

COMPREHENSIVE ANNUAL FINANCIAL REPORT

For the Year Ended December 31, 2017



Dave Yost • Auditor of State

City Council
City of Findlay
318 Dorney Plaza
Findlay, Ohio 45840

We have reviewed the *Independent Auditor's Report* of the City of Findlay, Hancock County, prepared by Julian & Grube, Inc., for the audit period January 1, 2017 through December 31, 2017. Based upon this review, we have accepted these reports in lieu of the audit required by Section 117.11, Revised Code. The Auditor of State did not audit the accompanying financial statements and, accordingly, we are unable to express, and do not express an opinion on them.

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

A handwritten signature in black ink that reads "Dave Yost".

Dave Yost
Auditor of State

September 4, 2018

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CITY OF FINDLAY, OHIO
COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE YEAR ENDED DECEMBER 31, 2017

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, 2017

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JIM STASCHIAK II
CITY AUDITOR

June 12, 2018

To the Residents of Findlay, Ohio:

The Comprehensive Annual Financial Report (CAFR) of the City of Findlay (the "City"), Ohio, as of and for the fiscal year ended December 31, 2017, 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 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.

The firm of Julian & Grube, Inc., 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 Uniform Guidance, *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. The results of the City's independent audit for the year ended December 31, 2017 provided no instances of material weaknesses in the internal control structure or significant violations of applicable laws and regulations.

This transmittal letter is designed to provide historical information about the City, as well as complement the required Management's Discussion and Analysis (MD&A). GAAP requires 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

Findlay, Ohio 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 Director, Safety Director, Human Resource Director and City Engineer are appointed by the Mayor.

The City provides police and fire protection, 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 Findlay started its 2018 fiscal year with a permanent budget. Departmental budgets are prepared by the individual supervisors, approved by the Service and Safety Directors, 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 in 2009 at 10.3% and began a steady decline ending 2017 at a 3.6% average, one of the lowest in the State.

Economic development is a key focus for growth of the City. The community expects to continue benefiting tremendously from the Marathon Petroleum Corporation being headquartered in Findlay. It ranked 51 overall by Fortune 500 in 2017. Marathon has added several hundred new, well-paid executive-level positions and has expanded its footprint with a \$90+ million investment that includes a headquarters building, administrative building, two parking garages and a new hotel. The expansion will be completed in 2018 and is expected to create an additional 150 new jobs in the City. Investment in Tall Timbers Industrial Park expansion includes investment in roads, water and sewer in the 300 acre site. McLane Company opened its \$119 million 337,000 square-foot distribution center in Tall Timbers Industrial Park. Full time employment for McLane in the City has grown to 379 people with an average wage in excess of \$50,000. Campbell Soup Supply Co. has invested \$44 million into building a 740,000 square foot warehouse which is expected to employ at least 200 people.

The City has benefited significantly in recent years from growth in some of the area's largest employers. Findlay has been nationally recognized for its growth. In 2017, the City had 21 major corporate facility investments from existing firms totaling \$308,000,000. Job creation in the City totaled approximately 500 jobs in 2017.

The real estate market and the affiliated businesses had a continued impact on the economy and real estate values showed moderate increases from 2016 to 2017 primarily due to increased demand. In 2017, the City issued 23 permits for new business/commercial construction totaling and additions totaling \$86,390,000. The City issued 25 permits for new single family residential construction totaling \$5,890,000.

Raise the Bar Hancock County is a partnership of education, business, social services and community leaders focused on aligning and integrating the Hancock County Ohio community learning system with economic growth and a high quality of life. One of the immediate goals of this organization is to fill job vacancies that exist today and in the near future. Raise the Bar Hancock County has applied to become a 501(c) (3) nonprofit organization. Funding for the workforce development organization is coming from several sources including: The Hancock County Commissioners, the Findlay-Hancock County Community Foundation, Findlay-Hancock Economic Development, United Way of Hancock County and the City of Findlay. Each of these entities has committed \$30,000 per year, for five years beginning in 2016.

The City continues to get positive reviews. For the 18th consecutive year Findlay, Ohio was ranked as one of the best micropolitan communities in the U.S. for new and expanding facilities by *Site Selection* magazine. In 2014, 2015, 2016, and 2017 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 six times by Truven Health Analytics. Additionally, the City benefits from The Community Foundation, with assets of more than \$130 million, approximately 40% of which is unrestricted. This Foundation annually provides over \$5.1 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 \$4.8 million minimum unappropriated general fund balance in compliance with its policy. In 2017, the minimum unappropriated balance policy is \$4.6 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. Income tax growth has been steady, as of December 2017. For income tax receipts, the 5-year average growth of the 1% income tax is 1.36%.

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 ensures City Council is aware our debt service commitments come first and foremost. Additionally, the City has developed a 2-year budget for 2017 and 2018 and has begun the process of developing a five-year operations forecast for the general fund. Long term planning has become a standard component of the budget process and City Council has added a Strategic Planning Committee to further these planning initiatives.

Major Initiatives

The City is divided by the Blanchard River and is located on the south edge of what used 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 continued 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. On April 3, 2017, Stantec, the engineering firm hired by the Hancock County commissioners to propose designs of the county's flood control project, released their final report. The first of several proposals was presented May 5, 2017 to the Maumee Watershed Conservancy District who will make a recommendation to the Maumee Watershed Conservancy Court. The district has begun work to improve the river channel in Findlay at a cost of approximately \$20,000,000.

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. The tax sunsets in 2019. The unappropriated balance of the County's Capital Projects flood mitigation fund is \$10,335,000 as of May 1, 2018. The majority of these funds are going to be spent on a river benching (widening) project for the Blanchard River inside of the Findlay city limits to increase flow capacity where the river narrows.

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 2016. 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. 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, 2016. 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 Chase, Makalia Schultz, Brock Weber, and Ginger Sampson for their accurate and diligent work during 2017, 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,



Jim Staschiak II
City Auditor

CITY OF FINDLAY, OHIO
ELECTED AND APPOINTED OFFICIALS
AS OF DECEMBER 31, 2017

ELECTED OFFICIALS

Mayor	Lydia Mihalik
Auditor	Jim Staschiak II
Municipal Court Judge	Alan Hackenberg
Municipal Court Judge	Mark Miller
Treasurer	Susan J. Hite
Law Director	Donald Rasmussen

Council President	James P. Slough
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At Large	Grant Russel
At Large	Thomas Shindledecker
At Large	Jeffrey Wobser
First Ward	Holly Frische
Second Ward	Dennis Hellmann
Third Ward	R. Ronald Monday
Fourth Ward	Thomas Klein
Fifth Ward	John Harrington
Sixth Ward	James Niemeyer
Seventh Ward	Tim Watson

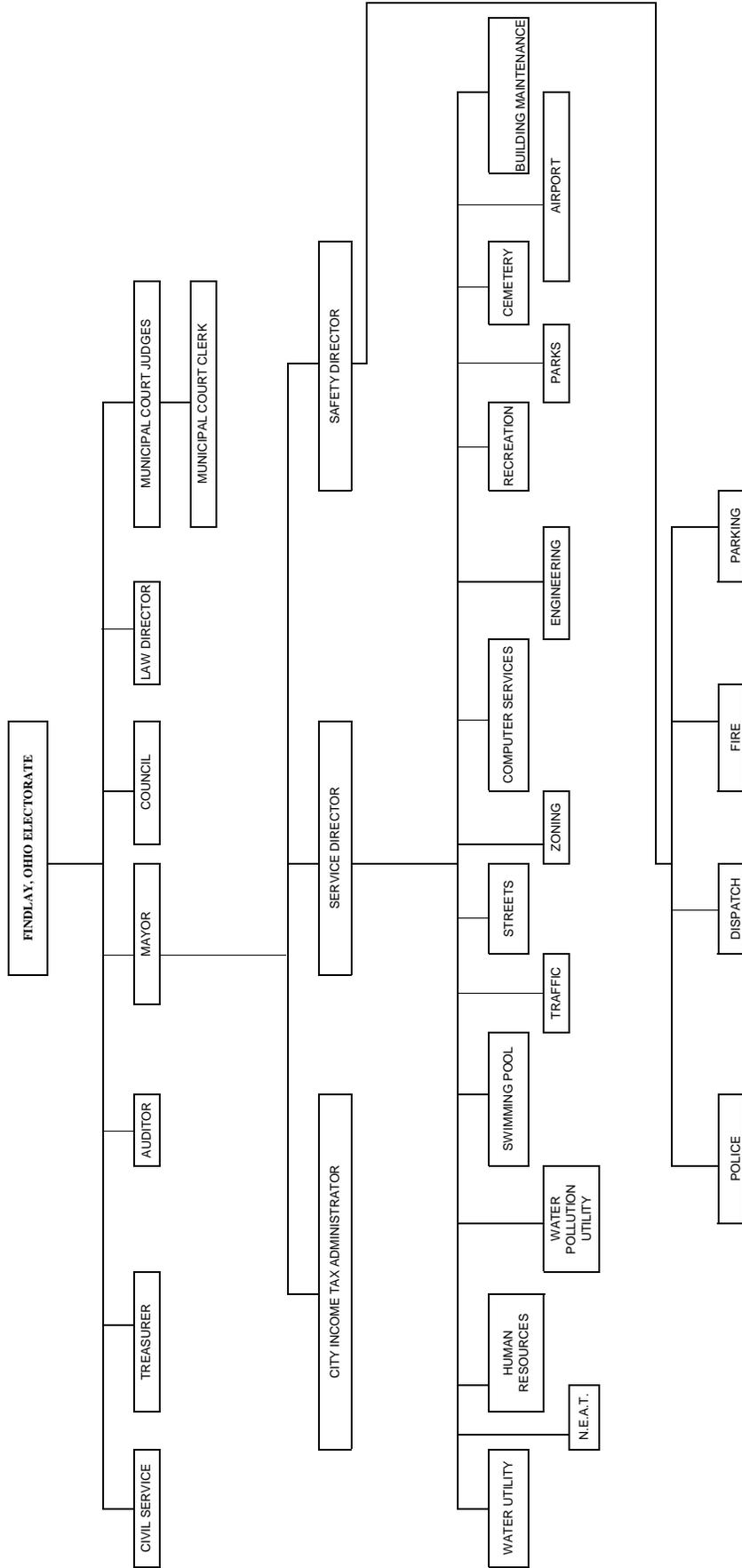
APPOINTED OFFICIALS

Service Director/Acting City Engineer	Brian Thomas, P.E., P.S.
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 Chase
Audit Clerk	Makalia Schultz
Audit Clerk	Amy Baird
Audit Clerk	Brock Weber

**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, 2016

Christopher P. Morrill

Executive Director/CEO

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Julian & Grube, Inc.
Serving Ohio Local Governments

333 County Line Rd. West, Westerville, OH 43082 Phone: 614.846.1899 Fax: 614.846.2799

Independent Auditor's Report

City of Findlay
Hancock County
318 Dorney Plaza, Room 114
Findlay, Ohio 45840

To the Members of Council and Mayor:

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, as of and for the year ended December 31, 2017, and the related notes to the financial statements, which collectively comprise the City of Findlay'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 of Findlay'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 of Findlay's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of management's accounting policies and the reasonableness of their significant accounting estimates, as well as our evaluation of the overall financial statement presentation.

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

Independent Auditor's Report
City of Findlay

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, 2017, 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.

Other Matters

Report on Summarized Comparative Information

We have previously audited the City of Findlay's 2016 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated June 15, 2018. In our opinion, the summarized comparative information presented herein as of and for the year ended December 31, 2016 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 liability/net pension asset 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 of Findlay's basic financial statements taken as a whole.

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

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

Independent Auditor's Report
City of Findlay

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated June 12, 2018, on our consideration of the City of Findlay'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 of Findlay's internal control over financial reporting and compliance.

A handwritten signature in cursive script that reads "Julian & Grube, Inc.".

Julian & Grube, Inc.
June 12, 2018

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CITY OF FINDLAY, OHIO

MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE YEAR ENDED DECEMBER 31, 2017 (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, 2017. 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 2017 are as follows:

- The total net position of the City increased \$5,930,382 over the prior year. Net position of governmental activities increased \$20,453 or 0.02% from 2016 and net position of business-type activities increased \$5,909,929 or 3.83% over 2016.
- General revenues accounted for \$26,728,220 or 72.46% of total governmental activities revenue. Program specific revenues accounted for \$10,156,270 or 27.54% of total governmental activities revenue.
- The City had \$36,361,757 in expenses related to governmental activities; \$10,156,270 of these expenses was offset by program specific charges for services, grants or contributions. General revenues (primarily property taxes, income taxes, and unrestricted grants and entitlements) of \$26,728,220 were sufficient to cover the remaining expenses of the governmental activities.
- The general fund had revenues of \$33,676,232 in 2017. This represents a 1.83% increase from 2016. Transfers-in amounted to \$318,541. The expenditures of the general fund, which totaled \$29,023,226 in 2017, decreased \$182,817 from 2016. The City had transfers out to other funds of \$6,840,673. The net decrease in fund balance for the general fund was \$1,890,142 or 7.59%.
- The street maintenance and repair fund had revenues and other financing sources of \$8,772,648 in 2017. This represents an increase of \$2,682,894 from 2016 revenues and other financing sources. The expenditures and other financing uses of the street maintenance and repair fund, totaled \$8,172,535 in 2017 which was an increase of \$1,886,806 from 2016. The net increase in fund balance for the street maintenance and repair fund was \$455,139 or 19.71%.
- 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 2017 by \$5,909,929. This increase in net position was due primarily to adequate charges for services revenue to cover operating expenses coupled with the receipt of \$3,321,867 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, 2017 (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 2017?" The statement of net position and the statement of activities answer this question. These statements include all assets & deferred outflows of resources and liabilities & 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, 2017 (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.

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.

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 120-126 of this report.

CITY OF FINDLAY, OHIO

MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2017
(UNAUDITED)

Government-Wide Financial Analysis

The table below provides a summary of the City's net position at December 31, 2017 and 2016.

	Net Position					
	Governmental Activities	Governmental Activities	Business-type Activities	Business-type Activities	2017	2016
	<u>2017</u>	<u>2016</u>	<u>2017</u>	<u>2016</u>	<u>Total</u>	<u>Total</u>
<u>Assets</u>						
Current and other assets	\$ 43,078,351	\$ 45,970,072	\$ 30,480,656	\$ 28,128,644	\$ 73,559,007	\$ 74,098,716
Capital assets, net	<u>94,695,131</u>	<u>88,986,687</u>	<u>150,395,428</u>	<u>150,334,445</u>	<u>245,090,559</u>	<u>239,321,132</u>
Total assets	<u>137,773,482</u>	<u>134,956,759</u>	<u>180,876,084</u>	<u>178,463,089</u>	<u>318,649,566</u>	<u>313,419,848</u>
Deferred outflows	<u>9,596,753</u>	<u>9,576,213</u>	<u>2,416,612</u>	<u>1,839,252</u>	<u>12,013,365</u>	<u>11,415,465</u>
<u>Liabilities</u>						
Current and other liabilities	2,691,736	2,450,410	1,521,064	1,604,004	4,212,800	4,054,414
Long-term liabilities	<u>48,469,919</u>	<u>46,042,833</u>	<u>21,524,917</u>	<u>24,401,116</u>	<u>69,994,836</u>	<u>70,443,949</u>
Total liabilities	<u>51,161,655</u>	<u>48,493,243</u>	<u>23,045,981</u>	<u>26,005,120</u>	<u>74,207,636</u>	<u>74,498,363</u>
Deferred inflows	<u>3,273,074</u>	<u>3,124,676</u>	<u>135,722</u>	<u>96,157</u>	<u>3,408,796</u>	<u>3,220,833</u>
<u>Net Position</u>						
Net investment in capital assets	87,387,917	81,341,015	135,861,632	131,517,130	223,249,549	212,858,145
Restricted	8,686,379	7,208,614	6,285,031	5,989,837	14,971,410	13,198,451
Unrestricted (deficit)	<u>(3,138,790)</u>	<u>4,365,424</u>	<u>17,964,330</u>	<u>16,694,097</u>	<u>14,825,540</u>	<u>21,059,521</u>
Total net position	<u>\$ 92,935,506</u>	<u>\$ 92,915,053</u>	<u>\$ 160,110,993</u>	<u>\$ 154,201,064</u>	<u>\$ 253,046,499</u>	<u>\$ 247,116,117</u>

Net Pension Liability

The City applies 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." 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.

GASB 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, 2017 (UNAUDITED)

Under the 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.

The City reports a net pension liability/asset and deferred inflows/outflows of resources related to pension on the accrual basis of accounting under the requirements of GASB 68.

Analysis of Net Position

Over time, net position can serve as a useful indicator of a government's financial position. At December 31, 2017, the City's assets and deferred outflows exceeded liabilities and deferred inflows by \$253,046,499. At year-end, net position was \$92,935,506 and \$160,110,993 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, 2017 (UNAUDITED)

Current and other assets of the governmental activities decreased primarily in the area of income taxes receivable, economic development loans receivable, and cash and cash equivalents restricted for capital improvements. Current and other assets of the business-type activities increased as charges and fees were sufficient to cover expenses resulting in an increase to cash and cash equivalents. Capital assets, net increased as the City completed construction projects and continued various projects including a downtown revitalization project, Dorney Plaza revitalization project, and City fiber loop installation. Construction in progress for the governmental activities increased \$3,880,479 (net of disposals) during 2017.

Capital assets reported on the government-wide statements represent the largest portion of the City's net position. At year-end, capital assets represented 76.92% 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, 2017, was \$87,387,917 and \$135,861,632 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, 2017, the City was able to report positive balances in all three categories of net position, for its business-type activities. For governmental activities, the City reported a deficit balance in unrestricted net position. The deficit balance resulted primarily from an increase in the City's net pension liability. In addition, the City invested in capital assets and expensed monies on construction projects. These capital costs increased the net position category net investment in capital assets rather than unrestricted net position.

A portion of the City's net position, \$14,971,410, represents resources that are subject to external restriction on how they may be used. The remaining balance of unrestricted net position of \$14,825,540 may be used to meet the government's ongoing obligations to citizens and creditors.

Deferred outflows related to pension increased primarily due to a change in assumptions used by OPERS in the calculation of the retirement system's net pension liability.

Total long-term liabilities decreased from the prior year. The City's net pension liability increased; however, this increase was offset by bond and loan principal reductions during the year. A majority of the bond and loan principal payments were made from the business-type activities.

Deferred inflows increased \$187,963 from 2016 and relate to the City's pension obligations.

CITY OF FINDLAY, OHIO

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2017
(UNAUDITED)**

The table below shows the changes in net position for fiscal year 2017 and 2016.

	Change in Net Position					
	Governmental Activities	Governmental Activities	Business-type Activities	Business-type Activities	2017 Total	2016 Total
	<u>2017</u>	<u>2016</u>	<u>2017</u>	<u>2016</u>		
Revenues						
Program revenues:						
Charges for services	\$ 3,953,895	\$ 4,080,144	\$ 18,391,174	\$ 18,816,804	\$ 22,345,069	\$ 22,896,948
Operating grants and contributions	2,249,356	3,056,083	493,087	146,362	2,742,443	3,202,445
Capital grants and contributions	<u>3,953,019</u>	<u>924,763</u>	<u>3,321,867</u>	<u>1,987,099</u>	<u>7,274,886</u>	<u>2,911,862</u>
Total program revenues	<u>10,156,270</u>	<u>8,060,990</u>	<u>22,206,128</u>	<u>20,950,265</u>	<u>32,362,398</u>	<u>29,011,255</u>
General revenues:						
Property taxes	3,137,113	2,955,824	-	-	3,137,113	2,955,824
Income taxes	21,300,761	25,505,967	-	-	21,300,761	25,505,967
Unrestricted grants and entitlements	842,856	833,401	-	-	842,856	833,401
Tax increment financing	45,818	71,783	-	-	45,818	71,783
Investment earnings	267,697	143,048	205,392	104,573	473,089	247,621
Increase (decrease) in fair value of investments	(57,829)	54,343	-	-	(57,829)	54,343
Miscellaneous	<u>1,191,804</u>	<u>918,092</u>	<u>192,073</u>	<u>162,524</u>	<u>1,383,877</u>	<u>1,080,616</u>
Total general revenues	<u>26,728,220</u>	<u>30,482,458</u>	<u>397,465</u>	<u>267,097</u>	<u>27,125,685</u>	<u>30,749,555</u>
Total revenues	<u>36,884,490</u>	<u>38,543,448</u>	<u>22,603,593</u>	<u>21,217,362</u>	<u>59,488,083</u>	<u>59,760,810</u>
Expenses:						
General government	9,565,419	9,570,553	-	-	9,565,419	9,570,553
Security of persons and property	17,415,139	16,061,874	-	-	17,415,139	16,061,874
Public health and welfare	945,342	1,715,431	-	-	945,342	1,715,431
Transportation	6,294,645	6,130,358	-	-	6,294,645	6,130,358
Leisure time activity	1,929,330	1,789,883	-	-	1,929,330	1,789,883
Interest and fiscal charges	211,882	426,009	-	-	211,882	426,009
Water	-	-	7,466,713	6,192,080	7,466,713	6,192,080
Water pollution control	-	-	7,601,800	7,998,804	7,601,800	7,998,804
Airport	-	-	1,918,453	1,781,823	1,918,453	1,781,823
Parking facilities	-	-	103,960	105,993	103,960	105,993
Swimming pool	-	-	105,018	107,108	105,018	107,108
Total expenses	<u>36,361,757</u>	<u>35,694,108</u>	<u>17,195,944</u>	<u>16,185,808</u>	<u>53,557,701</u>	<u>51,879,916</u>
Increase in net position before transfers	522,733	2,849,340	5,407,649	5,031,554	5,930,382	7,880,894
Transfers	<u>(502,280)</u>	<u>(213,309)</u>	<u>502,280</u>	<u>213,309</u>	<u>-</u>	<u>-</u>
Increase in net position	20,453	2,636,031	5,909,929	5,244,863	5,930,382	7,880,894
Net position at beginning of year	<u>92,915,053</u>	<u>90,279,022</u>	<u>154,201,064</u>	<u>148,956,201</u>	<u>247,116,117</u>	<u>239,235,223</u>
Net position at end of year	<u>\$ 92,935,506</u>	<u>\$ 92,915,053</u>	<u>\$ 160,110,993</u>	<u>\$ 154,201,064</u>	<u>\$ 253,046,499</u>	<u>\$ 247,116,117</u>

CITY OF FINDLAY, OHIO

MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE YEAR ENDED DECEMBER 31, 2017 (UNAUDITED)

Governmental Activities

Governmental activities net position increased \$20,453 in 2017 as the revenue decrease from 2016 of 4.30% was sufficient to cover the expense increase from 2016 of 1.87%.

The City's income tax revenue decreased \$4,205,206, or 16.49%, from 2016 due to decreased collections.

The City's total governmental activities expenses increased \$667,649, or 1.87%, from 2016. Security of persons and property, which primarily supports the operations of the police and fire departments accounted for \$17,415,139 of the total expenses of the City. These expenses were partially funded by \$304,492 in direct charges to users of the services. In the spring of 2017, the Work Opportunity Rehabilitation Center (WORC) ceased operations. In addition, in late spring 2017, the Service/Safety Director split operations with the Safety Director function now being classified as security of persons and property rather than general government which is how the combined operations were previously reported.

General government expenses totaled \$9,565,419. General government expenses were partially funded by \$2,827,428 in direct charges to users of the services. General government expenses decreased \$5,134, or 0.05%, from 2016.

Transportation expenses relate to road maintenance and construction. Transportation expenses increased \$164,287 from 2016 to 2017.

Operating grants and contributions, consisting of state and federal government contributions, totaled \$2,249,356 for 2017. This represents a decrease of \$806,727, or 26.39%. 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, \$2,131,277 subsidized transportation programs.

The City had a total of \$3,953,019 in capital grants and contributions during 2017. 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, \$1,481,442 subsidized transportation programs while \$2,471,577 subsidized general government programs. Capital grants and contributions increased \$3,028,256 from 2016 primarily due to capital grants and contributions supporting the City's downtown revitalization project. Capital grants and contributions also includes donated storm sewer lines from outside developers.

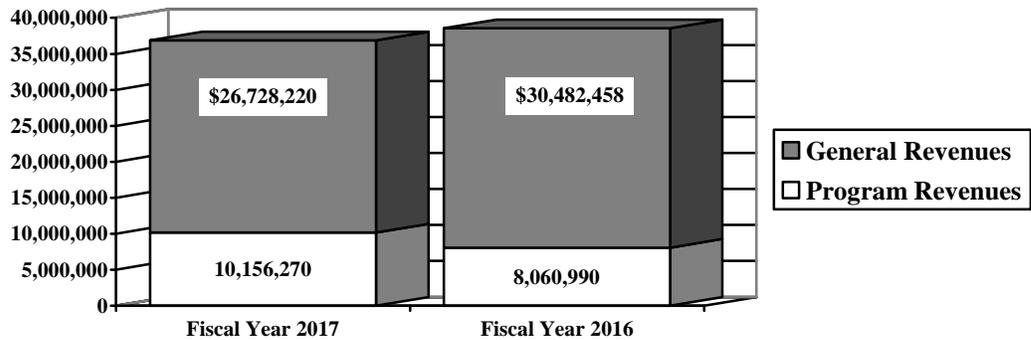
General revenues totaled \$26,728,220 and amounted to 72.46% of total governmental revenues. These revenues primarily consist of property and income tax revenue of \$3,137,113 and \$21,300,761, respectively. The other primary source of general revenues is grants and entitlements not restricted to specific programs, including local government funding from the State of Ohio, making up \$842,856. The largest increase was in miscellaneous revenue which increased \$273,712, or 29.81%, due to increased reimbursements received in 2017.

CITY OF FINDLAY, OHIO

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2017
(UNAUDITED)**

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 2017 and 2016.

Governmental Activities – General and Program Revenues



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

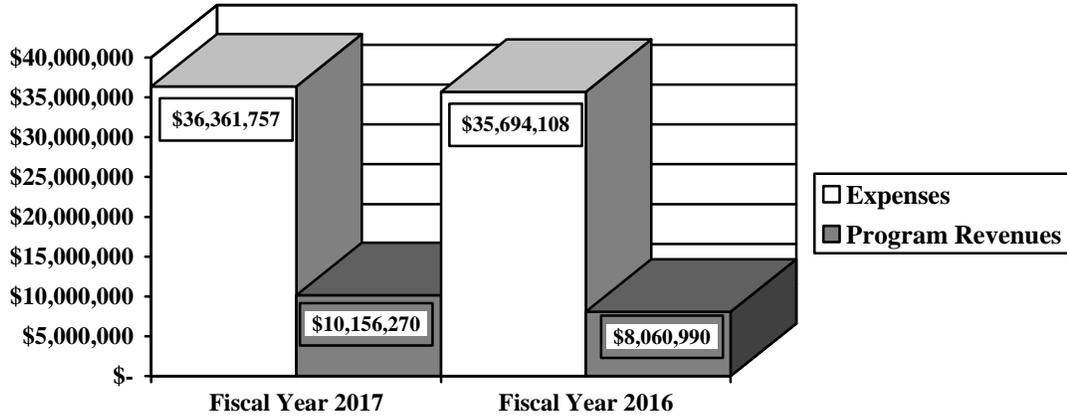
	Total Cost of Services <u>2017</u>	Net Cost of Services <u>2017</u>	Total Cost of Services <u>2016</u>	Net Cost of Services <u>2016</u>
Program Expenses:				
General government	\$ 9,565,419	\$ 4,219,486	\$ 9,570,553	\$ 6,089,398
Security of persons and property	17,415,139	17,091,252	16,061,874	15,791,616
Public health and welfare	945,342	753,721	1,715,431	1,124,355
Transportation	6,294,645	2,587,153	6,130,358	2,959,221
Leisure time activity	1,929,330	1,374,489	1,789,883	1,276,558
Interest and fiscal charges	<u>211,882</u>	<u>179,386</u>	<u>426,009</u>	<u>391,970</u>
Total	<u><u>\$ 36,361,757</u></u>	<u><u>\$ 26,205,487</u></u>	<u><u>\$ 35,694,108</u></u>	<u><u>\$ 27,633,118</u></u>

CITY OF FINDLAY, OHIO

MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2017
(UNAUDITED)

The dependence upon general revenues for governmental activities is apparent, with 72.07% of expenses supported through taxes and other general revenues.

Governmental Activities – Program Revenues vs. Total Expenses

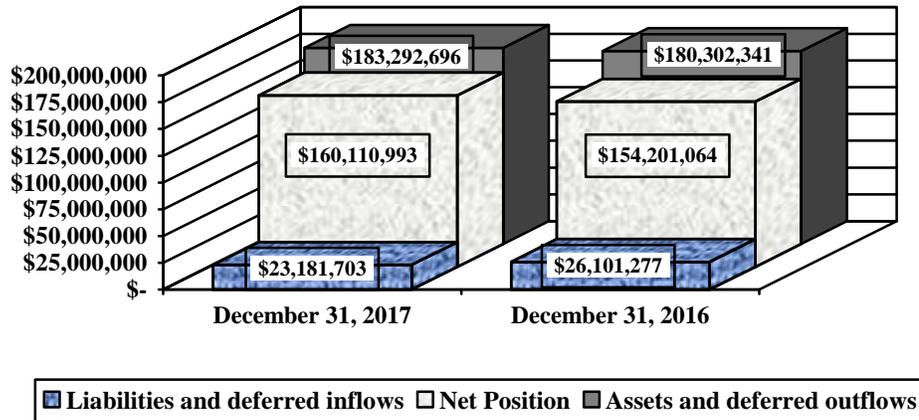


Business-type Activities

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 \$22,206,128 which were sufficient to support the total expenses of \$17,175,944. Program revenues exceeded total expenses by \$5,030,184 in 2017.

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 Business - Type Activities



CITY OF FINDLAY, OHIO

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2017
(UNAUDITED)**

Net position of the business-type activities continued to grow. The City's charges for services program revenues decreased \$425,630 or 2.26% from 2016. The City's capital grants and contributions program revenues increased \$1,334,768, or 67.17%, from 2016 due primarily to increased grant funding for water and water pollution control projects. Expenses of the business-type activities increased \$1,010,136, or 6.24%, primarily due to an increase of water expenses of \$1,274,633. For fiscal year 2017 and 2016, program revenues for the business-type activities exceeded expenses of the business-type activities by \$5,010,184 and \$4,764,457, respectively. Capital assets for the business-type activities increased \$60,983 due to capital outlays exceeding depreciation expense for 2017. The increase in capital contributions revenue resulted in an increase in capital outlays for 2017. Capital contributions are revenues received that are restricted for capital expenses and may not be used to finance the operations of the enterprise activities and includes donated water and sewer utility lines from outside developers.

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 \$30,666,313 which is \$1,068,257 less than last year's total of \$31,734,570.

The schedule below indicates the fund balances as of December 31, 2017, 2016 and 2015 for all governmental funds.

	Fund Balances <u>12/31/17</u>	Fund Balances <u>12/31/16</u>	Fund Balances <u>12/31/15</u>	Increase (Decrease) <u>2017 - 2016</u>	Increase (Decrease) <u>2016 - 2015</u>
Major funds:					
General	\$ 23,014,264	\$ 24,904,406	\$ 25,104,602	\$ (1,890,142)	\$ (200,196)
Street maintenance and repair	2,763,739	2,308,600	2,400,138	455,139	(91,538)
Nonmajor governmental funds	<u>4,888,310</u>	<u>4,521,564</u>	<u>4,012,762</u>	<u>366,746</u>	<u>508,802</u>
Total	<u>\$ 30,666,313</u>	<u>\$ 31,734,570</u>	<u>\$ 31,517,502</u>	<u>\$ (1,068,257)</u>	<u>\$ 217,068</u>

CITY OF FINDLAY, OHIO

MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2017
(UNAUDITED)

General Fund

The City's general fund balance decreased \$1,890,142 from 2016. Revenues increased \$606,381 from 2016 while expenditures decreased \$182,817. The decrease in expenditures is primarily due to a decrease of \$833,981 in public health and welfare expenditures. The table that follows assists in illustrating the revenues of the general fund for 2017, 2016 and 2015:

	<u>2017</u> <u>Amount</u>	<u>2016</u> <u>Amount</u>	<u>2015</u> <u>Amount</u>	<u>Increase/</u> <u>(Decrease)</u> <u>2017 - 2016</u>	<u>Increase/</u> <u>(Decrease)</u> <u>2016 - 2015</u>
<u>Revenues</u>					
Taxes	\$ 25,653,882	\$ 27,252,420	\$ 25,786,787	\$ (1,598,538)	\$ 1,465,633
Charges for services	1,428,904	1,403,730	2,327,736	25,174	(924,006)
Licenses and permits	391,330	410,927	309,477	(19,597)	101,450
Fines and forfeitures	1,376,557	1,190,105	1,248,687	186,452	(58,582)
Investment income	256,836	137,915	81,887	118,921	56,028
Increase (decrease) in fair value of investments	(57,829)	54,343	(54,665)	(112,172)	109,008
Intergovernmental	2,261,042	1,625,540	1,877,342	635,502	(251,802)
Other	<u>2,365,510</u>	<u>994,871</u>	<u>1,497,469</u>	<u>1,370,639</u>	<u>(502,598)</u>
Total	<u>\$ 33,676,232</u>	<u>\$ 33,069,851</u>	<u>\$ 33,074,720</u>	<u>\$ 606,381</u>	<u>\$ (4,869)</u>

Tax revenue in the general fund represents property, income and other local taxes. Tax revenue represents 76.18% 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. Property tax revenue remained comparable to 2016.

The general fund, which includes the city income tax fund on a GAAP-basis, had \$22,979,449 in income tax revenue in 2017. The income tax revenues are included in the "taxes" revenues listed above. The city income tax revenues decreased \$1,752,963 from 2016 primarily due to decreased collections in 2017.

Charges for services revenue increased \$25,174 from 2016. 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 \$19,597 from 2016. The decrease was primarily due to a decrease in professional and occupancy licenses revenue generated in 2017.

Fines and forfeitures revenue increased \$186,452 from 2016 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, 2017, the fair value of the City's federal agency securities decreased \$57,829 from the fair value of these securities at December 31, 2016. These securities fluctuate in value depending upon market conditions. The City intends to hold investments to maturity thus eliminating the effects of fluctuations in fair value.

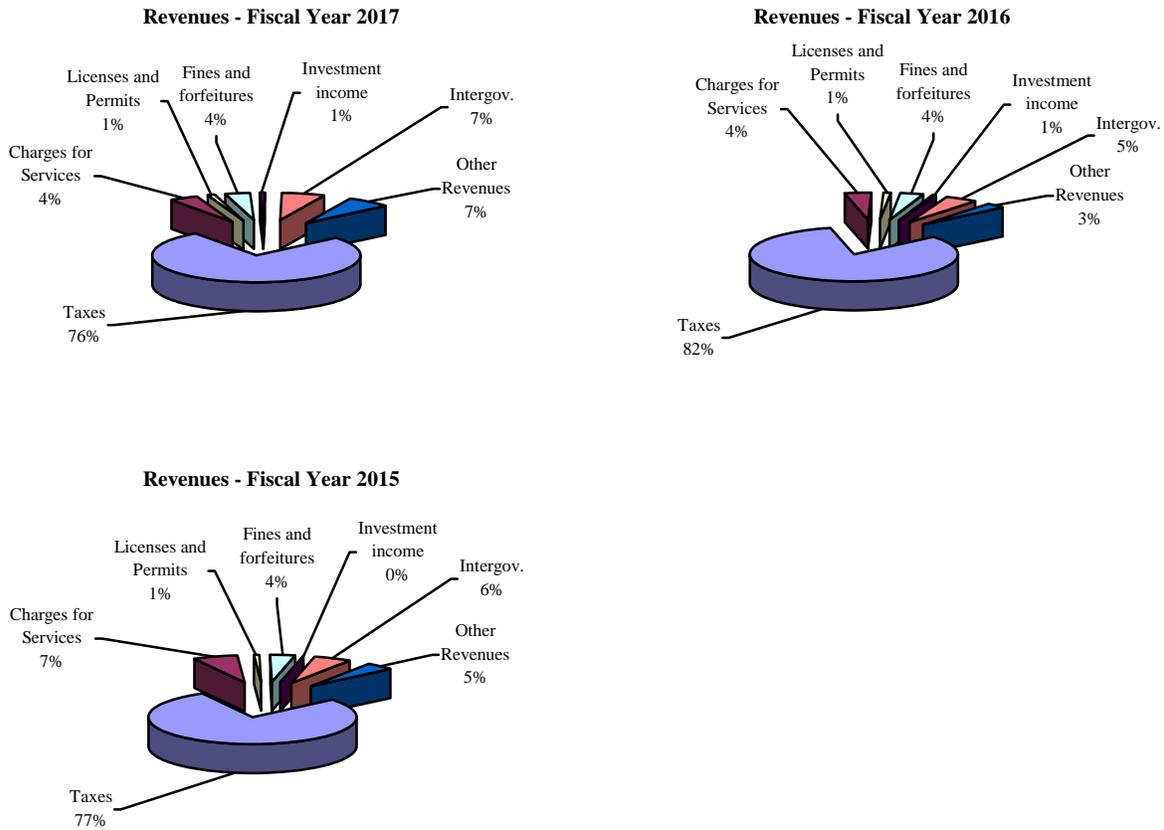
Intergovernmental revenue increased due to an increase in capital grants primarily related to the downtown revitalization project.

CITY OF FINDLAY, OHIO

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2017
(UNAUDITED)**

Other revenues increased \$1,370,639 from 2016. Other revenues include rental income, contributions and donations and miscellaneous revenues. During 2017, the City received a \$1,100,000 capital contribution to finance the downtown revitalization project.

The graphs below reflect the percentage of revenues, by source, for 2017, 2016 and 2015:



The table that follows assists in illustrating the expenditures of the general fund for 2017, 2016 and 2015.

	2017 <u>Amount</u>	2016 <u>Amount</u>	2015 <u>Amount</u>	Increase/ (Decrease) <u>2017 - 2016</u>	Increase/ (Decrease) <u>2016 - 2015</u>
<u>Expenditures</u>					
General government	\$ 7,815,582	\$ 8,244,903	\$ 6,759,404	\$ (429,321)	\$ 1,485,499
Security of persons and property	14,655,640	14,394,878	14,332,173	260,762	62,705
Public health and welfare	786,244	1,617,447	2,194,549	(831,203)	(577,102)
Leisure time activity	1,375,655	1,339,667	1,168,765	35,988	170,902
Capital outlay	4,390,105	3,609,148	1,698,372	780,957	1,910,776
Total	<u>\$ 29,023,226</u>	<u>\$ 29,206,043</u>	<u>\$ 26,153,263</u>	<u>\$ (182,817)</u>	<u>\$ 3,052,780</u>

CITY OF FINDLAY, OHIO

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2017
(UNAUDITED)**

General government expenditures decreased \$429,321 from 2016. The decrease resulted from a decrease in general contracted services supporting the City's government operations.

Security of persons and property expenditures, those related primarily to police and fire operations, increased \$260,762 from 2016. The increase in police and fire operations is primarily in the area of salary and wages and fringe benefits.

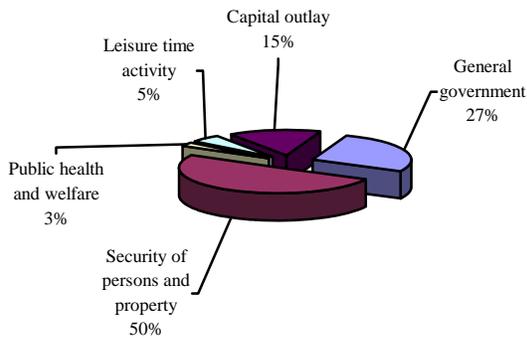
Public health and welfare decreased from the prior year as, effective January 1, 2016, the City's Health Department merged with the Hancock County Health Department to form the Hancock Public Health District. The Health District operates independent of the City. The City incurred \$664,875 in expense in 2016 related to this merger.

