

Wood County, Ohio



COMPREHENSIVE ANNUAL FINANCIAL REPORT

FOR THE YEAR ENDED
DECEMBER 31, 2016



Dave Yost • Auditor of State

City Council
City of Rossford
133 Osborne St.
Rossford, OH 43460

We have reviewed the *Independent Auditor's Report* of the City of Rossford, Wood County, prepared by Plattenburg & Associates, Inc., for the audit period January 1, 2016 through December 31, 2016. 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 Rossford is responsible for compliance with these laws and regulations.

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

Dave Yost
Auditor of State

July 5, 2017

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COMPREHENSIVE ANNUAL FINANCIAL REPORT

FOR THE YEAR ENDED
DECEMBER 31, 2016

Issued by:
Department of Finance
Karen M. Freeman
Director



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WOOD COUNTY, OHIO

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INTRODUCTORY SECTION





City of Rossford, Ohio

133 Osborn Street

Rossford, Ohio 43460-1236

Phone (419) 666-0210

Fax (419) 661-4279

June 1, 2017

Introduction

To the Honorable Mayor, the City Council and the Citizens of the City of Rossford, Ohio:

We are pleased to submit the Comprehensive Annual Financial Report (CAFR) of the City of Rossford for the year ended December 31, 2016. All municipalities within the State of Ohio are required to submit financial statements, prepared in accordance with accounting principles generally accepted in the United States of America, annually to the Auditor of State of Ohio and to have those financial statements audited. This CAFR is prepared and audited to meet this requirement as well as provide the additional information required by the certificate program.

Management, especially the Department of Finance, assumes full responsibility for the completeness and reliability of the information contained within this report, based upon a comprehensive framework of internal controls that has been established over financial reporting. Because the cost of the internal control structure implemented should not exceed the anticipated benefits of such controls, the objective within the framework is to provide reasonable, rather than absolute, assurance that the financial statements are free of any material misstatements.

The Auditor of State of Ohio is the official independent auditor of the City by statute. However, as permitted, the Auditor's Office has determined to contract the annual audit to a certified public accounting firm. In conjunction with the Auditor's Office, the City selected Plattenburg and Associates, Certified Public Accountants, to perform the independent audit of the 2016 financial statements. The unmodified ("clean") opinion issued by Plattenburg on the City's financial statements for the year ended December 31, 2016 is located at the front of the financial section of this report.

Accounting principles generally accepted in the United States of America require that management provide a narrative introduction, overview and analysis to accompany the basic financial statements in the form of Management Discussion and Analysis (MD&A). This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it. The City's MD&A can be found immediately following the independent auditors' report.

***Letter of Transmittal
For the Year Ended December 31, 2016***

PROFILE OF THE CITY OF ROSSFORD

Rossford was first settled in 1989 by Edward Ford, founder of the Edward Ford Plate Glass Company, who constructed his plant across the Maumee River from Toledo. The Edward Ford Plate Glass Company, now Pilkington North America, attracted workers to the area who established a community around the facility. Rossford was incorporated as a village in 1940 and became a city in 1971. The City with an estimated population of 6,499 for 2016, is an ethnic community with a population mix consisting primarily of middle-eastern European nationalities (e.g. Polish, Czechoslovakian, German and Ukrainian). Most of the early residents were employed at the glass plant and today, several generations later many descendants of the original settlers continue to work in the area for automotive manufacturers and suppliers.

The City is located on the banks of the Maumee River. Rossford abuts the southeast boundary of the City of Toledo and is in northern Wood County. North-south interstate highway I-75 and east-west interstate I-80/90, the longest interstate highway in the U.S., intersect inside the City limits. Interstate highway I-75 has three interchanges within the City, and I-80/90 (the Ohio Turnpike) Gate 54 is in an area known as the "Crossroads of America", which was annexed to Rossford in 1994. The City is also served by state highways 65 and 795. CSX rail lines are located within the City and the Toledo Area Regional Transit Authority provides local bus service. Toledo Express Airport, 15 miles west, Detroit Metro Airport, 60 miles north, and Toledo Executive Airport (formerly Metcalf Field) 5 miles east, all provide air transportation. Toledo Express Airport provides ready access to international air cargo services.

The City operates under the council-mayor form of government. Policy-making and legislative authority are vested in the seven-member City Council, all of whom are elected at large for rotating terms of four years, or until their successors are chosen and qualified. The Mayor is also elected to four year terms and serves as the chief executive officer of the City. To assist in the day-to-day administration of the City, the Mayor appoints a City Administrator as well as the heads of the various departments, in consultation with City Council.

The City Council is required to adopt the annual appropriation measure around the beginning of each year. The appropriation measure serves as the foundation of the City financial planning process by allocating available resources to the functions/activities based on the priorities of City Council. The measure is prepared for each fund at the major object level (personal services, contract services, materials and supplies, capital outlay and transfers). Any appropriation adjustments within these classifications for each fund may be made by management; however, any adjustments that modify appropriations of funds or major object levels within the funds must be approved by Council.

***Letter of Transmittal
For the Year Ended December 31, 2016***

Local Economy

In the 1990's the City of Rossford initiated a planned growth program to diversify the City's economic financial base. This program resulted in the annexation of 1,097 acres of primarily farmland located at the intersection of I-80/90 and I-75. Locally, the area is referred to as the "Crossroads of America" or "Crossroads." The City, with regional partners constructed roadways, water lines, sanitary sewers, and storm-water infrastructure improvements to induce private commercial and industrial development. Development has been proceeding at a steady pace with the construction of the Crossroads Center, as multi store retail center, Meijer's, Bass Pro Shops, Meridian Retail Shops and other private investment, which have turned SR 20 into a regional retail/commercial corridor. In 2016, two sports domes designed to host team practices and tournaments were constructed this area. Today, the income tax collected by the City of Rossford from the Crossroads area represents approximately 15% of the City's total income tax collections.

The City is aggressively seeking new development by cooperating with private developers to secure investment in the City and through participation in the Wood County Economic Development Commission and with the Wood County Port Authority. Two Community Entertainment Districts' comprising 203 acres have been created by the City of Rossford under authority of Ohio Revised Code 4301.80. The intended development purposes called out in ORC 4301.80 directly identifies hotels, restaurants, retail sales establishments, enclosed shopping centers, motion picture theaters, convention facilities, sports facilities, educational facilities, and entertainment complexes, all of which are distinct and potential uses for the property and are provided for under the City of Rossford's zoning code.

In 2012, Hollywood Casino, one of four casinos permitted in the State of Ohio, opened in the City of Toledo. The site picked by Penn National for the Toledo casino lies adjacent to the City of Rossford on State Route 65. The State of Ohio, Department of Transportation is in the planning stages of replacing the I-75 bridge over the Maumee River adjacent to the Casino. Associated with this bridge replacement project a new access road will be constructed near the interchange that will provide access to approximately 50 acres of now undeveloped land in the City. The private sector has shown an interest in this area looking to expand the entertainment potential of the Hollywood Casino.

The City collects a 6% hotel/motel tax of which one quarter of the collections is committed to support the Rossford Visitors & Convention Bureau (RVCB) and its outreach activities. Revenues from the hotel/motel tax continue to improve year to year and with increased marketing. The City expects to see continued growth in these revenues, due to activities attracting overnight guests and additional beds added in 2016. The RVCB opened an office within the City with part-time staff. They continue to look at new ventures to promote the city.

***Letter of Transmittal
For the Year Ended December 31, 2016***

Relevant Financial Policies

The City has instituted financial controls with the primary objective of reducing the potential for fraud or misappropriation, but also with the objective of improving accuracy, collections, and financial reporting. In 2007, the City of Rossford began working with a payroll service to improve the handling of payroll matters and in July 2009, the City joined the Regional Income Tax Agency (R.I.T.A) council of governments, which has allowed the City to expand its income tax tracking, billing and collection efforts while reducing the cost of the tax administration function. Additionally, all tax payments are sent directly to R.I.T.A., and any adjustments to balances due must be jointly approved by the City and R.I.T.A. staff. These moves improved reporting while reducing required staffing and costs and strengthened separation of duties. In 2013, the City installed new finance software, with greater security features, that allow the City to "lock in" separations of duty.

In June of 2006, the State legislature passed House Bill 66 which phases out the tax on tangible personal property of general business, and telecommunication companies, and railroads. The tax is being phased out by reducing the assessment rate on the property each year. The tax on general business and railroad property began being phased out in 2007 and was eliminated in 2009. The City was reimbursed for the lost revenue by the State of Ohio ending June 30, 2011. The tax on telephone and telecommunication companies began being phased out in 2009 and was eliminated in 2011. In the first five years, the City will be reimbursed fully for the lost revenue; in the following seven years, the reimbursements will be phased out. This phase-out schedule is under review and could be shortened or eliminated by the Ohio Legislature. The State of Ohio has also recently reduced monies distributed to municipalities through the Local Government Fund, which has also had an impact on City revenues.

Long-Term Financial Planning

The City produces a 5-year forecast of revenues and expenses which serves as the basis for long-term financial planning. The City refinanced its 2001 and 2002 bond series along with several bond anticipation notes in 2012. This significantly lowered the amount of general obligation debt carried by the City. In the future, it is the City's intention to issue only long-term debt instruments where there is an offsetting revenue stream from a special assessment, levy or service fees.

A significant factor for long-term financial planning was the cost of improving and maintaining the infrastructure of the sanitary sewer and water systems. In 2010, the City signed an agreement to join the Northwestern Water and Sewer District beginning in 2011. The District owns the water and sewer infrastructure within the City and provides for the continuation, development, and support of sanitary-sewer and water systems. In 2012, Northwestern Water and Sewer District assumed all the debt associated with sanitary sewer and water system infrastructure. In 2014, the District completed an update the sanitary sewer system that eliminated sanitary overflows and completed water distribution improvements.

***Letter of Transmittal
For the Year Ended December 31, 2016***

Major Initiatives

In 2014, the City completed an evaluation of the roadway system rating the pavement condition on all roadways within the City. Using this data, Council's Public Works Committee laid out a five-year road improvement schedule which also includes federal aid projects that have been awarded to the City.

In late 2014, the City entered into an agreement with the Wood County Sherriff to dispatch on behalf of the City's emergency services. This regional approach to dispatch will provide the City's emergency services an improved information and reporting system while reducing operating costs. The new dispatch program came on line in December 2014.

Initial steps to begin to update the City's Storm Water Management Plan that is required by the federal government to discharge water under the Clean Water Act began in 2014. A survey of all discharge points was commissioned and completed in early 2014. The City under its current Storm Water Management Plan has taken steps to control the amount of road salt used during the winter months reducing pollution to the waterways.

In 2016, the City of Rossford was the first city in Wood County to become part of the State of Ohio's Open Checkbook initiative. The City has placed 4 years of expense data on the State website increasing the financial transparency of city operations.

Awards and Acknowledgements

The publication of this report represents an important achievement in the ability of the City of Rossford to provide significantly enhanced financial information and accountability to the citizens, its elected officials, city administration, and investors. In addition to the citizens of Rossford, the recipients of this report will include city, state and federal officials, schools, libraries, newspapers, investment banking firms, banks and rating agencies. The report is made available to any person or organization requesting it. The extensive effort to prepare and distribute this report is indicative of the continued efforts of the city to improve its overall financial accounting, management and reporting capabilities.

The City received the Government Finance Officers Association (GFOA) Certificate of Achievement for Excellence in Financial Reporting in 2015. We believe our 2016 CAFR meets the Certificate of Achievement Program's requirements and we are submitting it to the GFOA to determine its eligibility for a certificate.

***Letter of Transmittal
For the Year Ended December 31, 2016***

Special acknowledgment is extended to the staff of Donald J. Schonhardt and Associates for their continued guidance in the preparation of this. Finally, special thanks to Mayor Neil MacKinnon, III and the members of the Rossford City Council for their vision and commitment to sound municipal management and to the City Directors and their staff whose support is necessary for the City of Rossford to conform to reporting requirements established for municipal governments.

Respectfully,



Michael A. Scott
City Administrator



Karen M. Freeman
Finance Director

CITY OF ROSSFORD, OHIO

**List of Principal Officials
For the Year Ended December 31, 2016**

Elected Official

<u>Name</u>	<u>Office</u>	<u>Term Expires</u>	<u>Years In Office</u>	<u>Surety</u>
Neil A. MacKinnon, III	Mayor	11/30/2019	7	A
Larry Oberdorf, Sr.	Council President	11/30/2019	12	A
Gerald Staczek	Council Member	11/30/2017	6	A
Robert Ruse	Council Member	11/30/2019	6	A
Caroline Zuchowski-Eckel	Council Member	11/30/2017	12	A
Gregory Marquette	Council Member	11/30/2019	17	A
Daniel Wagner	Council Member	11/30/2017	4	A
Joseph E. Minaricn, Jr.	Council Member	11/30/2019	4	A, B

Administrative Personnel

<u>Name</u>	<u>Office</u>	<u>Term Expires</u>	<u>Years Of Service</u>	<u>Surety</u>
Michael A. Scott	City Administrator	Indefinite	2	A, B
Karen Freeman	Director of Finance	Indefinite	10	A, B
Tyler Kolb	Superintendent of Public Works	Indefinite	3	A
Tobiah Ledesma	Director of Recreation	Indefinite	2	A
Glenn Goss, Sr.	Police Chief	Indefinite	5	A
Joshua Drouard	Fire Chief	Indefinite	3	A
Kevin Heban	Director of Law	Indefinite	10	A
Robert Watrol	Clerk of Council	11/30/2015	8	A

(A) Public Officials \$5 Million Per Occurrence, \$6 Million Aggregate General Liability.

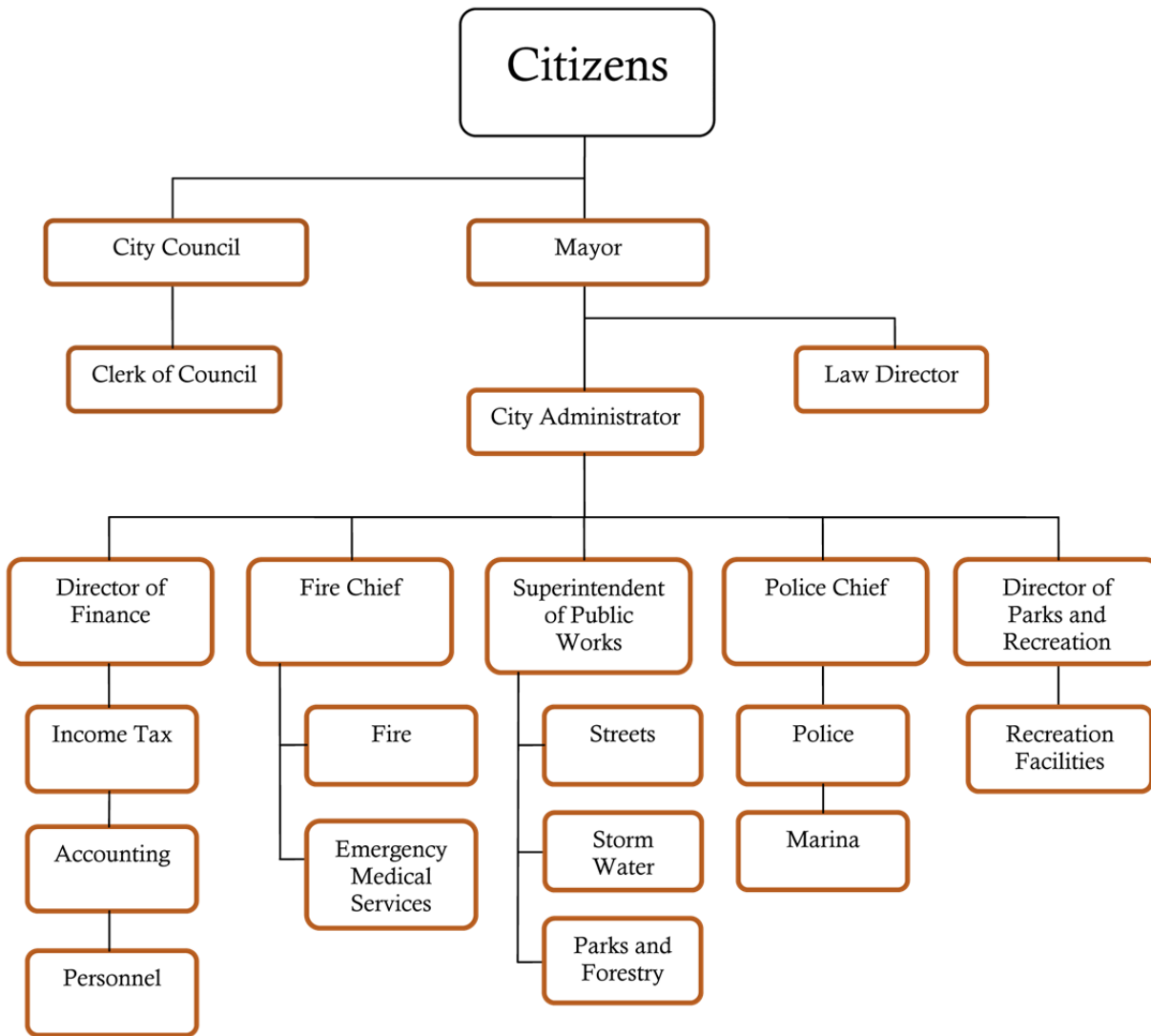
(B) Public Official Bond - \$100,000.

Insurance Term: September 5, 2016 Through September 5, 2017

City Offices:

133 Osborn Street
Rossford, Ohio 43460-1236
Phone (419) 666-0210
FAX (419) 661-4279
<http://rossfordohio.com>

**City Organizational Chart
For the Year Ended December 31, 2016**



Boards and Commissions

- | | |
|-------------------------------|-------------------------|
| Civil Service Commission | Board of Tax Review |
| Design Review Commission | Board of Zoning Appeals |
| Municipal Planning Commission | Recreation Board |
| Records Retention Commission | Street Tree Commission |

***Government Finance Officers Association of the United States and Canada
Certificate of Achievement for Excellence in Financial Reporting***



Government Finance Officers Association

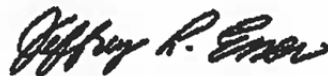
**Certificate of
Achievement
for Excellence
in Financial
Reporting**

Presented to

**City of Rossford
Ohio**

**For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended**

December 31, 2015



Executive Director/CEO



FINANCIAL SECTION



INDEPENDENT AUDITOR'S REPORT

Honorable Mayor, City Council and City Manager
City of Rossford

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 Rossford (the City) as of and for the year ended December 31, 2016, and the related notes to the financial statements, which collectively comprise the City's basic financial statements.

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 entity'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 entity'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, 2016, and the respective changes in financial position and, where applicable, cash flows thereof and the respective budgetary comparison for the General Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and schedules of net pension liabilities and pension contributions 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.

Supplementary and 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 relate 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 them.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated June 1, 2017, on our consideration of the City's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. That report describes the scope of our internal control testing over financial reporting and compliance, and the results of that testing, and does not opine on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.

Plattenburg & Associates, Inc.

Plattenburg & Associates, Inc.

Cincinnati, Ohio

June 1, 2017

***Management's Discussion and Analysis
For the Year Ended December 31, 2016***

Unaudited

The discussion and analysis of the City of Rossford's financial performance provides an overall review of the City's financial activities for the fiscal year ended December 31, 2016. 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, notes to the basic financial statements and financial statements to enhance their understanding of the City's financial performance.

FINANCIAL HIGHLIGHTS

Key financial highlights for 2016 are as follows:

- ❑ In total, net position increased \$2,414,446. Net position of governmental activities increased \$2,595,064 from 2015. Net position of business-type activities decreased \$180,618 from 2015.
- ❑ General revenues accounted for \$7.8 million in revenue or 87% of all revenues. Program specific revenues in the form of charges for services and grants and contributions accounted for 13% of total revenues of \$9.0 million.
- ❑ The City had \$6.4 million in expenses related to governmental activities; \$1.2 million of these expenses were offset by program specific charges for services, grants or contributions. General revenues (primarily taxes) of \$7.8 million were adequate to provide for these programs.
- ❑ Among major funds, the general fund had \$5.9 million in revenues and \$4.5 million in expenditures. The general fund's fund balance increased \$670,383 to \$6,537,735.
- ❑ Net position for enterprise funds decreased by \$180,618.

OVERVIEW OF THE FINANCIAL STATEMENTS

This annual report consists of three parts – *management's discussion and analysis*, the *basic financial statements*, and an optional section that presents *combining statements* for nonmajor governmental funds. The basic financial statements include two kinds of statements that present different views of the City:

These statements are as follows:

1. *The Government-Wide Financial Statements* – These statements provide both long-term and short-term information about the City's overall financial status.
2. *The Fund Financial Statements* – These statements focus on individual parts of the City, reporting the City's operations in more detail than the government-wide statements.

The financial statements also include notes that explain some of the information in the financial statements and provide more detailed data. The statements are followed by a section of required supplementary information that further explains and supports the information in the financial statements.

Government-wide Statements

The government-wide statements report information about the City as a whole using accepted methods similar to those used by private-sector companies. The Statement of Net Position includes all of the government's assets, deferred outflows of resources, liabilities and deferred inflows of resources. All of the current year's revenues and expenses are accounted for in the statement of activities regardless of when cash is received or paid.

The two government-wide statements report the City's net position and how they have changed. Net-position (the difference between the City's assets, deferred outflows of resources, liabilities and deferred inflows of resources) are one way to measure the City's financial health or position.

- Over time, increases or decreases in the City's net position are an indicator of whether its financial health is improving or deteriorating, respectively.
- To assess the overall health of the City you need to consider additional nonfinancial factors such as property tax base, current property tax laws, conditions of the City's streets and general infrastructure and status of growth within the City.

The government-wide financial statements of the City are divided into two categories:

- *Governmental Activities* – Most of the City's programs and services are reported here including security of persons and property, public health and welfare services, leisure time activities, community environment, transportation and general government.
- *Business-Type Activities* – These services are provided on a charge for goods or services basis to recover all of the expenses of the goods or services provided. The City's electric, water, sewer and sanitation services are reported as business-type activities.

Fund Financial Statements

The fund financial statements provide more detailed information about the City's most significant funds, not the City as a whole. Funds are accounting devices that the City uses to keep track of specific sources of funding and spending for particular purposes.

Governmental Funds – Most of the City's activities are reported in governmental funds, which focus on how money flows into and out of those funds and the balances left at year-end available for spending in future periods. These funds are reported using an accounting method called modified accrual accounting, which measures cash and all other financial assets that can readily be converted to cash. The governmental fund statements provide a detailed short-term view of the City's general government operations and the basic services it provides. Governmental fund information helps you determine whether there are more or fewer financial resources that can be spent in the near future to finance programs. The relationship (or differences) between governmental activities (reported in the Statement of Net Position and the Statement of Activities) and governmental funds are reconciled in the financial statements.

***Management's Discussion and Analysis
For the Year Ended December 31, 2016***

Unaudited

Proprietary Funds – Proprietary funds use the same basis of accounting as business-type activities; therefore, these statements will essentially match.

Fiduciary Funds – Fiduciary funds are used to account for resources held for the benefit of parties outside the government. 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. All of the City's fiduciary activities are reported in the separate Statement of Fiduciary Net Position.

FINANCIAL ANALYSIS OF THE CITY AS A WHOLE

The following tables provide a comparison of the City's net position between 2016 and 2015:

	Governmental Activities		Business-type Activities		Total	
	2016	2015	2016	2015	2016	2015
Current and other assets	\$18,772,367	\$17,378,323	\$105,547	\$72,253	\$18,877,914	\$17,450,576
Capital assets, Net	6,125,181	5,293,305	642,199	677,806	6,767,380	5,971,111
Total assets	<u>24,897,548</u>	<u>22,671,628</u>	<u>747,746</u>	<u>750,059</u>	<u>25,645,294</u>	<u>23,421,687</u>
Deferred outflows of resources	1,105,583	472,673	19,357	6,706	1,124,940	479,379
Net pension liability	3,638,708	2,812,172	50,408	34,755	3,689,116	2,846,927
Other long-term liabilities	2,431,974	2,831,595	194,362	18,775	2,626,336	2,850,370
Other liabilities	242,921	306,772	32	690	242,953	307,462
Total liabilities	<u>6,313,603</u>	<u>5,950,539</u>	<u>244,802</u>	<u>54,220</u>	<u>6,558,405</u>	<u>6,004,759</u>
Deferred inflows of resources	2,199,657	2,298,955	974	600	2,200,631	2,299,555
Net position (deficit):						
Net investment in capital assets	4,209,647	3,039,471	447,837	659,031	4,657,484	3,698,502
Restricted	7,996,876	7,566,671	0	0	7,996,876	7,566,671
Unrestricted	5,283,348	4,288,665	73,490	42,914	5,356,838	4,331,579
Total net position	<u>\$17,489,871</u>	<u>\$14,894,807</u>	<u>\$521,327</u>	<u>\$701,945</u>	<u>\$18,011,198</u>	<u>\$15,596,752</u>

During 2015, the City adopted GASB Statement 68, "Accounting and Financial Reporting for Pensions— an Amendment of GASB Statement 27," which significantly revises accounting for pension costs and liabilities. For reasons discussed below, many end users of this financial statement will gain a clearer understanding of the City's actual financial condition by adding deferred inflows related to pension and the net pension liability to the reported net position and subtracting deferred outflows related to pension.

***Management's Discussion and Analysis
For the Year Ended December 31, 2016***

Unaudited

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

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

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

GASB notes that pension obligations, whether funded or unfunded, are part of the "employment exchange" – that is, the employee is trading his or her labor in exchange for wages, benefits, and the promise of a future pension. GASB noted that the unfunded portion of this pension promise is a present obligation of the government, part of a bargained-for benefit to the employee, and should accordingly be reported by the government as a liability since they received the benefit of the exchange. However, the City is not responsible for certain key factors affecting the balance of this liability. In Ohio, the employee shares the obligation of funding pension benefits with the employer. Both employer and employee contribution rates are capped by State statute. A change in these caps requires action of both Houses of the General Assembly and approval of the Governor. Benefit provisions are also determined by State statute. The employee enters the employment exchange with the knowledge that the employer's promise is limited not by contract but by law. The employer enters the exchange also knowing that there is a specific, legal limit to its contribution to the pension system. In Ohio, there is no legal means to enforce the unfunded liability of the pension system against the public employer. State law operates to mitigate/lessen the moral obligation of the public employer to the employee, because all parties enter the employment exchange with notice as to the law. The pension system is responsible for the administration of the plan.

***Management's Discussion and Analysis
For the Year Ended December 31, 2016***

Unaudited

Most long-term liabilities have set repayment schedules or, in the case of compensated absences (i.e. sick and vacation leave), are satisfied through paid time-off or termination payments. There is no repayment schedule for the net pension liability. As explained above, changes in pension benefits, contribution rates, and return on investments affect the balance of the net pension liability, but are outside the control of the local government. In the event that contributions, investment returns, and other changes are insufficient to keep up with required pension payments, State statute does not assign/identify the responsible party for the unfunded portion. Due to the unique nature of how the net pension liability is satisfied, this liability is separately identified within the long-term liability section of the statement of net position.

In accordance with GASB 68, the City's statements prepared on an accrual basis of accounting include an annual pension expense for their proportionate share of each plan's change in net pension liability not accounted for as deferred inflows/outflows.

At fiscal year-end for governmental activities, capital assets represented 25% of total assets. Capital assets include land, improvements, buildings and improvements, machinery and equipment, and infrastructure. Net investment in capital assets, at December 31, 2016 was \$4,209,647. These capital assets are used to provide services to the public 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 may not be used to liquidate these liabilities.

A portion of the City's net position, \$7,996,876, represents resources that are subject to external restriction on how they may be used. Excluding the effect of implementing GASB 68, the City has approximately \$9 million in unrestricted net position which may be used to meet the City's ongoing obligations to the public and creditors.

