

COMPREHENSIVE ANNUAL FINANCIAL REPORT

For the Year Ended December 31, 2014



Dave Yost • Auditor of State

City Council
City of Findlay
Municipal Building Room 313
318 Dorney Plaza
Findlay, OH 45840-3346

We have reviewed the *Independent Auditor's Report* of the City of Findlay, Hancock County, prepared by Rea & Associates, Inc., for the audit period January 1, 2014 through December 31, 2014. 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

October 15, 2015

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CITY OF FINDLAY, OHIO
COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE YEAR ENDED DECEMBER 31, 2014

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, 2014

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JIM STASCHIAK II
CITY AUDITOR

June 30, 2015

To the Residents of Findlay, Ohio:

The Comprehensive Annual Financial Report (CAFR) of the City of Findlay (the "City"), Ohio, for the fiscal year ended December 31, 2014, is submitted herewith. The report has been prepared for the citizens of Findlay, the elected officials, bondholders, the investment community, rating agencies, and all persons interested in the financial affairs of the City. This report includes the City's implementation of accounting principles generally accepted in the United States of America (GAAP) set forth by the Governmental Accounting Standards Board (GASB).

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

The Comprehensive Annual Financial Report is divided into three sections: the Introductory Section, the Financial Section, and the Statistical Section. The Introductory Section contains this letter of transmittal, the City's organizational chart, a listing of our elected and appointed officials, and a copy of the Certificate of Achievement awarded to the City for its 2013 CAFR. The Financial Section includes the independent auditor's report on the financial statements, the management discussion and analysis, the basic financial statements and notes, and the combining and individual fund financial statements. The Statistical Section provides pertinent and select financial, economic, and demographic information that can be referenced on a multi-year basis.

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

The firm of Rea & Associates, Inc. has audited the basic financial statements of the City, and their Auditor's Report is included herein. In addition to the financial audit, a single audit was performed as required by the Single Audit Act Amendment of 1996 and the provisions of OMB circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. The single audit report is not included in this Comprehensive Annual Financial Report.

As a part of the City's independent audit, tests are made to determine the adequacy of the internal control structure, including that portion related to federal financial assistance programs, as well as to determine that the City has complied with applicable laws and regulations. The results of the City's independent audit for the year ended December 31, 2014 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 require that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements. The City's MD&A can be found immediately following the Independent Auditor's Report.

PROFILE OF THE CITY

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

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

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

The annual budget serves as the foundation of the City's financial planning and control. Statutorily, a budget must be completed by end of first quarter and Findlay started its 2015 fiscal year with a permanent budget. Departmental budgets are prepared by the individual supervisors, approved by the Service-Safety Director, and then submitted to Council members for final review. The legal level of budgetary control is at the departmental level within each fund. Within each departmental budget, the legal level is further broken down to objects "personal services" and "other". All changes in departmental appropriations or changes between the "personal services" and "other" objects within a department require action by the City Council. See Note 2.F to the basic financial statements for further discussion on the City's budgetary process.

ECONOMIC CONDITION AND OUTLOOK

Local Economy

Since the 1980's our community leaders have focused development efforts on diversification. They felt the City's economy should not be dependent on one industry or employment sector. This diversification was a key factor in preventing a much larger down turn in the recent recession, as experienced in other parts of Northwest Ohio. The financial health of the City is dependent on the vibrancy and economic growth of our tax base. The County Unemployment peaked first quarter 2010 at 10.5% and began a steady decline ending 2014 at a 4.4% average.

The community has seen and expects to continue benefiting tremendously from the corporate split resulting in Marathon Petroleum Corporation headquartered in Findlay. It ranked 25th overall by Fortune 500 in 2014. Marathon has added 400 new, well-paid executive-level positions since the split. Additionally, Cooper Tire & Rubber Company began operations at its new \$40 million Global Technical Center which will be the company's first global advanced tire technology center. Existing employers such as Hearthside Food Solutions LLC, Marathon Petroleum Corp., Nissin Brake, Whirlpool Corp., and others added more than 650 new jobs in 2014. Significant capital investments were committed to in 2014 totaling more than \$230 million by many area corporations including Marathon Petroleum Corp., Nissin Brake Ohio Inc., Rowmark LLC., and Whirlpool Corp. Seven miles north of Findlay on I-75, CSX has completed an intermodal rail yard as part of the National Gateway Project. The new yard has spurred a commitment by the State of Ohio to widen Interstate 75 in the immediate area. The State's 2015 capital plans include a significant commitment to the Interstate 75 Reconstruction and Widening Project which is scheduled for completion in 2017. This combination is expected to lead to significant growth of additional businesses in the area.

In 2012, Findlay City Schools completed construction of three new facilities finishing an investment of \$65 million. In 2014, Marathon Petroleum Corp. began an \$80 million Corporate Headquarters project in downtown Findlay. Over 3 years, two office buildings and two multi-level parking garages will be built. A \$17 million performing arts center broke ground in 2014 and McLane Co. announced plans to break ground on a \$119 million distribution facility all within the City limits.

As with the majority of the country, the real estate market and the affiliated businesses had a continued impact on the economy and real estate values remained stable from 2013 to 2014. In 2013, the City issued 11 permits for new business/commercial construction totaling \$80,230,000; a significant increase over 2012. There were 10 permits issued for business/commercial additions totaling \$17,779,400 also a significant increase. The City issued 27 permits for new residential construction totaling \$6,153,000; 28 permits were issued for residential additions totaling \$648,901.

The City continues to get positive reviews. For the 15th 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, 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 three times by Thomson Reuters; it was recently named one of the nation's top 50 cardiovascular hospitals by the same group. Additionally, the City benefits from The Community Foundation, with assets of more than \$80 million, 70% of which is unrestricted. This Foundation annually provides over \$2 million in grants to the benefit of the local community. The Foundation has become a valuable alternative funding resource for community programs and organizations which address problems to be solved or opportunities to be seized in the local area.

Relevant Financial Policies

2014 was a year of continued stabilization of the local economy. Notably, the City has maintained its \$1 million Rainy Day Account and maintains an amount in excess of its approximate \$4.4 million minimum unappropriated general fund balance in compliance with its policy. In 2014, the minimum unappropriated balance policy is \$4.4 million or 16.7% of its appropriated general fund expenditures. Additionally, the City has been able to maintain debt limits in line with its Debt Policy adopted in 2008. As of December 2014, income tax receipts, fell 14% below 2013; however, much of this was expected due to unusually large business tax collections in 2013 and tailing ¼% taxes on those collections.

Long-Term Financial Planning

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

Planning and implementation were important in making the final transition to our historic tax revenue base after the Great Recession. Planning has become a key part of managing our departments and the services they provide to the residents of the City. The City's five-year capital improvement plan is annually updated with new projects and equipment. This capital plan enables the City to make choices based on broad, long-term needs. This expenditure planning tool helps us make decisions on our debt service commitments. Additionally, the City has developed a 2-year budget for 2015 and 2016 and has begun the process of developing a five-year forecast for the general fund. Long term planning is becoming a standard component of the budget process.

Major Initiatives

The City is divided by the Blanchard River and is located on the south edge of what used to be the Great Black Swamp. In the past decade, the City has experienced five of its top ten historical flood events. The community understands the need to address this issue for future economic growth. The Hancock County Commissioners have taken a lead role and are working closely with the City to lobby for financial support at the State and Federal levels. Lobbying efforts and progressive funding of small projects as well as long-term planning in partnership with the Army Corps of Engineers is seen as a key factor to success. The Hancock County Sales tax is raising about \$3 million per

year and is projected to raise an excess of \$25 million over ten years. These dollars, together with money from the City and State is anticipated to fund the majority of the local share of expenses necessary to implement the flood control projects for Hancock County. As of now, the total cost of flood control in the region including Hancock County is estimated to be \$66 million. Up to 65% of the funding could come from federal sources and the project could be completed by the year 2027.

A revamping of 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. We have very positive results with majority of the current economic growth centered on the addition of over 1,600 jobs in 2014. 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 creation of a new 350-acre industrial park and local funds have been committed and infrastructure is being put into place to move this initiative forward in 2015.

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

AWARDS & ACKNOWLEDGEMENTS

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Findlay for its comprehensive annual financial report (CAFR) for the fiscal year ended December 31, 2013. The Certificate of Achievement is a prestigious national award, recognizing conformance with the highest standards for preparation of state and local government financial reports.

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

The staff of the Auditor's Office is a very talented, knowledgeable group; thank you to Amy Baird, Carolyn Ehrnschwender, Jennifer Niederkohr, and Ginger Sampson for their accurate and diligent work during 2014, 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

DECEMBER 31, 2014

ELECTED OFFICIALS AS OF DECEMBER 31, 2014

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

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

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

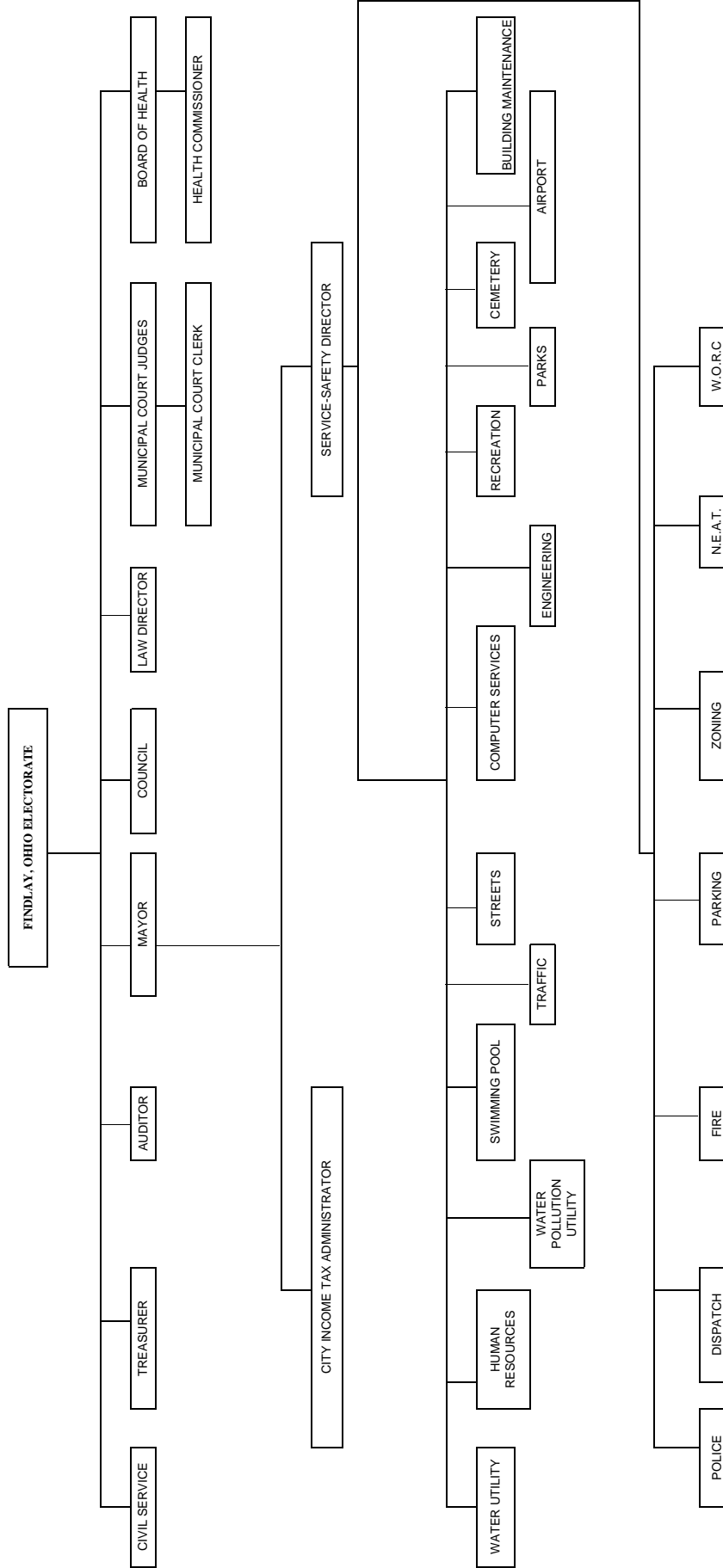
APPOINTED OFFICIALS

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

CITY AUDITOR'S OFFICE

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

CITY OF FINDLAY 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, 2013

Executive Director/CEO

June 30, 2015

To the Honorable Mayor, City Auditor and City Council
City of Findlay
Hancock County, Ohio

INDEPENDENT AUDITOR'S REPORT

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Findlay, Hancock County, Ohio (the City), as of and for the year ended December 31, 2014, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City, as of December 31, 2014, 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 for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Report on Summarized Comparative Information

We have previously audited the City's 2013 financial statements, and we expressed an unmodified audit opinion on those audited financial statements, in our report dated June 19, 2014. In our opinion, the summarized comparative information presented herein as of and for the year ended December 31, 2013 is consistent, in all material respects, with the audited financial statements from which it has been derived.

Emphasis of Matter

As described in Note 3.B, the City restated the fund balances to account for the election to report the City Income Tax Administration Fund as a component of the General Fund for reporting under GAAP. Our opinion is not modified with respect to this matter.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 15–34 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The introductory section, combining and individual nonmajor fund financial statements and schedules, and statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements.

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

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated June 30, 2015 on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.

Hea & Associates, Inc.

Medina, Ohio

CITY OF FINDLAY, OHIO

MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE YEAR ENDED DECEMBER 31, 2014 (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, 2014. 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 2014 are as follows:

- During 2014, the City reclassified the City income tax administration fund from a separate major special revenue fund to a component of the general fund for GAAP reporting purposes.
- The total net position of the City increased \$6,689,615 over the prior year. Net position of governmental activities increased \$2,675,179 or 2.55% from 2013 and net position of business-type activities increased \$4,014,436 or 2.81% over 2013.
- General revenues accounted for \$25,598,051 or 74.75% of total governmental activities revenue. Program specific revenues accounted for \$8,647,733 or 25.25% of total governmental activities revenue.
- The City had \$31,352,612 in expenses related to governmental activities; \$8,647,733 of these expenses was offset by program specific charges for services, grants or contributions. The remaining expenses of the governmental activities of \$22,704,879 were offset by general revenues (primarily property taxes, income taxes and unrestricted grants and entitlements) of \$25,598,051.
- The general fund had revenues of \$29,565,739 in 2014. This represents a decrease of \$4,239,586 from 2013 restated revenues. Transfers-in amounted to \$1,003,728. The expenditures of the general fund, which totaled \$24,632,094 in 2014, increased \$477,726 from 2013 as restated. The City had transfers out to other funds of \$5,604,001. The net increase in fund balance for the general fund was \$331,803 or 1.42%.
- The street maintenance and repair fund had revenues and other financing sources of \$7,450,821 in 2014. This represents an increase of \$1,878,502 from 2013 revenues and other financing sources. The expenditures and other financing uses of the street maintenance and repair fund, totaled \$6,517,159 in 2014 increased \$868,135 from 2013. The net increase in fund balance for the street maintenance and repair fund was \$1,055,439 or 76.14%.
- Net position for the business-type activities which are made up of the Water, Water Pollution Control, Airport, Parking Facilities, and Swimming Pool enterprise funds, increased in 2014 by \$4,014,436. This increase in net position was due primarily to adequate charges for services revenue to cover operating expenses coupled with the receipt of approximately \$282,249 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.

CITY OF FINDLAY, OHIO

MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE YEAR ENDED DECEMBER 31, 2014 (UNAUDITED)

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.

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 2014?" The statement of net position and the statement of activities answer this question. These statements include all assets and deferred outflows of resources and liabilities and deferred inflows of resources using the accrual basis of accounting similar to the accounting used by most private-sector companies. The accrual basis of accounting will take into account all of the current year's revenues and expenses regardless of when cash is actually received or paid.

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

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

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

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

The City's Statement of Net Position and Statement of Activities can be found on pages 35-37 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 23.

CITY OF FINDLAY, OHIO

MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE YEAR ENDED DECEMBER 31, 2014 (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 38-46 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 48-55 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 56-57 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 59-105 of this report.

CITY OF FINDLAY, OHIO

MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2014
(UNAUDITED)

Government-Wide Financial Analysis

The table below provides a summary of the City's net position at December 31, 2014 and 2013.

| | Net Position | | | | | |
|-----------------------------------|----------------------------|-----------------------------|----------------------------|-----------------------------|-----------------------|-----------------------|
| | Governmental Activities | Business-type Activities | Governmental Activities | Business-type Activities | 2014 Total | 2013 Total |
| | <u>2014</u> | <u>2014</u> | <u>2013</u> | <u>2013</u> | | |
| <u>Assets</u> | | | | | | |
| Current and other assets | \$ 43,747,097 | \$ 27,547,407 | \$ 41,972,830 | \$ 23,592,031 | \$ 71,294,504 | \$ 65,564,861 |
| Capital assets, net | <u>82,445,599</u> | <u>149,889,383</u> | <u>81,496,276</u> | <u>149,586,470</u> | <u>232,334,982</u> | <u>231,082,746</u> |
| Total assets | <u>126,192,696</u> | <u>177,436,790</u> | <u>123,469,106</u> | <u>173,178,501</u> | <u>303,629,486</u> | <u>296,647,607</u> |
| Deferred outflows | <u>15,018</u> | <u>199,000</u> | <u>30,137</u> | <u>286,188</u> | <u>214,018</u> | <u>316,325</u> |
| <u>Liabilities</u> | | | | | | |
| Other liabilities | 2,776,951 | 2,565,576 | 2,369,045 | 2,214,018 | 5,342,527 | 4,583,063 |
| Long-term liabilities outstanding | <u>12,994,742</u> | <u>28,346,403</u> | <u>13,653,674</u> | <u>28,541,296</u> | <u>41,341,145</u> | <u>42,194,970</u> |
| Total liabilities | <u>15,771,693</u> | <u>30,911,979</u> | <u>16,022,719</u> | <u>30,755,314</u> | <u>46,683,672</u> | <u>46,778,033</u> |
| Deferred inflows | <u>2,738,900</u> | - | <u>2,454,582</u> | - | <u>2,738,900</u> | <u>2,454,582</u> |
| <u>Net Position</u> | | | | | | |
| Net investment in capital assets | 73,978,571 | 121,616,774 | 72,492,146 | 122,106,355 | 195,595,345 | 194,598,501 |
| Restricted | 7,884,364 | 5,535,446 | 6,806,368 | 6,392,630 | 13,419,810 | 13,198,998 |
| Unrestricted | <u>25,834,186</u> | <u>19,571,591</u> | <u>25,723,428</u> | <u>14,210,390</u> | <u>45,405,777</u> | <u>39,933,818</u> |
| Total net position | <u>\$ 107,697,121</u> | <u>\$ 146,723,811</u> | <u>\$ 105,021,942</u> | <u>\$ 142,709,375</u> | <u>\$ 254,420,932</u> | <u>\$ 247,731,317</u> |

Over time, net position can serve as a useful indicator of a government's financial position. At December 31, 2014, the City's assets and deferred outflows exceeded liabilities and deferred inflows by \$254,420,932. At year-end, net position was \$107,697,121 and \$146,723,811 for the governmental activities and the business-type activities, respectively.

Capital assets reported on the government-wide statements represent the largest portion of the City's net position. At year-end, capital assets represented 76.47% 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, 2014, was \$73,978,571 and \$121,616,774 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, 2014, the City is able to report positive balances in all three categories of net position, both for the government as a whole, as well as for its separate governmental and business-type activities. A portion of the City's net position, \$13,419,810 represents resources that are subject to external restriction on how they may be used. The remaining balance of unrestricted net position of \$45,405,777 may be used to meet the government's ongoing obligations to citizens and creditors.

CITY OF FINDLAY, OHIO

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2014
(UNAUDITED)**

The table below shows the changes in net position for fiscal year 2014 and 2013.

| | Change in Net Position | | | | | |
|---|---|--|---|--|-----------------------|-----------------------|
| | Governmental Activities <u>2014</u> | Business-type Activities <u>2014</u> | Governmental Activities <u>2013</u> | Business-type Activities <u>2013</u> | 2014 <u>Total</u> | 2013 <u>Total</u> |
| Revenues | | | | | | |
| Program revenues: | | | | | | |
| Charges for services | \$ 4,484,729 | \$ 18,683,085 | \$ 4,401,555 | \$ 18,491,952 | \$ 23,167,814 | \$ 22,893,507 |
| Operating grants and contributions | 2,708,225 | 169,302 | 3,325,208 | 176,207 | 2,877,527 | 3,501,415 |
| Capital grants and contributions | <u>1,454,779</u> | <u>282,249</u> | <u>1,106,922</u> | <u>175,331</u> | <u>1,737,028</u> | <u>1,282,253</u> |
| Total program revenues | <u>8,647,733</u> | <u>19,134,636</u> | <u>8,833,685</u> | <u>18,843,490</u> | <u>27,782,369</u> | <u>27,677,175</u> |
| General revenues: | | | | | | |
| Property taxes | 2,839,026 | - | 2,764,313 | - | 2,839,026 | 2,764,313 |
| Income taxes | 20,625,080 | - | 26,754,570 | - | 20,625,080 | 26,754,570 |
| Unrestricted grants and entitlements | 895,700 | - | 1,585,007 | - | 895,700 | 1,585,007 |
| Tax increment financing | 72,159 | - | 72,941 | - | 72,159 | 72,941 |
| Investment earnings | 43,623 | 43,381 | 47,736 | 34,375 | 87,004 | 82,111 |
| (Decrease) in fair value of investments | (7,943) | - | (9,945) | - | (7,943) | (9,945) |
| Miscellaneous | <u>1,130,406</u> | <u>138,225</u> | <u>995,168</u> | <u>88,786</u> | <u>1,268,631</u> | <u>1,083,954</u> |
| Total general revenues | <u>25,598,051</u> | <u>181,606</u> | <u>32,209,790</u> | <u>123,161</u> | <u>25,779,657</u> | <u>32,332,951</u> |
| Total revenues | <u>34,245,784</u> | <u>19,316,242</u> | <u>41,043,475</u> | <u>18,966,651</u> | <u>53,562,026</u> | <u>60,010,126</u> |
| Expenses: | | | | | | |
| General government | 7,469,907 | - | 7,502,393 | - | 7,469,907 | 7,502,393 |
| Security of persons and property | 14,443,733 | - | 13,434,775 | - | 14,443,733 | 13,434,775 |
| Public health and welfare | 2,160,622 | - | 2,034,618 | - | 2,160,622 | 2,034,618 |
| Transportation | 5,422,042 | - | 5,528,850 | - | 5,422,042 | 5,528,850 |
| Leisure time activity | 1,499,577 | - | 1,252,231 | - | 1,499,577 | 1,252,231 |
| Interest and fiscal charges | 356,731 | - | 393,632 | - | 356,731 | 393,632 |
| Water | - | 6,051,531 | - | 5,866,274 | 6,051,531 | 5,866,274 |
| Water pollution control | - | 7,187,450 | - | 7,309,005 | 7,187,450 | 7,309,005 |
| Airport | - | 2,059,034 | - | 2,190,509 | 2,059,034 | 2,190,509 |
| Parking facilities | - | 104,917 | - | 96,404 | 104,917 | 96,404 |
| Swimming pool | - | <u>116,867</u> | - | <u>55,462</u> | <u>116,867</u> | <u>55,462</u> |
| Total expenses | <u>31,352,612</u> | <u>15,519,799</u> | <u>30,146,499</u> | <u>15,517,654</u> | <u>46,872,411</u> | <u>45,664,153</u> |
| Increase in net position before transfers | 2,893,172 | 3,796,443 | 10,896,976 | 3,448,997 | 6,689,615 | 14,345,973 |
| Transfers | <u>(217,993)</u> | <u>217,993</u> | <u>(261,343)</u> | <u>261,343</u> | <u>-</u> | <u>-</u> |
| Increase in net position | 2,675,179 | 4,014,436 | 10,635,633 | 3,710,340 | 6,689,615 | 14,345,973 |
| Net position at beginning of year | <u>105,021,942</u> | <u>142,709,375</u> | <u>94,386,309</u> | <u>138,999,035</u> | <u>247,731,317</u> | <u>233,385,344</u> |
| Net position at end of year | <u>\$ 107,697,121</u> | <u>\$ 146,723,811</u> | <u>\$ 105,021,942</u> | <u>\$ 142,709,375</u> | <u>\$ 254,420,932</u> | <u>\$ 247,731,317</u> |

CITY OF FINDLAY, OHIO

MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE YEAR ENDED DECEMBER 31, 2014 (UNAUDITED)

Governmental Activities

Governmental activities net position increased \$2,675,179 in 2014 as the revenue decrease over 2013 of 16.57% was still sufficient to cover the expense increase from 2013 of 4.00%.

The City's income tax revenue decreased \$6,129,490, or 22.91%, from 2013 due to a large business tax filing in the fourth quarter of 2013 coupled with a full year effect of the City's income tax rate decrease from 1.25% to 1.00%. Charges for services program revenues increased \$83,174 or 1.89%, from the prior year while operating grants and contributions program revenues decreased \$616,983, or 18.56%, from the prior year.

The City's total expenses increased approximately \$1.21 million from 2013 primarily due to an increase in security of persons and property expenses. Security of persons and property, which primarily supports the operations of the police and fire departments accounted for \$14,443,733 of the total expenses of the City. These expenses were partially funded by \$267,809 in direct charges to users of the services. The increase in expenses resulted from fluctuations in accruals to report long-term compensated absences for police and fire employees. The long-term compensated absences liability decreased from 2012 to 2013 as a result of reduced workforce and has level off between 2013 and 2014.

General government expenses totaled \$7,469,907. General government expenses were partially funded by \$2,322,091 in direct charges to users of the services. General government expenses were comparable to 2013, decreasing less than 1%.

The state and federal government contributed to the City a total of \$2,708,225 in operating grants and contributions. 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, \$2,131,532 subsidized transportation programs. Operating grants and contributions decreased from the prior year by \$616,983 primarily due to the receipt of \$250,000 in 2013 for economic development grants received and disbursed to local small businesses aimed to increase economic activity and development in the City.

The City had a total of \$1,454,779 in capital grants and contributions during 2014. 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, \$1,447,818 subsidized transportation programs. Capital grants and contributions increased from the prior year primarily due to grant funding of Byal Avenue Improvements which had substantial activity in 2014.

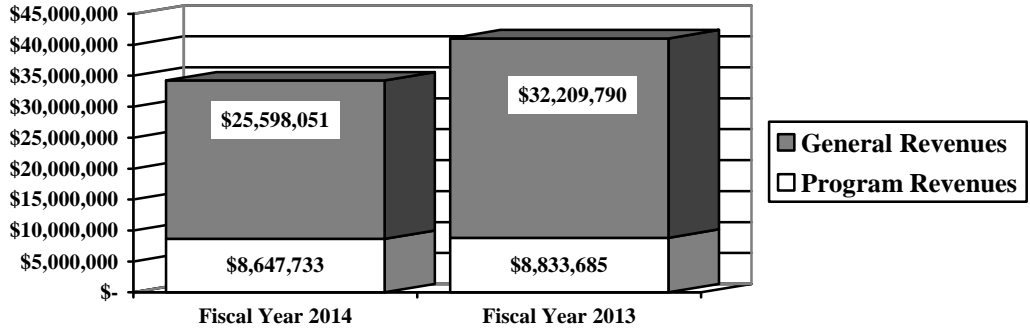
General revenues totaled \$25,598,051, and amounted to 74.75% of total governmental revenues. These revenues primarily consist of property and income tax revenue of \$2,839,026 and \$20,625,080, respectively. The other primary source of general revenues is grants and entitlements not restricted to specific programs, including local government funding from the State of Ohio, making up \$895,700. The largest decrease was in income tax revenue which decreased \$6,129,490 or 22.91% from 2013 primarily due to a large business tax filing in the fourth quarter of 2013 coupled with a full year effect of the City's income tax rate decrease from 1.25% to 1.00%.

CITY OF FINDLAY, OHIO

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2014
(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 2014 and 2013.

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

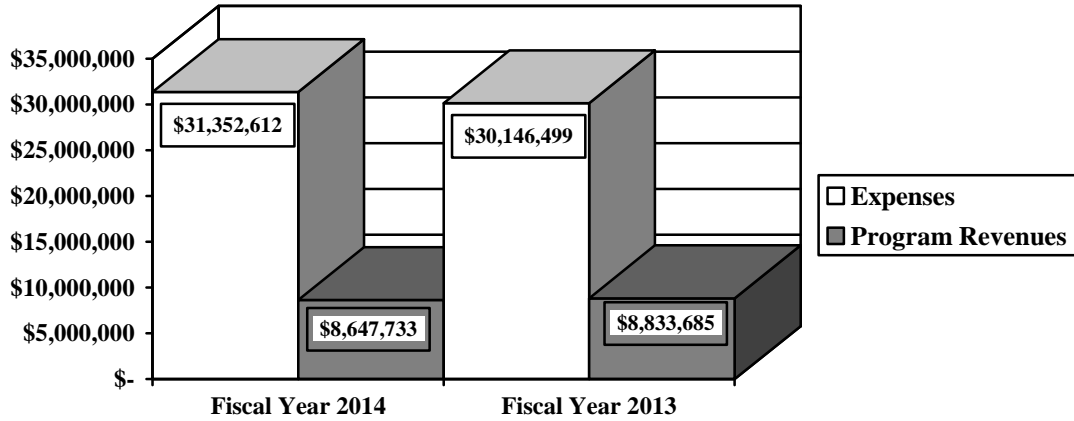
| | Total Cost of Services <u>2014</u> | Net Cost of Services <u>2014</u> | Total Cost of Services <u>2013</u> | Net Cost of Services <u>2013</u> |
|----------------------------------|--|--|--|--|
| Program Expenses: | | | | |
| General government | \$ 7,469,907 | \$ 4,736,830 | \$ 7,502,393 | \$ 4,093,257 |
| Security of persons and property | 14,443,733 | 14,138,668 | 13,434,775 | 12,991,819 |
| Public health and welfare | 2,160,622 | 946,848 | 2,034,618 | 1,054,386 |
| Transportation | 5,422,042 | 1,700,839 | 5,528,850 | 2,157,016 |
| Leisure time activity | 1,499,577 | 871,097 | 1,252,231 | 655,110 |
| Interest and fiscal charges | <u>356,731</u> | <u>310,597</u> | <u>393,632</u> | <u>361,226</u> |
| Total | <u>\$ 31,352,612</u> | <u>\$ 22,704,879</u> | <u>\$ 30,146,499</u> | <u>\$ 21,312,814</u> |

CITY OF FINDLAY, OHIO

MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2014
(UNAUDITED)

The dependence upon general revenues for governmental activities is apparent, with 72.42% of expenses supported through taxes and other general revenues.

Governmental Activities – Program Revenues vs. Total Expenses

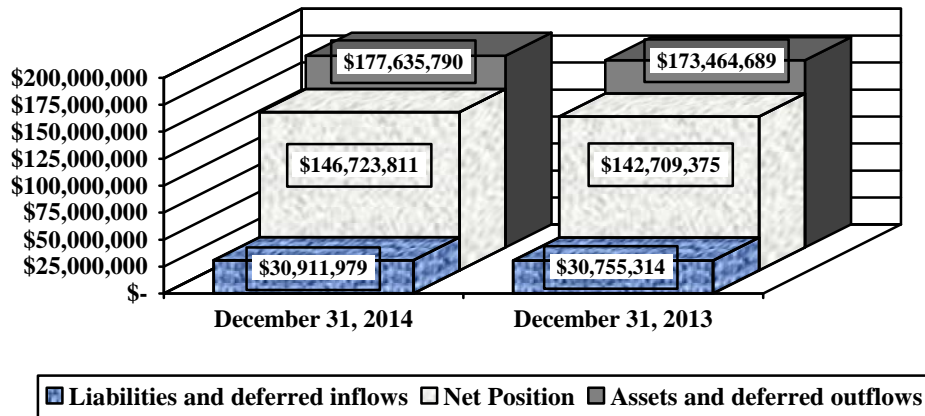


Business-type Activities

The net position of the business-type activities, include the water, water pollution control, airport, parking facilities, and swimming pool enterprise funds. These programs had program revenues of \$19,134,636 which were sufficient to support the total expenses of \$15,519,799. Program revenues exceeded total expenses by \$3,614,837 in 2014.

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, 2014
(UNAUDITED)**

Net position of the business-type activities continued to grow. The City's charges for services program revenues increased \$191,133 or 1.04% from 2013. The City's capital grants and contributions program revenues increased \$106,918 due primarily to increased grant funding for water projects. Expenses increased \$2,145 or 0.02%. For fiscal year 2014 and 2013, program revenues for the business-type activities exceeded expenses of the business-type activities by \$3,614,837 and \$3,325,836, respectively. Capital assets for the business-type activities increased \$300,000 due to capital outlays exceeding depreciation expense for 2014. The increase in capital contributions revenue resulted in an increase in capital outlays for 2014. Capital contributions are revenues received that are restricted for capital expenses and may not used to finance the operations of the enterprise activities.

Financial Analysis of the Government's Funds

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

Governmental Funds

The focus of the City's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the City's financing requirements. Fund balance includes various categories as described in Note 2.N and detailed in Note 15 to the financial statements. The City's fund balances for 2013 and 2012 were restated to reflect the impact of the city income tax administration fund being combined as a component of the general fund. The City's governmental funds (as presented on the balance sheet on pages 38-39) reported a combined fund balance of \$30,538,281 which is \$1,654,853 above last year's restated total of \$28,883,428. The schedule below indicates the fund balances as of December 31, 2014, 2013 and 2012 for all governmental funds.

| | Fund Balances <u>12/31/14</u> | Restated Fund Balances <u>12/31/13</u> | Restated Fund Balances <u>12/31/12</u> | Increase <u>2014 - 2013</u> | Increase <u>2013 - 2012</u> |
|-------------------------------|----------------------------------|--|--|--------------------------------|--------------------------------|
| Major funds: | | | | | |
| General | \$ 23,661,158 | \$ 23,329,355 | \$ 17,094,408 | \$ 331,803 | \$ 6,234,947 |
| Street maintenance and repair | 2,441,658 | 1,386,219 | 1,377,519 | 1,055,439 | 8,700 |
| Nonmajor governmental funds | <u>4,435,465</u> | <u>4,167,854</u> | <u>3,855,979</u> | <u>267,611</u> | <u>311,875</u> |
| Total | <u>\$ 30,538,281</u> | <u>\$ 28,883,428</u> | <u>\$ 22,327,906</u> | <u>\$ 1,654,853</u> | <u>\$ 6,555,522</u> |

General Fund

The City's general fund balance increased \$331,803. Revenues decreased \$4,239,586 from 2013 while expenditures increased \$477,726. The decrease in revenues is due to a decrease of \$3,210,890 in income tax revenue.

CITY OF FINDLAY, OHIO

MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2014
(UNAUDITED)

The table that follows assists in illustrating the revenues of the general fund for 2014, 2013 and 2012:

| | 2014 <u>Amount</u> | Restated 2013 <u>Amount</u> | Restated 2012 <u>Amount</u> | Increase/ (Decrease) <u>2014 - 2013</u> | Increase/ (Decrease) <u>2013 - 2012</u> |
|---|-----------------------|-----------------------------------|-----------------------------------|---|---|
| <u>Revenues</u> | | | | | |
| Taxes | \$ 23,336,559 | \$ 26,487,478 | \$ 23,904,561 | \$ (3,150,919) | \$ 2,582,917 |
| Charges for services | 2,341,892 | 2,361,370 | 2,545,233 | (19,478) | (183,863) |
| Licenses and permits | 314,881 | 347,094 | 319,236 | (32,213) | 27,858 |
| Fines and forfeitures | 1,103,923 | 1,058,608 | 1,142,951 | 45,315 | (84,343) |
| Investment income | 43,234 | 47,066 | 23,250 | (3,832) | 23,816 |
| Increase (decrease) in fair value of investments | (7,943) | (9,945) | 20,690 | 2,002 | (30,635) |
| Intergovernmental | 1,217,567 | 2,440,871 | 3,743,777 | (1,223,304) | (1,302,906) |
| Other | <u>1,215,626</u> | <u>1,072,783</u> | <u>1,077,550</u> | <u>142,843</u> | <u>(4,767)</u> |
| Total | <u>\$ 29,565,739</u> | <u>\$ 33,805,325</u> | <u>\$ 32,777,248</u> | <u>\$ (4,239,586)</u> | <u>\$ 1,028,077</u> |

Tax revenue in the general fund represents property, income and other local taxes. Tax revenue represents 78.94% of all general fund revenue. The general fund receives 2.6 mills in real estate collections on an annual basis, and there are no voted levies in addition to that millage. Tax revenue decreased by 11.90% from prior year.

Income taxes are now collected in the general fund as the city income tax administration fund became part of the general fund in 2014. The general fund collected \$20,938,843 in income tax receipts during 2014. The income tax receipts are included in the revenues listed above. The city income tax receipts decreased approximately \$3.21 million from 2013 primarily due to a large business tax filing in the fourth quarter of 2013 coupled with a full year effect of the City's income tax rate decrease from 1.25% to 1.00%.

Charges for services revenue decreased \$19,478 from 2013. Charges for services primarily relate to fees charged from programs related to leisure time activities and public health and welfare programs. 2014 charges for services revenue is lower than in 2013.

Licenses and permits revenue decreased \$32,213 from 2013. The decrease was primarily due to a decrease in zoning permits revenue generated in 2014.

Fines and forfeitures revenue increased 4.28% from 2013 primarily in the areas of court fines and Pay to Stay fines.

The decrease in investment income is primarily due to stagnant interest rates on applicable investments.

At December 31, 2014, the fair value of the City's federal agency securities decreased \$7,943 from the fair value of these securities at December 31, 2013. These securities fluctuate in value depending upon market conditions. The City intends to hold investment to maturity thus eliminating the effects of fluctuations in fair value.

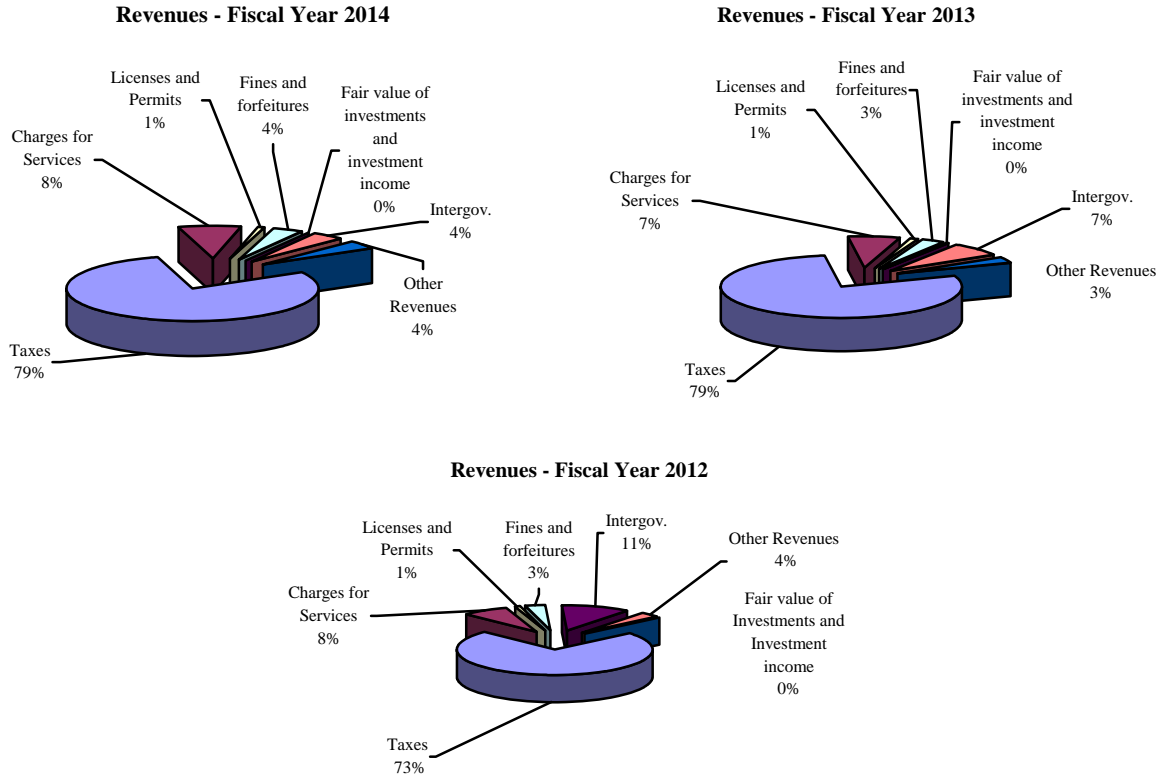
Intergovernmental revenues decreased primarily due to a decrease in estate tax revenue of approximately \$630,000 from 2013 and a decrease in grant funding for various general fund projects in the amount of approximately \$543,000 from 2013.

Other revenues remained consistent with 2013 increasing 13.32%.

CITY OF FINDLAY, OHIO

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2014
(UNAUDITED)**

The graphs below reflect the percentage of revenues, by source, for 2014, 2013 and 2012:



The table that follows assists in illustrating the expenditures of the general fund for 2014, 2013 and 2012.

| | 2014 <u>Amount</u> | Restated 2013 <u>Amount</u> | Restated 2012 <u>Amount</u> | Increase/ (Decrease) <u>2014 - 2013</u> | Increase/ (Decrease) <u>2013 - 2012</u> |
|----------------------------------|-----------------------|-----------------------------------|-----------------------------------|---|---|
| <u>Expenditures</u> | | | | | |
| General government | \$ 6,455,841 | \$ 6,635,812 | \$ 8,757,118 | \$ (179,971) | \$ (2,121,306) |
| Security of persons and property | 13,930,163 | 13,806,469 | 14,905,844 | 123,694 | (1,099,375) |
| Public health and welfare | 2,127,934 | 2,050,901 | 1,946,022 | 77,033 | 104,879 |
| Leisure time activity | 1,178,546 | 955,716 | 1,221,237 | 222,830 | (265,521) |
| Capital outlay | 939,610 | 705,470 | 554,081 | 234,140 | 151,389 |
| Total | <u>\$ 24,632,094</u> | <u>\$ 24,154,368</u> | <u>\$ 27,384,302</u> | <u>\$ 477,726</u> | <u>\$ (3,229,934)</u> |

General government expenditures remained consistent with 2013, decreasing \$179,971, or 2.7%. The decrease from 2012 was due to a \$1.8 million contribution made in 2012 by the City to Hancock County as required by the City's 3-year contribution for a flood reduction study being performed by the U.S. Army Corps of Engineers.

Security of persons and property expenditures, those related primarily to police and fire operations, increased \$123,694 from 2013. Both police and fire staffing levels are down from prior year; however, these reductions were partially offset by an increase in medical insurance premiums.

CITY OF FINDLAY, OHIO

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2014
(UNAUDITED)**

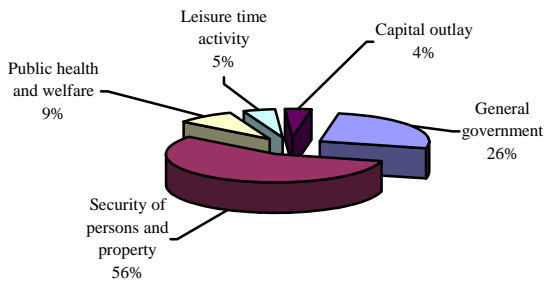
Public health and welfare activities relate primarily to the operations of health department and the cemetery department. Total public health and welfare expenditures increased \$77,033, or 3.76%, from 2013.

Leisure time activities relate primarily to the operations of parks, recreation and the Cube. Total leisure time activities expenditures increased \$222,830, or 23.32%, from 2013.

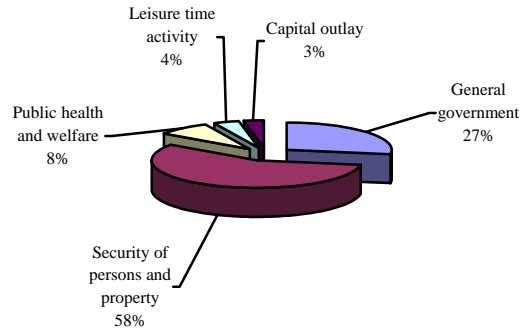
Capital outlay expenditures increased \$234,140, or 33.19%, as the City performed more construction and various other projects in 2014 versus 2013. The City closely monitors capital outlays to perform only essential improvements.

The graphs below reflect the percentage of expenditures, by function, for 2014, 2013 and 2012:

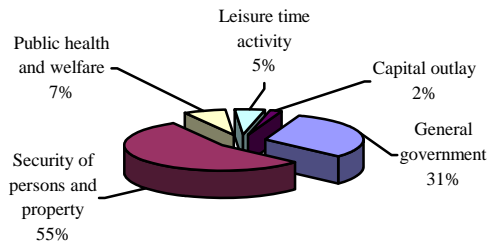
Expenditures - Fiscal Year 2014



Expenditures - Fiscal Year 2013



Expenditures - Fiscal Year 2012



Street Maintenance and Repair Fund

The street maintenance and repair fund had revenues and other financing sources of \$7,450,821 in 2014. This represents an increase of \$1,878,502 from 2013 revenues and other financing sources. The 2013 other financing sources included transfers in of \$2,563,524 that were increased to \$4,332,370 in 2014. The expenditures and other financing uses of the street maintenance and repair fund, which totaled \$6,517,159 in 2014 increased \$868,135 from 2013. The net increase in fund balance for the street maintenance and repair fund was \$1,055,439 or 76.14%. The street maintenance and repair fund capital outlays was approximately \$544,116 more in 2014 versus 2013 primarily due to the Byal Avenue Improvements project in 2014.

CITY OF FINDLAY, OHIO

MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE YEAR ENDED DECEMBER 31, 2014 (UNAUDITED)

General Fund Budgeting Highlights

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

For the general fund, the most significant changes were between the original and final budgeted amount in the area of expenditures and other financing uses, which increased \$3,141,567 from \$25,448,235 to \$28,589,802. The primary reason for the increase is an increase in budgeted transfers out which were \$511,000 in the original budget and \$1,823,642 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 \$939,610, or 29.91%, of the \$3,141,567 increase from the original budget to the final budget. In addition, the City increased budgeted expenditures for general government by \$571,111 for non-capital projects related to general government operations. Actual expenditures and other financing uses of \$25,937,359 were lower than final appropriated expenditures and other financing uses of \$28,589,802 by \$2,652,443.

Original budgeted revenues and other financing sources increased \$1,078,608 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 \$27,170,521 were \$616,504 less than final budgeted revenues and other financing sources of \$27,787,025.

