/Program	2015					2014				
	Full Time	Part Time	Seasonal	Total	Annual FTE's (1)	Full Time	Part Time	Seasonal	Total	Annual FTE's (1)
Electeds	5.00	12.00	-	17.00	17.00	5.00	12.00	-	17.00	17.00
Airport	4.50	-	-	4.50	4.50	5.00	-	-	5.00	4.50
Auditor	4.00	-	3.00	7.00	4.25	4.00	-	-	4.00	4.00
Building Maintenance	1.00	1.00	-	2.00	1.75	1.00	1.00	-	2.00	1.75
City Income Tax	2.00	-	1.00	3.00	1.75	2.00	1.00	-	3.00	1.75
Civil Service	1.00	3.00	-	4.00	2.50	1.00	3.00	-	4.00	2.50
Computer Services	2.00	-	1.00	3.00	2.25	3.00	-	-	3.00	2.75
Council	0.50	-	-	0.50	0.50	-	-	-	-	0.50
Dispatch Center	11.00	-	-	11.00	10.50	11.00	-	-	11.00	10.75
Engineering	7.00	-	-	7.00	6.50	6.00	-	-	6.00	6.25
Health	12.00	4.00	-	16.00	14.50	13.00	4.00	-	17.00	14.25
Human Resources	1.00	-	-	1.00	1.00	1.00	-	-	1.00	0.75
Law Director	4.50	-	-	4.50	4.50	4.00	-	-	4.00	4.25
Mayor	1.00	-	-	1.00	1.00	1.00	-	-	1.00	1.00
Municipal Court	18.00	5.00	-	23.00	21.50	18.00	6.00	-	24.00	18.25
NEAT	1.00	-	-	1.00	1.00	1.00	-	-	1.00	1.00
Parking	1.50	-	-	1.50	1.50	1.00	-	-	1.00	1.50
Pool	-	-	-	-	-	-	-	-	-	-
Recreation	4.00	-	26.00	30.00	7.75	3.00	-	27.00	30.00	7.50
Safety/Administrative Services	-	-	-	-	-	-	-	-	-	-
Service Director	1.00	-	-	1.00	1.00	1.00	-	-	1.00	1.00
WORC	1.00	-	-	1.00	1.00	1.00	-	-	1.00	1.00
Zoning	1.00	-	-	1.00	1.00	1.00	-	-	1.00	1.00
Fire Clerks	1.00	-	-	1.00	1.00	1.00	-	-	1.00	1.00
Fire Department Admin	1.00	-	-	1.00	1.00	1.00	-	-	1.00	1.00
Fire Department	59.00	-	-	59.00	58.75	61.00	-	-	61.00	60.50
Fire Department Total	61.00	-	-	61.00	60.75	63.00	-	-	63.00	62.50
Parks Maintenance	4.00	-	1.00	5.00	4.25	4.00	-	-	4.00	4.75
Cemetery	2.50	-	-	2.50	3.50	2.00	-	-	2.00	3.00
Streets	23.00	-	-	23.00	23.75	22.00	-	-	22.00	23.00
Traffic Lights	2.00	-	-	2.00	2.00	2.00	-	-	2.00	2.00
Public Works Total	31.50	-	1.00	32.50	33.50	30.00	-	-	30.00	32.75
Police Clerks	7.00	-	-	7.00	5.50	6.00	-	-	6.00	5.50
Police Administration	2.00	-	-	2.00	2.00	2.00	-	-	2.00	2.00
School Police	-	-	-	-	-	-	-	-	-	-
Police	60.00	-	-	60.00	58.00	59.00	-	-	59.00	55.75
Police Department Total	69.00	-	-	69.00	65.50	67.00	-	-	67.00	63.25
Sewer Maintenance	10.00	-	-	10.00	11.00	10.00	-	-	10.00	10.25
Stormwater Maintenance	2.00	-	-	2.00	2.00	2.00	-	-	2.00	2.00
Water Pollution Control	16.00	-	-	16.00	16.00	16.00	-	-	16.00	15.75
WPC Total	28.00	-	-	28.00	29.00	28.00	-	-	28.00	28.00
Supply Reservoir	1.00	-	-	1.00	1.25	1.00	-	-	1.00	1.00
Utility Billing	9.00	-	-	9.00	9.00	10.00	-	-	10.00	10.00
Water Distribution	13.00	-	-	13.00	13.00	13.00	-	-	13.00	12.25
Water Treatment	13.00	-	-	13.00	12.25	13.00	-	-	13.00	13.00
WPC Total	36.00	-	-	36.00	35.50	37.00	-	-	37.00	36.25
Total	309.50	25.00	32.00	366.50	331.50	308.00	27.00	27.00	362.00	326.00

Source: City of Findlay records

- (1) Calculated using total base hours worked by each employee divided by full-time employment equivalent.
- (2) Calculated using 1.0 for each full-time employee and 0.50 for each part-time and seasonal employee.