Leisure time activities relate primarily to the operations of parks, recreation and the Cube. Total leisure time activities expenditures increased \$35,988 from 2016. The increase in expenditures was due to increased activity.

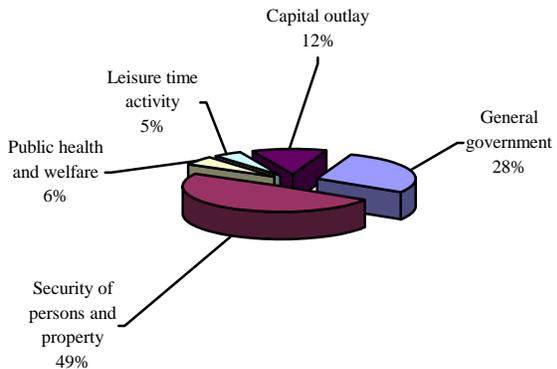
Capital outlay expenditures increased \$780,957 as the City performed more construction and various other projects in 2017 versus 2016. During 2017, the City incurred expenditures related to the Downtown Revitalization project, City Fiber Loop Installation project, Cemetery Road Reconstruction project and the Dorney Plaza Revitalization project. The City closely monitors capital outlays to perform only essential improvements.

The graphs below reflect the percentage of expenditures, by function, for 2017, 2016 and 2015:

Expenditures - Fiscal Year 2017



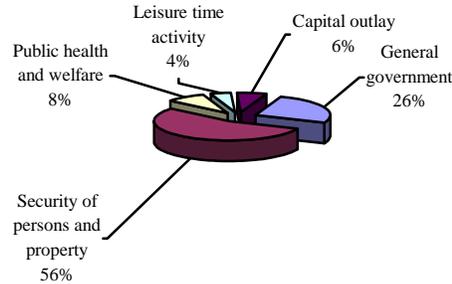
Expenditures - Fiscal Year 2016



CITY OF FINDLAY, OHIO

MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE YEAR ENDED DECEMBER 31, 2017 (UNAUDITED)

Expenditures - Fiscal Year 2015



Street Maintenance and Repair Fund

The street maintenance and repair fund had revenues and other financing sources of \$8,772,648 in 2017. This represents an increase of \$2,682,894 from 2016 revenues and other financing sources. The 2016 other financing sources included transfers in of \$3,472,516 that were increased to \$5,699,402 in 2017. The expenditures and other financing uses of the street maintenance and repair fund, which totaled \$8,172,535 in 2017 increased \$1,886,806 from 2016. The net increase in fund balance for the street maintenance and repair fund was \$455,139, or 19.71%. The street maintenance and repair fund capital outlays were approximately \$1,545,749 more in 2017 versus 2016 primarily due to increased expenditures resulted from the street resurfacing projects.

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 original and final budgeted amount in the area of expenditures and other financing uses, increased \$7,527,886 from \$27,710,237 to \$35,238,123. The primary reason for the increase is an increase in budgeted transfers out which were \$927,000 in the original budget and \$3,484,707 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 \$4,433,106, or 58.89%, of the \$7,527,886 increase from the original budget to the final budget. Actual expenditures and other financing uses of \$31,907,531 were lower than final appropriated expenditures and other financing uses of \$35,238,123 by \$3,330,592.

Original budgeted revenues and other financing sources increased \$8,522,089 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 \$32,084,112 were \$3,233,251 less than final budgeted revenues and other financing sources of \$35,317,363.

CITY OF FINDLAY, OHIO

MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2017
(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 320-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 Director has the ability to revise the charge rates. Information regarding water customers for 2017 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	143,682	\$585,962	7.99%
Cooper Corp	102,396	279,572	3.81%
Ball Metal	63,715	258,230	3.52%
Blanchard Valley Hospital	56,006	157,498	2.15%
University of Findlay	30,968	102,689	1.40%
Sanoh America Inc.	37,083	99,616	1.36%
Createc	26,667	72,146	0.98%
Nissin Brake	25,726	69,483	0.95%
City Laundry/Kramer Ent	23,264	63,362	0.86%
Marathon Petroleum	<u>21,247</u>	<u>60,837</u>	0.83%
Total Top Ten	530,754	\$1,749,395	23.85%
All Other Customers	<u>1,601,114</u>	<u>5,585,491</u>	<u>76.15%</u>
Total	<u>2,131,868</u>	<u>\$7,334,886</u>	<u>100.00%</u>

CITY OF FINDLAY, OHIO

MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2017
(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	729,558	\$2,507,982	34.20%
Inside City/Commercial	691,550	2,089,058	28.48%
Inside City/Industrial	257,909	703,043	9.58%
Outside City/Residential	161,510	788,254	10.75%
Outside City/Commercial	78,344	375,795	5.12%
Outside City/Industrial	<u>212,997</u>	<u>870,754</u>	<u>11.87%</u>
Total	<u>2,131,868</u>	<u>\$7,334,886</u>	<u>100.00%</u>
 Total Water Customers	 18,016		

* 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. 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 2017 is presented below:

Ten Largest Single Wastewater Customers

<u>Customer</u>	<u>Revenue</u>	<u>Percent of Total</u>
Cooper Corp	\$156,010	1.82%
University of Findlay	135,168	1.58%
Whirlpool	132,293	1.55%
Blanchard Valley Hospital	127,169	1.49%
Sanoh America, Inc.	74,507	0.87%
Ball Metal	64,043	0.75%
Village of Arcadia	61,573	0.72%
Marathon Petroleum	60,595	0.71%
Findlay Bd of Education	57,282	0.67%
Hancock County	<u>50,797</u>	<u>0.59%</u>
 Total Top Ten	 \$ 919,437	 10.75%
All Other Customers	<u>\$7,639,957</u>	<u>89.25%</u>
 Total	 <u>\$8,559,394</u>	 <u>100.00%</u>

CITY OF FINDLAY, OHIO

MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2017
(UNAUDITED)

**Total Customer Use
By Class & Location**

<u>Customer Class</u>	<u>Revenue</u>	<u>% of Total Revenue</u>
Inside City/Residential	\$4,073,209	47.59%
Inside City/Commercial	2,301,950	26.89%
Inside City/Industrial	484,565	5.66%
Outside City/Residential	1,103,907	12.90%
Outside City/Commercial	324,278	3.79%
Outside City/Industrial	<u>271,485</u>	<u>3.17%</u>
 Total	 <u>\$8,559,394</u>	 <u>100.00%</u>
 Total Wastewater Customers Inside Corp		14,698
 Total Wastewater Customers Outside Corp		2,729

Capital Assets and Debt Administration

Capital Assets

At the end of fiscal year 2017, the City had \$245,090,559 (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, \$94,695,131 was reported in governmental activities and \$150,395,428 was reported in business-type activities. The following table shows fiscal year 2017 balances compared to 2016:

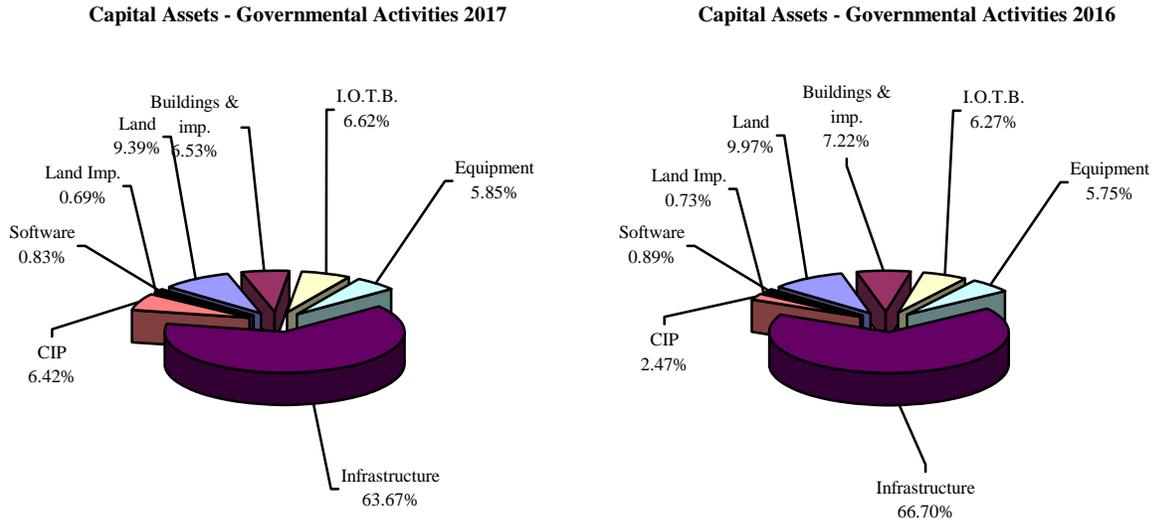
**Capital Assets at December
(Net of Depreciation)**

	<u>Governmental Activities</u>		<u>Business-Type Activities</u>		<u>Total</u>	
	<u>2017</u>	<u>2016</u>	<u>2017</u>	<u>2016</u>	<u>2017</u>	<u>2016</u>
Land	\$ 8,893,082	\$ 8,875,082	\$ 4,739,164	\$ 4,734,694	\$ 13,632,246	\$ 13,609,776
Land improvements	653,392	653,392	-	-	653,392	653,392
Software	788,201	788,201	100,272	100,272	888,473	888,473
Buildings and improvements	6,184,144	6,424,699	-	-	6,184,144	6,424,699
I.O.T.B.	6,272,072	5,575,623	19,989,943	19,121,460	26,262,015	24,697,083
Utility plant in service	-	-	39,881,854	41,151,174	39,881,854	41,151,174
Utility lines in service	-	-	82,494,835	82,019,002	82,494,835	82,019,002
Machinery and equipment	5,536,348	5,116,881	1,390,793	2,572,922	6,927,141	7,689,803
Infrastructure	60,290,873	59,356,269	-	-	60,290,873	59,356,269
Construction in progress	6,077,019	2,196,540	1,798,567	634,921	7,875,586	2,831,461
Totals	<u>\$ 94,695,131</u>	<u>\$ 88,986,687</u>	<u>\$ 150,395,428</u>	<u>\$ 150,334,445</u>	<u>\$ 245,090,559</u>	<u>\$ 239,321,132</u>

CITY OF FINDLAY, OHIO

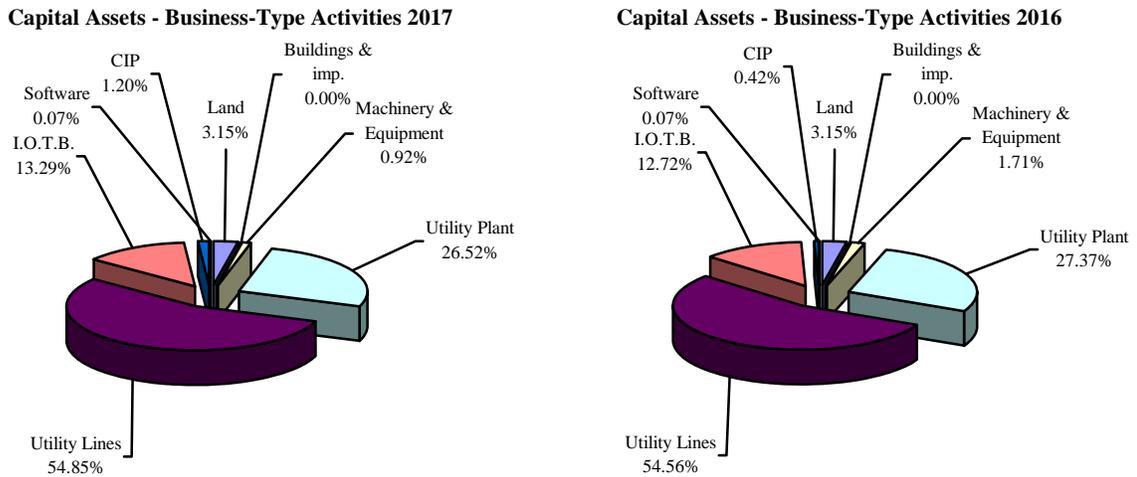
**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2017
(UNAUDITED)**

The following graphs show the breakdown of governmental capital assets by category for 2017 and 2016.



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 63.67% of the City's total governmental capital assets.

The following graphs show the breakdown of business-type capital assets by category for 2017 and 2016.



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 54.85% 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

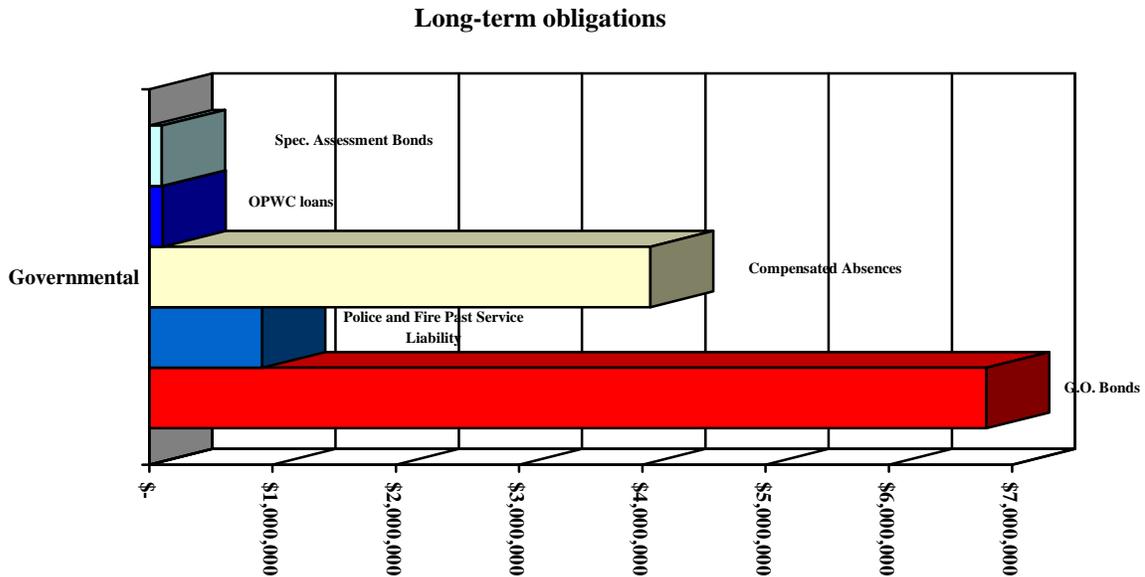
**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2017
(UNAUDITED)**

Debt Administration

The City had the following long-term debt obligations outstanding at December 31, 2017 and 2016:

	Governmental Activities	
	2017	2016
Compensated absences	\$ 4,064,726	\$ 3,875,170
Police and Fire past service liability	916,125	950,946
OPWC loans	110,406	125,089
Special Assessment bonds	103,000	122,000
General Obligation bonds	6,789,050	7,231,546
Total long-term debt obligations	\$ 11,983,307	\$ 12,304,751
	Business-Type Activities	
	2017	2016
General Obligation bonds	\$ 1,920,000	\$ 3,850,000
OPWC loans	396,224	451,562
OWDA loans	12,154,049	14,542,918
Compensated absences	1,077,538	954,252
Total long-term debt obligations	\$ 15,547,811	\$ 19,798,732

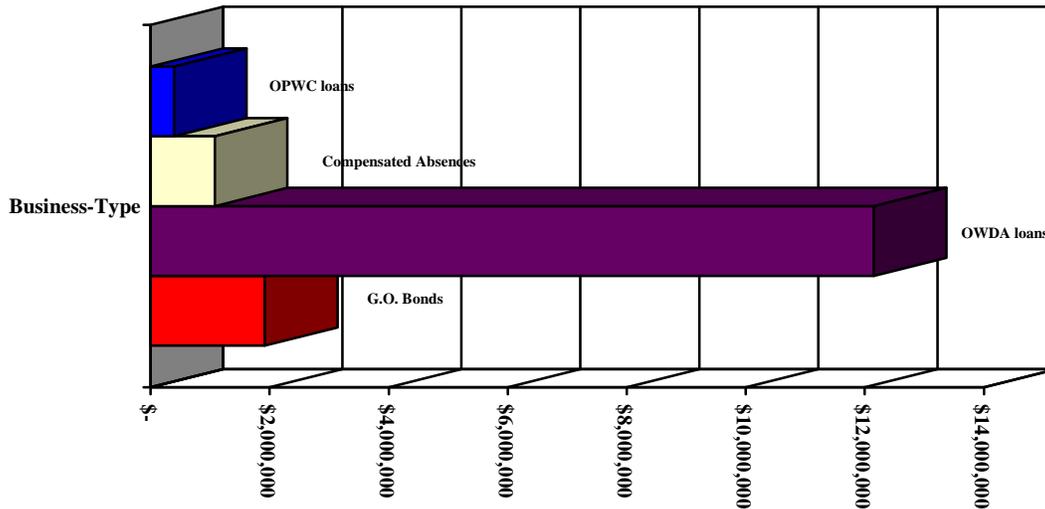
A comparison of the long-term obligations by category is depicted in the chart below.



CITY OF FINDLAY, OHIO

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2017
(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 2017 Budgets and Rates

Unemployment in Hancock County was 3.6 % for 2017 versus 3.7% for 2016. This compared favorably with the State's rate of 5.0% for 2017 and the national rate of 4.4% for 2017.

Projected stability for the overall economy was part of the consideration for the 2018 income tax revenue projection, with some consideration for business profits tax volatility. 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 Capital Improvements Restricted Account was 20% for 2017; the general fund was 80%. For 2018, this allocation has again been set at 20% to the City Income Tax Capital Improvements Restricted Account and 80% to the general fund. It is of note that the City has maintained cash in excess of 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.

General fund actual expenditures in 2017, as reported on the Statement of Revenues, Expenditures and Changes in Fund Balance – Budget (GAAP-Basis) and Actual – General Fund were \$3.33 million below final appropriations contributing to a beginning unappropriated cash balance of more than \$12.3 million for 2018. A 2018 general fund operating budget has been adopted with a \$1.7 million deficit; however, the year-end cash balance is budgeted to be in excess of \$10.6 million, at the time of this report.

CITY OF FINDLAY, OHIO

MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE YEAR ENDED DECEMBER 31, 2017 (UNAUDITED)

City Council and the Service Director increased water and sewer rates in 2011; no increase is scheduled for 2018. It is expected to see continued strong cash balances in both of these funds, due largely to continued reduction in debt. Each has been budgeted to end the 2018 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 City has been the beneficiary of several grants for capital projects. This has been in part due to a strong cash position, which has allowed for the required matching funds to be provided by the City. The plan projects the percentage of the money allocated to the City Income Tax Capital Improvements Restricted Account to remain at 20% with 80% being allocated to the general fund over the 5-year period.

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, 2017

	Governmental Activities	Business-type Activities	Total
Assets:			
Equity in pooled cash and investments	\$ 27,176,787	\$ 19,995,960	\$ 47,172,747
Cash in segregated accounts	288,412	-	288,412
Cash with fiduciary agent	604,500	-	604,500
Cash with escrow agent	253,357	21,453	274,810
Receivables (net of allowances for uncollectibles).	9,709,799	3,051,258	12,761,057
Internal balance	(165,687)	165,687	-
Due from other governments.	1,273,495	-	1,273,495
Prepayments	389,485	121,093	510,578
Materials and supplies inventory.	598,496	822,908	1,421,404
Net pension asset (see Note 12)	29,765	17,266	47,031
Restricted assets:			
Equity in pooled cash and investments	2,919,942	6,285,031	9,204,973
Capital assets:			
Nondepreciable capital assets	16,411,694	6,638,003	23,049,697
Depreciable capital assets, net.	78,283,437	143,757,425	222,040,862
Total capital assets, net.	<u>94,695,131</u>	<u>150,395,428</u>	<u>245,090,559</u>
Total assets	<u>137,773,482</u>	<u>180,876,084</u>	<u>318,649,566</u>
Deferred outflows of resources:			
Unamortized deferred charges on debt refunding	439,276	10,088	449,364
Pension (see Note 12).	9,157,477	2,406,524	11,564,001
Total deferred outflows of resources	<u>9,596,753</u>	<u>2,416,612</u>	<u>12,013,365</u>
Liabilities:			
Accounts payable.	1,408,238	251,783	1,660,021
Contracts payable.	-	52,158	52,158
Retainage payable	220,229	21,453	241,682
Accrued wages and benefits payable	556,496	149,599	706,095
Insurance deposits payable	283,110	69,408	352,518
Due to other governments	35,497	-	35,497
Deposits held and due to others	-	793,000	793,000
Workers' compensation payable	43,018	-	43,018
Matured bonds payable.	33,128	-	33,128
Accrued interest payable	112,020	183,663	295,683
Long-term liabilities:			
Due within one year	2,146,536	4,084,659	6,231,195
Due in more than one year:			
Net pension liability (see Note 12)	36,131,865	5,977,106	42,108,971
Other amounts due in more than one year.	10,191,518	11,463,152	21,654,670
Total liabilities	<u>51,161,655</u>	<u>23,045,981</u>	<u>74,207,636</u>
Deferred inflows of resources:			
Property taxes levied for the next fiscal year.	2,674,983	-	2,674,983
TIF revenue levied for next fiscal year	150,894	-	150,894
Pension (see Note 12)	447,197	135,722	582,919
Total deferred inflows of resources	<u>3,273,074</u>	<u>135,722</u>	<u>3,408,796</u>
Net position:			
Net investment in capital assets	87,387,917	135,861,632	223,249,549
Restricted for:			
Debt service	117,252	-	117,252
Capital projects	379,069	6,285,031	6,664,100
Security of persons and property programs	98,175	-	98,175
General government operations	985,280	-	985,280
Transportation improvement projects	1,896,527	-	1,896,527
Economic development programs.	1,021,097	-	1,021,097
Perpetual care:			
Expendable	14,846	-	14,846
Nonexpendable	1,392,401	-	1,392,401
Other purposes.	2,781,732	-	2,781,732
Unrestricted (deficit)	<u>(3,138,790)</u>	<u>17,964,330</u>	<u>14,825,540</u>
Total net position	<u>\$ 92,935,506</u>	<u>\$ 160,110,993</u>	<u>\$ 253,046,499</u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

CITY OF FINDLAY, OHIO

STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2017

	<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.	\$ 9,565,419	\$ 2,827,428	\$ 46,928	\$ 2,471,577
Security of persons and property	17,415,139	304,492	19,395	-
Public health and welfare	945,342	172,075	19,546	-
Transportation.	6,294,645	94,773	2,131,277	1,481,442
Leisure time activity.	1,929,330	554,841	-	-
Interest and fiscal charges.	211,882	286	32,210	-
Total governmental activities	<u>36,361,757</u>	<u>3,953,895</u>	<u>2,249,356</u>	<u>3,953,019</u>
Business-type activities:				
Water	7,466,713	8,030,734	51,381	709,593
Water pollution control	7,601,800	9,563,139	422,733	807,510
Airport.	1,918,453	741,126	18,973	1,804,764
Parking facilities.	103,960	56,175	-	-
Swimming pool	105,018	-	-	-
Total business-type activities	<u>17,195,944</u>	<u>18,391,174</u>	<u>493,087</u>	<u>3,321,867</u>
Totals	<u>\$ 53,557,701</u>	<u>\$ 22,345,069</u>	<u>\$ 2,742,443</u>	<u>\$ 7,274,886</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	
 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
\$ (4,219,486)	\$ -	\$ (4,219,486)
(17,091,252)	-	(17,091,252)
(753,721)	-	(753,721)
(2,587,153)	-	(2,587,153)
(1,374,489)	-	(1,374,489)
(179,386)	-	(179,386)
(26,205,487)	-	(26,205,487)
-	1,324,995	1,324,995
-	3,191,582	3,191,582
-	646,410	646,410
-	(47,785)	(47,785)
-	(105,018)	(105,018)
-	5,010,184	5,010,184
(26,205,487)	5,010,184	(21,195,303)
2,674,433	-	2,674,433
462,680	-	462,680
21,300,761	-	21,300,761
45,818	-	45,818
842,856	-	842,856
267,697	205,392	473,089
(57,829)	-	(57,829)
1,191,804	192,073	1,383,877
26,728,220	397,465	27,125,685
(502,280)	502,280	-
20,453	5,909,929	5,930,382
92,915,053	154,201,064	247,116,117
\$ 92,935,506	\$ 160,110,993	\$ 253,046,499

CITY OF FINDLAY, OHIO

BALANCE SHEET
GOVERNMENTAL FUNDS
DECEMBER 31, 2017
(WITH COMPARATIVE TOTALS FOR 2016)

	<u>General</u>	<u>Street Maintenance and Repair</u>	<u>Nonmajor Governmental Funds</u>
Assets:			
Equity in pooled cash and investments	\$ 19,640,231	\$ 2,205,947	\$ 3,566,892
Cash in segregated accounts	37,871	-	250,541
Cash with fiduciary agent	-	-	604,500
Cash with escrow agent	-	220,229	33,128
Receivables (net of allowance for uncollectibles).	8,449,887	1,808	1,257,030
Due from other governments	332,695	846,029	94,771
Prepayments	297,428	35,997	1,776
Materials and supplies inventory	-	591,241	-
Restricted assets:			
Equity in pooled cash and investments	2,919,942	-	-
Total assets	<u>\$ 31,678,054</u>	<u>\$ 3,901,251</u>	<u>\$ 5,808,638</u>
Liabilities:			
Accounts payable	\$ 1,264,409	\$ 110,276	\$ 25,187
Retainage payable	-	220,229	-
Accrued wages and benefits payable	494,839	58,205	3,452
Insurance deposits payable	258,079	22,775	2,256
Compensated absences payable	124,580	-	-
Due to other governments	35,497	-	-
Matured bonds payable	-	-	33,128
Total liabilities	<u>2,177,404</u>	<u>411,485</u>	<u>64,023</u>
Deferred inflows of resources:			
Property taxes levied for the next fiscal year	2,171,471	-	503,512
TIF revenue levied for next fiscal year	-	-	150,894
Charges for services revenue not available	27,887	540	-
Special assessments revenue not available	-	-	116,902
Income tax revenue not available	3,995,182	-	-
Intergovernmental revenue not available	291,846	725,487	84,997
Total deferred inflows of resources	<u>6,486,386</u>	<u>726,027</u>	<u>856,305</u>
Fund balances:			
Nonspendable	297,428	627,238	1,394,177
Restricted	2,170,077	2,136,501	3,494,133
Committed	6,916,735	-	-
Assigned	2,111,667	-	-
Unassigned	11,518,357	-	-
Total fund balances	<u>23,014,264</u>	<u>2,763,739</u>	<u>4,888,310</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 31,678,054</u>	<u>\$ 3,901,251</u>	<u>\$ 5,808,638</u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

Total Governmental Funds 2017	Total Governmental Funds 2016
\$ 25,413,070	\$ 23,922,416
288,412	295,619
604,500	529,460
253,357	110,282
9,708,725	11,916,830
1,273,495	1,310,295
335,201	357,982
591,241	734,282
2,919,942	4,970,944
<u>\$ 41,387,943</u>	<u>\$ 44,148,110</u>
\$ 1,399,872	\$ 1,402,216
220,229	77,154
556,496	531,074
283,110	234,436
124,580	82,538
35,497	39,479
33,128	33,128
<u>2,652,912</u>	<u>2,400,025</u>
2,674,983	2,664,015
150,894	149,689
28,427	254,730
116,902	139,484
3,995,182	5,673,870
1,102,330	1,131,727
<u>8,068,718</u>	<u>10,013,515</u>
2,318,843	2,466,040
7,800,711	5,692,631
6,916,735	8,983,228
2,111,667	1,182,289
11,518,357	13,410,382
<u>30,666,313</u>	<u>31,734,570</u>
<u>\$ 41,387,943</u>	<u>\$ 44,148,110</u>

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CITY OF FINDLAY, OHIO

RECONCILIATION OF TOTAL GOVERNMENTAL FUND BALANCES TO
NET POSITION OF GOVERNMENTAL ACTIVITIES
DECEMBER 31, 2017

Total governmental fund balances		\$ 30,666,313
<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.		94,695,131
Other long-term assets are not available to pay for current-period expenditures and therefore are deferred in the funds.		
Income taxes receivable	\$ 3,995,182	
Accounts receivable	28,427	
Intergovernmental receivable	1,102,330	
Special assessments receivable	<u>116,902</u>	
Total		5,242,841
Unamortized premiums on bonds issued are not recorded in the funds.		(354,747)
Unamortized deferred charges on debt refundings are not recorded in the funds.		439,276
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 (\$165,687), is:		
		1,609,259
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	9,157,477	
Deferred inflows of resources - pension	(447,197)	
Net pension asset	29,765	
Net pension liability	<u>(36,131,865)</u>	
Total		(27,391,820)
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	(112,020)	
Special assessment bonds payable	(103,000)	
General obligation bonds payable	(6,789,050)	
OPWC loans payable	(110,406)	
Police and fire past service liability payable	(916,125)	
Compensated absences payable	<u>(3,940,146)</u>	
Total		<u>(11,970,747)</u>
Net position of governmental activities		<u>\$ 92,935,506</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, 2017
(WITH COMPARATIVE TOTALS FOR 2016)

	<u>General</u>	<u>Street Maintenance and Repair</u>	<u>Nonmajor Governmental Funds</u>
Revenues:			
Municipal income taxes	\$ 22,979,449	\$ -	\$ -
Property and other local taxes	2,674,433	580	462,680
Charges for services	1,428,904	57,232	429,918
Licenses and permits	391,330	-	-
Fines and forfeitures	1,376,557	-	382,538
Intergovernmental	2,261,042	2,954,516	422,471
Special assessments	-	-	22,868
Investment income	256,836	9,413	34,613
Increase (decrease) in fair value of investments	(57,829)	-	-
Rental income	73,531	7,285	-
Contributions and donations	1,100,175	-	15,000
Reimbursements	1,156,815	30,927	1,110
Tax increment financing	-	-	45,818
Other	34,989	13,293	-
Total revenues	33,676,232	3,073,246	1,817,016
Expenditures:			
Current:			
General government	7,747,738	-	546,608
Security of persons and property	14,723,484	-	506,212
Public health and welfare	786,244	-	14,163
Transportation	-	3,025,300	77,349
Leisure time activity	1,375,655	-	-
Capital outlay	4,390,105	5,071,484	28,561
Debt service:			
Principal retirement	-	-	476,179
Interest and fiscal charges	-	-	197,578
Bond issuance costs	-	-	-
Total expenditures	29,023,226	8,096,784	1,846,650
Excess (deficiency) of revenues over (under) expenditures	4,653,006	(5,023,538)	(29,634)
Other financing sources (uses):			
Issuance of refunding bonds	-	-	-
Payment to refunded bond escrow agent	-	-	-
Sale of capital assets	-	-	-
Transfers in	318,541	5,699,402	768,789
Transfers (out)	(6,840,673)	(75,751)	(372,588)
Premium on bond issuance	-	-	-
Total other financing sources (uses)	(6,522,132)	5,623,651	396,201
Net change in fund balances	(1,869,126)	600,113	366,567
Fund balances at beginning of year	24,904,406	2,308,600	4,521,564
Increase (decrease) in materials and supplies inventory	-	(143,041)	-
Increase (decrease) in prepaids	(21,016)	(1,933)	179
Fund balances at end of year	\$ 23,014,264	\$ 2,763,739	\$ 4,888,310

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

Total Governmental Funds 2017	Total Governmental Funds 2016
\$ 22,979,449	\$ 24,732,412
3,137,693	2,956,479
1,916,054	1,888,774
391,330	410,927
1,759,095	1,492,305
5,638,029	4,494,475
22,868	22,304
300,862	172,977
(57,829)	54,343
80,816	71,098
1,115,175	25,872
1,188,852	916,825
45,818	71,783
48,282	45,830
<u>38,566,494</u>	<u>37,356,404</u>
8,294,346	8,573,882
15,229,696	14,882,457
800,407	1,624,100
3,102,649	2,673,661
1,375,655	1,339,667
9,490,150	7,140,492
476,179	559,739
197,578	319,030
-	159,640
<u>38,966,660</u>	<u>37,272,668</u>
(400,166)	83,736
-	6,505,000
-	(6,715,929)
-	300
6,786,732	4,874,426
(7,289,012)	(5,287,735)
-	385,262
<u>(502,280)</u>	<u>(238,676)</u>
(902,446)	(154,940)
31,734,570	31,517,502
(143,041)	77,480
(22,770)	294,528
<u>\$ 30,666,313</u>	<u>\$ 31,734,570</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, 2017

Net change in fund balances - total governmental funds		\$	(902,446)
<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 capital outlays exceeded depreciation expense in the current period:			
Capital outlays		\$ 10,308,551	
Depreciation expense		<u>(4,864,212)</u>	
Total			5,444,339
Contributed infrastructure from developers is not recorded in the governmental funds; however, these contributions are recorded as revenue in the statement of activities.			
			264,105
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.			
			(165,811)
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.			
Income taxes		(1,678,688)	
Charges for services		(226,303)	
Special assessments		(22,582)	
Intergovernmental		<u>(29,397)</u>	
Total			(1,956,970)
In the statement of activities, interest is accrued on outstanding bonds, whereas in the funds, an interest expenditure is reported when due. The following items contributed to less interest being reported in the statement of activities:			
Increase in accrued interest payable		(8,850)	
Amortization of bond premiums		22,886	
Amortization of deferred charges on refundings		<u>(28,340)</u>	
Total			(14,304)
Repayments of bonds, loans and the police and fire past service liability are expenditures in the funds, but the repayments reduce long-term liabilities on the statement of net position.			
			511,000
Some expenses reported in the statement of activities, such as compensated absences, do not require the use of current financial resources and therefore are not reported as expenditures in the funds.			
			(147,514)
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 revenue are eliminated. The net revenue (expense) of the internal service funds, including internal balance activity of \$2,722, is allocated among the governmental activities.			
			(154,077)
Contractually required contributions are reported as expenditures in the funds; however, the statement of net position reports these amounts as deferred outflows.			
			2,618,991
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>(5,476,860)</u>
Change in net position of governmental activities		<u>\$</u>	<u>20,453</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, 2017

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Property and other local taxes.	\$ 2,233,573	\$ 2,943,948	\$ 2,674,433	\$ (269,515)
Charges for services.	1,181,499	1,557,269	1,414,703	(142,566)
Licenses and permits	326,822	430,766	391,330	(39,436)
Fines and forfeitures	1,149,641	1,515,278	1,376,557	(138,721)
Intergovernmental.	1,888,325	2,488,897	2,261,042	(227,855)
Investment income.	214,498	282,718	256,836	(25,882)
(Decrease) in fair value of investments	(48,296)	(63,657)	(57,829)	5,828
Rental income	61,410	80,941	73,531	(7,410)
Contributions and donations.	918,819	1,211,044	1,100,175	(110,869)
Reimbursements.	964,268	1,270,948	1,154,595	(116,353)
Other	29,221	38,515	34,989	(3,526)
Total revenues	<u>8,919,780</u>	<u>11,756,667</u>	<u>10,680,362</u>	<u>(1,076,305)</u>
Expenditures:				
Current:				
General government	8,061,351	8,232,911	7,147,337	1,085,574
Security of persons and property	16,406,963	16,641,149	14,723,484	1,917,665
Public health and welfare.	774,979	856,845	786,244	70,601
Leisure time activity	1,539,944	1,589,407	1,375,655	213,752
Capital outlay	-	4,433,106	4,390,106	43,000
Total expenditures	<u>26,783,237</u>	<u>31,753,418</u>	<u>28,422,826</u>	<u>3,330,592</u>
Excess of expenditures over revenues	<u>(17,863,457)</u>	<u>(19,996,751)</u>	<u>(17,742,464)</u>	<u>2,254,287</u>
Other financing sources (uses):				
Transfers in	17,875,494	23,560,696	21,403,750	(2,156,946)
Transfers (out).	(927,000)	(3,484,707)	(3,484,707)	-
Total other financing sources (uses)	<u>16,948,494</u>	<u>20,075,989</u>	<u>17,919,043</u>	<u>(2,156,946)</u>
Net change in fund balance	(914,963)	79,238	176,579	97,341
Fund balance at beginning of year	17,216,905	17,216,905	17,216,905	-
(Decrease) in prepaids	(27,954)	(27,954)	(27,954)	-
Fund balance at end of year	<u>\$ 16,273,988</u>	<u>\$ 17,268,189</u>	<u>\$ 17,365,530</u>	<u>\$ 97,341</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, 2017

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Property and other local taxes.	\$ 182	\$ 566	\$ 580	\$ 14
Charges for services.	17,977	55,825	57,232	1,407
Intergovernmental.	928,046	2,881,906	2,954,516	72,610
Investment income.	2,957	9,182	9,413	231
Rental income	2,288	7,106	7,285	179
Reimbursements.	9,715	30,167	30,927	760
Other	4,175	12,966	13,293	327
Total revenues	965,340	2,997,718	3,073,246	75,528
Expenditures:				
Current:				
Transportation	2,898,200	3,273,597	3,025,300	248,297
Capital outlay	-	5,075,226	5,071,484	3,742
Total expenditures	2,898,200	8,348,823	8,096,784	252,039
Excess of expenditures over revenues	(1,932,860)	(5,351,105)	(5,023,538)	327,567
Other financing sources (uses):				
Transfers in	1,790,245	5,559,334	5,699,402	140,068
Transfers (out).	-	(75,751)	(75,751)	-
Total other financing sources (uses)	1,790,245	5,483,583	5,623,651	140,068
Net change in fund balance	(142,615)	132,478	600,113	467,635
Fund balance at beginning of year	2,308,600	2,308,600	2,308,600	-
(Decrease) in materials and supplies inventory	(143,041)	(143,041)	(143,041)	-
(Decrease) in prepaids	(1,933)	(1,933)	(1,933)	-
Fund balance at end of year	\$ 2,021,011	\$ 2,296,104	\$ 2,763,739	\$ 467,635

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

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CITY OF FINDLAY, OHIO
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
DECEMBER 31, 2017
(WITH COMPARATIVE TOTALS FOR 2016)

