

City of Findlay  
Hancock County, Ohio

*Report Letters*

For the Fiscal Year Ended  
December 31, 2012





# Dave Yost • Auditor of State

City Council  
City of Findlay  
318 Dorney Plaza  
313 Municipal 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, 2012 through December 31, 2012. 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

July 22, 2013

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**CITY OF FINDLAY  
HANCOCK COUNTY, OHIO  
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June 16, 2013

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, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Findlay, Hancock County, Ohio (the City), as of and for the year ended December 31, 2012, and the related notes to the financial statements, which collectively comprise the City's basic financial statements, and have issued our report thereon dated June 16, 2013, wherein we noted the City implemented Governmental Accounting Standards Board (GASB) Statement No. 63 *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position*, and GASB Statement No. 65 *Items Previously Reported as Assets and Liabilities* and restated their December 31, 2011 net position for their governmental and business-type activities; and enterprise funds, water, water pollution control and airport.

**Internal Control Over Financial Reporting**

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

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

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

**Compliance and Other Matters**

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

**Purpose of this Report**

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

*Rea & Associates, Inc.*



June 16, 2013

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

**Independent Auditor's Report on Compliance for Each Major Federal Program;  
Report on Internal Control over Compliance; and Report on the Schedule of  
Expenditures of Federal Awards Required by OMB Circular A-133**

**Report on Compliance for Each Major Federal Program**

We have audited the City of Findlay's, Hancock County, Ohio (the City) compliance with the types of compliance requirements described in the *OMB Circular A-133 Compliance Supplement* that could have a direct and material effect on each of the City's major federal programs for the year ended December 31, 2012. The City's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

***Management's Responsibility***

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

***Auditor's Responsibility***

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

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

***Opinion on Each Major Federal Program***

In our opinion, the City complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended December 31, 2012.

**Report on Internal Control Over Compliance**

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

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

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

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

City of Findlay

Report on Compliance for Each Major Federal Program;

Report on Internal Control over Compliance; and Report on the

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

Page 3

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

We have audited the financial statements of the governmental activities, business-type activities, each major fund, and the aggregate remaining fund information of the City as of and for the year ended December 31, 2012, and the related notes to the financial statements, which collectively comprise the City's basic financial statements. We issued our report thereon dated June 16, 2013, which contained an unmodified opinion on those financial statements, wherein we noted the City implemented Governmental Accounting Standards Board (GASB) Statement No. 63 *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position*, and GASB Statement No. 65 *Items Previously Reported as Assets and Liabilities* and restated their December 31, 2011 net position for their governmental and business-type activities; and enterprise funds, water, water pollution control, and airport. Our audit was conducted for the purpose of forming opinions on the financial statements as a whole. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by OMB Circular A-133 and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditure of federal awards is fairly stated in all material respects in relation to the financial statements as a whole.

*Hea & Associates, Inc.*

CITY OF FINDLAY  
HANCOCK COUNTY, OHIO  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE YEAR ENDED DECEMBER 31, 2012

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-11-2BM-1	\$ 29,900
Community Development Block Grant (B){C}	14.228	A-F-08-2BM-1	(144,000)
Community Development Block Grant (B)	14.228	A-F-11-2BM-1	15,000
Community Development Block Grant (B)	14.228	A-F-10-2BM-1	151,800
Community Development Block Grant - Revolving Loan Fund (B)	14.228	N/A	69,322
Total Community Development Block Grant (CDBG)			122,022
<b>Total U.S. Dept. of Housing and Urban Development</b>			122,022
<b>U.S. Department of Energy:</b>			
ARRA - Energy Efficiency and Conservation Block Grant	81.128	N/A	47,947
<b>Total U.S. Department of Energy</b>			47,947
<b>U.S. Department of Homeland Security:</b>			
<i>Assistance to Firefighters Grant</i>			
Operations and Safety	97.044	EMW-2011-F0-04130	29,908
Staffing for Adequate Fire and Emergency Response (SAFER) - Hiring	97.044	EMW-2010-FH-00875	458,767
Total Assistance to Firefighters Grant			488,675
<b>Total U.S. Department of Homeland Security</b>			488,675
<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-03-12	70,297
Public Health Emergency Preparedness	93.069	32-2001-2-PH-04-13	26,309
Total Public Health Emergency Preparedness			96,606
Reproductive Health and Wellness	93.217	32-2001-2-RH-01-12	35,500
<i>Children and Family Health Services Program</i>			
Children and Family Health Services Program	93.994	32-2001-1-MC-01-12	22,604
Children and Family Health Services Program	93.994	32-2001-1-MC-02-13	18,267
Total Children and Family Health Services			40,871
<b>Total U.S. Dept. of Health and Human Services</b>			172,977
<b>U.S. Department of Transportation:</b>			
Federal Aviation Administration:			
<i>Airport Improvement Program</i>			
Airport Improvement Program - Rehabilitate Runway	20.106	N/A	147,002
Airport Improvement Program - Update Airport Layout Plan	20.106	N/A	116,556
Total Airport Improvement Program			263,557
<i>Passed through Ohio Department of Transportation:</i>			
<i>Highway Planning and Construction</i>			
Highway Planning and Construction	20.205	78124	326,940
Total Highway Planning and Construction			326,940
<b>Total U.S. Department of Transportation:</b>			590,497
<b>Total Expenditures of Federal Awards</b>			<b>\$ 1,422,118</b>

See Accompanying Notes to the Schedule of Expenditures of Federal Awards

**CITY OF FINDLAY  
HANCOCK COUNTY, OHIO  
NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE YEAR ENDED DECEMBER 31, 2012**

**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 2012 is as follows:

Beginning loans receivables balance as of January 1, 2012:	\$ 808,053
Loans Made:	27,500
Loan principal repaid:	<u>(154,353)</u>
Ending loans receivable balances as of December 31, 2012:	\$ 679,983
Cash balance on hand in the revolving loan fund as of December 31, 2012:	\$ 161,417
Delinquent Amounts due as of 12/31/12:	\$ 0

**Note C – Repayment of Federal Funds**

During 2012, the Ohio Department of Development conducted a monitor visit at the city. An environmental review finding resulted in a repayment of \$144,000 in grant funds from the Community Development Block Grant, CFDA # 14.228, grant award A-F-08-2BM-1 allocated to the identified project as failure to secure an environmental review release of funds prior to moving forward with a CDBG project, which constitutes a breach of federal statutory requirements. This amount was remitted in 2012 out of the General fund.

**CITY OF FINDLAY  
HANCOCK COUNTY, OHIO  
SCHEDULE OF FINDINGS  
OMB CIRCULAR A-133, Section .505  
DECEMBER 31, 2012**

<b>1. SUMMARY OF AUDITOR'S RESULTS</b>
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(d) (1) (i)	Type of Financial Statement Opinion	Unmodified
(d) (1) (ii)	Were there any material control weakness conditions reported at the financial statement level (GAGAS)?	No
(d) (1) (ii)	Were there any other significant deficiency conditions reported at the financial statement level (GAGAS)?	No
(d) (1) (iii)	Were there any reported material non-compliance at the financial statement level (GAGAS)?	No
(d) (1) (iv)	Were there any material internal control weakness conditions reported for major federal programs?	No
(d) (1) (iv)	Were there any other significant deficiencies reported for major federal programs?	No
(d) (1) (v)	Type of Major Programs' Compliance Opinion	Unmodified
(d) (1) (vi)	Are there any reportable findings under Section .510?	No
(d) (1) (vii)	Major Programs (list): Assistance to Firefighters Grant Community Development Block Grant	CFDA# #97.044 #14.228
(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, 2012**

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

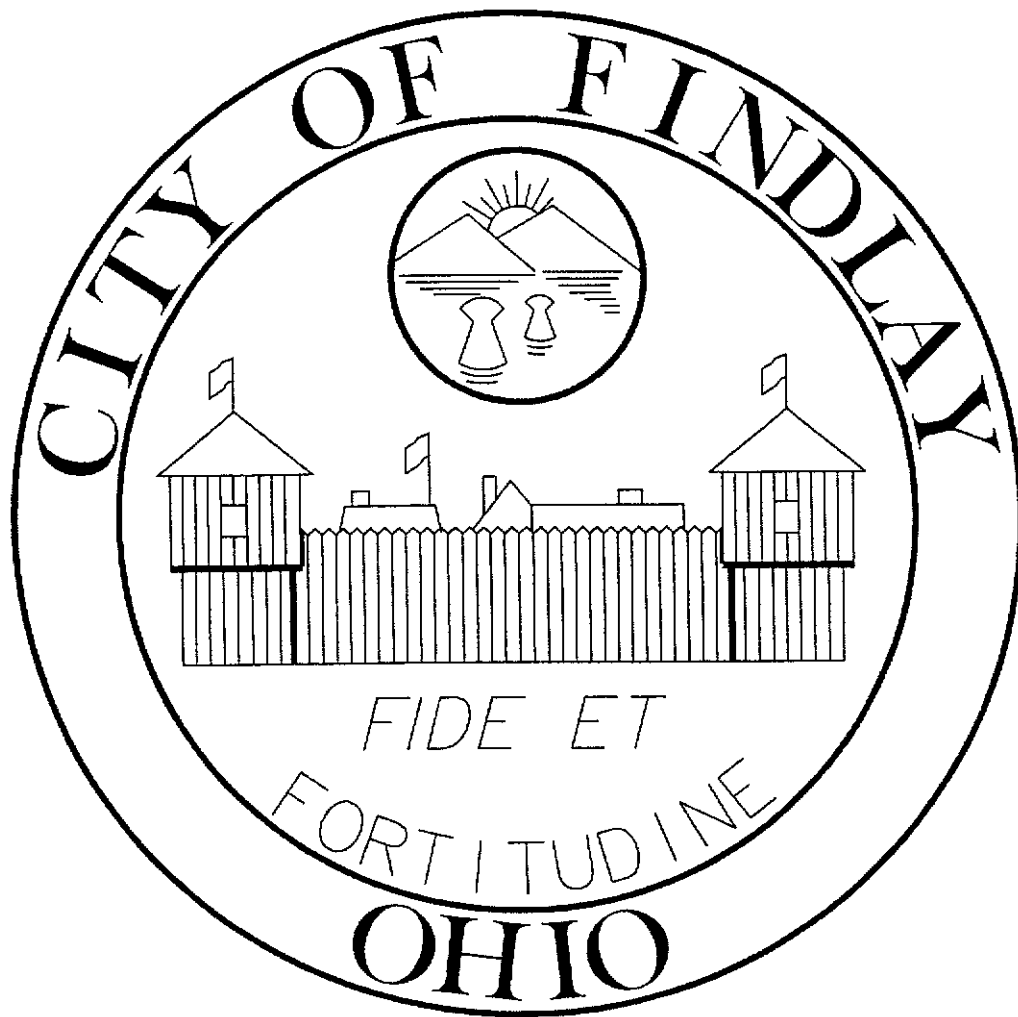
None were noted.

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

None were noted.

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# COMPREHENSIVE ANNUAL FINANCIAL REPORT

For the Year Ended December 31, 2012



**CITY OF FINDLAY, OHIO**  
COMPREHENSIVE ANNUAL FINANCIAL REPORT  
FOR THE YEAR ENDED DECEMBER 31, 2012

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, 2012**

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# AUDITOR'S OFFICE

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www.findlayohio.com

**JIM STASCHIAK II**  
CITY AUDITOR

June 16, 2013

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, 2012, 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 2011 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, 2012 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 who 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 is in the process of electing a tenth member of Council whose term will begin in 2014, due to the population increase recorded by the 2010 census. The Service-Safety Director, Human Resource Director and City Engineer are appointed by the Mayor. The Safety and Service Director positions were combined at the beginning of 2012 by the Mayor.

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

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

The annual budget serves as the foundation of the City's financial planning and control. Statutorily, a budget must be completed by end of first quarter and Findlay started its 2012 fiscal year with a temporary budget. The finalized budget was completed by the end of first quarter. Departmental budgets are prepared by the individual supervisors, approved by the Service-Safety Director, and then submitted to Council members for final review. The legal level of budgetary control is at the departmental level within each fund. Within each departmental budget, the legal level is further broken down to objects "personal services" and "other". All changes in departmental appropriations or changes between the "personal services" and "other" objects within a department require action by the City Council. See Note 2.F to the basic financial statements for further discussion on the City's budgetary process.

## **ECONOMIC CONDITION AND OUTLOOK**

### ***Local Economy***

Since the 1980's our community leaders have focused development efforts on diversification. They felt the City's economy should not be dependent on one industry or employment sector. This diversification was a key factor in preventing a much larger down turn in the recent recession, as experienced in other parts of Northwest Ohio. The financial health of the City is dependent on the vibrancy and economic growth of our tax base. The County unemployment peaked first quarter 2010 at 10.5% and began a steady decline ending the year at a 6.1% average for 2012.

The community has seen and expects to continue benefiting tremendously from the split resulting in Marathon Petroleum Corp. headquartered here in Findlay. It ranked the 4<sup>th</sup> largest corporation in Ohio and 31 overall by Fortune 500 in 2012. This has resulted in excess of 100 new well paid executive level positions. Additionally, Cooper Tire & Rubber Company has announced a Global Technical Center facility committing more than \$40 million to the project and at least 40 engineering, research and technical jobs. Existing employers such as Marathon Petroleum Corp., Whirlpool Corp., Findlay Products Corp, Ball Corp., Nissin Brake, Molten Corp. and others added approximately 700 new jobs in 2012. Additionally, significant capital investments were committed to by Cooper Tire & Rubber Co., Findlay Products Corp., Ball Corp, Whirlpool Corp., Nissin Brake Ohio Inc., Graham Packaging Co. and Molten Corp. Seven miles north of Findlay on I-75, CSX has completed an intermodal rail yard as part of the National Gateway Project. The new yard has spurred a commitment by the state of Ohio to widen

Interstate 75 in the immediate area. It is expected to lead to significant growth of additional business supporting the operation. Findlay City Schools has completed construction of three new facilities completing an investment of \$65 million.

As with the majority of the country, the real estate market and the affiliated businesses had a continued impact on the economy and real estate values remained stable from 2011 to 2012. The City issued 4 permits for new business/commercial construction totaling \$3,152,000; 9 permits were issued for business/commercial additions totaling \$3,647,800. The City issued 17 permits for new residential construction totaling \$3,678,600; 38 permits were issued for residential additions totaling \$569,800. The City issued 16 miscellaneous construction permits in flood zones totaling \$5,522,900.

Findlay continues to get positive reviews, for the 13th 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 2012 Findlay improved its ranking to 2<sup>nd</sup> best. For three years it has been named one of the 100 Best Communities for Young People by America's Promise – Alliance for Youth, which was founded by Colin Powell. In 2011, Blanchard Valley Hospital was named one of the 100 top hospitals in the nation by Thomson Reuters; it has now been named one of the nation's top 50 cardiovascular hospitals by the same group. Additionally, the Findlay area benefits from The Community Foundation, with assets of more than \$71 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***

2012 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 has maintained its \$1 million Rainy Day Account and the City funded the third year portion of a 3-year \$600,000 per year flood mitigation commitment in 2012. The City was able to do these things and maintain its approximate \$3 million 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. As of December, 2012 income tax receipts, including the temporary 0.25% tax increase, were up 4.8% over 2011. The temporary 0.25% income tax sunset December 31<sup>st</sup>; however, receipts will tail into 2013.

### ***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 2013 and 2014 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 has received a city-wide Performance Audit from the Office of the Auditor of State. The City has begun the process of incorporating many of its recommendations into the 2013 budget. This report has become an important tool for the City's planning process. This initial audit encompassed all departments except Water, Sewer and Municipal Court.

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 Army 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 has contributed another \$1.8 million, and the State of Ohio has already appropriated \$3 million and is working on extending a promise of an additional \$3 million in the current budget. 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 could 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 has become the lead entity and oversees the local Chamber of Commerce, Economic Development, and a Convention and Visitor's Bureau. The City and County hold voting seats on the board of directors of this group. We have seen early positive results with majority of the current economic growth centered on the addition of over 1,000 manufacturing jobs in the last 2 years, the majority of which have come from expansions and line additions to existing plants.

#### **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, 2011. 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 2012, 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, 2012

**ELECTED OFFICIALS AS OF DECEMBER 31, 2012**

Mayor	Lydia Mihalik
Auditor	Jim Staschiak II
Municipal Court Judge	Jonathan Starn
Municipal Court Judge	Robert Fry
Treasurer	Susan J. Hite
Law Director	Donald Rasmussen
Council President	John Urbanski
At Large	Randy C. Ward
At Large	W. Jerry Murray
At Large	Anne Spence
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

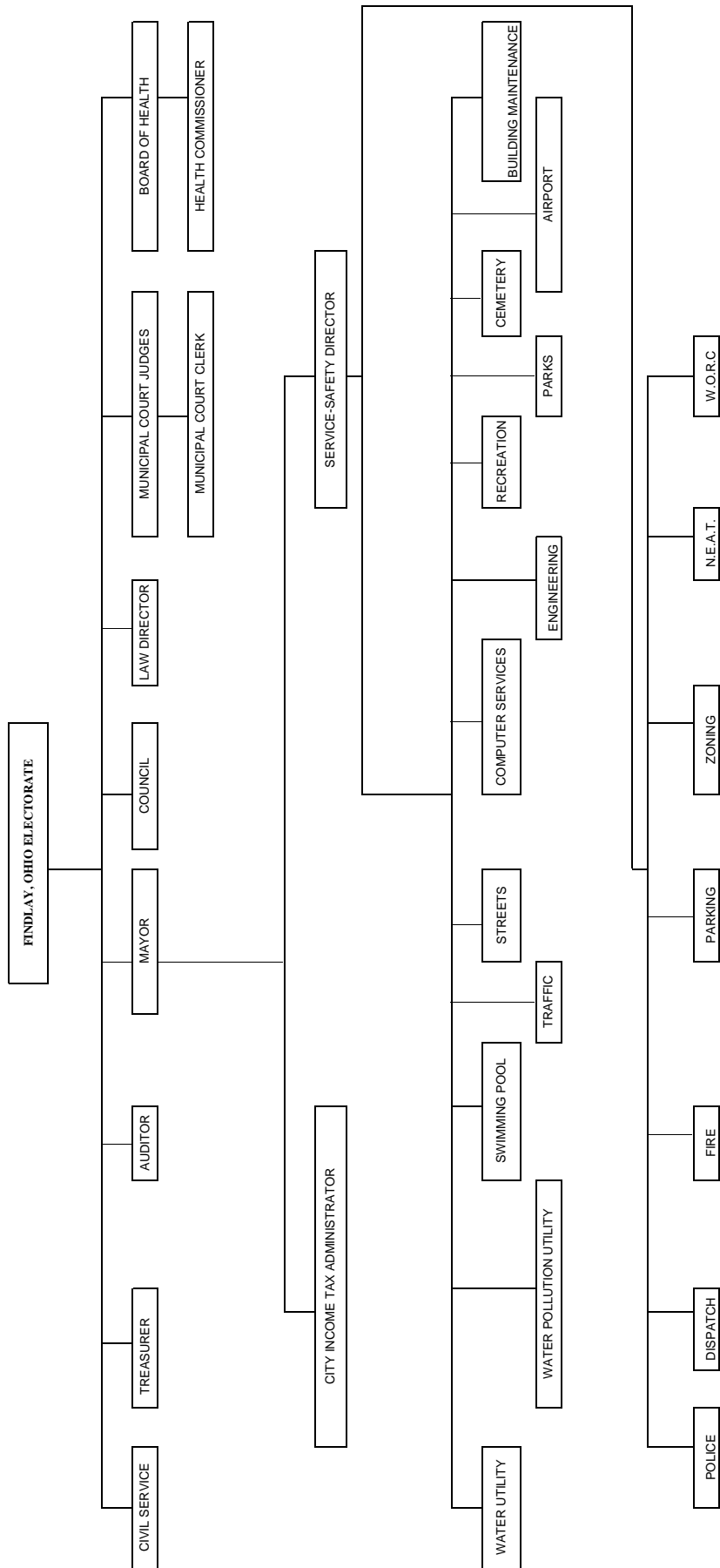
**APPOINTED OFFICIALS**

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

**CITY AUDITOR'S OFFICE**

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

CITY OF FINDLAY ORGANIZATIONAL CHART



# 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, 2011

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.



*Christopher P. Morrill*

President

*Jeffrey R. Emer*

Executive Director

## INDEPENDENT AUDITOR'S REPORT

June 16, 2013

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

### **Report on the Financial Statements**

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Findlay, Hancock County, Ohio (the City), as of and for the year ended December 31, 2012, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

### ***Management's Responsibility for the Financial Statements***

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

### ***Auditor's Responsibility***

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

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

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



***Opinions***

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City, as of December 31, 2012, and the respective changes in financial position and, where applicable, cash flows, thereof and the respective budgetary comparisons for the General Fund, Street Maintenance and Repair Fund, and City Income Tax Administration Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

***Emphasis of Matter***

As described in Note 3 to the financial statements, during 2012, the City adopted new accounting guidance in Governmental Accounting Standards Board (GASB) Statement No. 63, *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position*, and GASB Statement No. 65, *Items Previously Reported as Assets and Liabilities* and as a result restated their December 31, 2011 net position of governmental activities and business-type activities; and enterprise funds water, water pollution control, and airport due to a reclassification of debt issuance costs as an expense in the period incurred rather than amortizing over the life of the debt. Our opinion is not modified with respect to this matter.

***Other Matters***

***Required Supplementary Information***

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

***Other Information***

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

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

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

**Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated June 16, 2013 on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.

*Hea & Associates, Inc.*

## CITY OF FINDLAY, OHIO

### MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE YEAR ENDED DECEMBER 31, 2012 (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, 2012. 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 2012 are as follows:

- The City restated net position as described in Note 3.A. The total net position of the City increased \$8,088,726 over the prior year as restated. Net position of governmental activities increased \$3,377,535 or 3.71% from 2011 and net position of business-type activities increased \$4,711,191 or 3.51% over 2011.
- General revenues accounted for \$28,950,883 or 77.40% of total governmental activities revenue. Program specific revenues accounted for \$8,452,644 or 22.60% of total governmental activities revenue.
- The City had \$33,543,038 in expenses related to governmental activities; \$8,452,644 of these expenses was offset by program specific charges for services, grants or contributions. The remaining expenses of the governmental activities of \$25,090,394 were offset by general revenues (primarily property taxes, income taxes and unrestricted grants and entitlements) of \$28,950,883.
- The general fund had revenues of \$11,200,514 in 2012. This represents an increase of \$140,393 from 2011 revenues. Transfers-in amounted to \$21,152,129 and the City sold capital assets in the amount of \$928. The expenditures of the general fund, which totaled \$26,973,762 in 2012, decreased \$245,116 from 2011. The City had transfers out to other funds of \$2,153,814. The net increase in fund balance for the general fund was \$3,225,995 or 34.90%.
- The street maintenance and repair fund had revenues and other financing sources of \$4,603,943 in 2012. This represents a decrease of \$1,182,485 from 2011 revenues and other financing sources. The expenditures and other financing uses of the street maintenance and repair fund, which totaled \$4,830,452 in 2012, decreased \$770,180 from 2011. The net decrease in fund balance for the street maintenance and repair fund was \$226,509 or 13.75%.
- The city income tax administration fund had revenues and other financing sources of \$23,514,143 in 2012. This represents an increase of \$2,261,964 from 2011 revenues and other financing sources. The expenditures and other financing uses of the city income tax administration fund, which totaled \$23,570,835 in 2012, increased \$3,446,221 from 2011. The net decrease in fund balance for the city income tax administration fund was \$56,692 or 1.21%.
- Net position for the business-type activities which are made up of the Water, Water Pollution Control, Airport, Parking Facilities, and Swimming Pool enterprise funds, increased in 2012 by \$4,711,191. This increase in net position was due primarily to adequate charges for services revenue to cover operating expenses coupled with the receipt of approximately \$602,142 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, 2012 (UNAUDITED)

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

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

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

While this document contains a large number of funds used by the City to provide programs and activities, the view of the City as a whole looks at all financial transactions and asks the question, "How did we do financially during 2012?" The statement of net position and the statement of activities answer this question. These statements include all assets and deferred outflows of resources and liabilities and deferred inflows of resources using the accrual basis of accounting similar to the accounting used by most private-sector companies. The accrual basis of accounting will take into account all of the current year's revenues and expenses regardless of when cash is received or paid.

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

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

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

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

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

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

##### *Fund Financial Statements*

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

## **CITY OF FINDLAY, OHIO**

### **MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE YEAR ENDED DECEMBER 31, 2012 (UNAUDITED)**

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.

#### ***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 59-100 of this report.

**CITY OF FINDLAY, OHIO**

MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED DECEMBER 31, 2012  
(UNAUDITED)

**Government-Wide Financial Analysis**

The table below provides a summary of the City's net position at December 31, 2012 and 2011. Certain amounts for 2011 have been reclassified and restated to conform to 2012 presentation as described in Note 3.A. to the basic financial statements:

			<b>Net Position</b>		2012 Total	Restated 2011 Total
	Governmental Activities	Business-type Activities	Restated Governmental Activities	Restated Business-type Activities		
	2012	2012	2011	2011		
<u>Assets</u>						
Current and other assets	\$ 32,719,770	\$ 19,240,786	\$ 29,096,699	\$ 15,779,779	\$ 51,960,556	\$ 44,876,478
Capital assets, net	<u>81,798,907</u>	<u>152,955,885</u>	<u>82,098,083</u>	<u>154,914,285</u>	<u>234,754,792</u>	<u>237,012,368</u>
Total assets	<u>114,518,677</u>	<u>172,196,671</u>	<u>111,194,782</u>	<u>170,694,064</u>	<u>286,715,348</u>	<u>281,888,846</u>
Deferred outflows	<u>42,192</u>	<u>366,201</u>	<u>54,246</u>	<u>447,987</u>	<u>408,393</u>	<u>502,233</u>
<u>Liabilities</u>						
Other liabilities	2,777,017	1,702,796	2,741,819	1,643,397	4,479,813	4,385,216
Long-term liabilities outstanding	<u>14,920,461</u>	<u>31,861,041</u>	<u>15,051,760</u>	<u>35,210,810</u>	<u>46,781,502</u>	<u>50,262,570</u>
Total liabilities	<u>17,697,478</u>	<u>33,563,837</u>	<u>17,793,579</u>	<u>36,854,207</u>	<u>51,261,315</u>	<u>54,647,786</u>
Deferred inflows	<u>2,477,082</u>	-	<u>2,446,675</u>	-	<u>2,477,082</u>	<u>2,446,675</u>
<u>Net Position</u>						
Net investment in capital assets	72,190,698	122,183,651	72,312,433	121,019,885	194,374,349	193,332,318
Restricted	6,338,716	5,985,364	6,323,814	5,211,113	12,324,080	11,534,927
Unrestricted	<u>15,856,895</u>	<u>10,830,020</u>	<u>12,372,527</u>	<u>8,056,846</u>	<u>26,686,915</u>	<u>20,429,373</u>
Total net position	<u>\$ 94,386,309</u>	<u>\$ 138,999,035</u>	<u>\$ 91,008,774</u>	<u>\$ 134,287,844</u>	<u>\$ 233,385,344</u>	<u>\$ 225,296,618</u>

Over time, net position can serve as a useful indicator of a government's financial position. At December 31, 2012, the City's assets and deferred outflows exceeded liabilities and deferred inflows by \$233,385,344. At year-end, net position was \$94,386,309 and \$138,999,035 for the governmental activities and the business-type activities, respectively.

Capital assets reported on the government-wide statements represent the largest portion of the City's net position. At year-end, capital assets represented 81.76% of total assets. Capital assets include land, computer software, buildings and improvements, improvements other than buildings, machinery and equipment, utility plant in service, utility lines in service, construction in progress and infrastructure. The net investment in capital assets at December 31, 2012, was \$72,190,698 and \$122,183,651 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, 2012, the City is able to report positive balances in all three categories of net position, both for the government as a whole, as well as for its separate governmental and business-type activities. A portion of the City's net position, \$12,324,080 represents resources that are subject to external restriction on how they may be used. The remaining balance of unrestricted net position of \$26,686,915 may be used to meet the government's ongoing obligations to citizens and creditors.

**CITY OF FINDLAY, OHIO**

**MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED DECEMBER 31, 2012  
(UNAUDITED)**

The table below shows the changes in net position for fiscal year 2012 and restated 2011. Beginning net position has been restated as described in Note 3.A. to the basic financial statements.

			<b>Change in Net Position</b>		<b>2012 Total</b>	<b>Restated 2011 Total</b>
	<b>Governmental</b>	<b>Business-type</b>	<b>Restated</b>	<b>Restated</b>		
	<b>Activities</b>	<b>Activities</b>	<b>Governmental</b>	<b>Business-type</b>		
	<b>2012</b>	<b>2012</b>	<b>2011</b>	<b>2011</b>		
<b>Revenues</b>						
Program revenues:						
Charges for services	\$ 4,532,957	\$ 19,016,054	\$ 3,873,791	\$ 17,380,940	\$ 23,549,011	\$ 21,254,731
Operating grants and contributions	2,932,081	174,907	3,784,840	157,785	3,106,988	3,942,625
Capital grants and contributions	987,606	602,142	2,299,329	200,787	1,589,748	2,500,116
<b>Total program revenues</b>	<b>8,452,644</b>	<b>19,793,103</b>	<b>9,957,960</b>	<b>17,739,512</b>	<b>28,245,747</b>	<b>27,697,472</b>
General revenues:						
Property taxes	2,772,793	-	2,791,460	-	2,772,793	2,791,460
Income taxes	21,596,551	-	20,703,206	-	21,596,551	20,703,206
Unrestricted grants and entitlements	2,983,700	-	2,793,218	-	2,983,700	2,793,218
Tax increment financing	71,284	-	70,551	-	71,284	70,551
Investment earnings	24,262	29,900	70,011	43,424	54,162	113,435
Increase (decrease) in fair value of investments	20,690	-	(28,750)	-	20,690	(28,750)
Miscellaneous	1,481,603	60,827	479,571	244,443	1,542,430	724,014
<b>Total general revenues</b>	<b>28,950,883</b>	<b>90,727</b>	<b>26,879,267</b>	<b>287,867</b>	<b>29,041,610</b>	<b>27,167,134</b>
<b>Total revenues</b>	<b>37,403,527</b>	<b>19,883,830</b>	<b>36,837,227</b>	<b>18,027,379</b>	<b>57,287,357</b>	<b>54,864,606</b>
Expenses:						
General government	9,257,857	-	8,344,438	-	9,257,857	8,344,438
Security of persons and property	15,560,367	-	15,827,515	-	15,560,367	15,827,515
Public health and welfare	1,978,226	-	2,181,429	-	1,978,226	2,181,429
Transportation	5,095,585	-	5,487,799	-	5,095,585	5,487,799
Leisure time activity	1,229,723	-	1,415,161	-	1,229,723	1,415,161
Interest and fiscal charges	421,280	-	419,946	-	421,280	419,946
Water	-	6,198,978	-	6,278,612	6,198,978	6,278,612
Water pollution control	-	6,988,964	-	7,155,791	6,988,964	7,155,791
Airport	-	2,321,322	-	2,123,837	2,321,322	2,123,837
Parking facilities	-	88,675	-	86,691	88,675	86,691
Swimming pool	-	57,654	-	51,519	57,654	51,519
<b>Total expenses</b>	<b>33,543,038</b>	<b>15,655,593</b>	<b>33,676,288</b>	<b>15,696,450</b>	<b>49,198,631</b>	<b>49,372,738</b>
Increase in net position before transfers	3,860,489	4,228,237	3,160,939	2,330,929	8,088,726	5,491,868
Transfers	(482,954)	482,954	(317,416)	317,416	-	-
Increase in net position	3,377,535	4,711,191	2,843,523	2,648,345	8,088,726	5,491,868
Net position at beginning of year (restated)						
	91,008,774	134,287,844	88,165,251	131,639,499	225,296,618	219,804,750
<b>Net position at end of year</b>	<b>\$ 94,386,309</b>	<b>\$ 138,999,035</b>	<b>\$ 91,008,774</b>	<b>\$ 134,287,844</b>	<b>\$ 233,385,344</b>	<b>\$ 225,296,618</b>

## CITY OF FINDLAY, OHIO

### MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE YEAR ENDED DECEMBER 31, 2012 (UNAUDITED)

#### **Governmental Activities**

Governmental activities net position increased \$3,377,535 in 2012 as the revenue increase over 2011 of 1.54% was sufficient to cover the expense decrease from 2011 of 0.40%.

The City's income tax revenue increased \$893,345, or 4.32%, from 2011 due to increased collections. Charges for services program revenues increased \$659,166, or 17.02%, from the prior year while operating grants and contributions program revenues decreased \$852,759, or 22.53%, from the prior year.

The City's total expenses remained relatively unchanged from 2011. The increase in the general government expenses which increased approximately \$0.9 million over the prior year. During 2012, the City disbursed \$1.8 million to Hancock County as required by the City's 3-year contribution for a flood reduction study being performed by the U.S. Army Corps of Engineers. This contribution was recorded as a general government expense in 2012.

Security of persons and property, which primarily supports the operations of the police and fire departments accounted for \$15,560,367 of the total expenses of the City. These expenses were partially funded by \$269,644 in direct charges to users of the services. General government expenses totaled \$9,257,857. General government expenses were partially funded by \$2,359,760 in direct charges to users of the services.

The state and federal government contributed to the City a total of \$2,932,081 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, \$2,087,650 subsidized transportation programs. Operating grants and contributions decreased from the prior year primarily due to \$800,000 in New Middleschool redevelopment project funding which was received in 2011 and not in 2012. The City was the fiscal agent for this grant and was not the direct beneficiary of the funding.

The City had a total of \$987,606 in capital grants and contributions during 2012. 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, \$975,861 subsidized transportation programs. Capital grants and contributions decreased 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 \$28,950,883, and amounted to 77.40% of total governmental revenues. These revenues primarily consist of property and income tax revenue of \$2,772,793 and \$21,596,551, respectively. The other primary source of general revenues is grants and entitlements not restricted to specific programs, including local government funding from the State of Ohio, making up \$2,983,700. The largest increase was in income tax revenue which increased \$893,345 or 4.32% over 2011.

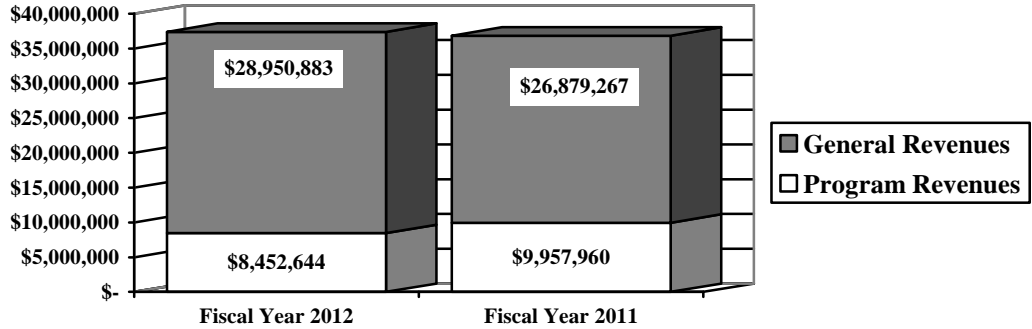


**CITY OF FINDLAY, OHIO**

**MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED DECEMBER 31, 2012  
(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 2012 and 2011.

**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**

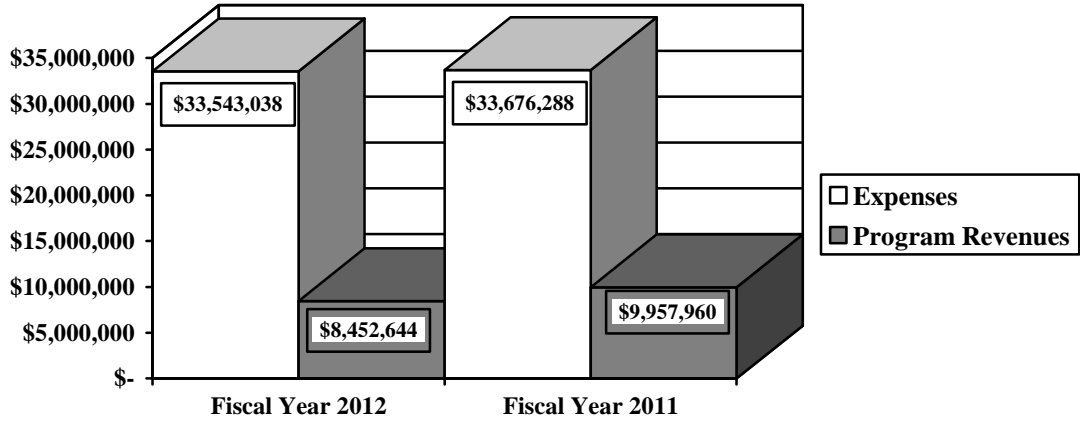
	Total Cost of Services <u>2012</u>	Net Cost of Services <u>2012</u>	Total Cost of Services <u>2011</u>	Net Cost of Services <u>2011</u>
Program Expenses:				
General government	\$ 9,257,857	\$ 6,756,096	\$ 8,344,438	\$ 4,853,264
Security of persons and property	15,560,367	14,791,055	15,827,515	15,409,688
Public health and welfare	1,978,226	920,462	2,181,429	1,235,374
Transportation	5,095,585	1,873,824	5,487,799	1,104,286
Leisure time activity	1,229,723	635,664	1,415,161	848,722
Interest and fiscal charges	<u>421,280</u>	<u>113,293</u>	<u>419,946</u>	<u>266,994</u>
<b>Total</b>	<u><u>\$ 33,543,038</u></u>	<u><u>\$ 25,090,394</u></u>	<u><u>\$ 33,676,288</u></u>	<u><u>\$ 23,718,328</u></u>

**CITY OF FINDLAY, OHIO**

MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED DECEMBER 31, 2012  
(UNAUDITED)

The dependence upon general revenues for governmental activities is apparent, with 74.80% of expenses supported through taxes and other general revenues.

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

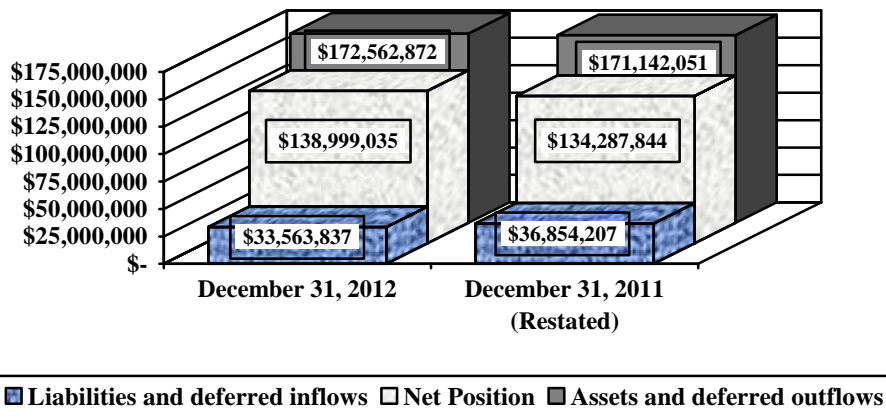


**Business-type Activities**

The net position of the business-type activities, include the water, water pollution control, airport, parking facilities, and swimming pool enterprise funds. These programs had program revenues of \$19,793,103 which were sufficient to support the total expenses of \$15,655,593. Program revenues exceeded total expenses by \$4,137,510 in 2012.

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

**Net Position of Business - Type Activities**



**CITY OF FINDLAY, OHIO**

**MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED DECEMBER 31, 2012  
(UNAUDITED)**

Net position of the business-type activities continued to grow. The City's charges for services program revenues increased \$1,635,114 or 9.41% from 2011 due to user fee increases put in place the last third of 2011 coupled with increased usage over the prior year. The City's capital grants and contributions program revenues increased approximately \$400,000 due primarily to increased grant funding for water pollution control projects and airport runway projects. Expenses decreased \$40,857 or 0.26% as fewer non-capital projects were undertaken in 2012. Capital assets for the business-type activities decreased \$1.958 million due to depreciation expense exceeding capital outlays for 2012. The decrease in capital contributions revenue resulted in a decrease in capital outlays for 2012. 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. Unassigned 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 \$22,327,906 which is \$3,422,381 above last year's total of \$18,905,525. The schedule below indicates the fund balances as of December 31, 2012, 2011 and 2010 for all governmental funds.

	Fund Balances <u>12/31/12</u>	Fund Balances <u>12/31/11</u>	Restated Fund Balances <u>12/31/10</u>	Increase (Decrease) <u>2012 - 2011</u>	Increase (Decrease) <u>2011 - 2010</u>
Major funds:					
General	\$ 12,470,465	\$ 9,243,166	\$ 7,594,477	\$ 3,227,299	\$ 1,648,689
Street maintenance and repair	1,377,519	1,647,858	1,399,865	(270,339)	247,993
City income tax administration	4,623,943	4,680,635	3,553,070	(56,692)	1,127,565
Nonmajor governmental funds	<u>3,855,979</u>	<u>3,333,866</u>	<u>3,713,762</u>	<u>522,113</u>	<u>(379,896)</u>
Total	<u>\$ 22,327,906</u>	<u>\$ 18,905,525</u>	<u>\$ 16,261,174</u>	<u>\$ 3,422,381</u>	<u>\$ 2,644,351</u>

**General Fund**

The City's general fund balance increased \$3,227,299, primarily due to an increase in transfers in from the city income tax administration fund of approximately \$3.643 million over 2011 levels. The increased transfers in from the city income tax administration fund were due to a change in the City's ordinance which increased the transfers to the general fund from 84% to 90%.