Proprietary Funds

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

Water Fund

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

CITY OF FINDLAY, OHIO

MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2014
(UNAUDITED)

User charge rates are established to provide revenue for operation and maintenance of the treatment facility, the reservoir, and the distribution system. In addition, the charge rates must be set to support all capital improvements and debt service requirements. In accordance with Ohio law, the Service-Safety Director has the ability to revise the charge rates. Information regarding water customers for 2014 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 | 129,260 | \$528,773 | 7.25% |
| Cooper Corp | 90,237 | 247,276 | 3.39% |
| Ball Metal | 60,357 | 247,110 | 3.39% |
| Blanchard Valley Hospital | 50,148 | 142,512 | 1.95% |
| University of Findlay | 38,376 | 122,304 | 1.68% |
| Sunoco | 38,984 | 105,032 | 1.44% |
| Sanoh America Inc. | 35,536 | 95,486 | 1.31% |
| City Laundry/Kramer Ent | 28,402 | 77,080 | 1.06% |
| Riverview Terrace | 16,769 | 69,714 | 0.96% |
| Nissin Brake | <u>23,440</u> | <u>63,046</u> | 0.86% |
| Total Top Ten | 511,509 | \$1,698,333 | 23.28% |
| All Other Customers | <u>1,623,520</u> | <u>5,596,751</u> | <u>76.72%</u> |
| Total | <u>2,135,029</u> | <u>\$7,295,084</u> | <u>100.00%</u> |

**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 | 767,311 | \$2,596,957 | 35.60% |
| Inside City/Commercial | 698,235 | 2,097,302 | 28.75% |
| Inside City/Industrial | 240,936 | 657,572 | 9.01% |
| Outside City/Residential | 151,817 | 759,971 | 10.42% |
| Outside City/Commercial | 81,599 | 382,297 | 5.24% |
| Outside City/Industrial | <u>195,131</u> | <u>800,985</u> | <u>10.98%</u> |
| Total | <u>2,135,029</u> | <u>\$7,295,084</u> | <u>100.00%</u> |

Total Water Customers 17,650

* Hundred Cubic Feet

CITY OF FINDLAY, OHIO

MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2014
(UNAUDITED)

Water Pollution Control Fund

The City's wastewater treatment facility has been updated and improved to maintain compliance with all EPA discharge permit standards. During the late 1980's, major renovations were made to the Broad Avenue treatment plant and a 6.0 million gallon per day (MGD) oxidation ditch type of treatment plant was constructed on River Road. In 2000, construction began on two additional oxidation ditches, two additional final clarifiers and UV disinfecting at the River Road Plant. This expansion of the facility was fully operational in July 2001, and in 2002 the original activated sludge plant on Broad Avenue was decommissioned and demolished. The design of the River Road Plant allows for the construction of additional modules as demand on the facilities increases. Currently the treatment plant provides for a 15 MGD average design flow and a 40 MGD peak design flow. In addition, the city is working toward a comprehensive stormwater management plan to comply with EPA guidelines. Information regarding wastewater customers for 2014 is presented below:

Ten Largest Single Wastewater Customers

| <u>Customer</u> | <u>Revenue</u> | Percent of <u>Total</u> |
|---------------------------|------------------------|----------------------------|
| University of Findlay | \$146,179 | 1.74% |
| Cooper Tire | 136,789 | 1.63% |
| Blanchard Valley Hospital | 116,227 | 1.38% |
| Whirlpool | 108,695 | 1.29% |
| Sanoh America, Inc. | 69,645 | 0.83% |
| Ball Metal | 61,930 | 0.74% |
| City Laundry/Kramer Ent. | 57,757 | 0.69% |
| Findlay City Schools | 56,927 | 0.68% |
| Village of Arcadia | 55,154 | 0.68% |
| Hancock County Government | <u>53,907</u> | <u>0.64%</u> |
| Total Top Ten | \$ 863,210 | 10.27% |
| All Other Customers | <u>7,538,235</u> | <u>89.73%</u> |
| Grand Total | <u>\$8,401,445</u> | <u>100.00%</u> |

**Total Customer Use
By Class & Location**

| <u>Customer Class</u> | <u>Revenue</u> | % of Total <u>Revenue</u> |
|---|------------------------|------------------------------|
| Inside City/Residential | \$4,100,741 | 48.81% |
| Inside City/Commercial | 2,261,349 | 26.92% |
| Inside City/Industrial | 446,284 | 5.31% |
| Outside City/Residential | 1,035,089 | 12.32% |
| Outside City/Commercial | 321,196 | 3.82% |
| Outside City/Industrial | <u>236,786</u> | <u>2.82%</u> |
| Total | <u>\$8,401,445</u> | <u>100.00%</u> |
| Total Wastewater Customers Inside Corp | | 14,497 |
| Total Wastewater Customers Outside Corp | | 2,565 |

CITY OF FINDLAY, OHIO

MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2014
(UNAUDITED)

Capital Assets and Debt Administration

Capital Assets

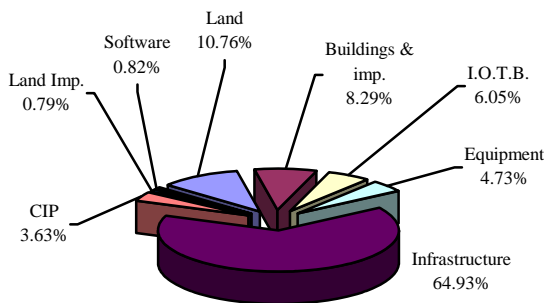
At the end of fiscal year 2014, the City had \$232,334,982 (net of accumulated depreciation) invested in land, software, non-depreciable land improvements, buildings and improvements, improvements other than buildings (I.O.T.B.), machinery and equipment, utility plant in service, utility lines in service, infrastructure and construction in progress (CIP). Of this total, \$82,445,599 was reported in governmental activities and \$149,889,383 was reported in business-type activities. The following table shows fiscal year 2014 balances compared to 2013:

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

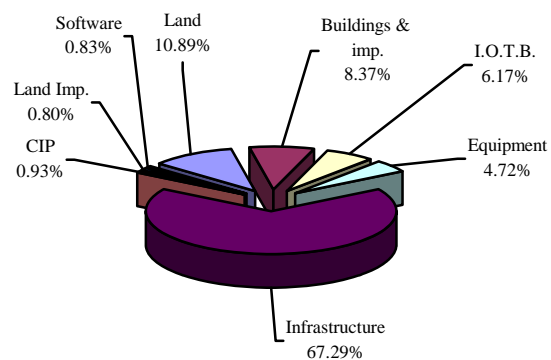
| | Governmental Activities | | Business-Type Activities | | Total | |
|----------------------------|-------------------------|----------------------|--------------------------|-----------------------|-----------------------|-----------------------|
| | 2014 | 2013 | 2014 | 2013 | 2014 | 2013 |
| Land | \$ 8,875,082 | \$ 8,875,082 | \$ 4,734,694 | \$ 4,734,694 | \$ 13,609,776 | \$ 13,609,776 |
| Land improvements | 653,392 | 653,392 | - | - | 653,392 | 653,392 |
| Software | 678,510 | 678,510 | 100,272 | 100,272 | 778,782 | 778,782 |
| Buildings and improvements | 6,836,954 | 6,821,414 | 908 | 2,710 | 6,837,862 | 6,824,124 |
| I.O.T.B. | 4,985,064 | 5,027,266 | 17,467,511 | 17,530,069 | 22,452,575 | 22,557,335 |
| Utility plant in service | - | - | 44,164,879 | 45,680,971 | 44,164,879 | 45,680,971 |
| Utility lines in service | - | - | 79,548,782 | 79,504,957 | 79,548,782 | 79,504,957 |
| Machinery and equipment | 3,901,374 | 3,849,254 | 342,525 | 681,622 | 4,243,899 | 4,530,876 |
| Infrastructure | 53,525,534 | 54,835,997 | - | - | 53,525,534 | 54,835,997 |
| Construction in progress | 2,989,689 | 755,361 | 3,529,812 | 1,351,175 | 6,519,501 | 2,106,536 |
| Totals | \$ 82,445,599 | \$ 81,496,276 | \$ 149,889,383 | \$ 149,586,470 | \$ 232,334,982 | \$ 231,082,746 |

The following graphs show the breakdown of governmental capital assets by category for 2014 and 2013.

Capital Assets - Governmental Activities 2014



Capital Assets - Governmental Activities 2013



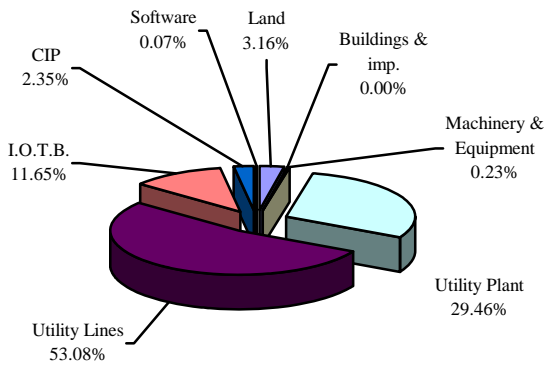
CITY OF FINDLAY, OHIO

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2014
(UNAUDITED)**

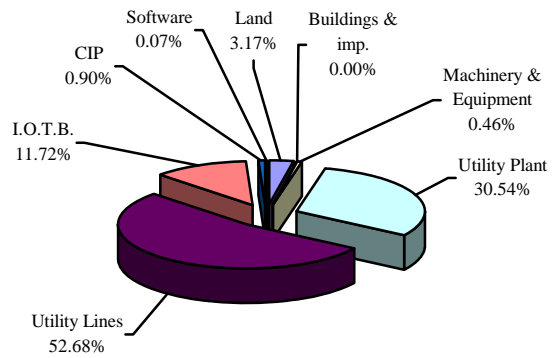
The City's largest governmental capital asset category is infrastructure which includes streets, storm sewers, and traffic signals. These items are immovable and of value only to the City; however, the annual cost of purchasing these items is quite significant. The net book value of the City's infrastructure (cost less accumulated depreciation) represents approximately 64.93% of the City's total governmental capital assets.

The following graphs show the breakdown of business-type capital assets by category for 2014 and 2013.

Capital Assets - Business-Type Activities 2014



Capital Assets - Business-Type Activities 2013



The City's largest business-type capital asset category, are utility lines that primarily includes water and sewer lines. These items play a vital role in the income producing ability of the business-type activities. The net book value of the City's utility lines (cost less accumulated depreciation) represents approximately 53.08% 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, 2014
(UNAUDITED)**

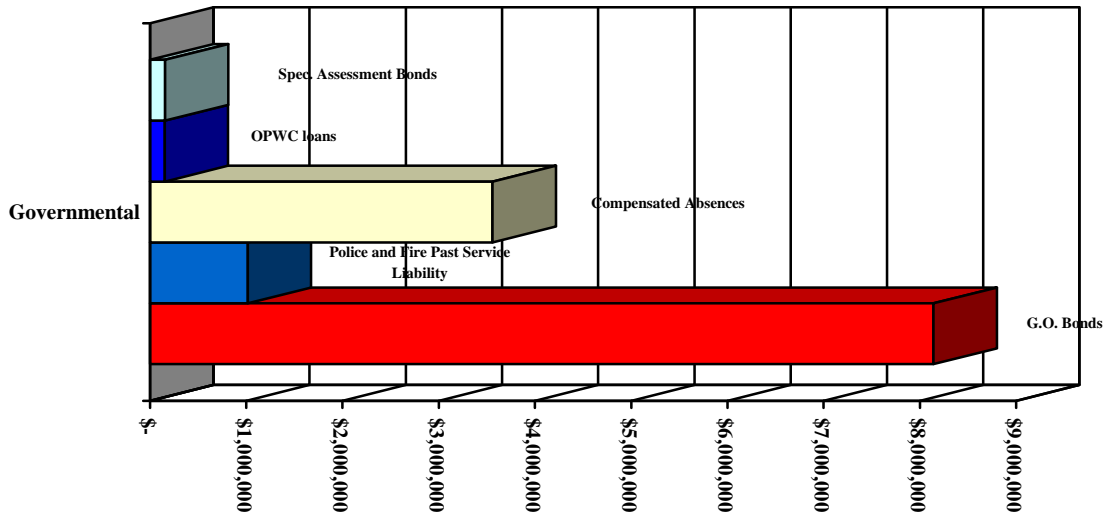
Debt Administration

The City had the following long-term obligations outstanding at December 31, 2014 and 2013:

| | <u>Governmental Activities</u> | |
|--|---------------------------------|-----------------------------|
| | <u>2014</u> | <u>2013</u> |
| Compensated absences | \$ 3,559,559 | \$ 3,572,369 |
| Police and Fire past service liability | 1,016,345 | 1,047,038 |
| OPWC loans | 154,456 | 169,140 |
| Special Assessment bonds | 158,000 | 185,000 |
| General Obligation bonds | <u>8,141,272</u> | <u>8,697,612</u> |
| Total long-term obligations | <u>\$ 13,029,632</u> | <u>\$ 13,671,159</u> |
| | <u>Business-Type Activities</u> | |
| | <u>2014</u> | <u>2013</u> |
| General Obligation bonds | \$ 8,004,500 | \$ 5,870,000 |
| OPWC loans | 562,242 | 617,580 |
| OWDA loans | 19,042,731 | 21,171,682 |
| Compensated absences | <u>736,930</u> | <u>774,993</u> |
| Total long-term obligations | <u>\$ 28,346,403</u> | <u>\$ 28,434,255</u> |

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

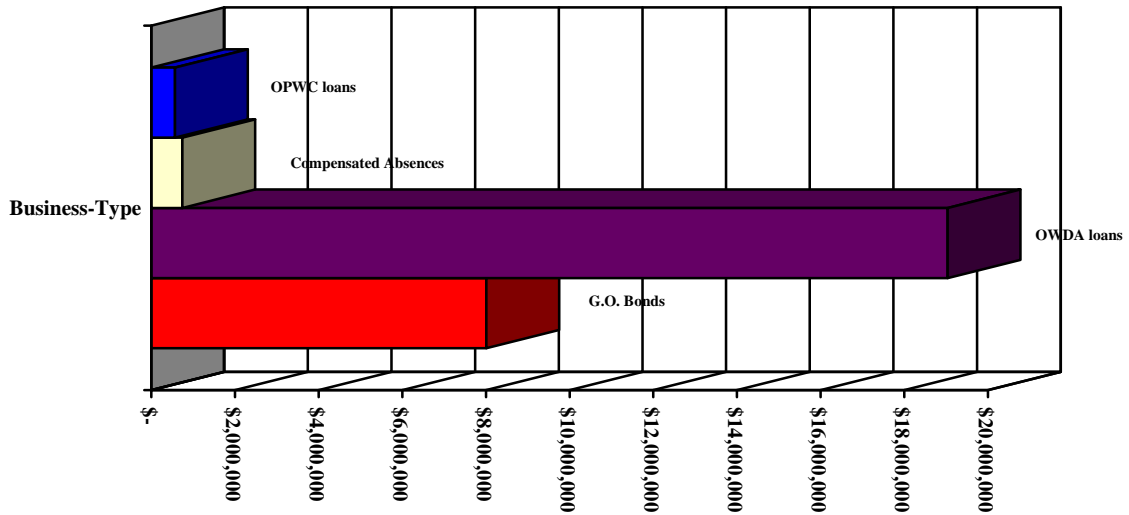
Long-term obligations



CITY OF FINDLAY, OHIO

MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2014
(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.

During 2014, the City refunded previously issued debt and issued new debt for water and sewer construction projects. See Note 11 to the basic financial statements for further detail on the City long-term obligations outstanding at year-end.

Economic Factors and 2015 Budgets and Rates

The impact on the general fund by the national, state, and local economic recession was mitigated by a temporary income tax rate increase in 2009. The additional revenue from this increase continued through the 2012 budget year and ended December 31, 2012. This temporary 0.25% continued to generate some trailing revenue into 2013 only a few delinquent payments were received in 2014.

Unemployment in Hancock County averaged 4.4 % in 2014 versus 6.2% in 2013. This compared favorably with the seasonally adjusted State's average rate of 5.7% and the national average rate of 6.2% for 2014. These unemployment rates are averages for the respective years. The unemployment rates in the Table 15 on page 209 reflect the actual unemployment rates as of December of each year.

Projected growth for the overall economy is an indication of continued improvement and was part of the consideration for the 2015 income tax revenue projection. At the same time growth and reported earnings of Marathon Petroleum Corp. has become a significant part of the business component of the income tax projections. The total income tax allocation to the general fund makes up approximately 67% of the projected general fund revenues for 2015. The income tax allocation to the City Income Tax restricted Capital Improvements was 17% for 2014; the general fund was 83%. For 2015 this allocation has been set at 18% Capital Improvements and 82% general fund, an important move toward our historic allocations. It is of note that the City increased its minimum balance requirement for the general fund to 16.7% of its budgeted expenses in addition to maintaining a \$1 million rainy day account.

CITY OF FINDLAY, OHIO

MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE YEAR ENDED DECEMBER 31, 2014 (UNAUDITED)

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 2014 were \$2.6 million below appropriations contributing to a beginning cash balance of more than \$10.4 million for 2015. A 2015 general fund operating budget has been adopted with a \$291,000 deficit; however, the year-end cash balance is budgeted to be in excess of \$8.5 million, at the time of this report.

City Council and the Service-Safety Director increased water and sewer rates in 2011; no increase is scheduled for 2015. It is expected to see continued improvement the health of both of these funds and each has been budgeted to end the 2015 calendar year with a cash balance in excess of three month operations expenses.

The 5-Year Capital Plan has been updated and the first year has been adopted by Council. The revision of this plan is providing a sound foundation for determining the allocation between general fund operations and Capital Improvements funding needs. The plan projects increasing the percentage of the money allocated to Capital Improvements by 1% in each of the next three years.

Mindful of its Debt Policy, in 2013 the City initiated the steps to take advantage of an opportunity to do refunding of several issues and to combine the refunding with a new issue for completion in 2014. This debt was issued at a rate of 0.96% and the term was limited to 5 years.

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, 2014

| | Governmental Activities | Business-type Activities | Total |
|---|------------------------------------|-------------------------------------|-----------------------|
| Assets: | | | |
| Equity in pooled cash and investments | \$ 24,415,548 | \$ 18,858,808 | \$ 43,274,356 |
| Cash in segregated accounts | 222,087 | - | 222,087 |
| Cash with fiduciary agent | 390,918 | - | 390,918 |
| Cash with escrow agent | 96,333 | 171,293 | 267,626 |
| Receivables (net of allowances for uncollectibles). | 10,462,312 | 2,074,374 | 12,536,686 |
| Internal balance | (168,851) | 168,851 | - |
| Due from other governments. | 1,176,832 | - | 1,176,832 |
| Prepayments | 106,327 | 48,429 | 154,756 |
| Materials and supplies inventory. | 671,108 | 690,206 | 1,361,314 |
| Restricted assets: | | | |
| Equity in pooled cash and investments | 6,374,483 | 5,535,446 | 11,909,929 |
| Capital assets: | | | |
| Nondepreciable capital assets | 13,196,673 | 8,364,778 | 21,561,451 |
| Depreciable capital assets, net. | 69,248,926 | 141,524,605 | 210,773,531 |
| Total capital assets, net. | 82,445,599 | 149,889,383 | 232,334,982 |
| Total assets | <u>126,192,696</u> | <u>177,436,790</u> | <u>303,629,486</u> |
| Deferred outflows of resources: | | | |
| Unamortized deferred charges on debt refunding | 15,018 | 199,000 | 214,018 |
| Total deferred outflows of resources | <u>15,018</u> | <u>199,000</u> | <u>214,018</u> |
| Total assets and deferred outflows of resources | <u>126,207,714</u> | <u>177,635,790</u> | <u>303,843,504</u> |
| Liabilities: | | | |
| Accounts payable. | 1,594,629 | 373,666 | 1,968,295 |
| Contracts payable. | - | 690,843 | 690,843 |
| Retainage payable | 63,208 | 171,293 | 234,501 |
| Accrued wages and benefits payable | 448,260 | 105,775 | 554,035 |
| Insurance deposits payable | 388,631 | 108,769 | 497,400 |
| Due to other governments | 39,701 | - | 39,701 |
| Deposits held and due to others | - | 701,900 | 701,900 |
| Workers' compensation payable | 36,818 | - | 36,818 |
| Unearned revenue | 1,198 | - | 1,198 |
| Matured bonds payable. | 33,125 | - | 33,125 |
| Accrued interest payable. | 171,381 | 413,330 | 584,711 |
| Long-term liabilities: | | | |
| Due within one year | 2,420,920 | 4,685,562 | 7,106,482 |
| Due in more than one year. | 10,573,822 | 23,660,841 | 34,234,663 |
| Total liabilities | <u>15,771,693</u> | <u>30,911,979</u> | <u>46,683,672</u> |
| Deferred inflows of resources: | | | |
| Property taxes levied for the next fiscal year. | 2,556,272 | - | 2,556,272 |
| TIF revenue levied for next fiscal year | 182,628 | - | 182,628 |
| Total deferred inflows of resources | <u>2,738,900</u> | <u>-</u> | <u>2,738,900</u> |
| Net position: | | | |
| Net investment in capital assets | 73,978,571 | 121,616,774 | 195,595,345 |
| Restricted for: | | | |
| Capital projects | 496,643 | 5,535,446 | 6,032,089 |
| Debt service | 195,205 | - | 195,205 |
| Security of persons and property programs | 91,115 | - | 91,115 |
| General government operations | 768,178 | - | 768,178 |
| Transportation improvement projects | 2,981,776 | - | 2,981,776 |
| Economic development programs. | 1,094,735 | - | 1,094,735 |
| Perpetual care: | | | |
| Expendable | 449 | - | 449 |
| Nonexpendable | 1,308,415 | - | 1,308,415 |
| Other purposes. | 947,848 | - | 947,848 |
| Unrestricted | <u>25,834,186</u> | <u>19,571,591</u> | <u>45,405,777</u> |
| Total net position | <u>\$ 107,697,121</u> | <u>\$ 146,723,811</u> | <u>\$ 254,420,932</u> |

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

CITY OF FINDLAY, OHIO

STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2014

| | <u>Expenses</u> | <u>Program Revenues</u> | | |
|--|----------------------|---------------------------------------|---|---|
| | | <u>Charges for Services and Sales</u> | <u>Operating Grants and Contributions</u> | <u>Capital Grants and Contributions</u> |
| Governmental activities: | | | | |
| General government | \$ 7,469,907 | \$ 2,322,091 | \$ 404,025 | \$ 6,961 |
| Security of persons and property | 14,443,733 | 267,809 | 37,256 | - |
| Public health and welfare | 2,160,622 | 1,110,657 | 103,117 | - |
| Transportation | 5,422,042 | 141,853 | 2,131,532 | 1,447,818 |
| Leisure time activity | 1,499,577 | 628,480 | - | - |
| Interest and fiscal charges | 356,731 | 13,839 | 32,295 | - |
| Total governmental activities | <u>31,352,612</u> | <u>4,484,729</u> | <u>2,708,225</u> | <u>1,454,779</u> |
| Business-type activities: | | | | |
| Water | 6,051,531 | 8,094,877 | 65,140 | 173,212 |
| Water pollution control | 7,187,450 | 9,397,038 | 78,184 | 80,431 |
| Airport | 2,059,034 | 1,113,979 | 25,978 | 28,606 |
| Parking facilities | 104,917 | 77,191 | - | - |
| Swimming pool | 116,867 | - | - | - |
| Total business-type activities | <u>15,519,799</u> | <u>18,683,085</u> | <u>169,302</u> | <u>282,249</u> |
| Totals | <u>\$ 46,872,411</u> | <u>\$ 23,167,814</u> | <u>\$ 2,877,527</u> | <u>\$ 1,737,028</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 |
|------------------------------------|-------------------------------------|----------------|
| \$ (4,736,830) | \$ - | \$ (4,736,830) |
| (14,138,668) | - | (14,138,668) |
| (946,848) | - | (946,848) |
| (1,700,839) | - | (1,700,839) |
| (871,097) | - | (871,097) |
| (310,597) | - | (310,597) |
| (22,704,879) | - | (22,704,879) |
| - | 2,281,698 | 2,281,698 |
| - | 2,368,203 | 2,368,203 |
| - | (890,471) | (890,471) |
| - | (27,726) | (27,726) |
| - | (116,867) | (116,867) |
| - | 3,614,837 | 3,614,837 |
| (22,704,879) | 3,614,837 | (19,090,042) |
| 2,397,716 | - | 2,397,716 |
| 441,310 | - | 441,310 |
| 20,625,080 | - | 20,625,080 |
| 72,159 | - | 72,159 |
| 895,700 | - | 895,700 |
| 43,623 | 43,381 | 87,004 |
| (7,943) | - | (7,943) |
| 1,130,406 | 138,225 | 1,268,631 |
| 25,598,051 | 181,606 | 25,779,657 |
| (217,993) | 217,993 | - |
| 2,675,179 | 4,014,436 | 6,689,615 |
| 105,021,942 | 142,709,375 | 247,731,317 |
| \$ 107,697,121 | \$ 146,723,811 | \$ 254,420,932 |

CITY OF FINDLAY, OHIO

BALANCE SHEET
GOVERNMENTAL FUNDS
DECEMBER 31, 2014
(WITH COMPARATIVE TOTALS FOR 2013)

| | <u>General</u> | <u>Street Maintenance and Repair</u> | <u>Nonmajor Governmental Funds</u> |
|---|----------------------|--|--|
| Assets: | | | |
| Equity in pooled cash and investments | \$ 17,577,608 | \$ 2,011,724 | \$ 2,951,060 |
| Cash in segregated accounts | 28,622 | - | 193,465 |
| Cash with fiduciary agent | - | - | 390,918 |
| Cash with escrow agent | - | 63,208 | 33,125 |
| Receivables (net of allowance for uncollectibles). | 8,680,064 | 8,008 | 1,774,205 |
| Due from other governments | 384,347 | 709,539 | 82,946 |
| Prepayments | 45,471 | 8,842 | - |
| Materials and supplies inventory | - | 667,633 | - |
| Restricted assets: | | | |
| Equity in pooled cash and investments | 6,374,483 | - | - |
| Total assets | <u>\$ 33,090,595</u> | <u>\$ 3,468,954</u> | <u>\$ 5,425,719</u> |
| Liabilities: | | | |
| Accounts payable | \$ 1,256,854 | \$ 321,611 | \$ 7,865 |
| Retainage payable | - | 63,208 | - |
| Accrued wages and benefits payable | 410,608 | 35,179 | 2,473 |
| Insurance deposits payable | 349,778 | 37,525 | 1,328 |
| Compensated absences payable | 47,574 | - | - |
| Due to other governments | 39,701 | - | - |
| Matured bonds payable | - | - | 33,125 |
| Unearned revenue | - | - | 1,198 |
| Total liabilities | <u>2,104,515</u> | <u>457,523</u> | <u>45,989</u> |
| Deferred inflows of resources: | | | |
| Property taxes levied for the next fiscal year | 2,057,318 | - | 498,954 |
| TIF revenue levied for next fiscal year | - | - | 182,628 |
| Charges for services revenue not available | 71,222 | 1,812 | - |
| Special assessments revenue not available | - | - | 191,216 |
| Income tax revenue not available | 4,868,327 | - | - |
| Intergovernmental revenue not available | 328,055 | 567,961 | 71,467 |
| Total deferred inflows of resources | <u>7,324,922</u> | <u>569,773</u> | <u>944,265</u> |
| Fund balances: | | | |
| Nonspendable | 45,471 | 676,475 | 1,308,415 |
| Restricted | 556,930 | 1,765,183 | 3,127,050 |
| Committed | 11,518,860 | - | - |
| Assigned | 437,476 | - | - |
| Unassigned | 11,102,421 | - | - |
| Total fund balances | <u>23,661,158</u> | <u>2,441,658</u> | <u>4,435,465</u> |
| Total liabilities, deferred inflows of resources and fund balances | <u>\$ 33,090,595</u> | <u>\$ 3,468,954</u> | <u>\$ 5,425,719</u> |

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

| Total Governmental Funds 2014 | Total Governmental Funds 2013 |
|--|--|
| \$ 22,540,392 | \$ 19,160,116 |
| 222,087 | 280,164 |
| 390,918 | 298,287 |
| 96,333 | 35,410 |
| 10,462,277 | 10,370,931 |
| 1,176,832 | 1,332,280 |
| 54,313 | 60,559 |
| 667,633 | 541,179 |
| 6,374,483 | 7,778,663 |
| <u>\$ 41,985,268</u> | <u>\$ 39,857,589</u> |
| | |
| \$ 1,586,330 | \$ 880,566 |
| 63,208 | 15,345 |
| 448,260 | 335,491 |
| 388,631 | 798,398 |
| 47,574 | 26,804 |
| 39,701 | 33,898 |
| 33,125 | 20,065 |
| 1,198 | - |
| <u>2,608,027</u> | <u>2,110,567</u> |
| | |
| 2,556,272 | 2,271,097 |
| 182,628 | 183,485 |
| 73,034 | 52,446 |
| 191,216 | 178,843 |
| 4,868,327 | 5,182,090 |
| 967,483 | 995,633 |
| <u>8,838,960</u> | <u>8,863,594</u> |
| | |
| 2,030,361 | 1,870,924 |
| 5,449,163 | 4,529,266 |
| 11,518,860 | 12,345,286 |
| 437,476 | 100,584 |
| 11,102,421 | 10,037,368 |
| <u>30,538,281</u> | <u>28,883,428</u> |
| | |
| <u>\$ 41,985,268</u> | <u>\$ 39,857,589</u> |

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CITY OF FINDLAY, OHIO

RECONCILIATION OF TOTAL GOVERNMENTAL FUND BALANCES TO
NET POSITION OF GOVERNMENTAL ACTIVITIES
DECEMBER 31, 2014

| | | |
|--|--------------|-----------------------|
| Total governmental fund balances | | \$ 30,538,281 |
| <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. | | 82,445,599 |
| Other long-term assets are not available to pay for current-period expenditures and therefore are deferred in the funds. | | |
| Income taxes receivable | \$ 4,868,327 | |
| Accounts receivable | 73,034 | |
| Intergovernmental receivable | 967,483 | |
| Special assessments receivable | 191,216 | |
| Total | | 6,100,060 |
| Unamortized discounts on bonds issued are not recorded in the funds. | | 34,890 |
| Unamortized deferred charges on debt refundings are not recorded in the funds. | | 15,018 |
| 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 (\$168,851), is: | | |
| | | 1,716,712 |
| 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 | (171,381) | |
| Special assessment bonds payable | (158,000) | |
| General obligation bonds payable | (8,141,272) | |
| OPWC loans payable | (154,456) | |
| Police and fire past service liability payable | (1,016,345) | |
| Compensated absences payable | (3,511,985) | |
| Total | | (13,153,439) |
| Net position of governmental activities | | \$ 107,697,121 |

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, 2014
(WITH COMPARATIVE TOTALS FOR 2013)

| | <u>General</u> | <u>Street Maintenance and Repair</u> | <u>Nonmajor Governmental Funds</u> |
|--|----------------------|--|--|
| Revenues: | | | |
| Municipal income taxes | \$ 20,938,843 | \$ - | \$ - |
| Property and other local taxes | 2,397,716 | 736 | 441,310 |
| Charges for services | 2,341,892 | 136,930 | 283,428 |
| Licenses and permits | 314,881 | - | - |
| Fines and forfeitures | 1,103,923 | - | 189,787 |
| Intergovernmental | 1,217,567 | 2,954,202 | 598,874 |
| Special assessments | - | - | 1,466 |
| Investment income | 43,234 | 1,541 | 22,939 |
| Increase (decrease) in fair value of investments | (7,943) | - | - |
| Rental income | 74,303 | 3,587 | - |
| Contributions and donations | 10,917 | 7,322 | 15,000 |
| Reimbursements | 1,118,781 | 13,981 | 1,121 |
| Tax increment financing | - | - | 72,159 |
| Other | 11,625 | 152 | - |
| Total revenues | <u>29,565,739</u> | <u>3,118,451</u> | <u>1,626,084</u> |
| Expenditures: | | | |
| Current: | | | |
| General government | 6,455,841 | - | 474,143 |
| Security of persons and property | 13,930,163 | - | 15,689 |
| Public health and welfare | 2,127,934 | - | 464 |
| Transportation | - | 2,342,003 | 24,787 |
| Leisure time activity | 1,178,546 | - | - |
| Capital outlay | 939,610 | 4,023,119 | 68,290 |
| Debt service: | | | |
| Principal retirement | - | - | 617,524 |
| Interest and fiscal charges | - | - | 364,146 |
| Bond issuance costs | - | - | 3,205 |
| Total expenditures | <u>24,632,094</u> | <u>6,365,122</u> | <u>1,568,248</u> |
| Excess (deficiency) of revenues over (under) expenditures | <u>4,933,645</u> | <u>(3,246,671)</u> | <u>57,836</u> |
| Other financing sources (uses): | | | |
| Issuance of refunding bonds | - | - | 584,500 |
| Payment to refunded bond escrow agent | - | - | (576,672) |
| Sale of capital assets | - | - | - |
| Transfers in | 1,003,728 | 4,332,370 | 1,184,943 |
| Transfers (out) | (5,604,001) | (152,037) | (982,996) |
| Total other financing sources (uses) | <u>(4,600,273)</u> | <u>4,180,333</u> | <u>209,775</u> |
| Net change in fund balances | 333,372 | 933,662 | 267,611 |
| Fund balances at beginning of year (restated) | 23,329,355 | 1,386,219 | 4,167,854 |
| Increase in materials and supplies inventory | - | 126,454 | - |
| (Decrease) in prepaids | (1,569) | (4,677) | - |
| Fund balances at end of year | <u>\$ 23,661,158</u> | <u>\$ 2,441,658</u> | <u>\$ 4,435,465</u> |

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

| Total Governmental Funds 2014 | Restated Total Governmental Funds 2013 |
|--|---|
| \$ 20,938,843 | \$ 24,149,733 |
| 2,839,762 | 2,765,164 |
| 2,762,250 | 2,768,092 |
| 314,881 | 347,094 |
| 1,293,710 | 1,229,609 |
| 4,770,643 | 5,990,277 |
| 1,466 | 32,578 |
| 67,714 | 71,632 |
| (7,943) | (9,945) |
| 77,890 | 84,701 |
| 33,239 | 20,765 |
| 1,133,883 | 995,058 |
| 72,159 | 72,941 |
| 11,777 | 34,167 |
| <u>34,310,274</u> | <u>38,551,866</u> |
| 6,929,984 | 7,028,408 |
| 13,945,852 | 13,819,356 |
| 2,128,398 | 2,051,992 |
| 2,366,790 | 2,317,126 |
| 1,178,546 | 955,716 |
| 5,031,019 | 4,239,024 |
| 617,524 | 609,401 |
| 364,146 | 398,390 |
| 3,205 | - |
| <u>32,565,464</u> | <u>31,419,413</u> |
| 1,744,810 | 7,132,453 |
| 584,500 | - |
| (576,672) | - |
| - | 119 |
| 6,521,041 | 6,098,734 |
| <u>(6,739,034)</u> | <u>(6,760,077)</u> |
| <u>(210,165)</u> | <u>(661,224)</u> |
| 1,534,645 | 6,471,229 |
| 28,883,428 | 22,327,906 |
| 126,454 | 88,289 |
| <u>(6,246)</u> | <u>(3,996)</u> |
| <u>\$ 30,538,281</u> | <u>\$ 28,883,428</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, 2014

| | | |
|--|-----------------|--------------------|
| Net change in fund balances - total governmental funds | \$ | 1,534,645 |
| <i>Amounts reported for governmental activities in the statement of activities are different because:</i> | | |
| Governmental funds report capital outlays as expenditures. However, in the statement of activities, the costs of those assets are allocated over their estimated useful lives as depreciation expense. This is the amount by which depreciation expense exceeded capital outlays in the current period: | | |
| Capital outlays | \$ | 4,999,631 |
| Depreciation expense | | <u>(4,294,381)</u> |
| Total | | 705,250 |
| Contributed infrastructure from outside developers is not recorded in the governmental funds; however, the contribution is recorded as revenue in the statement of activities. | | 244,073 |
| 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. | | 120,208 |
| Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds. | | |
| Income taxes | (313,763) | |
| Charges for services | 20,588 | |
| Special assessments | 12,373 | |
| Intergovernmental | <u>(28,150)</u> | |
| Total | | (308,952) |
| In the statement of activities, interest is accrued on outstanding bonds, whereas in governmental funds, an interest expenditure is reported when due. The following items contributed to less interest being reported in the statement of activities: | | |
| Decrease in accrued interest payable | 20,006 | |
| Amortization of bond discounts | (1,877) | |
| Amortization of deferred charges on refundings | <u>(7,509)</u> | |
| Total | | 10,620 |
| Repayments of bonds, loans and the police and fire past service liability are expenditures in the governmental funds, but the repayments reduce long-term liabilities on the statement of net position. | | 648,217 |
| Issuance of refunding bonds are recorded as other financing source in the funds; however, in the statement of activities, they are not reported as revenue as they increase liabilities on the statement of net position. | | (584,500) |
| Payment to refunded bond escrow agent for the retirement of bonds is an other financing use in the funds but the payment reduces long-term liabilities on the statement of net position. Deferred charges related to bond refundings are amortized over the life of the issuance in the statement of activities. The following refunding transactions occurred during the year: | | |
| Bonds refunded | 565,000 | |
| Unamortized premium on refunded bonds removed | 19,282 | |
| Unamortized deferred charge on refunded bonds removed | (30,137) | |
| Deferred charges on debt refundings | <u>22,527</u> | |
| Total | | 576,672 |
| Some expenses reported in the statement of activities, such as compensated absences, do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds. | | 33,580 |
| Internal service funds are used by management to charge the costs of self-insurance, workers' compensation and central stores operations to individual funds and are not reported in the City-wide statement of activities. Governmental fund expenditures and the related internal service funds revenues are eliminated. The net revenue (expense) of the internal service funds, including internal balance activity of \$43,052, is allocated among the governmental activities. | | <u>(304,634)</u> |
| Change in net position of governmental activities | \$ | <u>2,675,179</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, 2014

| | Budgeted Amounts | | Actual | Variance with Final Budget Positive (Negative) |
|---|----------------------|----------------------|----------------------|---|
| | Original | Final | | |
| Revenues: | | | | |
| Property and other local taxes | \$ 2,356,937 | \$ 2,452,121 | \$ 2,397,716 | \$ (54,405) |
| Charges for services | 2,290,829 | 2,383,344 | 2,330,465 | (52,879) |
| Licenses and permits | 309,526 | 322,026 | 314,881 | (7,145) |
| Fines and forfeitures | 1,085,148 | 1,128,971 | 1,103,923 | (25,048) |
| Intergovernmental | 1,196,859 | 1,245,194 | 1,217,567 | (27,627) |
| Investment income | 42,499 | 44,215 | 43,234 | (981) |
| (Decrease) in fair value of investments | (7,808) | (8,123) | (7,943) | 180 |
| Rental income | 73,039 | 75,989 | 74,303 | (1,686) |
| Contributions and donations | 10,731 | 11,165 | 10,917 | (248) |
| Reimbursements | 1,098,898 | 1,143,274 | 1,117,910 | (25,364) |
| Other | 11,427 | 11,889 | 11,625 | (264) |
| Total revenues | 8,468,085 | 8,810,065 | 8,614,598 | (195,467) |
| Expenditures: | | | | |
| Current: | | | | |
| General government | 6,503,178 | 7,074,289 | 5,937,464 | 1,136,825 |
| Security of persons and property | 15,060,443 | 15,114,532 | 13,930,163 | 1,184,369 |
| Public health and welfare | 2,013,588 | 2,272,820 | 2,127,934 | 144,886 |
| Leisure time activity | 1,360,026 | 1,364,909 | 1,178,546 | 186,363 |
| Capital outlay | - | 939,610 | 939,610 | - |
| Total expenditures | 24,937,235 | 26,766,160 | 24,113,717 | 2,652,443 |
| Excess of expenditures over revenues | (16,469,150) | (17,956,095) | (15,499,119) | 2,456,976 |
| Other financing sources (uses): | | | | |
| Transfers in | 18,240,332 | 18,976,960 | 18,555,923 | (421,037) |
| Transfers (out) | (511,000) | (1,823,642) | (1,823,642) | - |
| Total other financing sources (uses) | 17,729,332 | 17,153,318 | 16,732,281 | (421,037) |
| Net change in fund balances | 1,260,182 | (802,777) | 1,233,162 | 2,035,939 |
| Fund balances at beginning of year | 13,083,868 | 13,083,868 | 13,083,868 | - |
| (Decrease) in prepaids | (2,315) | (2,315) | (2,315) | - |
| Fund balance at end of year | \$ 14,341,735 | \$ 12,278,776 | \$ 14,314,715 | \$ 2,035,939 |

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, 2014

| | <u>Budgeted Amounts</u> | | <u>Actual</u> | <u>Variance with Final Budget Positive (Negative)</u> |
|---|-------------------------|---------------------|---------------------|---|
| | <u>Original</u> | <u>Final</u> | | |
| Revenues: | | | | |
| Property and other local taxes. | \$ 900 | \$ 835 | \$ 736 | \$ (99) |
| Charges for services. | 92,000 | 155,273 | 136,930 | (18,343) |
| Intergovernmental. | 1,762,000 | 3,349,953 | 2,954,202 | (395,751) |
| Investment income. | 1,200 | 1,747 | 1,541 | (206) |
| Rental income | 3,633 | 4,068 | 3,587 | (481) |
| Contributions and donations. | - | 8,303 | 7,322 | (981) |
| Reimbursements. | 3,000 | 15,854 | 13,981 | (1,873) |
| Other | - | 172 | 152 | (20) |
| Total revenues | <u>1,862,733</u> | <u>3,536,205</u> | <u>3,118,451</u> | <u>(417,754)</u> |
| Expenditures: | | | | |
| Current: | | | | |
| Transportation | 2,352,261 | 2,727,854 | 2,342,003 | 385,851 |
| Capital outlay | - | 4,040,504 | 4,023,119 | 17,385 |
| Total expenditures | <u>2,352,261</u> | <u>6,768,358</u> | <u>6,365,122</u> | <u>403,236</u> |
| Excess of expenditures over revenues | <u>(489,528)</u> | <u>(3,232,153)</u> | <u>(3,246,671)</u> | <u>(14,518)</u> |
| Other financing sources (uses): | | | | |
| Transfers in | 430,000 | 4,912,744 | 4,332,370 | (580,374) |
| Transfers (out). | - | (152,037) | (152,037) | - |
| Total other financing sources (uses) | <u>430,000</u> | <u>4,760,707</u> | <u>4,180,333</u> | <u>(580,374)</u> |
| Net change in fund balances | (59,528) | 1,528,554 | 933,662 | (594,892) |
| Fund balances at beginning of year | 1,386,219 | 1,386,219 | 1,386,219 | - |
| Increase in materials and supplies inventory . | 126,454 | 126,454 | 126,454 | - |
| (Decrease) in prepaids | (4,677) | (4,677) | (4,677) | - |
| Fund balance at end of year | <u>\$ 1,448,468</u> | <u>\$ 3,036,550</u> | <u>\$ 2,441,658</u> | <u>\$ (594,892)</u> |

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

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CITY OF FINDLAY, OHIO
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
DECEMBER 31, 2014
(WITH COMPARATIVE TOTALS FOR 2013)

Business-type Activities - Enterprise Funds

| Assets: | Water | Water Pollution Control | Airport | Nonmajor Enterprise Funds |
|---|----------------------|------------------------------------|----------------------|--|
| Current assets: | | | | |
| Equity in pooled cash and investments | \$ 10,781,329 | \$ 7,602,230 | \$ 437,900 | \$ 37,349 |
| Cash with escrow agent | 78,213 | 93,080 | - | - |
| Receivables (net of allowances for uncollectibles). | 1,564,759 | 429,043 | 80,572 | - |
| Due from other funds | - | 411,727 | - | - |
| Prepayments | 24,056 | 15,243 | 8,796 | 334 |
| Materials and supplies inventory. | 584,155 | 52,435 | 53,616 | - |
| Total current assets | <u>13,032,512</u> | <u>8,603,758</u> | <u>580,884</u> | <u>37,683</u> |
| Noncurrent assets: | | | | |
| Restricted assets: | | | | |
| Equity in pooled cash and investments. | 773,300 | 4,762,146 | - | - |
| Capital assets: | | | | |
| Nondepreciable capital assets | 2,706,684 | 2,142,271 | 3,419,861 | 95,962 |
| Depreciable capital assets, net. | 51,275,682 | 79,857,663 | 9,856,808 | 534,452 |
| Total noncurrent assets | <u>54,755,666</u> | <u>86,762,080</u> | <u>13,276,669</u> | <u>630,414</u> |
| Total assets | <u>67,788,178</u> | <u>95,365,838</u> | <u>13,857,553</u> | <u>668,097</u> |
| Deferred outflows of resources: | | | | |
| Unamortized deferred charges on debt refunding | 74,859 | 124,141 | - | - |
| Total deferred outflows of resources | <u>74,859</u> | <u>124,141</u> | <u>-</u> | <u>-</u> |
| Total assets and deferred outflows of resources | <u>67,863,037</u> | <u>95,489,979</u> | <u>13,857,553</u> | <u>668,097</u> |
| Liabilities: | | | | |
| Current liabilities: | | | | |
| Accounts payable. | 151,189 | 173,766 | 46,376 | 2,335 |
| Contracts payable. | 690,843 | - | - | - |
| Accrued wages and benefits payable | 53,649 | 44,358 | 6,065 | 1,703 |
| Insurance deposits payable | 54,528 | 45,280 | 7,337 | 1,624 |
| Retainage payable | 78,213 | 93,080 | - | - |
| Workers' compensation payable | - | - | - | - |
| Due to other funds | 411,727 | - | - | - |
| Deposits held and due to others | 701,900 | - | - | - |
| Accrued interest payable | 62,881 | 350,449 | - | - |
| Compensated absences payable - current. | 209,198 | 111,697 | 36,241 | 2,232 |
| Bonds payable - current | 1,093,000 | 973,000 | - | - |
| Loans payable - current | 244,029 | 2,016,165 | - | - |
| Total current liabilities | <u>3,751,157</u> | <u>3,807,795</u> | <u>96,019</u> | <u>7,894</u> |
| Long-term liabilities: | | | | |
| Compensated absences payable | 68,781 | 268,211 | 33,382 | 7,188 |
| Bonds payable | 3,426,000 | 2,512,500 | - | - |
| Loans payable | 3,038,561 | 14,306,218 | - | - |
| Total long-term liabilities | <u>6,533,342</u> | <u>17,086,929</u> | <u>33,382</u> | <u>7,188</u> |
| Total liabilities | <u>10,284,499</u> | <u>20,894,724</u> | <u>129,401</u> | <u>15,082</u> |
| Net position: | | | | |
| Net investment in capital assets | 45,486,579 | 62,223,112 | 13,276,669 | 630,414 |
| Restricted for capital projects. | 773,300 | 4,762,146 | - | - |
| Unrestricted | 11,318,659 | 7,609,997 | 451,483 | 22,601 |
| Total net position | <u>\$ 57,578,538</u> | <u>\$ 74,595,255</u> | <u>\$ 13,728,152</u> | <u>\$ 653,015</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

| 2014 | 2013 | 2014 | 2013 |
|-----------------------|-----------------------|----------------------|----------------------|
| Enterprise | Enterprise | Governmental | Governmental |
| Funds Total | Funds Total | Activities - | Activities - |
| | | Internal | Internal |
| | | Service Funds | Service Funds |
| \$ 18,858,808 | \$ 14,119,597 | \$ 1,875,156 | \$ 2,302,697 |
| 171,293 | 9,791 | - | - |
| 2,074,374 | 2,068,065 | 35 | 42 |
| 411,727 | 403,862 | - | - |
| 48,429 | 66,006 | 52,014 | 19,938 |
| 690,206 | 724,039 | 3,475 | 4,467 |
| <u>22,254,837</u> | <u>17,391,360</u> | <u>1,930,680</u> | <u>2,327,144</u> |
| 5,535,446 | 6,392,630 | - | - |
| 8,364,778 | 6,186,141 | - | - |
| 141,524,605 | 143,400,329 | - | - |
| 155,424,829 | 155,979,100 | - | - |
| <u>177,679,666</u> | <u>173,370,460</u> | <u>1,930,680</u> | <u>2,327,144</u> |
| 199,000 | 286,188 | - | - |
| 199,000 | 286,188 | - | - |
| <u>177,878,666</u> | <u>173,656,648</u> | <u>1,930,680</u> | <u>2,327,144</u> |
| 373,666 | 233,199 | 8,299 | 12,662 |
| 690,843 | 472,574 | - | - |
| 105,775 | 91,948 | - | - |
| 108,769 | 224,259 | - | - |
| 171,293 | 9,791 | - | - |
| - | - | 36,818 | 81,233 |
| 411,727 | 403,862 | - | - |
| 701,900 | 655,300 | - | - |
| 413,330 | 526,947 | - | - |
| 359,368 | 407,344 | - | - |
| 2,066,000 | 1,290,000 | - | - |
| 2,260,194 | 2,184,289 | - | - |
| <u>7,662,865</u> | <u>6,499,513</u> | <u>45,117</u> | <u>93,895</u> |
| 377,562 | 367,649 | - | - |
| 5,938,500 | 4,687,041 | - | - |
| 17,344,779 | 19,604,973 | - | - |
| 23,660,841 | 24,659,663 | - | - |
| <u>31,323,706</u> | <u>31,159,176</u> | <u>45,117</u> | <u>93,895</u> |
| 121,616,774 | 122,106,355 | - | - |
| 5,535,446 | 6,392,630 | - | - |
| 19,402,740 | 13,998,487 | 1,885,563 | 2,233,249 |
| <u>146,554,960</u> | <u>142,497,472</u> | <u>\$ 1,885,563</u> | <u>\$ 2,233,249</u> |
| 168,851 | 211,903 | | |
| <u>\$ 146,723,811</u> | <u>\$ 142,709,375</u> | | |