2013					2012					2011				
Full Time	Part Time	Seasonal	Total	Annual FTE's (1)	Full Time	Part Time	Seasonal	Total	Annual FTE's (1)	Full Time	Part Time	Seasonal	Total	Annual FTE's (1)
5.00	11.00	-	16.00	16.00	5.00	11.00	-	16.00	16.00	5.00	11.00	-	16.00	16.00
5.00	-	-	5.00	4.50	5.00	-	-	5.00	4.50	5.00	-	-	5.00	4.50
4.00	-	1.00	5.00	4.00	4.00	-	-	4.00	3.75	4.00	-	-	4.00	3.75
1.00	1.00	-	2.00	1.75	1.00	1.00	-	2.00	1.75	1.00	1.00	-	2.00	1.50
2.00	-	-	2.00	2.25	2.00	1.00	-	3.00	2.75	3.00	1.00	-	4.00	3.00
1.00	3.00	-	4.00	2.50	1.00	3.00	-	4.00	2.00	1.00	3.00	-	4.00	2.00
2.00	-	-	2.00	2.50	3.00	-	-	3.00	3.00	3.00	-	-	3.00	3.00
-	-	-	-	0.50	-	-	-	-	0.50	-	-	-	-	0.50
10.00	-	-	10.00	10.00	11.00	-	-	11.00	11.00	11.00	-	-	11.00	11.00
6.00	1.00	-	7.00	6.75	7.00	-	-	7.00	9.00	10.00	-	-	10.00	9.50
13.00	4.00	-	17.00	13.50	12.00	4.00	-	16.00	13.00	12.00	2.00	-	14.00	12.00
-	-	-	-	-	-	-	-	-	0.50	-	-	-	-	-
5.00	-	-	5.00	4.50	5.00	-	-	5.00	4.50	5.00	-	-	5.00	4.50
1.00	-	-	1.00	1.00	2.00	-	-	2.00	2.00	1.00	-	-	1.00	1.00
17.00	4.00	-	21.00	17.25	14.00	7.00	-	21.00	17.75	17.00	5.00	-	22.00	16.00
1.00	-	-	1.00	1.00	1.00	-	-	1.00	1.00	1.00	-	-	1.00	1.00
1.00	-	-	1.00	1.50	1.00	-	-	1.00	1.50	1.00	-	-	1.00	1.50
-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
4.00	-	24.00	28.00	8.25	5.00	-	24.00	29.00	9.75	5.00	-	25.00	30.00	9.50
-	-	-	-	-	-	-	-	-	-	2.00	-	-	2.00	2.00
1.00	-	-	1.00	1.25	1.00	-	-	1.00	1.00	1.00	-	-	1.00	1.00
1.00	-	-	1.00	1.00	1.00	-	-	1.00	1.00	-	-	-	-	1.00
1.00	-	-	1.00	1.00	1.00	-	-	1.00	1.00	-	-	-	-	2.00
1.00	-	-	1.00	1.00	1.00	-	-	1.00	1.00	1.00	-	-	1.00	1.00
1.00	-	-	1.00	1.00	1.00	-	-	1.00	1.00	1.00	-	-	1.00	1.00
57.00	-	-	57.00	61.50	68.00	-	-	68.00	64.75	69.00	-	-	69.00	67.00
59.00	-	-	59.00	63.50	70.00	-	-	70.00	66.75	71.00	-	-	71.00	69.00
2.00	-	-	2.00	2.75	4.00	-	-	4.00	5.75	6.00	-	-	6.00	6.00
2.00	-	-	2.00	3.50	2.00	-	-	2.00	3.00	2.00	-	-	2.00	2.00
21.00	-	-	21.00	22.50	18.00	-	-	18.00	20.25	19.00	-	-	19.00	19.50
2.00	-	-	2.00	2.00	2.00	-	-	2.00	2.00	2.00	-	-	2.00	2.00
27.00	-	-	27.00	30.75	26.00	-	-	26.00	31.00	29.00	-	-	29.00	29.50
6.00	-	-	6.00	5.50	5.00	-	-	5.00	4.50	5.00	-	-	5.00	5.00
2.00	-	-	2.00	2.00	2.00	-	-	2.00	2.00	2.00	-	-	2.00	2.00
-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
55.00	-	-	55.00	53.75	58.00	-	-	58.00	61.50	63.00	-	-	63.00	62.00
63.00	-	-	63.00	61.25	65.00	-	-	65.00	68.00	70.00	-	-	70.00	69.00
10.00	-	-	10.00	10.25	10.00	-	-	10.00	10.50	10.00	-	-	10.00	10.00
2.00	-	-	2.00	2.00	2.00	-	-	2.00	2.00	2.00	-	-	2.00	2.00
15.00	-	-	15.00	14.50	16.00	-	-	16.00	16.00	16.00	-	-	16.00	16.00
27.00	-	-	27.00	26.75	28.00	-	-	28.00	28.50	28.00	-	-	28.00	28.00
1.00	-	-	1.00	1.00	1.00	-	-	1.00	1.00	1.00	-	-	1.00	1.00
10.00	-	-	10.00	10.00	10.00	-	-	10.00	10.00	10.00	-	-	10.00	10.00
12.00	-	-	12.00	11.75	13.00	-	-	13.00	13.00	13.00	-	-	13.00	13.00
14.00	-	-	14.00	13.50	15.00	-	-	15.00	14.75	16.00	-	-	16.00	16.00
37.00	-	-	37.00	36.25	39.00	-	-	39.00	38.75	40.00	-	-	40.00	40.00
294.00	24.00	25.00	343.00	319.50	310.00	27.00	24.00	361.00	340.25	326.00	23.00	25.00	374.00	341.75