**CITY OF FINDLAY, OHIO**

MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED DECEMBER 31, 2012  
(UNAUDITED)

The table that follows assists in illustrating the revenues of the general fund for 2012, 2011 and 2010:

	<u>2012</u> <u>Amount</u>	<u>2011</u> <u>Amount</u>	<u>2010</u> <u>Amount</u>	<u>Increase/</u> <u>(Decrease)</u> <u>2012 - 2011</u>	<u>Increase/</u> <u>(Decrease)</u> <u>2011 - 2010</u>
<b><u>Revenues</u></b>					
Taxes	\$ 2,341,451	\$ 2,349,758	\$ 2,705,027	\$ (8,307)	\$ (355,269)
Charges for services	2,531,894	2,163,796	2,159,097	368,098	4,699
Licenses and permits	319,236	326,626	321,919	(7,390)	4,707
Fines and forfeitures	1,142,951	1,028,517	1,199,929	114,434	(171,412)
Investment income	23,250	68,476	46,981	(45,226)	21,495
Increase (decrease) in fair value of investments	20,690	(28,750)	(27)	49,440	(28,723)
Intergovernmental	3,743,777	4,569,460	4,734,233	(825,683)	(164,773)
Other	<u>1,077,265</u>	<u>582,238</u>	<u>573,646</u>	<u>495,027</u>	<u>8,592</u>
<b>Total</b>	<u>\$ 11,200,514</u>	<u>\$ 11,060,121</u>	<u>\$ 11,740,805</u>	<u>\$ 140,393</u>	<u>\$ (680,684)</u>

Tax revenue in the general fund represents property and other local taxes. Tax revenue represents 21% 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 0.36% from prior year.

Income taxes are collected in the city income tax administration fund (a major special revenue fund). This fund transferred \$20,639,857 in income tax receipts to the general fund during 2012. 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 \$3.643 million from 2011.

Charges for services revenue increased \$368,098 primarily due to charges supporting general government operations.

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 increased \$49,440 from the fair value of these securities at December 31, 2012. The federal agency securities matured during 2012. These securities fluctuate in value depending upon market conditions.

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.

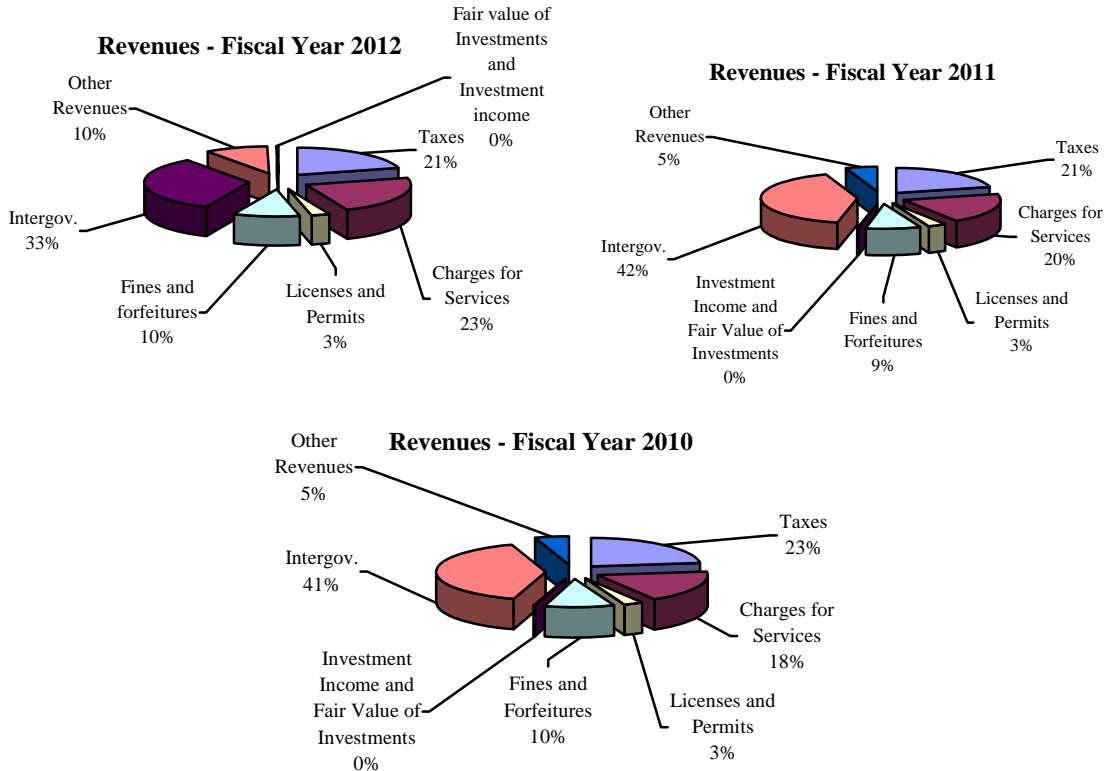
The City received 11.13% more in fines and forfeitures revenue than in 2011 primarily related in increased collections related to the Work Opportunity Rehabilitation Center (WORC) and municipal court operations. Other revenues increased \$1,014,078 primarily due to reimbursements.

All other revenues of the general fund remained comparable to 2011.

**CITY OF FINDLAY, OHIO**

**MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED DECEMBER 31, 2012  
(UNAUDITED)**

The graphs below reflect the percentage of revenues, by source, for 2012, 2011 and 2010:



The table that follows assists in illustrating the expenditures of the general fund for 2012, 2011 and 2010.

	2012 <u>Amount</u>	2011 <u>Amount</u>	2010 <u>Amount</u>	Increase/ (Decrease) 2012 - 2011	Increase/ (Decrease) 2011 - 2010
<b><u>Expenditures</u></b>					
General government	\$ 8,346,578	\$ 6,842,135	\$ 5,616,963	\$ 1,504,443	\$ 1,225,172
Security of persons and property	14,905,844	15,295,014	14,732,422	(389,170)	562,592
Public health and welfare	1,946,022	2,083,555	1,724,559	(137,533)	358,996
Leisure time activity	1,221,237	1,359,519	1,258,449	(138,282)	101,070
Capital outlay	554,081	1,583,735	1,317,179	(1,029,654)	266,556
Bond issue costs	-	54,920	-	(54,920)	54,920
<b>Total</b>	<b><u>\$ 26,973,762</u></b>	<b><u>\$ 27,218,878</u></b>	<b><u>\$ 24,649,572</u></b>	<b><u>\$ (245,116)</u></b>	<b><u>\$ 2,569,306</u></b>

General government expenditures increased \$1,504,443 from the prior year due to a \$1.8 million contribution made by the City to Hancock County as required by the City's 3-year contribution for a flood reduction study being performed by the U.S. Army Corps of Engineers.

Security of persons and property expenditures relate primarily to police and fire operations. These expenditures decreased 2.55%. The decrease was due to police and fire grants that offset the expenditures.

**CITY OF FINDLAY, OHIO**

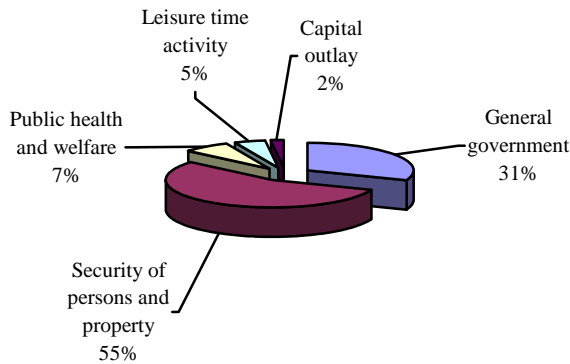
**MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED DECEMBER 31, 2012  
(UNAUDITED)**

Leisure time activities relate primarily to the operations of parks, recreation and the Cube. Total leisure time activities expenditures decreased \$138,282, or 10.18%, from 2011.

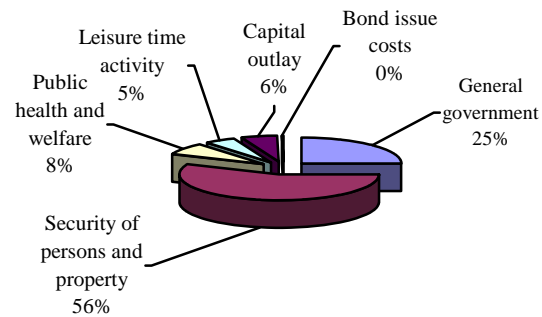
Capital outlay expenditures decreased \$1,029,654, or 65.02%, as the City performed less construction and various other projects in 2012. The City closely monitors capital outlays to perform only essential improvements.

All other expenditures remained comparable to 2011. The graphs below reflect the percentage of expenditures, by function, for 2012, 2011 and 2010:

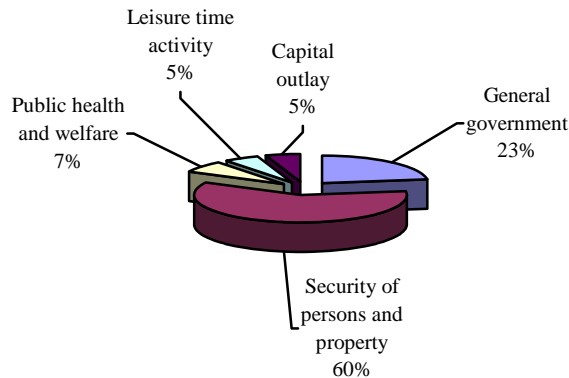
**Expenditures - Fiscal Year 2012**



**Expenditures - Fiscal Year 2011**



**Expenditures - Fiscal Year 2010**



***Street Maintenance and Repair Fund***

The street maintenance and repair fund had revenues and other financing sources of \$4,603,943 in 2012. This represents a decrease of \$1,182,485 from 2011 revenues and other financing sources. The 2011 other financing sources included transfers in of \$88,585 that were increased to \$438,667 in 2012. The expenditures and other financing uses of the street maintenance and repair fund, which totaled \$4,830,452 in 2012 decreased \$770,180 from 2011. The net decrease in fund balance for the street maintenance and repair fund was \$226,509 or 13.75%. The street maintenance and repair fund capital outlays was approximately \$927,000 less in 2012 versus 2011 primarily due to the Crystal Avenue Improvements and Invision Drive Extension projects in 2011.

## CITY OF FINDLAY, OHIO

### MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE YEAR ENDED DECEMBER 31, 2012 (UNAUDITED)

#### ***City Income Tax Administration Fund***

The city income tax administration fund had revenues and other financing sources of \$23,514,143 in 2012. This represents an increase of \$2,261,964 from 2011 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 \$23,570,835 in 2012 increased \$3,446,221 from 2011. The net decrease in fund balance for the city income tax administration fund was \$56,692 or 1.21%. 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 and the temporary .25% tax increase ended at December 31, 2012. For 2012, \$600,000 was allocated to capital improvements/flood mitigation with the remainder being disbursed as follows: 90% was transferred to the general fund and 10% was used for general capital improvements. For 2013, 84% will be transferred to the general fund and 16% 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 \$7,424,678 from \$24,289,025 to \$31,713,703. 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 and temporary budget amounts were utilized for certain non-personnel related expenditures. The final budget amounts for these projects represent supplemental appropriations which equal the actual capital outlays incurred during the year. This accounts for \$672,654, or 9.06%, of the \$7,424,678 increase from the original budget to the final budget. In addition, the City increased budgeted expenditures for general government by \$2,674,037 for non-capital projects related to general government operations. Original budgeted revenues and other financing sources increased \$7,464,159 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 \$28,614,640 were lower than final appropriated expenditures of \$31,713,703 by \$3,099,063 and actual revenues of \$32,353,571 were \$1,616,162 greater than final budgeted revenues of \$30,737,409.

#### ***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, 2012  
(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 if the customer demand for treated water increases to that level.

User charge rates are established to provide revenue for operation and maintenance of the treatment facility, the reservoir, and the distribution system. In addition, the charge rates must be set to support all capital improvements and debt service requirements. In accordance with Ohio law, the Service-Safety Director has the ability to revise the charge rates. Information regarding water customers for 2012 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	128,666	\$523,965	6.86%
Ball Metal	66,854	274,114	3.59%
Cooper Tire	86,788	237,795	3.11%
Sanoh America, Inc. (Hisan)	55,010	147,481	1.93%
University of Findlay	42,733	133,617	1.75%
Blanchard Valley Hospital	38,491	108,345	1.42%
Createc	32,481	87,699	1.15%
City Laundry/Kramer Ent	29,280	79,425	1.04%
Findlay City Schools	17,220	54,640	0.72%
Riverview Terrace	<u>12,929</u>	<u>54,354</u>	0.71%
 Total Top Ten	 510,452	 \$1,701,435	 22.27%
All Other Customers	<u>1,748,120</u>	<u>5,939,344</u>	<u>77.73%</u>
Total	<u>2,258,572</u>	<u>\$7,640,779</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	809,013	\$2,701,681	35.36%
Inside City/Commercial	744,617	2,219,700	29.05%
Inside City/Industrial	255,639	696,057	9.11%
Outside City/Residential	158,105	778,301	10.19%
Outside City/Commercial	89,723	419,240	5.49%
Outside City/Industrial	<u>201,475</u>	<u>825,800</u>	<u>10.81%</u>
Total	<u>2,258,572</u>	<u>\$7,640,779</u>	<u>100.00%</u>

Total Water Customers 17,474

\* Hundred Cubic Feet



**CITY OF FINDLAY, OHIO**

MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED DECEMBER 31, 2012  
(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 2012 is presented below:

**Ten Largest Single Wastewater Customers**

<u>Customer</u>	<u>Revenue</u>	Percent of <u>Total</u>
University of Findlay	\$144,721	1.70%
Sanoh America, Inc. (Hisan)	114,966	1.35%
Cooper Tire	113,283	1.33%
Whirlpool	93,162	1.10%
Blanchard Valley Hospital	85,814	1.01%
Ball Metal	67,061	0.79%
City Laundry/Kramer Ent.	59,328	0.70%
Findlay City Schools	58,145	0.68%
Village of Arcadia	55,978	0.66%
Hancock County Government	<u>54,751</u>	<u>0.64%</u>
Total Top Ten	\$ 847,209	9.97%
All Other Customers	<u>7,654,091</u>	<u>90.03%</u>
Grand Total	<u>\$8,501,300</u>	<u>100.00%</u>

**Total Customer Use  
By Class & Location**

<u>Customer Class</u>	<u>Revenue</u>	% of Total <u>Revenue</u>
Inside City/Residential	\$4,159,610	48.93%
Inside City/Commercial	2,294,309	26.99%
Inside City/Industrial	474,290	5.58%
Outside City/Residential	1,016,249	11.95%
Outside City/Commercial	328,897	3.87%
Outside City/Industrial	<u>227,945</u>	<u>2.68%</u>
Total	<u>\$8,501,300</u>	<u>100.00%</u>
Total Wastewater Customers Inside Corp		14,445
Total Wastewater Customers Outside Corp		2,481

**CITY OF FINDLAY, OHIO**

**MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED DECEMBER 31, 2012  
(UNAUDITED)**

**Capital Assets and Debt Administration**

**Capital Assets**

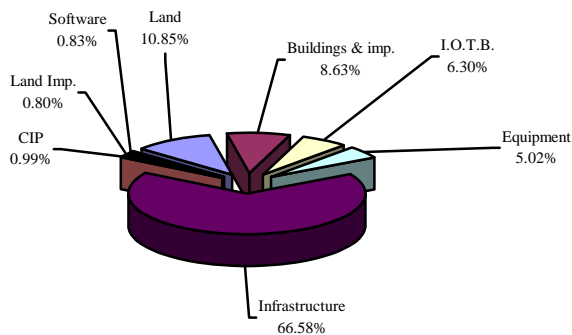
At the end of fiscal year 2012, the City had \$234,754,792 (net of accumulated depreciation) invested in land, software, non-depreciable land improvements, buildings and improvements, improvements other than buildings (I.O.T.B.), machinery and equipment, utility plant in service, utility lines in service, infrastructure and construction in progress (CIP). Of this total, \$81,798,907 was reported in governmental activities and \$152,955,885 was reported in business-type activities. The following table shows fiscal year 2012 balances compared to 2011:

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

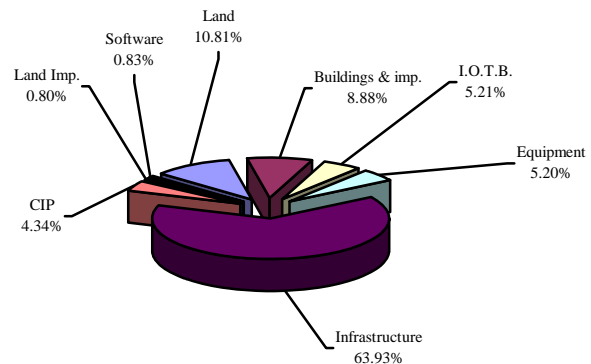
	<u>Governmental Activities</u>		<u>Business-Type Activities</u>		<u>Total</u>	
	<u>2012</u>	<u>2011</u>	<u>2012</u>	<u>2011</u>	<u>2012</u>	<u>2011</u>
Land	\$ 8,875,082	\$ 8,875,082	\$ 4,734,694	\$ 4,734,694	\$ 13,609,776	\$ 13,609,776
Land improvements	653,392	653,392	-	-	653,392	653,392
Software	678,510	678,510	100,272	100,272	778,782	778,782
Buildings and improvements	7,055,624	7,289,504	71,286	152,654	7,126,910	7,442,158
I.O.T.B.	5,150,388	4,275,241	14,466,543	14,284,929	19,616,931	18,560,170
Utility plant in service	-	-	47,197,781	48,714,591	47,197,781	48,714,591
Utility lines in service	-	-	80,593,418	80,735,332	80,593,418	80,735,332
Machinery and equipment	4,103,209	4,269,834	1,243,851	1,342,469	5,347,060	5,612,303
Infrastructure	54,473,112	52,488,860	-	-	54,473,112	52,488,860
Construction in progress	<u>809,590</u>	<u>3,567,660</u>	<u>4,548,040</u>	<u>4,849,344</u>	<u>5,357,630</u>	<u>8,417,004</u>
<b>Totals</b>	<b>\$ 81,798,907</b>	<b>\$ 82,098,083</b>	<b>\$ 152,955,885</b>	<b>\$ 154,914,285</b>	<b>\$ 234,754,792</b>	<b>\$ 237,012,368</b>

The following graphs show the breakdown of governmental capital assets by category for 2012 and 2011.

**Capital Assets - Governmental Activities 2012**



**Capital Assets - Governmental Activities 2011**

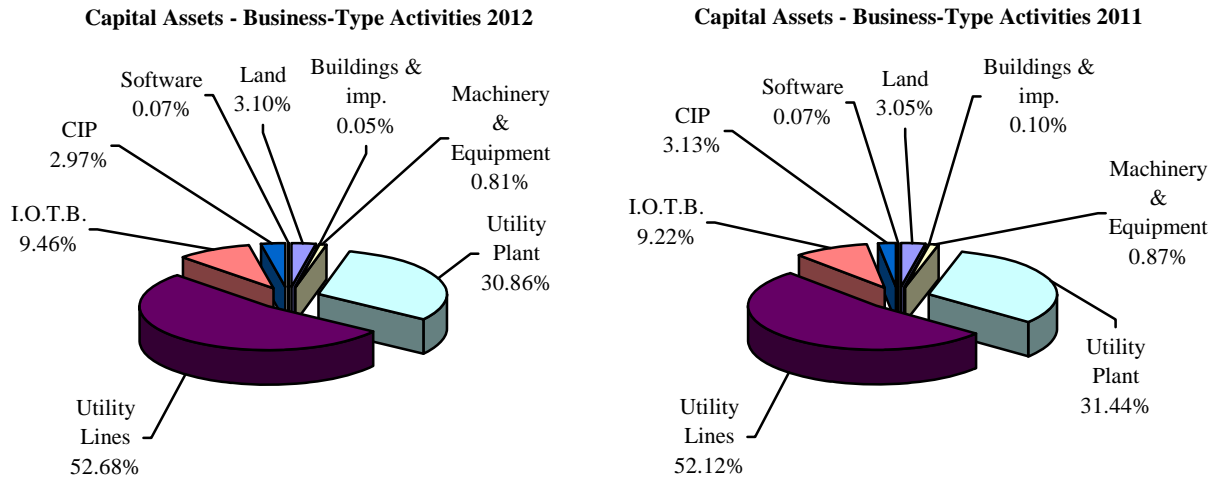


**CITY OF FINDLAY, OHIO**

**MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED DECEMBER 31, 2012  
(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 66.58% of the City's total governmental capital assets.

The following graphs show the breakdown of business-type capital assets by category for 2012 and 2011.



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 52.68% 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, 2012  
(UNAUDITED)

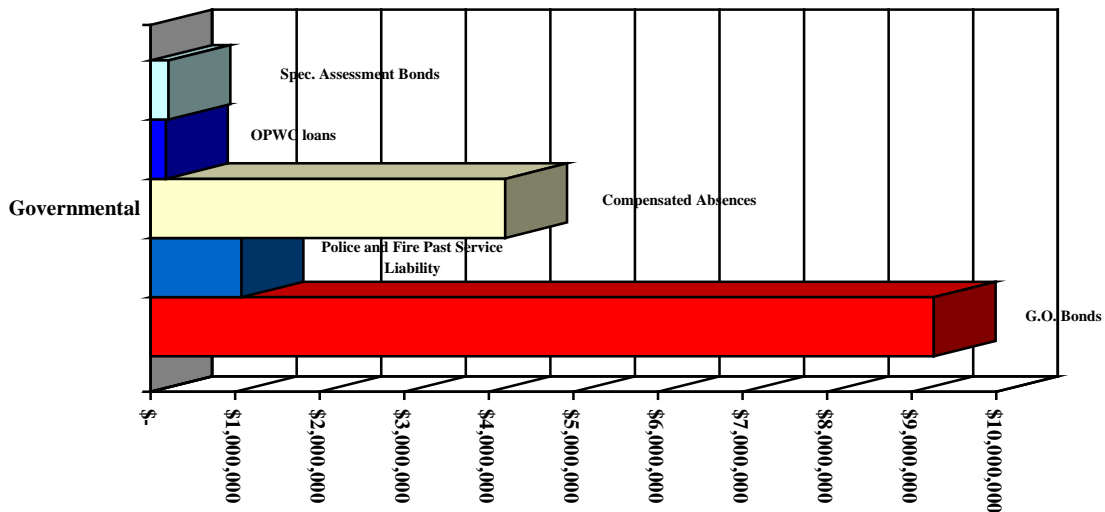
***Debt Administration***

The City had the following long-term obligations outstanding at December 31, 2012 and 2011:

	<u>Governmental Activities</u>	
	<u>2012</u>	<u>2011</u>
Compensated absences	\$ 4,193,592	\$ 3,934,951
Police and Fire past service liability	1,076,468	1,104,686
OPWC loans	183,823	198,506
Special Assessment bonds	214,655	11,625
General Obligation bonds	<u>9,262,675</u>	<u>9,806,011</u>
<b>Total long-term obligations</b>	<b><u>\$ 14,931,213</u></b>	<b><u>\$ 15,055,779</u></b>
	<u>Business-Type Activities</u>	
	<u>2012</u>	<u>2011</u>
General Obligation bonds	\$ 7,110,000	\$ 8,360,000
OPWC loans	672,918	728,256
OWDA loans	23,217,697	25,184,140
Compensated absences	<u>722,606</u>	<u>769,449</u>
<b>Total long-term obligations</b>	<b><u>\$ 31,723,221</u></b>	<b><u>\$ 35,041,845</u></b>

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

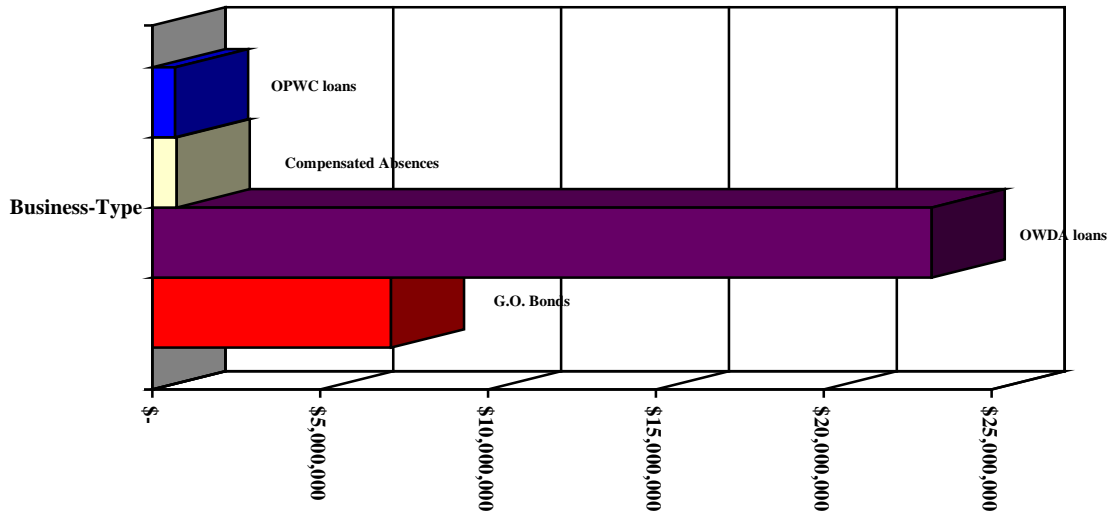
**Long-term obligations**



**CITY OF FINDLAY, OHIO**

**MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED DECEMBER 31, 2012  
(UNAUDITED)**

**Long-term obligations**



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

During 2012, the City issued \$211,000 in special assessment bonds in governmental 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 2013 Budgets and Rates**

The impact on the general fund by the national, state, and local economic recession was mitigated by a temporary income tax rate increase in 2009. 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 continued through the 2012 budget year and ended December 31, 2012. This temporary 0.25% will continue to generate some tailing revenue into 2013.

Unemployment in Hancock County averaged 6.1% in 2012 versus 7.6% in 2011. This compared favorably with the seasonally adjusted State's average rate of 7.2% and the national average rate of 8.1% for 2012.

The 2013 national GDP forecast is projected to grow a mere 1.4%. Growth for the overall economy is an indication of slow improvement and was part of the consideration for the 2013 income tax revenue projection. The income tax makes up approximately 67% of the projected general fund revenues for 2013. Additionally, they were impacted by the sun setting of a temporary 0.25% municipal income tax. The income tax allocation to the city income tax restricted capital improvements was 10% for 2012; the general fund was 90%. For 2013 this allocation has been set at 16% capital improvements and 84% general fund, an important move toward our historic allocations. In 2012, \$1.8 million was paid to the County Commissioners for future flood mitigation efforts completing a 3-year \$1.8 million commitment made to Hancock County.

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

## CITY OF FINDLAY, OHIO

### MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE YEAR ENDED DECEMBER 31, 2012 (UNAUDITED)

For 2013, the total general fund expenditures are budgeted to decrease \$3.4 million from 2012 actual to \$24.9 million. The decrease is necessary due to the expiration of the temporary 0.25% income tax, as well as other State revenue reductions.

General fund actual expenditures in 2012 were \$1.9 million below appropriations; windfalls in income tax, and estate tax, offset state cuts and other shortfalls increasing the beginning cash balance to more than \$6.8 million for 2013. Having used much of the temporary tax dollars to stabilize the budget, Findlay's Administration and Council took the opportunity to fund \$1.5 million to Capital Improvements, \$400,000 to Self-Insurance Fund and \$200,000 to the Severance Payout Reserve Fund in 2013. A 2013 general fund operating budget has been adopted with a \$1.6 million deficit; however, the year-end cash balance is budgeted to be in excess of \$4.3 million, at the time of this report.

City Council and the Service Director increased water and sewer rates in 2011; no increase is scheduled for 2013. It is expected to see continued improvement the health of both of these funds and each has been budgeted to end the 2013 calendar year with a cash balance in excess of three month operations expenses.

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

Mindful of its Debt Policy, the City has only issued special assessment debt in 2012 to be collected through real estate tax receipts. The City does have the opportunity to do refunding of several issues should the rates obtained and reissuance costs prove a sound business decision.

#### **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).

**CITY OF FINDLAY, OHIO**  
**STATEMENT OF NET POSITION**  
**DECEMBER 31, 2012**

	<b>Governmental Activities</b>	<b>Business-type Activities</b>	<b>Total</b>
<b>Assets:</b>			
Equity in pooled cash and investments . . . . .	\$ 19,631,439	\$ 10,232,884	\$ 29,864,323
Cash in segregated accounts . . . . .	184,336	-	184,336
Cash with fiduciary agent . . . . .	308,340	-	308,340
Cash with escrow agent . . . . .	87,227	-	87,227
Receivables (net of allowances for uncollectibles).	8,224,470	2,122,868	10,347,338
Internal balance . . . . .	(145,272)	145,272	-
Due from other governments. . . . .	1,489,058	-	1,489,058
Prepayments . . . . .	77,892	62,061	139,953
Materials and supplies inventory. . . . .	455,355	692,337	1,147,692
Restricted assets:			
Equity in pooled cash and investments . . . . .	2,406,925	5,985,364	8,392,289
Capital assets:			
Land and construction in progress. . . . .	11,016,574	9,383,006	20,399,580
Depreciable capital assets, net. . . . .	70,782,333	143,572,879	214,355,212
Total capital assets, net. . . . .	<u>81,798,907</u>	<u>152,955,885</u>	<u>234,754,792</u>
Total assets . . . . .	<u>114,518,677</u>	<u>172,196,671</u>	<u>286,715,348</u>
<b>Deferred outflows of resources:</b>			
Unamortized deferred charges on debt refunding	42,192	366,201	408,393
Total deferred outflows of resources . . . . .	<u>42,192</u>	<u>366,201</u>	<u>408,393</u>
Total assets and deferred outflows of resources .	<u>114,560,869</u>	<u>172,562,872</u>	<u>287,123,741</u>
<b>Liabilities:</b>			
Accounts payable. . . . .	1,472,462	288,970	1,761,432
Contracts payable. . . . .	37,669	14,500	52,169
Retainage payable . . . . .	54,087	-	54,087
Accrued wages and benefits payable . . . . .	395,887	116,160	512,047
Insurance deposits payable . . . . .	330,915	87,887	418,802
Due to other governments . . . . .	36,271	-	36,271
Deposits held and due to others . . . . .	-	607,921	607,921
Workers' compensation payable . . . . .	215,119	-	215,119
Matured bonds payable. . . . .	33,140	-	33,140
Accrued interest payable . . . . .	201,467	587,358	788,825
Long-term liabilities:			
Due within one year . . . . .	2,276,627	3,819,215	6,095,842
Due in more than one year. . . . .	12,643,834	28,041,826	40,685,660
Total liabilities . . . . .	<u>17,697,478</u>	<u>33,563,837</u>	<u>51,261,315</u>
<b>Deferred inflows of resources:</b>			
Property taxes levied for the next fiscal year. . .	2,289,534	-	2,289,534
TIF revenue levied for next fiscal year . . . . .	187,548	-	187,548
Total deferred inflows of resources . . . . .	<u>2,477,082</u>	<u>-</u>	<u>2,477,082</u>
<b>Net position:</b>			
Net investment in capital assets . . . . .	72,190,698	122,183,651	194,374,349
Restricted for:			
Capital projects . . . . .	516,709	5,985,364	6,502,073
Debt service . . . . .	265,528	-	265,528
Security of persons and property programs .	87,584	-	87,584
General government operations . . . . .	682,029	-	682,029
Transportation improvement projects . . . . .	1,827,410	-	1,827,410
Economic development programs. . . . .	841,400	-	841,400
Perpetual care:			
Expendable . . . . .	1,477	-	1,477
Nonexpendable . . . . .	1,231,975	-	1,231,975
Other purposes. . . . .	884,604	-	884,604
Unrestricted . . . . .	<u>15,856,895</u>	<u>10,830,020</u>	<u>26,686,915</u>
Total net position . . . . .	<u>\$ 94,386,309</u>	<u>\$ 138,999,035</u>	<u>\$ 233,385,344</u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**CITY OF FINDLAY, OHIO**

STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED DECEMBER 31, 2012

	<u>Expenses</u>	<u>Program Revenues</u>		
		<u>Charges for Services and Sales</u>	<u>Operating Grants and Contributions</u>	<u>Capital Grants and Contributions</u>
<b>Governmental activities:</b>				
General government. . . . .	\$ 9,257,857	\$ 2,359,760	\$ 130,256	\$ 11,745
Security of persons and property . . . . .	15,560,367	269,644	499,668	-
Public health and welfare . . . . .	1,978,226	910,714	147,050	-
Transportation. . . . .	5,095,585	158,250	2,087,650	975,861
Leisure time activity. . . . .	1,229,723	590,059	4,000	-
Interest and fiscal charges. . . . .	421,280	244,530	63,457	-
Total governmental activities . . . . .	<u>33,543,038</u>	<u>4,532,957</u>	<u>2,932,081</u>	<u>987,606</u>
<b>Business-type activities:</b>				
Water . . . . .	6,198,978	8,414,617	65,213	300,760
Water pollution control . . . . .	6,988,964	9,410,093	84,008	71,797
Airport. . . . .	2,321,322	1,128,095	25,686	229,585
Parking facilities. . . . .	88,675	63,249	-	-
Swimming pool . . . . .	57,654	-	-	-
Total business-type activities . . . . .	<u>15,655,593</u>	<u>19,016,054</u>	<u>174,907</u>	<u>602,142</u>
Totals . . . . .	<u>\$ 49,198,631</u>	<u>\$ 23,549,011</u>	<u>\$ 3,106,988</u>	<u>\$ 1,589,748</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 . . . . .
Increase in fair value of investments. . . . .
Miscellaneous . . . . .
Total general revenues . . . . .
Transfers . . . . .
Change in net position. . . . .
<b>Net position at beginning of year (restated) . . . . .</b>
<b>Net position at end of year . . . . .</b>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS



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

<b>Governmental Activities</b>	<b>Business-type Activities</b>	<b>Total</b>
\$ (6,756,096)	\$ -	\$ (6,756,096)
(14,791,055)	-	(14,791,055)
(920,462)	-	(920,462)
(1,873,824)	-	(1,873,824)
(635,664)	-	(635,664)
(113,293)	-	(113,293)
(25,090,394)	-	(25,090,394)
-	2,581,612	2,581,612
-	2,576,934	2,576,934
-	(937,956)	(937,956)
-	(25,426)	(25,426)
-	(57,654)	(57,654)
-	4,137,510	4,137,510
(25,090,394)	4,137,510	(20,952,884)
2,341,451	-	2,341,451
431,342	-	431,342
21,596,551	-	21,596,551
71,284	-	71,284
2,983,700	-	2,983,700
24,262	29,900	54,162
20,690	-	20,690
1,481,603	60,827	1,542,430
28,950,883	90,727	29,041,610
(482,954)	482,954	-
3,377,535	4,711,191	8,088,726
91,008,774	134,287,844	225,296,618
\$ 94,386,309	\$ 138,999,035	\$ 233,385,344

**CITY OF FINDLAY, OHIO**

BALANCE SHEET  
GOVERNMENTAL FUNDS  
DECEMBER 31, 2012  
(WITH COMPARATIVE TOTALS FOR 2011)

	<u>General</u>	<u>Street Maintenance and Repair</u>	<u>City Income Tax Administration</u>
<b>Assets:</b>			
Equity in pooled cash and investments . . . . .	\$ 13,643,678	\$ 829,453	\$ 728,164
Cash in segregated accounts . . . . .	22,919	-	-
Cash with fiduciary agent. . . . .	-	-	-
Cash with escrow agent. . . . .	-	54,087	-
Receivables (net of allowance for uncollectibles). . . . .	2,033,179	60,416	4,558,818
Due from other governments. . . . .	706,800	699,344	-
Prepayments . . . . .	48,152	16,403	-
Materials and supplies inventory. . . . .	-	452,890	-
Restricted assets:			
Equity in pooled cash and investments. . . . .	-	-	2,406,925
Total assets . . . . .	<u>\$ 16,454,728</u>	<u>\$ 2,112,593</u>	<u>\$ 7,693,907</u>
<b>Liabilities:</b>			
Accounts payable. . . . .	\$ 921,316	\$ 54,181	\$ 487,315
Contracts payable. . . . .	31,507	6,162	-
Retainage payable . . . . .	-	54,087	-
Accrued wages and benefits payable . . . . .	368,381	23,154	2,455
Insurance deposits payable . . . . .	295,561	29,963	2,941
Compensated absences payable . . . . .	-	-	-
Due to other governments . . . . .	36,271	-	-
Interfund loans payable. . . . .	-	-	-
Matured bonds payable. . . . .	-	-	-
Accrued interest payable . . . . .	-	-	-
Notes payable . . . . .	-	-	-
Total liabilities . . . . .	<u>1,653,036</u>	<u>167,547</u>	<u>492,711</u>
<b>Deferred inflows of resources:</b>			
Property taxes levied for the next fiscal year. . . . .	1,840,664	-	-
TIF revenue levied for next fiscal year . . . . .	-	-	-
Charges for services revenue not available . . . . .	75,817	5,842	-
Special assessments revenue not available. . . . .	-	-	-
Income tax revenue not available . . . . .	-	-	2,577,253
Intergovernmental revenue not available . . . . .	414,746	561,685	-
Total deferred inflows of resources . . . . .	<u>2,331,227</u>	<u>567,527</u>	<u>2,577,253</u>
<b>Fund balances:</b>			
Nonspendable . . . . .	48,152	469,293	-
Restricted. . . . .	576,264	908,226	-
Committed . . . . .	1,767,446	-	4,623,943
Assigned . . . . .	1,827,722	-	-
Unassigned. . . . .	8,250,881	-	-
Total fund balances. . . . .	<u>12,470,465</u>	<u>1,377,519</u>	<u>4,623,943</u>
Total liabilities, deferred inflows of resources and fund balances . . . . .	<u>\$ 16,454,728</u>	<u>\$ 2,112,593</u>	<u>\$ 7,693,907</u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

<b>Other Governmental Funds</b>	<b>Total Governmental Funds 2012</b>	<b>Total Governmental Funds 2011</b>
\$ 2,663,607	\$ 17,864,902	\$ 14,339,469
161,417	184,336	56,904
308,340	308,340	259,700
33,140	87,227	229,985
1,572,020	8,224,433	7,978,523
82,914	1,489,058	1,845,524
-	64,555	61,895
-	452,890	498,076
-	2,406,925	2,602,029
<u>\$ 4,821,438</u>	<u>\$ 31,082,666</u>	<u>\$ 27,872,105</u>
\$ 8,824	\$ 1,471,636	\$ 1,325,909
-	37,669	87,649
-	54,087	135,334
1,897	395,887	265,176
2,450	330,915	342,379
-	-	6,985
-	36,271	91,580
-	-	353,200
33,140	33,140	33,137
-	-	14
-	-	40,000
<u>46,311</u>	<u>2,359,605</u>	<u>2,681,363</u>
448,870	2,289,534	2,446,675
187,548	187,548	-
-	81,659	91,535
211,004	211,004	4,271
-	2,577,253	2,543,812
<u>71,726</u>	<u>1,048,157</u>	<u>1,198,924</u>
<u>919,148</u>	<u>6,395,155</u>	<u>6,285,217</u>
1,231,975	1,749,420	1,764,750
2,624,004	4,108,494	4,349,207
-	6,391,389	5,764,901
-	1,827,722	1,237,557
-	8,250,881	5,789,110
<u>3,855,979</u>	<u>22,327,906</u>	<u>18,905,525</u>
<u>\$ 4,821,438</u>	<u>\$ 31,082,666</u>	<u>\$ 27,872,105</u>

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**CITY OF FINDLAY, OHIO**

RECONCILIATION OF TOTAL GOVERNMENTAL FUND BALANCES TO  
NET POSITION OF GOVERNMENTAL ACTIVITIES  
DECEMBER 31, 2012

<b>Total governmental fund balances</b>		\$	22,327,906
<i>Amounts reported for governmental activities on the statement of net position are different because:</i>			
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.			81,798,907
Other long-term assets are not available to pay for current-period expenditures and therefore are deferred in the funds.			
Income taxes receivable	\$	2,577,253	
Accounts receivable		81,659	
Intergovernmental receivable		1,048,157	
Special assessments receivable		211,004	
Total			3,918,073
Unamortized balances of bond related transactions are not recorded in the funds.			
Unamortized premiums on bonds issued		(27,893)	
Unamortized discounts on bonds issued		38,645	
Unamortized deferred charges on refundings		42,192	
Total			52,944
Internal service funds are used by management to charge the costs of self-insurance, workers' compensation and central stores operations to individual funds. The assets and liabilities of the internal service funds are included in governmental activities on the statement of net position. The net position of the internal service funds, including internal balances of (\$145,272), is:			1,421,159
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		(201,467)	
Special assessment bonds payable		(214,655)	
General obligation bonds payable		(9,262,675)	
OPWC loans payable		(183,823)	
Police and fire past service liability payable		(1,076,468)	
Compensated absences payable		(4,193,592)	
Total			(15,132,680)
<b>Net position of governmental activities</b>		<b>\$</b>	<b>94,386,309</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, 2012  
 (WITH COMPARATIVE TOTALS FOR 2011)