CITY OF ROSSFORD, OHIO

**Management's Discussion and Analysis
For the Year Ended December 31, 2016**

Unaudited

Changes in Net Position – The following table shows the changes in net position for the fiscal year 2016 and 2015:

	Governmental Activities		Business-type Activities		Total	
	2016	2015	2016	2015	2016	2015
Revenues						
Program revenues:						
Charges for Services and Sales	\$577,277	\$554,622	\$101,879	\$95,576	\$679,156	\$650,198
Operating Grants and Contributions	327,328	379,823	0	0	327,328	379,823
Capital Grants and Contributions	268,173	390,475	0	100	268,173	390,575
General revenues:						
Property and Other Local Taxes	1,424,610	1,365,147	0	0	1,424,610	1,365,147
Income Taxes	4,479,327	3,278,073	0	0	4,479,327	3,278,073
Payments in Lieu of Taxes	942,974	903,604	0	0	942,974	903,604
Grants and Entitlements not Restricted to Specific Programs	469,904	391,582	0	0	469,904	391,582
Investment Earnings	38,833	23,166	0	0	38,833	23,166
Miscellaneous	305,762	90,764	0	0	305,762	90,764
Total revenues	8,834,188	7,377,256	101,879	95,676	8,936,067	7,472,932
Program Expenses						
Security of Persons and Property	2,877,424	2,843,321	0	0	2,877,424	2,843,321
Leisure Time Activities	541,068	428,713	0	0	541,068	428,713
Community Environment	31,418	63,432	0	0	31,418	63,432
Basic Utility Services	343,959	318,075	0	0	343,959	318,075
Transportation	995,204	1,230,777	0	0	995,204	1,230,777
General Government	1,557,087	1,430,432	0	0	1,557,087	1,430,432
Interest and Fiscal Charges	53,219	60,755	0	0	53,219	60,755
Storm Water	0	0	7,532	32,386	7,532	32,386
Marina	0	0	114,710	113,795	114,710	113,795
Total expenses	6,399,379	6,375,505	122,242	146,181	6,521,621	6,521,686
Excess (deficiency) before Transfers	2,434,809	1,001,751	(20,363)	(50,505)	2,414,446	951,246
Transfers In (Out)	160,255	(28,100)	(160,255)	28,100	0	0
Total Change in Net Position	2,595,064	973,651	(180,618)	(22,405)	2,414,446	951,246
Beginning Net Position, Restated	14,894,807	13,921,156	701,945	724,350	15,596,752	14,645,506
Ending Net Position	\$17,489,871	\$14,894,807	\$521,327	\$701,945	\$18,011,198	\$15,596,752

***Management's Discussion and Analysis
For the Year Ended December 31, 2016***

Unaudited

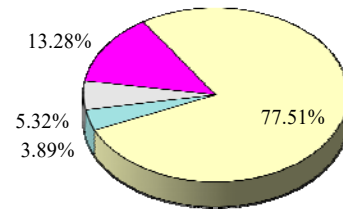
Governmental Activities

Net position of the City's governmental activities increased by \$2,595,064.

The City also receives an income tax, which is based on 2.25% of all salaries, wages, commissions and other compensation earned from residents living within the City and from nonresidents for work done or services performed or rendered in the City. Employers within the City are required to withhold income tax on employee compensation and remit the tax to the City either monthly or quarterly. Corporations and individuals are required to file a declaration annually. The City allows a 100% credit for income taxes paid to another municipality.

Property taxes and income taxes made up 9% and 51% respectively of revenues for governmental activities for the City in fiscal year 2016. The City's reliance upon tax revenues is demonstrated by the following graph indicating 77.51% of total revenues from general tax revenues:

<u>Revenue Sources</u>	<u>2016</u>	<u>Percent of Total</u>
General Shared Revenues	\$469,904	5.32%
Program Revenues	1,172,778	13.28%
General Tax Revenues	6,846,911	77.51%
General Other	344,595	3.89%
Total Revenue	<u>\$8,834,188</u>	<u>100.00%</u>



***Management's Discussion and Analysis
For the Year Ended December 31, 2016***

Unaudited

Business-Type Activities

Net position of the business-type activities decreased by \$180,618 during 2016. This was due to significant storm water improvements made on Hillside Dr. within the City. The City's general fund balance was used to pay for improvements, as there are insufficient revenues within the storm water fund to make these improvements.

FINANCIAL ANALYSIS OF THE CITY'S FUNDS

The City's governmental funds reported a combined fund balance of \$14,469,354, which is an increase from last year's balance of \$13,394,929. The schedule below indicates the fund balance and the total change in fund balance by fund type as of December 31, 2016 and 2015:

	Fund Balance December 31, 2016	Fund Balance December 31, 2015	Increase (Decrease)
General	\$6,537,735	\$5,867,352	\$670,383
Tax Increment Equalization	4,769,295	4,900,212	(130,917)
TID Road Acquisition	757,074	645,322	111,752
Other Governmental	2,405,250	1,982,043	423,207
Total	<u>\$14,469,354</u>	<u>\$13,394,929</u>	<u>\$1,074,425</u>

CITY OF ROSSFORD, OHIO

**Management's Discussion and Analysis
For the Year Ended December 31, 2016**

Unaudited

General Fund – The City's General Fund balance increase is due to many factors. The tables that follow assist in illustrating the financial activities and balance of the General Fund:

	2016	2015	Increase
	<u>Revenues</u>	<u>Revenues</u>	<u>(Decrease)</u>
Municipal Income Tax	\$4,224,354	\$3,854,119	\$370,235
Property and Other Taxes	1,044,296	979,475	64,821
Intergovernmental Revenue	413,098	413,819	(721)
Charges for Services	138,095	63,260	74,835
Fines, Licenses and Permits	48,124	52,435	(4,311)
Investment Earnings	37,419	22,896	14,523
Special Assessments	9,886	1,135	8,751
All Other Revenue	30,622	55,751	(25,129)
Total	<u>\$5,945,894</u>	<u>\$5,442,890</u>	<u>\$503,004</u>

General Fund revenues in 2016 increased \$503,004 compared to revenues in fiscal year 2015 primarily because of a significant increase in income tax revenue.

	2016	2015	Increase
	<u>Expenditures</u>	<u>Expenditures</u>	<u>(Decrease)</u>
Security of Persons and Property	\$2,113,528	\$1,986,716	\$126,812
Leisure Time Activities	16,100	15,587	513
Basic Utility Services	343,959	318,075	25,884
Transportation	630,407	633,592	(3,185)
General Government	1,360,583	1,276,029	84,554
Total	<u>\$4,464,577</u>	<u>\$4,229,999</u>	<u>\$234,578</u>

General Fund expenditures increased by \$234,578 compared to the prior year. This was due primarily to increased staffing in the police and public works departments. The cost wages and benefits significantly impacted the expenditures in Security of Persons and Property and General Government.

The City's budget is prepared according to Ohio law and is based on accounting for certain transactions on a basis of cash receipts, disbursements and encumbrances. The most significant budgeted fund is the General Fund.

During the course of fiscal year 2016 the City amended its General Fund budget several times, none significant.

***Management's Discussion and Analysis
For the Year Ended December 31, 2016***

Unaudited

For the General Fund, final budget basis revenue of \$5.4 million was a minor change over the original budget estimates of \$5.2 million. The General Fund had an adequate fund balance to cover expenditures.

The City's other major funds, the Tax Increment Equalization and TID Road Acquisition Funds, reported net change in fund balances of (\$130,917) and \$111,752, respectively. While the Tax Increment Equalization Fund continues to benefit from development within the designated development area, significant roadway improvements were paid for in 2016 resulting in a decrease in the fund balance. The funds being accumulated are restricted to finance future infrastructure projects within that 2,000 acre site as development continues. TID Roadway Acquisition Funds are used to repay the debt associate with widening of the bridge over I-75 and will be available in 2017 for other road improvements when the debt is retired.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

At the end of fiscal 2016 the City had \$6,767,380 net of accumulated depreciation invested in land, improvements, infrastructure, buildings and machinery and equipment. Of this total, \$6,125,181 was related to governmental activities and \$642,199 to the business-type activities. The following table shows fiscal year 2016 and 2015 balances:

	Governmental Activities		Increase (Decrease)
	2016	2015	
Land	\$460,870	\$460,870	\$0
Buildings	3,449,884	3,311,449	138,435
Improvements Other Than Buildings	220,401	178,401	42,000
Machinery and Equipment	5,210,097	5,087,542	122,555
Infrastructure	3,317,835	2,504,617	813,218
Less: Accumulated Depreciation	(6,533,906)	(6,249,574)	(284,332)
Totals	<u>\$6,125,181</u>	<u>\$5,293,305</u>	<u>\$831,876</u>

	Business-Type Activities		Increase (Decrease)
	2016	2015	
Buildings	\$15,000	\$15,000	\$0
Machinery and Equipment	84,637	83,552	1,085
Infrastructure	904,781	904,781	0
Less: Accumulated Depreciation	(362,219)	(325,527)	(36,692)
Totals	<u>\$642,199</u>	<u>\$677,806</u>	<u>(\$35,607)</u>

The primary increase occurred in infrastructure. Additional information on the City's capital assets can be found in Note 7.

***Management's Discussion and Analysis
For the Year Ended December 31, 2016***

Unaudited

Debt

At December 31, 2016, the City had \$1.9 million in bonds outstanding, \$225,000 due within one year. The following table summarizes the City's debt outstanding as of December 31, 2016 and 2015:

	<u>2016</u>	<u>2015</u>
Governmental Activities:		
General Obligation Bonds	\$1,922,302	\$2,311,601
OPWC Loans Payable	60,236	66,929
Landfill Postclosure Care Liability	172,674	213,705
Compensated Absences	276,762	239,360
Net Pension Liability	3,638,708	2,812,172
Total Governmental Activities	<u>6,070,682</u>	<u>5,643,767</u>
Business-Type Activities:		
OPWC Loans Payable	\$194,362	\$18,775
Net Pension Liability	50,408	34,755
Total Business-Type Activities	<u>244,770</u>	<u>53,530</u>
Totals	<u><u>\$6,315,452</u></u>	<u><u>\$5,697,297</u></u>

State statutes limit the amount of unvoted general obligation debt the City may issue. The aggregate amount of the City's unvoted debt is also subject to overlapping debt restrictions with other political subdivisions. The actual aggregate amount of the City's unvoted debt, when added to that of other political subdivisions within the respective counties in which Rossford lies, is limited to ten mills. At December 31, 2016, the City's outstanding debt was below the legal limit. Additional information on the City's long-term debt can be found in Note 13.

ECONOMIC FACTORS

As part of the budget process the City forecasts revenues and expenses for the coming fiscal year and 5 years into the future. Major aspects of this evaluation are projecting income tax, hotel/motel tax and franchise tax revenues and utilizing property tax and shared local government revenues provided by the Wood County Auditor. Hotel/motel and franchise taxes have remained relatively even when compared to the previous year. Income tax has increased significantly and become a larger portion of the City's revenue stream as State shared taxes have diminished.

General Fund personnel expenditures increased due to additional staff in the police and public works departments. The number of positions in these departments have been increased over the last 2 years. This increase in staffing has been carefully planned to provide the needed level of service to residents. Neither department has returned to its staffing levels in the 1990s and early 2000s. Except for inflationary increases, other general fund expenses have remained relatively constant. A close watch of current economic conditions is ongoing.

REQUESTS FOR INFORMATION

This financial report is designed to provide our citizens, taxpayers, 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 the Finance Department by calling 419-666-0210 or writing to City of Rossford Finance Department, 133 Osborn Street, Rossford, Ohio 43460.



CITY OF ROSSFORD, OHIO

**Statement of Net Position
December 31, 2016**

	Governmental Activities	Business-Type Activities	Total
Assets:			
Cash and Cash Equivalents	\$ 13,670,021	\$ 102,132	\$ 13,772,153
Receivables:			
Accounts	34,938	0	34,938
Intergovernmental	993,025	0	993,025
Income Taxes	1,410,952	0	1,410,952
Property Taxes	980,171	0	980,171
Payments in Lieu of Taxes	1,290,861	0	1,290,861
Special Assessments	221,358	0	221,358
Inventory of Supplies at Cost	31,148	0	31,148
Prepaid Items	129,119	3,415	132,534
Restricted Assets:			
Cash and Cash Equivalents	10,774	0	10,774
Capital Assets:			
Capital Assets Not Being Depreciated	460,870	0	460,870
Capital Assets Being Depreciated, Net	5,664,311	642,199	6,306,510
Total Assets	24,897,548	747,746	25,645,294
Deferred Outflows of Resources:			
Deferred Loss on Debt Refunding	67,004	0	67,004
Pension	1,038,579	19,357	1,057,936
Total Deferred Outflows of Resources	1,105,583	19,357	1,124,940
Liabilities:			
Accounts Payable	194,475	21	194,496
Accrued Wages and Benefits	44,710	11	44,721
Accrued Interest Payable	3,736	0	3,736
Long-Term Liabilities:			
Due Within One Year	321,629	9,318	330,947
Due in More Than One Year	2,110,345	185,044	2,295,389
Net Pension Liability	3,638,708	50,408	3,689,116
Total Liabilities	6,313,603	244,802	6,558,405
Deferred Inflows of Resources:			
Property Tax Levy for Next Fiscal Year	878,183	0	878,183
Payments in Lieu of Taxes	1,290,861	0	1,290,861
Pension	30,613	974	31,587
Total Deferred Inflows of Resources	2,199,657	974	2,200,631

(Continued)

CITY OF ROSSFORD, OHIO

	Governmental Activities	Business-Type Activities	Total
Net Position:			
Net Investment in Capital Assets	4,209,647	447,837	4,657,484
Restricted For:			
Capital Projects	6,538,317	0	6,538,317
Law Enforcement Programs	82,702	0	82,702
Security of Persons and Property	445,840	0	445,840
Transportation	846,477	0	846,477
Other Purposes	83,540	0	83,540
Unrestricted	5,283,348	73,490	5,356,838
Total Net Position	\$ 17,489,871	\$ 521,327	\$ 18,011,198

See accompanying notes to the basic financial statements

CITY OF ROSSFORD, OHIO

**Statement of Activities
For the Year Ended December 31, 2016**

	Expenses	Program Revenues		
		Charges for Services and Sales	Operating Grants and Contributions	Capital Grants and Contributions
Governmental Activities:				
Security of Persons and Property	\$ 2,877,424	\$ 384,443	\$ 13,651	\$ 2,737
Leisure Time Activities	541,068	164,959	684	684
Community Environment	31,418	0	0	0
Basic Utility Services	343,959	0	0	0
Transportation	995,204	0	306,700	264,752
General Government	1,557,087	27,875	6,293	0
Interest and Fiscal Charges	53,219	0	0	0
Total Governmental Activities	6,399,379	577,277	327,328	268,173
Business-Type Activities:				
Storm Water	7,532	5,169	0	0
Marina	114,710	96,710	0	0
Total Business-Type Activities	122,242	101,879	0	0
Totals	\$ 6,521,621	\$ 679,156	\$ 327,328	\$ 268,173

General Revenues

Property Taxes
Municipal Income Taxes
Other Local Taxes
Payment in Lieu of Taxes
Grants and Entitlements not Restricted to Specific Programs
Investment Earnings
Miscellaneous
Transfers
Total General Revenues and Transfers
Change in Net Position
Net Position Beginning of Year
Net Position End of Year

See accompanying notes to the basic financial statements

CITY OF ROSSFORD, OHIO

Net (Expense) Revenue
and Changes in Net Position

Governmental Activities	Business-Type Activities	Total
\$ (2,476,593)	\$ 0	\$ (2,476,593)
(374,741)	0	(374,741)
(31,418)	0	(31,418)
(343,959)	0	(343,959)
(423,752)	0	(423,752)
(1,522,919)	0	(1,522,919)
(53,219)	0	(53,219)
<u>(5,226,601)</u>	<u>0</u>	<u>(5,226,601)</u>
0	(2,363)	(2,363)
0	(18,000)	(18,000)
<u>0</u>	<u>(20,363)</u>	<u>(20,363)</u>
<u>(5,226,601)</u>	<u>(20,363)</u>	<u>(5,246,964)</u>
821,865	0	821,865
4,479,327	0	4,479,327
602,745	0	602,745
942,974	0	942,974
469,904	0	469,904
38,833	0	38,833
305,762	0	305,762
160,255	(160,255)	0
<u>7,821,665</u>	<u>(160,255)</u>	<u>7,661,410</u>
2,595,064	(180,618)	2,414,446
14,894,807	701,945	15,596,752
<u>\$ 17,489,871</u>	<u>\$ 521,327</u>	<u>\$ 18,011,198</u>

CITY OF ROSSFORD, OHIO

**Balance Sheet
Governmental Funds
December 31, 2016**

	General	Tax Increment Equalization	TID Road Acquisition
Assets:			
Cash and Cash Equivalents	\$ 5,694,074	\$ 4,770,421	\$ 757,074
Receivables:			
Accounts	34,109	0	0
Intergovernmental	191,693	0	643,508
Income Taxes	1,410,952	0	0
Property Taxes	698,893	0	0
Payments in Lieu of Taxes	0	1,290,861	0
Special Assessments	1,758	0	0
Interfund Loans Receivables	21,000	0	0
Inventory of Supplies, at Cost	0	0	0
Prepaid Items	122,225	0	0
Restricted Assets:			
Cash and Cash Equivalents	10,774	0	0
Total Assets	\$ 8,185,478	\$ 6,061,282	\$ 1,400,582
Liabilities:			
Accounts Payable	\$ 89,436	\$ 1,126	\$ 0
Accrued Wages and Benefits Payable	40,808	0	0
Interfund Loans Payable	0	0	0
Compensated Absences Payable	111	0	0
Total Liabilities	130,355	1,126	0
Deferred Inflows of Resources:			
Unavailable Amounts	910,931	0	643,508
Property Tax Levy for Next Fiscal Year	606,457	0	0
Payments in Lieu of Taxes	0	1,290,861	0
Total Deferred Inflows of Resources	1,517,388	1,290,861	643,508
Fund Balances:			
Nonspendable	132,999	0	0
Restricted	0	4,769,295	757,074
Assigned	803,880	0	0
Unassigned	5,600,856	0	0
Total Fund Balances	6,537,735	4,769,295	757,074
Total Liabilities, Deferred Inflows of Resources and Fund Balances	\$ 8,185,478	\$ 6,061,282	\$ 1,400,582

See accompanying notes to the basic financial statements

CITY OF ROSSFORD, OHIO

Other Governmental Funds	Total Governmental Funds
\$ 2,448,452	\$ 13,670,021
829	34,938
157,824	993,025
0	1,410,952
281,278	980,171
0	1,290,861
219,600	221,358
0	21,000
31,148	31,148
6,894	129,119
0	10,774
\$ 3,146,025	\$ 18,793,367
\$ 103,913	\$ 194,475
3,902	44,710
21,000	21,000
0	111
128,815	260,296
340,234	1,894,673
271,726	878,183
0	1,290,861
611,960	4,063,717
38,042	171,041
2,373,670	7,900,039
5,898	809,778
(12,360)	5,588,496
2,405,250	14,469,354
\$ 3,146,025	\$ 18,793,367



CITY OF ROSSFORD, OHIO

***Reconciliation Of Total Governmental Fund Balances
To Net Position Of Governmental Activities
December 31, 2016***

Total Governmental Fund Balances		\$	14,469,354
<i>Amounts reported for governmental activities in the statement of net position are different because</i>			
Capital Assets used in governmental activities are not resources and therefore are not reported in the funds.			6,125,181
Other long-term assets are not available to pay for current-period expenditures and therefore are deferred in the funds.			
Municipal Income Taxes	718,629		
Property Taxes	35,614		
Charges for Services	27,165		
Special Assessments	864,866		
Intergovernmental	<u>248,399</u>		1,894,673
The deferred loss on refunding does not represent a use of current resources and therefore it is not reported in the funds.			67,004
The net pension liability is not due and payable in the current period; therefore, the liability and related deferred inflows/outflows are not reported in governmental funds:			
Deferred Outflows - Pension	1,038,579		
Deferred Inflows - Pension	(30,613)		
Net Pension Liability	<u>(3,638,708)</u>		(2,630,742)
Accrued interest on outstanding debt is not due and payable in the current period and, therefore, is not reported in the funds: it is reported when due.			(3,736)
Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the funds.			
Landfill Postclosure Care Liability	(172,674)		
General Obligation Refunding Bonds Payable	(1,875,000)		
Ohio Public Works Commission Loan Payable	(60,236)		
Premium on General Obligation Bonds Payable	(47,302)		
Compensated Absences Payable	<u>(276,651)</u>		<u>(2,431,863)</u>
<i>Net Position of Governmental Activities</i>		\$	<u>17,489,871</u>

See accompanying notes to the basic financial statements

CITY OF ROSSFORD, OHIO

**Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
For the Year Ended December 31, 2016**

	General	Tax Increment Equalization	TID Road Acquisition
Revenues:			
Property Taxes	\$ 560,975	\$ 0	\$ 0
Municipal Income Tax	4,224,354	0	0
Other Local Taxes	483,321	0	0
Payments in Lieu of Taxes	0	942,974	0
Intergovernmental Revenues	413,098	116	264,752
Charges for Services	138,095	0	0
Licenses and Permits	16,022	0	0
Investment Earnings	37,419	1,414	0
Special Assessments	9,886	0	0
Fines and Forfeitures	32,102	0	0
All Other Revenue	30,622	0	0
Total Revenue	5,945,894	944,504	264,752
Expenditures:			
Current:			
Security of Persons and Property	2,113,528	0	0
Leisure Time Activities	16,100	0	0
Community Environment	0	0	0
Basic Utility Services	343,959	0	0
Transportation	630,407	0	0
General Government	1,360,583	0	0
Capital Outlay	0	943,761	0
Debt Service:			
Principal Retirement	0	100,000	150,000
Interest and Fiscal Charges	0	31,660	3,000
Total Expenditures	4,464,577	1,075,421	153,000
Excess (Deficiency) of Revenues Over Expenditures	1,481,317	(130,917)	111,752
Other Financing Sources (Uses):			
Transfers In	2,350	0	0
Transfers Out	(813,284)	0	0
Total Other Financing Sources (Uses)	(810,934)	0	0
Net Change in Fund Balances	670,383	(130,917)	111,752
Fund Balances at Beginning of Year	5,867,352	4,900,212	645,322
Increase in Inventory Reserve	0	0	0
Fund Balances End of Year	\$ 6,537,735	\$ 4,769,295	\$ 757,074

See accompanying notes to the basic financial statements

CITY OF ROSSFORD, OHIO

Other Governmental Funds	Total Governmental Funds
\$ 251,317	\$ 812,292
0	4,224,354
119,424	602,745
0	942,974
421,794	1,099,760
155,606	293,701
0	16,022
0	38,833
215,280	225,166
7,238	39,340
9,693	40,315
<u>1,180,352</u>	<u>8,335,502</u>
456,284	2,569,812
433,583	449,683
31,418	31,418
0	343,959
299,467	929,874
135,440	1,496,023
215,973	1,159,734
141,693	391,693
17,392	52,052
<u>1,731,250</u>	<u>7,424,248</u>
(550,898)	911,254
971,189	973,539
0	(813,284)
<u>971,189</u>	<u>160,255</u>
420,291	1,071,509
1,982,043	13,394,929
2,916	2,916
<u>\$ 2,405,250</u>	<u>\$ 14,469,354</u>

***Reconciliation Of The Statement Of Revenues, Expenditures
And Changes In Fund Balances Of Governmental Funds
To The Statement Of Activities
For The Fiscal Year Ended December 31, 2016***

Net Change in Fund Balances - Total Governmental Funds \$ 1,071,509

Amounts reported for governmental activities in the statement of activities are different because

Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which capital outlay exceeded depreciation in the current period.

Capital Outlay	1,346,928	
Depreciation	<u>(503,319)</u>	843,609

Governmental funds only report the disposal of assets to the extent proceeds are received from the sale. In the statement of activities, a gain or loss is reported for each disposal. This is the amount of the loss on the disposal of capital assets net of proceeds received.

(11,733)

Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.

Municipal Income Taxes	254,973	
Property Taxes	9,573	
Charges for Services	2,174	
Special Assessments	266,321	
Intergovernmental	<u>(34,355)</u>	498,686

Contractually required contributions are reported as expenditures in governmental funds; however, the statement of net position reports these amounts as deferred outflows.

284,324

Except for amounts reported as deferred inflows/outflows, changes in the net pension liability are reported as pension expense in the statement of activities.

(487,763)

The issuance of long-term debt provides current financial resources to governmental funds, but has no effect on net position. In addition, repayment of bond, note and capital lease principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position.

General Obligation Bonds Principal	385,000	
OPWC Loan Principal	6,693	
Decrease in Landfill Postclosure Liability Estimate	<u>41,031</u>	432,724

The accounting loss on refunded debt is reported as an expense at the time of refunding but is amortized over the life of the new debt on the statement of activities

(6,091)

(Continued)

Interest is reported as an expenditure when due in the governmental funds but is accrued on outstanding debt on the statement of net position. Premiums are reported as revenues when the debt is first issued; however, these amounts are deferred and amortized on the statement of net position.

Accrued Interest Payable	625	
Amortization of Premium	<u>4,299</u>	4,924

Some expenses reported on the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.

