

**City of Findlay**  
**Hancock County**

\* \* \* \*

*Report Letters*

***December 31, 2011***





# Dave Yost • Auditor of State

City Council  
City of Findlay  
318 Dorney Plaza  
313 Mucnicipal Building  
Findlay, Ohio 45840

We have reviewed the *Independent Auditor's Report* of the City of Findlay, Hancock County, prepared by Rea & Associates, Inc., for the audit period January 1, 2011 through December 31, 2011. Based upon this review, we have accepted these reports in lieu of the audit required by Section 117.11, Revised Code. The Auditor of State did not audit the accompanying financial statements and, accordingly, we are unable to express, and do not express an opinion on them.

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

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

Dave Yost  
Auditor of State

November 9, 2012

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**CITY OF FINDLAY**  
**HANCOCK COUNTY, OHIO**  
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June 13, 2012

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

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

We have audited the financial statements of the governmental activities, business-type activities, each major fund, and the aggregate remaining fund information of the City of Findlay (the City) as of and for the year ended December 31, 2011, which collectively comprise the City's basic financial statements and have issued our report thereon dated June 13, 2012. 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.

**Internal Control Over Financial Reporting**

Management of the City is responsible for establishing and maintaining effective internal control over financial reporting. In planning and performing our audit, we considered the City's internal control over financial reporting as a basis for designing our audit procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the City's internal control over financial reporting.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A material weakness is a deficiency, or combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be deficiencies, significant deficiencies, or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider material weaknesses, as defined above.

City of Findlay  
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*  
Page 2

Compliance and Other Matters

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

We noted certain matters that we reported to management of the City of Findlay in a separate letter dated June 13, 2012.

This report is intended solely for the information and use of the Mayor, Members of the City Council, federal awarding agencies and pass-through entities, and management, and is not intended to be and should not be used by anyone other than those specified parties

*Rea & Associates, Inc.*



June 13, 2012

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

**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH REQUIREMENTS  
THAT COULD HAVE A DIRECT AND MATERIAL EFFECT ON EACH MAJOR  
PROGRAM AND INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE  
WITH OMB CIRCULAR A-133**

**Compliance**

We have audited the compliance of the City of Findlay with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) *Circular A-133 Compliance Supplement* that could have a direct and material effect on its major federal program for the year ended December 31, 2011. The City of Findlay's major federal program is identified in the summary of auditor's results section of the accompanying schedule of findings. Compliance with the requirements of laws, regulations, contracts, and grants applicable to its major federal program is the responsibility of the City of Findlay's management. Our responsibility is to express an opinion on the City of Findlay's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the City of Findlay's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination of the City of Findlay's compliance with those requirements.

In our opinion, the City of Findlay complied, in all material respects, with the requirements referred to above that could have a direct and material effect on its major federal program for the year ended December 31, 2011.

**Internal Control Over Compliance**

Management of the City of Findlay is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts, and grants applicable to federal programs. In planning and performing our audit, we considered the City's internal control over compliance with requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance.

City of Findlay  
Independent Auditor's Report on Compliance with  
Requirements That Could Have a Direct and Material  
Effect on Each Major Program and Internal Control Over  
Compliance in Accordance with OMB Circular A-133  
Page 2

Accordingly, we do not express an opinion on the effectiveness of the City's internal control over compliance.

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

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be deficiencies, significant deficiencies, or material weaknesses. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above.

**Schedule of Expenditures of Federal Awards**

We have audited the basic financial statements of the governmental activities, business-type activities, each major fund, and the aggregate remaining fund information of the City of Findlay as of and for the year ended December 31, 2011, and have issued our report thereon dated June 13, 2012, which contained an unqualified opinion on those financial statements. Our audit was conducted for the purpose of forming our opinions on the financial statements that collectively comprise the City's financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by OMB Circular A-133 and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards is fairly stated in all material respects in relation to the financial statements as a whole.

This report is intended solely for the information and use of the Mayor, members of City Council, management and others within the city and, federal awarding agencies and pass-through entities, and is not intended to be and should not be used by anyone other than these specific parties.

*Hea & Associates, Inc.*

CITY OF FINDLAY  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE YEAR ENDED DECEMBER 31, 2011

Federal Grantor/ Pass Through Grantor/Program or Cluster Title	Federal CFDA Number	Pass-Thru Entity Ident. Number	(A) Federal Expenditures
<b>U.S.. Department of Housing and Urban Development:</b>			
<i>Pass-Through Ohio Department of Development:</i>			
<i>Community Development Block Grant</i>			
Community Development Block Grant (B)	14.228	A-F-09-120-1	\$ 134,700
Community Development Block Grant (B)	14.228	A-F-10-2BM-1	32,200
Community Development Block Grant - Revolving Loan Fund (B)	14.228	N/A	257,263
Total Community Development Block Grant (CDBG)			424,163
<b>Total U.S. Dept. of Housing and Urban Development</b>			424,163
<b>U.S. Department of Energy:</b>			
ARRA - Energy Efficiency and Conservation Block Grant	81.128	N/A	70,866
<b>Total U.S. Department of Energy</b>			70,866
<b>U.S. Environmental Protection Agency:</b>			
Brownfield Assessment and Cleanup Cooperative Agreement	66.818	N/A	56,068
<b>Total U.S. Environmental Protection Agency</b>			56,068
<b>U.S. Department of Homeland Security:</b>			
<i>Pass-Through Program From Ohio Emergency Management Agency:</i>			
<i>Hazard Mitigation Grant</i>			
Hazard Mitigation Grant	97.039	FEMA-DR-1656.04R-OH	59,778
Hazard Mitigation Grant	97.039	FEMA-DR-1720.14-OH	3,589
Total Hazard Mitigation Grants			63,367
Disaster Grants Public Assistance (Presidentially Declared Disasters)	97.036	FEMA-1720-DR-063-27048	52,450
Staffing for Adequate Fire and Emergency Response (SAFER) - Hiring	97.044	EMW-2010-FH-00875	290,918
<b>Total U.S. Department of Homeland Security</b>			406,735
<b>U.S. Dept. of Health and Human Services:</b>			
<i>Pass-Through Program From Ohio Department of Health:</i>			
<i>Public Health Emergency Preparedness</i>			
Public Health Emergency Preparedness	93.069	32-2001-2-PH-02-11	65,596
Public Health Emergency Preparedness	93.069	32-2001-2-PH-03-12	30,814
Public Health Emergency Preparedness	93.069	32-2001-2-PH-02-11	68,503
Total Public Health Emergency Preparedness			164,913
Children and Family Health Services Program	93.994	32-2001-1-MC-01-12	15,040
<b>Total U.S. Dept. of Health and Human Services</b>			179,953
<b>U.S. Department of Transportation:</b>			
Federal Aviation Administration:			
<i>Airport Improvement Program</i>			
Airport Improvement Program - Relocate Taxiway	20.106	N/A	31,764
Airport Improvement Program - Precision Approach Path Indicator	20.106	N/A	83,933
Total Airport Improvement Program			115,698
<i>Passed through Ohio Department of Transportation:</i>			
<i>Highway Planning and Construction</i>			
Highway Planning and Construction	20.205	78124	1,516,167
Total Highway Planning and Construction			1,516,167
<b>Total U.S. Department of Transportation:</b>			1,631,865
<b>Total Expenditures of Federal Awards</b>			<b>\$ 2,769,650</b>

**CITY OF FINDLAY  
HANCOCK COUNTY  
NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE YEAR ENDED DECEMBER 31, 2011**

**Note A – Significant Accounting Policies**

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

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

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

These loans are collateralized by equipment and mortgages.

Activity in the CDBG revolving loan fund during 2011 is as follows:

Beginning loans receivables balance as of January 1, 2011:	\$ 797,670
Loans Made:	130,000
Loan principal repaid:	<u>(119,617)</u>
Ending loans receivable balances as of December 31, 2011:	\$ 808,053
Cash balance on hand in the revolving loan fund as of December 31, 2011:	\$ 33,603
Delinquent Amounts due as of 12/31/11:	\$ 0

**CITY OF FINDLAY  
HANCOCK COUNTY, OHIO  
SCHEDULE OF FINDINGS  
OMB CIRCULAR A-133, Section .505  
DECEMBER 31, 2011**

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

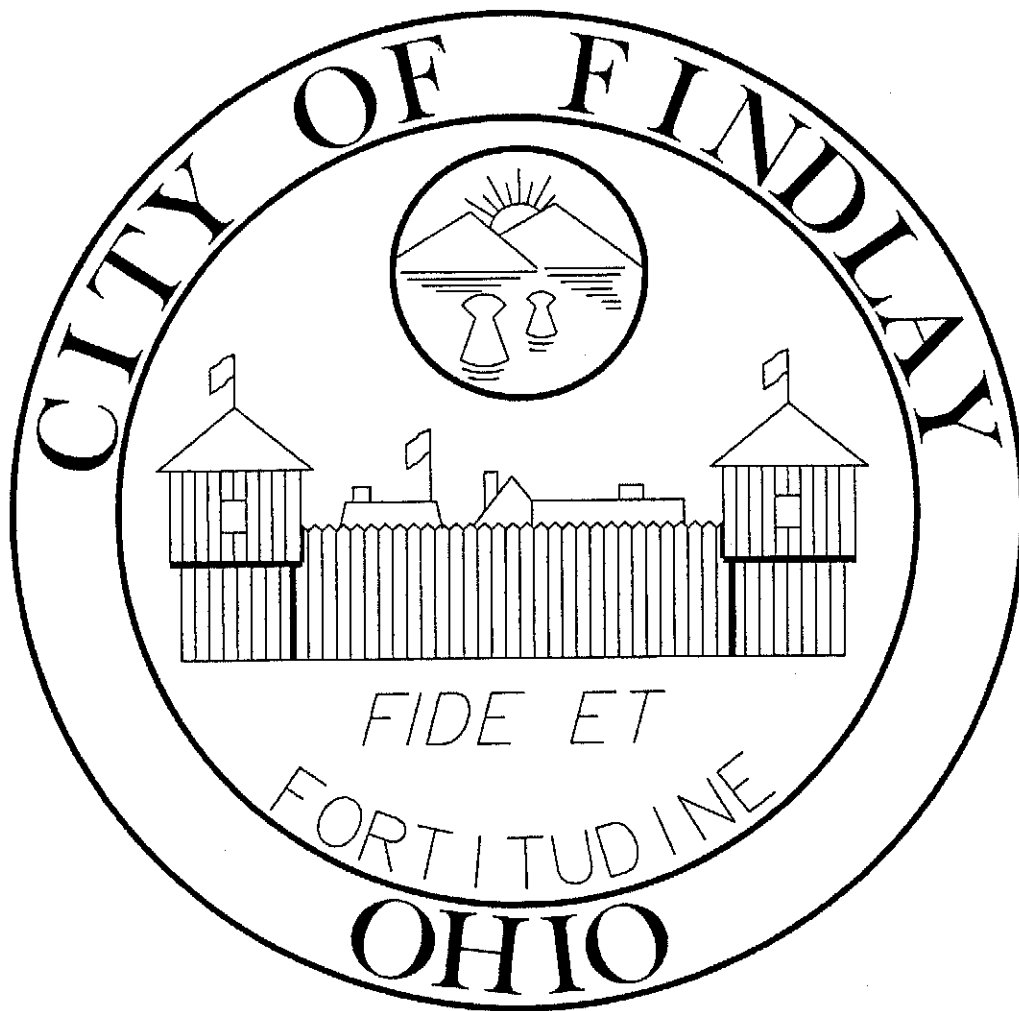
**CITY OF FINDLAY  
HANCOCK COUNTY, OHIO  
SCHEDULE OF FINDINGS, (Cont.)  
OMB CIRCULAR A-133, Section .505  
DECEMBER 31, 2011**

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

None were noted.

**3. FINDINGS AND QUESTIONED COSTS FOR FEDERAL AWARDS**

None were noted.



# COMPREHENSIVE ANNUAL FINANCIAL REPORT

For the Year Ended December 31, 2011





**CITY OF FINDLAY, OHIO**  
COMPREHENSIVE ANNUAL FINANCIAL REPORT  
FOR THE YEAR ENDED DECEMBER 31, 2011

PREPARED BY:

CITY AUDITOR'S OFFICE  
JIM STASCHIAK II, CITY AUDITOR



**CITY OF FINDLAY, OHIO**  
**COMPREHENSIVE ANNUAL FINANCIAL REPORT**  
**FOR THE YEAR ENDED DECEMBER 31, 2011**

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# AUDITOR'S OFFICE

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

**JIM STASCHIAK II**  
CITY AUDITOR

June 35, 2012

To the Residents of Findlay, Ohio:

The Comprehensive Annual Financial Report (CAFR) of the City of Findlay (the "City"), Ohio, for the fiscal year ended December 31, 2011, is submitted herewith. The report has been prepared for the citizens of Findlay, the elected officials, bondholders, the investment community, rating agencies, and all persons interested in the financial affairs of the City. This report includes the City's implementation of accounting principles generally accepted in the United States of America (GAAP) set forth by the Governmental Accounting Standards Board (GASB).

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

The Comprehensive Annual Financial Report is divided into three sections: the Introductory Section, the Financial Section, and the Statistical Section. The Introductory Section contains this letter of transmittal, the City's organizational chart, a listing of our elected and appointed officials, and a copy of the Certificate of Achievement awarded to the City for its 2010 CAFR. The Financial Section includes the independent auditor's report on the financial statements, the management discussion and analysis, the basic financial statements and notes, and the combining and individual fund financial statements. The Statistical Section provides pertinent and select financial, economic, and demographic information that can be referenced on a multi-year basis.

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

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

As a part of the City's independent audit, tests are made to determine the adequacy of the internal control structure, including that portion related to federal financial assistance programs, as well as to determine that the City has complied with applicable laws and regulations. The results of the City's independent audit for the year ended December 31, 2011 provided no instances of material weaknesses in the internal control structure or significant violations of applicable laws and regulations.

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

## **PROFILE OF THE CITY**

Findlay, Ohio was incorporated in 1838 and is located in the northwestern part of the State of Ohio, and is the county seat and largest city in Hancock County. Findlay is a statutory city that is organized and operates under the statutes as set forth by the Ohio Revised Code; this provides for several elected officials including a Mayor, Council Members, a City Auditor, a part-time City Treasurer, and a Director of Law. All officials are elected to four-year terms except the members of Council. Council members serve for a period of two years. There is a President of Council and nine council persons, three of whom are elected at-large and six by the respective wards. Findlay will be adding a tenth member of Council in 2013 due to the population increase recorded by the 2010 census. The Service-Safety Director and Human Resources Director are appointed by the Mayor. The Safety and Service Director positions were combined at the beginning of 2012 by the new Mayor, and a Human Resources position was created.

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

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

The annual budget serves as the foundation of the City's financial planning and control. Statutorily, a budget must be completed by end of first quarter and Findlay started its 2011 fiscal year with a finalized budget. Departmental budgets are prepared by the individual supervisors, approved by the Service-Safety Director, and then submitted to Council members for final review. The legal level of budgetary control is at the departmental level within each fund. Within each departmental budget, the legal level is further broken down to objects "personal services" and "other". All changes in departmental appropriations or changes between the "personal services" and "other" objects within a department require action by the City Council. See Note 2.F to the basic financial statements for further discussion on the City's budgetary process.

## **ECONOMIC CONDITION AND OUTLOOK**

### ***Local Economy***

Since the 1980's our community leaders have focused development efforts on diversification. They felt the City's economy should not be dependent on one industry or employment sector. This diversification was a key factor in preventing a much larger down turn as experienced in other parts of Northwest Ohio. The financial health of the City is dependent on the vibrancy and economic growth of our tax base. Unemployment peaked first quarter 2010 at 10.5% and began a steady decline ending the year at 7.6% average for 2011. New and existing employers such as Cooper Tire, Marathon Petroleum, Whirlpool, The Right Thing, GSW Manufacturing, Ball Corp. and others added approximately 600 new jobs in 2011. Additionally, significant capital investments were made by Nissin Brake Ohio Inc., Whirlpool, Rowmark, GSW, and Cooper Tire & Rubber Company. Hamlet Protein, a Danish maker of soy-based animal feeds, and Mitec Powertrain were added to Findlay's business base in 2011, filling two of the few vacant manufacturing facilities in the community. Seven miles north of Findlay on I-75, CSX has completed a \$175 million intermodal rail yard as part of the National Gateway Project. The new yard employs more than 200 people and is the single largest investment made by CSX in decades. It is expected that 20,000 shipments will be trucked to or from local markets including Findlay annually. It is expected to lead to significant growth of additional business supporting the operation. Findlay City Schools began construction of three new facilities with permits estimating costs in excess of \$70 million. Also, the community expects to benefit tremendously from the split resulting in



Marathon Petroleum naming Findlay as the location for its headquarters. This has resulted in many new, well paid executive level positions.

As with the majority of the country, the real estate market and the affiliated businesses had a continued impact on the economy. Residential real estate values decreased slightly at 0.66% due primarily to requests for re-valuation to the County Board of Revision. Permits for new business/commercial construction increased by 6 units and \$79,889,000; permits for business/commercial additions increased by 1 unit and \$940,000. After removing the cost increase due to the three new schools being built, construction increased \$9,549,000 over 2011. Permits for new residential construction decreased by 11 units but construction increased \$2,535,000. Permits for residential additions decreased by 16 units and \$505,000.

Findlay continues to get positive reviews; for four years it has been named one of the 100 Best Communities for Young People by America's Promise – Alliance for Youth, which was founded by Colin Powell. For the 12th consecutive year Findlay, Ohio was ranked as a best micropolitan community in the U.S. for new and expanding facilities by *Site Selection* magazine. In 2011 Findlay improved its ranking to 6<sup>th</sup> best. For the second time, in 2011 Blanchard Valley Hospital was named one of the 100 top hospitals in the nation by Thomson Reuters. Additionally, the Findlay area benefits from The Community Foundation, with assets of more than \$67 million, 70% of which is unrestricted. This foundation annually provides over \$2 million in grants to the benefit of the local community. The foundation has become a valuable alternative funding resource for community programs and organizations which address problems to be solved or opportunities to be seized in the local area.

#### ***Relevant Financial Policies***

2011 was a year of continued stabilization of the local economy. In November of 2009 the citizens of Hancock County and Findlay passed a three year 0.25% municipal income tax increase, a ten year 0.5% County Sales tax (with half allocated to a flood mitigation capital fund) and a 4.4 mill property tax levy for building three new Findlay schools. The benefits of the 0.25% income tax increase were seen by the City beginning February, 2010. Most notably, the City funded its \$1,000,000 Rainy Day Account and funded the first and second year portion of a 3-year \$600,000 per year flood mitigation commitment for 2010 and 2011. The City was able to do these things and maintain its minimum un-appropriated general fund balance in compliance with its policy. Additionally the City has been able to maintain debt limits in line with its Debt Policy adopted in 2008.

#### ***Long-Term Financial Planning***

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

Planning and implementation in 2012 and 2013 are important in making a transition to our historic tax revenue base in 2013. Planning has become a key part of managing our departments and the services they provide to the residents of the City. Findlay's five year capital improvement plan is annually updated with new projects and equipment. This capital plan enables the City to make choices based on broad, long-term needs. This expenditure planning tool helps us make decisions on our debt service commitments.

#### ***Major Initiatives***

The City is working with the Office of the Auditor of State to do a city-wide Performance Audit. Although the results have not been received for incorporation into the 2012 budget the audit has been ongoing. This report will become an important tool for the City's planning process. This initial audit will encompass all departments except Water and Sewer and will possibly be followed up with a second audit in 2012-13 to focus on these areas. This is seen by City Council as a significant tool in preparing for future projected revenue decreases.

Findlay is divided by the Blanchard River and is located on the south edge of what use to be the Great Black Swamp. In the past decade Findlay has experienced four of its top ten historical flood events. The community understands the need to address this issue for future economic growth.

Flood control efforts have been placed at the front of the City and County's goals along with Economic Development Efforts. The County Commissioners have taken a lead role and are working closely with the City to lobby for financial support at the State and Federal levels. Lobbying efforts and progressive funding of small projects as well as long term planning in partnership with the Corps of Engineers is seen as a key factor to securing Findlay's place and ability to compete in the world economy. The Hancock County Sales tax is projected to raise \$25 million over ten years, the City of Findlay will contribute another \$1.8 million, and the State of Ohio has already appropriated \$3 million with the promise of an additional \$3 million in 2012 and \$3 million more in future budget cycles. Together, this is anticipated to fund the majority of the local share of expenses necessary to implement the flood control projects for Hancock County. There has been significant coordination with Putnam County as part of a regional effort. As of now, the total cost of flood control in the region including Hancock County is yet to be estimated, but 65% of the funding should come from federal sources.

Along with Flood Control efforts, a revamping of the local approach for economic development has resulted in an updated organization and reinvigorated efforts to obtain new investment to increase our local base of businesses. 'The Alliance' of Findlay and Hancock County is to become the lead entity and oversee the local Chamber of Commerce, Economic Development, and a Convention and Visitor's Bureau. The City and County are to hold voting seats on the board of directors of this group. We have seen early positive results with two empty manufacturing sites purchased by foreign investors bringing two new companies into the community in 2011. Of the hundreds of leads generated by the State's efforts, these were the only successful closings of the Ohio prospects for 2011.

#### **AWARDS & ACKNOWLEDGEMENTS**

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Findlay for its comprehensive annual financial report (CAFR) for the fiscal year ended December 31, 2010. The Certificate of Achievement is a prestigious national award, recognizing conformance with the highest standards for preparation of state and local government financial reports.

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

The staff of the Auditor's Office is a very talented, knowledgeable group; thank you to Amy Baird, Carolyn Ehrnschwender, Jennifer Niederkohr, and Ginger Sampson for their accurate and diligent work during 2010, which created the foundation for these financial reports. Ginger Sampson's knowledge and dedication have been instrumental in issuing this report. I would also like to thank our consultants, Julian & Grube, Inc. for their efforts in the development of this CAFR.

Respectfully submitted,



Jim Staschiak II  
City Auditor

**CITY OF FINDLAY, OHIO**

DECEMBER 31, 2011

**ELECTED OFFICIALS AS OF DECEMBER 31, 2011**

Mayor	Pete Sehnert
Auditor	Jim Staschiak II
Municipal Court Judge	Jonathan Starn
Municipal Court Judge	Robert Fry
Treasurer	Susan J. Hite
Law Director	David A. Hackenberg
Council President	Robert E. Schuck
At Large	Randy C. Ward
At Large	John Urbanski
At Large	James P. Slough
First Ward	J. Michael Slough
Second Ward	Randy Van Dyne
Third Ward	K.C. Collette
Fourth Ward	R. Ronald Monday
Fifth Ward	Robert Nichols
Sixth Ward	William J. Schedel, Jr

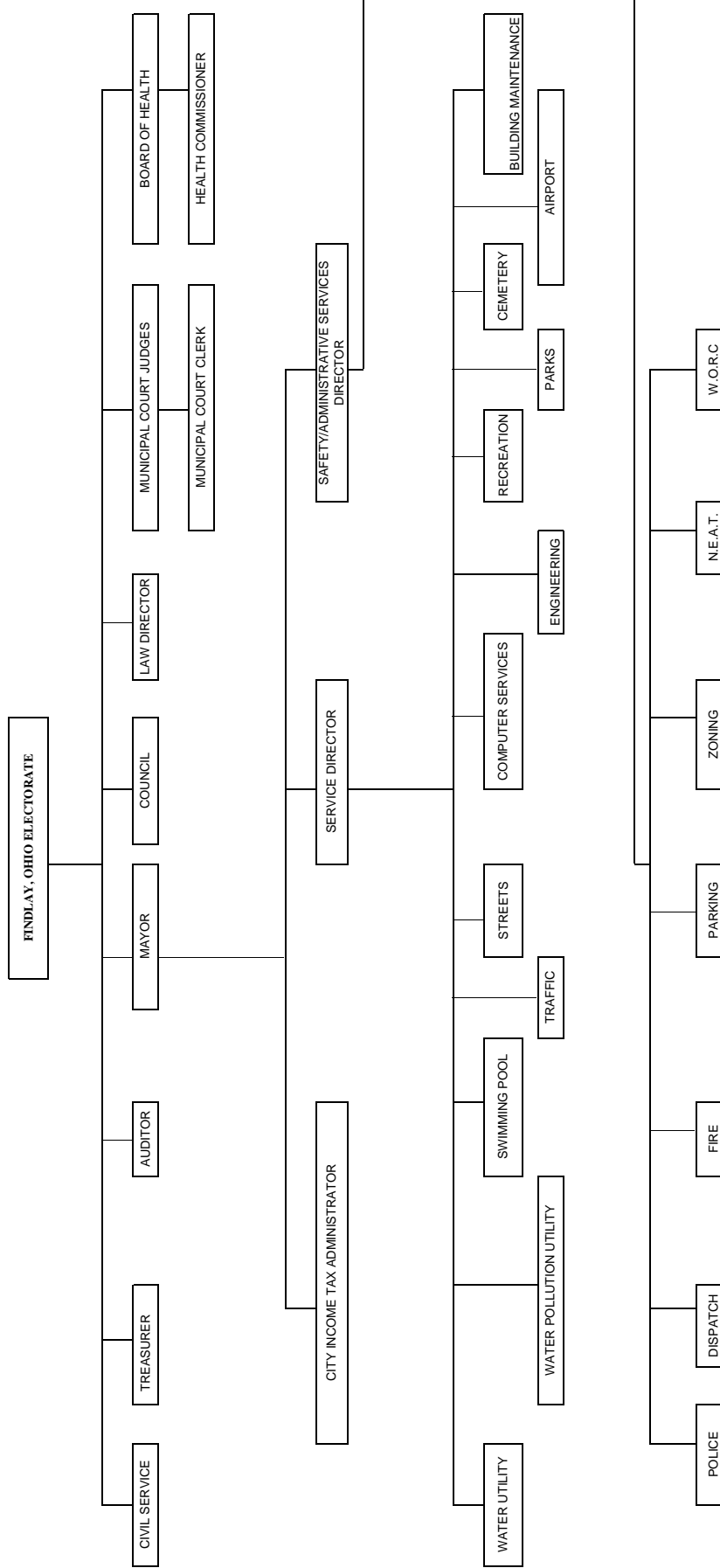
**APPOINTED OFFICIALS**

Service Director	Bruce Hardy
Safety/Administrative Services Director	Jim Barker
City Engineer	James Bischoff, PE
City Income Tax Administrator	Andrew L. Thomas
Municipal Court Clerk	Marsha Okuly

**CITY AUDITOR'S OFFICE**

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

CITY OF FINDLAY ORGANIZATIONAL CHART



# Certificate of Achievement for Excellence in Financial Reporting

Presented to

City of Findlay  
Ohio

For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended  
December 31, 2010

A Certificate of Achievement for Excellence in Financial Reporting is presented by the Government Finance Officers Association of the United States and Canada to government units and public employee retirement systems whose comprehensive annual financial reports (CAFRs) achieve the highest standards in government accounting and financial reporting.



*Linda C. Danison*

President

*Jeffrey R. Enow*

Executive Director

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June 13, 2012

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

## INDEPENDENT AUDITOR'S REPORT

We have audited the accompanying financial statements of the governmental activities, business-type activities, each major fund, and the aggregate remaining fund information of the City of Findlay, Ohio, as of and for the year ended December 31, 2011, which collectively comprise the City's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the City of Findlay's management. 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 of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, business-type activities, each major fund, and the aggregate remaining fund information of the City of Findlay, Ohio, as of December 31, 2011, and the respective changes in financial position and cash flows, where applicable, thereof and the respective budgetary comparison for the General Fund, Street Maintenance and Repair Fund, and City Income Tax Administration Fund for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated June 13, 2012, on our consideration of the City of Findlay's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis information on pages 15 through 33 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Government Accounting Standards Board who considers it to be an essential part of the 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 limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of Findlay's basic financial statements. The combining and individual nonmajor fund financial statements are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the 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 financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the basic financial statements as a whole.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of Findlay's basic financial statements. The introductory and statistical sections are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information has not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on it.

*Hea & Associates, Inc.*



## CITY OF FINDLAY, OHIO

### MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE YEAR ENDED DECEMBER 31, 2011 (UNAUDITED)

The management's discussion and analysis (MD&A) of the City of Findlay's (the "City") financial performance provides an overall review of the City's financial activities for the year ended December 31, 2011. The intent of this discussion and analysis is to look at the City's financial performance as a whole; readers should also review the transmittal letter, the basic financial statements and the notes to the basic financial statements to enhance their understanding of the City's financial performance.

#### **Financial Highlights**

Key financial highlights for 2011 are as follows:

- The total net assets of the City increased \$5,491,868 over the prior year. Net assets of governmental activities increased \$2,843,529 or 3.22% from 2010 and net assets of business-type activities increased \$2,648,345 or 2.00% over 2010.
- General revenues accounted for \$26,879,267 or 72.97% of total governmental activities revenue. Program specific revenues accounted for \$9,957,960 or 27.03% of total governmental activities revenue.
- The City had \$33,676,288 in expenses related to governmental activities; \$9,957,960 of these expenses was offset by program specific charges for services, grants or contributions. The remaining expenses of the governmental activities of \$23,718,328 were offset by general revenues (primarily property taxes, income taxes and unrestricted grants and entitlements) of \$26,879,267.
- The general fund had revenues of \$11,060,121 in 2011. This represents a decrease of \$680,684 from 2010 revenues. Transfers-in amounted to \$17,539,312 and the City sold capital assets in the amount of \$159 and bonds of \$1,036,011 which are reported under other financing sources. The expenditures of the general fund, which totaled \$27,218,878 in 2011, increased \$2,569,306 from 2010. The City had transfers out to other funds of \$769,753. The net increase in fund balance for the general fund was \$1,648,689 or 21.71%.
- The street maintenance and repair fund had revenues and other financing sources of \$5,786,428 in 2011. This represents an increase of \$2,609,345 from 2010 revenues and other financing sources. The expenditures and other financing uses of the street maintenance and repair fund, which totaled \$5,600,632 in 2011, increased \$2,717,991 from 2010. The net increase in fund balance for the street maintenance and repair fund was \$247,993 or 17.72%.
- The city income tax administration fund had revenues and other financing sources of \$21,252,179 in 2011. This represents an increase of \$2,139,390 from 2010 revenues and other financing sources. The expenditures and other financing uses of the city income tax administration fund, which totaled \$20,124,614 in 2011, increased \$2,528,438 from 2010. The net increase in fund balance for the city income tax administration fund was \$1,127,565 or 31.73%.
- Net assets for the business-type activities which are made up of the Water, Water Pollution Control, Airport, Parking Facilities, and Swimming Pool enterprise funds, increased in 2011 by \$2,648,345. This increase in net assets was due primarily to adequate charges for services revenue to cover operating expenses coupled with the receipt of approximately \$200,787 in capital contributions during the year.

#### **Using this Comprehensive Annual Financial Report**

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

## CITY OF FINDLAY, OHIO

### MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE YEAR ENDED DECEMBER 31, 2011 (UNAUDITED)

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

#### **Reporting the City as a Whole**

##### *Statement of Net Assets and the Statement of Activities*

While this document contains a large number of funds used by the City to provide programs and activities, the view of the City as a whole looks at all financial transactions and asks the question, "How did we do financially during 2011?" The statement of net assets and the statement of activities answer this question. These statements include all assets and liabilities using the accrual basis of accounting similar to the accounting used by most private-sector companies. The accrual basis of accounting will take into account all of the current year's revenues and expenses regardless of when cash is received or paid.

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

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

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

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

The City's Statement of Net Assets and Statement of Activities can be found on pages 35-37 of this report.

#### **Reporting the City's Most Significant Funds**

##### *Fund Financial Statements*

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The City, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the City can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

Fund financial reports provide detailed information about the City's major funds. The City uses many funds to account for a multitude of financial transactions. However, these fund financial statements focus on the City's most significant funds. The analysis of the City's major governmental and proprietary funds begins on page 23.

## **CITY OF FINDLAY, OHIO**

### **MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE YEAR ENDED DECEMBER 31, 2011 (UNAUDITED)**

#### ***Governmental Funds***

Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

Because the focus of the governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, the readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The City maintains a multitude of individual governmental funds. The City has segregated these funds into major funds and nonmajor funds. The City's major governmental funds are the general fund, street maintenance and repair fund and city income tax administration fund. Information for major funds is presented separately in the governmental fund balance sheet and in the governmental statement of revenues, expenditures, and changes in fund balances. Data from the other governmental funds are combined into a single, aggregated presentation. The basic governmental fund financial statements can be found on pages 38-47 of this report.

#### ***Proprietary Funds***

The City maintains two different types of proprietary funds: enterprise funds and internal service funds. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The City uses enterprise funds to account for its water, water pollution control, airport, parking facilities, and swimming pool functions. The water, water pollution control and airport funds are considered major funds. Internal service funds are an accounting device used to accumulate and allocate costs internally among the City's various functions. The basic proprietary fund financial statements can be found on pages 48-55 of this report.

#### ***Fiduciary Funds***

Fiduciary funds are used to account for resources held for the benefit of parties outside the City. Fiduciary funds are not reflected in the government-wide financial statement because the resources of those funds are not available to support the City's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds. Private-purpose trust and agency funds are the City's fiduciary fund types. The basic fiduciary fund financial statements can be found on pages 56-57 of this report.

#### ***Notes to the Basic Financial Statements***

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. These notes to the basic financial statements can be found on pages 59-102 of this report.

**CITY OF FINDLAY, OHIO**

MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED DECEMBER 31, 2011  
(UNAUDITED)

**Government-Wide Financial Analysis**

The table below provides a summary of the City's net assets at December 31, 2011 and 2010. The 2010 classification of net assets between restricted and unrestricted has been restated to conform to 2011 presentation:

	<b>Net Assets</b>					
	Governmental Activities	Business-type Activities	Governmental Activities	Business-type Activities	2011 Total	2010 Total
	<u>2011</u>	<u>2011</u>	<u>2010</u>	<u>2010</u>		
<u>Assets</u>						
Current and other assets	\$ 29,268,926	\$ 15,878,753	\$ 26,365,774	\$ 15,421,304	\$ 45,147,679	\$ 41,787,078
Capital assets, net	<u>82,098,083</u>	<u>154,914,285</u>	<u>81,641,678</u>	<u>156,895,563</u>	<u>237,012,368</u>	<u>238,537,241</u>
Total assets	<u>111,367,009</u>	<u>170,793,038</u>	<u>108,007,452</u>	<u>172,316,867</u>	<u>282,160,047</u>	<u>280,324,319</u>
<u>Liabilities</u>						
Other liabilities	5,188,494	1,643,397	5,105,754	1,792,652	6,831,891	6,898,406
Long-term liabilities outstanding	<u>14,997,514</u>	<u>34,762,823</u>	<u>14,564,220</u>	<u>38,785,742</u>	<u>49,760,337</u>	<u>53,349,962</u>
Total liabilities	<u>20,186,008</u>	<u>36,406,220</u>	<u>19,669,974</u>	<u>40,578,394</u>	<u>56,592,228</u>	<u>60,248,368</u>
<u>Net Assets</u>						
Invested in capital assets, net of related debt	72,312,433	121,019,885	72,061,766	118,932,110	193,332,318	190,993,876
Restricted	6,323,814	5,211,113	5,434,068	4,843,032	11,534,927	10,277,100
Unrestricted	<u>12,544,754</u>	<u>8,155,820</u>	<u>10,841,644</u>	<u>7,963,331</u>	<u>20,700,574</u>	<u>18,804,975</u>
Total net assets	<u>\$ 91,181,001</u>	<u>\$ 134,386,818</u>	<u>\$ 88,337,478</u>	<u>\$ 131,738,473</u>	<u>\$ 225,567,819</u>	<u>\$ 220,075,951</u>

Over time, net assets can serve as a useful indicator of a government's financial position. At December 31, 2011, the City's assets exceeded liabilities by \$225,567,819. At year-end, net assets were \$91,181,001 and \$134,386,818 for the governmental activities and the business-type activities, respectively.

Capital assets reported on the government-wide statements represent the largest portion of the City's net assets. At year-end, capital assets represented 84% of total assets. Capital assets include land, computer software, buildings and improvements, improvements other than buildings, machinery and equipment, utility plant in service, utility lines in service, construction in progress and infrastructure. Capital assets, net of related debt to acquire the assets at December 31, 2011, were \$72,312,433 and \$121,019,885 in the governmental activities and business-type activities, respectively. These capital assets are used to provide services to citizens and are not available for future spending. Although the City's investment in capital assets is reported net of related debt, it should be noted that the resources to repay the debt must be provided from other sources, since capital assets are not used to liquidate these liabilities.

As of December 31, 2011, the City is able to report positive balances in all three categories of net assets, both for the government as a whole, as well as for its separate governmental and business-type activities. A portion of the City's net assets, \$11,534,927 represents resources that are subject to external restriction on how they may be used. The remaining balance of unrestricted net assets of \$20,700,574 may be used to meet the government's ongoing obligations to citizens and creditors.

Current and other assets of the governmental activities increased due to increased cash balances in the general fund and city income tax administration fund primarily due to increased income tax collections resulting from the passage of the 0.25% additional income tax. Long-term liabilities of the business-type activities decreased due to principal payments on long-term debt coupled with a refunding of a water fund bond in 2011.

**CITY OF FINDLAY, OHIO**

**MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED DECEMBER 31, 2011  
(UNAUDITED)**

The table below shows the changes in net assets for fiscal year 2011 and 2010.

	<b>Change in Net Assets</b>					
	Governmental	Business-type	Governmental	Business-type	2011	2010
	Activities	Activities	Activities	Activities	Total	Total
	<u>2011</u>	<u>2011</u>	<u>2010</u>	<u>2010</u>		
<b>Revenues</b>						
Program revenues:						
Charges for services	\$ 3,873,791	\$ 17,380,940	\$ 4,563,347	\$ 17,292,968	\$ 21,254,731	\$ 21,856,315
Operating grants and contributions	3,784,840	157,785	4,782,062	169,814	3,942,625	4,951,876
Capital grants and contributions	2,299,329	200,787	854,821	1,903,706	2,500,116	2,758,527
<b>Total program revenues</b>	<b>9,957,960</b>	<b>17,739,512</b>	<b>10,200,230</b>	<b>19,366,488</b>	<b>27,697,472</b>	<b>29,566,718</b>
General revenues:						
Property taxes	2,791,460	-	3,239,053	-	2,791,460	3,239,053
Income taxes	20,703,206	-	19,619,390	-	20,703,206	19,619,390
Unrestricted grants and entitlements	2,793,218	-	2,431,879	-	2,793,218	2,431,879
Tax increment financing	70,551	-	-	-	70,551	-
Gain on sale of capital assets	-	-	11,689	-	-	11,689
Investment earnings	70,011	43,424	49,253	42,681	113,435	91,934
Increase (decrease) in fair value of investments	(28,750)	-	(27)	-	(28,750)	(27)
Miscellaneous	479,571	244,443	500,982	51,990	724,014	552,972
<b>Total general revenues</b>	<b>26,879,267</b>	<b>287,867</b>	<b>25,852,219</b>	<b>94,671</b>	<b>27,167,134</b>	<b>25,946,890</b>
<b>Total revenues</b>	<b>36,837,227</b>	<b>18,027,379</b>	<b>36,052,449</b>	<b>19,461,159</b>	<b>54,864,606</b>	<b>55,513,608</b>
Expenses:						
General government	8,344,438	-	6,459,067	-	8,344,438	6,459,067
Security of persons and property	15,827,515	-	15,696,261	-	15,827,515	15,696,261
Public health and welfare	2,181,429	-	1,790,894	-	2,181,429	1,790,894
Transportation	5,487,799	-	4,963,539	-	5,487,799	4,963,539
Leisure time activity	1,415,161	-	1,357,651	-	1,415,161	1,357,651
Interest and fiscal charges	419,946	-	427,068	-	419,946	427,068
Water	-	6,278,612	-	7,379,254	6,278,612	7,379,254
Water pollution control	-	7,155,791	-	8,209,683	7,155,791	8,209,683
Airport	-	2,123,837	-	1,889,699	2,123,837	1,889,699
Parking facilities	-	86,691	-	87,485	86,691	87,485
Swimming pool	-	51,519	-	63,792	51,519	63,792
<b>Total expenses</b>	<b>33,676,288</b>	<b>15,696,450</b>	<b>30,694,480</b>	<b>17,629,913</b>	<b>49,372,738</b>	<b>48,324,393</b>
Increase (decrease) in net assets before transfers	3,160,939	2,330,929	5,357,969	1,831,246	5,491,868	7,189,215
Transfers	(317,416)	317,416	228,095	(228,095)	-	-
Increase (decrease) in net assets	2,843,523	2,648,345	5,586,064	1,603,151	5,491,868	7,189,215
Net assets at beginning of year	88,337,478	131,738,473	82,751,414	130,135,322	220,075,951	212,886,736
<b>Net assets at end of year</b>	<b>\$ 91,181,001</b>	<b>\$ 134,386,818</b>	<b>\$ 88,337,478</b>	<b>\$ 131,738,473</b>	<b>\$ 225,567,819</b>	<b>\$ 220,075,951</b>

## CITY OF FINDLAY, OHIO

### MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE YEAR ENDED DECEMBER 31, 2011 (UNAUDITED)

#### **Governmental Activities**

Governmental activities net assets increased \$2,843,523 in 2011 as the revenue increase over 2010 of 5.70% was sufficient to cover the expense increase over 2010 of 9.71%.

The City's income tax revenue increased \$1,083,816, or 5.52%, from 2010. The City's passage of a 0.25% income tax levy was primarily responsible for this increase.

The City increased total expenses approximately \$3 million from 2010. The increase came primarily for the projects in the general fund that were expense items than capital assets. These include expenses related to a North Middle School Development project of approximately \$800,000 as well as various other public health and security of persons and property projects.

Security of persons and property, which primarily supports the operations of the police and fire departments accounted for \$15,827,515 of the total expenses of the City. These expenses were partially funded by \$141,823 in direct charges to users of the services. General government expenses totaled \$8,344,438. General government expenses were partially funded by \$2,433,357 in direct charges to users of the services.

The state and federal government contributed to the City a total of \$3,784,840 in operating grants and contributions. These operating grants and contributions consist primarily of restricted federal and state grant revenues, property tax rollbacks, fuel taxes and motor vehicle license fees. These revenues are restricted to a particular program or purpose. Of the total operating grants and contributions, \$2,091,226 subsidized transportation programs. Operating grants and contributions decreased from the prior year primarily due to a decrease in Justice Assistance Grants related to police department operations in 2011 versus 2010.

The City had a total of \$2,299,329 in capital grants and contributions during 2011. These capital grants and contributions consist primarily of federal and state grant revenues that are restricted for capital acquisition and construction. Of the total capital grants and contributions, \$2,196,674 subsidized transportation programs. Capital grants and contributions increased from the prior year primarily due to funding of the Crystal Avenue Improvements and Invision Drive Extension which had substantial activity in 2011.

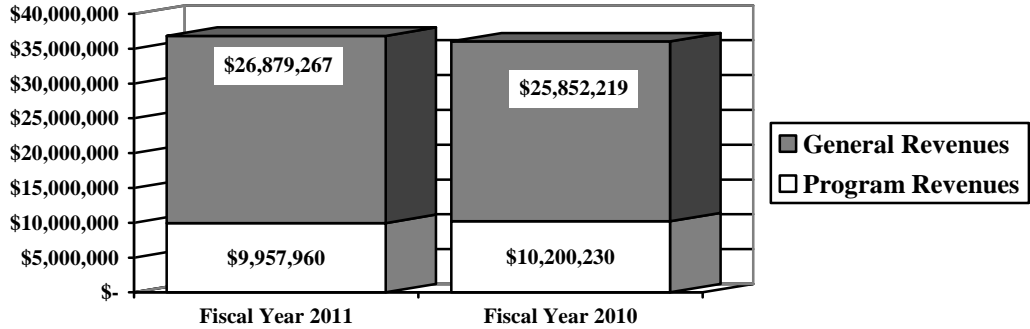
General revenues totaled \$26,879,267, and amounted to 72.97% of total governmental revenues. These revenues primarily consist of property and income tax revenue of \$2,791,460 and \$20,703,206, respectively. The other primary source of general revenues is grants and entitlements not restricted to specific programs, including local government and local government revenue assistance, making up \$2,793,218. The largest increase was in income tax revenue which increased \$1,083,816 or 5.52% over 2010.

**CITY OF FINDLAY, OHIO**

**MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED DECEMBER 31, 2011  
(UNAUDITED)**

The graph below compares the City's general revenues (which includes property taxes, income taxes and unrestricted grants and entitlements) and program revenues for fiscal year 2011 and 2010.

**Governmental Activities – General and Program Revenues**



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

**Governmental Activities**

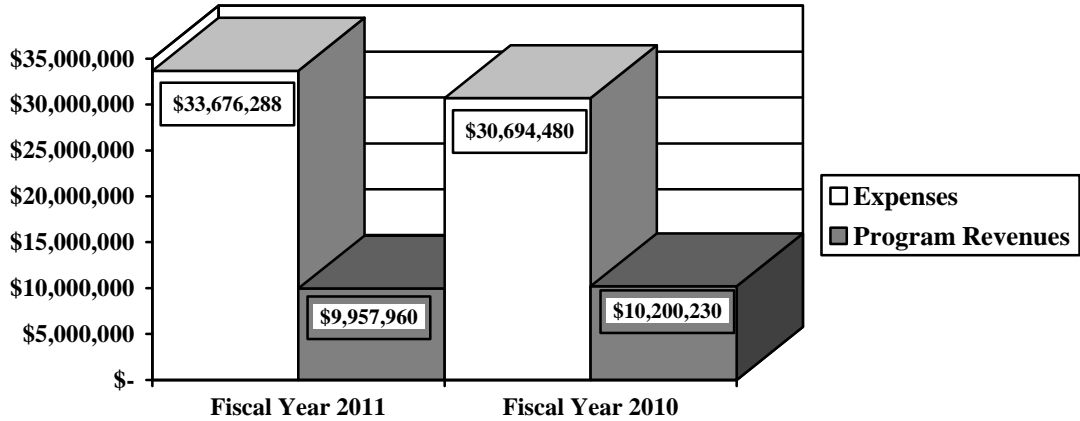
	Total Cost of Services <u>2011</u>	Net Cost of Services <u>2011</u>	Total Cost of Services <u>2010</u>	Net Cost of Services <u>2010</u>
Program Expenses:				
General government	\$ 8,344,438	\$ 4,853,264	\$ 6,459,067	\$ 2,503,968
Security of persons and property	15,827,515	15,409,688	15,696,261	14,439,040
Public health and welfare	2,181,429	1,235,374	1,790,894	904,468
Transportation	5,487,799	1,104,286	4,963,539	1,688,148
Leisure time activity	1,415,161	848,722	1,357,651	738,407
Interest and fiscal charges	419,946	266,994	427,068	220,219
<b>Total</b>	<b><u>\$ 33,676,288</u></b>	<b><u>\$ 23,718,328</u></b>	<b><u>\$ 30,694,480</u></b>	<b><u>\$ 20,494,250</u></b>

**CITY OF FINDLAY, OHIO**

MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED DECEMBER 31, 2011  
(UNAUDITED)

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

**Governmental Activities – Program Revenues vs. Total Expenses**

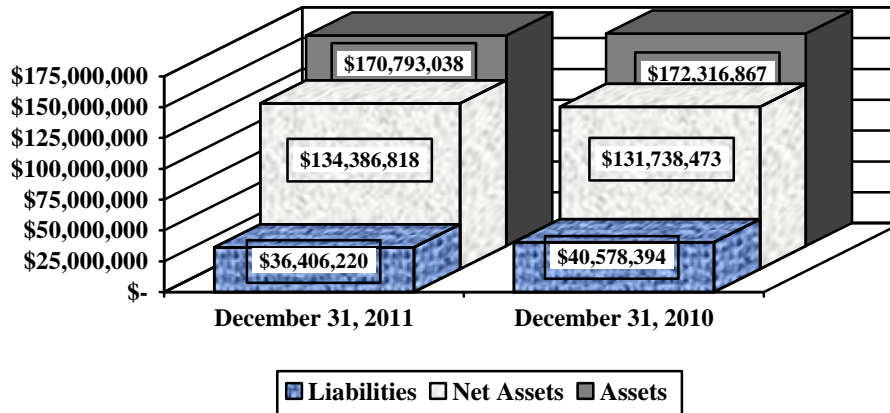


**Business-type Activities**

The net assets of the business-type activities include the water, water pollution control, airport, parking facilities, and swimming pool enterprise funds. These programs had program revenues of \$17,739,512, general revenues of \$287,867, expenses of \$15,696,450 and transfers in of \$317,416.