	Business-type Activities - Enterprise Funds			
	Water	Water Pollution Control	Airport	Nonmajor Enterprise Funds
Assets:				
Current assets:				
Equity in pooled cash and investments	\$ 11,530,380	\$ 7,918,094	\$ 507,154	\$ 40,332
Cash with escrow agent	17,060	4,393	-	-
Receivables (net of allowances for uncollectibles).	1,115,689	1,896,658	38,911	-
Prepayments	60,955	45,663	13,114	1,361
Materials and supplies inventory.	692,365	68,874	61,669	-
Total current assets	<u>13,416,449</u>	<u>9,933,682</u>	<u>620,848</u>	<u>41,693</u>
Noncurrent assets:				
Net pension asset (see Note 12)	9,194	6,777	1,042	253
Restricted assets:				
Equity in pooled cash and investments.	802,022	5,483,009	-	-
Capital assets:				
Nondepreciable capital assets	2,160,975	951,226	3,429,840	95,962
Depreciable capital assets, net.	54,890,578	79,033,875	9,410,386	422,586
Total noncurrent assets	<u>57,862,769</u>	<u>85,474,887</u>	<u>12,841,268</u>	<u>518,801</u>
Total assets	<u>71,279,218</u>	<u>95,408,569</u>	<u>13,462,116</u>	<u>560,494</u>
Deferred outflows of resources:				
Unamortized deferred charges on debt refunding	10,088	-	-	-
Pension	1,307,826	922,443	141,802	34,453
Total deferred outflows of resources	<u>1,317,914</u>	<u>922,443</u>	<u>141,802</u>	<u>34,453</u>
Liabilities:				
Current liabilities:				
Accounts payable.	126,179	118,950	6,503	151
Contracts payable.	52,158	-	-	-
Accrued wages and benefits payable	86,490	46,948	8,699	7,462
Insurance deposits payable	35,629	33,231	126	422
Retainage payable	17,060	4,393	-	-
Workers' compensation payable	-	-	-	-
Deposits held and due to others	396,500	396,500	-	-
Accrued interest payable	37,831	145,832	-	-
Compensated absences payable - current.	153,963	126,656	23,443	3,498
Bonds payable - current	960,000	275,000	-	-
Loans payable - current	263,190	2,278,909	-	-
Total current liabilities	<u>2,129,000</u>	<u>3,426,419</u>	<u>38,771</u>	<u>11,533</u>
Long-term liabilities:				
Compensated absences payable	279,378	389,055	98,437	3,108
Bonds payable	410,000	275,000	-	-
Loans payable	2,268,558	7,739,616	-	-
Net pension liability (see Note 12)	3,182,669	2,346,015	360,812	87,610
Total long-term liabilities	<u>6,140,605</u>	<u>10,749,686</u>	<u>459,249</u>	<u>90,718</u>
Total liabilities	<u>8,269,605</u>	<u>14,176,105</u>	<u>498,020</u>	<u>102,251</u>
Deferred inflows of resources:				
Pension	23,615	103,946	3,462	4,699
Total liabilities and deferred inflows of resources.	<u>8,293,220</u>	<u>14,280,051</u>	<u>501,482</u>	<u>106,950</u>
Net position:				
Net investment in capital assets	53,090,675	69,412,183	12,840,226	518,548
Restricted for capital projects.	802,022	5,483,009	-	-
Unrestricted	10,411,215	7,155,769	262,210	(30,551)
Total net position	<u>\$ 64,303,912</u>	<u>\$ 82,050,961</u>	<u>\$ 13,102,436</u>	<u>\$ 487,997</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

2017 Enterprise Funds Total		2016 Enterprise Funds Total		2017 Governmental Activities - Internal Service Funds		2016 Governmental Activities - Internal Service Funds	
\$	19,995,960	\$	18,249,683	\$	1,763,717	\$	1,897,681
	21,453		17,272		-		-
	3,051,258		2,725,491		1,074		577
	121,093		127,128		54,284		56,842
	822,908		834,895		7,255		6,398
	<u>24,012,672</u>		<u>21,954,469</u>		<u>1,826,330</u>		<u>1,961,498</u>
	17,266		15,929		-		-
	6,285,031		5,989,837		-		-
	6,638,003		5,469,887		-		-
	<u>143,757,425</u>		<u>144,864,558</u>		<u>-</u>		<u>-</u>
	<u>156,697,725</u>		<u>156,340,211</u>		<u>-</u>		<u>-</u>
	<u>180,710,397</u>		<u>178,294,680</u>		<u>1,826,330</u>		<u>1,961,498</u>
	10,088		49,083		-		-
	<u>2,406,524</u>		<u>1,790,169</u>		<u>-</u>		<u>-</u>
	<u>2,416,612</u>		<u>1,839,252</u>		<u>-</u>		<u>-</u>
	251,783		382,833		8,366		80
	52,158		4,646		-		-
	149,599		137,923		-		-
	69,408		56,449		-		-
	21,453		17,272		-		-
	-		-		43,018		29,673
	793,000		778,100		-		-
	183,663		226,781		-		-
	307,560		314,952		-		-
	1,235,000		1,930,000		-		-
	<u>2,542,099</u>		<u>2,444,207</u>		<u>-</u>		<u>-</u>
	<u>5,605,723</u>		<u>6,293,163</u>		<u>51,384</u>		<u>29,753</u>
	769,978		639,300		-		-
	685,000		1,920,000		-		-
	10,008,174		12,550,273		-		-
	<u>5,977,106</u>		<u>4,602,384</u>		<u>-</u>		<u>-</u>
	<u>17,440,258</u>		<u>19,711,957</u>		<u>-</u>		<u>-</u>
	<u>23,045,981</u>		<u>26,005,120</u>		<u>51,384</u>		<u>29,753</u>
	135,722		96,157		-		-
	<u>23,181,703</u>		<u>26,101,277</u>		<u>51,384</u>		<u>29,753</u>
	135,861,632		131,517,130		-		-
	6,285,031		5,989,837		-		-
	<u>17,798,643</u>		<u>16,525,688</u>		<u>1,774,946</u>		<u>1,931,745</u>
	159,945,306		154,032,655		<u>\$ 1,774,946</u>		<u>\$ 1,931,745</u>
	<u>165,687</u>		<u>168,409</u>				
	<u>\$ 160,110,993</u>		<u>\$ 154,201,064</u>				

CITY OF FINDLAY, OHIO

STATEMENT OF REVENUES, EXPENSES AND
CHANGES IN NET POSITION
PROPRIETARY FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2017
(WITH COMPARATIVE TOTALS FOR 2016)

	Business-type Activities - Enterprise Funds			
	Water	Water Pollution Control	Airport	Nonmajor Enterprise Funds
Operating revenues:				
Charges for services	\$ 8,030,734	\$ 9,563,139	\$ 741,126	\$ 56,175
Other operating revenues	152,264	38,698	-	1,111
Total operating revenues.	<u>8,182,998</u>	<u>9,601,837</u>	<u>741,126</u>	<u>57,286</u>
Operating expenses:				
Personal services	3,354,964	2,392,267	421,634	84,312
Contract services.	463,401	1,218,731	145,588	58,489
Materials and supplies.	1,454,455	302,560	448,534	23,720
Utilities	401,126	532,160	22,154	5,120
Claims	-	-	-	-
Depreciation.	1,688,238	2,817,882	880,408	37,289
Total operating expenses.	<u>7,362,184</u>	<u>7,263,600</u>	<u>1,918,318</u>	<u>208,930</u>
Operating income (loss)	<u>820,814</u>	<u>2,338,237</u>	<u>(1,177,192)</u>	<u>(151,644)</u>
Nonoperating revenues (expenses):				
Intergovernmental	51,381	422,733	18,973	-
Interest income.	102,549	102,843	-	-
Loss on disposal of capital assets	-	-	-	-
Interest and fiscal charges	(103,030)	(337,160)	-	-
Total nonoperating revenues (expenses).	<u>50,900</u>	<u>188,416</u>	<u>18,973</u>	<u>-</u>
Income (loss) before contributions and transfers	871,714	2,526,653	(1,158,219)	(151,644)
Capital contributions.	709,593	807,510	1,804,764	-
Transfer in	-	-	399,280	103,000
Change in net position	1,581,307	3,334,163	1,045,825	(48,644)
Net position at beginning of year	<u>62,722,605</u>	<u>78,716,798</u>	<u>12,056,611</u>	<u>536,641</u>
Net position at end of year.	<u>\$ 64,303,912</u>	<u>\$ 82,050,961</u>	<u>\$ 13,102,436</u>	<u>\$ 487,997</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

2017 Enterprise Funds Total	2016 Enterprise Funds Total	2017 Governmental Activities - Internal Service Funds	2016 Governmental Activities - Internal Service Funds
\$ 18,391,174	\$ 18,816,804	\$ 14,976	\$ 13,783
192,073	162,524	-	39,483
<u>18,583,247</u>	<u>18,979,328</u>	<u>14,976</u>	<u>53,266</u>
6,253,177	5,429,574	-	-
1,886,209	2,448,901	153,515	123,671
2,229,269	1,640,805	15,776	9,043
960,560	1,038,866	-	-
-	-	13,345	-
5,423,817	4,946,389	-	-
<u>16,753,032</u>	<u>15,504,535</u>	<u>182,636</u>	<u>132,714</u>
1,830,215	3,474,793	(167,660)	(79,448)
493,087	146,362	-	-
205,392	104,573	10,861	5,133
-	(218,671)	-	-
(440,190)	(470,558)	-	-
<u>258,289</u>	<u>(438,294)</u>	<u>10,861</u>	<u>5,133</u>
2,088,504	3,036,499	(156,799)	(74,315)
3,321,867	1,987,099	-	-
502,280	213,309	-	200,000
5,912,651	5,236,907	(156,799)	125,685
		<u>1,931,745</u>	<u>1,806,060</u>
		<u>\$ 1,774,946</u>	<u>\$ 1,931,745</u>
(2,722)	7,956		
<u>\$ 5,909,929</u>	<u>\$ 5,244,863</u>		

CITY OF FINDLAY, OHIO

STATEMENT OF CASH FLOWS
 PROPRIETARY FUNDS
 FOR THE YEAR ENDED DECEMBER 31, 2017
 (WITH COMPARATIVE TOTALS FOR 2016)

	Business-type Activities - Enterprise Funds			
	Water	Water Pollution Control	Airport	Nonmajor Enterprise Funds
Cash flows from operating activities:				
Cash received from customers	\$ 8,046,773	\$ 9,235,040	\$ 743,420	\$ 56,175
Cash received from other operations	152,264	38,698	-	1,111
Cash payments for personal services	(2,827,051)	(2,063,121)	(335,416)	(76,476)
Cash payments for contract services.	(455,172)	(1,212,920)	(145,416)	(58,363)
Cash payments for materials and supplies	(1,433,629)	(417,559)	(471,832)	(25,312)
Cash payments for utilities	(401,126)	(532,160)	(22,154)	(5,120)
Cash payments for claims	-	-	-	-
Net cash provided by (used in) operating activities	<u>3,082,059</u>	<u>5,047,978</u>	<u>(231,398)</u>	<u>(107,985)</u>
Cash flows from noncapital financing activities:				
Grants and contributions	51,381	422,733	18,973	-
Transfers in	-	-	399,280	103,000
Net cash provided by noncapital financing activities.	<u>51,381</u>	<u>422,733</u>	<u>418,253</u>	<u>103,000</u>
Cash flows from capital and related financing activities:				
Acquisition of capital assets	(1,256,076)	(716,246)	(1,943,682)	-
Capital contributions	-	-	1,804,764	-
Principal paid on bonds	(950,000)	(980,000)	-	-
Interest paid on bonds	(27,074)	(14,688)	-	-
Principal paid on loans.	(256,596)	(2,187,611)	-	-
Interest paid on loans	(68,606)	(333,945)	-	-
Net cash (used in) capital and related financing activities.	<u>(2,558,352)</u>	<u>(4,232,490)</u>	<u>(138,918)</u>	<u>-</u>
Cash flows from investing activities:				
Interest received	95,178	94,213	-	-
Net cash provided by investing activities	<u>95,178</u>	<u>94,213</u>	<u>-</u>	<u>-</u>
Net increase (decrease) in cash and cash equivalents	670,266	1,332,434	47,937	(4,985)
Cash and cash equivalents at beginning of year	11,679,196	12,073,062	459,217	45,317
Cash and cash equivalents at end of year	<u>\$ 12,349,462</u>	<u>\$ 13,405,496</u>	<u>\$ 507,154</u>	<u>\$ 40,332</u>

2017 Enterprise Funds Total	2016 Enterprise Funds Total	2017 Governmental Activities - Internal Service Funds	2016 Governmental Activities - Internal Service Funds
\$ 18,081,408	\$ 18,859,974	\$ 14,976	\$ 13,783
192,073	162,524	-	12,627
(5,302,064)	(5,129,498)	-	-
(1,871,871)	(2,409,817)	(142,657)	(133,675)
(2,348,332)	(1,690,284)	(16,647)	(9,544)
(960,560)	(1,038,866)	-	-
-	-	-	(601)
<u>7,790,654</u>	<u>8,754,033</u>	<u>(144,328)</u>	<u>(117,410)</u>
493,087	146,362	-	-
<u>502,280</u>	<u>213,309</u>	<u>-</u>	<u>200,000</u>
<u>995,367</u>	<u>359,671</u>	<u>-</u>	<u>200,000</u>
(3,916,004)	(3,627,069)	-	-
1,804,764	76,576	-	-
(1,930,000)	(2,088,500)	-	-
(41,762)	(64,135)	-	-
(2,444,207)	(2,350,297)	-	-
<u>(402,551)</u>	<u>(469,692)</u>	<u>-</u>	<u>-</u>
<u>(6,929,760)</u>	<u>(8,523,117)</u>	<u>-</u>	<u>-</u>
<u>189,391</u>	<u>95,195</u>	<u>10,364</u>	<u>4,764</u>
<u>189,391</u>	<u>95,195</u>	<u>10,364</u>	<u>4,764</u>
2,045,652	685,782	(133,964)	87,354
24,256,792	23,571,010	1,897,681	1,810,327
<u>\$ 26,302,444</u>	<u>\$ 24,256,792</u>	<u>\$ 1,763,717</u>	<u>\$ 1,897,681</u>

(Continued)

CITY OF FINDLAY, OHIO

STATEMENT OF CASH FLOWS
 PROPRIETARY FUNDS (CONTINUED)
 FOR THE YEAR ENDED DECEMBER 31, 2017
 (WITH COMPARATIVE TOTALS FOR 2016)

	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)	\$ 820,814	\$ 2,338,237	\$ (1,177,192)	\$ (151,644)
Adjustments:				
Depreciation	1,688,238	2,817,882	880,408	37,289
Changes in assets and liabilities:				
(Increase) decrease in accounts receivable	16,039	(328,099)	2,294	-
(Increase) decrease in materials and supplies inventory	29,570	(9,453)	(8,130)	-
(Increase) decrease in prepayments	3,026	2,711	172	126
Increase (decrease) in accounts payable	(8,744)	(105,546)	(15,168)	(1,592)
Increase (decrease) in accrued wages and benefits	14,258	(8,263)	486	5,195
Increase (decrease) in compensated absences payable	60,633	33,604	37,099	(8,050)
Increase (decrease) in insurance deposits payable	4,587	8,215	39	118
Increase in deposits held and due to others	7,450	7,450	-	-
Increase (decrease) in workers' compensation payable	-	-	-	-
(Increase) decrease in net pension asset	(1,247)	(6)	(90)	6
(Increase) in deferred outflows - pension	(414,688)	(161,490)	(34,830)	(5,347)
Increase (decrease) in deferred inflows - pension	(24,359)	63,072	(2,284)	3,136
Increase in net pension liability	886,482	389,664	85,798	12,778
Net cash provided by (used in) operating activities	<u>\$ 3,082,059</u>	<u>\$ 5,047,978</u>	<u>\$ (231,398)</u>	<u>\$ (107,985)</u>

Non-cash Transactions:

During 2017 and 2016, the Water fund received \$709,593 and \$996,730, respectively, in capital contributions of donated water lines from private developers.

During 2017 and 2016, the Water Pollution Control fund received \$807,510 and \$913,793, respectively, in capital contributions of donated sewer lines from private developers.

At December 31, 2017 and 2016, the Water fund purchased \$69,218 and \$18,916, respectively, in capital assets on account.

At December 31, 2017 and 2016, the Water Pollution Control fund purchased \$4,393 and \$3,002, respectively, in capital assets on account.

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

2017 Enterprise Funds Total	2016 Enterprise Funds Total	2017 Governmental Activities - Internal Service Funds	2016 Governmental Activities - Internal Service Funds
\$ 1,830,215	\$ 3,474,793	\$ (167,660)	\$ (79,448)
5,423,817	4,946,389	-	-
(309,766)	43,170	-	-
11,987	70,824	(857)	115
6,035	(77,663)	2,558	(1,704)
(131,050)	(120,303)	8,286	(8,916)
11,676	17,525	-	-
123,286	112,484	-	-
12,959	(26,038)	-	-
14,900	41,743	-	-
-	-	13,345	(27,457)
(1,337)	(2,832)	-	-
(616,355)	(1,207,011)	-	-
39,565	36,680	-	-
1,374,722	1,444,272	-	-
<u>\$ 7,790,654</u>	<u>\$ 8,754,033</u>	<u>\$ (144,328)</u>	<u>\$ (117,410)</u>

CITY OF FINDLAY, OHIO

STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUNDS
DECEMBER 31, 2017

	Private-Purpose Trust	Agency
Assets:		
Equity in pooled cash and investments	\$ 156,803	\$ 280,872
Cash in segregated accounts	-	74,174
Receivables:		
Accrued interest.	138	-
	<u>156,941</u>	<u>355,046</u>
Total assets	<u>\$ 156,941</u>	<u>\$ 355,046</u>
Liabilities:		
Accounts payable	\$ -	\$ 20,595
Deposits held and due to others.	-	334,451
	<u>-</u>	<u>355,046</u>
Total liabilities.	<u>-</u>	<u>\$ 355,046</u>
Net position:		
Held in trust for private cemetery care	156,941	
	<u>156,941</u>	
Total net position	<u>\$ 156,941</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, 2017

	Private-Purpose Trust
Additions:	
Investment income	\$ 1,300
Other	201
Total additions	1,501
Deductions:	
Cemetery care	1,635
Total deductions	1,635
Change in net position	(134)
Net position at beginning of year	157,075
Net position at end of year	\$ 156,941

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, 2017

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, 2017**

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 306, Findlay, Ohio, 45840.

CITY OF FINDLAY, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2017

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, 2017

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 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, 2017

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, to account for income tax and tax increment financing payments collected on-behalf and due to other governments, and for unclaimed funds held and due to others.

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, 2017

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, See Note 12 for deferred outflows of resources related the City's net pension liability. 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, 2017

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, 2017, but which were levied to finance 2018 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, income taxes, delinquent property taxes and intergovernmental grants. These amounts are deferred and recognized as an inflow of resources in the period the amounts become available.

For the City, See Note 12 for deferred inflows of resources related to the City's net pension liability. This deferred inflow of resources is only reported on the government-wide statement of net position. In addition, deferred inflows of resources include a deferred gain on debt refunding. A deferred gain 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.

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, 2017

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	<u>General</u>
Budget basis	\$ 176,579
Funds budgeted elsewhere:	<u>(2,045,705)</u>
GAAP Basis	<u>\$ (1,869,126)</u>

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. The City maintains depository accounts with financial institutions and deposits monies with the State Treasury Asset Reserve of Ohio (STAR) Plus. STAR Plus is a cash management program that provides Ohio political subdivisions with access to hundreds of FDIC insured banks in one account, offering participants full FDIC insurance up to \$100 million per account. Monies not maintained in depository accounts are invested.

CITY OF FINDLAY, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2017

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

During 2017, investments were limited to Federal National Mortgage Association (FNMA) securities, Federal Farm Credit Bank (FFCB) securities, Federal Home Loan Bank (FHLB) securities, Federal Home Loan Mortgage Corporation (FHLMC) 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.

During 2017, the City invested in STAR Ohio. STAR Ohio, is an investment pool managed by the State Treasurer's Office which allows governments within the State to pool their funds for investment purposes. STAR Ohio is not registered with the SEC as an investment company, but has adopted Governmental Accounting Standards Board (GASB), Statement No. 79, "Certain External Investment Pools and Pool Participants." The City measures its investment in STAR Ohio at the net asset value (NAV) per share provided by STAR Ohio. The NAV per share is calculated on an amortized cost basis that provides a NAV per share that approximates fair value.

For 2017, there were no limitations or restrictions on any participant withdrawals due to redemption notice periods, liquidity fees, or redemption gates. However, notice must be given 24 hours in advance of all deposits and withdrawals exceeding \$25 million. STAR Ohio reserves the right to limit the transaction to \$50 million, requiring the excess amount to be transacted the following business day(s), but only to the \$50 million limit. All accounts of the participant will be combined for these purposes.

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 2017 amounted to \$256,836, which includes \$96,507 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 and fund financial statements, inventories of supplies are reported at cost, inventories held for resale are reported 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 received. Inventories are accounted for using the purchase method on the fund statements and using the consumption method on the government-wide statements.

On the fund financial statements, reported materials and supplies inventory is equally offset by nonspendable fund balance in the governmental funds which indicates that it does not constitute available spendable resources even though it is a component of net current assets. Inventory consists of expendable supplies held for consumption.

CITY OF FINDLAY, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2017

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

I. Prepays

Amounts recorded for prepaid items represent the unamortized portion of insurance policies that expire in 2018 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.

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 acquisition value. 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>	Governmental Activities <u>Estimated Lives</u>	Business-Type Activities <u>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, 2017

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, 2017

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, 2017

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, 2017 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.

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.

CITY OF FINDLAY, OHIO

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2017**

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

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 government-wide 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, 2017.

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 2017.

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. 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, 2017, from which the summarized information was derived.

CITY OF FINDLAY, OHIO

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2017**

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

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

Change in Accounting Principles

For 2017, the City has implemented GASB Statement No. 80, “*Blending Requirements for Certain Component Units - An Amendment of GASB Statement No. 14*”, GASB Statement No. 81 “*Irrevocable Split-Interest Agreements*”, and GASB Statement No. 82, “*Pension Issues - An Amendment of GASB Statements No. 67, No. 68, and No. 73*”.

GASB Statement No. 80 amends the blending requirements for the financial statement presentation of component units. The additional criterion requires blending of a component unit incorporated as a not-for-profit corporation in which the primary government is the sole corporate member. The implementation of GASB Statement No. 80 did not have an effect on the financial statements of the City.

GASB Statement No. 81 improves the accounting and financial reporting for irrevocable split-interest agreements by providing recognition and measurement guidance for situations in which a government is a beneficiary of the agreement. The implementation of GASB Statement No. 81 did not have an effect on the financial statements of the City.

GASB Statement No. 82 addresses issues regarding (1) the presentation of payroll-related measures in required supplementary information, (2) the selection of assumptions and the treatment of deviations from the guidance in an Actuarial Standard of Practice for financial reporting purposes, and (3) the classification of payments made by employers to satisfy employee (plan member) contribution requirements. The implementation of GASB Statement No. 82 did not have an effect on the financial statements of the City.

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.

CITY OF FINDLAY, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2017

NOTE 4 - DEPOSITS AND INVESTMENTS - (Continued)

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.

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.

CITY OF FINDLAY, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2017

NOTE 4 - DEPOSITS AND INVESTMENTS - (Continued)

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 \$604,500 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, 2017. This amount is not included in the City's depository balance below.

Cash with Escrow Agent: At year end, the City had \$274,810 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 \$288,412 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, 2017, the carrying amount of all City deposits was \$9,118,318 and the bank balance was \$10,141,946. Of the bank balance, \$2,762,846 was covered by the FDIC and \$7,379,100 was collateralized through the Ohio Pooled Collateral System (OPCS).

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. The City's investment policy on deposits requires that they be insured by FDIC or collateralized by the financial institution. The City has no deposit policy for custodial credit risk beyond the requirements of State statute. Ohio law requires that deposits either be insured or protected by (1) eligible securities pledged to the City and deposited with a qualified trustee by the financial institution as security for repayment whose market value at all times shall be at least 105 percent of the deposits being secured, or (2) participation in the OPCS, a collateral pool of eligible securities deposited with a qualified trustee and pledged to the Treasurer of State to secure the repayment of all public monies deposited in the financial institution. OPCS requires the total market value of the securities pledged to be 102 percent of the deposits being secured. 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.

CITY OF FINDLAY, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2017

NOTE 4 - DEPOSITS AND INVESTMENTS - (Continued)

B. Investments

As of December 31, 2017, the City had the following investments and maturities:

Measurement/ Investment type	Measurement Value	Investment Maturities			
		6 months or less	7 to 12 months	13 to 18 months	19 to 24 months
Fair Value:					
FFCB	\$ 3,975,120	\$ -	\$ 1,987,520	\$ 1,987,600	\$ -
FHLB	1,992,610	999,550	-	-	993,060
FHLMC	3,987,360	1,996,320	1,991,040	-	-
FNMA	993,920	-	993,920	-	-
U.S. Treasury Notes	8,911,990	999,300	994,450	3,967,850	2,950,390
Amortized Cost:					
STAR Ohio	<u>28,473,473</u>	<u>28,473,473</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total	<u>\$ 48,334,473</u>	<u>\$ 32,468,643</u>	<u>\$ 5,966,930</u>	<u>\$ 5,955,450</u>	<u>\$ 3,943,450</u>

The weighted average length to maturity of investment is 0.41 years.

Fair Value Measurements: The City categorizes its fair value measurements within the fair value hierarchy established by GAAP. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs. The City's investments in federal agency securities (FFCB, FHLB, FHLMC, FNMA) and U.S. Treasury notes are valued using quoted prices in markets that are not considered to be active, dealer quotations or alternative pricing sources for similar assets or liabilities for which all significant inputs are observable, either directly or indirectly (Level 2 inputs).

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, 2017

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, 2017:

<u>Measurement/ Investment type</u>	<u>Measurement Amount</u>	<u>% of Total</u>
Fair Value:		
FCB	\$ 3,975,120	8.22
FHLB	1,992,610	4.12
FHLMC	3,987,360	8.25
FNMA	993,920	2.06
U.S. Treasury Notes	8,911,990	18.44
Amortized Cost:		
STAR Ohio	<u>28,473,473</u>	<u>58.91</u>
Total	<u>\$ 48,334,473</u>	<u>100.00</u>

CITY OF FINDLAY, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2017

NOTE 4 - DEPOSITS AND INVESTMENTS - (Continued)

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, 2017:

<u>Cash and investments per note</u>	
Carrying amount of deposits	\$ 9,118,318
Investments	48,334,473
Cash with fiduciary agent	<u>604,500</u>
Total	<u>\$ 58,057,291</u>

<u>Cash and investments per statement of net position</u>	
Governmental activities	\$ 31,242,998
Business-type activities	26,302,444
Fiduciary funds	<u>511,849</u>
Total	<u>\$ 58,057,291</u>

NOTE 5 - INTERFUND TRANSFERS

Interfund transfers for 2017 consisted of the following as reported in the fund financial statements:

<u>Transfers To</u>	<u>Transfers From</u>			<u>Total</u>
	<u>General</u>	<u>Street Maintenance and Repair</u>	<u>Nonmajor Governmental</u>	
General fund	\$ -	\$ 75,751	\$ 242,790	\$ 318,541
Street Maintenance and Repair	5,699,402	-	-	5,699,402
Nonmajor governmental funds	638,991	-	129,798	768,789
Airport fund	399,280	-	-	399,280
Nonmajor enterprise funds	<u>103,000</u>	<u>-</u>	<u>-</u>	<u>103,000</u>
Total	<u>\$ 6,840,673</u>	<u>\$ 75,751</u>	<u>\$ 372,588</u>	<u>\$ 7,289,012</u>

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 \$75,751 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.

CITY OF FINDLAY, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2017

NOTE 5 - INTERFUND TRANSFERS - (Continued)

The \$242,790 transfer from the nonmajor governmental funds to the general fund consisted of two transfers. The first was a \$208,707 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. The second was a \$34,083 transfer from the capital improvement fund to finance municipal court improvement project being accounted for in the general fund.

The \$129,798 transfer from the nonmajor governmental funds to the nonmajor governmental fund was to move 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.

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 which is the case in Hancock County. 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. 2017 public utility property taxes became a lien December 31, 2016, are levied after October 1, 2017, and are collected in 2018 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, 2017 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 2017 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 2017 operations was 3.2 mills. The assessed values of real and public utility property upon which 2017 property tax receipts were based are as follows:

Real property	\$ 799,170,680
Real and personal public utility	<u>40,016,210</u>
Total assessed value	<u><u>\$ 839,186,890</u></u>

CITY OF FINDLAY, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2017

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 2017, 80% was transferred to the general fund and 20% was restricted within the city income tax administration fund (a component of the general fund for financial reporting purposes) for capital improvements. For 2018, the percentages will remain the same as 2017 with 80% being transferred to the general fund and 20% being 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 \$22,979,449 for 2017.

C. Tax Abatements

As of December 31, 2017, the City provides property tax abatements through a Community Reinvestment Area (CRA) program.

CRA - Under the authority of Ohio Revised Code (ORC) Section 3735.67, the CRA program is an economic development tool administered by municipal and county governments that provides real property tax exemptions for property owners who renovate existing or construct new buildings. CRA's are areas of land in which property owners can receive tax incentives for investing in real property improvements. Under the CRA program, local governments petition to the Ohio Development Services Agency (ODSA) for confirmation of a geographical area in which investment in housing is desired. Once an area is confirmed by the ODSA, local governments may offer real property tax exemptions to taxpayers that invest in that area. Property owners in the CRA can receive temporary tax abatements for renovation of existing structures and new construction in these areas. Property owners apply to the local legislative authority for approval to renovate or construct in the CRA. Upon approval and certification of completion, the amount of the abatement is deducted from the individual or entity's property tax bill.

The City has entered into agreements to abate property taxes through this program. During 2017, the City's property tax revenues were reduced as a result of these agreements as follows:

<u>Tax Abatement Program</u>	<u>City Taxes Abated</u>
CRA	\$ <u>22,380</u>

CITY OF FINDLAY, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2017

NOTE 7 - RECEIVABLES

A. Proprietary Funds

The City's receivables from outside parties at December 31, 2017, by fund, are shown as follows:

	Major Funds				Total Proprietary Funds
	Water	Water Pollution Control	Airport	Internal Service Funds	
	<u>Water</u>	<u>Control</u>	<u>Airport</u>	<u>Funds</u>	
Billed and unbilled charges for services	\$ 1,097,356	\$ 1,876,950	\$ 38,911	\$ -	\$ 3,013,217
Accrued interest - unrestricted	18,333	19,708	-	1,074	39,115
Total receivables, net of allowances	<u>\$ 1,115,689</u>	<u>\$ 1,896,658</u>	<u>\$ 38,911</u>	<u>\$ 1,074</u>	<u>\$ 3,052,332</u>
Total due from outside parties	<u>\$ 1,115,689</u>	<u>\$ 1,896,658</u>	<u>\$ 38,911</u>	<u>\$ 1,074</u>	<u>\$ 3,052,332</u>

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, 2017. All receivables for the proprietary funds are expected to be collected within the subsequent year.

B. Governmental Funds

The City's receivables from outside parties at December 31, 2017, by fund, are shown as follows:

	Major Funds			Total Governmental Funds
	General	Street Maintenance and Repair	Nonmajor Governmental Funds	
	<u>General</u>	<u>and Repair</u>	<u>Funds</u>	
Income taxes	\$ 5,973,710	\$ -	\$ -	\$ 5,973,710
Property taxes	2,171,471	-	503,512	2,674,983
Hotel/motel taxes	128,031	-	-	128,031
Economic development loans	-	-	442,928	442,928
Special assessments	-	-	115,838	115,838
Tax increment financing payments	-	-	150,894	150,894
Miscellaneous	123,133	540	41,767	165,440
Accrued interest - unrestricted	53,542	1,268	2,091	56,901
Total receivables, net of allowances	<u>\$ 8,449,887</u>	<u>\$ 1,808</u>	<u>\$ 1,257,030</u>	<u>\$ 9,708,725</u>
Due from other governments:				
Property tax rollbacks	\$ 113,116	\$ -	\$ 26,174	\$ 139,290
Local government funds	213,916	-	-	213,916
Fuel tax	-	684,555	55,504	740,059
Motor vehicle license fees	-	161,474	13,093	174,567
Bureau of Worker's Compensation	5,663	-	-	5,663
Total due from other governments	<u>\$ 332,695</u>	<u>\$ 846,029</u>	<u>\$ 94,771</u>	<u>\$ 1,273,495</u>
Total due from outside parties	<u>\$ 8,782,582</u>	<u>\$ 847,837</u>	<u>\$ 1,351,801</u>	<u>\$ 10,982,220</u>

CITY OF FINDLAY, OHIO

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2017**

NOTE 7 - RECEIVABLES - (Continued)

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, 2017 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, 2017 represent the City's portion of 2018 taxes to be collected by the Hancock County Treasurer during 2017 based on the assessed value of property described in Note 6.A.

Hotel/Motel taxes accrued at December 31, 2017 represent 2017 transient lodging taxes due to the City at year end and collected in the first quarter of 2018 from hotels and motels located within the City's corporation limits.

Economic development loans receivable at December 31, 2017 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. During 2017, two loans to NCC-ET defaulted and have been removed from the loan receivable balance in the amount of \$102,379.

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, 2017 represent 2017 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, 2017.

Due from other governments in the general fund represents 2017 local government monies and property tax rollbacks (intergovernmental) anticipated to be received by the City from January 1, 2018 through June 30, 2018. In addition, the General fund has a receivable at December 31, 2017 for monies due to the City related to a refund from the Bureau of Worker's Compensation related to the 2017 premium payment.

Due from other governments in the special revenue funds represents 2017 motor vehicle license fees, gasoline excise taxes, and property tax rollbacks anticipated to be received by the City from January 1, 2018 to June 30, 2018.

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, 2017

NOTE 8 - CAPITAL ASSETS

A. Governmental activities

Governmental activities capital asset activity for the year ended December 31, 2017, was as follows:

	Balance			Balance
<u>Governmental activities:</u>	<u>12/31/16</u>	<u>Additions</u>	<u>Disposals</u>	<u>12/31/17</u>
<i>Capital assets, not being depreciated:</i>				
Land	\$ 8,875,082	\$ 18,000	\$ -	\$ 8,893,082
Nondepreciable land improvements	653,392	-	-	653,392
Computer software	788,201	-	-	788,201
Construction in progress	<u>2,196,540</u>	<u>5,586,337</u>	<u>(1,705,858)</u>	<u>6,077,019</u>
Total capital assets, not being depreciated	<u>12,513,215</u>	<u>5,604,337</u>	<u>(1,705,858)</u>	<u>16,411,694</u>
<i>Capital assets, being depreciated:</i>				
Buildings and improvements	12,374,322	-	-	12,374,322
Improvements other than buildings	7,858,567	1,064,113	(26,662)	8,896,018
Equipment	16,214,524	1,572,298	(256,019)	17,530,803
Infrastructure	<u>116,700,687</u>	<u>4,048,549</u>	<u>(74,725)</u>	<u>120,674,511</u>
Total capital assets, being depreciated	<u>153,148,100</u>	<u>6,684,960</u>	<u>(357,406)</u>	<u>159,475,654</u>
<i>Less: accumulated depreciation:</i>				
Buildings and improvements	(5,949,623)	(240,555)	-	(6,190,178)
Improvements other than buildings	(2,282,944)	(367,664)	26,662	(2,623,946)
Equipment	(11,097,643)	(1,152,831)	256,019	(11,994,455)
Infrastructure	<u>(57,344,418)</u>	<u>(3,113,945)</u>	<u>74,725</u>	<u>(60,383,638)</u>
Total accumulated depreciation	<u>(76,674,628)</u>	<u>(4,874,995)</u>	<u>357,406</u>	<u>(81,192,217)</u>
Total capital assets, being depreciated, net	<u>76,473,472</u>	<u>1,809,965</u>	<u>-</u>	<u>78,283,437</u>
Governmental activities capital assets, net	<u>\$ 88,986,687</u>	<u>\$ 7,414,302</u>	<u>\$ (1,705,858)</u>	<u>\$ 94,695,131</u>

CITY OF FINDLAY, OHIO

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2017**

NOTE 8 - CAPITAL ASSETS - (Continued)

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

General government	\$ 496,044
Security of persons and property	418,977
Transportation	3,482,444
Leisure time activities	410,718
Public health and welfare	<u>56,029</u>
Total depreciation expense	4,864,212
Accumulated depreciation on capital assets transferred from Internal service funds	<u>10,783</u>
Increase in accumulated depreciation	<u><u>\$ 4,874,995</u></u>

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CITY OF FINDLAY, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2017

NOTE 8 - CAPITAL ASSETS - (Continued)

B. Business-type activities

Business-type activities capital asset activity for the year ended December 31, 2017, was as follows:

<u>Business-type activities:</u>	<u>Balance</u> <u>12/31/16</u>	<u>Additions</u>	<u>Disposals</u>	<u>Balance</u> <u>12/31/17</u>
<i>Capital assets, not being depreciated:</i>				
Land	\$ 4,734,694	\$ 4,470	\$ -	\$ 4,739,164
Computer software	100,272	-	-	100,272
Construction in progress	<u>634,921</u>	<u>1,571,516</u>	<u>(407,870)</u>	<u>1,798,567</u>
Total capital assets, not being depreciated	<u>5,469,887</u>	<u>1,575,986</u>	<u>(407,870)</u>	<u>6,638,003</u>
<i>Capital assets, being depreciated:</i>				
Buildings	1,632,539	-	-	1,632,539
Utility plant in service	77,346,550	239,933	-	77,586,483
Utility lines in service	108,757,984	1,781,919	-	110,539,903
Improvements other than buildings	32,273,641	2,085,280	-	34,358,921
Machinery and equipment	<u>12,663,258</u>	<u>313,395</u>	<u>(163,931)</u>	<u>12,812,722</u>
Total capital assets, being depreciated	<u>232,673,972</u>	<u>4,420,527</u>	<u>(163,931)</u>	<u>236,930,568</u>
<i>Less: accumulated depreciation:</i>				
Buildings	(1,632,539)	-	-	(1,632,539)
Utility plant in service	(36,195,377)	(1,509,252)	-	(37,704,629)
Utility lines in service	(26,738,981)	(1,306,087)	-	(28,045,068)
Improvements other than buildings	(13,152,181)	(1,216,797)	-	(14,368,978)
Machinery and equipment	<u>(10,090,336)</u>	<u>(1,391,681)</u>	<u>60,088</u>	<u>(11,421,929)</u>
Total accumulated depreciation	<u>(87,809,414)</u>	<u>(5,423,817)</u>	<u>60,088</u>	<u>(93,173,143)</u>
Total capital assets, being depreciated, net	<u>144,864,558</u>	<u>(1,003,290)</u>	<u>(103,843)</u>	<u>143,757,425</u>
Business-type activities capital assets, net	<u>\$ 150,334,445</u>	<u>\$ 572,696</u>	<u>\$ (511,713)</u>	<u>\$ 150,395,428</u>

CITY OF FINDLAY, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2017

NOTE 8 - CAPITAL ASSETS - (Continued)

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

Business-type activities:

Water	\$ 1,688,238
Water pollution control	2,817,882
Airport	880,408
Parking	6,452
Swimming pool	<u>30,837</u>
Total depreciation expense	<u>\$ 5,423,817</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, 2017, there were no material outstanding claims pending for the Self-Insurance fund. Claims activity for 2017 and 2016 are as follows:

Year	Balance at Beginning of Year	Current Year Claims and Changes in Estimates	Claim Payments	Balance at End of Year
2017	\$ -	\$ 24,999	\$ (24,999)	\$ -
2016	-	18,709	(18,709)	-

CITY OF FINDLAY, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2017

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 to 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 claims liability of \$43,018 reported in the basic financial statements at December 31, 2017, is based on an estimate provided by the third party administrator and the requirements of 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 claim. This liability has been reported as "workers' compensation payable" in the financial statements. Changes in the workers' compensation payable liability in 2017 and 2016 are as 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>
2017	\$ 29,673	\$ 13,345	\$ -	\$ 43,018
2016	57,130	(26,856)	(601)	29,673

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, 2017

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 of 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 \$352,518 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 2017 and 2016 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>
2017	\$ 290,885	\$ 3,757,464	\$ (3,695,831)	\$ 352,518
2016	381,874	3,210,275	(3,301,264)	290,885

NOTE 10 - RESTRICTED ASSETS

Restricted assets at December 31, 2017 are comprised of the following:

	<u>Cash and Investments</u>
<u>Major governmental funds:</u>	
General fund:	
Restricted for capital improvements	\$ 2,919,942
Total governmental activities	<u>\$ 2,919,942</u>
<u>Major enterprise funds:</u>	
Water fund:	
Restricted for capital improvements to utility lines	\$ 802,022
Water Pollution Control fund:	
Restricted for capital improvements to utility lines	<u>5,483,009</u>
Total business-type activities	<u>\$ 6,285,031</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, 2017**

NOTE 11 - LONG-TERM OBLIGATIONS

A. Governmental activities

In 2017, the following changes occurred in the City's governmental activities long-term obligations:

Governmental activities:	Interest <u>Rate</u>	Maturity <u>Date</u>	Balance <u>12/31/16</u>	<u>Additions</u>	<u>Disposals</u>	Balance <u>12/31/17</u>	Amounts Due in <u>One Year</u>
<u>General obligation bonds</u>							
Series 2011 energy bonds - Series A	2.96%	2019	\$ 208,541	\$ -	\$ (67,496)	\$ 141,045	\$ 69,494
Series 2011 energy bonds - Series B	5.40%	2026	518,005	-	-	518,005	-
Series 2016 HRC rehab refunding	0.95 - 4.00%	2033	2,170,000	-	(60,000)	2,110,000	45,000
Series 2016 CR 236 land acquisition refunding	0.95 - 4.00%	2033	640,000	-	(15,000)	625,000	15,000
Series 2016 CR 236 widening refunding	0.95 - 4.00%	2033	3,245,000	-	(75,000)	3,170,000	60,000
Series 2016 five plex (ball diamonds) refunding	0.95 - 4.00%	2033	450,000	-	(225,000)	225,000	225,000
Total general obligation bonds			<u>7,231,546</u>	<u>-</u>	<u>(442,496)</u>	<u>6,789,050</u>	<u>414,494</u>
<u>Special assessment bonds</u>							
Series 2012 Hunters Creek drainage	2.79%	2022	122,000	-	(19,000)	103,000	20,000
Total special assessment bonds			<u>122,000</u>	<u>-</u>	<u>(19,000)</u>	<u>103,000</u>	<u>20,000</u>
<u>OPWC loans</u>							
Crystal/Melrose intersection	0%	2024	54,000	-	(7,200)	46,800	7,200
Howard Street improvements	0%	2026	71,089	-	(7,483)	63,606	7,483
Total OPWC loans payable			<u>125,089</u>	<u>-</u>	<u>(14,683)</u>	<u>110,406</u>	<u>14,683</u>
<u>Other long-term obligations</u>							
Police and fire past service liability	4.30%	2035	950,946	-	(34,821)	916,125	36,317
Compensated absences			3,875,170	1,930,333	(1,740,777)	4,064,726	1,661,042
Net pension liability:							
OPERS			8,341,966	1,961,189	-	10,303,155	-
OP&F			25,018,483	810,227	-	25,828,710	-
Total net pension liability			<u>33,360,449</u>	<u>2,771,416</u>	<u>-</u>	<u>36,131,865</u>	<u>-</u>
Total other long-term obligations			<u>38,186,565</u>	<u>4,701,749</u>	<u>(1,775,598)</u>	<u>41,112,716</u>	<u>1,697,359</u>
Total governmental activities							
long-term obligations			45,665,200	4,701,749	(2,251,777)	48,115,172	2,146,536
Add: Unamortized premium on bond issue			377,633	-	(22,886)	354,747	-
Total reported on the statement of net position			<u>\$ 46,042,833</u>	<u>\$ 4,701,749</u>	<u>\$ (2,274,663)</u>	<u>\$ 48,469,919</u>	<u>\$ 2,146,536</u>

CITY OF FINDLAY, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2017

NOTE 11 - LONG-TERM OBLIGATIONS - (Continued)

Series 2011 Energy Bonds

On June 30, 2011, the City issued \$518,006 of energy improvement bonds - Series 2011A and \$518,005 of energy improvement bonds - Series 2011B 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 2017, the City received interest subsidies totaling \$17,211 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 2017, the City made \$67,496 in principal payments on the Series A bonds leaving a liability of \$141,045 at year end. During 2017, the City made no principal payments on the Series B bonds with the liability remaining at \$518,005 at year end.