Increase in Supplies Inventory	2,916	
Increase in Compensated Absences Payable	<u>(38,041)</u>	<u>(35,125)</u>

Change in Net Position of Governmental Activities

\$ 2,595,064

See accompanying notes to the basic financial statements

CITY OF ROSSFORD, OHIO

**Statement of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
General Fund
For the Year Ended December 31, 2016**

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Property Taxes	\$ 537,000	\$ 539,766	\$ 560,975	\$ 21,209
Municipal Income Tax	3,680,150	3,721,848	4,135,454	413,606
Other Local Taxes	422,850	422,400	464,995	42,595
Intergovernmental Revenue	361,200	422,467	415,621	(6,846)
Charges for Services	111,000	140,043	143,040	2,997
Licenses and Permits	11,300	14,450	16,187	1,737
Investment Earnings	17,000	87,000	37,419	(49,581)
Special Assessments	0	9,800	9,886	86
Fines and Forfeitures	30,000	27,042	32,152	5,110
All Other Revenues	28,000	27,575	33,152	5,577
Total Revenues	<u>5,198,500</u>	<u>5,412,391</u>	<u>5,848,881</u>	<u>436,490</u>
Expenditures:				
Current:				
Security of Persons and Property	2,229,600	2,305,303	2,197,324	107,979
Leisure Time Activities	15,000	20,292	16,894	3,398
Basic Utility Services	300,000	369,768	347,225	22,543
Transportation	765,950	735,387	666,119	69,268
General Government	1,611,710	1,569,782	1,373,615	196,167
Total Expenditures	<u>4,922,260</u>	<u>5,000,532</u>	<u>4,601,177</u>	<u>399,355</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	276,240	411,859	1,247,704	835,845
Other Financing Sources (Uses):				
Proceeds from the Sale of Capital Assets	1,500	0	0	0
Transfers Out	(777,500)	(834,534)	(834,534)	0
Total Other Financing Sources (Uses):	<u>(776,000)</u>	<u>(834,534)</u>	<u>(834,534)</u>	<u>0</u>
Net Change in Fund Balance	(499,760)	(422,675)	413,170	835,845
Fund Balance at Beginning of Year	4,856,794	4,856,794	4,856,794	0
Prior Year Encumbrances	118,160	118,160	118,160	0
Fund Balance at End of Year	<u>\$ 4,475,194</u>	<u>\$ 4,552,279</u>	<u>\$ 5,388,124</u>	<u>\$ 835,845</u>

See accompanying notes to the basic financial statements

CITY OF ROSSFORD, OHIO

**Statement of Net Position
Proprietary Funds
December 31, 2016**

	Business-Type Activities		
	Enterprise Funds		Total
	Storm Water	Marina	
ASSETS			
Current assets:			
Cash and Cash Equivalents	\$ 36,560	\$ 65,572	\$ 102,132
Prepaid Items	3,108	307	3,415
Total Current Assets	<u>39,668</u>	<u>65,879</u>	<u>105,547</u>
Noncurrent Assets:			
Capital Assets:			
Property, Plant and Equipment	354,886	660,103	1,014,989
Less Accumulated Depreciation	(13,770)	(359,020)	(372,790)
Total Capital Assets (Net of Accumulated Depr)	<u>341,116</u>	<u>301,083</u>	<u>642,199</u>
Total Noncurrent Assets	<u>341,116</u>	<u>301,083</u>	<u>642,199</u>
Total Assets	<u>380,784</u>	<u>366,962</u>	<u>747,746</u>
Deferred Outflows of Resources:			
Pension	<u>0</u>	<u>19,357</u>	<u>19,357</u>
LIABILITIES			
Current Liabilities:			
Accounts Payable	0	21	21
Accrued Wages and Benefits	0	11	11
OPWC Loans Payable - Current	<u>9,318</u>	<u>0</u>	<u>9,318</u>
Total Current Liabilities	<u>9,318</u>	<u>32</u>	<u>9,350</u>
Noncurrent Liabilities:			
OPWC Loans Payable	185,044	0	185,044
Net Pension Liability	<u>0</u>	<u>50,408</u>	<u>50,408</u>
Total Noncurrent Liabilities	<u>185,044</u>	<u>50,408</u>	<u>235,452</u>
Total Liabilities	<u>194,362</u>	<u>50,440</u>	<u>244,802</u>
Deferred Inflows of Resources:			
Pension	<u>0</u>	<u>974</u>	<u>974</u>
NET POSITION			
Net Investment in Capital Assets	146,754	301,083	447,837
Unrestricted	<u>39,668</u>	<u>33,822</u>	<u>73,490</u>
Total Net Position	<u>\$ 186,422</u>	<u>\$ 334,905</u>	<u>\$ 521,327</u>

See accompanying notes to the basic financial statements

CITY OF ROSSFORD, OHIO

**Statement of Revenues, Expenses and Changes in Fund Net Position
Proprietary Funds
For the Year Ended December 31, 2016**

	Business-Type Activities		Total
	Enterprise Funds		
	Storm Water	Marina	
Operating Revenues:			
Charges for Services	\$ 5,169	\$ 96,710	\$ 101,879
Total Operating Revenues	<u>5,169</u>	<u>96,710</u>	<u>101,879</u>
Operating Expenses:			
Personal Services	0	57,723	57,723
Contractual Services	576	14,446	15,022
Materials and Supplies	0	11,336	11,336
Other Operating Expenses	0	1,469	1,469
Depreciation	6,956	29,736	36,692
Total Operating Expenses	<u>7,532</u>	<u>114,710</u>	<u>122,242</u>
Operating Loss	(2,363)	(18,000)	(20,363)
Transfers In	27,000	0	27,000
Transfers Out	<u>(184,905)</u>	<u>(2,350)</u>	<u>(187,255)</u>
Change in Net Position	(160,268)	(20,350)	(180,618)
Net Position Beginning of Year	<u>346,690</u>	<u>355,255</u>	<u>701,945</u>
Net Position End of Year	<u>\$ 186,422</u>	<u>\$ 334,905</u>	<u>\$ 521,327</u>

See accompanying notes to the basic financial statements

CITY OF ROSSFORD, OHIO

**Statement of Cash Flows
Proprietary Funds
For the Year Ended December 31, 2016**

	Business-Type Activities		Totals
	Enterprise Funds		
	Storm Water	Marina	
<u>Cash Flows from Operating Activities:</u>			
Cash Received from Customers	\$5,169	\$96,710	\$101,879
Cash Payments for Goods and Services	(3,684)	(27,230)	(30,914)
Cash Payments to Employees	0	(55,333)	(55,333)
Net Cash Provided (Used) by Operating Activities	1,485	14,147	15,632
<u>Cash Flows from Noncapital Financing Activities:</u>			
Transfers In from Other Funds	27,000	0	27,000
Transfers Out to Other Funds	(184,905)	(2,350)	(187,255)
Net Cash Provided (Used) by Noncapital Financing Activities	(157,905)	(2,350)	(160,255)
<u>Cash Flows from Capital and Related Financing Activities:</u>			
Acquisition and Construction of Capital Assets	0	(1,085)	(1,085)
Ohio Public Works Commission Loans Issued	184,905	0	184,905
Principal Paid on Ohio Public Works Commission Loan	(9,318)	0	(9,318)
Net Cash Provided (Used) by Capital and Related Financing Activities	175,587	(1,085)	174,502
Net Increase in Cash and Cash Equivalents	19,167	10,712	29,879
Cash and Cash Equivalents at Beginning of Year	17,393	54,860	72,253
Cash and Cash Equivalents at End of Year	\$36,560	\$65,572	\$102,132
<u>Reconciliation of Operating Loss to Net Cash Provided (Used) by Operating Activities:</u>			
Operating Loss	(\$2,363)	(\$18,000)	(\$20,363)
Adjustments to Reconcile Operating Loss to Net Cash Provided (Used) by Operating Activities:			
Depreciation Expense	6,956	29,736	36,692
Changes in Assets and Liabilities:			
Increase in Prepays	(3,108)	(307)	(3,415)
Increase in Deferred Outflows of Resources	0	(12,651)	(12,651)
Increase in Accounts Payable	0	21	21
Decrease in Accrued Wages and Benefits	0	(679)	(679)
Increase in Net Pension Liability	0	15,653	15,653
Increase in Deferred Inflows of Resources	0	374	374
Total Adjustments	3,848	32,147	35,995
Net Cash Provided (Used) by Operating Activities	\$1,485	\$14,147	\$15,632

See accompanying notes to the basic financial statements

CITY OF ROSSFORD, OHIO

***Statement of Assets and Liabilities
Fiduciary Funds
December 31, 2016***

	<u>Agency</u>
Assets:	
Restricted Assets:	
Cash and Cash Equivalents	\$ 8,743
Total Assets	<u>\$ 8,743</u>
Liabilities:	
Due to Others	\$ 8,743
Total Liabilities	<u>\$ 8,743</u>

See accompanying notes to the basic financial statements

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2016***

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The City of Rossford, Ohio (the "City") is a home-rule municipal corporation created under the laws of the State of Ohio. The City operates under its own Charter. The current Charter, which provides for a Mayor/Administrator form of government, was adopted in 1970 and became effective in 1971.

The financial statements are presented as of December 31, 2016 and for the year then ended and have been prepared in conformity with generally accepted accounting principles (GAAP) applicable to local governments. The Governmental Accounting Standards Board (the "GASB") is the standard-setting body for establishing governmental accounting and financial reporting principles, which are primarily set forth in the GASB's Codification of Governmental Accounting and Financial Reporting Standards (GASB Codification).

A. Reporting Entity

The accompanying basic financial statements comply with the provisions of GASB Statement No. 14, "*The Financial Reporting Entity*," as amended by GASB Statement No. 61 "*The Financial Reporting Entity: Omnibus; an amendment of GASB Statements No. 14 and No. 34*," in that the financial statements include all organizations, activities, functions and component units for which the City (the primary government) is financially accountable. Financial accountability is defined as the appointment of a voting majority of a legally separate organization's governing body and either (1) the City's ability to impose its will over the organization, or (2) the potential that the organization will provide a financial benefit to, or impose a financial burden on, the City.

Based on the foregoing, the City's financial reporting entity has no component units but includes all funds, agencies, boards and commissions that are part of the primary government, which include the following services: police and fire protection, recreation, street maintenance and general administrative services. The City also operates a storm drainage system and a marina which are reported as enterprise funds.

Jointly Governed Organizations

Rossford Transportation Improvement District: In May 1997, the Wood County Commissioners approved formation of the Rossford Transportation Improvement District (TID) as permitted under Chapter 5540 of the Ohio Revised Code. In July 2002, at the request of the Wood County Commissioners, the membership and appointments section of the TID bylaws was amended to eliminate the TID as a component unit of Wood County. The board of trustees consists of the following members: two voting members appointed by Wood County, three voting members appointed by the City of Rossford, two voting members appointed by Perrysburg Township, the Wood County Engineer as a voting member, and two nonvoting members of the general assembly in whose legislative district the TID is located. It is empowered to provide for the construction, improvement, alteration or repair of any road, highway, public place or other infrastructure within the limits of the City and to issue bonds. See Note 17 "Jointly Governed Organizations."

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2016***

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

A. Reporting Entity (Continued)

Northern Wood County Port Authority: In December 1998, the Northern Wood County Port Authority was created jointly with Perrysburg Township, pursuant to Ohio Revised Code Sections 4582.21 to 4582.59. The Northern Wood County Port Authority was created for the benefit of the people of the State of Ohio. Its jurisdiction includes all of the area of the City of Rossford and all of the unincorporated area of Perrysburg Township. The Northern Wood County Port Authority has five directors, two appointed by the City of Rossford, two appointed by Perrysburg Township and one jointly appointed by the City of Rossford and Perrysburg Township. The directors appointed by the City are appointed by the mayor subject to the approval of the Council, but the City's accountability for the Northern Wood County Port Authority does not extend beyond making the appointments. See Note 17 "Jointly Governed Organizations."

B. Basis of Presentation - Fund Accounting

The accounting policies and financial reporting practices of the City conform to generally accepted accounting principles as applicable to governmental units. The following is a summary of its significant accounting policies:

The accounting system is organized and operated on the basis of funds, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues and expenditures (expenses). The various funds are summarized by type in the basic financial statements. The following fund types are used by the City:

Governmental Funds - The funds through which most governmental functions are typically financed are the governmental funds. The acquisition, use and balances of the City's expendable financial resources and the related current liabilities (except those accounted for in the proprietary funds) are accounted for through governmental funds. The measurement focus is upon determination of "financial flow" (sources, uses and balances of financial resources). The following are the City's major governmental fund types:

General Fund - This fund is used to account for all financial resources except those accounted for in another fund. The general fund balance is available to the City for any purpose provided it is expended or transferred according to the general laws of Ohio and the limitations of the City Charter.

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2016***

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

B. Basis of Presentation - Fund Accounting (Continued)

Tax Increment Equalization Fund - This fund is used to account for the construction and installation of infrastructure improvements in the Crossroads of America area of the City, including streets, curbs, gutters, sidewalks, walkways, trails, street lighting, traffic signals, signage, storm drainage, water and sanitary sewer improvements, parking facilities, and the construction of public service buildings necessary for purposes of delivering fire, emergency medical and police services within the Crossroads area and other improvements related thereto that directly benefit, or once made will directly benefit that area.

TID Road Acquisition Fund - This fund is used to account for financial resources associated with the lease-purchase arrangement with the Transportation Improvement District and the road project.

The other governmental funds of the City account for grants and other resources whose use is restricted, committed, or assigned to a particular purpose.

Proprietary Funds

Enterprise Funds - These funds are used to account for operations that are financed and operated in a manner similar to private business enterprises, whereby the intent of the governing body is that the costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges. The City's major enterprise funds are:

Storm Water Fund – This fund is used to account for the operation of the City's storm drainage system.

Marina Fund – This fund is used to account for the operation of the City owned Marina.

Fiduciary Funds

Fiduciary Funds - Fiduciary fund reporting focuses on net position and changes in net position. The fiduciary 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 therefore not available to support the City's own programs. The agency funds are custodial in nature (assets equal liabilities) and do not involve the measurement of results of operation. The agency funds of the City include assets being held associated with the Cafeteria Plan, Contractor's Guarantee and Fallen Heroes.

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2016***

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

C. Basis of Presentation – Financial Statements

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 statements distinguish between those activities of the City that are governmental and those that are considered business-type activities.

The government-wide statements are prepared using the economic resources measurement focus and the accrual basis of accounting. This is the same approach used in the preparation of the proprietary fund financial statements but differs from the manner in which governmental fund 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 statements for governmental funds.

The government-wide statement of activities presents a comparison between direct expenses and program revenues for each segment of the business-type activities of the City and for each function or program of the City's governmental activities. 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 and grants and contributions that are restricted to meeting the operational or capital requirements of 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 function is self-financing or draws from the general revenues of the City.

Fund Financial Statements – Fund financial statements report detailed information about the City. The focus of governmental fund financial statements is on major funds rather than reporting funds by type. Each major fund is presented in a separate column. Nonmajor funds are aggregated and presented in a single column. Fiduciary funds are reported by fund type.

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. All governmental fund types are accounted for using a flow of current financial resources measurement focus. The financial statements for governmental funds are a balance sheet, which generally includes only current assets and deferred outflows of resources and current liabilities and deferred inflows of resources, and a statement of revenues, expenditures and changes in fund balances, which reports on the sources (i.e., revenues and other financing sources) and uses (i.e., expenditures and other financing uses) of current financial resources.

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2016***

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

C. Basis of Presentation – Financial Statements (Continued)

All proprietary fund types are accounted for on a flow of economic resources measurement focus. With this 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.

D. Basis of Accounting

Basis of accounting represents the methodology utilized in the recognition of revenues and expenditures or expenses reported in the financial statements. The accounting and reporting treatment applied to a fund is determined by its measurement focus. Government-wide financial statements are prepared using the accrual basis of accounting.

The modified accrual basis of accounting is followed by the governmental funds. Under the modified accrual basis of accounting, revenues are recorded when susceptible to accrual, i.e., both measurable and available. The term "available" means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period, which for the City is 60 days after year end. Expenditures are recognized in the accounting period in which the fund liability is incurred, if measurable, except for unmatured interest on general long-term debt which is recognized when due.

Non-exchange transactions, in which the City receives value without directly giving equal value in return, include income taxes, property taxes, grants, entitlements and donations. Revenue from income taxes is recognized in the period in which the income is earned and is available. Revenue from grants, entitlements and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied and the revenue is available. 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 specific purpose, and expenditure requirements, in which the resources are provided to the City on a reimbursement basis. Revenue considered susceptible to accrual at year end includes income taxes withheld by employers, interest on investments, special assessments, and certain state levied locally shared taxes (including motor vehicle license fees and local government assistance). Other revenue, including licenses, permits, certain charges for services, income taxes other than those withheld by employers and miscellaneous revenues are recorded as revenue when received in cash because generally this revenue is not measurable until received.

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2016***

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

D. Basis of Accounting (Continued)

Special assessment installments, which are measurable, but not available at December 31, are recorded as deferred inflow of resources – unavailable amount. Property taxes measurable as of December 31, 2016, but which are not intended to finance 2016 operations and delinquent property taxes, whose availability is indeterminate, are recorded as deferred inflow of resources as further described in Note 5.

The accrual basis of accounting is utilized for reporting purposes by the proprietary funds and fiduciary funds. Revenues are recognized when they are earned and expenses recognized when incurred. The City's statement of net position includes a deferred outflow amount related to pension.

E. Deferred Inflows/Outflows of Resources

In addition to assets, the statements of net position will sometimes report a separate section for deferred outflows of resources. Deferred outflows of resources, represents a consumption of net position that applies to a future period and will not be recognized as an outflow of resources (expenses/expenditures) until then.

In addition to liabilities, the statement of net position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net position that applies to a future period(s) and so will *not* be recognized as an inflow of resources (revenue) until that time. The City's statement of net position includes a deferred outflow amount related to pension. On the government-wide statement of net position and governmental funds balance sheet, property taxes that are intended to finance future fiscal periods are reported as deferred inflows. In addition, the governmental funds balance sheet reports deferred inflows which arise only under a modified accrual basis of accounting. Accordingly, the item, *unavailable amounts*, is reported only in the governmental funds balance sheet. The governmental funds report unavailable amounts for delinquent property taxes, income taxes, special assessments, interest, charges for services and state levied shared taxes. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available.

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2016***

NOTE 1 - 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 certificate of estimated resources and the appropriation ordinance, both of which are prepared on the budgetary basis of accounting. The certificate of estimated resources and the appropriation ordinance are subject to amendment throughout the year.

All funds other than agency funds are legally required to be budgeted and appropriated; however, only governmental funds are required to be reported. The primary level of budgetary control for all funds involving operations is at the object level within each department. Certain funds are appropriated at the minimum level of budgetary control as required by Ohio Revised Code section 5705.38 (c) due to the restricted nature of the use of these funds. Budgetary modifications may only be made by ordinance of the City Council.

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***Notes to the Basic Financial Statements
For the Year Ended December 31, 2016***

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

F. Budgetary Process (Continued)

1. Estimated Resources

The County Budget Commission reviews estimated revenue and determines if the budget substantiates a need to levy all or part of previously authorized taxes. The Budget Commission then certifies its actions to the City by September 1 of each year. As part of the certification process, the City receives an official certificate of estimated resources stating the projected receipts by fund. Prior to December 31, the City must revise its budget so that the total contemplated expenditures from any fund during the ensuing fiscal year do not exceed the amount available as stated in the certificate of estimated resources. The revised budget then serves as the basis for the annual appropriations measure. On or about January 1, the certificate of estimated resources is amended to include any unencumbered fund balances from the preceding year. The certificate may be further amended during the year if a new source of revenue is identified or actual receipts exceed current estimates. The amounts reported on the budgetary statement reflect the amounts in the original and final amended official certificate of estimated resources issued during 2016.

2. Appropriations

A temporary appropriation ordinance to control expenditures may be passed on or about January 1 of each year for the period January 1 through March 31. An annual appropriation ordinance must be passed by April 1 of each year for the period January 1 through December 31. The appropriation ordinance establishes spending controls at the fund, department and object level, and may be modified during the year by Ordinance of the City Council. Total fund appropriations may not exceed the current estimated resources as certified by the County Budget Commission. Expenditures may not legally exceed budgeted appropriations at the object level. During 2016, several supplemental appropriations were necessary to budget for unanticipated expenditures.

Administrative control is maintained through the establishment of more detailed line-item budgets. The budgetary figures which appear in the "Statement of Revenues, Expenditures, and Changes in Fund Balances--Budget and Actual--General Fund" are provided on the budgetary basis to provide a comparison of actual results with the final budget, including all amendments and modifications.

3. Encumbrances

As part of formal budgetary control, purchase orders, contracts and other commitments for expenditures are encumbered and recorded as the equivalent of expenditures in order to constrain that portion of the applicable appropriation and to determine and maintain legal compliance. Encumbrances outstanding at year end, however, are reported as reservations of fund balances for subsequent year expenditures in the accompanying basic financial statements.

**Notes to the Basic Financial Statements
For the Year Ended December 31, 2016**

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

F. Budgetary Process (Continued)

4. Lapsing of Appropriations

At the close of each fiscal year, the unencumbered balance of each appropriation reverts to the respective fund from which it was appropriated and becomes subject to future appropriations. The encumbered appropriation balance is carried forward to the subsequent fiscal year and need not be reappropriated.

5. Budgetary Basis of Accounting

The City's budgetary process accounts for certain transactions on a basis other than generally accepted accounting principles (GAAP). The major differences between the budgetary basis and the GAAP basis lie in the manner in which revenues and expenditures are recorded. Under the budgetary basis, revenues and expenditures are recognized on a cash basis. Utilizing the cash basis, revenues are recorded when received in cash and expenditures when paid. Under the GAAP basis, revenues and expenditures are recorded on the modified accrual basis of accounting.

The following table summarizes the adjustments necessary to reconcile the GAAP basis statements to the budgetary basis statements for the general fund:

<u>Net Change In Fund Balance</u>	
	<u>General Fund</u>
GAAP Basis (as reported)	\$670,383
Increase (Decrease):	
Accrued Revenues at December 31, 2016 received during 2017	(841,567)
Accrued Revenues at December 31, 2015 received during 2016	745,753
Accrued Expenditures at December 31, 2016 paid during 2017	130,355
Accrued Expenditures at December 31, 2015 paid during 2016	(152,945)
2015 Prepays for 2016	53,170
2016 Prepays for 2017	(122,225)
Perspective Budget Difference	(2,044)
Outstanding Encumbrances	(67,710)
Budget Basis	<u>\$413,170</u>

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2016***

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

G. Cash and Cash Equivalents

Cash and cash equivalents include amounts in demand deposits, certificates of deposit with original maturities of three months or less and the State Treasury Asset Reserve (STAR Ohio). STAR Ohio is considered a cash equivalent because it is a highly liquid investment with an original maturity date of three months or less.

The City pools its cash for investment and resource management purposes. Each fund's equity in pooled cash and investments represents the balance on hand as if each fund maintained its own cash and investment account. For purposes of the statement of cash flows, the proprietary funds' shares of equity in pooled certificates of deposit are considered to be cash equivalents. See Note 4, "Cash, Cash Equivalents and Investments."

H. Investments

Investment procedures and interest allocations are restricted by provisions of the Ohio Constitution and the Ohio Revised Code. In accordance with GASB Statement No. 31, "Accounting and Financial Reporting for Certain Investments and for External Investment Pools", the City records all its investments at fair value except for nonparticipating investment contracts which are reported at cost, which approximates fair value. All investment income, including changes in the fair value of investments, are recognized as revenue in the operating statements. Fair value is determined by quoted market prices. The City deposits interest earned on investments directly into the General Fund. See Note 4, "Cash, Cash Equivalents and Investments."

The City has invested funds in the STAR Ohio during 2016. STAR Ohio is an investment pool managed by the State Treasurer's Office which allows governments within the State to pool their funds for investment purposes. STAR Ohio is not registered with the SEC as an investment company, but 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 share price which is the price the investment could be sold for on December 31, 2016.

I. Inventory

Inventory is stated at cost (first-in, first-out) in the governmental funds and at the lower of cost or market in the proprietary funds. The costs of inventory items are recorded as expenditures in the governmental funds when purchased.

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2016***

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

J. Prepaid Items

Payments made to vendors for services that will benefit periods beyond December 31, 2016, are recorded as prepaid items using the consumption method. A current asset for the prepaid amount is recorded at the time of the purchase and an expenditure/expense is reported in the year in which services are consumed.

K. Capital Assets and Depreciation

Capital assets are defined by the City as assets with an initial, individual cost of more than \$1,000.

1. Property, Plant and Equipment - Governmental Activities

Governmental activities capital assets are those not directly related to the business type funds. These generally are acquired or constructed for governmental activities and are recorded as expenditures in the governmental funds and are capitalized at cost (or estimated historical cost for assets not purchased in recent years). These assets are reported in the Governmental Activities column of the Government-wide Statement of Net Position, but they are not reported in the Fund Financial Statements.

Contributed capital assets are recorded at fair market value at the date received. Capital assets include land, buildings, building improvements, machinery, equipment and infrastructure. Infrastructure is defined as long-lived capital assets that normally are stationary in nature and normally can be preserved for a significant number of years. Examples of infrastructure include roads, bridges, curbs and gutters, streets and sidewalks, drainage systems and lighting systems. Estimated historical costs for governmental activities capital asset values were initially determined by identifying historical costs when such information was available. In cases where information supporting original cost was not obtainable, estimated historical costs were developed. For certain capital assets, the estimates were arrived at by indexing estimated current costs back to the estimated year of acquisition.

The City has elected to not report infrastructure for governmental activities retroactively, as permitted by the GASB. Infrastructure either current or acquired since the beginning of 2004 will be capitalized.

2. Property, Plant and Equipment – Business Type Activities

Property, plant and equipment acquired by the proprietary funds are stated at cost (or estimated historical cost), including interest capitalized during construction and architectural and engineering fees where applicable. Contributed capital assets are recorded at fair market value at the date received. These assets are reported in both the Business-Type Activities column of the Government-wide Statement of Net Position and in the respective funds.

**Notes to the Basic Financial Statements
For the Year Ended December 31, 2016**

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

K. Capital Assets and Depreciation (Continued)

3. Depreciation

All capital assets are depreciated, excluding land and construction in progress. Depreciation has been provided using the straight-line method over the following estimated useful lives:

<u>Description</u>	<u>Estimated Lives (Years)</u>
Buildings	25-45
Infrastructure	20-50
Machinery, Equipment, Furniture and Fixtures	5 -15
Vehicles	3-10

L. Long-Term Obligations

Long-term liabilities are being repaid from the following funds:

<u>Obligation</u>	<u>Fund</u>
Compensated Absences	General Fund Street Construction, Maintenance and Repair Fund Recreation Fund
General Obligation Bonds	Landfill Closure Fund Lewis Street Paving and Curbs Fund Capital Improvement Fund Arena Drainage Ditch Fund
OPWC Loan	Storm Water Fund
Landfill Postclosure Care Liability	Landfill Closure Fund

M. Compensated Absences

Full-time employees of the City earn vacation leave at various rates within limits specified under collective bargaining agreements or under statute. Vacation earned in a calendar year must be used during the current year. Vacation time cannot carry over into the subsequent year. At termination or retirement, employees are paid at their full rate for 100% of their unused vacation leave.

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2016***

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

M. Compensated Absences (Continued)

Sick leave is accrued by all full-time employees at the rate of 4.6 hours per completed two weeks of service. Any sick leave accrued but not used in any year is accumulated in succeeding years with no maximum of such accumulation. Employees who retire with five or more years of service may convert 25% of their accrued sick leave into cash at the employee's rate of pay at the time of retirement. Employees who retire with eighteen or more years of service may convert 33.3% of their total accrued sick leave into cash at the employee's rate of pay at the time of retirement. Employees who retire with twenty-five or more years of service may convert 50% of their total accrued sick leave into cash at the employee's rate of pay at the time of retirement.

In accordance with GASB Statement No. 16, "*Accounting for Compensated Absences*," the City records a liability for vacation time and sick leave when the obligation is attributable to services previously rendered or to rights that vest or accumulate, and when payment of the obligation is probable and can be reasonably determined.

For governmental funds, that portion of unpaid compensated absences that has matured and is expected to be paid using expendable, available resources is reported as an expenditure in the fund from which the individual earning the leave is paid, and a corresponding liability is reflected in the account "Compensated Absences Payable." In the government wide statement of net position, "Compensated Absences Payable" is recorded within the "Due within one year" account and the long-term portion of the liability is recorded within the "Due in more than one year" account. Compensated absences are expensed in the proprietary funds when earned and the related liability is reported within the fund.

N. Net Position

Net position represents the difference between assets plus deferred outflows and liabilities plus deferred inflows. Net investment in capital assets consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowings used for the acquisition, construction or improvement of those assets. Net position is reported as restricted when there are limitations imposed on their use either through the enabling legislation adopted by the City or through external restrictions imposed by creditors, grantors or laws or regulations of other governments.

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

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2016***

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

O. Fund Balances

In the fund financial statements, fund balance for governmental funds is reported in classifications that comprise a hierarchy based primarily on the extent to which the City is bound to honor constraints on the specific purpose for which amounts in the funds can be spent. Fund balance is reported in five components – nonspendable, restricted, committed, assigned and unassigned.

Nonspendable – Nonspendable fund balance includes amounts that cannot be spent because they are either not in spendable form or legally contractually required to be maintained intact.

Restricted – Restricted fund balance consists of amounts that have constraints placed on them either externally by third parties (creditors, grantors, contributors, or laws or regulations of other governments) or by law through constitutional provisions or enabling legislation. Enabling legislation authorizes the City to assess, levy, charge or otherwise mandate payment of resources (from external resource providers) and includes a legally enforceable requirement (compelled by external parties) that those resources be used only for the specific purposes stipulated in the legislation.

Committed – Committed fund balance consists of amounts that can only be used for specific purposes pursuant to constraints imposed by formal action of the City’s highest level of decision making authority. For the City, these constraints consist of ordinances passed by City Council. Committed amounts cannot be used for any other purpose unless the City removes or changes the specified use by taking the same type of action (ordinance) it employed previously to commit those amounts.