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

**Net Assets of Business - Type Activities**





**CITY OF FINDLAY, OHIO**

**MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED DECEMBER 31, 2011  
(UNAUDITED)**

Net assets of the business-type activities continued to grow despite the economic downturn in the local economy. The City's charges for services program revenues increased \$87,972 or 0.51% from 2010. The City's capital grants and contributions program revenues decreased approximately \$1.7 million due primarily to decreased grant funding for water pollution control projects and airport runway projects. Expenses decreased \$1,933,463 or 10.97% as fewer non-capital projects were undertaken in 2011. In 2010, the City expended approximately \$1.1 million for a zebra mussel control project, a waterline corrosion protection project and a sewer lining project which caused 2010 expenses to increase over 2009 levels. These projects were completed in 2010 so no expenses were incurred in 2011. Capital assets for the business-type activities decreased \$2.0 million due to depreciation expense exceeding capital outlays for 2011. The decrease in capital contributions revenue resulted in a decrease in capital outlays for 2011. Capital contributions are revenues received that are restricted for capital expenses and may not used to finance the operations of the enterprise activities.

**Financial Analysis of the Government's Funds**

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

**Governmental Funds**

The focus of the City's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the City's financing requirements. Unreserved fund balance may serve as a useful measure of the City's net resources available for spending at year-end. The City's governmental funds (as presented on the balance sheet on pages 38-39) reported a combined fund balance of \$18,905,525 which is \$2,644,351 above last year's total of \$16,261,174. The schedule below indicates the fund balances and the total change in fund balances as of December 31, 2011 for all governmental funds. Fund balances at December 31, 2010 have been restated as described in Note 3.B.

	Fund Balances <u>12/31/11</u>	Restated Fund Balances <u>12/31/10</u>	Fund Balances <u>12/31/09</u>	Increase (Decrease) <u>2011 - 2010</u>	Increase (Decrease) <u>2010 - 2009</u>
Major funds:					
General	\$ 9,243,166	\$ 7,594,477	\$ 4,235,782	\$ 1,648,689	\$ 3,358,695
Street maintenance and repair	1,647,858	1,399,865	1,100,519	247,993	299,346
City income tax administration	4,680,635	3,553,070	2,037,503	1,127,565	1,515,567
Nonmajor governmental funds	<u>3,333,866</u>	<u>3,713,762</u>	<u>3,781,049</u>	<u>(379,896)</u>	<u>(67,287)</u>
Total	<u>\$ 18,905,525</u>	<u>\$ 16,261,174</u>	<u>\$ 11,154,853</u>	<u>\$ 2,644,351</u>	<u>\$ 5,106,321</u>

**General Fund**

The City's general fund balance increased \$1,648,689, primarily due to an increase in transfers in from the city income tax administration fund of approximately \$1 million over 2010 levels. The increased transfers in from the city income tax administration fund were due to the increased collections related to the passage of the 0.25% income tax.

**CITY OF FINDLAY, OHIO**

MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED DECEMBER 31, 2011  
(UNAUDITED)

The table that follows assists in illustrating the revenues of the general fund for 2011, 2010 and 2009:

	2011 <u>Amount</u>	2010 <u>Amount</u>	2009 <u>Amount</u>	Increase/ (Decrease) <u>2011 - 2010</u>	Increase/ (Decrease) <u>2010 - 2009</u>
<b><u>Revenues</u></b>					
Taxes	\$ 2,349,758	\$ 2,705,027	\$ 2,621,017	\$ (355,269)	\$ 84,010
Charges for services	2,163,796	2,159,097	2,419,913	4,699	(260,816)
Licenses and permits	326,626	321,919	394,060	4,707	(72,141)
Fines and forfeitures	1,028,517	1,199,929	1,050,050	(171,412)	149,879
Investment income	68,476	46,981	105,481	21,495	(58,500)
Increase (decrease) in fair value of investments	(28,750)	(27)	(102,525)	(28,723)	102,498
Intergovernmental	4,569,460	4,734,233	5,516,999	(164,773)	(782,766)
Other	<u>582,238</u>	<u>573,646</u>	<u>548,101</u>	<u>8,592</u>	<u>25,545</u>
<b>Total</b>	<u>\$ 11,060,121</u>	<u>\$ 11,740,805</u>	<u>\$ 12,553,096</u>	<u>\$ (680,684)</u>	<u>\$ (812,291)</u>

Tax revenue in the general fund represents property taxes. Tax revenue represents 21.25% of all general fund revenue. The general fund receives 2.6 mills in real estate collections on an annual basis, and there are no voted levies in addition to that millage. Tax revenue decreased slightly by 13.13% from prior year. The City's latest revaluation occurred in 2010 and is reflected in the 2011 collections.

Income taxes are collected in the city income tax administration fund (a major special revenue fund). This fund transferred \$16,997,340 in income tax receipts to the general fund during 2011. The transfer of income tax receipts is reported as other financing sources in the general fund and is not included in the revenues listed above. The transfer in from the city income tax administration fund increased approximately \$0.982 million from 2010.

The decrease in investment income is primarily due to a decrease in the interest rate on applicable investments. The fair value of the City's federal agency securities decreased \$28,750 from the fair value of these securities at December 31, 2011. These securities fluctuate in value depending upon market conditions. The value at year-end is for reporting purposes only, as the City purchases securities with the intention to hold them to maturity.

Intergovernmental revenues decreased as the City continued to receive less capital grant funding from the federal government primarily through the American Recovery and Reinvestment Act (ARRA). Grant funding through ARRA primarily occurred in 2009 and 2010.

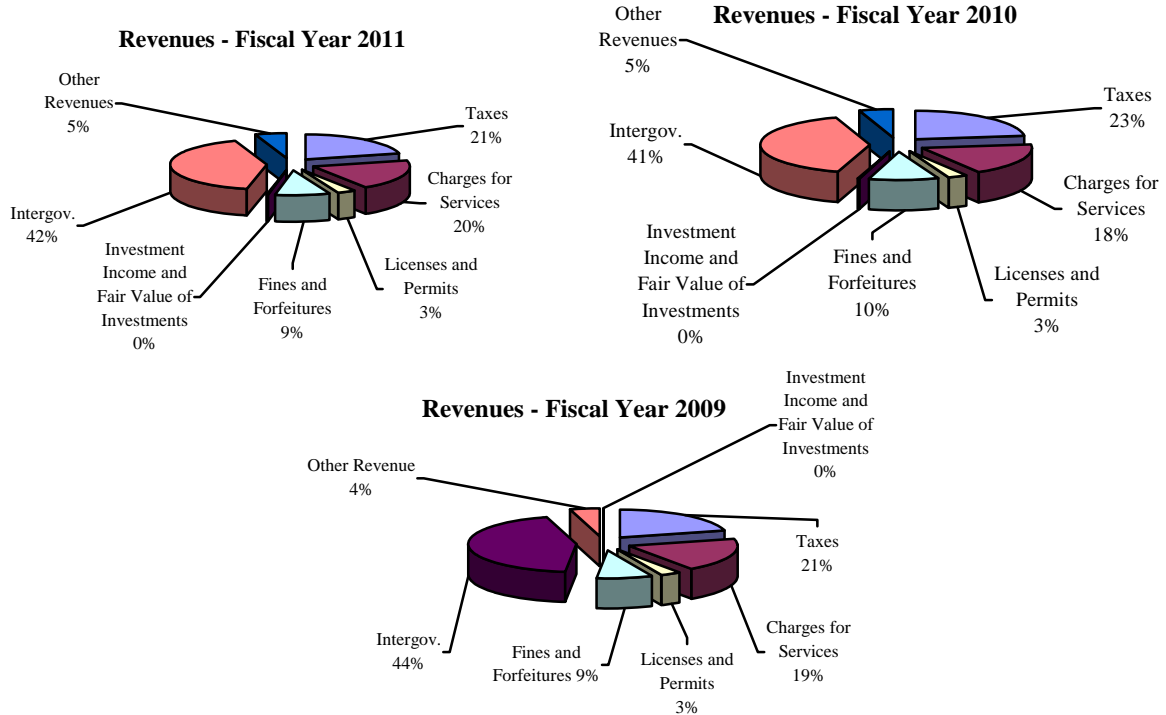
The City received 14.29% less in fines and forfeitures revenue than in 2010 primarily related in decreased collections related to the Work Opportunity Rehabilitation Center (WORC) and municipal court operations.

All other revenues of the general fund remained comparable to 2010.

**CITY OF FINDLAY, OHIO**

**MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED DECEMBER 31, 2011  
(UNAUDITED)**

The graphs below reflect the percentage of revenues, by source, for 2011, 2010 and 2009:



The table that follows assists in illustrating the expenditures of the general fund for 2011, 2010 and 2009.

	2011 <u>Amount</u>	2010 <u>Amount</u>	2009 <u>Amount</u>	Increase/ (Decrease) 2011 - 2010	Increase/ (Decrease) 2010 - 2009
<b><u>Expenditures</u></b>					
General government	\$ 6,842,135	\$ 5,616,963	\$ 5,723,474	\$ 1,225,172	\$ (106,511)
Security of persons and property	15,295,014	14,732,422	14,416,411	562,592	316,011
Public health and welfare	2,083,555	1,724,559	1,669,723	358,996	54,836
Leisure time activity	1,359,519	1,258,449	1,635,959	101,070	(377,510)
Capital outlay	1,583,735	1,317,179	3,177,334	266,556	(1,860,155)
Bond issue costs	<u>54,920</u>	<u>-</u>	<u>-</u>	<u>54,920</u>	<u>-</u>
<b>Total</b>	<u><u>\$ 27,218,878</u></u>	<u><u>\$ 24,649,572</u></u>	<u><u>\$ 26,622,901</u></u>	<u><u>\$ 2,569,306</u></u>	<u><u>\$ (1,973,329)</u></u>

General government operations increased primarily due to the North Middle School redevelopment project (done in conjunction with the Findlay City School District) which occurred in 2011 in the amount of \$803,364. Other general government expenditures increased slightly due to various other general fund projects in 2011 related to the general government.

**CITY OF FINDLAY, OHIO**

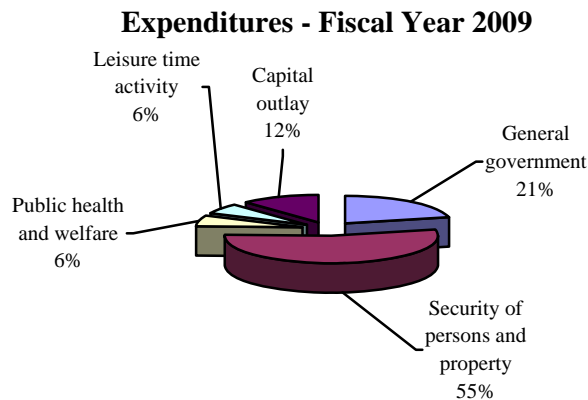
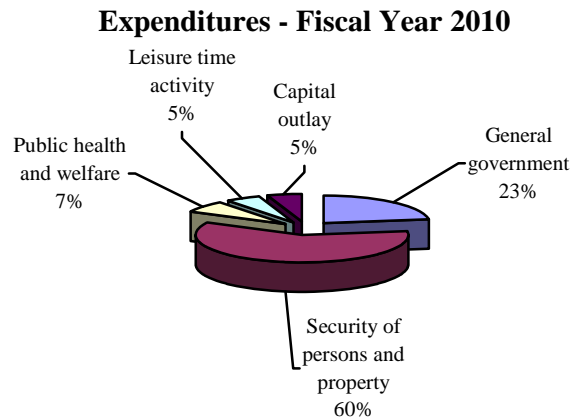
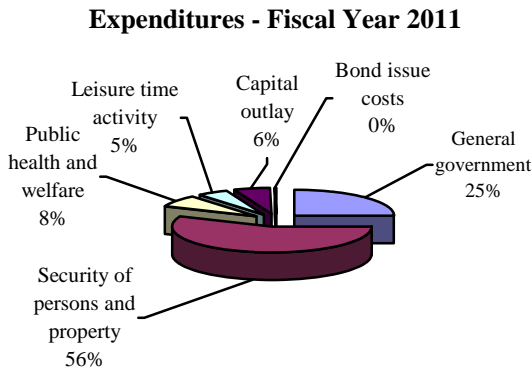
**MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED DECEMBER 31, 2011  
(UNAUDITED)**

Security of persons and property expenditures relate primarily to police and fire operations. These expenditures increased 3.82%; however, the increase was funded with police and fire grants that offset the expenditures.

Leisure time activities relate primarily to the operations of parks, recreation and the Cube. Total leisure time activities expenditures increased \$101,070, or 8.03%, from 2010.

Capital outlay expenditures increased \$266,556, or 20.24%, as the City began to perform construction projects in 2011 that were delayed due to the uncertain economic conditions in 2010. The City closely monitors capital outlays to perform only essential improvements.

All other expenditures remained comparable to 2010. The graphs below reflect the percentage of expenditures, by function, for 2011, 2010 and 2009:



***Street Maintenance and Repair Fund***

The street maintenance and repair fund had revenues and other financing sources of \$5,786,428 in 2011. This represents an increase of \$2,609,345 from 2010 revenues and other financing sources. The 2010 other financing sources included transfers in of \$497,291 that were increased to \$1,809,184 in 2011. The expenditures and other financing uses of the street maintenance and repair fund, which totaled \$5,600,632 in 2011 increased \$2,717,991 from 2010. The net increase in fund balance for the street maintenance and repair fund was \$247,993 or 17.72%. The street maintenance and repair fund capital outlays was approximately \$2.386 million more in 2011 versus 2010 primarily due to the Crystal Avenue Improvements and Invision Drive Extension projects.

## CITY OF FINDLAY, OHIO

### MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE YEAR ENDED DECEMBER 31, 2011 (UNAUDITED)

#### *City Income Tax Administration Fund*

The city income tax administration fund had revenues and other financing sources of \$21,252,179 in 2011. This represents an increase of \$2,139,390 from 2010 revenues and other financing sources. Income taxes increased substantially due to the passage of the 0.25% income tax which became effective January 1, 2010. The expenditures and other financing uses of the city income tax administration fund, which totaled \$20,124,614 in 2011 increased \$2,528,438 from 2010. The net increase in fund balance for the city income tax administration fund was \$1,127,565 or 31.73%. In 2011, the City income tax rate was and has been 1.0% since it was imposed on January 1, 1967. Effective January 1, 2010, the income tax rate has been increased to 1.25% for a period of three years. For 2011, \$600,000 was allocated to capital improvements/flood mitigation with the remainder being disbursed as follows: 84% was transferred to the general fund and 16% was used for general capital improvements. For 2012, \$600,000 will be allocated to capital improvements/flood mitigation with the remainder being disbursed as follows: 90% will be transferred to the general fund and 10% will be used for general capital improvements. The allocations are determined by ordinance of Council and can be changed by Council at any time, based on need.

#### *General Fund Budgeting Highlights*

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

For the general fund, the most significant changes were between the original and final budgeted amount in the area of expenditures, which increased \$3,781,601 from \$24,355,124 to \$28,136,725. The primary reason for the increase is that projects of the general fund are budgeted on a multi-year project basis and are not included in the original budget as part of the annual appropriation process. The final budget amounts for these projects represent supplemental appropriations which equal the actual capital outlays incurred during the year. This accounts for \$1,583,735, or 41.88%, of the \$3,781,601 increase from the original budget to the final budget. In addition, the City increased budgeted expenditures for general government by \$1,154,233 for non-capital projects related to general government operations. Original budgeted revenues and other financing sources increased \$5,239,928 to amounts reported in the final budget primarily due to the budgeting of intergovernmental revenues and transfers in related to multi-year projects as the supplemental appropriations were enacted. Actual expenditures of \$26,993,237 were lower than final appropriated expenditures of \$28,136,725 by \$1,143,488 and actual revenues of \$11,060,121 were \$353,741 greater than final budgeted revenues of \$10,706,380.

#### *Proprietary Funds*

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

**CITY OF FINDLAY, OHIO**

MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED DECEMBER 31, 2011  
(UNAUDITED)

***Water Fund***

The waterworks system has been municipally owned since it was first developed in 1888. Improvements have been made as needed and are financed from revenues of the system. The current facilities include two upland raw water storage reservoirs with a capacity of 6.4 billion gallons, a raw water pump station located at the reservoir, raw water lines that feed into the lime-soda softening water treatment plant, high service pumps, and a 307-mile distribution system with two elevated storage tanks. There is treated water storage capacity at the plant of 4.5 million gallons plus 2.75 million gallons in the two elevated towers. The plant is able to treat 16 million gallons per day, and in the future can be expanded to 24 million gallons per day when the customer demand for treated water increases to that level.

User charge rates are established to provide revenue for operation and maintenance of the treatment facility, the reservoir, and the distribution system. In addition, the charge rates must be set to support all capital improvements and debt service requirements. In accordance with Ohio law, the Service-Safety Director has the ability to revise the charge rates. Information regarding water customers for 2011 is presented below:

**Ten Largest Single Water Customers**

<u>Customer Account</u>	<u>Volume *HCF</u>	<u>Revenue</u>	<u>% of Total Revenue</u>
Whirlpool	122,096	\$424,212	6.24%
Ball Metal	63,529	224,158	3.30%
Cooper Tire	90,042	216,570	3.18%
University of Findlay	38,979	121,581	1.79%
Blanchard Valley Hospital	37,825	97,832	1.44%
Sanoh America (Hisan)	36,642	84,333	1.24%
City Laundry/Kramer Ent	25,573	60,382	0.89%
Createc	24,596	57,486	0.85%
Findlay City Schools	14,905	52,577	0.77%
Highland Estates	<u>21,070</u>	<u>47,111</u>	0.69%
Total Top Ten	475,257	1,386,242	20.39%
All Other Customers	<u>1,695,378</u>	<u>5,413,689</u>	<u>79.61%</u>
Total	<u>2,170,635</u>	<u>\$6,799,931</u>	<u>100.00%</u>

**Total Customer Use  
By Class & Location**

<u>Customer Class</u>	<u>*HCF Water Use</u>	<u>Revenue</u>	<u>% of Total Revenue</u>
Inside City/Residential	813,453	\$2,470,945	36.34%
Inside City/Commercial	696,269	2,025,046	29.78%
Inside City/Industrial	227,784	552,938	8.13%
Outside City/Residential	153,831	689,149	10.13%
Outside City/Commercial	88,262	389,562	5.73%
Outside City/Industrial	<u>191,036</u>	<u>672,291</u>	<u>9.89%</u>
Total	<u>2,170,635</u>	<u>\$6,799,931</u>	<u>100.00%</u>
Total Water Customers	17,399		

\* Hundred Cubic Feet

**CITY OF FINDLAY, OHIO**

MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED DECEMBER 31, 2011  
(UNAUDITED)

***Water Pollution Control Fund***

The City's wastewater treatment facility has been updated and improved to maintain compliance with all EPA discharge permit standards. During the late 1980's, major renovations were made to the Broad Avenue treatment plant and a 6.0 million gallon per day (MGD) oxidation ditch type of treatment plant was constructed on River Road. In 2000, construction began on two additional oxidation ditches, two additional final clarifiers and UV disinfecting at the River Road Plant. This expansion of the facility was fully operational in July 2001, and in 2002 the original activated sludge plant on Broad Avenue was decommissioned and demolished. The design of the River Road Plant allows for the construction of additional modules as demand on the facilities increases. Currently the treatment plant provides for a 15 MGD average design flow and a 40 MGD peak design flow. In addition, the city is working toward a comprehensive stormwater management plan to comply with EPA guidelines. Information regarding wastewater customers for 2011 is presented below:

**Ten Largest Single Wastewater Customers**

<u>Customer</u>	<u>Revenue</u>	Percent of <u>Total</u>
University of Findlay	\$143,792	1.74%
Cooper Tire	113,849	1.38%
Whirlpool Corp	97,437	1.18%
Blanchard Valley Hospital	85,841	1.04%
Sanoh America (Hisan)	74,829	0.91%
Ball Metal	66,609	0.81%
Findlay City Schools	63,516	0.77%
Village of Arcadia	60,309	0.73%
Hancock County Government	56,558	0.68%
City Laundry/Kramer Ent	<u>52,136</u>	<u>0.63%</u>
Total Top Ten	\$ 814,876	9.86%
All Other Customers	<u>7,448,549</u>	<u>90.14%</u>
Grand Total	<u>\$8,263,425</u>	<u>100.00%</u>

**Total Customer Use  
By Class & Location**

<u>Customer Class</u>	<u>Revenue</u>	% of Total <u>Revenue</u>
Inside City/Residential	\$3,978,683	48.15%
Inside City/Commercial	2,288,414	27.69%
Inside City/Industrial	423,285	5.12%
Outside City/Residential	1,001,621	12.12%
Outside City/Commercial	335,629	4.06%
Outside City/Industrial	<u>235,793</u>	<u>2.85%</u>
Total	<u>\$8,263,425</u>	<u>100.00%</u>
Total Wastewater Customers Inside Corp		14,402
Total Wastewater Customers Outside Corp		2,428

**CITY OF FINDLAY, OHIO**

MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED DECEMBER 31, 2011  
(UNAUDITED)

**Capital Assets and Debt Administration**

**Capital Assets**

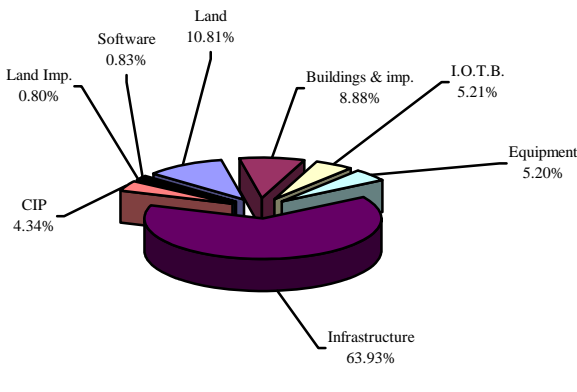
At the end of fiscal year 2011, the City had \$237,012,368 (net of accumulated depreciation) invested in land, software, non-depreciable land improvements, buildings and improvements, improvements other than buildings (I.O.T.B.), machinery and equipment, utility plant in service, utility lines in service, infrastructure and construction in progress (CIP). Of this total, \$82,098,083 was reported in governmental activities and \$154,914,285 was reported in business-type activities. The following table shows fiscal year 2011 balances compared to 2010:

**Capital Assets at December 31  
(Net of Depreciation)**

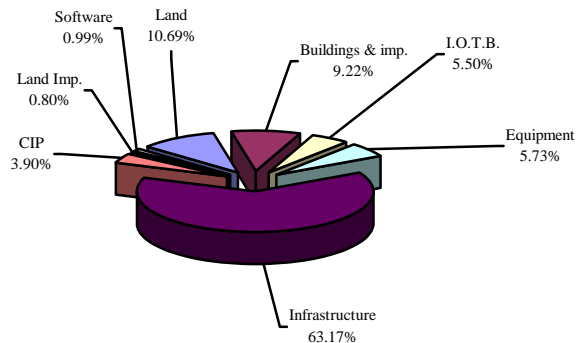
	Governmental Activities		Business-Type Activities		Total	
	2011	2010	2011	2010	2011	2010
Land	\$ 8,875,082	\$ 8,728,812	\$ 4,734,694	\$ 4,734,694	\$ 13,609,776	\$ 13,463,506
Land improvements	653,392	653,392	-	-	653,392	653,392
Software	678,510	811,585	100,272	100,272	778,782	911,857
Buildings and improvements	7,289,504	7,523,842	152,654	234,022	7,442,158	7,757,864
I.O.T.B.	4,275,241	4,492,946	14,284,929	14,917,703	18,560,170	19,410,649
Utility plant in service	-	-	48,714,591	50,231,402	48,714,591	50,231,402
Utility lines in service	-	-	80,735,332	81,372,046	80,735,332	81,372,046
Machinery and equipment	4,269,834	4,677,207	1,342,469	1,930,521	5,612,303	6,607,728
Infrastructure	52,488,860	51,570,257	-	-	52,488,860	51,570,257
Construction in progress	3,567,660	3,183,637	4,849,344	3,374,903	8,417,004	6,558,540
<b>Totals</b>	<b>\$ 82,098,083</b>	<b>\$ 81,641,678</b>	<b>\$ 154,914,285</b>	<b>\$ 156,895,563</b>	<b>\$ 237,012,368</b>	<b>\$ 238,537,241</b>

The following graphs show the breakdown of governmental capital assets by category for 2011 and 2010.

**Capital Assets - Governmental Activities 2011**



**Capital Assets - Governmental Activities 2010**



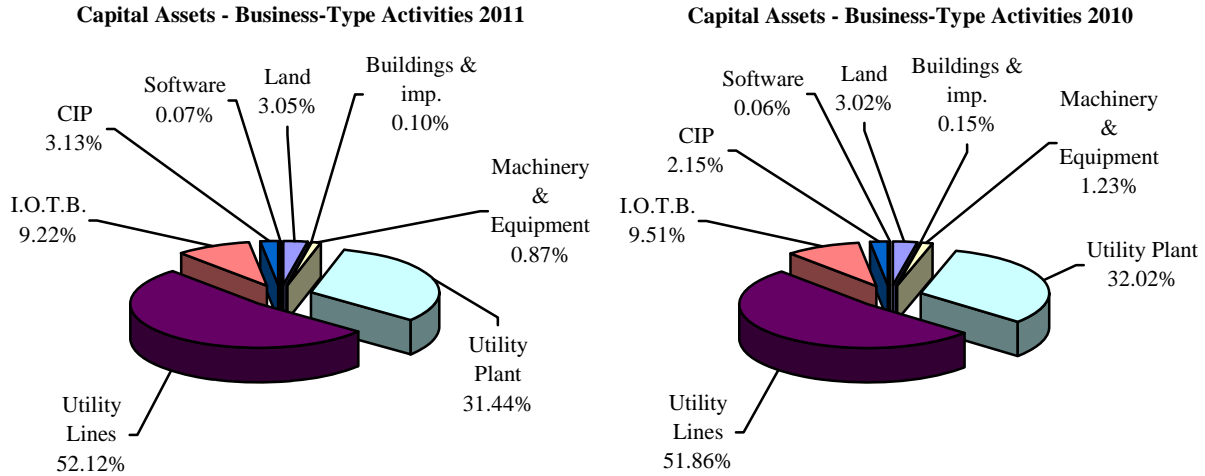


**CITY OF FINDLAY, OHIO**

**MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED DECEMBER 31, 2011  
(UNAUDITED)**

The City's largest governmental capital asset category is infrastructure which includes streets, storm sewers, and traffic signals. These items are immovable and of value only to the City; however, the annual cost of purchasing these items is quite significant. The net book value of the City's infrastructure (cost less accumulated depreciation) represents approximately 63.93% of the City's total governmental capital assets.

The following graphs show the breakdown of business-type capital assets by category for 2011 and 2010.



The City's largest business-type capital asset category, are utility lines that primarily includes water and sewer lines. These items play a vital role in the income producing ability of the business-type activities. The net book value of the City's utility lines (cost less accumulated depreciation) represents approximately 52.62% of the City's total business-type capital assets.

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

**CITY OF FINDLAY, OHIO**

MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED DECEMBER 31, 2011  
(UNAUDITED)

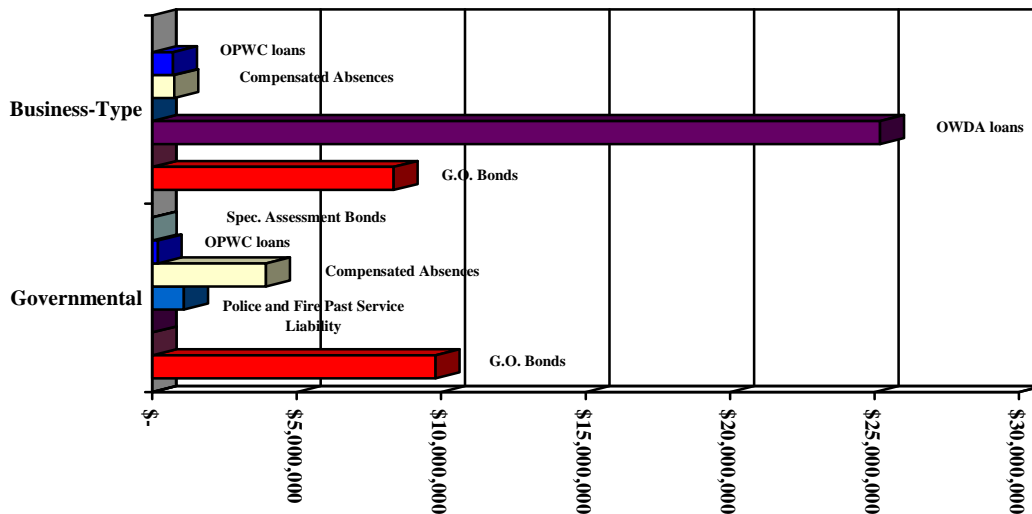
**Debt Administration**

The City had the following long-term obligations outstanding at December 31, 2011 and 2010:

	<u>Governmental Activities</u>	
	<u>2011</u>	<u>2010</u>
Compensated absences	\$ 3,934,951	\$ 3,852,567
Police and Fire past service liability	1,104,686	1,131,741
OPWC loans	198,506	213,189
Special Assessment bonds	11,625	34,145
General Obligation bonds	<u>9,806,011</u>	<u>9,400,000</u>
<b>Total long-term obligations</b>	<b><u>\$ 15,055,779</u></b>	<b><u>\$ 14,631,642</u></b>
	<u>Business-Type Activities</u>	
	<u>2011</u>	<u>2010</u>
General Obligation bonds	\$ 8,360,000	\$ 10,230,000
OPWC loans	728,256	783,594
OWDA loans	25,184,140	27,219,328
Compensated absences	<u>769,449</u>	<u>822,289</u>
<b>Total long-term obligations</b>	<b><u>\$ 35,041,845</u></b>	<b><u>\$ 39,055,211</u></b>

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

**Long-term obligations**



## CITY OF FINDLAY, OHIO

### MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE YEAR ENDED DECEMBER 31, 2011 (UNAUDITED)

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

During 2011, the City issued \$1,036,011 in energy bonds in governmental activities and \$1,625,000 in Water refunding bonds in the business-type activities.

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

#### **Economic Factors and 2012 Budgets and Rates**

The impact on the general fund by the national, state, and local economic recession was mitigated by a temporary income tax rate effective January 1, 2010. Findlay's voters approved a three year 0.25% income tax increase changing the rate from 1.0% to 1.25%. The additional revenue from this increase will continue through the 2012 budget year and sunsets December 31, 2012.

Unemployment in Hancock County averaged 7.6% in 2011 versus 8.9% in 2010. This compared favorably with the State's average rate of 8.6% and the national average rate of 8.9% for 2011.

The 2012 national GDP forecast of up to 2.1% growth for the overall economy is an indication of slow improvement and was part of the consideration for the 2012 income tax revenue projection. The income tax makes up 67% of the projected revenues for 2012. The income tax allocation to the Capital Improvement Fund was 16% for 2011, the General Fund was 84%. For 2012 this allocation has been set at 10% Capital Improvement Fund and 90% General Fund. In 2012 the last \$600,000 allocation, to the Flood Mitigation Account, completes a 3 year \$1.8 million commitment to the citizens of Findlay.

Departmental expenditures across all funds are budgeted to increase \$2.7 million in 2012. The total General Fund expenditures are budgeted to increase \$2.0 million over 2011 actual to \$26.6 million. The largest portion of the increase is due to personal service costs, including salary raises and health insurance. Approximately \$600,000 of the health insurance increase is budgeted to recapture a healthy account reserve which had been steadily depleted over the last several years.

Having used the temporary tax dollars to stabilize the budget, in 2010/2011 Findlay's Administration and Council took the opportunity to fund \$871,000 in anticipated retirement payouts for 2012. Budgeted expenditures in 2011 remained in line with projections; however, windfalls in income tax, estate tax, and grant monies offset state cuts and other shortfalls increasing the beginning cash balance to more than \$4.7 million for 2012. A 2012 general fund operating budget has been adopted with a \$1,098,171 deficit; however, the year end cash balance is budgeted to be in excess of \$3.6 million.

City Council and the Service Director increased water and sewer rates in 2011. The increases were 2.5% and 3.5%, respectively. This is expected to improve the health of both of these funds and each has been budgeted to end the 2012 calendar year with a cash balance in excess of three month's worth of operating expenses.

#### **Contacting the City's Financial Management**

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

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**CITY OF FINDLAY, OHIO**  
**STATEMENT OF NET ASSETS**  
**DECEMBER 31, 2011**

	<b>Governmental Activities</b>	<b>Business-type Activities</b>	<b>Total</b>
<b>Assets:</b>			
Equity in pooled cash and investments . . . . .	\$ 15,998,575	\$ 7,280,373	\$ 23,278,948
Cash in segregated accounts . . . . .	56,904	-	56,904
Cash with fiduciary agent . . . . .	259,700	-	259,700
Cash with escrow agent . . . . .	229,985	-	229,985
Receivables (net of allowances for uncollectibles).	7,978,683	2,029,375	10,008,058
Internal balance . . . . .	(450,732)	450,732	-
Due from other governments. . . . .	1,845,524	-	1,845,524
Prepayments . . . . .	74,644	57,094	131,738
Materials and supplies inventory. . . . .	501,387	751,093	1,252,480
Deferred bond costs . . . . .	172,227	-	172,227
Restricted assets:			
Equity in pooled cash and investments . . . . .	2,602,029	5,211,112	7,813,141
Deferred bond costs . . . . .	-	98,974	98,974
Capital assets:			
Land and construction in progress. . . . .	13,774,644	9,684,310	23,458,954
Depreciable capital assets, net. . . . .	68,323,439	145,229,975	213,553,414
Total capital assets, net. . . . .	<u>82,098,083</u>	<u>154,914,285</u>	<u>237,012,368</u>
Total assets . . . . .	<u>111,367,009</u>	<u>170,793,038</u>	<u>282,160,047</u>
<b>Liabilities:</b>			
Accounts payable. . . . .	1,326,760	266,575	1,593,335
Contracts payable. . . . .	87,649	1,341	88,990
Retainage payable . . . . .	135,334	-	135,334
Accrued wages and benefits payable . . . . .	265,176	69,624	334,800
Insurance deposits payable . . . . .	342,379	89,470	431,849
Due to other governments . . . . .	91,580	-	91,580
Workers' compensation payable . . . . .	209,311	-	209,311
Deferred revenue . . . . .	-	11,334	11,334
Unearned revenue . . . . .	2,446,675	-	2,446,675
Deposits held and due to others . . . . .	-	558,700	558,700
Matured bonds payable. . . . .	33,137	-	33,137
Accrued interest payable . . . . .	210,493	646,353	856,846
Notes payable . . . . .	40,000	-	40,000
Long-term liabilities:			
Due within one year . . . . .	2,201,851	3,729,229	5,931,080
Due in more than one year. . . . .	12,795,663	31,033,594	43,829,257
Total liabilities . . . . .	<u>20,186,008</u>	<u>36,406,220</u>	<u>56,592,228</u>
<b>Net assets:</b>			
Invested in capital assets, net of related debt . . . . .	72,312,433	121,019,885	193,332,318
Restricted for:			
Capital projects . . . . .	614,526	5,211,113	5,825,639
Debt service . . . . .	30,175	-	30,175
Security of persons and property programs . . . . .	87,446	-	87,446
General government operations . . . . .	557,094	-	557,094
Transportation improvement projects . . . . .	1,926,637	-	1,926,637
Economic development programs. . . . .	841,656	-	841,656
Perpetual care:			
Expendable . . . . .	2,101	-	2,101
Nonexpendable . . . . .	1,204,779	-	1,204,779
Other purposes. . . . .	1,059,400	-	1,059,400
Unrestricted . . . . .	<u>12,544,754</u>	<u>8,155,820</u>	<u>20,700,574</u>
Total net assets . . . . .	<u>\$ 91,181,001</u>	<u>\$ 134,386,818</u>	<u>\$ 225,567,819</u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

CITY OF FINDLAY, OHIO

STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED DECEMBER 31, 2011

	Expenses	Program Revenues		
		Charges for Services and Sales	Operating Grants and Contributions	Capital Grants and Contributions
<b>Governmental activities:</b>				
General government. . . . .	\$ 8,344,438	\$ 2,433,357	\$ 1,016,241	\$ 41,576
Security of persons and property . . .	15,827,515	141,823	276,004	-
Public health and welfare . . . . .	2,181,429	636,349	248,627	61,079
Transportation. . . . .	5,487,799	95,613	2,091,226	2,196,674
Leisure time activity. . . . .	1,415,161	566,439	-	-
Interest and fiscal charges. . . . .	419,946	210	152,742	-
Total governmental activities . . . . .	<u>33,676,288</u>	<u>3,873,791</u>	<u>3,784,840</u>	<u>2,299,329</u>
<b>Business-type activities:</b>				
Water . . . . .	6,278,612	7,343,601	54,609	73,851
Water pollution control . . . . .	7,155,791	9,088,500	80,280	11,330
Airport. . . . .	2,123,837	882,752	22,896	115,606
Parking facilities. . . . .	86,691	66,087	-	-
Swimming pool . . . . .	51,519	-	-	-
Total business-type activities . . . . .	<u>15,696,450</u>	<u>17,380,940</u>	<u>157,785</u>	<u>200,787</u>
Totals . . . . .	<u>\$ 49,372,738</u>	<u>\$ 21,254,731</u>	<u>\$ 3,942,625</u>	<u>\$ 2,500,116</u>

**General revenues:**

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

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

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

<b>Governmental Activities</b>	<b>Business-type Activities</b>	<b>Total</b>
\$ (4,853,264)	\$ -	\$ (4,853,264)
(15,409,688)	-	(15,409,688)
(1,235,374)	-	(1,235,374)
(1,104,286)	-	(1,104,286)
(848,722)	-	(848,722)
(266,994)	-	(266,994)
<u>(23,718,328)</u>	<u>-</u>	<u>(23,718,328)</u>
-	1,193,449	1,193,449
-	2,024,319	2,024,319
-	(1,102,583)	(1,102,583)
-	(20,604)	(20,604)
-	(51,519)	(51,519)
<u>-</u>	<u>2,043,062</u>	<u>2,043,062</u>
<u>(23,718,328)</u>	<u>2,043,062</u>	<u>(21,675,266)</u>
2,349,758	-	2,349,758
441,702	-	441,702
20,703,206	-	20,703,206
70,551	-	70,551
2,793,218	-	2,793,218
70,011	43,424	113,435
(28,750)	-	(28,750)
479,571	244,443	724,014
<u>26,879,267</u>	<u>287,867</u>	<u>27,167,134</u>
<u>(317,416)</u>	<u>317,416</u>	<u>-</u>
2,843,523	2,648,345	5,491,868
<u>88,337,478</u>	<u>131,738,473</u>	<u>220,075,951</u>
<u>\$ 91,181,001</u>	<u>\$ 134,386,818</u>	<u>\$ 225,567,819</u>

**CITY OF FINDLAY, OHIO**

BALANCE SHEET  
GOVERNMENTAL FUNDS  
DECEMBER 31, 2011  
(WITH COMPARATIVE TOTALS FOR 2010)

	<u>General</u>	<u>Street Maintenance and Repair</u>	<u>City Income Tax Administration</u>
<b>Assets:</b>			
Equity in pooled cash and investments . . . . .	\$ 9,977,895	\$ 1,155,693	\$ 571,509
Cash in segregated accounts . . . . .	23,301	-	-
Cash with fiduciary agent. . . . .	-	-	-
Cash with escrow agent. . . . .	61,514	135,334	-
Receivables (net of allowance for uncollectibles). . . . .	1,975,533	10,299	4,502,300
Due from other governments. . . . .	1,043,569	717,730	-
Prepayments . . . . .	46,848	15,047	-
Materials and supplies inventory. . . . .	-	498,076	-
Restricted assets:			
Equity in pooled cash and investments. . . . .	-	-	2,602,029
Total assets . . . . .	<u>\$ 13,128,660</u>	<u>\$ 2,532,179</u>	<u>\$ 7,675,838</u>
<b>Liabilities:</b>			
Accounts payable. . . . .	\$ 796,404	\$ 49,561	\$ 444,373
Contracts payable. . . . .	25,808	61,841	-
Retainage payable . . . . .	-	135,334	-
Accrued wages and benefits payable . . . . .	240,066	20,522	2,947
Insurance deposits payable . . . . .	306,474	28,671	3,931
Compensated absences payable . . . . .	6,985	-	-
Due to other governments . . . . .	91,580	-	-
Interfund loans payable. . . . .	-	-	-
Matured bonds payable. . . . .	-	-	-
Accrued interest payable . . . . .	-	-	-
Deferred revenue . . . . .	629,014	588,392	2,543,952
Unearned revenue . . . . .	1,789,163	-	-
Notes payable . . . . .	-	-	-
Total liabilities . . . . .	<u>3,885,494</u>	<u>884,321</u>	<u>2,995,203</u>
<b>Fund balances:</b>			
Nonspendable . . . . .	46,848	513,123	-
Restricted. . . . .	752,667	1,134,735	-
Committed . . . . .	1,084,266	-	4,680,635
Assigned . . . . .	1,237,557	-	-
Unassigned. . . . .	<u>6,121,828</u>	<u>-</u>	<u>-</u>
Total fund balances. . . . .	<u>9,243,166</u>	<u>1,647,858</u>	<u>4,680,635</u>
Total liabilities and fund balances . . . . .	<u>\$ 13,128,660</u>	<u>\$ 2,532,179</u>	<u>\$ 7,675,838</u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS



<b>Other Governmental Funds</b>	<b>Total Governmental Funds 2011</b>	<b>Total Governmental Funds 2010</b>
\$ 2,634,372	\$ 14,339,469	\$ 12,539,506
33,603	56,904	161,434
259,700	259,700	96,435
33,137	229,985	54,604
1,490,391	7,978,523	7,946,304
84,225	1,845,524	2,023,749
-	61,895	59,912
-	498,076	436,145
-	2,602,029	1,738,584
<u>\$ 4,535,428</u>	<u>\$ 27,872,105</u>	<u>\$ 25,056,673</u>
\$ 35,571	\$ 1,325,909	\$ 1,201,115
-	87,649	84,929
-	135,334	21,104
1,641	265,176	250,626
3,303	342,379	350,944
-	6,985	16,434
-	91,580	-
353,200	353,200	353,200
33,137	33,137	33,500
14	14	-
77,184	3,838,542	4,039,210
657,512	2,446,675	2,444,437
40,000	40,000	-
<u>1,201,562</u>	<u>8,966,580</u>	<u>8,795,499</u>
1,204,779	1,764,750	1,672,534
2,461,805	4,349,207	4,140,246
-	5,764,901	4,862,977
-	1,237,557	566,767
<u>(332,718)</u>	<u>5,789,110</u>	<u>5,018,650</u>
<u>3,333,866</u>	<u>18,905,525</u>	<u>16,261,174</u>
<u>\$ 4,535,428</u>	<u>\$ 27,872,105</u>	<u>\$ 25,056,673</u>

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**CITY OF FINDLAY, OHIO**

RECONCILIATION OF TOTAL GOVERNMENTAL FUND BALANCES TO  
NET ASSETS OF GOVERNMENTAL ACTIVITIES  
DECEMBER 31, 2011

<b>Total governmental fund balances</b>		\$ 18,905,525
<i>Amounts reported for governmental activities on the statement of net assets are different because:</i>		
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.		82,098,083
Other long-term assets are not available to pay for current-period expenditures and therefore are deferred in the funds.		
Income taxes receivable	\$ 2,543,812	
Accounts receivable	91,535	
Intergovernmental receivable	1,198,924	
Special assessments receivable	4,271	
Total		3,838,542
Unamortized balances of bond related transactions are not recorded in the funds.		
Unamortized premiums on bonds issued	(36,503)	
Unamortized discounts on bonds issued	40,522	
Unamortized deferred charges on refundings	54,246	
Unamortized bond issue costs	172,227	
Total		230,492
Internal service funds are used by management to charge the costs of self-insurance, workers' compensation and central stores operations to individual funds. The assets and liabilities of the internal service funds are included in governmental activities on the statement of net assets. The net assets of the internal service funds, including internal balances of (\$97,532), are:		1,367,632
Long-term liabilities are not due and payable in the current period and therefore are not reported in the funds. The long-term liabilities are as follows:		
Accrued interest payable	(210,479)	
Special assessment bonds payable	(11,625)	
General obligation bonds payable	(9,806,011)	
OPWC loans payable	(198,506)	
Police and fire past service liability payable	(1,104,686)	
Compensated absences payable	(3,927,966)	
Total		(15,259,273)
<b>Net assets of governmental activities</b>		<b>\$ 91,181,001</b>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**CITY OF FINDLAY, OHIO**

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
 GOVERNMENTAL FUNDS  
 FOR THE YEAR ENDED DECEMBER 31, 2011  
 (WITH COMPARATIVE TOTALS FOR 2010)

	<u>General</u>	<u>Street Maintenance and Repair</u>	<u>City Income Tax Administration</u>
<b>Revenues:</b>			
Municipal income taxes . . . . .	\$ -	\$ -	\$ 20,456,073
Property and other local taxes . . . . .	2,349,758	687	-
Charges for services . . . . .	2,163,796	28,853	12,620
Licenses and permits . . . . .	326,626	-	-
Fines and forfeitures . . . . .	1,028,517	-	-
Intergovernmental . . . . .	4,569,460	3,881,422	-
Special assessments . . . . .	-	-	-
Investment income . . . . .	68,476	1,842	-
Increase (decrease) in fair value of investments . . . . .	(28,750)	-	-
Rental income . . . . .	59,092	-	-
Contributions and donations . . . . .	44,262	-	-
Reimbursements . . . . .	467,171	11,532	90
Tax increment financing . . . . .	-	-	-
Other . . . . .	11,713	52,908	-
Total revenues . . . . .	<u>11,060,121</u>	<u>3,977,244</u>	<u>20,468,783</u>
<b>Expenditures:</b>			
Current:			
General government . . . . .	6,842,135	-	380,850
Security of persons and property . . . . .	15,295,014	-	-
Public health and welfare . . . . .	2,083,555	-	-
Transportation . . . . .	-	2,361,051	-
Leisure time activity . . . . .	1,359,519	-	-
Capital outlay . . . . .	1,583,735	3,150,996	-
Debt service:			
Principal retirement . . . . .	-	-	-
Interest and fiscal charges . . . . .	-	-	-
Bond issuance costs . . . . .	54,920	-	-
Total expenditures . . . . .	<u>27,218,878</u>	<u>5,512,047</u>	<u>380,850</u>
Excess (deficiency) of revenues over (under) expenditures . . . . .	<u>(16,158,757)</u>	<u>(1,534,803)</u>	<u>20,087,933</u>
<b>Other financing sources (uses):</b>			
Bond issuance . . . . .	1,036,011	-	-
Sale of capital assets . . . . .	159	-	-
Transfers in . . . . .	17,539,312	1,809,184	783,396
Transfers (out) . . . . .	(769,753)	(88,585)	(19,743,764)
Total other financing sources (uses) . . . . .	<u>17,805,729</u>	<u>1,720,599</u>	<u>(18,960,368)</u>
Net change in fund balances . . . . .	1,646,972	185,796	1,127,565
<b>Fund balances at beginning of year (restated) . .</b>	7,594,477	1,399,865	3,553,070
<b>Increase in materials and supplies inventory . .</b>	-	61,931	-
<b>Increase (decrease) in prepaids . . . . .</b>	1,717	266	-
<b>Fund balances at end of year . . . . .</b>	<u>\$ 9,243,166</u>	<u>\$ 1,647,858</u>	<u>\$ 4,680,635</u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