Series 2016 Various Purpose Refunding Bonds (HRC/CUBE Rehab Portion)

On August 17, 2016, the City issued \$6,505,000 of various purpose refunding bonds (\$2,685,000 Series 2016A and \$3,820,000 Series 2016B) to advance refund the Series 2008 various purpose general obligation bonds. A portion of the proceeds, \$2,170,000, were issued for the purpose of advance refunding the remaining portion of the Series 2008 various purpose bonds (HRC/CUBE Rehab Portion). Proceeds of the Series 2016 issue were deposited into an escrow fund to provide for the retirement of the Series 2008 various purpose bonds (HRC/CUBE Rehab Portion). The refunded bonds are 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 and term bonds, par value \$2,170,000. 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, 2033. 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 \$188,765. 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 2016 Various Purpose Refunding Bonds (County Road 236 Land Acquisition Portion)

On August 17, 2016, the City issued \$6,505,000 of various purpose refunding bonds (\$2,685,000 Series 2016A and \$3,820,000 Series 2016B) to advance refund the Series 2008 various purpose general obligation bonds. A portion of the proceeds, \$640,000, were issued for the purpose of advance refunding the remaining portion of the Series 2008 various purpose bonds (County Road 236 Land Acquisition Portion). Proceeds of the Series 2016 issue were deposited into an escrow fund to provide for the retirement of the Series 2008 various purpose bonds (County Road 236 Land Acquisition Portion). The refunded bonds are 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.

CITY OF FINDLAY, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2017

NOTE 11 - LONG-TERM OBLIGATIONS - (Continued)

The refunding issue is comprised of current interest serial and term bonds, par value \$640,000. 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, 2033. 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 \$46,223. 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 2016 Various Purpose Refunding Bonds (County Road 236 Widening Portion)

On August 17, 2016, the City issued \$6,505,000 of various purpose refunding bonds (\$2,685,000 Series 2016A and \$3,820,000 Series 2016B) to advance refund the Series 2008 various purpose general obligation bonds. A portion of the proceeds, \$3,245,000, were issued for the purpose of advance refunding the remaining portion of the Series 2008 various purpose bonds (County Road 236 Widening Portion). Proceeds of the Series 2016 issue were deposited into an escrow fund to provide for the retirement of the Series 2008 various purpose bonds (County Road 236 Widening Portion). The refunded bonds are 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 and term bonds, par value \$3,245,000. 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, 2033. 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 \$221,283. 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 2016 Various Purpose Refunding Bonds (5-Plex Portion)

On August 17, 2016, the City issued \$6,505,000 of various purpose refunding bonds (\$2,685,000 Series 2016A and \$3,820,000 Series 2016B) to advance refund the Series 2008 various purpose general obligation bonds. A portion of the proceeds, \$450,000, were issued for the purpose of advance refunding the remaining portion of the Series 2008 various purpose bonds (5-Plex Portion). Proceeds of the Series 2016 issue were deposited into an escrow fund to provide for the retirement of the Series 2008 various purpose bonds (5-Plex Portion). The refunded bonds are 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 and term bonds, par value \$450,000. 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, 2033. The refunding bonds are general obligations of the City for which the full faith and credit of the City is pledged for repayment.

CITY OF FINDLAY, OHIO

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2017**

NOTE 11 - LONG-TERM OBLIGATIONS - (Continued)

The reacquisition price exceeded the net carrying amount of the old debt by \$20,792. 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.

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).

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).

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, holi vac 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.

Net Pension Liability

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

CITY OF FINDLAY, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2017

NOTE 11 - LONG-TERM OBLIGATIONS - (Continued)

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, 2017:

Year Ending December 31,	General Obligation Bonds		
	Principal	Interest	Total
2018	\$ 414,494	\$ 211,795	\$ 626,289
2019	411,551	205,598	617,149
2020	425,021	197,896	622,917
2021	421,308	187,815	609,123
2022	427,618	177,432	605,050
2023 - 2027	2,239,058	681,396	2,920,454
2028 - 2032	2,015,000	304,578	2,319,578
2033	435,000	16,252	451,252
Totals	<u>\$ 6,789,050</u>	<u>\$ 1,982,762</u>	<u>\$ 8,771,812</u>

Year Ending December 31,	Special Assessment Bonds			OPWC
	Principal	Interest	Total	Loans Principal
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	21,000	1,172	22,172	14,684
2022	21,000	586	21,586	14,683
2023 - 2026	-	-	-	36,990
Totals	<u>\$ 103,000</u>	<u>\$ 8,705</u>	<u>\$ 111,705</u>	<u>\$ 110,406</u>

Year Ending December 31,	Police and Fire Past Service Liability		
	Principal	Interest	Total
2018	\$ 36,317	\$ 38,553	\$ 74,870
2019	37,877	36,993	74,870
2020	39,504	35,366	74,870
2021	41,200	33,670	74,870
2022	42,970	31,900	74,870
2023 - 2027	244,170	130,180	374,350
2028 - 2032	301,309	73,041	374,350
2033 - 2035	172,778	11,030	183,808
Totals	<u>\$ 916,125</u>	<u>\$ 390,733</u>	<u>\$ 1,306,858</u>

CITY OF FINDLAY, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2017

NOTE 11 - LONG-TERM OBLIGATIONS - (Continued)

B. Business-type activities

During 2017, the following changes occurred in the City's business-type activities long-term obligations:

Business-type activities:	Interest Rate	Maturity Date	Balance 12/31/16	Additions	Disposals	Balance 12/31/17	Due in One Year
<u>General obligation bonds:</u>							
Series 2011 water refunding	1.95%	2018	\$ 485,000	\$ -	\$ (240,000)	\$ 245,000	\$ 245,000
Series 2014 water refunding	0.96%	2018	625,000	-	(310,000)	315,000	315,000
Series 2014 northern corridor sewer refunding	0.96%	2017	710,000	-	(710,000)	-	-
Series 2014 sewer bar screens	0.96%	2019	820,000	-	(270,000)	550,000	275,000
Series 2014 water clear wells	0.96%	2019	<u>1,210,000</u>	<u>-</u>	<u>(400,000)</u>	<u>810,000</u>	<u>400,000</u>
Total general obligation bonds			<u>3,850,000</u>	<u>-</u>	<u>(1,930,000)</u>	<u>1,920,000</u>	<u>1,235,000</u>
<u>OWDA loans:</u>							
Bright Road interceptor and sewer separation	1.73%	2023	1,307,578	-	(191,761)	1,115,817	195,092
Sewer system improvements	4.36%	2021	10,898,558	-	(1,995,850)	8,902,708	2,083,817
Water plant improvements	3.25%	2026	<u>2,336,782</u>	<u>-</u>	<u>(201,258)</u>	<u>2,135,524</u>	<u>207,852</u>
Total OWDA loans			<u>14,542,918</u>	<u>-</u>	<u>(2,388,869)</u>	<u>12,154,049</u>	<u>2,486,761</u>
OPWC loans	0%	2019-2029	<u>451,562</u>	<u>-</u>	<u>(55,338)</u>	<u>396,224</u>	<u>55,338</u>
<u>Other long-term obligations:</u>							
Compensated absences			954,252	445,542	(322,256)	1,077,538	307,560
Net pension liability - OPERS:							
Water			2,296,187	886,482	-	3,182,669	-
Water Pollution Control			1,956,351	389,664	-	2,346,015	-
Airport			275,014	85,798	-	360,812	-
Parking			<u>74,832</u>	<u>12,778</u>	<u>-</u>	<u>87,610</u>	<u>-</u>
Total net pension liability - OPERS			<u>4,602,384</u>	<u>1,374,722</u>	<u>-</u>	<u>5,977,106</u>	<u>-</u>
Total other long-term obligations			<u>5,556,636</u>	<u>1,820,264</u>	<u>(322,256)</u>	<u>7,054,644</u>	<u>307,560</u>
Total business-type activities long-term obligations			<u>\$ 24,401,116</u>	<u>\$ 1,820,264</u>	<u>\$ (4,696,463)</u>	<u>\$ 21,524,917</u>	<u>\$ 4,084,659</u>

CITY OF FINDLAY, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2017

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 2017, the City made principal payments of \$240,000 on these bonds leaving a liability of \$245,000. 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.

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 2017, the City made \$310,000 in principal payments on these bonds leaving a liability of \$315,000 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 (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.

CITY OF FINDLAY, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2017

NOTE 11 - LONG-TERM OBLIGATIONS - (Continued)

The refunding issue is comprised of current interest serial bonds, par value \$2,147,000. During 2017, the City made \$710,000 in principal payments on these bonds retiring the liability 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 in 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 2017, the City made \$270,000 in principal payments on these bonds leaving a liability of \$550,000 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 in various purpose general obligation bonds to fund water and sewer projects and to currently refund previously issued bonds. A portion of the proceeds, \$2,000,000, 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 2017, the City made \$400,000 in principal payments on these bonds leaving a liability of \$810,000 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.

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.

CITY OF FINDLAY, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2017

NOTE 11 - LONG-TERM OBLIGATIONS - (Continued)

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.

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, 2017:

Year Ending December 31,	General Obligation Bonds		
	Principal	Interest	Total
2018	\$ 1,235,000	\$ 20,858	\$ 1,255,858
2019	685,000	6,576	691,576
Totals	\$ 1,920,000	\$ 27,434	\$ 1,947,434

CITY OF FINDLAY, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2017

NOTE 11 - LONG-TERM OBLIGATIONS - (Continued)

Year Ending December 31,	OWDA Loans			OPWC Loans
	Principal	Interest	Total	Principal
2018	\$ 2,486,761	\$ 332,604	\$ 2,819,365	\$ 55,338
2019	2,588,807	259,732	2,848,539	55,339
2020	2,695,181	183,809	2,878,990	47,413
2021	2,806,073	104,706	2,910,779	47,413
2022	445,469	40,658	486,127	42,405
2023 - 2027	1,131,758	71,465	1,203,223	129,612
2028 - 2029	-	-	-	18,704
Totals	<u>\$ 12,154,049</u>	<u>\$ 992,974</u>	<u>\$ 13,147,023</u>	<u>\$ 396,224</u>

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* on both the accrual and modified accrual bases of accounting.

CITY OF FINDLAY, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2017

NOTE 12 - DEFINED BENEFIT PENSION PLANS - (Continued)

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.

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

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

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

When a benefit recipient has received benefits for 12 months, an annual cost of living adjustment (COLA) is provided. This COLA is calculated on the base retirement benefit at the date of retirement and is not compounded. For those retiring prior to January 7, 2013, the COLA will continue to be a 3.00% simple annual COLA. For those retiring subsequent to January 7, 2013, beginning in calendar year 2019, the COLA will be based on the average percentage increase in the Consumer Price Index, capped at 2.25%.

CITY OF FINDLAY, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2017

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 1.00% to the member's FAS for the first 30 years of service.

A factor of 1.25% is applied to years of service in excess of 30. The benefit formula for transition Group C applies a factor of 1.0% to the member's FAS and the first 35 years of service and a factor of 1.25% is applied to years in excess of 35. Persons retiring before age 65 with less than 30 years of service credit receive a percentage reduction in benefit. The defined contribution portion of the benefit is based on accumulated member contributions plus or minus any investment gains or losses on those contributions. Members retiring under the Combined Plan receive a 2.25% 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 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
2017 Statutory Maximum Contribution Rates	
Employer	14.0 %
Employee	10.0 %
 2017 Actual Contribution Rates	
Employer:	
Pension	13.0 %
Post-employment Health Care Benefits	1.0 %
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 the Traditional Pension Plan, the Combined Plan and Member-Directed Plan was \$1,311,064 for 2017. Of this amount, \$51,992 is reported as accrued wages and benefits payable and due to other governments.

CITY OF FINDLAY, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2017

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 2.50% for each of the first 20 years of service credit, 2.00% for each of the next five years of service credit and 1.50% for each year of service credit in excess of 25 years. The maximum pension of 72.00% of the allowable average annual salary is paid after 33 years of service credit.

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

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

CITY OF FINDLAY, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2017

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
2017 Statutory Maximum Contribution Rates		
Employer	19.50 %	24.00 %
Employee	12.25 %	12.25 %
 2017 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	 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 \$1,789,269 for 2017. Of this amount \$70,473 is reported as accrued wages and benefits payable and due to other governments.

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, 2017, the specific liability of the City was \$916,125 payable in semi-annual payments through the year 2035.

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CITY OF FINDLAY, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2017

NOTE 12 - DEFINED BENEFIT PENSION PLANS - (Continued)

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, Combined Plan and Member-Directed Plan, respectively, were measured as of December 31, 2016, 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, 2016, and was determined by rolling forward the total pension liability as of January 1, 2016, to December 31, 2016. 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:

	<u>OPERS - Traditional</u>	<u>OPERS - Combined</u>	<u>OPERS - Member- Directed</u>	<u>OP&F</u>	<u>Total</u>
Proportion of the net pension liability/asset prior measurement date	0.07473100%	0.09158000%	0.06192200%	0.38890400%	
Proportion of the net pension liability/asset current measurement date	<u>0.07169300%</u>	<u>0.08399500%</u>	<u>0.06782200%</u>	<u>0.40778600%</u>	
Change in proportionate share	<u>(0.00303800)%</u>	<u>(0.00758500)%</u>	<u>0.00590000%</u>	<u>0.01888200%</u>	
Proportionate share of the net pension liability	\$ 16,280,261	\$ -	\$ -	\$ 25,828,710	\$ 42,108,971
Proportionate share of the net pension (asset)	-	(46,748)	(283)	-	(47,031)
Pension expense	3,387,866	33,775	348	3,332,808	6,754,797

CITY OF FINDLAY, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2017

NOTE 12 - DEFINED BENEFIT PENSION PLANS - (Continued)

At December 31, 2017, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	OPERS - Traditional	OPERS - Combined	OPERS - Member- Directed	OP&F	Total
Deferred outflows of resources:					
Differences between expected and actual experience	\$ 22,067	\$ -	\$ 2,876	\$ 7,307	\$ 32,250
Net difference between projected and actual earnings on pension plan investments	2,424,504	11,408	245	2,511,733	4,947,890
Changes of assumptions	2,582,246	11,394	318	-	2,593,958
Changes in employer's proportionate percentage/difference between employer contributions and proportionate share of contributions	90,916	-	-	798,654	889,570
City contributions subsequent to the measurement date	1,223,738	42,902	44,424	1,789,269	3,100,333
Total deferred outflows of resources	<u>\$ 6,343,471</u>	<u>\$ 65,704</u>	<u>\$ 47,863</u>	<u>\$ 5,106,963</u>	<u>\$ 11,564,001</u>
Deferred inflows of resources:					
Differences between expected and actual experience	\$ 96,891	\$ 23,909	\$ -	\$ 59,469	\$ 180,269
Changes in employer's proportionate percentage/difference between employer contributions and proportionate share of contributions	349,017	-	-	53,633	402,650
Total deferred inflows of resources	<u>\$ 445,908</u>	<u>\$ 23,909</u>	<u>\$ -</u>	<u>\$ 113,102</u>	<u>\$ 582,919</u>

\$3,100,333 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, 2018.

CITY OF FINDLAY, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2017

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:	OPERS - Traditional	OPERS - Combined	OPERS - Member- Directed	OP&F	Total
2018	\$ 1,923,268	\$ 2,214	\$ 503	\$ 1,097,907	\$ 3,023,892
2019	1,971,747	2,214	503	1,097,907	3,072,371
2020	849,881	1,723	488	868,736	1,720,828
2021	(71,068)	(2,319)	399	(27,989)	(100,977)
2022	(3)	(1,894)	412	152,290	150,805
Thereafter	-	(3,045)	1,134	15,741	13,830
Total	\$ 4,673,825	\$ (1,107)	\$ 3,439	\$ 3,204,592	\$ 7,880,749

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 was determined by an actuarial valuation as of December 31, 2016, using the following actuarial assumptions applied to all prior periods included in the measurement in accordance with the requirements of GASB 67. In 2016, the Board's actuarial consultants conducted an experience study for the period 2011 through 2015, comparing assumptions to actual results. The experience study incorporates both a historical review and forward-looking projections to determine the appropriate set of assumptions to keep the plan on a path toward full funding. Information from this study led to changes in both demographic and economic assumptions, with the most notable being a reduction in the actuarially assumed rate of return from 8.00% down to 7.50%, for the defined benefit investments, decreasing the wage inflation from 3.75% to 3.25% and changing the future salary increases from a range of 4.25%-10.05% to 3.25%-10.75%. Key methods and assumptions used in the latest actuarial valuation, reflecting experience study results, are presented below.

Wage inflation	3.25%
Future salary increases, including inflation COLA or ad hoc COLA	3.25% to 10.75% including wage inflation Pre 1/7/2013 retirees: 3.00%, simple Post 1/7/2013 retirees: 3.00%, simple through 2018, then 2.15% simple
Investment rate of return	7.50%
Actuarial cost method	Individual entry age

CITY OF FINDLAY, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2017

NOTE 12 - DEFINED BENEFIT PENSION PLANS - (Continued)

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

The most recent experience study was completed for the five-year period ended December 31, 2015.

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

During 2016, OPERS managed investments in four investment portfolios: the Defined Benefit portfolio, the 401(h) Health Care Trust portfolio, the 115 Health Care Trust portfolio and the Defined Contribution portfolio. The 401(h) Health Care Trust portfolio was closed as of June 30, 2016 and the net position transferred to the 115 Health Care Trust portfolio on July 1, 2016. The Defined Benefit portfolio contains the investment assets of the Traditional Pension Plan, the defined benefit component of the Combined Plan and the annuitized accounts of the Member-Directed Plan. The Defined Benefit portfolio historically included the assets of the Member-Directed retiree medical accounts funded through the VEBA Trust. However, the VEBA Trust was closed as of June 30, 2016 and the net position transferred to the 115 Health Care Trust portfolio on July 1, 2016. Within the Defined Benefit portfolio, contributions into the plans are all recorded at the same time, and benefit payments all occur on the first of the month. Accordingly, the money-weighted rate of return is considered to be the same for all plans within the portfolio. The annual money-weighted rate of return expressing investment performance, net of investment expenses and adjusted for the changing amounts actually invested, for the Defined Benefit portfolio is 8.3% for 2016.

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 2016 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 %	2.75 %
Domestic equities	20.70	6.34
Real estate	10.00	4.75
Private equity	10.00	8.97
International equities	18.30	7.95
Other investments	18.00	4.92
Total	100.00 %	5.66 %

CITY OF FINDLAY, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2017

NOTE 12 - DEFINED BENEFIT PENSION PLANS - (Continued)

Discount Rate - The discount rate used to measure the total pension liability/asset was 7.50%, post-experience study results, for the Traditional Pension Plan, the Combined Plan and Member-Directed Plan. A discount rate of 8.00% was used in the previous measurement period. 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 contractually required rates, as actuarially determined. 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 for the Traditional Pension Plan, Combined Plan and Member-Directed Plan 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 7.50%, 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 (6.50%) or one-percentage-point higher (8.50%) than the current rate:

	1% Decrease (6.50%)	Current Discount Rate (7.50%)	1% Increase (8.50%)
City's proportionate share of the net pension liability (asset):			
Traditional Pension Plan	\$ 24,871,736	\$ 16,280,261	\$ 9,120,783
Combined Plan	3,360	(46,748)	(85,675)
Member-Directed Plan	678	(283)	(678)

Actuarial Assumptions – OP&F

OP&F's total pension liability as of December 31, 2016 is based on the results of an actuarial valuation date of January 1, 2016, 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, 2016, are presented below:

Valuation date	January 1, 2016
Actuarial cost method	Entry age normal
Investment rate of return	8.25%
Projected salary increases	4.25% - 11.00%
Payroll increases	3.75%
Inflation assumptions	3.25%
Cost of living adjustments	2.60% and 3.00% simple

CITY OF FINDLAY, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2017

NOTE 12 - DEFINED BENEFIT PENSION PLANS - (Continued)

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 for the five-year period ended December 31, 2016. The recommended assumption changes based on this experience study were adopted by OP&F's Board and were effective beginning with the January 1, 2017 actuarial valuation.

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 expected. Various real return premiums over the baseline inflation rate have been established for each asset class. The long-term expected nominal rate of return has been determined by calculating a weighted average of the expected real return premiums for each asset class, adding the projected inflation rate and adding the expected return from rebalancing uncorrelated asset classes.

Best estimates of the long-term expected geometric real rates of return for each major asset class included in OP&F's target asset allocation as of December 31, 2016 are summarized below:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>10 Year Expected Real Rate of Return **</u>	<u>30 Year Expected Real Rate of Return **</u>
Cash and Cash Equivalents	- %		
Domestic Equity	16.00	4.46 %	5.21 %
Non-US Equity	16.00	4.66	5.40
Core Fixed Income *	20.00	1.67	2.37
Global Inflation			
Protected Securities *	20.00	0.49	2.33
High Yield	15.00	3.33	4.48
Real Estate	12.00	4.71	5.65
Private Markets	8.00	7.31	7.99
Timber	5.00	6.87	6.87
Master Limited Partnerships	8.00	6.92	7.36
Total	<u>120.00 %</u>		

Note: assumptions are geometric.

* levered 2x

** numbers include inflation

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.

CITY OF FINDLAY, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2017

NOTE 12 - DEFINED BENEFIT PENSION PLANS - (Continued)

Discount Rate - The total pension liability was calculated using the discount rate of 8.25%. 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%. 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%, 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%), or one percentage point higher (9.25%) 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	\$ 34,400,842	\$ 25,828,710	\$ 18,563,796

Changes Between Measurement Date and Report Date - In October 2017, the OP&F Board adopted certain assumption changes which will impact their annual actuarial valuation prepared as of January 1, 2017. The most significant change is a reduction in the discount rate from 8.25% to 8.00%. Although the exact amount of these changes is not known, it has the potential to impact to the City’s net pension liability.

NOTE 13 - POSTRETIREMENT BENEFIT PLANS

A. Ohio Public Employees Retirement System

Plan Description - OPERS administers three separate pension plans: The Traditional Pension Plan—a cost-sharing, multiple-employer defined benefit pension plan; the Member Directed Plan—a defined contribution plan; and the Combined Plan—a cost-sharing, multiple-employer defined benefit pension plan that has elements of both a defined benefit and defined contribution plan.

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

In order to qualify for health care coverage, age-and-service retirees under the Traditional Pension and Combined plans must have 20 or more years of qualifying Ohio service credit. Health care coverage for disability benefit recipients and qualified survivor benefit recipients is available. The health care coverage provided by OPERS meets the definition of an Other Post Employment Benefit (OPEB) as described in GASB Statement 45. Please see the Plan Statement in the OPERS 2016 CAFR for details.

CITY OF FINDLAY, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2017

NOTE 13 - POSTRETIREMENT BENEFIT PLANS - (Continued)

The Ohio Revised Code permits, but does not require, OPERS to provide health care to its eligible benefit recipients. Authority to establish and amend health care coverage is provided to the OPERS Board of Trustees (OPERS Board) 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 2017, 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 2017 was 1.00%.

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, 2017, 2016, and 2015 were \$115,203, \$201,208, and \$193,634, respectively; 96.35% has been contributed for 2017 and 100% has been contributed for 2016 and 2015. The remaining 2017 post-employment health care benefits liability has been reported as due to other governments 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.

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 health care coverage provided by OP&F meets the definition of an Other Post Employment Benefit (OPEB) as described in GASB Statement 45.

CITY OF FINDLAY, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2017

NOTE 13 - POSTRETIREMENT BENEFIT PLANS - (Continued)

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 OP&F, 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. The portion of employer contributions allocated to health care was .5% of covered payroll from January 1, 2017 thru December 31, 2017. 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.

The City's contributions to OP&F which were allocated to fund post-employment healthcare benefits for police officers and firefighters were \$20,406 and \$21,571 for the year ended December 31, 2017, \$20,249 and \$21,653 for the year ended December 31, 2016, and \$19,444 and \$20,328, for the year ended December 31, 2015. 100% has been contributed for 2016 and 2015. 96.14% has been contributed for police and 96.16% has been contributed for firefighters for 2017. The remaining 2017 post-employment health care benefits liability has been reported as due to other governments payable on the basic financial statements.

CITY OF FINDLAY, OHIO

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2017**

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, 2017.

B. Contracts

As of December 31, 2017, the City had \$4,902,033 open on outstanding purchase orders and contracts. Of this amount, \$4,206,551 related to ongoing capital projects and the remaining amount of \$695,482 was for various departmental purchase orders outstanding at year end.

The City had no material operating lease commitments at December 31, 2017.

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.

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CITY OF FINDLAY, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2017

NOTE 15 - FUND BALANCE

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

Fund balance	General	Street Maintenance and Repair	Nonmajor Governmental Funds	Total Governmental Funds
Nonspendable:				
Materials and supplies inventory	\$ -	\$ 591,241	\$ -	\$ 591,241
Prepays	297,428	35,997	1,776	335,201
Permanent fund	-	-	1,392,401	1,392,401
Total nonspendable	<u>297,428</u>	<u>627,238</u>	<u>1,394,177</u>	<u>2,318,843</u>
Restricted:				
Capital projects	-	-	379,069	379,069
Debt service	-	-	350	350
Security of persons and property programs	-	-	72,001	72,001
General government operations	-	-	1,074,990	1,074,990
Transportation improvement projects	-	2,136,501	931,780	3,068,281
Economic development programs	-	-	1,021,097	1,021,097
Public health and welfare programs	-	-	14,846	14,846
Other purposes	2,170,077	-	-	2,170,077
Total restricted	<u>2,170,077</u>	<u>2,136,501</u>	<u>3,494,133</u>	<u>7,800,711</u>
Committed:				
Income tax administration	5,157,977	-	-	5,157,977
Future claims payments	1,277,462	-	-	1,277,462
Termination benefits	481,296	-	-	481,296
Total committed	<u>6,916,735</u>	<u>-</u>	<u>-</u>	<u>6,916,735</u>
Assigned:				
General government operations	283,764	-	-	283,764
Security of persons and property programs	85,571	-	-	85,571
Public health and welfare programs	15,710	-	-	15,710
Recreation activities	53,119	-	-	53,119
Subsequent year appropriations	1,673,503	-	-	1,673,503
Total assigned	<u>2,111,667</u>	<u>-</u>	<u>-</u>	<u>2,111,667</u>
Unassigned	<u>11,518,357</u>	<u>-</u>	<u>-</u>	<u>11,518,357</u>
Total fund balances	<u>\$ 23,014,264</u>	<u>\$ 2,763,739</u>	<u>\$ 4,888,310</u>	<u>\$ 30,666,313</u>

CITY OF FINDLAY, OHIO

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2017**

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>	Year-End <u>Encumbrances</u>
General fund	\$ 2,708,656
Street Maintenance and Repair	366,973
Nonmajor governmental funds	<u>21,540</u>
Total	<u>\$ 3,097,169</u>

REQUIRED SUPPLEMENTARY INFORMATION

CITY OF FINDLAY, OHIO

SCHEDULES OF REQUIRED SUPPLEMENTARY INFORMATION

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

LAST FOUR YEARS

	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
<i>Traditional Plan:</i>				
City's proportion of the net pension liability	0.071693%	0.074731%	0.073644%	0.073644%
City's proportionate share of the net pension liability	\$ 16,280,261	\$ 12,944,351	\$ 8,882,289	\$ 8,681,668
City's covered payroll	\$ 8,945,575	\$ 9,346,308	\$ 9,055,017	\$ 8,853,146
City's proportionate share of the net pension liability as a percentage of its covered payroll	181.99%	138.50%	98.09%	98.06%
Plan fiduciary net position as a percentage of the total pension liability	77.25%	81.08%	86.45%	86.36%
<i>Combined Plan:</i>				
City's proportion of the net pension asset	0.083995%	0.091580%	0.095661%	0.095661%
City's proportionate share of the net pension asset	\$ 46,749	\$ 44,565	\$ 36,833	\$ 10,038
City's covered payroll	\$ 322,600	\$ 335,367	\$ 349,675	\$ 370,431
City's proportionate share of the net pension asset as a percentage of its covered payroll	14.49%	13.29%	10.53%	2.71%
Plan fiduciary net position as a percentage of the total pension asset	116.55%	116.90%	114.83%	104.56%
<i>Member Directed Plan:</i>				
City's proportion of the net pension asset	0.067822%	0.061922%	n/a	n/a
City's proportionate share of the net pension asset	\$ 283	\$ 237	n/a	n/a
City's covered payroll	\$ 278,725	\$ 344,858	n/a	n/a
City's proportionate share of the net pension asset as a percentage of its covered payroll	0.10%	0.07%	n/a	n/a
Plan fiduciary net position as a percentage of the total pension asset	103.40%	103.91%	n/a	n/a

Note: Information prior to 2014 was unavailable. Schedule is intended to show information for 10 years. Additional years will be displayed as they become available.

Amounts presented for each year were determined as of the City's measurement date which is the prior year-end.

SEE ACCOMPANYING NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION

CITY OF FINDLAY, OHIO

SCHEDULES 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 FOUR YEARS

	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
City's proportion of the net pension liability	0.40778600%	0.38890400%	0.39059080%	0.39059080%
City's proportionate share of the net pension liability	\$ 25,828,710	\$ 25,018,483	\$ 20,234,232	\$ 19,022,998
City's covered payroll	\$ 8,380,369	\$ 7,852,007	\$ 7,669,047	\$ 7,579,883
City's proportionate share of the net pension liability as a percentage of its covered payroll	308.20%	318.63%	263.84%	250.97%
Plan fiduciary net position as a percentage of the total pension liability	68.36%	66.77%	72.20%	73.00%

Note: Information prior to 2014 was unavailable. Schedule is intended to show information for 10 years. Additional years will be displayed as they become available.

Amounts presented for each year were determined as of the City's measurement date which is the prior year-end.

SEE ACCOMPANYING NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION

CITY OF FINDLAY, OHIO

SCHEDULES OF REQUIRED SUPPLEMENTARY INFORMATION

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

LAST EIGHT YEARS

	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
<i>Traditional Plan:</i>				
Contractually required contribution	\$ 1,223,738	\$ 1,073,469	\$ 1,121,557	\$ 1,086,602
Contributions in relation to the contractually required contribution	<u>(1,223,738)</u>	<u>(1,073,469)</u>	<u>(1,121,557)</u>	<u>(1,086,602)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
City's covered payroll	\$ 9,413,369	\$ 8,945,575	\$ 9,346,308	\$ 9,055,017
Contributions as a percentage of covered payroll	13.00%	12.00%	12.00%	12.00%
<i>Combined Plan:</i>				
Contractually required contribution	\$ 42,902	\$ 38,712	\$ 40,244	\$ 41,961
Contributions in relation to the contractually required contribution	<u>(42,902)</u>	<u>(38,712)</u>	<u>(40,244)</u>	<u>(41,961)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
City's covered payroll	\$ 330,015	\$ 322,600	\$ 335,367	\$ 349,675
Contributions as a percentage of covered payroll	13.00%	12.00%	12.00%	12.00%
<i>Member Directed Plan:</i>				
Contractually required contribution	\$ 44,424	\$ 33,447	\$ 41,383	
Contributions in relation to the contractually required contribution	<u>(44,424)</u>	<u>(33,447)</u>	<u>(41,383)</u>	
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	
City's covered payroll	\$ 444,240	\$ 278,725	\$ 344,858	
Contributions as a percentage of covered payroll	10.00%	12.00%	12.00%	

Note: Information prior to 2010 was unavailable for the Traditional plan and Combined Plan and 2015 for the Member Directed Plan. Schedule is intended to show information for 10 years. Additional years will be displayed as they become available.

SEE ACCOMPANYING NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION

<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>
\$ 1,150,909	\$ 940,601	\$ 925,667	\$ 802,628
<u>(1,150,909)</u>	<u>(940,601)</u>	<u>(925,667)</u>	<u>(802,628)</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
\$ 8,853,146	\$ 9,406,010	\$ 9,256,670	\$ 8,998,072
13.00%	10.00%	10.00%	8.92%
\$ 48,156	\$ 32,539	\$ 31,362	\$ 33,121
<u>(48,156)</u>	<u>(32,539)</u>	<u>(31,362)</u>	<u>(33,121)</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
\$ 370,431	\$ 409,296	\$ 394,491	\$ 341,806
13.00%	7.95%	7.95%	9.69%

CITY OF FINDLAY, OHIO

SCHEDULES OF REQUIRED SUPPLEMENTARY INFORMATION

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

LAST TEN YEARS

	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
<i>Police:</i>				
Contractually required contribution	\$ 775,415	\$ 769,461	\$ 719,427	\$ 674,939
Contributions in relation to the contractually required contribution	<u>(775,415)</u>	<u>(769,461)</u>	<u>(719,427)</u>	<u>(674,939)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
City's covered payroll	\$ 4,081,132	\$ 4,049,795	\$ 3,786,458	\$ 3,552,311
Contributions as a percentage of covered payroll	19.00%	19.00%	19.00%	19.00%
 <i>Fire:</i>				
Contractually required contribution	\$ 1,013,854	\$ 1,017,685	\$ 955,404	\$ 967,433
Contributions in relation to the contractually required contribution	<u>(1,013,854)</u>	<u>(1,017,685)</u>	<u>(955,404)</u>	<u>(967,433)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
City's covered payroll	\$ 4,314,272	\$ 4,330,574	\$ 4,065,549	\$ 4,116,736
Contributions as a percentage of covered payroll	23.50%	23.50%	23.50%	23.50%

SEE ACCOMPANYING NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION

<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>
\$ 555,430	\$ 496,149	\$ 475,227	\$ 470,011	\$ 481,420	\$ 525,904
<u>(555,430)</u>	<u>(496,149)</u>	<u>(475,227)</u>	<u>(470,011)</u>	<u>(481,420)</u>	<u>(525,904)</u>
<u>\$ -</u>					
\$ 3,497,670	\$ 3,891,365	\$ 3,727,271	\$ 3,686,361	\$ 3,775,843	\$ 4,124,737
15.88%	12.75%	12.75%	12.75%	12.75%	12.75%
\$ 831,955	\$ 737,512	\$ 751,090	\$ 758,063	\$ 706,056	\$ 708,094
<u>(831,955)</u>	<u>(737,512)</u>	<u>(751,090)</u>	<u>(758,063)</u>	<u>(706,056)</u>	<u>(708,094)</u>
<u>\$ -</u>					
\$ 4,082,213	\$ 4,275,432	\$ 4,354,145	\$ 4,394,568	\$ 4,093,078	\$ 4,104,893
20.38%	17.25%	17.25%	17.25%	17.25%	17.25%

CITY OF FINDLAY, OHIO

**NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
FOR THE YEAR ENDED DECEMBER 31, 2017**

OHIO PUBLIC EMPLOYEES RETIREMENT SYSTEM (OPERS)

Changes in benefit terms : There were no changes in benefit terms from the amounts reported for 2014-2017.

Changes in assumptions : There were no changes in methods and assumptions used in the calculation of actuarial determined contributions for 2014-2016. For 2017, the following were the most significant changes of assumptions that affected the total pension liability since the prior measurement date: (a) reduction in the actuarially assumed rate of return from 8.00% down to 7.50%, (b) for defined benefit investments, decreasing the wage inflation from 3.75% to 3.25% and (c) changing the future salary increases from a range of 4.25%-10.05% to 3.25%-10.75%.

OHIO POLICE AND FIRE (OP&F) PENSION FUND

Changes in benefit terms : There were no changes in benefit terms from the amounts reported for 2014-2017.