Assigned – Assigned fund balance consists of amounts that are constrained by the City’s intent to be used for specific purposes, but are neither restricted nor committed. The City has no formal policy authorizing a body or official to assign amounts for specific purposes.

Unassigned – Unassigned fund balance consists of amounts that have not been restricted, committed or assigned to specific purposes within the General Fund as well as negative fund balances in all other governmental funds.

When both restricted and unrestricted resources are available for use, it is the City’s policy to use restricted resources first, then unrestricted (committed, assigned and unassigned) resources as they are needed.

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2016***

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

P. Pensions

The provision for pension cost is recorded when the related payroll is accrued and the obligation is incurred. For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the pension plans and additions to/deductions from their fiduciary net position have been determined on the same basis as they are reported by the pension systems. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. The pension systems report investments at fair value.

Q. Interfund Activity

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 financial statements.

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

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2016***

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

R. Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results may differ from those estimates.

S. Operating Revenues and Expenses

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues are those revenues that are generated directly from the primary activity of the proprietary funds. For the City, these revenues are charges for services for water treatment and distribution, wastewater collection and treatment, collection of solid waste refuse and the operation of a marina. Operating expenses are necessary costs incurred to provide the good or service that is the primary activity of the fund. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

T. 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 Council and that are either unusual in nature or infrequent in occurrence. Neither type of transaction occurred during fiscal year 2016.

U. Fair Value

The City categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs.

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2016***

NOTE 2 – CHANGE IN ACCOUNTING PRINCIPLES

For fiscal year 2016, the City has implemented GASB Statement No. 72, “Fair Value Measurement and Application”, GASB Statement No. 73 “Accounting and Financial Reporting for Pensions and Related Assets That Are Not within the Scope of GASB Statement 68, and Amendments to Certain Provisions of GASB Statements 67 and 68”, GASB Statement No. 76, “The Hierarchy of Generally Accepted Accounting Principles for State and Local Governments”, GASB Statement No. 77 “Tax Abatement Disclosures” and GASB Statement No. 79, “Certain External Investment Pools and Pool Participants”.

GASB Statement No. 72 addresses accounting and financial reporting issues related to fair value measurement. This Statement also provides guidance for applying fair value to certain investments and disclosures related to all fair value measurements. The implementation of GASB Statement No. 72 did not have an effect on the financial statements of the City.

GASB Statement No. 73 improves the usefulness of information about pensions included in the general purposes external financial reports of state and local governments for making decisions and assessing accountability. The implementation of GASB Statement No. 73 did not have an effect on the financial statements of the City.

GASB Statement No. 76 identifies - in the context of the current governmental financial reporting environment - the hierarchy of generally accepted accounting principles (GAAP). This Statement reduces the GAAP hierarchy to two categories of authoritative GAAP and addresses the use of authoritative and nonauthoritative literature in the event that the accounting treatment for a transaction or other event is not specified within a source of authoritative GAAP. The implementation of GASB Statement No. 76 did not have an effect on the financial statements of the City.

GASB Statement No. 77 requires disclosure of tax abatement information about (1) a reporting government's own tax abatement agreements and (2) those that are entered into by other governments and that reduce the reporting government's tax revenues. The implementation of GASB Statement No. 77 did not have an effect on the financial statements of the City.

GASB Statement No. 79 establishes criteria for an external investment pool to qualify for making the election to measure all of its investments at amortized cost for financial reporting purposes. The implementation of GASB Statement No. 79 did not have an effect on the financial statements of the City.

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2016***

NOTE 3 - COMPLIANCE AND ACCOUNTABILITY

Fund Deficit - The fund deficits at December 31, 2016 of \$11,591 in the Fire Capital Improvement Fund (capital projects fund) arose from the recognition of expenditures on the modified accrual basis of accounting which are greater than expenditures recognized on the budgetary basis. The deficit does not exist under the cash basis of accounting. The General Fund provides transfers when cash is required, not when accruals occur.

NOTE 4 - CASH, CASH EQUIVALENTS AND INVESTMENTS

Cash resources of several individual funds are combined to form a pool of cash, cash equivalents and investments. Statutes require the classification of funds held by the City into three categories:

Category 1 consists of "active" funds - those funds required to be kept in "cash" or "near cash" status for immediate use by the City. Such funds must be maintained either as cash in the City Treasury or in depository accounts payable or withdrawable on demand, including negotiable order of withdrawal (NOW) accounts.

Category 2 consists of "inactive" funds - those funds not required for use within the current five year period of designation of depositories. Inactive funds may be deposited or invested only as certificates of deposit maturing no later than the end of the current period of designation of depositories.

Category 3 consists of "interim" funds - those funds not needed for immediate use but needed before the end of the current period of designation of depositories. Interim funds may be invested or deposited in the following securities:

- 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 and interest by the United States;

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2016***

NOTE 4 - CASH, CASH EQUIVALENTS AND INVESTMENTS (Continued)

- 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;
- 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;
- Interim deposits in eligible institutions applying for interim funds;
- Bonds and other obligations of the State of Ohio;
- No-load money market mutual funds consisting exclusively of obligations described in the first two bullets of this section and repurchase agreements secured by such obligations, provided that investments in securities described in this division are made only through eligible institutions, and
- The State Treasury Asset Reserve of Ohio (STAR Ohio).

A. Deposits

Custodial credit risk is the risk that in the event of bank failure, the government's deposits may not be returned. The City's policy is to place deposits with major local banks. All deposits, except for deposits held by fiscal and escrow agents or trustees, are collateralized with eligible securities. Protection of City cash and deposits is provided by the federal deposit insurance corporation as well as qualified securities pledged by the institution holding the assets. Ohio Law requires that deposits be placed in eligible banks or savings and loan associations located in Ohio. Any public depository in which the City places deposits must pledge as collateral eligible securities of aggregate market value equal to the excess of deposits not insured by the Federal Deposit Insurance Corporation (FDIC). The securities pledged as collateral are pledged to a pool for each individual financial institution in amounts equal to at least 105% of the carrying value of all public deposits held by each institution. Obligations that may be pledged as collateral are limited to obligations of the United States and its agencies and obligations of any state, county, municipal corporation or other legally constituted authority of any other state, or any instrumentality of such county, municipal corporation or other authority. Collateral is held by trustees including the Federal Reserve Bank and designated third party trustees of the financial institutions.

CITY OF ROSSFORD, OHIO

**Notes to the Basic Financial Statements
For the Year Ended December 31, 2016**

NOTE 4 - CASH, CASH EQUIVALENTS AND INVESTMENTS (Continued)

A. Deposits (Continued)

At year end the carrying amount of the City's deposits was \$11,087,415 and the bank balance was \$11,159,469. This included \$300 petty cash on hand. The Federal Deposit Insurance Corporation (FDIC) covered \$1,700,000 of the bank balance and \$9,459,469 was uninsured. Of the remaining uninsured bank balance, the City was exposed to custodial risk as follows:

	<u>Balance</u>
Uninsured and collateralized with securities held by the pledging institution's trust department not in the City's name	\$9,459,469
Total Balance	\$9,459,469

Investment earnings of \$21,941 earned by other funds were credited to the General Fund as required by state statute.

B. Investments

The City's investments at December 31, 2016 are summarized below:

	<u>Fair Value</u>	<u>Credit Rating</u>	<u>Fair Value Hierarchy</u>	<u>Investment Maturities (in Years) less than 1</u>
STAR Ohio	\$2,704,255	AAAm ¹	N/A	\$2,704,255
Total Investments	\$2,704,255			\$2,704,255

¹ Standard & Poor's

Interest Rate Risk – The Ohio Revised Code generally limits security purchases to those that mature within five years of settlement date.

Credit Risk – The City's investment policy addresses credit risk by limiting investments to the safest types of securities, pre-qualifying financial institutions, brokers, intermediaries and financial advisors and by diversifying the investment portfolio so that potential losses on individual securities do not exceed income generated from the remaining portfolio.

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. The City has no investment policy dealing with custodial credit risk beyond the requirements of State statute which prohibit payment for investments prior to the delivery of the securities representing the investments to the treasurer or qualified trustee.

Concentration of Credit Risk – The City places no limit on the amount the City may invest in one issuer.

**Notes to the Basic Financial Statements
For the Year Ended December 31, 2016**

NOTE 4 - CASH, CASH EQUIVALENTS AND INVESTMENTS (Continued)

C. Reconciliation of Cash, Cash Equivalents and Investments

The classification of cash, cash equivalents and investments on the financial statements is based on criteria set forth in GASB Statement No. 9. STAR Ohio and certificates of deposit with an original maturity of three months or less are treated as cash equivalents. The classification of cash and cash equivalents (deposits) for purposes of this note are based on criteria set forth in GASB Statement No. 3.

	<u>Cash and Cash Equivalents *</u>	<u>Investments</u>
Per Financial Statements	\$13,791,670	\$0
Investments:		
STAR Ohio	<u>(2,704,255)</u>	<u>2,704,255</u>
Per GASB Statement No. 3	<u>\$11,087,415</u>	<u>\$2,704,255</u>

* Includes Petty Cash

NOTE 5 - TAXES

A. Property Taxes

Property taxes include amounts levied against all real estate and public utility tangible personal property used in business and located in the City. Real property taxes (other than public utility) collected during 2016 were levied after October 1, 2015 on assessed values as of January 1, 2015, the lien date. Assessed values are established by the County Auditor at 35 percent of appraised market value. All property is required to be revalued every six years. The last revaluation was completed during 2011 and the equalization adjustment was completed in 2014. Real property taxes are payable annually or semi-annually. The first payment is due January 20; the remainder payable by June 20.

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2016***

NOTE 5 – TAXES (Continued)

A. Property Taxes (Continued)

Public utility real 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. Certain public utility tangible personal property is currently assessed at 100% of its true value. Public utility property taxes are payable on the same dates as real property described previously.

The County Treasurer collects property taxes on behalf of all taxing districts in the County including the City of Maumee. The County Auditor periodically remits to the City its portion of the taxes collected.

The full property tax rate for all City operations for the year ended December 31, 2016 was \$7.70 per \$1,000 of assessed value. The assessed value upon which the 2016 tax receipts were based was \$123,958,960. This amount constitutes \$120,537,870 in real property assessed value and \$3,421,090 in public utility assessed value.

Ohio law prohibits taxation of property from all taxing authorities in excess of 1% of assessed value without a vote of the people. Under current procedures, the City's share is .77% (7.7 mills) of assessed value.

B. Income Tax

The City levies a tax of 2.25% on all salaries, wages, commissions and other compensation and on net profits earned within the City as well as on incomes of residents earned outside the City. In the latter case, the City allows a credit of 100% of the tax paid to another municipality to a maximum of the total amount assessed. Employers within the City are required to withhold income tax on employee compensation and remit the tax to the City monthly or quarterly, as required. Corporations and other individual taxpayers are required to pay their estimated tax quarterly and file a declaration annually.

CITY OF ROSSFORD, OHIO

**Notes to the Basic Financial Statements
For the Year Ended December 31, 2016**

NOTE 6 - RECEIVABLES

Receivables at December 31, 2016 consisted of accounts, municipal income taxes, property and other taxes, intergovernmental receivables arising from entitlements, shared revenues and special assessments.

NOTE 7 - CAPITAL ASSETS

A. Governmental Activities Capital Assets

Summary by category of changes in governmental activities capital assets at December 31, 2016:

<i>Historical Cost:</i>				
Class	December 31, 2015	Additions	Deletions	December 31, 2016
<i>Capital assets not being depreciated:</i>				
Land	\$460,870	\$0	\$0	\$460,870
Subtotal	460,870	0	0	460,870
<i>Capital assets being depreciated:</i>				
Buildings	3,311,449	138,435	0	3,449,884
Improvements Other Than Buildings	178,401	42,000	0	220,401
Machinery and Equipment	5,087,542	353,275	(230,720)	5,210,097
Infrastructure	2,504,617	813,218	0	3,317,835
Subtotal	11,082,009	1,346,928	(230,720)	12,198,217
Total Cost	\$11,542,879	\$1,346,928	(230,720)	\$12,659,087
<i>Accumulated Depreciation:</i>				
Class	December 31, 2015	Additions	Deletions	December 31, 2016
Buildings	(\$2,123,455)	(\$53,372)	\$0	(\$2,176,827)
Improvements Other Than Buildings	(113,528)	(5,972)	0	(119,500)
Machinery and Equipment	(3,687,897)	(394,173)	218,987	(3,863,083)
Infrastructure	(324,694)	(49,802)	0	(374,496)
Total Depreciation	(\$6,249,574)	(\$503,319) *	\$218,987	(\$6,533,906)
<i>Net Value:</i>	\$5,293,305			\$6,125,181

* Depreciation expenses were charged to governmental functions as follows:

Security of Persons and Property	\$186,218
Leisure Time Activities	74,641
Transportation	214,434
General Government	28,026
Total Depreciation Expense	\$503,319

CITY OF ROSSFORD, OHIO

**Notes to the Basic Financial Statements
For the Year Ended December 31, 2016**

NOTE 7 - CAPITAL ASSETS (continued)

B. Business-Type Activities Capital Assets

Summary by Category at December 31, 2016:

Historical Cost:

<u>Class</u>	<u>December 31, 2015</u>	<u>Additions</u>	<u>Deletions</u>	<u>December 31, 2016</u>
<i>Capital assets being depreciated:</i>				
Buildings	\$15,000	\$0	\$0	\$15,000
Machinery and Equipment	83,552	1,085	0	84,637
Infrastructure	904,781	0	0	904,781
Total Cost	<u>\$1,003,333</u>	<u>\$1,085</u>	<u>\$0</u>	<u>\$1,004,418</u>

Accumulated Depreciation:

<u>Class</u>	<u>December 31, 2015</u>	<u>Additions</u>	<u>Deletions</u>	<u>December 31, 2016</u>
Buildings	(\$3,300)	(\$600)	\$0	(\$3,900)
Machinery and Equipment	(64,346)	(7,328)	0	(71,674)
Infrastructure	(257,881)	(28,764)	0	(286,645)
Total Depreciation	<u>(\$325,527)</u>	<u>(\$36,692)</u>	<u>\$0</u>	<u>(\$362,219)</u>
<i>Net Value:</i>	<u>\$677,806</u>			<u>\$642,199</u>

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***Notes to the Basic Financial Statements
For the Year Ended December 31, 2016***

NOTE 8 – DEFINED BENEFIT PENSION PLANS

Net Pension Liability

The net pension liability reported on the statement of net position represents a liability to employees for pensions. Pensions are a component of exchange transactions—between an employer and its employees—of salaries and benefits for employee services. Pensions are provided to an employee—on a deferred-payment basis—as part of the total compensation package offered by an employer for employee services each financial period. The obligation to sacrifice resources for pensions is a present obligation because it was created as a result of employment exchanges that already have occurred.

The net pension liability represents the City’s proportionate share of each pension plan’s collective actuarial present value of projected benefit payments attributable to past periods of service, net of each pension plan’s fiduciary net position. The net pension liability calculation is dependent on critical long-term variables, including estimated average life expectancies, earnings on investments, cost of living adjustments and others. While these estimates use the best information available, unknowable future events require adjusting this estimate annually.

Ohio Revised Code limits the City’s obligation for this liability to annually required payments. The City cannot control benefit terms or the manner in which pensions are financed; however, the City does receive the benefit of employees’ services in exchange for compensation including pension.

GASB 68 assumes the liability is solely the obligation of the employer, because (1) they benefit from employee services; and (2) State statute requires all funding to come from these employers. All contributions to date have come solely from these employers (which also includes costs paid in the form of withholdings from employees). State statute requires the pension plans to amortize unfunded liabilities within 30 years. If the amortization period exceeds 30 years, each pension plan’s board must propose corrective action to the State legislature. Any resulting legislative change to benefits or funding could significantly affect the net pension liability. Resulting adjustments to the net pension liability would be effective when the changes are legally enforceable.

The proportionate share of each plan’s unfunded benefits is presented as a long-term *net pension liability* on the accrual basis of accounting. Any liability for the contractually-required pension contribution outstanding at the end of the year is included in *intergovernmental payable* on both the accrual and modified accrual bases of accounting.

Plan Description – Ohio Public Employees Retirement System (OPERS)

Plan Description - City employees, other than full-time police and firefighters, participate in the Ohio Public Employees Retirement System (OPERS). OPERS administers three separate pension plans. The traditional pension plan is a cost-sharing, multiple-employer defined benefit pension plan. The member-directed plan is a defined contribution plan and the combined plan is a cost-sharing, multiple-employer defined benefit pension plan with defined contribution features. While members (e.g. City employees) may elect the member-directed plan and the combined plan, substantially all employee members are in OPERS’ traditional plan; therefore, the following disclosure focuses on the traditional pension plan.

**Notes to the Basic Financial Statements
For the Year Ended December 31, 2016**

NOTE 8 – DEFINED BENEFIT PENSION PLANS (Continued)

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

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

Group A	Group B	Group C
Eligible to retire prior to January 7, 2013 or five years after January 7, 2013	20 years of service credit prior to January 7, 2013 or eligible to retire ten years after January 7, 2013	Members not in other Groups and members hired on or after January 7, 2013
State and Local	State and Local	State and Local
Age and Service Requirements: Age 60 with 60 months of service credit or Age 55 with 25 years of service credit	Age and Service Requirements: Age 60 with 60 months of service credit or Age 55 with 25 years of service credit	Age and Service Requirements: Age 57 with 25 years of service credit or Age 62 with 5 years of service credit
Formula: 2.2% of FAS multiplied by years of service for the first 30 years and 2.5% for service years in excess of 30	Formula: 2.2% of FAS multiplied by years of service for the first 30 years and 2.5% for service years in excess of 30	Formula: 2.2% of FAS multiplied by years of service for the first 35 years and 2.5% for service years in excess of 35
Public Safety	Public Safety	Public Safety
Age and Service Requirements: Age 48 with 25 years of service credit or Age 52 with 15 years of service credit	Age and Service Requirements: Age 48 with 25 years of service credit or Age 52 with 15 years of service credit	Age and Service Requirements: Age 52 with 25 years of service credit or Age 56 with 15 years of service credit
Law Enforcement	Law Enforcement	Law Enforcement
Age and Service Requirements: Age 52 with 15 years of service credit	Age and Service Requirements: Age 48 with 25 years of service credit or Age 52 with 15 years of service credit	Age and Service Requirements: Age 48 with 25 years of service credit or Age 56 with 15 years of service credit
Public Safety and Law Enforcement	Public Safety and Law Enforcement	Public Safety and Law Enforcement
Formula: 2.5% of FAS multiplied by years of service for the first 25 years and 2.1% for service years in excess of 25	Formula: 2.5% of FAS multiplied by years of service for the first 25 years and 2.1% for service years in excess of 25	Formula: 2.5% of FAS multiplied by years of service for the first 25 years and 2.1% for service years in excess of 25

**Notes to the Basic Financial Statements
For the Year Ended December 31, 2016**

NOTE 8 – DEFINED BENEFIT PENSION PLANS (Continued)

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

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

When a benefit recipient has received benefits for 12 months, an annual cost of living adjustment (COLA) is provided. This COLA is calculated on the base retirement benefit at the date of retirement and is not compounded. For those retiring prior to January 7, 2013, the COLA will continue to be a 3 percent simple annual COLA. For those retiring subsequent to January 7, 2013, beginning in calendar year 2019, the COLA will be based on the average percentage increase in the Consumer Price Index, capped at 3 percent.

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

	<u>State and Local</u>
2016 Statutory Maximum Contribution Rates	
Employer	14.0 %
Employee	10.0 %
2016 Actual Contribution Rates	
Employer:	
Pension	12.0 %
Post-employment Health Care Benefits	<u>2.0</u>
Total Employer	<u>14.0 %</u>
Employee	<u>10.0 %</u>

Employer contribution rates are actuarially determined and are expressed as a percentage of covered payroll. The City’s contractually required contribution was \$115,448 for 2016.

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2016***

NOTE 8 – DEFINED BENEFIT PENSION PLANS (Continued)

Plan Description – Ohio Police & Fire Pension Fund (OPF)

Plan Description - City full-time police and firefighters participate in Ohio Police and Fire Pension Fund (OPF), a cost-sharing, multiple-employer defined benefit pension plan administered by OPF. OPF provides retirement and disability pension benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. Benefit provisions are established by the Ohio State Legislature and are codified in Chapter 742 of the Ohio Revised Code. OPF issues a publicly available financial report that includes financial information and required supplementary information and detailed information about OPF fiduciary net position. The report that may be obtained by visiting the OPF website at www.op-f.org or by writing to the Ohio Police and Fire Pension Fund, 140 East Town Street, Columbus, Ohio 43215-5164.

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

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

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

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

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

CITY OF ROSSFORD, OHIO

**Notes to the Basic Financial Statements
For the Year Ended December 31, 2016**

NOTE 8 – DEFINED BENEFIT PENSION PLANS (Continued)

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

	<u>Police</u>	<u>Firefighters</u>
2016 Statutory Maximum Contribution Rates		
Employer	19.50 %	24.00 %
Employee:		
January 1, 2016 through December 31, 2016	12.25 %	12.25 %
2016 Actual Contribution Rates		
Employer:		
Pension	19.00 %	23.50 %
Post-employment Health Care Benefits	0.50	0.50
Total Employer	<u>19.50 %</u>	<u>24.00 %</u>
Employee:		
January 1, 2016 through December 31, 2016	12.25 %	12.25 %

Employer contribution rates are expressed as a percentage of covered payroll. The City's contractually required contribution to OPF was \$173,417 for 2016.

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

The net pension liability for OPERS was measured as of December 31, 2015, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. OPF's total pension liability was measured as of December 31, 2015, and was determined by rolling forward the total pension liability as of January 1, 2015, to December 31, 2015. The City's proportion of the net pension liability was based on the City's share of contributions to the pension plan relative to the contributions of all participating entities. Following is information related to the proportionate share and pension expense:

	<u>OPERS</u>	<u>OP&F</u>	<u>Total</u>
Proportionate Share of Net Pension Liability	\$1,285,485	\$2,403,631	\$3,689,116
Proportionate Share of Net Pension Liability - 2016	0.007421%	0.037364%	
Proportionate Share of Net Pension Liability - 2015	0.007225%	0.038134%	
Percentage Change	<u>0.000196%</u>	<u>-0.000770%</u>	
Pension Expense	\$216,254	\$289,627	\$505,881

CITY OF ROSSFORD, OHIO

**Notes to the Basic Financial Statements
For the Year Ended December 31, 2016**

NOTE 8 – DEFINED BENEFIT PENSION PLANS (Continued)

At December 31, 2016, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	OPERS	OP&F	Total
Deferred Outflows of Resources			
Net difference between projected and actual earnings on pension plan investments	\$377,852	\$392,939	\$770,791
Change in Proportionate Share	0	(1,720)	(1,720)
City contributions subsequent to the measurement date	115,448	173,417	288,865
Total Deferred Outflows of Resources	<u>\$493,300</u>	<u>\$564,636</u>	<u>\$1,057,936</u>
Deferred Inflows of Resources			
Differences between expected and actual experience	\$24,423	\$6,749	\$31,172
Change in Proportionate Share	415	0	415
Total Deferred Inflows of Resources	<u>\$24,838</u>	<u>\$6,749</u>	<u>\$31,587</u>

\$288,865 reported as deferred outflows of resources related to pension resulting from City contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ending December 31, 2017. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pension will be recognized in pension expense as follows:

Year Ending December 31:	OPERS	OP&F	Total
2017	\$82,640	\$101,719	\$184,359
2018	88,682	101,719	190,401
2019	96,184	101,719	197,903
2020	85,508	80,863	166,371
2021	0	(1,300)	(1,300)
2022	0	(250)	(250)
Total	<u>\$353,014</u>	<u>\$384,470</u>	<u>\$737,484</u>

Actuarial Assumptions - OPERS

Actuarial valuations of an ongoing plan involve estimates of the values of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and cost trends. Actuarially determined amounts are subject to continual review or modification as actual results are compared with past expectations and new estimates are made about the future.

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2016***

NOTE 8 – DEFINED BENEFIT PENSION PLANS (Continued)

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employers and plan members) and include the types of benefits provided at the time of each valuation. The total pension liability in the December 31, 2015 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Wage Inflation	3.75 percent
Future Salary Increases, including inflation	4.25 to 10.05 percent including wage inflation
COLA or Ad Hoc COLA	3 percent, simple
Investment Rate of Return	8 percent
Actuarial Cost Method	Individual Entry Age

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

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

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

OPERS manages investments in four investment portfolios: the Defined Benefits portfolio, the Health Care portfolio, the 115 Health Care Trust portfolio and the Defined Contribution portfolio. The Defined Benefit portfolio includes the investment assets of the Traditional Pension Plan, the defined benefit component of the Combined Plan, the annuitized accounts of the Member-Directed Plan and the VEBA Trust. Within the Defined Benefit portfolio, contributions into the plans are all recorded at the same time, and benefit payments all occur on the first of the month. Accordingly, the money-weighted rate of return is considered to be the same for all plans within the portfolio. The money weighted rate of return, net of investments expense, for the Defined Benefit portfolio is 0.4 percent for 2015.

**Notes to the Basic Financial Statements
For the Year Ended December 31, 2016**

NOTE 8 – DEFINED BENEFIT PENSION PLANS (Continued)

The allocation of investment assets with the Defined Benefit portfolio is approved by the Board of Trustees as outlined in the annual investment plan. Plan assets are managed on a total return basis with a long-term objective of achieving and maintaining a fully funded status for the benefits provided through the defined benefit pension plans. The table below displays the Board-approved asset allocation policy for 2015 and the long-term expected real rates of return:

Asset Class	Target Allocation	Weighted Average Long-Term Expected Real Rate of Return (Arithmetic)
Fixed Income	23.00 %	2.31 %
Domestic Equities	20.70	5.84
Real Estate	10.00	4.25
Private Equity	10.00	9.25
International Equities	18.30	7.40
Other investments	18.00	4.59
Total	100.00 %	5.27 %

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

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

	1% Decrease (7.00%)	Current Discount Rate (8.00%)	1% Increase (9.00%)
City's proportionate share of the net pension liability	\$2,048,092	\$1,285,485	\$642,250

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2016***

NOTE 8 – DEFINED BENEFIT PENSION PLANS (Continued)

Actuarial Assumptions – OPF

OPF’s total pension liability as of December 31, 2015 is based on the results of an actuarial valuation date of January 1, 2015, and rolled-forward using generally accepted actuarial procedures. The total pension liability is determined by OPF’s actuaries in accordance with GASB Statement No. 67, as part of their annual valuation. Actuarial valuations of an ongoing plan involve estimates of reported amounts and assumptions about probability of occurrence of events far into the future. Examples include assumptions about future employment mortality, salary increases, disabilities, retirements and employment terminations. Actuarially determined amounts are subject to continual review and potential modifications, as actual results are compared with past expectations and new estimates are made about the future.

Key methods and assumptions used in calculating the total pension liability in the latest actuarial valuation, prepared as of January 1, 2015, are presented below:

Valuation Date	January 1, 2015
Actuarial Cost Method	Entry Age Normal
Investment Rate of Return	8.25 percent
Projected Salary Increases	4.25 percent to 11 percent
Payroll Increases	3.75 percent
Inflation Assumptions	3.25 percent
Cost of Living Adjustments	2.60 percent and 3.00 percent

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

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

The long-term expected rate of return on pension plan investments was determined using a building-block approach and assumes a time horizon, as defined in the Statement of Investment Policy. A forecasted rate of inflation serves as the baseline for the return expectation. Various real return premiums over the baseline inflation rate have been established for each asset class. The long-term expected nominal rate of return has been determined by calculating a weighted averaged of the expected real return premiums for each asset class, adding the projected inflation rate and adding the expected return from rebalancing uncorrelated asset classes.