CITY OF FINDLAY, OHIO

STATEMENT OF REVENUES, EXPENSES AND
CHANGES IN NET POSITION
PROPRIETARY FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2014
(WITH COMPARATIVE TOTALS FOR 2013)

| | Business-type Activities - Enterprise Funds | | | |
|--|--|--------------------------------|----------------------|----------------------------------|
| | Water | Water Pollution Control | Airport | Nonmajor Enterprise Funds |
| Operating revenues: | | | | |
| Charges for services | \$ 8,094,877 | \$ 9,397,038 | \$ 1,113,979 | \$ 77,191 |
| Other operating revenues | 124,026 | 13,638 | - | 561 |
| Total operating revenues. | <u>8,218,903</u> | <u>9,410,676</u> | <u>1,113,979</u> | <u>77,752</u> |
| Operating expenses: | | | | |
| Personal services | 2,511,702 | 2,007,866 | 310,569 | 82,724 |
| Contract services. | 570,538 | 1,294,314 | 101,179 | 71,682 |
| Materials and supplies. | 969,285 | 312,960 | 766,602 | 23,777 |
| Utilities | 396,838 | 528,381 | 23,538 | 7,405 |
| Claims | - | - | - | - |
| Depreciation. | 1,389,465 | 2,163,880 | 854,310 | 35,504 |
| Total operating expenses. | <u>5,837,828</u> | <u>6,307,401</u> | <u>2,056,198</u> | <u>221,092</u> |
| Operating income (loss) | <u>2,381,075</u> | <u>3,103,275</u> | <u>(942,219)</u> | <u>(143,340)</u> |
| Nonoperating revenues (expenses): | | | | |
| Intergovernmental | 65,140 | 78,184 | 25,978 | - |
| Interest income. | 21,049 | 22,332 | - | - |
| Loss on disposal of capital assets | (19,456) | (8,624) | - | - |
| Interest and fiscal charges | (171,606) | (814,246) | - | - |
| Bond issue costs | (21,125) | (19,171) | - | - |
| Total nonoperating revenues (expenses). | <u>(125,998)</u> | <u>(741,525)</u> | <u>25,978</u> | <u>-</u> |
| Income (loss) before contributions and transfers | 2,255,077 | 2,361,750 | (916,241) | (143,340) |
| Capital contributions. | 173,212 | 80,431 | 28,606 | - |
| Transfer in | - | - | 86,993 | 131,000 |
| Change in net position | 2,428,289 | 2,442,181 | (800,642) | (12,340) |
| Net position at beginning of year | <u>55,150,249</u> | <u>72,153,074</u> | <u>14,528,794</u> | <u>665,355</u> |
| Net position at end of year. | <u>\$ 57,578,538</u> | <u>\$ 74,595,255</u> | <u>\$ 13,728,152</u> | <u>\$ 653,015</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

| 2014 | 2013 | 2014 | 2013 |
|---------------------|---------------------|----------------------|----------------------|
| Enterprise | Enterprise | Governmental | Governmental |
| Funds Total | Funds Total | Activities - | Activities - |
| Funds Total | Funds Total | Internal | Internal |
| Funds Total | Funds Total | Service Funds | Service Funds |
| \$ 18,683,085 | \$ 18,491,952 | \$ 15,336 | \$ 492,068 |
| 138,225 | 88,786 | - | - |
| <u>18,821,310</u> | <u>18,580,738</u> | <u>15,336</u> | <u>492,068</u> |
| 4,912,861 | 5,086,571 | - | - |
| 2,037,713 | 1,861,918 | 143,756 | 48,803 |
| 2,072,624 | 2,072,417 | 5,218 | 14,798 |
| 956,162 | 863,222 | - | - |
| - | - | 214,437 | 162,319 |
| 4,443,159 | 4,496,482 | - | - |
| <u>14,422,519</u> | <u>14,380,610</u> | <u>363,411</u> | <u>225,920</u> |
| 4,398,791 | 4,200,128 | (348,075) | 266,148 |
| 169,302 | 176,207 | - | - |
| 43,381 | 34,375 | 389 | 670 |
| (28,080) | (37,610) | - | - |
| (985,852) | (1,166,065) | - | - |
| (40,296) | - | - | - |
| <u>(841,545)</u> | <u>(993,093)</u> | <u>389</u> | <u>670</u> |
| 3,557,246 | 3,207,035 | (347,686) | 266,818 |
| 282,249 | 175,331 | - | - |
| <u>217,993</u> | <u>261,343</u> | <u>-</u> | <u>400,000</u> |
| 4,057,488 | 3,643,709 | (347,686) | 666,818 |
| | | <u>2,233,249</u> | <u>1,566,431</u> |
| | | <u>\$ 1,885,563</u> | <u>\$ 2,233,249</u> |
| <u>(43,052)</u> | <u>66,631</u> | | |
| <u>\$ 4,014,436</u> | <u>\$ 3,710,340</u> | | |

CITY OF FINDLAY, OHIO

STATEMENT OF CASH FLOWS
 PROPRIETARY FUNDS
 FOR THE YEAR ENDED DECEMBER 31, 2014
 (WITH COMPARATIVE TOTALS FOR 2013)

| | Business-type Activities - Enterprise Funds | | | |
|--|--|--------------------------------|-------------------|----------------------------------|
| | Water | Water Pollution Control | Airport | Nonmajor Enterprise Funds |
| Cash flows from operating activities: | | | | |
| Cash received from customers | \$ 8,067,986 | \$ 9,387,946 | \$ 1,140,055 | \$ 77,191 |
| Cash received from other operations | 124,026 | 13,638 | - | 561 |
| Cash payments for personal services | (2,574,607) | (2,043,449) | (353,738) | (80,793) |
| Cash payments for contract services. | (446,790) | (1,287,169) | (99,527) | (71,628) |
| Cash payments for materials and supplies | (872,063) | (279,869) | (724,168) | (22,224) |
| Cash payments for utilities | (388,973) | (528,381) | (23,538) | (7,405) |
| Cash payments for claims | - | - | - | - |
| Net cash provided by (used in) operating activities | <u>3,909,579</u> | <u>5,262,716</u> | <u>(60,916)</u> | <u>(104,298)</u> |
| Cash flows from noncapital financing activities: | | | | |
| Grants and contributions | 65,140 | 78,184 | 25,978 | - |
| Transfers in | - | - | 86,993 | 131,000 |
| Net cash provided by noncapital financing activities. | <u>65,140</u> | <u>78,184</u> | <u>112,971</u> | <u>131,000</u> |
| Cash flows from capital and related financing activities: | | | | |
| Acquisition of capital assets | (2,378,617) | (1,796,374) | (62,824) | (53,700) |
| Capital contributions | - | - | 28,606 | - |
| Issuance of refunding bonds | 2,000,000 | 2,147,000 | - | - |
| Issuance of bonds | 1,853,500 | 1,350,000 | - | - |
| Bond issuance costs paid | (21,125) | (19,171) | - | - |
| Payment to refunding bond escrow agent | (1,842,665) | (2,135,169) | - | - |
| Issuance of loans | 10,000 | - | - | - |
| Principal paid on bonds | (664,500) | (646,500) | - | - |
| Interest paid on bonds | (83,798) | (137,244) | - | - |
| Principal paid on loans. | (258,578) | (1,858,573) | - | - |
| Interest paid on loans | (92,877) | (727,352) | - | - |
| Net cash used in capital and related financing activities. | <u>(1,478,660)</u> | <u>(3,823,383)</u> | <u>(34,218)</u> | <u>(53,700)</u> |
| Cash flows from investing activities: | | | | |
| Interest received | 18,825 | 20,289 | - | - |
| Net cash provided by investing activities | <u>18,825</u> | <u>20,289</u> | <u>-</u> | <u>-</u> |
| Net increase (decrease) in cash and cash equivalents | 2,514,884 | 1,537,806 | 17,837 | (26,998) |
| Cash and cash equivalents at beginning of year | 9,117,958 | 10,919,650 | 420,063 | 64,347 |
| Cash and cash equivalents at end of year | <u>\$ 11,632,842</u> | <u>\$ 12,457,456</u> | <u>\$ 437,900</u> | <u>\$ 37,349</u> |

| | 2014 | 2013 | 2014 | 2013 |
|----|--------------------------|-----------------------------|----------------------------|----------------------------|
| | Enterprise | Enterprise | Governmental | Governmental |
| | Funds Total | Funds Total | Activities - | Activities - |
| | | | Internal | Internal |
| | | | Service Funds | Service Funds |
| \$ | 18,673,178 | \$18,555,553 | \$ 15,336 | \$492,068 |
| | 138,225 | 88,786 | - | - |
| | (5,052,587) | (4,922,024) | - | - |
| | (1,905,114) | (1,808,693) | (167,832) | (55,404) |
| | (1,898,324) | (2,159,890) | (16,589) | (4,964) |
| | (948,297) | (870,482) | - | - |
| | - | - | (258,852) | (296,205) |
| | <u>9,007,081</u> | <u>8,883,250</u> | <u>(427,937)</u> | <u>135,495</u> |
| | 169,302 | 176,207 | - | - |
| | <u>217,993</u> | <u>261,343</u> | <u>-</u> | <u>400,000</u> |
| | <u>387,295</u> | <u>437,550</u> | <u>-</u> | <u>400,000</u> |
| | (4,291,515) | (615,373) | - | - |
| | 28,606 | 84,101 | - | - |
| | 4,147,000 | - | - | - |
| | 3,203,500 | - | - | - |
| | (40,296) | - | - | - |
| | (3,977,834) | - | - | - |
| | 10,000 | - | - | - |
| | (1,311,000) | (1,240,000) | - | - |
| | (221,042) | (274,079) | - | - |
| | (2,117,151) | (2,101,353) | - | - |
| | (820,229) | (903,163) | - | - |
| | <u>(5,389,961)</u> | <u>(5,049,867)</u> | <u>-</u> | <u>-</u> |
| | <u>39,114</u> | <u>32,837</u> | <u>396</u> | <u>665</u> |
| | <u>39,114</u> | <u>32,837</u> | <u>396</u> | <u>665</u> |
| | 4,043,529 | 4,303,770 | (427,541) | 536,160 |
| | 20,522,018 | 16,218,248 | 2,302,697 | 1,766,537 |
| \$ | <u><u>24,565,547</u></u> | <u><u>\$ 20,522,018</u></u> | <u><u>\$ 1,875,156</u></u> | <u><u>\$ 2,302,697</u></u> |

- - Continued

CITY OF FINDLAY, OHIO

STATEMENT OF CASH FLOWS
 PROPRIETARY FUNDS (CONTINUED)
 FOR THE YEAR ENDED DECEMBER 31, 2014
 (WITH COMPARATIVE TOTALS FOR 2013)

| | Business-type Activities - Enterprise Funds | | | |
|--|--|--------------------------------|--------------------|----------------------------------|
| | Water | Water Pollution Control | Airport | Nonmajor Enterprise Funds |
| Reconciliation of operating income (loss) to net cash provided by (used in) operating activities: | | | | |
| Operating income (loss) | \$ 2,381,075 | \$ 3,103,275 | \$ (942,219) | \$ (143,340) |
| Adjustments: | | | | |
| Depreciation | 1,389,465 | 2,163,880 | 854,310 | 35,504 |
| Changes in assets and liabilities: | | | | |
| (Increase) decrease in accounts receivable | (26,891) | (1,227) | 26,076 | - |
| (Increase) decrease in due from other funds | - | (7,865) | - | - |
| (Increase) decrease in materials and supplies inventory | 12,236 | (5,733) | 27,330 | - |
| (Increase) decrease in prepayments | 8,726 | 7,145 | 1,652 | 54 |
| Increase (decrease) in accounts payable | 84,986 | 38,824 | 15,104 | 1,553 |
| Increase (decrease) in accrued wages and benefits | 6,199 | 7,126 | 262 | 240 |
| Increase (decrease) in compensated absences payable | (8,209) | 3,391 | (36,730) | 3,485 |
| Increase (decrease) in insurance deposits payable | (60,895) | (46,100) | (6,701) | (1,794) |
| Increase in deposits held and due to others | 46,600 | - | - | - |
| (Decrease) in workers' compensation payable | - | - | - | - |
| Increase in retainage payable | 68,422 | - | - | - |
| Increase (decrease) in due to other funds | 7,865 | - | - | - |
| Net cash provided by (used in) operating activities | <u>\$ 3,909,579</u> | <u>\$ 5,262,716</u> | <u>\$ (60,916)</u> | <u>\$ (104,298)</u> |

Non-cash Transactions:

During 2014 and 2013, the Water fund received \$173,212 and \$72,033, respectively, in capital contributions of donated water lines from private developers.

During 2014 and 2013, the Water Pollution Control fund received \$80,431 and \$19,197, respectively, in capital contributions of donated sewer lines from private developers.

At December 31, 2014 and 2013, the Water fund purchased \$690,843 and \$472,574, respectively, in capital assets on account.

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

| 2014 Enterprise Funds Total | 2013 Enterprise Funds Total | 2014 Governmental Activities - Internal Service Funds | 2013 Governmental Activities - Internal Service Funds |
|--|--|--|--|
| \$ 4,398,791 | \$ 4,200,128 | \$ (348,075) | \$ 266,148 |
| 4,443,159 | 4,496,482 | - | - |
| (2,042) | 56,341 | - | - |
| (7,865) | 7,260 | - | - |
| 33,833 | (31,702) | 992 | (2,002) |
| 17,577 | (3,945) | (32,076) | (6,601) |
| 140,467 | (55,771) | (4,363) | 11,836 |
| 13,827 | (24,212) | - | - |
| (38,063) | 52,387 | - | - |
| (115,490) | 136,372 | - | - |
| 46,600 | 47,379 | - | - |
| - | - | (44,415) | (133,886) |
| 68,422 | 9,791 | - | - |
| 7,865 | (7,260) | - | - |
| <u>\$ 9,007,081</u> | <u>\$ 8,883,250</u> | <u>\$ (427,937)</u> | <u>\$ 135,495</u> |

CITY OF FINDLAY, OHIO

STATEMENT OF FIDUCIARY NET POSITION
 FIDUCIARY FUNDS
 DECEMBER 31, 2014

| | Private-Purpose Trust | Agency |
|--|----------------------------------|-----------------------------|
| | <u> </u> | <u> </u> |
| Assets: | | |
| Equity in pooled cash and investments | \$ 159,378 | \$ 280,580 |
| Cash in segregated accounts | - | 34,851 |
| Receivables: | | |
| Accrued interest. | <u>3</u> | <u>-</u> |
| Total assets | <u>159,381</u> | <u>\$ 315,431</u> |
| Liabilities: | | |
| Accounts payable | - | \$ 5,342 |
| Deposits held and due to others. | <u>-</u> | <u>310,089</u> |
| Total liabilities. | <u>-</u> | <u>\$ 315,431</u> |
| Net position: | | |
| Held in trust for private cemetery care | <u>159,381</u> | |
| Total net position | <u>\$ 159,381</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, 2014

| | Private-Purpose Trust |
|--|---|
| | <u> </u> |
| Additions: | |
| Investment income | \$ 42 |
| Other | 200 |
| Total additions | <u> 242</u> |
| Deductions: | |
| Cemetery care | <u> 2,130</u> |
| Total deductions | <u> 2,130</u> |
| Change in net position | (1,888) |
| Net position at beginning of year | <u> 161,269</u> |
| Net position at end of year | <u><u> \$ 159,381</u></u> |

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

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CITY OF FINDLAY, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2014

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, 2014

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

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

JOINTLY GOVERNED ORGANIZATIONS

Hancock Metropolitan Housing Authority

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

Blanchard Valley Port Authority

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

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

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

Hancock Regional Planning Commission

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

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.

CITY OF FINDLAY, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2014

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

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.

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.

CITY OF FINDLAY, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2014

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

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

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

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

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

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

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

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

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

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

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

CITY OF FINDLAY, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2014

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

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.

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.

CITY OF FINDLAY, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2014

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

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 Inflows of Resources and Deferred Outflows of Resources - A deferred inflow of resources is an acquisition of assets by the City that is applicable to a future reporting period. A deferred outflow of resources is a consumption of assets by the City that is applicable to a future reporting period.

Property taxes for which there is an enforceable legal claim as of December 31, 2014, but which were levied to finance year 2015 operations, and other revenues received in advance of the year for which they were intended to finance, have been recorded as deferred inflows of resources. Income taxes and special assessments not received within the available period, grants and entitlements received before the eligibility requirements are met, and delinquent property taxes due at December 31, 2014, are recorded as deferred inflows of resources in governmental funds.

On governmental fund financial statements, receivables that will not be collected within the available period have been reported as a deferred inflow of resources.

On the accrual basis of accounting, unamortized deferred charges on debt refunding are reported as a deferred outflow of resources.

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.

CITY OF FINDLAY, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2014

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

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.

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

| Net Change in Fund Balance | General |
|-------------------------------------|----------------|
| Budget basis | \$ 1,233,162 |
| Funds budgeted elsewhere: | |
| Severance payout fund | 410,995 |
| City income tax administration fund | (1,310,785) |
| GAAP Basis | \$ 333,372 |

Budgetary information for the Revolving Loan special revenue fund is not reported because it is not included in the entity for which the “appropriated budget” is adopted.

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.

CITY OF FINDLAY, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2014

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

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.

During 2014, investments were limited to Federal National Mortgage Association (FNMA) securities, Federal Farm Credit Bank (FFCB) securities, Federal Home Loan Mortgage Corporation (FHLMC) securities, Federal Home Loan Bank (FHLB) securities, STAR Ohio and nonnegotiable certificates of deposit. Except for nonparticipating investment contracts, investments are reported at fair value which is based on quoted market prices. Nonparticipating investment contracts, such as nonnegotiable certificates of deposit, are reported at cost.

The City has invested funds in the State Treasury Asset Reserve of Ohio (STAR Ohio) during 2014. STAR Ohio is an investment pool managed by the State Treasurer's Office that allows governments within the State to pool their funds for investment purposes. STAR Ohio is not registered with the SEC as an investment company, but does operate in a manner consistent with Rule 2a7 of the Investment Company Act of 1940. Investments in STAR Ohio are valued at STAR Ohio's shares price which is the price the investment could be sold for on December 31, 2014.

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 2014 amounted to \$43,234, which includes \$17,514 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.

CITY OF FINDLAY, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2014

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

H. Inventories of Materials and Supplies

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

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

I. Prepays

Amounts recorded for prepaid items represent the unamortized portion of insurance policies that expire in 2015 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 fair market values as of the date received. The City maintains a capitalization threshold of \$5,000. The City's infrastructure consists of storm sewers, streets, and traffic signals. Improvements are capitalized; the costs of normal maintenance and repairs that do not add to the value of the asset or materially extend an asset's life are not. Interest incurred during the construction of capital assets is also capitalized for business-type activities.

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

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

CITY OF FINDLAY, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2014

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

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

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

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.

CITY OF FINDLAY, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2014

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

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.

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 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.

CITY OF FINDLAY, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2014

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

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.

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, 2014 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.

CITY OF FINDLAY, OHIO

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2014**

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

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.

T. Contributions of Capital

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

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

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

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

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

CITY OF FINDLAY, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2014

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

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”. These amounts are eliminated in the business-type activities columns of the statement of net position.

Receivables and payables resulting from interfund loans are classified as “interfund loans payable/receivable”. The City had no interfund loans payables/receivables at December 31, 2014.

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 2014.

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. In certain circumstances, comparative totals have been restated from the prior year to conform to current year presentation. 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, 2013, from which the summarized information was derived.

NOTE 3 - ACCOUNTABILITY & COMPLIANCE

A. Change in Accounting Principles

For 2014, the City has implemented GASB Statement No. 69, “Government Combinations and Disposals of Government Operations” and GASB Statement No. 70, “Accounting and Financial Reporting for Nonexchange Financial Guarantees”.

GASB Statement No. 69 establishes accounting and financial reporting standards related to government combinations and disposals of government operations. The Statement improves the decision usefulness of financial reporting by requiring that disclosures be made by governments about combination arrangements in which they engage and for disposals of government operations. The implementation of GASB Statement No. 69 did not have an effect on the financial statements of the City.

GASB Statement No. 70 improves the recognition, measurement, and disclosures for state and local governments that have extended or received financial guarantees that are nonexchange transactions. The implementation of GASB Statement No. 70 did not have an effect on the financial statements of the City.

CITY OF FINDLAY, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2014

NOTE 3 - ACCOUNTABILITY & COMPLIANCE - (Continued)

B. Fund Reclassification

For 2014, the City has elected to report the City Income Tax Administration fund as a component of the general fund for reporting under GAAP. The City Income Tax Administration fund was previously reported as major special revenue fund. The fund reclassification had the following effect on governmental fund balances as previously reported:

| | <u>General</u> | <u>Street Maintenance and Repair</u> | <u>City Income Tax Administration</u> | <u>Nonamjor Governmental Funds</u> | <u>Total Governmental Funds</u> |
|---|----------------------|--|---|--|---|
| Fund Balance at December 31, 2013 | \$ 13,668,945 | \$ 1,386,219 | \$ 9,660,410 | \$ 4,167,854 | \$ 28,883,428 |
| Fund Reclassification | <u>9,660,410</u> | <u>-</u> | <u>(9,660,410)</u> | <u>-</u> | <u>-</u> |
| Restated Fund Balance at January 1, 2014 | <u>\$ 23,329,355</u> | <u>\$ 1,386,219</u> | <u>\$ -</u> | <u>\$ 4,167,854</u> | <u>\$ 28,883,428</u> |

The above fund reclassification had no effect on overall governmental fund balances at December 31, 2013 or on net position reported for the governmental activities at December 31, 2013.

NOTE 4 - DEPOSITS AND INVESTMENTS

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

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

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

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

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

1. United States Treasury Notes, Bills, Bonds, or any other obligation or security issued by the United States Treasury or any other obligation guaranteed as to principal or interest by the United States;
2. Bonds, notes, debentures, or any other obligations or securities issued by any federal government agency or instrumentality, including, but not limited to, the Federal National Mortgage Association, Federal Home Loan Bank, Federal Farm Credit Bank, Federal Home Loan Mortgage Corporation, Government National Mortgage Association, and Student Loan Marketing Association. All federal agency securities shall be direct issuances of federal government agencies or instrumentalities;

CITY OF FINDLAY, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2014

NOTE 4 - DEPOSITS AND INVESTMENTS - (Continued)

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.

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 \$390,918 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, 2014. This amount is not included in the City's depository balance below.

CITY OF FINDLAY, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2014

NOTE 4 - DEPOSITS AND INVESTMENTS - (Continued)

Cash with Escrow Agent: At year end, the City had \$267,626 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 \$256,938 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, 2014, the carrying amount of all City deposits was \$41,434,293 and the bank balance of all City deposits was \$42,046,681. Of the bank balance, \$27,018,840 was covered by pledged collateral held by the Federal Reserve Bank of Boston in the name of the City, \$12,803,074 was exposed to custodial risk as discussed below and \$2,224,767 was covered by the FDIC.

Custodial credit risk is the risk that, in the event of bank failure, the City will not be able to recover deposits or collateral securities that are in the possession of an outside party. As permitted by Ohio Revised Code, the City's deposits are collateralized by a pool of eligible securities deposited with Federal Reserve Banks, or at member banks of the Federal Reserve System, in the name of the depository bank and pledged as a pool of collateral against all public deposits held by the depository. The City has no deposit policy for custodial credit risk beyond the requirements of State statute. Although the securities were held by the pledging institutions' trust department and all statutory requirements for the deposit of money had been followed, noncompliance with federal requirements could potentially subject the City to a successful claim by the FDIC.

B. Investments

As of December 31, 2014, the City had the following investments and maturities:

| Investment type | Fair Value | Investment Maturities | | | |
|---------------------|----------------------|-----------------------|---------------------|---------------------|---------------------|
| | | 6 months or less | 7 to 12 months | 13 to 18 months | 19 to 24 months |
| FFCB | \$ 5,743,045 | \$ 250,055 | \$ 2,501,080 | \$ 997,450 | \$ 1,994,460 |
| FHLB | 4,496,715 | 1,501,325 | - | 997,950 | 1,997,440 |
| FHLMC | 768,799 | - | - | 768,799 | - |
| FNMA | 1,270,360 | 250,110 | - | 1,020,250 | - |
| U.S. Treasury notes | 1,999,220 | - | - | 998,750 | 1,000,470 |
| STAR Ohio | 436,375 | 436,375 | - | - | - |
| Total | <u>\$ 14,714,514</u> | <u>\$ 2,437,865</u> | <u>\$ 2,501,080</u> | <u>\$ 4,783,199</u> | <u>\$ 4,992,370</u> |

The weighted average length to maturity of investment is 1.20 years.

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

CITY OF FINDLAY, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2014

NOTE 4 - DEPOSITS AND INVESTMENTS - (Continued)

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. The weighted average maturity of the portfolio held by STAR Ohio as of December 31, 2014 is 51 days.

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, 2014:

| <u>Investment type</u> | <u>Fair Value</u> | <u>% of Total</u> |
|------------------------|----------------------|-------------------|
| FFCB | \$ 5,743,045 | 39.03 |
| FHLB | 4,496,715 | 30.56 |
| FHLMC | 768,799 | 5.22 |
| FNMA | 1,270,360 | 8.63 |
| U.S. Treasury notes | 1,999,220 | 13.59 |
| STAR Ohio | <u>436,375</u> | <u>2.97</u> |
| Total | <u>\$ 14,714,514</u> | <u>100.00</u> |

CITY OF FINDLAY, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2014

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, 2014:

| | |
|---|--------------------------|
| <u>Cash and investments per note</u> | |
| Carrying amount of deposits | \$ 41,434,293 |
| Investments | 14,714,514 |
| Cash with fiduciary agent | <u>390,918</u> |
| Total | <u>\$ 56,539,725</u> |
| <u>Cash and investments per statement of net position</u> | |
| Governmental activities | \$ 31,499,369 |
| Business-type activities | 24,565,547 |
| Fiduciary funds | <u>474,809</u> |
| Total | <u>\$ 56,539,725</u> |

NOTE 5 - INTERFUND TRANSACTIONS

A. Interfund Transfers

Interfund transfers for 2014 consisted of the following as reported in the fund financial statements:

| <u>Transfers From</u> | <u>Transfers To</u> | | | | | <u>Total</u> |
|----------------------------------|---------------------|--|----------------------------------|------------------|--------------------------------|---------------------|
| | <u>General</u> | <u>Street Maintenance and Repair</u> | <u>Nonmajor Governmental</u> | <u>Airport</u> | <u>Nonmajor Enterprise</u> | |
| General | \$ - | \$ 4,332,370 | \$ 1,053,638 | \$ 86,993 | \$ 131,000 | \$ 5,604,001 |
| Street Maintenance and Repair | 152,037 | - | - | - | - | 152,037 |
| Nonmajor Governmental | <u>851,691</u> | <u>-</u> | <u>131,305</u> | <u>-</u> | <u>-</u> | <u>982,996</u> |
| Total | <u>\$ 1,003,728</u> | <u>\$ 4,332,370</u> | <u>\$ 1,184,943</u> | <u>\$ 86,993</u> | <u>\$ 131,000</u> | <u>\$ 6,739,034</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 from street maintenance and repair fund (\$152,037) and from the nonmajor governmental funds (\$20,000) to the general fund represents the return of the unused portion of capital monies for completed projects.

CITY OF FINDLAY, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2014

NOTE 5 - INTERFUND TRANSACTIONS - (Continued)

Transfers from the nonmajor governmental funds to the general fund are to move resources collected in the police pension fund (\$242,540) and the fire pension fund (\$242,540) to general fund for payment of police and fire pension obligations. In addition the debt service fund returned \$346,611 of funding previously received from the general fund.

Transfers from nonmajor governmental funds to nonmajor governmental funds include the movement of \$131,305 in resources collected in the county permissive motor vehicle license tax fund to the debt service fund for payment of principal and interest on the Series 2008 County Road 236 bonds.

B. Due To/From Other Funds

Amounts due to/from other funds reported at December 31, 2014 consisted of the following, as reported in the fund financial statements:

| | | Due From |
|-------------------------|----|----------|
| Due To | | Water |
| Water Pollution Control | \$ | 411,727 |
| | | 411,727 |

All service receivables are carried in the water fund with a liability being recognized for the portion of the billing related to the water pollution control fund. This due to/from other funds is eliminated for reporting on the government-wide financial statements.

NOTE 6 - TAXES

A. Property Tax

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

Public utility real and tangible personal property taxes collected in one calendar year are levied in the preceding calendar year on assessed values determined as of December 31 of the second year preceding the tax collection year, the lien date. Public utility tangible personal property is assessed at varying percentages of true value; public utility real property is assessed at 35 percent of true value. 2014 public utility property taxes became a lien December 31, 2013, are levied after October 1, 2014, and are collected in 2015 with real property taxes. Public utility property taxes are payable on the same dates as real property taxes described previously.

CITY OF FINDLAY, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2014

NOTE 6 - TAXES - (Continued)

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, 2014 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 2014 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 2014 operations was 3.2 mills. The assessed values of real and public utility property upon which 2014 property tax receipts were based are as follows:

| | |
|----------------------------------|-----------------------|
| Real property | \$ 758,838,100 |
| Real and personal public utility | <u>31,369,100</u> |
| Total assessed value | <u>\$ 790,207,200</u> |

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. Income tax receipts, net of the related administrative costs, are disbursed, appropriated, and allocated in accordance with City Ordinance. For 2014, 83% was transferred to the general fund and 17% was used for general capital improvements. For 2015, 82% will be transferred to the general fund and 18% will be used for general 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 \$20,938,843 for 2014.

CITY OF FINDLAY, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2014

NOTE 7 - RECEIVABLES

A. Governmental Funds

The City's receivables from outside parties at December 31, 2014, by fund, are shown as follows:

| | Major Funds | | | Total Governmental Funds |
|--------------------------------------|--------------|-------------------------------------|-----------------------------------|--------------------------------|
| | General | Street Maintenance and Repair | Nonmajor Governmental Funds | |
| Income taxes | \$ 6,431,940 | \$ - | \$ - | \$ 6,431,940 |
| Property taxes | 2,057,318 | - | 498,954 | 2,556,272 |
| Hotel/motel taxes | 109,595 | - | - | 109,595 |
| Economic development loans | - | - | 901,270 | 901,270 |
| Special assessments | - | - | 191,216 | 191,216 |
| Tax increment financing payments | - | - | 182,628 | 182,628 |
| Miscellaneous | 71,221 | 7,720 | 100 | 79,041 |
| Accrued interest - unrestricted | 9,990 | 288 | 37 | 10,315 |
| Total receivables, net of allowances | \$ 8,680,064 | \$ 8,008 | \$ 1,774,205 | \$ 10,462,277 |
| Due from other governments: | | | | |
| Property tax rollbacks | \$ 109,957 | \$ - | \$ 25,416 | \$ 135,373 |
| Estate taxes | 14,948 | - | - | 14,948 |
| Local government funds | 201,135 | - | - | 201,135 |
| State tax | 58,307 | - | - | 58,307 |
| Fuel tax | - | 686,753 | 55,682 | 742,435 |
| Motor vehicle license fees | - | 22,786 | 1,848 | 24,634 |
| Total due from other governments | \$ 384,347 | \$ 709,539 | \$ 82,946 | \$ 1,176,832 |
| Total due from outside parties | \$ 9,064,411 | \$ 717,547 | \$ 1,857,151 | \$ 11,639,109 |

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, 2014 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, 2014 represent the City's portion of 2015 taxes to be collected by the Hancock County Treasurer during 2015 based on the assessed value of property described in Note 6.A.

Hotel/Motel taxes accrued at December 31, 2014 represent 2014 transient lodging taxes due to the City at year end and collected in the first quarter of 2015 from hotels and motels located within the City's corporation limits.

Economic development loans receivable at December 31, 2014 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.

CITY OF FINDLAY, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2014

NOTE 7 - RECEIVABLES - (Continued)

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, 2014 represent 2014 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, 2014.

Due from other governments in the general fund represents 2014 State taxes, local government monies and property tax rollbacks (intergovernmental) anticipated to be received by the City from January 1, 2015 through June 30, 2015 and estate taxes due at December 31, 2014.

Due from other governments in the special revenue funds represents 2014 motor vehicle license fees, gasoline excise taxes, and property tax rollbacks anticipated to be received by the City from January 1, 2015 to June 30, 2015.

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.

B. Proprietary Funds

The City's receivables from outside parties at December 31, 2014, by fund, are shown as follows:

| | Major Funds | | | Internal Service Funds | Total Proprietary Funds |
|--|--------------|-------------------------------|-----------|------------------------------|-------------------------------|
| | Water | Water Pollution Control | Airport | | |
| Billed and unbilled charges for services | \$ 1,560,618 | \$ 424,806 | \$ 80,572 | \$ - | \$ 2,065,996 |
| Accrued interest - unrestricted | 4,141 | 4,237 | - | 35 | 8,413 |
| Total receivables, net of allowances | \$ 1,564,759 | \$ 429,043 | \$ 80,572 | \$ 35 | \$ 2,074,409 |
| Total due from outside parties | \$ 1,564,759 | \$ 429,043 | \$ 80,572 | \$ 35 | \$ 2,074,409 |

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, 2014. All receivables for the proprietary funds are expected to be collected within the subsequent year.

CITY OF FINDLAY, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2014

NOTE 8 - CAPITAL ASSETS

A. Governmental activities

Governmental activities capital asset activity for the year ended December 31, 2014, was as follows:

| | Balance | | | Balance |
|---|----------------------|---------------------|---------------------|----------------------|
| <u>Governmental activities:</u> | <u>12/31/13</u> | <u>Additions</u> | <u>Disposals</u> | <u>12/31/14</u> |
| <i>Capital assets, not being depreciated:</i> | | | | |
| Land | \$ 8,875,082 | \$ - | \$ - | \$ 8,875,082 |
| Nondepreciable land improvements | 653,392 | - | - | 653,392 |
| Computer software | 678,510 | - | - | 678,510 |
| Construction in progress | <u>755,361</u> | <u>2,552,018</u> | <u>(317,690)</u> | <u>2,989,689</u> |
| Total capital assets, not being depreciated | <u>10,962,345</u> | <u>2,552,018</u> | <u>(317,690)</u> | <u>13,196,673</u> |
| <i>Capital assets, being depreciated:</i> | | | | |
| Buildings and improvements | 12,038,360 | 269,111 | - | 12,307,471 |
| Improvements other than buildings | 6,469,648 | 226,250 | - | 6,695,898 |
| Equipment | 14,329,492 | 950,683 | (135,530) | 15,144,645 |
| Infrastructure | <u>103,864,557</u> | <u>1,584,320</u> | <u>(56,492)</u> | <u>105,392,385</u> |
| Total capital assets, being depreciated | <u>136,702,057</u> | <u>3,030,364</u> | <u>(192,022)</u> | <u>139,540,399</u> |
| <i>Less: accumulated depreciation:</i> | | | | |
| Buildings and improvements | (5,216,946) | (253,571) | - | (5,470,517) |
| Improvements other than buildings | (1,442,382) | (268,452) | - | (1,710,834) |
| Equipment | (10,480,238) | (898,563) | 135,530 | (11,243,271) |
| Infrastructure | <u>(49,028,560)</u> | <u>(2,894,783)</u> | <u>56,492</u> | <u>(51,866,851)</u> |
| Total accumulated depreciation | <u>(66,168,126)</u> | <u>(4,315,369)</u> | <u>192,022</u> | <u>(70,291,473)</u> |
| Total capital assets, being depreciated, net | <u>70,533,931</u> | <u>(1,285,005)</u> | <u>-</u> | <u>69,248,926</u> |
| Governmental activities capital assets, net | <u>\$ 81,496,276</u> | <u>\$ 1,267,013</u> | <u>\$ (317,690)</u> | <u>\$ 82,445,599</u> |

CITY OF FINDLAY, OHIO

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2014**

NOTE 8 - CAPITAL ASSETS - (Continued)

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

Governmental activities:

| | |
|---|----------------------------|
| General government | \$ 376,655 |
| Security of persons and property | 478,409 |
| Transportation | 3,106,580 |
| Leisure time activities | 315,403 |
| Public health and welfare | <u>17,334</u> |
| Total depreciation expense | 4,294,381 |
| Accumulated depreciation on capital assets transferred from Water fund | <u>20,988</u> |
| Increase in accumulated depreciation | <u><u>\$ 4,315,369</u></u> |

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CITY OF FINDLAY, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2014

NOTE 8 - CAPITAL ASSETS - (Continued)

B. Business-type activities

Business-type activities capital asset activity for the year ended December 31, 2014, was as follows:

| <u>Business-type activities:</u> | <u>Balance</u> <u>12/31/13</u> | <u>Additions</u> | <u>Disposals</u> | <u>Balance</u> <u>12/31/14</u> |
|---|-----------------------------------|---------------------|---------------------|-----------------------------------|
| <i>Capital assets, not being depreciated:</i> | | | | |
| Land | \$ 4,734,694 | \$ - | \$ - | \$ 4,734,694 |
| Computer software | 100,272 | - | - | 100,272 |
| Construction in progress | <u>1,351,175</u> | <u>2,880,466</u> | <u>(701,829)</u> | <u>3,529,812</u> |
| Total capital assets, not being depreciated | <u>6,186,141</u> | <u>2,880,466</u> | <u>(701,829)</u> | <u>8,364,778</u> |
| <i>Capital assets, being depreciated:</i> | | | | |
| Buildings | 1,632,539 | - | - | 1,632,539 |
| Utility plant in service | 77,352,307 | - | (5,757) | 77,346,550 |
| Utility lines in service | 102,503,126 | 1,282,089 | (5,858) | 103,779,357 |
| Improvements other than buildings | 27,731,424 | 887,628 | - | 28,619,052 |
| Machinery and equipment | <u>8,575,841</u> | <u>425,798</u> | <u>(165,606)</u> | <u>8,836,033</u> |
| Total capital assets, being depreciated | <u>217,795,237</u> | <u>2,595,515</u> | <u>(177,221)</u> | <u>220,213,531</u> |
| <i>Less: accumulated depreciation:</i> | | | | |
| Buildings | (1,629,829) | (1,802) | - | (1,631,631) |
| Utility plant in service | (31,671,336) | (1,511,842) | 1,507 | (33,181,671) |
| Utility lines in service | (22,998,169) | (1,233,890) | 1,484 | (24,230,575) |
| Improvements other than buildings | (10,201,355) | (950,186) | - | (11,151,541) |
| Machinery and equipment | <u>(7,894,219)</u> | <u>(745,439)</u> | <u>146,150</u> | <u>(8,493,508)</u> |
| Total accumulated depreciation | <u>(74,394,908)</u> | <u>(4,443,159)</u> | <u>149,141</u> | <u>(78,688,926)</u> |
| Total capital assets, being depreciated, net | <u>143,400,329</u> | <u>(1,847,644)</u> | <u>(28,080)</u> | <u>141,524,605</u> |
| Business-type activities capital assets, net | <u>\$ 149,586,470</u> | <u>\$ 1,032,822</u> | <u>\$ (729,909)</u> | <u>\$ 149,889,383</u> |

CITY OF FINDLAY, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2014

NOTE 8 - CAPITAL ASSETS - (Continued)

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

Business-type activities:

| | |
|----------------------------|---------------------|
| Water | \$ 1,389,465 |
| Water pollution control | 2,163,880 |
| Airport | 854,310 |
| Parking | 6,451 |
| Swimming pool | <u>29,053</u> |
| Total depreciation expense | <u>\$ 4,443,159</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, 2014, there were no material outstanding claims pending for the Self-Insurance fund. Claims activity for 2014 and 2013 are as follows:

| Year | Balance at Beginning of Year | Current Year Claims and Changes in Estimates | Claim Payments | Balance at End of Year |
|------|---------------------------------|--|-------------------|---------------------------|
| 2014 | \$ - | \$ 59,848 | \$ (59,848) | \$ - |
| 2013 | - | 6,707 | (6,707) | - |

CITY OF FINDLAY, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2014

NOTE 9 - RISK MANAGEMENT - (Continued)

B. Individual Retrospective Workers' Compensation Plan

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

The City's activity related the Plan is accounted for in an internal service fund which will pay for all claims, claim reserves and administrative costs of the program. The internal service fund generates revenues by charging each fund a percentage rate determined by the City as recommended by its third party administrator for workers' compensation for the payroll during the reporting period. The City has reported a liability in the financial statements amounting to \$36,818 that will be used for future claims payments. This liability has been reported as "workers' compensation payable" in the financial statements. Changes in the workers' compensation payable liability in 2014 and 2013 are as follows:

| Year | Balance at Beginning of Year | Current Year Claims and Changes in Estimates | Claim Payments | Balance at End of Year |
|------|---------------------------------|--|-------------------|---------------------------|
| 2014 | \$ 81,233 | \$ 214,437 | \$ (258,852) | \$ 36,818 |
| 2013 | 215,119 | 162,319 | (296,205) | 81,233 |

C. Group Retrospective Workers' Compensation Plan

Effective January 1, 2014, the City began participation 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, 2014

NOTE 9 - RISK MANAGEMENT - (Continued)

D. Medical, Dental and Prescription Drug Benefits

The City is self-insured for medical, dental, vision and prescription drug benefits (the Program). The Program is administered through a third party administrator who manages and processes the claims. The City makes required payments to the third party administrator to reimburse them for the claim payments. The City's stop-loss coverage through the Program is limited to \$100,000 per claim with a stop-loss annual coverage aggregate that varies based upon the number of contracts in the Program. The City utilizes Findley Davies as its health benefits actuary. The City's policy for reporting a claims liability is based on the requirements GASB Statement No. 10, "Accounting and Financial Reporting for Risk Financing and Related Insurance Issues", as amended by GASB Statement No. 30, "Risk Financing Omnibus", which requires that a liability for unpaid claims costs, including estimates of costs relating to incurred, but not reported claims, be accrued at the estimated ultimate cost of settling the claims. The City has reported a liability in both the fund and government-wide financial statements amounting to \$497,400 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 2014 and 2013 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> |
|-------------|---|---|---------------------------|-----------------------------------|
| 2014 | \$ 1,022,657 | \$ 3,242,304 | \$ (3,767,561) | \$ 497,400 |
| 2013 | 418,802 | 4,001,103 | (3,397,248) | 1,022,657 |

NOTE 10 - RESTRICTED ASSETS

Restricted assets at December 31, 2014 are comprised of the following:

| | <u>Cash and Investments</u> |
|--|---------------------------------|
| <u>Major governmental funds:</u> | |
| General fund: | |
| Restricted for capital improvements | \$ <u>6,374,483</u> |
| Total governmental activities | \$ <u>6,374,483</u> |
| <u>Major enterprise funds:</u> | |
| Water fund: | |
| Restricted for capital improvements to utility lines | \$ 773,300 |
| Water Pollution Control fund: | |
| Restricted for capital improvements to utility lines | <u>4,762,146</u> |
| Total business-type activities | \$ <u>5,535,446</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, 2014

NOTE 11 - LONG-TERM OBLIGATIONS

A. Governmental activities

In 2014, the following changes occurred in the City's governmental activities long-term obligations:

| | Interest | Maturity | Balance | | | Balance | Amounts |
|---|--------------|----------|----------------------|---------------------|-----------------------|----------------------|---------------------|
| | Rate | Date | 12/31/13 | Additions | Disposals | 12/31/14 | Due in |
| Governmental activities: | | | | | | | One Year |
| <u>General obligation bonds</u> | | | | | | | |
| Series 2004 fire improvement refunding | 2.50- 5.25% | | \$ 550,000 | \$ - | \$ (550,000) | \$ - | \$ - |
| Series 2014 fire improvement refunding | 0.96% | 2016 | - | 392,500 | (2,000) | 390,500 | 194,000 |
| Series 2003 HRC land acquisition | 2.00 - 3.60% | | 185,000 | - | (185,000) | - | - |
| Series 2014 HRC land acquisition refunding | 0.96% | 2015 | - | 192,000 | (92,000) | 100,000 | 100,000 |
| Series 2008 HRC rehab | 3.25 - 4.50% | 2033 | 2,200,000 | - | (30,000) | 2,170,000 | 30,000 |
| Series 2008 CR 236 land acquisition | 3.25 - 4.50% | 2033 | 650,000 | - | (10,000) | 640,000 | 10,000 |
| Series 2008 CR 236 widening | 3.25 - 4.50% | 2028 | 3,215,000 | - | (30,000) | 3,185,000 | 30,000 |
| Series 2008 five plex (ball diamonds) | 3.25 - 4.00% | 2018 | 980,000 | - | (180,000) | 800,000 | 190,000 |
| Series 2011 energy bonds - Series A | 2.96% | 2019 | 399,607 | - | (61,840) | 337,767 | 63,671 |
| Series 2011 energy bonds - Series B | 5.40% | | 518,005 | - | - | 518,005 | - |
| Total general obligation bonds | | | <u>8,697,612</u> | <u>584,500</u> | <u>(1,140,840)</u> | <u>8,141,272</u> | <u>617,671</u> |
| <u>Special assessment bonds</u> | | | | | | | |
| Series 2012 Hunters Creek drainage | 2.79% | 2022 | 175,000 | - | (17,000) | 158,000 | 18,000 |
| Series 2012 sidewalk new and repair | 2.79% | | 10,000 | - | (10,000) | - | - |
| Total special assessment bonds | | | <u>185,000</u> | <u>-</u> | <u>(27,000)</u> | <u>158,000</u> | <u>18,000</u> |
| <u>OPWC loans</u> | | | | | | | |
| Crystal/Melrose intersection | 0% | 2024 | 75,600 | - | (7,200) | 68,400 | 7,200 |
| Howard Street improvements | 0% | 2026 | 93,540 | - | (7,484) | 86,056 | 7,483 |
| Total OPWC loans payable | | | <u>169,140</u> | <u>-</u> | <u>(14,684)</u> | <u>154,456</u> | <u>14,683</u> |
| <u>Other long-term obligations</u> | | | | | | | |
| Police and fire past service liability | 4.30% | 2035 | 1,047,038 | - | (30,693) | 1,016,345 | 32,012 |
| Compensated absences | | | <u>3,572,369</u> | <u>1,492,525</u> | <u>(1,505,335)</u> | <u>3,559,559</u> | <u>1,738,554</u> |
| Total other long-term obligations | | | <u>4,619,407</u> | <u>1,492,525</u> | <u>(1,536,028)</u> | <u>4,575,904</u> | <u>1,770,566</u> |
| Total governmental activities | | | | | | | |
| long-term obligations | | | 13,671,159 | <u>\$ 2,077,025</u> | <u>\$ (2,718,552)</u> | 13,029,632 | <u>\$ 2,420,920</u> |
| Add: Unamortized premium on bond issue | | | 19,282 | | | - | |
| Less: Unamortized discount on bond issue | | | <u>(36,767)</u> | | | <u>(34,890)</u> | |
| Total reported on the statement of net position | | | <u>\$ 13,653,674</u> | | | <u>\$ 12,994,742</u> | |

CITY OF FINDLAY, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2014

NOTE 11 - LONG-TERM OBLIGATIONS - (Continued)

Series 2004 Various Purpose Bonds (Fire Improvement Refunding Portion)

On October 20, 2004, the City issued \$10,560,000 in various purpose general obligation refunding bonds to advance refund previous obligations (also see Note 11.B). A portion of the proceeds, \$1,615,000, were used to advance refund the callable portion of the Series 1996 Fire Improvement Bonds (principal \$1,525,000) by purchasing State and Local Government Securities (SLGS) that were placed in an irrevocable trust for the purpose of generating resources for all future debt service payments of the refunded debt. The call date on the refunded bonds was July 1, 2006. The refunded bonds were not included in the City's outstanding debt since the City has satisfied its obligations through the advance refunding (in-substance defeased). The assets held in trust as a result of the advance refunding are not included in the financial statements.

During 2014, the City made \$170,000 in principal payments on these bonds and refunded the remaining liability of \$380,000 through the issuance of \$7,935,000 in Series 2014 various purpose general obligation improvement and refunding bonds (described below). Principal and interest payments were made from the debt service fund (a nonmajor governmental fund). The bonds paid interest semiannually on January 1 and July 1 of each year and were refunded on April 3, 2014.

Series 2014 Various Purpose Bonds (Fire Improvement Refunding Portion)

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

The refunding issue is comprised of current interest serial bonds, par value \$392,500. During 2014, the City made \$2,000 in principal payments on these bonds leaving a liability of \$390,500 at year end. Principal and interest payments are made from the debt service fund (a nonmajor governmental fund). The refunding bonds pay interest semiannually on January 1 and July 1 of each year and mature on July 1, 2016. The refunding bonds are general obligations of the City for which the full faith and credit of the City is pledged for repayment.