Changes in assumptions : There were no changes in methods and assumptions used in the calculation of actuarial determined contributions for 2014-2017. 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, 2017 AND 2016

	<u>2017</u>	<u>2016</u>
Assets:		
Equity in pooled cash and investments	\$ 19,640,231	\$ 19,405,127
Cash in segregated accounts.	37,871	45,078
Receivables (net of allowances of uncollectibles).	8,449,887	10,261,752
Due from other governments	332,695	376,457
Prepayments	297,428	318,444
Restricted assets:		
Equity in pooled cash and investments	2,919,942	4,970,944
Total assets.	<u>\$ 31,678,054</u>	<u>\$ 35,377,802</u>
Liabilities:		
Accounts payable	\$ 1,264,409	\$ 1,232,987
Accrued wages and benefits	494,839	477,174
Insurance deposits payable.	258,079	214,438
Compensated absences payable	124,580	82,538
Due to other governments	35,497	39,479
Total liabilities	<u>2,177,404</u>	<u>2,046,616</u>
Deferred inflows of resources:		
Property taxes levied for the next fiscal year.	2,171,471	2,162,687
Charges for services revenue not available	27,887	252,939
Income tax revenue not available	3,995,182	5,673,870
Intergovernmental revenue not available	291,846	337,284
Total deferred inflows of resources	<u>6,486,386</u>	<u>8,426,780</u>
Total liabilities and deferred inflows of resources.	<u>8,663,790</u>	<u>10,473,396</u>
Fund balance:		
Nonspendable.	297,428	318,444
Restricted	2,170,077	1,026,629
Committed	6,916,735	8,966,662
Assigned	2,111,667	1,182,289
Unassigned	11,518,357	13,410,382
Total fund balance.	<u>23,014,264</u>	<u>24,904,406</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 31,678,054</u>	<u>\$ 35,377,802</u>

CITY OF FINDLAY, OHIO

COMPARATIVE BALANCE SHEET
STREET MAINTENANCE AND REPAIR FUND

DECEMBER 31, 2017 AND 2016

	<u>2017</u>	<u>2016</u>
Assets:		
Equity in pooled cash and investments	\$ 2,205,947	\$ 1,635,343
Cash with escrow agent	220,229	77,154
Receivables (net of allowances of uncollectibles)	1,808	2,723
Due from other governments	846,029	843,152
Prepayments	35,997	37,930
Materials and supplies inventory	591,241	734,282
Total assets.	<u>\$ 3,901,251</u>	<u>\$ 3,330,584</u>
Liabilities:		
Accounts payable	\$ 110,276	\$ 159,155
Retainage payable	220,229	77,154
Accrued wages and benefits	58,205	51,630
Insurance deposits payable.	22,775	18,042
Total liabilities	<u>411,485</u>	<u>305,981</u>
Deferred inflows of resources:		
Charges for services revenue not available	540	1,791
Intergovernmental revenue not available	725,487	714,212
Total deferred inflows of resources	<u>726,027</u>	<u>716,003</u>
Total liabilities and deferred inflows of resources	<u>1,137,512</u>	<u>1,021,984</u>
Fund balance:		
Nonspendable.	627,238	772,212
Restricted	2,136,501	1,536,388
Total fund balance	<u>2,763,739</u>	<u>2,308,600</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 3,901,251</u>	<u>\$ 3,330,584</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, 2017

(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED DECEMBER 31, 2016)

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with</u>	<u>2016</u>
	<u>Original</u>	<u>Final</u>		<u>Final Budget</u>	
				<u>Positive</u>	
				<u>(Negative)</u>	
Revenues:					
Property and other local taxes	\$ 2,233,573	\$ 2,943,948	\$ 2,674,433	\$ (269,515)	\$ 2,520,008
Charges for services	1,181,499	1,557,269	1,414,703	(142,566)	1,392,751
Licenses and permits.	326,822	430,766	391,330	(39,436)	410,927
Fines and forfeitures.	1,149,641	1,515,278	1,376,557	(138,721)	1,190,105
Intergovernmental	1,888,325	2,488,897	2,261,042	(227,855)	1,625,540
Investment income	214,498	282,718	256,836	(25,882)	137,915
Increase (decrease) in fair value of investments	(48,296)	(63,657)	(57,829)	5,828	54,343
Rental income.	61,410	80,941	73,531	(7,410)	65,907
Contributions and donations	918,819	1,211,044	1,100,175	(110,869)	10,872
Reimbursements.	964,268	1,270,948	1,154,595	(116,353)	894,261
Other	29,221	38,515	34,989	(3,526)	23,152
Total revenues	8,919,780	11,756,667	10,680,362	(1,076,305)	8,325,781
Expenditures:					
General government					
Council					
Personal services	118,939	118,758	116,866	1,892	114,713
Other	37,498	37,498	26,329	11,169	36,287
Mayors office					
Personal services	255,314	251,465	232,984	18,481	195,332
Other	71,512	72,712	50,076	22,636	49,474
Auditor/treasurer					
Personal services	537,444	539,338	479,570	59,768	467,764
Other	130,122	145,881	119,110	26,771	137,308
Law director					
Personal services	464,099	467,825	445,756	22,069	448,356
Other	150,457	150,457	117,115	33,342	141,175
Municipal court					
Personal services	1,594,522	1,598,529	1,504,863	93,666	1,296,334
Other	405,540	392,990	229,304	163,686	393,691
Civil service					
Personal services	87,411	87,189	85,220	1,969	80,949
Other	39,734	39,734	28,523	11,211	21,958
Computer services					
Personal services	218,590	218,590	199,767	18,823	179,777
Other	123,053	123,053	97,672	25,381	77,383
Service director					
Personal services	196,860	123,312	114,185	9,127	188,180
Other	58,147	48,147	39,495	8,652	33,152
Engineering department					
Personal services	579,791	585,469	537,301	48,168	571,336
Other	162,018	169,018	102,387	66,631	113,205
General miscellaneous operations					
Other	2,236,400	2,334,751	2,027,373	307,378	2,095,779
Human resources department					
Personal services	107,002	107,832	106,822	1,010	101,441
Other	58,872	58,322	42,658	15,664	40,642
Public building department					
Personal services	63,465	63,573	62,595	978	68,161
Other	364,561	416,349	299,247	117,102	212,597
Projects					
Other	-	82,119	82,119	-	542,605
Total general government	8,061,351	8,232,911	7,147,337	1,085,574	7,607,599

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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, 2017
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED DECEMBER 31, 2016)

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with</u>	<u>2016</u>
	<u>Original</u>	<u>Final</u>		<u>Final Budget</u>	
				<u>Positive</u>	
				<u>(Negative)</u>	
Security of persons and property					
Police department					
Personal services	6,725,347	6,731,320	6,071,564	659,756	5,944,680
Other	620,795	624,726	480,272	144,454	414,027
Disaster services					
Other	51,343	51,343	44,643	6,700	49,344
Fire department					
Personal services	7,075,279	7,150,970	6,456,672	694,298	6,350,399
Other	389,159	394,543	346,170	48,373	348,139
Safety director					
Personal services	-	70,000	64,713	5,287	-
Other	-	10,242	3,131	7,111	-
Dispatch					
Personal services	920,161	918,837	875,169	43,668	817,902
Other	261,450	261,488	131,599	129,889	126,619
Work Opportunity Rehabilitation Center (WORC)					
Personal services	70,643	23,358	23,180	178	62,884
Other	292,786	259,404	81,453	177,951	272,873
Projects					
Other	-	144,918	144,918	-	-
Total security of persons and property	<u>16,406,963</u>	<u>16,641,149</u>	<u>14,723,484</u>	<u>1,917,665</u>	<u>14,386,867</u>
Public health and welfare					
Planning and zoning					
Other	147,627	153,627	147,447	6,180	146,545
Public health department					
Personal services	-	-	-	-	114,152
Other	-	-	-	-	146
Zoning department					
Personal services	175,201	220,327	207,647	12,680	108,500
Other	20,493	33,760	16,329	17,431	12,824
Neighborhood Enhancement and Abatement Team (NEAT)					
Personal services	71,778	73,694	71,932	1,762	71,732
Other	33,024	42,869	22,441	20,428	19,354
Cemetery department					
Personal services	245,561	256,401	252,283	4,118	226,549
Other	81,295	69,795	61,793	8,002	73,924
Projects					
Other	-	6,372	6,372	-	843,721
Total public health and welfare	<u>774,979</u>	<u>856,845</u>	<u>786,244</u>	<u>70,601</u>	<u>1,617,447</u>

-- 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, 2017
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED DECEMBER 31, 2016)

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with</u>	<u>2016</u>
	<u>Original</u>	<u>Final</u>		<u>Final Budget</u> <u>Positive</u> <u>(Negative)</u>	
Leisure time activities					
Park maintenance					
Personal services	410,721	425,007	418,073	6,934	367,778
Other	179,507	169,796	117,881	51,915	158,225
Reservoir recreation					
Other	5,066	5,066	3,771	1,295	3,542
Recreation department					
Personal services	399,351	405,313	361,509	43,804	325,127
Other	545,299	560,600	450,796	109,804	482,765
Projects					
Other	-	23,625	23,625	-	2,230
Total leisure time activities	<u>1,539,944</u>	<u>1,589,407</u>	<u>1,375,655</u>	<u>213,752</u>	<u>1,339,667</u>
Capital outlay					
Security of persons and property.	-	792,125	790,225	1,900	860,083
Public health and welfare	-	118,217	118,217	-	303,022
Transportation	-	108,683	108,683	-	492,862
Leisure time activities	-	343,829	302,904	40,925	948,677
General government	-	3,070,252	3,070,077	175	1,004,504
Total capital outlay	<u>-</u>	<u>4,433,106</u>	<u>4,390,106</u>	<u>43,000</u>	<u>3,609,148</u>
Total expenditures	<u>26,783,237</u>	<u>31,753,418</u>	<u>28,422,826</u>	<u>3,330,592</u>	<u>28,560,728</u>
Excess of expenditures over revenues	<u>(17,863,457)</u>	<u>(19,996,751)</u>	<u>(17,742,464)</u>	<u>2,254,287</u>	<u>(20,234,947)</u>
Other financing sources (uses):					
Sale of capital assets	-	-	-	-	300
Transfers in	17,875,494	23,560,696	21,403,750	(2,156,946)	22,469,192
Transfers out	(927,000)	(3,484,707)	(3,484,707)	-	(2,852,750)
Total other financing sources (uses).	<u>16,948,494</u>	<u>20,075,989</u>	<u>17,919,043</u>	<u>(2,156,946)</u>	<u>19,616,742</u>
Net change in fund balance	(914,963)	79,238	176,579	97,341	(618,205)
Fund balance, January 1	17,216,905	17,216,905	17,216,905	-	17,571,098
(Decrease) in prepaids	(27,954)	(27,954)	(27,954)	-	264,012
Fund balance, December 31	<u>\$ 16,273,988</u>	<u>\$ 17,268,189</u>	<u>\$ 17,365,530</u>	<u>\$ 97,341</u>	<u>\$ 17,216,905</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, 2017
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED DECEMBER 31, 2016)

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with</u>	<u>2016</u>
	<u>Original</u>	<u>Final</u>		<u>Final Budget</u>	
				<u>Positive</u>	
				<u>(Negative)</u>	
Revenues:					
Property and other local taxes	\$ 182	\$ 566	\$ 580	\$ 14	\$ 655
Charges for services	17,977	55,825	57,232	1,407	114,860
Intergovernmental	928,046	2,881,906	2,954,516	72,610	2,446,632
Investment income	2,957	9,182	9,413	231	5,843
Rental income	2,288	7,106	7,285	179	5,191
Reimbursements.	9,715	30,167	30,927	760	21,389
Other	4,175	12,966	13,293	327	22,668
Total revenues	965,340	2,997,718	3,073,246	75,528	2,617,238
Expenditures:					
Current:					
Transportation					
Street department					
Personal services	1,927,663	1,927,663	1,889,149	38,514	1,791,444
Other	695,611	658,673	468,133	190,540	574,088
Traffic signals					
Personal services	153,167	153,167	149,796	3,371	145,254
Other	121,759	128,079	112,207	15,872	118,417
Projects					
Other	-	406,015	406,015	-	-
Total transportation.	2,898,200	3,273,597	3,025,300	248,297	2,629,203
Capital outlay					
Street improvements	-	4,636,254	4,632,768	3,486	2,734,186
Traffic signals	-	115,650	115,394	256	299,833
Storm sewers.	-	323,322	323,322	-	491,716
Total capital outlay	-	5,075,226	5,071,484	3,742	3,525,735
Total expenditures	2,898,200	8,348,823	8,096,784	252,039	6,154,938
Excess of expenditures over revenues	(1,932,860)	(5,351,105)	(5,023,538)	327,567	(3,537,700)
Other financing sources (uses):					
Transfers in	1,790,245	5,559,334	5,699,402	140,068	3,472,516
Transfers out	-	(75,751)	(75,751)	-	(130,791)
Total other financing sources (uses)	1,790,245	5,483,583	5,623,651	140,068	3,341,725
Net change in fund balance	(142,615)	132,478	600,113	467,635	(195,975)
Fund balance, January 1	2,308,600	2,308,600	2,308,600	-	2,400,138
Increase (decrease) in reserve for inventory	(143,041)	(143,041)	(143,041)	-	77,480
Increase (decrease) in prepaids.	(1,933)	(1,933)	(1,933)	-	26,957
Fund balance, December 31	\$ 2,021,011	\$ 2,296,104	\$ 2,763,739	\$ 467,635	\$ 2,308,600

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 2017, 80% was transferred to the general fund and 20% 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, 2017

	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	\$ 1,781,360	\$ 1,414	\$ 378,466	\$ 1,405,652	\$ 3,566,892
Cash in segregated accounts.	250,541	-	-	-	250,541
Cash with fiduciary agent	604,500	-	-	-	604,500
Cash with escrow agent.	-	33,128	-	-	33,128
Receivables (net of allowances of uncollectibles).	977,093	266,732	11,610	1,595	1,257,030
Due from other governments	94,771	-	-	-	94,771
Prepayments	1,776	-	-	-	1,776
Total assets	\$ 3,710,041	\$ 301,274	\$ 390,076	\$ 1,407,247	\$ 5,808,638
Liabilities:					
Accounts payable	\$ 14,180	\$ -	\$ 11,007	\$ -	\$ 25,187
Accrued wages and benefits payable.	3,452	-	-	-	3,452
Insurance deposits payable	2,256	-	-	-	2,256
Matured bonds payable	-	33,128	-	-	33,128
Total liabilities	19,888	33,128	11,007	-	64,023
Deferred inflows of resources:					
Property taxes levied for the next fiscal year.	503,512	-	-	-	503,512
TIF revenue levied for next fiscal year	-	150,894	-	-	150,894
Special assessments revenue not available.	-	116,902	-	-	116,902
Intergovernmental revenue not available	84,997	-	-	-	84,997
Total deferred inflows of resources	588,509	267,796	-	-	856,305
Fund balance:					
Nonspendable	1,776	-	-	1,392,401	1,394,177
Restricted	3,099,868	350	379,069	14,846	3,494,133
Total fund balance.	3,101,644	350	379,069	1,407,247	4,888,310
Total liabilities, deferred inflows of resources and fund balances	\$ 3,710,041	\$ 301,274	\$ 390,076	\$ 1,407,247	\$ 5,808,638

CITY OF FINDLAY, OHIO

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

FOR THE YEAR ENDED DECEMBER 31, 2017

	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	\$ 462,680	\$ -	\$ -	\$ -	\$ 462,680
Charges for services	404,418	-	-	25,500	429,918
Fines and forfeitures	174,649	-	207,889	-	382,538
Intergovernmental	405,261	17,210	-	-	422,471
Special assessments	-	22,868	-	-	22,868
Investment income	19,767	-	-	14,846	34,613
Contributions and donations	-	15,000	-	-	15,000
Reimbursements	1,110	-	-	-	1,110
Tax increment financing	-	45,818	-	-	45,818
Total revenues	1,467,885	100,896	207,889	40,346	1,817,016
Expenditures:					
Current:					
General government	546,608	-	-	-	546,608
Security of persons and property.	506,212	-	-	-	506,212
Public health and welfare.	-	-	-	14,163	14,163
Transportation	77,349	-	-	-	77,349
Capital outlay	3,732	-	24,829	-	28,561
Debt service:					
Principal retirement	-	476,179	-	-	476,179
Interest and fiscal charges.	-	197,578	-	-	197,578
Total expenditures.	1,133,901	673,757	24,829	14,163	1,846,650
Excess (deficiency) of revenues over (under) expenditures.	333,984	(572,861)	183,060	26,183	(29,634)
Other financing sources (uses):					
Transfers in	-	764,585	4,204	-	768,789
Transfers out	(129,798)	(208,707)	(34,083)	-	(372,588)
Total other financing sources (uses)	(129,798)	555,878	(29,879)	-	396,201
Net change in fund balances	204,186	(16,983)	153,181	26,183	366,567
Fund balances, January 1	2,897,279	17,333	225,888	1,381,064	4,521,564
Increase in reserve for prepaids	179	-	-	-	179
Fund balances, December 31	\$ 3,101,644	\$ 350	\$ 379,069	\$ 1,407,247	\$ 4,888,310

CITY OF FINDLAY, OHIO

COMBINING BALANCE SHEET
NONMAJOR SPECIAL REVENUE FUNDS

DECEMBER 31, 2017
(WITH COMPARATIVE TOTALS FOR DECEMBER 31, 2016)

	<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	\$ 7,155	\$ 317,013	\$ 590	\$ 37
Cash in segregated accounts	-	-	-	-
Cash with fiduciary agent	604,500	-	-	-
Receivables (net of allowances of uncollectibles) . .	-	496	-	-
Due from other governments	-	68,597	-	-
Prepayments	-	-	-	-
Total assets	<u>\$ 611,655</u>	<u>\$ 386,106</u>	<u>\$ 590</u>	<u>\$ 37</u>
Liabilities:				
Accounts payable	\$ -	\$ 7,158	\$ -	\$ -
Accrued wages and benefits	-	-	-	-
Insurance deposits payable	-	-	-	-
Total liabilities	<u>-</u>	<u>7,158</u>	<u>-</u>	<u>-</u>
Deferred inflows of resources:				
Property taxes levied for the next fiscal year	-	-	-	-
Intergovernmental revenue not available	-	58,823	-	-
Total deferred inflows of resources	<u>-</u>	<u>58,823</u>	<u>-</u>	<u>-</u>
Fund balance:				
Nonspendable	-	-	-	-
Restricted	<u>611,655</u>	<u>320,125</u>	<u>590</u>	<u>37</u>
Total fund balance	<u>611,655</u>	<u>320,125</u>	<u>590</u>	<u>37</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 611,655</u>	<u>\$ 386,106</u>	<u>\$ 590</u>	<u>\$ 37</u>

Indigent Drivers Alcohol Treatment	Enforcement and Education	Court Special Projects	Court Computerization	METRICH Drug Law Enforcement Trust	Alcohol Monitoring	Mediation Services	Electronic Imaging
\$ 263,358	\$ 57,931	\$ 328,634	\$ 97,734	\$ 3,610	\$ 98,847	\$ 100,674	\$ 148,049
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
424	173	19,041	3,631	-	2,088	1,149	3,650
-	-	-	-	-	-	-	-
-	-	1,277	-	-	-	-	499
<u>\$ 263,782</u>	<u>\$ 58,104</u>	<u>\$ 348,952</u>	<u>\$ 101,365</u>	<u>\$ 3,610</u>	<u>\$ 100,935</u>	<u>\$ 101,823</u>	<u>\$ 152,198</u>
\$ -	\$ -	\$ 1,186	\$ -	\$ -	\$ 3,429	\$ 554	\$ 1,853
-	-	2,362	-	-	-	-	1,090
-	-	1,948	-	-	-	-	308
-	-	5,496	-	-	3,429	554	3,251
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	1,277	-	-	-	-	499
<u>263,782</u>	<u>58,104</u>	<u>342,179</u>	<u>101,365</u>	<u>3,610</u>	<u>97,506</u>	<u>101,269</u>	<u>148,448</u>
<u>263,782</u>	<u>58,104</u>	<u>343,456</u>	<u>101,365</u>	<u>3,610</u>	<u>97,506</u>	<u>101,269</u>	<u>148,947</u>
<u>\$ 263,782</u>	<u>\$ 58,104</u>	<u>\$ 348,952</u>	<u>\$ 101,365</u>	<u>\$ 3,610</u>	<u>\$ 100,935</u>	<u>\$ 101,823</u>	<u>\$ 152,198</u>

(Continued)

CITY OF FINDLAY, OHIO

COMBINING BALANCE SHEET
NONMAJOR SPECIAL REVENUE FUNDS (CONTINUED)

DECEMBER 31, 2017
(WITH COMPARATIVE TOTALS FOR DECEMBER 31, 2016)

	<u>Legal Research</u>	<u>Police Pension</u>	<u>Fire Pension</u>	<u>Revolving Loan</u>
Assets:				
Equity in pooled cash and investments	\$ 20,440	\$ 4,830	\$ 4,830	\$ 327,628
Cash in segregated accounts	-	-	-	250,541
Cash with fiduciary agent.	-	-	-	-
Receivables (net of allowances of uncollectibles) . .	1	251,756	251,756	442,928
Due from other governments	-	13,087	13,087	-
Prepayments.	-	-	-	-
Total assets	<u>\$ 20,441</u>	<u>\$ 269,673</u>	<u>\$ 269,673</u>	<u>\$ 1,021,097</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.	-	251,756	251,756	-
Intergovernmental revenue not available	-	13,087	13,087	-
Total deferred inflows of resources	<u>-</u>	<u>264,843</u>	<u>264,843</u>	<u>-</u>
Fund balance:				
Nonspendable.	-	-	-	-
Restricted	<u>20,441</u>	<u>4,830</u>	<u>4,830</u>	<u>1,021,097</u>
Total fund balance	<u>20,441</u>	<u>4,830</u>	<u>4,830</u>	<u>1,021,097</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 20,441</u>	<u>\$ 269,673</u>	<u>\$ 269,673</u>	<u>\$ 1,021,097</u>

Totals

<u>2017</u>	<u>2016</u>
\$ 1,781,360	\$ 1,257,296
250,541	250,541
604,500	529,460
977,093	1,363,547
94,771	90,686
1,776	1,608
<u>\$ 3,710,041</u>	<u>\$ 3,493,138</u>
\$ 14,180	\$ 10,074
3,452	2,270
2,256	1,956
<u>19,888</u>	<u>14,300</u>
503,512	501,328
84,997	80,231
<u>588,509</u>	<u>581,559</u>
1,776	1,608
<u>3,099,868</u>	<u>2,895,671</u>
<u>3,101,644</u>	<u>2,897,279</u>
<u>\$ 3,710,041</u>	<u>\$ 3,493,138</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, 2017
(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED DECEMBER 31, 2016)

	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	211,993	140,852	-	-
Investment income	-	2,460	-	-
Reimbursements	-	-	-	-
Total revenues	211,993	143,312	-	-
Expenditures:				
Current:				
General government	-	-	-	-
Security of persons and property	-	-	-	-
Transportation	-	77,349	-	-
Capital outlay	-	-	-	-
Total expenditures.	-	77,349	-	-
Excess (deficiency) of revenues over (under) expenditures.	211,993	65,963	-	-
Other financing uses:				
Transfers out	(129,798)	-	-	-
Net change in fund balances	82,195	65,963	-	-
Fund balances, January 1	529,460	254,162	590	37
Increase in prepaids.	-	-	-	-
Fund balances, December 31.	\$ 611,655	\$ 320,125	\$ 590	\$ 37

Indigent Drivers Alcohol Treatment	Enforcement and Education	Court Special Projects	Court Computerization	METRICH Drug Law Enforcement Trust	Alcohol Monitoring	Mediation Services	Electronic Imaging
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	339,108	65,310	-	-	-	-
26,087	3,289	-	-	-	59,277	20,583	65,343
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	267	-	-	-	-	843
<u>26,087</u>	<u>3,289</u>	<u>339,375</u>	<u>65,310</u>	<u>-</u>	<u>59,277</u>	<u>20,583</u>	<u>66,186</u>
-	-	236,274	82,714	-	69,704	2,404	46,770
-	776	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	3,732	-	-	-	-	-
<u>-</u>	<u>776</u>	<u>240,006</u>	<u>82,714</u>	<u>-</u>	<u>69,704</u>	<u>2,404</u>	<u>46,770</u>
<u>26,087</u>	<u>2,513</u>	<u>99,369</u>	<u>(17,404)</u>	<u>-</u>	<u>(10,427)</u>	<u>18,179</u>	<u>19,416</u>
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>26,087</u>	<u>2,513</u>	<u>99,369</u>	<u>(17,404)</u>	<u>-</u>	<u>(10,427)</u>	<u>18,179</u>	<u>19,416</u>
237,695	55,591	243,924	118,769	3,610	107,933	83,090	129,515
-	-	163	-	-	-	-	16
<u>\$ 263,782</u>	<u>\$ 58,104</u>	<u>\$ 343,456</u>	<u>\$ 101,365</u>	<u>\$ 3,610</u>	<u>\$ 97,506</u>	<u>\$ 101,269</u>	<u>\$ 148,947</u>

(Continued)

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, 2017
(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED DECEMBER 31, 2016)

	<u>Legal Research</u>	<u>Police Pension</u>	<u>Fire Pension</u>	<u>Revolving Loan</u>
Revenues:				
Property and other local taxes	\$ -	\$ 231,340	\$ 231,340	\$ -
Charges for services	-	-	-	-
Fines and forfeitures	70	-	-	-
Intergovernmental	-	26,208	26,208	-
Investment income	-	-	-	17,307
Reimbursements	-	-	-	-
Total revenues	<u>70</u>	<u>257,548</u>	<u>257,548</u>	<u>17,307</u>
Expenditures:				
Current:				
General government	-	-	-	108,742
Security of persons and property	-	252,718	252,718	-
Transportation	-	-	-	-
Capital outlay	-	-	-	-
Total expenditures	<u>-</u>	<u>252,718</u>	<u>252,718</u>	<u>108,742</u>
Excess (deficiency) of revenues over (under) expenditures.	<u>70</u>	<u>4,830</u>	<u>4,830</u>	<u>(91,435)</u>
Other financing uses:				
Transfers out	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	70	4,830	4,830	(91,435)
Fund balances, January 1	20,371	-	-	1,112,532
Increase in prepaids.	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balances, December 31.	<u>\$ 20,441</u>	<u>\$ 4,830</u>	<u>\$ 4,830</u>	<u>\$ 1,021,097</u>

Totals

<u>2017</u>	<u>2016</u>
\$ 462,680	\$ 435,816
404,418	335,160
174,649	137,192
405,261	405,111
19,767	21,931
1,110	506
1,467,885	1,335,716
546,608	328,979
506,212	487,579
77,349	44,458
3,732	-
1,133,901	861,016
333,984	474,700
(129,798)	(128,881)
204,186	345,819
2,897,279	2,549,863
179	1,597
\$ 3,101,644	\$ 2,897,279

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, 2017
 (WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED DECEMBER 31, 2016)

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with</u>	<u>2016</u>
	<u>Original</u>	<u>Final</u>		<u>Final Budget</u>	
				<u>Positive</u>	
				<u>(Negative)</u>	
Revenues:					
Intergovernmental	\$ -	\$ 136,952	\$ 211,993	\$ 75,041	\$ 214,640
Other financing uses:					
Transfers out	-	(129,798)	(129,798)	-	(128,881)
Net change in fund balance.	-	7,154	82,195	75,041	85,759
Fund balance, January 1	<u>529,460</u>	<u>529,460</u>	<u>529,460</u>	<u>-</u>	<u>443,701</u>
Fund balance, December 31.	<u>\$ 529,460</u>	<u>\$ 536,614</u>	<u>\$ 611,655</u>	<u>\$ 75,041</u>	<u>\$ 529,460</u>

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, 2017
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED DECEMBER 31, 2016)

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with</u>	<u>2016</u>
	<u>Original</u>	<u>Final</u>		<u>Final Budget</u>	
				<u>Positive</u>	
				<u>(Negative)</u>	
Revenues:					
Intergovernmental	\$ 137,512	\$ 137,600	\$ 140,852	\$ 3,252	\$ 139,781
Investment income	650	1,600	2,460	860	1,030
Total revenues	<u>138,162</u>	<u>139,200</u>	<u>143,312</u>	<u>4,112</u>	<u>140,811</u>
Expenditures:					
Current:					
Transportation					
Other	<u>167,481</u>	<u>167,481</u>	<u>77,349</u>	<u>90,132</u>	<u>44,458</u>
Net change in fund balance	<u>(29,319)</u>	<u>(28,281)</u>	<u>65,963</u>	<u>94,244</u>	<u>96,353</u>
Fund balance, January 1	<u>254,162</u>	<u>254,162</u>	<u>254,162</u>	<u>-</u>	<u>157,809</u>
Fund balance, December 31.	<u>\$ 224,843</u>	<u>\$ 225,881</u>	<u>\$ 320,125</u>	<u>\$ 94,244</u>	<u>\$ 254,162</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, 2017
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED DECEMBER 31, 2016)

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with</u>	<u>2016</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	\$ 590	\$ 590	\$ -	\$ 590	\$ -
Net change in fund balance	(590)	(590)	-	590	-
Fund balance, January 1	<u>590</u>	<u>590</u>	<u>590</u>	<u>-</u>	<u>590</u>
Fund balance, December 31	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 590</u>	<u>\$ 590</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, 2017
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED DECEMBER 31, 2016)

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with</u>	<u>2016</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	\$ 37	\$ 37	\$ -	\$ 37	\$ 284
Net change in fund balance	(37)	(37)	-	37	(284)
Fund balance, January 1	<u>37</u>	<u>37</u>	<u>37</u>	<u>-</u>	<u>321</u>
Fund balance, December 31	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 37</u>	<u>\$ 37</u>	<u>\$ 37</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, 2017
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED DECEMBER 31, 2016)

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with</u>	<u>2016</u>
	<u>Original</u>	<u>Final</u>		<u>Final Budget</u>	
				<u>Positive</u>	
				<u>(Negative)</u>	
Revenues:					
Fines and forfeitures	\$ 24,000	\$ 18,528	\$ 26,087	\$ 7,559	\$ 9,019
Expenditures:					
Current:					
General government					
Other	240,000	250,000	-	250,000	26,000
Net change in fund balance	(216,000)	(231,472)	26,087	257,559	(16,981)
Fund balance, January 1	<u>237,695</u>	<u>237,695</u>	<u>237,695</u>	<u>-</u>	<u>254,676</u>
Fund balance, December 31	<u>\$ 21,695</u>	<u>\$ 6,223</u>	<u>\$ 263,782</u>	<u>\$ 257,559</u>	<u>\$ 237,695</u>

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, 2017
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED DECEMBER 31, 2016)

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>	<u>2016 Actual</u>
	<u>Original</u>	<u>Final</u>			
Revenues:					
Fines and forfeitures	\$ 2,000	\$ 2,300	\$ 3,289	\$ 989	\$ 2,751
Expenditures:					
Current:					
Security of persons and property					
Other	56,533	56,533	776	55,757	789
Net change in fund balance	(54,533)	(54,233)	2,513	56,746	1,962
Fund balance, January 1	<u>55,591</u>	<u>55,591</u>	<u>55,591</u>	<u>-</u>	<u>53,629</u>
Fund balance, December 31	<u>\$ 1,058</u>	<u>\$ 1,358</u>	<u>\$ 58,104</u>	<u>\$ 56,746</u>	<u>\$ 55,591</u>

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, 2017
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED DECEMBER 31, 2016)

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with</u>	<u>2016</u>
	<u>Original</u>	<u>Final</u>		<u>Final Budget</u>	
				<u>Positive</u>	
				<u>(Negative)</u>	
Revenues:					
Charges for services	\$ 185,000	\$ 320,000	\$ 339,108	\$ 19,108	\$ 280,183
Reimbursements.	-	837	267	(570)	357
Total revenues	<u>185,000</u>	<u>320,837</u>	<u>339,375</u>	<u>18,538</u>	<u>280,540</u>
Expenditures:					
Current:					
General government					
Personal services	166,960	166,960	68,082	98,878	50,459
Other	235,070	235,070	168,192	66,878	130,805
Total general government	<u>402,030</u>	<u>402,030</u>	<u>236,274</u>	<u>165,756</u>	<u>181,264</u>
Capital outlay					
Other	-	4,000	3,732	268	-
Total expenditures	<u>402,030</u>	<u>406,030</u>	<u>240,006</u>	<u>166,024</u>	<u>181,264</u>
Net change in fund balance	<u>(217,030)</u>	<u>(85,193)</u>	<u>99,369</u>	<u>184,562</u>	<u>99,276</u>
Fund balance, January 1	<u>243,924</u>	<u>243,924</u>	<u>243,924</u>	<u>-</u>	<u>143,534</u>
Increase in prepaids	<u>163</u>	<u>163</u>	<u>163</u>	<u>-</u>	<u>1,114</u>
Fund balance, December 31	<u>\$ 27,057</u>	<u>\$ 158,894</u>	<u>\$ 343,456</u>	<u>\$ 184,562</u>	<u>\$ 243,924</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, 2017
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED DECEMBER 31, 2016)

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with</u>	<u>2016</u>
	<u>Original</u>	<u>Final</u>		<u>Final Budget</u>	
				<u>Positive</u>	
				<u>(Negative)</u>	
Revenues:					
Charges for services	\$ 50,000	\$ 60,000	\$ 65,310	\$ 5,310	\$ 54,977
Expenditures:					
Current:					
General government					
Other	150,000	196,571	82,714	113,857	28,685
Net change in fund balance	(100,000)	(136,571)	(17,404)	119,167	26,292
Fund balance, January 1	<u>118,769</u>	<u>118,769</u>	<u>118,769</u>	<u>-</u>	<u>92,477</u>
Fund balance, December 31	<u>\$ 18,769</u>	<u>\$ (17,802)</u>	<u>\$ 101,365</u>	<u>\$ 119,167</u>	<u>\$ 118,769</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, 2017
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED DECEMBER 31, 2016)

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>	<u>2016 Actual</u>
	<u>Original</u>	<u>Final</u>			
Revenues:					
Fines and forfeitures	\$ -	\$ -	\$ -	\$ -	\$ 1,500
Expenditures:					
Current:					
Security of persons and property					
Other	2,109	2,109	-	2,109	-
Net change in fund balance	(2,109)	(2,109)	-	2,109	1,500
Fund balance, January 1	<u>3,610</u>	<u>3,610</u>	<u>3,610</u>	<u>-</u>	<u>2,110</u>
Fund balance, December 31	<u>\$ 1,501</u>	<u>\$ 1,501</u>	<u>\$ 3,610</u>	<u>\$ 2,109</u>	<u>\$ 3,610</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, 2017
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED DECEMBER 31, 2016)

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with</u>	<u>2016</u>
	<u>Original</u>	<u>Final</u>		<u>Final Budget</u>	
				<u>Positive</u>	
				<u>(Negative)</u>	
Revenues:					
Fines and forfeitures	\$ 45,000	\$ 55,000	\$ 59,277	\$ 4,277	\$ 51,552
Expenditures:					
Current:					
General government					
Other	120,000	120,000	69,704	50,296	32,246
Net change in fund balance	(75,000)	(65,000)	(10,427)	54,573	19,306
Fund balance, January 1	<u>107,933</u>	<u>107,933</u>	<u>107,933</u>	<u>-</u>	<u>88,627</u>
Fund balance, December 31	<u>\$ 32,933</u>	<u>\$ 42,933</u>	<u>\$ 97,506</u>	<u>\$ 54,573</u>	<u>\$ 107,933</u>

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, 2017
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED DECEMBER 31, 2016)

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>	<u>2016 Actual</u>
	<u>Original</u>	<u>Final</u>			
Revenues:					
Fines and forfeitures	\$ 17,000	\$ 18,500	\$ 20,583	\$ 2,083	\$ 17,449
Expenditures:					
Current:					
General government					
Other	95,000	95,000	2,404	92,596	2,000
Net change in fund balance	(78,000)	(76,500)	18,179	94,679	15,449
Fund balance, January 1	<u>83,090</u>	<u>83,090</u>	<u>83,090</u>	<u>-</u>	<u>67,641</u>
Fund balance, December 31	<u>\$ 5,090</u>	<u>\$ 6,590</u>	<u>\$ 101,269</u>	<u>\$ 94,679</u>	<u>\$ 83,090</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, 2017
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED DECEMBER 31, 2016)

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with</u>	<u>2016</u>
	<u>Original</u>	<u>Final</u>		<u>Final Budget</u>	
				<u>Positive</u>	
				<u>(Negative)</u>	
Revenues:					
Fines and forfeitures	\$ 50,000	\$ 58,000	\$ 65,343	\$ 7,343	\$ 54,899
Reimbursements	-	1,023	843	(180)	149
Total revenues	<u>50,000</u>	<u>59,023</u>	<u>66,186</u>	<u>7,163</u>	<u>55,048</u>
Expenditures:					
Current:					
General government					
Personal services	48,861	48,861	45,124	3,737	39,870
Other	130,149	130,149	1,646	128,503	1,007
Total expenditures	<u>179,010</u>	<u>179,010</u>	<u>46,770</u>	<u>132,240</u>	<u>40,877</u>
Net change in fund balance	(129,010)	(119,987)	19,416	139,403	14,171
Fund balance, January 1	129,515	129,515	129,515	-	114,861
Increase in prepaids.	16	16	16	-	483
Fund balance, December 31	<u>\$ 521</u>	<u>\$ 9,544</u>	<u>\$ 148,947</u>	<u>\$ 139,403</u>	<u>\$ 129,515</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, 2017
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED DECEMBER 31, 2016)

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>	<u>2016 Actual</u>
	<u>Original</u>	<u>Final</u>			
Revenues:					
Fines and forfeitures	\$ -	\$ 60	\$ 70	\$ 10	\$ 22
Expenditures:					
Current:					
General government					
Other	20,365	20,365	-	20,365	-
Net change in fund balance	(20,365)	(20,305)	70	20,375	22
Fund balance, January 1	<u>20,371</u>	<u>20,371</u>	<u>20,371</u>	<u>-</u>	<u>20,349</u>
Fund balance, December 31	<u>\$ 6</u>	<u>\$ 66</u>	<u>\$ 20,441</u>	<u>\$ 20,375</u>	<u>\$ 20,371</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, 2017
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED DECEMBER 31, 2016)

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with</u>	<u>2016</u>
	<u>Original</u>	<u>Final</u>		<u>Final Budget</u>	
				<u>Positive</u>	
				<u>(Negative)</u>	
Revenues:					
Property and other local taxes	\$ 250,664	\$ 252,718	\$ 231,340	\$ (21,378)	\$ 217,908
Intergovernmental	-	-	26,208	26,208	25,345
Total revenues	<u>250,664</u>	<u>252,718</u>	<u>257,548</u>	<u>4,830</u>	<u>243,253</u>
Expenditures:					
Current:					
Security of persons and property					
Personal services	<u>235,500</u>	<u>252,718</u>	<u>252,718</u>	<u>-</u>	<u>243,253</u>
Net change in fund balance	15,164	-	4,830	4,830	-
Fund balance, January 1	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance, December 31	<u>\$ 15,164</u>	<u>\$ -</u>	<u>\$ 4,830</u>	<u>\$ 4,830</u>	<u>\$ -</u>

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, 2017
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED DECEMBER 31, 2016)

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with</u>	<u>2016</u>
	<u>Original</u>	<u>Final</u>		<u>Final Budget</u>	
				<u>Positive</u>	
				<u>(Negative)</u>	
Revenues:					
Property and other local taxes	\$ 250,664	\$ 252,718	\$ 231,340	\$ (21,378)	\$ 217,908
Intergovernmental	-	-	26,208	26,208	25,345
Total revenues	<u>250,664</u>	<u>252,718</u>	<u>257,548</u>	<u>4,830</u>	<u>243,253</u>
Expenditures:					
Current:					
Security of persons and property					
Personal services	<u>235,500</u>	<u>252,718</u>	<u>252,718</u>	<u>-</u>	<u>243,253</u>
Net change in fund balance	15,164	-	4,830	4,830	-
Fund balance, January 1	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance, December 31	<u>\$ 15,164</u>	<u>\$ -</u>	<u>\$ 4,830</u>	<u>\$ 4,830</u>	<u>\$ -</u>