Best estimates of the long-term expected geometric real rates of return for each major asset class included in OPF’s target asset allocation as of December 31, 2015 are summarized below:

**Notes to the Basic Financial Statements
For the Year Ended December 31, 2016**

NOTE 8 – DEFINED BENEFIT PENSION PLANS (Continued)

Asset Class	Target Allocation	Long Term Expected Real Rate of Return
Cash and Cash Equivalents	0.00 %	0.00 %
Domestic Equity	16.00	4.47
Non-US Equity	16.00	4.47
Core Fixed Income *	20.00	1.62
Global Inflation Protected *	20.00	1.33
High Yield	15.00	3.39
Real Estate	12.00	3.93
Private Markets	8.00	6.98
Timber	5.00	4.92
Master Limited Partnerships	8.00	7.03
Total	120.00 %	

* levered 2x

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

Discount Rate The total pension liability was calculated using the discount rate of 8.25 percent. The projection of cash flows used to determine the discount rate assumed the contributions from employers and from the members would be computed based on contribution requirements as stipulated by State statute. Projected inflows from investment earning were calculated using the longer-term assumed investment rate of return 8.25 percent. Based on those assumptions, the plan’s fiduciary net position was projected to be available to make all future benefit payments of current plan members. Therefore, a long-term expected rate of return on pension plan investments was applied to all periods of projected benefits to determine the total pension liability.

Sensitivity of the City's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate Net pension liability is sensitive to changes in the discount rate, and to illustrate the potential impact the following table presents the net pension liability calculated using the discount rate of 8.25 percent, as well as what the net pension liability would be if it were calculated using a discount rate that is one percentage point lower (7.25 percent), or one percentage point higher (9.25 percent) than the current rate.

	1% Decrease (7.25%)	Current Discount Rate (8.25%)	1% Increase (9.25%)
City's proportionate share of the net pension liability	\$3,170,067	\$2,403,631	\$1,754,384

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2016***

NOTE 9 – POST-EMPLOYMENT BENEFITS

A. Ohio Public Employees Retirement System (“OPERS”)

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

In March 2016, OPERS received two favorable rulings from the Internal Revenue Service (IRS) allowing OPERS to consolidate all health care assets into the OPERS 115 Health Care Trust. Transition to the new health care trust structure was completed July 1, 2016. As of December 31, 2016, OPERS maintains a cost-sharing, multiple-employer defined benefit post-employment health care trust, which funds multiple health care plans including medical coverage, prescription drug coverage and deposits to a Health Reimbursement Arrangement to qualifying benefit recipients of both the Traditional Pension and the Combined plans. Members of the Member-Directed Plan do not qualify for ancillary benefits, including OPERS sponsored health care coverage. OPERS funds a Retiree Medical Account (RMA) for participants in the Member-Directed Plan. At retirement or refund, participants can be reimbursed for qualified medical expenses from their vested RMA balance.

In order to qualify for post-employment health care coverage, age-and-service retirees under the Traditional Pension and Combined Plans must have 20 or more years of qualifying Ohio service credit. Health care coverage for disability benefit recipients and qualified survivor benefit recipients is available. The health care coverage provided by OPERS is considered an Other Postemployment Benefit (OPEB) as described in GASB Statement No. 45. Please see the Plan Statement in the OPERS 2015 CAFR for details.

The ORC 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 ORC.

OPERS issues a stand-alone financial report. Interested parties may obtain a copy by visiting <https://www.opers.org/financial/reports.shtml#CAFR>, by making a written request to OPERS, 277 East Town Street, Columbus, Ohio 43215-4642 or by calling (614) 222-5601 or 1-800-222-7377.

Funding Policy – The ORC provides the statutory authority requiring public employers to fund post retirement health care coverage through their contributions to OPERS. A portion of each employer’s contribution to OPERS is set aside for the funding of post retirement health care benefits. Employer contribution rates are expressed as a percentage of the covered payroll of active members. In 2016, local government employers contributed at a rate of 14.00% of covered payroll. The ORC currently limits the employer contribution to a rate not to exceed 14.0% of covered payroll for local government employers. Active members do not make contributions to the OPEB plan.

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2016***

NOTE 9 – POST-EMPLOYMENT BENEFITS (Continued)

A. Ohio Public Employees Retirement System (“OPERS”) (Continued)

Each year, the OPERS Board of Trustees determines the portion of the employer contribution rate that will be set aside to fund health care plans. The portion of employer contributions allocated to health care for members in the Traditional Pension Plan and Combined Plan was 2.0% during calendar year 2016. As recommended by OPERS’ actuary, the portion of employer contributions allocated to health care beginning January 1, 2017 decreased to 1.0% for both plans. The Board is also authorized to establish rules for the retiree or their surviving beneficiaries to pay a portion of the health care provided. Payment amounts vary depending on the number of covered dependents and the coverage selected. The employer contribution as a percentage of covered payroll deposited to the RMA for participants in the Member-Directed Plan for 2016 was 4.0%.

The City's contributions for health care to the OPERS for the years ending December 31, 2016, 2015, and 2014 were \$19,241, \$18,897 and \$15,557, respectively, which were equal to the required contributions for each year.

B. Ohio Police and Fire Pension Fund (“OP&F”)

Plan Description – The City contributes to the OP&F sponsored health care program, a cost-sharing multiple-employer defined postemployment health care plan administered by OP&F. OP&F provides health care 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-retirement health care coverage for any person who receives or is eligible to receive a monthly service, disability, or survivor benefit check or is a spouse or eligible dependent child of such person. The health care coverage provided by OP&F is considered an Other Postemployment Benefit (OPEB) as described in GASB Statement No. 45.

The ORC permits, but does not mandate, OP&F to provide OPEB benefits. Authority to establish and amend benefits is provided in Chapter 742 of the ORC.

OP&F issues a stand-alone financial report that includes financial information and required supplementary information for the plan. Interested parties may obtain a copy by making a written request to 140 East Town Street, Columbus, Ohio 43215-5164. That report is also available on OP&F’s website at www.op-f.org.

Funding Policy – The ORC provides for contribution requirements of the participating employers and of plan members to the OP&F. Participating employers are required to contribute to the pension plan at rates expressed as percentages of the payroll of active pension plan members, currently, 19.5% and 24.0% of covered payroll for police and fire employers, respectively. The ORC states that the employer contribution may not exceed 19.5% of covered payroll for police employer units and 24.0% of covered payroll for fire employer units. Active members do not make contributions to the OPEB Plan.

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2016***

NOTE 9 – POST-EMPLOYMENT BENEFITS (Continued)

B. Ohio Police and Fire Pension Fund (“OP&F”) (Continued)

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

The Board of Trustees is authorized to allocate a portion of the total employer contributions made into the pension plan to the Section 115 trust and the Section 401(h) account as the employer contribution for retiree health care benefits. For 2016, the portion of employer contributions allocated to health care was 0.5% of covered payroll for both police officers and firefighters. The amount of employer contributions allocated to the health care plan each year is subject to the Trustees’ primary responsibility to ensure that 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 for health care to the OP&F for the years ending December 31, 2016, 2015, and 2014 were \$4,564, \$4,232 and \$4,115 for police, which were equal to the required contributions for each year.

NOTE 10 - COMPENSATED ABSENCES

In accordance with GASB Statement No. 16, "*Accounting for Compensated Absences*," vacation and compensatory time are accrued as liabilities when an employee's right to receive compensation is attributable to services already rendered and it is probable the employee will be compensated through paid time off or some other means, such as cash payments at termination or retirement. Leave time that has been earned but is unavailable for use as paid time off or as some other form of compensation because an employee has not met the minimum service time requirement, is accrued to the extent that it is considered to be probable that the conditions for compensation will be met in the future.

Sick leave is accrued using the vesting method, whereby the liability is recorded on the basis of leave accumulated by employees who are eligible to receive termination payments as of the balance sheet date, and on leave balances accumulated by other employees who are expected to become eligible in the future to receive such payments.

Vacation earned in a calendar year must be used during the current year. Vacation time cannot carry over into the subsequent year. At termination or retirement, employees are paid at their full rate for 100% of their unused vacation leave.

At December 31, 2016, the City's accumulated, unpaid compensated absences amounted to \$276,762, all of which is recorded as a liability of the Governmental Activities.

**Notes to the Basic Financial Statements
For the Year Ended December 31, 2016**

NOTE 11 - INTERFUND BALANCES

Individual interfund balances at December 31, 2016 that are expected to be paid within one year are as follows:

Fund	Interfund Loans Receivable	Interfund Loans Payable
Governmental Funds:		
General Fund	\$21,000	\$0
Fire Capital Improvement Fund	0	21,000
Totals	<u>\$21,000</u>	<u>21,000</u>

NOTE 12 - TRANSFERS

Following is a summary of transfers in and out for all funds for 2016:

	Transfers In:			
	General Fund	Nonmajor Governmental Funds	Storm Water Fund	Total
Transfers Out:				
General Fund	\$0	\$786,284	\$27,000	\$813,284
Marina Fund	2,350	0	0	2,350
Storm Water Fund	0	184,905	0	184,905
	<u>\$2,350</u>	<u>\$971,189</u>	<u>\$27,000</u>	<u>\$1,000,539</u>

Transfers are used to (1) move revenues from the fund that statute or budget required 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 authorization.

The transfer from the Marina Fund to the General Fund is related to monies being deposited into the Unclaimed Monies Fund which is being reported as part of the General Fund on a modified accrual basis.

Transfers from the General Fund to the Storm Water Fund were used to finance capital projects and debt service payments on capital related debt.

The transfer from the Storm Water Fund to the Capital Improvement Fund was made on a GAAP basis to return the money back to the fund from which it was originally expended from and to post the debt to the Storm Water Fund where it is being retired from.

CITY OF ROSSFORD, OHIO

**Notes to the Basic Financial Statements
For the Year Ended December 31, 2016**

NOTE 13 - LONG-TERM DEBT

Long-term debt of the City at December 31, 2016 is as follows:

	Balance January 1, 2015	Issued	(Retired)	Balance December 31, 2016	Amount Due Within One Year
Business-Type Activities:					
OPWC Loans:					
0.00% Northwood Drive	\$18,775	\$0	(\$4,695)	\$14,080	\$4,695
Hillside Drive	0	184,905	(4,623)	180,282	4,623
Total OPWC Loans	18,775	184,905	(9,318)	194,362	9,318
Net Pension Liability Payable	34,755	15,653	0	50,408	0
Total Business-Type Long-Term Debt	<u>\$53,530</u>	<u>\$200,558</u>	<u>(\$9,318)</u>	<u>\$244,770</u>	<u>\$9,318</u>
Governmental Activities:					
General Obligation Bonds:					
2% - 3% 2012 Refunding Bonds	\$2,110,000	\$0	(\$235,000)	\$1,875,000	\$225,000
2% 2012 Various Improvement Bonds	150,000	0	(150,000)	0	0
Unamortized Bond Premium	51,601	0	(4,299)	47,302	0
Total General Obligation Bonds	2,311,601	0	(389,299)	1,922,302	225,000
OPWC Loan Payable	66,929	0	(6,693)	60,236	4,462
Landfill Postclosure Care Liability	213,705	0	(41,031)	172,674	41,485
Compensated Absences Payable	239,360	276,762	(239,360)	276,762	50,682
Net Pension Liability Payable	2,812,172	866,436	(39,900)	3,638,708	0
Total Governmental Activities Long-Term Debt	<u>\$5,643,767</u>	<u>\$1,143,198</u>	<u>(\$716,283)</u>	<u>\$6,070,682</u>	<u>\$321,629</u>

CITY OF ROSSFORD, OHIO

**Notes to the Basic Financial Statements
For the Year Ended December 31, 2016**

NOTE 13 - LONG-TERM DEBT (Continued)

The City issues general obligation bonds to provide funds for the construction and improvement of buildings, roads, storm sewer lines as well as landfill costs. General obligation bonds are direct obligations and pledge the full faith and credit of the City.

In 2012, the City issued \$3,550,000 of general obligation, various purpose improvement (\$610,000) and refunding (\$2,940,000) bonds with interest rates varying from 2.0% to 3.0%. The \$610,000 various purpose improvement bonds (along with a premium of \$20,919 less issuance costs of \$30,919) were used to bond 2011 various purpose notes issued to provide funding for the construction, improvement, alteration or repair of any road or infrastructure with the limits of the Rossford Transportation Improvement District.

The governmental activities' bonds will be repaid mainly with transfers from the General Fund and with payments in lieu of taxes from the Tax Increment Equivalent Fund.

The City pays obligations related to employee compensation from the fund benefitting from their service.

A Principal and Interest Requirements

A summary of the City's future long-term debt funding requirements including principal and interest payments as of December 31, 2016 follows:

Years	<u>Governmental Activities</u>			
	<u>General Obligation Bonds</u>		<u>OPWC Loan Payable</u>	
	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>
2017	\$225,000	\$44,835	\$4,462	\$0
2018	220,000	40,330	4,462	0
2019	220,000	35,935	4,462	0
2020	220,000	31,530	4,462	0
2021	230,000	26,803	4,462	0
2022-2026	655,000	67,950	22,310	0
2027-2030	105,000	3,450	15,616	0
Totals	<u>\$1,875,000</u>	<u>\$250,833</u>	<u>\$60,236</u>	<u>\$0</u>

**Notes to the Basic Financial Statements
For the Year Ended December 31, 2016**

NOTE 13 - LONG-TERM DEBT (Continued)

A Principal and Interest Requirements (Continued)

Years	<u>Business Type Activities</u>	
	<u>OPWC Loan Payable</u>	
	<u>Principal</u>	<u>Interest</u>
2017	\$9,318	\$0
2018	13,941	0
2019	13,936	0
2020	9,246	0
2021	9,246	0
2022-2026	46,230	0
2027-2031	46,230	0
2032-2036	46,215	0
Totals	<u>\$194,362</u>	<u>\$0</u>

NOTE 14 - INSURANCE AND RISK MANAGEMENT

The City is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; injuries to employees and natural disasters. In 1990, the City joined the Ohio Government Risk Management Plan (the "OGRMP"), a public entity risk plan formed under Section 2744.081 of the Ohio Revised Code that operates as a common risk management and insurance program for 585 member political subdivisions. The City pays an annual premium to the OGRMP for its general insurance coverage. The agreement for formation of the OGRMP provides that the organization will be self-sustaining through member premiums and will reinsure all covered claims in excess of a member's deductible through commercial insurance and reinsurance companies.

Workers' Compensations claims are covered through the City's participation in the State of Ohio's program. The City pays the State Workers' Compensation System a premium based upon a rate per \$100 of payroll plus administrative costs. The rate is determined based upon the accident history of the City of Rossford.

The City also purchases insurance coverage to provide employee health benefits and pays unemployment claims to the State of Ohio as incurred. There has been no significant reduction in insurance coverages from coverages in the prior year. In addition, settled claims resulting from the above noted risks have not exceeded commercial insurance coverages during the past three fiscal years.

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2016***

NOTE 15 - SOLID WASTE LANDFILL POSTCLOSURE CARE COSTS

The City owns a former landfill site known as the Wales Road Landfill. The facility's operation predates most modern regulatory and recordkeeping requirements. The exact date for commencement of waste placement activities is unknown, but in the mid 1960's waste placement activities were modified to follow the layered approach to sanitary landfill operations. The landfill reached its capacity and ceased accepting waste at the 19.71 acre facility in 1990. The Ohio Environmental Protection Agency acting in accordance with applicable state and federal laws required the City to complete final closure of the site during 1994. State and federal laws require that the City monitor and maintain the site for thirty years after closure. The City estimates that the total postclosure liability associated with monitoring and maintaining the landfill site for the next seven years is \$172,674. The estimated costs of postclosure care are subject to changes corresponding to the effects of inflation, revision of laws and other variables. The liability will be paid with the general revenues of the City and follows the guidelines set forth by GASB Statement No. 18.

NOTE 16 - CONTINGENCIES

The City is a party to various legal proceedings which seek damages or injunctive relief generally incidental to its operations and pending projects. The City's management is of the opinion that the ultimate disposition of various claims and legal proceedings will not have a material effect, if any, on the financial condition of the City.

OWDA Loan

In June 2011, the City transferred its water and sewer operations to the Northwestern Water and Sewer District (NWSD). In conjunction with the transfer of operations, the City assigned the rights to all of the former water and sewer fund's capital assets and related debt to NWSD. As a result, the capital assets and related debt obligations were removed from the City's financial statements.

One of the debt obligations, a loan from the Ohio Water Development Authority (OWDA), was not formally changed over to an obligation of NWSD, rather NWSD assumed the repayment of the OWDA loan on the City's behalf. As such, if NWSD does not make the scheduled debt payments, OWDA would seek payment from the City. As of December 31, 2016, NWSD was current in making scheduled loan payments to OWDA and the outstanding balance of the loan was \$74,135 and is scheduled to fully mature on January 1, 2017.

NOTE 17 – JOINTLY GOVERNED ORGANIZATIONS

Rossford Transportation Improvement District: In May 1997, the Wood County Commissioners approved formation of the Rossford Transportation Improvement District (TID) as permitted under Chapter 5540 of the Ohio Revised Code. In July 2002, at the request of the Wood County Commissioners, the membership and appointments section of the TID bylaws was amended to eliminate the TID as a component unit of Wood County. The board of trustees consists of the following members: two voting members appointed by Wood County, three voting members appointed by the City of Rossford, two voting members appointed by Perrysburg Township, the Wood County Engineer as a voting member, and two nonvoting members of the general assembly in whose legislative district the TID is located. It is empowered to provide for the construction, improvement, alteration or repair of any road, highway, public place or other infrastructure within the limits of the City and to issue bonds.

CITY OF ROSSFORD, OHIO

**Notes to the Basic Financial Statements
For the Year Ended December 31, 2016**

NOTE 17 – JOINTLY GOVERNED ORGANIZATIONS (Continued)

Northern Wood County Port Authority: In December 1998, the Northern Wood County Port Authority was created jointly with Perrysburg Township, pursuant to Ohio Revised Code Sections 4582.21 to 4582.59. The Northern Wood County Port Authority was created for the benefit of the people of the State of Ohio. Its jurisdiction includes all of the area of the City of Rossford and all of the unincorporated area of Perrysburg Township. The Northern Wood County Port Authority has five directors, two appointed by the City of Rossford, two appointed by Perrysburg Township and one jointly appointed by the City of Rossford and Perrysburg Township. The directors appointed by the City are appointed by the mayor subject to the approval of the Council, but the City’s accountability for the Northern Wood County Port Authority does not extend beyond making the appointments.

NOTE 18 – FUND BALANCE CLASSIFICATION

Fund balance is classified as nonspendable, restricted, committed, assigned and unassigned 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 constraints placed on fund balance for the major governmental funds and all other governmental funds are presented below:

Fund Balances	General Fund	Tax Increment Equalization	TID Road Acquisition Fund	Other Governmental Funds	Total Governmental Funds
Nonspendable:					
Prepays	\$122,225	\$0	\$0	\$6,894	\$129,119
Supplies Inventory	0	0	0	31,148	31,148
Unclaimed Monies	10,774	0	0	0	10,774
Total Nonspendable	132,999	0	0	38,042	171,041
Restricted:					
Capital Projects	0	4,769,295	757,074	775,908	6,302,277
Street Lights	0	0	0	226,240	226,240
Street Construction and Maintenance	0	0	0	689,702	689,702
State Highway Improvements	0	0	0	63,292	63,292
Drug Fine	0	0	0	26,298	26,298
Enforcement and Education	0	0	0	36,410	36,410
Law Enforcement Trust	0	0	0	19,994	19,994
Recreation	0	0	0	261,433	261,433
Community Entertainment	0	0	0	200	200
Visitors and Conventions	0	0	0	55,064	55,064
Block Grant	0	0	0	162,386	162,386
Lewis Street Paving and Curbs	0	0	0	2,201	2,201
Landfill Closure	0	0	0	54,542	54,542
Total Restricted	0	4,769,295	757,074	2,373,670	7,900,039
Assigned:					
Encumbrances for Purchase Orders	38,227	0	0	0	38,227
Budget Resource	527,412	0	0	0	527,412
Accrued Compensation	238,241	0	0	0	238,241
Debt Service	0	0	0	5,898	5,898
Total Assigned	803,880	0	0	5,898	809,778
Unassigned	5,600,856	0	0	(12,360)	5,588,496
Total Fund Balances	\$6,537,735	\$4,769,295	\$757,074	\$2,405,250	\$14,469,354



REQUIRED SUPPLEMENTAL INFORMATION

CITY OF ROSSFORD, OHIO

***Schedule of City's Proportionate Share of the Net Pension Liability
Last Three Years***

Ohio Public Employees Retirement System

Year	<u>2014</u>	<u>2015</u>	<u>2016</u>
City's proportion of the net pension liability (asset)	0.007225%	0.007225%	0.007421%
City's proportionate share of the net pension liability (asset)	\$851,733	\$871,416	\$1,285,485
City's covered-employee payroll	\$782,185	\$894,225	\$948,425
City's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	108.89%	97.45%	135.54%
Plan fiduciary net position as a percentage of the total pension liability	86.36%	86.45%	81.08%

Source: Finance Director's Office and the Ohio Public Employees Retirement System

Ohio Police and Fire Pension Fund

Year	<u>2014</u>	<u>2015</u>	<u>2016</u>
City's proportion of the net pension liability (asset)	0.0381342%	0.0381342%	0.0373640%
City's proportionate share of the net pension liability (asset)	\$1,857,255	\$1,975,511	\$2,403,631
City's covered-employee payroll	\$638,419	\$788,183	\$800,567
City's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	290.91%	250.64%	300.24%
Plan fiduciary net position as a percentage of the total pension liability	73.00%	72.20%	66.77%

Source: Finance Director's Office and the Ohio Police and Fire Pension Fund

Notes: The City implemented GASB Statement 68 in 2015.

Information prior to 2014 is not available.

The schedule is reported as of the measurement date of the Net Pension Liability.

CITY OF ROSSFORD, OHIO

***Schedule of City Contributions
Last Four Years***

Ohio Public Employees Retirement System

Year	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>
Contractually required contribution	\$101,684	\$107,307	\$113,811	\$115,448
Contributions in relation to the contractually required contribution	<u>101,684</u>	<u>107,307</u>	<u>113,811</u>	<u>115,448</u>
Contribution deficiency (excess)	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
City's covered-employee payroll	\$782,185	\$894,225	\$948,425	\$962,067
Contributions as a percentage of covered-employee payroll	13.00%	12.00%	12.00%	12.00%

Source: Finance Director's Office and the Ohio Public Employees Retirement System

Ohio Police and Fire Pension Fund

Year	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>
Contractually required contribution	\$109,042	\$160,474	\$160,834	\$173,417
Contributions in relation to the contractually required contribution	<u>109,042</u>	<u>160,474</u>	<u>160,834</u>	<u>173,417</u>
Contribution deficiency (excess)	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
City's covered-employee payroll	\$638,419	\$788,183	\$800,567	\$863,201
Contributions as a percentage of covered-employee payroll	17.08%	20.36%	20.09%	20.09%

Source: Finance Director's Office and the Ohio Police and Fire Pension Fund

Notes: The City implemented GASB Statement 68 in 2015.
Information prior to 2013 is not available.

*COMBINING AND INDIVIDUAL FUND
STATEMENTS AND SCHEDULES*

*THE FOLLOWING COMBINING STATEMENTS AND SCHEDULES
INCLUDE THE MAJOR AND NONMAJOR GOVERNMENTAL FUNDS,
AND FIDUCIARY FUNDS.*

Nonmajor Governmental Funds

Special Revenue Funds

Special Revenue funds are used to account for the proceeds of specific revenue sources (other than amounts relating to trusts or major capital projects) that are legally restricted to expenditures for specified purposes.

State Highway Fund

To account for revenues distributed by the State from the motor vehicle taxes, permissive fees and gasoline taxes. Expenditures may only be used for street and state highway improvements and maintenance.

Street Construction, Maintenance and Repair Fund

To account for revenues distributed by the State from the motor vehicle and gasoline taxes. Expenditures may only be used for street construction, maintenance and repair.

Drug Fine Fund

To account for funds received by the police department for mandatory fines for drug related offenses.

Enforcement and Education Fund

To account for financial resources used to educate and treat persons with alcohol related problems and to enhance law enforcement activities as a deterrent to the operation of motor vehicles while under the influence of alcohol.

Law Enforcement Trust Fund

To account for funds received by the police department for contraband per state statute.

Accrued Compensation Fund

To account for monies used to pay accrued liabilities when an employee's right to receive compensation is attributed to services already rendered and it is probable the employee will be compensated through paid time off or other means, such as cash payments at termination or retirement. This fund is rolled up into the General Fund on a modified accrual basis.

Recreation Fund

To account for the revenues from taxes, concession operations and fees. Expenditures may only be used for recreation purposes.

Rossford Community Arts Commission Fund

To account for donations and expenses of the Rossford Community Arts Commission and the associated community programs.

(Continued)

Special Revenue Funds

Block Grant Fund

To account for Federal grants administered through the State designated for community and environmental improvements.

Street Lighting Assessment Fund

To account for special assessments collected to pay for neighborhood street lighting.

Visitors and Conventions Fund

To account for a portion of hotel/motel taxes per state statute to be earmarked for visitors and convention bureau activities benefiting the City of Rossford.

Debt Service Fund

The Debt Service Funds are used to account for retirement of the County's general obligation bonds, special assessment bonds and loans other than those financed by proprietary funds.

General Bond Obligation Debt Service Fund

To account for financial resources used to cover and monitor the City owned landfill, which ceased operations in 1990.

Capital Projects Funds

The Capital Projects Funds are used to account for the financial resources used for the acquisition or construction of major capital facilities other than those financed by proprietary or trust funds.

Landfill Closure Fund

To account for financial resources used to cover and monitor the City owned landfill, which ceased operations in 1990.

Lewis Street Paving and Curbs Fund

To account for financial resources used to add curbs and resurface Lewis Street, as petitioned by the property owners. The cost of the improvements, less 2% and the cost of the intersection shall be assessed based on front footage to the property owners over 10 years.

(Continued)

Capital Projects Funds (Continued)

Capital Improvement Fund

To account for financial resources used for the major capital projects undertaken by the City.

Fire Capital Improvement Fund

To account for financial resources received from a voter approved tax levy that are used to provide fire apparatus, buildings or sites.

Permanent Recreation Improvement Fund

To account for financial resources received from a voter approved tax levy that are used to provide for the acquisition of land and/or construction of specific permanent improvements to parks and playgrounds for recreational purposes.