(Continued)

CITY OF FINDLAY, OHIO

FULL-TIME-EQUIVALENT CITY GOVERNMENTAL EMPLOYEES BY FUNCTION/PROGRAM (CONTINUED)
LAST TEN YEARS

Function/Program	(2)				
	2010 Annual Average	2009 Annual Average	2008 Annual Average	2007 Annual Average	2006 Annual Average
Electeds	16.00	16.00	16.00	16.00	16.00
Airport	5.00	5.00	5.00	5.00	5.00
Auditor	4.00	4.00	4.00	4.00	4.00
Building Maintenance	1.00	1.00	3.00	3.00	1.00
City Income Tax	3.50	3.50	4.00	5.00	5.00
Civil Service	2.50	4.00	4.00	4.00	4.00
Computer Services	4.00	3.00	4.00	3.00	3.00
Council	-	1.00	1.00	1.00	1.00
Dispatch Center	11.00	10.00	11.00	11.00	10.00
Engineering	9.00	10.00	14.00	12.00	13.00
Health	13.00	12.50	14.00	14.00	14.00
Human Resources	-	-	-	-	-
Law Director	5.00	5.00	5.00	5.00	5.00
Mayor	1.00	1.00	1.00	1.00	1.00
Municipal Court	25.00	20.00	19.00	15.00	15.00
NEAT	1.00	1.00	1.00	1.00	1.00
Parking	1.00	1.00	1.00	1.00	2.00
Pool	10.00	10.00	12.00	9.00	10.00
Recreation	6.50	16.50	15.00	12.50	10.00
Safety/Administrative Services	2.00	2.00	2.00	2.00	2.00
Service Director	1.00	1.00	1.00	1.00	-
WORC	1.00	1.00	-	-	-
Zoning	2.00	2.00	2.00	2.00	1.00
Fire Clerks	1.00	1.00	2.00	2.00	1.00
Fire Department Admin	1.00	1.00	1.00	1.00	1.00
Fire Department	63.00	67.00	74.00	74.00	70.00
Fire Department Total	65.00	69.00	77.00	77.00	72.00
Parks Maintenance	7.00	2.00	9.00	9.00	11.00
Cemetery	1.00	1.00	5.00	4.00	2.00
Streets	19.00	27.00	29.00	27.00	25.00
Traffic Lights	2.00	2.00	4.00	5.00	5.00
Public Works Total	29.00	32.00	47.00	45.00	43.00
Police Clerks	6.00	6.00	7.00	7.00	7.00
Police Administration	2.00	2.00	2.00	2.00	2.00
School Police	-	-	3.00	3.00	4.00
Police	60.00	65.00	70.00	70.00	68.00
Police Department Total	68.00	73.00	82.00	82.00	81.00
Sewer Maintenance	11.00	11.00	14.00	14.00	14.00
Stormwater Maintenance	3.00	2.00	2.00	-	-
Water Pollution Control	18.00	18.00	18.00	18.00	17.00
WPC Total	32.00	31.00	34.00	32.00	31.00
Supply Reservoir	1.00	1.00	1.00	1.00	1.00
Utility Billing	10.00	10.00	10.00	9.00	8.00
Water Distribution	13.00	13.00	14.00	14.00	14.00
Water Treatment	16.00	16.00	17.00	18.00	18.00
WPC Total	40.00	40.00	42.00	42.00	41.00
Total	358.50	375.50	421.00	405.50	391.00