<b>Other Governmental Funds</b>	<b>Total Governmental Funds 2011</b>	<b>Total Governmental Funds 2010</b>
\$ -	\$ 20,456,073	\$ 18,562,751
441,702	2,792,147	3,239,792
180,103	2,385,372	2,374,123
-	326,626	321,919
160,689	1,189,206	1,369,185
467,161	8,918,043	7,701,147
9,023	9,023	24,223
22,136	92,454	75,987
-	(28,750)	(27)
-	59,092	70,314
145,000	189,262	148,089
37	478,830	618,016
70,551	70,551	61,735
-	64,621	61,142
<u>1,496,402</u>	<u>37,002,550</u>	<u>34,628,396</u>
340,161	7,563,146	6,147,014
16,218	15,311,232	14,743,482
2,020	2,085,575	1,727,315
194,828	2,555,879	2,190,517
-	1,359,519	1,258,449
397,598	5,132,329	2,587,380
667,203	667,203	662,703
411,064	411,064	416,260
-	54,920	-
<u>2,029,092</u>	<u>35,140,867</u>	<u>29,733,120</u>
<u>(532,690)</u>	<u>1,861,683</u>	<u>4,895,276</u>
-	1,036,011	-
-	159	11,787
1,109,313	21,241,205	20,478,411
(956,519)	(21,558,621)	(20,250,316)
<u>152,794</u>	<u>718,754</u>	<u>239,882</u>
(379,896)	2,580,437	5,135,158
3,713,762	16,261,174	11,154,853
-	61,931	3,250
-	1,983	(32,087)
<u>\$ 3,333,866</u>	<u>\$ 18,905,525</u>	<u>\$ 16,261,174</u>

**CITY OF FINDLAY, OHIO**

RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES  
IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED DECEMBER 31, 2011

**Net change in fund balances - total governmental funds** \$ 2,580,437

*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 costs of those assets are allocated over their estimated useful lives as depreciation expense. This is the amount by which capital outlays exceeded depreciation expense in the current period (net of internal service fund activity):

Capital outlays	\$ 4,695,569	
Depreciation expense	<u>(4,092,901)</u>	
Total		602,668

Contributed infrastructure from outside developers is not recorded in the governmental funds; however, the contribution is recorded as revenue in the statement of activities. 33,810

The effect of various miscellaneous transactions involving capital assets (i.e., sales, trade-ins, donations and impairments) is to decrease net assets. (180,073)

Governmental funds report expenditures for prepaids and consumable inventories when purchased. However, in the statement of activities, they are reported as an expense when consumed. 63,914

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

Income taxes	247,133	
Charges for services	(151,282)	
Special assessments	(8,813)	
Intergovernmental	<u>(287,706)</u>	
Total		(200,668)

In the statement of activities, interest is accrued on outstanding bonds, whereas in governmental funds, an interest expenditure is reported when due. The following items contributed to additional interest being reported in the statement of activities:

Decrease in accrued interest payable	9,036	
Amortization of bond premiums	9,761	
Amortization of bond discounts	(1,878)	
Amortization of deferred charges on refundings	(17,040)	
Amortization of bond issue costs	<u>(8,761)</u>	
Total		(8,882)

Bond issuance costs incurred in the current year are reported as an expenditure in the governmental funds; however, they are amortized over the life of the bonds in the statement of activities. 54,920

Proceeds from issuance of bonds are recorded as an other financing source in the funds; however, on the statement of activities, they are not reported as revenues as they increase liabilities on the statement of net assets. (1,036,011)

Repayments of bonds, loans and the police and fire past service liability are expenditures in the governmental funds, but the repayments reduce long-term liabilities on the statement of net assets. 694,258

Some expenses reported in the statement of activities, such as compensated absences, do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds. (91,833)

Internal service funds are used by management to charge the costs of self-insurance, workers' compensation and central stores operations to individual funds and are not reported in the City-wide statement of activities. Governmental fund expenditures and the related internal service funds revenues are eliminated. The net revenue (expense) of the internal service funds, including internal balance activity of (\$97,963), is allocated among the governmental activities. 330,983

**Change in net assets of governmental activities** \$ 2,843,523

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**CITY OF FINDLAY, OHIO**

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET (GAAP-BASIS) AND ACTUAL  
GENERAL FUND  
FOR THE YEAR ENDED DECEMBER 31, 2011

	Budgeted Amounts		Actual	Variance with
	Original	Final		Final Budget
				Positive
				(Negative)
<b>Revenues:</b>				
Property and other local taxes. . . . .	\$ 1,859,139	\$ 2,274,605	\$ 2,349,758	\$ 75,153
Charges for services. . . . .	1,712,005	2,094,590	2,163,796	69,206
Licenses and permits . . . . .	258,428	316,179	326,626	10,447
Fines and forfeitures . . . . .	813,767	995,621	1,028,517	32,896
Intergovernmental. . . . .	3,615,378	4,423,314	4,569,460	146,146
Investment income. . . . .	54,179	66,286	68,476	2,190
(Decrease) in fair market value of investments . . . . .	(22,747)	(27,830)	(28,750)	(920)
Rental income . . . . .	46,754	57,202	59,092	1,890
Contributions and donations. . . . .	35,020	42,846	44,262	1,416
Reimbursements. . . . .	369,628	452,229	467,171	14,942
Other . . . . .	9,267	11,338	11,713	375
<b>Total revenues . . . . .</b>	<b>8,750,818</b>	<b>10,706,380</b>	<b>11,060,121</b>	<b>353,741</b>
<b>Expenditures:</b>				
Current:				
General government . . . . .	6,006,172	7,160,395	6,616,494	543,901
Security of persons and property . . . . .	15,124,039	15,719,757	15,295,014	424,743
Public health and welfare. . . . .	1,765,754	2,152,740	2,083,555	69,185
Leisure time activity . . . . .	1,459,159	1,465,178	1,359,519	105,659
Capital outlay . . . . .	-	1,583,735	1,583,735	-
Debt service:				
Bond issuance costs . . . . .	-	54,920	54,920	-
<b>Total expenditures . . . . .</b>	<b>24,355,124</b>	<b>28,136,725</b>	<b>26,993,237</b>	<b>1,143,488</b>
Excess of expenditures over revenues	(15,604,306)	(17,430,345)	(15,933,116)	1,497,229
<b>Other financing sources (uses):</b>				
Sale of capital assets. . . . .	126	154	159	5
Bond issuance. . . . .	819,697	1,002,876	1,036,011	33,135
Transfers in . . . . .	13,877,185	16,978,344	17,539,312	560,968
Transfers (out). . . . .	(331,742)	(802,788)	(769,753)	33,035
<b>Total other financing sources (uses) . . . . .</b>	<b>14,365,266</b>	<b>17,178,586</b>	<b>17,805,729</b>	<b>627,143</b>
Net change in fund balances . . . . .	(1,239,040)	(251,759)	1,872,613	2,124,372
<b>Fund balances at beginning of year . . . . .</b>	<b>6,284,570</b>	<b>6,284,570</b>	<b>6,284,570</b>	<b>-</b>
<b>Increase in prepaids . . . . .</b>	<b>1,717</b>	<b>1,717</b>	<b>1,717</b>	<b>-</b>
<b>Fund balance at end of year . . . . .</b>	<b>\$ 5,047,247</b>	<b>\$ 6,034,528</b>	<b>\$ 8,158,900</b>	<b>\$ 2,124,372</b>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**CITY OF FINDLAY, OHIO**

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN  
 FUND BALANCE - BUDGET (GAAP-BASIS) AND ACTUAL  
 STREET MAINTENANCE AND REPAIR FUND  
 FOR THE YEAR ENDED DECEMBER 31, 2011

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues:</b>				
Property and other local taxes. . . . .	\$ 237	\$ 974	\$ 687	\$ (287)
Charges for services. . . . .	9,944	40,913	28,853	(12,060)
Intergovernmental. . . . .	1,337,721	5,503,732	3,881,422	(1,622,310)
Investment income. . . . .	635	2,612	1,842	(770)
Reimbursements. . . . .	3,974	16,352	11,532	(4,820)
Other . . . . .	18,235	75,022	52,908	(22,114)
<b>Total revenues . . . . .</b>	<u>1,370,746</u>	<u>5,639,605</u>	<u>3,977,244</u>	<u>(1,662,361)</u>
<b>Expenditures:</b>				
Current:				
Transportation . . . . .	2,281,280	2,586,361	2,361,051	225,310
Capital outlay . . . . .	569,593	3,150,996	3,150,996	-
<b>Total expenditures . . . . .</b>	<u>2,850,873</u>	<u>5,737,357</u>	<u>5,512,047</u>	<u>225,310</u>
Excess of expenditures over revenues	(1,480,127)	(97,752)	(1,534,803)	(1,437,051)
<b>Other financing sources (uses):</b>				
Transfers in . . . . .	623,530	2,565,364	1,809,184	(756,180)
Transfers (out). . . . .	-	(88,585)	(88,585)	-
<b>Total other financing sources (uses) . . . . .</b>	<u>623,530</u>	<u>2,476,779</u>	<u>1,720,599</u>	<u>(756,180)</u>
Net change in fund balances . . . . .	(856,597)	2,379,027	185,796	(2,193,231)
<b>Fund balances at beginning of year . . . . .</b>	1,399,865	1,399,865	1,399,865	-
<b>Increase in materials and supplies inventory.</b>	61,931	61,931	61,931	-
<b>Increase in prepaids . . . . .</b>	266	266	266	-
<b>Fund balance at end of year . . . . .</b>	<u>\$ 605,465</u>	<u>\$ 3,841,089</u>	<u>\$ 1,647,858</u>	<u>\$ (2,193,231)</u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS



**CITY OF FINDLAY, OHIO**

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN  
 FUND BALANCE - BUDGET (GAAP-BASIS) AND ACTUAL  
 CITY INCOME TAX ADMINISTRATION FUND  
 FOR THE YEAR ENDED DECEMBER 31, 2011

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues:</b>				
Municipal income taxes . . . . .	\$ 18,911,636	\$ 20,603,046	\$ 20,456,073	\$ (146,973)
Charges for services. . . . .	11,883	12,711	12,620	(91)
Reimbursements. . . . .	426	91	90	(1)
Total revenues . . . . .	<u>18,923,945</u>	<u>20,615,848</u>	<u>20,468,783</u>	<u>(147,065)</u>
<b>Expenditures:</b>				
Current:				
General government . . . . .	914,114	921,588	380,850	540,738
Total expenditures . . . . .	<u>914,114</u>	<u>921,588</u>	<u>380,850</u>	<u>540,738</u>
Excess of revenues over expenditures . . . . .	<u>18,009,831</u>	<u>19,694,260</u>	<u>20,087,933</u>	<u>393,673</u>
<b>Other financing sources (uses):</b>				
Transfers in . . . . .	-	789,025	783,396	(5,629)
Transfers (out). . . . .	(14,128,481)	(19,744,742)	(19,743,764)	978
Total other financing sources (uses) . . . . .	<u>(14,128,481)</u>	<u>(18,955,717)</u>	<u>(18,960,368)</u>	<u>(4,651)</u>
Net change in fund balances . . . . .	3,881,350	738,543	1,127,565	389,022
<b>Fund balances at beginning of year . . . . .</b>	<u>3,553,070</u>	<u>3,553,070</u>	<u>3,553,070</u>	<u>-</u>
<b>Fund balance at end of year . . . . .</b>	<u>\$ 7,434,420</u>	<u>\$ 4,291,613</u>	<u>\$ 4,680,635</u>	<u>\$ 389,022</u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**CITY OF FINDLAY, OHIO**  
**STATEMENT OF NET ASSETS**  
**PROPRIETARY FUNDS**  
**DECEMBER 31, 2011**  
(WITH COMPARATIVE TOTALS FOR 2010)

**Business-type Activities - Enterprise Funds**

	<u>Water</u>	<u>Water Pollution Control</u>	<u>Airport</u>	<u>Nonmajor Enterprise Funds</u>
<b>Assets:</b>				
Current assets:				
Equity in pooled cash and investments . . . . .	\$ 4,576,002	\$ 2,542,375	\$ 111,310	\$ 50,686
Receivables (net of allowances for uncollectibles).	1,556,309	426,509	46,557	-
Interfund loans . . . . .	-	353,200	-	-
Due from other funds . . . . .	-	415,594	-	-
Prepayments . . . . .	27,030	18,875	10,784	405
Materials and supplies inventory . . . . .	599,269	50,430	101,394	-
Total current assets . . . . .	<u>6,758,610</u>	<u>3,806,983</u>	<u>270,045</u>	<u>51,091</u>
Noncurrent assets:				
Restricted assets:				
Equity in pooled cash and investments . . . . .	717,301	4,493,811	-	-
Deferred bond costs . . . . .	38,612	60,121	241	-
Capital assets:				
Nondepreciable capital assets . . . . .	3,822,018	2,346,469	3,419,861	95,962
Depreciable capital assets, net . . . . .	48,735,584	83,535,502	12,494,932	463,957
Total noncurrent assets . . . . .	<u>53,313,515</u>	<u>90,435,903</u>	<u>15,915,034</u>	<u>559,919</u>
Total assets . . . . .	<u>60,072,125</u>	<u>94,242,886</u>	<u>16,185,079</u>	<u>611,010</u>
<b>Liabilities:</b>				
Current liabilities:				
Accounts payable . . . . .	108,734	125,576	31,530	735
Contracts payable . . . . .	1,341	-	-	-
Accrued wages and benefits payable . . . . .	36,237	28,082	4,057	1,248
Insurance deposits payable . . . . .	47,671	36,756	3,909	1,134
Workers' compensation payable . . . . .	-	-	-	-
Compensated absences payable - current . . . . .	249,277	176,724	27,052	5,802
Due to other funds . . . . .	415,594	-	-	-
Deposits held and due to others . . . . .	558,700	-	-	-
Deferred revenue . . . . .	9,534	1,800	-	-
Accrued interest payable . . . . .	109,345	536,033	975	-
Current portion of loans payable . . . . .	237,168	1,784,613	-	-
Current portion of bonds payable . . . . .	610,000	590,000	48,593	-
Total current liabilities . . . . .	<u>2,383,601</u>	<u>3,279,584</u>	<u>116,116</u>	<u>8,919</u>
Long-term liabilities:				
General obligation bonds payable . . . . .	3,677,149	3,155,236	-	-
Compensated absences payable . . . . .	149,043	106,785	54,279	487
Loans payable . . . . .	3,773,948	20,116,667	-	-
Total long-term liabilities . . . . .	<u>7,600,140</u>	<u>23,378,688</u>	<u>54,279</u>	<u>487</u>
Total liabilities . . . . .	<u>9,983,741</u>	<u>26,658,272</u>	<u>170,395</u>	<u>9,406</u>
<b>Net assets:</b>				
Invested in capital assets, net of related debt . . . . .	44,297,949	60,295,576	15,866,441	559,919
Restricted for capital projects . . . . .	717,301	4,493,812	-	-
Unrestricted . . . . .	<u>5,073,134</u>	<u>2,795,226</u>	<u>148,243</u>	<u>41,685</u>
Total net assets . . . . .	<u>\$ 50,088,384</u>	<u>\$ 67,584,614</u>	<u>\$ 16,014,684</u>	<u>\$ 601,604</u>

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

Net assets of business-type activities

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

<b>2011 Enterprise Funds Total</b>	<b>2010 Enterprise Funds Total</b>	<b>2011 Governmental Activities - Internal Service Funds</b>	<b>2010 Governmental Activities - Internal Service Funds</b>
\$ 7,280,373	\$ 3,956,653	\$ 1,659,106	\$ 1,511,163
2,029,375	1,974,672	160	100
353,200	353,200	-	-
415,594	396,928	-	-
57,094	56,543	12,749	12,749
751,093	740,953	3,311	11,790
<u>10,886,729</u>	<u>7,478,949</u>	<u>1,675,326</u>	<u>1,535,802</u>
5,211,112	8,215,613	-	-
98,974	124,101	-	-
9,684,310	8,209,869	-	-
145,229,975	148,685,694	-	-
<u>160,224,371</u>	<u>165,235,277</u>	<u>-</u>	<u>-</u>
<u>171,111,100</u>	<u>172,714,226</u>	<u>1,675,326</u>	<u>1,535,802</u>
266,575	276,116	851	782
1,341	94,206	-	-
69,624	68,381	-	-
89,470	91,219	-	-
-	-	209,311	498,802
458,855	407,976	-	-
415,594	396,928	-	-
558,700	530,850	-	-
11,334	2,122	-	-
646,353	729,758	-	-
2,021,781	2,090,526	-	-
1,248,593	1,880,000	-	-
<u>5,788,220</u>	<u>6,568,082</u>	<u>210,162</u>	<u>499,584</u>
6,832,385	8,080,531	-	-
310,594	414,313	-	-
23,890,615	25,912,396	-	-
<u>31,033,594</u>	<u>34,407,240</u>	<u>-</u>	<u>-</u>
<u>36,821,814</u>	<u>40,975,322</u>	<u>210,162</u>	<u>499,584</u>
121,019,885	118,932,110	-	-
5,211,113	4,843,032	-	-
8,058,288	7,963,762	1,465,164	1,036,218
<u>134,289,286</u>	<u>131,738,904</u>	<u>\$ 1,465,164</u>	<u>\$ 1,036,218</u>
97,532	(431)		
<u>\$ 134,386,818</u>	<u>\$ 131,738,473</u>		

**CITY OF FINDLAY, OHIO**

STATEMENT OF REVENUES, EXPENSES AND  
CHANGES IN NET ASSETS  
PROPRIETARY FUNDS  
FOR THE YEAR ENDED DECEMBER 31, 2011  
(WITH COMPARATIVE TOTALS FOR 2010)

	<b>Business-type Activities - Enterprise Funds</b>			
	<b>Water</b>	<b>Water Pollution Control</b>	<b>Airport</b>	<b>Nonmajor Enterprise Funds</b>
<b>Operating revenues:</b>				
Charges for services . . . . .	\$ 7,343,601	\$ 9,088,500	\$ 882,752	\$ 66,063
Other operating revenues . . . . .	90,860	153,583	-	24
Total operating revenues. . . . .	<u>7,434,461</u>	<u>9,242,083</u>	<u>882,752</u>	<u>66,087</u>
<b>Operating expenses:</b>				
Personal services . . . . .	2,869,940	2,231,425	319,541	87,516
Contract services. . . . .	660,533	803,431	127,565	4,006
Materials and supplies. . . . .	950,061	437,664	581,902	16,757
Utilities . . . . .	361,976	556,371	17,724	6,236
Claims . . . . .	-	-	-	-
Depreciation. . . . .	1,215,680	2,009,591	1,076,814	25,506
Total operating expenses. . . . .	<u>6,058,190</u>	<u>6,038,482</u>	<u>2,123,546</u>	<u>140,021</u>
Operating income (loss) . . . . .	<u>1,376,271</u>	<u>3,203,601</u>	<u>(1,240,794)</u>	<u>(73,934)</u>
<b>Nonoperating revenues (expenses):</b>				
Intergovernmental . . . . .	54,609	80,280	22,896	-
Interest income. . . . .	18,863	24,561	-	-
Loss on disposal of capital assets . . . . .	-	-	-	-
Interest and fiscal charges . . . . .	(270,820)	(1,157,265)	(6,089)	-
Other nonoperating expenses . . . . .	-	-	-	-
Total nonoperating revenues (expenses). . . . .	<u>(197,348)</u>	<u>(1,052,424)</u>	<u>16,807</u>	<u>-</u>
Income (loss) before contributions and transfers . . . . .	1,178,923	2,151,177	(1,223,987)	(73,934)
Capital contributions. . . . .	73,851	11,330	115,606	-
Transfer in . . . . .	-	-	280,992	85,921
Transfer out . . . . .	-	-	(49,497)	-
Change in net assets . . . . .	1,252,774	2,162,507	(876,886)	11,987
<b>Net assets at beginning of year . . . . .</b>	<u>48,835,610</u>	<u>65,422,107</u>	<u>16,891,570</u>	<u>589,617</u>
<b>Net assets at end of year . . . . .</b>	<u>\$ 50,088,384</u>	<u>\$ 67,584,614</u>	<u>\$ 16,014,684</u>	<u>\$ 601,604</u>

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

Change in net assets of business-type activities.

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

<b>2011 Enterprise Funds Total</b>	<b>2010 Enterprise Funds Total</b>	<b>2011 Governmental Activities - Internal Service Funds</b>	<b>2010 Governmental Activities - Internal Service Funds</b>
\$ 17,380,916	\$ 17,292,680	\$ 526,166	\$ 15,602
244,467	52,278	11,099	-
<u>17,625,383</u>	<u>17,344,958</u>	<u>537,265</u>	<u>15,602</u>
5,508,422	5,361,835	-	-
1,595,535	2,562,888	38,990	59,310
1,986,384	1,794,838	25,858	15,784
942,307	810,201	-	-
-	-	45,006	-
4,327,591	4,124,171	-	183
<u>14,360,239</u>	<u>14,653,933</u>	<u>109,854</u>	<u>75,277</u>
3,265,144	2,691,025	427,411	(59,675)
157,785	169,814	-	-
43,424	42,681	1,535	2,272
-	(1,051)	-	-
(1,434,174)	(1,645,166)	-	-
-	(1,329,610)	-	-
<u>(1,232,965)</u>	<u>(2,763,332)</u>	<u>1,535</u>	<u>2,272</u>
2,032,179	(72,307)	428,946	(57,403)
200,787	1,903,706	-	-
366,913	217,539	-	-
<u>(49,497)</u>	<u>(445,634)</u>	<u>-</u>	<u>-</u>
2,550,382	1,603,304	428,946	(57,403)
		<u>1,036,218</u>	<u>1,093,621</u>
		<u>\$ 1,465,164</u>	<u>\$ 1,036,218</u>
<u>97,963</u>	<u>(153)</u>		
<u>\$ 2,648,345</u>	<u>\$ 1,603,151</u>		

**CITY OF FINDLAY, OHIO**

STATEMENT OF CASH FLOWS  
 PROPRIETARY FUNDS  
 FOR THE YEAR ENDED DECEMBER 31, 2011  
 (WITH COMPARATIVE TOTALS FOR 2010)

	<b>Business-type Activities - Enterprise Funds</b>			
	<b>Water</b>	<b>Water Pollution Control</b>	<b>Airport</b>	<b>Nonmajor Enterprise Funds</b>
<b>Cash flows from operating activities:</b>				
Cash received from customers . . . . .	\$ 7,300,499	\$ 9,070,933	\$ 869,978	\$ 66,063
Cash received from other operations . . . . .	90,860	153,583	-	24
Cash payments for personal services . . . . .	(2,858,757)	(2,299,200)	(318,346)	(85,463)
Cash payments for contract services. . . . .	(632,650)	(804,053)	(127,510)	(4,023)
Cash payments for materials and supplies . . . . .	(917,942)	(474,895)	(596,611)	(16,617)
Cash payments for utilities . . . . .	(343,310)	(556,371)	(17,724)	(6,236)
Cash payments for claims . . . . .	-	-	-	-
Net cash provided by (used in) operating activities . . . . .	<u>2,638,700</u>	<u>5,089,997</u>	<u>(190,213)</u>	<u>(46,252)</u>
<b>Cash flows from noncapital financing activities:</b>				
Grants and contributions . . . . .	54,609	80,280	22,896	-
Advances out . . . . .	-	-	-	-
Transfers in . . . . .	-	-	280,992	85,921
Transfers out. . . . .	-	-	(49,497)	-
Net cash provided by (used in) noncapital financing activities. . . . .	<u>54,609</u>	<u>80,280</u>	<u>254,391</u>	<u>85,921</u>
<b>Cash flows from capital and related financing activities:</b>				
Acquisition of capital assets . . . . .	(1,305,613)	(950,133)	(98,254)	-
Capital contributions . . . . .	-	-	115,606	-
Issuance of refunding bonds . . . . .	1,625,000	-	-	-
Bond issuance costs paid . . . . .	(16,216)	-	-	-
Payment to refunding bond escrow agent . . . . .	(1,833,644)	-	-	-
Principal paid on bonds . . . . .	(380,000)	(1,265,000)	(45,000)	-
Interest paid on bonds . . . . .	(157,537)	(231,639)	(3,637)	-
Principal paid on loans. . . . .	(231,734)	(1,858,792)	-	-
Interest paid on loans . . . . .	(109,720)	(954,611)	-	-
Net cash used in capital and related financing activities. . . . .	<u>(2,409,464)</u>	<u>(5,260,175)</u>	<u>(31,285)</u>	<u>-</u>
<b>Cash flows from investing activities:</b>				
Interest received . . . . .	22,921	29,789	-	-
Net cash provided by investing activities . . . . .	<u>22,921</u>	<u>29,789</u>	<u>-</u>	<u>-</u>
Net increase (decrease) in cash and cash equivalents . . . . .	306,766	(60,109)	32,893	39,669
<b>Cash and cash equivalents at beginning of year . . .</b>	4,986,537	7,096,295	78,417	11,017
<b>Cash and cash equivalents at end of year . . . . .</b>	<u>\$ 5,293,303</u>	<u>\$ 7,036,186</u>	<u>\$ 111,310</u>	<u>\$ 50,686</u>

		<b>2011</b>	<b>2010</b>
		<b>Governmental</b>	<b>Governmental</b>
		<b>Activities -</b>	<b>Activities -</b>
		<b>Internal</b>	<b>Internal</b>
<b>2011</b>	<b>2010</b>	<b>Service Funds</b>	<b>Service Funds</b>
<b>Enterprise</b>	<b>Enterprise</b>		
<b>Funds Total</b>	<b>Funds Total</b>		
\$ 17,307,473	\$ 17,291,703	\$ 526,166	\$ 514,404
244,467	52,278	11,099	-
(5,561,766)	(5,493,128)	-	-
(1,568,236)	(2,549,674)	(38,604)	(46,577)
(2,006,065)	(2,044,667)	(17,696)	(23,113)
(923,641)	(814,726)	-	-
-	-	(334,497)	-
<u>7,492,232</u>	<u>6,441,786</u>	<u>146,468</u>	<u>444,714</u>
157,785	169,814	-	-
-	(353,200)	-	-
366,913	217,539	-	-
(49,497)	(445,634)	-	-
<u>475,201</u>	<u>(411,481)</u>	<u>-</u>	<u>-</u>
(2,354,000)	(1,840,823)	-	-
115,606	911,274	-	-
1,625,000	-	-	-
(16,216)	-	-	-
(1,833,644)	-	-	-
(1,690,000)	(1,800,000)	-	-
(392,813)	(518,957)	-	-
(2,090,526)	(2,010,550)	-	-
(1,064,331)	(1,144,308)	-	-
<u>(7,700,924)</u>	<u>(6,403,364)</u>	<u>-</u>	<u>-</u>
<u>52,710</u>	<u>51,762</u>	<u>1,475</u>	<u>2,259</u>
<u>52,710</u>	<u>51,762</u>	<u>1,475</u>	<u>2,259</u>
319,219	(321,297)	147,943	446,973
12,172,266	12,493,563	1,511,163	1,064,190
<u>\$ 12,491,485</u>	<u>\$ 12,172,266</u>	<u>\$ 1,659,106</u>	<u>\$ 1,511,163</u>

- - Continued

**CITY OF FINDLAY, OHIO**

STATEMENT OF CASH FLOWS  
 PROPRIETARY FUNDS (CONTINUED)  
 FOR THE YEAR ENDED DECEMBER 31, 2011  
 (WITH COMPARATIVE TOTALS FOR 2010)

	<b>Business-type Activities - Enterprise Funds</b>			
	<b>Water</b>	<b>Water Pollution Control</b>	<b>Airport</b>	<b>Nonmajor Enterprise Funds</b>
<b>Reconciliation of operating income (loss) to net cash provided by (used in) operating activities:</b>				
Operating income (loss) . . . . .	\$ 1,376,271	\$ 3,203,601	\$ (1,240,794)	\$ (73,934)
Adjustments:				
Depreciation . . . . .	1,215,680	2,009,591	1,076,814	25,506
Changes in assets and liabilities:				
(Increase) decrease in accounts receivable . . . . .	(51,732)	517	(12,774)	-
(Increase) decrease in due from other funds . . . . .	-	(18,666)	-	-
(Increase) decrease in materials and supplies inventory . . . . .	12,633	(3,837)	(18,936)	-
(Increase) decrease in prepayments . . . . .	33	(622)	55	(17)
Increase (decrease) in accounts payable . . . . .	19,486	(33,394)	4,227	140
Increase (decrease) in accrued wages and benefits . . . . .	1,197	(196)	(39)	281
Increase (decrease) in compensated absences payable . . . . .	2,343	(59,417)	2,311	1,925
Increase (decrease) in insurance deposits payable . . . . .	7,643	(8,162)	(1,077)	(153)
Increase in deposits held and due to others . . . . .	27,850	-	-	-
Increase (decrease) in deferred revenue . . . . .	8,630	582	-	-
Increase (decrease) in workers' compensation payable . . . . .	-	-	-	-
Increase (decrease) in retainage payable . . . . .	-	-	-	-
Increase (decrease) in due to other funds . . . . .	18,666	-	-	-
Net cash provided by (used in) operating activities . . . . .	<u>\$ 2,638,700</u>	<u>\$ 5,089,997</u>	<u>\$ (190,213)</u>	<u>\$ (46,252)</u>

**Non-cash Transactions:**

During 2011, the Water Pollution Control fund received \$11,330 in capital contributions of donated sewer lines from private developers. During 2011, the Water fund received \$73,851 in capital contributions of donated water lines from private developers. At December 31, 2011 and 2010, the Water fund purchased \$1,341 and \$94,206, respectively, in capital assets on account.

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS



<b>2011 Enterprise Funds Total</b>	<b>2010 Enterprise Funds Total</b>	<b>2011 Governmental Activities - Internal Service Funds</b>	<b>2010 Governmental Activities - Internal Service Funds</b>
\$ 3,265,144	\$ 2,691,025	\$ 427,411	\$ (59,675)
4,327,591	4,124,171	-	183
(63,989)	(519)	-	-
(18,666)	4,525	-	-
(10,140)	(62,134)	8,479	(6,983)
(551)	(3,366)	-	12,733
(9,541)	(8,430)	69	(346)
1,243	12,454	-	-
(52,838)	(48,955)	-	-
(1,749)	(94,792)	-	-
27,850	75,693	-	-
9,212	(4,983)	-	-
-	-	(289,491)	498,802
-	(238,378)	-	-
18,666	(4,525)	-	-
<u>\$ 7,492,232</u>	<u>\$ 6,441,786</u>	<u>\$ 146,468</u>	<u>\$ 444,714</u>

**CITY OF FINDLAY, OHIO**

STATEMENT OF FIDUCIARY NET ASSETS  
FIDUCIARY FUNDS  
DECEMBER 31, 2011

	<b>Private-Purpose Trust</b>	<b>Agency</b>
<b>Assets:</b>		
Equity in pooled cash and investments . . . . .	\$ 165,224	\$ 114,180
Cash in segregated accounts . . . . .	-	39,064
Receivables:		
Accrued interest. . . . .	21	-
Total assets . . . . .	165,245	\$ 153,244
<b>Liabilities:</b>		
Accounts payable . . . . .	-	\$ 4,232
Deposits held and due to others. . . . .	-	149,012
Total liabilities. . . . .	-	\$ 153,244
<b>Net assets:</b>		
Held in trust for private cemetery care . . .	165,245	
Total net assets. . . . .	\$ 165,245	

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**CITY OF FINDLAY, OHIO**

STATEMENT OF CHANGES IN FIDUCIARY NET ASSETS  
 FIDUCIARY FUND  
 FOR THE YEAR ENDED DECEMBER 31, 2011

	<b>Private-Purpose Trust</b>
	<u>          </u>
<b>Additions:</b>	
Investment income . . . . .	\$          215
Other . . . . .	200
Total additions . . . . .	<u>          415</u>
 <b>Deductions:</b>	
Cemetery care . . . . .	<u>          2,417</u>
Total deductions . . . . .	<u>          2,417</u>
 Change in net assets . . . . .	(2,002)
 <b>Net assets at beginning of year . . . . .</b>	<u>          167,247</u>
 <b>Net assets at end of year . . . . .</b>	<u><u>          \$      165,245</u></u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

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## CITY OF FINDLAY, OHIO

### NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2011

#### **NOTE 1 - DESCRIPTION OF THE CITY**

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

#### **NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The basic financial statements (BFS) of the City have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to local governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial principles. The City also applies Financial Accounting Standards Board (FASB) guidance issued on or before November 30, 1989, to its governmental and business-type activities and its proprietary funds provided it does not conflict with or contradict GASB pronouncements. The City has the option to also apply FASB guidance issued after November 30, 1989 to its business-type activities and enterprise funds, subject to this same limitation. The City has elected not to apply this FASB guidance. The City's significant accounting policies are described below.

##### **A. Reporting Entity**

For financial reporting purposes, the City's BFS include all funds, agencies, boards, commissions, and departments for which the City is financially accountable. Financial accountability, as defined by the GASB, exists if the City appoints a voting majority of an organization's Governing Board and is either able to impose its will on that organization or there is a potential for the organization to provide specific financial benefits to or impose specific burdens on the City. The City may also be financially accountable for governmental organizations with a separately elected Governing Board, a Board appointed by another government, or a jointly appointed Board that is fiscally dependent on the City. The City also took into consideration other organizations for which the nature and significance of their relationship with the City are such that exclusion would cause the City's basic financial statements to be misleading or incomplete.

The accompanying financial statements present the City, which has no component units. The City's Municipal Court is not legally separate from the City, nor does it possess separate corporate powers. As such, the operational activity of the City's Municipal Court is reflected in the general fund of the City. The operational activity of the Court is included in the City's reporting entity because of the significance of its operational and financial relationships with the City. The amount of fines and forfeitures collected by the Court that are disbursed to various State and local governments is reflected in an agency fund.

##### **B. Basis of Presentation**

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

**CITY OF FINDLAY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2011

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

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

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

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

**C. Fund Accounting**

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

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

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

**CITY OF FINDLAY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2011

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

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

City income tax administration - This fund accounts for the receipts from the assessment of a 1.25% income tax and the cost of operating the collection department. The use of this money is determined by Council. For 2011, \$600,000 was allocated to capital improvements/flood mitigation with the remainder being disbursed as follows: 84% was transferred to the general fund and 16% was used for general capital improvements. For 2012, \$600,000 will be allocated to capital improvements/flood mitigation with the remainder being disbursed as follows: 90% will be transferred to the general fund and 10% will be used for general capital improvements. The 2012 allocation is determined by ordinance of Council and can be changed by Council at any time.

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

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

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

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

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

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

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

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

## CITY OF FINDLAY, OHIO

### NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2011

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

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

#### **D. Measurement Focus and Basis of Accounting**

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

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

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

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

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



**CITY OF FINDLAY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2011

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

**E. Basis of Accounting**

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

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

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

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

*Unearned Revenue and Deferred Revenue* - Unearned revenue and deferred revenue arise when assets are recognized before revenue recognition criteria have been satisfied.

Property taxes for which there is an enforceable legal claim as of December 31, 2011, but which were levied to finance year 2012 operations, and other revenues received in advance of the fiscal year for which they were intended to finance, have been recorded as unearned revenue in the governmental funds. Income taxes and special assessments not received within the available period, grants and entitlements received before the eligibility requirements are met, and delinquent property taxes due at December 31, 2011, are recorded as deferred revenue in the governmental funds.

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

**CITY OF FINDLAY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2011

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

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

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

**F. Budgetary Process**

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

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

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

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

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

**CITY OF FINDLAY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2011

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

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

**G. Cash and Investments**

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

During 2011, investments were limited to STAR Ohio, Federal Home Loan Bank (FHLB) securities, Federal National Mortgage Association (FNMA) and certificates of deposit. Except for nonparticipating investment contracts, investments are reported at fair value which is based on quoted market prices. Nonparticipating investment contracts, such as nonnegotiable certificates of deposit, are reported at cost. The City can experience fluctuations in the fair value of FHLB and FNMA securities. The changes in the fair value of these investments are reported separate from investment income on the face of the financial statements. The City purchases securities with the intention of holding them to maturity.

The City has invested funds in the State Treasury Asset Reserve of Ohio (STAR Ohio) during 2011. STAR Ohio is an investment pool managed by the State Treasurer's Office that allows governments within the State to pool their funds for investment purposes. STAR Ohio is not registered with the SEC as an investment company, but does operate in a manner consistent with Rule 2a7 of the Investment Company Act of 1940. Investments in STAR Ohio are valued at STAR Ohio's shares price which is the price the investment could be sold for on December 31, 2011.

Following Ohio statutes, the Council has, by resolution, specified the funds to receive an allocation of interest earnings. Interest revenue credited to the general fund during 2011 amounted to \$68,476, which includes \$37,702 assigned from other City funds as not all funds of the City receive interest earnings.

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

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

**CITY OF FINDLAY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2011**

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

**H. Inventories of Materials and Supplies**

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

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

**I. Prepaids**

Amounts recorded for prepaid items represent the unamortized portion of insurance policies that expire in 2012 or later. Governmental funds use the purchase method of accounting whereby insurance is recognized as an expenditure when purchased. Proprietary funds recognize insurance expense as it is incurred.

**J. Capital Assets**

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

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

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

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

**CITY OF FINDLAY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2011

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

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

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

**K. Compensated Absences**

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

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

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

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

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

**CITY OF FINDLAY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2011

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

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

**L. Accrued Liabilities and Long-Term Obligations**

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

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

**M. Interfund Activity**

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

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

**N. Fund Balance**

Fund balance is divided into five classifications based primarily on the extent to which the City is bound to observe constraints imposed upon the use of the resources in the governmental funds. The classifications are as follows:

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

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

**CITY OF FINDLAY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2011

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

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

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

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

The City applies restricted resources first when expenditures are incurred for purposes for which restricted and unrestricted (committed, assigned, and unassigned) fund balance is available. Similarly, within unrestricted fund balance, committed amounts are reduced first followed by assigned, and then unassigned amounts when expenditures are incurred for purposes for which amounts in any of the unrestricted fund balance classifications could be used.

**O. Minimum Fund Balance Policy**

The City has established, via Council legislation, a minimum fund balance policy for unforeseen emergencies or revenue shortfalls and to eliminate the need for short-term borrowing for cash-flow needs. The City's minimum fund balance target is approximately twelve percent of the City's general fund expenses.

**P. Budget Stabilization Arrangement**

Pursuant to Ohio Revised Code Section 5705.13, the City has established a reserve balance account, in the City's general fund, to be used in emergencies for operational expenditures. The reserve account will not exceed five percent of the previous year's general fund revenues, as dictated by Ohio law. The balance of the reserve balance account at December 31, 2011 is \$1,000,000. This amount is reported as a component of unassigned fund balance in the general fund and unrestricted net assets in the governmental activities.

**Q. Estimates**

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

**CITY OF FINDLAY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2011**

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

**R. Net Assets**

Net assets represent the difference between assets and liabilities. Net assets invested in capital assets, net of related debt consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowing used for the acquisition, construction or improvement of those assets. Net assets are reported as restricted when there are limitations imposed on their use either through the enabling legislation or through external restrictions imposed by creditors, grantors or laws or regulations of other governments. Net assets restricted for other purposes consist of permissive motor vehicle license tax and monies and restricted in the general fund for use on specific projects.

The City may apply restricted resources first when an expense is incurred for purposes for which both restricted and unrestricted net assets are available.

**S. Reimbursements**

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

**T. Contributions of Capital**

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

**U. Unamortized Issuance Costs/Bond Premium and Discount/Accounting Gain or Loss**

On government-wide financial statements and in the enterprise funds, issuance costs are deferred and amortized over the term of the bonds using the straight-line method. Issuance costs are recorded as deferred charges on the statement of net assets.

Bond premiums and discounts are deferred and amortized over the term of the bonds using the straight line method, which approximates the effective interest method. Bond premiums are presented as an addition to the face amount of the bonds and bond discounts are presented as a reduction to the face amount of the bonds.

For advance refundings resulting in the defeasance of debt reported in the government-wide financial statements and enterprise funds, the difference between the reacquisition price and the net carrying amount of the old debt is deferred and amortized as a component of interest expense. This accounting gain or loss is amortized over the remaining life of the old debt or the life of the new debt, whichever is shorter, and is presented as an addition to or reduction from the face amount of the new debt.

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



**CITY OF FINDLAY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2011**

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

**V. Interfund Balances**

On fund financial statements, receivables and payables resulting from services provided from one fund to another is classified as “due to/from other funds”. Receivables and payables resulting from interfund loans are classified as “interfund loans payable/receivable”. At year end, the City had \$353,200 in interfund loans receivable/payable related an internal borrowings (manuscript bonds) between a nonmajor governmental fund and the water pollution enterprise fund. These amounts are eliminated in the governmental and business-type activities columns of the statement of net assets, except for any net residual amounts due between governmental and business-type activities, which are presented as internal balances.

**W. Comparative Information**

Comparative total data for the prior year have been presented in selected sections of the financial statements in order to provide an understanding of the changes in the government’s financial position and operations. The financial statements include certain prior-year summarized comparative information in total, but not by net asset class. Such information does not include sufficient detail to constitute a presentation in conformity with GAAP. Accordingly, such information should be read in conjunction with the City’s financial statements for the year ended December 31, 2010, from which the summarized information was derived.

**X. Extraordinary and Special Items**

Extraordinary items are transactions or events that are both unusual in nature and infrequent in occurrence. Special items are transactions or events that are within the control of the City Administration and that are either unusual in nature or infrequent in occurrence. Neither type of transaction occurred during 2011.

**NOTE 3 - ACCOUNTABILITY & COMPLIANCE**

**A. Change in Accounting Principles**

For 2011, the City has implemented GASB Statement No. 54, “Fund Balance Reporting and Governmental Fund Type Definitions”, and GASB Statement No. 59, “Financial Instruments Omnibus”.

GASB Statement No. 54 establishes fund balance classifications that comprise a hierarchy based primarily on the extent to which a government is bound to observe constraints imposed upon the use of the resources reported in governmental funds. GASB Statement No. 54 also clarifies the definitions of governmental fund types.

GASB Statement No. 59 updates and improves guidance for financial reporting and disclosure requirements of certain financial instruments and external investment pools. The implementation of GASB Statement No. 59 did not have an effect on the financial statements of the City.

**CITY OF FINDLAY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2011

**NOTE 3 - ACCOUNTABILITY & COMPLIANCE - (Continued)**

**B. Fund Reclassifications**

Fund reclassifications are required in order to report funds in accordance with GASB Statement No 54. These fund reclassifications had the following effect on the City's governmental fund balances as previously reported:

	<u>General</u>	<u>Street Maintenance and Repair</u>	<u>City Income Tax Administration</u>	<u>Nonmajor Governmental</u>	<u>Total Governmental</u>
Fund balance at December 31, 2010	\$ 6,284,570	\$ 1,399,865	\$ 3,553,070	\$ 5,023,669	\$ 16,261,174
Fund reclassifications:					
Severance Payout Reserve Fund	<u>1,309,907</u>	-	-	<u>(1,309,907)</u>	-
Total fund reclassifications	<u>1,309,907</u>	-	-	<u>(1,309,907)</u>	-
Restated fund balance at January 1, 2011	<u>\$ 7,594,477</u>	<u>\$ 1,399,865</u>	<u>\$ 3,553,070</u>	<u>\$ 3,713,762</u>	<u>\$ 16,261,174</u>

The fund reclassifications did not have an effect on net assets as previously reported.

**C. Deficit Fund Balances**

Fund balances at December 31, 2011 included the following individual fund deficits:

<u>Nonmajor governmental funds</u>	<u>Deficit</u>
Capital Improvement Projects	\$ 332,718

This fund complied with Ohio State law, which does not permit a cash basis deficit at year end. The general fund is liable for any deficit in this fund and provides transfers when cash is required, not when accruals occur. The deficit balance in the Capital Improvement Projects fund is the result of recording a fund liability for manuscript bonds (See Note 5.C).

**NOTE 4 - DEPOSITS AND INVESTMENTS**

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

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

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

**CITY OF FINDLAY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2011

**NOTE 4 - DEPOSITS AND INVESTMENTS - (Continued)**

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

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

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

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

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

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

**CITY OF FINDLAY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2011**

**NOTE 4 - DEPOSITS AND INVESTMENTS - (Continued)**

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

*Cash with Fiduciary Agent:* At year end, the City had \$259,700 on deposit with the Hancock County Treasurer. The data regarding insurance and collateralization can be obtained from the Hancock County Comprehensive Annual Financial Report for the year ended December 31, 2011. This amount is not included in the City's depository balance below.

*Cash with Escrow Agent:* At year end, the City had \$229,985 on deposit with financial institutions for retainage escrow accounts and bond and coupon payments. These amounts are included in the City's depository balance below.

*Cash in Segregated Accounts:* At year end, the City had \$56,904 deposited with a financial institution for monies related to the Revolving Loan special revenue fund (a nonmajor governmental fund), the Municipal Court agency fund, employee benefits, energy bond escrow, and for police special drug operations. These amounts are included in the City's depository balance below.

**A. Deposits with Financial Institutions**

At December 31, 2011, the carrying amount of all City deposits was \$29,661,606 and the bank balance of all City deposits was \$30,290,953. Of the bank balance, \$13,455,541 was covered by pledged collateral held by the Federal Reserve Bank of Boston in the name of the City, \$12,975,173 was exposed to custodial risk as discussed below and \$3,860,239 was covered by the FDIC.

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

**CITY OF FINDLAY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2011

**NOTE 4 - DEPOSITS AND INVESTMENTS - (Continued)**

**B. Investments**

As of December 31, 2011, the City had the following investments and maturities:

<u>Investment type</u>	<u>Fair Value</u>	<u>Investment</u>
		<u>Maturities</u>
		<u>6 months or less</u>
FHLB	\$ 1,001,840	\$ 1,001,840
FNMA	1,005,300	1,018,430
STAR Ohio	<u>28,700</u>	<u>28,700</u>
Total	<u>\$ 2,035,840</u>	<u>\$ 2,048,970</u>

The weighted average length to maturity of investment is 0.24 years.

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

*Credit Risk:* STAR Ohio carries a rating of AAAm by Standard & Poor's. Ohio law requires that STAR Ohio maintain the highest rating provided by at least one nationally recognized standard rating service. The City's investments in FHLB and FNMA securities carry a rating of AA+ by Standard & Poor's and Aaa by Moody's. The City's investment policy does not specifically address credit risk beyond requiring the City to only invest in securities authorized by State statute.

*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 FHLB and FNMA securities are exposed to custodial credit risk in that they are uninsured, unregistered and held by the counterparty's trust department or agent but not in the City's name. The City has no investment policy dealing with investment custodial risk beyond the requirement in State statute that prohibits payment for investments prior to the delivery of the securities representing such investments to the City Auditor or qualified trustee. For 2012, the City has entered into a third party custodial agreement for investments other than certificates of deposit.