CITY OF ROSSFORD, OHIO

**Combining Balance Sheet
Nonmajor Governmental Funds
December 31, 2016**

	Nonmajor Special Revenue Funds	Nonmajor Capital Projects Funds	Nonmajor Debt Service Funds	Total Nonmajor Governmental Funds
Assets:				
Cash and Cash Equivalents	\$ 1,401,813	\$ 1,040,741	\$ 5,898	\$ 2,448,452
Receivables:				
Accounts	829	0	0	829
Intergovernmental	143,158	14,666	0	157,824
Property Taxes	48,473	232,805	0	281,278
Special Assessments	219,600	0	0	219,600
Inventory of Supplies, at Cost	31,148	0	0	31,148
Prepaid Items	6,125	769	0	6,894
Total Assets	\$ 1,851,146	\$ 1,288,981	\$ 5,898	\$ 3,146,025
Liabilities:				
Accounts Payable	\$ 74,344	\$ 29,569	\$ 0	\$ 103,913
Accrued Wages and Benefits Payable	3,876	26	0	3,902
Interfund Loans Payable	0	21,000	0	21,000
Total Liabilities	78,220	50,595	0	128,815
Deferred Inflows of Resources:				
Unavailable Amounts	319,201	21,033	0	340,234
Property Tax Levy for Next Fiscal Year	45,288	226,438	0	271,726
Total Deferred Inflows of Resources	364,489	247,471	0	611,960
Fund Balances:				
Nonspendable	37,273	769	0	38,042
Restricted	1,371,164	1,002,506	0	2,373,670
Assigned	0	0	5,898	5,898
Unassigned	0	(12,360)	0	(12,360)
Total Fund Balances	1,408,437	990,915	5,898	2,405,250
Total Liabilities, Deferred Inflows of Resources and Fund Balances	\$ 1,851,146	\$ 1,288,981	\$ 5,898	\$ 3,146,025

CITY OF ROSSFORD, OHIO

**Combining Statement of Revenues, Expenditures and Changes in Fund Balance
Nonmajor Governmental Funds
For the Year Ended December 31, 2016**

	Nonmajor Special Revenue Funds	Nonmajor Capital Projects Funds	Nonmajor Debt Service Fund	Total Nonmajor Governmental Funds
Revenues:				
Property Taxes	\$ 41,885	\$ 209,432	\$ 0	\$ 251,317
Other Local Taxes	119,424	0	0	119,424
Intergovernmental Revenues	383,838	37,956	0	421,794
Charges for Services	155,606	0	0	155,606
Special Assessments	215,280	0	0	215,280
Fines and Forfeitures	7,238	0	0	7,238
All Other Revenue	9,693	0	0	9,693
Total Revenue	932,964	247,388	0	1,180,352
Expenditures:				
Current:				
Security of Persons and Property	253,096	203,188	0	456,284
Leisure Time Activities	433,583	0	0	433,583
Community Environment	31,418	0	0	31,418
Transportation	299,467	0	0	299,467
General Government	135,440	0	0	135,440
Capital Outlay	0	215,973	0	215,973
Debt Service:				
Principal Retirement	0	25,000	116,693	141,693
Interest & Fiscal Charges	0	2,590	14,802	17,392
Total Expenditures	1,153,004	446,751	131,495	1,731,250
Excess (Deficiency) of Revenues Over Expenditures	(220,040)	(199,363)	(131,495)	(550,898)
Other Financing Sources (Uses):				
Transfers In	175,000	666,189	130,000	971,189
Total Other Financing Sources (Uses)	175,000	666,189	130,000	971,189
Net Change in Fund Balances	(45,040)	466,826	(1,495)	420,291
Fund Balances at Beginning of Year	1,450,561	524,089	7,393	1,982,043
Increase (Decrease) in Inventory Reserve	2,916	0	0	2,916
Fund Balances End of Year	\$ 1,408,437	\$ 990,915	\$ 5,898	\$ 2,405,250

CITY OF ROSSFORD, OHIO

**Combining Balance Sheet
Nonmajor Special Revenue Funds
December 31, 2016**

	State Highway	Street Construction, Maintenance and Repair	Drug Fine	Enforcement and Education
Assets:				
Cash and Cash Equivalents	\$ 60,239	\$ 652,289	\$ 26,298	\$ 36,410
Receivables:				
Accounts	0	0	0	0
Intergovernmental	10,517	129,708	0	0
Property Taxes	0	0	0	0
Special Assessments	0	0	0	0
Inventory of Supplies, at Cost	0	31,148	0	0
Prepaid Items	0	0	0	0
Total Assets	\$ 70,756	\$ 813,145	\$ 26,298	\$ 36,410
Liabilities:				
Accounts Payable	\$ 453	\$ 5,823	\$ 0	\$ 0
Accrued Wages and Benefits Payable	0	0	0	0
Total Liabilities	453	5,823	0	0
Deferred Inflows of Resources:				
Unavailable Amounts	7,011	86,472	0	0
Property Tax Levy for Next Fiscal Year	0	0	0	0
Total Deferred Inflows of Resources	7,011	86,472	0	0
Fund Balances:				
Nonspendable	0	31,148	0	0
Restricted	63,292	689,702	26,298	36,410
Total Fund Balances	63,292	720,850	26,298	36,410
Total Liabilities, Deferred Inflows of Resources and Fund Balances	\$ 70,756	\$ 813,145	\$ 26,298	\$ 36,410

CITY OF ROSSFORD, OHIO

Law Enforcement Trust	Recreation	Rossford Community Arts Commission	Block Grant	Street Lighting Assessment	Visitors and Conventions	Total Nonmajor Special Revenue Funds
\$ 19,994	\$ 111,225	\$ 200	\$ 162,386	\$ 241,110	\$ 91,662	\$ 1,401,813
0	829	0	0	0	0	829
0	2,933	0	0	0	0	143,158
0	48,473	0	0	0	0	48,473
0	0	0	0	219,600	0	219,600
0	0	0	0	0	0	31,148
0	6,125	0	0	0	0	6,125
<u>\$ 19,994</u>	<u>\$ 169,585</u>	<u>\$ 200</u>	<u>\$ 162,386</u>	<u>\$ 460,710</u>	<u>\$ 91,662</u>	<u>\$ 1,851,146</u>
\$ 0	\$ 16,600	\$ 0	\$ 0	\$ 14,870	\$ 36,598	\$ 74,344
0	3,876	0	0	0	0	3,876
<u>0</u>	<u>20,476</u>	<u>0</u>	<u>0</u>	<u>14,870</u>	<u>36,598</u>	<u>78,220</u>
0	6,118	0	0	219,600	0	319,201
0	45,288	0	0	0	0	45,288
<u>0</u>	<u>51,406</u>	<u>0</u>	<u>0</u>	<u>219,600</u>	<u>0</u>	<u>364,489</u>
0	6,125	0	0	0	0	37,273
<u>19,994</u>	<u>91,578</u>	<u>200</u>	<u>162,386</u>	<u>226,240</u>	<u>55,064</u>	<u>1,371,164</u>
<u>19,994</u>	<u>97,703</u>	<u>200</u>	<u>162,386</u>	<u>226,240</u>	<u>55,064</u>	<u>1,408,437</u>
<u>\$ 19,994</u>	<u>\$ 169,585</u>	<u>\$ 200</u>	<u>\$ 162,386</u>	<u>\$ 460,710</u>	<u>\$ 91,662</u>	<u>\$ 1,851,146</u>

CITY OF ROSSFORD, OHIO

***Combining Statement of Revenues, Expenditures and Changes in Fund Balance
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2016***

	State Highway	Street Construction, Maintenance and Repair	Drug Fine	Enforcement and Education
Revenues:				
Property Taxes	\$ 0	\$ 0	\$ 0	\$ 0
Other Local Taxes	0	0	0	0
Intergovernmental Revenues	24,738	305,086	0	8,206
Charges for Services	0	0	0	0
Special Assessments	0	0	0	0
Fines and Forfeitures	0	0	1,000	978
All Other Revenue	0	0	0	0
Total Revenue	<u>24,738</u>	<u>305,086</u>	<u>1,000</u>	<u>9,184</u>
Expenditures:				
Current:				
Security of Persons and Property	0	0	0	2,657
Leisure Time Activities	0	0	0	0
Community Environment	0	0	0	0
Transportation	20,576	278,891	0	0
General Government	0	0	0	0
Total Expenditures	<u>20,576</u>	<u>278,891</u>	<u>0</u>	<u>2,657</u>
Excess (Deficiency) of Revenues Over Expenditures	4,162	26,195	1,000	6,527
Other Financing Sources (Uses):				
Transfers In	0	0	0	0
Total Other Financing Sources (Uses)	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Net Change in Fund Balances	4,162	26,195	1,000	6,527
Fund Balances at Beginning of Year	59,130	691,739	25,298	29,883
Increase in Inventory Reserve	0	2,916	0	0
Fund Balances End of Year	<u>\$ 63,292</u>	<u>\$ 720,850</u>	<u>\$ 26,298</u>	<u>\$ 36,410</u>

CITY OF ROSSFORD, OHIO

Law Enforcement Trust	Recreation	Rossford Community Arts Commission	Block Grant	Street Lighting Assessment	Visitors and Conventions	Total Nonmajor Special Revenue Funds
\$ 0	\$ 41,885	\$ 0	\$ 0	\$ 0	\$ 0	\$ 41,885
0	0	0	0	0	119,424	119,424
5,445	6,630	0	33,733	0	0	383,838
0	155,606	0	0	0	0	155,606
0	0	0	0	215,280	0	215,280
5,260	0	0	0	0	0	7,238
340	9,353	0	0	0	0	9,693
<u>11,045</u>	<u>213,474</u>	<u>0</u>	<u>33,733</u>	<u>215,280</u>	<u>119,424</u>	<u>932,964</u>
53,044	0	0	0	197,395	0	253,096
0	433,583	0	0	0	0	433,583
0	0	0	31,418	0	0	31,418
0	0	0	0	0	0	299,467
0	0	0	0	0	135,440	135,440
<u>53,044</u>	<u>433,583</u>	<u>0</u>	<u>31,418</u>	<u>197,395</u>	<u>135,440</u>	<u>1,153,004</u>
(41,999)	(220,109)	0	2,315	17,885	(16,016)	(220,040)
0	175,000	0	0	0	0	175,000
0	175,000	0	0	0	0	175,000
(41,999)	(45,109)	0	2,315	17,885	(16,016)	(45,040)
61,993	142,812	200	160,071	208,355	71,080	1,450,561
0	0	0	0	0	0	2,916
<u>\$ 19,994</u>	<u>\$ 97,703</u>	<u>\$ 200</u>	<u>\$ 162,386</u>	<u>\$ 226,240</u>	<u>\$ 55,064</u>	<u>\$ 1,408,437</u>

CITY OF ROSSFORD, OHIO

**Combining Balance Sheet
Nonmajor Capital Projects Funds
December 31, 2016**

	Landfill Closure	Lewis Street Paving and Curbs	Capital Improvement	Fire Capital Improvement
Assets:				
Cash and Cash Equivalents	\$ 56,550	\$ 2,201	\$ 803,469	\$ 8,666
Receivables:				
Intergovernmental	0	0	0	11,733
Property Taxes	0	0	0	187,517
Prepaid Items	0	0	0	769
Total Assets	<u>\$ 56,550</u>	<u>\$ 2,201</u>	<u>\$ 803,469</u>	<u>\$ 208,685</u>
Liabilities:				
Accounts Payable	\$ 2,008	\$ 0	\$ 27,561	\$ 0
Accrued Wages and Benefits Payable	0	0	0	26
Interfund Loans Payable	0	0	0	21,000
Total Liabilities	<u>2,008</u>	<u>0</u>	<u>27,561</u>	<u>21,026</u>
Deferred Inflows of Resources:				
Unavailable Amounts	0	0	0	18,100
Property Tax Levy for Next Fiscal Year	0	0	0	181,150
Total Deferred Inflows of Resources	<u>0</u>	<u>0</u>	<u>0</u>	<u>199,250</u>
Fund Balances:				
Nonspendable	0	0	0	769
Restricted	54,542	2,201	775,908	0
Unassigned	0	0	0	(12,360)
Total Fund Balances	<u>54,542</u>	<u>2,201</u>	<u>775,908</u>	<u>(11,591)</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u>\$ 56,550</u>	<u>\$ 2,201</u>	<u>\$ 803,469</u>	<u>\$ 208,685</u>

CITY OF ROSSFORD, OHIO

Permanent Recreation Improvement	Total Nonmajor Capital Projects Funds
\$ 169,855	\$ 1,040,741
2,933	14,666
45,288	232,805
0	769
<u>\$ 218,076</u>	<u>\$ 1,288,981</u>
\$ 0	\$ 29,569
0	26
0	21,000
<u>0</u>	<u>50,595</u>
2,933	21,033
45,288	226,438
<u>48,221</u>	<u>247,471</u>
0	769
169,855	1,002,506
0	(12,360)
<u>169,855</u>	<u>990,915</u>
<u>\$ 218,076</u>	<u>\$ 1,288,981</u>

CITY OF ROSSFORD, OHIO

**Combining Statement of Revenues, Expenditures and Changes in Fund Balance
Nonmajor Capital Projects Funds
For the Year Ended December 31, 2016**

	Landfill Closure	Lewis Street Paving and Curbs	Capital Improvement	Fire Capital Improvement
Revenues:				
Property Taxes	\$ 0	\$ 0	\$ 0	\$ 167,547
Intergovernmental Revenues	0	0	0	26,522
Total Revenue	0	0	0	194,069
Expenditures:				
Security of Persons and Property	0	0	0	203,188
Capital Outlay	48,828	0	159,213	0
Debt Service:				
Principal Retirement	15,000	10,000	0	0
Interest & Fiscal Charges	2,390	200	0	0
Total Expenditures	66,218	10,200	159,213	203,188
Excess (Deficiency) of Revenues Over Expenditures	(66,218)	(10,200)	(159,213)	(9,119)
Other Financing Sources (Uses):				
Transfers In	75,000	10,000	551,189	30,000
Total Other Financing Sources (Uses)	75,000	10,000	551,189	30,000
Net Change in Fund Balances	8,782	(200)	391,976	20,881
Fund Balances (Deficit) at Beginning of Year	45,760	2,401	383,932	(32,472)
Fund Balances (Deficit) End of Year	\$ 54,542	\$ 2,201	\$ 775,908	\$ (11,591)

CITY OF ROSSFORD, OHIO

<u>Permanent Recreation Improvement</u>	<u>Total Nonmajor Capital Project Funds</u>
\$ 41,885	\$ 209,432
<u>11,434</u>	<u>37,956</u>
<u>53,319</u>	<u>247,388</u>
0	203,188
7,932	215,973
0	25,000
<u>0</u>	<u>2,590</u>
<u>7,932</u>	<u>446,751</u>
45,387	(199,363)
<u>0</u>	<u>666,189</u>
<u>0</u>	<u>666,189</u>
45,387	466,826
<u>124,468</u>	<u>524,089</u>
<u>\$ 169,855</u>	<u>\$ 990,915</u>

CITY OF ROSSFORD, OHIO

**Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Major Funds – General Fund
For the Year Ended December 31, 2016**

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Property Taxes	\$ 537,000	\$ 539,766	\$ 560,975	\$ 21,209
Municipal Income Taxes	3,680,150	3,721,848	4,135,454	413,606
Other Local Taxes	422,850	422,400	464,995	42,595
Intergovernmental Revenues	361,200	422,467	415,621	(6,846)
Charges for Services	111,000	140,043	143,040	2,997
Licenses and Permits	11,300	14,450	16,187	1,737
Investment Earnings	17,000	87,000	37,419	(49,581)
Special Assessments	0	9,800	9,886	86
Fines and Forfeitures	30,000	27,042	32,152	5,110
All Other Revenues	28,000	27,575	33,152	5,577
Total Revenues	5,198,500	5,412,391	5,848,881	436,490
Expenditures:				
Security of Persons and Property:				
Police:				
Personal Services	1,405,465	1,476,515	1,464,026	12,489
Contractual Services	179,600	204,574	178,262	26,312
Materials and Supplies	82,500	77,747	66,130	11,617
Capital Outlay	40,000	23,900	23,104	796
Total Police	1,707,565	1,782,736	1,731,522	51,214
Fire:				
Personal Services	368,035	364,019	322,537	41,482
Contractual Services	109,400	124,748	116,109	8,639
Materials and Supplies	26,600	25,100	19,987	5,113
Capital Outlay	10,000	1,700	1,440	260
Total Fire	514,035	515,567	460,073	55,494
Emergency Management:				
Contractual Services	8,000	7,000	5,729	1,271
Total Security of Persons and Property	2,229,600	2,305,303	2,197,324	107,979
Leisure Time Activities:				
Parks:				
Contractual Services	8,000	9,548	9,190	358
Materials and Supplies	2,000	2,000	77	1,923
Capital Outlay	5,000	8,744	7,627	1,117
Total Leisure Time Activities	15,000	20,292	16,894	3,398

(Continued)

CITY OF ROSSFORD, OHIO

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Major Funds – General Fund
For the Year Ended December 31, 2016***

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Basic Utility Services:				
Solid Waste and Refuse:				
Contractual Services	300,000	361,787	339,583	22,204
Total Solid Waste and Refuse	<u>300,000</u>	<u>361,787</u>	<u>339,583</u>	<u>22,204</u>
Storm Water:				
Contractual Services	0	7,981	7,642	339
Total Basic Utility Services	<u>300,000</u>	<u>369,768</u>	<u>347,225</u>	<u>22,543</u>
Transportation:				
Public Works:				
Personal Services	590,650	553,150	538,477	14,673
Contractual Services	113,050	117,473	71,889	45,584
Materials and Supplies	42,250	41,970	33,431	8,539
Capital Outlay	20,000	22,794	22,322	472
Total Transportation	<u>765,950</u>	<u>735,387</u>	<u>666,119</u>	<u>69,268</u>
General Government:				
City Council:				
Personal Services	31,975	31,675	31,391	284
Contractual Services	7,065	7,065	4,133	2,932
Materials and Supplies	160	160	30	130
Total City Council	<u>39,200</u>	<u>38,900</u>	<u>35,554</u>	<u>3,346</u>
Mayor:				
Personal Services	8,950	8,950	8,845	105
Contractual Services	1,325	965	787	178
Materials and Supplies	100	150	47	103
Capital Outlay	0	150	150	0
Total Mayor	<u>10,375</u>	<u>10,215</u>	<u>9,829</u>	<u>386</u>
Administrator:				
Personal Services	204,855	211,141	207,767	3,374
Contractual Services	4,400	4,640	4,628	12
Materials and Supplies	0	230	230	0
Capital Outlay	2,500	3,549	3,549	0
Total Administrator	<u>211,755</u>	<u>219,560</u>	<u>216,174</u>	<u>3,386</u>

(Continued)

CITY OF ROSSFORD, OHIO

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Major Funds – General Fund
For the Year Ended December 31, 2016***

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
General Government:				
Contractual Services	236,500	147,257	116,047	31,210
Materials and Supplies	8,000	8,500	7,706	794
Other Expenditures	250,500	285,285	220,602	64,683
Capital Outlay	5,000	3,500	834	2,666
Total General Government	<u>500,000</u>	<u>444,542</u>	<u>345,189</u>	<u>99,353</u>
Facilities and Grounds:				
Contractual Services	218,000	221,154	181,082	40,072
Materials and Supplies	3,000	3,200	2,795	405
Other Expenditures	15,000	0	0	0
Capital Outlay	0	9,998	9,815	183
Total Facilities and Grounds	<u>236,000</u>	<u>234,352</u>	<u>193,692</u>	<u>40,660</u>
Finance/Tax:				
Personal Services	164,645	158,815	158,046	769
Contractual Services	127,750	139,883	138,355	1,528
Materials and Supplies	1,000	300	229	71
Capital Outlay	4,250	16,000	15,736	264
Total Finance/Tax	<u>297,645</u>	<u>314,998</u>	<u>312,366</u>	<u>2,632</u>
Zoning and Planning:				
Personal Services	19,585	21,085	19,621	1,464
Contractual Services	39,750	24,377	11,641	12,736
Materials and Supplies	250	250	0	250
Capital Outlay	0	1,500	1,070	430
Total Zoning and Planning	<u>59,585</u>	<u>47,212</u>	<u>32,332</u>	<u>14,880</u>
Law:				
Contractual Services	225,000	226,348	200,733	25,615
Civil Service Commission:				
Personal Services	0	250	95	155
Contractual Services	7,000	11,750	9,626	2,124
Total Civil Service Commission	<u>7,000</u>	<u>12,000</u>	<u>9,721</u>	<u>2,279</u>
Street Tree Commission:				
Contractual Services	9,550	10,055	7,425	2,630

(Continued)

CITY OF ROSSFORD, OHIO

**Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Major Funds – General Fund
For the Year Ended December 31, 2016**

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Planning Commission:				
Personal Services	1,000	1,000	945	55
Contractual Services	14,500	10,600	9,655	945
Materials and Supplies	100	0	0	0
Total Planning Commission	<u>15,600</u>	<u>11,600</u>	<u>10,600</u>	<u>1,000</u>
Total General Government	<u>1,611,710</u>	<u>1,569,782</u>	<u>1,373,615</u>	<u>196,167</u>
Total Expenditures	<u>4,922,260</u>	<u>5,000,532</u>	<u>4,601,177</u>	<u>399,355</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	276,240	411,859	1,247,704	835,845
Other Financing Sources (Uses):				
Sale of Capital Assets	1,500	0	0	0
Transfers Out	<u>(777,500)</u>	<u>(834,534)</u>	<u>(834,534)</u>	<u>0</u>
Total Other Financing Sources (Uses)	<u>(776,000)</u>	<u>(834,534)</u>	<u>(834,534)</u>	<u>0</u>
Net Change in Fund Balance	(499,760)	(422,675)	413,170	835,845
Fund Balance at Beginning of Year	4,856,794	4,856,794	4,856,794	0
Prior Year Encumbrances	<u>118,160</u>	<u>118,160</u>	<u>118,160</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 4,475,194</u>	<u>\$ 4,552,279</u>	<u>\$ 5,388,124</u>	<u>\$ 835,845</u>

CITY OF ROSSFORD, OHIO

**Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Major Funds – Capital Projects Fund
For the Year Ended December 31, 2016**

TAX INCREMENT EQUALIZATION FUND				
	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Payments in Lieu of Taxes	\$ 599,000	\$ 942,974	\$ 942,974	\$ 0
Intergovernmental Revenues	1,000	716	116	(600)
Investment Earnings	0	500	1,414	914
Total Revenues	<u>600,000</u>	<u>944,190</u>	<u>944,504</u>	<u>314</u>
Expenditures:				
Capital Outlay	232,500	1,039,088	943,761	95,327
Debt Service:				
Principal Retirement	100,000	100,000	100,000	0
Interest and Fiscal Charges	32,000	32,000	31,660	340
Total Expenditures	<u>364,500</u>	<u>1,171,088</u>	<u>1,075,421</u>	<u>95,667</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	235,500	(226,898)	(130,917)	95,981
Fund Balance at Beginning of Year	4,143,349	4,143,349	4,143,349	0
Prior Year Encumbrances	756,863	756,863	756,863	0
Fund Balance at End of Year	<u>\$ 5,135,712</u>	<u>\$ 4,673,314</u>	<u>\$ 4,769,295</u>	<u>\$ 95,981</u>

CITY OF ROSSFORD, OHIO

**Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Major Funds – Capital Projects Fund
For the Year Ended December 31, 2016**

TID ROAD ACQUISITION FUND				Variance with Final Budget Positive (Negative)
	Original Budget	Final Budget	Actual	
Revenues:				
Intergovernmental Revenues	\$ 250,000	\$ 264,750	\$ 264,752	\$ 2
Total Revenues	<u>250,000</u>	<u>264,750</u>	<u>264,752</u>	<u>2</u>
Expenditures:				
Debt Service:				
Principal Retirement	150,000	150,000	150,000	0
Interest and Fiscal Charges	5,000	5,000	3,000	2,000
Total Expenditures	<u>155,000</u>	<u>155,000</u>	<u>153,000</u>	<u>2,000</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	95,000	109,750	111,752	2,002
Other Financing Sources (Uses):				
Transfers Out	(406,000)	0	0	0
Total Other Financing Sources (Uses)	<u>(406,000)</u>	<u>0</u>	<u>0</u>	<u>0</u>
Net Change in Fund Balance	(311,000)	109,750	111,752	2,002
Fund Balance at Beginning of Year	645,322	645,322	645,322	0
Fund Balance at End of Year	<u>\$ 334,322</u>	<u>\$ 755,072</u>	<u>\$ 757,074</u>	<u>\$ 2,002</u>

CITY OF ROSSFORD, OHIO

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2016***

	STATE HIGHWAY FUND			Variance with Final Budget Positive (Negative)
	Original Budget	Final Budget	Actual	
Revenues:				
Intergovernmental Revenues	\$ 25,000	\$ 22,735	\$ 25,604	\$ 2,869
Total Revenues	<u>25,000</u>	<u>22,735</u>	<u>25,604</u>	<u>2,869</u>
Expenditures:				
Transportation:				
Contractual Services	15,000	16,224	13,580	2,644
Materials and Supplies	15,500	19,666	7,144	12,522
Total Expenditures	<u>30,500</u>	<u>35,890</u>	<u>20,724</u>	<u>15,166</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(5,500)	(13,155)	4,880	18,035
Fund Balance at Beginning of Year	47,613	47,613	47,613	0
Prior Year Encumbrances	7,390	7,390	7,390	0
Fund Balance at End of Year	<u>\$ 49,503</u>	<u>\$ 41,848</u>	<u>\$ 59,883</u>	<u>\$ 18,035</u>

CITY OF ROSSFORD, OHIO

**Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2016**

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Intergovernmental Revenues	\$ 270,000	\$ 281,828	\$ 315,780	\$ 33,952
Total Revenues	<u>270,000</u>	<u>281,828</u>	<u>315,780</u>	<u>33,952</u>
Expenditures:				
Transportation:				
Contractual Services	80,000	108,867	83,571	25,296
Materials and Supplies	150,000	200,134	107,802	92,332
Capital Outlay	0	100,000	100,000	0
Total Expenditures	<u>230,000</u>	<u>409,001</u>	<u>291,373</u>	<u>117,628</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	40,000	(127,173)	24,407	151,580
Fund Balance at Beginning of Year	533,040	533,040	533,040	0
Prior Year Encumbrances	80,933	80,933	80,933	0
Fund Balance at End of Year	<u>\$ 653,973</u>	<u>\$ 486,800</u>	<u>\$ 638,380</u>	<u>\$ 151,580</u>

CITY OF ROSSFORD, OHIO

**Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2016**

	DRUG FINE FUND			Variance with Final Budget Positive (Negative)
	Original Budget	Final Budget	Actual	
Revenues:				
Fines and Forfeitures	\$ 0	\$ 1,000	\$ 1,000	\$ 0
Total Revenues	<u>0</u>	<u>1,000</u>	<u>1,000</u>	<u>0</u>
Expenditures:				
Security of Persons and Property:				
Contractual Services	5,000	5,000	0	5,000
Total Expenditures	<u>5,000</u>	<u>5,000</u>	<u>0</u>	<u>5,000</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(5,000)	(4,000)	1,000	5,000
Fund Balance at Beginning of Year	25,298	25,298	25,298	0
Fund Balance at End of Year	<u>\$ 20,298</u>	<u>\$ 21,298</u>	<u>\$ 26,298</u>	<u>\$ 5,000</u>

CITY OF ROSSFORD, OHIO

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2016***

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Revenues:				
Intergovernmental Revenues	\$ 0	\$ 8,200	\$ 8,206	\$ 6
Fines and Forfeitures	0	945	978	33
Total Revenues	<u>0</u>	<u>9,145</u>	<u>9,184</u>	<u>39</u>
Expenditures:				
Security of Persons and Property:				
Contractual Services	1,000	0	0	0
Materials and Supplies	4,000	5,350	2,657	2,693
Total Expenditures	<u>5,000</u>	<u>5,350</u>	<u>2,657</u>	<u>2,693</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(5,000)	3,795	6,527	2,732
Fund Balance at Beginning of Year	29,533	29,533	29,533	0
Prior Year Encumbrances	350	350	350	0
Fund Balance at End of Year	<u>\$ 24,883</u>	<u>\$ 33,678</u>	<u>\$ 36,410</u>	<u>\$ 2,732</u>

CITY OF ROSSFORD, OHIO

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2016***

LAW ENFORCEMENT TRUST FUND				
	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Intergovernmental Revenues	\$ 0	\$ 5,445	\$ 5,445	\$ 0
Fines and Forfeitures	10,000	5,265	5,260	(5)
All Other Revenues	0	340	340	0
Total Revenues	<u>10,000</u>	<u>11,050</u>	<u>11,045</u>	<u>(5)</u>
Expenditures:				
Security of Persons and Property:				
Contractual Services	10,000	12,600	12,015	585
Capital Outlay	0	48,400	47,467	933
Total Expenditures	<u>10,000</u>	<u>61,000</u>	<u>59,482</u>	<u>1,518</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	0	(49,950)	(48,437)	1,513
Fund Balance at Beginning of Year	61,993	61,993	61,993	0
Fund Balance at End of Year	<u>\$ 61,993</u>	<u>\$ 12,043</u>	<u>\$ 13,556</u>	<u>\$ 1,513</u>