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, 2017
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED DECEMBER 31, 2016)

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with</u>	<u>2016</u>
	<u>Original</u>	<u>Final</u>		<u>Final Budget</u>	
				<u>Positive</u>	
				<u>(Negative)</u>	
Expenditures:					
Current:					
General Government					
Personal services	\$ 110,000	\$ 175,500	\$ 173,186	\$ 2,314	\$ 206,947
Net change in fund balance	(110,000)	(175,500)	(173,186)	2,314	(206,947)
Fund balance, January 1	654,482	654,482	654,482	-	861,429
Increase in prepaids	6,530	6,530	6,530	-	-
Fund balance, December 31	<u>\$ 551,012</u>	<u>\$ 485,512</u>	<u>\$ 487,826</u>	<u>\$ 2,314</u>	<u>\$ 654,482</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, 2017
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED DECEMBER 31, 2016)

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with</u>	<u>2016</u>
	<u>Original</u>	<u>Final</u>		<u>Final Budget</u>	
				<u>Positive</u>	
				<u>(Negative)</u>	
Revenues:					
Municipal income taxes	\$ 24,101,500	\$ 23,218,579	\$ 22,979,449	\$ (239,130)	\$ 24,732,412
Charges for services	11,000	14,201	14,201	-	10,979
Reimbursements.	-	2,220	2,220	-	669
Other	-	-	-	-	10
Total revenues	<u>24,112,500</u>	<u>23,235,000</u>	<u>22,995,870</u>	<u>(239,130)</u>	<u>24,744,070</u>
Expenditures:					
Current:					
General government					
Personal services	245,572	245,572	230,013	15,559	154,385
Other	723,391	730,091	197,203	532,888	283,983
Total expenditures	<u>968,963</u>	<u>975,663</u>	<u>427,216</u>	<u>548,447</u>	<u>438,368</u>
Excess of revenues over expenditures	<u>23,143,537</u>	<u>22,259,337</u>	<u>22,568,654</u>	<u>309,317</u>	<u>24,305,702</u>
Other financing sources (uses):					
Transfers in	-	1,158,967	1,572,816	413,849	2,048,450
Transfers out	(18,816,500)	(26,013,991)	(26,013,991)	-	(25,995,170)
Total other financing sources (uses)	<u>(18,816,500)</u>	<u>(24,855,024)</u>	<u>(24,441,175)</u>	<u>413,849</u>	<u>(23,946,720)</u>
Net change in fund balance	4,327,037	(2,595,687)	(1,872,521)	723,166	358,982
Fund balance, January 1	7,033,019	7,033,019	7,033,019	-	6,672,075
Increase in prepaids	408	408	408	-	1,962
Fund balance, December 31	<u>\$ 11,360,464</u>	<u>\$ 4,437,740</u>	<u>\$ 5,160,906</u>	<u>\$ 723,166</u>	<u>\$ 7,033,019</u>

CITY OF FINDLAY, OHIO

COMPARATIVE BALANCE SHEET
NONMAJOR DEBT SERVICE FUND

DECEMBER 31, 2017
(WITH COMPARATIVE TOTALS FOR DECEMBER 31, 2016)

	<u>2017</u>	<u>2016</u>
Assets:		
Equity in pooled cash and investments.	\$ 1,414	\$ 18,610
Cash with escrow agent.	33,128	33,128
Receivables (net of allowances of uncollectibles).	<u>266,732</u>	<u>287,896</u>
Total assets.	<u>\$ 301,274</u>	<u>\$ 339,634</u>
Liabilities:		
Matured bonds payable	<u>\$ 33,128</u>	<u>\$ 33,128</u>
Total liabilities.	<u>33,128</u>	<u>33,128</u>
Deferred inflows of resources:		
TIF revenue levied for next fiscal year	150,894	149,689
Special assessments revenue not available.	<u>116,902</u>	<u>139,484</u>
Total deferred inflows of resources	<u>267,796</u>	<u>289,173</u>
Total liabilities and deferred inflows of resources.	<u>300,924</u>	<u>322,301</u>
Fund balance:		
Restricted	350	767
Committed.	<u>-</u>	<u>16,566</u>
Total fund balance	<u>350</u>	<u>17,333</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 301,274</u>	<u>\$ 339,634</u>

CITY OF FINDLAY, OHIO

COMPARATIVE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR DEBT SERVICE FUND

FOR THE YEAR ENDED DECEMBER 31, 2017
(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED DECEMBER 31, 2016)

	<u>2017</u>	<u>2016</u>
Revenues:		
Intergovernmental	\$ 17,210	\$ 17,192
Special assessments	22,868	22,304
Contributions and donations	15,000	15,000
Tax increment financing	<u>45,818</u>	<u>71,783</u>
Total revenues	<u>100,896</u>	<u>126,279</u>
Expenditures:		
Debt service:		
Principal retirement	476,179	559,739
Interest and fiscal charges	197,578	319,030
Bond issuance costs	<u>-</u>	<u>159,640</u>
Total expenditures	<u>673,757</u>	<u>1,038,409</u>
Excess of expenditures over revenues	<u>(572,861)</u>	<u>(912,130)</u>
Other financing sources (uses):		
Issuance of refunding bonds	-	6,505,000
Premium on bond issuance	-	385,262
Payment to refunded bond escrow agent	-	(6,715,929)
Transfers in	764,585	987,622
Transfers out	<u>(208,707)</u>	<u>(233,497)</u>
Total other financing sources (uses)	<u>555,878</u>	<u>928,458</u>
Net change in fund balances	(16,983)	16,328
Fund balance, January 1	<u>17,333</u>	<u>1,005</u>
Fund balance, December 31	<u><u>\$ 350</u></u>	<u><u>\$ 17,333</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, 2017
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED DECEMBER 31, 2016)

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with</u>	<u>2016</u>
	<u>Original</u>	<u>Final</u>		<u>Final Budget</u>	
				<u>Positive</u>	
				<u>(Negative)</u>	
Revenues:					
Intergovernmental	\$ 14,948	\$ 17,666	\$ 17,210	\$ (456)	\$ 17,192
Special assessments	19,863	23,474	22,868	(606)	22,304
Contributions and donations	13,029	15,398	15,000	(398)	15,000
Tax increment financing.	39,797	47,033	45,818	(1,215)	71,783
	<u>87,637</u>	<u>103,571</u>	<u>100,896</u>	<u>(2,675)</u>	<u>126,279</u>
Expenditures:					
Debt service:					
Principal retirement	457,179	476,179	476,179	-	559,739
Interest and fiscal charges	216,578	197,578	197,578	-	319,030
Bond issuance costs	-	-	-	-	159,640
	<u>673,757</u>	<u>673,757</u>	<u>673,757</u>	<u>-</u>	<u>1,038,409</u>
Total debt service					
	<u>673,757</u>	<u>673,757</u>	<u>673,757</u>	<u>-</u>	<u>1,038,409</u>
Total expenditures					
	<u>673,757</u>	<u>673,757</u>	<u>673,757</u>	<u>-</u>	<u>1,038,409</u>
Excess of expenditures over revenues	<u>(586,120)</u>	<u>(570,186)</u>	<u>(572,861)</u>	<u>(2,675)</u>	<u>(912,130)</u>
Other financing sources (uses):					
Issuance of refunding bonds	-	-	-	-	6,505,000
Premium on bond issuance.	-	-	-	-	385,262
Payment to refunded bond escrow agent	-	-	-	-	(6,715,929)
Transfers in	664,104	784,860	764,585	(20,275)	987,622
Transfers out	-	(208,707)	(208,707)	-	(233,497)
	<u>664,104</u>	<u>576,153</u>	<u>555,878</u>	<u>(20,275)</u>	<u>928,458</u>
Total other financing sources (uses)					
	<u>664,104</u>	<u>576,153</u>	<u>555,878</u>	<u>(20,275)</u>	<u>928,458</u>
Net change in fund balance.	77,984	5,967	(16,983)	(22,950)	16,328
Fund balance, January 1	<u>17,333</u>	<u>17,333</u>	<u>17,333</u>	<u>-</u>	<u>1,005</u>
Fund balance, December 31	<u>\$ 95,317</u>	<u>\$ 23,300</u>	<u>\$ 350</u>	<u>\$ (22,950)</u>	<u>\$ 17,333</u>

CITY OF FINDLAY, OHIO

COMBINING BALANCE SHEET
NONMAJOR CAPITAL PROJECTS FUNDS

DECEMBER 31, 2017
(WITH COMPARATIVE TOTALS FOR DECEMBER 31, 2016)

	Municipal Court Improvements	Totals	
		2017	2016
Assets:			
Equity in pooled cash and investments	\$ 378,466	\$ 378,466	\$ 225,888
Receivables (net of allowances of uncollectibles) . . .	11,610	11,610	-
Total assets.	<u>\$ 390,076</u>	<u>\$ 390,076</u>	<u>\$ 225,888</u>
Liabilities:			
Accounts payable.	\$ 11,007	\$ 11,007	\$ -
Total liabilities.	<u>11,007</u>	<u>11,007</u>	<u>-</u>
Fund balance:			
Restricted	<u>379,069</u>	<u>379,069</u>	<u>225,888</u>
Total fund balance	<u>379,069</u>	<u>379,069</u>	<u>225,888</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 390,076</u>	<u>\$ 390,076</u>	<u>\$ 225,888</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, 2017
(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED DECEMBER 31, 2016)

	Capital Improvement Projects	Municipal Court Improvements	Totals	
			2017	2016
Revenues:				
Fines and forfeitures	\$ -	\$ 207,889	\$ 207,889	\$ 165,008
Total revenues	-	207,889	207,889	165,008
Expenditures:				
Capital outlay	-	24,829	24,829	5,609
Total expenditures	-	24,829	24,829	5,609
Excess of revenues over expenditures	-	183,060	183,060	159,399
Other financing uses:				
Transfers in	-	4,204	4,204	-
Transfers out	(83)	(34,000)	(34,083)	(50,000)
Total other financing uses.	(83)	(29,796)	(29,879)	(50,000)
Net change in fund balances	(83)	153,264	153,181	109,399
Fund balances, January 1	<u>83</u>	<u>225,805</u>	<u>225,888</u>	<u>116,489</u>
Fund balance, December 31	<u>\$ -</u>	<u>\$ 379,069</u>	<u>\$ 379,069</u>	<u>\$ 225,888</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, 2017
 (WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED DECEMBER 31, 2016)

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>	<u>2016 Actual</u>
	<u>Original</u>	<u>Final</u>			
Other financing sources:					
Transfers out	(83)	(83)	(83)	-	-
Net change in fund balance	(83)	(83)	(83)	-	-
Fund balance, January 1	\$ 83	\$ 83	\$ 83	\$ -	\$ 83
Fund balance, December 31	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</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, 2017
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED DECEMBER 31, 2016)

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with</u>	<u>2016</u>
	<u>Original</u>	<u>Final</u>		<u>Final Budget</u>	
				<u>Positive</u>	
				<u>(Negative)</u>	
Revenues:					
Fines and forfeitures	\$ 49,000	\$ 185,000	\$ 207,889	\$ 22,889	\$ 165,008
Expenditures:					
Capital outlay					
Other	250,000	216,000	24,829	191,171	5,609
Excess (deficiency) of revenues over (under) expenditures	(201,000)	(31,000)	183,060	214,060	159,399
Other financing source (uses):					
Transfers in	-	4,204	4,204	-	-
Transfers out	-	(34,000)	(34,000)	-	(50,000)
Total other financing sources (uses)	-	(29,796)	(29,796)	-	(50,000)
Net change in fund balance	(201,000)	(60,796)	153,264	214,060	109,399
Fund balance, January 1	<u>225,805</u>	<u>225,805</u>	<u>225,805</u>	<u>-</u>	<u>116,406</u>
Fund balance, December 31.	<u>\$ 24,805</u>	<u>\$ 165,009</u>	<u>\$ 379,069</u>	<u>\$ 214,060</u>	<u>\$ 225,805</u>

CITY OF FINDLAY, OHIO

COMPARATIVE BALANCE SHEET
NONMAJOR CEMETERY TRUST PERMANENT FUND

DECEMBER 31, 2017
(WITH COMPARATIVE TOTALS FOR DECEMBER 31, 2016)

	<u>2017</u>	<u>2016</u>
Assets:		
Equity in pooled cash and investments	\$ 1,405,652	\$ 1,380,152
Receivables (net of allowances of uncollectibles).	1,595	912
Total assets	<u>\$ 1,407,247</u>	<u>\$ 1,381,064</u>
 Fund balance:		
Nonspendable	\$ 1,392,401	\$ 1,373,776
Restricted	14,846	7,288
Total fund balance	<u>1,407,247</u>	<u>1,381,064</u>
Total liabilities and fund balance	<u>\$ 1,407,247</u>	<u>\$ 1,381,064</u>

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, 2017
(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED DECEMBER 31, 2016)

	<u>2017</u>	<u>2016</u>
Revenues:		
Charges for services	\$ 25,500	\$ 35,024
Investment income	<u>14,846</u>	<u>7,288</u>
Total revenues	<u>40,346</u>	<u>42,312</u>
Expenditures:		
Current:		
Public health and welfare.	<u>14,163</u>	<u>6,653</u>
Total expenditures	<u>14,163</u>	<u>6,653</u>
Net change in fund balance	26,183	35,659
Fund balance, January 1	<u>1,381,064</u>	<u>1,345,405</u>
Fund balance, December 31.	<u>\$ 1,407,247</u>	<u>\$ 1,381,064</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, 2017
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED DECEMBER 31, 2016)

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with</u>	<u>2016</u>
	<u>Original</u>	<u>Final</u>		<u>Final Budget</u>	
				<u>Positive</u>	
				<u>(Negative)</u>	
Revenues:					
Charges for services	\$ 36,000	\$ 30,000	\$ 25,500	\$ (4,500)	\$ 35,024
Investment income	1,500	14,162	14,846	684	7,288
Total revenues	<u>37,500</u>	<u>44,162</u>	<u>40,346</u>	<u>(3,816)</u>	<u>42,312</u>
Expenditures:					
Current:					
Public health and welfare					
Other	6,700	14,163	14,163	-	6,653
Net change in fund balance	<u>30,800</u>	<u>29,999</u>	<u>26,183</u>	<u>(3,816)</u>	<u>35,659</u>
Fund balance, January 1	<u>1,381,064</u>	<u>1,381,064</u>	<u>1,381,064</u>	<u>-</u>	<u>1,345,405</u>
Fund balance, December 31.	<u>\$ 1,411,864</u>	<u>\$ 1,411,063</u>	<u>\$ 1,407,247</u>	<u>\$ (3,816)</u>	<u>\$ 1,381,064</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, 2017 AND 2016

	<u>2017</u>	<u>2016</u>
Assets:		
Current assets:		
Equity in pooled cash and investments	\$ 11,530,380	\$ 10,864,180
Cash with escrow agent	17,060	14,270
Receivables (net of allowances of uncollectibles)	1,115,689	1,124,357
Prepayments	60,955	63,981
Materials and supplies inventory	692,365	721,935
Total current assets	<u>13,416,449</u>	<u>12,788,723</u>
Noncurrent assets:		
Net pension asset	9,194	7,947
Restricted assets:		
Equity in pooled cash and investments	802,022	800,746
Capital assets:		
Nondepreciable capital assets	2,160,975	1,153,630
Depreciable capital assets, net	54,890,578	55,570,190
Total noncurrent assets	<u>57,862,769</u>	<u>57,532,513</u>
Total assets	<u>71,279,218</u>	<u>70,321,236</u>
Deferred outflows of resources:		
Unamortized deferred charges on debt refunding	10,088	24,255
Pension	1,307,826	893,138
Total deferred outflows of resources	<u>1,317,914</u>	<u>917,393</u>
Liabilities:		
Current liabilities:		
Accounts payable	126,179	134,923
Contracts payable	52,158	4,646
Accrued wages and benefits payable	86,490	72,232
Insurance deposits payable	35,629	31,042
Retainage payable	17,060	14,270
Deposits held and due to others	396,500	389,050
Accrued interest payable	37,831	44,648
Compensated absences payable - current	153,963	150,056
Bonds payable - current	960,000	950,000
Loans payable - current	263,190	256,596
Total current liabilities	<u>2,129,000</u>	<u>2,047,463</u>
Long-term liabilities:		
Compensated absences payable	279,378	222,652
Bonds payable	410,000	1,370,000
Loans payable	2,268,558	2,531,748
Net pension liability	3,182,669	2,296,187
Total long-term liabilities	<u>6,140,605</u>	<u>6,420,587</u>
Total liabilities	<u>8,269,605</u>	<u>8,468,050</u>
Deferred inflows of resources:		
Pension	23,615	47,974
Net position:		
Net investment in capital assets	53,090,675	51,620,815
Restricted for:		
Capital projects	802,022	800,746
Unrestricted	10,411,215	10,301,044
Total net position	<u>\$ 64,303,912</u>	<u>\$ 62,722,605</u>

CITY OF FINDLAY, OHIO

**COMPARATIVE STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
WATER FUND**

FOR THE YEAR ENDED DECEMBER 31, 2017 AND 2016

	<u>2017</u>	<u>2016</u>
Operating revenues:		
Charges for services	\$ 8,030,734	\$ 8,314,598
Other	152,264	104,150
Total operating revenues	<u>8,182,998</u>	<u>8,418,748</u>
Operating expenses:		
Personal services	3,354,964	2,837,116
Contract services	463,401	387,232
Materials and supplies.	1,454,455	841,112
Utilities	401,126	436,597
Depreciation.	1,688,238	1,558,532
Total operating expenses	<u>7,362,184</u>	<u>6,060,589</u>
Operating income.	<u>820,814</u>	<u>2,358,159</u>
Nonoperating revenues (expenses):		
Intergovernmental.	51,381	52,272
Interest revenue.	102,549	53,620
Loss on disposal of capital assets.	-	(12,148)
Interest expense and fiscal charges	(103,030)	(123,719)
Total nonoperating revenues (expenses)	<u>50,900</u>	<u>(29,975)</u>
Income before contributions	871,714	2,328,184
Capital contributions.	709,593	996,730
Change in net position	1,581,307	3,324,914
Net position, January 1	<u>62,722,605</u>	<u>59,397,691</u>
Net position, December 31	<u>\$ 64,303,912</u>	<u>\$ 62,722,605</u>

CITY OF FINDLAY, OHIO

**COMPARATIVE STATEMENT OF CASH FLOWS
WATER FUND**

FOR THE YEAR ENDED DECEMBER 31, 2017 AND 2016

	<u>2017</u>	<u>2016</u>
Cash flows from operating activities:		
Cash received from customers	\$ 8,046,773	\$ 8,322,888
Cash received from other operations	152,264	104,150
Cash payments for personal services	(2,827,051)	(2,678,975)
Cash payments for contract services.	(455,172)	(365,195)
Cash payments for materials and supplies.	(1,433,629)	(782,730)
Cash payments for utilities.	<u>(401,126)</u>	<u>(436,597)</u>
Net cash provided by operating activities.	<u>3,082,059</u>	<u>4,163,541</u>
Cash flows from noncapital financing activities:		
Grants and contributions	<u>51,381</u>	<u>52,272</u>
Net cash provided by noncapital financing activities	<u>51,381</u>	<u>52,272</u>
Cash flows from capital and related financing activities:		
Acquisition of capital assets	(1,256,076)	(2,712,895)
Principal paid on bonds	(950,000)	(1,106,000)
Interest paid on bonds.	(27,074)	(40,015)
Principal paid on loans	(256,596)	(250,215)
Interest paid on loans	<u>(68,606)</u>	<u>(74,500)</u>
Net cash used in capital and related financing activities	<u>(2,558,352)</u>	<u>(4,183,625)</u>
Cash flows from investing activities:		
Interest received.	<u>95,178</u>	<u>49,228</u>
Net cash provided by investing activities	<u>95,178</u>	<u>49,228</u>
Net increase in cash and cash equivalents	670,266	81,416
Cash and cash equivalents at beginning of year . . .	<u>11,679,196</u>	<u>11,597,780</u>
Cash and cash equivalents at end of year.	<u>\$ 12,349,462</u>	<u>\$ 11,679,196</u>

(Continued)

CITY OF FINDLAY, OHIO

COMPARATIVE STATEMENT OF CASH FLOWS
WATER FUND (CONTINUED)

FOR THE YEAR ENDED DECEMBER 31, 2017 AND 2016

	<u>2017</u>	<u>2016</u>
Reconciliation of operating income to net cash provided by operating activities:		
Operating income	\$ 820,814	\$ 2,358,159
Adjustments:		
Depreciation	1,688,238	1,558,532
Changes in assets and liabilities:		
Decrease in accounts receivable.	16,039	8,290
Decrease in materials and supplies inventory	29,570	63,045
(Increase) decrease in prepayments.	3,026	(39,753)
(Decrease) in accounts payable	(8,744)	(4,663)
Increase in accrued wages and benefits.	14,258	11,497
Increase in compensated absences payable.	60,633	62,661
Increase (decrease) in insurance deposits payable	4,587	(13,286)
Increase in deposits held and due to others	7,450	23,800
(Increase) in net pension asset	(1,247)	(1,413)
(Increase) in deferred outflows - pension.	(414,688)	(602,193)
Increase (decrease) in deferred inflows - pension	(24,359)	18,300
Increase in net pension liability	886,482	720,565
Net cash provided by operating activities	<u>\$ 3,082,059</u>	<u>\$ 4,163,541</u>

Non-cash Transactions:

During 2017 and 2016, the Water fund received \$709,593 and \$996,730, respectively in capital contributions of donated water lines from private developers.

At December 31, 2017, 2016 and 2015, the Water fund purchased \$69,218, \$18,916 and \$119,671, respectively, in capital assets on account.

CITY OF FINDLAY, OHIO

COMPARATIVE STATEMENT OF NET POSITION
WATER POLLUTION CONTROL FUND

DECEMBER 31, 2017 AND 2016

	<u>2017</u>	<u>2016</u>
Assets:		
Current assets:		
Equity in pooled cash and investments	\$ 7,918,094	\$ 6,880,969
Cash with escrow agent	4,393	3,002
Receivables (net of allowances of uncollectibles) . .	1,896,658	1,559,929
Prepayments	45,663	48,374
Materials and supplies inventory	68,874	59,421
Total current assets	<u>9,933,682</u>	<u>8,551,695</u>
Noncurrent assets:		
Net pension asset	6,777	6,771
Restricted assets:		
Equity in pooled cash and investments	5,483,009	5,189,091
Capital assets:		
Nondepreciable capital assets	951,226	633,736
Depreciable capital assets, net	79,033,875	80,644,100
Total noncurrent assets	<u>85,474,887</u>	<u>86,473,698</u>
Total assets	<u>95,408,569</u>	<u>95,025,393</u>
Deferred outflows of resources:		
Unamortized deferred charges on debt refunding . .	-	24,828
Pension	922,443	760,953
Total deferred outflows of resources	<u>922,443</u>	<u>785,781</u>
Liabilities:		
Current liabilities:		
Accounts payable	118,950	224,496
Retainage payable	4,393	3,002
Accrued wages and benefits payable	46,948	55,211
Insurance deposits payable	33,231	25,016
Deposits held and due to others	396,500	389,050
Accrued interest payable	145,832	182,133
Compensated absences payable - current	126,656	125,564
Bonds payable - current	275,000	980,000
Loans payable - current	2,278,909	2,187,611
Total current liabilities	<u>3,426,419</u>	<u>4,172,083</u>
Long term liabilities:		
Compensated absences payable	389,055	356,543
Bonds payable	275,000	550,000
Loans payable	7,739,616	10,018,525
Net pension liability	2,346,015	1,956,351
Total long-term liabilities	<u>10,749,686</u>	<u>12,881,419</u>
Total liabilities	<u>14,176,105</u>	<u>17,053,502</u>
Deferred inflows of resources:		
Pension	103,946	40,874
Net position:		
Net investment in capital assets	69,412,183	67,563,526
Restricted for:		
Capital projects	5,483,009	5,189,091
Unrestricted	7,155,769	5,964,181
Total net position	<u>\$ 82,050,961</u>	<u>\$ 78,716,798</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, 2017 AND 2016

	<u>2017</u>	<u>2016</u>
Operating revenues:		
Charges for services	\$ 9,563,139	\$ 9,604,120
Other	38,698	57,986
Total operating revenues	<u>9,601,837</u>	<u>9,662,106</u>
Operating expenses:		
Personal services	2,392,267	2,152,172
Contract services	1,218,731	1,901,368
Materials and supplies.	302,560	306,827
Utilities	532,160	576,251
Depreciation.	2,817,882	2,511,740
Total operating expenses	<u>7,263,600</u>	<u>7,448,358</u>
Operating income	<u>2,338,237</u>	<u>2,213,748</u>
Nonoperating revenues (expenses):		
Intergovernmental	422,733	74,041
Interest revenue.	102,843	50,953
Interest expense and fiscal charges	(337,160)	(346,839)
Loss on disposall of capital assets	-	(206,523)
Total nonoperating revenues (expenses).	<u>188,416</u>	<u>(428,368)</u>
Income before contributions and transfers.	2,526,653	1,785,380
Capital contributions.	<u>807,510</u>	<u>913,793</u>
Change in net position	3,334,163	2,699,173
Net position, January 1	<u>78,716,798</u>	<u>76,017,625</u>
Net position, December 31	<u>\$ 82,050,961</u>	<u>\$ 78,716,798</u>

CITY OF FINDLAY, OHIO

**COMPARATIVE STATEMENT OF CASH FLOWS
WATER POLLUTION CONTROL FUND**

FOR THE YEAR ENDED DECEMBER 31, 2017 AND 2016

	2017	2016	
Cash flows from operating activities:			
Cash received from customers	\$ 9,235,040	\$ 9,637,436	
Cash received from other operations	38,698	57,986	
Cash payments for personal services	(2,063,121)	(2,033,868)	
Cash payments for contract services.	(1,212,920)	(1,879,111)	
Cash payments for materials and supplies.	(417,559)	(365,359)	
Cash payments for utilities.	(532,160)	(576,251)	
Net cash provided by operating activities.	5,047,978	4,840,833	
Cash flows from noncapital financing activities:			
Grants and contributions	422,733	74,041	
Net cash provided by noncapital financing activities	422,733	74,041	
Cash flows from capital and related financing activities:			
Acquisition of capital assets	(716,246)	(810,418)	
Principal paid on bonds.	(980,000)	(982,500)	
Interest paid on bonds.	(14,688)	(24,120)	
Principal paid on loans	(2,187,611)	(2,100,082)	
Interest paid on loans	(333,945)	(395,192)	
Net cash used in capital and related financing activities	(4,232,490)	(4,312,312)	
Cash flows from investing activities:			
Interest received.	94,213	45,967	
Net cash provided by investing activities	94,213	45,967	
Net increase (decrease) in cash and cash equivalents . .	1,332,434	648,529	
Cash and cash equivalents at beginning of year . .	12,073,062	11,424,533	
Cash and cash equivalents at end of year.	\$ 13,405,496	\$ 12,073,062	

(Continued)

CITY OF FINDLAY, OHIO

COMPARATIVE STATEMENT OF CASH FLOWS
WATER POLLUTION CONTROL FUND (CONTINUED)

FOR THE YEAR ENDED DECEMBER 31, 2017 AND 2016

	<u>2017</u>	<u>2016</u>
Reconciliation of operating income to net cash provided by operating activities:		
Operating income	\$ 2,338,237	\$ 2,213,748
Adjustments:		
Depreciation	2,817,882	2,511,740
Changes in assets and liabilities:		
(Increase) decrease in accounts receivable	(328,099)	33,316
(Increase) in materials and supplies inventory	(9,453)	(2,831)
(Increase) decrease in prepayments	2,711	(32,700)
(Decrease) in accounts payable	(105,546)	(55,701)
Increase (decrease) in accrued wages and benefits . .	(8,263)	4,558
Increase in compensated absences payable	33,604	41,349
Increase (decrease) in insurance deposits payable. . .	8,215	(11,688)
Increase in deposits held and due to others	7,450	23,800
(Increase) in net pension asset	(6)	(1,204)
(Increase) in deferred outflows - pension.	(161,490)	(513,068)
Increase in deferred inflows - pension	63,072	15,592
Increase in net pension liability	389,664	613,922
Net cash provided by operating activities	<u>\$ 5,047,978</u>	<u>\$ 4,840,833</u>

Non-cash Transactions:

During 2017 and 2016, the Water Pollution Control fund received \$807,510 and \$913,793, respectively in capital contributions of donated sewer lines from private developers.

At December 31, 2017, 2016 and 2015, the Water Pollution Control fund purchased \$4,393, \$3,002 and \$98,108, respectively, in capital assets on account.

CITY OF FINDLAY, OHIO

**COMPARATIVE STATEMENT OF NET POSITION
AIRPORT FUND**

DECEMBER 31, 2017 AND 2016

	<u>2017</u>	<u>2016</u>
Assets:		
Current assets:		
Equity in pooled cash and investments	\$ 507,154	\$ 459,217
Receivables (net of allowances of uncollectibles) . . .	38,911	41,205
Prepayments	13,114	13,286
Materials and supplies inventory	61,669	53,539
Total current assets	<u>620,848</u>	<u>567,247</u>
Noncurrent assets:		
Net pension asset	1,042	952
Capital assets:		
Nondepreciable capital assets	3,429,840	3,586,559
Depreciable capital assets, net	9,410,386	8,190,393
Total noncurrent assets	<u>12,841,268</u>	<u>11,777,904</u>
Total assets	<u>13,462,116</u>	<u>12,345,151</u>
Deferred outflows of resources:		
Pension	<u>141,802</u>	<u>106,972</u>
Liabilities:		
Current liabilities:		
Accounts payable.	6,503	21,671
Accrued wages and benefits payable	8,699	8,213
Insurance deposits payable.	126	87
Compensated absences payable - current.	23,443	35,978
Total current liabilities	<u>38,771</u>	<u>65,949</u>
Long term liabilities:		
Compensated absences payable.	98,437	48,803
Net pension liability	360,812	275,014
Total long-term liabilities	<u>459,249</u>	<u>323,817</u>
Total liabilities.	<u>498,020</u>	<u>389,766</u>
Deferred inflows of resources:		
Pension	<u>3,462</u>	<u>5,746</u>
Net position:		
Net investment in capital assets	12,840,226	11,776,952
Unrestricted	262,210	279,659
Total net position	<u>\$ 13,102,436</u>	<u>\$ 12,056,611</u>

CITY OF FINDLAY, OHIO

COMPARATIVE STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
AIRPORT FUND

FOR THE YEAR ENDED DECEMBER 31, 2017 AND 2016

	<u>2017</u>	<u>2016</u>
Operating revenues:		
Charges for services	\$ 741,126	\$ 826,536
Total operating revenues	<u>741,126</u>	<u>826,536</u>
Operating expenses:		
Personal services	421,634	352,029
Contract services	145,588	111,724
Materials and supplies.	448,534	460,024
Utilities	22,154	19,746
Depreciation.	<u>880,408</u>	<u>838,829</u>
Total operating expenses	<u>1,918,318</u>	<u>1,782,352</u>
Operating loss.	<u>(1,177,192)</u>	<u>(955,816)</u>
Nonoperating revenues:		
Intergovernmental	<u>18,973</u>	<u>20,049</u>
Total nonoperating revenues	<u>18,973</u>	<u>20,049</u>
Loss before contributions and transfers.	(1,158,219)	(935,767)
Capital contributions.	1,804,764	76,576
Transfers in	<u>399,280</u>	<u>138,309</u>
Change in net position	1,045,825	(720,882)
Net position, January 1	<u>12,056,611</u>	<u>12,777,493</u>
Net position, December 31	<u>\$ 13,102,436</u>	<u>\$ 12,056,611</u>

CITY OF FINDLAY, OHIO

**COMPARATIVE STATEMENT OF CASH FLOWS
AIRPORT FUND**

FOR THE YEAR ENDED DECEMBER 31, 2017 AND 2016

	2017	2016
Cash flows from operating activities:		
Cash received from customers	\$ 743,420	\$ 828,100
Cash payments for personal services	(335,416)	(334,348)
Cash payments for contract services.	(145,416)	(115,752)
Cash payments for materials and supplies.	(471,832)	(508,382)
Cash payments for utilities.	(22,154)	(19,746)
Net cash used in operating activities	(231,398)	(150,128)
Cash flows from noncapital financing activities:		
Grants and contributions	18,973	20,049
Transfers in	399,280	138,309
Net cash provided by noncapital financing activities	418,253	158,358
Cash flows from capital and related financing activities:		
Acquisition of capital assets	(1,943,682)	(103,756)
Capital contributions	1,804,764	76,576
Net cash used in capital and related financing activities	(138,918)	(27,180)
Net increase (decrease) in cash and cash equivalents	47,937	(18,950)
Cash and cash equivalents at beginning of year	459,217	478,167
Cash and cash equivalents at end of year.	\$ 507,154	\$ 459,217
Reconciliation of operating loss to net cash used in operating activities:		
Operating loss.	\$ (1,177,192)	\$ (955,816)
Adjustments:		
Depreciation	880,408	838,829
Changes in assets and liabilities:		
Decrease in accounts receivable	2,294	1,564
(Increase) decrease in materials and supplies inventory	(8,130)	10,610
(Increase) Decrease in prepayments	172	(4,028)
(Decrease) in accounts payable	(15,168)	(58,968)
Increase in accrued wages and benefits	486	1,178
Increase in compensated absences payable	37,099	6,161
Increase (Decrease) in insurance deposits payable.	39	(5,857)
(Increase) in net pension asset	(90)	(169)
(Increase) in deferred outflows - pension.	(34,830)	(72,126)
Increase (Decrease) in deferred inflows - pension	(2,284)	2,192
Increase in net pension liability	85,798	86,302
Net cash used in operating activities	\$ (231,398)	\$ (150,128)

CITY OF FINDLAY, OHIO

COMBINING STATEMENT OF NET POSITION
NONMAJOR ENTERPRISE FUNDS
DECEMBER 31, 2017

	<u>Swimming Pool</u>	<u>Parking Facilities</u>	<u>Total</u>
Assets:			
Current assets:			
Equity in pooled cash and investments	\$ 16,843	\$ 23,489	\$ 40,332
Prepayments	217	1,144	1,361
Total current assets	<u>17,060</u>	<u>24,633</u>	<u>41,693</u>
Noncurrent assets:			
Net pension asset	-	253	253
Capital assets:			
Nondepreciable capital assets	1,631	94,331	95,962
Depreciable capital assets, net	354,848	67,738	422,586
Total noncurrent assets	<u>356,479</u>	<u>162,322</u>	<u>518,801</u>
Total assets.	<u>373,539</u>	<u>186,955</u>	<u>560,494</u>
Deferred outflows of resources:			
Pension	-	34,453	34,453
Liabilities:			
Current liabilities:			
Accounts payable.	151	-	151
Accrued wages and benefits	-	7,462	7,462
Insurance deposits payable	-	422	422
Compensated absences payable - current	-	3,498	3,498
Total current liabilities	<u>151</u>	<u>11,382</u>	<u>11,533</u>
Long term liabilities:			
Compensated absences payable.	-	3,108	3,108
Net pension liability	-	87,610	87,610
Total long-term liabilities	<u>-</u>	<u>90,718</u>	<u>90,718</u>
Total liabilities.	<u>151</u>	<u>102,100</u>	<u>102,251</u>
Deferred inflows of resources:			
Pension	-	4,699	4,699
Net position:			
Net investment in capital assets	356,479	162,069	518,548
Unrestricted (deficit)	16,909	(47,460)	(30,551)
Total net position	<u>\$ 373,388</u>	<u>\$ 114,609</u>	<u>\$ 487,997</u>

CITY OF FINDLAY, OHIO

COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
NONMAJOR ENTERPRISE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2017

	Swimming Pool	Parking Facilities	Total
Operating revenues:			
Charges for services	\$ -	\$ 56,175	\$ 56,175
Other	-	1,111	1,111
Total operating revenues	-	57,286	57,286
Operating expenses:			
Personal services	-	84,312	84,312
Contract services	54,865	3,624	58,489
Materials and supplies.	14,598	9,122	23,720
Utilities	4,718	402	5,120
Depreciation.	30,837	6,452	37,289
Total operating expenses	105,018	103,912	208,930
Operating loss	(105,018)	(46,626)	(151,644)
Transfers in	78,000	25,000	103,000
Change in net position.	(27,018)	(21,626)	(48,644)
Net position, January 1	400,406	136,235	536,641
Net position, December 31	\$ 373,388	\$ 114,609	\$ 487,997

CITY OF FINDLAY, OHIO

**COMBINING STATEMENT OF CASH FLOWS
NONMAJOR ENTERPRISE FUNDS**

FOR THE YEAR ENDED DECEMBER 31, 2017

	Swimming Pool	Parking Facilities	Total
Cash flows from operating activities:			
Cash received from customers	\$ -	\$ 56,175	\$ 56,175
Cash received from other operations	-	1,111	1,111
Cash payments for personal services	-	(76,476)	(76,476)
Cash payments for contract services.	(54,859)	(3,504)	(58,363)
Cash payments for materials and supplies.	(14,932)	(10,380)	(25,312)
Cash payments for utilities.	(4,718)	(402)	(5,120)
	<hr/>	<hr/>	<hr/>
Net cash used in operating activities.	(74,509)	(33,476)	(107,985)
Cash flows from noncapital financing activities:			
Transfers in	78,000	25,000	103,000
	<hr/>	<hr/>	<hr/>
Net cash provided by noncapital financing activities	78,000	25,000	103,000
	<hr/>	<hr/>	<hr/>
Net increase (decrease) in cash and cash equivalents . .	3,491	(8,476)	(4,985)
Cash and cash equivalents at beginning of year . . .	13,352	31,965	45,317
	<hr/>	<hr/>	<hr/>
Cash and cash equivalents at end of year.	<u>\$ 16,843</u>	<u>\$ 23,489</u>	<u>\$ 40,332</u>
Reconciliation of operating loss to net cash used in operating activities:			
Operating loss	\$ (105,018)	\$ (46,626)	\$ (151,644)
Adjustments:			
Depreciation	30,837	6,452	37,289
Changes in assets and liabilities:			
Decrease in prepayments	6	120	126
(Decrease)in accounts payable.	(334)	(1,258)	(1,592)
Increase in accrued wages and benefits	-	5,195	5,195
(Decrease) in compensated absences payable	-	(8,050)	(8,050)
Increase in insurance deposits payable	-	118	118
Decrease in net pension asset	-	6	6
(Increase) in deferred outflows - pension.	-	(5,347)	(5,347)
Increase in deferred inflows - pension	-	3,136	3,136
Increase in net pension liability	-	12,778	12,778
	<hr/>	<hr/>	<hr/>
Net cash used in operating activities	<u>\$ (74,509)</u>	<u>\$ (33,476)</u>	<u>\$ (107,985)</u>

CITY OF FINDLAY, OHIO

COMPARATIVE STATEMENT OF NET POSITION
SWIMMING POOL FUND

DECEMBER 31, 2017 AND 2016

	2017	2016
Assets:		
Current assets:		
Equity in pooled cash and investments	\$ 16,843	\$ 13,352
Prepayments	217	223
Total current assets	17,060	13,575
Noncurrent assets:		
Capital assets:		
Nondepreciable capital assets	1,631	1,631
Depreciable capital assets, net	354,848	385,685
Total noncurrent assets	356,479	387,316
Total assets	373,539	400,891
Liabilities:		
Current liabilities:		
Accounts payable	151	485
Total current liabilities	151	485
Total liabilities.	151	485
Net position:		
Net investment in capital assets	356,479	387,316
Unrestricted	16,909	13,090
Total net position.	\$ 373,388	\$ 400,406