	<u>General</u>	<u>Street Maintenance and Repair</u>	<u>City Income Tax Administration</u>
<b>Revenues:</b>			
Municipal income taxes . . . . .	\$ -	\$ -	\$ 21,563,110
Property and other local taxes . . . . .	2,341,451	920	-
Charges for services . . . . .	2,531,894	108,473	13,339
Licenses and permits . . . . .	319,236	-	-
Fines and forfeitures . . . . .	1,142,951	-	-
Intergovernmental . . . . .	3,743,777	2,451,045	-
Special assessments . . . . .	-	-	-
Investment income . . . . .	23,250	899	-
Increase (decrease) in fair value of investments . . . . .	20,690	-	-
Rental income . . . . .	67,130	-	-
Contributions and donations . . . . .	48,503	-	-
Reimbursements . . . . .	950,542	8,109	285
Tax increment financing . . . . .	-	-	-
Other . . . . .	11,090	45,097	-
Total revenues . . . . .	<u>11,200,514</u>	<u>2,614,543</u>	<u>21,576,734</u>
<b>Expenditures:</b>			
Current:			
General government . . . . .	8,346,578	-	410,540
Security of persons and property . . . . .	14,905,844	-	-
Public health and welfare . . . . .	1,946,022	-	-
Transportation . . . . .	-	2,167,777	-
Leisure time activity . . . . .	1,221,237	-	-
Capital outlay . . . . .	554,081	2,224,008	-
Debt service:			
Principal retirement . . . . .	-	-	-
Interest and fiscal charges . . . . .	-	-	-
Bond issuance costs . . . . .	-	-	-
Total expenditures . . . . .	<u>26,973,762</u>	<u>4,391,785</u>	<u>410,540</u>
Excess (deficiency) of revenues over (under) expenditures . . . . .	<u>(15,773,248)</u>	<u>(1,777,242)</u>	<u>21,166,194</u>
<b>Other financing sources (uses):</b>			
Bond issuance . . . . .	-	-	-
Sale of capital assets . . . . .	928	-	-
Transfers in . . . . .	21,152,129	1,989,400	1,937,409
Transfers (out) . . . . .	<u>(2,153,814)</u>	<u>(438,667)</u>	<u>(23,160,295)</u>
Total other financing sources (uses) . . . . .	<u>18,999,243</u>	<u>1,550,733</u>	<u>(21,222,886)</u>
Net change in fund balances . . . . .	3,225,995	(226,509)	(56,692)
<b>Fund balances at beginning of year . . . . .</b>	9,243,166	1,647,858	4,680,635
<b>(Decrease) in materials and supplies inventory . .</b>	-	(45,186)	-
<b>Increase in prepaids . . . . .</b>	1,304	1,356	-
<b>Fund balances at end of year . . . . .</b>	<u>\$ 12,470,465</u>	<u>\$ 1,377,519</u>	<u>\$ 4,623,943</u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

<b>Other Governmental Funds</b>	<b>Total Governmental Funds 2012</b>	<b>Total Governmental Funds 2011</b>
\$ -	\$ 21,563,110	\$ 20,456,073
431,342	2,773,713	2,792,147
238,045	2,891,751	2,385,372
-	319,236	326,626
178,769	1,321,720	1,189,206
459,498	6,654,320	8,918,043
208,357	208,357	9,023
19,221	43,370	92,454
-	20,690	(28,750)
-	67,130	59,092
45,000	93,503	189,262
281	959,217	478,830
71,284	71,284	70,551
-	56,187	64,621
1,651,797	37,043,588	37,002,550
228,827	8,985,945	7,563,146
12,949	14,918,793	15,311,232
1,605	1,947,627	2,085,575
113,467	2,281,244	2,555,879
-	1,221,237	1,359,519
183,760	2,961,849	5,132,329
565,989	565,989	667,203
424,971	424,971	411,064
-	-	54,920
1,531,568	33,307,655	35,140,867
120,229	3,735,933	1,861,683
211,000	211,000	1,036,011
-	928	159
1,164,888	26,243,826	21,241,205
(974,004)	(26,726,780)	(21,558,621)
401,884	(271,026)	718,754
522,113	3,464,907	2,580,437
3,333,866	18,905,525	16,261,174
-	(45,186)	61,931
-	2,660	1,983
\$ 3,855,979	\$ 22,327,906	\$ 18,905,525

**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, 2012

<b>Net change in fund balances - total governmental funds</b>	\$	3,464,907
<i>Amounts reported for governmental activities in the statement of activities are different because:</i>		
Governmental funds report capital outlays as expenditures. However, in the statement of activities, the costs of those assets are allocated over their estimated useful lives as depreciation expense. This is the amount by which depreciation expense exceeded capital outlays in the current period:		
Capital outlays	\$	3,483,636
Depreciation expense		<u>(4,054,234)</u>
Total		(570,598)
Contributed infrastructure from outside developers is not recorded in the governmental funds; however, the contribution is recorded as revenue in the statement of activities.		279,396
The effect of various miscellaneous transactions involving capital assets (i.e., sales, trade-ins, donations and impairments) is to decrease net position.		(7,974)
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.		(42,526)
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.		
Income taxes		33,441
Charges for services		(9,876)
Special assessments		206,733
Intergovernmental		<u>(150,767)</u>
Total		79,531
In the statement of activities, interest is accrued on outstanding bonds, whereas in governmental funds, an interest expenditure is reported when due. The following items contributed to less interest being reported in the statement of activities:		
Decrease in accrued interest payable		9,012
Amortization of bond premiums		8,610
Amortization of bond discounts		(1,877)
Amortization of deferred charges on refundings		<u>(12,054)</u>
Total		3,691
Proceeds from issuance of special assessment 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 position.		(211,000)
Repayments of bonds, loans and the police and fire past service liability are expenditures in the governmental funds, but the repayments reduce long-term liabilities on the statement of net position.		594,207
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.		(265,626)
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 (\$47,740), is allocated among the governmental activities.		<u>53,527</u>
<b>Change in net position of governmental activities</b>	\$	<u><u>3,377,535</u></u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS



**CITY OF FINDLAY, OHIO**

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN  
 FUND BALANCE - BUDGET (GAAP-BASIS) AND ACTUAL  
 GENERAL FUND  
 FOR THE YEAR ENDED DECEMBER 31, 2012

	<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. . . . .	\$ 1,684,302	\$ 2,224,488	\$ 2,341,451	\$ 116,963
Charges for services. . . . .	1,939,029	2,420,766	2,531,894	111,128
Licenses and permits . . . . .	229,640	303,289	319,236	15,947
Fines and forfeitures . . . . .	822,172	1,085,857	1,142,951	57,094
Intergovernmental. . . . .	2,693,052	3,556,764	3,743,777	187,013
Investment income. . . . .	16,725	22,089	23,250	1,161
Increase in fair market value of investments . . . . .	14,883	19,656	20,690	1,034
Rental income . . . . .	48,289	63,777	67,130	3,353
Contributions and donations. . . . .	34,890	46,080	48,503	2,423
Reimbursements. . . . .	566,029	887,711	950,542	62,831
Other . . . . .	7,977	10,536	11,090	554
Total revenues . . . . .	<u>8,056,988</u>	<u>10,641,013</u>	<u>11,200,514</u>	<u>559,501</u>
<b>Expenditures:</b>				
Current:				
General government . . . . .	6,047,865	8,721,902	7,833,642	888,260
Security of persons and property . . . . .	15,289,567	16,561,883	14,905,844	1,656,039
Public health and welfare. . . . .	1,678,153	2,113,244	1,946,022	167,222
Leisure time activity . . . . .	1,174,440	1,490,206	1,221,237	268,969
Capital outlay . . . . .	-	672,654	554,081	118,573
Total expenditures . . . . .	<u>24,190,025</u>	<u>29,559,889</u>	<u>26,460,826</u>	<u>3,099,063</u>
Excess of expenditures over revenues	<u>(16,133,037)</u>	<u>(18,918,876)</u>	<u>(15,260,312)</u>	<u>3,658,564</u>
<b>Other financing sources (uses):</b>				
Sale of capital assets. . . . .	668	882	928	46
Transfers in . . . . .	15,215,594	20,095,514	21,152,129	1,056,615
Transfers (out). . . . .	<u>(99,000)</u>	<u>(2,153,814)</u>	<u>(2,153,814)</u>	<u>-</u>
Total other financing sources (uses) . . . . .	<u>15,117,262</u>	<u>17,942,582</u>	<u>18,999,243</u>	<u>1,056,661</u>
Net change in fund balances . . . . .	(1,015,775)	(976,294)	3,738,931	4,715,225
<b>Fund balances at beginning of year . . . . .</b>	8,158,900	8,158,900	8,158,900	-
<b>Increase in prepaids . . . . .</b>	1,304	1,304	1,304	-
<b>Fund balance at end of year . . . . .</b>	<u>\$ 7,144,429</u>	<u>\$ 7,183,910</u>	<u>\$ 11,899,135</u>	<u>\$ 4,715,225</u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**CITY OF FINDLAY, OHIO**

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN  
 FUND BALANCE - BUDGET (GAAP-BASIS) AND ACTUAL  
 STREET MAINTENANCE AND REPAIR FUND  
 FOR THE YEAR ENDED DECEMBER 31, 2012

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues:</b>				
Property and other local taxes. . . . .	\$ 461	\$ 954	\$ 920	\$ (34)
Charges for services. . . . .	54,296	112,511	108,473	(4,038)
Intergovernmental. . . . .	1,226,869	2,542,284	2,451,045	(91,239)
Investment income. . . . .	450	932	899	(33)
Reimbursements. . . . .	4,059	8,411	8,109	(302)
Other . . . . .	22,573	46,776	45,097	(1,679)
Total revenues . . . . .	<u>1,308,708</u>	<u>2,711,868</u>	<u>2,614,543</u>	<u>(97,325)</u>
<b>Expenditures:</b>				
Current:				
Transportation . . . . .	2,236,275	2,520,425	2,167,777	352,648
Capital outlay . . . . .	564,325	2,312,857	2,224,008	88,849
Total expenditures . . . . .	<u>2,800,600</u>	<u>4,833,282</u>	<u>4,391,785</u>	<u>441,497</u>
Excess of expenditures over revenues	<u>(1,491,892)</u>	<u>(2,121,414)</u>	<u>(1,777,242)</u>	<u>344,172</u>
<b>Other financing sources (uses):</b>				
Transfers in . . . . .	995,792	2,063,454	1,989,400	(74,054)
Transfers (out). . . . .	-	(438,667)	(438,667)	-
Total other financing sources (uses) . . . . .	<u>995,792</u>	<u>1,624,787</u>	<u>1,550,733</u>	<u>(74,054)</u>
Net change in fund balances . . . . .	(496,100)	(496,627)	(226,509)	270,118
<b>Fund balances at beginning of year . . . . .</b>	1,647,858	1,647,858	1,647,858	-
<b>(Decrease) in materials and supplies inventory.</b>	(45,186)	(45,186)	(45,186)	-
<b>Increase in prepaids . . . . .</b>	1,356	1,356	1,356	-
<b>Fund balance at end of year . . . . .</b>	<u>\$ 1,107,928</u>	<u>\$ 1,107,401</u>	<u>\$ 1,377,519</u>	<u>\$ 270,118</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, 2012

	<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 . . . . .	\$ 18,901,765	\$ 20,697,962	\$ 21,563,110	\$ 865,148
Charges for services. . . . .	11,693	12,804	13,339	535
Reimbursements. . . . .	250	274	285	11
Total revenues . . . . .	<u>18,913,708</u>	<u>20,711,040</u>	<u>21,576,734</u>	<u>865,694</u>
<b>Expenditures:</b>				
Current:				
General government . . . . .	585,171	900,273	410,540	489,733
Total expenditures . . . . .	<u>585,171</u>	<u>900,273</u>	<u>410,540</u>	<u>489,733</u>
Excess of revenues over expenditures . . . . .	<u>18,328,537</u>	<u>19,810,767</u>	<u>21,166,194</u>	<u>1,355,427</u>
<b>Other financing sources (uses):</b>				
Transfers in . . . . .	1,698,292	1,859,677	1,937,409	77,732
Transfers (out). . . . .	(15,000,000)	(23,171,283)	(23,160,295)	10,988
Total other financing sources (uses) . . . . .	<u>(13,301,708)</u>	<u>(21,311,606)</u>	<u>(21,222,886)</u>	<u>88,720</u>
Net change in fund balances . . . . .	5,026,829	(1,500,839)	(56,692)	1,444,147
<b>Fund balances at beginning of year . . . . .</b>	<u>4,680,635</u>	<u>4,680,635</u>	<u>4,680,635</u>	<u>-</u>
<b>Fund balance at end of year . . . . .</b>	<u>\$ 9,707,464</u>	<u>\$ 3,179,796</u>	<u>\$ 4,623,943</u>	<u>\$ 1,444,147</u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**CITY OF FINDLAY, OHIO**  
**STATEMENT OF NET POSITION**  
**PROPRIETARY FUNDS**  
**DECEMBER 31, 2012**  
(WITH COMPARATIVE TOTALS FOR 2011)

**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 . . . . .	\$ 5,885,676	\$ 3,905,558	\$ 388,751	\$ 52,899
Receivables (net of allowances for uncollectibles).	1,603,542	432,231	87,095	-
Interfund loans . . . . .	-	-	-	-
Due from other funds . . . . .	-	411,122	-	-
Prepayments . . . . .	29,831	20,601	11,214	415
Materials and supplies inventory . . . . .	564,777	44,512	83,048	-
Total current assets . . . . .	<u>8,083,826</u>	<u>4,814,024</u>	<u>570,108</u>	<u>53,314</u>
Noncurrent assets:				
Restricted assets:				
Equity in pooled cash and investments . . . . .	726,431	5,258,933	-	-
Capital assets:				
Nondepreciable capital assets . . . . .	3,356,346	2,251,733	3,583,196	191,731
Depreciable capital assets, net. . . . .	49,586,798	82,085,936	11,461,694	438,451
Total noncurrent assets . . . . .	<u>53,669,575</u>	<u>89,596,602</u>	<u>15,044,890</u>	<u>630,182</u>
Total assets . . . . .	<u>61,753,401</u>	<u>94,410,626</u>	<u>15,614,998</u>	<u>683,496</u>
<b>Deferred outflows of resources:</b>				
Unamortized deferred charges on debt refunding	130,898	235,303	-	-
Total deferred outflows of resources . . . . .	<u>130,898</u>	<u>235,303</u>	<u>-</u>	<u>-</u>
Total assets and deferred outflows of resources .	<u>61,884,299</u>	<u>94,645,929</u>	<u>15,614,998</u>	<u>683,496</u>
<b>Liabilities:</b>				
Current liabilities:				
Accounts payable . . . . .	87,382	96,709	99,295	5,584
Contracts payable . . . . .	14,500	-	-	-
Accrued wages and benefits payable . . . . .	76,084	33,848	4,974	1,254
Insurance deposits payable . . . . .	47,789	35,707	3,361	1,030
Workers' compensation payable . . . . .	-	-	-	-
Due to other funds . . . . .	411,122	-	-	-
Deposits held and due to others . . . . .	607,921	-	-	-
Accrued interest payable . . . . .	99,366	487,992	-	-
Deferred revenue . . . . .	-	-	-	-
Compensated absences payable - current. . . . .	277,345	171,589	26,162	2,766
Bonds payable - current . . . . .	630,000	610,000	-	-
Loans payable - current . . . . .	242,780	1,858,573	-	-
Total current liabilities . . . . .	<u>2,494,289</u>	<u>3,294,418</u>	<u>133,792</u>	<u>10,634</u>
Long-term liabilities:				
Compensated absences payable . . . . .	-	166,130	75,840	2,774
Bonds payable . . . . .	3,195,506	2,812,314	-	-
Loans payable . . . . .	3,531,168	18,258,094	-	-
Total long-term liabilities . . . . .	<u>6,726,674</u>	<u>21,236,538</u>	<u>75,840</u>	<u>2,774</u>
Total liabilities . . . . .	<u>9,220,963</u>	<u>24,530,956</u>	<u>209,632</u>	<u>13,408</u>
<b>Net position:</b>				
Net investment in capital assets . . . . .	45,474,588	61,033,991	15,044,890	630,182
Restricted for capital projects. . . . .	726,431	5,258,933	-	-
Unrestricted . . . . .	6,462,317	3,822,049	360,476	39,906
Total net position . . . . .	<u>\$ 52,663,336</u>	<u>\$ 70,114,973</u>	<u>\$ 15,405,366</u>	<u>\$ 670,088</u>

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

Net position of business-type activities

<b>2012 Enterprise Funds Total</b>	<b>Restated 2011 Enterprise Funds Total</b>	<b>2012 Governmental Activities - Internal Service Funds</b>	<b>2011 Governmental Activities - Internal Service Funds</b>
\$ 10,232,884	\$ 7,280,373	\$ 1,766,537	\$ 1,659,106
2,122,868	2,029,375	37	160
-	353,200	-	-
411,122	415,594	-	-
62,061	57,094	13,337	12,749
692,337	751,093	2,465	3,311
<u>13,521,272</u>	<u>10,886,729</u>	<u>1,782,376</u>	<u>1,675,326</u>
5,985,364	5,211,112	-	-
9,383,006	9,684,310	-	-
143,572,879	145,229,975	-	-
158,941,249	160,125,397	-	-
<u>172,462,521</u>	<u>171,012,126</u>	<u>1,782,376</u>	<u>1,675,326</u>
366,201	447,987	-	-
366,201	447,987	-	-
<u>172,828,722</u>	<u>171,460,113</u>	<u>1,782,376</u>	<u>1,675,326</u>
288,970	266,575	826	851
14,500	1,341	-	-
116,160	69,624	-	-
87,887	89,470	-	-
-	-	215,119	209,311
411,122	415,594	-	-
607,921	558,700	-	-
587,358	646,353	-	-
-	11,334	-	-
477,862	458,855	-	-
1,240,000	1,248,593	-	-
2,101,353	2,021,781	-	-
<u>5,933,133</u>	<u>5,788,220</u>	<u>215,945</u>	<u>210,162</u>
244,744	310,594	-	-
6,007,820	7,280,372	-	-
21,789,262	23,890,615	-	-
28,041,826	31,481,581	-	-
<u>33,974,959</u>	<u>37,269,801</u>	<u>215,945</u>	<u>210,162</u>
122,183,651	120,920,911	-	-
5,985,364	5,211,113	-	-
10,684,748	8,058,288	1,566,431	1,465,164
138,853,763	134,190,312	\$ 1,566,431	\$ 1,465,164
145,272	97,532		
<u>\$ 138,999,035</u>	<u>\$ 134,287,844</u>		

**CITY OF FINDLAY, OHIO**

STATEMENT OF REVENUES, EXPENSES AND  
CHANGES IN NET POSITION  
PROPRIETARY FUNDS  
FOR THE YEAR ENDED DECEMBER 31, 2012  
(WITH COMPARATIVE TOTALS FOR 2011)

	<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 . . . . .	\$ 8,414,617	\$ 9,410,093	\$ 1,128,095	\$ 63,249
Other operating revenues . . . . .	55,716	5,032	-	79
Total operating revenues. . . . .	<u>8,470,333</u>	<u>9,415,125</u>	<u>1,128,095</u>	<u>63,328</u>
<b>Operating expenses:</b>				
Personal services . . . . .	2,791,634	2,137,249	315,039	76,599
Contract services. . . . .	453,814	899,611	223,198	15,840
Materials and supplies. . . . .	1,117,571	405,119	703,974	22,370
Utilities . . . . .	369,946	486,766	16,223	6,529
Claims . . . . .	-	-	-	-
Depreciation. . . . .	1,245,868	2,036,623	1,062,232	25,506
Other . . . . .	-	-	350	-
Total operating expenses. . . . .	<u>5,978,833</u>	<u>5,965,368</u>	<u>2,321,016</u>	<u>146,844</u>
Operating income (loss) . . . . .	<u>2,491,500</u>	<u>3,449,757</u>	<u>(1,192,921)</u>	<u>(83,516)</u>
<b>Nonoperating revenues (expenses):</b>				
Intergovernmental . . . . .	65,213	84,008	25,686	-
Interest income. . . . .	7,285	22,615	-	-
Interest and fiscal charges . . . . .	(251,194)	(1,037,697)	(2,381)	-
Total nonoperating revenues (expenses). . . . .	<u>(178,696)</u>	<u>(931,074)</u>	<u>23,305</u>	<u>-</u>
Income (loss) before contributions and transfers . . . . .	2,312,804	2,518,683	(1,169,616)	(83,516)
Capital contributions. . . . .	300,760	71,797	229,585	-
Transfer in . . . . .	-	-	330,954	152,000
Transfer out . . . . .	-	-	-	-
Change in net position . . . . .	2,613,564	2,590,480	(609,077)	68,484
<b>Net position at beginning of year (restated) . . . . .</b>	<u>50,049,772</u>	<u>67,524,493</u>	<u>16,014,443</u>	<u>601,604</u>
<b>Net position at end of year. . . . .</b>	<u>\$ 52,663,336</u>	<u>\$ 70,114,973</u>	<u>\$ 15,405,366</u>	<u>\$ 670,088</u>

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

Change in net position of business-type activities.

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

<b>2012 Enterprise Funds Total</b>	<b>Restated 2011 Enterprise Funds Total</b>	<b>2012 Governmental Activities - Internal Service Funds</b>	<b>2011 Governmental Activities - Internal Service Funds</b>
\$ 19,016,054	\$ 17,380,916	\$ 533,074	\$ 526,166
60,827	244,467	-	11,099
<u>19,076,881</u>	<u>17,625,383</u>	<u>533,074</u>	<u>537,265</u>
5,320,521	5,508,422	-	-
1,592,463	1,595,535	77,109	38,990
2,249,034	1,986,384	20,122	25,858
879,464	942,307	-	-
-	-	335,588	45,006
4,370,229	4,327,591	-	-
350	700	-	-
<u>14,412,061</u>	<u>14,360,239</u>	<u>432,819</u>	<u>109,854</u>
4,664,820	3,265,144	100,255	427,411
174,907	157,785	-	-
29,900	43,424	1,012	1,535
<u>(1,291,272)</u>	<u>(1,434,174)</u>	<u>-</u>	<u>-</u>
<u>(1,086,465)</u>	<u>(1,232,965)</u>	<u>1,012</u>	<u>1,535</u>
3,578,355	2,032,179	101,267	428,946
602,142	200,787	-	-
482,954	366,913	-	-
<u>-</u>	<u>(49,497)</u>	<u>-</u>	<u>-</u>
4,663,451	2,550,382	101,267	428,946
		<u>1,465,164</u>	<u>1,036,218</u>
		<u>\$ 1,566,431</u>	<u>\$ 1,465,164</u>
47,740	97,963		
<u>\$ 4,711,191</u>	<u>\$ 2,648,345</u>		

**CITY OF FINDLAY, OHIO**

STATEMENT OF CASH FLOWS  
 PROPRIETARY FUNDS  
 FOR THE YEAR ENDED DECEMBER 31, 2012  
 (WITH COMPARATIVE TOTALS FOR 2011)

	<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 . . . . .	\$ 8,357,324	\$ 9,406,463	\$ 1,087,557	\$ 63,249
Cash received from other operations . . . . .	55,716	5,032	-	79
Cash payments for personal services . . . . .	(2,872,644)	(2,078,323)	(293,999)	(77,447)
Cash payments for contract services. . . . .	(407,394)	(901,337)	(223,628)	(15,849)
Cash payments for materials and supplies . . . . .	(1,104,431)	(428,068)	(617,863)	(17,521)
Cash payments for other . . . . .	-	-	(350)	-
Cash payments for utilities . . . . .	(374,418)	(486,766)	(16,223)	(6,529)
Cash payments for claims . . . . .	-	-	-	-
Net cash provided by (used in) operating activities . . . . .	<u>3,654,153</u>	<u>5,517,001</u>	<u>(64,506)</u>	<u>(54,018)</u>
<b>Cash flows from noncapital financing activities:</b>				
Grants and contributions . . . . .	65,213	84,008	25,686	-
Advances in . . . . .	-	353,200	-	-
Transfers in . . . . .	-	-	330,954	152,000
Transfers out. . . . .	-	-	-	-
Net cash provided by (used in) noncapital financing activities. . . . .	<u>65,213</u>	<u>437,208</u>	<u>356,640</u>	<u>152,000</u>
<b>Cash flows from capital and related financing activities:</b>				
Acquisition of capital assets . . . . .	(1,317,493)	(420,523)	(192,328)	(95,769)
Capital contributions . . . . .	-	-	229,585	-
Issuance of refunding bonds . . . . .	-	-	-	-
Bond issuance costs paid . . . . .	-	-	-	-
Payment to refunding bond escrow agent . . . . .	-	-	-	-
Principal paid on bonds . . . . .	(610,000)	(590,000)	(50,000)	-
Interest paid on bonds . . . . .	(139,429)	(175,513)	(1,950)	-
Principal paid on loans. . . . .	(237,168)	(1,784,613)	-	-
Interest paid on loans . . . . .	(104,283)	(878,450)	-	-
Net cash used in capital and related financing activities. . . . .	<u>(2,408,373)</u>	<u>(3,849,099)</u>	<u>(14,693)</u>	<u>(95,769)</u>
<b>Cash flows from investing activities:</b>				
Interest received . . . . .	<u>7,811</u>	<u>23,195</u>	<u>-</u>	<u>-</u>
Net cash provided by investing activities . . . . .	<u>7,811</u>	<u>23,195</u>	<u>-</u>	<u>-</u>
Net increase (decrease) in cash and cash equivalents . . . . .	1,318,804	2,128,305	277,441	2,213
<b>Cash and cash equivalents at beginning of year . . .</b>	<b>5,293,303</b>	<b>7,036,186</b>	<b>111,310</b>	<b>50,686</b>
<b>Cash and cash equivalents at end of year . . . . .</b>	<b><u>\$ 6,612,107</u></b>	<b><u>\$ 9,164,491</u></b>	<b><u>\$ 388,751</u></b>	<b><u>\$ 52,899</u></b>



		<b>2012</b>	<b>2011</b>
		<b>Governmental</b>	<b>Governmental</b>
		<b>Activities -</b>	<b>Activities -</b>
		<b>Internal</b>	<b>Internal</b>
<b>2012</b>	<b>2011</b>	<b>Service Funds</b>	<b>Service Funds</b>
<b>Enterprise</b>	<b>Enterprise</b>		
<b>Funds Total</b>	<b>Funds Total</b>		
\$ 18,914,593	\$ 17,307,473	\$ 533,074	\$ 526,166
60,827	244,467	-	11,099
(5,322,413)	(5,561,766)	-	-
(1,548,208)	(1,568,236)	(78,083)	(38,604)
(2,167,883)	(2,006,065)	(18,915)	(17,696)
(350)	-	-	-
(883,936)	(923,641)	-	-
-	-	(329,780)	(334,497)
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9,052,630	7,492,232	106,296	146,468
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174,907	157,785	-	-
353,200	-	-	-
482,954	366,913	-	-
-	(49,497)	-	-
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1,011,061	475,201	-	-
<hr/>	<hr/>	<hr/>	<hr/>
(2,026,113)	(2,354,000)	-	-
229,585	115,606	-	-
-	1,625,000	-	-
-	(16,216)	-	-
-	(1,833,644)	-	-
(1,250,000)	(1,690,000)	-	-
(316,892)	(392,813)	-	-
(2,021,781)	(2,090,526)	-	-
(982,733)	(1,064,331)	-	-
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(6,367,934)	(7,700,924)	-	-
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31,006	52,710	1,135	1,475
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31,006	52,710	1,135	1,475
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3,726,763	319,219	107,431	147,943
12,491,485	12,172,266	1,659,106	1,511,163
<u>\$ 16,218,248</u>	<u>\$ 12,491,485</u>	<u>\$ 1,766,537</u>	<u>\$ 1,659,106</u>

-- Continued

**CITY OF FINDLAY, OHIO**

STATEMENT OF CASH FLOWS  
 PROPRIETARY FUNDS (CONTINUED)  
 FOR THE YEAR ENDED DECEMBER 31, 2012  
 (WITH COMPARATIVE TOTALS FOR 2011)

	<b>Business-type Activities - Enterprise Funds</b>			
	<u>Water</u>	<u>Water Pollution Control</u>	<u>Airport</u>	<u>Nonmajor Enterprise Funds</u>
<b>Reconciliation of operating income (loss) to net cash provided by (used in) operating activities:</b>				
Operating income (loss) . . . . .	\$ 2,491,500	\$ 3,449,757	\$ (1,192,921)	\$ (83,516)
Adjustments:				
Depreciation . . . . .	1,245,868	2,036,623	1,062,232	25,506
Changes in assets and liabilities:				
(Increase) in accounts receivable . . . . .	(47,759)	(6,302)	(40,538)	-
(Increase) decrease in due from other funds . . . . .	-	4,472	-	-
(Increase) decrease in materials and supplies inventory . . . . .	34,492	5,918	18,346	-
(Increase) decrease in prepayments . . . . .	(2,801)	(1,726)	(430)	(9)
Increase (decrease) in accounts payable . . . . .	(21,352)	(28,867)	67,765	4,849
Increase (decrease) in accrued wages and benefits . . . . .	39,847	5,766	917	6
Increase (decrease) in compensated absences payable . . . . .	(120,975)	54,209	20,671	(750)
Increase (decrease) in insurance deposits payable . . . . .	118	(1,049)	(548)	(104)
Increase in deposits held and due to others . . . . .	49,221	-	-	-
Increase (decrease) in deferred revenue . . . . .	(9,534)	(1,800)	-	-
Increase (decrease) in workers' compensation payable . . . . .	-	-	-	-
Increase (decrease) in due to other funds . . . . .	(4,472)	-	-	-
Net cash provided by (used in) operating activities . . . . .	<u>\$ 3,654,153</u>	<u>\$ 5,517,001</u>	<u>\$ (64,506)</u>	<u>\$ (54,018)</u>

**Non-cash Transactions:**

During 2012, the Water Pollution Control fund received \$71,797 in capital contributions of donated sewer lines from private developers. During 2012, the Water fund received \$300,760 in capital contributions of donated water lines from private developers. At December 31, 2012 and 2011, the Water fund purchased \$14,500 and \$1,341, respectively, in capital assets on account.

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

<u>2012 Enterprise Funds Total</u>	<u>2011 Enterprise Funds Total</u>	<u>2012 Governmental Activities - Internal Service Funds</u>	<u>2011 Governmental Activities - Internal Service Funds</u>
\$ 4,664,820	\$ 3,265,144	\$ 100,255	\$ 427,411
4,370,229	4,327,591	-	-
(94,599)	(63,989)	-	-
4,472	(18,666)	-	-
58,756	(10,140)	846	8,479
(4,966)	(551)	(588)	-
22,395	(9,541)	(25)	69
46,536	1,243	-	-
(46,845)	(52,838)	-	-
(1,583)	(1,749)	-	-
49,221	27,850	-	-
(11,334)	9,212	-	-
-	-	5,808	(289,491)
(4,472)	18,666	-	-
<u>\$ 9,052,630</u>	<u>\$ 7,492,232</u>	<u>\$ 106,296</u>	<u>\$ 146,468</u>

**CITY OF FINDLAY, OHIO**

STATEMENT OF FIDUCIARY NET POSITION  
 FIDUCIARY FUNDS  
 DECEMBER 31, 2012

	<b>Private-Purpose Trust</b>	<b>Agency</b>
	<u>                    </u>	<u>                    </u>
<b>Assets:</b>		
Equity in pooled cash and investments . . . . .	\$ 163,150	\$ 99,451
Cash in segregated accounts . . . . .	-	47,188
Receivables:		
Accrued interest. . . . .	<u>7</u>	<u>-</u>
Total assets . . . . .	<u>163,157</u>	<u>\$ 146,639</u>
<b>Liabilities:</b>		
Accounts payable . . . . .	-	\$ 5,945
Deposits held and due to others. . . . .	<u>-</u>	<u>140,694</u>
Total liabilities. . . . .	<u>-</u>	<u>\$ 146,639</u>
<b>Net position:</b>		
Held in trust for private cemetery care . . . . .	<u>163,157</u>	
Total net position . . . . .	<u>\$ 163,157</u>	

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**CITY OF FINDLAY, OHIO**

STATEMENT OF CHANGES IN FIDUCIARY NET POSITION  
 FIDUCIARY FUND  
 FOR THE YEAR ENDED DECEMBER 31, 2012

	<b>Private-Purpose Trust</b>
<b>Additions:</b>	
Investment income . . . . .	\$ 147
Other . . . . .	200
Total additions . . . . .	347
 <b>Deductions:</b>	
Cemetery care . . . . .	2,435
Total deductions . . . . .	2,435
 Change in net position . . . . .	 (2,088)
 <b>Net position at beginning of year. . . . .</b>	 <u>165,245</u>
 <b>Net position at end of year . . . . .</b>	 <u><u>\$ 163,157</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, 2012

#### NOTE 1 - DESCRIPTION OF THE CITY

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

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

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

##### A. Reporting Entity

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 position and a statement of activities, and fund financial statements which provide a detailed level of financial information.

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

**CITY OF FINDLAY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2012

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

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

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

**C. Fund Accounting**

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

***Governmental Funds*** - Governmental funds are those through which most governmental functions typically are financed. Governmental fund reporting focuses on the sources, uses and balances of current financial resources. Expendable assets are assigned to the various governmental funds according to the purposes for which they may or must be used. Current liabilities 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.

*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 temporary 0.25% income tax increase ended December 31, 2012. The use of this money is determined by Council. For 2012, \$600,000 was allocated to capital improvements/flood mitigation with the remainder being disbursed as follows: 90% was transferred to the general fund and 10% was used for general capital improvements. For 2013, 84% will be transferred to the general fund and 16% will be used for general capital improvements. The allocation is determined by ordinance of Council and can be changed by Council at any time.



**CITY OF FINDLAY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2012

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

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

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

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

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

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

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

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

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

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

**CITY OF FINDLAY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2012

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

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

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

*Fund Financial Statements* - All governmental funds are accounted for using a flow of current financial resources measurement focus. With this measurement focus, only current assets and 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 position. The statement of changes in fund net position presents increases (i.e., revenues) and decreases (i.e., expenses) in total net position. The statement of cash flows provides information about how the City finances and meets the cash flow needs of its proprietary activities.

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

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

**E. Basis of Accounting**

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

**CITY OF FINDLAY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2012

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

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

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

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

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

Property taxes for which there is an enforceable legal claim as of December 31, 2012, but which were levied to finance year 2013 operations, and other revenues received in advance of the year for which they were intended to finance, have been recorded as deferred inflows of resources. Income taxes and special assessments not received within the available period, grants and entitlements received before the eligibility requirements are met, and delinquent property taxes due at December 31, 2012, are recorded as deferred inflows of resources in governmental funds.

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

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

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

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

**CITY OF FINDLAY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2012

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

**F. Budgetary Process**

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

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.

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.

**CITY OF FINDLAY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2012**

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

**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 2012, investments were limited to STAR Ohio and nonnegotiable certificates of deposit. Except for nonparticipating investment contracts, investments are reported at fair value which is based on quoted market prices. Nonparticipating investment contracts, such as nonnegotiable certificates of deposit, are reported at cost.

The City has invested funds in the State Treasury Asset Reserve of Ohio (STAR Ohio) during 2012. 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, 2012.

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 2012 amounted to \$23,250, which includes \$9,941 assigned from other City funds as not all funds of the City receive interest earnings.

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

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

**H. Inventories of Materials and Supplies**

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

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

**I. Prepaids**

Amounts recorded for prepaid items represent the unamortized portion of insurance policies that expire in 2013 or later. Governmental funds use the purchase method of accounting whereby insurance is recognized as an expenditure when purchased. Proprietary funds recognize insurance expense as it is incurred.

**CITY OF FINDLAY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2012

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

**J. Capital Assets**

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

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

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

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

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

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

**CITY OF FINDLAY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2012

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

**K. Compensated Absences**

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

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

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

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

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

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

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

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

**CITY OF FINDLAY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2012

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

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

**M. Interfund Activity**

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

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

**N. Fund Balance**

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

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

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

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

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



**CITY OF FINDLAY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2012

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

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

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

**O. Minimum Fund Balance Policy**

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

**P. Budget Stabilization Arrangement**

Pursuant to Ohio Revised Code Section 5705.13, the City has established a reserve balance account, in the City's general fund, 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, 2012 is \$1,000,000. This amount is reported as a component of unassigned fund balance in the general fund and unrestricted net position in the governmental activities.

**Q. Estimates**

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

**R. Net Position**

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

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

**CITY OF FINDLAY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2012

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

**S. Reimbursements**

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

**T. Contributions of Capital**

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

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

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

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

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

**V. Interfund Balances**

On fund financial statements, receivables and payables resulting from services provided from one fund to another is classified as "due to/from other funds". These amounts are eliminated in the business-type activities columns of the statement of net position.

Receivables and payables resulting from interfund loans are classified as "interfund loans payable/receivable". The City had no interfund loans payables/receivables at December 31, 2012.

**W. Extraordinary and Special Items**

Extraordinary items are transactions or events that are both unusual in nature and infrequent in occurrence. Special items are transactions or events that are within the control of the City Administration and that are either unusual in nature or infrequent in occurrence. Neither type of transaction occurred during 2012.

**CITY OF FINDLAY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2012

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

**X. Comparative Information**

Comparative total data for the prior year have been presented in selected sections of the financial statements in order to provide an understanding of the changes in the government's financial position and operations. The financial statements include certain prior-year summarized comparative information in total, but not by net position class. Such information does not include sufficient detail to constitute a presentation in conformity with GAAP. Accordingly, such information should be read in conjunction with the City's financial statements for the year ended December 31, 2011, from which the summarized information was derived. In certain instances, 2011 comparative data has been reclassified to conform to 2012 presentation and the adoption of new GASB pronouncements.

**NOTE 3 - ACCOUNTABILITY & COMPLIANCE**

**A. Change in Accounting Principles**

For 2012, the City has implemented GASB Statement No. 60, "Accounting and Financial Reporting for Service Concession Arrangements", GASB Statement No. 62, "Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA pronouncements", GASB Statement No. 63, "Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position", and GASB Statement No. 65, "Items Previously Reported as Assets and Liabilities".

GASB Statement No. 60 addresses issues related to service concession arrangements (SCAs), which are a type of public-private or public-public partnership. An SCA is an arrangement between a transferor (a government) and an operator (governmental or nongovernmental entity) in which (1) the transferor conveys to an operator the right and related obligation to provide services through the use of infrastructure or another public asset (a "facility") in exchange for significant consideration and (2) the operator collects and is compensated by fees from third parties. The implementation of GASB Statement No. 60 did not have an effect on the financial statements of the City.

GASB Statement No. 62 codifies accounting and financial reporting guidance contained in pre-November 30, 1989 FASB and AICPA pronouncements in an effort to codify all sources of GAAP for State and local governments so that they derive from a single source. The implementation of GASB Statement No. 62 did not have an effect on the financial statements of the City.

GASB Statement No. 63 provides financial and reporting guidance for *deferred outflows of resources* and *deferred inflows of resources* which are financial statement elements that are distinct from assets and liabilities. GASB Statement No. 63 standardizes the presentation of deferred outflows or resources and deferred inflows of resources and their effects on a government's *net position*. The implementation of GASB Statement No. 63 has changed the presentation of the City's financial statements to incorporate the concepts of net position, deferred outflows of resources and deferred inflows of resources.

**CITY OF FINDLAY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2012

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

GASB Statement No. 65 establishes accounting and financial reporting standards that reclassify, as *deferred outflows of resources* or *deferred inflows of resources*, certain items that were previously reported as assets and liabilities and recognizes, as outflows of resources or inflows of resources, certain items that were previously reported as assets and liabilities. GASB Statement No. 65 also provides other financial reporting guidance related to the impact of the financial statement elements *deferred outflows of resources* and *deferred inflows of resources*, such as changes in the determination of the major fund calculations and limiting the use of the term *deferred* in financial statement presentations. The implementation of GASB Statement No. 65 had the following effect on the financial statements of the City:

	Governmental Activities	Business-type Activities
Net assets as previously reported	\$ 91,181,001	\$ 134,386,818
Removal of unamortized bond issuance costs	(172,227)	(98,974)
Net position at January 1, 2012	\$ 91,008,774	\$ 134,287,844

	Enterprise Funds		
		Water Pollution Control	
	Water	Airport	
Net assets as previously reported	\$ 50,088,384	\$ 67,584,614	\$ 16,014,684
Removal of unamortized bond issuance costs	(38,612)	(60,121)	(241)
Net position at January 1, 2012	\$ 50,049,772	\$ 67,524,493	\$ 16,014,443

**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, 2012

**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, 2012

**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 \$308,340 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, 2012. This amount is not included in the City's depository balance below.