CITY OF ROSSFORD, OHIO

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2016***

ACCRUED COMPENSATION FUND				
	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Total Revenues	\$ 0	\$ 0	\$ 0	\$ 0
Expenditures:				
General Government:				
Personal Services	10,000	13,500	13,324	176
Contractual Services	20,000	0	0	0
Materials and Supplies	5,000	5,000	2,339	2,661
Total Expenditures	<u>35,000</u>	<u>18,500</u>	<u>15,663</u>	<u>2,837</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(35,000)	(18,500)	(15,663)	2,837
Other Financing Sources (Uses):				
Transfers In	0	21,250	21,250	0
Total Other Financing Sources (Uses)	<u>0</u>	<u>21,250</u>	<u>21,250</u>	<u>0</u>
Net Change in Fund Balance	(35,000)	2,750	5,587	2,837
Fund Balance at Beginning of Year	<u>232,523</u>	<u>232,523</u>	<u>232,523</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 197,523</u>	<u>\$ 235,273</u>	<u>\$ 238,110</u>	<u>\$ 2,837</u>

CITY OF ROSSFORD, OHIO

**Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2016**

	RECREATION FUND			Variance with Final Budget Positive (Negative)
	Original Budget	Final Budget	Actual	
Revenues:				
Property Taxes	\$ 41,800	\$ 41,825	\$ 41,885	\$ 60
Intergovernmental Revenues	6,500	6,700	6,630	(70)
Charges for Services	180,200	144,136	155,302	11,166
All Other Revenues	11,500	9,120	9,115	(5)
Total Revenues	<u>240,000</u>	<u>201,781</u>	<u>212,932</u>	<u>11,151</u>
Expenditures:				
Leisure Time Activities:				
Personal Services	285,375	284,822	251,111	33,711
Contractual Services	129,550	128,302	109,258	19,044
Materials and Supplies	24,150	26,374	26,171	203
Other Expenditures	2,000	2,000	1,432	568
Capital Outlay	0	4,850	3,417	1,433
Total Expenditures	<u>441,075</u>	<u>446,348</u>	<u>391,389</u>	<u>54,959</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(201,075)	(244,567)	(178,457)	66,110
Other Financing Sources (Uses):				
Transfers In	<u>190,000</u>	<u>175,000</u>	<u>175,000</u>	<u>0</u>
Total Other Financing Sources (Uses)	<u>190,000</u>	<u>175,000</u>	<u>175,000</u>	<u>0</u>
Net Change in Fund Balance	(11,075)	(69,567)	(3,457)	66,110
Fund Balance at Beginning of Year	97,327	97,327	97,327	0
Prior Year Encumbrances	7,809	7,809	7,809	0
Fund Balance at End of Year	<u>\$ 94,061</u>	<u>\$ 35,569</u>	<u>\$ 101,679</u>	<u>\$ 66,110</u>

CITY OF ROSSFORD, OHIO

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2016***

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Total Revenues	\$ 0	\$ 0	\$ 0	\$ 0
Expenditures:				
Total Expenditures	0	0	0	0
Excess (Deficiency) of Revenues Over (Under) Expenditures	0	0	0	0
Fund Balance at Beginning of Year	200	200	200	0
Fund Balance at End of Year	<u>\$ 200</u>	<u>\$ 200</u>	<u>\$ 200</u>	<u>\$ 0</u>

CITY OF ROSSFORD, OHIO

**Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2016**

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Intergovernmental Revenues	\$ 0	\$ 33,700	\$ 33,733	\$ 33
Total Revenues	<u>0</u>	<u>33,700</u>	<u>33,733</u>	<u>33</u>
Expenditures:				
Community Environment:				
Other Expenditures	137,000	93,896	31,418	62,478
Total Expenditures	<u>137,000</u>	<u>93,896</u>	<u>31,418</u>	<u>62,478</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(137,000)	(60,196)	2,315	62,511
Fund Balance at Beginning of Year	150,108	150,108	150,108	0
Prior Year Encumbrances	9,963	9,963	9,963	0
Fund Balance at End of Year	<u>\$ 23,071</u>	<u>\$ 99,875</u>	<u>\$ 162,386</u>	<u>\$ 62,511</u>

CITY OF ROSSFORD, OHIO

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2016***

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Special Assessments	\$ 210,000	\$ 215,280	\$ 215,280	\$ 0
Total Revenues	<u>210,000</u>	<u>215,280</u>	<u>215,280</u>	<u>0</u>
Expenditures:				
Security of Persons and Property:				
Contractual Services	<u>210,000</u>	<u>210,000</u>	<u>182,048</u>	<u>27,952</u>
Total Expenditures	<u>210,000</u>	<u>210,000</u>	<u>182,048</u>	<u>27,952</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	0	5,280	33,232	27,952
Fund Balance at Beginning of Year	<u>207,878</u>	<u>207,878</u>	<u>207,878</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 207,878</u>	<u>\$ 213,158</u>	<u>\$ 241,110</u>	<u>\$ 27,952</u>

CITY OF ROSSFORD, OHIO

**Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2016**

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Other Local Taxes	\$ 123,000	\$ 132,000	\$ 135,440	\$ 3,440
Total Revenues	<u>123,000</u>	<u>132,000</u>	<u>135,440</u>	<u>3,440</u>
Expenditures:				
General Government:				
Contractual Services	<u>123,000</u>	<u>170,600</u>	<u>170,560</u>	<u>40</u>
Total Expenditures	<u>123,000</u>	<u>170,600</u>	<u>170,560</u>	<u>40</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	0	(38,600)	(35,120)	3,480
Fund Balance at Beginning of Year	56,787	56,787	56,787	0
Prior Year Encumbrances	<u>34,995</u>	<u>34,995</u>	<u>34,995</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 91,782</u>	<u>\$ 53,182</u>	<u>\$ 56,662</u>	<u>\$ 3,480</u>

CITY OF ROSSFORD, OHIO

**Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Debt Service Fund
For the Year Ended December 31, 2016**

GENERAL OBLIGATION DEBT SERVICE FUND				Variance with Final Budget Positive (Negative)
	Original Budget	Final Budget	Actual	
Revenues:				
Total Revenues	\$ 0	\$ 0	\$ 0	\$ 0
Expenditures:				
Debt Service:				
Principal Retirement	114,500	116,693	116,693	0
Interest and Fiscal Charges	14,650	14,802	14,802	0
Total Expenditures	129,150	131,495	131,495	0
Excess (Deficiency) of Revenues Over (Under) Expenditures	(129,150)	(131,495)	(131,495)	0
Other Financing Sources (Uses):				
Transfers In	129,000	130,000	130,000	0
Total Other Financing Sources (Uses)	129,000	130,000	130,000	0
Net Change in Fund Balance	(150)	(1,495)	(1,495)	0
Fund Balance at Beginning of Year	5,162	5,162	5,162	0
Prior Year Encumbrances	2,231	2,231	2,231	0
Fund Balance at End of Year	\$ 7,243	\$ 5,898	\$ 5,898	\$ 0

CITY OF ROSSFORD, OHIO

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Capital Projects Funds
For the Year Ended December 31, 2016***

LANDFILL CLOSURE FUND				
	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Total Revenues	\$ 0	\$ 0	\$ 0	\$ 0
Expenditures:				
Capital Outlay	80,000	80,000	64,102	15,898
Debt Service:				
Principal Retirement	15,000	15,000	15,000	0
Interest and Fiscal Charges	2,500	2,500	2,390	110
Total Expenditures	97,500	97,500	81,492	16,008
Excess (Deficiency) of Revenues Over (Under) Expenditures	(97,500)	(97,500)	(81,492)	16,008
Other Financing Sources (Uses):				
Transfers In	80,000	75,000	75,000	0
Total Other Financing Sources (Uses)	80,000	75,000	75,000	0
Net Change in Fund Balance	(17,500)	(22,500)	(6,492)	16,008
Fund Balance at Beginning of Year	60,037	60,037	60,037	0
Prior Year Encumbrances	2,450	2,450	2,450	0
Fund Balance at End of Year	<u>\$ 44,987</u>	<u>\$ 39,987</u>	<u>\$ 55,995</u>	<u>\$ 16,008</u>

CITY OF ROSSFORD, OHIO

**Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Capital Projects Funds
For the Year Ended December 31, 2016**

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Total Revenues	\$ 0	\$ 0	\$ 0	\$ 0
Expenditures:				
Debt Service:				
Principal Retirement	10,000	10,000	10,000	0
Interest and Fiscal Charges	500	400	200	200
Total Expenditures	10,500	10,400	10,200	200
Excess (Deficiency) of Revenues Over (Under) Expenditures	(10,500)	(10,400)	(10,200)	200
Other Financing Sources (Uses):				
Transfers In	10,000	10,000	10,000	0
Total Other Financing Sources (Uses)	10,000	10,000	10,000	0
Net Change in Fund Balance	(500)	(400)	(200)	200
Fund Balance at Beginning of Year	2,401	2,401	2,401	0
Fund Balance at End of Year	\$ 1,901	\$ 2,001	\$ 2,201	\$ 200

CITY OF ROSSFORD, OHIO

**Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Capital Projects Funds
For the Year Ended December 31, 2016**

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Intergovernmental Revenues	\$ 203,212	\$ 0	\$ 0	\$ 0
Total Revenues	<u>203,212</u>	<u>0</u>	<u>0</u>	<u>0</u>
Expenditures:				
Capital Outlay	933,000	475,484	428,860	46,624
Total Expenditures	<u>933,000</u>	<u>475,484</u>	<u>428,860</u>	<u>46,624</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(729,788)	(475,484)	(428,860)	46,624
Other Financing Sources (Uses):				
Transfers In	706,000	551,189	551,189	0
Total Other Financing Sources (Uses)	<u>706,000</u>	<u>551,189</u>	<u>551,189</u>	<u>0</u>
Net Change in Fund Balance	(23,788)	75,705	122,329	46,624
Fund Balance at Beginning of Year	72,661	72,661	72,661	0
Prior Year Encumbrances	312,733	312,733	312,733	0
Fund Balance at End of Year	<u>\$ 361,606</u>	<u>\$ 461,099</u>	<u>\$ 507,723</u>	<u>\$ 46,624</u>

CITY OF ROSSFORD, OHIO

**Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Capital Projects Funds
For the Year Ended December 31, 2016**

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Property Taxes	\$ 175,000	\$ 167,547	\$ 167,547	\$ 0
Intergovernmental Revenues	25,000	26,522	26,522	0
Total Revenues	<u>200,000</u>	<u>194,069</u>	<u>194,069</u>	<u>0</u>
Expenditures:				
Personal Services	114,078	105,402	101,743	3,659
Contractual Services	112,000	170,493	168,320	2,173
Capital Outlay	10,772	12,924	12,818	106
Total Expenditures	<u>236,850</u>	<u>288,819</u>	<u>282,881</u>	<u>5,938</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(36,850)	(94,750)	(88,812)	5,938
Other Financing Sources (Uses):				
Transfers In	40,000	30,000	30,000	0
Total Other Financing Sources (Uses)	<u>40,000</u>	<u>30,000</u>	<u>30,000</u>	<u>0</u>
Net Change in Fund Balance	3,150	(64,750)	(58,812)	5,938
Fund Balance at Beginning of Year	2,190	2,190	2,190	0
Prior Year Encumbrances	65,096	65,096	65,096	0
Fund Balance at End of Year	<u>\$ 70,436</u>	<u>\$ 2,536</u>	<u>\$ 8,474</u>	<u>\$ 5,938</u>

CITY OF ROSSFORD, OHIO

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Capital Projects Funds
For the Year Ended December 31, 2016***

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Property Taxes	\$ 32,000	\$ 41,885	\$ 41,885	\$ 0
Intergovernmental Revenues	66,500	11,434	11,434	0
Total Revenues	<u>98,500</u>	<u>53,319</u>	<u>53,319</u>	<u>0</u>
Expenditures:				
Capital Outlay	<u>150,000</u>	<u>54,500</u>	<u>20,727</u>	<u>33,773</u>
Total Expenditures	<u>150,000</u>	<u>54,500</u>	<u>20,727</u>	<u>33,773</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(51,500)	(1,181)	32,592	33,773
Fund Balance at Beginning of Year	<u>124,468</u>	<u>124,468</u>	<u>124,468</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 72,968</u>	<u>\$ 123,287</u>	<u>\$ 157,060</u>	<u>\$ 33,773</u>

Fiduciary Funds

Fiduciary fund types 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 other funds.

Agency Fund

Cafeteria Plan Fund

To account for funds related to the IRS 125 Employee Benefits Plan.

Contractor's Guarantee Fund

To account for funds deposited from contractors in guarantee of work performance.

Fallen Heroes Fund

To account for deposits made toward a memorial in honor of war veterans.

CITY OF ROSSFORD, OHIO

**Combining Statement Of Changes In Assets And Liabilities
Agency Fund
For the Year Ended December 31, 2016**

	Balance December 31, 2015	Additions	Deductions	Balance December 31, 2016
<u>Cafeteria Plan</u>				
Assets:				
Equity in Pooled Cash and Investments	\$4,017	\$13,045	(\$13,234)	\$3,828
Total Assets	\$4,017	\$13,045	(\$13,234)	\$3,828
Liabilities:				
Due to Others	\$4,017	\$13,045	(\$13,234)	\$3,828
Total Liabilities	\$4,017	\$13,045	(\$13,234)	\$3,828
<u>Contractor's Guarantee Fund</u>				
Assets:				
Equity in Pooled Cash and Investments	\$4,217	\$0	\$0	\$4,217
Total Assets	\$4,217	\$0	\$0	\$4,217
Liabilities:				
Due to Others	\$4,217	\$0	\$0	\$4,217
Total Liabilities	\$4,217	\$0	\$0	\$4,217
<u>Fallen Heroes Fund</u>				
Assets:				
Equity in Pooled Cash and Investments	\$698	\$0	\$0	\$698
Total Assets	\$698	\$0	\$0	\$698
Liabilities:				
Due to Others	\$698	\$0	\$0	\$698
Total Liabilities	\$698	\$0	\$0	\$698
<u>Total</u>				
Assets:				
Equity in Pooled Cash and Investments	\$8,932	\$13,045	(\$13,234)	\$8,743
Total Assets	\$8,932	\$13,045	(\$13,234)	\$8,743
Liabilities:				
Due to Others	\$8,932	\$13,045	(\$13,234)	\$8,743
Total Liabilities	\$8,932	\$13,045	(\$13,234)	\$8,743

STATISTICAL SECTION



STATISTICAL TABLES

This part of the City'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.

Contents

Financial Trends	S 2 – S 13
These schedules contain trend information to help the reader understand how the City's financial position has changed over time.	
Revenue Capacity	S 14 – S 17
These schedules contain information to help the reader understand and assess the factors affecting the City's ability to generate its most significant local revenue source, income tax.	
Debt Capacity	S 18 – S 25
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.	
Economic and Demographic Information	S 26 – S 29
These schedules offer economic and demographic indicators to help the reader understand the environment within which the City's financial activities take place and to provide information that facilitates comparisons of financial information over time and among governments.	
Operating Information	S 30 – S 35
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.	
Sources Note:	
Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports for the relevant year.	

City of Rossford

*Net Position by Component
Last Ten Years
(accrual basis of accounting)*

	2007	2008	2009	2010
Governmental Activities:				
Net Investment in Capital Assets	\$2,325,954	\$4,377,049	\$399,498	\$844,106
Restricted	1,045,407	1,841,528	3,240,909	3,474,771
Unrestricted (Deficit)	(433,236)	(375,583)	3,637,057	4,215,412
Total Governmental Activities Net Position	<u>\$2,938,125</u>	<u>\$5,842,994</u>	<u>\$7,277,464</u>	<u>\$8,534,289</u>
Business-type Activities: (1)				
Net Investment in Capital Assets	\$2,180,523	\$3,592,799	\$3,603,052	\$3,621,210
Restricted	0	0	0	0
Unrestricted	470,997	671,546	765,841	1,088,175
Total Business-type Activities Net Position	<u>\$2,651,520</u>	<u>\$4,264,345</u>	<u>\$4,368,893</u>	<u>\$4,709,385</u>
Primary Government:				
Net Investment in Capital Assets	\$4,506,477	\$7,969,848	\$4,002,550	\$4,465,316
Restricted	1,045,407	1,841,528	3,240,909	3,474,771
Unrestricted	37,761	295,963	4,402,898	5,303,587
Total Primary Government Net Position	<u>\$5,589,645</u>	<u>\$10,107,339</u>	<u>\$11,646,357</u>	<u>\$13,243,674</u>

Source: Finance Director's Office

1) In 2011, the City transferred the majority of its water and sewer capital assets, as well as some debt obligations, to the Northwestern Water and Sewer District.

City of Rossford

<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>
\$1,101,415	\$1,674,067	\$1,932,205	\$2,630,252	\$3,039,471	\$4,209,647
4,398,663	5,341,888	6,232,428	7,546,700	7,566,671	7,996,876
4,642,103	5,898,462	6,653,032	6,159,749	4,288,665	5,283,348
<u>\$10,142,181</u>	<u>\$12,914,417</u>	<u>\$14,817,665</u>	<u>\$16,336,701</u>	<u>\$14,894,807</u>	<u>\$17,489,871</u>
\$420,295	\$417,661	\$396,088	\$677,189	\$659,031	\$447,837
0	0	0	0	0	0
33,955	53,177	75,298	76,938	42,914	73,490
<u>\$454,250</u>	<u>\$470,838</u>	<u>\$471,386</u>	<u>\$754,127</u>	<u>\$701,945</u>	<u>\$521,327</u>
\$1,521,710	\$2,091,728	\$2,328,293	\$3,307,441	\$3,698,502	\$4,657,484
4,398,663	5,341,888	6,232,428	7,546,700	7,566,671	7,996,876
4,676,058	5,951,639	6,728,330	6,236,687	4,331,579	5,356,838
<u>\$10,596,431</u>	<u>\$13,385,255</u>	<u>\$15,289,051</u>	<u>\$17,090,828</u>	<u>\$15,596,752</u>	<u>\$18,011,198</u>

City of Rossford

Changes in Net Position Last Ten Years (accrual basis of accounting)

	2007	2008	2009	2010
Expenses				
Governmental Activities:				
Security of Persons and Property	\$2,217,135	\$2,349,524	\$2,262,751	\$2,278,312
Leisure Time Activities	273,290	435,566	362,524	343,283
Community Environment	0	0	0	0
Basic Utility Services	272,192	243,228	256,064	245,451
Transportation	967,713	1,283,698	1,063,345	1,259,259
General Government	1,050,907	1,174,189	1,409,242	1,526,620
Interest and Fiscal Charges	286,154	270,403	184,578	170,187
<i>Total Governmental Activities Expenses</i>	<u>5,067,391</u>	<u>5,756,608</u>	<u>5,538,504</u>	<u>5,823,112</u>
Business-type Activities:				
Water	179,850	181,248	173,946	273,194
Sewer	510,153	473,651	431,508	366,184
Storm Water	0	0	9,977	8,485
Marina	95,608	239,299	168,606	99,502
<i>Total Business-type Activities Expenses</i>	<u>785,611</u>	<u>894,198</u>	<u>784,037</u>	<u>747,365</u>
<i>Total Primary Government Expenses</i>	<u><u>\$5,853,002</u></u>	<u><u>\$6,650,806</u></u>	<u><u>\$6,322,541</u></u>	<u><u>\$6,570,477</u></u>
Program Revenues				
Governmental Activities:				
Charges for Services				
Security of Persons and Property	\$397,430	\$394,943	\$318,071	\$275,879
Leisure Time Activities	99,319	126,434	135,709	136,304
Transportation	30,016	43,455	0	0
General Government	51,503	124,190	102,385	425,947
Operating Grants and Contributions	360,101	476,000	363,725	378,338
Capital Grants and Contributions	0	1,960,000	0	2,000
<i>Total Governmental Activities Program Revenues</i>	<u>938,369</u>	<u>3,125,022</u>	<u>919,890</u>	<u>1,218,468</u>

City of Rossford

2011	2012	2013	2014	2015	2016
\$2,463,233	\$2,426,459	\$2,349,654	\$2,664,585	\$2,843,321	\$2,877,424
334,710	354,398	391,005	476,758	428,713	541,068
0	0	0	0	63,432	31,418
240,951	257,033	394,247	551,667	318,075	343,959
1,133,391	788,056	879,242	994,937	1,230,777	995,204
1,538,812	1,540,986	1,854,569	1,634,589	1,430,432	1,557,087
154,848	197,821	75,648	68,249	60,755	53,219
<u>5,865,945</u>	<u>5,564,753</u>	<u>5,944,365</u>	<u>6,390,785</u>	<u>6,375,505</u>	<u>6,399,379</u>
124,592	24,438	0	0	0	0
103,003	19,935	0	0	0	0
10,932	2,580	0	0	32,386	7,532
110,647	87,724	100,184	111,839	113,795	114,710
<u>349,174</u>	<u>134,677</u>	<u>100,184</u>	<u>111,839</u>	<u>146,181</u>	<u>122,242</u>
<u>\$6,215,119</u>	<u>\$5,699,430</u>	<u>\$6,044,549</u>	<u>\$6,502,624</u>	<u>\$6,521,686</u>	<u>\$6,521,621</u>
\$235,390	\$177,201	\$182,848	\$291,102	\$359,926	\$384,443
141,450	148,458	152,815	144,235	154,125	164,959
0	0	0	0	12,589	0
530,983	549,837	153,365	265,335	27,982	27,875
362,823	613,213	417,515	325,465	379,823	327,328
0	0	164,675	409,606	390,475	268,173
<u>1,270,646</u>	<u>1,488,709</u>	<u>1,071,218</u>	<u>1,435,743</u>	<u>1,324,920</u>	<u>1,172,778</u>

(continued)

City of Rossford

Changes in Net Position Last Ten Years (accrual basis of accounting)

	2007	2008	2009	2010
Business-type Activities:				
Charges for Services				
Water (1)	186,761	203,124	172,826	150,995
Sewer (1)	596,273	536,242	539,045	491,520
Storm Water	0	0	0	59
Marina	94,314	78,657	1,630	79,773
Capital Grants and Contributions	0	1,404,000	85,084	15,000
<i>Total Business-type Activities Program Revenues</i>	<u>877,348</u>	<u>2,222,023</u>	<u>798,585</u>	<u>737,347</u>
<i>Total Primary Government Program Revenues</i>	<u>1,815,717</u>	<u>5,347,045</u>	<u>1,718,475</u>	<u>1,955,815</u>
Net (Expense)/Revenue				
Governmental Activities	(4,129,022)	(2,631,586)	(4,618,614)	(4,604,644)
Business-type Activities	91,737	1,327,825	14,548	(10,018)
<i>Total Primary Government Net (Expense)/Revenue</i>	<u>(\$4,037,285)</u>	<u>(\$1,303,761)</u>	<u>(\$4,604,066)</u>	<u>(\$4,614,662)</u>
General Revenues and Other Changes in Net Position				
Governmental Activities:				
Property and Other Local Taxes	\$1,643,465	\$1,457,024	\$1,285,686	\$1,344,363
Municipal Income Taxes	0	0	2,835,214	3,103,985
Payment in Lieu of Taxes	0	0	780,297	873,815
Grants and Entitlements not Restricted to Specific Programs	873,410	1,024,188	1,062,979	867,975
Investment Earnings	264,433	134,721	22,419	16,054
Miscellaneous	0	66,510	156,489	5,787
Transfers	(133,000)	(285,000)	(90,000)	(350,510)
<i>Total Governmental Activities</i>	<u>5,766,311</u>	<u>5,536,455</u>	<u>6,053,084</u>	<u>5,861,469</u>
Business-type Activities:				
Transfers	133,000	285,000	90,000	350,510
Special Items				
<i>Total Business-type Activities</i>	<u>133,000</u>	<u>285,000</u>	<u>90,000</u>	<u>350,510</u>
<i>Total Primary Government</i>	<u>\$5,899,311</u>	<u>\$5,821,455</u>	<u>\$6,143,084</u>	<u>\$6,211,979</u>
Change in Net Position				
Governmental Activities	\$1,637,289	\$2,904,869	\$1,434,470	\$1,256,825
Business-type Activities	224,737	1,612,825	104,548	340,492
<i>Total Primary Government Change in Net Position</i>	<u>\$1,862,026</u>	<u>\$4,517,694</u>	<u>\$1,539,018</u>	<u>\$1,597,317</u>

Source: Finance Director's Office

1) In 2011, the City transferred the operations of its water and sewer utilities to the Northwestern Water and Sewer District

City of Rossford

2011	2012	2013	2014	2015	2016
118,408	0	0	0	0	0
141,941	0	0	0	0	0
1,099	0	3,555	727	100	5,169
86,269	91,837	92,482	99,800	95,476	96,710
0	0	0	0	100	0
<u>347,717</u>	<u>91,837</u>	<u>96,037</u>	<u>100,527</u>	<u>95,676</u>	<u>101,879</u>
1,618,363	1,580,546	1,167,255	1,536,270	1,420,596	1,274,657
(4,595,299)	(4,076,044)	(4,873,147)	(4,955,042)	(5,050,585)	(5,226,601)
(1,457)	(42,840)	(4,147)	(11,312)	(50,505)	(20,363)
<u>(\$4,596,756)</u>	<u>(\$4,118,884)</u>	<u>(\$4,877,294)</u>	<u>(\$4,966,354)</u>	<u>(\$5,101,090)</u>	<u>(\$5,246,964)</u>
\$1,285,512	\$1,344,554	\$1,349,964	\$1,353,609	\$1,365,147	\$1,424,610
3,220,479	3,733,340	3,757,961	3,807,309	3,278,073	4,479,327
874,505	924,330	998,592	955,654	903,604	942,974
736,664	548,128	489,316	475,800	391,582	469,904
30,461	38,152	13,284	20,368	23,166	38,833
59,570	260,471	171,973	155,391	90,764	305,762
0	(4,695)	(4,695)	(294,053)	(28,100)	160,255
<u>6,207,191</u>	<u>6,844,280</u>	<u>6,776,395</u>	<u>6,474,078</u>	<u>6,024,236</u>	<u>7,821,665</u>
0	4,695	4,695	294,053	28,100	(160,255)
(4,253,678)	54,733	0	0	0	0
<u>(4,253,678)</u>	<u>59,428</u>	<u>4,695</u>	<u>294,053</u>	<u>28,100</u>	<u>(160,255)</u>
<u>\$1,953,513</u>	<u>\$6,903,708</u>	<u>\$6,781,090</u>	<u>\$6,768,131</u>	<u>\$6,052,336</u>	<u>\$7,661,410</u>
\$1,611,892	\$2,768,236	\$1,903,248	\$1,519,036	\$973,651	\$2,595,064
(4,255,135)	16,588	548	282,741	(22,405)	(180,618)
<u>(\$2,643,243)</u>	<u>\$2,784,824</u>	<u>\$1,903,796</u>	<u>\$1,801,777</u>	<u>\$951,246</u>	<u>\$2,414,446</u>

City of Rossford

*Fund Balances, Governmental Funds
Last Ten Years
(modified accrual basis of accounting)*

	2007	2008	2009	2010	2011
General Fund					
Nonspendable	\$0	\$0	\$0	\$50,535	\$39,609
Assigned	0	0	0	204,641	488,205
Unassigned	0	0	0	4,156,861	4,035,419
Reserved	249,170	10,822	121,294	0	0
Unreserved	2,233,166	2,856,091	3,119,810	0	0
Total General Fund	2,482,336	2,866,913	3,241,104	4,412,037	4,563,233
All Other Governmental Funds					
Nonspendable	0	0	0	16,111	20,050
Restricted	0	0	0	2,740,699	3,548,268
Assigned	0	0	0	0	0
Unassigned	0	0	0	(938,979)	(622,557)
Reserved	127,508	435,510	267,336	0	0
Unreserved, Undesignated, Reported in:					
Special Revenue Funds	832,677	823,908	992,152	0	0
Debt Service Funds	(434,517)	(347,666)	(274,889)	0	0
Capital Projects Funds	(148,185)	87,191	670,735	0	0
Total All Other Governmental Funds	377,483	998,943	1,655,334	1,817,831	2,945,761
Total Governmental Funds	\$2,859,819	\$3,865,856	\$4,896,438	\$6,229,868	\$7,508,994

Source: Finance Office

Note: The City implemented GASB 54 in 2011 which established new fund balance classifications for governmental funds.