CITY OF FINDLAY, OHIO

COMPARATIVE STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
SWIMMING POOL FUND

FOR THE YEAR ENDED DECEMBER 31, 2017 AND 2016

	<u>2017</u>	<u>2016</u>
Operating revenues:		
Other	\$ -	\$ 20
Total operating revenues	<u>-</u>	<u>20</u>
Operating expenses:		
Contract services	54,865	45,795
Materials and supplies.	14,598	24,737
Utilities	4,718	5,739
Depreciation.	30,837	30,837
Total operating expenses	<u>105,018</u>	<u>107,108</u>
Operating loss.	(105,018)	(107,088)
Transfers in	<u>78,000</u>	<u>75,000</u>
Change in net position.	(27,018)	(32,088)
Net position, January 1	<u>400,406</u>	<u>432,494</u>
Net position, December 31	<u>\$ 373,388</u>	<u>\$ 400,406</u>

CITY OF FINDLAY, OHIO

**COMPARATIVE STATEMENT OF CASH FLOWS
SWIMMING POOL FUND**

FOR THE YEAR ENDED DECEMBER 31, 2017 AND 2016

	2017	2016
Cash flows from operating activities:		
Cash received from other operations	\$ -	\$ 20
Cash payments for contract services.	(54,859)	(45,820)
Cash payments for materials and supplies.	(14,932)	(24,379)
Cash payments for utilities.	(4,718)	(5,739)
	(74,509)	(75,918)
Cash flows from noncapital financing activities:		
Transfers in	78,000	75,000
Net cash provided by noncapital financing activities	78,000	75,000
Net increase (decrease) in cash and cash equivalents	3,491	(918)
Cash and cash equivalents at beginning of year . . .	13,352	14,270
Cash and cash equivalents at end of year.	\$ 16,843	\$ 13,352
Reconciliation of operating loss to net cash used in operating activities:		
Operating loss	\$ (105,018)	\$ (107,088)
Adjustments:		
Depreciation	30,837	30,837
Changes in assets and liabilities:		
(Increase) decrease in prepayments	6	(25)
Increase (decrease) in accounts payable	(334)	358
	(328)	(25)
Net cash used in operating activities	\$ (74,509)	\$ (75,918)

CITY OF FINDLAY, OHIO

COMPARATIVE STATEMENT OF NET POSITION
PARKING FACILITIES FUND

DECEMBER 31, 2017 AND 2016

	2017	2016
Assets:		
Current assets:		
Equity in pooled cash and investments	\$ 23,489	\$ 31,965
Prepayments	1,144	1,264
Total current assets	24,633	33,229
Noncurrent assets:		
Net pension asset	253	259
Capital assets:		
Nondepreciable capital assets	94,331	94,331
Depreciable capital assets, net	67,738	74,190
Total noncurrent assets	162,322	168,780
Total assets	186,955	202,009
Deferred outflows of resources:		
Pension	34,453	29,106
Liabilities:		
Current liabilities:		
Accounts payable.	-	1,258
Accrued wages and benefits	7,462	2,267
Insurance deposits payable.	422	304
Compensated absences payable - current.	3,498	3,354
Total current liabilities	11,382	7,183
Long term liabilities:		
Compensated absences payable.	3,108	11,302
Net pension liability	87,610	74,832
Total long-term liabilities	90,718	86,134
Total liabilities.	102,100	93,317
Deferred inflows of resources:		
Pension	4,699	1,563
Net position:		
Net investment in capital assets	162,069	168,521
Unrestricted (deficit)	(47,460)	(32,286)
Total net position.	\$ 114,609	\$ 136,235

CITY OF FINDLAY, OHIO

COMPARATIVE STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
PARKING FACILITIES FUND

FOR THE YEAR ENDED DECEMBER 31, 2017 AND 2016

	<u>2017</u>	<u>2016</u>
Operating revenues:		
Charges for services	\$ 56,175	\$ 71,550
Other	1,111	368
Total operating revenues	<u>57,286</u>	<u>71,918</u>
Operating expenses:		
Personal services	84,312	88,257
Contract services	3,624	2,782
Materials and supplies.	9,122	8,105
Utilities	402	533
Depreciation.	6,452	6,451
Total operating expenses	<u>103,912</u>	<u>106,128</u>
Operating loss	(46,626)	(34,210)
Transfers in	25,000	-
Change in net position.	(21,626)	(34,210)
Net position, January 1	<u>136,235</u>	<u>170,445</u>
Net position, December 31	<u>\$ 114,609</u>	<u>\$ 136,235</u>

CITY OF FINDLAY, OHIO

**COMPARATIVE STATEMENT OF CASH FLOWS
PARKING FACILITIES FUND**

FOR THE YEAR ENDED DECEMBER 31, 2017 AND 2016

	2017	2016
Cash flows from operating activities:		
Cash received from customers	\$ 56,175	\$ 71,550
Cash received from other operations	1,111	368
Cash payments for personal services	(76,476)	(82,307)
Cash payments for contract services.	(3,504)	(3,939)
Cash payments for materials and supplies.	(10,380)	(9,434)
Cash payments for utilities.	(402)	(533)
Net cash (used in) operating activities.	(33,476)	(24,295)
Cash flows from noncapital financing activities:		
Transfers in	25,000	-
Net cash provided by noncapital financing activities	25,000	-
Net (decrease) in cash and cash equivalents . .	(8,476)	(24,295)
Cash and cash equivalents at beginning of year . . .	31,965	56,260
Cash and cash equivalents at end of year.	\$ 23,489	\$ 31,965
Reconciliation of operating loss to net cash (used in) operating activities:		
Operating loss	\$ (46,626)	\$ (34,210)
Adjustments:		
Depreciation	6,452	6,451
Changes in assets and liabilities:		
(Increase) decrease in prepayments	120	(1,157)
(Decrease) in accounts payable.	(1,258)	(1,329)
Increase in accrued wages and benefits.	5,195	292
Increase (decrease) in compensated absences payable .	(8,050)	2,313
Increase (decrease) in insurance deposits payable . . .	118	(1,064)
(Increase) decrease in net pension asset	6	(46)
(Increase) in deferred outflows - pension.	(5,347)	(19,624)
Increase in deferred inflows - pension	3,136	596
Increase in net pension liability	12,778	23,483
Net cash (used in) operating activities . . .	\$ (33,476)	\$ (24,295)

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, 2017
(WITH COMPARATIVE TOTALS FOR DECEMBER 31, 2016)

	Central Stores	Self-Insurance	Workers' Compensation	Totals	
				2017	2016
Assets:					
Current assets:					
Equity in pooled cash and investments	\$ 26,460	\$ 949,856	\$ 787,401	\$ 1,763,717	\$ 1,897,681
Receivables (net of allowances of uncollectibles) .	-	1,074	-	1,074	577
Prepayments.	-	54,284	-	54,284	56,842
Materials and supplies inventory	7,255	-	-	7,255	6,398
Total assets.	33,715	1,005,214	787,401	1,826,330	1,961,498
Liabilities:					
Current liabilities:					
Accounts payable.	66	8,300	-	8,366	80
Workers' compensation payable.	-	-	43,018	43,018	29,673
Total liabilities.	66	8,300	43,018	51,384	29,753
Net position:					
Unrestricted	33,649	996,914	744,383	1,774,946	1,931,745
Total net position	\$ 33,649	\$ 996,914	\$ 744,383	\$ 1,774,946	\$ 1,931,745

CITY OF FINDLAY, OHIO

COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
INTERNAL SERVICE FUNDS

FOR THE YEAR ENDED DECEMBER 31, 2017
(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED DECEMBER 31, 2016)

	Central Stores	Self-Insurance	Workers' Compensation	Totals	
				2017	2016
Operating revenues:					
Charges for services	\$ 14,976	\$ -	\$ -	\$ 14,976	\$ 13,783
Other	-	-	-	-	39,483
Total operating revenues	14,976	-	-	14,976	53,266
Operating expenses:					
Contract services	863	152,652	-	153,515	123,671
Materials and supplies.	15,776	-	-	15,776	9,043
Claims	-	-	13,345	13,345	-
Total operating expenses	16,639	152,652	13,345	182,636	132,714
Operating loss	(1,663)	(152,652)	(13,345)	(167,660)	(79,448)
Nonoperating revenues:					
Interest revenue	-	10,861	-	10,861	5,133
Total nonoperating revenues	-	10,861	-	10,861	5,133
Income loss before transfers	(1,663)	(141,791)	(13,345)	(156,799)	(74,315)
Transfers in	-	-	-	-	200,000
Change in net position	(1,663)	(141,791)	(13,345)	(156,799)	125,685
Net position, January 1.	<u>35,312</u>	<u>1,138,705</u>	<u>757,728</u>	<u>1,931,745</u>	<u>1,806,060</u>
Net position, December 31	<u>\$ 33,649</u>	<u>\$ 996,914</u>	<u>\$ 744,383</u>	<u>\$ 1,774,946</u>	<u>\$ 1,931,745</u>

CITY OF FINDLAY, OHIO

**COMBINING STATEMENT OF CASH FLOWS
INTERNAL SERVICE FUNDS**

FOR THE YEAR ENDED DECEMBER 31, 2017
(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED DECEMBER 31, 2016)

	Central Stores	Self-Insurance	Workers' Compensation	Totals	
				2017	2016
Cash flows from operating activities:					
Cash received from customers	\$ 14,976	\$ -	\$ -	\$ 14,976	\$ 13,783
Cash received from other operating revenues	-	-	-	-	12,627
Cash payments for contract services.	(863)	(141,794)	-	(142,657)	(133,675)
Cash payments for materials and supplies.	(16,647)	-	-	(16,647)	(9,544)
Cash payments for claims	-	-	-	-	(601)
Net cash (used in) operating activities.	<u>(2,534)</u>	<u>(141,794)</u>	<u>-</u>	<u>(144,328)</u>	<u>(117,410)</u>
Cash flows from noncapital financing activities:					
Transfers in.	-	-	-	-	200,000
Net cash provided by noncapital financing activities	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>200,000</u>
Cash flows from investing activities:					
Interest received.	-	10,364	-	10,364	4,764
Net cash provided by investing activities	<u>-</u>	<u>10,364</u>	<u>-</u>	<u>10,364</u>	<u>4,764</u>
Net increase (decrease) in cash and cash equivalents	(2,534)	(131,430)	-	(133,964)	87,354
Cash and cash equivalents at beginning of year	<u>28,994</u>	<u>1,081,286</u>	<u>787,401</u>	<u>1,897,681</u>	<u>1,810,327</u>
Cash and cash equivalents at end of year.	<u>\$ 26,460</u>	<u>\$ 949,856</u>	<u>\$ 787,401</u>	<u>\$ 1,763,717</u>	<u>\$ 1,897,681</u>
Reconciliation of operating (loss) to net (used in) operating activities:					
Operating (loss)	\$ (1,663)	\$ (152,652)	\$ (13,345)	\$ (167,660)	\$ (79,448)
Changes in assets and liabilities:					
(Increase) Decrease in materials and supplies inventory	(857)	-	-	(857)	115
(Increase) Decrease in prepayments	-	2,558	-	2,558	(1,704)
Increase (Decrease) in accounts payable	(14)	8,300	-	8,286	(8,916)
Increase (Decrease) in workers' compensation payable	-	-	13,345	13,345	(27,457)
Net cash (used in) operating activities.	<u>\$ (2,534)</u>	<u>\$ (141,794)</u>	<u>\$ -</u>	<u>\$ (144,328)</u>	<u>\$ (117,410)</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 and tax increment financing payments collected on-behalf of the Village of Arlington, the Village of Mount Cory, the Village of Vanlue, and for assessments collected and due to the Downtown Special Improvement District.

Unclaimed Monies:

This fund accounts for unclaimed monies originally issued by accounts payable or payroll check but never cashed. Monies are deposited into this fund after multiple attempts have been made to locate the owner. Those persons with unclaimed monies are listed by year of issuance on the City's website. Per ORC, these monies will remain in the fund for five years or until claimed (whichever comes first). At the end of five years, the remaining monies will be deposited into the City's general fund.

CITY OF FINDLAY, OHIO

COMPARATIVE STATEMENT OF FIDUCIARY NET POSITION
PRIVATE-PURPOSE TRUST FUND
DECEMBER 31, 2017 AND 2016

	2017	2016
Assets:		
Equity in pooled cash and investments	\$ 156,803	\$ 156,995
Receivables:		
Accrued interest.	138	80
Total assets.	156,941	157,075
 Net Position:		
Held in trust for private cemetery care	156,941	157,075
Total net position	\$ 156,941	\$ 157,075

CITY OF FINDLAY, OHIO

COMPARATIVE STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
PRIVATE-PURPOSE TRUST FUND
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2017 AND 2016

	2017	2016
Additions:		
Interest	\$ 1,300	\$ 650
Other	201	200
	1,501	850
Deductions:		
Cemetery care	1,635	1,615
Changes in net position	(134)	(765)
Net position, January 1	157,075	157,840
Net position, December 31	\$ 156,941	\$ 157,075

CITY OF FINDLAY, OHIO

**COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
AGENCY FUNDS**

FOR THE YEAR ENDED DECEMBER 31, 2017

	<u>Balance 12/31/16</u>	<u>Additions</u>	<u>Reductions</u>	<u>Balance 12/31/17</u>
<u>Guaranteed Deposits</u>				
Assets:				
Equity in pooled cash and investments	\$ 286,530	\$ 252,657	\$ (286,530)	\$ 252,657
Total assets	<u>\$ 286,530</u>	<u>\$ 252,657</u>	<u>\$ (286,530)</u>	<u>\$ 252,657</u>
Liabilities:				
Deposits held and due to others.	\$ 286,530	\$ 252,657	\$ (286,530)	\$ 252,657
Total liabilities.	<u>\$ 286,530</u>	<u>\$ 252,657</u>	<u>\$ (286,530)</u>	<u>\$ 252,657</u>
<u>Municipal Court</u>				
Assets:				
Cash in segregated accounts	\$ 67,185	\$ 74,174	\$ (67,185)	\$ 74,174
Total assets	<u>\$ 67,185</u>	<u>\$ 74,174</u>	<u>\$ (67,185)</u>	<u>\$ 74,174</u>
Liabilities:				
Deposits held and due to others.	\$ 67,185	\$ 74,174	\$ (67,185)	\$ 74,174
Total liabilities.	<u>\$ 67,185</u>	<u>\$ 74,174</u>	<u>\$ (67,185)</u>	<u>\$ 74,174</u>
<u>Tax Collection</u>				
Assets:				
Equity in pooled cash and investments	\$ 22,116	\$ 20,595	\$ (22,116)	\$ 20,595
Total assets	<u>\$ 22,116</u>	<u>\$ 20,595</u>	<u>\$ (22,116)</u>	<u>\$ 20,595</u>
Liabilities:				
Accounts payable.	\$ 22,116	\$ 20,595	\$ (22,116)	\$ 20,595
Total liabilities.	<u>\$ 22,116</u>	<u>\$ 20,595</u>	<u>\$ (22,116)</u>	<u>\$ 20,595</u>
<u>Unclaimed Monies</u>				
Assets:				
Equity in pooled cash and cash equivalents.	\$ 2,208	\$ 7,620	\$ (2,208)	\$ 7,620
Total assets	<u>\$ 2,208</u>	<u>\$ 7,620</u>	<u>\$ (2,208)</u>	<u>\$ 7,620</u>
Liabilities:				
Deposits held and due to others.	\$ 2,208	\$ 7,620	\$ (2,208)	\$ 7,620
Total liabilities.	<u>\$ 2,208</u>	<u>\$ 7,620</u>	<u>\$ (2,208)</u>	<u>\$ 7,620</u>
<u>Total Agency Funds</u>				
Assets:				
Equity in pooled cash and investments	\$ 310,854	\$ 280,872	\$ (310,854)	\$ 280,872
Cash in segregated accounts	67,185	74,174	(67,185)	74,174
Total assets	<u>\$ 378,039</u>	<u>\$ 355,046</u>	<u>\$ (378,039)</u>	<u>\$ 355,046</u>
Liabilities:				
Accounts payable.	\$ 22,116	\$ 20,595	\$ (22,116)	\$ 20,595
Deposits held and due to others.	355,923	334,451	(355,923)	334,451
Total liabilities.	<u>\$ 378,039</u>	<u>\$ 355,046</u>	<u>\$ (378,039)</u>	<u>\$ 355,046</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>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014 (1)</u>
Governmental Activities				
Net investment in capital assets	\$ 87,387,917	\$ 81,341,015	\$ 78,187,482	\$ 73,978,571
Restricted for:				
Capital projects	379,069	225,888	116,489	496,643
Debt service	117,252	140,251	160,946	195,205
Security of persons and property programs	98,175	86,048	81,772	91,115
General government operations	985,280	882,802	727,908	768,178
Transportation improvement projects	1,896,527	1,769,929	1,911,201	2,981,776
Economic development programs	1,021,097	1,112,532	1,109,538	1,094,735
Perpetual care:				
Expendable	14,846	7,288	1,237	449
Nonexpendable	1,392,401	1,373,776	1,344,168	1,308,415
Other purposes	2,781,732	1,610,100	3,100,624	947,848
Unrestricted	<u>(3,138,790)</u>	<u>4,365,424</u>	<u>3,537,657</u>	<u>25,834,186</u>
Total governmental activities net position	<u>\$ 92,935,506</u>	<u>\$ 92,915,053</u>	<u>\$ 90,279,022</u>	<u>\$ 107,697,121</u>
Business-type Activities				
Net investment in capital assets	\$ 135,861,632	\$ 131,517,130	\$ 126,775,309	\$ 121,616,774
Restricted for:				
Capital projects	6,285,031	5,989,837	5,071,300	5,535,446
Unrestricted	<u>17,964,330</u>	<u>16,694,097</u>	<u>17,109,592</u>	<u>19,571,591</u>
Total business-type activities net position	<u>\$ 160,110,993</u>	<u>\$ 154,201,064</u>	<u>\$ 148,956,201</u>	<u>\$ 146,723,811</u>
Total Primary Government				
Net investment in capital assets	\$ 223,249,549	\$ 212,858,145	\$ 204,962,791	\$ 195,595,345
Restricted for:				
Capital projects	6,664,100	6,215,725	5,187,789	6,032,089
Debt service	117,252	140,251	160,946	195,205
Security of persons and property programs	98,175	86,048	81,772	91,115
General government operations	985,280	882,802	727,908	768,178
Transportation projects	1,896,527	1,769,929	1,911,201	2,981,776
Economic development programs	1,021,097	1,112,532	1,109,538	1,094,735
Perpetual care:				
Expendable	14,846	7,288	1,237	449
Nonexpendable	1,392,401	1,373,776	1,344,168	1,308,415
Other projects	2,781,732	1,610,100	3,100,624	947,848
Unrestricted	<u>14,825,540</u>	<u>21,059,521</u>	<u>20,647,249</u>	<u>45,405,777</u>
Total primary government net position	<u>\$ 253,046,499</u>	<u>\$ 247,116,117</u>	<u>\$ 239,235,223</u>	<u>\$ 254,420,932</u>

(1) Amounts have been restated to reflect the implementation of GASB Statements No. 68 and 71, which were implemented in 2015 and for prior period adjustment posted in 2015.

TABLE 1

2013	2012	2011	2010	2009	2008
\$ 72,492,146	\$ 72,190,698	\$ 72,312,433	\$ 72,061,766	\$ 72,632,017	\$ 67,497,148
524,102	516,709	614,526	675,260	796,169	807,513
226,052	265,528	30,175	131,860	-	-
86,003	87,584	87,446	108,402	120,155	46,058
677,630	682,029	557,094	488,391	377,200	371,730
1,778,564	1,827,410	1,926,637	1,761,398	1,356,482	2,556,627
1,084,996	841,400	841,656	949,173	949,428	957,002
1,068	1,477	2,101	121	99	1,343
1,269,186	1,231,975	1,204,779	1,176,477	1,153,077	1,106,527
1,158,767	884,604	1,059,400	142,986	243,317	106,955
25,723,428	15,856,895	12,372,527	10,841,644	5,123,470	7,209,975
<u>\$ 105,021,942</u>	<u>\$ 94,386,309</u>	<u>\$ 91,008,774</u>	<u>\$ 88,337,478</u>	<u>\$ 82,751,414</u>	<u>\$ 80,660,878</u>
\$ 122,106,355	\$ 122,183,651	\$ 121,019,885	\$ 118,932,110	\$ 117,699,129	\$ 107,016,529
6,392,630	5,985,364	5,211,113	4,843,032	5,149,454	5,144,813
14,210,390	10,830,020	8,056,846	7,963,331	7,286,739	8,609,810
<u>\$ 142,709,375</u>	<u>\$ 138,999,035</u>	<u>\$ 134,287,844</u>	<u>\$ 131,738,473</u>	<u>\$ 130,135,322</u>	<u>\$ 120,771,152</u>
\$ 194,598,501	\$ 194,374,349	\$ 193,332,318	\$ 190,993,876	\$ 190,331,146	\$ 174,513,677
6,916,732	6,502,073	5,825,639	5,518,292	5,945,623	5,952,326
226,052	265,528	30,175	131,860	-	-
86,003	87,584	87,446	108,402	120,155	46,058
677,630	682,029	557,094	488,391	377,200	371,730
1,778,564	1,827,410	1,926,637	1,761,398	1,356,482	2,556,627
1,084,996	841,400	841,656	949,173	949,428	957,002
1,068	1,477	2,101	121	99	1,343
1,269,186	1,231,975	1,204,779	1,176,477	1,153,077	1,106,527
1,158,767	884,604	1,059,400	142,986	243,317	106,955
39,933,818	26,686,915	20,429,373	18,804,975	12,410,209	15,819,785
<u>\$ 247,731,317</u>	<u>\$ 233,385,344</u>	<u>\$ 225,296,618</u>	<u>\$ 220,075,951</u>	<u>\$ 212,886,736</u>	<u>\$ 201,432,030</u>

CITY OF FINDLAY, OHIO
CHANGES IN NET POSITION
LAST TEN YEARS
(ACCRUAL BASIS OF ACCOUNTING)

	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Program Revenues:				
Governmental activities				
Charges for services:				
General government	\$ 2,827,428	\$ 2,944,742	\$ 2,445,802	\$ 2,322,091
Security of persons and property	304,492	260,556	288,871	267,809
Public health services	172,075	221,838	1,125,144	1,110,657
Transportation	94,773	137,836	151,614	141,853
Leisure time activities	554,841	513,325	590,292	628,480
Interest and fiscal charges	286	1,847	1,258	13,839
Operating grants & contributions	2,249,356	3,056,083	2,560,912	2,708,225
Capital grants & contributions	3,953,019	924,763	2,358,020	1,454,779
Total governmental activities program revenues	<u>10,156,270</u>	<u>8,060,990</u>	<u>9,521,913</u>	<u>8,647,733</u>
Business-type activities:				
Charges for services:				
Water	8,030,734	8,314,598	8,130,180	8,094,877
Water pollution control	9,563,139	9,604,120	10,146,272	9,397,038
Airport	741,126	826,536	878,020	1,113,979
Parking facilities	56,175	71,550	100,371	77,191
Swimming pool	-	-	-	-
Operating grants & contributions	493,087	146,362	282,466	169,302
Capital grants & contributions	3,321,867	1,987,099	529,202	282,249
Total business-type activities program revenues	<u>22,206,128</u>	<u>20,950,265</u>	<u>20,066,511</u>	<u>19,134,636</u>
Total primary government	<u>\$ 32,362,398</u>	<u>\$ 29,011,255</u>	<u>\$ 29,588,424</u>	<u>\$ 27,782,369</u>
Expenses:				
Governmental Activities				
General government	\$ 9,565,419	\$ 9,570,553	\$ 7,685,516	\$ 7,469,907
Security of persons and property	17,415,139	16,061,874	15,342,739	14,443,733
Public health services	945,342	1,715,431	2,198,660	2,160,622
Transportation	6,294,645	6,130,358	6,507,689	5,422,042
Leisure time activities	1,929,330	1,789,883	1,524,053	1,499,577
Other	-	-	-	-
Interest and fiscal charges	211,882	426,009	340,235	356,731
Total governmental activities expenses	<u>36,361,757</u>	<u>35,694,108</u>	<u>33,598,892</u>	<u>31,352,612</u>
Business-type activities:				
Water	7,466,713	6,192,080	5,749,014	6,051,531
Water pollution control	7,601,800	7,998,804	7,071,836	7,187,450
Airport	1,918,453	1,781,823	1,807,053	2,059,034
Parking facilities	103,960	105,993	102,631	104,917
Swimming pool	105,018	107,108	107,005	116,867
Total business-type activities expenses	<u>17,195,944</u>	<u>16,185,808</u>	<u>14,837,539</u>	<u>15,519,799</u>
Total primary government	<u>\$ 53,557,701</u>	<u>\$ 51,879,916</u>	<u>\$ 48,436,431</u>	<u>\$ 46,872,411</u>

TABLE 2

2013	2012	2011	2010	2009	2008
\$ 2,594,246	\$ 2,359,760	\$ 2,433,357	\$ 2,921,732	\$ 2,496,854	\$ 2,658,578
247,124	269,644	141,823	257,994	162,514	93,886
841,091	910,714	636,349	578,972	663,426	422,006
126,056	158,250	95,613	138,556	7,499	26,547
592,621	590,059	566,439	604,244	832,625	537,876
417	244,530	210	61,849	46,252	57,481
3,325,208	2,932,081	3,784,840	4,782,062	2,593,576	2,607,745
1,106,922	987,606	2,299,329	854,821	2,519,999	583,891
<u>8,833,685</u>	<u>8,452,644</u>	<u>9,957,960</u>	<u>10,200,230</u>	<u>9,322,745</u>	<u>6,988,010</u>
8,158,604	8,414,617	7,343,601	7,330,609	7,234,830	7,395,768
9,245,878	9,410,093	9,088,500	9,068,861	8,889,619	8,472,743
1,022,799	1,128,095	882,752	836,474	659,547	870,610
64,671	63,249	66,087	56,875	61,431	57,214
-	-	-	149	45,211	64,484
176,207	174,907	157,785	169,814	3,300	12,469
175,331	602,142	200,787	1,903,706	6,490,318	2,342,423
<u>18,843,490</u>	<u>19,793,103</u>	<u>17,739,512</u>	<u>19,366,488</u>	<u>23,384,256</u>	<u>19,215,711</u>
<u>\$ 27,677,175</u>	<u>\$ 28,245,747</u>	<u>\$ 27,697,472</u>	<u>\$ 29,566,718</u>	<u>\$ 32,707,001</u>	<u>\$ 26,203,721</u>
\$ 7,502,393	\$ 9,257,857	\$ 8,344,438	\$ 6,459,067	\$ 7,077,400	\$ 7,704,101
13,434,775	15,560,367	15,827,515	15,696,261	14,753,558	14,678,503
2,034,618	1,978,226	2,181,429	1,790,894	1,761,611	1,702,053
5,528,850	5,095,585	5,487,799	4,963,539	4,072,078	5,437,592
1,252,231	1,229,723	1,415,161	1,357,651	1,728,505	1,931,170
-	-	-	-	-	587
393,632	421,280	419,946	427,068	466,040	505,675
<u>30,146,499</u>	<u>33,543,038</u>	<u>33,676,288</u>	<u>30,694,480</u>	<u>29,859,192</u>	<u>31,959,681</u>
5,866,274	6,198,978	6,278,612	7,379,254	5,934,589	6,349,090
7,309,005	6,988,964	7,155,791	8,209,683	6,834,280	7,382,633
2,190,509	2,321,322	2,123,837	1,889,699	1,577,566	1,782,535
96,404	88,675	86,691	87,485	109,874	112,539
55,462	57,654	51,519	63,792	140,867	204,675
<u>15,517,654</u>	<u>15,655,593</u>	<u>15,696,450</u>	<u>17,629,913</u>	<u>14,597,176</u>	<u>15,831,472</u>
<u>\$ 45,664,153</u>	<u>\$ 49,198,631</u>	<u>\$ 49,372,738</u>	<u>\$ 48,324,393</u>	<u>\$ 44,456,368</u>	<u>\$ 47,791,153</u>

-- Continued

CITY OF FINDLAY, OHIO
CHANGES IN NET POSITION
LAST TEN YEARS
(ACCRUAL BASIS OF ACCOUNTING)

	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Net (Expense) Revenue				
Governmental activities	\$ (26,205,487)	\$ (27,633,118)	\$ (24,076,979)	\$ (22,704,879)
Business-type activities	5,010,184	4,764,457	5,228,972	3,614,837
Total primary government net expense	<u>\$ (21,195,303)</u>	<u>\$ (22,868,661)</u>	<u>\$ (18,848,007)</u>	<u>\$ (19,090,042)</u>
General Revenues and Other Changes in Net Position				
Governmental activities				
Taxes:				
Property and other local taxes levied for:				
General purposes	\$ 2,674,433	\$ 2,520,008	\$ 2,453,252	\$ 2,397,716
Police and fire pensions	462,680	435,816	441,642	441,310
Municipal income taxes levied for:				
General purposes	21,300,761	25,505,967	23,365,523	20,625,080
Tax increment financing revenues	45,818	71,783	71,985	72,159
Grants and entitlements				
not restricted to specific programs	842,856	833,401	1,026,477	895,700
Gain on sale of capital assets	-	-	-	-
Investment earnings	267,697	143,048	82,858	43,623
Increase (decrease) in fair market value				
of investments	(57,829)	54,343	(54,665)	(7,943)
Miscellaneous	1,191,804	918,092	1,033,630	1,130,406
Transfers	(502,280)	(213,309)	479,921	(217,993)
Total governmental activities	<u>26,225,940</u>	<u>30,269,149</u>	<u>28,900,623</u>	<u>25,380,058</u>
Business-type activities				
Investment earnings	205,392	104,573	63,699	43,381
Miscellaneous	192,073	162,524	101,590	138,225
Transfers	502,280	213,309	(479,921)	217,993
Total business-type activities	<u>899,745</u>	<u>480,406</u>	<u>(314,632)</u>	<u>399,599</u>
Total primary government	<u>\$ 27,125,685</u>	<u>\$ 30,749,555</u>	<u>\$ 28,585,991</u>	<u>\$ 25,779,657</u>
Change in Net Position				
Governmental activities	\$ 20,453	\$ 2,636,031	\$ 4,823,644	\$ 2,675,179
Business-type activities	5,909,929	5,244,863	4,914,340	4,014,436
Total primary government	<u>\$ 5,930,382</u>	<u>\$ 7,880,894</u>	<u>\$ 9,737,984</u>	<u>\$ 6,689,615</u>

2013	2012	2011	2010	2009	2008
\$ (21,312,814)	\$ (25,090,394)	\$ (23,718,328)	\$ (20,494,250)	\$ (20,536,447)	\$ (24,971,671)
3,325,836	4,137,510	2,043,062	1,736,575	8,787,080	3,384,239
<u>\$ (17,986,978)</u>	<u>\$ (20,952,884)</u>	<u>\$ (21,675,266)</u>	<u>\$ (18,757,675)</u>	<u>\$ (11,749,367)</u>	<u>\$ (21,587,432)</u>
\$ 2,337,745	\$ 2,341,451	\$ 2,349,758	\$ 2,705,027	\$ 2,621,017	\$ 2,666,772
426,568	431,342	441,702	534,026	525,756	526,916
26,754,570	21,596,551	20,703,206	19,619,390	14,707,682	15,550,207
72,941	71,284	70,551	-	-	-
1,585,007	2,983,700	2,793,218	2,431,879	4,506,472	4,327,630
-	-	-	11,689	-	-
47,736	24,262	70,011	49,253	107,613	586,151
(9,945)	20,690	(28,750)	(27)	(102,525)	74,364
995,168	1,481,603	479,571	500,982	537,215	1,180,285
(261,343)	(482,954)	(317,416)	228,095	(276,247)	(836,484)
<u>31,948,447</u>	<u>28,467,929</u>	<u>26,561,851</u>	<u>26,080,314</u>	<u>22,626,983</u>	<u>24,075,841</u>
34,375	29,900	43,424	42,681	131,594	475,668
88,786	60,827	244,443	51,990	169,249	265,199
261,343	482,954	317,416	(228,095)	276,247	836,484
<u>384,504</u>	<u>573,681</u>	<u>605,283</u>	<u>(133,424)</u>	<u>577,090</u>	<u>1,577,351</u>
<u>\$ 32,332,951</u>	<u>\$ 29,041,610</u>	<u>\$ 27,167,134</u>	<u>\$ 25,946,890</u>	<u>\$ 23,204,073</u>	<u>\$ 25,653,192</u>
\$ 10,635,633	\$ 3,377,535	\$ 2,843,523	\$ 5,586,064	\$ 2,090,536	\$ (895,830)
3,710,340	4,711,191	2,648,345	1,603,151	9,364,170	4,961,590
<u>\$ 14,345,973</u>	<u>\$ 8,088,726</u>	<u>\$ 5,491,868</u>	<u>\$ 7,189,215</u>	<u>\$ 11,454,706</u>	<u>\$ 4,065,760</u>

CITY OF FINDLAY, OHIO

FUND BALANCES, GOVERNMENTAL FUNDS
LAST TEN YEARS
(MODIFIED ACCRUAL BASIS OF ACCOUNTING)

	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
General Fund				
Nonspendable	\$ 297,428	\$ 318,444	\$ 51,907	\$ 45,471
Restricted	2,170,077	1,026,629	2,614,069	556,930
Committed	6,916,735	8,966,662	9,502,866	11,518,860
Assigned	2,111,667	1,182,289	428,538	437,476
Unassigned	11,518,357	13,410,382	12,507,222	11,102,421
Reserved	-	-	-	-
Designated	-	-	-	-
Unreserved, undesignated	-	-	-	-
Total general fund	<u>\$ 23,014,264</u>	<u>\$ 24,904,406</u>	<u>\$ 25,104,602</u>	<u>\$ 23,661,158</u>
All Other Governmental Funds				
Nonspendable	\$ 2,021,415	\$ 2,147,596	\$ 2,011,943	\$ 1,984,890
Restricted	5,630,634	4,666,002	4,400,957	4,892,233
Committed	-	16,566	-	-
Unassigned (deficit)	-	-	-	-
Reserved	-	-	-	-
Unreserved, undesignated reported in:				
Special revenue funds	-	-	-	-
Permanent fund	-	-	-	-
Capital projects funds	-	-	-	-
Total all other governmental funds	<u>\$ 7,652,049</u>	<u>\$ 6,830,164</u>	<u>\$ 6,412,900</u>	<u>\$ 6,877,123</u>
Total governmental funds	<u>\$ 30,666,313</u>	<u>\$ 31,734,570</u>	<u>\$ 31,517,502</u>	<u>\$ 30,538,281</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.

TABLE 3

2013	2012	2011	2010	2009 (1)	2008 (1)
\$ 47,040	\$ 48,152	\$ 46,848	\$ 45,131	\$ -	\$ -
799,077	576,264	752,667	613,308	-	-
12,345,286	1,767,446	1,084,266	1,309,907	-	-
100,584	1,827,722	1,237,557	566,767	-	-
10,037,368	8,250,881	6,121,828	5,059,364	-	-
-	-	-	-	1,113,476	720,530
-	-	-	-	-	1,000,000
-	-	-	-	3,122,306	4,143,164
<u>\$ 23,329,355</u>	<u>\$ 12,470,465</u>	<u>\$ 9,243,166</u>	<u>\$ 7,594,477</u>	<u>\$ 4,235,782</u>	<u>\$ 5,863,694</u>
\$ 1,823,884	\$ 1,701,268	\$ 1,717,902	\$ 1,627,403	\$ -	\$ -
3,730,189	3,532,230	3,596,540	3,526,938	-	-
-	4,623,943	4,680,635	3,553,070	-	-
-	-	(332,718)	(40,714)	-	-
-	-	-	-	3,718,638	4,658,477
-	-	-	-	2,408,755	2,818,273
-	-	-	-	99	1,343
-	-	-	-	791,579	807,513
<u>\$ 5,554,073</u>	<u>\$ 9,857,441</u>	<u>\$ 9,662,359</u>	<u>\$ 8,666,697</u>	<u>\$ 6,919,071</u>	<u>\$ 8,285,606</u>
<u>\$ 28,883,428</u>	<u>\$ 22,327,906</u>	<u>\$ 18,905,525</u>	<u>\$ 16,261,174</u>	<u>\$ 11,154,853</u>	<u>\$ 14,149,300</u>

CITY OF FINDLAY, OHIO
CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS
LAST TEN YEARS
(MODIFIED ACCRUAL BASIS OF ACCOUNTING)

	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Revenues				
Municipal income taxes	\$ 22,979,449	\$ 24,732,412	\$ 23,333,535	\$ 20,938,843
Property and other taxes	3,137,693	2,956,479	2,895,582	2,839,762
Charges for services	1,916,054	1,888,774	2,773,731	2,762,250
Licenses and permits	391,330	410,927	309,477	314,881
Fines and forfeitures	1,759,095	1,492,305	1,449,164	1,293,710
Intergovernmental	5,638,029	4,494,475	5,349,728	4,770,643
Special assessments	22,868	22,304	32,533	1,466
Investment income	300,862	172,977	109,484	67,714
Increase (decrease) in fair market value of investments	(57,829)	54,343	(54,665)	(7,943)
Rental income	80,816	71,098	71,025	77,890
Contributions and donations	1,115,175	25,872	412,699	33,239
Reimbursements	1,188,852	916,825	1,027,991	1,133,883
Tax increment financing	45,818	71,783	71,985	72,159
Other	48,282	45,830	20,315	11,777
Total revenues	<u>38,566,494</u>	<u>37,356,404</u>	<u>37,802,584</u>	<u>34,310,274</u>
Expenditures				
Current:				
General government	8,294,346	8,573,882	7,167,165	6,929,984
Security of persons and property	15,229,696	14,882,457	14,342,234	13,945,852
Public health and welfare	800,407	1,624,100	2,195,546	2,128,398
Transportation	3,102,649	2,673,661	2,993,311	2,366,790
Leisure time activity	1,375,655	1,339,667	1,168,765	1,178,546
Other	-	-	-	-
Capital outlay	9,490,150	7,140,492	7,729,518	5,031,019
Debt service:				
Principal retirement	476,179	559,739	650,354	617,524
Interest and fiscal charges	197,578	319,030	335,193	364,146
Bond/note issuance costs	-	159,640	-	3,205
Total expenditures	<u>38,966,660</u>	<u>37,272,668</u>	<u>36,582,086</u>	<u>32,565,464</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(400,166)</u>	<u>83,736</u>	<u>1,220,498</u>	<u>1,744,810</u>
Other Financing Sources (Uses)				
Transfers in	6,786,732	5,352,052	8,646,748	6,521,041
Transfers (out)	(7,289,012)	(5,765,361)	(8,885,761)	(6,739,034)
Issuance of refunding bonds	-	6,505,000	-	584,500
Payment to refunding bond escrow agent	-	(6,715,929)	-	(576,672)
Premium on notes/bonds	-	385,262	-	-
Sale of capital assets	-	300	-	-
Discount on bonds sold	-	-	-	-
Premium on notes sold	-	-	-	-
Bonds issued	-	-	-	-
Total other financing sources (uses)	<u>(502,280)</u>	<u>(238,676)</u>	<u>(239,013)</u>	<u>(210,165)</u>
Net change in fund balances	(902,446)	(154,940)	981,485	1,534,645
Increase (decrease) in reserve for inventory	(143,041)	77,480	(10,831)	126,454
Increase (decrease) in prepaids	(22,770)	294,528	8,567	(6,246)
Total change in fund balances	<u>\$ (1,068,257)</u>	<u>\$ 217,068</u>	<u>\$ 979,221</u>	<u>\$ 1,654,853</u>
Capital expenditures	10,308,551	7,972,560	7,446,965	4,999,631
Debt service as a percentage of noncapital expenditures	2.35%	3.00%	3.38%	3.56%

TABLE 4

	2013	2012	2011	2010	2009	2008
\$	24,149,733	\$ 21,563,110	\$ 20,456,073	\$ 18,562,751	\$ 14,623,811	\$ 15,646,020
	2,765,164	2,773,713	2,792,147	3,239,792	3,146,983	3,193,744
	2,768,092	2,891,751	2,385,372	2,374,123	2,632,388	2,011,057
	347,094	319,236	326,626	321,919	394,060	335,820
	1,229,609	1,321,720	1,189,206	1,369,185	1,132,362	1,178,490
	5,990,277	6,654,320	8,918,043	7,701,147	9,424,101	6,768,810
	32,578	208,357	9,023	24,223	36,385	47,171
	71,632	43,370	92,454	75,987	126,352	637,025
	(9,945)	20,690	(28,750)	(27)	(102,525)	74,364
	84,701	67,130	59,092	70,314	65,948	58,677
	20,765	93,503	189,262	148,089	157,531	157,036
	995,058	959,217	478,830	618,016	469,885	1,085,310
	72,941	71,284	70,551	61,735	45,943	40,383
	34,167	56,187	64,621	61,142	71,631	94,919
	38,551,866	37,043,588	37,002,550	34,628,396	32,224,855	31,328,826
	7,028,408	8,985,945	7,563,146	6,147,014	6,800,513	7,383,581
	13,819,356	14,918,793	15,311,232	14,743,482	14,430,340	14,470,422
	2,051,992	1,947,627	2,085,575	1,727,315	1,674,041	1,674,062
	2,317,126	2,281,244	2,555,879	2,190,517	2,298,037	2,791,562
	955,716	1,221,237	1,359,519	1,258,449	1,635,959	1,871,879
	-	-	-	-	-	587
	4,239,024	2,961,849	5,132,329	2,587,380	7,126,312	6,909,430
	609,401	565,989	667,203	662,703	648,703	428,703
	398,390	424,971	411,064	416,260	417,799	363,261
	-	-	54,920	-	-	134,231
	31,419,413	33,307,655	35,140,867	29,733,120	35,031,704	36,027,718
	7,132,453	3,735,933	1,861,683	4,895,276	(2,806,849)	(4,698,892)
	6,098,734	26,243,826	21,241,205	20,478,411	15,713,810	18,127,688
	(6,760,077)	(26,726,780)	(21,558,621)	(20,250,316)	(15,990,057)	(18,964,172)
	-	-	-	-	-	-
	-	-	-	-	-	-
	-	-	-	-	-	-
	119	928	159	11,787	11,394	35,096
	-	-	-	-	-	(46,937)
	-	-	-	-	-	12,848
	-	211,000	1,036,011	-	-	8,200,000
	(661,224)	(271,026)	718,754	239,882	(264,853)	7,364,523
	6,471,229	3,464,907	2,580,437	5,135,158	(3,071,702)	2,665,631
	88,289	(45,186)	61,931	3,250	71,985	114,983
	(3,996)	2,660	1,983	(32,087)	5,270	1,044
\$	6,555,522	\$ 3,422,381	\$ 2,644,351	\$ 5,106,321	\$ (2,994,447)	\$ 2,781,658
	3,971,501	3,763,032	4,695,569	2,624,629	7,178,277	7,158,020
	3.67%	3.35%	3.54%	3.98%	3.83%	2.74%

CITY OF FINDLAY, OHIO

ASSESSSED 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
2018	\$ 799,170,680	\$ 2,283,344,800	\$ 40,016,210	\$ 45,472,966	\$ -	\$ -
2017 (2)	800,255,330	2,286,443,800	35,291,770	40,104,284	-	-
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

Source: Hancock County Auditor's Office.