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

Series 2003 Various Purpose Bonds (HRC/CUBE Land Acquisition Portion)

On May 22, 2003, the City issued \$9,820,000 in various purpose general obligation bonds to fund various projects (also see Note 11.B). A portion of the proceeds, \$956,500, was used to reimburse the general fund for the purchase of land adjacent to the Hancock Recreation Center (HRC/CUBE).

During 2014, the City made no principal payments on these bonds and refunded the remaining liability of \$185,000 through the issuance of \$7,935,000 in Series 2014 various purpose general obligation improvement and refunding bonds (described below). Principal and interest payments were made from the debt service fund (a nonmajor governmental fund). The bonds paid interest semiannually on January 1 and July 1 of each year and were refunded on April 3, 2014.

CITY OF FINDLAY, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2014

NOTE 11 - LONG-TERM OBLIGATIONS - (Continued)

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

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

The refunding issue is comprised of current interest serial bonds, par value \$192,000. During 2014, the City made \$92,000 in principal payments on these bonds leaving a liability of \$100,000 at year end. Principal and interest payments are made from the debt service fund (a nonmajor governmental fund). The refunding bonds pay interest semiannually on January 1 and July 1 of each year and mature on July 1, 2015. The refunding bonds are general obligations of the City for which the full faith and credit of the City is pledged for repayment.

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

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

During 2014, the City made \$30,000 in principal payments on these bonds leaving a liability of \$2,170,000 at year end. Principal and interest payments are made from the debt service fund (a nonmajor governmental fund). The bonds pay interest semiannually on January 1 and July 1 of each year and mature on July 1, 2033. These bonds are general obligations of the City for which the full faith and credit of the City are pledged for repayment.

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

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

During 2014, the City made \$10,000 in principal payments on these bonds leaving a liability of \$640,000 at year end. Principal and interest payments are made from the debt service fund (a nonmajor governmental fund). The bonds pay interest semiannually on January 1 and July 1 of each year and mature on July 1, 2033. These bonds are general obligations of the City for which the full faith and credit of the City are pledged for repayment.

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

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

CITY OF FINDLAY, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2014

NOTE 11 - LONG-TERM OBLIGATIONS - (Continued)

During 2014, the City made \$30,000 in principal payments on these bonds leaving a liability of \$3,185,000 at year end. Principal and interest payments are made from the debt service fund (a nonmajor governmental fund). The bonds pay interest semiannually on January 1 and July 1 of each year and mature on July 1, 2028. These bonds are general obligations of the City for which the full faith and credit of the City are pledged for repayment.

Series 2008 Various Purpose Bonds (5-Plex Portion)

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

During 2014, the City made \$180,000 in principal payments on these bonds leaving a liability of \$800,000 at year end. Principal and interest payments are made from the debt service fund (a nonmajor governmental fund). The bonds pay interest semiannually on January 1 and July 1 of each year and mature on July 1, 2018. These bonds are general obligations of the City for which the full faith and credit of the City are pledged for repayment.

Series 2011 Energy Bonds

On June 30, 2011, the City issued \$518,006 of energy improvement bonds - Series A and \$518,005 of energy improvement bonds - Series B to finance energy efficiency and conservation systems in the City. The bonds were issued through the State of Ohio Air Quality Development Authority (the "Authority"). On June 30, 2011, the City entered into a loan agreement with the Authority whereby the City agreed to pay the debt service payments on the bonds issued by the Authority. The Series B bonds are qualified energy bonds whose interest is partially subsidized by the federal government. The full amount of the interest expenditure is reported on the financial statements and the interest subsidy is reported as intergovernmental revenue. During 2014, the City received an interest subsidies totaling \$17,118 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 2014, the City made \$61,840 in principal payments on the Series A bonds leaving a liability of \$337,767 at year end. During 2014, the City made no principal payments on the Series B bonds with the liability remaining at \$518,005 at year end.

Ohio Public Works Commission (OPWC) Loans

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

CITY OF FINDLAY, OHIO

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2014**

NOTE 11 - LONG-TERM OBLIGATIONS - (Continued)

Special Assessment Bonds

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

Police and Fire Past Service Liability

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

Compensated Absences

Compensated absences consist of vacation, 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 general fund and the street maintenance and repair fund.

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CITY OF FINDLAY, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2014

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, 2014:

| Year Ending December 31, | General Obligation Bonds | | |
|-----------------------------|--------------------------|---------------------|----------------------|
| | Principal | Interest | Total |
| 2015 | \$ 617,671 | \$ 330,810 | \$ 948,481 |
| 2016 | 527,055 | 317,002 | 844,057 |
| 2017 | 347,496 | 302,576 | 650,072 |
| 2018 | 359,494 | 290,079 | 649,573 |
| 2019 | 371,551 | 276,423 | 647,974 |
| 2020 - 2024 | 2,078,209 | 1,137,797 | 3,216,006 |
| 2025 - 2029 | 2,159,796 | 657,356 | 2,817,152 |
| 2030 - 2033 | 1,680,000 | 193,500 | 1,873,500 |
| Totals | <u>\$ 8,141,272</u> | <u>\$ 3,505,543</u> | <u>\$ 11,646,815</u> |

| Year Ending December 31, | Special Assessment Bonds | | | OPWC |
|-----------------------------|--------------------------|------------------|-------------------|--------------------|
| | Principal | Interest | Total | Loans Principal |
| 2015 | \$ 18,000 | \$ 4,408 | \$ 22,408 | \$ 14,683 |
| 2016 | 18,000 | 3,906 | 21,906 | 14,684 |
| 2017 | 19,000 | 3,404 | 22,404 | 14,683 |
| 2018 | 20,000 | 2,873 | 22,873 | 14,683 |
| 2019 | 20,000 | 2,316 | 22,316 | 14,683 |
| 2020 - 2024 | 63,000 | 3,516 | 66,516 | 69,816 |
| 2025 - 2026 | - | - | - | 11,224 |
| Totals | <u>\$ 158,000</u> | <u>\$ 20,423</u> | <u>\$ 178,423</u> | <u>\$ 154,456</u> |

| Year Ending December 31, | Police and Fire Past Service Liability | | |
|-----------------------------|--|-------------------|---------------------|
| | Principal | Interest | Total |
| 2015 | \$ 32,012 | \$ 42,858 | \$ 74,870 |
| 2016 | 33,387 | 41,483 | 74,870 |
| 2017 | 34,821 | 40,049 | 74,870 |
| 2018 | 36,317 | 38,553 | 74,870 |
| 2019 | 37,877 | 36,993 | 74,870 |
| 2020 - 2024 | 215,229 | 159,121 | 374,350 |
| 2025 - 2029 | 265,595 | 108,755 | 374,350 |
| 2030 - 2034 | 327,748 | 46,602 | 374,350 |
| 2035 | 33,359 | 709 | 34,068 |
| Totals | <u>\$ 1,016,345</u> | <u>\$ 515,123</u> | <u>\$ 1,531,468</u> |

CITY OF FINDLAY, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2014

NOTE 11 - LONG-TERM OBLIGATIONS - (Continued)

B. Business-type activities

During 2014, the following changes occurred in the City's business-type activities long-term obligations:

| Business-type activities: | <u>Interest Rate</u> | <u>Maturity Date</u> | <u>Balance 12/31/13</u> | <u>Additions</u> | <u>Disposals</u> | <u>Balance 12/31/14</u> | <u>Due in One Year</u> |
|---|--------------------------|--------------------------|-----------------------------|---------------------|-----------------------|-----------------------------|----------------------------|
| <u>General obligation bonds:</u> | | | | | | | |
| Series 2003 water refunding | 2.00 - 4.00% | | \$ 1,495,000 | \$ - | \$ (1,495,000) | \$ - | \$ - |
| Series 2014 water refunding | 0.96% | 2018 | - | 1,518,000 | (283,000) | 1,235,000 | 300,000 |
| Series 2004 northern corridor sewer refunding | 2.50 - 5.25% | | 2,720,000 | - | (2,720,000) | - | - |
| Series 2004 water pump station refunding | 2.50 - 5.25% | | 475,000 | - | (475,000) | - | - |
| Series 2014 water pump station refunding | 0.96% | 2016 | - | 335,500 | (1,500) | 334,000 | 168,000 |
| Series 2014 northern corridor sewer refunding | 0.96% | 2017 | - | 2,147,000 | (11,500) | 2,135,500 | 708,000 |
| Series 2014 sewer bar screens | 0.96% | 2019 | - | 1,350,000 | - | 1,350,000 | 265,000 |
| Series 2014 water clear wells | 0.96% | 2019 | - | 2,000,000 | - | 2,000,000 | 395,000 |
| Series 2011 water refunding | 1.95% | 2018 | 1,180,000 | - | (230,000) | 950,000 | 230,000 |
| Total general obligation bonds | | | <u>5,870,000</u> | <u>7,350,500</u> | <u>(5,216,000)</u> | <u>8,004,500</u> | <u>2,066,000</u> |
| <u>OWDA loans:</u> | | | | | | | |
| Bright Road interceptor and sewer separation | 1.73% | 2023 | 1,863,434 | - | (182,103) | 1,681,331 | 185,267 |
| Sewer system improvements | 4.36% | 2021 | 16,394,660 | - | (1,753,608) | 14,641,052 | 1,830,898 |
| Water plant improvements | 3.25% | 2026 | 2,903,053 | - | (182,705) | 2,720,348 | 188,691 |
| Water clearwell design | 4.62% | | - | 10,000 | (10,000) | - | - |
| Water treatment plant clearwell repair | 0.00% | | 10,535 | - | (10,535) | - | - |
| Total OWDA loans | | | <u>21,171,682</u> | <u>10,000</u> | <u>(2,138,951)</u> | <u>19,042,731</u> | <u>2,204,856</u> |
| <u>Other long-term obligations:</u> | | | | | | | |
| OPWC loans | 0% | 2019-2029 | 617,580 | - | (55,338) | 562,242 | 55,338 |
| Compensated absences | | | 774,993 | 270,481 | (308,544) | 736,930 | 359,368 |
| Total other long-term obligations | | | <u>1,392,573</u> | <u>270,481</u> | <u>(363,882)</u> | <u>1,299,172</u> | <u>414,706</u> |
| Total business-type activities long-term obligations | | | 28,434,255 | <u>\$ 7,630,981</u> | <u>\$ (7,718,833)</u> | 28,346,403 | <u>\$ 4,685,562</u> |
| Add: Unamortized premium on bonds | | | 107,041 | | | - | |
| Total reported on statement of net position | | | <u>\$ 28,541,296</u> | | | <u>\$ 28,346,403</u> | |

CITY OF FINDLAY, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2014

NOTE 11 - LONG-TERM OBLIGATIONS - (Continued)

Series 2003 Various Purpose Bonds (Water Refunding Portion)

On May 22, 2003, the City issued \$9,820,000 in various purpose general obligation bonds to fund various projects (also see Note 11.A). A portion of the proceeds, \$3,785,000, were used to currently refund the callable portion of the Series 1993 water improvement bonds (principal \$3,690,000, average interest rate 5.526%). The issuance proceeds were used to repay the callable portion of the 1993 bonds on the call date which was July 1, 2003. This refunded debt is considered defeased and accordingly, has been removed from the statement of net position. The refunded bonds were not included in the City's outstanding debt since the City has satisfied its obligations through the advance refunding (in-substance defeased). The assets held in trust as a result of the advance refunding are not included in the financial statements.

During 2014, the City made no principal payments on these bonds and refunded the remaining liability of \$1,495,000 through the issuance of \$7,935,000 in Series 2014 various purpose general obligation improvement and refunding bonds (described below). Principal and interest payments were made from the water fund. The bonds paid interest semiannually on January 1 and July 1 of each year and were refunded on April 3, 2014.

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 2014, the City made \$283,000 in principal payments on these bonds leaving a liability of \$1,235,000 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 2004 Various Purpose Bonds (Northern Corridor Sewer Refunding Portion)

On October 20, 2004, the City issued \$10,560,000 in various purpose general obligation refunding bonds to advance refund previous obligations (also see Note 11.A). A portion of the proceeds, \$6,480,000, were used to advance refund the callable portion of the Series 1996 northern corridor sewer bonds (principal \$6,085,000) by purchasing State and Local Government Securities (SLGS) that were placed in an irrevocable trust for the purpose of generating resources for all future debt service payments of the refunded debt. The call date on the refunded bonds was July 1, 2006. 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.

CITY OF FINDLAY, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2014

NOTE 11 - LONG-TERM OBLIGATIONS - (Continued)

During 2014, the City made \$635,000 in principal payments on these bonds and refunded the remaining liability of \$2,085,000 through the issuance of \$7,935,000 in Series 2014 various purpose general obligation improvement and refunding bonds (described below). Principal and interest payments were made from the water pollution control fund. The bonds paid interest semiannually on January 1 and July 1 of each year and were refunded on April 3, 2014.

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

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

The refunding issue is comprised of current interest serial bonds, par value \$2,147,000. During 2014, the City made \$11,500 in principal payments on these bonds leaving a liability of \$2,135,000 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 2004 Various Purpose Bonds (Water Pump Station Refunding Portion)

On October 20, 2004, the City issued \$10,560,000 in various purpose general obligation refunding bonds to advance refund previous obligations (also see Note 11.A). A portion of the proceeds, \$1,390,000, were used to advance refund the callable portion of the Series 1996 water pump station bonds (principal \$1,310,000) by purchasing SLGS that were placed in an irrevocable trust for the purpose of generating resources for all future debt service payments of the refunded debt. The call date on the refunded bonds was July 1, 2006. 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.

During 2014, the City made \$150,000 in principal payments on these bonds and refunded the remaining liability of \$325,000 through the issuance of \$7,935,000 in Series 2014 various purpose general obligation improvement and refunding bonds (described below). Principal and interest payments were made from the water fund. The bonds paid interest semiannually on January 1 and July 1 of each year and were refunded on April 3, 2014.

CITY OF FINDLAY, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2014

NOTE 11 - LONG-TERM OBLIGATIONS - (Continued)

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

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

The refunding issue is comprised of current interest serial bonds, par value \$335,500. During 2014, the City made \$1,500 in principal payments on these bonds leaving a liability of \$334,000 at year end. Principal and interest payments are made from the water fund. The refunding bonds pay interest semiannually on January 1 and July 1 of each year and mature on July 1, 2016. The refunding bonds are general obligations of the City for which the full faith and credit of the City is pledged for repayment.

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

Series 2014 Various Purpose Bonds (Sewer Bar Screens Portion)

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

During 2014, the City made no principal payments on these bonds leaving a liability of \$1,350,000 at year end. Principal and interest payments are made from the water pollution control fund. The bonds pay interest semiannually on January 1 and July 1 of each year and mature on July 1, 2019. These bonds are general obligations of the City for which the full faith and credit of the City are pledged for repayment.

Series 2014 Various Purpose Bonds (Water Clear Wells Portion)

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

During 2014, the City made no principal payments on these bonds leaving a liability of \$2,000,000 at year end. Principal and interest payments are made from the water fund. The bonds pay interest semiannually on January 1 and July 1 of each year and mature on July 1, 2019. These bonds are general obligations of the City for which the full faith and credit of the City are pledged for repayment.

CITY OF FINDLAY, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2014

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 2014, the City made principal payments of \$230,000 on these bonds leaving a liability of \$950,000. Principal and interest payments are being made from the water fund. The refunding bonds pay interest semiannually on June 1 and December 1 of each year and mature on December 1, 2018. The refunding bonds are general obligations of the City for which the full faith and credit of the City is pledged for repayment.

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

Ohio Water Development Authority (OWDA) Loans

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

On October 28, 1999, the City entered into a financing agreement with OWDA under the WPCLFA to borrow \$32,470,000 for sewer system improvements. The loan bears interest at 4.36% with principal and interest payments due semi-annually on January 1 and July 1 of each year. 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. 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.

On November 16, 2009, the City entered into a financing agreement with OWDA to borrow \$52,671 for water treatment plant clear well repairs. This loan was part of the American Recovery and Reinvestment Act (ARRA). The loan is an interest free loan with principal payments due semi-annually on January 1 and July 1 of each year. The term of the loan is 5 years. Principal payments began in January 2010 and were made from the water fund.

CITY OF FINDLAY, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2014

NOTE 11 - LONG-TERM OBLIGATIONS - (Continued)

On December 12, 2013, the City entered into a financing agreement with OWDA to borrow \$10,000 for water treatment plant clear well design. The loan bears interest at 4.62% with principal and interest payments due semi-annually on January 1 and July 1 of each year. The loan was repaid in 2014 with no remaining liability at December 31, 2014. Principal and interest payments were 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).

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, 2014:

| Year Ending December 31, | General Obligation Bonds | | | OPWC Loans Principal |
|--------------------------------|--------------------------|---------------------|----------------------|----------------------------|
| | Principal | Interest | Total | |
| 2015 | \$ 2,066,000 | \$ 86,248 | \$ 2,152,248 | |
| 2016 | 2,088,500 | 64,138 | 2,152,638 | |
| 2017 | 1,930,000 | 41,762 | 1,971,762 | |
| 2018 | 1,235,000 | 20,858 | 1,255,858 | |
| 2019 | <u>685,000</u> | <u>6,576</u> | <u>691,576</u> | |
| Totals | <u>\$ 8,004,500</u> | <u>\$ 219,582</u> | <u>\$ 8,224,082</u> | |
| Year Ending December 31, | OWDA Loans | | | OPWC Loans Principal |
| | Principal | Interest | Total | |
| 2015 | \$ 2,204,856 | \$ 733,788 | \$ 2,938,644 | \$ 55,338 |
| 2016 | 2,294,956 | 643,689 | 2,938,645 | 55,338 |
| 2017 | 2,388,870 | 549,776 | 2,938,646 | 55,338 |
| 2018 | 2,486,761 | 451,882 | 2,938,643 | 55,338 |
| 2019 | 2,588,807 | 349,838 | 2,938,645 | 55,339 |
| 2020 - 2024 | 6,549,002 | 475,362 | 7,024,364 | 205,079 |
| 2025 - 2029 | <u>529,479</u> | <u>21,684</u> | <u>551,163</u> | <u>80,472</u> |
| Totals | <u>\$ 19,042,731</u> | <u>\$ 3,226,019</u> | <u>\$ 22,268,750</u> | <u>\$ 562,242</u> |

CITY OF FINDLAY, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2014

NOTE 12 - PENSION PLANS

A. Ohio Public Employees Retirement System

Plan Description - The City participates 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 in which the member invests both member and employer contributions (employer contributions vest over five years at 20% per year). Under the Member-Directed Plan, members accumulate retirement assets equal to the value of the member and vested employer contributions plus any investment earnings. The Combined Plan is a cost-sharing, multiple-employer defined benefit pension plan that has elements of both a defined benefit and a defined contribution plan. Under the Combined Plan, employer contributions are invested by the retirement system to provide a formula retirement benefit similar to the Traditional Pension Plan benefit. Member contributions, whose investment is self-directed by the member, accumulate retirement assets in a manner similar to the Member-Directed Plan.

OPERS provides retirement, disability, survivor and death benefits and annual cost of living adjustments to members of the Traditional Pension and the Combined Plans. Members of the Member-Directed Plan do not qualify for ancillary benefits. Authority to establish and amend benefits is provided by Chapter 145 of the Ohio Revised Code. OPERS issues a stand-alone financial report which may be obtained by visiting <https://www.opers.org/investments/cafr.shtml>, writing to OPERS, 277 East Town Street, Columbus, OH 43215-4642 or by calling (614) 222-5601 or (800) 222-7377.

Funding Policy - The Ohio Revised Code provides statutory authority for member and employer contributions. For 2014, member and employer contribution rates were consistent across all three plans. The 2014 member contribution rates were 10.00% for members. The City's contribution rate for 2014 was 14.00% of covered payroll.

The City's contribution rate for pension benefits for members in the Traditional Plan and Combined Plan for 2014 was 12.00%. The City's required contributions for pension obligations to the Traditional Pension and Combined Plans for the years ended December 31, 2014, 2013, and 2012 were \$1,124,975, \$1,199,065, and \$973,140, respectively; equal to the required employer contribution which is the amount billed by OPERS. Contributions to the Member-Directed Plan for 2014 were \$30,022 made by the City and \$21,444 made by the plan members.

B. Ohio Police and Fire Pension Fund

Plan Description - The City contributes to the Ohio Police and Fire Pension Fund (OP&F), a cost-sharing multiple-employer defined benefit pension plan. OP&F provides retirement and disability 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 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.

CITY OF FINDLAY, OHIO

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2014**

NOTE 12 - PENSION PLANS - (Continued)

Funding Policy - From January 1, 2014 through July 1, 2014, plan members were required to contribute 10.75% of their annual covered salary. From July 2, 2014 through December 31, 2014, plan members were required to contribute 11.50% of their annual covered salary. Throughout 2014, the City was required to contribute 19.50% and 24.00% for police officers and firefighters, respectively. Contribution rates are established by State statute.

For 2014, the portion of the City's contributions to fund pension obligations was 19.00% for police officers and 23.50% for firefighters. The City's required contributions for pension obligations to OP&F for police officers and firefighters were \$672,155 and \$962,961 for the year ended December 31, 2014, \$555,430 and \$831,955 for the year ended December 31, 2013, and \$496,149 and \$737,512, for the year ended December 31, 2012. The amounts contributed equal the required employer contributions for the respective years which is 100% of the dollar amount billed by OP&F.

NOTE 13 - POSTRETIREMENT BENEFIT PLANS

A. Ohio Public Employees Retirement System

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

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

Disclosures for the healthcare plan are presented separately in the OPERS financial report which may be obtained by visiting <https://www.opers.org/investments/cafr.shtml>, writing to OPERS, 277 East Town Street, Columbus, OH 43215-4642 or by calling (614) 222-5601 or (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 2014, 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 2014 was 2.00%.

CITY OF FINDLAY, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2014

NOTE 13 - POSTRETIREMENT BENEFIT PLANS - (Continued)

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, 2014, 2013, and 2012 were \$187,496, \$92,235, and \$401,002, respectively; equal to the required employer contribution which is the amount billed by OPERS.

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 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.

CITY OF FINDLAY, OHIO

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2014**

NOTE 13 - POSTRETIREMENT BENEFIT PLANS - (Continued)

The Board of Trustees is authorized to allocate a portion of the total employer contributions made into the pension plan into the Section 115 trust and the Section 401(h) account as the employer contribution for retiree health care benefits. For 2014, the portion of employer contributions allocated to health care was 0.50% of covered payroll. The amount of employer contributions allocated to the health care plan each year is subject to the Trustees' primary responsibility to ensure that the pension benefits are adequately funded and is limited by the provisions of Sections 115 and 401(h).

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

The City's contributions to OP&F which were allocated to fund post-employment healthcare benefits for police officers and firefighters were \$17,688 and \$20,489 for the year ended December 31, 2014, \$126,472 and \$147,616 for the year ended December 31, 2013, and \$262,667 and \$288,591, for the year ended December 31, 2012. The amounts contributed equal the required employer contributions for the respective years which is 100% of the dollar amount billed by OP&F.

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, 2014.

B. Contracts

As of December 31, 2014, the City had approximately \$3,441,347 open on outstanding purchase orders and contracts. Of this amount, \$2,856,193 related to ongoing capital projects and the remaining amount of \$585,154 was for various departmental purchase orders outstanding at year end.

The City had no material operating lease commitments at December 31, 2014.

C. Litigation

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

CITY OF FINDLAY, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2014

NOTE 15 - FUND BALANCE

In accordance with GASB Statement No. 54, fund balance is classified as nonspendable, restricted, committed, assigned and/or unassigned based primarily on the extent to which the City is bound to observe constraints imposed upon the use of resources in the governmental funds. The constraints placed on fund balance for the major governmental funds and all other governmental funds are presented below:

| Fund balance | General | Street Maintenance and Repair | Nonmajor Governmental Funds | Total Governmental Funds |
|--|----------------------|-------------------------------------|-----------------------------------|--------------------------------|
| Nonspendable: | | | | |
| Materials and supplies inventory | \$ - | \$ 667,633 | \$ - | \$ 667,633 |
| Prepays | 45,471 | 8,842 | - | 54,313 |
| Permanent fund | - | - | 1,308,415 | 1,308,415 |
| Total nonspendable | <u>45,471</u> | <u>676,475</u> | <u>1,308,415</u> | <u>2,030,361</u> |
| Restricted: | | | | |
| Capital projects | - | - | 496,643 | 496,643 |
| Debt service | - | - | 3,989 | 3,989 |
| Security of persons and property programs | - | - | 65,699 | 65,699 |
| General government operations | - | - | 770,486 | 770,486 |
| Transportation improvement projects | - | 1,765,183 | 695,049 | 2,460,232 |
| Economic development programs | - | - | 1,094,735 | 1,094,735 |
| Public health and welfare programs | - | - | 449 | 449 |
| Other purposes | 556,930 | - | - | 556,930 |
| Total restricted | <u>556,930</u> | <u>1,765,183</u> | <u>3,127,050</u> | <u>5,449,163</u> |
| Committed: | | | | |
| Income tax administration | 8,349,625 | - | - | 8,349,625 |
| Capital improvements | - | - | - | - |
| Future claims payments | 2,173,163 | - | - | 2,173,163 |
| Termination benefits | 996,072 | - | - | 996,072 |
| Total committed | <u>11,518,860</u> | <u>-</u> | <u>-</u> | <u>11,518,860</u> |
| Assigned: | | | | |
| General government operations | 126,554 | - | - | 126,554 |
| Security of persons and property programs | 9,119 | - | - | 9,119 |
| Public health and welfare programs | 10,971 | - | - | 10,971 |
| Subsequent year appropriations | 290,832 | - | - | 290,832 |
| Total assigned | <u>437,476</u> | <u>-</u> | <u>-</u> | <u>437,476</u> |
| Unassigned | <u>11,102,421</u> | <u>-</u> | <u>-</u> | <u>11,102,421</u> |
| Total fund balances | <u>\$ 23,661,158</u> | <u>\$ 2,441,658</u> | <u>\$ 4,435,465</u> | <u>\$ 30,538,281</u> |

CITY OF FINDLAY, OHIO

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2014**

NOTE 16 - OTHER COMMITMENTS

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

| <u>Fund</u> | <u>Year-End Encumbrances</u> |
|-------------------------------|----------------------------------|
| General fund | \$ 622,871 |
| Street Maintenance and Repair | 591,057 |
| Nonmajor governmental funds | <u>49,636</u> |
| Total | <u>\$ 1,263,564</u> |

COMBINING STATEMENTS
AND INDIVIDUAL FUND SCHEDULES

CITY OF FINDLAY, OHIO

COMPARATIVE BALANCE SHEET
GENERAL FUND

DECEMBER 31, 2014 AND 2013

| | 2014 | Restated 2013 |
|---|----------------------|--------------------------|
| Assets: | | |
| Equity in pooled cash and investments | \$ 17,577,608 | \$ 15,521,653 |
| Cash in segregated accounts. | 28,622 | 21,902 |
| Cash with escrow agent. | - | 4,846 |
| Receivables (net of allowances of uncollectibles). | 8,680,064 | 8,693,036 |
| Due from other governments | 384,347 | 545,442 |
| Prepayments | 45,471 | 47,040 |
| Restricted assets: | | |
| Equity in pooled cash and investments | 6,374,483 | 7,778,663 |
| Total assets. | \$ 33,090,595 | \$ 32,612,582 |
| Liabilities: | | |
| Accounts payable | \$ 1,256,854 | \$ 778,342 |
| Contracts payable | - | - |
| Retainage payable | - | 4,846 |
| Accrued wages and benefits | 410,608 | 303,556 |
| Insurance deposits payable. | 349,778 | 713,134 |
| Compensated absences payable | 47,574 | 26,804 |
| Due to other governments | 39,701 | 33,898 |
| Total liabilities | 2,104,515 | 1,860,580 |
| Deferred inflows of resources: | | |
| Property taxes levied for the next fiscal year. | 2,057,318 | 1,826,191 |
| Charges for services revenue not available | 71,222 | 51,082 |
| Income tax revenue not available | 4,868,327 | 5,182,090 |
| Intergovernmental revenue not available | 328,055 | 363,284 |
| Total deferred inflows of resources | 7,324,922 | 7,422,647 |
| Total liabilities and deferred inflows of resources. | 9,429,437 | 9,283,227 |
| Fund balance: | | |
| Nonspendable. | 45,471 | 47,040 |
| Restricted | 556,930 | 799,077 |
| Committed | 11,518,860 | 12,345,286 |
| Assigned | 437,476 | 100,584 |
| Unassigned | 11,102,421 | 10,037,368 |
| Total fund balance. | 23,661,158 | 23,329,355 |
| Total liabilities, deferred inflows of resources and fund balances | \$ 33,090,595 | \$ 32,612,582 |

CITY OF FINDLAY, OHIO

COMPARATIVE BALANCE SHEET
STREET MAINTENANCE AND REPAIR FUND

DECEMBER 31, 2014 AND 2013

| | <u>2014</u> | <u>2013</u> |
|---|---------------------|---------------------|
| Assets: | | |
| Equity in pooled cash and investments | \$ 2,011,724 | \$ 877,998 |
| Cash with escrow agent | 63,208 | 10,499 |
| Receivables (net of allowances of uncollectibles) | 8,008 | 1,507 |
| Due from other governments | 709,539 | 704,108 |
| Prepayments | 8,842 | 13,519 |
| Materials and supplies inventory | 667,633 | 541,179 |
| Total assets | <u>\$ 3,468,954</u> | <u>\$ 2,148,810</u> |
| Liabilities: | | |
| Accounts payable | \$ 321,611 | \$ 79,521 |
| Contracts payable | - | - |
| Retainage payable | 63,208 | 10,499 |
| Accrued wages and benefits | 35,179 | 29,722 |
| Insurance deposits payable | 37,525 | 80,279 |
| Total liabilities | <u>457,523</u> | <u>200,021</u> |
| Deferred inflows of resources: | | |
| Charges for services revenue not available | 1,812 | 1,364 |
| Intergovernmental revenue not available | 567,961 | 561,206 |
| Total deferred inflows of resources | <u>569,773</u> | <u>562,570</u> |
| Total liabilities and deferred inflows of resources | <u>1,027,296</u> | <u>762,591</u> |
| Fund balance: | | |
| Nonspendable | 676,475 | 554,698 |
| Restricted | 1,765,183 | 831,521 |
| Total fund balance | <u>2,441,658</u> | <u>1,386,219</u> |
| Total liabilities, deferred inflows of resources and fund balances | <u>\$ 3,468,954</u> | <u>\$ 2,148,810</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, 2014
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED DECEMBER 31, 2013)

| | Budgeted Amounts | | Actual | Variance with | 2013 |
|---|------------------|------------------|------------------|------------------------|-------------------|
| | Original | Final | | Final Budget | |
| | | | | Positive (Negative) | |
| Revenues: | | | | | |
| Property and other local taxes | \$ 2,356,937 | \$ 2,306,237 | \$ 2,397,716 | \$ 91,479 | \$ 2,337,745 |
| Charges for services | 2,290,829 | 2,241,552 | 2,330,465 | 88,913 | 2,346,046 |
| Licenses and permits. | 309,526 | 302,868 | 314,881 | 12,013 | 347,094 |
| Fines and forfeitures. | 1,085,148 | 1,061,806 | 1,103,923 | 42,117 | 1,058,608 |
| Intergovernmental | 1,196,859 | 1,171,114 | 1,217,567 | 46,453 | 2,440,871 |
| Investment income | 42,499 | 41,585 | 43,234 | 1,649 | 47,066 |
| (Decrease) in fair value | | | | | |
| of investments | (7,808) | (7,640) | (7,943) | (303) | (9,945) |
| Rental income. | 73,039 | 71,468 | 74,303 | 2,835 | 71,892 |
| Contributions and donations | 10,731 | 10,500 | 10,917 | 417 | 5,765 |
| Reimbursements. | 1,098,898 | 1,075,259 | 1,117,910 | 42,651 | 961,001 |
| Other | 11,427 | 11,181 | 11,625 | 444 | 32,226 |
| Total revenues | 8,468,085 | 8,285,930 | 8,614,598 | 328,668 | 10,599,370 |
| Expenditures: | | | | | |
| General government | | | | | |
| Council | | | | | |
| Personal services | 115,474 | 114,141 | 111,407 | 2,734 | 113,656 |
| Other | 25,608 | 27,108 | 26,592 | 516 | 25,371 |
| Mayors office | | | | | |
| Personal services | 184,331 | 183,986 | 173,027 | 10,959 | 186,710 |
| Other | 32,881 | 32,881 | 16,375 | 16,506 | 15,783 |
| Auditor/treasurer | | | | | |
| Personal services | 151,941 | 455,095 | 416,552 | 38,543 | 430,575 |
| Other | 427,587 | 127,888 | 113,252 | 14,636 | 72,469 |
| Law director | | | | | |
| Personal services | 428,625 | 428,414 | 403,164 | 25,250 | 437,976 |
| Other | 145,946 | 146,946 | 119,300 | 27,646 | 193,776 |
| Municipal court | | | | | |
| Personal services | 1,380,622 | 1,369,111 | 1,221,155 | 147,956 | 1,219,536 |
| Other | 307,311 | 306,267 | 266,395 | 39,872 | 163,806 |
| Civil service | | | | | |
| Personal services | 80,876 | 78,902 | 76,565 | 2,337 | 67,784 |
| Other | 22,154 | 23,354 | 20,695 | 2,659 | 7,202 |
| Computer services | | | | | |
| Personal services | 276,456 | 277,802 | 229,110 | 48,692 | 257,218 |
| Other | 63,681 | 63,681 | 56,743 | 6,938 | 48,485 |
| Service/safety director | | | | | |
| Personal services | 157,055 | 163,669 | 158,390 | 5,279 | 189,709 |
| Other | 55,914 | 55,914 | 36,539 | 19,375 | 20,998 |
| Engineering department | | | | | |
| Personal services | 635,589 | 635,064 | 462,589 | 172,475 | 553,680 |
| Other | 144,252 | 144,252 | 114,209 | 30,043 | 97,057 |
| General miscellaneous operations | | | | | |
| Other | 1,529,850 | 1,875,778 | 1,430,454 | 445,324 | 1,320,282 |
| Public building department | | | | | |
| Personal services | 82,334 | 82,368 | 78,753 | 3,615 | 82,137 |
| Other | 254,691 | 254,691 | 179,221 | 75,470 | 179,533 |
| Projects | | | | | |
| Other | - | 226,977 | 226,977 | - | 393,656 |
| Total general government | 6,503,178 | 7,074,289 | 5,937,464 | 1,136,825 | 6,077,399 |

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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, 2014
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED DECEMBER 31, 2013)

| | Budgeted Amounts | | Actual | Variance with | 2013 |
|---|------------------|------------|------------|------------------------|------------|
| | Original | Final | | Final Budget | |
| | | | | Positive (Negative) | |
| Security of persons and property | | | | | |
| Police department | | | | | |
| Personal services | 6,179,604 | 6,185,351 | 5,596,107 | 589,244 | 5,507,571 |
| Other | 490,464 | 524,226 | 440,839 | 83,387 | 355,054 |
| Disaster services | | | | | |
| Other | 45,077 | 46,077 | 45,492 | 585 | 38,493 |
| Fire department | | | | | |
| Personal services | 6,466,427 | 6,414,155 | 6,136,621 | 277,534 | 6,188,097 |
| Other | 398,794 | 400,025 | 361,020 | 39,005 | 321,334 |
| Safety director | | | | | |
| Personal services | - | - | - | - | - |
| Other | - | - | - | - | - |
| Dispatch | | | | | |
| Personal services | 877,976 | 864,493 | 736,279 | 128,214 | 711,709 |
| Other | 125,919 | 125,773 | 117,273 | 8,500 | 118,655 |
| Human resources | | | | | |
| Personal services | 113,122 | 99,209 | 65,471 | 33,738 | 2,000 |
| Other | 27,834 | 36,034 | 30,268 | 5,766 | 44,300 |
| Work Opportunity Rehabilitation Center (WORC) | | | | | |
| Personal services | 61,144 | 60,682 | 55,520 | 5,162 | 51,757 |
| Other | 274,082 | 274,082 | 260,848 | 13,234 | 257,618 |
| Projects | | | | | |
| Other | - | 84,425 | 84,425 | - | 209,881 |
| Total security of persons and property | 15,060,443 | 15,114,532 | 13,930,163 | 1,184,369 | 13,806,469 |
| Public health and welfare | | | | | |
| Planning and zoning | | | | | |
| Personal services | - | - | - | - | - |
| Other | 136,591 | 148,591 | 148,502 | 89 | 102,511 |
| Public health department | | | | | |
| Personal services | 1,052,823 | 1,040,177 | 964,353 | 75,824 | 948,882 |
| Other | 340,996 | 468,001 | 447,752 | 20,249 | 336,296 |
| Zoning department | | | | | |
| Personal services | 96,149 | 95,073 | 92,063 | 3,010 | 108,353 |
| Other | 10,726 | 10,726 | 7,514 | 3,212 | 7,145 |
| Neighborhood Enhancement and Abatement Team (NEAT) | | | | | |
| Personal services | 73,199 | 74,929 | 70,849 | 4,080 | 68,173 |
| Other | 26,027 | 35,694 | 24,618 | 11,076 | 20,526 |
| Cemetery department | | | | | |
| Personal services | 224,393 | 220,952 | 199,283 | 21,669 | 206,494 |
| Other | 52,684 | 57,184 | 51,507 | 5,677 | 35,623 |
| Projects | | | | | |
| Other | - | 121,493 | 121,493 | - | 216,898 |
| Total public health and welfare | 2,013,588 | 2,272,820 | 2,127,934 | 144,886 | 2,050,901 |

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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, 2014
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED DECEMBER 31, 2013)

| | <u>Budgeted Amounts</u> | | <u>Actual</u> | <u>Variance with</u> | <u>2013</u> |
|--|-----------------------------|-----------------------------|-----------------------------|----------------------------|-----------------------------|
| | <u>Original</u> | <u>Final</u> | | <u>Final Budget</u> | |
| | | | | <u>Positive</u> | |
| | | | | <u>(Negative)</u> | |
| Leisure time activities | | | | | |
| Park maintenance | | | | | |
| Personal services | 362,800 | 364,855 | 256,468 | 108,387 | 196,343 |
| Other | 159,865 | 170,196 | 138,639 | 31,557 | 87,294 |
| Reservoir recreation | | | | | |
| Other | 3,981 | 3,981 | 3,125 | 856 | 2,957 |
| Recreation department | | | | | |
| Personal services | 277,985 | 299,748 | 298,891 | 857 | 353,386 |
| Other | 555,395 | 514,689 | 469,983 | 44,706 | 315,736 |
| Projects | | | | | |
| Other | - | 11,440 | 11,440 | - | - |
| Total leisure time activities | <u>1,360,026</u> | <u>1,364,909</u> | <u>1,178,546</u> | <u>186,363</u> | <u>955,716</u> |
| Capital outlay | | | | | |
| Security of persons and property | - | 165,695 | 165,695 | - | 177,266 |
| Public health and welfare | - | 64,681 | 64,681 | - | 8,151 |
| Transportation | - | 70,249 | 70,249 | - | 57,858 |
| Leisure time activities | - | 285,686 | 285,686 | - | 126,636 |
| General government | - | 353,299 | 353,299 | - | 335,559 |
| Total capital outlay | <u>-</u> | <u>939,610</u> | <u>939,610</u> | <u>-</u> | <u>705,470</u> |
| Total expenditures | <u>24,937,235</u> | <u>26,766,160</u> | <u>24,113,717</u> | <u>2,652,443</u> | <u>23,595,955</u> |
| Excess of expenditures over revenues | <u>(16,469,150)</u> | <u>(18,480,230)</u> | <u>(15,499,119)</u> | <u>2,981,111</u> | <u>(12,996,585)</u> |
| Other financing sources (uses): | | | | | |
| Sale of capital assets | - | - | - | - | 119 |
| Transfers in | 18,240,332 | 17,847,968 | 18,555,923 | 707,955 | 17,853,394 |
| Transfers out | (511,000) | (1,823,642) | (1,823,642) | - | (2,710,082) |
| Total other financing sources (uses) | <u>17,729,332</u> | <u>16,024,326</u> | <u>16,732,281</u> | <u>707,955</u> | <u>15,143,431</u> |
| Net change in fund balance | 1,260,182 | (2,455,904) | 1,233,162 | 3,689,066 | 2,146,846 |
| Fund balance, January 1 | 13,083,868 | 13,083,868 | 13,083,868 | - | 11,899,135 |
| Increase (decrease) in prepaids | (2,315) | (2,315) | (2,315) | - | (1,112) |
| Fund balance, December 31 | <u>\$ 14,341,735</u> | <u>\$ 10,625,649</u> | <u>\$ 14,314,715</u> | <u>\$ 3,689,066</u> | <u>\$ 14,044,869</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, 2014
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED DECEMBER 31, 2013)

| | Budgeted Amounts | | Actual | Variance with | 2013 Actual |
|--|---------------------|---------------------|---------------------|--|---------------------|
| | Original | Final | | Final Budget Positive (Negative) | |
| Revenues: | | | | | |
| Property and other local taxes | \$ 900 | \$ 835 | \$ 736 | \$ (99) | \$ 851 |
| Charges for services | 92,000 | 155,273 | 136,930 | (18,343) | 116,874 |
| Intergovernmental | 1,762,000 | 3,349,953 | 2,954,202 | (395,751) | 2,858,231 |
| Investment income | 1,200 | 1,747 | 1,541 | (206) | 1,479 |
| Rental income | 3,633 | 4,068 | 3,587 | (481) | 12,809 |
| Contributions and donations | - | 8,303 | 7,322 | (981) | - |
| Reimbursements. | 3,000 | 15,854 | 13,981 | (1,873) | 18,142 |
| Other | - | 172 | 152 | (20) | 409 |
| Total revenues | 1,862,733 | 3,536,205 | 3,118,451 | (417,754) | 3,008,795 |
| Expenditures: | | | | | |
| Current: | | | | | |
| Transportation | | | | | |
| Street department | | | | | |
| Personal services | 1,611,092 | 1,638,685 | 1,599,476 | 39,209 | 1,526,514 |
| Other | 481,951 | 812,451 | 525,097 | 287,354 | 379,642 |
| Traffic signals | | | | | |
| Personal services | 143,773 | 143,773 | 133,745 | 10,028 | 129,413 |
| Other | 115,445 | 132,945 | 83,685 | 49,260 | 83,809 |
| Total transportation. | 2,352,261 | 2,727,854 | 2,342,003 | 385,851 | 2,119,378 |
| Capital outlay | | | | | |
| Street improvements | - | 3,732,020 | 3,714,635 | 17,385 | 3,018,705 |
| Traffic signals | - | 231,092 | 231,092 | - | 383,168 |
| Storm sewers. | - | 77,392 | 77,392 | - | 77,130 |
| Total capital outlay | - | 4,040,504 | 4,023,119 | 17,385 | 3,479,003 |
| Total expenditures | 2,352,261 | 6,768,358 | 6,365,122 | 403,236 | 5,598,381 |
| Excess (deficiency) of revenues over (under) expenditures | (489,528) | (3,232,153) | (3,246,671) | (14,518) | (2,589,586) |
| Other financing sources (uses): | | | | | |
| Transfers in | 430,000 | 4,912,744 | 4,332,370 | (580,374) | 2,563,524 |
| Transfers out | - | (152,037) | (152,037) | - | (50,643) |
| Total other financing sources (uses) | 430,000 | 4,760,707 | 4,180,333 | (580,374) | 2,512,881 |
| Net change in fund balance | (59,528) | 1,528,554 | 933,662 | (594,892) | (76,705) |
| Fund balance, January 1 | 1,386,219 | 1,386,219 | 1,386,219 | - | 1,377,519 |
| Increase (decrease) in reserve for inventory | 126,454 | 126,454 | 126,454 | - | 88,289 |
| Increase (decrease) in prepaids. | (4,677) | (4,677) | (4,677) | - | (2,884) |
| Fund balance, December 31 | \$ 1,448,468 | \$ 3,036,550 | \$ 2,441,658 | \$ (594,892) | \$ 1,386,219 |

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 to pay for past service pension liability.

Fire Pension:

To account for a 0.3 mill real estate tax levy to pay for past service pension liability.