*Cash with Escrow Agent:* At year end, the City had \$87,227 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 \$231,524 deposited with a financial institution for monies related to the Revolving Loan special revenue fund (a nonmajor governmental fund), the Municipal Court agency fund, employee benefits, and for police special drug operations. These amounts are included in the City's depository balance below.

**A. Deposits with Financial Institutions**

At December 31, 2012, the carrying amount of all City deposits was \$38,777,514 and the bank balance of all City deposits was \$39,527,966. Of the bank balance, \$25,278,206 was covered by pledged collateral held by the Federal Reserve Bank of Boston in the name of the City, \$12,395,273 was exposed to custodial risk as discussed below and \$1,854,487 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, 2012

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

**B. Investments**

As of December 31, 2012, the City had the following investments and maturities:

<u>Investment type</u>	<u>Fair Value</u>	<u>Investment</u>
		<u>Maturities</u>
		6 months or less
STAR Ohio	\$ 60,450	\$ 60,450
Total	<u>\$ 60,450</u>	<u>\$ 60,450</u>

The weighted average length to maturity of investment is one day.

*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 investment policy does not specifically address credit risk beyond requiring the City to only invest in securities authorized by State statute. The weighted average maturity of the portfolio held by STAR Ohio as of June 30, 2012 is 53 days.

*Custodial Credit Risk:* For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the City will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. In 2012, the City entered a third party custodial agreement as it pertains to investments to provide for the separation of the safekeeping and custody function from the investment function. By arranging to have securities held by a third party, the City can effectively minimize safekeeping or custodial risk in an investment transaction. With this agreement, investments are settled in a delivery-versus-payment (DVP) basis; at no point in time does the City not have either the cash or the investment. The City has no investment policy dealing with investment custodial credit risk beyond the requirement in State statute that prohibits payment for investments prior to the delivery of the securities representing such investments to the City Auditor or qualified trustee.

*Concentration of Credit Risk:* The City's investment policy addresses concentration of credit risk by requiring investments to be diversified to reduce the risk of loss resulting from over concentration of assets in a specific issue or specific class of securities.

The following table includes the percentage of each investment type held by the City at December 31, 2012:

<u>Investment type</u>	<u>Fair Value</u>	<u>% of Total</u>
STAR Ohio	\$ 60,450	100.00
Total	<u>\$ 60,450</u>	<u>100.00</u>

**CITY OF FINDLAY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2012

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

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

The following is a reconciliation of cash and investments as reported in the note above to cash and investments as reported on the statement of net position as of December 31, 2012:

<u>Cash and investments per note</u>	
Carrying amount of deposits	\$ 38,777,514
Investments	60,450
Cash with fiduciary agent	<u>308,340</u>
 Total	 <u>\$ 39,146,304</u>
 <u>Cash and investments per statement of net position</u>	
Governmental activities	\$ 22,618,267
Business-type activities	16,218,248
Fiduciary funds	<u>309,789</u>
 Total	 <u>\$ 39,146,304</u>

**NOTE 5 - INTERFUND TRANSACTIONS**

**A. Interfund Transfers**

Interfund transfers for the year ended December 31, 2012, consisted of the following, as reported in the fund financial statements:

<u>Transfers From</u>	Transfers To						<u>Total</u>
	General	Street Maintenance and Repair	City Income Tax Administration	Nonmajor Governmental	Airport	Nonmajor Enterprise	
General	\$ -	\$ 590,000	\$ 1,233,814	\$ -	\$ 285,000	\$ 45,000	\$ 2,153,814
Street Maintenance and Repair	-	-	438,667	-	-	-	438,667
City Income Tax Administration	20,639,857	1,399,400	-	968,084	45,954	107,000	23,160,295
Nonmajor Governmental	<u>512,272</u>	<u>-</u>	<u>264,928</u>	<u>196,804</u>	<u>-</u>	<u>-</u>	<u>974,004</u>
Total	<u>\$ 21,152,129</u>	<u>\$ 1,989,400</u>	<u>\$ 1,937,409</u>	<u>\$ 1,164,888</u>	<u>\$ 330,954</u>	<u>\$ 152,000</u>	<u>\$ 26,726,780</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, 2012

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

Transfers from general fund, street maintenance and repair 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. In addition, the general fund transferred \$800,000 to the city income tax administration fund for capital improvements as provided by ordinance of City Council.

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 \$129,804 in resources collected in the county permissive motor vehicle license tax fund to the debt service fund for payment of principal and interest on the Series 2008 County Road 236 bonds. In addition, there was a \$67,000 transfer from the Mediation Services fund to the Court Special Projects fund as allowed by Ohio Revised Code.

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

Amounts due to/from other funds reported at December 31, 2012 consisted of the following, as reported in the fund financial statements:

<u>Due To</u>	<u>Due From</u> <u>Water</u>
Water Pollution Control	<u>\$ 411,122</u>

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

**NOTE 6 - TAXES**

**A. Property Tax**

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

Public utility real and tangible personal property taxes collected in one calendar year are levied in the preceding calendar year on assessed values determined as of December 31 of the second year preceding the tax collection year, the lien date. Public utility tangible personal property is assessed at varying percentages of true value; public utility real property is assessed at 35 percent of true value. 2012 public utility property taxes became a lien December 31, 2011, are levied after October 1, 2012, and are collected in 2013 with real property taxes. Public utility property taxes are payable on the same dates as real property taxes described previously.

**CITY OF FINDLAY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2012

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

The County Auditor collects property taxes on behalf of all taxing districts in the County, including the City of Findlay. The County Auditor periodically remits to the City its portion of the taxes collected. Property taxes receivable represents real property taxes, public utility taxes and outstanding delinquencies which are measurable as of December 31, 2012 and for which there is an enforceable legal claim. In the governmental funds, the current portion receivable has been offset by a deferred inflow of resources since the current taxes were not levied to finance 2012 operations and the collection of delinquent taxes has been offset by a deferred inflow of resources since the collection of the taxes during the available period is not subject to reasonable estimation. On a full accrual basis, collectible delinquent property taxes have been recorded as a receivable and revenue while on a modified accrual basis the revenue is reported as a deferred inflow of resources.

The tax rate applicable to the 2012 operations was 3.2 mills. The assessed values of real and public utility property upon which 2012 property tax receipts were based are as follows:

Real property	\$ 775,349,320
Real and personal public utility	<u>22,262,350</u>
Total assessed value	<u>\$ 797,611,670</u>

**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 expired 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 2012, \$600,000 was allocated to capital improvements/flood mitigation with the remainder being disbursed as follows: 90% was transferred to the general fund and 10% was used for general capital improvements. For 2013, 84% will be transferred to the general fund and 16% will be used for general capital improvements. The allocation is determined by ordinance of Council and can be changed by Council at any time.

**CITY OF FINDLAY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2012

**NOTE 7 - RECEIVABLES**

**A. Governmental Funds**

The City's receivables from outside parties at December 31, 2012, by fund, are shown as follows:

	Major Funds				
		City	Street	Nonmajor	Total
	General	Income Tax Administration	Maintenance and Repair	Governmental Funds	Governmental Funds
Income taxes	\$ -	\$ 4,558,818	\$ -	\$ -	\$ 4,558,818
Property taxes	1,840,664	-	-	448,870	2,289,534
Hotel/motel taxes	94,921	-	-	-	94,921
Economic development loans	-	-	-	679,983	679,983
Special assessments	-	-	-	255,544	255,544
Tax increment financing payments	-	-	-	187,548	187,548
Miscellaneous	94,249	-	60,290	-	154,539
Accrued interest - unrestricted	<u>3,345</u>	<u>-</u>	<u>126</u>	<u>75</u>	<u>3,546</u>
Total receivables, net of allowances	<u>\$ 2,033,179</u>	<u>\$ 4,558,818</u>	<u>\$ 60,416</u>	<u>\$ 1,572,020</u>	<u>\$ 8,224,433</u>
Due from other governments:					
Property tax rollbacks	\$ 113,314	\$ -	\$ -	\$ 26,184	\$ 139,498
Estate taxes	331,980	-	-	-	331,980
Local government funds	202,493	-	-	-	202,493
State tax	59,013	-	-	-	59,013
Fuel tax	-	-	677,256	54,939	732,195
Motor vehicle license fees	<u>-</u>	<u>-</u>	<u>22,088</u>	<u>1,791</u>	<u>23,879</u>
Total due from other governments	<u>\$ 706,800</u>	<u>\$ -</u>	<u>\$ 699,344</u>	<u>\$ 82,914</u>	<u>\$ 1,489,058</u>
Total due from outside parties	<u>\$ 2,739,979</u>	<u>\$ 4,558,818</u>	<u>\$ 759,760</u>	<u>\$ 1,654,934</u>	<u>\$ 9,713,491</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, 2012 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, 2012 represent the City's portion of 2013 taxes to be collected by the Hancock County Treasurer during 2013 based on the assessed value of property described in Note 6.A.

Hotel/Motel taxes accrued at December 31, 2012 represent 2012 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, 2012 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, 2012

**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, 2012 represent 2012 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, 2012.

Due from other governments in the general fund represents 2012 State taxes, local government monies and property tax rollbacks (intergovernmental) anticipated to be received by the City from January 1, 2013 through June 30, 2013 and estate taxes due at December 31, 2012.

Due from other governments in the special revenue funds represents 2012 motor vehicle license fees, gasoline excise taxes, and property tax rollbacks anticipated to be received by the City from January 1, 2013 to June 30, 2013.

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, 2012, 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	\$ 1,602,444	\$ 430,756	\$ 87,095	\$ -	\$ 2,120,295
Accrued interest - unrestricted	1,098	1,475	-	37	2,610
Total receivables, net of allowances	\$ 1,603,542	\$ 432,231	\$ 87,095	\$ 37	\$ 2,122,905
Total due from outside parties	\$ 1,603,542	\$ 432,231	\$ 87,095	\$ 37	\$ 2,122,905

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, 2012.

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, 2012

**NOTE 8 - CAPITAL ASSETS**

**A. Governmental activities**

Governmental activities capital asset activity for the year ended December 31, 2012, was as follows:

	Balance			Balance
<b><u>Governmental activities:</u></b>	<u>12/31/11</u>	<u>Additions</u>	<u>Disposals</u>	<u>12/31/12</u>
<i>Capital assets, not being depreciated:</i>				
Land	\$ 8,875,082	\$ -	\$ -	\$ 8,875,082
Nondepreciable land improvements	653,392	-	-	653,392
Computer software	678,510	-	-	678,510
Construction in progress	<u>3,567,660</u>	<u>447,667</u>	<u>(3,205,737)</u>	<u>809,590</u>
Total capital assets, not being depreciated	<u>13,774,644</u>	<u>447,667</u>	<u>(3,205,737)</u>	<u>11,016,574</u>
<i>Capital assets, being depreciated:</i>				
Buildings and improvements	12,040,559	-	-	12,040,559
Improvements other than buildings	5,222,874	1,130,372	-	6,353,246
Equipment	13,544,337	599,304	(220,319)	13,923,322
Infrastructure	<u>96,552,777</u>	<u>4,791,426</u>	<u>(321,397)</u>	<u>101,022,806</u>
Total capital assets, being depreciated	<u>127,360,547</u>	<u>6,521,102</u>	<u>(541,716)</u>	<u>133,339,933</u>
<i>Less: accumulated depreciation:</i>				
Buildings and improvements	(4,751,055)	(233,880)	-	(4,984,935)
Improvements other than buildings	(947,633)	(255,225)	-	(1,202,858)
Equipment	(9,274,503)	(757,955)	212,345	(9,820,113)
Infrastructure	<u>(44,063,917)</u>	<u>(2,807,174)</u>	<u>321,397</u>	<u>(46,549,694)</u>
Total accumulated depreciation	<u>(59,037,108)</u>	<u>(4,054,234)</u>	<u>533,742</u>	<u>(62,557,600)</u>
Total capital assets, being depreciated, net	<u>68,323,439</u>	<u>2,466,868</u>	<u>(7,974)</u>	<u>70,782,333</u>
Governmental activities capital assets, net	<u>\$ 82,098,083</u>	<u>\$ 2,914,535</u>	<u>\$ (3,213,711)</u>	<u>\$ 81,798,907</u>

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

<b><u>Governmental activities:</u></b>	
General government	\$ 382,064
Security of persons and property	633,342
Transportation	2,908,019
Leisure time activities	53,582
Public health and welfare	<u>77,227</u>
Total depreciation expense	<u>\$ 4,054,234</u>

**CITY OF FINDLAY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2012

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

**B. Business-type activities**

Business-type activities capital asset activity for the year ended December 31, 2012, was as follows:

<b><u>Business-type activities:</u></b>	<u>Balance</u> <u>12/31/11</u>	<u>Additions</u>	<u>Disposals</u>	<u>Balance</u> <u>12/31/12</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>4,849,344</u>	<u>1,093,972</u>	<u>(1,395,276)</u>	<u>4,548,040</u>
Total capital assets, not being depreciated	<u>9,684,310</u>	<u>1,093,972</u>	<u>(1,395,276)</u>	<u>9,383,006</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	101,264,985	1,081,045	-	102,346,030
Improvements other than buildings	22,724,821	1,007,946	-	23,732,767
Machinery and equipment	<u>8,067,756</u>	<u>639,043</u>	<u>(111,741)</u>	<u>8,595,058</u>
Total capital assets, being depreciated	<u>211,042,408</u>	<u>2,728,034</u>	<u>(111,741)</u>	<u>213,658,701</u>
<i>Less: accumulated depreciation:</i>				
Buildings	(1,479,885)	(81,368)	-	(1,561,253)
Utility plant in service	(28,637,716)	(1,516,810)	-	(30,154,526)
Utility lines in service	(20,529,653)	(1,222,959)	-	(21,752,612)
Improvements other than buildings	(8,439,892)	(826,332)	-	(9,266,224)
Machinery and equipment	<u>(6,725,287)</u>	<u>(722,760)</u>	<u>96,840</u>	<u>(7,351,207)</u>
Total accumulated depreciation	<u>(65,812,433)</u>	<u>(4,370,229)</u>	<u>96,840</u>	<u>(70,085,822)</u>
Total capital assets, being depreciated, net	<u>145,229,975</u>	<u>(1,642,195)</u>	<u>(14,901)</u>	<u>143,572,879</u>
Business-type activities capital assets, net	<u>\$ 154,914,285</u>	<u>\$ (548,223)</u>	<u>\$ (1,410,177)</u>	<u>\$ 152,955,885</u>

**CITY OF FINDLAY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2012

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

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

**Business-type activities:**

Water	\$ 1,245,868
Water pollution control	2,036,623
Airport	1,062,232
Swimming pool	<u>25,506</u>
Total depreciation expense	<u>\$ 4,370,229</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 most other types of insurance including building and contents, fleet, workers' compensation, public officials' liability, etc. There has been no significant reduction in coverage from the prior year.

The City's policy for reporting a claims liability is based on the requirements GASB Statement No. 10, "*Accounting and Financial Reporting for Risk Financing and Related Insurance Issues*", as amended by GASB Statement No. 30, "*Risk Financing Omnibus*", which requires that a liability for unpaid claims costs, including estimates of costs relating to incurred, but not reported claims, be accrued at the estimated ultimate cost of settling the claims. It is the opinion of the City's legal counsel that, as of December 31, 2012, there were no material outstanding claims pending for the Self-Insurance fund. Claims activity for 2012 and 2011 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>
2012	\$ 386	\$ 19,293	\$ (19,679)	\$ -
2011	-	6,195	(5,809)	386

**CITY OF FINDLAY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2012

**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 \$215,119 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 2012 and 2011 follows:

Year	Balance at Beginning of Year	Current Year Claims and Changes in Estimates	Claim Payments	Balance at End of Year
2012	\$ 209,311	\$ 335,588	\$ (329,780)	\$ 215,119
2011	498,802	45,006	(334,497)	209,311

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 utilizes Findley Davies as its health benefits actuary. The City's policy for reporting a claims liability is based on the requirements GASB Statement No. 10, "Accounting and Financial Reporting for Risk Financing and Related Insurance Issues", as amended by GASB Statement No. 30, "Risk Financing Omnibus", which requires that a liability for unpaid claims costs, including estimates of costs relating to incurred, but not reported claims, be accrued at the estimated ultimate cost of settling the claims. The City has reported a liability in both the fund and government-wide financial statements amounting to \$418,802 for estimated claims payments incurred and due at year-end. This liability has been reported as "insurance deposits payable" in the financial statements. Changes in the insurance deposits payable liability in 2012 and 2011 follows:

Year	Balance at Beginning of Year	Current Year Claims and Changes in Estimates	Claim Payments	Balance at End of Year
2012	\$ 431,849	\$ 4,372,671	\$ (4,385,718)	\$ 418,802
2011	442,163	5,333,185	(5,343,499)	431,849



**CITY OF FINDLAY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2012

**NOTE 10 - RESTRICTED ASSETS**

Restricted assets at December 31, 2012 are comprised of the following:

	<u>Cash and Investments</u>
<u>Major governmental funds:</u>	
City income tax administration fund:	
Restricted for capital improvements	\$ <u>2,406,925</u>
Total governmental activities	\$ <u>2,406,925</u>
<u>Major enterprise funds:</u>	
Water fund:	
Restricted for capital improvements to utility lines	\$ 726,431
Water Pollution Control fund:	
Restricted for capital improvements to utility lines	<u>5,258,933</u>
Total business-type activities	\$ <u>5,985,364</u>

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

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**CITY OF FINDLAY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2012

**NOTE 11 - LONG-TERM OBLIGATIONS**

**A. Governmental activities**

In 2012, the following changes occurred in the City's governmental activities long-term obligations:

<b>Governmental activities:</b>	Interest <u>Rate</u>	Maturity <u>Date</u>	Balance <u>12/31/11</u>	<u>Additions</u>	<u>Disposals</u>	Balance <u>12/31/12</u>	Amounts Due in <u>One Year</u>
<u>General obligation bonds</u>							
Series 2004 fire improvement refunding	2.50- 5.25%	2016	\$ 885,000	\$ -	\$ (165,000)	\$ 720,000	\$ 170,000
Series 2003 HRC land acquisition	2.00 - 3.60%	2015	360,000	-	(85,000)	275,000	90,000
Series 2008 HRC rehab	3.25 - 4.50%	2033	2,260,000	-	(30,000)	2,230,000	30,000
Series 2008 CR 236 land acquisition	3.25 - 4.50%	2033	670,000	-	(10,000)	660,000	10,000
Series 2008 CR 236 widening	3.25 - 4.50%	2028	3,270,000	-	(25,000)	3,245,000	30,000
Series 2008 five plex (ball diamonds)	3.25 - 4.00%	2018	1,325,000	-	(170,000)	1,155,000	175,000
Series 2011 energy bonds - Series A	2.96%	2019	518,006	-	(58,336)	459,670	60,063
Series 2011 energy bonds - Series B	5.40%	2026	518,005	-	-	518,005	-
Total general obligation bonds			<u>9,806,011</u>	<u>-</u>	<u>(543,336)</u>	<u>9,262,675</u>	<u>565,063</u>
<u>Special assessment bonds</u>							
Series 2002 Hunters Creek swale	5.25%	2012	4,315	-	(4,315)	-	-
Series 2003 East Melrose business park	8.43%	2013	7,310	-	(3,655)	3,655	3,655
Series 2012 Hunters Creek drainage	2.79%	2022	-	191,896	-	191,896	16,896
Series 2012 sidewalk new and repair	2.79%	2014	-	19,104	-	19,104	9,104
Total special assessment bonds			<u>11,625</u>	<u>211,000</u>	<u>(7,970)</u>	<u>214,655</u>	<u>29,655</u>
<u>OPWC loans</u>							
Crystal/Melrose intersection	0%	2024	90,000	-	(7,200)	82,800	7,200
Howard Street improvements	0%	2026	108,506	-	(7,483)	101,023	7,483
Total OPWC loans payable			<u>198,506</u>	<u>-</u>	<u>(14,683)</u>	<u>183,823</u>	<u>14,683</u>
<u>Other long-term obligations</u>							
Police and fire past service liability	4.30%	2035	1,104,686	-	(28,218)	1,076,468	29,430
Compensated absences			3,934,951	2,206,156	(1,947,515)	4,193,592	1,637,796
Total other long-term obligations			<u>5,039,637</u>	<u>2,206,156</u>	<u>(1,975,733)</u>	<u>5,270,060</u>	<u>1,667,226</u>
Total governmental activities							
long-term obligations			15,055,779	<u>\$ 2,417,156</u>	<u>\$ (2,541,722)</u>	14,931,213	<u>\$ 2,276,627</u>
Add: Unamortized premium on bond issue			36,503			27,893	
Less: Unamortized discount on bond issue			(40,522)			(38,645)	
Total reported on the statement of net assets			<u>\$ 15,051,760</u>			<u>\$ 14,920,461</u>	

**CITY OF FINDLAY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2012

**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 \$715,000 at December 31, 2012.

The refunding issue is comprised of current interest serial bonds, par value \$1,615,000. During 2012, the City made \$165,000 in principal payments on these bonds leaving a liability of \$720,000 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 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 2012, the City made \$85,000 in principal payments on these bonds leaving a liability of \$275,000 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.

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 2012, the City made \$30,000 in principal payments on these bonds leaving a liability of \$2,230,000 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.

**CITY OF FINDLAY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2012

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

During 2012, the City made \$10,000 in principal payments on these bonds leaving a liability of \$660,000 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 2012, the City made \$25,000 in principal payments on these bonds leaving a liability of \$3,245,000 at year end. Principal and interest payments are made from the debt service fund (a nonmajor governmental fund). The bonds pay interest semiannually on January 1 and July 1 of each year and mature on July 1, 2028. These bonds are general obligations of the City for which the full faith and credit of the City are pledged for repayment.

Series 2008 Various Purpose Bonds (5-Plex Portion)

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

During 2012, the City made \$170,000 in principal payments on these bonds leaving a liability of \$1,155,000 at year end. Principal and interest payments are made from the debt service fund (a nonmajor governmental fund). The bonds pay interest semiannually on January 1 and July 1 of each year and mature on July 1, 2018. These bonds are general obligations of the City for which the full faith and credit of the City are pledged for repayment.

Series 2011 Energy Bonds

On June 30, 2011, the City issued \$518,006 of energy improvement bonds – Series A and \$518,005 of energy improvement bonds - Series B to finance energy efficiency and conservation systems in the City. The bonds were issued through the State of Ohio Air Quality Development Authority (the "Authority"). On June 30, 2011, the City entered into a loan agreement with the Authority whereby the City agreed to pay the debt service payments on the bonds issued by the Authority. The Series B bonds are qualified energy bonds whose interest is partially subsidized by the federal government. The full amount of the interest expenditure is reported on the financial statements and the interest subsidy is reported as intergovernmental revenue. During 2012, the City received an interest subsidies totaling \$18,457 from the federal government related to the Series B bonds. Principal and interest payments are made from the debt service fund (a nonmajor governmental fund). The bonds pay interest semiannually on June 1 and December 1 of each year and mature on December 1, 2019 (Series A bonds) and December 1, 2026 (Series B bonds). These bonds are general obligations of the City for which the full faith and credit of the City are pledged for repayment.

**CITY OF FINDLAY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2012**

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

Ohio Public Works Commission (OPWC) Loans

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

Special Assessment Bonds

The City has three 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.

Compensated Absences

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

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**CITY OF FINDLAY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2012

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

Future Debt Service Requirements

The following is a schedule of future principal and interest payments to retire the governmental activities bonds and loans and police and fire past service liability outstanding at December 31, 2012:

Year Ending December 31,	<u>General Obligation Bonds</u>			<u>Special Assessment Bonds</u>			<u>OPWC</u>
	<u>Principal</u>	<u>Interest</u>	<u>Total</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>	<u>Loans</u> <u>Principal</u>
2013	\$ 565,063	\$ 390,889	\$ 955,952	\$ 29,655	\$ 7,519	\$ 37,174	\$ 14,683
2014	571,840	370,902	942,742	27,000	5,162	32,162	14,683
2015	603,671	349,471	953,142	18,000	4,408	22,408	14,683
2016	525,555	325,354	850,909	18,000	3,906	21,906	14,684
2017	347,496	302,576	650,072	19,000	3,404	22,404	14,684
2018 - 2022	1,934,992	1,302,552	3,237,544	103,000	8,705	111,705	73,416
2023 - 2027	2,229,058	855,028	3,084,086	-	-	-	36,990
2028 - 2032	2,035,000	377,325	2,412,325	-	-	-	-
2033	450,000	20,250	470,250	-	-	-	-
Totals	<u>\$ 9,262,675</u>	<u>\$ 4,294,347</u>	<u>\$ 13,557,022</u>	<u>\$ 214,655</u>	<u>\$ 33,104</u>	<u>\$ 247,759</u>	<u>\$ 183,823</u>

Year Ending December 31,	<u>Police and Fire Past Service Liability</u>		
	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
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	34,821	40,049	74,870
2018 - 2022	197,868	176,482	374,350
2023 - 2027	244,170	130,180	374,350
2028 - 2032	301,309	73,041	374,350
2033 - 2035	172,778	11,030	183,808
Totals	<u>\$ 1,076,468</u>	<u>\$ 604,740</u>	<u>\$ 1,681,208</u>

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**CITY OF FINDLAY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2012

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

**B. Business-type activities**

During 2012, the following changes occurred in the City's business-type activities long-term obligations:

<b>Business-type activities:</b>	<u>Interest</u> <u>Rate</u>	<u>Maturity</u> <u>Date</u>	<u>Balance</u> <u>12/31/11</u>	<u>Additions</u>	<u>Disposals</u>	<u>Balance</u> <u>12/31/12</u>	<u>Due in</u> <u>One Year</u>
<u>General obligation bonds:</u>							
Series 2003 water refunding	2.00 - 4.00%	2018	\$ 2,005,000	\$ -	\$ (250,000)	\$ 1,755,000	\$ 260,000
Series 2004 northern corridor sewer refunding	2.50 - 5.25%	2017	3,920,000	-	(590,000)	3,330,000	610,000
Series 2004 aircraft fueling system refunding	2.50 - 3.75%	2012	50,000	-	(50,000)	-	-
Series 2004 water pump station refunding	2.50 - 5.25%	2016	760,000	-	(140,000)	620,000	145,000
Series 2011 water refunding	1.95%	2018	<u>1,625,000</u>	<u>-</u>	<u>(220,000)</u>	<u>1,405,000</u>	<u>225,000</u>
Total general obligation bonds			<u>8,360,000</u>	<u>-</u>	<u>(1,250,000)</u>	<u>7,110,000</u>	<u>1,240,000</u>
<u>OWDA loans:</u>							
Bright Road interceptor and sewer separation	1.73%	2023	2,218,363	-	(175,936)	2,042,427	178,993
Sewer system improvements	4.36%	2021	19,682,917	-	(1,608,677)	18,074,240	1,679,580
Water plant improvements	3.25%	2026	3,251,257	-	(171,296)	3,079,961	176,908
Water treatment plant clearwell repair	0.00%	2015	<u>31,603</u>	<u>-</u>	<u>(10,534)</u>	<u>21,069</u>	<u>10,534</u>
Total OWDA loans			<u>25,184,140</u>	<u>-</u>	<u>(1,966,443)</u>	<u>23,217,697</u>	<u>2,046,015</u>
<u>Other long-term obligations:</u>							
OPWC loans	0%	2019-2029	728,256	-	(55,338)	672,918	55,338
Compensated absences			<u>769,449</u>	<u>369,211</u>	<u>(416,054)</u>	<u>722,606</u>	<u>477,862</u>
Total other long-term obligations			<u>1,497,705</u>	<u>369,211</u>	<u>(471,392)</u>	<u>1,395,524</u>	<u>533,200</u>
Total business-type activities long-term obligations			35,041,845	<u>\$ 369,211</u>	<u>\$ (3,687,835)</u>	31,723,221	<u>\$ 3,819,215</u>
Add: Unamortized premium on bonds			<u>168,965</u>			<u>137,820</u>	
Total reported on statement of net assets			<u>\$ 35,210,810</u>			<u>\$ 31,861,041</u>	

**Series 2003 Various Purpose Bonds (Water Refunding Portion)**

On May 22, 2003, the City issued \$9,820,000 in various purpose general obligation bonds to fund various projects (also see Note 11.A). A portion of the proceeds, \$3,785,000, were used to currently refund the callable portion of the Series 1993 water improvement bonds (principal \$3,690,000, average interest rate 5.526%). The issuance proceeds were used to repay the callable portion of the 1993 bonds on the call date which was July 1, 2003. This refunded debt is considered defeased and accordingly, has been removed from the statement of net position. The balance of the refunded bonds was \$1,835,000 at December 31, 2012; 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, 2012

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

The refunding issue is comprised of current interest serial bonds, par value \$3,785,000. During 2012, the City made principal payments of \$250,000 on these bonds leaving a liability of \$1,755,000 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 \$3,230,000 at December 31, 2012; 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 \$6,480,000. During 2012, the City made principal payments of \$590,000 on these bonds leaving a liability of \$3,330,000 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 refunding issue is comprised of current interest serial bonds, par value \$270,000. During 2012, the City made principal payments of \$50,000 which retired the bonds in full. Principal and interest payments were made from the airport fund. The refunding bonds pay interest semiannually on January 1 and July 1 of each year and matured 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.



**CITY OF FINDLAY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2012

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

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 \$615,000 at December 31, 2012; 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 2012, the City made principal payments of \$140,000 on these bonds leaving a liability of \$620,000. 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.

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 2012, the City made principal payments of \$220,000 on these bonds leaving a liability of \$1,405,000. Principal and interest payments are being made from the water fund. The refunding bonds pay interest semiannually on June 1 and December 1 of each year and mature on December 1, 2018. The refunding bonds are general obligations of the City for which the full faith and credit of the City is pledged for repayment.

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

Ohio Water Development Authority (OWDA) Loans

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

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

**CITY OF FINDLAY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2012

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

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

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

On November 16, 2009, the City entered into a financing agreement with OWDA to borrow \$52,671 for water treatment plant 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, 2012:

Year Ending December 31,	General Obligation Bonds			OWDA Loans			OPWC Loans
	Principal	Interest	Total	Principal	Interest	Total	Principal
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	1,280,000	63,438	1,343,438	2,388,870	549,776	2,938,646	55,338
2018 - 2022	570,000	17,778	587,778	11,022,291	1,221,421	12,243,712	247,911
2023 - 2027	-	-	-	1,131,757	77,345	1,209,102	129,612
2028 - 2029	-	-	-	-	-	-	18,704
Totals	<u>\$ 7,110,000</u>	<u>\$ 893,303</u>	<u>\$ 8,003,303</u>	<u>\$ 23,217,697</u>	<u>\$ 4,949,411</u>	<u>\$ 28,167,108</u>	<u>\$ 672,918</u>

## CITY OF FINDLAY, OHIO

### NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2012

#### 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 2012, 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 2012 was 14.00% of covered payroll.

The City's contribution rate for pension benefits for members in the Traditional Plan for 2012 was 10.00%. The City's contribution rate for pension benefits for members in the Combined Plan for 2012 was 7.95%. The City's required contributions for pension obligations to the Traditional Pension and Combined Plans for the years ended December 31, 2012, 2011, and 2010 were \$973,140, \$957,029, and \$835,749, respectively; equal to the required employer contribution which is the amount billed by OPERS. Contributions to the member-directed plan for 2012 were \$23,323 made by the City and \$16,659 made by the plan members.

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

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

**CITY OF FINDLAY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2012

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

Funding Policy - Plan members are required to contribute 10.00% 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 2012, 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 \$496,149 and \$737,512 for the year ended December 31, 2012, \$475,227 and \$751,090 for the year ended December 31, 2011, and \$470,011 and \$758,063 for the year ended December 31, 2010. 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 2012, 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 2012 was 4.00%. The portion of employer contributions allocated to fund post-employment healthcare for members in the Combined Plan for 2012 was 6.05%.

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.

**CITY OF FINDLAY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2012**

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

The City's contributions allocated to fund post-employment health care benefits for the years ended December 31, 2012, 2011, and 2010 were \$401,002, \$394,134, and \$472,323, respectively; equal to the required employer contribution which is the amount billed by OPERS.

Changes to the health care plan were adopted by the OPERS Board of Trustees on September 19, 2012, with a transition plan commencing January 1, 2014. With the recent passage of pension legislation under State Bill 343 and the approved health care changes, OPERS expects to be able to consistently allocate 4 percent of the employer contributions toward the health care fund after the end of the transition period.

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

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

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

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

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

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

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

**CITY OF FINDLAY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2012**

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

The Board of Trustees is authorized to allocate a portion of the total employer contributions made into the pension plan into the Section 115 trust and the Section 401(h) account as the employer contribution for retiree health care benefits. For 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 \$262,667 and \$288,591 for the year ended December 31, 2012, \$251,591 and \$293,905 for the year ended December 31, 2011, and \$248,830 and \$296,634 for the year ended December 31, 2010. 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, 2012.

**B. Contracts**

As of December 31, 2012, the City had approximately \$1,014,904 open on outstanding purchase orders and contracts. Of this amount, \$579,390 related to ongoing capital projects and the remaining amount of \$435,514 was for various departmental purchase orders outstanding at year end.

The City had no material operating lease commitments at December 31, 2012.

**C. Litigation**

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

**CITY OF FINDLAY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2012

**NOTE 15 - FUND BALANCE**

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

Fund balance	General	Street Maintenance and Repair	City Income Tax Administration	Nonmajor Governmental Funds	Total Governmental Funds
<b>Nonspendable:</b>					
Materials and supplies inventory	\$ -	\$ 452,890	\$ -	\$ -	\$ 452,890
Prepays	48,152	16,403	-	-	64,555
Permanent fund	-	-	-	<u>1,231,975</u>	<u>1,231,975</u>
<b>Total nonspendable</b>	<u>48,152</u>	<u>469,293</u>	<u>-</u>	<u>1,231,975</u>	<u>1,749,420</u>
<b>Restricted:</b>					
Capital projects	-	-	-	516,709	516,709
Debt service	-	-	-	54,524	54,524
Security of persons and property programs	-	-	-	61,400	61,400
General government operations	-	-	-	687,054	687,054
Transportation improvement projects	-	908,226	-	153,100	1,061,326
Economic development programs	-	-	-	841,400	841,400
Public health and welfare programs	-	-	-	1,477	1,477
Other purposes	<u>576,264</u>	-	-	<u>308,340</u>	<u>884,604</u>
<b>Total restricted</b>	<u>576,264</u>	<u>908,226</u>	<u>-</u>	<u>2,624,004</u>	<u>4,108,494</u>
<b>Committed:</b>					
Income tax distribution	-	-	4,623,943	-	4,623,943
Future claims payments	1,196,116	-	-	-	1,196,116
Termination benefits	<u>571,330</u>	-	-	-	<u>571,330</u>
<b>Total committed</b>	<u>1,767,446</u>	<u>-</u>	<u>4,623,943</u>	<u>-</u>	<u>6,391,389</u>
<b>Assigned:</b>					
General government operations	133,498	-	-	-	133,498
Security of persons and property programs	3,156	-	-	-	3,156
Subsequent year's appropriation	1,621,085	-	-	-	1,621,085
Public health and welfare programs	705	-	-	-	705
Leisure time activities operations	<u>69,278</u>	-	-	-	<u>69,278</u>
<b>Total assigned</b>	<u>1,827,722</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,827,722</u>
<b>Unassigned (deficit)</b>	<u>8,250,881</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>8,250,881</u>
<b>Total fund balances</b>	<u>\$ 12,470,465</u>	<u>\$ 1,377,519</u>	<u>\$ 4,623,943</u>	<u>\$ 3,855,979</u>	<u>\$ 22,327,906</u>

**CITY OF FINDLAY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2012

**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	\$ 386,430
Street Maintenance and Repair	146,404
Nonmajor governmental funds	<u>1,000</u>
 Total	 <u>\$ 533,834</u>

**NOTE 17 - NOTES PAYABLE**

The City had the following bond anticipation note activity during 2012:

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

The notes were issued on October 5, 2011 and matured on September 28, 2012. The notes bore an interest rate of 1.65%. The notes were 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, 2012 AND 2011

	<u>2012</u>	<u>2011</u>
<b>Assets:</b>		
Equity in pooled cash and investments . . . . .	\$ 13,643,678	\$ 9,977,895
Cash in segregated accounts. . . . .	22,919	23,301
Cash with escrow agent. . . . .	-	61,514
Receivables (net of allowances of uncollectibles). . . . .	2,033,179	1,975,533
Due from other governments . . . . .	706,800	1,043,569
Prepayments . . . . .	48,152	46,848
Total assets. . . . .	<u>\$ 16,454,728</u>	<u>\$ 13,128,660</u>
<b>Liabilities:</b>		
Accounts payable . . . . .	\$ 921,316	\$ 796,404
Contracts payable . . . . .	31,507	25,808
Accrued wages and benefits . . . . .	368,381	240,066
Insurance deposits payable. . . . .	295,561	306,474
Compensated absences payable . . . . .	-	6,985
Due to other governments . . . . .	36,271	91,580
Total liabilities . . . . .	<u>1,653,036</u>	<u>1,467,317</u>
<b>Deferred inflows of resources:</b>		
Property taxes levied for the next fiscal year. . . . .	1,840,664	1,789,163
Charges for services revenue not available . . . . .	75,817	81,225
Intergovernmental revenue not available . . . . .	414,746	547,789
Total deferred inflows of resources . . . . .	<u>2,331,227</u>	<u>2,418,177</u>
Total liabilities and deferred inflows of resources.	<u>3,984,263</u>	<u>3,885,494</u>
<b>Fund balance:</b>		
Nonspendable. . . . .	48,152	46,848
Restricted . . . . .	576,264	752,667
Committed . . . . .	1,767,446	1,084,266
Assigned . . . . .	1,827,722	1,237,557
Unassigned . . . . .	8,250,881	6,121,828
Total fund balance. . . . .	<u>12,470,465</u>	<u>9,243,166</u>
Total liabilities, deferred inflows of resources and fund balances . . . . .	<u>\$ 16,454,728</u>	<u>\$ 13,128,660</u>

**CITY OF FINDLAY, OHIO**

**COMPARATIVE BALANCE SHEET  
STREET MAINTENANCE AND REPAIR FUND**

DECEMBER 31, 2012 AND 2011

	<u>2012</u>	<u>2011</u>
<b>Assets:</b>		
Equity in pooled cash and investments . . . . .	\$ 829,453	\$ 1,155,693
Cash with escrow agent. . . . .	54,087	135,334
Receivables (net of allowances of uncollectibles). . . . .	60,416	10,299
Due from other governments . . . . .	699,344	717,730
Prepayments . . . . .	16,403	15,047
Materials and supplies inventory . . . . .	452,890	498,076
Total assets. . . . .	<u>\$ 2,112,593</u>	<u>\$ 2,532,179</u>
<b>Liabilities:</b>		
Accounts payable . . . . .	\$ 54,181	\$ 49,561
Contracts payable . . . . .	6,162	61,841
Retainage payable . . . . .	54,087	135,334
Accrued wages and benefits . . . . .	23,154	20,522
Insurance deposits payable. . . . .	29,963	28,671
Total liabilities . . . . .	<u>167,547</u>	<u>295,929</u>
<b>Deferred inflows of resources:</b>		
Charges for services revenue not available . . . . .	5,842	10,170
Intergovernmental revenue not available . . . . .	561,685	578,222
Total deferred inflows of resources . . . . .	<u>567,527</u>	<u>588,392</u>
Total liabilities and deferred inflows of resources.	<u>735,074</u>	<u>884,321</u>
<b>Fund balance:</b>		
Nonspendable. . . . .	469,293	513,123
Restricted . . . . .	908,226	1,134,735
Total fund balance . . . . .	<u>1,377,519</u>	<u>1,647,858</u>
Total liabilities, deferred inflows of resources and fund balances . . . . .	<u>\$ 2,112,593</u>	<u>\$ 2,532,179</u>

**CITY OF FINDLAY, OHIO**

COMPARATIVE BALANCE SHEET  
CITY INCOME TAX ADMINISTRATION FUND

DECEMBER 31, 2012 AND 2011

	<u>2012</u>	<u>2011</u>
<b>Assets:</b>		
Equity in pooled cash and investments . . . . .	\$ 728,164	\$ 571,509
Receivables (net of allowances of uncollectibles) . . . . .	4,558,818	4,502,300
Restricted assets:		
Equity in pooled cash and investments. . . . .	2,406,925	2,602,029
Total assets . . . . .	<u>\$ 7,693,907</u>	<u>\$ 7,675,838</u>
<b>Liabilities:</b>		
Accounts payable . . . . .	\$ 487,315	\$ 444,373
Accrued wages and benefits . . . . .	2,455	2,947
Insurance deposits payable . . . . .	2,941	3,931
Total liabilities . . . . .	<u>492,711</u>	<u>451,251</u>
<b>Deferred inflows of resources:</b>		
Charges for services revenue not available . . . . .	-	140
Income tax revenue not available . . . . .	2,577,253	2,543,812
Total deferred inflows of resources . . . . .	<u>2,577,253</u>	<u>2,543,952</u>
Total liabilities and deferred inflows of resources.	<u>3,069,964</u>	<u>2,995,203</u>
<b>Fund balance:</b>		
Committed . . . . .	4,623,943	4,680,635
Total fund balance. . . . .	<u>4,623,943</u>	<u>4,680,635</u>
Total liabilities, deferred inflows of resources and fund balances . . . . .	<u>\$ 7,693,907</u>	<u>\$ 7,675,838</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, 2012  
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED DECEMBER 31, 2011)