*Concentration of Credit Risk:* The City's investment policy addresses concentration of credit risk by requiring investments to be diversified to reduce the risk of loss resulting from over concentration of assets in a specific issue or specific class of securities. The following table includes the percentage of each investment type held by the City at December 31, 2011:

<u>Investment type</u>	<u>Fair Value</u>	<u>% of Total</u>
FHLB	\$ 1,001,840	48.90
FNMA	1,005,300	49.70
STAR Ohio	<u>28,700</u>	<u>1.40</u>
Total	<u>\$ 2,035,840</u>	<u>100.00</u>

**CITY OF FINDLAY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2011

**NOTE 4 - DEPOSITS AND INVESTMENTS - (Continued)**

**C. Reconciliation of Cash and Investments to the Statement of Net Assets**

The following is a reconciliation of cash and investments as reported in the note above to cash and investments as reported on the statement of net assets as of December 31, 2011:

<u>Cash and investments per note</u>	
Carrying amount of deposits	\$ 29,661,606
Investments	2,035,840
Cash with fiduciary agent	<u>259,700</u>
 Total	 <u>\$ 31,957,146</u>
 <u>Cash and investments per statement of net assets</u>	
Governmental activities	\$ 19,147,193
Business-type activities	12,491,485
Fiduciary funds	<u>318,468</u>
 Total	 <u>\$ 31,957,146</u>

**NOTE 5 - INTERFUND TRANSACTIONS**

**A. Interfund Transfers**

Interfund transfers for the year ended December 31, 2011, consisted of the following, as reported in the fund financial statements:

<u>Transfers From</u>	Transfers To						<u>Total</u>
	<u>General</u>	<u>Street Maintenance and Repair</u>	<u>City Income Tax Administration</u>	<u>Nonmajor Governmental</u>	<u>Airport</u>	<u>Nonmajor Enterprise</u>	
General	\$ -	\$ 195,184	\$ 290,366	\$ 1,000	\$ 212,282	\$ 70,921	\$ 769,753
Street Maintenance and Repair	-	-	88,435	150	-	-	88,585
City Income Tax Administration	16,997,340	1,609,000	-	1,053,714	68,710	15,000	19,743,764
Nonmajor Governmental	541,972	5,000	355,098	54,449	-	-	956,519
Airport	<u>-</u>	<u>-</u>	<u>49,497</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>49,497</u>
Total	<u>\$ 17,539,312</u>	<u>\$ 1,809,184</u>	<u>\$ 783,396</u>	<u>\$ 1,109,313</u>	<u>\$ 280,992</u>	<u>\$ 85,921</u>	<u>\$ 21,608,118</u>

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

**CITY OF FINDLAY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2011

**NOTE 5 - INTERFUND TRANSACTIONS - (Continued)**

Transfers from general fund, water fund, street maintenance and repair fund, airport fund and nonmajor governmental funds to the city income tax administration fund represents the return of the unused portion of capital monies for completed projects.

Transfers from the nonmajor governmental funds to the general fund are to move resources collected in the police pension fund and the fire pension fund to general fund for payment of police and fire pension obligations.

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

**B. Due To/From Other Funds**

Amounts due to/from other funds reported at December 31, 2011 consisted of the following, as reported in the fund financial statements:

Due To	Due From Water
Water Pollution Control	\$ 415,594

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

**C. Interfund Loans Receivable/Payable**

Interfund loans consisted of the following at December 31, 2011, as reported on the fund statements:

Receivable Fund	Payable Fund	Amount
Water Pollution Control	Nonmajor Governmental Funds	\$ 353,200

The interfund receivable in the water pollution control fund represents the balance of an interfund loan made to the capital improvements project fund (a nonmajor governmental fund). The interfund loan balance represents the fiscal year-end balance of manuscript bonds that were issued during 2010. Interfund loan balances are eliminated for reporting on the government-wide financial statements. The balance between governmental activities and business-type activities is recorded as a component of the internal balance reported on the statement of net assets.

**CITY OF FINDLAY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2011

**NOTE 6 - TAXES**

**A. Property Tax**

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

Public utility real and tangible personal property taxes collected in one calendar year are levied in the preceding calendar year on assessed values determined as of December 31 of the second year preceding the tax collection year, the lien date. Public utility tangible personal property is assessed at varying percentages of true value; public utility real property is assessed at 35 percent of true value. 2011 public utility property taxes became a lien December 31, 2010, are levied after October 1, 2011, and are collected in 2012 with real property taxes. Public utility property taxes are payable on the same dates as real property taxes described previously.

The County Treasurer collects property taxes on behalf of all taxing districts in the County, including the City of Findlay. The County Auditor periodically remits to the City its portion of the taxes collected. Property taxes receivable represents real property taxes, public utility taxes, delinquent tangible personal property taxes and other outstanding delinquencies which are measurable as of December 31, 2011 and for which there is an enforceable legal claim. In the governmental funds, the current portion receivable has been offset by unearned revenue since the current taxes were not levied to finance 2011 operations and the collection of delinquent taxes has been offset by deferred revenue since the collection of the taxes during the available period is not subject to reasonable estimation. On a full accrual basis, collectible delinquent property taxes have been recorded as a receivable and revenue while on a modified accrual basis the revenue is deferred.

The tax rate applicable to the 2011 operations was 3.2 mills. The assessed values of real and public utility property upon which 2011 property tax receipts were based are as follows:

Real property	\$ 780,537,240
Tangible personal property	684,753
Real and personal public utility	<u>21,482,850</u>
Total assessed value	<u>\$ 802,704,843</u>



**CITY OF FINDLAY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2011**

**NOTE 6 - TAXES - (Continued)**

**B. City Income Tax**

The City levies an income tax of 1.25% on the gross salaries, wages, and other service compensation earned by residents of the City and to the earnings of nonresidents working within the City. This tax also applies to the net income of businesses operating within the City. The City also requires certain employers to remit withholding taxes on a monthly basis as opposed to a quarterly basis. In the November 2009 election, voters approved a 0.25% increase to the income tax for a period of three years (effectively increasing the income tax from 1.00% to 1.25%). The 0.25% increase became effective January 1, 2010 and expires December 31, 2012.

The receipts of the City income tax and the administrative costs associated with their collection are accounted for in the City Income Tax Administration fund. Income tax receipts, net of the related administrative costs, are disbursed, appropriated, and allocated in accordance with City Ordinance. For 2011, \$600,000 was allocated to capital improvements/flood mitigation with the remainder being disbursed as follows: 84% was transferred to the general fund and 16% was used for general capital improvements. For 2012, \$600,000 will be allocated to capital improvements/flood mitigation with the remainder being disbursed as follows: 90% will be transferred to the general fund and 10% will be used for general capital improvements. The 2012 allocation is determined by ordinance of Council and can be changed by Council at any time.

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**CITY OF FINDLAY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2011

**NOTE 7 - RECEIVABLES**

**A. Governmental Funds**

The City's receivables from outside parties at December 31, 2011, by fund, are shown as follows:

	Major Funds				Total Governmental Funds
	City	Street	Nonmajor	Total	
	General	Income Tax Administration	Maintenance and Repair	Governmental Funds	
Income taxes	\$ -	\$ 4,502,300	\$ -		\$ 4,502,300
Property taxes	1,789,163	-	-	478,568	2,267,731
Hotel/motel taxes	91,896	-	-	-	91,896
Economic development loans	-	-	-	808,053	808,053
Special assessments	-	-	-	24,601	24,601
Tax increment financing payments	-	-	-	178,944	178,944
Miscellaneous	88,725	-	10,170	-	98,895
Accrued interest - unrestricted	5,749	-	129	225	6,103
Total receivables, net of allowances	<u>\$ 1,975,533</u>	<u>\$ 4,502,300</u>	<u>\$ 10,299</u>	<u>\$ 1,490,391</u>	<u>\$ 7,978,523</u>
Due from other governments:					
Property tax rollbacks	\$ 112,651	\$ -	\$ -	\$ 26,030	\$ 138,681
Estate taxes	577,492	-	-	-	577,492
Local government funds	264,905	-	-	-	264,905
State tax	88,521	-	-	-	88,521
Fuel tax	-	-	692,819	56,175	748,994
Motor vehicle license fees	-	-	24,911	2,020	26,931
Total due from other governments	<u>\$ 1,043,569</u>	<u>\$ -</u>	<u>\$ 717,730</u>	<u>\$ 84,225</u>	<u>\$ 1,845,524</u>
Total due from outside parties	<u>\$ 3,019,102</u>	<u>\$ 4,502,300</u>	<u>\$ 728,029</u>	<u>\$ 1,574,616</u>	<u>\$ 9,824,047</u>

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

City income taxes accrued at December 31, 2011 represent income taxes due the City at year end. Delinquent income taxes represent interest, penalties, and additional taxes due as a result of audits of returns filed.

Property taxes accrued at December 31, 2011 represent the City's portion of 2012 taxes to be collected by the Hancock County Treasurer during 2012 based on the assessed value of property described in Note 6.A.

Hotel/Motel taxes accrued at December 31, 2011 represent 2011 transient lodging taxes due to the City at year end from hotels and motels located within the City's corporation limits.

Economic development loans receivable at December 31, 2011 reported in the Revolving Loan Fund (a nonmajor governmental fund) represent loans to qualified businesses for the purpose of economic development. These loans are being repaid over a number of years.

**CITY OF FINDLAY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2011

**NOTE 7 - RECEIVABLES - (Continued)**

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

Tax increment financing payments accrued at December 31, 2011 represent 2011 service payments in lieu of taxes for improvement projects performed benefitting specific real estate parcels.

Accrued interest represents the amount of interest that has accrued on investments as of December 31, 2011.

Due from other governments in the general fund represents 2011 State taxes, local government monies and property tax rollbacks (intergovernmental) anticipated to be received by the City from January 1, 2012 through June 30, 2012 and estate taxes due at December 31, 2011.

Due from other governments in the special revenue funds represents 2011 motor vehicle license fees, gasoline excise taxes, and property tax rollbacks anticipated to be received by the City from January 1, 2012 to June 30, 2012.

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

**B. Proprietary Funds**

The City's receivables from outside parties at December 31, 2011, by fund, are shown as follows:

	Major Funds			Internal Service Funds	Total Proprietary Funds
	Water	Water Pollution Control	Airport		
Billed and unbilled charges for services	\$ 1,554,685	\$ 424,454	\$ 46,557	\$ -	\$ 2,025,696
Accrued interest - unrestricted	1,624	2,055	-	160	3,839
Total receivables, net of allowances	\$ 1,556,309	\$ 426,509	\$ 46,557	\$ 160	\$ 2,029,535
Total due from outside parties	\$ 1,556,309	\$ 426,509	\$ 46,557	\$ 160	\$ 2,029,535

Residents are billed on a bi-monthly basis for water and wastewater service with approximately one-half of the City's customers being billed each month. Unbilled service receivables are accrued based upon the consumption for the applicable area of the City during the related period.

Accrued interest represents the amount of interest that has accrued on investments as of December 31, 2011.

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

**CITY OF FINDLAY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2011

**NOTE 8 - CAPITAL ASSETS**

**A. Governmental activities**

Governmental activities capital asset activity for the year ended December 31, 2011, was as follows:

	Balance			Balance
<b><u>Governmental activities:</u></b>	<u>12/31/10</u>	<u>Additions</u>	<u>Disposals</u>	<u>12/31/11</u>
<i>Capital assets, not being depreciated:</i>				
Land	\$ 8,728,812	\$ 146,270	\$ -	\$ 8,875,082
Nondepreciable land improvements	653,392	-	-	653,392
Computer software	811,585	-	(133,075)	678,510
Construction in progress	<u>3,183,637</u>	<u>3,097,935</u>	<u>(2,713,912)</u>	<u>3,567,660</u>
Total capital assets, not being depreciated	<u>13,377,426</u>	<u>3,244,205</u>	<u>(2,846,987)</u>	<u>13,774,644</u>
<i>Capital assets, being depreciated:</i>				
Buildings and improvements	12,054,779	-	(14,220)	12,040,559
Improvements other than buildings	5,186,565	36,309	-	5,222,874
Equipment	13,330,999	590,747	(377,409)	13,544,337
Infrastructure	<u>93,241,809</u>	<u>3,572,030</u>	<u>(261,062)</u>	<u>96,552,777</u>
Total capital assets, being depreciated	<u>123,814,152</u>	<u>4,199,086</u>	<u>(652,691)</u>	<u>127,360,547</u>
<i>Less: accumulated depreciation:</i>				
Buildings and improvements	(4,530,937)	(233,908)	13,790	(4,751,055)
Improvements other than buildings	(693,619)	(254,014)	-	(947,633)
Equipment	(8,653,792)	(994,905)	374,194	(9,274,503)
Infrastructure	<u>(41,671,552)</u>	<u>(2,610,074)</u>	<u>217,709</u>	<u>(44,063,917)</u>
Total accumulated depreciation	<u>(55,549,900)</u>	<u>(4,092,901)</u>	<u>605,693</u>	<u>(59,037,108)</u>
Total capital assets, being depreciated, net	<u>68,264,252</u>	<u>106,185</u>	<u>(46,998)</u>	<u>68,323,439</u>
Governmental activities capital assets, net	<u>\$ 81,641,678</u>	<u>\$ 3,350,390</u>	<u>\$ (2,893,985)</u>	<u>\$ 82,098,083</u>

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

<b><u>Governmental activities:</u></b>	
General government	\$ 388,388
Security of persons and property	786,273
Transportation	2,741,325
Leisure time activities	69,815
Public health and welfare	<u>107,100</u>
Total depreciation expense	<u>\$ 4,092,901</u>

**CITY OF FINDLAY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2011

**NOTE 8 - CAPITAL ASSETS - (Continued)**

**B. Business-type activities**

Business-type activities capital asset activity for the year ended December 31, 2011, was as follows:

<b><u>Business-type activities:</u></b>	<u>Balance</u> <u>12/31/10</u>	<u>Additions</u>	<u>Disposals</u>	<u>Balance</u> <u>12/31/11</u>
<i>Capital assets, not being depreciated:</i>				
Land	\$ 4,734,694	\$ -	\$ -	\$ 4,734,694
Computer software	100,272	-	-	100,272
Construction in progress	<u>3,374,903</u>	<u>1,950,527</u>	<u>(476,086)</u>	<u>4,849,344</u>
Total capital assets, not being depreciated	<u>8,209,869</u>	<u>1,950,527</u>	<u>(476,086)</u>	<u>9,684,310</u>
<i>Capital assets, being depreciated:</i>				
Buildings	1,632,539	-	-	1,632,539
Utility plant in service	77,352,307	-	-	77,352,307
Utility lines in service	100,706,121	558,864	-	101,264,985
Improvements other than buildings	22,540,481	184,340	-	22,724,821
Machinery and equipment	<u>8,302,572</u>	<u>128,671</u>	<u>(363,487)</u>	<u>8,067,756</u>
Total capital assets, being depreciated	<u>210,534,020</u>	<u>871,875</u>	<u>(363,487)</u>	<u>211,042,408</u>
<i>Less: accumulated depreciation:</i>				
Buildings	(1,398,517)	(81,368)	-	(1,479,885)
Utility plant in service	(27,120,905)	(1,516,811)	-	(28,637,716)
Utility lines in service	(19,334,075)	(1,195,578)	-	(20,529,653)
Improvements other than buildings	(7,622,778)	(817,114)	-	(8,439,892)
Machinery and equipment	<u>(6,372,051)</u>	<u>(716,720)</u>	<u>363,484</u>	<u>(6,725,287)</u>
Total accumulated depreciation	<u>(61,848,326)</u>	<u>(4,327,591)</u>	<u>363,484</u>	<u>(65,812,433)</u>
Total capital assets, being depreciated, net	<u>148,685,694</u>	<u>(3,455,716)</u>	<u>(3)</u>	<u>145,229,975</u>
Business-type activities capital assets, net	<u>\$ 156,895,563</u>	<u>\$ (1,505,189)</u>	<u>\$ (476,089)</u>	<u>\$ 154,914,285</u>

**CITY OF FINDLAY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2011

**NOTE 8 - CAPITAL ASSETS - (Continued)**

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

**Business-type activities:**

Water	\$ 1,215,680
Water pollution control	2,009,591
Airport	1,076,814
Swimming pool	<u>25,506</u>
Total depreciation expense	<u>\$ 4,327,591</u>

**NOTE 9 - RISK MANAGEMENT**

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

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

The City's policy for reporting a claims liability is based on the requirements GASB Statement No. 10, "Accounting and Financial Reporting for Risk Financing and Related Insurance Issues", as amended by GASB Statement No. 30, "Risk Financing Omnibus", which requires that a liability for unpaid claims costs, including estimates of costs relating to incurred, but not reported claims, be accrued at the estimated ultimate cost of settling the claims. It is the opinion of the City's legal counsel that, as of December 31, 2011, there were no material outstanding claims pending for the Self-Insurance fund. Claims activity for 2011 and 2010 are as follows:

<u>Year</u>	<u>Balance at Beginning of Year</u>	<u>Current Year Claims and Changes in Estimates</u>	<u>Claim Payments</u>	<u>Balance at End of Year</u>
2011	\$ -	\$ 6,195	\$ (5,809)	\$ 386
2010	-	14,432	(14,432)	-

**CITY OF FINDLAY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2011

**NOTE 9 - RISK MANAGEMENT - (Continued)**

During 2010, the City began participating in the Ohio Bureau of Workers' Compensation (Bureau) Retrospective Rating Plan (the Plan). The alternative rating program requires the City to pay only administrative charges to the Bureau, and in turn the City assumes the responsibility of paying all claims incurred during the policy period for up to ten years. After the tenth year, the Bureau will assume any existing claim for its duration. The City will be charged an actuarial amount for the claims transferred to the Bureau. The City's stop-loss coverage through the Plan is limited to \$300,000 per claim with a stop-loss annual coverage aggregate of 200% of the experience premium if the City would not have participated in the Plan.

The City's Workers' Compensation program is accounted for in an internal service fund which will pay for all claims, claim reserves and administrative costs of the program. The internal service fund generates revenues by charging each fund a percentage rate determined by the City as recommended by its third party administrator for workers' compensation for the payroll during the reporting period. The City has reported a liability in the financial statements amounting to \$209,311 that will be used for future claims payments. This liability has been reported as "workers' compensation payable" in the financial statements. Changes in the workers' compensation payable liability in 2011 and 2010 follows:

<u>Year</u>	<u>Balance at Beginning of Year</u>	<u>Current Year Claims and Changes in Estimates</u>	<u>Claim Payments</u>	<u>Balance at End of Year</u>
2011	\$ 498,802	\$ 45,006	\$ (334,497)	\$ 209,311
2010	-	498,802	-	498,802

The City is self-insured for medical, dental, vision and prescription drug benefits (the Program). The Program is administered through by third party administrator who manages and processes the claims. The City makes required payments to the third party administrator to reimburse them for the claim payments. The City's stop-loss coverage through the Program is limited to \$100,000 per claim with a stop-loss annual coverage aggregate that varies based upon the number of contracts in the Program. The City has reported a liability in the financial statements amounting to \$431,849 that will be used for future claims payments. This liability has been reported as "insurance deposits payable" in the financial statements. Changes in the insurance deposits payable liability in 2011 and 2010 follows:

<u>Year</u>	<u>Balance at Beginning of Year</u>	<u>Current Year Claims and Changes in Estimates</u>	<u>Claim Payments</u>	<u>Balance at End of Year</u>
2011	\$ 442,163	\$ 5,333,185	\$ (5,343,499)	\$ 431,849
2010	764,163	4,242,185	(4,564,185)	442,163

**CITY OF FINDLAY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2011

**NOTE 10 - RESTRICTED ASSETS**

Restricted assets at December 31, 2011 are comprised of the following:

	<u>Cash and Investments</u>	<u>Deferred Bond Costs</u>	<u>Total</u>
<u>Major governmental funds:</u>			
City income tax administration fund:			
Restricted for capital improvements	\$ 2,602,029	\$ -	\$ 2,602,029
	<u>2,602,029</u>	<u>-</u>	<u>2,602,029</u>
Total governmental activities	\$ 2,602,029	\$ -	\$ 2,602,029
	<u>2,602,029</u>	<u>-</u>	<u>2,602,029</u>
<u>Major enterprise funds:</u>			
Water fund:			
Restricted for capital improvements to utility lines	\$ 717,301	\$ -	\$ 717,301
Deferred bond costs	-	38,612	38,612
	<u>717,301</u>	<u>38,612</u>	<u>755,913</u>
<u>Water pollution control fund:</u>			
Restricted for capital improvements to utility lines	4,493,811	-	4,493,811
Deferred bond costs	-	60,121	60,121
	<u>4,493,811</u>	<u>60,121</u>	<u>4,553,932</u>
<u>Airport fund:</u>			
Deferred bond costs	-	241	241
	<u>-</u>	<u>241</u>	<u>241</u>
Total business-type activities	\$ 5,211,112	\$ 98,974	\$ 5,310,086
	<u>5,211,112</u>	<u>98,974</u>	<u>5,310,086</u>

Deferred Bond Costs represent the costs associated with the issuance of various bond issues of the water, water pollution control and airport fund. These costs are being amortized on a straight-line basis over life of the bond issues. Restricted cash and investments in the governmental funds are equally offset by a fund balance commitment.



**CITY OF FINDLAY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2011

**NOTE 11 - LONG-TERM OBLIGATIONS**

**A. Governmental activities**

In 2011, the following changes occurred in the City's governmental activities long-term obligations:

	Interest	Maturity	Balance				Balance	Amounts
<b>Governmental activities:</b>	<u>Rate</u>	<u>Date</u>	<u>12/31/10</u>	<u>Additions</u>	<u>Disposals</u>	<u>12/31/11</u>	<u>Due in</u>	
<u>General obligation bonds</u>								
Series 2004 fire improvement refunding	2.50- 5.25%	2016	\$ 1,040,000	\$ -	\$ (155,000)	\$ 885,000	\$ 165,000	
Series 2004 city-wide radio refunding	2.50 - 3.75%	2011	165,000	-	(165,000)	-	-	
Series 2003 HRC land acquisition	2.00 - 3.60%	2015	445,000	-	(85,000)	360,000	85,000	
Series 2008 HRC rehab	3.25 - 4.50%	2033	2,285,000	-	(25,000)	2,260,000	30,000	
Series 2008 CR 236 land acquisition	3.25 - 4.50%	2033	680,000	-	(10,000)	670,000	10,000	
Series 2008 CR 236 widening	3.25 - 4.50%	2028	3,295,000	-	(25,000)	3,270,000	25,000	
Series 2008 five plex (ball diamonds)	3.25 - 4.00%	2018	1,490,000	-	(165,000)	1,325,000	170,000	
Series 2011 energy bonds - Series A	2.96%	2019	-	518,006	-	518,006	58,336	
Series 2011 energy bonds - Series B	5.40%	2026	-	518,005	-	518,005	-	
Total general obligation bonds			<u>9,400,000</u>	<u>1,036,011</u>	<u>(630,000)</u>	<u>9,806,011</u>	<u>543,336</u>	
<u>Special assessment bonds</u>								
Series 2001 Rockwell Avenue improvements	4.70%	2011	14,550	-	(14,550)	-	-	
Series 2002 Hunters Creek swale	5.25%	2012	8,630	-	(4,315)	4,315	4,315	
Series 2003 East Melrose business park	8.43%	2013	10,965	-	(3,655)	7,310	3,655	
Total special assessment bonds			<u>34,145</u>	<u>-</u>	<u>(22,520)</u>	<u>11,625</u>	<u>7,970</u>	
<u>OPWC loans</u>								
Crystal/Melrose intersection	0%	2024	97,200	-	(7,200)	90,000	7,200	
Howard Street improvements	0%	2026	115,989	-	(7,483)	108,506	7,483	
Total OPWC loans payable			<u>213,189</u>	<u>-</u>	<u>(14,683)</u>	<u>198,506</u>	<u>14,683</u>	
<u>Other long-term obligations</u>								
Police and fire past service liability	4.30%	2035	1,131,741	-	(27,055)	1,104,686	28,218	
Compensated absences			<u>3,852,567</u>	<u>1,495,462</u>	<u>(1,413,078)</u>	<u>3,934,951</u>	<u>1,607,644</u>	
Total other long-term obligations			<u>4,984,308</u>	<u>1,495,462</u>	<u>(1,440,133)</u>	<u>5,039,637</u>	<u>1,635,862</u>	
Total governmental activities								
long-term obligations			14,631,642	<u>\$ 2,531,473</u>	<u>\$ (2,107,336)</u>	15,055,779	<u>\$ 2,201,851</u>	
Add: Unamortized premium on bond issue			46,264			36,503		
Less: Unamortized discount on bond issue			(42,400)			(40,522)		
Less: Unamortized deferred charges on refundings			<u>(71,286)</u>			<u>(54,246)</u>		
Total reported on the statement of net assets			<u>\$ 14,564,220</u>			<u>\$ 14,997,514</u>		

**CITY OF FINDLAY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2011

**NOTE 11 - LONG-TERM OBLIGATIONS - (Continued)**

Series 2004 Various Purpose Bonds (Fire Improvement Refunding Portion)

On October 20, 2004, the City issued \$10,560,000 in various purpose general obligation refunding bonds to advance refund previous obligations (also see Note 11.B). A portion of the proceeds, \$1,615,000, were used to advance refund the callable portion of the Series 1996 Fire Improvement Bonds (principal \$1,525,000) by purchasing State and Local Government Securities (SLGS) that were placed in an irrevocable trust for the purpose of generating resources for all future debt service payments of the refunded debt. The call date on the refunded bonds was July 1, 2006. The refunded bonds were not included in the City's outstanding debt since the City has satisfied its obligations through the advance refunding (in-substance defeased). The assets held in trust as a result of the advance refunding are not included in the financial statements. The balance of the refunded bonds was \$870,000 at December 31, 2011.

The refunding issue is comprised of current interest serial bonds, par value \$1,615,000. During 2011, the City made \$155,000 in principal payments on these bonds leaving a liability of \$885,000 at year end. Principal and interest payments are made from the debt service fund (a nonmajor governmental fund). The refunding bonds pay interest semiannually on January 1 and July 1 of each year and mature on July 1, 2016. The refunding bonds are general obligations of the City for which the full faith and credit of the City is pledged for repayment.

Series 2004 Various Purpose Bonds (City-wide Radio System Refunding Portion)

On October 20, 2004, the City issued \$10,560,000 in various purpose general obligation refunding bonds to advance refund previous obligations (also see Note 11.B). A portion of the proceeds, \$805,000, were used to advance refund the callable portion of the Series 1996 City-wide Radio System Bonds (principal \$745,000) by purchasing SLGS that were placed in an irrevocable trust for the purpose of generating resources for all future debt service payments of the refunded debt. The call date on the refunded bonds was July 1, 2006. The refunded bonds were not included in the City's outstanding debt since the City has satisfied its obligations through the advance refunding (in-substance defeased). The assets held in trust as a result of the advance refunding are not included in the financial statements. The refunded bonds were fully repaid as of December 31, 2011.

The refunding issue is comprised of current interest serial bonds, par value \$805,000. During 2011, the City made principal payments of \$165,000 on these bonds to completely retire the liability. Principal and interest payments were made from the debt service fund (a nonmajor governmental fund). The refunding bonds pay interest semiannually on January 1 and July 1 of each year and matured on July 1, 2011. The refunding bonds were general obligations of the City for which the full faith and credit of the City is pledged for repayment.

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

On May 22, 2003, the City issued \$9,820,000 in various purpose general obligation bonds to fund various projects (also see Note 11.B). A portion of the proceeds, \$956,500, was used to reimburse the general fund for the purchase of land adjacent to the Hancock Recreation Center (HRC/CUBE). During 2011, the City made \$85,000 in principal payments on these bonds leaving a liability of \$360,000 at year end. The principal and interest payments are made from the debt service fund (a nonmajor governmental fund). The bonds pay interest semiannually on January 1 and July 1 of each year and mature on July 1, 2015. These bonds are general obligations of the City for which the full faith and credit of the City are pledged for repayment.

**CITY OF FINDLAY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2011

**NOTE 11 - LONG-TERM OBLIGATIONS - (Continued)**

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

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

During 2011, the City made \$25,000 in principal payments on these bonds leaving a liability of \$2,260,000 at year end. Principal and interest payments are made from the debt service fund (a nonmajor governmental fund). The bonds pay interest semiannually on January 1 and July 1 of each year and mature on July 1, 2033. These bonds are general obligations of the City for which the full faith and credit of the City are pledged for repayment.

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

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

During 2011, the City made \$10,000 in principal payments on these bonds leaving a liability of \$670,000 at year end. Principal and interest payments are made from the debt service fund (a nonmajor governmental fund). The bonds pay interest semiannually on January 1 and July 1 of each year and mature on July 1, 2033. These bonds are general obligations of the City for which the full faith and credit of the City are pledged for repayment.

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

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

During 2011, the City made \$25,000 in principal payments on these bonds leaving a liability of \$3,270,000 at year end. Principal and interest payments are made from the debt service fund (a nonmajor governmental fund). The bonds pay interest semiannually on January 1 and July 1 of each year and mature on July 1, 2028. These bonds are general obligations of the City for which the full faith and credit of the City are pledged for repayment.

Series 2008 Various Purpose Bonds (5-Plex Portion)

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

## CITY OF FINDLAY, OHIO

### NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2011

#### NOTE 11 - LONG-TERM OBLIGATIONS - (Continued)

During 2011, the City made \$165,000 in principal payments on these bonds leaving a liability of \$1,325,000 at year end. Principal and interest payments are made from the debt service fund (a nonmajor governmental fund). The bonds pay interest semiannually on January 1 and July 1 of each year and mature on July 1, 2018. These bonds are general obligations of the City for which the full faith and credit of the City are pledged for repayment.

##### Series 2011 Energy Bonds

On June 30, 2011, the City issued \$518,006 of energy improvement bonds – Series A and \$518,005 of energy improvement bonds – Series B to finance energy efficiency and conservation systems in the City. The bonds were issued through the State of Ohio Air Quality Development Authority (the “Authority”). On June 30, 2011, the City entered into a loan agreement with the Authority whereby the City agreed to pay the debt service payments on the bonds issued by the Authority. In conjunction with the bond issue, the City also entered into an escrow agreement with the Authority and Huntington National Bank whereby the Authority will deposit the bond proceeds into the escrow accounts for use in financing the projects. The Series B bonds are qualified energy bonds whose interest is partially subsidized by the federal government. The full amount of the interest expenditure is reported on the financial statements and the interest subsidy is reported as intergovernmental revenue. During 2011, the City received an interest subsidies totaling \$7,741 from the federal government related to the Series B bonds. Principal and interest payments are made from the debt service fund (a nonmajor governmental fund). The bonds pay interest semiannually on June 1 and December 1 of each year and mature on December 1, 2019 (Series A bonds) and December 1, 2026 (Series B bonds). These bonds are general obligations of the City for which the full faith and credit of the City are pledged for repayment.

##### Ohio Public Works Commission (OPWC) Loans

The City has entered into loan agreements with the OPWC to finance Crystal/Melrose intersection improvements and Howard Street improvements. These loans are interest free and have twenty year terms. The OPWC loans are being retired out of the debt service fund (a nonmajor governmental fund).

##### Special Assessment Bonds

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

##### Police and Fire Past Service Liability

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

**CITY OF FINDLAY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2011

**NOTE 11 - LONG-TERM OBLIGATIONS - (Continued)**

Compensated Absences

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

Future Debt Service Requirements

The following is a schedule of future principal and interest payments to retire the governmental activities bonds and loans and police and fire past service liability outstanding at December 31, 2011:

Year Ending December 31,	General Obligation Bonds			Special Assessment Bonds			OPWC
	Principal	Interest	Total	Principal	Interest	Total	Loans Principal
2012	\$ 543,336	\$ 410,046	\$ 953,382	\$ 7,970	\$ 842	\$ 8,812	\$ 14,683
2013	565,063	390,889	955,952	3,655	308	3,963	14,683
2014	571,840	370,902	942,742	-	-	-	14,683
2015	603,671	349,471	953,142	-	-	-	14,683
2016	525,555	325,354	850,909	-	-	-	14,684
2017 - 2021	1,869,870	1,376,946	3,246,816	-	-	-	73,416
2022 - 2026	2,226,676	953,230	3,179,906	-	-	-	51,674
2027 - 2031	2,020,000	467,705	2,487,705	-	-	-	-
2032 - 2033	880,000	59,850	939,850	-	-	-	-
Totals	<u>\$ 9,806,011</u>	<u>\$ 4,704,393</u>	<u>\$ 14,510,404</u>	<u>\$ 11,625</u>	<u>\$ 1,150</u>	<u>\$ 12,775</u>	<u>\$ 198,506</u>

Year Ending December 31,	Police and Fire Past Service Liability		
	Principal	Interest	Total
2012	\$ 28,218	\$ 46,652	\$ 74,870
2013	29,430	45,440	74,870
2014	30,693	44,177	74,870
2015	32,012	42,858	74,870
2016	33,387	41,483	74,870
2017 - 2021	189,719	184,631	374,350
2022 - 2026	234,114	140,236	374,350
2027 - 2031	288,901	85,449	374,350
2032 - 2035	238,212	20,466	258,678
Totals	<u>\$ 1,104,686</u>	<u>\$ 651,392</u>	<u>\$ 1,756,078</u>

**CITY OF FINDLAY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2011

**NOTE 11 - LONG-TERM OBLIGATIONS - (Continued)**

**B. Business-type activities**

During 2011, the following changes occurred in the City's business-type activities long-term obligations:

<b>Business-type activities:</b>	Interest <u>Rate</u>	Maturity <u>Date</u>	Balance <u>12/31/10</u>	<u>Additions</u>	<u>Disposals</u>	Balance <u>12/31/11</u>	Due in <u>One Year</u>
<u>General obligation bonds:</u>							
Series 2003 sewer refunding	2.00 - 5.00%	2011	\$ 695,000	\$ -	\$ (695,000)	\$ -	\$ -
Series 2003 water refunding	2.00 - 4.00%	2018	2,250,000	-	(245,000)	2,005,000	250,000
Series 2004 northern corridor sewer refunding	2.50 - 5.25%	2017	4,490,000	-	(570,000)	3,920,000	590,000
Series 2004 aircraft fueling system refunding	2.50 - 3.75%	2012	95,000	-	(45,000)	50,000	50,000
Series 2004 water pump station refunding	2.50 - 5.25%	2016	895,000	-	(135,000)	760,000	140,000
Series 1998 water improvement	3.65 - 4.90%	2011	1,805,000	-	(1,805,000)	-	-
Series 2011 water refunding	1.95%	2018	-	<u>1,625,000</u>	-	<u>1,625,000</u>	<u>220,000</u>
Total general obligation bonds			<u>10,230,000</u>	<u>1,625,000</u>	<u>(3,495,000)</u>	<u>8,360,000</u>	<u>1,250,000</u>
<u>OWDA loans:</u>							
Bright Road interceptor and sewer separation	1.73%	2023	2,391,295	-	(172,932)	2,218,363	175,936
Sewer system improvements	4.36%	2021	21,223,684	-	(1,540,767)	19,682,917	1,608,677
Sewer treatment plant improvements	4.80%	2011	145,093	-	(145,093)	-	-
Water plant improvements	3.25%	2026	3,417,119	-	(165,862)	3,251,257	171,296
Water treatment plant clearwell repair	0.00%	2015	<u>42,137</u>	-	<u>(10,534)</u>	<u>31,603</u>	<u>10,534</u>
Total OWDA loans			<u>27,219,328</u>	<u>-</u>	<u>(2,035,188)</u>	<u>25,184,140</u>	<u>1,966,443</u>
<u>Other long-term obligations:</u>							
OPWC loans	0%	2019-2025	783,594	-	(55,338)	728,256	55,338
Compensated absences			<u>822,289</u>	<u>438,132</u>	<u>(490,972)</u>	<u>769,449</u>	<u>458,855</u>
Total other long-term obligations			<u>1,605,883</u>	<u>438,132</u>	<u>(546,310)</u>	<u>1,497,705</u>	<u>514,193</u>
Total business-type activities long-term obligations			39,055,211	<u>\$ 2,063,132</u>	<u>\$ (6,076,498)</u>	35,041,845	<u>\$ 3,730,636</u>
Add: Unamortized premium on bonds			215,718			168,965	
Less: Unamortized deferred charges on refundings			<u>(485,187)</u>			<u>(447,987)</u>	
Total reported on statement of net assets			<u>\$ 38,785,742</u>			<u>\$ 34,762,823</u>	

**CITY OF FINDLAY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2011

**NOTE 11 - LONG-TERM OBLIGATIONS - (Continued)**

Series 2003 Various Purpose Bonds (Sewer Refunding Portion)

On May 22, 2003, the City issued \$9,820,000 in various purpose general obligation bonds to fund various projects (also see Note 11.A). A portion of the proceeds, \$5,070,000, were used to currently refund the callable portion of the Series 1993 sewer refunding bonds (principal \$5,425,000, average interest rate 5.447%). This refunded debt is considered defeased and accordingly, has been removed from the statement of net assets. The refunded bonds were fully repaid as of December 31, 2011.

The refunding issue is comprised of current interest serial bonds, par value \$5,070,000. During 2011, the City made principal payments of \$695,000 on these bonds to completely retire the liability. Principal and interest payments were made from the water pollution control fund. The refunding bonds pay interest semiannually on January 1 and July 1 of each year and matured on July 1, 2011. The refunding bonds were general obligations of the City for which the full faith and credit of the City is pledged for repayment.

Series 2003 Various Purpose Bonds (Water Refunding Portion)

On May 22, 2003, the City issued \$9,820,000 in various purpose general obligation bonds to fund various projects (also see Note 11.A). A portion of the proceeds, \$3,785,000, were used to currently refund the callable portion of the Series 1993 water improvement bonds (principal \$3,690,000, average interest rate 5.526%). The issuance proceeds were used to repay the callable portion of the 1993 bonds on the call date which was July 1, 2003. This refunded debt is considered defeased and accordingly, has been removed from the statement of net assets. The balance of the refunded bonds was \$2,085,000 at December 31, 2011; however, this amount is not reported as an obligation of the City as it was in-substance defeased as a result of the advance refunding.

The refunding issue is comprised of current interest serial bonds, par value \$3,785,000. During 2011, the City made principal payments of \$245,000 on these bonds leaving a liability of \$2,005,000 at year end. Principal and interest payments are made from the water fund. The refunding bonds pay interest semiannually on January 1 and July 1 of each year and mature on July 1, 2018. The refunding bonds are general obligations of the City for which the full faith and credit of the City is pledged for repayment.

Series 2004 Various Purpose Bonds (Northern Corridor Sewer Refunding Portion)

On October 20, 2004, the City issued \$10,560,000 in various purpose general obligation refunding bonds to advance refund previous obligations (also see Note 11.A). A portion of the proceeds, \$6,480,000, were used to advance refund the callable portion of the Series 1996 northern corridor sewer bonds (principal \$6,085,000) by purchasing State and Local Government Securities (SLGS) that were placed in an irrevocable trust for the purpose of generating resources for all future debt service payments of the refunded debt. The call date on the refunded bonds was July 1, 2006. The refunded bonds were not included in the City's outstanding debt since the City has satisfied its obligations through the advance refunding (in-substance defeased). The assets held in trust as a result of the advance refunding are not included in the financial statements. The balance of the refunded bonds was \$3,775,000 at December 31, 2011; however, this amount is not reported as an obligation of the City as it was in-substance defeased as a result of the advance refunding.

**CITY OF FINDLAY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2011

**NOTE 11 - LONG-TERM OBLIGATIONS - (Continued)**

The refunding issue is comprised of current interest serial bonds, par value \$6,480,000. During 2011, the City made principal payments of \$570,000 on these bonds leaving a liability of \$3,920,000 at year end. Principal and interest payments are made from the water pollution control fund. The refunding bonds pay interest semiannually on January 1 and July 1 of each year and mature on July 1, 2017. The refunding bonds are general obligations of the City for which the full faith and credit of the City is pledged for repayment.

Series 2004 Various Purpose Bonds (Aircraft Refueling System Refunding Portion)

On October 20, 2004, the City issued \$10,560,000 in various purpose general obligation refunding bonds to advance refund previous obligations (also see Note 11.A). A portion of the proceeds, \$270,000, were used to advance refund the callable portion of the Series 1996 aircraft refueling system bonds (principal \$250,000) by purchasing SLGS that were placed in an irrevocable trust for the purpose of generating resources for all future debt service payments of the refunded debt. The call date on the refunded bonds was July 1, 2006. The refunded bonds were not included in the City's outstanding debt since the City has satisfied its obligations through the advance refunding (in-substance defeased). The assets held in trust as a result of the advance refunding are not included in the financial statements. The balance of the refunded bonds was \$50,000 at December 31, 2011; however, this amount is not reported as an obligation of the City as it was in-substance defeased as a result of the advance refunding.

The refunding issue is comprised of current interest serial bonds, par value \$270,000. During 2011, the City made principal payments of \$45,000 on these bonds leaving a liability of \$50,000 at year end. Principal and interest payments are made from the airport fund. The refunding bonds pay interest semiannually on January 1 and July 1 of each year and mature on July 1, 2012. The refunding bonds are general obligations of the City for which the full faith and credit of the City is pledged for repayment.

Series 2004 Various Purpose Bonds (Water Pump Station Refunding Portion)

On October 20, 2004, the City issued \$10,560,000 in various purpose general obligation refunding bonds to advance refund previous obligations (also see Note 11.A). A portion of the proceeds, \$1,390,000, were used to advance refund the callable portion of the Series 1996 water pump station bonds (principal \$1,310,000) by purchasing SLGS that were placed in an irrevocable trust for the purpose of generating resources for all future debt service payments of the refunded debt. The call date on the refunded bonds was July 1, 2006. The refunded bonds were not included in the City's outstanding debt since the City has satisfied its obligations through the advance refunding (in-substance defeased). The assets held in trust as a result of the advance refunding are not included in the financial statements. The balance of the refunded bonds was \$750,000 at December 31, 2011; however, this amount is not reported as an obligation of the City as it was in-substance defeased as a result of the advance refunding.

The refunding issue is comprised of current interest serial bonds, par value \$1,390,000. During 2011, the City made principal payments of \$135,000 on these bonds leaving a liability of \$760,000. Principal and interest payments are being made from the water fund. The refunding bonds pay interest semiannually on January 1 and July 1 of each year and mature on July 1, 2016. The refunding bonds are general obligations of the City for which the full faith and credit of the City is pledged for repayment.



**CITY OF FINDLAY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2011

**NOTE 11 - LONG-TERM OBLIGATIONS - (Continued)**

Series 2011 Waterworks Improvement Refunding Bonds

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

The current refunding issue is comprised of current interest serial bonds, par value \$1,625,000. During 2011, the City made no principal payments on the bonds. Principal and interest payments are being made from the water fund. The refunding bonds pay interest semiannually on June 1 and December 1 of each year and mature on December 1, 2018. The refunding bonds are general obligations of the City for which the full faith and credit of the City is pledged for repayment.

The reacquisition price exceeded the net carrying amount of the old debt by \$51,681. This amount is being netted against the new debt and amortized over the remaining life of the refunded debt, which is equal to the life of the refunding debt. This refunding was undertaken to reduce total debt service payments over the next seven years by \$193,639 and resulted in an economic gain of \$177,261.

Series 1998 Water Improvement Bonds

On September 1, 1998, these bonds were issued for the purpose of providing funds to pay the costs of improving the City's municipal water system. The bonds are backed by the full faith and credit of the City of Findlay. Interest on the bonds is payable semiannually. Interest rates range from 3.65% to 4.90%. During 2011, the City currently refunded these bonds with the issuance of the Series 2011 Waterworks Improvement Refunding Bonds. No liability for these bonds remains at December 31, 2011.

Ohio Water Development Authority (OWDA) Loans

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

On July 1, 1993, the City entered into a financing agreement with OWDA under the WPCLFA to borrow \$1,829,711 for sewer treatment plant improvements. This loan bears interest at 4.80% with principal and interest payments due semi-annually on January 1 and July 1 of each year. The term of the loan is 18.5 years. Principal and interest payments are made from the water pollution control fund.

On October 28, 1999, the City entered into a financing agreement with OWDA under the WPCLFA to borrow \$32,470,000 for sewer system improvements. The loan bears interest at 4.36% with principal and interest payments due semi-annually on January 1 and July 1 of each year. The term of the loan is 20 years. Principal and interest payments are made from the water pollution control fund.

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

**CITY OF FINDLAY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2011

**NOTE 11 - LONG-TERM OBLIGATIONS - (Continued)**

On December 8, 2005, the City entered into a financing agreement with OWDA to borrow \$4,029,589 for water treatment plant improvements. The loan bears interest at 3.25% with principal and interest payments due semi-annually on January 1 and July 1 of each year. The term of the loan is 20 years. Principal and interest payments are made from the Water fund.

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

Ohio Public Works Commission (OPWC) Loans

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

Compensated Absences

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

Future Debt Service Requirements

The following is a schedule of the future principal and interest payments to retire the business-type activities long-term bonds and loans at December 31, 2011:

Year Ending December 31,	General Obligation Bonds			OWDA Loans			OPWC Loans
	Principal	Interest	Total	Principal	Interest	Total	Principal
2012	\$ 1,250,000	\$ 316,892	\$ 1,566,892	\$ 1,966,443	\$ 982,735	\$ 2,949,178	\$ 55,338
2013	1,240,000	274,076	1,514,076	2,046,015	903,162	2,949,177	55,338
2014	1,290,000	231,675	1,521,675	2,128,951	820,230	2,949,181	55,338
2015	1,335,000	182,065	1,517,065	2,204,857	733,788	2,938,645	55,339
2016	1,395,000	124,271	1,519,271	2,294,956	643,689	2,938,645	55,338
2017 - 2021	1,850,000	81,216	1,931,216	12,965,692	1,727,529	14,693,221	260,841
2022 - 2026	-	-	-	1,577,226	121,013	1,698,239	153,097
2027 - 2029	-	-	-	-	-	-	37,627
<b>Totals</b>	<b>\$ 8,360,000</b>	<b>\$ 1,210,195</b>	<b>\$ 9,570,195</b>	<b>\$ 25,184,140</b>	<b>\$ 5,932,146</b>	<b>\$ 31,116,286</b>	<b>\$ 728,256</b>

**CITY OF FINDLAY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2011

**NOTE 12 - PENSION PLANS**

**A. Ohio Public Employees Retirement System**

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

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

Funding Policy - The Ohio Revised Code provides statutory authority for member and employer contributions. For 2011, member and contribution rates were consistent across all three plans. The 2011 member contribution rates were 10.00% for members. The City's contribution rate for 2011 was 14.00% of covered payroll.

The City's contribution rate for pension benefits for members in the Traditional Plan for 2011 was 10.00%. The City's contribution rate for pension benefits for members in the Combined Plan for 2011 was 7.95%. The City's required contributions for pension obligations to the Traditional Pension and Combined Plans for the years ended December 31, 2011, 2010, and 2009 were \$957,029, \$835,749, and \$813,299, respectively; equal to the required employer contribution which is the amount billed by OPERS. Contributions to the member-directed plan for 2011 were \$35,147 made by the City and \$25,105 made by the plan members.

**B. Ohio Police and Fire Pension Fund**

Plan Description - The City contributes to the Ohio Police and Fire Pension Fund (OP&F), a cost-sharing multiple-employer defined benefit pension plan. OP&F provides retirement and disability benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. Benefit provisions are established by the Ohio State Legislature and are codified in Chapter 742 of the Ohio Revised Code. OP&F issues a publicly available financial report that includes financial statements and required supplementary information for the plan. That report may be obtained by writing to the OP&F, 140 East Town Street, Columbus, Ohio 43215-5164.