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 2014, 83% was transferred to the general fund and 17% was used for general 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, 2014

| | 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 | \$ 1,137,414 | \$ 5,187 | \$ 499,632 | \$ 1,308,827 | \$ 2,951,060 |
| Cash in segregated accounts. | 193,465 | - | - | - | 193,465 |
| Cash with fiduciary agent | 390,918 | - | - | - | 390,918 |
| Cash with escrow agent. | - | 33,125 | - | - | 33,125 |
| Receivables (net of allowances of uncollectibles). | 1,400,324 | 373,844 | - | 37 | 1,774,205 |
| Due from other governments | 82,946 | - | - | - | 82,946 |
| Total assets | \$ 3,205,067 | \$ 412,156 | \$ 499,632 | \$ 1,308,864 | \$ 5,425,719 |
| Liabilities: | | | | | |
| Accounts payable | \$ 4,876 | \$ - | \$ 2,989 | \$ - | \$ 7,865 |
| Accrued wages and benefits payable. | 2,473 | - | - | - | 2,473 |
| Insurance deposits payable | 1,328 | - | - | - | 1,328 |
| Matured bonds payable | - | 33,125 | - | - | 33,125 |
| Unearned revenue | - | 1,198 | - | - | 1,198 |
| Total liabilities | 8,677 | 34,323 | 2,989 | - | 45,989 |
| Deferred inflows of resources: | | | | | |
| Property taxes levied for the next fiscal year. | 498,954 | - | - | - | 498,954 |
| TIF revenue levied for next fiscal year | - | 182,628 | - | - | 182,628 |
| Special assessments revenue not available. | - | 191,216 | - | - | 191,216 |
| Intergovernmental revenue not available | 71,467 | - | - | - | 71,467 |
| Total deferred inflows of resources | 570,421 | 373,844 | - | - | 944,265 |
| Fund balance: | | | | | |
| Nonspendable | - | - | - | 1,308,415 | 1,308,415 |
| Restricted | 2,625,969 | 3,989 | 496,643 | 449 | 3,127,050 |
| Total fund balance. | 2,625,969 | 3,989 | 496,643 | 1,308,864 | 4,435,465 |
| Total liabilities, deferred inflows of resources and fund balances | \$ 3,205,067 | \$ 412,156 | \$ 499,632 | \$ 1,308,864 | \$ 5,425,719 |

CITY OF FINDLAY, OHIO

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

FOR THE YEAR ENDED DECEMBER 31, 2014

| | Nonmajor Special Revenue Funds | Nonmajor Debt Service Fund | Nonmajor Capital Projects Funds | Nonmajor Permanent Fund | Total Nonmajor Governmental Funds |
|--|---|---|--|--|--|
| Revenues: | | | | | |
| Property and other local taxes | \$ 441,310 | \$ - | \$ - | \$ - | \$ 441,310 |
| Charges for services | 244,803 | - | - | 38,625 | 283,428 |
| Fines and forfeitures | 140,914 | - | 48,873 | - | 189,787 |
| Intergovernmental | 581,756 | 17,118 | - | - | 598,874 |
| Special assessments | - | 1,466 | - | - | 1,466 |
| Investment income | 22,313 | 177 | - | 449 | 22,939 |
| Contributions and donations | - | 15,000 | - | - | 15,000 |
| Reimbursements | 1,121 | - | - | - | 1,121 |
| Tax increment financing | - | 72,159 | - | - | 72,159 |
| Total revenues | 1,432,217 | 105,920 | 48,873 | 39,074 | 1,626,084 |
| Expenditures: | | | | | |
| Current: | | | | | |
| General government | 463,718 | 10,425 | - | - | 474,143 |
| Security of persons and property | 15,689 | - | - | - | 15,689 |
| Public health and welfare | - | - | - | 464 | 464 |
| Transportation | 24,787 | - | - | - | 24,787 |
| Capital outlay | 11,958 | - | 56,332 | - | 68,290 |
| Debt service: | | | | | |
| Principal retirement | - | 617,524 | - | - | 617,524 |
| Interest and fiscal charges | - | 364,146 | - | - | 364,146 |
| Bond issuance costs | - | 3,205 | - | - | 3,205 |
| Total expenditures | 516,152 | 995,300 | 56,332 | 464 | 1,568,248 |
| Excess (deficiency) of revenues over (under) expenditures | 916,065 | (889,380) | (7,459) | 38,610 | 57,836 |
| Other financing sources (uses): | | | | | |
| Bond issuance | - | 584,500 | - | - | 584,500 |
| Payment to refunded bond escrow agent | - | (576,672) | - | - | (576,672) |
| Transfers in | - | 1,184,943 | - | - | 1,184,943 |
| Transfers out | (616,385) | (346,611) | (20,000) | - | (982,996) |
| Total other financing sources (uses) | (616,385) | 846,160 | (20,000) | - | 209,775 |
| Net change in fund balances | 299,680 | (43,220) | (27,459) | 38,610 | 267,611 |
| Fund balances, January 1 | 2,326,289 | 47,209 | 524,102 | 1,270,254 | 4,167,854 |
| Fund balances, December 31 | \$ 2,625,969 | \$ 3,989 | \$ 496,643 | \$ 1,308,864 | \$ 4,435,465 |

CITY OF FINDLAY, OHIO

COMBINING BALANCE SHEET
NONMAJOR SPECIAL REVENUE FUNDS

DECEMBER 31, 2014
(WITH COMPARATIVE TOTALS FOR DECEMBER 31, 2013)

| | <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 | \$ - | \$ 294,125 | \$ 590 | \$ 581 |
| Cash in segregated accounts | - | - | - | - |
| Cash with fiduciary agent | 390,918 | - | - | - |
| Receivables (net of allowances of uncollectibles) | - | 100 | - | - |
| Due from other governments | - | 57,530 | - | - |
| Total assets | <u>\$ 390,918</u> | <u>\$ 351,755</u> | <u>\$ 590</u> | <u>\$ 581</u> |
| Liabilities: | | | | |
| Accounts payable | \$ - | \$ 1,573 | \$ - | \$ - |
| Accrued wages and benefits | - | - | - | - |
| Insurance deposits payable | - | - | - | - |
| Total liabilities | <u>-</u> | <u>1,573</u> | <u>-</u> | <u>-</u> |
| Deferred inflows of resources: | | | | |
| Property taxes levied for the next fiscal year | - | - | - | - |
| Intergovernmental revenue not available | - | 46,051 | - | - |
| Total deferred inflows of resources | <u>-</u> | <u>46,051</u> | <u>-</u> | <u>-</u> |
| Fund balance: | | | | |
| Restricted | <u>390,918</u> | <u>304,131</u> | <u>590</u> | <u>581</u> |
| Total fund balance | <u>390,918</u> | <u>304,131</u> | <u>590</u> | <u>581</u> |
| Total liabilities, deferred inflows of resources and fund balances | <u>\$ 390,918</u> | <u>\$ 351,755</u> | <u>\$ 590</u> | <u>\$ 581</u> |

| Indigent Drivers Alcohol Treatment | Enforcement and Education | Court Special Projects | Court Computerization | METRICH Drug Law Enforcement Trust | Alcohol Monitoring | Mediation Services | Electronic Imaging |
|---|----------------------------------|-------------------------------|------------------------------|---|---------------------------|---------------------------|---------------------------|
| \$ 283,611 | \$ 51,652 | \$ 160,789 | \$ 72,556 | \$ 2,110 | \$ 83,946 | \$ 52,695 | \$ 103,697 |
| - | - | - | - | - | - | - | - |
| - | - | - | - | - | - | - | - |
| - | - | - | - | - | - | - | - |
| - | - | - | - | - | - | - | - |
| <u>\$ 283,611</u> | <u>\$ 51,652</u> | <u>\$ 160,789</u> | <u>\$ 72,556</u> | <u>\$ 2,110</u> | <u>\$ 83,946</u> | <u>\$ 52,695</u> | <u>\$ 103,697</u> |
| \$ - | \$ - | \$ 2,503 | \$ - | \$ - | \$ - | \$ 50 | \$ 750 |
| - | - | 1,826 | - | - | - | - | 647 |
| - | - | 110 | - | - | - | - | 1,218 |
| - | - | 4,439 | - | - | - | 50 | 2,615 |
| - | - | - | - | - | - | - | - |
| - | - | - | - | - | - | - | - |
| - | - | - | - | - | - | - | - |
| <u>283,611</u> | <u>51,652</u> | <u>156,350</u> | <u>72,556</u> | <u>2,110</u> | <u>83,946</u> | <u>52,645</u> | <u>101,082</u> |
| <u>283,611</u> | <u>51,652</u> | <u>156,350</u> | <u>72,556</u> | <u>2,110</u> | <u>83,946</u> | <u>52,645</u> | <u>101,082</u> |
| <u>\$ 283,611</u> | <u>\$ 51,652</u> | <u>\$ 160,789</u> | <u>\$ 72,556</u> | <u>\$ 2,110</u> | <u>\$ 83,946</u> | <u>\$ 52,695</u> | <u>\$ 103,697</u> |

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CITY OF FINDLAY, OHIO

COMBINING BALANCE SHEET
NONMAJOR SPECIAL REVENUE FUNDS (CONTINUED)

DECEMBER 31, 2014
(WITH COMPARATIVE TOTALS FOR DECEMBER 31, 2013)

| | <u>Legal Research</u> | <u>Police Pension</u> | <u>Fire Pension</u> | <u>Revolving Loan</u> |
|---|---------------------------|---------------------------|-------------------------|---------------------------|
| Assets: | | | | |
| Equity in pooled cash and investments | \$ 20,296 | \$ 5,383 | \$ 5,383 | \$ - |
| Cash in segregated accounts | - | - | - | 193,465 |
| Cash with fiduciary agent | - | - | - | - |
| Receivables (net of allowances of uncollectibles) | - | 249,477 | 249,477 | 901,270 |
| Due from other governments | - | 12,708 | 12,708 | - |
| Total assets | <u>\$ 20,296</u> | <u>\$ 267,568</u> | <u>\$ 267,568</u> | <u>\$ 1,094,735</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 | - | 249,477 | 249,477 | - |
| Intergovernmental revenue not available | - | 12,708 | 12,708 | - |
| Total deferred inflows of resources | <u>-</u> | <u>262,185</u> | <u>262,185</u> | <u>-</u> |
| Fund balance: | | | | |
| Restricted | <u>20,296</u> | <u>5,383</u> | <u>5,383</u> | <u>1,094,735</u> |
| Total fund balance | <u>20,296</u> | <u>5,383</u> | <u>5,383</u> | <u>1,094,735</u> |
| Total liabilities, deferred inflows of resources and fund balances | <u>\$ 20,296</u> | <u>\$ 267,568</u> | <u>\$ 267,568</u> | <u>\$ 1,094,735</u> |

Totals

| <u>2014</u> | <u>2013</u> |
|---------------------|---------------------|
| \$ 1,137,414 | \$ 953,257 |
| 193,465 | 258,262 |
| 390,918 | 298,287 |
| 1,400,324 | 1,271,683 |
| <u>82,946</u> | <u>82,730</u> |
| <u>\$ 3,205,067</u> | <u>\$ 2,864,219</u> |
| | |
| \$ 4,876 | \$ 14,683 |
| 2,473 | 2,213 |
| <u>1,328</u> | <u>4,985</u> |
| <u>8,677</u> | <u>21,881</u> |
| | |
| 498,954 | 444,906 |
| <u>71,467</u> | <u>71,143</u> |
| <u>570,421</u> | <u>516,049</u> |
| | |
| <u>2,625,969</u> | <u>2,326,289</u> |
| <u>2,625,969</u> | <u>2,326,289</u> |
| | |
| <u>\$ 3,205,067</u> | <u>\$ 2,864,219</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, 2014
(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED DECEMBER 31, 2013)

| | 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 | 208,036 | 142,044 | - | - |
| Investment income | - | 410 | - | - |
| Reimbursements | - | 438 | - | - |
| Total revenues | <u>208,036</u> | <u>142,892</u> | <u>-</u> | <u>-</u> |
| Expenditures: | | | | |
| Current: | | | | |
| General government | - | - | - | - |
| Security of persons and property | - | - | 75 | - |
| Transportation | - | 24,787 | - | - |
| Capital outlay | - | - | - | - |
| Total expenditures | <u>-</u> | <u>24,787</u> | <u>75</u> | <u>-</u> |
| Excess (deficiency) of revenues over (under) expenditures | <u>208,036</u> | <u>118,105</u> | <u>(75)</u> | <u>-</u> |
| Other financing sources (uses): | | | | |
| Transfers in | - | - | - | - |
| Transfers out | <u>(131,305)</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| Total other financing sources (uses) | <u>(131,305)</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| Net change in fund balances | 76,731 | 118,105 | (75) | - |
| Fund balances, January 1 | <u>314,187</u> | <u>186,026</u> | <u>665</u> | <u>581</u> |
| Fund balances, December 31 | <u><u>\$ 390,918</u></u> | <u><u>\$ 304,131</u></u> | <u><u>\$ 590</u></u> | <u><u>\$ 581</u></u> |

| Indigent Drivers Alcohol Treatment | Enforcement and Education | Court Special Projects | Court Computerization | METRICH Drug Law Enforcement Trust | Alcohol Monitoring | Mediation Services | Electronic Imaging |
|---|----------------------------------|-------------------------------|------------------------------|---|---------------------------|---------------------------|---------------------------|
| \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| - | - | 194,862 | 49,941 | - | - | - | - |
| 25,056 | 1,619 | - | - | - | 47,683 | 16,453 | 50,051 |
| - | - | - | - | - | - | - | - |
| - | - | - | - | - | - | - | - |
| - | - | 602 | - | - | - | - | 81 |
| <u>25,056</u> | <u>1,619</u> | <u>195,464</u> | <u>49,941</u> | <u>-</u> | <u>47,683</u> | <u>16,453</u> | <u>50,132</u> |
| - | - | 221,163 | 41,391 | - | - | 3,702 | 16,798 |
| - | 6,366 | - | - | 608 | - | - | - |
| - | - | - | - | - | - | - | - |
| - | - | - | 11,958 | - | - | - | - |
| <u>-</u> | <u>6,366</u> | <u>221,163</u> | <u>53,349</u> | <u>608</u> | <u>-</u> | <u>3,702</u> | <u>16,798</u> |
| <u>25,056</u> | <u>(4,747)</u> | <u>(25,699)</u> | <u>(3,408)</u> | <u>(608)</u> | <u>47,683</u> | <u>12,751</u> | <u>33,334</u> |
| - | - | - | - | - | - | - | - |
| - | - | - | - | - | - | - | - |
| - | - | - | - | - | - | - | - |
| <u>25,056</u> | <u>(4,747)</u> | <u>(25,699)</u> | <u>(3,408)</u> | <u>(608)</u> | <u>47,683</u> | <u>12,751</u> | <u>33,334</u> |
| <u>258,555</u> | <u>56,399</u> | <u>182,049</u> | <u>75,964</u> | <u>2,718</u> | <u>36,263</u> | <u>39,894</u> | <u>67,748</u> |
| <u>\$ 283,611</u> | <u>\$ 51,652</u> | <u>\$ 156,350</u> | <u>\$ 72,556</u> | <u>\$ 2,110</u> | <u>\$ 83,946</u> | <u>\$ 52,645</u> | <u>\$ 101,082</u> |

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CITY OF FINDLAY, OHIO

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

FOR THE YEAR ENDED DECEMBER 31, 2014
(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED DECEMBER 31, 2013)

| | Legal Research | Police Pension | Fire Pension | Revolving Loan |
|---|---------------------------|---------------------------|-------------------------|---------------------------|
| Revenues: | | | | |
| Property and other local taxes | \$ - | \$ 220,655 | \$ 220,655 | \$ - |
| Charges for services | - | - | - | - |
| Fines and forfeitures | 52 | - | - | - |
| Intergovernmental | - | 31,588 | 31,588 | 168,500 |
| Investment income | - | - | - | 21,903 |
| Reimbursements | - | - | - | - |
| Total revenues | 52 | 252,243 | 252,243 | 190,403 |
| Expenditures: | | | | |
| Current: | | | | |
| General government | - | - | - | 180,664 |
| Security of persons and property | - | 4,320 | 4,320 | - |
| Transportation | - | - | - | - |
| Capital outlay | - | - | - | - |
| Total expenditures | - | 4,320 | 4,320 | 180,664 |
| Excess (deficiency) of revenues over (under) expenditures. | 52 | 247,923 | 247,923 | 9,739 |
| Other financing sources (uses): | | | | |
| Transfers in | - | - | - | - |
| Transfers out | - | (242,540) | (242,540) | - |
| Total other financing sources (uses) | - | (242,540) | (242,540) | - |
| Net change in fund balances | 52 | 5,383 | 5,383 | 9,739 |
| Fund balances, January 1 | 20,244 | - | - | 1,084,996 |
| Fund balances, December 31. | \$ 20,296 | \$ 5,383 | \$ 5,383 | \$ 1,094,735 |

Totals

| <u>2014</u> | <u>2013</u> |
|---------------------|---------------------|
| \$ 441,310 | \$ 426,568 |
| 244,803 | 253,023 |
| 140,914 | 120,509 |
| 581,756 | 674,186 |
| 22,313 | 22,019 |
| 1,121 | 15,544 |
| <u>1,432,217</u> | <u>1,511,849</u> |
| | |
| 463,718 | 392,596 |
| 15,689 | 12,887 |
| 24,787 | 197,748 |
| 11,958 | 11,448 |
| <u>516,152</u> | <u>614,679</u> |
| | |
| 916,065 | 897,170 |
| | |
| - | - |
| <u>(616,385)</u> | <u>(622,175)</u> |
| <u>(616,385)</u> | <u>(622,175)</u> |
| | |
| 299,680 | 274,995 |
| <u>2,326,289</u> | <u>2,051,294</u> |
| <u>\$ 2,625,969</u> | <u>\$ 2,326,289</u> |

CITY OF FINDLAY, OHIO

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

FOR THE YEAR ENDED DECEMBER 31, 2014
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED DECEMBER 31, 2013)

| | <u>Budgeted Amounts</u> | | <u>Actual</u> | <u>Variance with</u> | <u>2013</u> |
|--|-------------------------|-------------------|-------------------|----------------------|-------------------|
| | <u>Original</u> | <u>Final</u> | | <u>Final Budget</u> | |
| | | | | <u>Positive</u> | |
| | | | | <u>(Negative)</u> | |
| Revenues: | | | | | |
| Intergovernmental | \$ 129,654 | \$ 115,405 | \$ 208,036 | \$ 92,631 | \$ 210,090 |
| Total revenues | <u>129,654</u> | <u>115,405</u> | <u>208,036</u> | <u>92,631</u> | <u>210,090</u> |
| Expenditures: | | | | | |
| Capital outlay | | | | | |
| Street improvements | - | - | - | - | 72,320 |
| Total expenditures | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>72,320</u> |
| Excess of revenues over expenditures | <u>129,654</u> | <u>115,405</u> | <u>208,036</u> | <u>92,631</u> | <u>137,770</u> |
| Other financing uses: | | | | | |
| Transfers out | - | (131,305) | (131,305) | - | (131,923) |
| Total other financing uses | <u>-</u> | <u>(131,305)</u> | <u>(131,305)</u> | <u>-</u> | <u>(131,923)</u> |
| Net change in fund balance | 129,654 | (15,900) | 76,731 | 92,631 | 5,847 |
| Fund balance, January 1 | <u>314,187</u> | <u>314,187</u> | <u>314,187</u> | <u>-</u> | <u>308,340</u> |
| Fund balance, December 31. | <u>\$ 443,841</u> | <u>\$ 298,287</u> | <u>\$ 390,918</u> | <u>\$ 92,631</u> | <u>\$ 314,187</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, 2014
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED DECEMBER 31, 2013)

| | <u>Budgeted Amounts</u> | | <u>Actual</u> | <u>Variance with</u> | <u>2013</u> |
|---|-------------------------|-------------------|-------------------|----------------------|-------------------|
| | <u>Original</u> | <u>Final</u> | | <u>Final Budget</u> | |
| | | | | <u>Positive</u> | |
| | | | | <u>(Negative)</u> | |
| Revenues: | | | | | |
| Intergovernmental | \$ 142,870 | \$ 142,870 | \$ 142,044 | \$ (826) | \$ 142,466 |
| Investment income | 300 | 300 | 410 | 110 | 344 |
| Reimbursements. | - | 438 | 438 | - | 15,544 |
| Total revenues | <u>143,170</u> | <u>143,608</u> | <u>142,892</u> | <u>(716)</u> | <u>158,354</u> |
| Expenditures: | | | | | |
| Current: | | | | | |
| Transportation | | | | | |
| Other | 93,710 | 71,262 | 24,787 | 46,475 | 125,428 |
| Total expenditures | <u>93,710</u> | <u>71,262</u> | <u>24,787</u> | <u>46,475</u> | <u>125,428</u> |
| Net change in fund balance | <u>49,460</u> | <u>72,346</u> | <u>118,105</u> | <u>45,759</u> | <u>32,926</u> |
| Fund balance, January 1 | <u>186,026</u> | <u>186,026</u> | <u>186,026</u> | <u>-</u> | <u>153,100</u> |
| Fund balance, December 31. | <u>\$ 235,486</u> | <u>\$ 258,372</u> | <u>\$ 304,131</u> | <u>\$ 45,759</u> | <u>\$ 186,026</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, 2014
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED DECEMBER 31, 2013)

| | <u>Budgeted Amounts</u> | | <u>Actual</u> | <u>Variance with</u> | <u>2013</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 | \$ 664 | \$ 664 | \$ 75 | \$ 589 | \$ 50 |
| Total expenditures | 664 | 664 | 75 | 589 | 50 |
| Net change in fund balance | (664) | (664) | (75) | 589 | (50) |
| Fund balance, January 1 | <u>665</u> | <u>665</u> | <u>665</u> | <u>-</u> | <u>715</u> |
| Fund balance, December 31 | <u>\$ 1</u> | <u>\$ 1</u> | <u>\$ 590</u> | <u>\$ 589</u> | <u>\$ 665</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, 2014
 (WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED DECEMBER 31, 2013)

| | <u>Budgeted Amounts</u> | | <u>Actual</u> | <u>Variance with</u> | <u>2013</u> |
|--|-------------------------|--------------|---------------|----------------------|---------------|
| | <u>Original</u> | <u>Final</u> | | <u>Final Budget</u> | |
| | | | | <u>Positive</u> | |
| | | | | <u>(Negative)</u> | |
| Expenditures: | | | | | |
| Current: | | | | | |
| Security of persons and property | | | | | |
| Other | \$ 581 | \$ 581 | \$ - | \$ 581 | \$ 601 |
| Total expenditures | 581 | 581 | - | 581 | 601 |
| Net change in fund balance | (581) | (581) | - | 581 | (601) |
| Fund balance, January 1 | <u>581</u> | <u>581</u> | <u>581</u> | <u>-</u> | <u>1,182</u> |
| Fund balance (deficit), December 31 | <u>\$ -</u> | <u>\$ -</u> | <u>\$ 581</u> | <u>\$ 581</u> | <u>\$ 581</u> |

CITY OF FINDLAY, OHIO

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

FOR THE YEAR ENDED DECEMBER 31, 2014
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED DECEMBER 31, 2013)

| | <u>Budgeted Amounts</u> | | <u>Actual</u> | <u>Variance with</u> | <u>2013</u> |
|--|-------------------------|-------------------|-------------------|----------------------|-------------------|
| | <u>Original</u> | <u>Final</u> | | <u>Final Budget</u> | |
| | | | | <u>Positive</u> | |
| | | | | <u>(Negative)</u> | |
| Revenues: | | | | | |
| Fines and forfeitures | \$ 25,000 | \$ 27,500 | \$ 25,056 | \$ (2,444) | \$ 17,604 |
| Total revenues | 25,000 | 27,500 | 25,056 | (2,444) | 17,604 |
| Expenditures: | | | | | |
| Current: | | | | | |
| General government | | | | | |
| Other | 20,000 | 20,000 | - | 20,000 | - |
| Total expenditures | 20,000 | 20,000 | - | 20,000 | - |
| Net change in fund balance | 5,000 | 7,500 | 25,056 | 17,556 | 17,604 |
| Fund balance, January 1 | 258,555 | 258,555 | 258,555 | - | 240,951 |
| Fund balance, December 31 | \$ 263,555 | \$ 266,055 | \$ 283,611 | \$ 17,556 | \$ 258,555 |

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, 2014
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED DECEMBER 31, 2013)

| | <u>Budgeted Amounts</u> | | <u>Actual</u> | <u>Variance with</u> | <u>2013</u> |
|--|-------------------------|---------------|------------------|----------------------|------------------|
| | <u>Original</u> | <u>Final</u> | | <u>Final Budget</u> | |
| | | | | <u>Positive</u> | |
| | | | | <u>(Negative)</u> | |
| Revenues: | | | | | |
| Fines and forfeitures | \$ 3,500 | \$ 3,500 | \$ 1,619 | \$ (1,881) | \$ 3,904 |
| Total revenues | 3,500 | 3,500 | 1,619 | (1,881) | 3,904 |
| Expenditures: | | | | | |
| Current: | | | | | |
| Security of persons and property | | | | | |
| Other | 59,390 | 59,390 | 6,366 | 53,024 | 4,145 |
| Total expenditures | 59,390 | 59,390 | 6,366 | 53,024 | 4,145 |
| Net change in fund balance | (55,890) | (55,890) | (4,747) | 51,143 | (241) |
| Fund balance, January 1 | 56,399 | 56,399 | 56,399 | - | 56,640 |
| Fund balance, December 31 | \$ 509 | \$ 509 | \$ 51,652 | \$ 51,143 | \$ 56,399 |

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, 2014
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED DECEMBER 31, 2013)

| | <u>Budgeted Amounts</u> | | <u>Actual</u> | <u>Variance with</u> | <u>2013</u> |
|--|-------------------------|------------------|-------------------|----------------------|-------------------|
| | <u>Original</u> | <u>Final</u> | | <u>Final Budget</u> | |
| | | | | <u>Positive</u> | |
| | | | | <u>(Negative)</u> | |
| Revenues: | | | | | |
| Charges for services | \$ 168,000 | \$ 190,000 | \$ 194,862 | \$ 4,862 | \$ 201,285 |
| Reimbursements | - | 592 | 602 | 10 | - |
| Total revenues | <u>168,000</u> | <u>190,592</u> | <u>195,464</u> | <u>4,872</u> | <u>201,285</u> |
| Expenditures: | | | | | |
| Current: | | | | | |
| General government | | | | | |
| Personal services | 140,710 | 145,847 | 88,636 | 57,211 | 95,428 |
| Other | <u>164,710</u> | <u>164,480</u> | <u>132,527</u> | <u>31,953</u> | <u>132,234</u> |
| Total expenditures | <u>305,420</u> | <u>310,327</u> | <u>221,163</u> | <u>89,164</u> | <u>227,662</u> |
| Net change in fund balance | (137,420) | (119,735) | (25,699) | 94,036 | (26,377) |
| Fund balance, January 1 | <u>182,049</u> | <u>182,049</u> | <u>182,049</u> | <u>-</u> | <u>208,426</u> |
| Fund balance, December 31 | <u>\$ 44,629</u> | <u>\$ 62,314</u> | <u>\$ 156,350</u> | <u>\$ 94,036</u> | <u>\$ 182,049</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, 2014
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED DECEMBER 31, 2013)

| | <u>Budgeted Amounts</u> | | <u>Actual</u> | <u>Variance with</u> | <u>2013</u> |
|--|-------------------------|------------------|------------------|----------------------|------------------|
| | <u>Original</u> | <u>Final</u> | | <u>Final Budget</u> | |
| | | | | <u>Positive</u> | |
| | | | | <u>(Negative)</u> | |
| Revenues: | | | | | |
| Charges for services | \$ 50,000 | \$ 50,000 | \$ 49,941 | \$ (59) | \$ 51,738 |
| Total revenues | 50,000 | 50,000 | 49,941 | (59) | 51,738 |
| Expenditures: | | | | | |
| Current: | | | | | |
| General government | | | | | |
| Other | 48,720 | 48,720 | 41,391 | 7,329 | 49,956 |
| Capital outlay | | | | | |
| Other | 15,000 | 15,000 | 11,958 | 3,042 | 11,448 |
| Total expenditures | 63,720 | 63,720 | 53,349 | 10,371 | 61,404 |
| Net change in fund balance | (13,720) | (13,720) | (3,408) | 10,312 | (9,666) |
| Fund balance, January 1 | <u>75,964</u> | <u>75,964</u> | <u>75,964</u> | <u>-</u> | <u>85,630</u> |
| Fund balance, December 31 | <u>\$ 62,244</u> | <u>\$ 62,244</u> | <u>\$ 72,556</u> | <u>\$ 10,312</u> | <u>\$ 75,964</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, 2014
 (WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED DECEMBER 31, 2013)

| | <u>Budgeted Amounts</u> | | <u>Actual</u> | <u>Variance with</u> | <u>2013</u> |
|--|-------------------------|--------------|-----------------|----------------------|-----------------|
| | <u>Original</u> | <u>Final</u> | | <u>Final Budget</u> | |
| | | | | <u>Positive</u> | |
| | | | | <u>(Negative)</u> | |
| Expenditures: | | | | | |
| Current: | | | | | |
| Security of persons and property | | | | | |
| Other | \$ 2,718 | \$ 2,718 | \$ 608 | \$ 2,110 | \$ 145 |
| Total expenditures | 2,718 | 2,718 | 608 | 2,110 | 145 |
| Net change in fund balance | (2,718) | (2,718) | (608) | 2,110 | (145) |
| Fund balance, January 1 | <u>2,718</u> | <u>2,718</u> | <u>2,718</u> | <u>-</u> | <u>2,863</u> |
| Fund balance, December 31 | <u>\$ -</u> | <u>\$ -</u> | <u>\$ 2,110</u> | <u>\$ 2,110</u> | <u>\$ 2,718</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, 2014
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED DECEMBER 31, 2013)

| | <u>Budgeted Amounts</u> | | <u>Actual</u> | <u>Variance with</u> | <u>2013</u> |
|--|-------------------------|------------------|------------------|----------------------|------------------|
| | <u>Original</u> | <u>Final</u> | | <u>Final Budget</u> | |
| | | | | <u>Positive</u> | |
| | | | | <u>(Negative)</u> | |
| Revenues: | | | | | |
| Fines and forfeitures | \$ 23,500 | \$ 46,000 | \$ 47,683 | \$ 1,683 | \$ 29,607 |
| Total revenues | 23,500 | 46,000 | 47,683 | 1,683 | 29,607 |
| Expenditures: | | | | | |
| Current: | | | | | |
| General government | | | | | |
| Other | 36,950 | 36,950 | - | 36,950 | 43,128 |
| Total expenditures | 36,950 | 36,950 | - | 36,950 | 43,128 |
| Net change in fund balance | (13,450) | 9,050 | 47,683 | 38,633 | (13,521) |
| Fund balance, January 1 | 36,263 | 36,263 | 36,263 | - | 49,784 |
| Fund balance, December 31 | \$ 22,813 | \$ 45,313 | \$ 83,946 | \$ 38,633 | \$ 36,263 |

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, 2014
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED DECEMBER 31, 2013)

| | <u>Budgeted Amounts</u> | | <u>Actual</u> | <u>Variance with</u> | <u>2013</u> |
|--|-------------------------|------------------|------------------|----------------------|------------------|
| | <u>Original</u> | <u>Final</u> | | <u>Final Budget</u> | |
| | | | | <u>Positive</u> | |
| | | | | <u>(Negative)</u> | |
| Revenues: | | | | | |
| Fines and forfeitures | \$ 15,500 | \$ 17,700 | \$ 16,453 | \$ (1,247) | \$ 17,209 |
| Total revenues | 15,500 | 17,700 | 16,453 | (1,247) | 17,209 |
| Expenditures: | | | | | |
| Current: | | | | | |
| General government | | | | | |
| Other | 6,500 | 6,500 | 3,702 | 2,798 | 2,350 |
| Total expenditures | 6,500 | 6,500 | 3,702 | 2,798 | 2,350 |
| Net change in fund balance | 9,000 | 11,200 | 12,751 | 1,551 | 14,859 |
| Fund balance, January 1 | 39,894 | 39,894 | 39,894 | - | 25,035 |
| Fund balance, December 31 | \$ 48,894 | \$ 51,094 | \$ 52,645 | \$ 1,551 | \$ 39,894 |

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, 2014
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED DECEMBER 31, 2013)

| | <u>Budgeted Amounts</u> | | <u>Actual</u> | <u>Variance with</u> | <u>2013</u> |
|--|-------------------------|------------------|-------------------|----------------------|------------------|
| | <u>Original</u> | <u>Final</u> | | <u>Final Budget</u> | |
| | | | | <u>Positive</u> | |
| | | | | <u>(Negative)</u> | |
| Revenues: | | | | | |
| Fines and forfeitures | \$ 48,000 | \$ 48,600 | \$ 50,051 | \$ 1,451 | \$ 52,140 |
| Reimbursements | - | 77 | 81 | 4 | - |
| Total revenues | <u>48,000</u> | <u>48,677</u> | <u>50,132</u> | <u>1,455</u> | <u>52,140</u> |
| Expenditures: | | | | | |
| Current: | | | | | |
| General government | | | | | |
| Personal services | 38,398 | 38,568 | 16,514 | 22,054 | 41,421 |
| Other | 52,000 | 52,000 | 284 | 51,716 | - |
| Total expenditures | <u>90,398</u> | <u>90,568</u> | <u>16,798</u> | <u>73,770</u> | <u>41,421</u> |
| Net change in fund balance | (42,398) | (41,891) | 33,334 | 75,225 | 10,719 |
| Fund balance, January 1 | <u>67,748</u> | <u>67,748</u> | <u>67,748</u> | <u>-</u> | <u>57,029</u> |
| Fund balance, December 31 | <u>\$ 25,350</u> | <u>\$ 25,857</u> | <u>\$ 101,082</u> | <u>\$ 75,225</u> | <u>\$ 67,748</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, 2014
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED DECEMBER 31, 2013)

| | <u>Budgeted Amounts</u> | | <u>Actual</u> | <u>Variance with</u> | <u>2013</u> |
|--|-------------------------|------------------|------------------|----------------------|------------------|
| | <u>Original</u> | <u>Final</u> | | <u>Final Budget</u> | |
| | | | | <u>Positive</u> | |
| | | | | <u>(Negative)</u> | |
| Revenues: | | | | | |
| Fines and forfeitures | \$ - | \$ 50 | \$ 52 | \$ 2 | \$ 45 |
| Total revenues | - | 50 | 52 | 2 | 45 |
| Net change in fund balance | - | 50 | 52 | 2 | 45 |
| Fund balance, January 1 | <u>20,244</u> | <u>20,244</u> | <u>20,244</u> | <u>-</u> | <u>20,199</u> |
| Fund balance, December 31 | <u>\$ 20,244</u> | <u>\$ 20,294</u> | <u>\$ 20,296</u> | <u>\$ 2</u> | <u>\$ 20,244</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, 2014
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED DECEMBER 31, 2013)

| | <u>Budgeted Amounts</u> | | <u>Actual</u> | <u>Variance with</u> | <u>2013</u> |
|--|-------------------------|------------------|------------------|----------------------|------------------|
| | <u>Original</u> | <u>Final</u> | | <u>Final Budget</u> | |
| | | | | <u>Positive</u> | |
| | | | | <u>(Negative)</u> | |
| Revenues: | | | | | |
| Property and other local taxes | \$ 248,238 | \$ 252,243 | \$ 220,655 | \$ (31,588) | \$ 213,284 |
| Intergovernmental | - | - | 31,588 | 31,588 | 35,815 |
| Total revenues | <u>248,238</u> | <u>252,243</u> | <u>252,243</u> | <u>-</u> | <u>249,099</u> |
| Expenditures: | | | | | |
| Current: | | | | | |
| Security of persons and property | | | | | |
| Other | <u>5,500</u> | <u>4,320</u> | <u>4,320</u> | <u>-</u> | <u>3,973</u> |
| Total expenditures | <u>5,500</u> | <u>4,320</u> | <u>4,320</u> | <u>-</u> | <u>3,973</u> |
| Excess of revenues over expenditures | <u>242,738</u> | <u>247,923</u> | <u>247,923</u> | <u>-</u> | <u>245,126</u> |
| Other financing uses: | | | | | |
| Transfers out | <u>(225,000)</u> | <u>(242,540)</u> | <u>(242,540)</u> | <u>-</u> | <u>(245,126)</u> |
| Total other financing uses | <u>(225,000)</u> | <u>(242,540)</u> | <u>(242,540)</u> | <u>-</u> | <u>(245,126)</u> |
| Net change in fund balance | 17,738 | 5,383 | 5,383 | - | - |
| Fund balance, January 1 | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| Fund balance, December 31 | <u>\$ 17,738</u> | <u>\$ 5,383</u> | <u>\$ 5,383</u> | <u>\$ -</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, 2014
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED DECEMBER 31, 2013)

| | <u>Budgeted Amounts</u> | | <u>Actual</u> | <u>Variance with</u> | <u>2013</u> |
|---|-------------------------|------------------|------------------|----------------------|------------------|
| | <u>Original</u> | <u>Final</u> | | <u>Final Budget</u> | |
| | | | | <u>Positive</u> | |
| | | | | <u>(Negative)</u> | |
| Revenues: | | | | | |
| Property and other local taxes | \$ 248,238 | \$ 252,243 | \$ 220,655 | \$ (31,588) | \$ 213,284 |
| Intergovernmental | - | - | 31,588 | 31,588 | 35,815 |
| Total revenues | <u>248,238</u> | <u>252,243</u> | <u>252,243</u> | <u>-</u> | <u>249,099</u> |
| Expenditures: | | | | | |
| Current: | | | | | |
| Security of persons and property | | | | | |
| Other | 5,500 | 4,320 | 4,320 | - | 3,973 |
| Total expenditures | <u>5,500</u> | <u>4,320</u> | <u>4,320</u> | <u>-</u> | <u>3,973</u> |
| Excess of revenues over expenditures | <u>242,738</u> | <u>247,923</u> | <u>247,923</u> | <u>-</u> | <u>245,126</u> |
| Other financing uses: | | | | | |
| Transfers out | (225,000) | (242,540) | (242,540) | - | (245,126) |
| Total other financing uses | <u>(225,000)</u> | <u>(242,540)</u> | <u>(242,540)</u> | <u>-</u> | <u>(245,126)</u> |
| Net change in fund balance | <u>17,738</u> | <u>5,383</u> | <u>5,383</u> | <u>-</u> | <u>-</u> |
| Fund balance, January 1 | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| Fund balance, December 31 | <u>\$ 17,738</u> | <u>\$ 5,383</u> | <u>\$ 5,383</u> | <u>\$ -</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, 2014
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED DECEMBER 31, 2013)

| | <u>Budgeted Amounts</u> | | <u>Actual</u> | <u>Variance with</u> | <u>2013</u> |
|--|-------------------------|-------------------|-------------------|----------------------|-------------------|
| | <u>Original</u> | <u>Final</u> | | <u>Final Budget</u> | |
| | | | | <u>Positive</u> | |
| | | | | <u>(Negative)</u> | |
| Revenues: | | | | | |
| Other | \$ - | \$ - | \$ - | \$ - | \$ 1,532 |
| Total revenues | - | - | - | - | 1,532 |
| Expenditures: | | | | | |
| Current: | | | | | |
| General Government | | | | | |
| Personal services | 30,800 | 163,800 | 161,255 | 2,545 | 187,785 |
| Total expenditures | 30,800 | 163,800 | 161,255 | 2,545 | 187,785 |
| Excess of revenues over expenditures | (30,800) | (163,800) | (161,255) | 2,545 | (186,253) |
| Other financing sources: | | | | | |
| Transfers in | - | 572,250 | 572,250 | - | 200,000 |
| Total other financing sources | - | 572,250 | 572,250 | - | 200,000 |
| Net change in fund balance | (30,800) | 408,450 | 410,995 | 2,545 | 13,747 |
| Fund balance, January 1 | <u>585,077</u> | <u>585,077</u> | <u>585,077</u> | <u>-</u> | <u>571,330</u> |
| Fund balance, December 31 | <u>\$ 554,277</u> | <u>\$ 993,527</u> | <u>\$ 996,072</u> | <u>\$ 2,545</u> | <u>\$ 585,077</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, 2014
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED DECEMBER 31, 2013)

| | <u>Budgeted Amounts</u> | | <u>Actual</u> | <u>Variance with</u> | <u>2013</u> |
|---|-------------------------|---------------------|---------------------|----------------------|---------------------|
| | <u>Original</u> | <u>Final</u> | | <u>Final Budget</u> | |
| | | | | <u>Positive</u> | |
| | | | | <u>(Negative)</u> | |
| Revenues: | | | | | |
| Municipal income taxes | \$ 22,658,100 | \$ 21,275,870 | \$ 20,938,843 | \$ (337,027) | \$ 24,149,733 |
| Charges for services | 13,500 | 13,548 | 11,427 | (2,121) | 15,324 |
| Reimbursements | - | 851 | 871 | 20 | 367 |
| Total revenues | 22,671,600 | 21,290,269 | 20,951,141 | (339,128) | 24,165,424 |
| Expenditures: | | | | | |
| Current: | | | | | |
| General government | | | | | |
| Personal services | 129,518 | 130,664 | 128,463 | 2,201 | 156,818 |
| Other | 801,877 | 302,168 | 228,659 | 73,509 | 213,810 |
| Total expenditures | 931,395 | 432,832 | 357,122 | 75,710 | 370,628 |
| Excess of revenues over expenditures | 21,740,205 | 20,857,437 | 20,594,019 | (263,418) | 23,794,796 |
| Other financing sources (uses): | | | | | |
| Transfers in | - | - | 799,782 | 799,782 | 1,929,538 |
| Transfers out | (17,951,400) | (22,704,586) | (22,704,586) | - | (20,687,867) |
| Total other financing sources (uses) | (17,951,400) | (22,704,586) | (21,904,804) | 799,782 | (18,758,329) |
| Net change in fund balance | 3,788,805 | (1,847,149) | (1,310,785) | 536,364 | 5,036,467 |
| Fund balance, January 1 | 9,660,410 | 9,660,410 | 9,660,410 | - | 4,623,943 |
| (Decrease) in prepaids | 746 | 746 | 746 | - | - |
| Fund balance, December 31 | \$ 13,449,961 | \$ 7,814,007 | \$ 8,350,371 | \$ 536,364 | \$ 9,660,410 |

CITY OF FINDLAY, OHIO

COMPARATIVE BALANCE SHEET
NONMAJOR DEBT SERVICE FUND

DECEMBER 31, 2014
(WITH COMPARATIVE TOTALS FOR DECEMBER 31, 2013)

| | <u>2014</u> | <u>2013</u> |
|---|-------------------|-------------------|
| Assets: | | |
| Equity in pooled cash and investments. | \$ 5,187 | \$ 4,884 |
| Cash with escrow agent. | 33,125 | 20,065 |
| Receivables (net of allowances of uncollectibles). | <u>373,844</u> | <u>404,653</u> |
| Total assets. | <u>\$ 412,156</u> | <u>\$ 429,602</u> |
| Liabilities: | | |
| Matured bonds payable | \$ 33,125 | \$ 20,065 |
| Unearned revenue. | <u>1,198</u> | <u>-</u> |
| Total liabilities. | <u>34,323</u> | <u>20,065</u> |
| Deferred inflows of resources: | | |
| TIF revenue levied for next fiscal year | 182,628 | 183,485 |
| Special assessments revenue not available. | <u>191,216</u> | <u>178,843</u> |
| Total deferred inflows of resources | <u>373,844</u> | <u>362,328</u> |
| Total liabilities and deferred inflows of resources. | <u>408,167</u> | <u>382,393</u> |
| Fund balance: | | |
| Restricted | <u>3,989</u> | <u>47,209</u> |
| Total fund balance | <u>3,989</u> | <u>47,209</u> |
| Total liabilities, deferred inflows of resources and fund balances | <u>\$ 412,156</u> | <u>\$ 429,602</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, 2014
(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED DECEMBER 31, 2013)

| | <u>2014</u> | <u>2013</u> |
|---|------------------------|-------------------------|
| Revenues: | | |
| Intergovernmental | \$ 17,118 | \$ 16,989 |
| Special assessments | 1,466 | 32,578 |
| Investment income | 177 | - |
| Contributions and donations | 15,000 | 15,000 |
| Tax increment financing | <u>72,159</u> | <u>72,941</u> |
| Total revenues | <u>105,920</u> | <u>137,508</u> |
| Expenditures: | | |
| Current: | | |
| General government | 10,425 | - |
| Debt service: | | |
| Principal retirement | 617,524 | 609,401 |
| Interest and fiscal charges | 364,146 | 398,390 |
| Bond issuance costs | <u>3,205</u> | <u>-</u> |
| Total expenditures | <u>995,300</u> | <u>1,007,791</u> |
| Excess of expenditures over revenues | <u>(889,380)</u> | <u>(870,283)</u> |
| Other financing sources (uses): | | |
| Bond issuance | 584,500 | - |
| Payment to refunded bond escrow agent | (576,672) | - |
| Transfers in | 1,184,943 | 1,107,630 |
| Transfers out | <u>(346,611)</u> | <u>(244,662)</u> |
| Total other financing sources (uses) | <u>846,160</u> | <u>862,968</u> |
| Net change in fund balances | (43,220) | (7,315) |
| Fund balance, January 1 | <u>47,209</u> | <u>54,524</u> |
| Fund balance, December 31 | <u><u>\$ 3,989</u></u> | <u><u>\$ 47,209</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, 2014
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED DECEMBER 31, 2013)

| | Budgeted Amounts | | Actual | Variance with | 2013 |
|---|------------------|------------------|-----------------|------------------------|------------------|
| | Original | Final | | Final Budget | |
| | | | | Positive (Negative) | |
| Revenues: | | | | | |
| Intergovernmental | \$ - | \$ 17,118 | \$ 17,118 | \$ - | \$ 16,989 |
| Special assessments | 32,162 | 32,162 | 1,466 | (30,696) | 32,578 |
| Investment income. | - | 177 | 177 | - | - |
| Contributions and donations | 15,000 | 15,000 | 15,000 | - | 15,000 |
| Tax increment financing. | - | 72,159 | 72,159 | - | 72,941 |
| Total revenues | 47,162 | 136,616 | 105,920 | (30,696) | 137,508 |
| Expenditures: | | | | | |
| Current: | | | | | |
| General government | | | | | |
| Other. | - | - | 10,425 | (10,425) | - |
| Debt service: | | | | | |
| Principal retirement | 496,523 | 590,523 | 617,524 | (27,001) | 609,401 |
| Interest and fiscal charges | 493,064 | 401,132 | 364,146 | 36,986 | 398,390 |
| Bond issuance costs | - | 3,205 | 3,205 | - | - |
| Total debt service | 989,587 | 994,860 | 995,300 | (440) | 1,007,791 |
| Total expenditures | 989,587 | 994,860 | 995,300 | (440) | 1,007,791 |
| Excess of expenditures over revenues | (942,425) | (858,244) | (889,380) | (31,136) | (870,283) |
| Other financing sources (uses): | | | | | |
| Payment to refunded bond escrow agent | - | (566,697) | (576,672) | (9,975) | - |
| Issuance of refunding bonds | - | 584,500 | 584,500 | - | - |
| Transfers in | 957,425 | 1,184,943 | 1,184,943 | - | 1,107,630 |
| Transfers out | - | (346,611) | (346,611) | - | (244,662) |
| Total other financing sources (uses) | 957,425 | 856,135 | 846,160 | (9,975) | 862,968 |
| Net change in fund balance. | 15,000 | (2,109) | (43,220) | (41,111) | (7,315) |
| Fund balance, January 1 | 47,209 | 47,209 | 47,209 | - | 54,524 |
| Fund balance, December 31 | \$ 62,209 | \$ 45,100 | \$ 3,989 | \$ (41,111) | \$ 47,209 |

CITY OF FINDLAY, OHIO

COMBINING BALANCE SHEET
NONMAJOR CAPITAL PROJECTS FUNDS

DECEMBER 31, 2014
(WITH COMPARATIVE TOTALS FOR DECEMBER 31, 2013)

| | Capital Improvement Projects | Municipal Court Improvements | Totals | |
|---|---|---|-------------------|-------------------|
| | | | 2014 | 2013 |
| Assets: | | | | |
| Equity in pooled cash and investments | \$ 83 | \$ 499,549 | \$ 499,632 | \$ 532,122 |
| Total assets. | <u>\$ 83</u> | <u>\$ 499,549</u> | <u>\$ 499,632</u> | <u>\$ 532,122</u> |
| Liabilities: | | | | |
| Accounts payable. | \$ - | \$ 2,989 | \$ 2,989 | \$ 8,020 |
| Total liabilities. | <u>-</u> | <u>2,989</u> | <u>2,989</u> | <u>8,020</u> |
| Fund balance: | | | | |
| Restricted | 83 | 496,560 | 496,643 | 524,102 |
| Total fund balance. | <u>83</u> | <u>496,560</u> | <u>496,643</u> | <u>524,102</u> |
| Total liabilities, deferred inflows of resources and fund balances | <u>\$ 83</u> | <u>\$ 499,549</u> | <u>\$ 499,632</u> | <u>\$ 532,122</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, 2014
(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED DECEMBER 31, 2013)

| | Capital Improvement Projects | Municipal Court Improvements | Totals | |
|--|---|---|-------------------|-------------------|
| | | | 2014 | 2013 |
| Revenues: | | | | |
| Fines and forfeitures | \$ - | \$ 48,873 | \$ 48,873 | \$ 50,492 |
| Reimbursements | - | - | - | 4 |
| Total revenues | - | 48,873 | 48,873 | 50,496 |
| Expenditures: | | | | |
| Capital outlay | - | 56,332 | 56,332 | 43,103 |
| Total expenditures | - | 56,332 | 56,332 | 43,103 |
| Excess of expenditures over revenues | - | (7,459) | (7,459) | 7,393 |
| Other financing sources: | | | | |
| Transfers out | - | (20,000) | (20,000) | - |
| Total other financing sources | - | (20,000) | (20,000) | - |
| Net change in fund balances | - | (27,459) | (27,459) | 7,393 |
| Fund balances, January 1 | 83 | 524,019 | 524,102 | 516,709 |
| Fund balance, December 31 | \$ 83 | \$ 496,560 | \$ 496,643 | \$ 524,102 |

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, 2014
 (WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED DECEMBER 31, 2013)

| | <u>Budgeted Amounts</u> | | <u>Actual</u> | <u>Variance with</u> | <u>2013</u> |
|--|-------------------------|--------------|---------------|----------------------|--------------|
| | <u>Original</u> | <u>Final</u> | | <u>Final Budget</u> | |
| | | | | <u>Positive</u> | |
| | | | | <u>(Negative)</u> | |
| Fund balance (deficit), January 1 | \$ 83 | \$ 83 | \$ 83 | \$ - | \$ 83 |
| Fund balance (deficit), December 31 | <u>\$ 83</u> | <u>\$ 83</u> | <u>\$ 83</u> | <u>\$ -</u> | <u>\$ 83</u> |

CITY OF FINDLAY, OHIO

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

FOR THE YEAR ENDED DECEMBER 31, 2014
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED DECEMBER 31, 2013)

| | <u>Budgeted Amounts</u> | | <u>Actual</u> | <u>Variance with</u> | <u>2013</u> |
|--|-------------------------|------------------|-------------------|----------------------|-------------------|
| | <u>Original</u> | <u>Final</u> | | <u>Final Budget</u> | |
| | | | | <u>Positive</u> | |
| | | | | <u>(Negative)</u> | |
| Revenues: | | | | | |
| Fines and forfeitures | \$ 47,000 | \$ 47,000 | \$ 48,873 | \$ 1,873 | \$ 50,492 |
| Reimbursements | - | - | - | - | 4 |
| Total revenues | <u>47,000</u> | <u>47,000</u> | <u>48,873</u> | <u>1,873</u> | <u>50,496</u> |
| Expenditures: | | | | | |
| Capital outlay | | | | | |
| Other | <u>469,300</u> | <u>469,300</u> | <u>56,332</u> | <u>412,968</u> | <u>43,103</u> |
| Total expenditures | <u>469,300</u> | <u>469,300</u> | <u>56,332</u> | <u>412,968</u> | <u>43,103</u> |
| Excess (deficiency) of revenues over (under) expenditures | <u>(422,300)</u> | <u>(422,300)</u> | <u>(7,459)</u> | <u>414,841</u> | <u>7,393</u> |
| Other financing sources (uses): | | | | | |
| Transfers out | <u>-</u> | <u>(20,000)</u> | <u>(20,000)</u> | <u>-</u> | <u>-</u> |
| Total other financing sources (uses) | <u>-</u> | <u>(20,000)</u> | <u>(20,000)</u> | <u>-</u> | <u>-</u> |
| Net change in fund balance | <u>(422,300)</u> | <u>(442,300)</u> | <u>(27,459)</u> | <u>414,841</u> | <u>7,393</u> |
| Fund balance, January 1 | <u>524,019</u> | <u>524,019</u> | <u>524,019</u> | <u>-</u> | <u>516,626</u> |
| Fund balance, December 31. | <u>\$ 101,719</u> | <u>\$ 81,719</u> | <u>\$ 496,560</u> | <u>\$ 414,841</u> | <u>\$ 524,019</u> |