	Budgeted Amounts		Actual	Variance with	2011
	Original	Final		Final Budget	
				Positive (Negative)	
<b>Revenues:</b>					
Property and other local taxes . . . . .	\$ 1,684,302	\$ 2,224,488	\$ 2,341,451	\$ 116,963	\$ 2,349,758
Charges for services . . . . .	1,939,029	2,420,766	2,531,894	111,128	2,163,796
Licenses and permits. . . . .	229,640	303,289	319,236	15,947	326,626
Fines and forfeitures. . . . .	822,172	1,085,857	1,142,951	57,094	1,028,517
Intergovernmental . . . . .	2,693,052	3,556,764	3,743,777	187,013	4,569,460
Investment income . . . . .	16,725	22,089	23,250	1,161	68,476
(Decrease) in fair market value					
of investments . . . . .	14,883	19,656	20,690	1,034	(28,750)
Rental income. . . . .	48,289	63,777	67,130	3,353	59,092
Contributions and donations . . . . .	34,890	46,080	48,503	2,423	44,262
Reimbursements. . . . .	566,029	887,711	950,542	62,831	467,171
Other . . . . .	7,977	10,536	11,090	554	11,713
Total revenues . . . . .	8,056,988	10,641,013	11,200,514	559,501	11,060,121
<b>Expenditures:</b>					
General government					
Council					
Personal services . . . . .	110,244	110,116	98,077	12,039	105,883
Other . . . . .	13,259	33,064	29,092	3,972	19,834
Mayors office					
Personal services . . . . .	191,954	235,973	208,894	27,079	172,821
Other . . . . .	1,871	30,920	14,624	16,296	14,341
Auditor/treasurer					
Personal services . . . . .	453,731	452,731	393,584	59,147	386,578
Other . . . . .	127,699	166,558	145,530	21,028	64,108
Law director					
Personal services . . . . .	461,943	461,201	406,192	55,009	430,238
Other . . . . .	71,636	153,638	122,554	31,084	187,815
Municipal court					
Personal services . . . . .	1,275,572	1,223,603	1,075,545	148,058	1,146,048
Other . . . . .	53,227	214,674	174,875	39,799	181,939
Civil service					
Personal services . . . . .	66,283	65,961	58,505	7,456	61,476
Other . . . . .	7,065	29,344	16,645	12,699	28,186
Computer services					
Personal services . . . . .	298,372	298,470	261,994	36,476	274,468
Other . . . . .	38,060	73,070	65,454	7,616	61,203
Service director					
Personal services . . . . .	121,359	183,399	156,326	27,073	113,662
Other . . . . .	862	17,942	11,627	6,315	6,960
Engineering department					
Personal services . . . . .	748,363	655,790	564,344	91,446	642,645
Other . . . . .	18,425	85,288	61,513	23,775	52,556
General miscellaneous operations					
Other . . . . .	1,831,261	3,566,221	3,406,522	159,699	1,387,724
Public building department					
Personal services . . . . .	82,010	86,888	70,940	15,948	73,367
Other . . . . .	74,669	264,550	178,304	86,246	202,691
Projects					
Other . . . . .	-	312,501	312,501	-	1,001,951
Total general government . . . . .	6,047,865	8,721,902	7,833,642	888,260	6,616,494

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

FOR THE YEAR ENDED DECEMBER 31, 2012  
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED DECEMBER 31, 2011)

	Budgeted Amounts		Actual	Variance with	2011
	Original	Final		Final Budget	
				Positive (Negative)	
Security of persons and property					
Police department					
Personal services . . . . .	6,737,789	6,818,020	6,102,105	715,915	6,024,426
Other . . . . .	121,061	491,471	407,014	84,457	400,781
Disaster services					
Other . . . . .	31,812	52,122	50,635	1,487	25,772
Fire department					
Personal services . . . . .	6,836,634	6,828,633	6,218,769	609,864	6,662,915
Other . . . . .	163,283	394,927	322,536	72,391	440,716
Safety director					
Personal services . . . . .	173,034	65,245	53,079	12,166	159,865
Other . . . . .	52,397	17,944	12,710	5,234	24,292
Dispatch					
Personal services . . . . .	925,696	906,774	778,416	128,358	765,666
Other . . . . .	30,214	117,993	111,198	6,795	103,356
Work Opportunity Rehabilitation Center (WORC)					
Personal services . . . . .	61,119	64,569	60,196	4,373	56,120
Other . . . . .	156,528	299,053	284,054	14,999	287,832
Projects					
Other . . . . .	-	505,132	505,132	-	343,273
Total security of persons and property . . . . .	15,289,567	16,561,883	14,905,844	1,656,039	15,295,014
Public health and welfare					
Planning and zoning					
Personal services . . . . .	1,174	159	145	14	1,120
Other . . . . .	61,423	135,978	135,738	240	135,446
Public health department					
Personal services . . . . .	1,000,569	980,908	907,037	73,871	902,296
Other . . . . .	121,164	239,143	227,168	11,975	204,697
Zoning department					
Personal services . . . . .	167,694	169,747	150,572	19,175	148,946
Other . . . . .	2,593	11,220	8,973	2,247	14,779
Neighborhood Enhancement and Abatement Team (NEAT)					
Personal services . . . . .	76,685	77,125	70,593	6,532	69,875
Other . . . . .	6,425	30,646	18,418	12,228	22,522
Cemetery department					
Personal services . . . . .	222,294	221,549	193,688	27,861	205,093
Other . . . . .	18,132	50,874	37,795	13,079	53,276
Projects					
Other . . . . .	-	195,895	195,895	-	325,505
Total public health and welfare . . . . .	1,678,153	2,113,244	1,946,022	167,222	2,083,555

-- 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, 2012  
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED DECEMBER 31, 2011)

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with</u>	<u>2011</u>
	<u>Original</u>	<u>Final</u>		<u>Final Budget</u>	
				<u>Positive</u>	
				<u>(Negative)</u>	
Leisure time activities					
Park maintenance					
Personal services . . . . .	443,189	435,607	372,696	62,911	465,925
Other . . . . .	39,531	138,742	93,533	45,209	102,256
Reservoir recreation					
Other . . . . .	1,230	5,545	4,439	1,106	3,292
CUBE					
Personal services . . . . .	-	-	-	-	188,683
Other . . . . .	-	-	-	-	200,455
Recreation department					
Personal services . . . . .	516,706	516,171	430,189	85,982	45,780
Other . . . . .	173,784	394,141	320,380	73,761	39,706
5-PLEX					
Personal services . . . . .	-	-	-	-	172,152
Other . . . . .	-	-	-	-	96,372
Soccer Complex					
Other . . . . .	-	-	-	-	1,911
Football Complex					
Personal services . . . . .	-	-	-	-	22,207
Other . . . . .	-	-	-	-	3,072
Projects					
Other . . . . .	-	-	-	-	17,708
Total leisure time activities . . . . .	<u>1,174,440</u>	<u>1,490,206</u>	<u>1,221,237</u>	<u>268,969</u>	<u>1,359,519</u>
Capital outlay					
Security of persons and property . . . . .	-	168,902	168,902	-	224,661
Public health and welfare . . . . .	-	-	-	-	290,859
Leisure time activities . . . . .	-	205,953	137,088	68,865	134,052
General government . . . . .	-	297,799	248,091	49,708	934,163
Total capital outlay . . . . .	<u>-</u>	<u>672,654</u>	<u>554,081</u>	<u>118,573</u>	<u>1,583,735</u>
Debt service					
Bond issuance costs . . . . .	-	-	-	-	54,920
Total debt service . . . . .	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>54,920</u>
Total expenditures . . . . .	<u>24,190,025</u>	<u>29,559,889</u>	<u>26,460,826</u>	<u>3,099,063</u>	<u>26,993,237</u>
Excess of expenditures over revenues . . . . .	<u>(16,133,037)</u>	<u>(18,918,876)</u>	<u>(15,260,312)</u>	<u>3,658,564</u>	<u>(15,933,116)</u>
<b>Other financing sources (uses):</b>					
Sale of capital assets . . . . .	668	882	928	46	159
Bond issuance . . . . .	-	-	-	-	1,036,011
Transfers in . . . . .	15,215,594	20,095,514	21,152,129	1,056,615	17,539,312
Transfers out . . . . .	(99,000)	(2,153,814)	(2,153,814)	-	(769,753)
Total other financing sources (uses) . . . . .	<u>15,117,262</u>	<u>17,942,582</u>	<u>18,999,243</u>	<u>1,056,661</u>	<u>17,805,729</u>
Net change in fund balance . . . . .	<u>(1,015,775)</u>	<u>(976,294)</u>	<u>3,738,931</u>	<u>4,715,225</u>	<u>1,872,613</u>
<b>Fund balance, January 1 . . . . .</b>	<b>8,158,900</b>	<b>8,158,900</b>	<b>8,158,900</b>	<b>-</b>	<b>6,284,570</b>
<b>Increase in prepaids . . . . .</b>	<b>1,304</b>	<b>1,304</b>	<b>1,304</b>	<b>-</b>	<b>1,717</b>
<b>Fund balance, December 31 . . . . .</b>	<b><u>\$ 7,144,429</u></b>	<b><u>\$ 7,183,910</u></b>	<b><u>\$ 11,899,135</u></b>	<b><u>\$ 4,715,225</u></b>	<b><u>\$ 8,158,900</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, 2012  
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED DECEMBER 31, 2011)

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with</u>	<u>2011</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 . . . . .	\$ 461	\$ 954	\$ 920	\$ (34)	\$ 687
Charges for services . . . . .	54,296	112,511	108,473	(4,038)	28,853
Intergovernmental . . . . .	1,226,869	2,542,284	2,451,045	(91,239)	3,881,422
Investment income . . . . .	450	932	899	(33)	1,842
Reimbursements. . . . .	4,059	8,411	8,109	(302)	11,532
Other . . . . .	22,573	46,776	45,097	(1,679)	52,908
<b>Total revenues . . . . .</b>	<b>1,308,708</b>	<b>2,711,868</b>	<b>2,614,543</b>	<b>(97,325)</b>	<b>3,977,244</b>
<b>Expenditures:</b>					
Current:					
Transportation					
Street department					
Personal services . . . . .	1,674,100	1,663,793	1,462,252	201,541	1,436,632
Other . . . . .	314,936	547,314	488,283	59,031	639,497
Traffic signals					
Personal services . . . . .	207,266	209,299	145,243	64,056	179,229
Other . . . . .	39,973	100,019	71,999	28,020	105,693
<b>Total transportation. . . . .</b>	<b>2,236,275</b>	<b>2,520,425</b>	<b>2,167,777</b>	<b>352,648</b>	<b>2,361,051</b>
Capital outlay					
Street improvements . . . . .	534,381	2,018,321	1,930,945	87,376	2,550,801
Traffic signals . . . . .	24,714	148,175	146,702	1,473	101,520
Storm sewers. . . . .	5,230	146,361	146,361	-	498,675
<b>Total capital outlay . . . . .</b>	<b>564,325</b>	<b>2,312,857</b>	<b>2,224,008</b>	<b>88,849</b>	<b>3,150,996</b>
<b>Total expenditures . . . . .</b>	<b>2,800,600</b>	<b>4,833,282</b>	<b>4,391,785</b>	<b>441,497</b>	<b>5,512,047</b>
Excess (deficiency) of revenues over (under) expenditures . . . . .	(1,491,892)	(2,121,414)	(1,777,242)	344,172	(1,534,803)
<b>Other financing sources (uses):</b>					
Transfers in . . . . .	995,792	2,063,454	1,989,400	(74,054)	1,809,184
Transfers out . . . . .	-	(438,667)	(438,667)	-	(88,585)
<b>Total other financing sources (uses) . . . . .</b>	<b>995,792</b>	<b>1,624,787</b>	<b>1,550,733</b>	<b>(74,054)</b>	<b>1,720,599</b>
Net change in fund balance . . . . .	(496,100)	(496,627)	(226,509)	270,118	185,796
<b>Fund balance, January 1 . . . . .</b>	<b>1,647,858</b>	<b>1,647,858</b>	<b>1,647,858</b>	<b>-</b>	<b>1,399,865</b>
<b>Increase (decrease) in reserve for inventory . . . . .</b>	<b>(45,186)</b>	<b>(45,186)</b>	<b>(45,186)</b>	<b>-</b>	<b>61,931</b>
<b>Increase in prepaids. . . . .</b>	<b>1,356</b>	<b>1,356</b>	<b>1,356</b>	<b>-</b>	<b>266</b>
<b>Fund balance, December 31 . . . . .</b>	<b>\$ 1,107,928</b>	<b>\$ 1,107,401</b>	<b>\$ 1,377,519</b>	<b>\$ 270,118</b>	<b>\$ 1,647,858</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, 2012  
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED DECEMBER 31, 2011)

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with</u>	<u>2011</u>
	<u>Original</u>	<u>Final</u>		<u>Final Budget</u>	
				<u>Positive</u>	
				<u>(Negative)</u>	
<b>Revenues:</b>					
Municipal income taxes . . . . .	\$ 18,901,765	\$ 20,697,962	\$ 21,563,110	\$ 865,148	\$ 20,456,073
Charges for services . . . . .	11,693	12,804	13,339	535	12,620
Reimbursements. . . . .	250	274	285	11	90
<b>Total revenues . . . . .</b>	<u>18,913,708</u>	<u>20,711,040</u>	<u>21,576,734</u>	<u>865,694</u>	<u>20,468,783</u>
<b>Expenditures:</b>					
Current:					
General government					
Personal services . . . . .	263,079	221,160	201,764	19,396	236,389
Other . . . . .	322,092	679,113	208,776	470,337	144,461
<b>Total expenditures . . . . .</b>	<u>585,171</u>	<u>900,273</u>	<u>410,540</u>	<u>489,733</u>	<u>380,850</u>
<b>Excess of revenues over expenditures . . . . .</b>	<u>18,328,537</u>	<u>19,810,767</u>	<u>21,166,194</u>	<u>1,355,427</u>	<u>20,087,933</u>
<b>Other financing sources (uses):</b>					
Transfers in . . . . .	1,698,292	1,859,677	1,937,409	77,732	783,396
Transfers out . . . . .	(15,000,000)	(23,171,283)	(23,160,295)	10,988	(19,743,764)
<b>Total other financing sources (uses) . . . . .</b>	<u>(13,301,708)</u>	<u>(21,311,606)</u>	<u>(21,222,886)</u>	<u>88,720</u>	<u>(18,960,368)</u>
<b>Net change in fund balance . . . . .</b>	<u>5,026,829</u>	<u>(1,500,839)</u>	<u>(56,692)</u>	<u>1,444,147</u>	<u>1,127,565</u>
<b>Fund balance, January 1 . . . . .</b>	<u>4,680,635</u>	<u>4,680,635</u>	<u>4,680,635</u>	<u>-</u>	<u>3,553,070</u>
<b>Fund balance, December 31 . . . . .</b>	<u>\$ 9,707,464</u>	<u>\$ 3,179,796</u>	<u>\$ 4,623,943</u>	<u>\$ 1,444,147</u>	<u>\$ 4,680,635</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 to pay for past service pension liability.

***Fire Pension:***

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

***Revolving Loan:***

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

***Severance Payout Reserve:***

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

### 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, 2012

	<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>Assets:</b>					
Equity in pooled cash and investments . . . . .	\$ 896,438	\$ 9,984	\$ 523,808	\$ 1,233,377	\$ 2,663,607
Cash in segregated accounts. . . . .	161,417	-	-	-	161,417
Cash with fiduciary agent . . . . .	308,340	-	-	-	308,340
Cash with escrow agent. . . . .	-	33,140	-	-	33,140
Receivables (net of allowances of uncollectibles). . . . .	1,128,853	443,092	-	75	1,572,020
Due from other governments . . . . .	82,914	-	-	-	82,914
<b>Total assets . . . . .</b>	<b>\$ 2,577,962</b>	<b>\$ 486,216</b>	<b>\$ 523,808</b>	<b>\$ 1,233,452</b>	<b>\$ 4,821,438</b>
<b>Liabilities:</b>					
Accounts payable . . . . .	\$ 1,725	\$ -	\$ 7,099	\$ -	\$ 8,824
Accrued wages and benefits. . . . .	1,897	-	-	-	1,897
Insurance deposits payable . . . . .	2,450	-	-	-	2,450
Matured bonds payable . . . . .	-	33,140	-	-	33,140
<b>Total liabilities . . . . .</b>	<b>6,072</b>	<b>33,140</b>	<b>7,099</b>	<b>-</b>	<b>46,311</b>
<b>Deferred inflows of resources:</b>					
Property taxes levied for the next fiscal year. . . . .	448,870	-	-	-	448,870
TIF revenue levied for next fiscal year . . . . .	-	187,548	-	-	187,548
Special assessments revenue not available. . . . .	-	211,004	-	-	211,004
Intergovernmental revenue not available . . . . .	71,726	-	-	-	71,726
<b>Total deferred inflows of resources . . . . .</b>	<b>520,596</b>	<b>398,552</b>	<b>-</b>	<b>-</b>	<b>919,148</b>
<b>Fund balance:</b>					
Nonspendable . . . . .	-	-	-	1,231,975	1,231,975
Restricted . . . . .	2,051,294	54,524	516,709	1,477	2,624,004
<b>Total fund balance. . . . .</b>	<b>2,051,294</b>	<b>54,524</b>	<b>516,709</b>	<b>1,233,452</b>	<b>3,855,979</b>
<b>Total liabilities, deferred inflows of resources and fund balances . . . . .</b>	<b>\$ 2,577,962</b>	<b>\$ 486,216</b>	<b>\$ 523,808</b>	<b>\$ 1,233,452</b>	<b>\$ 4,821,438</b>

**CITY OF FINDLAY, OHIO**

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

FOR THE YEAR ENDED DECEMBER 31, 2012

	<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 . . . . .	\$ 431,342	\$ -	\$ -	\$ -	\$ 431,342
Charges for services . . . . .	210,981	364	-	26,700	238,045
Fines and forfeitures . . . . .	127,950	-	50,819	-	178,769
Intergovernmental . . . . .	441,041	18,457	-	-	459,498
Special assessments . . . . .	-	37,433	170,924	-	208,357
Investment income . . . . .	17,744	-	-	1,477	19,221
Contributions and donations . . . . .	-	45,000	-	-	45,000
Reimbursements . . . . .	281	-	-	-	281
Tax increment financing . . . . .	-	71,284	-	-	71,284
<b>Total revenues . . . . .</b>	<b>1,229,339</b>	<b>172,538</b>	<b>221,743</b>	<b>28,177</b>	<b>1,651,797</b>
<b>Expenditures:</b>					
Current:					
General government . . . . .	228,827	-	-	-	228,827
Security of persons and property. . . . .	12,949	-	-	-	12,949
Public health and welfare. . . . .	-	-	-	1,605	1,605
Transportation . . . . .	113,467	-	-	-	113,467
Capital outlay . . . . .	-	-	183,760	-	183,760
Debt service:					
Principal retirement . . . . .	-	565,989	-	-	565,989
Interest and fiscal charges. . . . .	-	410,889	14,082	-	424,971
<b>Total expenditures. . . . .</b>	<b>355,243</b>	<b>976,878</b>	<b>197,842</b>	<b>1,605</b>	<b>1,531,568</b>
Excess (deficiency) of revenues over (under) expenditures. . . . .	874,096	(804,340)	23,901	26,572	120,229
<b>Other financing sources (uses):</b>					
Bond issuance . . . . .	-	-	211,000	-	211,000
Transfers in . . . . .	67,000	1,097,888	-	-	1,164,888
Transfers out . . . . .	(709,076)	(264,928)	-	-	(974,004)
<b>Total other financing sources (uses) . . . . .</b>	<b>(642,076)</b>	<b>832,960</b>	<b>211,000</b>	<b>-</b>	<b>401,884</b>
Net change in fund balances . . . . .	232,020	28,620	234,901	26,572	522,113
<b>Fund balances, January 1 . . . . .</b>	<b>1,819,274</b>	<b>25,904</b>	<b>281,808</b>	<b>1,206,880</b>	<b>3,333,866</b>
<b>Fund balances, December 31 . . . . .</b>	<b>\$ 2,051,294</b>	<b>\$ 54,524</b>	<b>\$ 516,709</b>	<b>\$ 1,233,452</b>	<b>\$ 3,855,979</b>

**CITY OF FINDLAY, OHIO**

COMBINING BALANCE SHEET  
NONMAJOR SPECIAL REVENUE FUNDS

DECEMBER 31, 2012  
(WITH COMPARATIVE TOTALS FOR DECEMBER 31, 2011)

	<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 . . . . .	\$ -	\$ 143,292	\$ 715	\$ 1,182
Cash in segregated accounts . . . . .	-	-	-	-
Cash with fiduciary agent . . . . .	308,340	-	-	-
Receivables (net of allowances of uncollectibles) . .	-	-	-	-
Due from other governments . . . . .	-	56,730	-	-
Total assets . . . . .	<u>\$ 308,340</u>	<u>\$ 200,022</u>	<u>\$ 715</u>	<u>\$ 1,182</u>
<b>Liabilities:</b>				
Accounts payable . . . . .	\$ -	\$ 1,380	\$ -	\$ -
Accrued wages and benefits . . . . .	-	-	-	-
Insurance deposits payable . . . . .	-	-	-	-
Total liabilities . . . . .	<u>-</u>	<u>1,380</u>	<u>-</u>	<u>-</u>
<b>Deferred inflows of resources:</b>				
Property taxes levied for the next fiscal year. . . . .	-	-	-	-
Intergovernmental revenue not available . . . . .	-	45,542	-	-
Total deferred inflows of resources . . . . .	<u>-</u>	<u>45,542</u>	<u>-</u>	<u>-</u>
<b>Fund balance:</b>				
Restricted . . . . .	<u>308,340</u>	<u>153,100</u>	<u>715</u>	<u>1,182</u>
Total fund balance . . . . .	<u>308,340</u>	<u>153,100</u>	<u>715</u>	<u>1,182</u>
Total liabilities, deferred inflows of resources and fund balances . . . . .	<u>\$ 308,340</u>	<u>\$ 200,022</u>	<u>\$ 715</u>	<u>\$ 1,182</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>
\$ 240,951	\$ 56,640	\$ 211,499	\$ 85,630	\$ 2,863	\$ 49,784	\$ 25,035	\$ 58,648
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
<u>\$ 240,951</u>	<u>\$ 56,640</u>	<u>\$ 211,499</u>	<u>\$ 85,630</u>	<u>\$ 2,863</u>	<u>\$ 49,784</u>	<u>\$ 25,035</u>	<u>\$ 58,648</u>
\$ -	\$ -	\$ 236	\$ -	\$ -	\$ -	\$ -	\$ 109
-	-	1,297	-	-	-	-	600
-	-	1,540	-	-	-	-	910
-	-	3,073	-	-	-	-	1,619
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
240,951	56,640	208,426	85,630	2,863	49,784	25,035	57,029
240,951	56,640	208,426	85,630	2,863	49,784	25,035	57,029
<u>\$ 240,951</u>	<u>\$ 56,640</u>	<u>\$ 211,499</u>	<u>\$ 85,630</u>	<u>\$ 2,863</u>	<u>\$ 49,784</u>	<u>\$ 25,035</u>	<u>\$ 58,648</u>

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**CITY OF FINDLAY, OHIO**

COMBINING BALANCE SHEET  
NONMAJOR SPECIAL REVENUE FUNDS (CONTINUED)

DECEMBER 31, 2012  
(WITH COMPARATIVE TOTALS FOR DECEMBER 31, 2011)

	<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 . . . . .	\$ 20,199	\$ -	\$ -	\$ -
Cash in segregated accounts . . . . .	-	-	-	161,417
Cash with fiduciary agent. . . . .	-	-	-	-
Receivables (net of allowances of uncollectibles) . . . . .	-	224,435	224,435	679,983
Due from other governments . . . . .	-	13,092	13,092	-
Total assets . . . . .	<u>\$ 20,199</u>	<u>\$ 237,527</u>	<u>\$ 237,527</u>	<u>\$ 841,400</u>
<b>Liabilities:</b>				
Accounts payable. . . . .	\$ -	\$ -	\$ -	\$ -
Accrued wages and benefits . . . . .	-	-	-	-
Insurance deposits payable. . . . .	-	-	-	-
Total liabilities. . . . .	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Deferred inflows of resources:</b>				
Property taxes levied for the next fiscal year. . . . .	-	224,435	224,435	-
Intergovernmental revenue not available . . . . .	-	13,092	13,092	-
Total deferred inflows of resources . . . . .	<u>-</u>	<u>237,527</u>	<u>237,527</u>	<u>-</u>
<b>Fund balance:</b>				
Restricted . . . . .	<u>20,199</u>	<u>-</u>	<u>-</u>	<u>841,400</u>
Total fund balance . . . . .	<u>20,199</u>	<u>-</u>	<u>-</u>	<u>841,400</u>
Total liabilities, deferred inflows of resources and fund balances . . . . .	<u>\$ 20,199</u>	<u>\$ 237,527</u>	<u>\$ 237,527</u>	<u>\$ 841,400</u>



**Totals**

<u>2012</u>	<u>2011</u>
\$ 896,438	\$ 712,974
161,417	33,603
308,340	259,700
1,128,853	1,286,643
82,914	84,225
<u>\$ 2,577,962</u>	<u>\$ 2,377,145</u>
\$ 1,725	\$ 1,446
1,897	1,641
<u>2,450</u>	<u>3,303</u>
<u>6,072</u>	<u>6,390</u>
448,870	478,568
<u>71,726</u>	<u>72,913</u>
<u>520,596</u>	<u>551,481</u>
<u>2,051,294</u>	<u>1,819,274</u>
<u>2,051,294</u>	<u>1,819,274</u>
<u>\$ 2,577,962</u>	<u>\$ 2,377,145</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, 2012  
(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED DECEMBER 31, 2011)

	<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 . . . . .	208,294	142,263	-	-
Investment income . . . . .	-	177	-	-
Reimbursements . . . . .	-	214	-	-
<b>Total revenues . . . . .</b>	<b>208,294</b>	<b>142,654</b>	<b>-</b>	<b>-</b>
<b>Expenditures:</b>				
Current:				
General government . . . . .	-	-	-	-
Security of persons and property . . . . .	-	-	75	2,320
Transportation . . . . .	30,000	83,467	-	-
<b>Total expenditures . . . . .</b>	<b>30,000</b>	<b>83,467</b>	<b>75</b>	<b>2,320</b>
Excess (deficiency) of revenues over (under) expenditures. . . . .	178,294	59,187	(75)	(2,320)
<b>Other financing sources (uses):</b>				
Transfers in . . . . .	-	-	-	-
Transfers out . . . . .	(129,804)	-	-	-
<b>Total other financing sources (uses) . . . . .</b>	<b>(129,804)</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net change in fund balances . . . . .</b>	<b>48,490</b>	<b>59,187</b>	<b>(75)</b>	<b>(2,320)</b>
<b>Fund balances, January 1 . . . . .</b>	<b>259,850</b>	<b>93,913</b>	<b>790</b>	<b>3,502</b>
<b>Fund balances, December 31. . . . .</b>	<b>\$ 308,340</b>	<b>\$ 153,100</b>	<b>\$ 715</b>	<b>\$ 1,182</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>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	158,781	52,200	-	-	-	-
31,248	3,379	-	-	-	23,517	17,392	52,361
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	27	-	-	-	-	40
<u>31,248</u>	<u>3,379</u>	<u>158,808</u>	<u>52,200</u>	<u>-</u>	<u>23,517</u>	<u>17,392</u>	<u>52,401</u>
-	-	129,145	47,142	-	-	2,350	32,367
-	1,000	-	-	-	-	-	-
-	-	-	-	-	-	-	-
<u>-</u>	<u>1,000</u>	<u>129,145</u>	<u>47,142</u>	<u>-</u>	<u>-</u>	<u>2,350</u>	<u>32,367</u>
<u>31,248</u>	<u>2,379</u>	<u>29,663</u>	<u>5,058</u>	<u>-</u>	<u>23,517</u>	<u>15,042</u>	<u>20,034</u>
-	-	67,000	-	-	-	-	-
-	-	-	-	-	-	(67,000)	-
-	-	67,000	-	-	-	(67,000)	-
<u>31,248</u>	<u>2,379</u>	<u>96,663</u>	<u>5,058</u>	<u>-</u>	<u>23,517</u>	<u>(51,958)</u>	<u>20,034</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>\$ 240,951</u>	<u>\$ 56,640</u>	<u>\$ 208,426</u>	<u>\$ 85,630</u>	<u>\$ 2,863</u>	<u>\$ 49,784</u>	<u>\$ 25,035</u>	<u>\$ 57,029</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, 2012  
(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED DECEMBER 31, 2011)

	<u>Legal Research</u>	<u>Police Pension</u>	<u>Fire Pension</u>	<u>Revolving Loan</u>
<b>Revenues:</b>				
Property and other local taxes . . . . .	\$ -	\$ 215,671	\$ 215,671	\$ -
Charges for services . . . . .	-	-	-	-
Fines and forfeitures . . . . .	53	-	-	-
Intergovernmental . . . . .	-	45,242	45,242	-
Investment income . . . . .	-	-	-	17,567
Reimbursements . . . . .	-	-	-	-
Total revenues . . . . .	<u>53</u>	<u>260,913</u>	<u>260,913</u>	<u>17,567</u>
<b>Expenditures:</b>				
Current:				
General government . . . . .	-	-	-	17,823
Security of persons and property . . . . .	-	4,777	4,777	-
Transportation . . . . .	-	-	-	-
Total expenditures . . . . .	<u>-</u>	<u>4,777</u>	<u>4,777</u>	<u>17,823</u>
Excess (deficiency) of revenues over (under) expenditures. . . . .	<u>53</u>	<u>256,136</u>	<u>256,136</u>	<u>(256)</u>
<b>Other financing sources (uses):</b>				
Transfers in . . . . .	-	-	-	-
Transfers out . . . . .	<u>-</u>	<u>(256,136)</u>	<u>(256,136)</u>	<u>-</u>
Total other financing sources (uses) . . . . .	<u>-</u>	<u>(256,136)</u>	<u>(256,136)</u>	<u>-</u>
Net change in fund balances . . . . .	53	-	-	(256)
<b>Fund balances, January 1 . . . . .</b>	<u>20,146</u>	<u>-</u>	<u>-</u>	<u>841,656</u>
<b>Fund balances, December 31. . . . .</b>	<u>\$ 20,199</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 841,400</u>

**Totals**

<u>2012</u>	<u>2011</u>
\$ 431,342	\$ 441,702
210,981	149,802
127,950	115,739
441,041	459,419
17,744	20,035
281	37
<u>1,229,339</u>	<u>1,186,734</u>
228,827	340,161
12,949	16,218
113,467	194,828
<u>355,243</u>	<u>551,207</u>
<u>874,096</u>	<u>635,527</u>
67,000	150
<u>(709,076)</u>	<u>(601,421)</u>
<u>(642,076)</u>	<u>(601,271)</u>
232,020	34,256
<u>1,819,274</u>	<u>1,785,018</u>
<u>\$ 2,051,294</u>	<u>\$ 1,819,274</u>

**CITY OF FINDLAY, OHIO**

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

FOR THE YEAR ENDED DECEMBER 31, 2012  
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED DECEMBER 31, 2011)

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with</u>	<u>2011</u>
	<u>Original</u>	<u>Final</u>		<u>Final Budget</u>	
				<u>Positive</u>	
				<u>(Negative)</u>	
<b>Revenues:</b>					
Intergovernmental . . . . .	\$ -	\$ 129,654	\$ 208,294	\$ 78,640	\$ 207,912
Total revenues . . . . .	-	129,654	208,294	78,640	207,912
<b>Expenditures:</b>					
Capital outlay					
Street improvements . . . . .	-	30,000	30,000	-	-
Total expenditures . . . . .	-	30,000	30,000	-	-
Excess of revenues over expenditures . . . . .	-	99,654	178,294	78,640	207,912
<b>Other financing sources (uses):</b>					
Transfers in . . . . .	-	-	-	-	150
Transfers out . . . . .	-	(129,804)	(129,804)	-	(59,449)
Total other financing sources (uses) . . . . .	-	(129,804)	(129,804)	-	(59,299)
Net change in fund balance. . . . .	-	(30,150)	48,490	78,640	148,613
<b>Fund balance, January 1 . . . . .</b>	<b>259,850</b>	<b>259,850</b>	<b>259,850</b>	<b>-</b>	<b>111,237</b>
<b>Fund balance, December 31. . . . .</b>	<b>\$ 259,850</b>	<b>\$ 229,700</b>	<b>\$ 308,340</b>	<b>\$ 78,640</b>	<b>\$ 259,850</b>

**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, 2012  
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED DECEMBER 31, 2011)

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with</u>	<u>2011</u>
	<u>Original</u>	<u>Final</u>		<u>Final Budget</u>	
				<u>Positive</u>	
				<u>(Negative)</u>	
<b>Revenues:</b>					
Intergovernmental . . . . .	\$ 141,400	\$ 141,400	\$ 142,263	\$ 863	\$ 141,435
Investment income . . . . .	300	300	177	(123)	289
Reimbursements. . . . .	-	-	214	214	-
Total revenues . . . . .	<u>141,700</u>	<u>141,700</u>	<u>142,654</u>	<u>954</u>	<u>141,724</u>
<b>Expenditures:</b>					
Current:					
Transportation					
Other . . . . .	<u>111,112</u>	<u>140,812</u>	<u>83,467</u>	<u>57,345</u>	<u>194,828</u>
Total expenditures . . . . .	<u>111,112</u>	<u>140,812</u>	<u>83,467</u>	<u>57,345</u>	<u>194,828</u>
Net change in fund balance . . . . .	30,588	888	59,187	58,299	(53,104)
<b>Fund balance, January 1 . . . . .</b>	<u>93,913</u>	<u>93,913</u>	<u>93,913</u>	<u>-</u>	<u>147,017</u>
<b>Fund balance (deficit), December 31. . . . .</b>	<u>\$ 124,501</u>	<u>\$ 94,801</u>	<u>\$ 153,100</u>	<u>\$ 58,299</u>	<u>\$ 93,913</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, 2012  
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED DECEMBER 31, 2011)

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with</u>	<u>2011</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 . . . . .	\$ 789	\$ 789	\$ 75	\$ 714	\$ 99
Total expenditures . . . . .	789	789	75	714	99
Net change in fund balance . . . . .	(789)	(789)	(75)	714	(99)
<b>Fund balance, January 1 . . . . .</b>	<u>790</u>	<u>790</u>	<u>790</u>	<u>-</u>	<u>889</u>
<b>Fund balance, December 31 . . . . .</b>	<u>\$ 1</u>	<u>\$ 1</u>	<u>\$ 715</u>	<u>\$ 714</u>	<u>\$ 790</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, 2012  
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED DECEMBER 31, 2011)

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with</u>	<u>2011</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 . . . . .	\$ 3,502	\$ 3,502	\$ 2,320	\$ 1,182	\$ 4,575
Total expenditures . . . . .	3,502	3,502	2,320	1,182	4,575
Net change in fund balance . . . . .	(3,502)	(3,502)	(2,320)	1,182	(4,575)
<b>Fund balance, January 1 . . . . .</b>	<u>3,502</u>	<u>3,502</u>	<u>3,502</u>	<u>-</u>	<u>8,077</u>
<b>Fund balance (deficit), December 31 . . . . .</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,182</u>	<u>\$ 1,182</u>	<u>\$ 3,502</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, 2012  
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED DECEMBER 31, 2011)

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with</u>	<u>2011</u>
	<u>Original</u>	<u>Final</u>		<u>Final Budget</u>	
				<u>Positive</u>	
				<u>(Negative)</u>	
<b>Revenues:</b>					
Fines and forfeitures . . . . .	\$ 7,000	\$ 19,500	\$ 31,248	\$ 11,748	\$ 27,282
Total revenues . . . . .	7,000	19,500	31,248	11,748	27,282
<b>Expenditures:</b>					
Current:					
General government					
Other . . . . .	120,000	120,000	-	120,000	798
Total expenditures . . . . .	120,000	120,000	-	120,000	798
Net change in fund balance . . . . .	(113,000)	(100,500)	31,248	131,748	26,484
<b>Fund balance, January 1 . . . . .</b>	<b>209,703</b>	<b>209,703</b>	<b>209,703</b>	<b>-</b>	<b>183,219</b>
<b>Fund balance, December 31 . . . . .</b>	<b>\$ 96,703</b>	<b>\$ 109,203</b>	<b>\$ 240,951</b>	<b>\$ 131,748</b>	<b>\$ 209,703</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, 2012  
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED DECEMBER 31, 2011)

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>	<u>2011 Actual</u>
	<u>Original</u>	<u>Final</u>			
<b>Revenues:</b>					
Fines and forfeitures . . . . .	\$ 2,500	\$ 3,100	\$ 3,379	\$ 279	\$ 3,334
Total revenues . . . . .	<u>2,500</u>	<u>3,100</u>	<u>3,379</u>	<u>279</u>	<u>3,334</u>
<b>Expenditures:</b>					
Current:					
Security of persons and property					
Other . . . . .	<u>55,996</u>	<u>55,996</u>	<u>1,000</u>	<u>54,996</u>	<u>1,742</u>
Total expenditures . . . . .	<u>55,996</u>	<u>55,996</u>	<u>1,000</u>	<u>54,996</u>	<u>1,742</u>
Net change in fund balance . . . . .	(53,496)	(52,896)	2,379	55,275	1,592
<b>Fund balance, January 1 . . . . .</b>	<u>54,261</u>	<u>54,261</u>	<u>54,261</u>	<u>-</u>	<u>52,669</u>
<b>Fund balance, December 31 . . . . .</b>	<u>\$ 765</u>	<u>\$ 1,365</u>	<u>\$ 56,640</u>	<u>\$ 55,275</u>	<u>\$ 54,261</u>

**CITY OF FINDLAY, OHIO**

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

FOR THE YEAR ENDED DECEMBER 31, 2012  
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED DECEMBER 31, 2011)

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with</u>	<u>2011</u>
	<u>Original</u>	<u>Final</u>		<u>Final Budget</u>	
				<u>Positive</u>	
				<u>(Negative)</u>	
<b>Revenues:</b>					
Charges for services . . . . .	\$ 95,000	\$ 148,000	\$ 158,781	\$ 10,781	\$ 103,552
Reimbursements. . . . .	-	-	27	27	23
Total revenues . . . . .	<u>95,000</u>	<u>148,000</u>	<u>158,808</u>	<u>10,808</u>	<u>103,575</u>
<b>Expenditures:</b>					
Current:					
General government					
Personal services . . . . .	97,062	97,062	89,668	7,394	90,050
Other . . . . .	12,820	79,820	39,477	40,343	1,320
Total expenditures . . . . .	<u>109,882</u>	<u>176,882</u>	<u>129,145</u>	<u>47,737</u>	<u>91,370</u>
Excess (deficiency) of revenues over (under) expenditures . . . . .	<u>(14,882)</u>	<u>(28,882)</u>	<u>29,663</u>	<u>58,545</u>	<u>12,205</u>
<b>Other financing sources:</b>					
Transfers in . . . . .	-	67,000	67,000	-	-
Total other financing sources . . . . .	<u>-</u>	<u>67,000</u>	<u>67,000</u>	<u>-</u>	<u>-</u>
Net change in fund balance . . . . .	<u>(14,882)</u>	<u>38,118</u>	<u>96,663</u>	<u>58,545</u>	<u>12,205</u>
<b>Fund balance, January 1 . . . . .</b>	<u>111,763</u>	<u>111,763</u>	<u>111,763</u>	<u>-</u>	<u>99,558</u>
<b>Fund balance, December 31 . . . . .</b>	<u>\$ 96,881</u>	<u>\$ 149,881</u>	<u>\$ 208,426</u>	<u>\$ 58,545</u>	<u>\$ 111,763</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, 2012  
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED DECEMBER 31, 2011)

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with</u>	<u>2011</u>
	<u>Original</u>	<u>Final</u>		<u>Final Budget</u>	
				<u>Positive</u>	
				<u>(Negative)</u>	
<b>Revenues:</b>					
Charges for services . . . . .	\$ 40,000	\$ 52,000	\$ 52,200	\$ 200	\$ 46,250
Total revenues . . . . .	40,000	52,000	52,200	200	46,250
<b>Expenditures:</b>					
Current:					
General government					
Other . . . . .	69,088	69,088	47,142	21,946	37,153
Total expenditures . . . . .	69,088	69,088	47,142	21,946	37,153
Net change in fund balance . . . . .	(29,088)	(17,088)	5,058	22,146	9,097
<b>Fund balance, January 1 . . . . .</b>	<u>80,572</u>	<u>80,572</u>	<u>80,572</u>	<u>-</u>	<u>71,475</u>
<b>Fund balance, December 31 . . . . .</b>	<u>\$ 51,484</u>	<u>\$ 63,484</u>	<u>\$ 85,630</u>	<u>\$ 22,146</u>	<u>\$ 80,572</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, 2012  
 (WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED DECEMBER 31, 2011)