City of Rossford

2012	2013	2014	2015	2016
\$58,086	\$66,857	\$87,042	\$67,069	\$132,999
1,246,027	1,582,497	1,067,654	701,307	803,880
4,036,134	4,298,697	4,259,415	5,098,976	5,600,856
0	0	0	0	0
0	0	0	0	0
<u>5,340,247</u>	<u>5,948,051</u>	<u>5,414,111</u>	<u>5,867,352</u>	<u>6,537,735</u>
84,308	32,431	28,871	78,008	38,042
4,637,731	5,628,394	6,881,264	7,474,648	7,900,039
10,248	4,980	4,946	7,393	5,898
0	0	0	(32,472)	(12,360)
0	0	0	0	0
0	0	0	0	0
0	0	0	0	0
<u>4,732,287</u>	<u>5,665,805</u>	<u>6,915,081</u>	<u>7,527,577</u>	<u>7,931,619</u>
<u>\$10,072,534</u>	<u>\$11,613,856</u>	<u>\$12,329,192</u>	<u>\$13,394,929</u>	<u>\$14,469,354</u>

City of Rossford

*Changes in Fund Balances, Governmental Funds
Last Ten Years
(modified accrual basis of accounting)*

	2007	2008	2009	2010
Revenues:				
Taxes	\$4,875,632	\$4,608,585	\$4,555,586	\$5,677,491
Intergovernmental Revenues	1,145,682	1,520,917	1,418,118	1,236,292
Charges for Services	190,305	255,452	295,764	272,059
Licenses and Permits	23,526	26,447	46,665	69,483
Investment Earnings	264,433	134,721	22,419	16,054
Special Assessments	815,244	584,693	383,057	485,642
Fines and Forfeitures	46,825	36,120	0	0
All Other Revenue	75,216	143,804	156,489	5,787
Total Revenue	<u>7,436,863</u>	<u>7,310,739</u>	<u>6,878,098</u>	<u>7,762,808</u>
Expenditures:				
Current:				
Security of Persons and Property	1,986,623	2,146,163	2,066,711	2,026,427
Leisure Time Activities	274,668	246,845	263,431	310,586
Community Environment	0	0	0	0
Basic Utility Services	272,192	243,228	256,064	245,451
Transportation	948,774	1,155,517	995,694	1,256,501
General Government	995,895	1,099,175	973,473	1,096,015
Capital Outlay	447,867	718,677	841,999	788,085
Debt Service:				
Principal Retirement	160,000	160,000	175,000	185,000
Interest and Fiscal Charges	286,611	270,897	185,144	170,803
Total Expenditures	<u>5,372,630</u>	<u>6,040,502</u>	<u>5,757,516</u>	<u>6,078,868</u>
Excess (Deficiency) of Revenues Over Expenditures	2,064,233	1,270,237	1,120,582	1,683,940

City of Rossford

2011	2012	2013	2014	2015	2016
\$5,161,189	\$5,633,077	\$5,880,232	\$5,965,237	\$6,111,702	\$6,582,365
1,123,724	1,114,608	1,104,860	1,256,227	1,194,921	1,099,760
275,420	258,924	298,451	339,382	206,755	293,701
117,720	66,150	51,159	108,259	25,937	16,022
30,461	38,152	13,284	20,368	23,166	38,833
473,548	481,268	215,756	207,290	229,191	225,166
0	0	0	0	34,198	39,340
60,172	298,965	180,034	165,989	68,503	40,315
<u>7,242,234</u>	<u>7,891,144</u>	<u>7,743,776</u>	<u>8,062,752</u>	<u>7,894,373</u>	<u>8,335,502</u>
2,236,476	2,207,023	2,110,972	2,466,247	2,454,400	2,569,812
301,426	316,544	348,347	401,836	344,138	449,683
0	0	0	0	63,432	31,418
240,951	257,033	6,853	318,993	318,075	343,959
919,925	737,565	809,590	900,158	815,292	929,874
1,463,278	1,434,595	1,663,394	1,413,647	1,414,850	1,496,023
455,547	660,235	814,130	1,179,569	963,340	1,159,734
190,000	262,440	370,000	377,231	372,231	391,693
155,505	201,252	74,473	67,073	59,572	52,052
<u>5,963,108</u>	<u>6,076,687</u>	<u>6,197,759</u>	<u>7,124,754</u>	<u>6,805,330</u>	<u>7,424,248</u>
1,279,126	1,814,457	1,546,017	937,998	1,089,043	911,254

(Continued)

City of Rossford

*Changes in Fund Balances, Governmental Funds
Last Ten Years
(modified accrual basis of accounting)*

	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>
Other Financing Sources (Uses):				
Loan Proceeds	0	0	0	0
Bond Proceeds	0	0	0	0
Premium on Issuance of Bonds	0	0	0	0
Payment on Refunding Agent	0	0	0	0
Transfers In	714,877	831,448	662,120	540,153
Transfers Out	(847,877)	(1,116,448)	(752,120)	(890,663)
Total Other Financing Sources (Uses)	<u>(133,000)</u>	<u>(285,000)</u>	<u>(90,000)</u>	<u>(350,510)</u>
Net Change in Fund Balance	<u>\$1,931,233</u>	<u>\$985,237</u>	<u>\$1,030,582</u>	<u>\$1,333,430</u>
 Debt Service as a Percentage of Noncapital Expenditures	 8.60%	 7.41%	 6.87%	 6.35%

Source: Finance Director's Office

City of Rossford

2011	2012	2013	2014	2015	2016
0	0	0	71,391	0	0
0	3,550,000	0	0	0	0
0	68,797	0	0	0	0
0	(2,865,019)	0	0	0	0
660,000	797,623	915,047	1,726,443	787,250	973,539
(660,000)	(802,318)	(919,742)	(2,020,496)	(815,350)	(813,284)
<u>0</u>	<u>749,083</u>	<u>(4,695)</u>	<u>(222,662)</u>	<u>(28,100)</u>	<u>160,255</u>
<u>\$1,279,126</u>	<u>\$2,563,540</u>	<u>\$1,541,322</u>	<u>\$715,336</u>	<u>\$1,060,943</u>	<u>\$1,071,509</u>
6.01%	6.06%	7.65%	7.15%	6.83%	7.30%

City of Rossford

Income Tax Revenues by Source, Governmental Funds Last Ten Years

Tax year	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>
Income Tax Rate	2.25%	2.25%	2.25%	2.25%	2.25%
Estimated Personal Income	\$215,299,254	\$223,915,324	\$230,632,784	\$281,684,192	\$290,134,718
Total Tax Collected	\$2,889,410	\$2,837,475	\$2,568,436	\$3,136,946	\$3,168,408
Income Tax Receipts					
Withholding	2,232,644	2,242,593	1,971,787	2,359,991	2,376,330
Percentage	77.27%	79.03%	76.77%	75.23%	75.00%
Corporate	198,194	129,778	115,403	115,680	182,634
Percentage	6.86%	4.57%	4.49%	3.69%	5.76%
Individuals	458,572	465,104	481,246	661,305	609,444
Percentage	15.87%	16.39%	18.74%	21.08%	19.24%

Source: City Income Tax Department

City of Rossford

2012	2013	2014	2015	2016
2.25%	2.25%	2.25%	2.25%	2.25%
\$305,156,048	\$317,806,048	\$347,960,698	\$357,834,940	\$358,550,720
\$3,358,765	\$3,578,835	\$3,799,895	\$3,604,715	\$4,135,455
2,547,716	2,659,188	2,795,031	2,720,504	3,027,153
75.85%	74.30%	73.56%	75.47%	73.20%
208,585	281,560	410,682	290,852	392,868
6.21%	7.87%	10.81%	8.07%	9.50%
602,585	582,069	594,182	593,359	715,434
17.94%	17.83%	15.63%	16.46%	17.30%



City of Rossford

Income Tax Collections Current Year and Nine Years Ago

	Calendar Year 2015	
<u>Income Tax Filers</u>	<u>Income Tax Collections</u>	<u>Percent of Income</u>
Top Ten	\$1,406,770	39.03%
All Others	2,197,945	60.97%
Total	<u>\$3,604,715</u>	<u>100.00%</u>

	Calendar Year 2006	
<u>Income Tax Filers</u>	<u>Income Tax Collections</u>	<u>Percent of Income</u>
Top Ten	\$1,074,358	38.59%
All Others	1,709,851	61.41%
Total	<u>\$2,784,209</u>	<u>100.00%</u>

Source: City Income Tax Department

Note: 2015 is most current data because Income Tax collections for 2016 are not finalized until 2017

City of Rossford

Ratio of Outstanding Debt By Type Last Ten Years

	2007	2008	2009	2010
Governmental Activities ⁽¹⁾				
General Obligation Bonds Payable	\$3,450,000	\$3,315,000	\$3,170,000	\$3,015,000
Special Assessment Bonds Payable	115,000	90,000	60,000	30,000
Ohio Public Works Commission Loan	0	0	0	0
Business-type Activities ⁽¹⁾				
General Obligation Bonds Payable	\$3,010,000	\$2,905,000	\$2,790,000	\$2,675,000
Ohio Water Development Authority Loans Payable	1,179,806	1,076,025	967,928	855,331
Ohio Public Works Commission Loan	56,335	51,640	46,945	42,250
Total Primary Government	<u>\$7,811,141</u>	<u>\$7,437,665</u>	<u>\$7,034,873</u>	<u>\$6,617,581</u>
Population ⁽²⁾				
City of Rossford	6,406	6,406	6,406	6,293
Outstanding Debt Per Capita	\$1,219	\$1,161	\$1,098	\$1,052
Income ⁽³⁾				
Personal (in thousands)	215,299	223,915	230,635	281,681
Percentage of Personal Income	3.63%	3.32%	3.05%	2.35%

Sources:

- (1) City Finance Director's Office
- (2) US Bureau of Census, Population Division
- (3) US Department of Commerce, Bureau of Economic Analysis
 - (a) Per Capita Income is only available by County, Total Personal Income is a calculation

City of Rossford

2011	2012	2013	2014	2015	2016
\$2,855,000	\$3,439,498	\$3,065,199	\$2,685,900	\$2,311,601	\$1,922,302
0	0	0	0	0	0
0	0	0	69,160	66,929	60,236
\$2,555,000	\$0	\$0	\$0	\$0	\$0
0	0	0	0	0	0
37,555	32,860	28,165	23,470	18,775	194,362
<u>\$5,447,555</u>	<u>\$3,472,358</u>	<u>\$3,093,364</u>	<u>\$2,778,530</u>	<u>\$2,397,305</u>	<u>\$2,176,900</u>
6,293	6,337	6,499	6,499	6,499	6,512
\$866	\$548	\$476	\$428	\$369	\$334
290,132	305,158	317,808	347,963	357,835	358,551
1.88%	1.14%	0.97%	0.80%	0.67%	0.61%

City of Rossford

Ratios of General Bonded Debt Outstanding Last Ten Years

Year	2007	2008	2009	2010
Population (1)	6,406	6,406	6,406	6,293
Assessed Value (2)	\$144,273,507	\$142,688,120	\$141,323,280	\$141,109,678
General Bonded Debt (3)				
General Obligation Bonds	\$6,460,000	\$6,220,000	\$5,960,000	\$5,690,000
Resources Available to Pay Principal (4)	\$0	\$0	\$0	\$0
Net General Bonded Debt	\$6,460,000	\$6,220,000	\$5,960,000	\$5,690,000
Ratio of Net Bonded Debt to Estimated Actual Value	4.48%	4.36%	4.22%	4.03%
Net Bonded Debt per Capita	\$1,008.43	\$970.96	\$930.38	\$904.18

Sources:

- (1) U.S. Bureau of Census of Population
- (2) Wood County Auditor
- (3) Includes all general obligation bonded debt supported by property taxes.
- (4) Includes only Debt Service funds available for general obligation bonded debt supported by property taxes.

City of Rossford

2011	2012	2013	2014	2015	2016
6,293	6,337	6,499	6,499	6,499	6,512
\$143,916,690	\$128,335,460	\$123,029,480	\$122,689,720	\$123,958,960	\$124,406,510
\$5,410,000	\$3,439,498	\$3,065,199	\$2,685,900	\$2,311,601	\$1,922,302
\$0	\$8,533	\$3,415	\$4,946	\$7,393	\$5,898
\$5,410,000	\$3,430,965	\$3,061,784	\$2,680,954	\$2,304,208	\$1,916,404
3.76%	2.67%	2.49%	2.19%	1.86%	1.54%
\$859.69	\$541.42	\$471.12	\$412.52	\$354.55	\$294.29



City of Rossford

*Computation of Direct and Overlapping
Debt Attributable to Governmental Activities
December 31, 2016*

<u>Jurisdiction</u>	<u>Gross Debt Outstanding</u>	<u>Percentage Applicable to the City of Rossford (1)</u>	<u>Amount Applicable to the City of Rossford</u>
Direct:			
City of Rossford	\$1,935,236	100.00%	\$1,935,236
Overlapping:			
Wood County	5,066,175	4.46%	<u>225,951</u>
		Total	<u><u>\$2,161,187</u></u>

(1) Percentages were determined by dividing the assessed valuation of the political subdivision located within the boundaries of the City by the total assessed valuation of the political subdivision.

Source: Wood County

City of Rossford

Debt Limitations Last Ten Years

Collection Year	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>
Total Debt				
Net Assessed Valuation	\$144,273,507	\$142,688,120	\$141,323,280	\$141,109,678
Legal Debt Limitation (%) (1)	10.50%	10.50%	10.50%	10.50%
Legal Debt Limitation (\$) (1)	15,148,718	14,982,253	14,838,944	14,816,516
City Debt Outstanding (2)	5,680,000	5,055,000	4,453,000	4,126,000
Less: Applicable Debt Service Fund Amounts	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Net Indebtedness Subject to Limitation	<u>5,680,000</u>	<u>5,055,000</u>	<u>4,453,000</u>	<u>4,126,000</u>
Overall Legal Debt Margin	<u><u>\$9,468,718</u></u>	<u><u>\$9,927,253</u></u>	<u><u>\$10,385,944</u></u>	<u><u>\$10,690,516</u></u>
Unvoted Debt				
Net Assessed Valuation	\$144,273,507	\$142,688,120	\$141,323,280	\$141,109,678
Legal Debt Limitation (%) (1)	5.50%	5.50%	5.50%	5.50%
Legal Debt Limitation (\$) (1)	7,935,043	7,847,847	7,772,780	7,761,032
City Debt Outstanding (2)	5,680,000	5,055,000	4,453,000	4,126,000
Less: Applicable Debt Service Fund Amounts	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Net Indebtedness Subject to Limitation	<u>5,680,000</u>	<u>5,055,000</u>	<u>4,453,000</u>	<u>4,126,000</u>
Overall Legal Debt Margin	<u><u>\$2,255,043</u></u>	<u><u>\$2,792,847</u></u>	<u><u>\$3,319,780</u></u>	<u><u>\$3,635,032</u></u>

(1) Direct Debt Limitation based upon Section 133, The Uniform Bond Act of the Ohio Revised Code.

(2) City Debt Outstanding includes Non Self-Supporting General Obligation Bonds and Notes only.
Enterprise Debt is not considered in the computation of the Legal Debt Margin.
The Total Value of the RTID Notes is included.

Source: Finance Director's Office

City of Rossford

2011	2012	2013	2014	2015	2016
\$143,916,690	\$128,335,460	\$123,029,480	\$122,689,720	\$123,958,960	\$124,406,510
10.50%	10.50%	10.50%	10.50%	10.50%	10.50%
15,111,252	13,475,223	12,918,095	12,882,421	13,015,691	13,062,684
3,705,000	3,439,498	3,065,199	2,755,060	2,378,530	1,982,538
0	(8,533)	(3,415)	(4,946)	(7,393)	(5,898)
3,705,000	3,364,752	3,000,020	2,750,114	2,371,137	1,976,640
\$11,406,252	\$10,110,471	\$9,918,075	\$10,132,307	\$10,644,554	\$11,086,044
\$143,916,690	\$128,335,460	\$123,029,480	\$122,689,720	\$123,958,960	\$124,406,510
5.50%	5.50%	5.50%	5.50%	5.50%	5.50%
7,915,418	7,058,450	6,766,621	6,747,935	6,817,743	6,842,358
3,705,000	3,439,498	3,065,199	2,755,060	2,378,530	1,982,538
0	(8,533)	(3,415)	(4,946)	(7,393)	(5,898)
3,705,000	3,364,752	3,000,020	2,750,114	2,371,137	1,976,640
\$4,210,418	\$3,693,698	\$3,766,601	\$3,997,821	\$4,446,606	\$4,865,718

City of Rossford

Demographic and Economic Statistics Last Ten Years

Calendar Year	2007	2008	2009	2010
Population (1)				
City of Rossford	6,406	6,406	6,406	6,293
Wood County	123,020	125,399	125,399	125,380
Income (2) (a)				
Total Personal (in thousands)	215,299	223,915	230,635	281,681
Per Capita	33,609	34,954	36,003	44,761
Unemployment Rate (3)				
Federal	4.6%	5.8%	5.8%	9.6%
State	5.6%	6.6%	6.6%	10.4%
Wood County	5.4%	6.8%	6.8%	10.2%
Civilian Work Force Estimates (3)				
State	5,976,500	5,986,400	5,986,400	5,935,167
Wood County	68,600	68,400	68,400	67,000

Sources:

(1) US Bureau of Census of Population

(2) US Department of Commerce, Bureau of Economic Analysis information is only available through 2010 for the presentation of 2011 statistics, the City is using the latest information available.

(a) Per Capita Income is only available by County, Total Personal Income is a calculation

(3) State Department of Labor Statistics

City of Rossford

2011	2012	2013	2014	2015	2016
6,293	6,337	6,499	6,499	6,499	6,512
125,488	128,200	129,264	129,264	129,590	130,806
290,132	305,158	317,808	347,963	357,835	358,551
46,104	48,155	48,901	53,541	55,060	55,060
8.9%	8.1%	7.4%	6.2%	5.3%	4.5%
8.6%	7.2%	7.4%	5.7%	4.9%	4.9%
8.3%	6.9%	7.2%	5.2%	4.3%	3.9%
5,806,000	5,748,000	5,766,000	5,719,000	5,727,000	5,708,571
65,500	65,700	67,000	68,900	69,800	69,938



City of Rossford

Principal Employers Current Year and Nine Years Ago

Employer	Nature of Business	2016		
		Number of Employees	Rank	Percentage of Total Employment
Pilkington North America Inc.	Float Glass Manufacturer	400	1	0.08
Adecco Employment Services	Employment Agency	386	2	0.07
Meijer Stores	Retail	350	3	0.07
Rossford Board of Education	Public Education	323	4	0.06
Bass Pro Shops	Retail	239	5	0.05
Home Depot USA	Home Improvement Retailer	160	6	0.03
Target Corporation	Retail	160	7	0.03
Electro Prime	Mfg - automotive industry supplier	125	8	0.02
Industrial Power Systems	HVAC Manufacturer	100	9	0.02
City of Rossford	Municipal Govt	82	10	0.02
Total		<u>2,325</u>		
Total Employment within the City		<u>5,200</u>		

Employer	Nature of Business	2007		
		Number of Employees	Rank	Percentage of Total Employment
Meijer	Retail Store	511	1	0.10
Target Corporation	Retail Store	310	2	0.06
Pilkington North America, Inc.	Float Glass Manufacturer	300	3	0.06
Rossford Exempted School District	Public Education	289	4	0.06
Tamarkin Company	Grocery Store	248	5	0.05
Home Depot U.S.A.	Home Improvement Retailer	153	6	0.03
Adecco Employment Services	Employment Agency	149	7	0.03
JICIA Enterprises	Labor Union	115	8	0.02
City of Rossford	Municipal Government	100	9	0.02
Bath & Body Works	Retail Store	88	10	0.02
Total		<u>2,263</u>		
Total Employment within the City		<u>5,000</u>		

Source: City of Rossford Income Tax Department

City of Rossford

Full Time Equivalent Employees by Function Last Ten Years

	2007	2008	2009	2010	2011
Governmental Activities					
General Government					
Finance	2.00	2.00	2.00	2.00	2.00
Administration	3.00	3.00	3.00	3.00	3.00
Security of Persons and Property					
Police	15.50	15.50	14.50	14.00	14.00
Fire*	16.50	18.00	19.50	19.50	19.50
Transportation					
Street	10.00	10.00	9.50	8.50	7.00
Leisure Time Activities					
Recreation Center**	6.00	6.25	6.25	6.25	6.50
Business-Type Activities					
Utilities					
Sewer	0.00	0.00	0.00	0.00	1.00
Marina	1.50	1.50	1.75	1.75	2.75
<i>Total Employees *</i>	<u>54.50</u>	<u>56.25</u>	<u>56.50</u>	<u>55.00</u>	<u>55.75</u>

Method: 1.00 for each full-time, 0.50 for each part-time and 0.25 for each seasonal employee

* Fire FTEs based on staffing of Fire Station. Volunteer Firefighters not included in total.

** Recreation Center contract staff (umpires, etc.) not included in FTEs

Source: Finance Director's Office

City of Rossford

<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>
2.00	2.00	2.00	2.00	2.00
3.00	3.00	3.00	3.50	3.50
14.00	15.00	16.00	15.25	16.25
19.50	19.50	19.50	7.65	8.50
6.00	5.00	6.00	6.00	7.00
6.50	7.50	6.25	6.75	7.50
0.00	0.00	0.00	0.00	0.00
2.50	2.00	1.75	1.75	1.75
<u>53.50</u>	<u>54.00</u>	<u>54.50</u>	<u>42.90</u>	<u>46.50</u>

City of Rossford

Operating Indicators by Function Last Ten Years

	2007	2008	2009
Governmental Activities			
General Government			
Population Served (1)	6,406	6,406	6,406
Licenses and Permits			
Number of Building Permits	46	60	21
Value of Building Permits	\$33,308,360	\$5,126,332	\$2,266,930
Security of Persons and Property			
Police			
Number of Citations Issued	1,268	1,073	624
Number of Tickets Issued	525	65	428
Number of Criminal Citations Issued	0	0	0
Fire			
Number of Fire Calls	122	135	125
Number of EMS Runs	612	648	172
Transportation			
Street			
Number of Streets Resurfaced	2	3	4
Number of Potholes Repaired (\$ Asphalt for repairs)	\$58,824	\$53,359	\$18,131
Leisure Time Activities			
Recreation/Seniors			
Number of Programs Offered	43	50	32
Individual Memberships	5,332	5,841	7,083
Corporate Memberships	10	5	5
Business-Type Activities			
Water (2)			
Number of Service Connections	2,358	2,461	2,377
Water Main Breaks	1	1	2
Daily Average Consumption (thousands of gallons)	75.5	74.3	70.6
Peak Daily Consumption (thousands of gallons)	NA	NA	NA
Sewer			
Number of Service Connections	2,282	2,391	2,377
Daily Average Sewage Treatment (thousands of gallons)	85.4	83.2	71.2
Marina			
Number of season dock rentals	187	150	165
Number of individual launches	860	702	598

Source: Finance Director's Office

(1) US Bureau of Census, Population Division. 2012 and 2014 based on estimates from Wood County

(2) In 2011, the City transferred the operations of its water and sewer utilities to the Northwestern Water and Sewer District

City of Rossford

2010	2011	2012	2013	2014	2015	2016
6,239	6,239	6,337	6,499	6,499	6,512	6,512
34	38	24	26	23	19	35
\$3,670,267	\$2,971,087	\$1,454,380	\$6,402,703	\$5,846,864	\$684,012	\$9,157,835
898	876	600	641	627	362	672
50	83	66	47	39	72	117
0	0	0	306	256	108	10
155	134	143	132	145	222	214
484	595	619	674	680	768	817
2	2	2	2	1	9	3
\$11,662	\$7,139	\$9,189	\$18,663	\$39,458	\$44,904	\$28,545
19	15	19	23	26	28	32
2,828	1,550	1,207	1,697	1,668	1,652	1,394
4	2	4	12	63	53	52
2,445	NA	NA	NA	NA	NA	NA
0	NA	NA	NA	NA	NA	NA
71.0	NA	NA	NA	NA	NA	NA
NA	NA	NA	NA	NA	NA	NA
2,324	NA	NA	NA	NA	NA	NA
78.3	NA	NA	NA	NA	NA	NA
149	170	178	183	193	182	187
611	520	637	502	575	548	604

City of Rossford

Capital Asset Statistics by Function Last Ten Years

	2007	2008	2009	2010	2011
Governmental Activities					
General Government					
Public Land and Buildings					
Land (square miles)	4.3	4.3	4.3	4.3	4.3
Buildings	1	1	1	1	1
Security of Persons and Property					
Police					
Stations	1	1	1	1	1
Vehicles	8	8	8	8	8
Fire					
Stations	1	1	1	1	1
Vehicles	9	9	6	6	6
Boats	1	1	1	1	1
Transportation					
Street					
Streets (lane miles)	27	28	28	28	28
Street Lights	936	944	944	944	944
Traffic Signals	126	126	126	126	126
Vehicles	12	12	12	12	12
Leisure Time Activities					
Recreation/Seniors					
Park (acres)	21	21	21	21	21
Parks	3	3	3	3	3
Tennis Courts	2	2	2	2	2
Baseball/Softball Diamonds	2	2	2	2	2
Business-Type Activities					
Utilities					
Water					
Waterlines (Miles)	34	35	36	36	N/A
Number of Service Connections	2,352	2,352	2,352	2,352	N/A
Number of Hydrants	277	296	315	315	N/A
Sewer					
Sewerlines (Miles)	29	31	32	32	N/A
Number of Service Connections	2,287	2,287	3	3	N/A
Storm Sewers (Miles)	16	17	18	18	18
Marina					
Number of Dock Spaces	250	250	227	224	213

Source: Finance Director's Office

City of Rossford

2012	2013	2014	2015	2016
4.3	4.3	4.3	4.3	4.3
1	1	1	1	1
1	1	1	1	1
10	10	10	10	10
1	1	1	1	1
7	7	7	7	10
1	1	1	1	1
28	28	28	37	37
949	949	949	958	958
126	126	126	126	126
12	13	13	13	13
21	21	21	21	21
3	3	3	3	3
2	2	2	2	2
2	2	2	2	2
N/A	N/A	N/A	N/A	N/A
N/A	N/A	N/A	N/A	N/A
N/A	N/A	N/A	N/A	N/A
N/A	N/A	N/A	N/A	N/A
N/A	N/A	N/A	N/A	N/A
18	18	18	18	18
197	193	193	193	193



CITY OF ROSSFORD



Yellow Book Report

December 31, 2016

**INDEPENDENT AUDITORS' 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***

Honorable Mayor, City Council and City Manager
City of Rossford

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 Rossford (the City), as of and for the year ended December 31, 2016, 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 1, 2017.

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 a 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 was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or, significant deficiencies. 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 from 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 entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Plattenburg & Associates, Inc.

Plattenburg & Associates, Inc.

Cincinnati, Ohio

June 1, 2017

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Dave Yost • Auditor of State

CITY OF ROSSFORD

WOOD 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
JULY 18, 2017**