CITY OF FINDLAY, OHIO

COMPARATIVE BALANCE SHEET
NONMAJOR CEMETERY TRUST PERMANENT FUND

DECEMBER 31, 2014
(WITH COMPARATIVE TOTALS FOR DECEMBER 31, 2013)

| | 2014 | 2013 |
|--|--------------|--------------|
| Assets: | | |
| Equity in pooled cash and investments | \$ 1,308,827 | \$ 1,270,202 |
| Receivables (net of allowances of uncollectibles). | 37 | 52 |
| Total assets | \$ 1,308,864 | \$ 1,270,254 |
| Fund balance: | | |
| Nonspendable | \$ 1,308,415 | \$ 1,269,186 |
| Restricted | 449 | 1,068 |
| Total fund balance | 1,308,864 | 1,270,254 |
| Total liabilities and fund balance | \$ 1,308,864 | \$ 1,270,254 |

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, 2014
(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED DECEMBER 31, 2013)

| | <u>2014</u> | <u>2013</u> |
|---|---------------------|---------------------|
| Revenues: | | |
| Charges for services | \$ 38,625 | \$ 36,825 |
| Investment income | 449 | 1,068 |
| Total revenues | <u>39,074</u> | <u>37,893</u> |
| Expenditures: | | |
| Current: | | |
| Public health and welfare. | 464 | 1,091 |
| Total expenditures | <u>464</u> | <u>1,091</u> |
| Net change in fund balance | 38,610 | 36,802 |
| Fund balance, January 1 | <u>1,270,254</u> | <u>1,233,452</u> |
| Fund balance, December 31. | <u>\$ 1,308,864</u> | <u>\$ 1,270,254</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, 2014
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED DECEMBER 31, 2013)

| | <u>Budgeted Amounts</u> | | <u>Actual</u> | <u>Variance with</u> | <u>2013</u> |
|---|-------------------------|---------------------|---------------------|----------------------|---------------------|
| | <u>Original</u> | <u>Final</u> | | <u>Final Budget</u> | |
| | | | | <u>Positive</u> | |
| | | | | <u>(Negative)</u> | |
| Revenues: | | | | | |
| Charges for services | \$ 30,000 | \$ 40,225 | \$ 38,625 | \$ (1,600) | \$ 36,825 |
| Investment income | 750 | 300 | 449 | 149 | 1,068 |
| Total revenues | <u>30,750</u> | <u>40,525</u> | <u>39,074</u> | <u>(1,451)</u> | <u>37,893</u> |
| Expenditures: | | | | | |
| Current: | | | | | |
| Public health and welfare | | | | | |
| Other | <u>750</u> | <u>750</u> | <u>464</u> | <u>286</u> | <u>1,091</u> |
| Total expenditures | <u>750</u> | <u>750</u> | <u>464</u> | <u>286</u> | <u>1,091</u> |
| Net change in fund balance | 30,000 | 39,775 | 38,610 | (1,165) | 36,802 |
| Fund balance, January 1 | <u>1,270,254</u> | <u>1,270,254</u> | <u>1,270,254</u> | <u>-</u> | <u>1,233,452</u> |
| Fund balance, December 31. | <u>\$ 1,300,254</u> | <u>\$ 1,310,029</u> | <u>\$ 1,308,864</u> | <u>\$ (1,165)</u> | <u>\$ 1,270,254</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 61 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, 2014 AND 2013

| | <u>2014</u> | <u>2013</u> |
|---|----------------------|----------------------|
| Assets: | | |
| Current assets: | | |
| Equity in pooled cash and investments | \$ 10,781,329 | \$ 8,376,148 |
| Cash with escrow agent | 78,213 | 9,791 |
| Receivables (net of allowances of uncollectibles) | 1,564,759 | 1,535,644 |
| Prepayments | 24,056 | 32,782 |
| Materials and supplies inventory | 584,155 | 596,391 |
| Total current assets | <u>13,032,512</u> | <u>10,550,756</u> |
| Noncurrent assets: | | |
| Restricted assets: | | |
| Equity in pooled cash and investments | 773,300 | 732,019 |
| Capital assets: | | |
| Nondepreciable capital assets | 2,706,684 | 1,931,100 |
| Depreciable capital assets, net | 51,275,682 | 50,695,306 |
| Total noncurrent assets | <u>54,755,666</u> | <u>53,358,425</u> |
| Total assets | <u>67,788,178</u> | <u>63,909,181</u> |
| Deferred outflows of resources: | | |
| Unamortized deferred charges on debt refunding | 74,859 | 103,174 |
| Total deferred outflows of resources | <u>74,859</u> | <u>103,174</u> |
| Total assets and deferred outflows of resources | <u>67,863,037</u> | <u>64,012,355</u> |
| Liabilities: | | |
| Current liabilities: | | |
| Accounts payable | 151,189 | 66,203 |
| Contracts payable | 690,843 | 472,574 |
| Accrued wages and benefits payable | 53,649 | 47,450 |
| Insurance deposits payable | 54,528 | 115,423 |
| Retainage payable | 78,213 | 9,791 |
| Due to other funds | 411,727 | 403,862 |
| Deposits held and due to others | 701,900 | 655,300 |
| Accrued interest payable | 62,881 | 88,906 |
| Compensated absences payable - current | 209,198 | 228,547 |
| Bonds payable - current | 1,093,000 | 655,000 |
| Loans payable - current | 244,029 | 248,578 |
| Total current liabilities | <u>3,751,157</u> | <u>2,991,634</u> |
| Long-term liabilities: | | |
| Compensated absences payable | 68,781 | 57,641 |
| Bonds payable | 3,426,000 | 2,530,241 |
| Loans payable | 3,038,561 | 3,282,590 |
| Total long-term liabilities | <u>6,533,342</u> | <u>5,870,472</u> |
| Total liabilities | <u>10,284,499</u> | <u>8,862,106</u> |
| Net position: | | |
| Net investment in capital assets | 45,486,579 | 46,013,171 |
| Restricted for: | | |
| Capital projects | 773,300 | 732,019 |
| Unrestricted | 11,318,659 | 8,405,059 |
| Total net position | <u>\$ 57,578,538</u> | <u>\$ 55,150,249</u> |

CITY OF FINDLAY, OHIO

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

FOR THE YEAR ENDED DECEMBER 31, 2014 AND 2013

| | <u>2014</u> | <u>2013</u> |
|--|----------------------|----------------------|
| Operating revenues: | | |
| Charges for services | \$ 8,094,877 | \$ 8,158,604 |
| Other | 124,026 | 77,980 |
| Total operating revenues | <u>8,218,903</u> | <u>8,236,584</u> |
| Operating expenses: | | |
| Personal services | 2,511,702 | 2,607,321 |
| Contract services | 570,538 | 448,652 |
| Materials and supplies. | 969,285 | 943,958 |
| Utilities | 396,838 | 345,383 |
| Depreciation. | 1,389,465 | 1,328,132 |
| Total operating expenses | <u>5,837,828</u> | <u>5,673,446</u> |
| Operating income. | <u>2,381,075</u> | <u>2,563,138</u> |
| Nonoperating revenues (expenses): | | |
| Intergovernmental. | 65,140 | 62,588 |
| Interest revenue. | 21,049 | 16,291 |
| Loss on disposal of capital assets. | (19,456) | - |
| Interest expense and fiscal charges | (171,606) | (227,137) |
| Bond issue costs. | (21,125) | - |
| Total nonoperating revenues (expenses) | <u>(125,998)</u> | <u>(148,258)</u> |
| Income before contributions | 2,255,077 | 2,414,880 |
| Capital contributions. | 173,212 | 72,033 |
| Change in net position | 2,428,289 | 2,486,913 |
| Net position, January 1 | <u>55,150,249</u> | <u>52,663,336</u> |
| Net position, December 31 | <u>\$ 57,578,538</u> | <u>\$ 55,150,249</u> |

CITY OF FINDLAY, OHIO

COMPARATIVE STATEMENT OF CASH FLOWS
WATER FUND

FOR THE YEAR ENDED DECEMBER 31, 2014 AND 2013

| | <u>2014</u> | <u>2013</u> |
|---|----------------------|---------------------|
| Cash flows from operating activities: | | |
| Cash received from customers | \$ 8,067,986 | \$ 8,227,321 |
| Cash received from other operations | 124,026 | 77,980 |
| Cash payments for personal services | (2,574,607) | (2,559,478) |
| Cash payments for contract services. | (446,790) | (394,433) |
| Cash payments for materials and supplies. | (872,063) | (996,751) |
| Cash payments for utilities. | <u>(388,973)</u> | <u>(352,643)</u> |
| Net cash provided by operating activities. | <u>3,909,579</u> | <u>4,001,996</u> |
| Cash flows from noncapital financing activities: | | |
| Grants and contributions | <u>65,140</u> | <u>62,588</u> |
| Net cash provided by noncapital financing activities | <u>65,140</u> | <u>62,588</u> |
| Cash flows from capital and related financing activities: | | |
| Acquisition of capital assets | (2,378,617) | (481,287) |
| Issuance of refunding bonds. | 2,000,000 | - |
| Issuance of bonds. | 1,853,500 | - |
| Bond issuance costs paid | (21,125) | - |
| Issuance of loans. | 10,000 | - |
| Payment to refunded bond escrow agent | (1,842,665) | - |
| Principal paid on bonds | (664,500) | (630,000) |
| Interest paid on bonds. | (83,798) | (121,465) |
| Principal paid on loans | (258,578) | (242,780) |
| Interest paid on loans | <u>(92,877)</u> | <u>(98,673)</u> |
| Net cash used in capital and related financing activities | <u>(1,478,660)</u> | <u>(1,574,205)</u> |
| Cash flows from investing activities: | | |
| Interest received. | 18,825 | 15,472 |
| Net cash provided by investing activities | <u>18,825</u> | <u>15,472</u> |
| Net increase in cash and cash equivalents | 2,514,884 | 2,505,851 |
| Cash and cash equivalents at beginning of year | <u>9,117,958</u> | <u>6,612,107</u> |
| Cash and cash equivalents at end of year. | <u>\$ 11,632,842</u> | <u>\$ 9,117,958</u> |

- - continued

CITY OF FINDLAY, OHIO

COMPARATIVE STATEMENT OF CASH FLOWS
WATER FUND (CONTINUED)

FOR THE YEAR ENDED DECEMBER 31, 2014 AND 2013

| | <u>2014</u> | <u>2013</u> |
|---|---------------------|---------------------|
| Reconciliation of operating income to net cash provided by operating activities: | | |
| Operating income | \$ 2,381,075 | \$ 2,563,138 |
| Adjustments to reconcile operating income to net cash provided by operating activities: | | |
| Depreciation | 1,389,465 | 1,328,132 |
| Changes in assets and liabilities: | | |
| (Increase) decrease in accounts receivable. | (26,891) | 68,717 |
| (Increase) decrease in materials and supplies inventory | 12,236 | (31,614) |
| (Increase) decrease in prepayments. | 8,726 | (2,951) |
| Increase (decrease) in accounts payable | 84,986 | (21,179) |
| Increase (decrease) in accrued wages and benefits. | 6,199 | (28,634) |
| Increase (decrease) in compensated absences payable. | (8,209) | 8,843 |
| Increase (decrease) in insurance deposits payable | (60,895) | 67,634 |
| Increase in deposits held and due to others | 46,600 | 47,379 |
| Increase in retainage payable | 68,422 | 9,791 |
| Increase (decrease) in due to other funds | 7,865 | (7,260) |
| Net cash provided by operating activities | <u>\$ 3,909,579</u> | <u>\$ 4,001,996</u> |

Non-cash Transactions:

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

At December 31, 2014 and 2013, the Water fund purchased \$690,843 and \$472,574, respectively, in capital assets on account.

During 2013, the Water fund received \$72,033 in capital contributions of donated water lines from private developers.

At December 31, 2013 and 2012, the Water fund purchased \$472,574 and \$14,500, respectively, in capital assets on account.

CITY OF FINDLAY, OHIO

COMPARATIVE STATEMENT OF NET POSITION
WATER POLLUTION CONTROL FUND

DECEMBER 31, 2014 AND 2013

| | <u>2014</u> | <u>2013</u> |
|---|----------------------|----------------------|
| Assets: | | |
| Current assets: | | |
| Equity in pooled cash and investments | \$ 7,602,230 | \$ 5,259,039 |
| Cash with escrow agent | 93,080 | - |
| Receivables (net of allowances of uncollectibles) | 429,043 | 425,773 |
| Due from other funds | 411,727 | 403,862 |
| Prepayments | 15,243 | 22,388 |
| Materials and supplies inventory | 52,435 | 46,702 |
| Total current assets | <u>8,603,758</u> | <u>6,157,764</u> |
| Noncurrent assets: | | |
| Restricted assets: | | |
| Equity in pooled cash and investments | 4,762,146 | 5,660,611 |
| Capital assets: | | |
| Nondepreciable capital assets | 2,142,271 | 708,831 |
| Depreciable capital assets, net | 79,857,663 | 81,570,860 |
| Total noncurrent assets | <u>86,762,080</u> | <u>87,940,302</u> |
| Total assets | <u>95,365,838</u> | <u>94,098,066</u> |
| Deferred outflows of resources: | | |
| Unamortized deferred charges on debt refunding | 124,141 | 183,014 |
| Total deferred outflows of resources | <u>124,141</u> | <u>183,014</u> |
| Total assets and deferred outflows of resources | <u>95,489,979</u> | <u>94,281,080</u> |
| Liabilities: | | |
| Current liabilities: | | |
| Accounts payable | 173,766 | 134,942 |
| Retainage payable | 93,080 | - |
| Accrued wages and benefits payable | 44,358 | 37,232 |
| Insurance deposits payable | 45,280 | 91,380 |
| Accrued interest payable | 350,449 | 438,041 |
| Compensated absences payable - current | 111,697 | 152,174 |
| Bonds payable - current | 973,000 | 635,000 |
| Loans payable - current | 2,016,165 | 1,935,711 |
| Total current liabilities | <u>3,807,795</u> | <u>3,424,480</u> |
| Long term liabilities: | | |
| Compensated absences payable | 268,211 | 224,343 |
| Bonds payable | 2,512,500 | 2,156,800 |
| Loans payable | 14,306,218 | 16,322,383 |
| Total long-term liabilities | <u>17,086,929</u> | <u>18,703,526</u> |
| Total liabilities | <u>20,894,724</u> | <u>22,128,006</u> |
| Net position: | | |
| Net investment in capital assets | 62,223,112 | 61,412,811 |
| Restricted for: | | |
| Capital projects | 4,762,146 | 5,660,611 |
| Unrestricted | 7,609,997 | 5,079,652 |
| Total net position | <u>\$ 74,595,255</u> | <u>\$ 72,153,074</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, 2014 AND 2013

| | <u>2014</u> | <u>2013</u> |
|---|----------------------|----------------------|
| Operating revenues: | | |
| Charges for services | \$ 9,397,038 | \$ 9,245,878 |
| Other | 13,638 | 9,563 |
| Total operating revenues | <u>9,410,676</u> | <u>9,255,441</u> |
| Operating expenses: | | |
| Personal services | 2,007,866 | 2,074,635 |
| Contract services | 1,294,314 | 1,293,880 |
| Materials and supplies. | 312,960 | 380,302 |
| Utilities | 528,381 | 492,910 |
| Depreciation. | 2,163,880 | 2,117,803 |
| Total operating expenses | <u>6,307,401</u> | <u>6,359,530</u> |
| Operating income | <u>3,103,275</u> | <u>2,895,911</u> |
| Nonoperating revenues (expenses): | | |
| Intergovernmental | 78,184 | 81,447 |
| Interest revenue. | 22,332 | 18,084 |
| Interest expense and fiscal charges | (814,246) | (938,928) |
| Loss on disposall of capital assets | (8,624) | (37,610) |
| Bond issue costs. | (19,171) | - |
| Total nonoperating revenues (expenses). | <u>(741,525)</u> | <u>(877,007)</u> |
| Income before contributions | 2,361,750 | 2,018,904 |
| Capital contributions. | 80,431 | 19,197 |
| Change in net position | 2,442,181 | 2,038,101 |
| Net position, January 1 | <u>72,153,074</u> | <u>70,114,973</u> |
| Net position, December 31 | <u>\$ 74,595,255</u> | <u>\$ 72,153,074</u> |

CITY OF FINDLAY, OHIO

COMPARATIVE STATEMENT OF CASH FLOWS
WATER POLLUTION CONTROL FUND

FOR THE YEAR ENDED DECEMBER 31, 2014 AND 2013

| | <u>2014</u> | <u>2013</u> |
|---|-----------------------------|-----------------------------|
| Cash flows from operating activities: | | |
| Cash received from customers | \$ 9,387,946 | \$ 9,260,315 |
| Cash received from other operations | 13,638 | 9,563 |
| Cash payments for personal services | (2,043,449) | (1,976,780) |
| Cash payments for contract services. | (1,287,169) | (1,295,667) |
| Cash payments for materials and supplies. | (279,869) | (344,259) |
| Cash payments for utilities. | <u>(528,381)</u> | <u>(492,910)</u> |
| Net cash provided by operating activities. | <u>5,262,716</u> | <u>5,160,262</u> |
| Cash flows from noncapital financing activities: | | |
| Grants and contributions | <u>78,184</u> | <u>81,447</u> |
| Net cash provided by noncapital financing activities | <u>78,184</u> | <u>81,447</u> |
| Cash flows from capital and related financing activities: | | |
| Acquisition of capital assets | (1,796,374) | (78,238) |
| Issuance of refunding bonds. | 2,147,000 | - |
| Issuance of bonds. | 1,350,000 | - |
| Bond issuance costs paid | (19,171) | - |
| Payment to refunded bond escrow agent | (2,135,169) | - |
| Principal paid on bonds. | (646,500) | (610,000) |
| Interest paid on bonds. | (137,244) | (152,614) |
| Principal paid on loans | (1,858,573) | (1,858,573) |
| Interest paid on loans | <u>(727,352)</u> | <u>(804,490)</u> |
| Net cash used in capital and related financing activities | <u>(3,823,383)</u> | <u>(3,503,915)</u> |
| Cash flows from investing activities: | | |
| Interest received. | <u>20,289</u> | <u>17,365</u> |
| Net cash provided by investing activities | <u>20,289</u> | <u>17,365</u> |
| Net increase in cash and cash equivalents | 1,537,806 | 1,755,159 |
| Cash and cash equivalents at beginning of year | <u>10,919,650</u> | <u>9,164,491</u> |
| Cash and cash equivalents at end of year. | <u><u>\$ 12,457,456</u></u> | <u><u>\$ 10,919,650</u></u> |

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CITY OF FINDLAY, OHIO

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

FOR THE YEAR ENDED DECEMBER 31, 2014 AND 2013

| | <u>2014</u> | <u>2013</u> |
|---|---------------------|---------------------|
| Reconciliation of operating income to net cash provided by operating activities: | | |
| Operating income | \$ 3,103,275 | \$ 2,895,911 |
| Adjustments to reconcile operating income to net cash provided by operating activities: | | |
| Depreciation | 2,163,880 | 2,117,803 |
| Changes in assets and liabilities: | | |
| (Increase) decrease in accounts receivable | (1,227) | 7,177 |
| (Increase) decrease in due from other funds | (7,865) | 7,260 |
| (Increase) in materials and supplies inventory | (5,733) | (2,190) |
| (Increase) decrease in prepayments | 7,145 | (1,787) |
| Increase in accounts payable | 38,824 | 38,233 |
| Increase in accrued wages and benefits | 7,126 | 3,384 |
| Increase in compensated absences payable | 3,391 | 38,798 |
| Increase (decrease) in insurance deposits payable | (46,100) | 55,673 |
| Net cash provided by operating activities | <u>\$ 5,262,716</u> | <u>\$ 5,160,262</u> |

Non-cash Transactions:

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

During 2013, the Water Pollution Control fund received \$19,197 in capital contributions of donated sewer lines from private developers.

CITY OF FINDLAY, OHIO

COMPARATIVE STATEMENT OF NET POSITION
AIRPORT FUND

DECEMBER 31, 2014 AND 2013

| | <u>2014</u> | <u>2013</u> |
|---|----------------------|----------------------|
| Assets: | | |
| Current assets: | | |
| Equity in pooled cash and investments | \$ 437,900 | \$ 420,063 |
| Receivables (net of allowances of uncollectibles) . . . | 80,572 | 106,648 |
| Prepayments | 8,796 | 10,448 |
| Materials and supplies inventory | 53,616 | 80,946 |
| Total current assets | <u>580,884</u> | <u>618,105</u> |
| Noncurrent assets: | | |
| Capital assets: | | |
| Nondepreciable capital assets | 3,419,861 | 3,450,248 |
| Depreciable capital assets, net | 9,856,808 | 10,617,907 |
| Total noncurrent assets | <u>13,276,669</u> | <u>14,068,155</u> |
| Total assets | <u>13,857,553</u> | <u>14,686,260</u> |
| Liabilities: | | |
| Current liabilities: | | |
| Accounts payable | 46,376 | 31,272 |
| Accrued wages and benefits payable | 6,065 | 5,803 |
| Insurance deposits payable | 7,337 | 14,038 |
| Compensated absences payable - current | 36,241 | 24,618 |
| Total current liabilities | <u>96,019</u> | <u>75,731</u> |
| Long term liabilities: | | |
| Compensated absences payable | 33,382 | 81,735 |
| Total long-term liabilities | <u>33,382</u> | <u>81,735</u> |
| Total liabilities | <u>129,401</u> | <u>157,466</u> |
| Net position: | | |
| Net investment in capital assets | 13,276,669 | 14,068,155 |
| Unrestricted | 451,483 | 460,639 |
| Total net position | <u>\$ 13,728,152</u> | <u>\$ 14,528,794</u> |

CITY OF FINDLAY, OHIO

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

FOR THE YEAR ENDED DECEMBER 31, 2014 AND 2013

| | <u>2014</u> | <u>2013</u> |
|--|----------------------|----------------------|
| Operating revenues: | | |
| Charges for services | \$ 1,113,979 | \$ 1,022,799 |
| Total operating revenues | <u>1,113,979</u> | <u>1,022,799</u> |
| Operating expenses: | | |
| Personal services | 310,569 | 315,473 |
| Contract services | 101,179 | 112,012 |
| Materials and supplies. | 766,602 | 728,108 |
| Utilities | 23,538 | 18,001 |
| Depreciation. | <u>854,310</u> | <u>1,021,117</u> |
| Total operating expenses | <u>2,056,198</u> | <u>2,194,711</u> |
| Operating loss. | <u>(942,219)</u> | <u>(1,171,912)</u> |
| Nonoperating revenues (expenses): | | |
| Intergovernmental | <u>25,978</u> | <u>32,172</u> |
| Total nonoperating revenues (expenses) | <u>25,978</u> | <u>32,172</u> |
| Loss before contributions and transfers. | (916,241) | (1,139,740) |
| Capital contributions. | 28,606 | 84,101 |
| Transfers in | <u>86,993</u> | <u>179,067</u> |
| Change in net position | (800,642) | (876,572) |
| Net position, January 1 | <u>14,528,794</u> | <u>15,405,366</u> |
| Net position, December 31 | <u>\$ 13,728,152</u> | <u>\$ 14,528,794</u> |

CITY OF FINDLAY, OHIO

COMPARATIVE STATEMENT OF CASH FLOWS
AIRPORT FUND

FOR THE YEAR ENDED DECEMBER 31, 2014 AND 2013

| | 2014 | 2013 |
|---|-------------------|-------------------|
| Cash flows from operating activities: | | |
| Cash received from customers | \$ 1,140,055 | \$ 1,003,246 |
| Cash payments for personal services | (353,738) | (299,616) |
| Cash payments for contract services. | (99,527) | (111,246) |
| Cash payments for materials and supplies. | (724,168) | (794,029) |
| Cash payments for utilities. | (23,538) | (18,001) |
| Net cash used in operating activities | (60,916) | (219,646) |
| Cash flows from noncapital financing activities: | | |
| Grants and contributions | 25,978 | 32,172 |
| Transfers in | 86,993 | 179,067 |
| Net cash provided by noncapital financing activities | 112,971 | 211,239 |
| Cash flows from capital and related financing activities: | | |
| Acquisition of capital assets | (62,824) | (44,382) |
| Capital contributions | 28,606 | 84,101 |
| Net cash provided by (used in) capital and related financing activities | (34,218) | 39,719 |
| Net increase in cash and cash equivalents | 17,837 | 31,312 |
| Cash and cash equivalents at beginning of year . . . | 420,063 | 388,751 |
| Cash and cash equivalents at end of year. | \$ 437,900 | \$ 420,063 |
| Reconciliation of operating loss to net cash used in operating activities: | | |
| Operating loss. | \$ (942,219) | \$ (1,171,912) |
| Adjustments to reconcile operating loss to net cash used in operating activities: | | |
| Depreciation | 854,310 | 1,021,117 |
| Changes in assets and liabilities: | | |
| (Increase) decrease in accounts receivable | 26,076 | (19,553) |
| Decrease in materials and supplies inventory | 27,330 | 2,102 |
| Decrease in prepayments | 1,652 | 766 |
| Increase (decrease) in accounts payable | 15,104 | (68,023) |
| Increase in accrued wages and benefits | 262 | 829 |
| Increase (decrease) in compensated absences payable | (36,730) | 4,351 |
| Increase (decrease) in insurance deposits payable. | (6,701) | 10,677 |
| Net cash used in operating activities | \$ (60,916) | \$ (219,646) |

CITY OF FINDLAY, OHIO

COMBINING STATEMENT OF NET POSITION
NONMAJOR ENTERPRISE FUNDS
DECEMBER 31, 2014

| | <u>Swimming Pool</u> | <u>Parking Facilities</u> | <u>Total</u> |
|---|--------------------------|-------------------------------|-------------------|
| Assets: | | | |
| Current assets: | | | |
| Equity in pooled cash and investments | \$ 11,318 | \$ 26,031 | \$ 37,349 |
| Prepayments | 204 | 130 | 334 |
| Total current assets | <u>11,522</u> | <u>26,161</u> | <u>37,683</u> |
| Noncurrent assets: | | | |
| Capital assets: | | | |
| Nondepreciable capital assets | 1,631 | 94,331 | 95,962 |
| Depreciable capital assets, net | 447,360 | 87,092 | 534,452 |
| Total noncurrent assets | <u>448,991</u> | <u>181,423</u> | <u>630,414</u> |
| Total assets | <u>460,513</u> | <u>207,584</u> | <u>668,097</u> |
| Liabilities: | | | |
| Current liabilities: | | | |
| Accounts payable | 14 | 2,321 | 2,335 |
| Accrued wages and benefits | - | 1,703 | 1,703 |
| Insurance deposits payable | - | 1,624 | 1,624 |
| Compensated absences payable | - | 2,232 | 2,232 |
| Total current liabilities | <u>14</u> | <u>7,880</u> | <u>7,894</u> |
| Long term liabilities: | | | |
| Compensated absences payable | - | 7,188 | 7,188 |
| Total long-term liabilities | <u>-</u> | <u>7,188</u> | <u>7,188</u> |
| Total liabilities | <u>14</u> | <u>15,068</u> | <u>15,082</u> |
| Net position: | | | |
| Net investment in capital assets | 448,991 | 181,423 | 630,414 |
| Unrestricted | 11,508 | 11,093 | 22,601 |
| Total net position | <u>\$ 460,499</u> | <u>\$ 192,516</u> | <u>\$ 653,015</u> |

CITY OF FINDLAY, OHIO

COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
NONMAJOR ENTERPRISE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2014

| | Swimming Pool | Parking Facilities | Total |
|--|--------------------------|-------------------------------|-------------------|
| Operating revenues: | | | |
| Charges for services | \$ - | \$ 77,191 | \$ 77,191 |
| Other | 60 | 501 | 561 |
| Total operating revenues | 60 | 77,692 | 77,752 |
| Operating expenses: | | | |
| Personal services | - | 82,724 | 82,724 |
| Contract services | 68,537 | 3,145 | 71,682 |
| Materials and supplies. | 12,363 | 11,414 | 23,777 |
| Utilities | 6,914 | 491 | 7,405 |
| Depreciation. | 29,053 | 6,451 | 35,504 |
| Total operating expenses | 116,867 | 104,225 | 221,092 |
| Operating loss | (116,807) | (26,533) | (143,340) |
| Transfers in | 115,500 | 15,500 | 131,000 |
| Change in net position. | (1,307) | (11,033) | (12,340) |
| Net position, January 1 | 461,806 | 203,549 | 665,355 |
| Net position, December 31 | \$ 460,499 | \$ 192,516 | \$ 653,015 |

CITY OF FINDLAY, OHIO

COMBINING STATEMENT OF CASH FLOWS
NONMAJOR ENTERPRISE FUNDS

FOR THE YEAR ENDED DECEMBER 31, 2014

| | <u>Swimming Pool</u> | <u>Parking Facilities</u> | <u>Total</u> |
|---|--------------------------|-------------------------------|---------------------|
| Cash flows from operating activities: | | | |
| Cash received from customers | \$ - | \$ 77,191 | \$ 77,191 |
| Cash received from other operations | 60 | 501 | 561 |
| Cash payments for personal services | - | (80,793) | (80,793) |
| Cash payments for contract services. | (68,476) | (3,152) | (71,628) |
| Cash payments for materials and supplies. | (12,363) | (9,861) | (22,224) |
| Cash payments for utilities. | (6,914) | (491) | (7,405) |
| | <u>(87,693)</u> | <u>(16,605)</u> | <u>(104,298)</u> |
| Cash flows from noncapital financing activities: | | | |
| Transfers in | <u>115,500</u> | <u>15,500</u> | <u>131,000</u> |
| | <u>115,500</u> | <u>15,500</u> | <u>131,000</u> |
| Cash flows from capital and related financing activities: | | | |
| Acquisition of capital assets | <u>(53,700)</u> | <u>-</u> | <u>(53,700)</u> |
| | <u>(53,700)</u> | <u>-</u> | <u>(53,700)</u> |
| Net increase in cash and cash equivalents | (25,893) | (1,105) | (26,998) |
| Cash and cash equivalents at beginning of year . . . | <u>37,211</u> | <u>27,136</u> | <u>64,347</u> |
| Cash and cash equivalents at end of year. | <u>\$ 11,318</u> | <u>\$ 26,031</u> | <u>\$ 37,349</u> |
| Reconciliation of operating loss to net cash used in operating activities: | | | |
| Operating loss | \$ (116,807) | \$ (26,533) | \$ (143,340) |
| Adjustments to reconcile operating loss to net cash used in operating activities: | | | |
| Depreciation | 29,053 | 6,451 | 35,504 |
| Changes in assets and liabilities: | | | |
| (Increase) decrease in prepayments | 61 | (7) | 54 |
| Increase in accounts payable. | - | 1,553 | 1,553 |
| Increase in accrued wages and benefits | - | 240 | 240 |
| Increase in compensated absences payable | - | 3,485 | 3,485 |
| (Decrease) in insurance deposits payable | - | (1,794) | (1,794) |
| Net cash used in operating activities | <u>\$ (87,693)</u> | <u>\$ (16,605)</u> | <u>\$ (104,298)</u> |

CITY OF FINDLAY, OHIO

COMPARATIVE STATEMENT OF NET POSITION
SWIMMING POOL FUND

DECEMBER 31, 2014 AND 2013

| | <u>2014</u> | <u>2013</u> |
|---|-------------------|-------------------|
| Assets: | | |
| Current assets: | | |
| Equity in pooled cash and investments | \$ 11,318 | \$ 37,211 |
| Prepayments | 204 | 265 |
| Total current assets | <u>11,522</u> | <u>37,476</u> |
| Noncurrent assets: | | |
| Capital assets: | | |
| Nondepreciable capital assets | 1,631 | 1,631 |
| Depreciable capital assets, net | 447,360 | 422,713 |
| Total noncurrent assets | <u>448,991</u> | <u>424,344</u> |
| Total assets | <u>460,513</u> | <u>461,820</u> |
| Liabilities: | | |
| Current liabilities: | | |
| Accounts payable | <u>14</u> | <u>14</u> |
| Total current liabilities | <u>14</u> | <u>14</u> |
| Total liabilities | <u>14</u> | <u>14</u> |
| Net position: | | |
| Net investment in capital assets | 448,991 | 424,344 |
| Unrestricted | <u>11,508</u> | <u>37,462</u> |
| Total net position | <u>\$ 460,499</u> | <u>\$ 461,806</u> |

CITY OF FINDLAY, OHIO

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

FOR THE YEAR ENDED DECEMBER 31, 2014 AND 2013

| | <u>2014</u> | <u>2013</u> |
|--|-------------------|-------------------|
| Operating revenues: | | |
| Other | \$ 60 | \$ 83 |
| Total operating revenues | <u>60</u> | <u>83</u> |
| Operating expenses: | | |
| Personal services | - | 10,207 |
| Contract services | 68,537 | 1,063 |
| Materials and supplies. | 12,363 | 11,533 |
| Utilities | 6,914 | 6,455 |
| Depreciation. | <u>29,053</u> | <u>26,204</u> |
| Total operating expenses | <u>116,867</u> | <u>55,462</u> |
| Operating loss. | (116,807) | (55,379) |
| Transfers in | <u>115,500</u> | <u>52,276</u> |
| Change in net position. | (1,307) | (3,103) |
| Net position, January 1 | <u>461,806</u> | <u>464,909</u> |
| Net position, December 31 | <u>\$ 460,499</u> | <u>\$ 461,806</u> |

CITY OF FINDLAY, OHIO

COMPARATIVE STATEMENT OF CASH FLOWS
SWIMMING POOL FUND

FOR THE YEAR ENDED DECEMBER 31, 2014 AND 2013

| | <u>2014</u> | <u>2013</u> |
|---|---------------------------|---------------------------|
| Cash flows from operating activities: | | |
| Cash received from other operations | \$ 60 | \$ 83 |
| Cash payments for personal services | - | (10,207) |
| Cash payments for contract services | (68,476) | (1,131) |
| Cash payments for materials and supplies | (12,363) | (16,821) |
| Cash payments for utilities | (6,914) | (6,455) |
| | <u>(87,693)</u> | <u>(34,531)</u> |
| Net cash used in operating activities | | |
| Cash flows from noncapital financing activities: | | |
| Transfers in | <u>115,500</u> | <u>52,276</u> |
| Net cash provided by noncapital financing activities | <u>115,500</u> | <u>52,276</u> |
| Cash flows from capital and related financing activities: | | |
| Acquisition of capital assets | <u>(53,700)</u> | <u>(10,466)</u> |
| Net cash used in capital and related financing activities | <u>(53,700)</u> | <u>(10,466)</u> |
| Net increase (decrease) in cash and cash equivalents | (25,893) | 7,279 |
| Cash and cash equivalents at beginning of year | <u>37,211</u> | <u>29,932</u> |
| Cash and cash equivalents at end of year | <u>\$ 11,318</u> | <u>\$ 37,211</u> |
| Reconciliation of operating loss to net cash used in operating activities: | | |
| Operating loss | \$ (116,807) | \$ (55,379) |
| Adjustments to reconcile operating loss to net cash used in operating activities: | | |
| Depreciation | 29,053 | 26,204 |
| Changes in assets and liabilities: | | |
| (Increase) decrease in prepayments | 61 | (68) |
| Increase (decrease) in accounts payable | - | (5,288) |
| Net cash used in operating activities | <u>\$ (87,693)</u> | <u>\$ (34,531)</u> |

CITY OF FINDLAY, OHIO

COMPARATIVE STATEMENT OF NET POSITION
PARKING FACILITIES FUND

DECEMBER 31, 2014 AND 2013

| | <u>2014</u> | <u>2013</u> |
|--|-------------------|-------------------|
| Assets: | | |
| Current assets: | | |
| Equity in pooled cash and investments | \$ 26,031 | \$ 27,136 |
| Prepayments | 130 | 123 |
| Total current assets | <u>26,161</u> | <u>27,259</u> |
| Noncurrent assets: | | |
| Capital assets: | | |
| Nondepreciable capital assets | 94,331 | 94,331 |
| Depreciable capital assets, net | 87,092 | 93,543 |
| Total noncurrent assets | <u>181,423</u> | <u>187,874</u> |
| Total assets | <u>207,584</u> | <u>215,133</u> |
| Liabilities: | | |
| Current liabilities: | | |
| Accounts payable | 2,321 | 768 |
| Accrued wages and benefits | 1,703 | 1,463 |
| Insurance deposits payable | 1,624 | 3,418 |
| Compensated absences payable - current | 2,232 | 2,005 |
| Total current liabilities | <u>7,880</u> | <u>7,654</u> |
| Long term liabilities: | | |
| Compensated absences payable | 7,188 | 3,930 |
| Total long-term liabilities | <u>7,188</u> | <u>3,930</u> |
| Total liabilities | <u>15,068</u> | <u>11,584</u> |
| Net position: | | |
| Net investment in capital assets | 181,423 | 187,874 |
| Unrestricted | 11,093 | 15,675 |
| Total net position | <u>\$ 192,516</u> | <u>\$ 203,549</u> |

CITY OF FINDLAY, OHIO

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

FOR THE YEAR ENDED DECEMBER 31, 2014 AND 2013

| | <u>2014</u> | <u>2013</u> |
|--|-------------------|-------------------|
| Operating revenues: | | |
| Charges for services | \$ 77,191 | \$ 64,671 |
| Other | 501 | 1,160 |
| Total operating revenues | <u>77,692</u> | <u>65,831</u> |
| Operating expenses: | | |
| Personal services | 82,724 | 78,935 |
| Contract services | 3,145 | 6,311 |
| Materials and supplies. | 11,414 | 8,516 |
| Utilities | 491 | 473 |
| Depreciation. | 6,451 | 3,226 |
| Total operating expenses | <u>104,225</u> | <u>97,461</u> |
| Operating loss | (26,533) | (31,630) |
| Transfers in | 15,500 | 30,000 |
| Change in net position. | (11,033) | (1,630) |
| Net position, January 1 | <u>203,549</u> | <u>205,179</u> |
| Net position, December 31 | <u>\$ 192,516</u> | <u>\$ 203,549</u> |

CITY OF FINDLAY, OHIO

COMPARATIVE STATEMENT OF CASH FLOWS
PARKING FACILITIES FUND

FOR THE YEAR ENDED DECEMBER 31, 2014 AND 2013

| | 2014 | 2013 |
|---|--------------------|--------------------|
| Cash flows from operating activities: | | |
| Cash received from customers | \$ 77,191 | \$ 64,671 |
| Cash received from other operations | 501 | 1,160 |
| Cash payments for personal services | (80,793) | (75,943) |
| Cash payments for contract services. | (3,152) | (6,216) |
| Cash payments for materials and supplies. | (9,861) | (8,030) |
| Cash payments for utilities. | (491) | (473) |
| | <u>(16,605)</u> | <u>(24,831)</u> |
| Net cash used in operating activities. | | |
| Cash flows from noncapital financing activities: | | |
| Transfers in | 15,500 | 30,000 |
| Net cash provided by noncapital financing activities | <u>15,500</u> | <u>30,000</u> |
| Cash flows from capital and related financing activities: | | |
| Acquisition of capital assets | - | (1,000) |
| | <u>-</u> | <u>(1,000)</u> |
| Net cash used in capital and related financing activities | | |
| | <u>-</u> | <u>(1,000)</u> |
| Net increase (decrease) in cash and cash equivalents . . | (1,105) | 4,169 |
| Cash and cash equivalents at beginning of year . . . | 27,136 | 22,967 |
| Cash and cash equivalents at end of year. | \$ 26,031 | \$ 27,136 |
| Reconciliation of operating loss to net cash used in operating activities: | | |
| Operating loss | \$ (26,533) | \$ (31,630) |
| Adjustments to reconcile operating loss to net cash used in operating activities: | | |
| Depreciation | 6,451 | 3,226 |
| Changes in assets and liabilities: | | |
| (Increase) decrease in prepayments | (7) | 95 |
| Increase in accounts payable. | 1,553 | 486 |
| Increase in accrued wages and benefits. | 240 | 209 |
| Increase in compensated absences payable | 3,485 | 395 |
| Increase (decrease) in insurance deposits payable . . . | (1,794) | 2,388 |
| | <u>(1,794)</u> | <u>2,388</u> |
| Net cash used in operating activities | \$ (16,605) | \$ (24,831) |

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, 2014
(WITH COMPARATIVE TOTALS FOR DECEMBER 31, 2013)

| | Central Stores | Self-Insurance | Workers' Compensation | Totals | |
|---|---------------------------|-----------------------|----------------------------------|---------------------|---------------------|
| | | | | 2014 | 2013 |
| Assets: | | | | | |
| Current assets: | | | | | |
| Equity in pooled cash and investments | \$ 30,341 | \$ 1,048,632 | \$ 796,183 | \$ 1,875,156 | \$ 2,302,697 |
| Receivables (net of allowances of uncollectibles) | - | 35 | - | 35 | 42 |
| Prepayments. | - | 52,014 | - | 52,014 | 19,938 |
| Materials and supplies inventory | 3,475 | - | - | 3,475 | 4,467 |
| Total assets. | 33,816 | 1,100,681 | 796,183 | 1,930,680 | 2,327,144 |
| Liabilities: | | | | | |
| Current liabilities: | | | | | |
| Accounts payable. | 299 | 8,000 | - | 8,299 | 12,662 |
| Workers' compensation payable. | - | - | 36,818 | 36,818 | 81,233 |
| Total liabilities. | 299 | 8,000 | 36,818 | 45,117 | 93,895 |
| Net position: | | | | | |
| Unrestricted | 33,517 | 1,092,681 | 759,365 | 1,885,563 | 2,233,249 |
| Total net position | \$ 33,517 | \$ 1,092,681 | \$ 759,365 | \$ 1,885,563 | \$ 2,233,249 |

CITY OF FINDLAY, OHIO

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

FOR THE YEAR ENDED DECEMBER 31, 2014
(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED DECEMBER 31, 2013)

| | Central Stores | Self-Insurance | Workers' Compensation | Totals | |
|--|-------------------|---------------------|--------------------------|---------------------|---------------------|
| | | | | 2014 | 2013 |
| Operating revenues: | | | | | |
| Charges for services | \$ 15,336 | \$ - | \$ - | \$ 15,336 | \$ 492,068 |
| Total operating revenues | 15,336 | - | - | 15,336 | 492,068 |
| Operating expenses: | | | | | |
| Contract services | 2,030 | 141,726 | - | 143,756 | 48,803 |
| Materials and supplies. | 5,218 | - | - | 5,218 | 14,798 |
| Claims | - | - | 214,437 | 214,437 | 162,319 |
| Total operating expenses | 7,248 | 141,726 | 214,437 | 363,411 | 225,920 |
| Operating income (loss) | 8,088 | (141,726) | (214,437) | (348,075) | 266,148 |
| Nonoperating revenues: | | | | | |
| Interest revenue | - | 389 | - | 389 | 670 |
| Total nonoperating revenues | - | 389 | - | 389 | 670 |
| Income (loss) before transfers | 8,088 | (141,337) | (214,437) | (347,686) | 266,818 |
| Transfers in | - | - | - | - | 400,000 |
| Change in net position | 8,088 | (141,337) | (214,437) | (347,686) | 666,818 |
| Net position, January 1. | 25,429 | 1,234,018 | 973,802 | 2,233,249 | 1,566,431 |
| Net position, December 31 | \$ 33,517 | \$ 1,092,681 | \$ 759,365 | \$ 1,885,563 | \$ 2,233,249 |

CITY OF FINDLAY, OHIO

COMBINING STATEMENT OF CASH FLOWS
INTERNAL SERVICE FUNDS

FOR THE YEAR ENDED DECEMBER 31, 2014
(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED DECEMBER 31, 2013)

| | Central Stores | Self-Insurance | Workers' Compensation | Totals | |
|--|-------------------|---------------------|--------------------------|---------------------|---------------------|
| | | | | 2014 | 2013 |
| Cash flows from operating activities: | | | | | |
| Cash received from customers | \$ 15,336 | \$ - | \$ - | \$ 15,336 | \$ 492,068 |
| Cash payments for contract services. | (2,030) | (165,802) | - | (167,832) | (55,404) |
| Cash payments for materials and supplies. | (16,589) | - | - | (16,589) | (4,964) |
| Cash payments for claims | - | - | (258,852) | (258,852) | (296,205) |
| Net cash provided by (used in) operating activities. | <u>(3,283)</u> | <u>(165,802)</u> | <u>(258,852)</u> | <u>(427,937)</u> | <u>135,495</u> |
| Cash flows from noncapital financing activities: | | | | | |
| Transfers in. | - | - | - | - | 400,000 |
| Net cash provided by noncapital financing activities | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>400,000</u> |
| Cash flows from investing activities: | | | | | |
| Interest received. | - | 396 | - | 396 | 665 |
| Net cash provided by investing activities | <u>-</u> | <u>396</u> | <u>-</u> | <u>396</u> | <u>665</u> |
| Net decrease in cash and cash equivalents | (3,283) | (165,406) | (258,852) | (427,541) | 536,160 |
| Cash and cash equivalents at beginning of year | <u>33,624</u> | <u>1,214,038</u> | <u>1,055,035</u> | <u>2,302,697</u> | <u>1,766,537</u> |
| Cash and cash equivalents at end of year. | <u>\$ 30,341</u> | <u>\$ 1,048,632</u> | <u>\$ 796,183</u> | <u>\$ 1,875,156</u> | <u>\$ 2,302,697</u> |
| Reconciliation of operating income (loss) to net cash provided by (used in) operating activities: | | | | | |
| Operating income (loss) | \$ 8,088 | \$ (141,726) | \$ (214,437) | \$ (348,075) | \$ 266,148 |
| Changes in assets and liabilities: | | | | | |
| (Increase) decrease in materials and supplies inventory | 992 | - | - | 992 | (2,002) |
| (Increase) in prepayments | - | (32,076) | - | (32,076) | (6,601) |
| Increase (decrease) in accounts payable | (12,363) | 8,000 | - | (4,363) | 11,836 |
| (Decrease) in workers' compensation payable | - | - | (44,415) | (44,415) | (133,886) |
| Net cash provided by (used in) operating activities. | <u>\$ (3,283)</u> | <u>\$ (165,802)</u> | <u>\$ (258,852)</u> | <u>\$ (427,937)</u> | <u>\$ 135,495</u> |

CITY OF FINDLAY, OHIO

Fiduciary funds are used to account for assets held by the City in a trustee capacity, or as an agent for individuals, private organizations, other governmental units, and/or funds. The following are the City's fiduciary fund types:

Private-Purpose Trust Fund

Private Trust:

This fund accounts for the monies held in trust from contributions, gifts or by bequests that are invested by the City. The interest earnings from these investments are used to care for certain cemetery lots in a manner specified by the contributor.

Agency Funds

Agency funds are custodial in nature, and thus, do not recognize revenues or expenditures, only changes in assets and liabilities. These funds are used to record the collection and payment of refundable deposits, taxes collected for other governments, and municipal court.

Guaranteed Deposits:

This fund accounts for the monies held as deposits, that are required to guarantee the satisfactory completion of a job or project. These monies are returned to the depositor or used to pay any charges after the job or project has been accepted by the City Engineering Department or Fire Department.

Municipal Court:

This fund reports fines and forfeitures collected by the Court for distribution to various State and local governments.

Tax Collection:

This fund accounts for the income taxes collected on-behalf of the Village of Arlington and for assessments collected and due to the Downtown Special Improvement District.