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with</u>	<u>2011</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, 2012  
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED DECEMBER 31, 2011)

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with</u>	<u>2011</u>
	<u>Original</u>	<u>Final</u>		<u>Final Budget</u>	
				<u>Positive</u>	
				<u>(Negative)</u>	
<b>Revenues:</b>					
Fines and forfeitures . . . . .	\$ 23,000	\$ 23,000	\$ 23,517	\$ 517	\$ 23,454
Total revenues . . . . .	23,000	23,000	23,517	517	23,454
<b>Current:</b>					
General government					
Other . . . . .	30,000	30,000	-	30,000	25,154
Total expenditures . . . . .	30,000	30,000	-	30,000	25,154
Net change in fund balance . . . . .	(7,000)	(7,000)	23,517	30,517	(1,700)
<b>Fund balance, January 1 . . . . .</b>	<u>26,267</u>	<u>26,267</u>	<u>26,267</u>	<u>-</u>	<u>27,967</u>
<b>Fund balance, December 31 . . . . .</b>	<u>\$ 19,267</u>	<u>\$ 19,267</u>	<u>\$ 49,784</u>	<u>\$ 30,517</u>	<u>\$ 26,267</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, 2012  
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED DECEMBER 31, 2011)

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with</u>	<u>2011</u>
	<u>Original</u>	<u>Final</u>		<u>Final Budget</u>	
				<u>Positive</u>	
				<u>(Negative)</u>	
<b>Revenues:</b>					
Fines and forfeitures . . . . .	\$ 14,000	\$ 16,000	\$ 17,392	\$ 1,392	\$ 15,368
Total revenues . . . . .	14,000	16,000	17,392	1,392	15,368
<b>Expenditures:</b>					
Current:					
General government					
Other . . . . .	6,500	6,500	2,350	4,150	2,500
Total expenditures . . . . .	6,500	6,500	2,350	4,150	2,500
Excess (deficiency) of revenues over (under) expenditures . . . . .	7,500	9,500	15,042	5,542	12,868
<b>Other financing uses:</b>					
Transfers out . . . . .	-	(67,000)	(67,000)	-	-
Total other financing uses . . . . .	-	(67,000)	(67,000)	-	-
Net change in fund balance . . . . .	7,500	(57,500)	(51,958)	5,542	12,868
<b>Fund balance, January 1 . . . . .</b>	<u>76,993</u>	<u>76,993</u>	<u>76,993</u>	<u>-</u>	<u>64,125</u>
<b>Fund balance, December 31 . . . . .</b>	<u>\$ 84,493</u>	<u>\$ 19,493</u>	<u>\$ 25,035</u>	<u>\$ 5,542</u>	<u>\$ 76,993</u>



**CITY OF FINDLAY, OHIO**

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

FOR THE YEAR ENDED DECEMBER 31, 2012  
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED DECEMBER 31, 2011)

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with</u>	<u>2011</u>
	<u>Original</u>	<u>Final</u>		<u>Final Budget</u>	
				<u>Positive</u>	
				<u>(Negative)</u>	
<b>Revenues:</b>					
Fines and forfeitures . . . . .	\$ 40,000	\$ 50,000	\$ 52,361	\$ 2,361	\$ 46,219
Reimbursements . . . . .	-	-	40	40	14
Total revenues . . . . .	<u>40,000</u>	<u>50,000</u>	<u>52,401</u>	<u>2,401</u>	<u>46,233</u>
<b>Expenditures:</b>					
Current:					
General government					
Personal services . . . . .	63,636	63,636	32,367	31,269	-
Other . . . . .	<u>10,300</u>	<u>10,300</u>	-	<u>10,300</u>	<u>55,923</u>
Total expenditures . . . . .	<u>73,936</u>	<u>73,936</u>	<u>32,367</u>	<u>41,569</u>	<u>55,923</u>
Net change in fund balance . . . . .	(33,936)	(23,936)	20,034	43,970	(9,690)
<b>Fund balance, January 1 . . . . .</b>	<u>36,995</u>	<u>36,995</u>	<u>36,995</u>	-	<u>46,685</u>
<b>Fund balance, December 31 . . . . .</b>	<u>\$ 3,059</u>	<u>\$ 13,059</u>	<u>\$ 57,029</u>	<u>\$ 43,970</u>	<u>\$ 36,995</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, 2012  
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED DECEMBER 31, 2011)

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>	<u>2011 Actual</u>
	<u>Original</u>	<u>Final</u>			
<b>Revenues:</b>					
Fines and forfeitures . . . . .	\$ -	\$ -	\$ 53	\$ 53	\$ 82
Total revenues . . . . .	-	-	53	53	82
Net change in fund balance . . . . .	-	-	53	53	82
<b>Fund balance, January 1 . . . . .</b>	<u>20,146</u>	<u>20,146</u>	<u>20,146</u>	<u>-</u>	<u>20,064</u>
<b>Fund balance, December 31 . . . . .</b>	<u>\$ 20,146</u>	<u>\$ 20,146</u>	<u>\$ 20,199</u>	<u>\$ 53</u>	<u>\$ 20,146</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, 2012  
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED DECEMBER 31, 2011)

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with</u>	<u>2011</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 . . . . .	\$ 216,269	\$ 216,269	\$ 215,671	\$ (598)	\$ 220,851
Intergovernmental . . . . .	45,367	45,367	45,242	(125)	55,036
<b>Total revenues . . . . .</b>	<u>261,636</u>	<u>261,636</u>	<u>260,913</u>	<u>(723)</u>	<u>275,887</u>
<b>Expenditures:</b>					
Current:					
Security of persons and property					
Other . . . . .	5,500	5,500	4,777	723	4,901
<b>Total expenditures . . . . .</b>	<u>5,500</u>	<u>5,500</u>	<u>4,777</u>	<u>723</u>	<u>4,901</u>
Excess of revenues over expenditures . . . . .	<u>256,136</u>	<u>256,136</u>	<u>256,136</u>	<u>-</u>	<u>270,986</u>
<b>Other financing uses:</b>					
Transfers out . . . . .	(257,449)	(256,136)	(256,136)	-	(270,986)
<b>Total other financing uses . . . . .</b>	<u>(257,449)</u>	<u>(256,136)</u>	<u>(256,136)</u>	<u>-</u>	<u>(270,986)</u>
Net change in fund balance . . . . .	(1,313)	-	-	-	-
<b>Fund balance, January 1 . . . . .</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Fund balance (deficit), December 31 . . . . .</b>	<u>\$ (1,313)</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, 2012  
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED DECEMBER 31, 2011)

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with</u>	<u>2011</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 . . . . .	\$ 216,269	\$ 216,269	\$ 215,671	\$ (598)	\$ 220,851
Intergovernmental . . . . .	45,367	45,367	45,242	(125)	55,036
Total revenues . . . . .	<u>261,636</u>	<u>261,636</u>	<u>260,913</u>	<u>(723)</u>	<u>275,887</u>
<b>Expenditures:</b>					
Current:					
Security of persons and property					
Other . . . . .	5,500	5,500	4,777	723	4,901
Total expenditures . . . . .	<u>5,500</u>	<u>5,500</u>	<u>4,777</u>	<u>723</u>	<u>4,901</u>
Excess of revenues over expenditures . . . . .	<u>256,136</u>	<u>256,136</u>	<u>256,136</u>	<u>-</u>	<u>270,986</u>
<b>Other financing uses:</b>					
Transfers out . . . . .	(257,449)	(256,136)	(256,136)	-	(270,986)
Total other financing uses . . . . .	<u>(257,449)</u>	<u>(256,136)</u>	<u>(256,136)</u>	<u>-</u>	<u>(270,986)</u>
Net change in fund balance . . . . .	(1,313)	-	-	-	-
<b>Fund balance, January 1 . . . . .</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Fund balance (deficit), December 31 . . . . .</b>	<u>\$ (1,313)</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, 2012  
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED DECEMBER 31, 2011)

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with</u>	<u>2011</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 . . . . .	\$ -	\$ 526,000	\$ 512,936	\$ 13,064	\$ 225,641
Total expenditures . . . . .	-	526,000	512,936	13,064	225,641
Net change in fund balance . . . . .	-	(526,000)	(512,936)	13,064	(225,641)
<b>Fund balance, January 1 . . . . .</b>	<u>1,084,266</u>	<u>1,084,266</u>	<u>1,084,266</u>	<u>-</u>	<u>1,309,907</u>
<b>Fund balance, December 31 . . . . .</b>	<u>\$ 1,084,266</u>	<u>\$ 558,266</u>	<u>\$ 571,330</u>	<u>\$ 13,064</u>	<u>\$ 1,084,266</u>

**CITY OF FINDLAY, OHIO**

COMPARATIVE BALANCE SHEET  
NONMAJOR DEBT SERVICE FUND

DECEMBER 31, 2012  
(WITH COMPARATIVE TOTALS FOR DECEMBER 31, 2011)

	<u>2012</u>	<u>2011</u>
<b>Assets:</b>		
Equity in pooled cash and investments. . . . .	\$ 9,984	\$ 5,574
Cash with escrow agent. . . . .	33,140	33,137
Receivables (net of allowances of uncollectibles). . . . .	<u>443,092</u>	<u>203,545</u>
Total assets. . . . .	<u>\$ 486,216</u>	<u>\$ 242,256</u>
<b>Liabilities:</b>		
Matured bonds payable . . . . .	<u>\$ 33,140</u>	<u>\$ 33,137</u>
Total liabilities. . . . .	<u>33,140</u>	<u>33,137</u>
<b>Deferred inflows of resources:</b>		
Property taxes levied for the next fiscal year. . . . .	-	178,944
TIF revenue levied for next fiscal year . . . . .	187,548	-
Special assessments revenue not available. . . . .	<u>211,004</u>	<u>4,271</u>
Total deferred inflows of resources . . . . .	<u>398,552</u>	<u>183,215</u>
Total liabilities and deferred inflows of resources.	<u>431,692</u>	<u>216,352</u>
<b>Fund balance:</b>		
Restricted . . . . .	<u>54,524</u>	<u>25,904</u>
Total fund balance . . . . .	<u>54,524</u>	<u>25,904</u>
Total liabilities, deferred inflows of resources and fund balances . . . . .	<u>\$ 486,216</u>	<u>\$ 242,256</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, 2012  
(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED DECEMBER 31, 2011)

	<u>2012</u>	<u>2011</u>
<b>Revenues:</b>		
Charges for services . . . . .	\$ 364	\$ -
Intergovernmental . . . . .	18,457	7,742
Special assessments . . . . .	37,433	9,023
Contributions and donations . . . . .	45,000	145,000
Tax increment financing . . . . .	71,284	70,551
Total revenues . . . . .	<u>172,538</u>	<u>232,316</u>
<b>Expenditures:</b>		
Debt service:		
Principal retirement . . . . .	565,989	667,203
Interest and fiscal charges . . . . .	410,889	411,050
Total expenditures . . . . .	<u>976,878</u>	<u>1,078,253</u>
Excess of expenditures over revenues . . . . .	<u>(804,340)</u>	<u>(845,937)</u>
<b>Other financing sources (uses):</b>		
Transfers in . . . . .	1,097,888	1,108,163
Transfers out . . . . .	<u>(264,928)</u>	<u>(355,098)</u>
Total other financing sources (uses) . . . . .	<u>832,960</u>	<u>753,065</u>
Net change in fund balances . . . . .	28,620	(92,872)
<b>Fund balance, January 1 . . . . .</b>	<u>25,904</u>	<u>118,776</u>
<b>Fund balance, December 31 . . . . .</b>	<u><u>\$ 54,524</u></u>	<u><u>\$ 25,904</u></u>

**CITY OF FINDLAY, OHIO**

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

FOR THE YEAR ENDED DECEMBER 31, 2012  
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED DECEMBER 31, 2011)

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with</u>	<u>2011</u>
	<u>Original</u>	<u>Final</u>		<u>Final Budget</u>	
				<u>Positive</u>	
				<u>(Negative)</u>	
<b>Revenues:</b>					
Charges for services . . . . .	\$ -	\$ 364	\$ 364	\$ -	\$ -
Intergovernmental . . . . .	-	18,457	18,457	-	7,742
Special assessments . . . . .	8,813	8,813	37,433	28,620	9,023
Contributions and donations . . . . .	45,000	45,000	45,000	-	145,000
Tax increment financing . . . . .	-	71,284	71,284	-	70,551
<b>Total revenues . . . . .</b>	<b>53,813</b>	<b>143,918</b>	<b>172,538</b>	<b>28,620</b>	<b>232,316</b>
<b>Expenditures:</b>					
Debt service:					
Principal retirement . . . . .	558,019	558,019	565,989	(7,970)	667,203
Interest and fiscal charges . . . . .	418,842	418,859	410,889	7,970	411,050
<b>Total debt service . . . . .</b>	<b>976,861</b>	<b>976,878</b>	<b>976,878</b>	<b>-</b>	<b>1,078,253</b>
<b>Total expenditures . . . . .</b>	<b>976,861</b>	<b>976,878</b>	<b>976,878</b>	<b>-</b>	<b>1,078,253</b>
Excess of expenditures over revenues . . . . .	(923,048)	(832,960)	(804,340)	28,620	(845,937)
<b>Other financing sources (uses):</b>					
Transfers in . . . . .	923,048	1,124,172	1,097,888	(26,284)	1,108,163
Transfers out . . . . .	-	(264,928)	(264,928)	-	(355,098)
<b>Total other financing sources (uses) . . . . .</b>	<b>923,048</b>	<b>859,244</b>	<b>832,960</b>	<b>(26,284)</b>	<b>753,065</b>
Net change in fund balance . . . . .	-	26,284	28,620	2,336	(92,872)
<b>Fund balance, January 1 . . . . .</b>	<b>25,904</b>	<b>25,904</b>	<b>25,904</b>	<b>-</b>	<b>118,776</b>
<b>Fund balance, December 31 . . . . .</b>	<b>\$ 25,904</b>	<b>\$ 52,188</b>	<b>\$ 54,524</b>	<b>\$ 2,336</b>	<b>\$ 25,904</b>



**CITY OF FINDLAY, OHIO**

COMBINING BALANCE SHEET  
NONMAJOR CAPITAL PROJECTS FUNDS

DECEMBER 31, 2012  
(WITH COMPARATIVE TOTALS FOR DECEMBER 31, 2011)

	<b>Capital Improvement Projects</b>	<b>Municipal Court Improvements</b>	<b>Totals</b>	
			<b>2012</b>	<b>2011</b>
<b>Assets:</b>				
Equity in pooled cash and investments . . . . .	\$ 83	\$ 523,725	\$ 523,808	\$ 709,147
Total assets. . . . .	<u>\$ 83</u>	<u>\$ 523,725</u>	<u>\$ 523,808</u>	<u>\$ 709,147</u>
<b>Liabilities:</b>				
Accounts payable. . . . .	\$ -	\$ 7,099	\$ 7,099	\$ 34,125
Accrued interest payable . . . . .	-	-	-	14
Interfund loans payable . . . . .	-	-	-	353,200
Notes payable . . . . .	-	-	-	40,000
Total liabilities. . . . .	<u>-</u>	<u>7,099</u>	<u>7,099</u>	<u>427,339</u>
<b>Fund balance:</b>				
Restricted . . . . .	83	516,626	516,709	614,526
Unassigned (deficit). . . . .	<u>-</u>	<u>-</u>	<u>-</u>	<u>(332,718)</u>
Total fund balance . . . . .	<u>83</u>	<u>516,626</u>	<u>516,709</u>	<u>281,808</u>
Total liabilities, deferred inflows of resources and fund balances . . . . .	<u>\$ 83</u>	<u>\$ 523,725</u>	<u>\$ 523,808</u>	<u>\$ 709,147</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, 2012  
(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED DECEMBER 31, 2011)

	Capital Improvement Projects	Municipal Court Improvements	Totals	
			2012	2011
<b>Revenues:</b>				
Charges for services . . . . .	\$ -	\$ -	\$ -	\$ 100
Fines and forfeitures . . . . .	-	50,819	50,819	44,950
Special assessments . . . . .	170,924	-	170,924	-
Total revenues . . . . .	170,924	50,819	221,743	45,050
<b>Expenditures:</b>				
Capital outlay . . . . .	35,041	148,719	183,760	397,598
Debt service:				
Interest and fiscal charges . . . . .	14,082	-	14,082	14
Total expenditures . . . . .	49,123	148,719	197,842	397,612
Excess of expenditures over revenues . . . . .	121,801	(97,900)	23,901	(352,562)
<b>Other financing sources:</b>				
Bond issuance . . . . .	211,000	-	211,000	-
Transfers in . . . . .	-	-	-	1,000
Total other financing sources. . . . .	211,000	-	211,000	1,000
Net change in fund balances . . . . .	332,801	(97,900)	234,901	(351,562)
<b>Fund balances (deficit), January 1 . . . . .</b>	<b>(332,718)</b>	<b>614,526</b>	<b>281,808</b>	<b>633,370</b>
<b>Fund balance, December 31 . . . . .</b>	<b>\$ 83</b>	<b>\$ 516,626</b>	<b>\$ 516,709</b>	<b>\$ 281,808</b>

**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, 2012  
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED DECEMBER 31, 2011)

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>	<u>2011 Actual</u>
	<u>Original</u>	<u>Final</u>			
<b>Revenues:</b>					
Charges for services . . . . .	\$ -	\$ -	\$ -	\$ -	\$ 100
Special assessments . . . . .	-	170,924	170,924	-	-
Total revenues . . . . .	-	170,924	170,924	-	100
<b>Expenditures:</b>					
Capital outlay					
Other . . . . .	-	35,041	35,041	-	293,590
Debt service					
Interest and fiscal charges . . . . .	-	14,082	14,082	-	14
Total expenditures . . . . .	-	49,123	49,123	-	293,604
Excess of expenditures over revenues . . . . .	-	121,801	121,801	-	(293,504)
<b>Other financing sources:</b>					
Bond issuance . . . . .	-	211,000	211,000	-	-
Transfers in . . . . .	-	-	-	-	1,000
Total other financing sources (uses) . . . . .	-	211,000	211,000	-	1,000
Net change in fund balance . . . . .	-	332,801	332,801	-	(292,504)
<b>Fund balance (deficit), January 1 . . . . .</b>	<u>(332,718)</u>	<u>(332,718)</u>	<u>(332,718)</u>	<u>-</u>	<u>(40,214)</u>
<b>Fund balance (deficit), December 31 . . . . .</b>	<u>\$ (332,718)</u>	<u>\$ 83</u>	<u>\$ 83</u>	<u>\$ -</u>	<u>\$ (332,718)</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, 2012  
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED DECEMBER 31, 2011)

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with</u>	<u>2011</u>
	<u>Original</u>	<u>Final</u>		<u>Final Budget</u>	
				<u>Positive</u>	
				<u>(Negative)</u>	
<b>Revenues:</b>					
Fines and forfeitures . . . . .	\$ 43,000	\$ 43,640	\$ 50,819	\$ 7,179	\$ 44,950
Total revenues . . . . .	43,000	43,640	50,819	7,179	44,950
<b>Expenditures:</b>					
Capital outlay					
Other . . . . .	319,500	352,945	148,719	204,226	104,008
Total expenditures . . . . .	319,500	352,945	148,719	204,226	104,008
Net change in fund balance . . . . .	(276,500)	(309,305)	(97,900)	211,405	(59,058)
<b>Fund balance, January 1 . . . . .</b>	<u>614,526</u>	<u>614,526</u>	<u>614,526</u>	<u>-</u>	<u>673,584</u>
<b>Fund balance, December 31. . . . .</b>	<u>\$ 338,026</u>	<u>\$ 305,221</u>	<u>\$ 516,626</u>	<u>\$ 211,405</u>	<u>\$ 614,526</u>

**CITY OF FINDLAY, OHIO**

COMPARATIVE BALANCE SHEET  
NONMAJOR CEMETERY TRUST PERMANENT FUND

DECEMBER 31, 2012  
(WITH COMPARATIVE TOTALS FOR DECEMBER 31, 2011)

	<b>2012</b>	<b>2011</b>
<b>Assets:</b>		
Equity in pooled cash and investments . . . . .	\$ 1,233,377	\$ 1,206,677
Receivables (net of allowances of uncollectibles).	75	203
Total assets . . . . .	\$ 1,233,452	\$ 1,206,880
 <b>Fund balance:</b>		
Nonspendable . . . . .	\$ 1,231,975	\$ 1,204,779
Restricted . . . . .	1,477	2,101
Total fund balance . . . . .	1,233,452	1,206,880
Total liabilities and fund balance . . . . .	\$ 1,233,452	\$ 1,206,880

**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, 2012  
(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED DECEMBER 31, 2011)

	<u>2012</u>	<u>2011</u>
<b>Revenues:</b>		
Charges for services . . . . .	\$ 26,700	\$ 30,201
Investment income . . . . .	<u>1,477</u>	<u>2,101</u>
Total revenues . . . . .	<u>28,177</u>	<u>32,302</u>
 <b>Expenditures:</b>		
Current:		
Public health and welfare. . . . .	<u>1,605</u>	<u>2,020</u>
Total expenditures . . . . .	<u>1,605</u>	<u>2,020</u>
 Net change in fund balance . . . . .	26,572	30,282
 <b>Fund balance, January 1 . . . . .</b>	<u>1,206,880</u>	<u>1,176,598</u>
<b>Fund balance, December 31. . . . .</b>	<u><u>\$ 1,233,452</u></u>	<u><u>\$ 1,206,880</u></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, 2012  
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED DECEMBER 31, 2011)

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with</u>	<u>2011</u>
	<u>Original</u>	<u>Final</u>		<u>Final Budget</u>	
				<u>Positive</u>	
				<u>(Negative)</u>	
<b>Revenues:</b>					
Charges for services . . . . .	\$ 25,000	\$ 25,000	\$ 26,700	\$ 1,700	\$ 30,201
Investment income . . . . .	2,400	1,400	1,477	77	2,101
Total revenues . . . . .	<u>27,400</u>	<u>26,400</u>	<u>28,177</u>	<u>1,777</u>	<u>32,302</u>
<b>Expenditures:</b>					
Current:					
Public health and welfare					
Other . . . . .	<u>2,000</u>	<u>2,000</u>	<u>1,605</u>	<u>395</u>	<u>2,020</u>
Total expenditures . . . . .	<u>2,000</u>	<u>2,000</u>	<u>1,605</u>	<u>395</u>	<u>2,020</u>
Net change in fund balance . . . . .	25,400	24,400	26,572	2,172	30,282
<b>Fund balance, January 1 . . . . .</b>	<u>1,206,880</u>	<u>1,206,880</u>	<u>1,206,880</u>	<u>-</u>	<u>1,176,598</u>
<b>Fund balance, December 31. . . . .</b>	<u>\$ 1,232,280</u>	<u>\$ 1,231,280</u>	<u>\$ 1,233,452</u>	<u>\$ 2,172</u>	<u>\$ 1,206,880</u>

## CITY OF FINDLAY, OHIO

### Enterprise Funds

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

The City has the following major enterprise funds:

***Water Fund***

***Water Pollution Control Fund***

***Airport Fund***

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

The City has the following nonmajor enterprise funds:

***Swimming Pool:***

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

***Parking Facilities:***

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



**CITY OF FINDLAY, OHIO**

COMPARATIVE STATEMENT OF NET POSITION  
WATER FUND

DECEMBER 31, 2012 AND 2011

	<u>2012</u>	<u>Restated 2011</u>
<b>Assets:</b>		
Current assets:		
Equity in pooled cash and investments . . . . .	\$ 5,885,676	\$ 4,576,002
Receivables (net of allowances of uncollectibles) . . .	1,603,542	1,556,309
Prepayments . . . . .	29,831	27,030
Materials and supplies inventory . . . . .	564,777	599,269
Total current assets . . . . .	<u>8,083,826</u>	<u>6,758,610</u>
Noncurrent assets:		
Restricted assets:		
Equity in pooled cash and investments . . . . .	726,431	717,301
Capital assets:		
Nondepreciable capital assets. . . . .	3,356,346	3,822,018
Depreciable capital assets, net . . . . .	49,586,798	48,735,584
Total noncurrent assets . . . . .	<u>53,669,575</u>	<u>53,274,903</u>
Total assets . . . . .	<u>61,753,401</u>	<u>60,033,513</u>
<b>Deferred outflows of resources:</b>		
Unamortized deferred charges on debt refunding . . .	130,898	158,622
Total deferred outflows of resources . . . . .	<u>130,898</u>	<u>158,622</u>
Total assets and deferred outflows of resources . . .	<u>61,884,299</u>	<u>60,192,135</u>
<b>Liabilities:</b>		
Current liabilities:		
Accounts payable. . . . .	87,382	108,734
Contracts payable. . . . .	14,500	1,341
Accrued wages and benefits payable . . . . .	76,084	36,237
Insurance deposits payable . . . . .	47,789	47,671
Due to other funds . . . . .	411,122	415,594
Deposits held and due to others . . . . .	607,921	558,700
Deferred revenue. . . . .	-	9,534
Accrued interest payable . . . . .	99,366	109,345
Compensated absences payable - current. . . . .	277,345	249,277
Bonds payable - current . . . . .	630,000	610,000
Loans payable - current . . . . .	242,780	237,168
Total current liabilities . . . . .	<u>2,494,289</u>	<u>2,383,601</u>
Long-term liabilities:		
Compensated absences payable. . . . .	-	149,043
Bonds payable. . . . .	3,195,506	3,835,771
Loans payable . . . . .	3,531,168	3,773,948
Total long-term liabilities . . . . .	<u>6,726,674</u>	<u>7,758,762</u>
Total liabilities. . . . .	<u>9,220,963</u>	<u>10,142,363</u>
<b>Net position:</b>		
Net investment in capital assets . . . . .	45,474,588	44,259,337
Restricted for:		
Capital projects . . . . .	726,431	717,301
Unrestricted . . . . .	6,462,317	5,073,134
Total net position . . . . .	<u>\$ 52,663,336</u>	<u>\$ 50,049,772</u>

**CITY OF FINDLAY, OHIO**

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

FOR THE YEAR ENDED DECEMBER 31, 2012 AND 2011

	<u>2012</u>	<u>Restated 2011</u>
<b>Operating revenues:</b>		
Charges for services . . . . .	\$ 8,414,617	\$ 7,343,601
Other . . . . .	55,716	90,860
Total operating revenues . . . . .	<u>8,470,333</u>	<u>7,434,461</u>
<b>Operating expenses:</b>		
Personal services . . . . .	2,791,634	2,869,940
Contract services . . . . .	453,814	660,533
Materials and supplies. . . . .	1,117,571	950,061
Utilities . . . . .	369,946	361,976
Depreciation. . . . .	1,245,868	1,215,680
Total operating expenses . . . . .	<u>5,978,833</u>	<u>6,058,190</u>
Operating income. . . . .	<u>2,491,500</u>	<u>1,376,271</u>
<b>Nonoperating revenues (expenses):</b>		
Intergovernmental. . . . .	65,213	54,609
Interest revenue. . . . .	7,285	18,863
Interest expense and fiscal charges . . . . .	(251,194)	(270,820)
Total nonoperating revenues (expenses) . . . . .	<u>(178,696)</u>	<u>(197,348)</u>
Income before contributions . . . . .	2,312,804	1,178,923
Capital contributions. . . . .	300,760	73,851
Change in net position . . . . .	2,613,564	1,252,774
<b>Net position, January 1 (restated) . . . . .</b>	<u>50,049,772</u>	<u>48,796,998</u>
<b>Net position, December 31 . . . . .</b>	<u>\$ 52,663,336</u>	<u>\$ 50,049,772</u>

**CITY OF FINDLAY, OHIO**

**COMPARATIVE STATEMENT OF CASH FLOWS  
WATER FUND**

FOR THE YEAR ENDED DECEMBER 31, 2012 AND 2011

	<b>2012</b>	<b>2011</b>
<b>Cash flows from operating activities:</b>		
Cash received from customers . . . . .	\$ 8,357,324	\$ 7,300,499
Cash received from other operations . . . . .	55,716	90,860
Cash payments for personal services . . . . .	(2,872,644)	(2,858,757)
Cash payments for contract services. . . . .	(407,394)	(632,650)
Cash payments for materials and supplies. . . . .	(1,104,431)	(917,942)
Cash payments for utilities. . . . .	(374,418)	(343,310)
Net cash provided by operating activities. . . . .	3,654,153	2,638,700
<b>Cash flows from noncapital financing activities:</b>		
Grants and contributions . . . . .	65,213	54,609
Net cash provided by noncapital financing activities . . . . .	65,213	54,609
<b>Cash flows from capital and related financing activities:</b>		
Acquisition of capital assets . . . . .	(1,317,493)	(1,305,613)
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 . . . . .	(610,000)	(380,000)
Interest paid on bonds. . . . .	(139,429)	(157,537)
Principal paid on loans . . . . .	(237,168)	(231,734)
Interest paid on loans . . . . .	(104,283)	(109,720)
Net cash used in capital and related financing activities . . . . .	(2,408,373)	(2,409,464)
<b>Cash flows from investing activities:</b>		
Interest received. . . . .	7,811	22,921
Net cash provided by investing activities . . . . .	7,811	22,921
Net increase in cash and cash equivalents . . . . .	1,318,804	306,766
<b>Cash and cash equivalents at beginning of year . .</b>	<b>5,293,303</b>	<b>4,986,537</b>
<b>Cash and cash equivalents at end of year. . . . .</b>	<b>\$ 6,612,107</b>	<b>\$ 5,293,303</b>

- - continued

**CITY OF FINDLAY, OHIO**

COMPARATIVE STATEMENT OF CASH FLOWS  
WATER FUND (CONTINUED)

FOR THE YEAR ENDED DECEMBER 31, 2012 AND 2011

	<b>2012</b>	<b>2011</b>
<b>Reconciliation of operating income to net cash provided by operating activities:</b>		
Operating income . . . . .	\$ 2,491,500	\$ 1,376,271
Adjustments to reconcile operating income to net cash provided by operating activities:		
Depreciation . . . . .	1,245,868	1,215,680
Changes in assets and liabilities:		
(Increase) in accounts receivable. . . . .	(47,759)	(51,732)
Decrease in materials and supplies inventory . . . . .	34,492	12,633
(Increase) decrease in prepayments. . . . .	(2,801)	33
Increase (decrease) in accounts payable . . . . .	(21,352)	19,486
Increase in accrued wages and benefits. . . . .	39,847	1,197
Increase (decrease) in compensated absences payable. . . . .	(120,975)	2,343
Increase in insurance deposits payable . . . . .	118	7,643
Increase in deposits held and due to others . . . . .	49,221	27,850
Increase (decrease) in deferred revenue . . . . .	(9,534)	8,630
Increase (decrease) in due to other funds . . . . .	(4,472)	18,666
Net cash provided by operating activities . . . . .	\$ 3,654,153	\$ 2,638,700

**Non-cash Transactions:**

During 2012, the Water fund received \$300,760 in capital contributions of donated water lines from private developers.

At December 31, 2012 and 2011, the Water fund purchased \$14,500 and \$1,341, respectively, in capital assets on account.

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.

**CITY OF FINDLAY, OHIO**

COMPARATIVE STATEMENT OF NET POSITION  
WATER POLLUTION CONTROL FUND

DECEMBER 31, 2012 AND 2011

	<u>2012</u>	<u>Restated 2011</u>
<b>Assets:</b>		
Current assets:		
Equity in pooled cash and investments . . . . .	\$ 3,905,558	\$ 2,542,375
Receivables (net of allowances of uncollectibles) . .	432,231	426,509
Interfund loan receivable . . . . .	-	353,200
Due from other funds. . . . .	411,122	415,594
Prepayments . . . . .	20,601	18,875
Materials and supplies inventory . . . . .	44,512	50,430
Total current assets . . . . .	<u>4,814,024</u>	<u>3,806,983</u>
Noncurrent assets:		
Restricted assets:		
Equity in pooled cash and investments. . . . .	5,258,933	4,493,811
Capital assets:		
Nondepreciable capital assets . . . . .	2,251,733	2,346,469
Depreciable capital assets, net . . . . .	82,085,936	83,535,502
Total noncurrent assets . . . . .	<u>89,596,602</u>	<u>90,375,782</u>
Total assets . . . . .	<u>94,410,626</u>	<u>94,182,765</u>
<b>Deferred outflows of resources:</b>		
Unamortized deferred charges on debt refunding . .	235,303	287,593
Total deferred outflows of resources . . . . .	<u>235,303</u>	<u>287,593</u>
Total assets and deferred outflows of resources .	<u>94,645,929</u>	<u>94,470,358</u>
<b>Liabilities:</b>		
Current liabilities:		
Accounts payable. . . . .	96,709	125,576
Accrued wages and benefits payable . . . . .	33,848	28,082
Insurance deposits payable . . . . .	35,707	36,756
Deferred revenue. . . . .	-	1,800
Accrued interest payable . . . . .	487,992	536,033
Compensated absences payable - current. . . . .	171,589	176,724
Bonds payable - current . . . . .	610,000	590,000
Loans payable - current . . . . .	1,858,573	1,784,613
Total current liabilities . . . . .	<u>3,294,418</u>	<u>3,279,584</u>
Long term liabilities:		
Compensated absences payable. . . . .	166,130	106,785
Bonds payable. . . . .	2,812,314	3,442,829
Loans payable . . . . .	18,258,094	20,116,667
Total long-term liabilities . . . . .	<u>21,236,538</u>	<u>23,666,281</u>
Total liabilities. . . . .	<u>24,530,956</u>	<u>26,945,865</u>
<b>Net position:</b>		
Net investment in capital assets . . . . .	61,033,991	60,235,455
Restricted for:		
Capital projects . . . . .	5,258,933	4,493,812
Unrestricted . . . . .	3,822,049	2,795,226
Total net position. . . . .	<u>\$ 70,114,973</u>	<u>\$ 67,524,493</u>

**CITY OF FINDLAY, OHIO**

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

FOR THE YEAR ENDED DECEMBER 31, 2012 AND 2011

	<u>2012</u>	<u>Restated 2011</u>
<b>Operating revenues:</b>		
Charges for services . . . . .	\$ 9,410,093	\$ 9,088,500
Other . . . . .	5,032	153,583
Total operating revenues . . . . .	<u>9,415,125</u>	<u>9,242,083</u>
<b>Operating expenses:</b>		
Personal services . . . . .	2,137,249	2,231,425
Contract services . . . . .	899,611	803,431
Materials and supplies. . . . .	405,119	437,664
Utilities . . . . .	486,766	556,371
Depreciation. . . . .	2,036,623	2,009,591
Total operating expenses . . . . .	<u>5,965,368</u>	<u>6,038,482</u>
Operating income . . . . .	<u>3,449,757</u>	<u>3,203,601</u>
<b>Nonoperating revenues (expenses):</b>		
Intergovernmental . . . . .	84,008	80,280
Interest revenue. . . . .	22,615	24,561
Interest expense and fiscal charges . . . . .	(1,037,697)	(1,157,265)
Total nonoperating revenues (expenses). . . . .	<u>(931,074)</u>	<u>(1,052,424)</u>
Income before contributions . . . . .	2,518,683	2,151,177
Capital contributions. . . . .	71,797	11,330
Change in net position . . . . .	2,590,480	2,162,507
<b>Net position, January 1 (restated) . . . . .</b>	<u>67,524,493</u>	<u>65,361,986</u>
<b>Net position, December 31 . . . . .</b>	<u>\$ 70,114,973</u>	<u>\$ 67,524,493</u>

**CITY OF FINDLAY, OHIO**

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

FOR THE YEAR ENDED DECEMBER 31, 2012 AND 2011

	<b>2012</b>	<b>2011</b>
<b>Cash flows from operating activities:</b>		
Cash received from customers . . . . .	\$ 9,406,463	\$ 9,070,933
Cash received from other operations . . . . .	5,032	153,583
Cash payments for personal services . . . . .	(2,078,323)	(2,299,200)
Cash payments for contract services. . . . .	(901,337)	(804,053)
Cash payments for materials and supplies. . . . .	(428,068)	(474,895)
Cash payments for utilities. . . . .	(486,766)	(556,371)
Net cash provided by operating activities. . . . .	5,517,001	5,089,997
<b>Cash flows from noncapital financing activities:</b>		
Grants and contributions . . . . .	84,008	80,280
Advances in . . . . .	353,200	-
Transfers in . . . . .	-	-
Net cash provided by noncapital financing activities . . . . .	437,208	80,280
<b>Cash flows from capital and related financing activities:</b>		
Acquisition of capital assets . . . . .	(420,523)	(950,133)
Principal paid on bonds. . . . .	(590,000)	(1,265,000)
Interest paid on bonds. . . . .	(175,513)	(231,639)
Principal paid on loans . . . . .	(1,784,613)	(1,858,792)
Interest paid on loans . . . . .	(878,450)	(954,611)
Net cash used in capital and related financing activities . . . . .	(3,849,099)	(5,260,175)
<b>Cash flows from investing activities:</b>		
Interest received. . . . .	23,195	29,789
Net cash provided by investing activities . . . . .	23,195	29,789
Net increase (decrease) in cash and cash equivalents . . . . .	2,128,305	(60,109)
<b>Cash and cash equivalents at beginning of year . . . . .</b>	<b>7,036,186</b>	<b>7,096,295</b>
<b>Cash and cash equivalents at end of year. . . . .</b>	<b>\$ 9,164,491</b>	<b>\$ 7,036,186</b>

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**CITY OF FINDLAY, OHIO**

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

FOR THE YEAR ENDED DECEMBER 31, 2012 AND 2011

	<b>2012</b>	<b>2011</b>
<b>Reconciliation of operating income to net cash provided by operating activities:</b>		
Operating income . . . . .	\$ 3,449,757	\$ 3,203,601
Adjustments to reconcile operating income to net cash provided by operating activities:		
Depreciation . . . . .	2,036,623	2,009,591
Changes in assets and liabilities:		
(Increase) decrease in accounts receivable . . . . .	(6,302)	517
(Increase) decrease in due from other funds . . . . .	4,472	(18,666)
(Increase) decrease in materials and supplies inventory . . . . .	5,918	(3,837)
(Increase) in prepayments . . . . .	(1,726)	(622)
(Decrease) in accounts payable . . . . .	(28,867)	(33,394)
Increase (decrease) in accrued wages and benefits . . . . .	5,766	(196)
Increase (decrease) in compensated absences payable . . . . .	54,209	(59,417)
(Decrease) in insurance deposits payable. . . . .	(1,049)	(8,162)
Increase (decrease) in deferred revenue . . . . .	(1,800)	582
Net cash provided by operating activities . . . . .	\$ 5,517,001	\$ 5,089,997

**Non-cash Transactions:**

During 2012, the Water Pollution Control fund received \$71,797 in capital contributions of donated sewer lines from private developers.