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CITY OF FINDLAY, OHIO

OPERATING INDICATORS BY FUNCTION/PROGRAM
LAST TEN YEARS

Function/Program	2015	2014	2013	2012
General Government				
Auditor's Office				
Purchase orders issued	4,278	4,283	3,961	4,104
Checks issued	7,679	8,893	7,049	7,251
Computer Services				
Computers maintained	242	274	359	311
City website hits (2)	567,473	462,078	451,498	429,456
Cemetery				
Number of internments	195	202	186	190
Graves sold	101	100	96	67
Municipal Court				
Cases filed	19,007	17,471	17,594	18,067
Arraignments	15,209	13,816	13,693	13,187
Jury trials	2	0	1	2
Security of Persons and Property				
Police				
Charges from arrests	3,162	2,835	2,121	2,131
Parking violations	4,638	4,411	4,610	3,980
Traffic violations	3,176	2,831	3,295	3,529
Fire				
Emergency responses/calls answered	2,173	2,016	1,959	2,043
Fires extinguished	106	107	88	120
Inspections conducted	463	438	1,209	356
WORC (1)				
Time completed - Successful	179	221	176	229
Early Release - Successful	4	6	11	20
Failed - Unsuccessful	14	11	15	14
Total Days Served (All Courts)	3,720	3,992	3,878	5,725
Public Health and Welfare				
Health Department				
Food service licenses issued	475	458	455	403
Vaccinations given - Clinic	7,509	4,646	5,895	5,639
Births	1,396	1,437	1,423	1,248
Deaths	734	662	630	632
Plumbing inspection permits issued	357	347	375	363
Zoning				
New commercial permits issued	16	9	9	4
New residential permits issued	23	25	24	23
New industrial permits issued	0	0	0	0
Inspections conducted	n/a	700	403	1,440

TABLE 18

2011	2010	2009	2008	2007	2006
3,919	3,799	3,908	4,295	4,517	3,949
7,002	7,041	6,949	8,062	7,847	7,609
305	298	293	284	265	258
464,078	428,718	433,619	363,185	313,518	263,781
181	181	189	157	159	216
77	66	131	69	113	336
16,313	15,534	14,783	15,213	16,112	18,791
11,562	10,804	10,322	10,902	11,782	14,326
0	1	1	2	1	2
1,979	1,855	1,887	2,186	2,687	2,961
3,714	3,483	4,242	4,235	6,914	6,914
3,044	2,924	2,174	3,743	6,838	4,478
2,049	1,843	1,556	1,759	2,003	1,734
112	125	133	226	200	160
353	446	562	536	472	752
181	220	105	n/a	n/a	n/a
16	52	17	n/a	n/a	n/a
15	27	25	n/a	n/a	n/a
4,800	6,808	2,404	n/a	n/a	n/a
383	409	393	419	434	415
7,038	7,792	11,332	8,384	8,848	7,129
1,088	1,074	1,162	1,117	1,145	1,082
615	593	575	589	447	487
356	433	263	338	480	586
13	9	7	8	9	9
25	26	36	47	68	127
0	0	0	0	0	1
1,172	518	587	635	250	1,032

(Continued)

CITY OF FINDLAY, OHIO

OPERATING INDICATORS BY FUNCTION/PROGRAM (CONTINUED)
LAST TEN YEARS

Function/Program	2015	2014	2013	2012
Public Health and Welfare (Continued)				
NEAT (Neighborhood Enhancement)				
Cases Reported	1,372	1,055	1,085	1,611
Cases Remaining Open at Year End	209	272	167	121
Backyard Mission Trip Projects	220	166	20	7
Transportation				
Street				
Miles of street maintained	195.68	195.68	194.59	194.59
Pot holes repaired	117	209	192	115
Limbs removed	193	325	35	5
Visibility complaints received	4	47	200	5
Repairs to concrete	23	25	17	13
Leisure Time Activities				
Shade Tree				
Trees planted	361	30	100	240
Trees removed	150	105	150	155
Recreation				
Summer Softball League teams	73	73	78	86
Fall Softball League team (started 2008)	41	40	45	45
Cube Birthday Party Packages	50	48	29	47
Meeting Room Rentals	116	102	87	184
Shelterhouses Reserved	416	399	295	282
Utility Services				
Water				
Number of Customers	17,803	17,650	17,584	17,474
New connections	99	127	86	82
Water main breaks	73	84	79	80
Avg. daily consumption (MGD)	5.8350	5.8140	5.6190	6.0460
Water Pollution Control				
Number of Customers	17,229	17,062	16,999	16,926
Sewer calls	100	109	130	76
Feet of sanitary sewer cleaned	202,004	206,385	225,279	301,222
Catch basin repair	11	13	4	14
Airport				
Fuel sales - Jet A (in gallons)	180,126	179,363	164,749	154,439
Fuel sales - Octane (in gallons)	27,671	27,284	26,356	27,139
Landing fees charged	167	167	176	183