**CITY OF FINDLAY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2011**

**NOTE 12 - PENSION PLANS - (Continued)**

Funding Policy - Plan members are required to contribute 10.0% of their annual covered salary, while the City is required to contribute 19.50% and 24.00% for police officers and firefighters, respectively. Contribution rates are established by State statute. For 2011, the portion of the City's contributions to fund pension obligations was 12.75% for police officers and 17.25% for firefighters. The City's required contributions for pension obligations to OP&F for police officers and firefighters were \$475,227 and \$751,090 for the year ended December 31, 2011, \$470,011 and \$758,063 for the year ended December 31, 2010, and \$481,420, \$706,056, for the year ended December 31, 2009. The amounts contributed equal the required employer contribution for the respective year which is 100% of the dollar amount billed by OP&F.

**NOTE 13 - POSTRETIREMENT BENEFIT PLANS**

**A. Ohio Public Employees Retirement System**

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

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

Disclosures for the healthcare plan are presented separately in the OPERS financial report which may be obtained by visiting <https://www.opers.org/investments/cafr.shtml>, writing to OPERS, Attention: Finance Director, 277 E. Town St., Columbus, OH 43215-4642 or by calling (614) 222-5601 or (800) 222-7377.

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

Employer contribution rates are expressed as a percentage of the covered payroll of active employees. In 2011, local government employers contributed 14.00% of covered payroll. Each year the OPERS' Retirement Board determines the portion of the employer contribution rate that will be set aside for the funding of the postemployment health care benefits. The portion of employer contributions allocated to fund post-employment healthcare for members in the Traditional Plan for 2011 was 4.00%. The portion of employer contributions allocated to fund post-employment healthcare for members in the Combined Plan for 2011 was 6.05%.

**CITY OF FINDLAY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2011**

**NOTE 13 - POSTRETIREMENT BENEFIT PLANS - (Continued)**

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

The City's contributions allocated to fund post-employment health care benefits for the years ended December 31, 2011, 2010, and 2009 were \$394,134, \$472,323, and \$588,077, respectively; equal to the required employer contribution which is the amount billed by OPERS.

The Health Care Preservation Plan (HCPP) adopted by the OPERS Board of Trustees on September 9, 2004, was effective January 1, 2007. Member and employer contribution rates for state and local employers increased on January 1 of each year from 2006 to 2008. Rates for law and public safety employers increased over a six year period beginning on January 1, 2006, with a final rate increase on January 1, 2011. These rate increases allowed additional funds to be allocated to the health care plan.

**B. Ohio Police and Fire Pension Fund**

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

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

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

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

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

**CITY OF FINDLAY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2011**

**NOTE 13 - POSTRETIREMENT BENEFIT PLANS - (Continued)**

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

The Board of Trustees is authorized to allocate a portion of the total employer contributions made into the pension plan into the Section 115 trust and the Section 401(h) account as the employer contribution for retiree health care benefits. For the year ended December 31, 2011, the employer contribution allocated to the health care plan was 6.75% of covered payroll. The amount of employer contributions allocated to the health care plan each year is subject to the Trustees' primary responsibility to ensure that the pension benefits are adequately funded and is limited by the provisions of Sections 115 and 401(h).

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

The City's contributions to OP&F which were allocated to fund post-employment healthcare benefits for police officers and firefighters were \$251,591 and \$293,905 for the year ended December 31, 2011, \$248,830 and \$296,634 for the year ended December 31, 2010, and \$254,869, \$276,283, for the year ended December 31, 2009. The amounts contributed equal the required employer contribution for the respective year which is 100% of the dollar amount billed by OP&F.

**NOTE 14 - CONTINGENCIES**

**A. Grants**

The City receives significant financial assistance from numerous federal and State agencies in the form of grants. The disbursement of funds received under these programs generally requires compliance with terms and conditions specified in the grant agreements and are subject to audit by the grantor agencies. Any disallowed claims resulting from such audits could become a liability of the general fund or other applicable funds. However, in the opinion of management, any such disallowed claims will not have a material effect on any of the financial statements of the individual fund types included herein or on the overall financial position of the City at December 31, 2011.

**B. Contracts**

As of December 31, 2011, the City had approximately \$2,855,997 open on outstanding purchase orders and contracts. Of this amount, \$2,370,939 related to ongoing capital projects and the remaining amount of \$485,059 was for various departmental purchase orders outstanding at year end.

The City had no material operating lease commitments at December 31, 2011.

**B. Litigation**

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

**CITY OF FINDLAY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2011

**NOTE 15 - FUND BALANCE**

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

Fund balance	General	Street Maintenance and Repair	City Income Tax Administration	Nonmajor Governmental Funds	Total Governmental Funds
<b>Nonspendable:</b>					
Materials and supplies inventory	\$ -	\$ 498,076	\$ -	\$ -	\$ 498,076
Prepays	46,848	15,047	-	-	61,895
Permanent fund	-	-	-	1,204,779	1,204,779
<b>Total nonspendable</b>	<b>46,848</b>	<b>513,123</b>	<b>-</b>	<b>1,204,779</b>	<b>1,764,750</b>
<b>Restricted:</b>					
Capital projects	-	-	-	614,526	614,526
Debt service	-	-	-	25,904	25,904
Security of persons and property programs	-	-	-	61,416	61,416
General government operations	-	-	-	562,439	562,439
Transportation improvement projects	-	1,134,735	-	93,913	1,228,648
Economic development programs	-	-	-	841,656	841,656
Public health and welfare programs	-	-	-	2,101	2,101
Other purposes	752,667	-	-	259,850	1,012,517
<b>Total restricted</b>	<b>752,667</b>	<b>1,134,735</b>	<b>-</b>	<b>2,461,805</b>	<b>4,349,207</b>
<b>Committed:</b>					
Income tax distribution	-	-	4,680,635	-	4,680,635
Termination benefits	1,084,266	-	-	-	1,084,266
<b>Total committed</b>	<b>1,084,266</b>	<b>-</b>	<b>4,680,635</b>	<b>-</b>	<b>5,764,901</b>
<b>Assigned:</b>					
General government operations	140,054	-	-	-	140,054
Security of persons and property programs	6,995	-	-	-	6,995
Subsequent year's appropriation	1,087,802	-	-	-	1,087,802
Public health and welfare programs	1,255	-	-	-	1,255
Leisure time activities operations	1,451	-	-	-	1,451
<b>Total assigned</b>	<b>1,237,557</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,237,557</b>
Unassigned (deficit)	6,121,828	-	-	(332,718)	5,789,110
<b>Total fund balances</b>	<b>\$ 9,243,166</b>	<b>\$ 1,647,858</b>	<b>\$ 4,680,635</b>	<b>\$ 3,333,866</b>	<b>\$ 18,905,525</b>

**CITY OF FINDLAY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2011

**NOTE 16 - OTHER COMMITMENTS**

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

<u>Fund</u>	<u>Year-End Encumbrances</u>
General fund	\$ 149,755
Street Maintenance and Repair	78,734
City Income Tax Administration	10,919
Nonmajor governmental funds	<u>37,445</u>
 Total	 <u>\$ 276,853</u>

**NOTE 17 – NOTES PAYABLE**

The City issued the following bond anticipation notes during 2011:

	<u>Balance 12/31/10</u>	<u>Issued</u>	<u>Retired</u>	<u>Balance 12/31/11</u>
Sidewalk Improvement Notes	\$ -	\$ 40,000	\$ -	\$ 40,000

The notes were issued on October 5, 2011 and mature on September 28, 2012. The notes bear an interest rate of 1.65%. The notes are reported as a liability of the Capital Improvement Projects fund (a nonmajor governmental fund) which is the fund that received the proceeds.



**COMBINING STATEMENTS  
AND INDIVIDUAL FUND SCHEDULES**

**CITY OF FINDLAY, OHIO**

COMPARATIVE BALANCE SHEET  
GENERAL FUND

DECEMBER 31, 2011 AND 2010

	<b>2011</b>	<b>Restated 2010</b>
	<hr/>	<hr/>
<b>Assets:</b>		
Equity in pooled cash and investments . . . . .	\$ 9,977,895	\$ 8,479,643
Cash in segregated accounts. . . . .	23,301	9,931
Cash with escrow agent. . . . .	61,514	-
Receivables (net of allowances of uncollectibles). . . . .	1,975,533	2,170,892
Due from other governments . . . . .	1,043,569	1,213,492
Prepayments . . . . .	46,848	45,131
	<hr/>	<hr/>
Total assets. . . . .	\$ 13,128,660	\$ 11,919,089
	<hr/> <hr/>	<hr/> <hr/>
<b>Liabilities:</b>		
Accounts payable . . . . .	\$ 796,404	\$ 777,873
Contracts payable . . . . .	25,808	56,615
Accrued wages and benefits . . . . .	240,066	226,431
Insurance deposits payable. . . . .	306,474	316,238
Compensated absences payable . . . . .	6,985	16,434
Due to other governments . . . . .	91,580	-
Deferred revenue . . . . .	629,014	1,091,630
Unearned revenue. . . . .	1,789,163	1,839,391
	<hr/>	<hr/>
Total liabilities . . . . .	3,885,494	4,324,612
	<hr/> <hr/>	<hr/> <hr/>
<b>Fund balance:</b>		
Nonspendable. . . . .	46,848	45,131
Restricted . . . . .	752,667	613,808
Committed . . . . .	1,084,266	1,309,907
Assigned . . . . .	1,237,557	226,500
Unassigned . . . . .	6,121,828	5,399,131
	<hr/>	<hr/>
Total fund balance. . . . .	9,243,166	7,594,477
	<hr/> <hr/>	<hr/> <hr/>
Total liabilities and fund balance . . . . .	\$ 13,128,660	\$ 11,919,089
	<hr/> <hr/>	<hr/> <hr/>

**CITY OF FINDLAY, OHIO**

COMPARATIVE BALANCE SHEET  
STREET MAINTENANCE AND REPAIR FUND

DECEMBER 31, 2011 AND 2010

	<u>2011</u>	<u>2010</u>
<b>Assets:</b>		
Equity in pooled cash and investments . . . . .	\$ 1,155,693	\$ 903,640
Cash with escrow agent . . . . .	135,334	4,273
Receivables (net of allowances of uncollectibles) . . . . .	10,299	8,337
Due from other governments . . . . .	717,730	740,870
Prepayments . . . . .	15,047	14,781
Materials and supplies inventory . . . . .	498,076	436,145
Total assets. . . . .	<u>\$ 2,532,179</u>	<u>\$ 2,108,046</u>
<b>Liabilities:</b>		
Accounts payable . . . . .	\$ 49,561	\$ 51,543
Contracts payable . . . . .	61,841	25,814
Retainage payable . . . . .	135,334	4,273
Accrued wages and benefits . . . . .	20,522	19,660
Insurance deposits payable. . . . .	28,671	26,875
Deferred revenue . . . . .	588,392	580,016
Total liabilities . . . . .	<u>884,321</u>	<u>708,181</u>
<b>Fund balance:</b>		
Nonspendable. . . . .	513,123	450,926
Restricted . . . . .	1,134,735	948,939
Total fund balance . . . . .	<u>1,647,858</u>	<u>1,399,865</u>
Total liabilities and fund balance . . . . .	<u>\$ 2,532,179</u>	<u>\$ 2,108,046</u>

**CITY OF FINDLAY, OHIO**

COMPARATIVE BALANCE SHEET  
CITY INCOME TAX ADMINISTRATION FUND

DECEMBER 31, 2011 AND 2010

	<u>2011</u>	<u>2010</u>
<b>Assets:</b>		
Equity in pooled cash and investments . . . . .	\$ 571,509	\$ 154,773
Receivables (net of allowances of uncollectibles) . . . . .	4,502,300	4,313,395
Restricted assets:		
Equity in pooled cash and investments. . . . .	2,602,029	1,738,584
Total assets . . . . .	<u>\$ 7,675,838</u>	<u>\$ 6,206,752</u>
<b>Liabilities:</b>		
Accounts payable . . . . .	\$ 444,373	\$ 350,050
Accrued wages and benefits . . . . .	2,947	2,974
Insurance deposits payable . . . . .	3,931	3,979
Deferred revenue . . . . .	2,543,952	2,296,679
Total liabilities . . . . .	<u>2,995,203</u>	<u>2,653,682</u>
<b>Fund balance:</b>		
Restricted . . . . .	4,680,635	3,553,070
Total fund balance. . . . .	<u>4,680,635</u>	<u>3,553,070</u>
Total liabilities and fund balance . . . . .	<u>\$ 7,675,838</u>	<u>\$ 6,206,752</u>

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

FOR THE YEAR ENDED DECEMBER 31, 2011  
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED DECEMBER 31, 2010)

	Budgeted Amounts		Actual	Variance with	2010
	Original	Final		Final Budget	
				Positive (Negative)	
<b>Revenues:</b>					
Property and other local taxes . . . . .	\$ 1,859,139	\$ 2,274,605	\$ 2,349,758	\$ 75,153	\$ 2,705,027
Charges for services . . . . .	1,712,005	2,094,590	2,163,796	69,206	2,159,097
Licenses and permits. . . . .	258,428	316,179	326,626	10,447	321,919
Fines and forfeitures. . . . .	813,767	995,621	1,028,517	32,896	1,199,929
Intergovernmental . . . . .	3,615,378	4,423,314	4,569,460	146,146	4,734,233
Investment income . . . . .	54,179	66,286	68,476	2,190	46,981
(Decrease) in fair market value of investments . . . . .	(22,747)	(27,830)	(28,750)	(920)	(27)
Rental income. . . . .	46,754	57,202	59,092	1,890	70,314
Contributions and donations . . . . .	35,020	42,846	44,262	1,416	3,089
Reimbursements. . . . .	369,628	452,229	467,171	14,942	479,822
Other . . . . .	9,267	11,338	11,713	375	20,421
<b>Total revenues . . . . .</b>	<b>8,750,818</b>	<b>10,706,380</b>	<b>11,060,121</b>	<b>353,741</b>	<b>11,740,805</b>
<b>Expenditures:</b>					
General government					
Council					
Personal services . . . . .	102,650	106,251	105,883	368	106,134
Other . . . . .	23,861	21,861	19,834	2,027	21,303
Mayors office					
Personal services . . . . .	165,501	173,195	172,821	374	152,320
Other . . . . .	18,419	16,419	14,341	2,078	12,208
Auditor/treasurer					
Personal services . . . . .	386,741	395,722	386,578	9,144	374,455
Other . . . . .	69,959	156,459	64,108	92,351	70,020
Law director					
Personal services . . . . .	405,681	419,027	430,238	(11,211)	393,408
Other . . . . .	182,249	190,878	187,815	3,063	113,490
Municipal court					
Personal services . . . . .	1,132,939	1,169,238	1,146,048	23,190	1,067,966
Other . . . . .	204,048	204,048	181,939	22,109	158,036
Civil service					
Personal services . . . . .	62,461	64,596	61,476	3,120	56,486
Other . . . . .	36,954	36,955	28,186	8,769	17,445
Computer services					
Personal services . . . . .	270,881	278,314	274,468	3,846	254,829
Other . . . . .	63,539	63,538	61,203	2,335	60,154
Service director					
Personal services . . . . .	101,446	116,582	113,662	2,920	100,718
Other . . . . .	15,614	15,614	6,960	8,654	9,549
Engineering department					
Personal services . . . . .	653,316	671,545	642,645	28,900	682,578
Other . . . . .	71,512	73,972	52,556	21,416	53,113
General miscellaneous operations					
Other . . . . .	1,721,697	1,666,459	1,387,724	278,735	1,586,390
Public building department					
Personal services . . . . .	102,095	96,163	73,367	22,796	129,521
Other . . . . .	214,609	221,608	202,691	18,917	196,840
Projects					
Other . . . . .	-	1,001,951	1,001,951	-	-
<b>Total general government . . . . .</b>	<b>6,006,172</b>	<b>7,160,395</b>	<b>6,616,494</b>	<b>543,901</b>	<b>5,616,963</b>

-- Continued

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

FOR THE YEAR ENDED DECEMBER 31, 2011  
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED DECEMBER 31, 2010)

	Budgeted Amounts		Actual	Variance with	2010
	Original	Final		Final Budget	
				Positive (Negative)	
Security of persons and property					
Police department					
Personal services . . . . .	6,058,259	6,209,877	6,024,426	185,451	4,961,470
Other . . . . .	497,567	462,453	400,781	61,672	401,031
Disaster services					
Other . . . . .	21,272	26,520	25,772	748	20,369
Fire department					
Personal services . . . . .	6,682,434	6,678,921	6,662,915	16,006	6,876,958
Other . . . . .	420,932	472,349	440,716	31,633	310,006
Safety director					
Personal services . . . . .	151,741	160,044	159,865	179	149,519
Other . . . . .	26,253	77,553	24,292	53,261	19,453
Dispatch					
Personal services . . . . .	780,814	801,628	765,666	35,962	673,021
Other . . . . .	109,757	109,757	103,356	6,401	98,277
Work Opportunity Rehabilitation Center (WORC)					
Personal services . . . . .	52,550	56,422	56,120	302	51,320
Other . . . . .	322,460	320,960	287,832	33,128	300,957
Projects					
Other . . . . .	-	343,273	343,273	-	870,041
Total security of persons and property . . . . .	15,124,039	15,719,757	15,295,014	424,743	14,732,422
Public health and welfare					
Planning and zoning					
Personal services . . . . .	1,096	1,196	1,120	76	1,093
Other . . . . .	135,650	135,550	135,446	104	100,589
Public health department					
Personal services . . . . .	873,075	906,672	902,296	4,376	776,722
Other . . . . .	234,631	227,132	204,697	22,435	146,343
Zoning department					
Personal services . . . . .	139,699	149,144	148,946	198	137,010
Other . . . . .	10,181	15,837	14,779	1,058	7,454
Neighborhood Enhancement and Abatement Team (NEAT)					
Personal services . . . . .	65,151	70,154	69,875	279	50,048
Other . . . . .	28,179	28,179	22,522	5,657	16,032
Cemetery department					
Personal services . . . . .	219,610	230,119	205,093	25,026	116,480
Other . . . . .	58,482	63,252	53,276	9,976	116,279
Projects					
Other . . . . .	-	325,505	325,505	-	256,509
Total public health and welfare . . . . .	1,765,754	2,152,740	2,083,555	69,185	1,724,559

-- Continued

**CITY OF FINDLAY, OHIO**

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

FOR THE YEAR ENDED DECEMBER 31, 2011  
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED DECEMBER 31, 2010)

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with</u>	<u>2010</u>
	<u>Original</u>	<u>Final</u>		<u>Final Budget</u>	
				<u>Positive</u>	
				<u>(Negative)</u>	
Leisure time activities					
Park maintenance					
Personal services . . . . .	460,797	488,228	465,925	22,303	418,394
Other . . . . .	133,937	120,937	102,256	18,681	94,468
Reservoir recreation					
Other . . . . .	3,845	3,845	3,292	553	2,606
CUBE					
Personal services . . . . .	199,192	202,264	188,683	13,581	179,578
Other . . . . .	197,049	213,638	200,455	13,183	212,626
Recreation department					
Personal services . . . . .	41,567	45,040	45,780	(740)	72,232
Other . . . . .	49,403	47,401	39,706	7,695	39,733
5-PLEX					
Personal services . . . . .	179,942	182,907	172,152	10,755	154,742
Other . . . . .	93,587	102,310	96,372	5,938	84,070
Soccer Complex					
Other . . . . .	2,500	2,500	1,911	589	-
Football Complex					
Personal services . . . . .	53,063	28,900	22,207	6,693	-
Other . . . . .	44,277	9,500	3,072	6,428	-
Projects					
Other . . . . .	-	17,708	17,708	-	-
Total leisure time activities . . . . .	<u>1,459,159</u>	<u>1,465,178</u>	<u>1,359,519</u>	<u>105,659</u>	<u>1,258,449</u>
Capital outlay					
Security of persons and property . . . . .	-	224,661	224,661	-	783,927
Public health and welfare . . . . .	-	290,859	290,859	-	362,082
Leisure time activities . . . . .	-	134,052	134,052	-	24,631
General government . . . . .	-	934,163	934,163	-	146,539
Total capital outlay . . . . .	<u>-</u>	<u>1,583,735</u>	<u>1,583,735</u>	<u>-</u>	<u>1,317,179</u>
Debt service					
Bond issuance costs . . . . .	-	54,920	54,920	-	-
Total debt service . . . . .	<u>-</u>	<u>54,920</u>	<u>54,920</u>	<u>-</u>	<u>-</u>
Total expenditures . . . . .	<u>24,355,124</u>	<u>28,136,725</u>	<u>26,993,237</u>	<u>1,143,488</u>	<u>24,649,572</u>
Excess of expenditures over revenues . . . . .	<u>(15,604,306)</u>	<u>(17,430,345)</u>	<u>(15,933,116)</u>	<u>1,497,229</u>	<u>(12,908,767)</u>
<b>Other financing sources (uses):</b>					
Sale of capital assets . . . . .	126	154	159	5	10,797
Bond issuance . . . . .	819,697	1,002,876	1,036,011	33,135	-
Transfers in . . . . .	13,877,185	16,978,344	17,539,312	560,968	16,686,577
Transfers out . . . . .	(331,742)	(802,788)	(769,753)	33,035	(1,707,131)
Total other financing sources (uses) . . . . .	<u>14,365,266</u>	<u>17,178,586</u>	<u>17,805,729</u>	<u>627,143</u>	<u>14,990,243</u>
Net change in fund balance . . . . .	(1,239,040)	(251,759)	1,872,613	2,124,372	2,081,476
<b>Fund balance, January 1 . . . . .</b>	<b>6,284,570</b>	<b>6,284,570</b>	<b>6,284,570</b>	<b>-</b>	<b>4,235,782</b>
<b>Increase (decrease) in prepaids . . . . .</b>	<b>1,717</b>	<b>1,717</b>	<b>1,717</b>	<b>-</b>	<b>(32,688)</b>
<b>Fund balance, December 31 . . . . .</b>	<b><u>\$ 5,047,247</u></b>	<b><u>\$ 6,034,528</u></b>	<b><u>\$ 8,158,900</u></b>	<b><u>\$ 2,124,372</u></b>	<b><u>\$ 6,284,570</u></b>

**CITY OF FINDLAY, OHIO**

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

FOR THE YEAR ENDED DECEMBER 31, 2011  
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED DECEMBER 31, 2010)

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with</u>	<u>2010</u>
	<u>Original</u>	<u>Final</u>		<u>Final Budget</u>	
				<u>Positive</u>	
				<u>(Negative)</u>	
<b>Revenues:</b>					
Property and other local taxes . . . . .	\$ 237	\$ 974	\$ 687	\$ (287)	\$ 739
Charges for services . . . . .	9,944	40,913	28,853	(12,060)	26,008
Intergovernmental . . . . .	1,337,721	5,503,732	3,881,422	(1,622,310)	2,539,650
Investment income . . . . .	635	2,612	1,842	(770)	2,457
Reimbursements. . . . .	3,974	16,352	11,532	(4,820)	69,227
Other . . . . .	18,235	75,022	52,908	(22,114)	40,721
<b>Total revenues . . . . .</b>	<b>1,370,746</b>	<b>5,639,605</b>	<b>3,977,244</b>	<b>(1,662,361)</b>	<b>2,678,802</b>
<b>Expenditures:</b>					
Current:					
Transportation					
Street department					
Personal services . . . . .	1,359,329	1,445,704	1,436,632	9,072	1,321,945
Other . . . . .	612,885	827,884	639,497	188,387	544,846
Traffic signals					
Personal services . . . . .	177,590	186,297	179,229	7,068	159,204
Other . . . . .	131,476	126,476	105,693	20,783	65,253
<b>Total transportation. . . . .</b>	<b>2,281,280</b>	<b>2,586,361</b>	<b>2,361,051</b>	<b>225,310</b>	<b>2,091,248</b>
Capital outlay					
Street improvements . . . . .	22,875	2,550,801	2,550,801	-	456,066
Traffic signals . . . . .	102,570	101,520	101,520	-	230,503
Storm sewers. . . . .	444,148	498,675	498,675	-	78,671
<b>Total capital outlay . . . . .</b>	<b>569,593</b>	<b>3,150,996</b>	<b>3,150,996</b>	<b>-</b>	<b>765,240</b>
<b>Total expenditures . . . . .</b>	<b>2,850,873</b>	<b>5,737,357</b>	<b>5,512,047</b>	<b>225,310</b>	<b>2,856,488</b>
Excess (deficiency) of revenues over (under) expenditures . . . . .	(1,480,127)	(97,752)	(1,534,803)	(1,437,051)	(177,686)
<b>Other financing sources (uses):</b>					
Sale of capital assets . . . . .	-	-	-	-	990
Transfers in . . . . .	623,530	2,565,364	1,809,184	(756,180)	497,291
Transfers out . . . . .	-	(88,585)	(88,585)	-	(26,153)
<b>Total other financing sources (uses) . . . . .</b>	<b>623,530</b>	<b>2,476,779</b>	<b>1,720,599</b>	<b>(756,180)</b>	<b>472,128</b>
<b>Net change in fund balance . . . . .</b>	<b>(856,597)</b>	<b>2,379,027</b>	<b>185,796</b>	<b>(2,193,231)</b>	<b>294,442</b>
<b>Fund balance, January 1 . . . . .</b>	<b>1,399,865</b>	<b>1,399,865</b>	<b>1,399,865</b>	<b>-</b>	<b>1,100,519</b>
<b>Increase in materials and supplies inventory. . .</b>	<b>61,931</b>	<b>61,931</b>	<b>61,931</b>	<b>-</b>	<b>3,250</b>
<b>Increase in prepaids. . . . .</b>	<b>266</b>	<b>266</b>	<b>266</b>	<b>-</b>	<b>1,654</b>
<b>Fund balance, December 31 . . . . .</b>	<b>\$ 605,465</b>	<b>\$ 3,841,089</b>	<b>\$ 1,647,858</b>	<b>\$ (2,193,231)</b>	<b>\$ 1,399,865</b>



**CITY OF FINDLAY, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
FUND BALANCE - BUDGET (GAAP-BASIS) AND ACTUAL  
CITY INCOME TAX ADMINISTRATION FUND

FOR THE YEAR ENDED DECEMBER 31, 2011  
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED DECEMBER 31, 2010)

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with</u>	<u>2010</u>
	<u>Original</u>	<u>Final</u>		<u>Final Budget</u>	
				<u>Positive</u>	
				<u>(Negative)</u>	
<b>Revenues:</b>					
Municipal income taxes . . . . .	\$ 18,911,636	\$ 20,603,046	\$ 20,456,073	\$ (146,973)	\$ 18,562,751
Charges for services . . . . .	11,883	12,711	12,620	(91)	11,697
Reimbursements . . . . .	426	91	90	(1)	68,967
<b>Total revenues . . . . .</b>	<u>18,923,945</u>	<u>20,615,848</u>	<u>20,468,783</u>	<u>(147,065)</u>	<u>18,643,415</u>
<b>Expenditures:</b>					
Current:					
General government					
Personal services . . . . .	224,158	236,932	236,389	543	218,478
Other . . . . .	689,956	684,656	144,461	540,195	146,486
<b>Total expenditures . . . . .</b>	<u>914,114</u>	<u>921,588</u>	<u>380,850</u>	<u>540,738</u>	<u>364,964</u>
Excess of revenues over expenditures . . . . .	<u>18,009,831</u>	<u>19,694,260</u>	<u>20,087,933</u>	<u>393,673</u>	<u>18,278,451</u>
<b>Other financing sources (uses):</b>					
Transfers in . . . . .	-	789,025	783,396	(5,629)	469,374
Transfers out . . . . .	(14,128,481)	(19,744,742)	(19,743,764)	978	(17,231,212)
<b>Total other financing sources (uses) . . . . .</b>	<u>(14,128,481)</u>	<u>(18,955,717)</u>	<u>(18,960,368)</u>	<u>(4,651)</u>	<u>(16,761,838)</u>
Net change in fund balance . . . . .	3,881,350	738,543	1,127,565	389,022	1,516,613
<b>Fund balance, January 1 . . . . .</b>	<u>3,553,070</u>	<u>3,553,070</u>	<u>3,553,070</u>	<u>-</u>	<u>2,037,503</u>
<b>(Decrease) in prepaids . . . . .</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(1,046)</u>
<b>Fund balance, December 31 . . . . .</b>	<u>\$ 7,434,420</u>	<u>\$ 4,291,613</u>	<u>\$ 4,680,635</u>	<u>\$ 389,022</u>	<u>\$ 3,553,070</u>

## CITY OF FINDLAY, OHIO

### Nonmajor Special Revenue Funds

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

***County Permissive Motor Vehicle License (MVL) Tax:***

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

***State Highway:***

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

***Law Enforcement Trust:***

To account for monies collected from the sale of contraband.

***Drug Law Enforcement:***

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

***Indigent Drivers Alcohol Treatment:***

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

***Enforcement and Education:***

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

***Court Special Projects:***

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

***Court Computerization:***

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

***METRICH Drug Law Enforcement Trust:***

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

***Alcohol Monitoring:***

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

***Mediation Services:***

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

***Electronic Imaging:***

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

***Legal Research:***

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

## CITY OF FINDLAY, OHIO

### Nonmajor Special Revenue Funds (Continued)

***Police Pension:***

To account for a 0.3 mill real estate tax levy.

***Fire Pension:***

To account for a 0.3 mill real estate tax levy.

***Revolving Loan:***

To account for monies received as development grants that become loans to a qualified business or industry for the purpose of economic development. As the initial loans are repaid, the money is perpetually "re-loaned" to stimulate growth in the community.

The following fund is included in the general fund (GAAP basis), but has a separate legally adopted budget (budget basis). This fund is not included in the combining statements for the nonmajor special revenue funds since it is reported in the general fund (GAAP basis); however, the budgetary schedule for this fund is presented in this section.

***Severance Payout Reserve:***

To account for monies reserved by the City for termination benefits.

### Nonmajor Debt Service Fund

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

***Debt Service:***

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

### Nonmajor Capital Projects Funds

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

***Capital Improvement Projects:***

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

***Municipal Court Improvements:***

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

### Nonmajor Permanent Fund

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

***Cemetery Trust:***

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

CITY OF FINDLAY, OHIO

COMBINING BALANCE SHEET  
NONMAJOR GOVERNMENTAL FUNDS

DECEMBER 31, 2011

	Nonmajor Special Revenue Funds	Nonmajor Debt Service Fund	Nonmajor Capital Projects Funds	Nonmajor Permanent Fund	Total Nonmajor Governmental Funds
<b>Assets:</b>					
Equity in pooled cash and investments . . . . .	\$ 712,974	\$ 5,574	\$ 709,147	\$ 1,206,677	\$ 2,634,372
Cash in segregated accounts. . . . .	33,603	-	-	-	33,603
Cash with fiduciary agent . . . . .	259,700	-	-	-	259,700
Cash with escrow agent. . . . .	-	33,137	-	-	33,137
Receivables (net of allowances of uncollectibles). . . . .	1,286,643	203,545	-	203	1,490,391
Due from other governments . . . . .	84,225	-	-	-	84,225
Total assets . . . . .	<u>\$ 2,377,145</u>	<u>\$ 242,256</u>	<u>\$ 709,147</u>	<u>\$ 1,206,880</u>	<u>\$ 4,535,428</u>
<b>Liabilities:</b>					
Accounts payable . . . . .	\$ 1,446	\$ -	\$ 34,125	\$ -	\$ 35,571
Accrued wages and benefits. . . . .	1,641	-	-	-	1,641
Insurance deposits payable . . . . .	3,303	-	-	-	3,303
Interfund payable . . . . .	-	-	353,200	-	353,200
Matured bonds payable . . . . .	-	33,137	-	-	33,137
Accrued interest payable . . . . .	-	-	14	-	14
Deferred revenue . . . . .	72,913	4,271	-	-	77,184
Unearned revenue . . . . .	478,568	178,944	-	-	657,512
Notes payable . . . . .	-	-	40,000	-	40,000
Total liabilities . . . . .	<u>557,871</u>	<u>216,352</u>	<u>427,339</u>	<u>-</u>	<u>1,201,562</u>
<b>Fund balance:</b>					
Nonspendable . . . . .	-	-	-	1,204,779	1,204,779
Restricted . . . . .	1,819,274	25,904	614,526	2,101	2,461,805
Unassigned (deficit). . . . .	-	-	(332,718)	-	(332,718)
Total fund balance. . . . .	<u>1,819,274</u>	<u>25,904</u>	<u>281,808</u>	<u>1,206,880</u>	<u>3,333,866</u>
Total liabilities and fund balance . . . . .	<u>\$ 2,377,145</u>	<u>\$ 242,256</u>	<u>\$ 709,147</u>	<u>\$ 1,206,880</u>	<u>\$ 4,535,428</u>

**CITY OF FINDLAY, OHIO**

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

FOR THE YEAR ENDED DECEMBER 31, 2010

	<b>Nonmajor Special Revenue Funds</b>	<b>Nonmajor Debt Service Fund</b>	<b>Nonmajor Capital Projects Funds</b>	<b>Nonmajor Permanent Fund</b>	<b>Total Nonmajor Governmental Funds</b>
<b>Revenues:</b>					
Property and other local taxes . . . . .	\$ 441,702	\$ -	\$ -	\$ -	\$ 441,702
Charges for services . . . . .	149,802	-	100	30,201	180,103
Fines and forfeitures . . . . .	115,739	-	44,950	-	160,689
Intergovernmental . . . . .	459,419	7,742	-	-	467,161
Special assessments . . . . .	-	9,023	-	-	9,023
Investment income . . . . .	20,035	-	-	2,101	22,136
Contributions and donations . . . . .	-	145,000	-	-	145,000
Reimbursements . . . . .	37	-	-	-	37
Tax increment financing . . . . .	-	70,551	-	-	70,551
<b>Total revenues . . . . .</b>	<b>1,186,734</b>	<b>232,316</b>	<b>45,050</b>	<b>32,302</b>	<b>1,496,402</b>
<b>Expenditures:</b>					
Current:					
General government . . . . .	340,161	-	-	-	340,161
Security of persons and property. . . . .	16,218	-	-	-	16,218
Public health and welfare. . . . .	-	-	-	2,020	2,020
Transportation . . . . .	194,828	-	-	-	194,828
Capital outlay . . . . .	-	-	397,598	-	397,598
Debt service:					
Principal retirement . . . . .	-	667,203	-	-	667,203
Interest and fiscal charges. . . . .	-	411,050	14	-	411,064
<b>Total expenditures. . . . .</b>	<b>551,207</b>	<b>1,078,253</b>	<b>397,612</b>	<b>2,020</b>	<b>2,029,092</b>
Excess (deficiency) of revenues over (under) expenditures. . . . .	635,527	(845,937)	(352,562)	30,282	(532,690)
<b>Other financing sources (uses):</b>					
Transfers in . . . . .	150	1,108,163	1,000	-	1,109,313
Transfers out . . . . .	(601,421)	(355,098)	-	-	(956,519)
<b>Total other financing sources (uses) . . . . .</b>	<b>(601,271)</b>	<b>753,065</b>	<b>1,000</b>	<b>-</b>	<b>152,794</b>
Net change in fund balances . . . . .	34,256	(92,872)	(351,562)	30,282	(379,896)
<b>Fund balances, January 1 (restated). . . . .</b>	<b>1,785,018</b>	<b>118,776</b>	<b>633,370</b>	<b>1,176,598</b>	<b>3,713,762</b>
<b>Fund balances, December 31 . . . . .</b>	<b>\$ 1,819,274</b>	<b>\$ 25,904</b>	<b>\$ 281,808</b>	<b>\$ 1,206,880</b>	<b>\$ 3,333,866</b>

**CITY OF FINDLAY, OHIO**

COMBINING BALANCE SHEET  
NONMAJOR SPECIAL REVENUE FUNDS

DECEMBER 31, 2011  
(WITH COMPARATIVE TOTALS FOR DECEMBER 31, 2010)

	<u>County Permissive MVL Tax</u>	<u>State Highway</u>	<u>Law Enforcement Trust</u>	<u>Drug Law Enforcement</u>
<b>Assets:</b>				
Equity in pooled cash and investments . . . . .	\$ 150	\$ 83,726	\$ 790	\$ 3,502
Cash in segregated accounts . . . . .	-	-	-	-
Cash with fiduciary agent . . . . .	259,700	-	-	-
Receivables (net of allowances of uncollectibles) . .	-	22	-	-
Due from other governments . . . . .	-	58,195	-	-
Total assets . . . . .	<u>\$ 259,850</u>	<u>\$ 141,943</u>	<u>\$ 790</u>	<u>\$ 3,502</u>
<b>Liabilities:</b>				
Accounts payable . . . . .	\$ -	\$ 1,147	\$ -	\$ -
Accrued wages and benefits . . . . .	-	-	-	-
Insurance deposits payable . . . . .	-	-	-	-
Deferred revenue . . . . .	-	46,883	-	-
Unearned revenue . . . . .	-	-	-	-
Total liabilities . . . . .	<u>-</u>	<u>48,030</u>	<u>-</u>	<u>-</u>
<b>Fund balance:</b>				
Restricted . . . . .	<u>259,850</u>	<u>93,913</u>	<u>790</u>	<u>3,502</u>
Total fund balance . . . . .	<u>259,850</u>	<u>93,913</u>	<u>790</u>	<u>3,502</u>
Total liabilities and fund balance . . . . .	<u>\$ 259,850</u>	<u>\$ 141,943</u>	<u>\$ 790</u>	<u>\$ 3,502</u>

<b>Indigent Drivers Alcohol Treatment</b>	<b>Enforcement and Education</b>	<b>Court Special Projects</b>	<b>Court Computerization</b>	<b>METRICH Drug Law Enforcement Trust</b>	<b>Alcohol Monitoring</b>	<b>Mediation Services</b>	<b>Electronic Imaging</b>
\$ 209,703	\$ 54,261	\$ 114,644	\$ 80,572	\$ 2,863	\$ 26,267	\$ 76,993	\$ 39,357
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
<u>\$ 209,703</u>	<u>\$ 54,261</u>	<u>\$ 114,644</u>	<u>\$ 80,572</u>	<u>\$ 2,863</u>	<u>\$ 26,267</u>	<u>\$ 76,993</u>	<u>\$ 39,357</u>
\$ -	\$ -	\$ 190	\$ -	\$ -	\$ -	\$ -	\$ 109
-	-	1,041	-	-	-	-	600
-	-	1,650	-	-	-	-	1,653
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	2,881	-	-	-	-	2,362
<u>209,703</u>	<u>54,261</u>	<u>111,763</u>	<u>80,572</u>	<u>2,863</u>	<u>26,267</u>	<u>76,993</u>	<u>36,995</u>
<u>209,703</u>	<u>54,261</u>	<u>111,763</u>	<u>80,572</u>	<u>2,863</u>	<u>26,267</u>	<u>76,993</u>	<u>36,995</u>
<u>\$ 209,703</u>	<u>\$ 54,261</u>	<u>\$ 114,644</u>	<u>\$ 80,572</u>	<u>\$ 2,863</u>	<u>\$ 26,267</u>	<u>\$ 76,993</u>	<u>\$ 39,357</u>

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**CITY OF FINDLAY, OHIO**

COMBINING BALANCE SHEET  
NONMAJOR SPECIAL REVENUE FUNDS (CONTINUED)

DECEMBER 31, 2011  
(WITH COMPARATIVE TOTALS FOR DECEMBER 31, 2010)

	<u>Legal Research</u>	<u>Police Pension</u>	<u>Fire Pension</u>	<u>Revolving Loan</u>
<b>Assets:</b>				
Equity in pooled cash and investments . . . . .	\$ 20,146	\$ -	\$ -	\$ -
Cash in segregated accounts . . . . .	-	-	-	33,603
Cash with fiduciary agent. . . . .	-	-	-	-
Receivables (net of allowances of uncollectibles) . .	-	239,284	239,284	808,053
Due from other governments . . . . .	-	13,015	13,015	-
Total assets . . . . .	<u>\$ 20,146</u>	<u>\$ 252,299</u>	<u>\$ 252,299</u>	<u>\$ 841,656</u>
<b>Liabilities:</b>				
Accounts payable. . . . .	\$ -	\$ -	\$ -	\$ -
Accrued wages and benefits . . . . .	-	-	-	-
Insurance deposits payable. . . . .	-	-	-	-
Deferred revenue . . . . .	-	13,015	13,015	-
Unearned revenue . . . . .	-	239,284	239,284	-
Total liabilities. . . . .	<u>-</u>	<u>252,299</u>	<u>252,299</u>	<u>-</u>
<b>Fund balance:</b>				
Restricted . . . . .	<u>20,146</u>	<u>-</u>	<u>-</u>	<u>841,656</u>
Total fund balance . . . . .	<u>20,146</u>	<u>-</u>	<u>-</u>	<u>841,656</u>
Total liabilities and fund balance . . . . .	<u>\$ 20,146</u>	<u>\$ 252,299</u>	<u>\$ 252,299</u>	<u>\$ 841,656</u>



<b>Totals</b>	
<b>2011</b>	<b>Restated 2010</b>
\$ 712,974	\$ 753,939
33,603	151,503
259,700	96,435
1,286,643	1,224,063
84,225	69,387
<u>\$ 2,377,145</u>	<u>\$ 2,295,327</u>
\$ 1,446	\$ 20,859
1,641	1,561
3,303	3,852
72,913	57,801
478,568	426,236
<u>557,871</u>	<u>510,309</u>
<u>1,819,274</u>	<u>1,785,018</u>
<u>1,819,274</u>	<u>1,785,018</u>
<u>\$ 2,377,145</u>	<u>\$ 2,295,327</u>

**CITY OF FINDLAY, OHIO**

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

FOR THE YEAR ENDED DECEMBER 31, 2011  
(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED DECEMBER 31, 2010)

	<b>County Permissive MVL Tax</b>	<b>State Highway</b>	<b>Law Enforcement Trust</b>	<b>Drug Law Enforcement</b>
<b>Revenues:</b>				
Property and other local taxes . . . . .	\$ -	\$ -	\$ -	\$ -
Charges for services . . . . .	-	-	-	-
Fines and forfeitures . . . . .	-	-	-	-
Intergovernmental . . . . .	207,912	141,435	-	-
Investment income . . . . .	-	289	-	-
Reimbursements . . . . .	-	-	-	-
<b>Total revenues . . . . .</b>	<b>207,912</b>	<b>141,724</b>	<b>-</b>	<b>-</b>
<b>Expenditures:</b>				
Current:				
General government . . . . .	-	-	-	-
Security of persons and property . . . . .	-	-	99	4,575
Transportation . . . . .	-	194,828	-	-
Capital outlay . . . . .	-	-	-	-
<b>Total expenditures . . . . .</b>	<b>-</b>	<b>194,828</b>	<b>99</b>	<b>4,575</b>
Excess (deficiency) of revenues over (under) expenditures . . . . .	207,912	(53,104)	(99)	(4,575)
<b>Other financing sources (uses):</b>				
Transfers in . . . . .	150	-	-	-
Transfers out . . . . .	(59,449)	-	-	-
<b>Total other financing sources (uses) . . . . .</b>	<b>(59,299)</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net change in fund balances . . . . .</b>	<b>148,613</b>	<b>(53,104)</b>	<b>(99)</b>	<b>(4,575)</b>
<b>Fund balances, January 1 (restated) . . . . .</b>	<b>111,237</b>	<b>147,017</b>	<b>889</b>	<b>8,077</b>
<b>(Decrease) in prepaids . . . . .</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Fund balances, December 31 . . . . .</b>	<b>\$ 259,850</b>	<b>\$ 93,913</b>	<b>\$ 790</b>	<b>\$ 3,502</b>

<b>Indigent Drivers Alcohol Treatment</b>	<b>Enforcement and Education</b>	<b>Court Special Projects</b>	<b>Court Computerization</b>	<b>METRICH Drug Law Enforcement Trust</b>	<b>Alcohol Monitoring</b>	<b>Mediation Services</b>	<b>Electronic Imaging</b>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	103,552	46,250	-	-	-	-
27,282	3,334	-	-	-	23,454	15,368	46,219
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	23	-	-	-	-	14
<u>27,282</u>	<u>3,334</u>	<u>103,575</u>	<u>46,250</u>	<u>-</u>	<u>23,454</u>	<u>15,368</u>	<u>46,233</u>
798	-	91,370	37,153	-	25,154	2,500	55,923
-	1,742	-	-	-	-	-	-
-	-	-	-	-	-	-	-
<u>798</u>	<u>1,742</u>	<u>91,370</u>	<u>37,153</u>	<u>-</u>	<u>25,154</u>	<u>2,500</u>	<u>55,923</u>
26,484	1,592	12,205	9,097	-	(1,700)	12,868	(9,690)
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
<u>26,484</u>	<u>1,592</u>	<u>12,205</u>	<u>9,097</u>	<u>-</u>	<u>(1,700)</u>	<u>12,868</u>	<u>(9,690)</u>
183,219	52,669	99,558	71,475	2,863	27,967	64,125	46,685
-	-	-	-	-	-	-	-
<u>\$ 209,703</u>	<u>\$ 54,261</u>	<u>\$ 111,763</u>	<u>\$ 80,572</u>	<u>\$ 2,863</u>	<u>\$ 26,267</u>	<u>\$ 76,993</u>	<u>\$ 36,995</u>

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**CITY OF FINDLAY, OHIO**

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

FOR THE YEAR ENDED DECEMBER 31, 2011  
(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED DECEMBER 31, 2010)

	<u>Legal Research</u>	<u>Police Pension</u>	<u>Fire Pension</u>	<u>Revolving Loan</u>
<b>Revenues:</b>				
Property and other local taxes . . . . .	\$ -	\$ 220,851	\$ 220,851	\$ -
Charges for services . . . . .	-	-	-	-
Fines and forfeitures . . . . .	82	-	-	-
Intergovernmental . . . . .	-	55,036	55,036	-
Investment income . . . . .	-	-	-	19,746
Reimbursements . . . . .	-	-	-	-
Total revenues . . . . .	<u>82</u>	<u>275,887</u>	<u>275,887</u>	<u>19,746</u>
<b>Expenditures:</b>				
Current:				
General government . . . . .	-	-	-	127,263
Security of persons and property . . . . .	-	4,901	4,901	-
Transportation . . . . .	-	-	-	-
Capital outlay . . . . .	-	-	-	-
Total expenditures . . . . .	<u>-</u>	<u>4,901</u>	<u>4,901</u>	<u>127,263</u>
Excess (deficiency) of revenues over (under) expenditures. . . . .	<u>82</u>	<u>270,986</u>	<u>270,986</u>	<u>(107,517)</u>
<b>Other financing sources (uses):</b>				
Transfers in . . . . .	-	-	-	-
Transfers out . . . . .	-	(270,986)	(270,986)	-
Total other financing sources (uses) . . . . .	<u>-</u>	<u>(270,986)</u>	<u>(270,986)</u>	<u>-</u>
Net change in fund balances . . . . .	82	-	-	(107,517)
<b>Fund balances, January 1 (restated) . . . . .</b>	20,064	-	-	949,173
<b>(Decrease) in prepaids. . . . .</b>	-	-	-	-
<b>Fund balances, December 31. . . . .</b>	<u>\$ 20,146</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 841,656</u>

<b>Totals</b>	
<b>2011</b>	<b>Restated 2010</b>
\$ 441,702	\$ 534,026
149,802	153,921
115,739	121,857
459,419	427,264
20,035	23,771
37	-
1,186,734	1,260,839
340,161	165,087
16,218	11,060
194,828	99,269
-	150,000
551,207	425,416
635,527	835,423
150	-
(601,421)	(812,765)
(601,271)	(812,765)
34,256	22,658
1,785,018	1,762,367
-	(7)
\$ 1,819,274	\$ 1,785,018

**CITY OF FINDLAY, OHIO**

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

FOR THE YEAR ENDED DECEMBER 31, 2011  
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED DECEMBER 31, 2010)