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



**CITY OF FINDLAY, OHIO**

COMPARATIVE STATEMENT OF NET POSITION  
AIRPORT FUND

DECEMBER 31, 2012 AND 2011

	<u>2012</u>	<u>Restated 2011</u>
<b>Assets:</b>		
Current assets:		
Equity in pooled cash and investments . . . . .	\$ 388,751	\$ 111,310
Receivables (net of allowances of uncollectibles) . . .	87,095	46,557
Prepayments . . . . .	11,214	10,784
Materials and supplies inventory . . . . .	83,048	101,394
Total current assets . . . . .	<u>570,108</u>	<u>270,045</u>
Noncurrent assets:		
Capital assets:		
Nondepreciable capital assets . . . . .	3,583,196	3,419,861
Depreciable capital assets, net . . . . .	11,461,694	12,494,932
Total noncurrent assets . . . . .	<u>15,044,890</u>	<u>15,914,793</u>
Total assets . . . . .	<u>15,614,998</u>	<u>16,184,838</u>
<b>Liabilities:</b>		
Current liabilities:		
Accounts payable. . . . .	99,295	31,530
Accrued wages and benefits payable . . . . .	4,974	4,057
Insurance deposits payable. . . . .	3,361	3,909
Accrued interest payable . . . . .	-	975
Compensated absences payable - current. . . . .	26,162	27,052
Bonds payable - current . . . . .	-	48,593
Total current liabilities . . . . .	<u>133,792</u>	<u>116,116</u>
Long term liabilities:		
Compensated absences payable. . . . .	75,840	54,279
Total long-term liabilities . . . . .	<u>75,840</u>	<u>54,279</u>
Total liabilities. . . . .	<u>209,632</u>	<u>170,395</u>
<b>Net position:</b>		
Net investment in capital assets . . . . .	15,044,890	15,866,200
Unrestricted . . . . .	360,476	148,243
Total net position . . . . .	<u>\$ 15,405,366</u>	<u>\$ 16,014,443</u>

**CITY OF FINDLAY, OHIO**

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

FOR THE YEAR ENDED DECEMBER 31, 2012 AND 2011

	<u>2012</u>	<u>Restated 2011</u>
<b>Operating revenues:</b>		
Charges for services . . . . .	\$ 1,128,095	\$ 882,752
Total operating revenues . . . . .	<u>1,128,095</u>	<u>882,752</u>
<b>Operating expenses:</b>		
Personal services . . . . .	315,039	319,541
Contract services . . . . .	223,198	127,565
Materials and supplies. . . . .	703,974	581,902
Utilities . . . . .	16,223	17,724
Depreciation. . . . .	1,062,232	1,076,814
Other. . . . .	350	-
Total operating expenses . . . . .	<u>2,321,016</u>	<u>2,123,546</u>
Operating loss. . . . .	<u>(1,192,921)</u>	<u>(1,240,794)</u>
<b>Nonoperating revenues (expenses):</b>		
Intergovernmental . . . . .	25,686	22,896
Interest expense and fiscal charges . . . . .	<u>(2,381)</u>	<u>(6,089)</u>
Total nonoperating revenues (expenses) . . . . .	<u>23,305</u>	<u>16,807</u>
Loss before contributions and transfers. . . . .	(1,169,616)	(1,223,987)
Capital contributions. . . . .	229,585	115,606
Transfers in . . . . .	330,954	280,992
Transfers out . . . . .	<u>-</u>	<u>(49,497)</u>
Change in net position . . . . .	(609,077)	(876,886)
<b>Net position, January 1 (restated) . . . . .</b>	<u>16,014,443</u>	<u>16,891,329</u>
<b>Net position, December 31 . . . . .</b>	<u>\$ 15,405,366</u>	<u>\$ 16,014,443</u>

**CITY OF FINDLAY, OHIO**

**COMPARATIVE STATEMENT OF CASH FLOWS  
AIRPORT FUND**

FOR THE YEAR ENDED DECEMBER 31, 2012 AND 2011

	<b>2012</b>	<b>2011</b>
<b>Cash flows from operating activities:</b>		
Cash received from customers . . . . .	\$ 1,087,557	\$ 869,978
Cash payments for personal services . . . . .	(293,999)	(318,346)
Cash payments for contract services. . . . .	(223,628)	(127,510)
Cash payments for materials and supplies. . . . .	(617,863)	(596,611)
Cash payments for other . . . . .	(350)	-
Cash payments for utilities. . . . .	(16,223)	(17,724)
Net cash used in operating activities . . . . .	(64,506)	(190,213)
<b>Cash flows from noncapital financing activities:</b>		
Grants and contributions . . . . .	25,686	22,896
Transfers in . . . . .	330,954	280,992
Transfers out . . . . .	-	(49,497)
Net cash provided by noncapital financing activities . . . . .	356,640	254,391
<b>Cash flows from capital and related financing activities:</b>		
Acquisition of capital assets . . . . .	(192,328)	(98,254)
Capital contributions . . . . .	229,585	115,606
Principal paid on bonds . . . . .	(50,000)	(45,000)
Interest paid on bonds . . . . .	(1,950)	(3,637)
Net cash used in capital and related financing activities . . . . .	(14,693)	(31,285)
Net increase in cash and cash equivalents . . . . .	277,441	32,893
<b>Cash and cash equivalents at beginning of year . . . . .</b>	<b>111,310</b>	<b>78,417</b>
<b>Cash and cash equivalents at end of year. . . . .</b>	<b>\$ 388,751</b>	<b>\$ 111,310</b>
<b>Reconciliation of operating loss to net cash used in operating activities:</b>		
Operating loss. . . . .	\$ (1,192,921)	\$ (1,240,794)
Adjustments to reconcile operating loss to net cash used in operating activities:		
Depreciation . . . . .	1,062,232	1,076,814
Changes in assets and liabilities:		
(Increase) in accounts receivable . . . . .	(40,538)	(12,774)
(Increase) decrease in materials and supplies inventory . . . . .	18,346	(18,936)
(Increase) decrease in prepayments . . . . .	(430)	55
Increase in accounts payable . . . . .	67,765	4,227
Increase (decrease) in accrued wages and benefits . . . . .	917	(39)
Increase in compensated absences payable . . . . .	20,671	2,311
(Decrease) in insurance deposits payable. . . . .	(548)	(1,077)
Net cash used in operating activities . . . . .	\$ (64,506)	\$ (190,213)

**CITY OF FINDLAY, OHIO**

COMBINING STATEMENT OF NET POSITION  
NONMAJOR ENTERPRISE FUNDS  
DECEMBER 31, 2012

	<b>Swimming Pool</b>	<b>Parking Facilities</b>	<b>Total</b>
<b>Assets:</b>			
Current assets:			
Equity in pooled cash and investments . . . . .	\$ 29,932	\$ 22,967	\$ 52,899
Prepayments . . . . .	197	218	415
Total current assets . . . . .	<u>30,129</u>	<u>23,185</u>	<u>53,314</u>
Noncurrent assets:			
Capital assets:			
Nondepreciable capital assets . . . . .	1,631	190,100	191,731
Depreciable capital assets, net . . . . .	438,451	-	438,451
Total noncurrent assets . . . . .	<u>440,082</u>	<u>190,100</u>	<u>630,182</u>
Total assets. . . . .	<u>470,211</u>	<u>213,285</u>	<u>683,496</u>
<b>Liabilities:</b>			
Current liabilities:			
Accounts payable. . . . .	5,302	282	5,584
Accrued wages and benefits . . . . .	-	1,254	1,254
Insurance deposits payable . . . . .	-	1,030	1,030
Compensated absences payable. . . . .	-	2,766	2,766
Total current liabilities . . . . .	<u>5,302</u>	<u>5,332</u>	<u>10,634</u>
Long term liabilities:			
Compensated absences payable. . . . .	-	2,774	2,774
Total long-term liabilities . . . . .	<u>-</u>	<u>2,774</u>	<u>2,774</u>
Total liabilities. . . . .	<u>5,302</u>	<u>8,106</u>	<u>13,408</u>
<b>Net position:</b>			
Net investment in capital assets . . . . .	440,082	190,100	630,182
Unrestricted . . . . .	24,827	15,079	39,906
Total net position . . . . .	<u>\$ 464,909</u>	<u>\$ 205,179</u>	<u>\$ 670,088</u>

**CITY OF FINDLAY, OHIO**

COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION  
NONMAJOR ENTERPRISE FUNDS  
FOR THE YEAR ENDED DECEMBER 31, 2012

	<b>Swimming Pool</b>	<b>Parking Facilities</b>	<b>Total</b>
<b>Operating revenues:</b>			
Charges for services . . . . .	\$ -	\$ 63,249	\$ 63,249
Other . . . . .	-	79	79
<b>Total operating revenues . . . . .</b>	<b>-</b>	<b>63,328</b>	<b>63,328</b>
<b>Operating expenses:</b>			
Personal services . . . . .	-	76,599	76,599
Contract services . . . . .	12,944	2,896	15,840
Materials and supplies. . . . .	13,262	9,108	22,370
Utilities . . . . .	5,942	587	6,529
Depreciation. . . . .	25,506	-	25,506
<b>Total operating expenses . . . . .</b>	<b>57,654</b>	<b>89,190</b>	<b>146,844</b>
<b>Operating loss . . . . .</b>	<b>(57,654)</b>	<b>(25,862)</b>	<b>(83,516)</b>
Transfers in . . . . .	27,000	125,000	152,000
Change in net position. . . . .	(30,654)	99,138	68,484
<b>Net position, January 1 . . . . .</b>	<b>495,563</b>	<b>106,041</b>	<b>601,604</b>
<b>Net position, December 31 . . . . .</b>	<b>\$ 464,909</b>	<b>\$ 205,179</b>	<b>\$ 670,088</b>

**CITY OF FINDLAY, OHIO**

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

FOR THE YEAR ENDED DECEMBER 31, 2012

	<u>Swimming Pool</u>	<u>Parking Facilities</u>	<u>Total</u>
<b>Cash flows from operating activities:</b>			
Cash received from customers . . . . .	\$ -	\$ 63,249	\$ 63,249
Cash received from other operations . . . . .	-	79	79
Cash payments for personal services . . . . .	(1,600)	(75,847)	(77,447)
Cash payments for contract services. . . . .	(12,954)	(2,895)	(15,849)
Cash payments for materials and supplies. . . . .	(8,161)	(9,360)	(17,521)
Cash payments for utilities. . . . .	<u>(5,942)</u>	<u>(587)</u>	<u>(6,529)</u>
Net cash used in operating activities. . . . .	<u>(28,657)</u>	<u>(25,361)</u>	<u>(54,018)</u>
<b>Cash flows from noncapital financing activities:</b>			
Transfers in . . . . .	<u>27,000</u>	<u>125,000</u>	<u>152,000</u>
Net cash provided by noncapital financing activities . . . . .	<u>27,000</u>	<u>125,000</u>	<u>152,000</u>
<b>Cash flows from capital and related financing activities:</b>			
Acquisition of capital assets . . . . .	<u>-</u>	<u>(95,769)</u>	<u>(95,769)</u>
Net cash used in capital and related financing activities . . . . .	<u>-</u>	<u>(95,769)</u>	<u>(95,769)</u>
Net increase (decrease) in cash and cash equivalents . . . . .	(1,657)	3,870	2,213
<b>Cash and cash equivalents at beginning of year . . . . .</b>	<u>31,589</u>	<u>19,097</u>	<u>50,686</u>
<b>Cash and cash equivalents at end of year. . . . .</b>	<u>\$ 29,932</u>	<u>\$ 22,967</u>	<u>\$ 52,899</u>
<b>Reconciliation of operating loss to net cash used in operating activities:</b>			
Operating loss . . . . .	\$ (57,654)	\$ (25,862)	\$ (83,516)
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 . . . . .	(10)	1	(9)
Increase (decrease) in accounts payable. . . . .	5,101	(252)	4,849
Increase (decrease) in accrued wages and benefits . . . . .	(243)	249	6
Increase (decrease) in compensated absences payable . . . . .	(1,357)	607	(750)
(Decrease) in insurance deposits payable . . . . .	<u>-</u>	<u>(104)</u>	<u>(104)</u>
Net cash used in operating activities . . . . .	<u>\$ (28,657)</u>	<u>\$ (25,361)</u>	<u>\$ (54,018)</u>

**CITY OF FINDLAY, OHIO**

COMPARATIVE STATEMENT OF NET POSITION  
SWIMMING POOL FUND

FOR THE YEAR ENDED DECEMBER 31, 2012 AND 2011

	<u>2012</u>	<u>2011</u>
<b>Assets:</b>		
Current assets:		
Equity in pooled cash and investments . . . . .	\$ 29,932	\$ 31,589
Prepayments . . . . .	197	186
Total current assets . . . . .	<u>30,129</u>	<u>31,775</u>
Noncurrent assets:		
Capital assets:		
Nondepreciable capital assets . . . . .	1,631	1,631
Depreciable capital assets, net . . . . .	438,451	463,957
Total noncurrent assets . . . . .	<u>440,082</u>	<u>465,588</u>
Total assets . . . . .	<u>470,211</u>	<u>497,363</u>
<b>Liabilities:</b>		
Current liabilities:		
Accounts payable . . . . .	5,302	201
Accrued wages and benefits . . . . .	-	243
Compensated absences payable - current. . . . .	-	869
Total current liabilities . . . . .	<u>5,302</u>	<u>1,313</u>
Long term liabilities:		
Compensated absences payable . . . . .	-	487
Total long-term liabilities . . . . .	<u>-</u>	<u>487</u>
Total liabilities. . . . .	<u>5,302</u>	<u>1,800</u>
<b>Net position:</b>		
Net investment in capital assets . . . . .	440,082	465,588
Unrestricted . . . . .	24,827	29,975
Total net position. . . . .	<u>\$ 464,909</u>	<u>\$ 495,563</u>

**CITY OF FINDLAY, OHIO**

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

FOR THE YEAR ENDED DECEMBER 31, 2012 AND 2011

	<u>2012</u>	<u>2011</u>
<b>Operating expenses:</b>		
Personal services . . . . .	\$ -	\$ 12,234
Contract services . . . . .	12,944	993
Materials and supplies. . . . .	13,262	6,912
Utilities . . . . .	5,942	6,236
Depreciation. . . . .	<u>25,506</u>	<u>25,506</u>
Total operating expenses . . . . .	<u>57,654</u>	<u>51,881</u>
Operating loss. . . . .	(57,654)	(51,881)
Transfers in . . . . .	<u>27,000</u>	<u>53,505</u>
Change in net position. . . . .	(30,654)	1,624
<b>Net position, January 1 . . . . .</b>	<u>495,563</u>	<u>493,939</u>
<b>Net position, December 31 . . . . .</b>	<u><u>\$ 464,909</u></u>	<u><u>\$ 495,563</u></u>



**CITY OF FINDLAY, OHIO**

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

FOR THE YEAR ENDED DECEMBER 31, 2012 AND 2011

	2012	2011
<b>Cash flows from operating activities:</b>		
Cash received from other operations . . . . .	\$ -	\$ -
Cash payments for personal services . . . . .	(1,600)	(10,634)
Cash payments for contract services. . . . .	(12,954)	(991)
Cash payments for materials and supplies. . . . .	(8,161)	(6,852)
Cash payments for utilities. . . . .	(5,942)	(6,236)
	(28,657)	(24,713)
<b>Cash flows from noncapital financing activities:</b>		
Transfers in . . . . .	27,000	53,505
Net cash provided by noncapital financing activities . . . . .	27,000	53,505
Net increase (decrease) in cash and cash equivalents . . . . .	(1,657)	28,792
<b>Cash and cash equivalents at beginning of year . . . . .</b>	<b>31,589</b>	<b>2,797</b>
<b>Cash and cash equivalents at end of year. . . . .</b>	<b>\$ 29,932</b>	<b>\$ 31,589</b>
<b>Reconciliation of operating loss to net cash used in operating activities:</b>		
Operating loss . . . . .	\$ (57,654)	\$ (51,881)
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 . . . . .	(10)	2
Increase in accounts payable . . . . .	5,101	60
Increase (decrease) in accrued wages and benefits . . . . .	(243)	243
Increase (decrease) in compensated absences payable . . . . .	(1,357)	1,357
	(28,657)	(24,713)
Net cash used in operating activities . . . . .	<b>\$ (28,657)</b>	<b>\$ (24,713)</b>

**CITY OF FINDLAY, OHIO**

COMPARATIVE STATEMENT OF NET POSITION  
PARKING FACILITIES FUND

FOR THE YEAR ENDED DECEMBER 31, 2012 AND 2011

	<b>2012</b>		<b>2011</b>
<b>Assets:</b>			
Current assets:			
Equity in pooled cash and investments . . . . .	\$ 22,967	\$	19,097
Prepayments . . . . .	218		219
	23,185		19,316
Total current assets . . . . .			
Noncurrent assets:			
Capital assets:			
Nondepreciable capital assets . . . . .	190,100		94,331
Total noncurrent assets . . . . .	190,100		94,331
Total assets . . . . .	213,285		113,647
<b>Liabilities:</b>			
Current liabilities:			
Accounts payable . . . . .	282		534
Accrued wages and benefits . . . . .	1,254		1,005
Insurance deposits payable . . . . .	1,030		1,134
Compensated absences payable - current . . . . .	2,766		4,933
Total current liabilities . . . . .	5,332		7,606
Long term liabilities:			
Compensated absences payable . . . . .	2,774		-
Total long-term liabilities . . . . .	2,774		-
Total liabilities. . . . .	8,106		7,606
<b>Net position:</b>			
Net investment in capital assets . . . . .	190,100		94,331
Unrestricted . . . . .	15,079		11,710
Total net position. . . . .	\$ 205,179	\$	106,041

**CITY OF FINDLAY, OHIO**

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

FOR THE YEAR ENDED DECEMBER 31, 2012 AND 2011

	<u>2012</u>	<u>2011</u>
<b>Operating revenues:</b>		
Charges for services . . . . .	\$ 63,249	\$ 66,063
Other . . . . .	79	24
Total operating revenues . . . . .	<u>63,328</u>	<u>66,087</u>
<b>Operating expenses:</b>		
Personal services . . . . .	76,599	75,282
Contract services . . . . .	2,896	3,013
Materials and supplies. . . . .	9,108	9,845
Utilities . . . . .	587	-
Depreciation. . . . .	-	-
Total operating expenses . . . . .	<u>89,190</u>	<u>88,140</u>
Operating loss . . . . .	(25,862)	(22,053)
Transfers in . . . . .	<u>125,000</u>	<u>32,416</u>
Change in net position. . . . .	99,138	10,363
<b>Net position, January 1 . . . . .</b>	<u>106,041</u>	<u>95,678</u>
<b>Net position, December 31 . . . . .</b>	<u>\$ 205,179</u>	<u>\$ 106,041</u>

**CITY OF FINDLAY, OHIO**

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

FOR THE YEAR ENDED DECEMBER 31, 2012 AND 2011

	<b>2012</b>	<b>2011</b>
<b>Cash flows from operating activities:</b>		
Cash received from customers . . . . .	\$ 63,249	\$ 66,063
Cash received from other operations . . . . .	79	24
Cash payments for personal services . . . . .	(75,847)	(74,829)
Cash payments for contract services. . . . .	(2,895)	(3,032)
Cash payments for materials and supplies. . . . .	(9,360)	(9,765)
Cash payments for utilities. . . . .	(587)	-
	<u>(25,361)</u>	<u>(21,539)</u>
<b>Net cash used in operating activities. . . . .</b>		
<b>Cash flows from noncapital financing activities:</b>		
Transfers in . . . . .	125,000	32,416
Net cash provided by noncapital financing activities . . . . .	<u>125,000</u>	<u>32,416</u>
<b>Cash flows from capital and related financing activities:</b>		
Acquisition of capital assets . . . . .	(95,769)	-
	<u>(95,769)</u>	<u>-</u>
<b>Net cash (used in) capital and related financing activities . . . . .</b>		
	<u>3,870</u>	<u>10,877</u>
<b>Cash and cash equivalents at beginning of year . . .</b>	<u>19,097</u>	<u>8,220</u>
<b>Cash and cash equivalents at end of year. . . . .</b>	<u>\$ 22,967</u>	<u>\$ 19,097</u>
<b>Reconciliation of operating loss to net cash used in operating activities:</b>		
Operating loss . . . . .	\$ (25,862)	\$ (22,053)
Adjustments to reconcile operating loss to net cash used in operating activities:		
Changes in assets and liabilities:		
(Increase) decrease in prepayments . . . . .	1	(19)
Increase (decrease) in accounts payable. . . . .	(252)	80
Increase in accrued wages and benefits. . . . .	249	38
Increase in compensated absences payable . . . . .	607	568
(Decrease) in insurance deposits payable . . . . .	(104)	(153)
	<u>(25,361)</u>	<u>(21,539)</u>
<b>Net cash used in operating activities . . . . .</b>	<u>\$ (25,361)</u>	<u>\$ (21,539)</u>

## CITY OF FINDLAY, OHIO

The internal service funds account for the financing of goods or services provided by one department to other departments of the City of Findlay on a cost-reimbursement basis. Accounting for these funds is designed to accumulate all of the costs incurred by the internal service funds in providing goods and services to other departments. However, charges to the other departments are not intended to produce a significant profit in the long run, but to recover the total costs of providing goods or services.

***Central Stores:***

To account for the central purchase of various office supplies in large quantities at a lesser price with the subsequent charge to the various user departments.

***Self Insurance:***

To account for processing and paying general municipal liability insurance claims in lieu of purchasing general municipal liability insurance.

***Workers' Compensation:***

To account for the collection of premiums and payments of claims related to a workers' compensation retrospective rating plan.

**CITY OF FINDLAY, OHIO**

COMBINING STATEMENT OF NET POSITION  
INTERNAL SERVICE FUNDS

DECEMBER 31, 2012  
(WITH COMPARATIVE TOTALS FOR DECEMBER 31, 2011)

	<b>Central Stores</b>	<b>Self-Insurance</b>	<b>Workers' Compensation</b>	<b>Totals</b>	
				<b>2012</b>	<b>2011</b>
<b>Assets:</b>					
Current assets:					
Equity in pooled cash and investments . . . . .	\$ 25,600	\$ 867,787	\$ 873,150	\$ 1,766,537	\$ 1,659,106
Receivables (net of allowances of uncollectibles) .	-	37	-	37	160
Prepayments. . . . .	-	13,337	-	13,337	12,749
Materials and supplies inventory . . . . .	2,465	-	-	2,465	3,311
<b>Total assets. . . . .</b>	<b>28,065</b>	<b>881,161</b>	<b>873,150</b>	<b>1,782,376</b>	<b>1,675,326</b>
<b>Liabilities:</b>					
Current liabilities:					
Accounts payable. . . . .	826	-	-	826	851
Workers' compensation payable. . . . .	-	-	215,119	215,119	209,311
<b>Total liabilities. . . . .</b>	<b>826</b>	<b>-</b>	<b>215,119</b>	<b>215,945</b>	<b>210,162</b>
<b>Net position:</b>					
Unrestricted . . . . .	27,239	881,161	658,031	1,566,431	1,465,164
<b>Total net position . . . . .</b>	<b>\$ 27,239</b>	<b>\$ 881,161</b>	<b>\$ 658,031</b>	<b>\$ 1,566,431</b>	<b>\$ 1,465,164</b>

**CITY OF FINDLAY, OHIO**

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

FOR THE YEAR ENDED DECEMBER 31, 2012  
(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED DECEMBER 31, 2011)

	Central Stores	Self-Insurance	Workers' Compensation	Totals	
				2012	2011
<b>Operating revenues:</b>					
Charges for services . . . . .	\$ 16,082	\$ -	\$ 516,992	\$ 533,074	\$ 526,166
Other . . . . .	-	-	-	-	11,099
Total operating revenues . . . . .	16,082	-	516,992	533,074	537,265
<b>Operating expenses:</b>					
Contract services . . . . .	2,417	74,692	-	77,109	38,990
Materials and supplies . . . . .	20,122	-	-	20,122	25,858
Claims . . . . .	-	-	335,588	335,588	45,006
Total operating expenses . . . . .	22,539	74,692	335,588	432,819	109,854
Operating income (loss) . . . . .	(6,457)	(74,692)	181,404	100,255	427,411
<b>Nonoperating revenues:</b>					
Interest revenue . . . . .	-	1,012	-	1,012	1,535
Total nonoperating revenues . . . . .	-	1,012	-	1,012	1,535
Change in net assets . . . . .	(6,457)	(73,680)	181,404	101,267	428,946
<b>Net position, January 1 . . . . .</b>	<u>33,696</u>	<u>954,841</u>	<u>476,627</u>	<u>1,465,164</u>	<u>1,036,218</u>
<b>Net position, December 31 . . . . .</b>	<u>\$ 27,239</u>	<u>\$ 881,161</u>	<u>\$ 658,031</u>	<u>\$ 1,566,431</u>	<u>\$ 1,465,164</u>

**CITY OF FINDLAY, OHIO**

COMBINING STATEMENT OF CASH FLOWS  
INTERNAL SERVICE FUNDS

FOR THE YEAR ENDED DECEMBER 31, 2012  
(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED DECEMBER 31, 2011)

	Central Stores	Self-Insurance	Workers' Compensation	Totals	
				2012	2011
<b>Cash flows from operating activities:</b>					
Cash received from customers . . . . .	\$ 16,082	\$ -	\$ 516,992	\$ 533,074	\$ 526,166
Cash received from other operating revenues . . . . .	-	-	-	-	11,099
Cash payments for contract services. . . . .	(2,417)	(75,666)	-	(78,083)	(38,604)
Cash payments for materials and supplies. . . . .	(18,915)	-	-	(18,915)	(17,696)
Cash payments for claims . . . . .	-	-	(329,780)	(329,780)	(334,497)
Net cash provided by (used in) operating activities. . . . .	(5,250)	(75,666)	187,212	106,296	146,468
<b>Cash flows from investing activities:</b>					
Interest received. . . . .	-	1,135	-	1,135	1,475
Net cash provided by investing activities . . . . .	-	1,135	-	1,135	1,475
Net increase (decrease) in cash and cash equivalents . . . . .	(5,250)	(74,531)	187,212	107,431	147,943
<b>Cash and cash equivalents at beginning of year . . . . .</b>	<b>30,850</b>	<b>942,318</b>	<b>685,938</b>	<b>1,659,106</b>	<b>1,511,163</b>
<b>Cash and cash equivalents at end of year. . . . .</b>	<b>\$ 25,600</b>	<b>\$ 867,787</b>	<b>\$ 873,150</b>	<b>\$ 1,766,537</b>	<b>\$ 1,659,106</b>
<b>Reconciliation of operating income (loss) to net cash provided by (used in) operating activities:</b>					
Operating income (loss) . . . . .	\$ (6,457)	\$ (74,692)	\$ 181,404	\$ 100,255	\$ 427,411
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:					
Depreciation . . . . .	-	-	-	-	-
Changes in assets and liabilities:					
Decrease in materials and supplies inventory . . . . .	846	-	-	846	8,479
Increase in prepayments . . . . .	-	(588)	-	(588)	-
Increase (decrease) in accounts payable . . . . .	361	(386)	-	(25)	69
Increase (decrease) in workers' compensation payable . . . . .	-	-	5,808	5,808	(289,491)
Net cash provided by (used in) operating activities. . . . .	\$ (5,250)	\$ (75,666)	\$ 187,212	\$ 106,296	\$ 146,468



## **CITY OF FINDLAY, OHIO**

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

### **Private-Purpose Trust Fund**

#### ***Private Trust:***

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

### **Agency Funds**

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

#### ***Guaranteed Deposits:***

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

#### ***Municipal Court:***

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

#### ***Tax Collection:***

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

**CITY OF FINDLAY, OHIO**

COMPARATIVE STATEMENT OF FIDUCIARY NET POSITION  
PRIVATE-PURPOSE TRUST FUND  
DECEMBER 31, 2012 AND 2011

	<b>2012</b>	<b>2011</b>
<b>Assets:</b>		
Equity in pooled cash and investments . . . . .	\$ 163,150	\$ 165,224
Receivables:		
Accrued interest. . . . .	7	21
Total assets. . . . .	163,157	165,245
 <b>Net Assets:</b>		
Held in trust for private cemetery care . . . . .	163,157	165,245
Total net assets . . . . .	\$ 163,157	\$ 165,245

**CITY OF FINDLAY, OHIO**

COMPARATIVE STATEMENT OF CHANGES IN FIDUCIARY NET POSITION  
PRIVATE-PURPOSE TRUST FUND  
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2012 AND 2011

	<b>2012</b>	<b>2011</b>
<b>Additions:</b>		
Interest . . . . .	\$ 147	\$ 215
Other . . . . .	200	200
	347	415
<b>Deductions:</b>		
Cemetery care . . . . .	2,435	2,417
Changes in net assets . . . . .	(2,088)	(2,002)
<b>Net assets, January 1.</b> . . . . .	165,245	167,247
<b>Net assets, December 31.</b> . . . . .	\$ 163,157	\$ 165,245

**CITY OF FINDLAY, OHIO**

COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES  
AGENCY FUNDS

FOR THE YEAR ENDED DECEMBER 31, 2012

	<b>Balance 12/31/11</b>	<b>Additions</b>	<b>Reductions</b>	<b>Balance 12/30/12</b>
<b>Guaranteed Deposits</b>				
<b>Assets:</b>				
Equity in pooled cash and investments . . . . .	\$ 109,948	\$ 93,506	\$ (109,948)	\$ 93,506
Total assets . . . . .	\$ 109,948	\$ 93,506	\$ (109,948)	\$ 93,506
<b>Liabilities:</b>				
Deposits held and due to others. . . . .	\$ 109,948	\$ 93,506	\$ (109,948)	\$ 93,506
Total liabilities. . . . .	\$ 109,948	\$ 93,506	\$ (109,948)	\$ 93,506
<b>Municipal Court</b>				
<b>Assets:</b>				
Cash in segregated accounts . . . . .	\$ 39,064	\$ 47,188	\$ (39,064)	\$ 47,188
Total assets . . . . .	\$ 39,064	\$ 47,188	\$ (39,064)	\$ 47,188
<b>Liabilities:</b>				
Deposits held and due to others. . . . .	\$ 39,064	\$ 47,188	\$ (39,064)	\$ 47,188
Total liabilities. . . . .	\$ 39,064	\$ 47,188	\$ (39,064)	\$ 47,188
<b>Tax Collection</b>				
<b>Assets:</b>				
Equity in pooled cash and investments . . . . .	\$ 4,232	\$ 5,945	\$ (4,232)	\$ 5,945
Total assets . . . . .	\$ 4,232	\$ 5,945	\$ (4,232)	\$ 5,945
<b>Liabilities:</b>				
Accounts payable. . . . .	\$ 4,232	\$ 5,945	\$ (4,232)	\$ 5,945
Total liabilities. . . . .	\$ 4,232	\$ 5,945	\$ (4,232)	\$ 5,945
<b>Total Agency Funds</b>				
<b>Assets:</b>				
Equity in pooled cash and investments . . . . .	\$ 114,180	\$ 99,451	\$ (114,180)	\$ 99,451
Cash in segregated accounts . . . . .	39,064	47,188	(39,064)	47,188
Total assets . . . . .	\$ 153,244	\$ 146,639	\$ (153,244)	\$ 146,639
<b>Liabilities:</b>				
Accounts payable. . . . .	\$ 4,232	\$ 5,945	\$ (4,232)	\$ 5,945
Deposits held and due to others. . . . .	149,012	140,694	(149,012)	140,694
Total liabilities. . . . .	\$ 153,244	\$ 146,639	\$ (153,244)	\$ 146,639

**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>178-187</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>188-197</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>198-202</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>203-204</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>206-213</b>

**Sources:** Sources are noted on the individual schedules.

**CITY OF FINDLAY, OHIO**

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

	<u>2012</u>	<u>2011 (1)</u>	<u>2010</u>	<u>2009</u>
<b>Governmental Activities</b>				
Net investment in capital assets	\$ 72,190,698	\$ 72,312,433	\$ 72,061,766	\$ 72,632,017
Restricted for:				
Capital projects	516,709	614,526	675,260	796,169
Debt service	265,528	30,175	131,860	-
Security of persons and property programs	87,584	87,446	108,402	120,155
General government operations	682,029	557,094	488,391	377,200
Transportation improvement projects	1,827,410	1,926,637	1,761,398	1,356,482
Economic development programs	841,400	841,656	949,173	949,428
Perpetual care:				
Expendable	1,477	2,101	121	99
Nonexpendable	1,231,975	1,204,779	1,176,477	1,153,077
Other purposes	884,604	1,059,400	142,986	243,317
Unrestricted	<u>15,856,895</u>	<u>12,372,527</u>	<u>10,841,644</u>	<u>5,123,470</u>
Total governmental activities net position	<u>\$ 94,386,309</u>	<u>\$ 91,008,774</u>	<u>\$ 88,337,478</u>	<u>\$ 82,751,414</u>
<b>Business-type Activities</b>				
Net investment in capital assets	\$ 122,183,651	\$ 121,019,885	\$ 118,932,110	\$ 117,699,129
Restricted for:				
Capital projects	5,985,364	5,211,113	4,843,032	5,149,454
Unrestricted	<u>10,830,020</u>	<u>8,056,846</u>	<u>7,963,331</u>	<u>7,286,739</u>
Total business-type activities net position	<u>\$ 138,999,035</u>	<u>\$ 134,287,844</u>	<u>\$ 131,738,473</u>	<u>\$ 130,135,322</u>
<b>Total Primary Government</b>				
Net investment in capital assets	\$ 194,374,349	\$ 193,332,318	\$ 190,993,876	\$ 190,331,146
Restricted for:				
Capital projects	6,502,073	5,825,639	5,518,292	5,945,623
Debt service	265,528	30,175	131,860	-
Security of persons and property programs	87,584	87,446	108,402	120,155
General government operations	682,029	557,094	488,391	377,200
Transportation projects	1,827,410	1,926,637	1,761,398	1,356,482
Economic development programs	841,400	841,656	949,173	949,428
Perpetual care:				
Expendable	1,477	2,101	121	99
Nonexpendable	1,231,975	1,204,779	1,176,477	1,153,077
Other projects	884,604	1,059,400	142,986	243,317
Unrestricted	<u>26,686,915</u>	<u>20,429,373</u>	<u>18,804,975</u>	<u>12,410,209</u>
Total primary government net position	<u>\$ 233,385,344</u>	<u>\$ 225,296,618</u>	<u>\$ 220,075,951</u>	<u>\$ 212,886,736</u>

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

TABLE 1

<b>2008</b>	<b>2007</b>	<b>2006</b>	<b>2005</b>	<b>2004</b>	<b>2003</b>
\$ 67,497,148	\$ 60,888,257	\$ 57,094,162	\$ 57,382,919	\$ 55,017,907	\$ 53,250,549
807,513	833,059	816,047	767,872	711,679	2,160,578
-	198,994	300,417	421,034	392,125	607,989
46,058	-	-	-	-	-
371,730	-	-	-	-	-
2,556,627	382,853	1,682,254	1,321,291	2,176,368	1,707,388
957,002	995,811	996,565	774,538	-	-
1,343	10,642	6,856	2,847	1,840	1,157
1,106,527	1,082,017	1,040,735	971,777	967,544	936,540
106,955	1,102,364	883,047	1,133,567	5,422,036	3,390,659
7,209,975	16,062,711	13,761,840	9,733,607	3,572,979	4,066,854
<u>\$ 80,660,878</u>	<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>
\$ 107,016,529	\$ 100,827,108	\$ 96,111,991	\$ 92,990,351	\$ 85,421,338	\$ 81,980,224
5,144,813	5,291,559	5,605,343	5,026,928	3,228,686	2,582,786
8,609,810	9,690,895	8,564,441	6,234,096	7,558,939	8,087,433
<u>\$ 120,771,152</u>	<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>
\$ 174,513,677	\$ 161,715,365	\$ 153,206,153	\$ 150,373,270	\$ 140,439,245	\$ 135,230,773
5,952,326	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
46,058	-	-	-	-	-
371,730	-	-	-	-	-
2,556,627	382,853	1,682,254	1,321,291	2,176,368	1,707,388
957,002	995,811	996,565	774,538	-	-
1,343	10,642	6,856	2,847	1,840	1,157
1,106,527	1,082,017	1,040,735	971,777	967,544	936,540
106,955	1,102,364	883,047	1,133,567	5,422,036	3,390,659
15,819,785	25,753,606	22,326,281	15,967,703	11,131,918	12,154,287
<u>\$ 201,432,030</u>	<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 POSITION**  
**LAST TEN YEARS**  
**(ACCRUAL BASIS OF ACCOUNTING)**

	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>
<b>Program Revenues:</b>				
Governmental activities				
Charges for services:				
General government	\$ 2,359,760	\$ 2,433,357	\$ 2,921,732	\$ 2,496,854
Security of persons and property	269,644	141,823	257,994	162,514
Public health services	910,714	636,349	578,972	663,426
Transportation	158,250	95,613	138,556	7,499
Leisure time activities	590,059	566,439	604,244	832,625
Interest and fiscal charges	244,530	210	61,849	46,252
Operating grants & contributions	2,932,081	3,784,840	4,782,062	2,593,576
Capital grants & contributions	987,606	2,299,329	854,821	2,519,999
Total governmental activities program revenues	<u>8,452,644</u>	<u>9,957,960</u>	<u>10,200,230</u>	<u>9,322,745</u>
Business-type activities:				
Charges for services:				
Water	8,414,617	7,343,601	7,330,609	7,234,830
Water pollution control	9,410,093	9,088,500	9,068,861	8,889,619
Airport	1,128,095	882,752	836,474	659,547
Parking facilities	63,249	66,087	56,875	61,431
Swimming pool	-	-	149	45,211
Operating grants & contributions	174,907	157,785	169,814	3,300
Capital grants & contributions	602,142	200,787	1,903,706	6,490,318
Total business-type activities program revenues	<u>19,793,103</u>	<u>17,739,512</u>	<u>19,366,488</u>	<u>23,384,256</u>
Total primary government	<u>\$ 28,245,747</u>	<u>\$ 27,697,472</u>	<u>\$ 29,566,718</u>	<u>\$ 32,707,001</u>
<b>Expenses:</b>				
Governmental Activities				
General government	\$ 9,257,857	\$ 8,344,438	\$ 6,459,067	\$ 7,077,400
Security of persons and property	15,560,367	15,827,515	15,696,261	14,753,558
Public health services	1,978,226	2,181,429	1,790,894	1,761,611
Transportation	5,095,585	5,487,799	4,963,539	4,072,078
Leisure time activities	1,229,723	1,415,161	1,357,651	1,728,505
Other	-	-	-	-
Interest and fiscal charges	421,280	419,946	427,068	466,040
Total governmental activities expenses	<u>33,543,038</u>	<u>33,676,288</u>	<u>30,694,480</u>	<u>29,859,192</u>
Business-type activities:				
Water	6,198,978	6,278,612	7,379,254	5,934,589
Water pollution control	6,988,964	7,155,791	8,209,683	6,834,280
Airport	2,321,322	2,123,837	1,889,699	1,577,566
Parking facilities	88,675	86,691	87,485	109,874
Swimming pool	57,654	51,519	63,792	140,867
Total business-type activities expenses	<u>15,655,593</u>	<u>15,696,450</u>	<u>17,629,913</u>	<u>14,597,176</u>
Total primary government	<u>\$ 49,198,631</u>	<u>\$ 49,372,738</u>	<u>\$ 48,324,393</u>	<u>\$ 44,456,368</u>



TABLE 2

<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>
\$ 2,658,578	\$ 2,642,592	\$ 1,795,902	\$ 1,923,294	\$ 1,933,403	\$ 1,177,697
93,886	27,093	96,414	53,312	41,100	1,564,861
422,006	375,142	662,752	607,457	441,186	-
26,547	177,677	10,454	17,202	5,458	2,219
537,876	536,362	381,605	337,880	332,417	66,340
57,481	31,753	36,124	111,908	159,118	186,366
2,607,745	2,607,559	3,450,769	2,608,882	4,092,055	2,641,376
583,891	1,540,453	-	1,512,583	-	412,249
<u>6,988,010</u>	<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>
7,395,768	7,656,030	7,085,719	7,100,619	6,632,486	6,854,205
8,472,743	8,678,711	8,505,966	8,609,713	8,179,779	7,540,853
870,610	955,248	1,042,094	946,458	776,427	677,746
57,214	66,606	66,901	90,498	92,131	105,518
64,484	76,738	64,620	54,029	45,346	50,070
12,469	-	-	-	-	-
2,342,423	3,497,107	3,015,561	4,567,599	1,591,936	2,678,509
<u>19,215,711</u>	<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>\$ 26,203,721</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>
\$ 7,704,101	\$ 8,023,535	\$ 6,504,903	\$ 6,387,634	\$ 6,774,481	\$ 5,695,708
14,678,503	14,680,286	14,848,790	14,919,051	13,676,481	12,866,966
1,702,053	1,640,736	1,540,983	1,515,801	1,336,638	1,347,065
5,437,592	5,196,310	4,789,212	4,194,626	3,188,310	1,106,317
1,931,170	1,557,008	1,370,659	1,413,227	1,372,531	1,337,577
587	-	-	-	-	1,807
505,675	567,264	211,810	108,694	241,547	201,871
<u>31,959,681</u>	<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>
6,349,090	6,844,630	5,667,066	5,916,358	6,258,906	6,398,700
7,382,633	7,418,266	6,355,113	6,175,336	5,996,566	6,843,341
1,782,535	1,718,628	1,673,047	1,642,345	1,898,137	1,306,254
112,539	126,429	144,136	139,108	112,840	138,441
204,675	159,333	154,660	122,407	105,840	129,661
<u>15,831,472</u>	<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>\$ 47,791,153</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 POSITION (CONTINUED)**  
**LAST TEN YEARS**  
**(ACCRUAL BASIS OF ACCOUNTING)**

	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>
<b>Net (Expense) Revenue</b>				
Governmental activities	\$ (25,090,394)	\$ (23,718,328)	\$ (20,494,250)	\$ (20,536,447)
Business-type activities	4,137,510	2,043,062	1,736,575	8,787,080
Total primary government net expense	<u>\$ (20,952,884)</u>	<u>\$ (21,675,266)</u>	<u>\$ (18,757,675)</u>	<u>\$ (11,749,367)</u>
<b>General Revenues and Other Changes in Net Position</b>				
Governmental activities				
Taxes:				
Property and other local taxes levied for:				
General purposes	\$ 2,341,451	\$ 2,349,758	\$ 2,705,027	\$ 2,621,017
Police and fire pensions	431,342	441,702	534,026	525,756
Municipal income taxes levied for:				
General purposes	21,596,551	20,703,206	19,619,390	14,707,682
Tax increment financing revenues	71,284	70,551	-	-
Grants and entitlements				
not restricted to specific programs	2,983,700	2,793,218	2,431,879	4,506,472
Gain on sale of capital assets	-	-	11,689	-
Investment earnings	24,262	70,011	49,253	107,613
Increase (decrease) in fair market value				
of investments	20,690	(28,750)	(27)	(102,525)
Miscellaneous	1,481,603	479,571	500,982	537,215
Transfers	(482,954)	(317,416)	228,095	(276,247)
Extraordinary item	-	-	-	-
Total governmental activities	<u>28,467,929</u>	<u>26,561,851</u>	<u>26,080,314</u>	<u>22,626,983</u>
Business-type activities				
Investment earnings	29,900	43,424	42,681	131,594
Miscellaneous	60,827	244,443	51,990	169,249
Transfers	482,954	317,416	(228,095)	276,247
Extraordinary item	-	-	-	-
Total business-type activities	<u>573,681</u>	<u>605,283</u>	<u>(133,424)</u>	<u>577,090</u>
Total primary government	<u>\$ 29,041,610</u>	<u>\$ 27,167,134</u>	<u>\$ 25,946,890</u>	<u>\$ 23,204,073</u>
<b>Change in Net Position</b>				
Governmental activities	\$ 3,377,535	\$ 2,843,523	\$ 5,586,064	\$ 2,090,536
Business-type activities	4,711,191	2,648,345	1,603,151	9,364,170
Total primary government	<u>\$ 8,088,726</u>	<u>\$ 5,491,868</u>	<u>\$ 7,189,215</u>	<u>\$ 11,454,706</u>