(1) Valuations are amounts for collection year.

(2) Sexennial update for property values, effective in tax collection years 2011 and 2017.

(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 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
\$ 839,186,890	\$ 2,328,817,766	36.03%	3.20
835,547,100	2,326,548,084	35.91%	3.20
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

CITY OF FINDLAY, OHIO

DIRECT AND OVERLAPPING PROPERTY TAX RATES
(RATE PER \$1,000 OF ASSESSED VALUE)
LAST TEN YEARS

		<u>City Direct Rates (1)</u>				
	<u>Collection Year (1)</u>	<u>General Rate</u>	<u>Total Direct Rate</u>			
	2018	3.20	3.20			
	2017	3.20	3.20			
	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			
		<u>Overlapping Rates (1)</u>				
<u>Collection Year (1)</u>	<u>Hancock County</u>	<u>Hancock County Park District</u>	<u>Findlay City School District</u>	<u>Findlay Hancock Public Library</u>	<u>Total</u>	
2018	8.40	0.80	64.95	0.50	77.85	
2017	7.80	0.80	64.95	0.50	77.25	
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	

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, 2017			
Taxpayer	Taxable Assessed Value	Rank	Percentage of Total City Real Property Assessed Value
Vereit ID Findlay OH LLC	\$ 10,236,440	1	1.28%
Marathon Petroleum	9,622,620	2	1.20%
Findlay Shopping Center, Inc.	4,722,360	3	0.59%
Nissan Brake	4,602,770	4	0.58%
Kohl's Department Stores, Inc.	4,447,270	5	0.56%
Flag City Station, LLC	3,648,980	6	0.46%
LP Investment Company	3,550,400	7	0.44%
Ohio Logistics II, LLC	2,612,820	8	0.33%
DDC Hotels, Inc.	2,294,980	9	0.29%
Lowe's Home Centers, Inc.	2,113,850	10	0.26%
Total, Top Ten Principal Real Property Taxpayers	<u>\$ 47,852,490</u>		<u>5.99%</u>
December 31, 2008			
Taxpayer	Taxable Assessed Value	Rank	Percentage of Total City Real Property Assessed Value
Marathon Oil Co.	\$ 10,646,930	1	1.32%
Cooper Tire & Rubber Company	8,950,190	2	1.11%
Findlay Shopping Center, Inc.	6,460,380	3	0.80%
Kohl's Department Stores, Inc.	5,250,000	4	0.65%
Logistics Solutions of Ohio	3,844,010	5	0.48%
RG Findlay LTD	3,051,060	6	0.38%
BB Findlay Limited Partnership	2,969,670	7	0.37%
Meijer Stores	2,837,080	8	0.35%
Lowe's Home Center, Inc.	2,348,110	9	0.29%
LP Investment Company	2,285,420	10	0.28%
Total, Top Ten Principal Real Property Taxpayers	<u>\$ 48,642,850</u>		<u>6.03%</u>

Source: Hancock County Auditor's Office.

CITY OF FINDLAY, OHIO

PRINCIPAL TAXPAYERS
PUBLIC UTILITY PROPERTY TAX
CURRENT YEAR AND NINE YEARS AGO

December 31, 2017			
Taxpayer	Taxable Assessed Value	Rank	Percentage of Total City Public Utility Assessed Value
Ohio Power Company	\$ 23,421,340	1	58.53%
Marathon Pipeline LLC	10,528,150	2	26.31%
Columbia Gas of Ohio, Inc.	4,900,910	3	12.25%
Hancock Wood Electric Co-op Inc.	749,460	4	1.87%
Total, Top Four Principal Public Utility Taxpayers	<u>\$ 39,599,860</u>		<u>98.96%</u>

December 31, 2008			
Taxpayer	Taxable Assessed Value	Rank	Percentage of Total City Public Utility Assessed Value
Ohio Power Company	\$ 5,793,550	1	30.42%
Columbia Gas of Ohio, Inc.	727,350	2	3.82%
Norfolk-Southern Combined	50,170	3	0.26%
CSX Transportation Inc.	33,820	4	0.18%
Hancock-Wood Electric Co-Op Inc.	31,560	5	0.17%
Total, Top Five Principal Public Utility Taxpayers	<u>\$ 6,636,450</u>		<u>34.85%</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
2017	\$ 2,677,677	\$ 93,361	\$ 2,771,038	\$ 2,610,681	97.50%
2016	2,567,465	98,315	2,665,780	2,502,497	97.47%
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%

Source: Hancock County Auditor's Office.

(1) includes rollbacks reimbursed by the State.

TABLE 9

Delinquent Collection	Total Collection	Total Collection as a Percent of Total Levy
\$ 66,841	\$ 2,677,522	96.63%
68,909	2,571,406	96.46%
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%

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
2017	1.00%	\$ 23,316,215	\$ 17,787,529	76.29%	\$ 3,097,745
2016	1.00%	25,077,744	17,321,266	69.07%	5,356,863
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

Source: City income tax department.

TABLE 10

Percentage of Taxes from Net Profits	Taxes from Individuals	Percentage of Taxes from Individuals
13.28%	\$ 2,430,941	10.43%
21.36%	2,399,615	9.57%
18.66%	2,098,093	9.01%
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%

CITY OF FINDLAY, OHIO

RATIOS OF OUTSTANDING DEBT BY TYPE
LAST TEN YEARS

Governmental Activities						
Year	General Obligation Bonds	Special Assessment Bonds	Notes Payable	OPWC Loans	Police and Fire Past Service	
2017	\$ 7,143,797	\$ 103,000	\$ -	\$ 110,406	\$ 916,125	
2016	7,609,179	122,000	-	125,089	950,946	
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	

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
\$ 1,920,000	\$ 12,154,049	\$ 396,224	\$ 22,743,601	\$1,522,172,340	1.49%	41,652	\$ 546
3,850,000	14,542,918	451,562	27,651,694	1,234,254,362	2.24%	41,542	666
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

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
2017	\$ 9,063,797	\$ 103,000	\$ 9,166,797	0.39%	\$ 220
2016	11,459,179	122,000	11,581,179	0.50%	279
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

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, 2017

<u>Governmental Unit</u>	<u>Debt Outstanding (2)</u>	<u>Estimated Percentage Applicable (1)</u>	<u>Estimated Share of Overlapping Debt</u>
Direct:			
City of Findlay	\$ 8,273,328	100.00%	\$ 8,273,328
Total direct debt	<u>8,273,328</u>		<u>8,273,328</u>
Overlapping debt:			
Findlay City School District	45,560,000	88.67%	40,398,052
Liberty-Benton Local School District	1,045,000	9.86%	103,037
Van Buren Local School District	2,460,000	34.10%	838,860
Hancock County	8,970,778	43.78%	3,927,407
Total overlapping debt	<u>58,035,778</u>		<u>45,267,356</u>
Total direct and overlapping debt	<u>\$ 66,309,106</u>		<u>\$ 53,540,684</u>

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
2017	\$ 88,114,623	\$ 8,709,050	\$ 350	\$ 79,405,923	9.88%
2016	87,732,446	11,081,546	17,333	76,668,233	12.63%
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%

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	
2017	41,652	\$ 1,522,172,340	\$ 36,545	3.6%	5.0%	4.4%	20.0686
2016	41,542	1,234,254,362	29,711	3.7%	5.0%	4.9%	20.0686
2015	41,596	1,146,094,588	27,553	3.7%	4.9%	5.3%	20.0686
2014	41,780	1,135,120,820	27,169	4.4%	5.8%	6.2%	20.0686
2013	41,724	1,075,394,376	25,774	6.2%	7.5%	7.4%	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

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 are the annual average rate for the year (not seasonally adjusted).

CITY OF FINDLAY, OHIO
PRINCIPAL EMPLOYERS
CURRENT YEAR AND NINE YEARS AGO

December 31, 2017			
Employer	Employees	Rank	Percentage of Total
Whirlpool Corporation	2,376	1	19.49%
Cooper Tire & Rubber Company	2,212	2	18.15%
Marathon/Ashland Petroleum	2,200	3	18.05%
Blanchard Valley Regional Health Center	1,729	4	14.18%
Findlay City Schools	847	5	6.95%
The University of Findlay	640	6	5.25%
Lowe's Distribution Center	600	7	4.92%
Nissan Brake	553	8	4.54%
Hancock County	524	9	4.30%
Kohl's Distribution Center	508	10	4.17%
Total	12,189		100.00%

December 31, 2008			
Employer	Employees	Rank	Percentage of Total
Blanchard Valley Regional Health Center	1,981	1	17.41%
Cooper Tire & Rubber Company	1,832	2	16.11%
Whirlpool Corporation	1,800	3	15.82%
Marathon Oil Company	1,565	4	13.76%
Findlay City Schools	818	5	7.19%
Nissan Brake	792	6	6.96%
Lowe's Distribution Center	729	7	6.41%
The University of Findlay	668	8	5.87%
Hancock County	605	9	5.32%
Wal-Mart Stores	586	10	5.15%
Total	11,376		100.01%

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	2017					2016				
	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	4.50	-	-	4.50	4.50
Auditor	5.00	-	-	5.00	4.75	4.00	-	1.00	5.00	4.75
Building Maintenance	1.00	-	-	1.00	1.00	1.00	-	-	1.00	1.25
City Income Tax	4.00	1.00	-	5.00	3.75	4.00	-	1.00	5.00	2.25
Civil Service	1.00	3.00	-	4.00	2.50	1.00	3.00	-	4.00	2.50
Computer Services	3.00	-	1.00	4.00	3.00	2.00	1.00	-	3.00	2.75
Council	0.50	-	-	0.50	0.50	0.50	-	-	0.50	0.50
Dispatch Center	11.00	-	-	11.00	10.25	11.00	-	-	11.00	11.00
Engineering	6.50	-	-	6.50	7.50	7.00	-	-	7.00	7.00
Health	-	-	-	-	-	-	-	-	-	-
Human Resources	1.00	-	-	1.00	1.00	1.00	-	-	1.00	1.00
Law Director	4.50	-	-	4.50	4.50	4.50	-	-	4.50	4.50
Mayor	2.00	-	-	2.00	1.75	1.00	1.00	-	2.00	1.25
Municipal Court	22.00	8.00	-	30.00	28.00	20.00	4.00	-	24.00	20.00
NEAT	1.00	-	-	1.00	1.00	1.00	-	-	1.00	1.00
Parking	0.50	-	-	0.50	1.50	1.50	-	-	1.50	1.50
Pool	-	-	-	-	-	-	-	-	-	-
Recreation	4.00	1.00	23.00	28.00	8.25	3.00	1.00	24.00	28.00	7.25
Safety/Administrative Services	-	-	-	-	-	-	-	-	-	-
Service/Safety Director	1.50	-	-	1.50	1.25	1.00	-	-	1.00	1.00
WORC	-	-	-	-	0.25	1.00	-	-	1.00	1.00
Zoning	3.00	-	-	3.00	2.25	2.00	-	-	2.00	1.00
Fire Clerks	1.00	-	-	1.00	1.00	1.00	-	-	1.00	1.00
Fire Department Admin	1.00	-	-	1.00	1.25	1.00	1.00	-	2.00	1.00
Fire Department	62.00	-	-	62.00	61.00	61.00	-	-	61.00	60.25
Fire Department Total	64.00	-	-	64.00	63.25	63.00	1.00	-	64.00	62.25
Parks Maintenance	5.00	1.00	-	6.00	8.00	5.00	-	-	5.00	7.50
Cemetery	2.50	-	1.00	3.50	4.25	2.50	-	-	2.50	3.50
Streets	24.00	-	2.00	26.00	25.25	24.00	-	1.00	25.00	25.25
Traffic Lights	2.00	-	-	2.00	2.00	2.00	-	-	2.00	2.00
Public Works Total	33.50	1.00	3.00	37.50	39.50	33.50	-	1.00	34.50	38.25
Police Clerks	5.50	-	-	5.50	5.25	5.50	-	-	5.50	5.50
Police Administration	1.00	-	-	1.00	1.75	2.00	-	-	2.00	2.00
School Police	-	-	-	-	-	-	-	-	-	-
Police	63.00	-	-	63.00	60.75	60.00	-	-	60.00	61.25
Police Department Total	69.50	-	-	69.50	67.75	67.50	-	-	67.50	68.75
Sewer Maintenance	9.00	-	-	9.00	8.75	11.00	-	-	11.00	9.25
Stormwater Maintenance	2.00	-	-	2.00	2.00	2.00	-	-	2.00	2.00
Water Pollution Control	16.00	-	-	16.00	15.25	16.00	-	-	16.00	15.50
WPC Total	27.00	-	-	27.00	26.00	29.00	-	-	29.00	26.75
Supply Reservoir	1.00	-	-	1.00	1.25	1.00	-	-	1.00	1.25
Utility Billing	10.00	-	-	10.00	9.00	9.00	-	-	9.00	9.00
Water Distribution	14.00	-	-	14.00	14.00	14.00	-	-	14.00	13.25
Water Treatment	14.00	-	-	14.00	14.00	14.00	-	-	14.00	13.75
WPC Total	39.00	-	-	39.00	38.25	38.00	-	-	38.00	37.25
Total	314.00	26.00	27.00	367.00	339.25	307.00	23.00	27.00	357.00	326.25

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.

TABLE 17

2015					2014				
Full Time	Part Time	Seasonal	Total	Annual FTE's (1)	Full Time	Part Time	Seasonal	Total	Annual FTE's (1)
5.00	12.00	-	17.00	17.00	5.00	12.00	-	17.00	17.00
4.50	-	-	4.50	4.50	5.00	-	-	5.00	4.50
4.00	-	3.00	7.00	4.25	4.00	-	-	4.00	4.00
1.00	1.00	-	2.00	1.75	1.00	1.00	-	2.00	1.75
2.00	-	1.00	3.00	1.75	2.00	1.00	-	3.00	1.75
1.00	3.00	-	4.00	2.50	1.00	3.00	-	4.00	2.50
2.00	-	1.00	3.00	2.25	3.00	-	-	3.00	2.75
0.50	-	-	0.50	0.50	-	-	-	-	0.50
11.00	-	-	11.00	10.50	11.00	-	-	11.00	10.75
7.00	-	-	7.00	6.50	6.00	-	-	6.00	6.25
12.00	4.00	-	16.00	14.50	13.00	4.00	-	17.00	14.25
1.00	-	-	1.00	1.00	1.00	-	-	1.00	0.75
4.50	-	-	4.50	4.50	4.00	-	-	4.00	4.25
1.00	-	-	1.00	1.00	1.00	-	-	1.00	1.00
18.00	5.00	-	23.00	21.50	18.00	6.00	-	24.00	18.25
1.00	-	-	1.00	1.00	1.00	-	-	1.00	1.00
1.50	-	-	1.50	1.50	1.00	-	-	1.00	1.50
-	-	-	-	-	-	-	-	-	-
4.00	-	26.00	30.00	7.75	3.00	-	27.00	30.00	7.50
-	-	-	-	-	-	-	-	-	-
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	-	-	1.00	1.00	1.00	-	-	1.00	1.00
1.00	-	-	1.00	1.00	1.00	-	-	1.00	1.00
59.00	-	-	59.00	58.75	61.00	-	-	61.00	60.50
61.00	-	-	61.00	60.75	63.00	-	-	63.00	62.50
4.00	-	1.00	5.00	4.25	4.00	-	-	4.00	4.75
2.50	-	-	2.50	3.50	2.00	-	-	2.00	3.00
23.00	-	-	23.00	23.75	22.00	-	-	22.00	23.00
2.00	-	-	2.00	2.00	2.00	-	-	2.00	2.00
31.50	-	1.00	32.50	33.50	30.00	-	-	30.00	32.75
7.00	-	-	7.00	5.50	6.00	-	-	6.00	5.50
2.00	-	-	2.00	2.00	2.00	-	-	2.00	2.00
-	-	-	-	-	-	-	-	-	-
60.00	-	-	60.00	58.00	59.00	-	-	59.00	55.75
69.00	-	-	69.00	65.50	67.00	-	-	67.00	63.25
10.00	-	-	10.00	11.00	10.00	-	-	10.00	10.25
2.00	-	-	2.00	2.00	2.00	-	-	2.00	2.00
16.00	-	-	16.00	16.00	16.00	-	-	16.00	15.75
28.00	-	-	28.00	29.00	28.00	-	-	28.00	28.00
1.00	-	-	1.00	1.25	1.00	-	-	1.00	1.00
9.00	-	-	9.00	9.00	10.00	-	-	10.00	10.00
13.00	-	-	13.00	13.00	13.00	-	-	13.00	12.25
13.00	-	-	13.00	12.25	13.00	-	-	13.00	13.00
36.00	-	-	36.00	35.50	37.00	-	-	37.00	36.25
309.50	25.00	32.00	366.50	331.50	308.00	27.00	27.00	362.00	326.00

(Continued)

CITY OF FINDLAY, OHIO

FULL-TIME-EQUIVALENT CITY GOVERNMENTAL EMPLOYEES BY FUNCTION/PROGRAM (CONTINUED)
LAST TEN YEARS

	(2)					
Function/Program	2013 Annual Average	2012 Annual Average	2011 Annual Average	2010 Annual Average	2009 Annual Average	2008 Annual Average
Electeds	16.00	16.00	16.00	16.00	16.00	16.00
Airport	4.50	4.50	5.00	5.00	5.00	5.00
Auditor	4.00	3.75	4.00	4.00	4.00	4.00
Building Maintenance	1.75	1.75	1.00	1.00	1.00	3.00
City Income Tax	2.25	2.75	3.50	3.50	3.50	4.00
Civil Service	2.50	2.00	2.50	2.50	4.00	4.00
Computer Services	2.50	3.00	4.00	4.00	3.00	4.00
Council	0.50	0.50	-	-	1.00	1.00
Dispatch Center	10.00	11.00	11.00	11.00	10.00	11.00
Engineering	6.75	9.00	9.00	9.00	10.00	14.00
Health	13.50	13.00	13.00	13.00	12.50	14.00
Human Resources	-	0.50	-	-	-	-
Law Director	4.50	4.50	5.00	5.00	5.00	5.00
Mayor	1.00	2.00	1.00	1.00	1.00	1.00
Municipal Court	17.25	17.75	25.00	25.00	20.00	19.00
NEAT	1.00	1.00	1.00	1.00	1.00	1.00
Parking	1.50	1.50	1.00	1.00	1.00	1.00
Pool	-	-	10.00	10.00	10.00	12.00
Recreation	8.25	9.75	6.50	6.50	16.50	15.00
Safety/Administrative Services	-	-	2.00	2.00	2.00	2.00
Service Director	1.25	1.00	1.00	1.00	1.00	1.00
WORC	1.00	1.00	1.00	1.00	1.00	-
Zoning	1.00	1.00	2.00	2.00	2.00	2.00
Fire Clerks	1.00	1.00	1.00	1.00	1.00	2.00
Fire Department Admin	1.00	1.00	1.00	1.00	1.00	1.00
Fire Department	61.50	64.75	63.00	63.00	67.00	74.00
Fire Department Total	63.50	66.75	65.00	65.00	69.00	77.00
Parks Maintenance	2.75	5.75	7.00	7.00	2.00	9.00
Cemetery	3.50	3.00	1.00	1.00	1.00	5.00
Streets	22.50	20.25	19.00	19.00	27.00	29.00
Traffic Lights	2.00	2.00	2.00	2.00	2.00	4.00
Public Works Total	30.75	31.00	29.00	29.00	32.00	47.00
Police Clerks	5.50	4.50	6.00	6.00	6.00	7.00
Police Administration	2.00	2.00	2.00	2.00	2.00	2.00
School Police	-	-	-	-	-	3.00
Police	53.75	61.50	60.00	60.00	65.00	70.00
Police Department Total	61.25	68.00	68.00	68.00	73.00	82.00
Sewer Maintenance	10.25	10.50	11.00	11.00	11.00	14.00
Stormwater Maintenance	2.00	2.00	3.00	3.00	2.00	2.00
Water Pollution Control	14.50	16.00	18.00	18.00	18.00	18.00
WPC Total	26.75	28.50	32.00	32.00	31.00	34.00
Supply Reservoir	1.00	1.00	1.00	1.00	1.00	1.00
Utility Billing	10.00	10.00	10.00	10.00	10.00	10.00
Water Distribution	11.75	13.00	13.00	13.00	13.00	14.00
Water Treatment	13.50	14.75	16.00	16.00	16.00	17.00
WPC Total	36.25	38.75	40.00	40.00	40.00	42.00
Total	319.50	340.25	358.50	358.50	375.50	421.00

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CITY OF FINDLAY, OHIO

**OPERATING INDICATORS BY FUNCTION/PROGRAM
LAST TEN YEARS**

Function/Program	2017	2016	2015	2014
General Government				
Auditor's Office				
Purchase orders issued	4,564	4,581	4,278	4,283
Checks issued	7,259	7,566	7,679	8,893
Computer Services				
Computers maintained	245	230	242	274
City website hits	529,968	465,364	567,473	462,078
Cemetery				
Number of interments	169	187	195	202
Graves sold	83	91	101	100
Municipal Court				
Cases filed	17,804	15,548	19,007	17,471
Arraignments	15,346	15,998	15,209	13,816
Jury trials	2	1	2	0
Security of Persons and Property				
Police				
Charges from arrests	2,471	2,019	3,162	2,835
Parking violations	2,086	3,363	4,638	4,411
Traffic violations	2,624	4,205	3,176	2,831
Fire				
Emergency responses/calls answered	2,440	2,164	2,173	2,016
Fires extinguished	99	91	106	107
Inspections conducted	1,541	832	463	438
WORC (1), (3)				
Time completed - Successful	39	122	179	221
Early Release - Successful	5	5	4	6
Failed - Unsuccessful	3	17	14	11
Total Days Served (All Courts)	801	2,470	3,720	3,992
Public Health and Welfare				
Health Department (2)				
Food service licenses issued	n/a	n/a	475	458
Vaccinations given - Clinic	n/a	n/a	7,509	4,646
Births	n/a	n/a	1,396	1,437
Deaths	n/a	n/a	734	662
Plumbing inspection permits issued	n/a	n/a	357	347
Zoning				
New commercial permits issued	9	8	16	9
New residential permits issued	35	30	23	25
New industrial permits issued	9	5	0	0
Inspections conducted	748	500	n/a	700

TABLE 18

2013	2012	2011	2010	2009	2008
3,961	4,104	3,919	3,799	3,908	4,295
7,049	7,251	7,002	7,041	6,949	8,062
359	311	305	298	293	284
451,498	429,456	464,078	428,718	433,619	363,185
186	190	181	181	189	157
96	67	77	66	131	69
17,594	18,067	16,313	15,534	14,783	15,213
13,693	13,187	11,562	10,804	10,322	10,902
1	2	0	1	1	2
2,121	2,131	1,979	1,855	1,887	2,186
4,610	3,980	3,714	3,483	4,242	4,235
3,295	3,529	3,044	2,924	2,174	3,743
1,959	2,043	2,049	1,843	1,556	1,759
88	120	112	125	133	226
1,209	356	353	446	562	536
176	229	181	220	105	n/a
11	20	16	52	17	n/a
15	14	15	27	25	n/a
3,878	5,725	4,800	6,808	2,404	n/a
455	403	383	409	393	419
5,895	5,639	7,038	7,792	11,332	8,384
1,423	1,248	1,088	1,074	1,162	1,117
630	632	615	593	575	589
375	363	356	433	263	338
9	4	13	9	7	8
24	23	25	26	36	47
0	0	0	0	0	0
403	1,440	1,172	518	587	635

(Continued)

CITY OF FINDLAY, OHIO

OPERATING INDICATORS BY FUNCTION/PROGRAM (CONTINUED)
LAST TEN YEARS

Function/Program	2017	2016	2015	2014
Public Health and Welfare (Continued)				
NEAT (Neighborhood Enhancement)				
Cases Reported	1,391	1,064	1,372	1,055
Cases Remaining Open at Year End	833	579	209	272
Backyard Mission Trip Projects	215	252	220	166
Transportation				
Street				
Miles of street maintained	195.22	195.98	195.68	195.68
Pot holes repaired	103	73	117	209
Limbs removed	32	19	193	325
Visibility complaints received	11	73	4	47
Repairs to concrete	32	29	23	25
Leisure Time Activities				
Shade Tree				
Trees planted	24	49	361	30
Trees removed	148	154	150	105
Trimmed	135	n/a	n/a	n/a
Recreation				
Summer Softball League teams	52	64	73	73
Fall Softball League team (started 2008)	33	31	41	40
Cube Birthday Party Packages	31	25	50	48
Meeting Room Rentals	100	113	116	102
Shelterhouses Reserved	265	235	416	399
Utility Services				
Water				
Number of Customers	17,965	17,884	17,803	17,650
New connections	135	130	99	127
Water main breaks	56	94	73	84
Avg. daily consumption (MGD)	5.7830	5.9920	5.8350	5.8140
Water Pollution Control				
Number of Customers	17,229	17,318	17,229	17,062
Sewer calls	45	72	100	109
Feet of sanitary sewer cleaned	238	222	202,004	206,385
Catch basin repair	9	0	11	13
Airport				
Fuel sales - Jet A (in gallons)	162,812	206,363	180,126	179,363
Fuel sales - Octane (in gallons)	21,398	27,480	27,671	27,284
Landing fees charged	172	150	167	167

Source: City of Findlay Department Directors

(1) Work Release Facility opened in Fall 2009.

(2) The Health Department separated from the City in 2016.

(3) Work Release Facility closed in Spring 2017

n/a - Information not available.

2013	2012	2011	2010	2009	2008
1,085	1,611	n/a	n/a	n/a	n/a
167	121	n/a	n/a	n/a	n/a
20	7	n/a	n/a	n/a	n/a
194.59	194.59	193.80	193.60	193.60	193.60
192	115	253	128	168	135
35	5	26	27	8	118
200	5	10	19	8	20
17	13	38	47	37	38
100	240	100	60	160	240
150	155	708	250	128	230
n/a	n/a	n/a	n/a	n/a	n/a
78	86	82	76	78	92
45	45	48	38	22	14
29	47	32	45	52	56
87	184	187	133	182	29
295	282	299	232	232	281
17,584	17,474	17,399	18,974	17,273	17,486
86	82	80	79	66	107
79	80	66	79	78	73
5.6190	6.0460	6.0760	6.0929	5.9905	6.2500
16,999	16,926	16,830	16,809	16,734	15,557
130	76	115	83	92	103
225,279	301,222	194,685	191,278	250,800	155,699
4	14	78	61	109	112
164,749	154,439	127,054	165,981	126,453	146,335
26,356	27,139	24,505	21,959	25,179	23,943
176	183	133	182	85	124

CITY OF FINDLAY, OHIO

**CAPITAL ASSET STATISTICS BY FUNCTION/PROGRAM
LAST TEN YEARS**

Function/Program	2017	2016	2015	2014	2013	2012
Security of Persons and Property						
Police						
Stations	1	1	1	1	1	1
Patrol units	28	22	22	18	18	20
Fire						
Fire stations	4	4	4	4	4	4
Fire trucks	16	16	16	16	16	15
Transportation						
Street						
Miles of street maintained	195.22	195.68	195.68	195.68	194.59	194.59
Traffic signals maintained	82	82	82	82	95	94
Leisure Time Activities						
Parks and Recreation						
Number of parks	21	21	21	19	19	19
Number of ballfields	41	41	40	40	40	40
Number of soccer fields	24	24	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)	321.18	320.09	316.67	315.49	307.65	307.25
Number of hydrants	2,489	2,471	2,447	2,415	2,389	2,383
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)	300.00	298.56	296.80	295.78	295.28	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>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>
1	1	1	1
31	39	39	44
4	4	4	4
18	18	19	19
193.80	193.60	193.60	193.60
94	94	95	96
19	19	19	19
40	40	40	40
25	25	25	25
1	1	1	1
1	1	1	1
307	306.2	306.2	306.12
2,379	2,363	2,357	2,354
6.4	6.4	6.4	6.4
1	1	1	1
295.05	295.00	293.64	290.64
1	1	1	1
2	2	2	2

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**CITY OF FINDLAY
HANCOCK COUNTY, OHIO**

SUPPLEMENTAL REPORT

FOR THE YEAR ENDED
DECEMBER 31, 2017

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**CITY OF FINDLAY
HANCOCK COUNTY, OHIO**

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CITY OF FINDLAY
HANCOCK COUNTY
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2017

FEDERAL GRANTOR/ SUB GRANTOR/ PROGRAM TITLE	CFDA NUMBER	PASS-THROUGH GRANT NUMBER	(A),(D) CASH FEDERAL DISBURSEMENTS
U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT			
<i>Passed Through Ohio Development Services Agency:</i>			
Community Development Block Grants/Entitlement Grants:			
	14.228	A-F-16-2BM-1	14,484
	14.228	A-F-15-2BM-1	299,599
(B)(C)	14.228	N/A	6,363
			<u>320,446</u>
			<u>320,446</u>
Total U.S. Department of Housing and Urban Development			
U.S. DEPARTMENT OF TRANSPORTATION			
<i>Passed Through Ohio Department of Transportation:</i>			
Airport Improvement Program- Rehabilitate Runway 18/36 design	20.106	3-39-0034-026-2016	<u>1,709,777</u>
Highway Planning and Construction Cluster:			
Highway Planning and Construction	20.205	98797	1,371,577
Highway Planning and Construction	20.205	100181	608,531
			<u>1,980,108</u>
			<u>3,689,885</u>
Total U.S. Department of Transportation			
			<u>\$ 4,010,331</u>

NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS:

(A) This schedule includes the federal award activity of the City of Findlay under programs of the federal government for the fiscal year ended December 31, 2017 and is prepared in accordance with the cash basis of accounting. The information on this schedule is Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance). Because the schedule presents only a selected portion of the operations of the City of Findlay, it is not intended to and does not present the financial position, changes in net position, or cash flows of the City of Findlay.

(B) The City has a revolving loan program to provide low-interest loans to businesses to create jobs for low to moderate income persons and also to lend money to eligible persons to rehabilitate homes. The Federal Department of Housing and Urban Development (HUD) grants money for these loans to the City. This schedule reports loans made and administrative costs as disbursements. 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 or asset acquired.

Activity in the Community Development Block Grant revolving loan fund during 2017 is as follows:

Beginning loans receivable balance as of January 1, 2016	\$ 861,991
Loans Disbursed	-
Loans Repaid	(316,684)
Loans Default/Write off	(102,379)
Ending loans receivable balance as of December 31, 2017	<u>\$ 442,928</u>

Cash balance on hand in the revolving loan fund as of December 31, 2017	\$ 578,169
---	------------

The table above reports gross loans receivable. Of the loans receivable as of December 31, 2017, the City is reporting \$0 as past due.

(C) Pass-through grant number was unobtainable for this grant.

(D) Certain federal programs require the City contribute non-federal funds (matching funds) to support the federally funded programs. The City has complied with the matching requirements. The expenditure of non-federal matching funds are not included on this schedule.

(E) CFR Section 200.414 of the Uniform Guidance allows a non-federal entity that has never received a negotiated indirect cost rate to charge a de minimus rate of 10% of modified total direct costs to indirect costs. The City has not elected to use the 10% de minimus indirect cost rate.

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Julian & Grube, Inc.

Serving Ohio Local Governments

333 County Line Rd. West, Westerville, OH 43082 Phone: 614.846.1899 Fax: 614.846.2799

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
318 Dorney Plaza, Room 114
Findlay, Ohio 45840

To the Members of Council and Mayor:

We have audited, in accordance with auditing standards generally accepted in the United States and the Comptroller General of the United States' *Government Auditing Standards*, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Findlay, Hancock County, Ohio, as of and for the year ended December 31, 2017, and the related notes to the financial statements, which collectively comprise the City of Findlay's basic financial statements and have issued our report thereon dated June 12, 2018.

Internal Control Over Financial Reporting

As part of our financial statement audit, we considered the City of Findlay'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 of Findlay's internal control. Accordingly, we have not opined on it.

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

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

Members of Council and Mayor
City of Findlay

Compliance and Other Matters

As part of reasonably assuring whether the City of Findlay'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 no instances of noncompliance or other matters we must report under *Government Auditing Standards*.

Purpose of this Report

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

A handwritten signature in cursive script that reads "Julian & Grube, Inc." with a period at the end.

Julian & Grube, Inc.
June 12, 2018



Julian & Grube, Inc.
Serving Ohio Local Governments

333 County Line Rd. West, Westerville, OH 43082 Phone: 614.846.1899 Fax: 614.846.2799

**Independent Auditor's Report on Compliance With Requirements Applicable to
The Major Federal Program and on Internal Control Over Compliance and the
Schedule of Expenditures of Federal Awards Required by the *Uniform Guidance***

City of Findlay
Hancock County
318 Dorney Plaza, Room 114
Findlay, Ohio 45840

To the Members of Council and Mayor:

Report on Compliance for the Major Federal Program

We have audited the City of Findlay's 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, 2017. The *Summary of Auditor's Results* in the accompanying schedule of findings identifies the City of Findlay's major federal program.

Management's Responsibility

The City of Findlay'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 of Findlay's compliance for the City of Findlay'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 of Findlay'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 of Findlay's major program. However, our audit does not provide a legal determination of the City of Findlay's compliance.

Members of Council and Mayor
City of Findlay

Opinion on the Major Federal Program

In our opinion, the City of Findlay complied, in all material respects with the compliance requirements referred to above that could directly and materially affect its major federal program for the year ended December 31, 2017.

Report on Internal Control Over Compliance

The City of Findlay'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 of Findlay'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 of Findlay's internal control over compliance.

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

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

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

Members of Council and Mayor
City of Findlay

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 as of and for the year ended December 31, 2017, and the related notes to the financial statements, which collectively comprise the City of Findlay's basic financial statements. We issued our unmodified report thereon dated June 12, 2018. We conducted our audit to opine on the City of Findlay's basic financial statements as a whole. The accompanying schedule of expenditures of federal awards presents additional analysis required by the Uniform Guidance and is not a required part of the basic financial statements. The schedule is management's responsibility and was derived from and relates directly to the underlying accounting and other records management used to prepare the basic financial statements. We subjected this schedule to the auditing procedures we applied to the basic financial statements. We also applied certain additional procedures, including comparing and reconciling this schedule directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, this schedule is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.



Julian & Grube, Inc.
June 12, 2018

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**CITY OF FINDLAY
HANCOCK COUNTY, OHIO**

**SCHEDULE OF FINDINGS
2 CFR § 200.515
DECEMBER 31, 2017**

1. SUMMARY OF AUDITORS' RESULTS		
<i>(d)(1)(i)</i>	<i>Type of Financial Statement Opinion</i>	Unmodified
<i>(d)(1)(ii)</i>	<i>Were there any material control weaknesses reported at the financial statement level (GAGAS)?</i>	No
<i>(d)(1)(ii)</i>	<i>Were there any significant deficiencies in internal control reported at the financial statement level (GAGAS)?</i>	No
<i>(d)(1)(iii)</i>	<i>Was there any reported material noncompliance at the financial statement level (GAGAS)?</i>	No
<i>(d)(1)(iv)</i>	<i>Were there any material internal control weaknesses reported for major federal programs?</i>	No
<i>(d)(1)(iv)</i>	<i>Were there any significant deficiencies in internal control reported for major federal programs?</i>	No
<i>(d)(1)(v)</i>	<i>Type of Major Programs' Compliance Opinion</i>	Unmodified
<i>(d)(1)(vi)</i>	<i>Are there any reportable findings under 2 CFR § 200.516(a)?</i>	No
<i>(d)(1)(vii)</i>	<i>Major Program:</i>	Airport Improvement Program- CFDA# 20.106
<i>(d)(1)(viii)</i>	<i>Dollar Threshold: Type A/B Programs</i>	Type A: >\$750,000 Type B: all others
<i>(d)(1)(ix)</i>	<i>Low Risk Auditee under 2 CFR § 200.520?</i>	No

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

None

3. FINDINGS FOR FEDERAL AWARDS AND QUESTIONED COSTS
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None

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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
SEPTEMBER 18, 2018