CITY OF FINDLAY, OHIO

COMPARATIVE STATEMENT OF FIDUCIARY NET POSITION
PRIVATE-PURPOSE TRUST FUND
DECEMBER 31, 2014 AND 2013

| | 2014 | 2013 |
|---|-------------|-------------|
| Assets: | | |
| Equity in pooled cash and investments | \$ 159,378 | \$ 161,264 |
| Receivables: | | |
| Accrued interest. | 3 | 5 |
| Total assets. | 159,381 | 161,269 |
| Net Position: | | |
| Held in trust for private cemetery care | 159,381 | 161,269 |
| Total net position | \$ 159,381 | \$ 161,269 |

CITY OF FINDLAY, OHIO

COMPARATIVE STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
PRIVATE-PURPOSE TRUST FUND
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2014 AND 2013

| | <u>2014</u> | <u>2013</u> |
|--|-------------------|-------------------|
| Additions: | | |
| Interest | \$ 42 | \$ 147 |
| Other | 200 | 200 |
| | <hr/> | <hr/> |
| Total additions. | 242 | 347 |
| | <hr/> | <hr/> |
| Deductions: | | |
| Cemetery care | 2,130 | 2,435 |
| | <hr/> | <hr/> |
| Changes in net position | (1,888) | (2,088) |
| | <hr/> | <hr/> |
| Net position, January 1. | 161,069 | 163,157 |
| | <hr/> | <hr/> |
| Net position, December 31 | <u>\$ 159,181</u> | <u>\$ 161,069</u> |

CITY OF FINDLAY, OHIO

COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
AGENCY FUNDS

FOR THE YEAR ENDED DECEMBER 31, 2014

| | <u>Balance 12/31/13</u> | <u>Additions</u> | <u>Reductions</u> | <u>Balance 12/31/14</u> |
|---|-----------------------------|-------------------|---------------------|-----------------------------|
| Guaranteed Deposits | | | | |
| Assets: | | | | |
| Equity in pooled cash and investments | \$ 95,410 | \$ 275,238 | \$ (95,410) | \$ 275,238 |
| Total assets | <u>\$ 95,410</u> | <u>\$ 275,238</u> | <u>\$ (95,410)</u> | <u>\$ 275,238</u> |
| Liabilities: | | | | |
| Deposits held and due to others. | \$ 95,410 | \$ 275,238 | \$ (95,410) | \$ 275,238 |
| Total liabilities. | <u>\$ 95,410</u> | <u>\$ 275,238</u> | <u>\$ (95,410)</u> | <u>\$ 275,238</u> |
| Municipal Court | | | | |
| Assets: | | | | |
| Cash in segregated accounts | \$ 31,159 | \$ 34,851 | \$ (31,159) | \$ 34,851 |
| Total assets | <u>\$ 31,159</u> | <u>\$ 34,851</u> | <u>\$ (31,159)</u> | <u>\$ 34,851</u> |
| Liabilities: | | | | |
| Deposits held and due to others. | \$ 31,159 | \$ 34,851 | \$ (31,159) | \$ 34,851 |
| Total liabilities. | <u>\$ 31,159</u> | <u>\$ 34,851</u> | <u>\$ (31,159)</u> | <u>\$ 34,851</u> |
| Tax Collection | | | | |
| Assets: | | | | |
| Equity in pooled cash and investments | \$ 3,087 | \$ 5,342 | \$ (3,087) | \$ 5,342 |
| Total assets | <u>\$ 3,087</u> | <u>\$ 5,342</u> | <u>\$ (3,087)</u> | <u>\$ 5,342</u> |
| Liabilities: | | | | |
| Accounts payable. | \$ 3,087 | \$ 5,342 | \$ (3,087) | \$ 5,342 |
| Total liabilities. | <u>\$ 3,087</u> | <u>\$ 5,342</u> | <u>\$ (3,087)</u> | <u>\$ 5,342</u> |
| Total Agency Funds | | | | |
| Assets: | | | | |
| Equity in pooled cash and investments | \$ 98,497 | \$ 280,580 | \$ (98,497) | \$ 280,580 |
| Cash in segregated accounts | 31,159 | 34,851 | (31,159) | 34,851 |
| Total assets | <u>\$ 129,656</u> | <u>\$ 315,431</u> | <u>\$ (129,656)</u> | <u>\$ 315,431</u> |
| Liabilities: | | | | |
| Accounts payable. | \$ 3,087 | \$ 5,342 | \$ (3,087) | \$ 5,342 |
| Deposits held and due to others. | 126,569 | 310,089 | (126,569) | 310,089 |
| Total liabilities. | <u>\$ 129,656</u> | <u>\$ 315,431</u> | <u>\$ (129,656)</u> | <u>\$ 315,431</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. | 184-193 |
| Revenue Capacity These schedules contain information to help the reader assess the City's most significant local revenue sources, property taxes and income taxes. | 194-203 |
| 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. | 204-208 |
| 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. | 209-210 |
| 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. | 212-221 |

Sources: Sources are noted on the individual schedules.

CITY OF FINDLAY, OHIO

NET POSITION BY COMPONENT
LAST TEN YEARS
(ACCRUAL BASIS OF ACCOUNTING)

| | <u>2014</u> | <u>2013</u> | <u>2012</u> | <u>2011 (1)</u> |
|---|-----------------------|-----------------------|-----------------------|-----------------------|
| Governmental Activities | | | | |
| Net investment in capital assets | \$ 73,978,571 | \$ 72,492,146 | \$ 72,190,698 | \$ 72,312,433 |
| Restricted for: | | | | |
| Capital projects | 496,643 | 524,102 | 516,709 | 614,526 |
| Debt service | 195,205 | 226,052 | 265,528 | 30,175 |
| Security of persons and property programs | 91,115 | 86,003 | 87,584 | 87,446 |
| General government operations | 768,178 | 677,630 | 682,029 | 557,094 |
| Transportation improvement projects | 2,981,776 | 1,778,564 | 1,827,410 | 1,926,637 |
| Economic development programs | 1,094,735 | 1,084,996 | 841,400 | 841,656 |
| Perpetual care: | | | | |
| Expendable | 449 | 1,068 | 1,477 | 2,101 |
| Nonexpendable | 1,308,415 | 1,269,186 | 1,231,975 | 1,204,779 |
| Other purposes | 947,848 | 1,158,767 | 884,604 | 1,059,400 |
| Unrestricted | 25,834,186 | 25,723,428 | 15,856,895 | 12,372,527 |
| Total governmental activities net position | <u>\$ 107,697,121</u> | <u>\$ 105,021,942</u> | <u>\$ 94,386,309</u> | <u>\$ 91,008,774</u> |
| Business-type Activities | | | | |
| Net investment in capital assets | \$ 121,616,774 | \$ 122,106,355 | \$ 122,183,651 | \$ 121,019,885 |
| Restricted for: | | | | |
| Capital projects | 5,535,446 | 6,392,630 | 5,985,364 | 5,211,113 |
| Unrestricted | 19,571,591 | 14,210,390 | 10,830,020 | 8,056,846 |
| Total business-type activities net position | <u>\$ 146,723,811</u> | <u>\$ 142,709,375</u> | <u>\$ 138,999,035</u> | <u>\$ 134,287,844</u> |
| Total Primary Government | | | | |
| Net investment in capital assets | \$ 195,595,345 | \$ 194,598,501 | \$ 194,374,349 | \$ 193,332,318 |
| Restricted for: | | | | |
| Capital projects | 6,032,089 | 6,916,732 | 6,502,073 | 5,825,639 |
| Debt service | 195,205 | 226,052 | 265,528 | 30,175 |
| Security of persons and property programs | 91,115 | 86,003 | 87,584 | 87,446 |
| General government operations | 768,178 | 677,630 | 682,029 | 557,094 |
| Transportation projects | 2,981,776 | 1,778,564 | 1,827,410 | 1,926,637 |
| Economic development programs | 1,094,735 | 1,084,996 | 841,400 | 841,656 |
| Perpetual care: | | | | |
| Expendable | 449 | 1,068 | 1,477 | 2,101 |
| Nonexpendable | 1,308,415 | 1,269,186 | 1,231,975 | 1,204,779 |
| Other projects | 947,848 | 1,158,767 | 884,604 | 1,059,400 |
| Unrestricted | 45,405,777 | 39,933,818 | 26,686,915 | 20,429,373 |
| Total primary government net position | <u>\$ 254,420,932</u> | <u>\$ 247,731,317</u> | <u>\$ 233,385,344</u> | <u>\$ 225,296,618</u> |

(1) Amounts for 2011 have been restated to reflect the implementation of GASB Statement No. 65.

TABLE 1

| 2010 | 2009 | 2008 | 2007 | 2006 | 2005 |
|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|
| \$ 72,061,766 | \$ 72,632,017 | \$ 67,497,148 | \$ 60,888,257 | \$ 57,094,162 | \$ 57,382,919 |
| 675,260 | 796,169 | 807,513 | 833,059 | 816,047 | 767,872 |
| 131,860 | - | - | 198,994 | 300,417 | 421,034 |
| 108,402 | 120,155 | 46,058 | - | - | - |
| 488,391 | 377,200 | 371,730 | - | - | - |
| 1,761,398 | 1,356,482 | 2,556,627 | 382,853 | 1,682,254 | 1,321,291 |
| 949,173 | 949,428 | 957,002 | 995,811 | 996,565 | 774,538 |
| 121 | 99 | 1,343 | 10,642 | 6,856 | 2,847 |
| 1,176,477 | 1,153,077 | 1,106,527 | 1,082,017 | 1,040,735 | 971,777 |
| 142,986 | 243,317 | 106,955 | 1,102,364 | 883,047 | 1,133,567 |
| 10,841,644 | 5,123,470 | 7,209,975 | 16,062,711 | 13,761,840 | 9,733,607 |
| <u>\$ 88,337,478</u> | <u>\$ 82,751,414</u> | <u>\$ 80,660,878</u> | <u>\$ 81,556,708</u> | <u>\$ 76,581,923</u> | <u>\$ 72,509,452</u> |
| \$ 118,932,110 | \$ 117,699,129 | \$ 107,016,529 | \$ 100,827,108 | \$ 96,111,991 | \$ 92,990,351 |
| 4,843,032 | 5,149,454 | 5,144,813 | 5,291,559 | 5,605,343 | 5,026,928 |
| 7,963,331 | 7,286,739 | 8,609,810 | 9,690,895 | 8,564,441 | 6,234,096 |
| <u>\$ 131,738,473</u> | <u>\$ 130,135,322</u> | <u>\$ 120,771,152</u> | <u>\$ 115,809,562</u> | <u>\$ 110,281,775</u> | <u>\$ 104,251,375</u> |
| \$ 190,993,876 | \$ 190,331,146 | \$ 174,513,677 | \$ 161,715,365 | \$ 153,206,153 | \$ 150,373,270 |
| 5,518,292 | 5,945,623 | 5,952,326 | 6,124,618 | 6,421,390 | 5,794,800 |
| 131,860 | - | - | 198,994 | 300,417 | 421,034 |
| 108,402 | 120,155 | 46,058 | - | - | - |
| 488,391 | 377,200 | 371,730 | - | - | - |
| 1,761,398 | 1,356,482 | 2,556,627 | 382,853 | 1,682,254 | 1,321,291 |
| 949,173 | 949,428 | 957,002 | 995,811 | 996,565 | 774,538 |
| 121 | 99 | 1,343 | 10,642 | 6,856 | 2,847 |
| 1,176,477 | 1,153,077 | 1,106,527 | 1,082,017 | 1,040,735 | 971,777 |
| 142,986 | 243,317 | 106,955 | 1,102,364 | 883,047 | 1,133,567 |
| 18,804,975 | 12,410,209 | 15,819,785 | 25,753,606 | 22,326,281 | 15,967,703 |
| <u>\$ 220,075,951</u> | <u>\$ 212,886,736</u> | <u>\$ 201,432,030</u> | <u>\$ 197,366,270</u> | <u>\$ 186,863,698</u> | <u>\$ 176,760,827</u> |

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

| | <u>2014</u> | <u>2013</u> | <u>2012</u> | <u>2011</u> |
|---|----------------------|----------------------|----------------------|----------------------|
| Program Revenues: | | | | |
| Governmental activities | | | | |
| Charges for services: | | | | |
| General government | \$ 2,322,091 | \$ 2,594,246 | \$ 2,359,760 | \$ 2,433,357 |
| Security of persons and property | 267,809 | 247,124 | 269,644 | 141,823 |
| Public health services | 1,110,657 | 841,091 | 910,714 | 636,349 |
| Transportation | 141,853 | 126,056 | 158,250 | 95,613 |
| Leisure time activities | 628,480 | 592,621 | 590,059 | 566,439 |
| Interest and fiscal charges | 13,839 | 417 | 244,530 | 210 |
| Operating grants & contributions | 2,708,225 | 3,325,208 | 2,932,081 | 3,784,840 |
| Capital grants & contributions | 1,454,779 | 1,106,922 | 987,606 | 2,299,329 |
| Total governmental activities program revenues | <u>8,647,733</u> | <u>8,833,685</u> | <u>8,452,644</u> | <u>9,957,960</u> |
| Business-type activities: | | | | |
| Charges for services: | | | | |
| Water | 8,094,877 | 8,158,604 | 8,414,617 | 7,343,601 |
| Water pollution control | 9,397,038 | 9,245,878 | 9,410,093 | 9,088,500 |
| Airport | 1,113,979 | 1,022,799 | 1,128,095 | 882,752 |
| Parking facilities | 77,191 | 64,671 | 63,249 | 66,087 |
| Swimming pool | - | - | - | - |
| Operating grants & contributions | 169,302 | 176,207 | 174,907 | 157,785 |
| Capital grants & contributions | 282,249 | 175,331 | 602,142 | 200,787 |
| Total business-type activities program revenues | <u>19,134,636</u> | <u>18,843,490</u> | <u>19,793,103</u> | <u>17,739,512</u> |
| Total primary government | <u>\$ 27,782,369</u> | <u>\$ 27,677,175</u> | <u>\$ 28,245,747</u> | <u>\$ 27,697,472</u> |
| Expenses: | | | | |
| Governmental Activities | | | | |
| General government | \$ 7,469,907 | \$ 7,502,393 | \$ 9,257,857 | \$ 8,344,438 |
| Security of persons and property | 14,443,733 | 13,434,775 | 15,560,367 | 15,827,515 |
| Public health services | 2,160,622 | 2,034,618 | 1,978,226 | 2,181,429 |
| Transportation | 5,422,042 | 5,528,850 | 5,095,585 | 5,487,799 |
| Leisure time activities | 1,499,577 | 1,252,231 | 1,229,723 | 1,415,161 |
| Other | - | - | - | - |
| Interest and fiscal charges | 356,731 | 393,632 | 421,280 | 419,946 |
| Total governmental activities expenses | <u>31,352,612</u> | <u>30,146,499</u> | <u>33,543,038</u> | <u>33,676,288</u> |
| Business-type activities: | | | | |
| Water | 6,051,531 | 5,866,274 | 6,198,978 | 6,278,612 |
| Water pollution control | 7,187,450 | 7,309,005 | 6,988,964 | 7,155,791 |
| Airport | 2,059,034 | 2,190,509 | 2,321,322 | 2,123,837 |
| Parking facilities | 104,917 | 96,404 | 88,675 | 86,691 |
| Swimming pool | 116,867 | 55,462 | 57,654 | 51,519 |
| Total business-type activities expenses | <u>15,519,799</u> | <u>15,517,654</u> | <u>15,655,593</u> | <u>15,696,450</u> |
| Total primary government | <u>\$ 46,872,411</u> | <u>\$ 45,664,153</u> | <u>\$ 49,198,631</u> | <u>\$ 49,372,738</u> |

TABLE 2

| 2010 | 2009 | 2008 | 2007 | 2006 | 2005 |
|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|
| \$ 2,921,732 | \$ 2,496,854 | \$ 2,658,578 | \$ 2,642,592 | \$ 1,795,902 | \$ 1,923,294 |
| 257,994 | 162,514 | 93,886 | 27,093 | 96,414 | 53,312 |
| 578,972 | 663,426 | 422,006 | 375,142 | 662,752 | 607,457 |
| 138,556 | 7,499 | 26,547 | 177,677 | 10,454 | 17,202 |
| 604,244 | 832,625 | 537,876 | 536,362 | 381,605 | 337,880 |
| 61,849 | 46,252 | 57,481 | 31,753 | 36,124 | 111,908 |
| 4,782,062 | 2,593,576 | 2,607,745 | 2,607,559 | 3,450,769 | 2,608,882 |
| 854,821 | 2,519,999 | 583,891 | 1,540,453 | - | 1,512,583 |
| <u>10,200,230</u> | <u>9,322,745</u> | <u>6,988,010</u> | <u>7,938,631</u> | <u>6,434,020</u> | <u>7,172,518</u> |
| 7,330,609 | 7,234,830 | 7,395,768 | 7,656,030 | 7,085,719 | 7,100,619 |
| 9,068,861 | 8,889,619 | 8,472,743 | 8,678,711 | 8,505,966 | 8,609,713 |
| 836,474 | 659,547 | 870,610 | 955,248 | 1,042,094 | 946,458 |
| 56,875 | 61,431 | 57,214 | 66,606 | 66,901 | 90,498 |
| 149 | 45,211 | 64,484 | 76,738 | 64,620 | 54,029 |
| 169,814 | 3,300 | 12,469 | - | - | - |
| 1,903,706 | 6,490,318 | 2,342,423 | 3,497,107 | 3,015,561 | 4,567,599 |
| <u>19,366,488</u> | <u>23,384,256</u> | <u>19,215,711</u> | <u>20,930,440</u> | <u>19,780,861</u> | <u>21,368,916</u> |
| <u>\$ 29,566,718</u> | <u>\$ 32,707,001</u> | <u>\$ 26,203,721</u> | <u>\$ 28,869,071</u> | <u>\$ 26,214,881</u> | <u>\$ 28,541,434</u> |
| \$ 6,459,067 | \$ 7,077,400 | \$ 7,704,101 | \$ 8,023,535 | \$ 6,504,903 | \$ 6,387,634 |
| 15,696,261 | 14,753,558 | 14,678,503 | 14,680,286 | 14,848,790 | 14,919,051 |
| 1,790,894 | 1,761,611 | 1,702,053 | 1,640,736 | 1,540,983 | 1,515,801 |
| 4,963,539 | 4,072,078 | 5,437,592 | 5,196,310 | 4,789,212 | 4,194,626 |
| 1,357,651 | 1,728,505 | 1,931,170 | 1,557,008 | 1,370,659 | 1,413,227 |
| - | - | 587 | - | - | - |
| 427,068 | 466,040 | 505,675 | 567,264 | 211,810 | 108,694 |
| <u>30,694,480</u> | <u>29,859,192</u> | <u>31,959,681</u> | <u>31,665,139</u> | <u>29,266,357</u> | <u>28,539,033</u> |
| 7,379,254 | 5,934,589 | 6,349,090 | 6,844,630 | 5,667,066 | 5,916,358 |
| 8,209,683 | 6,834,280 | 7,382,633 | 7,418,266 | 6,355,113 | 6,175,336 |
| 1,889,699 | 1,577,566 | 1,782,535 | 1,718,628 | 1,673,047 | 1,642,345 |
| 87,485 | 109,874 | 112,539 | 126,429 | 144,136 | 139,108 |
| 63,792 | 140,867 | 204,675 | 159,333 | 154,660 | 122,407 |
| <u>17,629,913</u> | <u>14,597,176</u> | <u>15,831,472</u> | <u>16,267,286</u> | <u>13,994,022</u> | <u>13,995,554</u> |
| <u>\$ 48,324,393</u> | <u>\$ 44,456,368</u> | <u>\$ 47,791,153</u> | <u>\$ 47,932,425</u> | <u>\$ 43,260,379</u> | <u>\$ 42,534,587</u> |

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

| | <u>2014</u> | <u>2013</u> | <u>2012</u> | <u>2011</u> |
|---|------------------------|------------------------|------------------------|------------------------|
| Net (Expense) Revenue | | | | |
| Governmental activities | \$ (22,704,879) | \$ (21,312,814) | \$ (25,090,394) | \$ (23,718,328) |
| Business-type activities | 3,614,837 | 3,325,836 | 4,137,510 | 2,043,062 |
| Total primary government net expense | <u>\$ (19,090,042)</u> | <u>\$ (17,986,978)</u> | <u>\$ (20,952,884)</u> | <u>\$ (21,675,266)</u> |
| General Revenues and Other Changes in Net Position | | | | |
| Governmental activities | | | | |
| Taxes: | | | | |
| Property and other local taxes levied for: | | | | |
| General purposes | \$ 2,397,716 | \$ 2,337,745 | \$ 2,341,451 | \$ 2,349,758 |
| Police and fire pensions | 441,310 | 426,568 | 431,342 | 441,702 |
| Municipal income taxes levied for: | | | | |
| General purposes | 20,625,080 | 26,754,570 | 21,596,551 | 20,703,206 |
| Tax increment financing revenues | 72,159 | 72,941 | 71,284 | 70,551 |
| Grants and entitlements | | | | |
| not restricted to specific programs | 895,700 | 1,585,007 | 2,983,700 | 2,793,218 |
| Gain on sale of capital assets | - | - | - | - |
| Investment earnings | 43,623 | 47,736 | 24,262 | 70,011 |
| Increase (decrease) in fair market value | | | | |
| of investments | (7,943) | (9,945) | 20,690 | (28,750) |
| Miscellaneous | 1,130,406 | 995,168 | 1,481,603 | 479,571 |
| Transfers | (217,993) | (261,343) | (482,954) | (317,416) |
| Extraordinary item | - | - | - | - |
| Total governmental activities | <u>25,380,058</u> | <u>31,948,447</u> | <u>28,467,929</u> | <u>26,561,851</u> |
| Business-type activities | | | | |
| Investment earnings | 43,381 | 34,375 | 29,900 | 43,424 |
| Miscellaneous | 138,225 | 88,786 | 60,827 | 244,443 |
| Transfers | 217,993 | 261,343 | 482,954 | 317,416 |
| Extraordinary item | - | - | - | - |
| Total business-type activities | <u>399,599</u> | <u>384,504</u> | <u>573,681</u> | <u>605,283</u> |
| Total primary government | <u>\$ 25,779,657</u> | <u>\$ 32,332,951</u> | <u>\$ 29,041,610</u> | <u>\$ 27,167,134</u> |
| Change in Net Position | | | | |
| Governmental activities | \$ 2,675,179 | \$ 10,635,633 | \$ 3,377,535 | \$ 2,843,523 |
| Business-type activities | 4,014,436 | 3,710,340 | 4,711,191 | 2,648,345 |
| Total primary government | <u>\$ 6,689,615</u> | <u>\$ 14,345,973</u> | <u>\$ 8,088,726</u> | <u>\$ 5,491,868</u> |

| 2010 | 2009 | 2008 | 2007 | 2006 | 2005 |
|------------------------|------------------------|------------------------|------------------------|------------------------|------------------------|
| \$ (20,494,250) | \$ (20,536,447) | \$ (24,971,671) | \$ (23,726,508) | \$ (22,832,337) | \$ (21,366,515) |
| 1,736,575 | 8,787,080 | 3,384,239 | 4,663,154 | 5,786,839 | 7,373,362 |
| <u>\$ (18,757,675)</u> | <u>\$ (11,749,367)</u> | <u>\$ (21,587,432)</u> | <u>\$ (19,063,354)</u> | <u>\$ (17,045,498)</u> | <u>\$ (13,993,153)</u> |
| | | | | | |
| \$ 2,705,027 | \$ 2,621,017 | \$ 2,666,772 | \$ 2,645,547 | \$ 2,575,307 | \$ 2,619,131 |
| 534,026 | 525,756 | 526,916 | 524,798 | 513,836 | 537,426 |
| 19,619,390 | 14,707,682 | 15,550,207 | 21,067,032 | 18,966,079 | 17,260,892 |
| - | - | - | - | - | - |
| 2,431,879 | 4,506,472 | 4,327,630 | 2,711,937 | 3,903,190 | 3,505,531 |
| 11,689 | - | - | - | - | - |
| 49,253 | 107,613 | 586,151 | 1,275,323 | 995,789 | 527,756 |
| (27) | (102,525) | 74,364 | 34,478 | 2,162 | 29,112 |
| 500,982 | 537,215 | 1,180,285 | 1,164,610 | 1,184,836 | 1,099,952 |
| 228,095 | (276,247) | (836,484) | (410,194) | (40,825) | 33,689 |
| - | - | - | (312,238) | - | - |
| <u>26,080,314</u> | <u>22,626,983</u> | <u>24,075,841</u> | <u>28,701,293</u> | <u>28,100,374</u> | <u>25,613,489</u> |
| | | | | | |
| 42,681 | 131,594 | 475,668 | 710,300 | 578,344 | 325,083 |
| 51,990 | 169,249 | 265,199 | 324,139 | 322,056 | 377,656 |
| (228,095) | 276,247 | 836,484 | 410,194 | 40,825 | (33,689) |
| - | - | - | (580,000) | - | - |
| <u>(133,424)</u> | <u>577,090</u> | <u>1,577,351</u> | <u>864,633</u> | <u>941,225</u> | <u>669,050</u> |
| <u>\$ 25,946,890</u> | <u>\$ 23,204,073</u> | <u>\$ 25,653,192</u> | <u>\$ 29,565,926</u> | <u>\$ 29,041,599</u> | <u>\$ 26,282,539</u> |
| | | | | | |
| \$ 5,586,064 | \$ 2,090,536 | \$ (895,830) | \$ 4,974,785 | \$ 5,268,037 | \$ 4,246,974 |
| 1,603,151 | 9,364,170 | 4,961,590 | 5,527,787 | 6,728,064 | 8,042,412 |
| <u>\$ 7,189,215</u> | <u>\$ 11,454,706</u> | <u>\$ 4,065,760</u> | <u>\$ 10,502,572</u> | <u>\$ 11,996,101</u> | <u>\$ 12,289,386</u> |

CITY OF FINDLAY, OHIO

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

| | <u>2014</u> | <u>2013 (2)</u> | <u>2012</u> | <u>2011</u> |
|---------------------------------------|----------------------|----------------------|----------------------|----------------------|
| General Fund | | | | |
| Nonspendable | \$ 45,471 | \$ 47,040 | \$ 48,152 | \$ 46,848 |
| Restricted | 556,930 | 799,077 | 576,264 | 752,667 |
| Committed | 11,518,860 | 12,345,286 | 1,767,446 | 1,084,266 |
| Assigned | 437,476 | 100,584 | 1,827,722 | 1,237,557 |
| Unassigned | 11,102,421 | 10,037,368 | 8,250,881 | 6,121,828 |
| Reserved | - | - | - | - |
| Designated | - | - | - | - |
| Unreserved, undesignated | - | - | - | - |
| Total general fund | <u>\$ 23,661,158</u> | <u>\$ 23,329,355</u> | <u>\$ 12,470,465</u> | <u>\$ 9,243,166</u> |
| All Other Governmental Funds | | | | |
| Nonspendable | \$ 1,984,890 | \$ 1,823,884 | \$ 1,701,268 | \$ 1,717,902 |
| Restricted | 4,892,233 | 3,730,189 | 3,532,230 | 3,596,540 |
| Committed | - | - | 4,623,943 | 4,680,635 |
| Assigned | - | - | - | - |
| Unassigned (deficit) | - | - | - | (332,718) |
| Reserved | - | - | - | - |
| Unreserved, undesignated reported in: | | | | |
| Special revenue funds | - | - | - | - |
| Permanent fund | - | - | - | - |
| Capital projects funds | - | - | - | - |
| Total all other governmental funds | <u>\$ 6,877,123</u> | <u>\$ 5,554,073</u> | <u>\$ 9,857,441</u> | <u>\$ 9,662,359</u> |
| Total governmental funds | <u>\$ 30,538,281</u> | <u>\$ 28,883,428</u> | <u>\$ 22,327,906</u> | <u>\$ 18,905,525</u> |

(1) The City implemented GASB Statement No. 54 in 2011. Fund balance classifications prior to 2010 have not been restated to conform to GASB Statement No. 54.

(2) Certain Amount for 2013 have been restated to reflect 2014 presentation of the city income tax fund as a component of the genral fund.

TABLE 3

| 2010 | 2009 (1) | 2008 (1) | 2007 (1) | 2006 (1) | 2005 (1) |
|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|
| \$ 45,131 | \$ - | \$ - | \$ - | \$ - | \$ - |
| 613,308 | - | - | - | - | - |
| 1,309,907 | - | - | - | - | - |
| 566,767 | - | - | - | - | - |
| 5,059,364 | - | - | - | - | - |
| - | 1,113,476 | 720,530 | 1,195,477 | 2,355,431 | 843,588 |
| - | - | 1,000,000 | - | - | - |
| - | 3,122,306 | 4,143,164 | 4,839,070 | 4,516,854 | 7,401,998 |
| <u>\$ 7,594,477</u> | <u>\$ 4,235,782</u> | <u>\$ 5,863,694</u> | <u>\$ 6,034,547</u> | <u>\$ 6,872,285</u> | <u>\$ 8,245,586</u> |
| \$ 1,627,403 | \$ - | \$ - | \$ - | \$ - | \$ - |
| 3,526,938 | - | - | - | - | - |
| 3,553,070 | - | - | - | - | - |
| - | - | - | - | - | - |
| (40,714) | - | - | - | - | - |
| - | 3,718,638 | 4,658,477 | 4,259,447 | 4,465,758 | 3,261,941 |
| - | 2,408,755 | 2,818,273 | 236,907 | 3,221,237 | 4,110,157 |
| - | 99 | 1,343 | 10,642 | 6,856 | 2,847 |
| - | 791,579 | 807,513 | 826,099 | 815,547 | 767,872 |
| <u>\$ 8,666,697</u> | <u>\$ 6,919,071</u> | <u>\$ 8,285,606</u> | <u>\$ 5,333,095</u> | <u>\$ 8,509,398</u> | <u>\$ 8,142,817</u> |
| <u>\$ 16,261,174</u> | <u>\$ 11,154,853</u> | <u>\$ 14,149,300</u> | <u>\$ 11,367,642</u> | <u>\$ 15,381,683</u> | <u>\$ 16,388,403</u> |

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

| | <u>2014</u> | <u>2013 (1)</u> | <u>2012</u> | <u>2011</u> |
|--|---------------------|---------------------|---------------------|---------------------|
| Revenues | | | | |
| Municipal income taxes | \$ 20,938,843 | \$ 24,149,733 | \$ 21,563,110 | \$ 20,456,073 |
| Property and other taxes | 2,839,762 | 2,765,164 | 2,773,713 | 2,792,147 |
| Charges for services | 2,762,250 | 2,768,092 | 2,891,751 | 2,385,372 |
| Licenses and permits | 314,881 | 347,094 | 319,236 | 326,626 |
| Fines and forfeitures | 1,293,710 | 1,229,609 | 1,321,720 | 1,189,206 |
| Intergovernmental | 4,770,643 | 5,990,277 | 6,654,320 | 8,918,043 |
| Special assessments | 1,466 | 32,578 | 208,357 | 9,023 |
| Investment income | 67,714 | 71,632 | 43,370 | 92,454 |
| Increase (decrease) in fair market value of investments | (7,943) | (9,945) | 20,690 | (28,750) |
| Rental income | 77,890 | 84,701 | 67,130 | 59,092 |
| Contributions and donations | 33,239 | 20,765 | 93,503 | 189,262 |
| Reimbursements | 1,133,883 | 995,058 | 959,217 | 478,830 |
| Tax increment financing | 72,159 | 72,941 | 71,284 | 70,551 |
| Other | 11,777 | 34,167 | 56,187 | 64,621 |
| Total revenues | <u>34,310,274</u> | <u>38,551,866</u> | <u>37,043,588</u> | <u>37,002,550</u> |
| Expenditures | | | | |
| Current: | | | | |
| General government | 6,929,984 | 7,028,408 | 8,985,945 | 7,563,146 |
| Security of persons and property | 13,945,852 | 13,819,356 | 14,918,793 | 15,311,232 |
| Public health and welfare | 2,128,398 | 2,051,992 | 1,947,627 | 2,085,575 |
| Transportation | 2,366,790 | 2,317,126 | 2,281,244 | 2,555,879 |
| Leisure time activity | 1,178,546 | 955,716 | 1,221,237 | 1,359,519 |
| Other | - | - | - | - |
| Capital outlay | 5,031,019 | 4,239,024 | 2,961,849 | 5,132,329 |
| Debt service: | | | | |
| Principal retirement | 617,524 | 609,401 | 565,989 | 667,203 |
| Interest and fiscal charges | 364,146 | 398,390 | 424,971 | 411,064 |
| Bond/note issuance costs | 3,205 | - | - | 54,920 |
| Total expenditures | <u>32,565,464</u> | <u>31,419,413</u> | <u>33,307,655</u> | <u>35,140,867</u> |
| Excess (deficiency) of revenues over (under) expenditures | <u>1,744,810</u> | <u>7,132,453</u> | <u>3,735,933</u> | <u>1,861,683</u> |
| Other Financing Sources (Uses) | | | | |
| Transfers in | 6,521,041 | 6,098,734 | 26,243,826 | 21,241,205 |
| Transfers (out) | (6,739,034) | (6,760,077) | (26,726,780) | (21,558,621) |
| Issuance of refunding bonds | 584,500 | - | - | - |
| Payment to refunding bond escrow agent | (576,672) | - | - | - |
| Premium on notes/bonds | - | - | - | - |
| Sale of capital assets | - | 119 | 928 | 159 |
| Discount on bonds sold | - | - | - | - |
| Premium on notes sold | - | - | - | - |
| Bonds issued | - | - | 211,000 | 1,036,011 |
| OPWC loans issued | - | - | - | - |
| Total other financing sources (uses) | <u>(210,165)</u> | <u>(661,224)</u> | <u>(271,026)</u> | <u>718,754</u> |
| Extraordinary item | | | | |
| Loss due to flood damage | - | - | - | - |
| Total extraordinary items | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| Net change in fund balances | 1,534,645 | 6,471,229 | 3,464,907 | 2,580,437 |
| Increase (decrease) in reserve for inventory | 126,454 | 88,289 | (45,186) | 61,931 |
| Increase (decrease) in prepaids | (6,246) | (3,996) | 2,660 | 1,983 |
| Total change in fund balances | <u>\$ 1,654,853</u> | <u>\$ 6,555,522</u> | <u>\$ 3,422,381</u> | <u>\$ 2,644,351</u> |
| Capital expenditures | 4,999,631 | 3,971,501 | 3,763,032 | 4,695,569 |
| Debt service as a percentage of noncapital expenditures | 3.56% | 3.67% | 3.35% | 3.54% |

(1) Certain Amount for 2013 have been restated to reflect 2014 presentation of the city income tax fund as a component of the genral fund.

TABLE 4

| | 2010 | 2009 | 2008 | 2007 | 2006 | 2005 |
|----|-------------------|-----------------------|---------------------|-----------------------|-----------------------|---------------------|
| \$ | 18,562,751 | \$ 14,623,811 | \$ 15,646,020 | \$ 21,043,910 | \$ 18,546,064 | \$ 17,323,028 |
| | 3,239,792 | 3,146,983 | 3,193,744 | 3,170,345 | 3,089,143 | 3,156,557 |
| | 2,374,123 | 2,632,388 | 2,011,057 | 2,053,334 | 1,308,721 | 1,051,512 |
| | 321,919 | 394,060 | 335,820 | 348,671 | 326,340 | 367,854 |
| | 1,369,185 | 1,132,362 | 1,178,490 | 1,239,933 | 1,312,066 | 1,370,961 |
| | 7,701,147 | 9,424,101 | 6,768,810 | 5,363,039 | 7,201,553 | 6,227,738 |
| | 24,223 | 36,385 | 47,171 | 103,550 | 170,580 | 288,554 |
| | 75,987 | 126,352 | 637,025 | 1,216,152 | 947,722 | 508,744 |
| | (27) | (102,525) | 74,364 | 34,478 | 2,162 | 29,112 |
| | 70,314 | 65,948 | 58,677 | 57,231 | 50,900 | - |
| | 148,089 | 157,531 | 157,036 | 160,000 | 5,269 | - |
| | 618,016 | 469,885 | 1,085,310 | 943,393 | 835,261 | 834,736 |
| | 61,735 | 45,943 | 40,383 | - | - | - |
| | 61,142 | 71,631 | 94,919 | 82,381 | 293,406 | 265,216 |
| | <u>34,628,396</u> | <u>32,224,855</u> | <u>31,328,826</u> | <u>35,816,417</u> | <u>34,089,187</u> | <u>31,424,012</u> |
| | 6,147,014 | 6,800,513 | 7,383,581 | 7,267,755 | 6,043,985 | 6,077,685 |
| | 14,743,482 | 14,430,340 | 14,470,422 | 13,812,880 | 13,944,904 | 14,179,528 |
| | 1,727,315 | 1,674,041 | 1,674,062 | 1,636,529 | 1,467,461 | 1,483,325 |
| | 2,190,517 | 2,298,037 | 2,791,562 | 2,693,686 | 2,414,009 | 1,797,021 |
| | 1,258,449 | 1,635,959 | 1,871,879 | 1,408,200 | 1,267,736 | 1,305,133 |
| | - | - | 587 | - | - | - |
| | 2,587,380 | 7,126,312 | 6,909,430 | 11,368,519 | 9,399,548 | 4,003,967 |
| | 662,703 | 648,703 | 428,703 | 483,353 | 488,132 | 429,486 |
| | 416,260 | 417,799 | 363,261 | 616,955 | 243,875 | 137,867 |
| | - | - | 134,231 | 10,284 | - | - |
| | <u>29,733,120</u> | <u>35,031,704</u> | <u>36,027,718</u> | <u>39,298,161</u> | <u>35,269,650</u> | <u>29,414,012</u> |
| | <u>4,895,276</u> | <u>(2,806,849)</u> | <u>(4,698,892)</u> | <u>(3,481,744)</u> | <u>(1,180,463)</u> | <u>2,010,000</u> |
| | 20,478,411 | 15,713,810 | 18,127,688 | 22,021,990 | 20,905,649 | 18,958,417 |
| | (20,250,316) | (15,990,057) | (18,964,172) | (22,432,184) | (20,946,474) | (19,324,728) |
| | - | - | - | - | - | - |
| | - | - | - | - | - | - |
| | - | - | - | 69,206 | 39,257 | - |
| | 11,787 | 11,394 | 35,096 | - | - | 500 |
| | - | - | (46,937) | - | - | - |
| | - | - | 12,848 | - | - | - |
| | - | - | 8,200,000 | - | - | 129,300 |
| | - | - | - | - | 149,663 | - |
| | <u>239,882</u> | <u>(264,853)</u> | <u>7,364,523</u> | <u>(340,988)</u> | <u>148,095</u> | <u>(236,511)</u> |
| | - | - | - | (192,824) | - | - |
| | - | - | - | (192,824) | - | - |
| | 5,135,158 | (3,071,702) | 2,665,631 | (4,015,556) | (1,032,368) | 1,773,489 |
| | 3,250 | 71,985 | 114,983 | - | 66,044 | - |
| | (32,087) | 5,270 | 1,044 | 1,515 | (40,396) | 10,363 |
| \$ | <u>5,106,321</u> | <u>\$ (2,994,447)</u> | <u>\$ 2,781,658</u> | <u>\$ (4,014,041)</u> | <u>\$ (1,006,720)</u> | <u>\$ 1,783,852</u> |
| | 2,624,629 | 7,178,277 | 7,158,020 | 10,877,755 | 8,779,039 | 5,301,849 |
| | 3.98% | 3.83% | 2.74% | 3.87% | 2.76% | 2.35% |

CITY OF FINDLAY, OHIO

ASSESSED VALUATION AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY
LAST TEN YEARS

| Calendar Year (1) | Real Property (a) | | Real and Personal Public Utility (b) | | Tangible Personal Property (c) | |
|-------------------|-------------------|------------------------|--------------------------------------|------------------------|--------------------------------|------------------------|
| | Assessed Value | Estimated Actual Value | Assessed Value | Estimated Actual Value | Assessed Value | Estimated Actual Value |
| 2015 | \$ 761,952,790 | \$ 2,177,007,971 | \$ 32,382,770 | \$ 36,798,602 | \$ - | \$ - |
| 2014 | 758,838,100 | 2,168,108,857 | 31,369,100 | 35,646,705 | - | - |
| 2013 | 774,395,440 | 2,212,558,400 | 23,750,220 | 26,988,886 | - | - |
| 2012 | 775,349,320 | 2,215,283,771 | 22,262,350 | 25,298,125 | - | - |
| 2011 (2) | 780,537,240 | 2,230,106,400 | 21,482,850 | 24,412,330 | 684,753 | 6,847,530 |
| 2010 | 808,518,430 | 2,310,052,657 | 20,949,860 | 23,806,659 | 1,332,890 | 13,328,900 |
| 2009 | 803,603,760 | 2,296,010,743 | 19,047,990 | 21,645,443 | 1,271,567 | 12,715,670 |
| 2008 | 793,505,110 | 2,267,157,457 | 17,749,490 | 20,169,875 | 39,237,296 | 234,252,513 |
| 2007 | 750,904,400 | 2,145,441,143 | 20,951,930 | 23,809,011 | 78,664,222 | 469,637,144 |
| 2006 | 731,113,130 | 2,088,894,657 | 20,830,810 | 23,671,375 | 110,179,715 | 440,718,860 |

Source: Hancock County, Ohio; Auditor

(1) Valuations are amounts for collection year.

(2) Sexennial update for property values, effective in tax collection years 2005 and 2011.

(a) Real property is assessed at 35% of actual value. Real property taxes collected in a calendar year are levied as of January 1 of that year based on assessed values as of January 1 of the preceding year.

(b) Public utility is assessed at 88% of actual value. Public utility real and tangible property taxes collected in a calendar year are levied in the preceding calendar year based on assessed values determined as of December 31 of the second preceding year.

(c) For 2005 and prior, tangible personal is assessed at 25% of true value for capital assets and 23% percent of true value for inventory.

For 2006, tangible personal personal property tax is assessed at 18.75% of property value, including inventory.

For 2007, tangible personal personal property tax is assessed at 12.50% of property value, including inventory.

For 2008, tangible personal personal property tax is assessed at 6.25% of property value, including inventory.

For 2009, tangible personal 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 |
| \$ 794,335,560 | \$ 2,213,806,574 | 35.88% | \$ 3.20 |
| 790,207,200 | 2,203,755,562 | 35.86% | 3.20 |
| 798,145,660 | 2,239,547,286 | 35.64% | 3.20 |
| 797,611,670 | 2,240,581,896 | 35.60% | 3.20 |
| 802,704,843 | 2,261,366,260 | 35.50% | 3.20 |
| 830,801,180 | 2,347,188,216 | 35.40% | 3.20 |
| 823,923,317 | 2,330,371,856 | 35.36% | 3.20 |
| 850,491,896 | 2,521,579,846 | 33.73% | 3.20 |
| 850,520,552 | 2,638,887,298 | 32.23% | 3.20 |
| 862,123,655 | 2,553,284,892 | 33.77% | 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> | | |
| | | 2015 | \$ | 3.20 | \$ | 3.20 | |
| | | 2014 | | 3.20 | | 3.20 | |
| | | 2013 | | 3.20 | | 3.20 | |
| | | 2012 | | 3.20 | | 3.20 | |
| | | 2011 | | 3.20 | | 3.20 | |
| | | 2010 | | 3.20 | | 3.20 | |
| | | 2009 | | 3.20 | | 3.20 | |
| | | 2008 | | 3.20 | | 3.20 | |
| | | 2007 | | 3.20 | | 3.20 | |
| | | 2006 | | 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> |
| 2015 | \$ 7.80 | \$ | 0.80 | \$ 64.95 | \$ | 0.50 | \$ 77.25 |
| 2014 | 7.80 | | 0.80 | 64.95 | | 0.50 | 77.25 |
| 2013 | 7.80 | | 0.80 | 64.95 | | 0.50 | 77.25 |
| 2012 | 7.80 | | 0.80 | 64.95 | | 0.50 | 77.25 |
| 2011 | 7.80 | | 0.80 | 64.99 | | 0.50 | 77.29 |
| 2010 | 7.80 | | 0.80 | 64.18 | | - | 75.98 |
| 2009 | 7.80 | | 0.80 | 60.75 | | - | 72.55 |
| 2008 | 7.80 | | 0.80 | 60.75 | | - | 72.55 |
| 2007 | 7.30 | | 0.80 | 60.75 | | - | 72.05 |
| 2006 | 7.30 | | 0.80 | 58.25 | | - | 69.55 |

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, 2014 | | | |
|---|-------------------------------|-------------|--|
| Taxpayer | Taxable Assessed Value | Rank | Percentage of Total City Taxable Assessed Value |
| Marathon Petroleum | \$ 10,395,410 | 1 | 1.36% |
| BB Findlay Limited Partnership | 7,100,100 | 2 | 0.93% |
| Findlay Shopping Center, Inc. | 5,537,130 | 3 | 0.73% |
| Kohl's Department Stores, Inc. | 4,336,950 | 4 | 0.57% |
| Nissan Brake | 4,292,470 | 5 | 0.56% |
| L P Investment Company | 3,620,780 | 6 | 0.48% |
| Flag City Station, LLC | 3,287,020 | 7 | 0.43% |
| Cooper Tire & Rubber Company | 3,189,000 | 8 | 0.42% |
| Hercules Brake Ohio, Inc. | 2,711,130 | 9 | 0.36% |
| Ohio Logistics, Ltd. | 2,599,360 | 10 | 0.34% |
| Total, Top Ten Principal Real Property Taxpayers | \$ 47,069,350 | | 6.18% |

| December 31, 2005 (1) | | | |
|---|-------------------------------|-------------|--|
| Taxpayer | Taxable Assessed Value | Rank | Percentage of Total City Taxable Assessed Value |
| Marathon/Ashland Petroleum | \$ 11,631,500 | 1 | 1.35% |
| Cooper Tire & Rubber Company | 8,900,060 | 2 | 1.03% |
| Findlay Shopping Center, Inc. | 5,873,060 | 3 | 0.68% |
| Kohl's Department Stores, Inc. | 5,250,000 | 4 | 0.61% |
| Logistics Solutions of Ohio | 3,696,730 | 5 | 0.43% |
| Best Buy Distribution Center | 2,775,400 | 6 | 0.32% |
| Meijer Stores | 2,547,210 | 7 | 0.30% |
| Owens Illinois/Brockway Plastics Company | 2,491,020 | 8 | 0.29% |
| Total, Top Eight Principal Real Property Taxpayers | \$ 43,164,980 | | 5.01% |

Source: Hancock County Auditor

(1) Only information for the top eight taxpayers was available.

CITY OF FINDLAY, OHIO

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

| December 31, 2014 | | | |
|--|---------------------------------------|-------------|--|
| Taxpayer | Taxable Assessed Value | Rank | Percentage of Total City Taxable Assessed Value |
| Ohio Power Company | \$ 20,705,570 | 1 | 63.94% |
| Marathon Pipeline LLC | 7,060,290 | 2 | 21.80% |
| Columbia Gas of Ohio, Inc. | 3,677,890 | 3 | 11.36% |
| Hancock Wood Electric Co-op Inc. | 610,250 | 4 | 1.88% |
| Total, Top Four Principal Public Utility Taxpayers | <u>\$ 32,054,000</u> | | <u>98.98%</u> |

| December 31, 2005 | | | |
|---|---------------------------------------|-------------|--|
| Taxpayer | Taxable Assessed Value | Rank | Percentage of Total City Taxable Assessed Value |
| Ohio Power Company | \$ 13,885,560 | 1 | 66.66% |
| Ohio Bell Telephone | 4,259,500 | 2 | 20.45% |
| Total, Top Two Principal Public Utility Taxpayers | <u>\$ 18,145,060</u> | | <u>87.11%</u> |

Source: Hancock County Auditor

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CITY OF FINDLAY, OHIO
PROPERTY TAX LEVIES AND COLLECTIONS
LAST TEN YEARS

| Collection Year | Current Levy (1) | Delinquent Levy | Total Levy | Current Collection | Percent of Current Levy Collected |
|------------------------|-------------------------|------------------------|-------------------|---------------------------|--|
| 2014 | \$ 2,526,694 | \$ 156,523 | \$ 2,683,217 | \$ 2,454,840 | 97.16% |
| 2013 | 2,559,842 | 137,593 | 2,697,435 | 2,456,129 | 95.95% |
| 2012 | 2,549,913 | 130,417 | 2,680,330 | 2,450,275 | 96.09% |
| 2011 | 2,563,396 | 140,192 | 2,703,588 | 2,480,803 | 96.78% |
| 2010 | 2,664,729 | 153,142 | 2,817,871 | 2,568,129 | 96.37% |
| 2009 | 2,643,718 | 135,937 | 2,779,655 | 2,528,591 | 95.65% |
| 2008 | 2,609,348 | 118,447 | 2,727,795 | 2,504,861 | 96.00% |
| 2007 | 2,467,139 | 111,912 | 2,579,051 | 2,177,218 | 88.25% |
| 2006 | 2,398,800 | 107,212 | 2,506,012 | 2,329,710 | 97.12% |
| 2005 | 2,358,522 | 97,574 | 2,456,096 | 2,288,109 | 97.01% |

Source: Hancock County Auditor

(1) includes rollbacks reimbursed by the State.