TABLE 2

<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>
\$ (24,971,671)	\$ (23,726,508)	\$ (22,832,337)	\$ (21,366,515)	\$ (19,585,251)	\$ (16,506,203)
3,384,239	4,663,154	5,786,839	7,373,362	2,945,816	3,090,504
<u>\$ (21,587,432)</u>	<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>
\$ 2,666,772	\$ 2,645,547	\$ 2,575,307	\$ 2,619,131	\$ 2,432,883	\$ 2,348,596
526,916	524,798	513,836	537,426	496,728	478,210
15,550,207	21,067,032	18,966,079	17,260,892	15,364,985	14,095,110
-	-	-	-	-	-
4,327,630	2,711,937	3,903,190	3,505,531	2,286,209	2,818,716
-	-	-	-	-	-
586,151	1,275,323	995,789	527,756	223,819	259,136
74,364	34,478	2,162	29,112	(44,172)	19,412
1,180,285	1,164,610	1,184,836	1,099,952	1,109,329	1,000,037
(836,484)	(410,194)	(40,825)	33,689	(143,766)	96,932
-	(312,238)	-	-	-	-
<u>24,075,841</u>	<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>
475,668	710,300	578,344	325,083	142,889	213,697
265,199	324,139	322,056	377,656	326,049	711,210
836,484	410,194	40,825	(33,689)	143,766	(96,932)
-	(580,000)	-	-	-	-
<u>1,577,351</u>	<u>864,633</u>	<u>941,225</u>	<u>669,050</u>	<u>612,704</u>	<u>827,975</u>
<u>\$ 25,653,192</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>
\$ (895,830)	\$ 4,974,785	\$ 5,268,037	\$ 4,246,974	\$ 2,140,764	\$ 4,609,946
4,961,590	5,527,787	6,728,064	8,042,412	3,558,520	3,918,479
<u>\$ 4,065,760</u>	<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>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009 (1)</u>
General Fund				
Nonspendable	\$ 48,152	\$ 46,848	\$ 45,131	\$ -
Restricted	576,264	752,667	613,308	-
Committed	1,767,446	1,084,266	1,309,907	-
Assigned	1,827,722	1,237,557	566,767	-
Unassigned	8,250,881	6,121,828	5,059,364	-
Reserved	-	-	-	1,113,476
Designated	-	-	-	-
Unreserved, undesignated	-	-	-	3,122,306
Total general fund	<u>\$ 12,470,465</u>	<u>\$ 9,243,166</u>	<u>\$ 7,594,477</u>	<u>\$ 4,235,782</u>
All Other Governmental Funds				
Nonspendable	\$ 1,701,268	\$ 1,717,902	\$ 1,627,403	\$ -
Restricted	3,532,230	3,596,540	3,526,938	-
Committed	4,623,943	4,680,635	3,553,070	-
Assigned	-	-	-	-
Unassigned (deficit)	-	(332,718)	(40,714)	-
Reserved	-	-	-	3,718,638
Unreserved, undesignated reported in:				
Special revenue funds	-	-	-	2,408,755
Permanent fund	-	-	-	99
Capital projects funds	-	-	-	791,579
Total all other governmental funds	<u>\$ 9,857,441</u>	<u>\$ 9,662,359</u>	<u>\$ 8,666,697</u>	<u>\$ 6,919,071</u>
Total governmental funds	<u>\$ 22,327,906</u>	<u>\$ 18,905,525</u>	<u>\$ 16,261,174</u>	<u>\$ 11,154,853</u>

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

TABLE 3

<u>2008 (1)</u>	<u>2007 (1)</u>	<u>2006 (1)</u>	<u>2005 (1)</u>	<u>2004 (1)</u>	<u>2003 (1)</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
720,530	1,195,477	2,355,431	843,588	370,547	335,338
1,000,000	-	-	-	-	-
<u>4,143,164</u>	<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>\$ 5,863,694</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>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
4,658,477	4,259,447	4,465,758	3,261,941	3,293,694	3,458,102
2,818,273	236,907	3,221,237	4,110,157	4,553,636	3,669,248
1,343	10,642	6,856	2,847	1,840	1,157
<u>807,513</u>	<u>826,099</u>	<u>815,547</u>	<u>767,872</u>	<u>530,660</u>	<u>414,919</u>
<u>\$ 8,285,606</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>\$ 14,149,300</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>

**CITY OF FINDLAY, OHIO**

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

	<b>2012</b>	<b>2011</b>	<b>2010</b>	<b>2009</b>
<b>Revenues</b>				
Municipal income taxes	\$ 21,563,110	\$ 20,456,073	\$ 18,562,751	\$ 14,623,811
Property and other taxes	2,773,713	2,792,147	3,239,792	3,146,983
Charges for services	2,891,751	2,385,372	2,374,123	2,632,388
Licenses and permits	319,236	326,626	321,919	394,060
Fines and forfeitures	1,321,720	1,189,206	1,369,185	1,132,362
Intergovernmental	6,654,320	8,918,043	7,701,147	9,424,101
Special assessments	208,357	9,023	24,223	36,385
Investment income	43,370	92,454	75,987	126,352
Increase (decrease) in fair market value of investments	20,690	(28,750)	(27)	(102,525)
Rental income	67,130	59,092	70,314	65,948
Contributions and donations	93,503	189,262	148,089	157,531
Reimbursements	959,217	478,830	618,016	469,885
Tax increment financing	71,284	70,551	61,735	45,943
Other	56,187	64,621	61,142	71,631
<b>Total revenues</b>	<b>37,043,588</b>	<b>37,002,550</b>	<b>34,628,396</b>	<b>32,224,855</b>
<b>Expenditures</b>				
Current:				
General government	8,985,945	7,563,146	6,147,014	6,800,513
Security of persons and property	14,918,793	15,311,232	14,743,482	14,430,340
Public health and welfare	1,947,627	2,085,575	1,727,315	1,674,041
Transportation	2,281,244	2,555,879	2,190,517	2,298,037
Leisure time activity	1,221,237	1,359,519	1,258,449	1,635,959
Other	-	-	-	-
Capital outlay	2,961,849	5,132,329	2,587,380	7,126,312
Debt service:				
Principal retirement	565,989	667,203	662,703	648,703
Interest and fiscal charges	424,971	411,064	416,260	417,799
Bond/note issuance costs	-	54,920	-	-
<b>Total expenditures</b>	<b>33,307,655</b>	<b>35,140,867</b>	<b>29,733,120</b>	<b>35,031,704</b>
Excess (deficiency) of revenues over (under) expenditures	3,735,933	1,861,683	4,895,276	(2,806,849)
<b>Other Financing Sources (Uses)</b>				
Transfers in	26,243,826	21,241,205	20,478,411	15,713,810
Transfers (out)	(26,726,780)	(21,558,621)	(20,250,316)	(15,990,057)
Payment to refunding bond escrow agent	-	-	-	-
Premium on notes/bonds	-	-	-	-
Capital lease financing	-	-	-	-
Sale of capital assets	928	159	11,787	11,394
Discount on bonds sold	-	-	-	-
Premium on notes sold	-	-	-	-
Bonds issued	211,000	1,036,011	-	-
OPWC loans issued	-	-	-	-
<b>Total other financing sources (uses)</b>	<b>(271,026)</b>	<b>718,754</b>	<b>239,882</b>	<b>(264,853)</b>
<b>Extraordinary item</b>				
Loss due to flood damage	-	-	-	-
<b>Total extraordinary items</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Net change in fund balances	3,464,907	2,580,437	5,135,158	(3,071,702)
Increase (decrease) in reserve for inventory	(45,186)	61,931	3,250	71,985
Increase (decrease) in prepaids	2,660	1,983	(32,087)	5,270
<b>Total change in fund balances</b>	<b>\$ 3,422,381</b>	<b>\$ 2,644,351</b>	<b>\$ 5,106,321</b>	<b>\$ (2,994,447)</b>
Capital expenditures	3,763,032	4,695,569	2,624,629	7,178,277
Debt service as a percentage of noncapital expenditures	3.35%	3.54%	3.98%	3.83%

TABLE 4

2008	2007	2006	2005	2004	2003
\$ 15,646,020	\$ 21,043,910	\$ 18,546,064	\$ 17,323,028	\$ 15,385,918	\$ 14,002,165
3,193,744	3,170,345	3,089,143	3,156,557	2,929,611	2,826,806
2,011,057	2,053,334	1,308,721	1,051,512	983,651	916,668
335,820	348,671	326,340	367,854	361,509	319,748
1,178,490	1,239,933	1,312,066	1,370,961	1,377,006	1,538,397
6,768,810	5,363,039	7,201,553	6,227,738	6,206,496	5,396,980
47,171	103,550	170,580	288,554	279,704	592,222
637,025	1,216,152	947,722	508,744	229,758	249,655
74,364	34,478	2,162	29,112	(44,172)	19,412
58,677	57,231	50,900	-	-	-
157,036	160,000	5,269	-	-	139,511
1,085,310	943,393	835,261	834,736	725,093	677,682
40,383	-	-	-	-	-
94,919	82,381	293,406	265,216	384,236	322,566
31,328,826	35,816,417	34,089,187	31,424,012	28,818,810	27,001,812
7,383,581	7,267,755	6,043,985	6,077,685	5,777,002	5,542,145
14,470,422	13,812,880	13,944,904	14,179,528	13,433,081	12,659,590
1,674,062	1,636,529	1,467,461	1,483,325	1,368,300	1,334,612
2,791,562	2,693,686	2,414,009	1,797,021	1,636,349	1,618,551
1,871,879	1,408,200	1,267,736	1,305,133	1,373,950	1,305,622
587	-	-	-	-	1,807
6,909,430	11,368,519	9,399,548	4,003,967	4,241,071	4,913,419
428,703	483,353	488,132	429,486	467,574	385,169
363,261	616,955	243,875	137,867	227,576	209,146
134,231	10,284	-	-	33,490	9,397
36,027,718	39,298,161	35,269,650	29,414,012	28,558,393	27,979,458
(4,698,892)	(3,481,744)	(1,180,463)	2,010,000	260,417	(977,646)
18,127,688	22,021,990	20,905,649	18,958,417	17,122,675	16,467,546
(18,964,172)	(22,432,184)	(20,946,474)	(19,324,728)	(17,266,441)	(16,370,614)
-	-	-	-	(2,477,100)	-
-	69,206	39,257	-	89,570	26,956
-	-	-	-	-	-
35,096	-	-	500	-	-
(46,937)	-	-	-	-	-
12,848	-	-	-	-	-
8,200,000	-	-	129,300	2,463,000	1,001,550
-	-	149,663	-	144,000	-
7,364,523	(340,988)	148,095	(236,511)	75,704	1,125,438
-	(192,824)	-	-	-	-
-	(192,824)	-	-	-	-
2,665,631	(4,015,556)	(1,032,368)	1,773,489	336,121	147,792
114,983	-	66,044	-	(3,353)	(9,484)
1,044	1,515	(40,396)	10,363	(2,336)	9,398
\$ 2,781,658	\$ (4,014,041)	\$ (1,006,720)	\$ 1,783,852	\$ 330,432	\$ 147,706
7,158,020	10,877,755	8,779,039	5,301,849	4,676,770	4,913,419
2.74%	3.87%	2.76%	2.35%	2.91%	2.58%

**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
2013	\$ 774,395,440	\$ 2,212,558,400	\$ 23,750,220	\$ 26,988,886	\$ -	\$ -
2012	775,349,320	2,215,283,771	22,262,350	25,298,125	-	-
2011 (2)	780,537,240	2,230,106,400	21,482,850	24,412,330	684,753	6,847,530
2010	808,518,430	2,310,052,657	20,949,860	23,806,659	1,332,890	13,328,900
2009	803,603,760	2,296,010,743	19,047,990	21,645,443	1,271,567	12,715,670
2008	793,505,110	2,267,157,457	17,749,490	20,169,875	39,237,296	234,252,513
2007	750,904,400	2,145,441,143	20,951,930	23,809,011	78,664,222	469,637,144
2006	731,113,130	2,088,894,657	20,830,810	23,671,375	110,179,715	440,718,860
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

**Source:** Hancock County, Ohio; Auditor

(1) Valuations are amounts for collection year.

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

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

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

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

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

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

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

For 2009, tangible personal personal property tax is assessed at 0.00% of property value, including inventory, except for telephone

tangible personal property which is assessed at 10% of property value, including inventory. In 2009, telephone tangible is the only taxable tangible personal property. The assessed value for telephone tangible personal property is provided by the Ohio Department of Taxation.

Beginning in 2012, tangible personal property, including telephone tangible, is no longer assessed.



TABLE 5

<b>Total</b>			
<b>Assessed Value</b>	<b>Estimated Actual Value</b>	<b>%</b>	<b>Total Direct Tax Rate</b>
\$ 798,145,660	\$ 2,239,547,286	35.64%	\$ 3.20
797,611,670	2,240,581,896	35.60%	3.20
802,704,843	2,261,366,260	35.50%	3.20
830,801,180	2,347,188,216	35.40%	3.20
823,923,317	2,330,371,856	35.36%	3.20
850,491,896	2,521,579,846	33.73%	3.20
850,520,552	2,638,887,298	32.23%	3.20
862,123,655	2,553,284,892	33.77%	3.20
887,482,704	2,668,485,944	33.26%	3.20
810,343,324	2,443,902,792	33.16%	3.20

**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>		
		2013	\$	3.20	\$	3.20	
		2012		3.20		3.20	
		2011		3.20		3.20	
		2010		3.20		3.20	
		2009		3.20		3.20	
		2008		3.20		3.20	
		2007		3.20		3.20	
		2006		3.20		3.20	
		2005		3.20		3.20	
		2004		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>		
2013	\$ 7.80	\$ 0.80	\$ 64.95	\$ 0.50	\$	77.25	
2012	7.80	0.80	64.95	0.50		77.25	
2011	7.80	0.80	64.99	0.50		77.29	
2010	7.80	0.80	64.18	-		75.98	
2009	7.80	0.80	60.75	-		72.55	
2008	7.80	0.80	60.75	-		72.55	
2007	7.30	0.80	60.75	-		72.05	
2006	7.30	0.80	58.25	-		69.55	
2005	5.40	0.80	58.25	-		67.65	
2004	5.40	0.80	53.35	-		62.75	

**Source:** Hancock County Auditor's Office

(1) Property tax rates are the rates for the respective years of collection.

TABLE 7

**CITY OF FINDLAY, OHIO**  
**PRINCIPAL TAXPAYERS**  
**REAL PROPERTY TAX**  
**CURRENT YEAR AND NINE YEARS AGO**

<b>December 31, 2012</b>			
<b>Taxpayer</b>	<b>Taxable Assessed Value</b>	<b>Rank</b>	<b>Percentage of Total City Taxable Assessed Value</b>
Marathon Petroleum	\$ 10,663,550	1	1.38%
BB Findlay Limited Partnership	7,100,100	2	0.92%
Ohio Logistics, Ltd.	5,818,540	3	0.75%
Findlay Shopping Center, Inc.	5,537,130	4	0.71%
Kohl's Department Stores, Inc.	4,336,950	5	0.56%
Hercules Tire & Rubber Company	3,791,040	6	0.49%
L P Investment Company	3,314,670	7	0.43%
Cooper Tire & Rubber Company	3,189,000	8	0.41%
Nissan Brake	2,224,470	9	0.29%
University of Findlay	1,668,290	10	0.22%
Total, Top Ten Principal Real Property Taxpayers	<u>\$ 47,643,740</u>		<u>6.16%</u>
<b>December 31, 2003</b>			
<b>Taxpayer</b>	<b>Taxable Assessed Value</b>	<b>Rank</b>	<b>Percentage of Total City Taxable Assessed Value</b>
Marathon/Ashland Petroleum	\$ 11,553,890	1	1.41%
Cooper Tire & Rubber Company	7,850,840	2	0.96%
Findlay Shopping Center, Inc.	5,830,950	3	0.71%
Logistics Solutions of Ohio	3,588,720	4	0.44%
BB Findlay Limited Partnership	2,768,650	5	0.34%
Owens Illinois/Brockway Plastics Company	2,511,150	6	0.31%
L P Investment Company	2,402,160	7	0.29%
Lowe's Home Centers	2,384,000	8	0.29%
Meijer Stores	2,196,220	9	0.27%
Hercules Tire & Rubber Company	2,069,850	10	0.25%
Total, Top Ten Principal Real Property Taxpayers	<u>\$ 43,156,430</u>		<u>5.27%</u>

**Source:** Hancock County Auditor

## CITY OF FINDLAY, OHIO

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

<b>December 31, 2012</b>			
<b>Taxpayer</b>	<b>Taxable Assessed Value</b>	<b>Rank</b>	<b>Percentage of Total City Taxable Assessed Value</b>
Ohio Power Company	\$ 19,175,108	1	86.13%
Columbia Gas of Ohio, Inc.	3,087,210	2	13.87%
Total, Top Two Principal Public Utility Taxpayers	<u>\$ 22,262,318</u>		<u>100.00%</u>
<b>December 31, 2003</b>			
<b>Taxpayer</b>	<b>Taxable Assessed Value</b>	<b>Rank</b>	<b>Percentage of Total City Taxable Assessed Value</b>
Ohio Power Company	\$ 12,459,320	1	60.17%
Ohio Bell Telephone	5,456,400	2	26.35%
Columbia Gas of Ohio	1,859,360	3	8.98%
Total, Top Three Principal Public Utility Taxpayers	<u>\$ 19,775,080</u>		<u>95.50%</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>
2012	\$ 2,549,913	\$ 130,417	\$ 2,680,330	\$ 2,450,275	96.09%
2011	2,563,396	140,192	2,703,588	2,480,803	96.78%
2010	2,664,729	153,142	2,817,871	2,568,129	96.37%
2009	2,643,718	135,937	2,779,655	2,528,591	95.65%
2008	2,609,348	118,447	2,727,795	2,504,861	96.00%
2007	2,467,139	111,912	2,579,051	2,177,218	88.25%
2006	2,398,800	107,212	2,506,012	2,329,710	97.12%
2005	2,358,522	97,574	2,456,096	2,288,109	97.01%
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%

**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>
\$ 71,494	\$ 2,521,769	94.08%
65,222	2,546,025	94.17%
91,616	2,659,745	94.39%
81,704	2,610,295	93.91%
81,704	2,586,565	94.82%
82,611	2,259,829	87.62%
64,333	2,394,043	95.53%
63,527	2,351,636	95.75%
79,183	2,126,070	94.59%
55,691	2,051,608	96.15%

**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>
2012	1.25%	\$ 22,044,345	\$ 17,850,224	80.97%	\$ 1,688,434
2011	1.25%	21,031,544	17,136,493	81.48%	1,429,072
2010	1.25%	18,577,553	15,385,539	82.82%	1,218,868
2009	1.00%	14,580,651	11,990,526	82.24%	949,912
2008	1.00%	15,685,704	12,988,959	82.81%	1,114,157
2007	1.00%	21,185,963	12,926,239	61.01%	6,748,538
2006	1.00%	18,542,994	12,266,198	66.15%	4,714,847
2005	1.00%	17,331,772	12,004,951	69.27%	3,865,817
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

**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>
7.66%	\$ 2,505,687	11.37%
6.79%	2,465,978	11.73%
6.56%	1,973,146	10.62%
6.51%	1,640,213	11.25%
7.10%	1,582,588	10.09%
31.85%	1,511,186	7.13%
25.43%	1,561,949	8.42%
22.30%	1,461,004	8.43%
15.88%	1,353,538	8.87%
12.92%	1,265,422	8.86%

**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>
2012	\$ 9,262,675	\$ 214,655	\$ -	\$ -	\$ 183,823	\$ 1,076,468
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

**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.

TABLE 11

<b>Business-Type Activities</b>							
<b>General Obligation 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>
\$ 7,110,000	\$ 23,217,697	\$ 672,918	\$ 41,738,236	\$1,083,004,065	3.85%	41,385	\$ 1,009
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

## CITY OF FINDLAY, OHIO

RATIOS OF GENERAL BONDED DEBT OUTSTANDING  
LAST TEN YEARS

<b>Year</b>	<b>General Obligation Bonds (1)</b>	<b>Special Assessment Bonds</b>	<b>Total</b>	<b>Percentage of Actual Taxable Value of Property</b>	<b>Per Capita</b>
2012	\$ 16,372,675	\$ 214,655	\$ 16,587,330	0.74%	\$ 401
2011	18,166,011	11,625	18,177,636	0.81%	441
2010	19,630,000	34,145	19,664,145	0.87%	477
2009	22,045,000	67,165	22,112,165	0.94%	543
2008	25,545,000	106,185	25,651,185	1.10%	631
2007	20,540,000	165,205	20,705,205	0.82%	511
2006	23,655,000	288,875	23,943,875	0.91%	593
2005	26,680,000	434,045	27,114,045	1.06%	676
2004	29,760,000	384,765	30,144,765	1.13%	751
2003	31,965,000	443,635	32,408,635	1.33%	812

**Note:** Details regarding the City's outstanding debt can be found in the notes to the financial statements.

**(1)** Includes both governmental activities and business-type activities general obligation bonds.

## CITY OF FINDLAY, OHIO

DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT  
AS OF DECEMBER 31, 2012

Governmental Unit	Debt Outstanding (2)	Estimated Percentage Applicable (1)	Estimated Share of Overlapping Debt
<b>Direct:</b>			
City of Findlay	\$ 10,737,621	100.00%	\$ 10,737,621
Total direct debt	10,737,621		10,737,621
<b>Overlapping debt:</b>			
Findlay City School District	51,312,135	90.99%	46,688,912
Liberty-Benton Local School District	1,721,027	10.09%	173,652
Van Buren Local School District	5,534,997	36.75%	2,034,111
Hancock County	8,242,000	50.10%	4,129,242
Total overlapping debt	66,810,159	50.74%	53,025,917
Total direct and overlapping debt	\$ 77,547,780		\$ 63,763,538

**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 2012.

(2) Includes all governmental activities long-term debt obligations including general obligation bonds, special assessment bonds, notes payable, capital leases payable, OPWC loans payable and the City's police and fire past service liability obligation.

## CITY OF FINDLAY, OHIO

LEGAL DEBT MARGIN INFORMATION  
LAST TEN YEARS

<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>
2012	\$ 83,805,294	\$ 16,372,675	\$ 54,524	\$ 67,487,143	19.54%
2011	83,749,225	18,166,011	25,904	65,609,118	21.69%
2010	84,284,009	19,630,000	118,776	64,772,785	23.29%
2009	87,234,124	22,045,000	69,337	65,258,461	25.27%
2008	86,511,948	25,545,000	78,008	61,044,956	29.53%
2007	85,144,308	2,765,000	160,697	82,540,005	3.25%
2006	89,304,658	23,655,000	199,170	65,848,828	26.49%
2005	90,522,984	3,440,000	193,624	87,276,608	3.80%
2004	93,185,684	29,760,000	181,545	63,607,229	31.94%
2003	85,086,049	31,965,000	257,291	53,378,340	37.57%

**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	
2012	41,385	\$ 1,083,004,065	\$ 26,169	6.1%	7.2%	8.1%	19.6163
2011	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

**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

## CITY OF FINDLAY, OHIO

PRINCIPAL EMPLOYERS  
CURRENT YEAR AND NINE YEARS AGO

<b>December 31, 2012</b>			
<b>Employer</b>	<b>Employees</b>	<b>Rank</b>	<b>Percentage of Total</b>
Cooper Tire & Rubber Company	2,055	1	17.80%
Whirlpool Corporation	2,015	2	17.45%
Marathon Petroleum	1,800	3	15.59%
Blanchard Valley Hospital	1,798	4	15.57%
Nissan Brake	758	5	6.57%
Findlay City Schools	744	6	6.44%
Lowe's Distribution Center	692	7	5.99%
Hancock County	583	8	5.05%
Wal-Mart Stores	559	9	4.84%
University of Findlay	541	10	4.69%
Total	<u>11,545</u>		<u>100.00%</u>

<b>December 31, 2003</b>			
<b>Employer</b>	<b>Employees</b>	<b>Rank</b>	<b>Percentage of Total</b>
Cooper Tire & Rubber Company	2,212	1	20.40%
Whirlpool Corporation	1,974	2	18.20%
Marathon/Ashland Petroleum	1,381	3	12.73%
Blanchard Valley Regional Health Center	1,300	4	11.99%
Findlay City Schools	800	5	7.38%
Findlex Corporation	746	6	6.88%
Kohl's Distribution Center	724	7	6.68%
Hancock County	605	8	5.58%
HiSan Corporation	563	9	5.19%
Lowe's Distribution Center	540	10	4.98%
Total	<u>10,845</u>		<u>100.00%</u>

**Source:** City Auditor's Office Contacted Businesses



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**CITY OF FINDLAY, OHIO**

**FULL-TIME-EQUIVALENT CITY GOVERNMENTAL EMPLOYEES BY FUNCTION/PROGRAM  
LAST TEN YEARS**

<b>Function/Program</b>	<b>2012</b>				<b>Annual FTE's (1)</b>	<b>2011</b>				<b>Annual FTE's (1)</b>
	<b>Full Time</b>	<b>Part Time</b>	<b>Seasonal</b>	<b>Total</b>		<b>Full Time</b>	<b>Part Time</b>	<b>Seasonal</b>	<b>Total</b>	
Electeds	5.00	11.00	-	16.00	16.00	5.00	11.00	-	16.00	16.00
Airport	5.00	-	-	5.00	4.50	5.00	-	-	5.00	4.50
Auditor	4.00	-	-	4.00	3.75	4.00	-	-	4.00	3.75
Building Maintenance	1.00	1.00	-	2.00	1.75	1.00	1.00	-	2.00	1.50
City Income Tax	2.00	1.00	-	3.00	2.75	3.00	1.00	-	4.00	3.00
Civil Service	1.00	3.00	-	4.00	2.00	1.00	3.00	-	4.00	2.00
Computer Services	3.00	-	-	3.00	3.00	3.00	-	-	3.00	3.00
Council	-	-	-	-	0.50	-	-	-	-	0.50
Dispatch Center	11.00	-	-	11.00	11.00	11.00	-	-	11.00	11.00
Engineering	7.00	-	-	7.00	9.00	10.00	-	-	10.00	9.50
Health	12.00	4.00	-	16.00	13.00	12.00	2.00	-	14.00	12.00
Human Resources	-	-	-	-	0.50	-	-	-	-	-
Law Director	5.00	-	-	5.00	4.50	5.00	-	-	5.00	4.50
Mayor	2.00	-	-	2.00	2.00	1.00	-	-	1.00	1.00
Municipal Court	14.00	7.00	-	21.00	17.75	17.00	5.00	-	22.00	16.00
NEAT	1.00	-	-	1.00	1.00	1.00	-	-	1.00	1.00
Parking	1.00	-	-	1.00	1.50	1.00	-	-	1.00	1.50
Pool	-	-	-	-	-	-	-	-	-	-
Recreation	5.00	-	24.00	29.00	9.75	5.00	-	25.00	30.00	9.50
Safety/Administrative Services	-	-	-	-	-	2.00	-	-	2.00	2.00
Service Director	1.00	-	-	1.00	1.00	1.00	-	-	1.00	1.00
WORC	1.00	-	-	1.00	1.00	-	-	-	-	1.00
Zoning	1.00	-	-	1.00	1.00	-	-	-	-	2.00
Fire Clerks	1.00	-	-	1.00	1.00	1.00	-	-	1.00	1.00
Fire Department Admin	1.00	-	-	1.00	1.00	1.00	-	-	1.00	1.00
Fire Department	68.00	-	-	68.00	64.75	69.00	-	-	69.00	67.00
Fire Department Total	70.00	-	-	70.00	66.75	71.00	-	-	71.00	69.00
Parks Maintenance	4.00	-	-	4.00	5.75	6.00	-	-	6.00	6.00
Cemetery	2.00	-	-	2.00	3.00	2.00	-	-	2.00	2.00
Streets	18.00	-	-	18.00	20.25	19.00	-	-	19.00	19.50
Traffic Lights	2.00	-	-	2.00	2.00	2.00	-	-	2.00	2.00
Public Works Total	26.00	-	-	26.00	31.00	29.00	-	-	29.00	29.50
Police Clerks	5.00	-	-	5.00	4.50	5.00	-	-	5.00	5.00
Police Administration	2.00	-	-	2.00	2.00	2.00	-	-	2.00	2.00
School Police	-	-	-	-	-	-	-	-	-	-
Police	58.00	-	-	58.00	61.50	63.00	-	-	63.00	62.00
Police Department Total	65.00	-	-	65.00	68.00	70.00	-	-	70.00	69.00
Sewer Maintenance	10.00	-	-	10.00	10.50	10.00	-	-	10.00	10.00
Stormwater Maintenance	2.00	-	-	2.00	2.00	2.00	-	-	2.00	2.00
Water Pollution Control	16.00	-	-	16.00	16.00	16.00	-	-	16.00	16.00
WPC Total	28.00	-	-	28.00	28.50	28.00	-	-	28.00	28.00
Supply Reservoir	1.00	-	-	1.00	1.00	1.00	-	-	1.00	1.00
Utility Billing	10.00	-	-	10.00	10.00	10.00	-	-	10.00	10.00
Water Distribution	13.00	-	-	13.00	13.00	13.00	-	-	13.00	13.00
Water Treatment	15.00	-	-	15.00	14.75	16.00	-	-	16.00	16.00
WPC Total	39.00	-	-	39.00	38.75	40.00	-	-	40.00	40.00
<b>Total</b>	<b>310.00</b>	<b>27.00</b>	<b>24.00</b>	<b>361.00</b>	<b>340.25</b>	<b>326.00</b>	<b>23.00</b>	<b>25.00</b>	<b>374.00</b>	<b>341.75</b>

**Source:** City of Findlay records

(1) Calculated using total base hours worked by each employee divided by full-time employment equivalent.

(2) Calculated using 1.0 for each full-time employee and 0.50 for each part-time and seasonal employee.

TABLE 17

(2)

<b>2010 Annual Average</b>	<b>2009 Annual Average</b>	<b>2008 Annual Average</b>	<b>2007 Annual Average</b>	<b>2006 Annual Average</b>	<b>2005 Annual Average</b>	<b>2004 Annual Average</b>	<b>2003 Annual Average</b>
16.00	16.00	16.00	16.00	16.00	16.00	16.00	16.00
5.00	5.00	5.00	5.00	5.00	5.00	5.00	6.00
4.00	4.00	4.00	4.00	4.00	5.00	4.00	4.00
1.00	1.00	3.00	3.00	1.00	1.00	2.00	2.00
3.50	3.50	4.00	5.00	5.00	5.00	5.00	4.00
2.50	4.00	4.00	4.00	4.00	4.00	4.00	4.00
4.00	3.00	4.00	3.00	3.00	3.00	4.00	4.00
-	1.00	1.00	1.00	1.00	1.00	1.00	1.00
11.00	10.00	11.00	11.00	10.00	11.00	9.00	10.00
9.00	10.00	14.00	12.00	13.00	14.00	12.00	12.00
13.00	12.50	14.00	14.00	14.00	13.00	13.00	13.00
-	-	-	-	-	-	-	-
5.00	5.00	5.00	5.00	5.00	5.00	5.00	4.00
1.00	1.00	1.00	1.00	1.00	2.00	3.00	2.00
25.00	20.00	19.00	15.00	15.00	16.00	14.00	16.00
1.00	1.00	1.00	1.00	1.00	1.00	-	-
1.00	1.00	1.00	1.00	2.00	2.00	1.00	2.00
10.00	10.00	12.00	9.00	10.00	13.00	12.00	11.00
6.50	16.50	15.00	12.50	10.00	6.50	10.50	9.50
2.00	2.00	2.00	2.00	2.00	2.00	2.00	1.00
1.00	1.00	1.00	1.00	-	2.00	1.00	2.00
1.00	1.00	-	-	-	-	-	-
2.00	2.00	2.00	2.00	1.00	1.00	2.00	3.00
1.00	1.00	2.00	2.00	1.00	1.00	1.00	1.00
1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
63.00	67.00	74.00	74.00	70.00	73.00	72.00	71.00
65.00	69.00	77.00	77.00	72.00	75.00	74.00	73.00
7.00	2.00	9.00	9.00	11.00	9.00	9.00	9.00
1.00	1.00	5.00	4.00	2.00	4.00	4.00	4.00
19.00	27.00	29.00	27.00	25.00	25.00	24.00	24.00
2.00	2.00	4.00	5.00	5.00	5.00	5.00	5.00
29.00	32.00	47.00	45.00	43.00	43.00	42.00	42.00
6.00	6.00	7.00	7.00	7.00	6.00	6.00	5.00
2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00
-	-	3.00	3.00	4.00	4.00	4.00	6.00
60.00	65.00	70.00	70.00	68.00	71.00	72.00	68.00
68.00	73.00	82.00	82.00	81.00	83.00	84.00	81.00
11.00	11.00	14.00	14.00	14.00	14.00	14.00	13.00
3.00	2.00	2.00	-	-	-	-	-
18.00	18.00	18.00	18.00	17.00	16.00	18.00	19.00
32.00	31.00	34.00	32.00	31.00	30.00	32.00	32.00
1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
10.00	10.00	10.00	9.00	8.00	10.00	9.00	9.00
13.00	13.00	14.00	14.00	14.00	14.00	14.00	15.00
16.00	16.00	17.00	18.00	18.00	19.00	20.00	19.00
40.00	40.00	42.00	42.00	41.00	44.00	44.00	44.00
358.50	375.50	421.00	405.50	391.00	403.50	401.50	398.50

**CITY OF FINDLAY, OHIO**

OPERATING INDICATORS BY FUNCTION/PROGRAM  
LAST TEN YEARS

<b>Function/Program</b>	<b>2012</b>	<b>2011</b>	<b>2010</b>	<b>2009</b>
<b>General Government</b>				
<b>Auditor's Office</b>				
Purchase orders issued	4,104	3,919	3,799	3,908
Checks issued	7,251	7,002	7,041	6,949
<b>Computer Services</b>				
Computers maintained	311	305	298	293
City website hits	429,456	464,078	428,718	433,619
<b>Cemetery</b>				
Number of internments	190	181	181	189
Graves sold	67	77	66	131
<b>Municipal Court</b>				
Cases filed	18,067	16,313	15,534	14,783
Arraignments	13,187	11,562	10,804	10,322
Jury trials	2	0	1	1
<b>Security of Persons and Property</b>				
<b>Police</b>				
Charges from arrests	2,131	1,979	1,855	1,887
Parking violations	3,980	3,714	3,483	4,242
Traffic violations	3,529	3,044	2,924	2,174
<b>Fire</b>				
Emergency responses/calls answered	2,043	2,049	1,843	1,556
Fires extinguished	120	112	125	133
Inspections conducted	356	353	446	562
<b>Public Health and Welfare</b>				
<b>Health Department</b>				
Food service licenses issued	403	383	409	393
Vaccinations given - Clinic	5,639	7,038	7,792	11,332
Births	1,248	1,088	1,074	1,162
Deaths	632	615	593	575
Plumbing inspection permits issued	363	356	433	263
<b>Zoning</b>				
New commercial permits issued	4	13	9	7
New residential permits issued	23	25	26	36
New industrial permits issued	0	0	0	0
Inspections conducted	1,440	1,172	518	587

TABLE 18

2008	2007	2006	2005	2004	2003
4,295	4,517	3,949	4,039	3,948	3,971
8,062	7,847	7,609	7,891	7,839	7,912
284	265	258	247	237	235
363,185	313,518	263,781	188,533	140,620	45,752
157	159	216	213	235	224
69	113	336	125	148	136
15,213	16,112	18,791	18,396	17,661	23,021
10,902	11,782	14,326	14,553	14,366	23,063
2	1	2	2	2	1
2,186	2,687	2,961	2,590	3,301	3,178
4,235	6,914	6,914	10,835	9,748	11,099
3,743	6,838	4,478	3,403	4,885	5,112
1,759	2,003	1,734	1,628	1,437	1,028
226	200	160	192	218	177
536	472	752	558	581	667
419	434	415	414	376	363
8,384	8,848	7,129	7,732	7,793	7,628
1,117	1,145	1,082	1,084	1,019	981
589	447	487	396	453	455
338	480	586	692	726	678
8	9	9	2	10	13
47	68	127	82	99	147
0	0	1	1	0	0
635	250	1,032	812	3,779	3,136

-- (Continued)

**CITY OF FINDLAY, OHIO**

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

<b>Function/Program</b>	<b>2012</b>	<b>2011</b>	<b>2010</b>	<b>2009</b>
<b>Transportation</b>				
<b>Street</b>				
Miles of street maintained	194.59	193.80	193.60	193.60
Pot holes repaired	115	253	128	168
Limbs removed	5	26	27	8
Visibility complaints received	5	10	19	8
Repairs to concrete	13	38	47	37
<b>Leisure Time Activities</b>				
<b>Shade Tree</b>				
Trees planted	240	100	60	160
Trees removed	155	708	250	128
<b>Utility Services</b>				
<b>Water</b>				
Number of Customers	17,474	17,399	18,974	17,273
New connections	82	80	79	66
Water main breaks	80	66	79	78
Avg. daily consumption (MGD)	6.0460	6.0760	6.0929	5.9905
<b>Water Pollution Control</b>				
Number of Customers	16,926	16,830	16,809	16,734
Sewer calls	76	115	83	92
Feet of sanitary sewer cleaned	301,222	194,685	191,278	250,800
Catch basin repair	14	78	61	109
<b>Airport</b>				
Fuel sales - Jet A (in gallons)	154,439	127,054	165,981	126,453
Fuel sales - Octane (in gallons)	27,139	24,505	21,959	25,179
Landing fees charged	183	133	182	85

**Source:** City of Findlay Department Directors

TABLE 18

2008	2007	2006	2005	2004	2003
193.60	193.07	192.85	189.24	188.05	182.63
135	160	76	151	199	N/A
118	141	53	232	253	N/A
20	22	11	11	19	N/A
38	26	65	84	79	N/A
240	125	132	155	188	182
230	200	265	260	266	256
17,486	17,377	17,313	17,201	16,954	16,670
107	145	234	271	275	242
73	77	69	89	71	74
6.2500	6.5920	6.0150	6.3825	6.0820	6.1000
15,557	14,545	14,645	14,496	14,318	14,141
103	132	111	106	100	100
155,699	83,433	153,872	170,817	173,954	173,954
112	79	78	78	99	99
146,335	210,151	249,610	243,063	246,298	231,357
23,943	24,619	27,251	31,906	26,737	27,939
124	127	181	173	2,684	2,905

**CITY OF FINDLAY, OHIO**

CAPITAL ASSET STATISTICS BY FUNCTION/PROGRAM  
LAST TEN YEARS

<b>Function/Program</b>	<b>2012</b>	<b>2011</b>	<b>2010</b>	<b>2009</b>	<b>2008</b>	<b>2007</b>
<b>Security of Persons and Property</b>						
<b>Police</b>						
Stations	1	1	1	1	1	1
Patrol units	20	31	39	39	44	45
<b>Fire</b>						
Fire stations	4	4	4	4	4	4
Fire trucks	15	18	18	19	19	18
<b>Transportation</b>						
<b>Street</b>						
Miles of street maintained	194.59	193.80	193.60	193.60	193.60	193.07
Traffic signals	81	94	94	95	96	95
<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	40	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)	307.25	307	306.2	306.2	306.12	302.19
Number of hydrants	2,383	2,379	2,363	2,357	2,354	2,333
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)	295.00	295.05	295.00	293.64	290.64	301.41
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>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>
1	1	1	1
44	42	43	44
4	4	4	4
17	16	16	14
192.85	189.24	188.05	182.63
94	94	93	85
19	19	19	19
37	37	37	37
25	25	25	25
1	1	1	1
1	1	1	1
289.2	285.19	288.36	285.19
2,279	2,180	2,142	2,052
6.4	6.4	6.4	6.4
1	1	1	1
299.64	276.71	279.03	276.71
1	1	1	1
2	2	2	2

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# Dave Yost • Auditor of State

**CITY OF FINDLAY**

**HANCOCK COUNTY**

**CLERK'S CERTIFICATION**

**This is a true and correct copy of the report which is required to be filed in the Office of the Auditor of State pursuant to Section 117.26, Revised Code, and which is filed in Columbus, Ohio.**

*Susan Babbitt*

**CLERK OF THE BUREAU**

**CERTIFIED  
AUGUST 1, 2013**