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with</u>	<u>2010</u>
	<u>Original</u>	<u>Final</u>		<u>Final Budget</u>	
				<u>Positive</u>	
				<u>(Negative)</u>	
<b>Revenues:</b>					
Intergovernmental . . . . .	\$ -	\$ 99,174	\$ 207,912	\$ 108,738	\$ 221,459
Total revenues . . . . .	-	99,174	207,912	108,738	221,459
<b>Expenditures:</b>					
Capital outlay					
Street improvements . . . . .	-	-	-	-	150,000
Total expenditures . . . . .	-	-	-	-	150,000
Excess of revenues over expenditures . . . . .	-	99,174	207,912	108,738	71,459
<b>Other financing sources (uses):</b>					
Transfers in . . . . .	-	72	150	78	-
Transfers out . . . . .	-	(59,449)	(59,449)	-	(203,539)
Total other financing sources (uses) . . . . .	-	(59,377)	(59,299)	78	(203,539)
Net change in fund balance. . . . .	-	39,797	148,613	108,816	(132,080)
<b>Fund balance, January 1 . . . . .</b>	<u>111,237</u>	<u>111,237</u>	<u>111,237</u>	<u>-</u>	<u>243,317</u>
<b>Fund balance, December 31. . . . .</b>	<u>\$ 111,237</u>	<u>\$ 151,034</u>	<u>\$ 259,850</u>	<u>\$ 108,816</u>	<u>\$ 111,237</u>

**CITY OF FINDLAY, OHIO**

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

FOR THE YEAR ENDED DECEMBER 31, 2011  
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED DECEMBER 31, 2010)

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with</u>	<u>2010</u>
	<u>Original</u>	<u>Final</u>		<u>Final Budget</u>	
				<u>Positive</u>	
				<u>(Negative)</u>	
<b>Revenues:</b>					
Intergovernmental . . . . .	\$ 146,092	\$ 151,391	\$ 141,435	\$ (9,956)	\$ 145,903
Investment income . . . . .	299	309	289	(20)	592
<b>Total revenues . . . . .</b>	<u>146,391</u>	<u>151,700</u>	<u>141,724</u>	<u>(9,976)</u>	<u>146,495</u>
<b>Expenditures:</b>					
Current:					
Transportation					
Other . . . . .	102,116	201,907	194,828	7,079	99,269
<b>Total expenditures . . . . .</b>	<u>102,116</u>	<u>201,907</u>	<u>194,828</u>	<u>7,079</u>	<u>99,269</u>
<b>Net change in fund balance . . . . .</b>	<u>44,275</u>	<u>(50,207)</u>	<u>(53,104)</u>	<u>(2,897)</u>	<u>47,226</u>
<b>Fund balance, January 1 . . . . .</b>	<u>147,017</u>	<u>147,017</u>	<u>147,017</u>	<u>-</u>	<u>99,791</u>
<b>Fund balance (deficit), December 31. . . . .</b>	<u>\$ 191,292</u>	<u>\$ 96,810</u>	<u>\$ 93,913</u>	<u>\$ (2,897)</u>	<u>\$ 147,017</u>

**CITY OF FINDLAY, OHIO**

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

FOR THE YEAR ENDED DECEMBER 31, 2011  
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED DECEMBER 31, 2010)

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with</u>	<u>2010</u>
	<u>Original</u>	<u>Final</u>		<u>Final Budget</u>	
				<u>Positive</u>	
				<u>(Negative)</u>	
<b>Expenditures:</b>					
Current:					
Security of persons and property					
Other . . . . .	\$ 889	\$ 889	\$ 99	\$ 790	\$ 1,297
Total expenditures . . . . .	889	889	99	790	1,297
Net change in fund balance . . . . .	(889)	(889)	(99)	790	(1,297)
<b>Fund balance, January 1 . . . . .</b>	<u>889</u>	<u>889</u>	<u>889</u>	<u>-</u>	<u>2,186</u>
<b>Fund balance, December 31 . . . . .</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 790</u>	<u>\$ 790</u>	<u>\$ 889</u>



**CITY OF FINDLAY, OHIO**

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

FOR THE YEAR ENDED DECEMBER 31, 2011  
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED DECEMBER 31, 2010)

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with</u>	<u>2010</u>
	<u>Original</u>	<u>Final</u>		<u>Final Budget</u>	
				<u>Positive</u>	
				<u>(Negative)</u>	
<b>Expenditures:</b>					
Current:					
Security of persons and property					
Other . . . . .	\$ 8,132	\$ 8,077	\$ 4,575	\$ 3,502	\$ 1,615
Total expenditures . . . . .	8,132	8,077	4,575	3,502	1,615
Net change in fund balance . . . . .	(8,132)	(8,077)	(4,575)	3,502	(1,615)
<b>Fund balance, January 1 . . . . .</b>	<u>8,077</u>	<u>8,077</u>	<u>8,077</u>	<u>-</u>	<u>9,692</u>
<b>Fund balance (deficit), December 31 . . . . .</b>	<u>\$ (55)</u>	<u>\$ -</u>	<u>\$ 3,502</u>	<u>\$ 3,502</u>	<u>\$ 8,077</u>

**CITY OF FINDLAY, OHIO**

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

FOR THE YEAR ENDED DECEMBER 31, 2011  
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED DECEMBER 31, 2010)

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with</u>	<u>2010</u>
	<u>Original</u>	<u>Final</u>		<u>Final Budget</u>	
				<u>Positive</u>	
				<u>(Negative)</u>	
<b>Revenues:</b>					
Fines and forfeitures . . . . .	\$ 13,070	\$ 16,582	\$ 27,282	\$ 10,700	\$ 32,210
Total revenues . . . . .	13,070	16,582	27,282	10,700	32,210
<b>Expenditures:</b>					
Current:					
General government					
Other . . . . .	120,000	120,000	798	119,202	13,415
Total expenditures . . . . .	120,000	120,000	798	119,202	13,415
Net change in fund balance . . . . .	(106,930)	(103,418)	26,484	129,902	18,795
<b>Fund balance, January 1 . . . . .</b>	<b>183,219</b>	<b>183,219</b>	<b>183,219</b>	<b>-</b>	<b>164,424</b>
<b>Fund balance, December 31 . . . . .</b>	<b>\$ 76,289</b>	<b>\$ 79,801</b>	<b>\$ 209,703</b>	<b>\$ 129,902</b>	<b>\$ 183,219</b>

**CITY OF FINDLAY, OHIO**

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

FOR THE YEAR ENDED DECEMBER 31, 2011  
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED DECEMBER 31, 2010)

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with</u>	<u>2010</u>
	<u>Original</u>	<u>Final</u>		<u>Final Budget</u>	
				<u>Positive</u>	
				<u>(Negative)</u>	
<b>Revenues:</b>					
Fines and forfeitures . . . . .	\$ 3,739	\$ 3,152	\$ 3,334	\$ 182	\$ 3,941
Total revenues . . . . .	3,739	3,152	3,334	182	3,941
<b>Expenditures:</b>					
Current:					
Security of persons and property					
Other . . . . .	55,337	55,337	1,742	53,595	-
Total expenditures . . . . .	55,337	55,337	1,742	53,595	-
Net change in fund balance . . . . .	(51,598)	(52,185)	1,592	53,777	3,941
<b>Fund balance, January 1 . . . . .</b>	<b>52,669</b>	<b>52,669</b>	<b>52,669</b>	<b>-</b>	<b>48,728</b>
<b>Fund balance, December 31 . . . . .</b>	<b>\$ 1,071</b>	<b>\$ 484</b>	<b>\$ 54,261</b>	<b>\$ 53,777</b>	<b>\$ 52,669</b>

**CITY OF FINDLAY, OHIO**

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

FOR THE YEAR ENDED DECEMBER 31, 2011  
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED DECEMBER 31, 2010)

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with</u>	<u>2010</u>
	<u>Original</u>	<u>Final</u>		<u>Final Budget</u>	
				<u>Positive</u>	
				<u>(Negative)</u>	
<b>Revenues:</b>					
Charges for services . . . . .	\$ 105,976	\$ 94,979	\$ 103,552	\$ 8,573	\$ 105,243
Reimbursements . . . . .	24	21	23	2	-
Total revenues . . . . .	<u>106,000</u>	<u>95,000</u>	<u>103,575</u>	<u>8,575</u>	<u>105,243</u>
<b>Expenditures:</b>					
Current:					
General government					
Personal services . . . . .	143,558	146,761	90,050	56,711	-
Other . . . . .	<u>16,000</u>	<u>16,000</u>	<u>1,320</u>	<u>14,680</u>	<u>70,892</u>
Total expenditures . . . . .	<u>159,558</u>	<u>162,761</u>	<u>91,370</u>	<u>71,391</u>	<u>70,892</u>
Net change in fund balance . . . . .	(53,558)	(67,761)	12,205	79,966	34,351
<b>Fund balance, January 1 . . . . .</b>	99,558	99,558	99,558	-	65,210
<b>(Decrease) in prepaids . . . . .</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(3)</u>
<b>Fund balance, December 31 . . . . .</b>	<u>\$ 46,000</u>	<u>\$ 31,797</u>	<u>\$ 111,763</u>	<u>\$ 79,966</u>	<u>\$ 99,558</u>

**CITY OF FINDLAY, OHIO**

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

FOR THE YEAR ENDED DECEMBER 31, 2011  
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED DECEMBER 31, 2010)

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with</u>	<u>2010</u>
	<u>Original</u>	<u>Final</u>		<u>Final Budget</u>	
				<u>Positive</u>	
				<u>(Negative)</u>	
<b>Revenues:</b>					
Charges for services . . . . .	\$ 41,047	\$ 42,210	\$ 46,250	\$ 4,040	\$ 48,678
Total revenues . . . . .	41,047	42,210	46,250	4,040	48,678
<b>Expenditures:</b>					
Current:					
General government					
Other . . . . .	63,832	63,832	37,153	26,679	347
Total expenditures . . . . .	63,832	63,832	37,153	26,679	347
Net change in fund balance . . . . .	(22,785)	(21,622)	9,097	30,719	48,331
<b>Fund balance, January 1 . . . . .</b>	<u>71,475</u>	<u>71,475</u>	<u>71,475</u>	<u>-</u>	<u>23,144</u>
<b>Fund balance, December 31 . . . . .</b>	<u>\$ 48,690</u>	<u>\$ 49,853</u>	<u>\$ 80,572</u>	<u>\$ 30,719</u>	<u>\$ 71,475</u>

**CITY OF FINDLAY, OHIO**

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

FOR THE YEAR ENDED DECEMBER 31, 2011  
 (WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED DECEMBER 31, 2010)

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with</u>	<u>2010</u>
	<u>Original</u>	<u>Final</u>		<u>Final Budget</u>	
				<u>Positive</u>	
				<u>(Negative)</u>	
<b>Expenditures:</b>					
Current:					
Security of persons and property					
Other . . . . .	\$ 2,863	\$ 2,863	\$ -	\$ 2,863	\$ -
Total expenditures . . . . .	2,863	2,863	-	2,863	-
Net change in fund balance . . . . .	(2,863)	(2,863)	-	2,863	-
<b>Fund balance, January 1 . . . . .</b>	<u>2,863</u>	<u>2,863</u>	<u>2,863</u>	<u>-</u>	<u>2,863</u>
<b>Fund balance, December 31 . . . . .</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,863</u>	<u>\$ 2,863</u>	<u>\$ 2,863</u>

**CITY OF FINDLAY, OHIO**

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

FOR THE YEAR ENDED DECEMBER 31, 2011  
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED DECEMBER 31, 2010)

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>	<u>2010 Actual</u>
	<u>Original</u>	<u>Final</u>			
<b>Revenues:</b>					
Fines and forfeitures . . . . .	\$ 23,000	\$ 23,000	\$ 23,454	\$ 454	\$ 21,495
Total revenues . . . . .	23,000	23,000	23,454	454	21,495
<b>Expenditures:</b>					
Current:					
General government					
Other . . . . .	25,654	25,654	25,154	500	5,346
Total expenditures . . . . .	25,654	25,654	25,154	500	5,346
Net change in fund balance . . . . .	(2,654)	(2,654)	(1,700)	954	16,149
<b>Fund balance, January 1 . . . . .</b>	<u>27,967</u>	<u>27,967</u>	<u>27,967</u>	<u>-</u>	<u>11,818</u>
<b>Fund balance, December 31 . . . . .</b>	<u>\$ 25,313</u>	<u>\$ 25,313</u>	<u>\$ 26,267</u>	<u>\$ 954</u>	<u>\$ 27,967</u>

**CITY OF FINDLAY, OHIO**

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

FOR THE YEAR ENDED DECEMBER 31, 2011  
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED DECEMBER 31, 2010)

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with</u>	<u>2010</u>
	<u>Original</u>	<u>Final</u>		<u>Final Budget</u>	
				<u>Positive</u>	
				<u>(Negative)</u>	
<b>Revenues:</b>					
Fines and forfeitures . . . . .	\$ 14,654	\$ 14,654	\$ 15,368	\$ 714	\$ 16,126
Total revenues . . . . .	14,654	14,654	15,368	714	16,126
<b>Expenditures:</b>					
Current:					
General government					
Other . . . . .	6,500	6,500	2,500	4,000	2,842
Total expenditures . . . . .	6,500	6,500	2,500	4,000	2,842
Net change in fund balance . . . . .	8,154	8,154	12,868	4,714	13,284
<b>Fund balance, January 1 . . . . .</b>	<b>64,125</b>	<b>64,125</b>	<b>64,125</b>	<b>-</b>	<b>50,841</b>
<b>Fund balance, December 31 . . . . .</b>	<b>\$ 72,279</b>	<b>\$ 72,279</b>	<b>\$ 76,993</b>	<b>\$ 4,714</b>	<b>\$ 64,125</b>



**CITY OF FINDLAY, OHIO**

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

FOR THE YEAR ENDED DECEMBER 31, 2011  
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED DECEMBER 31, 2010)

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with</u>	<u>2010</u>
	<u>Original</u>	<u>Final</u>		<u>Final Budget</u>	
				<u>Positive</u>	
				<u>(Negative)</u>	
<b>Revenues:</b>					
Fines and forfeitures . . . . .	\$ 41,987	\$ 42,181	\$ 46,219	\$ 4,038	\$ 47,825
Reimbursements . . . . .	13	13	14	1	-
Total revenues . . . . .	<u>42,000</u>	<u>42,194</u>	<u>46,233</u>	<u>4,039</u>	<u>47,825</u>
<b>Expenditures:</b>					
Current:					
General government					
Other . . . . .	<u>66,590</u>	<u>69,793</u>	<u>55,923</u>	<u>13,870</u>	<u>48,811</u>
Total expenditures . . . . .	<u>66,590</u>	<u>69,793</u>	<u>55,923</u>	<u>13,870</u>	<u>48,811</u>
Net change in fund balance . . . . .	(24,590)	(27,599)	(9,690)	17,909	(986)
<b>Fund balance, January 1 . . . . .</b>	46,685	46,685	46,685	-	47,675
<b>(Decrease) in prepaids . . . . .</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(4)</u>
<b>Fund balance, December 31 . . . . .</b>	<u>\$ 22,095</u>	<u>\$ 19,086</u>	<u>\$ 36,995</u>	<u>\$ 17,909</u>	<u>\$ 46,685</u>

**CITY OF FINDLAY, OHIO**

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

FOR THE YEAR ENDED DECEMBER 31, 2011  
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED DECEMBER 31, 2010)

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with</u>	<u>2010</u>
	<u>Original</u>	<u>Final</u>		<u>Final Budget</u>	
				<u>Positive</u>	
				<u>(Negative)</u>	
<b>Revenues:</b>					
Fines and forfeitures . . . . .	\$ 256	\$ 77	\$ 82	\$ 5	\$ 260
Total revenues . . . . .	256	77	82	5	260
Net change in fund balance . . . . .	256	77	82	5	260
<b>Fund balance, January 1 . . . . .</b>	<u>20,064</u>	<u>20,064</u>	<u>20,064</u>	<u>-</u>	<u>19,804</u>
<b>Fund balance, December 31 . . . . .</b>	<u>\$ 20,320</u>	<u>\$ 20,141</u>	<u>\$ 20,146</u>	<u>\$ 5</u>	<u>\$ 20,064</u>

**CITY OF FINDLAY, OHIO**

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

FOR THE YEAR ENDED DECEMBER 31, 2011  
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED DECEMBER 31, 2010)

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with</u>	<u>2010</u>
	<u>Original</u>	<u>Final</u>		<u>Final Budget</u>	
				<u>Positive</u>	
				<u>(Negative)</u>	
<b>Revenues:</b>					
Property and other local taxes . . . . .	\$ 192,608	\$ 222,170	\$ 220,851	\$ (1,319)	\$ 267,013
Intergovernmental . . . . .	47,998	55,365	55,036	(329)	29,951
<b>Total revenues . . . . .</b>	<u>240,606</u>	<u>277,535</u>	<u>275,887</u>	<u>(1,648)</u>	<u>296,964</u>
<b>Expenditures:</b>					
Current:					
Security of persons and property					
Other . . . . .	5,510	5,510	4,901	609	4,074
<b>Total expenditures . . . . .</b>	<u>5,510</u>	<u>5,510</u>	<u>4,901</u>	<u>609</u>	<u>4,074</u>
Excess of revenues over expenditures . . . . .	<u>235,096</u>	<u>272,025</u>	<u>270,986</u>	<u>(1,039)</u>	<u>292,890</u>
<b>Other financing uses:</b>					
Transfers out . . . . .	(280,240)	(272,025)	(270,986)	1,039	(304,613)
<b>Total other financing uses . . . . .</b>	<u>(280,240)</u>	<u>(272,025)</u>	<u>(270,986)</u>	<u>1,039</u>	<u>(304,613)</u>
Net change in fund balance . . . . .	(45,144)	-	-	-	(11,723)
<b>Fund balance, January 1 . . . . .</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>11,723</u>
<b>Fund balance (deficit), December 31 . . . . .</b>	<u>\$ (45,144)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**CITY OF FINDLAY, OHIO**

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

FOR THE YEAR ENDED DECEMBER 31, 2011  
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED DECEMBER 31, 2010)

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with</u>	<u>2010</u>
	<u>Original</u>	<u>Final</u>		<u>Final Budget</u>	
				<u>Positive</u>	
				<u>(Negative)</u>	
<b>Revenues:</b>					
Property and other local taxes . . . . .	\$ 192,608	\$ 222,170	\$ 220,851	\$ (1,319)	\$ 267,013
Intergovernmental . . . . .	47,998	55,365	55,036	(329)	29,951
<b>Total revenues . . . . .</b>	<u>240,606</u>	<u>277,535</u>	<u>275,887</u>	<u>(1,648)</u>	<u>296,964</u>
<b>Expenditures:</b>					
Current:					
Security of persons and property					
Other . . . . .	5,510	5,510	4,901	609	4,074
<b>Total expenditures . . . . .</b>	<u>5,510</u>	<u>5,510</u>	<u>4,901</u>	<u>609</u>	<u>4,074</u>
<b>Excess of revenues over expenditures . . . . .</b>	<u>235,096</u>	<u>272,025</u>	<u>270,986</u>	<u>(1,039)</u>	<u>292,890</u>
<b>Other financing uses:</b>					
Transfers out . . . . .	(280,240)	(272,025)	(270,986)	1,039	(304,613)
<b>Total other financing uses . . . . .</b>	<u>(280,240)</u>	<u>(272,025)</u>	<u>(270,986)</u>	<u>1,039</u>	<u>(304,613)</u>
<b>Net change in fund balance . . . . .</b>	<u>(45,144)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(11,723)</u>
<b>Fund balance, January 1 . . . . .</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>11,723</u>
<b>Fund balance (deficit), December 31 . . . . .</b>	<u>\$ (45,144)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**CITY OF FINDLAY, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
FUND BALANCE - BUDGET (GAAP-BASIS) AND ACTUAL  
SEVERANCE PAYOUT RESERVE FUND

FOR THE YEAR ENDED DECEMBER 31, 2011  
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED DECEMBER 31, 2010)

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with</u>	<u>2010</u>
	<u>Original</u>	<u>Final</u>		<u>Final Budget</u>	
				<u>Positive</u>	
				<u>(Negative)</u>	
<b>Expenditures:</b>					
Current:					
General Government					
Personal services . . . . .	\$ 66,330	\$ 277,330	\$ 225,641	\$ 51,689	\$ -
Total expenditures . . . . .	66,330	277,330	225,641	51,689	-
Excess of revenues over expenditures . . . . .	(66,330)	(277,330)	(225,641)	51,689	-
<b>Other financing sources:</b>					
Transfers in . . . . .	-	-	-	-	1,309,907
Total other financing sources . . . . .	-	-	-	-	1,309,907
Net change in fund balance . . . . .	(66,330)	(277,330)	(225,641)	51,689	1,309,907
<b>Fund balance, January 1 . . . . .</b>	<u>1,309,907</u>	<u>1,309,907</u>	<u>1,309,907</u>	<u>-</u>	<u>-</u>
<b>Fund balance, December 31 . . . . .</b>	<u>\$ 1,243,577</u>	<u>\$ 1,032,577</u>	<u>\$ 1,084,266</u>	<u>\$ 51,689</u>	<u>\$ 1,309,907</u>

**CITY OF FINDLAY, OHIO**

**COMPARATIVE BALANCE SHEET  
NONMAJOR DEBT SERVICE FUND**

DECEMBER 31, 2011  
(WITH COMPARATIVE TOTALS FOR DECEMBER 31, 2010)

	<u>2011</u>	<u>2010</u>
<b>Assets:</b>		
Equity in pooled cash and investments. . . . .	\$ 5,574	\$ 81,174
Cash with escrow agent. . . . .	33,137	33,500
Receivables (net of allowances of uncollectibles). . .	203,545	229,496
Total assets. . . . .	<u>\$ 242,256</u>	<u>\$ 344,170</u>
<b>Liabilities:</b>		
Matured bonds payable . . . . .	\$ 33,137	\$ 33,500
Deferred revenue. . . . .	4,271	13,084
Unearned revenue. . . . .	178,944	178,810
Total liabilities. . . . .	<u>216,352</u>	<u>225,394</u>
<b>Fund balance:</b>		
Restricted . . . . .	<u>25,904</u>	<u>118,776</u>
Total fund balance . . . . .	<u>25,904</u>	<u>118,776</u>
Total liabilities and fund balance . . . . .	<u>\$ 242,256</u>	<u>\$ 344,170</u>

**CITY OF FINDLAY, OHIO**

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

FOR THE YEAR ENDED DECEMBER 31, 2011  
(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED DECEMBER 31, 2010)

	<u>2011</u>	<u>2010</u>
<b>Revenues:</b>		
Intergovernmental . . . . .	\$ 7,742	\$ -
Special assessments . . . . .	9,023	24,223
Contributions and donations . . . . .	145,000	145,000
Tax increment financing . . . . .	<u>70,551</u>	<u>61,735</u>
Total revenues . . . . .	<u>232,316</u>	<u>230,958</u>
<b>Expenditures:</b>		
Debt service:		
Principal retirement . . . . .	667,203	662,703
Interest and fiscal charges . . . . .	<u>411,050</u>	<u>416,260</u>
Total expenditures . . . . .	<u>1,078,253</u>	<u>1,078,963</u>
Excess of expenditures over revenues . . . . .	<u>(845,937)</u>	<u>(848,005)</u>
<b>Other financing sources (uses):</b>		
Transfers in . . . . .	1,108,163	1,308,062
Transfers out . . . . .	<u>(355,098)</u>	<u>(410,618)</u>
Total other financing sources (uses) . . . . .	<u>753,065</u>	<u>897,444</u>
Net change in fund balances . . . . .	(92,872)	49,439
<b>Fund balance, January 1 . . . . .</b>	<u>118,776</u>	<u>69,337</u>
<b>Fund balance, December 31 . . . . .</b>	<u>\$ 25,904</u>	<u>\$ 118,776</u>

**CITY OF FINDLAY, OHIO**

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

FOR THE YEAR ENDED DECEMBER 31, 2011  
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED DECEMBER 31, 2010)

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with</u>	<u>2010</u>
	<u>Original</u>	<u>Final</u>		<u>Final Budget</u>	
				<u>Positive</u>	
				<u>(Negative)</u>	
<b>Revenues:</b>					
Intergovernmental . . . . .	\$ 6,337	\$ 8,923	\$ 7,742	\$ (1,181)	\$ -
Special assessments . . . . .	7,386	10,399	9,023	(1,376)	24,223
Contributions and donations . . . . .	118,693	167,117	145,000	(22,117)	145,000
Tax increment financing. . . . .	57,751	81,312	70,551	(10,761)	61,735
	<u>190,167</u>	<u>267,751</u>	<u>232,316</u>	<u>(35,435)</u>	<u>230,958</u>
<b>Expenditures:</b>					
Debt service:					
Principal retirement . . . . .	665,361	652,018	667,203	(15,185)	662,703
Interest and fiscal charges . . . . .	394,769	401,695	411,050	(9,355)	416,260
	<u>1,060,130</u>	<u>1,053,713</u>	<u>1,078,253</u>	<u>(24,540)</u>	<u>1,078,963</u>
Total debt service . . . . .					
	<u>1,060,130</u>	<u>1,053,713</u>	<u>1,078,253</u>	<u>(24,540)</u>	<u>1,078,963</u>
Total expenditures . . . . .					
	<u>1,060,130</u>	<u>1,053,713</u>	<u>1,078,253</u>	<u>(24,540)</u>	<u>1,078,963</u>
Excess of expenditures over revenues . . . . .	<u>(869,963)</u>	<u>(785,962)</u>	<u>(845,937)</u>	<u>(59,975)</u>	<u>(848,005)</u>
<b>Other financing sources (uses):</b>					
Transfers in . . . . .	907,116	1,277,193	1,108,163	(169,030)	1,308,062
Transfers out . . . . .	-	(355,098)	(355,098)	-	(410,618)
Total other financing sources (uses) . . . . .	<u>907,116</u>	<u>922,095</u>	<u>753,065</u>	<u>(169,030)</u>	<u>897,444</u>
Net change in fund balance. . . . .	37,153	136,133	(92,872)	(229,005)	49,439
<b>Fund balance, January 1 . . . . .</b>	<u>118,776</u>	<u>118,776</u>	<u>118,776</u>	<u>-</u>	<u>69,337</u>
<b>Fund balance (deficit), December 31 . . . . .</b>	<u>\$ 155,929</u>	<u>\$ 254,909</u>	<u>\$ 25,904</u>	<u>\$ (229,005)</u>	<u>\$ 118,776</u>



**CITY OF FINDLAY, OHIO**

COMBINING BALANCE SHEET  
NONMAJOR CAPITAL PROJECTS FUNDS

DECEMBER 31, 2011  
(WITH COMPARATIVE TOTALS FOR DECEMBER 31, 2010)

	<b>Capital Improvement Projects</b>	<b>Municipal Court Improvements</b>	<b>Totals</b>	
			<b>2011</b>	<b>2010</b>
<b>Assets:</b>				
Equity in pooled cash and investments . . . . .	\$ 90,087	\$ 619,060	\$ 709,147	\$ 989,860
Cash and cash equivalents with fiscal agent . . . . .	-	-	-	16,831
Total assets. . . . .	<u>\$ 90,087</u>	<u>\$ 619,060</u>	<u>\$ 709,147</u>	<u>\$ 1,006,691</u>
<b>Liabilities:</b>				
Accounts payable. . . . .	\$ 29,591	\$ 4,534	\$ 34,125	\$ 790
Contracts payable. . . . .	-	-	-	2,500
Retainage payable . . . . .	-	-	-	16,831
Accrued interest payable . . . . .	14	-	14	-
Interfund loans payable . . . . .	353,200	-	353,200	353,200
Notes payable . . . . .	40,000	-	40,000	-
Total liabilities. . . . .	<u>422,805</u>	<u>4,534</u>	<u>427,339</u>	<u>373,321</u>
<b>Fund balance:</b>				
Restricted . . . . .	-	614,526	614,526	673,584
Unassigned (deficit). . . . .	(332,718)	-	(332,718)	(40,214)
Total fund balance . . . . .	<u>(332,718)</u>	<u>614,526</u>	<u>281,808</u>	<u>633,370</u>
Total liabilities and fund equity. . . . .	<u>\$ 90,087</u>	<u>\$ 619,060</u>	<u>\$ 709,147</u>	<u>\$ 1,006,691</u>

**CITY OF FINDLAY, OHIO**

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

FOR THE YEAR ENDED DECEMBER 31, 2011  
(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED DECEMBER 31, 2010)

	<b>Capital Improvement Projects</b>	<b>Municipal Court Improvements</b>	<b>Totals</b>	
			<b>2011</b>	<b>2010</b>
<b>Revenues:</b>				
Charges for services . . . . .	\$ 100	\$ -	\$ 100	\$ -
Fines and forfeitures . . . . .	-	44,950	44,950	47,399
Total revenues . . . . .	<u>100</u>	<u>44,950</u>	<u>45,050</u>	<u>47,399</u>
<b>Expenditures:</b>				
Capital outlay . . . . .	293,590	104,008	397,598	354,961
Debt service:				
Interest and fiscal charges . . . . .	14	-	14	-
Total expenditures . . . . .	<u>293,604</u>	<u>104,008</u>	<u>397,612</u>	<u>354,961</u>
Excess of expenditures over revenues . . . . .	<u>(293,504)</u>	<u>(59,058)</u>	<u>(352,562)</u>	<u>(307,562)</u>
<b>Other financing sources (uses):</b>				
Transfers in . . . . .	1,000	-	1,000	207,200
Transfers out . . . . .	-	-	-	(62,437)
Total other financing sources (uses) . . . . .	<u>1,000</u>	<u>-</u>	<u>1,000</u>	<u>144,763</u>
Net change in fund balances . . . . .	(292,504)	(59,058)	(351,562)	(162,799)
<b>Fund balances (deficit), January 1 . . . . .</b>	<u>(40,214)</u>	<u>673,584</u>	<u>633,370</u>	<u>796,169</u>
<b>Fund balances (deficit), December 31. . . . .</b>	<u><u>\$ (332,718)</u></u>	<u><u>\$ 614,526</u></u>	<u><u>\$ 281,808</u></u>	<u><u>\$ 633,370</u></u>

**CITY OF FINDLAY, OHIO**

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

FOR THE YEAR ENDED DECEMBER 31, 2011  
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED DECEMBER 31, 2010)

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with</u>	<u>2010</u>
	<u>Original</u>	<u>Final</u>		<u>Final Budget</u>	
				<u>Positive</u>	
				<u>(Negative)</u>	
<b>Revenues:</b>					
Charges for services . . . . .	\$ -	\$ -	\$ 100	\$ 100	\$ -
Total revenues . . . . .	-	-	100	100	-
<b>Expenditures:</b>					
Capital outlay					
Other. . . . .	855,243	970,296	293,590	676,706	247,414
Debt service					
Interest and fiscal charges . . . . .	-	-	14	(14)	-
Total expenditures . . . . .	855,243	970,296	293,604	676,692	247,414
Excess of expenditures over revenues . . . . .	(855,243)	(970,296)	(293,504)	676,792	(247,414)
<b>Other financing sources (uses):</b>					
Transfers in . . . . .	-	-	1,000	1,000	207,200
Transfers out . . . . .	-	(310,898)	-	310,898	(62,437)
Total other financing sources (uses) . . . . .	-	(310,898)	1,000	311,898	144,763
Net change in fund balance . . . . .	(855,243)	(1,281,194)	(292,504)	988,690	(102,651)
<b>Fund balance (deficit), January 1 . . . . .</b>	<u>(40,214)</u>	<u>(40,214)</u>	<u>(40,214)</u>	<u>-</u>	<u>62,437</u>
<b>Fund balance (deficit), December 31 . . . . .</b>	<u>\$ (895,457)</u>	<u>\$ (1,321,408)</u>	<u>\$ (332,718)</u>	<u>\$ 988,690</u>	<u>\$ (40,214)</u>

**CITY OF FINDLAY, OHIO**

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

FOR THE YEAR ENDED DECEMBER 31, 2011  
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED DECEMBER 31, 2010)

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with</u>	<u>2010</u>
	<u>Original</u>	<u>Final</u>		<u>Final Budget</u>	
				<u>Positive</u>	
				<u>(Negative)</u>	
<b>Revenues:</b>					
Fines and forfeitures . . . . .	\$ 61,734	\$ 43,000	\$ 44,950	\$ 1,950	\$ 47,399
Total revenues . . . . .	61,734	43,000	44,950	1,950	47,399
<b>Expenditures:</b>					
Capital outlay					
Other . . . . .	314,026	314,026	104,008	210,018	107,547
Total expenditures . . . . .	314,026	314,026	104,008	210,018	107,547
Net change in fund balance . . . . .	(252,292)	(271,026)	(59,058)	211,968	(60,148)
<b>Fund balance, January 1 . . . . .</b>	<u>673,584</u>	<u>673,584</u>	<u>673,584</u>	<u>-</u>	<u>733,732</u>
<b>Fund balance, December 31. . . . .</b>	<u>\$ 421,292</u>	<u>\$ 402,558</u>	<u>\$ 614,526</u>	<u>\$ 211,968</u>	<u>\$ 673,584</u>

**CITY OF FINDLAY, OHIO**

COMPARATIVE BALANCE SHEET  
NONMAJOR CEMETERY TRUST PERMANENT FUND

DECEMBER 31, 2011  
(WITH COMPARATIVE TOTALS FOR DECEMBER 31, 2010)

	<b>2011</b>	<b>2010</b>
<b>Assets:</b>		
Equity in pooled cash and investments . . . . .	\$ 1,206,677	\$ 1,176,477
Receivables (net of allowances of uncollectibles).	203	121
Total assets . . . . .	\$ 1,206,880	\$ 1,176,598
<b>Fund balance:</b>		
Nonspendable . . . . .	\$ 1,204,779	\$ 1,176,477
Restricted . . . . .	2,101	121
Total fund balance . . . . .	1,206,880	1,176,598
Total liabilities and fund balance . . . . .	\$ 1,206,880	\$ 1,176,598

**CITY OF FINDLAY, OHIO**

COMPARATIVE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
NONMAJOR CEMETERY TRUST PERMANENT FUND

FOR THE YEAR ENDED DECEMBER 31, 2011  
(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED DECEMBER 31, 2010)

	<u>2011</u>	<u>2010</u>
<b>Revenues:</b>		
Charges for services . . . . .	\$ 30,201	\$ 23,400
Investment income . . . . .	<u>2,101</u>	<u>2,778</u>
Total revenues . . . . .	<u>32,302</u>	<u>26,178</u>
<b>Expenditures:</b>		
Current:		
Public health and welfare. . . . .	<u>2,020</u>	<u>2,756</u>
Total expenditures . . . . .	<u>2,020</u>	<u>2,756</u>
Net change in fund balance . . . . .	30,282	23,422
<b>Fund balance, January 1 . . . . .</b>	<u>1,176,598</u>	<u>1,153,176</u>
<b>Fund balance, December 31. . . . .</b>	<u>\$ 1,206,880</u>	<u>\$ 1,176,598</u>

**CITY OF FINDLAY, OHIO**

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

FOR THE YEAR ENDED DECEMBER 31, 2011  
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED DECEMBER 31, 2010)

	Budgeted Amounts		Actual	Variance with	2010 Actual
	Original	Final		Final Budget Positive (Negative)	
<b>Revenues:</b>					
Charges for services . . . . .	\$ 21,598	\$ 29,239	\$ 30,201	\$ 962	\$ 23,400
Investment income . . . . .	1,503	2,034	2,101	67	2,778
Total revenues . . . . .	<u>23,101</u>	<u>31,273</u>	<u>32,302</u>	<u>1,029</u>	<u>26,178</u>
<b>Expenditures:</b>					
Current:					
Public health and welfare					
Other . . . . .	366	2,020	2,020	-	2,756
Total expenditures . . . . .	<u>366</u>	<u>2,020</u>	<u>2,020</u>	<u>-</u>	<u>2,756</u>
Net change in fund balance . . . . .	22,735	29,253	30,282	1,029	23,422
<b>Fund balance, January 1 . . . . .</b>	<u>1,176,598</u>	<u>1,176,598</u>	<u>1,176,598</u>	<u>-</u>	<u>1,153,176</u>
<b>Fund balance, December 31. . . . .</b>	<u>\$ 1,199,333</u>	<u>\$ 1,205,851</u>	<u>\$ 1,206,880</u>	<u>\$ 1,029</u>	<u>\$ 1,176,598</u>

## CITY OF FINDLAY, OHIO

### Enterprise Funds

The enterprise funds account for operations that are financed and operated in a manner similar to private business enterprises where the intent is that costs (expenses, including depreciation) of providing services to the general public on a continuing basis be recovered primarily through user charges.

The City has the following major enterprise funds:

***Water Fund***

***Water Pollution Control Fund***

***Airport Fund***

These major enterprise funds are described on page 61 of the financial statements.

The City has the following nonmajor enterprise funds:

***Swimming Pool:***

To account for the operation of the swimming pool complex at Riverside Park. Beginning in 2010, the City contracted with the local YMCA to run the pool operations.

***Parking Facilities:***

To account for the operation of the parking department, which includes maintenance and rental of lots, fine revenue, and the monitoring of all on-street and off-street parking zones.



**CITY OF FINDLAY, OHIO**

**COMPARATIVE STATEMENT OF NET ASSETS  
WATER FUND**

DECEMBER 31, 2011 AND 2010

	<u>2011</u>	<u>2010</u>
<b>Assets:</b>		
Current assets:		
Equity in pooled cash and investments . . . . .	\$ 4,576,002	\$ 4,269,236
Receivables (net of allowances of uncollectibles) . . .	1,556,309	1,508,635
Prepayments . . . . .	27,030	27,063
Materials and supplies inventory . . . . .	<u>599,269</u>	<u>611,902</u>
Total current assets . . . . .	<u>6,758,610</u>	<u>6,416,836</u>
Noncurrent assets:		
Restricted assets:		
Equity in pooled cash and investments . . . . .	717,301	717,301
Deferred bond costs . . . . .	38,612	52,877
Capital assets:		
Nondepreciable capital assets. . . . .	3,822,018	3,018,368
Depreciable capital assets, net . . . . .	<u>48,735,584</u>	<u>49,468,315</u>
Total noncurrent assets . . . . .	<u>53,313,515</u>	<u>53,256,861</u>
Total assets . . . . .	<u>60,072,125</u>	<u>59,673,697</u>
<b>Liabilities:</b>		
Current liabilities:		
Accounts payable. . . . .	108,734	89,248
Contracts payable. . . . .	1,341	94,206
Accrued wages and benefits . . . . .	36,237	35,040
Insurance deposits payable . . . . .	47,671	40,028
Compensated absences payable. . . . .	249,277	235,280
Due to other funds . . . . .	415,594	396,928
Deposits held and due to others . . . . .	558,700	530,850
Deferred revenue. . . . .	9,534	904
Accrued interest payable . . . . .	109,345	125,277
Current portion of loans payable . . . . .	237,168	231,734
Current portion of bonds . . . . .	<u>610,000</u>	<u>570,000</u>
Total current liabilities . . . . .	<u>2,383,601</u>	<u>2,349,495</u>
Long-term liabilities:		
General obligation bonds payable. . . . .	3,677,149	4,316,779
Compensated absences payable. . . . .	149,043	160,697
Loans payable . . . . .	<u>3,773,948</u>	<u>4,011,116</u>
Total liabilities. . . . .	<u>9,983,741</u>	<u>10,838,087</u>
<b>Net assets:</b>		
Invested in capital assets, net of related debt . . . . .	44,297,949	43,357,054
Restricted for:		
Capital projects . . . . .	717,301	717,301
Unrestricted . . . . .	<u>5,073,134</u>	<u>4,761,255</u>
Total net assets . . . . .	<u>\$ 50,088,384</u>	<u>\$ 48,835,610</u>

**CITY OF FINDLAY, OHIO**

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

FOR THE YEAR ENDED DECEMBER 31, 2011 AND 2010

	<u>2011</u>	<u>2010</u>
<b>Operating revenues:</b>		
Charges for services . . . . .	\$ 7,343,601	\$ 7,330,609
Other . . . . .	90,860	28,732
Total operating revenues . . . . .	<u>7,434,461</u>	<u>7,359,341</u>
<b>Operating expenses:</b>		
Personal services . . . . .	2,869,940	2,706,008
Contract services . . . . .	660,533	1,245,392
Materials and supplies. . . . .	950,061	975,733
Utilities . . . . .	361,976	330,428
Depreciation. . . . .	1,215,680	1,203,201
Total operating expenses . . . . .	<u>6,058,190</u>	<u>6,460,762</u>
Operating income. . . . .	<u>1,376,271</u>	<u>898,579</u>
<b>Nonoperating revenues (expenses):</b>		
Intergovernmental. . . . .	54,609	59,203
Interest revenue. . . . .	18,863	18,521
Loss on disposal of capital assets. . . . .	-	(1,051)
Interest expense and fiscal charges . . . . .	(270,820)	(356,519)
Other nonoperating expenses. . . . .	-	(560,813)
Total nonoperating revenues (expenses) . . . . .	<u>(197,348)</u>	<u>(840,659)</u>
Income before contributions and transfers . . . . .	1,178,923	57,920
Capital contributions. . . . .	73,851	425,318
Transfers out . . . . .	-	(127,234)
Change in net assets. . . . .	1,252,774	356,004
<b>Net assets, January 1 . . . . .</b>	<u>48,835,610</u>	<u>48,479,606</u>
<b>Net assets, December 31 . . . . .</b>	<u>\$ 50,088,384</u>	<u>\$ 48,835,610</u>

**CITY OF FINDLAY, OHIO**

**COMPARATIVE STATEMENT OF CASH FLOWS  
WATER FUND**

FOR THE YEAR ENDED DECEMBER 31, 2011 AND 2010

	<u>2011</u>	<u>2010</u>
<b>Cash flows from operating activities:</b>		
Cash received from customers . . . . .	\$ 7,300,499	\$ 7,321,088
Cash received from other operations . . . . .	90,860	28,732
Cash payments for personal services . . . . .	(2,858,757)	(2,879,345)
Cash payments for contract services. . . . .	(632,650)	(1,207,661)
Cash payments for materials and supplies. . . . .	(917,942)	(1,011,699)
Cash payments for utilities. . . . .	<u>(343,310)</u>	<u>(334,953)</u>
Net cash provided by operating activities. . . . .	<u>2,638,700</u>	<u>1,916,162</u>
<b>Cash flows from noncapital financing activities:</b>		
Grants and contributions . . . . .	54,609	59,203
Transfers out . . . . .	<u>-</u>	<u>(127,234)</u>
Net cash provided by (used in) noncapital financing activities . . . . .	<u>54,609</u>	<u>(68,031)</u>
<b>Cash flows from capital and related financing activities:</b>		
Acquisition of capital assets . . . . .	(1,305,613)	(377,104)
Issuance of refunding bonds. . . . .	1,625,000	-
Bond issuance costs . . . . .	(16,216)	-
Payment to refunding bond escrow agent . . . . .	(1,833,644)	-
Principal paid on bonds . . . . .	(380,000)	(545,000)
Interest paid on bonds. . . . .	(157,537)	(234,520)
Principal paid on loans . . . . .	(231,734)	(226,473)
Interest paid on loans . . . . .	<u>(109,720)</u>	<u>(114,982)</u>
Net cash used in capital and related financing activities . . . . .	<u>(2,409,464)</u>	<u>(1,498,079)</u>
<b>Cash flows from investing activities:</b>		
Interest received. . . . .	<u>22,921</u>	<u>22,208</u>
Net cash provided by investing activities . . . . .	<u>22,921</u>	<u>22,208</u>
Net increase in cash and cash equivalents . . . . .	306,766	372,260
<b>Cash and cash equivalents at beginning of year . .</b>	<u>4,986,537</u>	<u>4,614,277</u>
<b>Cash and cash equivalents at end of year. . . . .</b>	<u>\$ 5,293,303</u>	<u>\$ 4,986,537</u>

- - continued

**CITY OF FINDLAY, OHIO**

COMPARATIVE STATEMENT OF CASH FLOWS  
WATER FUND (CONTINUED)

FOR THE YEAR ENDED DECEMBER 31, 2011 AND 2010

	<u>2011</u>	<u>2010</u>
<b>Reconciliation of operating income to net cash provided by operating activities:</b>		
Operating income . . . . .	\$ 1,376,271	\$ 898,579
Adjustments to reconcile operating income to net cash provided by operating activities:		
Depreciation . . . . .	1,215,680	1,203,201
Changes in assets and liabilities:		
(Increase) in accounts receivable. . . . .	(51,732)	(4,253)
Decrease in materials and supplies inventory . . . . .	12,633	11,566
(Increase) decrease in prepayments. . . . .	33	(2,519)
Increase (decrease) in accounts payable . . . . .	19,486	(47,532)
Increase in accrued wages and benefits. . . . .	1,197	6,488
Increase (decrease) in compensated absences payable. . . . .	2,343	(115,606)
Increase (decrease) in insurance deposits payable . . . . .	7,643	(64,219)
Increase in deposits held and due to others . . . . .	27,850	75,693
Increase (decrease) in deferred revenue . . . . .	8,630	(5,268)
(Decrease) in retainage payable . . . . .	-	(35,443)
Increase (decrease) in due to other funds . . . . .	18,666	(4,525)
Net cash provided by operating activities . . . . .	<u>\$ 2,638,700</u>	<u>\$ 1,916,162</u>

**Non-cash Transactions:**

During 2011, the Water fund received \$73,851 in capital contributions of donated water lines from private developers.

At December 31, 2011 and 2010, the Water fund purchased \$1,341 and \$94,206, respectively, in capital assets on account.

During 2010, the Water fund received \$425,318 in capital contributions of donated water lines from private developers.

At December 31, 2010 and 2009, the Water fund purchased \$94,206 and \$14,384, respectively, in capital assets on account.