TABLE 9

| Delinquent Collection | Total Collection | Total Collection as a Percent of Total Levy |
|----------------------------------|-----------------------------|--|
| \$ 93,158 | \$ 2,547,998 | 94.96% |
| 59,558 | 2,515,687 | 93.26% |
| 71,494 | 2,521,769 | 94.08% |
| 65,222 | 2,546,025 | 94.17% |
| 91,616 | 2,659,745 | 94.39% |
| 81,704 | 2,610,295 | 93.91% |
| 81,704 | 2,586,565 | 94.82% |
| 82,611 | 2,259,829 | 87.62% |
| 64,333 | 2,394,043 | 95.53% |
| 63,527 | 2,351,636 | 95.75% |

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 |
|-------------|-----------------|----------------------------|-------------------------------|---|-------------------------------|
| 2014 | 1.00% | \$ 21,456,998 | \$ 15,710,494 | 73.22% | \$ 3,679,406 |
| 2013 | 1.00% | 24,982,165 | 15,811,122 | 63.29% | 6,684,682 |
| 2012 | 1.25% | 22,044,345 | 17,850,224 | 80.97% | 1,688,434 |
| 2011 | 1.25% | 21,031,544 | 17,136,493 | 81.48% | 1,429,072 |
| 2010 | 1.25% | 18,577,553 | 15,385,539 | 82.82% | 1,218,868 |
| 2009 | 1.00% | 14,580,651 | 11,990,526 | 82.24% | 949,912 |
| 2008 | 1.00% | 15,685,704 | 12,988,959 | 82.81% | 1,114,157 |
| 2007 | 1.00% | 21,185,963 | 12,926,239 | 61.01% | 6,748,538 |
| 2006 | 1.00% | 18,542,994 | 12,266,198 | 66.15% | 4,714,847 |
| 2005 | 1.00% | 17,331,772 | 12,004,951 | 69.27% | 3,865,817 |

Source: City income tax department.

TABLE 10

| Percentage of Taxes from Net Profits | Taxes from Individuals | Percentage of Taxes from Individuals |
|---|---------------------------------------|---|
| 17.15% | \$ 2,067,098 | 9.63% |
| 26.76% | 2,486,361 | 9.95% |
| 7.66% | 2,505,687 | 11.37% |
| 6.79% | 2,465,978 | 11.73% |
| 6.56% | 1,973,146 | 10.62% |
| 6.51% | 1,640,213 | 11.25% |
| 7.10% | 1,582,588 | 10.09% |
| 31.85% | 1,511,186 | 7.13% |
| 25.43% | 1,561,949 | 8.42% |
| 22.30% | 1,461,004 | 8.43% |

CITY OF FINDLAY, OHIO

RATIOS OF OUTSTANDING DEBT BY TYPE
LAST TEN YEARS

| Governmental Activities | | | | | | |
|--------------------------------|---|---|--------------------------|---------------------------|-----------------------|---|
| Year | General Obligation Bonds | Special Assessment Bonds | Notes Payable | Capital Leases | OPWC Loans | Police and Fire Past Service |
| 2014 | \$ 8,106,382 | \$ 158,000 | \$ - | \$ - | \$ 154,456 | \$ 1,016,345 |
| 2013 | 8,680,127 | 185,000 | - | - | 169,140 | 1,047,038 |
| 2012 | 9,251,923 | 214,655 | - | - | 183,823 | 1,076,468 |
| 2011 | 9,801,992 | 11,625 | - | - | 198,506 | 1,104,686 |
| 2010 | 9,403,864 | 34,145 | - | - | 213,189 | 1,131,741 |
| 2009 | 10,027,895 | 67,165 | - | - | 227,872 | 1,157,682 |
| 2008 | 10,631,924 | 106,185 | - | - | 242,555 | 1,182,555 |
| 2007 | 2,843,989 | 165,205 | 10,530,000 | - | 257,238 | 1,206,404 |
| 2006 | 3,199,897 | 288,875 | 4,950,000 | - | 271,921 | 1,229,271 |
| 2005 | 3,540,805 | 434,045 | - | 2,020 | 133,200 | 1,251,195 |

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.

| 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 |
| \$ 8,004,500 | \$ 19,042,731 | \$ 562,242 | \$ 37,044,656 | \$1,135,120,820 | 3.26% | 41,780 | \$ 887 |
| 5,977,041 | 21,171,682 | 617,580 | 37,847,608 | 1,075,394,376 | 3.52% | 41,724 | 907 |
| 7,247,820 | 23,217,697 | 672,918 | 41,865,304 | 1,083,004,065 | 3.87% | 41,385 | 1,012 |
| 8,528,965 | 25,184,140 | 728,256 | 45,558,170 | 1,012,291,938 | 4.50% | 41,202 | 1,106 |
| 10,445,718 | 27,219,328 | 783,594 | 49,231,579 | 1,012,291,938 | 4.86% | 41,202 | 1,195 |
| 12,307,711 | 29,174,539 | 838,933 | 53,801,797 | 989,940,520 | 5.43% | 40,745 | 1,320 |
| 15,289,740 | 30,979,789 | 880,450 | 59,313,198 | 1,031,539,839 | 5.75% | 40,623 | 1,460 |
| 18,209,777 | 32,781,584 | 727,397 | 66,721,594 | 1,058,697,465 | 6.30% | 40,515 | 1,647 |
| 21,059,810 | 34,353,505 | 588,873 | 65,942,152 | 1,034,451,756 | 6.37% | 40,372 | 1,633 |
| 23,834,846 | 32,381,825 | 625,289 | 62,203,225 | 999,682,580 | 6.22% | 40,135 | 1,550 |

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 |
|-------------|---|---|---------------|---|-----------------------|
| 2014 | \$ 16,110,882 | \$ 158,000 | \$ 16,268,882 | 0.73% | \$ 389 |
| 2013 | 14,657,168 | 185,000 | 14,842,168 | 0.67% | 356 |
| 2012 | 16,499,743 | 214,655 | 16,714,398 | 0.75% | 404 |
| 2011 | 18,330,957 | 11,625 | 18,342,582 | 0.82% | 445 |
| 2010 | 19,849,582 | 34,145 | 19,883,727 | 0.88% | 483 |
| 2009 | 22,335,606 | 67,165 | 22,402,771 | 0.95% | 550 |
| 2008 | 25,921,664 | 106,185 | 26,027,849 | 1.12% | 641 |
| 2007 | 21,053,766 | 165,205 | 21,218,971 | 0.84% | 524 |
| 2006 | 24,259,707 | 288,875 | 24,548,582 | 0.93% | 608 |
| 2005 | 27,375,651 | 434,045 | 27,809,696 | 1.09% | 693 |

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, 2014

| <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 | \$ 9,435,183 | 100.00% | \$ 9,435,183 |
| Total direct debt | <u>9,435,183</u> | | <u>9,435,183</u> |
| Overlapping debt: | | | |
| Findlay City School District | 48,887,135 | 90.18% | 44,086,418 |
| Liberty-Benton Local School District | 1,633,395 | 9.50% | 155,173 |
| Van Buren Local School District | 3,959,997 | 34.28% | 1,357,487 |
| Hancock County | 9,054,460 | 45.90% | 4,155,997 |
| Total overlapping debt | <u>63,534,987</u> | | <u>49,755,075</u> |
| Total direct and overlapping debt | <u>\$ 72,970,170</u> | | <u>\$ 59,190,258</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 |
|--------------------|-----------------------|---|---------------------------------------|--------------------------|---|
| 2014 | \$ 83,405,234 | \$ 16,145,772 | \$ 3,989 | \$ 67,263,451 | 19.36% |
| 2013 | 82,971,756 | 14,567,612 | 47,209 | 68,451,353 | 17.56% |
| 2012 | 83,805,294 | 16,372,675 | 54,524 | 67,487,143 | 19.54% |
| 2011 | 83,749,225 | 18,166,011 | 25,904 | 65,609,118 | 21.69% |
| 2010 | 84,284,009 | 19,630,000 | 118,776 | 64,772,785 | 23.29% |
| 2009 | 87,234,124 | 22,045,000 | 69,337 | 65,258,461 | 25.27% |
| 2008 | 86,511,948 | 25,545,000 | 78,008 | 61,044,956 | 29.53% |
| 2007 | 85,144,308 | 20,540,000 | 160,697 | 64,765,005 | 24.12% |
| 2006 | 89,304,658 | 23,655,000 | 199,170 | 65,848,828 | 26.49% |
| 2005 | 90,522,984 | 26,680,000 | 193,624 | 64,036,608 | 29.47% |

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 | |
| 2014 | 41,780 | \$ 1,135,120,820 | \$ 27,169 | 3.9% | 5.1% | 5.6% | 20.0686 |
| 2013 | 41,724 | 1,075,394,376 | 25,774 | 5.2% | 7.1% | 6.7% | 20.0686 |
| 2012 | 41,385 | 1,083,004,065 | 26,169 | 6.1% | 7.2% | 8.1% | 20.0686 |
| 2011 | 41,202 | 1,012,291,938 | 24,569 | 7.6% | 8.6% | 8.9% | 20.0536 |
| 2010 | 41,202 | 1,012,291,938 | 24,569 | 8.9% | 10.1% | 9.6% | 20.0536 |
| 2009 | 40,745 | 989,940,520 | 24,296 | 10.3% | 10.9% | 10.0% | 19.6153 |
| 2008 | 40,623 | 1,031,539,839 | 25,393 | 5.8% | 6.6% | 5.8% | 19.5021 |
| 2007 | 40,515 | 1,058,697,465 | 26,131 | 4.6% | 5.6% | 4.6% | 19.4789 |
| 2006 | 40,372 | 1,034,451,756 | 25,623 | 4.4% | 5.5% | 4.6% | 19.1922 |
| 2005 | 40,135 | 999,682,580 | 24,908 | 4.9% | 5.9% | 5.1% | 19.1389 |

Sources:

- (1) Information obtained through U.S. Census Bureau.
- (2) Information obtained through Bureau of Economic Analysis.
- (3) Information obtained through Ohio Job & Family Services, Office of Workforce Development
Unemployment rates for month of December of the respective year.

CITY OF FINDLAY, OHIO

PRINCIPAL EMPLOYERS
CURRENT YEAR AND NINE YEARS AGO

| December 31, 2014 | | | |
|---|------------------|-------------|----------------------------|
| Employer | Employees | Rank | Percentage of Total |
| Whirlpool Corporation | 2,364 | 1 | 18.56% |
| Blanchard Valley Regional Health Center | 2,200 | 2 | 17.27% |
| Marathon/Ashland Petroleum | 2,030 | 3 | 15.94% |
| Cooper Tire & Rubber Company | 1,964 | 4 | 15.42% |
| Nissan Brake | 1,069 | 5 | 8.39% |
| Findlay City Schools | 792 | 6 | 6.22% |
| Lowe's Distribution Center | 747 | 7 | 5.86% |
| The University of Findlay | 585 | 8 | 4.59% |
| Kohl's Distribution Center | 501 | 9 | 3.93% |
| Hancock County | 486 | 10 | 3.82% |
| Total | <u>12,738</u> | | <u>100.00%</u> |

| December 31, 2005 | | | |
|------------------------------|------------------|-------------|----------------------------|
| Employer | Employees | Rank | Percentage of Total |
| Whirlpool Corporation | 2,100 | 1 | 18.06% |
| Cooper Tire & Rubber Company | 2,061 | 2 | 17.72% |
| Blanchard Valley Hospital | 1,639 | 3 | 14.09% |
| Marathon/Ashland Petroleum | 1,409 | 4 | 12.12% |
| Findlay City Schools | 878 | 5 | 7.55% |
| HiSan Corporation | 838 | 6 | 7.21% |
| Nissan Brake | 759 | 7 | 6.53% |
| Lowe's Distribution Center | 750 | 8 | 6.45% |
| Hancock County | 625 | 9 | 5.37% |
| Kohl's Distribution Center | 571 | 10 | 4.91% |
| Total | <u>11,630</u> | | <u>100.00%</u> |

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 | 2014 | | | | | 2013 | | | | |
|--------------------------------|---------------|--------------|--------------|---------------|------------------|---------------|--------------|--------------|---------------|------------------|
| | 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 | 11.00 | - | 16.00 | 16.00 |
| Airport | 5.00 | - | - | 5.00 | 4.50 | 5.00 | - | - | 5.00 | 4.50 |
| Auditor | 4.00 | - | - | 4.00 | 4.00 | 4.00 | - | 1.00 | 5.00 | 4.00 |
| Building Maintenance | 1.00 | 1.00 | - | 2.00 | 1.75 | 1.00 | 1.00 | - | 2.00 | 1.75 |
| City Income Tax | 2.00 | 1.00 | - | 3.00 | 1.75 | 2.00 | - | - | 2.00 | 2.25 |
| Civil Service | 1.00 | 3.00 | - | 4.00 | 2.50 | 1.00 | 3.00 | - | 4.00 | 2.50 |
| Computer Services | 3.00 | - | - | 3.00 | 2.75 | 2.00 | - | - | 2.00 | 2.50 |
| Council | - | - | - | - | 0.50 | - | - | - | - | 0.50 |
| Dispatch Center | 11.00 | - | - | 11.00 | 10.75 | 10.00 | - | - | 10.00 | 10.00 |
| Engineering | 6.00 | - | - | 6.00 | 6.25 | 6.00 | 1.00 | - | 7.00 | 6.75 |
| Health | 13.00 | 4.00 | - | 17.00 | 14.25 | 13.00 | 4.00 | - | 17.00 | 13.50 |
| Human Resources | 1.00 | - | - | 1.00 | 0.75 | - | - | - | - | - |
| Law Director | 4.00 | - | - | 4.00 | 4.25 | 5.00 | - | - | 5.00 | 4.50 |
| Mayor | 1.00 | - | - | 1.00 | 1.00 | 1.00 | - | - | 1.00 | 1.00 |
| Municipal Court | 18.00 | 6.00 | - | 24.00 | 18.25 | 17.00 | 4.00 | - | 21.00 | 17.25 |
| NEAT | 1.00 | - | - | 1.00 | 1.00 | 1.00 | - | - | 1.00 | 1.00 |
| Parking | 1.00 | - | - | 1.00 | 1.50 | 1.00 | - | - | 1.00 | 1.50 |
| Pool | - | - | - | - | - | - | - | - | - | - |
| Recreation | 3.00 | - | 27.00 | 30.00 | 7.50 | 4.00 | - | 24.00 | 28.00 | 8.25 |
| Safety/Administrative Services | - | - | - | - | - | - | - | - | - | - |
| Service Director | 1.00 | - | - | 1.00 | 1.00 | 1.00 | - | - | 1.00 | 1.25 |
| WORC | 1.00 | - | - | 1.00 | 1.00 | 1.00 | - | - | 1.00 | 1.00 |
| Zoning | 1.00 | - | - | 1.00 | 1.00 | 1.00 | - | - | 1.00 | 1.00 |
| Fire Clerks | 1.00 | - | - | 1.00 | 1.00 | 1.00 | - | - | 1.00 | 1.00 |
| Fire Department Admin | 1.00 | - | - | 1.00 | 1.00 | 1.00 | - | - | 1.00 | 1.00 |
| Fire Department | 61.00 | - | - | 61.00 | 60.50 | 57.00 | - | - | 57.00 | 61.50 |
| Fire Department Total | 63.00 | - | - | 63.00 | 62.50 | 59.00 | - | - | 59.00 | 63.50 |
| Parks Maintenance | 4.00 | - | - | 4.00 | 4.75 | 2.00 | - | - | 2.00 | 2.75 |
| Cemetery | 2.00 | - | - | 2.00 | 3.00 | 2.00 | - | - | 2.00 | 3.50 |
| Streets | 22.00 | - | - | 22.00 | 23.00 | 21.00 | - | - | 21.00 | 22.50 |
| Traffic Lights | 2.00 | - | - | 2.00 | 2.00 | 2.00 | - | - | 2.00 | 2.00 |
| Public Works Total | 30.00 | - | - | 30.00 | 32.75 | 27.00 | - | - | 27.00 | 30.75 |
| Police Clerks | 6.00 | - | - | 6.00 | 5.50 | 6.00 | - | - | 6.00 | 5.50 |
| Police Administration | 2.00 | - | - | 2.00 | 2.00 | 2.00 | - | - | 2.00 | 2.00 |
| School Police | - | - | - | - | - | - | - | - | - | - |
| Police | 59.00 | - | - | 59.00 | 55.75 | 55.00 | - | - | 55.00 | 53.75 |
| Police Department Total | 67.00 | - | - | 67.00 | 63.25 | 63.00 | - | - | 63.00 | 61.25 |
| Sewer Maintenance | 10.00 | - | - | 10.00 | 10.25 | 10.00 | - | - | 10.00 | 10.25 |
| Stormwater Maintenance | 2.00 | - | - | 2.00 | 2.00 | 2.00 | - | - | 2.00 | 2.00 |
| Water Pollution Control | 16.00 | - | - | 16.00 | 15.75 | 15.00 | - | - | 15.00 | 14.50 |
| WPC Total | 28.00 | - | - | 28.00 | 28.00 | 27.00 | - | - | 27.00 | 26.75 |
| 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 | 13.00 | - | - | 13.00 | 12.25 | 12.00 | - | - | 12.00 | 11.75 |
| Water Treatment | 13.00 | - | - | 13.00 | 13.00 | 14.00 | - | - | 14.00 | 13.50 |
| WPC Total | 37.00 | - | - | 37.00 | 36.25 | 37.00 | - | - | 37.00 | 36.25 |
| Total | 308.00 | 27.00 | 27.00 | 362.00 | 326.00 | 294.00 | 24.00 | 25.00 | 343.00 | 319.50 |

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.

| 2012 | | | | | 2011 | | | | |
|-----------|-----------|----------|--------|------------------|-----------|-----------|----------|--------|------------------|
| Full Time | Part Time | Seasonal | Total | Annual FTE's (1) | Full Time | Part Time | Seasonal | Total | Annual FTE's (1) |
| 5.00 | 11.00 | - | 16.00 | 16.00 | 5.00 | 11.00 | - | 16.00 | 16.00 |
| 5.00 | - | - | 5.00 | 4.50 | 5.00 | - | - | 5.00 | 4.50 |
| 4.00 | - | - | 4.00 | 3.75 | 4.00 | - | - | 4.00 | 3.75 |
| 1.00 | 1.00 | - | 2.00 | 1.75 | 1.00 | 1.00 | - | 2.00 | 1.50 |
| 2.00 | 1.00 | - | 3.00 | 2.75 | 3.00 | 1.00 | - | 4.00 | 3.00 |
| 1.00 | 3.00 | - | 4.00 | 2.00 | 1.00 | 3.00 | - | 4.00 | 2.00 |
| 3.00 | - | - | 3.00 | 3.00 | 3.00 | - | - | 3.00 | 3.00 |
| - | - | - | - | 0.50 | - | - | - | - | 0.50 |
| 11.00 | - | - | 11.00 | 11.00 | 11.00 | - | - | 11.00 | 11.00 |
| 7.00 | - | - | 7.00 | 9.00 | 10.00 | - | - | 10.00 | 9.50 |
| 12.00 | 4.00 | - | 16.00 | 13.00 | 12.00 | 2.00 | - | 14.00 | 12.00 |
| - | - | - | - | 0.50 | - | - | - | - | - |
| 5.00 | - | - | 5.00 | 4.50 | 5.00 | - | - | 5.00 | 4.50 |
| 2.00 | - | - | 2.00 | 2.00 | 1.00 | - | - | 1.00 | 1.00 |
| 14.00 | 7.00 | - | 21.00 | 17.75 | 17.00 | 5.00 | - | 22.00 | 16.00 |
| 1.00 | - | - | 1.00 | 1.00 | 1.00 | - | - | 1.00 | 1.00 |
| 1.00 | - | - | 1.00 | 1.50 | 1.00 | - | - | 1.00 | 1.50 |
| - | - | - | - | - | - | - | - | - | - |
| 5.00 | - | 24.00 | 29.00 | 9.75 | 5.00 | - | 25.00 | 30.00 | 9.50 |
| - | - | - | - | - | 2.00 | - | - | 2.00 | 2.00 |
| 1.00 | - | - | 1.00 | 1.00 | 1.00 | - | - | 1.00 | 1.00 |
| 1.00 | - | - | 1.00 | 1.00 | - | - | - | - | 1.00 |
| 1.00 | - | - | 1.00 | 1.00 | - | - | - | - | 2.00 |
| 1.00 | - | - | 1.00 | 1.00 | 1.00 | - | - | 1.00 | 1.00 |
| 1.00 | - | - | 1.00 | 1.00 | 1.00 | - | - | 1.00 | 1.00 |
| 68.00 | - | - | 68.00 | 64.75 | 69.00 | - | - | 69.00 | 67.00 |
| 70.00 | - | - | 70.00 | 66.75 | 71.00 | - | - | 71.00 | 69.00 |
| 4.00 | - | - | 4.00 | 5.75 | 6.00 | - | - | 6.00 | 6.00 |
| 2.00 | - | - | 2.00 | 3.00 | 2.00 | - | - | 2.00 | 2.00 |
| 18.00 | - | - | 18.00 | 20.25 | 19.00 | - | - | 19.00 | 19.50 |
| 2.00 | - | - | 2.00 | 2.00 | 2.00 | - | - | 2.00 | 2.00 |
| 26.00 | - | - | 26.00 | 31.00 | 29.00 | - | - | 29.00 | 29.50 |
| 5.00 | - | - | 5.00 | 4.50 | 5.00 | - | - | 5.00 | 5.00 |
| 2.00 | - | - | 2.00 | 2.00 | 2.00 | - | - | 2.00 | 2.00 |
| - | - | - | - | - | - | - | - | - | - |
| 58.00 | - | - | 58.00 | 61.50 | 63.00 | - | - | 63.00 | 62.00 |
| 65.00 | - | - | 65.00 | 68.00 | 70.00 | - | - | 70.00 | 69.00 |
| 10.00 | - | - | 10.00 | 10.50 | 10.00 | - | - | 10.00 | 10.00 |
| 2.00 | - | - | 2.00 | 2.00 | 2.00 | - | - | 2.00 | 2.00 |
| 16.00 | - | - | 16.00 | 16.00 | 16.00 | - | - | 16.00 | 16.00 |
| 28.00 | - | - | 28.00 | 28.50 | 28.00 | - | - | 28.00 | 28.00 |
| 1.00 | - | - | 1.00 | 1.00 | 1.00 | - | - | 1.00 | 1.00 |
| 10.00 | - | - | 10.00 | 10.00 | 10.00 | - | - | 10.00 | 10.00 |
| 13.00 | - | - | 13.00 | 13.00 | 13.00 | - | - | 13.00 | 13.00 |
| 15.00 | - | - | 15.00 | 14.75 | 16.00 | - | - | 16.00 | 16.00 |
| 39.00 | - | - | 39.00 | 38.75 | 40.00 | - | - | 40.00 | 40.00 |
| 310.00 | 27.00 | 24.00 | 361.00 | 340.25 | 326.00 | 23.00 | 25.00 | 374.00 | 341.75 |

(Continued)

CITY OF FINDLAY, OHIO

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

(2)

| Function/Program | 2010 | 2009 | 2008 | 2007 | 2006 | 2005 |
|--------------------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| | Annual Average | Annual Average | Annual Average | Annual Average | Annual Average | Annual Average |
| Electeds | 16.00 | 16.00 | 16.00 | 16.00 | 16.00 | 16.00 |
| Airport | 5.00 | 5.00 | 5.00 | 5.00 | 5.00 | 5.00 |
| Auditor | 4.00 | 4.00 | 4.00 | 4.00 | 4.00 | 5.00 |
| Building Maintenance | 1.00 | 1.00 | 3.00 | 3.00 | 1.00 | 1.00 |
| City Income Tax | 3.50 | 3.50 | 4.00 | 5.00 | 5.00 | 5.00 |
| Civil Service | 2.50 | 4.00 | 4.00 | 4.00 | 4.00 | 4.00 |
| Computer Services | 4.00 | 3.00 | 4.00 | 3.00 | 3.00 | 3.00 |
| Council | - | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 |
| Dispatch Center | 11.00 | 10.00 | 11.00 | 11.00 | 10.00 | 11.00 |
| Engineering | 9.00 | 10.00 | 14.00 | 12.00 | 13.00 | 14.00 |
| Health | 13.00 | 12.50 | 14.00 | 14.00 | 14.00 | 13.00 |
| Human Resources | - | - | - | - | - | - |
| Law Director | 5.00 | 5.00 | 5.00 | 5.00 | 5.00 | 5.00 |
| Mayor | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 2.00 |
| Municipal Court | 25.00 | 20.00 | 19.00 | 15.00 | 15.00 | 16.00 |
| NEAT | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 |
| Parking | 1.00 | 1.00 | 1.00 | 1.00 | 2.00 | 2.00 |
| Pool | 10.00 | 10.00 | 12.00 | 9.00 | 10.00 | 13.00 |
| Recreation | 6.50 | 16.50 | 15.00 | 12.50 | 10.00 | 6.50 |
| Safety/Administrative Services | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 |
| Service Director | 1.00 | 1.00 | 1.00 | 1.00 | - | 2.00 |
| WORC | 1.00 | 1.00 | - | - | - | - |
| Zoning | 2.00 | 2.00 | 2.00 | 2.00 | 1.00 | 1.00 |
| Fire Clerks | 1.00 | 1.00 | 2.00 | 2.00 | 1.00 | 1.00 |
| Fire Department Admin | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 |
| Fire Department | 63.00 | 67.00 | 74.00 | 74.00 | 70.00 | 73.00 |
| Fire Department Total | 65.00 | 69.00 | 77.00 | 77.00 | 72.00 | 75.00 |
| Parks Maintenance | 7.00 | 2.00 | 9.00 | 9.00 | 11.00 | 9.00 |
| Cemetery | 1.00 | 1.00 | 5.00 | 4.00 | 2.00 | 4.00 |
| Streets | 19.00 | 27.00 | 29.00 | 27.00 | 25.00 | 25.00 |
| Traffic Lights | 2.00 | 2.00 | 4.00 | 5.00 | 5.00 | 5.00 |
| Public Works Total | 29.00 | 32.00 | 47.00 | 45.00 | 43.00 | 43.00 |
| Police Clerks | 6.00 | 6.00 | 7.00 | 7.00 | 7.00 | 6.00 |
| Police Administration | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 |
| School Police | - | - | 3.00 | 3.00 | 4.00 | 4.00 |
| Police | 60.00 | 65.00 | 70.00 | 70.00 | 68.00 | 71.00 |
| Police Department Total | 68.00 | 73.00 | 82.00 | 82.00 | 81.00 | 83.00 |
| Sewer Maintenance | 11.00 | 11.00 | 14.00 | 14.00 | 14.00 | 14.00 |
| Stormwater Maintenance | 3.00 | 2.00 | 2.00 | - | - | - |
| Water Pollution Control | 18.00 | 18.00 | 18.00 | 18.00 | 17.00 | 16.00 |
| WPC Total | 32.00 | 31.00 | 34.00 | 32.00 | 31.00 | 30.00 |
| Supply Reservoir | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 |
| Utility Billing | 10.00 | 10.00 | 10.00 | 9.00 | 8.00 | 10.00 |
| Water Distribution | 13.00 | 13.00 | 14.00 | 14.00 | 14.00 | 14.00 |
| Water Treatment | 16.00 | 16.00 | 17.00 | 18.00 | 18.00 | 19.00 |
| WPC Total | 40.00 | 40.00 | 42.00 | 42.00 | 41.00 | 44.00 |
| Total | 358.50 | 375.50 | 421.00 | 405.50 | 391.00 | 403.50 |

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CITY OF FINDLAY, OHIO

OPERATING INDICATORS BY FUNCTION/PROGRAM
LAST TEN YEARS

| Function/Program | 2014 | 2013 | 2012 | 2011 |
|---|-------------|-------------|-------------|-------------|
| General Government | | | | |
| Auditor's Office | | | | |
| Purchase orders issued | 4,283 | 3,961 | 4,104 | 3,919 |
| Checks issued | 8,893 | 7,049 | 7,251 | 7,002 |
| Computer Services | | | | |
| Computers maintained | 274 | 359 | 311 | 305 |
| City website hits | 462,078 | 451,498 | 429,456 | 464,078 |
| Cemetery | | | | |
| Number of internments | 202 | 186 | 190 | 181 |
| Graves sold | 100 | 96 | 67 | 77 |
| Municipal Court | | | | |
| Cases filed | 17,471 | 17,594 | 18,067 | 16,313 |
| Arraignments | 13,816 | 13,693 | 13,187 | 11,562 |
| Jury trials | 0 | 1 | 2 | 0 |
| Security of Persons and Property | | | | |
| Police | | | | |
| Charges from arrests | 2,835 | 2,121 | 2,131 | 1,979 |
| Parking violations | 4,411 | 4,610 | 3,980 | 3,714 |
| Traffic violations | 2,831 | 3,295 | 3,529 | 3,044 |
| Fire | | | | |
| Emergency responses/calls answered | 2,016 | 1,959 | 2,043 | 2,049 |
| Fires extinguished | 107 | 88 | 120 | 112 |
| Inspections conducted | 438 | 1,209 | 356 | 353 |
| Public Health and Welfare | | | | |
| Health Department | | | | |
| Food service licenses issued | 458 | 455 | 403 | 383 |
| Vaccinations given - Clinic | 4,646 | 5,895 | 5,639 | 7,038 |
| Births | 1,437 | 1,423 | 1,248 | 1,088 |
| Deaths | 662 | 630 | 632 | 615 |
| Plumbing inspection permits issued | 347 | 375 | 363 | 356 |
| Zoning | | | | |
| New commercial permits issued | 9 | 9 | 4 | 13 |
| New residential permits issued | 25 | 24 | 23 | 25 |
| New industrial permits issued | 0 | 0 | 0 | 0 |
| Inspections conducted | 700 | 403 | 1,440 | 1,172 |

TABLE 18

| 2010 | 2009 | 2008 | 2007 | 2006 | 2005 |
|---------|---------|---------|---------|---------|---------|
| 3,799 | 3,908 | 4,295 | 4,517 | 3,949 | 4,039 |
| 7,041 | 6,949 | 8,062 | 7,847 | 7,609 | 7,891 |
| 298 | 293 | 284 | 265 | 258 | 247 |
| 428,718 | 433,619 | 363,185 | 313,518 | 263,781 | 188,533 |
| 181 | 189 | 157 | 159 | 216 | 213 |
| 66 | 131 | 69 | 113 | 336 | 125 |
| 15,534 | 14,783 | 15,213 | 16,112 | 18,791 | 18,396 |
| 10,804 | 10,322 | 10,902 | 11,782 | 14,326 | 14,553 |
| 1 | 1 | 2 | 1 | 2 | 2 |
| 1,855 | 1,887 | 2,186 | 2,687 | 2,961 | 2,590 |
| 3,483 | 4,242 | 4,235 | 6,914 | 6,914 | 10,835 |
| 2,924 | 2,174 | 3,743 | 6,838 | 4,478 | 3,403 |
| 1,843 | 1,556 | 1,759 | 2,003 | 1,734 | 1,628 |
| 125 | 133 | 226 | 200 | 160 | 192 |
| 446 | 562 | 536 | 472 | 752 | 558 |
| 409 | 393 | 419 | 434 | 415 | 414 |
| 7,792 | 11,332 | 8,384 | 8,848 | 7,129 | 7,732 |
| 1,074 | 1,162 | 1,117 | 1,145 | 1,082 | 1,084 |
| 593 | 575 | 589 | 447 | 487 | 396 |
| 433 | 263 | 338 | 480 | 586 | 692 |
| 9 | 7 | 8 | 9 | 9 | 2 |
| 26 | 36 | 47 | 68 | 127 | 82 |
| 0 | 0 | 0 | 0 | 1 | 1 |
| 518 | 587 | 635 | 250 | 1,032 | 812 |

CITY OF FINDLAY, OHIO

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

| Function/Program | 2014 | 2013 | 2012 | 2011 |
|----------------------------------|-------------|-------------|-------------|-------------|
| Transportation | | | | |
| Street | | | | |
| Miles of street maintained | 195.68 | 194.59 | 194.59 | 193.80 |
| Pot holes repaired | 209 | 192 | 115 | 253 |
| Limbs removed | 325 | 35 | 5 | 26 |
| Visibility complaints received | 47 | 200 | 5 | 10 |
| Repairs to concrete | 25 | 17 | 13 | 38 |
| Leisure Time Activities | | | | |
| Shade Tree | | | | |
| Trees planted | 30 | 100 | 240 | 100 |
| Trees removed | 105 | 150 | 155 | 708 |
| Utility Services | | | | |
| Water | | | | |
| Number of Customers | 17,650 | 17,584 | 17,474 | 17,399 |
| New connections | 127 | 86 | 82 | 80 |
| Water main breaks | 84 | 79 | 80 | 66 |
| Avg. daily consumption (MGD) | 5.8140 | 5.6190 | 6.0460 | 6.0760 |
| Water Pollution Control | | | | |
| Number of Customers | 17,062 | 16,999 | 16,926 | 16,830 |
| Sewer calls | 109 | 130 | 76 | 115 |
| Feet of sanitary sewer cleaned | 206,385 | 225,279 | 301,222 | 194,685 |
| Catch basin repair | 13 | 4 | 14 | 78 |
| Airport | | | | |
| Fuel sales - Jet A (in gallons) | 179,363 | 164,749 | 154,439 | 127,054 |
| Fuel sales - Octane (in gallons) | 27,284 | 26,356 | 27,139 | 24,505 |
| Landing fees charged | 167 | 176 | 183 | 133 |

Source: City of Findlay Department Directors

| 2010 | 2009 | 2008 | 2007 | 2006 | 2005 |
|---------|---------|---------|---------|---------|---------|
| 193.60 | 193.60 | 193.60 | 193.07 | 192.85 | 189.24 |
| 128 | 168 | 135 | 160 | 76 | 151 |
| 27 | 8 | 118 | 141 | 53 | 232 |
| 19 | 8 | 20 | 22 | 11 | 11 |
| 47 | 37 | 38 | 26 | 65 | 84 |
| 60 | 160 | 240 | 125 | 132 | 155 |
| 250 | 128 | 230 | 200 | 265 | 260 |
| 18,974 | 17,273 | 17,486 | 17,377 | 17,313 | 17,201 |
| 79 | 66 | 107 | 145 | 234 | 271 |
| 79 | 78 | 73 | 77 | 69 | 89 |
| 6.0929 | 5.9905 | 6.2500 | 6.5920 | 6.0150 | 6.3825 |
| 16,809 | 16,734 | 15,557 | 14,545 | 14,645 | 14,496 |
| 83 | 92 | 103 | 132 | 111 | 106 |
| 191,278 | 250,800 | 155,699 | 83,433 | 153,872 | 170,817 |
| 61 | 109 | 112 | 79 | 78 | 78 |
| 165,981 | 126,453 | 146,335 | 210,151 | 249,610 | 243,063 |
| 21,959 | 25,179 | 23,943 | 24,619 | 27,251 | 31,906 |
| 182 | 85 | 124 | 127 | 181 | 173 |

CITY OF FINDLAY, OHIO

CAPITAL ASSET STATISTICS BY FUNCTION/PROGRAM
LAST TEN YEARS

| Function/Program | 2014 | 2013 | 2012 | 2011 | 2010 | 2009 |
|---|-------------|-------------|-------------|-------------|-------------|-------------|
| Security of Persons and Property | | | | | | |
| Police | | | | | | |
| Stations | 1 | 1 | 1 | 1 | 1 | 1 |
| Patrol units | 18 | 18 | 20 | 31 | 39 | 39 |
| Fire | | | | | | |
| Fire stations | 4 | 4 | 4 | 4 | 4 | 4 |
| Fire trucks | 16 | 16 | 15 | 18 | 18 | 19 |
| Transportation | | | | | | |
| Street | | | | | | |
| Miles of street maintained | 195.68 | 194.59 | 194.59 | 193.80 | 193.60 | 193.60 |
| Traffic signals maintained | 82 | 95 | 94 | 94 | 94 | 95 |
| Leisure Time Activities | | | | | | |
| Parks and Recreation | | | | | | |
| Number of parks | 19 | 19 | 19 | 19 | 19 | 19 |
| Number of ballfields | 40 | 40 | 40 | 40 | 40 | 40 |
| Number of soccer fields | 25 | 25 | 25 | 25 | 25 | 25 |
| Swimming pool | 1 | 1 | 1 | 1 | 1 | 1 |
| Ice Rink | 1 | 1 | 1 | 1 | 1 | 1 |
| Utility Services | | | | | | |
| Water | | | | | | |
| Water mains (miles) | 315.49 | 307.65 | 307.25 | 307 | 306.2 | 306.2 |
| Number of hydrants | 2,415 | 2,389 | 2,383 | 2,379 | 2,363 | 2,357 |
| 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) | 295.78 | 295.28 | 295.00 | 295.05 | 295.00 | 293.64 |
| 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

| 2008 | 2007 | 2006 | 2005 |
|--------|--------|--------|--------|
| 1 | 1 | 1 | 1 |
| 44 | 45 | 44 | 42 |
| 4 | 4 | 4 | 4 |
| 19 | 18 | 17 | 16 |
| 193.60 | 193.07 | 192.85 | 189.24 |
| 96 | 95 | 94 | 94 |
| 19 | 19 | 19 | 19 |
| 40 | 37 | 37 | 37 |
| 25 | 25 | 25 | 25 |
| 1 | 1 | 1 | 1 |
| 1 | 1 | 1 | 1 |
| 306.12 | 302.19 | 289.2 | 285.19 |
| 2,354 | 2,333 | 2,279 | 2,180 |
| 6.4 | 6.4 | 6.4 | 6.4 |
| 1 | 1 | 1 | 1 |
| 290.64 | 301.41 | 299.64 | 276.71 |
| 1 | 1 | 1 | 1 |
| 2 | 2 | 2 | 2 |

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City of Findlay
Hancock County, Ohio

*Reports Issued Pursuant to Government Auditing
Standards and OMB Circular A-133*

For the Year Ended
December 31, 2014

CITY OF FINDLAY
HANCOCK COUNTY, OHIO
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June 30, 2015

To the Honorable Mayor, City Auditor and City Council
City of Findlay
Hancock County, Ohio

**INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING
AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL
STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS**

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Findlay, Hancock County, Ohio (the City), as of and for the year ended December 31, 2014, and the related notes to the financial statements, which collectively comprise the City's basic financial statements, and have issued our report thereon dated June 30, 2015, wherein we noted the City restated their December 31, 2013 governmental fund balance to reclassify amounts previously reported as a major special revenue fund to the general fund.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the City's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, we do not express an opinion on the effectiveness of the City's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. *A material weakness* is a deficiency, or combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. *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 over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be significant deficiencies or material weaknesses. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the City's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Governmental Auditing Standards* in considering the City's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Rea & Associates, Inc.

Medina, Ohio

June 30, 2015

To the Honorable Mayor, City Auditor and City Council
City of Findlay
Hancock County, Ohio

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM; REPORT ON INTERNAL CONTROL OVER COMPLIANCE; AND REPORT ON THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS REQUIRED BY OMB CIRCULAR A-133

Report on Compliance for Each Major Federal Program

We have audited the City of Findlay's, Hancock County, Ohio (the City) compliance with the types of compliance requirements described in the *OMB Circular A-133 Compliance Supplement* that could have a direct and material effect on each of the City's major federal programs for the year ended December 31, 2014. The City's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of the City's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the City's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

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

Opinion on Each Major Federal Program

In our opinion, the City complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended December 31, 2014.

Report on Internal Control Over Compliance

Management of the City is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the City's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the City's internal control over compliance.

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

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. 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.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of OMB Circular A-133. Accordingly, this report is not suitable for any other purpose.

City of Findlay

Report on Compliance for Each Major Federal Program;

Report on Internal Control over Compliance; and Report on the

Schedule of Expenditures of Federal Awards Required by OMB Circular A-133

Page 3

Report on Schedule of Expenditures of Federal Awards Required by OMB Circular A-133

We have audited the financial statements of the governmental activities, business-type activities, each major fund, and the aggregate remaining fund information of the City as of and for the year ended December 31, 2014, and the related notes to the financial statements, which collectively comprise the City's basic financial statements. We issued our report thereon dated June 30, 2015, which contained an unmodified opinion on those financial statements. Our audit was conducted for the purpose of forming opinions on the financial statements as a whole. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by OMB Circular A-133 and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditure of federal awards is fairly stated in all material respects in relation to the financial statements as a whole.

Hea & Associates, Inc.

Medina, Ohio

CITY OF FINDLAY
HANCOCK COUNTY, OHIO
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2014

| Federal Grantor/ Pass Through Grantor/Program or Cluster Title | Federal CFDA Number | Pass-Thru Entity Ident. Number | (A) Federal Expenditures |
|--|---------------------------|--------------------------------------|--------------------------------|
| U.S.. Department of Housing and Urban Development: | | | |
| <i>Pass-Through Ohio Development Services Agency:</i> | | | |
| <i>Community Development Block Grant</i> | | | |
| Community Development Block Grant (B) | 14.228 | A-F-13-2BM-1 | \$ 99,176 |
| Community Development Block Grant - Revolving Loan Fund (B) | 14.228 | N/A | 12,164 |
| Total Community Development Block Grant (CDBG) | | | 111,340 |
| Total U.S. Dept. of Housing and Urban Development | | | 111,340 |
| U.S Environmental Protection Agency | | | |
| <i>Pass-Through Ohio Environmental Protection Agency:</i> | | | |
| Great Lakes Program | 66.469 | 12GLRI-BLAN-03 | 31,377 |
| Total U.S. Environmental Protection Agency | | | 31,377 |
| U.S. Dept. of Health and Human Services: | | | |
| <i>Pass-Through Program From Ohio Department of Health:</i> | | | |
| Public Health Emergency Preparedness | 93.074 | 32-2001-2-PH-06-15 | 48,058 |
| Public Health Emergency Preparedness | 93.074 | 32-2001-2-PH-05-14 | 47,401 |
| Total Public Health Emergency Preparedness | | | 95,459 |
| <i>Children and Family Health Services Program</i> | | | |
| Children and Family Health Services Program | 93.994 | 32-2001-1-MC-03-14 | 14,520 |
| Children and Family Health Services Program | 93.994 | 32-2001-1-MC-04-15 | 15,301 |
| Total Children and Family Health Services | | | 29,821 |
| Total U.S. Dept. of Health and Human Services | | | 125,280 |
| U.S. Department of Transportation: | | | |
| <i>Direct From Federal Aviation Administration:</i> | | | |
| <i>Airport Improvement Program</i> | | | |
| Airport Improvement Program - Install Runway 7/25 vertical/visual guidance, airport drainage | 20.106 | 3-39-0034-2413 | 29,553 |
| <i>Passed through Ohio Department of Transportation:</i> | | | |
| <i>Highway Planning and Construction</i> | | | |
| Highway Planning and Construction | 20.205 | 93061 | 133,574 |
| Highway Planning and Construction | 20.205 | 95298 | 509,146 |
| Highway Planning and Construction | 20.205 | 90953 | 195,731 |
| Highway Planning and Construction {C} | 20.205 | 78124 | 54,448 |
| Total Highway Planning and Construction | | | 892,899 |
| Total U.S. Department of Transportation: | | | 922,452 |
| Total Expenditures of Federal Awards | | | \$ 1,190,449 |

See Accompanying Notes to the Schedule of Expenditures of Federal Awards

**CITY OF FINDLAY
HANCOCK COUNTY, OHIO
NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2014**

Note A – Significant Accounting Policies

The accompanying Schedule of Expenditures of Federal Awards is a summary of the activity of the City’s federal award programs. The schedule has been prepared on the cash basis of accounting.

Note B – Community Development Block Grants (CDBG) Revolving Loan Program

The City has established a revolving loan program to provide low-interest loans to businesses to create jobs for persons from low to moderate income households and to eligible persons and to rehabilitate homes. The Federal Department of Housing and Urban Development (HUD) grants the money for these loans to the City. The initial loan of this money is recorded as a disbursement on the Schedule of Expenditures of Federal Awards. Loans repaid, including interest, are used to make additional loans. Subsequent loans are subject to the same compliance requirements imposed by HUD as the initial loans; and therefore, are reported as federal expenditures in the year of disbursement. Prior year outstanding balances are reported in the schedule below.

These loans are collateralized by equipment and mortgages.

Activity in the CDBG revolving loan fund during 2014 is as follows:

| | |
|--|-----------------|
| Beginning loans receivables balance as of January 1, 2014: | \$ 826,734 |
| Loans Made: | 168,500 |
| Loan principal repaid: | <u>(93,964)</u> |
| Ending loans receivable balances as of December 31, 2014: | \$ 901,270 |
| | |
| Cash balance on hand in the revolving loan fund as of December 31, 2014: | \$ 193,465 |
| Delinquent Amounts due as of 12/31/14: | \$ 0 |

Note C – Highway Planning and Construction

In the year ended 2013, the City received and spent \$54,448 as part of PID 78124. This amount was inadvertently excluded from the year ended 2013 Schedule of Expenditures of Federal Awards. The expenditures have been included as part of the year ended 2014 Schedule of Expenditures of Federal Awards.

**CITY OF FINDLAY
HANCOCK COUNTY, OHIO
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
OMB CIRCULAR A-133, Section .505
DECEMBER 31, 2014**

| |
|--|
| 1. SUMMARY OF AUDITOR'S RESULTS |
|--|

| | | |
|----------------|---|---|
| (d) (1) (i) | Type of Financial Statement Opinion | Unmodified |
| (d) (1) (ii) | Were there any material control weakness conditions reported at the financial statement level (GAGAS)? | No |
| (d) (1) (ii) | Were there any other significant deficiency conditions reported at the financial statement level (GAGAS)? | No |
| (d) (1) (iii) | Were there any reported material non-compliance at the financial statement level (GAGAS)? | No |
| (d) (1) (iv) | Were there any material internal control weakness conditions reported for major federal programs? | No |
| (d) (1) (iv) | Were there any other significant deficiencies reported for major federal programs? | No |
| (d) (1) (v) | Type of Major Programs' Compliance Opinion | Unmodified |
| (d) (1) (vi) | Are there any reportable findings under Section .510? | No |
| (d) (1) (vii) | Major Programs (list): Community Development Block Grant Highway Planning and Construction | CFDA# #14.228 #20.205 |
| (d) (1) (viii) | Dollar Threshold: Type A/B Programs | Type A: > \$300,000 Type B: All others |
| (d) (1) (ix) | Low Risk Auditee? | Yes |

**CITY OF FINDLAY
HANCOCK COUNTY, OHIO
SCHEDULE OF FINDINGS AND QUESTIONED COSTS, (Cont.)
OMB CIRCULAR A-133, Section .505
DECEMBER 31, 2014**

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

None were noted.

3. FINDINGS AND QUESTIONED COSTS FOR FEDERAL AWARDS

None were noted.

**CITY OF FINDLAY
HANCOCK COUNTY, OHIO
SCHEDULE OF PRIOR AUDIT FINDINGS
DECEMBER 31, 2014**

| Finding Number | Finding Summary | Fully Corrected? | Not Corrected, Partially Corrected; Significantly Different Corrective Action Taken; or Finding No Longer Valid; <i>Explain</i> |
|--------------------------|---|------------------|--|
| 2013-001 Cash Management | City advanced CDBG funds and did not spent within allowable timeframe. | Yes | CDBG drawdowns properly spent within allowable time frame for 2014. |
| 2013-002 Reporting | CDBG final performance report not submitted within allowable timeframe. | Yes | CDBG final performance reported for 2014 submitted within timeframe. |



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
NOVEMBER 5, 2015**