Source: City of Findlay Department Directors

(1) Work Release Facility opened in Fall 2009.

(2) Reflects only nine month of website hits for 2015. Data on other three months not available.

n/a - Information not available.

2011	2010	2009	2008	2007	2006
n/a	n/a	n/a	n/a	n/a	n/a
n/a	n/a	n/a	n/a	n/a	n/a
n/a	n/a	n/a	n/a	n/a	n/a
193.80	193.60	193.60	193.60	193.07	192.85
253	128	168	135	160	76
26	27	8	118	141	53
10	19	8	20	22	11
38	47	37	38	26	65
100	60	160	240	125	132
708	250	128	230	200	265
82	76	78	92	103	98
48	38	22	14	0	0
32	45	52	56	0	0
187	133	182	29	27	10
299	232	232	281	220	210
17,399	18,974	17,273	17,486	17,377	17,313
80	79	66	107	145	234
66	79	78	73	77	69
6.0760	6.0929	5.9905	6.2500	6.5920	6.0150
16,830	16,809	16,734	15,557	14,545	14,645
115	83	92	103	132	111
194,685	191,278	250,800	155,699	83,433	153,872
78	61	109	112	79	78
127,054	165,981	126,453	146,335	210,151	249,610
24,505	21,959	25,179	23,943	24,619	27,251
133	182	85	124	127	181

CITY OF FINDLAY, OHIO

CAPITAL ASSET STATISTICS BY FUNCTION/PROGRAM
LAST TEN YEARS

Function/Program	2015	2014	2013	2012	2011	2010
Security of Persons and Property						
Police						
Stations	1	1	1	1	1	1
Patrol units	22	18	18	20	31	39
Fire						
Fire stations	4	4	4	4	4	4
Fire trucks	16	16	16	15	18	18
Transportation						
Street						
Miles of street maintained	195.68	195.68	194.59	194.59	193.80	193.60
Traffic signals maintained	82	82	95	94	94	94
Leisure Time Activities						
Parks and Recreation						
Number of parks	21	19	19	19	19	19
Number of ballfields	40	40	40	40	40	40
Number of soccer fields	25	25	25	25	25	25
Swimming pool	1	1	1	1	1	1
Ice Rink	1	1	1	1	1	1
Utility Services						
Water						
Water mains (miles)	316.67	315.49	307.65	307.25	307	306.2
Number of hydrants	2,447	2,415	2,389	2,383	2,379	2,363
Storage capacity (BG)	6.4	6.4	6.4	6.4	6.4	6.4
Water treatment plants	1	1	1	1	1	1
Sewer Maintenance						
Sanitary sewers (miles)	296.80	295.78	295.28	295.00	295.05	295.00
Sewage treatment plants	1	1	1	1	1	1
Airport						
Number of runways	2	2	2	2	2	2

Source: City of Findlay Department Directors

TABLE 19

<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>
1	1	1	1
39	44	45	44
4	4	4	4
19	19	18	17
193.60	193.60	193.07	192.85
95	96	95	94
19	19	19	19
40	40	37	37
25	25	25	25
1	1	1	1
1	1	1	1
306.2	306.12	302.19	289.2
2,357	2,354	2,333	2,279
6.4	6.4	6.4	6.4
1	1	1	1
293.64	290.64	301.41	299.64
1	1	1	1
2	2	2	2

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Dave Yost • Auditor of State

CITY OF FINDLAY

HANCOCK COUNTY

CLERK'S CERTIFICATION

This is a true and correct copy of the report which is required to be filed in the Office of the Auditor of State pursuant to Section 117.26, Revised Code, and which is filed in Columbus, Ohio.

Susan Babbitt

CLERK OF THE BUREAU

CERTIFIED
AUGUST 25, 2016