**CITY OF FINDLAY, OHIO**

**COMPARATIVE STATEMENT OF NET ASSETS  
WATER POLLUTION CONTROL FUND**

DECEMBER 31, 2011 AND 2010

	<u>2011</u>	<u>2010</u>
<b>Assets:</b>		
Current assets:		
Equity in pooled cash and investments . . . . .	\$ 2,542,375	\$ 2,970,564
Receivables (net of allowances of uncollectibles) . .	426,509	432,254
Interfund loan receivable . . . . .	353,200	353,200
Due from other funds. . . . .	415,594	396,928
Prepayments . . . . .	18,875	18,253
Materials and supplies inventory . . . . .	50,430	46,593
Total current assets . . . . .	<u>3,806,983</u>	<u>4,217,792</u>
Noncurrent assets:		
Restricted assets:		
Equity in pooled cash and investments. . . . .	4,493,811	4,125,731
Deferred bond costs . . . . .	60,121	70,502
Capital assets:		
Nondepreciable capital assets . . . . .	2,346,469	1,579,592
Depreciable capital assets, net . . . . .	83,535,502	85,350,508
Total noncurrent assets . . . . .	<u>90,435,903</u>	<u>91,126,333</u>
Total assets . . . . .	<u>94,242,886</u>	<u>95,344,125</u>
<b>Liabilities:</b>		
Current liabilities:		
Accounts payable. . . . .	125,576	158,970
Accrued wages and benefits . . . . .	28,082	28,278
Insurance deposits payable . . . . .	36,756	44,918
Compensated absences payable. . . . .	176,724	141,972
Deferred revenue. . . . .	1,800	1,218
Accrued interest payable . . . . .	536,033	602,662
Current portion of loans payable . . . . .	1,784,613	1,858,792
Current portion of bonds . . . . .	590,000	1,265,000
Total current liabilities . . . . .	<u>3,279,584</u>	<u>4,101,810</u>
Long term liabilities:		
General obligation bonds payable . . . . .	3,155,236	3,717,973
Compensated absences payable. . . . .	106,785	200,955
Loans payable . . . . .	20,116,667	21,901,280
Total liabilities. . . . .	<u>26,658,272</u>	<u>29,922,018</u>
<b>Net assets:</b>		
Invested in capital assets, net of related debt . . . . .	60,295,576	58,187,055
Restricted for:		
Capital projects . . . . .	4,493,812	4,125,731
Unrestricted . . . . .	2,795,226	3,109,321
Total net assets . . . . .	<u>\$ 67,584,614</u>	<u>\$ 65,422,107</u>

**CITY OF FINDLAY, OHIO**

**COMPARATIVE STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET ASSETS  
WATER POLLUTION CONTROL FUND**

FOR THE YEAR ENDED DECEMBER 31, 2010 AND 2009

	<u>2011</u>	<u>2010</u>
<b>Operating revenues:</b>		
Charges for services . . . . .	\$ 9,088,500	\$ 9,068,861
Other . . . . .	153,583	23,258
Total operating revenues . . . . .	<u>9,242,083</u>	<u>9,092,119</u>
<b>Operating expenses:</b>		
Personal services . . . . .	2,231,425	2,261,759
Contract services . . . . .	803,431	1,217,356
Materials and supplies. . . . .	437,664	284,268
Utilities . . . . .	556,371	457,867
Depreciation. . . . .	2,009,591	1,938,540
Total operating expenses . . . . .	<u>6,038,482</u>	<u>6,159,790</u>
Operating income . . . . .	<u>3,203,601</u>	<u>2,932,329</u>
<b>Nonoperating revenues (expenses):</b>		
Intergovernmental . . . . .	80,280	85,649
Interest revenue. . . . .	24,561	24,160
Interest expense and fiscal charges . . . . .	(1,157,265)	(1,281,065)
Other nonoperating expenses. . . . .	-	(768,797)
Total nonoperating revenues (expenses). . . . .	<u>(1,052,424)</u>	<u>(1,940,053)</u>
Income before contributions and transfers . . . . .	2,151,177	992,276
Capital contributions. . . . .	11,330	1,000,044
Transfers out . . . . .	-	(317,700)
Change in net assets . . . . .	2,162,507	1,674,620
<b>Net assets, January 1 . . . . .</b>	<u>65,422,107</u>	<u>63,747,487</u>
<b>Net assets, December 31 . . . . .</b>	<u>\$ 67,584,614</u>	<u>\$ 65,422,107</u>

**CITY OF FINDLAY, OHIO**

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

FOR THE YEAR ENDED DECEMBER 31, 2011 AND 2010

	<b>2011</b>	<b>2010</b>
<b>Cash flows from operating activities:</b>		
Cash received from customers . . . . .	\$ 9,070,933	\$ 9,074,442
Cash received from other operations . . . . .	153,583	23,258
Cash payments for personal services . . . . .	(2,299,200)	(2,222,028)
Cash payments for contract services. . . . .	(804,053)	(1,244,656)
Cash payments for materials and supplies. . . . .	(474,895)	(266,737)
Cash payments for utilities. . . . .	(556,371)	(457,867)
Net cash provided by operating activities. . . . .	5,089,997	4,906,412
<b>Cash flows from noncapital financing activities:</b>		
Grants and contributions . . . . .	80,280	85,649
Advances out to other funds . . . . .	-	(353,200)
Transfers in . . . . .	-	(317,700)
Net cash provided by (used in) noncapital financing activities . . . . .	80,280	(585,251)
<b>Cash flows from capital and related financing activities:</b>		
Acquisition of capital assets . . . . .	(950,133)	(975,426)
Capital contributions . . . . .	-	432,930
Principal paid on bonds. . . . .	(1,265,000)	(1,215,000)
Interest paid on bonds. . . . .	(231,639)	(279,501)
Principal paid on loans . . . . .	(1,858,792)	(1,784,077)
Interest paid on loans . . . . .	(954,611)	(1,029,326)
Net cash used in capital and related financing activities . . . . .	(5,260,175)	(4,850,400)
<b>Cash flows from investing activities:</b>		
Interest received. . . . .	29,789	29,554
Net cash provided by investing activities . . . . .	29,789	29,554
Net decrease in cash and cash equivalents. . . . .	(60,109)	(499,685)
<b>Cash and cash equivalents at beginning of year . .</b>	7,096,295	7,595,980
<b>Cash and cash equivalents at end of year. . . . .</b>	\$ 7,036,186	\$ 7,096,295

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**CITY OF FINDLAY, OHIO**

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

FOR THE YEAR ENDED DECEMBER 31, 2011 AND 2010

	<b>2011</b>	<b>2010</b>
<b>Reconciliation of operating income to net cash provided by operating activities:</b>		
Operating income . . . . .	\$ 3,203,601	\$ 2,932,329
Adjustments to reconcile operating income to net cash provided by operating activities:		
Depreciation . . . . .	2,009,591	1,938,540
Changes in assets and liabilities:		
Decrease in accounts receivable . . . . .	517	771
Decrease (increase) in due from other funds . . . . .	(18,666)	4,525
(Increase) in materials and supplies inventory. . . . .	(3,837)	(37,479)
(Increase) in prepayments . . . . .	(622)	(3,630)
Increase (decrease) in accounts payable . . . . .	(33,394)	55,010
Increase (decrease) in accrued wages and benefits . . . . .	(196)	4,996
Increase (decrease) in compensated absences payable . . . . .	(59,417)	59,154
(Decrease) in insurance deposits payable. . . . .	(8,162)	(24,419)
Increase in deferred revenue . . . . .	582	285
(Decrease) in retainage payable . . . . .	-	(23,670)
Net cash provided by operating activities . . . . .	\$ 5,089,997	\$ 4,906,412

**Non-cash Transactions:**

During 2011, the Water Pollution Control fund received \$11,330 in capital contributions of donated sewer lines from private developers.

During 2010, the Water Pollution Control fund received \$565,865 in capital contributions of donated sewer lines from private developers.



**CITY OF FINDLAY, OHIO**

**COMPARATIVE STATEMENT OF NET ASSETS  
AIRPORT FUND**

DECEMBER 31, 2011 AND 2010

	<b>2011</b>		<b>2010</b>
<b>Assets:</b>			
Current assets:			
Equity in pooled cash and investments . . . . .	\$ 111,310	\$	78,417
Receivables (net of allowances of uncollectibles) . . .	46,557		33,783
Prepayments . . . . .	10,784		10,839
Materials and supplies inventory . . . . .	101,394		82,458
Total current assets . . . . .	270,045		205,497
Noncurrent assets:			
Restricted assets:			
Deferred bond costs . . . . .	241		722
Capital assets:			
Nondepreciable capital assets . . . . .	3,419,861		3,515,947
Depreciable capital assets, net . . . . .	12,494,932		13,377,407
Total noncurrent assets . . . . .	15,915,034		16,894,076
Total assets . . . . .	16,185,079		17,099,573
<b>Liabilities:</b>			
Current liabilities:			
Accounts payable. . . . .	31,530		27,303
Accrued wages and benefits . . . . .	4,057		4,096
Insurance deposits payable. . . . .	3,909		4,986
Compensated absences payable. . . . .	27,052		26,359
Accrued interest payable . . . . .	975		1,819
Current portion of bonds . . . . .	48,593		45,000
Total current liabilities . . . . .	116,116		109,563
Long term liabilities:			
General obligation bonds payable . . . . .	-		45,779
Compensated absences payable. . . . .	54,279		52,661
Total liabilities. . . . .	170,395		208,003
<b>Net assets:</b>			
Invested in capital assets, net of related debt . . . . .	15,866,441		16,803,297
Unrestricted . . . . .	148,243		88,273
Total net assets . . . . .	\$ 16,014,684	\$	16,891,570

**CITY OF FINDLAY, OHIO**

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

FOR THE YEAR ENDED DECEMBER 31, 2011 AND 2010

	<u>2011</u>	<u>2010</u>
<b>Operating revenues:</b>		
Charges for services . . . . .	\$ 882,752	\$ 836,474
Total operating revenues . . . . .	<u>882,752</u>	<u>836,474</u>
<b>Operating expenses:</b>		
Personal services . . . . .	319,541	306,243
Contract services . . . . .	127,565	94,316
Materials and supplies. . . . .	581,902	512,746
Utilities . . . . .	17,724	15,227
Depreciation. . . . .	<u>1,076,814</u>	<u>953,572</u>
Total operating expenses . . . . .	<u>2,123,546</u>	<u>1,882,104</u>
Operating loss. . . . .	<u>(1,240,794)</u>	<u>(1,045,630)</u>
<b>Nonoperating revenues (expenses):</b>		
Intergovernmental . . . . .	22,896	24,962
Interest expense and fiscal charges . . . . .	<u>(6,089)</u>	<u>(7,582)</u>
Total nonoperating revenues (expenses) . . . . .	<u>16,807</u>	<u>17,380</u>
Loss before contributions and transfers. . . . .	(1,223,987)	(1,028,250)
Capital contributions. . . . .	115,606	478,344
Transfers in . . . . .	280,992	161,567
Transfers out . . . . .	<u>(49,497)</u>	<u>(700)</u>
Change in net assets. . . . .	(876,886)	(389,039)
<b>Net assets, January 1 . . . . .</b>	<u>16,891,570</u>	<u>17,280,609</u>
<b>Net assets, December 31 . . . . .</b>	<u>\$ 16,014,684</u>	<u>\$ 16,891,570</u>

**CITY OF FINDLAY, OHIO**

**COMPARATIVE STATEMENT OF CASH FLOWS  
AIRPORT FUND**

FOR THE YEAR ENDED DECEMBER 31, 2011 AND 2010

	<u>2011</u>	<u>2010</u>
<b>Cash flows from operating activities:</b>		
Cash received from customers . . . . .	\$ 869,978	\$ 839,437
Cash payments for personal services . . . . .	(318,346)	(303,866)
Cash payments for contract services. . . . .	(127,510)	(93,529)
Cash payments for materials and supplies. . . . .	(596,611)	(741,149)
Cash payments for utilities. . . . .	(17,724)	(15,227)
Net cash used in operating activities . . . . .	<u>(190,213)</u>	<u>(314,334)</u>
<b>Cash flows from noncapital financing activities:</b>		
Grants and contributions . . . . .	22,896	24,962
Transfers in . . . . .	280,992	161,567
Transfers out . . . . .	(49,497)	(700)
Net cash provided by noncapital financing activities . . . . .	<u>254,391</u>	<u>185,829</u>
<b>Cash flows from capital and related financing activities:</b>		
Acquisition of capital assets . . . . .	(98,254)	(488,293)
Capital contributions . . . . .	115,606	478,344
Principal paid on bonds . . . . .	(45,000)	(40,000)
Interest paid on bonds . . . . .	(3,637)	(4,936)
Net cash used in capital and related financing activities . . . . .	<u>(31,285)</u>	<u>(54,885)</u>
Net increase (decrease) in cash and cash equivalents . .	32,893	(183,390)
<b>Cash and cash equivalents at beginning of year . . .</b>	<u>78,417</u>	<u>261,807</u>
<b>Cash and cash equivalents at end of year. . . . .</b>	<u>\$ 111,310</u>	<u>\$ 78,417</u>
<b>Reconciliation of operating loss to net cash used in operating activities:</b>		
Operating loss. . . . .	\$ (1,240,794)	\$ (1,045,630)
Adjustments to reconcile operating loss to net cash used in operating activities:		
Depreciation . . . . .	1,076,814	953,572
Changes in assets and liabilities:		
(Increase) decrease in accounts receivable . . . . .	(12,774)	2,963
(Increase) in materials and supplies inventory . . . . .	(18,936)	(36,221)
Decrease in prepayments . . . . .	55	787
Increase (decrease) in accounts payable . . . . .	4,227	(12,917)
Increase (decrease) in accrued wages and benefits . . .	(39)	753
Increase in compensated absences payable . . . . .	2,311	7,403
(Decrease) in insurance deposits payable. . . . .	(1,077)	(5,779)
(Decrease) in retainage payable . . . . .	-	(179,265)
Net cash used in operating activities . . . . .	<u>\$ (190,213)</u>	<u>\$ (314,334)</u>

**CITY OF FINDLAY, OHIO**

COMBINING STATEMENT OF NET ASSETS  
NONMAJOR ENTERPRISE FUNDS  
DECEMBER 31, 2011

	<u>Swimming Pool</u>	<u>Parking Facilities</u>	<u>Total</u>
<b>Assets:</b>			
Current assets:			
Equity in pooled cash and investments . . . . .	\$ 31,589	\$ 19,097	\$ 50,686
Prepayments . . . . .	186	219	405
Total current assets . . . . .	<u>31,775</u>	<u>19,316</u>	<u>51,091</u>
Noncurrent assets:			
Capital assets:			
Nondepreciable capital assets . . . . .	1,631	94,331	95,962
Depreciable capital assets, net . . . . .	463,957	-	463,957
Total noncurrent assets . . . . .	<u>465,588</u>	<u>94,331</u>	<u>559,919</u>
Total assets. . . . .	<u>497,363</u>	<u>113,647</u>	<u>611,010</u>
<b>Liabilities:</b>			
Current liabilities:			
Accounts payable. . . . .	201	534	735
Accrued wages and benefits . . . . .	243	1,005	1,248
Insurance deposits payable . . . . .	-	1,134	1,134
Compensated absences payable. . . . .	869	4,933	5,802
Total current liabilities . . . . .	<u>1,313</u>	<u>7,606</u>	<u>8,919</u>
Long term liabilities:			
Compensated absences payable. . . . .	487	-	487
Total liabilities. . . . .	<u>1,800</u>	<u>7,606</u>	<u>9,406</u>
<b>Net assets:</b>			
Invested in capital assets, net of related debt . . . . .	465,588	94,331	559,919
Unrestricted . . . . .	29,975	11,710	41,685
Total net assets . . . . .	<u>\$ 495,563</u>	<u>\$ 106,041</u>	<u>\$ 601,604</u>

**CITY OF FINDLAY, OHIO**

COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET ASSETS  
NONMAJOR ENTERPRISE FUNDS  
FOR THE YEAR ENDED DECEMBER 31, 2011

	<b>Swimming Pool</b>	<b>Parking Facilities</b>	<b>Total</b>
<b>Operating revenues:</b>			
Charges for services . . . . .	\$ -	\$ 66,063	\$ 66,063
Other . . . . .	-	24	24
<b>Total operating revenues . . . . .</b>	<b>-</b>	<b>66,087</b>	<b>66,087</b>
<b>Operating expenses:</b>			
Personal services . . . . .	12,234	75,282	87,516
Contract services . . . . .	993	3,013	4,006
Materials and supplies. . . . .	6,912	9,845	16,757
Utilities . . . . .	6,236	-	6,236
Depreciation. . . . .	25,506	-	25,506
<b>Total operating expenses . . . . .</b>	<b>51,881</b>	<b>88,140</b>	<b>140,021</b>
<b>Operating loss . . . . .</b>	<b>(51,881)</b>	<b>(22,053)</b>	<b>(73,934)</b>
Transfers in . . . . .	53,505	32,416	85,921
Change in net assets. . . . .	1,624	10,363	11,987
<b>Net assets, January 1 . . . . .</b>	<b>493,939</b>	<b>95,678</b>	<b>589,617</b>
<b>Net assets, December 31 . . . . .</b>	<b>\$ 495,563</b>	<b>\$ 106,041</b>	<b>\$ 601,604</b>

**CITY OF FINDLAY, OHIO**

COMBINING STATEMENT OF CASH FLOWS  
NONMAJOR ENTERPRISE FUNDS

FOR THE YEAR ENDED DECEMBER 31, 2011

	<b>Swimming Pool</b>	<b>Parking Facilities</b>	<b>Total</b>
<b>Cash flows from operating activities:</b>			
Cash received from customers . . . . .	\$ -	\$ 66,063	\$ 66,063
Cash received from other operations . . . . .	-	24	24
Cash payments for personal services . . . . .	(10,634)	(74,829)	(85,463)
Cash payments for contract services. . . . .	(991)	(3,032)	(4,023)
Cash payments for materials and supplies. . . . .	(6,852)	(9,765)	(16,617)
Cash payments for utilities. . . . .	(6,236)	-	(6,236)
	(24,713)	(21,539)	(46,252)
<b>Net cash used in operating activities. . . . .</b>			
<b>Cash flows from noncapital financing activities:</b>			
Transfers in . . . . .	53,505	32,416	85,921
Net cash provided by noncapital financing activities . . . . .	53,505	32,416	85,921
<b>Net increase in cash and cash equivalents . . . . .</b>	28,792	10,877	39,669
<b>Cash and cash equivalents at beginning of year . . . . .</b>	2,797	8,220	11,017
<b>Cash and cash equivalents at end of year. . . . .</b>	\$ 31,589	\$ 19,097	\$ 50,686
 <b>Reconciliation of operating loss to net cash used in operating activities:</b>			
Operating loss . . . . .	\$ (51,881)	\$ (22,053)	\$ (73,934)
Adjustments to reconcile operating loss to net cash used in operating activities:			
Depreciation . . . . .	25,506	-	25,506
Changes in assets and liabilities:			
(Increase) decrease in prepayments . . . . .	2	(19)	(17)
Increase in accounts payable. . . . .	60	80	140
Increase in accrued wages and benefits . . . . .	243	38	281
Increase in compensated absences payable . . . . .	1,357	568	1,925
(Decrease) in insurance deposits payable . . . . .	-	(153)	(153)
	(24,713)	(21,539)	(46,252)
<b>Net cash used in operating activities . . . . .</b>	\$ (24,713)	\$ (21,539)	\$ (46,252)

**CITY OF FINDLAY, OHIO**

**COMPARATIVE STATEMENT OF NET ASSETS  
SWIMMING POOL FUND**

FOR THE YEAR ENDED DECEMBER 31, 2011 AND 2010

	<b>2011</b>	<b>2010</b>
<b>Assets:</b>		
Current assets:		
Equity in pooled cash and investments . . . . .	\$ 31,589	\$ 2,797
Prepayments . . . . .	186	188
Total current assets . . . . .	31,775	2,985
Noncurrent assets:		
Capital assets:		
Nondepreciable capital assets . . . . .	1,631	1,631
Depreciable capital assets, net . . . . .	463,957	489,464
Total noncurrent assets . . . . .	465,588	491,095
Total assets . . . . .	497,363	494,080
<b>Liabilities:</b>		
Current liabilities:		
Accounts payable. . . . .	201	141
Accrued wages and benefits . . . . .	243	-
Compensated absences payable. . . . .	869	-
Total current liabilities . . . . .	1,313	141
Long term liabilities:		
Compensated absences payable. . . . .	487	-
Total liabilities. . . . .	1,800	141
<b>Net assets:</b>		
Invested in capital assets, net of related debt . . . . .	465,588	491,095
Unrestricted . . . . .	29,975	2,844
Total net assets . . . . .	\$ 495,563	\$ 493,939

**CITY OF FINDLAY, OHIO**

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

FOR THE YEAR ENDED DECEMBER 31, 2011 AND 2010

	<u>2011</u>	<u>2010</u>
<b>Operating revenues:</b>		
Other . . . . .	\$ -	\$ 149
Total operating revenues . . . . .	<u>-</u>	<u>149</u>
<b>Operating expenses:</b>		
Personal services . . . . .	12,234	18,008
Contract services . . . . .	993	1,907
Materials and supplies. . . . .	6,912	12,188
Utilities . . . . .	6,236	6,182
Depreciation. . . . .	25,506	25,507
Total operating expenses . . . . .	<u>51,881</u>	<u>63,792</u>
Operating loss. . . . .	(51,881)	(63,643)
Transfers in . . . . .	<u>53,505</u>	<u>30,894</u>
Change in net assets. . . . .	1,624	(32,749)
<b>Net assets, January 1 . . . . .</b>	<u>493,939</u>	<u>526,688</u>
<b>Net assets, December 31 . . . . .</b>	<u>\$ 495,563</u>	<u>\$ 493,939</u>



**CITY OF FINDLAY, OHIO**

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

FOR THE YEAR ENDED DECEMBER 31, 2011 AND 2010

	<b>2011</b>	<b>2010</b>
<b>Cash flows from operating activities:</b>		
Cash received from other operations . . . . .	\$ -	\$ 149
Cash payments for personal services . . . . .	(10,634)	(18,008)
Cash payments for contract services. . . . .	(991)	(887)
Cash payments for materials and supplies. . . . .	(6,852)	(13,309)
Cash payments for utilities. . . . .	(6,236)	(6,182)
	(24,713)	(38,237)
<b>Cash flows from noncapital financing activities:</b>		
Transfers in . . . . .	53,505	30,894
Net cash provided by noncapital financing activities . . . . .	53,505	30,894
Net increase (decrease) in cash and cash equivalents . . . . .	28,792	(7,343)
<b>Cash and cash equivalents at beginning of year . . . . .</b>	<b>2,797</b>	<b>10,140</b>
<b>Cash and cash equivalents at end of year. . . . .</b>	<b>\$ 31,589</b>	<b>\$ 2,797</b>
<b>Reconciliation of operating loss to net cash used in operating activities:</b>		
Operating loss . . . . .	\$ (51,881)	\$ (63,643)
Adjustments to reconcile operating loss to net cash used in operating activities:		
Depreciation . . . . .	25,506	25,507
Changes in assets and liabilities:		
Decrease in prepayments . . . . .	2	1,020
Increase (decrease) in accounts payable . . . . .	60	(1,121)
Increase in accrued wages and benefits . . . . .	243	-
Increase in compensated absences payable . . . . .	1,357	-
	1,357	-
Net cash used in operating activities . . . . .	\$ (24,713)	\$ (38,237)

**CITY OF FINDLAY, OHIO**

COMPARATIVE STATEMENT OF NET ASSETS  
PARKING FACILITIES FUND

FOR THE YEAR ENDED DECEMBER 31, 2011 AND 2010

	<u>2011</u>	<u>2010</u>
<b>Assets:</b>		
Current assets:		
Equity in pooled cash and investments . . . . .	\$ 19,097	\$ 8,220
Prepayments . . . . .	219	200
	<hr/>	<hr/>
Total current assets . . . . .	19,316	8,420
Noncurrent assets:		
Capital assets:		
Nondepreciable capital assets . . . . .	94,331	94,331
Total noncurrent assets . . . . .	94,331	94,331
	<hr/>	<hr/>
Total assets . . . . .	113,647	102,751
<b>Liabilities:</b>		
Current liabilities:		
Accounts payable. . . . .	534	454
Accrued wages and benefits . . . . .	1,005	967
Insurance deposits payable. . . . .	1,134	1,287
Compensated absences payable. . . . .	4,933	4,365
	<hr/>	<hr/>
Total liabilities. . . . .	7,606	7,073
<b>Net assets:</b>		
Invested in capital assets, net of related debt . . . . .	94,331	94,331
Unrestricted . . . . .	11,710	1,347
	<hr/>	<hr/>
Total net assets . . . . .	<u>\$ 106,041</u>	<u>\$ 95,678</u>

**CITY OF FINDLAY, OHIO**

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

FOR THE YEAR ENDED DECEMBER 31, 2011 AND 2010

	<u>2011</u>	<u>2010</u>
<b>Operating revenues:</b>		
Charges for services . . . . .	\$ 66,063	\$ 56,736
Other . . . . .	24	139
Total operating revenues . . . . .	<u>66,087</u>	<u>56,875</u>
<b>Operating expenses:</b>		
Personal services . . . . .	75,282	69,817
Contract services . . . . .	3,013	3,917
Materials and supplies. . . . .	9,845	9,903
Utilities . . . . .	-	497
Depreciation. . . . .	-	3,351
Total operating expenses . . . . .	<u>88,140</u>	<u>87,485</u>
Operating loss . . . . .	(22,053)	(30,610)
Transfers in . . . . .	<u>32,416</u>	<u>25,078</u>
Change in net assets. . . . .	10,363	(5,532)
<b>Net assets, January 1 . . . . .</b>	<u>95,678</u>	<u>101,210</u>
<b>Net assets, December 31 . . . . .</b>	<u>\$ 106,041</u>	<u>\$ 95,678</u>

**CITY OF FINDLAY, OHIO**

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

FOR THE YEAR ENDED DECEMBER 31, 2011 AND 2010

	<b>2011</b>	<b>2010</b>
<b>Cash flows from operating activities:</b>		
Cash received from customers . . . . .	\$ 66,063	\$ 56,736
Cash received from other operations . . . . .	24	139
Cash payments for personal services . . . . .	(74,829)	(69,881)
Cash payments for contract services. . . . .	(3,032)	(2,941)
Cash payments for materials and supplies. . . . .	(9,765)	(11,773)
Cash payments for utilities. . . . .	-	(497)
	(21,539)	(28,217)
<b>Cash flows from noncapital financing activities:</b>		
Transfers in . . . . .	32,416	25,078
Net cash provided by noncapital financing activities . . . . .	32,416	25,078
Net increase (decrease) in cash and cash equivalents . .	10,877	(3,139)
<b>Cash and cash equivalents at beginning of year . . .</b>	<b>8,220</b>	<b>11,359</b>
<b>Cash and cash equivalents at end of year. . . . .</b>	<b>\$ 19,097</b>	<b>\$ 8,220</b>
<b>Reconciliation of operating loss to net cash used in operating activities:</b>		
Operating loss . . . . .	\$ (22,053)	\$ (30,610)
Adjustments to reconcile operating loss to net cash used in operating activities:		
Depreciation . . . . .	-	3,351
Changes in assets and liabilities:		
Decrease (increase) in prepayments . . . . .	(19)	976
Increase (decrease) in accounts payable. . . . .	80	(1,870)
Increase in accrued wages and benefits. . . . .	38	217
Increase in compensated absences payable . . . . .	568	94
(Decrease) in insurance deposits payable . . . . .	(153)	(375)
Net cash used in operating activities . . . . .	\$ (21,539)	\$ (28,217)

## CITY OF FINDLAY, OHIO

The internal service funds account for the financing of goods or services provided by one department to other departments of the City of Findlay on a cost-reimbursement basis. Accounting for these funds is designed to accumulate all of the costs incurred by the internal service funds in providing goods and services to other departments. However, charges to the other departments are not intended to produce a significant profit in the long run, but to recover the total costs of providing goods or services.

***Central Stores:***

To account for the central purchase of various office supplies in large quantities at a lesser price with the subsequent charge to the various user departments.

***Self Insurance:***

To account for processing and paying general municipal liability insurance claims in lieu of purchasing general municipal liability insurance.

***Workers' Compensation:***

To account for the collection of premiums and payments of claims related to a workers' compensation retrospective rating plan.

**CITY OF FINDLAY, OHIO**

COMBINING STATEMENT OF NET ASSETS  
INTERNAL SERVICE FUNDS

DECEMBER 31, 2011  
(WITH COMPARATIVE TOTALS FOR DECEMBER 31, 2010)

	<b>Central Stores</b>	<b>Self-Insurance</b>	<b>Workers' Compensation</b>	<b>Totals</b>	
				<b>2011</b>	<b>2010</b>
<b>Assets:</b>					
Current assets:					
Equity in pooled cash and investments . . . . .	\$ 30,850	\$ 942,318	\$ 685,938	\$ 1,659,106	\$ 1,511,163
Receivables (net of allowances of uncollectibles) .	-	160	-	160	100
Prepayments. . . . .	-	12,749	-	12,749	12,749
Materials and supplies inventory . . . . .	3,311	-	-	3,311	11,790
<b>Total assets. . . . .</b>	<b>34,161</b>	<b>955,227</b>	<b>685,938</b>	<b>1,675,326</b>	<b>1,535,802</b>
<b>Liabilities:</b>					
Current liabilities:					
Accounts payable. . . . .	465	386	-	851	782
Workers' Compensation payable. . . . .	-	-	209,311	209,311	498,802
<b>Total liabilities. . . . .</b>	<b>465</b>	<b>386</b>	<b>209,311</b>	<b>210,162</b>	<b>499,584</b>
<b>Net assets:</b>					
Unrestricted . . . . .	33,696	954,841	476,627	1,465,164	1,036,218
<b>Total net assets. . . . .</b>	<b>\$ 33,696</b>	<b>\$ 954,841</b>	<b>\$ 476,627</b>	<b>\$ 1,465,164</b>	<b>\$ 1,036,218</b>

**CITY OF FINDLAY, OHIO**

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

FOR THE YEAR ENDED DECEMBER 31, 2011  
(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED DECEMBER 31, 2010)

	Central Stores	Self-Insurance	Workers' Compensation	Totals	
				2011	2010
<b>Operating revenues:</b>					
Charges for services . . . . .	\$ 15,632	\$ -	\$ 510,534	\$ 526,166	\$ 15,602
Other . . . . .	-	-	11,099	11,099	-
Total operating revenues . . . . .	15,632	-	521,633	537,265	15,602
<b>Operating expenses:</b>					
Contract services . . . . .	1,643	37,347	-	38,990	59,310
Materials and supplies. . . . .	25,858	-	-	25,858	15,784
Claims . . . . .	-	-	45,006	45,006	-
Depreciation. . . . .	-	-	-	-	183
Total operating expenses . . . . .	27,501	37,347	45,006	109,854	75,277
Operating loss . . . . .	(11,869)	(37,347)	476,627	427,411	(59,675)
<b>Nonoperating revenues:</b>					
Interest revenue . . . . .	-	1,535	-	1,535	2,272
Total nonoperating revenues . . . . .	-	1,535	-	1,535	2,272
Change in net assets . . . . .	(11,869)	(35,812)	476,627	428,946	(57,403)
<b>Net assets, January 1. . . . .</b>	<b>45,565</b>	<b>990,653</b>	<b>-</b>	<b>1,036,218</b>	<b>1,093,621</b>
<b>Net assets, December 31 . . . . .</b>	<b>\$ 33,696</b>	<b>\$ 954,841</b>	<b>\$ 476,627</b>	<b>\$ 1,465,164</b>	<b>\$ 1,036,218</b>

**CITY OF FINDLAY, OHIO**

COMBINING STATEMENT OF CASH FLOWS  
INTERNAL SERVICE FUNDS

FOR THE YEAR ENDED DECEMBER 31, 2011  
(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED DECEMBER 31, 2010)

	Central Stores	Self-Insurance	Workers' Compensation	Totals	
				2011	2010
<b>Cash flows from operating activities:</b>					
Cash received from customers . . . . .	\$ 15,632	\$ -	\$ 510,534	\$ 526,166	\$ 514,404
Cash received from other operating revenues . . . . .	-	-	11,099	11,099	-
Cash payments for contract services. . . . .	(1,643)	(36,961)	-	(38,604)	(46,577)
Cash payments for materials and supplies. . . . .	(17,696)	-	-	(17,696)	(23,113)
Cash payments for claims . . . . .	-	-	(334,497)	(334,497)	-
Net cash provided by (used in) operating activities. . . . .	<u>(3,707)</u>	<u>(36,961)</u>	<u>187,136</u>	<u>146,468</u>	<u>444,714</u>
<b>Cash flows from investing activities:</b>					
Interest received. . . . .	-	1,475	-	1,475	2,259
Net cash provided by investing activities . . . . .	<u>-</u>	<u>1,475</u>	<u>-</u>	<u>1,475</u>	<u>2,259</u>
Net increase (decrease) in cash and cash equivalents . . . . .	(3,707)	(35,486)	187,136	147,943	446,973
<b>Cash and cash equivalents at beginning of year . . . . .</b>	<u>34,557</u>	<u>977,804</u>	<u>498,802</u>	<u>1,511,163</u>	<u>1,064,190</u>
<b>Cash and cash equivalents at end of year. . . . .</b>	<u><u>\$ 30,850</u></u>	<u><u>\$ 942,318</u></u>	<u><u>\$ 685,938</u></u>	<u><u>\$ 1,659,106</u></u>	<u><u>\$ 1,511,163</u></u>
<b>Reconciliation of operating loss to net cash provided by (used in) operating activities:</b>					
Operating loss . . . . .	\$ (11,869)	\$ (37,347)	\$ 476,627	\$ 427,411	\$ (59,675)
Adjustments to reconcile operating loss to net cash provided by (used in) operating activities:					
Depreciation . . . . .	-	-	-	-	183
Changes in assets and liabilities:					
(Increase) decrease in materials and supplies inventory. . . . .	8,479	-	-	8,479	(6,983)
Decrease in prepayments . . . . .	-	-	-	-	12,733
Increase (decrease) in accounts payable . . . . .	(317)	386	-	69	(346)
Increase (decrease) in workers' compensation payable . . . . .	-	-	(289,491)	(289,491)	498,802
Net cash provided by (used in) operating activities. . . . .	<u><u>\$ (3,707)</u></u>	<u><u>\$ (36,961)</u></u>	<u><u>\$ 187,136</u></u>	<u><u>\$ 146,468</u></u>	<u><u>\$ 444,714</u></u>



## **CITY OF FINDLAY, OHIO**

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

### **Private-Purpose Trust Fund**

#### ***Private Trust:***

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

### **Agency Funds**

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

#### ***Guaranteed Deposits:***

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

#### ***Municipal Court:***

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

#### ***Tax Collection:***

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

**CITY OF FINDLAY, OHIO**

COMPARATIVE STATEMENT OF FIDUCIARY NET ASSETS  
PRIVATE-PURPOSE TRUST FUND  
DECEMBER 31, 2011 AND 2010

	<b>2011</b>	<b>2010</b>
<b>Assets:</b>		
Equity in pooled cash and investments . . . . .	\$ 165,224	\$ 167,235
Receivables:		
Accrued interest. . . . .	21	12
Total assets. . . . .	165,245	167,247
 <b>Net Assets:</b>		
Held in trust for private cemetery care . . . . .	165,245	167,247
Total net assets . . . . .	\$ 165,245	\$ 167,247

**CITY OF FINDLAY, OHIO**

COMPARATIVE STATEMENT OF CHANGES IN FIDUCIARY NET ASSETS  
PRIVATE-PURPOSE TRUST FUND  
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2011 AND 2010

	<b>2011</b>	<b>2010</b>
<b>Additions:</b>		
Interest . . . . .	\$ 215	\$ 276
Other . . . . .	200	200
	415	476
<b>Deductions:</b>		
Cemetery care . . . . .	2,417	2,864
Changes in net assets . . . . .	(2,002)	(2,388)
<b>Net assets, January 1.</b> . . . . .	167,247	169,635
<b>Net assets, December 31.</b> . . . . .	\$ 165,245	\$ 167,247

**CITY OF FINDLAY, OHIO**

COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES  
AGENCY FUNDS

FOR THE YEAR ENDED DECEMBER 31, 2011

	<u>Balance 12/31/10</u>	<u>Additions</u>	<u>Reductions</u>	<u>Balance 12/31/11</u>
<b>Guaranteed Deposits</b>				
<b>Assets:</b>				
Equity in pooled cash and investments . . . . .	\$ 111,254	\$ 109,948	\$ (111,254)	\$ 109,948
Total assets . . . . .	<u>\$ 111,254</u>	<u>\$ 109,948</u>	<u>\$ (111,254)</u>	<u>\$ 109,948</u>
<b>Liabilities:</b>				
Deposits held and due to others. . . . .	\$ 111,254	\$ 109,948	\$ (111,254)	\$ 109,948
Total liabilities. . . . .	<u>\$ 111,254</u>	<u>\$ 109,948</u>	<u>\$ (111,254)</u>	<u>\$ 109,948</u>
<b>Municipal Court</b>				
<b>Assets:</b>				
Cash in segregated accounts . . . . .	\$ 27,412	\$ 39,064	\$ (27,412)	\$ 39,064
Total assets . . . . .	<u>\$ 27,412</u>	<u>\$ 39,064</u>	<u>\$ (27,412)</u>	<u>\$ 39,064</u>
<b>Liabilities:</b>				
Deposits held and due to others. . . . .	\$ 27,412	\$ 39,064	\$ (27,412)	\$ 39,064
Total liabilities. . . . .	<u>\$ 27,412</u>	<u>\$ 39,064</u>	<u>\$ (27,412)</u>	<u>\$ 39,064</u>
<b>Tax Collection</b>				
<b>Assets:</b>				
Equity in pooled cash and investments . . . . .	\$ 20,372	\$ 4,232	\$ (20,372)	\$ 4,232
Total assets . . . . .	<u>\$ 20,372</u>	<u>\$ 4,232</u>	<u>\$ (20,372)</u>	<u>\$ 4,232</u>
<b>Liabilities:</b>				
Accounts payable. . . . .	\$ 20,372	\$ 4,232	\$ (20,372)	\$ 4,232
Total liabilities. . . . .	<u>\$ 20,372</u>	<u>\$ 4,232</u>	<u>\$ (20,372)</u>	<u>\$ 4,232</u>
<b>Total Agency Funds</b>				
<b>Assets:</b>				
Equity in pooled cash and investments . . . . .	\$ 131,626	\$ 114,180	\$ (131,626)	\$ 114,180
Cash in segregated accounts . . . . .	27,412	39,064	(27,412)	39,064
Total assets . . . . .	<u>\$ 159,038</u>	<u>\$ 153,244</u>	<u>\$ (159,038)</u>	<u>\$ 153,244</u>
<b>Liabilities:</b>				
Accounts payable. . . . .	\$ 20,372	\$ 4,232	\$ (20,372)	\$ 4,232
Deposits held and due to others. . . . .	138,666	149,012	(138,666)	149,012
Total liabilities. . . . .	<u>\$ 159,038</u>	<u>\$ 153,244</u>	<u>\$ (159,038)</u>	<u>\$ 153,244</u>

**CITY OF FINDLAY, OHIO**  
**STATISTICAL SECTION**

This part of the City of Findlay's Comprehensive Annual Financial Report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the City's overall financial health.

<b><u>Contents</u></b>	<b><u>Page</u></b>
<b>Financial Trends</b> These schedules contain trend information to help the reader understand how the City's financial performance and well-being have changed over time.	<b>180-189</b>
<b>Revenue Capacity</b> These schedules contain information to help the reader assess the City's most significant local revenue sources, property taxes and income taxes.	<b>190-199</b>
<b>Debt Capacity</b> 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.	<b>200-204</b>
<b>Demographic and Economic Information</b> These schedules offer demographic and economic indicators to help the reader understand the environment within which the City's financial activities take place.	<b>205-207</b>
<b>Operating Information</b> 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.	<b>208-213</b>

**Sources:** Sources are noted on the individual schedules. The City implemented GASB Statement 34 in 2003; schedules presenting government-wide information include information beginning in that year.

**CITY OF FINDLAY, OHIO**

NET ASSETS BY COMPONENT  
LAST NINE YEARS  
(ACCRUAL BASIS OF ACCOUNTING)

	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>
<b>Governmental Activities (1)</b>				
Invested in capital assets, net of related debt	\$ 72,312,433	\$ 72,061,766	\$ 72,632,017	\$ 67,497,148
Restricted for:				
Capital projects	614,526	675,260	796,169	807,513
Debt service	30,175	131,860	-	-
Security of persons and property programs	87,446	108,402	120,155	46,058
General government operations	557,094	488,391	377,200	371,730
Transportation improvement projects	1,926,637	1,761,398	1,356,482	2,556,627
Economic development programs	841,656	949,173	949,428	957,002
Perpetual care:				
Expendable	2,101	121	99	1,343
Nonexpendable	1,204,779	1,176,477	1,153,077	1,106,527
Other purposes	1,059,400	142,986	243,317	106,955
Unrestricted	12,544,754	10,841,644	5,123,470	7,209,975
Total governmental activities net assets	<u>\$ 91,181,001</u>	<u>\$ 88,337,478</u>	<u>\$ 82,751,414</u>	<u>\$ 80,660,878</u>
<b>Business-type Activities (2)</b>				
Invested in capital assets, net of related debt	\$ 121,019,885	\$ 118,932,110	\$ 117,699,129	\$ 107,016,529
Restricted for:				
Capital projects	5,211,113	4,843,032	5,149,454	5,144,813
Unrestricted	8,155,820	7,963,331	7,286,739	8,609,810
Total business-type activities net assets	<u>\$ 134,386,818</u>	<u>\$ 131,738,473</u>	<u>\$ 130,135,322</u>	<u>\$ 120,771,152</u>
<b>Total Primary Government</b>				
Invested in capital assets, net of related debt	\$ 193,332,318	\$ 190,993,876	\$ 190,331,146	\$ 174,513,677
Restricted for:				
Capital projects	5,825,639	5,518,292	5,945,623	5,952,326
Debt service	30,175	131,860	-	-
Security of persons and property programs	87,446	108,402	120,155	46,058
General government operations	557,094	488,391	377,200	371,730
Transportation projects	1,926,637	1,761,398	1,356,482	2,556,627
Economic development programs	841,656	949,173	949,428	957,002
Perpetual care:				
Expendable	2,101	121	99	1,343
Nonexpendable	1,204,779	1,176,477	1,153,077	1,106,527
Other projects	1,059,400	142,986	243,317	106,955
Unrestricted	20,700,574	18,804,975	12,410,209	15,819,785
Total primary government net assets	<u>\$ 225,567,819</u>	<u>\$ 220,075,951</u>	<u>\$ 212,886,736</u>	<u>\$ 201,432,030</u>

**Note:** 2003 was the first year the City implemented GASB Statement No. 34, so comparative information before that date is not available.

(1) For 2005-2010, amounts previously reported as "restricted for income tax distribution" have been reclassified to "unrestricted" to conform to 2011 presentation.

(2) For 2003-2010, amounts previously reported as "restricted for debt service" have been reclassified to "unrestricted" to conform to 2011 presentation.

TABLE 1

<b>2007</b>	<b>2006</b>	<b>2005</b>	<b>2004</b>	<b>2003</b>
\$ 60,888,257	\$ 57,094,162	\$ 57,382,919	\$ 55,017,907	\$ 53,250,549
833,059	816,047	767,872	711,679	2,160,578
198,994	300,417	421,034	392,125	607,989
-	-	-	-	-
-	-	-	-	-
382,853	1,682,254	1,321,291	2,176,368	1,707,388
995,811	996,565	774,538	-	-
10,642	6,856	2,847	1,840	1,157
1,082,017	1,040,735	971,777	967,544	936,540
1,102,364	883,047	1,133,567	5,422,036	3,390,659
16,062,711	13,761,840	9,733,607	3,572,979	4,066,854
<u>\$ 81,556,708</u>	<u>\$ 76,581,923</u>	<u>\$ 72,509,452</u>	<u>\$ 68,262,478</u>	<u>\$ 66,121,714</u>
\$ 100,827,108	\$ 96,111,991	\$ 92,990,351	\$ 85,421,338	\$ 81,980,224
5,291,559	5,605,343	5,026,928	3,228,686	2,582,786
9,690,895	8,564,441	6,234,096	7,558,939	8,087,433
<u>\$ 115,809,562</u>	<u>\$ 110,281,775</u>	<u>\$ 104,251,375</u>	<u>\$ 96,208,963</u>	<u>\$ 92,650,443</u>
\$ 161,715,365	\$ 153,206,153	\$ 150,373,270	\$ 140,439,245	\$ 135,230,773
6,124,618	6,421,390	5,794,800	3,940,365	4,743,364
198,994	300,417	421,034	392,125	607,989
-	-	-	-	-
-	-	-	-	-
382,853	1,682,254	1,321,291	2,176,368	1,707,388
995,811	996,565	774,538	-	-
10,642	6,856	2,847	1,840	1,157
1,082,017	1,040,735	971,777	967,544	936,540
1,102,364	883,047	1,133,567	5,422,036	3,390,659
25,753,606	22,326,281	15,967,703	11,131,918	12,154,287
<u>\$ 197,366,270</u>	<u>\$ 186,863,698</u>	<u>\$ 176,760,827</u>	<u>\$ 164,471,441</u>	<u>\$ 158,772,157</u>

**CITY OF FINDLAY, OHIO**  
**CHANGES IN NET ASSETS**  
**LAST NINE YEARS**  
**(ACCRUAL BASIS OF ACCOUNTING)**

	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>
<b>Program Revenues:</b>				
Governmental activities				
Charges for services:				
General government	\$ 2,433,357	\$ 2,921,732	\$ 2,496,854	\$ 2,658,578
Security of persons and property	141,823	257,994	162,514	93,886
Public health services	636,349	578,972	663,426	422,006
Transportation	95,613	138,556	7,499	26,547
Leisure time activities	566,439	604,244	832,625	537,876
Interest and fiscal charges	210	61,849	46,252	57,481
Operating grants & contributions	3,784,840	4,782,062	2,593,576	2,607,745
Capital grants & contributions	2,299,329	854,821	2,519,999	583,891
Total governmental activities program revenues	<u>9,957,960</u>	<u>10,200,230</u>	<u>9,322,745</u>	<u>6,988,010</u>
Business-type activities:				
Charges for services:				
Water	7,343,601	7,330,609	7,234,830	7,395,768
Water pollution control	9,088,500	9,068,861	8,889,619	8,472,743
Airport	882,752	836,474	659,547	870,610
Parking facilities	66,087	56,875	61,431	57,214
Swimming pool	-	149	45,211	64,484
Operating grants & contributions	157,785	169,814	3,300	12,469
Capital grants & contributions	200,787	1,903,706	6,490,318	2,342,423
Total business-type activities program revenues	<u>17,739,512</u>	<u>19,366,488</u>	<u>23,384,256</u>	<u>19,215,711</u>
Total primary government	<u>\$ 27,697,472</u>	<u>\$ 29,566,718</u>	<u>\$ 32,707,001</u>	<u>\$ 26,203,721</u>
<b>Expenses:</b>				
Governmental Activities				
General government	\$ 8,344,438	\$ 6,459,067	\$ 7,077,400	\$ 7,704,101
Security of persons and property	15,827,515	15,696,261	14,753,558	14,678,503
Public health services	2,181,429	1,790,894	1,761,611	1,702,053
Transportation	5,487,799	4,963,539	4,072,078	5,437,592
Leisure time activities	1,415,161	1,357,651	1,728,505	1,931,170
Other	-	-	-	587
Interest and fiscal charges	419,946	427,068	466,040	505,675
Total governmental activities expenses	<u>33,676,288</u>	<u>30,694,480</u>	<u>29,859,192</u>	<u>31,959,681</u>
Business-type activities:				
Water	6,278,612	7,379,254	5,934,589	6,349,090
Water pollution control	7,155,791	8,209,683	6,834,280	7,382,633
Airport	2,123,837	1,889,699	1,577,566	1,782,535
Parking facilities	86,691	87,485	109,874	112,539
Swimming pool	51,519	63,792	140,867	204,675
Total business-type activities expenses	<u>15,696,450</u>	<u>17,629,913</u>	<u>14,597,176</u>	<u>15,831,472</u>
Total primary government	<u>\$ 49,372,738</u>	<u>\$ 48,324,393</u>	<u>\$ 44,456,368</u>	<u>\$ 47,791,153</u>



TABLE 2

<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>
\$ 2,642,592	\$ 1,795,902	\$ 1,923,294	\$ 1,933,403	\$ 1,177,697
27,093	96,414	53,312	41,100	1,564,861
375,142	662,752	607,457	441,186	-
177,677	10,454	17,202	5,458	2,219
536,362	381,605	337,880	332,417	66,340
31,753	36,124	111,908	159,118	186,366
2,607,559	3,450,769	2,608,882	4,092,055	2,641,376
1,540,453	-	1,512,583	-	412,249
<u>7,938,631</u>	<u>6,434,020</u>	<u>7,172,518</u>	<u>7,004,737</u>	<u>6,051,108</u>
7,656,030	7,085,719	7,100,619	6,632,486	6,854,205
8,678,711	8,505,966	8,609,713	8,179,779	7,540,853
955,248	1,042,094	946,458	776,427	677,746
66,606	66,901	90,498	92,131	105,518
76,738	64,620	54,029	45,346	50,070
-	-	-	-	-
3,497,107	3,015,561	4,567,599	1,591,936	2,678,509
<u>20,930,440</u>	<u>19,780,861</u>	<u>21,368,916</u>	<u>17,318,105</u>	<u>17,906,901</u>
<u>\$ 28,869,071</u>	<u>\$ 26,214,881</u>	<u>\$ 28,541,434</u>	<u>\$ 24,322,842</u>	<u>\$ 23,958,009</u>
\$ 8,023,535	\$ 6,504,903	\$ 6,387,634	\$ 6,774,481	\$ 5,695,708
14,680,286	14,848,790	14,919,051	13,676,481	12,866,966
1,640,736	1,540,983	1,515,801	1,336,638	1,347,065
5,196,310	4,789,212	4,194,626	3,188,310	1,106,317
1,557,008	1,370,659	1,413,227	1,372,531	1,337,577
-	-	-	-	1,807
567,264	211,810	108,694	241,547	201,871
<u>31,665,139</u>	<u>29,266,357</u>	<u>28,539,033</u>	<u>26,589,988</u>	<u>22,557,311</u>
6,844,630	5,667,066	5,916,358	6,258,906	6,398,700
7,418,266	6,355,113	6,175,336	5,996,566	6,843,341
1,718,628	1,673,047	1,642,345	1,898,137	1,306,254
126,429	144,136	139,108	112,840	138,441
159,333	154,660	122,407	105,840	129,661
<u>16,267,286</u>	<u>13,994,022</u>	<u>13,995,554</u>	<u>14,372,289</u>	<u>14,816,397</u>
<u>\$ 47,932,425</u>	<u>\$ 43,260,379</u>	<u>\$ 42,534,587</u>	<u>\$ 40,962,277</u>	<u>\$ 37,373,708</u>

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**CITY OF FINDLAY, OHIO**  
**CHANGES IN NET ASSETS (CONTINUED)**  
**LAST NINE YEARS**  
**(ACCRUAL BASIS OF ACCOUNTING)**

	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>
<b>Net (Expense) Revenue</b>				
Governmental activities	\$ (23,718,328)	\$ (20,494,250)	\$ (20,536,447)	\$ (24,971,671)
Business-type activities	2,043,062	1,736,575	8,787,080	3,384,239
Total primary government net expense	<u>\$ (21,675,266)</u>	<u>\$ (18,757,675)</u>	<u>\$ (11,749,367)</u>	<u>\$ (21,587,432)</u>
<b>General Revenues and Other Changes in Net Assets</b>				
Governmental activities				
Taxes:				
Property and other local taxes levied for:				
General purposes	\$ 2,349,758	\$ 2,705,027	\$ 2,621,017	\$ 2,666,772
Police and fire pensions	441,702	534,026	525,756	526,916
Municipal income taxes levied for:				
General purposes	20,703,206	19,619,390	14,707,682	15,550,207
Tax increment financing revenues	70,551	-	-	-
Grants and entitlements				
not restricted to specific programs	2,793,218	2,431,879	4,506,472	4,327,630
Gain on sale of capital assets	-	11,689	-	-
Investment earnings	70,011	49,253	107,613	586,151
Increase (decrease) in fair market value				
of investments	(28,750)	(27)	(102,525)	74,364
Miscellaneous	479,571	500,982	537,215	1,180,285
Transfers	(317,416)	228,095	(276,247)	(836,484)
Extraordinary item	-	-	-	-
Total governmental activities	<u>26,561,851</u>	<u>26,080,314</u>	<u>22,626,983</u>	<u>24,075,841</u>
Business-type activities				
Investment earnings	43,424	42,681	131,594	475,668
Miscellaneous	244,443	51,990	169,249	265,199
Transfers	317,416	(228,095)	276,247	836,484
Extraordinary item	-	-	-	-
Total business-type activities	<u>605,283</u>	<u>(133,424)</u>	<u>577,090</u>	<u>1,577,351</u>
Total primary government	<u>\$ 27,167,134</u>	<u>\$ 25,946,890</u>	<u>\$ 23,204,073</u>	<u>\$ 25,653,192</u>
<b>Change in Net Assets</b>				
Governmental activities	\$ 2,843,523	\$ 5,586,064	\$ 2,090,536	\$ (895,830)
Business-type activities	2,648,345	1,603,151	9,364,170	4,961,590
Total primary government	<u>\$ 5,491,868</u>	<u>\$ 7,189,215</u>	<u>\$ 11,454,706</u>	<u>\$ 4,065,760</u>

**Note:** 2003 was the first year the City implemented GASB Statement No. 34, so comparative information before that date is not available.

TABLE 2

<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>
\$ (23,726,508)	\$ (22,832,337)	\$ (21,366,515)	\$ (19,585,251)	\$ (16,506,203)
4,663,154	5,786,839	7,373,362	2,945,816	3,090,504
<u>\$ (19,063,354)</u>	<u>\$ (17,045,498)</u>	<u>\$ (13,993,153)</u>	<u>\$ (16,639,435)</u>	<u>\$ (13,415,699)</u>
\$ 2,645,547	\$ 2,575,307	\$ 2,619,131	\$ 2,432,883	\$ 2,348,596
524,798	513,836	537,426	496,728	478,210
21,067,032	18,966,079	17,260,892	15,364,985	14,095,110
-	-	-	-	-
2,711,937	3,903,190	3,505,531	2,286,209	2,818,716
-	-	-	-	-
1,275,323	995,789	527,756	223,819	259,136
34,478	2,162	29,112	(44,172)	19,412
1,164,610	1,184,836	1,099,952	1,109,329	1,000,037
(410,194)	(40,825)	33,689	(143,766)	96,932
(312,238)	-	-	-	-
<u>28,701,293</u>	<u>28,100,374</u>	<u>25,613,489</u>	<u>21,726,015</u>	<u>21,116,149</u>
710,300	578,344	325,083	142,889	213,697
324,139	322,056	377,656	326,049	711,210
410,194	40,825	(33,689)	143,766	(96,932)
(580,000)	-	-	-	-
<u>864,633</u>	<u>941,225</u>	<u>669,050</u>	<u>612,704</u>	<u>827,975</u>
<u>\$ 29,565,926</u>	<u>\$ 29,041,599</u>	<u>\$ 26,282,539</u>	<u>\$ 22,338,719</u>	<u>\$ 21,944,124</u>
\$ 4,974,785	\$ 5,268,037	\$ 4,246,974	\$ 2,140,764	\$ 4,609,946
5,527,787	6,728,064	8,042,412	3,558,520	3,918,479
<u>\$ 10,502,572</u>	<u>\$ 11,996,101</u>	<u>\$ 12,289,386</u>	<u>\$ 5,699,284</u>	<u>\$ 8,528,425</u>

**CITY OF FINDLAY, OHIO**

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

	<u>2011 (1)</u>	<u>2010 (1)</u>	<u>2009</u>	<u>2008</u>
General Fund				
Nonspendable	\$ 46,848	\$ 45,131	\$ -	\$ -
Restricted	752,667	613,308	-	-
Committed	1,084,266	1,309,907	-	-
Assigned	1,237,557	566,767	-	-
Unassigned	6,121,828	5,059,364	-	-
Reserved	-	-	1,113,476	720,530
Designated	-	-	-	1,000,000
Unreserved, undesignated	-	-	3,122,306	4,143,164
Total general fund	<u>\$ 9,243,166</u>	<u>\$ 7,594,477</u>	<u>\$ 4,235,782</u>	<u>\$ 5,863,694</u>
All Other Governmental Funds				
Nonspendable	\$ 1,717,902	\$ 1,627,403	\$ -	\$ -
Restricted	3,596,540	3,526,938	-	-
Committed	4,680,635	3,553,070	-	-
Unassigned (deficit)	(332,718)	(40,714)	-	-
Reserved	-	-	3,718,638	4,658,477
Unreserved, undesignated reported in:				
Special revenue funds	-	-	2,408,755	2,818,273
Permanent fund	-	-	99	1,343
Capital projects funds	-	-	791,579	807,513
Total all other governmental funds	<u>\$ 9,662,359</u>	<u>\$ 8,666,697</u>	<u>\$ 6,919,071</u>	<u>\$ 8,285,606</u>
Total governmental funds	<u>\$ 18,905,525</u>	<u>\$ 16,261,174</u>	<u>\$ 11,154,853</u>	<u>\$ 14,149,300</u>

(1) The City implemented GASB Statement No. 54 in 2011. Only balances at December 31, 2010 have been restated and reclassified to conform to 2011 presentation under GASB Statement No. 54.

TABLE 3

<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>	<u>2002</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
1,195,477	2,355,431	843,588	370,547	335,338	603,616
-	-	-	-	-	-
<u>4,839,070</u>	<u>4,516,854</u>	<u>7,401,998</u>	<u>5,854,174</u>	<u>6,395,355</u>	<u>4,681,068</u>
<u>\$ 6,034,547</u>	<u>\$ 6,872,285</u>	<u>\$ 8,245,586</u>	<u>\$ 6,224,721</u>	<u>\$ 6,730,693</u>	<u>\$ 5,284,684</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
4,259,447	4,465,758	3,261,941	329,369	3,458,102	2,327,006
236,907	3,221,237	4,110,157	4,553,636	3,669,248	3,290,213
10,642	6,856	2,847	1,840	1,157	-
<u>826,099</u>	<u>815,547</u>	<u>767,872</u>	<u>530,660</u>	<u>414,919</u>	<u>505,253</u>
<u>\$ 5,333,095</u>	<u>\$ 8,509,398</u>	<u>\$ 8,142,817</u>	<u>\$ 8,379,830</u>	<u>\$ 7,543,426</u>	<u>\$ 6,122,472</u>
<u>\$ 11,367,642</u>	<u>\$ 15,381,683</u>	<u>\$ 16,388,403</u>	<u>\$ 14,604,551</u>	<u>\$ 14,274,119</u>	<u>\$ 11,407,156</u>

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

	<b>2011</b>	<b>2010</b>	<b>2009</b>	<b>2008</b>
<b>Revenues</b>				
Municipal income taxes	\$ 20,456,073	\$ 18,562,751	\$ 14,623,811	\$ 15,646,020
Property and other taxes	2,792,147	3,239,792	3,146,983	3,193,744
Charges for services	2,385,372	2,374,123	2,632,388	2,011,057
Licenses and permits	326,626	321,919	394,060	335,820
Fines and forfeitures	1,189,206	1,369,185	1,132,362	1,178,490
Intergovernmental	8,918,043	7,701,147	9,424,101	6,768,810
Special assessments	9,023	24,223	36,385	47,171
Investment income	92,454	75,987	126,352	637,025
Increase (decrease) in fair market value of investments	(28,750)	(27)	(102,525)	74,364
Rental income	59,092	70,314	65,948	58,677
Contributions and donations	189,262	148,089	157,531	157,036
Reimbursements	478,830	618,016	469,885	1,085,310
Tax increment financing	70,551	61,735	45,943	40,383
Other	64,621	61,142	71,631	94,919
<b>Total revenues</b>	<b>37,002,550</b>	<b>34,628,396</b>	<b>32,224,855</b>	<b>31,328,826</b>
<b>Expenditures</b>				
Current:				
General government	7,563,146	6,147,014	6,800,513	7,383,581
Security of persons and property	15,311,232	14,743,482	14,430,340	14,470,422
Public health and welfare	2,085,575	1,727,315	1,674,041	1,674,062
Transportation	2,555,879	2,190,517	2,298,037	2,791,562
Leisure time activity	1,359,519	1,258,449	1,635,959	1,871,879
Other	-	-	-	587
Capital outlay	5,132,329	2,587,380	7,126,312	6,909,430
Debt service:				
Principal retirement	667,203	662,703	648,703	428,703
Interest and fiscal charges	411,064	416,260	417,799	363,261
Bond/note issuance costs	54,920	-	-	134,231
<b>Total expenditures</b>	<b>35,140,867</b>	<b>29,733,120</b>	<b>35,031,704</b>	<b>36,027,718</b>
Excess (deficiency) of revenues over (under) expenditures	1,861,683	4,895,276	(2,806,849)	(4,698,892)
<b>Other Financing Sources (Uses)</b>				
Transfers in	21,241,205	20,478,411	15,713,810	18,127,688
Transfers (out)	(21,558,621)	(20,250,316)	(15,990,057)	(18,964,172)
Payment to refunding bond escrow agent	-	-	-	-
Premium on notes/bonds	-	-	-	-
Capital lease financing	-	-	-	-
Sale of capital assets	159	11,787	11,394	35,096
Discount on bonds sold	-	-	-	(46,937)
Premium on notes sold	-	-	-	12,848
Bonds issued	1,036,011	-	-	8,200,000
OPWC loans issued	-	-	-	-
<b>Total other financing sources (uses)</b>	<b>718,754</b>	<b>239,882</b>	<b>(264,853)</b>	<b>7,364,523</b>
<b>Extraordinary item</b>				
Loss due to flood damage	-	-	-	-
<b>Net change in fund balances</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Increase (decrease) in reserve for inventory	61,931	3,250	71,985	114,983
Increase (decrease) in prepaids	1,983	(32,087)	5,270	1,044
<b>Net change in fund balances</b>	<b>\$ 2,644,351</b>	<b>\$ 5,106,321</b>	<b>\$ (2,994,447)</b>	<b>\$ 2,781,658</b>
Capital expenditures	4,695,569	2,624,629	7,178,277	7,158,020
Debt service as a percentage of noncapital expenditures	3.72%	3.98%	3.83%	3.21%

TABLE 4

	2007	2006	2005	2004	2003	2002
\$	21,043,910	\$ 18,546,064	\$ 17,323,028	\$ 15,385,918	\$ 14,002,165	\$ 14,447,353
	3,170,345	3,089,143	3,156,557	2,929,611	2,826,806	2,864,133
	2,053,334	1,308,721	1,051,512	983,651	916,668	572,362
	348,671	326,340	367,854	361,509	319,748	294,599
	1,239,933	1,312,066	1,370,961	1,377,006	1,538,397	1,518,046
	5,363,039	7,201,553	6,227,738	6,206,496	5,396,980	4,146,327
	103,550	170,580	288,554	279,704	592,222	383,256
	1,216,152	947,722	508,744	229,758	249,655	417,326
	34,478	2,162	29,112	(44,172)	19,412	-
	57,231	50,900	-	-	-	-
	160,000	5,269	-	-	139,511	-
	943,393	835,261	834,736	725,093	677,682	707,314
	-	-	-	-	-	-
	82,381	293,406	265,216	384,236	322,566	213,694
	<u>35,816,417</u>	<u>34,089,187</u>	<u>31,424,012</u>	<u>28,818,810</u>	<u>27,001,812</u>	<u>25,564,410</u>
	7,267,755	6,043,985	6,077,685	5,777,002	5,542,145	5,810,189
	13,812,880	13,944,904	14,179,528	13,433,081	12,659,590	12,560,392
	1,636,529	1,467,461	1,483,325	1,368,300	1,334,612	1,345,087
	2,693,686	2,414,009	1,797,021	1,636,349	1,618,551	1,708,562
	1,408,200	1,267,736	1,305,133	1,373,950	1,305,622	888,587
	-	-	-	-	1,807	-
	11,368,519	9,399,548	4,003,967	4,241,071	4,913,419	4,918,956
	483,353	488,132	429,486	467,574	385,169	401,322
	616,955	243,875	137,867	227,576	209,146	371,465
	10,284	-	-	33,490	9,397	-
	<u>39,298,161</u>	<u>35,269,650</u>	<u>29,414,012</u>	<u>28,558,393</u>	<u>27,979,458</u>	<u>28,004,560</u>
	(3,481,744)	(1,180,463)	2,010,000	260,417	(977,646)	(2,440,150)
	22,021,990	20,905,649	18,958,417	17,122,675	16,467,546	16,659,895
	(22,432,184)	(20,946,474)	(19,324,728)	(17,266,441)	(16,370,614)	(16,871,989)
	-	-	-	(2,477,100)	-	-
	69,206	39,257	-	89,570	26,956	-
	-	-	-	-	-	9,116
	-	-	500	-	-	-
	-	-	-	-	-	-
	-	-	-	-	-	-
	-	-	129,300	2,463,000	1,001,550	119,850
	-	149,663	-	144,000	-	-
	<u>(340,988)</u>	<u>148,095</u>	<u>(236,511)</u>	<u>75,704</u>	<u>1,125,438</u>	<u>(83,128)</u>
	(192,824)	-	-	-	-	-
	(192,824)	-	-	-	-	-
	-	66,044	-	(3,353)	(9,484)	37,824
	1,515	(40,396)	10,363	(2,336)	9,398	17,105
\$	<u>(4,014,041)</u>	<u>\$ (1,006,720)</u>	<u>\$ 1,783,852</u>	<u>\$ 330,432</u>	<u>\$ 147,706</u>	<u>\$ (2,468,349)</u>
	10,877,755	8,779,039	5,301,849	4,676,770	4,913,419	4,918,956
	3.91%	2.76%	2.35%	3.05%	2.62%	3.35%

**CITY OF FINDLAY, OHIO**

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

Calendar Year (1)	Real Property (a)		Real and Personal Public Utility (b)		Tangible Personal Property (c)	
	Assessed Value	Estimated Actual Value	Assessed Value	Estimated Actual Value	Assessed Value	Estimated Actual Value
2012	\$ 775,349,320	\$ 2,215,283,771	\$ 22,262,350	\$ 25,298,125	\$ -	\$ -
2011 (2)	780,537,240	2,230,106,400	21,482,850	24,412,330	684,753	6,847,530
2010	808,518,430	2,310,052,657	20,949,860	23,806,659	1,332,890	13,328,900
2009	803,603,760	2,296,010,743	19,047,990	21,645,443	1,271,567	12,715,670
2008	793,505,110	2,267,157,457	17,749,490	20,169,875	39,237,296	234,252,513
2007	750,904,400	2,145,441,143	20,951,930	23,809,011	78,664,222	469,637,144
2006	731,113,130	2,088,894,657	20,830,810	23,671,375	110,179,715	440,718,860
2005 (2)	718,179,890	2,051,942,543	21,185,600	24,074,545	148,117,214	592,468,856
2004	645,430,870	1,844,088,200	20,894,840	23,744,136	144,017,614	576,070,456
2003	626,960,430	1,791,315,514	20,705,880	23,529,409	172,457,599	689,830,396

**Source:** Hancock County, Ohio; Auditor

(1) Valuations are amounts for collection year.

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

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

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

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

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

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

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

For 2009, tangible personal personal property tax is assessed at 0.00% of property value, including inventory, except for telephone tangible personal property which is assessed at 10% of property value, including inventory. In 2009, telephone tangible is the only taxable tangible personal property. The assessed value for telephone tangible personal property is provided by the Ohio Department of Taxation.



TABLE 5

<b>Total</b>		
<b>Assessed Value</b>	<b>Estimated Actual Value</b>	<b>%</b>
\$ 797,611,670	\$ 2,240,581,896	35.60%
802,704,843	2,261,366,260	35.50%
830,801,180	2,347,188,216	35.40%
823,923,317	2,330,371,856	35.36%
850,491,896	2,521,579,846	33.73%
850,520,552	2,638,887,298	32.23%
862,123,655	2,553,284,892	33.77%
887,482,704	2,668,485,944	33.26%
810,343,324	2,443,902,792	33.16%
820,123,909	2,504,675,319	32.74%

**CITY OF FINDLAY, OHIO**

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

		<b>City Direct Rates (1)</b>					
		<b>Collection Year (1)</b>	<b>General Rate</b>		<b>Total Direct Rate</b>		
		2012	\$	3.20	\$	3.20	
		2011		3.20		3.20	
		2010		3.20		3.20	
		2009		3.20		3.20	
		2008		3.20		3.20	
		2007		3.20		3.20	
		2006		3.20		3.20	
		2005		3.20		3.20	
		2004		3.20		3.20	
		2003		3.20		3.20	

		<b>Overlapping Rates (1)</b>					
<b>Collection Year (1)</b>	<b>Hancock County</b>	<b>Hancock County Park District</b>		<b>Findlay City School District</b>		<b>Findlay Hancock Public Library</b>	<b>Total</b>
2012	\$ 7.80	\$	0.80	\$	64.95	\$ 0.50	\$ 77.25
2011	7.80		0.80		64.99	0.50	77.29
2010	7.80		0.80		64.18	-	75.98
2009	7.80		0.80		60.75	-	72.55
2008	7.80		0.80		60.75	-	72.55
2007	7.30		0.80		60.75	-	72.05
2006	7.30		0.80		58.25	-	69.55
2005	5.40		0.80		58.25	-	67.65
2004	5.40		0.80		53.35	-	62.75
2003	5.12		0.80		53.35	-	62.47

Source: Hancock County Auditor's Office

(1) Property tax rates are the rates for the respective years of collection.

**CITY OF FINDLAY, OHIO**  
**PRINCIPAL TAXPAYERS**  
**REAL PROPERTY TAX**  
**CURRENT YEAR AND NINE YEARS AGO**

<b>December 31, 2011</b>			
<b>Taxpayer</b>	<b>Taxable Assessed Value</b>	<b>Rank</b>	<b>Percentage of Total City Taxable Assessed Value</b>
Marathon Oil Co.	\$ 10,663,520	1	1.37%
BB Findlay Limited Partnership	10,406,640	2	1.33%
Findlay Shopping Center, Inc.	5,537,090	3	0.71%
Kohl's Department Stores, Inc.	4,362,950	4	0.56%
Logistics Solutions of Ohio	4,001,660	5	0.51%
Hercules Tire & Rubber Company	3,873,610	6	0.50%
L P Investment Company	3,314,690	7	0.42%
Cooper Tire & Rubber Company	3,118,980	8	0.40%
Meijer Stores	2,901,360	9	0.37%
Hyway Warehousing Inc.	2,552,200	10	0.33%
<b>Total, Top Ten Principal Real Property Taxpayers</b>	<b>\$ 50,732,700</b>		<b>6.50%</b>

<b>December 31, 2002</b>			
<b>Taxpayer</b>	<b>Taxable Assessed Value</b>	<b>Rank</b>	<b>Percentage of Total City Taxable Assessed Value</b>
Marathon Oil/Petroleum Company	\$ 11,621,930	1	1.90%
Cooper Tire & Rubber Company	7,798,900	2	1.28%
Findlay Shopping Center, Inc.	5,830,950	3	0.95%
Logistics Solutions of Ohio	3,588,720	4	0.59%
Best Buy Distribution Center	2,768,240	5	0.45%
Owens Illinois/Brockway Plastics Company	2,511,150	6	0.41%
L P Investment Company	2,402,160	7	0.39%
Findstrial I (Intersil)	2,388,040	8	0.39%
Lowe's Home Centers	2,384,000	9	0.39%
Meijers Stores	2,196,220	10	0.36%
<b>Total, Top Ten Principal Real Property Taxpayers</b>	<b>\$ 43,490,310</b>		<b>7.11%</b>

**Source:** Hancock County Auditor

## CITY OF FINDLAY, OHIO

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

<b>December 31, 2011</b>			
<b>Taxpayer</b>	<b>Taxable Assessed Value</b>	<b>Rank</b>	<b>Percentage of Total City Taxable Assessed Value</b>
Ohio Power Company	\$ 18,632,030	1	86.73%
Columbia Gas of Ohio, Inc.	2,824,470	2	13.15%
Total, Two Principal Public Utility Taxpayers	<u>\$ 21,456,500</u>		<u>99.88%</u>
<b>December 31, 2002</b>			
<b>Taxpayer</b>	<b>Taxable Assessed Value</b>	<b>Rank</b>	<b>Percentage of Total City Taxable Assessed Value</b>
Ohio Power Company	\$ 12,034,940	1	59.17%
Ohio Bell Telephone	5,430,030	2	26.70%
Columbia Gas of Ohio	1,758,950	3	8.65%
Norfolk Southern Corp.	283,860	4	1.40%
Ohio Telephone and Telegraph	238,930	5	1.17%
CSX Transportation	208,720	6	1.03%
Arch Wireless Holdings	112,300	7	0.55%
AT & T	98,510	8	0.48%
New Par	43,710	9	0.21%
Ohio RSA #5 Ltd. Partnership	33,970	10	0.17%
Total, Top Ten Principal Public Utility Taxpayers	<u>\$ 20,243,920</u>		<u>99.53%</u>

Source: Hancock County Auditor

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

<b>Collection Year</b>	<b>Current Levy (1)</b>	<b>Delinquent Levy</b>	<b>Total Levy</b>	<b>Current Collection</b>	<b>Percent of Current Levy Collected</b>
2011	\$ 2,563,396	\$ 140,192	\$ 2,703,588	\$ 2,480,803	96.78%
2010	2,664,729	153,142	2,817,871	2,568,129	96.37%
2009	2,643,718	135,937	2,779,655	2,528,591	95.65%
2008	2,609,348	118,447	2,727,795	2,504,861	96.00%
2007	2,467,139	111,912	2,579,051	2,177,218	88.25%
2006	2,398,800	107,212	2,506,012	2,329,710	97.12%
2005	2,358,522	97,574	2,456,096	2,288,109	97.01%
2004	2,138,332	109,230	2,247,562	2,046,887	95.72%
2003	2,073,019	60,713	2,133,732	1,995,917	96.28%
2002	2,021,591	68,473	2,090,064	1,969,658	97.43%

**Source:** Hancock County Auditor

(1) includes rollbacks reimbursed by the State.

TABLE 9

<b>Delinquent Collection</b>	<b>Total Collection</b>	<b>Total Collection as a Percent of Total Levy</b>
65,222	\$ 2,546,025	94.17%
91,616	2,659,745	94.39%
81,704	2,610,295	93.91%
81,704	2,586,565	94.82%
82,611	2,259,829	87.62%
64,333	2,394,043	95.53%
63,527	2,351,636	95.75%
79,183	2,126,070	94.59%
55,691	2,051,608	96.15%
47,316	2,016,974	96.50%

**CITY OF FINDLAY, OHIO**

**INCOME TAX REVENUE BASE AND COLLECTIONS  
LAST TEN YEARS**

<b>Year</b>	<b>Tax Rate</b>	<b>Total Tax Collected</b>	<b>Taxes from Withholding</b>	<b>Percentage of Taxes from Withholding</b>	<b>Taxes From Net Profits</b>
2011	1.25%	\$ 21,031,544	\$ 17,136,493	81.48%	\$ 1,429,072
2010	1.25%	18,577,553	15,385,539	82.82%	1,218,868
2009	1.00%	14,580,651	11,990,526	82.24%	949,912
2008	1.00%	15,685,704	12,988,959	82.81%	1,114,157
2007	1.00%	21,185,963	12,926,239	61.01%	6,748,538
2006	1.00%	18,542,994	12,266,198	66.15%	4,714,847
2005	1.00%	17,331,772	12,004,951	69.27%	3,865,817
2004	1.00%	15,265,818	11,487,766	75.25%	2,424,514
2003	1.00%	14,278,805	11,168,674	78.22%	1,844,709
2002	1.00%	14,930,706	11,086,396	74.25%	2,468,483

**Source:** City income tax department.



TABLE 10

<b>Percentage of Taxes from Net Profits</b>	<b>Taxes from Individuals</b>	<b>Percentage of Taxes from Individuals</b>
6.79%	\$ 2,465,978	11.73%
6.56%	1,973,146	10.62%
6.51%	1,640,213	11.25%
7.10%	1,582,588	10.09%
31.85%	1,511,186	7.13%
25.43%	1,561,949	8.42%
22.30%	1,461,004	8.43%
15.88%	1,353,538	8.87%
12.92%	1,265,422	8.86%
16.53%	1,375,827	9.21%

**CITY OF FINDLAY, OHIO**

RATIOS OF OUTSTANDING DEBT BY TYPE  
LAST TEN YEARS

<b>Governmental Activities</b>						
<b>Year</b>	<b>General Obligation Bonds</b>	<b>Special Assessment Bonds</b>	<b>Notes Payable</b>	<b>Capital Leases</b>	<b>OPWC Loans</b>	<b>Police and Fire Past Service</b>
2011	\$ 9,806,011	\$ 11,625	\$ -	\$ -	\$ 198,506	\$ 1,104,686
2010	9,400,000	34,145	-	-	213,189	1,131,741
2009	10,015,000	67,165	-	-	227,872	1,157,682
2008	10,610,000	106,185	-	-	242,555	1,182,555
2007	2,765,000	165,205	10,530,000	-	257,238	1,206,404
2006	3,110,000	288,875	4,950,000	-	271,921	1,229,271
2005	3,440,000	434,045	-	2,020	133,200	1,251,195
2004	3,780,000	384,765	-	4,286	140,400	1,272,217
2003	3,990,000	443,635	-	6,390	-	1,292,373
2002	3,305,000	510,300	-	8,344	-	1,311,699

**Sources:**

(a) See notes to the financial statements regarding the City's outstanding debt information.

(b) See Schedule " Demographic and Economic Statistics - Last Ten Years" for personal income and population.

<b>Business-Type Activities</b>								
<b>General Obligation Bonds</b>	<b>Revenue Bonds</b>	<b>OWDA Loans</b>	<b>OPWC Loans</b>	<b>(a) Total Primary Government</b>	<b>(b) Total Personal Income</b>	<b>Percentage of Personal Income</b>	<b>(b) Population</b>	<b>Per Capita</b>
\$ 8,360,000	\$ -	\$ 25,184,140	\$ 728,256	\$ 45,393,224	\$1,012,291,938	4.48%	41,202	\$ 1,102
10,230,000	-	27,219,328	783,594	49,011,997	1,012,291,938	4.84%	41,202	1,190
12,030,000	-	29,174,539	838,933	53,511,191	989,940,520	5.41%	40,745	1,313
14,935,000	-	30,979,789	880,450	58,936,534	1,031,539,839	5.71%	40,623	1,451
17,775,000	-	32,781,584	727,397	66,207,828	1,058,697,465	6.25%	40,515	1,634
20,545,000	-	34,353,505	588,873	65,337,445	1,034,451,756	6.32%	40,372	1,618
23,240,000	-	32,381,825	625,289	61,507,574	999,682,580	6.15%	40,135	1,533
25,980,000	-	33,453,275	656,705	65,671,648	965,423,638	6.80%	40,114	1,637
27,975,000	-	34,849,100	483,121	69,039,619	951,319,134	7.26%	39,906	1,730
22,050,000	9,377,072	34,916,575	1,088,303	72,567,293	910,148,810	7.97%	39,670	1,829

## CITY OF FINDLAY, OHIO

RATIOS OF GENERAL BONDED DEBT OUTSTANDING  
LAST TEN YEARS

<b>Year</b>	<b>General Obligation Bonds</b>	<b>Special Assessment Bonds</b>	<b>Total</b>	<b>Percentage of Actual Taxable Value of Property</b>	<b>Per Capita</b>
2011	\$ 9,806,011	\$ 11,625	\$ 9,817,636	0.44%	238
2010	9,400,000	34,145	9,434,145	0.42%	229
2009	10,015,000	67,165	10,082,165	0.43%	247
2008	10,610,000	106,185	10,716,185	0.46%	264
2007	2,765,000	165,205	2,930,205	0.12%	72
2006	3,110,000	288,875	3,398,875	0.13%	84
2005	3,440,000	434,045	3,874,045	0.15%	97
2004	3,780,000	384,765	4,164,765	0.16%	104
2003	3,990,000	443,635	4,433,635	0.18%	111
2002	3,305,000	510,300	3,815,300	0.15%	96

**Note:** Details regarding the City's outstanding debt can be found in the notes to the financial statements.

## CITY OF FINDLAY, OHIO

DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT  
AS OF DECEMBER 31, 2011

<u>Governmental Unit</u>	<u>Debt Outstanding</u>	<u>Estimated Percentage Applicable (1)</u>	<u>Estimated Share of Overlapping Debt</u>
<b>Direct:</b>			
City of Findlay	\$ 9,856,011	100.00%	\$ 9,856,011
Total direct debt	<u>9,856,011</u>		<u>9,856,011</u>
<b>Overlapping debt:</b>			
Findlay City School District	52,442,135	91.20%	47,827,227
Liberty-Benton Local School District	1,776,705	10.68%	189,752
Van Buren Local School District	6,409,997	38.35%	2,458,234
Hancock County	<u>2,056,108</u>	50.74%	<u>1,043,269</u>
Total overlapping debt	<u>62,684,945</u>	50.74%	<u>51,518,482</u>
Total direct and overlapping debt	<u>\$ 72,540,956</u>		<u>\$ 61,374,493</u>

**Source:** Ohio Municipal Advisory Council. Excludes special assessment and self-supporting debt.

(1) Percentages were determined by dividing the assessed valuation of the overlapping government located within the boundaries of the City by the total assessed valuation of the government. The valuations used were for calendar year 2011.

## CITY OF FINDLAY, OHIO

LEGAL DEBT MARGIN INFORMATION  
LAST TEN YEARS

<b>Fiscal Year</b>	<b>Debt Limit (1)</b>	<b>Total Net Debt Applicable to Limit</b>	<b>Debt Service Available Balance</b>	<b>Legal Debt Margin</b>	<b>Total Net Debt Applicable to Limit as a Percentage of Debt Limit</b>
2011	\$ 83,749,225	\$ 9,806,011	\$ 25,904	\$ 73,969,118	11.71%
2010	84,284,009	9,400,000	118,776	75,002,785	11.15%
2009	87,234,124	10,015,000	69,337	77,288,461	11.48%
2008	86,511,948	10,610,000	78,008	75,979,956	12.26%
2007	85,144,308	2,765,000	160,697	82,540,005	3.25%
2006	89,304,658	3,110,000	199,170	86,393,828	3.48%
2005	90,522,984	3,440,000	193,624	87,276,608	3.80%
2004	93,185,684	3,780,000	181,545	89,587,229	4.06%
2003	85,086,049	3,990,000	257,291	81,353,340	4.69%
2002	86,113,010	3,305,000	146,493	82,954,503	3.84%

**Source:** City financial records.

**Note:** Ohio Bond Law sets a limit of 10.5% for voted debt and 5.5% for unvoted debt.

(1) Beginning in 2007, the debt limit excludes the assessed valuation of tangible personal property tax, as well as railroad and telephone public utility personal property in accordance with Ohio House Bill 530.

## CITY OF FINDLAY, OHIO

DEMOGRAPHIC AND ECONOMIC STATISTICS  
LAST TEN YEARS

Year	Population (1)	Personal Income	Per Capita Personal Income (2)	Unemployment Rates (3)			Square Miles of City
				Hancock County	Ohio	United States	
2011 (4)	41,202	\$ 1,012,291,938	\$ 24,569	7.6%	8.6%	8.9%	19.6163
2010	41,202	1,012,291,938	24,569	8.9%	10.1%	9.6%	19.6163
2009	40,745	989,940,520	24,296	10.3%	10.9%	10.0%	19.6163
2008	40,623	1,031,539,839	25,393	5.8%	6.6%	5.8%	19.5021
2007	40,515	1,058,697,465	26,131	4.6%	5.6%	4.6%	19.4789
2006	40,372	1,034,451,756	25,623	4.4%	5.5%	4.6%	19.1922
2005	40,135	999,682,580	24,908	4.9%	5.9%	5.1%	19.1389
2004	40,114	965,423,638	24,067	5.1%	6.2%	5.5%	19.0471
2003	39,906	951,319,134	23,839	5.2%	6.2%	6.0%	18.9187
2002	39,670	910,148,810	22,943	4.4%	5.7%	5.8%	18.6111

**Sources:**

- (1) Information obtained through U.S. Census Bureau.  
For 2001-2009, calculated as a percentage of total County population based upon 2000 census data.
- (2) Information obtained through Bureau of Economic Analysis.
- (3) Information obtained through Ohio Job & Family Services, Office of Workforce Development
- (4) Population, personal income and per capita personal income information for 2011 not available as of date of this report.

## CITY OF FINDLAY, OHIO

PRINCIPAL EMPLOYERS  
CURRENT YEAR AND NINE YEARS AGO

Employer	December 31, 2011		
	Employees	Rank	Percentage of Total City Employment
Cooper Tire & Rubber Company	2,030	1	17.39%
Blanchard Valley Regional Health Center	1,991	2	17.05%
Whirlpool Corporation	1,898	3	16.26%
Marathon/Ashland Petroleum	1,838	4	15.74%
Findlay City Schools	765	5	6.55%
Lowe's Distribution Center	696	6	5.96%
Hancock County	664	7	5.69%
Nissan Brake	656	8	5.62%
Wal-Mart Stores	585	9	5.01%
University of Findlay	552	10	4.73%
Total	11,675		100.00%

Employer	December 31, 2002		
	Employees	Rank	Percentage of Total
Whirlpool Corporation	2,050	1	18.89%
Cooper Tire & Rubber Company	1,902	2	17.52%
Blanchard Valley Regional Health Center	1,496	3	13.78%
Marathon Oil Company	1,359	4	12.52%
Kohl's Distribution Center	917	5	8.45%
Findlay City Schools	791	6	7.29%
Findlex Corporation	651	7	6.00%
Hancock County	645	8	5.94%
University of Findlay	523	9	4.82%
Lowe's Distribution	520	10	4.79%
Total	10,854		100.00%

Source: City Auditor's Office Contacted Businesses



## CITY OF FINDLAY, OHIO

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

Function/Program	2011	2010	2009	2008	2007	2006	2005	2004	2003	2002
General Government										
Mayor	2	2	2	2	2	2	3	4	3	3
Council	10	10	11	11	11	11	11	11	11	11
Civil Service	2.5	2.5	4	4	4	4	4	4	4	4
Engineering	10	9	10	14	12	13	14	12	12	12
Building Maintenance	1.5	1	1	3	3	1	1	2	2	2
Service Director	1	1	1	1	1	0	2	1	2	2
Auditor	5	5	5	5	5	5	6	5	5	4
Treasurer	1	1	1	1	1	1	1	1	1	1
Computer Services	3	4	3	4	3	3	3	4	4	4
City Income Tax	3.5	3.5	3.5	4	5	5	5	5	4	4
Law Director	6	6	6	6	6	6	6	6	5	5
Municipal Court	21.5	27	22	21	17	17	18	16	18	17
Security of Persons and Property										
Police	65	62	67	72	72	70	73	74	70	74
Fire	69	64	68	75	75	71	74	73	72	73
School Police	-	-	-	3	3	4	4	4	6	7
Fire Clerks	1	1	1	2	2	1	1	1	1	1
Police Clerks	5	6	6	7	7	7	6	6	5	5
Dispatch	11	11	10	11	11	10	11	9	10	11
Parking	1	1	1	1	1	2	2	1	2	2
WORC	1	1	1	-	-	-	-	-	-	-
Safety Director	2	2	2	2	2	2	2	2	1	1
Public Health and Welfare										
Zoning	2	2	2	2	2	1	1	2	3	4
Health	13	13	12.5	14	14	14	13	13	13	13
NEAT	1	1	1	1	1	1	1	0	0	0
Cemetery	2	1	1	5	4	2	4	4	4	5
Transportation										
Streets/Storm Water	19	19	27	29	27	25	25	24	24	28
Traffic Lights	2	2	2	4	5	5	5	5	5	5
Leisure Time Activity										
Parks	6	7	2	9	9	11	9	9	9	8
CUBE	6	4	7	7	5.5	6	4.5	7.5	6.5	0
Recreation	-	1	5.5	8	7	4	2	3	3	3
Pool	10	10	10	12	9	10	13	12	11	12
5-Plex	2.5	1.5	4	-	-	-	-	-	-	-
Utility Services										
Sewer Maintenance	10	11	11	14	14	14	14	14	13	14
Water Pollution Control	17	18	18	18	18	17	16	18	19	17
Water Treatment	16	16	16	17	18	18	19	20	19	15
Water Distribution	13	14	14	15	15	15	15	15	16	16
Utility Billing	10	10	10	10	9	8	10	9	9	9
Stormwater Maintenance	2	3	2	2	-	-	-	-	-	-
Airport	5	5	5	5	5	5	5	5	6	6
Total	358.5	358.5	376	421	406	391	404	402	399	398

Source: City of Findlay records

Method: Using 1.0 for each full-time employee and 0.50 for each part-time and seasonal employee.

**CITY OF FINDLAY, OHIO**

OPERATING INDICATORS BY FUNCTION/PROGRAM  
LAST TEN YEARS

<b>Function/Program</b>	<b>2011</b>	<b>2010</b>	<b>2009</b>	<b>2008</b>
<b>General Government</b>				
<b>Auditor's Office</b>				
Purchase orders issued	3,919	3,799	3,908	4,295
Checks issued	7,002	7,041	6,949	8,062
<b>Computer Services</b>				
Computers maintained	305	298	293	284
City website hits	464,078	428,718	433,619	363,185
<b>Cemetery</b>				
Number of internments	181	181	189	157
Graves sold	77	66	131	69
<b>Municipal Court</b>				
Cases filed	16,313	15,534	14,783	15,213
Arraignments	11,562	10,804	10,322	10,902
Jury trials	381	1	1	2
<b>Security of Persons and Property</b>				
<b>Police</b>				
Charges from arrests	1,979	1,855	1,887	2,186
Parking violations	3,714	3,483	4,242	4,235
Traffic violations	3,044	2,924	2,174	3,743
<b>Fire</b>				
Emergency responses/calls answered	2,049	1,843	1,556	1,759
Fires extinguished	112	125	133	226
Inspections conducted	353	446	562	536
<b>Public Health and Welfare</b>				
<b>Health Department</b>				
Food service licenses issued	383	409	393	419
Vaccinations given - Clinic	7,038	7,792	11,332	8,384
Births	1,088	1,074	1,162	1,117
Deaths	615	593	575	589
Plumbing inspection permits issued	356	433	263	338
<b>Zoning</b>				
New commercial permits issued	13	9	7	8
New residential permits issued	25	26	36	47
New industrial permits issued	0	0	0	0
Inspections conducted	1,172	518	587	635

TABLE 18

2007	2006	2005	2004	2003	2002
4,517	3,949	4,039	3,948	3,971	4,129
7,847	7,609	7,891	7,839	7,912	7,737
265	258	247	237	235	228
313,518	263,781	188,533	140,620	45,752	39,167
159	216	213	235	224	170
113	336	125	148	136	150
16,112	18,791	18,396	17,661	23,021	25,545
11,782	14,326	14,553	14,366	23,063	26,617
1	2	2	2	1	3
2,687	2,961	2,590	3,301	3,178	3,170
6,914	6,914	10,835	9,748	11,099	11,840
6,838	4,478	3,403	4,885	5,112	4,430
2,003	1,734	1,628	1,437	1,028	902
200	160	192	218	177	252
472	752	558	581	667	654
434	415	414	376	363	380
8,848	7,129	7,732	7,793	7,628	7,430
1,145	1,082	1,084	1,019	981	1,000
447	487	396	453	455	421
480	586	692	726	678	791
9	9	2	10	13	10
68	127	82	99	147	139
0	1	1	0	0	0
250	1,032	812	3,779	3,136	3,095

-- (Continued)

**CITY OF FINDLAY, OHIO**

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

<b>Function/Program</b>	<b>2011</b>	<b>2010</b>	<b>2009</b>	<b>2008</b>
<b>Transportation</b>				
<b>Street</b>				
Miles of street maintained	193.80	193.60	193.60	193.60
Pot holes repaired	253	128	168	135
Limbs removed	26	27	8	118
Visibility complaints received	10	19	8	20
Repairs to concrete	38	47	37	38
<b>Leisure Time Activities</b>				
<b>Shade Tree</b>				
Trees planted	100	60	160	240
Trees removed	708	250	128	230
<b>Utility Services</b>				
<b>Water</b>				
Number of Customers	17,399	18,974	17,273	17,486
New connections	80	79	66	107
Water main breaks	66	79	78	73
Avg. daily consumption (MGD)	6.0760	6.0929	5.9905	6.2500
<b>Water Pollution Control</b>				
Number of Customers	16,830	16,809	16,734	15,557
Sewer calls	115	83	92	103
Feet of sanitary sewer cleaned	194,685	191,278	250,800	155,699
Catch basin repair	78	61	109	112
<b>Airport</b>				
Fuel sales - Jet A (in gallons)	127,054	165,981	126,453	146,335
Fuel sales - Octane (in gallons)	24,505	21,959	25,179	23,943
Landing fees charged	133	182	85	124

**Source:** City of Findlay Department Directors

TABLE 18

2007	2006	2005	2004	2003	2002
193.07	192.85	189.24	188.05	182.63	179.77
160	76	151	199	N/A	N/A
141	53	232	253	N/A	N/A
22	11	11	19	N/A	N/A
26	65	84	79	N/A	N/A
125	132	155	188	182	171
200	265	260	266	256	199
17,377	17,313	17,201	16,954	16,670	16,695
145	234	271	275	242	316
77	69	89	71	74	108
6.5920	6.0150	6.3825	6.0820	6.1000	6.5267
14,545	14,645	14,496	14,318	14,141	14,061
132	111	106	100	100	122
83,433	153,872	170,817	173,954	173,954	115,925
79	78	78	99	99	95
210,151	249,610	243,063	246,298	231,357	248,177
24,619	27,251	31,906	26,737	27,939	33,041
127	181	173	2,684	2,905	2,455

**CITY OF FINDLAY, OHIO**

CAPITAL ASSET STATISTICS BY FUNCTION/PROGRAM  
LAST TEN YEARS

<b>Function/Program</b>	<b>2011</b>	<b>2010</b>	<b>2009</b>	<b>2008</b>	<b>2007</b>	<b>2006</b>
<b>Security of Persons and Property</b>						
<b>Police</b>						
Stations	1	1	1	1	1	1
Patrol units	31	39	39	44	45	44
<b>Fire</b>						
Fire stations	4	4	4	4	4	4
Fire trucks	18	18	19	19	18	17
<b>Transportation</b>						
<b>Street</b>						
Miles of street maintained	193.80	193.60	193.60	193.60	193.07	192.85
Traffic signals	94	94	95	96	95	94
<b>Leisure Time Activities</b>						
<b>Parks and Recreation</b>						
Number of parks	19	19	19	19	19	19
Number of ballfields	40	40	40	40	37	37
Number of soccer fields	25	25	25	25	25	25
Swimming pool	1	1	1	1	1	1
Ice Rink	1	1	1	1	1	1
<b>Utility Services</b>						
<b>Water</b>						
Water mains (miles)	307	306.2	306.2	306.12	302.19	289.2
Number of hydrants	2,379	2,363	2,357	2,354	2,333	2,279
Storage capacity (BG)	6.4	6.4	6.4	6.4	6.4	6.4
Water treatment plants	1	1	1	1	1	1
<b>Sewer Maintenance</b>						
Sanitary sewers (miles)	295.05	295.00	293.64	290.64	301.41	299.64
Sewage treatment plants	1	1	1	1	1	1
<b>Airport</b>						
Number of runways	2	2	2	2	2	2

Source: City of Findlay Department Directors

TABLE 19

<u>2005</u>	<u>2004</u>	<u>2003</u>	<u>2002</u>
1	1	1	1
42	43	44	41
4	4	4	4
16	16	14	12
189.24	188.05	182.63	179.77
94	93	85	85
19	19	19	17
37	37	37	33
25	25	25	23
1	1	1	1
1	1	1	0
285.19	288.36	285.19	280.91
2,180	2,142	2,052	1,994
6.4	6.4	6.4	6.4
1	1	1	1
276.71	279.03	276.71	268.93
1	1	1	1
2	2	2	2

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# Dave Yost • Auditor of State

CITY OF FINDLAY

HANCOCK COUNTY

## CLERK'S CERTIFICATION

This is a true and correct copy of the report which is required to be filed in the Office of the Auditor of State pursuant to Section 117.26, Revised Code, and which is filed in Columbus, Ohio.

*Susan Babbitt*

CLERK OF THE BUREAU

CERTIFIED  
NOVEMBER 27, 2012